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SENATE—*Wednesday, May 29, 1974*

The Senate met at 11:15 a.m. and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, whose word declares, *Keep Thy heart with all diligence, for out of it are the issues of life.*—Proverbs 4: 23, give this Nation a quiet fervency in nourishing the things of the spirit. Cleanse our common life of all that corrupts or contaminates the inner being. Deliver us from all that is alien to Thy spirit—all rancor, all bitterness, resentment, and hatred. Give us grace that we may guard diligently the life of the soul. Make and keep our hearts a holy of holies—a sacred sanctuary where Thy spirit abides and guides all outer actions. May good lives flow from the hidden springs of love and hope, peace and joy, kindness and trust, that Thy spirit may rule the Nation as Thou dost rule in every heart.

We pray in His name who promised that the pure in heart shall see God. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 29, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, May 28, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NATIONAL AMERICAN INDIAN POLICY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 836.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 37) on national American Indian policy.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

Whereas it is recognized by the Congress that the American Indian stands in a unique legal, social, and economic relationship to the Federal Government which is based upon the Constitution, treaties, statutes, Executive orders, agreements, judicial decisions, and history; and

Whereas it is further recognized that this unique relationship is the basis for the Federal responsibility to protect lands, resources, and rights of the American Indians as well as to provide basic community services to American Indians residing on reservations and in other areas considered to be within the scope of the trust relationship; and

Whereas it is understood that as citizens of the United States and the communities in which they reside, American Indians are entitled to share and participate on the same basis as all other citizens in the full range of social and economic development programs authorized by Federal, State, and local units of government; and

Whereas the Federal Government is responsible for assuring that the aforementioned rights of American Indians are fulfilled and that eradication of adverse economic, education, health, and social conditions which prevent any American from achieving a life of decency and self-sufficiency is a priority national goal: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) our national Indian policy shall give full recognition to and be predicated upon the unique relationship that exists between this group of citizens and the Federal Government and that a Government-wide commitment shall derive from this relationship that will be designed to give Indians the freedom and encouragement to develop their individual, family, and community potential and to determine their own future to the maximum extent possible;

(2) this statement of national Indian policy replaces the policy set forth in House Concurrent Resolution 108, Eighty-third Congress (August 1, 1953);

(3) improving the quality and quantity of social and economic development efforts for Indian people and maximizing opportunities for Indian control and self-determination shall be a major goal of our national Indian policy;

(4) there should be a recognition of Federal responsibility to see that those Indians residing beyond the areas served by special Indian programs and services are given equal consideration with other citizens in the provision of services by other Federal, State, and local agencies;

(5) Indian property will be protected; Indian culture and identity will be respected; and Congress will commit and dedicate itself to support a policy of developing the necessary programs and services to bring Indians to a social and economic level of full participating citizens;

(6) the Office of Management and Budget should submit an annual report to the Congress showing combined expenditures made by all departments and agencies of the Federal Government for the social and economic betterment of Indians; and

(7) as used in this resolution the term "American Indian" or "Indian" shall include "Alaska Natives".

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DEATH OF STEWART ALSOP

Mr. MANSFIELD. Mr. President, while I was out of the country, I learned with great sorrow of the death of Stewart Alsop, one of the finest columnists in the Nation, a man of independent judgment, a man of accuracy, and a man who I think made his profession look exceedingly good.

There is not much one can say about this man who knew death before it reached him, but I ask unanimous consent to have printed in the RECORD a commentary which appeared in Newsweek under date of June 3, 1974, under the byline of Mel Elfin.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Stewart Alsop, 1914–1974

A dying man needs to die, as a sleepy man needs to sleep, and there comes a time when it is wrong, as well as useless, to resist.—Stewart Alsop, "Stay of Execution"

There seemed, for so long, no limit to Stew Alsop's will to resist. All through a debilitating, wasting illness, Stew lived so gracefully, so courageously and so productively that sometimes it was hard to believe him a man under sentence of early death. This week, however, 34 months after that summer day when he climbed to the top of a small trash pile at his country home and found himself "gasping like a fish on a beach," Alsop's stay of execution was abrogated. At 60, in a hospital bed at the National Institutes of Health in Washington, he finally succumbed to a by-product of a mysterious leukemia that his doctors could neither adequately diagnose nor treat.

For more than five years, Stew Alsop filled this page with reportage and commentary that was insightful, influential, often brilliant and almost always the envy of those of us in Washington journalism who lacked both his contacts and his clarity of thought. To Stew, the tight little world of political Washington was "The Center" (a title he used for a 1968 best seller on the Capital) and after a quarter century in this city as editor, reporter and columnist, he knew, was respected by and had access to almost every major figure of our era.

Henry Kissinger, on a diplomatic mission to Moscow in 1972, took along Stew's medical records so that they could be analyzed by Soviet doctors. And during his first stay at NIH, Richard Nixon himself called to ask the question that has echoed around "The Center" for more than two years: "How's Stew?"

The answer, until a final erosive siege at the hospital, was that Stew was doing very well, indeed. Whatever toll it may have taken physically, Stew's illness seemed to enhance his already great professional talents. His final columns, notably those on Watergate and the Presidency, pecked out in an office that had almost the entire city of Washington for an appropriate backdrop, were among the most remarkable of his career. Out of a pair of columns on his puzzling illness (which Stew was initially reluctant to run because "nobody would be interested") grew his last book, "Stay of Execution," a memoir, clinical report and poetic essay on approaching death.

Even when rumpled in thought over his typewriter, laughing in a basso-profundo voice at the latest political joke or padding about the Newsweek bureau in an ancient pair of bedroom slippers, Stew projected an aristrocratic mien. His erect bearing combined with a wonderfully ruddy complexion to make him look as if he had always just come in from grouse-shooting on the moors.

With Roosevelts (including two Presidents) as kin on his mother's side and a distinguished lineage stretching back seven generations almost to the Mayflower on his father's, Stew was the very model of the Connecticut Yankee gentleman. Raised in a sprawling white-clapboard farmhouse in Avon, a beautiful New England village near Hartford, Stew received the very model of a Connecticut gentleman's education—first Groton, where his head was stuffed with English literature, English history and English manners, then Yale, class of '36.

Stew rarely raised his voice or lowered his guard in public. He was respectful of his elders, gracious with his colleagues, considerate of children, loyal to friends, and at all times manifested a pre-liberation attitude of courtesy toward women. Even when his body was corroded with pain, Stew would struggle to his feet when a woman entered the room.

Like other members of the Wasp elite (whose decline he viewed with the same clinical detachment as he did his own approaching death), Stew took a semischolarly interest in his forebears. Yet far from being afflicted with a "Mayflower complex," Stew was amused that, along with the poets and politicians, his ancestors included a murderer and an indentured servant and that the family name probably was derived from "ale shop."

In his own generation, Stew remained steadfastly loyal to the family and family name (he was privately annoyed when anyone persisted in mispronouncing it "Al-sop" instead of "All-sop"). He deeply loved his sister and two brothers and although he could argue politics long into the night with Joseph, four years his senior, Stew would vigorously defend him outside the family circle. So satisfying did he find the "sense of being a part of a continuum" that he had six children of his own and often said he would have liked to have had more.

It was the family connection that drew Stew into journalism in the first place. After four years of war service with the British Army in Africa and later with the OSS (in 1944 he parachuted behind German lines in France), during which he won several medals and a beautiful British bride, Patricia Hankey, Stew accepted what he felt was brother Joe's "eccentric invitation" to join him in producing his syndicated column. In 1958, Stew left Joe to become national-affairs editor and later Washington editor of The Saturday Evening Post. Then, in July 1968, he joined Newsweek as a Washington columnist.

As a stylist, Stew favored the simple declarative sentences he learned at Groton. But he gave to the political lexicon such memorable phrases as "hawks and doves," "egghead," "Irish Mafia," "eyeball to eyeball" and "Masada complex," description of Israeli foreign policy that drew the personal, albeit grandmotherly, wrath of Golda Meir upon him at a Blair House luncheon last year.

As did many journalists of his generation, Stew started out with vaguely New Deal sympathies but moved progressively back toward the political middle as he grew older. Personally, he was closely attuned to sophisticated politicians like Nelson Rockefeller and John Kennedy; still, he long harbored a grudging admiration for Richard Nixon as one of the shrewdest operators of his time—until Watergate.

To the end, Stew considered himself a reporter and a pundit second. He abhorred writing columns on the basis of cerebration alone, and nothing frustrated him more about his illness than the long, enforced absence from "The Center" of which he was such a vital part.

As he had vowed he would, Stew Alsop did not go gentle into the night. The way he died kept faith with the way he had lived—proudly, fully, wisely, lovingly. He did us honor by having been our friend.

SENATOR MANSFIELD'S MEETING WITH THE PRESIDENT OF FRANCE

Mr. MANSFIELD. Mr. President, on yesterday, the distinguished Republican leader had the following to say about my meeting with the President-elect of France, Valery Giscard d'Estaing:

> I think this is a good time to note that with very few exceptions, the majority and minority in Congress are pretty much of one mind regarding the foreign policy of the United States.
>
> As to Europe, the views of the distinguished majority leader are well known concerning the withdrawal of forces, which represents a position further than that which I would take. But on the broad questions of cooperation with France, with the Common Market, with our allies and associates, and on the broad questions of détente with the Socialist countries of Europe, we are pretty generally in agreement.
>
> Whether I am engaged in a conversation with the President of Romania, Mr. Ceausescu, or Senator Mansfield is engaged in a conversation with the President of France, I think the country can feel entirely safe in the understanding that neither of us would seek to create unnecessarily any problems in the course of the administration of our foreign policy.
>
> I think this is a very good thing. It does not apply to many countries. In many countries, if a member of the majority were to talk to foreign leaders outside of his country or if members of a minority were to do so, there would be widespread concern as to whether those issues would be carried back within the country and become bitterly fought contentions, leading to confrontations and dissentions. This is not true in our country.

Later the distinguished acting majority leader (Mr. Robert C. Byrd) said:

> Mr. President, I share the viewpoint that has been expressed so eloquently and ably by the distinguished Republican leader. I know that Mr. Mansfield will be most appreciative of the minority leader's comments, and I also wish to express my gratitude.

I am most appreciative of the Republican leader's and the acting majority leader's comments, and I would like to add to what he said by making a brief statement this morning.

Mr. President, on Saturday morning last, I had a 50-minute visit with President Valery Giscard d'Estaing in his office in the French Ministry of Economics and Finance. In paying my respects and in extending President Nixon's best wishes, I found him warm, friendly, intelligent, and independent. On behalf of the joint leadership of the Congress I formally and personally invited him to address a joint session of the Congress when he paid an official visit to the United States. The joint leadership was delighted when told of his acceptance of the invitation. He is a man who is aware of the problems which confront the Fifth French Republic and is committed to the national sovereignty of his country and favorably inclined to a European entity to go along with it.

He is an acknowledged expert in the field of economics and finance and he brings to his high office the faith of his countrymen to chart an up-to-date future in accord with the times. He faces some difficult problems having to do with inflation and the balance of payments, difficulties brought about, in part, by the oil embargo and the subsequent price increases.

He has an excellent relationship with Chancellor Helmut Schmidt of the Federal Republic of West Germany, and I would hazard the guess that, on the basis of their intimate associations down through the years, that they will work very closely together not only for the betterment of their respective countries, but for a stronger and more stable Europe.

The French people, the entire Western World, will look with high hopes to the results which the President of France will achieve in the 7 years of his term. He will, I am sure, show qualities of both statecraft and political skill which will place him in the forefront of the democratic chiefs of state of the West. His style will be more open, as witnessed in his walk to his inauguration, the attendance by all present at the Elysee Palace in business suits and with the guard of honor being composed of troops from the tank regiment in which he served so well in World War II.

He brings a new generation into France's political life and he has the opportunity to be a President of magnitude, an outstanding leader, and a beacon to greatness. He has just announced the appointment of his Cabinet and it, too, I believe, represents well the Fifth Republic, is younger in years than its predecessors, and will give to France the broad vision and the prestige so necessary in these troubled times in the Western World.

I would anticipate that the President will be innovative, imaginative, and inspirational in his thinking and in his leadership. That France has problems no one will deny, but we can be sure that these problems will be faced up to and solutions sought for the purpose of creating a better future for all Frenchmen.

As far as French-American relationships are concerned, they will continue to be good and will get better with the passage of time. After all, there has been a special feeling between our two countries going back 200 years to the period of our Revolution.

I might state, incidentally, that there were more French troops at Yorktown in the Continental Army than Americans; that behind the Franco-American force, primarily in Yorktown, was the French fleet off the Virginia capes, and behind them the treasury of the French kingdom at that time; and because of this factor we can never forget the impetus, the assistance, the help which France gave us at a time when we were trying to achieve our own independence, and perhaps in subsequent years caused France to pay a pretty high price herself.

In my opinion, a potentially great leader has come upon the scene at the right time, in the right country, and in the right place. Mr. President, I ask unanimous consent to insert in the Record at this point a news story carried in today's New York Times under the byline of Flora Lewis, which lists the cabinet appointments of President Valery Giscard d'Estaing.

There being no objection, the article was ordered to be printed in the Record, as follows:

Giscard Presents Cabinet of Nonpolitical Specialists

(By Flora Lewis)

Paris, May 28.—Valley Giscard d'Estaing, who was inaugurated as President of France yesterday, today announced the new cabinet, a younger, technically more qualified government team.

The most surprising aspect was the number of nonpolitical appointments. There were four ministers from the career civil service or professional life, including the key ministers of foreign affairs and finance.

Jean Sauvagnargues, the ambassador to West Germany, was named Foreign Minister, an appointment that came as a surprise. He is a career diplomat with a reputation for technical competence and no particular point of view, beyond a life-long specialization in German affairs.

FRIENDLY TO THE U.S.

Fellow ambassadors in Bonn, interviewed by telephone, said he was friendly to America and had on occasion sent dispatches to Paris urging a "more reasoned approach to the United States."

The Finance Minister is Jean-Pierre Fourcade, who worked for a number of years with Mr. Giscard d'Estaing, when he was Minister of France.

Mr. Fourcade re-enters government after a stint in the banking world, where he headed several companies of which the most important was the Bank for Industrial and Commercial Credit.

During one period of government service, he was in charge of price controls. Inflation is one of the urgent problems facing the new Government.

GISCARD TO GO ON TV

Ostensibly, the Cabinet is responsible for the new Premier, Jacques Chirac, who was named yesterday. But the President's predominant role in choosing the group was underscored by an announcement that he would explain the selections on television tomorrow.

Only three ministers, including Mr. Chirac, remained from the previous government and there were 12 new faces, most of them relatively unknown. One former ministerial secretary, Christian Bonnet, was promoted to the Cabinet as Minister of Agriculture.

Even among the 12 with political affiliations, many are known more for their administrative or technical qualifications than for their political careers.

The number of Gaullists has been cut in half, from ten to five. The only holdover, besides Mr. Chirac, is the former Defense Minister, Robert Galley, who now heads the Ministry of Equipment and Regional development.

THREE NEW GAULLISTS

The new Gaullist ministers are: Jacques Souffiet, a flier who holds the Distinguished Flying Cross of the United States, at Defense; André Jarrot, a former motorcycle champion, at Quality of Life, the new name for what had been called the Ministry of Environment and Cultural Affairs; and Vincent Ansquer, a former businessman and planning specialist on economic planning, at Commerce and Craft Industries.

The cabinet choices made no special bow to the Gaullist party's dominant role in the National Assembly. They strengthened speculation that fragmentation of the party was one of the President's political priorities.

On the other hand, the small reformist party, which had been in opposition under the late President Georges Pompidou, was given four ministries.

The most important, Justice, went to Jean Lecanuet, who had supported Mr. Giscard d'Estaing, from the outset of the campaign. His co-leader and sometime rival, Jean-Jacques Servan-Schreiber, was made Minister of Reforms, a new ministry to reform administration at the regional and local levels, which Mr. Servan-Schreiber has long advocated.

He is the successful publisher of the news weekly L'Express and, after long hesitation, came out in support of Mr. Giscard d'Estaing toward the end of the campaign.

Pierre Abelin, a close associate of Mr. Lecanuet, was given the portfolio of Development Aid. The Ministry of Labor, which may be a crucial post if there is economic unrest, went to Michel Durafour, a reformist who is better known by the name of Pierre Jardin, the pseudonym he uses as the author of detective stories.

President Giscard d'Estaing gave three ministries to his own Independent Republican party. He made clear that the most important member of the new government would be his longtime associate and closest political friend, Michael Poniatowski, the Ministry of Interior.

It was announced that he, not the Premier, would report on the first meeting of the Cabinet tomorrow. He was also the only other politician present when the President and Polmier Chirac completed the Cabinet list today.

Michael d'Ornano, the Mayor of Deauville and the party's secretary, at the Ministry of Industry, and Mr. Bonnet, at Agriculture, were the two other Independent Republicans on the new team.

Following is the list of the new Cabinet:

Premier—Jacques Chirac, Gaullist.

Minister of State and Interior Minister—Michel Poniatowski, Independent Republican.

Justice—Jean Lecanuet, centrist reformer.

Defense—Jacques Soufflet, Gaullist.

Reform—Jean-Jacques Servan-Schreiber, centrist reformer.

Foreign Minister—Jean Sauvagnargues, ambassador.

Economy and Finance—Jean-Pierre Fourcade, civil servant.

Education—René Haby, civil servant.

Development Aid—Pierre Abelin, centrist reformer.

Equipment and Regional Development—Robert Galley, Gaullist.

Agriculture—Christian Bonnet, Independent Republican.

Minister for the Quality of Life—André Jarrot, Gaullist.

Health—Mrs. Simone Veil, lawyer.

Industry—Michel d'Ornano, Independent Republican.

Commerce and Craft Industry—Vincent Ansquer, Gaullist.

Labor—Michel Durafour, centrist reformer.

Mr. HUGH SCOTT. Mr. President, I am most grateful to the distinguished majority leader for his having taken note of what was said yesterday. It will be my honor and privilege to continue that sort of relationship and that bipartisan dedication to the maintenance of a high level in our foreign policy considerations so that other nations may be sure where we stand and what we stand for.

STEWART ALSOP

Mr. HUGH SCOTT. Mr. President, in the loss of Stewart Alsop we have been deprived of a friend, but truth also has lost a friend. Here was a man who adhered to no ideology because that sort of foolish consistency would have deprived him of his unerring targeting in logic, and with logic and reason of the facts put together would establish a thesis worth the consideration of his readers, and he did his work superbly.

He was a great journalist; he was a great human being; he was a good man to know; and an excellent man to listen to.

I recall that the late Mr. Justice Oliver Wendell Holmes, who was not deprived of his full years upon this Earth, said in his last public address, "This tweeks my ear and says, 'Not yet.'" For some 30 months Stewart Alsop had death at his ear and tweeking his ear and saying, "Not yet."

He lived with this knowledge, and he lived within the shadow of the dark angel, and he was not obscured by the shadow He walked in the sunlight; he walked courageously, gallantly, and bravely. We are all immensely proud to have shared a friendship with Stewart.

Mr. President, I ask unanimous consent that an article about Stewart Alsop written by Kenneth Crawford in Monday's Washington Post be inserted at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

STEWART ALSOP, NOTED AUTHOR, EDITOR, AND COLUMNIST, DIES

(By Kenneth Crawford)

Stewart Alsop, who died yesterday at 60, had been one of the most respected members of the Washington press corps for the past quarter-century.

His interpretations of national and international affairs were original, distinctive and unpredictable. None of the categorical labels fastened upon most of his contemporaries—"liberal," "conservative," "internationalist," "isolationist," "hawk" or "dove'—ever quite fitted him.

Following his discharge from the armed services in 1945, Mr. Alsop joined his brother, Joseph, and together they wrote a widely syndicated Washington column entitled "Matter of Fact." Their collaboration endured for 13 years, producing in addition to their newspaper columns many magazine articles, several journalistic prizes and frequent full-length articles. The partnership was dissolved in 1958 and Joseph alone carried on the column.

Preferring magazine writing to newspaper syndication, Stewart joined the Saturday Evening Post as national affairs editor. Later he became the Post's Washington editor, contributing a one-page commentary for every issue and frequent full-length articles.

He joined Newsweek six months before The Saturday Evening Post suspended publication in 1968. His page soon became one of Newsweek's most read and quoted features.

Mr. Alsop thought of himself as a reporter, primarily. His writing was never rewriting from previously published materials. The continuity of his access to leaders and insiders, through Republican and Democratic administrations alike, was uninterrupted. He was liked even by those who disliked what he wrote. By his own account, he outraged conservatives and liberals by turn and felt that this was his function as an analytical reporter.

He traveled extensively both in this country and abroad, interviewing at one time or another most of the great decision-makers of his time.

In the 1972 presidential campaign, he maintained communication with all the candidates and with such influential noncandidates as Sen. Edward Kennedy and Henry Kissinger. In the preconvention months, he sampled conditions and opinion in urban ghettos and even in the havens of draft dodgers and deserters in Canada. He also reported on travels to Britain, France, Egypt, Israel, Czechoslovakia and Vietnam.

An article he once wrote about President John F. Kennedy's thinking in a crisis situation had the benefit of editing by the President himself. From President Franklin D. Roosevelt his distant blood relation, through President Richard Nixon, Mr. Alsop enjoyed more or less friendly relations with the White House. However, politicians at one point accused the Alsop brothers of peddling "gloom and doom."

Although he eschewed literary pretensions, he was an inventive writer and phrasemaker. He was first to use such shortcut political descriptive terms as "hawk and dove," "egghead," "Irish Mafia" and "eyeball-to-eyeball." He was effective with the spare prose required by journalistic space limitations.

Mr. Alsop was born on the 640-acre Alsop family tobacco and dairy farm at Avon, Conn., the third of four children, the eldest Joseph, the Washington columnist, the second Corinne now Mrs. Percy Chubb of Chester, N.J., and the youngest John, of Avon, Conn., an insurance executive and unsuccessful Republican candidate for governor of Connecticut in 1962.

Asthmatic as a child, Stewart was tutored by his mother and by Agnes Guthrie, a Scottish governess who was a fixture in the Alsop household for more than 50 years, until he was nine years old. He then attended Kingswood School in Hartford until ready for Groton, where he spent five years preparing for Yale.

In later years, Mr. Alsop recalled his "sentence" at Groton ruefully but gratefully. He said it had been perfect training for his later stint in the British army. It accustomed him, he explained, to a barracks-room atmosphere, strict discipline and bad food. Like his brother, Joseph, before him he was an editor of "The Grotonian," a school publication. He and Joseph later twitted their brother, John, for becoming editor-in-chief, which they said, was like being a collaborator in a prison camp.

Yale for Stewart represented a break with family traditions, which designated Harvard as the inevitable college choice. Both his brothers followed the footsteps of forebears several generations back to the Harvard Yard.

Mr. Alsop's career at Yale was relatively uneventful until his senior year, when he won a literary prize—$110 awarded in $10 bills. A party he gave to celebrate this achievement and to divest himself of some of the prize money was raided by campus police, who might have been placated by Mr. Alsop's explanations except that one of his exuberant guests walloped one of the guardians of campus tranquility.

Called in by the dean, Mr. Alsop confessed his responsibility for the party and asked whether he was to be "expulsed." As Mr. Alsop recalled the conversation years later, the dean exploded. "Expulsed? What kind of usage is that for the winner of a literary prize? You are expelled—e-x-p-e-l-l-e-d." Yale relented, however, after reviewing Mr. Alsop's academic record and graduated him with his class in 1936.

He then joined his cousin, Theodore Roosevelt III, son of President Theodore Roosevelt and brother of Alice Roosevelt Longworth, at Doubleday, working as a book editor. But in 1941, with the war coming on, Mr. Alsop enlisted in the Navy, where he served one day before medical examiners decided that his asthma disqualified him. Later drafted, he was told that asthma and high blood pressure would make him acceptable for limited service only.

He then decided to try the British army and made application at the Washington Embassy. He confessed that he had been rejected by American services. After looking over his credentials, the British officers who interviewed him asked: "Can you see properly?" Mr. Alsop said he could and that was enough. He shipped out from Halifax with a contingent of fellow recruits early in 1942 for in the 60th King's Royal Rifle Corps. After a period of training, he was commissioned a lieutenant and given command of a machine gun platoon.

He saw action in North Africa and Italy, winning a British Mention in Dispatches for distinguished service. Then, armed with a chit from his cousin Theodore, at that time a general in the Army, he flew to Algiers with the intention of transferring to American service. There, he was told that the Army had no field openings at the moment except for Methodist chaplains and veterinarians. Being neither of these, he reported back to the British.

They shifted him to the Strategic Air Service, where he was trained as a paratrooper. By that time, the American O.S.S., Gen. William Donovan's cloak-and-dagger service, was looking for French-speaking soldiers to maintain liaison with the Maquis in France. Mr. Alsop was parachuted into France late in 1944 and operated with a French underground unit behind German lines for three months, winning a Croix de Guerre with palm and a citation signed by Gen. Charles de Gaulle.

On one of his last missions for the O.S.S., he guided a truck transport to an American supply depot in the field to pick up gasoline and other necessities for his Maquis band on Royan Island. Reporting to an American officer, he clicked his heels, snapped a British palm-forward salute and announced: "Lieutenant (pronounced leftenant) Alsop reporting, sir." Unaccustomed to his American uniform, Mr. Alsop was wearing his rifleman's badge upside down and his lieutenant's bars wrong way to.

The supply officer was some time being convinced that Mr. Alsop was not one of the German commandos rumored to be masquerading in American uniforms bent on the assassination of Gen. Dwight D. Eisenhower.

Between his service in Italy and in France, Mr. Alsop had married Patricia Hankey, daughter of a British naval officer, whom he had met at a party for British servicemen at Allerton Castle, the seat of Lord Mowbray and Stourton, premier baron of the realm. It almost didn't happen. When Mr. Alsop, who had been invited to Allerton along with several regimental comrades, introduced himself, his host muttered: "Good God. You sound like an American. We have a rule here: no motor cars, no Americans."

But the rule was broken and Miss Hankey was there. She was at the time, unbeknownst to Mr. Alsop, an employee of the British Special Operations Executive, the agency that conducted secret warfare in France in cooperation with the O.S.S. and the Maquis.

Returning from the war, Mr. Alsop decided upon a career in journalism after first considering the Foreign Service.

His book, "The Center," published by Harper and Row, was a national bestseller. Before that he was coauthor with Thomas Braden, a comrade-in-arms both in the 60th and the O.S.S., now a Washington columnist on "Sub Rosa," an account of clandestine operations in the war, and coauthor with his brother, Joseph, of "We Accuse" and "The Reporter's Trade," the latter a compilation of their newspaper columns.

His last book was "Stay of Execution," a moving and fascinating account of the strange illness that struck him down.

One of Mr. Alsop's most popular articles for the Saturday Evening Post was a wry examination of the Alsop-Roosevelt family tree, inspired by the family portraits that surrounded him in his boyhood. His maternal grandmother was a sister of President Theodore Roosevelt. President James Monroe also graced the Roosevelt genealogy. Mr. Alsop called the Roosevelts, who were rich in eccentrics as well as notables, his "gaudier ancestors."

The Alsop side included a member of the Continental Congress but he lost his chance for immortality by refusing to sign the Declaration of Independence. Indeed, he sat out the Revolutionary War.

Generally, Mr. Alsop wrote, his paternal ancestors were prosperous but relatively undistinguished. They established themselves in Middletown, Conn., when it was the state's leading port and largest city. The rum trade, a major source of income to the city and to five generations of Alsops, lost out when ships got too big to navigate the Connecticut River Narrows.

The original family house is now the art gallery of Wesleyan University. The Alsop farm at Avon is 20 miles from Middletown and nine miles from Hartford.

Mr. Alsop's father dismissed many members of the Roosevelt family, ancestral and contemporary, as "crazy jacks." But he admired Theodore, whom he joined in the Bull Moose breakaway from the Republican Party in 1912. He was not so sure that Franklin D. Roosevelt didn't belong in the crazy-jack category and chided his sons in Washington for their approval of F.D.R.

The senior Alsop served in both branches of the Connecticut legislature and aspired to the governorship but the 1912 defection stood in his way. In private life, he was president of a large insurance company as well as his own farm manager.

In his Post article, Mr. Alsop devoted some attention to an ancestor who murdered a Harvard professor to whom he owed money. The professor was stuffed into a furnace where false teeth resistant to fire provided the corpus delecti. The author said the dining room furniture he still used had been handed down by the murderer, for whom it was elaborately carved in the Canary Islands.

In addition to his wife, of the home, 3520 Springland La. NW, and his two brothers and his sister, Mr. Alsop is survived by six children.

They are Joseph Wright Alsop (the sixth bearer of that name), of Los Angeles, Ian Alsop and Elizabeth Mahony, both of New York City, Stewart J. O. Alsop, a student at Occidental College in Los Angeles, and Richard Nicholas and Andrew Christian Alsop, both living at home and attending Sheridan School in Washington.

In a statement President Nixon praised Mr. Alsop for "vigorous independence of mind, a dedicated and fearless pursuit of the truth, an uncommon devotion to the nation's welfare and a consistency that on all matters—no matter how controversial—that good will and decency should prevail."

In mourning Mr. Alsop's death as a "sad loss," the President cited the courage that was "the hallmark of his final struggle against death," and said his writings will remain a journalistic standard for years.

Services will be held at 10:30 a.m. Wednesday at St. John's Episcopal Church at Lafayette Square in Washington. Mr. Alsop will be buried in Indian Hill Cemetery in Middletown, Conn.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the distinguished majority leader desire further recognition under his order?

Mr. MANSFIELD. No; I do not, Mr. President.

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, the Chair recognizes the distinguished senior Senator from Wisconsin (Mr. PROXMIRE) for not to exceed 15 minutes.

WHAT'S RIGHT WITH THE FEDERAL GOVERNMENT: THE GROWING RESPONSIVENESS OF FEDERAL DISASTER RELIEF PROGRAMS

Mr. PROXMIRE. Mr. President, today in these "What is right with our Federal Government" speeches, I will discuss Federal programs to help those Americans who have suffered from natural disasters.

TRENDS IN INCIDENCE OF DISASTERS AND INCREASES IN COSTS

The needs of America have been great in this area. During the last 20 years, there have been nearly 420 major disasters. The Federal Government has greatly—and I mean greatly—increased its assistance to disaster-stricken Americans.

Over the past 20 years, disasters have struck on the average of 20 per year, but there have been as few as 7 and as high as 48 per year during that period. Presidentially declared disasters have increased during the past decade. From 1953 to 1962, there were 141 disasters so designated. From 1963 to 1972, the number skyrocketed to 222.

When I came to the Senate in 1957, total Federal disaster aid was about $110 million. This meant that the victims of disaster were left to sink or swim, and thousands of them sank, with serious loss to the economy as well as the tragic personal loss involved.

There has been a nearly 25-fold increase in Federal disaster aid over the past 17 years, most of which is repayable with interest.

I think we should reflect on that figure—a 25-fold increase; 25 times as much aid to disaster victims now as 17 short years ago.

In response to the 16 major disasters of 1957, the Small Business Administration and the Farmers Home Administration assisted some 30,000 individuals and small businesses. In 1973, in response to 46 major disasters, those agencies made nearly 350,000 loans—an increase of over 1,100 percent.

In 1957, the Office of Emergency Planning, the agency then administering relief programs during Presidentially declared disasters, provided approximately $13 million. By 1973, the Federal Disaster Assistance Administration was providing over $173 million, an increase of over 1,300 percent.

During those years, we have also seen a 14-fold increase in funds obligated for the repair of damaged Federal aid highways. 1957 saw $9.5 million obligated for this purpose, compared with the 1973 figure of over $134 million.

From 1957 to 1973, the Army Corps of Engineers has increased aid 10 times from $8 million to over $80 million for flood emergency preparation, rescue operations, and restoration activities.

Since 1969, the number of people assisted by donated food commodities and free food coupons has increased from 62,000 to well over 980,000 in 1973—more than 15 times the number of recipients.

As a critic of wasteful Government spending, I do not throw my hat into the air in joy over any increase in Federal spending, no matter how meritorious. And I do regret the necessity for the increase even in this spending.

But the mitigating facts are impressive, too: first, a significant portion of the funds are repayable, interest-bearing loans—for example, in 1973, over 80 percent of Federal disaster aid was in the form of loans; second, the devastated economy is rebuilt to the benefit of all Americans; and third, the persons assisted have suffered losses through no fault of their own and receive a benefit that only partially compensates for their loss.

EVOLUTION OF FEDERAL POLICY

But Federal aid has not always been so effective.

We have all experienced, to varying degrees, the ability of people to extend themselves to those with whom they have shared a common tribulation, or beyond personal experience, to empathize with those who have been victimized by a capricious act of nature. Since the early settlement of our Nation, Americans have looked for solace and assistance in the event of a natural disaster to their neighbors, and gradually to local and State governments. In relatively recent times, a national policy has developed whereby Federal disaster assistance is a major supplement to State and local efforts.

Our experience also tells us that people are most responsive to those in need at the time of an actual catastrophe rather than in the planning of a response to a hypothetical disaster. And for many years, this human impulse was reflected in the Federal role in disaster aid. Relief came in response to specific disasters, but no comprehensive program was considered.

Specific Federal, State, and local roles were fuzzily defined at best, and each jurisdiction turned to the others to bear the brunt of the expense and effort. This lack of a distinct policy for so many years reminds me of a verse by Douglas Malloch, a late 19th century poet-journalist—1877–1938—who was from my neighboring State of Michigan. It comes from his poem, appropriately entitled "Uncle Sam's River":

> The River belong to the Nation,
>   The levee, they say to the State;
> The Government runs navigation,
>   The Commonwealth, though, pays the freight.
>
> Now, here is the problem that's heavy—
>   Please, which is the right or the wrong—
> When the water runs over the levee,
>   To whom does the river belong?

For many years of our history, the question was debated: To whom does the responsibility belong? To some degree, it is still a question raised as disaster legislation continues to evolve. But "Uncle Sam" has over the years assumed a greater and greater share of that responsibility. Starting in 1803, Congress voted to assist victims of a fire in Portsmouth, N.H., by providing for an extension of time to customhouse bondholders. From that date until 1950, Congress responded nearly 130 times with case by case legislation directing that special steps be taken by Federal agencies to meet the needs of disaster-stricken communities.

Congress and its individual Members have expressed deep personal concern over the years for disaster victims, and during the 1830's a local disaster was recalled by Representative David Crockett of Alamo fame:

> Several years ago I was one evening standing on the steps of the Capitol with some other members of Congress, when our attention was attracted by a great light over in Georgetown. It was evidently a large fire. We jumped into a hack and drove over as fast as we could. In spite of all that could be done, many houses were burned and many families made homeless, and besides, some of them had lost all but the clothes they had on. The weather was very cold, and when I saw so many women and children suffering, I felt that something ought to be done for them. The next morning a bill was introduced appropriating $20,000 for their relief. We put aside all other business and

rushed it through as soon as it could be done.

Yet, as much as this story indicates the congressional concern for disaster victims, it also illustrates the long debate on the Federal role in providing assistance. The point Crockett later made in telling this story was that he felt the action Congress had taken was unconstitutional. He concluded,

> The people have delegated to Congress, by the Constitution, the power to do certain things. To do these it is authorized to collect and pay moneys, and for nothing else.

Undoubtedly, Crockett must have voted for the aid during the period he served as a Democrat—1827-31—and decided it was unconstitutional when he was a Whig—1833-35.

DEVELOPMENT OF LEGISLATION OVER THE PAST 25 YEARS

In spite of such objections, the Federal role in disaster relief has assumed major proportions over the past 25 years. In 1949, Congress passed Public Law 81-38 which authorized emergency loans to farmers and ranchers who were victims of a production disaster. The Farmers Home Administration was the agency authorized in that year to make emergency loans to cover crop losses and repair or restore production equipment and buildings. This represented the first assumption of permanent responsibility for disaster assistance to individuals by the Federal Government.

The first general Federal disaster relief program was born in 1950, with the enactment of Public Law 81-875. This landmark legislation provided authority for emergency actions upon determination by the President that a major disaster had occurred. Upon request of the Governors of stricken States, the following actions could be taken with Federal assistance: first, distribution of food and medicine; second, emergency protective works; third, debris removal; and fourth, emergency repair or temporary replacement of public facilities. Although various authorities were subsequently added to Public Law 81-875, such as the Disaster Relief Act of 1966 (Public Law 89-769) it remained the basic Federal disaster relief program for nearly 20 years. It was a good start, but although it could provide on the scene action and deal with public facilities, it had a major deficiency. It could not help the individual property owner with his personal long-term recovery problems.

The 1949 Act—Public Law 81-38—assisted individual farmers and ranchers. In 1953, the Small Business Adminstration was given similar authority under the Small Business Act—Public Law 83-183—for individual homeowners and small businesses.

Thus, prior to 1960, we had a Federal disaster relief program the components of which provided the basis for present programs. But these early programs did not have sufficient depth and breadth of economic impact to meet the demands placed upon them. Disaster relief was still considered to be a State and local responsibility. Federal programs were considered to be supplementary. When extraordinary disasters occurred and the burden was too great on local entities, Congress responded with specific additional aid. This occurred 3 times in 1964-65: The Alaskan earthquake, the Pacific Northwest floods, and Hurricane Betsy.

The 1964 Alaskan earthquake, with an estimated half billion dollars in damages, was of such severity as to raise concerns that led to a turning point in Federal participation in disaster aid. One such concern was that many victims of that catastrophe could not qualify for an SBA disaster loan because of the level of their old debts and mortgages. SBA liberalized its policy to allow home and business owners to borrow amounts sufficient to retire old debts and to repair damages caused by the earthquake. Additional time was allowed for repayment and the victim's financial load was lightened.

After Hurricane Betsy's destruction, estimated at over $1.4 billion, Congress responded by enacting the Southeast Hurricane Disaster Relief Act of 1965—Public Law 89-339. This act included provisions for forgiveness of portions of SBA and FHA loans, the subject of one of the most controversial debates in recent years with regard to Federal disaster relief programs.

In 1969, Hurricane Camille struck, causing over $1.4 billion damage and 258 deaths, the most serious U.S. disaster up to that time. Congress once again reacted quickly with the Disaster Relief Act of 1969—Public Law 91-79—which made several temporary expansions of the Federal disaster relief program. Its provisions included forgiveness of up to $1,800 on SBA and FHA loans; unemployment payments; and distribution of food stamps and grants for State disaster planning.

The following year, Congress followed up with some even more extensive provisions in the Disaster Relief Act of 1970—Public Law 91-606. This comprehensive act replaced all general disaster to date, and incorporated most of the 1950, 1966, and 1969 provisions. It made the 1969 temporary provisions permanent and added several new provisions to benefit both the public and private sectors. These new provisions included loan forgiveness of up to $2,500; grants for permanent repair or replacement of public facilities; loans to major employment sources; and grants to local governments to cover loss of property tax revenue.

With the enactment of the Disaster Relief Act of 1970—Public Law 91-606, the country now had what seemed to be a comprehensive, well designed package of disaster relief programs. Disaster relief was still declared to be a State and local responsibility, but this legislation offered a sufficiently generous national program to assure that local entities would be able to recover from a disaster of major proportions.

Under Public Law 91-606, programs were coordinated by the Office of Emergency Preparedness which was authorized to set up on the scene offices which came into effect upon Presidential declaration of a major disaster. For disasters of lesser scope, many programs still function under their own statutory authorities.

The Committee on Public Works has reported that the comprehensive Disaster Relief Act of 1970 has been more frequently and extensively applied during the 3 years of its existence than any similar previous legislation. During that time period, there have been 111 Presidentially declared disasters in 41 States. In 1973 alone, 31 States containing approximately one-fourth of all U.S. counties, experienced 46 major disasters which brought Federal assistance to more than 75,000 families. With such a comprehensive program, Congress originally felt that an adequate machinery had been set into motion, and that Congress would need only to offer oversight and occasional refinement. But at that time, Congress had no way of foreseeing the arrival of that tempestuous lady—Agnes—and the terrible Rapid City, S. Dak., flood.

Agnes was a lady with expensive tastes. She ran up a bill of over $3 billion. In her wake she left 130 people dead, deposited 28 trillion gallons on 10 Eastern States, left 5,000 square miles covered with water, flooded hundreds of cities and towns, destroyed or damaged tens of thousands of homes and businesses, leaving 400,000 homeless and 100,000 out of jobs. In short, she was the most destructive storm in recorded U.S. history. In the face of such extraordinary magnitude of damage, it seemed apparent that some sort of increased aid would be necessary.

Once again, Congress gallantly tried to pick up her bills by increasing appropriations and adopting certain amendments. Public Law 92-209 was one such amendment which gave assistance for remedying damage done to privately owned medical facilities. But Congress principal action was to liberalize the disaster loan programs to individual property owners. Public Law 92-385 increased the forgiveness provision for Farmers Home Administration and Small Business Administration loans to $5,000 and decreased the interest rates. Since SBA and FHA loans are primary Federal aids—they comprised about 80 percent of all Federal disaster aid in 1973—this was the most generous means of providing additional help.

In the interest of equity, these provisions were made applicable to all disaster victims. Prior to Public Law 92-385, forgiveness provisions had only been made available to victims of Presidentially declared disasters. This act also provided coverage to private educational institutions.

The President, in response to Agnes, signed a $1.6 billion relief bill, the largest single appropriation of its kind in U.S. history.

Congressional and Executive response to Agnes illustrates a quirk of human nature that is reflected in the evolution of Federal disaster aid programs. In the wake of human suffering and amidst the wreckage of the storm, our response is generous—we never feel at such times that our response is generous enough. But in retrospect, we see things in a differing light. I am reminded of Lord Chesterton's verse on an early disaster victim's glib view of his situation.

> And Noah, he often said to his wife when

> he sat down to dine, I don't care where the water goes if it doesn't get into the wine.

The administration's reaction to Agnes in retrospect was just as cool. It was OK if the money flowed, if it did not get into the national deficit. When the pressure of Agnes' destruction was off, to many the initial Federal response seemed like a giveaway of Federal dollars.

Loans for Agnes' damage were considerable in and of themselves, but added to this were other previous disasters retroactively covered by Public Law 92–385, as well as subsequent disasters. The administration balked at the huge bill these loans and forgivenesses were rolling up. Its reaction came in three ways: First, a shutdown of the Farmers Home Administration emergency loan program; second, proposed legislation for compulsory flood insurance; and third, proposed legislation to greatly reduce the Federal role in disaster relief.

The shutdown of the Farmers Home Administration emergency loan program occurred in December 1972. Congress responded with Public Law 93–24 requiring continuation of FHA loan programs, but in order to get Presidential approval, it also deleted forgiveness and low interest provisions for both FHA and SBA loan programs. A week later, Congress tried in S. 1672 to reestablish forgiveness, but that bill was vetoed.

The second of the administration's reactions to the large bill it footed in the wake of Agnes was expressed in proposed legislation. It introduced a bill to expand and make compulsory the national flood insurance program. This program had been enacted in 1968 following a study which had been called for by Congress after Hurricane Betsy in 1965. Under the program, homeowners can get subsidized flood insurance from private agents which is subsidized about 90 percent by the Federal Government. In order for an individual to buy a policy, his community must first join the program and adopt certain controls on flood plain development.

Thus, there were two important consequences of this program—it provided substantial aid to flood victims without the aura of the previous "giveaways" of forgiveness loans, and at the same time provided for future flood losses by encouraging flood plain management. At the time of Agnes, the program was still a small one. Less than one-half of 1 percent of damage from Agnes was covered by it. Wilkes-Barre was in the program but only two policies had been sold. The administration proposed to make the program compulsory by denying Federal or federally assisted or insured loans for construction or improvement of flood plain property unless the community was participating in the program and insurance was purchased.

The 93d Congress agreed with the administration and passed the proposal as Public Law 93–234—the Flood Disaster Protection Act of 1973. This act increased insurance for single family residences from $17,500 to $35,000. Coverage for business structures and multiple family dwellings increased from $30,000 to $100,000. For the first time, insurance protection covered losses due to erosion and undermining of shorelines.

It will be a few years before insurance covers the majority of flood losses and many years before land-use controls decrease those losses, but this is landmark legislation which offers great promise for the future. Federal subsidy of the program will still require considerable funding, but the "taint" of a "giveaway" has been removed. Because flooding accounts for a major share of disaster losses, the Flood Disaster Protection Act of 1973 will have significant effects in the future.

The third administration reaction to the high cost of disaster relief was in the form of proposed legislation which would have consolidated Federal disaster relief programs in the Department of Housing and Urban Development, and shifted much of the responsibility for disaster relief to the States, reducing several Federal programs. The proposal came in the form of a review of the Federal disaster relief program which Congress had called for after Agnes. The administration had already taken administrative steps in the spirit of its proposal by shifting presidential disaster relief responsibilities from the Office of Emergency Preparedness to HUD. Within that agency was created the Federal Disaster Assistance Administration by authority of Executive Reorganization No. 1 of 1973.

The Public Works Committee in the Senate put considerable effort into reviewing this proposal and considering other possible modifications of the Disaster Relief Act of 1970. As you know, one of my concerns with Government has been with its ability to assess the quality, efficiency and responsiveness of its own actions. My distinguished colleague from North Dakota (Mr. BURDICK) has done outstanding work in accounting for the Federal Government's stewardship in this area. As chairman of the Subcommittee on Disaster Relief, he conducted a 9-month inquiry on the adequacy, cost and effectiveness of past Federal assistance. Over 300 witnesses testified at hearings which produced nearly 3,000 pages of testimony. Guided by this and the experiences of the past few years, the committee drafted a clean bill, S. 3062.

This bill retains the basic structure of the 1970 Act but makes several modifications. One significant modification which was adopted from the administration proposal was to make grants to the States which in turn would make grants to disaster victims requiring additional assistance. This should have the effect of taking away the need for forgiveness and low interest provisions for loans—which have been the political ping pong balls of disaster relief programs.

When tornadoes hit in April of this year, the bill was quickly reported and passed by the Senate. The House passed the conference report on May 15 and the bill was sent to the White House on May 16. I look forward to this bill's enactment. We have developed a sound program with the modifications which reflect the terrible experiences of the extraordinary catastrophes of the past 2 years. We are equipped to provide help to victims of natural disasters in the future.

THE ROLE OF FEDERAL AGENCIES IN DISASTER RELIEF

I have concentrated my remarks so far on the role of Congress and the legislation it has developed to meet the critical needs of disaster victims. I would be remiss if I did not give special acknowledgement to the Federal agencies who by virtue of statutes pertinent to their specific jurisdiction, as well as by their participation in administering comprehensive Federal legislation, have been active participants in providing disaster relief.

The Reconstruction Finance Corporation was the first Federal agency authorized to make loans to the private sector for repairing damage and reducing hardships imposed by natural disasters. Disaster loans were first authorized in 1933, and by the time the RFC's loan program was terminated 20 years later, it, together with its sister agency, the Disaster Loan Corporation, had made over 30,000 loans totaling nearly $70 million.

In tracing the legislative history of disaster relief, I have referred to the tremendous roles which the Small Business Administration and the Farmers Home Administration have played in ministering to the needs of hundreds of thousands of individuals and businesses stricken by disasters recognized by the President. Just to provide an example of the scope of action taken by one of these agencies, the Small Business Administration during the year in which Agnes occurred processed 125,000 loans for $955 million.

The assistance continued beyond these figures into 1973. The Federal Government has had some of its finest hours in meeting these urgent needs. Thomas S. Kleppe, a former Representative, currently Administrator of SBA, in a letter to the President, following Agnes, expressed the problems faced by his agency and the solutions they developed as follows:

> First, where were we going to get qualified personnel right now, this instant? Second, how many emergency offices should be established and where should they be located in order to reach Agnes victims as quickly and efficiently as possible? Third, since Agnes deluged nearly one-third of the United States and victimized thousands upon thousands of people, how could we improve our organization, planning and management to speed up our loan processing procedures and our check delivery system?
>
> By staggering work shifts round the clock, our management team came up with the right answers to these questions. We literally stripped our field offices of valuable personnel. Loan officers, managers, public information specialists, attorneys, technicians, and professional appraisers totaling 1,400 in number were assigned to disaster duty as we set up 81 emergency offices while, in most instances, flood waters were still running in the streets. Never before have I seen such eagerness on the part of our people to be helpful in the throes of a great crisis!

At this time, there are more than 50 Federal agencies, bureaus and offices which participate in disaster relief programs in some fashion. All Cabinet departments are involved in domestic disaster relief, except the State Department, which, of course, is significantly involved in international disaster relief.

I should like to mention just a few

examples of the kinds of assistance which have been available from Federal agencies under those agencies' statutory authority when the disasters have not been of such proportion to warrent a Presidential designation.

The Department of Health, Education, and Welfare provides assistance to State and local public welfare agencies and to State vocational rehabilitation agencies. HEW's Public Health Service assists with emergency health and sanitation measures. The Food and Drug Administration helps State and local governments in effecting public health control by decontaminating or condemning spoiled foods and drugs. The Office of Education gives financial assistance for repair of disaster struck elementary and secondary schools.

The Department of Defense provides emergency assistance to prevent or reduce personal injury, property loss and hardship when local resources are inadequate to do so. The Corps of Engineers may assist in flood-fighting and rescue operations and to protect federally constructed flood-control works damaged or threatened by flood.

The Federal Highway Administration of the Department of Transportation may restore roads and bridges in the Federal-aid system. The Coast Guard provides search, rescue and evacuation of victims of disasters. It also provides transportation of supplies and equipment.

Agencies of the Department of Commerce, specifically the National Weather Service, National Oceanic and Atmospheric Administration have forecast and warning capabilities for disastrous occurrences.

The Administration of the Small Business Administration can declare a disaster loan area. In such events, SBA is authorized to provide both direct and bank-participation disaster loans to individuals and to businesses.

The Secretary of Agriculture may declare a natural disaster, giving the Farmers Home Administration authority to make emergency loans to farmers, ranchers, and oyster planters. The Food and Nutrition Service can provide food stocks, and feed grains may be sold at or below the support price.

The Federal Disaster Assistance Administration of HUD monitors and coordinates Federal responses to disaster situations.

At this hime, I would like to pay tribute to an organization which has worked hand in hand with the Federal Government and which has answered the needs of disaster victims superbly for nearly a hundred years. I refer, of course, to the Red Cross, whose experience in the disaster relief filed dates from the Michigan forest fires of 1881. The organization's role was formalized by an act of Congress in 1905, directing the Red Cross to continue and carry on a system of national and international disaster relief and prevention as one part of its corporate responsibilities. Over the years, the Red Cross has been repeatedly recognized by all branches of the Federal Government as the Nation's official instrument for bringing voluntary aid to disaster victims.

Other private organizations which deserve recognition for their outstanding work are the Salvation Army and the Mennonite Disaster Services. Like the Red Cross, they provide such vital services to disaster victims as distributing medicine, food, supplies, and providing other basic emergency assistance.

Together with the Federal Government, such agencies have responded to human suffering with a depth of human compassion and a height of human effort reflective of our Nation's finest traditions and aspirations. There is a great deal "right" with the Federal Government in its desire and ability to lend a helping hand to those whose lives nature has brutally and suddenly disrupted through no fault of their own. We are "right" to spend these few moments recognizing that our sometimes cumbersome machinery of government, when jolted by an earthquake or washed by a flood can perform beyond our expectations.

Mr. President, in summary, I think that all of us should be aware that the Federal Government is a better neighbor than it has ever been before in the sense in which we have worked in terms of helping people and in times of natural disasters. The Federal Government has greatly expanded its assistance to people over the past several years to such a degree that it is much more important now.

No American is likely to be destroyed and have his property devastated or his family destroyed, and have his capacity to earn a living ended by a natural disaster.

We are very proud of our Nation and of the steps that it has taken. This is expensive. It is a very expensive organization, costing billions of dollars. All of us are aware that these billions of dollars will very largely be paid—not entirely by any means, but with interest. This is to help the victims and to help society, because to permit large segments of our economy to be devastated would result in a great loss to all of us.

Mr. Prsident, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, notwithstanding the unanimous-consent agreement, which becomes effective at 12 o'clock noon, I ask unanimous consent that the order be changed so that the time may be equally divided between the majority and minority leaders or their designees.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I will yield the time under my control to the distinguished senior Senator from Virginia (Mr. HARRY F. BYRD, JR.); and I assume that the distinguished Republican leader will yield his time to some other Senator, so that the time will be equally divided.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will please call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that time granted to the Senator from West Virginia (Mr. ROBERT C. BYRD) and the Senator from Montana, now speaking, be vitiated.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, there will be a period for the transaction of routine morning business of not to extend beyond the hour of 12 o'clock noon, and with speeches by Senators limited to 3 minutes each.

Is there morning business to be transacted?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will please call the roll.

The legislative clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. GOLDWATER. Are we still on morning business?

The ACTING PRESIDENT pro tempore. We are in the period allotted to the transaction of routine morning business.

THE PRESIDENT IS ABLE TO NEGOTIATE

Mr. GOLDWATER. Mr. President, I am dismayed and disappointed at a number of reports which I have seen and heard to the effect that President Nixon ought not travel to the Soviet Union next month. The nub of the argument is that the President cannot negotiate important agreements with Soviet leaders, because he will be dealing from a weakened position at home.

May I say at the outset that such observations are a slander against the President of the United States. Such arguments impute to the President unworthy motives. They suggest that the President would put his personal interests above national interests in delicate negotiations with our Nation's primary adversary.

I suggest just the opposite. The only thing which could possibly weaken the

President's negotiating position is the recurrent sniping and carping which appears to be aimed less at the President's foreign policy than it is at attempting to weaken him in the eyes of his fellow citizens. Let us not fool ourselves; sowing mistrust for a number of commentators who do not exactly have Richard Nixon's political future uppermost in their minds.

I will remind those commentators, and a number of my colleagues as well, that I have yet to see this President subordinate the national interest. He could have taken the easy road out of Vietnam. He could have cut and run and become a national hero to those who favored the course of surrender. But he did not. In every major decision, he followed the course which was in the interest of international peace and stability. He followed the course which would make America's commitment a firm reality instead of a hollow rhetorical promise.

Four years ago, the President made a courageous decision to protect American lives by ordering a temporary military incursion into Cambodia. The uproar was instantaneous. If the President had wished to act in his personal interests, he would not have made that difficult decision. But he acted in the national interest and took the heat.

Two years ago, he made another difficult decision. He boldly ended years of indecisive military action by mining the harbor of Haiphong and accelerating the bombing of a belligerent and recalcitrant enemy. He thought that he could not strike good bargains with the Soviet leaders.

Again, the President proved correct. He made a decision in the national interest. He pushed forward the end of the Vietnam conflict, and he traveled to Russia and did not give away bargaining chips. Yet, had we listened to the critics and prophets of doom, the President might not have made the important breakthroughs that he did.

Finally, let me point out that in December of 1972, the President made a lonely decision—one which caused people to question his sanity and brought nearly universal opprobrium. When he began the bombing of Hanoi, he practically invited abusive personal attacks. Yet, again, he made a decision without regard to personal consequences. He had only one goal in mind: the overriding requirements of the national interest—to end the war and bring home our men with a true peace.

These are not the acts of a man who deals from political expedience or temporary partisan advantage. These are the acts of a statesman who knows that he must take the long view. And in each one of these decisions, the President did not bargain away our foreign policy for his own personal aggrandizement.

This is why I submit this plea today. Let us not knock down the President on the very eve of these important negotiations. Let us act in a spirit of national bipartisanship and back him with our prayers and support instead of undercutting him with questionable attacks. Let us, for once, rise above the spurious attachment of low motives.

I have known this President long enough and well enough to be confident that he is not going to give away anything. I know that he is going to deal toughly and doggedly as he has on every major foreign policy question which has demanded his attention. Those who believe otherwise and who make contrary public pronouncements are deceiving the American public and, most tragically, themselves.

The ACTING PRESIDENT pro tempore. Is there further morning business?

MANIFESTO OF FREEDOM

Mr. JAVITS. Mr. President, I wish to note for the Record what I consider to be a historic manifesto, the author of which is my own brother.

There follows herewith an eloquent declaration of policy for our system which can realize the best in life for the men and women of our country and indeed for men and women everywhere. It represents the views of my brother, Benjamin A. Javits, who passed away just a year ago on May 18, 1973, for many years a distinguished lawyer, author, and economist and is almost apocalyptic in its view of the future. This manifesto and the great body of thought and writing which preceded it inspired me and I believe has the capacity for inspiring the men and women of the Congress and the men and women who will succeed us for generations. I hope very much that as many as possible will read it and will transmit it to their friends and constituents who may find it of profound interest, too. I have appended hereto also the distinguished list of colleagues who joined with my brother in this manifesto, first published in 1961, as well as the list of published works of my brother.

Mr. President, this is a document of such inspiration and hope for the men and women of our country and the men and women of Congress that I ask unanimous consent that it be printed in the Record as a part of my remarks.

There being no objection, the manifesto was ordered to be printed in the Record, as follows:

We, the Free Peoples of the World, endowed with love of liberty, respect for the inalienable rights of man, and devotion to the Divine Spirit, requiring a new Manifesto of Freedom for Mankind, believe: The threat of human extinction by war can only be overcome by all uniting to achieve the Purposes of Peace. The Purposes of Peace are to release all mankind from ignorance, poverty, disease and insecurity, so that life, liberty, the protection of personal property, and the pursuit of happiness shall be mankind's heritage. The Purposes of Peace, thus clarified, can now for the first time, because of man's moral, material and scientific advancements, be realized by universal consecration to these twin commandments: No longer shall man or the State exploit man. All men together shall exploit the machine only. The State shall be man's, not man the State's. All men shall be owners, not owned. To these economic, political, and social commandments, we dedicate all of our moral, material, human and scientific resources, both public and private. We shall do this together with peoples everywhere. We shall do this with our enemies as quickly as they accept these commandments. We are not the enemy of any peoples, nor do we believe any peoples are our enemies. Despotic state leaders may tell them so, but just as we do not believe their leaders, so they may not. We seek all peoples economic liberation from whence shall come their political freedom. We condemn those and their remedy who impose political bondage in order to cure economic and social ills. We shall everywhere reduce the walls between the governing and the governed by bringing to all a true share in the processes of government. We shall everywhere reduce the walls between the owner of property and the toiler in plant and field by bringing to all a fair share in the creation and enjoyment of its profits. We shall translate the potentials of mass production into the blessing of mass consumption. We shall expand wealth vastly through peoples capitalism until consumer capitalism is achieved. We shall expand personal profits into social profits. All may not be equally rich, but none shall be poor. We seek that those at the top shall lift upward those at the bottom rather than that those at the bottom pull downward those at the top. We seek to uproot all political, religious, social and traditional barriers yet remaining, born of fear, prejudice or ignorance, halting man's political and economic emancipation. With a common cause, a common purpose, we seek togetherness for peace. This is our Testament as Free Peoples. This is our Decalogue as Leaders. This is our Gospel as Nations. To these, the Purposes of Peace, we pledge our lives, our fortunes, and our sacred honor, lest mankind perish from this earth.

(This Manifesto has been prepared by Benjamin A. Javits and edited by Distinguished Citizens both here and abroad.)

We endorse this Manifesto and commend it to the American people.

Vance Hartke, E. L. Bartlett, Thurston B. Morton, Daniel K. Inouye, Ken Keating, Philip A. Hart, Gale W. McGee, Everett M. Dirksen, Birch Bayh, Hugh Scott, Quentin N. Burdick, J. Glenn Beall, John G. Tower, Peter H. Dominick, and Jacob K. Javits.

William Proxmire, Karl E. Mundt, Claiborne Pell, Wayne Morse, Mike Monroney, Jennings Randolph, Ernest Gruening, Frank E. Moss, John O. Pastore, Leverett Saltonstall, J. Caleb Boggs, Milward L. Simpson, Milton R. Young, Thomas H. Kuchel, and Frank Church.

Hubert H. Humphrey, Roman L. Hruska, Olin D. Johnston, Clair Engle, ———, ———, Stuart Symington, John Sherman Cooper, Frank Carlson, Barry Goldwater, Thomas J. Dodd, Ralph W. Yarborough, John Sparkman, George A. Smathers, and Pat McNamara.

List of Published Works of Benjamin A. Javits

Make Everybody Rich: Industry's New Goal—1929.

Business and the Public Interest: Trade Associations, the Anti-Trust Laws and Industrial Planning—1932.

The Commonwealth of Industry: The Separation of Industry and the State—1936.

Peace By Investment—1950.

How the Republicans Can Win in 1952—1952.

Manifesto of Freedom for Mankind—1961.

Ownerism: A Better World for All Through Democratic Ownership—1969.

THE DEATH OF STEWART ALSOP

Mr. JAVITS Mr. President, during our recess we lost, in the journalistic world, a very great figure in Stewart Alsop, whose funeral took place today at a church in Washington, D.C.

I knew Mr. Alsop personally very well. He was not only a man whom I admired as a journalist, but a tennis-playing friend of mine, and I know we have suffered a very deep loss, because here was a man, Mr. President, with very profound insights into our people's thinking and their conscience, and that is especially critical today.

I would like, in honor of him to mention just one incident. In the course of one of the many magazine articles he wrote, he wrote about me something which was very typical of him and rather characterized him and his enormous faith in our country. He called the fact which I shall specify "The Javits Rule," but it was really the Alsop rule. It was himself being projected through my person about which he was writing.

That rule—this was at the time of the great civil rights struggle—was that whatever Americans might say which would indicate impatience or unhappiness with one or another manifestation of the black race, the fact was that when they went into the voting booth they would vote their consciences on the highest level, and that the so-called backlash would not have the effect, in the terms of those who were elected and those who were not elected, that was anticipated, because of that very key point in the American character.

Mr. President, it was like clarifying the dark of night with a sharp bolt of lightning; and this was characteristic of Stewart Alsop. He did it many times in his life, but this is one occasion that I actually experienced it with him.

Providence will take us all; but we have lost a great figure too soon, a man with very profound insight and, more than anything else, a man with such a profound love for his country and his countrymen that he understood them, I believe, as well as if not a little better than almost anyone else who lived during his time.

I ask unanimous consent to have printed in the RECORD the obituary published in the New York Times of Sunday, May 26, 1974, and the obituary published in the magazine Newsweek for which Stewart Alsop was a featured writer.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, May 26, 1974]

STEWART ALSOP, COLUMNIST, IS DEAD AT 60

WASHINGTON, May 26.—Stewart Alsop, the columnist, died at the hospital at the National Institutes of Health in nearby Bethesa, Md. His age was 60. He had been undergoing treatment for leukemia.

BEAT WAS THE WORLD

(By John T. McQuiston)

A prolific political writer, STEWART Alsop was a big, likable man whose beat was Washington and the world.

He began his career as a reporter shortly after the end of World War II in 1945 when his brother Joseph, "the other writing Alsop" who was three years his senior, asked him to be his partner in writing a syndicated Washington column for the New York Herald Tribune.

For the next 12 years, their jointly bylined column, "Matter of Fact," was carried by as many as 137 newspapers throughout the United States. Gathering their information by telephone and personal interviews, they made regular visits to all parts of the globe, guided by the rule that they would never write about a country or its leaders until they had visited there first.

DUBIOUS ABOUT VIETNAM

Both the Alsop brothers had been greatly impressed during their service in the war—Stewart in Europe and Joseph in Asia—by now their views of the world were sharply changed by first-hand experience in the countries where the war took them.

Their column received the acclaim of other newspapermen, who described their work as a "blending of political economic punditry, forecast and crusades." In 1950 and 1952 both were named award winners by the Overseas Press Club for "best interpretation of foreign news."

This period of collaboration, described by some observers as a "stormy partnership," ended with what Stewart Alsop once described as an "amicable divorce."

Striking out on his own, in 1962 he became a contributing editor for national affairs for The Saturday Evening Post. After four years he became the magazine's Washington editor until its close in 1968, moving then to Newsweek, where his weekly column filled the last page, printed between two red streamers and datelined Washington.

Mr. Alsop told an interviewer in 1971 that he felt that his and his brother's "mind sets" were very much the same, except that "from the start I was dubious about the Vietnam war, where Joe wasn't. But once we made the decision, I, too, felt we could not just sneak out."

On domestic issues, he said: "Both Joe and I are very square New Deal liberals, although I have much more interest in the New Left than Joe does."

In the mid-fifties the Alsop brothers wrote an article for Harper's magazine, "We Accuse," criticizing the Atomic Energy Commission for its security-risk case against Dr. J. Robert Oppenheimer. The article received an Authors Guild annual prize in 1955 for contributing to civil liberties. At the ceremony, the younger brother criticized the executive branch for "Daddyknowsbestism—telling us not to ask questions or Daddy spank."

BOOING BY UNDERGRADUATES

In a 1969 article for Newsweek "Yale Revisited," Mr. Alsop wrote his first reaction to booing by undergraduates of the university president for expressing admiration for those in military service: "Young jerks terrified of the draft. Spocked when they should have been spanked."

After further conversation and thought, he noted: "There's something going on here our generation will never understand." He concluded that the "fraudulent" draft system had as much as the Vietnam war to do with student feeling that the American system was "a gigantic fraud."

Early in 1970, Mr. Alsop argued in Newsweek that ending the draft would be the most important step to re-establish the authority of the Government and the dignity of the Presidency. In 1971 he wrote, "It is not practical to try to continue to fight a war that has no popular support at all."

In 1972, when CBS Inc, selected a range of well-known commentators for its "Spectrum" program, from liberal to conservative, it classified Mr. Alsop as a moderate.

A third Alsop brother, John, a Republican, failed in several tries for the governorship of Connecticut. Their mother, the late Mrs. Corinne Alsop Cole, a niece of President, Theodore Roosevelt and cousin of President Franklin D. Roosevelt and Mrs. Roosevelt, founded the Connecticut League of Republican Women in 1917.

While married for more than 40 years to the late Joseph W. Alsop, Sr., and as Corrine Alsop, she served with her husband in the Connecticut General Assembly.

After passing his early boyhood on the family farm in Avon, Conn., where he was born May 7, 1914, Mr. Alsop attended Groton, then Yale University (where his father had been a student) and graduated with a B.A. degree in 1936.

Shortly afterward he became an editor for the publishers, Doubleday Doran & Co. of New York. With the entrance of the United States into World War II, he volunteered for service in the Army. Rejected for medical reasons, he went to England in 1942 and there became a member of the 60th Regiment, Kings Royal Rifle Corps. In 1944 he achieved the rank of captain.

Later that year, Mr. Alsop was transferred to the United States Army as a parachutist with the Office of Strategic Services and shortly after D-Day was parachuted into France to join the force of the Maquis, the French underground resistance. In 1945 he resigned his commission and returned to the United States. The French awarded him the Croix de Guerre with palm.

With Thomas Braden, another O.S.S. parachutist, Mr. Alsop wrote "Sub Rosa: The O.S.S. and American Espionage," published in 1946. The volume described the achievements and failures of the special intelligence office, its training program and the aid furnished the guerrilla armies in the various theaters of the war.

With his brother, Joseph in 1955 he wrote, "We Accuse," and in 1958, "The Reporter's Trade," a plea for governmental candor in dealing with the press.

In 1960, Mr. Alsop wrote "Nixon and Rockefeller, A Double Image," then in November, 1973, employed his talents to write "Stay of Execution, A sort of Memoir," about his impending death as a 57-year-old man condemned to die of a rare form of cancer.

DISEASE DIAGNOSED

Mr. Alsop told how on the morning of July 19, 1971, while performing closing-up chores at his Maryland weekend house, he was suddenly overcome with breathlessness and heart-pounding and suddenly knew "that something was terribly wrong with me."

His disease was diagnosed as acute myeloblastic leukemia, a cancer of the blood-producing marrow. Mr. Alsop did not shrink from telling his most difficult story of coming to terms with death, and in telling it, a reviewer noted, he showed once again how possible it is for even a desperate and dying man to grow.

Mr. Alsop wrote at the end of his book: "A dying man needs to die as a sleepy man needs to sleep, and there comes a time when it is wrong, as well as useless, to resist."

After eight weeks of intensive cancer treatment at the National Institutes of Health last spring, he was released to resume writing his Newsweek column when doctors decided that the disease had apparently been arrested. He last entered the hospital this month.

In addition to his brothers he is survived by his widow, the former Patricia Hankey, whom he married in June, 1944, in London during the blitz; five sons, Josep, Ian, Stewart, Richard and Andrew; a daughter, Mrs. Walter Butler Mahony 3d, and a sister, Mrs. Corinne Chubb.

[From Newsweek, June 3, 1974]

STEWART ALSOP, 1914–74

(By Mel Elfin)

Stewart Alsop, "Stay of Execution":

"A dying man needs to die, as a sleepy man needs to sleep, and there comes a time when it is wrong, as well as useless, to resist."

There seemed, for so long, no limit to Stew Alsop's will to resist. All through a debilitating, wasting illness, Stew lived so gracefully, so courageously and so productively that sometimes it was hard to believe him a man under sentence of early death. This week, however, 34 months after that summer day when he climbed to the top of a small trash pile at his country home and found himself "gasping like a fish on a beach," Alsop's stay of execution was abrogated. At 60, in a hospital bed at the National Institutes of Health in Washington, he finally succumbed to a by-product of a mysterious leukemia that his doctors could neither adequately diagnose nor treat.

For more than five years, Stew Alsop filled this page with reportage and commentary that was insightful, influential, often brilliant and almost always the envy of those of us in Washington journalism who lacked both his contacts and his clarity of thought. To Stew, the tight little world of political Washington was "The Center" (a title he used for a 1968 best seller on the Capital), and after a quarter century in this city as editor, reporter and columnist, he knew, was respected by and had access to almost every major figure of our era.

Henry Kissinger, on a diplomatic mission to Moscow in 1972, took along Stew's medical records so that they could be analyzed by Soviet doctors. And during his first stay at NIH, Richard Nixon himself called to ask the question that has echoed around "The Center" for more than two years: "How's Stew?"

The answer, until a final erosive siege at the hospital, was that Stew was doing very well, indeed. Whatever toll it may have taken physically, Stew's illness seemed to enhance his already great professional talents. His final columns, notably those on Watergate and the Presidency, pecked out in an office that had almost the entire city of Washington for an appropriate backdrop, were among the most remarkable of his career. Out of a pair of columns on his puzzling illness (which Stew was initially reluctant to run because "nobody would be interested") grew his last book, "Stay of Execution," a memoir, clinical report and poetic essay on approaching death.

Even when rumpled in thought over his typewriter, laughing in a basso-profundo voice at the latest political joke or padding about the NEWSWEEK bureau in an ancient pair of bedroom slippers, Stew projected an aristocratic mien. His erect bearing combined with a wonderfully ruddy complexion to make him look as if he had always just come in from grouse-shooting on the moors.

With Roosevelts (including two Presidents) as kin on his mother's side and a distinguished lineage stretching back seven generations almost to the Mayflower on his father's, Stew was the very model of the Connecticut Yankee gentleman. Raised in a sprawling white-clapboard farmhouse in Avon, a beautiful New England village near Hartford, Stew received the very model of a Connecticut gentleman's education—first Groton, where his head was stuffed with English literature, English history and English manners, then Yale, class of '36.

Stew rarely raised his voice or lowered his guard in public. He was respectful of his elders, gracious with his colleagues, considerate of children, loyal to friends, and at all times manifested a pre-liberation attitude of courtesy toward women. Even when his body was corroded with pain, Stew would struggle to his feet when a woman entered the room.

Like other members of the Wasp elite (whose decline he viewed with the same clinical detachment as he did his own approaching death), Stew took a semischolarly interest in his forebears. Yet far from being afflicted with a "Mayflower complex," Stew was amused that, along with the poets and politicians, his ancestors included a murderer and an indentured servant and that the family name probably was derived from "ale shop."

In his own generation, Stew remained steadfastly loyal to the family and family name (he was privately annoyed when anyone persisted in mispronouncing it "Al-sop" instead of "All-sop"). He deeply loved his sister and two brothers and although he could argue politics long into the night with Joseph, four years his senior, Stew would vigorously defend him outside the family circle. So satisfying did he find the "sense of being part of a continuum" that he had six children of his own and often said he would have liked to have had more.

It was the family connection that drew Stew into journalism in the first place. After four years of war service with the British Army in Africa and later with the OSS (in 1944 he parachuted behind German lines in France), during which he won several medals and a beautiful British bride, Patricia Hankey, Stew accepted what he felt was brother Joe's "eccentric invitation" to join him in producing his syndicated column. In 1958, Stew left Joe to become national-affairs editor and later Washington editor of The Saturday Evening Post. Then, in July 1968, he joined NEWSWEEK as a Washington columnist.

As a stylist, Stew favored the simple declarative sentences he learned at Groton. But he gave to the political lexicon such memorable phrases as "hawks and doves," "egghead," "Irish Mafia," "eyeball to eyeball" and "Masada complex," a description of Israeli foreign policy that drew the personal, albeit grandmotherly, wrath of Golda Meir upon him at a Blair House luncheon last year.

As did many journalists of his generation, Stew started out with vaguely New Deal sympathies but moved progressively back toward the political middle as he grew older. Personally, he was closely attuned to sophisticated politicians like Nelson Rockefeller and John Kennedy; still, he long harbored a grudging admiration for Richard Nixon as one of the shrewdest operators of his time—until Watergate.

To the end, Stew considered himself a reporter first and a pundit second. He abhorred writing columns on the basis of cerebration alone, and nothing frustrated him more about his illness than the long, enforced absences from "The Center" of which he was such a vital part.

As he had vowed he would, Stew Alsop did not go gentle into the night. The way he died kept faith with the way he had lived—proudly, fully, wisely, lovingly. He did us honor by having been our friend.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. ALLEN) laid before the Senate the following letters, which were referred as indicated:

AUDIT REPORT OF THE AMERICAN SYMPHONY ORCHESTRA LEAGUE, INC.

A letter from a certified public accountant of McLean, Virginia, transmitting, pursuant to law, a copy of the audit report for the American Symphony Orchestra League, Inc., for the fiscal year March 31, 1974 (with an accompanying report). Referred to the Committee on the Judiciary.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. ALLEN):

A petition from a citizen of the State of New Jersey seeking a redress of grievances. Referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STENNIS, from the Committee on Armed Services, with amendments:

S. 3000. A bill to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Research component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes (together with additional views) (Rept. No. 93–884).

By Mr. CHURCH, from the Committee on Foreign Relations, without amendment:

S. 649. A bill to provide for the use of certain funds to promote scholarly, cultural, and artistic activities between Japan and the United States, and for other purposes (Rept. No. 93–885).

SUBMISSION OF PART II (MINORITY VIEWS) OF REPORT NO. 93–883—THE CONSUMER PROTECTION AGENCY ACT

Mr. ERVIN, from the Committee on Government Operations, under the order of the Senate of May 28, 1974, submitted Part II (Minority Views) of Report No. 93–883, on the bill (S. 707) to establish an independent Consumer Protection Agency to protect and serve the interests of consumers, and for other purposes, which was ordered to be printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare and the Committee on Foreign Relations:

John L. Ganley, of New Jersey, to be Deputy Director of the ACTION Agency.

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

Virginia Y. Trotter, of Nebraska, to be Assistant Secretary for Education in the Department of Health, Education, and Welfare.

(The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MOSS (for himself and Mr. GOLDWATER):

S. 3542. A bill to authorize appropriations to the National Aeronautics and Space Administration for research and development relating to the seventh Applications Technology Satellite, and for other purposes. Referred to the Committee on Aeronautical and Space Sciences.

By Mr. CRANSTON (for himself, Mr. KENNEDY, and Mr. MONTOYA):

S. 3543. A bill to amend the Public Health Service Act to promote the training of bilingual persons in the health, nursing, and allied health professions, to establish bilingual health training centers for such purpose, to provide for a special study of health education institution admissions, examinations, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. THURMOND:

S. 3544. A bill to amend the Fair Labor Standards Act of 1938, with respect to exemptions for baby sitters, and for other purposes; and

S. 3545. A bill to amend the Fair Labor Standards Act of 1938, with respect to an exemption for certain employees who are baby sitters, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. EAGLETON (for himself, Mr. Symington, Mr. Stevenson, and Mr. Percy):

S. 3546. A bill to extend for 1 year the time for entering into a contract under section 106 of the Water Resources Development Act of 1974. Referred to the Committee on Interior and Insular Affairs.

By Mr. KENNEDY:

S. 3547. A bill to establish procedures relating to licensing of certain activities by the Atomic Energy Commission. Referred to the Joint Committee on Atomic Energy.

By Mr. MOSS (for himself and Mr. Williams):

S.J. Res. 212. A joint resolution to authorize the erection of a Children's Gift Bell memorial bell tower on the Capitol grounds, and for other purposes. Referred to the Committee on Public Works.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MOSS (for himself and Mr. Goldwater):

S. 3542. A bill to authorize appropriations to the National Aeronautics and Space Administration for research and development relating to the seventh Applications Technology Satellite, and for other purposes. Referred to the Committee on Aeronautical and Space Sciences.

Mr. MOSS. Mr. President, today I am introducing legislation which, if enacted, would authorize appropriations of funds to the National Aeronautics and Space Administration for the preparation for launch and launch of an additional Applications Technology Satellite.

Launch of the Applications Technology Satellite known as ATS–F is scheduled for tomorrow morning. Under present planning, this satellite will be the last in the highly valuable series of Applications Technology Satellites launched by NASA over the past 8 years. The ATS–F will provide a facility for carrying out several advanced communications user experiments. It also serves as a vehicle for a number of ancillary experiments in communications, navigation, meteorology, particles and fields and spacecraft technology.

Of particular interest among the experiments that will be conducted by this satellite, is its use for beaming educational television programs into remote areas in Appalachia, into the western continental United States, and into Alaska. Under a program sponsored by the Department of Health, Education, and Welfare, numerous schools in the United States over the coming school year will receive educational television programs through the only means presently available, the ATS–F satellite.

This experimental program will be available only during the coming school year. Thereafter, under a long standing agreement between the United States and India, the satellite will be shifted for the next year to an orbit that will permit the Indian Government to beam educational and medical television into thousands of remote Indian villages. But there is no commitment beyond that 1 year. Thus we have terminal gaps in both areas.

Considerable interest is building in the domestic 1-year experimental program, and in a means for extending the period of availability of an ATS satellite for longer or even permanent use in this country. One means would be to launch the "back up" satellite, known as ATS–F prime. Since this is now a "back up satellite" it has not been fully prepared for launch. The best current estimate of cost to complete its preparation and to launch it is $41,700,000.

Mr. President, if the launch tomorrow is successful and the ATS–F satellite operates properly in orbit, there are no present plans to use the backup satellite.

In addition to providing an extended period for the educational and other experiments planned for the ATS–F satellite, launch of an additional satellite would greatly increase the in-orbit coverage of the Apollo/Soyuz joint United States/U.S.S.R. docking mission next summer. The ATS–F will be used to increase the communication time on this joint mission from about 20 percent to about 50 percent of the mission. An additional satellite would provide a communication link during an additional 30 percent of the mission, thus increasing both the safety and the scientific return from this flight.

Believing, as I do, that careful consideration should be given to flying an additional ATS mission, I am introducing this bill to provide the necessary first step to focus further consideration of an additional satellite. Enactment of this legislation would authorize the appropriation, possibly as part of a supplemental appropriation bill later this year, of the necessary funds for preparing, launching and operating the ATS–F prime satellite.

Mr. President, I send to the desk on behalf of myself and the distinguished Senator from Arizona (Mr. Goldwater) this bill which would authorize the appropriations for this particular satellite, and ask that it be appropriately referred.

The PRESIDING OFFICER (Mr. Biden). The bill will be received and appropriately referred.

By Mr. CRANSTON (for himself, Mr. Kennedy, and Mr. Montoya):

S. 3543. A bill to amend the Public Health Service Act to promote the training of bilingual persons in the health, nursing, and allied health professions, to establish bilingual health training centers for such purpose, to provide for a special study of health education institution admissions, examinations, and for other purposes. Referred to the Committee on Labor and Public Welfare.

BILINGUAL HEALTH OPPORTUNITIES ACT OF 1974

Mr. CRANSTON. Mr. President, today I introduce for appropriate reference, the third part of a program I began some years ago to build upon the great strengths of this Nation derived from the diversity of its cultural and linguistic heritage, in the fields of education, manpower and job training, and health services and education programs. I am joined in introducing this legislation today by the distinguished Senator from Massachusetts (Mr. Kennedy) and the distinguished Senator from New Mexico (Mr. Montoya).

The first part of this program was the inclusion in the Comprehensive Employment and Training Act of 1973, Public Law 93–203, of bilingual manpower provisions which I authored with Senator Kennedy last year. These provisions are now supplemented by special bilingual amendments to the bilingual vocational education program, which I authored with Senator Kennedy, and a new vocational training program, which I coauthored with Senators Dominick and Tower, now pending final action in conference between the two Houses on the Elementary and Secondary Education Act Amendments of 1974.

The second part of this program was my introduction of S. 2553, the proposed Comprehensive Bilingual Education Amendments Act of 1973, with the Senator from Massachusetts (Mr. Kennedy) and the Senator from New Mexico (Mr. Montoya). That legislation is also now incorporated into the Elementary and Secondary Education Act Amendments of 1974 currently in conference.

BILINGUAL HEALTH EDUCATION AND SERVICES AMENDMENTS

Today, Mr. President, I am introducing the Bilingual Health Opportunities Act of 1974, and a series of amendments to S. 3280, Senator Kennedy's Health Services legislation now pending before the Health Subcommittee.

Mr. President, an area in which the individual whose primary language is not English meets particular difficulties is that of securing health care. There are three major factors involved:

First, the inability of the non-English-speaking individual to enter the system as a patient because of his inability to make himself understood, or to understand the system;

Second, the cultural sensitivities which interfere with communication about or the understanding of the nuances of or benefits available under various health programs; and—

Third, the fierce competition for student places in health training institutions which mitigates against the enrollment of the student whose background hinders him from performing well on standard entrance examinations geared to the scope of knowledge of the more affluent middleclass who share certain linguistic and cultural attributes and characteristics.

In addition, these cultural and language difficulties are frequently compounded by financial difficulties which deter many young people from seriously considering education in the health field because of the years of financial commitment required for training at the professional level.

In the 92d Congress, I authored the amendments to the Health Manpower Act which provide for recruitment and retention of socially and economically disadvantaged students in the health professions. I also authored at that time similar provisions amending the Nurse Training Act, broadening that act to provide for greater career mobility and particularly to establish programs to encourage licensed vocational nurses, nursing assistants, and aides, and other paraprofessional nursing personnel to move into the so-called professional nursing positions. I have sought full funding for these provisions, with limited success.

The two pieces of legislation I am introducing today seek to achieve the following objectives:

First. The development of special programs at medical and nursing schools to make health personnel aware of the cultural sensitivities of individuals with limited English-speaking ability. Such programs are not to be limited to students in training but are also to be made available, as a part of continuing education, to health personnel practicing in the community, particularly in those communities where a substantial proportion of the population served is of limited English-speaking ability.

Second. Special programs to recruit and retain bilingual students in the health professions, in nursing and in the allied health professions.

Third. The establishment of up to four bilingual/bicultural health training clinical centers in communities where a substantial proportion of the population is of limited English-speaking ability in which centers special emphasis shall be placed on the recruitment and training of bilingual individuals and on training English-speaking professionals in the language and cultural heritage of the population served.

Fourth. Requiring that health centers serving populations where a substantial proportion is of limited English-speaking ability, identify on their staff an individual who is bilingual and whose responsibilities shall be to conduct seminars for staff—including staff of contract providers—to increase their awareness about the cultural sensitivities related to health of the population served, and to help staff patients in bridging cultural and language differences.

Fifth. Requiring that such centers utilize outreach workers who are bilingual to encourage appropriate utilization of community health resources and other community resources by the residents who are of limited English-speaking ability.

Sixth. The conduct of a special study to evaluate the effectiveness of admissions examinations to health training institutions and schools of higher education to test fairly an individual's ability to participate and succeed in the educational programs taking into account the need to eliminate any cultural and linguistic bias which may be built into the tests. The findings of the study must be reported to the Congress along with recommendations for any necessary action, including recommendations for any necessary legislation

BACKGROUND

Mr. President, I came to the conclusion that these objectives are necessary during hearings I chaired, held by the Special Subcommittee on Human Resources, which I chair, with the Subcommittee on Education, in Los Angeles last year, in which we examined the problems of limited English-speaking communities in obtaining meaningful access to health care and health manpower programs. This conclusion was reinforced by subsequent discussions with leaders in those communities where a substantial proportion of the population is of limited English-speaking ability.

My legislative package, Mr. President, consists of two parts. One is a bill, entitled "The Bilingual Health Opportunities Act of 1974," which would amend the Public Health Service Act, titles VII and VIII, related to training in schools of public health, health professions training, allied health training, and nurse training. The other part is an amendment, which I am submitting for printing and appropriate reference, to amend S. 3280, the proposed Health Services Act of 1974, introduced by the distinguished Senator from Massachusetts (Mr. KENNEDY), chairman of the subcommittee on Health of the Labor and Public Welfare Committee. S. 3280 would authorize the establishment of community health centers, migrant health centers, and community mental health centers.

HEALTH SERVICES

My amendments to S. 3280 would require such centers, where they serve populations with substantial numbers of individuals of limited English-speaking ability, to identify on their staff an appropriately bilingual individual. This individual would be responsible for increasing the awareness of the staff—and of the staff of contract providers—about the cultural sensitivities related to health of the population served, and for helping staff and patients in bridging cultural and language differences. These centers would also be required under my amendments to utilize the services of bilingual outreach workers, who optimally would be recruited from the community to be served, to encourage residents of limited English-speaking ability to utilize community health and related resources in the most appropriate and effective manner.

I intend to offer comparable amendments to other appropriate health services legislation currently in committee.

Mr. President, our health care system is ingrown and one dimensional. The strength of the Nation's cultural diversity is not reflected in its health care system.

This is evidenced by the practice of many chicanos living near the Mexican border of seeking medical care in Mexico, where they can be assured of being understood both orally and emotionally. I have been advised of the chicano male's attitude that to be macho he must not admit pain or suffering. The result may be his advising the doctor that he is all right when in truth he is in great pain. This attitude obviously hinders any physician in making a diagnosis, let alone one not versed in the culture or language of his patient. This is just one example of cultural barriers to the receipt of good health care by persons of limited English-speaking ability.

In California, where I believe much dynamism is generated by the diversity of its population, the cultural barriers to receiving good health care among the residents of San Francisco's Chinatown are clearly described in excerpts from the original proposal prepared in 1970 for a comprehensive health program submitted by the North East Medical Services, Inc., now a thriving health center receiving support from HEW and the community. I ask unanimous consent, Mr. President, that apropriate excerpts from this grant proposal be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS

Like the linguistic differences that have led to an isolation of the Chinese immigrant in America, the cultural differences have also augmented this isolation. Because of the necessity for communication, the language barrier is much more evident than the cultural barrier. However, the isolating effect of the latter is also very real. The differences in culture are difficult to describe and only a brief attempt will be made to point out the great variety of differences between the Chinese and American cultures.

a. Orientation towards the aged versus orientation towards youth:

The total orientation to age in the Chinese society meets with disaster here in the American scene. Respect and position are acquired by age in the Chinese cultural setting. Not only are the elders to be obeyed without question, but it is also an honor to be old. The frank, explosive, and outspoken youth in America diametrically oppose this very central nerve of Chinese culture. It is not only desirable to be young rather than old in America, there is almost a real rejection of the aged. Not only is it desirable to be young, it is almost "sinful" to be old. The young not only do not think in terms of providing for the old, and often feel that they are in the way. Especially acute is this situation when there is a "generation gap" or "communication gap", then the tendency is to avoid the elderly rather than to honor and respect them. This complete reversal of values in the experience of one who had looked for honor in his old age, but is now greeted with rejection from his own children, is truly an alienating experience.

The youth finds that he has adjustment problems also, although they are not as severe as that of his elders. He feels that the values clung to by his parents are of the "old Country", and that they "don't know anything". Losing identity with his parents, rejecting what they stand for, and their expectations of him, he is left at the mercy of the bewildering practices of American teenagers to which he is exposed in real life as well as from the larger-than-life images bombarding him from advertisements, movies, radio, and television. In families where both parents work, the young have no family life to go back to after school. These family problems arising out of language and cultural barriers, set in the hot bed of economic and cultural poverty, lead to the depletion of values and motivation for the young. Without the sense of "something of value" they often result in school failures, drop-outs and juvenile deliquency.

b. Extended family versus nuclear family:

The attitudes of the immigrants toward their children are carried over from a previous family context, that is, from the former Chinese extended family of several generations living together, to the nuclear family in America consisting only of the father, mother and their children. In the extended family system where the child's relationships and emotional attachments are dispersed among many different members such as his grandparents, aunts, uncles and cousins, the parents do not play a total and comprehensive role in the up-bringing of the child. However, a young child in the nuclear family, before he is old enough to have any friends or attend nursery school, is almost completely dependent on his parents, particularly his mother. In the United States where the emotional currents of the extended and nuclear families are mixed, unsuspected problems often arise. The adolescent's rebellion to authority has only his parents as targets. The parents, with only the extended family as experience, see their adolescent's behaviour as most unnatural and do not know how to handle the situation. In turn, the parent's inability to react with proper amounts of firmness and flexibility, often creates an emotional insecure foundation for the youth's development. The immigrant's family problems are further complicated by the fact that both parents often work long hours and could not give the proper attention to the family even assuming there is the understanding of the nuclear family.

In urban America, families live apart when the children are married. Long before marriage, the children participate in activities that the parents cannot join in nor understand. The generation and communication gaps that exists in the average American family are magnified several times. The American born who has never experienced the emotional security inherent in the extended family, would not feel the loss of it. The immigrant, however, feels a tremendous loss and feels that he is despised and rejected. Since the family is the fundamental unit of society, such rejection again, results in alienation.

Part Two–C. Health Attitudes and Practices:

An understanding of the dynamics of health attitudes and practices within the Chinatown-North Beach community is essential in understanding the critical role that a Comprehensive Neighborhood Health Center would play in this community not only in modifying health attitudes and practices but also in facilitating the acculturation process.

Medicine is a part of culture the world over and consists of much more than simply a list of cures and techniques. Medical practice not only relates to religion, customs, rituals and the like, but is in itself a social activity. As Saunders (1954: 7) stated it: "In whatever form it may occur, the practice of medicine always involves interaction between two or more socially conditioned human beings. Furthermore, it takes place within a social system that defines the roles of each of the participants, specifies the kinds of behavior appropriate to each of these roles, and provides the sets of values in terms of which the participants are motivated".

The traditional Chinese view of the etiology of disease conflicts directly with the Western one in which pathogenic organism are responsible for most conditions. The Chinese stress harmony and moderation as the means of maintaining good health and immoderation as the cause of most pathology. The seven emotions, diet, physical activity, and behavior in general, contribute to one's state of health, and all of these are more or less subject to human direction. Other factors such as age, economic level, and the elements of nature are also important but since they are not subject to human control, give rise to a fatalistic attitude, so much in evidence among the Chinese. This combination of fatalism and control over one's behavior give rise to the second major conflict between Chinese and Western medicine. Among most Chinese, one is not either ill or well, as in Western society, because illness and well-being are but two parts of the same continum. One may be less well today than yesterday or twenty years ago but since most conditions are caused by imbalance in diet or too strong emotional feeling, bodily functions may be brought back into harmony through the application of self restraint and the use of proper medicines. Thus, it is not a question of taking drugs to kill certain organisms which can be controlled, but rather to help the body toward a balanced state by countering forces which result from immoderation.

This traditional view of illness has been changed to a certain extent through contact with Western culture. There is recognition on the part of many older Chinese in Chinatown that certain diseases are infectious, such as tuberculosis and venereal disease. However, this has not brought about a corresponding change in therapy on the part of herbalists who continue to insist on the virtues of their traditional cures.

Thus, the patient is confronted with two distinct schools of practice, and in seeking medical care he often must make the choice between them. As a result of experience with both types of practitioners, there seems to be a degree of unanimity among the older men that certain aliments and procedures should be left to Western doctors (e.g. surgery, VD), and certain others to herbalists (e.g. broken bones and ailments of the gastro-intestional tract). But fortunately, folk medicine is a highly disorganized body of knowledge and individual habits vary according to levels of acculturation and personal experiences. Therefore, while some Chinese go to a herbalist for a particular disease and others go to Western doctors, still others partake of Western and Chinese medicine simultaneously.

Practitioners of Chinese medicine may be divided into three specialties: herb specialists, acupuncturists, and pharmacists. These specialties however, are by no means distinct, for it is not uncommon to find herb specialists dispensing their own medicines or acupuncturists treating diseases with herbs. But several decades ago when foreign born Chinese were present in this country in greater numbers than at present, and when Chinese herbs were plentiful, each tended to confine his practice to his own specialty.

The herb specialists particular area of specialization includes skin diseases, internal medicine particularly in relation to the gastro-intestinal tract, and blood disorders. The general classification of infective diseases also comes under his area of competence. Techniques used in diagnosis include interrogation, observations, listening to sounds of the body, and most important, pulse taking.

An examination of the body is not performed, partly because of the belief that the site of the pathology can be precisely determined through feeling the pulse. Treatment of broken bones is accomplished without immobilizing the injured bone or the use of plaster casts. Though it is difficult to believe that compound fractures can be successfully treated in this way, older informants steadfastly maintain the superiority of Chinese skills in this regard.

At the present time there are eight herb specialists in Chinatown. Some of the Chinese attitudes toward Western doctors have been conditioned by the traditional position of herb specialists in Chinese culture and the way in which they performed their cures.

For example it is not considered unethical for herb specialists to advertise that he has exclusive possession of medical knowledge and to try to lure patients away from other herb specialists and to criticize the technical competence of colleagues. The inevitable result of this state of affairs is the shopping around by patients for the medical care considered best. Indeed, in China, it was not uncommon for wealthy people to summon several competing doctors to the bedside in order to choose the most promising cure among those offered. This pattern of medical knowledge can be seen in Chinatown today. Cases are not infrequently found in which several doctors have been involved, each unknown to the others.

Acupuncture is a traditional system of Chinese medicine dating from prehistoric times that is now being practiced in various parts of the world. Treatment consists of pricking various strategic spots on the human body with a fine needle. These spots are conceptualized as being related to internal organs via a network of protoplasmic tracts or meridians. The curative effect of the needles is believed to result from their action in regulating the Yin and Yang, a negative and positive homeostasis of the internal organs.

Another area of conflict between traditional Chinese and Western medical practice is that of the use of drugs. While the Chinese of Chinatown recognize the value of Western drugs, particularly antibiotics, they continue to use their traditional cures for many of the more common ailments. Chinese medicine unlike Western medicine, is nearly always taken in the form of a broth. The particular ingredients recommended by the herb specialists are boiled together and the resulting liquid contains the therapeutic elements. Injections are not part of this traditional practice. In many cases, patients who seek help from both Western and herb specialists will take both types of medicine together.

Another problem, nutrition, feeds directly into the already identified conflict between Western and Chinese medicine. Chinese classify foods as "hot" and "cold"; a balance between the two implements good health. The "hot" and "cold" foods have no relation to temperatures. For example, chicken is hot food, and melon is cold food—the two, hot and cold preparations, constitute a balanced diet. While too much of the wrong kind of food can make one sick, it is also true that certain illnesses can be cured by the proper foods. This is because bodily disorders are also considered either "hot" or "cold".

Therefore, while too much "hot" food may cause one to come down with a "hot" illness, a "hot" disease may be counteracted by a "cold" food. Thus a sore throat and fever ("hot") may be treated with watercress or wintermelon soup ("cold") while beef tea ("hot") may be used to overcome poor appetite ("cold").

One of the most disturbing problems faced by Western practitioners in Chinatown is the post-partum diet adopted by many of the foreign born. These women feel they are being up to date by bottle feeding their infants but because pregnancy and birth weakens the body and is accompanied by a loss of blood, a "cold" condition, a "hot" diet is adopted for a whole month following delivery.

This diet consists of dishes which include rice wine, chicken, lichens, mushrooms, and ginger. Fresh fruits and vegetables are omitted during this period.

Another area of conflict lies in certain Western medical procedures. For example, the taking of blood for laboratory analysis or its loss in surgery is resisted by older Chinese who believe that blood is not replaced by the body and any that is lost, even a small amount, is lost forever.

Therefore, the fear of this procedure tends to keep many from treatment until symptoms become intolerable. Also, there is a feeling among older Chinese that the hospital is simply a place to die.

This fear is reinforced by the belief that one should die in familiar surroundings so that one's ghost will not get lost and wander about. This belief causes many to put off the day they must enter a hospital until the last moment and then, if the patient lives in a hotel or rooming house it is his roommates or the manager who often force the issue because they do not want a death on their hands.

Various factors are contributing to a decline in the use of Chinese herbs and food as therapeutic agents but the health attitudes and practices described above continue to play an important role in the Chinatown-North Beach area. These attitudes and practices are strongest among the older, more conservative Chinese but because of their strong position in the community and in the family structure, younger generation's mature feeling is that there is some validity to Chinese medicine. Some of those who fully accept the validity of Western medicine may defer to the judgment of their elders.

Sometimes the parents of a child will not follow the advice of a Western practitioner even though they believe in Western medicine. This is because they feel they must follow the directions of the grandparents who often have different ideas. For example, a mother will often not agree to have her child vaccinated against measles even though she thinks it is the correct thing to do. That is, the parent of the child is willing to have the vaccination but the culture requires that she consult with an elder and follow their advice.

This strong and persisting belief in Oriental medicine thus creates complex ramifications in the area of health attitudes and arises when a patient with cancer needs immediate surgery, but the patient tries to treat his condition with herbs. Surgery is thus delayed and his chances for survival are reduced.

It is frequently a difficult, if not impossible, task to convince a person of the need for immediate surgery. Relatively minor illnesses become acute because of delays involved with experimentation with herbs. Even the younger generations are directly involved because of the strong obligation to respect one's elders. Perhaps most importantly, the low status of the Chinese physician in traditional Chinese society continues to play an important role in patient behavior today.

Patients frequently shop around for the best treatment. The doctor only gets one chance. Frequently a patient will have seen three doctors in three days. Because they are aware of the Chinese patient's tendency to see several doctors, physicians must be especially careful in ascertaining what drugs or treatment the patient is already using.

Because these patients expect quick results, a doctor in Chinatown does not expect to be a patient's only doctor. But, these unique cultural barriers to good health are not even recognized and certainly not systematically confronted by any public or private agency through extensive community involvement and health education.

The existing physicians must be involved in this program because they have an understanding of the Chinese cultural background. The matter of "face" was presented in the section on "Culture." It was stated there that the "face" concept is an extremely complicated cultural matter. For example, a patient may feel that a physician has prescribed a drug or treatment that is not good.

The patient will not say so bluntly, for that would offend the physician's face. If the physician does not understand the patient's "round about" procedure, he will not get the patient's message. Another such example of "face" may be that the patient is told by the physician to remain home from work due to his illness. Since the patient is working for an uncle, he couldn't possibly offend his uncle with such a "minor" illness.

Unless the physician is quick in his understanding of his patient's mild objections, he would assume the patient will remain home from work, even though his nod to the physician's order did not mean that at all. Without an understanding of the cultural background of the Chinese, the physician cannot offer high quality medical care.

As stated previously, an understanding of the health attitudes and practices in Chinese culture is also necessary to provide high quality medical care. A physician who realizes that his patient with a particular illness will probably take certain herbs along with the medicine he prescribes, will be able to carefully explain the reasons why such herbs must not be taken. Furthermore, without an understanding of the "hot" or "cold" qualities of food, which is very basic in the Chinese concept of health care, a physician would not be able to understand his patient and hence affect the treatment process.

It should be once again pointed out that the understanding of the Chinese cultural background would fit into this program very well. Such physicians who are not of Chinese National origin are quite rare, but the physicians practicing in Chinatown do understand the culture and speak the Chinese language and their involvement in this program is imperative.

HEALTH EDUCATION

Health Education or knowledge in health care is basically the most important area of health care. This is true with those who are in the middle class, upper class or with the poor.

In the middle and upper class, they have acquired basic knowledge in health care through their system of education or in the process of acquiring medical attention when they were ill.

The poor, besides having deficient education, have not been able to afford adequate medical care and thus have not acquired the knowledge in good health care. The Health Education, then will be a very important aspect in this comprehensive health program.

Furthermore, the immigrant who is poor would have even less understanding in health care, being influenced by some erroneous concepts of folk medicine. The Health Education Program of the North East Medical Services will be tailored to the specific and special needs of this community.

The physicians, dentists and nurses, who have had experience in dealing with this particular ethnic group, will be called upon to help the Health Education Coordinator to develop a plan of education with group as well as individual approaches.

The Health Education Coordinator will have an assistant in the general area of health education as well as an assistant who has skills directly in the field of family planning and sex education.

In the area of Health Education, family planning will be an important unit. Even among the English educated American-born generation, there are many who are not familiar with the concepts of family planning and birth control.

There will be an effort at continuous and concentrated health education and enlightenment into western type medical care and standards. Many of these patients have deep seated beliefs in folk medicine. In some, there is an awareness that western type medicine is superior but may take Chinese herbs and other forms of folk medicine to "be safe."

Others will combine western and Chinese medications at the insistence of parents and other relatives. Some are convinced of the superiority of herbs and folk medicine but yield to western medical care only because the necessary herbs are not available. Due to these wide differences, it will be necessary to individualize the approach in health education.

The Health Teams particularly the Community Health Aides*, will get to know the family, win their confidence and discover what concepts they may hold regarding folk medicine.

In the case seminars, such matters will be discussed and the best approach in health education in harmony with the treatment will be determined. The patient or family must be made "comfortable" with his treatment, being careful not to run roughshod over cherished beliefs, and at the same time continuing their health education.

In light of the great differences between the Chinese and Western concepts of the etiology of disease and the method of cure of such ailments, an important aspect of the health education program will be to help the staff to better understanding of Chinese folk medicine and its concept of health. The medical personnel will guide the staff to differentiate between those practices which may not be harmful and may have some psychological good and with those other practices which are definitely harmful.

This training would include seminars on Chinese folk medicine giving staff a deeper understanding of its philosophy and practice. With such understanding and guidance from the medical personnel, the public health nurse, social worker, and especially the neighborhood health worker, we will be able to reach deeper into the patient's problems and bring such problems to the attention of the medical staff.

NUTRITION

In meeting the needs of those requiring in-home health care, the provision of an adequate diet plays a dynamic role in the improvement and rehabilitation of a patient and his family.

A quick return to self-care and independent activity after illness is often more readily accomplished when attention is paid to adequate and nutritious eating habits. Nutritional consultation should be provided to staff and patients by a competent nutritionist, who will be well versed in Chinese foods and thus able to give truly practical assistance.

In terms of specifics, many of the ill and aged need special training and orientation to proper resources for the provision of an adequate diet. When this situation is complicated by specific instructions or limitations on diet, then the need for professional guidance and training becomes even more apparent.

Far too often an elderly patient is discharged from the hospital or extended care facility with instructions to avoid certain foods or eat others, but with no specific instructions as to how to provide this for himself. Oftentimes, this situation is even more complicated because of the patient's particular ethnic background, living arrangement, income, and cooking facilities.

Experience has demonstrated that the elderly patient has great difficulty coping with the "foreign" diet regime, let alone the restrictions of habit, and the economic necessity for planning meals and menus in advance.

HEALTH, EDUCATION, AND TRAINING

Mr. CRANSTON. Mr. President, at the Los Angeles hearings a year ago, Mr. Jose Duarte, executive director of the East Los Angeles Health Task Force, spoke very forcefully of the shortcomings of our health training programs to recruit Chicanos as students. I ask unanimous consent, Mr. President, to print appropriate portions of his testimony at this point in the Record.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Statement of Jose Duarte, Executive Director, East Los Angeles Health Task Force

Mr. Duarte. One of the urgent needs in this country today is making available health manpower and education to fill the gap that now exists between the increasing need for medical services and the medical professionals' ability to provide such services. This problem is particularly greater in Spanish-speaking communities and more specifically in East Los Angeles.

Some 100,000 additional health professionals will be needed every year. Manpower deficiencies in the health occupations are further complicated by the changing goals in the national commitment for comprehensive care of the total population. Surveys and studies made recently indicate that health care provisions fall far short of providing equal care and that health service goals must be enlarged beyond treatment of acute illness to the more positive aspect of preventative and rehabilitative medicine. Anglo scientific health services have not been very successful in reaching the Chicano population in the United States. One cannot take for granted that because a Chicano lives in the United States he has the same level of health and understanding of disease as the middle class white Anglo-Saxon. The training afforded health care service personnel by American training facilities do not take into consideration cultural, language and socioeconomic factors which would help health professionals to relate effectively to Chicano people—the second largest minority in the United States. More than 3 million Chicanos live in California, of these, more than 1 million live in Los Angeles County of which half live in the barrios of East Los Angeles. If past records indicate anything, the Spanish surname Chicano population will be a majority in Los Angeles County within the next 20 years. The Chicano population is increasing by leaps and bounds; from 1960 to 1970 the Chicano population of Los Angeles County increased from 875,000 in 1960 to 1.3 million in 1970 as reported by the Bureau of Census 1970 preliminary report—and still the Chicano was undercounted by at least 20 percent.

Appropriations in 1972 for Federal nursing programs was $144.8 million, 1973 appropriations for Federal nursing programs was reduced to $122.9 million, but the House Appropriations Committee increased that to $168.4 million. The Federal programs are attractive to California institutions and those which finance student assistance and innovative programs are certainly desirable. California 4-year institutions should change their intent from training bedside nurses to training clinical specialists and nurse practitioners; in the same time not only would this produce a highly trained nurse, it would also qualify the institution for capitation grants nearly double those offered for conventional nursing programs. Many Federal programs such as medicare will require the expansion of physicians which are limited to an expansion in the demand for nursing services.

University of California at Los Angeles (UCLA) is the only university in southern California that has a nursing school. The Federal Government is able, because of its size, to influence the proportions of various types of nursing personnel instructed and employed by many institutions.

1. In 1971, over 4,000 R.N.'s migrated to California and since less than 2,000 R.N.'s left the State, this represented a net increase to the State of over 2,000 R.N.'s.

2. Nurses tend to be concentrated in urban areas or in suburbs and away from rural or ghetto areas where the need for health care is acute". "There are indications that nurse vacancy rates are highest in urban ghetto areas or rural areas, it is possible that this is partially due to obvious lack of incentive or less pleasant working conditions.

The greatest barriers to the provision of adequate health care for Chicanos stem directly from the language and cultural differences. In spite of the fact that 80 to 90 percent of Chicanos are native born, they retain many aspects of the Mexican culture. The socialization process is very slow for Chicanos as a result of family ties. Children tend to adopt the values and behavioral patterns of their parents, and from generation to generation there is a slow progression toward socialization and acculturation into the predominant society.

Mexican immigration has been rapid despite stiff controls on quotas and restrictions which have been applied by the Federal Government. New immigrants bring fresh reminders of language and traditions. In addition, the close proximity to Mexico involves communication with that country which tends to retard the change in culture. Many Chicano families travel to Mexico to buy medical services and specifically to consult with Mexican doctors.

Although county and Federal agencies have made efforts to improve their methods for delivering health services, statistical analyses point up the fact that health problems of Chicanos are at crisis proportion; higher morbidity rates in the following disease categories as compared to his Anglo counterpart:

Tuberculosis, 46.7 per 100,000 population compared to county average of 25.8.

Salmonella, 30.1 per 100,000 compared to county average of 12.3 per 100,000.

Scarlet fever, 43.5 per 100,000 population compared to county average, 25.8 per 100,000.

Shigella infections, 100.4 per 100,000 compared to county average, 13.9 per 100,000.

Amebiasis, 7.8 per 100,000 compared to county average of 2.8 per 100,000.

East Los Angeles children needing dental care, 72.2 percent of K–1 to K–4 grades.

Fifty-five percent of general East Los Angeles population have never in their lives been to a dentist.

Forty-five percent of Chicano women delivering in public hospitals have had no prenatal care. These women tend to be sick, have sick children, have large families, and are poorly informed about the ways to achieve basic health care.

Thirty-five percent of Chicano women discovered cancer of the cervix at women's hospital.

Chicanos have a high birth rate, yet infant deaths pose a major problem in the East Los Angeles area; fetal deaths are the most notable. Prenatal education remains one of the areas of greatest concern.

There is not much evidence that existing medical schools, nursing schools, and schools that provide health professional educations will alter their ways and provide equal opportunities for Chicanos in their schools. If the following statistical data is any indication of their commitment (schools), then we can assume that no substantial increase of Chicano student representation will occur. Consequently, Chicano health professionals will be scarce to find to fill positions as health care providers in medicine, nursing, dentistry, optometry and pharmacy. The Association of American Medal Colleges (AAMC) reported that in 1972 out of 43,399 medical students in the United States only 247 or 0.57 percent are Chicano students. The majority of these students are in their first or second year of study. Similarly, the American Dental Association reports that out of 17,305 dental students in the United States only 67 or 0.04 percent are Chicano and again the majority are in their first or second year of study. Statistical data on other health professional schools are unavailable except for UCLA School of Public Health: A 6-year study was made from 1966 to 1971 of 1,396 total applications accepted 32 were Chicano or (2.3 percent), yet in the same period 102 foreign students were accepted and probably graduated. For the fall quarter of 1972 of a class of 373, 25 were Chicano or (8.6 percent) as compared to 37 foreign students or (10 percent). Now, where's the priorities at?

Again, at UCLA one of two schools of nursing in the university system, prior to 1968 UCLA had not graduated 1 Chicano nurse. To this day UCLA School of Medicine has not graduated 1 Chicano doctor of medicine. At a county supported school of nursing; Los Angeles County/USC Medical Center School of Nursing in the years 1965 to 1972 in a span of 7 years, this school graduated 21 Chicano R.N. nurses, yet the school sits right in the heart of our community. In 1973 there are five Chicanos currently enrolled. The University of South California Medical school (private-school) but receives Federal support in many ways, has 9 Spanish-surnamed students out of a class of 313. Its most recent graduating class had no Chicano, in 1971 they graduated two Chicanos of a class of 72.

The statistics and percentages of the other four medical schools in the southern California area are just as depressing, along with the statistics from the State college school of nursing, community college school of nursing, the schools of dentistry, optometry, and pharmacy. (These last schools mentioned are worse.)

The demand for Spanish speaking physicians, nurses and other allied health personnel is increasing rapidly in East Los Angeles, as well as other Spanish speaking communities. In East Los Angeles there is planning and activities for the development facilities and programs to provide meaningful health care to this area, examples are: Establishment of a community health network by the Community Health Foundation of East Los Angeles, Family Health Center and by the East Los Angeles health task force. The County Department of Health Services is planning to convert some facilities in the area to ambulatory care facilities. They are also planning to establish a neighborhood health center that will eventually employ 400 persons. All of the programs mentioned and more, are desperately needed but will not begin to meet the health needs of the area. The concern of the East Los Angeles health task force, East Los Angeles Health System, Community Health Foundation of East Los Angeles, National Chicano Health Organization. Chicanos for Creative Medicine, Concerned Chicano Nurses Association and many more groups and organizations is to look at the total health needs of the entire area and to see that efforts be started now to supply the physicians, nurses and allied health personnel that will be required in order for the planned programs to succeed.

RECOMMENDATIONS (OR SHORT TERM SOLUTION)

1. The Federal Government establish fellows in community health: Fellowship would be awarded to community health care personnel serving in a variety of functions. Physicians would be supported during a period of community health service designed to meet training requirements in appropriate medical specialities. Fellowships and stipends might also be used to supplement the salaries of those recruited in community health centers, where local situations make adequate salaries impossible. While fellows will be largely drawn from those in medicine, special stipends should be provided to nursing students with economic problems.

2. This Senate Joint Subcommittee on Education should communicate with the appropriate regional institutions to develop programs for recruitment and identification of minority Chicanos students for medical, dental and nursing schools. Strong emphasis should be put on those schools that lack of cooperation could result in withdrawal of Federal support and capitation grants.

3. That colleges and universities establish program assistance, that will:

(a) Utilize minority/Chicano group consultants on campuses to identify problems that obstruct minority/Chicano students from applying for health career training.

(b) Create guidance, advisory and tutorial services for retention purposes.

(c) Establish a liaison between particular colleges, with heavy enrollments of students from the Chicano/minority groups and interested professional schools. Recruitment and career development programs can best be fostered through combined efforts.

4. Provide stipends or fellowships to Chicano/minority nurses to be trained in extended nurse role, nurse practitioners, pediatric nursing. This paramedical category performs medical exams and routine medical procedures.

5. Federal scholarships be provided to Chicano/minority students with stipulation that after training is completed those persons will return to the barrios to serve the people.

LONG TERM SOLUTION

If health care programs for East Los Angeles and other parts of the Nation with large Spanish speaking populations, are to succeed, then the supply of Spanish speaking health care personnel, from physicians to nurses, technicians and other allied health professions must be increased. One direct approach to solving this problem would be to establish a bilingual medical training center (or institute) in the East Los Angeles community.

A community medical center, primarily for training physicians, and nurses, but with programs in the allied health professions as well, has many interesting possibilities. Not only will it supply the much needed bilingual professionals, but it can be a source of health care services for the community at large. Through community involvement, it could also be an excellent source of health education for the residents of East Los Angeles.

As currently envisioned, an academic teaching center with outpatient clinics would be conveniently located in the community. Actually the clinics could be in several locations. Clinical training could also be accomplished in the local community hospitals, (e.g., Santa Marta Hospital and Clinic and the Monterey Park Intercommunity Hospital).

The curriculums would be basically oriented to providing the knowledge and skills required for accreditation of the school and licensure of its graduates. In addition emphasis will be placed on the social and cultural aspects of the Spanish speaking community particularly as it related to health matters. Communicative skills in both Spanish and English will also be emphasized. Where necessary, basic language classes will be available.

To insure community involvement, a board of regents will be established with majority representation from residents of the area selected by their peers. Their responsibilities will include; establishing new programs, selection of teachers, counselors, and administrators, and passing on admission of students.

JUSTIFICATION

The East Los Angeles health task force proposes that the U.S. Congress designate a direct line item on the Federal budget to plan and implement the concepts introduced in this paper. The precedent for this has been established by the Federal Government through the creation of Howard University founded in 1867. Howard university is jointly supported by congressional appropriation and private funds. It is a comprehensive university with 13 schools and colleges "discharging special responsibility for the admission and training of Negro students." [1]

In fiscal year 1972 the Office of Education received $51.9 million to aid black colleges. For fiscal year 1973, HEW requested $60 million to aid black colleges and was authorized $100 million, or $40 million more than requested.[2]

The East Los Angeles health task force, therefore, request that Congress authorize a special appropriation to create a bilingual medical training center in the East Los Angeles community and that initial appropriation be made before June 30, 1973.

Los Angeles Medical Association (total members)	8,250
Spanish surnamed medical doctors (members) (2.2 percent)	180
Educated in schools outside United States (52.2 percent)	94
Educated in schools in United States (47.7 percent)	86

SPANISH SURNAMED STUDENTS—UNIVERSITY OF SOUTHERN CALIFORNIA (1971)

	Spanish surnamed students enrolled	Number of students enrolled
1st year	7	85
2d year	0	76
3d year	2	78
4th year	0	74
Total	9	313
Percent		(2.9)

1970 graduating class	72
Spanish surname	1
Licensed medical technician (State, 1965)	10,982
Spanish surname (3.9 percent)	429

Mr. CRANSTON. Mr. President, Mr. Duarte went on to testify that the Association of American Medical Colleges in 1972 reported that out of 43,399 medical students in the United States, only 247 were chicano students; and that even more depressing was the report of the American Dental Association that out of 17,305 dental students in the United States, only 67 were chicanos.

Mr. President, the national health training institutions are making a strong effort to increase these numbers. The 1973 figures indicate enrollment of chicanos in medical schools had increased to 361 and in dental schools to 119. This is still not enough for so major a population group where the incidence of physicians to population in chicano communities is 1 per 40,000, while that for the total U.S. population is 1 per 700.

Although the chicano is under-represented in the health disciplines, he or she is not alone. Other minority groups share in this exclusion from the inner circle. The results are particularly poignant, however, among those groups whose language and culture make proper utilization of the health care system most difficult.

Mr. President, these excerpts vividly describe the difficulties in proper utilization of the health care system by persons of limited English-speaking ability. It is to these concerns that our legislation is addressed.

SUMMARY OF AMENDMENTS REGARDING HEALTH EDUCATION AND TRAINING

Specifically, my bill to amend the health training authorities of the Public Health Service Act would:

First. Amend the authority providing grants to hospitals for training in family medicine to give priority to the recruitment of bilingual individuals for such training programs, and to establish special programs to increase the awareness of trainees in such programs to the cultural sensitivities of individuals with limited English-speaking ability where the hospital serves a catchment area where a substantial proportion of the population is of limited English-speaking ability.

Second. Add a new section to that same title to authorize the establishment of up to four bilingual health training clinical centers affiliated with university medical centers in communities where a substantial proportion of the residents is of limited English-speaking ability. These new centers would place a priority on the recruitment and training of personnel with bilingual backgrounds, in internship, residency, and other health training programs. I believe such a center should utilize the concept of team training to the maximum extent and, of course, its primary concern should be the provision of health care services to the surrounding community on an ambulatory as well as on an inpatient basis.

Third. Add to titles VII and VIII, as a purpose for which both special project grants and contracts and health manpower education initiative awards may be awarded, the establishment and operation of projects in medical schools and nurse training institutions to increase the awareness by health personnel of the cultural sensitivities related to health of individuals with limited English-speaking ability, with special emphasis on combining such training with clinical training, utilizing team training and continuing education programs, in communities where a substantial proportion of the population is of limited English-speaking ability.

Fourth. Amend provisions in titles VII and VIII which provide for recruitment of individuals who are financially or otherwise disadvantaged, by specifying that individuals who are bilingual should be included specifially among those for whom recruitment programs are established for training in the health professions, nursing, and the allied health professions.

Fifth. Mandate the conduct of a special study to determine the effectiveness of entrance examinations to health training institutions in accurately detecting the student's potential to participate in and benefit from such education and training programs and thereafter effectively to apply the training in the practice of the particular discipline.

Mr. President, I ask unanimous consent that the text of the bill I am introducing today as well as the amendments I am submitting to S. 3280 be printed at this point in the RECORD.

There being no objection, the bill and amendment were ordered to be printed in the RECORD, as follows:

S. 3543

A bill to amend the Public Health Service Act to promote the training of bilingual persons in the health, nursing, and allied health professions, to establish bilingual health training centers for such purposes, to provide for a special study of health education institution admissions examinations, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Bilingual Health Opportunities Act of 1974".

SEC. 2. Title VII of the Public Health Serv-

Footnotes at end of article.

ice Act (42 U.S.C. 201) is amended as follows:

(a) Section 767 of such title is amended by—

(1) amending clause (2) by adding before the semicolon a comma and "with special priority to those who are bilingual with respect to the predominant language in those areas served by the hospital where a substantial proportion of the population is of limited English-speaking ability"; and

(2) adding a new clause (3) as follows and renumbering clause (3) as (4):

"(3) to plan, develop, and operate, special programs to increase the awareness of trainees in such programs to the cultural sensitivities of individuals with limited English-speaking ability where the hospital serves a catchment area where a substantial proportion of the population is of limited English-speaking ability; and".

(b) Section 769B of such title is designated as section 769C, and a new section 769B is added as follows:

"SEC. 769B. There are authorized to be appropriated for the fiscal year ending June 30, 1974, and for each of the succeeding three fiscal years, such sums as may be necessary to establish up to four bilingual health training clinical centers, in affiliation with university medical centers, in dispersed areas of the United States in communities where a substantial proportion of the residents is of limited English-speaking ability, such centers to place special emphasis (1) on the training of personnel with bilingual backgrounds, in internships, residency, and other health training programs utilizing to the greatest extent the concept of team training and (2) on the provision of health care services to the surrounding community.". (c) Section 772(a) of such title is amended by—

(1) striking out "or" at the end of clause (13),

(2) striking out the period at the end of clause (14) and inserting in lieu thereof a semicolon and "or", and

(3) inserting after clause (14) the following new clause:

"(15) plan, develop, and operate projects to increase the awareness by health personnel of the cultural sensitivities related to health of individuals with limited English-speaking ability, with special emphasis on combining such training with clinical training utilizing team training and continuing education programs in communities where a substantial proportion of the population is of limited English-speaking ability.".

(d) Section 774(a)(1) of such title is amended by striking out "or" at the end of clause (E), designating clause (E) as clause (F), and adding a new clause (E) as follows:

"(E) to plan and develop special programs to increase the awareness by health care personnel of the cultural sensitivities related to health of individuals of limited English-speaking ability, such programs to be established at academic health centers situated in communities where a substantial proportion of the population is of limited English-speaking ability, and such programs to offer training in cultural sensitivity awareness to all types of health care personnel in training as well as in practice in the community; or".

(e) Clause (2)(A) of section 774(b) of such title is amended by adding after "field" in the parenthesis "and individuals who are bilingual in an appropriate native language as determined by the Secretary".

(f) Clause (1) of section 794(a) of such title is amended by adding "and individuals who are bilingual in an appropriate native language as determined by the Secretary," after "field,".

Sec. 3. Title VIII of the Public Health Service Act is amended as follows:

(a) Section 805(a) of such title is amended by—

(1) striking out "or" at the end of clause (11),

(2) striking out the period at the end of clause (12) and inserting in lieu thereof a semicolon and "or", and

(3) inserting after clause (12) the following new clause:

"(13) plan, develop, and operate projects to increase the awareness by health personnel of the cultural sensitivities related to health of individuals with limited English-speaking ability, with special emphasis on combining such training with clinical training utilizing team training and continuing education programs in communities where a substantial proportion of the population is of limited English-speaking ability.".

(b) Clause (1) of section 868(a) of such title is amended by inserting after the comma in the parenthesis "individuals who are bilingual in an appropriate native language as determined by the Secretary,".

SEC. 4. The Secretary shall arrange for the conduct of a study or studies to determine the effectiveness of health education institution admission examinations in evaluating accurately the potential and ability of the student applicant of limited English-speaking ability to participate in and benefit from the educational program, taking into account the need to eliminate any cultural bias in the presentation of admissions examinations offered at institutions supported under titles III, VII, and VIII of the Public Health Service Act. Not later than 12 months after the date of enactment of this section, the Secretary shall report to the Congress on the findings and recommendations of such study or studies and the steps he has taken or proposes to take to carry out such findings and recommendations, including recommendations for any necessary legislation.

AMENDMENT No. 1359

On page 2, line 9, insert "the limited English-speaking ability of its or a substantial portion of its population," after "location,".

On page 4, line 22, insert before the period a comma and "including, in those areas where a substantial proportion of the population is of limited English-speaking ability, the services of outreach workers fluent in an appropriate native language as determined by the Secretary,".

On page 6, line 9, insert "linguistic," after "cultural,".

On page 19, insert between lines 2 and 3 the following new clause:

(12) the applicant, where a substantial proportion of the population of its catchment area is of limited English-speaking ability, has identified an individual on its staff who is bilingual and whose responsibilities shall include providing for training for members of its staff and of the staff of any providers of services with whom arrangements are made on the cultural sensitivities related to health of the limited-English-speaking population served and providing guidance to appropriate staff and patients in bridging linguistic or cultural differences; and".

On page 19, lines 3 and 13, renumber clauses (12) and (13) as (13) and (14), respectively.

On page 27, line 16, insert before the period a comma and "including, in those areas where a substantial proportion of the population is of limited English-speaking ability, the services of outreach workers fluent in an appropriate native language, as determined by the Secretary,".

On page 30, line 1, insert "linguistic," after cultural,".

On page 42, between lines 4 and 5, insert the following new clause:

"(12) the applicant where a substantial proportion of the population to be served is of limited English-speaking ability, has identified an individual on its staff who is bilingual and whose responsibilities shall include providing for training for members of its staff and of the staff of any providers of services with whom arrangements are made on the cultural sensitivities related to health of the population served and providing guidance to appropriate staff and patients in bridging linguistic or cultural differences;"

On page 42, lines 5 and 15, renumber clauses (12) and (13) as (13) and (14), respectively.

On page 44, line 5, strike out "families." and insert in lieu thereof "families: *Provided*, That any such grantee, where a substantial proportion of the population to be served is of limited English-speaking ability, has identified an individual on its staff who is bilingual and whose responsibilities shall include providing for training for members of its staff, or of the staff of any providers of services with whom arrangements are made, on the cultural sensitivities related to health of the population served and providing guidance to appropriate staff and patients in bridging linguistic or cultural differences."

On page 53, line 8, insert "linguistic," after "cultural,".

On page 67, insert after line 25 the following new clause:

"(12) the applicant, where a substantial proportion of the population to be served is of limited English-speaking ability, has identified an individual on its staff who is bilingual and whose responsibilities shall include providing for training for members of its staff and of the staff of any providers of services with whom arrangements are made on the cultural sensitivities related to health of the population served and providing guidance to appropriate staff and patients in bridging linguistic or cultural differences;".

On page 68, lines 1 and 11, renumber clauses (12) and (13) as (13) and (14), respectively.

By Mr. THURMOND:

S. 3544. A bill to amend the Fair Labor Standards Act of 1938, with respect to exemptions for babysitters, and for other purposes; and

S. 3545. A bill to amend the Fair Labor Standards Act of 1938, with respect to an exemption for certain employees who are babysitters, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. THURMOND. Mr. President, as everyone knows, we now have a new minimum wage law in this country, the coverage of which extends for the first time to domestic labor. Although I felt that this extension was unwise, the measure is now law and I am not going to argue about it. However, there is one particular area in which this new coverage is producing unforeseen, unintended, and disastrous effects, and it is to this area that I direct the attention of my colleagues. I am referring to the law's coverage of babysitters.

Mr. President, throughout our country there are countless families in which both the husband and wife must work in order to make ends meet. As inflation continues, their problem grows. In many of these families, particularly the younger ones, there are small children who cannot be left alone at home. They have to be cared for. Sometimes day care centers are available but often they are not. The only answer is a babysitter.

Before the new minimum wage law became effective, this presented no particular problem. There seemed to be a fairly generous supply of babysitters. Typically, these were older women who, for various reasons, were unable to perform other types of employment but were quite willing and able to come to the employer's residence and care for the young child or children. The duties were relatively light and consisted of such things as changing diapers, preparing bottles and meals, seeing that the child rested properly, and otherwise meeting the child's needs. Although these duties were important and necessary, it was their nonstrenuous nature which enabled these women to perform them. While caring for the child, these babysitters could enjoy the television, radio, and other conveniences of the house and perhaps even take care of some handiwork brought from home. In most cases they neither asked for nor received the minimum wage. They were happy to get the work and the working mothers were pleased and relieved to have them.

Then came the new minimum wage law. In theory it sounded good: these babysitters would make more money, thereby enjoying a higher standard of living, and so on. In reality, however, this was simply not the case.

Mr. President, I have received literally hundreds of letters and telephone calls from persons who are being adversely affected by this new law. Many of these communications are from persons living outside of South Carolina. While most of them have come from the working mothers themselves, some have come from their employers and some have come from the babysitters. The working mothers are saying, "I simply cannot allocate such a large portion of my budget to our babysitter." The employers are saying, "Many of my employees are planning to quit work and stay home with their children." The babysitters are saying, "I would rather be paid less than $1.90 an hour than not work at all."

Mr. President, these people are not raising idle complaints. This law has dealt them a severe blow and they are suffering. Figures are readily available to substantiate their claims. For instance, employees in the textile mills in this country number 1,022,100; in 1973 their average hourly wage was $2.94; in January 19 this average had risen to $3.06.

The plain fact is that the cost of living differs in various parts of our country and different workers, accordingly, earn different wages. It is much cheaper to live in a small town in South Carolina than in New York City, and this is reflected in the respective wages paid. Many workers have reasonably concluded that it is not practical for them to go to work and then pay almost their entire salary to their babysitter. So, they are staying home, quitting their jobs, and in turn the babysitters are losing their jobs. Unemployment is only the immediate effect; in addition, we will experience a loss of tax revenues and an increase in welfare recipients.

I do not feel that this is what the Congress had in mind when it passed this law. However, unless something is done these consequences are inevitable. Therefore, I am offering two bills, either of which I feel will provide the necessary relief.

The first would simply exempt all babysitters from the law's coverage. Thus, it would be a guaranteed cure for the problem. Let me point out, however, that it would have absolutely no effect on other domestic employees such as cooks, butlers, valets, maids, housekeepers, governesses, janitors, laundresses, caretakers, handymen, gardeners, footmen, grooms, and chauffeurs.

The second bill is offered as an alternative to the first. It is not as broad as the first and would provide relief only in the most severe cases. It would exempt from the coverage of the minimum wage law only those babysitters who are employed by a person who is, in turn, employed substantially full time and who is paid less than twice the minimum wage. In effect, it says that a working mother making less than $3.80 an hour and her babysitter can agree to a salary without regard to the minimum wage. This is the single purpose of this bill. A working mother making more than $3.80 an hour would still have to pay her babysitter the minimum wage. If the babysitter also performed household duties such as washing clothes or cleaning the house to such an extent as to be classified as a maid or other type of domestic employee under the law, then he or she would still be entitled to the minimum wage. The only working mothers who would obtain relief under this second bill are those who are paid low wages themselves.

Both bills would offer relief to all those persons who are able to perform babysitting duties but may be otherwise unemployable. Although they may make less than $1.90 an hour, they would still have a job and be drawing a salary.

Mr. President, I hope my colleagues will act favorably on one of these bills. I emphasize that I am not attempting to preserve a cheap labor force or deny dignity to any segment of our society. My only purpose is to prevent this new law from imposing an insurmountable hardship on a very limited group of persons: low-paid working mothers and the babysitters, generally unemployable in other capacities, who take care of their children.

My proposals would not undercut the effectiveness or intent of the new minimum wage law. The provisions of this law would still apply to the vast majority of domestics.

Mr. President, all I am asking is that my colleagues correct what seems to have been an oversight. If the purpose of the new minimum wage law is to eliminate one inequity, it should not begin by creating another.

Mr. President, I ask unanimous consent that some letters received by me from working mothers, babysitters, and employers be printed in the Record following these remarks.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Bennettsville, S.C.,
April 25, 1974.

Senator Strom Thurmond,
U.S. Senate,
Senate Office Building,
Washington, D.C.

Dear Senator Thurmond: I am writing to you in regard to the recently signed minimum wage law. I along with a great number of young, working mothers in Marlboro County are very concerned over this bill and how it will affect so many people.

I work as a legal secretary and on my salary there is no way possible that I could pay a maid or baby sitter $1.90 per hour to keep my three small children, and the Day Care facilities available are already filled to their capacity. It is imperative that I work to help meet the financial needs of our family because of the high cost of living, and if this new bill goes into effect I do not know what may be the consequences.

I sincerely request that you give this matter your immediate consideration.

Sincerely yours,
(Mrs.) Nancy E. Wood.

Union, S.C.,
May 20, 1974.

Senator Strom Thurmond,
Senate Office Building,
Washington, D.C.

Dear Senator Thurmond: I have recently been very upset and concerned about the new Minimum Wage law that went into effect May 1 of this year. I am the mother of two small children and I work to help support my children. I have a lady who works for me to care for my children while I work, and I do not bring home enough money each week, after deductions, to pay my babysitter the required $1.90 per hour. If I am forced to pay her this much, I will be forced to quit work. Thus, this will add two, my babysitter and myself, to the unemployed in South Carolina. I have discussed the problem with my babysitter and she is just as concerned as my husband and I are. She wants to continue working at the salary that I pay her. She is an older lady and is not able to do any type of work except babysitting, and there are very few working mothers in Union County who can afford to pay a babysitter any more than I can. So there is very little chance that she could find work.

Yesterday I read in The State paper that there is a possibility that domestic help who care for the very young or the very old may be exempted from the $1.90 per hour. Rep. Edward L. Young was quoted as saying that he has asked both the White House and the Department of Labor for "liberal interpretations" of the law "including exemption for certain domestics." The decision by the Department of Labor is to be made sometime later this month or early in June.

I would very much appreciate anything that you could say or do to help get this decision made to help the working mothers of this country and this state. I am sure that you will be remembered for any help that you can give us, because I need to work as does my babysitter, and unless we are granted these exemptions, it looks as if we both may have to stop work.

The article that I referred to concerning Rep. Young and the decision that is pending before the Department of Labor is on page 10–B of THE STATE paper for Sunday May 19, 1974.

Thank you for any help you may be in this matter.

Sincerely,
Mrs. John M. Jenkins.

Little Mountain, S.C.,
May 2, 1974.

Hon. Strom Thurmond,
U.S. Senate,
Senate Office Building,
Washington, D.C.

Dear Senator Thurmond: With reference to Public Law 93–259, 93rd Congress, S. 2747, April 8, 1974, which brings all domestic employees under the new minimum wage law which is effective May 1, 1974, I, as a working mother feel that this is an unjust law which will result in hardships and unemployment for both working mothers and domestic help they employ to care for their small children.

There is no way the average paid female

employee can earn enough to pay these wages. First of all, the working mother is required to be at her place of employment eight hours a day, excluding time allowed for a lunch break. Also, it takes time to commute to her place of employment. Therefore, a domestic employee would be at her employer's home a total of from ten to eleven hours a day. That would be eight hours at regular time and two to three hours of overtime at time and one-half. In other words, a working mother will end up paying her domestic help two to three hours of overtime pay which would be above and beyond the eight hours the mother receives her regular salary. Wouldn't you consider this a hardship or disadvantage to working mothers?

Another thought to keep in mind is that most domestic help of this type do not have the expense of transportation and meals while on the job which are incurred by employees in other fields of work. In addition, they receive fringe benefits such as paid sick leave, paid holidays and other paid excused absences as well as food and/or clothing given them by their employer. Also, how many other employees have an opportunity to sit down and look at TV or just simply sit down and relax while on the job?

I am sure you realize the adverse effect this new law will have on the unemployment rate! It will probably jump by "twos". First it will be the working mother who can't afford to pay domestic help to care for her children and secondly, it will be the domestic help who will be out of employment because her employer can no longer afford to pay her this high rate of salary.

For example, here in Little Mountain, South Carolina, an elementary school teacher has resigned her position effective at the end of this school term because she can no longer pay her domestic help the wages required by law to care for her two pre-school children on the salary she now receives as a teacher. This is only one of many resignations which have taken place since the passage of the minimum wage law to include domestic help.

My personal outlook is very dim! Unless we working mothers are given some type of relief in regard to our domestic employees' wage rate, I have no alternative but to resign from my position because my salary will in no way exceed that which will be required to pay domestic help.

I earnestly request that you give serious thought and consideration to the effect this law will have on the economy of the country as well as the unemployment rate.

Please use your influence to see that employees of this type are either exempt from the law or that guidelines issued will not require them to be covered.

Your early action will certainly be appreciated by all who are affected.

Sincerely,

Mrs. GERALDINE W. STOUDEMIRE.

GAFFNEY, S.C.,
April 26, 1974.

Senator STROM THURMOND,
Senate Office Building,
Washington, D.C.

DEAR SIR: Would you please do something about the most recent ruling about the minimum wages for domestic help. I am very much opposed to this because I know my employer could never pay me $1.90 an hour as I work about 50 hours a week, just as she does. If something is not done, I will be out of a job because she is planning to quit rather than send the kids away from home. She knows that I love them as though they were my own and I take excellent care of them.

Your cooperation is appreciated.

Very truly yours,

Mrs. RUTH BLACK.

PRATT, READ & CO.,
Central, S.C., May 10, 1974.

Re: New minimum wage laws.

Senator J. STROM THURMOND,
Senate Office Building,
Washington, D.C.

DEAR SENATOR THURMOND: We have become very much concerned with an advisory opinion received from the Regional Administrator in Atlanta, relative to the "Casual Baby-sitter" section of the new minimum wage amendments.

The Regional Administrator's opinion stated that "casual baby-sitting" would not include "regular and recurring employment" as is necessary in order for a great many of our female employees to be able to continue working.

We have some 750 employees, three fourths of which are female and a number of them have stated that they would have to quit work if they have to pay the minimum wage required under the new Act.

If the interpretive bulletin to be issued by the Acting Administrator, Warren D. Landis, follows the Regional Administrator's interpretation, it would mean that our working mothers would have to pay from $75 to $90 per week in order to be able to work. This would result in most of them having to quit work.

For instance, a mother earning $2.75 per hour and claiming one dependent, would pay a baby-sitter $76, $22.29 for Federal, State and S.C. Taxes leaving her a net for the week of $11.71 from her $110 earnings.

As you see, this is a very, very serious problem and would seriously affect our industries, as well as the take home pay of our people, at a time when prices are the highest they have ever been.

We sincerely urge you to use your influence requesting the Acting Administrator to consider these facts in issuing his interpretative bulletin, or whatever action you may deem advisable.

Very truly yours,

G. EDW. DICKARD,
Personnel Manager.

POWELL MANUFACTURING CO., INC.,
Charlotte, N.C., April 29, 1974.

Mr. WARREN D. LANDIS,
Acting Administrator, Wage and Hour Division, U.S. Department of Labor, Washington, D.C.

DEAR MR. LANDIS: We are deeply concerned about the new Minimum Wage Law, as applied to household domestics, and its impact upon our female employees. Of particular concern is the definition of the term "casual baby-sitter". The interpretation of this term will determine whether our employees, who are mothers, will be able to continue their employment.

Our employment is in excess of 600 people and 29% of these are female, with a large portion being mothers of one or more small children. The average wage is approximately $2.54 per hour. There would be little purpose in their working and paying a baby-sitter $1.90 an hour.

To further complicate matters, our female employees working an 8 hour day, plus an hour for lunch, and an hour to go to and from work must have a baby-sitter 10 hours a day or 50 hours a week. The baby-sitter must be paid $104.50 per week while the employee, at the average of $2.54 per hour earns $102.60, less required deductions. Many of our employees work 9 hours and 10 hours to make matters even worse.

It appears not only would some one hundred and fifty people be forced to give up their jobs, but also a number of domestics would be out of work. Some are investigating nurseries, but it seems their charges are being forced up also. Some of our women employees have already given their domestic help notice, and some have already informed us that they can not continue to work.

We will appreciate any consideration your department can give to rendering a broad interpretation of "casual baby-sitter", and also will appreciate any information you can give us.

Sincerely,

J. T. POPLIN, Jr.,
Personnel Director.

By Mr. KENNEDY:

S. 3547. A bill to establish procedures relating to licensing of certain activities by the Atomic Energy Commission. Referred to the Joint Committee on Atomic Energy.

NUCLEAR POWER LICENSING LEGISLATION

Mr. KENNEDY. Mr. President, I send to the desk legislation to provide one-stop approval for the licensing of nuclear powerplants and to provide for fuller and more effective public involvement in the licensing process, including the payment of their costs of participation.

Currently, both the Joint Committee on Atomic Energy and the Government Operations Committees are working on legislation affecting the future operations of the Atomic Energy Commission. I am pleased at the indications that the Government Operations Commission intends to recommend the division of the development and regulatory functions of the AEC. In that regard, I am hopeful that the legislation I am submitting today, both in the form of a bill directed to the JAEC and an amendment to S. 2744, will be considered by both committees.

I am particularly hopeful that the Government Operations Committee will incorporate into S. 2744 provisions authorizing the payment of legal and technical expert fees to public interest intervenors.

The past decade has seen a continuing controversy over the future of nuclear power. Part of that controversy has centered on the claim by nuclear power advocates that the licensing and approval procedure of the Atomic Energy Act is unwieldy and burdensome. The opposing claims from environmentalists, from a significant segment of the scientific community and from local community groups has been that nuclear powerplants are proposed without adequate information and data and without the public having an opportunity to adequately present their views on the potential hazards and potential degradation of the environment resulting from nuclear powerplant construction.

Although statistics presented last year by AEC Commissioner William O. Doub show that legal challenges accounted for only 4 percent of the actual delays in 28 nuclear plants scheduled for 1973 operations, virtually everyone affiliated with the nuclear powerplant licensing process agrees that the system can be improved, shortened and reformed. Yet, there is a parallel concern that the changes in the licensing process cannot be allowed to diminish the right of public interest groups to be heard.

Legislation already introduced this session focuses almost entirely on ways to shorten the licensing process, in some cases by removing the requirement for adjudicatory hearings, in others by eliminating some of the duplicative hearing requirements now in law, and by encouraging the development of standard powerplant designs. Unfortunately, those bills totally ignore the need to bolster the role of public participation in the licensing process and in some cases seem based on the proposition that public participation in the licensing process is both unwarranted and undesirable.

As chairman of the Senate Subcommittee on Administrative Practice and Procedure, I have long advocated expansion of the role of citizens in the Federal regulatory process. I have introduced legislation, S. 1421, to encourage that goal. I believe also that the matter is of paramount importance when when we are considering the issue of nuclear powerplant siting, construction, and operation.

Essentially, therefore, I have attempted in the legislation being introduced today to streamline the licensing process by removing unnecessary and duplicative procedures and, at the same time, to increase the capacity of the public to make its voice heard in that decisionmaking process.

The legislation introduced today incorporates the following three basic changes in nuclear powerplant licensing process:

First, it eliminates duplicative and mandatory hearings and offers the opportunity for a one-stop licensing approval of all aspects of nuclear plant construction and operation.

Second, it requires sufficient leadtime in the preparation of applications to enable both the applicant and the intervenor to prepare for any hearings and to permit simultaneous resolution to the National Environmental Policy Act issues at those adjudicatory hearings.

Third, it offers public interest parties funding to insure that the technical experts and the legal groundwork necessary to represent the public interest will be available at the time of any hearing.

It should be emphasized that the concepts of broad public participation during a single, well-documented hearing are incorporated as well into the provisions permitting generic hearings to resolve major issues of safety and design.

The rationale behind the reform in the licensing process has been made by industrial proponents, by Government energy officials and, to a certain extent, by the AEC itself. The recent energy crisis has brought demands for immediate acceleration of the licensing process from former energy czar William Simon, from FEO director John Sawhill and President Nixon.

However, it is vital to note once again Commissioner Doub's comments that most delays do not result from the licensing process but from other and more traditional obstacles. Thus, of the 28 plants scheduled for 1973 operation, the Commissioner found the following delays:

Chart 1—Causes of schedule delays in 28 nuclear plants scheduled for 1973 operation

(Chart accompanying remarks by William O. Doub, Commissioner, U.S. Atomic Energy Commission, before the Atomic Industrial Forum Annual Conference, San Francisco, Calif., November 12, 1973.)

Cause	*Number of Plants Affected*	*Plant/ Months of Delay*
Poor productivity of labor	16	84
Late delivery of major equipment	9	68
Change in regulatory requirements	8	23
Equipment component failure	6	15
Strikes of construction labor	5	18
Shortage of construction labor	5	18
Legal challenges	4	9
Strike of factory labor	4	5
Rescheduling of associated facilities	1	12
Weather	1	9

Mr. KENNEDY. Even if one were to lump together the 9-month delay from legal challenges and the 23-month delay from changes in regulatory requirements, those factors would pale beside the 229 months lost from other factors.

It seems doubtful that any substantial share of the blame for delays in the construction and operation of nuclear powerplants can be laid on public participation in the process.

I firmly believe that full public participation in the licensing process is not only required for the protection of the public interests, but for the future of the nuclear power industry as well. It is only when public fears and concerns as to the safety of nuclear power have been answered are we likely to see the industry moving much beyond its current 1-percent share of total energy capacity and 5 percent of our total electrical generating capacity. The issues of accidents, waste disposal, sabotage, and theft must be met before the pace of nuclear power development is accelerated.

The importance of effective public participation can be found in a wide variety of sources. The Administrative Conference of the United States in 1971 specifically stated:

> Agency decision-making benefits from the additional perspectives provided by informed public participation.

The Joint Committee on Atomic Energy in 1972 in its report on S. 3542 stated that—

> It was designed to be responsive to the concerns expressed by interested members of the public that they not be deprived of an opportunity for a complete review of the safety and environmental aspects of the operation of a nuclear power plant, and that the licensing of nuclear power reactors continues to be the subject of public proceedings in which members of the public whose interest may be affected by the proceedings have an opportunity to present their views.

However, the most impressive statements supporting full and informed public participation come from those who make the licensing decisions themselves.

Thus, in Con Edison's Indian Point No. 2 operating licensing hearing, the Atomic Safety and Licensing Appeal Board made the following statement after the public intervenors challenged the adequacy of the plant's security system to cope with sabotage:

> Our review of the incamera record convinces that the development of plant security requirements was influenced considerably by the probing questions of CCPE's (Citizens Committee for Protection of the Environment) counsel. The Licensing Board found "reason for some of the questions and concerns of the Citizens Committee." So do we.

Similarly, in a decision in the Gulf States' Utilities Co. cases, the Atomic Safety and Licensing Appeal Board answered the charge that the public has "nothing to contribute" by stating;

> While we fail to see the possible legal relevance of these remarks to the question of whether petitioners have satisfied the intervention requirements of Section 2.714(a), we nevertheless cannot leave unsaid our total disagreement with such a sweeping condemnation of intervenor participation as being essentially worthless. Our own experience—garnered in the course of the review of initial decisions and underlying records in an appreciable number of contested cases—teaches that the generalization has no foundation in fact. Public participation in licensing proceedings not only 'can provide valuable assistance to the adjudicatory process', but on frequent occasions demonstrably has done so. It does not do disservice to the diligence of either applicants generally or the regulatory staff to note that many of the substantial safety and environmental issues which have received the scrutiny of licensing boards and appeal boards were raised in the first instances by an intervenor.

Those statements strongly endorse full public participation in the regulatory process, a goal I have previously endorsed and worked to achieve.

Therefore, the legislation propsed today seeks to achieve informed public participation at the earliest possible stage in a way that insures the elimination of repetitive treatment of previously decided issues.

The key elements in assuring the adequacy of public participation are first the requirement that there be early notice and essentially coterminous participation by all parties from the first filing in the licensing process. Second, full access by all parties is provided to all written documents and to meetings concerning the application. Finally, the costs of participation, primarily the costs of technical experts, although including legal fees, would be paid by the Commission under certain circumstances.

The concept of payment of costs to public interest parties has been endorsed by the Committee of Environmental Rights and Responsibilities of the ABA and by a committee of the Administrative Conference. In addition, it is a concept which has been adopted to some extent in the Regional Rail Reorganization Act passed by the Congress last session, in the Federal Water Pollution Control Act and in the Clean Air Act.

It also should be noted that the U.S. Supreme Court and other Federal courts have established a line of precedents for the awarding of legal fees to attorneys who speak not for a private interest but for the benefit of the public at large.

In the *Wilderness Society* v. *Morton*, (C.A.D.C. decided April 4, 1974), the U.S. Court of Appeals set forth the line of precedents in which—

> Recognizing their broad equitable power, some courts have concluded that the interests of justice require fee shifting . . . where the plaintiff acted as a private attorney general, vindicating a policy that Congress considered of the highest priority.

The Court cited the following opinion from *Knight* v. *Auciello* (*supra*, 453 F. 2d at 853).

> The violation of an important public policy may involve little by way of actual damages, so far as a single individual is concerned, or little in comparison with the cost of vindication. . . . If a defendant may feel that the cost of litigation, and, particularly, that the financial circumstances of an injured party may mean that the chances of suit being brought, or continued in the face of opposition, will be small there will be little brake upon deliberate wrongdoing. In such instances public policy may suggest an award of costs that will remove the burden from the shoulders of the plaintiff seeking to vindicate the public right.

In the case of nuclear powerplant licensing, the burden of protecting the public right usually rests on groups which have difficulty acquiring the technical experts who are needed to effectively raise issues of public concern.

Alan S. Rosenthal, chairman of the Atomic Safety and Licensing Appeal Panel, of the AEC, testified last month before the Joint Atomic Energy Commission and stated:

> I would think that if some of the responsible intervenors had greater resources at their disposal they could make more effective presentations and part of that would be, I suppose, being able to retain experts to examine the environmental reports and PSAR's and other documents that are available to the public for inspection before the proceeding starts.

In fact, the availability of funds is a clear obstacle to full and adequate public participation in the licensing process. I believe that the authorization of payment of costs, under reasonable controls, will be a major insurance that the voice of the public interest will be heard in licensing decisions.

I ask unanimous consent that the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3547

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DEFINITIONS

SECTION 1. As used in this Act—

(1) the term "regulatory review process" means the process by which the Commission reviews and acts upon applications for licenses to site, construct, manufacture, or operate production or utilization facilities, including any hearings thereon, beginning with the first filing by any person requesting or leading to a request for action and ending when the Commission denies the request or ceases supervision of the activity;

(2) the term "party" means any participant in the regulatory review process, including the applicant and the Commission staff;

(3) the term "license" means the combination of authorizations which enable a person to operate a nuclear facility or in the case of a person not intending to operate a facility, authorization for a site for a nuclear facility or to manufacture one or more nuclear facilities; and

(4) the term "Commission" means the Atomic Energy Commission.

APPLICATION

SEC. 2. (a) Any person seeking a license to site, manufacture, construct, or operate a utilization or production facility, as defined in section 11 of the Atomic Energy Act of 1954, shall file an application for such license at least 3 years prior to the time construction of the facility is contemplated to begin. Any such application shall include information sufficient to identify the site, size, and type of the proposed facility.

(b) Upon receipt of a license application, the Commission shall—

(1) publish a notice in the Federal Register indicating the receipt thereof and affording 30 days in which persons or organizations may request an opportunity to participate in the regulatory review process with respect to the license; and

(2) appoint an Atomic Safety and Licensing Board for such application.

(c) The Commission shall approve for participation in the regulatory review process any person or organization which has an interest which may be adversely affected by the construction or operation of the facility. An untimely petition to participate may be granted only after consideration of whether there was good cause for late filing, the likelihood of delay of the regulatory review process as a result of participation, and the extent to which the interests to be affected are represented by other parties.

PARTICIPATION IN REGULATORY REVIEW PROCESS

SEC. 3. All parties to the regulatory review process shall receive simultaneous service of all documents and written communications relating to the application received by the Commission or from any person or party or received from the Commission or by any person or party. All parties to the regulatory review process shall be given due notice of any meeting related to the application between the Commission or any person or party, and minutes of such meetings shall be distributed to all parties to the regulatory review process. To the extent any document or other communication required to be distributed contains information which is subject to disclosure limitations under any provision of law, it shall be distributed only to parties who sign agreements to limit disclosure of the information to the extent required by law.

DISCOVERY

SEC. 4. Any party shall have the right to discover information from any other party or the Commission to the extent permitted by rules adopted by the Commission which shall be substantially the same as Rules 26 through 37 of the Federal Rules of Civil Procedure.

REQUEST FOR AUTHORIZATION

SEC. 5. (a) Within one year after the filing of the application, the applicant shall file of the following actions:
a request for authorization for at least one

(1) site selection and preparation;

(2) limited construction activities;

(3) construction or manufacturing of the facility;

(4) amendments to the construction or manufacturing authorization;

(5) fuel loading and subcritical testing;

(6) low power testing and power ascension testing;

(7) limited operation up to two years;

(8) full-power, full-term operation;

(9) amendments to any operation authorization.

If no such request for authorization is filed within one year, the application shall be dismissed without prejudice to a subsequent filing.

(b) No limited construction or construction authorization may be granted unless a prior or simultaneous authorization for the site selection and preparation has been granted for the same facility. No operating authority may be granted unless a prior or simultaneous authorization for construction has been granted for the same facility.

(c) An applicant may request an authorization under subsection (a) at any time, and may request one or more authorizations at one time including additional authorizations. When a request for authorization is filed with the Commission, it shall publish in the Federal Register a notice of receipt of such request and notice of the provisions of section 2.

HEARINGS

SEC. 6. (a) Within thirty days after receipt of a request for authorization, any party may file a notice of intent to request a hearing with respect to the proposed action.

(b) Within thirty days after reecipt of all of the material upon which the Commission and the applicant rely for their respective positions on the proposed authorization, including any reports or testimony, any party who previously filed a notice of intent under subsection (a) shall file a specific statement of the issues relevant to the proposed authorization, identifying those issued on which he seeks a hearing, the factual basis for each issue including any direct testimony to be offered, and the areas of any proposed cross-examination including an identification by name or expertise of the witness to be cross-examined. Within fifteen days thereafter, every other party shall file a detailed statement of his position with respect to the issues raised by the party and the factual basis for such position including any additional direct testimony to be offered and the areas of proposed cross-examination including an identification of the name of the witness to be cross-examined.

(c) If the applicant opposes the position of the Commission, then he shall, within 30 days of receipt of the Commission position, comply with the requirements of subsection (b) of this section applicable to any party requesting a hearing.

(d) Any party opposing a hearing with respect to any or all issues may file a motion for summary disposition as to any such issue which motion shall be governed by a procedure substantially similar to Rule 56 of the Federal Rules of Civil Procedure. Such motion shall be filed within 15 days following the filing of a specific statement of issues by a party seeking a hearing.

FINALITY OF DETERMINATIONS

SEC. 7. A motion under section 6(d) shall be granted with respect to the determination of any issue which could have been raised in connection with prior proceedings under the same application on the basis of information then available unless the party opposing the motion has established the likelihood that substantial additional protection for the public health and safety, for the common defense or security, or for the environment could result if its position were upheld and, in addition, demonstrates—

(1) a significant change in circumstances (including the issuance of rules and regulations subsequent to the prior proceedings); or

(2) the existence of other special circumstances or public interest factors.

SUFFICIENCY OF EVIDENCE

SEC. 8. (a) An authorization for site selection and preparation shall not be granted unless information regarding the final design, method of construction, and proposed operation of the facility is sufficient to permit an analysis of all factors required by the National Environmental Policy Act of 1969 and the completion of the cost-benefit analysis.

(b) Any action taken after the requirements of the National Environmental Policy Act of 1969 with respect to an application are satisfied shall not require further compliance with the National Environmental Policy Act unless the requirements of section 7, relating to finality, are met with respect to the issues sought to be raised under the National Environmental Policy Act of 1969.

RELATION TO OTHER LAWS

SEC. 9. With respect to any authorization under section 5(a), the requirements of the Atomic Energy Act of 1954 and the rules and regulations of the Commission relevant to each action shall be met before the action is authorized.

ADMINISTRATION

SEC. 10. After an application has been filed, all legal and factual issues relating to the application shall be determined by an Atomic Safety and Licensing Board assigned to the application to the extent such issues are contested by any party. Decisions of the Atomic Safety and Licensing Board shall be subject to review by an Atomic Safety and Licensing Appeal Board upon the filing of a request for review by any party. Final decisions shall be subject to judicial review in the same manner as prescribed in section 189 of the Atomic Energy Act of 1954.

JOINDERS

SEC. 11. The Commission may, upon the request of any person or on its own motion, order commencement of a regulatory review process on any issues common to several nuclear facilities. The hearings shall be governed by the same rules applicable to hearings on individual nuclear plants except that the Commission shall—

(1) include notice of the hearing in publications widely read by the general population;

(2) allow 60 days for any party to file a request to be part of the regulatory review process; and

(3) permit any party to participate in the regulatory review process if its request to participate discloses that its interest could be affected by resolution of the issues if a nuclear facility to which the issues raised are relevant were built near the area with which such party is concerned.

The provisions of sections 2(a) and 6 shall not apply to a proceeding under this section unless such proceedings were commenced either directly or indirectly by the Commission, by parties seeking authorizations under section 5, or by parties reasonably expected to be seeking such authorizations.

COSTS

SEC. 12. (a) With respect to any regulatory review process or any hearing held for the purpose of adopting any rule or regulation, whether governed by section 553 or 554 of title 5, United States Code, the Commission shall, upon request, pay for the cost of participation, including attorneys' fees, in any hearing or the regulatory review process of any party, except that the amount paid, if any, shall be determined with due consideration to the following factors:

(1) The extent to which the participation of the party helped to develop facts, issues and arguments relevant to the regulatory review process or hearing.

(2) The ability of the party to pay its own expenses.

(b) The Commission shall establish a maximum amount to be allocated to each hearing or other proceeding which amount shall be apportioned among the parties seeking reimbursement of costs based upon the factors enumerated in subsection (a). The maximum amount established pursuant to this subsection shall be established and adjusted from time to time by the Commission with due regard to the following factors:

(1) The actual costs of public participation in hearings based upon a non-duplicative presentation of opposing viewpoints on all relevant issues.

(2) The cost of participation in the proceeding of the Commission's staff and the applicants seeking authorizations under section 5.

(c) Payment of costs under this section shall be made within 3 months of the date on which a final decision or order disposing of essentially all of the matters involved in the hearing is issued by the Commission, except that if a party establishes that—

(1) its ability to participate in the proceeding will be severely hampered by the failure to receive funds prior to conclusion of the proceeding; and

(2) there is reasonable likelihood that its participation will help develop facts, issues and arguments relevant to the regulatory review process or hearing,

then the Commission shall make from time to time such advance payments as it deems essential to permit the party to participate or to continue to participate meaningfully in the proceeding with due regard to the maximum amount payable for costs of this hearing and the possible requests for reimbursement of costs of other parties.

(d) In the case of any judicial proceedings arising out of an appeal of a decision reached in a regulatory review process or other proceedings before the Commission, the Court may order the Commission to reimburse all costs of such proceedings, including attorneys' fees, to any party which meets the requirements of subsection (a) of this section.

(e) The provisions of this section shall become effective upon the adoption by the Commission of regulations implementing them or upon the expiration of 90 days after the enactment of this section, whichever first occurs. This section shall apply to all regulatory review processes, hearings, and court proceedings in which final decisions or orders disposing of essentially all of the issues involved in the regulatory review process or hearing or final orders of courts have not been issued by the Commission or court when this section is enacted and to all regulatory review processes, hearings and court proceedings subsequently commenced. In the case of court proceedings in progress when this section is enacted, the reimbursement of costs provided for in this paragraph shall apply only to the costs referred to in subsection (d) and not to costs of the regulatory review process or hearing being reviewed.

(f) Nothing in this section shall diminish any right which any party may have to collect any costs, including attorneys fees, under any other provision of law.

(g) The authorization to make such payments shall not apply to any regulatory review processes, hearings for the purpose of adopting any rule or regulation, or court reviews arising out of such processes or hearings, if the regulatory review processes or hearings for the purpose of adopting any rule or regulation commenced later than the three years after the date of enactment of this Act.

(h) Any decision made pursuant to this section shall be reviewable in Court to the same extent as any other Commission decision, except that no stay may be issued based upon any alleged violation of this section and no court order determining that the provisions of this section have been violated shall, solely as a result of that determination, require a reversal of the Commission's decision with respect to any other issue.

(i) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

EFFECTIVE DATE

SEC. 13. The provisions of this Act shall be applicable to all ongoing proceedings for issuance, revocation, modification, amendment, or revision of construction permits and operating licenses and to all construction permits and operating licenses already issued to the maximum extent practicable consistent with the public interest and the avoidance of unnecessary delay.

By Mr. MOSS (for himself and Mr. WILLIAMS):

S.J. Res. 212. A joint resolution to authorize the erection of a Children's Gift Bell memorial bell tower on the Capitol grounds, and for other purposes. Referred to the Committee on Public Works.

CHILDREN'S GIFT BELL

Mr. MOSS. Mr. President, it gives me great pleasure to introduce, with Senator WILLIAMS, a joint resolution that will make it possible for our young people to participate in the American Bicentennial Revolution Celebration. This bill encourages all freedom-loving young Americans to donate pennies from which a gigantic copper bell, "Twice the size of the Liberty Bell," will be constructed. The bell, known as the Children's Gift Bell, will be placed on the American Freedom Train to tour the Nation for some 21 months in 1975 and 1976. Thereafter, the bell will be placed on the Capitol grounds as a constant reminder of the freedoms enjoyed by each of us.

Special recognition for this worthwhile idea should be given to Mr. Ross E. Rowland, Jr., president, American Freedom Train Foundation. I am pleased to be associated with Mr. Rowland as a member of the Board of Trustees of the American Freedom Train Foundation.

Mr. Rowland has made many contributions to the preparations for the Bicentennial Celebration. He is a very remarkable individual. The culmination of his work as President of the American Freedom Train Foundation will be realized in 1975 and 1976 when the "Freedom Train" will tour all 48 contiguous States. I am happy that this train will be in Salt Lake City on October 11–13, 1975.

The Children's Gift Bell will be on the "Freedom Train" and will be seen by millions. It will be a viewing highlight of the "Freedom Train" tour. The bell can literally be characterized as "Pennies From a Proud People." It will be a symbol of the dedication of America's young citizens to freedom and independence. It incorporates all of the theses of this Nation's 200th anniversary celebration.

A computerized "honor roll," with the names of every donor, will be on the train. At every stop, any donor will be able to find his name and address on the computer list. Later this list will be placed at the bell's permanent site.

Mr. President, this bill would authorize the American Freedom Train Foundation to erect on the Capitol Grounds a Children's Gift Bell memorial bell tower in honor of the bicentennial celebration of the signing of the Declaration of Independence. The design and location of the memorial would be subject to approval of the Architect of the Capitol with the advice of the National Commission of Fine Arts and the National Capitol Planning Commission. This bill specifically allows the American Freedom Train Foundation to melt a sufficient number of 1-cent pieces, approximately 350,000, solicited from the children of the United States. From the melted pennies, the Children's Gift Bell would be constructed.

If surplus pennies are received, they would be turned over to the Federal Treasury. However, the names of all donors would be placed on the computer list.

Although a serious shortage of pennies exists in the United States, the benefits that can result from a feeling of participation in America's Bicentennial through small contributions to America's heritage warrant acceptance of this bill.

Mr. President, I ask that the Senate act quickly on this bill in order that the Children's Gift Bell can become a reality. Quick action will indicate the Senate's confidence in our young citizens' desire to participate in the American Bicentennial Revolution Celebration.

I ask unanimous consent that the full text of the joint resolution be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 212

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the American Freedom Train Foundation is authorized to erect on the Capitol grounds, and to present to the Congress of the United States, a Children's Gift Bell memorial bell tower of appropriate design in honor of the Bicentennial Celebration of the signing of the Declaration of Independence.

Sec. 2. All plans for the design and location of such memorial are subject to the approval of the Architect of the Capitol, with the advice of the National Commission of Fine Arts and the National Capitol Planning Commission.

Sec. 3. The memorial authorized to be erected by the first section of this Act shall be erected without expense to the United States and shall be maintained by the Architect of the Capitol.

Sec. 4. The authority granted by the first section of this Act shall terminate three years after the date of enactment of this Act unless—

(a) the plans for the memorial are presented to and approved by the Architect of the Capitol, and

(b) the Architect of the Capitol determines, before construction of the memorial begins, that sufficient funds are available to insure its completion without expense to the United States.

Sec. 5. Notwithstanding the provisions of any other law, the American Freedom Train Foundation is authorized to melt a sufficient number of one-cent pieces, solicited from the children of the United States, to construct from such one-cent pieces a Children's Gift Bell in honor of the Bicentennial of the signing of the Declaration of Independence. Such bell shall be installed in the memorial authorized to be erected under the first section of this Act.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1811

At the request of Mr. Church, the Senator from Wisconsin (Mr. Nelson) was added as a cosponsor of S. 1811, a bill to amend the Internal Revenue Code of 1954 to increase the credit against tax for retirement income.

S. 1844

At the request of Mr. Abourezk, the Senator from Utah (Mr. Moss) was added as a cosponsor of S. 1844, the American Folklife Preservation Act.

S. 2513

At the request of Mr. Long, the Senator from North Dakota (Mr. Young), the Senator from Florida (Mr. Chiles), the Senator from Wyoming (Mr. McGee), the Senator from Hawaii (Mr. Inouye), the Senator from Nevada (Mr. Bible), the Senator from Florida (Mr. Gurney), the Senator from Nevada (Mr. Cannon), the Senator from West Virginia (Mr. Randolph), the Senator from South Carolina (Mr. Hollings), and the Senator from North Dakota (Mr. Burdick), were added as cosponsors of S. 2513, to amend the Social Security Act by adding a new title thereto which will provide insurance against the costs of catastrophic illness, by replacing the medicaid program with a Federal medical assistance plan for low-income people, and by adding a new title XV thereto which will encourage and facilitate the availability, through private insurance carriers, of basic health insurance at reasonable premium charges, and for other purposes.

S. 3095

At the request of Mr. Haskell, the Senator from Idaho (Mr. Church) was added as a cosponsor of S. 3095, a bill to deny treatment as a foreign tax credit to any payment to a foreign government in connection with the extraction of oil or gas, if such payment is a royalty payment.

S. 3277

At the request of Mr. Bartlett (for Mr. Domenici), the Senator from Massachusetts (Mr. Brooke) was added as a cosponsor of S. 3277, a bill to amend the Solid Waste Disposal Act, to encourage full recovery of energy and resources from solid waste, to protect health and the environment from the adverse effects of solid waste disposal, and for other purposes.

S. 3293

At the request of Mr. Bartlett (for Mr. Domenici), the Senator from Wyoming (Mr. McGee) was added as a cosponsor of S. 3293, a bill to authorize the Atomic Energy Commission in consultation with the U.S. Environmental Protection Agency to enter into cooperative agreements with certain States to contain and render harmless uranium mill tailings, and for other purposes.

S. 3339

At the request of Mr. Humphrey, the Senator from Hawaii (Mr. Inouye), and the Senator from Colorado (Mr. Haskell) were added as cosponsors of S. 3339, a bill to amend the program of supplemental security income for the aged, blind, and disabled—established by title XVI of the Social Security Act—to provide for cost-of-living increases in the benefits provided thereunder.

S. 3403

At the request of Mr. Dole, the Senator from New Jersey (Mr. Case) was added as a cosponsor of S. 3403, a bill to amend the act of August 31, 1922, to prevent the introduction and spread of diseases and parasites harmful to honey bees.

S. 3417

At the request of Mr. Eagleton, the Senator from Kentucky (Mr. Cook) was added as a cosponsor of S. 3417, a bill to amend title 5 of the United States Code (relating to Government organization and employees) to assist Federal employees in meeting their tax obligations under city ordinances.

S. 3433

At the request of Mr. Aiken, the Senator from West Virginia (Mr. Randolph) and the Senator from Pennsylvania (Mr. Schweiker) were added as cosponsors of S. 3433, to further purposes of the Wilderness Act by designating certain acquired lands for inclusion in the National Wilderness Preservation System, to provide for study of certain additional lands for such inclusion, and for other purposes.

S. 3434

At the request of Mr. Hugh Scott, the Senator from Ohio (Mr. Taft) was added as a cosponsor of S. 3434, to establish university coal research laboratories and to establish energy resource fellowships.

S. 3498

At the request of Mr. Bartlett (for Mr. Domenici), the Senator from Ohio (Mr. Taft) was added as a cosponsor of S. 3498, a bill to amend section 5 of the Food Stamp Act of 1964 to broaden the authority of the Secretary of Agriculture with regard to providing emergency food assistance to victims of disasters.

PUBLIC HEALTH SERVICE ACT AMENDMENTS OF 1974—AMENDMENT

AMENDMENT NO. 1399

(Ordered to be printed and referred to the Committee on Labor and Public Welfare.)

Mr. CRANSTON (for himself, Mr. Kennedy, and Mr. Montoya) submitted an amendment intended to be proposed by them jointly to the bill (S. 3280) to amend the Public Health Service Act to revise and extend programs of health delivery and health revenue sharing, and for other purposes.

(Mr. CRANSTON'S remarks in connection with the submission of this amendment appear under the heading "Statements on Introduced Bills and Joint Resolutions.")

EXEMPTION FROM DUTY REPAIRS TO CERTAIN VESSELS—AMENDMENT

AMENDMENT NO. 1360

(Ordered to be printed and to lie on the table.)

(Mr. HASKELL submitted an amendment intended to be proposed by him to the bill (H.R. 8217) to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1972.

Mr. HASKELL. Mr. President, on March 1 of this year, I introduced S. 3095, a bill to deny treatment as a foreign tax payment to any royalty payment made in connection with the extraction of oil or gas from a foreign country. Since then, this bill has been cosponsored by Senators Stevenson, Church, Case, McIntyre, Cranston, Tunney, Cannon, and Humphrey. I remain convinced of the need for legislation of this nature and am, accordingly, today reintroducing S. 3095 as an amendment proposed to be added to H.R. 8217, which will be before the Senate after the Memorial Day recess.

There is no justification for allowing royalty payments to foreign governments to be credited against Federal income taxes. In the vast majority of entrepreneurial enterprises, royalty payments are ordinary—and deductible—business expenses. That is an appropriate manner in which to determine taxable income and that is how all royalty payments should be treated. Today, however, we operate under the fiction that royalty payments made by multinational oil and gas corporations to foreign governments are somehow the equivalent of income taxes paid to those countries. The result, of course, is a tremendous tax windfall for the biggest petroleum corporations.

I do not object to the allowance of a tax credit for bona fide income tax payments to foreign governments. To administer our tax laws otherwise would, in effect, cause a double income taxation of foreign source income and would thereby put American businesses operating abroad at a distinct disadvantage relative to foreign corporations.

The dangers of those disadvantages, however, must be balanced against the inequities caused here at home by fundamentally unfair tax advantages that are afforded multinational corporations alone. It is not an overstatement of fact to suggest that the abuse of the foreign tax credit provisions of the Internal Revenue Code—an abuse for which the Internal Revenue Service must claim a part of the blame since its interpretation alone allows royalties to be credited against taxes—is one reason that the oil and gas giants often pay little or no Federal income taxes.

Under this amendment, royalty payments will not be creditable against taxes due the Federal Government. Only true income taxes will be creditable against taxes; any so-called taxes that are imposed on a per volume basis, including "per barrel" taxes, must of course be treated as royalties and not as income taxes paid to foreign governments.

I ask unanimous consent Mr. President that my statement of March 1, 1974, on this subject, along with my proposed amendment, be printed at this point in the Record.

There being no objection, the statement and amendment were ordered to be printed in the Record, as follows:

Statement and Amendment by Mr. Haskell

S. 3095. A bill to amend the Internal Revenue Code of 1954 to deny treatment as a foreign tax payment to any royalty payment made in connection with the extraction of oil or gas from a foreign country and to provide a means of determining what part of any payment constitutes the payment of a royalty. Referred to the Committee on Finance.

FOREIGN TAX CREDITS AND INCOME TAX FAIRNESS

Mr. President, 1 month ago I spoke on the Senate floor of my grave concern with the adequacy of the so-called "windfall profits" provision of the Energy Emergency Act. I suggested at that time that the most effective manner in which to distribute more evenly the burden of the energy crisis would be the imposition of an excess profits tax on the profits of multinational oil companies and the establishment of meaningful price controls on domestic oil operations. At the same time, I spoke of the need to address ourselves once and for all to the question of the overall tax treatment of the oil industry. Every tax loophole, Mr. President, means that the American people as a whole must bear a greater tax burden. One of those loopholes which I mentioned a month ago is the foreign tax credit provision. Today, I am introducing the first of several bills—the first long overdue step—to reform the tax treatment accorded this industry without apparent justification.

The legislation that I am introducing today will prohibit the multinational oil companies from taking a tax credit for amounts paid to a foreign government that are, in reality, a royalty payment rather than a tax on the companies' income.

Under present law, taxes paid to foreign governments generate a dollar for dollar tax credit against U.S. taxes on the theory that double taxation of corporate income—taxation by both the foreign government and the United States—would be inappropriate. That, in my judgment, is a legitimate consideration. Total elimination of the foreign tax credit would put our corporations operating abroad at an extreme competitive disadvantage compared to foreign corporations that would not be subject to a double taxation. I accept the principle that foreign tax payments should be credited against the tax liability that a corporation pays in the United States.

However, the major method by which foreign tax credits provide a special benefit to the multinational oil industry is the practice of crediting royalty payments in the guise of an income tax. No other industry, no individual, is allowed to treat royalty payments as though they were an expense that is creditable against U.S. taxes. Royalties are nothing more than a cost of doing business. For every other taxpayer in this country, those royalty payments can only be deducted from gross income. But, for the multinational corporation they can be credited against taxes due the U.S. Government. This practice is one of the several reasons that major corporations like Standard Oil of California, Texaco, and Gulf Oil Cos., each of which has income in the range of $1 billion, paid income taxes in 1971 of less than 3 percent of their gross income. I need not remind my colleagues that our constituents pay an average tax of 16 percent of their incomes—and not too many of these American families are earning a billion dollars a year.

This practice of crediting royalty payments against Federal tax liability has, in recent weeks, been studied and questioned by my very distinguished colleague from Idaho, Mr. Church. I have been following with great interest and admiration his vigorous investigation of the source of and rationale for this unwarranted tax break. I applaud Senator Church and his Subcommittee on Multinational Corporations for bringing this matter to the attention of the American public and the Congress.

The bill which I am introducing today is straightforward. It prohibits corporations from taking a tax credit for any payment to a foreign government that is a royalty payment. The bill directs the Secretary of the Treasury to apply certain standards in the determination of whether payments to foreign governments are royalties or taxes. And it authorizes him, in certain situations, to formulate additional standards for this purpose.

The bill applies only to the income of petroleum related corporations operating abroad. The Committee on Finance may well desire to inquire into the appropriateness and necessity of expanding the coverage of income to other corporate activities abroad.

The application and enforcement of this proposed amendment to the foreign tax credit provisions of the code should pose no problem to the Internal Revenue Service. The Service may, if necessary, choose to examine and place royalty values on foreign wells just as it now values closely held stock and unique assets in a decedent's estate.

I intend to offer additional legislation affecting this area of the code in the near future, including a bill to repeal the so-called "overall limitation" on the foreign tax credit, which allows a multinational to credit taxes paid to one country against income earned in another. I hope, though, that my colleagues on both sides of the aisle will give their support to this bill at this time and that the distinguished members of the Finance Committee will give favorable consideration to my proposal.

Amendment No. 1360

Insert the following:

Sec. 4. (a) Section 903 of the Internal Revenue Code of 1954 (relating to definition of creditable taxes) is amended to read as follows:

"(a) In General.—For purposes of this subpart and sections 164(a) and 275(a), the term 'income, war profits, and excess profits taxes' means a tax paid in lieu of a tax on income, war profits, or excess profits otherwise generally imposed by any foreign country or by any foreign possession of the United States.

"(b) Royalties.—

"(1) In general.—For purposes of this subpart and sections 164(a) and 275(a), in the case of taxes paid or accrued to any foreign country with respect to income derived from the extraction, production, or refining of oil or gas in such country, the term 'income, war profits, and excess profits taxes' does not include any amount paid as a royalty.

"(2) Determination by secretary or his delegate.—The Secretary or his delegate shall determine, in accordance with the provisions of paragraph (3), with respect to payments made to any foreign country in connection with income from the extraction, production, or refining of oil or gas in such country, what portion (if any) of that payment constitutes the payment of a royalty.

"(3) Basic rules.—In the case of any foreign country which imposes an income, war profits, or excess profits tax on income from activities other than the extraction, production, or refining of oil or gas in that country, any part of a payment made to that country as an income, war profits, or excess profits tax which is not reasonably similar (in terms of the rate of tax, or of the amount of tax paid for the income or profits involved) to the amount payable with respect to income or profits arising out of other activities, as determined by the Secretary or his delegate, is considered to be a royalty payment. In the case of any other foreign country, any part of a payment made to that country as an income, war profits, or excess profits tax which is determined by the Secretary or his delegate, on account of the manner in which it is determined, the rate or amount involved, or any other reason, to constitute the payment of a royalty is considered to be a royalty payment.".

(b) Section 904(f)(4) of such Code (relating to transitional rules for carrybacks and carryovers) is amended by adding at the end thereof the following new subparagraph:

"(C) Carryovers to years beginning after December 31, 1973.—

"(i) Whenever pre-1974 taxes are, under the provisions of subsection (d), deemed to be post-1973 taxes, the pre-1974 taxes shall be redetermined in accordance with the provisions of section 903(b) (relating to royalties) as if those provisions applied to the taxable year in which the pre-1974 taxes were paid or accrued.

"(ii) For purposes of this subparagraph, the term 'pre-1974 taxes' means taxes paid or accrued to any foreign country or possession of the United States in any taxable year ending before January 1, 1974, and the term 'post-1973 taxes' means taxes paid or accrued to any foreign country or possession of the United States in any taxable year beginning after December 31, 1973.".

SEC. 2. The amendments made by this Act apply with respect to taxable years beginning after December 31, 1973.

FREEDOM OF INFORMATION ACT—AMENDMENT

AMENDMENT NO. 1361

(Ordered to be printed and to lie on the table.)

Mr. HART (for himself, Mr. MATHIAS, Mr. CRANSTON, Mr. MUSKIE, Mr. CLARK, Mr. RIBICOFF, Mr. MOSS, and Mr. MCGOVERN) submitted an amendment intended to be proposed by them jointly to the bill (S. 2543) to amend section 552 of title 5, United States Code, commonly known as the Freedom of Information Act.

THE FREEDOM OF INFORMATION BILL

Mr. HART. Mr. President, the Freedom of Information Act, which we will consider tomorrow, is an admittedly complex and highly significant piece of legislation, which we seek to improve.

For the first time since its enactment in 1967, major amendments to the Freedom of Information Act will be considered by the Senate on Thursday, May 30. I intend to offer an amendment proposed by the American Bar Association which will clarify the congressional intent as to the disclosure of investigatory records.

The Freedom of Information Act exempts from disclosure "investigatory files compiled for law enforcement purposes except to the extent available by law to a party other than an agency," section 552(b) (7). According to my reading of the legislative history Congress intended that the purpose of section 552 (b) (7) was to prevent harm to the Government's case in court, by not allowing an opposing litigant "earlier or greater access to investigative files than he would otherwise have." (H. Rept. No. 1497, 89th Congress, 2d session, 1966; S. Rept. No. 813, 89th Cong., 1st session, 1965.)

Recent court decisions have greatly broadened the scope of the exemption to allow the Government to withhold any information which it claims is "investigative" in nature and compiled for a law enforcement purpose. The Government does not have to show that disclosure would reveal the identity of informants or in any other way prejudice its investigation.

The proposed amendment urged by the Administrative Law Section of the American Bar Association explicitly places the burden of justifying nondisclosure on the Government which would have to show that disclosure would interfere with enforcement proceedings, deprive a person of a right to a fair trial, constitute an unwarranted invasion of personal privacy, reveal the identity of informants, or disclose investigative techniques or procedures.

The protection for personal privacy was not explicitly included in the ABA draft amendment but is a part of the sixth exemption in the original act. By adding the language here, we simply make clear that the protections in the sixth exemption also apply to disclosure under the seventh exemption.

Mr. President, I ask that the amendment which I intend to offer be printed.

The PRESIDING OFFICER. The amendment will be received and printed and will lie at the desk.

Mr. HART. Mr. President, I ask unanimous consent that the language of the amendment be printed in the RECORD following these remarks, as well as a letter sponsored by Common Cause, Public Citizen, Consumers Federation of America, Consumers Union, and the UAW.

There being no objection, the amendment and letter were ordered to be printed in the RECORD, as follows:

On page 11, line 15, after the period, insert the following new subsection:

"(3) Section 552(6) (7) is amended to read as follows:

"Investigatory records compiled for law enforcement purposes, but only to the extent that the production of such records would (A) interfere with enforcement proceedings, (B) deprive a person of a right to a fair trial or an impartial adjudication, or constitute a clearly unwarranted invasion of personal privacy". (C) disclose the identity of an informer, or (D) disclose investigative techniques and procedures."

DEAR SENATOR HART: The American Bar Association has proposed changes in the seventh exemption to the Freedom of Information Act which set forth explicitly the objectives which the investigatory files exemption is intended to achieve. We strongly endorse your effort to offer this amendment when the Freedom of Information Act comes before the Senate.

Recent court decisions have expanded the exemption far beyond the original intent of Congress. In the legislative history of this exemption, the Senate Report implied that non-disclosure of investigatory files is warranted only if disclosure would harm the government's case in court. In what appears to be a major departure from this guideline, the courts now interpret the seventh exemption literally to permit the government to withhold any data to which it attaches the label "investigatory file compiled for law enforcement purposes". The government is not required to show that disclosure will burden in any way its investigative efforts. In other words, the government is able to use the "investigatory file exemption" in much the same way it has used the national security exemption—as a blanket to conceal all kinds of information with no questions asked about the legitimacy of its need to do so.

Under this exemption, information of vital interest to the public could be kept secret—e.g. inspection reports by inspectors under the Occupational Safety and Health Act concerning safety in factories and other work places; meat inspection detention records; medicare nursing home reports compiled on an annual basis which assess the medical care and safety of nursing homes; correspondence between the National Highway Traffic Safety Administration and automobile manufacturers concerning safety defects on automobiles; and compliance reports for agencies under the Civil Rights Act.

The ABA amendment will permit this kind of information to be made public with appropriate safeguards for individual rights and the confidentiality of informants and investigative procedures. It will help achieve the overriding purpose of Congress in passing the Freedom of Information Act—to make disclosure the general rule, not the exception; and to put the burden on the government to justify withholding information, not on the citizen who requests it.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 1282

At the request of Mr. BIDEN, the Senator from Colorado (Mr. HASKELL) was added as a cosponsor of amendment No. 1282, intended to be proposed to the bill (S. 3000), the Defense Department authorization bill.

AMENDMENT NO. 1326

At the request of Mr. RIBICOFF, the Senator from Maine (Mr. MUSKIE) was added as a cosponsor of amendment No. 1326, to repeal the oil depletion allowance effective January 1, 1974, intended to be proposed to the bill (H.R. 8217) to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1972.

AMENDMENT NO. 1335

At the request of Mr. BROCK, the Senator from South Dakota (Mr. MCGOVERN) was added as a cosponsor of amendment No. 1335, intended to be proposed to S. 1486, a bill to authorize the Secretary of Commerce to engage in certain export expansion activities and for related purposes.

AMENDMENT NO. 1356

At the request of Mr. MUSKIE, the Senator from New Mexico (Mr. MONTOYA), the Senator from Connecticut (Mr. WEICKER), the Senator from California (Mr. CRANSTON) and the Senator from Wisconsin (Mr. NELSON) were added as cosponsors to amendment No. 1356 to S. 2543, amendments to the Freedom of Information Act.

ANNOUNCEMENT OF ADDITIONAL HEARINGS ON SENATE JOINT RESOLUTION 119 AND SENATE JOINT RESOLUTION 130

Mr. BAYH. Mr. President, the Subcommittee on Constitutional Amendments has scheduled additional hearings on Senate Joint Resolution 119 and Senate Joint Resolution 130, proposed constitutional amendments to prohibit abortion, on Tuesday, June 4, in room 318, Russell Senate Office Building, beginning at 10 a.m.

Persons wishing to submit written statements for the hearing record should send them to the Subcommittee on Constitutional Amendments, room 300, Russell Senate Office Building, Washington, D.C. 20510.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Gerald J. Gallinghouse, of Louisiana, to be U.S. attorney for the Eastern District of Louisiana for the term of 4 years. (Reappointment)

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Wednesday, June 5, 1974, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF HEARING ON NOMINATION

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 4, 1974, at 9:30 a.m., in room 2228 Dirksen Senate Office Building, on the following nomination:

Donald S. Voorhees, of Washington, to be U.S. District judge for the Western District of Washington, vice William T. Beeks, retired.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Mississippi (Mr. EASTLAND), chairman; the Senator from Arkansas (Mr. MCCLELLAN) and the Senator from Nebraska (Mr. HRUSKA).

ADDITIONAL STATEMENTS

WHAT AMERICA MEANS TO ME

Mr. TOWER. Mr. President, I would like to bring to the Senate's attention the winning essays of the Wichita Falls, Tex., Rotary Club's eighth annual Americanism essay contest on "What America Means to Me." At a time when there is so much concern about the nature of our system of government, I am extremely encouraged by the attitudes of these young Americans.

Our Nation's strength and hopes for the future lie with our young people. I am convinced that the future holds bright for these United States because young Americans of today, like those of generations past, have retained the vibrance and enthusiasm for our form of government and our way of life.

I know my colleagues in the Senate join with me in expressing congratulations to these four young people: John deMontel, Joan Bradford, Donna Hoagland, and Cathy Hollandsworth.

I ask unanimous consent that these essays be printed in the RECORD.

There being no objection, the essay were ordered to be printed in the RECORD, as follows:

WHAT AMERICA MEANS TO ME

(By John deMontel)

"America the beautiful, God shed His grace on thee." She truly is beautiful in every sense of the word. Anything that could be wanted can be found here, if looked for. But, people are becoming lazy and not searching. They expect their wants to suddenly appear. We must strive for our achievements as our forefathers once did. It can be done by Americans if it can be done by anyone.

America is a symbol for many things, the most important being security and liberty. Living in the United States, we the people protect each other by helping and believing in each other. In an emergency we group together to fight the common enemy, whether it be foreign, national, or natural. If we have to fight with weapons we will do so to protect our families and country. If we need manpower we can always dig it up. When the enemy is natural, such as fuel, flood, or hurricane and tornado, we together will fight and protect. If there is famine we distribute food; we are a symbol of hope. I know that no matter what happens to me, my family will be cared for with love and food.

By being an American I am entitled to live by the Constitution, therefore having the rights guaranteed. I have the freedom to do as I choose as well as where I wish to do it. Of course I have the responsibility to respect other peoples rights or mine may be taken away. If two people's rights conflict then they may turn to a court of law where a fair judgment may be found.

By living in America I can achieve honestly anything I could want. There are billions of opportunities floating in the air waiting to be grabbed. I respect those who can achieve what they want. I respect those who fail in their goals as long as they have tried. There are hardships here as well as anywhere, but in America there are more opportunities and more people willing to help you with them. I don't feel bitterness toward people that have more than I because I know America made it possible and I can do the same. I only feel hatred for those who do it by dishonest means, for even though they will pay for it they are cheating others.

America means being able to attend the schools I want in which ever city I want and in which ever state I want. I have choices here that I couldn't even think about in other countries. It means choosing the friends I want. It means having the girl I want to marry in the church that I want to be married in.

America has an unbelievable heritage that I am extremely proud to be a part of. We as Americans have a history to celebrate that is the most fascinating of all. I believe in our past, present, and our future. We have a lot to look forward to. I will defend my American rights and yours to the end. We have the best country and God's blessings as people and as Americans.

WHAT AMERICA MEANS TO ME

(By Joan Bradford)

America is my homeland, and I am proud to be a citizen of such a great country. The name, the United States of America, is synonymous with words such as greatness, splendor, beauty, power, opportunity, and freedom. I feel reverent and humble when I hear its name or see objects which symbolize it. Every time I hear the words, "Oh, say can you see, by the dawn's early light," I get a lump in my throat, because through these words the spirit of America can be felt. It is a spirit of freedom, pride, and dignity, and it is created by the great contributions and sacrifices made by American patriots. These Americans made sacrifices of their time, their money, and even their lives to preserve the principles upon which this country was founded. Great sacrifices have been made because of the belief in this country, a belief held by billions of people. These sacrifices are evidence of support of the opinion in which the United States is held, an opinion of respect and admiration. Even though America has its faults, its good points outweigh its bad points; therefore, the opinion of it remains good. The major assets of America are its strength, its people, its natural resources, and its freedoms.

America is a strong nation; but it is only as strong as its weakest citizen, just as the chain is only as strong as its weakest link. We try to keep this nation strong, and one way is through education. Ignorance is weakness, therefore we strive to keep America's educational level high. Our form of government depends on a high educational level of the country, for the citizens run the country, and they need to be knowledgeable. Often countries with low levels of education are run by dictators who can only survive on the ignorance of the masses. By having a highly educated democratic country, the threat of a dictatorship would be insignificant. Through knowledge, the citizens gain strength, and strong citizens are vital when they have the responsibilities of running the government.

Another major asset of America is the people. America is well-known for its kindhearted and industrious people. The people have always been generous to the world, especially in time of great need. After a war, Americans always go to help rebuild a destroyed country, even one which was the aggressor. The relief measures performed by America are famous world-wide. Some, such as CARE, UNICEF, Vista, and the Peace Corps, help underprivileged countries. These programs are supported mainly by donations of the people and groups. Even right now, we are sending aid to Saudi Arabia, and this is very generous considering how they have treated America. Their embargo caused a recession and high inflation here, but we can overcome these obstacles, because Americans are industrious people. Americans have always held a strong belief in the work ethic, and this has helped us in making technological and industrial advances. The Americans who made these things happen are truly an asset to our country.

America is also well-noted for its expansive natural resources. We lack few resources; this helps America retain its position as a world leader. The great quantities of energy materials have helped to keep the price of these fuels lower than in other major countries. Possessing these resources lessens our dependency on other nations, thereby preserving our independence. This is the reason the Arab nations have not been able to control our Mideast policy as greatly as they have controlled European policy. Our natural resources also include the productivity of the land. The yieldage per acre in America is very high. We have always had enough food for our people with even some left over for exportation. We utilize our natural resources well, and we take precautions to preserve them. As long as we can take care of them and conserve them, America will continue to be called the "land of liberty."

America represents, to the world, a lasting freedom for her citizens. This government was founded upon the strong belief of freedom of the individual as is clearly stated in the Bill of Rights. These rights are considered as the highest law in the land, because every citizen is guaranteed these rights. To deny them is morally wrong as well as legally wrong. These basic human rights are upheld strongly here. Americans enjoy the greatest amount of freedom of any people in the world. A citizen's freedom is only limited by the infringement upon another citizen's rights. Our freedoms are extensive, and they are guarded by laws designed to do that in the Bill of Rights. These freedoms are necessary for preserving a democracy because they place the power into the hands of the majority. Our freedom, and America's strength, people, and natural resources help to make it the great country it is today.

WHAT AMERICA MEANS TO ME

(By Donna Hoagland)

The other day, I decided to turn on the radio while I was getting ready to go to a meeting. As I listened, I couldn't help but wonder at the different kinds of music. The songs were undoubtedly popular, and they all appealed to the younger generation. But the similarities ended there. One minute I heard a new version of a Glenn Miller hit, and a few minutes later, the disc jockey was playing hard rock. The more I thought about it, the more I soon began to see that our society is one of contrasts, not only in our music and in our art, but also in every aspect of our lives. America to me, then, is a country so diverse that it can encompass all our dreams and ambitions.

No matter where you look, you can't help but notice the various forces at work in our nation. For instance, there are so many different kinds of people. We all know that America is a "melting pot," but race and national origin are not the only differences in people. Types of jobs, philosophies, and living standards all vary from person to person. In other words, to be an American is to be yourself—your own person. America is big enough to accept everyone, no matter what they believe or do. Want to complain about the government? You can. If you want to criticize the president, go right ahead. Even if you want to join the Communist party, there's no law against it.

Consider this example. A Jewish family left Germany in the 1930's and came to America to escape Hitler's wrath. One member of the family, a son, began to build a reputation in his adopted country. The young boy did exceptional work in school, and eventually graduated with highest honors from one of America's foremost universities. As a young adult, the Jewish immigrant began to advance in government circles. Today, he is our Secretary of State. Henry Kissinger is a prime example of our country's diversity. While his life story is more popular than most, the number of Americans who have overcome obstacles to attain success is enormous. Yes, America is a wonderful country, filled with opportunity.

The United States is also a country of change. Every day the citizens of the United States make adjustments. They react to personal problems as well as to national concerns. Faced with floods, Watergate, the energy crisis, and an inflationary economy, Americans still manage to adapt. Nothing gets us down, because we can cope with anything. Yes, America means diversity to me because it is our ability to adapt that enables us to succeed. For as Ralph Waldo Emerson once said, "America is another name for opportunity. Our whole history appears like a last effort of divine Providence in behalf of the human race."

What America Means to Me

(By Cathy Hollandsworth)

America was a wild, empty country before any man set foot on the untamed land. This land was like a young seed which was nourished by the white, red, and black men who settled there. These concerned men carefully tended the seed and raised a strong, eternal tree which has never stopped growing. This tree is America, a strong nation that grows and never dies.

The beauty of the tree is unsurpassed by any other plants. The tall, sturdy trunk, the green leafy branches reaching high into the sky display its magnificent grandeur. From shore to shore, America's beauty is shown in green pastures, in dry and arid deserts, in majestic mountains, in crystal lakes, and in warm, sunny skies. This beauty is the result of the Master Designer's love and concern for people to create a beautiful place in which to live.

Like an organism, the tree is made up of many parts growing and producing together. America is supported by strong roots which lay the basic principles of the government—life, liberty, and the pursuit of happiness. These roots feed deeply upon the subsoil of a strong belief in God. In addition to the roots, the trunk of the tree represents our government of the people, by the people and for the people which is the mainstream of American life. From the center of the tree, the trunk branches out to reach the American people of different races, creeds, and intelligence. Every branch is nourished with the water and nutrients helping to produce the leaves, flowers, and fruit. In the same way, America is increasingly giving equal opportunity to people to find happiness and productivity. As a result, the nation is growing and prospering as each American reaches out for excellence.

Many times, however, the tree has to withstand the hardships caused by the forces of nature. The tree may wither but never will die. America experiences the same droughts and heavy storms as the tree does. Not only do these forces take place in nature but in her people. Corruption in the government has been a trying time in the life of the nation. Watergate and other scandals have helped to place America in a state of despair and separation. Americans have suffered through the agonizing years of social upheaval in race relations. The Viet Nam War also has burdened the American people with suffering and pain. Inflation has brought with it hunger and empty pockets. However, even though these circumstances have created troublesome times for Americans, the country has mended itself and kept on growing. In a similar way, the tree, when its branches break, repairs the wound and becomes much stronger than before. As the tree loses its leaves and branches, new ones grow in their place. America is emerging from her faults stronger and more ready to face problems and responsibilities. She has learned from her mistakes by pulling herself back together from the rocks she stumbled on and is striving for better success and prosperity. The American people seem to care more about their rights. They have grown sounder in mind and body by standing up for what they believe, just as the tree has grown healthier by standing tall for its belief in survival.

This eternal tree is America, the source of the country's endurance and growth. Americans have planted the seed, nourished it, and kept it growing. The nourishment has come from the people's love and concern for America's growth and achievement. The once untamed wilderness is now a thriving nation permanently established on Mother Earth and deeply rooted in beauty, strength, and sound belief.

THE MILITARY PROFESSION

Mr. HOLLINGS. Mr. President, the problem of building and maintaining morale within the Armed Forces is one that concerns us all. It is not a new problem, to be sure, but the introduction of the Volunteer Army has obviously exacerbated the situation.

If we are to overcome this problem—and I believe we can and will—it will take a renewed sense of purpose through the ranks. A strong military is a proud military—proud in itself and, even more importantly, proud in the Nation and people and values which it defends. The American military tradition is a proud one, and we can ill afford to sacrifice that spirit in these days of sagging confidence in our national institutions.

Critical to the undertaking is the caliber of young men we train as officers in our service academies and our reserve officer training programs. If they have within them a sense of the spirit of America—of its values and fundamental precepts and laws and traditions—then the end is not in doubt and the problem will be overcome. If they are imbued with a sense of the dedication and self-discipline and exemplary behavior necessary to keep our military force united in purpose and ready for the call—then we can redress the problems which recent years have brought upon us.

On May 10 of this year, at the Army-Air Force ROTC commissioning ceremonies at Clemson University, this problem was discussed with a feeling and a depth and an eloquence that we too seldom are privileged to hear. The speaker was Adm. Joseph B. McDevitt, former Judge Advocate General of the U.S. Navy. Admiral McDevitt is retired from the service now, and is serving as vice president for executive affairs, secretary of the board of trustees, and university counsel, for Clemson University in my home State of South Carolina.

Admiral McDevitt's speech is both timely and on target. In its understanding of the problem—as well as in its grasp of what is needed to correct the situation—it speaks with an authority which commands respect. Here is an address which deserves to be widely read and seriously implemented.

Mr. President, I ask unanimous consent that Adm. Joseph B. McDevitt's commissioning address be printed in its entirety in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

The Military Profession

The military profession—probably more than any other calling in our Nation—depends upon a set of beliefs and values. If these are not held by a man or woman who is commissioned as an officer, the results can be unfortunate indeed. I need not remind you of the incidents which have resulted in recent years from individuals who have worn the uniform of an American officer without concern for the responsibilities of their trust. It is essential in these difficult days for our Nation that the military academies and the ROTC and NROTC institutions such as Clemson produce young men and women for the officer corps who do understand and who do believe in what their commissions represent.

In order that you may understand more clearly what I mean, let me set forth some specific beliefs and values that each of you who is graduating and being commissioned today should hold:

a. The United States is a nation of high ideals, founded by men of goodwill for purposes which are constructive and creative. There are two documents with which every officer in the Armed Forces of the United States should be thoroughly familiar:

The Declaration of Independence and the Constitution of the United States. It is in them that we find the eternal principles of Freedom, Equality, Justice, and Humanity on which the American Republic is established.

The Declaration of Independence, this Great Human Document in whose message and story we find the heart-throbs of our forefathers, may well be called the heart of the Nation.

The Constitution of the United States, "the most wonderful work ever struck off at a given time by the brain and purpose of man," which each of you will shortly swear to "support and defend against all enemies," may be called the backbone of the Nation. Behind this Great Instrument are all the romance, history, and poetry of the American Republic. Great battles have been fought to preserve its principles. The success or failure of representative government in the world depends upon its maintenance. I have always kept copies of the Declaration and the Constitution at hand and have found it exceedingly rewarding to read them through from time to time.

b. Those who govern our Nation at the top level, in all of its three branches, are men of good intent who, although they make mistakes like all men, are doing their level best as they see their duty. However, while we are men and women in uniform, we are also citizens, and as citizens it is not only our right, it is our duty to vote. Particularly to those of you going to active duty, and, hopefully, to military careers, I say—vote. Vote regularly not only in national elections but in the state and local elections of your domicile. As in the instance of any other citizen, it is your duty to cast your votes for those candidates whose stated policies are in agreement with what we, as citizens, believe our government should do.

c. The principle of civilian supremacy over the armed forces at the high level is central to the American military professional ethic. (This means we obey the orders of the President of the United States whether we happen to agree with him personally or not.)

d. While all intelligent men look toward the day when this planet can be organized in one political body it is not that way today and, in truth, we live in a world arena where the riches and freedom of each nation must, on occasion, be defended by force.

To act as though the day for one world government has arrived when, in fact, it is still far away, is only to work against the possibility of its ever arriving. True, we are at peace today in the military sense that we are not engaged on the battlefield. But I for one am convinced that we are at war today just as surely as we were at war on the afternoon and evening of December 6, 1941. Only, of course, on December 6, 1941, we did not know we were at war.

But that had nothing to do with the facts. While the American people slept the carriers of Japan were converging on Hawaii. The bombs had been loaded, the pilots briefed, the missions assigned, the die cast for our people by warlords on the far side of the earth. We should have learned on that terrible morning of December 7th that war starts—not at the moment of the dramatic surprise attack. but when the enemy completes *his* final plans, makes *his* command decision, and sets in irrevocable motion the complex machinery of aggression. George Washington cautioned: "If we desire to secure people, it must be known that we are at all times ready for war." There is no substitute for preparedness—for having in being a military force known by the enemy to possess the capability and motivation to win any war that he might thrust upon us.

I wonder if he regards today's All Volunteer Force in that light? Public apathy is at an all-time high; indifference to the need for military service is causing the Army and Marines to fall an estimated 80,000 men short of the volunteers needed for fiscal 1974. To you soon-to-be-officers will fall the heavy burden of instilling into your subordinates the same beliefs and values which you hold yourself, not the least of which is that the profession of arms remains a necessary and honorable calling in our time. "Americans should stand tall and stand proud in the uniform of their country."

I quote from a recent statement from Senator Ernest F. Hollings:

"At the height of Vietnam, casualty statistics showed that the war was being fought by the poor, the black, and the disadvantaged. Rather than correcting the gross inequities of the draft, we bugged out completely with the Volunteer Army. To the shouts of, "No, no, we don't want to go," we provided that they would never have to go. In talking to campus groups from one end of this country to the other, I'm always asked, "Senator, what is your position on the Volunteer Army?" And when I answer I'm opposed to it—immediately the jeers. I counter with the question, "All those who are willing to serve in the Volunteer Army, please raise your hands." In the last five years, I have collected by this method a Volunteer Army of 15!"

When a young person accepts a commission as an officer, it means taking on certain obligations:

(1) It means freely and clearly accepting the beliefs I have mentioned.

(2) It means recognizing that it is a career of service to the nation—in much the same sense that the priesthood or the ministry is a career of service to the church. Without basic belief in the institution being served, each is a mockery. With that basic belief, each is among the highest callings that one can follow.

(3) It means a willingness to maintain personal standards of accountability, credibility, appearance, and ethics which are higher than those expected in the mainstream of American citizenry. It will necessitate your employing every desirable talent and personal trait that you can master: self-control, self-confidence, high moral and physical courage, upright humaneness, honesty, tact, generosity, loyalty, justice, common sense, personal magnetism, health, physique, initiative, force, judgment, and so on. In other words, the situation will require that you do what you are primarily paid to do—lead by personal example.

An army may travel on its stomach, but it wins battles through its leadership. You undoubtedly recognize this as a fact, but often the acquiring, the practice of leadership, and the means of instilling it in subordinates is not a simple matter.

As leaders of men and women in the Armed Forces, you will have in your hands an exceedingly forceful weapon with which to make sure your subordinates toe the mark. I refer to what is known today as the Uniform Code of Military Justice, known formerly as the Articles of War and the Articles for the Government of the Navy. I spent over 26 years, day in–day out, working with those codes of law on both sides, and in the middle, of the adversary proceedings as prosecutor, defense counsel and judge. Based on that experience, I can state with certainty that the necessity to resort to the code invariably was attributable to a failure of leadership somewhere in the chain of command. The unit with a high sense of morale and esprit de corps and a low incidence of disciplinary infractions invariably had a man at the helm who possessed the key attributes of leadership. He led by personal example, by instruction, by precept. It was evident in his personal appearance, in his bearing, in his demeanor toward superiors and subordinates. He was impatient with incompetence. He not only sought to be the number one man in his organization, but insisted that his officers and petty officers hold to the same high standards. He did not tolerate tardiness, lack of decision, slovenliness in dress, or in manner, lack of precision, indolence, and laziness.

Many of you may ask why I speak of these points in such detail. Aren't they accepted without question by all? (I hope, and believe, that all Clemson men do accept them.) Unfortunately this is not universally the case. If you will stop and think about it, each of the previously stated beliefs has been attacked individually and vigorously within our nation in the past ten years. It is not nearly so easy today for a thoughtful young man to accept these beliefs—because he is surrounded by voices on every hand which loudly proclaim the opposite point of view, even, as I learned last week, in one of our own classrooms—under the guise of academic freedom.

You parents can help by supporting and reinforcing these beliefs but—if I may add a word of opinion—I think we do better when we make it clear that these beliefs have nothing to do with *our* generation or *our* wisdom or *our* experience. They are simply the accumulated wisdom and experience of men over the past 3,000 years in attempting to govern themselves and arrive at a practical and workable way of life on this planet. Nations and cultures have come and gone over these three millennia—but their weakening and disappearance have always been directly associated with a loss of belief and confidence in their fundamental values.

The rule of law has attained great strength among us because it is the law of free men. Our system of checks and balances has tended to promote much pulling and tugging. Sometimes it leads to confusion. Yet the end result has been a progressive evolution of an energetic people without loss of liberty. We have remained in the mainstream of history and have not fallen by the wayside. We are the oldest established government in the world.

Are we, as a nation, going to have enough wisdom and character to maintain our present place in history, to recognize the warnings, and fight off the disease? You, now to be commissioned officers in the Army and Air Force, will have the opportunity, which I trust you will seize, to play a significant part in the answer. Today you become a part of the action!

Good luck and smooth sailing!

THE INDESTRUCTIBLE BLIMP

Mr. GOLDWATER. Mr. President, as a result of an address I made to the 36th annual meeting of the Aviation/Space Writers Association concerning airships, some mail has been coming into my office on this subject.

The most unusual letter came from Lt. Comdr. Gillis Cato, Jr., U.S. Navy Reserve, retired. He took part in a blimp trip that can only he described as incredible. In a period of about 2 days, he crash landed three times: Into Lake Ponchartrain, on top of an automobile, and in a forest. Moreover, his airship managed to knock out the entire power system of Houma, La.

Lieutenant Commander Cato's narrative demonstrates one important point about airships: Their inherent safety.

Mr. President, I ask unanimous consent that the Cato correspondence be printed in the Record.

There being no objection, the correspondence was ordered to be printed in the Record, as follows:

Ocean Springs, Miss.,
May 15, 1974.

Hon. Barry Goldwater,
U.S. Senate, Washington, D.C.

Dear Senator Goldwater: A couple of days ago I heard a commentator state that "Senator Goldwater is now advocating the building of dirigibles."

This was said very much tongue in cheek. I do not believe he would have been so flippant if he had taken the time to have looked up a few facts on lighter than air transportation.

I believe my background qualifies me in some small way to comment. Briefly it is as follows:

During world war two I was assigned to lighter than air after I was thoroughly grounded in the ways of airplanes. This, of course, was to be expected. Naturally this did not endear me to blimps. However, after a thorough study of them at Lakehurst, N.J. I was then assigned as engineering officer to commission the station at Hitchcock, Texas, after which I was sent to Rio as engineering officer in charge of LTA over-haul for the whole Atlantic area from Trinidad to Rio. As you may imagine, I had plenty of time and opportunity to become thoroughly acquainted with all of the vagaries of LTA. One of my very first assignments upon reaching Brasil was to salvage a blimp which had smashed headon into a mountain about a hundred miles north of Rio. Having had considerable experience with the unpleasant details of salvaging airplanes, you can imagine my surprise when I found that of the whole crew the worst injury consisted of a sprained ankle. My respect for LTA began to grow.

While in Hitchcock, Texas, I had a chief whose name was Hamilton. He was on one of the dirigibles which came apart earlier and much before world war two. He told me in detail exactly what happened. He said that for no reason at all the pilot flew the ship directly into a very severe thunderhead. This is something you avoid even with a 707. He then told me that he believed that even then they would have made it except that these dirigibles which had been made in Germany by people who knew their business, had been drastically altered. It seems that the Germans put a very strong and rigid keel in each of the dirigibles they built. An Admiral who shall be nameless decided that he knew more than the Germans and that in order to save weight, had the keels removed from all the dirigibles the Germans had designed and built. The results are too well known to dwell on here. However, it is most noteworthy to observe that even when these ships broke apart several thousand feet in the air, few of the people were killed, by comparison with any airplane in like circumstances in which nobody would possibly survive. The Chief told me that he and many of the men with him floated down to the sea in the after end of the ship due to the compartmentation of the gas bags which provided the lift. There was no fire and no explosion.

Much has been made of the burning of the Graf Zeppelin.

There was one reason and one only why this ship burned. Hydrogen.

If we had given the Germans helium I would not be surprised if the ship were still flying. Very little is said of the flights that this ship made at a time when we were still flying biplanes. She very casually roamed all over the world with no danger or even an untoward incident. Proof that the Germans thought they had something big lies in the fact that they built a huge hangar, very permanent construction, just outside Rio. I used this hangar all the time I was stationed there.

While engineering officer in Brasil, I had many chances to observe some unbelievable trips that these craft made that served to demonstrate their toughness. My job demanded that I fly these ships at least twice a week and it was after a couple of trips in them that it dawned upon me that if a person wanted to fly that was the way to go. The advantages are obvious:

Enough speed to go any place, but slow enough to see everything there is to see, which is why most people travel anyway.

No need to fly thirty thousand feet. Fly two hundred if you choose in perfect safety and with unparalleled visibility.

Comfort; plenty of room to move about, even in a blimp. In a dirigible room enough to run a footrace.

As to fire; it is obvious that the only sensible power for a dirigible would be diesel engines with fuel that is hard even to set fire with a match.

While in the service I, with the aid of others in the engineering departments, worked out various designs for rigid ships. I believe that a flexible frame is easily possible which would save weight and at the same time be able to give when the occasion arises. An interesting side note: If a LTA craft is caught in a 150 knot wind a person can lean out the window and hold a lighted match. The reason of course is that it travels with the wind instead of fighting. Makes for a some what longer but very interesting and safe trip. Try letting a 747 drift with the wind.

I am enclosing a copy of an absolutely true trip I personally took in a blimp. I wrote this up for a few friends after telling them about it. I believe it will serve very well in demonstrating the indestructability of a LTA craft.

I sincerely hope that you were not being facetious when you mentioned the construction of a rigid airship.

Nothing would give me more pleasure than to be able to use some of the knowledge I have accumulated about LTA and to be associated with such a project.

Very truly yours,

GILLIS CATO, Jr.,
Lieutenant Commander, USNR, retired.

THE INDESTRUCTIBLE BLIMP

It was only natural that after enlisting in the Navy in 1942 with a thorough knowledge of airplanes, that I would be sent to Lakehurst, New Jersey to become proficient in blimps.

After a few months there I was made engineering officer of the Hitchcock Naval Air Station, Hitchcock, Texas. Following the usual trials and tribulations of getting a station commissioned, we were soon in the business of flying the big airships on submarine patrols.

One night about twelve o'clock I was called to the base to find that we had apparently lost three blimps. Frantic radio and radar search finally located and guided two of these back to the base. The third kept calling and saying he was WEST of the field and drifting. He finally got out of radio range and we all sat about eating fingernails and coffee. At nine the next morning we received a call from a civilian at Starkville, Mississippi, who stated that the blimp had landed there in a field, re-fueled with a regular gas, and took off after asking him to call. He stated that the blimp was at that moment circling the city of Starkville.

We took a crew in a Liberator and headed northeast, not west, to find our blimp calmly going round and round the Mississippi State University. I was riding in the nose and signalled them to follow us to Columbus, Mississippi, air base. Inasmuch as I had, before joining the Navy lived at Greenville, Miss., this whole country was as familiar to me as the palm of my hand.

We landed at the air base, recruited a landing party to haul the blimp down, drained the tanks and re-fueled with aviation gas. With the blimp safe and apparently in perfect condition, the question now arose as to what to do next. The obvious solution would have been, get aboard and go to Texas. Two things stopped the obvious; the crew who flew it to Columbus stated flatly that they did not intend to fly again for at least a week. The second thing was the weather report. While the sun shone brightly at Columbus the weather man said the birds were walking from Hattesburg south on account of the fog and all planes were grounded.

We had brought along a LCDR., a JG., a flight mechanic and me, the good old engineering officer. If I would agree to fly we could take off with a short crew. Not being bright I agreed to fly.

The weather deal was easy; all PLANES were grounded, we were not a plane, simple—we would fly to Texas in a pea soup fog and demonstrate a masterly piece of navigation.

We took off at about four in the afternoon. The LCDR. kept the blimp about ten feet above the trees and asked for the antenna to be lowered so he could notify all and sundry that we were on the way. The antenna bob struck a limb and bounced up into the gas bag aft cutting a hole about two feet long. The LCDR. stated he was not getting reception. I told him where the antenna was. He said take the crook and pull it back out. I did and it promptly went into the bag again cutting another hole. He then said to heck with the whole business as we would be there before they knew we were coming.

The weather was still clear and shortly after this we flew over a large barn at our tree top altitude. Several things occurred; all the chickens took off and vanished. The livestock in the barn lot left, taking the fence along. Those in the barn left also, taking the sides of the barn along. The apparent owner was walking across the lot with a shotgun. He let us have both barrels. A blimp hide is very tough and the small shot had no effect. Buckshot might have written a different ending to this narrative.

The weather began to show evidence of the predicted fog and I decided that I might as well sleep through the whole thing and I sacked out. An hour or so later I was awakened and the LCDR. asked me if I could tell him where we were inasmuch as I knew the country. I looked out and had a glorious view of nothing. Even the engines were invisible. Whoever said the birds were walking was not kidding. The LCDR. said they had passed over lights a few minutes back. I assumed these were Hattiesburg, Miss. since the time element was about right. The LCDR. said that it made no difference as he had computed a course that could not miss. About two hours later we sighted a light in the soup and the LCDR. said that he had it figured right on the nose as that was the light on the hangar at Houma, La. I looked at the altimeter and it said we were at about 600 feet. The hangar had either grown or the altimeter was way off. Something gnawed at my subconscious. As we circled the light again close enough to touch it, it hit me. I yelled, "Get the hell out of here, those are the radio towers in New Orleans and they are made of very good steel."

We promptly went up and out of danger. The LCDR. said he guessed we had better make another calculation on our navigation. I thought we had better get a Texaco road map and a flashlight. We then figured we could not miss anything as large as Lake Ponchartrain and headed in that direction. After due running time we decided to let down, be sure of the lake and then calculate from there. We let down, and down, and down. Just as the altimeter hit a hundred feet we hit the lake. Water came almost to the deck but since so much weight had been relieved by the water the gas bag promptly hauled us up again spouting water from every seam like a ruptured whale.

After a profound interval of silence the Flight Mechanic allowed that he believed there was no doubt that we had found Lake Ponchartrain. The LCDR. perked up, said he had it down pat now, and we could take off for Texas. Everybody disagreed and insisted that we first find the Mississippi River, but not exactly as we had Lake Ponchartrain. He agreed and we set off, very carefully timing our flight. At what we hoped was the proper time, we very carefully descended. Miracle of miracles, we popped out of the fog right over Old Man River. Now it was easy enough to find the Huey P. Long bridge and follow the road to Houma. We could put down there for the night and wait for better weather.

We found the bridge, lined up on the highway and headed west with all signals go, and made in the shade,—we thought. There was a car going the way we wanted to go and his lights made it all the nicer. Meanwhile, back at the ranch—The blimp had been slowly losing helium from the antenna incident. In addition the bag was loaded with about 2700 pounds of moisture from the fog. The controls were logy and when she was pointed down she wanted to keep on down and would mush for awhile before answering the elevator. The LCDR. was determined to keep the car in sight. He was doing so but getting dangerously low. Suddenly the old girl decided to keep on mushing down and did so, right on top of the automobile. No one will ever know what he thought. He ran off the left side of the road and vanished. Apparently no injury was incurred as we never heard of him again. We turned sideways across the road and went off to the right into a hugh grove of soft feathery willows. The blimp rolled to one side as if it was tired of the whole thing and wanted to sleep. During this time we were also being treated to some rather startling pyrotechnics. Fire was flying all over the car and even way back on the after part of the bag. We had not time to even speculate on these happenings as we were waiting to see what would happen to the blimp. As in the Lake Ponchartrain landing, the weight being off and absorbed by the willows, the bag yanked us back in to the air. The jar had relieved us of a lot of water also. We circled gingerly back to the road and continued west. The controls were nearly impossible. Something had happened but we would not know what until much later.

I remembered two tall brick chimneys at Raceland at the sugar mill and they were too close together to fly through. I had no desire to wind up stuck like a hog in a fence. The LCDR. decided to rise a bit higher. We did, and promptly lost sight of the road and everything else.

We had been calling Houma Naval Air Station for some time with no reply, but we knew we would be able to see all the lights at Houma. Calculating our speed and the known distance we soon knew we HAD to be over Houma. Not one light was visible. Again the slow, careful descent. This time we were lucky, we did not hit the ground, we only ran into the water tower at Houma. The crash of breaking nose battens informed us that we had better not place any confidence in any landing lines attached to the forward part of the blimp. We had no way of knowing whether or not ALL landing line had been carried away. The LCDR. then did the first constructive thing on the whole flight. He went up to three thousand feet and stayed there.

With daylight we were treated to a sight of the world without fog, and in addition we were right over the air training station at Lafayette, Louisiana.

The blimp was now as heavy as lead and we knew we would not need a crew to pull it down so we decided a landing was in order. The one we made was without a doubt the hottest one a blimp ever made. We took up the whole landing strip. Usually a blimp lands in about a hundred feet and has to be hauled down.

The cadets poured out to see the "monster" and we were subjected to some remarks about idiots that fly in bags and a few that cannot be printed here. We ignored them and inspected the blimp. It was so heavy from helium loss that the one landing wheel tire was spread out two feet wide. The control difficulty was easily assessed. The trouble was a thirty foot willow tree that had become entangled in the control cables had been pulled up by the roots by the blimp. Since a blimp is about as tall as a five story building the tree just had to stay there until we got to home base.

The station gave us a magnificent breakfast, full tanks of gas, bowed their heads in prayer for our safe return, and saw us off. A blimp has dynamic lift like an airplane as well as lift furnished by the helium. Without it we would have never got off. As it was we used up every bit of the runway and for awhile it appeared we might pick up another willow or two. The trip to Hitchcock was uneventful. The landing was somewhat difficult as we had become even heavier. We jettisoned our depth charges, all movable gear, and dumped all the gasoline except enough to land on.

The most unbelievable part of the whole deal, and every word is true, is that that damn blimp was out on patrol next morning. That is more than can be said of the crew.

To summarize: the fireworks we experienced were simply explained. We had run through a 440,000 volt high power line and demolished it. It in turn melted off our tail wheel, burned holes all over the car and burned deep grooves in the propellors.

Knowing this, it was easy enough to see why we could not find Houma or the Naval Air Station there. We had blacked out the whole area of that part of Louisiana. We heard later that a perennial drunk had been sleeping it off under the tower at Houma. It is said that he has never touched another drop. Much later, as I was going overseas, I talked to a Chief of Communications who had been stationed at New Orleans on that wild night. He told me that they had been ordered to close down except for a standby watch and go home as nothing would be flying. He said that a bunch of damn fools in a blimp had put a stop to all that and kept the whole communications system up all night on emergency. He said that if he ever saw one of the crew he would strangle him and believed he would be justified. I agreed.

PROPOSAL FOR FEDERAL CONTRIBUTION TO SOCIAL SECURITY

Mr. CRANSTON. Mr. President, I think we have come to the point where we have got to put an end to the skyrocketing increase in payroll deductions for social security.

I am a total supporter of social security.

I have voted for all the cost-of-living increases in social security.

They are absolutely essential for senior citizens living on fixed incomes who are being squeezed by the relentless crush of rising prices for food, housing, and other basic necessities.

But the working man suffers from inflation, too. The cost of living has gone up 28.1 percent over the past 5 years and is currently soaring at an annual rate of over 15 percent.

The worker is hit twice by inflation. First by the higher prices he pays to keep himself and his family alive, and again by higher payroll deductions for social security.

In fact, inflation has made the social security tax the fastest growing tax we have.

Since 1969, the maximum social security tax has increased 100.6 percent, from $374 to $772. Receipts from the payroll tax have virtually doubled in the same period, going up from $39.9 to $77.9 billion.

Necessary cost-of-living increases in social security benefits, under the law, are scheduled for the near future.

This means additional revenues must be collected from the social security payroll tax.

Whenever we have needed more money for social security benefits we have raised it two different ways.

PAYROLL TAX RATE

One way has been to increase the rate of the payroll tax itself. Over the years it has gone up from 1 percent to the present level of 5.85 percent. It is scheduled to increase again in 1978 to 6.05 percent.

Add to this rate of 6.05 percent, the fact that we may be looking to a payroll tax in connection with the financing of national health insurance.

This could mean that the total combined tax on payrolls collected from low- and middle-income workers and their employers—which now is 11.7 percent—could total over 16 percent within a few years.

WAGE CEILING

The other way of raising more revenues for social security has been to raise the ceiling on the part of wages on which the Government collects the social security payroll tax.

In 1969, the Government social security payroll tax was collected only on the first $7,800 of wages.

In 1971, this was increased to $10,800 and in 1973 it went up in two jumps—first to $12,800 and then to the present level of $13,200.

In the future, the amount of wages that will be taxed for social security will automatically increase each time a cost-of-living increase is paid to retired persons and other beneficiaries.

The first such increase undoubtedly will come in June 1975.

SOCIAL SECURITY PAYROLL TAX A MAJOR BURDEN

We are kidding ourselves if we continue to think of the social security payroll tax as a minor burden.

It is today 25 times larger than in 1949.

More than $27.6 billion was taken out of paychecks of low- and middle-income workers last year to finance social security.

Workers will contribute about $39 billion to social security this year. That is only $4 billion less than all U.S. businesses—including our giant corporations—will pay in corporate income taxes this year.

When the total amount of revenues collected for social security is considered—that is counting the employer's share as well as the worker's—you find that the Federal Government collects about $77.9 billion. That compares with $118 billion collected in personal income taxes. In a few years, the payroll tax may generate virtually as much revenue as the personal income tax.

INEQUITIES IN FINANCING SOCIAL SECURITY SYSTEM

Yet, one in five Americans—those earning more than the social security wage ceiling—will not pay the full flat 5.85 percent on their gross income as the rest do.

Consider the following: The man making $13,200 and the man making $50,000 both pay the same amount into social security—$772. But while that comes to 5.8 percent of the income of the man making $13,200, it is only 1.5 percent of the income of the man making $50,000.

This apparent inequity in the social security tax rate is explained in part by the fact that the maximum benefit payable under social security is the same for each—the man earning $50,000 will receive no greater benefit than the man earning $13,200.

If the $772 that each pays for social security retirement benefits went only for benefits, the injustice would not be so great.

But social security taxes pay for much more than just retirement, survivor's and disability benefits, and the like. Today's workers are still paying for the costs of starting up the social security system in 1935 and for changes made by the 1939 amendments, when it was decided to pay full retirement benefits to people who were already old and ready to retire.

I strongly believe that this was right. We should pay benefits to those who had no chance to contribute to the system as much as others who came later.

Today's workers also are paying for costs of extending benefits to other persons who did not pay into the system and for costs of financing increased benefits to help older citizens trying to make ends meet on fixed incomes.

These are social costs which benefit the entire Nation. The entire Nation should share those costs on a more progressive and equitable basis than at present.

PAST METHODS OF FINANCING BENEFIT INCREASES

In the past we financed expansion of the social security system and increased benefits through surpluses in the trust fund and changes in the long-range accounting system, in addition to raising the wage ceiling and the payroll tax itself. For many years, surpluses in the trust fund were more than ample to pay increased benefits. A recent changeover in the long-range accounting system for the trust fund produced a sufficiently large surplus to permit a 20-percent increase in benefits in 1973 without raising the social security payroll tax.

But we have just about exhausted these relatively easy ways of paying for increased benefits.

As we explore solutions to additional funding of social security, we must insure that we do not jeopardize the important contributory nature—the insurance aspect—of the social security system.

It is a great tribute to American labor that workers have been willing to pay their way.

Indeed, the security and integrity of the system is largely dependent on the fact it is financed by the contributions of people who will benefit under the system. These contributions force the Government to uphold its moral and legal obligation to honor its commitment not to spend social security contributions on other programs.

PROPOSAL FOR FINANCING FUTURE BENEFITS

I propose that in the future—as we find it necessary to increase social security revenues—we do so by tapping general revenues until we reach the point where the Government is making a contribution equal to those made by employees and employers.

Thereafter, increases would be shared across the board.

If we make this shift to general revenues, we will be able to place a greater share of social security costs onto the more progressive income tax, corporate tax, estate and gift tax, and excise taxes.

I think that it does not violate the integrity of the social security system to shift gradually those costs not directly related to insured benefits away from the worker's payroll and onto the full general tax base, including big business.

It is only fair to have the startup and other social costs of the social security system paid for on a more progressive basis.

I would like to see the time come when the Federal Government's contribution from general revenues under a gradual approach, become equal to one-third of the entire cost of financing the social security system. This share would just about offset the cost of benefits going to millions of people who did not contribute a full share before they received benefits.

This is a fair approach.

It will relieve the low- and middle-income worker of an impending social security tax burden which threatens to surpass his income tax burden in the near future.

It will help hold the line on the advancing payroll tax.

It is in keeping with the progressive tax principles on which the Nation's revenue system should operate.

I believe it to be an important tax reform, and it certainly is one that over the long run will benefit primarily low- and middle-income workers—the income groups who should be the principal beneficiaries of any tax reform.

This is a reform which will benefit small businesses, too. Employers' dollars match 50 to 50 with workers to finance the system.

We must, however, make sure that we do not just take from the working man's left pocket what we stop taking out of his right pocket.

As we make contributions to social security from general revenues, we must make sure that necessary funds do not come disproportionately from the income taxes paid by working people. We are going to have to close loopholes which have been costing the Treasury billions of dollars. We must give additional relief to workers at the middle- and low-income levels through tax credits as a means of improving the worth of their personal and dependents' exemptions from gross income.

Indeed, reform of social security taxes will force Congress, as no other issue will, to face the hard question of major tax reform.

NATION'S HEALTH CARE

Mr. HUGH SCOTT. Mr. President, in November of last year when I introduced my Health Rights Act of 1973, I stated that "reform of the Nation's health care system is a matter of the highest urgency." Now, 6 months later, the urgency has not diminished, rather the need has increased.

There is a growing consensus among the American people that reform of our Nation's health delivery system is essential; that improvement in the overall quality of health care is essential; and that action on a national level is essential to make good health care available to all citizens. There are, of course, wide differences of opinion on how best to implement or induce these needed reforms.

We have recently seen the introduction of a number of health proposals—the major ones have been brought forth by the administration and by Senator Kennedy and Congressman Mills. We know that enactment of national health insurance legislation will assure all Americans solid protection against the skyrocketing costs of medical care. We know it will make a reality of the total, comprehensive health care which our Nation deserves. But knowledge is one thing and action is another. What this Congress must now do is commit itself to providing effective and efficient national health care to all Americans. And that commitment must be firm and must be immediate.

SENATOR KENNEDY'S TRIP TO THE SOVIET UNION

Mr. HUMPHREY. Mr. President, my friend and colleague from Massachusetts, Senator Edward Kennedy, has recently returned from an extensive trip to the Soviet Union as a guest of the Parliamentary Group of the Supreme Soviet.

Senator Kennedy's visit to the Soviet Union was an important contribution to broadening understanding between the American and Soviet peoples. He is to be commended for his initiative, and for his understanding of the complex issues in the Soviet-American relationship. The process of détente must involve more than agreements between Russian leaders and members of our executive branch. It must comprehend a full range of contacts between officials of all branches of our Government and Soviet leaders, as well as a significant interchange among people from all walks of life. The process has just begun. I am hopeful that it will continue and that more Members of Congress and more State officials will visit the Soviet Union, and that their visits will be reciprocated by their Soviet counterparts.

In addition to these exchanges, Mr. President, it is critical to the process of détente that all who participate, speak in open and frank terms about the problems and issues which stand in the way of greater Soviet-American understanding. It does little good to talk about friendship while avoiding the serious and tough issues. Senator Kennedy did not avoid such issues in a number of addresses he delivered while in the Soviet Union. He talked openly and candidly about the arms race and future strategic arms limitations, the Middle East conflict, trade, and immigration policy.

Mr. President, I ask unanimous consent that Senator Kennedy's addresses at the Institute of the U.S.A. in Moscow and at Moscow State University, as well as his remarks to the German Foreign Affairs Association, and his address on

United States-Soviet relations, delivered in Atlanta, be printed in the RECORD.

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR EDWARD M. KENNEDY AT THE INSTITUTE OF THE U.S.A. OF THE SOVIET ACADEMY OF SCIENCES

MOSCOW, U.S.S.R.,
(*As released April 19, 1974.*)

Mr. CHAIRMAN (Georgia Arbatov): It is a great pleasure for me to visit the Institute of the U.S.A., along with guests from the Institute of World Economy and International Relations. Both Institutes are well-known and respected in the United States, and you, Mr. Director, have become a celebrity in American academic circles.

I have come here today because I am deeply concerned about a subject in which you have a considerable interest—arms control between the United States and the Soviet Union. Looking back little more than a decade, it is remarkable that trying to control levels and types of armaments has become such a well-established part of our relations. The depth and seriousness of our efforts in this area is without precedent in the history of relations among states.

We have come a long way from the July day in 1963, when Ambassador Harriman, Foreign Minister Gromyko, and Lord Hailsham initialed the Partial Test-Ban Treaty. President Kennedy called it a "shaft of light that cut into the darkness."

Since then, we have established a "hot line", and have joined with other nations to conclude a Non-Proliferation Treaty. We have engaged in two rounds of Strategic Arms Limitation Talks. And we have concluded two major agreements to limit both offensive and defensive strategic arms.

Yet each new year finds the nuclear horizon clouded with more weapons of mass destruction. Our mutual and assured capacity to destroy each other many times over still seems less than adequate for defense planners of our Pentagon and your Ministry of Defense. We all seem to have forgotten the words of President Eisenhower: "Every gun that is made," he said, "Every warship launched, every rocket fired, signifies, in the final sense, a theft from those who hunger and are not fed, those who are cold and are not clothed."

It is time to cease the pursuit of nuclear superabundance. It is time to carry the SALT I agreements into a new stage, where we forsake the quest for improvement of our forces, and seek instead a mutually agreed-upon reduction. We must remember the Russian saying: "It is easier to take the sword from the wall than to put it back."

Within the last few weeks, Secretary of State Kissinger has been here, and Foreign Minister Gromyko has been in Washington. Both are trying to clarify the positions that our two governments have adopted for the current round of SALT Talks. I know we share the earnest hope that their deliberations will succeed, and hope that further agreement will be reached within the near future.

In the United States Senate, we are paying close attention to each new announcement about the progress at SALT. Immediately before departing for Eastern Europe and the Soviet Union, I joined with several of my colleagues, of both parties, in writing to Dr. Kissinger. We expressed our belief that the American people support a continued effort to place further controls on strategic nuclear weapons. And we believe they will support arms agreements with the Soviet Union that are genuinely in the mutual interest of both countries, and that will move us all toward a more peaceful world.

However, our two countries are no longer focusing on the control of weapons that can easily be counted and verified by independent national means. We are now dealing in the murky area of assessing factors of weapon size, reliability, and the number, weight, and accuracy of warheads.

Can there be further agreements? I am convinced there can. But they will only be possible if we do not let ourselves be defeated by the complexity of the issues, and if we seek agreements that will truly enhance, rather than reduce, our security.

For many years, there has been a long debate in both our countries about the relative balance of nuclear weapons. Neither of us will accept being inferior—or being seen as such; neither will concede superiority to the other.

In the United States we believe that today's efforts in arms control must continue to take into account this balance of nuclear forces. We are concerned to ensure that neither side is placed at a strategic or political disadvantage because of the size or composition of our nuclear arsenals. There must be a substantial overall equality between them.

There are two ways to proceed. Either we can both rush onward with new building programs, or we can seek real reductions in the level of nuclear forces, in order to achieve the equality that will best serve us both. What shall it be? I believe—and most Americans would agree—that the level of nuclear forces should be brought down, and kept down, in the interest of sanity and peace.

But what is equality? In the past, the number of missile launchers was the standard for judgment. And it remains important for there to be no significant disparity in these numbers on either side. Yet with today's technology, counting missile launchers is no longer enough. There are basic differences between the nuclear forces of our two countries. The United States has real advantages in some areas; and the Soviet Union has real advantages in others. A difference in relative advantages will no doubt continue.

We must, therefore, define equality of nuclear forces in terms that include the quality as well as the quantity of weapons. And if we do so, it will be much easier to bring today's arms programs under control, and to begin actual reductions.

Of the many possibilities before us, there is at least one area in which we could make rapid progress—constructive progress—in the near future.

I am convinced that the moment is ripe for a new initiative to turn thoughts and energies of both our nations toward the goal of permanently halting the nuclear arms race.

Therefore, I have urged my own government to agree to a mutual moratorium on nuclear testing and to negotiate seriously a firm and binding Comprehensive Test Ban Treaty. And I would call upon your government to join with mine in this constructive effort.

Since the Partial Test-Ban Treaty was signed 11 years ago, the technology of detection has improved, making it far more difficult for any country to test any nuclear weapon in secret. It is now much more possible to consider going beyond the 1963 Treaty, in greater confidence that any serious breach of an agreement would be known to both parties.

It is also desirable to move forward in this area. Because of the complexity of new weapons systems, it is difficult to impose controls even when we both wish them. But if we can agree to end the testing of warheads for future weapons, we can increase the confidence of both sides. This is greater confidence that neither side will develop a significant new weapon that would threaten to destabilize the nuclear arms balance.

A Comprehensive Test-Ban Treaty would also reinforce the Nuclear Non-Proliferation Treaty, which is up for review in the coming year. With a comprehensive agreement on testing, it will be less difficult to convince other nations that limiting the spread of nuclear weapons is in the common interest. Such an agreement would give all nations renewed hope that our political and human concern for controlling arms will not be defeated by the advance of science and technology.

In addition, this agreement would eliminate the continuing environmental hazards of underground testing. And finally, it would be further evidence that forward progress is possible in Soviet-American arms control. As in the past, evidence of even limited progress can be invaluable, especially when there are difficulties in solving larger arms control problems.

We must, of course, continue our efforts at the SALT talks to find formulas that will encompass the dozens of factors that make up the nuclear equation. But let us keep this idea uppermost: That if we truly seek security through the control of arms, then the technical means to do it can—and must—be found.

In the process, I urge the Soviet Government to do what I have urged my own: That both governments agree on a policy of mutual restraint in the building and deploying of all nuclear weapons systems. Timetables can be slowed on both sides; unnecessary or destabilizing additions to weaponry can be suspended. If it takes time to work out formulas for limiting arms, let us not be defeated in our efforts by the passage of time itself.

We can also use the time immediately before us to broaden the exchange of views on the nature of our nuclear relations. Often in the past, the onward advance of the arms race has been given momentum, not by the calculated needs of security, but rather by misunderstanding of one another's intentions. We long ago faced this problem in the United States, then decided to debate and decide any nuclear doctrines and programs in the open, where our intentions would be clear to you.

Yet today, without announcement, the Soviet Government is building new missiles, and testing still others. What does this mean? Does it mean preparations for the next round of arms competition? Or does it merely represent the momentum of research, pursued without intention to deploy?

In the United States, we would be greatly aided in assessing Soviet developments that do *not* threaten us if we could hear clear and public statements of your intentions. And both of our countries would be helped by clear and public Soviet statements on the doctrines that underpin the deployment of your nuclear forces. Secrecy in many areas is an asset of security; but secrecy on intentions and doctrine in nuclear arms can only cause difficulties—and dangers—for everyone. Let us therefore have a full and open debate on these matters. And let us understand both where we differ and where we agree.

These bilateral efforts at arms control are important in their own right, in the interest of promoting better political relation between our two countries, and in order to free resources for human growth and development.

Yet we are not alone in seeking to control conflict and mute hostilities through the control of arms. Nor can our efforts alone guarantee that weapons of mass destruction will gradually become less of a threat to mankind. As your Chairman of the Council of Ministers—Mr. Kosygin—has said:

"Whether peace becomes stronger as a result of our talks, concerns . . . not the Soviet Union and the United States alone . . . but will depend on all other peoples and states as well."

These words apply in many areas. To have a fully effective Comprehensive Test Ban, at some point both France and China must become involved. To ensure our success at SALT, we must look to the day when China will be brought into talks on controlling nuclear arms. To have effective arms control in chemical and biological weapons, we must seek the cooperation of many nations. And to extend the nuclear Non-Proliferation Treaty, we must encourage the restraint of others.

This last objective—to prevent the spread of nuclear arms—will also require effective steps by the superpowers to end our own nuclear arms race. And we must promote the peaceful resolution of conflicts that could otherwise give rise to nuclear ambitions.

But even these efforts may not be enough. Unfortunately, the technology of nuclear weapons is now available to almost any nation that wants to use it. And the spread of nuclear power reactors means that nearly 25 nations in the world potentially have access to the basic materials of an atom bomb.

The bomb will spread, unless we act—not by trying to impose our will on other nations, for that will surely fail, and would likely bring on the very spread of nuclear weapons we are seeking to prevent. Nor is it enough to continue our efforts at SALT. As we look to the future, we must also end the long-standing practice of seeming to measure our power relative to one another in terms of nuclear over-kill. The power of the United States and the Soviet Union is based on many factors, beginning with our economic strength, and including our physical capacity and political will to gain and preserve security from external attack. Even if nuclear weapons had not been invented, we would still be the world's two principal superpowers, charged with major responsibility for preventing a disastrous war that could engulf the world.

We can end our verbal nuclear posturing—and our concern with a political "numbers game" in nuclear weapons—without any threat to the security of either the United States or the Soviet Union. And we must do so, or in the coming years other nations will surely follow the example we set so many years ago, and have never managed to outgrow. This example is the easy habit of believing that nuclear weapons are truly the essential coin of national power. Instead, we must acknowledge that nuclear weapons are merely one expression of national might—one that is often less a tool for national advantage, than an awesome responsibility to prevent conflict, whether by accident or by design.

The bomb must not spread. But we can achieve that goal only if the two superpowers reach a new maturity in their nuclear relations, and stop the bad example of nuclear bluster that we have so long set for the non-nuclear nations of the world.

Beyond strategic arms control—beyond the SALT Talks—the most important negotiations on the control of arms are taking place at Vienna, between members of NATO and the Warsaw Pact. Both the United States and the Soviet Union play an important role in this conference. But our two countries do not play a decisive role. We cannot alone determine the outcome, if we wish the talks to succeed. We must recognize that the security of all European countries is at stake, and not just our own.

The talks on Mutual and Balanced Force Reductions have hardly begun to meet the significant challenge before them. For our part in the United States, we are determined to work closely with our Allies at all stages of negotiation, while we continue our commitment to Europe's defense. And we recognize your own obligations to the nations of the Warsaw Pact.

Today, it is not my purpose to discuss the practical details of any force reduction agreement in Europe. But I can say this: That the purpose of these talks is to increase security, not diminish it. And if we constantly bear this goal in mind, we can find the formulas needed to reduce the risk of war, and to promote the conditions of a lasting peace.

Our efforts must include significant progress in developing confidence-building measures at the Conference on Security and Cooperation in Europe. They must include a realistic assessment of the forces truly needed on either side for purposes solely of defense. And they must include attention to new ideas, such as a shift in emphasis toward forces designed for defense rather than for offense.

It is significant that the MBFR talks are taking place at the same time as those at SALT. For in time the Vienna talks will permit some progress on the issue of nuclear weapons based in East and West Europe. In the United States, we recognize your concern about our Forward Based Systems; and we hope you understand the concern of Western Europe about your short-range nuclear systems, as well. But despite these feelings, the proper forum for discussing theater nuclear weapons is in Vienna, where the European states are represented along with us both. In time, that issue will be raised there. But in the meantime, it must not be the subject of bilateral agreement by Moscow and Washington.

There is one other important area of arms control that should now be placed on our agenda. This is the Indian Ocean. Long a part of the world relatively free of superpower competition in arms, the Indian Ocean may now see growing deployments on both sides—unless we act in time.

The United States is concerned about the greater involvement of the Soviet Navy there, and about the potential for larger deployments once the Suez Canal is opened. Meanwhile, you are concerned about the proposed expansion of U.S. Navy facilities on the island of Diego Garcia.

Is this competition in our mutual interest? I do not believe so. I believe that our mutual interest lies in deciding now to make the Indian Ocean a "Zone of Peace", as urged by the UN General Assembly. Three years ago, the Soviet Union broached the idea of preventing an arms race in the Indian Ocean. It is time to change that idea to reality.

Today, there is a UN Ad Hoc Committee on the Indian Ocean, including all the major littoral states, plus China and Japan. Neither the Soviet Union nor the United States belongs. Yet we should be at that conference, or engaged in bilateral talks with each other.

There are many difficulties to be overcome—not least in defining our different interests in the area. But, again, the difficulty of the talks merely underlines their importance, and the benefits to be gained by all countries in the area if we can avert a new competition in arms.

I have been discussing some particular issues in the control of arms. This is not an exhaustive list. It could be lengthened to include a broadening of the concept of nuclear free zones; the beginning of genuine efforts to reduce the impact of outside arms on the Middle East; and the long-run desire of both our people to reduce both military forces and budgets.

There is one central goal behind all these arms control efforts: That the weapons of war must be the servants of men and never their master. This is a goal that has eluded mankind down through the centuries, and has come nearer our reach today largely because of the consequences for us all if it does not.

For many years, dedicated men in both the Soviet Union and the United States have sought a way out of our shared nuclear dilemma. And they have been proved right, time and again, as we have moved from agreement to agreement, and moved beyond the Cold War era.

But their efforts have not been welcomed by all elements in either of our societies. The debate has not always been won by those who seek to end the tyranny of an uncontrolled arms race. We must give them our support—in both centuries—by engaging in full, frank and open discussions of nuclear issues. We must abandon the rhetoric of superiority for all time, on both sides. We must stop exploiting the fact of our nuclear power as a psychological club, in dealing with other powers. And we must stop over-emphasizing the importance of nuclear weapons, in assessing the relative power of nations in the world.

Limiting the impact of arms on the way men live is important in itself. And it is important whether or not it leads to better political relations among states, or to the resolution of conflict. For reducing the influence of arms can at least give men time to think, and give them greater distance from the drums of war. Peace and understanding may not automatically flow from this approach. But for two generations we have been custodians of the most massive power ever known. And in that time, we have learned that man must assert his reason over the weapons he builds, if he is to survive at all.

As President Nixon said here two years ago, on an historic occasion:

"Let us remember as we begin to lift the burden of armed confrontation from both our peoples, we shall lift the hopes for peace of all the peoples of the world."

Address of Senator Edward M. Kennedy at the Moscow State University (MGU)

Moscow, U.S.S.R.,
(*As released April 21, 1974.*)

Rector Khoklov: I am happy to be here in Moscow—Tolstoy's "Mother of Cities"—as a guest of the Parliamentary Group of the Supreme Soviet. It is true as Russians say: Who hasn't seen Moscow hasn't seen beauty. And I am happy to be at this great university which stands in the front rank of universities in the world.

I am privileged to be the first member of the American Congress to be invited to speak at the Moscow State University. This is a hopeful sign in U.S.-Soviet relations—a sign that we can increase the ties of understanding between our two peoples.

I look forward to more of your leaders' speaking at American colleges and universities. For this is the purpose and commitment of education: to broaden men's minds, and to reach out beyond the darkness of prejudice and ignorance, to the light of learning and shared ideas.

I have come here to the Soviet Union across many miles, because I believe that our two countries together bear a special responsibility to all mankind. I know that the peoples of our two countries want above all else to avoid war and to open the way for a more hopeful world.

I have come from the Senate of the United States, where my colleagues and I are charged to "Advise and Consent" on treaties concluded with foreign powers. As a Senator, I have come not to negotiate, but to learn—to learn from Soviet leaders and the Soviet people what I can of your ideas, your beliefs, and your hopes for the future. And I bring to you one American's view on the course of our relations, and on the problems and prospects that lie ahead.

There are historic—and prophetic—associations between my state of Massachusetts and your great country. John Quincy Adams, our Sixth President, came here to Moscow with the first mission of the United States at the birth of our Republic. And later, when he prepared the Monroe Doctrine that became the basis of our foreign policy, he told the Russian Ambassador to Washington:

"We in America see no reason why we should not be at peace with each other, and we earnestly desire that peace."

A century and a half later, I join my spiritual colleague from Massachusetts in expressing that same earnest desire for peace with the Soviet Union.

For me, this trip also has a more personal meaning. My brother Joe came here in the 1930's, and two of my sisters visited later. Robert Kennedy came to the Soviet Union in 1955, and traveled as far as Soviet Central Asia.

And it was President John F. Kennedy, whose dream of visiting here was never realized, who joined with your government in negotiating the Partial Test-Ban Treaty, and who first committed the United States to finding a new basis for relations with the Soviet Union. In June, 1963, speaking at the American University in Washington, D.C., he said:

"Let us focus . . . on a . . . practical, . . . attainable peace—based not on a sudden revolution in human nature, but on a gradual evolution in human institutions—on a series of concrete actions and effective agreements which are in the interest of all concerned."

The Soviet people responded to these words, and only a few weeks later the Test-Ban Treaty became a fact.

Our peoples have shared much together during the last two generations. We fought together in the Grand Alliance of the United Nations during World War II, when the Red Army earned America's profound admiration. We both suffered through the uncertainties of the Cold War. And we now look forward hopefully to a new age in our relations.

What the new age will bring is not yet clear. If we lose the chances now before us, it could be marked by continuing fears of conflict, by an escalating competition in arms, and by recurring cycles of confrontation.

Or this new age can see us advance, step by careful step, beyond the hostilities of the past. We can build on our work to reduce the threat of nuclear war. We can begin to devote a greater share of our productive energies to human development, instead of to the engines of war. And we can proceed together down the long road toward mutual understanding.

There can be no doubt in anyone's mind which way we must choose—in the interests of our two peoples, and of all other peoples in the world.

As a United States Senator, I can report to you that the great majority of the American people firmly support the goal of finding a workable basis for improving relations between our two countries. They will support agreements to resolve our differences that are truly in our mutual interest, in that they promote a future free from war and conflict.

This support is not limited to one American political party, or to any one set of leaders. And it is not at issue in today's domestic problems in the United States. Rather it represents a continuity in American foreign policy that transcends debate and disagreement over specific approaches and details. And I am confident it will remain so, in this Administration and in those to follow.

At the same time, the American people are united in recognizing that there must be a like Soviet commitment. They look eagerly for evidence of Soviet goodwill, just as you look to us for the same.

How shall we proceed?

We must begin by bringing the nuclear arms race under control. So many years after Hiroshima and Nagasaki, many people have forgotten the terrible destruction of nuclear war. But there are those who cannot forget the horrors of war and destruction, even when only conventional arms are used. They include Americans who landed on the beaches of the South Pacific or who braved the Murmansk Run—and in my own family we lost my brother, Joe. And they include every Russian—not just those who stood before Moscow, or who fought the winter war at Stalingrad. As General Secretary Brezhnev has said:

"The Soviet people are perhaps second to none when it comes to knowing what war means."

But you also know what peace means. "In Leningrad it is quiet," Olga Berggolts wrote when the siege had ended:

"And on the sunny side of the Nevsky . . . children are walking. Children in our city now can peacefully walk on the sunny side. And can even sleep soundly at night, knowing that no one will kill them, and awake in the quiet, quiet sunrise alive and healthy."

It is for these children—and children everywhere—that my generation and yours must remember, and in remembering, must act. If we do, history will think well of us; but if we do not, there may be no history left to record our deeds.

Two years ago, President Nixon and General Secretary Brezhnev concluded two historic agreements here in Moscow, designed to limit deployment of nuclear arms.

The first—on defensive weapons—is a firm achievement, which can last as long as we have the will and the wisdom to sustain it. But the second agreement—on offensive weapons—is limited in both time and extent. Already, two years have elapsed of this five year agreement; and already, both of our countries have begun building weapons systems that by their very nature will make further agreement more difficult. The running sands of time urge us to serious work on replacing the interim agreement with a permanent treaty; and the growing nuclear arsenals urge us to find new ways of devising controls.

Last Friday, I was invited to speak on this subject at the Institute of the USA, here in Moscow. It was a full and open exchange of ideas, reflecting the deep concern of the Institute's Director and members to ending the arms race, and to expanding the range of contacts between our two peoples.

At the Institute, I outlined several ways for us to devise new controls on the arms race. But most important we must work together—in public debate and private counsel—to support the voices of reason in our two countries, as we search for answers to nuclear dilemmas. And if we are equal in our desire to make the world more secure, then we can accept an equal outcome of our talks.

Our direct relations in security also require us to work together in other areas. In some of these, our interests differ and conflict is still possible. In the Middle East, in particular, unless great care is wisely exercised, the conflict there could lead to a confrontation between us. For us in the United States, last year's war in the Middle East was an unsettling time. It has shown the American people how far our two countries must yet go before there is a profound relaxation of tensions.

There are major problems involved in reaching a just and lasting settlement of the Arab-Israeli conflict. Despite progress made so far, it remains today's most difficult political problem in the world. Even this week while I have been in Moscow, the sounds of renewed fighting have reached us here from the Middle East.

Yet let me assure everyone in the Soviet Union of America's good faith in trying to stop the fighting and in pursuing a settlement—not at the expense of legitimate Soviet interests, but in the interest of removing the threat of war from the peoples of the region, and from the peoples of our two countries, as well. I do not believe that it is any longer in the Soviet interest to see a situation of "no war and no peace" in the region. I believe your interests also lie in an end to recurring strife.

In the United States, we will welcome a more active Soviet role in seeking this settlement. And we will not swerve from our own commitment to it.

Beyond the Middle East, there are other areas of our mutual concern. We must seek to prevent a new arms race in the Indian Ocean, or a general competition in the size of our navies. We must begin reducing the billions of dollars and roubles spent each year on arming nations in the developing world. And we must work to avoid the growth of new power rivalries between us—in Africa, in South Asia, or elsewhere—rivalries that will only breed conflict, new threats to our relations, and new dangers for peace between us. And let us do this in a clear understanding of the position we each occupy in the world today. As Secretary of State Henry Kissinger said here only a few weeks ago:

"Neither of us can gain a permanent strategic advantage either militarily or politically anywhere in the world."

For our part in the United States, we will live by this principle. We have no need or desire to seek an advantage. Yet we must also seek no less from you.

We are both concerned about the future of China. America's relations with that country have improved during recent years, while the threat of conflict between China and the Soviet Union has not been removed. Yet it is not in the interests of the United States to exploit relations with China at the expense of your security. War between any two of these three powers would also spell disaster for the third.

Instead, the United States will be sensitive to the needs of both Soviet and Chinese security. And America can join with you in trying to hasten the day when Chinese leaders, too, will enter negotiations with both of us to control nuclear arms. "Three columns," it is said, "can bear more weight than two."

In all these areas, there is increasing scope for real cooperation with one another—based upon a careful calculation of our separate and shared interests. Yet these possibilities remain limited; both by the depth of the divisions that are still between us and by the interests of other countries and peoples. Whatever common cause we may make in finding a way to moderate the nuclear arms race, or to advance our mutual security in other areas, there can be no shared domination by the United States and Soviet Union over other areas of the world. There can be no Pax Americana, no Pax Sovietica, and no "peace of the superpowers" to deny the rights and interests of others.

This is particularly so in Europe, where our two countries are deeply involved in problems of peace and security. On my way to Moscow this week, I visited both West and East Europe, in part because U.S.-Soviet relations have deep implications for nations there, as well. Stability in our arms race, plus the first steps to relax tensions, have raised expectations throughout the Continent that new forms of security will become possible. And hopes are rising throughout Europe that divisions between peoples, based on old fears and uncertainties, can be ended.

Two sets of negotiations have begun—one to bring about the mutual and balanced reduction of forces; the other to build confidence in security, and to find a sound basis for cooperation between East and West.

Both the Soviet Union and the United States are involved in these talks, and will be affected by their outcome. Yet we must not—and cannot—hope to forge a collective will that could be imposed on this Continent of several hundred million people. Even if leaders in Moscow and Washington could agree on a course of action in Europe, their efforts would fail if the people of Europe rejected them. Rather it is imperative that decisions made for the future of Europe meet European needs, and be made in forums where Europeans are centrally involved. Nor can we ignore the interests, the independence, or the involvement of neutral European states.

It is sometimes said that it is in the interests of the Soviet Union to separate the United States from its Allies in Europe. It is sometimes said that America's will is weak, and that its commitment to Europe's defense will diminish.

I believe that both views are wrong. There is a growing desire in the United States to reduce the burden of maintaining forces on the Continent. But this desire is premised on the improvement of relations with the Soviet Union, and on the reduced risks of a European war. The commitment of the United States to Europe's defense remains strong.

And I believe that a weakening of ties between Europe and the United States could not serve the broader interests of Soviet Security. It would definitely not promote those conditions needed for our own progress together in controlling nuclear arms, or in muting differences of interest between us in other parts of the world. Just as the United States accepts the concerns of the Soviet Union for security in Europe, so I believe that you stand to gain from a strong Western Alliance, and from a thriving European Community.

Like peace, two generations ago, security in Europe is now "indivisible". It cannot come to East or West unless it comes to both, and also to countries like Yugoslavia, regardless of what happens there in the future. Yet, if we can agree on this principle, then we can find the way to reduce tensions in Europe, and begin building toward a Continent that is united in spirit and in human relations, without threatening the security of any nation in the East or the West.

In all these efforts, we must welcome the wise advice of General Secretary Brezhnev, in Washington last June:

"Everything must be done for the peoples of the world to live free from war, to live in security, cooperation, and communication with one another. That is the imperative command of the times and to that aim we must dedicate our efforts."

Until now, our developing relations have centered primarily on the issues of peace and war. But there are broader horizons. We have built a firm base of scientific cooperation on land, on sea, in the air, and in space. We have exchanged experts in many areas. And we have established a broad range of regular contacts between professional individuals and organizations in many fields that affect the health, the well-being, and the advancement of our two peoples.

The time has also come to broaden these contacts, and increase travel and tourism between our two countries. It is time to exchange large numbers of students, including many from this great university. And it is time for us both to modify the restrictions on travel within each country by anyone from the other.

In addition, today there is a fledgling trade between the United States and the Soviet Union, and the beginning of a major exchange of technology. I believe that this trade and exchange are valuable for us both—not just in terms of the material advantages they can bring, but also because of the growing interdependence that they will lead to between our two countries. In time, they can help produce an evolution in our relations that will reduce even further the risks of political conflict and war. I am hopeful, therefore, that we can overcome existing obstacles to expanded trade, so that our trade with each other can become important for both of us, and for other countries, as well.

But as there is progress in relations between our two countries, a new economic imperative is beginning to emerge. It will not be enough for the United States to enter into bilateral agreements with you on economic matters. In time, I believe it will also become important for you to play a more active role in the world economy as a whole.

In the West, economic relations among states provide immense benefits for all concerned. But they also impose obligations to cooperate in promoting the economic well-being of all. In the late 1940's, the industrial states of the West forged a complex set of institutions that, together, have made possible the greatest single advance ever in production, in trade, and in the standard at which people live

The time is fast approaching when the Soviet Union—and other non-market economies—should join this broader effort at cooperation for mutual advantage. This could mean direct membership in existing institutions—such as the International Monetary Fund, the World Bank, and the General Agreement on Tariffs and Trade. These are institutions with a promise of shared benefits, and a requirement of shared responsibility. I hope that the Soviet Government will soon find it possible to move in this direction.

I am aware of the difficulties posed for the Soviet Union and Western states in seeking broad cooperation with one another through economic institutions. Our different philosophies still form a barrier to easy contacts and coordination of economic policies. Yet despite these limitations—despite ideology—there is scope for mutual gain. And cooperation already achieved in the West need not be in conflict with a reaching out to the East, as well.

Economic relations among the United States, Western Europe, and Japan represent an open system; and as such it need not be a threat to any country willing to share the burdens of cooperation, as well as its benefits.

Growing Soviet involvement with the United States—and with the rest of the Western world—also means greater attention to newer problems that are faced by countries in common. Your country has recently been playing an active part in the UN General Assembly's special session on raw materials; and it will be represented at the World Food Conference in Rome, later this year.

There is much more that can usefully be done—in population, in energy, in controlling damage to the global environment, in promoting economic development in the poor nations, and in sharing the resources of the seas. These are all areas in which a larger Soviet role is becoming important both for you, and for the rest of the world.

As we have learned in the West, so I predict for the East: that there are some problems now requiring greater efforts in common, if each country is not to fail on its own.

This, then, is my hope for greater Soviet involvement in the outside world—in trade and commerce, in the applicaton of science and management to resource problems, and in developing new relations with countries in the "third world." I am particularlly hopeful that you will share with other nations the critical responsibility for the survival and development of the even poorer "fourth world."

Before concluding, I must speak of a sensitive but important subject. Even though there is a basic U.S. commitment to bettering relations with the Soviet Union, there is deep and serious questioning of more than one agreement which has been struck or discussed with the Soviet Union. Similar doubts have been raised here.

In America, some of the questioning is based on actual terms of agreement, like the sale of wheat or—for many Americans—the interim SALT agreement itself. Some is based on the shock of last year's Middle East War. And some is based on a serious concern about developments within Soviet society, itself—just as concerns are expressed here about developments in American society, as well.

Your view of each of these issues will of course differ from mine. Yet that need not undermine what has been done—and what is now possible—in the areas of security, arms control, and resolution of conflict. As has been said: "These problems are manmade, and they can be resolved by man."

I also believe that it does not threaten the integrity of the Soviet state for Americans—or for other peoples—to express their views individually on the evolution of Soviet society. None of us is immune from these criticisms.

Indeed, we in the United States have long understood and even welcomed criticisms of American society made by people here and elsewhere. We, too, are not a perfect society. We have not entirely solved problems that weigh on our society—problems of race, of poverty, and of unequally distributed fruits of progress. The United States does support some governments abroad that do not conform to our own moral standards. And we face a continual challenge to make our institutions of government serve the public will—and not the private interest.

A central principle of developing relations between countries is frankness—for only in frankness can we take the full measure of one another, find areas of mutual interest, and lay the basis for moving beyond agreements that are founded merely upon our mutual dread of a cataclysmic war.

In a time of Cold War, there was little that the United States expected of Soviet society—just as there was little that you expected of ours. Yet as we move beyond the Cold War, our mutual expectations increase—concerning both our behavior in international affairs, and the domestic factors that will help shape and direct each of our relations with foreign countries.

In general, I do not believe that one nation should interfere directly in the internal affairs of another. But I also do not believe in silence—whether on your part, or on ours. And for many years, I have been active in opposing what I believe to be denial of human liberties wherever it occurs—in Chile, in Vietnam, in Greece, in Portugal and even when it occurs in the United States, itself.

During my visit here in Moscow, I have been told that you, too, defend the right of any individual to express his views in this way.

This is a welcome commitment—a wise commitment—to standards we have both often pledged to uphold. But I have also been told that it is wrong to deny the benefits of trade—and the benefits of improved Soviet-American relations in this area—because of Soviet policy, particularly on the question of the free emigration of peoples.

I have listened to this view. I also recognize the general increase in emigration that has taken place during recent years. And I, too, am anxious to see a resolution of this issue, so that there will be no risk of retarding the critical work of putting fear and hostility behind us forever.

Can we resolve it? I am hopeful we can. I am hopeful that we can go beyond the frustrations and the anger on both sides that are damaging to all and of benefit to none. And I am confident that a magnanimous action on the part of your government would lead the American people to respond as well—in the interests of seeking genuine friendship between our nations, and in the interests of our major and shared responsibility for the fate of mankind.

Then we will be able to say with Pushkin:

> "I've closed my eyes to ghosts;
> Only far-distant hopes
> Sometimes stir my heart."

I have no illusions that my country will change to suit all your desires for it, nor that your country will make all the changes we would like, as well. But at heart, in your political system as well as in mine, the ultimate test of success or failure lies not in the strength of military weapons, or in the production of farm and factory, but rather in the lives of our people. As young people in the Soviet Union, you understand this well. You seek many of the same things in your lives here in the Soviet Union that we do in the United States.

We face many common problems in the evolution of our societies; the relationship between man and his work; the impact of technology on the human spirit; the use of leisure time; and the final conquest of poverty, misery, ignorance, poor health, and fear.

Let us, therefore, not persist in enlarging our differences, but join in understanding where we have goals in common. Let us recognize and harness in shared pursuits the great creative energies with which our two peoples—and two countries—are blest. And let us not lack in faith that someday the difficulties of the past will no longer determine our future.

Camus wrote:

"At this moment, when each of us must fit an arrow to his bow and enter the lists anew, to reconquer, within history and in spite of it, the thin yield of his fields, the brief love of this earth—at this moment when at least a man is born, it is time to forsake our age and its adolescent furies. The bow bends; the wood complains. At the moment of supreme tension, there will leap into flight as an unswerving arrow, a shaft that is inflexible and free."

Let us make that arrow the determination of our two nations and our two peoples: to work together to seek a future of friendship and peace.

ADDRESS OF SENATOR EDWARD M. KENNEDY AT THE GERMAN FOREIGN AFFAIRS ASSOCIATION

I am delighted to be here with you tonight, in a city—and country—that have deep and lasting memories for me and my family.

But one memory of Germany is deepest of all: a June afternoon at Rathaus Schoeneberg, with Chancellor Adenauer, Burgomeister Brandt, and a million citizens of Berlin. President John F. Kennedy, moved by the spirit of a free people, spoke four words to express the courage and moral strength that he found throughout Germany: "I am a Berliner."

Yet in one sense, to be a Berliner today means something different. It no longer means to be part of an alliance dependent almost entirely upon American leadership and strength. Now in that alliance, Europe itself contributes equally with the United States, and is called upon equally to share responsibility for leadership. No country in our alliance can today be cast in the role of the Romans, while others play the Greeks. Today, we all share a single experience of history—each nation providing inspiration, and each providing strength.

During that same visit by President Kennedy, speaking at the Villa Hammerschmidt, he singled out Germany for a further tribute. This is, he said,

"The most astonishing miracle of modern times: The building of this free, democratic state whose reputation . . . has steadily risen throughout the world."

I echo those words, tonight, as well as the vision of your first President, Theodor Heuss, when he took office a quarter-century ago. He had a vision of the Federal Republic as "a living democracy". And that it has surely become: "Eine lebendige Demokratie."

And so I am pleased—and proud—to be with you once again. This week, I have come to Bonn, in preparation for a visit to Eastern Europe and the Soviet Union. I am here because I believe in the worth and necessity of the great alliance that has brought Germany—and Europe—together with the United States. It is only because of what we have done together—and the promise of what we will do now and in the future—that a trip such as mine is possible at all.

Yet I come to Western Europe at a moment of deep crisis in the Atlantic Alliance:

In recent weeks, angry words have been exchanged across the Atlantic, turning minor irritations into major incidents.

The twenty-fifth anniversary of NATO came and went last week without real celebration, as many people in all of our countries now question the strength—and even the necessity—of Atlantic cooperation.

And all of us have had moments of bewilderment, as we grope for the meaning of Atlantic relations for the 1970s.

Why has this happened? There are many reasons. Here in Europe, you have long since finished the work of your economic recovery, and now rival the economic strength of the United States.

Meanwhile, the very success of our alliance has reduced public concern with the threat of direct military aggression from the Soviet Union. It has led all our peoples to expect a reduced burden of defense, as well.

Thus, we are now required to coordinate policies for a time of somewhat lower tensions with the Soviet Union—a time we call *détente*. And in doing so we face a task even more complex than preparing for our common defense two decades ago.

Yet as we all face the demands of *détente*, the European Community is in a period of "growing plains", as it struggles to forge political institutions and unity. Within the past fortnight, new uncertainties have appeared in Britain and in France, where this week we mourn the loss of a courageous leader, President Pompidou.

In addition, on both sides of the Atlantic, we share worldwide concern with inflation, with managing economic growth, and with new questions of access to raw materials.

Last—and perhaps most important—deep currents are moving beneath the surface of Western society. The industrial age has ended economic hardship for most of our people. But that same age also contains the seeds of profound change.

A spirit of questioning is abroad in all our countries. Can government be made truly responsive to the popular will? Can individual people find life and expression in a world of far horizons—but a world with little personal control over events? Can Western society itself regain the self-confidence and balance it must have to earn the support of our peoples—and to liberate their creative energies?

Some men say this questioning spells a serious crisis for democracy itself. For myself, I do not accept such faintheartedness about the future of democracy. Instead, I see in people's doubts the beginnings of a regeneration of their spirits, and of the institutions that men have created.

None of our countries will be immune from the difficulties of adjusting to the future. But all of us have experience to share. And all of us can gain from the creativity, the energy, and the imagination that have marked all of mankind's decisive leaps upward.

In America, I believe that we are beginning to emerge from our most difficult period of upheaval in this century—upheaval affecting all aspects of our society. Our system of government, refined through two centuries of trial, is again proving its worth. It is being tested to the full, and is developing new strengths to master a difficult challenge.

This has also been a time of doubt about America's role in the outside world. And even now, we in the United States have not yet found an idea that encompasses a new approach for man and society in the outside world. I believe, however, that isolationism is dead. And this I *do* know: There is no doubt about the fundamental American commitment to our alliance, and to the future of Europe.

Despite the problems we all face at home—despite the uncertainties of a time of change—there are compelling political, military and economic reasons for our continued partnership.

These reasons reflect needs and problems that will not go away simply because each of our societies—each of our peoples—is groping for new self-awareness and regeneration. In fact, the links between the two sides of the Atlantic may now be even more important than before.

But in the future our alliance must be fundamentally different from the one that in the late 1940s laid the basis for security and prosperity in both Europe and North America.

Tonight, I bring you no single blueprint or grand design. Nor is one possible or even desirable today.

This is a time of ferment in ideas and beliefs. But can we also make it a time of creation? Can we match the bold and daring efforts that produced NATO, the German Federal Republic, and the Treaties of Rome? Perhaps—but only if we approach each of the problems to find a vision of the world—and of mankind—that will give us direction for the future.

There are five great issues on our agenda, tonight, that compel our attention: These are defense, *détente*, the European Community, economic cooperation, and the broader world in which our Atlantic world must live.

DEFENSE

We must begin with the defense of the Western Alliance. A quarter-century ago, we knew what to do. Europe needed the commitment of the United States to make possible the economic and political recovery of the continent, and we both needed the defense of Europe, in our common interest.

Today, the defense of Western Europe remains vital to the United States—as well as to Europe, itself—and it remains a critical charge on our resources and commitment. Defense relations among the NATO powers are important in their own right. They are basic to improving relations with the East. And they continue to provide a secure base, both for the development of the European Community, and for changing patterns of relations across the Atlantic. There can be no *detente* with the Soviet Union without the firm and unqualified defense of Western Europe.

We must, therefore, discuss frankly the many defense issues that are before us, on their own merits. But we must never use our basic common interest in the security of the Alliance as a "bargaining chip" with one another. We must never use security issues to score political or economic points.

You are aware of growing pressures in the United States to reduce the size of American forces based on the continent. Some of these pressures derive from the foreign exchange costs of American troops. Yet once again, the Federal Republic has been forthright in meeting the financial needs of the United States. This is an impressive response, that will not go unnoticed in the United States.

How shall we proceed? In exploring our defense relations, we must make a serious effort to streamline forces, and to get more effective military power at lower cost. We must reassess the doctrine of "fair shares", to ensure that the burden of common defense does not fall unduly on any nation, whether in Europe or in North America. We must encourage greater defense cooperation among European States, within the framework of the North Atlantic Treaty. We must continue close cooperation as we negotiate within the Warsaw Pact on force reductions. And we must involve governments, parliaments, and private institutions in finding ways within the Alliance to prepare ourselves for changes that negotiations may bring.

In time, of course, there will be some reduction in U.S. forces based here. It will happen as the result of Allied agreement and Allied effort, along with East-West negotiations. Or it will happen as a result of our failure to act, and to act together. It is for us to choose. But an orderly and agreed reduction of U.S. forces during the next few years does not have to mean any lessening of U.S. concern either for Europe's defense, or for its future. At the same time, we can and must revitalize our relations, both in politics and economics. And if we do so, then a change in our defense relations can be part of the natural evolution of the Atlantic Alliance, and be in the interests of all.

This revitalizing process will not only give us the strength to seek reduced tensions with old adversaries, and to permit some force reductions. It will also help give us the internal confidence and vitality we must have, as our countries undergo social and political change. The strength of our Alliance can also provide confidence in the outcome of change at home.

DÉTENTE

Second only to our common defense is our shared concern for the future of *détente*. In this country, you understand well both the promise and the problems of relaxing tensions with the Soviet Union. You have made pioneering efforts to achieve a genuine *détente*. Pursued with close attention to European and Atlantic cooperation, *Ostpolitik* has been a mark of West Germany's political maturity. And it is an example to other nations in the West which seek a stable and realistic approach to the nations of the East. If ever the Nobel Prize for Peace was well and justly earned, it was earned by Chancellor Brandt.

The first phase of *détente* has ended. The second and more exacting phase has now begun. As it does, the peoples of the West are raising basic questions about future relations with the Soviet Union. Is Moscow really prepared to move beyond the strategic arms agreements already signed? Can there be a real end to the causes of those tensions and disagreements that marked the cold war? How deep is détente, and what directions can—and should—it now take?

I believe that what we have achieved so far in *détente* has taken us beyond the cold war. Leaders in both East and West now accept joint responsibility for preventing mankind's final and cataclysmic war. We have taken the first bold steps back from the brink of Armegeddon.

This does not mean an end to major differences and even hostility between East and West. It does not mean that we have reached an age of blind and careless trust in Soviet intentions, nor that Soviet society will suddenly be transformed, and become responsive to the popular will.

Détente does mean an age of new possibilities, which did not exist before. Today, *détente* must, at heart, be an agreed willingness to meet forthrightly those issues dividing East and West where there can be mutual agreement. It means that both sides must work for a final end to the nuclear arms race. Both must seek to end major sources of tension in Europe. And there must be agreement on restraints in behavior elsewhere that could otherwise lead to higher tensions or even conflict.

Here in Europe, concern has repeatedly been expressed that the United States will be tempted to improve its own relations with the Soviet Union at the expense of West European interests. I do not believe this is so. Nor can it be. If there is to be real *détente* between the United States and the Soviet Union—if there can be true efforts to resolve many East-West differences—then Western Europe must be intimately involved. *Détente* will mean nothing if it means isolating or ignoring any member of the Western Alliance. Nor can issues that directly affect all the Allied States—particularly U.S. nuclear forces based here in Europe—be the subject of bilateral agreement. Issues that affect the security of Europe must be decided in talks where Europeans play a full and active role.

THE EUROPEAN COMMUNITY

Beyond defense and *détente*, there is critical concern on both sides of the Atlantic with the future of the European Community—on its failure to reach monetary union, on its failure to find a common political identity, and on its failure to move decisively beyond limited economic cooperation. Yet this view understates the remarkable work that has been done here in Europe in the two short decades since the Schumann Plan. Within a few years after history's most destructive war, the nations that formed the Community made the world's first great attempt to find a better basis for human growth and development than the intense nationalism of the past.

A keynote was sounded by President Heuss: "We know that the concept of a combined European state is now no longer a sheer dream or a wishful picture of idealists or of the writers of novels, but that it is a realistic task which stands before us."

This is, indeed a realistic task. It has not yet satisfied every expectation. But it still offers the hope that, in Western Europe, a concert of peoples can replace the discord of nations.

The United States has supported this objective from its beginning, and the great majority of the American people continue to do so. For we in the United States understand that a strong European Community, developing according to its own lights, can never be fundamentally against the interests of the United States. By its very nature—and that of its peoples—the Community can never follow paths that would lead to basic hostility across the Atlantic. The European Community may compete vigorously with the United States. There will—and must—be differences of interest and action. But the United States should not shy away from competition and differences of view—it should welcome them. None of us need to hide our differences, or mask our separate identities. If we properly understand the interests we have in common, we can only be strengthened by our diversity.

Recently, the Federal Republic tried to create a new process of consultations across the Atlantic, before the Community reaches decisions on its future. So far, that initiative has failed. But in proposing it, you have demonstrated keen awareness of the value that lies in our growing sensitivity to each other's needs and ideas. These consultations would not mean U.S. interference with the development of the European Community. America neither could nor should dominate this effort. Rather it must work with the Community in a new and genuine equality.

At the same time, there is concern that German will be forced to choose—between its neighbor France, and its Ally the United States. Chancellor Adenauer himself spoke of American ties during President Kennedy's visit to Germany, when he said: "I want to emphasize that between the United States and us, no split or separation . . . will ever happen again." It is in America's interest, as well—I believe—as in your own, to see that prophecy fulfilled.

At the same time, the very foundation of German-American efforts—and Atlantic efforts—includes continuing rapprochement between Germany and France. But it must be possible for Germany to be friends with France without being called upon to sacrifice its friendship with America.

ECONOMIC COOPERATION

In large part, the issue of relations between the United States and the European Community will be decided in the mundane but vital area of economic relations. It is here that we will test our wisdom in meeting the demands of the present and future. We cannot—we must not—fail that test.

But understanding our common interests, and muting our potential rivalry, does not require sweeping declarations of principle. Instead it requires close attention to the details of our everyday dealings with one another. We have reason to be hopeful. Work is moving forward for the next round of trade talks. A large measure of monetary reform is a fact. Even in energy relations, what we have agreed among ourselves is far more important than the verbal squabbling of the past two months.

Yet let there be no mistake about the effort required to have economic cooperation rather than discord. Our interests in Middle East energy differ widely, and could still cause major problems between us. Inflation has become a disease without clear remedy, and has the proportions of a pandemic. The conflicting interests of farmers and consumers have kept us from agreeing on agricultural trade. And we have not yet learned to cope with the monetary and investment problems caused by the dramatic rise in prices for oil.

These are awesome difficulties. But their very size proves that we *must* work together, or we shall all fail separately. No nation in the Atlantic world can any longer hope to solve its economic problems alone. All must work on problems like inflation together, or not at all.

THE BROADER WORLD COMMUNITY

The size and nature of these problems prove something else, as well. In this economic realm, it has been clear for many years that we cannot talk of a closed system of Atlantic nations. Most important, Japan is now central to any system of economic relations among developed states. Increasingly, as well, even the rich nations of the West, working together, cannot isolate themselves from the rest of mankind.

A new interdependence is emerging—in energy, in food, in raw materials, in the sharing of resources from the seas, and in protecting man's common heritage in the environment itself.

In these areas, nations may act alone. But they will most likely fail to manage problems that by their very nature are too big for individual states to master. Or there can be a rebirth of the energy and enthusiasm that led to the great multilateral institutions of the past quarter-century.

Work is in progress: on the sea beds, on population, on food, on energy, and on raw materials. Some of these efforts will succeed, and some will fail. But all show what must be done and, slowly, what is becoming possible.

As we in the West try to meet these new issues of international cooperation, we must open up the process to many other nations and peoples. We must draw in the Soviet Union and other Communist states wherever that is possible—including full membership in institutions, and full responsibility for helping make them work. We must reach out to the countries of the third world that are gaining new economic influence through their control of raw materials. And we must revive our sense of compassion and concern for the billion people in a "fourth world", who are ever more isolated, and ever more impoverished.

As President Kennedy said at the Paulskirche a decade ago: "Today there are no exclusively German problems, or American problems, or even European problems. There are world problems—and our two countries and continents are inextricably bound together in the tasks of peace as well as war."

We must recognize, of course, that a new attitude of concern and cooperation does not mean that old problems will go away, hostilities will cease, ideology will wither, or that politics based on economic and military power will be abandoned.

Yet this new attitude—this inspiration—is demanded by the simple fact that none of us alone can answer the basic questions of our age—whether questions of society's change, or questions that do not respect the frontiers of states. None of us has a monopoly of truth or wisdom. Yet, together, we can gain in wisdom. Apart, we shall each be ignorant alone.

I believe that we will reach out to one another. And in part I draw my confidence from what has been happening here in Europe, though often by fits and starts. It is Europe's "new self-awareness," held out for us by Chancellor Brandt: ". . . To be an example of the prevailing of reason over production, the prevailing of justice over the egoism of power, and the prevailing of humanity over the sickness of intolerance."

Here, there is hope for Europe, for the Atlantic world—and for all mankind.

Address of Senator Edward M. Kennedy, on United States-Soviet Relations, at the L.Q.C. Lamar Society, Atlanta, Ga.

It is a privilege for me to be here this evening with many of the distinguished men and women who have provided the South with inspiration and courageous leadership for so long.

When I met with General Secretary Brezhnev in the Kremlin last week, he warned me about Georgia—about its unrivalled hospitality. Of course, he was speaking about Soviet Georgia, and he was right. But he could just as easily have been speaking about this Georgia. The two Georgias are thousands of miles and a civilization apart. But if there is one thing that you have in common, it is the warmth and cordiality of your people, and the standards you set for the peoples of the United States and the Soviet Union for gracious hospitality.

It is a pleasure to see your President, Dr. Frank Rose. In 1955, he and my brother, Robert, became friends when they were selected as two of the ten most outstanding young men in the United States. In the early sixties when Dr. Rose was President of the University of Alabama, and my brother was Attorney General, they worked closely to solve the problems and ease the tensions in those difficult years.

I am told that your organization's name, the L.Q.C. Lamar Society, was chosen because of President Kennedy's chapter on Senator Lamar in his book Profiles in Courage. Lucius Quintus Cincinnatus Lamar served in the U.S. Senate from 1877 to 1885. Those were difficult times for our nation, for although the war had ended, emotions were still on the issues that had divided North and South.

Lamar brought to the Senate an eloquent plea for reason between the regions. On some issues, his stand was very unpopular with his home state constituents. But Lucius Lamar had a national view towards the problems that confronted our nation, and never veered from voting his conscience.

His words in 1878 are equally appropriate to the troubled times we face today:

"The liberty of this country and its great interests will never be secure if its public men become mere menials to do the biddings of their constituents instead of being representatives in the true sense of the word, looking to the lasting prosperity and future interests of the whole country."

The problems facing our country, today, just as they did 100 years ago, transcend regions and sections of our country. And the same is true of our position in the world. For a century and a half of our development as a nation, we were effectively isolated from the main currents of international politics. Protected by two great oceans, we were able to work out our own destiny in our own terms, with little impact from the outside world, save for the great flood of immigrants who gave America the character and strength we know today.

For two generations, now, we have become ever more deeply involved in the outside world. One continuing challenge has been to our security, and that of other nations who have looked to us for help and leadership.

Today, we have met the basic test of security in the post-war world. But even so, our involvement with other nations continues—and indeed it is steadily growing as new currents of change sweep across the world.

At home, we are preoccupied with the unfolding drama of Watergate, and with the demands of managing an economy that is suffering through the twin ailments of inflation and stagnation at the same time.

But the outside world, like time, waits for no man, and will not wait for us to weather our domestic concerns. While we are deep in thought about our own future as a nation, we are still insistently called upon to play an active role abroad, to continue providing leadership, and to shoulder responsibilities both for our own people and for all mankind.

For many years, our chief responsibility—shared with the Soviet Union—has been to prevent mankind's final, cataclysmic war. This is a responsibility that continues, regardless of domestic difficulties here. Like Atlas shouldering the world, it is a burden neither we nor the Russians can put down.

Two years ago, President Nixon and General Secretary Brezhnev signed two historic agreements in Moscow, designed to put limits on the nuclear arms race. This act was the logical extension of a decade of effort, reaching back to the American University speech of President Kennedy in June 1963. He said then:

"Let us focus . . . on a . . . practical, attainable peace—based not on a sudden revolution in human nature, but on a gradual evolution in human institutions—on a series of concrete actions and effective agreements which are in the interest of all concerned."

A few weeks after that speech, the Partial Test Ban Treaty was signed, beginning a long list of concrete acts to tame the atom, and provide a basis for building a lasting peace.

Today, it is tempting to believe that the clouds on the nuclear horizon have been swept away, freeing us from the dangers that began the day the awful knowledge of nuclear power was brought, Prometheus-like, to man. But the dangers have not gone, only our keen awareness of them. For what we have done in the past to bring the arms race under control will mean little if we do not now continue our patient efforts to reduce the risks of war.

This remains a time of danger—danger that we will forget the dark night of the Cold War and its fears of nuclear war before it is fully dawn. But it is also a time of opportunity, to take the next step—and then the next—that will forever free men from the fear that he will destroy all that he has built in one mad act of nuclear destruction.

It was with this knowledge—of danger and of opportunity—that I went recently to the Soviet Union. I went to learn what I could of the men that guide that nation—of their fears, their hopes, and their ideas for building on the new relationship with us that has been so hard won during the last ten years.

And I come back from the Soviet Union with new hope that men working together in their mutual interest can be as ingenious in the pursuit of peace, as they were ingenious separately in creating the engines of nuclear destruction.

In the United States, we have long suspected the motives and the ambitions of Soviet leaders—and we must remain watchful of their every act. But one thing seems clear: that the leaders of the Soviet Union understand with our own leaders that a nuclear war could profit no one, but would only mean an end to the hopes—and to the lives—of all.

Can we move forward to control the arms race? I believe we can. It may not be possible this year to revise the Interim Agreement on offensive strategic weapons. That new agreement will be the most complex we have known, and will require unparalleled patience and statesmanship to become a fact. But I am confident that a way can—and must—be found, despite the problems of understanding the complex calculus of modern weapons.

I believe at this time, therefore, that President Nixon should go to Moscow this summer, to advance, by however little, the prospects of reaching the definitive agreement on offensive arms we must have before the five-year accord runs out just three years from now. And I am hopeful that his visit can contribute to improved understandings with Soviet leaders in other ways, and improve the climate needed for a final end to the race in nuclear arms.

In one area, I am particularly hopeful. From my conversations in the Soviet Union, I believe that it is possible this year to reach a workable agreement on banning *all* underground tests of nuclear warheads. We have sought this goal ever since the Partial Test-Ban of 1963. And today, with improvement in methods of detection, we can now contemplate a Comprehensive Test Ban with greater confidence that neither nation could test without the other's knowledge.

I will therefore urge the Senate of the United States to act with all possible speed on my resolution—now co-sponsored by 36 Senators—calling on the President to seek such an agreement. It would be of untold value in trying to limit modern nuclear weapons, by increasing the difficulties of developing new ones. It would keep the momentum of agreement going, and help preserve the political atmosphere of possibilities. And it would demonstrate to other nations, during the difficult effort to revise the Interim Agreement, that both the United States and the Soviet Union are seriously concerned to find an alternative to competition in nuclear arms. A Comprehensive Test Ban will not solve all the problems that remain. But it is one critical step on the way.

Before leaving for the Soviet Union, I joined with several of my Senate colleagues in writing to Secretary Kissinger. We assured him of our support—and we believe the support of most Americans—in trying to reach further agreement with the Soviet Union on arms control. And we will support agreements that are genuinely in our mutual interest, in that they promote the search for peace.

Since then, some voices have been raised in the United States to question the sincerity of Secretary Kissinger's efforts. They say that he will seek a "quick fix" to problems of arms control, and disregard the essential interests of the United States. I do not believe that this is so, or that these voices are helpful to anyone. Certainly we in the Senate could not accept any agreement that was not truly in America's interest.

In Moscow—as throughout my trip—I advanced a theme which I feel strongly: that there is a fundamental continuity in American foreign policy. This continuity will transcend today's domestic difficulties, and is not limited either to one political party, or to any one set of American leaders. Our institutions are performing effectively at home, and I believe our policy abroad will be dictated by your interests, and not by domestic cares and concerns of the moment.

Instead of questioning the sincerity of the Secretary's efforts, we should be giving him our guidance and our patient counsel. For the burden of controlling the arms race cannot—and should not—be borne by a few men, alone. This goal can be reached only if every American in public life will act responsibly—with the advice and support of the American people, themselves.

I believe that it is essential to encourage the political forces in both the United States and the Soviet Union who support an end to the arms race. "Both of us," I was told in Moscow, "have our Pentagons." And if we wish to reduce the role of the Soviet "Pentagon", we must continually support efforts in our mutual interest to build on the progress already achieved in Soviet-American relations.

The urgency of the task is impressed upon us for a further reason, as well. The time has passed when the demands of our security—and of a world free from the threat of nuclear war—could best be served by a comparison of every last detail of nuclear strength. It is clear that both we and the Soviet Union have the power to destroy the other many times over. Yet by continuing a "numbers game" of comparing nuclear arsenals of awesome size, both our countries are only encouraging other nations to believe that promoting their own power and influence will require them to build nuclear weapons for themselves. This will be the great nuclear trial for the future: the need to limit the spread of nuclear weapons beyond the five nuclear powers of today.

The bomb will spread, unless we and the Russians act—by our example in ending our own wasteful and self-defeating competition in nuclear arms.

To be sure, it remains politically important that there be no significant disparity in the nuclear arsenals of our two countries. And I have joined several colleagues in the Senate to urge that we seek a substantial overall equality in these arsenals, through a reduction of forces and a thorough analysis of factors both of quantity and quality. But when that goal is achieved, then both the United States and the Soviet Union must go beyond it to provide a great example for all nations by ending the nuclear numbers game.

We can say with President Nixon on the occasion of his Moscow visit two years ago:

"Let us remember as we begin to lift the burden of armed confrontation from both our peoples, we shall lift the hopes for peace of all the peoples of the world."

Our concern to improve relations with the Soviet Union begins with arms control. But it does not end there. It must reach into other areas, as well, if the threat of conflict between our two countries is to be put behind us for all times.

In the United States, there has been serious questioning in recent months about the depth and breadth of the relaxation of tensions. Many Americans were troubled by the Soviet role in the Middle East War, and in encouraging the Arab oil embargo. They were concerned by the terms of the Soviet wheat deal. And they are skeptical that steps taken because of a mutual dread of nuclear war can provide a basis for improved relations in other areas.

This questioning must not be ignored. It illustrates that improved relations with the Soviet Union cannot be based upon hopes or wishful thinking, but only upon concrete acts. Yet that does not mean that concrete acts are not possible—only that we must be patient as we work through each area and each agreement one by one. We are now entering Phase Two of *detente*—a time that can be even more hopeful and more productive, because we are now making more realistic assessments of what can—and what cannot—be done.

After the nuclear arms race, itself, we must consider the future of Europe. For nearly 30 years, we have lived with a division of the Continent that emerged from the conflict and disagreements following the Second World War. There has still not been a final settlement of those issues. Yet in recent years, a series of steps have led Europe firmly beyond the Cold War, to a time when real negotiations are possible. Berlin is no longer the symbol of East-West conflict. West Germany has set a high standard for negotiation with the East. And the nations of NATO and the Warsaw Pact are now able to talk about troop reductions rather than confrontation.

But the relaxation of tensions in Europe does not mean the end of problems there, nor of America's concern for Europe's future. Negotiations on Europe's future have hardly begun—and are far from reaching a useful conclusion. The Conference on Security and Cooperation in Europe may come to an end in the near future. But its work has far to go—through a permanent body—if that Conference is genuinely to provide all European states with an increased confidence in their security and in the prospects for cooperation between East and West.

Even more important are the talks on force reductions. Hopefully, some first agreements will be achieved in the near future. But it is a long way from there to a reshaping of patterns of security on the Continent—a reshaping that will enhance security, and make possible major reductions in forces on both sides.

The United States is—and must continue to be—deeply involved. This is particularly so when the Soviet interest in Western Europe is still not clear. I believe that Moscow could gain little from American indifference to the future of Europe; but it has everything to gain from a secure and thriving Western Europe, firmly tied to the United States.

Because I believe in the importance of these ties, and in the primacy of the Western Alliance, I began my recent trip to the Soviet Union by a visit to West Germany—and to Chancellor Brandt, the master of *Ostpolitik*.

In West Europe—as in East Europe—I found acute concern that the United States will try improving its relations with the Soviet Union at the expense of other nations. In the West, deep concern is being expressed about the strength and vitality of the American commitment. I know that this is a chronic complaint. But it has been sharpened by doubts about the strength of U.S. Presidential leadership, by strains in the Atlantic Alliance following the energy crisis, and by a growing pessimism for the political—and even the economic—future of the European Community.

No one believes it will be easy to allay the fears of American political weakness that are evident in Western Europe. But it is essential if we are to continue improving relations with the Soviet Union. Good relations with Moscow must begin with excellent relations in the Alliance.

We should begin here in the United States by trying to understand the malaise that is now affecting European attitudes, especially during a time of succession in France, and uncertainties over Britain's role in the Community.

Fortunately, we have now abandoned the idea of forcing the pace in Atlantic relations through lofty declarations of a "year of Europe." Yet we must be careful not to strain the capacities of the Community through overly-aggressive bargaining, either on issues of defense, energy, agricultural policies, or trade. These issues can be resolved in the fullness of time; but for now we must all proceed with caution and acute sensitivity for the "growing pains" of Europe. And in the Alliance we must begin preparing for the reduction of forces that one day will come, in order to ensure a renewed sense of common purpose within the Alliance.

I believe that there is a fundamental strength in the Alliance that can be developed for the new conditions of the late 1970s. But relations must proceed issue by issue, seeking solutions for problems in their own terms. We in the United States must also redouble our efforts to involve our European Allies in shaping our diplomacy with the Soviet Union. Solutions to European problems must be largely "made in Europe."

Most important, we need to convey to the Europeans that we are still with them, interested in their development, supportive of a European Community shaped according to European lights, and concerned to involve them in other U.S. diplomatic efforts.

As we look at the prospects for improving relations with the Soviet Union, we see a darker side. In the Middle East, fighting between Syria and Israel has continued for nearly two months. While I talked with Soviet leaders in the Kremlin about the prospects for peace, the sounds of conflict reached our ears from the Middle East.

I believe that the Soviet Union must at some point play a constructive role in finding a just and lasting settlement of the Arab-Israeli conflict. It was possible to secure a separation of Egyptian and Israeli forces without Moscow's help. And it may even be possible to gain a similar separation of forces on the Syrian-Israeli front, primarily through the diplomacy of Secretary Kissinger. But if a real peace is to be achieved, the Russians, too, must in time decide that this will support their interests in the region.

In Moscow, I stressed to Soviet leaders my belief that they no longer have anything to gain from a situation of "no war and no peace," in the Middle East. If they do not join with us in trying to end the conflict, they, too, stand to lose from renewed conflict, along with the nations of the region itself.

The Soviet Union has repeatedly expressed concern to become more deeply involved in the diplomacy now being conducted in the Middle East. And the Soviet leaders I spoke with said they were committed to peace. That may come to be, despite the role they have played in recent months. But this commitment cannot be taken on trust—it must be proved.

I believe that the Soviet Union should be encouraged to play a constructive role in long-term diplomacy directed towards peace in the Middle East. Secretary Kissinger's meeting with Foreign Minister Gromyko last Monday could be a useful step on the way. But if the Soviet Union does become more involved, then its leaders must show that they share our hopes for peace in the region, and for the human and economic development of its peoples. And as I said in Moscow, the Soviet Union could usefully begin by renewing diplomatic relations with the State of Israel.

Beyond the Middle East, there are other areas of mutual concern between the United States and the Soviet Union. Together, we must seek to prevent a new arms race in the Indian Ocean, or a general competition in the size of the Soviet and American navies. We must begin reducing the billions of dollars and roubles spent each year on arming nations in the developing world. And we must work to avoid the growth of new power rivalries between our two countries—in Africa, in South Asia, or elsewhere. Such rivalries would only breed conflict, new threats to our relations, and new dangers for peace between us. And let us do this in a clear understanding of the position we each occupy in the world today. As Secretary of State Henry Kissinger said in Moscow only a few weeks ago:

"Neither of us can gain a permanent strategic advantage either militarily or politically anywhere in the world."

For our part in the United States, we will live by this principle. We have no need or desire to seek an advantage. Yet we must also seek no less from the Soviet Union.

Both countries are also concerned about the future of China. America's relations with that country have improved during recent years, while the threat of conflict between China and the Soviet Union has not been removed. Yet it is not in the interests of the United States to exploit relations with China at the expense of Soviet security. War between any two of these three powers would also spell disaster for the third.

Instead, the United States will be sensitive to the needs of both Soviet and Chinese security. And America can join with the Soviet Union in trying to hasten the day when Chinese leaders, too, will enter negotiations to control nuclear arms.

In all these areas, there is increasing scope for real cooperation with one another—based upon a careful calculation of separate and shared interests. Yet these possibilities remain limited; both by the depth of the divisions that still remain; and by the interests of other countries and people. There can be no shared domination by the United States and Soviet Union over other areas of the world. There can be no Pax America, no Pax Sovietica, and no "peace of the superpowers" to deny the rights and interests of others.

During recent years, we in the United States have rightly focussed on political and strategic relations with the Soviet Union. And these remain critical, today. But now, there is also a growing trade between our two countries, and the start of cooperation in science and technology—as symbolized by next year's link-up in space.

The Soviet Union is particularly interested in these ties, as a means of entering the "second industrial revolution", that began in the West some 30 years ago. Is this also in our interest? I believe it is. I return from the Soviet Union convinced that there is considerable scope for improving Soviet-American relations in this economic realm—including our purchase of Soviet raw materials. With serious attention to the terms of agreements, I believe that the United States does have much to gain, both in the agreement themselves, and in the evolution of the political climate between our two countries.

In Moscow, I also urged Soviet leaders to look beyond bilateral approaches, to eventual membership in the Western institutions of economic cooperation. I urged them to greater involvement in an effort to meet international challenges of food, energy, population, pollution, and sharing the resources of the seas. And I urged them to accept a shared responsibility for the fate of the poorest people of all, in the "fourth world" of have-not nations. Long isolated from developments in the outside world, the Soviet Union, too, is beginning to be affected by the growing interdependence of nations. For it, too, some problems cannot be solved, unless they are approached by many nations in common. Hopefully, there is an awakening interest, especially among younger Soviet leaders, in broader institutions of global cooperation.

The issue of trade and related cooperation does not exist in isolation. In the United States, many Americans are concerned about the failure of the Soviet Union to extend to its people one of the most fundamental of human rights: the right to choose where they will live. To this end, the House of Representatives has passed—and the Senate will consider—legislation that will limit the access of the Soviet Union to U.S. markets and credits while it restricts emigration of its citizens.

I raised this issue in Moscow, and expressed American concerns. Yet the position of the Soviet leaders was firm: they will brook no interference in their internal affairs. They believe that they have been forthcoming in permitting emigration of Jews to rise to 35,000 in 1973, up from 1,000 in 1970. They believe that trade is important in improving relations, and must not be tied to their actions on what they believe is an "unrelated" matter. And this was the one issue I raised on which there was not even a partial meeting of minds.

I listened to these Soviet views—which were disputed by Jewish leaders whom I met in Moscow. And I, too, am anxious to see a resolution of this issue, so that there will be no risk of retarding the crucial work of putting fear and hostility in U.S.-Soviet relations behind us, forever.

In general, I do not believe that one nation should interfere directly in the internal affairs of another. But I also do not believe in silence. And for many years, I have been active in opposing what I believe to be denial of human liberties whenever it occurs—in the Soviet Union, in Chile, in Vietnam, in Greece, in Portugal, and when it occurs here in the United States, itself.

Indeed, we in the United States have long understood criticisms of American society made by people abroad. We, too, are not a perfect society. We have not entirely solved problems that weigh on our society, problems of race, of poverty, and of unequally distributed fruits of progress.

A central principal of developing relations between countries is frankness—for only in frankness can two peoples take the full measure of one another, find areas of mutual interest, and lay the basis for moving beyond agreements that are founded merely upon a mutual dread of a cataclysmic war.

In a time of Cold War, there was little that the United States expected of Soviet society—or they of us. Yet as we move beyond that era, mutual expectations increase—concerning both the behavior of one another in international affairs, and the domestic factors that will help shape and direct each nation's relations with foreign countries.

Can the impasse be resolved? I am hopeful it can, without sacrificing human rights. I am hopeful that it will be possible to go beyond the frustrations and the anger on both sides that are damaging to all and of benefit to none. And in Moscow I urged the Soviet government to take a magnanimous action on the issue of emigration—an action to which the American people can respond.

I do not believe that the Soviet Union will respond to all the changes in its society that we would like, just as the United States will not respond to every Soviet desire. But at heart, in their political system as well as in ours, the ultimate test of success or failure lies not in the strength of military weapons, or in the production of farm and factory, but rather in the lives of individual people.

Mr. Chairman, I have tried tonight to set forth some of my ideas on our relations with the Soviet Union, based on my personal experiences in that country. I have come back from Moscow mindful of the wide differences that still exist between our two countries both in philosophy and in interests. I am aware that in some areas we will remain as intense rivals. And I have a renewed sense of the patience that will be necessary to achieve each step away from the risks of war, and toward a time of better relations with one another.

But I also come back convinced that much is possible, and that we are beginning a new time in the attitudes of our two countries. Each of us no longer automatically views every act by the other with suspicion—and even hostility—without an examination of the facts. Now that we both accept mutual responsibility to prevent mankind's final war, we are beginning to see and to understand each other's interests, hopes, and point of view. And we are beginning to find ways in which both countries can act together to mutual advantage. There will be setbacks; there will be limits. But at least now it is possible to talk, to listen, and often to understand. And as long as there is understanding, there will be hope for us all—and for all mankind.

KANSAS TECHNICAL INSTITUTE

Mr. DOLE. Mr. President, on May 19 it was my pleasure to address the 1974 graduating class at Kansas Technical Institute in Salina, Kans.

This was the seventh class to graduate from the State's first public technical institute, and I can report that already KTI's alumni have established a solid reputation for the value and effectiveness of this approach to higher education.

By presenting a wide variety of courses in some of the most demanding and important modern technical fields, KTI is filling the vitally important need for increasing the numbers and quality of skilled technicians in our State. Special emphasis on aeronautical, environmental, electronic, and engineering fields gives KTI students a choice of education in some of the most sought-after areas in the job market today.

Job placement and salary statistics amply demonstrate KTI's impact upon the State and in the lives of its alumni.

I believe many of my colleagues would find further information about technical education important to them as they assess the needs and future of higher education in their own States; therefore, I ask unanimous consent that several informative items concerning Kansas Technical Institute be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SOME FACTS ON TECHNICAL EDUCATION

During the past few decades America has made significant technological progress and has reached a high level of production through the efforts of its engineering team. This is a three part team consisting of engineers and scientists, engineering technicians, and skilled workers.

The State of Kansas is proud of the fact that it has provided educational opportunities to prepare individuals for engineering team positions. The team positions are defined as follows:

Scientist.—A person engaged in the study concerned with the observation and classification of facts and with the establishment of verifiable general laws, chiefly by induction and hypothesis.

Engineer.—A person engaged in the profession which uses basic laws of physical science to serve mankind. This service is accomplished through knowledge of mathematical and natural sciences gained by study, experience and practice; applied with judgment to develop ways to utilize, economically, the materials and forces of nature for the benefit of mankind.

Engineering technician.—A person whose education and experience qualify him to work in the field of engineering technology. He differs from the craftsman in his knowledge of scientific and engineering theory and methods, and from the engineer in his more specialized background and in his use of technical skills in support of engineering activities.

Craftsman.—A person skilled in the mechanics of his craft and practices this skilled trade or manual occupation. His formal education portion of learning a skill or trade comes from area vocational training or trade school training. (Report on Engineering Technology Education Programs in Kansas 1964).

Since the fall of 1966, the Kansas Technical Institute in Salina, Kansas, has been training engineering technicians for positions on the engineering team.

Having earned an Associate of Technology Degree upon completion of two years of college level study, KTI graduates have been able to take their place on engineering teams throughout Kansas and the nation.

A survey of all KTI graduates was conducted in the spring and summer of 1973. The survey found that 85% of all KTI graduates are employed in an occupation related to their field of study. Of this figure 76% are employed in Kansas.

The placement status of 1973 engineering and technology graduates and job prospects for 1974 graduates was the subject of a nationwide survey conducted by the Engineering Manpower Commission of Engineers Joint Council.

As Table I indicates, 61% of the graduate technicians in the United States in 1973 are employed full time. Table I also reveals that only 5% were without jobs or plans and that 25% were continuing their education in the engineering field.

TABLE 1.—PLACEMENT STATUS OF 1973 ENGINEERING AND TECHNOLOGY GRADUATES[1]

[In percent]

	Engineering degree			Technology degree	
	B.S.	M.S.	Ph. D.	Associate	B.S.
Employed	62	62	80	61	76
Full-time study	19	22	2	25	3
Military service	5	7	3	1	5
Other plans	3	6	11	1	4
Considering job offers	6	2	3	7	8
No offers or plans	5	2	2	5	4

[1] Engineering Manpower Bulletin, October 1973.

The recent KTI survey found the average starting salary of its graduates to be approximately $700.00 per month. The national average, determined by the Engineering Manpower Commission, was slightly lower at $679.00.

The average starting salary at all degree levels showed an increase over the 1972 average. It is interesting to note, however, that the per cent of increase for the Associate Degree level was surpassed only by the Masters Degree level.

Table 2 lists the average starting salary for all degree levels in 1973 and the per cent of change from 1972.

TABLE 2.—AVERAGE STARTING SALARIES, 1973 GRADUATES

Degree level	Dollars per month	Percent change from 1972
Associate degree in technology (ECPD schools)	679	+4.9
Bachelors degree in technology	850	+3.0
Bachelors degree in engineering	930	+4.3
Masters degree in engineering	1,080	+5.5
Doctors degree in engineering	1,449	+3.8

[1] Engineering Manpower Bulletin, October 1973.

In the opinion of college placement directors surveyed, 1974 graduates in engineering related fields will be in great demand. The demand is expected to be so great for graduate technicians that 69% of the surveyed placement directors expect a slight to major shortage of graduates. Only 5% expect more graduates than jobs.

HOW THE SURVEY WAS CONDUCTED

EMC has surveyed the placement status of engineering graduates since 1958 and of technology graduates since 1967. Placement statistics for 1973 were based on replies from 246 schools covering 35,024 graduates. Salary averages for technology graduates were based on data from 87 schools reporting 3412 offers. The College Placement Council, Inc. is the source of starting salary data for engineering graduates.

WHAT IS KTI

The Kansas Technical Institute was established by the 1965 Kansas Legislature as the State's first public Technical Institute. It is located in Salina, Kansas and offers the Associate of Technology Degree in ten programs: Aeronautical Engineering Technology, Aviation Maintenance Management, Civil Technology, Environmental Technology, Computer Science, Electronic Data Processing, Electronic Technology, Mechanical Technology, Welding Specialist, and General Technology. KTI also offers a FAA certified program in Airframe and Powerplant Maintenance for aircraft mechanics. A certificate of completion is given after completion of the A & P Program.

Graduates of KTI have been able to "take their choice" of job openings in Kansas and the nation. A 1973 survey of KTI graduates found 85% employed in a field related to their course of study at KTI with 76% employed in Kansas.

GOALS OF THE INSTITUTE

The major goal of the Kansas Technical Institute is to provide two-year; college-level programs of applied science and technology which enable the student to become employable upon graduation.

The second goal of the Institute is to provide a broad base of mathematics, physical science, communications, and technical specialty courses to enable the students to build upon and expand their knowledge and skills as they work in their areas of specialization.

The Institute's third goal is to provide a basis for understanding fundamental scientific and engineering principles to afford students the opportunity to pursue further academic study in a technical field.

Another goal of the Institute is to offer selected courses to the adult community of Kansas so that they may update their education, improve technical skills, or pursue self-improvement. For this purpose, the Office of Community Services has been established.

FEES

Fees at Kansas Technical Institute are established by the State Board of Education and are subject to change at any time. Following is a description of the current student fees per semester at the Institute:

	Kansas resident	Non-Kansas resident
Regular semester fees:[1]		
Incidental fee	$120.00	$360.00
Student activities	10.00	10.00
Student union	5.00	5.00
Total	135.00	375.00
Students enrolled in 6 semester credits or less:		
Incidental fees (per semester credit)	8.50	25.50
Student activities[2]	5.00	5.00
Student union[2]	2.50	2.50
Summer session fees:		
Incidental fees (per semester credit)	8.50	25.50
Student activities	5.00	5.00
Student union	2.50	2.50

[1] Interterm cost included in semester fees.

[2] Special programs and seminars may be exempt from these fees.

GENERAL TECHNOLOGY

Many small-to medium-size industries in Kansas have shown a need for a technician who is diverse in skills, since in many cases they are not large enough to fill their staff with specialists from the many areas they require. Jobs such as Inspector, Estimator, Detail Draftsman, Test Technician, Customer Service Technician, Production Planner, and several others, require a broad based education in several areas. Therefore, the General Technician program will provide the graduates who are broadly trained across the fields of Electronics, Civil, and Mechanical Technologies and can fill the needs of these industries.

The term "technician" refers to workers whose jobs require both knowledge and use of scientific and mathematical theory; specialized applied education of training in some aspect of technology or science; and who, as a rule, work directly with scientists or engineers. The education of the technician is "things" oriented. The worker must have the ability to visualize objects and to make sketches and drawings. It requires that he have an aptitude in mathematics. Many jobs require some familiarity with one or more of the skilled trades, although not the ability to perform as a craftsman. Some jobs demand extensive knowledge of industrial machinery, tools, equipment, and processes. Some jobs held by these technicians are supervisory and require both technical knowledge and the ability to supervise people.

Technicians also work in jobs related to production. They usually work in close relationship with an engineer or scientist but are not under close supervision. They may aid in the various phases of production operation, such as working out specifications for materials and methods of manufacture, devising tests to insure quality control of products, or making time-and-motion studies designed to improve the efficiency of a particular operation.

The General Technician program is designed to provide the graduate with the competency to begin work in many of the areas and have the skills described above.

AERONAUTICAL TECHNOLOGY—AIRFRAME AND POWERPLANT—MAINTENANCE MANAGEMENT

Aeronautical technician

Aeronautical engineering pertains to mechanical flight in the atmosphere. The aeronautical technician assists the aeronautical engineer in all phases of design, production, and operational aspects of aircraft, including commercial passenger, freight, small private planes, and helicopters.

The majority of aeronautical technicians are employed by the aerospace industry, government, institutions of higher learning, and the airlines, and are engaged in research, design, and development activities. The technician may be involved in aircraft design, flight testing, evaluation, or experimental laboratory work. Other technicians work in production, estimating the cost of materials and labor necessary to complete a project. Still other technicians are sales or field service representatives, performing technical assistance services for customers or helping to prepare manuals and other technical literature. Aeronautical technicians must be able to work with scientific and engineering test equipment including the slide rule, understand the principles of higher mathematics, science, and engineering, and write clear and concise technical reports. They must be logical, patient, and objective, capable of performing under the stress of time limitations, and of dealing with potentially hazardous situations. High school courses should include as much math and science as possible, drafting, industrial and machine shop practice, and English. The prospective technician should then take an aeronautical technician course at a vocational-technical institute or community college and obtain an associate degree. The long-range employment outlook for men and women, is good. Beginning technicians advance by taking on additional responsibilities, though their job title may remain the same. With experience, a technician may supervise other trainees or technicians, or may be assigned independent responsibility. With additional education, the technician may become an aeronautical engineer, and many companies offer a tuition refund plan. In the late 1960's, beginning technicians earned between $475 and $600 monthly. Experienced technicians earned between $850 and $1,500 monthly. KTI graduates in May 1973 averaged $700 monthly starting salary. Technicians usually work a 35- to 40-hour week at a desk or in a research department, laboratory, or engineering department. Some outdoor work may be necessary, depending upon the technician's particular project assignment.

Airframe and powerplant

Aircraft mechanics keep airplanes operating safely and efficiently. They do routine maintenance as well as repairing and replacing damaged or worn parts.

Mechanics employed by the airlines work either at the larger airline terminals making emergency repairs on aircraft, or at an airline main overhaul base where they make major repairs or periodic inspections. These mechanics may specialize in work on a particular part of the aircraft, such as propellers, landing gear, or hydraulic equipment. They frequently take apart a complex airplane component, replace damaged or worn parts, put the component together, and test it to make sure that it is operating perfectly. They may perform this work at the direction of a flight engineer or lead mechanic, or they may be responsible for examining the entire aircraft to find the source major repairs or periodic inspections. These repair or maintenance work must be licensed by the FAO (Federal Aviation Administration) as airframe or powerplant mechanics. At least 18 months' experience working with airframes or engines is required to obtain either license, and at least 30 months' experience is required to obtain both. All applicants must pass a written test and give practical demonstration of their ability. Airlines prefer men between 20 and 30, in good physical condition, with a high school diploma for their apprenticeship programs. Another way to train for aircraft mechanic positions is by attendance at an FAA-approved mechanic school. Most of these have an 18- to 24-month program. Also, several colleges and universities offer two-year programs. The employment outlook is excellent. Mechanics can advance to positions as lead mechanic, inspector, and shop foreman. Mechanics employed by scheduled airlines averaged $715 monthly in the late 1960's. KTI graduates in May 1973 averaged $700 monthly starting salary. Work is done in hangars or in other indoor areas as much as possible.

Maintenance management

The field of aviation has many areas that require diverse technical skills. Kansas Technical Institute offers the Airframe and Powerplant Maintenance Program that provides the Aviation Mechanics necessary for both Commercial and Civil Aviation. These people provide a very necessary service but they find they have one basic weakness—fundamental business management.

Kansas Technical Institute has recognized this weakness and has opened a new curriculum for Aviation Maintenance Technicians. The curriculum is in Aviation Maintenance Management and is to be taught on both the Kansas Wesleyan and Kansas Tech campuses. The corsortium agreement between Kansas Weslyan and Kansas Tech has made the curriculum possible.

This curriculum is available to graduates of the KTI Aviation Maintenance curriculum or to individuals who already possess an F.A.A. Airframe and Powerplant Mechanics License.

Graduates of this curriculum will find an advantage toward obtaining supervisory and management positions with commercial airlines, aircraft companies, corporate business aircraft operators, fixed-base operators, repair stations and governmental flight agencies.

CIVIL TECHNOLOGY—ENVIRONMENTAL PROTECTION TECHNOLOGY

Civil technology

Civil engineering is one of the oldest and largest fields of specialization in the engineering profession. Its tasks include the construction of railroads, airports, highways, harbor facilities, irrigation systems, and community and industrial planning. The civil technician plays an important part in all these activities.

Many civil technicians,work for state highway departments, or railroad or airport facilities. They collect data, help to design and draw plans, and lay out and supervise the construction and maintenance of roadways, railroad routes, or airports. Technicians may also help to plan, build, and maintain city and county transportation systems, drainage systems, and water and sewage facilities. Still other civil technicians test materials, supervise construction, and determine that plans and specifications have been followed in the construction of buildings, bridges, or similar structures. Civil technicians can also work for testing laboratories or manufacturing companies, helping to design or test new processes and materials. Civil technicians should be able to work well with other people, and have the ability to think and plan ahead. High school graduation is necessary, and courses should include two years of algebra, plane and solid geometry, trigonometry, physics, four years of English, and mechanical drawing. The student should then attend a two-year college or technical institute. The civil technology program normally leads to an associate degree. Courses usually include more mathematics and science subjects, and technical specialty courses such as surveying materials, hydraulics, highway and bridge construction and design, rail and water systems, and costs and estimates. The average starting salary for Civil Technicians with an Associate Degree was $694.00. This average figure was reported by the Engineering Manpower Commission of the Engineers Joint Council and is based on figures submitted by 26 schools throughout the United States. KTI graduates in May 1973 averaged $700 monthly starting salary. Technicians who advance to the position of construction superintendent often receive large bonuses if a job is completed ahead of schedule or for less than the estimated cost. Working conditions vary from job to job. Technicians working in the area of construction or surveying will be outdoors most of the time. Those who work on computation, drafting, design, or research usually work indoors in clean, pleasant, and quiet surroundings.

Environmental protection

Rapidly growing public concern over environmental quality has resulted in a dramatic increase in the manpower needed to develop, plan, and implement pollution prevention and control activities. Although mass public concern is relatively recent, the needed technology has been developing for many years. It was begun largely by the concern and efforts of health officers and sanitary engineers in providing safe supplies of drinking water, milk and foods; and by many natural resource and wildlife conservationists. A wide variety of professionals and technicians are now involved in a broad scale program of protecting and restoring the quality of our modern environment.

Environmental protection and control efforts represent a diverse area of work and consequently draw heavily upon a wide variety of occupational skills. Virtually every occupation can be related in some phase to an aspect of environmental protection and resource conservation. The extensive nature of environmental pollutants permit contributions by a wide spectrum of occupations. These occupations have skill levels ranging from entry level operation type jobs to the technician to the PhD levels.

A program in Environmental Protection Technology, closely tied to the Civil Engineering Technology program at KTI, trains the Environmental Technicians necessary to provide the needed technical support for solving the problems of water protection. The Water Protection program is established on an option basis so that the student may select one of several career possibilities. He will be guided in the selection of his courses so that he will be able to perform in the occupational area of his choice.

A Water Protection Technician performs functions in the areas of water systems design, laboratory technician, and environmental inspection. His purpose will be to protect and improve our water supplies. Treatment of the waste water sources is also a very important aspect of the Water Protection Technician and the graduate will have the knowledge of the broad field of water pollution and treatment and the design background necessary to perform a function needed by many agencies.

The Engineering Manpower Commission of the Engineers Joint Council reports that the average starting salary of Environmental Technicians in 1973 was $658.00 per month. This average figure was based on facts submitted by 6 schools throughout the United States. Because of the fact this is a new curriculum at KTI, the first Environmental Technicians will graduate in the Spring of 1974.

INFLATION

Mr. McCLURE. Mr. President, continued inflation at the present rate could put the future of our country in jeopardy.

We are still paying for many of the bold new initiatives that have been proposed over the last 20 to 30 years.

Inflation cannot be contained in the long run unless there is control over Government spending.

The Government should aim toward a balanced budget in 1976 as a key to controlling the Nation's totally unacceptable inflation rate.

Now, Mr. President, the words I have just spoken may sound somewhat typical of the views of the junior Senator from

Idaho. In truth, they are not my own. They are words spoken by Secretary of the Treasury William E. Simon in an interview with Associated Press reporter R. Gregory Nokes. And when a Secretary of the Treasury calls for a balanced budget, it is news, indeed.

Bill Simon continues to prove he is one of the Nation's outstanding public servants. First, he took charge of the Nation's energy problems and got those policies back on the right track. Upon his promotion to the job of Treasury Secretary, he called for restoration of the right to own and hold gold—a matter which the Senate will have before it later on today. And now, he puts the blame for inflation right where it belongs—on deficit spending.

Secretary Simon says he has no bold new program to control inflation. But the mere thought that a member of the Cabinet responsible for the development of economic policy would dare to speak so candidly is bold enough in itself.

I pledge here and now to work with Mr. Simon in his efforts to bring this about, and I hope my colleagues in this body will do likewise. Meanwhile, I ask unanimous consent that the article as it appeared in the May 28 edition of the Washington Post be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

BALANCED BUDGET URGED BY SIMON

(By R. Gregory Nokes)

Treasury Secretary William E. Simon says the government should aim toward a balanced budget in 1976 as a key to controlling the nation's "totally unacceptable" inflation rate.

Inflation cannot be contained in the long run unless there is control over government spending, Simon said in an interview.

He added that the federal budget has been in deficit for 14 of the last 15 years and "we have to get back to the old time religion of spending what we take in, in this country."

Simon said that "having budget deficits is wrong . . ."

[The interview with Simon took place Friday, with an agreement that reports on it would not be released until yesterday. On Sunday, Chairman Arthur F. Burns of the Federal Reserve Board gave a grimmer view. He said continued inflation at the present rate could place "the future of our country in jeopardy," adding that "the federal budget has to be handled more responsibly than in the past."

[Presidential press secretary Ronald L. Ziegler told United Press International in an interview yesterday that "the President is right and Burns is wrong about economic prospects." Mr. Nixon has said the worst of inflation is over.]

Simon, who succeeded George P. Shultz as Treasury Secretary earlier this month, said he had no "bold new program" to control inflation. He indicated he felt such programs often end up doing more harm than good.

"We are still paying for many of the bold new initiatives that have been proposed over the last 20 to 30 years," he said.

Simon said it would not be possible to balance the 1975 budget, which projects a deficit of $9.4 billion, but said he feels some cuts in spending may be possible.

"My bias obviously is to make every effort to do this," said Simon, who described himself as a financial conservative.

"I don't consider this baying at the moon," he added, alluding to a statement by Budget Director Roy L. Ash, who recently said talk of budget cuts in 1975 was like baying at the moon.

While a balanced budget next year is beyond reach, "I would certainly aim toward a balanced budget in 1976," Simon said.

But he cautioned that it was difficult to predict whether a balanced budget would be possible next year.

Even the best efforts of the government this year cannot bring inflation much below 7½ per cent by the end of the year, Simon said. The inflation rate in the first three months was 11.5 per cent.

"At the end of the year we will continue to have a totally unacceptable rate of inflation but certainly not double-digit inflation," he said.

A GREAT LADY

Mr. CRANSTON. Mr. President, Sadie Gorbet, a native of Crescent City, Calif., recently passed away unnoticed. In recognition of a great lady, I would like to tell my colleagues in the Senate a little about her.

She was a wise woman. She was also a warm human being with a sparkling sense of humor.

I remember her well from the 1972 Democratic National Convention in Miami Beach. She was the only Indian on the California delegation and she was 73 years old.

Though crippled with arthritis, she was determined to go to the convention and be part of the political process she had worked in for many years as a member of the State Democratic central committee.

Sadie was dedicated and spent her life striving for a better community for her friends and neighbors. Since the 1930's she had helped and worked for those people less fortunate than she. She had been president of the local PTA and spent long hours as a registrar of voters.

She gave of herself willingly to preserve a system of government she strongly believed in. Sadie is gone now and we all shall miss her.

THE MENACE OF INFLATION

Mr. THURMOND. Mr. President, a very important address, entitled, "The Menace of Inflation," was delivered May 26 by Dr. Arthur F. Burns, Chairman of the Board of Governors of the Federal Reserve System, at the 141st commencement exercises of Illinois College at Jacksonville, Ill.

Dr. Burns issued a warning that needs to be heard and studied in the Administration and in Congress. He sees the current inflationary conditions threatening the "very foundations of our society."

This warning is not idle talk, but rather goes to the very heart of our system and its preservation. If the leadership of this Nation fails to take the hard, long road to meet this problem we might witness economic changes which could alter our form of government.

Mr. President, rather than attempt to highlight this speech I would rather urge again it be read and studied. With this view in mind, I ask unanimous consent that Dr. Burns' address be printed in the Record at the conclusion of my remarks.

There being no objection, the address was ordered to be printed in the Record, as follows:

THE MENACE OF INFLATION

(By Arthur F. Burns)

It is a pleasure to be with you today here in the heartland of America. As graduates of this College, you are launching your careers at a challenging but troubled time. Confidence in established institutions, particularly in our government, is at a low ebb. And hopes for the future of our economy have been shaken by the debilitating effects of inflation on the nation's businesses, workers, and consumers.

Inflation is not a new problem for the United States, nor is it confined to our country. Inflationary forces are now rampant in every major industrial nation of the world. Inflation is raging also in the less developed countries, and apparently in socialist countries as well as those that practice free enterprise.

The gravity of our current inflationary problem can hardly be overestimated. Except for a brief period at the end of World War II, prices in the United States have of late been rising faster than in any other peacetime period of our history. If past experience is any guide, the future of our country is in jeopardy. No country that I know of has been able to maintain widespread economic prosperity once inflation got out of hand. And the unhappy consequences are by no means solely of an economic character. If long continued, inflation at anything like the present rate would threaten the very foundations of our society.

I want to discuss briefly with you today the sources of our inflationary problem, the havoc being wrought in the economy, and the steps that must be taken to regain general price stability and thus strengthen confidence in our nation's future.

A large part of the recent upsurge in prices has been due to special factors. In most years, economic trends of individual nations tend to diverge. But during 1973 a business-cycle boom occurred simultaneously in the United States and in every other major industrial country. With production, rising rapidly across the world, prices of labor, materials, and finished products were bid up everywhere.

To make matters worse, disappointing crop harvests in a number of countries in 1972 forced a sharp-run-up in the prices of food last year. The manipulation of petroleum supplies and prices by oil-exporting countries gave another dramatic push to the general price level last autumn and early this year. The influence of these factors is still being felt in consumer markets.

Recently, our price level has also reacted strongly to the removal of wage and price controls—a painful, but essential adjustment in the return to free markets.

These special factors, however, do not account for all of our inflation. For many years, our economy and that of other nations has had a serious underlying bias toward inflation which has simply been magnified by the special influences that I have mentioned.

Ironically, the roots of that bias lie chiefly in the rising aspirations of people everywhere. We are a nation in a hurry for more and more of what we consider the good things of life. I do not question that yearning. Properly directed, it can be a powerful force for human betterment. Difficulties arise, however, when people in general seek to reach their goals by means of short cuts; and that is what has happened.

Of late, individuals have come to depend less and less on their own initiative, and more on government, to achieve their economic objectives. The public nowadays expects the government to maintain prosperous economic conditions, to limit such declines in employment as may occasionally occur, to ease the burden of job loss or illness or retirement, to sustain the incomes of farmers, homebuilders, and so on. These are laudable objectives, and we and other nations have moved a considerable distance toward their realization. Unfortunately, in the process of doing so, governmental budgets have gotten out of control, wages and prices have become less responsive to the discipline of market forces, and inflation has emerged as the most dangerous economic ailment of our time.

The awesome imbalance of the Federal budget is probably the contributory factor to inflation that you have heard the most about. In the past five years, total Federal expenditures have increased about 50 per cent. In that time span, the cumulative budget deficit of the Federal government, including government-sponsored enterprises, has totaled more than $100 billion. In financing this deficit, and also in meeting huge demands for credit by businesses and consumers, tremendous pressures have been placed on our credit mechanisms and the supply of money has grown at a rate inconsistent with price stability.

I am sure that each of you in this graduating class is aware of some of the troublesome consequences of inflation. The prices of virtually everything you buy have been rising and are still going up. For the typical American worker, the increase in weekly earnings during the past year, while sizable in dollars, has been wiped out by inflation. In fact, the real weekly take-home pay of the average worker is now below what it was a year ago. Moreover, the real value of accumulated savings deposits has also declined, and the pressure of rising prices on family budgets has led to a worrisome increase in delinquency rates on home mortgages and consumer loans.

Many consumers have responded to these developments by postponing or cancelling plans for buying homes, autos, and other big-ticket items. Sales of new autos began to decline in the spring of 1973, and so too did sales of furniture and appliances, mobile homes, and newly built dwellings. The weakness in consumer markets, largely engendered by inflation, slowed our economic growth rate last year some months before the effects of the oil shortage began to be felt.

Actually, the sales of some of our nation's leading business firms have been on the wane for a year or more. Their costs, meanwhile, have continued to soar with increasing wage rates and sharply rising prices of materials.

The effect on business profits was ignored for a time because accountants typically reckon the value of inventories—and also the value of machinery and equipment used up in production—at original cost, rather than at current inflated prices. These accounting practices create an illusory element in profits—an element that is not available for distribution to stockholders in view of the need to replace inventories, plant, and equipment at appreciably higher prices. Worse still, the illusory part of profits is subject to the income tax, thus aggravating the deterioration in profits. This result is especially unfortunate because of the shortage of industrial capacity that now exists in key sectors of our economy—particularly in the basic materials area.

By early this year, a confrontation with economic reality could no longer be put off. Major business corporations found that the volume of investible funds generated internally was not increasing fast enough to finance the rising costs of new plant and equipment, or of the materials and supplies needed to rebuild inventories. Businesses began to scramble for borrowed funds at commercial banks and in the public markets for money and capital. Our financial markets have therefore come under severe strain. Interest rates have risen sharply; savings flows have been diverted from mortgage lending institutions; security dealers have experienced losses; prices of common stocks have declined; the liquidity of some enterprises has been called into question; and tensions of a financial nature have spilled over into international markets.

Concerned as we all are about the economic consequences of inflation, there is even greater reason for concern about the impact on our social and political institutions. We must not risk the social stresses that persistent inflation breeds. Because of its capricious effects on the income and wealth of a nation's families and businesses, inflation inevitably causes disillusionment and discontent. It robs millions of citizens who in their desire to be self-reliant have set aside funds for the education of their children or their own retirement, and it hits many of the poor and elderly especially hard.

In recent weeks, governments have fallen in several major countries, in part because the citizens of those countries had lost confidence in the ability of their leaders to cope with the problem of inflation. Among our own people, the distortions and injustices wrought by inflation have contributed materially to distrust of government officials and of government policies, and even to some loss of confidence in our free enterprise system. Discontent bred by inflation can provoke profoundly disturbing social and political change, as the history of other nations teaches. I do not believe I exaggerate in saying that the ultimate consequence of inflation could well be a significant decline of economic and political freedom for the American people.

There are those who believe that the struggle to curb inflation will not succeed and who conclude that it would be better to adjust to inflation rather than to fight it. On this view, contractual payments of all sorts—wages, salaries, social security benefits, interest on bank loans and deposits, and so on—should be written with escalator clauses so as to minimize the distortions and injustices that inflation normally causes.

This is a well-meaning proposal, but it is neither sound nor practical. For one thing, there are hundreds of billions of dollars of outstanding contracts—on mortgages, public and private bonds, insurance policies, and the like—that as a practical matter could not be renegotiated. Even with regard to new undertakings, the obstacles to achieving satisfactory escalator arrangements in our free and complex economy, where people differ so much in financial sophistication, seem insuperable. More important still, by making it easier for many people to live with inflation, escalator arrangements would gravely weaken the discipline that is needed to conduct business and government affairs prudently and efficiently. Universal escalation, I am therefore convinced, is an illusory and dangerous quest. The responsible course is to fight inflation with all the energy we can muster and with all the weapons at our command.

One essential ingredient in this struggle is continued resistance to swift growth in money and credit. The Federal Reserve System, I assure you, is firmly committed to this task. We intend to encourage sufficient growth in supplies of money and credit to finance orderly economic expansion. But we are not going to be a willing party to the accommodation of rampant inflation.

As this year's experience has again indicated, a serious effort to moderate the growth of money and credit during a period of burgeoning credit demand results in higher interest rates—particularly on short-term loans. Troublesome though this rise in interest rates may be, it must for a time be tolerated. For, if monetary policy sought to prevent a rise in interest rates when credit demands were booming, money and credit would expand explosively, with devastating effects on the price level. Any such policy would in the end be futile, even as far as interest rates are concerned, because these rates would soon reflect the rise in the price level and therefore go up all the more. We must not let that happen.

But I cannot emphasize too strongly that monetary policy alone cannot solve our stubborn inflationary problem. We must work simultaneously at lessening the powerful underlying bias toward inflation that stems from excessive total demands on our limited resources. This means, among other things, that the Federal budget has to be handled more responsibly than it has been in the past.

Incredible though it may seem, the Congress has been operating over the years without any semblance of a rational budget plan. The committees that consider spending operate independently of the committees that consider taxes, and appropriations themselves are treated in more than a dozen different bills annually. All of this means that the Federal budget never really gets considered as a whole—a fact which helps explain why it is so often in deficit.

Fortunately, after many years of advocacy by concerned citizens and legislators, this glaring deficiency in the Congressional budget process is about to be remedied. Bills that would integrate spending and taxing decisions have passed both the House and the Senate. This is a most encouraging development, and we may confidently expect final action soon by the Congress on this landmark legislation.

Procedural changes, however, will mean little unless the political will exists to exploit the changes fully. And this can happen only if the American people understand better the nature of the inflation we have been experiencing and demand appropriate action by their elected representatives.

As you leave this hall today, I urge you to give continuing thought and study to the problem of inflation. If it persists, it will affect your personal lives profoundly. Where possible, I urge you to assume a leadership role in getting people everywhere interested in understanding inflation and in doing something about it. In the great "town hall" tradition of America, much can be accomplished if people organize themselves—in their offices, trade unions, factories, social clubs, and churches—to probe beneath the superficial explanations of inflation that are the gossip of everyday life. Productivity councils in local communities and enterprises, established for the purpose of improving efficiency and cutting costs, can be directly helpful in restraining inflation.

While I am on the subject of what individuals can do to be helpful, let me note the need for rediscovery of the art of careful budgeting of family expenditures. In some of our businesses, price competition has atrophied as a mode of economic behavior, in part because many of our families no longer exercise much discipline in their spending. We have become a nation of impulse shoppers, of gadget buyers. We give less thought than we should to choosing among the thousands of commodities and services available in our markets. And many of us no longer practice comparative price shopping—not even for big-ticket items. Careful spending habits are not only in the best interest of every family; they could contribute powerfully to a new emphasis on price competition in consumer markets.

I do not expect that the path back to reasonable price stability can be traveled quickly. Indeed, our government will need to take numerous steps to reduce the inflationary bias of our economy besides those I have emphasized. The forces of competition in labor and product markets need to be strengthened—perhaps by establishing wage and price review boards to minimize abuses of economic power, certainly through more vigorous enforcement of the anti-trust laws, besides elimination of barriers to entry in skilled occupations, reduction of barriers to imports from abroad, and modification of minimum wage laws to improve job opportunities for teenagers. Impediments to increased production that still remain in farming, construction work, and other industries need to be removed. And greater incentives should be provided for enlarging our capacity to produce industrial materials, energy, and other products in short supply.

But if inflation cannot be ended quickly, neither can it be eliminated without cost. Some industries will inevitably operate for a time at lower rates of production than they would prefer. Government cannot—and should not—try to compensate fully for all such occurrences. Such a policy would involve negating with one hand what was being attempted with the other.

But government does have a proper ameliorative role to paly in areas, such as housing, where the incidence of credit restraint has been disproportionately heavy. The special burden that has fallen on homebuilding should be lightened, as is the intent of the housing aids which the Administration recently announced. And my personal judgment is that it would be advisable, too, for government to be prepared, if need be, to expand the roster of public-service jobs. This particular means of easing especially troublesome situations of unemployment will not add permanently to governmental costs. And in any event, it would conflict much less with basic anti-inflation objectives than would the conventional alternative of general monetary or fiscal stimulus. A cut in personal income taxes, for instance, would serve to perpetuate budget deficits. Not only that, it might prove of little aid to the particular industries or localities that are now experiencing economic difficulty. Much the same would be true of a monetary policy that permitted rapid growth of money and credit. There is no justification for such fateful steps at this time.

In concluding, I would simply repeat my central message: there is no easy way out of the inflationary morass into which we have allowed ourselves to sink through negligence and imperfect vision. But I am confident that we will succeed if the American people become more alert to the challenge. I hope that the members of this graduating class will join with other citizens across the country in a great national crusade to put an end to inflation and restore the conditions essential to a stable prosperity—a prosperity whose benefits can be enjoyed by all our people. This objective is within our means and is esesntial to our nation's future.

ADMINISTRATION VIEW OF ECONOMY OVEROPTIMISTIC

Mr. HUMPHREY. Mr. President, on May 14, Prof. Gerard Adams, associated with Wharton Econometric Forecast, Inc., testified before the Consumer Economics Subcommittee of the Joint Economic Committee. This testimony, which I discussed in some detail in the Record on May 21, provides a very clear picture of the economic problems the Nation faces in 1974.

Professor Adams' testimony shows that an economic recovery will be slow in coming, that inflation will be higher than the administration has predicted, that housing will continue in a slump, and that consumers' living standards continue to be eroded. He also proposes policy changes that can correct the current economic malaise, including a tax cut, and new wage-price policies. I encourage my colleagues to read this insightful testimony.

Mr. President, I ask unanimous consent that the text of Professor Adams' testimony be printed in the Record.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Testimony of F. Gerard Adams

The latest Wharton Quarterly Model Forecast continues to show the United States economy in a recessionary period though moderate recovery is clearly in prospect. After the very sharp decline in real output in the first quarter (at a 5.8% annual rate), the economy will be essentially flat in the second quarter. The end of the oil embargo has lifted the threat of further significant downward movement. It is immaterial whether we formally call this period a recession. There may not be two consecutive quarters of absolute decline in real GNP, but output has fallen substantially below potential.

The resurgence of economy activity will take place at a fairly modest pace. Further increases in unemployment can be expected as output expands at less than the long run potential growth rate of near 4% per year. Real GNP can be expected to increase at an annual rate of approximately 2% during the next four quarters while unemployment will approach 6%, and capacity utilization will decine to 89% (Wharton index). The recent tightening of monetary policy will limit the stimulus expected from residential construction.

Inflation will continue at above a 10% annual rate in the current quarter as price controls are lifted. Later in the year inflation will ease somewhat, but the price increase during 1974 will be over 9% and in 1975 prices will continue to rise at annual rates near seven percent, as measured by the GNP deflator. Profits are well maintained, but in large part this represents continued high levels of inventory profits attributable to rapid inflation.

From the point of view of demand, recent economic trends present a paradox. This is a most atypical economic slowdown. There is considerable strength in investment. Business fixed investment is held in check largely by capacity limitations and this makes it most unlikely that expansion plans reported in recent business investment anticipation surveys will be met. On the other hand, consumer demand has been weak. While automobile sales have improved somewhat recently, we cannot expect a stimulus to demand from the consumer. Surveys indicate very low levels of consumer sentiment. Unfortunately, the growth of prices has outstripped wages. Householders have been squeezed. Real per capita purchasing power (disposable income) has been declining (the decline between 1973 and 1974 will be approximately one-half percent compared to normal growth of 2.5%.)

Housing has, of course, been another element of weakness. The probable resurgence in this area is now threatened by the sharp change in the Federal Reserve's monetary posture. Since the lags in the housing area are fairly long, the impact of tighter money will be principally in delaying and slowing the expansion of residential construction. The extent of the impact of the change in policy depends on how tight money will be and how long this posture will be maintained. On the assumption of monetary growth of just over six percent per year (a figure which should be compared with projected growth of current dollar GNP of 9 to 10 percent) short term interest rates will remain near current high levels for several months. They may decline somewhat later in the year as the post-freeze inflation bulge subsidies, and as monetary policy eases slightly. With seven percent inflation, however, any dramatic drop in interest rates appears unlikely.

Inflationary pressures remain at a very high level, despite some easing of agricultural prices in recent weeks in expectation of a plentiful harvest. The rate of inflation is being augmented by a flurry of price increases as the dismantling of price controls becomes effective throughout the entire economy. It is not clear at this time how many firms may use this opportunity to scale up their prices, but we expect to see perceptible increases during the next two quarters in several sectors. Moreover, labor agreements in major industries—such as steel for example—have substantially outstripped wage guidelines. It has been difficult recently to place a value on complex labor agreements. Most of them call for price escalator clauses, at least 3% annual productivity increases and substantially liberalized pension benefits. In the light of recent consumer price trends these wage increases are in excess of last year's experience and will surely call for higher product prices. In spite of the anticipated rise in unemployment, wages of low income workers will also be marked up as a result of the May 1 increase of 40 cents per hour in the minimum wage. On balance, compensation per hour for the non-farm private economy is expected to increase at 8.5% to 9% annual rates during the next two years. In view of the sluggish economy, there will not be substantial offset from improvements in productivity. Unit labor costs will be rising sharply. Inflationary forces are shifting from demand pull to cost push. In the absence of an effective system of price and wage controls, the wage-price spiral accounts for continuation of inflation at rates of over 7% annually in 1975 despite the expected easing of demand pressures.

The foreign balance is another area of concern. In current prices, the trade balance is beginning to be significantly affected by the increase in world petroleum prices. Moreover, the value of the dollar has declined sharply in recent months—some five percent on a trade weighted basis from January to April—and this too has an unfavorable impact on the trade balance in the short run.

We are experiencing a sharp turnaround of the trade balance from the heartening surpluses of the past few quarters to a substantial deficit position. By 1975 the deficit on trade may be of the order of $7 billion. Real trade flows are not as seriously affected, though the resumption of oil shipments and the general slowdown of world markets will tend to reduce the real trade surplus.

The current economic situation for the United States poses some serious policy issues. Important policy alternatives have been precluded by decisions made in recent weeks. The rapid dismantling of the wage and price controls will have a perceptible impact on the pace of inflation over the course of the next few months. The lack of significant counter-inflationary policy was no doubt a major factor in the decision of the Federal Reserve Board to tighten monetary policy. But this tightening will maintain high interest rates and will hamper economic expansion. The real economic cost of stern one-sided policy measures can be very high.

Realistically, we must recognize that many of our economic problems stem from earlier miscalculations and from factors which were beyond our control. No manner of policy manipulation in 1974 can resolve many of these difficulties! But this is no excuse for simply throwing up our hands in despair!

Many of us are disenchanted with the operation of detailed price and wage controls. Yet this is not the time once again to establish "open season" for price increases, particularly since inflation is originating increasingly from the cost push side. There is ample basis for guidelines for wages and prices. The key to such proposals must be balance. Wage earners can be expected to limit their wage demands only so long as they can be sure that prices will not rise out of hand and that excessive profits are prevented. Continuation of the Cost of Living Council remains a high priority. The Council should have broad authority to establish equitable price and wage targets, to measure the pace of inflation, and to call the nation's attention to those price and wage decisions which are inflationary.

Moderate stimulus may be appropriate on the side of demand, particularly in housing and consumption where there is ample capacity. One proposal discussed in recent weeks has been a tax cut to offset the recent decline in consumer purchasing power. Personal income tax reduction, amounting to perhaps $6 billion, could be coupled with revision of the withholding schedules to eliminate some of the large overwithholding. An alternative run of the Wharton Model which incorporates these tax reductions shows that such action would provide a moderate stimulus to real economic activity when it is most needed in the second half of 1974 and early 1975. It would create only moderate additional inflationary pressure.

Finally, since the consumer and the small saver is least able to protect himself against inflation, we must move full-speed ahead to develop new means to protect consumer saving and income from the onslaught of inflation.

WHARTON MARK III QUARTERLY MODEL—MAY 1, 1974: PREMEETING CONTROL SOLUTION

TABLE 1.—SELECTED MAJOR ECONOMIC INDICATORS

Item	Lagged 1974.1	1974.2	1974.3	1974.4	1975.1	1975.2	1975.3	1975.4	Annual		
									1973	1974	1975
Gross National Product	1351.8	1387.2	1420.0	1457.1	1491.1	1524.8	1561.5	1603.3	1289.1	1404.0	1545.2
Percent change: Gross National Product	4.4	10.9	9.8	10.9	9.7	9.3	10.0	11.1	11.6	8.9	10.0
Real Gross National Product	832.0	832.9	835.7	840.9	845.0	849.4	855.7	863.7	837.4	835.4	853.5
Percent change: Real Gross National Product	−5.8	.4	1.4	2.5	2.0	2.1	3.0	3.8	5.9	−.2	2.2
Implicit price deflator—GNP	1.6	1.7	1.7	1.7	1.8	1.8	1.8	1.9	1.5	1.7	1.8
Percent change: Implicit GNP deflator	10.8	10.4	8.3	8.1	7.5	7.1	6.8	7.1	5.4	9.2	7.7
Percent change real private output per manhour	−3.4	1.4	.5	1.3	.9	.9	1.5	1.6	3.0	−.7	1.1
Percent change private compensation per manhour	7.9	8.3	8.6	8.8	9.3	8.8	8.6	8.5	7.4	7.8	8.8
Unemployment rate (percent)	5.2	5.4	5.6	5.8	5.9	6.0	6.0	6.0	4.9	5.5	6.0
Capacity utilization: Manufacturing and mining	.9	.9	.9	.9	.9	.9	.9	.9	1.0	.9	.9
Personal savings rate (percent)	6.5	5.9	5.8	5.6	5.4	5.4	5.7	6.0	6.2	5.9	5.6
Percent change in money supply	5.8	6.0	6.0	6.3	6.2	6.2	6.3	6.4	7.4	5.6	6.2
4 to 6-month commercial paper rate	8.3	10.1	10.0	9.7	9.4	9.2	9.2	9.3	8.2	9.5	9.3
Moody's total corporate bond rate	8.2	8.5	8.7	8.8	8.8	8.8	8.8	8.8	7.8	8.5	8.8
Corporate profits before tax	138.5	148.5	145.2	144.9	145.6	146.4	149.8	155.3	126.3	144.3	149.3
Federal surplus, NIA basis	4.9	−9.0	−4.8	−5.7	−3.9	−3.4	−6.7	−7.0	−.9	−3.7	−5.2

WILLIAM S. WHITE'S LAST COLUMN

Mr. BENTSEN. Mr. President, the farewell column of the respected journalist and noted Texan, William S. White, appeared in numerous newspapers, including the Washington Post, on May 18. After 50 years of journalism, Bill White is returning to his native State of Texas—not to retire, but to launch a second career in writing books. I wish him every success in his new endeavors and expect great things in his avowed intent to write books. Bill White will be dearly missed by his colleagues and the people whose activities he reported for many years. But the people of Texas will welcome him home with open arms after all these years. In acknowledgement of his great contribution to his profession and to his country, I ask that his final column be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From the Houston Chronicle, May 22, 1974]

WILLIAM S. WHITE'S LAST COLUMN

(By William S. White)

For nearly five decades (I started at age 18) I have been a professional journalist. For about 40 of those years I have been involved, as correspondent or commentator, in nearly every one of the great stories of this world. For the last 16 of those years a syndicated column has emerged from this typewriter.

This is the last of those columns. I am going back home to Texas, after an absence of 40 years, but not into any "golden retirement"; not into any "leisure village." I am going to recommence what has always been my second career—the writing of books.

This, then, is an hour of farewell and a time, necessarily, of nostalgia.

To those readers and editors who have endured me or encouraged me, I send my thanks in this way; I have no means to do it in any more personal way.

Nostalgia, of course, means remembrance. And so now, if I may, I apologize for the excessive use of the perpendicular pronoun, but what other form could I use? I turn to some of my own memories.

I remember covering the murder trials, large and small, from little towns in Texas to courtrooms in Manhattan. I remember watching the agonies of a Tammany Hall which, as a beheaded British king once said in another connection, was so unconscionably long time adying.

I remember the onset of Hitlerism. I remember leaving the Associated Press after Pearl Harbor to enlist all gung-ho as a private in the infantry.

I remember long months of hospitalization from meningitis—the only time in my adult life when I was truly cut off from the news—and at last being invalided from the Army.

I remember crossing the English Channel on the night before D-Day as a war correspondent; participating in the British assault upon Caen in Normandy; then participating in a vast and endless storm of violence with American forces across France, across Belgium and into Germany at a little place called Roetgen.

I have known many of the world's statesmen. I saw Winston Churchill feeling no pain on a British beachhead in Normandy with a large brandy bottle sticking out of his coat pocket. I saw a president—Lyndon Johnson—weeping in the nighttime when the casualty figures came in from Vietnam. I have heard Golda Meir tell it like it really was—and is—in language they don't teach at any girl's school.

And I have known well scores of senators and congressmen; dozens of prime ministers and platoons of ambassadors. In a word, I have had a great and a privileged life; and of these things I am unashamedly proud: A Pulitzer prize in literature; the Presidential Medal of Freedom; the medal of Officer, Order of the Crown Belgian; a tour of duty as professor at the University of California, Berkeley; the writing of 48 consecutive essays for Harper's magazine, along with six books.

Finally, I leave Washington—which is now a good place to visit but I wouldn't want to live here anymore—with absolute faith in the basic decency, strength and durability of all our institutions.

LABOR UNIONS AND ANTITRUST LAWS

Mr. THURMOND. Mr. President, on July 24, 1973, I introduced S. 2237, a bill which would remove from the antitrust laws the exemptions now granted to labor unions. Hearings on this bill were originally scheduled before the Senate Antitrust and Monopoly Subcommittee for May 7, 8, 9, and 10. However, shortly before the hearings were to convene, it was brought to my attention that some of the issues which would be considered at the hearings are presently joined in litigation before a Federal District Court in Philadelphia. To avoid prejudice to this litigation, I reluctantly concluded that the hearings should be postponed.

I emphasize that when the danger of prejudice to this litigation is past, I intend to again strongly urge for a full investigation of union monopoly power and a thorough examination of the antitrust exemption.

Mr. President, the Honorable Mayo J. Thompson, a Commissioner on the Federal Trade Commission, recently made a very excellent speech on the subject of labor unions and antitrust restraints. I fully agree with his very perceptive analysis of the problems brought on by union monopoly power, and I ask unanimous consent that his remarks be printed in the RECORD following these comments.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. THURMOND. Mr. President, on May 20, 1974, Mr. Nicholas von Hoffman in his regular column in the Washington Post, editorialized on Commissioner Thompson's address and indicated his general agreement with the proposition that union monopoly power needs a thorough investigation. I ask unanimous consent that Mr. von Hoffman's column be printed in the RECORD, and I would like to remind my colleagues that Nicholas von Hoffman and Strom Thurmond do not agree on many matters—when we do agree, you can be assured that the subject matter warrants very careful attention.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, May 20, 1974]

A NEW LOOK AT UNIONISM

(A Commentary—By Nicholas von Hoffman)

They say that when it comes to labor unions all you have to do with some old liberals is whistle a bar of Joe Hill and you can tell 'em to walk across the Grand Canyon without a rope. That's a bit of an exaggeration. The kicking around that some unions have given blacks and other minorities has made old line libs wonder if every union and every strike is an unalloyed good.

Those who've escaped being victims of this form of dogmatic sentimentality may want to pick up on a recent speech by Federal Trade Commissioner Mayo J. Thompson, who has been trying to trace exactly what unions accomplish in the light of today's economic problems. It may be time for some new legislation.

Thompson begins by remarking that the division of income between capital and labor hasn't changed significantly since the turn of the century; about 70 per cent of all the dollars spent for goods and services in 1900 went for wages, and roughly the same percentage does today. Since the distribution of wealth hasn't changed much either, the conservatives may be right when they say the portions are the same—it's just that the pie is bigger.

But the unions haven't been getting a larger piece for all working people. Instead, in Thompson's words, "They have succeeded in getting larger shares for their own members. Roughly 25 per cent of the country's total workers belong to a labor union... workers belonging to some of the more powerful unions receive wages as much as 20 per cent above those they would be receiving in the absence of the unions . . . it is obvious that those organizations are simply 'transferring' money from one group of workers to another . . . Union members' wages are, in effect, subsidized out of the pay-checks of the country's non-union employees."

There is nothing intrinsically wrong with that. In all Western societies, capitalist, socialist and communist, there are sliding pay scales, all of which arbitrarily assume that workers in some occupations should be paid more than workers in others. But could the inequality of compensation Thompson points out here be eliminated by unionizing all workers? It's doubtful, since the results would probably be not higher pay but more inflation.

This brings us to the nub of Thompson's argument: He believes that labor monopolies gouge the public penny for penny with business monopolies. It is estimated that monopoly capital steals about $40 billion a year from the public; if monopoly labor does the same, we're talking big money, money enough to be a significant factor in our ever-hemorrhaging inflation.

Few statistics are collected on this touchy subject, presumably because if we knew the facts it would make it a little harder to avoid doing something about them. But the indications are that in certain industries pay raises consistently outstrip the inflation and productivity.

Why would management permit itself to sign such wage agreements? Because in an industry with a labor monopoly the management doesn't have to fear a non-union competitor paying realistic wages and charging lower prices.

The best situation for both is when monopoly capital can embrace monoploy labor. You see that in the automobile business. Henry Ford lectures us about free enterprise, but if you had a free market, he couldn't raise his prices when his sales drop. That's what they've been doing in the car business.

Apparently a union can be used as a device by management to get around the antitrust laws. That seems to be the case in the steel industry, where you have a number of ostensibly competing companies who can use the mechanisms of industry-wide collective bargaining to rig prices and run the cartel. The last steel contract reads like a Viking blood oath between union and management to go commit piracy on the high seas, and we haven't even talked about the tariffs and subsidies.

Many unions don't have a monopoly or anything like it. Chavez's agricultural workers don't, the mine workers in Harlan county don't and the Farah pants makers could never have won their fight without a large, industry-wide union. Just as some industries, for good cause and bad, are exempted from the antitrust laws, so should some unions be. But the inflationary biggies may have their power cut back.

EXHIBIT 1

ROAD TO SOCIALISM: FIRST MONOPOLY, THEN NATIONALIZATION?

(By Mayo J. Thompson)

Let me begin my remarks by congratulating you on your choice of time and place for this meeting. Spring is here, the sap is rising, and a trip to a lovely place like Palm Springs, California, is a particularly pleasant way for a Washington bureaucrat to make one of his periodic treks to what I call the "real world"—any place in the United States that is more than 100 miles from that great center of unreality, the nation's Capital. Again, it is a pleasure to be here and I thank you for the kind invitation to participate in your program.

For those of you who aren't familiar with the work of the Federal Trade Commission, let me give you the traditional 60-second summary of the matter. The FTC enforces a group of statutes dealing with, in substance, two categories of commercial activity, monopolization and consumer deception. We have a Washington headquarters, 11 Regional Offices located in various major cities throughout the country—including San Francisco and Los Angeles—and a total staff of roughly 1,500 people, including approximately 600 attorneys. We are authorized by Congress to issue certain kinds of "rules" in the two areas of our alleged expertise and to haul offenders in for a full-scale hearing when we can't find a cheaper way to get them to stop whatever it is they're not supposed to be doing.

Now I want to pause at this point to tell you about a problem I have in my role as a member of a regulatory agency. My difficulty is that I don't really believe in government regulation of business. I took an oath to faithfully enforce the laws entrusted to our agency the day I was sworn in as a member of the FTC and of course I am going to do precisely that. And I even believe that most if not all of these laws our agency enforces are necessary. But they are, in my view, only a necessary evil and I approach the job of enforcing them with, I must confess, a heavy heart. Government regulation of business is a bad business, one that a man who loves his country ought to get involved in only for the gravest of reasons.

I had a grave reason for joining the Federal Trade Commission. I thought the country's economic system was being "regulated" to death. I thought we needed *less* regulation of business in America, not more. And I thought I might be able to make some small contribution in that regard by agreeing to serve on the FTC.

Now I wouldn't want you to get the idea that I joined the FTC for the purpose of trying to dismantle that particular government agency. On the contrary, it is not the existence of the Federal Trade Commission I deplore but the circumstances that make its existence necessary. Eliminating the FTC wouldn't make false advertising go away. And of course it wouldn't make all of America's great industries as competitive as they're supposed to be, as free of artificial restraints and noncompetitive prices as many think they ought to be. If we didn't have a Federal Trade Commission, it would be necessary—to borrow a phrase—for us to "invent" one all over again. The fact of the matter is that we *do* have some dishonest advertising. And we *do* have some industries that are not competitive enough to keep consumer prices at a non-inflationary level. Until commercial honesty and effective competition are the norm in all of our important markets, "regulation" of one sort or another is going to be very much with us, whether we like it or not. And if there is going to be regulation, it ought to be done by people who don't like it.

We once had a phrase in our working vocabularies that summed up my idea of what an economic system ought to be like. It was a two-word French term, "laissez faire," and it translated into something like "leave it alone." No government interference of any kind in the economic affairs of the people. Let the marketplace do its own regulating.

In a genuinely free economy, one need not be concerned about the prospect of economic overreaching. Individual men will of course pursue their own self-interest but their potential for social harm is cancelled out by competition from other individuals pursuing *their* own self-interest. As the first modern economist summed up the laissez-faire ideal: "It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest. We addess ourselves, not to their humanity but to their self-love and never talk to them of our own necessities but of their advantages . . . [E]very individual . . . intends only his own gain, [but] he is in this, as in many other cases, *led by an invisible hand* to promote an end which was no part of his intention . . . By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it." [1]

Sellers may of course try to charge too high a price for their goods—businessmen are, after all, as human as the rest of us—but competition from other sellers will prevent them from succeeding in it. And employers may try to underpay their workers—and the workers, in turn, may try to get overpaid for their labor—but competition among the individual members of these two groups will in fact assure that the actual wage is fair to both parties.

There is no unemployment and no inflation in such an ideally-competitive economy as this. Only the worker who demands a wage that is higher than the value of his output will be unemployed. And since all prices will be held to the competitive level, there can be no inflation. Invention and innovation will thrive in such a fair and stable society, thus assuring that each man-hour of labor and each dollar of invested capital will yield each year a larger quantity and a better quality of goods and services than it did the year before. The fruits of this increased productivity—higher yields for each man-hour of labor and each dollar of capital—will be divided, thanks to competition, between labor and capital in the same proportions as the lower yields of the past. Competition thus assures both a steady rise in a society's aggregate prosperity from year to year and a fair distribution of that growing prosperity among its citizens, one based on each individual's social contribution as measured by the value his fellow citizens place on his efforts.

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[1] Adam Smith, *The Wealth of Nations* (1776) (Modern Lib. Ed., 1936), pp. 14, 423 (emphasis added).

Alas, several fingers have been broken off the "invisible hand" so eloquently described by Dr. Smith in his now 200-year-old book, "The Wealth of Nations," published in 1776. The Industrial Revolution hadn't completed its work then and small-scale industry was still very much the norm in the various economic systems of the world. In short, if the politicians of Smith's day had taken his advice on the matter of avoiding the various "guild" and "mercantile" restraints he railed against, the system would probably have worked very much the way he said it should.

Now, however, the solution to the economic problems of the world are no longer so simple. Modern economic society bears little resemblance to the model Smith saw in 18th century England. Powerful governments, through their own fiscal budgets and their control of national banking systems such as our own Federal Reserve Board, drive their aggregate money supplies up and down like so many yo-yos. Great corporations, many of them operating in scores of countries around the world, control such large segments of their respective markets that only the most romantic of observers still believe that every price in America is set by the "invisible hand" of Dr. Smith's mighty lever, competition. And the price of labor—the wages paid by those corporations—has not been determined by the forces of competition since the passage of our highly restrictive labor laws in the 1930s. Competition is far from dead in America but the prognosis for its future health, if our industrial experts are to be believed, is something less than completely bullish.

Consider the effect of monopolistic labor unions in the United States. First, they tend to redistribute income in a perverse way. Approximately 70 percent of the price paid for all the goods and services produced and sold in America goes to labor as wages and salaries. This particular division of income between labor and capital—70 percent for the former and 30 percent for the latter—has remained substantially the same since the turn of the century, thus making it fairly clear that the coming of labor unions in the 1930s has not significantly raised labor's overall share of the national income pie. They have succeeded, however, in getting larger shares for their own members. Roughly 25 percent of the country's total workers belong to a labor union and numerous scholars have found that workers belong to some of the more powerful unions receive wages as much as 20 percent above those they would be receiving in the absence of the unions.[2] If labor as a whole is not receiving a larger income as a result of the coming of the unions, but the union's own members are receiving more, then it is obvious that those organizations are simply "transferring" money from one group of workers to another, from the non-union worker to the union man. Union members' wages are, in effect, subsidized out of the paychecks of the country's non-union employees.

There is no mystery about how this little exercise in monopoly power operates. Prior to the coming of the union, the workers in a particular industry will usually be receiving a wage set by the free forces of the labor market, by supply and demand. A union is then organized and, under the threat of a strike, the employers in the industry will generally agree to raise wages by, let's say, 20 percent. Since they obviously can't absorb such a wage hike out of profits, they have no choice but to raise the price of the product they sell to the consumer.

Labor costs, like all other costs incurred by a business firm, are simply "passed on" to the consuming public, a group of people that, as noted, is 75 percent non-union. And since non-union workers are less affluent, on the average, than union members, it follows that every wage increase won by one of our more powerful labor unions has the effect of re-distributing income regressively—away from the relatively poor and toward the relatively affluent.

Nor can the dilemma created by the monopoly power of our labor unions be solved by simply unionizing all workers in the country and thus freeing all wages from the forces of the competitive marketplace. We already have an intolerable rate of inflation in the United States with only a fourth of the labor force unionized, a rate that reached the rather spectacular level of 8.8 percent in 1973 and that threatens to go even higher in 1974. With 100 percent of the country's workforce enjoying that kind of monopoly power, our inflation rate might well equal that of some of our less fortunate friends in South America, those whose prices increase by 25 percent to 50 percent year after year. A nation that allows its economic fabric to unravel at such a pace can hardly expect its social and political garments to hold firm over the long haul. Economic distress leads, in time, to social unrest and, in the end, to political problems of the most alarming dimensions.

When our antitrust laws were first passed—the original Sherman Act was passed in 1890—they were addressed to economic monopoly in all of its various aspects, including both corporate monopolies and labor monopolies. In time, however, Congress enacted a series of statutory provisions that substantially exempted labor from the reach of the antitrust laws. Today, it is lawful for a single labor union to exercise a complete monopoly over the total supply of labor to even the largest of our great industries and to use that power to exact any wage the firms in that industry can successfully "pass on" to the consuming public—in other words, any wage that won't bankrupt the companies involved. The result, of course, is a continuing escalation of wages—and, in turn, of prices—in all of our industries with strong labor unions and in all related industries that have to compete with them for their labor supply. Monopoly in the country's labor markets assures that prices will rise faster than productivity year after year and hence that we will continue to have an inflation problem into all of the forseeable future. The stronger our unions become—and the more aggressive their members and their leaders become—the greater our future inflation problem will tend to be.

Perhaps the most troublesome aspect of this problem, however, has to do with the link between inflation and unemployment. Since the annual rate of increase in productivity in the United States is approximately 3 percent, wages could increase by that amount each year without causing any inflation. But if some workers insist on getting wage increases of 10 percent or 12 percent every year, and if this produces an overall wage increase of, say, 8 percent, then the result will inevitably be an inflation rate of at least 5 percent. A 5 percent cut in the public's purchasing power means, of course, a comparable reduction in the volume of goods produced and thus in the number of workers the economy can employ. There is a limit, however, to the amount of unemployment the country will tolerate. Beyond some point on the unemployment scale—and that point is certainly a great deal lower than the 24.9 percent figure we had in the trough year of the Great Depression, 1933—the public can always be expected to demand that the government "do something."

In a democratic society like ours, such a demand by the public will sooner or later be heard in Washington and "something" will in fact be done. In the unemployment situation I've described here, the government invariably responds by opening up the money valves at the Federal Reserve Board and/or by running a deficit in the federal budget, keeping the floodgates open until the unemployment rate has dropped back to a politically tolerable level. By that time, however, the inflation rate will be rising even faster than before, thanks to all that new money the government has injected into the system.

We have here, in other words, a familiar boom-and-bust cycle. Wages push up prices. Then output starts to fall. To head off an unacceptable level of unemployment, the government injects enough new money to "cover" those higher wages and prices and thus prevent the worker lay-offs that otherwise would have been caused by that loss in consumer purchasing power. Injecting that new money into the system causes still more inflation. Workers then demand a new "catch-up" wage increases. Prices follow. And so the cycle continues, ad nauseum, with little prospect for either full employment or stable prices.

What does all this have to do with the Federal Trade Commission? We're the agency that—in theory, at least—is supposed to prevent this sort of thing from happening in America. We're supposed to see that the country's economic system is kept free of monopoly, that the economic rails are kept clear of all artificial obstructions. And we try to do our job. Our problem, however, is that we've been authorized to clean only one of the tracks in the country's two-rail economic system. We can and do investigate monopoly on the corporate side of the roadbed but monopoly on the labor side is off-limits to us.

Now this one-sided treatment of the monopoly problem in America would be bad enough if it all ended right there. But there's a little more to it. Most fair-minded people recognize the inconsistency and injustice of a law that makes a situation illegal if it is created by one group of people and perfectly lawful if it happens to be the work of some other group of people. Since labor unions are legally free to and do build up and exercise vast amounts of monopoly power in their markets, a lot of our citizens are unable to work up much enthusiasm for reducing whatever monopoly power might be found in our various product or corporate markets. Once the law has given its blessing to monopoly and all its wide ramifications in one area of our economic life, the temptation is very strong to give it a similar blessing in all other areas as well.

There was undoubtedly a time when the worker in America and elsewhere was denied a fair shake in the economic arena. Nobody has forgotten that we once had sweat-shops where even women and children worked 16 hours a day under grossly unsafe working conditions and for a wage that had been determined not by Adam Smith's "invisible hand" but by the very obvious will of a single monopolistic employer. But now the pendulum has swung too far in the opposite direction. Many labor unions in the United States and in the other industrialized countries of the world clearly exercise a degree of monopoly power over the world's economies that is grossly inconsistent with the welfare of the great bulk of its citizens.

My conclusion, then, is that the time has come to start cutting back on the monopoly power wielded by the trade unions in this country, perhaps by subjecting those unions to a modified version of our current antitrust laws. It would make eminently sound economic sense in my view, for example, to make it a violation of the antitrust laws for a single union to represent more than the employees of a single employer. And to prevent evasion of that provision, the law might also declare it illegal for two or more such unions to agree or conspire with each other in the setting of wages. In short, I think industrywide bargaining ought to be outlawed on both sides of the table, with the individual employer confronting an opponent that exactly matches it in "size," namely, a union representing its own employees, not those of an entire industry or a whole industrial sector.

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[2] See, e.g., Albert E. Rees, *Wage Inflation* (National Industrial Conference Board, 1957), pp. 27–28.

A rule like this should have some very interesting effects in a number of dimensions. First, 1-union-for-1-employer would automatically assure the same degree of competition on both the labor and corporate side of each industry. And of course the corollary to this proposition is that, if the antitrusters want to "break up" some alleged corporate monopoly, they would have no choice but to break up the union it deals with at the same time. It seems very likely, in other words, that a rule of this kind would cause both wages and prices to fall in some important American industries.

No one in this sophisticated audience, however, will be under any illusion about the chances of any such proposal being enacted into law any time soon. To apply even the most moderate form of antitrust restraint to the country's labor monopolies would be something of a sacrilege to a lot of people in the country. We talk a lot about monopoly but, when it comes down to actually doing something about it, not many of us seem too anxious to budge very far from the status quo. We know we have some labor monopolies and that they keep pushing wages up faster than productivity. And we know we have some corporate monopolies that use every wage boost as an excuse to raise prices even more sharply and thus widen their profit margins again. But we figure a little monopoly is not too bad a thing, so long as we don't "let it get out of hand." We ignore the problem as much as we can. And when a crisis appears in a particular part of the economy—and the public demands that the government "do something"—we say, "Oh, well, a 'little' regulation by the government won't hurt too much, as long as we don't let it get out of hand."

Government regulation encroaches a little further each year, following the slow but steady march of monopoly. Like the buzzard circling a lame cow in a back pasture, government regulation pounces the moment the last breath of competition leaves the economic carcass. Unlike the buzzard's work, however, economic regulation is not a process that leaves a clean and healthy landscape in its wake. Creating more problems than it solves, it breeds ever more pervasive involvement of the government in economic affairs. New rules and regulations must be passed to solve the problems created by the old rules and regulations. The "final solution"? Nationalization. Public ownership of the country's major industries. The railroads. Airlines. Steel. Petroleum. Automobiles. The banks. Insurance. Communications.

It's called Socialism. The stuff it's made out of is called Monopoly. The antidote for both of these poisons is called Competition. The gift it brings is called Freedom. The price we have to pay if we want to keep it is called Responsibility.

A number of able economists of unquestioned personal loyalty to this country's free-enterprise system have expressed the view that the American economy is already past the "point of no return" on the road to government ownership of its key industries. They believe we already have so much monopoly in our major labor and product markets that it would be easier to simply go on and turn the whole thing over to the government than to undertake the tedious and difficult task of making competition pulse with life once more in all those dead or dying economic carcasses. I don't believe this. I don't believe this country's business community, for example, is going to let itself be outsmarted by the socialist professors we have running around our universities. I believe this country's businessmen will show the same kind of responsible leadership in whatever economic crises might lie ahead of us that they've shown over the past 200 years in making this great nation the economic marvel of the world that it is today. I believe they have the capacity and the sense of responsibility to understand and apply what I consider the key to this dilemma—the way to avoid government regulation of business is to see that there's no need for it in the first place. I believe, in short, that they will pay—and gladly—whatever price is required to keep our free-enterprise system free and pass it on, stronger than they found it, to their posterity.

Let me try to sum it all up this way: Competition can do some pretty rough things to your profits and perhaps give you an ulcer besides. But if you ever succeed in eliminating it from your industry, you're beggin' for "regulation" by the government and, ultimately, perhaps something even worse, government ownership on the British or other European model. Competition may be costly to your purse but economic freedom, as we all know only too well, is a bargain at any price.

My final message is this:

Monopoly is un-American. Show the flag in the fluid-power industry!

ANTIMISSILE FLAK

Mr. CHURCH. Mr. President, the people of the Northwest region of the United States are concerned about the proposed test firing this winter of four Minuteman missiles from Malmstrom Air Force Base, Mont., over Idaho and Oregon into the south Pacific Ocean. I will vote in opposition to the Pentagon's request of $27 million for this project.

One of the reasons I am opposed is the hazard to human beings, animal life, natural resources, and historical sites which inevitably results when tons of missile debris are dropped on Idaho, despite the best efforts of the Air Force to minimize the danger.

As John Emshwiller, of the Wall Street Journal, reports:

> Residents of Idaho may get a special present from Uncle Sam early in 1975. The gift: roughly 2½ tons of metal that will hurtle none too gently to earth from a height of 50 miles.

I ask unanimous consent that Mr. Emshwiller's article on the antimissile flak in the Northwest be printed here in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ANTIMISSILE FLAK: PENTAGON SEEKS TO FIRE ICBM'S OVER THE UNITED STATES; DEBRIS WORRIES FIVE STATES POSSIBLY IN PATH

(By John Emshwiller)

Residents of Idaho may get a special present from Uncle Sam early in 1975. The gift: roughly 2½ tons of metal that will hurtle none too gently to earth from a height of 50 miles, compliments of the "Giant Patriot."

"Giant Patriot" is the Defense Department's name for a series of eight test launches of Minuteman intercontinental ballistic missiles—minus their warheads—that the Air Force wants to make from bases inside the U.S. in 1975 and 1976. The metal falling into Idaho would come from the burned-out first and second stages of each missile on its way to splashdown at a site in the Pacific. If Congress appropriates the necessary $26.9 million, the Air Force will make the first four launches this winter from Malmstrom Air Force Base in Montana.

This would be the first full-scale firing of ICBMs from an operational missile base in this country—and they would be the first ever to fly over the continental U.S. "These tests will demonstrate the effectiveness and reliability of the Minuteman strategic and deterrent force," a Defense Department spokesman says.

Although the Pentagon and the Air Force are ballyhooing the importance of these tests, more than one politician in the five Western states that could be in the missiles' paths is less than enthusiastic about the plans. "Chicken Little should be so lucky," laments Idaho Gov. Cecil Andrus, who, unlike the fairy-tale character, faces the prospect of real objects falling from his sky. With four separate firings over three months, "Idaho skies will be raining parts," says the governor, who seems more than a little worried where and on what all of it might fall.

PENTAGON DEFENDS PRECAUTIONS

The Pentagon contends that it is taking all precautions possible to ensure that no one is harmed. "Our primary objective is safety and finding areas for the debris drops where there isn't any population," says a spokesman for the Strategic Air Command, which is handling the launch operations. (There will be one debris drop for the 4,800-pound first stage and another for four 60-pound parts of the second stage.) The command says it has calculated that the chance of injury to humans is only one in 5,000.

Whatever the debris does hit, it promises to make something of a dent. Asked for an estimate of the impact force of the 4,800-pound first stage, scientists at the University of Chicago said it would be similar to a full-size car, "like an Oldsmobile," smashing into the ground at 100 miles an hour.

There is enough risk, the Pentagon concedes, to necessitate the evacuation of the area around the launch site, up to a distance of about five miles downrange. At various times, the Pentagon has also raised the possibility that other evacuations might be necessary. Because the final launch site and missile trajectory haven't been decided on, the Defense Department spokesman says he doesn't know how many people might have to leave their homes but adds that "I don't beileve it would even reach the hundreds."

It may never get a chance to reach even those numbers if certain powerful opponents in Congress have their way. One is Idaho Sen. Frank Church, who worries that whatever precautions the military takes, Idahoans will still be unnecessarily endangered. The Democratic Senator also says that the tests are an "extravagance," because over the past decade, the Air Force has test-fired hundreds of Minuteman missiles from Vandenberg Air Force Base on the California coast. "The Air Force has publicly said these missile firings were 'highly successful,' " says the Senator, a critic of military spending. "The added data that overland firings would provide are minimal."

"ENHANCING" CONFIDENCE

Earlier this year, Sen. Church, Senate Majority Leader Mike Mansfield and two other Senators sent a letter to Defense Secretary James Schlesinger opposing the plan.

In response, Deputy Defense Secretary W. P. Clements Jr. argued that while tests at Vandenberg have shown that the Minuteman is "reliable," the Pentagon feels that the operational tests will "enhance" confidence in that reliability "much in the same manner as do tests of other weapons systems in their operational environments."

Some in Congress say such arguments are just rhetoric to hide the main purpose of the tests: a show of strength to the Soviet Union, perhaps in the hope of aiding the U.S. position in arms-limitation talks. "They want it as part of a flexing of muscles for the Russians," says Sen Mansfield, a Montanan.

Insiders are divided on the Pentagon's chances of getting the appropriation. In 1970 Congress refused to go ahead on the project, although it did give some partial financing for further development. While some in the Congress believe that it will again be turned down, others say the matter will hinge on the stands that some influential Senators, such as Henry Jackson, finally take as the debate develops. Sen. Jackson, a Washington Democrat, has said he feels there is a "serious question" about the need for the tests, but an aide says the Senator is still studying the matter.

The Pentagon position has support among some outside weapons experts. Harold Agnew, director of the Los Alamos scientific laboratory, which designs and tests America's nuclear weapons, calls the tests "long overdue." He contends that "until you really try something, you can't be absolutely certain it will work, and Vandenberg just isn't adequate."

Such statements bring disagreement from Alton Quanbeck, a senior fellow and director of defense analysis for the Brookings Institution, a Washington-based private research organization. He says the benefits of the tests are "small" compared with "the risks and problems" if one or more of the test missiles fail. For one thing, the sample of eight missiles (out of 450 that are deployed) is "so small you don't know whether they are typical or not," says Mr. Quanbeck, a former systems analyst for the Defense Department.

He adds that the only other time the Pentagon tried any sort of operational-base testing with Minuteman missiles, the results were less than smashing. These tests, made in the late 1960s, used four Minuteman missiles, each with seven seconds worth of fuel, to test how well the missiles got out of their silos. The Air Force admits that only one of these "seven-second pop-up tests" was completely successful. Two were "partly" successful, and the fourth missile failed to ignite and never left the silo, a Pentagon spokesman says.

Mr. Quanbeck contends that if something like that happens with Giant Patriot, "it would be unnecessarily damaging to our confidence," particularly since he believes that Vandenberg tests have shown the missiles will work. "As of now, we believe they will work, and so do the Russians, and that's what is important," he says.

While critics like Mr. Quanbeck think that the Air Force has managed to reduce the safety risk from Giant Patriot, they say the unexpected is always possible. Over the past two decades, they add, test missiles have occasionally gone astray. One in the 1950s, aimed down the Atlantic test range, somehow ended up in Brazil. Apparently the most recent such mishap occurred in 1970, when a missile, aimed to land in the White Sands missile-test range in New Mexico, overshot its mar kand crashed 400 miles away in the Mexican desert.

The Pentagon says it is sure such problems won't come up in Giant Patriot. It says that it has developed equipment to monitor the flight constantly and that it will be able to destroy instantly the Minuteman if the missile strays off course. This, combined with careful choosing of the flight paths, leaves "zero probability" that population centers will be endangered, the spokesman says.

ASBURY PARK, N.J., CELEBRATES 100TH ANNIVERSARY

Mr. CASE. Mr. President, Asbury Park, N.J., has just celebrated its 100th anniversary. The celebration was inaugurated with a reenactment of the first Board of Commissioners meeting on May 19, 1874, and the day-long festivities ended with a gala attended by 4,000 guests. Asbury Park has always been synonymous with vacation, and it has been a vacation home for literally millions of people over the years. The theme of the centennial celebration is "An Old Town With New Spirit" and I know that the efforts of all the civic-minded citizens of Asbury Park will help make this slogan a reality.

Mr. President, I ask unanimous consent to print in the Record an editorial from the Asbury Park Press entitled "The First 100 years," an editorial from the Red Bank Register entitled "Asbury Park's Centennial," and two articles from the Asbury Park Press describing the centennial festivities.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Asbury Park Press, May 17, 1974]

The First 100 Years

As Asbury Park celebrates its first 100 years, the city finds itself fighting a battle being waged by cities of the same size and larger throughout the nation. Their problems are manifold and the solutions costly. The cities are no longer the glittering retail hubs of the past. Modern business space is scarce. Parking is offered only at a premium. The lure of the highway has intensified. And the federal, state, and county governments have provided only a band aid of dollars to cure urban ills.

But Asbury Park has advantages over most cities. The city is relatively small (1.5 square miles), making it a microcosm of Newark, Camden, and the other struggling cities of New Jersey. It is well planned, with wide streets, large parks, well-kept lake fronts, and the natural advantage of facing the Atlantic Ocean. It is both a business and resort community, its residential community a mixture of apartments and single-family homes, and it is bisected by the Shore's major rail line.

Using these advantages, the city has begun to overcome its problems. For many, change hasn't come fast enough. But considering that Asbury Park was wracked by disorders in 1970 and subsequently reached an economic low, it is encouraging to note the progress.

Tomorrow night Asbury Park will celebrate not only its first 100 years of incorporation but also a rebirth of a famous old city that has tackled serious problems. The celebration will be held in the Casino, a remnant of the city's elegant past that had stood in a state of deterioration for nearly a decade. Now it has been refurbished by city initiative and stands as a symbol of the city's first 100 years and its rebirth.

[From the Red Bank Register, May 17, 1974]

Asbury Park's Centennial

The city of Asbury Park tomorrow embarks on the celebration of its 100th anniversary tomorrow night with a party for 2,000 residents and former residents in the renovated Casino on the boardwalk. It will mark the first use of the Casino since a fire badly damaged it in 1966.

Preparations for the celebration, which will last through the year, were started last November by a committee consisting of 60 residents and businessmen. Much of the work has been done by volunteers and the enthusiasm that has been demonstrated by them lives up to the committee's theme: "An Old Town With New Spirit."

Once the nation's outstanding resort city, Asbury Park has come upon economic and other difficulties, yet it still sees its population rise each summer from the year-round 16,600 to something like 50,000. Mayor Raymond Kramer predicts that some of the centennial events will attract as many as 300,000 visitors to the city on its busiest days.

The centennial plans indicate that the city's officials and residents intend to improve its economic and social health. We wish them well in those efforts because Asbury Park is important to the county and the state. This commitment to strengthening the city is most commendable.

[From the Asbury Park Sunday Press, May 19, 1974]

1874 Is Recalled: City's Centennial Launched

Asbury Park.—The city launched its centennial celebrations yesterday with a re-enactment of the first Board of Commissioners meeting on May 19, 1874—a tedious but significant meeting for this seashore resort.

It was significant because from it sprang a resort that grew rapidly in popularity, doubling its size in 100 years, until today its land and buildings are valued at more than $100 million.

And it was tedious, if the re-enactment was true to history, because several observers remarked: "It's just like any other boring Council meeting."

The seven original commissioners were portrayed by city officials dressed in red candy-stripe and straw hats costumes except for Mayor Raymond Kramer who wore a grey felt period suit and matching top hat. A colorful float was used as a stage.

Mayor Kramer played the role of the city's founder, the late James A. Bradley, a philanthropist and Methodist teetotaler, who probably wouldn't have been happy that the re-enactment in Press Plaza was staged within a block of several taverns.

The original meeting was held at the home of "Founder" Bradley, as he was called by residents, on the north side of the 1300 block of 4th avenue. Bradley was elected president of the Board of Commissioners at the meeting, making him the city's first mayor.

The resort was incorporated as a city in 1897, switching to the council-manager form of government in 1933.

Portraying Mrs. Bradley was Mrs. Jeanette Dunst, secretary of the centennial committee, who was accompanied by Mrs. Petty Wines, the committee's assistant secretary. Both were attired in authentic 1870 dress.

Anthony Petillo, the city's coordinator of special events, narrated the re-enactment. He wrote the scrip from the original meeting's minutes. About 50 observers attended

After the re-enactment, the cast was driven back to City Hall in a noisy 1947 American La France fire engine, borrowed for the occasion from the city's fire department. The 1,000-gallon pumper is still used as a backup unit.

The activities were topped off with a party and dancing last night in the Casino, the first time in eight years that the beachfront landmark has been used for a major attraction.

The Casino was rededicated during the affair. It had been closed since 1966 when it was damaged by fire.

Last Wednesday the Council accepted the lone bid of $270,000 for rental of the Casino for 10 years. It was submitted by Frank J. Cundari of Oakland, whose companies specialize in promoting trade shows, sporting events, stage shows, and other activities.

City Manager William J. Shiel, who participated in the re-enactment, said the city has come a long way in its first varied 100 years of history.

"It has gone up and down over the years," he said. "But it's on its way back again."

He said he believes the city has an advantage over some other New Jersey municipalities because of its natural resources and the foresight of "Founder" Bradley, who set aside ample park space and laid out 100-foot wide streets.

"You rarely find a city with three lakes and the ocean besides to help attract visitors," he added.

"Bradley, a wealthy New York brush manufacturer, first came here in 1870 because of illness. After regaining his health in Ocean Grove, he was so enthusiastic about the area that he bought a 500-acre tract of overgrown land north of Ocean Grove for $90,000.

He threw all his energies into developing a seashore resort which he hoped would be second to none. The city was named after Bishop Francis Asbury, the first Methodist Episcopal bishop ordained in America.

The resort's growth was so remarkable that 600,000 persons visited it by rail in the summer of 1883, only a dozen years after its development got under way.

In 1906, the city was doubled in size by the annexation of land now composing its western portion. The added property was formerly a part of Neptune Township.

"Bradley was the driving spirit and government here until 1902, when he sold his beach rights to the city for $150,000. The property, valued then at $1 million, was considered more of a gift than a sale.

Most of his other property had been sold cheaply on the condition that its buyers erect a structure of good quality, and he often advanced the funds for construction. He also bought 500 acres south of Ocean Grove on the present site of Bradley Beach.

As mayor he imposed rigid regulations forbidding the sale of alcoholic beverages and Sunday business transactions. He also left restricting clauses in his deeds, preventing legal liquor traffic here until after Prohibition, and helped obtain passage of a state law preventing liquor sales within a mile of any camp meeting resort such as Ocean Grove.

His church work continued throughout his life, and in 1868 he served as president of the Board of Trustees at Central Methodist Church, Brooklyn. He was also an officer and Sunday school teacher in the Asbury Park First Methodist Church.

When he died on June 6, 1921 in New York at the age of 91, he left bequests to many area churches and charitable organizations. During his last years, he spent his summers in Europe or the White Mountains of New Hampshire.

The party and re-enactment were the first major events in a series of activities to be held during the rest of the year in celebration of the centennial.

Asbury Park Celebrates 100th Birthday

(By Gini Zemo)

Asbury Park.—Asbury Park had a birthday and 4,000 guests came to the party.

The gala Saturday night culminated a day of formal festivities commemorating the 100th anniversary of the incorporation of the municipality. It also marked the rededication of the Casino on the Boardwalk which has been closed since 1966 when it was damaged by fire.

The theme of the party was "An Old Town With New Spirit." It was a night for looking forward, but more than that it was a night for remembering.

"I remember playing basketball here against Neptune," recalled Edward Slott, Bradley Beach, a former Asbury Park High School athlete. "I even remember when the original Casino burned down (in 1927).

"I'm glad they decided to do something with it," Mr. Slott added. "I think it's just great, just great." Mr. Slott is a lawyer here and is an owner of the Empress Motel across the street from the Casino.

Ten-year-old Teddy Kozick, here, said of the Casino, "It's ok. It's really neat." His friend, Emese More, 10, of Eatontown, nodded in agreement.

The guests came from all walks of life. From senior citizens to long-hair youth, to babies in carriages, all mingled together at the gigantic party.

As the music from the 15-piece Bob Day orchestra played the songs of the '30s and '40s, many remembered nostalgically another time when Rudy Vallee and other Big Bands played the Casino. Others recalled watching popular film star Alice Faye dance her way across the stage. Still others recalled the din of roller skates accompanied by organ selections when the Casino was a roller skating rink. Many remembered ice skating there way across the huge rink during the '50s and '60s.

The first cut in a seven-foot-high, 500-pound, eight-tier birthday cake was made by Mayor Ray Kramer poised on a ladder. The mayor said it took 20 hours to decorate the mammouth confection with yellow and blue frosting. It was designed by Frank Fiorentino, a city resident with extensive experience in the baking business. The actual baking was done by Frank Maggio who operates a catering business here.

Refreshments were free. A nominal price was charged for alcoholic beverages.

Many of the guests were dressed in period costumes. Mrs. Sylvia Poprocki, here, made her authentic 1870s style gown of lavender striped taffeta with a blue taffeta pouf. She said she copied the gown from a book by Nancy Bradfield entitled "Costumes in Detail from 1730 to 1930." Mrs. Poprocki did admit that under the dress' 24 tiny buttons was concealed a modern-day zipper.

The first 200 men to arrive at the Casino received straw hats. Centennial lapel buttons, car bumper stickers, and other souvenirs were distributed.

City employes responsible for the building renovations, which began last fall, were publicly commended by City Manager William J. Shiel. The keys to the Casino were turned over to the city manager by Beachfront Director Thomas Flanagan who has been in charge of the refurbishing.

A panorama of photographs of city scenes during the past century was displayed in a temporary Centennial Museum. The photos will be relocated in a permanent display in the Asbury Pavilion. As to the future of the city, the Greater Asbury Park Chamber of Commerce presented a display of the commercial aspects available.

Anthony Petillo, the city's coordinator of special events, was responsible for the daylong celebration. He said the party was but one of the several major events to be held during the centennial year.

James Jeffries, is chairman of the centennial committee, comprised of volunteers. Mrs. Milton Wines, here, a volunteer dressed in a period costume, said that a booth will be manned on the boardwalk for distribution of a journal about the city.

REDEDICATION OF CHICAGO's FIELD MUSEUM OF NATURAL HISTORY

Mr. PERCY. Mr. President, I began my visits to the Field Museum of Natural History as a Chicago schoolboy more than four decades ago and have been enriching my understanding of creation by periodic visits there ever since.

Just a few years ago I attended a special Cabinet-level meeting held by President Nixon at the Field Museum to discuss the ecology of Lake Michigan with members of his Cabinet and the Governors of five surrounding States.

On June 2, 1894, the Field Museum of Natural History first opened to the public in what had been the Palace of Fine Arts of the 1893 World's Columbian Exposition in Chicago. After nearly three decades of collecting specimens and doing basic research in the scientific disciplines of botany, anthropology, geology, and zoology, the museum moved in 1921 to the classical Greek building it now occupies. The South Park Commission of Chicago granted the land to the museum's trustees, and an endowment from Marshall Field I made possible the building of the current structure.

With the impressive accomplishments of 80 years behind it, Field Museum today possesses one of the world's greatest collections of natural history and ethnographic objects—more than 13 million specimens. Scientists and students from many nations travel to the museum to pursue their research activities. The objectives of the museum are fourfold: collection, research, education, and exhibition. Field Museum has, however, always stressed the underlying importance of basic research. The fruits of this research have contributed to the institution's ever-increasing role as an educator as it disseminates knowledge through its hundreds of exhibits and special educational programs. Since 1921, more than 66 million people have visited the museum.

Additionally, the Field Museum library collections are used by hundreds of students and scientists each year. Total combined holdings of all its collections approach 180,000 volumes, many of which are rare and priceless.

Special programs of the museum include more than 1,000 traveling exhibits circulated biweekly among 600 schools, hospitals, and community centers; a center for advanced studies in systematic zoology and paleontology for graduate students in doctoral programs; planned "journey" expeditions through museum exhibits for grade school children; field study trips for adults who wish to learn more about the life sciences in nature's living laboratories; technical work programs with museum collections for undergraduate students; and weekly film-lecture programs on natural history topics.

In June 1971, the Illinois General Assembly passed legislation authorizing the Chicago Park District to issue $30 million in bonds for capital improvements to the six museums on its lands. In September of that year, the trustees of Field Museum responded to this legislation by announcing a 3-year, $25 million capital campaign for renovation and modernization of the museum building. Projected capital needs anticipated $12.5 million in private gifts from corporations, foundations, and individuals, with a like amount to be matched by the Park District bond issue.

More than 25 separate projects comprise the modernization program. The work is being undertaken over a long-term period while Field Museum continues to operate without curtailment of any of its activities and programs. The most noticeable rehabilitation project now underway is the renovation of the museum's two main entrances.

Even at 53 years of age, the building is considered by museum experts to be among the best designed in existence. Architectural consultants estimate that it would cost approximately $150 million to replace the structure today. The museum building is undoubtedly worth the investment of the relatively modest sum that will make it functional into the 21st century. The renovation not only promises to preserve the unique architecture of one of Chicago's earliest cultural enterprises, but insures that Field Museum will continue to meet the increasing demands of scientific study and public utilization.

Today, nearly 3 years after the capital campaign was announced, the museum trustees report that private gift response has passed $11 million. And they anticipate a successful termination of the ambitious campaign by September. Many gifts, large and small, have contributed to the success of this effort; they continue the spirit of public-private partnership that originally created a home for what has become one of the world's great natural history museums.

On June 25, 1974, Field Museum will celebrate both its 80th anniversary and the closing months of the museum's $25 million capital campaign. To commemorate these two significant occasions in the museum's history, Field Museum of Natural History will be rededicated on that day. The rededication will honor the many benefactors who have created and sustained the museum and will focus public attention on the first major renovation of its facilities.

I congratulate Field Museum on its very successful first 80 years and on its equally successful capital campaign. Field Museum will, I am sure, flourish for decades to come, continuing to bring vast educational and historical resources to the scientific and academic communities as well as to the public at large.

PROTECTING OLDER AMERICANS AGAINST OVERPAYMENT OF INCOME TAXES

Mr. CHURCH. Mr. President, over the years the Senate Committee on Aging has been concerned about the extraordinarily high incidence of income tax overpayments by the elderly.

Inquiries on this subject by the committee have provided very clear and convincing evidence that many older Americans pay more taxes than required by law for several reasons.

Some are just overwhelmed by the complexities of the Internal Revenue Code.

Others are perplexed by the complicated tax forms and numerous calculations.

And far too many are simply unaware of helpful tax relief measures.

To help provide protection against this serious problem, the Senate Committee on Aging has taken a number of important steps. Earlier this year, we published a checklist of itemized deductions as a further safeguard against elderly taxpayers overlooking helpful deductions.

Additionally, several members of the committee and Senate have joined me in sponsoring the Older Americans Tax Counseling Assistance Act. Under this proposal elderly taxpayers would receive effective and helpful counsel—provided by elderly volunteers—to assure that they are fully aware of legitimate deductions, credits, and exemptions. All in all, 51 Senators have sponsored this proposal, including the majority and minority leaders.

Mr. President, I ask unanimous consent that a listing of the cosponsors of this legislation, S. 2868, be printed in the RECORD.

There being no objection the list of cosponsors was ordered to be printed in the RECORD, as follows:

LIST OF COSPONSORS

Mr. Chiles, Mr. Clark, Mr. Williams, Mr. Humphrey, Mr. Bentsen, Mr. McGovern, Mr. Biden, Mr. Kennedy, Mr. Bayh, Mr. Bible, Mr. Hathaway, Mr. Hart, Mr. Montoya, Mr. Abourezk, Mr. Johnston, Mr. Hughes, Mr. Tunney, Mr. Mondale, Mr. Inouye, Mr. Metcalf, Mr. Haskell, Mr. Pell, Mr. McGee, Mr. Randolph, Mr. Muskie, Mr. Ribicoff, Mr. Eastland, Mr. McIntyre, Mr. Mansfield, Mr. Pastore, Mr. Fulbright, Mr. Eagleton, Mr. Burdick, Mr. Metzenbaum, Mr. Cranston, Mr. Moss, Mr. Jackson, Mr. Nelson, Mr. Magnuson, Mr. Hugh Scott, Mr. Case, Mr. Hartke, Mr. Brooke, Mr. Huddleston, Mr. Stafford, Mr. Hollings, Mr. Javits, Mr. Schweiker, Mr. Cook, Mr. Percy.

Mr. CHURCH. Additionally, the Older Americans Tax Counseling Assistance Act has received strong support in recent news accounts.

One such example is an article—entitled "How You Can Recover Overpaid Tax"—by Bernard Nash, executive director for National Retired Teachers Association-American Association of Retired Persons.

Moreover, Ted Schuchat, the nationally known retirement consultant, provides an excellent description of this bill in his column on "Extra Tax Help Proposed."

Mr. President, I recommend both of these articles to my colleagues, and ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

EXTRA TAX HELP PROPOSED

(By Theodor Schuchat)

Hard as it is to fill out many a federal income tax return, the task is even more difficult for those of retirement age.

"Upon reaching Age 65, the aged taxpayer is oftentimes confronted with an entirely new set of rules, usually far more complex than the tax provision during his preretirement years," Sen. Frank Church, D-Idaho, told the Senate recently.

"He may find it necessary for example, to complete the retirement income credit schedule, determine the taxable portion of his annuity or compute the taxable gain on the sale of his personal residence," the senator continued.

"Quite frequently, these provisions can pose formidable challenges, even for experienced tax experts. But for the untrained—and ofttimes unsuspecting—elderly taxpayer, these complex tax relief measures can prove to be mind boggling," said Church, who is chairman of the Senate Special Committee on Aging.

"Perhaps the most troubled individual is the aged widow, who typically has low or moderate income and very little experience in tax matters," he added. "For her, the tax law is usually a jumble or gobbledygook with numerous potential pitfalls."

Despite extra personal exemptions and other breaks in the law, many older Americans file tax returns. Nearly nine million taxpayers of Age 65 or older filed federal returns for the 1971 taxable year, the most recent for which the totals are available. That was not far from half of all those in the age bracket.

Sen. Church has proposed legislation that would authorize the Internal Revenue Service to provide extra assistance to older taxpayers. His Older American Tax Counseling Assistance Act is also sponsored by Sens. Lawton Chiles, D-Fla.; Dick Clark, D- Iowa, and Harrison A. Williams Jr., D-N.J.

TRAINED 2,500

The bill would allow the IRS to train volunteers, mainly retirees, who in turn would help other elderly taxpayers. The volunteers would be unpaid but would be reimbursed for their out-of-pocket expenses.

Last year, the IRS trained about 2,500 older people as part of the Volunteer Income Tax Assistance program—VITA. Each VITA volunteer was able to help an average of 40 other older Americans during the tax return season.

Most helpful was the advice that VITA volunteers gave about common deductions, credits, and exemptions that many older taxpayers either overlook or else do not know about.

It has been reliably estimated, for example, that perhaps half the older taxpayers who are eligible to claim the retirement credit do not do so on their federal tax return.

"We do not need anymore proof that this program has been a success," Sen. Church said recently of the VITA program, which began in a small way in 1968.

"What is needed now is a genuine national commitment to improve and expand these efforts," he said. "And that is precisely what our bill is designed to do."

HOW YOU CAN RECOVER OVERPAID TAX

(By Bernard E. Nash)

By the time you read this, you will probably have already filed your Income Tax return—and the odds are that you paid more than your share. In fact, it is estimated that up to half of all taxpayers over 65 fall into this category.

Fortunately, it is not too late for you to recover the money you overpaid this year and in previous years. The key to unlocking the tax vault is Form 1040X, which is available from the Internal Revenue Service office nearest you, and a booklet prepared by the staff of the Senate Special Committee on Aging.

The pamphlet, "Protecting Older Americans Against Overpayment of Income Taxes," contains a checklist of itemized deductions because most overpayments by older people result from their failure to take all the deductions to which they are entitled.

One reason for this, explains SCOA chairman, Sen. Frank Church (D-Idaho), is that "upon reaching 65, the aged taxpayer is oftentimes confronted with an entirely new set of rules, usually far more complex than the tax provisions during his preretirement years. . . .

Quite frequently, these provisions can pose formidable challenges, even for experienced tax experts. But for the untrained—and ofttimes unsuspecting—elderly taxpayer, these complex tax relief measures can prove to be mind boggling."

To help unboggle the situation, the booklet lists hundreds of deductions to which you are legally entitled, but may have overlooked. A few samples:

Money paid for general sales, and state and local gasoline taxes (which can be computed on the basis of miles driven or actual gas bills), and state and local income and personal property taxes.

Travel and out-of-pocket (postage, stationery, phone calls) expenses while performing services for charitable organizations.

Interest paid on mortgages, auto loans, installment purchases (TV, washer, stove, etc.), and charge account "finance charges."

The booklet points out that, if you utilize the services of an accountant or professional tax prepared, their fees are also deductible. However, many older people have received free advice and assistance via the Tax Aides program of the American Association of Retired Persons and the National Retired Teachers Association.

Administered by the NRTA–AARP Institute of Lifetime Learning, the program trains older volunteers to assist their fellow retirees across the country in preparing their own returns. During the 1972–73 tax season, 2,500 Tax Aides counseled more than 100,000 older people in 625 cities. To locate the Tax Aides nearest you, contact your local AARP chapter or write to the Institute at 1909 K Street, NW, Washington, D.C. 20006.

Earlier this year, Sen. Church introduced the Older Americans Tax Counseling Assistance Act which, if passed, would aid in expanding the program. Since the legislation has strong bipartisan support, it is quite probable that, by this time next year, additional thousands of older people will benefit from it.

In the meantime, the Senate committee's tax tips booklet is available from the Government Printing Office, Washington, D.C. 20402, for 35 cents. When ordering, list both the pamphlet's title "Protecting Older Americans Against Overpayment of Income Taxes," and stock number (5270–02228), and expect to wait about a month for delivery. If you're among the 4.5 million older taxpayers paying more income tax than required, this may be the wisest 35 cents you ever spent.

FAILURE TO RATIFY GENOCIDE CONVENTION RAISES QUESTIONS ABOUT U.S. COMMITMENT TO JUSTICE

Mr. PROXMIRE. Mr. President, the Convention on the Prevention and Punishment of the Crime of Genocide was approved by the United Nations General Assembly over 25 years ago. Since that time, 78 other nations have ratified the treaty. Every President since World War II has asked for U.S. ratification.

In fact, the United States was the prime mover of the original resolutions against the crime of genocide.

The treaty has been available for ratification since 1949, but the U.S. Senate never has voted directly on this issue. It was favorably reported out of the Senate Foreign Relations Committee in 1971, but failed a cloture vote in 1974. The New York Times, one of the most respected newspapers in this country, endorsed the treaty and stated:

> This American delinquency is a national disgrace. It impedes the development of international law, to which the United States has long been committed, and raises disturbing questions at home and abroad about American devotion to human justice.

Our hesitation in ratifying the Genocide Convention is inconsistent with our position of leadership in the world and the American tradition of justice and liberty. Therefore, I urge the Senate to move swiftly to ratify the genocide treaty.

OPENNESS IN GOVERNMENT AND IN THE IMPEACHMENT PROCEEDINGS

Mr. PERCY. Mr. President, last week Senator CHILES conducted hearings before the Subcommittee on Reorganization, Research, and International Organizations on a subject that I consider of great importance—openness in Government. The Government Operations Committee and two other committees have shown the way in the Senate by opening all our meetings to the public and "letting the sun shine in." I hope we can continue to lead the way by enacting Senator CHILES' bill, S. 260, of which I am a cosponsor.

I am proud of our record on openness. In the 92d Congress, Senator METCALF and I sponsored a bill in the Government Operations Committee which became the Federal Advisory Committee Act. It required for the first time that the numerous secret meetings of advisory committees in the executive branch be open to the public. As a result of that act, new light is pouring into some of the dark corners of Government.

At the beginning of the 93d Congress, a successful effort was made in the Senate to permit the committees of the Senate to establish their own rules governing the opening or closing of business meetings. This was a step in the right direction, but it was only one step.

At that time, Senator ROTH offered a floor amendment, which I cosponsored along with 22 other Senators, to make all Senate committee meetings open to the public unless voted closed. That effort failed narrowly by a vote of 38–47, but it set the tone for the future.

Early last year, the Government Operations Committee took the initiative permitted us by the new Senate rule to establish our own openness rule for committee business sessions. I supported that committee rule wholeheartedly and I believe our Members no longer need to be convinced of its efficacy.

Our committee openness rule has worked remarkably well. It has helped get Senators to meetings on time and be more attentive. At no time has the audience interfered with our work or been demonstrative. Most of all, the openness rule has removed the suspicion that so many people have about what goes on behind those closed doors when we really do the work of the Senate by writing bills.

Inspired by our committee's success, I offered in subcommittee an amendment last year to the budget reform bill to require that all meetings of the new Senate Budget Committee be open to the public. That amendment was adopted unanimously by the Subcommittee on Budgeting, Management and Expenditures and was incorporated in the bill as reported by the full Government Operations Committee. Unfortunately, my amendment was deleted in the Rules Committee markup of the budget reform bill.

That set the stage for our greatest victory to date, in which the Budget Committee openness provision was reinstated in S. 1541 by Senator CHILES' successful floor amendment. As a floor manager of the bill, I strongly supported the Chiles amendment and it carried by the overwhelming vote of 55–26.

The bill presently before the Reorganization Subcommittee, S. 260, goes the extra mile and requires all business meetings of all Senate Committees to be open unless voted closed for specific cause. The bill applies these same rules to Federal regulatory agencies and Government commissions, so that they, too, will be operating in the sunshine.

During the hearings last week, the subcommittee heard many expert witnesses who testified to the workability of openness in Government. Two outstanding witnesses were John Gardner, chairman of Common Cause and Louis Harris, president of Louis Harris & Associates, Inc.

Mr. President, I ask unanimous consent that their excellent testimony be printed in the RECORD at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PERCY. Mr. President, I think it is very pertinent that we have these hearings now because we, in the Congress, have an historic opportunity this year to test the theory of open Government. We must decide whether to allow the impeachment proceedings, which may take place in the House and Senate, to be open to the public through television.

My own feeling is that in this case the national interest is best served by opening the proceedings right up. The chance we are taking in having 38 people on the House Judiciary Committee in on a secret that could be leaked and cause injury to many people, including the defendants, is too great. When we have this enormous responsibility placed in the hands of 535 Members of Congress, with the consequence of possibly undoing the work of 70 million voters who voted for the President, I would hope that we would open these proceedings to the view of the American people. We should do so in a way that is in accord with the dignity and serenity of a judicial proceedings, as that is just exactly what the House and Senate would be performing.

Restrictions on the use of television equipment should be very tight. It should not really matter whether it is all in living color. If they have to use faster black and white film on tape, I technically can certify they can do it without the glare of lights and with pooled facilities, without the necessity of having numerous cameras and other equipment in the House and Senate Chambers.

I think more and more of our proceedings should be opened up. Certainly we now have had sufficient testing of the openness principle so that we have a precedent for the impeachment proceedings to be open.

Exhibit 1

Testimony of Louis Harris

Mr. Chairman, let me say at the outset that it is a privilege to be invited here this morning to testify on S. 260, your bill to provide that meetings of government agencies and of Congressional committees shall be open to the public—the Sunshine proposal, as you have appropriately named it.

However, I must immediately state what I can and cannot comment on with any degree of competence. I am neither a legislative authority nor a student of Federal Government practices of disclosure. Thus, I am not able to comment with any weight on the specific provisions of your proposed legislation, other than as they might enhance or further deteriorate public opinion in its confidence levels toward Government and the political process.

I have read with interest the varying and often conflicting views of some of our outstanding authorities on disclosure rules and practices. As a layman, it seems to me that you have added to the new version of the bill a good many exemptions and protections to take care of most contingencies which might justify closed hearings at the Federal level. I should emphasize at the outset that one major fall-out from the Watergate trauma in this country has been a newfound and profound respect for the rights and privacy of individuals and of groups to pursue their widely differing views and convictions. The right to be different, the right to be private, the right to be protected against undue Federal intrusion into the lives of the people has never burned as vigorously as it does today.

By the same token, the people of this country have an aching, yearning desire to see their Federal Government open up and welcome the participation of the public as perhaps never before in our history. The basic proposition that a lot of problems connected with Government could be solved, if there were not so much secrecy on the thumping 71–19% agreement from the people themselves.

I note that many of the critics of this legislation believe that the fundamental issue at stake is: How much inefficiency can the Federal establishment endure by opening up the decision-making process of Government vs. how much does the normally efficient running of a tightly confined Federal decision-making process have to be opened up to satisfy the public demand to know what is really going on. I would suggest that the American people thoroughly disagree with this kind of formulation of the issue. At this point in our history, the people are roundly fed up with what they feel is incompetence, inefficiency, corruption, lack of real public interest, and just plain lack of decency in the governing circles of this country. And, most of all, people are firmly wedded to the notion that if the Federal Government were opened up, rather than gross inefficiencies and lack of candor resulting, to the contrary, an opening up of the Federal decision-making process would indeed lead to wiser, sounder, more creative, and better decisions.

As one who has spent the past 27 years of his life in the active pursuit of studying public attitudes and public behavior, I by no means subscribe to the notion that the peole are always right either in their instincts or in their opinions or in their assessment of any particular situation. But I would say that in the past few years, almost without exception, the public has been leagues ahead of its leadership—far more astute, far more perceptive, and far more farsighted than most of the elective and appointive public officials at the federal level.

Some basic and fundamental changes are taking place in our country and, if those vested with public responsibility don't begin to recognize those changes, then I can guarantee, Mr. Chairman, that the people themselves are going to make some wholesale changes in their selection of leaders.

Recently we surveyed a cross-section of the American people and the results are well worth pondering, for they say much, I believe, about where the public is and what the problem of this subcommittee is this day. First, it will come as no surprise to find out that, compared with 10 years ago, 60% of the public think that government leadership at the federal level in the country is worse now than it was then. Only a meager 8% think it is better now, and 28% feel it is about the same.

By a lopsided 76–18%, three in every four adults feel that "too many government leaders are just out for their own personal and financial gain". There is a powerful suspicion, right or wrong, that people elected or appointed to high places in the federal establishment are using their power for their own rather than the country's benefit. This in turn leads most people to conclude that a substantial amount of monitoring by the citizenry of those vested with responsibilities of running government is very much in order these days. The people are willing to give pitifully little in the way of blank checks to their leaders these days. It can be automatically assumed that any effort to defend a lack of full disclosure to the public on the grounds of either elitism—that only people with superior knowledge, training, insight, and experience are fit to judge the major issues facing the country—or on the grounds of endangering the national security which all too often has turned out in the public's mind to be a cover-up of ineptitude or chicanery or worse, or on the grounds that open disclosure will lock people into fixed positions which will prevent the art of informal interchange and compromise to work—all are likely to fall on very deaf public ears these days.

Another key finding from our recent survey shows that, by an overwhelming 78–17%, most people agree with the statement that "the trouble with most government leaders is that they think people will believe them when they make promises". This is worth analyzing further. The fact is that not only have people in this country but also in most of the western world come to believe that most politicians make false promises, but, more important, that these promises are more likely than not to not be worth receiving, even if public officials make good on them. This is particularly true in the case of special legislation designed to serve the special pleadings of different segments.

Traditionally, our political process has been based on the assumption that if a man running for office can divide up the electorate into enough segments, find out how to appeal to each key segment in terms of what he can do for that segment, make all the segments add up to 51% on election day, he will win election or reelection.

I say to you today, Mr. Chairman, that this kind of easy promise politics is fading fast in American life. The people neither believe the promises nor do they feel that when the promises are fulfilled they are worth it. Rather, they are becoming increasingly convinced that they will have to pay for those promises four, five, or six times over even if they are delivered on. What it means is that there is a growing sense of community in this country, a sense that what benefits the community will suffice to benefit the individual, that there just is almost no way left through which any individual person or group can be made the beneficiary of government services which all of the citizens do not share in.

This is partly reflected in the 76–14% majority nationwide which feel that "most government leaders are more interested in playing smart politics rather than in sharing in the same genuine idealism the people have". Much has been said and written about the strain in the American people not to pass up a good deal or a good chance to make it big, even if others do not make it in the process. Indeed, I find the American people have been libeled with such propositions. The recent outpouring of the public to restrain the consumption of gasoline and other forms of energy during the energy crunch is ample testimony to this sense of community. And, despite high skepticism about the way government and industry handled the energy situation, I might report that the people are still ready to respond with sacrifice and putting the public interest above individual gain if called upon by national leadership on the energy question again in the future.

What irritates the public almost more than anything these days is found in the 72–18% majority who feel that "most government leaders are afraid to treat the public as adults and tell them the hard truth about inflation, energy, and other subjects." The American people simply no longer have a 12-year-old mentality, no longer want to be treated as children, no longer want Papa to tell them Papa knows best, no longer want to be told they will be taken care of, no longer want to be bought by the handout, no longer want to be treated as porkchoppers at the public trough, and no longer want to be taken for granted. They feel they are reasonably well-informed, more importantly are capable of getting the full measure of bad news, and are more willing to join in the process of solving their own problems. They simply will no longer trust the sweeping shibboleth, the glowing and uplifting promise, and no longer think there are easy answers to their problems or those of the world. Basically, by 89–6%, they agree with the late President Kennedy's exhortation that government leaders "should ask people not what their country can do for them, but what they can do for their country".

Along with the era of the easy promise, so, too, the era of doting on the public's fears is coming to an end. The politics which so often have told people they can achieve heaven on earth or the politics which told them there was a mortal enemy from within or from without whom they were being protected from are rapidly passing from dominance in this country.

Let me give you some specifics on this. Only 36% of the public think "most public officials today are dedicated to helping the country rather than being out for themselves". However, a much larger 86% think it is entirely possible to have public officials who maintain just those standards. That is a gap of fully 50% of the public. Only 34% of the public think that "most public officials really care what happens to all the people", but a much larger 88% think that it is possible for the country to find such public officials—a gap of no less than 54%. Only 24% think that "in the federal government the good of the country is placed above special interests", but a much higher 85% think it possible to achieve such a condition—a gap of 61 points. Only 17% think that "the best people are attracted to public life", while 80% think it is still possible to do that—a gap of 63 points. Only 13% believe that "corruption and pay-offs almost never take place in federal government", while 65% think it is possible to have a federal establishment free from such vagaries—a gap of no less than 52 points.

There are two lessons to be drawn from this evidence. First, the public is solidly convinced that the federal government has reached new lows in moral and effective operation. The second, and much the more important, is that people have not lost faith or become cynical about the governing process.

It is true that 86% of the people feel that "sometimes politics and government seem so complicated that a person can't really understand what's going on". Yet, by the same token, you cannot produce a majority to either of the following two propositions: first, "in most cases, on important matters, high government officials should decide what ought to be done, because they are the ones who really know what is going on", rejected by 47–42%; or second, "to make government work better, the right men should be put in control and allowed to run things with the help of the best experts", also rejected by 48–40%.

To the contrary, by an overwhelming 86–8%, the people of this country believe that "people should take action through citizens groups to improve the quality of life in this country"—and that means action impacting on all levels of government, including the federal government. Mr. Chairman, to put it in the vernacular, in the plainest language I can command, the American people today desperately not only want to be cut into the action of how to govern themselves; they have made up their minds to insist that this be the case. It is my prediction now that, in the latter part of the 1970's, you are going to see the most massive outpouring of citizen involvement this nation or the entire world has ever seen before.

Those people running the federal establishment now have the chance either to anticipate this outpouring and to accommodate to it, or to try to outfox it, end-run around it—or to studiedly avoid it, if you think that will work. My own judgment is that if you do not meet it, anticipate it, and welcome it, then there will be a whole set of other people sitting up there in your seats of power before very long. It is no happenstance that less than a third of the American people can express any degree of high confidence in any branch of the federal government today.

Now what has all this to do with the central issue you have invited me to testify to here today. It has much to do with it. For certainly one threshold requirement is to throw open the doors of the Government decision-making process, let the people observe in fact how it operates, and, indeed, to invite the people in to help make the decision. And, as I understand it, that is what your Sunshine Proposal is all about.

Of course, the act of greater disclosure, a greater opening up by itself, is not necessarily going to solve the problems of how to achieve more responsive and more effective Government. But, without such opening up, without making a determined effort to allow people to know really how the Federal establishment is pondering its imminent decisions, I can assure you, Mr. Chairman, that there will be little this Government can do which will have the initial confidence of the people today. I am saying that the public has finally placed a precondition on the operating rules for the Federal Government in this country that it not withhold the hard facts, nor the uncertainties nor the differences which might exist at the top of Government over how to solve or attack problems.

The minimum which can result from such an opening up is that the people might have a far greater understanding of just how tough some of these problems—such as inflation or energy, ecology or consumerism, Government spending or taxation, or a whole host of other problems—are to solve. It is also just possible that the people themselves can add some new and creative dimensions to the solution of some of them. For it is entirely possible that suddenly public servants who have been trained to always believe that the people want to get something out of Government are willing to give the Government, to give the community something. This phenomenon is not confined to this country alone. In Britain, on the eve of the elections there, we found a majority of the people willing to raise taxes on their own hard-pressed incomes, if this was the way to put a dent into rising prices and if this was a way to help the less fortunate, the elderly, and other groups whose incomes were lagging.

Fundamental to your bill, it seems to me, are two implicit assumptions, which ought to be kept clearly in mind throughout your considerations. First, that the people of this country are not as apathetic and uninterested as most leaders think they are. In turn, this means that people actively want to know what is going on, and will not be shocked to hear the facts nor the range of options open to this society to approach key problems of Government. Second, the people are now firmly wedded to the notion of a new pluralism, under which the tolerance for differing opinions has never been higher. Unless they are assured that Government believes in this pluralism, they are going to be suspicious that the Federal establishment is conspiring to deprive them of their rights rather than to enhance them.

These two preconditions are the bedrock for any and all reasonable measures which will open up Government decisionmaking for all to see, hear, and to comprehend. So, Mr. Chairman, the business you are about is indeed very pertinent to the mood, the temper, and the urgent desires of the American people. As with them, I cannot say you have drafted the best bill, nor that you have put all the reasonable protections and exemptions into a rule of full disclosure. But the thrust is in the right direction, the purposes sound right. If you can move this Government measurably closer to the day when people at least feel that all of you here making decisions are genuinely honest and on the level, that the public good really means something, that there is and can be a genuine community of interest in this country, then you will have made a major contribution toward restoring confidence in Government. And that would be a key achievement, indeed.

TESTIMONY OF JOHN W. GARDNER

Mr. Chairman, I am honored to have been given the opportunity of appearing before this committee. You, Mr. Chairman, have exercised impressive leadership in the struggle to open up the political and governmental process so that citizens may have access to their own government. We commend the initiative of the committee in considering the significant advances in open government contained in S. 260.

Recent public opinion studies reveal that the nation's government has lost the respect and confidence of the vast majority of citizens. It isn't really surprising. Citizens have seen corruption at all levels of government. They have seen big money buy political favors. They have learned that they do not have access to their own government. To most of them, government is remote, unconcerned, and ineffective.

How can we rebuild the confidence of the American people in their own political and governmental institutions? One sensible way would be to make those institutions worthy of their confidence. If we are to accomplish that, the key word is accountability. We have seen grievous abuse of power, but the problem is not power as such; the problem is power that cannot be held accountable. We need to strengthen those instruments of accountability which now exists and devise new ways of making government more responsive.

The two basic obstacles to accountable government are money and secrecy—the scandalous capacity of money to buy political outcomes and the old, bad political habit of doing the public business in secret. You are concerned in these hearings with the latter of the two problems.

I. SECRECY

Citizens associate the phrase "government secrecy" with the most sensitive issues of national security. But most government secrecy has nothing whatever to do with national security: it touches every field of government activity—agriculture, commerce, taxation and so on—and has infected state legislatures, county boards of supervisors, school boards, the Congress of the United States and the Executive Branch of the Federal Government. Many politicians and bureaucrats just don't like to do the public's business out in plain view of the public.

Governmental secrecy takes many forms. Too much of the legislative process still occurs behind closed doors, particularly in the Senate. Executive departments still resist legitimate citizen efforts to obtain information. Documents by the thousands are classified without regard to established criterion or the public's right to know.

There is inadequate disclosure of the financial holdings and activities of public officials. Claims of executive privilege make a mockery of the Constitutional powers of Congress to obtain the information on which to base sound legislation. Regulatory agencies are often unduly protective of data supplied by regulated industries, and often meet in secret to set rates and make other decisions affecting millions of Americans. And most special interest lobbies operate out of view of the public, thanks to loophole-riddled disclosure laws.

Secrecy is fatal to accountability. Citizens can't hold government officials accountable—if they don't know what government officials are doing. All the great instruments of accountability that the citizen must depend on—Congress, the courts, the electoral process, the press—may be rendered impotent if the information crucial to their functioning is withheld. Thus does secrecy perpetuate abuses of power, diminish the responsiveness of government and thwart citizen participation.

A decision by the House Democratic Caucus only thirteen days ago illustrates the kind of abuse which secrecy facilitates. Under heavy pressure from special interest lobbyists, the Caucus voted to derail a comprehensive plan to reorganize the House committee system. Opponents of the plan succeeded in getting the Caucus to vote by secret ballot. Even the vote on whether to have a secret ballot was unrecorded. The Caucus then voted 111 to 95 to send the measure to a review panel—a maneuver many observers saw as effective defeat of the plan for this session. And the constituents of Democratic Caucus members were denied knowledge of how their representatives voted on a crucial issue.

Secrecy in regulatory agencies

The secrecy which veils the activities of regulatory agencies warrants a special note. These agencies make decisions which affect all Americans in specific ways, from the quality of television commercials to the price of gas and electricity. Yet there is remarkably little public scrutiny of what goes on inside the agencies.

The Federal Power Commission exemplifies the problem. It is no secret that the industries regulated by the FPC have played a role in the Commission's membership and decisions. Effective public scrutiny of the FPC is the obvious countervailing force. Not surprisingly, the Commission has moved to minimize such scrutiny.

Last May, for example, the Senate Antitrust and Administration Procedures subcommittee tried to obtain the reports on natural gas reserves which 79 gas producers had submitted to the Federal Power Commission. The reports were needed to determine whether well-head gas prices should be de-regulated; but the FPC claimed that the reports, which it uses in setting gas prices, were confidential and refused to release them. Critics charge that the gas producers underestimate how much natural gas is available, and thereby induce the FPC to set higher prices. Given the FPC's devotion to secrecy, such charges can never be publicly tested. Responsible outside evaluation of producers' estimates and FPC action becomes impossible. Not only does the FPC keep reports on reserves secret, but it was disclosed last fall that a Commission official ordered the documents destroyed. This was prevented, not by a concern for the public interest, but by a temporary shut down of the Arlington incinerator.

Additional evidence of the need for openness comes from the Interstate Commerce Commission. The industries it regulates have devised several ways of influencing the Commission's decisions. There is evidence that commissioners have been cleared by industry executives before being officially nominated for the post. Industry has been adept at tempting commissioners with lucrative positions after they leave the ICC. Twelve of the last seventeen commissioners to leave have accepted positions with a company regulated by the Commission. Industry executives have also taken high posts within the ICC. Campaign money from industry has flowed into the campaigns of key congressmen on ICC oversight committees. In 1973, sixteen industry groups rented desk space at ICC to keep track of hearing decisions, rate changes and policy information.

Agency secrecy makes it extremely difficult for the citizen-consumer-taxpayer to counter the behind-the-scenes influence of the industries being regulated. The ironic thing is that government secrecy is no problem for the special interests: they have ways of knowing all that goes on. The only one left in the dark is the citizen.

Openness works

Opponents of open government talk constantly of the innumerable problems that would result from public meetings and full citizen access. But these objections do not stand up against the overwhelmingly positive experience of legislative committees in Congress and around the country which have opened their proceedings. These committees have shown that openness works, and that rather than impending business it promotes better discussions and more responsive action.

In 1973, for example, the House of Representatives reversed its long-standing tradition of doing its business behind closed doors and opened almost 80% of its bill-drafting meetings to the public. This openness did not impede the committees' work, nor did it force committees to do their real business outside the meeting room as opponents of public meetings had contended. Additional information on House committee practices under the open meetings rule contained in Appendix I.

Three Senate committees regularly hold open mark up sessions, and the Committee members who have given us an evaluation are generally pleased with the results. Senator Thomas J. McIntyre (D-NH), for example, wrote: "Frankly, I was quite skeptical and reluctant to support open markup last year but on the basis of my experience in the Senate Banking, Housing and Urban Affairs Committe, my own attitudes have changed in favor of the additional openness in the Committee and I am now persuaded that this is an appropriate and useful procedure." This statement was in response to a Common Cause inquiry on the effect of openness in the Senate. The responses we received are contained in Appendix I.

The experience in state legislatures across the country attests to the feasibility and value of open committee meetings. The Federal government is far behind in the move toward openness which has touched almost every state capitol. Most state legislatures now have open meeting requirements, and Common Cause has identified 17 states which have taken significant steps in this direction over the last 18 months alone. State legislators have repeatedly noted that open committee sessions are generally more orderly, well attended, responsive, and characterized by a higher level of debate. A review of state open meeting statutes and some assessments of their effect are contained in Appendix 2.

The Sunshine Act

The Government in the Sunshine Act is designed to establish the principle of openness in the affairs of the Federal government. It is the most comprehensive anti-secrecy measure to come before Congress since the Freedom of Information Act of 1966. The obligation of Congress to pass this legislation is crystal clear. The public, through the polls, has declared its disgust with the present state of politics and government. It awaits some sign from the politicians that they sense the trouble they are in.

There are several provisions of the bill that are particularly important. The bill establishes a presumption of openess in meetings of Congress and regulatory agencies, requiring a majority vote (in open session) to close the meeting—and then only if certain exemptions apply. It guards against the customary abuse of "national security" as a justification by defining this exemption in specific terms. It establishes thorough review procedures to prevent violations.

The provisions on *ex parte* communications in regulatory agencies have major significance. Such contacts are prohibited during on-the-record agency proceedings, and the bill requires that communications which violate this ban be entered in the public record. This will disclose and help prevent attempts by outside parties to influence agency decisions. However, the prohibition should apply once a petition is filed with the agency, instead of at the time the proceeding is noticed for hearings or public comment.

There are two other problems which we urge the committee to consider. First, only agencies with "two or more members" are covered by Title II. This applies almost exclusively to regulatory agencies. It exempts all executive departments and agencies within them such as FDA and FAA. It also exempts agencies within the Executive Office of the President, such as the Council of Economic Advisors, Council on Environmental Quality, and OMB. We recognize the difficulties in extending the bill's applicability to other executive agencies and departments. Nevertheless, we urge the committee to explore the possibilities along these lines.

Second, the bill applies to agency meetings "at which official action is considered or discussed." Taken literally, this could mean that telephone conversations, casual discussions over lunch, or chance meetings in the coffee room must be publicly announced, open to the public, and transcribed for publication. Abundant experience with such legislation at the state level suggest that the problem could be solved by a more specific designation of the kind of meetings covered by the bill. It could apply, for example, only to those agency meetings "at which official action may be taken or at which decisions regarding such acts may be made." This exempts informal meetings at which official matters are merely discussed. It also has the important effect of requiring that all official acts and decisions must occur in open meetings. The public will be able to ask in regard to any agency action: "At what open meeting was this decision made?" If no such meeting was held, the action could be illegal and rendered null and void.

II. LOBBY DISCLOSURE

The second topic I wish to address is the need for comprehensive lobby disclosure legislation. Once again, the problem is secrecy and a breakdown of accountability.

Lobbying plays a legitimate and often valuable role in American politics. Professional lobbyists frequently provide legislators valuable and useful assistance in research and drafting. Often they serve an important ombudsman function, letting Congress, the President, and Executive Branch officers know what their clients are thinking, how government programs are working, where adjustments need to be made and injustices remedied. Lobbying also provides a vehicle for interest group representation complementing the geographical representation assured by the structure of Congress.

Yet, what began as a constitutionally guaranteed right "to petition the Government for a redress of grievances" has degenerated, in the minds of most citizens, into the sleazy art of manipulating government affairs outside the proper channels of accountability. The description is surely unfair to many lobbyists, but fair or not, the all-too-frequent under-the-table deals, secret pay-offs and slick con-jobs have given lobbying a bad name. And the bad name will be perpetrated—deservedly—as long as so many lobbies operate secretly and use money in ways that corrupt the public process.

The present law

Information about the receipts and expenditures of lobbyists is supposed to be provided by the Federal Regulation of Lobbying Act of 1946. But the law is almost totally useless. Encumbered by ambiguties and loopholes, it is impossible to enforce. It applies only to lobbying of the legislative branch, although some of the most effective and surreptitious lobbying today is practised on executive agencies. The scant information which lobbyists do report is often preposterous. Huge discrepancies exist between a lobby's elaborate activities to influence legislation and the expenditures actually reported. Some organizations which lobby extensively report no expenses at all. Some don't even bother to register. Anyone innocent enough to believe the official lobbying reports would form a bizarre and misleading impression of modern lobbying practices.

For example, the National Association of Manufacturers spends enormous sums mobilizing grass roots business pressures on Congress. This involves a country-wide communications network through which member corporations and busineses are urged to contact their Congressmen on key issues. NAM's 1972 filing with IRS indicates that over $2.5 million was spent that year on numerous items—staff, research, printings, mailings, telegraph, and so forth—related to this kind of lobbying. Yet the organization does not even file a lobbying report under the present law.

Common Cause has compiled numerous illustrations of this problem, many of which are cited in the series of essays on lobby disclosure contained in Appendix 3.

Need for disclosure

Our emphasis is not on prohibition of lobbying activities, but on their full disclosure. This can only be accomplished by a new lobby registration law, and by a new Executive Branch program for logging lobby contacts. Most of the abuses can be traced to the secrecy which hides lobbying from public scrutiny.

The root problem is secrecy. It enables lobbyists to offer lucrative favors and deals which border on outright bribery. It enables lobbying organizations to spend large sums to generate constituent mail to Congressmen without disclosing either the practice or the cost. It makes it easy for special interest representatives and public officials to maintain cozy relationships beneficial to each. It conceals the aims, expenditures and financial backing of lobbyists. It creates suspicion even where suspicion is unwarranted, and erodes public confidence in the integrity of government. And perhaps worst of all, it makes it impossible to hold public officials accountable for their part in the lobbying game. Without the complicity of those being lobbied, the undue access and influence of certain individuals and groups would evaporate over night.

Ingredients of reform

A new lobby disclosure law is needed with the following ingredients:

(1) *A broad definition of lobbying* which embraces all forms of communication with members of the legislative or executive branch to influence legislation or other official actions. It should cover individuals and organizations which lobby directly, solicit others to lobby, or employ lobbyists so long as they either receive or spend over $100 during a calendar quarter. Exemptions for the media and government officials should be allowed.

It is important that the legislation apply to those who lobby in relation to their employment, even though they are not specifically hired as lobbyists. This is a gigantic loophole in the present law. Last year, for example, executives in some of the nation's largest corporations were involved in a highly-coordinated lobbying campaign for federal funding of the bankrupt Northeast railroads. They personally visited numerous Congressmen in this effort, and GM executives met privately with Transportation Secretary Claude Brinegar. The law does not cover this sort of "incidental" lobbying by corporate executives, so none of their activities or expenses were reported.

(2) *Lobbying of the executive branch* should be covered by any new legislation. The present law applies only to lobbying of Congress, as do the other proposals before this committee. This is a glaring inadequacy—some of the most effective and secretive lobbying today involves personal contacts by special interest representatives with officials in executive departments.

The now famous milk deal of 1971 illustrates the point. The dairy lobbyists were under no requirement to report their private sessions with Administration officials. Had such requirements existed, it is doubtful that these officials, the President included, would have been so cooperative.

The kind of requirements needed to disclose lobbying of executive agencies are illustrated in Appendix 4, which is a model Common Cause regulation on lobbying for the new Federal Energy Administration. The regulation would also require F.E.A. officials to log all communications and written material from lobbyists in a public record. Such logging should be a basic requirement for all executive departments.

(3) *Comprehensive disclosure requirements* should require lobbyists to report, among other things, the source and amount of their income, itemized expenditures, the names of officials they have contacted, the actions they have tried to influence, and what they have given or loaned to public officials in money, services or other favors.

One only has to look at the reports filed under the present law to appreciate the need for tighter disclosure provisions. For example, the American Retail Federation, after engaging in very extensive activities to defeat a bill that would have reformed the billing practices of credit companies, reported spending a total of $6,350 for the year during which this campaign was waged. There was no useful itemization of how the money was spent.

It has been argued that strict disclosure requirements impose unrealistic burdens on the lobbyists who have to comply with them. Our own experience totally refutes the argument. Common Cause has had little difficulty in filing detailed lobbying reports on the Federal level or in the 28 states where our lobbyists have complied with state statutes. Our experience in these states is reviewed in Appendix 5, which also contains a brief on constitutionality of disclosure requirements.

(4) *Strong enforcement provisions* are needed if the new law is not to become as laughable as the present law. Effective enforcement requires an independent agency with ample enforcement powers. The Federal Elections Commission provided for in the campaign reform bill passed by the Senate is a good example. If such a commission is established, it should have the responsibility of enforcing lobby disclosure requirements. Whatever enforcement body is designated, it should have the power to investigate possible violations, to issue subpoenas and take depositions, to initiate court actions and to prescribe regulations. It should be required to publish the information reported in lobbying statements.

Mr. Chairman, I thank you for the opportunity to present this testimony.

NATIONAL HEALTH INSURANCE

Mr. RIBICOFF. Mr. President, on Thursday, May 23, Senator CHARLES PERCY testified before the Senate Finance Committee on the subject of national health insurance.

Senator PERCY has taken an active interest in this field, not only as coauthor of the Scott-Percy health insurance proposal but as a strong backer of S. 2513, the Long-Ribicoff bill.

Because of the importance of his testimony, I ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR CHARLES H. PERCY

Mr. Chairman and members of the Finance Committee. Testifying before this committee seems to have become a habit with me, a habit first started over 20 years ago. It is always a great pleasure for me to appear here.

Today I come before this committee both as cosponsor of the Scott-Percy Health Rights Act and cosponsor of the Long-Ribicoff Catastrophic Health Insurance Medical Assistance Reform Act. Normally, I do not cosponsor more than one bill on the same subject. However, in the case of the Long-Ribicoff proposal, I made an exception recognizing the bill's importance, timeliness and worth.

In the last three years innumerable national health insurance proposals, including my own, were introduced before Congress, resulting in useful discussion but not successful legislation. The disparities inherent among the proposals deadlocked Congress and made consensus politically impossible. In the meanwhile the lives and well being of Americans suffered. The average citizen's personal health bill continued to increase faster than his wages. Families who faced health catastrophies continued to succumb to financial distress and even ruin. The medically indigent continued to do without. The urgency for national health insurance continued unabated seemingly without resolution.

The Long-Ribicoff proposal, as I saw it last fall, was the wedge that could break the unhealthy stalemate, and I think subsequent events have proven me correct. The Chairman and Mr. Ribicoff deserve to be congratulated for tackling one of the most complicated reforms of public-government-professional-private relations ever undertaken in American history and coming up with an honest middle ground where all sides can find some legitimate representation. The administration represented in this instance by Mr. Packwood also deserves our commendation for contributing a very worthy piece of legislation. Mr. Kennedy and Mr. Mills deserve no less our respect for their latest proposal that now makes the building of consensus on national health insurance for America possible. In my testimony on the Scott-Percy Health Rights Act before this committee in 1971, I summarized the major strengths of the bill, and I repeat:

First, the catastrophic plan differs from traditional plans by covering all costs above each family's health cost ceiling.

Second, inexpensive and extensive outpatient coverage would enable families to visit doctors regularly to maintain good health and prevent major illnesses.

Third, the plan would be totally voluntary, but it would protect—through Federal financing—those who are financially unable to meet their health care costs.

Fourth, to preserve some element of cost consciousness within the health care system everyone would pay something, however small, based on his income.

Fifth, the plan would require strong Federal participation, but it would also draw heavily on the private enterprise system, insuring a pluralistic system.

Sixth, to insure that increases in demand would not adversely affect the quality of care, the plan would authorize grants and loans for prepaid health maintenance organizations.

Since Congress has passed and the President has signed a separate health maintenance organization bill, point number six no longer applies. However, much of the first five points could very well describe the Long-Ribicoff proposal.

Now, I don't know what to make of the Chairman's ability as prognosticator. During the 1971 hearings he told me not to be surprised if I found some of my thinking on national health insurance coming to the Senate in a House-passed bill. Instead of finding those ideas in the House bill, I find them in the Chairman's own bill. Maybe, he's trying to make sure that he lives up to his word.

Seriously, I firmly believe, as do many members of this committee, that a program involving the magnitude of over 200 million consumer patients; almost $100 billion; the third largest industry in the country employing 4.4 million people; and over 1,500 nonprofit, commercial and independent health insurance plans cannot be successfully established without consensus and acceptance by both the general public and by every element in the health sector. Moreover, a program dealing in an area of such complexity, sensitivity and controversy cannot be successfully established overnight. History has amply illustrated that the government's administrative capacity where large-scale social programs are concerned is limited. To quote John Gardner, a former Secretary of HEW, "Any organization setting out to cure social ills had better be sure it isn't creating problems as rapidly as it cures them." An incrementalist approach to national health insurance, as exemplified by the Long-Ribicoff proposal, seems eminently sensible and practical.

Yet, the Long-Ribicoff proposal has been largely written off by the media and, even, by the President as a meager catastrophic health insurance bill. As a cosponsor of the bill, I would like to help set the record straight. The Long-Ribicoff bill is a three-part plan, and catastrophic health insurance is only one part of the whole. Under the catastrophic plan, a ceiling would be placed on almost every American family's out-of-pocket health care expenses. Once a family incurs 60 days of hospital costs, $2,000 of medical bills and a maximum of $1,000 medical copayment charges, its health care costs would be assumed by the program's Social Security fund.

On face value, the expenses below the catastrophic ceiling appears substantial. However, it should be clear that we are not talking about out-of-pocket expenses here. The other two parts of the Long-Ribicoff plan are designed to assure that every American has ready access to basic insurance coverage for what the catastrophic plan does not cover. Thus, the three parts working together would assure virtually every American reasonable and adequate protection against both everyday and catastrophic medical expenses.

Part two of the Long-Ribicoff plan would federalize, improve and expand the current Medicaid program to provide all low-income Americans ($2,400 for an individual, $3,600 for a couple, $4,200 for a three-person family, and $4,800 for a family of four) with uniform comprehensive benefits financed through general revenues. Above and beyond covering all expenses below the catastrophic ceiling, this low-income plan would also cover all medically-necessary physicians' services, skilled nursing facility care, intermediate care, home health services and other health services including laboratory and X-ray services. This low-income plan also contains a unique "spend down" feature which allow families with incomes above the eligibility levels to qualify for coverage after their incurred medical expenses have brought their incomes down to the eligibility levels. Moreover, under the program the only out-of-pocket expense for low-income individuals would be a nominal $3 per visit copayment for each of first 10 physicians' visits per family with well-baby care and family planning services excepted.

Part three of the Long-Ribicoff plan would assure the availability of basic private health insurance coverage to the middle-class population at a reasonable price. Through a voluntary certification program and on insurance "pooling" mechanism, the private sector would have three years to make model basic policies available at reasonable rates to the general population. After three years, if any area of the country is without certified basic policies, such coverage would be made available through the Social Security Administration at cost.

The Long-Ribicoff plan approaches the health financing problems of low-income and middle-class individuals differently because the needs are different. For the middle class, average medical expenses and standard health insurance coverage do not take an impossibly high share of income. Also the federal government subsidizes the purchase of health insurance and the payment of medical expenses through special tax provisions. Thus, it is not surprising that 75 percent of the population with incomes between $5,000–$7,000, 84 percent of those with incomes between $7,000–$9,000, and 90 percent of those with incomes above $10,000 have private health insurance. However, for lower-income individuals, health insurance is generally out of reach. Statistics indicate that the poorer a person is, the less likely he is to have health insurance. While 90 percent of those with incomes over $10,000 have hospital insurance, only 39 percent of those with incomes under $3,000 have such coverage. In 1972, some 38 million people, 20 percent of the population under 65, were entirely without any health insurance protection.

Because private health insurance has been unable to cope with the special problems of the elderly, the chronically ill and the poor, this should not obscure the fact that it has been adequate in dealing with the bulk of America's working population. The Long-Ribicoff bill recognizes that neither the federal government nor private industry is doing an unimpeachable job in the health insurance field. The Long-Ribicoff bill, therefore, takes a middle road. It would neither perpetuate the existing shortcomings of the private health insurance system, nor would it throw out the good with the bad. To dismantle most of the private industry overnight without the assurance of anything better to put in its place except a well-motivated dream of universal health protection for all is unwise. By taking the middle road, the Long-Ribicoff bill gives the private health insurance industry a fair and feasible chance to correct present inadequacies and government time to prepare to fill any gaps which the insurance industry might fail to meet—a most reasonable and practical approach.

By taking the middle road, the Long-Ribicoff bill also pays heed to the very important problem of cost. There is no such thing as free medical care. The real cost of that care remains the same whether it is paid through taxes or directly by individuals. There is, however, the issue of how much this cost should be run through the Social Security system. For some the Social Security tax payment has more than doubled just since 1970. The combined tax on employee-employer has risen more than 30 percent in only two years. This increase has taken place with the Social Security tax rate standing still at 5.8 percent. Now that the Social Security tax wage base is tied to changes in the cost of living, that rate will rise above 6 percent by 1978. For millions of Americans, particularly lower-income Americans, the Social Security tax is now a heavier burden than the federal income tax. In shaping a national health insurance program we must make very sure that the financing scheme does not impose tax increases that the average American cannot bear.

However timely and worthy the Long-Ribicoff bill is, it is not perfect. Borrowing Chairman Long's own words, if I may, "This bill is not a be all-end all approach, but it does provide significant assistance to many millions by closing major gaps in the financing of necessary health care . . ." I, therefore, take this opportunity to offer a few suggestions, which in my humble opinion, might further improve the bill.

First, I feel very strongly that everyone in this country—young or old, rich or poor—needs catastrophic health insurance protection. Under the excellent Long-Ribicoff catastrophic plan, a small minority—those not participating in the Social Security program—would not be protected. I understand that the Chairman and Mr. Ribicoff in responding to questions before the Ways and Means Committee shared this goal. I hope the technical problems can be worked out so that the catastrophic plan is made available to all individuals who might need it, regardless of Social Security participation.

Second, like Mr. Ribicoff, I have long worked for the expansion of Medicare's drug coverage. Technically there may be no need for the Long-Ribicoff bill to cover prescription drugs, since Mr. Ribicoff's amendment to provide such coverage overwhelmingly passed the Senate and is now pending in conference. However, pending in conference is not the same as enactment. I would feel much more comfortable if the Long-Ribicoff bill specifically provided for the coverage of all prescription drugs, or, at the least, coverage for those drugs used to treat specified conditions.

Third, I consider alcoholism and drug abuse two of this country's most tragic health problems. The administration's bill clearly provides coverage for the treatment of alcoholism and drug abuse. I hope the Chairman and Mr. Ribicoff will make it very clear, as I assume it was your intention, that alcoholism and drug abuse qualify for coverage under the Long-Ribicoff bill also.

Fourth, the health of our children is precious. Although the Long-Ribicoff bill provides substantial benefits for children, I would like to see such benefits further broadened with specific coverage for speech, visual and auditory services, subject, of course, to appropriate professional review to prevent possible abuse.

Fifth, I believe it is time that we begin to place as much importance on mental health as on physical health. A step in that direction would be to make the mental health coverage available in Title II of the Long-Ribicoff bill also reimbursable under Title I and Medicare.

Sixth, the availability of catastrophic health insurance will finally resolve the dilemma faced by hemophiliacs and their families. The victims of this dread disease will no longer have to go without necessary treatment—which is available—just because of the lack of funds. I urge, however, the Chairman and members of this committee to keep a careful overview of the coverage of blood, particularly the relationships between the coverage of whole blood and blood products. In the area of blood therapy it is important that we make sure that chronic blood users have access to the most efficient form of treatment available.

Finally, all the members of this committee, I know, are very sympathetic to the problems of the elderly. One of the most critical but still unresolved needs of older Americans has to do with long-term care. Although the Long-Ribicoff bill contains very generous long-term care provisions under Title II, it does not address itself to the issue of nonhospital institutional care. I understand the objections to establishing a long-term care financing program at this time. However, I would like to see the Long-Ribicoff bill include, at the least, some provision to make possible an improved national policy for long term care.

I would like to end my testimony by quoting another former Secretary of HEW, Mr. Wilbur Cohen, "If we take the steps we can take now, we could have a comprehensive national health plan ready to begin operations in 1976, when we commemorate the 200th anniversary of the Declaration of Independence." If only we will work together, there is no question but that we can achieve this goal.

FOREIGN TAX CREDITS—DISALLOWING ROYALTY PAYMENT CREDITS—S. 3095.

Mr. HASKELL. Mr. President, several weeks ago I introduced S. 3095, a bill to disallow treatment as a foreign tax credit any payment to a foreign government, in connection with the extraction of oil or gas, which is in reality a royalty payment to that government.

The equities and the practicalities of this bill are clear, Mr. President. Domestic businesses often pay royalties to other businesses or individuals, but when they do so, their payment results only in a deductible ordinary business expense under the tax laws, not in a credit against taxes. Multinational oil and gas companies should not be treated more favorably than other businesses in this regard.

Moreover, the preferential treatment accorded to these multinationals is, at the current time, in direct conflict with our supposed goal of achieving energy self-sufficiency, since the foreign tax credit as presently defined creates a distinct incentive to investment abroad rather than here in the United States.

S. 3095 resolves these inequities and impracticalities, Mr. President. It does so by requiring that royalty payments in the guise of income taxes be henceforth treated only as deductible business expenses.

Since introducing S. 3095, I have been joined in its cosponsorship by the distinguished Senators from Illinois (Mr. STEVENSON), New Hampshire (Mr. McINTYRE), California (Messrs. CRANSTON and TUNNEY), Nevada (Mr. CANNON), New Jersey (Mr. CASE), Minnesota (Mr. HUMPHREY), and Idaho (Mr. CHURCH).

S. 3095 directs the Secretary of the Treasury, or his delegate, to formulate certain standards for the determination of what portion, if any, of a payment to a foreign government in connection with income received by that corporation is, in reality, a royalty payment to that government. In countries that tax other income producing activities, the determination that a part, or the entirety, of a payment to a foreign government is a royalty will be a relatively straightforward matter. In countries, however, that tax only oil or gas related activities, the determination is somewhat more difficult, although far from impossible. As in other situations, such as the value of closely held stock, the Internal Revenue Service can very easily place a royalty value on a given well.

Recently, it was brought to my attention that S. 3095 makes no mention of taxes in the form of per barrel or other per volume standards. I would like to make clear the intent behind this omission at this time. S. 3095 makes clear that it is only income taxes that can be treated as a creditable payment, and even then, only to the extent that the payment is not in reality a royalty payment. Any per volume "tax" does not enter the picture, because such a tax is in no way an "income" tax, a sit is entirely unrelated to the income of the producer. A per volume "tax" or other such payment is in all cases to be treated as a royalty payment, a deductible business expense, regardless of the label attached to such payment by the foreign government or the corporation.

In conclusion, Mr. President, I again appeal to my colleagues on both sides of the aisle to join with those of us sponsoring S. 3095 so that a measure of fairness is finally brought into the tax treatment of multinational oil and gas corporations.

WATERGATE AND U.S. FOREIGN POLICY

Mr. BROOKE. Mr. President, in recent remarks given at Akron University, Akron, Ohio, I outlined several of the dangers inherent in our present situation.

My main focus was the implications of the so-called Watergate crisis on the conduct of our foreign relations. In the hope that my views will be of some interest to my colleagues, I ask unanimous consent that my speech entitled "Watergate and U.S. Foreign Policy" be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

WATERGATE AND U.S. FOREIGN POLICY

On November 4th, in response to a question on ABC's Issues and Answers, I stated that I had reluctantly come to the conclusion that it would be in the best interests of the country if President Nixon resigned. Ten days later, at a meeting in the White House, I reviewed my thoughts on resignation with Mr. Nixon personally. And, tonight I continue to believe that the President's resignation would serve the best interests of the country.

The beliefs that prompted and prompt my recommendation for the President's resignation stem from my concern for both the continued well-being of this country domestically and the dangers I perceive to lie ahead for the United States in its foreign and security relations if our political crisis is not promptly concluded. It is this latter concern—the effect of the Watergate Crisis on the conduct of American foreign policy—that I call your attention to tonight.

It would be presumptuous to contend that one can readily identify specific effects of Watergate on our diplomatic endeavors. Only those directly involved in such activities are in a position to make such assessments.

Moreover, the nature of intercourse between sovereign states is such that perceptions and feelings are at least as important as tangible considerations. And this naturally inhibits accurate assessment when one is several times removed from direct involvement. Yet, there are general perils inherent in a situation where a chief executive has been weakened, perhaps beyond repair. And these perils compel thoughtful attention.

Let me briefly review the President's present situation. Over the last year, he has suffered a dramatic loss of public confidence which has greatly impaired his ability to govern. We have reached a point where a majority of Americans feel he should resign. If unwilling to do so many demand that he be impeached.

This loss of popular support is not a normal cyclical dissatisfaction with the President. Rather, it is a deep-seated revulsion against all that Watergate has come to signify. It is a substantive erosion of the foundation of confidence needed to effectively govern our nation.

The withdrawal of public support, coupled with the departure from the White House of many of his closest associates, has resulted in the President becoming increasingly isolated.

The "siege mentality" that the Watergate transcripts indicate existed in the White House before the crisis broke has deepened.

The Chief Executive has become increasingly estranged from his natural bases of support within the Republican Party and throughout the country.

Domestically, the effect of the loss of public confidence is readily discernible. Problems that cry out for solution receive but superficial attention. The country is adrift in a sea of uncertainty.

Americans have for the moment lost faith in the ability of all our institutions to meet the needs of the day. The two-party system, the cornerstone of political stability, is facing its greatest challenge. A disappointed electorate unjustly appears ready to take out its frustrations on the Republican Party for a scandal that had its roots outside the party structure among a small group of power-hungry men who ignored the permissible limits of power.

However, Watergate is not the only source of the ills that beset us. Many of the problems existed long before this sordid chapter in our history began. But it is undeniable that Watergate lawlessness has accelerated the breakdown of the procedural consensus that has provided the sinews of unity for our very diverse country. And the cancerous decay continues!

In sum, our political crisis has steadily eroded the ability of the President to fulfill his responsibilities in a time when our domestic situation demands stable effective leadership in the White House.

The negative impact of the Presidential leadership void on the conduct of our foreign relations, though less easy to discern, nevertheless does exist.

Great opportunities and serious problems are present in the international arena. Many of the opportunities stem, at least in part, from the prior initiatives of President Richard M. Nixon, now so weakened by Watergate.

The possibility exists of bringing the strategic arms race under some form of permanent control through the Strategic Arms Limitation Talks (SALT).

Greater security for both East and West could be gained at lower costs through successful negotiations leading to a mutual reduction of forces in Europe.

Arab-Israeli peace could be closer to realization than at any point in the last quarter of a century.

There is the possibility that the People's Republic of China can be brought further into the mainstream of international politics, thereby creating greater stability in the international system.

These opportunities, though impressive, are overshadowed by growing international problems.

Trade and monetary dislocations threaten to plunge the international economy into chaos.

Famine and its attendant tragedies threaten millions throughout the world while the world's food reserves continue to diminish.

And the standard of living of the world's poor, already at a marginal level of existence, is further threatened by the effects of escalating prices of energy, fertilizer and other essential agricultural resources.

These problems and these opportunities demand effective leadership from the United States. Like it or not, we remain the most important single nation in the international system. If we fail to provide inspirational and concerned leadership, no other country can or will. But we may fail if our present political troubles remain unresolved.

The ramifications of the growing inability of this President to provide meaningful leadership are manifested in several ways.

Political malaise exists in the West. Almost every Western democracy is experiencing political instability.

In West Germany Willy Brandt has resigned as chancellor because of a spy scandal. In France President Valery Giscard d'Estaing rules with only the slimmest plurality. In Great Britain Harold Wilson's cabinet is rocked by scandal. In Canada Pierre Trudeau's government has fallen. And political instability in Italy is compounded by severe economic troubles.

To be sure, there have been previous periods of political instability in the West. But, during such periods, effective, respected United States leadership has always been a steadfast anchor. Now, our allies question whether *we* can hold firm. And the very fact that our friends question our ability to do so is disturbing and alarming. Confidence in American leadership is based on a President's ability to mobilize support at home and abroad. When that ability is seriously impaired, confidence wanes.

The lack of stable political leadership comes at a crucial time. The problems we face transcend any one nation's ability to manage them. Solutions must be based on a recognition of the interdependence of the nations. Stable, mature leadership is needed to meet the challenge of interdependence. And it is doubtful if a President preoccupied with his own political survival can provide such leadership.

The present peril manifests itself in yet another important area. A crucial function of a President is to persuade his country of the wisdom of a certain course of action. Our system of government puts a premium on this Presidential ability to persuade, especially in foreign affairs. If there is not widespread popular support for a given policy, its chances of success are drastically reduced. The Vietnam tragedy at least should have taught us that lesson.

There is an increasing tendency to be skeptical of Mr. Nixon's statements on foreign policy, not because of their substance but rather because of their source. Indeed, there exists a growing possibility that Presidential statements on foreign and domestic subjects may engender a willingness to assume something is not true because this particular President states that it is.

During the 1973 Middle East War the President put certain of our strategic and conventional forces on alert. This was in response to a threat by Moscow to airlift forces to the Middle East. Subsequent developments and statements by Russian leaders indicate that the Soviet threat to intervene directly in the crisis was not an idle one.

An introduction of Soviet combat forces into the Middle East would have been an extremely dangerous provocation. Hence, an American response was needed. Yet, at the time of the alert, many influential Americans suggested that the President's action was nothing more than a self-serving attempt to draw attention away from his political difficulties. The fact that many Americans concur in this view indicates a serious decline in the persuasive capabilities of the President.

There is too, the growing likelihood that this President may be unable to mobilize support, either from the people or in the Congress, for continued U.S. involvement in efforts to provide the developing world needed assistance. This was amply illustrated by the recent vote of the House of Representatives to deny funds for U.S. participation in the Fourth Replenishment of the International Development Association commonly referred to as IDA. This organization provides aid on a concessional basis to the least developed nations.

The House IDA vote indicates a growing disregard of Presidential preferences and an increasing diminution of Richard Nixon's persuasiveness. We cannot long pursue a rational and useful course in world politics devoid of a President capable of commanding support for foreign policy initiatives. Foreign policy cannot be conducted by the Congress where many different views may exist in any given situation. Nor does the Congress desire to impinge upon the areas of Executive powers. However, the Congress does expect its powers in foreign affairs to be respected by the Executive as well.

Our political crisis also threatens to foster an inordinate amount of pressure on the President to achieve "spectacular successes" in foreign policy. The danger of such pressures is that they could create the appearance of success rather than its substance.

Several years ago a noted authority on foreign policy wrote:

"Where a leader's estimate of himself is not completely dependent on his standing in an administrative structure, measures can be judged in terms of a conception of the future rather than of an almost compulsive desire to avoid even a temporary setback."

The author of these remarks is now the Secretary of State.

In his 1966 article, Doctor Kissinger touched upon a crucial aspect of our current dilemma. As was have decended deeper into the morass of Watergate the possibility has increased that the President may become so concerned about his standing in the government that the measures he advocates in foreign policy may partake more and more of the "compulsive desire to avoid even a temporary setback." Watergate has certainly intensified pressures on the President to excel in foreign policy, his area of greatest expertise and interest. Perhaps we have come to a point where there is too much of a need to excel.

An integral part of any bargaining posture is the ability to wait, to be patient, until events and thinking evolve to a point where meaningful and just compromises can be achieved. However, patience may be very difficult to exercise when there is a compulsion to make a dramatic gesture, to effect an immediate solution. Such compulsion contains an inherent tendency not to say no, even though objective conditions may demand that one do so. While I cannot state that such has been the case in any specific instance, this is a potential problem that must be considered as we examine the question of the President's ability to fully uphold his Constitutional responsibilities.

A second manifestation of the "need to excel" is the tendency to oversell initiatory events as major achievements in and of themselves. I believe this may be a problem in the Middle East where the disengagement of forces is only a preliminary first step toward peace and perhaps the easiest one to achieve. Yet, the tendency has been to identify a disengagement agreement as the linchpin in the entire peace structure. This is simply not the case.

"Oversell" blurs the distinction between the crux of a problem and its various manifestations. It raises false expectations as to how much progress has been made. When the expectations go too long unfulfilled, the necessary long-term support for protracted and complex negotiations dissipates. This is a danger not only in the Middle East negotiations but also in the SALT talks. In SALT, far too great expectations have been engendered regarding an early end to the arms race. If these expectations are not soon fulfilled the resultant disillusionment may destroy support for the protracted SALT process. It is the continuation of that process that promises an eventual termination of the strategic arms race.

I would agree that the tendency to "oversell" exists in most, if not all political endeavors. But, what is disturbing about the present situation is that "oversell" may become such an important input that it overrides more substantive policy considerations.

Those who are sensitive to the grave perils of the nuclear age have always been concerned about the possibility of miscalculations by opposing sides. Many fear that the likelihood of miscalculation has increased because of the President's diminished leadership capacity.

I certainly do not believe that an overt attack on the United States is imminent. Nor is it reasonable to assume that our major adversaries may be tempted to bring direct military pressure to bear on our allies. Yet, there are situations where an adversary may be tempted to seek advantage while we struggle with our political problems. Moscow's actions in the recent Middle East war is one case in point. The Soviet strategic missile buildup may be another. While it would be foolish to ignore alternative explanations for Soviet actions, one must recognize the likelihood that our political travail tempts those prone to see superpower competition as a "zero-sum game," one in which every Soviet gain is a corresponding loss for the United States.

Thus it is prudent to assume that that possibility of miscalculation increases as our political crisis drags on.

What immediate considerations should guide the United States at this time? Naturally, the earliest possible resolution of the future of President Nixon is crucial in lessening the dangers inherent in our political instability. Because I believe the impeachment process will be a prolonged one beset with ambiguity and the likelihood of further divisive trauma, I personally continue to favor resignation. However, this course of action appears unacceptable to the President. Hence the constitutional process must be taken to its conclusion, whatever that may be.

During this process, to the extent possible, the President and Congress should insulate foreign relations from the direct and indirect effects of Watergate. This will require bipartisan cooperation in the Congress and it will require cooperation between the Congress and the President. And more importantly, it will require of the President and his Secretary of State a willingness to involve members of Congress in the formulation of foreign policy initiatives rather than simply in their ratification after the fact. As of yet, no such willingness has been evidenced.

The President recently sent to the Congress a proposal for an extensive Middle East aid package. The objective of this proposal is to create a vested interest in peace among the belligerents. Though the President's proposal has merit, it faces a difficult time in the Congress, in part because of the President's failure to involve the Congress fully in the formulation of the proposal.

Suspicion of the President's motives will be lessened more or less proportionally to the degree he is willing to seek Congressional advice before undertaking foreign policy initiatives.

The President must avoid all situations where agreements with other countries appear based on his personal prestige. The main problems in this regard are the SALT negotiations and the President's anticipated trip to Moscow. Unless the substantive articles of a SALT II accord are known prior to the visit and receive widespread approval by a relevant cross-section of the Congressional leadership, I seriously question the wisdom of a summit meeting in June.

First, the trip would take place approximately at the same time that the question of impeachment could be coming to a head in the House of Representatives. Thus, late June would hardly be a propitious time for a summit meeting unless an acceptable SALT agreement existed.

Second, if substantive articles of an agreement remained to be worked out at the summit, the Kremlin might be tempted to seek undue advantage of a weakened President who desperately needs a "dramatic gesture" to counterbalance his political liabilities. Several dangers would arise if the Soviets adopted such a course of action. The President might compromise to a greater degree than he should or normally would were his position at home more secure. If this happened opponents of SALT would be in a position not only to attack the specific agreement but to also weaken support for the general process of East-West detente.

On the other hand, the President might overreact to an attempted Soviet squeeze, accuse Moscow of perfidy, and return to a "hardline" cold war posture. The possibility of this type of reaction cannot be totally dismissed in view of the fact that a "hardline" approach by the President could find favor with some members of Congress at a time when the impeachment question could be before them.

These two dangers are essentially "worst case" situations. A third reaction by the President to Soviet pressure could be the suspension of the SALT negotiations and the possible termination of the visit. While this would certainly be preferable to the other alternatives, it could also endanger support for protracted SALT negotiations and the détente process in general. Suspicions in the West as to Soviet motives could increase. A corresponding hardening of the

Kremlin's approach in SALT and other East-West negotiations could be likely. There is wisdom in minimizing the chances that this could occur. Conditioning the holding of the summit on the prior existence of a substantive SALT agreement acceptable to the Congress could accomplish this objective.

There is increasing evidence that the Russian leaders may doubt that the President can effectively make commitments that will be supported by the U.S. Congress and the American people. Hence, they may be unwilling to deal with him on substantive issues during his Moscow visit. If this were the case, a summit meeting would be nothing more than a hollow shell, devoid of substantive purpose and certainly demeaning to the office of the Presidency, particularly if President Nixon were perceived by others to be going to Moscow in quest of the Kremlins' help to bolster his image at home.

A Presidential visit to Moscow, coming at this time, will be viewed by many Americans as a cynical attempt to cloud the impeachment issue. Unless a substantive SALT agreement exists prior to the trip, there is no merit deepening the cynicism now extant in this country.

For it is that cynicism and its corrosive effect on America's faith in itself that weakens our capacity to meet the challenges before us. If cynicism is to be abandoned, the leadership of this country must once again merit the confidence of the American people.

Thank you.

SOUTHERN CALIFORNIA OFFSHORE OIL DEVELOPMENT

Mr. CRANSTON. Mr. President, the Department of Interior is now proceeding with plans to develop the oil and gas resources in the Federal waters offshore from southern California. Legislation is now pending in the Senate to tighten Federal regulations on offshore oil and gas exploration and production. On May 8, 1974, I testified on this legislation before the Senate Subcommittee on Minerals, Materials, and Fuels of the Committee on Interior and Insular Affairs. I urged that development of the southern California offshore oil and gas resources be halted until more complete information is available on the environmental, economic and social risks, technology adequate for southern California sea conditions is available, and a reasonable, orderly resources development policy has been established.

Mr. President, I ask unanimous consent that this testimony be printed in the Record.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Statement of Senator Alan Cranston

Mr. Chairman, I am grateful for this opportunity to present my views on the policies and practices related to development of the energy resources of the Outer Continental Shelf. This is an issue of great importance to all Americans, and I commend this Committee for moving promptly to examine the various proposals in this area.

The Energy Supply Act, S. 3221, is a comprehensive piece of legislation, and I endorse many of its provisions. The other bills being considered here today also are positive steps toward improving and clarifying existing Outer Continental Shelf regulation—steps which are essential before the OCS is more fully developed.

My involvement in Outer Continental Shelf issues dates from the very beginning of my term in the Senate when, largely due to the tragic Santa Barbara oil spill, national attention was focused on the need to improve regulations and strengthen precautions related to offshore oil development. Since that time OCS regulations have been strengthened and the number of personnel enforcing these regulations has been increased. However, in view of the substantial new pressures to develop the OCS, I believe new legislation is needed that can strike a reasonable balance between our desire to develop new energy resources and our continuing need to insure maximum environmental protection.

Our recent experience with serious fuel shortages has made clear that we must become more self-sufficient in meeting our energy needs. An obvious domestic energy resource is the oil and gas on the Outer Continental Shelf.

But I suggest to this Committee that we cannot afford to rush head-long into massive OCS development without careful planning, consideration of the environmental risks, and comparison of this resource with competing energy sources. We must proceed, but we must do so with the utmost caution.

We must also review the resources of the OCS within the general context of a national energy policy which encourages stringent energy conservation measures until we have developed and made available abundant and environmentally sound energy sources. I am the author of legislation now moving through the Senate to authorize a major government-sponsored demonstration of technology for utilizing the energy of the sun for the heating and cooling of buildings. The goal of the bill is to stimulate widespread commercial application of this technology in the shortest possible time. If successful, solar energy could supply by the year 2000, 10 to 30 percent of the Nation's required BTU's and as much as 50 percent by the year 2020.

I raise this point as an illustration of the new energy sources that are now being developed and which may well reduce our reliance on petroleum in the same general time period that will be required to obtain reasonable quantities of OCS oil and gas. We cannot assume that our present demand for petroleum will be maintained indefinitely.

I would like to focus the remainder of my remarks this morning on the pending development of the Southern California Borderlands. This is the offshore area bounded by the Santa Barbara Channel Islands on the north and the Mexican border on the south.

The Southern California Borderland has been described by the U.S. Geological Survey as a "frontier area"—one which is essentially unknown in a geological or oil exploration sense. We do know that it is highly faulted, located in a seismically active area, and characterized generally by a series of ridges and troughs quite different from the OCS formation commonly found along the coast of the United States. Moreover, it is just off shore of the Southern California coastal zone, an area used daily by millions of people. Never before has oil development been contemplated seaward of a state-designated "marine sanctuary" which extends the length of the Borderland area with the exception of the Long Beach and Huntington Beach shorelines.

Development of the Southern California Borderland is imminent. The Bureau of Land Management has already accepted nominations from the oil companies for this area, tracts to be put up for bid will be announced in June, and a lease sale is now planned for May, 1975.

I would like to propose for your consideration that various concepts embodied in the bills before this Committee for revised methods of OCS development be applied—perhaps on an experimental basis—to the Southern California Borderland.

I recommend that the May, 1975 lease sale be postponed and that the area be designated as the Southern California Borderland Energy Reserve. The federal government would then immediately undertake an oil and gas survey of the area in order to ascertain as precisely as possible the location and extent of the oil and gas resources thought to be present and attainable from this Reserve. Studies of the environmental, economic and social risks and benefits should be conducted. In general, our effort should be directed toward collecting and analyzing all pertinent information about the Borderland area so that we can establish a reasonable and orderly resource development policy and more accurately judge how the energy resources of the Borderland Reserve rank in comparison with other offshore energy resources, as well as new forms of energy as they are developed.

The threat of a major oil spill on the Southern California coastal zone and the even more certain danger of pollution from very small day-to-day spills underscores the necessity for employing the very strictest environmental safeguards. In a working note prepared for the California Assembly by the Rand Corporation on the environmental implications of federal leasing in Southern California waters, it was estimated that as many as *sixteen* major oil spills could occur in the next 40 years based on the assumption that one to five platforms in Santa Monica Bay and three to ten platforms on the San Pedro Shelf would be producing.

I recommend that a decision to begin production from the Reserve be tied to a finding by the Secretary of the Interior that the following eight environmental provisions have been met:

(1) Oil spill containment and recovery technology adequate for Southern California Borderland sea conditions and the rate of flow historically associated with major oil spills (1,000 barrels per day or more) has been developed and made available;

(2) Independent oil consultants of national reputation concur that the characteristics of the specific geological formation to be drilled and produced do not present unusual hazards and indicate sufficient stability for drilling and production without the danger of causing an oil blowout from the ocean floor;

(3) The technology of the offshore drilling provides the optimum in pollution prevention for the specific geological formation to be drilled;

(4) Underwater completion and production techniques have been perfected and demonstrated to be safe and effective;

(5) The location of the drilling site offers no navigational hazards;

(6) The reliability of a proposed drilling or production technology has been established and demonstrated to be safe and effective;

(7) Environmental impact recommendations are filed by appropriate federal agencies or advisory boards in compliance with the reporting requirements of the National Environmental Policy Act of 1969; and,

(8) Public hearings on these matters have been held in Southern California.

These conditions, as well as the concept of the Energy Reserve, are embodied in legislation I have introduced and which is still pending before this Committee to establish a Santa Barbara Channel Federal Energy Reserve. This bill is S. 2339, and the conditions I have outlined above are contained in Section 4.

This Committee has already compiled extensive information about the 1969 Santa Barbara blowout, and I am sure there is unanimous agreement that every effort must be made to prevent a repeat of this disaster. The above conditions under which OCS oil and gas production could be undertaken are the product of many conversations with both industry and environmental leaders, and were developed after the Santa Barbara blowout. I believe they should apply also to the Southern California Borderland.

At such time as the above conditions are met, oil and gas production could begin, stressing a timing and location of leasing that is consistent with sound environmental policy. It is my hope that research in such technologies as downhole safety devices, well control, containment and cleanup, where serious weaknesses now exist, moves forward rapidly so that the conditions I have recommended can be met at the earliest possible date. I would also suggest that any legislation approved by this Committee specifically recognize the need for additional information on marine life, the coastal zone, and commercial and recreational needs.

My next recommendation concerns the system of bidding for offshore leases. The present system of bonus bidding calls for 20 percent of the bonus to accompany submittal of the bid and the remainder of the bonus to follow 30 days after the award of the lease. This effectively limits the bidders to the large companies. As you know, the Department of Interior received a record $2.16 billion in bids for 421,000 acres at the recent offshore Louisiana sale. Smaller firms are perhaps able to participate on a joint venture basis, but they are largely dependent upon the substantial amounts of capital provided by the bigger companies.

I recommend instead that we establish a royalty system where bids are submitted as pledges to provide the federal share in kind or in value when production begins. This would open the door for smaller companies to participate. Criteria could be established by the Department of Interior to insure that only qualified, responsible producers are awarded leases, and with adoption of provisions such as those in S. 3221 that require adherence to a production timetable or termination of a lease with civil penalties for failure to comply, the danger of unqualified producers retaining undeveloped tracts would be minimized.

A sliding scale of decreasing royalty payments could be employed to provide an incentive for recovery of as much of the oil and gas resources as possible and guard against premature abandonment of the lease.

When the federal share of royalty oil is taken in kind rather than in cash value, disposition of that federal share becomes an important issue. The present system of disposition of federal royalty oil is one that works well for small California refiners. At the present time all federal offshore leases with the exception of a few that are tied up in state-federal legal disputes in the Gulf of Mexico are providing the federal royalty share in kind rather than in value, and making it available to small refineries who can demonstrate a need for it. This practice has been extremely important to the small refiners, those with a capacity of less than 30,000 barrels per day and employing less than 1,000 persons. I recommend that this practice be embodied in law. Although the definition of a small refiner could be enlarged to increase the number of eligible refineries, a provision should exist to make some portion of the product available to small refineries on a permanent basis.

Regardless of the amount of OCS land leased, the practice of providing the federal royalty share in kind is a sound one. Small refiners who have difficulty purchasing crude can be assisted to remain competitive, and the remainder of the product can always be sold on the open market by competitive bidding, as provided for in Sec. 204 of S. 3221. Overall competition in the oil industry will be enhanced.

The legislation pending before this Committee recognizes the importance of our offshore resources, the need to develop them with utmost precaution, and the impact of this development on the coastal states. On April 18, the California State Assembly unanimously passed a resolution urging that the State be allowed to participate in decision making relating to the leasing of offshore oil and gas resources. This is a reasonable position and the State's interest in OCS matters should be recognized in OCS legislation.

My remarks today refer to only a few of the legislative provisions being considered in these hearings, but I support the comprehensive approach of S. 3221, the Energy Supply Act. Its provisions for a leasing program, equipment and performance standards, lessee liability and enforcement of regulations are particularly important for maximizing protection. Congress must give the Department of Interior specific guidance on OCS resource management and I agree this must be undertaken carefully. In addition, I urge that immediate steps be taken to protect the Southern California Borderland from premature development.

Mr. Chairman, the resources of the Outer Continental Shelf cannot be viewed in isolation. Although the need for improved OCS regulation exists, development should be weighed against the development and improved recovery methods of other energy resources such as coal, the many uses of the coastal zone, and the effects of energy conservation. The energy crisis will be with us for many years, and we cannot afford to sacrifice our environment to temporary solutions.

JEWISH EMIGRATION

Mr. HASKELL. Mr. President, the 1974 session of the Senate of the 45th General Assembly of the State of Colorado assembled in Denver has adopted Senate Memorial No. 3 memorializing the Congress of the United States to enact legislation concerning Jewish emigration. I offer this memorial for the consideration of my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

SENATE MEMORIAL NO. 3

Memorializing the Congress of the United States to enact legislation concerning Jewish emigration

Whereas, There is pending in the United States Congress a bill to prohibit most-favored-nation treatment and commercial and guarantee agreements with respect to any nonmarket economy country which denies to its citizens the right to emigrate or which imposes more than nominal fees upon its citizens as a condition to emigration; and

Whereas, There are three million Jews in the Union of Soviet Socialist Republics; and

Whereas, There are many thousands of Jews in the USSR applying for visas to Israel and other countries; and

Whereas, It has been the policy of the USSR by fees and other red-tape matters to discourage and prohibit those people from migrating; and

Whereas, These people have the desire to leave the USSR and migrate to Israel and other countries; now, therefore,

Be It Resolved by the Senate of the Forty-ninth General Assembly of the State of Colorado:

(1) That the Congress of the United States is hereby memorialized to enact legislation whereby:

(a) Products from any nonmarket economy country shall not be eligible to receive most-favored-nation treatment, such country shall not participate in any program of the Government of the United States which extends credits, credit guarantees, or investment guarantees, directly or indirectly, and the President of the United States shall not conclude any commercial agreement with any such country during the period beginning with the date on which the President determines that such country:

(I) Denies its citizens the right or opportunity to emigrate;

(II) Imposes more than a nominal tax on emigration or on the visas or other documents required for emigration for any purpose or cause whatsoever; or

(III) Imposes more than a nominal tax, levy, fine, fee, or other charge on any citizen as a consequence of the desire of such citizen to emigrate to the country of his choice; and

(b) The period of such sanctions shall end on the date on which the President determines that such country is no longer in violation of subparagraph (I), (II), or (III) of paragraph (a) of this subsection (1).

(2) That in the event such legislation is enacted, the President is urged to find that the Union of Soviet Socialist Republics is in violation of the conditions set forth in subsection (1) (a) of this Memorial.

Be It Further Resolved, That copies of this Memorial be transmitted to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, to each member of Congress from the State of Colorado, and to the President of the United States.

POLISH-HUNGARIAN WORLD FEDERATION

Mr PERCY. Mr. President, at a meeting of the Polish-Hungarian World Federation and Affiliates in Chicago on May 25, 1974, a resolution was passed stating that many Poles, Hungarians. Lithuanians, Estonians, and Latvians are still interned in labor camps, and asking the administration, the Congress, and the United Nations to work for their release and emigration.

The resolution also appealed to the administration and the Congress to intervene with the Government of the Soviet Union on behalf of freedom and self-determination for the peoples of East Central Europe and the Baltic States.

The president of the Polish-Hungarian World Federation is Dr. Karol Ripa, whom I have known and admired for many years. His meeting on May 25 was attended by official representatives of many organizations in this country, Canada, and Western Europe. I have always been impressed with the depth of feeling, conviction, and dedication of these leaders of some of our most distinguished ethnic heritage groups.

UNAVAILABILITY OF A DEFENSE PRODUCTION ACT PRIORITY FOR COMMERCIAL SHIP CONSTRUCTION

Mr. BENTSEN. Mr. President, I am deeply concerned by a recent decision of the Department of the Navy to block a Defense Department priority for the construction of six new ultra large crude carriers (ULCC). I am referring to the recent announcement by the Todd Shipyards Corp. that it is postponing its plans to build a new $100 million shipyard at Galveston, Tex., and dropping plans for the construction of six 400,000 deadweight-tonnage tankers.

These supertankers would have been the largest ever built in the United States and this new shipyard would represent a major new shipbuilding capacity for the United States.

The Navy has taken the position that supertankers have no direct military application and, therefore, do not qualify for a priority under the Defense Production Act. The Navy in effect takes the narrow view that unless a ship can be directly used by the military services it does not meet the criteria which would warrant a priority under the Defense Production Act. I question this strict Navy interpretation of the Defense Production Act and I strongly disagree with the judgment of the Navy that supertankers do not meet an essential national priority.

The Nation has a need for these supertankers; that is obvious to any observer. The United States will import 38 percent of its required petroleum in 1974 from abroad. A large percentage of that crude oil will come from the Middle East and supertankers are by far the most economical and efficient means of transporting this petroleum to our shores. Even if Project Independence is successful as I hope that it will be, we will still import substantial quantities of oil.

It is important for the United States to have the capacity to compete for adequate petroleum supplies abroad and to deliver those supplies to the United States in an economical fashion. In order to meet this requirement petroleum producing companies have undertaken the construction of hundreds of ULCC's around the world. The U.S. Maritime Administration has before it 62 requests by U.S. companies to build these giant tankers. A priority for steel under the Defense Production Act means the difference of whether these ships are built here or if they are built abroad. The difference between them flying an American flag or some other nation's flag.

The granting of a priority under the Defense Production Act for the construction of these new supertankers, Mr. President, could mean the difference between billions of dollars in ship construction and thousands of shipyard jobs remaining in the United States or going abroad.

The Navy certainly has a legitimate concern for the completion of its own shipbuilding program and I believe the record will show that I have been a strong supporter of that program. The question I would pose, however, is how sensible is it for the United States to build a strong Navy to insure our access to the sea while at the same time we fail to build the necessary ships to make use of those protected lanes of shipping. The Navy, for instance, is seeking an expanded base of operation at Diego Garcia to protect, among other things, the shipping lanes from the Middle East, through the Indian Ocean. The ships the Navy expects to protect are the very supercarriers which are being blocked from construction by the position of the Navy on priorities under the Defense Production Act.

Even though the supercarriers will not have a direct military use, they certainly will have an impact on those parts of our shipping and industry which do. The use of supercarriers in a time of national emergency would free smaller carriers, such as those in the 90,000-ton class, which the Navy says would be usable in a time of war as support vessels. The yards built to construct these supercarriers would provide the Navy with a new capacity to drydock Navy vessels, such as aircraft carriers, which can be handled by few U.S. yards at this time. Finally the supercarriers would provide a capacity to move huge quantites of petroleum in a short period of time during any national emergency.

The case I believe is clear then that the Navy is allowing an overly strict interpretation of the Defense Production Act to impede a critical national need for the construction of crude carriers in U.S. yards. I do not believe that we in the Congress should allow such an important decision affecting such vital U.S. interests to be determined by a nitpicking interpretation of the Defense Production Act. We need these ships, these ships should be built in U.S. yards and if an amendment to the Defense Production Act is necessary to accomplish that purpose, then I believe the Congress should act swiftly to approve one.

I ask unanimous consent that a recent article from Business Week magazine on this subject be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

THE SUPERTANKER STEEL SQUEEZE

"I had nothing to do with it," said crusty, 74-year-old Admiral Hyman G. Rickover, who is as legendary as the late J. Edgar Hoover in getting his own way in Washington. "How can I block a Defense Dept. priority?" he wanted to know.

In fact, however, Rickover, the Navy's nuclear chief and a man of strong convictions, was a key, undisclosed force behind last week's tersely worded announcement by Todd Shipyards Corp. that it was ditching an $800-million program it had been working on for more than a year. The reason: The Defense Dept. refused to grant the company a priority to get steel under the Defense Production Act of 1950.

Todd had planned to construct a new $100-million shipyard in Galveston, Tex., where it would build 400,000-deadweight-tonnage tankers, the biggest ever for the U.S. The company already had orders worth $780-million for six of the ships from Exxon Corp., Zapata Bulk Transport, and Central Gulf Lines. Todd was also negotiating with several companies that wanted to build 24 of the mammoth tankers at a potential cost of $2.6-billion. In all, the Maritime Administration has pending requests from companies to build 62 of the giant tankers at a total value of $7.4-billion.

It was not only the initial contracts but also the outlook for additional orders that made the pill hard for Todd to swallow. "We moved heaven and earth to get this authority, and it seems unappealable," says a Todd official. Indications are that that was one of the understatements of the year.

ULTERIOR MOTIVES

Central to the issue are charges by shipyard officials that the Navy wants to slow merchant ship construction because it is having trouble getting competitive bids on the ships it wants to build.

For the shipyards, construction of the highly capital-intensive ultralarge crude carriers (ULCCs) along with liquefied natural gas (LNG) carriers represents one area where U.S. shipyards, which generally have advantageous financing, can compete for orders with foreign yards. Several U.S. shipyards can build LNG carriers, but at present no U.S. yard can handle $100-million and more 400,000-ton ULCCs. However, Newport News Shipbuilding & Dry Dock Co., owned by Tenneco, Inc., is building a $150-million yard capable of building the ships.

Indeed, the new Newport News shipyard is a key factor in the decision to deny Todd a steel priority. Shipyard officials and some government officials contend that the Navy, and specifically Rickover, is miffed at Newport News's decision to jump heavily into merchant ship construction. Traditionally, the yard has concentrated on Navy ships, and it has the reputation of being one of the most competent shipbuilders in the world.

"Rickover contends that we will dilute our expertise by shifting skilled workers to the new yard," a Newport News spokesman says, adding, "We can't seem to convince him this won't happen."

Rickover's denial of Todd's request for shipyard steel is backed up by Chief of Naval Operations Admiral Elmo R. Zumwalt and other Navy brass. The Navy has apparently decided to block all materials priority requests for the ultralarge tankers and LNG carriers. If this position prevails, "it will drive billions of dollars of ship construction to foreign shipyards," says Edwin Hartzman, president of Avondale Shipyards, Inc.

"Without a steel priority," says Hartzman, "you cannot be assured of delivery schedules." Because of the current steel shortage in the U.S., Hartzman reports that his yard is now running almost 25% behind schedule in the construction of two LNG carriers for which the company was denied a steel priority. Avondale's predicament suggests why Todd decided to drop its plans rather than risk building without a priority, which is given to a merchant ship only if the Defense Dept. declares that it has a military value in case of war.

Infighting. The Todd request reflects the Navy squabble between the civilian officials and the brass. Initially, the Assistant Secretary of the Navy for installations and logistics, Jack L. Bowers, sent the Todd request and his recommendation for approval up to the Defense Dept. level, to Arthur I. Mendolia, assistant secretary for installations & logistics. Bowers was so certain that the application would be approved that he informed the office of Senator Lloyd M. Bentsen (D-Tex.) that there were no more problems. But Bowers underestimated the power of the admirals. Despite Rickover's vehement claim that he had nothing to do with the decision, Mendolia openly admits that Rickover was present along with Zumwalt and Bowers when Mendolia made his decision. Asked whether Admiral Rickover was against granting the priority, Bowers admits: "Sure, Rickover was against the priority," and, he adds, "I won't deny it [the request] might not have gone the other way without him."

Mendolia explains that in reversing the Navy's recommendation for approval, he was "restricting our interpretation of the Defense Production Act of 1950 to its narrowest sense that each ship must have a direct military value." Bowers had reasoned that in the broad context of the act, such ships would be useful to supply the industrial base with fuel in time of war.

Helping to seal the fate of Todd's request, Representative Wright Patman (D-Tex), chairman of the House Banking Committee, wrote Mendolia strongly suggesting a narrow interpretation of the act. Patman's committee wrote the original act, and it comes up for renewal next month. "Patman wrote the letter," says a shipyard official, "at the request of Rickover." Patman's district would not benefit from the Todd contract.

"This situation has reached the stage that it has got to be brought out in the open and cleared up," claims a shipyard official. But he as well as other ship construction officials are loath to be the one to openly push the issue. That reticence is understandable. Rickover's roughshod dealings with shipyards is legendary. Says one official: "If he decides to bother you, he knows how."

SPORTS EVENTS ON CABLE TELEVISION

Mr. HUGH SCOTT. Mr. President, on June 6, 1974, the Senate Judiciary Committee will meet to consider the copyright revision bill, S. 1361.

A subsection of S. 1361 which deals with cable television has caused some concern.

On May 16, 1974, I inserted in the RECORD a letter and memorandum by Mr. Bowie Kuhn, the commissioner of baseball. Mr. Kuhn outlined the position of professional baseball vis-a-vis baseball telecasts and cable television.

Recently, I received a similar letter and position paper from Mr. Pete Rozelle, commissioner of the National Football League. At one point in his letter Mr. Rozelle states:

> Contrary to representations that might have been made to you or your staff by cable television interests, the existing language in S. 1361 should not deprive a single television viewer of this substantial offering of live NFL game telecasts. It is true that some communities do not receive one or more of the network signals off the air. But I state unequivocally that in these communities we fully support the effort of cable television systems to provide that missing service. A good example is the Monday night telecast on ABC. Any community that now receives those telecasts only via cable would continue to receive them if the current language in the bill is preserved intact, notwithstanding any language in S. 1361 that might be construed differently. Likewise, in communities that do not receive ABC either off the air or on cable, we would welcome cable making up this loss. And we would impose no conditions of payment or demand any other price.

I am happy that Commissioner Rozelle has expressed his desire to have the views of the National Football League concerning sports and CATV on the public record.

I commend his letter and position paper on section 111(c)(2)(c) to each Senator's attention. I ask unanimous consent to print the letter and memorandum in the RECORD.

There being no objection, the letter and memorandum were ordered to be printed in the RECORD, as follows:

THE NATIONAL FOOTBALL LEAGUE,
New York, N.Y., May 22, 1974.

Hon. HUGH SCOTT,
U.S. Senate,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR SCOTT: It is my understanding that the Judiciary Committee will soon be considering S. 1361, the revision of existing copyright law, including the provisions relating to cable television, or CATV. My purpose in writing is to express my earnest hope that in dealing with these provisions you will affirm the action of the Copyright Subcommittee insofar as cable carriage of professional football telecasts are concerned.

Two very notable facts about NFL game telecasts must be kept firmly in mind. The first is that unlike a movie or syndicated series program, the telecast of any sporting event has very little value after the game is over. This means that from a copyright point of view, it is important that professional sports teams receive their television revenues almost entirely from the live telecasts of their games.

The second notable fact about NFL games in particular is that with very few exceptions all League season games are played more or less simultaneously on Sunday afternoon and without exception all are televised live to substantial parts of the American television audience. In fact, everyone who can receive either a CBS or NBC affiliate station on his television set—which is probably everyone who owns a set—is able to see one, two or three NFL games every Sunday afternoon in the fall, and everyone who can receive an ABC affiliate station may see the popular Monday night game telecast except those in the immediate area of the game itself if it is not sold out.

Contrary to representations that might have been made to you or your staff by cable television interests, the existing language in S. 1361 should not deprive a single television viewer of this substantial offering of live NFL game telecasts. It is true that some communities do not receive one or more of the network signals off the air. But I state unequivocally that in these communities we fully support the effort of cable television systems to provide that missing service. A good example is the Monday night telecast on ABC. Any community that now receives those telecasts only via cable would continue to receive them if the current language in the bill is preserved intact, notwithstanding any language in S. 1361 that might be construed differently. Likewise, in communities that do not receive ABC either off the air or on cable, we would welcome cable making up this loss. And we would impose no conditions of payment or demand any other price.

Unless there is a law or FCC regulation, however, that prohibits a cable system located right in an NFL franchise city from bringing in a telecast of that team's home games or of other games, there could be a serious adverse impact on ticket sales. Likewise, if cable systems located in other cities can carry numerous NFL game telecasts in direct competition with the live telecasts that are already available on nearby television stations, there would likely be a substantial impact not only on the economic value of our television package but also on other important values. For example, the networks now make each team's away games available in its home city and in the region in which that city is located. This results from a requirement we impose. Thus, if the New England Patriots are playing in San Diego, NBC must bring that game back to the Boston area, despite the costs, and in the face of competition from the game there on CBS. But if cable were allowed to bring more games into that area, NBC's audience would be still further diluted, and there would be increased pressure to save all the costs of bringing the Patriots' game to its fans back home. The loss here, though not financial is nonetheless severe.

Our objective is not to deprive any fan of what he can see on regular television or on cable which is extending television signals to those in truly underserved areas. Nor is our objective to hurt an industry which appears to have a good many beneficial aspects. Our objective instead is to prevent that industry from building its own fortunes by undermining the rights of National Football League teams, distorting our existing television distribution patterns, and causing services economic harm—in short, from using our own product against us.

The foregoing has been a somewhat abbreviated summary of our position. Enclosed herewith is a more detailed memorandum reflecting our position on this matter. Should you want or need still further information, our Washington counsel, John Vanderstar 293-3300), is in a position to provide it promptly if you or your staff will simply give him a call. Ultimately, when the time comes to vote on S. 1361, I hope you will keep these points in mind and will support the Subcommittee bill insofar as it relates to cable television carriage of professional sports telecasts.

Sincerely,

PETE ROZELLE,
Commissioner.

MEMORANDUM

In considering the subject of professional sports telecasts and CATV in the context of S. 1361, we will review the legal background of the National Football League's existing television practices, then discuss the economic and other reasons for those practices, concluding with a description of how unrestricted CATV will disrupt those practices to the prejudice not only of the teams themselves but also of their fans and the public generally.

BACKGROUND—JUDGE GRIM'S DECISIONS AND PUBLIC LAW 87-331

The starting point for consideration of the merits of the National Football League's present television policies is *United States* v. *National Football League,* 116 F. Supp. 319 (E.D. Pa. 1953). At that time, the member clubs of the NFL were selling their television rights individually. They were also operating under Bylaw agreements the effect of which was to accord to each member club of the League exclusive television rights within its own home territory. This Bylaw agreement was viewed by the Department of Justice as an illegal allocation of television marketing territories.

The Federal District Court decided the case partly in favor of the member clubs and partly in favor of the Government. The Court concluded that it was reasonable to accord each member club exclusive television rights within its home territory when that club was playing a game at home, but that it was not reasonable to accord it exclusive television rights within its own home territory when it was playing a game away and simply carrying its own away game back on television.

This litigation was in no way concerned with the right of the member clubs which are participating in a game to make the decision not to telecast their own game locally. The decree itself specifically excluded from its application all agreements between the clubs participating in any game with respect to where, when, and how their game would be broadcast or telecast.

Since this litigation was concerned solely with the National Football League, the decree applied only to it. When single network sale practices by sports groups became relatively common in later years, the NFL alone was confronted with limitations. No court had ever directly concerned itself with the antitrust implications of joint sales of television rights by the member clubs of a sports league, but the Philadelphia District Court, on petition by the NFL, concluded that it was bound by the terms of its earlier decree. 196 F. Supp. 445 (E.D. Pa. 1961)

The League therefore petitioned Congress for relief. But the relief sought was not protection of its "blackout" privileges or confirmation of its "blackout" rights. These were either inherent in the situation or already protected by court decision. What the League sought, and what Congress granted, was the right of the League to reestablish a reasonable level of control over its own patterns of telecasts—a control which the League could not hope to exercise while its fourteen member clubs were required to deal individually with the limited network facilities available. Evidence had been offered to both the District Court and to the sponsors of the legislation that continued sales of television rights by the clubs individually would inevitably result in lost television values, an endless fragmentation of television audiences for NFL games, a loss of the League's ability to require the networks to carry each away game of each NFL team back to its home territory, a disruption of the League's regional network programming, and even the inability of some clubs to acquire access to television facilities—all resulting from the League's inability to control its own patterns of telecasts.

In enacting Public Law 87-331 in 1961, therefore, Congress was not concerned with "blackout" issues but with the grant of authority set forth in Section 1—the authority granted to the members of a sports league to act jointly in the sale of their television rights for the purpose and with the effect of reestablishing control over their own patterns of telecasts. It was recognized by all concerned that sales by the League to a single network (such network would have only one local affiliate in each television market) would inevitably have the effect of reducing the number of NFL telecasts which would be available in many markets. But it was felt that the increased ability of the League to impose affirmative regional network obligations on its purchasing network and to restore order to its television patterns justified this effect. And the NFL promptly concluded a television contract following this philosophy. The American Football League, which was then separate, entered into a similar contract with a different national network.

THE NFL'S EXISTING TELEVISION POLICIES

The National Football League's television programming is unique in two respects: (1) its games have their primary audience interest only when telecast "live"; and (2) as many as twelve NFL games are played and broadcast either simultaneously or in overlapping time periods on each Sunday afternoon. (We are of course speaking here of the 26-team League that has come about after the dissolution of the AFL.)

The National Football League now makes use of the services of two different national television networks for the coverage of these Sunday games (plus the popular Monday night game on the third network). As a result, as many as two NFL games are available to home viewers in each NFL home territory on a Sunday when the home team is playing at home, as many as three NFL games are available within home territories on a Sunday when the home team is playing away, and as many as three NFL games are commonly available on each Sunday afternoon in television markets not located within member club home territories. This is quite enough to serve any public interest (there are those who believe it is already too much). It is difficult to understand why any outside interest should have the privilege of altering this pattern without the League's permission.

The structure of television distribution of NFL games is grounded in four basic principles:

The first is to make live game telecasts available on free television to as many fans as possible without undermining other important objectives. To this end, all regular season games and post season championship and all-year games are made available to the national television networks to televise on a live basis (many preseason games are also telecast by the networks and the clubs on a live basis). To the extent CATV can further this purpose without undercutting other important principles, the NFL does not oppose and indeed would welcome such activity. Thus, for example, a CATV located in an area that cannot receive the Monday night game off the air (other than "the area where the game is being played") would meet no opposition (or demand for payment) from the NFL.

The second is to preserve as much as possible the essence of a professional football game—a stadium full of interested fans, rather than a sound stage for television productions. To this end, a team's home games are never telecast within the team's home territory because of the extremely adverse impact such a practice would have upon ticket sales and stadium attendance, except when sold-out games are telecast under Public Law 93-107. (In the late 1960s, the NFL voluntarily abandoned its practice of excluding outside NFL games from home territories when a home team is playing at home. As a consequence, at least two other NFL games are available to home terrritory television viewers whether the home team is playing at home or not.)

The third is to maintain a regional network structure that provides roughly equal television exposure to all teams, regardless of their won-lost records in particular years. This is one of several efforts the NFL makes to promote and maintain substantial equality of member teams, which in turn produces more vigorous competition on the playing field and increased fan interest and excitement.[1] To this end, the television networks are required to bring each team's "away" games back to the team's home city (which as a practical matter becomes the center of that team's regional network).[2]

The fourth is the protection of attendance at college and high school football games from the adverse impact live telecasts of NFL games might cause. This is directly required by Section 3 of Public Law 87-331, as amended, 15 U.S.C. § 1293, and the NFL imposes restrictions on the television networks (and upon its own member clubs) to carry out this public policy.

These four principles of NFL television distribution are all specifically oriented toward one or more aspects of the public interest. But there are economic values involved as well, for the television networks pay substantial sums for the rights to televise NFL games live each weekend. And the revenue from these television contracts is an important source of the funds that are needed to continue to meet the heavy expenses—for player salaries, equipment, stadium rentals, etc.—plus whatever returns the club owners enjoy on their investment. This, too, is a major consideration for without it there would be no teams and no National Football League.

HOW UNRESTRICTED CATV CAN UNDERMINE THE NFL'S TELEVISION POLICIES

The NFL's primary concern (apart from home game telecasts on top of the games themselves) is with the regional network structure. It will be recalled that the networks must televise *every NFL game*—normally 12 games every Sunday—live in the home cities of the visiting teams. To carry out this requirement, the networks must incur substantial costs (for extra broadcast crews, line charges, etc.) which could be avoided if only one or a few games were telecast nationally each Sunday afternoon.

But the networks receive for these regional telecasts at least that degree of exclusivity which results from there being no more than one primary affiliate of each network in each city. This permits, among other things, the sale of advertising time to local and regional sponsors, who might not otherwise be able to participate in NFL game telecasts and who provide an important source of revenue to the networks and their affiliated stations.

What happens if CATV is allowed to carry NFL game telecasts without adequate restriction? The answer is clear: The network that once had, for example, the exclusive attention of football fans in a given area—subject, of course, to the competition of the other "Sunday network"—now finds any number of extra games brought in on the cable, fragmenting the audience and diminishing the value of its regional advertising spots, and the affiliated station finds the value of its adjacencies considerably diminished.

The impact on professional football would be quite disruptive. The networks could well decide that since CATV is not required to respect their exclusivity, the additional costs of the regional network structure are too onerous. Pressure to give up regional networks would mount, and the important objectives this structure is designed to promote would be endangered. And for what? Nothing more than the availability—on cable and for pay—of four or six or eight NFL game telecasts in the same city at the same time. We think the public is far better served by maintaining the existing system.

Another element of unfairness is the concern of television stations in NFL cities. These stations can carry home games of the local club only when they are sold out pursuant to Public Law 93-107. Yet if CATV is not adequately restricted, it would be able to carry home games that are not sold out.

Another principle that unrestricted CATV would undermine is the protection of college and high school football game attendance. Sharing their stadiums with baseball teams and other tenants, the NFL teams cannot in every instance avoid scheduling conflicts with the colleges and high schools. They can meet their responsibilities in this area only by controlling their own patterns of game telecasts.

Finally, the overall economic values of the NFL's television package are a matter of concern. The discussion of the regional network problem above provides an example of how CATV, if not adequately regulated, could affect the value of game television rights by destroying the exclusivity the networks bargain and pay for. When this is multiplied by the enormous number of CATV systems carrying distant signals which the present FCC cable rules are likely—and, indeed, designed—to stimulate, it can be seen that the impact on the networks' willingness to continue to pay substantial sums for game rights could be truly staggering.[3] The eventual impact could be the opposite of the immediate increase in available games; ultimately, unrestricted CATV could *reduce* the general availability of live professional football games on free over-the-air television. We doubt that anyone could find such a result to be in the public interest.

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[1] Other such policies are the equal division among all clubs of the total revenue from the regular season television package and the giving of higher player draft choices to the teams with poorer won-lost records.

[2] Under a recently developed practice, "double headers" are provided on one network or the other on most Sundays. This provides fans with telecasts not only of area teams when they are playing away games but also of teams playing in other parts of the country.

[3] A recent count indicates that about 193 new CATV certificates of compliance have been issued in the 35-mile zones surrounding the 25 NFL cities, and of course many hundreds more have been issued in other areas.

CONCLUSION

In short, whenever any CATV is given unlicensed access to an NFL game signal under circumstances where, under the League's present television practices, no local station would be authorized to broadcast such game, the following results will be produced:

(1) the local broadcast stations which have purchased the rights to one or more NFL games on that particular afternoon will encounter a form of direct NFL television competition from a television outlet which, unlike the local broadcast stations, has not been required to purchase the rights to the NFL game being telecast;

(2) the sponsors of the local NFL game telecasts on the standard broadcast stations will be deprived of whatever level of exclusivity the League's present network sale patterns afford and thus cannot be guaranteed any level of audience potential for the games they are sponsoring;

(3) the NFL will be unable to guarantee the networks which purchase its television rights any particular pattern of NFL game telecasts within most television markets (without which the networks will lose a firm basis for sales to sponsors);

(4) local and regional sponsors of NFL standard broadcst telecasts (neither NBC nor CBS is today capable of selling all time spots on NFL programming to national sponsors) will be confronted with competing NFL game programming carrying the commercial messages of non-local and non-regional sponsors (to the extent that their own sponsor messages are carried on remote CATV outlets elsewhere, such sponsors will in no way be benefited).

In these circumstances, the networks will ultimately resist continuation of the League's present patterns of multiple-game regional network programming (which is an uneconomic method of programming in many instances), particularly where the television signals of more nearby NFL games are imported by local CATVs. Furthermore, the League may ultimately be forced to abandon its practice of requiring the networks to carry each away game of each home team back to that team's home territory (a total of twelve games each Sunday) in order to limit the number of its game signals available for unauthorized appropriation by CATVs.

What the National Football League requires—solely because of its own unique patterns of multiple-game programming on each regular season Sunday afternoon—is protection against any form of unauthorized competition by CATVs with its own licensed standard broadcast programming. This need would not be met by a rule according the member clubs protections only within their home territories when they are playing games at home; that situation arises in only twelve American cities on any particular Sunday afternoon of the regular season. A broader rule, such as that presently contained in S. 1361, is needed.

WORLD FOOD PROSPECTS

Mr. KENNEDY. Mr. President, as we all know, the world came dangerously close last year to running out of food. And although the current crop appears to have averted disaster, the message of last year remains urgent: the international community must soon come to grips with the need for increased international cooperation over food resources.

In this area, the United Nations Food and Agriculture Organization, FAO, has played an important and creative role. Their information office for North America, located here in Washington, is and has been a valuable resource for information on the world food crisis.

Recently, Mr. Robert C. Tetro, senior economist for the FAO Washington Office, drafted an insightful paper on "World Food Prospects and Problems." I know, Mr. President, that the information contained in this FAO report will be exceptionally useful to my colleagues in the Senate, and I ask unanimous consent that it be printed in the RECORD.

The being no objection, the report was ordered to be printed in the RECORD, as follows:

WORLD FOOD PROSPECTS AND PROBLEMS

(By Robert C. Tetro)

In spite of 1973's increase in food production the world situation remains highly precarious. Import demand for grains continues to run high, stocks have dwindled and world market prices remain at relatively high levels.

In 1973 farmers and governments did their best to expand production in a situation of short supplies and high prices. Their efforts had to succeed if the world's basic food requirements were to be met because of the low level of opening stocks. The outcome of the 1973 cereal harvest was awaited with great anxiety; a crop failure in just one single major producing area would have seriously jeopardized the world's food security. Fortunately, the worst did not occur. Good or even excellent crops were harvested in most parts of the world, with record crops in the U.S.A. and the U.S.S.R. The good monsoon in Asia removed the danger that exceptionally large imports of food grains again would be required by these populous regions, grains which simply would not have been available in world markets. Some factual details on what is happening are needed here before getting into what might be done nationally and internationally about man's competition with animals for scarce grain supplies.

AFRICA STILL SERIOUS

World food production is estimated to have increased by 4 percent (Table 1) in 1973 compared with a slight drop in 1972. At the per capita level, production went up by two percent. There were relatively good results in 1973 in both developed (up 5 percent) and developing regions (4 percent). However, production fell in two regions—Africa and the Near East—by 3 and 5 percent, respectively. The most serious situation was, and still is, in Africa where this drop in production followed a year in which most countries of the continent made little, if any, improvement. The African per capita production level in 1973 was some 5 to 6 percent below that of 1961–65. Drought was mainly responsible for this discouraging situation, not only in the Sahelian zone but in other countries of West Africa and also in east and southern Africa. The drop of 5 percent in the Near East is not as disappointing as it may first appear, as production in 1973 is compared with a year in which there had been an exceptionally large increase. Production was still higher, by about 2 percent, than the previous record level attained in 1971, although the per capita production was slightly below that of 1961–65. Clearly, little progress has been made recently in per capita food production in either of these regions (or in most of the other developing regions for that matter).

The best result in the developing regions was in the Far East (total up 10 percent) where favorable monsoon conditions led to excellent grain crops especially in India, Bangladesh, Thailand and the Philippines. Nevertheless the recovery from the poor results of 1972, when production fell 3 percent, only brought per capita output to 3 percent above the 1961–65 level. In Latin America, total production rose by 4 percent which contrasted favorably with near stagnancy of the two previous years and yet left per capita production only equal to 1961–65.

There was a 3 percent gain in China where a record grain harvest slightly more than 250 million tons helped to overcome the setback caused by drought in 1972.

The best result in the developed regions was in eastern Europe and the U.S.S.R. (latest estimate, up 10 percent) where the record Soviet grain harvest of 222 million tons, one-third larger than in 1972, was a major factor. There was a good recovery too in Oceania from the drought-stricken level of 1972. The Australian wheat crop of about 11 million tons was some two-thirds larger but livestock production, especially of mutton and lamb, was down slightly. In western Europe and North America harvests were generally good to excellent, although livestock production increased only slowly.

World supplies of grains remain very short in relation to demand despite increases in world production of wheat and coarse grains in 1973 by about 9 percent and 6 percent respectively. (See Tables 2, 2A and 2B.) Two-thirds of that increase was due to a record crop in the U.S.S.R. and there are no indications yet what that increase may mean to the U.S.S.R. or its trade. For the rest of the world, growth in production was only 3 percent for wheat, and 2 percent for coarse grains, which is not sufficient to offset the heavy fall in exporters' opening stocks. Total grain availabilities in 1973–74 will, therefore, be less than they were in the previous season, and import demand can be met only by means of a further fall in exporters' stocks to near minimum levels. The world will thus remain dependent for its food supplies in 1974–75, to an even greater extent that it was last year, on the performance of the new crops.

World trade in wheat and flour in 1973–74 is still expected to be close to 65 million tons provided sufficient wheat is released from stocks during the remaining months of the season, and wheat movements are not materially affected by strikes, shortage of bunker fuel, or delays in delivery dates for shipments already contracted. Trade in coarse grains is expected to rise substantially above the level of 57 million tons reached in 1972–73, owing to an upward trend in demand for grains as animal feed, poor coarse grain crops in a number of developing countries, and continuing tight supply-demand situation for wheat and rice. Larger shipments are expected to western Europe and Japan as well as into Latin America, Africa and Asia, including China, which is emerging as a large importer this season. Aggregate export availabilities in countries other than the United States are at present estimated to be the same as in the previous season, so that any substantial increase in the volume of trade in coarse grains would depend on a further rise in United States exports.

RICE SUPPLIES TIGHT

World rice supplies were extremely tight during the last quarters of 1972. (See Table 3.) The poor crop in 1972 had left Asian exporters with very little rice for shipment during 1973. Most importers found themselves with a considerable part of their import demand unsatisfied, and in the last quarter of the year shortages became even more pronounced in some countries. Stocks were nearly exhausted and a growing imbalance between supply and demand pushed world market prices to levels which were three times as high as a year earlier.

Fortunately, world paddy output in 1973 (which will be avaliable for consumption and trade in 1974) not only recovered from the 1972 setback but may have reached a new record. Preliminary estimates indicate that output may be about 310 million tons compared with 294 million tons in 1972, an increase of some 5 percent. (The previous record was 309 million tons in 1971.) The big increase in world output was due not only to favorable weather in most producing countries, especially in the Far East, but also the response of producers to sharply increased prices realized during 1973, as well as to policy measures, including relaxation of acreage controls and considerable increases in support-procurement prices.

The excellent 1973 rice crop has improved the situation, particularly in the Far East, but the effect on prices is likely to be limited, as import demand is continuing strong for precautionary reasons. Demand for stock replenishment is, indeed, likely to be very substantial in 1974 as several governments—especially, though not exclusively, of importing countries—have decided to increase stocks to build up reserves. At the same time owing to heavily depleted stocks in exporting countries, export supplies may not rise as much as production. In view of these factors, prices, although likely to decline from the unprecedentedly high levels of 1973, may remain considerably above those of 1972, at least during the first half of 1974. High prices and continuing tight supply/demand situation of other cereals, especially wheat, may also contribute to keeping rice prices relatively high. The outlook for the second half of 1974 will depend largely on the monsoon in Asia, the main rice producing region in the world.

The food situation is particularly difficult in those countries where poor crop conditions at home have coincided with short supplies and high prices of basic food abroad. Throughout 1973, poor crops and food shortages were reported for an unusual number of countries. Perhaps even more significantly, food shortages and high consumer prices are not limited to those areas where crops and livestock production were cut by unfavorable weather. Their effects are being felt the world over, even in exporting countries. Consumers in rich countries of the West have organized boycotts against meat and in some countries of the far East (particularly India) and Latin America, serious food riots have occurred.

GOOD PROSPECTS FOR 1974 DESPITE OIL CRISIS

Record world crops will be needed in 1974 to make ends meet in the coming season, and to make at least a modest start towards the replenishment of stocks. Fortunately, there are good indications of record crops. The area sown to winter grains was greatly expanded in the United States, crop conditions are generally good, and farmers' sowing intentions point to larger spring plantings. However, apart from weather conditions, there is one additional, new factor influencing the food outlook: the oil crisis in all its various aspects. Not much is known about the likely availability and prices of such essential inputs as fertilizers and fuel in individual countries and regions, although the total used will be higher. The effect of these new developments on the world food situation cannot be fully assessed yet. However, it is clear that high oil prices will put a terrific strain on the balance of payments of many developing countries. For some it will mean curtailing both imports and production of fertilizers, thus reducing yield prospects. Forecasts for the Indian spring grain crops have already been lowered on this account, and the main rice crop harvested in the autumn is likely to be affected as well.

The new season is approached with anxiety, as the world population steadily expands and food stocks are almost exhausted. If all goes well, there will be an easing of the situation, somewhat lower prices, and, hopefully, some replenishment of stocks. But once again, a major crop failure could bring about a serious food crisis which would require large-scale international cooperation if mass starvation were to be avoided. Even average crops would pose difficulties, because there will be no stocks left to supplement current production.

SHORTAGES: TEMPORARY OR CHRONIC?

This brief but gloomy survey of the world food situation inevitably leads to the question: "Are these shortages temporary or chronic?" There have already been many dismal forecasts, which only add to the depressing climate generated by the energy crisis.

Whichever attitude is adopted it does seem clear that a fundamental change has recently occurred in the world's food economy, characterized by growing instability in commodity markets. The margin between surpluses and shortages has become very thin with the depletion of North American grain stocks which had cushioned the world against food shortages and price fluctuations for two decades. Now, small fluctuations in production of North America or such countries as the U.S.S.R., India and China can have a very large impact on international food prices and trade in foodgrains. The precarious nature of food balances and the slimness of this margin were demonstrated in 1973 as world grain stocks were at their lowest point in a generation, equal to only seven weeks of world's annual consumption.

To say, as Malthus did nearly two centuries ago, that the world's population is limited by its food supplies does not set any precise limit on either population or food. When Malthus spoke world population was about one billion. Today it is approaching four billion (probably better fed), a number that will be doubled shortly after the turn of the century. From another perspective, qualities of life and diet create sharp differences in the adequacy of any given food supply. For example, if we measure food availability by grains alone, 1973 production would have fed about 1.4 billion people at the North American "rather high on the hog" levels of one ton of grain per person per year. Of that ton, most is consumed indirectly after being converted to livestock products. In contrast, the same grain supply consumed at the Asian level of some 400 pounds per person, could have supported a population of 7 billion, and livestock products would have been almost insignificant in the diet.

In the longer run, the food prospects for the world continue to be of growing concern, with cautious optimism on the adequacy of global food resources. All statistical projections point to larger supplies of grain and oilseeds and to probably modest increases in food availability. However, I would prefer to state a corollary that the serious food shortages on a global scale are likely to be more frequent. The caution arises from a number of questions and responses, such as:

1. Is there a reasonable prospect that population can soon be controlled? Probably not.

2. Can increased food from developed countries and developing countries be distributed to meet all foreseeable needs? Only with great difficulty and substantial improvement in developing countries' technology.

3. What are the more serious immediate problems for world food technology?

a. Water Conservation.

b. Improved fisheries culture—sea and fresh water.

c. Increased fertilizer production *and* improved use.

d. New impetus to the Green Revolution.

e. A food security system that includes provision for disaster relief.

f. Global adjustment of production and trade to achieve the most efficient use of food resources.

A summary of present thinking on the supply of and demand for food points to a concern relative to availability and cost which seems to grow in direct proportion to population increases. It is fortunate that agriculture deals with renewable resources that are responsive to intelligent handling; however, present famine threats and unusual price changes suggest the need for the closest cooperation among governments.

WORLD FOOD CONFERENCE

A product of the concern, and almost panic, that arose from the '72–'73 food events was a United Nations' decision to hold a World Food Conference. Such a Conference was proposed by Secretary Kissinger in his maiden speech to the United Nations General Assembly, supporting an earlier resolution from Algiers by the unaligned nations of the world. The Conference will be held in Rome at the headquarters of FAO and will be under the auspices of the United Nations. An early preparatory meeting has agreed on a rough outline of the program which will:

1. Assess the present and prospective adequacy of food production.

2. Outline programs, both national and international, that will increase the production of food and improve its marketing.

3. Appraise and probably approve a proposal for the creation of a food security system providing for emergency reserves, food aid for both disasters and the chronic indigent, and possibly, a formal global scheme for preventative action aimed to mitigate disasters.

4. Consideration of some international approaches, in both production and trade, to improve the use of resources in food production.

In its assessment of the present situation the Conference is likely to underline my conclusion that present levels of living and constantly higher populations tend to decrease the already thin margin between food supplies and needs and to increase the frequency of serious food crises.

BASIC FACTORS IN SITUATION

In assessing longer-term prospects there are two major demand factors and at least four supply factors that need to be considered. Let's take a brief look at these.

On the demand side, and by far the most important single factor, is the steady and alarming increases in world population. (See Chart.) With nearly four billion people in the world, one is conservative to put the annual increase at 70 million persons who, even at our Asian grain equivalent measure, add an additional annual demand of some 15 million tons. The other major factor in demand has been the improvement in incomes and diets that was rather steady up until two years ago. Lester Brown of the Overseas Development Council adding these two together estimates an annual grain-equivalent increase of 30 million tons*, of which 8 million he attributes to improvements of diets, meaning largely consumption of more livestock products. A footnote on population lies in the steady shift toward developing countries, which with birth rates nearly double those of the developed countries, are steadily increasing their "majority" position.

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*This probably high number consumes grain at the world average of 700 pounds per person.

The supply factors are land, water, other inputs (including fertilizers) and management. The impact of these on supply has generally been good with total world food production in 1973 nearly one-third higher than '63 and much higher than 1953. (Table 4.)

Even on a per capita basis, the world situation looked pretty good with a global increase of one-sixth over 1953. However, over that 20-year period, less developed countries, where the most hungry of the world are concentrated, increased per capita food production only seven percent, and in 1972, a bad year, fell back to the meager levels of 20 years earlier.

While the assessment of resources available for food production is continuously changing, the changes have been nearly all in the direction of greater availability. (Malthus knew of North America but not of its fantastically fertile heartland.) Since World War II agronomists have doubled from some 3½ to 7 billion acres their estimate of soils available for food production. Much of the addition comes from a better understanding of tropical soils. Water has always, but perhaps arrogantly, been presumed to be readily available and with costly economical desalinization schemes probably could meet foreseeable future needs. The same is true of most other inputs, including fertilizers, although once again at constantly rising prices. The main problem seems to be with people and management science where some analysts predict the greatest defects are to be found.

GREEN REVOLUTION: SUCCESS OR FAILURE?

Particularly during the serious food doubts of a year ago, the critics were pouncing on the Green Revolution, wondering "what it was, if it ever had been". Actually, the Green Revolution probably prevented disasters in 1972 and has been fully as successful as had been anticipated by qualified observers many years ago. One analyst points to India's increases in wheat production from 1965 to 1972 which alone added 14 million tons to 1972 availabilities, thus providing the wherewithall for the continued meager existence of the 100 million Indians added to that country's population over the same period of time.

As of 1972–73, a world total of over 80 million acres was planted to high yielding varieties of wheat and rice in non-Communist nations, excluding Mexico and Taiwan. Nearly all of this area was in Asia with most of it in India. Outside Asia some 2 million acres had been planted to wheat, largely in North Africa. The success with wheat has been greater than that for rice, largely owing to differences in the two grains. Rice is an aqueous plant for which management, particularly of water, is highly important. Also, the early direction of breeding may probably have been less successful than hoped for in achieving disease resistance against a wide range of hazards to which oriental rices are exposed. However, even with rice, some yield improvements have been reported and progress in genetics continues.

Management seems the most difficult factor to transfer in the technology package and yet it is the one that becomes essential as production processes become more complicated and costly. I have heard, and believe the comment has no facetious connotation whatsoever, that plant breeders in much of Asia are now stressing the importance of management to the extent that they are building "management resistance" (or poor-management-proof) into their breeding processes. For example, new rice varieties won't wilt so easily if irrigation is late or skimpy and will struggle better against unfriendly weeds that should have been removed. In assessing prospects for the difficult transfer of technology needed in the developing countries, one must eventually become pragmatic and say that "It *shall* be done because it *must* be done!" As an alternative, we always have The Apocalypse.

FOOD SECURITY SYSTEM

Turning for a moment to an alarmingly critical need, let's take a look at the prospects for adequate food reserves. Collective food security on a global scale has been one of the most illusive goals of international agriculture. Better nutrition, better levels of rural living, increased agricultural production, and improved marketing even including commodity consultation—all have been accepted by governments over the quarter century of FAO's existence. Finally, the Conference of 1973 gave approval for a limited scheme for food security as proposed by Dr. Boerma. His plans for food security involved acceptance by all governments of food security as a collective responsibility; reserves are to be undertaken as a national responsibility and created against guidelines developed and approved by governments; new and improved mechanisms will be created for regular reporting of critical information on prospective food availabilities and adequacy; and means to implement agreed plans will be underwritten by all countries.

Included in the food security system will be an undertaking to create reserve protection against emergency shortfalls. In a different category but also to be considered will be some provison for food aid to supplement the inadequate rations of the world's needy, a job made harder by expanding population. Also implicit is the aim to make more specific provisions for food in international schemes for disaster relief. Excluded from the present proposal is any concept of a globally created and controlled reserve. The structure is of national reserves, nationally created and controlled, but within a framework of international guidelines and cooperation.

DIFFERING QUALITY OF DIETS

No assessment of world food prospects can be complete without some measure of the quality and cost of diets, partly to show the differences among countries and partly to demonstrate the existence of what Secretary Butz called the security reserve in the grains now fed to livestock that might be diverted to human use or more efficient livestock use if and when the chips were really down on a world level. It is most difficult to find hard information in this area, so with your permission I would like to develop a number of assorted statistics and attempt a quick deduction from those data we do have. FAO is presently conducting its Fourth World Food Survey and we will know a little more about consumption patterns and elasticities by this time next year.

Some ten years ago, while the world average use of grain for feed per capita was estimated at 95 kilos, the United States was feeding 590 kilos, exceeded only by Canada at 669. (See Table 5.) South Asia and Africa, south of the Sahara, were tied for low at 2 kilos. South Asia, of course, includes India with the world's largest cattle population. Actually, as my friends among the statistical purists would be quick to point out, the comparisons in Table 5 of grain used and livestock products produced that give us this confusing array of numbers, are quite deceiving. Australasia and Argentina, for example, do not finish much beef with grain as does the U.S. and all countries put a lot of their grain and other concentrates in chicken.

While the concept of emergency grain reserves coming from a livestock industry that uses grains heavily may be comforting during critical shortages of grains in storage, the recapture from livestock of such grains would not be quick or easy; however, to get some measure of this possibility, let us take a look at grains and other concentrates fed. Of the total being used, still unfortunately ten years ago, (Table 6), the world was consuming 961 million tons of grain, of which 319.5 was going for feed and the United States fed 113.1 or more than a third of the total. Canada, whose feeding per capita was higher, had a total of 13.2 million tons, a bit more than ten percent of the use in the U.S. While these comparisons seem to castigate the U.S.A. for its wasteful use of grains, one must say that the market created in the United States for livestock products has been demanding this kind of effort and the feeding efficiency of the U.S. industry has improved steadily. The question globally may be at what human or social cost. The worldwide diversion of more and more grain to livestock feeding as affluence rises tends to raise prices to grain consumers and promotes land cultivation for feed rather than food grains. For some soil and climate combinations, this may be the optimum use; however, much of this resource can go either way.

Once we have decided to push livestock feeding, there are many ways to improve its efficiency, thus decreasing the impact on those consumers who must eat relatively more grain. Feedlot managers, adding 700 to 800 pounds to a 300 to 400 pound calf, do it quickly and efficiently and produce the beef with less fat than was true some years ago with the older fatter slaughter animals. Almost by definition, the older animal has used grain less efficiently owing to the proportionately greater quantities used simply for maintenance. To the extent that the world does feed out beef, the new techniques demand attention to some of these management factors. Others in the same category include more attention to crosses for best product results regardless of breed, more one-time breeding of perhaps all heifer calves with weaning by "nurse" cows rather than all mothers, less vealing in total slaughter and more feeding of bulls who seem to provide their own hormones.

The importance of such attention is demonstrated by the increasing quantities of concentrates fed. Into this form of feeding goes about one-sixth of the byproduct feeds that supplement grains. (See Table 7.) Poultry is the big user of both. As indicated, the total of concentrates fed to cattle more than triple from shortly after World War II to 1967. Most of this apparently came from increased slaughter of beef and veal animals. (See Table 8.) In part, the increase has also gone into heavier finishing, much of which has been fat rather than muscle, as indicated by the steady increase in the "choice" component of that slaughter.

The broad generalization to be made from this information on beef productions tends to support Secretary Butz' contention that in a dire emergency not only could we stop feeding animals at all, but also we could make substantial savings by altering the kind of feeding. While such a procedure has not been done in quite this way, it is a distinct possibility if world crises should rise to disaster proportions. Another feature of this prospective shift might be a reversal from large commercial feeding that would put stockers and feeders closer to their mothers on a different kind of feeding program which might permit more use of grass and less of concentrates. Before we attach too much hope to such possibilities, we need to recognize the T.D.N. competition for the land. Moving from grains to grass on the same land is most likely to reduce the intensity of use and lower our efficiency. Grass feeding by pasturing slows the fattening process and, as we pointed out above adds to the total inputs required to reach slaughter weights. In sum, there aren't any easy solutions.

These kinds of changes in cattle feeding are a small part of what might be done over time to tackle the basic, long-term problems of improving global food production. FAO has been working for some time now on a more profound and far-reaching strategy known as international agricultural adjustment.

The basic idea underlying FAO's approach to international agricultural adjustment is that the time has now come for countries to recognize that the world has become so interdependent that national agricultural policies in one country inevitably have repercussions on events in other countries. Many of these repercussions may be harmful, especially so far as the developing countries are concerned and so far as food needs are concerned.

Another fundamental concept in our approach is that one cannot begin to tackle conflicts over agricultural trade, which are the sharpest manifestations of such differences, without tackling the production situations in individual countries which are at the root of these conflicts. This leads into a whole complex of problems. In the developed countries, for example, it raises issues such as the optimum size of farms, the reduction in the number of people who work the land, how to improve the incomes of those who remain in farming and the forms that government intervention should take with people or markets. In the developing countries, the emphasis is on a radical change needed to increase production.

Adjustment, of course, is a continuous process whereby agricultural supplies have to be constantly adjusted to changes in demand as conditions and prospects themselves change. But this does not mean that there should be a reduction in output in any part of the world, except the rare case where demand has shifted permanently away from a particular product. Rather the aim is for an *orderly* increase in both agricultural production and trade, which implies that the world must stop lurching between large surpluses and sudden deficits.

FAO's role in all this is twofold. Through our studies and meetings we intend to try and make countries more aware of the issues involved and the best ways of handling them. Secondly, we want to promote a closer and continuing discussion among countries on these issues and at the same time provide a forum for such discussion.

For us, the most vital and urgent objective in the whole broad scheme of international agricultural adjustment—and indeed going beyond it—is a massive increase in production in the developing countries. Without this, very little can be done to alleviate the appalling plight of the overwhelming majority of the 800 million people in the least developed countries who live in circumstances which Mr. Robert McNamara of the world Bank has described as "a condition of life so degrading as to insult human dignity." Most of these are now classed as that "Fourth" World whose plight has worsened in the recent energy crunch.

FAO's emphasis on increased production in the developing countries in any approach to international agricultural adjustment does not deny the view of those who say that a main key to adjustment is freer trade. But it is clear that freer trade alone cannot bring about the kind of adjustment processes we are seeking. The economic situations of the developed and developing worlds are so different that it is essential that conditions of stability should be created in which the developing countries can properly invest in the building up of their agricultural sector and thus be enabled to participate in a global approach to adjustment.

FOOD CONFERENCE TEST—1974

The special U.N. World Food Conference in Rome next November, coming as it does after major international conferences on Raw Materials, Population and Law of the Sea, will test the will of governments to tackle the various problems of the world food situation with not only better knowledge, but also a far more serious sense of purpose than in the past. There are two essential preconditions for the success of the Conference. In the first place, it will need to be very carefully prepared in substantive terms if it is not to turn into a decorative forum for the exchange of well-intentioned platitudes. Secondly, and more important, there must be a common understanding among governments that they are out to achieve practical, meaningful results.

In a way, the success of the Conference will be tested by the extent to which it meets the goals set for the U.N. Conference on Raw Materials by Secretary-General Waldheim, who in his opening speech said:

"The main theme of this Conference is to secure optimum use of the world resources with the basic objective of securing better conditions of social justice throughout the world."

Most of the data we have been considering today highlights the critical threat of food shortages to man's future. Most of us are inclined to agree with the development concept that keeps the brakes on other sectors of the economy until food availability is made reasonably secure. Were it not for the energy crisis the food dangers this year would be even more paramount in man's thinking. Without exaggerating the difficulties among rich and poor, both within nations and between nations, the dynamics and danger of the present situation were well summarized by Helmut Schmidt, Minister of Finance for the Federal Republic of Germany in the April issue of *Foreign Affairs*. After running through the chaos in capital flows and monetary alignments he concluded as follows:

"On a worldwide scale, it will not be possible to reduce the differences in the levels of wealth unless the more advanced industralized nations develop their own resources in close coordination with one another and with the primary-producing countries. If they fail to do so, the result might be social storms which could even seriously jeopardize world peace. If it can be assumed that most of the developed countries with a high level of prosperity have a great preference for peace, and that most of the less-developed countries have a high preference for increased wealth, there must be a level on which a convergence of preferences would stabilize the international political situation at a higher level of prosperity for both the wealthier and currently poorer countries. It would, therefore, serve the efforts to maintain peace on a worldwide scale if a comprehensive policy of economic cooperation were to be pursued rather than a policy of economic 'apartheid' ".

In agreeing with Minister Schmidt I should like to close with a plea that the best possible use of international organizations be made as we struggle toward cooperative approaches to these troublesome problems. For decades governments have been slowly improving their effectiveness in global consultation. The challenge of 1974 seems to say that that progress has been too slow. Imperfect as the global frameworks may be, the dangers of flying blind in the current situation should persuade us of the inevitability somehow of making our imperfect systems work.

TABLE 1.—INDEXES OF WORLD AND REGIONAL FOOD AND AGRICULTURAL PRODUCTION

[1961-65 average=100]

Food production	Total					Per capita				
	1970	1971	1972	1973[1]	1972-1973	1970	1971	1972	1973[1]	1972-1973
Developed economies[2]	116	123	122	126	+3	108	114	112	114	+2
Western Europe	117	122	121	124	+2	111	115	113	115	+2
North America	113	124	122	126	+3	104	113	110	112	+2
Oceania	121	129	127	139	+9	107	111	108	116	+7
Eastern Europe and U.S.S.R	130	132	133	144	+8	121	123	122	131	+7
Total, developed countries	121	127	126	132	+5	112	117	115	120	+4
Developing economies[2]	124	126	125	131	+5	103	102	99	101	+2
Latin America	126	127	128	133	+4	103	101	100	100	+1
Far East	124	125	120	132	+10	104	102	96	103	+7
Near East	124	129	138	131	−5	102	103	107	99	−8
Africa	120	125	126	122	−3	102	103	101	95	−6
Asian planned economies	122	125	123	127	+3	107	108	105	107	+2
Total, developing countries	123	125	125	130	+4	105	104	101	103	+2
World	121	126	125	131	+4	106	108	105	108	+2

[1] Preliminary.

[2] Including countries in other regions not specified

Source: FAO monthly bulletin of Agricultural Economics and Statistics, April 1974.

TABLE 2.—PRODUCTION OF WHEAT AND COARSE GRAINS 1971–73[1]

[In million tons]

	Wheat			Coarse grains		
	1971	1972	1973	1971	1972	1973
Western Europe	56.7	56.3	55.4	90.0	90.5	93.0
EEC (9 members)	(40.1)	(41.4)	(41.5)	(60.5)	(61.8)	(64.1)
Eastern Europe	24.7	25.9	27.0	43.6	47.8	49.2
U.S.S.R	98.8	85.9	109.7	72.8	72.5	100.0
North and Central America	60.5	58.3	65.7	229.3	216.0	221.7
Canada	(14.4)	(14.5)	(17.1)	(24.6)	(21.4)	(20.5)
United States	(44.0)	(42.0)	(46.6)	(189.7)	(182.1)	(186.7)
Mexico	(2.0)	(1.7)	(2.0)	(12.2)	(10.2)	(11.8)
Latin America	9.8	10.0	10.0	35.2	30.2	36.6
Argentina	(5.8)	(7.9)	(6.5)	(16.2)	(10.6)	(16.5)
Asia	85.6	93.1	88.0	126.7	119.5	123.0
Near East	(21.3)	(24.2)	(19.0)	(11.1)	(11.6)	(9.5)
Far East (including China)	(31.8)	(34.4)	(33.7)	(115.6)	(107.9)	(113.5)
China People's Republic	(32.5)	(34.5)	(35.3)	(75.5)	(71.5)	(74.9)
Africa	8.9	9.7	8.6	47.6	50.7	40.4
North of Sahara	(5.9)	(6.6)	(5.9)	(12.4)	(11.2)	(9.0)
Republic of South Africa	(1.7)	(1.7)	(1.8)	(9.4)	(10.3)	(4.6)
Oceania	8.8	7.0	11.9	6.3	4.4	5.1
Australia	(8.5)	(6.6)	(11.5)	(5.9)	(3.9)	(4.7)
World total	353.8	346.2	376.3	651.5	631.6	669.0

[1] Differs from FAS 2A, 2B, and 3 in periods and manner of estimating.

Source: FAO Monthly Bulletin of Agricultural Economics and Statistics, April 1974.

TABLE 2A.—WHEAT AND WHEAT FLOUR: WORLD TRADE, PRODUCTION, STOCKS, AND CONSUMPTION FOR 1971–72, 1972–73, AND PROJECTED LEVELS FOR 1973–74 AND 1974–75, YEARS BEGINNING JULY 1

[In million metric tons]

Country or region	1971–72	1972–73 (preliminary)	Projected 1973–74		Estimate 1974–75, as of Mar. 15
			As of Dec. 10	As of Mar. 15	
Exports:					
Canada	15.8	15.6	13.7	13.0	14.0
Australia	8.7	5.5	6.5	6.5	8.0
Argentina	1.3	3.4	1.5	1.7	1.8
Subtotal	25.8	24.5	21.7	21.2	23.8
West Europe	8.7	11.7	11.4	12.0	13.3
(Excluding intra EC 9)	(4.7)	(5.9)	(5.4)	(5.5)	(7.3)
U.S.S.R	5.8	1.3	5.0	5.0	6.0
All others	1.3	3.0	1.5	1.5	1.7
Total, non-United States	41.6	40.5	39.6	39.7	44.8
United States [1]	16.9	31.7	31.7	32.4	26.9
World total	58.5	72.2	71.3	72.1	71.7
(World total, excluding intra EC 9)	(54.5)	(66.4)	(65.3)	(65.6)	(65.7)
Imports:					
Western Europe	12.2	13.6	13.4	13.7	13.1
(Excluding intra EC 9)	(8.2)	(7.8)	(7.4)	(7.2)	(6.6)
Japan	5.0	5.5	5.6	5.6	5.6
East Europe	5.2	4.6	4.5	4.5	4.5
China, People's Republic of	3.0	5.3	6.5	6.5	6.5
U.S.S.R	3.4	14.9	5.0	4.1	2.0
All others	29.7	28.3	36.3	37.7	40.0
World total	58.5	72.2	71.3	72.1	71.7
(World total, excluding intra EC 9)	(52.4)	(66.4)	(65.3)	(65.6)	(65.7)
Production: [2]					
Canada	14.4	14.5	17.1	17.1	19.4
Australia	8.5	6.5	11.2	11.9	13.2
Argentina	5.7	6.9	5.4	6.0	6.3
West Europe	50.8	51.2	50.2	50.5	52.5
U.S.S.R.[3]	98.8	86.0	105.0	109.7	100.0
East Europe	30.2	30.6	31.0	31.8	32.0
All other foreign	89.1	96.0	91.4	93.4	95.4
Total foreign	296.6	291.7	311.3	320.4	318.8
United States	44.0	42.0	46.6	46.6	56.4
World total	341.5	333.8	357.9	367.0	375.2
Stocks, (ending June 30):					
Major competitors [4]	25.8	16.9	16.4	17.8	20.4
United States	23.5	11.9	5.8	4.9	13.4
Total	49.3	28.8	22.2	22.7	33.8
Consumption: World total [5]	342.3	358.2	352.1	358.0	365.5

[1] Include transshipments through Canadian ports, excludes products other than flour.

[2] Production data includes all harvests occurring within the July–June year shown, except that small grain crops from the early-harvesting Northern Hemisphere areas are moved forward; i.e., the May 1972 harvests in areas such as India, North Africa, and southern United States are actually included in 1972–73 accounting period which begins July 1, 1972.

[3] Production figures and estimates for all years for the U.S.S.R. are expressed in terms of gross weight, the same as official Soviet data.

[4] Canada, Australia, and Argentina.

[5] Estimates for marketing year, taking into account all known and estimated stocks changes.

Source: Foreign Agricultural Service—Grains Circular, March 1974.

TABLE 2B.—FEEDGRAINS: WORLD TRADE, PRODUCTION, STOCKS, AND CONSUMPTION FOR 1971–72, 1972–73, AND PROJECTED LEVELS FOR 1973–74 AND 1974–75, YEARS BEGINNING JULY 1

[In million metric tons]

Country or region	1971–72	1972–73 (preliminary)	Projected 1973–74		Estimate 1974–75, as of Mar. 15
			As of Dec. 10	As of Mar. 15	
Exports: [1]					
Canada	4.4	4.0	3.3	3.3	3.3
Australia	3.2	1.7	1.4	1.7	2.1
Argentina	6.2	4.3	7.8	9.7	7.7
South Africa	3.1	3.6	.3	.4	4.5
Thailand	2.3	1.3	2.2	2.1	2.1
Subtotal	19.2	14.9	15.0	17.2	19.7
West Europe	11.4	10.1	11.0	11.3	12.0
(Excluding intra EC 9)	(4.3)	(3.6)	(5.0)	(2.3)	(3.0)
All others	2.9	2.9	2.5	2.3	2.5
Total non-United States	33.5	27.9	28.5	30.8	34.2
United States [2]	20.7	35.5	37.3	39.6	37.7

TABLE 2B.—FEEDGRAINS: WORLD TRADE, PRODUCTION, STOCKS, AND CONSUMPTION FOR 1971–72, 1972–73, AND PROJECTED LEVELS FOR 1973–74 AND 1974–75, YEARS BEGINNING JULY 1—Continued

[In million metric tons]

Country or region	1971–72	1972–73 (preliminary)	Projected 1973–74		Estimate 1974–75, as of Mar. 15
			As of Dec. 10	As of Mar. 15	
World total	54.2	63.4	65.8	70.4	71.9
(World total, excluding intra EC 9)	(47.1)	(56.9)	(59.8)	(61.4)	(62.9)
(United States marketing, year, million short tons)[3]	(27.3)	(43.0)	(39.7)	(41.9)	(41.6)
Imports:[1]					
West Europe	27.0	27.4	28.7	31.0	32.5
(Excluding intra EC 9)	(19.9)	(20.9)	(22.7)	(22.0)	(23.5)
Japan	10.1	12.0	13.2	13.8	15.1
U.S.S.R.	4.3	5.6	5.0	5.0	2.5
East Europe	4.6	5.2	3.0	3.5	4.5
All others	8.2	13.2	15.9	17.1	71.3
World total	54.2	63.4	65.8	70.4	71.9
(World total, excluding intra EC 9)	(47.1)	(56.9)	(59.8)	(61.4)	(62.9)
Production:[4]					
Canada	22.2	18.8	18.5	18.5	17.8
Australia	5.8	3.6	5.3	5.3	5.4
Argentina	9.6	15.3	15.4	16.6	15.9
South Africa	10.1	4.6	8.6	11.7	11.7
Thailand	2.3	1.4	2.5	2.5	2.9
U.S.S.R.[5]	70.6	70.4	93.0	96.6	89.0
West Europe	80.4	80.4	(6)	82.9	85.4
East Europe	50.4	55.0	56.5	56.6	57.5
All other foreign	120.2	113.9	[6] 204.5	121.1	123.8
Total foreign	371.6	363.4	404.3	411.8	409.4
United States	189.7	182.1	188.4	186.7	212.2
World total	561.3	545.5	592.7	598.5	621.6
Stocks (ending June 30):[7]					
Selected competitors	28.4	27.4	28.4	27.8	28.7
United States	79.0	68.4	59.5	60.4	74.8
Total	107.4	95.8	87.9	88.2	103.5
Consumption: World total[8]	544.0	565.0	588.3	594.5	605.1

[1] Corn, barley, oats, and sorghum, excluding products.

[2] Includes transshipments through Canadian ports, but excludes products.

[3] Includes products and transshipments through Canadian ports.

[4] Rye, corn, barley, oats, and sorghum. Production data include all harvests occurring within the July–June year indicated, except that small grain crops from the early-harvesting Northern Hemisphere areas are moved forward: i.e., the May 1972 harvest in such areas as India, North Africa, and southern United States are actually included in 1972–73 accounting period which begins July 1, 1972.

[5] Production figures and estimates for all years for the U.S.S.R. are expressed in terms of gross weight, the same as official Soviet data.

[6] West Europe was included in "All other foreign." (See 2A)

[7] Estimate for marketing year, taking into account all known and estimated stocks changes.

[8] Includes corn, barley, oats, and sorghum.

TABLE 3.—RICE: WORLD TRADE, PRODUCTION, STOCKS, AND CONSUMPTION FOR 1971–72, 1972–73, AND PROJECTED LEVELS FOR 1973–74[1]

[In million metric tons]

Country or region	1971–72	1972–73 (preliminary)	Estimate for 1973–74 as of	
			Dec. 10	Mar. 15
Production:[2]				
Bangladesh	15.7	14.8	18.2	18.6
Burma	8.2	7.4	8.6	8.6
India	64.0	58.0	65.5	65.3
Indonesia	19.6	19.0	20.3	20.3
Japan	13.6	14.9	15.2	15.2
Pakistan	3.3	3.5	2.9	3.7
PRC	100.0	98.0	103.0	103.0
South Korea	5.6	5.8	6.1	6.1
Thailand	12.3	12.2	13.5	14.2
Subtotal	242.3	233.6	253.3	255.0
EC-9	1.0	.8	1.1	1.1
Australia	.2	.3	.4	.4
Argentina	.3	.3	.3	.3
Brazil	5.4	6.2	6.2	6.2
all others	46.3	40.9	41.5	42.3
Total non-United States	295.5	282.1	302.8	305.3
United States	3.9	3.9	4.3	4.2
World total	299.4	286.0	307.1	309.5
	1972	1973	1974	1974
Exports:[3]				
Burma	.5	.1	.6	.6
Pakistan	.2	.8	.4	.5
Japan	0.2	0.5	0.4	0.4
PRC	.8	1.1	1.3	1.3
Thailand	2.1	.9	1.4	1.2
Subtotal	3.8	3.4	4.1	4.0
All others	1.6	1.3	1.4	1.5
Total non-United States	5.4	4.7	5.5	5.5
United States	2.0	1.8	1.9	1.9
World total	7.4	6.5	7.4	7.4
Imports:				
EC-9	.5	.6	.6	.6
Hong Kong	.4	.4	.4	.4
Bangladesh	.7	.4	.5	.5
Cambodia		.1	.3	.3
Indonesia	.7	1.4	1.2	1.2
South Korea	.5	.4	.3	.3
Philippines	.6	.3	.4	.4
South Vietnam	.1	.3	.3	.3
All others	3.9	2.6	3.4	3.4
World total	7.4	6.5	7.4	7.4
Stocks:				
United States (ending July 31)	.4	.2	.2	.2

[1] Production is on a rough basis; trade and stocks are listed as milled.

[2] The world rice harvest stretches over 6 to 8 months. Thus 1973–74 production, for example represents the 1973 harvest in the Northern Hemisphere plus preliminary data for the Southern Hemisphere where harvest began late in 1973 and will end early in 1974.

[3] Trade data are on a calendar year basis. (See 2A.)

TABLE 4.—INDICES OF WORLD POPULATION AND FOOD PRODUCTION, 1954–73[1]

[1961–65=100]

Calendar year	World			Developed countries			Less developed countries		
	Population	Food production		Population	Food production		Population	Food production	
		Total	Per capita		Total	Per capita		Total	Per capita
1954	84.2	77	91	89.1	77	86	80.6	77	96
1955	85.7	80	93	90.3	81	90	82.5	78	95
1956	87.3	84	96	91.5	85	93	84.4	82	97
1957	89.0	85	96	92.7	86	93	86.3	83	96
1958	90.7	90	99	93.9	91	97	88.4	87	98
1959	92.4	91	98	95.1	92	97	90.5	89	98
1960	94.2	94	100	96.3	96	100	92.8	92	99
1961	96.1	95	99	97.5	95	97	95.1	94	99
1962	98.0	98	100	98.9	98	99	97.5	97	100
1963	100.0	100	100	100.1	99	99	99.9	100	100
1964	101.9	103	101	101.2	103	102	102.4	104	102

Calendar year	World			Developed countries			Less developed countries		
		Food production			Food production			Food production	
	Population	Total	Per capita	Population	Total	Per capita	Population	Total	Per capita
1965	103.9	104	100	102.3	104	102	105.0	104	99
1966	105.9	109	103	103.4	111	107	107.7	106	98
1967	107.9	114	106	104.3	115	110	110.4	111	101
1968	109.9	118	107	105.3	119	113	113.2	115	102
1969	112.0	118	105	106.3	117	110	116.1	121	104
1970	114.2	121	106	107.3	119	111	119.0	126	106
1971	116.4	126	108	108.3	125	115	122.1	128	105
1972	118.7	124	104	109.3	124	113	125.3	124	99
1973	120.9	131	108	110.2	131	119	128.5	132	103

[1] World excluding Communist Asia.

Source: Economic Research Service, USDA, March 1974.

TABLE 5.—USE OF GRAIN FOR FEED AND OUTPUT OF ANIMAL PRODUCTS, PER CAPITA, 1964–66 AVERAGE

[In Kilograms per year]

Region	Grain used for feed, per capita	Output per capita		
		Meat	Eggs	Milk
Developed:				
United States	590	102	20.3	287
Canada	669	90	14.8	406
Australia and New Zealand	217	192	14.5	932
U.S.S.R.	169	38	7.1	258
EC–9	238	62	13.0	327
Eastern Europe	283	50	9.2	236
Japan	62	12	10.5	32
South Africa	81	43	3.7	132
Other Western Europe	179	38	9.5	238
Total	277	58	12.0	264
Less developed:				
Argentina	173	135	7.2	216
Mexico and Central America	36	25	4.6	57
Other South America	15	36	3.6	77
West Asia	60	14	2.4	82
China	15	17	3.7	6
Brazil	88	33	5.5	84
East Asia and Pacific	5	8	1.9	1
North Africa	19	16	1.7	55
South Asia	2	2	.3	54
Southeast Asia	3	11	2.4	5
Africa South of Sahara	2	12	1.1	19
Total	16	14	2.3	33
World	95	27	5.2	103

TABLE 6.—GRAIN USED, TOTAL AND PER CAPITA, 1964–66 AVERAGE

Region	Total grain used (million metric tons)			Population (millions)	Grain used per capita (kilograms per year)		
	Total	Food	Feed		Total	Food	Feed
Developed:							
United States	143.0	17.5	113.1	191.7	746	91	590
Canada	17.8	1.8	13.2	19.7	906	92	669
Australia and New Zealand	6.1	1.6	3.1	14.1	428	113	217
U.S.S.R.	128.3	50.0	39.0	230.6	556	217	169
EC–9 [1]	99.4	29.6	58.6	246.4	404	120	238
Eastern Europe	70.0	25.1	34.3	121.4	576	207	283
Japan [1]	23.7	15.4	6.1	98.2	241	157	62
South Africa	5.9	3.6	1.6	20.2	294	178	81
Other Western Europe [1]	27.9	10.1	14.1	78.8	354	128	179
Total	522.1	154.8	283.1	1,021.1	511	152	277
Less developed:							
Argentina	8.7	3.1	3.9	22.5	388	138	173
Mexico and Central America	15.7	11.7	2.8	77.9	204	151	36
Other South America	9.1	7.1	.9	62.8	144	112	15
West Asia	29.8	18.9	6.2	102.3	292	185	60
China	150.8	125.4	11.2	764.1	197	164	15
Brazil	19.5	9.9	7.1	80.8	242	123	88
East Asia and Pacific	33.2	30.4	1.0	206.5	161	147	5
North Africa	16.3	13.3	1.4	74.3	219	178	19
South Asia	103.3	93.4	1.1	621.2	166	150	2
Southeast Asia	19.5	16.1	.3	98.9	197	163	3
Africa, South of Sahara	32.8	28.9	.5	217.3	151	133	2
Total	438.9	358.2	36.4	2,328.6	188	154	16
World	961.0	513.0	319.5	3,349.7	287	153	95

[1] The population figures shown were taken from OECD food consumption statistics and generally refer to Dec. 31.

Source: OECD food consumption statistics 1960–68 and FAO food balances 1964–66, with adjustments for grains omitted by OECD and FAO. Rice included as milled rice. Economic Research Service, USDA, March 1974.

TABLE 7.—TOTAL CONCENTRATES FED TO ALL LIVESTOCK AND QUANTITY AND PERCENTAGE FED TO CATTLE ON FEED, BY TYPE OF CONCENTRATE, FEEDING YEARS 1949–51, 1959–61, AND 1967 [1]

Concentrates fed to livestock	1949–51 average (1,000 tons)			1959–61 average (1,000 tons)			1967 (1,000 tons)		
		Fed to cattle on feed			Fed to cattle on feed			Fed to cattle on feed	
	Total concentrates fed	Quantity	Percentage of total	Total concentrates fed	Quantity	Percentage of total	Total concentrates fed	Quantity	Percentage of total
Feed grains:									
Corn	67,523	6,725	10	80,361	9,223	11	97,581	17,260	18
Oats	18,816	110	1	14,564	143	1	10,738	473	4
Barley	3,256	144	4	4,064	1,552	38	5,129	2,120	41
Sorghum grain	2,913	73	2	8,932	2,250	25	14,873	4,500	30
Wheat and rye	3,170	20	1	1,655	23	1	4,630	1,791	39
Total	95,678	7,072	7	109,576	13,191	12	132,951	26,144	20

TABLE 7.—TOTAL CONCENTRATES FED TO ALL LIVESTOCK AND QUANTITY AND PERCENTAGE FED TO CATTLE ON FEED, BY TYPE OF CONCENTRATE, FEEDING YEARS 1949–51, 1959–61, AND 1967 —Continued

Concentrates fed to livestock	1949–51 average (1,000 tons)			1959–61 average (1,000 tons)			1967 (1,000 tons)		
		Fed to cattle on feed			Fed to cattle on feed			Fed to cattle on feed	
	Total concentrates fed	Quantity	Percentage of total	Total concentrates fed	Quantity	Percentage of total	Total concentrates fed	Quantity	Percentage of total
By product feeds:									
Oilseed meal	7, 858	694	9	10, 730	1, 138	11	12, 648	1, 163	9
Grain protein	1, 606	35	2	1, 731	43	2	2, 297	126	5
Millfeeds	4, 987	77	2	5, 051	118	2	4, 966	210	4
Other	3, 717	410	11	5, 254	1, 082	21	7, 346	1, 314	18
Total	18, 168	1, 216	7	22, 766	2, 381	10	27, 257	2, 813	10
Total fed	113, 846	8, 288	7	132, 342	15, 572	12	160, 208	28, 957	18

[1] A feeding year begins Oct. 1 of the 1st year designated. For example, the 1949–51 average is for the 3-year period Oct. 1, 1949, to Sept. 30, 1952.

Source: Economic Research Service, USDA, report 186, 1970.

TABLE 8.—TOTAL BEEF PRODUCTION AND PERCENTAGE DISTRIBUTION BY KIND AND GRADE AND QUANTITY OF FED BEEF, SELECTED YEARS, 1950–68

Year	Total beef production (million pounds) [1]	Percentage of total by kind			Percentage of total by grade							Fed beef	
		Steer	Heifer	Cow [2]	Prime	Choice	Good	Standard	Commercial [3]	Utility	Canner and cutter	Quantity (million pounds)	Percentage of total
1950	9, 534	57	9	34	7	34	19	---------	14	15	11	4, 446	47
1953	12, 407	59	10	31	5	34	19	---------	16	13	13	5, 254	42
1956	14, 462	56	13	31	4	33	21	---------	16	13	13	6, 536	45
1959	13, 580	60	19	21	4	36	27	---------	14	10	9	7, 818	58
1962	15, 324	61	20	19	3	47	18	11	4	9	8	9, 896	65
1964	18, 456	62	19	19	3	49	17	10	4	8	9	12, 049	65
1965	18, 727	56	21	23	4	47	17	8	4	8	12	12, 038	64
1966	19, 726	56	24	20	4	49	18	7	4	8	10	13, 207	67
1967	20, 219	58	24	18	5	51	17	7	5	7	8	14, 075	70
1968	20, 875	57	25	18	4	52	18	6	5	7	8	14, 909	71

[1] Includes commercial and farm slaughter, excludes veal.
[2] Includes bull and stag beef.
[3] Includes standard and commercial grades through 1960.

Source: Economic Research Service, USDA, Report 186, 1970.

LIFE QUALITY INDEX

Mr. HART. Mr. President, this past Saturday, I had the pleasure of speaking at commencement exercises at Kenyon College.

One theme for my talk was taken from a paper presented by Prof. Robert C. Juvinall, department of mechanical engineering, University of Michigan, at an international conference in Sweden.

Professor Juvinall's paper, in part, explores the need for a new yardstick to measure progress toward achieving an environment that promotes "mental, emotional and spiritual health" as well as material security.

Because I think Professor Juvinall's paper merits more attention than my brief discussion, I ask unanimous consent that it be printed in the RECORD. Also, for those who might be interested in how at least one politician reacts to the suggestions made in the paper, I ask that the text of my speech at Kenyon be printed following Dr. Juvinall's paper.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PRODUCTION RESEARCH BASIC OBJECTIVES AND GUIDELINES

(By Robert C. Juvinall)

INTRODUCTION

Among the many concerns facing society, perhaps none is more basic than the development of production systems. *All* persons are dependent upon the output of these systems for the material needs and comforts of life. And *most* persons are profoundly affected by the fact that they spend much of their lifetime working within these systems. Indeed, it is through our systems of production that science, engineering, and technology make their profound impact upon modern society.

This is an historic time to take a broad look at the basic objectives and guidelines for planning future production systems and production research. Those of us in the universities are now working with a generation of students who will be at the height of their careers at the opening not only of the twenty-first century, but also of the *third millennium, A.D.*

HISTORICAL PERSPECTIVE: THE "GOLDEN AGE OF ENGINEERING"

In the broad sweep of history, our industrial production system—and indeed the whole engineering profession—is a spectacular product of the late second millennium. To be sure, the ancient Egyptians did a great engineering job in building their pyramids, and the Romans constructed some mighty fine roads; but it was not until the late eighteenth century that the steam engine became a significant source of industrial power, and electrical power did not come along until nearly 100 years after that. So, until comparatively recent times, even middle-class citizens of the advanced countries were often uncomfortable because of exposure, thirst, hunger, and disease; and their associations with the world were largely limited to an area which could be covered on foot or by horse.

I have previously contended that engineering passed through an amazing "Golden Age" of 90 years duration—beginning in 1868 and ending in 1958 (Juvinall 1971). These specific dates were chosen somewhat arbitrarily on the basis of historic events in the United States. In 1868 there was not yet a railroad connecting the East and West coasts; yet only 90 years later commercial jet airliners were flying across the continent! During this period we went from the first workable gasoline engine to mass-produced cars which could accelerate smoothly and rapidly to 100 m.p.h.: from Bell's first telephone and Crookes's first cathode ray tube to mass-produced modern communication systems; and from Edison's first electric light to millions of homes equipped not only with electric lights but also with complete modern plumbing, automatically controlled central heating systems, and a full range of electrical appliances.

The enormous development of industrial productivity during this Golden Age was profoundly influenced by the introduction of "scientific management" and assembly line methods. Scientific management was based largely on the pioneering work in time study by Frederick W. Taylor, and in motion study by Frank B. and Lillian M. Gilbreth (Barnes 1968, Gilbreth 1911 and Taylor 1911). The first real assembly line was introduced by Henry Ford for his Model T car in 1914. It reduced the time required to assemble a car from approximately 12½ hours to only 1½ hours. The philosophy of that era was one of breaking production tasks down into small work elements which are completely standardized and spelled out to the worker in minute detail. Thus, production jobs can be filled by unskilled workers who can be quickly and economically trained. Quality should be high because every worker can easily become an expert in his own narrow job. Production rates are under control because they are automatically determined by the speed of the production line. Since job training is quickly accomplished, management can interchange workers among different jobs as other workers are absent or as needs change. The output from such mechanized production lines is sufficient to provide great quantities of a given product to society, and relatively high wages to the workers.

Although the output of any single plant or industry is important to the welfare of the society involved, this is just one component of the total productivity. When speaking in terms of the productivity of a nation, we customarily look beyond the "trees" of individual production units and focus attention on the "forest" which we call the Gross National Product (GNP). In recent years we have become increasingly aware that there is more to national health and well-being than the GNP. With respect to the total picture, therefore, the GNP is itself only a part of the "forest."

THE POST-GOLDEN AGE YEARS

Since the end of the Golden Age, scientific knowledge has leaped ahead—perhaps there has been more pure scientific and technological development during this period than in all previous history—but the significant and disturbing point is this: during these same 15 years, *real engineering advances which have a direct and positive impact on the lives of people have been comparatively minor.*

Let us consider the impact of technological progress during the lifetime of students now entering our universities. Take housing for example. At least in the United States, housing has changed negligibly. The available items of special materials, plumbing, heating, air conditioning, and appliances are essentially identical of those of a decade and a half ago. Similarly, our American university freshman cannot remember his family ever owning a car which differed very much, except for styling, from the current models. And he has never lived in a house without modern telephones, radios, and television. Furthermore, our college freshman observes that *by itself* technology is unable to ensure the distribution of even the necessities of a decent life to vast segments of the world's population. At the same time our youth are properly disturbed by the ecological problems associated with modern production systems and by the extent to which technology is being applied in the military realm for destructive purposes.

Looking at some of our most modern systems for mass production, we find enormous dissatisfaction of workers with the routine, repetitive tasks required of our production lines. The "blue-collar blues" has become a topic of almost universal general concern among the industrialized nations. Similarly, uninspiring office jobs are causing the "white-collar blues."

PRESENT PROBLEMS

Before turning our attention to the present problems of society, let us recognize that despite these, the technologists of recent generations have done a remarkable job of solving the problems with which they were confronted. These people have given to middle class citizens of the industrialized nations a standard of living not enjoyed by even the royalty of earlier times. Life expectancy of these countries has increased about 50 percent in the last 50 years, while working hours have decreased about one-third in the same period. The resulting leisure time, combined with greatly enhanced communication and transportation facilities, makes it possible for individuals to pursue their own personal ambitions more actively than their grandparents dreamed possible.

In order for *our* generation to make effective technological contributions, we must delve deeply into the basic needs and purposes of society. Certainly one major need is for effective population control. Recent studies indicate a virtual certainty that world population will increase by at least 50 percent to 150 percent by the year 2050. With equal certainty it is predicted that the present ratio of 30 : 70 between the populations of the rich and the poor nations will shift inevitably to at least 20 : 80 and perhaps to 10 : 90 (Frejka 1973). This fact has profound implications as we look toward the world's future production needs.

There are other well-known societal problems, but these need to be more thoroughly understood before technological innovations can contribute to their solutions. These include poverty and starvation in vast segments of world population; war and the threat of catastrophic nuclear war, alarming increases in crime and in drug and alcohol addiction; and pollution of our environment. I submit that our basic problem is not one of an environment which has degraded marine life in our waters, or plant and animal life on land and in our atmosphere; rather *the fundamental problem of society today is that we have failed to develop an environment in which the basic character and fibre of man himself grows and strengthens.* Thus, the basic objective of technology—of which production systems are a major part—*is to develop a continually improved total environment for the promotion of man's physical, mental, emotional, and spiritual health.*

LQI THE "ULTIMATE FOREST"

To measure progress toward achieving such an objective, we need a new yardstick—something that indicates a weighted average of all factors contributing importantly to our broad objective. Gross national product was introduced as a measure of the 'total forest' of productivity as distinct from the individual component 'trees'. But the GNP is itself only a segment of the broader 'forest' that is our concern. We are looking for the ultimate forest, one which cannot later be seen as only part of a still greater forest. Perhaps this can appropriately be called the Life Quality Index (LQI).

What more constructive concern could possibly be debated within the various segments of world society than the proper make-up of the Life Quality Index—particularly if this were followed by the challenge to continually increase the LQI in the various countries? Were this to be done, different countries would undoubtedly arrive at somewhat different compositions for their own national LQI. Moreover, the compositions would vary with time as societies continued to mature and develop.

To illustrate the LQI concept, I have listed in the table a few of the important factors that most of us would agree it should reflect. Perhaps one might arbitrarily assign a value of 100 to the factor deemed most important, with other factors being weighed accordingly. The total might then be normalized to a base of 100 as a starting value for the LQI in year 1973.

Preliminary list of factors for comprising the LQI

(1) Population control
(2) Material well-being
(a) Per cent above poverty level
(b) Per cent above desired 'comfortable' level
(3) Safety
(a) crime rates
(b) drug and alcohol addiction rates
(c) accident rates
(d) criminal rehabilitation success rates
(4) Environment
(a) air cleanliness
(b) water cleanliness
(c) land (solid waste and litter) cleanliness
(d) natural resource availability and conservation
(5) Cultural—educational
(*a*) literacy rate
(*b*) public school quality
(*c*) per cent attending colleges among those qualified and desirous
(*d*) adult education opportunities
(*e*) library and museum facilities
(*f*) art, music, etc., opportunities and motivation
(6) Treatment of disadvantaged groups
(*a*) education for handicapped children
(*b*) success in integrating handicapped adults into society
(*c*) care of the aged
(*d*) assistance to poorer segments of society (which are outside of the national or other group being rates)
(7) Equality of opportunity among members of the society, and stimulation of initiative to make the most of available opportunities
(8) Freedom of choice and action

The above is admittedly a very rough and over-simplified indication of the direction of thought that would be involved in arriving at the LQI for a given segment of society at a given time. But this *kind* of thinking must be done. And it must include a researching of the 'wisdom of the ages' (including the fields of philosophy, sociology, psychology, and theology) to determine as best we can the conditions which make for full, rich, and deeply satisfying lives.

We cannot achieve a desired society without thinking through and coming to some sort of consensus regarding the general nature of what it is we are striving for. Having arrived at an overall objective, and having created some means for evaluating progress toward it, we are in a position to plan long-range research pertaining to basic systems—such as production systems—which are involved in our quest for a more desirable society.

MAN—WHAT DO WE KNOW ABOUT HIM?

Any consideration of the elements making up a significant Life Quality Index focuses attention on the characteristics of man himself. It is a cliché to say that future production systems must be designed to fit man, not man remoulded to fit the production systems. Be this as it may, the fact is that we engineers must become more concerned with the areas of psychology and sociology.

We all know that man exhibits an infinitely varying, and often baffling, set of characteristics. But we also know that there are certain inherent characteristics of man which remain fixed—for all races and presumably for all time. Perhaps the most significant of these are the levels of human need proposed by the late Abraham Maslow, a psychologist at Brandeis University (Maslow 1943, 1954). I have previously taken the liberty of expressing these in terms of five key words beginning with 'S' (Juvinall 1973).

Maslow's hierarchy of needs:
(1) Survival;
(2) Security;
(3) Social acceptance;
(4) Status; and
(5) Self-fulfillment.

The first level, obviously, is the need for immediate *survival*—food, shelter, clothing, and rest—here and now.

The second level emphasizes protection from all kinds of enemies. Having satisfied the immediate survival needs, man instinctively turns to *security*—ensuring his safety and future survival.

The third level is *social acceptance*. Man needs to belong to and interact with a family, clan, or other groups. He becomes concerned with more than his own welfare. He needs love and acceptance.

The fourth level is that of *status* or recognition—a need not only to fit into a social group but to stand out in that group in some way; to have his ego satisfied by the admiration of his fellows. A person needs to earn and receive the respect of his peers as an individual in his own right.

The highest level is *self-fulfillment*—growth toward reaching one's full potential, and achievement of the resulting inner satisfaction.

At any given time, both men and nations operate on more than one of these levels; yet the levels define a general path or ladder of advancement that leads from primitive existence to a mature, rich quality of life.

Historically, production systems have been designed to contribute primarily toward satisfying needs (1) and (2). A worker's wages and job security were powerful factors in satisfying his survival and security needs. Similarly, the products he helped produce were largely directed toward satisfying the same basic needs of the consumer.

More recently, an increased percentage of the production systems have been designed to provide society with products going beyond basic survival and security needs, presumably contributing to satisfying the legitimate higher needs of the consumer. As far as the workers are concerned, it is interesting to note that the recent "job enlargement" and "job enrichment" programmes are in every case directed toward the worker's higher needs, particularly (3) and (4) (Barnes 1968, Hackman and Lawler 1971, Herzberg 1966).

Although Maslow's hierarchy of five fundamental needs applies universally to all men, it also recognizes basic differences among men. The various groups within which individuals seek acceptance in level (3) are very different. When advancing to level (4), each person seeks to establish himself as a unique individual within his group. Furthermore, both groups and individuals operate at different levels along this hierarchy. In a poverty-stricken primitive society, for example, men of necessity focus virtually all attention on fulfilling immediate survival needs. At the opposite extreme, at least a few cultured, broadly educated individuals in advanced affluent society are largely concerned with satisfying the highest need of broad self-fulfillment.

These differences are of obvious basic importance in developing production systems. What appears to be an excellent system for the workers in one country may be totally unsatisfactory for use in another. The same is true with respect to workers in the same country but of differing racial, socio-economic, or education backgrounds; and to workers of different age levels and sex. Perhaps the most important of all factors causing differences among workers is time. Society is changing and will continue to change. A good production system for a given segment of society 30 years ago is probably unacceptable now. Likewise, a system which today provides a good match with the needs and capabilities of a particular working society will likely become badly mismatched in the future. Thus, worker needs and capabilities are variables in the production equation. We must seek a better understanding of these human factors as they are today, and also a better understanding of the changes which will cause these factors to be different in the future.

PRODUCTION, RESEARCH, PEOPLE, LQI—THE ENGINEER MUST PUT IT ALL TOGETHER

The figure suggests a diagrammatic representation of several basic relationships. Production systems utilize people and material resources in order to produce desired products. By-products and waste materials are also produced. An important additional product of the system is *experience*. This consists of the total working experience on the part of the participants who invest a major portion of their life-effort into the system, and also technical experience for the management as to the performance and merits of the particular production system. This latter experience adds to available knowledge when future systems are designed, as shown by the dotted 'knowledge feedback' line. Another feedback line shows that the participant's work experience and the consumer's use of the products serve to influence the people in the society from which future workers are drawn. Also, the nature of the products, processing, and waste materials contribute to the inventory of natural resources available for use in future production systems.

This diagram suggests important guidelines for production research. Obviously, we need to know more about people: (*a*) what their capabilities are, and how they can be motivated to apply these capabilities to their work; and (*b*) what their needs are, and how their jobs can be made to offer better opportunities for fulfilling these needs. Moreover, we must understand the inherent *changing* nature of people, and seek to make the influence of production systems upon these changes a positive one. Perhaps more attention should be given to the nature of the products themselves. Are we, in our society, 'tooling up' to produce an overall product mix that is consistent with our basic objective of improving the Life Quality Index? At this point we must probably interact with government. It is not realistic to expect companies and individuals to act nobly in the interests of society when such actions are contrary to their own best interests. Therefore, we must seek to evolve government regulations which establish 'rules of the game' so that the interests of society, industry, and individuals are as compatible as possible, while at the same time permitting maximal freedom. Research related to improving the ecological balance and to improving processing efficiency are also important parts of the total picture.

We used to think the 'ultimate' production system would involve completely automated factories capable of producing everything that anyone wanted with virtually no human effort. We now know that this is not so. People need opportunities to work at significant tasks which provide fair remuneration, justifiable pride, social recognition, and opportunities for advancement. Moreover, it is important to provide such opportunities for all, including the handicapped and persons with minimal capabilities. There will always be those who can do nothing for industry that a machine can't do as well, and cheaper. It makes sense for an employer to replace a $4 per hour employee with a machine which costs $3 per hour. But from the standpoint of society, it makes no sense to replace the $4 worker with the $3 machine and then give him $2 per hour as charity in order to live. And, of course, the human cost of displacing the worker far exceeds the simple monetary cost. This illustrates the necessity for governments to establish 'rules' so that industry can retain the worker without economic loss to itself.

CORE CHARACTERISTICS OF DESIRABLE, SATISFYING JOBS

Studies of the 'job enlargement' and 'job enrichment' programmes introduced over the past several years have produced added insight into the basic ingredients that tend to make jobs better suited to the needs and abilities of most workers (Barnes 1968, Hockman and Lawler 1971, Herzberg 1966). The following list of five 'core characteristics' of desirable jobs is suggested as being consistent with the reported research:

Core characteristics:

(1) Choice;
(2) Challenge (creativity);
(3) Change;
(4) Credit; and
(5) Concern.

Most people like to have some *choices* in the selection and execution of their work tasks. This implies the possibility of some variety of tasks, and some authority over work details. Most people choose and respond favourably to tasks offering some *challenge* to their capabilities. This gives a feeling of having done something worthwhile, and of justifiable pride. In most cases the challenge implies an opportunity for *creativity* on some level. Tasks originally challenging and appealing tend to become routine after a period of time. Therefore, an opportunity for *change* is important. Ideally, experience with previous tasks will have upgraded the worker's capabilities so that the change can enable him to make a higher-level contribution to the production system, with obvious benefits to both the system and himself. For sustained motivation, it is important that a worker receive *credit* for the results of his work. This means that he must be identified with some part of the production system output so that both he and others know of his accomplishments. It is important that the worker feels that his efforts are appreciated for their true value, and that appropriate credit is received. Finally, most people respond favourably to a feeling that their superiors have a genuine *concern* for their welfare, and understand and respect them as individuals of value.

SUMMARY AND CONCLUSIONS

Since production systems are so basic to the well-being and future improvement of society, production research is of primary importance. Effective, long-range planning of production research requires clearly identifying the fundamental objective of society, or the "ultimate forest," as opposed to the component trees. Our fundamental objective must be more clearly defined as providing the best possible environment for the growth and development of satisfying, fulfilled human lives. Progress toward this end can appropriately be measured by the Life Quality Index. These concepts highlight the importance of understanding more about people, and the need for bringing to bear the best contributions of the psychologist, sociologist, philosophers, and others. It was suggested that Maslow's hierarchy of human needs, together with an appreciation of human differences and changes with time, provides a helpful starting point. Interrelationships between man, production systems, and Life Quality Index, and the total environment should be identified and studied, with production research aimed at optimizing these interrelationships.

The monumental role of production systems to present and future societies causes this International Conference to be of utmost importance. The primary interface between society and all of technology is in our production systems. As a practitioner of mechanical engineering design, but particularly as a teacher in this area, I am grateful for the opportunity afforded by this International Conference to gain new insight concerning the broad role of engineers in building a better society.

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COMMENCEMENT ADDRESS BY HON. PHILIP A. HART, KENYON COLLEGE, GAMBIER, OHIO, SATURDAY, MAY 25, 1974

It is strange what traditions hold at a time when the past is so soon forgotten. If I had been asked when I sat where you now sit, I would have nominated for early demise the tradition of commencement speakers.

But here we are, you sitting out there waiting for the program to end, and standing here, I'm expected to say something which should be both profound and challenging.

How presumptuous! If the trip through Kenyon hasn't been a challenge and offered exposure to some profound thoughts, a twenty-minute speech at the end of the trip won't fill the void.

So, mindful of my own view of commencement speeches, I will ask rather than answer, suggest rather than challenge . . . which is another way of saying that the problems are more profound than any solutions I have to offer and that any challenge, if it is to ring true, should recognize that state of affairs.

These are not happy times in our country. People have lost confidence in government and other institutions they once trusted. A recent poll documented this loss of confidence: two out of three persons are cynical about government. The reasons: Watergate and the economy.

One need not be a political science major to understand that a democratic system such as ours cannot function well unless a large percentage of its people trust their government officials.

Equally important, perhaps, these are not particularly happy times for democracies in general. Political systems of every Western nation are under increasing strain triggered by world-wide inflation fueled by the oil crisis.

In Europe, where it is easier to do than here, voters are turning out old leaders in search of new answers, and that will no doubt happen in due course here. Still to be answered is the question: what direction will the search take?

Will people select thoughtful leaders, who, given the complexity of our problems, will be forced to muddle along as they ask the "haves" to share more with the "havenots?" Or will they turn to the demagogues who Yeats warned us will inherit the stage when things fall apart?

Will the ills of the world—inflation, hunger, poverty—at last bring nations together? Or will leaders of governments seek short-range gains which will split us still further apart until the atom splits us all?

Will each of us recognize the folly of a world system which spends in a year more than 200 billion dollars on arms while two-thirds of the people live in poverty?

Will our nation be willing to sacrifice as much talent, money and energy to combat godless starvation as it has over decades to fight godless Communism?

The answers, unhappily, are not clear, for along with our impulse to help those in need, we share the same demon that drives other nations to seek gains at the expense of others.

That is not the kind of world your parents seek to pass on.

If you are disappointed in the results of our efforts, at least understand the dismay felt by those who have labored long to improve the quality of life for their children. If we have bungled, and we have, it was only because we have not been as wise as we would have wished.

But this is not the place to appraise or bury the part. Rather, I'd ask you to explore some tentative thoughts on where we might go from here.

And that forces us to ask at least two questions:

Are Watergate and inflation the core of our problems, or is our malaise more basic?

And, is democracy, as Walter Lippmann wrote, an experiment due to fall because of population growth?

A good place to start is with two articles which appeared side-by-side very recently on the New York Times opinion page.

One, written by the board chairman of a large bank, warned that we must keep our economic freedom if we are to protect our political liberty. In doing so, he noted . . .

". . . that America is at peace with its neighbors, and that never in history have more people been employed at higher wages in a free society . . ."

The other article, written by a recently divorced public relations executive, was a good-bye to the good life of suburban Scarsdale.

He had no gripe with Scarsdale. It had delivered as promised—room to roam, trees, tennis, land, schools, upward mobility. Only he came to learn that when you've got your health, you've got just about everything—but not quite.

In a sense, the dilemma we face today is summed up by the fact that both commentaries are valid.

Those fortunate enough to have affluence—earned, inherited or lucked into—have come to understand that when you get a measure of wealth you've got almost everything, but not quite.

But if that's so, should we really expect the many more who are still struggling up that mountain to accept the word of those who have been to the top and found it not quite satisfying?

Can any of us look for new mountains to climb without first having achieved a plateau if not a summit which guarantees survival and security?

I think not, and I think as we seek new directions for society, we would do well to return to some basic understandings about the nature of man.

Abraham Maslow, a psychologist at Brandeis University, developed a list of human needs which presumably hold true from generation to generation.

The items on that list, call it a ladder of progress, go like this: survival, security, social acceptance, status and self-fulfillment.

If we can accept the list as valid, it can help us understand some of the conflicts generated in a country and in a world experiencing rapid change.

Depending on a country's level of development, depending on an individual's or a group's standing in society, people are primarily concerned with different items on that list.

Countries and people threatened by mass starvation are most concerned about surviving.

Those people who find something missing in the quality of life in Scarsdale are concerned with some step further along the ladder, perhaps self-fulfillment.

It is because our society has many people at each step of the ladder—and some, tragically yet to reach the first step—that we have fierce competition for resources to meet legitimate but competing claims made on government and society.

To some on one level of the ladder, the answer to the energy crisis is let prices increase, but that's not making sense to those already heavily burdened to survive.

So, too, depending on which rung you stand, it may make good sense for the cause of clean air and clean water to shut down a polluting plant, but how much sense does it make to the worker who will be without a job when the plant is closed—or to his or her family?

I do not pretend to have just offered some profound or new insights about the nature of man or our dilemma, but I hope these points suggest that the time has come for us to develop a new way to measure progress, a measuring device which takes into account the diversity of the needs of our people.

Coming out of the depression of the 30's, it was inevitable that my generation measured progress in terms of jobs, wages and the Gross National Product, and it is important for many Americans that jobs and income continue to be part of any measure of progress.

Professor Robert C. Juvinall, of the University of Michigan, however, points out that the Gross National Product is just one tree in the forest which make up the quality of life for a developed society.

Professor Juvinall suggests that progress should be judged by a Life Quality Index which also might include measurements of population control, crime rates, conservation and pollution abatement, cultural and educational opportunities, treatment of disadvantaged groups, equality of opportunity and freedom of choice. I would add at least one category—protection of personal privacy.

Each of you would add a measure of your own, so without attempting to suggest a finite list, I do think such an index would be useful.

If there could be general agreement on a Life Quality Index, it could help policy makers sort out this business of priorities, guide politicians and remind each of us how large and diverse a land and people we are.

Could a democracy agree on such an index? That question is made difficult by inflation which makes it hard for many people to maintain their place on the ladder of progress, let alone advance. It is made more difficult when the force of technology moves toward a less individualized society.

I don't know, but I'll give you what will sound as a most unsatisfactory choice.

You may stand aside, as Watergate may tempt you to do, and let change happen as it will. Or you can join in and try to shape change with no real assurance that you will succeed.

That is the challenge for all generations . . . to keep trying, never to give up.

While I cannot promise success if you join in, I can at least suggest a way for you to proceed.

That way starts with the understanding that Watergate was not politics as usual, and that the spirit which fueled Watergate was a spirit of self-righteousness which can equal arrogance, which put the goals of a few above the laws of the land and above the trust of the people government is supposed to serve.

That way also starts with the understanding that a spirit of self-righteousness that justifies dropping out when the multitudes don't join you in scaling your particular mountain is also destructive of democracy.

The way starts with the wisdom of the British statesman Edmund Burke, who observed:

"All government—indeed, every human benefit and enjoyment, every virtue and every prudent act—is founded on compromise and barter."

That may sound like an extreme or crude statement, but on reflection I think you will find it valid. It does not mean, of course, that you should shun commitment or not work intensely for what you believe.

It does mean that in a complex and free society, few if any mountains will be scaled on the first try, and that progress comes by climbing a molehill at a time. And perhaps that is the way it should be, for who among us has the wisdom to foresee with certainty what life is like on a summit we have yet to achieve.

If I may impose, I would ask that you give high priority to helping us achieve that summit on which tolerance and understanding flourish and on which discourse, debate and the free testing of ideas is encouraged. Given the tendency of people to look inward in times of stress, that summit may be out of reach, but it must be reached if a varied and complex society is to improve its score on any Life Quality Index.

And I would ask one more thing. As you leave this lovely setting, as you return to what for many of you are comfortable homes, recall from time to time these words of an Indian youth:

"The part of Indian culture I would like to see restored is the respect for natural resources . . . an appreciation of the sky, winds and water.

"It's an appreciation of your surroundings and the people in it.

"The most important thing is your belief in those surroundings and not using them indiscriminately, especially people," he said.

Hunger, poverty, wars, bigotry; each use people indiscriminately. The goal of any Life Quality Index you choose should be to end such waste.

Thank you.

(Note.—I am indebted to Professor Robert C. Juvinall, Department of Mechanical Engineering, University of Michigan, for ideas on this subject contained in the paper he presented to the 2nd International Conference on Production Research at Copenhagen, August 1973).

FACTFINDING MISSION REPORTS ON SITUATION IN SOUTH VIETNAM

Mr. McCLURE. Mr. President, so often, congressional decisions necessarily must be made based on second-hand information, at best. It is not often that firsthand information from reliable sources is available, especially in the area of foreign affairs. Such, however, is not the case with regard to South Vietnam.

I speak of a recent factfinding mission to South Vietnam, sponsored by the American Security Council and the South Vietnam Council on Foreign Relations. The nonpartisan group who went to Vietnam to see firsthand what is going on there is distinguished not only for the caliber of the men who went, but also for the expertise of the participants. Included in the group were former Ambassador John Moore Allison, who served as Assistant Secretary of State for Far Eastern Affairs, as well as in Japan, Indonesia, and Czechoslovakia; former Ambassador Elbridge Dubrow, who served as U.S. Ambassador to South Vietnam, and had a 38-year career with the State Department that saw him serve in Moscow, Warsaw, Bucharest, Rome, Singapore, Lisbon, and with NATO: Congressman Phillip Crane of Illinois; Dr. Anthony Kubek of the University of Dallas; and a number of other distinguished persons.

Mr. President, the findings of the factfinding mission are important, especially in light of numerous news media articles which have purported to tell the facts about Vietnam but which have somehow overlooked what this distinguished mission found.

So that my colleagues may have the benefit of this thorough and enlightening factfinding report. Mr. President, I ask unanimous consent that it be printed in the Record at the conclusion of my remarks.

There being no objection, the report was ordered to be printed in the Record, as follows:

Vietnam Report: "Not In Vain"

(Editor's Note.—This special report was prepared by a fact-finding mission co-sponsored by the American Security Council and the South Vietnam Council on Foreign Relations. The distinguished members of this mission found that most of the anti-South Vietnam charges echoed in much of our national media are without basis in fact. So, after you've read this important report, please share it with your local editor.)

"The costs of the struggle, in which we joined, have been huge—in lives, in treasure, in the destruction of homes, people uprooted, in the divisions in our own country.

"But I believe history will determine that it has been not in vain. One small country has gained a chance at self-determination. Other nations nearby have gained the time to create a more stable Asia. The U.S. has demonstrated to other nations that it had the will to accept the responsibilities of power and to assure the credibility of its commitments.

"And the great powers of the world have, through this war, evolved a way to replace confrontation with diplomacy."—Ambassador-at-Large, Ellsworth Bunker, U.S. Ambassador to South Vietnam, 1967–1973, in an address to New York-New England Press Association, September 21, 1973.

I—VIETNAM MISSION: THE OBJECTIVES

More than 50,000 Americans died in defense of South Vietnam. More than 130 billion dollars were spent in support of that objective.

Has the pursuit of that objective been in vain? The facts indicate quite the opposite. Today, more than one year after the Paris peace agreement and the final withdrawal of all American forces, South Vietnam remains a free society, even though massive problems persist.

Due to the sacrifices of the seven million Americans who served there, the 18 million people of South Vietnam have gained a fair chance to preserve their independence. The South Vietnamese have been trained and equipped and encouraged to defend themselves—to "go it alone."

A nation is emerging

That they are now trying to do. From all indications, South Vietnam today stands on the threshold of viability, of being able truly to "go it alone." Its armed forces appear to be holding their own, or better, against continued Communist aggression. Morale is up, desertions, though still a problem, are down. For the first time, there are signs that a nation is emerging, with a unity of purpose and of leadership and with an increasing degree of popular participation.

South Vietnam's survival, however, is still in question. The withdrawal of U.S. forces left a vacuum and the economy is suffering. World-wide inflation and energy shortages have left their mark; prices went up 64 percent last year, and are still rising. An acute shortage of fertilizer threatens the nation's life-sustaining crop, rice. As elsewhere, oil is in critical short supply.

The South Vietnamese are tightening their belts and learning to live with less, a great deal less. To survive, they need continued help, just as the nations of Western Europe needed help to recover from the ravages of World War II and to rebuild their defenses against the threat of Communist aggression.

The next two years will be crucial years. If the South Vietnamese can be helped to fill the vacuum left by the departure of more than half a million American troops and to strengthen their defenses and economy and political and social life, they will have a better than even chance to endure and to prosper in the years to come.

It can be assumed that a great majority of Americans support these objectives. It is not in the American character to abandon a struggle within reach of success, or to desert a friend in need.

Yet, this is what a small minority of critics of American policy in Vietnam would have us do. Not content with the total withdrawal of U.S. forces, and Congress's denial of further direct active military support for the embattled free nations of Indochina, these critics now demand a total cut-off of all U.S. military and economic support.

They would, in effect, snatch failure from the jaws of success, and deliver South Vietnam and its 18 million people to the Communists by default.

Propaganda front—Washington

Since South Vietnam stands steady on the battle front, its enemies have mounted new attacks on another front—Washington.

The government of South Vietnam and its elected leader, President Nguyen Van Thieu, are portrayed far and wide as corrupt and oppressive and thereby unworthy of continued U.S. support.

These verbal assaults have reached a crescendo unparalleled since the days of the Vietnam "moratorium" and the march on the Pentagon. Familiar voices that once demanded U.S. withdrawal from Vietnam now denounce any and all U.S. aid to Saigon.

Jane Fonda and Tom Hayden set up shop in Congress and openly lobby for the abandonment of South Vietnam. A three-week anti-Vietnam seminar is organized in a committee hearing room of the U.S. House of Representatives. Remnants of the "Vietnam Veterans Against the War" invade and briefly seize the information offices of the South Vietnamese Embassy in Washington.

"Study groups," composed of articulate and well-known propagandists against U.S. policy in Indochina, visit Vietnam and return with shocking new tales of torture and imprisonment of tens of thousands of innocent "political prisoners." Their views and expressions are afforded prominence before committees of Congress and in the news media with scant attention to their credentials or credibility.

Volumes of testimony and statistics recite a long litany of alleged savagery and wrongdoing by "General Thieu and his henchmen." By sheer weight of words, the professional Vietnam critics seek to confuse, confound and wear down their opposition.

Taken alone, such organized efforts to influence U.S. foreign policy could be dismissed as so much propaganda. But in an America weary of war and preoccupied with newer problems of inflation, energy and Watergate, the critics of Vietnam have gone largely unchallenged and their allegations mostly unanswered.

Without rebuttal, there is a danger that the views of these critics in time could gain acceptance, through repetition if for no other reason.

Fact-finding mission to Vietnam

To afford Congress and the American people an opportunity to hear from both sides and to reach reasoned judgments based on all the facts, the American Security Council in cooperation with the South Vietnamese Council on Foreign Relations sponsored a private, non-partisan fact-finding visit to South Vietnam.

The mission was headed by Ambassador John Moore Allison (Ret.), former Assistant Secretary of State for Far Eastern Affairs, whose distinguished diplomatic career included Ambasadorships in Japan, Indonesia and Czechoslovakia.

Other members included:

Congressman Philip M. Crane (R-Ill.), member of House Committees on Banking and Currency and House Administration. A former history professor at Indiana and Bradley Universities, Congressman Crane has visited Indochina on several occasions and conducted a special investigation of prison conditions on Con Son Island for a report to Congress.

Richard W. Smith, Chairman, National Federation of Young Republicans, who also serves as Administrative Assistant to the Minority Leader of the Florida State Senate.

Dr. Anthony Kubek, Research Professor, University of Dallas, author, lecturer and former visiting professor at three Chinese universities. He has traveled extensively in Asia and presently serves as consultant to the Senate Internal Security Subcommittee.

Ambassador Elbridge Durbrow (Ret.), Director of Freedom Studies Center, Boston, Virginia, and former Ambassador to South Vietnam (1957–61), whose 38-year diplomatic career included extended tours of duty in Moscow, Warsaw, Bucharest, Rome, Singapore, Lisbon and with the NATO Council in Paris.

Charles A. Stewart, Director of Communications, Institute for American Strategy, and Director of Broadcast Communications, American Security Council.

Philip C. Clarke, correspondent and commentator, Mutual Broadcasting System, and Capital Editor of the American Security Council's Washington Report. Clarke, a journalist for 35 years, served as an AP foreign correspondent and Newsweek's General Editor.

Accompanying the group as an observer was veteran correspondent James Cary, Washington Bureau Chief, Copley Press. (Texts of Cary's published dispatches from Vietnam are included in this report's appendix.)

The group traveled by plane, helicopter and jeep from Saigon to Quang Tri in the far North, and from the Mekong Delta to Con Son Island off the southeast coast of South Vietnam. It witnessed soldiers guarding the ceasefire lines, peasants harvesting rice, village schools in session, government officials at work, and a host of other activities that comprise a nation striving to survive in the twilight of an undeclared war thrust upon it by an aggressor that still aims at total conquest.

There were lengthy private meetings with President Nguyen Van Thieu in the Presidential Palace in Saigon; Hoang Duc Nha, Minister of Information; with Foreign Minister Vuong Van Bac; Pham Kim Ngoc, the former National Commissioner for Planning; Nguyen Duc Cuong, Minister of Trade and Industry; Ton That Trinh, Minister of Agriculture; Pho Ba Quan, Special Assistant to the Minister of Finance; and with the Commander of the National Police, Brig. Gen. Nguyen Khac Binh.

There were meetings also with leading members of the South Vietnamese National Assembly, with private business and professional men, and with students, shopkeepers, and workers. In the countryside, there were briefings by Corps Commanders in Military Regions 1 and 4, and inspection trips of defense lines. Provincial representatives afforded visits to community centers, banks, and irrigation projects.

U.S. Ambassador to Saigon, Graham Martin, conducted an extensive personal briefing, along with members of his staff, and there was a detailed review from Maj. Gen. John E. Murray, who heads the U.S. Defense Attache mission in South Vietnam.

While the fact-finding group claims no "instant expertise" or easy answers to the many complex problems of Vietnam, it did reach a number of conclusions based on first-hand observations.

II—"POLICE STATE": WHAT THE FACTS SHOW

Charges that South Vietnam, with U.S. financial and technical support, has become a "police state" are not supported by the facts. South Vietnam's 122,000-man national police force has the function of preserving law and order in both the cities and the countryside; it is a vital element in the government's efforts to provide greater safety and security against terrorist attack, kidnaping, assassination, and sabotage. Since its reorganization in 1971, it has become an increasingly efficient force in securing areas that before were easy prey to guerrilla raids, infiltration and intimidation. By its nature, this fight against subversion is almost certain to lead to some abuses. But there is a definite effort to improve procedures and safeguard individual rights.

As in the U.S., the police operate under the law and arrests are made only for violations of the law. Rather than serving only to protect the government and suppress political opposition, as alleged by critics, the national police are welcomed by most South Vietnamese as a protector. In hundreds of remote hamlets, the gray-uniformed policeman is the lone symbol of authority and, as such, often a prime target of communist assassination squads. The courage and heroism of the policeman is legendary in many rural areas, as it is in the refugee-crowded cities.

Much of the progress made by the national police is due to the advice and training provided at modest cost by U.S. experts under the Office of Public Safety (OPS), a branch of the State Department's AID program of assistance to foreign governments at their request. Although this aid-and-training program was ended in South Vietnam under terms of the Paris peace agreement, a handful of U.S. civilian technicians continue to provide advice in the operation of a newly-installed computer system which keeps tabs on more than 10 million South Vietnamese. Far from being a secret police device to oppress the populace, as charged by critics, the new computer system is used primarily to curb crime and enforce the law, just as in most advanced countries, including the U.S. And through frequent checking of I.D. cards, the South Vietnamese police are able to spot lawbreakers as well as enemy agents, thereby preventing large-scale infiltration of highly-trained saboteurs, sappers and spies into the cities such as occurred during the '68 Tet offensive.

Despite such achievements, OPS itself is now a favorite object of attack by opponents of U.S. foreign assistance who charge that it promotes "oppressive police states." The record shows quite the opposite is true. In South Vietnam, it seems that leftist propaganda attacks against the police are increased in almost direct proportion to the improvement of police efficiency and effectiveness.

III—"POLITICAL PRISONERS": FACT VS. FICTION

Charges that the South Vietnamese government has jailed tens, even hundreds of thousands of "political prisoners" are in variance with the facts.

Following recent allegations that the Thieu government was holding up to 202,000 political opponents in barbarous captivity, the U.S. Embassy in Saigon undertook what it described as "an exhaustive and painstaking analysis" utilizing all available sources, including the personal knowledge of U.S. police advisers who had been on the scene until early 1973. The results of this official U.S. Embassy survey, comprising 15 closely typewritten pages, covers every penal institution in South Vietnam, from the four national prisons and 35 provincial jails to local police lockups where suspected criminals are held for up to five days before disposition of their cases.

The Embassy survey reached "the firm conclusion that the total prisoner and detention population in South Vietnam in the July-August, 1973, period (when the check was conducted) was 35,139. This figure comprises civilian prisoners of all types, not just 'political prisoners,' however defined."

The U.S. Embassy placed the total capacity of South Vietnam's prison and detention system at 51,941 as of December 31, 1972. The total prison occupancy on that date was 43,717, and less since then.

The Embassy said that its survey "conclusively refutes the widely-spread charge that South Vietnam government jails hold '200,000 political prisoners.'" And it found no evidence whatsoever that large numbers of persons had been jailed solely for their political opposition to the present government.

The allegation that the Saigon government holds "202,000 political prisoners" was found to have originated with a well-known government opponent, Father Chan Tin, a Paris-educated Redemptorist priest who seems to put the human suffering he encounters among his parishioners in class struggle terms. He also heads an organization he calls the "Committee To Investigate Mistreatment of Political Prisoners"—which he defines, very broadly, to include arrested communist cadre.

In his latest statement, Father Tin lists prisons that allegedly contain many thousands more prisoners than could be physically accommodated.

Yet, apparently without checking into Father Tin's background or supposed sources, a member of Congress recently inserted Tin's "202,000 political prisoner" figure in the Congressional Record.

Interestingly, Father Tin still puts out his story and continues to attack the government without interference from the authorities—a fact that seems to disprove the familiar charge that Saigon jails all its opponents.

A study group composed of five Vietnam critics who were also briefed on the Embassy's "political prisoners" survey, recently returned from Saigon, claiming on TV and in press conferences that "the jails of South Vietnam are full of political prisoners."

Reasonable and objective persons

As U.S. Ambassador Graham Martin concedes: "(Our) report will not convince those who believe only what they wish to believe. It will, I think, be convincing to those reasonable and objective persons who are still concerned with the truth—and fortunately, the majority of the citizens of the United States come within this category."

IV—"TIGER CAGES": A MYTH DEMOLISHED

Charges of widespread torture and mistreatment of "political prisoners" by the South Vietnamese government lack substantiation and appear to be false or grossly exaggerated.

While it would be virtually impossible for any one private investigative group to personally inspect all the prison facilities in South Vietnam, U.S. Public Safety Advisers, who did work closely with the South Vietnamese over the past several years, report no proof of any systematic ill-treatment of inmates. Obviously, given the enmity aroused by a quarter of a century and more of conflict and strife, there undoubtedly have been isolated instances of cruelty and ill-treatment. But nowhere is there any evidence of the obvious and systematic brutality practiced against Americans and South Vietnamese prisoners of war by their North Vietnamese and Vietcong captors.

Visit to Con Son Island

One of the highlights of the fact-finding mission was a day-long visit to Con Son Island where the group was allowed to visit the entire prison facility and to talk freely with both officials and with Vietcong prisoners. More than an hour was spent inspecting the so-called "tiger cages," no longer in use but still employed by propagandists to belabor the South Vietnamese as cruel and oppressive.

Actually, as the fact-finding group determined, these prisons cells, built by the French in 1941 as punishment cells for unruly prisoners, were a good deal larger and airier than had been depicted in the famous July 17, 1970 *Life Magazine* "expose."

The *Life* story was based on a report by photographer Tom Harkin, a Congressional staff aide, and Don Luce, then an executive secretary for the World Council of Churches and a leading peace activist. Luce was brought along to Con Son Island by Harkin who was accompanying two Congressmen—William R. Anderson of Tennessee and Augustus F. Hawkins of California.

The story claimed that the so-called "tiger cages" were hidden away in a secret area of the island. The ASC fact-finders found them clearly out in the open behind high white walls. The story also implied that the cells were underground. They were, in fact, above ground with open grates at the top and with a roof some 15 feet above the cells to protect them from sun and rain, and individual doors leading to an open courtyard. The Harkin-Luce story also told of prisoners "crouched" in the cells. The cells were, in fact, 10 feet from the floor to the top grate and 6′ 3″ wide and 10′ 6″ deep—far larger than comparable isolation "punishment cells" in most standard U.S. prisons.

Contrary to the *Life* story, which has been endlessly repeated and enlarged upon by anti-Vietnam critics in the nearly four years since publication, the ASC group found no hard evidence of systematic mistreatment of prisoners on Con Son Island. And there was no indication that any of the prisoners in the cells (the *Life* photos show from two to four inmates in each cell) had been shackled. Indeed, it would have been physically impossible to "suspend" any of the inmates from the top grate, as has been charged.

Of the 5,739 prisoners now on Con Son Island, a majority have accepted the standing offer by the authorities to work daily on one of the vegetable farms, or in the pig farm, brick factory, machine shop or woodworking shop. These "trustees," numbering some 3,000, were under minimal guard and showed no evidence of strain or hardship. Of the 500 VC's who refused to cooperate and who remained in the large (50 inmates each) barred compounds, there was no visual indication of malnutrition, disease, or mistreatment, despite the complaints of some of the VC.

As just one example of prison treatment on Con Son Island, the hard-core "uncooperatives" receive 570 grams of rice a day—more than can be spared for war refugees in many resettlement camps on the mainland. And as an example of how U.S. prison training-and-aid has helped, the per capita death rate among inmates is now .36 per 1,000, compared to 1.56 per 1,000 before the aid program began.

Other impressions

There were, of course, many other impressions of South Vietnam and its people, gained through hours of observation, conversation and close study.

Militarily, the South Vietnamese were cautiously optimistic about their ability to withstand any new North Vietnamese offensive, despite the fact that the Paris Agreements did not require the 100,000 odd North Vietnamese forces in the South to go North and despite the continued infiltration of Hanoi's troops (130,000 by conservative estimate), tanks (some 600), long-range artillery and rockets, and anti-aircraft batteries plus the installation of twelve airfields, a new highway complex and a major oil pipeline—all within the South Vietnamese border.

The South Vietnamese thus far have been able to beat back fierce probing attacks, some supported by Soviet-made tanks, in vulnerable border areas in the Central Highlands and along the approaches to Saigon. And as yet the North Vietnamese and Vietcong have failed to conquer a single provincial capital or significant population center.

If anyone doubts still the courage and fighting ability of the South Vietnamese binh si, or GI, he should walk through what remains of Quang Tri, the northernmost provincial capital, as did members of the fact-finding mission. Not a structure remains. Yet, amid the jagged shards of concrete and twisted steel, soldiers of the ARVN 1st Division and crack Marine and Ranger units hold foxholes and gunposts and fly their red-and-yellow flag above what once was the Citadel, recaptured in 1972 as the North Vietnamese "Easter Offensive" was bloodily repulsed.

It does come as a jolt to helicopter over wide areas of northern "Eye Corps" and gaze down at now abandoned fire-bases—Camp Nancy, Camp Carroll, "Bastogne," and others. Only piles of used shell casings and scattered bomb craters mark the barren, clay-yellow plains where U.S. Marines once fought and died to hold off human-wave attacks from the jungled mountains to the north and west.

The ARVN defenders, sparser in men, guns and ammunition, have devised new tactics. Batteries of 105's are wheeled into gullies and crevices ready to fire and move. Rather than expending men and materiel to defend fixed positions, the ARVN strategy is to bend and stretch but not break. So far, it seems to be working and such population centers as Hue and Da Nang appear relatively secure.

In recent weeks, South Vietnam's fledgling air force (more than half of its pilots are still in training, most in the U.S.) has carried out bomb-and-strafe attacks against North Vietnamese infiltration routes and troop movements. As President Thieu explains: "We are trying to prevent the enemy from building up for a new all-out offensive and a new war that could last ten years."

Ironically, the river border at Quang Tri is the only place along the ceasefire line that is not being subjected to intermittent Communist artillery and mortar fire. The reason is clear. In a small clearing in the rubble of Quang Tri camps a unit of the otherwise impotent ICCS—International Commission of Control and Supervision.

Economy is strained

Economically, there is deep strain. The treasury is down to 120 million dollars in cash reserves, inflation is rampant (64 percent last year) and the cost of scarce imports such as oil and fertilizer are skyrocketing. Yet, there is solid hope for the future; exports have risen from $13 million in 1971 to a projected $85–100 million in 1974. In June, the first test drilling for oil will take place in an offshore area believed to contain large reserves of this precious commodity. There also is the possibility of oil being discovered in the Delta.

Land reform has advanced more rapidly than even the most optimistic observers had hoped. More than 1,300,000 hectares have been distributed to 800,000 formerly landless tillers of the soil. And at least 200,000 more are expected soon to receive titles to tracts ranging from 1 to 3 hectares.

Saigon and other large cities are still severely over-crowded, and thousands of refugees remain to be resettled. But there are few signs of hunger, as in such chronically over-populated places as India. And here and there in the capital, Saigon, handsome new skyscrapers have shot up—monuments to the confidence of at least some businessmen.

In the Delta, the rice harvest was full and the peasants and villagers appeared content and well-fed. Groups of young children played barefoot in the dusty roads. Among them here and there, were a few half-American youngsters, obviously accepted by the others.

Much of South Vietnam's natural resources remain to be developed. The country has vast stores of valuable timber and there are indications that tin and other minerals may abound. The fishing industry, second after lumber, easily could flourish. (South Vietnam's third largest export: scrap metal, left from the war.)

Even tourism could be developed. What GI doesn't recall the wide, golden beaches at Vung Tau and Nha Trang, or the cool, green highlands of Dalat, Vietnam's "Shrangri-La"?

Yet, for reasons not clear, OPIC—Overseas Private Investment Corporation—does not insure private U.S. investment in South Vietnam, insurance it readily grants investors in the Philippines, Chile and dozens of other less developed nations. And this despite South Vietnam's newly-adopted tax and profit concessions which are among the most generous in the world.

Political profile

Politically, South Vietnam is not yet a model of American-style democracy. Nor is it ever likely to be—given age-old Vietnamese family, village and ethnic social structures. In this, Vietnam does not differ from other countries of Southeast Asia, including the Philippines where the U.S. spent fifty years trying to instill the fundamentals of American-type democracy. But it is grossly incorrect to regard South Vietnam as an oppressive dictatorship.

Indeed, there can be little doubt that the 18 million people of South Vietnam, despite wartime conditions, today enjoy far more personal freedom and political participation than most developing nations in Southeast Asia and elsewhere around the world. Not only Father Chan Tin, but such rivals for power as Marshal Ky and "Big Minh" live freely and well while continuing to criticize Thieu.

While President Thieu is reviled by enemies of his government as a corrupt dictator, he moves almost daily among the people with only a minimum of personal protection. The son of a humble fisherman from the central coast, he talks the language of the people and is accepted by them. Thieu scoffs at the notion he covets power, saying: "If the people or the army would want me to go I would go." So far, there is no other leader in South Vietnam who comes anywhere close to Thieu in popularity—and that popularity appears to be solid, despite the severe economic hardships brought on by the U.S. withdrawal.

Thieu is determined to continue the struggle to preserve his country's takeover "until," as he says, "the last bullet." It is this staunch anti-Communist attitude that has rendered Thieu anathema to the Communists and their backers, in Hanoi and elsewhere.

V—CONCLUSIONS

"The American people and Congress must realize that the Vietnamization task has been successful," says the President. "You may report back to the United States that we have done everything we can here to continue to survive on our own and to defend our freedom. The most important thing we need is guaranteed peace."

Supporters of Thieu have succeeded in amending the Constitution to enable him to run in 1975 for a third term. Aside from some angry and anti-Thieu speeches in parliament, and a few critical editorials in some of Saigon's 16 daily newspapers, the fact-finding group witnessed no popular protests. And if Thieu decides to run for re-election next year, he is almost certain to win big, even if the Vietcong should end its boycott of elections and vote.

The corruption is still a problem, as it is in most Asian and many other countries. But Thieu has replaced several of his military leaders and provincial chiefs who were caught grafting or stealing, and he is cracking down hard on others.

The ACS's fact-finding was particularly impressed by the youth, intelligence and apparent dedication of government cabinet ministers and department experts. The average age of Thieu's cabinet is under 50; in Hanoi, the average age of the Politburo members is 66.

Impressive also was the concern shown by military leaders in the provinces for the welfare of the communities under their protection, especially for war victims living in resettlement centers. Strenuous efforts are continuing to return peasants to the land and to give them security against terrorist attack.

When conditions permit, plans call for soldiers to spend one-third of their time working the land, helping with the crops.

Ambassador Allison, who once served as U.S. Ambassador in Communist Czechoslovakia, observed: "People in the cities and in the countryside give no evidence of serious repression or of living in a police state, particularly in comparison to the people of Eastern Europe."

One fact alone provides clear proof that President Thieu and his government have the support of an overwhelming majority of the South Vietnamese people. In addition to the regular national military forces, numbering more than 500,000, the government has armed the Regional and Popular forces—assigned to defend their own regions and numbering more than 549,000—with M-16 rifles and M-79 grenade launchers and other weapons.

What is perhaps even more significant is that President Thieu has distributed World War II type weapons to the local part-time militia. (Peoples Self-Defense Forces) to defend their villages and families against communist attacks. In other words, the number of weapons now in the hands of the ordinary South Vietnamese people, apart from the national regular forces, is well over 1 million. Dictators don't do this. Thus, if the people preferred the Vietcong to the present government, all they would have to do would be to turn their weapons "the wrong way" for a few hours. This, of course, has not happened, nor is it likely to happen. It is also significant that despite the war weariness of the South Vietnamese, thousands of young men are drafted into the armed forces each year and continue to fight and die to prevent a communist takeover. This, too, should refute the "police state" allegations of anti-Vietnam critics.

And whenever there is fighting, the refugees still flee South, never North.

South Vietnam has proven itself to be a reliable ally and a sound investment in the cause of freedom in Southeast Asia. Given peace and continued stability, it could in time become a model of Asian-style democracy, vigorous, prosperous, and above all, free.

It would be a mistake of historic proportions should Congress accept now the argument of critics who contend that the U.S. participation in the defense of South Vietnam was all wrong and that the U.S. should cut its losses and abandon the South Vietnamese as a hopeless cause.

Congress should give close scrutiny to the latest outpouring of propaganda, charging the Saigon government was jailing "political prisoners" by the hundreds of thousands. It should look closely also at the familiar purveyors of such bias to determine (1) their ulterior motives, if any, and (2) their financial support and whether, as some members of Congress believe, they should register as agents of foreign governments.

Not only members of Congress, but all thoughtful Americans, should examine the facts—all the facts—before making up their minds. Americans have a natural aversion to being "sold a bill of goods." Yet, today, it is clear that many of our citizens are being deceived by organized propagandists who seek elimination of all U.S. support for South Vietnam, thus enabling the North Vietnamese and their Vietcong allies to do what they cannot do on the fighting front—take over.

The critics complain that the U.S. is now spending over 2 billion dollars a year to support South Vietnam. Actually, funds appropriated for U.S. aid for the fiscal year 1974 amount to $813 million for the military and $525 million for economic purposes including AID and PL 480.

The achievements of a multitude of American assistance programs, though largely unnoticed by the news media, have brought about truly revolutionary changes in Vietnam.

In education, for example, U.S. aid has helped the South Vietnamese government develop necessary facilities and staff so that college enrollment has increased by fifty percent, secondary school enrollment by nearly 100 percent in the past five years. And more than 90 percent of the approximately three million children age six to twelve are now in schol.

Thanks largely to the U.S. sponsored introduction of advanced "miracle rice" varieties, rice production has increased forty percent since 1968.

Important and enduring institutions, such as the National Center of Plastics and Reconstructive Surgery and the National Institute of Administration, have been launched with U.S. help and are making significant contributions to healing the wounds of war and building foundations for further progress.

Such development has taken place despite the disruption of war and such immediate problems as the caring for and resettlement of some one million refugees created by the Communists' 1972 Easter Offensive.

Aid should continue

Members of the American Security Council-South Vietnamese Council on Foreign Relations fact-finding group strongly believe that U.S. aid should be continued in the amount necessary to provide South Vietnam needed for survival, and that private U.S. investments should be encouraged. Our mission also supports efforts being made to grant Overseas Private Investment Corporation insurance to private U.S. investors in South Vietnam. We endorse Ambassador Graham Martin's carefully considered request for supplemental aid to provide additional economic help and military replacements needed to counter Hanoi's infiltration of long-range artillery and other sophisticated new weaponry. The mission applauds President Nixon's advice to Congress in his "State of the Union" message which urges that funds be provided "to maintain strong, self-reliant defense forces" in South Vietnam.

To do less would be to dishonor the 50,000 Americans who died in the Vietnam War and to discredit the United States in the eyes of the world. To abandon our commitments to that embattled nation—after having supplied it with the means and encouragement to fight for its freedom—would be to desert America's principles of liberty and human rights.

Rather than complaining only about the alleged wrongdoing of the South Vietnamese, would it not be more appropriate for the critics to call attention to the many open violations of the Paris peace accords by Hanoi and the Vietcong, to their continued aggression against the civilian population and to their systematic murder of innocent men, women and children?

Why, we ask, were there no expressions of outrage when Communist gunners recently ambushed an unarmed U.S.-South Vietnamese helicopter crew, on a clearly authorized mission to search for the remains of Americans killed in a wartime crash? An American officer, hands raised, was cold-bloodedly shot and killed by the Communist ambushers.

And why do not the critics complain at still another Communist violation of the Paris peace agreement: refusal to allow international search teams to determine the fate of more than 1,300 Americans still listed as MIA—Missing in Action—so that the long and torturous doubts and anxieties of their loved ones could at last be put to rest?

Nor do we hear the critics protest the ruthless terror shelling of Phnom Penh, the capital of neighboring Cambodia, by Hanoi-backed communist insurgent forces.

There is reason for concern that the Congress, preoccupied with problems closer to home, might succumb to the pressures of the anti-Vietnam propagandists. Recently, the U.S. Senate, in a shocking retreat from responsibility, voted 60 to 33 to cut off military shipments of oil to South Vietnam—this, despite the fact none of South Vietnam's oil came from domestic U.S. stocks, and would in any case represent only two-tenths of 1 percent of U.S. domestic requirements.

Had the action later not been modified, it possibly could have meant the end of freedom in South Vietnam within a matter of a few weeks.

Other actions taken or pending would cut deeply into other U.S. aid programs for South Vietnam and seriously affect its ability to withstand continued pressure from Hanoi, amply supplied with arms and economic muscle by an ever-generous Moscow and Peking.

The conviction of the group

It is, in summation, the conviction of the fact-finding group that the struggle for South Vietnam ultimately may be decided not on the battlefield but by the false facts and wrong impressions given to Congress and the American public by anti-Vietnam propagandists.

As Ambassador Allison stated on conclusion of the mission: "The South Vietnamese, both civilian and military, are confident they can stand up to the Communists—provided the U.S. continues to give them the economic aid and military equipment they need."

Congressman Crane put it this way: "There is this concern that the United States, at this eleventh hour, might be guilty of turning its back on a commitment that we made quite a number of years ago that came to represent literally billions and billions of dollars, not to mention the blood that we sacrificed, on behalf of trying to help a people who want to remain free from Communist domination.

"It would be a great tragedy—a personal tragedy to the United States and also perhaps to the entire Free World—if we did not go that last five yards and give them (the South Vietnamese) the economic and military assistance they need now to absolutely assure their independence."

Some non-Americans are asking why they are given such a totally negative picture of the situation in South Vietnam. Excerpts from an article dated September 8, 1973, sent by a Danish correspondent to his paper in Copenhagen, is included in this report's appendix. It quotes the observations of a Polish member of the International Commission for Control and Supervision (ICCS) and it differs sharply from the views of anti-Vietnam critics in the U.S.

Similar observations are found in the final report of Canada's delegation, issued after it withdrew from the ICCS in disillusionment and frustration. (A summary of the Canadian report is included in the appendix.)

Perhaps the most eloquent appeal to reason came from a deeply concerned American observer with 27 years of service abroad, the past two in Vietnam. Speaking from experience and knowledge, he told the visiting Americans:

"After a quarter of a century of terrible suffering and sacrifice and by the extraordinary courage and resilience of the Vietnamese people, we have finally come to the point where this is a united nation built on concepts of individual and national freedom and having the ability to defend itself against an aggressor who has been truly barbaric.

"We have come to the time when this country can build a happy and prosperous future for itself and make a significant contribution to peace and well-being in the area.

"Now we find some leaders of opinion and some in influential positions in our Government prepared to walk away.

"They cower before the Don Luces and Jane Fondas of this world and let stand unchallenged the gross lies spread by Hanoi to discredit South Vietnam and to undermine the support of responsible friends which Vietnam deserves and which we ought to give in our interests."

It is to challenge these untruths that the foregoing report is issued.

Our report seeks to promote no special interest other than of our nation and the cause of freedom in Vietnam.

It tries not to bedazzle with impressive-sounding statistics or to persuade with unsupported allegations from questionable sources.

It depends, rather, on the reasoned advice of trained government specialists with long "in-country" experienec, and on honest judgments honestly arrived at from personal observation on the scene.

In the end, we have faith that the truth will prevail.

GEORGIA FERTILIZER SITUATION

Mr. TALMADGE. Mr. President, yesterday, in a statement I presented to this body, I reported that the Agricultural Stabilization and Conservation Service of USDA has conducted an intensive survey, at my request, to determine the extent of corn acreage in my State of Georgia that has not as yet had proper nitrogen fertilizer treatment. The results of that survey were made available to me late yesterday. ASCS reports that 34 percent of all the corn acreage in Georgia has not had proper nitrogen treatment to date. This translates into a deficit of approximately 1,000 tons of nitrogen fertilizer. This could mean as much as 700,000 acres of corn could be lost this year in Georgia, if additional supplies of nitrogen are not made available.

But, all the news yesterday was not bad. I also was informed last night that Columbia Nitrogen Corp., located in Augusta, Ga., is diverting some nitrogen material from industrial-use markets to agriculture use, an amount sufficient to fertilize an additional 40,000 acres of corn. This action combined with similar action taken last week by Gold Kist will, indeed, be good news to many of the corn farmers in my State.

Mr. President, I would like to request unanimous consent that my statement to the press yesterday on these developments be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SOME GOOD NEWS AND SOME BAD NEWS IN GEORGIA FERTILIZER SITUATION

WASHINGTON.—Senator Herman E. Talmadge, Chairman of the Senate Committee on Agriculture and Forestry cited today what he termed both good news and bad news concerning the shortages of fertilizer in Georgia.

On the positive side, the Senator said he had received a wire from William P. Copenhaver, President of the Columbia Nitrogen Corporation, announcing that company had diverted some nitrogen chemicals from industrial use markets and had arranged for some exchanges which would release sufficient nitrogen to fertilize an additional 40,000 acres of corn in Georgia.

In his wire to Senator Talmadge, Mr. Copenhaver said, "We will continue to exert our utmost ability to provide additional nitrogen fertilizer products. Columbia Nitrogen's ability to operate at capacity in recent months is in large measure due to assistance from you and Atlanta Gas Light Company in providing firm (reliable supplies of) gas."

The Senator praised the company for its excellent efforts to produce or find enough fertilizer for Georgia's corn farmers.

However, the Georgia Senator had quite a bit of negative news to report. Senator Talmadge had asked the Agriculture Stabilization and Conservation Service of USDA to do a statewide survey of the fertilizer situation in Georgia so that everyone would have a better understanding of the seriousness of the situation. The survey was conducted by Mr. Paul Holmes, Director of the state ASCS, and the results were gloomy, if not disastrous, according to Talmadge.

Following are the results of the survey:

Fertilizer dealers reported that they had 11,287 tons of nitrogen fertilizer on hand, and that during the critical months of May and June for corn farmers, another 37,577 tons were expected.

This is contrasted with expected needs of nitrogen of 109,937 tons. This would mean a deficit of approximately 61,000 tons of nitrogen for the state this year.

Thus far, ASCS reports, 34 percent of all the corn in the state has not had proper nitrogen treatment. In terms of acreage, the state could lose up to 701,904 acres of corn this year, if fertilizer is not found somewhere.

Following are 28 counties in Georgia with severe nitrogen shortages in terms of percentages and acres of corn which have not received adequate fertilizer:

County	Percent short	Acres untreated
Appling	25	15,000
Bacon	20	7,500
Baker	25	7,500
Berrien	40	20,000
Bullock	20	15,000
Coffee	50	35,000
Cook	40	11,000
Emanuel	50	20,000
Irwin	30	12,450
Jeff Davis	20	6,000
Jenkins	40	16,200
Johnson	37	10,000
Laurens	40	24,000
Miller	25	10,000
Mitchell	28	12,000
Montgomery	35	7,700
Pierce	40	8,000
Sumter	45	12,000
Tattnall	40	16,000
Thomas	23	15,000
Tift	50	14,000
Toombs	40	16,000
Truetlen	40	6,000
Turner	25	6,000
Washington	50	14,450
Wilcox	30	15,000
Wheeler	55	4,800
Worth	20	15,000
Total	34	371,600

Senator Talmadge reasserted his determination to get more fertilizer for the state, and he added, "I am going to take special note of those companies which are trying to help farmers out during this trying time, such as Columbia Nitrogen and Goldkist, and those companies which are adding to the crisis by reneging on their commitments to deliver nitrogen products during this crop year. I am now finding out who are the friends and the enemies of Georgia's corn farmers, and I am going to act accordingly."

NOAA COMPUTER PROCUREMENT

Mr. HOLLINGS. Mr. President, I would like to take this opportunity to call attention to an article which appeared in the March 25, 1974, Electronic News outlining the outstanding record of the Department of Commerce's National Oceanic and Atmospheric Administration in its procurement of the sophisticated computers it requires for its far-flung operations.

I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FAIR WEATHER FOR NOAA COMPUTERS

WASHINGTON.—Another "good guy" in federal computer procurement has been singled out by many industry vendors—the National Oceanographic and Atmospheric Administration.

With so many government bids ending up in bitter protests and costly contract overruns, it's nice to find some agencies scoring high marks with hard-battling vendors.

Previously the Navy's Automated Data Processing Equipment Selection Office was lauded for fair and competent handling of fiercely competitive bids by industry.

Most company marketing executives also rank NOAA computer buying practices fairly high—with a few reservations.

Technical expertise of staffs who run the nation's weather forecasting and satellite monitoring service is ranked high. And the new agency—pieced together 4 years ago from a hodge-podge of federal activities in the air and ocean field—is considered too young to develop in-grained bureaucratic bad habits.

Merging the assorted programs together has proved a problem for the NOAA—particularly with the all-powerful weather arm of the agency over-powering the oceanographic programs acquired from Interior and the Navy.

But the computer procurements that have come out of the new agency have generally been as open as possible—without favoring any company or particular equipment. Some industry sources believe this was a benefit of amalgamating the prejudices of a half-dozen different federal operations into a new agency—resulting in a standoff on vendor bias.

A year ago, the NOAA replaced its bank of Control Data Corp. 6600 giant computers with IBM Corp. 370/195 systems in an open $23 million competitive bid.

All too often federal agencies with a heavy investment in existing software programs try to upgrade sole-source within the current vendor's line. If they do go out for competitive bids, specifications are frequently written around the present equipment and software—virtually locking in the incumbent supplier.

Industry sources, however, said the NOAA uses a weighted evaluation system to try to assign values to the existing software as well as the cost of conversion to another computer system.

The NOAA evaluation scheme understandably finds a strong supporter in IBM, which won the big bid for weather forecasting computers. But it might be studied by other federal agencies that try to avoid or prejudice competitive bids to replace existing systems because of the existing software investment—frequently involving installed IBM systems.

The NOAA evaluation plan also gave extra bid credit for passing benchmark tests—at the rate of $200,000 off the bidder's price for each bonus point. IBM was not the low-price bidder for the weather forecasting computers—but 14 bonus points awarded by the NOAA reduced its bid price by $2.8 million for evaluation purposes.

Bonus credit used by an agency in its bid evaluations is always suspect—since some federal buyers have been accused of jiggering the bonus points to award the contract to the firm they wanted in the first place. However, the NOAA plan seems open only to the perennial question of Monday-morning quarterbacking an agency's subjective judgments.

NOAA procurements have not been perfect—as evidenced by the agency's continuing problems getting delivery of the giant Texas Instruments Advanced Scientific Computer at its Geophysical Fluid Dynamics Lab in Princeton, N.J.

However, unlike other agencies that try to cover up their contracting problems by quietly bailing out the company, the NOAA has assessed stiff penalties against TI.

It was learned that the NOAA now is requiring TI to provide the services called for in its contract by paying for the costs of an IBM 370/195 computer at the firm's expense until its own computer is installed and accepted. Ironically, TI beat IBM's 370/195 for the Princeton lab contract as well as CDC's Star computer.

Industry sources here can't remember when an agency forced a lagging vendor to supply the contracted service on a competitor's computer.

Marketers also remember several NOAA bids for minicomputers and automated weather observation systems that they suspected were written around specific equipment. This often happens when a firm gets locked into an evolving agency program in the formulative stages.

In these cases, however, the NOAA awarded contracts to firms that were not "wired into" the bid specifications—because NOAA evaluators judged their proposals to be superior.

NOAA is not perfect—but its track record appears far above many federal agencies. Its innovative computer buying approaches—both the strengths and weaknesses—should be studied by other government agencies.

Unfortunately the government has no effective way to push good computer buying methods discovered by one agency onto balky or inept agencies. Which is why industry vendors are so delighted to find offices such as the NOAA and the Navy's computer buying shop.

DISENGAGEMENT AGREEMENT IN MIDDLE EAST

Mr. MATHIAS. Mr. President, in the aftermath of the tragedy at Maalot, and all the other anguishing events that have marked the recent turbulent history of the Middle East, the disengagement agreement announced today is a significant achievement. The governments of Israel and Syria are to be congratulated for their willingness to compromise on issues of the utmost sensitivity to them. Secretary of State Kissenger has earned the gratitude of the world for his untiring efforts to bring the parties together. It should be noted that he serves as the chief foreign policy architect of an administration that has consistently worked to construct a system of improved international relations, and has achieved a remarkable degree of success in that endeavor. We can all hope that this latest big step in that direction will be followed by arrangements to secure a permanent peace in the Middle East so that the people of Israel, Syria, and their neighboring countries can live freely and as equals in the world community.

DEATH OF STEWART ALSOP

Mr. McGEE. Mr. President, the Nation was saddened by the death this last Sunday of Stewart Alsop, the noted journalist and author. I am sure all my colleagues would agree when I say all of us feel a great sense of loss by his death.

Stewart Alsop achieved the pinnacle in his profession that few others are able to achieve. He represented the best and most talented in a very multitalented society. He came to be recognized as the epitome of professional excellence.

As Mel Elfin noted in a moving obituary appearing in this week's Newsweek:

> For more than five years, Stew Alsop filled this page with reportage and commentary that was insightful, influential, often brilliant and most always the envy of those of us in Washington journalism who lacked both his contacts and his clarity of thought.

All of us express our condolences to the family of Stewart Alsop and share in their bereavement.

I ask unanimous consent that Mel Elfin's obituary be printed in the RECORD.

There being no objection, the obituary was ordered to be printed in the RECORD, as follows:

STEWART ALSOP, 1914–1974

(By Mel Elfin)

"A dying man needs to die, as a sleepy man needs to sleep, and there comes a time when it is wrong, as well as useless to resist."—Stewart Alsop, "Stay of Execution"

There seemed, for so long, no limit to Stew Alsop's will to resist. All through a debilitating, wasting illness, Stew lived so gracefully, so courageously and so productively that sometimes it was hard to believe him a man under sentence of early death. This week, however, 34 months after that summer day when he climbed to the top of a small trash pile at his country home and found himself "gasping like a fish on a beach," Alsop's stay of execution was abrogated. At 60, in a hospital bed at the National Institutes of Health in Washington, he finally succumbed to a by-product of a mysterious leukemia that his doctors could neither adequately diagnose nor treat.

For more than five years, Stew Alsop filled this page with reportage and commentary that was insightful, influential, often brilliant and almost always the envy of those of us in Washington journalism who lacked both his contacts and his clarity of thought. To Stew, the tight little world of political Washington was "The Center" (a title he used for a 1968 best seller on the Capital) and after a quarter century in this city as editor, reporter and columnist, he knew, was respected by and had access to almost every major figure of our era.

Henry Kissinger, on a diplomatic mission to Moscow in 1972, took along Stew's medical records so that they could be analyzed by Soviet doctors. And during his first stay at NIH, Richard Nixon himself called to ask the question that has echoed around "The Center" for more than two years: "How's Stew?"

The answer, until a final erosive siege at the hospital, was that Stew was doing very well, indeed. Whatever toll it may have taken physically, Stew's illness seemed to enhance his already great professional talents. His final columns, notably those on Watergate and the Presidency, pecked out in an office that had almost the entire city of Washington for an appropriate backdrop, were among the most remarkable of his career. Out of a pair of columns on his puzzling illness (which Stew was initially reluctant to run because "nobody would be interested") grew his last book, "Stay of Execution," a memoir, clinical report and poetic essay on approaching death.

Even when rumpled in thought over his typewriter, laughing in a basso-profundo voice at the latest political joke or padding about the NEWSWEEK bureau in an ancient pair of bedroom slippers. Stew projected an aristrocratic mien. His erect bearing combined with a wonderfully ruddy complexion to make him look as if he had always just come in from grouse-shooting on the moors.

With Roosevelts (including two Presidents) as kin on his mother's side and a distinguished lineage stretching back seven generations almost to the Mayflower on his father's, Stew was the very model of the Connecticut Yankee gentleman. Raised in a sprawling white-clapboard farmhouse in Avon, a beautiful New England village near Hartford, Stew received the very model of a Connecticut gentleman's education—first Groton, where his head was stuffed with English literature, English history and English manners, then Yale, class of '36.

Stew rarely raised his voice or lowered his guard in public. He was respectful of his elders, gracious with his colleagues, considerate of children, loyal to friends, and at all times manifested a pre-liberation attitude of courtesy toward women. Even when his body was corroded with pain, Stew would struggle to his feet when a woman entered the room.

Like other members of the Wasp elite (whose decline he viewed with the same clinical detachment as he did his own approaching death), Stew took a semischolarly interest in his forebears. Yet far from being afflicted with a "Mayflower complex," Stew was amused that, along with the poets and politicians, his ancestors included a murderer and an indentured servant and that the family name probably was derived from "ale shop."

In his own generation, Stew remained steadfastly loyal to the family and family name (he was privately annoyed when anyone persisted in mispronouncing it "Al-sop" instead of "All-sop"). He deeply loved his sister and two brothers and although he could argue politics long into the night with Joseph, four years his senior, Stew would vigorously defend him outside the family circle. So satisfying did he find the "sense of being part of a continuum" that he had six children of his own and often said he would have liked to have had more.

It was the family connections that drew Stew into journalism in the first place. After four years of war service with the British Army in Africa and later with the OSS (in 1944 he parachuted behind German lines in France), during which he won several medals and a beautiful British bride, Patricia Hankey, Stew accepted what he felt was brother Joe's "eccentric invitation" to join him in producing his syndicated column. In 1958, Stew left Joe to become national-affairs editor and later Washington editor of The Saturday Evening Post. Then, in July 1968, he joined NEWSWEEK as a Washington columnist.

As a stylist, Stew favored the simple declarative sentences he learned at Groton. But he gave to the political lexicon such memorable phrases as "hawks and doves," "egghead," "Irish Mafia," "eyeball to eyeball" and "Masada complex," a description of Israeli foreign policy that drew the personal, albeit grandmotherly, wrath of Golda Meir upon him at a Blair House luncheon last year.

As did many journalists of his generation, Stew started out with vaguely New Deal sympathies but moved progressively back toward the political middle as he grew older. Personally, he was closely attuned to sophisticated politicians like Nelson Rockefeller and John Kennedy; still, he long harbored a grudging admiration for Richard Nixon as one of the shrewdest operators of his time—until Watergate.

To the end, Stew considered himself a reporter first and a pundit second. He abhorred writing columns on the basis of cerebration alone, and nothing frustrated him more about his illness than the long, enforced absences from "The Center" of which he was such a vital part.

As he had vowed he would, Stew Alsop

did not go gentle into the night. The way he died kept faith with the way he had lived—proudly, fully, wisely, lovingly. He did us honor by having been our friend.

CONGRESSIONAL VIEW OF NATIONAL HEALTH CARE

Mr. MANSFIELD. Mr. President, on Wednesday, May 22, 1974, the distinguished senior Senator from Massachusetts (Mr. KENNEDY), at the request of the Demoratic leadership of the Senate and of the House of Representatives, delivered an address on national radio presenting a congressional view on the question of national health care. The address was statesmanlike in tone, thorough in its scope, and evidenced the deep and thoughtful concern and understanding of Senator KENNEDY for this national issue.

I commend this address to the entire Senate and ask unanimous consent that the address be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TO PRESIDENT NIXON'S HEALTH CARE MESSAGE

(By Senator EDWARD M. KENNEDY)

This is Senator Edward M. Kennedy. I'm speaking to you from Washington as Chairman of the Subcommittee on Health of the United States Senate, on the subject of "National Health Insurance."

If you can't get a doctor when you need one, if you think your medical bills have gotten out of hand, if you think your health insurance isn't adequate, especially for a really big health bill—I want to tell you what we're trying to do in Congress.

Last Monday, President Nixon gave us his views on what the nation should do to solve the nation's health care crisis. Now, the leadership in Congress has asked me to tell you about a better way to get good health care at a price you can afford to pay.

First of all, let me say that President Nixon's address demonstrates there are broad areas of agreement on the scope of the problem and its solution. A new spirit of compromise and process is in the air. The President says he is now ready to work with Congress on getting National Health Insurance into the statute books this year, and we in Congress are prepared to join him in the effort.

Congress agrees with much of what the President proposes to do to solve the health care crisis. But, above all, Congress agrees with the President that there has never been a better time to do the job. The Senate and House of Representatives are already hard at work on writing the legislation.

Amid so much that is negative today—inflation and unemployment, the energy crisis, the pending impeachment investigation—amid all these areas, the enactment of national health insurance stands out as one of the most positive achievements of which America is capable in 1974.

Congress is serious about enacting national health insurance this year. If the Administration is also serious, if the spirit of cooperation announced by the President in his address last Monday is borne out, then I believe a far-reaching bill can be sent to the President for his signature before Congress adjourns this fall.

As the President indicated, the Administration has introduced its own version of health insurance legislation. His bill is one of the major proposals now pending in Congress. But there is also another bill, a bill that Chairman Wilbur Mills of the Ways and Means Committee in the House and I have joined in introducing, a bill which we believe is better than the President's bill in several important ways.

In the first place, the benefits covered by the bill I favor are significantly more extensive than those proposed by the President.

Both bills cover many things—health care in the hospital, visits to the doctor's office, children's dental and eye care, in fact, almost all of the health services that you and your family will ever need. But our proposal is broader in two basic respects. First, it goes beyond the President's bill, by lowering the amount you will have to pay out of your own pocket to enjoy the benefits of the program.

Second, our proposal starts earlier than the Administration bill, by providing coverage from the very first doctor's visit, for pregnant women and their babies, and for eye, ear, and dental care for the children. That's an important difference. The health of our children deserves that high priority. Healthy children today mean healthy adults tomorrow and a healthy nation in the future. We want to give all of America's children the best possible start toward a healthy life and future in this country. We cannot afford a health care system that encourages parents to save their dollars by neglecting their children's health.

In addition, the Kennedy-Mills bill offers new guarantees to families facing medical disaster or catastrophic illness. Our program puts a fixed upper limit on how much you will ever have to pay out of your own pocket—no matter how high your family health bill runs when a serious illness strikes. As a result, no one ever again will be bankrupted by the cost of medical care. Every expense over and above your ceiling would be completely paid for by the program.

The next major advantage of our bill is that it would be run by the Social Security System and paid for through the Social Security System. Instead of paying premiums to health insurance companies, as you do today, you'll be paying into Social Security. The benefits will be much greater, and the cost will be much less, because of the billions of dollars we can save.

Under Social Security, every family with income would pay into the program, but it would pay only its fair share—1% of income. A family with an income of $20,000 would pay $200; a family with an income of $10,000 would pay $100; and a family with $5,000, only $50. By contrast, under the President's program, 70% of the families in the country would be paying more.

Under Social Security, your contribution will depend only on how much you make—not how healthy you are, or who you work for, or anything else.

We believe this is a better way to pay for health care than the proposal by the Administration, where everyone would pay the same flat premium for his private health insurance, regardless of his income.

That's a major defect of the President's program. It's a windfall for the wealthy and a burden for those at the bottom of the income ladder. Why should low and middle income groups be required to subsidize the health insurance premiums of the wealthy? Almost every other Federal social program is financed on a progressive basis, keyed to a person's income level and his ability to pay, and health care should be no different.

Another good reason for using the Social Security System is that your health insurance goes with you always. You're covered from job to job. You're covered between jobs. You're even covered in retirement. You earn the coverage while you work, and it's always there protecting you—there are no waiting periods, no exclusions or exemptions, no gaps in coverage, no sudden loss of coverage when you can least afford it, none of the other defects that are so familiar in private insurance policies today, and that make the present system such a nightmare for the people. Another important reason for using the Social Security System is that we're already using Social Security for Medicare. And if you don't think Medicare is loved and widely accepted by our twenty million senior citizens, ask your parents or your grandparents. For them, medicare has removed the cost of serious illness as a fear of their old age.

Medicare and Social Security are two of the greatest social programs America ever had. Now, they can become the cornerstone on which we build our new program of national health insurance.

The President wants to turn back the clock on Medicare. He wants to turn his insurance program over to the private insurance industry. In the coming debate, we'll hear a great deal from the Administration about the virtues of that industry. But they simply cannot do the job.

In perhaps no other sector of the economy today is there such cut-throat competition over such shabby products as in the health insurance packages being given the hard sell in every section of the country today. Shake your Sunday newspaper, and the chances are that an application form for a health insurance policy will drop into your lap. Fortunes are being made by companies today that seldom have to pay a claim because of the fine print in their policies. And the reason is not far to seek. The system breeds that sort of operation. There are now 1200 separate and competing health insurance companies in the nation, and their practices are a major part of our health care crisis.

The Kennedy-Mills bill meets this problem by using private health insurance organizations in an improved and constructive way. Instead of contributing to the problem, as they do today, they will become an important part of its solution.

Every time you file a health claim, you're a threat to an insurance company's profit. How can they provide decent service, when they have one eye on their corporate balance sheet and the other on the people's need for health? That's the system we have today, and it simply isn't working the way it should. But Social Security is different. It works for people. It cares about their needs. It's not in business to make a profit out of sickness in your family—it's there to pay the bill in time of need, and to guarantee that, when illness strikes, the cost is not a burden.

It's hardly a novel principle for the Government to pay the bill for social services vital to the people. It's been more than a hundred years since government in America decided that the education of the young was too important to be left to private enterprise. Today, our great system of public schools is a monument to the foresight of our ancestors.

The same is true for other areas. For forty years, Government has been paying Social Security to the elderly. For the past ten years, through Medicare, it's been paying their bills for health. I say, it's time we applied that basic principle to every sector of the population.

As everyone now recognizes, the cost of the program is no longer an issue between Congress and the Administration. After more than three years of useless controversy over cost, the Administration has finally admitted that the cost of their program is the same as the one that Wilbur Mills and I both favor. The costs are essentially identical. The only question is whether you want to pay that cost through premiums to insurance companies, or through payments to Social Security.

True, the payments into Social Security will be in the form of a small addition to the payroll tax you pay today. But the payments under the President's proposal are also a tax. The insurance premiums you would have to pay are nothing but a disguised and hidden tax. But because the President's tax is disguised and hidden, people are misled about the real nature of his program.

It is time to end the confusion and obfuscation. Let us call a tax a tax, and get on with the debate over the really important aspects of the program.

In closing, let me emphasize that the Kennedy-Mills bill contains far-reaching guarantees for all doctors and their patients. From the very start of the debate, several years ago, I have insisted that any health insurance program must contain four basic freedoms:

Freedom for every physician to choose where and how he will give health care.

Freedom for every patient to choose where and how he will receive health care.

Freedom from Government ownership of the facilities of the health care system.

Freedom from Government interference in community policy on health.

These four freedoms are the bedrock of a sound and progressive health care system, and they are totally respected in our proposal for national health insurance. President Nixon agrees with these four freedoms of health. Wilbur Mills and I agree. The Senate and the House of Representatives agree. Together, we can build a program that protects these freedoms and that will function in the highest interests of all the people of America, physicians and patients alike. We have a magnificent new opportunity today. The initiative of the President has given new momentum to the effort under way in Congress to build the program needed by the American people. I am pleased that so many are responding so well to the challenge. Let all who care about the quality of health care in America come forward. There is time, this year, to enact national health insurance, capable of fulfilling the promise of this rich land to bring decent care to all its people.

U.S. POSITION IN OIL AS IT LOOKS TODAY

Mr. BARTLETT. Mr. President, I ask unanimous consent that a reprint of the late Harvey W. Brown's, "The U.S. Position in Oil as It Looks Today," be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. Brown's article was written early in 1971. Even though several of Mr. Brown's specific political prophecies have proved to be false, he did accurately assess the volatile and explosive nature of the Middle East. A close reading of the article shows that Mr. Brown had insight that many of us should have shared—he could see petroleum shortages, higher prices, and imminent embargoes.

If we had heeded Mr. Brown's suggestion in 1971 and increased our domestic petroleum exploration and development activity, doubtlessly we would be in much better shape today.

EXHIBIT 1

THE U.S. POSITION IN OIL AS IT LOOKS TODAY

Let's explain what higher prices mean, and a larger share of the profits. If oil is designated $3.00 a barrel, and 60% of the take, the Arabs would get 60% of the $3.00 price for every barrel of oil shipped out—$1.80 per barrel. Call it a tax, or part of the profits, anything you want to call it, but it still would be $1.80 a barrel for every barrel sold and exported out of the Arab countries.

With oil prices at $1.80, as they had been, and profits of 50%, they only got 90 cents a barrel. If they get the price raise up to $3.00, it would give them twice to double the money, and increase their take by billions of dollars.

BILLIONS FOR OIL

It is said that these Arab and North African countries collected $6.4 billion dollars in 1969 from oil. When they get $3.00, it would exactly double the money and give them, at this rate, nearly 13 Billion Dollars a year.

These last two paragraphs bring out plainly what this Opec organization is striving for, when the proof is becoming overwhelming that the United States is going to be caught short of oil. This Opec, as it stands now, is getting in the position where they can absolutely name the price of oil that will have to be paid.

And what happens if this Opec raises the price to $5.00 per barrel, gradually, almost month by month, yearly at least? What will the Opec do when the United States needs many millions of barrels of oil each day that can only be bought from the Opec countries?

Is the United States going to be caught short of oil? It uses some 4½ million barrels it does not produce every day. Many agree it will be impossible to raise its oil production beyond 11 to 12 million barrels, except that Alaska may turn out as expected and add a million or two more barrels.

The Alaska situation does not look bright for any quick development. Geological work sizes it up as a major field. A pipe line needs to be built South across Alaska to carry oil to market. Court suits have tied up its building. It may be a year or two before it even starts. Drilling has practically stopped. It may take years to develop even a million barrels a day—if that kind of oil is proven in Alaska.

FIND THE NEW OIL

Canada is a good prospect. Reports say that only about 10% of the oil fields have been discovered. A report credited to the Canadian Petroleum Association says that Canada could deliver 1.6 million barrels to the United States by 1980. And 4 million by 1990. But that the cost would be $25 Billion Dollars for development.

Venezuela, and other Latin countries could step up production and could furnish more than 3 million barrels. But remember, Venezuela has been fast in joining with Arabs in the new Opec organization, and will get higher and higher prices. All the others will demand the same price. The tanker costs will be less from Venezuela, so this would come cheaper than Arab oil.

Indonesia is named as an Opec member. Don't count on any of this oil. Japan, much nearer would take every barrel from Indonesia and other countries in this section of the world.

There is some 11½ million barrels of oil being produced in the United States today—each day. It uses nearly 16 million barrels each day, named as around a 4% increase over what was used at the same time last year.

Around a million barrels a day comes in from Venezuela, less than 800,000 from Canada, and reports say nearly all the rest—some 2 million—comes from the Arab countries. One report says 18% to the U.S.

The Oil and Gas Journal said that the U.S. is producing about its limit now. Apparently proration don't mean a thing—that Texas wells are producing near capacity. Other articles in "Time", "U.S. News", and "Newsweek" say the same thing.

All agree that crude oil prices are going sky-high. Why? Because the Arabs, joined in by Venezuela, realize that the United States, and others, are in a "hole" and are banding together to run a "Squeeze-play" on all, especially the U.S. producing companies—and on the United States.

The Arabs have organized the "Organization of Petroleum Exporting Companies". It is called Opec. They met in Teheran, Iran, and demanded higher prices for crude oil, a larger percent of the take, more to them for each barrel of oil.

The Arabs are Iran, Saudi Arabia, Kuwait, Libya, Iraq, Algeria, Abu Dahabia, and Qatar. Venezuela and Indonesia joined them—10 in all said to produce 57% of all the oil in the world.

OIL RESERVES

They are also quoted as having 70.4% of the earth's proven reserves, amounting to 371 billion barrels. Europe now buys 58% of its oil from these countries, and has only a 60 day supply on hand at any one time. Japan buys 90% from them. The U.S. is depending more and more on this oil.

Reports say Iran produces most in yearly statistics, with 1.23 billion barrels in a year, and reserves of 55 billion; Saudi Arabia with 1.17 billion, reserves 137 billion; Libya 1.13 billion, reserves of 30 billion; Kuwait with 940 million barrels, reserves 71 billion, and Iraq with 552 million, reserves 28.5 billion.

U.S. Companies produce 100% of Saudi Arabia oil, 75% of Libya's, 50% of Kuwait's, and 40% of Iran's. Oil Companies from the west have produced most of Iraq's oil in the past, but Russia has moved into the new North Rumaila field to make them producers in the Middle East.

What started the Arabs to demand larger cuts, more money? The new revolutionary Libya Government, who went into power in 1969, were hungry for money. They clamped down on the oil producers, and shut down the wells, and said, "No more oil unless you pay more." It raised the oil prices higher. The new price was reported as $2.20 a barrel, and a 55% cut in the profits—55% of the $2.20 a barrel. It had been about $1.90 before, with a 50-50 cut.

This enthused others to ask for more money. But the South America Venezuela Government did more—the Legislature passed a law saying the government could set the price of oil themselves. And their cut was boosted from 52% to 60%—40% to the Oil Producers and 60% to Venezulea.

Then they combined as one at Teheran. They threatened closing down the wells. They forcefully suggested a price of $3.00 a barrel. News reports say it was around $1.80 a barrel in the Persian Gulf area before, and on a 50% basis.

A GLOOMY OUTLOOK

Now do your own figuring. The United States uses close to 16 million barrels of oil per day. Every year, it uses more. From the Chase Manhattan Bank in New York comes the estimate of 25 million barrels by 1980. Gauging from this, the U.S. will need 13 million barrels from the outside then, less what Alaska might produce.

It's a gloomy looking picture for those who have to drive into the station for gasoline. Crude oil prices seem doomed to jump to $5.00 a barrel or more, eventually, forced up by the Arabs. And there is freight—the transportation charges—of $3.75 a barrel. Look for 50 cents or 60 cent gasoline.

The Western oil producing companies—those who drill the wells and produce the oil from the Opec countries—lost no time in joining together and meeting the Opec. They asked for a solid agreement on the price of crude, and they wanted an agreement to last five years.

There were 22 of the oil companies represented. Some of the largest companies from the U.S.—Standard of New Jersey, Gulf, Mobil, Standard of California, Texaco, Continental, Marathon, Occidental, Amerada, Atlantic Richfield, and others. British Petroleum and Dutch Shell were present.

This meeting was so important that the Nixon Administration sent an Under-Secretary of State to sit in on the gatherings and lend its importance behind the American producing companies.

TAKE IT OR LEAVE IT

Even so, Opec gave the Oil producing companies no chance for further argument. They are quoted with a flat statement: "You can take it or leave it. We want around $2.25 a barrel quoted for oil around the Persian Gulf area, and a higher price for the rest and then more for us later on. Or we will pass laws giving us the right to name the prices we want."

What could the Oil Producers say? Nothing. They could only look at each other in dismay. For all these past many years, they had been operating under a "century-made rule" that the Arabs would never work together, that they could continue to play one Arab land against another—and always have "cheap Arab-oil."

This idea spread out among the oil industry and into oil channels of the Government. It became a fixed notion that there would be "cheap Arab-Oil" forever. And the smart thing to do was save the coming Alaska oil for future reserves, and that we need not waste our time drilling more wells to discover more oil at this time. Some predicted that "cheap Arab-oil" would even become cheaper.

The rest of the Opec meeting was a formality. The Gulf of Persia countries got about a $2.25 price named, an increase in prices every year—and they gave a supposed five year agreement. Then another meeting was set for Tripoli in Libya so that the others could settle on the oil prices for the oil exported from Mediterranean ports.

Then, this suddenly took place—Algeria jumped in and took over 51 percent control of all French oil wells and pipe lines in Algeria. This put Algeria in the position where it could name its own price. Seemingly, France accepted this take-over humbly. No show of force was made. Perhaps that was because of the Russian fleet standing in the Mediterranean. There was up toward 1 million barrels of oil a day involved here, and France used all of it.

Think a little of having to buy 13 million barrels of oil per day at even $3.00 a barrel—most of it from the Arabs. It's easy to figure the cost. It is so tremendous for a year's supply, it should send shivers down the backs of the government in Washington. The "balance of payments" threat comes into view again. This oil would mean billions and billions of dollars each year going out of the U.S. Where would all our gold go?

WHO HELPS WHO?

What has Russia to do with all this? She is looked upon as the Arabs best friend. She has saved Egypt from disaster, and Egypt is now looked upon as a Russian armed barracks. Her ships use the ports of North Africa freely. Her Mediterranean fleet equals that of the U.S. Syria and Iraq are considered deep-dyed reds. She moved into South Yemen, on the Indian Ocean, when the British moved out. She is fortifying the Indian Ocean Island of Socotra as a naval and air base.

Iran joins Russia on the south. The report now comes that she is furnishing money and guns to help equip Iran's 170,000 man army. She is to build them a $360 million dollar steel mill, and a $216 million machine-tool plant. She has promised, or is building, an oil pipe line into Iran.

And so Russia wants to build a pipe line into Iran? Why not acquire Iran oil cheaply by trading guns? And why not sell it cheaply to European countries to make them good friends?

And why not, at a ripe time, extend this pipe line into Iraq and Kuwait? They are next to Iran. Remember that Russia is already in the North Rumaila Oil Field of Iraq.

Russia and Kuwait are "Bosom" friends. Kuwait buys most of its steel and lumber from Russia. Her stores are filled with Russian goods. She has five freighters ordered from Russia. The Russian "Moshvick" auto is the fastest selling in Kuwait.

The British have been keeping peace in the Persian Gulf territories for nearly a century, hindering the larger Arabs from taking over the smaller. They move out in 1971. Iran is, then, expected to move south and become protectors of these small Shiekdoms, already rich with oil.

When the British left South Yemen, on the Indian Ocean, Russia stepped in as protectors. Above Aden is a narrow Strait that leads into the Red Sea, and on up to the Suez Canal. Ships going into the Red Sea, according to reports, must stop and get a permit from South Yemen, giving it this control to the South entrance. Further up on the Red Sea, in Sudan, nearly to Egypt, Russia is establishing a navy base and a missile site. Egypt seems eager to make peace with Israel, in order to open up the Suez Canal—and let Israel use it.

And Russia, soon after landing in South Yemen, so goes the tale, backed guerrilla forces in Oman, an oil kingdom to the east. Oman extends east to the Strait of Hormuz, a narrow opening from the Gulf of Persia to the Indian Ocean. Through it go all the tankers that carry oil to Japan, Europe, England and the United States.

To the North of this Strait of Hormuz, close in, are three islands claimed now by Iran, expected to be fortified by Iran, the minute the British pull out of the Persian Gulf area. Guns aimed across the Strait of Hormuz, and from the Iran Islands, could control all the flow of oil from the Persian Gulf.

The question is then, why don't Russia hurry and take over the oil? That would be a calamity to the west. The answer is simple—she would find it impossible to handle and market all that oil as it is handled today. The Western oil producers control the western markets. So Russia would be unable to keep the billions of dollars flooding in to the Arab countries. If the Russians stopped this money, the Arabs would be deadly enemies that very day.

Maybe Russia has plenty of oil? Who knows exactly? But a pipe line into Iran and Iraq and Kuwait would give them a future protection for whatever oil they might ever need. But in the meantime, let the billions pour into the Middle East from the West—after they take care of their own people, most of the rest will wind up in Russia for arms. The Arabs, each and all of them, insist they must have guns for protection.

It is apparent Russia is staging a "creeping-in" game. You can call the Arabs true satellites as time goes on, because past knowledge has shown that what Russia moves into, she keeps. A glowing example is the east Europe countries and East Germany.

So, more questions are in order. Will Russia soon have control, behind the scenes, of all Middle East oil? Will the United States, in a round-about way, soon be asking permission from Russia to buy Arab oil?

A good query: Why did the Arabs suddenly join together in Opec, when past history has shown they would never trust each other—never co-operate in anything—in times past. It's like moving the "Rock of Gilbralter" to the shifting Arab sands.

A NATION-WIDE DRILLING CAMPAIGN IS NEEDED

The United States will need outside oil in huge quantities soon unless a "miracle" happens. The future looks bleak. Imagine every car, every plane, everything else that needs gasoline—fuel to make it go—standing idle. Imagine this country being shut off from the oil it needs. Let's realize that we can't move without oil.

Many experts agree the U.S. has great oil fields to be uncovered. The time has come to find them as quick as possible. Every part of this Country, every State, should be drilled—and then drilled some more—where there is the slightest chance to find oil. A total of 25 million barrels of oil a day is the object. It would probably take as much drilling in the next 10 years as ever has been done before in this country.

The Oil & Gas Journal reports 886 oil rigs drilling in all the U.S. in February, the lowest since 1943; and at this time, this country is surely heading into an oil predicament. This has been brought forcibly to world attention since the Opec—the Arabs and others—have told us to pay higher prices for the oil—or get none.

This country should have at least 2500 rigs drilling, 24 hours every day. The Government should stand behind this drilling as something vital to America. It should use its every influence to get the Alaska pipe line started without a minutes delay. Then the nearly idle drilling rigs in Alaska could start whirling down, day and night, hundreds of them.

The Independents, the small money drillers, have been "cut-off" from drilling by the continued cry from above, "We don't need more oil: we have 'cheap Arab oil' from the Middle East that will flood into this country any time we let it."

SMELL THE OIL

It's time to turn the Independents loose, the old time "buckaroos", the sturdy ones. They took the chances in the past and opened many of the biggest and most sensational fields ever opened. Think a little about these "old timers", the ones who always claimed they could "smell" the oil when they started looking for a place to drill. And go back to the days of "Dad" Joiner when he tapped the East Texas Oil field, the greatest ever brought in, in this country, while great experts laughed at him while he drilled.

Get the Independents started. The Big Major Oil Companies should help in every way possible. They should buy leases around every new "wildcat" being punched down, to help pay for its drilling. The Government should help in every way possible to help in drilling new wells. Let everybody help drill the wells and get the oil—the new oil.

The U.S. lately completed selling "off-shore" oil leases in Louisiana for fabulous prices from the major Oil Companies. The Government should turn over every other "off-shore" lease to the Majors so they can get more drilling started.

All U.S. Government land should be thrown open for oil exploration. The "Depletion Allowance" was reduced from 27½% to 22%. Count this an emergency time—this "Depletion Allowance" should go back up to 50% deduction for the next five years at least. This gives the oil producers this extra money needed to drill more wells looking for this new oil.

DRILL AND DRILL

Canada lies next to the United States. It has barely started developing its oil. They say they need billions to drill and develop new fields. The Major Oil Companies paid over $800 Million to the U.S. for the "off-shore" Louisiana leases. The U.S. Government should lend this kind of money to Canada—all to be spent on "wildcat" wells to find new oil fields.

Mexico joins the United States directly to the south. It has a long history of oil, of big producers, almost record-breaking "gushers". The oil is controlled by the Mexican Government. Why not make appropriate deals to use much of this oil and get them started on a drive to open new fields?

And don't forget the immense oil-shale beds of Western Colorado. Experts agree there are billions of barrels there, a future "bonanza". If the present price of oil is not enough to pay for separating this oil from the shale, at a profit, then the Government should subsidize it.

Many more things could be planned to start the greatest drilling campaign this country has ever seen. But one of the first things is to make truthful explanations through the country-wide press that a "squeeze" is on in oil, that prices are sure to rise more; and to tell who is doing it—the Arabs with Russia possibly pointing the way.

This Country of ours must have plenty of oil now and in the future. It is a necessity. We are being challenged by outsiders who are fairly "drowning" in their oil. They have said, "No oil unless you pay 'death' prices." It's time to start fighting back.

INTERNATIONAL DEVELOPMENT ASSOCIATION BILL, S. 2665

Mr. KENNEDY. Mr. President, 4 months ago the House rejected, by a large majority, a vote to continue U.S. participation in the International Development Association. At that time I expressed my concern at this action. It failed to accept the realities of our involvement with the outside world, the growing interdependence of nations, and our need to help provide leadership in creating a climate that will permit cooperation rather than conflict in international relations.

Now this legislation is before us in the Senate. S. 2665 would appropriate $1.5 billion over a 4-year period, as the U.S. contribution to the $4.5 billion fourth replenishment of IDA funds. We are not being asked here to give unilateral support to this institution, for it is an international cooperative effort, in the truest sense. Twenty-five other developed nations have pledged a total of $3 billion—exactly twice our commitment. To be sure, the United States is still the largest single donor; but it is both significant and encouraging that our share of total IDA funding has been reduced from 40 to 33 percent. Japan, meanwhile, will nearly double its contribution, from 5.9 to 11 percent; similarly, West Germany will increase its share from 9.6 to 11.4 percent of the total. We in the United States should welcome this reapportionment, since it reflects changes in the international economy, and the assumption by other countries of a greater share of the common burden.

The formula for sharing IDA contributions was worked out in a complex series of international negotiations, with pledges being made by each of the donor countries. Some have already advanced their contribution. Last week, however, a meeting on the IDA replenishment, involving senior officials of all the major donor countries, took place in Bonn. Several countries, including Israel and Kuwait, confirmed their pledges to IDA at this meeting. But many others—including the major donors—are waiting for the outcome of our actions. There are strong indications that, if the United States does not honor its commitment, then many of the donor countries will follow suit, and renege on their pledges.

What the Senate does today will therefore have an important impact on the decisions to be made by other donors, especially since they are being asked to commit funds beginning July 1, perhaps before action is completed in the U.S. Congress. So, in deciding on IDA funds we in the Senate will in a very real way determine the future of IDA itself.

Mr. President, it is useful for us today to recall the philosophy and purpose of IDA. Largely on our initiative it was established within the World Bank Group 14 years ago. We all had a greater sense of optimism then. Riding on the crest of the postwar economic boom, we increasingly focused our attention and our energies toward trying to solve some of the problems that plagued the developing countries. And so IDA was created—a multilateral agency to provide the poorest countries with funds for development financing on concessionary terms, within the world market system.

Today we are less sanguine about the possibilities for rapid economic development in many of the developing countries. Even more so, we are less optimistic about our ability—or our right—to direct and influence the course of this development. Our long and futile involvement in the Indochina war has made us increasingly reluctant to become involved in the problems of the rest of the world. At the same time we have become more absorbed, and rightly so, with the serious problems of our own society.

Many debates have taken place in this Chamber on the issue of foreign aid. Objections have been raised that some U.S. bilateral foreign aid funds have been used to interfere improperly in the internal affairs of some developing countries. Other critics have noted that some bilateral U.S. aid funds, in the early days of our experience with aid, were devoted to large and conspicuously "showy" capital projects. IDA by contrast, has been guilty of neither practice. In fact, it has tended to fulfill the prime goal of aid—to help the "poorest of the poor."

In recent days, another issue has been added to the debate. In exploding a nuclear device, the government of India has drawn sharp criticism from around the world. Its action has raised serious questions in the minds of many people regarding the future of aid to India and to other developing countries.

But this issue should not be used in the discussion of this legislation. The World Bank and IDA have not given any assistance to India or to any other developing country for the development of nuclear energy, nor do they have any intention of doing so in the future. Their funds have gone to projects concerned with the development of agriculture, transport, conventional power, education, and population control. The Indian decision to "go nuclear" does nothing to change in any way the essential need for these projects.

More importantly, IDA represents an international commitment, and we should not punish this agency, and all the recipients of its desperately needed funds, because we disagree with India's action.

If aid is to be effective at all, and I believe that it can be, it should be channeled primarily through multilateral institutions. IDA has proved that this method works. It has been a successful and effective experiment in creating a multilateral—but nonpolitical—approach to development funding.

We have learned a great amount in the last 15 years about what aid can and cannot do, and about the basic differences that exist in the way these funds are distributed. It is our responsibility in this body to review all aid programs, and—if need be—to eliminate those which are misguided or do not work. Nevertheless, we should also support and encourage those efforts which have proved their effectiveness. I believe that most of the fundamental assumptions we made 15 years ago about the impact of aid on development are sound today. The compelling need we saw when we voted to create IDA is just as compelling today.

Mr. President, during the past year the world economy has gone through a difficult time. The rate of worldwide inflation rose to unprecedented new heights. The price of food soared in country after country. The price of oil suddenly quadrupled on the world market, sharply jolting the international economy. And the process of readjustment is still going on.

This is a time of uncertainty for the industrialized countries. Some have enough foreign exchange reserves to pay for their increased oil bills, and all have access to large-scale credit because of the size and strength of their economies.

But the story is far different for almost all the developing countries, outside the oil-rich countries themselves. In raw economic terms, it has been estimated that developing countries last year paid an additional $15 billion for oil and food and fertilizer imports. And in direct human terms, this figure means more starvation, more suffering, and more disappointment of fragile hopes for development and an end to misery.

Mr. President, I am mindful of the mood in the House when the IDA legislation came up for a vote there. We were still reeling from the shock of the energy crisis. But now, 4 months later, we are in a much better position to reassess calmly the changes and readjustments this development implies for the world economy. It is already clear that in this case, as so many others, the rich countries will suffer the least, and the poor will come last. A large part of the billions of dollars in additional revenues that flowed to the OPEC countries this year will find their way back to the United States and other major developed countries in investment capital. Also a good part of the additional $8 billion the developing countries paid this year for their oil imports will be used to finance OPEC investments in the industrialized countries.

In the process of incurring enormous balance-of-payments deficits to finance their essential imports of energy, food and capital goods, the very countries which have been hit hardest in the international economic crunch may be forced to reduce vastly the amount they import of these essential goods. For many of these countries, particularly the poorest ones, the level of imports is closely related to maintaining subsistence living standards. It is clear that these countries need help. IDA credit on concessional terms, for the poorest of the poor nations, will be particularly needed.

IDA has responded actively to these

developments—not to finance the added costs of oil purchases, but to finance development. A significant percentage of its funds are being redirected away from those countries whose economic performance has shown they are ready to graduate from IDA loans. These funds are being directed toward the 40 very poorest countries, encompassing more than a billion people, in what has been called the Fourth World.

Mr. President, I would like to mention another specific example of what IDA is doing in cases of extreme need. By the middle of last year, the plight of the people of the Sahel became the focus of international attention and concern. For several years, these six countries, with a population of over 24 million people, have suffered widespread drought, which has become much worse in the last 2 years. While completely accurate statistics cannot be compiled, it is certain that thousands of people have died and additional tens of thousands have been incapacitated by malnutrition and disease. Grain production in 1972 for the region is estimated to have been 25 percent short of normal supply. Between 20–30 percent of the region's entire livestock has been lost. The drought has not ended; conditions have not significantly improved; in fact in many areas the problems are intensifying.

While IDA is not a relief agency, it has responded to this disaster. A special drought relief fund of some $14 million was established last November. The project aims to help the people of the drought-ridden area to reestablish their self-sufficiency through the redevelopment and improvement of their farms and herds. By March of this year, $12 million of this fund had already been committed to specific projects, including the development of rural water supplies, the construction of wells and dams, livestock disease control programs and the establishment of grain storage facilities.

These longer-term development efforts have provided a valuable complement to relief projects undertaken by the United States and many other developed countries in response to the drought. While this response to the request for immediate international relief saved untold thousands from imminent starvation, IDA's actions have pursued the equally important task of trying to end the ecological imbalance of the whole zone, an imbalance caused in part by unwise agricultural practices.

In addition to the special fund, two regular IDA loans have been made this year to countries in the affected area: a $3.8 million credit to Mauritania for an education program; and a $7.5 million loan—on March 28—to Chad for irrigation projects. Further IDA loans, totaling $20.5 million, are scheduled to be committed in the next several months. Since 1970 IDA credits to the six-country area have reached $134.2 million, or slightly more than $1 per capita annually. One dollar a year may seem an insignificant amount, but for these countries, some with per capita incomes of $70 or less annually, the impact may be substantial.

Recently, reports began to appear of a similar and equally tragic story of devastation, starvation, and human misery for over 1½ million people in the drought-effected regions of Ethiopia. The magnitude of the tragedy was frightening. Perhaps 100,000 to 150,000 people died of starvation; another million and a half were left destitute; crops in the most seriously affected provinces of Tigre and Wolo were almost totally lost; and livestock losses were estimated in some areas at 85 percent.

Since 1972, $108.7 million in IDA credits have been committed to Ethiopia. This is nearly $2 per capita annually in this country, with an annual per capita income of only $80.

In the next few months, IDA expects to commit an additional $30 million to Ethiopia for three specific projects.

First, there is $10 million for a drought rehabilitation program to assist in the stabilization of the agricultural economy in the most severely affected provinces of Tigre and Wolo. This project will also help to create the basis of long-term economic development of the area by providing for such fundamental programs as the construction of rural roads, water supplies, and medical facilities.

Second, another $12 million is scheduled for the continuation of an IDA project in the Wolamo district in the southern part of the country. This will include such essential development components as livestock services, soil conservation, roads, and artisan training.

Finally, some $9½ million is committed for the first 5-year phase of a comprehensive agricultural settlement and development program, designed to provide the basic services, infrastructure and institutions needed to settle permanently about 24,000 farm families in the Tigre Province.

Mr. President, IDA makes possible programs such as these—directed toward solving long-term problems of providing irrigation and water supplies, and establishing adequate storage facilities in order to save valuable crops otherwise lost each year. Funds committed to this kind of essential development project could go a long way towards preventing catastrophies of such magnitude from occurring again.

It is our responsibility as a "have nation" to support and encourage every serious effort to assist those people whose lives otherwise hold no future, no chance, no hope. These are the "people of IDA." These are the people whose lives in a very tangible way will be enriched or not by our actions here today. It is unthinkable that we will deny them this chance.

Mr. President, I urge the Senate to give these "people of IDA" a pledge of our continued commitment to action. Let us try to recapture some of the optimism and spirit of commitment we once had that the encircling grip of poverty can be broken. We may not always succeed, but to give up this effort would be unconscionable. We may at times become frustrated when progress seems slow; but the need—and the opportunity—remain. I urge the Senate to give its approval to this legislation.

STATE EDUCATION CHIEFS DISAGREE WITH PRESIDENT'S EDUCATION STATEMENT

Mr. WILLIAMS. Mr. President, all of the Members of this body are well aware of the substantial time and effort put in by the Labor and Public Welfare Committee and the full Senate in fashioning the Education Amendments of 1974. All of my colleagues devoted a great deal of energy and attention to this measure with the goal of developing the best possible Federal education programs.

Yet, just 2 days after the Senate passed this bill, President Nixon issued an unwarranted attack of its provisions claiming that they create rather than solve problems of improving the quality of public education in America.

Mr. President, fortunately, there are many individuals in this country who have greater expertise and experience in the process of providing quality education than the President. Among these persons are the top school officials in the 50 States and territories who have, through their Council of Chief State School Officers, forthrightly replied to the numerous criticisms found in the President's statement. I think that all of my colleagues should read this excellent response and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

STATE EDUCATION CHIEFS DISAGREE WITH PRESIDENT'S EDUCATION STATEMENT

The Council of Chief State School Officers, representing all state superintendents and commissioners of education, took issue today with the education statement by President Nixon of May 22. The President's statement that the Senate version of the Education Amendments of 1974, S. 1539, creates rather than solves problems of improving the quality of public education in America is simply not accurate. The Senate bill is a significant step forward in federal assistance to education, and contains numerous creative initiatives.

While the President is critical of the consolidation of certain federal programs in the Senate bill, we find the Senate provision of consolidated applications, and the consolidation of the U.S. Commissioner's discretionary funds advantageous for both state and federal education leadership. We can understand the President's objections to the mandated funding levels under the Senate consolidation, because the Nixon Administration has consistently advocated reduced federal funding for elementary and secondary programs, budgeting for example $200 million less for elementary and secondary education in FY 1975 than was appropriated in FY 1974.

The President objects to the Senate's addition of certain new categorical assistance programs. We feel that this objection is shortsighted since new Senate programs for reading education, bilingual education, and handicapped children meet obvious needs in every state and locality, needs which the Administration acknowledges but refuses to meet with additional federal resources.

We find the President's objection to new bureaucratic structures in the Senate bill specious. In the same paragraph of the President's message, he objects to the Senate prohibition of decentralization of federal programs to HEW regional offices. In a time when this Administration is proposing reduced funding for elementary and secondary programs, it is the Administration which has advocated this new bureaucratic structure of regional administration. The experience of state education agencies across the nation has been that the HEW regional offices impose "cumbersome, time consuming, and restrictive administrative procedures" far more objectionable than the minor administrative provisions in the Senate-passed bill. Chief State School Officers have found, in fact that the regionalization effort in HEW is in fact a means of under-cutting the federal commitment to assist elementary and secondary schools or giving states more administrative flexibility.

By once again focusing on the busing issue in his statement on education, the President persists in appealing to fears and prejudices rather than lending leadership on behalf of equal opportunity. The President reiterates the scare terms of "forced busing" and "racial balance", rather than discussing the relevant provisions of the House and Senate bills. The House version of the bill, H.R. 69, contains, for example, a provision which would allow the reopening of effective court orders in school desegregation cases, a totally illogical provision which would lead to repeated unnecessary civil strife and administrative chaos for school officials. Chief State School Officers support the more moderate Senate provisions which mandate constitutional guarantees in this controversial area.

The President concludes his list of objections to the Senate bill by reiterating the need for advance funding for federal programs in education. State school officials heartily endorse the concept of advance funding as a means of eliminating present uncertainties in federal programs. However, the President fails to note that the consolidation provisions in the Senate bill mandate advance funding as a prerequisite for any consolidation. Chief State School Officers will support any Administration proposal for advance funding, such as a supplemental appropriations request.

It is our hope that the President will put aside some of the political considerations in his May 22 message and work cooperatively with the Senate and House conferees on the elementary and secondary legislation, in order that the authorizations and appropriations necessary for FY 1975 may be completed.

CARDINAL MINDSZENTY'S VISIT TO DETROIT

Mr. GRIFFIN. Mr. President, last week during his tour of the United States, Jozsef Cardinal Mindszenty honored the State of Michigan by visiting the great city of Detroit and offering mass in one of its churches.

His arrival in Detroit inspired an outpouring of affection and respect for what he has undergone, and what he has stood for, not only from members of the Hungarian community, but from thousands of others as well.

Mr. President, I ask unanimous consent that an article in the Detroit News recounting Cardinal Mindszenty's visit be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Red Torture Recalled by Mindszenty

(By Nancy Manser)

Jozsef Cardinal Mindszenty, a symbol of anti-communism during 15 years of self-imposed exile in a U.S. legation in Hungary, says Communists "tortured" him to obtain a confession on treason charges.

"One should know what it means to be imprisoned day and night in the hands of these torturing Communist police," said Cardinal Mindszenty, through an interpreter yesterday during a visit to Detroit.

"Every day three physicians examined me as to how long and how much more I was able to endure."

The cardinal's visit to Detroit yesterday was his first trip here since 1947.

The 82-year-old Mindszenty, his face deeply lined with age but otherwise appearing healthy, met Detroit Hungarians on the lawn of Holy Cross Church on Detroit's southwest side and took part in the evening mass. Following the mass, he was a guest at a dinner for 50 persons.

The purpose of his visit was to announce publication of his memoirs, which will contain, he said, an account of his imprisonment and coerced confession by Hungarian Communist leaders.

He is making a tour of the United States. Besides Detroit, he will visit Cleveland, Toledo, Buffalo, Washington and Los Angeles. The imprisonment, following the 1956 Hungarian uprising, ended with Mindszenty seeking refuge in the U.S. legation in Budapest. He stayed there 15 years in self-imposed exile to symbolize his country's take-over by the Communists.

He left Hungary in 1971 on orders from the Pope.

The departure from his native land, Cardinal Mindszenty said yesterday, was "the gravest cross of my life to bear."

The cardinal reflected on the young, the state of morals, his native land and his imprisonment.

Young people of the world, he said, will have to "return to God and the truth."

In the cardinal's view, the world's most critical problem is moral decay, since respect for parents and older people, he said, is "getting weaker and weaker." As a result, crimes committed by children are increasing, he said.

Cardinal Mindszenty, now living in Vienna, was removed from Hungary by order of the Pope in an apparent attempt to improve church-state relations in Hungary.

But the cardinal asserted: "After my leaving Hungary the situation did not improve in the country or anywhere else in the world."

He said Hungarian-Americans can help relatives in Hungary by keeping in touch, consoling, visiting, sending money and gifts.

Auxiliary Bishop Arthur Krawczak of the Detroit Archdiocese accompanied him to the church from the airport.

There, he was greeted by Detroit City Council President Carl Levin, acting for the mayor, and former Councilman Mary Beck.

Cardinal Mindszenty also had a half-hour meeting at the church with John Cardinal Dearden, archbishop of Detroit.

BASICS OF NATIONAL HEALTH INSURANCE—PART III

Mr. HANSEN. Mr. President, this is the third in a series of statements that I am making on national health insurance. It is particularly significant that both the House Ways and Means Committee and the Senate Finance Committee presently are holding hearings on this subject.

In the last two statements I have attempted to identify the problems of health care in America today; I have attempted to perceive the public feeling on what needs to be done; I have offered some basic principles on which to build; and I have proposed a solution in the form of the Health Care Insurance Act, or medicredit bill, sponsored principally by Senator Vance Hartke and myself, along with 180 other Members of Congress.

Today, I would like to take a look at the broad picture of national health insurance by specifying a goal to work toward. discussing some specific issues and dangers, and drawing some conclusions.

TOWARD A NATIONAL HEALTH POLICY

Let us define in specific terms, our goal. It has been expressed in varying ways, but most will agree that Americans want quality health care that is available to everyone at a cost he can afford. The key words here are quality, availability, and cost. Such a goal is a worthy one.

The principal forces underlying the present desire for a national health insurance plan center in the concepts of rights and equality. Our purpose is to offer all Americans the right to procure good health care. We are endeavoring to offer equal health care benefits to all our citizens.

A national health policy must be based, then, first of all, upon a declaration of the rights of each American to equal health care.

RIGHT TO HEALTH CARE

In the discussion of national health insurance some have termed health care as a right of each citizen. May I qualify that statement by asserting that a right to good health care cannot be extended to the proposition of giving each citizen free health care. We do not give every American property merely because he has a right to own it. He must work for it, and pay the price for it. The same is true with health benefits. It appears to me that health care is a right in the sense that every person should have the right to procure good health care if he wants it, and if he will take the steps, according to his ability, to obtain it.

Such a right also necessarily entails a responsibility. To bestow health care as a right upon each American without also requiring a concurrent responsibility, is, in a very literal way, irresponsible.

EQUALITY OF HEALTH CARE

"Everyone should have equal health benefits," is a common assertion. May I suggest that a more realistic statement would go like this: "Everyone should have equal access to equal health care." The actual bestowal of and access to are different entities. The first requires no responsibility; the second requires concurrent responsibility.

The idea of equality and democracy was of primary concern to Alexis de Toqueville, who, in his classic work "Democracy in America," identified the unlimited passion for equality to be a chief danger to democracy:

> There is, in fact, a manly and lawful passion for equality that incites men to wish all to be powerful and honored. This passion tends to elevate the humble to the rank of the great; but there exists also in the human heart a depraved taste for equality, which impels the weak to attempt to lower the powerful to their own level and reduces men to prefer equality in slavery to inequality with freedom . . .
>
> I think that democratic communities have a natural taste for freedom; left to themselves, they will seek it, cherish it, and view any privation of it with regret. But for equality their passion is ardent, insatiable, incessant, invincible; they call for equality in freedom; and if they cannot obtain that, they still call for equality in slavery. They will endure poverty, servitude, barbarism, but they will not endure aristocracy.

National health insurance is one area where the excesses of equality seem to be manifest most dangerously. This idea deserves serious thought. We must beware of rhetoric promising total equality in health care, because not only is it often politically motivated, but because it feeds the insatiable appetite for the equality of which Mr. de Tocqueville speaks, that may ultimately lead to equality not in freedom or in quality health care, but equality in subjection and mediocre health care. In a mania to bestow gratuitously equal health benefits upon each person regardless of other considerations, we may well end up with a situation comparable to that of Great Britain and Russia, where quality health care has been sacrificed for equal health care.

The bases, then, for a national health policy may be thus stated:

First. Every American has a right to obtain good health care. This right arises from his responsibility to procure good health care by personal diligence and initiative.

Second. Every American deserves an equal opportunity to obtain equal health care comparable to that of every or any other American.

Various plans have been offered—all with a similar goal—but with different means. I have shown how the medicredit bill, S. 444, is most consistent with fundamental social and economic principles of health care, and why it offers the most realistic path toward the goal. I add that it is not a perfect plan, but the structure is sound, and can be added to. We have therein a solid base to work upon.

The principal differences between the bills before the Congress lie in three general areas, and to these issues I now wish to speak:

First, compulsion versus voluntarism; second, payroll tax versus tax credit; and third, bureaucratic administration and planning versus the free market and private enterprise.

COMPULSION VERSUS VOLUNTARISM

Medicredit is the only plan that is completely voluntary. I consider this to be essential and of the first priority. To do otherwise would be to negate the very ethic of freedom in America.

I fail to perceive by what standard or reasoning people should be forced to participate in a national health insurance plan against their will.

Some will say, "Health insurance must be universal. Therefore it must be compulsory."

Why must we force health insurance upon unwilling citizens? If they do not want it, why should that jeopardize the rest of society?

Health is too much a matter of individual concern and initiative to hand that responsibility to society. If one person elects not to purchase health insurance, he does not harm me. If he gets seriously ill or suffers catastrophic medical bills, what is that to me, if he refused to provide against such emergency? Does it then become my responsibility? Shall I repair the hole in my neighbor's roof against his own will, and regardless of his own negligence?

I realize that well-meaning persons feel that all should participate for their own good. But I reiterate most solemnly the warning given by John Stuart Mill in his classic work, "Representative Government":

> It is not much to be wondered at if impatient or disappointed reformers, groaning under the impediments opposed to the most salutary public improvements by the ignorance, the indifference, the intractableness, the perverse obstinacy of a people, and the corrupt combinations of selfish private interests armed with the powerful weapons afforded by free institutions, should at times sigh for a strong hand to bear down all these obstacles, and compel a recalcitrant people to be better governed. But those who look in any such direction for the realization of their hopes leave out of the idea of good government its principal element, the improvement of the people themselves. One of the benefits of freedom is that under it the ruler cannot pass by the people's minds, and amend their affairs for them without amending them.

I do not think that any reason is sufficient to merit force interfering with liberty of action except self-protection. The only purpose to which social force ought to be executed over the liberties of an individual can only be to protect the community or society against his harmful actions. His own good is not sufficient warrant.

The responsibility of the many to contribute to the poor can be handled by financing a plan from general income tax revenues, and then only upon the consent of the people themselves.

Furthermore, the recent experience with medicare, wherein 95 percent of the eligible participants signed up for the benefits, indicates that universal participation is hardly a major problem.

PAYROLL TAX VERSUS TAX CREDIT

The problems of adding to the payroll tax are well known. Such a tax is regressive, is easily and inevitably increased and, ironically, is most oppressive to the middle-income family whom we are trying to help meet its medical bills. The employer-employee compulsory financing embodied in the administration's CHIP is merely a variation of a payroll tax—to be deducted ultimately from the worker's take-home pay.

A viable alternative to the payroll tax is the tax credit. This approach is widely recognized by the best experts to be a more equitable way of financing health insurance and distributing its benefits. A new study published by the University of Iowa graduate program in hospital and health administration, as part of its "Health Care Research Series" points out that the medicredit tax credit approach "is indeed significant and certainly warrants consideration." The study points out that the tax credit idea is "predicated upon the assumption that the greater the tax liability, the greater the individual's ability to purchase health care services or health insurance." The study recommends the tax credit as the best financing mechanism yet proposed.

The tax credit approach will use the existing Internal Revenue Service machinery to expedite the tax credits, thus sidestepping the herculean task of keeping a running account of personal medical expenses and eligibility limits at a new Federal level, as would be required by the other plans.

It can confidently be asserted that the savings in administrative costs by not creating a huge bureaucracy in the Social Security Administration and a minimum of overutilization abuse will offset the loss of revenues to the Federal Government and be realized in a net savings. Such savings will be considerable in comparison to the increased spending that would be incurred through other plans.

PLANNING VERSUS COMPETITION

It is popular these days to speak of Government planning and monitoring of the affairs of interest to society at large. This is natural, for in the wide arena of conflicting individual, and selfish interests, no one seems capable to fairly and equitably arrange interests except an all-powerful and disinterested third party—the Government. Such is a natural tendency of democracy, but a fatal one.

Experience has shown that in other countries an army of Government bureaucrats are neither smart enough, nor personally interested enough, to provide economy and fairness in the complex task assigned to them. For them to take into account the innumerable situations, subjective judgments, and intricacies of modern society in implementing a plan is an insuperable task.

Comprehensive health and social planning is inherent in the Griffiths-Corman health security plan, the Kennedy-Mills bill, and to a lesser extent in the administration's CHIP and the Long-Ribicoff bill. Each envisions using the Social Security Administration or other governmental agency to plan comprehensive health resources, health facilities, quality of services, and health prices. Such planning, the proponents urge, will correlate diverging interests, conflicting plans, and selfish ambitions into one united effort, all for the public welfare.

I submit that such planning, wholly innocent and praiseworthy in concept and intent, is actually a first step toward centralized, or socialized, medicine in America. It is an honorable undertaking into idealism that results in more problems created than solved.

It is, therefore, essential that health planning be left to local organization and entities and not to be taken up on a Federal level—except in broad, general terms of principle and guidelines.

There is no substitute for the innumerable and complex checks and balances embodied in the free market and private enterprise system to regulate affairs of health care and insurance. Such restraints are much more sure, durable, and effective than artificial ones imposed by a Government bureaucracy, which cause shortages, inequities, general dissatisfaction and alienation of the people. Private competition monitors society at the level of the people; Government planning monitors it at the level of a central bureaucracy.

Our past experience with Government programs should lead us to be doubtful that we could possibly administer a program like health security on a national scale, without losing considerable freedom to the authority of a governmental agency or administrator far removed from the scene of action.

The inefficiency of such administration is well demonstrated by the experience of State-supported "prepaid health plans" in California. Such plans spent more on administrative costs such as salaries than on actual health care services, according to California's auditor general:

> Of the $56.5 million payments made by the Department of Health to 15 prepaid health-plan contractors, only an estimated $27.1 million, or 48 percent, was expended for health care services.

The balance of $29.4 million, or 52 percent, the report said, was expended "for administrative costs or resulted in net profits."

CONCLUSIONS

A national health insurance plan must:

First. Be completely voluntary;

Second. Employ a tax credit as the financing mechanism; and

Third. Build on the existing system and leave administrative and planning functions to local bodies and private enterprise within the free market in accordance with general guidelines from a national level.

Of the various plans now before the Congress, only the medicredit plan embodies each of these essentials, in addition to being consistent with fundamental social and economical principles of health care. Each of the other plans, while having some good point, is inadequate or faulty in at least one of these respects.

FEDERAL ADMINISTRATION

Several of the bills would funnel the administration of an NHI program into a single governmental agency, such as the Social Security Administration or a Health Security Board. In the process, they would create huge bureaucracies and endow them with inordinate power which could be used to control the entire health industry. A health superagency could determine the methods through which health care would be provided by physicians and other providers, and use the vast sums of money under its control to dominate subsidiary agencies or boards. Any Federal agency empowered to pay for 90 percent or more of the Nation's health care costs would call the shots: Favoring cost control rather than quality, inflexibility rather than flexibility of method, and status quo rather than innovation. On the other hand, the use of general revenues, where necessary to supplement the private purchase of health insurance in a competitive market regulated by the separate States, would have exactly the opposite effect.

KENNEDY-MILLS BILL—FINANCING THROUGH A PAYROLL TAX

Payroll taxes are regressive. They weigh heaviest on low- and middle-income taxpayers, who are already overburdened. Several NHI bills now under consideration turn to this method of financing, although it establishes a mandatory tax for a mandatory program rather than providing Federal help according to the degree of individual need, as medicredit would do. A payroll tax locks the individual into a single, set rate method of payment. Under medicredit, the individual could shop for the sort of health coverage he wanted at the lowest price available.

ADMINISTRATION BILL

Although the administration bill does not call for Federal control of the health insurance program, it would set up stringent regulatory authorities within the States, including the authority to fix rates for health services. No other services in our economy are subject to price fixing. This is discriminatory and unfair, besides setting a dangerous precedent. Again, it would lead to rigid control; the cost-quality conflict resolved in favor of cost; the stifling of innovation; and the reestablishment of a mechanism that has already been discredited.

LONG-RIBICOFF PROPOSAL

This bill structures a catastrophic program without first providing a solid base of general health insurance for the entire population. Although it would extend badly needed protection to some, their numbers would be small when measured in terms of the entire population. Further, what is financially a health catastrophe to one person may not necessarily be a catastrophe to another. Contrast this $2,000 corridor with 10-percent sliding-scale corridor provided under medicredit. The deductibles provided before coverage would come into effect could in themselves prove financially catastrophic to some of those in need of help; and in the process of rectifying this inequity, Congress might later reduce the deductibles to the point where a bill written to cover catastrophic illness only would provide the ill-considered blueprint for expanding the program into across-the-board national health insurance. A catastrophic program designed to stand on its own is analogous to a two-story house designed without a first floor.

I am not unalterably attached to the name of medicredit or the particular legal language that it represents, but I am committed to the basic structure and principles that it defines. I feel that this structure is the best basis for a national health insurance plan. And I urge the Congress to make appropriate use of it for whatever legislation reaches the floor.

SUPPORT FOR NATIONALIST CHINA UNDIMINISHED

Mr. HANSEN. Mr. President, because of Senate action last week it would seem to me not inappropriate for some comment to be made in the Senate relative to the status of our friends and allies of Nationalist China on Taiwan—the seat of government of the Republic of China.

Unfortunately, it was not until Wednesday of last week that I learned that S. 3473, a bill to authorize appropriations for the Department of State and the U.S. Information Agency, and for other purposes, has a section 4 that deals with "Repeal of the Formosa Resolution." And it was not until Thursday that I learned S. 3473 had passed the Senate on Monday of last week without a rollcall vote.

Although we do not know what fate action by the House of Representatives holds for S. 3473, and I hope it will receive a thorough review by our colleagues in the House, I believe it is important that we let the people of Taiwan know that U.S. support for their freedom is undiminished despite the Senate passage of the "Repeal of the Formosa Resolution."

The Formosa resolution when enacted in 1955 was widely known throughout the Nation because it related to the battle for the Taiwan Straits, in which the United States participated to insure that those straits remained free. The islands of Matsu and Quemoy near the coast of China, in the straits, remain today controlled and fortified by the Republic of China. Because the Formosa resolution was so meaningful at the time to both the Nationalist Chinese people and the people of the United States who backed them to the hilt, it seems to me we should not repeal the resolution without strong assurances from the Senate that U.S. support is undiminished—or if it is diminished, we should clarify that also. The resolution's adoption represented major policy, and if its repeal does not indicate a change of policy, we should make that known.

I am hopeful that a member of the Committee on Foreign Relations will outline the committee's thoughts on the matter. A member of my staff contacted the committee staff and was told that S. 3473 included a number of housekeeping measures and the repeal of the Formosa resolution was one of them. The following is the committee report comment on the repeal of the Formosa resolution:

> *Section 4. Repeal of the Formosa Resolution.* This section repeals the Formosa Resolution of 1955, a joint resolution enacted as a demonstration of support for the President and for Taiwan during a period of tension which occurred in that year. The Resolution, which remains in effect even today, authorizes the President to employ the armed forces of the United States as he deems necessary to protect Formosa and the Pescadores, an island group just off the southeast corner of mainland China.
>
> In October of 1971 the Foreign Relations Committee voted in favor of repealing the Resolution and the repealer was reported from the Committee as an amendment to the Foreign Assistance Act of 1971. The Committee viewed the repeal as a kind of legislative housekeeping, removing from the law a special grant of authority and support for the President made under circumstances which no longer existed. Prior to taking its action, the Committee had solicited the Administration's position, and the Department of State had expressed the Administration's view of the Formosa Resolution as follows:
>
> "We would not look upon the resolution as legal or constitutional authority for either contingency planning or the actual conduct of our foreign relations."
>
> Even more clearly, Secretary of State William Rogers had declared explicitly that the Department had no objection to the repeal of the Resolution. Coincidentally, however, while the bill containing the repealer was on the floor of the Senate, the UN voted to seat the People's Republic of China and to expel the Republic of China; and many Senators felt that it would have an undesirable impact if the UN's action were to be followed so suddenly by a Senate action which could be construed as a wavering of U.S. support for Taiwan. Thus, a move to strike the repealer succeeded by a vote of 43–40.
>
> In the Committee's view, recent Congres-

sional action in enacting War Powers legislation renders the case for repeal of the Formosa Resolution even more cogent, and the Committee believes that sufficient time has now elapsed to allow reconsideration of this measure in a less dramatic context. The resolution has long since become obsolete and ought to be repealed in the interest of orderly procedure.

Mr. President, other sections of this housekeeping bill, in addition to authorizations of appropriations, transfer of funds, publication of political contributions of certain nominees, travel expenses of student-dependents of Government employes, assignment of foreign service officers to public organizations, authority and responsibility of ambassadors, reorganization of foreign affairs legislation, and the Formosa Resolution repeal, are: Military Base Agreements, Diego Garcia Agreement, International Materials Bureau, Review of Policy Toward Cuba, Future of United States Assistance to South Vietnam, and several others Some of the latter sections named have provocative titles, naming several areas of major policy, it would seem. Perhaps a committee spokesman would briefly outline what impact some of these sections might have.

In the meanwhile, I want to make it clear that the support of the junior Senator from Wyoming for the Republic of China is undiminished.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. At this time, the hour of 12 o'clock having arrived, morning business is concluded.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. BIDEN) laid before the Senate messages from the President of the United States submitting nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

U.S. PARTICIPATION IN THE INTERNATIONAL DEVELOPMENT ASSOCIATION

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate S. 2665, which the clerk will please report.

The assistant legislative clerk read as follows:

S. 2665, to provide for increased participation by the United States in the International Development Association.

The Senate resumed the consideration of the bill.

The ACTING PRESIDENT pro tempore. Debate on the pending bill is limited to 4 hours to be equally divided between the majority leader and the minority leader or their designees. The majority leader has stated that he yields his time to the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.).

Who yields time?

Mr. HARRY F. BYRD, JR. Mr. President, I have just yielded 3 minutes to the Senator from Utah (Mr. MOSS) and I yield myself 12 minutes at this time, making a total of 15 minutes.

Mr. President, the pending legislation would authorize an additional increase of \$1½ billion for the World Bank, the soft loan window of the World Bank.

If there was ever a more inopportune time to go into a program like this, I do not recall when it might have been.

Here is what we will be doing with this legislation. The Federal Government will be borrowing money at 9 percent interest and giving that money to the World Bank, which in turn will loan it to other countries at 1 percent interest.

Now the record shows that the countries then in turn will take that money and loan it to its own people at 12- to 20-percent interest.

I rather suspect that in some of these countries that money is not getting down to help those people at all but is being skimmed off by various elements in those governments.

But, be that as it may, I am looking at it from the viewpoint of the American taxpayer.

This is a program to go out and borrow \$1.5 billion at 9-percent interest and turning that money over to other countries at 1-percent interest.

I do not believe that can be justified.

Now, Mr. President, one would think, in listening to the arguments in favor of the legislation, that this is the only foreign aid program the Government is involved in.

Of course that is not correct at all.

I have information concerning the current budget. The new requests for appropriations and authorizations and/or appropriations for foreign aid and assistance contained in the fiscal year 1974 budget document, are as follows—there are 28 different programs.

One is the Foreign Assistance Act, \$2.4 billion.

Overseas Private Investment Corporation, \$72.5 million.

Foreign Military Credit Sales, \$525 million.

Inter-American Development Bank, \$693 million.

International Development Association, \$320 million. That is the same one, the same bank, the same association that this proposal would then appropriate another one and a half billion dollars to.

No. 6, Asian Development Bank, \$100 million.

Next, the Asian Development Bank—proposed—\$106 million.

Next, Asian Development Bank, maintenance of value \$24 million.

Next, International Development Association, maintenance of value, \$161 million. That is the same bank; the same association, the International Development Association that we are now proposing to give the additional one and a half billion dollars to.

International Bank for Reconstruction and Development, maintenance of value, \$774,000,000.

International Monetary Fund, maintenance of value, \$756,000,000.

Maintenance of value adjustment—\$25,000,000.

Receipts and recoveries from previous programs, \$394,000,000.

Military assistance—defense budget—\$1,930,000,000.

International military headquarters, \$85,000,000.

MAAG's, missions and millgroups, \$168 million.

Permanent military construction—foreign nations, \$190 million.

Export-Import Bank, long-term credits, \$3,850 million.

Export-Import Bank, regular operations, \$2,200 million.

Export-Import Bank, short-term operations, \$1.6 billion.

Peace Corps, \$77 million.

Migrants and refugees, \$8 million.

Public Law 480, \$653 million.

Contributions to international organizations, over and above the ones just listed, \$200 million.

Education, foreign and other students, \$59 million.

Trust Territories of the Pacific, \$56 million.

Latin America Highway—Darien Gap—\$30 million.

Now, Mr. President, that adds up to a total of \$18 billion, not including the one and a half billion dollars in the pending legislation. This information that I have just cited was developed by the Subcommittee on Appropriations for Foreign Operations of the Appropriations Committee of the House of Representatives.

I ask unanimous consent that this table be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HARRY F. BYRD, JR. Mr. President, it is also estimated by the same committee, the House Appropriations Committee, that in the pipeline for foreign aid is some \$26 billion, not including the figures I have already enumerated.

The pending legislation is just an additional program, over and above these others, of \$1.5 billion that the taxpayers are being called upon to pay for, by their Government borrowing money at 9 percent and lending it to foreign countries at 1 percent. I do not think that can be justified in this period of high inflation which is facing our Nation.

The economic report submitted yesterday by the President and his advisers indicates that fiscal year 1975, the one which will begin at the end of next month, will show even larger government deficits than had been anticipated and greater than the present year. So this is a very inopportune time to go into such a program as is being proposed. It is a global antipoverty program. It would be fine, if the American people had the money, I suppose, to go into such a global antipoverty program. But the United States tried a poverty program of its own in the United States, under Lyndon Johnson; and after the expenditure of billions of dollars, it was ascertained that very little if anything was accomplished. When you get on a worldwide scale, even less will be accomplished.

In today's edition of the Washington Post, an editorial in behalf of the proposed legislation pointed out that the leadership in opposition to this $1.5 billion approriation to IDA is being led by the distinguished senior Senator from Missouri (Mr. SYMINGTON) and by the Senator from Virginia (Mr. HARRY F. BYRD, JR.). The editorial exresses the view that the Senator from Missouri and the Senator from Virginia would be in a smal minority.

Mr. President, knowing the attitude of the Members of the Senate toward appropriating funds for every conceivable project throughout the world, I suspect that the Post will have its wish come true, that the Senator from Missouri and the Senator from Virginia will be in the minority. But somewhere along the line this throwing away of tax funds by Congress and by the administration must come to a halt. I do not know of any better place to start than with the bill before the Senate today. We have to start somewhere.

Inflation is eating heavily into every wage earner's paycheck and into every housewife's grocery dollar, and the major causes of this inflation are the smashing, continued, accelerated, and accumulated Government deficits. Yet, nowhere along the line is Congress or the administration willing to call a halt to this continued expenditure of tax funds.

EXHIBIT 1

New requests for authorization and/or appropriation for foreign aid and assistance contained in the fiscal year 1974 budget document

1. Foreign Assistance Act (includes military assistance)	$2,428,850,000
2. Overseas Private Investment Corporation	72,500,000
3. Foreign Military Credit Sales	525,000,000
4. Inter-American Development Bank	693,380,000
5. International Development Association	320,000,000
6. Asian Development Bank	100,000,000
7. Asian Development Bank (proposed)	108,571,000
8. Asian Development Bank (maintenance of value)	24,000,000
9. International Development Association (maintenance of value)	161,000,000
10. Inter-American Development Bank (maintenance of value)	510,000,000
11. Internat'l Bank for Reconst. & Dev't. (maintenance of value)	$774,000,000
12. International Monetary Fund (maintenance of value)	756,000,000
13. Maintenance of value adjustment	25,000,000
14. Receipts and recoveries from previous programs	394,464,000
15. Military assistance (in Defense budget)	1,930,800,000
16. International Military Headquarters	85,800,000
17. MAAG's, missions and milgroups	168,100,000
18. Permanent military construction—foreign nations	190,700,000
19. Export-Import Bank, Long-term credits	3,850,000,000
20. Export-Import Bank, regular operations	2,200,000,000
21. Export-Import Bank, short-term operations	1,600,000,000
22. Peace Corps	77,001,000
23. Migrants and refugees	8,800,000
24. Public Law 480 (agricultural commodities)	653,638,000
25. Contributions to international organizations	199,787,000
26. Education (foreign and other students)	59,800,000
27. Trust Territories of the Pacific	56,000,000
28. Latin America highway (Darien Gap)	30,000,000
Grand total	18,003,191,000

NOTE.—Total appropriation requests for maintenance of value amount to $2,250,000,000.

Mr. HARRY F. BYRD, JR. Mr. President, how much time do I have remaining from the time I have yielded myself?

The PRESIDING OFFICER. The Senator's 12 minutes have just expired.

Mr. HARRY F. BYRD, JR. I yield to the distinguished senior Senator from Missouri as much time as he may desire.

Mr. SYMINGTON. I thank the able Senator from Virginia. I am proud to be associated with him in this matter.

IDA—THE SOFT LOAN EUPHEMISM

Mr. President, I would say a few words about the pending legislation, S. 2665.

Unfortunately, the grandiose claims which have been asserted on behalf of IDA are in some cases euphemistic if not actually hypocritical. One finds it difficult to deal with specifics and with concrete concepts without going back to the beginning to discover the reality and purpose of the IDA creation.

To some of my colleagues, IDA—or, more formally, the International Development Association—is a comparatively young institution which has received only a little spending money. To others of us, however, any association which has managed to collect $2 billion from the U.S. Treasury over a relatively short period of time scarcely qualifies as an unsophisticated beginner on a meager allowance.

At this point, I would present for the consideration of my colleagues the fact that, to the best of my knowledge, most if not all of the large cities in this country are bankrupt. It is also true that no State can spend more, to the best of my knowledge, than appropriated by its legislature.

The one way one can get paper money without real difficulty today so as to continue to put it out all over the world, is by using our overworked printing presses. Even though those presses themselves, must now be getting tired, because we have put out so many hundreds of billions of dollars we cannot get back. Nevertheless, the dollars continue to roll out.

Let me express my admiration for one man in this Government who has had the courage to point out to the American people that pretty soon much of what we are doing will not mean much any way, because it is becoming increasingly clear, from any standard of fiscal or monetary consideration, the United States is going bankrupt. I refer to the Chairman of the Federal Reserve Board, Arthur Burns.

I mentioned "hypocrisy."

In the first place, we start with a peculiar premise: that the U.S. Senate has a special duty to support IDA because we supposedly invented it at the end of the 1950's. Even if that story were true in every detail, this is tantamount to saying that a parent should financially support his progeny as long as the latter lives.

We all know what a great contribution former Senator Mike Monroney made in a large number of fields.

In this instance, we are talking about the so-called Monroney resolution, often heralded as the precursor of IDA. That resolution had two main objectives: one was to aid the less developed countries of the world through loans on concessional terms; the other was to employ excess local currencies for this specific purpose.

I do not believe that anyone can dispute the statement that the main theme presented by Senator Monroney was the utilization of excess nonconvertible foreign currencies—which at that time were threatening to swamp the United States with their abundance.

I remember a dinner where I had the privilege of talking with an ambassador, and told him we had billions of his currency in dollars, and asked what he thought we should do. He said, "Do you want me to be frank?" I said, "That is why I asked you the question." He said, "If I were you I would write it all off and forget it."

Oddly enough, it was decided at the very time IDA was established that such excess local currencies basically could not be used. Instead, then and now the cry has gone up for more and more convertible foreign exchange. So let us dispense with this first piece of mythology about the role of the Senate in originating IDA.

My second objection on the grounds of hypocrisy is the constant repetition of the romantic idea that IDA credits will be repaid at the end of the half century which represents the period of a loan. In an effort to apply that discredited commodity—reason—let me suggest that IDA loans, of "credits", as they are technically described, are entirely unlikely ever to be repaid in amounts worthy of serious attention.

There is, of course, the possible rejoinder that, by the time the principal should be rolling in, the dollar will not be worth much anyway, so let us not be disturbed about this aspect of IDA.

Well, if we continue along the financial lines pursued to date, I can promise the dollar will be worth little or nothing.

My third objection on the grounds of hypocrisy is the concept that IDA has been a vital institution, devoted exclusively to helping the poor and starving peoples of the so-called Third World.

At the same time that we are talking about this charitable characteristic, we are assured IDA credits are advanced only for the same types of projects supported by its parent institution, the World Bank; and only after the same type of tough scrutiny and lengthy investigation.

Here is a good example of trying to have things both ways. Despite claims about the past vital role played by IDA in helping overcome the disasters caused by the behavior of the Sahara desert in Africa, the record just does not sustain any such claim and the record should always count even for something, when it comes to appropriating government money instead of one's own.

Only after the damage was fully apparent to all countries did the so-called World Bank Group get into the act in any meaningful way.

In any event, IDA has never been represented to us as an eleemosynary institution or a gigantic soup kitchen. Actually I could find it easier to be charitable if it had been—though not to the tune of one and a half billion more U.S. dollars.

When speaking of hypocrisy and the less developed countries, I am most certainly not talking about those desperately poor people in nations such as Upper Volta or Bangladesh, rather I am referring to the oil-rich countries of the Middle East and north Africa—with the notable exception of Kuwait, which has been a donor—or part I—country since the beginning of the 1960's. Where are the Saudi Arabians, the Algerians, and other beneficiaries of the wildly inflated oil prices which have been imposed on all countries of the world?

The answer is that maybe one or more countries will do something in the future; "helping out" perhaps through purchasing World Bank bonds. How nice for them to be able to buy AAA-rated, gilt-edged bonds. Perhaps the United States should consider a new bond flotation instead of an IDA contribution.

Let us now move on to some old-fashioned legerdemain that stems from our exposure to the phrase "World Bank Group." This actually means the World Bank and IDA and some of their adjuncts scrambled together. We know that IDA has no separate staff, no separate officials, but theoretically separate accounts—even though IDA and Bank funds are commingled in many "special" projects.

In other words, IDA is neither fish nor fowl, rather, in at least some cases, fantasy. It exists but it does not exist. Yet it must exist, because there is much hand wringing lest it go out of existence.

I suggest it is time IDA be recognized for what it is.

I have often thought of the fact every officer in the World Bank is an officer in IDA, and vice versa. So what we are talking about is not really two different organizations, but different terms utilizing taxpayer money out of the same organization, and the time has come for IDA to be recognized for what it is.

This cannot be discovered, however, unless we stop U.S. Treasury witnesses from giving us mixed statistics released by the World Bank group.

For example, we are told that the "group" is good business for the United States, and therefore, our contributions are aiding our purported free-enterprise businessmen and ringing up sums on the cash register.

As a matter of fact, the net balance of payments loss to the United States on IDA has been in the neighborhood of $350 million, out of a past contribution of some $2 billion.

The World Bank figures are far better in this sphere, but cumulatively they still represent a balance-of-payments loss. What matters is that, by stressing the Bank's role, the cost of IDA is obscured.

Let us take another instance where this scrambling of institutions is misleading. We ask about the amount of local costs financed by IDA hard currencies—since the name of the game is convertible foreign exchange—and we are given figures which again mask the extent to which available local currencies are not employed.

It is not that the Treasury does not answer the question; it is that the answer is blurred.

For the record, let it be emphasized that in fiscal year 1973, financing of local costs by IDA absorbed 15 percent of the total credits committed.

Take a further example of this peculiar melting-pot process: the issue of whether IDA credits go for project loans rather than program loans. We are all certainly familiar with the distinction from our discussions of past bilateral foreign aid bills. We are constantly assured that IDA credits are employed for the same kind of carefully considered and hard-headed banking projects supported by the World Bank itself. But we find that approximately 20 percent of total IDA credits—including undisbursed funds—had been devoted by mid-1963 to program lending.

It is hard to escape the conclusion that the World Bank group has drifted from its charter-directed concentration on projects, since it would be ridiculous to talk about IDA helping in the African Sahel if one had to go through the normal project-loan process.

There are other examples, but to go through them point by point only prolongs the agony. Instead, let me refer to the hearing held by the Committee on Foreign Relations on November 19, 1973, entitled "U.S. Participation in the ADB and IDA." If my colleagues will look at the questions and answers contained on pages 40–47 in that hearing record, one will find ample food for thought, and even more room for doubt, about the legitimacy of this proposed legislation.

As we all now know, India, without any apparent effort on our part, or success on our part to restrain her, has recently become the sixth country to join the nuclear club—India has received roughly 50 percent of all IDA credits since the association began. Therefore they should have the resources to engage in nuclear explosions.

As is often the case, the brilliant satirist Herblock has taken care of that paradox in the cartoon in the Washington Post of May 22. Nothing one could say in explanation would match, much less improve, upon the image conveyed by that simple picture.

But I would add that India is the one country where there has been really substantial debt-rescheduling or "rollovers" which obviate any formal default on loan repayments to the World Bank.

This is a clever scheme for preventing red ink on the books. Anybody who has studied accounting knows what I am talking about.

Surely, how many businessmen in this country would like a formula to obtain such treatment for their companies.

Finally, Mr. President, I protest the thesis that IDA will go out of business this summer if vast new resources are not made available and on an immediate basis.

We have already noted that there are no separate personnel working for IDA; let us now stress the point that roughly $1.8 billion of credits had not been disbursed as of the end of last June 30.

It is true IDA could not go on making commitments at the ever-increasing rates of the past, but it stands to reason that it will take much time just to disburse the funds which have already been committed, but not employed.

Mr. President, there could be no one in this Chamber who does not know we have continuing severe problems in the fields of both trade and overall payments. In addition, we now know that this year we will be having another budget deficit running in excess of $15 billion.

Under such circumstances, it is incredible that Members of the U.S. Senate, collectively, could act so unrealistically after the warnings of the Chairman of the Federal Reserve Board, and all these other warnings from housewives, from people who operate farms, from petroleum users as stock market problems become worse every day. How long can it all go on?

Mr. LONG. Mr. President, will the Senator yield?

Mr. SYMINGTON. I am glad to yield to the distinguished senior Senator from Louisiana, chairman of the Senate Finance Committee.

Mr. LONG. Is not all this part of a pattern that, having reached the end of the taxpayers' patience by giving away this Nation's resources to 100 nations across the face of the globe, in order to continue the program they then use the device of calling it a "loan," when actually everyone knows the loan is not going to be repaid? They come back so as to call it a loan. When the time comes to repay the loan, they do not say it is in default; they say we rescheduled it.

What irritates me is that they come up with the good news trade figures where they take the soft currency loans, which everybody knows we are not going to get back. I might be technically wrong, and they might give us 5 cents back for every dollar, but realistically speaking, we are not going to get anything back. Then we see them add on the plus side that figure because we made a credit sale for $500 million to India, when everybody who knows anything knows we are not going to get it back. Nevertheless, that is added to the plus side to make it look as if we made money.

Mr. SYMINGTON. That is right.

Mr. LONG. Then they further polish the figures up for us by leaving the freight costs off the imports—all this to deceive the people and make the figures look like they are $5.5 billion a year better than they actually are.

We are talking about programs where departments put before us from time to time a cost figure on a budget at a plus, but that has to be paid off by the taxpayers. As the Senator knows, they take up these figures and they add them up as plus figures, but at the bottom we have a gigantic minus.

That is what we find when this program is held out to be as one that is costing us little or nothing, that it is a loan which theoretically we are going to get back, although those of us who are sophisticated know we are not.

Then we look at the trade figures, and they tell us we are making money, when, if one analyzes it, we are not; we are losing a fortune, about $5.5 billion a year, even though they claim we are making money at it.

A great deal of that resolves itself into its being called by another name, call it a loan, or call it cooperation, or some such thing as that, but we are just taxing the taxpayers to pay for it.

Mr. SYMINGTON. Mr. President, if the Senator will yield, I became interested in this subject as a result of careful investigation on the part of two Senators who were not known as the most conservative members of this body. They both had a capacity for thoroughness. At one time when IDA was asking for money, that agency pointed out nearly all their money was going into Central and South America, hardly any of it to other parts of the world like, for example, Southeast Asia. But it came out in testimony that 60 percent of all such loans had been granted to India and 20 percent to Pakistan.

I suppose now we will give a big loan to Pakistan to adjust military equality—tilt is the new word—their nuclear position with respect to India.

Years ago we were lending money on the basis of 50 years, no repayment of principal for 10 years, no interest rate. Then we found it was being reloaned by the government in question at 15 percent profit.

The distinguished senior Senator from Virginia, who, along with the chairman of the Finance Committee, are two people really knowledgeable about the financial security of the United States—which for some years has impressed me as being about as important as physical security—pointed out I was in error. The figure being reloaned was not 15 percent, rather 20 percent.

Am I correct about that?

Mr. HARRY F. BYRD, JR. The record of the debate in the House shows it was between 12 and 20 percent.

Mr. SYMINGTON. So 20 percent was the top figure, not 15 percent.

I am not speaking of the famine in Africa, or anything of that character, but am plenty tired of giving out money to other countries for reconstruction that is needed so badly here at home.

Mr. LONG. Mr. President, I must express my disappointment. I say that we are being hooked on another one of these gimmicks. They say that they have a gimmick so that they can export this money and that it will not harm this country.

Most of us know very well that we will never get anything out of this 1 percent loan. If we just get back the 1 percent on this 50-year, 1 percent interest loan—not the principal, but just the 1 percent—I would be very much pleased. I would be pleasantly surprised. However, generally speaking, we know that we are not going to get back anything of substance with respect to any of these loans. When the money is gone, we might as well cheerfully say goodby to it because we are going to separate ourselves from those taxpayer dollars.

However, there is one political advantage to it. Fifty years from now, when the transaction has been completed and we find that they are in default, all of us will be out of politics, and most of us will be in our graves. So the public will not be able to express its displeasure over how we gave the money away, because it will be all over.

What really irritates me is the way that we have given away $1 billion. They say that we have to give away more money because the $100 billion will not buy as much for those people as it did at the time we gave it to them. We are being asked to give a second and a third installment to help them because the inflation is critically injuring those people. Therefore, we are being asked to do the same thing for all those people who want our dollars, although we are not doing the same thing for the American people. We now have to put up more money, because the money we have already given them will not buy as much as it did when we gave it to them.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. SYMINGTON. I am glad to yield to the distinguished Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, the Senator mentioned the officials of the World Bank. Those officials are now lobbying the Congress and the administration has been lobbying the Congress to get this legislation through. Is the Senator from Virginia correct in his belief that those officials of the World Bank pay no income tax?

Mr. SYMINGTON. Mr. President, I cannot say for sure.

It is my understanding some officials do not pay an American income tax against the salaries in question; but I have never checked it. However, that I do not know.

Mr. HARRY F. BYRD, JR. Mr. President, that is my understanding. Of course, the taxpayers are being called upon by the officials of the World Bank to put up this money. Yet the officials of the World Bank themselves are not paying income tax.

Mr. SYMINGTON. If the economy of this country was in a position where we could continue to pour out these billions of dollars all over Europe, the Middle East, the Far East, et cetera, no one would be more pleased with this largesse than I.

But I have come to the conclusion after many years in the Senate that we had better start minding our own fiscal and monetary problems, worrying more about them instead of trying to handle comparable problems for so many other countries abroad.

Mr. President, I yield the floor.

Mr. HARRY F. BYRD, JR. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has approximately an hour and 15 minutes remaining.

Mr. HARRY F. BYRD, JR. I reserve the remainder of my time.

Mr. JAVITS. Mr. President, I yield myself 10 minutes.

Mr. President, I have heard with great interest the arguments advanced by the Senator from Missouri and the other Senators, the Senator from Virginia and the Senator from Louisiana and it is the classic argument which we have had for a very long time. It is the argument, Mr. President, that while we have not got the money and we are being asked to shell it out, why should we?

Now, Mr. President, the deficiency in that argument is that, first, nothing we do in the IDA is going to make or break us, or is going to contribute to inflation. Second, Mr. President, in terms of the basic consideration for other human beings which is called philanthropy, we are doing infinitely more right now in our own country than anybody proposes that we do here.

Third, Mr. President, and critically important in a moral sense, these questions are very relevant: The question is not whether we can afford it, but whether we can afford not to do it, considering our position in a world which is overwhelmingly extremely poor; in fact is in terrible shape right now, because of the exactions respecting the increased prices of oil. The oil producing countries really have no conscience as far as these poor, developing countries are concerned, but are exacting these prices nevertheless.

Mr. President, I am, in this regard, very apposite the remarks made by the President of the World Bank, Bob McNamara, a former Secretary of Defense, in a speech which he made to the Board of Governors of the World Bank group in Nairobi last fall in which he spoke of relative poverty and absolute poverty.

He said:

> Relative poverty means simply that some countries are less affluent than other countries, or that some citizens of a given country have less personal abundance than their neighbors.

He continued:

> Absolute poverty is a condition of life so degraded by disease, illiteracy, malnutrition, and squalor as to deny its victims basic human necessities.

Mr. President, it is my profound conviction that very few Americans, if they felt there was this condition, would seek to bail themselves out of it by pleading our own financial condition or our own inflationary condition. Americans really are not built that way, knowing, as we do, that the overwhelming majority of us, notwithstanding these economic troubles, live very, very comfortably indeed, and in a manner which is far better than anything mankind has ever seen anywhere.

Listen to the description of the kinds of people who are to be helped by IDA:

> One-third to one-half of the two billion human beings in those countries suffer from hunger or malnutrition.
>
> Twenty percent to twenty-five percent of their children die before their fifth birthdays. And millions of those who do not die lead impeded lives because their brains have been damaged, their bodies stunted, and their vitality sapped by nutritional deficiencies.
>
> The life expectancy of the average person is twenty years less than in the affluent world. They are denied 30 percent of the lives those of us from the developed nations enjoy. In effect, they are condemned at birth to an early death.
>
> Eight hundred million of them are illiterate—

Eight hundred million of them—and the population of the developed countries is generally estimated to be about 2 billion—and despite the continuing expansion of education in the years ahead, even more of their children are likely to be so. This, says Mr. McNamara, "Is absolute poverty."

Mr. President, I just wonder how many Americans would reflect as their moral belief the idea that we just cannot afford to help people like that so we will stay out of it, when they know, and everybody knows, that this help is not going to affect our standard of living or inflation one bit, for 1 minute.

Mr. President, that is why the Washington Post said that the overwhelming majority here would vote for this bill, and I believe they will, because we are just not built to beg off on an equation of that character, so dire, so serious, so inhumane, on the ground that, "Well, right now, we cannot afford it, come around tomorrow," after a couple of hundred million more are dead because of poverty and disease and short life span.

Mr. President, there are also additional very hardheaded reasons for this. The United States, with roughly one-half of the gross national product of the world, cannot stand by and let this kind of despair happen without trying to help.

The other hardheaded reasons are that the one-third that we are putting into the IDA, is encouraging other nations to put in two-thirds, and we have been advised very specifically, no question about it, that if we do not, they will not. So riding on us, as the most powerful nation on Earth economically, is the fate of this whole program, not just our contribution. We cannot very well turn our backs and walk away unless we are ready to see the whole thing collapse.

Mr. President, the argument is made against this, that this money hurts us in respect of our balance of payments, and I would like to give the Senate some very interesting figures on that score.

The committee report points out—this is at page 10—that cumulative IDA procurement in the United States totals $450 million. The cumulative World Bank procurement in the United States, that is in the aggregate of these World Bank loans, totals $3.2 billion.

Mr. President, the figures which we have indicate that in the 28-year history of the World Bank group, the net favorable impact of this U.S. balance of payments of what has been taken out in the way of subscriptions and loans, and what has been put back in the way of exports, leaves us with a favorable balance of $3.2 billion.

Again I repeat, Mr. President, a favorable balance of $3.175 billion, and I ask unanimous consent that the table carrying those figures may be printed in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

BANK/IDA PROCUREMENT IN THE UNITED STATES, BY CATEGORY OF GOODS AND SERVICES

[In thousands of U.S. dol ars]

	IBRD	IDA
Fertilizers	475	4, 461
Chemicals	5, 361	26, 936
Livestock	1, 914	815
Construction materials	31, 678	3, 953
Construction equipment	62, 102	23, 495
Mechanical equipment	134, 635	23, 181
Textile machinery	15, 505	608
Agriculture machinery	11, 258	10, 213
Electrical equipment	126, 359	31, 981
Automotive machinery and equipment	13, 019	22, 449
Vessels and floating equipment	2, 394	2
Materials and equipment for railways	25, 174	51, 020
School equipment and supplies	4, 099	1, 747
Civil works	371, 357	43, 782
Consultant services	124, 483	38, 160
Freight and insurance	9, 212	2, 283
Loan charges	104, 618	
Training	96	8
Miscellaneous	6, 112	1, 490
Prior to July 1, 1966	2, 186, 578	121, 073
Turbines	1, 038	
Total	3, 237, 467	407, 621

Mr. JAVITS. Now, finally, Mr. President—and very important—a lot has been made of India. What is India, Mr. President? India is the largest aggregation of population in the world other than mainland China, and although we are trying to establish much better relations with mainland China, mainland China is no particular friend of ours even to this day, but India is. It is a democratic country and a member of the free world.

Whatever may have been her mistakes that people would charge her with, including this production of a nuclear explosion, the fact is that she is on our side in the sense of the fundamental fate and the freedom of this world, and she has 400 million people, Mr. President. That is twice the size of Africa, and a great deal has been made of the fact that we are seeking to help relieve famine in Africa.

By all means we should, and I have been very much interested in famine relief. But, Mr. President, how much more true is that of 400 million people, twice the number in Africa.

So, Mr. President, I must say I cannot but help feel that is an argument for the IDA, not against it, the fact that it has been effective in assisting 400 million people in our side of the world, on our side of the argument, over whether there should be totalitarianism or freedom.

And speaking about mistakes, Mr. President, what about our mistake in being in Vietnam for 7 years and bedeviling all south and southeast Asia during that period of time?

If the sanctions are going to be exacted from states, Mr. President, we had better not be the first one to throw the first rock. It is all right for us to do our utmost to correct situations with which we thoroughly disagree, and I am enthusiastic for it. But let us not be quite so sanctimonious as to assume that that is the reason why we should give or withhold what is necessary to sustain life itself.

So, Mr. President, those are the reasons I have described for which we make our arguments here today.

One other point which deserves emphasis, because the purposes for which the lending will take place by IDA have been challenged, I wish to report to the Senate that the fundamental thrust now of the loan policy of IDA is heavily directed at food production.

President McNamara of the World Bank set a target of a 5-percent yearly increase in the output of small farmers—with funds to be spent in agricultural development, population planning, and rural education.

Now the world lacks right now—really, it is virtually without reserves and is waiting with the greatest concern for the good American crop which is coming in.

Therefore, we really have no margin of error on food supplies for the less developed countries, especially the 30 without resources—with an estimated population which runs about 1 billion people—I will put the exact figures into the Record and list the countries and ask unanimous consent that I may do so.

The PRESIDING OFFICER (Mr. Hathaway). Without objection, it is so ordered.

There being no objection, the list was ordered to be printed in the Record, as follows:

U.S. Government Interagency Working Group

(Agreed List of Hardest Hit Countries)

[In millions]

	Population
Bangladesh	72. 4
Botswana	0. 6
Cameroon	5. 8
Cambodia	7. 7
Chile	10. 0
Costa Rica	1. 8
El Salvador	3. 7
Guyana	0. 7
Honduras	2. 6
India	551. 1
Ivory Coast	5. 2
Kenya	11. 7
Lesotho	0. 9
Sahel countries:	
Chad	3. 7
Mali	5. 1
Mauritania	1. 2
Niger	4. 1
Senegal	4. 0
Upper Volta	5. 5
Sri Lanka	12. 9
Sudan	16. 1
Swaziland	0. 4
Uruguay	2. 9
Vietnam	18. 8
Ethiopia	25. 3
Togo	2. 0
Haiti	4. 3
Dahomey	2. 8
Yemen	1. 5
Rwanda	3. 2

Mr. JAVITS. That, Mr. President, represents essentially the vital thrust of IDA—indeed the survival of countries that do not have important raw material exports which can profit from generally higher prices for raw materials in this country depends on this assistance. We do not want them excessively to rely on American exports because of our own marginal condition, as I have just described it.

Therefore, the objective is to get them to produce more of their own food, and for this it is absolutely essential that they have capital investments which they cannot afford and cannot service and which will bankrupt them unless it is done through the soft loan terms of IDA.

Mr. AIKEN. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. AIKEN. I am interested in the remarks of the Senator from New York. I know that he recalls that when we passed Public Law 480, as it is known around the world today, the prediction was made that if we furnished food to the hungry people in other countries, it would cut our sales.

Just the opposite happened to be the case because as we began to feed more hungry people in other countries, our export sales of farm commodities increased and they have been increasing ever since, until it is anticipated this year that in spite of the contributions from other countries, we will export in the vicinity of $21 billion worth of farm commodities while the cost of our food donations dropped from $2 billion in 1957 to $1 billion in 1973. In other words, in helping others to feed themselves we found that as we gave them food to keep them from going hungry—the more our sales increased.

That may sound paradoxical, but it is borne out by the facts.

Mr. JAVITS. I am so grateful to you, Senator AIKEN, because you have been such a towering figure in this particular field of food production in the world. I might say that I feel so badly that the Senator cannot continue in the Senate to give us this kind of guidance, experience, and counsel.

Mr. AIKEN. As a taxpayer I will give the Senator plenty of advice.

[Laughter.]

Mr. JAVITS. I would be delighted and the Senator will have an exponent here in the Senate, if I last here. But, Mr. President, Senator AIKEN has put his finger exactly on the right point. That was the thrust—I did not say it as well—of the figures I gave regarding the World Bank. The circumstances have created a condition of greater well-being, especially in the developing countries where consumption is at such a low rate. The ones who get the immediate benefit are, of course, the great exporting countries and the developed nations, particularly our own.

Right now, the food exports are the enormous resources around which we rally to maintain our own balance of payments. It is generally known that we are in a race against time with respect to food supplies. It is therefore critical literally to survive, to enable these developing countries, especially the 30 of the poorest countries, to have inputs for the development of water supplies, extension services, education, and research in agricultural and fertilizer production.

Mr. President, I have argued this issue for years, but I never saw a time when it was morally more right, precisely because of our financial troubles. The American people show that every day, in the billions of dollars they pour out for charitable purposes in our own country.

We cannot—indeed, we will not—we cannot—we will not—shut our eyes to this kind of suffering. We will not be that blind, notwithstanding the fact that we may not be able to see it or feel it because it is not on our own doorstep. We are more intelligent, we are more humane, we are more moral than that.

I intend to vote that conviction on behalf of the 18.5 million people of the State of New York whom I represent when the roll is called by voting "yea" on the bill.

Mr. HUMPHREY. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER (Mr. HATHAWAY). The Senator from Minnesota is recognized for 10 minutes.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that my legislative assistant Mr. Spiegel be allowed the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I ask unanimous consent for the same privilege for Frank Ballance.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, it was Wednesday last, I believe, that I held this floor for some time to respond to some of the inquiries and questions made by the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.).

At that time, I placed in the RECORD a substantial amount of material supporting my convictions regarding the pending bill which would authorize an appropriation of $1½ billion as the U.S. contribution to the fourth replenishment of the International Development Association.

This bill should be passed. I recognize that it is a substantial amount of money but it is spread over the next 4 years. It is not beyond the means of this country to supply. The provisions of this legislation provide for four annual installments of $375 million each.

Mr. President, I have heard this morning, for example, that much of the money has gone to India. That is true. But I would like to remind my colleagues that between India and Pakistan there are approximately 650 million human beings who, regrettably, live in a part of the world afflicted with poverty, a part of the world which is struggling desperately to have representative government, and a part of the world that desperately needs economic assistance from the more fortunate countries in the Western world and particularly in Western Europe and the United States.

Simply because one country which represents 550 million people gets a substantial amount of help from the International Development Association should in no way be looked upon as a justification for opposition to this proposal.

IDA was founded in 1960 as an American initiative to fund development projects in the poorest countries, in the developing countries, countries which are not credit worthy in the traditional sense and are not eligible to receive regular World Bank loans.

Eighty percent of them have a per capita income of $200 or less. Not a single one of them has a per capita income in excess of $375. Yet they represent about 1 billion people in this world. They are human beings. These are people who are desperately trying to have a better way of life. These countries also represent vast potentials of treasure in natural resources which the world will need, if the capital can be found to develop the resources. They represent 1 billion people that can make a great contribution in production, food and fiber, and in minerals — also in brainpower, talent, particularly in the fields of science and technology, but what is needed is the capital to release this great potential. About 28 percent of IDA's credits have gone for agriculture, 25 percent for transportation, 8 percent for electric power, 7 percent for education, 5 percent for industry, 3 percent for water projects.

Each one of these areas of development is vital to the well-being of a people or a country.

The American contribution to IDA has not been going up; it has been declining. Our share from the third to the fourth replenishment of the IDA funds has declined from 40 percent to 33⅓ percent. The shares of other nations have been increasing, particularly of Japan and Germany. IDA grants credits only for soundly conceived and productive development projects.

I noted that the distinguished Senator from Missouri today made comment to the effect that IDA did not even have a special board; it did not have special officers. That is right. It uses the World Bank officers. As I indicated last Thursday, the World Bank is one of the most successful banking institutions that the world has ever known.

The World Bank has been operating for 28 years, and it has lent without loss more than $20 billion in some 90 developing countries. IDA has the same high standards, the same expertise, and the same reputation for integrity as does the World Bank. The only distinction between the World Bank and IDA lending is based on the needs and the credit worthiness of the borrowing countries. No distinction is made between the two institutions in the preparation and in the evaluation of projects.

IDA funds cannot be transferred or diverted to pay for oil or any other commodity. The funds are granted for specific, well developed, and well organized development projects, under very strict conditions, and every one of those projects is monitored by the World Bank. The funds cannot be diverted to oil-rich countries charging excessive prices for this critical export.

American business benefits from IDA and the World Bank activities. Since their founding, 22 percent of World

Bank and IDA procurement of supplies has been placed right here in the United States. As of June 30, 1973, procurement payments received by U.S. suppliers from loans and credits disbursed by IDA and the Bank amounted to $3.6 billion. That amount of money produces jobs. It consumes the product of our factories and of our scientific laboratories.

There has been a very favorable impact on the balance of payments, insofar as our country is concerned, from World Bank activities. In its 28-year history, the World Bank group has had a net favorable impact on U.S. balance of payments of more than $3.6 billion.

Mr. President, these are the facts, and this is why business people, labor people, and groups all over America support our involvement in and our contribution to the International Development Association.

The World Bank has approximately $1 billion on deposit in U.S. banks as of March 1973. These banks are located all over the country, in 20 different cities.

Business, labor, banking groups, church groups, voluntary organizations, and humanitarian institutions throughout the land support IDA. The U.S. Chamber of Commerce, which actively supports this proposal, would not support IDA if it thought this institution was composed of reckless spenders.

What IDA represents is a global commitment to fight poverty and hunger with strong American backing, a positive role for the United States to take to alleviate human suffering. That is what this country ought to be doing.

I am amazed to see that we will vote billions and billions of dollars for weapons systems, many of which have dubious value, but we will argue here about helping people live, trying to get a little better chance in life.

I want the United States of America to take a moral position in this world, moral leadership; and, if we can do that through an organization such as IDA, it is all to our credit. This is what the American people want. The overwhelming majority of the American people, when asked the question in the most scientific sampling we have, indicate their basic and enthusiastic support for what we call the International Development Association, because it is in the best interests of the United States.

We cannot shirk our responsibility to help others so that they may help themselves. We cannot deny aid to the world's poor in more than 30 nations and then expect the same nations and peoples to allow us access to their raw materials, resources, and markets.

I want to emphasize once again that the United States of America, which consumes vast amounts of resources—in fact, so much that it is almost a matter of international shame—needs access to supplies. Those supplies and those raw materials, if properly developed, can be made available from the very countries that we today seek to help.

As a U.S. Senator, I want to look down the road. I heard one Senator say here today that many of these loans will not be repaid for 50 years. I ask this question: Where will the United States be 50 years from now, if we have closed off every contact we have with these so-called poor countries of today, many of which are potentially rich in undiscovered or undeveloped resources that this great industrial economy of ours is going to need?

There can be no peace in a hungry world. There can be little stability or order in a world in which the rich get richer and the poor sink deeper into abysmal poverty.

Does the American contribution to IDA mean that the poor in America will continue to be neglected? Does our participation in IDA mean that the overtaxed American citizen is not being treated fairly? No, indeed—at least, insofar as anything we do for IDA is concerned.

Let us destroy the myth that we must either alleviate poverty and suffering at home or abandon our traditional commitment to aid in the development of the world's poorest countries.

The PRESIDING OFFICER. The Senator's 10 minutes has expired.

Mr. HUMPHREY. I would like 5 additional minutes, to complete my statement.

Mr. AIKEN. I yield 5 additional minutes from the time of the Senator from New York.

Mr. HUMPHREY. Mr. President, as the manager of this bill on the floor, I am rather surprised that the manager of the bill does not have any time. I was not here at the time some arrangement was made to give away all the time. I was called back to manage the bill, and I arrived here to find that the time well is empty. So perhaps I am interested in supporting IDA to make sure that at least something is operating around here.

Mr. President, we have to do both. We have to fight poverty at home, in our great land, and we have to be willing to do our part in fighting poverty abroad. This does not mean that we carry the whole burden. The American contribution to IDA works out to about $1.50 per person—the cost of one martini. That is what it is down here at the Metropolitan Club—$1.50 per person. For 1 year, it is $1.50 per person. We are being told in the Senate that this great America cannot afford that. That is four packages of cancer-producing cigarettes.

I happen to think that if we have a choice between forgoing one martini a year and helping some poor soul somewhere else in the world get enough to eat, we ought to be able to make that moral choice and make it quickly—and I mean the choice of helping the downtrodden and the poor.

There is a need in our own country, to be sure, for forms of financing of some of our public purposes. There is a need for an American domestic development bank similar to IDA, for an America which is privately rich and in too many areas publicly poor. I have introduced such legislation. I do not travel under false colors. I think we need a national domestic development bank that does for Americans what we do for others. But the fact that this Congress is unwilling to come to that kind of judgment insofar as an American national domestic development bank is concerned does not mean that we should abandon our international efforts.

We have no right to refuse to contribute to the World Bank's IDA, because we have not had the foresight or the wisdom to establish a low-interest banking facility for the poor people of the United States.

IDA's role becomes more critical today, as some 40 nations with more than a billion people face financial ruin and famine as a result of the increased price of fuel, food, fertilizer, industrial commodities, and transportation.

IDA's funds cannot bail out these countries—they are too limited. But they provide some relief, encouragement, and hope. More will have to be done to assist the most severely affected nations. But other efforts take time. IDA is here now. It is an ongoing institution and deserves our support.

I heard today, for example, that IDA will make loans to a country at little or no interest and then the country, in turn, reloans the money to its own people, not at rates of 12 to 20 percent, but 12 to 15 percent. In some instances that is true, but the Record should be clear. If IDA did not make the loan to the country that makes the reloans there would be no money at all for the people that need it in that country and if there was any money the interest rates would be 50 to 100 percent. We have gone through this business before. I have been involved in almost every foreign assistance program that has been before Congress since 1949. We know that in countries in which IDA makes its loans, if there is any private money available for the poor farmer, for that poor person out on that dry parched land, it is at interest rates of 50 to 100 percent, if he can get it at all. IDA makes it available to develop the resources of that country so it can stand on its own feet. I believe in nation-building and not in nation-destroying; I believe in action and not in neglect. In the words of Franklin D. Roosevelt, I do not want this country frozen in the ice of its own indifference to human need at home and abroad.

Mr. President, I believe my time has expired.

I ask unanimous consent to have printed in the Record a paper with respect to whether IDA funds are reloaned, a table showing IDA pledged advance contributions to be made available during fiscal year 1975, and an explanation of IDA and India's nuclear test.

There being no objection, the material was ordered to be printed in the Record, as follows:

IDA Funds

Question. Are IDA funds reloaned?

Answer. On occasion. In the last five years, less than half of the funds provided to governments by IDA credits have been reloaned to other agencies at a fixed interest rate.

It was not intended that the concessionary terms of IDA financing should result in the extension of financial subsidies to the actual projects on which IDA funds are employed, or that IDA funds should be used to finance a project which could not satisfy normal criteria of economic and financial viability. Hence, a project submitted for IDA financing is expected to meet the same technical, economic, financial and administrative standards as the World Bank itself would look for if the Bank were making a loan for that project on conventional terms. Furthermore, in the case of revenue-producing projects, IDA requires that the proceeds of the IDA credit be invested in the project on a normal business-like basis and that the price of the goods or services produced by the project be fixed at levels which will make the investment remunerative.

If the proceeds of an IDA credit were passed on to the agency executing a revenue-producing project at the concessionary terms obtained by the borrowing government itself, the effect would be to give the project a substantial financial subsidy. This was no part of IDA's purposes, and would encourage the waste and misdirection of scarce investment funds. IDA therefore requires that the borrowing government, if it relends the proceeds of an IDA credit for investment in a revenue-producing project, will do so on terms which will impose on the agency executing the project the normal financial discipline with regard to the fixing of rates and charges to consumers.

The interest rate charged frequently ranges from 12–15 percent, substantially lower than rates charged on funds from private sources.

At a May 22 meeting in Bonn, Germany, 15 donor member countries of the International Development Association pledged advance contributions totalling $714.7 to be made available during fiscal year 1975, as follows:

[In millions]

	U.S. dollars
Confirmed:	
Kuwait	27.1
Ireland	2.5
Israel	.2
Yugoslavia	1.6
Total	31.4
Pending final notification:	
Canada	143.4
Denmark	17.4
Germany	155.1
Iceland	.5
Japan	158.0
Luxembourg	.7
Netherlands	43.1
New Zealand	5.8
Norway	17.1
Sweden	58.8
United Kingdom	83.4
Total	683.3
Total	714.7

In September 1973 twenty-four member countries and Switzerland agreed to a Fourth Replenishment of IDA of $4.5 billion.

Mr. HUMPHREY. Mr. President, the IDA bill before us is of critical importance to poor countries around the world—from those as large as India to those as small as Gambia. It would be a tragic mistake for the Senate to treat this bill as if it were a referendum on India's nuclear test explosion. We would be losing our perspective and our sense of priorities if we did so.

It is perfectly clear that the great bulk of India's nuclear development to date has been for peaceful purposes. In fact, the main thrust of that program has been construction of nuclear powerplants essential to India's expanding energy needs.

The testing of India's nuclear device amounts to a small part of her nuclear energy program, which in turn is a fractional item in the country's complex overall development plan.

Although development of conventional energy resources is essential in India, the country suffers from a concentration of coalfields in Bihar and West Bengal in the Northeast. Bottlenecks experienced in transporting the coal great distances along congested railways to the Northwest and South have seriously impeded production in several industries. The coalfields themselves are an expensive source of power, because of the poor quality of coal found in a large number of small mines. An Indian nuclear power program therefore makes sense.

Since India's first nuclear reactor went into operation in 1956, she has gained experience in the peaceful uses of nuclear energy far in advance of other developing countries. This will prepare India for expansion of nuclear power in the 1980's, which is expected to be a critical decade for her energy requirements.

Although the World Bank and IDA have given no assistance to developing countries for nuclear energy, nor do they have plans to, a recent World Bank study pointed to the growing potential of the constructive uses of nuclear energy in the developing world.

Even before the crippling, fourfold increases in the cost of oil, it would have been economically attractive for 15 developing countries to start to acquire nuclear plants of suitable size for operation from 1980. Three developing countries—India, Pakistan, and Spain—already have operational nuclear powerplants.

The new oil prices are now likely to make poorer non-oil-producing countries reconsider their options urgently—especially if, like India, they have electric power systems large enough to operate commercially available nuclear powerplants. Even developed countries not nearly as drastically affected by the "energy shock" are being forced to reappraise their energy sources.

In India's case, 70 percent of her oil requirements are imported; and this factor, coupled with drought and the rising cost of food and fertilizer, is responsible for her present perilous economic situation.

The main achievement of India's Department of Atomic Energy has been in the field of nuclear power The department has two nuclear powerplants in operation, one under construction, and a third being designed, which could develop industry and power fertilizer plants.

The first nuclear plant at Tarapur, 60 miles north of Bombay, is a General Electric Co. system built with assistance from USAID in the 1960's. It has two boiling water-type reactors which generate a total of 400 MW of electricity which is sold to the States of Maharashtra and Gujarat.

The second powerplant at Rana Pratrap Sagar in the State of Rajasthan was built with Canadian assistance, and has two natural uranium-fueled and heavy-water moderator Candv-type reactors with total net output of 400 MW of electricity.

The third powerplant, 50 miles south of Madras, will be similar to the Rajasthan station. Almost 80 percent of the construction and equipment will be from indigenous sources, and there has been no foreign investment in design and construction.

In the field of nuclear technology, India has developed radioisotopes in medicine, biology, agriculture, and electronics, in hopes of developing minerals and power and water resources of much less expense than she would otherwise have to bear, India also wants to utilize her nuclear knowledge to obtain gas and oil, and to study "crater mechanisms" and rock dynamics.

India has declared that she is willing to share with her neighbors the fruits of her research on nuclear energy for economic development.

The Government's Department of Atomic Energy has taken in account the favorable cost structure of nuclear powerplants in a world of rising production and import costs and chronic inflation. Although nuclear powerplants are more expensive to build than conventional ones, their operating costs are lower. They also have greater economies of scale, and remain fully productive throughout their lifetimes.

Indian atomic energy expenditure during 1969–74 has been 1 percent of total Government expenditure. As part of the fourth plan during the same period, India spent $3.4 billion—or 15.9 percent of total expenditure—on agriculture; $3.98 billion—or 18.5 percent—on transport and communications; and $4.15 billion—or 19.3 percent—on industry and minerals.

Notwithstanding this overwhelming concentration on clearly developmental expenditures, India's nuclear explosion does raise legitimate questions regarding her economic priorities for the future. I am sure that all the givers of external aid to India will be weighing carefully the implications of the explosion for long-range Indian development. I am equally sure the administration will be following carefully the evolution of India's nuclear policy, in the light of India's assurances that the nuclear device it exploded was with peaceful purposes in view.

This would be the wrong time, and the Indian nuclear test would be the wrong reason, to reject an international understanding that means life or death financing for the poorest of the poor in the developing world.

Mr. GRIFFIN. Mr. President, I yield myself 8 minutes.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 8 minutes.

IDA AND THE U.S. ROLE IN THE WORLD

Mr. GRIFFIN. Mr. President, almost exactly a quarter of a century ago a great Senator from my State of Michigan, Arthur H. Vandenberg, spoke on the floor of the Senate about our Nation's responsibilities as leader of the free world. This is what he said on July 6, 1949:

> Much as we might crave the easier way of lesser responsibility, we are denied this privilege. We cannot turn back the clock. We cannot sail by the old and easier charts. That has been determined for us by the march of events. We have no choice as to whether we shall play a great part in the world. We have to play that part. We have to play it in sheer defense of our own self-interest. All that we can decide is whether we shall play it well or ill.

Senator Vandenberg's words have special meaning, I suggest, for all of us, who are his successors in the Senate, as we prepare to vote on the bill before us today.

In my judgment, this measure presents one of the most important issues bearing on our Nation's foreign policy that this 93d Congress will have to decide. There is no exaggeration in that statement because IDA—the multilateral, international lending organization—is a cornerstone of our foreign policy as it relates to the developing nations of the world.

Make no mistake about it, the vote on this bill surely will be noted, at home and abroad, as an indication of whether, despite the domestic turmoil, this Nation still has the will to play the responsible, constructive and dynamic role that is absolutely essential in this complex, interdependent world of today.

It is heartening that in recent weeks these broader implications of the bill have attracted the strong attention and support of a large segment of the American press, following the defeat of a comparable bill several months ago in the other body of the Congress.

I have also been heartened by the broadly based bipartisan sponsorship and support this measure has received in this Chamber.

In particular, I wish to pay tribute to the leadership and effectiveness of the Senator from Minnesota (Mr. HUMPHREY), who is serving as floor manager of the bill. During this debate, he is, and has been, demonstrating once again the qualities of statesmanship which he so often displays when the nation's vital interests are at stake.

Since 1960, IDA, as a branch of the World Bank group, has been the key source of financial assistance for the poorest countries of the world. As of June 1973, IDA had authorized loans totalling $5.8 billion to countries in which the average per capita income is below $375 a year.

These loans have not been for frills or luxuries; they have been for the basic of human existence. Thus, 28 percent of the IDA loans have gone for agricultural projects, 25 percent for transportation, 8 percent for power projects, 5 percent for development of industry, and 6 percent each for water and public health programs.

While it is true that the terms of IDA loans are reasonable, the countries eligible for IDA credits are those which could not meet their development needs from private market borrowings. In fact, 80 percent of the IDA credits have gone to countries with per capita incomes of $200 or less—that is about 55 cents per day.

It should be borne in mind that IDA, as part of the World Bank group, is a financial institution; it is not a charitable organization. The loans made by IDA are being repaid; indeed there have been no defaults on repayments, and the projects financed have been approved only after applying the rigorously high standards of the World Bank.

The extent of participation by the United States in the fourth replenishment, as authorized by this bill, has been set by negotiation at $1.5 billion, to be paid over a period of 4 years at $375 million annually. Twenty-four other countries will put up an additional $3 billion, for a total of $4.5 billion available for lending during fiscal year 1975–77.

It is important, I suggest, that the arrangement negotiated actually reduced U.S. participation in IDA from the previous level of 40 percent to the 33⅓ level contemplated in this bill.

Mr. President, if there were no IDA, I am sure many people would be calling out for establishment of some kind of an international program under which loans, instead of outright grant assistance, could be provided to the underdeveloped countries to help the hungry and the poor around the world. If there were no IDA, I am sure there would be a clamor to get other strong free world countries to shoulder a fair share of the burden of helping such underdeveloped countries. But such a program—such an international organization—is already in existence, and the only question before the Senate is: Are we going to give it a chance to survive and succeed?

If IDA were to collapse because Congress failed to do its part, it would be a tragedy on humanitarian grounds. But it would be a serious blow to the economic self-interest of the United States.

I say that because it should not be overlooked that there are some direct economic returns from our participation in IDA. Procurement in the U.S. for IDA programs has equalled about half the U.S. contribution.

But far more important are the unliquidated and intangible returns which also flow from our participation in IDA. The events of the past year—particularly the energy crisis—have underlined the growing economic interdependence of nations. We should recall these facts about our own economic relations with the developing countries:

In 1973, our economy depended on exports to take care of about 18 percent of our production. That represents a lot of jobs here at home.

The developing countries alone now provide the market for 30 percent of all U.S. exports.

Over $25 billion of U.S. capital has been invested in developing nations.

On the other hand, the U.S. now imports between 50 percent and 100 percent of eight different metals which are essential for our industries; we import between 25 and 50 percent of our four other metals including iron ore.

No nation can look any longer at the developing nations simply as places to get raw materials cheap. That was the case in colonial times.

The developing nations will increasingly press to develop and diversify their economics. It is essential to their growth that they be able to attract capital and develop markets abroad. Without some multilateral and bilateral assistance from other nations, their efforts will be frustrated.

Mr. President, of major concern must be this consideration: failure on our part at this juncture to support IDA would be interpreted by the rest of the world as a signal of withdrawal by the United States. It would endanger our political and economic relations with developing and developed countries alike. It would greatly hamper our efforts to maintain constructive relations and to obtain cooperation in major international efforts, in which the United States has much at stake—including trade, energy, narcotics control, environmental problems, terrorism, to say nothing of important raw materials.

But I am confident as we proceed toward a vote that this country—this Congress—will not send such a signal to the rest of the world.

Surely, we will not be so foolish as to renounce before the world our humanitarian concern as well as our own economic self-interest and our world leadership responsibilities.

Rather, I am confident that we will carry forward in the spirit of Arthur Vandenberg—not merely to play our role in the world—but to play it well.

Mr. President, I yield 5 minutes to the Senator from Colorado (Mr. DOMINICK).

Mr. DOMINICK. Mr. President, I was going to call up my amendment, if I might.

I call up my amendment No. 1358, and ask that it be stated.

The PRESIDING OFFICER. The Chair will state that the Senator's amendment is not in order until the committee amendments are agreed to.

Mr. DOMINICK. I beg the Chair's pardon. I did not hear the ruling.

The PRESIDING OFFICER. The Chair will state that the Senator's amendment is not in order until the committee amendments have been adopted.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. HUMPHREY. Just to accommodate Senators who may have amendments, I would like to ask unanimous consent that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. And that the bill as thus amended be considered as original text subject to further amendment.

The PRESIDING OFFICER. Is there objection?

Mr. HARRY F. BYRD, JR. Mr. President, reserving the right to object, I just walked in. What was the request?

Mr. HUMPHREY. I was looking for the Senator. I made a unanimous-consent request that the committee amendments, which represent the bill before us, be considered en bloc and be accepted, and that the bill, as the Senator from Michigan suggested, be considered as original text and then be subject to amendment that any Senator might want to offer.

Mr. HARRY F. BYRD, JR. Mr. President, reserving the right to object, will the Senator withhold that request for just a moment?

Mr. HUMPHREY. Surely. The Senator from Colorado had an amendment he wanted to offer, and we ran into that parliamentary difficulty, but I am sure the Senator from Colorado is willing to withhold it.

Mr. HARRY F. BYRD, JR. Would the Senator withhold it temporarily?

Mr. DOMINICK. Surely.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum——

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator withhold that and yield to me 1 minute?

Mr. GRIFFIN. Mr. President, I withhold it, and I yield 2 minutes to the Senator.

Mr. WILLIAM L. SCOTT. Mr. President, I merely want to comment briefly on this matter. I listened to the statements of the Senator from Minnesota and the Senator from Michigan about our need to help other countries of the world. Of course, we would like to be humanitarian in our outlook, and yet I cannot help but think about the budget the President submitted in excess of $304 billion, and his estimate of the income of this country of $295 billion, with an anticipated deficit for the coming fiscal year of more than $9 billion.

Mr. President, I am told that the carrying charge on the national debt of this country is in excess of $59,000 a minute.

It would seem that our first responsibility is for the economic well-being of the people of our own country and the American taxpayers, and I cannot see myself voting in favor of this bill.

Mr. HUMPHREY. Mr. President, if the Senator from Michigan will just yield for the purpose of clarifying the parliamentary situation——

Mr. GRIFFIN. I yield.

Mr. HUMPHREY. Mr. President, after consulting with the distinguished senior Senator from Virginia, I now renew my request that the committee amendments be considered en bloc and approved, and that the bill be considered as original text for the purpose of any amendment that may be offered.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. TOWER. Mr. President, it is important that in considering a proposed American contribution to the fourth replenishment of the International Development Association, we fully understand what is at stake. The World Bank group is an institution founded in the United States at a time when America's international economic influence was at its height. From the beginning we have looked upon this economic financial institution as a channel for bridging the gap between the so-called "rich" world, of which the United States is still a leading member, and most of the rest of the world which remains unspeakably poor. The Bank group has helped to promote economic cooperation among nations by encouraging sound economic management and implementation of the projects which it helps to finance. In this way it has instilled a spirit of fiscal responsibility for the nations it serves.

IDA, as a soft loan arm, is an integral part of the Bank group; indeed, it now serves as its cutting edge to promote cooperation between the rich and the poor nations.

This service in itself is in the best interests of the United States, but before proceeding to explain the benefits of IDA to our country, it is important to understand just what the World Bank does and how little it costs the American people.

The Bank is a financial intermediary. It lends money at a concessional rate—7¼ percent—for long-term development projects to nations which must supplement funds obtained from the private capital markets of the world. So the Bank borrows this private money—last year it floated almost $1.8 billion in bonds, in 21 countries. The management of the Bank's portfolio has been remarkable. In 25 years of operation it has never had a default on any of its loans and has never failed to pay interest to its bondholders. This record was possible because in selecting the projects it chooses to finance, the Bank's expert staff of economists, engineers, and financial supervisors have made sure that the money goes for the purposes of genuine economic development. Examples include the massive Indus Basin irrigation project, South Korea's impressive railroad system, and Brazil's improved port facilities.

The Bank group conducts its affairs in a prudent, businesslike manner. In doing so it has not imposed a financial strain on the United States; in fact just the reverse is true. In its 28-year history, it has contributed over $3½ billion to the United States balance of payments. Mr. President, at this point I should like to put into the RECORD a table showing the balance-of-payments impact of the World Bank and IDA. Most of this surplus has derived from project procurement in the United States but also includes interest to many thousands of World Bank bondholders in the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. BALANCE OF PAYMENTS IMPACT IBRD AND IDA

[In millions of U.S. dollars]

	IBRD[1]	IDA[2]
Received from United States (respectively, IDA contributions, sale of IBRD bonds, income from .nvestments, etc.)	4,356	880
Project procurement in United States	3,965	426
Interest to U.S. bondholders	1,308	
Administrative expenses in United States	508	110
Total from IBRD and IDA to United States	5,781	536
Long-term investments in United States	2,094	
Net to or from United States	+3,519	−344

[1] IBRD—April 1947 to June 30, 1973.

[2] IDA—April 1961 to June 30, 1973.

Mr. TOWER. Mr. President, not only has the World Bank's operations favored the U.S. balance of payments; the Bank is also the largest depositor in the United States. In time deposits there are currently $1,032 million as of March 31. These are located in 53 commercial banks located in 23 cities around the country. Mr. President, I ask unanimous consent at this point to place a second table in the RECORD showing World Bank time deposits and certificates in American banks.

The PRESIDING OFFICER. Without objection it is so ordered.

COMMERCIAL BANK DEPOSITS

THE ISSUE

How much does the World Bank have on deposit with commercial banks in the United States?

THE ANSWER

As of March 31, 1973, the World Bank had time deposits with U.S. commercial banks aggregating $1,032 million making it one of the largest depositors in the country. The deposits were held by 53 commercial banks located in 20 cities throughout the country. The average yield, as of above date, on these deposits was 7.85%, with the range being from a low of 5.9% to a high of 10¼%.

The funds involved in these deposits are derived either from borrowings by the Bank in the investment markets or from its net income from operations. No funds derived from the paid-in capital of member governments are invested by the Bank in time deposits or other forms of investment. Such funds, when not on loan, are deposited with the contributing government's central bank or with its Treasury on a non-interest bearing basis.

IBRD certificates of deposit and time deposits with U.S. commercial banks—as of March 31, 1974

(Expressed in millions of dollars)

Algemene Bank Nederland, New York	15.0
Banca Commerciale Italiana, New York	5.0
Bank of America, New York	10.0
Bank of America NTSA, San Francisco	140.5
Bank of California N.A., San Francisco	6.0
Bank of New York, New York	10.0
Bank of Tokyo Trust Company, New York	13.0
Bank Leumi Trust Co. of New York	3.5
Bankers Trust Co., New York	3.4
California Canadian Bank, San Francisco	2.0
Central National Bank of Cleveland	5.5
Chase Manhattan Bank N.A., New York	56.5
Chemical Bank, New York	24.4
City National Bank of Detroit	1.0
Commerzbank, A.G., New York	3.5
Connecticut Bank & Trust Co., Hartford	5.0
Continental Illinois National Bank, Chicago	75.5
Credit Lyonnais, New York	1.0
Crocker National Bank, San Francisco	50.0
Dresdner Bank, New York	3.0
European-American Bank & Trust Co., New York	10.0
Fidelity Bank, Philadelphia	5.0
The Fifth Third Bank, Cincinnati	2.0
First City National Bank of Houston	11.0
First National Bank of Arizona, Phoenix	7.0
First National Bank of Boston, Boston	61.0
First National Bank of Chicago	40.0
First National Bank of Dallas, Dallas	5.0
First National City Bank, New York	51.0
1st Pennsylvania Banking & Trust, Philadelphia	19.0
First Union National Bank	5.0
First Wisconsin National Bank of Milwaukee	10.0
French-American Banking Corp., New York	1.0
Harris Trust & Savings Bank, Chicago	10.0
The Hong Kong Bank of California	0.5
Industrial National Bank of Rhode Island	2.2
Lloyds & Bolsa International Bank, Ltd., New York	2.0
Manufacturers Hanover Trust Co., New York	52.0
Marine Midland Bank-New York, New York	50.0
Mellon National Bank & Trust Co., Pittsburgh	30.0
Morgan Guaranty Trust Co., New York	20.0
National Bank of Detroit	5.0

National City Bank of Cleveland	8.5
North Carolina National Bank, Charlotte	5.0
Pittsburgh National Bank, Pittsburgh	7.0
Seattle-First National Bank, Seattle	7.0
Security Pacific National Bank, Los Angeles	54.0
State Street Bank & Trust Co., Boston	10.0
Swiss Bank Corporation, New York	2.0
Texas Commerce Bank, N.A., Houston	5.0
Union Bank, Los Angeles	36.0
Wachovia Bank & Trust Co., Winston-Salem, N.C.	20.0
Wells Fargo Bank N.A., San Francisco	30.0
Whitney National Bank of New Orleans	2.0
Total	1,032.0

Mr. TOWER. Mr. President, I might add a third important point: The World Bank is located in the United States, since under its charter the headquarters is to be in the Capital of its largest shareholder. The United States owns 25.69 percent of the shares of the World Bank and has 23 percent of voting power on its 20-man Board of Directors. I point this out because in the World Bank, in contrast to other international organizations, the United States has a strong voice commensurate with its financial contribution. This is not to say that America necessarily has control over the institution, since the Board operates largely by consensus. However, it should be clear to everyone that the voice of the United States cannot be ignored.

The same operating principles which earned the World Bank a highly regarded reputation in the International financial community apply to IDA. Thus the same meticulous preparation, execution and supervision apply to projects which are designed to deal with the highly complex problems of two-thirds of the world where incomes are commonly below 30 cents a day.

It is therefore not a give away program and a wasted effort on the part of the American taxpayer. Quite the reverse. IDA, which extends long-term credits at minimum interest, was created to establish the disciplines of international financial responsibility in development process.

Its original justification was to insure a burden-sharing effort among the prospering nations of the world; to take off the shoulders of the American people the unilateral burden of financing reconstruction and development. Today, there are 25 nations making funds available to IDA and the U.S. share has dropped from 40 to 33⅓ percent. Donors range from Kuwait on one hand to Israel on the other—from Iceland to Australia. Thus IDA has proved its ability to attract funds from other nations. In doing this it simultaneously relieves the pressure on the United States and assures that the funds allocated are spent for worthwhile economic and financial purposes without political entanglements. I ask unanimous consent at this time that a complete list of the donor countries be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection it is so ordered.

EXHIBIT 3

IDA DONORS

Donor nations	[Million U.S. dollars equivalent and percentage of total]				Percent of combined GNP of contributing countries	Official development assistance as percent GNP in 1972	Population (millions)
	4th replenishment contribution		3d replenishment contribution				
	Amount	Percent	Amount	Percent			
Part I Countries							
Australia	$90.0	2.0	$48.0	2.0	1.72	0.61	12.3
Austria	30.6	.7	16.3	.7	.77	.09	7.4
Belgium	76.5	1.7	40.8	1.7	1.34	.55	9.6
Canada	274.5	6.1	150.0	6.1	3.93	.47	21.1
Denmark	54.0	1.2	26.4	1.1	.78	.45	4.9
Finland	25.2	.5	12.2	.5	.49	(1)	4.7
France	253.5	5.6	150.0	6.1	7.51	.67	50.3
Germany	514.5	11.4	234.0	9.6	9.77	.31	60.8
Iceland	1.3	.03			.03	(1)	(2)
Ireland	7.5	.2	3.9	.2	.20	(1)	2.7
Italy	181.3	4.0	96.7	4.0	4.37	.09	53.2
Japan	495.0	11.0	144.0	5.9	11.27	.21	102.3
Kuwait	27.0	.6	10.8	.4	.13	(1)	.6
Luxembourg	2.2	.05	1.2	.05	.05	(1)	.3
Netherlands	$132.7	$2.9	67.5	2.8	1.71	0.67	12.9
New Zealand	11.7	.26	3.3	[3] .25	.31	(1)	2.8
Norway	49.5	1.1	24.0	1.0	.58	.41	3.9
South Africa	9.0	.2	3.0	.1	.72	(1)	20.2
Sweden	180.0	4.0	102.0	4.2	1.52	.48	8.0
United Kingdom	499.5	11.1	311.0	12.7	5.75	.40	55.5
United States	1,500.0	33.3	960.0	40.0	43.36	.29	203.2
Part II Countries							
Israel	1.0	.02			.26	(1)	2.9
Spain	13.3	.30	2.5	.1	1.73	(1)	22.5
Yugoslavia	5.0	.11	4.0	.2	.58	(1)	20.5
Switzerland (nonmember)	66.1	1.50	30.0	1.2	1.14	.21	6.2
Total	4,500.0	100.00	2,442.0	100.0			

(1) Not members of the Development Assistance Committee (DAC).

(2) Less than 1,000,000.

[3] Nonmember for 3d replenishment.

Mr. TOWER. Mr. President, the Senate has before it today the opportunity to keep IDA alive and keep this process going, or to kill this bill and, in fact, the continued life of this association. IDA runs out of commitment authority as of June 30 and will be able to make no further loans—no further activity at a time when developing nations have been brutally affected by the rising costs of oil, food, and necessities. Recently, in Bonn, Germany, all donors to IDA had to determine what to do about the future of the institution, and to decide whether to make advance contributions to keep the institution running after June 30 and until such time as the United States can complete its ratification. Our colleagues should recognize that it is not possible under the replenishment agreement as written for it to come into effect until the United States completes ratification. A strong Senate vote will mean a great deal. Germany, Japan, and Canada have indicated that they are ready to put money in IDA to insure its survival. Others surely will follow if this vote in the Senate indicates strong support. Rarely have Members of the Senate by one single vote had an opportunity to raise money from treasuries other than that of the United States. I strongly urge that my colleagues give favorable consideration to this bill.

Mr. BROOKE. Mr. President, I join my colleagues in favor of the bill before us authorizing U.S. participation in the fourth replenishment of the International Development Association.

It is in our interest to continue our support of IDA. I shall concentrate briefly on two rationales for my view. First, IDA credits go to the poorest nations of the world, the ones most needing our support. This focus conforms to the American tradition of caring about people. Second, the fact that there is an important relationship between IDA assistance and the need to assure ourselves dependable sources of supply for critical raw materials commands our attention.

In connection with the first point, to be eligible to borrow from IDA a country must have a per capita income below $375. Moreover IDA credits are made available only to those countries which do not have the capacity to borrow abroad on conventional terms.

These conditions exist in several large countries in Asia, but particularly in some 35 countries in East and West Africa.

The handicaps faced in many of these countries are truly formidable. They suffer low productivity, irregular employment, debilitating diseases, short life expectancy, and illiteracy. With a few exceptions, per capita income in these African countries is well under $200, and in many it is below $100. They are indeed the poorest of the poor among the less developed countries of the world.

IDA loan assistance has shown that hopes and dreams for progress and a chance for a better life can be realized even in the poorest countries. It is against this background that we must view the need for IDA replenishment.

In this regard, the IDA record in Africa is informative. The main thrust of its lending in recent years has been in agriculture and education.

The focus on rural concerns is extremely important since the vast majority of Africa's population depends on agriculture—which is the mainstay of the region's economy.

I am impressed by the fact that it is not the so-called trickle down theory that is at work in IDA lending for agriculture in Africa. Small holders benefit directly and the stress is on integrated rural development, which involves social facilities such as health and education, as well as extension services, credits, marketing, road construction, water supply, and improvement in price incentives.

I would point out, also, that in West Africa, IDA's lending is helping in response to the special needs arising out of the emergency created by the severe and sustained drought in the sub-Saharan belt—which has driven tens of thousands of people from their homes in Chad, Mali, Mauritania, Niger, Senegal, and Upper Volta. To cope with this disaster, special aid is going forward from IDA for construction of wells, small scale irrigation works, and livestock disease control.

As we have seen in the growth of our own country, an educated people is, perhaps, a nation's most important resource. IDA has recognized this fact and has therefore stepped up its lending sharply in the education sector in Africa, as it has elsewhere in the developing world. It has lent wisely; the primary objective has been to shape education projects to the specific manpower needs of the African countries.

In this it has been innovative and practical. For example, IDA projects include paramedical training; in Ethiopia, it is helping to train teachers to make better use of the country's national network of learning centers at the village level; and in Zambia the emphasis is on food production, nutrition, and child care to improve family health in rural areas.

Let me turn now to my second point—the relationship of IDA to our growing dependence on raw materials from many of the world's poor countries. In eight categories of critical raw materials imported over the past few years more than half have come from less-developed countries. And this fact is going to become increasingly important to us. I am convinced that the more rapid the pace of economic growth in developing countries as a result of the kind of assistance that IDA provides, the greater the capacity for producing raw materials they will have and the more moderate the cost to us.

In conclusion, I have underscored today two rationales for an affirmative vote on this measure: the alleviation of poverty and the relationship of IDA assistance to our need for assurance of dependable raw material sources. As you have heard today, there are other excellent reasons to support S. 2665. I strongly urge a positive vote for increased participation by the United States in the International Development Association.

Mr. President, a recent article in the Economist outlines the plight of the poorest nations of the world in need of organizations such as IDA to alleviate their suffering. I ask unanimous consent that the article entitled "First, Second, Third, and Fourth Worlds," be entered in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FIRST, SECOND, THIRD AND FOURTH WORLDS

(By Barbara Ward)

When the special session of the United Nations General Assembly, summoned on the initiative of President Boumedienne of Algeria to discuss "the problems of raw materials and development", closed on May 2nd, it left behind the feeling that possibly something new had taken place. Mr. Henry Kissinger called the session part of an "unprecedented agenda of global consultations in 1974" which implied "a collective decision to elevate our concern for man's elementary well-being to the highest level". Britain's chief representative at the United Nations, Mr. Ivor Richard, put it rather more simply. He said: "Things will never be the same again."

Yet the change could well have escaped the casual observer. If we count the marathon discussions held at the three Unctad conferences and add in the 1970 debates in the UN assembly on a "strategy for the second decade of development", it cannot be said that most of the points at issue during the special session had not been discussed before. At least half of President Boumedienne's speech at the opening of the session covered familiar ground: the bias against the poor nations in the world economy, their unfavourable terms of trade in the 1950s and 1960s, the pile-up of their debts—now standing at $80,000m—the involuntary depreciation of their reserves, their sense of powerlessness at the highest level of international decision-making in investment and monetary affairs.

Nor did the two working documents prepared for the special session by the developing countries' Group of 77—a declaration of principles and a programme of action—prove to be strikingly different from earlier pleas and proposals for international action. The principles denounced exploitation, foreign occupation, colonialism and apartheid, declared the nations' right to control their own resources and to nationalise them if necessary, and asked for control over multinational corporations, for recognition of "producers' associations", for universal representation in international bodies and a speedier implementation of the policies agreed on for the second development decade.

These policies, set out in the programme of action, cover the customary rubrics of more aid, more investment in developing nations' industry, more preferential treatment in trade, higher raw material prices and monetary arrangements geared to the needs of the poor. If listeners to the lengthy speeches and readers of the flow of documents acquired a slight sensation of having heard much of the debate before, a rapid perusal of earlier documents would show their suspicions to be justified. "What I tell you three times is true" is, of course, very largely the case in relation to the developing world's problems. But it does not always make for easy listening.

Moreover, the end of the session had a melancholy resemblance to the close of earlier consultations. The principles and the plan of action, somewhat modified in three weeks of debate, were carried by a fairly exhausted assembly with enough reservations by the rich nations to make the value of the whole exercise look fairly dubious. And a last-minute resolution on emergency aid submitted by the one nation whose adherence to some plan of action is indispensable—the United States—was pushed aside on the grounds that the debate was already over. Thus the scenario seemed sadly familiar—a paper victory for a co-operative world economic strategy with neither resources, instruments nor political will to carry it through.

Yet it was at the close of the session that Mr. Ivor Richard made his remark. If, indeed, "things will never be the same again", something reasonably decisive must have been going on under the interminable exchange of set speeches and familiar grievances. And if one looks a little below the surface, what appears is not the old ritual performances but a series of interlocking changes which affect virtually every aspect of the international economy.

IN A CLASS BY ITSELF

Perhaps the most fundamental change is the degree to which the session suggested a loosening and changing of all the supposed "blocks" or "worlds" into which the international economy has been divided and upon which so much of the past rhetoric has been based. The conventional image of recent years has been of a first world of developed market economies, a second world of "socialist" states, and the "third world" of the developing nations. Not one of these distinctions looked really sustainable as the debates went on. Take the developed market economies. The United States, the European Economic Community and Japan said some of the same things—that aid should be maintained and special efforts made for the most hard-hit states, that "orderly and co-operative" arrangements be considered to ensure stable raw material prices, and new efforts be undertaken to increase scarce supplies, particularly of food and fertilizers. But it does not take any very close examination of the various memoranda on prices, trade and the balanec of payments prepared by the UN system for the special session to realise that the United States is, now more than ever, entirely in a class by itself.

It is far less dependent upon oil imports than other market economies. As a proportion of its use of energy, oil imports represent only 13.5 per cent of the total, imports from North Africa and the Middle East only 2 per cent. For western Europe the figures are 59 per cent and 47.4 per cent respectively, for Japan 72.6 per cent and 57.4 per cent. Even more striking are the vast gains the United States has made in the last two years in the world trade in grain. On April 25th, in the middle of the special session, the American Secretary of Agriculture, Mr. Earl Butz, pointed out in Washington that American petroleum imports in 1973–74 were comfortably covered by an increase of $9 billion in food exports. Of this, $7 billion represents the tripling of the price of grain and—as many developing nations were quick to notice—$2 billion have been earned by food sales to the poorer lands.

Mr. Butz also warned the world that there would be "no more storage at the expense of the American taxpayer" and that those who wanted grain had better get into line to buy it and store it themselves. This clearly implies little or no future concessionary food sales and a determination on the part of some sections of the American Administration to see that at least one raw material, food, is not subject to international agreements or constraints.

The very different degrees of bargaining power enjoyed by the United States on the one hand and, on the other, the resource-hungry nations of the EEC and Japan, did not surface at the session. Nor was there any repetition of the open split between France, seeking to represent western Europe's different dilemmas over oil, and the United States trying to concert a move by the whole developed world to roll oil prices back. But neither was there any observable first world strategy designed to deal with the critical issues. As for its being a much feared and much denounced "cartel" of the rich, the group did not seem to function at all.

GREAT DISORDER UNDER HEAVEN

Nor, it must be admitted, did the so-called second world. In fact, only here did the rhetoric of denouncing colonialism and imperialist domination really have the ferocious bite of passionate conviction:

"Under the name of so-called "economic cooperation" and "international diversion of labour", it uses high-handed measures to extort super profits in its "family" . . . Its usual practice is to tag a high price on outmoded equipment and sub-standard weapons and exchange them for strategic raw material and farm produce of developing countries. Selling arms and ammunition in a big way, it has become an international merchant of death."

It might be illuminating to offer odds on which power is doing the denouncing and which is the government denounced. The denouncer is, of course, the People's Republic of China, with the Soviet Union on the whipping block. Possibly as a result of this internal contradiction, the Russians preserved a profile at the session low enough to recall the vaunted "low posture" of the Japanese. Meanwhile the Japanese concluded with them a large investment programme in Siberia in which Japanese investment and technology would open up, for Japanese use, Siberian minerals and timber resources.

As for the Chinese, they repeated their old Unctad stance. They applauded all efforts by developing peoples "to win or defend national independence, develop the national economy and oppose colonialism, imperialism and hegemonism." They backed the principles and the action programme. They initiated no proposals of their own, and allowed it to be understood that their labour-intensive, energy-conserving techniques represent a workable version of the future in developing lands, provided the peoples beyond the fringe are prepared to learn from the celestial model. Even the language of marxism seemed less potent for them than traditional Chinese expressions. They described the crisis as a time of "great disorder under heaven," and the passing of imperialism as an outcome dictated by the turning "wheel of world history"—an analysis which the facts do not necessarily contradict but which seems sufficiently far from the language of marxist orthodoxy.

If the first and second worlds did not function as groups, the third managed rather better. In momentum, language and intent its members more or less held together. One reason was undoubtedly the sense of vicarious strength many of them derived from the oil producers' ability to take an extra $66 billion from the industrialized states in a single year—a figure which may be compared with the $19.6 billion earned from all developed sources, public and private, by all the developing nations in 1972. Another reason was the degree to which the oil states, with Iran at their head, have increased their own offers of aid in the last year. The sum of firm and less firm offers is now in the neighborhood of $4 billion to $5 billion. Still a third reason could be in the belief of other raw material producers that they, too, may be able to profit by higher prices achieved through group action. Yet this hope also illustrates the underlying lack of cohesive interests in the so-called third world. Far from hoping to share in such a bonanza, the poorest and most populous states stand to lose by high prices in almost every way.

THE HAVES AND HAVE-NOTS

The raw materials lottery has, in fact, created at least four different types of developing state. Among the oil producers, the states of the Arabian peninsula—Saudi Arabia, Kuwait, Abu Dhabi and Quatar—with a total population of only 9m, have received additional revenue of the order of $33 billion since 1973 (Abu Dhabi's per capita income from oil alone is now $43,636). They have become rich absolutely, on a par with industrialised states and must, above all, worry about a rational use of so much wealth. The more populous oil producers, with over 270m inhabitants, have received added revenue of $31 billion. They could use every dollar on internal development. Another group of developing states—China, Colombia, Mexico, Bolivia—are more or less self-sufficient in oil.

Others, Morocco with its phosphates, Malaysia with its rubber, Zambia and Zaire with copper, are doing quite nicely on exports of commodities other than oil, some of which have doubled in price. A group of more developed states—from Brazil and Mexico to South Korea and Singapore—can hope to pass price increases for their manufactured exports on to their customers. Or they can secure access to the world's capital markets. But Mexico could lose heavily in the area of services—tourism or the export of workers—if recession sets in in the United States. So could the poorer Mediterranean countries if Europe stumbles.

Finally we come to the poorest developing states: the whole of the Indian subcontinent, tropical Africa, the Caribbean and parts of tropical Latin America. With this group, everything has gone wrong. They are importers of fuel, of food, of fertilisers. They have little access to capital markets. Some have no income either from tourism or from money sent home by migrant workers. And their products, notably tea and jute, have not gained in price. These are the states to feel the chief impact of the extra costs incurred by developing nations who do not export oil—a clear $15 billion for oil, $5½ billion for food and fertilizers, a doubling of prices for other materials and for many manufactured imports, and all this in a single year. So dire is the condition of the poorest countries, so distinct are they in deprivation from all the rest, that at this session the term "the fourth world" became common currency in describing their condition. This is the world's immediate disaster area, where famine is already present—in parts of west and east Africa—and could become inescapable in wider regions in 1975.

Clearly there are stark divisions of interest within the group of developing nations. The poorest countries, together with the less disadvantaged developing states who produce no oil, would seem to have the strongest inducement in securing lower petroleum prices. Theoretically, they could have been persuaded to join, say, in an American or joint first world initiative to put pressure on the oil producers. Equally they might have looked with dismay at a future in which producers of essential minerals set up price-boosting cartels from which they would be excluded simply by their lack of resources. Again, they might have broken ranks in order to seek particular agreements on aid and technical assistance with the developed states.

In the event, they held together and scored some pyrrhic victories in passing plans and principles at the end of the session. But the show of unity hardly papered over the total divergence of opportunity and policy between, say, a Saudi Arabia with 7.8m citizens and an oil revenue sextupled to $19.4 billion in less than two years and an India with 600m people and total reserves before the oil crisis of only $1,355m.

HANGING TOGETHER

Yet it can be argued that the very fluidity of all the groups—the sense of changing interests, of uncharted possibilities, of new risks and new hopes—explains the fact that, after all, the session did mark a clear break with past UN performance. Like confused thoughts searching for an organising idea or floating molecules in wait for a catalyst, the underlying interests were too divergent to impose their own pattern.

And then a catalyst did appear—a growing realisation that, without emergency action, the poorest nations, the fourth world, would simply run out of reserves by midsummer and could with their bankruptcies set in motion the possible downward spiral of collapsing markets which, in 1929, finally engulfed the whole of the world economy. The prospect of hanging was present at Turtle Bay and wonderfully concentrated the delegates' minds. From this focus of apprehension there grew a programme of action precise enough, urgent enough and sufficiently representative of all interests to justify the belief that "things would never be the same again".

At the centre of the programme is the concept of immediate emergency aid for those hardest hit by the jump in prices. The Shah of Iran had proposed a fund of $3 billion for the next year, the figure given by the World Bank as the minimum need for additional aid to the poorest states. Of this fund, $1 billion would come from the oil states and the rest from the industrialised nations. During the session itself, no firm pledges were given. Indeed, the inability of the grain-rich Americans to come up with any precise offer in the wake of Mr. Kissinger's eloquent address explains why their last-minute proposal of a $4 billion fund for 18 months, with the United States doing its "fair share", was not even considered. But the principle of the fund was accepted and procedures established to make it a reality.

These procedures are as important as the agreement on the need for emergency funding. Hitherto the international economy has lacked any effective centre of impetus and strategic thinking. The World Bank, the IMF and Gatt have been type-cast as the instruments of the rich market economies. Unctad, UNDP and some of the UN technical agencies are held to be more friendly to the poor. "Socialist" countries are represented here and there in the spectrum, but do not, in the main, patronise the "rich nations' organisations". The arrangements proposed after the special session could begin to change all this.

Once more, it is the model of the catalyst that comes to mind. The UN Secretary-General is empowered to make the appeal for emergency donations, to consult with a representative ad hoc group of governments in laying down conditions of eligibility, and to use the various agencies of the UN family—including the World Bank, the International Monetary Fund and the regional banks—to secure timely disbursement. He is asked to assess the quality and type of aid that is offered and monitor both its flow and the changing pattern of need. Mr. Waldheim is also asked to take the initiative in seeking to establish a more permanent special fund at the beginning of 1975 to ensure that extra financial resources are available for the rather longer run—the World Bank reckons the need for 1975 at about $5 billion to $6 billion.

Reports on these activities are to go to the Economic and Social Council, the single universal instrument of the world community in the economic field. It is reported that the secretary-general has already invited Dr. Raul Prebisch, the founder-father of Unctad, to lead the emergency operations—a move that will reassure the poor—and has secured the energetic adherence of the World Bank and the IMF—a condition that should mollify the rich.

The effectiveness of this operation depends, of course, on the speed with which the needed $3 billion can be secured. But the Iranians and the Algerians are giving a lead among the oil states; indeed, the patient chairmanship of Mr Hoveida of Iran during the session was a vital factor in allowing the catalysing impact of disaster to have its full effect. The EEC is expected to play its part and the hope is that, in spite of the clumsy handling of the American resolution, the American "fair share" will be spelt out and will prove to be $1 billion of aid in cash and in the food which the United States alone is in the position to supply. Mr Kissinger's interest in the UN conference on food next November—which he himself proposed—is felt to provide some assurance that the American offer will be validated.

FOLLOW UP

This coming conference on food is only one among many. The population conference is due in August, next year's UN assembly will debate strategies for development, a conference on human settlements follows in 1976 and the French have proposed a UN conference on energy. The link between the new unit in the secretary-general's office and all these consultations is that it could develop into a more formal centre of stimulus and prediction able to serve an ongoing dialogue of the world with itself about its collective predicament.

Again and again during the debates of the special session, delegates from a wide variety of backgrounds and interests called for more information, more advice, more strategy, more wisdom—if that were possible—from the UN system itself. The suggestions included advisory councils, a group of "wise men"—the French and West German proposal—and a high level unit for assessing and monitoring aid and need. Other plans were rather more concrete. A number of delegations, including the Japanese, asked for a strengthening of the UNDP's fund for natural resources to enable it to plan, prospect and initiate action in the field of needed raw materials. Mr Kissinger made a widely-supported proposal for a world fertiliser institute to encourage the output of fertiliser, make it technically more efficient in developing lands—where plants running at a third of capacity are too often the rule—and to undertake research into new fertilisers and alternative methods of making existing ones. There was discussion, too, of an international effort in energy research to ensure supplies as the world's reserves of fossil fuels continue to dwindle.

And here perhaps we encounter the deepest reason for believing that the special session could mark a new beginning in international affairs. It was the first assembly to see surface, in unmistakable fashion, the chill possibility that the old idea of a "trickle-down" of wealth from rich nations' constantly expanding resources on a scale sufficient to produce a succession of take-offs among the poor may not be a workable solution to the problems of development in the decades ahead. The expanding resources may simply not be there. So the issue is not simply the immediate one of rescuing the poorest nations from imminent bankruptcy. It could be the more alarming question of how developed and developing peoples are to survive in a planet where what Mr. Kissinger calls the "elementary wellbeing" of all peoples, or Dr. Walter Scheel "the humanisation of mankind", can be secured only by some restraint, some sacrifice of "gadgetry and over-consumption"—the phrase is President Boumedienne's—on the part of the already rich.

In the short run, this confrontation is a fact. A restored world food reserve—which the session virtually unanimously proposed—can be set up this year only if American food consumption is somewhat reduced. (Since medical authorities in America recommend a cut of at least a third in meat consumption to check an epidemic of heart attacks, some grain going now to beef cattle could in principle be diverted.) Similarly, fertiliser is absolutely scarce and only if industrialised states cut their consumption a little can the extra 500,000 tons needed now for India's next harvests be made available—the amount is, incidentally, less than the affluent nations use on lawns and golf courses. The problem nagging at the back of many minds at the assembly was whether this condition of absolute shortage is strictly temporary or the first premonition of a profounder change.

The truth is that no one felt they knew. As Dr. Scheel put it: "Unreliable data, accelerated changes, the impossibility of foreseeing developments—this is where governments and countries come up against their limitation". The temptation in these conditions is to save oneself and batten down the hatches. In the short run, the raw materials producers are tempted, regardless of the outcome, to seek much higher prices by Opec-type cartels and to use their pre-eminence in numbers to reverse the dominance of established wealth. Equally, the already rich could cut aid, protect their reserves and their industries, try for self-sufficiency and turn their backs on the troublesome poor. Yet in spite of the language, the surface behaviour and much of the rhetoric, this did not appear to be happening at the special session.

A majority of the delegations were ready for dialogue, searching for greater leadership, obscurely aware of interdependence and deeply afraid of some precipitate catastrophe. The opportunity thus offered to the leaders of the United Nations system is alarmingly great. The fact that they have been offered it suggests that even the most powerful communities are beginning to wonder whether they can go it alone.

Mr. KENNEDY. Mr. President, 4 months ago the House rejected, by a large majority, a vote to continue U.S. participation in the International Development Association. At that time I expressed my concern at this action. It failed to accept the realities of our involvement with the outside world, the growing interdependence of nations, and our need to help provide leadership in creating a climate that will permit cooperation, rather than conflict in international relations.

Now this legislation is before us in the Senate. S. 2665 would appropriate $1.5 billion over a 4-year period, as the U.S. contribution to the $4.5 billion fourth replenishment of IDA funds. We are not being asked here to give unilateral support to this institution, for it is an international cooperative effort in the truest sense. Twenty-five other developed nations have pledged a total of $3 billion—exactly twice our commitment. To be sure, the United States is still the largest single donor; but it is both significant and encouraging that our share of total IDA funding has been reduced from 40 percent to 33 percent. Japan, meanwhile, will nearly double its contribution, from 5.9 percent to 11 percent; similarly, West Germany will increase its share from 9.6 percent to 11.4 percent of the total. We in the United States should welcome this reapportionment, since it reflects changes in the international economy, and the assumption by other countries of a greater share of the common burden.

The formula for sharing IDA contributions was worked out in a complex series of international negotiations, with pledges being made by each of the donor countries. Some have already advanced their contribution. Last week, however, a meeting on the IDA replenishment, involving senior officials of all the major donor countries, took place in Bonn. Several countries, including Israel and Kuwait, confirmed their pledges to IDA at this meeting. But many others —including the major donors—are waiting for the outcome of our actions. There are strong indications that, if the United States does not honor its commitment, then many of the donor countries will follow suit, and renege on their pledges.

What the Senate does today will therefore have an important impact on the decisions to be made by other donors, especially since they are being asked to commit funds beginning July 1, perhaps before action is completed in the U.S. Congress. So, in deciding on IDA funds, we in the Senate will in a very real way determine the future of IDA itself.

Mr. President, it is useful for us today to recall the philosophy and purpose of IDA. Largely on our initiative, it was established within the World Bank group 14 years ago. We all had a greater sense of optimism then. Riding on the crest of the postwar economic boom, we increasingly focused our attention and our energies toward trying to solve some of the problems that plagued the developing countries. And so IDA was created—a multilateral agency to provide the poorest countries with funds for development financing on concessionary terms, within the world market system.

Today we are less sanguine about the possibilities for rapid economic development in many of the developing countries. Even more so, we are less optimistic about our ability—or our right—to direct and influence the course of this development. Our long and futile involvement in the Indochina war has made us increasingly reluctant to become involved in the problems of the rest of the world. At the same time we have become more absorbed, and rightly so, with the serious problems of our own society.

Many debates have taken place in this Chamber on the issue of foreign aid. Objections have been raised that some U.S. bilateral foreign aid funds have been used to interfere improperly in the internal affairs of some developing countries. Other critics have noted that some bilateral U.S. aid funds, in the early days of our experience with aid, were devoted to large and conspicuously showy capital projects. IDA, by contrast, has been guilty of neither practice. In fact, it has tended to fulfill the prime goal of aid—to help the "poorest of the poor."

In recent days, another issue has been added to the debate. In exploding a nuclear device, the Government of India has drawn sharp criticism from around the world. Its action has raised serious questions in the minds of many people regarding the future of aid to India and to other developing countries.

But this issue should not be used in the discussion of this legislation. The World Bank and IDA have not given any assistance to India or to any other developing country for the development of nuclear energy, nor do they have any intention of doing so in the future. Their funds have gone to projects concerned with the development of agriculture, transport, conventional power, education, and population control. The Indian decision to go nuclear does nothing to change in any way the essential need for these projects.

More importantly, IDA represents an international commitment, and we should not punish this agency, and all the recipients of its desperately needed funds, because we disagree with India's action.

If aid is to be effective at all, and I believe that it can be, it should be channelled primarily through multilateral institutions. IDA has proved that this method works. It has been a successful and effective experiment in creating a multilateral—but nonpolitical—approach to development funding.

We have learned a great amount in the last 15 years about what aid can and cannot do, and about the basic differences that exist in the way these funds are distributed. It is our responsibility in this body to review all aid programs, and—if need be—to eliminate those which are misguided or do not work. Nevertheless, we should also support and encourage those efforts which have proved their effectiveness. I believe that most of the fundamental assumptions we made 15 years ago about the impact of aid on development are sound today. The compelling need we saw when we voted to create IDA is just as compelling today.

Mr. President, during the past year the world economy has gone through a difficult time. The rate of worldwide inflation rose to unprecedented new heights. The price of food soared in country after country. The price of oil suddenly quadrupled on the world market, sharply jolting the international economy. And the process of readjustment is still going on.

This is a time of uncertainty for the industralized countries. Some have enough foreign exchange reserves to pay for their increased oil bills, and all have access to large-scale credit because of the size and strength of their economies.

But the story is far different for almost all the developing countries, outside the oil-rich countries themselves. In raw economic terms, it has been estimated that developing countries last year paid an additional $15 billion for oil and food and fertilizer imports. And in direct human terms, this figure means more starvation, more suffering, and more disappointment of fragile hopes for development and an end to misery.

Mr. President, I am mindful of the mood in the House when the IDA legislation came up for a vote there. We were still reeling from the shock of the energy crisis. But now, 4 months later, we are in a much better position to reassess calmly the changes and readjustments this development implies for the world economy. It is already clear that in this case, as so many others, the rich countries will suffer the least, and the poor will come last. A large part of the billions of dollars in additional revenues that flowed to the OPEC countries this year will find their way back to the United States and other major developed countries in investment capital. Also a good part of the additional $8 billion the developing countries paid this year for their oil imports will be used to finance OPEC investments in the industrialized countries.

In the process of incurring enormous balance of payments deficits to finance their essential imports of energy, food and capital goods, the very countries which have been hit hardest in the international economic crunch may be forced to reduce vastly the amount they import of these essential goods. For many of these countries, particularly the poorest ones, the level of imports is closely related to maintaining subsistence living standards. It is clear that these countries need help. IDA credit on concessional terms, for the poorest of the poor nations, will be particularly needed.

IDA has responded actively to these developments—not to finance the added costs of oil purchases, but to finance development. A significant percentage of its funds are being redirected away from those countries whose economic performance has shown they are ready to graduate from IDA loans. These funds are being directed toward the 40 very poorest countries, encompassing more than a billion people, in what has been called the "fourth world."

Mr. President, I would like to mention another specific example of what IDA is doing in cases of extreme need. By the middle of last year, the plight of the people of the Sahel became the focus of international attention and concern. For several years, these 6 countries, with a population of over 24 million people, have suffered widespread drought, which has become much worse in the last 2 years. While completely accurate statistics cannot be compiled, it is certain that thousands of people have died and additional tens of thousands have been incapacitated by malnutrition and disease. Grain production in 1972 for the region is estimated to have been 25 percent short of normal supply. Between 20 to 30 percent of the region's entire livestock has been lost. The drought has not ended; conditions have not significantly improved; in fact in many areas the problems are intensifying.

While IDA is not a relief agency, it has responded to this disaster. A special drought relief fund of some $14 million was established last November. The project aims to help the people of the drought-ridden area to reestablish their self-sufficiency through the redevelopment and improvement of their farms and herds. By March of this year, $12 millon of this fund had already been committed to specific projects, including the development of rural water supplies, the construction of wells and dams, livestock disease control program and the establishment of grain storage facilities.

These longer term development efforts have provided a valuable complement to relief projects undertaken by the United States and many other developed countries in response to the drought. While this response to the request for immediate international relief saved untold thousands from imminent starvation, IDA's actions have pursued the equally important task of trying to end the ecological imbalance of the whole zone, an imbalance caused in part by unwise agricultural practices.

In addition to the special fund, two regular IDA loans have been made this year to countries in the affected area: a $3.8 million credit to Mauritania for an education program; and a $7.5 million loan, on March 28, to Chad for irrigation projects. Further IDA loans, totaling $20.5 million, are scheduled to be committed in the next several months. Since 1970 IDA credits to the six country area have reached $134.2 million, or slightly more than $1 per capita annually; $1 a year may seem an insignificant amount, but for these countries, some with per capita incomes of $70 or less annually, the impact may be substantial.

Recently, reports began to appear of a similar and equally tragic story of devastation, starvation, and human misery for over 1½ million people in the drought-afflicted regions of Ethiopia. The magnitude of the tragedy was frightening. Perhaps 100 to 150 thousand people died of starvation; another million and a half were left destitute; crops in the most seriously affected provinces of Tigre and Wolo were almost totally lost; and livestock losses were estimated in some areas at 85 percent.

Since 1972, $108.7 million in IDA credits have been committed to Ethiopia. This is nearly $2 per capita annually in this country, with an annual per capita income of only $80.

In the next few months, IDA expects to commit an additional $30 million to Ethiopia for three specific projects.

First, there is $10 million for a drought rehabilitation program to assist in the stabilization of the agricultural economy in the most severely affected provinces of Tigre and Wolo. This project will also help to create the basis of long-term economic development of the area by providing for such fundamental programs as the construction of rural roads, water supplies, and medical facilities.

Second, another $12 million is scheduled for the continuation of an IDA project in the Wolamo district in the southern part of the country. This will include such essential development components as livestock services, soil conservation, roads, and artisan training.

Finally, some $9½ million is committed for the first 5 year phase of a comprehensive agricultural settlement and development program, designed to provide the basic services, infrastructure and institutions needed to settle permanently about 24,000 farm families in the Tigre Province.

Mr. President, IDA makes possible programs such as these—directed toward solving long-term problems of providing irrigation and water supplies, and establishing adequate storage facilities in order to save valuable crops otherwise lost each year. Funds committed to this kind of essential development project could go a long way toward preventing catastrophes of such magnitude from occurring again.

It is our responsibility as a "have nation" to support and encourage every serious effort to assist those people whose lives otherwise hold no future, no chance, no hope. These are the people of IDA. These are the people whose lives in a very tangible way will be enriched or not by our actions here today. It is unthinkable that we will deny them this chance.

Mr. President, I urge the Senate to give these people of IDA a pledge of our continued commitment to action. Let us try to recapture some of the optimism and spirit of commitment we once had that the encircling grip of poverty can be broken. We may not always succeed, but to give up this effort would be unconscionable. We may at times become frustrated when progress seems slow; but the need—and the opportunity—remain. I urge the Senate to give its approval to this legislation.

Mr. TUNNEY. Mr. President, the bill we are debating this afternoon, S. 2665, deals with America's commitment to aid the development of the poor nations of the world. I recognize this commitment, and will vote for passage of the bill, in order to continue the U.S. contribution to the International Development Association.

But I am very concerned, today, about the future relations between the developed and underdeveloped world. The event which has heightened this concern is the recent nuclear test carried out by the Government of India. India now becomes the sixth member of the "nuclear club," and the first to "join" it in more than a decade. India's action has momentous implications for the stability of political relations in the most populous part of the world.

Nuclear weapons, for the first time, have been introduced into the Asian subcontinent, with a population of well over a half-billion people. India now becomes a nuclear power on the Indian Ocean, very close to the Middle East and the world's major oil supply. This comes at the same time that India and other Indian Ocean littoral states have strenuously protested a growing United States-Soviet naval race in the area.

India's action in "going nuclear" represents a great threat to destabilize politics in the area. Needless to say, Pakistan will now be under great pressure to develop a nuclear device of its own. The Indian action will have incalculable effects with respect to Iran and the oil-producing states, which are in a delicate position just to the west.

A new nuclear race among the nations of the Indian subcontinent and the Middle East would be disastrous. It is imperative for the major powers, the United States and Soviet Union in the forefront, to make rapid progress on arms limitation talks and nuclear test ban talks, in order to lessen the pressures on other states to proliferate the development of nuclear weapons.

Proliferation of nuclear weapons into the non-Western nations poses a particular threat, as far as I am concerned, in light of growing scarcities of raw materials in the world. Until the past few years, the underdeveloped world, in its economic and political disagreements with the Western nations, has been relatively powerless. The oil shortage, and future shortages of other raw materials, will fundamentally change these relationships. The addition of nuclear weapons to this equation, even in small degree, could have vastly complicated and unsettling implications.

I recognize that the question of nuclear proliferation is not a direct issue in this legislation. The loans which IDA makes are for development purposes, not nuclear power research, in India or elsewhere. Countries which are determined to go ahead with nuclear research will do so. But these recent events underscore the importance of having our Government, and our foreign policy, place much more attention on the nuclear proliferation problem. These initiatives should take the highest priority in our relations with India and other nations which may be tempted to follow suit. I think America's future attitude on development and other political issues should take in mind the receptiveness of other nations to this most critical question—the prevention of a new nuclear arms race.

I should note that the threat of a new nuclear race among foreign nations underscores recent studies made here in the United States which show the danger of theft of nuclear materials from our AEC or atomic plants. Such thefts could be engineered either by nations which do not have atomic plants capable of producing nuclear fuels for weapons, or by terrorist groups which have no industrial base at all. As the number of atomic plants increases rapidly in the next decade, and as new plants using weapons-grade nuclear fuels become more common, the dangers of theft will increase. Protection against theft, either in the United States or abroad, must also become a highest priority matter for the AEC and other interested agencies.

Mr. President, I would like to request unanimous consent to insert into the Record at this point in the debate two articles from Washington Post of last Sunday and Monday, May 26 and 27, concerning the dangers of nuclear theft. They should be studied by every Member of this body, because they reveal one of the truly dangerous problems our country faces today and in the next decade.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Fear of Nuclear Theft Stirs Experts, AEC

(By Thomas O'Toole)

When an atomic weapon travels by train in the United States, it moves in a gray metal car whose two-ton steel top is locked into place by massive bolts. If the same weapon rides on the road, it travels in a truck whose wheels can be locked and whose armor-plated sides can only be pierced by bazooka shells.

The reasoning for such tight security is obvious, but not so obvious is the fact that the Atomic Energy Commission is thinking seriously of ordering the same precautions when shipping nuclear materials, not just the finished weapons.

Such deep concern is rooted in some deep fears that the worldwide growth of atomic energy might be accompanied by attempts at atomic theft, either by organized criminals, terrorists or even governments. The results of nuclear theft are not easy to contemplate, involving as they do the almost unspeakable threats of billion-dollar ransoms and downtown nuclear explosions in the world's cities.

"The human casualties and property damage that could be caused by nuclear explosions vary widely," is the way it's put by Theodore B. Taylor, a onetime designer of nuclear weapons and now a crusader for tighter nuclear safeguards, "but even a nuclear explosion 100 times smaller than the one that destroyed Hiroshima could have a terrible impact on society."

Taylor calculates that impact. A nuclear blast so small that weapons experts might describe it as a "fizzle" might be enough to kill 100,000 people watching a football game. The fallout alone from a "fizzle" blast in the open could kill another 5,000, while the same explosion set off beneath Manhattan's World Trade Center could topple both buildings and kill as many as 200,000 people.

"Fizzle" blasts worry people like Taylor the most, because that's the kind of bomb atomic thieves are most likely to build. Nobody thinks thieves can build a hydrogen bomb. But a number of people (Taylor included) are convinced that sophisticated thieves could put together a bomb with the same destructive force as the 13-kiloton explosion that leveled Hiroshima.

A growing number of weapons experts think that "basement" nuclear bombs are real possibilities. Taylor says that everything the bomber needs to know is buried in the stacks of the nation's public libraries. He says the most concise explanation of the theory of making a bomb is in the Encyclopedia Americana, written by the onetime research director for the Pentagon.

"Every educated person already knows the single most essential fact about how to make nucelar explosives, namely that they work," Taylor said in a book he co-authored for the Ford Foundation's Energy Policy Project. "Also, every country including India has successfully tested a nuclear weapon on their first attempt. That's important."

The Atomic Energy Commission is not as concerned as Taylor is about basement bombers, but no longer does it consign them to the pages of science fiction. This is the way the threat is assessed by Edward B. Giller, assistant general manager for military applications:

"If you're a bomb designer like Ted (Taylor) who's worked in a big bomb factory for 10 years, then it's easy. It's not easy, but if I lost 20 kilograms (44 pounds) of plutonium last night to a big gang and they were in fact members of a gang identified by the FBI as terrorists, it's conceivable they could put something together without blowing themselves up . . . It would probably be a pretty clumsy thing, something you'd have to put in a truck but they'd have a credible threat."

The AEC ran a test on itself a few years ago just to find out how easy bomb making had become. It quietly hired two young physicists with no more experience than their Ph.D. degrees, gave them access to a small computer and an unclassified library, then told them to design a nuclear weapon and predict its yield.

The two physicists had a finished weapon in six months. Their predicted yield came within 10 percent of what their weapon would have produced had it been fired. They now work in the weapons program at Los Alamos Scientific Laboratory, where Taylor spent 10 years.

About four months ago, AEC Director of Licensing John O'Leary asked an AEC study group to investigate the possibility of nuclear theft. Don't study it to death, O'Leary told them, just take six or eight weeks and see if there's anything to it. Make sure it's not a crackpot scheme.

The study group included an MIT physics professor, a weapons designer at Sandia Laboratory and William Sullivan, onetime assistant to the FBI Director and former director of the Office of National Narcotics Intelligence. Here's what they concluded:

"There is widespread and increasing dissemination of precise and accurate instructions on how to make a nuclear weapon in your basement . . . There is also a slow but continuing movement of personnel into and out of the areas of weapons design and manufacture . . . We believe these factors necessitate an immediate and far-reaching change in the way we conduct our safeguards programs."

What triggered the study group's deepest fears was the rapid rise in worldwide terrorism and the sudden spurt of political kidnapings, which it concluded "may lead to a rise of urban terrorist groups in this country of a sort without precedent in our history."

There are now 50 known terrorist groups operating around the world, most of them well-financed and well-armed. There are five active terrorist organizations in North America, five in Latin America, five in Europe and ten in the Middle East. Their names are household words. Black September, Al Fatah, Tupamaros, the Japanese Red Army, the Ulster Freedom Fighters, the IRA.

In the six years ending Dec. 31, 1973, there were 422 known terrorist incidents that ended in 226 deaths. Fifty-nine of the 422 incidents ended in at least one death.

More important, terrorism is on the rise. There were 50 incidents in 1969, 74 in 1972 and 120 last year. The size of the force and the size of the ransom has also increased. There were 4.6 terrorists per incident in 1970, 8.7 in 1972. Terrorists reaped $11 million in ransom in 1972, $13.3 million in 1973.

Despite their great leap upward, terrorists have yet to threaten nuclear theft. There have been some disquieting incidents, like the threat by a 14-year-old physics student to blow up Orlando, Fla., unless he was given $1 million. He sent in a sketch of his nuclear weapon, precise in its detail.

Not long ago, a man hijacked an airplane and threatened to dive-bomb the Oak Ridge National Laboratory. The most serious threat took place in Austria, where terrorists poisoned a railroad car with radioactive iodine. The car was taken out of service and the Austrian Federal Railroad Administration offered a $5,200 reward (highest in its history) for information about the radiation terrorists.

The attack with radioactive iodine points up two things about nuclear theft. First, the terrorists were thinking about the public's fear of radiation. Second, they had access to radiocative materials. It's true that radioactive iodine is no nuclear bomb, but it's not sold in the corner drugstore, either.

Outside of the James Bond movie "Thunderball," nobody has ever threatened the United States with the theft of a nuclear weapon, although it admits to two threats "of a similar kind" in the last month.

The United States goes to unusual lengths to prevent the loss of an atomic weapon, but nevertheless it has lost a few. Four fell out of a B–52 over Palomares in Spain, while another four dropped out of another B–52 over Greenland. All eight were recovered.

Not so with a bomb that dropped out of a plane over South Carolina some years ago. It's still missing, presumably buried in a South Carolina swamp. A Navy fighter-bomber reportedly missed the carrier deck once and sank to the bottom of the Pacific, its nuclear bomb aboard. It's still there.

Outside of weapons in stockpile, the United States has over 40,000 atomic weapons scattered around the world. Most are in the United States, but about 7,000 are in Europe and a smaller number are in the Far East.

The number of countries where American nuclear weapons are located is small, the number having shrunk when President Kennedy discovered that nuclear missiles were unlocked and relatively unguarded in Turkey and Italy about the time of the Cuban missile crisis.

Where and how weapons are stored is a secret, but they're all kept in underground vaults. The vaults are guarded in roughly the same way the gold is guarded at Fort Knox. Electronic locks and cryptographic codes are used to close and open doors leading to the vaults.

How many weapons are moved each year is a secret. They are believed to move one at a time, some by air, others by train, some by truck. The train is a full train, even though only one car contains a weapon. Each car on the train has armed guards.

The truck that carries atomic weapons travels in a convoy. There is an armed car ahead of it, an armed van just behind it and a third armed car five miles to the rear. The truck itself is secret. It can be made immobile if attacked and is built to resist penetration. It would take hours for a full squad of men armed with bazookas to get inside the truck, and by then electronic signals would have sounded the alarm that the truck was under attack.

Suppose an attack succeeds and a terrorist group steals a weapon. Can they arm it and fire it? Nobody really knows the answer to that, since there are so many electronic barriers built into the bomb. It might take them months to figure a way to trigger the bomb.

"They'd probably have to tear the whole thing apart and put it back together again," the AEC's Edward Giller said. "In effect, they would have to rewire the whole mechanism."

The Atomic Energy Commission worries less about a bomb being stolen than it does about the nuclear materials used in the making of a bomb. Three metals can be made into a bomb, plutonium and two isotopes of uranium. One is uranium-233, the other is uranium-235.

Just how much plutonium and uranium are needed to make a bomb is a secret, but it's a lot less than it used to be. The first atomic bomb that was detonated in the New Mexico desert contained about 60 pounds of plutonium. The bomb dropped on Hiroshima contained 132 pounds of uranium. Ted Taylor has described both bombs as "stupid," mostly meaning they were overweight.

Nobody can buy plutonium or uranium on the open market. Plutonium doesn't even occur in nature. It's made by man, as a by-product of fissioning uranium in nuclear power plants. Natural uranium cannot be used to make bombs either. A bomb maker needs uranium that is at least 90 per cent Uranium-235, which is only made in uranium enrichment plants.

There is a uranium enrichment plant in France, another in England, a third in China and several in the Soviet Union. A pilot enrichment plant is operating in the Netherlands, producing low-enriched uranium for atomic power plants.

Three enrichment plants are in the United States, one at Oak Ridge, a second at Paducah, Ky., and a third at Portsmouth, Ohio. The one at Portsmouth makes uranium fully enriched with U–235.

Time was when fully enriched uranium was used only to make bombs. No longer. It is the fuel for the Navy's 107 nuclear-powered ships and the fuel for a new type of power plant called the High Temperature Gas Cooled Reactor, which operates at twice the temperatures of ordinary nuclear power plants.

Only one of these plants is in existence today, being operated at Fort St. Vrain, Colo. Ten are on order in the United States alone. Japan is building one, and West Germany plans to build one. West German Energy Minister Horst Ehmke believes it is the power plant of the future.

Nobody would want to steal the uranium or the plutonium that is inside a submarine reactor or a nuclear power plant, for the same reason that nobody would want to steal it when it came out of the reactor or the power plant. It's too radioactive, lethally so. It would have to be stolen and then handled by remote control, then put through an exhaustive chemical reprocess to get the radiation out.

On the other hand, the metal that comes out of the enrichment plant, that goes into the fabrication plant where it's made into fuel elements and even the metal that's shipped to the submarine or the power plant before it's installed is invaluable.

Not only to the terrorist, either. Uranium and plutonium in their pure form are worth more than their weight in gold. Uranium is worth about $6,000 a pound. Back in the 1950s, a ring of thieves stole some uranium fuel elements from the Bradwell power plant in Britain and even employed a "fence" to sell them. They were caught before a sale could be made.

Just how much uranium and plutonium exist in their pure form in the United States today is a secret, but the numbers are large and growing. One estimate is that almost 2 million pounds of both metals are in storage at AEC plants around the country. That figure is expected to grow to at least 3 million pounds by 1980.

The uranium and plutonium that's stored at AEC plants is believed pretty safe. What worries the worriers and keeps security men awake at night are the shipments that must be made, almost all of them covering long distances.

"There's no question transportation is our weakest link," the AEC's Ed Giller says. "If a terrorist is going to make an attempt, that's where he'll make it."

The AEC ships uranium from its enrichment plants to its reactors at Hanford, Wash., and Savannah River in Georgia, Plutonium is shipped out of Hanford and Savannah River to the fabrication plant at Rocky Flats, Colo. Rocky Flats ships to the weapons plants in Pantex, Texas and Burlington, Iowa.

That's only for weapons shipments, whose size and number are secret. There are also shipments on the civilian side, though they're not as large and don't often contain the pure metal the way weapons shipments do.

In the year ending March 31, 1974, the AEC counted 455 shipments of what it calls "special nuclear materials" by its civilian licensees. Special nuclear materials are quantities of plutonium and fully enriched uranium that are in excess of what the AEC calls "trigger quantities."

The trigger quantity for plutonium is two kilograms, 4.4 pounds. The trigger quantity for fully enriched uranium is five kilograms, which is 11 pounds. The trigger quantity is not enough to make a bomb. At least four times the trigger quantity is understood to be enough for a bomb, though the exact quantity is secret.

There are 26 plants in the U.S. licensed by the AEC to handle and ship plutonium and fully enriched uranium. The largest number of shipments are made by five plants scattered across the country.

A plant owned by Kerr-McGee in Cimarron, Okla., makes plutonium fuel pins for a new test facility in Richland, Wash. A factory outside Pittsburgh also ships fuel pins to Richland. Together, the two plants handle and ship close to 2,000 pounds of plutonium in a year.

Fully enriched uranium is coming into the power plant at Fort St. Vrain, Colo. from a factory in San Diego. The largest uranium handlers in the country are the factories making fuel for the Navy's 102 atomic submarines. These are United Nuclear in New Haven and Babcock & Wilcox in Lynchburg, Va., which together handle thousands of pounds of weapons-grade uranium every year.

The plutonium and uranium that are shipped from these plants go out under armed guard, either in armored cars or in trucks escorted by armed guards in a second car. They follow preplanned routes, so if they're hijacked rescue squads know where to look.

While uranium and plutonium on the move is the big worry of the AEC, there is still a lot of concern about the same materials disappearing from the factory itself. An armed attack on a factory is unlikely, but a theft from the inside is not so unlikely.

Plutonium and uranium disappear in large enough quantities every year for the AEC to investigate each disappearance. The AEC calls the disappearances a "MUF," for material unaccounted for. The AEC loses as much as 100 pounds of uranium and 60 pounds of plutonium every year, enough to make more than 10 atomic bombs.

Most times, the MUF is due to poor inventory measures, bad weights, lost scrap—carelessness, in other words. But each time a MUF takes place, diversion is suspected. An investigation is begun. Plants are closed down. Sometimes fines are levied.

The most celebrated MUF took place back in the 1965 in the Apollo, Pa., plant of NUMEC. The factory had just taken a big order to process and fabricate 2,200 pounds of fully enriched uranium for Westinghouse Astro-Nuclear, which was for making the fuel for the nuclear-powered rocket.

In the fall of 1965, NUMEC was told to make an inventory of its uranium. It came up short by 20 pounds, worth at that time over $1 million. It was also enough to make several large bombs. For a while, China and Israel were both under suspicion as the possible thieves.

The AEC closed down the plant and began to look for the missing uranium. It found some in the air filters, about 12 pounds in the 730 filters that kept uranium from blowing out the smokestacks. It found another 14 pounds in a burial pit on a mountaintop eight miles away. It cost the factory $100,000 to dig up the burial pit looking for the missing metal.

At the end of the search 148 pounds of uranium was still missing. NUMEC was forced to pay the AEC $834,000 for the missing metal. Diversion was still suspected, so the AEC interviewed every employee in the plant and every one of its past employees. The AEC concluded there was "no evidence" of diversion, but there are still a few people there who suspect China and Israel.

AEC SEEKING TO CUT PERIL OF ATOM THEFT

By Thomas O'Toole

(NOTE.—"I think we have to bring this possibility of your being incinerated by a diverted or stolen nuclear bomb down to a level of risk comparable to . . . being struck by lightning"—John O'Leary.)

Nobody knows what the risk of incineration from nuclear theft is, but it isn't as small as being hit by lightning.

Whatever the risk, Jack O'Leary says, it's too high. Maybe it's something like 100,000 to 1, he says, but that's too high. The chance of being killed by an atomic bomb exploded by terrorists, extortionists or blackmailers, O'Leary says, should be in the realm of unthinkability.

O'Leary is the AEC official who commissioned a study of the threat of nuclear theft about four months ago. The study was done by five men—three physicists, a weapons designer and the onetime assistant (William Sullivan) to FBI Director J. Edgar Hoover. Their conclusions were that the United States is not spending enough money and effort to prevent nuclear theft.

"It is our strong feeling," the study team wrote, "that the point of view adopted, the amount of effort expended and the level of safety achieved in keeping special nuclear material out of the hands of unauthorized people is entirely out of proportion to the danger to the public. . . ."

Special nuclear material is plutonium, uranium-233 and uranium-235. The wrong hands could take the right amounts of any of these three metals and make an atomic bomb. The right amounts aren't all that much. Twenty pounds of plutonium or 50 pounds of uranium might be enough to make a bomb.

Few people worry about the outright theft of an atomic bomb. The United States has more than 40,000 atomic bombs around the world, but they're in underground vaults at heavily guarded military bases. When they are moved they travel in special aircraft, trains and trucks, all of them under armed guard.

Even if a bomb were stolen, it would take an incredible effort to set it off. Intricate electronic locks are built into every atomic weapon, meaning that bomb thieves would have to take the weapon apart and put it back together again to set it off.

More and more people worry about the theft of plutonium and uranium that the thieves could use to make a bomb themselves. Where would they steal it? An atomic power plant burning low-enriched uranium (not good enough for bombs) makes enough byproduct plutonium in a year for two bombs. There is enough pure and fully-enriched (93 per cent U-235) uranium being shipped around the United States for submarine and power-plant fuel for another 10 bombs a year.

The growth of nuclear power will multiply the threat. The 55 atomic power plants operating in the United States will grow to 150 by 1980 and as many as 1,000 by the end of the century. There are 90 nuclear power plants abroad, a number expected to grow to more than 200 by 1980 and to 1,400 by the year 2,000.

As many as 10 per cent of these plants are expected to be of a relatively new class of plants known as the High Temperature Gas Cooled Reactors. They operate at twice the temperatures of conventional nuclear plants, meaning they make twice as much heat and twice as much electricity as conventional plants from the same amount of uranium. How do they do this? By burning fully enriched uranium, the same metal used in nuclear bombs.

All nuclear power plants make plutonium as a byproduct, some more than others. The fast-breeder power plants built or being built in the Soviet Union, France, Britain and the United States make more plutonium than they burn uranium, which is the purpose of the breeder plant.

Whatever the type of plant, plutonium will gather in mounting quantities the world over. The United States will have accumulated almost 900 tons of plutonium by 1990, Europe and Japan more than 900 tons. At the end of the century, the United States, Europe and Japan will be generating plutonium at the rate of 1,200 tons a year. That's enough for 200,000 bombs.

There are two things that can be done with all this plutonium—store it or use it. If the world stores it, that means expensive garbage dumps that can be counted on to keep the plutonium safely for 24,000 years. An anticipated worldwide shortage of uranium at less than $20 a pound is enough to act against storing it.

Most experts assume atomic power will be running on what they call a "plutonium recycle" economy, meaning that the plutonium will be recovered and used as fuel itself.

That means another 15 to 20 factories in the United States alone to process the plutonium into fuel elements, making theft from one that much easier. It also means several shipments of plutonium around the country every day, again raising the risk of plutonium theft. Thieves might choose to steal plutonium for money alone. They could get as much for plutonium as they get today for pure heroin.

The first line of defense against nuclear theft is the risk thieves run when they steal bomb material. The form thieves are likely to find it in is radioactive. The AEC ships fuel elements in heavy casks just to protect the handlers.

How secure are the casks? Trucks carrying nuclear fuel cores have rolled off hillsides, killing the drivers but not cracking the cores. Cylinders of uranium hexafluoride have fallen off trains and under their wheels without breaking open.

Next, the thieves run a terrific risk when they attempt to build a bomb. Four men have died in the United States putting bomb components together in what weapons experts call the "criticality" experiment, a test the thieves must do if their weapon is to work.

"This is an experiment that's called 'twisting the lion's tail'," said Edward B. Giller, AEC assistant general manager for military applications. "You can get bit."

Another risk comes from the high explosive that must be wrapped in a perfect sphere around the plutonium or uranium to squeeze it into a critical mass. The people handling the explosive as they build the trigger must be expert at their craft, not just knowledgeable.

"You can melt dynamite and you can machine it," Giller said, "but if you don't do it right you have a very good chance that your basement will blow up with your house."

The second line of defense against nuclear theft is the physical safeguards built to protect the plutonium and uranium at the factory and on the road. The AEC spends $50 million a year safe-guarding its material, a figure that's bound to grow in the years just ahead.

"We need to spend money on this; this isn't some two-bit problem," said the AEC's Robert Minogue, one of the nation's leading experts on safeguards. "This is a serious problem and it needs a serious effort."

There are 26 factories in the United States licensed to handle plutonium and uranium. Some are modern and well-protected. Others are not. The United Nuclear plant that makes fully enriched submarine fuel (ideal for weapons) consists of several buildings in a rundown neighborhood of New Haven, one or two as rundown as the neighborhood. A chain-link and barbed-wire fence runs around the plant, except where the walls border the sidewalk.

"It's bad," states Ralph G. Page, chief of the AEC's Materials and Plant Protection Branch. "It is not good, not good."

Bad as it is, the AEC let United Nuclear get off this year without upgrading its protection. The reason is that United Nuclear is closing its New Haven plant in September to move to a new factory in Mottville, several miles from New Haven.

The "upgrading" was ordered by the AEC this year for all 24 plants. The cost of the new protective measures ranges from $500,000 to $2 million per plant, includes things like putting in outdoor searchlights, higher fences and more guards.

The biggest single expense ordered by the AEC for the factories is an intrusion alarm system. Estimates run as high as $400,000 for each factory, as much as $10 for each foot of fence. The alarms aren't tied to the fence and they're not the conventional "ringing" alarms that most people identify with burglar systems.

They include infrared devices to detect warm bodies at night. There are magnetic detectors to sound out weapons, seismic listening devices that can hear the fall of feet, pressure detectors that pick up any force being exerted on the fence.

The AEC is almost as concerned about the people on the inside of the factory. It has developed and begun to use a super Geiger counter that looks like one of those electronic portals now in use at airports to check passengers. This new device can detect pieces of plutonium or uranium as small as one gram, whether it's being carried out in a person's clothes or inside his body.

One reason the AEC installed these doors is that security people remember how many well-known physicists walked out of Los Alamos Scientific Laboratory during the war with uranium souvenirs. They had to send the FBI after many of them, just to get the uranium back.

The Achilles heel in all this is not the factory, it's the truck or train that carries the uranium and plutonium away from the factory. New regulations put in this year require shipments to be accompanied by a driver and a guard, both of them armed. They're required either to drive an armored car or to be followed by an armed escort car.

The truck driver must follow a preplanned route, so that rescue teams would know where to look if the truck is attacked. The driver uses a radiotelephone to call in regularly along his route.

There are shortcomings to all these plans. The AEC would like to scrap the radiotelephone, mostly because the lines are often busy. It would like to install in the trucks radios with a cleared frequency, right into central communication centers that keep track by computer of all the nuclear trucks on the road. Eventually, the AEC would like its own communications satellite hovering above the earth, watching and listening to its trucks.

What the AEC would also like is an unclassified version of the secret truck that hauls nuclear weapons. If the truck were attacked, the driver could stop the truck and freeze the engine by pushing a button. Another push and two of the wheels might blow off, rendering the truck immobile.

Even measures like these don't satisfy the safeguards experts. Some think the shipments of nuclear metals should be shrunk, so that only one-fourth of the "trigger quantity" for uranium and plutonium travel at any one time.

Others think the 10 or so chemical reprocessing plants planned for the United States should be built alongside the 26 fuel fabrication plants already doing business, so there will be no need to ship metals from one to the other.

One of the most extreme solutions to the safeguards problem would be to "poison" the uranium and plutonium whenever it leaves the factory. Poison it with radioactivity, making it that much more hazardous for the thief to steal it. Almost bizarre, this solution is under serious study at the AEC right now.

The trouble with all these schemes is that they add expense to the already skyrocketing cost of doing business in the nuclear power industry. The poison idea is also dangerous, introducing a large hazard to the people handling the nuclear material and to the public if there's an accident.

Nonetheless, new changes in nuclear safeguards will have to be made, if safeguards are to make incineration from nuclear theft a risk comparable to being hit by lightning.

The fear among some experts is that the AEC will move slowly and somewhat reluctantly to strengthen its safeguards. Some experts worry that the AEC might feel that stronger safeguards would inhibit the growth of nuclear power, by focusing too many spotlights on its hazards.

The AEC can boast that its safeguards have worked so far, but its track record is far from spotless. The agency still does not have an overall chief in charge of safeguards. It had one, Delmar Crowston, but forced him out a few years ago.

His deputy, Charles Thornton, was shunted to the side not long ago because he wanted stiffer safeguards. Thornton wanted armed guards even on shipments of natural uranium, which cannot be used to make weapons, but which conceivably could produce plutonium if it were used as fuel in a secret reactant.

The AEC set up an outside watchdog committee on safeguards seven years ago. The committee's job was to advise the AEC and it met at least twice a year until 1971. It has not met since—some feel because the AEC believes the committee might embarrass it. The AEC has a different explanation.

"There's a representative of Consolidated Edison and a representative of Westinghouse Electric on that committee," explains L. Manning Muntzing, AEC director of regulation and a man to whom the committee reports. "I've taken the position that until the committee is reconstituted and that conflict of interest is removed, I will not use that committee."

One member of the committee who does not serve private industry claims that the two members Muntzing is talking about are the toughest members of the committee. They're former FBI men and one-time executive assistants to the Joint Committee on Atomic Energy in Congress, men who "really understand the troubles we'll have if safeguards don't work."

There is a single statistic that safeguards experts often quote in assessing the threat of nuclear theft. Between 1 million and 2 million men have already been trained by the United States in the handling, moving and operation of nuclear weapons.

Mr. DOMINICK. Mr. President, I call up my amendment No. 1358.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read the amendment offered by Mr. Dominick, for himself and Mr. McClure, as follows:

At the end of the bill, add the following new section:

Sec. 2. That subsection 3(c) of Public Law 93–110 (87 Stat. 352, September 21, 1973) is amended by deleting all of such subsection and inserting in its place the following:

"(c) The provisions of this section, pertaining to gold, shall take effect September 1, 1974.".

Mr. DOMINICK. Mr. President, I yield myself such time as I may take, and I do not anticipate taking very long.

I, first of all, ask unanimous consent that the Senator from New Mexico (Mr. Domenici) be added as a cosponsor of the amendment, along with myself and the Senator from Idaho (Mr. McClure).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMINICK. Mr. President, the Senate on two occasions has considered the gold amendment, the first time on an amendment by the Senator from Idaho (Mr. McClure) to S. 2865, which would have given American citizens the right to own gold by December 31, 1973. That amendment was adopted by a vote of 68 to 23, in the Senate.

Subsequent to that time there was a conference, and during the process of the conference the conferees changed the provisions of the bill so that the effective date of gold ownership was stricken and it was then left up to the President of the United States, whenever he might determine it best, to allow American citizens to own gold.

Subsequently, on behalf of myself and the Senator from Idaho (Mr. McClure), I offered an amendment which would have made the effective date January 1, 1975. This amendment was to the Bicentennial Coinage Committee bill. This amendment was adopted by a vote of 69 to 21 in the Senate. Unfortunately, the Bicentennial bill did not get anywhere, and the amendment calling for a specific date was stricken.

The Senator from Idaho (Mr. McClure) and I both have taken the floor on a number of occasions and said that we were not going to give up this fight, and whenever there was a bill which we thought was applicable to the situation, we would offer the amendment again. Hence this amendment today.

Mr. President, the interesting fact about this is that this country is the leading free world country. I do not think there is any doubt about that anywhere, among our friends, allies, or whatever, and yet we are the only country whose citizens are not entitled to own gold. This is by fiat or executive order which was passed as early as 1934 by President Roosevelt. There may have been a reason at that time, although I do not believe there was. There may have been a reason for his doing it at that point, but at this point, when we do not even have any gold convertibility in our dollar, it makes no sense to treat gold any differently than we would trust any other raw material, supply, or commodity.

It has no convertibility. As I said, we have a declining amount, although still a fairly substantial amount, of gold in our treasury. Not to let the American citizen own gold seems to me to be morally wrong. I think the United States presumably at least, is still one of the more moral countries in the world, from the point of view of basic principles. The fact is that we are not exercising that moral leadership insofar as the ownership of gold is concerned.

Americans who want to own gold have been able to do so. They simply go abroad and incorporate overseas, and they let the corporation purchase gold.

A foreign government can buy gold; foreign corporations can buy gold; and they hold it in the federal reserve in their own countries. But our own people cannot do so. That is wrong. I think that the Senate, having expressed its will on two occasions by an overwhelming vote on this matter, should be permitted to have this amendment added to the bill and considered by the House.

The House was going to continue the amendment which was offered originally by the Senator from Idaho (Mr. McClure), but that lost on a vote in the House. It was one of the few times that I have heard of the House having a tie vote. It was that close.

It is my guess that although the administration, as all administrations have done—and I have been under four administrations now—does not want this done. They will not go forward until they finish the international monetary organization. The fact is that they have not finished the international monetary organization for I do not know how long—as long as I have been here, which is 14 years. So I see no possibility of their continuing it now.

When I was a member of the Committee on Interior and Insular Affairs, I remember that we used to bring up other methods of doing something about the gold situation. On every occasion—whether under President Kennedy, President Johnson, or President Nixon—always, as soon as it was mentioned, the Treasury Department has said: "Please don't mention gold. It will create a panic throughout the world market."

We do not have a convertibility problem now. We are not going to have it. Gold, instead of going from $35 an ounce down, as one of the Members of the House of Representatives said it would, it has gone up to $167 an ounce.

This is an additional indication that

there is no reason in the world why American citizens should not have an opportunity, why American citizens should not have the right, as other citizens of the world, to own gold if they want to do so.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. HUMPHREY. It is a fact that the Senate has acted twice on an amendment of this nature. The most recent action was——

Mr. DOMINICK. The Bicentennial bill.

Mr. HUMPHREY. That was last year.

Mr. DOMINICK. The Senator is correct. It was last year.

Mr. HUMPHREY. By 68 votes, the amendment was agreed to There were 68 votes for the amendment.

The Senator from Colorado makes the point that the Treasury Department looks with some doubt upon this kind of legislation. I do not mean doubt, but they have expressed their deep concern over it.

I gather that the Senator from Colorado would agree with me that the amendment to the Par Valuation Modification Act, which was passed last September, repealed the prohibition on the private ownership of gold by American citizens. However, it did so by stating that such prohibition would take effect "when the President finds and reports to the Congress that the international monetary reform shall have proceeded to the point where elimination of regulations on private ownership of gold will not adversely affect the U.S. international monetary position.

The concern expressed by the members of the executive branch is that this amendment is untimely, to be frank about it; that a conference will take place in Washington in June. The international monetary reform has been progressing and the final meeting of the ministers of the Committee of 20 of the International Monetary Fund will be held in Washington in the middle of June.

At that time, it is hoped that there will be some agreements arrived at relating to the private ownership of gold.

There are sensitive negotiations on the role of gold that are now in progress. I have been informed recently—I believe it was May 13—that Secretary of the Treasury Simon and Minister Duisenberg, of the Netherlands, held exploratory discussions on the future role of gold in international monetary arrangements.

So there is concern that the amendment which the Senator is sponsoring today might cause a time frame in which international negotiations will take place, that this amendment might cause difficulty and encourage speculation, reversing the recent salutary trend toward lower gold prices.

Mr. President, I should like to have the Senator from Colorado comment on that amendment. As the Senator knows, concern has been expressed by the Department of the Treasury.

I voted in committee last year for the amendment or an amendment similar to the one which the Senator is now sponsoring. I was one of the 68 Senators who voted for that amendment at the time it was agreed to.

Would the Senator from Colorado address himself to the concern which I have enunciated and which I think accurately reflects the feeling of the executive branch?

Mr. DOMINICK. Mr. President, I would be happy to do so. I think that the Senator from Minnesota has advanced the theory of the Treasury Department in very fine style.

I would say that we are not talking about the international monetary situation here at all. We are simply talking about the moral right of American citizens to own gold if they so choose.

This will have little or no effect on the international monetary situation. It would enhance the strength of the United States in negotiations because of the reserve of gold that we still have at Fort Knox. I would say that that would have an effect only if the Government were to decide to sell it on the open market.

The international monetary negotiations have been going on and were going on, as I remember, when we dealt with this question the last time. The negotiations were to be finished by last September.

Here we are having another one again in June. We have had one, as far as I can remember, almost since I came to Congress, almost every 2 years for the last 14 years. We have not yet arrived at an international liquidity situation, except by letting the dollar roam free, letting the franc roam free, and letting the Deutsche mark roam free.

That is the only way to date that we have been able to equalize the currency.

Mr. McCLURE. Mr. President, if the Senator would yield, I think that in direct response to the Senator from Minnesota, I would remark that last year when this amendment was pending and later on when the amendment was offered by the Senator from Colorado to the Bicentennial bill, that the Treasury made reference to the conference in September of last year on the amendment which I offered on April 4 of last year, when the Senator from Texas (Mr. TOWER) suggested that rather than make the effective date immediately, it should follow 3 months after the Nairobi conference.

So we did at that time decide upon the date of December 31, 1973, as the effective date for the change in the law. We have done that same thing with respect to the pending conference in June of this year, making the effective date September 1 of this year, so that we paralleled the action which was taken by the Senate with regard to the international conference last year.

Mr. HUMPHREY. Mr. President, will the Senator yield again?

Mr. McCLURE. I am happy to yield to the Senator from Minnesota.

Mr. HUMPHREY. That is very helpful information for the Senate and for the record here.

Let me just get this clear: Do I correctly understand that in other countries that are involved in the international monetary negotiations, private ownership of gold is permitted?

Mr. DOMINICK. As I understand, it is permitted in every other country with which we are negotiating, and our country is the only one that does not permit it. So I would say succinctly, yes, that is correct.

Mr. HUMPHREY. I believe the Senator has given the proper response to the concerns of the Treasury Department. I would note for the record that the effective date of the amendment would be after the June conference.

Mr. DOMINICK. The Senator is correct.

Mr. HUMPHREY. In other words, September 1974.

Mr. DOMINICK. September 1974.

Mr. HUMPHREY. So that during the period of the June conference, there would be no way that speculation could take place as a result of this particular amendment.

Mr. DOMINICK. That is correct. The situation would be the status quo until that date.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. McCLURE. I thank the Senator for yielding this time. I am not going to beleaguer the record, except by pointing out that we have addressed this matter on a number of occasions in the Senate, and on each occasion that it has come up in the last year, we have spoken affirmatively.

The new Secretary of the Treasury, in the remarks he made, and I think, indeed, in the remarks transmitted for inclusion in the record here today, has indicated that the administration does favor the private ownership of gold at a time when that transition can be effected without undue impact upon these delicate negotiations the Senator from Minnesota makes reference to.

The reason I mention that is that Congress in this instance, rather than continuing to delegate the responsibility to the President to make that decision, is undertaking, by this amendment, to make the timing decision itself, which I think Congress ought to do.

I think it is important to note that gold as a medium of international monetary exchange will be discussed not only in the June meeting here, but in some other meetings the continental countries are now conducting among themselves, and there is some likelihood that those countries, unlike our own, will seek to perpetuate a role for gold in the international monetary system.

It is my feeling that rather than this action now creating an instability in these negotiations which are going forward, action now is necessary so that the people who are meeting now will know what our policy will be, so that they can consider what effect that may have upon the international monetary situation, and they can reflect that certainty in their discussions and their deliberations and final conclusions, whatever the effect may be.

I would agree with the Senator from Colorado that I do not believe it is going to be destabilizing. It is not going to have that tremendous an impact upon the world monetary system that some people have suggested. I think that would be just as far wrong as suggesting, as some were suggesting, that we agree that the price of gold go down to $11 an ounce.

I think Senators will agree that had we taken the action I advocated last year, and permitted our citizens to own gold, they would have been able to buy a commodity which, in the last year, has increased in value 400 percent on the world markets. That is a right that was denied to American citizens as a result of that tie vote in the House of Representatives. It was a right which citizens of other countries in the world did not find themselves denied. So some citizens of some countries in this world had a right to exercise their judgment on the movement of commodities and the monetary situation in the world and profit by it, while our citizens did not have the right to make the same conclusions.

Without pressing the point, I would like to point out the comments that have been made by my friend the Senator from Colorado and others in the past on this subject, and I ask unanimous consent that the name of the Senator from Arizona (Mr. GOLDWATER) be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMINICK. Mr. President, I yield back the remainder of my time.

Mr. HUMPHREY. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Colorado.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HARRY F. BYRD, JR. I yield myself 10 minutes.

The purpose of the pending legislation is it would authorize an additional $1.5 billion to the soft loan window of the World Bank.

Mr. President, this is on top of and in addition to all of the other foreign aid programs which are in the budget.

Now what we will be doing, Mr. President, in approving this legislation is authorizing the Federal Government to go out and borrow money at 9 percent, pay 9-percent interest, and turn that money over to the World Bank which, in turn, will lend it to other countries at 1-percent interest.

Then, what do the other countries do with it? The governments of those countries lend it to individuals or companies within those countries at interest rates of anywhere from 12 to 20 percent.

This is not a program to feed the hungry. It is entirely separate from any such program as that. The Senator from Virginia has never opposed participation by the United States in efforts to help the desperately poor and the starving.

This is not the issue. The people of the United States have proven that they are the most generous people the world has ever known. We have given $160 billion to other nations. We have loaned more billions, much of which will never be repaid. There is a $10 billion amount for foreign aid in the current budget.

The issue before us is not whether the United States is a generous nation. Our generosity has already been established. What is before the Senate is this: Shall the United States, faced with one of its worst inflations in history, weighed down by the burdens of continuing Government deficits, give one and a half billion dollars in tax funds paid into the Treasury by our hard-working, hard-pressed taxpayers to foreign nations on top of a $10 billion a year foreign aid program?

Mr. President, the House of Representatives in January voted down, defeated, this precise proposal. The vote was overwhelmingly against this proposal for an additional one and a half billion dollars to the World Bank. The total vote in the House was 155 in favor of this new giveaway program, and 248 against it, an almost 2-to-1 margin.

Now, in analyzing the vote we find that the entire delegations from Kansas, Maine, Montana, Nebraska, New Hampshire, New Mexico, Rhode Island, South Dakota, West Virginia and, I am pleased to say, Virginia, voted against this $1.5 billion additional contribution to the International Development Association.

Furthermore, the single at-large Representatives from Delaware, North Dakota, and Wyoming voted in the negative. More than half the Representatives from California who voted on this issue voted against the contribution.

Eighteen members of the New York delegation—almost half—voted for rejection of what the Senate is now being called upon to approve.

Fourteen Representatives of Illinois out of 23 voted no. That is a 60 percent rejection by Illinois.

Here is how some of the other delegates voted.

Five out of 6 of the Alabama Representatives voted no; 6 out of 7 of the Alaskan delegation voted no; all 3 of the Arkansas delegates voted no; 5 out of 6 of the Connecticut Representatives voted no; 10 out of 15 Representatives voted no in Florida; 8 out of 10 of the Georgia Representatives voted no; 8 out of 11 of the Indiana Representatives voted no; 6 out of 7 of the Kentucky Representatives voted no; all of the Representatives of Mississippi voted no; 6 out of 9 of the Representatives of Missouri voted no; 10 out of 11 of the North Carolina Representatives voted no; 14 out of 22 of the Representatives of Ohio voted no; 4 out of 5 of the voting Representatives of South Carolina voted no; 7 out of 8 of the Representatives of Tennessee voted no; and 19 out of 24 of the Texas Representatives voted no.

Mr. President, I say that that is a national rejection of continuing these huge giveaway programs to foreign nations.

Somewhere down the line we must call a halt to such reckless spending of American tax dollars.

The Chairman of the Federal Reserve Board, in an address several days ago, called the attention of the Nation to the very difficult financial situation in which our country finds itself. The Secretary of the Treasury likewise has done so. Each of those individuals has made it clear that if inflation is to be gotten under control, the huge Government deficits must be eliminated; yet this program today would further throw the United States into deficit financing.

I find it difficult to justify the U.S. Government using tax funds to finance virtually interest-free loans to foreign nations when the citizens of the United States are forced to pay sky-high interest rates to buy homes or to conduct a business. The Government itself is paying 9 percent interest to borrow money. Its individual citizens are paying at a minimum of 11¾ percent interest; yet we are going out with this proposal under discussion today to have the Government go into the money markets and borrow additional funds and turn that money over to other countries to be loaned out at 1 percent interest.

I do not believe that can be justified. I do not believe that the taxpayers should be called upon to vote for such a program. The House of Representatives has overwhelmingly voted to defeat the pending measure. I hope that the Senate will vote to defeat this program also.

Mr. President, I want to emphasize this, that this is not the only foreign aid program. It is only one of many, as a matter of fact—only one of many. In the current budget there is $10 billion in foreign aid, in addition to the $8 billion for the Export-Import Bank.

So I submit that the U.S. Government is doing not only enough but too much in the way of foreign aid, even without this additional one and a half billion dollars.

Now, in fiscal years 1970 through 1975—and that is a 6-year period—the total Federal funds deficit will be $133 billion. That is 25 percent of the total of the national debt, in that short period of time.

If the Senate has any interest at all in bringing some fiscal sanity and some fiscal responsibility to the handling of tax funds, it will vote down this proposal today.

Mr. President, I ask unanimous consent to have printed in the RECORD a table I have prepared showing the Government deficit and the Government financial situation for fiscal years 1956 through 1975.

Mr. President, I reserve the remainder of my time.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DEFICITS IN FEDERAL FUNDS AND INTEREST ON THE NATIONAL DEBT, 1956–75 INCLUSIVE

PREPARED BY SENATOR HARRY F. BYRD, JR. OF VIRGINIA

[In billions of dollars]

	Receipts	Outlays	Surplus (+) or deficit (−)	Debt interest
1956	65.4	63.8	+1.6	6.8
1957	68.8	67.1	+1.7	7.3
1958	66.6	69.7	−3.1	7.8
1959	65.8	77.0	−11.2	7.8
1960	75.7	74.9	+.8	9.5
1961	75.2	79.3	−4.1	9.3
1962	79.7	86.6	−6.9	9.5
1963	83.6	90.1	−6.5	10.3
1964	87.2	95.8	−8.6	11.0
1965	90.9	94.8	−3.9	11.8
1966	101.4	106.5	−5.1	12.6
1967	111.8	126.8	−15.0	14.2
1968	114.7	143.1	−28.4	15.6

	Receipts	Outlays	Surplus (+) or deficit (−)	Debt interest
1969	143.3	148.8	−5.5	17.7
1970	143.2	156.3	−13.1	20.0
1971	133.7	163.7	−30.0	21.6
1972	148.8	178.0	−29.2	22.5
1973	161.4	186.4	−25.0	24.2
1974[1]	185.6	203.7	−18.1	27.8
1975[1]	202.8	220.6	−17.9	29.1
20-yr total	2,205.6	2,433.0	−227.5	296.4

[1] Estimated figures.

Source: Office of Management and Budget and Treasury Department.

Mr. McGEE. Mr. President, the vote today on S. 2665, which authorizes U.S. participation in the fourth replenishment of the International Development Association, is important not only to this year's multilateral assistance effort, but it is also crucial to the very existence of IDA.

The United States was, in large part, responsible for the establishment of IDA. We worked long and hard in the late 1950's to convince other nations that such an institution was needed. Since its inception in 1960, we have been IDA's chief backers and its primary source of financial support. The institution has more than vindicated the early faith we showed in it. IDA has become the single most important component in our overall multilateral assistance effort. It has acquired an enviable reputation for solid financial management, sound project selection, and successful implementation, followthrough, and review of assistance efforts in the world's poorest nations. In short, IDA works.

Unfortunately, unless we take positive action today, IDA will not be able to work much longer. The association is dependent for its funding on the contributions of the United States and other developed countries. In the past decade, we have participated in three replenishments of IDA's resources. The funds from these contributions will be fully committed by July 1 of this year, and unless further resources are provided, IDA will be forced to cease operations.

In anticipation of this, the United States last fall negotiated an agreement with other donor countries for the fourth replenishment of IDA. Any objective observer would find that agreement very favorable to the United States: the United States succeeded in having its share in the total contribution reduced from 40 percent to 33⅓ percent. The other donor countries are standing by this agreement despite being much harder hit than the United States by increased oil prices and inflation.

The House in January at the height of concern over the energy crisis voted not to approve even this more modest role in IDA's future. The dismay that was expressed after that vote in spontaneous editorial comment throughout the country reflected not only the importance of IDA to the United States but also the understanding that, if this legislation is not passed, IDA and our entire multilateral development effort, carefully nurtured for over two decades, may collapse. For, if we cannot find the foresight and good sense to authorize the funds for our reduced future role in IDA, how can we expect the other donor countries with their huge oil import bills to participate? If no replenishment funds are forthcoming, IDA will soon be out of business.

This would be a catastrophe for millions of people in the world's poorest nations. IDA is the most important source of development assistance available to countries with per capita GNPs under $375 per year. This includes the countries of Sahelian Africa, suffering now from one of the most devastating droughts in recorded history; the impoverished nations of Asia; and Latin America's poorest republics. Defeat of IDA would be a victory for starvation, pestilence, and illiteracy in these regions.

But I do not want to argue for this legislation primarily on humanitarian grounds, compelling though the case may be. Rather, I would like to point out why our contribution to IDA represents a good investment for the United States—why this legislation is vital to the long-run, enlightened self-interest of this country.

Everyone recognizes that the energy crisis has brought us to a critical juncture in world economic affairs. We are in greater danger of a wholesale slide toward confrontation and autarky than at any time since the Great Depression. In the face of this threat, the United States has been pushing hard for international cooperation, not only in the energy area, but also in matters of trade, monetary policy, and international investment. Sensitive negotiations are in progress. We cannot, however, seriously expect cooperation in these areas if we totally fail to do our share in the vital area of development assistance. Our call, for instance, for an international response to the problems of natural resources supply will be viewed as narrowly self-serving if we are unwilling to assume the responsibility for a share in multilateral aid to poor countries. Thus, this legislation must be viewed as an indispensable part of our broader effort toward international economic cooperation.

Further, IDA is a good investment because it helps assure the United States of an adequate supply of raw materials. It is no secret that this country will be increasingly dependent on the developing countries for vital raw materials necessary for our continued economic health. The ability of these countries to supply our needs is to a considerable extent a function of their level of economic development. IDA helps to establish the infrastructure—the roads, power systems, communications networks, and ports—that allow a nation to become a useful supplier of raw materials.

In a more general sense, IDA is a good investment because it helps to alleviate the sort of pressures that could lend to a destructive confrontation between the rich nations and the poor. IDA is a manifest example of our goodwill and our concern. But its true value is that it works—IDA helps provide poor people with real hope, with real opportunities for a meaningful existence.

IDA is a good investment because it is an efficient multilateral institution. That means, first of all, that through IDA, the burden of providing development assistance is spread among many countries. For the proposed fourth replenishment, every dollar contributed by the United States will elicit $2 from other donors. Second, it means that our capital contribution can be leveraged to a great extent by the institute's borrowing in world capital markets. Finally, it means that our contribution will be managed by an organization with great experience in development assistance, with proved managerial expertise, and with an enviable record of project selection and implementation.

IDA AND ECONOMIC INTERDEPENDENCE

We have heard both the purpose and the amount of this participation criticized on the grounds that the United States cannot afford such programs, with our trade balance and other problems.

I believe the realities of the interdependent economic world of today provide one of the most telling arguments in favor of this legislation. In the last few years, the U.S. balance of trade has shifted to its first deficit in 70 years, back to surplus, and now back again to deficit. These shifts clearly demonstrate that our international economic decisions must not be based on short-run conditions, but must deal with long-run issues.

In the interdependent world of the 1970's, I believe that peace and stability depend on international efforts to assist the economic development of the poor nations of the world, establish an open international trade system, and an effective international monetary framework. The United States must do its share to insure that the international economic system upon which our prosperity depends is maintained and developed.

The structure of peace is strengthened by the activities of IDA, whose credits contribute directly to the reduction of economic inequality. A farmer who now has access to the tools and fertilizer necessary to improve his land is gaining a stake in the future progress of his country. A youngster who can now attend a vocational school will gain the skills which will enable him to participate actively in his country's economic development efforts. Most IDA projects have involved irrigation, land improvement, schools, transportation, and power supply which have directly affected the lives of citizens in the LDC's. IDA is an effective and efficient institution dedicated to helping the poor in the poorest countries.

But this is not the only reason to support the IDA. There are also financial benefits to the United States from participation in IDA, benefits which have a positive impact on the U.S. balance of payments. Approximately 60 percent of the U.S. contribution will return directly to the United States through project procurement and local expenditures. Additionally, an unknown portion of the U.S. contribution returns indirectly to the United States as countries receiving IDA credits increase their consumption of U.S. goods and their demand for U.S. services.

It seems clear to me that we need the raw materials supplied by the developing countries just as they need our products, our expertise, and our capital. The economic well-being of the United States dependence, when international economic development of the poor nations of the world, enabling increased demand for U.S. products and supplies for U.S. industry. And, basically, it is this interdependence, when international economic relations have a direct impact on U.S. citizens' lives, which requires, in my view, U.S. participation in IDA.

THE UNITED STATES AND IDA

The replenishment is a carefully negotiated agreement among developed countries aimed at equitably sharing the financial burden of foreign aid, and at improving the lot of the poorest countries in the world today. At a time when the debt-servicing burdens of these countries continue to increase, when most will experience major deficits on current accounts, and when worldwide inflation threatens to outrun any advances these countries can make in national product, the developed countries have both practical and moral reasons to make funds available to these countries on concessionary terms through the International Development Association.

Another reason for my support of this bill is that the fourth replenishment will not become effective without U.S. participation. The potential contributors to the replenishment have worked out an integrated plan for contributions. Many countries are reluctant to commit their own resources to IDA unless they are certain of contributions by others. The replenishment thus goes into effect when at least 12 members notify IDA that they will contribute at least $3.5 billion under the replenishment. Since the U.S. share is $1.5 billion out of a total of $4.5 billion, the United States must make its contribution if the replenishment is to come into effect.

CONTRIBUTION LEVEL

In addition, those concerned about keeping foreign aid within present levels have nothing to fear from this bill. Under it, the level of future U.S. contributions will actually decline somewhat, as compared to the present level of U.S. contributions under the IDA financing program which terminates this June.

S. 2665 stipulates that the total U.S. contribution of $1.5 billion shall be paid in four equal annual installments of $375 million per year over the fiscal year 1976–79 period. This annual level of $375 million compares with present annual contributions of $320 million, plus $66 million which is required to maintain the real value of U.S. funds after the two devaluations of the dollar.

Thus, the bill provides for annual U.S. contributions between 1976 and 1979, which are slightly less on an annual basis than the amount we now contribute—$375 million versus $386 million—$66 million of which are required to maintain the value of the predevaluation dollar and have already been appropriated.

I would also emphasize that the U.S. contributions under the bill before us are not subject to any increase as a result of future changes in the value of the dollar. Therefore, we are assured of a smaller amount of annual payments to IDA in the future than at present.

Mr. President, the IDA bill before us contains several attractive features. The annual U.S. payment would be less than it now is. While our payments would go down, those of other donor countries will go up—the U.S. percentage share would decrease from 40 percent to 33 percent, which is the type of goal we have been seeking for years in the foreign assistance field. Our payments would be stretched over 4 years until fiscal year 1979—a longer payment period than most other donor countries. In addition, there will be no risk of additional future payments due to monetary realinements.

CONCRETE ILLUSTRATIONS OF IDA'S BENEFITS TO LDC'S

Now, I would like to emphasize what IDA does and what IDA means to the poorest countries of the world. I wish to do so so because there are those who have maintained that development assistance produces no results, that IDA is incapable or unwilling to help the really poor, that the entire effort is doomed to failure.

These assessments will not withstand a look at the facts. IDA lends to the poorest of the world's poor countries—nations with per capita incomes under $375 per year. These countries, because of their economic condition, are able to finance only the most minimal development programs from their internal savings. They are almost wholly dependent on external resources for the funds which can make economic growth possible. And IDA is the chief source—for some countries, the only source—of these external resources. Thus, IDA holds the key to many of the economic aspirations of the poorest countries.

IDA assistance has, in the past, gone primarily to projects in agriculture—28 percent, transportation—25 percent, and electric power—8 percent. Of late, the fields of education and family planning have received increased attention in recognition that improvement in human skills and curtailment of the population boom are vitally important to economic development. A look at a small sample of the projects funded in fiscal year 1973 shows how the institution puts its resources to work in these areas:

AGRICULTURE

A $7.2 million credit was granted to Bangladesh for the establishment of a modern seeds industry. As a result, the country's annual output of wheat and rice should increase by 400,000 tons annually by 1979, saving Bangladesh $25 million per year in foreign exchange.

TRANSPORTATION

A $14 million credit was extended to Indonesia for construction of a highway to open up agricultural lands, feasibility studies for another major highway, and technical assistance to prepare a program for improving low-quality roads. With its new oil revenues, Indonesia is now expected to shift to regular World Bank loans, and should be able to repay this IDA credit prior to maturity.

ELECTRIC POWER

An $85 million credit was granted to India to build 2,500 circuit miles of transmission lines and 60 substations.

EDUCATION

A $2.85 million credit was offered to Upper Volta to support the Government's efforts to provide rural youth with basic literacy and agricultural skills as an alternative to limited and relatively expensive formal education.

The results that have been gained through the years by IDA-sponsored development assistance projects like these constitute a most notable achievement. Consider the agricultural sector again: Over 26 million acres—an area approximately the size of the entire State of Tennessee—have been brought under cultivation or measurably improved. Consider transportation: IDA has helped finance construction of more than 21,200 miles of roads, many of them enabling farmers for the first time to move their produce efficiently to population centers. Consider education: IDA has financed the construction or modernization of 950 secondary and vocational schools, 110 teacher training colleges, and 17 agricultural universities. These projects have enabled enrollments to expand by 50,000 in technical and agricultural training schools, 15,000 in teacher training colleges, and 7,000 in agricultural universities.

IDA has recently begun to shift its project emphasis more toward helping the poorest sectors of the countries it assists—a course of action consistent with concerns expressed within the U.S. Congress. Agricultural projects are being tailored more toward the needs of small farmers; education projects which assist the rural and urban poor in achieving literacy and attaining employable skills are being stressed; and commitments to social welfare projects in the fields of health and population control have dramatically increased. As a result, the association is beginning to have an important impact in those segments of the populations where deprivation is the greatest.

In the face of this record, it would be more than a little difficult to maintain that IDA is an ineffectual institution. In the difficult field of foreign assistance, IDA is clearly a winner—it is a reliable and competent organization with an unmatched record for achievement. It deserves our continued support.

Mr. President, I wanted to say two or three things informally on this question. First, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. GRIFFIN). The Senator from Wyoming will state it.

Mr. McGEE. What is the time restriction under which we are operating?

The PRESIDING OFFICER. The proponents have 60 minutes remaining and the opponents have 75 minutes remaining, with no rollcall votes to occur prior to 4 p.m. today.

Mr. JAVITS. Mr. President, I yield 10 minutes to the Senator from Wyoming (Mr. McGEE).

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 10 minutes.

Mr. McGEE. Mr. President, I know

that one of our fondest exercises in this body very often is to remind each other about the very considerable costs we have to meet if we are to survive in this world.

If anyone in the 1930's had told us how much it would cost when some of us were on college campuses at that time, I believe we would have rebelled and would have tried to find some place to hide.

But the hard truth of our time is that we have discovered, in very difficult and costly ways, that the only place we have to hide is right here on this earth and that we will never conceal ourselves long enough to escape the responsibilities our presence on earth requires and that the lesser of the evils confronting us is to face up to the world around us and try to influence the direction that it takes as we seek to proceed to go into the unknown vagaries and sometimes the fearful prospects of the future.

I invite the attention of Senators to a meaningful comment made by former President Eisenhower when he said that with all of our concern about Russians and communism, what we really should be focusing on is the basic danger to peace in the world.

President Eisenhower also said that it is the widening gap between the very poorest nations on the one hand and the very richest nations on the other, and the wider that gap becomes, he said, enhances the possibility of destructive war all over the world.

Therefore, it was his point that it behooves the Government and the people of the United States to face up to that kind of responsibility — unpleasant though it is, and that if we really believe in what we say, that we want to do away with war, if we want to avoid the holocaust that may be perpetrated from many sectors of the globe at this very time, it is important that the gap between the poorest and the richest nations be narrowed.

That is the petition, I think, that reason submits to Senators, like my distinguished colleague from Virginia (Mr. HARRY F. BYRD, JR.), who rightfully concern themselves whether we can afford these things or not. But I say the lesson we have learned is that we cannot afford not to. We do not like it that way. We would rather the rest of the world would go away. We would like to pretend that it was not really there and that all we have to do is wrestle with our own problems or contend with our own differences and resolve them as best we can and go on in the American way—whatever that is.

But, Mr. President, history has not given us that choice. We have not been accorded the luxury of stopping the world and getting off. Instead, we have been thrust onto the front lines of all the tensions of the globe, for better or for worse; and whether we face up to those tensions and whether we seek to resolve them short of nuclear war is really pretty much up to us. How much it is up to us is illustrated by our own recent history, or the history of the world itself.

When we sought to look the other way, when we sought to withdraw, when we sought to pretend it did not make any difference, Mr. Hitler took over Europe, Mr. Tojo took over Eastern Asia, and we ended up in two world wars simultaneously. If those wars taught us nothing else, they should have taught us the stupidity, if not the reckless irresponsibility, of trying to buy somebody else's freedom or appeasing a dictator or an aggressor, or trying to hope that the width of the Pacific Ocean would insulate us from the rolls of the East. But such was not the case.

Likewise, there is another ingredient here that I think is very much a part of the American ethic which we ought never forget, and it is this: Not only does our national interest, our national concern, require our commitment—because others will commit us if we do not get in and commit ourselves and try to direct the forces of our times—but also, there are some things going on in the world that ought to be done because it is the right thing to do, not alone because it is in the national self-interest, but also because it is right.

Too many have tried to find Russians behind every banana leaf in the emerging new countries of the world, so that we could say that we were opposed to communism. Too many have tried to find some alibi to dignify our commitment. But there are some things that are important because they are right, and one of those things is to do all we can to assist in narrowing the gap that President Eisenhower referred to between the very rich and the very poor.

We are not going to make little Americans out of those people. They are not going to pat us on the head and say, "Thank you, U.S.A., for having assisted us along the way." If that is our motivation, as it appears to be the motivation of some who talk about these programs, then I say we are already off on the wrong track. We do those things because they are right and because they are in our self-interest.

I know it is popular these days to remind each other that we are going broke in this country. Well, the same voices have been raised now for 50 years. I wish we had a more stable economy than we have at the present time; but when you assess these questions, you have to assess them in the context of the whole world. Everybody else is having a lot of the same kind of trouble. History does not give us the luxury of saying that we want to take time out for a few years, until we make up our minds, or until things settle down. The forces of history still go on, and they are still eroding the kind of time we may have left to achieve some kind of balance of capabilities in the world, which includes the capabilities of the newest developing nations as well.

So, Mr. President, IDA—the program of the International Development Association—which we consider here this afternoon on this floor, is just that kind of proposal. The same voices I am listening to in this body used to tell us, "Look, the United States can't carry all this alone. We have to get help from some of the other free world members." We have worked many years to achieve that kind of assistance, and we have secured that help. For every $1 the United States puts into this program, $2 is put in by the other members of the free world.

We are beginning to see the achievement of our longstanding goals. Yet, we still hear the same blighted cries about the U.S. commitment in the world. Of course, we cannot do it alone. But we have to do everything we can, or we are going to have a price to pay that will make our contributions to IDA look like chickenfeed in the Sunday school collection plate.

Mr. President, I do not know what our ultimate, long-range solution is to the problems that engulf us. None of us, I dare say, knows; and each day that passes, we are less and less sure of what the future holds. But I do know that we have learned the "no-noes"—the how not to do it. Even if we cannot agree on how we must do it, we know how not; and how not is to try to pretend that the rest of the world is not there. How not is to try to forfeit the future directions we ought to be working at very seriously which the human race and, indeed, the nations of the world will be taking.

Mr. President, I see the signal coming, and I yield myself such additional time as will be required until the Senator from New York returns to the floor.

It simply behooves the people of the United States to do those things of which they are the most capable. One is to help others to help themselves. We ought not forget from whence we have come. The first foreign aid program in the world was engineered by the British and the French, in the development of the American colonies, and ultimately the American people, in ways different from those we know now, but we were one of the first benefactors. Now we are being asked to assume the kind of burden that launched us, to help others to be launched, so that they might occupy their small place or their relative position in a very complex world society.

All we need do to measure the gains that already have been scored is to look backward from whence we have come—from whence we have come since World War II, from the upgrading, modernizing, the economic rise in many sectors of the world that could not have made it without help. That help has produced a greater flow of economic return to ourselves as well as an easing of many innumerable tensions around the world that otherwise would have been plaguing us even now.

I know it is popular to remind us that the Middle East is still a mess, that the Chinese question is floating, and that the Southeast Asia question is cloaked with grave uncertainties. But this will always be the case. They are never going to go away.

All we need to do is to contrast those conditions with not very many years ago, when we were not sure whether we were going to be able to make it in the world until next Tuesday or a year from then because the immediate threat was a nuclear first strike on the part of the Russians or the Americans. But we have been approaching steadily—and I might say skillfully—an easing of these tensions, to where we are even talking about whatever détente means, to where it is possible at least to have dialogs going on, where there was nothing before but the stiffest and coldest of diplomatic exchanges, to where we find in one of the new potential powers of the world, the Chinese, at least holes in the bamboo curtain, which enable new contacts to be pursued, to where we have now dignified independencies in the world that not too long ago were colonial outposts for the old imperial powers of the past.

We have come a long way, Mr. President, and IDA epitomizes the kind of approach that we ought to be making, to make sure that the troubled road ahead will be fraught with less danger to blowing up the world than simply having disagreements and disputes in the world, as we seek to improve the lot of mankind insofar as we are capable of doing so.

Mr. President, it is my sincere hope that Members of this body will take their stand to plunge forward along the path into the future that IDA has epitomized over these good many years it has been in operation, as part of the program we shouldered with other nations in the world. It is part of the program we undertake also as the American people and as the Government of the United States. It is my judgment that the President's initiative in this at this time should be supported beyond party by Members of the Senate.

The PRESIDING OFFICER. Who yields time?

Mr. DOMINICK. Mr. President, I call up an unprinted amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> At the end of the bill, add the following new section:
>
> SEC. 2. No loan, guarantee, insurance, or credit shall be extended by the Export-Import Bank of the United States to any nonmarket economy country (other than any such country whose products are eligible for column 1 tariff treatment on the date of the enactment of this bill), and no such country shall participate in any program of the Government of the United States which extends credits or credit guarantees or investments guarantees, directly or indirectly.

Mr. DOMINICK. Mr. President, I have just had the pleasure of listening to the Senator from Wyoming, my good neighbor, who spoke in favor of the bill. One of the phrases he used, which I was struck with, was that we should try to influence the direction which should be taken, the direction of our own policy and the direction of a policy toward peace, all of which I would agree with. I am not sure I agree with other statements made during the presentation of the very good speech.

However, one of the things I am trying to do by this amendment is try to influence the direction of U.S. monetary policy away from extending long-term credits and financial agreements to build up the economy of the U.S.S.R.

Mr. President, I am submitting this amendment to prohibit the U.S. Export-Import Bank (Eximbank) from granting to any nonmarket economy country—specifically the Soviet Union—any loans or credits.

The House of Representatives, by adopting the Mills-Vanik amendment to the Trade Reform Act, voted to forbid Government backed trade credits to any nation which denied its nationals the right to free emigration; this amendment was aimed primarily at the Soviet Union. Seventy-six Members of the Senate, including myself, cosponsored a similar amendment introduced by the Senator from Washington (Mr. JACKSON).

This past March I introduced a sense of the Senate resolution with 17 cosponsors attempting to insure that Eximbank would not grant any further credit to the Soviet Union. A majority of the House had also cosponsored an identical sense of the House resolution sponsored by Representatives ICHORD, ASPIN, and DENT.

Despite this clear statement of congressional will, Eximbank has continued to process loans to the Soviet Union. Eximbank just last week approved another loan to the Soviet Union for $180 million. Since the House passed the Mills-Vanik amendment on December 11, 1973, Eximbank has loaned $208.8 million to the U.S.S.R. The total amount of loans that Eximbank has granted to the U.S.S.R. stands at $468,956,000.

I do not think the people of this country know this. I do not think they know that I, who serve on the Committee on Armed Services, have to look over procurement bills and military construction bills aimed largely at defending the people of this country, aimed principally at the threat of the Soviet Union, and those bills are as high as $83 billion, and while doing that on the one hand we are building up the economy of the Soviet Union through the Eximbank on the other hand to the extent of loaning $208.8 million dollars in the last 4 or 5 months.

There is one pending Soviet Union credit application at Eximbank for one project for $18,450,000. In addition, there are pending applications for preliminary commitments for $76,500,000, including an application for $49.5 million for the beginning of the exploration of gas reserves in eastern Siberia.

Here we are with tremendous shortages in our country, where we are trying to gain independence and having trouble finding the necessary monetary funds to do the exploration and research we need, and while we are doing that we are thinking of granting $49.5 million to develop natural gas reserves in eastern Siberia for the benefit of the Soviet Union. There has to be some kind of insanity in that type policy.

This $208.8 million approved in the past few months certainly suggests that Eximbank is racing to approve as many loans as possible before the Senate can consider the Trade Reform Act and before the requirements of the Mills-Vanik-Jackson amendments become law.

My amendment would have the binding force of law. Eximbank, by its actions appears to be ignoring congressional rights in its determination to lend as much money to the Soviets as it can regardless of the will of Congress. This amendment will serve to show that the Congress of the United States controls the future and programs of the Eximbank and has a legitimate role to play in determining American trade policy. I feel it is incumbent upon us to remind the Bank that it is an agency of the U.S. Government and as such is expected to carry out the policies made by the duly-elected legislative branch of our Government.

Mr. President, in addition to the issue of the flouting of congressional authority and stated intent, there are several other issues which need to be addressed at this time concerning loans to the Soviet Union. Restrictive and repressive Soviet emigration practices, the increasing evidence of Soviet persecution of scientists and intellectuals with the attendant denial of the most basic human rights, the Soviet role in the Middle East war and in the Arab oil embargo, and the effect our credit and technology in domestic fields will have on Soviet military strength and the balance of military power in the world all deserve careful attention.

Mr. Solzhenitsyn was forced out and as far as I know has not been able to publish any of his works in the Soviet Union except through underground sources. There is increasing evidence of persecution and of the denial of the most basic human rights. They do not bother to arrest them and try them any longer. They put them in an insane asylum and accuse them of mental sickness if they do not agree with the system now in charge of the Soviet Union.

In regard to the Soviet application for a $49.5 million loan for the exploration of gas fields in eastern Siberia, it seems to me we should ask to what extent we think we could rely upon the Soviet Union to fulfill its commitments without using oil and gas as a political weapon. I think we must also ask if we could not much more wisely spend such money for energy exploration and development at home.

The most recent loan of $180 million to help finance a gigantic natural gas and fertilization complex is the largest Exim loan made to Russia and one of the largest in the agency's 40-year history.

The Soviets will pay interest at only 6 percent on this loan. Imagine trying to go out here and get a 6-percent loan from anybody on anything, unless one was the REA, or by himself; there is no way one could get such a loan. The Soviet Union pays only 6 percent, which is barely one-half the price that big business borrowers in the United States today have to pay.

Senator TALMADGE, in a statement made on the Senate floor, presented some distasteful ironies regarding this $180 million loan, in which I concur wholeheartedly. The distinguished Senator from Georgia stated that this loan will make us more dependent on foreign produced fertilizer at a time when we should be trying to achieve fertilizer self-sufficiency as well as energy self-sufficiency. He also stated that while we seemingly find it quite simple to expand other nations' capacities to produce fertilizer, bungling by our Federal agencies make it impossible for American firms to expand their capacity.

Mr. President, this amendment is presented to stop the unilateral action of Exim in granting loans to the Soviet Union until Congress works its will in the matter.

I know, because I have been visited by the head of the Bank, I have been visited by people in the executive department downtown, asking me not to even put in the sense-of-Congress resolution which I originally put in and which 17 cosponsors have already joined.

I urge that my colleagues respond to this situation and take action by endorsing this particular amendment, and I would ask the reaction of the Senator from Wyoming and/or the Senator from New York concerning their position on it so I can know what to do, because I understand we cannot have a vote until 4 o'clock.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOMINICK. I yield myself 2 more minutes.

I want to say that, as a member of the Armed Services Committee, we deal with over $23 billion worth of appropriations each year to try to do something about the defense of this country. Where are we subject to being attacked? By only one nation now. That is the Soviet Union. What in the world is the point of our giving them our own tax funds to help them build up their economy so they can be more self-sufficient and make us spend more money on our own defense? It seems to me total nonsense.

We are not getting anywhere because the Eximbank seems to think they have been incorporated to play this type of role. Granted they make sure they are going to be paid. Granted the loans we have made to the Soviet Union have been paid on time. That does not have anything to do with their ability to build up their economy, and any time we deal with the Soviet Union we are dealing with a government controlled corporation designed for one purpose, and that is to increase their strength.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. DOMINICK. I am happy to yield.

Mr. HARRY F. BYRD, JR. The Senator from Colorado a moment ago mentioned the Soviet Union repaying its obligations. Let me cite a few figures, if I may.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOMINICK. I yield myself 2 more minutes.

Mr. HARRY F. BYRD, JR. In 1972 the Russian Government owed the United States $2.1 billion. Our negotiators settled that debt for 3 cents on the dollar unconditionally, and another 24 cents on the dollar to be paid if the Soviet Union were to get most-favored-nation treatment and special long term credit from the United States. So we got very little out of the debt the Soviet Union owed. They reneged. We settled that debt with them, although, in effect, they reneged on it.

I think the Senator from Colorado is on very sound ground in what he is doing on this amendment. I am pleased to support the amendment. I hope it will be adopted. I am against the bill, but I am in favor of the amendment offered by the Senator from Colorado, and I think it needs to be emphasized to the Eximbank that the Congress of the United States is opposed to what they are doing. The House of Representatives has voted against it. The Senate, I am convinced, is ready to vote against it and for the Jackson amendment if and when it comes to the floor.

I thank the Senator from Colorado for yielding.

Mr. DOMINICK. I thank the Senator.

I think the debt of the Soviet Union to us that the Senator was talking about was the World War II debt and the settlement we tried to get.

Insofar as the wheat sales are concerned, they have paid it as they said they would. They did not, on the lend-lease agreement of World War II, do as they said they would. The Senator from Virginia is correct.

The point I am making is that every place where we have had American citizens killed, it has been incited, backed and supported by the Soviet Union.

What are we doing? Giving our own money, our own tax funds, through the Eximbank, because we supply the capital for it, in order to increase the money we have to put into weaponry in order to defend ourselves against that country. It makes no sense to me.

I reserve the remainder of my time.

Mr. McGEE. Mr. President, I listened with interest to my good friend from Colorado on his proposal, which we have looked at before when he submitted it in earlier times. I would say two things in regard to it without attempting to pass judgment on the substantive factors.

The first is that the amendment he offered is a substantive proposal in itself and as such ought to be at least referred to the appropriate committee, if he wishes with a time certain to get it back, so that there will be the deliberation necessary and testimony collected on it in as short a time as possible, if that be his judgment, so that the body would then submit it. I would think it would not belong properly on this particular pending item.

The second point I would make is really a tangent factor to that, and that is that at this very moment the Government of the United States is in the midst of serious discussions with the Soviet Union; that Secretary Kissinger has recently as this week been in conversation with Mr. Gromyko; and that the President is still intending, we are assured, to visit the Soviet Union very shortly.

I would think, given those impending situations, we ought not to be proceeding kind of helter-skelter on these particular items at a time like that.

Thomas Jefferson implored us, at the time of the founding of the Republic:

> It is imperative that in foreign affairs the Government of the United States speak with a single voice.

While there is a great area for careful assessment and a sorting out of the truth as raised by my colleague from Colorado, I would think to attach them to this measure now not only might be misinterpreted in wrong ways and less useful ways from the outside but could even confuse and confound the difficulties of the Secretary of State and the President in terms of trying to nail down some new quid pro quos between our own Government and the Government in Moscow.

So I would hope he would be willing to consider whatever time limitation ought to be put on it in terms of referring it back to this body; that it ought to be treated as a matter of substance, in its own right, rather than tagged on to this bill.

Mr. JAVITS. Mr. President, will the Senator yield me some time in opposition?

Mr. McGEE. Yes, I yield.

Mr. JAVITS. Mr. President, who controls the time in opposition?

Mr. McGEE. Mr. President, I believe that I have the time right now. I should like to turn the whole time over to the Senator from New York for the time being because I have another matter to take care of right away.

Mr. JAVITS. Mr. President, I thank the Senator from Wyoming. I yield myself 5 minutes.

The PRESIDING OFFICER (Mr. McCLURE). The Senator from New York is recognized for 5 minutes.

Mr. JAVITS. Mr. President, in the first place, I think that I should like to make it clear—and I do not think that the Senator from Wyoming, as the manager of the bill, had anything else in mind—that we do not believe that the Senator from Colorado ought to have to wait on this matter until the report comes back.

Mr. President, if I may have the attention of the Senator from Wyoming, I do not think the Senator meant that we should wait on the Committee on Banking, Housing and Urban Affairs to report back to the Senate or that it means laying the matter aside until the report comes back to the Senate.

Mr. McGEE. Not on this bill.

Mr. President, I am talking about the substantive proposal made by the Senator from Colorado. I thought that it ought not, in the interest of reasonable and sound diplomacy, be made a fixture to this bill. It merits consideration on its own right. It is a very important factor in itself.

Mr. JAVITS. Mr. President, I am glad that the Senator made that clear. This is an important factor in and of itself.

The Committee on Banking, Housing and Urban Affairs had hearings on this question. The bill will be marked up very soon. It is the bill on the Export-Import Bank Act which expires, I believe, on June 30. There will be, I believe, without any question, serious consideration given to amendments and conditions. I hope very much that the Senator from Colorado will not press this amendment on this bill.

As to the substance of the bill, I think it proceeds in all respects from a certain view which is not in focus. It is one thing to say to the President of the United States—and I fully intend to do this if I can possibly contrive it, and others feel as I do—you may not go to Moscow and come back to us with agreements made. If you are going to Moscow, we expect that you will bring back to us whatever you wish us to approve and ratify by treaty or executive agreement, but you will not make any agreements of which we do not approve.

That is quite proper. However, it is rather a different thing, literally, to wash it out before he gets there and before the negotiations start. That is what this amendment intends doing, because it lays out flatly as one proposition that the Export-Import Bank refuse credits to Poland, Hungary, Romania, Yugoslavia, and countries with which we are now trying to restore some kind of communication in terms of relations between the West and the East.

Let us talk to the Soviet Union alone. This lays it down as a flat proposition that the President may not participate in any agreement with respect to the Export-Import Bank or to trade with the United States through the Export-Import Bank long before there has been a pragmatic negotiation on the issue of trade.

The reason why this is so critically important is that it lines up the two different points of view. If the Senator from Colorado (Mr. DOMINICK) insists on pressing the matter here either on the merits or on a motion to table, it is rather premature, and I do not think that Senators have done all the thinking that they wish to do. However, the Senator is perfectly within his right in pushing the amendment to a vote.

The two points of view are these: First, those who feel that we should do no business of any kind with the U.S.S.R. and that it will not affect in any way the possibility of our making agreements with them relating to the negotiations on nuclear armaments which are so critical to them and to us or to any other nation.

Let us not forget the Middle East, where the President has just announced a disengagement of forces between Israel and Syria. If the Russians had wished to take any steps in this matter, there would have been no announcement made on this matter today.

This was a matter of negotiating an agreement between Dr. Kissinger and Gromyko, or whoever was negotiating at that level.

I believe, and I believe there is a strong body of people also that believes, that negotiations will be and should be tied up in one package with reduction of armaments and other agreements with which we could come to with the Soviet Union.

It is an extremely important card to play in the negotiations. The Russians think so and have stated so.

I would not wish to erode that factor and decide it in advance by the adoption of an amendment of this kind.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. Mr. President, I yield myself 3 additional minutes.

Mr. President, I am in a rather unique position to speak on this matter. I am considered to be, and I am proud to be, one of the principal sponsors of the Jackson amendment which has already been mentioned here.

I believe that I was the first one to broach the idea in a speech in New York 2 years ago, that this issue of morality had to figure in the trade relations with the Soviet Union.

I believe that today. I believe that it should be possible to get from the Soviet Union commitments which will make us feel that the Soviet Union is not going to be as reactionary and as persecuting of its minorities and its intellectuals as it has been up to now, and that that is a critical element in the trustworthiness and desirability of the whole range of agreements to be made between our countries.

However, I would like to leave room for that to be worked out, if it can be worked out. It may have to stand fast. However, certainly, we should try to work it out and not abort the whole process by an amendment like this.

The Senator from Colorado has stated his opinion. We both serve on the Labor and Public Welfare Committee and have always served there in harmony. We have always had great respect for each other.

I hope it will always be that way.

There are those people who do not want to do anything for the U.S.S.R. They say that they will use everything we give them against us. On the other hand, my attitude and the attitude of others like me is that we have got to give something. If one wants to get something, he has to give something in order to get something back. It is a tradeoff. And the trade and the possibility of trade are important factors which should be used in these negotiations. I do not want to abort their use.

So I have to oppose the amendment.

Finally, the Senator from Wyoming is exactly correct. It is just another way of killing off the bill.

There is grave fear that the trade bill, which is a much bigger proposition, is going to be killed off by the arguments with respect to the Soviet Union referred to in the Jackson amendment, and so forth.

How much more likely is it that the IDA bill will be killed off if we tack this amendment on its back.

I hope, for all of those reasons, that the Senator from Colorado will not press the matter.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. Mr. President, I yield myself 1 additional minute.

Mr. President, that is the privilege of the Senator from Colorado. If he does so, I shall move to table the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. McGEE. Mr. President, will the Senator from New York yield me 1½ minutes?

Mr. JAVITS. Mr. President, I yield to the Senator from Wyoming.

Mr. McGEE. Mr. President, I have discussed with the Senator from Colorado the possibility of a unanimous consent agreement to take up another bill under informal procedure, dealing with the civil service, which has been agreed to by both sides.

I ask unanimous consent that we may proceed with it for just a moment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF CHAPTER 83 OF TITLE 5, UNITED STATES CODE

Mr. McGEE. Mr. President, I ask the Chair to lay before the Senate a mesage from the House of Representatives on S. 628.

The PRESIDING OFFICER (Mr. McCLURE) laid before the Senate the amendments of the House of Representatives to the bill (S. 628) to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married, which were to strike out all after the enacting clause, and insert:

That (a) section 8339 of title 5, United States Code, is amended as follows:

(1) Subsection (j) is repealed.

(2) Subsections (k) to (n), inclusive, are redesignated as subsections (j) to (m), respectively.

(3) The redesignated subsection (j), formerly subsection (k), is amended to read as follows:

"(j)(1) At the time of retiring under section 8336 or 8338 of this title, an unmarried employee or Member who is found to be in good health by the Commission may elect a reduced annuity instead of an annuity computed under subsections (a)-(i) of this section and name in writing an individual having an insurable interest in the employee or Member to receive an annuity under section 8341(c) of this title after the death of the retired employee or Member. The annuity of the employee or Member making the election is reduced by 10 percent, and by 5 percent for each full 5 years the individual named is younger than the retiring employee or Member. However, the total reduction may not exceed 40 percent.

"(2) An employee or Member, who at the time of retiring under section 8336 or 8338 of this title elects a reduced annuity under paragraph (1) of this subsection and later marries, may irrevocably elect, in a signed writing received in the Commission within 1 year after the marriage, an annuity computed under subsections (a)-(i) of this section. Such latter annuity is effective the first day of the month after such election is received in the Commission. The election voids prospectively any election previously made under paragraph (1) of this subsection.".

(4) The redesignated subsection (k), formerly subsection (l), is amended by deleting "subsections (a)-(k)" and inserting in place thereof "subsections (a)-(j)".

(b) Section 8341 of title 5, United States Code, is amended as follows:

(1) by deleting paragraphs (1) and (2) of subsection (a) and inserting in place thereof the following:

"(1) 'spouse' means the surviving wife or husband of any employee, Member, or annuitant who—

"(A) was married to the employee, Member, or annuitant for at least 1 year immediately before the death of the employee, Member, or annuitant:

"(B) was married to the employee, Member, or annuitant, at the time of the retirement of the employee, Member, or annuitant, and at the time of the death of the employee, Member, or annuitant: *Provided,* That such surviving wife or husband was married to the employee, Member, or annuitant for any period or periods of time totalling at least one year; or

"(C) is the parent of issue by that marriage; and";

(2) by redesignating paragraph (3) of subsection (a) as paragraph (2) of such subsection;

(3) by deleting paragraphs (1) and (2) of subsection (b) and inserting in place thereof the following:

"(1) When an annuitant, except an annuitant who did not elect an annuity as provided in paragraph (2) of section 8339 (j) of this title, dies and is survived by a spouse, the spouse is entitled to an annuity equal to 55 percent of an annuity computed under section 8339(a)–(i) of this title as may apply with respect to the annuitant.";

(4) by redesignating paragraph (3) of subsection (b) as paragraph (2) of such subsection.

(5) by deleting ", widow, or widower" wherever occurring in paragraph (3) of subsection (b) redesignated as paragraph (2) of such subsection;

(6) by deleting "8339(k)" in subsection (c) and inserting in place thereof "8339(j) (1)"; and

(7) by deleting in subsection (d) "widow or widower" wherever occurring therein and inserting "spouse" in place thereof.

(c) Section 8344(a) of title 5, United States Code, is amended by deleting—

"If the annuitant is receiving a reduced annuity as provided in section 8339(j) or section 8339(k)(2) of this title, the increase in annuity payable under subparagraph (A) of this subsection is reduced by 10 percent and the survivor annuity payable under section 8341(b) of this title is increased by 55 percent of the increase in annuity payable under such subparagraph (A), unless, at the time of claiming the increase payable under such subparagraph (A), the annuitant notifies the Commission in writing that he does not desire the survivor annuity to be increased."

and inserting in place thereof—

"When an annuity is increased under subparagraph (A) of this subsection, then the survivor annuity payable under section 8341 (b) of this title is increased by 55 percent of that increase payable under such subparagraph (A).".

SEC. 2. (a) The annuity of a retired employee or Member who, immediately before the date of enactment of this Act, was receiving a reduced annuity in order to provide an annuity for a surviving spouse under subchapter III of chapter 83 of title 5, United States Code, or any prior applicable provision of law, shall be recomputed and paid as if the annuity had not been so reduced.

(b) The annuity of an employee or Member who separated under section 8338 of title 5, United States Code, or any prior applicable provision of law, prior to the date of enactment of this Act which has a commencing date on or after such date of enactment shall be paid as if the amendment made by paragraph (1) of subsection (a) of the first section of this Act had been in effect at the time of the employee's or Member's separation.

(c) The amendments made by paragraph (3) of subsection (a) of the first section of this Act shall apply to annuities commencing before, on, or after the date of enactment of this Act.

(d) The amendment made by paragraph (1) of subsection (b) of the first section of this Act shall apply in the cases of employees, Members, or annuitants who die on or after the date of enactment of this Act, except that such amendment shall not apply to a spouse to whom an annuitant was married at the time of a retirement which occurred prior to such date of enactment.

(e) The annuity of a surviving spouse who, immediately before the date of enactment of this Act was receiving a survivor annuity under subchapter III of chapter 83 of title 5, United States Code, or any prior applicable provision of law, shall be recomputed, if necessary, and paid in an amount equal to 55 percent of the maximum annuity to which the former employee or Member was entitled at the time of his retirement or separation plus any annuity cost-of-living adjustments applicable to such survivor annuity which were authorized by law prior to the date of enactment of this Act.

(f) The spouse of an annuitant who retired or separated prior to the date of enactment of this Act and who dies on or after such date of enactment shall be entitled to an annuity in an amount equal to 55 percent of the maximum annuity to which the former employee or Member was entitled at the time of his retirement or separation plus any annuity cost-of-living adjustments applicable to the former employee's or Member's annuity which were authorized by law prior to the date of enactment of this Act. For the purpose of this subsection "spouse" means the surviving wife or husband—

(1) to whom an annuitant was married at the time of his retirement;

(2) to whom an annuitant was married for at least 1 year immediately before his death; or

(3) who is the parent of issue by the marriage to the annuitant.

(g) No annuity or increase in annuity resulting from the application of this section shall be paid for any period before the date of enactment of this Act or the commencing date of annuity, whichever is later.

And amend the title so as to read: "An Act to amend title 5, United States Code, to provide for annuities for surviving spouses under the civil service retirement system without reduction in principal annuities, and for other purposes."

Mr. McGEE. Mr. President, I move that the Senate disagree to the amendments of the House of Representatives.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wyoming.

The motion was agreed to.

Mr. McGEE. Mr. President, it is my understanding of the procedure that this measure is now sent back to the House of Representatives in disagreement, without conference. Is that correct?

The PRESIDING OFFICER. The Senate's action will now be messaged to the House of Representatives.

Mr. McGEE. I thank my colleagues for yielding to me the necessary seconds to transact this item of business.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H.R. 12466) to amend the Department of State Appropriations Authorization Act of 1973 to authorize additional appropriations for the fiscal year 1974, and for other purposes.

The message also announced that the House insists upon its amendment to the bill (S. 2893) to amend the Public Health Service Act to improve the national cancer program and to authorize appropriations for such program for the next 3 years, disagreed to by the Senate; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. STAGGERS, Mr. ROGERS, Mr. SATTERFIELD, Mr. KYROS, Mr. PREYER, Mr. SYMINGTON, Mr. ROY, Mr. DEVINE, Mr. NELSEN, Mr. CARTER, Mr. HASTINGS, Mr. HEINZ, and Mr. HUDNUT were appointed managers of the conference on the part of the House.

The message further announced that the House insists upon its amendments to the bill (S. 2830) to amend the Public Health Service Act to provide for greater and more effective efforts in research and public education with regard to diabetes mellitus, disagreed to by the Senate; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. STAGGERS, Mr. ROGERS, Mr. SATTERFIELD, Mr. DEVINE, and Mr. NELSEN were appointed managers of the conference on the part of the House.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 11385) to amend the Public Health Service Act to revise the programs of health services research and to extend the program of assistance for medical libraries; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. STAGGERS, Mr. ROGERS, Mr. SATTERFIELD, Mr. DEVINE, and Mr. NELSEN, were appointed managers of the conference on the part of the House.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

S. 3072. An act to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for their survivors; and for other purposes;

S. 3398. An act to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes;

H.R. 1817. An act to provide for the striking of national medals to honor the late J. Edgar Hoover; and

H.R. 12670. An act to amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crew member duties, and for other purposes.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. ALLEN).

U.S. PARTICIPATION IN THE INTERNATIONAL DEVELOPMENT ASSOCIATION

The Senate continued with the consideration of the bill (S. 2665) to provide for increased participation by the United States to the International Development Association.

Mr. DOMINICK. Mr. President, I yield myself 3 additional minutes.

I listened very carefully to my friend from New York for whom I have great respect, and I do not think that his argument should be left in the RECORD unchallenged.

This country at the present time is making an effort at least to engage in a mutual force reduction on the European front. While we have been doing that, and while we have reduced our armed services by over a million men, the Soviet

Union has not only increased its overall forces, and substantially increased them along the Chinese border, but has also increased its forces on the central European front.

They have added a great number of tanks, and they have added a great number of men. This does not augur well for any kind of an eventual agreement.

We signed a SALT I agreement with the Soviet Union intended to try at least to limit the nuclear production of armaments, and since that time they have developed three new missiles, even though they have not yet deployed them, which have an enormous fire power, much bigger than anything we have, and they are continuing to build nuclear attack submarines and nuclear missile-firing submarines at the rate of over 12 per year.

I could go on. I do not want to go too far because we are not in an armed services debate.

What I am talking about is they have showed no respect for anything whatsoever except strength.

We are engaged in SALT II at the present time and we have gotten nowhere there. We have been engaged in a number of other situations with the Soviet Union, including trying to get them to voluntarily restrict their sale of weaponry and armaments to the Arab countries in the Middle East.

They declined to do that, which thereby necessitated our reinforcing Israel in order to keep a balance of arms in that area.

For the life of me, I cannot understand why, when we have all these things facing us, where the armament and the methods of killing——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOMINICK. I yield myself 3 more minutes.

The weapons for killing American boys in Vietnam, and I had my own son over there who was wounded, all came from the Soviet Union; and, for the life of me, I cannot understand why we are going forward now in saying we are going to give them more money through the Export-Import Bank at half the interest rate that any American citizen has to pay anywhere in this country unless it is under REA.

Maybe I have misinterpreted what people are saying. Maybe they are saying that this is another chip on the bargaining table.

The difficulty is that we do not have any chips that they seem to recognize which are fruitful as far as we are concerned, except insofar as we take positive action through Congress in order to try to get them to exercise what we consider simple morality in this country.

I am bold to say that Mr. Solzhenitsyn never would have been allowed out of the Soviet Union if it had not been for the resolutions and talks that were made here on the floor of the Senate and in the House. I am bold to say that his family never would have gotten out of there except for world opinion, pressing on the morality of what the Soviets were threatening to do to them and which they have already done to a great many other intellectuals and scientists in their country.

I would say that there is going to be no change in Soviet policy, either in the Middle East or in Southeast Asia or in other areas of the world, unless we take action to make sure that this country is not giving them the economic resources by which they can do this.

I would say at the present time that what we need to do is to make sure that the Export-Import Bank does not try to go ahead of the debate on this same subject which will inevitably come up during the process of the trade bill.

Why should we have given $208.8 million in credits to the Soviet Union since last December? That is 5 months since the Mills-Vanik amendment passed, to which they have paid no attention at all because the Senate has not taken action on it.

So it strikes me that it is timely that we start taking action on this matter now, and that we do not wait for a future date presently unascertained, presently separate and apart from the debate on the IDA.

I reserve the balance of my time.

Mr. HUMPHREY. Mr. President, I know that there are some of our colleagues who have already responded to the distinguished Senator from Colorado on this amendment.

The amendment obviously has some appeal, particularly for those of us who are deeply concerned about the extension of credits to our own people, and those who are concerned about the fact that we will be extending credits to the Soviet Union and other countries under terms which are more favorable than are available to some of our own companies, indeed some of our own areas of local government.

But, Mr. President, I think we ought to do what another Senator from Colorado some years ago used to say, and the Senator to whom I refer was the beloved Senator Ed Johnson, who used to serve here and sit about at this desk in the second row, and I can still hear, as we called him, "Big Ed" get up and say, "Just a minute."

Somebody once asked me, "What do you think were Senator Johnson's"—and I speak of Senator Johnson of Colorado—"most significant contributions to the U.S. Senate?"

I said there were many, but one that I remembered distinctly as a rather young, impetuous Senator, was that occasionally he would look over at me and others and say, "Just a minute. Hold on. Stop, look, and if you don't mind, listen."

So I rise today, believe it or not, having just celebrated my 63d birthday, to say, "Hold on. Stop, look, and listen; just a minute."

Why? Because this amendment strikes at the very heart of the policy which a President and a Secretary of State and an administration have been attempting to pursue in hopes of having some better relationships with the Soviet Union.

Here I am again on this side of the aisle defending and speaking up for a policy that is being advanced by the President of the United States and the Secretary of State and others; namely, of extending commercial relationships between ourselves and so-called nonmarket economy countries.

I want the Senate to be clearly aware of the fact that we are not just talking about the Soviet Union. We are talking about Romania—and, by the way, Romania has had very good relationships with the United States. The Government of Romania stood up against the Soviet Union on foreign policy as much as we have. The Romanian Government has gone its own way. It is a nonmarket economy, however, in terms of the professional parlance of economics.

Another nonmarket economy is Yugoslavia; another one is Poland. There are others—Bulgaria—but I would make note of the fact that when we use terms as broad as any nonmarket economy country, that we are embracing a rather large part of the world. The distinguished majority leader, who occupies the desk where I now stand, has proposed in this body that we extend credits and that we extend guarantees on what we call the most-favored-nation treatment on commerce to the People's Republic of China.

Why are these proposals made by the President, the Secretary of State, proposals made by my distinguished colleague from Minnesota (Mr. MONDALE), who has taken the lead in this body in terms of trade with Eastern European countries, proposals made by the majority leader and others? Why? Because we happen to believe that one way of stepping a little closer toward an era of peace is through trade and commerce.

If we feel or have any reason to feel that the extension of loans or guarantees or credits to so-called nonmarket countries are not in our national interest, then we should not extend those loans, guarantees or credits. But if we believe that it is in our national interest then we should have the courage and the good sense to do so.

I would hope that we would not move precipitately here, whatever the merits of the amendment. I have spoken, may I say, in the Senate about my concern over the extensive extension of credits to the Soviet Union and other so-called Communist-Socialist countries, but particularly the Soviet Union. There was a time when there was talk of some billions of dollars worth of credits. I was of the opinion that credits of that nature would only permit the Soviet Union to continue its military buildup and, at the same time, not have to take on the burdens of supplying the resources and funds for its own domestic economy. I was of the opinion that we were financing in the United States our own military expansion and, at the same time, making possible the financing of Soviet military expansion—both of which I think are ridiculous and not in the national interest of either country.

This is a very complicated business, Mr. President. I do not think we should have an amendment like this acted on here hurriedly in the Senate when we have committees studying this, taking testimony, calling in the experts, calling in the best we have in the country to advise and counsel us.

The Senate Committee on Banking,

Housing and Urban Affairs is now holding hearings, as I understand it. I believe that the distinguished Senator from Illinois (Mr. STEVENSON) is its chairman and they are holding hearings on this subject matter. The Committee on Foreign Relations is concerned about this subject matter also. Indeed, the whole Congress should be concerned about it.

The Senator from Colorado does us a service in surfacing this issue again. I am not prepared to say that what he advocates here may not have merit. My offhand opinion is, at this time, as I have expressed it, that it raises more problems than it gives solutions; but the answer to it is not to vote on something as sweeping as this amendment this afternoon, when we have several committees supposed to take testimony, to call in the best that we have in the country to advise and counsel us on these matters.

I want to hear from the American business community. I want to hear from the American labor movement. I want to hear from spokesmen in the field of foreign policy who have been advising and counseling Presidents. I want to hear from the administration. I want to hear what the President has to say about this. I want to hear what the Secretary of State has to say about this. I want to hear what the Secretary of the Treasury has to say about it. What does he have to say about it? I want to hear what people who have served other administrations have to say about it. I want to hear what people who are in the academic community, and who may know something about international policy have to say about it.

Instead of that, we have decided that we will take a shortcut and ignore all that advice and rush pell mell, if we take this amendment, to a decision. It would be most regrettable, whatever the merits of the amendment, if we did that.

Listen carefully, Mr. President, what would we be doing?

> No loan, guarantee, insurance, or credit shall be extended by the Export-Import Bank of the United States to any nonmarket economy country (other than any such country whose products are eligible for column 1 tariff treatment on the date of the enactment of this bill), and no such country shall participate in any program of the Government of the United States which extends credits or credit guarantees or investment guarantees, directly or indirectly.

I repeat that "or indirectly." That word "indirectly" could mean an awful lot of things. I do not know what it really means in this case, but the fact that it is there, and it says indirectly, that looks to me like a catchall, a sort of universal net, to mean anything that anyone could think of.

So I am going, at the appropriate time—I do not want to cut off debate and discussion on this—but I will move at the appropriate time to table the amendment unless my good friend from Colorado, who is a reasonable man, would be willing, after debate on the matter, to withdraw the amendment, knowing that there will be some report from the appropriate committee of Congress, and then we can debate this amendment in due time on its merits, with the majority and minority report which undoubtedly will come from the Committee on Banking, Housing and Urban Affairs, and we will be able to handle it as we should.

It would be a terrible mistake for us to move now prematurely and precipitately and, in a sense, without adequate information.

Mr. DOMINICK. Mr. President, how much time do I have left?

The PRESIDING OFFICER (Mr. McCLURE). The Senator has 9 minutes remaining.

Mr. DOMINICK. Mr. President, I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 4 minutes.

Mr. DOMINICK. Mr. President, I should like to be flexible and I should like to agree with the Senator from Minnesota that we would not push this amendment on this bill, but, as I pointed out, the Export-Import Bank has given $208.8 million in terms of credits to the Soviet Union since the Mills-Vanik amendment was adopted in the House overwhelmingly.

It strikes me that, with the amount of the loan applications which are presently before them from the Soviet Union, we will be making a very bad mistake to wait any longer on a test vote. I understand that I may not win on this particular vote, but I think it will bring to the fore the problems we are confronting.

I want to say for the record to the distinguished Senator from Minnesota, who has been a very good friend of mine, that I do not believe that Poland or Yugoslavia are included in this ban, because they have most-favored-nation treatment.

Mr. HUMPHREY. Is that true of both? I recognized, when I sat down, that I was in error about Yugoslavia.

Mr. DOMINICK. Yes. That is true of Poland.

Mr. HUMPHREY. I was not sure of Poland.

Mr. DOMINICK. I remember, because I remember how mad our distinguished former colleague from Ohio, Mr. Lausche, used to get.

Mr. HUMPHREY. Yes.

Mr. DOMINICK. I am sure that they have the most-favored-nation treatment and would not be within the terms of this particular amendment. But it does strike me that we should have a test of strength on this. I agree it will not be a test on the merits, but some people I am sure will vote on tabling just on the ground that we are dealing with the World Bank and not the Export-Import Bank.

But, nevertheless, it will give us a test of some strength as to the sentiment of the people, as to whether we should not be requiring the Soviet Union to do something before we start giving them credits—and we are not requiring them to do a single thing at this point.

Mr. President, there is an article published in the Washington Post this morning entitled "Oil 'Shift' Surprises Japanese"—oil shift as it is called, written by Don Oberdorfer, and I ask unanimous consent to have it printed in the RECORD, because it shows full well that the Japanese expect us to go one-third in the development of the eastern Siberian gas.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OIL "SHIFT" SURPRISES JAPANESE

(By Don Oberdorfer)

TOKYO, May 28.—Japanese industrial leaders expressed surprise and incredulity today at reports that the Soviet Union may be losing its desire for foreign help in the development of Siberian oil and gas resources. The Soviet ambassador to Japan, Oleg A. Troyanovsky, stated "emphatically" and publicly that there has been no change—"not at all"—in the Soviet attitude toward the resource development projects.

Just a few days ago, according to informed sources, Soviet emissaries suggested unofficially that Japan should move ahead toward concrete negotiations by mid-summer on the Tyumen oil project. So, the Japanese were taken aback by press accounts from Moscow, based on a briefing by Soviet Oil Minister Valentin D. Shashin, suggesting that Moscow is no longer interested in trading oil for development investments.

Japanese industry sources concede that the potentially vast project, which involves bringing Soviet petroleum thousands of miles eastward across Siberia, is not moving ahead now. A meeting of key industrialists and senior government officials here yesterday confirmed a consensus to do nothing on the oil plan for a while to await future developments in several areas, including Russo-Japanese relations.

One of the problems is the recent Soviet decision to transport the oil across the continent via a new Trans-Siberian railway rather than through the previously discussed pipeline. The Japanese are concerned about the potential strategic and military implications of the railway project, and specifically about the Chinese and American reactions. In an apparent effort to reassure Japan, the Soviet envoy went out of his way today to describe such worries as outmoded and to say that the "chief purpose" of the railway plan is economic development.

On the natural gas front, Soviet and Japanese negotiators on April 26 signed their part of an intended three-way agreement—involving the United States—for exploration of the Yakutsk field in eastern Siberia. The Japanese agreed to invest as much as $100 million in Export-Import Bank loan funds in anticipation of a similar amount from the U.S.

Japan had hoped to have a U.S. response this spring so that the full deal could be sealed by June and actual exploration work could begin in November. However, at yesterday's policy committee meeting at Keidanren, the Japanese decided to wait until the fall for a U.S. decision. If Washington does not decide to participate by fall, sources said, the Japanese will face the question of going it alone into Siberian natural gas exploration and the much larger follow-on development project without the United States. Japan has been eager to have U.S. participation.

Soviet ambassador Troyanovsky, in an unusual appearance at a luncheon meeting of the American Chamber of Commerce in Japan, said the Yakutsk gas project had from the very beginning been envisioned as a joint Soviet-Japanese-American venture. "The question is now up to the American side, whether the [American] bank loan will be forthcoming," he said.

Troyanovsky added that the Japanese "letter of intent" signed in Moscow last year said that Japan would be prepared to undertake the gas deal even if a hitch developed in American participation. Japanese sources have said that such a decision is yet to be made.

The Soviet ambassador, who spent much of his boyhood in Washington, where his father was the Soviet envoy, spoke to the American group in perfect English. He hailed recent improvements in the climate of Soviet-American relations and described President Nixon's forthcoming trip to Moscow "as another big step in further improvement."

Troyanovsky expressed much optimism regarding Russo-Japanese relations, which have often been poor in the past. "Politically, the fundamental interests of our two nations do not clash at any point, whereas the economies of Japan and the Soviet Union are in many ways complementary."

The diplomat forecast that a Russo-Japanese coal deal will be formally signed in Moscow within a few days and that a lumber agreement will be made soon. He said that there is a good chance that a Russo-Japanese agreement for offshore oil exploration near Sakhlin Island will be completed in June. "We look forward to a gradual deepening of mutual understanding and friendship," he said.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from Colorado yield for a question?

Mr. DOMINICK. I am happy to yield to the Senator from Virginia.

Mr. HARRY F. BYRD, JR. Is it not correct that the proposal of the able Senator from Colorado is the same proposal that the House of Representatives has already passed and passed by an overwhelming vote?

Mr. DOMINICK. The Senator is totally correct.

Mr. HARRY F. BYRD, JR. I thank the Senator very much.

Mr. DOMINICK. The only change is that that was on the trade bill, and it was not on this bill.

Mr. President, I reserve the remainder of my time.

Mr. HUMPHREY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 7 minutes.

Mr. HUMPHREY. Mr. President, the bill before the Senate is one that relates to the World Bank. It relates to what we call IDA, the International Development Association. I do not believe that it is in our interest to clutter it up with this particular proposal, which is so far reaching.

I might also say that whatever one may think of the Soviet Union, I think the time is at hand for us at least to moderate what we call the cold war rhetoric, recognizing that we have to be alert, recognizing that we have to be on guard, and recognizing that this is a different day from the early 1950's or even the late 1950's or early 1960's.

The Soviet Union does pay its bills. It does pay on its export credits that it has received from other countries.

Once again, my fellow Americans, I think we ought to know that the Western Europe countries which are our allies and are vital to our security, as we are to theirs, extend credits to the Soviet Union. Japan, which is our best ally in the Far East, extends credits. We are going to close ourselves off from a great deal of trade if we do not watch out, because Export-Import Bank credits are spent in the United States of America. That money is not spent down in someplace in Africa or Asia or Western Europe. Every dollar of it goes for purchases in this country.

What is more, it does carry a rate of interest that is reasonable. What is more, it has been determined over the years to be in our national interest, and the Export-Import Bank has made money, if you have to put it on that basis, for the Government of the United States.

These are not long-term credits; these are short-term credits. I think the time is at hand for us to grow up and realize that we can do business with countries that have economies different from ours and at the same time serve our national interest.

It has been said—and I stand corrected—that both Yugoslavia and Poland, nonmarket economies, Socialist economies, would not be included under the restrictions of this amendment. Well, what is so different? Poland is in the Warsaw Pact. Yugoslavia is not. Yugoslavia has received special treatment in Congress from the day Tito broke with Stalin, and rightly so. I was a firm advocate of dealing with Yugoslavia on a very independent, selective basis, and I am also an advocate of dealing the same way with Poland. I am an advocate of dealing in trade. I believe in selling the Russians anything they cannot shoot back. I believe in selling them anything they cannot shoot back. I like to see them pay interest, too, and they will pay it under the Export-Import Bank.

The Export-Import Bank was created to help the United States, its commerce, and its industry. When it was created, it did not have any exclusion in it for the Soviet Union.

Whatever the merits may be of this amendment, we are talking about a major national policy. We are talking about literally throwing overboard everything that this administration has tried to accomplish with the Soviet Union in the last 6 years. I never thought I would see the day when I would stand here defending this administration that I disagree with on many things. But I am not a partisan when it comes to matters than I think are in the national interest.

I happen to think that much of our foreign policy that has been pursued is in our national interest. I watch it carefully. I do not want us to be precipitate even in those arrangements.

Mr. Kissinger is in the Middle East, and perhaps today he is going to get some settlement between the Syrians and the Israelis; and Gromyko, from the Soviet Union, only the other day was in Damascus and, according to the reports, told the people in Damascus, "Sign up."

I do not think we ought to honor Mr. Kissinger this afternoon by kicking him in the britches and hitting him in the mouth and beating him over the head and telling him, "While you were gone, Mr. Secretary, we sure fixed you." That is what we will do with this amendment. I want the Secretary of State to have a chance to testify. I want him to have a chance to be heard. I want the administration to have a chance to lay its case before Congress.

If the Senator does not want to use the remainder of his time, I am ready to make the proper motion; but I do not want to cut off the debate of the Senator from Colorado.

Mr. DOMINICK. I appreciate that.

Mr. President, I yield myself 2 minutes.

Let us see what we are talking about here. A $180 million loan for a fertilizer plant. Presumably, they cannot shoot back with that; but they can, because they develop natural gas in order to be able to do it, which is the thing which sponsors their whole economy.

Anyway, we are giving them that loan from the Eximbank at 6 percent, and they have promised to repay the loan over 12 years; but they do not begin until May of 1979, 5 years from now. So that is 17 years. Then they are going to repay the private banks first and the Eximbank thereafter. So it will be at least 17 years before we get anything, so far as I can see, so far as the Eximbank and the taxpayers of this country are concerned. That makes no sense to me. I do not understand why we do it.

Mr. President, I ask unanimous consent to have printed in the Record the article published in the Wall Street Journal of May 22, 1974, reporting on that loan.

There being no objection, the article was ordered to be printed in the Record, as follows:

Ex-Im Bank Lets Soviets Borrow $180 Million at 6 Percent

Washington.—In the face of growing controversy, the U.S. Export Import Bank approved a $180 million loan to the Soviet Union to help finance a gigantic natural gas and fertilizer complex.

The loan, at a bargain 6% interest rate, will help finance Soviet purchases of American-made equipment and supplies for the construction of ammonia plants, storage facilities, pumping stations, railroad tank cars and a 1,200-mile gas pipeline in the Soviet Union.

The $180 million credit is the largest Ex-Im Bank loan made to Russia and one of the largest in the agency's 40-year history. The extension of Ex-Im Bank credits to the Soviets—an aspect of President Nixon's policy of detente with the Russians—has grown increasingly controversial in recent months and has triggered moves in Congress to restrict or bar such lending.

But in a separate move yesterday, the House Banking Committee refused to go along with a resolution seeking to bar any Ex-Im Bank loans, guarantees or credits to Communist countries until Congress acts on trade legislation. The vote, however, was a narrow 13 to 12, and thus could be overturned on the House floor. A similar move is afoot in the Senate.

A trade bill passed by the House last year would bar Ex-Im Bank credits to any nation that restricts free emigration, a provision particularly aimed at the Soviet Union's treatment of Jews. The bill currently is bogged down in the Senate Finance Committee.

Reflecting the touchy nature of the decision, the Ex-Im Bank in its announcement of the loan's approval stressed the benefits to the U.S. The credit will assist the export of $400 million of American goods, bring "needed fertilizer to the U.S.," and save domestic natural gas supplies that otherwise would be used in making the ammonia-based fertilizers that will be imported from the Soviet complex, the agency asserted.

The Soviet complex will produce ammonia and urea fertilizers for shipment to the U.S. in exchange for a key fertilizer ingredient that is abundant in this country—superphosphoric acid. The Ex-Im Bank said Occidental Petroleum Corp. and affiliates plan to invest more than $500 million to build ships and expand production facilities to mine and process phosphate rock in Florida for shipment to Russia.

In addition to the Ex-Im Bank loan, a group of private U.S. banks headed by Bank of America, San Francisco, will provide another $180 million in credits for the project, the agency said. The Soviet Bank for Foreign Trade, the official borrower in the transaction, will put up $40 million, or 10% of the expected purchases from the U.S.

Because the Ex-Im Bank issued a preliminary commitment on the loan last year, the Soviets will pay interest at only 6%, barely more than half the prevailing prime, or minimum, bank rate for big business borrowers in the U.S. today. Since that preliminary commitment was extended, the Ex-Im Bank has raised its lending rate to 7%. The agency said the private bank credits will be extended at the prevailing prime rate.

The Soviet Union will repay the loans over, 12 years beginning May 20, 1979, with the private banks being repaid first and the Ex-Im Bank thereafter. The Soviet fertilizer complex is expected to be completed by the end of 1978, with the two-way trade in fertilizers to begin that year.

A spokesman for the Ex-Im Bank asserted the threat of a congressional restriction on credits to the Soviet Union hadn't affected the timing of the loan approval. But the spokesman said the timing was accelerated by the threat that some potential American suppliers held tentative contracts that would have expired by the end of this month if the loan hadn't been approved by then.

Separately the Export-Import Bank approved a $9.2 million loan to a U.S. Steel Corp. subsidiary in Canada to help develop Canadian iron ore deposits.

Mr. DOMINICK. Mr. President, I want the yeas and nays on this matter in one form or another. I understand that we cannot vote until 4 o'clock.

The only thing I want to say to the Senator before I release the remainder of my time is that I thoroughly believe in what Mr. Kissinger has been trying to do in the way of keeping communications open, and I think he has done a fabulous job. But all the way through he has testied to us that the only way we can do it is to keep a strong America, economically and defensively.

Twelve percent of the GNP of the Soviet Union goes into its military, as opposed to less than 6 percent on our side. To the extent that we build up its economy, we automatically build up its economic ability to increase its military force.

So I say once again that it is time that we take these things into recognition and that we be willing to communicate at all times with them, but that we do not give loans that may never be repaid.

The PRESIDING OFFICER. The Senator's 2 minutes have expired. The Senator has 2 minutes remaining.

Mr. DOMINICK. I reserve the remainder of my time.

Mr. HUMPHREY. Mr. President, this administration deals with bankers much more generously than I would, but I did not vote for this administration. I want that in the RECORD, for the thousandth time.

Second, the Export-Import Bank is a pretty good banking outfit, and when it makes loans, it collects.

I repeat that in the instance of a fertilizer plant, that is in the interest of world peace and decency and humanity. That plant will be bought in the United States—all its parts—under the terms of an Export-Import Bank loan.

It seems to me, again without going into each individual case, that we must keep two things in mind. Let us start talking about our relationships with the Soviet Union in an atmosphere of constructive purpose, responsibility, and reasonableness. Let us not bring up the old bugaboo that the Communists are going to get us again. I believe in a strong national defense and will stand for it and work for it and vote for it.

Finally, let us let the committees of Congress have a chance to advise us and to counsel us.

Therefore, knowing that the vote comes at 4 o'clock, I move to table the amendment.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator withhold that temporarily?

Mr. HUMPHREY. Yes, I withhold.

Mr. DOMINICK. Mr. President, I yield to the Senator from Virginia the balance of my time.

Mr. HARRY F. BYRD, JR. Mr. President, I wish to address a parliamentary inquiry to the Chair.

The PRESIDING OFFICER. The Senator will state it.

Mr. HARRY F. BYRD, JR. Is the Senator from Virginia correct in his understanding that once all time has expired on the pending amendment, then the Senate will go back on the bill itself until the hour of 4 o'clock?

The PRESIDING OFFICER. If there is a rollcall vote the vote would have to be postponed until 4 o'clock.

Mr. HARRY F. BYRD, JR. Not earlier than 4 o'clock.

The PRESIDING OFFICER. Not earlier than 4 o'clock.

Mr. HARRY F. BYRD, JR. I thank the Chair.

Mr. President, how much time does the Senator from Virginia have remaining on the bill itself?

The PRESIDING OFFICER. One hour remaining.

Mr. HARRY F. BYRD, JR. I thank the Chair.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. Is it in order for the Senator from Minnesota to move to table the Dominick amendment, with a realization that the vote would not come earlier than 4 o'clock?

The PRESIDING OFFICER. Since the motion is not debatable, it might be better if the Senator withheld that until after 4 o'clock.

Mr. HUMPHREY. Very good.

The PRESIDING OFFICER. Does the Senator from Colorado yield back the remainder of his time?

Mr. DOMINICK. Yes. I would like to get enough Members in the Chamber to order the yeas and nays on the amendment.

Mr. HUMPHREY. We can do that at 4 o'clock. I assure the Senator I will help him get the yeas and nays.

Mr. DOMINICK. Fine. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back on the amendment.

Who yields time?

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum, with the time to be charged equally to both sides.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays on a motion which I shall make to table the Dominick amendment.

The PRESIDING OFFICER. Does the Senator ask that it be in order to request the yeas and nays on the motion to table?

Mr. HUMPHREY. That is the request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, I yield 4 minutes on the bill to the Senator from Idaho (Mr. CHURCH).

THE IDA REPLENISHMENT

Mr. CHURCH. Mr. President, nearly 3 years ago, in an October 1971 address delivered in the Senate, I parted company with our bilateral foreign aid program. In that speech, I urged that our bilateral loans made for the purpose of promoting long-term economic development abroad be "passed over entirely to the World Bank, the Asian Bank, the InterAmerican Development Bank, and other multilateral lending agencies which were set up for this purpose."

I said at the time that "I am prepared now and in the future, to support substantial U.S. contributions to these agencies. In this manner, we can set a worthy example of international responsibility and beckon other rich nations to share the load with us."

Consonant with that pledge, I shall vote for the pending bill. In doing so, I note with approval the fact that the American share in this fourth replenishment of the IDA fund of the World Bank has been reduced from 40 percent to 33 percent of the total. This reflects the growing capacity of other industrial nations to bear a larger proportion of the load.

Looking to the future, I would hope that the American share, as a percentage of the whole, might be diminished still further.

The new-found wealth of such oil producing governments as Saudi Arabia, Kuwait, Libya, and the sheikdoms that border the Persian Gulf, as well as that of Iran, begets an obligation to make larger contributions to the IDA fund in the future. Negotiations to secure an acceptable level of participation by these oil-rich governments should begin at once, and I hope that the World Bank is prepared to pursue this course.

Continuing support for the IDA depends upon the good-faith participation of the contributing countries. Each must donate an amount that bears a reasonable relationship to what it can afford. Otherwise, the disproportionate burden assumed by some governments, when combined with nothing more than token support from others, can create inequities upon which the whole effort could ultimately founder. These warning signs are up for all those who believe, as I do, in the multilateral approach to foreign aid.

I cannot reiterate my support for multilateralism without reaffirming my opposition to our bilateral foreign aid program, the general failure of which should now be evident. One dimension of that failure is examined in a new article to be published in the June edition of the magazine Psychology Today. In this article, Ken and Mary Gergen of Swarthmore seriously assess the psychological reasons why bilateral aid doesn't work, while examining the countervailing reasons which make multilateral aid so much more successful.

Inasmuch as the Senate will later consider President Nixon's request for a greatly expanded bilateral aid program, which represents an astonishing 72-percent increase over the present level of spending, I believe the conclusions reached in this article are particularly pertinent. Accordingly, I ask unanimous consent to include the full text of the article at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOREIGN AID THAT WORKS: WHAT OTHER NATIONS HEAR WHEN THE EAGLE SCREAMS

(By Kenneth J. Gergen and Mary M. Gergen)

We had been studying foreign aid and the psychology of receiving help for several years when the U.S. House of Representatives, on January 23 of this year, voted to withdraw America's financial support from the International Development Association (IDA). The surprise move by Congress was an enormous disappointment in part because the overwhelming lesson of our research is that IDA is one of the best possible ways the U.S. can help millions of poor people around the world. Naturally, the disappointment will be far greater for those people who face starvation in the years ahead.

IDA, an affiliate of the World Bank, helps only the very poorest countries, the ones whose annual per capita income is $350 or less. (In 1973 over 70 percent of IDA resources went to countries where the average income is less than $120.) The organization provides monetary credits and technical assistance after conducting thorough studies of particular problems. Interest on these loans is virtually nil, and the recipients are allowed 50 years to repay them.

Malawi, an impoverished country in southeastern Africa, began receiving help from IDA in 1968 for a rural development project in the Shire Valley. Sixteen thousand farm families were able to increase their annual incomes tenfold by growing cotton and raising better food crops. The Shire Valley project was about to enter its second phase when Congress changed its mind.

IDA money doesn't build grand hotels, armies, or even much in the way of large-scale industry. Its chief aim is to help the small farm family, especially through agricultural and educational programs. IDA recently supplied funds to house 6,500 families left homeless by the earthquake in Managua, Nicaragua. It has funded a livestock development project in Afghanistan, a water supply system for Damascus, an irrigation project for 20,000 families in Nepal, and similar projects in dozens of other countries. Moreover, IDA engages in these activities in such a way that the rich, contributing nations gain friends and increase trust while they help ordinary human beings.

WE HAVE GOT TO RETRENCH

The Congressmen who voted against IDA argued that America's attempts at foreign aid have usually ended in corruption and ingratitude. For example, Libya, India, Algeria, and Chile all "bit the hand that fed them." Representative John H. Rousselot of California pointed out that the U.S. was providing loans without interest to foreign countries, "yet our own people are having a struggle to obtain mortgage money at home." Other Congressmen said: "they do not put the money where it belongs;" "we have got to retrench;" "the amount that trickles down to the poor is very tiny;" "we have developed mineral resources all over the world, and in so doing we have closed down our own mineral resources." Other opponents of IDA had less substantial things to say.

Nevertheless, many see the cutoff as a tragedy. It is likely that the other contributing nations will follow the lead of the U.S., reducing IDA to practically nothing by the end of this month (June 30). Some Americans view this as a moral disaster. We are remaining aloof while a large part of the world's population struggles for its bread. The poorest nations already maimed by the oil price boost and the loss of oil-based fertilizers, face famine. From a more pragmatic standpoint, the friends of IDA argue that we're crazy to dismiss the developing nations that provide us with a third of our natural resources and an annual market for $14 billion worth of American products. The dimensions of the country's error in withholding $1.5 billion from IDA may turn out to be more extensive than Congress imagined.

One unfortunate aspect of the debate was that IDA's opponents frequently used arguments that referred to bilateral aid; they recalled scandals in which our nation gave assistance directly to other countries. But it is inappropriate to generalize from such instances to the very different world of multilateral aid.

The recent Congressional vote was also based on two questionable assumptions. The first is that the culprits in the case are the recipients. This assumption is supposed to account for the poor nations' growing hostility toward the U.S., their failures to cooperate with our programs, their pilfering of goods and funds, and their notorious "lethargy." Second, since aid is an economic matter, it is assumed that assistance programs should be evaluated almost entirely in economic terms.

INDIVIDUALS WITHIN NATIONS

As psychologists, we propose two counter-assumptions to these traditional views. First, it is possible that the behavior of recipient nations is importantly shaped by our actions. Recipients are not by nature hostile, uncooperative or lethargic. Moreover, rather than viewing assistance in purely economic terms, we should consider its psychological implications. Dollars are not simply dollars, they carry a host of implications for the recipients' self-esteem, feelings of obligations, and evaluations of us as donors. If we broaden our perspective to include the psychological dimensions of aid, it might be easier to formulate more effective programs. As we shall see, IDA, whose economic reputation is already excellent, may also be the best psychological means of providing aid.

Our research on foreign aid and the psychology of receiving help has involved surveys, questionnaires, in-depth interviews and controlled experiments in several countries. Our focus of attention has been on individual rather than institutional reactions to aid. After all, much of foreign aid (like much of politics and international relations generally) is conducted among individuals. The people who make decisions about such matters are certainly individuals, and so are the people affected by those decisions. They react personally to the actions of others and hold views of "national character"; they personify nations and think in terms of motive and human design. We believe, moreover, that our own research, some of which is presented here, supports the notion that there are significant, pancultural similarities in the quality of human experience.

Our research points to three major variables that influence people's reactions to aid from other countries: characteristics of the donor, characteristics of the aid itself, and the psychological state of the recipient.

One might suppose, given the poverty of most aid recipients, that the assistance itself would mean everything. But our research indicates that recipients are also extremely concerned about the intentions of the donor. Of the 56 foreign aid officials that we interviewed, over 70 per cent of them singled out the influence of the donor's motives in shaping reactions to aid.

If the donor appears to be giving primarily to serve his own ends, his help is neither appreciated nor are his programs likely to be supported. The recipient of self-serving aid feels the donor is deceitful; as a result the recipient suspects that he himself will turn out to be the ultimate loser. One aid official characterized self-serving assistance as a "poison gift."

A laboratory study conducted with Phoebe Ellsworth and Magnus Seipel confirms the idea that recipients are hostile to self-seeking donors. Eighty young men in Sweden and the U.S. were placed in an experimental situation where they needed financial resources for an attractive investment. The experiment was a game involving chips and dice, but the final payoff was in real money. Each player got the resources he needed to play the game from what appeared to be one of his peers. Half the players, however, were given the impression that the gift-givers expected a share of the winnings in return. The other players suspected no such designs.

Later, the players evaluated their patrons. It seemed that the hint of exploitative intent evoked negative feelings toward the donor.

Questionnaire studies point to the same sensitivity to a donor's intentions. When asked what they would think of a donor who helped them for selfish reasons, respondents from Malaysia, the Philippines, South Africa, the U.S., and several other countries replied that they would surely dislike that donor. If the donor's intentions were unselfish, they'd like him.

When the U.S. gives aid directly to other countries (bilateral as opposed to the multilaterial aid of organizations like IDA) we tend to trap ourselves. Recipients dislike us because they suspect our motives.

The American people, surveys show, think of our aid as unselfish and humanitarian and a picture of the clasped hands of brotherhood appears on our shipments overseas. Unfortunately the recipients of these shipments don't necessarily believe us. Sophisticated recipients, including foreign officials and others whose opinions carry weight, are aware that direct American aid is usually given to secure economic, political and military advantage. Our aid has gained us votes in the U.N., the use of military bases, protection for American business overseas, and automatic markets for U.S. exports. These may be reasonable aims, but they're not exactly unselfish, and the recipients understand our intentions. They may even understand them better than the American people do, since recipients read the fine print, in any case, they react accordingly, and may come to dislike us and misuse whatever aid we give.

THE RELEVANCE OF NATIONAL CHARACTER

Other characteristics of the donor, aside from his specific intentions in giving aid, may have powerful effects on the success of the transaction. Most of us are continually evaluating the personalities of people we know. The recipients of aid are no exception. Views of the "American character," for instance, seem to color recipients' opinions about aid from this country. There is a strong human tendency to see things in emotionally consistent ways, so that "bad" people can't be expected to engage in any "good" act, even if the act appears to be a helping hand. The psychological validity of this principle has been established many times—most recently, perhaps, by Charles Osgood's "psycho-logic" and by Leon Festinger's concept of cognitive dissonance.

Recipients of aid also feel judged by the company they keep. If the donor's character is admirable, it's an honor to be allied with him. If he's aggressive, ignorant or manipulative, then receiving his aid is demeaning.

Surprising, our research indicates that almost *any* characteristic of the donor, no matter how irrelevant to the transfer of resources, can influence the way a recipient perceives economic aid. Public opinion research indicates that if an aid giving country has a reputation for being technologically inferior, warlike, unfair to minorities, irreligious, or deranged in its family relations, then reactions to its aid prove negative. The aid appears as unnecessary, undesirable, ineffective.

America's image abroad, surveys indicate, has suffered recently. Our involvement in Vietnam seemed imperialistic to the vast majority of people in developing nations. Earlier, our race relations gained us a reputation for injustice and hypocrisy. The Watergate scandal has left other scars. Problems like these, which seem to contaminate foreign aid, may be reversible.

But the fact that we're a wealthy country is much harder to undo, and unfortunately, our wealth may create envy and a sense of injustice in the eyes of the have nots. The U.S. has dedicated a much smaller percentage of its gross national product to IDA than several other countries, including Britain, Japan, and West Germany. Many people in the poorest nations are aware of that fact, and apart from any possible envy, they realize that aid from the U.S. doesn't hurt us as much as, say, aid from Britain hurts the British. When you have everything, it takes a bigger gift to prove your feeling.

A laboratory study conducted in Japan, Sweden and the U.S. supports the notion that wealth can be a curse. Experimental subjects received help from two donors. One donor was rich, while the other gave from a small pool of resources. In each country, subjects evaluated the poor donor far more positively, the subjects also returned more of the poor donor's resources.

In short, the perceived characteristics of the donor exert a tremendous influence on the aid's success not only in terms of good will but also, to some extent, in the aid's material impact. This point is often overlooked by opponents of foreign aid, who tend to assume that the source of aid is irrelevant.

TRUE AID AND FALSE AID

The nature of the aid itself is just as vital to the success of the transaction as the perceived characteristics of the donor. One might suppose "the more the better"—at least as far as the recipients are concerned. But aid officials whom we interviewed assigned minimal importance to the amount of the aid. They placed much more emphasis on how useful the particular aid was on whether or not it allowed the recipients autonomy, and on the sort of obligations it entailed.

It's easy to understand that some "aid" isn't very useful. Surplus foodstuffs occasionally wind up in countries that don't eat the sort of food they receive. Worse, huge quantities of food may be delivered to a country that needs the resources to produce its own food—as Morocco once needed a milk-processing plant to handle its own raw milk, but got tons of powdered milk instead. Everyone has heard of such absurdities. IDA has managed to steer clear of them better than most other donors.

Matters of autonomy are a more constant source of trouble for the aid relationship than even useless aid. Bilateral American aid programs tend to involve rigid restrictions; some of them are meant to insure that the aid is properly used, but other restrictions are less reasonable. Our technicians often oversee the projects, or set up systems of close surveillance. Any deviation from initial plans must be approved by our officials, many requests have to go to Washington for sanction. Moreover, most U.S. bilateral aid is *not* given in the form of money, if it is, the money must buy American products, which may not be the best or cheapest ones available.

Aid officials from various poor countries spoke vehemently of our inability to relinquish control over our gifts and loans. As one official put it: "If you give a man a piece of bread when he knocks on your door—don't tell him to eat a third of it, give a quarter to his eldest son and put the rest in the icebox." The maintenance of control tells a recipient that we don't trust him, that we think he's intellectually or morally incapable of making correct decisions. We're so anxious to insure that our resources are being properly used, according to *our* standards of propriety, that we jeopardize the success of the aid—again, both materially and in terms of mutual trust.

THE USES OF EQUALITY

Our most intriguing conclusions about the nature of the aid itself have to do with the kinds of obligation it entails. In essence, we found that, for the recipient, *no* obligation to repay tends to imply inferiority, whereas the obligation to repay with interest smacks of exploitation.

Many people achieve a sense of dignity from paying their own way. Free handouts not only suggest inferiority, but they also place the recipient under a constant tension of obligation; whenever the donor wishes, he can remind the recipient of his gift and demand his due. Recipients may also suspect the motives of someone who gives with no apparent thought of return. As one Indian spokesman observed, "Gifts without strings attached come either from fools or thieves."

On the other hand, there are obviously special advantages in receiving free gifts. Accepting disaster relief for instance, doesn't usually imply inferiority. Moreover, the total debt of the poorest nations is already very high, and increasing that debt beyond the possibility of repayment can do little for a poor nation's morale.

To explore this complex issue, Phoebe Ellsworth, Magnus Seipel, Christina Maslach and Kenneth Gergen conducted an experiment in Japan, Sweden and the U.S. A total of 180 males engaged in a competitive game of chance which could earn them a considerable sum of money. Six men participated at a time, and by experimental design, each one found himself losing badly while receiving information that the others were faring much better.

At a critical moment in the game, a moment when each participant was on the verge of losing everything, he received an envelope from what appeared to be one of the other players. The envelope contained additional resources, plus a note especially prepared by the experimenter. In a third of the cases, the note said that the funds were a gift and that the recipient need not repay it. Another third of the players got notes saying the note-writer wanted to be repaid when the game was over. For the final third, the note-writer wanted repayment with interest.

The funds proved to be very useful. Each player then evaluated his patron. First, as might be expected, the players expressed hostility toward the donor who expected interest on his loan. The usurer has few friends. The critical comparison, however, was between evaluations of the donor who gave something for nothing, and the donor who asked for an equal return. The evaluations revealed that in all three nations people preferred the egalitarian donor. In this experiment, at any rate, something for nothing wasn't appreciated, and a relationship among equals proved most desirable.

Whether such experimental results can be easily applied to the arena of international aid remains an open question. However, it is worth noting that IDA *does* require repayment, plus a small administrative fee, but does *not* require interest.

SELF-ESTEEM

A final element in the aid relationship is the recipient and his characteristics, both real and perceived. At first, we assumed that questions of material need would be all-important—that the more needy the recipient felt, the more appropriate it would be to aid him, making the relationship tend toward success. But our subsequent interviews with aid officials convinced us we were naive in our thinking. It turned out that self-esteem was a far more important variable.

One of the many ambiguities of need is its relativity; what we consider poverty, someone else might consider the normal state of affairs, and it's hard to say which view is "realistic." Americans might single out as instances of economic need conditions that the people of another culture view as part of the fabric of their cultural tradition, or part of some modern ideology they're unwilling to forego. Another problem with aid based upon need is that the needy often feel they *deserve* help; when the help arrives they may be unaware of any particular generosity on the donor's part. Extreme poverty, then, doesn't guarantee a positive response to help, either in mutual respect or in the creative utilization of aid.

Self-esteem, though, is another matter. The aid relationship necessarily casts its participants into a hierarchy; the independent donor has many resources while the dependent recipient has few. It's possible, in other words, that aid threatens the esteem of the recipient.

We expected to find tremendous cross-cultural differences in this regard. It is said, for example, that Western cultures are uniquely dominated by concern with self-esteem and pride, by notions of individualism and personal independence. On the other hand, Oriental and socialist societies are commonly said to be anti-individualistic and more interested in the common good. And we expected to find many other relative, cultural factors that would complicate our examination of self-esteem.

But our data so far suggest strongly that self-esteem is not only a kind of universal human value, but that foreign aid tends to succeed or fail, psychologically and materially, depending on whether the aid relationship strengthens or weakens the recipients' self-esteem. The aid officials we interviewed, over 90 percent of them indicated that in one way or another the implications of aid for the recipients' self-esteem were of major importance. Some spoke of "loss of face"; others described the "humilitation" of waiting for handouts.

THANKS BUT NO THANKS

With the help of psychologist Stan Morse, 'we tested this hypothesis in a laboratory in Italy. Young men in our experiment worked on a difficult puzzle. In half the cases, they were told that their performance was a measure of intelligence; in effect, their self-esteem was at stake. For the other half, performance was not equated with self-worth. Later, half the participants in each of these groups received help from the experimenter, who let them look at the right answers. The next stage of the test reversed the roles and the participants were given a chance to help the experimenters.

The men's reactions were revealing. When self-esteem wasn't in question, those who received help were much more likely to reciprocate. They were grateful and wanted to help in return. Just the opposite proved true where self-esteem was at stake. When the experimenter's help suggested that the participants weren't especially bright, they were loath to return the "favor."

Questionnaire data from different cultures demonstrate the generality of these findings. Respondents everywhere said they disliked people, even bearers of gifts, who made them feel inferior. In Japan, Taiwan and Korea, with their traditional emphasis on selfless devotion to hierarchies, the tendency to dislike such donors was less pronounced, but even the people of these traditional Asian cultures disliked aid which reduced self-esteem.

AMERICA'S INTENTIONS

For years, Congress has debated questions of foreign aid. We believe that our research has reduced the uncertainties of this debate. The evidence implies that the U.S. has either not known, or has disregarded, the psychological implications of assistance.

Bilateral aid, in which the U.S. gives directly to other nations, is a method surrounded with difficulties. It appears manipulative (which it is) and tends to be corrupted by our own domestic foibles and by our extraordinary wealth. The self-serving restrictions we put on direct American aid serve as another goad to conflict, and the esteem of recipient nations continues to suffer.

It is for these reasons that we consider the cutoff of IDA funds a tragedy. This organization, and other cooperative multilateral organizations like it constitute the greatest opoprtunity for successful foreign aid. As a participant in IDA, America's manipulative intent is minimized, our national foibles are less likely to interfere, and the humiliating and impractical grip on recipient nations loosens. Moreover, because IDA's recipients are all members of the organization, it does not cripple the self esteem which everyone seems to need.

We have assumed throughout our research that the American people would like to reduce suffering in the poorest nations of the world, and in fact some survey data supports this assumption. The problem, according to IDA's Congressional critics, is that in spite of our generous instincts foreign aid has been a disaster.

We must add, however, that our prime assumption may be wrong. The truth may be that the American people have absolutely no intention of relieving some of the misery that burdens the greater part of the human race. America's support for international assistance has dwindled almost continuously over the past decade and is now only one tenth of what it was 25 years ago. Many Americans don't realize this. We tend to believe that America is inevitably the greatest giver, and that other rich nations—for example, the Arab oil states—give little or nothing. This belief is partly mistaken. The World Bank, IDA's parent organization, has recently borrowed $624 million from the Arab states of Libya, Lebanon, Saudi Arabia, and Kuwait—money that is spent entirely on aid, including the work of IDA. During the past two years, in fact, the World Bank has sold more fund-raising bonds in Kuwait than in the United States.

If the American people have no serious interest in helping the poorest nations, then our research becomes irrelevant, and we can stop worrying about the attitudes of others toward the U.S. What will remain instead are questions for us all about the humane character of the American people.

Mr. CHURCH. Mr. President, I thank the Senator very much for yielding.

Mr. HARRY F. BYRD, JR. Mr. President, I yield 10 minutes to the distinguished Senator from South Dakota.

WORLD BANK LOANS TO GREEK JUNTA

Mr. ABOUREZK. I thank the Senator for yielding. I would like to raise a very serious question to which I believe all my colleagues should pay serious attention before casting their votes this afternoon on the IDA bill.

It has been my contention all along that foreign aid programs that we finance should be given to help the most unfortunate people around the world without any political conditions being imposed by any agency of the executive branch. Although, personally I am inclined to vote in favor of this bill, cognizant of the fact that millions of poor people will be helped, I am having serious reservations as a result of the matter which I will outline.

Beginning in May 1970, Mr. Robert McNamara, the president of the World Bank, was at the time fully aware of the tactics of the Greek military junta in Athens to use the loans of the World Bank to that country for domestic political purposes and to build up their image abroad. This deplorable effort was brought to the attention of the World Bank in 1970 by Elias P. Demetracopoulos, a leading opponent of the Greek military dictatorship now living in the United States and former newspaper editor, who escaped from Greece in September, 1967.

At that time, Mr. McNamara assured everybody concerned that he had warned the Greek military dictatorship that any further propagandizing of World Bank loans such as was crudely attempted by the Junta in 1970 would be sufficient cause for rescinding loans to the Greek military dictatorship. On December 24, 1973, the well-known syndicated columnists, Rowland Evans and Robert Novak, disclosed strong criticism last November by Congressman HENRY REUSS of Wisconsin of a September 12, 1972 $24,500,000 World Bank loan to the Greek dictatorship given for Greek educational reform while college doors had been closed by the regime.

In this respect in a November 19, 1973, letter to Representative REUSS, chairman of the Joint International Economics Subcommittee, Mr. Elias P. Demetracopoulos noted that the Greek universities were again closed and added:

> The objectives of the educational loan cannot be achieved, and the World Bank is, in effect, endorsing the junta's feeble attempts to explain away growing student and popular resistance by implementing the loan.

The Nixon administration through the Department of the Treasury replied on December 19, in effect affirming to Congressman REUSS its support of the Greek military dictatorship and stating that "while recent events confirm Greece's serious political problems, there is no objective economic evidence of which we are aware that would make it appropriate to raise the question of suspending World Bank loan agreements with Greece."

This highly critical column of Messrs. Evans and Novak against the Athens regime was completely distorted by the Greek controlled news media in order to convince the Greek people that the Nixon administration was responsible for the $24.5 million loan from the World Bank, which was made to appear as an agency of the White House. This flagrant distortion, orchestrated by the Greek military dictatorship, was immediately brought to the attention of President McNamara on January 2, 1974 by Mr. Elias P. Demetracopoulos who sent to Mr. McNamara the following letter:

> I am enclosing for your information four newspaper clippings, with translations, from four Greek language papers referring to the Evans and Novak nationally syndicated column of December 24, 1973, which criticized the relationship between the World Bank and the Athens military dictatorship. Both this column and my earlier correspondence with Mr. J. Burke Knapp, Senior Vice President of the Bank, dated May 12, 1970, make the point that the Greek dictatorship was and is exploiting the lending operations of the Bank group for political and propaganda purposes in Greece as well as abroad. I have enclosed copies of my correspondence with Mr. Knapp on this subject.
>
> Taking into account the strict and complete censorship currently exercised over the Greek press media by the military censors, the enclosed newspaper clippings should prove to you beyond a shadow of a doubt the extent of fraud practiced by the Athens dictatorship at the expense of the World Bank group.
>
> I am hoping that this latest example of the Athens junta's duplicity, in direct violation of the understanding on this point with the Bank, will finally cause you to order a basic review, leading to a suspension of the Bank's lending program to the Athens military regime.
>
> It is my conviction that, under present circumstances, such a review and suspension will serve not only the best long term interests of Greece but also those of the World Bank group.

Mr. McNamara, on January 9, 1974, replied to Mr. Demetracopoulos stating among other things that:

> With regard to the alleged political exploitation by Greek newspapers of the Bank's lending to Greece, if it has occurred, we strongly disapprove of it and would take steps to make our disapproval known. However, if there has been any publicity which might be deemed undesirable, this has happened precisely because these newspapers have been given a gratuitous opportunity to refer, more than a year after the announcement of the loan, to the article of December 24 in the Washington Post.

This reply of Mr. McNamara led to a second column by Evans and Novak on January 27, 1974, highly critical of the World Bank loans and attitudes toward the Greek junta.

I do strongly believe that if President McNamara and the World Bank group is allowing, without strong public protest and reprisals, the Greek military junta to use their lending operations to that country in order to bolster their shaky domestic and international position they are running the serious risk of seeing Congress become even more reluctant to go ahead with the Nixon administration's requests to replenish IDA funds. That is why I strongly urge this body to convey to the executive branch of our Government, the message that it will never again tolerate the use of World Bank lending operations to uphold brutal regimes like that of Greece by allowing them to propagandize these loans in the most fraudulent and shabby way. I do believe that the president of the Bank, Mr. McNamara, should be made fully cognizant of these feelings of the U.S. Senate.

I personally am appalled that President McNamara has allowed for the second time, the Greek junta to make propaganda use of the World Bank loans without applying his threat of 1970 that he would rescind the loans to Greece if this happened again. It did happen again, last December.

It should not have happened, and I for one will be hesitant to support future requests for funding of IDA it if ever happens again.

Mr. JAVITS. Mr. President, when I was temporarily absent from the floor and the duty was taken over by the Senator from Minnesota (Mr. Humphrey), the amendment on the possession of gold by Americans, which the Senator from Colorado (Mr. Dominick) had offered, was adopted.

I have very grave reservations about the advisability of the adoption of such an amendment, certainly on this bill, and generally, as a matter of policy, these reservations are very heavily shared in the Federal Establishment. I just wish to record that on the record so that my view on this matter may not be misinterpreted at some future time.

The amendment is deceptively simple. And the arguments in its favor are compelling on the surface. Nevertheless, I have serious reservations about the amendment, because of the effect it would have on the international monetary system, and of necessity on the strength of the dollar and our domestic economy.

The Treasury Department's views have been excellently stated by the Senator from Minnesota (Mr. Humphrey). In summary they point to the fact that we are currently engaged in very sensitive negotiations on the shape of the international monetary system. These negotiations are making progress, according to a well-defined timetable, and adoption of this amendment would suddenly confuse and throw into disarray the months and months of work which have gone before us. I take the Treasury Department's views very seriously, as I believe we all must when considering this amendment.

I would like for the record to mention some other points which did not surface during consideration of the amendment a few moments ago.

Notwithstanding the compelling arguments in favor of Americans holding gold, we must accept the fact that we live in the real world, and in the area of gold, the real world brings us face to face with the hard facts about the supply of and demand for gold which would ensue were this amendment adopted. The current free world production of gold in 1973 was approximately 36 million ounces. Of that, the United States consumes—through the jewelry trade, dentists, and industrial users—approximately 7 million ounces per year. We are, in fact, the largest consumer of gold, and we must import a considerable amount of that gold.

This means that any additional consumption of gold by Americans must be met entirely by imports, unless Treasury decides to sell off its limited gold supply. If the amendment were adopted by the Congress, the additional consumption could come through direct purchase by individual citizens if the amendment were put into effect. But a more immediate result of the amendment would be the growth of a domestic futures market for gold, which would siphon off additional gold stocks; it is a known fact that our commodities markets are well prepared to start trading gold futures within literally hours after the moment American citizens are allowed to hold gold.

Estimates as to the aggregate effect of these various demands on free gold stocks vary. On the one hand, Canadians—who are permitted to own gold—have not shown the penchant for developing private gold hoards as have, for example, the French; and some analysts conclude that the American experience would be more like the Canadian than the French. On the other hand, developments in other parts of our financial markets, and in such sectors of the economy as land development and art investment, indicate a growing frustration on the part of many Americans with paper investments and a search for something more solid and durable in value.

Outside estimates put the possible effect of 200 million Americans in the gold market at an additional 7 to 8 million ounces of gold per year. The effect of this demand on the present supply, and on the present market price of $156 per ounce would be sudden and dramatic.

At the very least, a sudden rise in the gold price would widen further the cracks in the system which is being dealt with in the current international monetary negotiations. In particular, I refer to the very real temptation which the price rise would pose—especially among European countries—to reintroduce gold convertibility, which simply cannot be the solution to our monetary problems. This course of events would set the international monetary system back decades.

There would also be a direct and immediate effect on our balance of payments. Seven million ounces of imported gold at $200 per ounce, for example, would add $1.4 billion to the deficit side of our trade balance.

Mr. President, I would like to make one final point, for the Record. Reference was made during consideration of this amendment that the United States is one of the few countries where private citizens are not allowed to hold gold. I am advised that the United Kingdom imposes similar restrictions on its citizens.

In summary, Mr. President, I believe the very strong arguments in favor of Americans being allowed to hold gold must be weighed against the real consequences of adopting an amendment such as the one at hand. As the Senator from Minnesota made clear, we already have on the books a provision for giving Americans this privilege in a way that is consistent with an orderly international monetary system.

Mr. President, I again am prepared to suggest the absence of a quorum, without the time being charged to either side, or some other arrangement satisfactory to the Senator from Virginia.

Is that satisfactory?

Mr. HARRY F. BYRD, JR. Yes.

Mr. JAVITS. Without the time being charged.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I yield 10 minutes to the distinguished Senator from Mississippi.

Mr. STENNIS. Mr. President, I certainly thank the distinguished senior Senator from Virginia for yielding to me. I shall stay well within the 10 minutes yielded to me.

THE MILITARY PROCUREMENT BILL

Mr. STENNIS. Mr. President, I am pleased to advise Senators that the Armed Services Committee report on the military procurement bill for fiscal 1975 will be filed with the Senate today. Printed copies of the report will be available to any Senator at the Senate Armed Services Committee, room 212, Russell Building. Several volumes of the printed testimony are available for any Senator at the committee, and all of the printed testimony will be available shortly.

Further, the Armed Services Committee has requested that this bill be taken up by the Senate for debate and final passage as soon as reasonably possible. Committee staff members will be available to assist any Senator in every way possible with the report as well as the printed testimony, and I invite each of the Senate membership to call on the staff for any assistance needed.

After reasonable debate and the consideration and disposition of any amendments that may be called up, I trust that this important bill will move to final passage as soon as reasonably possible and get the measure on to conference with the other body, which has already passed its version of the bill for fiscal 1975. It is only in this way that the appropriation bill for the Department of Defense for fiscal 1975 can move to the Senate floor for consideration. Hearings on the appropriation bill will be completed in a reasonable time, I am sure.

The Senate Armed Services Committee has had very complete and painstaking hearings on all major phases of the authorization bill, including the research and development requests. Many major phases of the bill have been gone over by highly competent subcommittees and the full committee has conducted extensive hearings on all phases of the bill that were not covered by the subcommittees. For almost 12 months our competent staff has done an unusual amount of work on the bill and the items contained therein.

I am fully convinced that this bill, as presented to the Senate, carries sufficient weaponry and manpower needs to afford us a very strong, highly competent, and modern military program.

Ultimately, in the times in which we live, our real and effective deterrent is our military strength. Diplomacy and summit conferences, of course, have a highly important place and are always to be greatly encouraged. I believe in that.

There is discussion as to whether or not President Nixon is going to Moscow soon for a summit conference. Assuming that the Soviets are willing, I hope that he does go. In fact, I think he should, all things considered. To meet present conditions, conferences should be held from time to time with willing nations and I feel that the President would be able to make some accomplishments and move forward some, at least, in the direction of peace.

The achievements, as I see it, would not necessarily be measured in terms of concrete agreements, but the fact that a conference was held and effort was made by both sides to reach agreements is an achievement toward peace within itself.

In the meantime, though—and I want to stress this point—I am convinced that we cannot afford to yet yield from a firm position of adequate military strength.

Even though I am greatly concerned over their cost, we must have the foremost and most modern frontline weapons and quality manpower in our military departments. When I say "front line weapons" or modern and foremost weapons I mean modern missiles, modern planes, modern submarines, and other seagoing vessels, modern ground weapons, all as good as technology can produce and money can buy. It is always a serious question, of course, as to how many such weapons we should have, but there is no doubt about the fact that they must be modern and first class.

I believe the military procurement bill as filed by the Senate Armed Services Committee fully meets these requirements.

Furthermore, there is another requirement. It is more essential than the military one I have just mentioned. This additional requirement is what is generally called quality manpower. Lacking this quality manpower, we lack everything. By quality manpower I mean men and women who have the qualities of dedication, energy, talent, and training that is required to carry on with the peacetime problems and also wartime problems. These qualities must be so pronounced that they will withstand severe training and the ups and downs of military life.

Talking about making military life easy and soft, there is no such thing as it being soft and easy and at the same time having effective military units. There are going to be ups and downs, and there are going to be plenty of hard knocks, too.

Numbers are, of course, necessary, but numbers alone by no means make an effective military organization.

Our committee, and the Congress, is giving every support to the military services in support of the volunteer forces concept for our manpower. There has not been sufficient time yet to prove its worth but the responsibility of making it work is that of the military services.

This bill will be fully debated, which will be a wholesome thing. I hope we can fully consider the measure and any amendments offered within a few days.

Again, I thank the Senate leadership for arranging for the bill to be taken up.

Mr. President, Senators will notice I have not mentioned dates here, because the leadership was not able to give me a definite date, but I am hoping that action on this measure can begin as early as Friday of this week for the preliminary statements, the opening statements, and that we can move, then, perhaps next Monday, into further debate and the consideration of any amendments that may be brought up.

I thank the Senator from Virginia again for giving me the time for this advance notice, so that all parties will know about when this matter will come up.

The PRESIDING OFFICER. Who yields time?

TRIBUTE TO SECRETARY KISSINGER

Mr. HUMPHREY. Mr. President, I yield myself 3 minutes.

I rise for the purpose of noting for the RECORD here today the tremendous and significant accomplishment and achievement of Dr. Kissinger in his patient, persistent diplomacy in the Middle East, having made 13 visits back and forth between Damascus and Jerusalem, having been away from the United States in this delicate, sensitive negotiation between Israel and Syria longer than any Secretary of State in the history of our country; and today the President of the United States announced the agreement that has been reached between Israel and Syria as a result of Dr. Kissinger's effective personal diplomacy.

Every Member of this Congress and every citizen in America should be eternally grateful to Dr. Kissinger for this remarkable and significant achievement.

As the President has properly noted, there are many problems yet to be solved. But the two agreements of troop disengagement, first between Israel and Egypt, and now between Israel and Syria, I think, stand us well for the possibilities of successful negotiations later on at Geneva on other more difficult and complex problems.

Mr. President, I ask unanimous consent that the text of President Nixon's announcement on the disengagement agreement between Israel and Syria be printed at this point in the RECORD.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

WASHINGTON.—Here is the text of President Nixon's announcement of the disengagement agreement between Israel and Syria:

Ladies and Gentlemen: I have an announcement that will also be made today in Jerusalem and Damascus. The announcement reads as follows:

"The discussions conducted by United States Secretary of State Dr. Henry Kissinger with Syria and Israel have led to an agreement on the disengagement of Syrian and Israeli forces. The agreement will be signed by Syrian and Israeli military representatives in the Egyptian-Israeli military working group of the Geneva conference on Friday, this Friday, May 31."

Just a word about the significance of this development. It is obviously a major diplomatic achievement and Secretary Kissinger deserves enormous credit for the work that he has done along with members of his team in keeping this negotiation going and finally reaching an agreement when at many times over the past weeks it seemed that the negotiations would break down.

Also credit goes to the governments concerned which had great differences that had to be resolved. I have sent messages of congratulations to Prime Minister Meir of Israel and also to President Assad of Syria congratulating them with regard to the statesmanship they have shown in resolving differences that seemed totally without any prospect of resolution a month or so ago, and even, a matter of fact, over the past month.

This particular agreement, together with the agreement that was reached earlier on disengagement of Egyptian and Israeli forces now paves the way for progress in Geneva and, of course, with the various governments involved toward our objectives and, we trust, their objective as well of achieving a permanent peace settlement for the entire Mideast area. However, we should have in mind that despite the fact that these two agreements have now been reached that there are many difficulties ahead before a permanent settlement is reached. However, what was a major roadblock to any permanent settlement has now been removed. And I think the most difficult roadblock, the roadblock being the differences that have long existed between Israel and Syria.

As far as the United States is concerned we shall continue with our diplomatic initiatives, working with all governments in the area, working toward achieving the goal of a permanent settlement, a permanent peace and I can only say that based on the success in reaching this agreement in which the differences were so great that the prospects for reaching agreement on a permanent basis, I think now are better than they have been at any time over the past 25 years.

The agreement will be signed by military men from each side on Friday in the Egyptian-Israeli military working group of the Geneva Peace Conference, which Syria is expected to join. Kissinger and Soviet Foreign Minister Andrei Gromyko are co-chairmen of the Geneva Peace Conference.

The details will be announced officially on Thursday when Prime Minister Golda Meir will present it to the Israeli Knesset (parliament).

But it includes Israeli withdrawal to a cease-fire line in the Golan Heights, a buffer zone between the forces of the two countries, a thinning out of men and weaponry on both sides, a U.N. force to police the agreement and an exchange of prisoners of war. Israel radio said planes already were standing by to bring home the POWs.

The Egyptian Government hailed the Israeli-Syrian agreement as another victory for the Arabs that means another unilateral Israeli withdrawal from some captured Arab territory. An official said it is "a gain and an added strength to the Arabs.

President Nixon made the announcement in Washington at 1 p.m. EDT and his statement was broadcast by Damascus radio. Israel delayed announcement of its approval for half an hour later after a cabinet meeting that gave the final approval.

Nixon, in making the announcement on a nationwide television address, cautioned that in spite of the two cease-fires negotiated by Kissinger it did not mean that all the roadblocks had been removed toward a permanent Mideast peace.

"This particular agreement, together with the agreement that was reached earlier on disengagement of Israeli and Egyptian forces, now paves the way for progress in Geneva (for permanent peace).

Weary from 13 shuttles between Jerusalem and Damascus, Kissinger will start his thrice-postponed return home Thursday morning, stopping over for lunch in Cairo with Egyptian President Anwar Sadat and arriving back in Washington after dark.

Prime Minister Golda Meir invited officials to a party at her office at 8 p.m. to toast the agreement and in farewell to Kissinger.

While there were no official details, Israeli Government sources gave this picture of what the agreement would contain:

—Israel will withdraw from the 325 square mile salient captured in the 1973 Middle East war and from a sliver of the east Golan Heights taken in 1967, including the former administrative capital at Quneitra. Israel will keep three strategic hills west of the city.

—The buffer zone will be 1.2 to 3.6 miles wide, manned by about 1,250 troops of a United Nations disengagement observer force (UNDOF).

—Syrian civilians will return to Quneitra and the villages in the buffer zone under Syrian civilian administration.

—There will be a zone of limited forces on both sides of the buffer zone. In the first six miles on each side, Syria and Israel will be limited to 6,000 troops as well as 36 guns of 122MM caliber and perhaps 75 tanks. In a second six-mile-wide zone, there can be 450 tanks and unlimited troops but no missiles or long-range artillery.

—The United States is expected to give Israel assurances of political support in case of Israeli retaliation against Palestinian guerrillas who might have infiltrated from Syria. Syria refused to guarantee such infiltration would not occur.

A senior American official said the agreement would closely follow the Egyptian model. What will be released Thursday are the texts of the broad agreement themselves, expected to be short, and a map of the cease-fire line, buffer zone and thinning out zones.

Mr HUMPHREY. Mr. President, I would hope Congress, in whatever form, fashion, or way it can, would express its appreciation to Dr. Kissinger for remarkable service to the cause of peace and for his great dedication to the well-being of the states involved in the serious conflict and dangerous situation in the Middle East.

I, for one, am very proud of him and proud to call him a friend. I feel as a citizen honored that he represents us in diplomacy.

Mr. STENNIS. Would the Senator yield to me for just one sentence?

Mr. HUMPHREY. Yes, indeed.

Mr. STENNIS. I join in the sentiments expressed by the Senator from Minnesota in reference to this splendid work, remarkable work, that has been done by our Secretary of State, Mr. Kissinger, and commend him very highly in what was almost an impossible task.

It remains to be seen what the fruits of it will be, but I believe they will be great.

President Nixon, our Chief Executive, deserves great credit for this entire matter, which I believe is a far reaching and beneficial achievement in world affairs.

Mr. HUMPHREY. Mr. President, I always believed when a man achieved something that he was entitled to credit. In this instance, both the President and the Secretary of State are entitled to our thanks for this remarkable success, limited as it may be, but it is an important step.

Mr. GOLDWATER. Will the Senator yield?

Mr. HUMPHREY. Yes, I yield to the Senator from Arizona.

Mr. GOLDWATER. I would like to join the Senator in his comments on Dr. Kissinger. I think he has done an outstanding job, but I would feel remiss in my duty to my conscience if I did not remind this body that the President is responsible for foreign policy. Every bullet that has had to have a bite, the President has had his teeth on it, and he is responsible for the achievements in the Middle East of Dr. Kissinger.

Mr. HUMPHREY. I want to say to the Senator from Arizona that the Senator from Minnesota did so express his thanks to the President and the Secretary of State.

When we think the President is wrong, of course, we criticize him. When we think he is right, he is entitled to our respect and our praise. In this instance the foreign policy objectives of the United States, as enunciated by the President and carried out by the Secretary of State are commendable and deserve our expression of appreciation.

Mr. GOLDWATER. I am happy to be in agreement with my friend from Minnesota.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum, the time to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. STAFFORD). Without objection, it is so ordered.

U.S. PARTICIPATION IN THE INTERNATIONAL DEVELOPMENT ASSOCIATION

The Senate continued with the consideration of the bill (S. 2665) to provide for increased participation by the United States in the International Development Association.

Mr. HUMPHREY. Mr. President, I am going to move to table the Dominick amendment and I do so for two reasons.

First, this is the wrong time for this amendment. It will be a reflection on the effective policy of this Government in the Middle East and with the Soviet Union.

Second, and more significantly, the Senator from Illinois (Mr. STEVENSON), the chairman of the Subcommittee on Banking, Housing, and Urban Affairs, is already processing such an amendment. He is holding hearings and doing it the appropriate way in this body.

It would be a great mistake to circumvent the committee process and act precipitately on this proposal.

Mr. STEVENSON. Mr. President, the Committee on Banking, Housing and Urban Affairs has held extensive hearings on this subject. The authorizing legislation for the Export-Import Bank expires at the end of June. So within a month the Banking, Housing and Urban Affairs Committee will have its legislative report on this subject, and also a bill extending the authorization for the Export-Import Bank.

At that point, the Senate will be in a better position to act on all the issues associated with the Export-Import Bank's extension of credits.

So I would urge the Senate not to act now. To do so would be premature.

Mr. BAYH. Mr. President, I shall vote to table the pending amendment because the issue it raises is one now being considered in committee and due for considered Senate action in the near future. The distinguished Senator from Colorado (Mr. DOMINICK) raises a valid and important issue in offering his amendment.

However, because of the extremely serious nature involved in limiting Export-Import Bank loans, it would be far more responsible to deal with this matter following appropriate committee action.

In voting to table the pending amendment, and since my vote to table is not a vote in opposition to the purpose of the amendment, I should like to ask that the issue be brought before the Senate again in the near future for more considered action.

Mr. HUMPHREY. Mr. President, I now move to table the amendment offered by the distinguished Senator from Colorado (Mr. DOMINICK).

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota (Mr. HUMPHREY) to table the amendment of the Senator from Colorado (Mr. DOMINICK).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa

(Mr. Hughes), the Senator from Hawaii (Mr. Inouye), the Senator from South Dakota (Mr. McGovern), the Senator from Wisconsin (Mr. Nelson), the Senator from Rhode Island (Mr. Pell), and the Senator from Alabama (Mr. Sparkman) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. Bennett), the Senator from New York (Mr. Buckley), the Senator from Kentucky (Mr. Cook), and the Senator from Florida (Mr. Gurney) are necessarily absent.

I also announce that the Senator from New Mexico (Mr. Domenici), and the Senator from Arizona (Mr. Fannin) are absent on official business.

I further announce that the Senator from Nebraska (Mr. Hruska) is absent attending a funeral.

The result was announced—yeas 59, nays 25, as follows:

[No. 217 Leg.]

YEAS—59

Abourezk
Aiken
Baker
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Burdick
Case
Chiles
Church
Clark
Cranston
Dole
Eagleton
Eastland
Fong
Griffin
Hart
Haskell
Hatfield
Hathaway
Huddleston
Humphrey
Jackson
Javits
Johnston
Kennedy
Magnuson
Mansfield
Mathias
McGee
McIntyre
Metzenbaum
Mondale
Moss
Muskie
Packwood
Pastore
Pearson
Percy
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stennis
Stevenson
Symington
Taft
Tower
Tunney
Weicker
Williams
Young

NAYS—25

Allen
Bartlett
Bible
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Cotton
Curtis
Dominick
Ervin
Goldwater
Hansen
Helms
Hollings
Long
McClellan
McClure
Metcalf
Montoya
Nunn
Proxmire
Scott, William L.
Stevens
Talmadge
Thurmond

NOT VOTING—16

Bennett
Buckley
Cook
Domenici
Fannin
Fulbright
Gravel
Gurney
Hartke
Hruska
Hughes
Inouye
McGovern
Nelson
Pell
Sparkman

So the motion to table the Dominick amendment was agreed to.

Mr. MANSFIELD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

At the end of the bill add a new section as follows:

Civil Service Retirement Credit For Certain Language Instructors Of The Foreign Service Institute, Department of State.

Section 8332(b) of title 5, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (8);

(2) by striking out the period at the end of paragraph (9) and inserting in lieu thereof a semicolon and the word "and";

(3) by inserting immediately below paragraph (9) the following new paragraph:

"(10) subject to making a deposit provided for under section 8334(c) of this title, service performed after June 30, 1948, but prior to July 1, 1960, as a language instructor in the Foreign Service Institute, Department of State, under a non-personal-services contract, only if he later becomes subject to this subchapter."; and

(4) by inserting immediately after the fifth sentence thereof the following new sentence: "The Commission shall accept the certification of the Secretary of State concerning service for the purpose of this subchapter of the type described in paragraph (10) of this subsection and performed by an employee."

Sec. 2. The amendments made by the first part of this section shall apply to individuals separated from Government service prior to, on, or after the date of enactment of this Act, and their survivors; but no annuity or survivor annuity, or increase in any such annuity shall be payable by reason of such amendments for any period prior to the first day of the first month which begins after the date of the enactment of this Act.

Mr. MANSFIELD. Mr. President, this amendment was passed by the Senate as a bill sometime in the last year. If my memory serves me correctly, the vote was unanimous, but no action has been taken in the other body.

The purpose of this amendment is to provide entitlement to credit under the civil service retirement system for periods of service of certain language instructors of the Foreign Service Institute of the Department of State, if the employee subsequently became entitled to retirement benefits. The employees involved were employed under so-called "nonpersonal-services contracts." The Comptroller General determined in 1960 that these contracts were unauthorized. Thereafter, the State Department appointed these language instructors as full-fledged employees. This bill would correct the administrative error insofar as retirement accreditation for the employees involved is concerned.

Twenty-eight people between 1948 and 1960 entered into non-personal-service contracts to perform duties as language instructors for the Foreign Service Institute of the Department of State.

Mr. President, I think this is only a matter of equity and fairness to the small number of people who have no protection as it is now, and I urge that the managers of the bill before the Senate accept the amendment.

Mr. HUMPHREY. Mr. President, the majority leader has spoken to us about this matter. It is perfectly obvious that this is something that needs to be done, and the Senator from Montana has seen fit to bring it here so that we can get justice for these employees.

I hope the Senate will agree with me and accept the amendment.

Mr. JAVITS. Mr. President, I am inclined to agree with the Senator from Minnesota in this matter. It is not a great matter. It is a matter on which we have acted. It may be possible to deal with it in this conference, and it may not. I will not stand in the way of it.

For the information of the Senate, however, as one of the managers of the bill, I am sure the majority leader would want me to state two things: One, this amendment may not be germane, and the unanimous consent was in the usual form, so germaneness could be raised. I am not raising it.

Second, Mr. President, I am informed by the staff that we are going to mark up a bill dealing with this subject, in the Committee on Foreign Relations, into which this amendment would fit. It is my belief, however, that the purpose of the majority leader is to put the matter forward so that it has attention. Often, what will happen in a conference is that there is an agreement to drop a particular provision, with a promise that it will be promptly included and facilitated in another bill.

For those reasons and having stated to the Senate the rights of any Senator will be protected if he wishes to avail himself of those protections, I shall not oppose accepting the amendment.

Mr. FONG. Mr. President, this matter came before the Committee on Post Office and Civil Service, which has jurisdiction over this matter. We did recommend its approval last time and it was passed by the Senate. We have no objection.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record pertinent information covering this amendment.

There being no objection, the material was ordered to be printed in the Record, as follows:

Report

[To accompany S. 2264]

Purpose

The purpose of this amendment is to provide entitlement to credit under the Civil Service retirement system for periods of service of certain language instructors of the Foreign Service Institute of the Department of State, if the employee subsequently became entitled to retirement benefits. The employees involved were employed under so-called "non-personal-services contracts". The Comptroller General determined in 1960 that these contracts were unauthorized. Thereafter, the State Department appointed these language instructors as full-fledged employees. This bill would correct the administrative error insofar as retirement accreditation for the employees involved is concerned.

Background

Twenty-eight people between 1948 and 1960 entered into non-personal-service contracts to perform duties as language instructors for the Foreign Service Institute of the Department of State. After 1960, upon a finding of the General Accounting Office that such contracts were unauthorized, the contractors were appointed as employees. These employees contend that the manner of their employment before and after 1960 was the same, that personal services were provided in both instances, and that they are entitled to retirement credit for their pre-1960 service. Their recourse to administrative remedy through appeal to the Civil Service Commission has failed, apparently on the ground that they do not meet one of the criteria established for Federal employment, namely, that during the pre-1960 period they were not under the supervision and direction of a Federal office, a contention which they dispute. Nevertheless, they were engaged in Government work under terms and conditions which should by law have recognized them as entitled to the status of Federal employees for retirement purposes.

This measure is necessary to correct the inequity created by an administrative error which excluded these men and women from Federal employment when they were in fact functioning as Federal employees.

It provides that the employees affected will be required to deposit to the Retirement Fund amounts equal to the amounts they would have contributed had they been on the Federal rolls during the periods of their non-personal-services contracts.

COST

The unfunded liability of the Civil Service retirement Fund would be increased by $458,000 which would be amortized by annual installments of $28,400 per year for 30 years as authorized by section 8348(f) of Title 5, United States Code.

This measure passed the Senate as a bill on or about Dec. 14, 1973.

Mr. MANSFIELD. Mr. President, I yield back the remainder of my time.

Mr. HUMPHREY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. DOLE. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

At the end of the bill add the following new section:

SEC. 2. Notwithstanding any other provision of law, the importation into the United States of all articles specified in items 106.10 (relating to fresh, chilled, or frozen cattle meat) and 106.20 (relating to fresh, chilled, or frozen meat of goats and sheep (except lambs)) of the Tariff Schedules of the United States is hereby prohibited. The prohibition on the importation of the specified meat and meat products shall be effective for a period of ninety days from the date of enactment of this Act, except that the prohibition may extend for a lesser period of time upon a determination and proclamation by the President that such lesser period of time is required by the national security interests of the United States.

The PRESIDING OFFICER. The Senator will suspend until the Senate is in order. Will Senators conducting conversations please retire to the cloakroom? The Senate will be in order.

Mr. JAVITS addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. JAVITS. Mr. President, a point of order. I wish to simply state I reserve the point of order.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, this is an amendment to the International Development Association Act to halt the importation of certain meat and meat products for 90 days. The purpose of this bill is to provide temporary relief to the cattle and other meat producing industries during this immediate crisis and to permit a period for the reassessment of government action in the meat industry crisis.

The cattle industry in Kansas and throughout the country has been in a disastrous situation for the past 8 months and no relief is in sight at this point. A continuation of this situation can only result in wide-spread bankruptcy and economic ruin throughout the cattle industry and other meat industries.

CONSUMER HURT IN THE END

The most important point of this whole situation is that consumers will ultimately be hurt the most by economic disaster in the cattle industry, and this, Mr. Prsident, is an issue that every member of this legislative body will have to answer to.

Cheap imported meat this summer may lower the food bill for housewives for a while, but the disruption in the domestic production of beef will ultimately lead to higher prices.

The present trend in the cattle business is that cow herds are being thinned, feed lots are being shut down, and there is a general decline in our ability to produce meat. The future outlook promises a continuation of this trend.

As every cattleman knows, it takes a 3-year cycle to increase the production of beef again once it has dropped. If our capacity to produce is hurt this year, consumers can ultimately expect a long and higher priced road back to an ample supply of tender and juicy choice beef.

FUTURE OUTLOOK SEVERE

Mr. President, the outlook for the cattle industry is especially severe for several reasons. First, cow slaughter and the thinning of cow herds is above normal. Second, we have a large inventory of beef in storage at this time. Third, there is a large supply of beef on the hoof presently existing in feed lots which must come to the market in the near future. Finally, since import restrictions have been implemented in Japan and the European Economic Community, we have seen the shipments of beef all over the world redirected to the United States.

All of these trends mean additional beef coming onto the U.S. market. The addition of increased imports will greatly contribute to the market glut and a disastrous situation in the livestock market. The only result can be widespread bankruptcy for cattlemen in Kansas and all across the country.

To provide temporary relief from this increase in imports, we need this 90-day embargo on the importation of meat, as I offer today.

GOVERNMENT ACTION AT FAULT

Cattlemen did not get into this predicament by themselves. Depression-level prices began last year because of price controls.

Putting price controls on the beef industry last summer encouraged the holding of beef until the artificial constraints were lifted. My colleagues will recall that a price freeze was kept on the retail beef industry longer than for any other food sector. Repercussions have been felt throughout the cattle business ever since.

PRICE CONTROL FIASCO

Because of price controls, choice steer prices in Omaha dropped 27.4 percent from a peak in August to a low in December. After a brief respite earlier this year, the industry was hit again, this time by the truck strike.

The financial losses have been staggering. And Congress, because of its role in supporting or permitting price controls, bears part of the responsibility. In my opinion, we in the Congress, because of our failure to halt price controls sooner, should act all the more promptly to help the cattle industry by passing this legislation.

IMPORTS RISING

Since beef import quotas were lifted in 1972, we have seen the United States become "the world's dumping ground for beef." We have seen incoming shipments of beef rise to 1,354,000,000 pounds of beef in 1973.

In 1974, imports are expected to rise to 1.55 billion pounds. This is about 200 million pounds more than last year's shipment for an astounding increase of nearly 15 percent. Such a level of imports is equivalent to about 3.25 million head of cattle.

In terms of the overall beef industry in the United States, the 1.55 billion pounds of beef imports expected this year represents over 7 percent of the total quantity of beef produced in this country last year. Clearly this portion of the market is enough to have a harmful effect on prices.

And the true level and impact of beef imports this year may not have been properly evaluated yet. Large numbers of cattle are reportedly being fattened in Australia for export. This beef is expected to hit the U.S. market later this summer at the same time increased numbers of American cattle will be ready for sale.

MARKET DEPRESSED BY IMPORTS

The impact of beef imported into this country will be to further depress the market. This meat comes from countries where cattle are fattened for market on grass. While grass-fed cattle can be fattened more cheaply, the meat from these animals is not of the quality most desired by American consumers. The major portion of grass-fed beef will find its way into cheaper cuts such as hamburger and lunch meat.

The deluge of Australian meat expected later this summer will drive the market ever lower. The effect is likely to be that most commercial feedlots where prime American beef is produced will be driven out of business and the domestic output of meat will decline.

TRADE POSITION NOT AT STAKE

A final comment should be made about the effect an embargo of meat imports would have on our trade position. Some advocates of lifting import quotas have argued that reducing barriers would encourage other countries to do the same with the final result of liberalizing world trade and improving the sales of U.S. products overseas.

While this concept may appear to have some merit, it is difficult to see how such reciprocity would work in the production of beef. We have seen Japan, Canada, and the European Common Market close off imports of American beef.

The liberalization of world trade certainly holds great promise for American agriculture and for the meat industry in particular. However, the way to achieve this is not through the destruction of our livestock markets.

The lifting of import quotas in conjunction with similar action by other major beef consuming countries would be more rational. American cattlemen and other meat producers can compete in open markets on their own merits of efficiency and high quality.

However, to unilaterally keep import quotas off is to invite disaster.

Mr. President, it is to prevent disaster in the cattle and meat producing industries that I offer this amendment. It is to avoid ultimately higher meat prices for all American consumers that I urge every Senator to support this measure.

I ask unanimous consent to have printed in the RECORD a fact sheet by the Kansas Livestock Association describing the livestock industry in Kansas.

There being no objection, the fact sheet was ordered to be printed in the RECORD, as follows:

THE STATE OF THE KANSAS CATTLE INDUSTRY

The cattle industry in this country has suffered extremely severe financial losses over the past seven-and-one-half months. Hardest hit during this critical period have been cattle feeders because of their inherent "locked-in" costs and critical marketing time periods. However, if history is any indication, each of the other segments of the cattle producing and feeding chain will have incurred heavy losses before the readjustment period completes its cycle.

Briefly, there are three main reasons for this loss situation. First, an increasing consumer demand and a potential for profit have spurred cowmen to increase the number of beef cows over a period of several years. Secondly, Government action in 1973 in the form of price controls and then an extended price freeze completely disrupted any semblance of a normal marketing pattern. When the market finally began to develop a pattern, the third factor, the February truck strike occurred. The net effect of these factors was to create an oversupply of fat cattle ready for market. Especially the Government action made it impossible for the normal forces of supply and demand to operate. Today we not only have a "below breakeven" price for slaughter cattle, but we also have a great deal of uncertainty at all levels in the industry from ranchers to retailers.

Since the sales of cattle in Kansas during 1973 amounted to well over two billion dollars ($2,044,000,000), the cattle industry's climate is particularly crucial in Kansas. The following facts are worth noting:

(1) Kansas feeders have sold approximately 1,650,000 head of slaughter cattle from October 1, 1973, to mid-May, 1974. Figuring the average loss at $100 per head (which is conservative) the total loss has been $165 million and some say closer to $200 million.

(2) Kansas cowmen have approximately 2,000,000 beef cows on Kansas farms and ranches. Last year these cows were worth about $500 each. This year they have an average worth of only $350 each. This amounts to a $300 million equity loss.

(3) Kansas stocker operators normally have about 2,000,000 stocker cattle on hand . . . on wheat pasture, native grass or in growing programs of some kind. We estimate a conservative $50 loss per head on these cattle which means a total loss on stocker cattle of $100 million.

The Kansas cattle industry is a big one but even a two billion dollar industry cannot sustain actual losses of $600 million. The outlook for late summer and fall is equally dismal. Assuming it takes $200 to produce a 400 lb. calf, a price of $40/cwt. is way below breakeven, putting cowmen in an even tighter cost squeeze when they begin marketing calves. Feeder and stocker losses will also continue unless things change.

BEEF IMPORTS

The Kansas Livestock Association has supported the principle of the Meat Import Act of 1964 which gives the President of the United States authority to limit meat imports, after giving special consideration to "the economic well-being of the domestic livestock industry". However, since June of 1972, the import quotas have been lifted. This has left the door wide open to foreign beef imports at a time when the domestic livestock industry is suffering through one of the most severe financial crises in history.

The KLA has called for an immediate embargo of beef imports into the U.S. This action is justified, we feel, for the following reasons:

1. Currently the United States is the only major importing nation with its doors wide open to beef imports. Japan embargoed beef and veal imports in February, 1974. The European Economic Community has taken a series of actions, the latest one on April 1 of this year, that has effectively cut off beef imports into the EEC. These two major importers have taken this action to protect their domestic livestock industries.

2. The imported beef coming into this country is not just low quality cow beef. According to the USDA's Foreign Agriculture Service, much of this product is now finding its way into the restaurant and institutional trade in direct competition with our domestically produced grain fed beef.

3. This year the FAS has estimated 1,550 million pounds of beef will come into this country. That's the equivalent of 3½ million head of cattle, 200 million pounds more than last year, for an increase of 14%. This projected increase could be quite conservative because it is common knowledge that Australia has been holding back on their export shipments because of the lower price structure. But, that production will have to come to market. At the moment, the only world market is the United States.

The summer of 1974 will be extremely critical for the U.S. beef industry. Since October of 1972, Kansas cattle feeders alone have sustained actual losses of at least $165,000,000. This has wiped out profits of the past four years of cattle feeding. So far in 1974, these people are losing their equity capital.

Imports will play a key role in whether this industry is able to survive and continue to service the U.S. consumer with the quality domestic product that she has become accustomed to. The U.S. cattle industry needs and deserves the same protection that other countries have afforded to their domestic producers.

Mr. DOLE. Mr. President, I discussed this amendment with the distinguished Senator from Minnesota (Mr. HUMPHREY). I have pointed out to the Senator from Minnesota just how severe the impact has been in the State of Kansas. He indicated the impact has been as severe in the rural areas he has visited.

The PRESIDING OFFICER. The Senator will please suspend. The Senate is not in order. The Senator is entitled to be heard. The Senator will suspend until the Senate is in order.

The Senator may proceed.

Mr. DOLE. Mr. President, in the State of Kansas alone the livestock industry is a $2-billion industry. They have sustained a natural loss of over $600 million in just the past 8 months. I say to those who are concerned about the price of meat for the consumer, or the price of meat at all, this is a matter of grave import and it has a great impact wherever cattle are raised. And this is not just for feeders, but for the stockers and cattlemen in general.

I believe this would be an appropriate amendment to this bill. The Senator from Minnesota disagrees, but I think he supports the effort I am making.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOLE. I yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I was privileged on Saturday of last week to go with our colleague and friend from South Dakota (Mr. McGOVERN) to South Dakota to attend a meeting of rural people, and particularly cattle people, in the eastern half of the State. There were several hundred of them in the sales pavilion and we were there to listen to what they had to say. We received literally a box full of questions, and when we looked over the questions from the farm producers, over two-thirds of them related to the price of beef cattle and hogs. Most of them were asking that the Government do something about the flood of imports which was having the effect of depressing the prices of cattle and hogs to the point where farm producers were going broke by the hundreds, where loans were being called in, and they were being wiped out.

Perhaps it is not easy for people who go into the supermarket to appreciate this fact. The Senator from Kansas is correct when he says that unless something is done instead of the price of beef being down in months to come, so many beef farmers are going out of business, as well as hog farmers, that the prices will be way up where they were before and be very unjust to the consumer.

Because of the unanimous consent we have on this bill, and because already there is legislation on the books relating to beef and beef production, I am asking the Senator not to press his amendment here. I, with the Senator from Kansas, shall appeal to the Secretary of Agriculture, to the President to use the law we have on the books which was passed in the 1950's, which will make possible some reasonable adjustment in terms of imports into this country which have a price depressing effect on producers of meat products.

I hope the Senator withdraws his amendment with that assurance and I will join him in whatever effort we can make to get relief for the cattle producers.

Mr. DOLE. I do plan to withdraw the amendment. I suggested to the Senator from Minnesota earlier that I do hope to take my case to the President. It is that important, not just for some special interest for the livestock industry, but in the interest of all those who consume meat in this country.

The European Economic Community closed its doors to imports on April 1 of this year and Japan placed an embargo on beef and veal imports in February of 1974. Foreign shipments of beef to this country has reached the point where 7 percent of the meat consumed in the United States is imported, and it comes at a time when the livestock industry is literally on its back. Cattlemen understand the necessity of trade liberalization. They do not like embargoes, but they are just about out of business. And many feeders are already out of business. In our State, the feedlot sector of the cattle industry alone lost $165 million.

I feel very strongly about this matter. I am pleased to have the support of the Senator from Minnesota, and I think a great many others here who represent the livestock industry hold similar views.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. HUMPHREY. Of course, a point of order can be raised, as the Senator from New York indicated, on the amendment.

Mr. DOLE. Yes.

Mr. HUMPHREY. It should be clear for the record that, while the Senator from Kansas presses this amendment, he understands what the agreement includes, and therefore it would not be germane.

Mr. DOLE. Mr. President, I will withdraw the amendment, but first I yield to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, in this discussion of meat prices, my interest is heavily with the consumer. I understand the Senator from Kansas, but when he talks about controls in terms of trying to keep some handle on prices in a runaway inflationary situation everybody gets very religious. We do not want controls, but if things are not going well for them they immediately want the intercession of the Government to impose some kind of control, and the fellow who generally takes the licking is the fellow who pays the bill. Well, someday, although it may take an inordinate amount of time, and after I am gone, we are going to find that there are more of them than there are of us. Every time there is discussion of a formula and every time there is discussion of price controls, one would never think the consumer existed. It is high time that the tens of millions of American consumers begin to hold us to account for the totality of our acts. I say this because, from my experience, and the consciousness which does not seem to prevail here, that over 80 percent of the American people live in urban situations; they do not live in the country. They have to be able to buy these things, and these prices are out of reach. They have shown that they also know when to stop buying. They have found they do not have to eat meat.

They have found out that the most effective control known to man is to stop buying what is thought to be too costly.

So I hope that in the plans of my colleagues serious consideration will be given to it. Just as they want the consumers to take a long range view, paying more now but get more meat later, I hope that the representatives of the producers will take a somewhat long range view, too, and realize that we consumers cannot be exploited any more than they want to be exploited, and that whatever plan is presented may represent some balance between the consumer's desire for supplies but also fair prices.

I rise not to prolong the debate but only to serve the same kind of notice. Surely, Senators from States heavily affected by this matter are going to do their best along the lines already mentioned, but I hope Senators from heavy consumer States may also be aroused, so that in the tension between us we will come out with something that is fair to both sides and we do not have a situation where controls are out but the minute anybody gets in trouble the first thing he wants is controls.

I just say that because I think it needs to be said as, unfortunately, there seems to be some idea that when we are dealing with economics we are still some kind of bucolic society, which we are not.

Mr. DOLE. Let me say to the Senator from New York that I do not quarrel with what he says. We are having difficulty in this industry because of price control. The cattle industry suffered from an extra-long period of price controls. Then along came the truck strike, and the problem was even further aggravated.

So with reference to controls causing the livestock producers' problem, we are not suggesting more controls. But we have to protect a domestic industry which is a basic supplier of food and this Nation is becoming a dumping ground for the meat products of the whole world.

I yield now to the Senator from Wyoming.

Mr. HANSEN. I thank the Senator. Mr. President, I am happy to be a cosponsor of this amendment with him.

I would like to point out to the Senator from New York that if he would review the history of the cattle industry, it may be very enlightening. As a matter of fact, this is one industry which has not asked for, nor has it received, any special help in agriculture. We are the only segment in agriculture, as far as I know——

The PRESIDING OFFICER (Mr. McClure). Will the Senator suspend? The Senate is not in order.

Mr. HANSEN. We are the only segment of agriculture that has not been under a price-support program for many, many years. Back in the early 1960's, when we were operating as we are operating today, on a market that was subject to whatever imports wanted to come into the country, and we would try to meet the competition as best we could, I recall very well that there suddenly developed a rather important demand for raw green cattle hides by Japan, and the tanners of this country, the shoe manufacturers of this country, some of whom may reside in the State of New York, called upon President Johnson to put an export embargo on hides, because if we continued to sell them abroad, as we were then able to do, for about $6 more than they could be sold for here, there was widespread fear among the consumers that my good friend from New York has alluded to that they might have to pay as much as $2.50 to $3.50 more per pair for their shoes.

So what happened? They slapped an export embargo on hides, despite the fact that we were willing then, as we are now, to get along without Government interference. I noticed it did not take very long for the overwhelming majority of those representing those consumers of this country to persuade then President Johnson that that action should be taken.

I cite that not to be critical of my good friend from New York but in the hope that by reviewing a little history he may be somewhat tempered in his view of the cattle industry. We have a good record. We happen to be good purchasers of American products, and we do not find the average rancher of this country buying too many products from foreign sources of supply. We will not find him employing very many foreign nationals; for the most part they are Americans. I am proud of that fact, and I would hope that the Senator might realize it is going to be easy for people to get out of this business. A number of people in the feeding business have lost as much as $200 a head on cattle they are feeding this year.

All I can say is that if this business goes down the drain, it will be reflected throughout the economy, because a very significant part of everything America produces goes into the production of agricultural products, and the production of beef products in particular. I would hope we would keep those facts in mind as we try to reach a rational decision in attempting to meet this emergency.

I thank my colleague from Kansas.

Mr. DOLE. I thank the distinguished Senator from Wyoming. He is an expert on the livestock industry.

I think we have indicated there are two points of view. We also have indications that there is rather strong support for some relief of the livestock industry. Based on that assurance, plus my understanding of the unanimous consent agreement, I withdraw the amendment.

Before the amendment is withdrawn, I ask unanimous consent that the distinguished Senator from Oklahoma (Mr. Bartlett) and the distinguished Senator from Wyoming (Mr. Hansen) be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment is withdrawn.

Mr. MAGNUSON. Mr. President, will the Senator yield to me so I may ask a question?

Mr. JAVITS. I yield 5 minutes to the Senator from Washington.

Mr. MAGNUSON. The Senator from Minnesota was very gracious to the Senator from Kansas when he said that if he withdrew his amendment he would be very glad to help him on the livestock problem.

The Senator from Washington is in doubt about this legislation for this reason. I understand many of these loans would be to countries to produce more fertilizer plants, ammonia plants, and yet if there is one shortage in this country, it is the shortage of fertilizer. How can we justify lending part of our money for other people to produce fertilizer? I am sure under the bill people cannot get a loan to make more fertilizer in the United States. I am wondering what we do about our own resources. I am not talking about cattle now.

Mr. HUMPHREY. I understand.

May I respond to my very good friend from Washington? First of all, the countries that would get help under the IDA program for fertilizer are desperately in need of food. There is no amount of food we have that we can use to save them. The only way they can get it is through fertilizer.

In the second place, the fertilizer plants in our country are built by the petroleum industry, which is not short of money.

Mr. MAGNUSON. That is right.

Mr. HUMPHREY. So there is no need to help the oil industry to build the fertilizer plants. If IDA can help other countries build fertilizer plants, it will mean there will be more fertilizer here for ourselves.

Mr. MAGNUSON. I hope that is true.

Mr. HUMPHREY. That is true.

Mr. MAGNUSON. While the administration does something with its right hand, it does not seem to know what it is doing with its left hand. For instance, the administration supported a bill which would create plants to make more fertilizer, but by the same token would not allow, through an administrative ruling, farmers on the Pacific coast to make fertilizer for Alaska. All they had to do was make an administrative ruling, and they would not do that.

Mr. HUMPHREY. This bill is not a correction for stupidity. We worked on that a lot, but I would like to kind of work over some of the folks who have been so ruling. Would the Senator like to join me in some kind of cabal on that?

Mr. MAGNUSON. This was the Defense Department.

Mr. HUMPHREY. We can certainly join in that.

Mr. MAGNUSON. It seems to me we ought to use this occasion to alert ourselves to the fact that we have serious problems here, while we are lending money to other countries to take care of the same kind of projects over there. I would like to see both of them taken care of, and I assume the Senator from Minnesota agrees.

Mr. HUMPHREY. The Senator speaks my mind.

Mr. President, are we ready for the third reading?

Mr. President, will the Senator from New York yield back his time? First, I believe that the Senator from Virginia desires recognition.

Mr. HARRY F. BYRD, JR. Not at this time.

Mr. HUMPHREY. Mr. President, may we have third reading?

The **PRESIDING OFFICER.** If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. HATFIELD. Mr. President, approval of the IDA bill would signal the world that the United States recognizes the magnitude of the problems facing the poorest countries, and will help try to solve them. From a moral and humanitarian perspective, we can do no less than see that our appetites as a country have put huge demands on the world's foods and its natural resources. As we have consumed more than our share of such limited resources, we must not fail to reach out a helping hand to other less fortunate countries of the world.

At a time when some foreigners question the United States' moral commitment to global concerns, approval of this bill is needed to show we will respond to basic human problems. Some people in public life in the United States look for a quid pro quo in legislation, and a list of the countries who could benefit from this legislation show that many of them have nothing to provide us of any immediate gain. Some legislators evidently feel that if such a relationship can be found, it will be easier to explain to tax-conscious voters at home.

Certainly voters want people to look at where their tax dollars go. Just as some question support for IDA, lots of others oppose moneys spent for planes that do not fly or fall apart, and tanks that are obsolete before being built. We should scrutinize some of the exotic plans that some of our military planners keep offering up with the same keen eye that have been turned to alleged shortcomings in this bill.

Humanitarianism to some may appear a passe phrase, one that was all right as long as we in the United States have everything we needed, but that lost its meaning at the first strains of discomfort here at home. I do not share this view. Global hunger and famine only contribute to a time bomb of human suffering. Its explosion can be defused by measures such as this.

Humanitarianism still means that we care about millions of starving people in Africa, and relief efforts in India and Pakistan. We should help the many smaller countries try to provide answers to tragic human suffering. It means we recognize that nationalistic concerns must be submerged when we are talking about the basic right to life of starving people. It means that the United States recognizes that discussions about moral leadership become hollow rhetoric unless backed up with action. "Do as I say, not as I do" will not work. Approval of IDA will show the poorest countries of the world that the United States can respond to the human problems they face with programs such as this one before us now.

I urge approval of the IDA bill.

Mr. HARRY F. BYRD, JR. Mr. President, I yield myself such time as I shall require. However, I shall take only 2 or 3 minutes. I shall then be prepared to yield back the remainder of my time.

Mr. President, the current budget already provides $10 billion for foreign aid. That does not include the $8 billion for the Export-Import Bank.

Earlier today I had printed in the RECORD a breakdown of all of the foreign aid commitments. The proposed legislation now before the Senate is for $1.5 billion over and above these other figures. This would go to the World Bank, which would get that $1.5 billion.

We must borrow the funds at 9 percent interest and turn them over to the World Bank, which will in turn loan those funds to other countries at 1 percent interest.

The able senior Senator from Missouri (Mr. SYMINGTON) brought out in debate this afternoon that other countries take that money and lend it to companies within those countries at interest rates anywhere from 12 to 20 percent.

So we are not talking in this bill about feeding the hungry, or anything like that. I note in the report of the committee and the hearings that the distinguished senior Senator from New Jersey (Mr. CASE) brought out that 40 percent of all the funds of the International Development Association will go to India. We know what happened there last week. India developed a nuclear weapon. She had obtained over the years a very high percentage—well above 40 percent—of all of the funds at the soft loan window of the World Bank. So what we have been doing has been to help India develop a nuclear weapon.

Mr. President, it seems to me that in a time of high inflation in this country, the Senate cannot justify borrowing money at 9 percent and turning it over to other countries at 1 percent interest, repayable to the World Bank in some 40 to 50 years.

I do not oppose, as I think Senators know, participation by the United States in helping poor and starving people. That is not the issue, however. The people of the United States have proved that they are the most generous people that the world has ever known. We have given $160 billion to other countries. We have lent them billions of dollars, many more billions of dollars than will ever be repaid. Ten billion dollars is provided for foreign aid in the current budget. The issue before us is not whether the United States is a generous nation. Our generosity has been established. No one can doubt the generosity of the United States.

What is before us is this: Will the United States, faced with one of its worst inflations in history, weighed down by the burden of Government deficit, give $1.5 billion more in tax funds paid into the Treasury by hard-working, hard-pressed taxpayers on top of the $10 billion in the foreign aid program already contained in the budget.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. Mr. President, I yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I say to my good friend, the senior Senator from Virginia, that I appreciate his tenacity, his persistence, and his basic belief in taking this position.

One of these days, I hope that I will

have the chance to manage a bill that is popular.

Mr. HARRY F. BYRD, JR. We have a popular bill according to the way Senators have voted. It is a very unpopular bill according to the way the Members of the House of Representatives voted. The House of Representatives voted this bill down.

Mr. HUMPHREY. We are going to work on them. We are going to pray for them, and salvation and redemption will all come on the same day.

Mr. President, I yield back the remainder of my time.

Mr. COTTON subsequently said: Mr. President, I was off the floor in a committee conference and I had intended to speak briefly before the bill was passed. I came back just as the Senator from Virginia (Mr. HARRY F. BYRD, JR.) was making his remarks. I would have contented myself, had I had time, to associate myself with everything he said, because he expressed exactly my sentiments and my reasons for voting nay.

Mr. JAVITS. Mr. President, the point which has been made by the distinguished Senator from Virginia has been effectively made, as the Senator from Minnesota has said.

I do not wish to delay the Senate 1 minute in voting upon this matter. However, I should like to give one figure. According to our understanding, we are doing the least for the poorest nations in the world. According to the very hardheaded program administered by the best administered agency in the world, the World Bank, our people in the United States contributed for charitable purposes, according to the 1972 tax returns, $13,200 million. The number of itemized returns were 27 million. The average charitable contribution per return was $512.

IDA takes $1.50 from every American. It seems to me, Mr President, that when, relatively speaking, a nation is where we are, with such an enormous part of the world's gross product, this is something that should be considered. We contribute only one-third; other nations contribute two-thirds. Under these conditions, human decency dictates our doing this.

Mr. President, I yield back the remainder of my time.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time has been yielded back. The question is, Shall the bill pass? On this question, the yeas and nays have been ordered. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. MANSFIELD (after having voted in the negative). Mr. President, on this vote I have a pair with the Senator from South Dakota (Mr. MCGOVERN). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. JOHNSTON (after having voted in the negative). Mr. President, on this vote I have a pair with the Senator from Alabama (Mr. SPARKMAN). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Wisconsin (Mr. NELSON), the Senator from Rhode Island (Mr. PELL), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from Iowa (Mr. HUGHES) and the Senator from Rhode Island (Mr. PELL) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), the Senator from New York (Mr. BUCKLEY), the Senator from Kentucky (Mr. COOK), and the Senator from Florida (Mr. GURNEY) are necessarily absent.

I also announce that the Senator from New Mexico (Mr. DOMENICI) and the Senator from Arizona (Mr. FANNIN) are absent on official business.

I further announce that the Senator from Nebraska (Mr. HRUSKA) is absent attending a funeral.

The result was announced—yeas 55, nays 27, as follows:

[No. 218 Leg.]

YEAS—55

Abourezk
Aiken
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Case
Chiles
Church
Clark
Cranston
Eastland
Fong
Griffin
Hart
Haskell
Hatfield
Hathaway
Huddleston
Humphrey
Jackson
Javits
Kennedy
Magnuson
Mathias
McGee
McIntyre
Metcalf
Metzenbaum
Mondale
Moss
Muskie
Packwood
Pastore
Pearson
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Taft
Tower
Tunney
Weicker
Williams

NAYS—27

Allen
Bible
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Cotton
Curtis
Dole
Dominick
Eagleton
Ervin
Goldwater
Hansen
Helms
Hollings
Long
McClellan
McClure
Montoya
Nunn
Scott, William L.
Stennis
Symington
Talmadge
Thurmond
Young

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Johnston, against
Mansfield against

NOT VOTING—16

Bennett
Buckley
Cook
Domenici
Fannin
Fulbright
Gravel
Gurney
Hartke
Hruska
Hughes
Inouye
McGovern
Nelson
Pell
Sparkman

So the bill (S. 2665) was passed, as follows:

S. 2665

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the International Development Association Act (22 U.S.C. 284 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 14. (a) The United States Governor is hereby authorized to agree on behalf of the United States to pay to the Association four annual installments of $375,000,000 each as the United States contribution to the Fourth Replenishment of the Resources of the Association.

"(b) In order to pay for the United States contribution, there is hereby authorized to be appropriated without fiscal year limitation four annual installments of $375,000,000 each for payment by the Secretary of the Treasury."

SEC. 2. That subsection 3(c) of Public Law 93–110 (87 Stat. 352, September 21, 1973) is amended by deleting all of such subsection and inserting in its place the following:

"(c) The provisions of this section, pertaining to gold, shall take effect September 1, 1974.".

CIVIL SERVICE RETIREMENT CREDIT FOR CERTAIN LANGUAGE INSTRUCTORS OF THE FOREIGN SERVICE INSTITUTE, DEPARTMENT OF STATE

SEC. 3. (a) Section 8332(b) of title 5, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (8);

(2) by striking out the period at the end of paragraph (9) and inserting in lieu thereof a semicolon and the word "and";

(3) by inserting immediately below paragraph (9) the following new paragraph:

"(10) subject to making a deposit provided for under section 8334(c) of this title, service performed after June 30, 1948, but prior to July 1, 1960, as a language instructor in the Foreign Service Institute, Department of State, under a non-personal-services contract, only if he later becomes subject to this subchapter."; and

(4) by inserting immediately after the fifth sentence thereof the following new sentence: "The Commission shall accept the certification of the Secretary of State concerning service for the purpose of this subchapter of the type described in paragraph (10) of this subsection and performed by an employee."

(b) The amendments made by subsection (a) of this section shall apply to individuals separated from Government service prior to, on, or after the date of enactment of this Act, and their survivors; but no annuity or survivor annuity, or increase in any such annuity shall be payable by reason of such amendments for any period prior to the first day of the first month which begins after the date of the enactment of this Act.

Mr. HUMPHREY. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE FATE OF THE AMERICAN SERVICEMEN STILL UNACCOUNTED FOR IN SOUTHEAST ASIA

Mr. BARTLETT. Mr. President, I was very much concerned and offended by a recent wire service report claiming greed and bad faith on the part of the families of our servicemen still missing in action in Southeast Asia and on the part of VIVA, Voices in Vital America, the organization which represents these families.

The article suggests that families are resisting a termination of missing status so they may continue receiving the serviceman's benefits. Likewise, the report suggests that VIVA has a vested interest in keeping the status uncertain.

Mr. President, my contact with these families, as well as with VIVA, has been quite to the contrary.

My impression has been of families and an organization whose sole interests are in finding out the fate of these missing servicemen. They cannot understand a change in a man's status, from missing to dead, when no new information has been received.

The North Vietnamese continue to resist our efforts to gain new information about the missing men.

I hope that world opinion eventually will convince the North Vietnamese to cooperate. If they have any sense of humanity, they will not continue their scheme of silence.

Mr. President, these families have endured enough without having to suffer the humiliation of articles such as this.

While there may be persons who abuse our system, let us not condemn the barrel because of a possible few bad apples.

As for me, I believe we should redouble our efforts to determine what has happened to the more than 1,000 men who are still unaccounted for in Southeast Asia. If it takes 10 more years, let's not give up until the fate of every man is determined. We cannot forget these men or their families. They have given far too much to be treated with anything less than the utmost respect.

VIRGINIA'S COLLEGES AND HEW: A SPEECH IN THE SENATE

Mr. HARRY F. BYRD, JR. Mr. President, once again, Virginia and a number of her sister States find themselves confronted with demands from the U.S. Department of Health, Education, and Welfare for imposition of racial quotas in their educational systems.

These kinds of demands, so long a source of controversy in the elementary and secondary schools, now are being made with regard to institutions of higher education.

It is true that HEW denies that it is seeking to impose quotas. It uses such words as "goals" and "estimates." But a quota by any other name is still a quota.

In Virginia's case, HEW has gone beyond the quota demand. The Department's Office for Civil Rights has asked that the Governor of Virginia effectively surrender his authority to make appointments to the boards of visitors of State-supported colleges—an authority which he must exercise under the statutes of the State.

Yesterday the Governor of Virginia, the Honorable Mills E. Godwin, Jr., had delivered to HEW a document of some 900 pages outlining the latest plans of the State for affirmative action to maintain equality of opportunity in higher education.

This document represents the latest step in a dialog between the State and HEW which began in 1969. It is the seventh major, separate submission of information requested by HEW and prepared by State officials.

Examining this new document and some of the earlier submissions, I find myself wondering how the officials charged with responsibility for higher education in Virginia have had time to do anything but prepare reports for HEW over the past few years.

It seems to me that a great deal of this enormous paperwork burden has been imposed unecessarily on the State.

It is the position of Governor Godwin, and it was the position of his predecessor, that in the area of higher education, Virginia is in compliance with the Civil Rights Act of 1964.

No person in Virginia is excluded from participation in, denied the benefits of, or subjected to discrimination under any higher education program receiving Federal assistance—and that is the exact requirement of the Civil Rights Act of 1964.

The record shows the affirmative action which Virginia has taken in the area of equal opportunity, and the results of that action.

From 1969 to 1973, minority enrollment in 4-year, State-supported institutions increased by 78 percent. The majority of this increase was in predominantly white colleges: minority enrollment in predominantly white colleges increased 344 percent, while white enrollment in these institutions rose by only 26 percent.

Moreover, white enrollment in predominantly black institutions has increased 132 percent, while black enrollment in these schools rose by only 37 percent.

But HEW is not satisfied.

It continues to seek the imposition of quotas—although it uses other names for these quotas. Quotas are discriminatory and do violence to the constitutional rights of individual citizens.

In addition HEW is now seeking assurance from the Governor of Virginia that he will abandon his statutory responsibility to exercise his own best judgment in selecting members of the boards of visitors of the State-supported institutions of higher education.

In a response to a Virginia plan submitted in February of this year, the Office for Civil Rights of HEW included this language. I am quoting now from the Department of HEW:

> We are apprised that the president of each institution makes recommendations to the Governor as to appointments to the board of visitors of that institution. We seek from the president of each institution, in the revised plan (and this includes the community college system), a commitment that each president will take all reasonable steps to identify blacks for positions on the board of visitors, and that the Governor will appoint such individuals.

No reasonable Governor in my judgment, could acquiesce in such a demand. The people of Virginia elect the Governor, and the laws give to him the responsibility for appointments.

In a letter accompaying the State's latest submission to HEW, Governor Godwin ably set forth the State's position. He made these important points:

First. Virginia is in compliance with the Civil Rights Act of 1964.

Second, Virginia has continued and will continue to insure the maintenance of equal opportunity in higher education.

Third. Setting quotas for minority participation in institutions of higher education would not be educationally sound.

Fourth. The Governor of Virgnia cannot legally agree to relinquish his statutory responsibility for appointments to boards of visitors.

I commend the Governor for his sound and forthright position. And I condemn HEW for its demand that Virginia's Governor surrender his legal responsibility for appointments.

I call upon the Department of Health, Education, and Welfare to recognize Virginia's compliance with the Civil Rights Act of 1964 and the State's continuing commitment to equal opportunity in higher education.

Mr. President, I ask unanimous consent that the letter of Governor Godwin dated May 28 and addressed to Mr. Peter E. Holmes, Director of the Office for Civil Rights, be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

COMMONWEALTH OF VIRGINIA,
OFFICE OF THE GOVERNOR,
Richmond, May 28, 1974.

Mr. PETER E. HOLMES,
Director, Office for Civil Rights, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. HOLMES: You will find attached a copy of "The Plan for Equal Opportunity in Virginia's Institutions of Higher Education: A Shared Responsibility." This most recent plan has been refined in response to your letter to me dated April 19, 1974.

The attached plan is a single document and has been written in a format which will allow easy identification of the parts of the plan and the nature of the shared responsibilities of the state-supported institutions, as well as those of the State Council of Higher Education. This format has required that portions of material submitted at earlier dates be rewritten for inclusion in a consolidated form. The attached plan does not negate any commitment made in any earlier material submitted to you by any Virginia institution or agency.

Let me reiterate my strong belief that Virginia is in full compliance with Title VI of the Civil Rights Act of 1964 and that Virginia has taken those affirmative actions necessary to ensure continued compliance and to move us forward into a leadership position in the important area of equal opportunity in higher education. The attached plan clearly states Virginia's commitment to equal opportunity for all students and to those affirmative actions which would assist minority students attending Virginia's institutions.

The citizens of Virginia see dramatic progress on every hand as they observe the institutions of higher education in relation to Title VI. This progress can be clearly, demonstrated by the results of the past five years. At four-year, state-supported institutions from 1969 to 1973, minority student enrollment increased to 14,007. This is an increase of 6,156 or 78 percent. The majority of this increase in minority student enrollment, 58 percent, was in Virginia's predominantly white colleges. They enrolled 4,618 minority students in the fall of 1973. This is an increase of 344 percent over 1969, and while minority enrollment was increasing at this rate in predominantly white colleges, the enrollment of white students was increasing 26 percent.

Of the increase in student enrollment in predominantly white senior colleges since 1969 (20,809), approximately one minority student has enrolled for every five white students. This enrollment pattern closely reflects the fact that approximately 20 percent of Virginia's public high school graduates are minority students.

The enrollment of minority students in Virginia's community colleges is equally dramatic proof of Virginia's successful programs of equal opportunity in higher education. From 1969 to 1973, minority student enrollment increased by 382 percent to 6,675 students. Minority students as a percentage of total enrollment have more than doubled in these five years to nearly 13 percent, the enrollment of white students increased by 116 percent.

The increased enrollment of white students in predominantly black colleges is also clear. While the total numbers are not large, the rate of increase and trends of the past five years show that white student enrollment has increased 132 percent since 1969—to 522 students for the fall of 1973. This increase compares with a rate of increase of 37 percent for minority students in predominantly black colleges. Of the enrollment increase of 2,874 students in these colleges, approximately one white student enrolled for every eight minority students. This trend of the past five years has led to an increased white minority presence in the state's predominantly black colleges.

As Governor of this Commonwealth, with a deep personal commitment to education, I will continue to work for quality education and to make my decisions—and to encourage others in the decision making process to make their decisions—on sound educational bases. Because of this commitment I must state my strong reservations on two points in your letter of April 19, 1974.

First, I do not believe the educational programs or, for that matter, the affirmative action programs of our institutions would be benefited by setting quotas for minority participation in institutions of higher education. I firmly believe that any planning process must have a goal which all those involved strive to attain. In Virginia, this goal is to provide equal opportunity in higher education for all of Virginia's citizens. I believe we have attained this goal and that our future actions will continue to ensure equal opportunity in higher education without regard to race.

Second, substantial progress has been made in the last several years in the appointments of blacks to the boards of visitors of the predominantly white institutions. I made the first such appointment as Governor in 1966. The appointment of members of public boards is a statutory responsibility vested in this state's chief executive and I cannot bind myself in advance to accept recommendations from whatever source they may come. In short, I cannot abdicate this responsibility. As Governor, I make appointments to boards based upon the qualifications of the individuals appointed. To do otherwise would be contrary to my oath of office and compromise my own conscience.

Again, I believe the attached plan sets out Virginia's commitment to equal opportunity in higher education and completely fulfills the requirements of Title VI of the Civil Rights Act of 1964. I firmly believe it is now time for the Office of Civil Rights to recognize the progress we have made and to help Virginia continue its movement forward in providing quality education for all our citizens.

Sincerely,

MILLS E. GODWIN, Jr.

Mr. THURMOND. Mr. President, will the able and distinguished Senator from Virginia yield?

Mr. HARRY F. BYRD, JR. I am delighted to yield to the distinguished senior Senator from South Carolina.

Mr. THURMOND. Mr. President, I commend the distinguished Senator from Virginia for calling this matter to the attention of the Senate. If the information contained in the statement by the able Senator from Virginia is correct—and I am sure it is, coming from him—then I think it is an example of what HEW may be attempting to do not only in Virginia now but in other States of the Nation as well.

If HEW can coerce the Governor of Virginia to give up his right of appointment to the various boards and commissions to which he has authority under the law and to which he is mandated under the law to make appointments, and to appoint other people whom he may not consider as well qualified, then we have reached a sorry state in this country.

I hope that the Governor of Virginia, who is a very able Governor and a very fine, patriotic citizen, will protest this to the utmost and, if necessary, take it to the courts of the land.

It does not make any sense at all that some bureaucrat here in Washington can tell the Governor of a great Commonwealth of this Nation, a sovereign State of this Nation, that he must appoint certain people to office or that he must follow the recommendation as to certain people who have been recommended to him for appointment to office, and deny him his discretion, his good judgment, and his reason in selecting other people whom he may feel are better qualified.

Mr. President, this is a matter that is very far reaching. In 1954, when Brown against Board of Education was decided, it was determined that no child of any race could be excluded from any school. Now the courts have gone further, and they are holding just the opposite—that you can force a child of one race to go to a school of another race just to bring about racial balance.

In this case, HEW is going still further. They are attempting to tell the Governor of a State that he must give up his prerogative to choose the person he thinks is the best qualified for appointment and that he should appoint someone else.

I believe in a fair opportunity for everyone; but if the Federal Government keeps on eroding the rights of the States, if it keeps on chipping away the powers of the States, the States will be nothing more than territories. After all, we have 51 sovereign governments in this country. We have 50 States governments and a Central Government in Washington known as the United States of America, commonly called the Federal Government. These States have powers under the Constitution. They have all the powers of a foreign nation, in fact, except those which were delegated to the Federal Government in the Constitution or in some amendments since the Constitution was adopted.

This is a thrust, an assault, on the rights of the States of this Nation. Every Governor in this country ought to rise and join the Governor of Virginia in protesting this unreasonable, illegal, and unwise act that is being taken by HEW.

I cannot believe that the President of the United States would approve this action. I cannot even believe that the able Secretary of HEW would approve it. But there are many bureaucrats in this Government; and when one of them takes a step such as this, which goes so far, it seems to me that the time has come to call a halt.

I commend the distinguished Senator from Virginia for the fine presentation he has made here and the service he has rendered in calling this matter to the attention of the people in the Nation.

Mr. HARRY F. BYRD, JR. Mr. President, what a powerful speech the able senior Senator from South Carolina has just made on behalf of a basic principle. The Senator from South Carolina has served as Governor of the State. He is one of the great Governors of South Carolina, one of the great Governors of the United States. I know that he would not have submitted to the Federal Government attempting to dictate to him how he should carry out his constitutional responsibilities to the people of South Carolina who elected him to that high office.

I know well the Senator from South Carolina's conviction as he expressed it on the floor a moment ago. I know well the present Governor of Virginia, Mills Godwin. He and I went to the legislature the same day in 1948. We have been close and dear personal and political friends ever since. I know that he will not submit to the Department of Health, Education, and Welfare, in the city of Washington, to any demands made by them that he surrender the responsibility given to him by the people of Virginia and the laws of Virginia to make the appointments of the best qualified individuals to the high positions in State government.

I am very grateful, indeed, to the Senator from South Carolina, and I am certain that the majority of the people in the State I have the responsibility to represent would be equally grateful to him for his comments today.

I yield to the Senator from North Carolina.

Mr. HELMS. Mr. President, I, too, want to associate myself with the eloquent remarks of the Senator from Virginia and those of my good friend, the Senator from South Carolina (Mr. THURMOND).

As the distinguished Senator from Virginia knows, the agonies being experienced by his State of Virginia at the hands of bureaucrats in the Department of Health, Education, and Welfare are identical to the problems of at least nine other States, my own State of North Carolina included.

This is just another of those "class action" matters contrived by lawyers either paid by or subsidized by the American taxpayers, under the so-called legal services program. It is no accident, I would suggest to the distinguished Senator from Virginia, that there are almost identical and simultaneous pressures being exerted by HEW in 10 States.

Mr. President, it would be one thing if there were evidence of discrimination—or, as the case may be, a denial of equal treatment under the law. But what the distinguished Senator from Virginia has described, and what his distinguished Governor is protesting, is the thrust of contrived racial quotas and other usurpations of the very clear prerogatives of State government and the administrators of State educational institutions.

This is happening, as I say, in my own State, and it is an absolute absurdity, Mr. President, for there to be such an assault by HEW and the Federal courts on the University of North Carolina. Indeed, it is the height of irony that the University of North Carolina has leaned over backwards, in the view of many, to go along with the process of racial desegregation. I think it can be said without fear of contradiction that the University of North Carolina has been one of the most liberal universities in the entire country in that regard.

Yet, according to news reports from my own State and based on conversations with the Governor of North Carolina, the Federal Government is attempting to impose requirements that simply cannot be met under the budgetary process of the State of North Carolina, let alone the normal processes of government.

So I feel, Mr. President, that it is about time that Congress did some serious thinking about how the Federal Government is hamstringing the development of education in Virginia, North Carolina, and the eight other States suffering under the yoke of Federal arrogance. No other description can be given to it. It is arrogance; it is an abuse of power.

The president of the University of North Carolina, I dare say, has been able to spend precious little time running the university. That is the job for which he was hired. No, he spends his time trying to meet the whims and caprices of bureaucrats who descend on him constantly. I would not be surprised if the same is not true in Virginia, Maryland, Georgia, Florida, South Carolina, and other States involved in this situation.

It is a waste of valuable time of educators; it is a waste of money, which is already in too short supply. All in all, it boils down to a sort of tyranny, and the victims of it are the young people who have a right to expect that they will be educated in and by institutions which are permitted to concentrate on the quality of education instead of on the quality of integration.

As the distinguished Senator from Virginia said, violence is being done, actually, to the constitutional rights of individual citizens.

And all of this, Mr. President, is being prompted by so-called class action suits and other contrivances which are being financed by the same taxpayers who are burdened by this Federal nonsense.

I commend the distinguished Senator from Virginia and the Senator from North Carolina for their forthright statements. I commend the distinguished Governor of Virginia who has not hesitated to speak out on this matter. I join the Senator from Virginia in the hope that the distinguished Governor Godwin will pursue this matter. I hope that soon there will be a return to sanity in some of the agencies of the Department of Health, Education, and Welfare, and in our Federal courts. There is certainly a crisis of deficiency there now.

Mr. HARRY F. BYRD, JR. Mr. President, the Senator from North Carolina has made a tremendous contribution to this discussion and he has been tremendously helpful to the State of Virginia in pointing out that this demand on Virginia is broader than just Virginia itself. He has pointed out that eight other States beside Virginia are involved in these demands being made upon them by the Department of Health, Education, and Welfare.

I submit that the departments here in Washington have lost sight of what the Senator from North Carolina just said is so very important; namely, that we ought to provide an education for all children in each of the States involved and the children themselves are hurt the most by the tactics and demands being made from Washington on the administrator of these programs in Virginia.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. HELMS. I had a conversation with an important administrator in education in my State this afternoon. He said:

> I am ready to quit. I have had Federal bureaucrats looking over my shoulder to the point where I can no longer do my job. Everything we do is wrong. Every day there is a new regulation or a new requirement. There are 25 new requirements lying on my desk now we cannot possibly meet and I have to answer them by June 10.

I think that is the date he said. I submit this is tyranny and it should not be.

Mr. HARRY F. BYRD, JR. It is tyranny. I agree thoroughly with the Senator. It should not be permitted by the executive branch of Government. I think the people of this country are fed up with having their lives run from Washington.

During the last recess, the Memorial Day recess, instead of taking a vacation, I went through parts of four counties in the southwestern part of my State: Wise County, Russell County, Smith County, and Washington County. Wise County is a very important county with a heavy coal mining operation; Washington County is heavily involved with cattle; Russell County is a diversified county. It is a splendid and beautiful area.

But everywhere I went people were talking about the continued domination by Washington. I think people are more aware of it than these Washington bureaucrats realize. I think these people ought to get away from Washington. I think the people who administer these programs should go out and discover what the people think in the States, and the counties, and in the localities of our Nation.

I want to get back for just a moment to the unusual demand made by HEW on the Governor of Virginia, and I wish to quote two sentences from his reply. This is on the question of committing himself in advance to make appointments of any names that might be submitted to him. These two sentences were in Governor Godwin's letter:

> In short, I cannot abdicate this responsibility. As Governor I make appointments to boards based on the qualification of the individuals appointed. To do otherwise would be contrary to my oath of office and compromise my own conscience.

I admire that position taken by Governor Godwin. I think he is exactly right. I think the Department of Health, Education, and Welfare is exactly wrong in demanding that he surrender to them this statutory power of appointment which resides in the office of Governor.

These people in Washington were not elected to be Governor of Virginia. We had an interesting election in Virginia last November and the people of Virginia made their choice. They chose Mills Godwin as their Governor and under the laws of Virginia he has the responsibility, as well as the right to make appointments to the various boards. Yet we find a group here in Washington wanting him to commit in advance that he will make appointments based on what someone else thinks the appointments should be.

So I am very grateful to my friends from North Carolina and South Carolina for their comments today. I do hope that the Secretary of Health, Education, and Welfare will call his subordinates in and see if he cannot get them to show some restraint, and some reasonableness, and some understanding of the problems facing the various States of our Union.

I think that is an obligation which the Secretary has, but whether he assumes that obligation or not is for him to decide. It is also for the Governor of Virginia to decide whether he will be dictated to and whether he will surrender his responsibilties to a group outside the State of Virgina. I submit that Governor Godwin will not surrender his responsibilities, and I applaud him for the position he takes.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order on tomorrow, there be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, on tomorrow the Senate will convene at the hour of 12 o'clock noon. After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements limited therein to 5 minutes each.

At the conclusion of morning business, the Senate will proceed to the consideration of S. 2543, the Freedom of Information Act, and there is a time agreement on that measure. Yea-and-nay votes may occur.

Other measures which are eligible for possible callup on tomorrow and Friday and on which rollcall votes may occur are the following, for example, but not necessarily in the order listed:

The House message relating to S. 1752, relating to a Productivity Commission.

S. 3433, the National Wilderness Preservation System.

S. 2846, a bill to assure an adequate supply of chemicals for safe drinking water.

S. 2201, which has to do with the settlement of damage claims relating to opening certain spillways.

S. 424, a bill having to do with the management and development of natural resource lands.

H.R. 11546, the Big Thicket National Preserve.

Conference reports can also be called up, and, additionally, calendar measures cleared for action can be called up.

So yea-and-nay votes are expected tomorrow and Friday.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 o'clock noon tomorrow.

The motion was agreed to; and at 5:39 p.m. the Senate adjourned until tomorrow, Thursday, May 30, 1974.

NOMINATIONS

Executive nominations received by the Senate May 29, 1974:

INTERNATIONAL BANKS

William E. Simon, of New Jersey, for appointment to the offices indicated:

U.S. Governor of the International Monetary Fund for a term of 5 years and U.S. Governor of the International Bank for Reconstruction and Development for a term of 5 years; a Governor of the Inter-American Development Bank for a term of 5 years; and U.S. Governor of the Asian Development Bank.

FEDERAL ENERGY ADMINISTRATION

John C. Sawhill, of Maryland, to be Administrator of the Federal Energy Administration. (New position.)

DEPARTMENT OF THE TREASURY

Francine Neff, of New Mexico, to be Treasurer of the United States, vice Romana Acosta Banuelos, resigned.

IN THE U.S. NAVY

The following-named officers of the Navy for permanent promotion to the grade of rear admiral:

LINE

Clyde C. Andrews
Merrill H. Sappington
John M. DeLargy
Randolph W. King
Newton P. Foss
Joseph L. Coleman
Albert M. Sackett
Willis C. Barnes
Walter Dedrick
George F. Ellis, Jr.
William H. McLaughlin, Jr.
Cleo N. Mitchell, Jr.
Donald T. Poe
Richard E. Rumble
Warren H. O'Neil
Eugene J. Carroll, Jr.
Joseph W. Russel
Robert H. Wertheim
Ferdinand B. Koch
Frank S. Haak
Justin E. Langille, III
Robert J. Hanks
John H. Nicholson
Warren M. Cone
Francis T. Brown
Jeffrey C. Metzel, Jr.
Owen H. Oberg
William L. Harris, Jr.
Kenneth E. Wilson, Jr.
Wycliffe D. Toole, Jr.
John G. Williams, Jr.
Charles W. Cummings
Paul J. Early
Max K. Morris
Fred H. Baughman
Frank W. Corley, Jr.
John S. Kern
William N. Small
Robert P. Hilton
George E. R. Kinnear, II
Stanley S. Fine
William L. Read
Burton H. Shepherd
Robert R. Monroe
David F. Emerson
Ronald J. Hays
Thomas J. Bigley
Kinnaird R. McKee

MEDICAL CORPS

Philip O. Geib
Donald L. Custis
Edward J. Rupnik

SUPPLY CORPS

Eugene A. Grinstead, Jr.
Wendell McHenry, Jr.
Stuart J. Evans
William M. Oller

CIVIL ENGINEER CORPS

John R. Fisher
Kenneth P. Sears

DENTAL CORPS

Robert W. Elliott, Jr.

IN THE ARMY

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, sections 3370 and 3383:

ARMY PROMOTION LIST

To be colonel

Adams, Harold D., [redacted]
Apostolu, Daniel R., [redacted]
Arzoomanian, Victor, [redacted]
Barrena, Charles M. [redacted]
Beattie, Walker, [redacted]
Blake, Melville E., Jr., [redacted]
Blesse, Henry O., [redacted]
Brandt, William B., [redacted]
Cannon, Joseph M. [redacted]
Clarke, Conley I., [redacted]
Closs, John W., [redacted]
Cushing, Raymond G., [redacted]
Davis, Harry B., [redacted]
Davis, Jack C. [redacted]
Donavan, Paul C., [redacted]
Gagnon, George W., [redacted]
Grainger, Walter E., [redacted]
Grek, Martin C., [redacted]
Hare, Jack V., [redacted]
Hetrick, Russell R., [redacted]
Hodges, Gene L., [redacted]
Hodgkins, H. W., [redacted]
Holloway, O. C. [redacted]
Hopkins, Vernon C., Jr., [redacted]
Hupp, Jack S. [redacted]
Hyberg, Bengt T., [redacted]
Jacobs, Talmadge J., [redacted]
Kearney, William R., [redacted]
Klagge, Jules M., [redacted]
Long, Charles E., Jr., [redacted]
Malkin, Earle A., [redacted]
May, Humphrey, Jr., [redacted]
McNicholas, Everett, [redacted]
Murphy, Ira E., Jr., [redacted]
Pafenberg, John D., [redacted]
Patrick, Cleavland J., Jr., [redacted]
Pendergast, Richard W., [redacted]
Saufley, Zack C. [redacted]
Schulstad, Paul G., [redacted]
Smith, Thomas E., Jr., [redacted]
Sylvester, W. P., Jr., [redacted]
Van Pietersom, Donald E. [redacted]
Wiese, Owen P., [redacted]
Winter, Calvin A., [redacted]

CHAPLAIN

To be colonel

Berg, Harvey M., [redacted]
Davis, Joseph A., [redacted]

MEDICAL CORPS

To be colonel

Campbell, J. E., Jr., [redacted]
Edwards, T. S., II, [redacted]
Wilson, James W., [redacted]

MEDICAL SERVICE CORPS

To be colonel

Schaffert, Roscoe R., [redacted]
Stang, Johnny J., [redacted]

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of Title 10, Sections 3366, 3367, and 3383.

ARMY PROMOTION LIST

To be lieutenant colonel

Allen, Harvey C., Jr., [redacted]
Allen, Robert L., [redacted]
Anderson, Robert N., [redacted]
Andes, Kenneth C., [redacted]
Anthony, James G., [redacted]
Barlow, Anthony H., [redacted]
Barrett, Billy G., [redacted]
Bauersfeld, Virtus, [redacted]
Bedard, Norman L., [redacted]
Beddow, Harold G., [redacted]
Belken, Donald C., [redacted]
Benedict, Johnny, [redacted]
Blandino, Walter E., [redacted]
Boelling, Randal J., [redacted]
Boyle, James S., [redacted]
Brackeen, Billy, [redacted]
Brewer, Dan G., [redacted]
Brooks, W. D., Jr. [redacted]
Brubaker, William L., [redacted]
Burnette, Luther, [redacted]
Cardin, Carl W., [redacted]
Carey, John R., [redacted]
Carr, Francis F., Jr., [redacted]
Carr, John H., Jr., [redacted]
Chapman, David J., [redacted]
Cherry, C. W., III, [redacted]
Clay, Brent A. [redacted]
Cofield, James D., Jr. [redacted]
Coleman, Richard D., [redacted]
Corbitt, Herman H., Jr., [redacted]
Damico, George O. [redacted]
DaPena, Ramon, [redacted]
Davenport, Robert H., [redacted]
Derbis, Albin B., [redacted]
Dew, Wayne C., [redacted]
Diggins, John J., [redacted]
Dillon, Porter B., [redacted]
Donaldson, W. A., II, [redacted]
Eckhardt, Walter, [redacted]
Engelage, Robert W., Jr., [redacted]
Erskine, L. C., Jr. [redacted]
Falk, Edgar A., [redacted]
Feeley, James L. [redacted]
Ferguson, James T., [redacted]
Ferrari, Mario J., [redacted]
Feuka, Robert W., [redacted]
Fisher, Lynn N., [redacted]
Fitz, Loren E., [redacted]
Flippen, Robert J., [redacted]
Ford, John J., [redacted]
Fosler, Robert K., [redacted]
Foster, Herman, [redacted]
Freeman, Dirk B., [redacted]

Galvin, John L., [redacted].
Gandia, Alberto A., [redacted].
Garcia, Manuel H., [redacted].
Gibney, John A., [redacted].
Gilbert, Robert S., [redacted].
Glod, Stanley J., [redacted].
Godbey, Norman J., [redacted].
Goldstein, Benjamin, [redacted].
Gonzalez, Carlos, [redacted].
Green, A. J. Jr., [redacted].
Gullage, James T., [redacted].
Gulley, Harvey G., [redacted].
Hanke, David S., [redacted].
Hansen, William E., [redacted].
Harrington, Peter T., [redacted].
Hathaway, Benjamin W., [redacted].
Heintz, Robert B., [redacted].
Heynoski, Edward J., [redacted].
Holloman, Dale, [redacted].
Hope, Robert C., [redacted].
Hopkins, Robert F., [redacted].
Huddleston, Charles R., [redacted].
Hyde, Jerry L., [redacted].
Isley, Charles C., III, [redacted].
Iuliano, P. S., [redacted].
Jackson, Merwyn L., [redacted].
Johnson, Lamarr L., [redacted].
Jones, T. R., Jr., [redacted].
King, Jack A., [redacted].
Knudtson, George M., Jr., [redacted].
Lanier, Jack D., [redacted].
Lapasso, Anthony C., [redacted].
Larsen, Robert W., [redacted].
Lavin, Richard P., [redacted].
Lewis, Charles F., [redacted].
Light, Richard L., [redacted].
Lilly, Thomas A., [redacted].
Lindenfeld, John A., [redacted].
Liner, Cornelius E., [redacted].
Loughmiller, Donald R., [redacted].
Lowery, James P., [redacted].
Lupold, Hugh M., [redacted].
Machno, Edward J., [redacted].
Magro, M. V. Jr., [redacted].
Magrogran, Francis, [redacted].
Maruzzella, Frank R., [redacted].
Mauney, Joe B., [redacted].
McCoy, James L. Jr., [redacted].
McDaniel, Young E., [redacted].
McWaters, John R., [redacted].
Melvin, Francis B., [redacted].
Miller, Clarence W., [redacted].
Miller, John K., [redacted].
Montgomery, Homer A., [redacted].
Montgomery, R. S., [redacted].
Muehlberger, Robert M., [redacted].
Mura, Ronald A., [redacted].
Myers, Robert L., [redacted].
O'Connor, T. H. Jr., [redacted].
Ogden, Seward J. Jr., [redacted].
Park, Jack G., [redacted].
Payne, Richard A., [redacted].
Pecquet, Shelby L., [redacted].
Phillips, Roy L. Jr., [redacted].
Pickus, Ross G., [redacted].
Pienkowski, Edward C., [redacted].
Pistorius, J. H. Jr., [redacted].
Platz, William B., [redacted].
Pottenger, Harold P., [redacted].
Price, Thomas A., [redacted].
Provencher, Paul J., [redacted].
Raimondo, H. G., [redacted].
Reid, James A., [redacted].
Remich, Antone F., [redacted].
Roberts, James E., [redacted].
Sanchez, Phillip V., [redacted].
Sanders, T. G., [redacted].
Segrest, Douglas B., [redacted].
Shafer, Donald R., [redacted].
Silvi, Albert H., [redacted].
Sneed, Ronald E., [redacted].
Stanford, Melvin J., [redacted].
Stout, J. K., [redacted].
Toomepuu, Juri, [redacted].
Van Horn, James E., [redacted].
Veytia, Joe F., [redacted].
Volkmann, Henry F., [redacted].
Wagner, Daniel C., [redacted].
Ward, Alvin G., [redacted].
Weggeland, Gordon, [redacted].
Weisler, Julian E. II, [redacted].
West, Noland M., [redacted].
Williams, Lewis N., [redacted].
Wilson, William C., [redacted].
Woda, Seymour, [redacted].
Wood, Theordore R., Jr., [redacted].
Yarbrough, Ralph G., [redacted].
Zachos, John K., [redacted].
Zimmerman, C. W., [redacted].

CHAPLAIN

To be lieutenant colonel

Dougharty, Bernard W., [redacted].
Martinka, Stanley V., [redacted].
Pearce, Arthur J., [redacted].
Vetter, Joseph W., [redacted].

ARMY NURSE

To be lieutenant colonel

Jaegger, Robert J., Jr., [redacted].
James, Doris M., [redacted].
Jesse, Florence C., [redacted].
Modigh, Amie, [redacted].
Raabe, Betty L., [redacted].
Sloan, Barbara J., [redacted].

MEDICAL CORPS

To be lieutenant colonel

Bachman, Richard K., [redacted].

MEDICAL SERVICE CORPS

To be lieutenant colonel

Boffoly, Richard L., [redacted].
Buehler, Vaughn R., [redacted].
Marhefsky, Louis A., [redacted].
Powers, Clayton E., [redacted].
Twitchell, Harold F., [redacted].
Welch, C. E., Jr., [redacted].

The following-named officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, U.S.C., sections 591, 593, and 594:

MEDICAL SERVICE CORPS

To be lieutenant colonel

Coalson, Embry L., [redacted].

ARMY PROMOTION LIST

To be lieutenant colonel

Kaiser, James B., [redacted].

DENTAL CORPS

To be lieutenant colonel

Atkins, Raymond M., [redacted].

MEDICAL SERVICE CORPS

To be lieutenant colonel

Anglin, Walter M., [redacted].
Bloomstrom, Albert D., [redacted].
Chenoweth, Richard G., [redacted].
Crippen, Edward F., [redacted].
Forrest, Robert L., [redacted].
Gruberg, Kermit H., [redacted].
Ledbetter, Rene B., Jr., [redacted].
Marshall, Angus, [redacted].
Massa, Emilio, [redacted].
Moore, William L., Jr., [redacted].
Rushing, Charles M., [redacted].
Sargent, Robert T., [redacted].
Steinberg, Sidney R., [redacted].
Stones, Carl, [redacted].
Werner, John L., [redacted].
Whitelaw, John M., [redacted].

The following-named officers for appointment in the Army of the United States, under the provisions of title 10, U.S.C., section 3494:

MEDICAL CORPS

To be lieutenant colonel

Hilton, James M. III, [redacted].
Moore, Hylan C., [redacted].
Reaves, Leonard E. III, [redacted].
Zaki, Saleh A., [redacted].

The following-named Army National Guard officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, U.S.C., section 3385:

ARMY PROMOTION LIST

To be colonel

Copeland, Robert P., [redacted].
Davis, Glenn V., [redacted].
Davis, Robert S., [redacted].
DeLee, James A., [redacted].
Durham, Eric A., [redacted].
Effing, Gerald B., [redacted].
Flynn, Lawrence P., [redacted].
Johnson, Wiley V. Jr., [redacted].
Jones, Charles R., [redacted].
Latta, Robert E., [redacted].
McLendon, James M., [redacted].
Orr, Robert P., [redacted].
Price, Clyde L., [redacted].
Smith, James F., Jr., [redacted].
Sterbenz, Joseph L., [redacted].
Stormo, Donald H., [redacted].
Taylor, Archie O. Jr., [redacted].
Taylor, John B., [redacted].

The following-named Army National Guard officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, U.S.C., section 3385:

ARMY PROMOTION LIST

To be lieutenant colonel

Acosta-Rosario, R. B., [redacted].
Adams, Robert L., [redacted].
Alexander, Glen D., [redacted].
Arnold, Joseph R., [redacted].
Badger, Bill D., [redacted].
Beebe, Urban U., [redacted].
Best, Louis E., [redacted].
Biediger, Paul N. Jr., [redacted].
Bingham, Junior D., [redacted].
Bonenfant, Norman H., [redacted].
Brokmann, Charles H., [redacted].
Buggy, Clair B., [redacted].
Burnett, Edwin E. Jr., [redacted].
Capellen, Earle M. V., [redacted].
Carroll, Robert D., [redacted].
Chandler, Jackie D., [redacted].
Clardy, William B., [redacted].
Cole, John C., [redacted].
Connery, Joseph W. Jr., [redacted].
Conva, Gerald P., [redacted].
Crawford, Cody A., [redacted].
Daniel, Don O., [redacted].
Devine, Donn D., [redacted].
Drew, George F., [redacted].
Dunn, Wesley A., [redacted].
Edwards, James L. Jr., [redacted].
Feeney, Linwood K., [redacted].
Freitas, Robert, [redacted].
Ganulin, James E., [redacted].
Gray, Edward R., [redacted].
Hays, William R., [redacted].
Heaton, Jerry W., [redacted].
Henderson, Howard G., [redacted].
Henderson, Raymond E., [redacted].
Hiatte, Donald L., [redacted].
Himsel, Kenneth W., [redacted].
Holder, Arnold W., [redacted].
Jensen, Donald G., [redacted].
Jones, Freddie G., [redacted].
Jones, Hayden E. Jr., [redacted].
Jones, Vernon R., [redacted].
Kiefer, Lawrence R., [redacted].
Leege, William J., [redacted].
Liepert, Gerald C., [redacted].
Lucas, Clarence A., [redacted].
Ludwig, Arthur A., [redacted].
Maynard, Richard C., [redacted].
McCurry, Asben A., Jr., [redacted].
McGillen, William D., [redacted].
McMillan, David V., [redacted].
Morris, William L., [redacted].
Nielsen, Franklin E., [redacted].
Page, Joseph C., [redacted].
Pascoe, Kenneth H., [redacted].
Perry, William A. Jr., [redacted].
Pogue, J. E., [redacted].
Powers, Richard T., [redacted].
Price, Lloyd M., [redacted].
Purtle, Herbert G., [redacted].
Ramey, Jack D., [redacted].
Reed, Joseph L., [redacted].
Roland, Alan C., [redacted].
Schweikert, James F., [redacted].
Shackelford, William H., [redacted].
Shoemake, Robert L. Jr., [redacted].
Simmons, Leland M., [redacted].

Smith, David A., [redacted].
Stitzinger, Robert H., [redacted]
Storer, Duane L., [redacted].
Taylor, William A. Jr., [redacted]
Thompson, Harold M. [redacted].
Turner, James E., Jr., [redacted].
Upton, Robert F., [redacted]
Van Keuren, Charles W., Jr., [redacted]
Walker, Holman J., [redacted].
Walters, Bobby G., [redacted]
Warncock, Luther Jr., [redacted]
Wasson, James L., [redacted].
Watson, Glenn M., [redacted].

CHAPLAIN

To be lieutenant colonel

Yates, James L., [redacted].

DENTAL CORPS

To be lieutenant colonel

Nelson, Roy, Jr., [redacted].

MEDICAL CORPS

To be lieutenant colonel

Bradley, Douglas D. [redacted].
Burk, Houston W., [redacted]
Cudmore, John W., [redacted].
Holsinger, James W., Jr., [redacted]
Markert, George C., [redacted].

MEDICAL SERVICE CORPS

To be lieutenant colonel

Mayo, Dominic L., [redacted].

IN THE NAVY

The following named officers of the U.S. Navy for temporary promotion to the grade of chief warrant officer, W–3 subject to qualification therefor as provided by law:

Apodaca, Paul Joseph.
Bledsoe, John Richard.
Bradford, Billy Cleveland.

The following named officers of the U.S. Navy for temporary promotion to the grade of chief warrant officer, W–4 subject to qualification therefor as provided by law:

Abenante, Ralph Pasquale.
Allen, Richard Roy.
Anderson, Jackson Ray.
Archibald, Robert John III.
Babington, David Clark.
Black, Harold Baxter.
Bouchillon, James Dennis.
Brooks, Harold Farquahar.
Brumit, Larry David, Jr.
Christiansen, Robert Canute.
Cunningham, Lawrence Michael.
Dennis, Jackie Lee.
Dickinson, Edwin Lincoln.
Dougherty, James Harold.
Duckworth, George Earle.
Franklin, Harrison Lee.
Gochenaur, George Earl.
Gray, Ivan Errol.
Hannon, Billie Gene.
Harris, Donald Edward.
Harville, Robert Albert.
Hawks, Oda Ellis.
Herrington, Hollis Frank.
Hinman, Leroy Thomas.
Hodges, Byron Wayne.
Horton, William Glennwood.
Johnson, James Dewey, Jr.
Johnston, Jerry Robert.
Johnston, Richard Earl.
Jones, Richard Leonard.
Jorgenson, Richard Clair.
Kannegieser, Andrew Anthony.
Kinner, Richard, Edward.
Kondziela, Jack.
Lafond, Paul Arthur.
Larock, Francis Joseph.
Lear, Gerald Shirley.
Lipinski, John Bernard.
Lutes, Jack.
McCarthy, John James, Jr.
McCormack, Walter Francis.
McDonald, Thomas Henry, Jr.
McManus, Theodore Glenn.
Meade, Joe Davis, III.
Miller, Gerald Jeffery.
Moudry, Joseph Ralph.
Myers, Edward Frederick.
Myrick, Jerry Eugene.
Offield, John Dale.
Olson, Neal Donald.
Owen, Harold.
Owens, James Clarence.
Parrish, Wendell Lee.
Patterson, Richard Lawrence.
Pitzer, Richard Lee.
Pochkowski, Joseph Daniel.
Posey, James Arthur, Jr.
Price, Loyd Harold.
Rearer, Thomas Charles.
Reddix, Charles John.
Reynolds, Eugene Nicholas.
Richardson, David Lee.
Richey, James Horace.
Rouse, Fred Lawson.
Sadowski, Donald Edward
Seals, William Truman
Seymour, John Clinton
Smith, Charles Frederick
Soule, Louis Manley
Spata, August
Spencer, Sidney Thomas
Stosel, Stanley Lewis
Stroup, William Emory
Sweigart, Donald Richard
Tellman, Donald Francis
Terryberry, Kenneth Charles
Tillery, Donnie V
Tounzen, Albert O., Jr
Truman, Harold Stanley
Turnquist, Arnold Clifford
Wells, Eugene Arthur
Wilson, Robert Henry
Wiltzius, Lawrence N., Jr
Windell, Marion Almond
Winslow, Robert Leon
Woods Melvin Isaac
Young, Harold James

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of colonel:

Glen S. Aspinwall
Donald R. Austgen
Thomas J. Ayers
Howard G. Balogh
Carl L. Battistone
Don D. Beal
Glen T. Beauchamp
Harold J. Field, Jr.
Daniel J. Ford
Arthur D. Friedman
Joseph P. Gagliardo, Jr.
Elmer T. Garrett, Jr.
Donald E. Gillum
Roy L. Belli
Kenneth H. Berthoud, Jr.
John H. Blair
Daniel Z. Boyd
William C. Britt
William G. Carson, Jr.
Logan Cassedy
Don R. Christensen
Bernard E. Clark
Frank A. Clark
Fred E. Clark, Jr.
James E. Clark
Clayton L. Comfort
John C. Conlin
Richard M. Cooke
Gregory A. Corliss
Stanley D. Cox
Winchell M. Craig, Jr.
Daniel C. Daly
Darrell U. Davidson
Clyde D. Dean
Richard G. Deem
Charles F. Dininger, Jr.
Billy R. Duncan
John H. Dunn
Arthur J. Eagan
Raymond W. Edwards
William R. Eleazer
Gerit L. Fenenga
John P. Kraynak
Donald Q. Layne
Chester A. Liddle, Jr.
Bertram A. Mass
Byron E. Madden
Leroy A. Madera
Albert H. Manhard, Jr.
Bennie H. Mann, Jr.
James G. McCormick
Jack D. McCreight
Richard C. McDonald
James J. McMonagle
John H. Miller
William S. Miller, Jr.
Michael P. Murray
Michael J. Needham
Ronald E. Nelson
Merrill S. Newbill
Thomas F. Nugent
James K. O'Rourke
Earl F. Pierson, Jr.
Bert R. Pitcher, Jr.
Charles F. Pitchford
Walter S. Pullar, Jr.
Thomas F. Qualls
John M. Rapp
J. C. Rappe
Arvid W. Realsen
Edward D. Resnik
Donald G. Robison
Cledwyn P. Rowlands
Harold G. Glasgow
Richard W. Goodale
George O. Goodson, Jr.
Marcus J. Gravel
Johnny O. Gregerson
Jerome T. Hagen
William J. Hallisey, Jr.
James J. Harp
Donald L. Harvey
Thomas M. Hearn
Robert W. Heesch
James H. Higgins
Robert J. Henley
Charles W. Henry, Jr.
Ralph P. Holt
Joseph E. Hopkins
Walter P. Hutchins
John K. Hyatt, Jr.
Milton E. Irons
Floyd J. Johnson, Jr.
Herschel L. Johnson, Jr.
Mannon A. Johnson, Jr.
Martin D. Julian
James P. Kehoe
David A. Kelly
John A. Kinniburgh
Charles W. Knapp
Howard M. Koppenhaver
Alfred W. Ruete, Jr.
Americo A. Sardo
Ernest R. Savoy
Raymond A. Shaffer
Robert R. Sheahan
John E. Sinclair
Craig S. Smith
Joseph N. Smith
Kenneth E. Smith
David A. Spurlock
Merlin V. Statzer
Ray A. Stephens
John C. Studt
Richard A. Sulik
John L. Thatcher
Robert H. Thompson
William H. Tiernan
Bruce A. Truesdale
Richard T. Trundy
David S. Twining
James R. Vandenelzen
David H. Wagner
James H. Walker
Robert P. Walling
Joseph J. Went
Clair E. Willcox
Willard J. Woodring, Jr.
Earnest G. Young
Frank Zimolzak

The following named officers of the Marine Corps Reserve for temporary appointment to the grade of colonel:

Frederick P. Anthony
Alphonse J. Castellana
William A. Donald
Charles Edwards
Wilbur D. Everett
Paul S. Frappollo
Robert D. Jones
John Kovach, Jr.
Edgar J. Love
Robert R. Norton
Donald E. Schneider
Robert H. Schultz
Henry W. Steadman
Robert L. Talbert
Phillip P. Upschulte
Clifford D. Warfield

HOUSE OF REPRESENTATIVES—*Wednesday, May 29, 1974*

The House met at 12 o'clock noon.

Rev. Wayne Yeager, St. Timothy Episcopal Church, Massillon, Ohio, offered the following prayer:

O God our Father, for this Nation made from many kindreds and tongues, its mountains, prairies, oceans with foam, its hopes, its dreams, successes and failures, for those who served and sacrificed, we thank Thee.

Help us, to defend our liberties, preserve our unity, uphold what is right, abhor what is wrong, and perform that which is just. In peace, preserve us from corruption, in trouble defend us from suffering. Make us equal to our high trusts, reverent in the use of freedom, just in the exercise of power, and generous in the protection of weakness.

Turn our hearts back to Thee by forgiving us for what we have been, amending us for what we are, and directing us what we shall be, through Jesus Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 1817. An act to provide for the striking of national medals to honor the late J. Edgar Hoover.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 521. An act to declare that certain land of the United States is held by the United States in trust for the Cheyenne-Arapaho Tribes of Oklahoma;

S. 605. An act to amend the act of June 30, 1944, an act "to provide for the establishment of the Harpers Ferry National Monument", and for other purposes;

S. 2137. An act to amend the act of October 15, 1966 (80 Stat. 953, 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said act;

S. 2439. An act to amend the Wild and Scenic Rivers Act of 1968 by designating a segment of the New River as a potential component of the National Wild and Scenic Rivers System;

S. 3007. An act to authorize appropriations for the Indian Claims Commission for fiscal year 1975;

S. 3358. An act to authorize the conveyance of certain lands to the United States in trust for the Absentee Shawnee Tribe of Indians of Oklahoma;

S. 3359. An act to authorize the conveyance of certain lands to the United States in trust for the Citizen Band of Potawatomi Indians of Oklahoma; and

S. Con. Res. 86. Concurrent resolution authorizing the printing of additional copies of the hearings and final report of the Senate Select Committee on Presidential Campaign Activities.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 14013, FURTHER SUPPLEMENTAL APPROPRIATIONS, 1974

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on H.R. 14013, making further supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONFERENCE REPORT (H. REPT. No. 93–1070)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14013) "making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 12, 21, 22, 23, 25, 36, 37 38, 40, 43, 44, 47, 51, 52, 59, 61, 62, 63, 65, 67, 84, 90, 109, 131, 133, 139, and 162.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 5, 8, 9, 10, 13, 14, 24, 32, 39, 50, 57, 64, 79, 81, 82, 83, 85, 89, 93, 96, 98, 102, 103, 104, 105, 108, 110, 111, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 128, 129, 130, 132, 138, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 164, 165, 166, 167, and 168, and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$309,175,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$251,350,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$100,800,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$400,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,265,584,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$370,000,000"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

PREVENTIVE HEALTH SERVICES

For an additional amount for "Preventive Health Services", $3,500,000, of which $2,500,000 shall be for carrying out Title I of the Lead-Based Paint Poison Prevention Act of 1974.

And the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,188,000,000"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$21,000,000"; and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$170,000"; and the Senate agree to the same.

Amendment numbered 86: That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,250,000"; and the Senate agree to the same.

Amendment numbered 88: That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$225,000"; and the Senate agree to the same.

Amendment numbered 94: That the House recede from its disagreement to the amendment of the Senate numbered 94, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$7,000,000"; and the Senate agree to the same.

Amendment numbered 95: That the House recede from its disagreement to the amendment of the Senate numbered 95, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$39,800,000"; and the Senate agree to the same.

Amendment numbered 97: That the House recede from its disagreement to the amendment of the Senate numbered 97, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to read as follows:

Federal Highway Administration: Inter-American Highway

For expenses necessary to carry out the provisions of title 23 of the United States Code, as amended (sec. 212), $56,000.

And the Senate agree to the same.

Amendment numbered 99: That the House recede from its disagreement to the amendment of the Senate numbered 99, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$47,000,000"; and the Senate agree to the same.

Amendment numbered 100: That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "$2,000,000"; and the Senate agree to the same.

Amendment numbered 101: That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$12,000,000"; and the Senate agree to the same.

Amendment numbered 107: That the House recede from its disagreement to the amendment of the Senate numbered 107, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$220,000,000"; and the Senate agree to the same.

Amendment numbered 134: That the House recede from its disagreement to the amendment of the Senate numbered 134, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$26,914,000"; and the Senate agree to the same.

Amendment numbered 135: That the House recede from its disagreement to the amendment of the Senate numbered 135, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$28,885,000"; and the Senate agree to the same.

Amendment numbered 136: That the House recede from its disagreement to the amendment of the Senate numbered 136, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$22,093,000"; and the Senate agree to the same.

Amendment numbered 137: That the House recede from its disagreement to the amendment of the Senate numbered 137, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert $3,761,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 3, 11, 15, 16, 18, 19, 20, 26, 27, 28, 29, 31, 33, 41, 42, 45, 48, 49, 53, 54, 55, 60, 66, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 80, 87, 91, 92, 106, 112, 123, 124, 125, 126, 127, 163 and 169.

George Mahon,
Jamie L. Whitten,
John J. Rooney,
Robert L. F. Sikes,
Otto E. Passman,
Joe L. Evins,
Edward P. Boland,
William H. Natcher,
Daniel J. Flood,
Tom Steed,
John M. Slack,
Julia Butler Hansen,
John J. McFall,
Elford A. Cederberg,
William E. Minshall,
Silvio O. Conte,
Glenn R. Davis,
Howard W. Robison,
Garner E. Shriver,
Robert C. McEwen,
Managers on the Part of the House.

John L. McClellan,
Warren G. Magnuson,
John C. Stennis,
John O. Pastore,
Alan Bible,
Robert C. Byrd,
Gale W. McGee,
Mike Mansfield,
William Proxmire,
Joseph M. Montoya,
Daniel K. Inouye,
Ernest F. Hollings,
Birch Bayh,
Milton R. Young,
Roman L. Hruska,
Norris Cotton,
Clifford P. Case
(except amendment No. 16),
Hiram L. Fong,
Edward W. Brooke,
Mark O. Hatfield,
Ted Stevens,
Charles McC. Mathias, Jr.,
Richard S. Schweiker
(except amendment No. 162),
Henry Bellmon,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14013) making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I

CHAPTER I. DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

Amendment No. 1: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to provide language authorizing the Animal and Plant Health Inspection Service to establish and operate an English language school at Tuxtla Gutierrez, Chiapas, Mexico, for children of employees of the Animal and Plant Health Inspection Service engaged in the Mexican-American Screwworm Program.

Food and Nutrition Service

Food Stamp Program

Amendment No. 2: Appropriates $500,000,000 for the Food Stamp Program as proposed by the Senate instead of $450,000,000 as proposed by the House.

Soil Conservation Service

Watershed and Flood Prevention Operations

Amendment No. 3: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment to provide $23,661,000 for "Watershed and Flood Prevention Operations" instead of $20,000,000 as proposed by the House and $26,161,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees are in agreement that the total funds provided shall be distributed as follows:

$1,161,000 to implement Section 5 of Public Law 93-251 for development of a source of water supply for the communities of Walton, Sissonville, Pocatalico and Gandeeville, West Virginia; Arkansas $76,800; Northeast United States $1,497,500; Northwest United States $7,350,000; Mississippi Area $8,649,000; Missouri Area $2,375,000; North Dakota $750,000; and Administrative Expenses $1,801,700.

DEPENDENT AGENCIES

Federal Trade Commission

Amendment No. 4: Deletes $250,000 proposed by the Senate for retroactive funding of the study of the Emergency Petroleum Allocation Act. The conferees will expect the Federal Trade Commission in the future to not proceed with unfunded projects prior to receiving approval from the Appropriations Committee.

CHAPTER II.—DEPARTMENT OF DEFENSE—MILITARY

Military personnel

Military Personnel, Navy

Amendment No. 5: Appropriates $16,000,000 as proposed by the Senate instead of $20,300,000 as proposed by the House. The introduction of a new strength accounting system in the Navy resulted in an overstatement of actual strength. This overstatement has now been corrected making the further reduction by the Senate possible.

Operation and maintenance

Operation and Maintenance, Navy

Amendment No. 6: Appropriates $309,175,000 instead of $242,475,000 as proposed by the House, and $341,675,000 as proposed by the Senate.

The Navy requested $159,600,000 for readiness improvements. The House allowed $99,300,000 for this purpose. The Senate increased the amount by $25,000,000 allowing a total of $124,300,000. The conferees agreed that an amount of $111,800,000 would be sufficient for this purpose.

The Navy also requested $119,700,000 for fuel price increases. The House allowed $110,000,000. The Senate provided $184,200,000 because of a fuel price increase announced by the Defense Supply Agency (DSA) to be effective April 1, 1974.

The conferees agreed that an increase of $164,200,000 would be sufficient for the remainder of fiscal year 1974 to cover fuel price increases.

The conferees are aware that DSA included in the April price increase a surcharge designed to generate an additional $56.8 million over their actual charges for procurement of petroleum products during the last quarter of the fiscal year. This surcharge is to recoup a possible loss incurred by the DSA Stock Fund during the first three quarters of the fiscal year. The conferees believed the surcharge to be excessive and accordingly reduced the combined Navy and Air Force request by $30 million. DSA should adjust its billings to these military departments so the reduction will not affect their approved programs.

Operation and Maintenance, Air Force

Amendment No. 7: Appropriates $251,350,000 instead of $224,650,000 as proposed by the House, and $261,350,000 as proposed by the Senate.

The Air Force requested $262,800,000 for fuel price increases. The House allowed $200,000,000. Because of the fuel price increase effective April 1, 1974, the Senate provided $236,700,000 for this purpose.

The conferees agreed that an increase of $226,700,000 would be sufficient for the remainder of fiscal year 1974 to cover fuel price increases.

Operation and Maintenance, Navy Reserve

Amendment No. 8: Appropriates $21,000,000 as proposed by the Senate instead of $17,700,000 as proposed by the House. The Senate increase is to cover the cost of the fuel price increase effective April 1, 1974.

Operation and Maintenance, Air Force Reserve

Amendment No. 9: Appropriates $9,500,000 as proposed by the Senate instead of $7,000,000 as proposed by the House. The Senate increase is to cover the cost of the fuel price increase effective April 1, 1974.

Operation and Maintenance, Air National Guard

Amendment No. 10: Appropriates $22,300,000 as proposed by the Senate instead of $14,000,000 as proposed by the House. The Senate increase is to cover the cost of the fuel price increase effective April 1, 1974. The increase will also allow 92 Air National Guard flying units to maintain proficiency and operational readiness during the last quarter of fiscal year 1974.

Amendment No. 11: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that 92 Air National Guard flying units planned and budgeted for in fiscal year 1974 be retained in the Guard.

The conferees agree that the Air National Guard should be maintained at the present 92 flying units for the remainder of fiscal year 1974. The conferees further agree that the 92 flying units should be maintained in fiscal year 1975 and subsequent years. The Department of Defense is expected to continue to provide the most modern aircraft available for these flying units, as well as to program more modern aircraft for them in future years.

Procurement

Procurement of Weapons and Tracked Combat Vehicles, Army

Amendment No. 12. Appropriates $71,100,000 as proposed by the House instead of $58,600,000 as proposed by the Senate.

The conferees agreed to provide $47,400,000 for 133 M60A1 battle tanks, as proposed by the House, instead of $34,900,000 for 96 such tanks as proposed by the Senate.

Procurement of Ammunition, Army

Amendment No. 13. Appropriates $150,000,000 as proposed by the Senate instead of $200,000,000 as proposed by the House.

The House has proposed a general reduction of $68,000,000 from the ammunition request in which the Senate concurred, and the Senate had proposed an additional reduction of $50,000,000.

Other Procurement, Army

Amendment No. 14. Appropriates $35,500,000 as proposed by the Senate instead of $45,500,000 as proposed by the House.

The conferees agreed to an additional reduction of $10,000,000 as proposed by the Senate.

Aircraft Procurement, Navy

Amendment No. 15. Reported in technical disagreement. The managers on the part of the House will offer a motion to appropriate $95,000,000 instead of $153,700,000 as proposed by the House and $113,000,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to the Senate deletion of $39,000,000 for six KC–130 tanker aircraft for the Marine Corps, and $1,700,000 for initial spares for those aircraft. The House had proposed funding the aircraft and spares. Requests which failed authorization were deleted.

Shipbuilding and Conversion, Navy

Amendment No. 16. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment appropriating $24,800,000.

The $24,800,000 was budgeted to preserve the option for changing the construction rate of the Trident submarine should that prove desirable. The House deleted the funds and the Senate proposed that the $24,800,000 be provided.

Other Procurement, Navy

Amendment No. 17. Appropriates $100,800,000 instead of $108,300,000 as proposed by the House and $93,300,000 as proposed by the Senate.

The Senate concurred in the House reductions and proposed an additional reduction of $15,000,000. The conferees agreed to a reduction of $7,500,000.

Aircraft Procurement, Air Force

Amendment No. 18. Reported in technical disagreement. The managers on the part of the House will offer a motion to appropriate $107,700,000 instead of $294,000,000 as proposed by the House and $244,400,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agreed to require that the $5,800,000 requested to modify a third fatigue test article for the C–5A aircraft be completed with research and development funds, as proposed by the House. This fatigue test article is not an operational piece of equipment, it was bought with research and development funds, and it is used to continue fatigue testing of C–5A aircraft structures. The $5,800,000 has been transferred to the Research, Development, Test and Evaluation, Air Force appropriation. Requests which failed authorization were deleted.

Missile Procurement, Air Force

Amendment No. 19. Reported in technical disagreement. The managers on the part of the House will offer a motion to appropriate $11,400,000 instead of $27,000,000 as proposed by the Senate. The House has proposed no funds for this appropriation.

The Senate had proposed $15,600,000 to buy expendable tactical drones and $11,400,000 to buy AQM–34V recoverable tactical drones. The conferees agreed to fund only the AQM–34V recoverable drones.

Other Procurement, Air Force

Amendment No. 20. Reported in technical disagreement. The managers on the part of the House will offer a motion to appropriate $82,400,000 instead of $97,400,000 as proposed by the House and $86,200,000 as proposed by the Senate.

The Senate had proposed $3,800,000 for the Continental Operations Range which the House had deleted. The conferees agreed to the House position with the understanding it will be reconsidered in the fiscal year 1975 appropriation bill.

The conferees also agreed to an additional reduction of $15,000,000 as proposed by the Senate.

Research, Development, Test and Evaluation, Air Force

Amendment No. 21. Appropriates $5,800,000 as proposed by the House. The Senate had deleted all funds from this appropriation.

The conferees agreed to provide $5,800,000 to complete the modification of the third fatigue test article for the C–5A.

Appropriation contingency

Amendment No. 22. Deletes "Appropriation Contingency" language as proposed by the Senate.

CHAPTER III. DISTRICT OF COLUMBIA

Amendment No. 23: Deletes the appropriation of $2,550,000 for "Federal Payment to the District of Columbia" proposed by the Senate.

Amendment No. 24: Appropriates $5,901,000 for "General operating expenses" as proposed by the Senate instead of $5,859,000 as proposed by the House.

CHAPTER IV. FOREIGN OPERATIONS

Indochina postwar reconstruction assistance

Amendment No. 25: Appropriates $49,000,000 as proposed by the House instead of $15,000,000 as proposed by the Senate.

In agreeing to the full House allowance of $49,000,000 as an additional amount for Indochina Postwar Reconstruction Assistance for South Vietnam, the conferees agree that no new Development Loan Funds should be made available to South Vietnam without the express approval of the Appropriations Subcommittees of both Houses of the Congress.

Disaster relief assistance

Amendment No. 26: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which amends the Foreign Assistance and Related Programs Appropriation Act, 1974 (Public Law 93–240) to allow the use of funds under disaster relief assistance for relief assistance in all the drought-stricken nations of Africa instead of just the Sahel region and makes the funds available until expended.

Department of State—Migration and refugee assistance

Amendment No. 27: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides $250,000 for the "International Committee of the Red Cross" subject to authorizing legislation being enacted into law.

CHAPTER V. VETERANS ADMINISTRATION

Amendment No. 28: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to make the funds provided for compensation and pensions available until expended.

FUNDS APPROPRIATED TO THE PRESIDENT

Disaster relief

Amendment No. 29: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment to appropriate $32,600,000 instead of $100,000,000 as proposed by the Senate, and changing the heading to "Funds Appropriated to the President" instead of the Department of Housing and Urban Development.

The $32,600,000, together with a higher than anticipated carryover of $88,600,000, will provide the full $121,200,000 currently estimated to be needed for all 131 presently declared disasters. This includes the recent tornadoes that devastated the Midwestern States. The Congress stands ready to provide any additional funds that are necessary for disaster relief when funding requests are considered for fiscal year 1975.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

CHAPTER VI. DEPARTMENT OF THE INTERIOR

Amendment No. 30: Appropriates $400,000 for "Bureau of Sport Fisheries and Wildlife, Resource management", instead of $300,000 as proposed by the House and $450,000 as proposed by the Senate.

The managers on the part of the House and the Senate are in agreement that of the total amount reprogrammed from unobligated pollution abatement projects in "Bureau of Sport Fisheries and Wildlife, Construction and anadromous fish", $440,000 shall be provided for the Storrie Lake Dam, Las Vegas National Wildlife Refuge, New Mexico.

DEPARTMENT OF AGRICULTURE

Forest Service

Amendment No. 31: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that $6,213,000 for insect and disease control under the heading "Forest Protection and Utilization, Forest land management" shall remain available until expended.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Amendment No. 32: Inserts heading as proposed by the Senate.

Office of Education

Amendment No. 33: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, with an amendment as follows:

Office of Education

Indian Education

Notwithstanding any regulation of the Office of Education, Department of Health, Education, and Welfare, amounts for part A appropriated under this head in the Department of the Interior and Related Agencies Appropriations Act, 1974, shall remain available for allocation as provided by law to local educational agencies in Alaska in response to applications received on or before May 30, 1974.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

CHAPTER VII. DEPARTMENT OF LABOR

Manpower Administration

Amendments Nos. 34, 35, and 36: Appropriate $2,265,584,000 for "Comprehensive manpower assistance", instead of $2,048,584,000 as proposed by the House and $2,546,584,000 as proposed by the Senate. This total includes: $370,000,000 for public service employment under Title II of the Comprehensive Employment and Training Act, instead of $250,000,000 as proposed by the House and $412,500,000 as proposed by the Senate; $250,000,000 for public service employment under section 5 of the Emergency Employsive Employment and Training Act, instead of $412,500,000 as proposed by the Senate; and $305,584,000 for summer youth employment programs instead of $208,584,000, as proposed by the House and $381,584,000, as proposed by the Senate. $17,000,000 is to be used for a summer youth recreation and transportation program as proposed by the Senate. The House report endorsed the continuation of this program but did not earmark a specific amount for it.

The conferees agree that funding of OIC projects should be at least equivalent to the 1973 level of $23,400,000 and that funding of projects for training of persons with limited English-speaking capabilities sponsored by SER-Jobs for Progress should be at least equivalent to the 1973 level of $16,200,000.

Amendment No. 37: Deletes appropriation of $10,000,000 for "Community service employment for older Americans", proposed by the Senate. The conferees note that the Department has not released funds previously appropriated for this purpose and direct that $10,000,000 provided in the first Supplemental Appropriations Act, 1974 be obligated without further delay. The conferees further direct that the program be administered primarily through national contracts, as previously directed by both the House and the Senate.

Amendments Nos. 38 through 43: Appropriate $81,000,000 for "Limitation on grants to states for unemployment insurance and employment services," as proposed by the Senate, instead of $85,000,000 as proposed by the House; delete earmarking of $40,000,000 for unemployment insurance services and $41,000,000 for employment services, proposed by the Senate; and make the entire amount available until June 30, 1975, as proposed by the House, instead of $41,000,000 as proposed by the Senate. The managers on the part of the House will offer motions to recede and concur in Senate amendments 41 and 42, which are reported in technical disagreement, and which make the funds available for increased costs of administration resulting from changes in a State law and for increased salary costs resulting from State salary compensation plans embracing employees of the State generally over those upon which the State's basic grant was based.

The intent of the conferees is that the funds should be available for both employment services and unemployment insurance services, as proposed by the Senate. Under the House bill, the funds would have been available only for unemployment insurance services. The conferees also agree that a portion of the funds provided herein should be used to forestall any further staff reductions and closings at State employment services offices.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Health Services and Mental Health Administration

Amendment No. 44: Deletes transfer language proposed by the Senate for "Health services delivery."

Amendment No. 45: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which inserts language providing that funds previously appropriated for training programs as authorized by the Emergency Medical Services Systems Act of 1973 shall remain available until September 30, 1974.

The conferees are agreed that the Maternal and Child Health staff of 58 ought to be continued rather than decreased in order to facilitate the orderly transition of this program to a State formula grant basis.

Amendment No. 46: Appropriates $3,500,000 for "Preventive health services", instead of $7,000,000 as proposed by the Senate; deletes transfer language proposed by the Senate, and earmarks $2,500,000 for carrying out Title I of the Lead-Based Paint Poison Prevention Act of 1974, instead of $5,000,000 as proposed by the Senate. The House bill made no provision for "Preventive health services". The conferees have agreed to the appropriation of an additional $1,000,000 for continued operation and maintenance of the Arctic Health Research Center with the understanding that there will be no further Federal appropriations for this purpose.

National Institutes of Health

Amendment No. 47: Deletes transfer of $9,500,000 as proposed by the Senate for "National Cancer Institute." The conferees have agreed to the deletion without prejudice of the additional amount provided for the children's cancer center in the Northeast area of the United States with the understanding that appropriations already available to the National Cancer Institute will be used to complete this vital and important project, and that the Center's application for funds will be handled expeditiously.

Office of Education

Amendment No. 48: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will appropriate $20,000,000 for "Elementary and secondary education" instead of $40,000,000 as proposed by the Senate, and will delete transfer language proposed by the Senate. The managers are agreed that $8,000,000 is earmarked for bilingual education grants authorized by Title VII of the Elementary and Secondary Education Act, to remain available until December 31, 1974; and $12,000,000 is earmarked for the Follow Through program authorized by section 222(a)(2) of the Economic Opportunity Act.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 49: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will appropriate $250,000 for "Higher education" instead of $400,000 as proposed by the Senate, will delete transfer language proposed by the Senate, and will make a technical adjustment in language. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. The amount agreed upon will provide planning grants for three demonstration centers for continuing education.

Amendment No. 50: Appropriates $394,000 for "Salaries and expenses", instead of $1,725,000 as proposed by the House.

Amendment No. 51: Deletes transfer language proposed by the Senate for "Salaries and expenses".

Amendment No. 52: Deletes transfer language proposed by the Senate for "Student loan insurance fund".

Amendment No. 53: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which will provide that $2,000,000 of the $269,400,000 appropriated by Public Law 93-25 for Title IV, part E of the Higher Education Act shall be available until June 30, 1974 for carrying out section 207 of the National Defense Education Act.

Amendment No. 54: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which will provide that any amounts appropriated for basic opportunity grants for fiscal year 1973 in excess of the amounts required to meet the payment schedule announced for academic year 1973-1974 shall remain available for payments under the payment schedule announced for the academic year 1974-1975.

Amendment No. 55: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which will provide that funds appropriated by Public Law 93-192 for State student incentive grants as authorized by section 415 A(b)(3) of the Higher Education Act, shall remain available until June 30, 1975.

Social and Rehabilitation Service

Amendment No. 56: Rescinds $1,188,000,000 for "Grants to States for public assistance", instead of $1,000,000,000 as proposed by the House and $1,225,000,000 as proposed by the Senate.

Amendment No. 57: Clarifies legal citation.

Amendment No. 58: Appropriates $21,000,000 for "Social and Rehabilitation Services" instead of $20,000,000 as proposed by the House, and $22,000,000 as proposed by the Senate.

Amendment No. 59: Deletes transfer language proposed by the Senate for "Social and Rehabilitation Services."

Amendment No. 60: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will earmark $1,000,000 to remain available until expended, for facilities construction authorized by Section 301 of the Rehabilitation Act of 1973, instead of $2,000,000 proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to provide an additional $1,000,000 for construction of the West Virginia rehabilitation facility with the understanding that no further Federal appropriations will be made for this purpose.

Social Security Administration

Amendment No. 61: Deletes transfer language proposed by the Senate for "Special benefits for disabled coal miners".

Special Institutions

Amendment No. 62: Deletes transfer language proposed by the Senate for "Gallaudet College".

Amendment No. 63: Deletes transfer language proposed by the Senate for "Howard University".

Office of Child Development

Amendment No. 64: Corrects legislative citation.

Amendment No. 65: Deletes transfer language proposed by the Senate for "Child Development."

Amendment No. 66: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment extending the availability of the appropriation herein for "Child Development" until December 31, 1974.

Office of the Secretary

Amendment No. 67: Deletes transfer language proposed by the Senate for "Departmental Management".

Related Agencies

Federal Mediation and Conciliation Service

Amendment No. 68: Appropriates $170,000 for "Salaries and expenses", instead of $85,000 as proposed by the House and $594,000 as proposed by the Senate. Provides support for 52 additional positions, as proposed by the Senate, instead of 26, as proposed by the House.

Office of Economic Opportunity

Amendment No. 69: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which will appropriate $12,500,000 for "Economic opportunity program", instead of $19,500,000 proposed by the Senate. The House bill included no funds for the Office of Economic Opportunity. The managers on the part of the Senate will move to recede and concur in the amendment of the House to the amendment of the Senate.

The entire amount agreed to by the conferees is for the emergency food and medical services program. No additional funds are provided for the legal services program with the understanding that the continuing resolution will continue support for these programs until appropriations for fiscal year 1975 are enacted, and that programs now in existence will not be dismantled.

CHAPTER VIII. LEGISLATIVE BRANCH

Senate

Amendments Nos. 70 through 76: Reported in technical disagreement. Inasmuch as these amendments relate solely to the Senate and in accord with long practice, under which each body determines its own housekeeping requirements, and the other concurs without intervention, the managers on the part of the House will offer motions to recede and concur in the Senate amendments Nos. 70 through 76.

Architect of the Capitol

Amendment No. 77: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $200,000 for "Senate Office Buildings."

Amendment No. 78: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate relating to the use and deposit of rental income from property acquired under the authority of the appropriation "Acquisition of property as a site for parking facilities for the United States Senate".

Library of Congress

Amendment No. 79: Deletes appropriation of $300,000 for fiscal year 1973 for "Salaries and Expenses, distribution of catalog cards" as proposed by the Senate.

Amendment No. 80: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate authorizing the use of funds available to the Library of Congress to provide additional parking facilities for employees, including transportation, in areas in the District of Columbia outside the limits of the Library of Congress grounds.

CHAPTER IX. MILITARY CONSTRUCTION

Military construction, Navy

Amendment No. 81: Defers consideration of the request by the Navy for $29,000,000 for expansion of facilities at the Naval Communications Station, Diego Garcia, Chagos Archipelago, until the fiscal year 1975 construction bill, as proposed by the Senate.

CHAPTER IX. DEPARTMENT OF DEFENSE—CIVIL

Amendment No. 82: Changes Chapter Number.

Department of the Army

Corps of Engineers—Civil

Flood control, Mississippi River and tributaries

Amendment No. 83: Appropriates $100,000,000 as proposed by the Senate instead of $80,000,000 as proposed by the House. These funds are not limited to work on the levees.

Construction, general

Amendment No. 84: Deletes amendment proposed by the Senate. The managers agree that, within available funds, the Corps should allocate up to $500,000 to the Ediz Hook Emergency Protection, Washington project; up to $40,000 for the Presque Isle, Peninsula, Erie, Pennsylvania project; and up to $25,000 for the Lower Guyandot River Basin, West Virginia channel cleanout project, due to the emergency situations that exist at these locations.

CHAPTER X. DEPARTMENT OF STATE

Amendment No. 85: Changes chapter number.

Administration of foreign affairs

Salaries and Expenses

Amendment No. 86: Appropriates $6,250,000 instead of $6,000,000 as proposed by the House and $6,500,000 as proposed by the Senate.

International organizations and conferences

Contributions to International Organizaitons

Amendment No. 87: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $1,200,000 instead of $2,287,000 as proposed by the Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Educational exchange

Center for Cultural and Technical Interchange Between East and West

Amendment No. 88: Appropriates $225,000 instead of $200,000 as proposed by the House and $269,000 as proposed by the Senate.

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

Administration of Pribilof Islands

Amendment No. 89: Appropriates $330,000 as proposed by the Senate instead of $250,000 as proposed by the House.

National Bureau of Fire Prevention

Operations, Research and Administration

Amendment No. 90: Deletes proposal of the Senate to appropriate $4,000,000.

Maritime Administration

Operating-Differential Subsidies (Liquidation of Contract Authority)

Amendment No. 91: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing that this appropriation shall be available upon the enactment into law of authorizing legislation.

THE JUDICIARY

Courts of Appeals, District Courts, and other Judicial Services

Representation by Court-Appointed Counsel and Operation of Defender Organizations

Amendment No. 92: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $2,000,000 for compensation and reimbursement of expenses of attorneys appointed by judges of the District of Columbia Court of Appeals or by judges of the Superior Court of the District of Columbia.

The conferees are agreed that this is the final appropriation to the Federal Judiciary for this purpose.

CHAPTER XI. DEPARTMENT OF TRANSPORTATION

Amendment No. 93: Changes chapter number.

Office of the Secretary

Amendment No. 94: Appropriates $7,000,000 for salaries and expenses instead of $4,000,000 as proposed by the House and $9,500,000 as proposed by the Senate. The conference agreement includes the full amount requested for the Northeast Corridor Contract Program.

Amendment No. 95: Appropriates $39,800,000 for interim operating assistance instead of $10,800,000 as proposed by the House and $50,000,000 as proposed by the Senate.

The managers are concerned with recent reports indicating that the Department of Transportation is conditioning emergency cash assistance for bankrupt railroads in the Northeast and Midwest on submission by the railroads of abandonment plans for so-called uneconomic lines.

Cash assistance is authorized under Section 213 of the Regional Rail Reorganization Act of 1973 (P.L. 93-236) which provides for the restructuring of the Penn Central and other bankrupt lines in the region.

The purpose of the cash assistance is to keep the bankrupt lines running until the final plan of the new system is drawn up and implemented.

Section 213(a) conditions the provision of such cash assistance not on abandonment of service, but on agreement of the recipient to maintain service "at a level no less than that in effect on the date of enactment" of the law.

Congress adopted this approach to be sure there will be something left to reorganize at the end of the long, complicated planning process now underway.

The Transportation Department can and should insure the proper use and accounting of emergency cash assistance by establishing reasonable terms and conditions on its payment. But for the Department to seek abandonments in return for such assistance would be contrary to the intent of Section 213(a) and would threaten to undermine all that Congress is trying to do under the Regional Rail Reorganization Act of 1973.

The conferees also feel that discontinuances and abandonments as provided for in Section 304(f) of the Act should be permitted for any railroad receiving financial assistance under Section 213 to the extent that such actions are not inconsistent with the intent of Section 213(a).

Amendment No. 96: Appropriates $3,000,000 for transportation planning, research, and development as proposed by the Senate instead of $3,170,000 as proposed by the House.

Federal Highway Administration

Amendment No. 97: Appropriates $56,000 for Inter-American Highway instead of $2,000,000 as proposed by the House.

Amendment No. 98: Provides $2,218,000 for railroad-highway crossings demonstration projects as proposed by the Senate instead of $1,500,000 as proposed by the House. The conferees direct that these funds shall be used only for the projects authorized by Section 163 of the Federal-Aid Highway Act of 1973.

Federal Railroad Administration

Amendment No. 99: Appropriates $47,000,000 for grants to the National Railroad Passenger Corporation instead of $41,300,000 as proposed by the House and $56,000,000 as proposed by the Senate.

The conferees are concerned about the substantial amount of Federal grants which are required to meet the National Railroad Passenger Corporation's (Amtrak) operating deficits.

In this regard the conferees direct the Secretary of Transportation in cooperation with the President of Amtrak to submit service and route criteria to the appropriate committees of Congress by December 31, 1974.

Amendment No. 100: Earmarks $2,000,000 of the appropriation for grants to the National Railroad Passenger Corporation for the initiation of a new service as set forth in section 403 of Public Law 91-518, as amended, instead of $4,000,000 as proposed by the Senate.

RELATED AGENCIES

United States Railway Association

Amendment No. 101: Appropriates $12,000,000 for administrative expenses instead of $8,000,000 as proposed by the House and $15,000,000 as proposed by the Senate.

CHAPTER XII. DEPARTMENT OF THE TREASURY

Amendment No. 102: Changes chapter number.

Bureau of the Public Debt

Amendment No. 103: Appropriates $2,000,000 for administering the public debt as proposed by the Senate instead of $2,250,000 as proposed by the House.

Internal Revenue Service

Amendment No. 104: Appropriates $17,000,000 for accounts, collection and taxpayer service as proposed by the Senate instead of $17,442,000 as proposed by the House.

United States Secret Service

Amendment No. 105: Appropriates $2,700,000 for salaries and expenses as proposed by the Senate instead of $2,900,000 as proposed by the House.

Amendment No. 106: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to make funds appropriated to the United States Secret Service available to provide protection to the immediate family of the Vice President of the United States.

Postal Service

Amendment No. 107: Appropriates $220,000,000, for payment to the postal service fund instead of $230,000,000 as proposed by the House and $200,000,000 as proposed by the Senate.

INDEPENDENT AGENCIES

Civil Service Commission

Amendment No. 108: Appropriates $38,000,000 for government payment for annuitants, employees health benefits, as proposed by the Senate instead of $13,165,000 as proposed by the House.

Amendment No. 109: Deletes language proposed by the Senate to provide that funds remain available until expended.

Amendment No. 110: Appropriates $292,000,000 for payment to the Civil Service Retirement and Disability Fund as proposed by the Senate instead of $292,429,000 as proposed by the House.

CHAPTER XIII

Amendment No. 111: Changes chapter number.

TITLE II. INCREASED PAY COSTS

LEGISLATIVE BRANCH

Senate

Amendment No. 112: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate inserting a center head and appropriating $1,000,000 for "Salaries, officers and employees", $21,365 for "Office of the Legislative Counsel of the Senate", $45,330 for "Senate policy committees", $1,067,975 for "Inquiries and investigations", $6,635 for "Folding documents", and $1,545 for "Miscellaneous items". This amendment relates solely to Senate housekeeping items.

Joint items

Amendment No. 113: Inserts language continuing the availability of the appropriation, as authorized by law, for "Joint Committee on Reduction of Federal Expenditures" as proposed by the Senate.

Amendment No. 114: Deletes appropriation of $26,650 for "Joint Committee on Atomic Energy" as proposed by the Senate.

Architect of the Capitol

Amendment No. 115: Appropriates $281,500 for "Senate Office Buildings" and $2,800 for "Senate garage" as proposed by the Senate.

Library of Congress

Amendment No. 116: Appropriates $269,000 for "Salaries and Expenses", Copyright Office, as proposed by the Senate instead of $319,000 as proposed by the House.

Amendment No. 117: Appropriates $464,000 for "Salaries and expenses," Congressional Research Service, as proposed by the Senate instead of $564,000 as proposed by the House.

Amendment No. 118: Appropriates $49,000 for "Salaries and Expenses", Books for the blind and physically handicapped, as proposed by the Senate instead of $89,000 as proposed by the House.

Amendment No. 119: Inserts language continuing the availability of the appropriation, as authorized by law, for "Salaries and Expenses", Revision of annotated Constitution, as proposed by the Senate.

EXECUTIVE OFFICE OF THE PRESIDENT

The White House Office

Amendment No. 120: Appropriates $650,000 for salaries and expenses as proposed by the Senate instead of $668,000 as proposed by the House.

Office of Management and Budget

Amendment No. 121: Appropriates $900,000 for salaries and expenses as proposed by the Senate instead of $1,000,000 as proposed by the House.

FUNDS APPROPRIATED TO THE PRESIDENT

Economic Stabilization Activities

Amendment No. 122: Appropriates $3,395,000 for salaries and expenses as proposed by the Senate instead of $3,495,000 as proposed by the House.

DEPARTMENT OF COMMERCE

Social and Economic Statistics Administration

Amendment No. 123: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to permit the funds provided herein for "Periodic censuses and programs" to remain available until expended.

Minority business enterprise

Amendment No. 124: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to permit the funds provided herein for "Minority business development" to remain available until expended.

National Oceanic and Atmospheric Administration

Amendment No. 125: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to permit the funds provided herein for "Operations, research, and facilities" to remain available until expended.

Science and technology

Amendment No. 126: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to permit funds provided herein for "Scientific and technical research and services" to remain available until expended.

Maritime Administration

Amendment No. 127: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to permit the funds provided herein for "Operations and training" to remain available until expended.

DEPARTMENT OF DEFENSE—MILITARY

Military personnel, Army

Amendment No. 128: Appropriates $585,850,000 as proposed by the Senate, instead of $595,850,000 as proposed by the House.

Military personnel, Navy

Amendment No. 129: Appropriates $308,650,000 as proposed by the Senate, instead of $384,650,000 as proposed by the House.

Reserve personnel, Army

Amendment No. 130: Appropriates $23,092,000 as proposed by the Senate, instead of $36,092,000 as proposed by the House.

Reserve personnel, Marine Corps

Amendment No. 131: Appropriates $1,527,000 as proposed by the House, instead of $2,827,000 as proposed by the Senate.

National Guard personnel, Army

Amendment No. 132: Appropriates $69,600,000 as proposed by the Senate, instead of $51,600,000 as proposed by the House.

National Guard personnel, Air Force

Amendment No. 133: Appropriates $7,583,000 as proposed by the House, instead of $14,583,000 as proposed by the Senate.

Research, development, test and evaluation, Army

Amendment No. 134: Appropriates $26,914,000 instead of $17,930,000 as proposed by the House and $35,898,000 as proposed by the Senate.

Research, development, test and evaluation, Navy

Amendment No. 135: Appropriates $28,885,000 instead of $19,243,000 as proposed by the House and $38,528,000 as proposed by the Senate.

Research, development, test and evaluation, Air Force

Amendment No. 136: Appropriates $22,093,000 instead of $14,721,000 as proposed by the House and $29,466,000 as proposed by the Senate.

Research, development, test and evaluation, Defense Agencies

Amendment No. 137: Appropriates $3,761,000 instead of $2,506,000 as proposed by the House and $5,016,000 as proposed by the Senate.

DEPARTMENT OF DEFENSE—CIVIL

Department of the Army

Corps of Engineers—Civil

General expenses

Amendment No. 138: Appropriates $2,200,000 as proposed by the Senate instead of $2,300,000 as proposed by the House.

The Panama Canal

Amendment No. 139: Appropriates $1,000,000 for the Canal Zone Government, operating expenses as proposed by the House instead of $1,097,000 as proposed by the Senate.

Amendment No. 140: Limits general and administrative expenses of the Panama Canal Company to $1,294,000 as proposed by the Senate instead of $942,000 as proposed by the House.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Amendment No. 141: Transfers $1,500,000 to "Salaries and Expenses, Office of Education" as proposed by the Senate instead of $2,000,000 as proposed by the House.

DEPARTMENT OF THE INTERIOR

Amendment No. 142: Appropriates $6,746,000 for "Bureau of Mines, Mines and minerals" as proposed by the Senate instead of $7,746,000 as proposed by the House.

Amendment No. 143: Provides that the $283,000 appropriated for "National Park Service, Preservation of historic properties" shall remain available until expended, as proposed by the Senate.

Amendment No. 144: Appropriates $80,000 for "Office of Water Resources Research, Salaries and expenses" as proposed by the Senate.

DEPARTMENT OF STATE

Administration of foreign affairs

Amendment No. 145: Permits the funds

provided herein for "Acquisition, operation, and maintenance of buildings abroad" to remain available until expended, as proposed by the Senate.

DEPARTMENT OF TRANSPORTATION

Amendment No. 146: Provides that $111,000 of the $448,000 appropriated for Federal Railroad Administration, railroad safety is to be derived by transfer as proposed by the Senate instead of $448,000 as proposed by the House.

DEPARTMENT OF THE TREASURY

Federal Law Enforcement Training Center

Amendment No. 147: Appropriates $50,000 for salaries and expenses as proposed by the Senate instead of $55,000 as proposed by the House.

Bureau of Accounts

Amendment No. 148: Appropriates $1,300,000 for salaries and expenses as proposed by the Senate instead of $1,390,000 as proposed by the House.

Bureau of Customs

Amendment No. 149: Appropriates $15,500,000 for salaries and expenses as proposed by the Senate instead of $15,850,000 as proposed by the House.

Internal Revenue Service

Amendment No. 150: Appropriates $2,400,000 for salaries and expenses as proposed by the Senate instead of $2,450,000 as proposed by the House.

Amendment No. 151: Appropriates $36,000,000 for accounts, collection and taxpayer service as proposed by the Senate instead of $36,523,000 as proposed by the House.

Amendment No. 152: Appropriates $44,000,000 for compliance as proposed by the Senate instead of $44,500,000 as proposed by the House.

Office of the Treasurer

Amendment No. 153: Appropriates $800,000 for salaries and expenses as proposed by the Senate instead of $815,000 as proposed by the House.

Atomic Energy Commission

Operating Expenses

Amendment No. 154: Appropriates $11,200,000 as proposed by the Senate instead of $11,400,000 as proposed by the House.

General Services Administration

Property Management and Disposal Service

Amendment No. 155: Appropriates $1,700,000 for operating expenses as proposed by the Senate instead of $1,732,000 as proposed by the House.

Emergency Preparedness

Amendment No. 156: Appropriates $250,000 for salaries and expenses as proposed by the Senate instead of $350,000 as proposed by the House.

OTHER INDEPENDENT AGENCIES

Civil Service Commission

Amendment No. 157: Appropriates $4,700,000 for salaries and expenses as proposed by the Senate instead of $4,780,000 as proposed by the House.

Federal Power Commission

Amendment No. 158: Appropriates $1,500,000 for salaries and expenses as proposed by the Senate instead of $1,600,000 as proposed by the House.

Smithsonian Institution

Amendment No. 159: Appropriates $3,105,000 for "Salaries and expenses" as proposed by the Senate instead of $3,150,000 as proposed by the House.

Amendment No. 160: Appropriates $45,000 for "Science information exchange" as proposed by the Senate.

United States Information Agency

Amendment No. 161: Permits the funds provided herein for "Special international exhibitions" to remain available until expended, as proposed by the Senate.

ANNEXED BUDGETS

Export-Import Bank of the United States

Amendment No. 162: Deletes language proposed by the Senate which would have prohibited the Export-Import Bank from obligating or expending any funds available under its operating authority until the President made individual Presidential determinations on each transaction which has been committed or will be committed in Poland, Romania, Yugoslavia, and the U.S.S.R.

The managers understand that the proper legislative committees of both Houses of Congress are presently considering new legislation regarding the extension of the life of the Export-Import Bank beyond June 30, 1974. The managers hope that the new legislation would address the matter of establishing strict guidelines for national interest determinations with regard to the conduct of Export-Import Bank business with various Communist countries. The managers hope that early action on this issue will be forthcoming so that needed clarification will be established.

TITLE III. FISCAL YEAR 1973 RETROACTIVE PAY COSTS

Amendment No. 163: Reported in technical disagreement. Provides authority to cover costs arising from the United States Court of Appeals' decision retroactively granting Federal civilian employees a pay increase from October 1 through December 31, 1972.

The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment making a technical modification and authorizing the Clerk of the House of Representatives to grant the retroactive pay increase to any House employee who was on the payrolls for the period in question and where the "pay fixing" authority is no longer in office. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

TITLE IV. GENERAL PROVISIONS

Amendment No. 164: Changes title number.

Amendment Nos. 165–168: Change section numbers.

Amendment No. 169: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment changing the section number with an amendment to validate obligations incurred beginning June 1, 1974, if otherwise in accordance with the provisions of the bill.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1974 recommended by the Committee of Conference, with comparisons to the budget estimates, the House and Senate bills follow:

Budget estimates considered by House [1]	$10, 532, 735, 943
House-passed bill [1]	8, 811, 662, 043
Budget estimates considered by Senate [1]	11, 100, 530, 077
Senate-passed bill	9, 645, 935, 398
Senate bill compared with:	
Budget estimates	−1, 454, 594, 679
House bill	+834, 273, 355
Conference agreement	9, 301, 474, 398

[1] Includes $300,000 for fiscal year 1973.

Conference compared with:	
Budget estimates	−$1, 799, 055, 679
House bill	+489, 812, 355
Senate bill	−344, 461, 000

GEORGE H. MAHON,
JAMIE L. WHITTEN,
JOHN J. ROONEY,
ROBERT L. F. SIKES,
OTTO E. PASSMAN,
JOE L. EVINS,
EDWARD P. BOLAND,
WILLIAM H. NATCHER,
DANIEL J. FLOOD,
TOM STEED,
JOHN M. SLACK,
JULIA BUTLER HANSEN,
JOHN J. MCFALL,
ELFORD A. CEDERBERG,
WILLIAM E. MINSHALL,
SILVIO O. CONTE,
GLENN R. DAVIS,
HOWARD W. ROBISON,
GARNER E. SHRIVER,
ROBERT C. MCEWEN,
Managers on the Part of the House.

JOHN L. MCCLELLAN,
WARREN G. MAGNUSON,
JOHN C. STENNIS,
JOHN O. PASTORE,
ALAN BIBLE,
ROBERT C. BYRD,
GALE W. MCGEE,
MIKE MANSFIELD,
WILLIAM PROXMIRE,
JOSEPH M. MONTOYA,
ERNEST F. HOLLINGS,
BIRCH BAYH,
MILTON R. YOUNG,
ROMAN L. HRUSKA,
NORRIS COTTON,
CLIFFORD P. CASE, (except amendment 16),
HIRAM L. FONG,
EDWARD W. BROOKE,
MARK O. HATFIELD,
TED STEVENS,
CHARLES MCC. MATHIAS, JR.,
RICHARD S. SCHWEIKER, (except amendment 162),
HENRY BELLMON,
Managers on the Part of the Senate.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER.** Evidently a quorum is not present.

Mr. FLYNT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 247]

Arends
Blatnik
Boland
Breaux
Brown, Ohio
Broyhill, N.C.
Burke, Calif.
Burton
Camp
Carey, N.Y.
Chisholm
Clark
Clausen, Don H.
Cleveland
Collier
Conyers
Coughlin
Danielson
de la Garza
Dellums
Derwinski
Diggs
Evins, Tenn.
Findley
Foley
Fraser
Gaydos
Gibbons
Goldwater
Gray
Green, Oreg.
Gubser
Hansen, Idaho
Hansen, Wash.
Harrington
Helstoski
Hinshaw
Holifield
Howard
Hudnut
Hutchinson
Johnson, Colo.
Karth
Ketchum
Kyros
McCloskey
McEwen
McKinney
McSpadden
Maraziti
Martin, Nebr.
Michel. Ill.
Mills
Minshall, Ohio
Moorhead, Pa.
Murphy, N.Y.
Murtha
O'Neill
Owens
Passman
Pettis
Podell
Powell, Ohio
Preyer
Rarick
Rees
Reid
Rooney, N.Y.

Rooney, Pa.
Rostenkowski
Ryan
Seiberling
Smith, Iowa
Stanton,
James V.
Stark
Stubblefield
Stuckey
Teague
Tiernan
Udall
Vander Jagt
Veysey
Waggonner
Walsh
Wilson,
Charles, Tex.
Yatron
Young, Ill.

The SPEAKER. On this rollcall 346 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORTS

Mr. YOUNG of Texas. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENDING VETERANS EDUCATION BENEFIT ELIGIBILITY

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, last week, I reluctantly gave up my fight to get H.R. 14464 passed. This bill would have extended veterans education benefit eligibility for 2 years. Instead, I gave my support to S. 3398, to provide for a 30-day extension. I took this step only after receiving explicit assurances that the Senate and the House would complete all necessary action on pending comprehensive veterans education benefit legislation by the end of June.

Yet, today I come to you with a mere 32 days remaining before the deadline of June 30, and report that this agreement is off to a most dismal start. Incredibly, the 30-day extension bill has not even reached the President's desk with only a precious 3 days remaining before 300,000 veterans will lose their educational benefit eligibility.

In addition, the Senate has not even scheduled S. 2784 for consideration. This I find unconscionable because if the Senate and House conferees are to complete their action by the end of June, it is vital that the Senate act on this bill immediately.

It seems to me that we owe more to the brave men who defended our Nation in times of war, than to dawdle in inactivity on a matter as important as their educational benefits. I strongly urge that the 30-day extension bill be sent to the President immediately for his signature, and that the Senate schedule S. 2784 for immediate consideration. What excuses will this Congress have to offer the veterans of this Nation if these important actions are not taken?

APPOINTMENT OF CONFEREES ON H.R. 11385, HEALTH SERVICES RESEARCH AND ASSISTANCE FOR MEDICAL LIBRARIES

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11385) to amend the Public Health Service Act to revise the programs of health services research and to extend the program of assistance for medical libraries, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia? The Chair hears none, and appoints the following conferees: Messrs. STAGGERS, ROGERS, SATTERFIELD, DEVINE, and NELSEN.

APPOINTMENT OF CONFEREES ON S. 2830, RESEARCH AND PUBLIC EDUCATION WITH REGARD TO DIABETES MELLITUS

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2830) to amend the Public Health Service Act to provide for greater and more effective efforts in research and public education with regard to diabetes mellitus, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia? The Chair hears none, and appoints the following conferees: Messrs. STAGGERS, ROGERS, SATTERFIELD, DEVINE, and NELSEN.

APPOINTMENT OF CONFEREES ON S. 2893, IMPROVING NATIONAL CANCER PROGRAM

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2893) to amend the Public Health Service Act to improve the national cancer program and to authorize appropriations for such program for the next 3 fiscal years, with the House amendment thereto, insist on the House amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia? The Chair hears none, and appoints the following conferees: Messrs. STAGGERS, ROGERS, SATTERFIELD, KYROS, PREYER, SYMINGTON, ROY, DEVINE, NELSEN, CARTER, HASTINGS, HEINZ, and HUDNUT.

DEPARTMENT OF STATE AUTHORIZATION FOR FISCAL YEAR 1974

Mr. HAYS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 12466) to amend the Department of State Appropriations Authorization Act of 1973 to authorize additional appropriations for the fiscal year 1974, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 1, line 9, strike out "$288,968,000" and insert $304,568,000".

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. THOMSON of Wisconsin. Mr. Speaker, I reserve the right to object, and I do so for the purpose of yielding to the gentleman from Ohio so he may explain the bill.

Mr. HAYS. Mr. Speaker, H.R. 12466 is the Department of State supplemental authorization for fiscal year 1974. The bill was considered in the Committee on Foreign Affairs in late February and passed the House on March 13. The Senate passed the bill with an amendment on March 29.

The Senate amendment was in response to an Executive communication that came in the interval between House and Senate action. It adds $15.6 million to the House passed bill.

Last year Congress authorized the transfer of the Foreign Service personnel of AID from the Civil Service retirement system to the Foreign Service retirement system. Existing law requires that the unfunded liability for new groups of employees entering the Foreign Service retirement system must be amortized in equal payments over a 30-year period. The actuary estimates that the transfer of these employees requires an annual payment of $15.6 million to the Foreign Service retirement system for each of the next 30 years to cover the unfunded liability created by this transfer. In short, this is a legal obligation that must be met.

The sum carried in the Senate amendment is for the current fiscal year that ends in a few weeks. I have discussed this amendment with ranking members of the committee on both sides of the aisle. They approve it.

It is my thought that in subsequent years this additional sum should not be carried in the State Department authorization and appropriation bills. It is a charge resulting from benefits conferred on AID personnel and properly should be carried in the AID authorization and appropriation bills.

Mr. THOMSON of Wisconsin. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

AUTHORIZING APPROPRIATIONS FOR U.S. PARTICIPATION IN THE INTERNATIONAL OCEAN EXPOSITION '75

Mr. HAYS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 2662) to authorize appropriations for U.S. participation in the International Ocean Exposition '75.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. THOMSON of Wisconsin. Mr. Speaker, reserving the right to object, I do so to allow time to the gentleman from Ohio for the purpose of explaining this bill.

Mr. HAYS. Mr. Speaker, there is an element of urgency that leads me to call up S. 2662, a bill to authorize appropriations for U.S. participation in the International Ocean Exposition '75, to be held in Okinawa, Japan, next year.

The administration requested an authorization of $5.6 million of which $3.1 million was to be in dollars and $2.5 million in Japanese yen which the United States owns as a result of settlement made by Japan in 1962 for our post-war economic assistance.

The Senate passed the bill but deleted the reference to the use of Japanese yen. The entire authorization and appropriation was to be in dollars.

Meanwhile the appropriations committees of the House and Senate have included in the Second Supplemental Appropriations Act, 1974, the appropriation of $5.6 million of which $2.5 million is to be in yen, the original Executive request. The appropriation, however, is contingent upon enactment of this authorizing legislation.

My subcommittee considered this matter and agreed to this bill with the understanding that the dollar portion—$3.1 million—would be taken out of the salaries and expenses item for the U.S. Information Agency which is handling this program.

The urgency to which I referred arises from the fact that it is necessary for our Government to enter into contracts for the construction of its exhibit by June 1—only a few days away. I would not be disposed to follow this procedure except that the pending supplemental appropriation bill assures that $2.5 million will be in Japanese yen that we own. And the reduction that the subcommittee has made in USIA assures that we will not be adding $3.1 million to the budget.

As to the exhibit itself, it has the approval of the Bureau of International Expositions as a special category exposition. It is expected that at least 30 other nations will participate.

Our participation will strengthen our relations with Japan and particularly with Okinawa where we have had a long association and where we still retain important facilities. It will provide the United States an opportunity to demonstrate our ocean development projects.

The Japanese intend to use the exposition as an "accelerator" for their plans for developing ocean bed petroleum and mineral resources, desalting sea water, aquaculture for shrimp and fish, ocean pollution and control, and offshore facilities such as powerplants and airfields.

The United States will rely upon the private sector to loan or donate equipment and to demonstrate their accomplishments within their particular field of endeavor. The exposition will be an educational venture in what is perhaps the world's last frontier.

Mr. THOMSON of Wisconsin. Mr. Speaker, I withdraw my reservation of objection.

The SEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate bill as follows:

S. 2662

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "International Ocean Exposition Appropriations Authorization Act of 1973".

SEC. 2. There is authorized to be appropriated for the United States Information Agency for "Special International Exhibitions", for United States participation in the International Ocean Exposition to be held in Okinawa, Japan, in 1975, as authorized by the Mutual Education and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), $5,600,000, to remain available until expended: *Provided,* That the amount authorized to be appropriated herein shall be available without regard to section 3108 of title 5, United States Code.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMUNITY SERVICES ACT OF 1974

Mr. PERKINS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 14449) to provide for the mobilization of community development and assistance services and to establish a Community Action Administration in the Department of Health, Education, and Welfare to administer such programs.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky (Mr. PERKINS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 14449) with Mr. WHITE of Texas in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, title I of the committee amendment in the nature of a substitute ending on page 227, line 18, had been considered as read and open to amendment at any point.

Are there any amendments to title I of the committee amendment in the nature of a substitute?

AMENDMENT OFFERED BY MR. PERKINS

Mr. PERKINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PERKINS: On page 197, strike paragraph (1) of Section 122(a) beginning on line 23 down through line 13 on page 199, and renumber the subsequent paragraphs accordingly.

Mr. PERKINS. Mr. Chairman, this amendment strikes the language pertaining to the legal services provision in the bill, which is merely for the purpose of transition, commencing at the bottom of page 197 on line 23 and going over through line 13 on page 199.

This language was put in the bill for the purpose of carrying on a legal services program during the period of transition from the regular program until the Legal Services Corporation became effective.

Mr. Chairman, that was the only purpose of the language. Inasmuch as several Members have asked questions about the legal services provision, we just felt that it was better to strike the entire provision.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. Mr. Chairman, I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, I want to indicate my support for the amendment offered by the gentleman from Kentucky. I think it ought to be quite clear—and would the gentleman from Kentucky agree with me—that this in no way shortens the life of the Legal Services program or prejudices any further action on the Legal Services program.

Mr. PERKINS. The gentleman is correct, because when the Corporation becomes effective, there certainly will not be any need for this language.

Mr. STEIGER of Wisconsin. And, if the gentleman will yield further, it would not preclude the other body from taking action should that become necessary?

Mr. PERKINS. That is correct.

Mr. MEEDS. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. Mr. Chairman, I yield to the gentleman from Washington.

Mr. MEEDS. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Kentucky, and point out that this simply carries out the will of the Congress.

To leave this provision in, now that we have acted, would be inconsistent with the intent of the House as it spoke 10 days ago, or thereabouts, in creating the Legal Services Corporation.

Mr. PERKINS. The gentleman is correct.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. Mr. Chairman, I yield to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Chairman, does the gentleman recall that, when this program started, Legal Services were not even mentioned in the legislation? It got started without any specific authorization.

However, by removing this language that subsequently was added, the extension of the legislation in order to make it a national program—by removal of this language, the subsection the gentleman proposes in his amendment, would that preclude the Community Action Administration from starting up a legal services program if a corporation were not established?

Mr. PERKINS. Mr. Chairman, I would not say it would preclude the Community Action Agency from starting up a Legal Services program, but I would say to the gentleman from Minnesota that, if that was the case, if that were done, it would be on a very limited basis.

Mr. QUIE. Would the gentleman say

that, by removing this language, we really are not stopping Legal Services as a program in this legislation, the Community Action Administration? In reality——

Mr. PERKINS. What I am saying is that the language was put in here to carry on the present Legal Services program until the effective date of the Corporation. It was put in merely as transitional language, and there is no real necessity for it, in my judgment.

Mr. QUIE. Mr. Chairman, if the gentleman will yield further, if the other body passes the conference report and it becomes law, then I agree that there is no need for the Legal Services section which the gentleman proposes to strike.

However, if it does not become law, then my question is: Are we actually just doing something for window dressing or actually preventing the Legal Services from operating until Congress came back and authorized Legal Services?

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

(By unanimous consent Mr. PERKINS was allowed to proceed for 2 additional minutes.)

Mr. PERKINS. Mr. Chairman, let me say to my distinguished colleague from Minnesota that if the Senate did put in some language reestablishing the Legal Services Corporation, I think that the gentleman from Minnesota and I could agree—assuming that action by the other body—to language that would only be for a limited period of time of 3 months or 6 months and I do not think the gentleman from Minnesota and I would have any difficulty agreeing on that. I can pledge to him now that we would not come back with any permanent language establishing a Legal Services program.

Mr. QUIE. Mr. Chairman, I am trying to point out that I would be more in support of the bill if I knew that the Legal Services would not operate at all unless the Congress takes further action.

As the gentleman and I both are in agreement, the Legal Services Corporation conference report that the House adopted is something we support. We hope the other body will pass it. We hope that the President will sign it, but if the President does not sign it, for instance, and his veto is sustained, then it seems to me that it would be necessary for the Congress to take some further action.

Mr. Chairman, the gentleman suggested that the Senate then could add it to this bill so that the Legal Services Corporation could be placed in H.R. 14449 before the Senate passes the bill. If the Senate put a provision for the Legal Services Corporation in this bill, then we would consider it in conference, which would then be further congressional action.

Mr. PERKINS. Mr. Chairman, there would be further congressional action, I would state to the gentleman. Assuming that did happen and the Senate did add some additional language concerning the Legal Services Corporation, there would be nothing to keep the gentleman from Minnesota and myself and the House conferees from agreeing to a continuation for a limited period of time until we came back, so we could bring a bill back to the Congress and get an authorization from this Congress.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. QUIE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to speak to the gentleman even further, so we make this clear, because the gentleman talks about the possibility of further legislative action to extend Legal Services for 30 days, 60 days, or whatever is necessary, in order to work out a corporation. I recognize that that is the case.

It is also possible, as the gentleman indicated earlier, that the Senate might take some action on legal services in this bill after it goes over there, if the Legal Services Corporation did not become law.

What I am trying to say, as the gentleman, I am sure, does agree, is that some kind of congressional action would have to be taken before legal services would be authorized to keep on going after June 30, 1974, if the Legal Services Corporation conference report did not become law.

Mr. PERKINS. Mr. Chairman, some language would have to be inserted somewhere along the line. I can make a pledge to the gentleman that we will not bring in here any permanent program without the membership of this body having the right to vote. I think that I can pledge myself now that if any language is inserted on the Senate side, and the conference report on the corporation is vetoed, the gentleman and I, along with the other conferees, can agree that it will only be for a limited period of time in order to permit the House to vote on this issue at the earliest possible date.

Mr. QUIE. Mr. Chairman, with that understanding, I support the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky (Mr. PERKINS).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. QUIE. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

The question was again taken; and on a division (demanded by Mr. QUIE) there were—ayes 40, noes 1.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. STEIGER OF WISCONSIN

Mr. STEIGER of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STEIGER of Wisconsin: Page 202, strike out line 22 and all that follows down through page 203, line 17.

Mr. STEIGER of Wisconsin. Mr. Chairman, in offering this amendment, I regret having to do it this way, but I do not think I have any other alternative. This is the amendment which I discussed at some length with the gentleman from California (Mr. HAWKINS).

The amendment is designed to provide a transfer of SOS to the Administration on Aging. That transfer comes after title I, and, therefore, I am offering the amendment at this time to strike SOS, and I will, when I can under the rules, then offer the amendment to establish a new title of SOS, which would then be in the Administration on Aging.

I want to make sure that it is clear that my intent is that the program is to be continued as a separate entity within the Administration on Aging, and that it is not to be included as any part of any formula grant program.

I would hope, Mr. Chairman, that the amendment would be adopted, and I will then offer the amendment concerning SOS when I can under the rules.

Mr. Chairman, when this bill was considered in the subcommittee, the senior opportunity and service program—SOS—was transferred to the Administration on Aging, but through an inadvertent error it was dropped in the full committee. My amendment today would reinstate that provision and officially transfer the program to the Administration on Aging within HEW.

I wish to make clear in doing so that it is my intent as well as the chairman of the subcommittee, Mr. HAWKINS, that this program be continued as a separate entity within the Administration on Aging, and that it not be included as part of any formula grant program.

Although the program's budget of $10 million has been relatively small, the money has been used very effectively to stimulate programs through community action agencies for the elderly poor throughout the Nation. In spite of the fact that these programs generally do not do anything spectacular which attracts headlines, they do provide essential services which enrich and upgrade the lives of the elderly.

I see no logistical problems in transferring the program from OEO to AOA since there are only two people directly employed in the SOS program at OEO at this time. The funding of programs should not be difficult to continue since they have only been renewals of existing programs and program dollars have been used to fund services. Over the last few years there has been no new research or initiatives begun through SOS. It is my hope that once the program is transferred that AOA will take such steps as may be necessary to commence new initiatives and other activities which will expand research activities.

Mr. HAWKINS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it is my understanding that this is done in order to prepare for the other amendment or the additional part of the amendment which will be offered.

May I ask the gentleman from Wisconsin (Mr. STEIGER) merely to explain the intent of it? I think there is a general agreement that the amendment should be supported, and I think the action in the committee did indicate support for the amendment.

There is only one point concerning this amendment that we are concerned about, that is, how it is to be handled, how the funding is to take place and whether it would be a grant or whether it would be under an allocation formula.

Mr. Chairman, may I ask the gentleman, what is his intent as to the manner in which it will be funded?

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HAWKINS. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, I appreciate the gentleman from California giving me this opportunity to explain it further.

It is certainly my intent, as I stated in the well, that this is to be handled in the same way that we now handle SOS, and it is not to become part of any formula grant program within the Administration on Aging.

Mr. HAWKINS. Mr. Chairman, I wish to assure the gentleman that when the time comes, I will support the amendment.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. HAWKINS. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I have asked the gentleman to yield so that I may ask the gentleman from Wisconsin a question.

I am certainly in support of the amendment, but I have some reservations. I would like to ask the gentleman from Wisconsin this:

The other programs in the Department of Aging really do not affect the poorest of the poor, like the SOS program, the Senior Opportunity Services. Down my way the best thing that happens is that the SOS program provides transportation for the elderly poor, and I have a theory that when we transfer this to the regular agency, we are going to lose this local service that is so predominant in the SOS program at the present time.

Does the gentleman care to comment on that, and does he feel that these types of services will be rendered when this program is transferred to the Department of Aging?

Are we going to have a separate appropriation, or is there a line item in this amendment for this particular program?

I am reiterating my support of the amendment, but I am just wondering about this.

I am just wondering out loud about whether we are doing any harm to the real purposes of this program.

Mr. STEIGER of Wisconsin. Will the gentleman yield?

Mr. HAWKINS. Before yielding may I indicate that the amendment which will be offered and which is not included at this time, as I understand it, maintains the integrity of the program and establishes it in the same way as a separate title within that structure as we have done with the Comprehensive Health Services. It was on that basis that I did support the amendment and will continue to do so. To some extent that will probably answer the question of the chairman of the committee, the gentleman from Kentucky, that the amendment would not destroy the integrity, identity, and visibility of the program. That is my understanding of the matter.

I now yield to the gentleman from Wisconsin either to confirm or deny the accuracy of the statement I have made.

Mr. STEIGER of Wisconsin. I appreciate the gentleman's yielding.

I concur completely. We are establishing it with its identity intact. We will continue, may I say to the gentleman from Kentucky, to make sure there is specific emphasis on the elderly poor. That is the purpose of this program, including transportation and all of the other things SOS is doing across the country. In no way do I want to see it disrupted. The program serves a very useful purpose and it ought to be continued as is.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. STEIGER).

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUIE: Page 176, beginning in line 5, strike out everything after "programs" through the period in line 8 and insert in lieu thereof: "The purpose of this Act is, first of all, to authorize certain programs to be administered by the Secretary of Health, Education, and Welfare (hereafter referred to as the 'Secretary')."

Mr. QUIE. Mr. Chairman, I have several amendments which include other portions of title I and also go into the next five titles. I ask unanimous consent that these amendments may be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. QUIE: Title I of the bill is amended as follows:

(1) Page 179, line 2, strike out "Administration" and insert in lieu thereof "Congress"; and

(2) By striking out "Director" in the following instances and inserting in lieu thereof "Secretary"—

Page 180, lines 6 and 20; page 181, lines 13 and 14 and line 21; page 182, lines 11 and 25; page 183, line 15; page 184, line 19; page 185, lines 1 and 18; page 187, line 3; page 191, line 19; page 192, line 4; page 193, line 12; page 194, line 19; page 195, lines 6, 13, and 23; page 196, lines 5, 11, 20 and 22; page 198 lines 7, 12, 14, and 23; page 199, lines 4, 7, and 11; page 200, lines 4, and 7; page 202, line 6; page 203, lines 12 and 15; page 203, line 23; page 204, line 2; page 205, line 1; page 206, lines 9, 10, and 15; page 207, lines 8, 11, and 12, and 17; page 208, lines 2, and 17; page 209, line 3; page 210, line 20; page 211, lines 9, 18, and 21; page 213, line 2; page 214, lines 3, 10, 16, and 24; page 215, lines 3, 10, 16, and 24; page 216, lines 3, 4, 16, and 21; page 217, lines 4, and 22; page 218, lines 12, 18, and 21; page 219, line 17; page 220, lines 4, 12, 20, and 25; page 221, lines 8, 9, 15, and 21; page 223, lines 3 and 12; page 224, lines 4, and 11; page 225, lines 6, 11, 16, and 17 (but only the hyphenated word), and line 21; page 226, lines 4, 10, and 15; page 227, line 5.

Title II is amended by striking out "Director" and inserting in lieu thereof "Secretary" in the following instances—

Page 228, lines 2, and 24; page 229, lines 5, and 14; page 230, line 5; page 231, lines 9, 11, and 21; page 232, line 3.

Title III is amended by striking out "Director" and inserting in lieu thereof "Secretary" in the following instances—

Page 236, line 4; page 238, lines 4, and 10.

Title IV is amended by striking out "Director" and inserting in lieu thereof "Secretary" in the following instances—

Page 242, line 20; page 244, line 13; page 246, lines 2, and 23; page 247, lines 4, 8, and 18; page 248, lines 3, 12, and 13.

Title V is amended by striking out "Director" and inserting in lieu thereof "Secretary" in the following instances—

Page 248, line 23; page 249, lines 6, 10, 16, and 22; page 250, lines 1, 7, 10, 14, 18, and 22; page 251, lines 6, 7, 12, 20, and 24; page 252, line 7; page 253, lines 4, 6, and 14.

Title VI is amended as follows:

(1) Page 254, strike out lines 4 and 5, and strike out section 601 (lines 6 through 17) and renumber the remaining sections accordingly;

(2) Page 254, line 24; page 255, line 7; and page 256, line 23, strike out "Administration" and insert in lieu thereof "Department of Health, Education, and Welfare";

(3) Page 257, strike out lines 15 and 16, and renumber the remaining paragraphs accordingly;

(4) Strike out "Director" and insert in lieu thereof "Secretary" in the following instances—

Page 254, lines 18, and 20; page 256, line 10; page 258, line 11; page 260, line 17; page 261, lines 12, and 18; page 262, lines 19, and 22; page 263, line 17; page 265, lines 6, 13, 20, and 25; page 266, line 13; page 267, lines 2, 10, and 25; page 268, line 19; page 269, line 3; page 270, line 24; page 271, lines 1, 13, and 19; page 272, line 23; page 273, lines 2, 16, and 23; page 274, line 5; page 275, lines 9, and 16; page 276, lines 4, and 15; page 277, lines 5, 10, 13, 17, and 25; page 278, lines 9, 15, and 16; and

(5) Page 266, line 3, strike out "the Administration during such year" and insert in lieu thereof "the Department of Health, Education, and Welfare during such year with respect to programs authorized by this Act".

Title XIII is amended as follows:

(1) By striking out "Director" and inserting in lieu thereof "Secretary" in the following instances—

Page 346, lines 9, and 24; page 347, line 3; page 350, line 2.

(2) Page 349, lines 14 and 15, strike out "Director of the Administration" and insert in lieu thereof "Secretary of Health, Education, and Welfare".

(3) Page 350, lines 7 and 8, strike out "Administration and the Director thereof" and insert in lieu thereof "Department of Health, Education, and Welfare and the Secretary thereof".

Mr. QUIE (during the reading). Mr. Chairman, I ask unanimous consent that the amendments may be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. QUIE. Mr. Chairman, these amendments have a single purpose—to strike from the bill the creation of a Community Action Administration headed by a Director directly responsible to the Secretary of HEW, and instead to give to the Secretary the authority to conduct community action programs and to fit this program into the structure of HEW in the manner he feels will be most appropriate and most effective in terms of bringing to bear all of the resources of the Department to accomplish the purposes of the bill.

This amendment is designed to make it possible to fully integrate the community action program with the rest of the Department's responsibilities. Almost all of these responsibilities concern programs which directly affect the poor or the most vital needs of poor people—education, health, social security benefits, programs for very young children and for the elderly, welfare, programs for handicapped persons, and so forth. The bill treats community action as a completely separate, isolated activity with direct responsibility to the Secretary. The amendment would permit the Secretary to mesh community action with related programs, to deal with it administratively in the most effective way.

The provisions of the bill which establish this autonomous agency really are an ill-advised attempt to pick up OEO bodily and set it down within HEW without substantial change. But I feel that the Congress wants a change—and the change is in the direction of tying community action more closely with related activities of government at all levels, and thereby improving it through better coordination with programs which have a direct impact on the goals of community action. The amendment would foster that kind of change by permitting the Secretary to place it in HEW with these goals in mind.

Administratively, there is no very good argument for placing community action all by itself with a direct line to the Secretary. Much larger programs in HEW in terms of their authorizations—such as all the education programs and Head Start—do not have this status. But the most important consideration simply is that the isolation of community action would tend to weaken, rather than strengthen it, and would tend to go in the opposite direction from that of coordination with closely related activities.

Those who favor a truly new beginning and greater responsibility in community action programs will support this amendment.

We have, as I indicated yesterday, made some changes in community action as it operates locally, and an agreement within the committee—and I know there are no amendments to that—which will permit the Federal funding at the same level in the first year, the 1975 fiscal year, and reduce it by 10 percent the next 2 fiscal years.

This provides an incentive to encourage such agencies to provide public money for community action agencies, and there is incentive for community action agencies to go public.

All of these incentives, I think, move community action agencies in the direction that most of us want them to move. There is a feeling, I understand, of continuation of substantial Federal support of community action agencies. A few of the community action agencies have made some arrangements for local funding after the end of this fiscal year which ends in a month, but most of them have not, and therefore they would be left completely on their own, unable to know which way to turn in order to keep going in order to provide services for the poor. But the concern of this body ought to be primarily to make certain that community action agencies that are viable continue to operate and, however, to take a look at the Federal administration of the community action agencies and not just pick up OEO, which has been a burden to us since its inception, with all the problems that exist there, pick it up bodily and put it in HEW and keep it intact, and it ought not to be kept intact that way. However, there are many functions and services of OEO that could be blended in within other parts of HEW, and that can best be determined by the Secretary himself.

There should be no concern of the money going to the community action agencies because the money appropriated will only be used for that purpose, it cannot be used for other purposes as some people suggest, if we do not have a separate agency.

So, Mr. Chairman, I urge my colleagues to support my amendments.

Mr. HAWKINS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this amendment is perhaps one of the major ones to be considered by the House. I think it is the present consensus in most of the members of the committee that these amendments will completely emasculate the program and destroy the effectiveness of the program.

I think it should be thoroughly understood by the Members of the House, also, that many compromises were made with the ranking minority member, the gentleman from Minnesota (Mr. QUIE). The original position of the committee was to provide funding at a level of $410 million for community action agencies, and also to continue the present local matching of 80 to 20.

The strong testimony of governments and local officials throughout the country is that this present funding level is the most desirable, and local governments cannot possibly match on a percentage where the Federal matching is less than 80 percent.

The third point was the malstructuring, whether the agency should be transferred to an old line department. We made concessions to the gentleman from Wisconsin on all of these points. We reduced the funding to $330 million. We reduced the matching allowance in accordance with the desire, and we even agreed to transfer the program to HEW, which we were not desirous of doing. We thought that it should be an independent agency.

So I think we have been reasonable and fair, but there comes a basic point that one cannot go beyond in trying to be fair and reasonable and to retain a program. I think that we have reached that in the proposal which is now before us recommended by the committee, and I would ask the Members not to erode that position because it would destroy the program if in transferring it to HEW we destroy its visibility, its identity, its method of operation, and leave to the Secretary to do with the program as he so desires. We know that he is already overburdened, and it would simply mean that this program would then be merged with hundreds of other programs and lose altogether any importance at all in the alleviation of the problems of the poor people of this country.

We believe that it should remain as a visible advocate for the poor, as it was intended to be.

We think also that its functions should not be buried under other layers of bureaucracy, as it would be under the amendment which is now being proposed.

There is also another point which I think was raised about the cost of this program. In the Committee on Rules it was strongly recommended that we retain strong oversight over the program. The gentleman from Minnesota would have us bury the program in such a way that the committee could not even locate it. It would not appear in the budget in such a way that we could keep up with its cost effectiveness. We could not even locate the employees who would be facing us, so I think we would destroy any possibility of retaining any strong oversight by this Congress.

Also, administrative fragmentation would destroy the function of this program of coordination of citizen participation and of accountability. I do not think we want to do that. But the alternative also presents some real problems in terms of rural Community Action agencies, those agencies that may operate not in one city as we do in major cities, and not in one county, but Community Action agencies that may operate in rural areas that would embrace many counties. It would be an administrative impossibility to organize the Community Action agencies under those conditions.

I think that the present language which is now in the bill represents, as I see, a reasonable and fair compromise, and I hope that the Members will not disturb it by changing altogether the direction of the program by transferring it to an old-line agency and then not giving it strong structure or position and visibility and the possibility of oversight and accountability in that particular agency.

Mr. STEIGER of Wisconsin. Mr. Chairman, I move to strike the requisite number of words, and I rise to oppose the amendment.

Mr. Chairman, I yield to the distinguished gentleman from New Jersey (Mr. FRELINGHUYSEN).

(By unanimous consent, Mr. FRELINGHUYSEN was allowed to speak out of order.)

DISENGAGEMENT AGREEMENT REACHED BETWEEN SYRIANS AND ISRAELIS

Mr. FRELINGHUYSEN. Mr. Chairman, I rise at this time simply to announce that an agreement has been reached between the Syrians and the Israelis with respect to the disengagement. This is a most significant and, I think, a most heartening development.

Quite obviously, our Secretary of State, Mr. Kissinger, deserves major tribute for his contribution to this development. I am sure the process of a complete settlement still lies well ahead, but this is a most significant occasion.

Mr. Chairman, I thank the gentleman for yielding.

Mr. STEIGER of Wisconsin. Mr. Chairman, the gentleman from New Jersey is a hard act to follow with that welcome news.

What this statement comes down to, Mr. Chairman, is really a question as to the extent to which the legislative branch of Government ought to legitimately exercise some leadership.

I recognize that the gentleman from Minnesota has strong feelings about the question as to whether or not we ought to mandate a particular spot within the Department of Health, Education, and Welfare.

The gentleman from California (Mr. HAWKINS) has correctly stated that originally many of us thought we ought not to put community action within the Department of Health, Education, and Welfare but rather put it in an independent agency. We originally discussed action as a more appropriate role in combining community action and the voluntary services in action because of the affinity between VISTA and community action. The gentleman from Minnesota and others felt very strongly that was not the right answer and we acceded to his wishes by placing this within the Department of HEW.

But I can recall as well, as I am sure every Member in this House can recall the effort that comes about almost every time we try to say to a department or agency that this is what we think they ought to do to manage the program well. I pointed out in a letter I sent to my colleagues that in 1966 the Congress felt a particular need in the handicapped area and the then Secretary of HEW Wilbur Cohen buttonholed everybody and said: "You ought not to do that to us. You ought to let us run our own shop." In effect what the bureaucracy says is: "We do not think you should tell us anything about how to run anything. Let us go about our own business and run it the way we see fit."

I do not agree. I think the legislative branch has a legitimate reason to say and in this case a particularly legitimate reason to say to the Department of HEW that we believe there ought to be a Community Action Administration and it ought to have a Director and he ought to be confirmed by the Senate.

Simply to adopt the Quie amendment and let the Secretary bury this wherever he wants to would reduce the independence of the agency and mean that community action would be bound by more and more rigid bureaucracy, and more importantly it would mean in many cases that we would have the Department of Social Services in the State of Wisconsin fighting against community action even though they were in the same agency, if that is what they wanted to do.

I think the amendment is a mischievous one. The committee bill is good and we ought to keep to it on that basis.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the able and distinguished gentleman from California (Mr. BELL) who has been so good in his efforts on behalf of this bill.

Mr. BELL. I rise in opposition to the amendment. Mr. Chairman, I wish to commend the gentleman from Wisconsin for his statement and also the comments of the gentleman from California (Mr. HAWKINS).

I think the amendment is a mischievous one. I think it would be for the best interests of the continuation of our war against poverty to defeat this amendment.

Mr. STEIGER of Wisconsin. I thank the gentleman very much for his comments and support.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. Mr. Chairman, I yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Chairman, I thank the gentleman from Wisconsin for yielding.

I just wanted to say that if the Members would like to keep OEO intact and have liked the Federal operations of OEO or have wanted a new "advocop", then they would vote against the amendment.

The amendment is mischievous if they do want to keep the same OEO of the past going. I admit that. I want it to operate differently, and I think many Members of this body want to change OEO from the way it has operated in the past.

Mr. STEIGER of Wisconsin. May I say to the gentleman from Minnesota I think that clearly misses the whole point. That is not the issue.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

(By unanimous consent, Mr. STEIGER of Wisconsin was allowed to proceed for 1 additional minute.)

Mr. STEIGER of Wisconsin. Mr. Chairman, that is not the question. The issue in my judgment is clearly not that we will significantly change the operation of the Office of Economic Opportunity, we are abolishing it. What we are doing is to transfer one part of OEO, community action, to the Community Services Administration. We are transferring Headstart and Community Economic Development and a whole series of things. I think the issue is legitimately whether Congress can say to HEW that we believe in the independence of community action.

I think it ought to be in a specific place and not let it be at the discretion of the Secretary of HEW.

Mr. QUIE. Mr. Chairman, will the gentleman yield further?

Mr. STEIGER of Wisconsin. I yield to the gentleman.

Mr. QUIE. What the gentleman means is that the Headstart has been transferred to HEW a long time ago.

Mr. STEIGER of Wisconsin. By administrative action alone.

Mr. QUIE. What the gentleman is doing with OEO is just changing the name and letting the whole thing go on as before.

Mr. STEIGER of Wisconsin. We are changing significantly more than the name.

Mr. LONG of Louisiana. Mr. Chairman, I rise in opposition to the amendment. I would like to compliment the gentleman from Wisconsin on his views. I thought he set them forth rather vividly and I certainly agree with the argument he made.

The gentleman from Minnesota is correct that the amendment would transfer the authority directly to the Secretary of HEW, rather than leaving it a separate agency within HEW. This is really what worries me about the amendment.

I know from what has happened with respect to the impoundment of funds and the attitude that this present administration has had and the Secretary of HEW has had toward Community Action. This in itself concerns me more than anything else in the amendment.

I have about resolved in my own mind they would do anything to kill these programs.

Mr. Chairman, there was an article in the May 20 issue of the Wall Street Journal, which none of us would describe as a flaming liberal newspaper. It discusses a new OEO pilot project in West Virginia. This rather conservative newspaper has a most interesting comment. I quote the article:

> Such activities don't seem to offend City Hall officials. OEO's chief nemesis of the past, and are generating new arguments for the agency's extension.

It seems to me that OEO's newest nemesis, since it is no longer city hall, is the present administration—an administration that has been openly hostile to this kind of community action in the past and is openly hostile now to any continuation of Federal support for community action agencies. This fact is well known to the people who are counting on the Federal Government to maintain its commitment to the poor. We must assure these people and ourselves that we have done everything in our power to protect their legitimate interests. That means we must do everything we can to insure that there will be continued Federal support for community action.

If OEO can no longer remain an independent agency—and I gather from the comments of the gentleman from California (Mr. HAWKINS) that this is evidently not possible—then it is absolutely essential, in my opinion, that it have the maximum amount of independence and visibility that we can give it within a regular, old line department. It is not enough to provide the authority alone. We must also provide a structure to implement that authority, a staff of people who have a willingness to do so, and a Director whose appointment will be subject to the advice and consent of the Senate. This is the least we can do.

Mr. Chairman, we would be deceiving ourselves and those who are depending on us to continue these worthwhile activities if we made it easy for the Secretary of HEW and the present administration to push community action's head under water and silently drown it in the backwaters of the bureaucracy. If this administration is going to try to kill community action, let them make their attack out in the open.

This is what I feel this amendment is really all about. It would give the administration the opportunity to kill community action without assuming the public responsibility for committing such a murder. The proposed amendment would allow them to hide their irresponsible acts.

If the administration has a serious proposal to put forward on the future administration of community action, then I urge them to do so in the form of a reorganization plan, so that we all may see what they have in mind. This amendment is no way to proceed on this matter and I urge its defeat.

Mr. MEEDS. Mr. Chairman, I rise in opposition to the amendment.

I realize that the OEO program has been a very controversial program. I think there are some parts of it that are very good and some parts that have not been so successful.

I think there have been many legitimate arguments made on this floor and elsewhere about specific components of the Office of Economic Opportunity programs.

I can certainly sympathize with those who undertake to specifically designate those programs with which they disagree and to try to do something about them. However, above all the controversy in this program, I think one thing comes through relatively unscathed. That is the concept that almost everyone agrees that there should be a concerted attack on poverty; that it should not be all splayed out and uncoordinated, undirected by various segments of government.

The gentleman from Minnesota, who generally is very skillful in wielding the scalpel on legislation, is, I think in this instance, wielding a meat ax; for the amendments which he proposes have the effect of killing the entire program because they strike at the heart of the concerted, concentrated nature of the attack on poverty.

This, I think, is to send this legislation and this program to its oblivion. I agree entirely with the gentleman who preceded me, the gentleman from Louisiana (Mr. Long) who said that we ought to be very straightforward about this. If we want to kill OEO, then we ought to do it in the broad glare of publicity on the floor of the House of Representatives, and not allow it to be strangled in the bureaucracy at HEW.

Mr. Chairman, I think it is most important that this amendment be defeated so that the program can be kept in one place; so that it can remain that concentrated and concerted attack which is needed if we are ever to eradicate poverty in this country.

Mr. ERLENBORN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Sixty-one Members are present, not a quorum.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred and four Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The call was taken by electronic device.

The Committee will resume its business.

The question is on the amendments offered by the gentleman from Minnesota (Mr. Quie).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. QUIE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 94, noes 284, not voting 55, as follows:

[Roll No. 248]

AYES—94

Abdnor
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Blackburn
Bowen
Bray
Broomfield
Brotzman
Broyhill, Va.
Burgener
Chamberlain
Clancy
Cochran
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Dellenback
Dennis
Derwinski
Dickinson
Duncan
Erlenborn
Eshleman
Fisher
Flynt
Fountain
Frey
Froehlich
Giaimo
Goodling
Gross
Harsha
Hastings
Hogan
Hosmer
Huber
Hudnut
Hunt
Jarman
Kemp
King
Lagomarsino
Lott
McCollister
Martin, N.C.
Milford
Miller
Mizell
Montgomery
Moorhead, Calif.
Myers
Nelsen
Parris
Powell, Ohio
Price, Tex.
Quie
Rarick
Rhodes
Robinson, Va.
Rousselot
Ruth
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shuster
Smith, N.Y.
Snyder
Spence
Steelman
Steiger, Ariz.
Symms
Talcott
Taylor, Mo.
Towell, Nev.
Treen
Wampler
Ware
Whitten
Wiggins
Young, Fla.
Young, S.C.
Zion
Zwach

NOES—284

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Breckinridge
Brinkley
Brooks
Brown, Calif.
Brown, Mich.
Brown, Ohio
Buchanan
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Davis, Wis.
Delaney
Dellums
Denholm
Dent
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Flood
Flowers
Ford
Forsythe
Fraser
Frelinghuysen
Frenzel
Fulton
Fuqua
Gaydos
Gettys
Gilman
Ginn
Gonzalez
Grasso
Green, Pa.
Griffiths
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Harrington
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Henderson
Hicks
Hillis
Holifield
Holt
Holtzman
Horton
Hungate
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Kluczynski
Koch
Kuykendall
Kyros
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
Luken
McClory
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Mahon
Mallary
Mann
Maraziti
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nichols
Nix
Obey
O'Brien
O'Hara
Owens
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Preyer
Price, Ill.
Pritchard
Quillen
Railsback
Randall
Rangel
Rees
Regula
Riegle
Rinaldo
Roberts
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Rosenthal
Roush
Roy
Roybal
Runnels
Ruppe
St Germain
Sandman
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Shriver
Sikes
Skubitz
Slack
Staggers
Stanton, J. William
Stark
Steed
Steele
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Traxler
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waldie
Walsh
Whalen
White
Whitehurst
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Tex.
Zablocki

NOT VOTING—55

Arends
Breaux
Broyhill, N.C.
Burton
Camp
Carey, N.Y.
Clawson, Del
Collier
Danielson
de la Garza
Devine
Findley
Foley
Gibbons
Goldwater
Gray
Green, Oreg.
Gubser
Hanna
Hansen, Idaho
Hansen, Wash.
Helstoski
Hinshaw
Howard
Hutchinson
Johnson, Colo.
Karth
Ketchum
Landgrebe
McCloskey
McSpadden
Madigan
Martin, Nebr.
Michel
O'Neill
Passman
Pettis
Podell
Reid
Reuss
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Ryan
Sisk
Smith, Iowa
Stanton, James V.
Stubblefield
Teague
Thompson, N.J.
Tiernan
Vander Jagt
Veysey
Waggonner
Young, Ill.

So the amendments were rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Quie: Page 183, line 5, strike out the period and insert in lieu thereof: "; *Provided, however*, That when such delegated functions include the authority to approve programs within such

State the Director shall make available to the State, in addition to an amount no less than the amount made available to such State for State agency assistance under section 132 in the previous fiscal year, an amount in each fiscal year equal to such State's share (as determined by the formula set forth in the second sentence of section 125(a)) of the aggregate amount made available during the fiscal year ending June 30, 1974, for the operation of regional offices of the Office of Economic Opportunity."

Mr. QUIE. Mr. Chairman, in the committee we made provision for the Director to transfer his authority, which has traditionally now been operating through regional offices, to a State Economic Opportunity Office, if all of the community action agencies approve. The way it is now, a community action agency has to go to the regional office in order to secure the approval and the funding for its program. The bill makes the provision that the Director can give that authority to a State.

What my amendment does is to provide that when he is going to give that authority to a State, because all of the community action agencies approve of that arrangement, then the money that was used for administering the program of that State in the regional office will be transferred to the State. Nationally this amounts to $15 million, and so that State's share of $15 million would then accrue to the benefit of the State, and it seems to be only fair and equitable that we operate it in this way.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. I appreciate the gentleman's yielding.

Mr. Chairman, I want to make sure that I am clear in my understanding of what is being proposed. The gentleman's amendment says that if every community action agency within a State would like to have the State take on the job that is done by regional offices and by the Washington office, the State then may become in effect the administrative arm of the Federal Government for the purposes of community action; is that correct?

Mr. QUIE. That is correct. It would be the authority of the regional office as it has been operating now that would go to the State.

Mr. STEIGER of Wisconsin. All right. If all of the State community action agencies said "Yes," then the gentleman is saying that the function of the regional office insofar as that State is concerned is no longer operative, and it then goes to Washington for State community action?

Mr. QUIE. The authority to give regional office administrative authority to the State is in the bill. What my amendment does is to require that the money which was used by the regional office also go to the State. That State's share of the $15 million has been going to its regional office. The authority to administer through the State is in the bill that is before us.

Mr. STEIGER of Wisconsin. I support the amendment and I thank the gentleman.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from California.

Mr. HAWKINS. I thank the gentleman for yielding.

It seems that the intent of the amendment is eminently fair, and I certainly intend to support it. There is one point I should like to make sure that is limited in its impact. As I understand from what the gentleman has said, the total amount involved is approximately $15 million.

Mr. QUIE. That is correct.

Mr. HAWKINS. As the gentleman well knows, there are 10 regional offices, so we are talking about approximately $1½ million to each regional office, and then within that region a State's share of that $1.5 million would then flow to that particular State in which this amendment operates; is that approximately what we are talking about?

Mr. QUIE. That is correct.

Mr. HAWKINS. Mr. Chairman, on that basis, I support the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. QUIE).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. KEMP

Mr. KEMP. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KEMP:

Page 179, beginning with line 15, strike out everything through line 6 on page 180 and insert in lieu thereof the following:

"SEC. 111. (a) A community action agency shall be—

"(1) a State;

"(2) a unit of general local government which has a population of fifty thousand or more persons on the basis of the most satisfactory current data available to the Director; or

"(3) any combination of units of general local government which are contiguous to each other (or are within the same area of the State) and which have an aggregate population of fifty thousand or more persons on the basis of the most satisfactory current data available to the Secretary. A State shall not qualify as the community action agency for any geographical area within the jurisdiction of a unit or combination of units described in paragraphs (2) and (3) unless such unit or combination of units has not submitted an approvable application for funding for a community action program under this title. The Director shall set appropriate dates for the submission of such applications during each fiscal year. A community action agency designated pursuant to this title may carry out part or all of its programs through arrangements with other public or private nonprofit agencies or organizations."

Page 180, beginning in line 23, strike out everything after the comma through "agencies" in line 1 on page 181, and insert in lieu thereof "or by other appropriate agencies with which the community action agency has made arrangements."

Page 182, beginning after "determines" in line 1, strike out everything through line 11 and insert in lieu thereof:

"(1) that neither the State nor any unit of general local government (or combinations of such units) eligible to be a community action agency under subsection (a) is willing to be designated as the community action agency for such community, or (2) that the community action agency serving such community has failed, after having a reasonable opportunity to do so, to submit approvable application for a community action program which meets the criteria for approval set forth in this title, or to carry out such a program in accordance with the requirements of this title, and no other community action agency eligible to serve such community is willing to be designated as the community action agency for such community.".

Page 183, beginning in line 11, strike out everything after the period through line 16 and insert in lieu thereof: "Each public or private nonprofit agency or organization with which a community action agency, or the Director, makes arrangements with under section 111, and such arrangements include responsibility for planning, developing, and coordinating community-wide antipoverty programs, shall have a governing board which meets the requirements of subsection (b)."

Mr. KEMP (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEMP. Mr. Chairman, the purpose of this amendment is to shift this program to the State and local level and assure maximum participation by the people through decentralization. Although I did not offer it in committee, I did discuss it and for the record mentioned, I would offer it here in the Committee of the Whole. In 1967 the gentlewoman from Oregon (Mrs. GREEN) offered an amendment to the Economic Opportunity Act which required the community action agencies to be State or local governments or public or nonprofit private agencies or organizations designated by such governments. This was an important step and one which was recognized by its enactment.

This past year alone 107 community action agencies became a part of local government. The Green amendment left I think very wide discretion for the OEO Director to step in and designate private agencies to run the community action programs.

The amendment which I offer today goes one important logical step beyond that of the 1967 Green amendment. It requires that a community action agency be a State, a unit of general local government having a population of 50,000 or more persons, or a combination of general local government having an aggregate population of 50,000 or more people. They in turn make whatever arrangements they feel necessary and appropriate with other public or private nonprofit agencies to actually run part or all of their programs.

But the important thing is this. They cannot surrender the basic responsibility for the administration of the program as they now can under existing law.

One other thing should also be made clear about units of government which are eligible. That is, if we have an eligible unit or combination of units of general local government which have failed an approvable application, they must get the funds for their area. The State cannot then step in and take over their programs unless they have failed to apply or have failed to run a program which meets the requirements of the act. This is the same as in the Comprehensive Manpower and Employment Act already passed by the Congress.

Also under my amendment the Director can still step in and run a community action program through a public or nonprofit private agency when a unit of general local government will not file an application, or where it will not run its program in accordance with the act, but must first assure that the State or another eligible unit of government will not assume these responsibilities.

This is crucial for what the amendment provides is a well-balanced approach to decentralization of the authority contained in this act with respect to community action agencies. The Director can step in only as the last resort, something which keeps pressure on the State and local government to continue to deliver social services to the poor, instead of stepping in at the beginning as under the present law.

The amendment, I believe, builds into the act a concept of public responsibility for community action programs. It is in this respect, a block grant approach. It would save millions of dollars in unnecessary Federal administrative costs for these programs, thus I think conserving funds for use for programs for the poor authorized under the proposed act. Eliminating the middlemen will help free programs of abuses which have too often characterized them in the past.

Then, very simply, Mr. Chairman, the community action block grants will keep more money in each State than under H.R. 14449 as reported for it eliminates all the vast salary and overhead costs at the Federal level.

WHAT THE AMENDMENT WOULD DO: SPECIFICALLY

Specifically, the amendment requires that a Community Action agency be a State, a unit of general local government of 50,000 or more population, or a combination of units of general local government—serving the same area of a State—with an aggregate population of 50,000 or more.

It prohibits a State from qualifying as a community action agency for any area covered by other eligible units of government which have submitted an approval application to be such agency.

It permits a community action agency to make arrangements with other public and nonprofit private agencies or organizations to carry out part or all of its programs, but these cannot be designated as the community action agency except by the Director in limited circumstances.

It removes language from the bill requiring the Director to determine that a State or local government qualifying under the bill is "capable of planning, conducting, administering, and evaluating a Community Action program," but retains the requirements of the bill with respect to such programs.

It strikes the language which says that components of a community action program may be administered by a community action agency "where consistent with sound and efficient management and applicable law, or by other agencies"—language which gives the Director broad authority to intervene—and inserts "or by other appropriate agencies with which the Community Action agency has made arrangements."

It changes the terms under which the Director may designate an agency other than one qualified to be the community action agency to run a program by striking those clauses which confer very broad discretion through the use of such language as a finding that the community action agency has failed to carry out its plan "in a satisfactory manner" and substituting language which limits intervention to situations where: First, neither the State nor any eligible units of local government are willing to be designated as the Community Action agency for a community or second, the Community Action agency serving such community has failed to submit an approvable application, to carry out the program in accordance with the requirements of the title, and no other governmental unit eligible to serve such community is willing to be designated as the Community Action agency.

It makes a conforming amendment relating to requirement of a public or nonprofit agency designated to act as the Community Action agency having a governing board with a specified composition.

WHAT THE AMENDMENT DOES NOT DO

On the other hand, the amendment does not change other requirements of the title, such as those relating to the overall conduct of the programs through a governing board having a certain representation of various interests—one-third public officials, one-third poor, one-third business, industry, labor, religious, education, and welfare groups, et cetera.

It does not eliminate the power of the Director to assure that no community is left without services under the title, or to assure that the provisions of the title are carried out—but it does circumscribe and limit his power to turn to an agency other than those governmental units eligible to be community action agencies in order to carry out the title.

In does not alter any other provision or requirement of the title, or of the act, except those described.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. KEMP. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I thank the gentleman from New York for yielding.

In other words, what my colleague, the gentleman from New York who is on the Labor and Education Committee is trying to do is to eliminate so much of the funding in this program which is going for central administrative costs. In the past almost 70 to 80 percent has gone into central administration rather than to the poor. Is that not correct?

Mr. KEMP. Correct. What I am trying to do is decentralize the program and shift accountability and responsibility to elected officials where I think under a sound policy of federalism, it should be.

Mr. ROUSSELOT. The gentleman would like the officials at the local level to be responsible?

Mr. KEMP. Absolutely, it would start at the local level at first and then to the States if need be.

Mr. ROUSSELOT. I appreciate the gentleman's efforts in this regard.

The CHAIRMAN. The time of the gentleman has expired.

Mr. QUIE. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from New York.

Mr. QUIE. It is my understanding from the amendment, and I particularly ask the gentleman, it still does not mean that the State or local government has to directly run the program. They can refuse, which would permit the private nonprofit agencies to run the program; is that correct?

Mr. KEMP. The gentleman is correct.

Mr. QUIE. So the money would go through those agencies. For instance, in the rural areas where there are more than one county; for example, in my district each agency covers three counties, the money would go to those local political subdivisions that together are more than 50,000 and those local political subdivisions can decide whether they want to be a community action agency. If they refused, the private nonprofit agency could be funded.

Mr. KEMP. The gentleman is correct. If the services are not being delivered, if the local unit does not offer those services, it would go to the State, and if the State does not offer them, then the Director would come in and make sure that those services are being offered to the poor; so it does protect those programs that are now in existence.

Mr. QUIE. I would say in that case it does, as the gentleman indicated, make the Green amendment operate better.

I regret at the time the amendment was offered that I did not support it; but from what I have seen in the meantime since more than 100 community action agencies have gone public, it was a good amendment; so I compliment the gentleman for devising an amendment to insure that that will operate better.

Mr. KEMP. I appreciate the gentleman's comments and that is exactly what my amendment would do. It would absolutely require that the agency go public and it would put responsibility for these programs in the hands of officials at the local or State level of government.

Mr. HAWKINS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I think that the author of this amendment certainly indicated his intent and that is not merely to make the programs at the local level permissible, but to mandate the local public officials into doing that which they have testified they do not wish to do. It certainly is distressing that at this late date a proposal of this nature, which was not offered in the subcommittee or in the full committee and was not discussed at any time in the committee, should have been offered in this manner for a program of this serious consequence.

In none of the hearings which were held around the country did any public official testify that he wanted this type of a program. As a matter of fact, Governors and city councilmen and other officials testified against it.

Since 1967 under the so-called Green amendment, local governments have had the opportunity to control, to name and to change or to terminate community action agencies. At the present time they have that opportunity and the option to take them over; but in only 97 cases out of over 900 community action agencies have used that option.

Now, this amendment would not simply strangle the program, as the Quie amendment would have done, it would virtually kill it. It would cause a realinement of the present relationships that reasonably exist between public and private agencies and between different levels of government, existing contracts, applications for aid and assistance under the act, all of these would be disturbed. The community action program is indeed a small program, only $330 million.

Under the proposed amendment, every community or combination of communities with a population of 50,000 would be available for funding. This means that more than 1,000 units would apply for some of the $330 million. Obviously, it has to be taken away from some agencies, and obviously it would have to come out of a common pot which would mean present community action agencies would be very substantially changed, if not completely abolished.

In addition, approximately half of the community action agencies are rural, occupying areas of low population density. This amendment would not disturb those community action agencies in high concentrations such as in ghettos and in cities, but it certainly would disturb in a very dramatic way rural areas that operate in more than one county. CAP agencies would be eliminated or forced to combine with other agencies that could qualify easily under existing arrangements.

After many years of growing pains, the Community Action program is today working reasonably effectively. It seems to me that there is no justification for changing it. This program has been tried under the so-called concentrated employment program which was a dismal failure and has practically been repealed. This is an agency, not for the delivery of jobs, but for the delivery of services and combinations of services coming from many different agencies, many different departments. It is impossible to realine them in such a way that one small unit of government through revenue sharing is going to be able to tap the resources of the innumerable agencies and departments for joint funding of the program.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent Mr. HAWKINS was allowed to proceed for 1 additional minute.)

Mr. HAWKINS. Mr. Chairman, I have indicated that the program is opposed by the very officials that the author of this amendment says he is going to help by giving revenue sharing. At the present time, more than 42 governments are supporting the committee's proposal. We have in our possession recommendations and strong endorsements from such diverse governments as Alabama, of Mississippi, of Alaska, of New York, and of Illinois, and certainly of the gentleman's own State. I would think that if these officials are anxious to erase this program or are anxious for this type of so-called local action; if these local officials are not endorsing this particular amendment, but the committee's proposal, then it seems to me that the gentleman does not have any constituency.

The present proposal is endorsed by the United States League of Cities, the Conference of Governors, the Conference of Mayors, the AFL–CIO, and other national organizations. I know of no constituency or support which has come for this particular amendment.

Mr. Chairman, on that basis I think it is without substantial support excepting for a small minority of the members of the committee. I think that it, therefore, should be rejected.

Mr. STEIGER of Wisconsin. Mr. Chairman, I move to oppose the amendment.

Mr. Chairman, all of the members of this committee can reflect back on all of the controversy that has surrounded community action. At the time that we adopted the Green amendment in 1967, very few of the municipalities and/or States across the United States took advantage of what that Green amendment offered to them, which was the chance to take on a community action agency. Now, it is interesting that in the last year something like 107 community action agencies have, in fact, gone public.

That is, they have exercised the option that is available to them under the Green amendment to become a direct part of a municipality. But, the Kemp amendment, may I say to my colleague, is a very different thing. What the Kemp amendment says is, whether or not the mayor or the Governor wants to have community action become a part of the municipal operation, he must do it or else there will be no community action.

Mr. Chairman, that is a distinctively substantially different operation, and it is for that reason that I oppose the Kemp amendment.

I see no reason to force something which is being done by mayors and Governors across the United States as they see fit, but the Kemp amendment would have a very distinct and different result. Therefore, in my judgment, it is not the right thing to do.

Mr. Chairman, let me suggest to you at least two substantive problems with the Kemp amendment. There are something like 30 States, and I think Wisconsin is one of them; Florida is another, and there are a host of others which in effect have said to local municipalities, be they counties, townships, or cities, "You cannot jointly carry on a program with another municipality or another county unless authorized to do so by the legislature."

In the State of Florida, if there is a multi-county CAP agency, unless the State legislature specifically authorizes the county to carry out a program in connection with another county, they cannot do it.

Mr. Chairman, I hope the gentleman from Florida, the distinguished and able Mr. YOUNG, would confirm that because in Wisconsin I understand the situation is similar.

So let us understand that one of the problems we are going to have with the Kemp amendment is the possibility that we will lose significant numbers of community action agencies, not by design, not because the gentleman from New York wants to do it, but simply because there will not be enough time for legislatures to act prior to July 1.

Second, let us go to community action agencies in my State of Wisconsin. We have one CAP agency that is a seven-county multi-CAP agency. There is not any way, in my view, between now and the 1st of July, when the Kemp amendment will take effect, that we are going to be able to see seven county boards sit down to worry about how to deal with a community action agency.

Thusly, I say to my colleagues, Mr. Chairman, that I think the correct response to this program is to do just what the committee bill does and what the Green amendment does. The bill authorizes an incentive program of $50 million for community action agencies to encourage them to become public if they so desire, but it does not force the marriage. The Kemp amendment would force a marriage between community action agencies and local officials whether or not they wanted it. It would do damage to community action agencies, and therefore I hope the amendment is not agreed to.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I will be happy to yield to the gentleman from New York.

Mr. KEMP. If the gentleman knows, how many agencies went public in the last year?

Mr. STEIGER of Wisconsin. To answer the gentleman, 107, if I remember correctly.

Mr. KEMP. Mr. Chairman, a statement was made that my amendment would strangulate these programs by mandating that they go public. Did the agencies that went public strangulate the programs?

Mr. STEIGER of Wisconsin. No, but the gentleman from New York, I think, understands full well that that was the voluntary effort allowed and authorized by the Green amendment, and that is a very different thing than what the gentleman is trying to do with this amendment, particularly when you get into the multi-CAP agencies.

Mr. Chairman, I urge the rejection of the amendment.

Mr. BAKER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, nearly a year ago I made an effort to alert my colleagues to a lobby effort which was then being conducted to secure the continuation of the Office of Economic Opportunity. Correctly speaking, as I endeavored to point out, that lobby campaign was an effort to save the jobs of the bureaucrats at OEO, for it was conceived by and paid for by OEO employees across the land.

That effort was called the Coalition for the War on Poverty, and I wish I could say it has faded from the political scene. Unfortunately, while that organization may have ceased to exist—though I am not technically certain of that fact—another one, of similar background and purpose, called the Action Committee for Community Services, has taken its place. Rather than dedicating itself to the preservation of all OEO programs, many of which have already been spun off to other agencies and some of which have separate enabling legislation pending, this new organization is lobbying for the continuation of OEO as a separate entity, and of the Federal financing of the community action programs.

The debate over continuing OEO has gone on for some time, and the arguments on both sides are familiar to us all. My point at this time concerns the methods being used by the pro-OEO side of this question. What we have here, gentlemen, is a lobby organized by members of the unions of Federal employees in a specific agency, geared toward the perpetuation of that agency. The concern is not with the supposed beneficiaries of the program according to the intent of Congress, but with the preservation of the jobs of the union members.

That this is the purpose, is freely admitted. A memo last summer from the president of the National Council of OEO Locals, circulated to all employees of the Office of Economic Opportunity, stated:

> May and June are brought to you courtesy of your union. Now let's try for July, August, September.

The union, clearly, was taking the credit for having gotten its members their paychecks in the months of May and June, and was promising to do it for future months, with the help of the Coalition for the War on Poverty. That was 1973. Now, in 1974, the Action Committee for Community Services is proposing to do the same for the employees of community action programs.

The budget of this quickly organized lobby is estimated by the Washington Post at $250,000. That is a considerable sum to be gleaned from voluntary contributions and union dues. Last year, I know, the tactics used to extract the "voluntary" contributions from union members were almost coercive. I have not received any firsthand reports about recent fund-gathering efforts, but I suspect the pressure is still quite strong on union members.

With this $250,000 budget, several distinguished and powerful political figures have been hired, including two former colleagues. The salary of one is as high as $25,000 a month, which by any standard is considerable economic incentive. But everyone working on behalf of this cause is not getting paid especially for that purpose. At least one highly placed official within OEO itself has defied the administration's express intent of letting that agency fade away. This official, in the line of his regular duty, has recently launched a nationwide travel schedule, visiting different CAP and other program heads, gathering endorsements from local political figures for the various activities.

To return to this most effective political organizer using his position high in OEO's administration the pretext for these travels is that his duties require that he inform the various grantees that their Federal funds will no longer be available. In the past, however, telephones, telegrams, and the mail service have been sufficient to relay this news to project directors. Why should it now become necessary for agency officials to expend Government travel funds to meet face to face with different project administrators, to personally exchange words?

I do not mean to cast personal aspersions on any of the individuals involved in this lobby effort. I only mean to call attention to the means themselves, and to alert my colleagues to this lobby effort because I believe such tactics are undesirable, and questionable, ethically and perhaps legally as well.

OEO employees are not the first to band together into unions, and from there, into lobbies, for their professional interests. TVA employees have an organization of sorts to represent their employment interests in the halls of government. Postal workers likewise have organized a union to represent and further their interests. So this is not exactly a new technique, though I do believe the intensity of this particular campaign, and the high level of political activity which characterize it are unprecedented.

Setting a precedent for such activity is, in my opinion, undesirable at best, and dangerous to our democratic system of government at worst. I have only the experience of the past on which to base my conjecture of the future, and based on the experience of the past, I fear that once this principle is established, then any interest group within the Federal bureaucracy will feel itself totally justified in pressuring Congress for its own particular interest. Indeed, this principle has been pretty well established, for this is its second year of practice, whether formally or informally, it seems to be a de facto accepted procedure. No one has seriously questioned the continued employment of this means.

In fact, my prediction is already coming true. Another area of Federal bureaucracy has already formed its own lobby group in order to insure the continuation of their salary increases and job descriptions. This interest group is literally a spinoff from OEO, since the project initially began there, just as its lobbying tactics are emulated from OEO's union tactics.

I speak of the National Association of Head Start Directors. There are some 1,200 Head Start programs in the Nation, with, of course, 1,200 project directors. Head Start authorization expires this June, and the directors are concerned about the expansion of their programs and, concomitantly, their salaries. Several months ago, they formed this organization, which is holding its first national conference in Chicago next weekend. In discussing legislation and the future of their programs they are joined by migrant and Indian project directors, also within the HEW system now. I understand this Chicago meeting has been postponed previously, supposedly because there was some question about the propriety of using HEW travel funds for this purpose. Well might there be such a question: I myself would be the first to ask it if no one else were willing to.

And another HEW subsidiary, a particular national health care delivery program, last month had a week-long conference in Washington, featuring a day of lobbying on Capitol Hill—all this with Federal travel funds no less. So the principle of Federal employees pressuring the Federal Government has already been extended pretty far.

I am no lawyer, so I do not know the particulars of the Hatch Act, but my understanding is that that law was written precisely to avoid the kind of abuses I am calling your attention to today. I would, at the very least, expect there to be something potentially illegal, as well as ethically questionable, about Federal employees lobbying Congress in their own interest. As a legislator, I am alarmed that we allow ourselves to be subjected to such pressures and do not inquire into the source of the strength of the pressures. I would urge my colleagues to pay some attention to the nature of the lobbies so actively urging continuation and expansion of particular programs, in the interests of appropriate exercise of democratic processes, if nothing more partisan.

This amendment would place the administration of community services programs in the hands of local governments whose officials best know the needs of their areas.

I urge the adoption of this amendment.

Mr. QUIE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to go over the amendment offered by the gentleman from New York (Mr. KEMP) and ask the gentleman some questions, because I have heard some of the statements made by Members who have risen in opposition to the amendment.

My understanding of the amendment is that the amendment would make it more difficult for those who are running the program in Washington to step in and take it away from the local government.

Under the act and under the committee bill, as we will recall, this can be done by the Federal agency simply finding, not subject to challenge, that the local government does not have the capability of planning, conducting, administering or evaluating a community action. Thus, then, if the State or local government agreed to do it, OEO now CAA could not take it away from them. Is that correct?

Mr. KEMP. Will the gentleman yield?

Mr. QUIE. I yield to the gentleman.

Mr. KEMP. The gentleman is correct. That is the effect of my amendment.

Mr. QUIE. I would say that a State or political subdivision of more than 50,000 population certainly must have the capability of running a community action program if it wants to. The question, though, would arise, as I mentioned earlier when I asked the gentleman to yield, of more than one county being involved within the agency. My understanding of your amendment is that if the local political subdivision will not do it, then they could turn it over to the State and they could run it if they wanted to; or if the State did not want to do it and no governmental unit wanted to run the program, then the Federal Government could turn it over to a private agency.

Mr. KEMP. Will the gentleman yield further?

Mr. QUIE. I yield to the gentleman.

Mr. KEMP. The gentleman is again correct. That is exactly what it would do.

Mr. QUIE. That insures, it seems to me, that in the rural areas where it would not be possible to develop the governmental mechanism for, let us say, a three- or four-county or seven-county area before the next legislature met, it would be possible for the present community action agency to operate until they developed the governmental capability of doing it. Is that correct?

Mr. KEMP. Will the gentleman yield again?

Mr. QUIE. I yield to the gentleman.

Mr. KEMP. The gentleman again is correct.

Mr. QUIE. The other question occurs as to how the program would be handled because of failure to comply with the requirements of the title. My understanding is Federal officials retain the full power to enforce the requirements of the title and when there is failure to comply, after having given reasonable opportunity to comply, as is the law right now, they can turn to others to run the program.

Mr. KEMP. Will the gentleman yield?

Mr. QUIE. I yield to the gentleman.

Mr. KEMP. I will say in answer to the answer, yes.

Mr. QUIE. It seems to me this has a great deal of similarity although opposite to the Federal bypass that exists in education legislation which we passed before. As I indicated when I asked the gentleman to yield, I will say to the gentleman from New York, it seems to me what this amendment does is to enable the Green amendment to operate more effectively, and there is not a danger of losing the services of community action in a community that wants it.

Mr. KEMP. Will the gentleman yield?

Mr. QUIE. I yield to the gentleman.

Mr. KEMP. The gentleman is absolutely correct. There is no danger to any program currently in existence and, as the gentleman correctly pointed out in his remarks, as a last resort the Federal Government then could step in. This is an attempt to decentralize the program, bring accountability and economy to it—something the Congress is on record as supporting.

Mr. HAWKINS. Will the gentleman yield?

Mr. QUIE. I yield to the gentleman.

Mr. HAWKINS. It was at the suggestion of the gentleman from Minnesota that we reduce the amount of funding to $330 million. Now the gentleman is supporting an amendment which will, in effect, enlarge the program. Are you therefore suggesting that you are willing to up the cost of the program and that every city and county and unit of government that responds to a mandate to create a community action program would be able to, and are you willing to vote the money for such a program?

Mr. QUIE. My understanding is the authorization would continue at $330 million as in the bill and those areas that presently have the community action program would get the first shot at receiving the money.

Mr. HAWKINS. In other words, you would divide the present funding level among a much larger number of agencies.

Mr. QUIE. My understanding is the ones who presently are in the community action program will have the first shot at it. That means you do not divide it among a greater number of agencies.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the gentleman from New York (Mr. Kemp).

Mr. Chairman, I rise in support of this amendment, which I think is well drafted and well thought out. I rise also to answer the question which was properly raised by my colleague, the gentleman from California (Mr. Hawkins). It has already been pointed out that the level of spending will remain the same in the bill by this amendment. The amendment does not alter the expenditure ceiling. As a matter of fact, the amendment enhances the amount of money that will be spent at the local level because it substantially reduces the tremendous overhead costs that we have had here in the Washington office in this program.

So the amendment does exactly what the gentleman from California (Mr. Hawkins) wants it to do. It reduces the unnecessary overhead at the central Washington level, and assures that the money will go to the local level, which is what the gentleman from California wants to achieve.

Mr. Chairman, let me point out something else that has been brought to our attention—reported in the New York Times of Sunday, May 26, a study that was prepared by the New York State Charter Revision Commission shows that:

> . . . the temporary State Charter Revision Commission for New York City has concluded that the $40-million Community Action Program, a major anti-poverty effort, largely has failed to achieve its objectives because of ineffective structure and management.

This is evidently the result of a tremendous conflict between the directives from Washington, D.C., and the municipal governments that were asked to cooperate with the agency.

As I have pointed out, this is a study that was done in New York City, it was not even done by people here in Washington. This report is from the local viewpoint and it damatizes the need to improve the legislation.

The New York City Community Action program has not been effective because locally elected municipal officials are not consulted and are not brought in, and do not have an opportunity to actively participate.

The New York Times article further states:

> The Commission's report, prepared by its staff under the direction of Forrest Broman, said the main shortcoming of the program was the fact its agencies were separated intentionally from existing municipal-service agencies.

There has been great confusion and inability on the part of the CAP agencies to really serve the poor. The objective to serve the poor has been put in great jeopardy because there has not been cooperation with the locally elected officials.

Because my colleague, the gentleman from New York (Mr. Kemp) who serves on the Education and Labor Committee is aware of this conflict, he has presented us with an amendment that will do a great deal to solve the problem.

The New York Times article concludes by stating:

> To aid decentralization, the report recommends that district boundaries not be drawn "on explicit racial or ethnic grounds" and that election for Community Action posts be conducted by disinterested agencies or, if possible, as part of regular state and municipal elections to assure maximum voter participation.

So the study indicates that the maximum local participation could in fact be clearly enhanced if we would do just as the amendment offered by the gentleman from New York encourages us to do, and that is bring in locally elected officials.

I really cannot understand why my colleague, the gentleman from California (Mr. Hawkins) would be so adverse to bringing in locally elected officials even in his own area in Los Angeles. That is where the real responsibility should be established—in locally elected officials. A vote against this amendment is a vote against allowing locally elected officials to play a responsible role, make no mistake about it. I think they should be included, and that we should welcome them into the decisionmaking process for the local Community Action Agencies.

Even my colleague, the gentleman from Wisconsin (Mr. Steiger) has told us that there have been great efforts to involve local agencies and to get local elected officials involved. That is what the amendment offered by my colleague, the gentleman from New York (Mr. Kemp) would do. It is a well-drawn amendment.

I urge my colleagues if they believe in local government, if they believe in bringing in locally elected officials to participate in this program, to please vote for this amendment.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I should be delighted to yield to my good colleague, the gentleman from California.

Mr. HAWKINS. Is the gentleman aware that the example in New York which he cited is a good example of city operation in which this amendment is designed to place in every city throughout America——

The CHAIRMAN. The time of the gentleman has expired.

Mr. PERKINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I will only take a couple of minutes. I do want to state that the illustration given by the gentleman from New York is a community action program which is entirely run and operated by the city of New York, and that is where the problems were—among the local government officials.

Mr. Chairman, back in 1967 we gave the opportunity to all community action agencies and to the local public officials to take over the community action agencies if they wanted to take over their community action agencies. There are only about one hundred and some odd community action agencies since 1967 that have gone public. I know that the membership of this committee does not want to put completely out of business the private, nonprofit community action agencies throughout this country. They know what this would do to the distribution of funds.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from New York.

Mr. KEMP. I appreciate the gentleman's yielding.

I would say to the Chairman and my committee that this amendment does not touch or even reach funding of the program or the formula under which it is to be distributed. It does not affect it.

Mr. PERKINS. I will say to the gentleman from New York I do not think we would want to mandate public agencies or public local governments to do something when they have declined to do so in the past, and where they have a good working relationship with local community action agencies. If this amendment is adopted, it would simply mean that about 75 percent of the local community action agencies would be completely put out of business over night, and there is no other way to interpret this amendment. This amendment would ring the death knell on community action agencies and destroy the allocation of funds to the poorest of the poor. For all intents and purposes, it would be better to repeal the community action program altogether than to adopt an amendment of this kind.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. KEMP).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. PERKINS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 122, noes 264, not voting 47, as follows:

[Roll No. 249]

AYES—122

Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Blackburn
Bowen
Bray
Brotzman
Broyhill, Va.
Buchanan
Burgener
Byron
Casey, Tex.
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Denholm
Dennis
Derwinski
Devine
Dickinson
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Fisher
Flynt
Fountain
Frey
Froehlich
Gettys
Goodling
Gross
Guyer
Haley
Hanrahan
Hastings
Hogan
Hosmer
Huber
Hudnut
Hunt
Ichord
Jarman
Jones, Okla.
Kemp
King
Kuykendall
Lagomarsino
Landgrebe
Latta
Lent
Lott
McCollister
McEwen
Mahon
Mann
Martin, N.C.
Mayne
Milford
Miller
Minshall, Ohio
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Myers
Nelsen
Parris
Poage
Powell, Ohio
Price, Tex.
Quie
Rarick
Rhodes
Roberts
Robinson, Va.
Roncallo, N.Y.
Rousselot
Ruth
Satterfield
Scherle
Schneebeli
Sebelius
Shuster
Sikes
Smith, N.Y.
Snyder
Spence
Steiger, Ariz.
Symms
Talcott
Taylor, Mo.
Teague
Thone
Towell, Nev.
Treen
Walsh
Wampler
Ware
Whitehurst
Whitten
Wiggins
Wilson, Bob
Winn
Wydler
Wyman
Young, Fla.
Young, S.C.
Zion
Zwach

NOES—264

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Breckinridge
Brinkley
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Butler
Carney, Ohio
Carter
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clay
Cleveland
Cohen
Collins, Ill.
Conable
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Delaney
Dellenback
Dellums
Dent
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Flood
Flowers
Ford
Forsythe
Fraser
Frelinghuysen
Frenzel
Fulton
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Gonzlez
Grasso
Gray
Green, Pa.
Griffiths
Grover
Gude
Gunter
Hamilton
Hammerschmidt
Hanley
Hanna
Harrington
Harsha
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Henderson
Hicks
Hillis
Holifield
Holt
Holtzman
Horton
Hungate
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Kluczynski
Koch
Kyros
Landrum
Leggett
Lehman
Litton
Long, La.
Long, Md.
Lujan
Luken
McClory
McCormack
McDade
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mallary
Maraziti
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mills
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nichols
Nix
Obey
O'Brien
O'Hara
Owens
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Preyer
Price, Ill.
Pritchard
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rose
Rosenthal
Roush
Roy
Roybal
Runnels
Ruppe
St Germain
Sandman
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Shoup
Shriver
Sisk
Skubitz
Slack
Staggers
Stanton, J. William
Stark
Steed
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Studds
Sullivan
Symington
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thornton
Tiernan
Traxler
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waldie
Whalen
White
Widnall
Williams
Wilson, Charles H., Calif.
Wolff
Wright
Wyatt
Wylie
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Tex.
Zablocki

NOT VOTING—47

Arends
Breaux
Broyhill, N.C.
Burleson, Tex.
Burton
Camp
Carey, N.Y.
Collier
Danielson
de la Garza
Findley
Foley
Gibbons
Goldwater
Green, Oreg.
Gubser
Hansen, Idaho
Hansen, Wash.
Helstoski
Hinshaw
Howard
Hutchinson
Johnson, Colo.
Karth
Ketchum
McCloskey
McSpadden
Martin, Nebr.
Michel
O'Neill
Passman
Pettis
Podell
Reid
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Ryan
Smith, Iowa
Stanton, James V.
Stubblefield
Stuckey
Vander Jagt
Veysey
Waggonner
Wilson, Charles, Tex.
Young, Ill.

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. FROEHLICH

Mr. FROEHLICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FROEHLICH: On page 224 add after the period on line 24 the following sentence: "No financial assistance shall be extended under this section for medical assistance and supplies in cases of abortion or sterilization".

Mr. FROEHLICH. Mr. Chairman, this is a rather simple amendment to a section of the bill that I understand is not going to be used. I understand that the family planning assistance area has been transferred by OEO to HEW already, except that this bill retains an authorization in the Community Action Administration for family planning assistance. That section is on page 224 of the bill and reads as follows:

> In granting financial assistance for projects or activities in the field of family planning, the Director shall assure that family planning services, including the dissemination of family planning information and medical assistance and supplies, are made available to all low-income individuals . . .

Mr. Chairman, nowhere in this bill have I been able to find a definition of "family planning" and therefore, I offer this amendment.

The amendment is to this section. It just says that no financial assistance shall be extended under this section for medical assistance and supplies in cases of abortion or sterilization.

Mr. Chairman, this amendment, then, prevents the use of taxpayers' money to support abortion or sterilization if this section is ever activated under the guise of family planning.

It is a very simple amendment which I urge the Members to support.

Ms. ABZUG. Mr. Chairman, I move to strike the last word.

I hear some gentle male laughter in the back of the room.

Mr. Chairman, whatever the gentlemen's personal views are, it is certainly not a laughing matter. There is a Supreme Court decision in this country which is the law of the land. I think it ill behooves any Member of this House to laugh at the law of the land, whether he agrees with it or not. But more than that, I take this well once again to suggest that an amendment like this offends the fundamental philosophy of a country which bases itself upon equality under the law.

Even the gentleman who presents this amendment admits it is not relevant.

Mr. FROEHLICH. If the gentlewoman will yield, I did not say that.

Ms. ABZUG. What I believe the gentleman said was that it is an amendment brought to a section of the law which the gentleman does not believe is going to be meaningful.

Mr. FROEHLICH. If the gentlewoman will yield again, I am told it is not going to be meaningful.

Ms. ABZUG. Which the gentleman is told is not going to be meaningful, and that only shows the spurious nature of such an amendment.

When one's personal view is offered—and I respect the gentleman's right to his view, and I would hope the gentleman respects my right to my view—the constant instrusion of a personal view, makes bad legislation and is inappropriate and should be rejected by this body.

The gentleman stood up in this well, and the gentleman said that it is expected that this section of the statute will not be operative. Yet the gentleman insists upon appending an amendment to it, an amendment which does what? It does one thing only: It deprives the people in this country, the poor people in this country, of the same rights that other people have under the supreme law of this land.

This is a very discriminatory amendment, regardless of one's personal view. Whatever one's position is, a matter of religion or conscience, and I for one cannot object to that, the fact remains that when the gentleman says that this provision of family planning has to be subjected to an illegal and unconstitutional amendment, he is saying, "Poor people of this land, there is a Supreme Court. It makes decisions which can be applicable to all other people except you, the poor. You, the poor, can only obtain family assistance with certain specific prohibitions, albeit they violate the law of this land".

Mr. Chairman, I say to the Members, wherever one comes from, be it East, South, North or West, that the poor people in all these areas are deserving of more consideration. The poor people and the poor women of this country are deserving of more consideration.

By this amendment, the gentleman is telling them that they can have family planning services, but they cannot have family planning services in cases where Members of Congress are asserting their personal conscientious religious views which differ with the law of the land.

Mr. Chairman, there may be a remedy and there may be a vehicle, but the vehicle is not the minds and the hearts, the bodies and the hopes of the poor people of this country.

I would like the Members to know that the medical statistics so far demonstrate, that in New York City 42 percent of the abortions have been performed for poor people. All this amendment would do is to hypocritically allow the middle-class people of this country to continue to have abortions but prevent the poor people from being able to participate and obtain their equal rights under the law.

Mr. Chairman, that is all the gentleman does by his amendment. He does not salve his conscience, he does not promote his religious point of view; he merely discriminates against the poor women of this country, the poor women in his district, and the poor women in every other district in the land.

I urge this body once and for all, as a matter of law and as a matter of congressional responsibility, to reject this amendment.

Mr. Chairman, let us fight this issue out in an appropriate forum. The House of Representatives is not the forum for it, and this piece of legislation is not the proper vehicle.

Mr. ESCH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and Members. From the debate just held, I think it is very obvious this is a rather emotional issue. It is also obvious that many of us in this body do not wish to rise at this time and discuss this matter. I think that is unfortunate.

I believe the reasonable place for a discussion on this issue of abortion should come through the committee process and by hearings held in the Committee on the Judiciary as to the ramifications of that issue, and where the public can have an opportunity to be heard on this issue.

Mr. Chairman, let me carefully read this particular amendment to the Members. It was rather hastily drawn perhaps, because it was written out on a sheet of paper. It states as follows:

> No financial assistance shall be extended under this section for medical assistance and supplies in cases of abortion or sterilization.

Irrespective of any Members' emotional feelings or moral feelings on the question of abortion, leaving that aside for the moment, I would suggest that it would be very important for us to reject this amendment on the ground that it contains the words "or sterilization."

Now I think that most every Member of this body would be against involuntary sterilization as I am. Indeed the recent hearings in the Senate brought that out.

However, there are many effective programs coming about in which sterilization on a voluntary basis is morally acceptable to the individual client and is a process for a method of family planning. Therefore in this amendment—the idea that "or sterilization" is prohibited—is the reason alone, irrespective of how you feel on the issue of abortion, this particular amendment should be rejected.

So let us reject the amendment on that ground and let us all urge that the House Committee on the Judiciary commence hearings as soon as possible on the question and issue of abortion.

I urge rejection of the amendment.

AMENDMENT OFFERED BY MR. TREEN TO THE AMENDMENT OFFERED BY MR. FROEHLICH

Mr. TREEN. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

> Amendment offered by Mr. TREEN to the amendment offered by Mr. FROEHLICH: strike out the words "or sterilization."

Mr. TREEN. Mr. Chairman, for the reasons just stated by the gentleman from Michigan, I have offered this amendment.

There are many of us in this Chamber—and I do not think there is any reason to go into a debate about the issue of abortion, because we have had it up many times on the floor—there are many of us here who are adamantly opposed to the use of Federal funds for the purposes of abortion, whereas many of us who feel that way feel differently about voluntary sterilization.

I concur with the Member who preceded me here who stated that he is absolutely opposed to any forced sterilization. I agree wholeheartedly. But in those instances where it is desired as a part of family planning, that should not be denied.

I think the Members of the House should have an opportunity to vote in favor of an amendment to prohibit the use of funds for abortion without, of course, prohibiting use of funds in the case of voluntary sterilization.

So a vote for this amendment to the amendment would remove the words "or sterilization." If that is adopted, we would have remaining simply the issue of using Federal funds for cases of abortion.

Ms. ABZUG. Would the gentleman yield?

Mr. TREEN. I am pleased to yield.

Ms. ABZUG. Would the gentleman explain to me what his concept of sterilization is?

Mr. TREEN. I do not believe I am here for the purpose of cross-examination, but, generally speaking, all of us, when we talk about sterilization, think of a process which might include any number of different methods which would render it impossible for someone to conceive.

Ms. ABZUG. To conceive. Have you ever heard of vasectomy?

Mr. TREEN. Yes, I have. I guess I am subject to cross-examination.

Ms. ABZUG. Do you consider that a part of the sterilization process?

Mr. TREEN. I am sorry. Would the gentlewoman repeat the question?

Ms. ABZUG. Do you consider that a part of the sterilization process?

Mr. TREEN. That is a form of sterilization, if I understand it correctly, yes.

Ms. ABZUG. OK. Let me ask the gentleman another question. Is it his suggestion it is OK for us to have authority to sterilize poor people but not allow them to make decisions for themselves as individuals as to whether or not they should have an abortion?

Mr. TREEN. Absolutely not. That is not my purpose here at all. My position here is—and let me explain this in answer to your inquiry—my position here is simply this: I think Members of this House should be permitted to vote on the question of using Federal funds for abortion without getting it tied up in the question of sterilization. By offering this particular amendment every Member of this House has a right to vote on these issues in seriatim.

Ms. ABZUG. Is the gentleman aware of the fact that there has been quite a bit of difference of opinion and that HEW is trying to establish guidelines on the sterilization issue as to what they consider to be voluntary sterilization and what they consider to be compulsory sterilization?

Mr. TREEN. Yes. I think it is a very serious issue, and I think it goes to the administration of the program. I thought I made it abundantly clear that I am adamantly opposed to the use of any funds, and adamantly opposed to any government, local or Federal, that would in any way bring about forced sterilization. That is a question of administration of the law which we write.

Ms. ABZUG. Do you think the law and the regulations should be followed on the sterilization issue, but in the case of abortion—and correct me if I am wrong—you think it should be the law of the land that poor people may not have abortions although you are willing to risk their having sterilization which might be contrary to the law? Is that correct?

Mr. TREEN. I do not concur in the gentlewoman's reasoning or rationalization at all. All I am saying is that we as Members of Congress have the right to say that Federal funds will not be spent for abortion. The issue here presented does not in any way affect or bear on the question of what an individual may wish; all we are saying is that Federal funds will not be used for the purpose of abortion.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana (Mr. TREEN) to the amendment offered by the gentleman from Wisconsin (Mr. FROEHLICH).

The amendment to the amendment was agreed to.

Mr. FRASER. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the pending amendment.

Mr. Chairman, I think that the amendment may appear to some to be more acceptable now that the words "or sterilization" have been removed. But let me point out, really, what the amendment does: It says that if a woman gets an illegal abortion which is botched, and she is in need of medical assistance to save her life, and she goes to a clinic which is funded under this program, she must be turned away. That is the consequence of the way this amendment is worded, because it says that there shall be no medical assistance or supplies in cases of abortion. It does not say to finance an abortion. It says, in effect, if the medical situation involved abortion, this would prevent a clinic from offering help to a woman who was unable to get a legal abortion for lack of money, and sought an illegal abortion and ran into medical problems.

I think that this amendment is very badly drawn on that account. I would object to the amendment even if it were more clearly drawn, because I do not see why we insist that poor people cannot have access to the medical services that the rest of us are able to receive. I think that is fundamentally wrong.

If we pass this amendment, even if it were carefully written, we would not outlaw abortion, we would only outlaw it for poor people. But in the manner and the form in which this amendment appears, it goes much further, and would deny medical assistance to somebody who needed it for medical problems arising out of an abortion.

On all these grounds I think the amendment should be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. FROEHLICH), as amended.

The question was taken; and on a division (demanded by Mr. FRASER) there were—ayes 48, noes 43.

RECORDED VOTE

Mr. GIAIMO. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 290, noes 91, not voting 52, as follows:

[Roll No. 250]

AYES—290

Abdnor
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Aspin
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Blatnik
Boggs
Boland
Bowen
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conlan
Conte
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, Wis.
Delaney
Denholm
Dent
Derwinski
Devine
Dickinson
Donohue
Dorn
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evins, Tenn.
Fish
Fisher
Flood
Flowers
Flynt
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gilman
Ginn
Gonzalez
Goodling
Grasso
Gray
Green, Pa.
Gross
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Harsha
Hastings
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Henderson
Hillis
Hogan
Holt
Huber
Hudnut
Hungate
Hunt
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Kastenmeier
Kazen
Kemp
King
Kluczynski
Kuykendall
Kyros
Lagomarsino
Landgrebe
Landrum
Latta
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCollister
McDade
McEwen
McKay
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Mathias, Calif.
Mathis, Ga.
Mayne
Mazzoli
Melcher
Miller
Mills
Minish
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Murphy, Ill.
Murtha
Myers
Natcher
Nelsen
Nichols
Obey
O'Brien
O'Hara
Owens
Parris
Patten
Perkins
Peyser
Pickle
Pike
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
Quillen
Railsback
Randall
Rarick
Regula
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Rodino
Roe
Rogers
Roncallo, N.Y.
Roush
Rousselot
Roy
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Skubitz
Slack
Snyder
Spence
Staggers
Stanton, J. William
Steed
Steele
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Ullman
Vanik
Vigorito
Walsh
Wampler
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wright
Wyatt
Wydler
Wylie
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, S.C.
Young, Tex.
Zablocki
Zwach

NOES—91

Abzug
Adams
Addabbo
Anderson, Calif.
Ashbrook
Ashley
Badillo
Bingham
Blackburn
Bolling
Brademas
Brasco
Brown, Calif.
Burke, Calif.
Chisholm
Clay
Collins, Ill.
Conable
Conyers
Corman
Culver
Davis, S.C.
Dellenback
Dellums
Diggs
Dingell
Drinan
Eckhardt
Edwards, Calif.
Evans, Colo.
Fascell
Ford
Fraser
Giaimo
Griffiths
Hanna
Harrington
Hawkins
Hicks
Holifield
Holtzman
Horton
Hosmer
Jones, Okla.
Jordan
Koch
Leggett
Lehman
McCormack
McFall
McKinney
Martin, N.C.
Matsunaga
Meeds
Metcalfe
Mezvinsky
Milford
Mink
Mitchell, Md.
Mosher
Moss
Nedzi
Nix
Patman
Pepper
Pritchard
Rangel
Rees
Riegle
Robison, N.Y.
Roncalio, Wyo.
Rose
Rosenthal
Roybal
Schroeder
Seiberling
Sisk
Smith, N.Y.
Stark
Steelman
Stokes
Studds
Udall
Van Deerlin
Vander Veen
Waldie
Ware
Wolff
Yates
Young, Ga.
Zion

NOT VOTING—52

Arends
Breaux
Broyhill, N.C.
Burton
Camp
Carey, N.Y.
Collier
Danielson
de la Garza
Dennis
Findley
Foley
Gibbons
Goldwater
Green, Oreg.
Gubser
Hansen, Idaho
Hansen, Wash.
Helstoski
Hinshaw
Howard
Hutchinson
Johnson, Colo.
Karth

Ketchum
McCloskey
McSpadden
Martin, Nebr.
Michel
Minshall, Ohio
Murphy, N.Y.
O'Neill
Passman
Pettis
Poage
Podell
Reid
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Ryan
Smith, Iowa
Stanton, James V.
Stubblefield
Symington
Thompson, N.J.
Vander Jagt
Veysey
Waggonner
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Young, Ill.

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

Mr. PEYSER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to take a minute to call attention to what I hope is a completely noncontroversial part of this bill, but one that is of the utmost importance to many of the young people in our country.

Mr. Chairman, this section of the bill is entitled, "The Youth Recreation and Sport Program." It is also known as the national summer youth sports program. This program is funded at the rate of $3 million a year. It reaches over 40,000 young men and women every year, ages 10 to 18. The sponsorship of the program, outside of the Federal Government, is the NCAA.

Mr. Chairman, this program has done more to improve and help young disadvantaged people than any program the Government has entered into that is aimed at children aged 10 to 18 in this area of recreation.

Mr. Chairman, I would like to urge the Members to keep in mind when they are voting in support of this legislation the entire bill, that this program is part of it. It is insignificant in dollars, but it is worth more than, I think, any of us can imagine as far as the young people in this country are concerned. Therefore, I will urge the passage of this bill. I would like to mention at this time that Warren Jackson, a member of my community, has been most helpful in developing this legislation together with the NCAA. I publicly want to thank him for his help.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE II—SPECIAL PROGRAMS TO COMBAT POVERTY IN RURAL AREAS

PART A—RURAL LOAN PROGRAMS

STATEMENT OF PURPOSE

SEC. 211. It is the purpose of this part to meet some of the special needs of low-income rural families by establishing a program of loans to assist in raising and maintaining their income living standards.

LOANS TO FAMILIES

SEC. 212. (a) The Director is authorized to make loans having a maximum maturity of fifteen years and in amounts not resulting in an aggregate principal indebtedness of more than $3,500 at any one time to any low-income rural family where, in the judgment of the Director, such loans have a reasonable possibility of effecting a permanent increase in the income of such families, or, in the case of the elderly, will contribute to the improvement of their living or housing conditions by assisting or permitting them to—

(A) acquire or improve real estate or reduce encumbrances or erect improvements thereon,

(B) operate or improve the operation of farms not larger than family sized, including but not limited to the purchase of feed, seed, fertilizer, livestock poultry, and equipment, or

(C) participate in cooperative associations; and/or to finance nonagricultural enterprises which will enable such families to supplement their income.

(b) Loans under this section shall be made only if the family is not qualified to obtain such funds by loan under other Federal programs.

COOPERATIVE ASSOCIATIONS

SEC. 213. The Director is authorized to make loans to local cooperative associations furnishing essential processing, purchasing, or marketing services, supplies, or facilities predominantly to low-income rural families.

LIMITATIONS ON ASSISTANCE

SEC. 214. No financial or other assistance shall be provided under this title unless the Director determines that—

(a) the providing of such assistance will materially further the purposes of this title, and

(b) in the case of assistance provided pursuant to section 213, the applicant is fulfilling or will fulfill a need for services, facilities, or activities which is not otherwise being met.

LOAN TERMS AND CONDITIONS

SEC. 215. Loans pursuant to sections 212 and 213 shall have such terms and conditions as the Director shall determine, subject to the following limitations:

(a) there is reasonable assurance of repayment of the loan;

(b) the credit is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

(c) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

(d) the loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Director may determine to be consistent with its purposes;

(e) with respect to loans made pursuant to section 213, the loan is repayable within not more than thirty years, and

(f) no financial or other assistance shall be provided under this part to or in connection with any corporation or cooperative organization for the production of agricultural commodities or for manufacturing purposes: *Provided*, That (1) packing, canning, cooking, freezing, or other processing used in preparing or marketing edible farm products, including, dairy products, shall not be regarded as manufacturing merely by reason of the fact that it results in the creation of a new or different substance; and (2) a cooperative organization formed by and consisting of members of an Indian tribe (including any tribe with whom the special Federal relationship with Indians has been terminated) engaged in the production of agricultural commodities, or in manufacturing products, on an Indian reservation (or former reservation in the case of tribes with whom the special Federal relationship with Indians has been terminated) shall not be regarded as a cooperative organization within the purview of this clause.

REVOLVING FUND

SEC. 216. (a) To carry out the lending and guaranty functions authorized under this subpart there is authorized to be established a revolving fund. The capital of the fund shall consist of such amounts as may be advanced to it by the Director from funds appropriated pursuant to this Act and shall remain available until expended.

(b) The Director shall pay into miscellaneous receipts of the Treasury, at the close of each fiscal year, interest on the capital of the fund at a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity during the last month of the preceding fiscal year. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest.

(c) Whenever any capital in the fund is determined by the Director to be in excess of current needs, such capital shall be credited to the appropriation from which advanced, where it shall be held for future advances.

(d) Receipts from any lending and guaranty operations under this Act (except operations under title III carried on by the Small Business Administration) shall be credited to the fund. The fund shall be available for the payment of all expenditures of the Director for loans, participations, and guaranties authorized under this part.

PAST B—ASSISTANCE FOR MIGRANT, AND OTHER SEASONALLY EMPLOYED, FARMWORKERS AND THEIR FAMILIES

STATEMENT OF PURPOSE

SEC. 221. The purpose of this part is to assist migrant and seasonal farmworkers and their families to improve their living conditions and develop skills necessary for a productive and self-sufficient life in an increasingly complex and technological society.

FINANCIAL ASSISTANCE

SEC. 222. (a) The Secretary of Labor may provide financial assistance to assist State and local agencies, private nonprofit institutions and cooperatives in developing and carrying out programs to fulfill the purpose of this part.

(b) Programs assisted under this part may include projects or activities—

(1) to meet the immediate needs of migrant and seasonal farmworkers and their families, such as day care for children, education, health services, improved housing and sanitation (including the provision and maintenance of emergency and temporary housing and sanitation facilities), legal advice and representation, and consumer training and counseling;

(2) to promote increased community acceptance of migrant and seasonal farmworkers and their families; and

(3) to equip unskilled migrant and seasonal farmworkers and members of their families as appropriate through education and training to meet the changing demands in agricultural employment brought about by technological advancement and to take advantage of opportunities available to improve their well-being and self-sufficiency by gaining regular or permanent employment or by participating in available Government employment or training programs.

LIMITATIONS ON ASSISTANCE

SEC. 223. (a) Assistance shall not be extended under this part unless the Secretary determines that the applicant will maintain its prior level of effort in similar activities.

(b) The Secretary shall establish necessary procedures or requirements to assure that programs under this part are carried on in coordination with other programs or activities providing assistance to the persons and groups served.

TECHNICAL ASSISTANCE, TRAINING, AND EVALUATION

SEC. 224. The Secretary may provide directly or through grants, contracts, or other arrangements, such technical assistance or training of personnel as may be required to implement effectively the purposes of this title.

Mr. HAWKINS (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any amendments to title II? If not, the Clerk will read.

The Clerk read as follows:

TITLE III—EMPLOYMENT AND INVESTMENT INCENTIVES

STATEMENT OF PURPOSE

SEC. 301. It is the purpose of this title to assist in the establishment, preservation, and strengthening of small business concerns and improve the managerial skills employed in such enterprises, with special attention to small business concerns (1) located in urban or rural areas with high proportions of unemployed or low-income individuals, or (2) owned by low-income individuals; and to mobilize for these objectives private as well as public managerial skills and resources.

LOANS, PARTICIPATIONS, AND GUARANTIES

SEC. 302. (a) The Administrator of the Small Business Administration is authorized to make, participate (on an immediate basis) in, or guarantee loans, repayable in not more than fifteen years, to any small business concern (as defined in section 3 of the Small Business Act (15 U.S.C. 632) and regulations issued thereunder), or to any qualified person seeking to establish such a concern, when he determines that such loans will assist in carrying out the purposes of this part, with particular emphasis on the preservation or establishment of small business concerns located in urban or rural areas with high proportions of unemployed or low-income individuals or owned by low-income individuals: *Provided, however,* That no such loans shall be made, participated in, or guaranteed if the total of such Federal assistance to a single borrower outstanding at any one time would exceed $50,000. The Administrator of the Small Business Administration may defer payments on the principal of such loans for a grace period and use such other methods as he deems necessary and appropriate to assure the successful establishment and operation of such concern. The Administrator of the Small Business Administration may, in his discretion, as a condition of such financial assistance, require that the borrower take steps to improve his management skills by participating in a management training program approved by the Administrator of the Small Business Administration: *Provided however,* That any management training program so approved must be of sufficient scope and duration to provide reasonable opportunity for the individuals served to develop entrepreneurial and managerial self-sufficiency. The Administrator of the Small Business Administration shall encourage, as far as possible, the participation of the private business community in the program of assistance to such concerns, and shall seek to stimulate new private lending activities to such concerns through the use of the loan guaranties, participations in loans, and pooling arrangements authorized by this section.

(b) To the extent necessary or appropriate to carry out the programs provided for in this title the Administrator of the Small Business Administration shall have the same powers as are conferred upon the Director by section 602 of this Act. To insure an equitable distribution between urban and rural areas for loans between $3,500 and $25,000 made under this part, the Administrator is authorized to use the agencies and agreements and delegations developed under title II of this Act as he shall determine necessary.

(c) The Administrator shall provide for the continuing evaluation of programs under this section, including full information on the location, income characteristics, and types of businesses and individuals assisted, and on new private lending activity stimulated, and the results of such evaluation together with recommendations shall be included in the report by section 609.

LOAN TERMS AND CONDITIONS

SEC. 303. Loans made pursuant to section 302 (including immediate participation in and guaranties of such loans) shall have such terms and conditions as the Administrator of the Small Business Administration shall determine, subject to the following limitations—

(a) there is reasonable assurance of repayment of the loan;

(b) the financial assistance is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

(c) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

(d) the loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Administrator of the Small Business Administration may determine to be consistent with its purposes: *Provided, however,* That the rate of interest charged on loans made in redevelopment areas designated under the Area Redevelopment Act (42 U.S.C. 2501 et seq.) shall not exceed the rate currently applicable to new loans made under section 6 of that Act (42 U.S.C. 2505); and

(e) fees not in excess of amounts necessary to cover administrative expenses and probable losses may be required on loan guaranties.

DISTRIBUTION OF FINANCIAL ASSISTANCE

SEC. 304. The Administrator of the Small Business Administration shall take such steps as may be necessary to insure that, in any fiscal year, at least 50 per centum of the amounts loaned or guaranteed pursuant to this title are allotted to small business concerns located in urban areas identified by the Director, after consideration of any recommendations of the Administrator of the Small Business Administration, as having high concentrations of unemployed or low-income individuals or to small business concerns owned by low-income individuals. The Administrator of the Small Business Administration, after consideration of any recommendations of the Director, shall define the meaning of low income as it applies to owners of small business concerns eligible to be assisted under this title, and such definition need not correspond to the definition of low income as used elsewhere in this Act.

LIMITATION ON FINANCIAL ASSISTANCE

SEC. 305. No financial assistance shall be extended pursuant to this title where the Administrator of the Small Business Administration determines that the assistance will be used in relocating establishments from one area to another if such relocation would result in an increase in unemployment in the area of original location.

TECHNICAL ASSISTANCE AND MANAGEMENT TRAINING

SEC. 306. (a) The Administrator of the Small Business Administration is authorized to provide financial assistance to public or private organizations to pay all or part of the costs of projects designed to provide technical and management assistance to individuals or enterprises eligible for assistance under section 302, with special attention to small business concerns located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals.

(b) Financial assistance under this section may be provided for projects, including without limitation—

(1) planning and research, including feasibility studies and market research;

(2) the identification and development of business opportunities;

(3) the furnishing of centralized services with regard to public services and government programs, including programs authorized under section 302;

(4) the establishment and strengthening of business service agencies, including trade associations and cooperatives;

(5) the encouragement of the placement of subcontracts by major business with small business concerns located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals, including the provisions of incentives and assistance to such major businesses so that they will aid in the training and upgrading of potential subcontractors or other small business concerns; and

(6) the furnishing of business counseling, management training, and legal and other related services, with special emphasis on the development of management training programs using the resources of the business community, including the development of management training opportunities in existing businesses, and with emphasis in all cases upon providing management training of sufficient scope and duration to develop entrepreneurial and managerial self-sufficiency on the part of the individuals served.

(c) The Administrator of the Small Business Administration shall give preference to projects which promote the ownership, participation in ownership, or management of small business concerns by residents of urban areas of high concentration of unemployed or low-income individuals, and to projects which are planned and carried out with the participation of local businessmen.

(d) To the extent feasible, services under this section shall be provided in a location which is easily accessible to the individuals and small business concerns served.

(e) The Administrator of the Small Business Administration shall, in carrying out programs under this section, consult with and take into consideration, the views of the Secretary of Commerce, with a view to coordinating activities and avoiding duplication of effort.

Mr. HAWKINS (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

(f) The President may, if he determines that it is necessary to carry out the purposes of this title, transfer any of the functions under this section to the Secretary of Commerce.

(g) The Administrator of the Small Business Administration shall provide for an independent and continuing evaluation of programs under this section, including full information on and analysis of the character and impact of managerial assistance provided, the location, income characteristics and types of businesses and individuals assisted, and the extent to which private resources and skills have been involved in these programs. Such evaluation together with any recommendations as he deems advisable shall be included in the report required by section 609.

GOVERNMENT CONTRACTS

SEC. 307. (a) The Administrator of the Small Business Administration shall take such steps as may be necessary and appropriate, in coordination and cooperation with the heads of other Federal departments and agencies, so that contracts, subcontracts, and deposits made by the Federal Government or in connection with programs aided with Federal funds are placed in such a way as to further the purposes of this title.

(b) The Administrator of the Small Business Administration shall provide for the continuing evaluation of programs under this section and the results of such evalution together with recommendations shall be included in the report required by section 609.

POINT OF ORDER

Mr. BLACKBURN. Mr. Chairman, I make a point of order against title III of this bill, H.R. 14449, as amended.

The CHAIRMAN. The gentleman will state his point of order.

Mr. BLACKBURN. Mr. Chairman, I make a point of order against the language in title III of the committee amendment to H.R. 14449. The language I refer to begins on page 234, line 3, through page 242, line 5 of the bill as reported by the Committee on Education and Labor. I make this point of order on the ground that this title properly falls within the jurisdiction of a committee other than Education and Labor, namely, the Committee on Banking and Currency of which I am a member.

The purpose of title III of this bill is "to assist in the establishment, preservation, and strengthening of small business concerns and improve the managerial skills employed in such enterprises" paying special attention to the impoverished areas. The title continues with the mechanism by which the Administrator of the Small Business Administration "is authorized to make—or guarantee loans" to assist in carrying out the purpose. The title goes further to structure the "loan terms and conditions" and "limitations on financial assistance" by using the Office of the Administrator of the Small Business Administration to determine if they are consistent with the purposes of this title. The Committee on Education and Labor has even seen fit to give the Administrator of SBA "the same powers as are conferred upon the Director by section 602 of this act."

If the Chair were to continue to examine the provisions of title III keeping in mind clause 4 of rule XI of the Rules of the House of Representatives, he would be compelled to sustain my point of order. Clause 4 of rule XI outlines the jurisdiction of the Committee on Banking and Currency and it states specifically in 4(e) that the committee shall exercise jurisdiction over matters relating to "financial aid to commerce and industry." The history of the committee having jurisdiction of this type of legislation has been clear and in volume VII of Cannon's Precedents it states that:

> Subjects relating to rural credits . . . including the extension of rural credit legislation come within the jurisdiction of the Committee on Banking and Currency. (VII, 1971)

As early as 1916 the Committee on Banking and Currency was reporting bills "to create financial agents for the United States" (64th Cong., 1st Session, Report No. 630, 634). The participation of small business enterprises in Government contracts and technical and management assistance as provided under the Small Business Act and now proposed in this title are clearly within the small business matters now under the jurisdiction of the present Committee on Banking and Currency. None of these matters belong within the jurisdiction of the Committee on Education and Labor. In volume VII of Cannon's Precedents it is stated that:

> The committees are the creatures of the House and exercise no authority or jurisdiction beyond that specifically conferred by the rules or by special authorization of the House itself. (VII)

Having taken all these matters into consideration, I feel that the Chair can only find that title III, as now drafted in the pending bill, is properly within the jurisdiction of the Committee on Banking and Currency and will be compelled to sustain my point of order.

Mr. HAWKINS. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. HAWKINS. Mr. Chairman, I submit to the Chair that this particular section, as covered in the gentleman's point of order, has been in the act since its very beginning in 1964. Every particular component of this program could conceivably be covered by several different committees as to jurisdiction. However, they all relate to a limited and specified group within a certain class.

At the present time this language is in title IV of the existing Economic Opportunity Act of 1964. It was in that act, and it has been continued. This House has voted on this particular title at least six different times. It has never yet been ruled out of order.

Mr. Chairman, I submit that the committee amendment as a whole is germane to the bill, and that the point of order is not well taken and should be rejected.

Mr. STEIGER of Wisconsin. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. STEIGER of Wisconsin. Mr. Chairman, I wish to speak on the point of order as a supplement to the analysis provided by the distinguished gentleman from California (Mr. HAWKINS) with which I agree. There is, I think, one other point that ought to be made.

The precedents of the House, as they have operated up until now, have in effect said that a particular section of a bill which is reported by a committee as a part of an original bill is not subject to a point of order.

Title III, as it is contained in this bill, comes to the House as a part of the bill reported by the Committee on Education and Labor. It is, therefore, germane to the work of that committee as it has operated and, in my judgment, would not be subject to a point of order.

I hope the Chair will overrule the point of order.

The CHAIRMAN (Mr. WHITE). The Chair is ready to rule.

The Chair rules, as to the point of order raised by the gentleman from Georgia (Mr. BLACKBURN) that no point of order lies to the language in title III, since title III is a part of the amendment in the nature of a substitute reported by the Committee on Education and Labor, and contains matter which was also in the original bill referred to that committee.

The point of order that the title is not germane and does not come within the jurisdiction of the Committee on Education and Labor is not pertinent at this time.

The Chair has listened to and considered the arguments offered by the proponents and the opponents of the point of order, and the Chair overrules the point of order.

The Clerk will read.

The Clerk read as follows:

TITLE IV—WORK EXPERIENCE, TRAINING, AND DAY CARE PROGRAMS

PART A—WORK EXPERIENCE AND TRAINING PROGRAMS

STATEMENT OF PURPOSE

SEC. 411. It is the purpose of this part to expand the opportunities for constructive work experience and other needed training available to persons (including workers in farm families with less than $1,200 net family income, unemployed heads of families and other needy persons) who are unable to support themselves or their families.

TRANSFER OF FUNDS

SEC. 412. In order to permit the carrying out of work experience and training programs meeting the criteria set forth in the Comprehensive Employment and Training Act of 1973, the Director is authorized to transfer funds (1) to make payments under section 1115 of the Social Security Act for experimental, pilot, or demonstration projects which provide pretraining services and basic maintenance, health, family, basic education, day care, counseling, and similar supportive services required for such programs, and (2) to reimburse the Secretary of Labor for carrying out the activities described in the Comprehensive Employment and Training Act of 1973. Costs of such projects and activities shall, notwithstanding the provisions of the Social Security Act and the Comprehensive Employment and Training Act of 1973, be met entirely from funds appropriated to carry out this part: *Provided*, That such funds may not be used to assist families and individuals insofar as they are otherwise receiving or eligible to receive assistance or social services through a State plan approved under title I, IV, X, XIV, XVI, or XIX of the Social Security Act.

LIMITATIONS ON WORK EXPERIENCE AND TRAINING PROGRAMS

SEC. 413. (a) The provisions of paragraph (1) to (6), inclusive, of section 409 of the Social Security Act, unless otherwise inconsistent with the provisions of this part, shall be applicable with respect to work experience and training programs assisted with funds under this part. The costs of such programs to the United States shall, notwithstanding the provisions of such Act, be met entirely from funds appropriated or allocated to carry out the purpose of this part.

(b) Work experience and training programs shall be so designed that participation of individuals in such programs will not ordinarily exceed 36 months, except that nothing in this subsection shall prevent the provision of necessary and appropriate follow-up services for a reasonable period after an individual has completed work experience and training.

(c) Not more than 12½ per centum of the sums appropriated or allocated for any fiscal year to carry out the purposes of this part shall be used within any one State. In the case of any work experience and training program approved on or after July 1, 1968, not more than 80 per centum of the costs of projects or activities referred to in section 412 may be paid from funds appropriated or allocated to carry out this part, unless the Director determines, pursuant to regulations prescribed by him establishing objective criteria for such determinations, that assistance in excess of such percentage is required in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant equipment and services.

TRANSITION

Sec. 414. The Secretary of Labor is authorized to provide work experience and training programs authorized by the Comprehensive Employment and Training Act of 1973. The Secretary of Health, Education, and Welfare pursuant to agreement with the Secretary of Labor which shall include provisions for joint evaluation and approval of the training and work experience aspect of each project or program may—

(1) with the concurrence of the Secretary of Labor, renew existing projects and programs, or develop and provide new projects or programs, to accomplish the purposes of this part and of the Comprehensive Employment and Training Act of 1973; and

(2) with the concurrence of the Secretary of Labor, develop and provide other work experience and training programs pursuant to such Act, with respect to such project or parts of projects which the Secretary of Labor is unable to provide after being given notice and a reasonable opportunity to do so.

Part B—Day Care Projects

STATEMENT OF PURPOSE

Sec. 421. The purpose of this part is to provide day care for children from families which need such assistance to become or remain self-sufficient or otherwise to obtain objectives related to the purposes of this Act, with particular emphasis upon enabling the parents or relatives of such children to choose to undertake or to continue basic education, vocational training, or gainful employment.

FINANCIAL ASSISTANCE FOR DAY CARE PROJECTS

Sec. 422. (a) The Director is authorized to provide financial assistance to appropriate public agencies and private organizations to pay not to exceed 90 per centum of the cost of planning, conducting, administering, and evaluating projects under which children from low-income families or from urban and rural areas with large concentrations or proportions of low-income persons may receive day care. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment and services. Such day care projects shall provide health, education, social, and such other supportive services as may be needed. Financial assistance under this section may be provided to employers, labor unions, or to joint employer-union organizations, for day care projects established at or in association with a place of employment or training where such projects are financed in major part through private funds. Project costs payable under this title may include costs of renovation and alteration of physical facilities. Financial assistance under this section may be provided in conjunction with or to supplement day care projects under the Social Security Act or other relevant statutes.

(b) The Director may require a family which is not a low-income family to make payment, in whole or in part, for the day care services provided under this program where the family's financial condition is, or becomes through employment or otherwise, such as to make such payment appropriate.

(e) The Director may provide, directly or through contracts or other arrangements, technical assistance and training necessary steps to coordinate programs under his for the initiation or effective operation of programs under this subpart.

(d) The Director shall take all necessary jurisdiction which provide day care, with a view to establishing, insofar as possible, a common set of program standards and regulations, and mechanisms for coordination at the State and local levels. Such standards shall be no less comprehensive than the Federal interagency day care requirements as approved by the Department of Health, Education, and Welfare, the Office of Economic Opportunity, and the Department of Labor on September 23, 1968. In approving applications for assistance under this part, the Director shall take into consideration (1) the extent to which applicants show evidence of coordination and cooperation between their projects and other day care programs in the areas which they will serve, and (2) the extent to which unemployment or low-income individuals are to be employed, including individuals receiving or eligible to receive assistance under the Social Security Act.

(e) Each project to which payments are made hereunder shall provide for a thorough evaluation. This evaluation shall be conducted by such agency or independent public or private organization as the Director shall designate, with a view to determining, among other things, the extent to which the day care provided may have increased the employment of parents and relatives of the children served, the extent to which such day care may have reduced the costs of aid and services to such children, the extent to which such children have received health and educational benefits, and the extent to which the project has been coordinated with other day care activities in the area served. Up to 100 per centum of the costs of evaluation may be paid by the Director from funds appropriated for the purposes of carrying out this title, except that where such evaluation is carried on by the assisted agency itself, he may pay only 90 per centum of such costs. Such evaluations, together with a report on the program described in this subpart, shall be included in the report required by section 609.

Mr. HAWKINS (during the reading). Mr. Chairman, I ask unanimous consent that title IV of the committee amendment in the nature of a substitute be considered as read, printed in the Record, and open to amendment at any point.

The **CHAIRMAN**. Is there objection to the request of the gentleman from California?

There was no objection.

The **CHAIRMAN**. The Clerk will read.

The Clerk read as follows:

TITLE V—EVALUATION, RESEARCH, AND DEMONSTRATION

Part A—Evaluation

COMPREHENSIVE EVALUATION OF PROGRAMS

Sec. 511. (a) The Director shall provide for the continuing evaluation of programs under this Act and of programs authorized under related Acts, including evaluations that describe and measure, with appropriate means and to the extent feasible, the impact of such programs, their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for delivery of services, and including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. The Director may, for such purposes, contract or make other arrangements for independent evaluations of those programs or individual projects.

(b) The Director shall to the extent feasible develop and publish standards for evaluation of program effectiveness in achieving the objectives of this Act. He shall consider the extent to which such standards have been met in deciding whether to renew or supplement financial assistance authorized under any section of this Act.

(c) In carrying out this part, the Director may require community action agencies to provide independent evaluations.

COOPERATION OF OTHER AGENCIES

Sec. 512. Federal agencies administering programs related to this Act shall—

(1) cooperate with the Director in the discharge of his responsibility to plan and conduct evaluations of such poverty-related programs as he deems appropriate, to the fullest extent permitted by other applicable law; and

(2) provide the Director on a cooperative basis with such agency, with such statistical data, program reports, and other materials, as they collect and compile on program operations, beneficiaries, and effectiveness.

CONSULTATION

Sec. 513. (a) In carrying out evaluations under this part, the Director shall, whenever possible, arrange to obtain the opinions of program participants about the strengths and weaknesses of programs.

(b) The Director shall consult, when appropriate, with State agencies, in order to provide for jointly sponsored objective evaluation studies of programs on a State basis.

PUBLICATION OF EVALUATION RESULTS

Sec. 514. (a) The Director shall publish summaries (prepared by the evaluator) of the results of evaluative research and evaluations of program impact and effectiveness no later than sixty days after its completion.

(b) The Director shall take necessary action to assure that all studies, evaluations, proposals, and data produced or developed with Federal funds shall become the property of the United States.

(c) The Director shall publish summaries of the results of activities carried out pursuant to this title in the report required by section 609 of this Act.

EVALUATION BY OTHER ADMINISTERING AGENCIES

Sec. 515. The head of any agency administering a program authorized under this Act may, with respect to such program, conduct evaluations and take other actions authorized under this title to the same extent and in the same manner as the Director under this part. Nothing in this section shall preclude the Director from conducting such evaluations or taking such actions otherwise authorized under this title with respect to such programs.

Part B—Research and Demonstration Programs

ASSISTANCE FOR PROJECTS

Sec. 521. (a) The Director may contract or provide financial assistance for demonstration projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise in furthering the purposes of this Act. He may also contract or provide financial assistance for research pertaining to the purposes of this Act.

(b) The Director shall establish an overall plan to govern the approval of demonstration projects and the use of all research authority under this Act. The plan shall set forth specific objectives to be achieved and priorities among such objectives. In formulating the plan, the Director shall consult with other Federal agencies for the purposes of minimizing duplication among similar activities or projects and determining whether the findings resulting from any research or demonstration projects may be incorporated into one or more programs for which those agencies are responsible. As part of the annual report required by section 609, or in a separate annual report, the Director shall submit a description for each fiscal year of the current plan required by this section, of activities subject to the plan, and of the findings derived from those activities, together with a statement indicating the time and, to the extent feasible, the manner in which the benefits of those activities and findings are expected to be realized.

(c) Not more than 15 per centum of the sums appropriated or allocated in any fiscal year for this title shall be used for the purposes of this section. One-third of the sums so appropriated or allocated shall be available only for projects authorized under subsection (f) of this section.

(d) No demonstration project under this section shall be commenced in any city, county, or other major political subdivision, unless a plan setting forth such proposed demonstration project has been submitted to the appropriate community action agency, or, if there is no such agency, to the local governing officials of the political subdivision, and such plan has not been disapproved by the community action agency or governing body, as the case may be, within thirty days of such submission, or, if so disapproved, has been reconsidered by the Director and found by him to be fully consistent with the provisions and in furtherance of the purposes of this title.

(e) The Director shall develop and carry out demonstration projects which (1) aid elderly persons to achieve greater self-sufficiency, (2) focus upon the problems of rural poverty, (3) are designed to develop new techniques and community-based efforts to prevent narcotics addiction or to rehabilitate narcotic addicts, or (4) are designed to encourage the participation of private organizations, other than non-profit organizations, in programs under this title.

(f) The Director shall conduct, either directly or through grants or other arrangements, research and demonstration projects designed to assure a more effective use of human and natural resources of rural America and to slow the migration from rural areas due to lack of economic opportunity, thereby reducing population pressures in urban centers. Such projects may be operated jointly or in cooperation with other federally assisted programs, particularly programs authorized under the Public Works and Economic Development Act of 1965, in the area to be served by the project.

Mr. HAWKINS. (during the reading) Mr. Chairman, I ask unanimous consent that title V of the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE VI—ADMINISTRATION AND COORDINATION

PART A—ADMINISTRATION

ESTABLISHMENT OF THE ADMINISTRATION FOR COMMUNITY SERVICES

SEC. 601. (a) There is established in the Department of Health, Education, and Welfare a Community Action Administration (hereinafter in this Act referred to as the "Administration") which shall be headed by a Director (hereinafter in this Act referred to as the "Director"). The Administration shall be the principal agency for carrying out this Act. In the performance of his functions, the Director shall be directly responsible to the Secretary. The Secretary shall not approve any delegation of the functions of the Director to any other officer not directly responsible to the Director.

(b) The Director shall be appointed by the President by and with the advice and consent of the Senate.

AUTHORITY OF THE DIRECTOR

SEC. 602. In addition to the authority conferred upon him by other sections of this Act, the Director is authorized to—

(1) appoint in accordance with the civil service laws such personnel as may be necessary to enable the Administration to carry out its functions, and, except as otherwise provided herein, fix the compensation of such personnel in accordance with chapter 51 of title 5, United States Code: *Provided*, That all Federal personnel, employed on the effective date of this Act under authorization and appropriation of the Economic Opportunity Act of 1964, as amended, shall be transferred to, and to the extent feasible, assigned to related functions and organizational units in the Administration without loss of salary, rank, or other benefits, including the right to representation and to existing collective bargaining agreements;

(2) (A) employ experts and consultants or organizations thereof as authorized by section 3109 of title 5, United States Code, except that no individual may be employed under the authority of this subsection for more than one hundred days in any fiscal years; (B) compensate individuals so employed at rates not in excess of the daily equivalent of the rate payable to a GS-18 employee under section 5332 of such title, including traveltime; (c) allow such individuals, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of such title for persons in the Government service employed intermittently, while so employed; and (D) annually renew contracts for such employment under this clause;

(3) appoint, without regard to the civil service laws, one or more advisory committees composed of such private citizens and officials of the Federal, State, and local governments as he deems desirable to advise him with respect to his functions under this Act; and members of such committees (including the National Advisory Council established in section 606), other than those regularly employed by the Federal Government, while attending meetings of such committees or otherwise serving at the request of the Director, shall be entitled to receive compensation and travel expenses as provided in subsection (b) with respect to experts and consultants;

(4) with the approval of the President, arrange with and reimburse the heads of other Federal agencies for the performance of any of the provisions of this Act;

(5) with their consent, utilize the services and facilities of Federal agencies without reimbursement, and, with the consent of any State or a political subdivision of a State, accept and utilize the services and facilities of the agencies of such State or subdivision without reimbursement;

(6) accept in the name of the Administration, and employ or dispose of in furtherance of the purposes of this Act, or of any title thereto, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise;

(7) accept voluntary and uncompensated services;

(8) allocate and expend funds made available under this Act as he deems necessary to carry out the provisions hereof, including (without regard to the provisions of section 4774(d) of title 10, United States Code), expenditure for construction, repairs, and capital improvements;

(9) disseminate, without regard to the provisions of section 3204 of title 39, United States Code, data and information, in such form as he shall deem appropriate to public agencies, private organizations, and the general public;

(10) adopt an official seal, which shall be judicially noticed;

(11) collect or compromise all obligations to or held by him and all legal or equitable rights accruing to him in connection with the payment of obligations in accordance with Federal Claims Collection Act of 1966 (31 U.S.C. 951–53);

(12) notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real or personal property by the United States, deal with, complete, rent, renovate, modernize, or sell for cash or credit at his discretion any properties acquired by him in connection with loans, participations, and guaranties made by him pursuant to title II and title III of this Act;

(13) expend funds made available for purposes of this Act as follows: (A) for printing and binding, in accordance with applicable law and regulations; and (B) without regard to any other law or regulation, for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by him; but the Director shall not utilize the authority contained in this subclause (B)—

(i) except when necessary to obtain an item, service, or facility, which is required in the proper administration of this Act, and which otherwise could not be obtained, or could not be obtained in the quantity or quality needed, or at the time, in the form, or under the conditions in which, it is needed, and

(ii) prior to having given written notification to the Administrator of General Services (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of the General Services Administration) of his intention to exercise such authority, the item, service, or facility with respect to which such authority is proposed to be exercised, and the reasons and justifications for the exercise of such authority;

(14) establish such policies, standards, criteria, and procedures, prescribe such rules and regulations, enter into such contracts and agreements with public agencies and private organizations and persons, and make such payments (in lump sum or installments, and in advance or by way of reimbursement, and in the case of grants otherwise authorized under this Act, with necessary adjustments on account of overpayments and underpayments) as are necessary or appropriate to carry out the provisions of this Act; and

(15) generally perform such functions and take such steps, consistent with the purposes and provisions of this Act, as he deems necessary or appropriate to carry out the provisions of this Act.

POLITICAL ACTIVITIES

SEC. 603. (a) No part of any funds appropriated to carry out this Act, or any program administered by the Administration, shall be used to finance, directly or indirectly, any activity designed to influence the outcome of any election to Federal office, or any voter registration activity, or to pay the salary of any officer or employee of the Administration who, in his official capacity as such an officer or employee, engages in any such activity. As used in this section, the term "election" has the same meaning given such term by section 301(a) of the Federal Election Campaign Act of 1971 (Public Law 92-225), and the term "Federal office" has the same meaning given such term by section 301(c) of such Act.

(b) Programs assisted under this Act shall not be carried on in a manner involving the use of funds, the provision of services, or the employment or assignment of personnel in a manner supporting or resulting in the identification of such programs with (1) any partisan or nonpartisan political activity or any other political activity associated with a candidate, or contending faction or group, in an election for public or party office, (2) any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election, or (3) any voter registration activity. The Director, after consultation with the Civil Service Commission, shall issue rules and regulations to provide for the enforcement of this section, which shall include provisions for summary suspension of assistance for no more than thirty days until notice and an opportunity to be heard can be provided or other action necessary to permit enforcement on an emergency basis.

(c) For purposes of chapter 15 of title 5 of the United States Code any overall community action agency which assumes responsibility for planning, developing, and coordinating community-wide antipoverty programs and receives assistance under this Act shall be deemed to be a State or local agency; and for purposes of clauses (1) and (2) of section 1502(a) of such title any agency receiving assistance under this Act shall be deemed to be a State or local agency.

APPEALS, NOTICE, AND HEARING

SEC. 604. The Director shall prescribe procedures to assure that—

(1) special notice of and an opportunity for a timely and expeditious appeal to the Director is provided for an agency or organization which would like to serve as a delegate agency under title I and whose application to the prime sponsor or community action agency has been wholly or substantially rejected or has not been acted upon within a period of time deemed reasonable by the Director;

(2) financial assistance under title I and part B of title II shall not be suspended for failure to comply with applicable terms and conditions, except in emergency situations, nor shall an application for refunding under section 121, 122, or 222, be denied, unless the recipient agency has been given reasonable notice and opportunity to show cause why such action should not be taken; and

(3) financial assistance under title I and part B of title II shall not be terminated for failure to comply with applicable terms and conditions unless the recipient agency has been afforded reasonable notice and opportunity for a full and fair hearing.

ADVISORY COUNCILS

SEC. 605. (a) There is hereby established in the Administration a National Advisory Council on Community Services (hereinafter referred to as the Advisory Council), to be composed of twenty-one members appointed, for staggered terms and without regard to the civil service laws, by the President. Such members shall be representative of the public in general and appropriate fields of endeavor related to the purposes of this Act. The President shall designate the chairman from among such members. The Advisory Council shall meet at the call of the chairman but not less often than four times a year. The Director shall be an ex officio member of the Advisory Council.

(b) The Advisory Council shall—

(1) advise the Director with respect to policy matters arising in the administration of this Act; and

(2) review the effectiveness and the operation of programs under this Act and make recommendations concerning (A) the improvement of such programs, (B) the elimination of duplication of effort, and (C) the coordination of such programs with other Federal programs designed to assist low-income individuals and families.

Such recommendations shall include such proposals for changes in this Act as the Advisory Council deems appropriate.

(c) The Advisory Council shall make an annual report of its findings and recommendations to the President not later than March 31 of each calendar year beginning with the calendar year 1975. The President shall transmit each such report to the Congress together with his comments and recommendations.

ANNOUNCEMENT OF RESEARCH OR DEMONSTRATION CONTRACTS

SEC. 606. (a) The Director or the head of any Federal agency administering a program under this Act shall make a public announcement concerning:

(1) The title, purpose, intended completion date, identity of the contractor, and proposed cost of any contract with a private or non-Federal public agency or organization for any demonstration or research project; and

(2) The results, findings, data, or recommendations made or reported as a result of such activities.

(b) The public announcements required by subsection (a) shall be made within thirty days of entering into such contracts and thereafter within thirty days of the receipt of such results.

(c) It shall be the duty of the Comptroller General to assure that the requirements of this section are met, and he shall at once report to the Congress concerning any failure to comply with these requirements.

LABOR STANDARDS

SEC. 607. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration or repair, including painting and decorating of projects, building and works which are federally assisted under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a–5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and in section 2 of the Act of June 1, 1934, as amended (48 Stat. 948, ch. 492, as amended; 40 U.S.C. 276c).

AUDIT

SEC. 608. (a) Each recipient of Federal grants, subgrants, contracts, subcontracts, or loans entered into under this Act other than by formal advertising, and which are otherwise authorized by this Act, shall keep such records as the Director shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Director and the Comptroller General of the United States, or any of their duly authorized representatives, shall, until the expiration of three years after completion of the project or undertaking referred to in subsection (a) of this section, have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients which in the opinion of the Director or the Comptroller General may be related or pertinent to the grants, contracts, subcontracts, subgrants, or loans referred to in subsection (a).

REPORTS

SEC. 609. Not later than one hundred and twenty days after the end of each fiscal year, the Director shall prepare and submit to the President for transmittal by the President to the Congress a full and complete report on the activities of the Administration during such year. Each such report shall contain a detailed statement with respect to programs established by this Act which are administered by other Federal agencies, together with an opinion of the Director with respect to the extent to which the operation of such programs fulfill the purposes of this Act.

PROGRAMS FOR THE ELDERLY POOR

SEC. 610. It is the intention of Congress that whenever feasible the special problems of the elderly poor shall be considered in the development, conduct, and administration of programs under this Act. The Director shall (1) carry out such investigations and studies, including consultations with appropriate agencies and organizations, as may be necessary to develop and carry out a plan for the participation of the elderly poor in programs under this Act, including programs providing employment opportunities, public service opportunities, education and other services and activities which assist the elderly poor to achieve self-sufficiency; (2) maintain a constant review of all programs under this Act to assure that the needs of the elderly poor are given adequate consideration; (3) initiate and maintain interagency liaison with all other appropriate Federal agencies to achieve a coordinated national approach to the needs of the elderly poor; and (4) determine and recommend to the President and the Congress such programs requiring additional authority and the necessary legislation to provide such authority. In exercising his responsibilities under this section, the Director shall cooperate with the Commissioner on Aging. The Director shall describe the ways in which this section has been implemented in the annual report required by section 609.

COMPARABILITY OF WAGES

SEC. 611. (a) The Director shall take such action as may be necessary to assure that persons employed in carrying out programs financed under title I (except a person compensated as provided in section 602) shall not receive compensation at a rate which is (1) in excess of the average rate of compensation paid in the area where the program is carried out to a substantial number of the persons providing substantially comparable services, or in excess of the average rate of compensation paid to a substantial number of the persons providing substantially comparable services in the area of the person's immediately preceding employment, whichever is higher or (2) less than the minimum wage rate prescribed in section 6(a)(1) of the Fair Labor Standards Act of 1938.

(b) Not later than sixty days after the close of the fiscal year 1975 and each fiscal year thereafter the Director shall prepare and submit to the President for submission to the Congress a list of the names of all officers or employees whose compensation is subject to the limitations set forth in subsection (a) of this section and who were receiving at the end of such fiscal year a salary of $10,000 or more per year, together with the amount of compensation paid to each person and the amount of such compensation paid from funds advanced or granted pursuant to this Act. No grant, contract or agreement shall be made under any of the provisions of this Act referred to in subsection (a) of this section which does not contain adequate provisions to assure the furnishing of information required by the preceding sentence.

(c) No person whose compensation exceeds $6,000 per annum and is paid pursuant to any grant, contract, or agreement authorized under part A of title I (except a person compensated as provided in section 602) shall be employed at a rate of compensation which exceeds by more than 20 per centum the salary which he was receiving in his immediately preceding employment, but the Director may grant exceptions for specific cases. In determining salary in preceding employment for one regularly employed for a period of less than twelve months per year, the salary shall be adjusted to an annual basis.

LIMITATION ON BENEFITS FOR THOSE VOLUNTARILY POOR

SEC. 612. The Director shall take such action as may be necessary to assure that, in determining a person's eligibility for benefits under this Act on account of his poverty, such person will not be deemed to meet the poverty criteria if his lack of income results from his refusal, without good cause, to seek or accept employment commensurate with his health, age, education, and ability.

JOINT FUNDING

SEC. 613. Pursuant to regulations prescribed by the President, where funds are advanced for a single project by more than one Federal agency to a community action agency or other agency assisted under this Act, any one Federal agency may be designated to act for all in administering the funds advanced. In such cases, a single local share requirement may be established according to the proportion of funds advanced by each agency, and any such agency may waive any technical grant or contract requirement (as defined by such regulations) which is inconsistent with the similar requirements of the administering agency or which the administering agency does not impose.

PROHIBITION OF FEDERAL CONTROL

SEC. 614. Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any education institution or school system.

LIMITATION WITH RESPECT TO CERTAIN UNLAWFUL ACTIVITIES

SEC. 615. No individual employed or assigned by any community action agency or other agency assisted under this Act shall, pursuant to or during the performance of services rendered in connection with any program or activity conducted or assisted under this Act by such community action agency or such other agency, plan, initiate, participate in, or otherwise aid or assist in the conduct of any unlawful demonstration, rioting, or civil disturbance.

TRANSFER OF FUNDS

SEC. 616. Notwithstanding any limitation on appropriations for any program or activity under this Act or any Act authorizing appropriations for such program or activity, not to exceed 20 per centum for each fiscal year of the amount appropriated or allocated from any appropriation for the purpose of enabling the Director to carry out any such program or activity under the Act may be transferred and used by the Director for the purpose of carrying out any other such program or activity under the Act.

LIMITATIONS ON FEDERAL ADMINISTRATIVE EXPENSES

SEC. 617. The total administrative expenses, including the compensation of Federal employees, incurred by Federal agencies under the authority of this Act for any fiscal year shall not exceed 10 per centum of the amount authorized to be appropriated by this Act for that year: *Provided, however,* That grants, subsidies, and contributions, and payments to individuals, other than Federal employees shall not be counted as an administrative expense.

PRIVATE ENTERPRISE PARTICIPATION

SEC. 618. The Director and the heads of any Federal departments or agencies to which the conduct of programs described in this Act have been delegated shall take such steps as may be desirable and appropriate to insure that the resources of private enterprise are employed to the maximum feasible extent in the programs described in this Act. The Director and such other agency heads shall submit at least annually to the Congress a joint or combined report describing the actions taken and the progress made under this section.

ADVANCE FUNDING

SEC. 619. For the purpose of affording adequate notice of funding available under this Act, appropriations for grants, contracts, or other payments under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

POVERTY LINE

SEC. 620. (a) Every agency administering programs authorized by this Act in which the poverty line is a criterion of eligibility shall revise the poverty line at annual intervals, or at any shorter interval it deems feasible and desirable.

(b) The revision required by subsection (a) of this section shall be accomplished by multiplying the official poverty line (as defined by the Office of Management and Budget) by the average percentage change in the Consumer Price Index during the annual or other interval immediately preceding the time at which the revision is made.

(c) Revisions required by subsection (a) of this section shall be made and issued not more than thirty days after the date on which the necessary Consumer Price Index data becomes available.

NOTICE AND HEARING PROCEDURES FOR SUSPENSION AND TERMINATION OF FINANCIAL ASSISTANCE

SEC. 621. The Director is authorized, in accordance with the provisions of this section, to suspend further payments or to terminate payments under any contract or grant providing assistance under this Act, whenever he determines there is a material failure to comply with the applicable terms and conditions of any such grant or contract. The Director shall prescribe procedures to insure that—

(1) assistance under this Act shall not be suspended for failure to comply with applicable terms and conditions, except in emergency situations for thirty days, nor shall an application for refunding under this Act be denied, unless the recipient has been given reasonable notice and opportunity to show cause why such action should not be taken; and

(2) assistance under this Act shall not be terminated for failure to comply with applicable terms and conditions unless the recipient has been afforded reasonable notice and opportunity for a full and fair hearing.

DURATION OF PROGRAM

SEC. 622. The Director shall carry out the programs provided for in this Act during the fiscal year ending June 30, 1975, and the three succeeding fiscal years. For each such fiscal year, only such sums may be appropriated as the Congress may authorize by law.

DISTRIBUTION OF BENEFITS BETWEEN RURAL AND URBAN AREAS

SEC. 623. The Director shall adopt appropriate administrative measures to assure that the benefits of and services under this Act will be distributed equitably between residents of rural and urban areas.

PART B—COORDINATION

RESPONSIBILITIES OF THE DIRECTOR

SEC. 631. In addition to his other powers under this Act, and to assist the President in coordinating the anti-poverty efforts of all Federal agencies, the Director shall—

(1) undertake special studies of specific coordination problems at the request of the President or the Council, or on his own initiative;

(2) consult with interested agencies and groups, including State agencies described in section 132 of this Act and the National Advisory Council, with a view to identifying coordination problems that may warrant consideration by the Council or the President and, to the extent feasible or appropriate, initiate action for overcoming those problems, either through the Administration or in conjunction with other Federal, State, or local agencies; and

(3) prepare a five-year national poverty action plan showing estimates of Federal and other governmental expenditures, and, where feasible, the contributions of the private sector, needed to eliminate poverty in this country within alternative periods of time. Such plan shall include estimates of the funds necessary to finance all relevant programs authorized by this and other Acts, and any new programs which may be necessary to eliminate poverty in this country, and it shall include recommendations for such new programs. The plan shall be presented to the Congress and updated on an annual basis.

COOPERATION OF FEDERAL AGENCIES

SEC. 632. (a) Federal agencies administering programs related to this Act shall—

(1) cooperate with the Director and with the Council in carrying out their duties and responsibilities; and

(2) carry out their programs and exercise their functions so as to assist in carrying out the provisions and purposes of this Act, to the fullest extent permitted by other applicable law.

(b) The Council and the Director may call upon Federal agencies to supply statistical data, program reports, and other materials as they deem necessary to discharge their responsibilities under this Act.

(c) The President may direct that particular programs and functions, including the expenditure of funds, of Federal agencies shall be carried out, to the extent not inconsistent with other applicable law, in conjunction with or in support of programs authorized under this Act.

COMBINATIONS AMONG PROJECTS AND PROGRAMS

SEC. 633. In order to encourage efficiencies, close unnecessary service gaps, and generally promote more effective administration, the Director shall require, to the fullest extent feasible, that projects or programs assisted under this Act be carried on so as to supplement one another, or where appropriate other related programs or projects, and be included within or otherwise carried on in combination with community action programs. In the case of other programs related to this Act, the heads of the Federal agencies responsible for those programs shall, to the extent permitted by law, similarly provide assistance for projects and activities in a manner which encourages combinations with other related projects and activities where appropriate, and with community action programs. The Director shall, in carrying out his responsibilities under this part, make a continuing review of the operation of this section with a view to (1) determining particular groups of programs which, because of their objectives, or similarities in target groups or areas, are especially appropriate for combined or closely coordinated operation at the State or local level, and making recommendations accordingly to the President or appropriate Federal officials; (2) evaluating Federal agency procedures for carrying out this section, and developing or recommending additional or common procedures, as appropriate; and (3) determining whether, and to what extent, consolidations of Federal programs may be justified and making recommendations respecting such consolidations to the President.

INFORMATION CENTER

SEC. 634. (a) The Director shall establish and operate an information center for the purpose of insuring that maximum use is made of Federal programs related to this Act and that information concerning those programs and other relevant information is readily available to public officials and other interested persons. The Director shall collect, prepare, analyze, correlate, and distribute information as described above, either free of charge or by sale at cost (any funds so received to be deposited to the Director's account as an offset of that cost), and may make arrangements and pay for any printing and binding without regard to the provisions of any other law or regulations. In connection with operation of the center, the Director may carry on research or studies concerning the improvement of information systems in support of the purposes of this Act, the adequacy of existing data, ways in which data generated on the State and local level may be incorporated into Federal information systems, and methods by which data may be made more readily available to State and local officials or used to further coordination objectives.

(b) The Director shall publish and maintain on a current basis, a catalog of Federal programs relating to individual and community improvement. He may also make grants, from funds appropriated to carry out title I of this Act, to States and communities to establish information service centers on the collection, correlation, and distribution of information required to further the purposes of this Act.

(c) In order to assure that all appropriate officials are kept fully informed of programs related to this Act, and that maximum use is made of those programs, the Director shall establish procedures to assure prompt distribution to State and local agencies of all current information, including administrative rules, regulations, and guidelines, required by those agencies for the effective performance of their responsibilities.

SPECIAL RESPONSIBILITIES: TRAINING PROGRAMS

SEC. 635. (a) It shall be the responsibility of the Director, the Secretary of Labor, and the heads of all other departments and agencies concerned, acting through such procedures or mechanisms as the President may prescribe, to provide for, and take such steps as may be necessary and appropriate to implement, the effective coordination of all programs and activities within the executive branch of the Government relating to the training of individuals for the purpose of improving or restoring employability.

(b) The Secretary of Labor, pursuant to such agreements as may be necessary or appropriate (which may include arrangements for reimbursement) shall—

(1) be responsible for assuring that the Federal-State employment service provides and develops its capacity for providing maximum support for the programs described in subsection (a); and

(2) obtain from the Secretary of Commerce, and the head of any other Federal agency administering a training program, such employment information as will facilitate the placement of individuals being trained.

Mr. HAWKINS (during the reading). Mr. Chairman, I ask unanimous consent that title VI of the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENT OFFERED BY MR. FORD

Mr. FORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FORD: On page 254, line 19, strike all after "SEC. 602." down through line 10 on page 255 and insert the following:

"In addition to the authority conferred upon him by other sections of this Act, the Director is authorized to—

(1) appoint and assign under transfer of function authorities in accordance with the civil service laws such personnel as may be necessary to enable the Administration to carry out its functions, and, except as otherwise provided herein, fix the compensation of such personnel in accordance with chapter 51 of title 5, United States Code: *Provided*, that insofar as duties and responsibilities currently being performed by O.E.O. employees continue to be performed by employees transferred to H.E.W. in an operational identity separate and distinct from other H.E.W. employees the exclusive representation now held by O.E.O. employees pursuant to Executive Order 11491, as amended, will continue;"

Mr. FORD. Mr. Chairman, this amendment is really intended to provide for the transitional process of transferring people from the present separate OEO over into the Department of HEW so that there will be no conflict in discontinuance of their respective rights under the collective bargaining agreements that were in effect.

As the bill was originally drafted we had a problem. The Civil Service Commission raised an objection. The gentleman from Minnesota and other members of the committee raised an objection. What this amendment would seek to do is something less than the bill proposes in simply guaranteeing that the existing collective bargaining agreements under the present executive order will be preserved.

It does not go beyond that. It has been cleared with the representatives of the collective bargaining units involved, with the American Federation of Government Employees and with members of the Post Office and Civil Service Committee.

I would like to yield now to the gentleman from North Carolina (Mr. HENDERSON).

Mr. HENDERSON. I thank the gentleman for yielding.

I wish to commend the gentleman for offering the amendment to us, and I rise in support of it.

It is my understanding the position of this amendment is that it assures the representation that the OEO employees now have will carry over to the successor organization in HEW. This amendment provides for the protection of representation rights of OEO employees within the framework of the existing executive order.

I would like to ask the gentleman from Michigan if my understanding is correct.

Mr. FORD. The gentleman from North Carolina, the chairman of the Manpower Subcommittee of the Committee on Post Office and Civil Service, is an expert without peer in this House on matters affecting Federal personnel, and he is exactly correct in his interpretation of this amendment.

Mr. HENDERSON. I thank the gentleman.

If the gentleman will yield further, I think it is important that we note we are not legislating any additional representation rights for the OEO employees but are providing for the protection of their existing rights through the transition period and transferring OEO employees to HEW.

I commend the gentleman, because it makes the bill much more valuable to those of us who support this legislation.

Mr. QUIE. Will the gentleman yield?

Mr. FORD. I yield to the gentleman from Minnesota.

Mr. QUIE. I want to indicate that I will support the amendment offered by the gentleman. I think it is a good one wherein he worked out the differences I raised and I know others have raised, also.

My first objection was in the providing all Federal personnel employed on the effective date of the act under authorizations and appropriations of the Economic Opportunity Act shall be transferred. I notice that the gentleman takes care of that and his amendment provides that employees can go over there and they do not have bumping privileges over the HEW employees, which is a part that was taken care of by the defeat of the previous amendment that was offered. It keeps them in a separate unit.

I believe it takes care of the representation, also, under the Executive order.

So I commend the gentleman for an excellent amendment.

Mr. HAWKINS. Will the gentleman yield?

Mr. FORD. I yield to the gentleman from California.

Mr. HAWKINS. I simply rise to state that the members of the committee on this side are willing to accept the amendment and are in accord with it.

I wish at this time to commend the gentleman in the well, the gentleman from Michigan, for helping us to resolve this troublesome problem. He has done an excellent job and deserves to be highly commended.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. FORD).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUIE: Page 273, after line 26, insert:

"TERMINATION OF CERTAIN REGIONAL OFFICE FUNCTIONS

"SEC. 624. Within one year from the date of enactment of this Act, the Director shall cease all operations in regional office relating to the approval of or the provision of financial assistance to community action programs authorized under title I of this Act, and shall conduct such operations directly or in accordance with section 111(g)."

Mr. QUIE. Mr. Chairman, what this amendment does is to eliminate the regional offices. And it insures about 1 year in there because you have to have some transition period in order to go through that.

The way the community action agencies operate now they go through the regional offices for approval of their proposals. It seems to me preferable if the Federal Government would deal through the States through the community action agencies under section 111(g), which permits that if all the community action agencies agree to it in the State, the amendment that was adopted, that I offered earlier, which also transfers the money that was used by the regional offices for administering the program for that State, would go to the State.

So, under this amendment, the community action agencies would either have to deal directly with the Federal agency that would be called the Community Action Administration within HEW, or else be able to work out an agreement within their State.

It seems to me that regional offices are undesirable. They are not answerable to anyone. They are a long way from a person who is delegated or who is appointed by the President. And, being out in the regions, they are really an arm of the Federal agency, and any tough decisions would have to be transferred back to Washington again, so they might as well deal directly with them.

There are 905 community action agencies in operation now. It seems to me they either can deal directly with Washington, which is the way it operated in the first years of the Economic Opportunity Act, or else they can work out the arrangements that are provided for in section 111(g).

Regional offices, I think, have been undesirable, because they are not answerable to the poor community of the State. And when you deal with the State those individuals are answerable to the elected officials, otherwise they are removed.

I think that regional offices have been an undesirable component of the Federal agencies. I would like to see regional offices abolished in other agencies. But what we are dealing with right now is the OEO, and the Community Action Administration.

So I urge my colleagues to adopt this amendment.

Mr. HAWKINS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, H.R. 14449 contains a provision permitting States to assume the functions of the regional office if the Community Action agencies within the State agree to the takeover.

Without such an agreement, however, and without the regional offices, the oversights, administration, and evaluation of local Community Action programs will have to be conducted by the Washington office. This will require oversight of over 1,500 grantees.

Regionalization is a key component of the new federalism and while there are many legitimate concerns about the manner in which regional offices have operated, there is a useful purpose to be served in administering programs on a regional basis, particularly with regard to planning and coordination with other Federal programs. All Federal agencies now operate through Federal regional councils. By eliminating the regional mechanism for the poverty program, there would be no opportunity for its advocates to have an impact on the regional planning decisions.

A major function of the regional offices is the regular inspection of grantees for technical assistance and for monitoring the performance of programs to prevent mismanagement, the abuse of power, and other activities felt undesirable.

So it seems to me that if this body wishes to actually monitor and to keep the programs honest, to save money, and certainly to prevent abuse, then this amendment should be rejected.

Mr. STEIGER of Wisconsin. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this amendment is one with which I find myself in a difficult position. There is a lot of appeal to the concept of abolishing regional offices, and I suspect all of us have from time to time had an experience in which we have not been able to get much of a response out of regional offices. I know that from the standpoint of those at the local level, the Community Action Agencies would probably just as soon do away with regional offices, given problems they have had with them since 1965. Yet when we look at it, we come down to the point of saying the choice that the gentleman from Minnesota is giving us is not whether we go State or Federal, not whether we go local or national, but where does the Federal Government's responsibility best lie?

I must say in all honesty I am not persuaded by his argument, in spite of the opposition he has to regional offices and in spite of the problems with regional offices, that somehow we ought to bring everything back here to Washington. That is the effect of the amendment.

By attempting to abolish this Agency this function through regional offices, what we are saying is that everything will now have to be done here in an agency in Washington. All the people in effect are going to have to be here in Washington. I do not know what we gain by that. The gentleman has not made it easier for anybody at the local level to deal with this problem. All he has done, it seems to me, is remove to a degree a layer of bureaucracy, but I do not think he has solved the problem.

On that basis, I think that we should not adopt the amendment, and I hope that the House will reject it so that we can legitimately deal with the problem the gentleman from Minnesota raises, one that I can sympathize with but one which I do not believe this amendment deals with properly.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. Quie).

The question was taken; and on a division (demanded by Mr. Quie) there were—ayes 28, noes 43.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. FRASER

Mr. FRASER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Fraser: Page 266, line 10, insert "(a)" immediately after "Sec. 610.".

Page 267, immediately after line 8, insert the following new subsection:

(b) The Director shall initiate and carry out, in cooperation with the Federal Council on the Aging, a study to carry out the purposes of section 205(g) of the Older Americans Act of 1965 (87 Stat. 34). Such study shall review the interrelationships of benefit programs for the elderly operated by Federal, State, and local government agencies, and shall develop measures for bringing about greater uniformity of eligibility standards, and for eliminating the negative impact which the standards of one program may have on another program.

Mr. FRASER. Mr. Chairman, I want to commend the committee for focusing attention on the problems of the elderly poor.

Section 610 of this act calls for a coordinated national approach to the needs of this large group of impoverished Americans.

Mr. Chairman, one of the major problems faced by millions of the elderly poor involves the operation of Government programs intended to aid them. Many find that an increase in benefits from one program triggers a cutback in aid from another Government source, so they never seem to come out very much ahead.

Each time we raise social security, for example, veterans pensions go down, food stamps are cut back, public housing rent goes up, and supplementary security income is reduced in many States.

Some social security recipients find that they are almost better off without the higher social security payments because of the negative impact this increase has on other Government benefits.

My amendment is intended to deal with this general problem by authorizing the Director of the Community Action Administration, in cooperation with the Federal Council on Aging, to undertake a study of the interrelationship of benefit programs for the elderly operated by Federal, State, and local government agencies. The CAA Director would also be directed to develop proposals aimed at bringing about greater uniformity and consistency in program standards.

We know that the multiple benefits problems facing the elderly is pervasive but we have only a vague notion of its dimensions. There is no accurate up-to-date data available which indicates how many older people are receiving multiple benefits and from what sources.

If we are to succeed in getting older people off the treadmill they now find themselves on, a comprehensive review of Federal benefit programs for the elderly is clearly needed. The new Community Action Administration, with its focus on the needs of the low-income elderly, would seem to be the appropriate agency to undertake this study.

A year ago, Congress authorized a study of this problem in the Older Americans Act but that congressional directive has not been implemented.

Section 610 of the bill now before us authorizes the Director of the Community Action Administration to "initiate and maintain interagency liaison with all other appropriate agencies to achieve a coordinated approach to the needs of the elderly poor." Section 610 also authorizes the CAA Director to "carry out investigations and studies which assist the elderly poor to achieve self-sufficiency."

It would seem, then, that the study of the multiple benefits problem, as authorized in our amendment, represents a logical extension of the authority already provided the Director of the Community Action Administration in section 610 of this act.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from California.

Mr. HAWKINS. Mr. Chairman, the members of the committee on this side of the aisle have had an opportunity to read the amendment and are willing to accept it.

Certainly I wish to commend the gentleman in the well for his great efforts in behalf of the elderly poor.

Mr. FRASER. Mr. Chairman, I thank the gentleman.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, does the gentleman from Minnesota know whether or not the Administrator of HEW is carrying out the study requested of him in the Older Americans Act?

Mr. FRASER. My understanding is that he has not, and probably will not because that separate provision of the Older Americans Act had an 18-month time period, which will soon run out, so in a sense it becomes an obsolete provision of the Older Americans Act.

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from New Jersey.

Mr. HUNT. I thank the gentleman from Minnesota for yielding.

Mr. Chairman, would the gentleman's amendment in any way assist the veterans who had their pensions reduced monetarily by the increases in social security? We have had an erosion of veterans' pensions, and I am interested in the fact that in the past 3 years, as we have raised social security by about 31 percent total, so the veterans' pensions have been diminished. Will this help us in any way?

Mr. FRASER. The amendment is directed exactly to that problem. I do not want to tell the gentleman it solves that problem but it directs the Director to carry out this study so we can find a solution to these problems.

Mr. HUNT. Would the gentleman amend his amendment to include a study of the veterans' pension bills so we will not have to wait for some hearings later this year? These people are pretty old. We are not helping them on their fixed incomes when we have this erosion by 31 percent with other costs going up. It does not help them a bit. I suggest the gentleman, if it is possible for him to do so, amend his amendment and I believe it will get a great deal of support.

Mr. FRASER. The amendment does embrace the problem of the veterans' pensions but it is not a self-executing provision in the sense that by adopting this amendment we protect the veterans. It simply calls for a study to deal with the problem.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

(By unanimous consent, Mr. FRASER was allowed to proceed for 1 additional minute.)

Mr. FRASER. Mr. Chairman, I am a cosponsor of bills to protect the veterans' pensions. We need action from the Veterans Committee soon on this legislation. But this is a recurring problem and what we are trying to do here is to find some permanent solutions.

Mr. HUNT. I thank the gentleman for that comment. I think this amendment has been long needed.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Minnesota.

Mr. FRENZEL. I would like to congratulate the gentleman on his amendment and indicate to the body that we, too, find the problem that the gentleman finds and I hope through his amendment we will conduct a study to prevent the situation in which apparently increases turn out to be no gain or throwing our senior citizens for a loss.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. FRASER).

The amendment was agreed to.

The CHAIRMAN. Are there any further amendments to title VI? If not, the Clerk will read.

The Clerk read as follows:

TITLE VII—HEADSTART-FOLLOW THROUGH

SHORT TITLE

SEC. 701. This title may be cited as the "Headstart-Follow Through Act" (hereinafter in this title referred to as the "Act").

STATEMENT OF PURPOSE

SEC. 702. In recognition of the role while Project Headstart has played in the effective delivery of comprehensive health, educational, nutritional, social, and other services to economically disadvantaged children and their families, the Act extends the authority for appropriation of funds for that program.

PART A—PROGRAM AUTHORITY AND REQUIREMENTS

AUTHORIZATION OF HEADSTART PROGRAM

SEC. 711. The Secretary may, upon application by an agency which is eligible for designation as a Headstart agency, pursuant to section 714, provide financial assistance to such agency for the planning, conduct, administration, and evaluation of a program to be known as Project Headstart focused upon children from low-income families who have not reached the age of compulsory school attendance which (A) will provide such comprehensive health, nutritional, educational, social, and other services as the Secretary finds will aid the children to attain their full potential, and (B) will provide for direct participation of the parents of such children in the development, conduct, and overall program direction at the local level. Pursuant to such regulations as the Secretary may prescribe, persons who are not members of low-income families may be permitted to receive services in projects assisted under the Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 712. There are authorized to be appropriated for carrying out the purposes of this part $500,000,000 for the fiscal year ending June 30, 1975, $525,000,000 for the fiscal year ending June 30, 1976, and $550,000,000 for the fiscal year ending June 30, 1977.

ALLOTMENT OF FUNDS: LIMITATIONS ON ASSISTANCE

SEC. 713. (a) Of the sums which are appropriated or allocated pursuant to section 712, the Secretary shall allot not more than 2 per centum among Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands, according to their respective needs. He shall also reserve not more than 20 per centum of those sums for allotment in accordance with such criteria and procedures as he may prescribe. The remainder shall be allotted among the States, in accordance with the latest available data, so that equal proportions are distributed on the basis of the number of children age 0–5 living in poverty in each State as compared to all States: *Provided*, That no State shall receive less than obligated in fiscal 1974.

(b) Financial assistance extended to a grantee agency for a Headstart program shall not exceed 80 per centum of the approved costs of the assisted program or activities, except that the Secretary may approve assistance in excess of such percentage if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of the Act. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, or services. The Secretary shall not require non-Federal contributions in excess of 20 per centum of the approved cost of programs or activities assisted under the Act.

(c) No program shall be approved for assistance under the Act unless the Secretary satisfies himself that the services to be provided under such program will be in addition to, and not in substitution for, comparable services previously provided without Federal assistance. The requirement imposed by the preceding sentence shall be subject to such regulations as the Secretary may adopt.

(d) The Secretary shall establish policies and procedures designed to assure that no less than 10 per centum of the total number of enrollment opportunities in Headstart programs in each State shall be available for handicapped children (as defined in paragraph (1) of section 602 of the Education of the Handicapped Act) and that services shall be provided to meet their special needs. The Secretary shall report to the Congress at least annually on the status of handicapped children in Headstart programs, including the number of children being served, their handicapping conditions, and the services being provided such children.

(e) The Secretary shall adopt appropriate administrative measures to assure that benefits of the Act will be distributed equitably between residents of rural and urban areas.

DESIGNATION OF GRANTEES

SEC. 714. (a) A public or private nonprofit agency which (1) has the power and authority to carry out the purposes of the Act and perform the functions set forth in section 715 within a community, and (2) is determined by the Secretary to be capable of planning, conducting, administering, and evaluating, either directly or by other means, a Headstart program, may be designated as a Headstart agency.

(b) For the purposes of the Act, a community may be a city, county, multicity, or multicounty unit, an Indian reservation, or a neighborhood or other area (irrespective of boundaries or political subdivisions) which provides a suitable organization base and possesses the commonality of interest needed to operate a Headstart program.

(c) In the administration of the provisions of this section, the Secretary shall give priority in the designation of Headstart agencies to any public or private nonprofit agency which is receiving funds under any Headstart program on the date of the enactment of this section, except that the Secretary shall, before giving such priority, determine that the agency involved meets program and fiscal requirements established by the Secretary.

REQUIRED POWERS AND FUNCTIONS OF HEADSTART AGENCIES

SEC. 715. (a) In order to be designated as a Headstart agency under the Act; an agency must have authority under its charter or applicable law to receive and administer funds under the Act, funds and contributions from private or local public sources which may be used in support of a Headstart program, and funds under any Federal or State assistance program pursuant to which a public or private nonprofit agency (as the case may be) organized in accordance with the Act could act as grantee, contractor, or sponsor of projects appropriate for inclusion in a Headstart program. Such an agency must also be empowered to transfer funds so received, and to delegate powers to other agencies, subject to the powers of its governing board and its overall program responsibilities. This power to transfer funds and delegate powers must include the power to make transfers and delegations covering component projects in all cases where this will contribute to efficiency and effectiveness or otherwise further program objectives.

(b) In order to be so designated, a Headstart agency must also (1) establish effective procedures by which parents and area residents concerned will be enabled to influence the character of programs affecting their interests, (2) provide for their regular participation in the implementation of those programs, and (3) provide technical and other support needed to enable parents and area residents to secure on their own behalf available assistance from public and private sources.

SUBMISSION OF PLANS TO GOVERNORS

SEC. 716. In carrying out the provisions of the Act, no contract, agreement, grant, or other assistance shall be made for the purpose of carrying out a Headstart program within a State unless a plan setting forth such proposed contract, agreement, grant, or other assistance has been submitted to the Governor of the State, and such plan has not been disapproved by the Governor within thirty days of such submission, or, if so disapproved, has been reconsidered by the Secretary and found by him to be fully consistent with the provisions and in furtherance of the purposes of the Act. Funds to cover the costs of the proposed contract, agreement, grant, or other assistance shall be obligated from the appropriation which is current at the time the plan is submitted to the Governor. This section shall not, however, apply to contracts, agreements, grants, loans, or other assistance to any institution of higher education in existence on the date of enactment of this Act.

ADMINISTRATION REQUIREMENTS AND STANDARDS

SEC. 717. (a) Each Headstart agency shall observe standards of organization, management, and administration which will assure, so far as reasonably possible, that all program activities are conducted in a manner consistent with the purposes of the Act and the objective of providing assistance effectively, efficiently, and free of any taint of partisan political bias or personal or family favoritism. Each such agency shall establish or adopt rules to carry out this section, which shall include rules to assure full staff accountability in matters governed by law, regulations, or agency policy. Each agency shall also provide for reasonable public access to information, including but not limited to public hearings at the request of appropriate community groups and reasonable public access to books and records of the agency or other agencies engaged in program activities or operations involving the use of authority or funds for which it is responsible. Each such agency shall adopt for itself and other agencies using funds or exercising authority for which it is responsible, rules designed to establish specific standards governing salaries, salary increases, travel and per diem allowances, and other employee benefits; to assure that only persons capable of discharging their duties with competence and integrity are employed and that employees are promoted or advanced under impartial procedures calculated to improve agency performance and effectiveness; to guard against personal or financial conflicts of interests; and to define employee duties in an appropriate manner which will in any case preclude employees from participating, in connection with the performance of their duties, in any form of picketing, protest, or other direct action which is in violation of law.

(b) No financial assistance shall be extended under the Act in any case in which the Secretary determines that the costs of developing and administering a program assisted under the Act exceed 15 per centum of the total costs, including non-Federal contributions to such costs, of such program. The Secretary, after consultation with the Director of the Office of Management and Budget, shall establish by regulation, criteria for determining (i) the costs of developing and administering such program and (ii) the total costs of such program. In any case in which the Secretary determines that the cost of administering such program does not exceed 15 per centum and such total costs but is, in his judgment, excessive, he shall forthwith require the recipient of such financial assistance to take such steps prescribed by him as will eliminate such excessive administrative cost, including the sharing by one or more Headstart agencies of a common director and other administrative personnel. The Secretary may waive the limitation prescribed by this paragraph for specific periods of time not to exceed six months whenever he determines that such a waiver is necessary in order to carry out the purposes of the Act.

(c) The Secretary shall prescribe rules or regulations to supplement subsection (a), which shall be binding on all agencies carrying on Headstart program activities with financial assistance under the Act. He may, where appropriate, establish special or simplified requirements for smaller agencies or agencies operating in rural areas.

(d) All rules, regulations, guidelines, instructions, and application forms published or promulgated by the Secretary pursuant to the Act shall be published in the Federal Register at least thirty days prior to their effective date.

POVERTY LINE

SEC. 718. (a) The Secretary shall revise annually (or at any shorter interval he deems feasible and desirable) a poverty line which, except as provided in section 711, shall be used as a criterion of eligibility for participation in Headstart programs.

(b) The revision required by subsection (a) of this section shall be accomplished by multiplying the official poverty line (as defined by the Office of Management and Budget) by the average percentage change in the Consumer Price Index during the annual or other interval immediately preceding the time at which the revision is made.

(c) Revisions required by subsection (a) of this section shall be made and issued not more than thirty days after the date on which the necessary Consumer Price Index data becomes available.

APPEALS, NOTICE AND HEARING

SEC. 719. The Secretary shall prescribe procedures to assure that—

(1) special notice of and an opportunity for a timely and expeditious appeal to the Secretary is provided for an agency or organization which would like to serve as a delegate agency under the Act and whose application to the Headstart agency has been wholly or substantially rejected or has not been acted upon within a period of time deemed reasonable by the Secretary;

(2) financial assistance under the Act shall not be suspended for failure to comply with applicable terms and conditions, except in emergency situations, nor shall an application for refunding be denied, unless the recipient agency has been given reasonable notice and opportunity to show cause why such action should not be taken; and

(3) financial assistance under the Act shall not be terminated for failure to comply with applicable terms and conditions unless the recipient has been afforded reasonable notice and opportunity for a full and fair hearing.

RECORDS AND AUDIT

SEC. 720. (a) Each recipient of financial assistance under the Act shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such financial assistance, the total cost of the project or undertaking in connection with which such financial assistance is given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients that are pertinent to the financial assistance received under the Act.

TECHNICAL ASSISTANCE AND TRAINING

SEC. 721. The Secretary may provide, directly or through grants or other arrangements, (1) technical assistance to communities in developing, conducting, and administering programs under the Act and (2) training for specialized or other personnel which is needed in connection with Headstart programs.

RESEARCH AND DEMONSTRATION PROGRAMS

SEC. 722. (a) The Secretary may contract or provide financial assistance for pilot or demonstration projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise in furthering the purposes of the Act. He may also contract or provide financial assistance for research pertaining to the purposes of the Act.

(b) The Secretary shall establish an overall plan to govern the approval of pilot or demonstration projects and the use of all research authority under the Act. The plan shall set forth specific objectives to be achieved and priorities among such objectives.

ANNOUNCEMENT OF RESEARCH OR DEMONSTRATION CONTRACTS

SEC. 723. (a) The Secretary shall make a public announcement concerning—

(1) the title, purpose, intended completion date, identity of the contractor, and proposed cost of any contract with a private or non-Federal public agency or organization for any demonstration or research project; and

(2) the results, findings, data, or recommendations made or reported as a result of such activities.

(b) The public announcements required by subsection (a) shall be made within thirty days of entering into such contracts and thereafter within thirty days of the receipt of such results.

EVALUATION

SEC. 724. (a) The Secretary shall provide for the continuing evaluation of programs under the Act, including evaluations that describe and measure, with appropriate means and to the extent feasible, the impact of such programs, their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for delivery of services, and including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. The Secretary may, for such purposes, contract or make other arrangements for independent evaluations of those programs or individual projects.

(b) The Secretary shall to the extent feasible develop and publish standards for evaluation of program effectiveness in achieving the objectives of the Act. He shall consider the extent to which such standards have been met in deciding whether to renew or supplement financial assistance authorized under the Act.

(c) In carrying out evaluations under the Act, the Secretary may require Headstart agencies to provide independent evaluations.

GENERAL PROVISIONS; DEFINITIONS

SEC. 725. As used in the Act—

(1) the term "Secretary" means the Secretary of Health, Education, and Welfare;

(2) the term "State" means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands; except that when used in section 713(a) of the Act this term means only a State, the Commonwealth of Puerto Rico, or the District of Columbia; and

(3) the term "financial assistance" includes assistance advanced by grant, agreement, or contract, and payments may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

LABOR STANDARDS

SEC. 726. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration, or repair, including painting and decorating of projects, buildings, and works which are federally assisted under the Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133—133z-15), and section 2 of the Act of June 1, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(C)).

COMPARABILITY OF WAGES

SEC. 727. (a) The Secretary shall take such action as may be necessary to assure that persons employed in carrying out programs financed under the Act shall not receive compensation at a rate which is (1) in excess of the average rate of compensation paid in the area where the program is carried out to a substantial number of the persons providing substantially comparable services, or in excess of the average rate of compensation paid to a substantial number of the persons providing substantially comparable services in the area of the person's immediately preceding employment, whichever is higher or (2) less than the minimum wage rate prescribed in section 6(a)(1) of the Fair Labor Standards Act of 1938.

NONDISCRIMINATION PROVISIONS

SEC. 728. (a) No person in the United States shall on the ground of race, creed, color, national origin, sex, or political affiliation be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under the Act.

(b) The Secretary shall enforce the provisions of this section by (1) referring the matter to the Attorney General with a recommendation that an appropriate civil action be instituted, (2) exercising the powers and functions provided by title VI of the Civil Rights Act of 1964, or (3) taking such other action as may be provided by law.

LIMITATION WITH RESPECT TO CERTAIN UNLAWFUL ACTIVITIES

SEC. 729. No individual employed or assigned by any Headstart agency or other agency assisted under the Act shall, pursuant to or during the performance of services rendered in connection with any program or activity conducted or assisted under the Act by such Headstart agency or such other agency, plan, initiate, participate in, or otherwise aid or assist in the conduct of any unlawful demonstration, rioting, or civil disturbance.

POLITICAL ACTIVITIES

SEC. 730. (a) For purposes of chapter 15 of title 5 of the United States Code any agency which assumes responsibility for planning, developing, and coordinating Headstart programs and receives assistance under the Act shall be deemed to be a State or local agency; and for purposes of clauses (1) and (2) of section 1502(a) of such title any agency receiving assistance under this title shall be deemed to be a State or local agency.

(b) Programs assisted under the Act shall not be carried on in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel in a manner supporting or resulting in the identification of such programs with (1) any partisan or nonpartisan political activity or any other political activity associated with a candidate, or contending faction or group, in an election for public or party office, (2) any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election, or (3) any voter registration activity. The Secretary, after consultation with the Civil Service Commission, shall issue rules and regulations to provide for the enforcement of this section, which shall include provisions for summary suspension of assistance or other action necessary to permit enforcement on an emergency basis.

ADVANCE FUNDING

SEC. 731. For the purpose of affording adequate notice of funding available under the Act, appropriations for grants, contracts, or other payments under the Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

PART B—FOLLOW THROUGH PROJECTS

GRANTEES: NATURE OF PROJECTS

SEC. 751. (a)(1) The Secretary is authorized to provide financial assistance in the form of grants to local educational agencies, combinations of such agencies, and, as provided in paragraph (2) of this subsection, any other public or appropriate nonprofit private agencies, organizations, and institutions for the purpose of carrying out a program to be known as Follow Through focused primarily on children from low-income families (as defined by the Secretary) in kindergarten and primary grades, including such children enrolled in private nonprofit elementary schools, who were previously enrolled in Headstart or similar programs.

(2) Whenever the Secretary determines (A) that a local educational agency receiving assistance under paragraph (1) is unable or unwilling to include in a Follow Through project children enrolled in nonprofit private schools who would otherwise be eligible to participate therein, or (B) that it is otherwise necessary in order to accomplish the purposes of this section, he may provide financial assistance for the purpose of carrying out a Follow Through project to any other public or appropriate nonprofit private agency, organization, or institution.

(3) Projects to be assisted under this section must provide comprehensive services which the Secretary finds will aid in the continued development of children described in paragraph (1) to their full potential. Such projects must provide for the direct participation of the parents of such children in the development, conduct, and overall direction of the program at the local level. If the Secretary determines that participation in the project of children who are not from low-income families will enhance the development of children from low-income families or will otherwise serve to carry out the purposes of this section, he may require or permit the inclusion of such children from non-low-income families, but only to the extent that their participation will not dilute the effectiveness of the services designed for children described in paragraph (1).

AUTHORIZATION OF APPROPRIATIONS

SEC. 752. (a) There are authorized to be appropriated for carrying out the purposes of this part $60,000,000 for the fiscal year ending June 30, 1975, and for each of the two succeeding fiscal years.

Funds so appropriated shall remain available for obligation and expenditure during the fiscal year succeeding the fiscal year for which they are appropriated, except that so much of the funds appropriated which the Secretary determines to be necessary to carry out the activities authorized by subsection (c)(2) shall remain available until expended.

(b) Financial assistance extended pursuant to subsection (a) for a Follow Through project shall be equal to 80 per centum of the approved costs of the assisted program or activities, except that the Secretary may approve assistance in excess of such percentage if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this section. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, or services.

(c) No project shall be approved for assistance under this section unless the Secretary satisfies himself that the services to be provided under such project will be in addition to, and not in substitution for, services previously provided without Federal assistance. The requirement proposed by the preceding sentence shall be subject to such regulations as the Secretary may adopt.

RESEARCH AND DEMONSTRATION, EVALUATION, AND TECHNICAL ASSISTANCE ACTIVITIES

SEC. 753. (a) In conjunction with the activities authorized by subsection (a), the Secretary may—

(1) contract or provide financial assistance for pilot or demonstration projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise in furthering the purposes of this section;

(2) provide, by contract or other arrangement, on a nationwide basis, for the continuing evaluation of projects assisted under this section, including evaluations that describe and measure, with appropriate means and to the extent feasible, the impact of such projects, their effectiveness in achieving stated goals, their impact on related programs, and their structure and

mechanisms for delivery of services, and including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such projects; and

(3) provide, directly or through grants or other appropriate arrangements (A) technical assistance to Follow Through projects in developing, conducting, and administering programs under this section and (B) training for specialized or other personnel which is needed in connection with Follow Through projects.

ADVANCE FUNDING

SEC. 754. For the purpose of affording adequate notice of funding available under this part, appropriations for grants, contracts, or other payments under the Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

GENERAL PROVISIONS

SEC. 755. (a) Recipients of financial assistance under this section shall provide maximum employment opportunities for residents of the area to be served, and to parents of children who are participating in projects assisted under this section.

(b) Financial assistance under this section shall not be suspended for failure to comply with applicable terms and conditions, except in emergency situations, nor shall an application for refunding be denied, unless the recipient agency has been given reasonable notice and opportunity to show cause why such action should not be taken.

(c) Financial assistance under this section shall not be terminated for failure to comply with applicable terms and conditions unless the recipient has been afforded reasonable notice and opportunity for a full and fair hearing.

TITLE VIII—NATIVE AMERICANS

SHORT TITLE

SEC. 801. This part may be cited as the "Native American Program Extension Act of 1974" (hereinafter in this part referred to as the "Act").

STATEMENT OF PURPOSE

SEC. 802. The purpose of the Act is to promote the goal of economic and social self-sufficiency for American Indians and Alaskan natives.

FINANCIAL ASSISTANCE FOR NATIVE AMERICAN PROJECTS

SEC. 811. (a) The Secretary is authorized to provide financial assistance to public and nonprofit private agencies, including but not limited to, governing bodies of Indian tribes, Alaskan Native villages and regional corporations established by the Alaska Native Claims Settlement Act, for projects pertaining to the purposes of the Act. In determining the projects to be assisted under this section, the Secretary shall consult with other Federal agencies for the purpose of eliminating duplication or conflict among similar activities or projects and for the purpose of determining whether the findings resulting from those projects may be incorporated into one or more programs for which those agencies are responsible.

(b) Financial assistance extended to an agency pursuant to subsection (a) shall be equal to 80 per centum of the approved costs of the assisted project, except that the Secretary may approve assistance in excess of such percentage if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of the Act. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

(c) No project shall be approved for assistance under this section unless the Secretary satisfies himself that the activities to be carried out under such project will be in addition to, and not in substitution for, comparable activities previously carried out without Federal assistance, except that the Secretary may waive this requirement in any case in which he determines, in accordance with regulations establishing objective criteria, that application of the requirement would result in unnecessary hardship or otherwise be inconsistent with the purposes of the Act.

TECHNICAL ASSISTANCE AND TRAINING

SEC. 812. The Secretary may provide, directly or through other arrangements (1) technical assistance to public and private agencies in developing, conducting, and administering projects under the Act, and (2) short-term in-service training for specialized or other personnel which is needed in connection with projects receiving financial assistance under section 811 of the Act.

RESEARCH AND DEMONSTRATION PROJECTS

SEC. 813. (a) The Secretary may provide financial assistance for pilot or demonstration projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in furthering the purposes of the Act. He may also provide financial assistance for research pertaining to the purposes of the Act.

(b) The Secretary shall establish an overall plan to govern the approval of pilot or demonstration projects and the use of all research authority under the Act. The plan shall set forth specific objectives to be achieved and priorities among such objectives.

ANNOUNCEMENT OF RESEARCH OR DEMONSTRATION CONTRACTS

SEC. 814. (a) The Secretary shall make a public announcement concerning—

(1) the title, purpose, intended completion date, identity of the contractor, and proposed cost of any contract with a private or non-Federal public agency for a demonstration or research project; and

(2) except in cases in which the Secretary determines that it would not be consistent with the purposes of the Act, the results, findings, data, or recommendations made or reported as a result of such activities.

(b) The public announcements required by subsection (a) shall be made within thirty days of entering into such contracts and thereafter within thirty days of the receipt of such results.

SUBMISSION OF PLANS TO STATE AND LOCAL OFFICIALS

SEC. 815. (a) No financial assistance may be provided to any project under section 811 of the Act or any pilot or demonstration project under section 813 of the Act, which is to be carried out on or in an Indian reservation or Alaskan Native village, unless a plan setting forth the project has been submitted to the governing body of that reservation or village and the plan has not been disapproved by the governing body within thirty days of its submission.

(b) No financial assistance may be provided to any project under section 811 of the Act or any pilot or demonstration project under section 813 of the Act, which is to be carried out in a State other than on or in an Indian reservation or Alaskan Native village, unless the Secretary has notified the chief executive officer of the State of his decision to provide that assistance.

(c) No financial assistance may be provided to any project under section 811 of the Act or any pilot or demonstration project under section 813 of the Act, which is to be carried out in a city, county, or other major political subdivision of a State, other than on or in an Indian reservation or Alaskan Native village, unless the Secretary has notified the local governing officials of the political subdivision of his decision to provide that assistance.

RECORDS AND AUDIT

SEC. 816. (a) Each agency which receives financial assistance under the Act shall keep such records as the Secretary may prescribe, including records which fully disclose the amount and disposition by that agency of such financial assistance, the total cost of the project in connection with which such financial assistance is given or used, the amount of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any agency which receives financial assistance under the Act that are pertinent to the financial assistance received under the Act.

APPEALS, NOTICE, AND HEARING

SEC. 817. The Secretary shall prescribe procedures to assure that—

(1) financial assistance under section 811 of the Act will not be suspended for failure to comply with any applicable terms and conditions, except in emergency situations, nor an application for refunding under that section denied, unless the assisted agency has been given reasonable notice and opportunity to show cause why such action should not be taken; and

(2) financial assistance under section 811 of the Act will not be terminated for failure to comply with any applicable terms and conditions unless the assisted agency has been afforded reasonable notice and opportunity for a full and fair hearing.

EVALUATION

SEC. 818. (a) The Secretary shall provide for the evaluation of projects assisted under the Act, including evaluations that describe and measure, with appropriate means and to the extent feasible, the impact of such projects, their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for delivery of services, and including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such projects. The Secretary may, for such purpose, contract or make other arrangements for independent evaluations of projects.

(b) The Secretary shall, to the extent feasible, develop and publish standards for evaluation of project effectiveness in achieving the objectives of the Act. He shall consider the extent to which such standards have been met in deciding whether to renew or supplement financial assistance authorized under the Act.

(c) In carrying out evaluations under the Act, the Secretary may require agencies which receive assistance under the Act to provide independent evaluations.

LABOR STANDARDS

SEC. 819. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration, or repair, including painting or decorating of buildings or other facilities in connection with projects assisted under the Act, shall be paid wages at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950, and section 2 of the Act of June 1, 1934.

CRIMINAL PROVISIONS

SEC. 820. (a) Whoever, being an officer, director, agent, or employee of, or connected in any capacity with, any agency receiving financial assistance under the Act embezzles, willfully misapplies, steals, or obtains by fraud any of the moneys, funds, assets, or property which are the subject of a grant or contract of assistance pursuant to the Act, shall be fined not more than $10,000 or imprisoned for not more than two years, or both, but if the amount so embezzled, misapplied, stolen, or obtained by fraud does not exceed $100, he shall be fined not more than $1,000 or imprisoned not more than one year, or both.

(b) Whoever, by threat of procuring dismissal of any person from employment or of refusal to employ or refusal to renew a contract of employment in connection with assistance under the Act, induces any person to give up any money or thing of value to any person (including an assisted agency), shall be fined not more than $1,000 or imprisoned not more than one year, or both.

DELEGATION OF AUTHORITY

SEC. 821. (a) The Secretary is authorized to delegate to the heads of other departments and agencies of the Federal Government any of the Secretary's functions, powers, and duties under the Act, as he may deem appropriate, and to authorize the redelegation of such functions, powers, and duties by the heads of such departments and agencies.

(b) Departments and agencies of the Federal Government shall exercise their powers, duties, and functions in such manner as will assist in carrying out the objectives of the Act.

(c) Funds appropriated for the purpose of carrying out the Act may be transferred between departments and agencies of the Government, if such funds are used for the purposes for which they are authorized and appropriated.

DEFINITIONS

SEC. 822. As used in the Act—

(1) the term "Secretary" means the Secretary of Health, Education, and Welfare;

(2) the term "financial assistance" includes assistance advanced by grant, agreement, or contract, but does not include the procurement of plant or equipment, or goods or services;

(3) the term "State" includes the District of Columbia; and

(4) the term "Indian reservation or Alaskan Native village" includes the reservation of any federally recognized Indian tribe, including any band, nation, pueblo, or rancheria, any former reservation in Oklahoma, any community under the jurisdiction of an Indian tribe, including a band, nation, pueblo, or rancheria, with allotted lands or lands subject to a restriction against alienation imposed by the United States or a State, and any lands of or under the jurisdiction of an Alaskan Native village or group, including any lands selected by Alaskan Natives or Alaskan Native organizations under the Alaska Native Claims Settlement Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 823. There are authorized to be appropriated for the purpose of carrying out the provisions of the Act, such sums as may be necessary for the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977.

TITLE IX—COMPREHENSIVE HEALTH SERVICES

COMPREHENSIVE HEALTH SERVICES

SEC. 901. The Secretary of Health, Education, and Welfare shall establish within the Department of Health, Education, and Welfare a "Comprehensive Health Services" program which shall include—

(a) programs to aid in developing and carrying out comprehensive health services projects focused upon the needs of urban and rural areas having high concentrations or proportions of poverty and marked inadequacy of health services for the poor. These projects shall be designed—

(1) to make possible, with maximum feasible use of existing agencies and resources, the provision of comprehensive health services, such as preventive medical, diagnostic, treatment, rehabilitation, family planning, narcotic addiction and alcoholism prevention and rehabilitation, mental health, dental, and followup services, together with necessary related facilities and services, except in rural areas where the lack of even elemental health services and personnel may require simpler, less comprehensive services to be established first; and

(2) to assure that these services are made readily accessible to low-income residents of such areas, are furnished in a manner most responsive to their needs and with their participation and wherever possible are combined with, or included within, arrangements for providing employment, education, social, or other assistance needed by the families and individuals served: *Provided, however,* That pursuant to such regulations as the Secretary of Health, Education, and Welfare may prescribe, persons provided assistance through programs assisted under this paragraph who are not members of low-income families may be required to make payment, or have payment made in their behalf, in whole or in part for such assistance. Funds for financial assistance under this paragraph shall be allotted according to need and capacity of applicants to make rapid and effective use of that assistance, and may be used as necessary, to pay the full costs of projects. Before approving any project, the Secretary shall solicit and consider the comments and recommendations of the local medical associations in the area and shall consult with appropriate Federal, State, and local health agencies and take such steps as may be required to assure that the program will be carried on under competent professional supervision and that existing agencies providing related services are furnished all assistance needed to permit them to plan for participation in the program and for the necessary continuation of those related services; and

(b) programs to provide financial assistance to public or private agencies to projects designed to develop knowledge or enhance skills in the field of health services for the poor. Such projects shall encourage both prospective and practicing health professionals to direct their talents and energies toward providing health services for the poor. In carrying out the provisions of this paragraph, the Secretary is authorized to provide or arrange for training and study in the field of health services for the poor. Pursuant to regulations prescribed by him, the Secretary may arrange for the payment of stipends and allowances (including travel and subsistence expenses) for persons undergoing such training and study and for their dependents. The Secretary shall achieve effective coordination of programs and projects authorized under this section with other related activities.

TITLE X—HUMAN SERVICES POLICY RESEARCH

SHORT TITLE

SEC. 1001. This title may be cited as the "Human Services Policy Research Act of 1974".

STATEMENT OF PURPOSE

SEC. 1002. The purpose of the title is to stimulate a better focusing of all available local, State, private, and Federal resources upon the goal of enabling low-income families, and low-income individuals of all ages, in rural and urban areas to attain the skills, knowledge, and motivations and secure the opportunities needed for them to become fully self-sufficient.

RESEARCH AND PILOT PROGRAMS

SEC. 1011. (a) The Secretary of Health, Education, and Welfare (hereinafter in this title referred to as the "Secretary") may contract or provide financial assistance for pilot or demonstration projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise in furthering the purposes of this part. He may also contract or provide financial assistance for research and evaluation pertaining to the purposes of this part.

(b) The Secretary shall establish an overall plan to govern the approval of pilot or demonstration projects and the use of all reasearch authority under this title. The plan shall set forth specific objectives to be achieved and priorities among such objectives. In formulating the plan, the Secretary shall consult with other Federal agencies for the purpose of minimizing duplication among similar activities or projects and determining whether the findings resulting from any research or pilot projects may be incorporated into one or more programs for which those agencies are responsible.

(c) No pilot or demonstration project under this section shall be commenced in any city, county, or other major political subdivision, unless a plan setting forth such proposed pilot or demonstration project has been submitted to the chief executive officer of the State, and to the local governing officials of the city, county, or major political subdivision, in which the project is to be located, and such plan has not been disapproved by them within thirty days of such submission, or, if so disapproved, has been reconsidered by the Secretary and found by him to be fully consistent with the provisions and in furtherance of the purposes of this part.

CONSULTATION

SEC. 1012. (a) In carrying out evaluations under this title, the Secretary shall, whenever possible, arrange to obtain the opinions of program participants about the strengths and weaknesses of programs.

(b) The Secretary shall consult, when appropriate, with State agencies, in order to provide for jointly sponsored objective evaluation studies of programs on a State basis.

(c) In carrying out evaluations under this title, the Secretary shall consult with the heads of other Federal agencies carrying out activities related to the subject matter of those evaluations.

ANNOUNCEMENT OF RESEARCH, DEMONSTRATION, AND EVALUATION CONTRACTS

SEC. 1013. (a) The Secretary shall make a public announcement concerning—

(1) the title, purpose, intended completion date, identity of the contractor, and proposed cost of any contract with a private or non-Federal public agency or organization for any demonstration, research project, or evaluation under this part; and

(2) the results, findings, data, or recommendations made or reported as a result of such demonstration, research project, or evaluation.

(b) The public announcements required by subsection (a) shall be made within thirty days of entering into any such contract and thereafter within thirty days of the receipt of such results, findings, data, or recommendations.

(c) The Secretary shall take necessary action to assure that all studies, evaluations, proposals, and data produced or developed with Federal funds employed under the Act shall become the property of the United States.

(d) The Secretary shall publish summaries of the results of activities carried out pursuant to this title.

NONDISCRIMINATION PROVISIONS

SEC. 1014. (a) The Secretary shall not provide financial assistance for any program, project, or activity under this part unless the grant, contract, or agreement with respect thereto specifically provides that no person with responsibilities in the operation thereof will discriminate with respect to any such program, project, or activity because of race, creed, color, national origin, sex, political affiliation, or beliefs.

(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with any program or activity receiving assistance under this title. The Secretary shall enforce the provisions of the preceding sentence in accordance with section 602 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken by the Secretary to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if that person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with any program, project, or activity receiving assistance under this title.

PROHIBITION OF FEDERAL CONTROL

SEC. 1015. Nothing contained in this title shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.

DEFINITIONS

SEC. 1016. As used in this title—

(1) the term "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands; and

(2) the term "pilot or demonstration project" means any project, whether or not involving research or evaluation, which includes the delivery of human services.

AUTHORIZATION OF APPROPRIATIONS

SEC. 1017. There are authorized to be appropriated for purposes of this title such sums as may be necessary for the fiscal year ending June 30, 1975, and each of the next two fiscal years.

TITLE XI—COMMUNITY ECONOMIC DEVELOPMENT

SHORT TITLE

SEC. 1100. This title may be cited as the "Community Economic Development Act of 1974."

CONGRESSIONAL FINDINGS AND STATEMENT OF PURPOSE

SEC. 1101. In spite of the fact that a large majority of Americans are enjoying the highest standard of living in the world, many of our great cities and numerous rural communities are characterized by: A contracting or moribund economic base; substantial and persistent unemployment and underemployment; deteriorated housing; insufficient or outmoded physical facilities to promote industrial and commercial development; and a general lack of the resources necessary to promote vigorous business planning and development by and for the benefit of residents of such urban and rural low-income areas. For too long, substantial numbers of minority group members and low-income whites for a variety of reasons have been denied access to the economic and social mainstream of American life. In order to overcome these problems, the Federal Government must establish a more expansive program of direct and indirect financial assistance which will: (1) Enable communities to develop and redevelop the total economic and social wellbeing of their communities, (2) provide technical and managerial assistance to members of minority groups and low-income whites, so as to facilitate their entry into new businesses and to strengthen and expand existing businesses owned by such individuals, and (3) provide direct financial assistance to community development corporations and cooperatives comprised of residents of urban and rural low income areas to enable them to plan for and develop businesses, housing, facilities for commercial and industrial development, and other social programs. Such programs should be operated and directed in such a manner so as to promote the achievement of permanent economic and social benefits—jobs, housing, ownership, and income—through the creation of employment and business ownership opportunities for those members of minority groups, including low-income whites, who reside in economically depressed urban and rural areas.

PART A—MINORITY BUSINESS ASSISTANCE

DEFINITIONS

SEC. 1111. As used in this title:

(a) "Secretary" means the Secretary of Commerce.

(b) "Minority business enterprise" means a business enterprise that is owned or controlled by one or more socially or economically disadvantaged persons. Such disadvantage may arise from cultural, racial, chronic economic circumstances or background or other similar cause. Such persons include, but are not limited to, Negroes, Puerto Ricans, Spanish-speaking Americans, American Indians, Eskimos and Aleuts.

(c) "State" means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

TECHNICAL AND MANAGEMENT ASSISTANCE

SEC. 1112. (a) The Secretary may provide financial assistance, under such terms and conditions as he deems necessary or appropriate, in the form of grants or grants-in-aid to individuals, partnerships, corporations, and other entities, and to States and their subdivisions and agencies thereof:

(1) To assist them in developing and carrying out programs and projects designed to make available management and technical assistance to minority business enterprise, including, but not limited to—

(A) planning and research, including feasibility studies and market research;

(B) identification and development of new business opportunities;

(C) furnishing of centralized services with regard to public services and Government programs; and

(D) furnishing of business counseling, management training, legal and other related services, with special emphasis on the development of management training programs using the resources of the business and academic communities, including the development of management training opportunities in existing businesses, and with emphasis in all cases upon providing management training of sufficient scope and duration to develop entrepreneurial and managerial self-sufficiency on the part of the individuals served.

(2) To assist in developing community support for minority business enterprise by—

(A) establishing and strengthening business service agencies, including trade or professional associations and cooperatives;

(B) encouraging the placement of contracts and subcontracts by businesses and other organizations with minority business enterprises (including the provision of incentive and assistance to businesses and other organizations so that they will aid in the training and upgrading of potential and existing minority business entrepreneurs);

(C) furnishing economic feasibility information and other services to financial organizations in connection with applications for financial assistance to a particular proposed minority business enterprise and in connection with the planning and initiation of such enterprises;

(D) paying all or part of the costs, including but not limited to tuition, of the participation of socially or economically disadvantaged persons in courses and training programs for the development of skills relating to any aspect of business management; and

(E) conducting pilot or demonstration projects designed to overcome the special problems of minority business enterprises or otherwise to further the purposes of this part.

(b) The Secretary is authorized to grant 100 per centum of the total program or project cost of grants authorized pursuant to subsection (a) of this section. In addition, advance payments may be made on all authorized grants whenever the Secretary in his discretion so determines.

PART B—COMMUNITY ECONOMIC DEVELOPMENT

CONGRESSIONAL STATEMENT OF PURPOSE

SEC. 1121. The purpose of this part is to encourage the development of special programs by which the residents of urban and rural low-income areas may, through self-help and mobilization of the community at large, with appropriate Federal assistance, improve the quality of their economic and social participation in community life in such a way as to contribute to the elimination of poverty and the establishment of permanent economic and social benefits.

STATEMENT OF PURPOSE

SEC. 1122. The purpose of this part is to establish special programs of assistance to private locally initiated community corporations including cooperatives, or organizations conducting activities which (1) are directed to the solution of the critical problems existing in particular communities or neighborhoods (defined without regard to political or other subdivisions or boundaries) within those urban and rural areas having concentrations or substantial numbers of low-income persons; (2) are of sufficient size, scope, and duration to have an appreciable impact in such communities, neighborhoods, and rural areas in arresting tendencies toward dependency, chronic unemployment, and community deterioration; and (3) hold forth the prospect of continuing to have such impact after the termination of financial assistance under this part.

ESTABLISHMENT OF PROGRAMS—FINANCIAL ASSISTANCE; NUMERICAL RESTRICTION OF PROGRAMS; SCOPE OF PROGRAMS

SEC. 1123. (a) The Secretary is authorized to provide financial assistance to community development corporations and to cooperatives for the payment of all or part of the costs of programs which are designed to carry out the purposes of this part. Such programs shall be restricted in number so that each is of sufficient size, scope, and duration to have an appreciable impact on the area served. Such programs may include—

(1) economic and business development programs, including programs which provide financial and other assistance (including equity capital) to start, expand, or locate businesses in or near the area served so as to provide employment and ownership opportunities for residents of such areas, and programs including those described in title IV of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2901–2907), for small businesses in or owned by residents of such areas;

(2) community development and housing activities which create new training, employment, and ownership opportunities and which contribute to an improved living environment; and

(3) training and public service employment programs and related services for unemployed or low-income persons which support and complement community development programs financed under this title including, without limitation, activities such as those described in the Comprehensive Employment and Training Act of 1973 (Public Law 93-203).

(b) The Secretary shall conduct programs assisted under this part so as to contribute, on an equitable basis between urban and rural areas, to the elimination of poverty and the establishment of permanent economic and social benefits in such areas.

FINANCIAL ASSISTANCE REQUIREMENTS—REGULATIONS; CONDITIONS

SEC. 1124. (a) The Secretary, under such regulations as he may establish, shall not provide financial assistance for any program or component project under this part unless he determines that—

(1) such community development corporation is responsible to residents of the area served (a) through a governing body not less than 50 per centum of the members of which are area residents and (b) in accordance with such other guidelines as may be established by the Secretary: *Provided, however,* That the composition of the governing bodies of organizations owned or controlled by the community development corporation need not be subject to such residency requirement;

(2) all projects and related facilities will, to the maximum feasible extent, be located in the areas served;

(3) projects will, where feasible, promote the development of entrepreneurial and management skills and the ownership or participation in ownership of assisted businesses and housing, cooperatively or otherwise, by residents of the area served;

(4) projects will be planned and carried out with the participation of local businessmen and financial institutions and organizations by their inclusion on program boards of directors, advisory councils, or through other appropriate means;

(5) the program will be appropriately coordinated with local planning under this chapter, the Demonstration Cities Metropolitan Development Act of 1966, and with other relevant planning for physical and human resources of the areas served;

(6) no participant will be employed on projects involving political parties, or the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

(7) the program will not result in the displacement of employed workers or impair existing contracts for services, or result in the substitution of Federal for other funds in connection with work that would otherwise be performed;

(8) the rates of pay for time spent in work-training and education, and other conditions of employment, will be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant;

(9) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants;

(10) preference will be given to low-income or economically disadvantaged residents of the areas served in filling jobs and training opportunities; and

(11) training programs carried out in connection with projects financed under this part shall be designed wherever feasible to provide those persons who successfully complete such training with skills which are also in demand in communities, neighborhoods, or rural areas other than those for which programs are established under this part.

(b) Financial assistance under this section shall not be extended to assist in the relocation of establishments from one location to another if such relocation would result in an increase in unemployment in the area of original location.

(c) The level of financial assistance for related purposes under this Act, or any other program for Federal financial assistance, to the area served by a special impact program shall not be diminished in order to substitute funds authorized by this part.

APPLICATIONS OF OTHER FEDERAL RESOURCES—SMALL BUSINESS ADMINISTRATION PROGRAMS

SEC. 1125. (a) (1) Funds granted under this part which are invested, directly or indirectly, in a small business investment company or a local development company, shall be included as "private paid-in capital and paid-in surplus," "combined paid-in capital and paid-in surplus," and "paid-in capital" for purposes of sections 302, 303, and 502, respectively, of the Small Business Investment Act of 1958.

(2) Within ninety days of the enactment of this Act, the Administrator of the Small Business Administration, after consultation with the Secretary, shall prescribe such regulations as may be necessary and appropriate to insure the availability to community development corporations of such programs as shall further the purposes of this part.

(b) (1) Areas selected for assistance under this title shall be deemed "redevelopment areas" within the meaning of section 401 of the Public Works and Economic Development Act of 1965, shall qualify for assistance under the provisions of title I and title II of that Act, and shall be deemed to have met the overall economic development program requirements of section 1022(b) (10) of such Act.

(2) Within ninety days of the enactment of this title the Secretary shall prescribe regulations which will insure that community development corporations and cooperatives shall qualify for assistance and shall be eligible to receive such assistance under all such programs of the Economic Development Administration as shall further the purposes of this title.

(c) The Secretary of Housing and Urban Development, after consultation with the Secretary, shall take all necessary steps (1) to assure that community development corporations assisted under this part or their subsidiaries shall qualify as sponsor under section 106 of the Housing and Urban Development Act of 1968, and sections 221, 235, and 236 of the National Housing Act of 1949 or any successor legislation; (2) to assure that land for housing and business location and expansion is made available under title I of the Housing Act of 1949 or any successor legislation as may be necessary to carry out the purposes of this part; and (3) to assure that funds are available under section 701(b) of the Housing Act of 1954 or any successor legislation to community development corporations assisted under this part.

(d) The Secretary of the United States Department of Agriculture or, where appropriate, the Administrator of the Farmers Home Administration, after consultation with the Secretary shall take all necessary steps to insure that community development corporations and local cooperative associations shall qualify for (1) such assistance in connection with housing development under the Housing Act of 1949, or any superseding legislation, (2) such assistance in connection with housing, business, industrial, and community development under the Consolidated Farmers Home Administration Act of 1961 and the Rural Development Act of 1972, or any superseding legislation, and (3) such further assistance under all such programs of the United States Department of Agriculture, as shall further the purposes of this part.

(e) Any funds approved as a grant to a community development corporation or a local cooperative association pursuant to the provisions of this title, and any assets or services acquired with such funds, shall be deemed non-Federal for the purpose of any programs referred to in this title which may required a non-Federal contribution.

(f) The Secretary shall take such steps as may be necessary and appropriate, in coordination and cooperation with the heads of other Federal departments and agencies, so that contracts, subcontracts, and deposits made by the Federal Government or in connection with programs aided with Federal funds are placed in such a way as to further the purposes of this part.

(g) On or before six months after the enactment of this Act, and annually thereafter, the Secretary shall submit to the Congress a detailed report setting forth a description of all Federal agency programs which he finds relevant to achieving the purposes of this part and the extent to which such programs have been made available to community development corporations receiving financial assistance under this part including specifically the availability and effectiveness of programs referred to in subsections (a), (b), and (c) of this section. Where appropriate, the report required under this subsection also shall contain recommendations for the more effective utilization of Federal agency programs for carrying out the purposes of this part.

FEDERAL SHARE OF PROGRAMS COSTS

SEC. 1126. Federal grants to any program carried out pursuant to this part, including grants used by community development corporations for capital investments, shall (1) not exceed 90 per centum of the cost of such program including costs of administration unless the Secretary determines that assistance in excess of such percentage is required in furtherance of the purposes of this part, and (2) be made available for deposit to the grantee, under conditions which the Secretary deems appropriate, within thirty days following approval by the Secretary and the local community development corporation of the grant agreement. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services. Capital investments made with funds granted as a result of the Federal share of the costs of programs carried out under this part, and the proceeds from such capital investments, shall not be considered Federal property.

Subpart I—Rural Programs

CONGRESSIONAL STATEMENT OF PURPOSE

SEC. 1127. It is the purpose of this part to meet the special economic needs of rural communities or areas with concentrations or substantial numbers of low-income persons by providing support to self-help programs which promote economic development and independence, as a supplement to existing similar programs conducted by other departments and agencies of the Federal Government. Such programs should encourage low-income families to pool their talents and resources so as to create and expand rural economic enterprise.

FINANCIAL ASSISTANCE—LOW-INCOME RURAL FAMILIES; AMOUNT

SEC. 1128. (a) The Secretary is authorized to provide financial assistance, including loans having a maximum maturity of fifteen years and in amounts not resulting in an aggregate principal indebtedness of more than $3,500 at any one time, to any low-income rural family where, in the judgment of the Secretary, such financial assistance has a reasonable possibility of effecting a permanent increase in the income of such families, or will contribute to the improvement of their living or housing conditions, by assisting or permitting them to—

(1) acquire or improve real estate or reduce encumbrances or erect improvements thereon;

(2) operate or improve the operation of farms not larger than family sized, including, but not limited to, the purchase of feed, seed, fertilizer, livestock, poultry, and equipment; or

(3) participate in cooperative associations, or to finance nonagricultural enterprises which will enable such families to supplement their income.

(b) The Secretary is authorized to provide financial assistance to local cooperative associations in rural areas containing concentrations or substantial numbers of low-income persons for the purpose of defraying all or part of the costs of establishing and operating cooperative programs for farming, purchasing, marketing, processing, and to improve their income as producers and their purchasing power as consumers, and to provide such essentials as credit and health services. Costs which may be defrayed shall include but not be limited to—

(1) administrative costs of staff and overhead;

(2) costs of planning and developing new enterprises;

(3) costs of acquiring technical assistance; and

(4) initial capital where it is determined by the Secretary that the poverty of the families participating in the program and the social conditions of the rural area require such assistance.

LIMITATIONS ON ASSISTANCE

SEC. 1129. (a) No financial assistance shall be provided under this part unless the Secretary determines that—

(1) any cooperative association receiving assistance has a minimum of fifteen active members, a majority of which are low-income rural persons;

(2) adequate technical assistance is made available and committed to the programs being supported;

(3) such financial assistance will materially further the purposes of this part; and

(4) the applicant is fulfilling or will fulfill a need for services, supplies, or facilities which is otherwise not being met.

(b) The level of Federal financial assistance for related purposes to the area served by a program under this part shall not be diminished in order to substitute funds authorized by this part.

Subpart II—Support Programs

TRAINING AND TECHNICAL ASSISTANCE

SEC. 1130. (a) The Secretary shall provide directly or through grants, contracts, or other arrangements such technical assistance and training of personnel as may be required to effectively implement the purposes of this subchapter. No financial assistance shall be provided to any public or private organization under this section unless the Secretary provides the beneficiaries of these services with opportunity to participate in the selection of and to review the quality and utility of the services furnished them by such organization.

(b) Technical assistance to community development corporations and both urban and rural cooperatives may include planning, management, legal, preparation of feasibility studies, product development, marketing, and the provision of stipends to encourage skilled professionals to engage in full-time activities under the direction of a community organization financially assisted under this subchapter.

(c) Training for employees of community development corporations and for employees and members of urban and rural cooperatives shall include, but not be limited to, on-the-job training, classroom instruction, and scholarships to assist them in development, managerial, entrepreneurial, planning, and other technical and organizational skills which will contribute to the effectiveness of programs assisted under this subchapter.

DEVELOPMENT LOAN FUND—AUTHORIZATION OF LOANS, GUARANTEES, OR OTHER FINANCIAL ASSISTANCE; ELIGIBLE PERSONS; CONDITIONS; INTEREST RATE; REPAYMENT PERIOD

SEC. 1131. (a) The Secretary is authorized to make or guarantee loans (either directly or in cooperation with banks or other organizations through agreements to participate on an immediate or deferred basis) to community development corporations and to cooperatives eligible for financial assistance under section 1123 of this title, to families under section 1128(a) of this title, and to local cooperatives eligible for financial assistance under section 1128(b) of this title, for business, housing, and community development projects who the Secretary determines will carry out the purposes of this subchapter. No loans, guarantees, or other financial assistance shall be provided under this section unless the Secretary determines that—

(1) there is reasonable assurance of repayment of the loan;

(2) a loan is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs; and

(3) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made.

Loans made by the Secretary pursuant to this section shall bear interest at a rate not less than a rate determined by the Secretary of the Treasury taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus such additional charge, if any, toward covering other costs of the program as the Secretary may determine to be consistent with its purposes, except that, for the five years following the date on which funds are initially available to the borrower, the rate of interest shall be set at a rate considered appropriate by the Secretary in light of the particular needs of the borrower which rate shall not be lower than 1 per centum. All such loans shall be repayable within a period of not more than thirty years.

(b) The Secretary is authorized to adjust interest rates, grant moratoriums on repayment of principal and interest, collect or compromise any obligations held by him, and to take such other actions in respect to such loans as he shall determine to be necessary or appropriate, consistent with the purposes of this section.

(c)(1) To carry out the lending and guaranty functions authorized under this part, there shall be established a Development Loan Fund consisting of two separate accounts, one of which shall be a revolving fund called the Rural Development Loan Fund and the other of which shall be a revolving fund called the Community Development Loan Fund. The capital of each such revolving fund shall remain available until expended.

(2) The Rural Development Loan Fund shall consist of such amounts as may be deposited in such Fund by the Secretary out of funds made available from appropriations for the purposes of carrying out this subchapter.

(3) The Community Development Loan Fund shall consist of such amounts as may be deposited in such fund by the Secretary out of funds made available from appropriations for the purpose of carrying out this subchapter. The Secretary may make deposits in the Community Development Loan Fund in any fiscal year in which he has made available for grants to community development corporations under part B of this title not less than $60,000,000 out of funds made available from appropriations for the purpose of carrying out this title.

EVALUATION AND RESEARCH; REPORT TO CONGRESS

SEC. 1132. (a) Each program for which grants are made under this title shall provide for a thorough evaluation of the effectiveness of the program in achieving its purposes, which evaluation shall be conducted by such public or private organizations as the Secretary may designate, and all or part of the costs of evaluation may be paid from funds appropriated to carry out this subpart. In evaluating the performance of any community development corporation funded under part B of this title, the criteria for evaluation shall be based upon such program objectives, goals, and priorities as are consistent with the purposes of this Act and as were set forth by such community development corporation in its proposal for funding as approved and agreed upon by the Secretary or as subsequently modified from time to time by mutual agreement between the Secretary and such community development corporation.

(b) The Secretary shall conduct, either directly or through grants or other arrangements, research designed to suggest new programs and policies to achieve the purposes of this title in such ways as to provide opportunities for employment, ownership, and a better quality of life for low-income residents. The Secretary shall particularly investigate the feasibility and most appropriate manner of establishing development banks and similar institutions and shall report to the Congress on his research findings and recommendations not later than ninety days after enactment of this Act.

PART C—ADMINISTRATION

APPOINTMENT OF ASSISTANT SECRETARY OF COMMERCE

SEC. 1141. The Secretary shall administer this title with the assistance of an Assistant Secretary of Commerce. The Assistant Secretary created by this section shall be appointed by the President by and with the advice and consent of the Senate and shall be compensated at the rate provided for level IV of the Federal Executive Salary Schedule. Such Assistant Secretary shall perform such functions under this Act as the Secretary shall prescribe.

TRANSFER OF PERSONNEL

SEC. 1142. Personnel engaged in administering title VII of the Economic Opportunity Act of 1964, as amended, and related economic development programs shall be transferred to the Department of Commerce in accordance with applicable laws and regulations.

REGULATIONS

SEC. 1143. The Secretary is authorized to issue such regulations to implement the purposes of this Act as he deems necessary and appropriate. Such regulations shall be promulgated in accordance with the notice and comment requirements of subsections (b), (c), (d), and (e) of section 553 of title 5 of the United States Code.

APPEALS, NOTICES AND HEARINGS

SEC. 1144. The Secretary shall prescribe procedures to assure that community development corporations or cooperatives have been afforded reasonable notice and opportunity for a full and fair hearing in the event that financial assistance to them under part B of this title is suspended or terminated for failure to comply with applicable terms and conditions, or in the event that an application for refunding is denied.

RECORDS AND AUDIT

SEC. 1145. (a) Each recipient of assistance under this Act shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall, upon reasonable notice to the recipient, have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this title.

CONGRESSIONAL REVIEW

SEC. 1146. (a) The Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor shall conduct a joint study which shall include—

(1) a consideration of an appropriate administrative agency for the conduct of programs after July 1, 1975, under this title.

(2) review the extent to which programs and activities conducted under this title meet the overall need in the Nation for com-

munity economic development programs and the resources available from public and private funds in meeting those needs.

(b) The Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor shall report on their findings, together with any recommendations for further legislation, not later than one year after enactment of this title.

PART D—AUTHORIZATION OF APPROPRIATIONS

SEC. 1156. (a) For the purpose of carrying out Part A of this title, there are hereby authorized such sums as may be necessary for the fiscal years ending June 30, 1974, 1975, 1976, and 1977.

(b) For the purpose of carrying out part B of this title, there are hereby authorized such sums as may be necessary for the fiscal years ending June 30, 1975, 1976, and 1977.

TITLE XII—AUTHORIZATION OF APPROPRIATIONS

AUTHORIZATION OF APPROPRIATIONS

SEC. 1201. (a) For the purpose of carrying out this Act, except where specifically provided, there are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1974, and for each of the three succeeding fiscal years.

(b) For the purposes of carrying out the programs authorized under section 121 there is authorized to be appropriated $330,000,000 for the fiscal year 1975 and such sums as may be necessary for each of the two succeeding fiscal years.

(c) In addition to the amounts made available pursuant to subsection (b) there is also authorized to be appropriated not to exceed $50,000,000 to carry out section 145 (Incentive Grants) during the fiscal year ending June 30, 1975, and such sums as may be necessary during each of the two succeeding fiscal years, except that in no event may more than 12½ per centum of such additional amounts be used in any one State.

AVAILABILITY OF FUNDS

SEC. 1202. Notwithstanding any other provisions of law, unless enacted in express and specific limitation of the provisions of this section, funds appropriated for any fiscal year to carry out any program under this Act or any predecessor authority shall remain available, in accordance with the provisions of this Act, for obligation and expenditure until expended.

TITLE XIII—GENERAL PROVISIONS

DEFINITIONS

SEC. 1301. As used in this Act—

(1) the term "State" means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, or the Virgin Islands, and for purposes of title I, part A of title II and title III the meaning of "State" shall also include the Trust Territory of the Pacific Islands; except that when used in section 125 of this Act this term means only a State, Puerto Rico, or the District of Columbia. The term "United States" when used in a geographical sense includes all those places named in the previous sentence, and all other places continental or insular, subject to the jurisdiction of the United States;

(2) the term "financial assistance" when used in title I, part B of title II, title III, and part B of title IV, includes assistance advanced by grant, agreement, or contract, but does not include the procurement of plant or equipment, or goods or services;

(3) the term "lower living standard budget" means that income level (adjusted for regional and metropolitan, urban and rural differences and family size) determined annually by the Bureau of Labor Statistics of the Department of Labor and referred to by such Department as the "lower living standard budget"; and

(4) the term "poor" or "low-income" persons, individuals, or volunteers means such individuals whose incomes fall at or below the poverty line as set forth in section 620: *Provided,* That in determining who is "poor" or "low-income", the Director shall take into consideration existing poverty guidelines as appropriate to local situations.

NONDISCRIMINATION

SEC. 1302. (a) The Director shall not provide financial assistance for any program under this Act unless the grant, contract, or agreement with respect to such program specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any such program because of race, creed, color, national origin, sex, political affiliation, or beliefs.

(b) No person in the United States shall on the grounds of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with any program or activity receiving assistance under this Act. The Director shall enforce the provisions of the preceding sentence in accordance with section 602 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken by the Director to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if that person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with any program or activity receiving assistance under this Act.

GUIDELINES

SEC. 1303. All rules, regulations, guidelines, instructions, and application forms published or promulgated pursuant to this Act shall be published in the Federal Register at least thirty days prior to their effective date.

CRIMINAL PROVISIONS

SEC. 1304. (a) Whoever, being an officer, director, agent, or employee of, or connected in any capacity with, any agency receiving financial assistance under this Act embezzles, willfully misapplies, steals, or obtains by fraud any of the moneys, funds, assets, or property which are the subject of a grant or contract of assistance pursuant to this Act, shall be fined not more than $10,000 or imprisoned for not more than two years, or both; but if the amount so embezzled, misapplied, stolen, or obtained by fraud does not exceed $100, he shall be fined not more than $1,000 or imprisoned not more than one year, or both.

(b) Whoever, by threat of procuring dismissal of any person from employment or of refusal to employ or refusal to renew a contract of employment in connection with a grant or contract of assistance under this Act induces any person to give up any money or thing of any value to any person (including such grantee agency), shall be fined not more than $1,000 or imprisoned not more than one year, or both.

WITHHOLDING CERTAIN FEDERAL TAXES BY ANTIPOVERTY AGENCIES

SEC. 1305. Upon notice from the Secretary of the Treasury or his delegate that any person otherwise entitled to receive a payment made pursuant to a grant, contract, agreement, loan or other assistance made or entered into under this Act is delinquent in paying or depositing (1) the taxes imposed on such person under chapters 21 and 23 of the Internal Revenue Code of 1954, or (2) the taxes deducted and withheld by such person under chapters 21 and 24 of such Code, the Director shall suspend such portion of such payment due to such person, which, if possible, is sufficient to satisfy such delinquency, and shall not make or enter into any new grant, contract, agreement, loan or other assistance under this Act with such person until the Secretary of the Treasury or his delegate has notified him that such person is no longer delinquent in paying or depositing such tax or the Director determines that adequate provision has been made for such payment. In order to effectuate the purpose of this section on a reasonable basis the Secretary of the Treasury and the Director shall consult on a quarterly basis.

REPEAL OF ECONOMIC OPPORTUNITY ACT OF 1964

SEC. 1306. (a) The Economic Opportunity Act of 1964, as amended (Public Law 92-424), is hereby repealed.

(b) The personnel, property, records, and unexpected balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with the functions of the Director of the Office of Economic Opportunity are hereby transferred to the Director of the Administration. All grants, contracts, and other agreements awarded or entered into under the authority of the Economic Opportunity Act of 1964, as amended, will be recognized under comparable provisions of this Act so that there is no disruption of ongoing activities for which there is continuing authority.

(c) All official actions taken by the Director of the Office of Economic Opportunity, his designee, or any other person under the authority of the Economic Opportunity Act of 1964, as amended, which are in force on the effective date of this Act and for which there is continuing authority under the provisions of this Act, shall continue in full force and effect until modified, superseded, or revoked by the Director.

(d) All references to the Office of Economic Opportunity, or the Director of the Office of Economic Opportunity in any statute, reorganization plan, Executive order, regulation, or other official document or proceeding shall, on and after the effective date of this Act, be deemed to refer to the Administration and the Director thereof.

(e) No suit, action, or other proceeding, and no cause of action, by or against the agency known as Office of Economic Opportunity, or any action by any officer thereof acting in his official capacity, shall abate by reason of enactment of this Act.

EFFECTIVE DATE

SEC. 1307. The provisions of this Act shall take effect on the date of the enactment of this Act.

Mr. HAWKINS (during the reading). Mr. Chairman, I ask unanimous consent that the rest of the bill beginning on page 279 and through page 350 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENTS OFFERED BY MRS. MINK

Mrs. MINK. Mr. Chairman, I offer three amendments and ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Hawaii?

There was no objection.

The Clerk read as follows:

Amendments offered by Mrs. MINK: On page 302, line 4, after the word "Indians" insert a comma and add the following: "Hawaiian Natives (as defined in the Hawaiian Homes Commission Act of 1920, as amended)".

On page 302, line 10, after the word "Act" insert the following: "and such public and nonprofit private agencies serving Hawaiian Natives".

On page 305, line 14, after the comma following "village" insert the following: "or Hawaiian Homestead,".

And on line 22, after the comma following "village" insert the following: "or Hawaiian Homestead,".

Mr. HICKS. Mr. Chairman, will the gentlewoman yield?

Mrs. MINK. I yield to the gentleman from Washington.

Mr. HICKS. Mr. Chairman, I rise in support of H.R. 14449 and in particular of Follow Through, one of the programs which this legislation would continue.

The Follow Through program began as a response to the findings that Head Start children lost their early gains when they were returned to traditional classrooms. Follow Through projects utilize the strategy of planned variation in an attempt to sustain the achievements of preschool children in programs such as Head Start. Those who are involved with the Follow Through program are satisfied that participating schools and classrooms are experiencing positive change, and express the hope that early education will be influenced by the Follow Through successes.

I am advised that Follow Through involves about 81,000 low income pupils in communities scattered across the Nation. New approaches and techniques are being implemented in 170 sites. Approximately 70 percent of the children attending belong to minority racial and ethnic groups in cities and rural areas.

I am told that my district has one of the outstanding Follow Through projects in the Nation. The program in Tacoma, Wash., has had a very beneficial and positive impact on parents and the community. It is closely integrated with Head Start and title I programs to provide support services to serve the needs of the children in the program.

To the parents and children involved in Follow Through, it is the outstanding Federal educational effort. It has not only provided individualized instruction, staff development for teachers, and assistance and active participation of parents in the education of their children, but social service contacts with children and families, referrals and consultation with community agencies, and dental, medical and nutritional help. Jobs have been provided for low income people which in many, many instances have provided that one step up to greater financial security and family stability.

I was greatly distressed by the administration proposal to phase out this outstanding program over the next 3 years. However, I am pleased to note that rather than phasing out the program, the committee has authorized appropriations for Follow Through at a level of $60 million for each of the 3 years of the life of the act now under consideration.

Mrs. MINK. Mr. Chairman, the purpose of these three amendments is to qualify the Native Hawaiian who is a native American for the programs which would be authorized by title VIII. Under title VIII the Secretary, as it is currently written, is authorized to provide financial assistance to public and nonprofit private agencies, including governing bodies of Indian tribes, Alaskan Native villages, and regional corporations.

My amendment would define the purpose section to include the Native Hawaiian as a group which could be benefited by the projects under title VIII.

It also amends section 811 so that public and nonprofit private agencies serving Native Hawaiians would qualify for grants.

It also amends the section which requires the Governors and mayors to consent before these projects are permitted in an area.

Mr. Chairman, I think it is not well known or understood that Native Hawaiians are very much similar to American Indians and the Native Alaskans. Both these two latter groups have dominated the legislative scene: First, because we have a subcommittee in the Committee on the Interior that cares for programs related to American Indians and second, because of the Alaska Native Claims Settlement Act for the Alaska Natives.

Native Hawaiians have not been the beneficiaries in any legislation paralleling what we have done for the American Indians and the Alaska Natives.

Notwithstanding this lack of legislative action they do still constitute a group of native Americans who were the inhabitants of the islands of Hawaii before they were annexed in 1898 and made a part of the United States as a territory, which in 1959 became a State. I feel that the recognition which these people are entitled to have is long overdue.

The Congress did, in 1920, through the effective work of Prince Kuhio, the Hawaii territorial nonvoting delegate at that time, pass the Hawaiian Homestead Act, which set aside certain lands in Hawaii for the particular and exclusive use of Native Hawaiians for the purpose of these people being able to build their homes and obtain low-interest loans from the Government and hold their lands under a 99-year lease.

These homesteads are still in existence in Hawaii. My definition of Native Hawaiians is tied to this Hawaiian Homestead Act for administrative unity. In that act, the definition for a Native Hawaiian is a person with 50 percent or more aboriginal native Hawaiian blood. It is this group of people who are most disadvantaged in Hawaii. They live in isolated areas. Their circumstances are very similar to that of American Indians. In many cases, they were given lands which were least desired by the Government or by the people; lands which could not be used by the agricultural interests of sugar and pineapple.

These are set aside for the natives. They are often far away from urban areas. These people cannot find jobs and need the assistance which might be made available to them if they were qualified under title VIII.

Mr. Chairman, I urge the committee to adopt my amendments.

Mr. HAWKINS. Mr. Chairman, will the gentlewoman yield?

Mrs. MINK. Mr. Chairman, I yield to the gentleman from California.

Mr. HAWKINS. Mr. Chairman, the gentlewoman has discussed her series of amendments with members of the committee on this side. I think she has a very valid point, and we accept them.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentlewoman yield?

Mrs. MINK. Mr. Chairman, I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, I want to indicate that I think the amendments offered by the gentlewoman from Hawaii are good, and we accept them. I hope they can be adopted.

Mr. MATSUNAGA. Mr. Chairman, I rise in support of the amendment offered by my colleague from Hawaii (Mrs. MINK). In fact I myself was prepared to offer the amendment if my colleague or any other member of the committee had not offered it. The amendment is a simple one, designed to remove an apparent oversight on the part of the administration and the Committee on Education and Labor which reported the bill. The amendment deals with title VIII entitled the Native American Program Extension Act which provides grants to programs promoting the economic self-sufficiency of native Americans. The beneficiaries of the existing program are limited to American Indians and Alaskan Natives. The pending amendment would simply add the only native American group in the United States presently excluded, the Native Hawaiians, who are certainly no less deserving of recognition and support than any other native Americans.

Mr. Chairman, according to U.S. Census Bureau figures, the Hawaiian and part-Hawaiian residents of the State of Hawaii comprise only 9.3 percent of the total State population. There are approximately 71,000 Native Hawaiians in the State. I am informed by the U.S. Department of Health, Education, and Welfare that over 800,000 American Indians and over 35,000 Alaskan Natives live in the United States. This amendment would thus add only about 8 percent more potential beneficiaries to the existing program. But whatever the impact, the discrimination against this particular group of native Americans ought no longer be permitted.

Today, fully one-third of all Native Hawaiians receive welfare assistance in the State of Hawaii. 19 percent of all Hawaiians fall below the poverty level as defined by the Hawaii Department of Social Services, as compared to an estimated total of 9 percent of the State population.

Mr. Chairman, although I would not claim that Native Hawaiians are suffering as much as or more than other native Americans, I must call the attention of this House to the fact that real and serious problems plague the Hawaiian residents of my State. The figures I cited amply demonstrate this. Furthermore, plight of unemployed and underemployed Native Hawaiians is just as crippling to the soul and the family budget as it is to other native Americans.

Mr. Chairman, I believe in the native Americans projects and in the positive, self-help assistance it makes available to our native Americans. I urge the approval of the pending amendment, so that assistance may be extended to the only native American group excluded from the project's benefits, the Native Hawaiians. American justice demands it.

The CHAIRMAN. The question is on the amendments offered by the gentlewoman from Hawaii (Mrs. MINK).

The amendments were agreed to.

AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUIE: Page 349, line 10, strike out "personnel,".

Mr. QUIE. Mr. Chairman, this amendment is made to conform with the amendment offered by the gentleman from Michigan (Mr. FORD). The amendment offered by the gentleman from Michigan takes care of the transfer of personnel. So there will not be any confusion, this amendment proposes to drop the word "personnel."

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. QUIE. Mr. Chairman, I yield to the gentleman from California.

Mr. HAWKINS. Mr. Chairman, my understanding of the amendment is that it is to be related to the amendment which we accepted on section 602; to the understanding that was worked out through the efforts of the gentleman from Michigan (Mr. FORD) the gentleman from Minnesota, and others. Within the context of that agreement and that amendment, which I understand this is limited to, I am certainly willing to accept it.

Mr. QUIE. Mr. Chairman, I thank the gentleman.

Mr. FORD. Mr. Chairman, I move to strike the requisite number of words in order to engage in colloquy with the gentleman who offers the amendment.

Mr. Chairman, unless I am mistaken, the only language in the bill which provides any specific direction that the present employees of OEO, to the extent that they are actually needed, will be transferred to HEW, is contained in this section.

Is it the gentleman's intention that by striking the word "personnel," he removes the requirement that every single person be transferred, but nevertheless would say that those people who do fit in will be transferred?

Mr. QUIE. If the gentleman would yield for a reply, yes. The language the gentleman offered in his amendment authorizes the director to use and assign in accordance with Civil Service. That will be the applicable language. By that language, the gentleman removes the requirement that all personnel had to be transferred. This, then, would be in compliance with it.

Mr. Chairman, we did the same thing with the Legal Services bill, where we provided for the transfer of property and records and so forth.

We dropped the word "personnel" in that conference report, as well.

Mr. FORD. I would like to support the gentleman and be absolutely clear. My understanding of his intent, and I agree with it if it is consistent with my amendment, is that it might not be prudent or possible to transfer every last, single person presently in OEO to HEW, and we would, by dropping this word "personnel," be eliminating that particular requirement.

On the other hand, to the extent that personnel are needed in HEW to operate the continuing programs of OEO, my understanding is that present OEO employees will be taken over by the new agency performing the job; is that correct?

Mr. QUIE. That is correct. Under the gentleman's amendment, under transfer of funds and authority, which is in Civil Service, it would protect them because they are the ones who are handling those functions at the time of transfer.

Mr. FORD. Mr. Chairman, one final question: Would not the proper construction, when viewed afterwards, that the Committee of the Whole removed the word "personnel"—no one could properly construe that to be an indication of our intent to provide something other than a transfer of all needed personnel from OEO to HEW?

Mr. QUIE. It could not be construed to have any intent other than to be complementary to the amendment offered by the gentleman.

Mr. FORD. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. QUIE).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MEEDS

Mr. MEEDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MEEDS: Page 302, line 10, after "Act," insert "and Indian organizations in urban or rural nonreservation areas,".

Mr. MEEDS. Mr. Chairman, I will not require the full 5 minutes. Indeed, I will require very little of it.

This is what I call a conforming amendment. It conforms to what is presently being done and what the intent of Congress is, that funds under this section be spent by these organizations among the others who are listed.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I will be happy to yield to the gentleman from California.

Mr. HAWKINS. Mr. Chairman, I would like to say that the amendment on this side is acceptable.

Mr. STEIGER OF Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from Wisconsin.

Mr. STEIGER OF Wisconsin. Mr. Chairman, it is a good amendment, and I hope that it is adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington (Mr. MEEDS).

The amendment was agreed to.

Mr. STEIGER of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STEIGER of Wisconsin: Page 343, immediately after line 25, insert the following new title:

TITLE XII—SENIOR OPPORTUNITIES AND SERVICES

SENIOR OPPORTUNITIES AND SERVICES

SEC. 1201. The Secretary of Health, Education, and Welfare shall establish within the Administration on Aging a program to be known as Senior Opportunities and Services designed to identify and meet the needs of older, poor persons above the age of sixty in one or more of the following areas: development and provision of new employment and volunteer services; effective referral to existing health, welfare, employment, housing, legal, consumer, transportation, education, and recreational and other services; stimulation and creation of additional services and programs to remedy gaps and deficiencies in presently existing services and programs; modification of existing procedures, eligibility requirements and program structures to facilitate the greater use of, and participation in, public services by the older poor; development of all-season recreation and service centers controlled by older persons themselves, and such other activities and services as the Secretary may determine are necessary or specially appropriate to meet the needs of the older poor and to assure them greater self-sufficiency.

And redesignate the following titles and sections accordingly.

Mr. STEIGER of Wisconsin (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. STEIGER of Wisconsin. Mr. Chairman, this is the amendment we discussed at some time earlier in the day.

Having adopted the amendment to remove SOS from title I this is to establish a Senior Opportunities and Services program in the Administration on Aging of HEW.

Mr. Chairman, it is to have a separate identity in the agency, not to be included in any formula grant program, and I urge the adoption of the amendment.

Mr. HAWKINS. Will the gentleman yield?

Mr. STEIGER of Wisconsin. I will be delighted to yield to the gentleman from California.

Mr. HAWKINS. As previously stated, Mr. Chairman, there is no objection from the Members on this side.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the action on that last amendment went so fast that I did not understand it. It appears that we have another bill out of the Committee on Education and Labor which is being written on the House floor, at least in substantial part.

Just what did that last amendment provide?

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes, I yield. I am among the aging, and I would like to know what we are doing in that respect.

Mr. STEIGER of Wisconsin. Absolutely. I wanted to make sure that was clear.

Mr. Chairman, if the gentleman will yield, what this amendment does is consistent with the action taken by the Committee of the Whole some time ago. I offered an amendment which deleted from the bill the present authority for the program for SOS.

Mr. GROSS. What is the meaning of "SOS"?

Mr. STEIGER of Wisconsin. Senior Opportunities and Services. It is for the elderly poor, and, therefore, I am sure that the gentleman, with his pension after his years of service, will not qualify.

Mr. GROSS. That is bad news.

Mr. STEIGER of Wisconsin. Mr. Chairman, if the gentleman will yield further, this establishes in Chapter 12 a program known as Senior Opportunities and Services as a pick-up for what we eliminated earlier in title I.

Mr. GROSS. Well, I do not correlate that with what we did previously in title I. However, I will accept the explanation.

Mr. STEIGER of Wisconsin. I am grateful for the gentleman's acceptance.

Mr. GROSS. Mr. Chairman, while the gentleman is on his feet, I would like to ask him a question or two.

This bill calls for the spending of almost $3,760,000,000; is that correct?

Mr. STEIGER of Wisconsin. The gentleman is correct.

Mr. GROSS. Where does the gentleman from Wisconsin and the other members of this committee propose to get that kind of money?

Mr. STEIGER of Wisconsin. Out of the Treasury of the United States, through tax dollars.

I am sure that the gentleman from Iowa will be most particularly helpful in that regard as he sends his check in every month to the Treasury Department.

Mr. GROSS. I am not aware that I send a check to the Treasury Department every month.

Is that what the gentleman stated, that I send a check to the Treasury Department every month?

Mr. STEIGER of Wisconsin. Mr. Chairman. I just assumed that the gentleman did through withholding. Perhaps my statement should have been more carefully worded.

The funds are going to come from the Treasury.

Mr. GROSS. I just do not see it. I guess the withholding goes there, but I do not write checks every month.

This $3,760,000,000 will have to be borrowed, will it not, and interest of 8 to 9 percent paid on the borrowing?

Mr. STEIGER of Wisconsin. Not necessarily so.

Mr. GROSS. Why not?

Mr. STEIGER of Wisconsin. Mr. Chairman, if the gentleman will yield further, we raise a substantial amount of tax revenue each year, and I would judge that almost every dollar that is included in this bill, except for something like $330 million for community action, is budgeted by the President.

Mr. GROSS. Mr. Chairman, which of the other spending bills to come before the House will the gentleman from Wisconsin join me in opposing to cut the expenditures of the Federal Government so that we can stop inflation and the payment of 8 percent and 9 percent on Treasury borrowings?

What bills will the gentleman join me in voting against, among the appropriation bills that will be coming down the line?

The gentleman should be able to say that he effected savings in other places to pay for this huge program calling for $3,760,000,000?

Mr. STEIGER of Wisconsin. Mr. Chairman, if the gentleman will yield, I do not know what my choices are in terms of what the gentleman from Iowa decides to vote against. I think my record is clear on this matter but I have in the past voted against public works bills.

I voted for the famous Aspin-Rousselot amendment not very long ago, against the recommendations of the President and the Vice President, and many Republicans voted against that amendment. I thought that it was a responsible action to save a little money on the budget of the Department of Defense.

That amendment was defeated.

Mr. Chairman, we all make our judgments on every vote which we cast, and we determine where our priorities exist.

I think the effort to provide for community action programs to help poor people ought to have some priority with us.

Mr. GROSS. Mr. Chairman, you have already spent about $25 billion on this program since its inception, have you not?

Mr. STEIGER of Wisconsin. Mr. Chairman, I will say that I am sure the gentleman is stating an accurate figure. I do not know what the exact figure is.

Mr. GROSS. There is no end in sight, and it keeps going up every year.

Mr. STEIGER of Wisconsin. No, actually it has not gone up every year. We have kept it at about the same level.

Mr. GROSS. This $3,760,000,000 is a lot of money.

Mr. STEIGER of Wisconsin. That is over 3 years.

Mr. GROSS. Yes, it is over 3 years. But that is still a fair piece of change, is it not?

Mr. STEIGER of Wisconsin. There is no question about that. The gentleman is correct. This provides for Head Start and community economic development and community action programs.

Mr. GROSS. Especially in view of the fact that inflation is now going up at an annual rate in two digits; is that not correct?

Mr. STEIGER of Wisconsin. Yes, it is.

Mr. GROSS. Inflation is now at or nearly 12 percent.

Mr. STEIGER of Wisconsin. Yes, it is.

Mr. GROSS. How does the gentleman propose to stop inflation unless there are cuts up and down the line, including this program?

Mr. STEIGER of Wisconsin. There must be cuts. There would have to be cuts. I agree with the gentleman from Iowa completely about that. But that is one of the problems——

Mr. GROSS. The gentleman a short time ago opposed the abolition of the regional offices. You cannot tell me that abolition of all the regional offices in this program would not save a substantial amount of money.

Mr. STEIGER of Wisconsin. It will not save one dime.

Mr. GROSS. Why not?

Mr. STEIGER of Wisconsin. Because you will only bring them back to Washington where the cost of living is higher and where the cost of food is higher and all costs are higher.

Mr. GROSS. Why would you have to bring them to Washington?

Mr. STEIGER of Wisconsin. Because we involve individuals who will have to make decisions in this program, and if we abolish the regional offices, then they would have to come back to Washington where there would be people who could make the decisions. That is what it is all about.

Mr. GROSS. Decisions are not made in the regional offices and the gentleman knows it.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Wisconsin (Mr. STEIGER).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. COHEN

Mr. COHEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COHEN: Page 302, line 9, after "tribes" insert "on Federal and State reservations".

Page 310, line 12, after "federally", insert "or state".

Mr. COHEN. Mr. Chairman, the amendment which I offer is simply intended to clarify the definition of Indian Reservation under the bill. Although it appears in the committee's report that Indians residing on State reservations will be eligible for the services of this act, I believe this language will remove any question in the matter which in later years could be used to discriminate against these individuals.

I commend the committee for their foresight in establishing the Native American program within the Department of Health, Education, and Welfare because of the inter-relationship between various HEW service programs and those funded by the Native American program. This approach has worked well to increase the economic and social service self-sufficiency to the Indian people in my State.

Unfortunately, though the legislation establishes vital national goals, under the definition of Indian reservation contained in this bill, significant portions of our Indian population could be arbitrarily excluded from access to these resources simply because they do not reside on or near federally recognized Indian reservations. Although I believe it was the intent of the committee that Indians who are not federally recognized would be eligible for assistance by this act, unless this language is added, program authorized by this act, currently serving Maine Indians, may be jeopardized because they are not on a Federal reservation, as is the case with 50 percent of our Native American population.

In too many instances, these non-Federal reservation Indians have not shared in the development, management, and implementation of programs ostensibly designed for Indians because of this geographical accident. Therefore, the language I offer is intended to insure that those Indians residing on State reservations who are presently considered eligible for these programs will continue to be so.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. COHEN. I yield to the gentleman.

Mr. QUIE. Mr. Chairman, we will be glad to accept the amendment on this side.

Mr. HAWKINS. Will the gentleman yield?

Mr. COHEN. I yield to the gentleman.

Mr. HAWKINS. The gentleman from Maine discussed his amendment with us. It is a purely clarifying amendment. It is a very welcome change, and we are glad to accept it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maine, (Mr. COHEN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. KAZEN

Mr. KAZEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KAZEN:

Amend H.R. 14449 on page 349, line 15, by adding after the word "grants" the following: "applications for grants".

Mr. KAZEN. Mr. Chairman, this section, 1306, is the one that repeals the Economic Opportunity Act of 1964. It provides that all grants, contracts, and other agreements awarded or entered into under the authority of the Economic Opportunity Act, will be recognized under comparable provisions of this act so that there is no disruption of ongoing activities for which there is continuing authority.

All I am doing is adding "applications for grants" so that there will not be a gap in the process of getting these applications considered.

Mr. HAWKINS. Will the gentleman yield?

Mr. KAZEN. I yield to the gentleman.

Mr. HAWKINS. This amendment is a very desirable one. I think it is an oversight, and we certainly wish to accept it and commend the gentleman for his efforts on the bill in correcting this oversight.

Mr. KAZEN. I thank the gentleman.

Mr. STEIGER of Wisconsin. Will the gentleman yield?

Mr. KAZEN. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. I appreciate the gentleman's yielding. I concur with the statement of the gentleman from California. I believe that the amendment can be helpful, and I urge its adoption.

Mr. KAZEN. I thank the gentleman and urge the adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. KAZEN).

The amendment was agreed to.

Mr. BADILLO. Mr. Chairman, because of the nature of the legislation before us, I feel that I must explain my vote.

I shall vote in support of H.R. 14449, the Community Service Act of 1974, because it represents our sole hope of keeping alive some of the much-needed programs of the Office of Economic Opportunity. However, I am far from satisfied with the bill. It is a measure weak in several key areas: First, the level of funding it authorizes for the community action programs just barely reaches last year's appropriation levels and makes no allowance for increased needs or inflation; second, it fails to safeguard the integrity of the programs because it does not place them within the framework of an independent agency; and third, the administrative framework it establishes within the Department of Health, Education, and Welfare will, in my opinion, prove to be a flimsy bulwark against an administration committed to destroying the concepts of advocacy and representation for the poor.

My unhappiness with the measure is not meant to reflect upon the efforts of the chairman of the subcommittee, Mr. HAWKINS, or upon the chairman of the full committee, Mr. PERKINS, both of whom worked long and hard to safeguard the interests of the Nation's needy and elderly. It merely mirrors my dissatisfaction with this compromise forced upon the Democratic members of the committee by supporters of the Nixon administration. I hope and trust that this year's elections will bring in a Congress strong enough to act in the best interest of the people without the need to stoop to "minimally acceptable" solutions.

Mr. YOUNG of Alaska. Mr. Chairman, I am very happy to endorse H.R. 14449. This bill provides for the continuation of Community Action agencies and their programs and some other OEO programs, under a Community Action Administration within HEW. The Alaska rural community action program has been an effective advocate for the rights of low-income Alaskans.

Alaska is an extremely large State with many pockets of poverty, particularly in its native population. The rural community action program has addressed itself to the needs of low income people better than any other program introduced heretofore in Alaska. It has operated one of the best Head Start programs in the country, at a cost which is lower than that of many of the Head Start programs in the Nation.

It involves some 700 children in rural areas and about 200 children in urban areas. There are Head Start programs in Kaltag, Nulato, Fort Yukon and 30 other villages extending from Barrow, which is on the Beaufort Sea of the Arctic Ocean to Hoonah in South Central Alaska on the Gulf of Alaska of the Pacific Ocean. The Head Start program has proven to be the most successful human resource development program in Alaska as it has allowed and encouraged parent participation and community policymaking for people who were previously alien to such activities.

We have seen the beneficial aspects of rural community action program and its administration of several grant-in-aid programs that have helped immeasurably in the development of our bush community.

I recognize that we in no way can hope to cure all of the social and economic ills still existing in the bush. We need all the help that Federal, State and private resources can muster. Therefore, I am wholeheartedly supporting this legislation which will allow such beneficial programs to continue.

Mr. BURKE of Massachusetts. Mr. Chairman, I would like to address my remarks to the subject of the community action programs, programs which are doomed to destruction when funding for the Office of Economic Opportunity runs out on June 30.

I am most pleased with the work which the community action programs have accomplished throughout our Nation, as we continue to battle poverty and to aid the Nation's poor. This work is commendable, and is in need of continuation.

In my home State of Massachusetts, there are approximately 24 community action agencies, agencies which operate and coordinate multiservice programs that are easily accessible to the cities and towns which they serve. Thousands of low-income citizens of Massachusetts have communicated to their elected representatives both on the State and Federal levels their need for the services which the community action programs provide. We cannot and must not eliminate these funds.

Programs such as Head Start, manpower programs, and other activities sponsored by the community action agencies have proven their worth, and I feel we cannot abandon them at this point. The States cannot do this job alone. The community action programs must be fed assistance at the Federal level

So, then, let us continue our battle against poverty and economic disaster to our low-income citizens. We must act decisively to help those unable to help themselves.

Mr. FRENZEL. Mr. Chairman, I rise today in support of H.R. 14449, the Community Services Act of 1974. The Economic Opportunity Act, which is the grandfather of today's bill, was signed into law on August 20, 1964. In the following 10 years, the OEO programs have bounced up and down in both popularity and production. On the whole, however, the program has served as a bulwark of our national antipoverty efforts.

In education, manpower development and training, health and nutrition, and economic self-development OEO has been a spawning ground for social initiatives and programs. This effect can be seen clearly in my own State of Minnesota. Though the OEO programs in my district have suffered from some difficulties, the spinoff of community concern and private action has been substantial.

The State legislature has also acted

to preserve the functions of many OEO programs. It has endorsed the use of State funds as a supplementary measure—an approval not easily given.

Although I do support the bill before the House today, I have some questions about it. First, this bill provides for control through the States. I support the federalism concept, and I have no doubt that Minnesota agencies will be able to work through the State of Minnesota with no difficulty. There may, however, be areas where States have been less enthusiastic about these programs. I hope the committee is ready and willing to exercise all necessary oversight responsibilities to ensure State cooperation with local agencies.

Second, the funding level authorized by the bill is the current level of operations. That means, of course, an actual program cut, because with inflation the same amount of dollars will not go as far. My own county, which has been without a community action group for several years therefore has no opportunity to participate under this bill. If the experience under this bill is satisfactory, as I believe it will be, I hope that the committee will look into providing program assistance in those areas where it is not now being provided and where it is needed.

It should go without saying that at this low level of funding, attempts to reduce the authorization should be strongly resisted.

I am pleased that the committee has found a way to preserve the useful committee work being carried on by the OEO agency. I am hopeful that the bill will promptly be passed.

Mr. BELL. Mr. Chairman, Congressman Paul Findley is unable to be here today but has expressed his strong support for this bill in a letter to me. Congressman Findley recognizes the importance of the Head Start program, as well as community action, and I would therefore like to insert the text of his letter in the Congressional Record at this point:

Hon. Alphonzo Bell,
House of Representatives,
Washington, D.C.

Dear Al: Although I am not able to be present to vote on the Community Services Act of 1974, I want to express my support for the bill, and in particular for those sections dealing with the Community Action Agencies and the Head Start-Follow Through programs.

As a result of considerable cooperation and compromise, the committee has reported a bill to permit many of the OEO programs to continue functioning under different agencies.

The bill provides for continuing the Head Start and Follow Through programs which have benefited so many pre-school children. Without such a program, these children might have been relegated to beginning their education several steps behind their classmates. Many, perhaps most, would never have caught up. The Head Start program in west-central Illinois has achieved a commendable record and enjoys almost universal acceptance in each community.

The Community Action Agencies in the Congressional district I represent have long served their communities well by encouraging the poor and disadvantaged to participate in reordering their own lives. I believe that they should continue to operate as they have in the past, possessed with the flexibility to meet local needs. In addition to the responsibilities they presently possess, under this bill they will gain jurisdiction over important programs such as food and nutrition assistance, opportunities and services for the aged poor, sports programs for disadvantaged youths, loans to rural families and day care projects.

I commend you and the Committee for the advance represented by this bill.

Sincerely yours,

Paul Findley,
Representative in Congress.

Mr. BIAGGI. Mr. Chairman, I rise to urge my colleagues to support H.R. 14449, the Community Services Act of 1974. This is an important bill, but one which was very hard to write. As a member of the Education and Labor Committee I saw at first hand the difficult problems involved in designing a new structure for the Nation's poverty programs, basically sound in concept, but often deficient in execution. To make matters more difficult, we were dealing with a number of widely differing views on this legislation both in committee and on the part of the many affected groups that testified before us. We have, however, succeeded in working out what I think is a sensible and fair compromise.

The essential point is that H.R. 14449 maintains the programs presently carried out by the expiring Office of Economic Opportunity. The new administration of these programs is not structurally independent, as some would like, but the important objectives of the programs involved will continue to be pursued. More important, the Office of Economic Opportunity's vital offspring, the community action programs, are preserved essentially intact.

I regard it as essential that these local units continue to exist, for it is here that those affected by the programs have the opportunity to participate in what the impact of the agencies is going to be. I think these are major, positive achievements in the fight for opportunities for the poor.

It is true, of course, the administrative organization is not entirely satisfactory. The Office of Economic Opportunity has been placed in the Department of Health, Education, and Welfare. There are some who fear this will mean the effective end of the agency's programs. I do not personally believe so. The present solution may not be perfect, but it is also not necessarily permanent. Congress should and has taken an active oversight interest in the poverty programs, and I am sure will continue to do so. If there are problems with the new administrative arrangements, I am confident that Congress will look at its work once again and overhaul it if necessary.

The funding levels are generous, though not as high as some of us would have liked. The Federal matching shares in the programs administered by the Director of the Community Action Administration, while declining over time, are, once again, generous and we have retained permission for the Director to waive the percentage requirement for individual agencies if the total non-Federal share in a State meets the non-Federal share requirement generally. This will permit many poor local areas to continue to participate in the poverty programs.

The critical point is that we have retained nearly all of the basic programs. In addition to those I have mentioned, the community economic development program, the human services policy research program, the comprehensive health services program, the migrant programs are all continued, as well as Head Start and the Follow Through program.

I realize, of course, this compromise, while sensible, is displeasing to many. There are those who think there ought to be more money for the poverty programs and a different and more independent administrative structure. There are also those, however, who want to see the whole program killed outright, or at least so broken up as to be ineffective. This last group points to undeniable failures and abuses in the program and I fully respect their discontent, though I do not share their objective.

In fact, what we in the Education and Labor Committee has done is to satisfy neither group. We believed reform was necessary, and some elements of the new administrative represent attempts to remedy some of the abuses of the past. But we also believed it essential if poverty were to be successfully attacked that the Federal Government would have to continue to play a significant role in the fight. This meant, above all, that we had to have a bill, some bill, that would be acceptable to many different points of view and pass the House. I believe H.R. 14449 meets this requirement, though it does not please everyone.

Therefore, I urge my colleagues to vote for H.R. 14449 and send it to the Senate and the President as quickly as possible. We must not forget that if we fail to act, or act unfavorably, the current programs and the entire Federal antipoverty effort will come to an end on June 30 of this year. We owe it to the American people not to make such important policy by delay, inaction or accident.

Mr. HORTON. Mr. Chairman, I urge my colleagues to vote in favor of H.R. 14449, the Community Services Act of 1974, providing for the continuation of programs currently authorized under the Economic Opportunity Act of 1964 and establishing a new Community Action Administration in the Department of Health, Education, and Welfare.

I must voice my disappointment, as will many of my colleagues, with the bill that has finally reached the House floor. I supported efforts to extend the Office of Economic Opportunity for 3 more years, and it is unfortunate that the bill approved by the Education and Labor Committee did not follow that course.

Debate over OEO and this bill in particular strikes me as a rather sad commentary on this Nation's priorities. Critics have been very vocal in pointing to deficiencies in the management of Federal funds. They have characterized OEO as an unnecessary "poverty bureaucracy."

But the truth is that before the Office of Economic Opportunity was established in 1964, we had no large-scale antipoverty program and we will never have one unless we are willing to provide a reasonable level of Federal support. Virtually every interest group—ranging from agriculture to small business—has Federal line agencies to serve them. Until 1964, however, the disadvantaged had no focal point and their needs were lost in the bureaucracy.

Actually, it is remarkable that OEO programs have been so successful over the past 10 years in helping to meet the needs of the poor. They have never been funded above a pilot level of appropriations. The Community Action program in Monroe County, N.Y., for example, has operated with a frozen budget of $965,000 for 6 years. Throughout this period, they have not sat back and waited for a check from Washington. On the contrary, they have made every effort to become as self-supporting as possible.

One of the primary deficiencies of the bill before us is the progressive decrease in the Federal matching share from 80 percent of program costs in fiscal year 1975 to 60 percent for fiscal year 1977. These provisions will place a severe hardship on communities which are already strapped for funds and are operating under huge deficits. This bill is still a long way from the President's desk and I hope actions of the other body will improve upon the funding provisions.

Mr. Chairman, several amendments will be offered which will further weaken H.R. 14449 and perhaps render it a bare skeleton. The most serious, of course, is the amendment which would allow the Secretary of Health, Education, and Welfare to determine the placement of the program within HEW. The bill reported by the committee was designed to prevent OEO programs from being swallowed up in HEW, and the integrity of the Community Action Administration must be preserved. OEO's recent history should be lesson enough for the need to protect the organization of antipoverty programs from administrative fiat.

Mr. Chairman, despite concerted efforts to gut OEO, support for extending its programs has come from all areas of the country and from individuals of differing political persuasions. I want to share with my colleagues some of the communications I have received which bear on our actions today. In particular, I draw attention to the remarks of Thomas P. Ryan, Jr., mayor of the city of Rochester and the resolution adopted by our city council. Their message, I believe, is that this legislation is urgently needed if we are truly committed to eradicating poverty.

City of Rochester, N.Y.,
Rochester, N.Y., April 22, 1974.
Hon. Frank Horton,
Rayburn Building,
Washington, D.C.

Dear Congressman Horton: I am forwarding for your consideration a City Council Resolution supporting continued federal funding for Action for a Better Community, Inc., the Monroe County/Rochester Community Action Program. This resolution reflects the deep concern and support of the Rochester community for continuing this federal program which has provided valuable services to many of our impoverished residents.

It has been brought to my attention that the House Education and Labor Committee has dropped consideration of a simple extension of the Equal Opportunity Amendments of 1964 (H.R. 12464) in favor of drafting new legislation. This new legislation, H.R. 14094, has been reported to the full committee and mark-up is expected in the next few days. While this legislation would extend the programs of the Office of Economic Opportunity, federal financial commitment to the program would decline. The federal/local division of funding is proposed to be 80/20 in FY 1975, 75/25 in FY 1976, and 70/30 in FY 1977. I foresee that the requirement of increased local matching will force our Community Action Agency to seek local support. At a time when the City of Rochester is struggling for financial survival, the idea of forcing Community Action Agencies to increase their local match is an impossibility.

I am sure that Rochester is not alone in its serious lack of financial resources. In recognition of this fact and in recognition of the valuable services rendered by Action for a Better Community, Inc. and Community Action Agencies in other cities, I ask you to oppose the proposed increase matching requirements. I further ask you to once again extend your influence to members of the Education and Labor Committee and Congress as a whole in opposing this measure.

Your response to City requests in the past has been greatly appreciated. I thank you for the interest and concern you have expressed in urban problems. Your immediate action in this matter would further assist the Rochester community.

Sincerely,
Thomas P. Ryan, Jr.,
Mayor.

Resolution Supporting Continued Federal Funding for Action for a Better Community, Inc.

Whereas, Action for a Better Community, Inc. was incorporated in January, 1965, under the terms of the Economic Opportunity Act of 1964, in order to act as sponsor for the Monroe County/Rochester Community Action Program; and

Whereas, the attack on conditions of poverty is an issue which deserves continued national commitment and financial assistance from the federal government; and

Whereas, Action for a Better Community, Inc. is providing a variety of services for the impoverished community in the greater Rochester area; and

Whereas, federal funding for ABC, Inc. presently expires May 31, 1974 and the Economic Opportunity Act of 1964 expires June 30, 1974;

Now, therefore, be it resolved by the Council of the City of Rochester that the President and the Office of Economic Opportunity make full funding available to ABC, Inc. for their fiscal year FYJ, which is the period of February 1974 through January 31, 1975; and

Be it further resolved that City Council urges Congress to immediately adopt the Equal Opportunity Amendments of 1974 (H.R. 12464), which provide for the extension of the Equal Opportunity Act of 1964 until June 30, 1976, and

Be it further resolved that copies of this resolution be delivered to all appropriate parties including local congressional representatives and representatives of the Office of Economic Opportunity.

City School District,
Rochester, N.Y., April 25, 1974.
Hon. Frank J. Horton,
House of Representatives,
Washington, D.C.

Dear Sir: H.R. 12464 is scheduled to be brought before the House of Representatives during the week of April 21. Its purpose is to continue the Economic Opportunity Act, which has begun many valuable programs in Rochester, particularly in the inner-city. I am especially concerned for the future of Action for A Better Community, which has provided many valuable programs for poor people, black, white, and Spanish-speaking, in Monroe County. I urge you to vote for the extension of EOA and to urge your colleagues to work for its passage.

Sincerely,
John M. Franco.

City School District,
Rochester, N.Y., April 26, 1974.
Hon. Frank J. Horton,
House of Representatives,
Washington, D.C.

Dear Sir: The purpose of this letter is to urge your strong support of H.R. 12464, a bill to extend the Economic Opportunity Act for three more years.

As you know, the Economic Opportunity Act was enacted in the 1960's to provide the poor with the programs and the leadership necessary for them to help themselves. In Rochester Economic Opportunity Act funds have provided support for adult education programs, day care, drug and alcoholism rehabilitation programs, and leadership training for youth. The Economic Opportunity Act has been the principal funding source for Action For A Better Community, Rochester's Community Action Agency, which has made significant contributions to the protection of the rights of poor people.

I urge you to cast your vote for this bill and to urge other members of the House of Representatives to do the same. Only by a strong vote for both Houses will the Administration, which last year attempted to impound funds intended for the poor, realize the importance of this legislation for urban and rural poor people who wish to establish significant alternatives to doles and "make work" programs.

Sincerely,
Harvey Granite,
Coordinator, Urban Funded Programs.

Mr. NIX. Mr. Chairman, I rise in strong support of the Community Services Act, as reported. This bill will preserve the community action programs and many other important programs of the Economic Opportunity Act. Community action programs, which have proven their worth, even to many doubters, will be relooated in a new administration in the Department of Health, Education, and Welfare. I believe it is very important that this administration be given its own identity in the Department to maintain a vigorous community action program. Local community action agencies have shown themselves to be invaluable tools in providing services to poor people throughout our country. Through a combination of local participation and Federal support, they have been able to provide a helping hand that neither local or Federal efforts alone can supply.

This bill also provides new authority for a host of successful programs, such as Head Start, Follow Through, and Native American and migrant programs. These people-oriented programs have provided a ray of hope to groups in our society that have traditionally been ignored by all levels of government.

The dilemma of poverty in an affluent society still faces us squarely, as it did when President Johnson started a national commitment to eliminate it. We know that there are no easy answers to the problem of poverty. But we do know that many programs have proven to be effective tools in helping people to overcome the handicap of poverty. We must continue to work to find even more effective ways of using the resources of government to help those who have not yet achieved a decent standard of living for themselves and their children.

Mr. Chairman, this bill does not provide all that many of us would have liked. Substantial compromises have been made to meet various objections. But through the efforts of the gentleman from California (Mr. HAWKINS) and his colleagues, it is a sound bill. It preserves the important programs that have proven successful. It provides a new and solid administrative setup for community action. It continues our commitment to use the resources of the Federal Government to fight the causes and the symptoms of the cruel poverty that still holds millions of our fellow citizens. I support the bill and I urge its passage.

Mrs. MINK. Mr. Chairman, although I would have preferred to maintain the Office of Economic Opportunity as a separate agency, I must conclude that transferring the poverty programs to the Department of Health, Education and Welfare is the only means available to us at his time to assure the continuation of these programs.

I am deeply concerned, however, that if we do not take the appropriate steps to protect the programs within HEW that we are presiding over a wake.

I disagree with my colleague from Minnesota that the placement of these programs within HEW should be left to the discretion of the agency. HEW is a huge bureaucracy which serves many different kinds of people; without a distinct organization entity, the poverty programs will be lost in that bureaucracy, the poverty focus merged with other target populations and objectives, and the accountability and visibility lost.

For 10 years there was a national mandate to address the problems of poverty. I do not believe we can allow that mandate to be lost.

A separate administration within the Department will clearly facilitate monitoring and evaluating the poverty programs by Congress and other concerned bodies. Futher, it will facilitate coordination of other Federal poverty programs.

Although the dollar figure for community action is relatively small, the program's impact on billions of dollars of Federal programs is in more than 10 different departments and agencies.

One of the mandates given to the Community Action Administration in the committee bill is to monitor and evaluate Federal programs administered by other Federal departments and agencies. Such an evaluation would clearly be impossible without he independent status of the monitoring unit.

The community action program has been successful because it has been flexible and independent and because it is heavily dependent on local direction. Merging this program with other programs in the department will lose all flexibility and independence and strangle innovation in red tape.

Finally, the focus of the Department of Health, Education, and Welfare has traditionally been on the State level; whereas community action programs have by nature been local. It is necessary to preserve the integrity of the organizational structure of the community action programs in order to assure this continued relationships with local governments and agencies.

Mr. DAVIS of Georgia. Mr. Chairman, I am pleased to rise in support of the bill before us today, H.R. 14449, the Community Services Act.

As others before me have stated, I would have preferred an extension of the Office of Economic Opportunity and its programs, and I introduced legislation earlier this year which would have extended the authorization of the Economic Opportunity Act for 3 years. But I recognize the problems involved in an extension at this time, and I believe that the most important element is saving the programs.

I believe that the community action program has indeed matured over the years to the point where it now enjoys widespread acceptance in the community and among local elected officials who once raised their voices in opposition. The Governor of my State, Gov. John West, was an early strong supporter of the continuation of OEO. I understand that other political figures not generally associated with the poverty program such as Governor Wallace of Alabama and Governor Waller of Mississippi have also endorsed the continuation of the Federal poverty programs.

The Community Action Agency in the city of Charleston, S.C., operates a $4 million program serving the needs of the poor of that city. Among the programs which would be lost if funding is not continued to the Charleston CAP are a transportation program for the elderly poor and for residents of outlying areas, an information and referral program to link with other social service programs, a youth development program and a major industrial education project.

In many parts of South Carolina, as well as other rural areas throughout the country, community action agencies offer the only system to provide social services to the poor in those communities.

South Carolina is one of the few States which have taken action to provide funds for CAA's in the absence of Federal funds. But even the $1.409 million appropriated by the State is insufficient to maintain the programs currently operated by the 20 CAA's in the State. At the most, this money would simply permit the CAA's to continue to administer other Federal programs such as Head Start, but would allow no innovative programs, no local initiative programs.

I believe that it is time to recognize that CAA's perform a vital service for which no alternatives presently exist. To withdraw support for the community action program at a time when inflation, fuel and other shortages are hitting the poor the hardest is taking a giant step backward in our national commitment to alleviate the problems of poverty in this country.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I rise in support of H.R. 14449 the Community Services Act of 1974. I am pleased that the Education and Labor Committee in its wisdom saw fit to continue the community action program to permit communities across the Nation to continue their battle against poverty and economic stress.

Under this bill we are considering today local communities receive financial assistance and encouragement for a wide range of community service programs. I think this is sound because each individual area knows best what is needed and how our limited resources can best be expended. Today's bill indicates that the Federal Government is continuing its commitment to the desperate poverty which is an ugly facet of life in some urban centers and in rural America as well. I am also pleased that the committee bill addresses itself to the problem of our elderly poor, a group who are all too often tragic victims of today's ever worsening inflationary spiral. I am concerned about the senior opportunities and services programs which have served the elderly poor quite well when one considers the relatively small investment of money by the Federal Government.

Mr. Chairman, this is not a perfect bill. Like many other pieces of legislation all Members will not be happy with it. Some say it goes too far and others not far enough. On the other hand we have continued the community action programs and their vitally needed social services.

Thus, Mr. Chairman, not without some reservations I support this bill. We cannot afford to do less and we ought to do more. Hopefully, at some future time we will have an administration in the White House a little more concerned about the poor and the elderly.

Mr. DORN. Mr. Chairman, I urge the House to approve the Community Services Act now before us which would continue the programs of the Office of Economic Opportunity—OEO. This bill would continue programs such as Community Action, Head Start, Follow Through, community food and nutrition, rural housing development, senior opportunities, and local initiative. For South Carolina these programs are especially important.

This bill represents government at its best. I believe we have an obligation to offer special assistance to those who have been denied economic opportunity. The Community Action-OEO programs show that we can and will do something to offer an equal opportunity to all our citizens.

Mr. Chairman, programs funded by OEO have vitally affected the lives of thousands of South Carolinians whose income falls below the poverty line. Head Start has been especially beneficial in improving the educational opportunities for so many of our people. These programs are the very best investment Government can make; children with no place to go, many handicapped by poverty and disease, receive the best possible preschool training. Head Start has been a splendid example of a community-based child development program with maximum parent involvement.

Mr. Chairman, may I commend especially the directors and personnel of the Community Action agencies, as their dedicated and devoted efforts have brought new life and new hope to so many of our people. May we also commend the public-minded citizens who serve on local Community Action boards of directors. Their outstanding efforts have helped to assure that Community Action agencies and all the programs they administer remain sensitive and sympathetic to local needs and local conditions. The Community Action program has been successful because it has been tailored to the needs of the local community.

Mr. Chairman, continuation of OEO programs and Head Start has my complete support, and I urge the Congress to pass this bill by an overwhelming margin.

Mrs. BURKE of California. Mr. Chairman, a decade ago, President Lyndon Johnson declared this Nation's war on poverty, with its noble—and uniquely American—goal of extending justice and dignity for all.

Congress acted expeditiously to create the Office of Economic Opportunity and charged it with leading the attack on the hunger, poverty, and ignorance which then shackled some 36 million citizens.

In 1966–67, Congress amended the Economic Opportunity Act to earmark funds for eight "national emphasis programs" to be operated by Community Action Agencies. More than 185,000 people are currently employed by programs conducted by CAA. Some of these programs are Head Start, manpower training, health services, legal services, food distribution, and transportation programs.

Of these 185,000 people, 51 percent, or 94,375, were previously unemployed or received public assistance. Some 11 million people have been served by CAA programs, and for each salary of $5,000, $13,000 of economic activity was generated at the local level.

Now, unless Congress acts on H.R. 14449, the Economic Opportunity Amendments of 1974, OEO and all that it has symbolized will die forever with the expiration of the Economic Opportunity Act. The administration has requested only phaseout funding for OEO in the next fiscal year, and nothing at all for its major remaining weapon, the Community Action program.

I think that it is clear that most local communities cannot meet the costs necessary to continue the programs Community Action Agencies presently administer, even with the use of general revenue sharing funds. If local communities or States do pick up the funding for some of these programs, obviously it will not be in the amounts equaling previous years.

In Los Angeles as a result of Community Action, we have enjoyed such outstanding aid programs as community health centers, child centers, drug abuse, and the Indian free center. These have been invaluable.

While the antipoverty program's traditional defenders have been liberal Democrats, support from entirely new directions has been recorded. Alabama's Governor George Wallace is for it; so are Representatives WILLIAM JENNINGS BRYAN DORN, of South Carolina, and Indianapolis' Republican Mayor Richard Lugar, to name just a few new friends. Forty-nine of the Nation's Governors and hundreds of its mayors want this humane program to continue.

The reasons for their support are simple. Community Action Agencies have proven to be inexpensive, effective methods of administering Federal, State, and local programs which now reach an estimated 12 million poor, black and white, include large numbers of children and the aged.

Community Action Agencies are also providing another valuable service to State and local officials. When the poor have a grievance, they are now much more likely to turn to their local Community Action Agency for help, rather than march on city hall.

H.R. 14449, makes good sense to me. The measure includes funding, not only for Community Action, but for Head Start, Follow Through, emergency food, help for Indians, migrants, the elderly, and other programs which started in OEO, but which are now scattered in other Federal agencies.

I hope that Congress will not neglect this opportunity to protect the interests of the poor, minorities, the disadvantaged, and the American people in general.

If the OEO antipoverty programs are permitted to falter and die at this point, the strength and impetus a strong federally coordinated and funded program can offer will be lost, and the weight of responsibility will be shifted to State and local governments which, already overburdened with competing demands for limited funds, will be ill-prepared to continue it.

Helping people to help themselves is always a sound way to spend tax dollars. The Nation gave its word to the poor 10 years ago. We should not renege on that word now.

Mr. MOAKLEY. Mr. Chairman, I rise in support of the Community Services Act of 1974, and I urge the House to pass it without any weakening amendments. Even though I oppose the Nixon administration's attempts to dismantle the Office of Economic Opportunity, I urge you to support this bill, because it is crucial that we save the programs that are now part of OEO.

The amendments proposed would destroy this bill. The essence of the new plan is to have a Community Action Administration within the Department of Health, Education, and Welfare. We must not allow these provisions to be eliminated.

We must also reject any effort to recognize only States and municipalities as prime sponsors. In my own city of Boston, the organization, Action for Boston Community Development (ABCD) has been working for years, effectively implementing OEO programs. We must not turn their responsibilities over to politicians who are less familiar with the intricacies involved.

This bill would provide continued support for such important programs as Head Start, Follow Through, and senior opportunities and services as well as community action and economic development programs. These programs are at the heart of our effort to rejuvenate our Nation's cities. We must not let them die.

I urge you to consider the effect of eliminating these programs. In the city of Boston, it would mean a loss of $14 million in funds for antipoverty programs. This would be disastrous. Equally hard hit would be every city and large town in America.

I urge my colleagues to reaffirm Congress commitment to saving our Nation's cities and helping Americans who are trying to pull themselves out of the rut of poverty.

Mr. FISHER. Mr. Chairman, the pending bill, which prolongs many of the services of the Office of Economic Opportunity, should be defeated. The measure calls for expenditure of $1.2 billion during the next fiscal year, an additional $150,000 the following year, and $1,300,500,000 in 1977. That adds up to a total of more than $3.5 billion over a 3-year period.

What programs would be financed? There are 12 different categories listed. They include $330 million annually for "local initiative," presumably Community Action programs. Another is for legal services, up to $100 million in 1977. There is $40 million per year for "community economic development," $22 million annually for "human services policy research," incentive grants of $50 million, up to $43 million for "Native American program," and a variety of others.

A good many of these are obvious duplications of similar projects now financed by other agencies. There are 900 Community Action programs to be continued, with 80 percent of these CAA funds going to pay salaries of staff members.

It would appear that those who are poverty stricken actually receive but a limited amount of benefits from these expenditures. Take legal services for the poor, for example. A former Director of OEO recently revealed that under the banner of "legal aid for the poor" funds were used to subsidize a wide-ranging liberal agenda for social change. It is used to finance a nationwide network of nearly 3,000 attorneys and others to support lawyers who use it to finance litigation for almost any purpose under the Sun.

Here are a few of the purposes for which this tax money is being expended:

A class action attack on the U.S. Postal Service for refusing to hire persons with histories of illegal drug abuse.

A suit against OMB, challenging the President's impoundment of funds for environmental programs.

A Supreme Court appeal insisting on the right of an unmarried minor to obtain contraceptives.

A Pennsylvania suit challenging the detention of a convicted felon accused of committing an additional crime while free on bail.

A Miami case arguing that seizure of an automobile by the U.S. Customs in connection with an allegation of illegal possession of drugs violated the plaintiff's right to due process.

A class action demanding that an Iowa statute prohibiting the civil service employment of convicted felons to be set aside.

A Missouri suit questioning the transfer to adult court jurisdiction of a minor charged with four counts of murder.

A West Virginia case demanding that the warden of the State prison show cause why a prisoner should be denied his liberty before assigning the prisoner to solitary confinement.

Scores and scores of other lawsuits could be cited, all equally ludicrous and equally as unrelated to the war on poverty.

In fact, the Congress has been extremely derelict by granting blank check authority to the OEO to use tax money for almost any purpose it might choose, whether or not related to the war on poverty. And it appears OEO has taken full advantage of that privilege.

Another good example of wasteful spending by that agency was recently revealed when it was disclosed that OEO has used vast amounts of antipoverty money to hire lobbyists for the purpose of bringing pressure on Congress to approve the legislation we are now considering. On May 11, 1974, the local paper reported OEO had employed former Congressman William Cramer as their chief lobbyist—with an antipoverty fee of $25,000 per month.

The same news article stated that OEO and CAP employees—180,000 of them across the Nation—have organized a lobbying campaign which may spend as much as $250,000, a war chest collected from their dues checkoffs and contributions.

Mr. Chairman, how long will this type of profligate spending of tax money be tolerated? If the Congress wants to improve its public image, now reported at a low level, here would seem to be a good place to help restore public confidence. There has been around $15 billion expended on this war on poverty. Those programs that are actually useful and beneficial can be transferred to other agencies, but this would be a relatively small part of the entire package.

Mr. RANDALL. Mr. Chairman, I rise in support of H.R. 14449, the Community Service Act of 1974.

Mr. Chairman, as I read the different titles of this bill, I enthusiastically support this legislation because it eliminates some of the most objectionable provisions of the old law and provides many programs that we need today.

Who can forget the efforts of the administration to attempt to dismantle OEO in 1973 without the prior approval of the Congress. Remember old Howy Phillips and his group that was known as the wrecking crew that moved in with the intent and purpose of completely wrecking all of the programs administered by the Office of Economic Opportunity. But, fortunately, this effort was halted by court action, and I might add that the court action was initiated by an agency in our own congressional district in west central Missouri.

As we all know, the 1-year extension of OEO and its programs are due to expire on June 30, 1974. It is quite a deadline that must be met because the other body has not yet commenced to act. But hopefully the example we set here today by the overwhelming approval of H.R. 14449 will occasion prompt action by the other body.

The bill establishes a Community Action Administration within the Department of Health, Education, and Welfare to administer community action programs. There is a sensible definition of the level of poverty reflecting the Orshansky poverty index as determined by the 1970 census. There are so many good features of this new legislation that they far overshadow any possible deficiencies. Basic and fundamental are the community action programs. These include community food and nutrition programs. Who could possibly oppose the senior opportunities services which are a part of this enactment? Then there is provision for rural housing development and rural loan programs. Provision is made for the extension of Head Start and Follow Through.

Mr. Chairman, I took a very dim view of the poverty program during the first year or two of its existence because all of the funding was directed toward the ghetto areas to the complete exclusion of the rural areas. Actually during those first few years all the rural areas were able to receive were a few crumbs that fell off the table. Today it is different. Today there are some workable and effective rural programs in operation.

Before I conclude these brief remarks I wish to pay tribute to the program administered by the West Central Missouri Rural Development Corp. Its director, Charles Braithwait, has been responsible for many accomplishments of that corporation. He deserves the credit which he has justly earned as a leader in a whole series of programs that have improved the well-being not only of the youth but also those in the lower income brackets and the senior citizens in several counties of west central Missouri in which the corporation he heads operates.

There may be those who prefer to remain adamantly opposed to the concept of the poverty program. The best remedy for this kind of opposition in my judgment is to see the good which has been accomplished by west central and the changes for the better that have been made in the rural areas which it embraces.

In order for these programs to be carried on, is good enough reason for me to support H.R. 14449.

Mr. PODELL. Mr. Chairman, there has been much storm and fury over the proposal before us today, to continue the OEO Community Action programs in a new agency as part of the Department of Health, Education, and Welfare.

I was appalled, although not really surprised, when President Nixon and his hatchetman, Howard Phillips, attempted to subvert the law of the land by ending OEO without congressional approval. Fortunately the courts soon put a stop to these illegal antics.

But Howard Phillips has not given up. He is still on his one-man vendetta against the poor. I have received mail from his organization, as I am sure all of my colleagues have, that details a list of reasons why we should vote against H.R. 14449, and why such a vote would not harm poor people.

The only thing I can say to Mr. Phillips is that I have seen CAPS in action, and I know that they work.

In my district there is an area known as Coney Island, which has become what is popularly known as a poverty pocket. Had it not been for a Community Action program in Coney Island, it would have become a disaster area.

But because there was an OEO and a Community Action program, there have been programs set up that are training people for jobs, providing day care and Head Start services, giving impoverished elderly people the life-giving combination of food and companionship, and carrying on a wide-ranging program of services that are breathing new life into an area once given up for dead. Coney Island is only one of many CAP's in New York City and throughout the country that prove Howard Phillips is wrong.

I know that CAP's work, and I want to see them keep on working. That is why I support the passage of H.R. 14449 without any weakening amendments.

When this country officially declared a war on poverty 9 years ago, it was greeted as the dawn of a new age, an age in which everyone who wanted to work or go to school would be given a chance to do so. It was to be the beginning of a program that would end poverty in our lifetime, a massive social experiment dedicated to improving the quality of life for everyone in this country.

Since those first days, we have learned much. The primary lesson has been that it is not easy to wipe out generations of neglect, poor education, poor nutrition, rundown housing, and all the other ills that go hand in hand with being poor, overnight, or even in the space of a decade.

It takes time and it takes money. It also takes a realization that for every dollar we spend now we will see returns in a better educated, fully employed, decently housed populace that will amply repay our present investments.

I do not think that we should end the program, or weaken it in the name of the "new federalism," because there have been some failures. How many boondoggles have we heard of in the Defense Department. How many weapons projects are obsolete before they are completed? How many gentlemen farmers are we supporting through our agricultural subsidy programs? And yet we continue to fund these programs at higher and higher levels each year. Why should we expect the poor to conform to a higher standard of achievement and conduct than we set for other recipients of Federal money? Such an attitude borders on the unconscionable.

The bill before us now is, in my opinion, a great improvement over the original OEO legislation. For the first time, there is an explicit commitment to meeting the needs of the elderly poor, and giving them an active voice in CAP activities and programs. The bill also recognizes that there are many poor people who live outside designated poverty areas, but who still need the kind of assistance this legislation can provide, and it makes provisions to see to it that these people get the help they need. Both of these provisions indicate that the new Community Action Administration will be far more flexible and innovative than OEO was, and I look forward to seeing this Administration set up in the near future.

I would like to see this legislation enacted not only because there are a large number of people in my district who would benefit greatly from it. I want to see it become law because this Nation cannot afford to have a class of people who are permanently poor and undereducated. We cannot afford it if we are genuinely concerned about our continued economic growth and if we are genuine committed to the principle of equality for all.

I do not buy the arguments that the new Community Action Administration would pose a threat to the structure of the executive branch. I do not buy the arguments of those who say that CAP's should only be responsible to State goverments, particularly when there are a number of State governments known for their hostility to CAP's.

The only arguments I will buy are those that say that the Community Action Administration is a good way to continue worthwhile programs that have made considerable headway in reducing poverty in the United States.

We made a commitment nearly a decade ago, and people all over this Nation are looking to us to renew that commitment. We should not let their pleas go unanswered. To do so would be to condemn millions of people to lives of poverty and despair. We would give these people the answer they want and deserve, that we support H.R. 14449, and that we want to see community action programs continued because we know that they do work.

The CHAIRMAN. If there are no further amendments, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WHITE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 14449) to provide for the mobilization of community development and assistance services and to establish a Community Action Administration in the Department of Health, Education, and Welfare to administer such programs, pursuant to House Resolution 1140, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted in the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ASHBROOK. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. ASHBROOK moves to recommit the bill H.R. 14449 to the Committee on Education and Labor.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. CLAY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 331, nays 53, not voting 49, as follows:

[Roll No. 251]

YEAS—331

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Armstrong
Ashley
Aspin
Badillo
Bafalis
Barrett
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Butler
Byron
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cohen
Collins, Ill.
Conable
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Davis, Wis.
Delaney
Dellenback
Dellums
Denholm
Dent
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Flood
Flowers
Ford
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Harrington
Harsha
Hastings
Hawkins
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Hudnut
Hungate
Hunt
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
King
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
Luken
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
Owens
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Rosenthal
Roush
Roy
Roybal
Runnels
Ruppe
St Germain
Sandman
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Staggers
Stanton, J. William
Stark
Steed
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waldie
Walsh
Wampler
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zwach

NAYS—53

Archer
Ashbrook
Baker
Bauman
Beard
Blackburn
Broyhill, Va.
Burleson, Tex.
Clancy
Clawson, Del
Cochran
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Dennis
Derwinski
Devine
Fisher
Flynt
Goodling
Gross
Haley
Huber
Kemp
Landgrebe
Lott
Mathis, Ga.
Mizell
Moorhead, Calif.
Parris
Powell, Ohio
Price, Tex.
Rarick
Roberts
Robinson, Va.
Rousselot
Ruth
Satterfield
Scherle
Schneebeli
Sebelius
Shuster
Snyder
Spence
Steiger, Ariz.
Symms
Teague
Treen
Ware
Young, S.C.
Zion

NOT VOTING—49

Arends
Bevill
Blatnik
Breaux
Broyhill, N.C.
Buchanan
Burton
Camp
Collier
Danielson
de la Garza
Findley
Foley
Gibbons
Goldwater
Green, Oreg.
Hansen, Idaho
Hansen, Wash.
Hays
Helstoski
Hinshaw
Howard
Hutchinson
Johnson, Colo.
Karth
Ketchum
McCloskey
McSpadden
Martin, Nebr.
Michel
Murphy, N.Y.
O'Neill
Passman
Pettis
Podell
Reid
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Ryan
Smith, Iowa
Stanton, James V.
Stubblefield
Thompson, N.J.
Vander Jagt
Veysey
Waggonner
Wilson, Charles, Tex.
Young, Ill.

So the bill was passed.

The Clerk announced the following pairs:

Mr. Thompson of New Jersey with Mr. Blatnik.

Mr. Rostenkowski with Mr. Breaux.

Mr. Rooney of Pennsylvania with Mrs. Green of Oregon.

Mr. Rooney of New York with Mrs. Hansen of Washington.

Mr. Howard with Mr. Ryan.

Mr. Karth with Mr. Arends.

Mr. Stubblefield with Mr. Martin of Nebraska.

Mr. Waggonner with Mr. Broyhill of North Carolina.

Mr. O'Neill with Mr. Michel.

Mr. Murphy of New York with Mr. Findley.

Mr. de la Garza with Mr. Buchanan.

Mr. James V. Stanton with Mr. Hansen of Idaho.

Mr. Podell with Mr. McCloskey.

Mr. Hays with Mr. Goldwater.

Mr. Burton with Mr. Camp.

Mr Helstoski with Mr. Vander Jagt.

Mr. Bevill with Mr. Hinshaw.

Mr. Foley with Mr. Collier.

Mr. Danielson with Mr. Hutchinson.

Mr. Gibbons with Mr. Pettis.

Mr. McSpadden with Mr. Charles Wilson of Texas.

Mr. Smith of Iowa with Mr. Young of Illinois.

Mr. Reid with Mr. Passman.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. BREAUX. Mr. Speaker, I was unable to be present yesterday on rollcall 251 on the Community Services Act. Had I been present I would have cast my vote for the passage of the bill.

Mr. Speaker, I ask unanimous consent that my statement appear in the permanent Record immediately following the rollcall.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

PERMISSION TO MAKE CLERICAL AND CONFORMING CHANGES IN H.R. 14449

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill H.R. 14449 the Clerk be authorized to make clerical and conforming changes in punctuation, section and title numbers, cross-references, and the table of contents to reflect the amendments of the committee.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and include extraneous matter on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ELECTION TO COMMITTEES

Mrs. GRIFFITHS. Mr. Speaker, on behalf of the gentleman from Arkansas (Mr. Mills) I offer a privileged resolution (H. Res. 1150) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1150

Resolved, That Bob Traxler, of Michigan, be, and he is hereby, elected to the standing committees of the House of Representatives on Public Works and Post Office and Civil Service.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 13678, TO AMEND NATIONAL LABOR RELATIONS ACT

Mr. PEPPER, from the Committee on Rules, reported the following privileged resolution (H. Res. 1151, Rept. No. 93–1067) which was referred to the House Calendar and ordered to be printed:

H. Res. 1151

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13678) to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 13678, the Committee on Education and Labor shall be discharged from the further consideration of the bill S. 3203, and it shall then be in order to consider the said Senate bill in the House.

PROVIDING FOR CONSIDERATION OF H.R. 14747, TO AMEND SUGAR ACT OF 1948, AS AMENDED

Mr. PEPPER, from the Committee on Rules, reported the following privileged resolution (H. Res. 1152, Rept. No. 93–1068) which was referred to the House Calendar and ordered to be printed:

H. Res. 1152

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14747) to amend the Sugar Act of 1948, as amended. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

HOPI-NAVAJO LAND PARTITION

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1095 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1095

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10337) to authorize the partition of the surface rights in the joint use area of the 1882 Executive Order Hopi Reservation and the surface and subsurface rights in the 1934 Navajo Reservation between the Hopi and Navajo Tribes, to provide for allotments to certain Paiute Indians, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. McFall). The gentleman from Florida is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the able gentleman from California (Mr. Del Clawson), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1095 provides for an open rule with 2 hours of general debate on H.R. 10337, a bill to settle a land dispute between the Hopi and Navajo Indian Tribes.

House Resolution 1095 provides that it shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs now printed in the bill as an original bill for the purpose of amendment.

H.R. 10337 partitions lands in which the Navajo and Hopi Indian Tribes have joint, undivided, and equal interests. The bill provides that the U.S. District Court for the District of Arizona shall partition the surface of the estate area between the Hopi and Navajo Indian Tribes.

H.R. 10337 partitions the Hopi interest in the 1934 Navajo Reservation by describing an area of exclusive Hopi interest around the village of Moencopi including approximately 234,000 acres. The bill provides that members of the Navajo Tribe residing on lands which are or will be partitioned to the Hopi shall be removed from such lands over a 5-year period. A total of $28 million is authorized for appropriation to pay the costs of such removal.

Mr. Speaker, I urge the adoption of House Resolution 1095 in order that we may discuss H.R. 10337.

Mr. DEL CLAWSON. Mr. Speaker, House Resolution 1095, as explained, provides for the consideration of H.R. 10337, Settlement of Dispute Between Hopi and Navajo Indian Tribes, under an open rule with 2 hours of general debate. In addition, the rule makes the committee substitute in order as an original bill for the purpose of amendment.

The purpose of H.R. 10337 is to partition lands in which the Navajo and Hopi Indian Tribes have joint interests and provide for the resolution of related issues.

A problem has arisen because the two tribes are unable to use the land jointly in harmony.

This bill authorizes the U.S. District Court for the District of Arizona to partition one joint-use area equally between the tribes.

Regarding a second disputed area, a specified partition is provided in the bill, with special allotments made to a few Paiute Indians settled in the area.

It is estimated that from 6,000 to 8,000 persons may be required to be moved by the bill. The United States will be required to purchase the habitations and improvements of Indians required to move. Moving expenses plus relocation assistance will also be paid. The bill authorizes $28,800,000 for relocation and $300,000 for the cost of surveying and making boundaries as partitioned.

Mr. Speaker, the rule is open, and I recommend its adoption.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. DEL CLAWSON. I will be happy to yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I rise for the purpose of asking whoever might be appropriate what the program is for this evening and whether we intend to finish this legislation and debate under the rule tonight. I just want to know what the program is for this evening.

Mr. PEPPER. Mr. Speaker, my information from the distinguished chairman of the Committee on Interior and Insular Affairs is that when the rule is adopted, he does propose to take up the bill.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman.

Mr. DEL CLAWSON. Mr. Speaker, I have no further requests for time.

Mr. PEPPER. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. MEEDS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10337) to authorize the partition of the surface rights in the joint-use area of the 1882 Executive Order Hopi Reservation and the surface and subsurface rights in the 1934 Navajo Reservation between the Hopi and Navajo Tribes, to provide for allotments to certain Paiute Indians, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Washington (Mr. Meeds).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10377) with Mr. White in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Washington (Mr. Meeds) will be recognized for 1 hour, and the gentleman from Ohio (Mr. Regula) will be recognized for 1 hour.

The Chair recognizes the gentleman from Washington (Mr. Meeds).

Mr. MEEDS. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, this is the third time on the floor of the House that we have considered what some of us have described in the past as the largest and most vexing quiet-title action in the West, the dispute between the Navajos and Hopis regarding a substantial piece of real estate in Arizona.

By way of background, I have a map here which I will use to illustrate the subject matter of this presentation.

It should be noted the Hopi Indians were first recorded as being in the general area described here in the white portion as early as A.D. 1300.

The Hopi Indians are a village Indian or pueblo Indian. They live in pueblos on tops of the mesas. They till the soil at the bottom of the mesas, and some graze sheep and other flocks. There are about 6,000 Hopi Indians, most of whom are living in some villages or pueblos located generally in the middle of the area in white and in the area shaded green up on the right hand side.

Mr. Chairman, they do not use as much land as their neighbors, the Navajo, who are a different type of people inasmuch as they are somewhat seminomadic. They graze large flocks of sheep and horses. They live in family or kinship groups. A daughter or son marries, children come, and they often move about in these entire groups.

Mr. Chairman, while there are only 6,000 Hopi Indians, there are some 130,000 Navajo Indians.

The Navajos today have a reservation consisting of 13 million acres in Arizona, Utah, and New Mexico, which completely surrounds all the area we are here discussing, all of the shaded areas on this map.

In 1882, after encroachment by the Navajos on lands which the Hopis had traditionally claimed and after encroachment by white settlers, an Executive order was signed which set aside some 2,272,095 acres. That is the area covered here on the map, completely surrounded by orange. This entire block constitutes about 2,500,000 acres. It was set aside for "the Hopi Indians and such other Indians as the Secretary of the Interior may see fit to settle thereon."

Even after the set-aside, however, the Navajos continued to encroach upon the land which was set aside, and again, because of their nomadic habits and because of the very arid nature of this land, it is necessary, in order to graze any stock, to provide a vast number of acres per animal grazed.

Elsewhere, of course, the Navajos continued to have more and more land added to their reservation, in and around it.

So the encroachment by the Navajos constituted a very substantial problem to the Hopis, and it was a constant point of friction almost from the outset of the 1882 Executive order.

However, the Secretary of Interior and the Commissioner of Indian Affairs, who under the original provision had the power to locate other Indians thereon, continued to allow the Navajos to encroach and indeed, in many instances, provided grazing permits and took other action which indicated their total agreement, or at least their tacit agreement, with the Navajo coming into the area.

However, Mr. Chairman, friction increased to the point that in 1958, at the urging of the Hopi Indians, the Congress passed legislation which authorized a three-judge district court in Arizona to adjudicate the conflicting tribal claims. In the case which resulted from that, Healing against Jones, which was handed down in 1962, the court made four major findings.

First of all, the court held that neither tribe had obtained vested rights in the Executive order land under the Executive order, but that those rights were vested by the Congress in the 1958 authorizing legislation.

The court held, second, that by the 1943 action of establishing a grazing district for the exclusive use of the Hopis the Secretary had, in fact, created that for the Hopis exclusively. That is the area outlined here on the map in white.

Third, because of other executive actions, the Secretary had impliedly—and the Members will recall I talked about the grazing permits and other actions—settled the Navajo in the entire 1882 area, with the exception of the exclusive use area in the middle;

And fourth, that the two tribes had a joint undivided interest in all of the 1882 land, all of this area except for that part in white.

Then the court went on to say that it lacked the jurisdiction to partition, to actually divide the land among the two tribes, and so it gave them a joint undivided interest in the land.

This is somewhat like telling the Palestinians and the Jewish people that they have a joint undivided interest in Palestine. A substantial controversy has raged ever since.

Now, the present fact is that with the exception of the area in white, the district 6 area, the Navajo are almost entirely occupying the rest of the joint use area.

They are refusing, in many ways, to permit Hopi use. There is a supplemental proceeding under the case of Healing against Jones to get them out and reduce their stock and a number of other things, but these things have not been overly successful. So the matter was brought to the Congress first about 1970 and we began to hold hearings and look into it.

In 1971 the House of Representatives passed a bill sponsored by the gentleman from Arizona (Mr. STEIGER), which did about what we see on the map here. First of all, it set aside this area in district 6 totally for the Hopis. Then it divided it so that the Navajo got the area which is in orange here. The Hopi were given the area in blue and also an additional area over here called the Moencopi area, which is approximately 243,000 acres. That was set aside under that bill for the Hopis also.

The Moencopi area presents a little different problem. At the time in 1882 when this big piece was set aside, this area on the righthand side was not Navajo reserve but was set aside after 1882 and, indeed, I think in 1934 for the Navajo and "and such other Indians as may already be located thereon."

You notice the difference. One is prospective on the 1882 land and the other was immediate as to those who were located there at the time the reservation was set aside.

So the Navajos in this dispute contend, "yes; it is proper for the Hopis to be in that area but only those who lived there at the time of the set-aside in 1934 or the descendants of those Hopis who lived there." They contend that it is approximately only 35,000 acres to which the Hopi are totally entitled.

Other aspects of the Steiger bill were to move the Navajo families who were to move in 5 years and the Hopis who were to move within 2 years. Joint use and control of the subsurface and compensation for moving and a number of other things were included.

The House passed the Steiger of Arizona bill, but the other body did not, so it died with the 92d Congress.

In the 93d Congress we commenced hearings again because, as you can well realize, this is a tremendously volatile problem in the area. One of the first pieces of business we undertook in the 93d Congress was to hold hearings and investigation of this matter. We went to the joint use area and talked to those residing therein. We took the legislation to the committee, and in the subcommittee markup a bill by the gentleman from Utah (Mr. OWENS) called the Owens bill, was substituted for the Steiger of Arizona bill and it carried in the subcommittee and the full committee.

The Owens bill—and the gentleman from Utah is amply qualified to explain his own bill, and I do not intend to go into it very deeply—generally simply conferred jurisdiction on the three-judge court in supplementary proceedings in Healing against Jones to do what the court said it did not have the authority to do initially, that is, to partition the joint use area as between the Hopis and the Navajos. So the Owens bill says to the court, "You partition it." It then lays down a number of criteria which most of us who have studied it feel dictate the boundaries that you see in the Steiger bill or something approximating that.

Besides the requirement of the Owens bill that the joint-use area land be divided equally, it also set aside for the Hopi the Moencopi area, and makes it contiguous to the 1882 joint-use area. It provides for moving Navajo and Hopi families; 5 years for the Navajo and 2 years for the Hopi families. It provides $28 million in moving and relocation payments to those people who are dispossessed.

It provides for accountings. It provides for the joint use of the subsurface as the Steiger bill did.

If the Members think there is a controversy in Arizona about the Navajo and Hopi bill, there is also a controversy in the House Committee on Interior and Insular Affairs. The original Owens bill carried in the subcommittee by 1 vote. The bill in the full committee came out on a tie vote, because the substitute failed to carry on a tie. And the bill before us was defeated on the floor of the House not too long ago under suspension of the rules, in which it was not possible to offer any amendments.

This is a complicated and deeply emotional issue. Both tribes consider the land to be theirs, and I think with some justification. I personally have been involved for 3 years in this dispute, and I have become convinced that if we can require them to settle the matter themselves we will be much better off, because I think they are much more apt to live by a decision which they themselves make than one which is imposed from without.

For that reason, in the subcommittee and in the full committee, I proposed a substitute which I would call a negotiation-arbitration proposal, under which both sides will negotiate and make their last best offer. Arbitrators would select one of the offers, and that would be the settlement in the event the tribes could not negotiate their own settlement.

That was defeated in the subcommittee, and failed on a tie vote in the full committee. And I will, when we get into the amending stage—and I am, as I am sure the Members can appreciate, in a somewhat delicate position on this.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MEEDS. Mr. Chairman, I yield 3 additional minutes.

Mr. Chairman, as I started to say, I will propose a substitute at the end of the consideration of the Owens bill. I think the gentleman from Utah (Mr. OWENS) should have every opportunity to completely develop his bill. I understand the gentleman has a couple of amendments to offer. At the end of that time I will propose a substitute, which is a compromise of 180 days, during which the two sides will negotiate. After which, if they cannot reach an agreement, three arbitrators, who are initially appointed by the court and who at the beginning are first mediators, then will become arbitrators, and they, within 60 days, will reach their decision. The decision will be submitted to the Attorney General for clarifying and for technical changes, if they are necessary, and then will be presented to both Houses of the Congress.

After 60 days, if neither House of the Congress disapproves of the decree of the arbitrators, then the decree of the arbitrators will become the law, and the settlement between the two tribes.

I think the basic thrust of this substitute is to get the parties to settle it themselves.

Again, emotions are very high, and if their leaders tell them, "This is what we have agreed to," I think they are much more apt to abide by it than if we impose it from without.

There are other things in the bill. It provides for obtaining more land, and for paying for that land out of royalties which they are presently receiving from coal reserves in the area. The advantaged tribe would have to pay from its share of the royalties. There is a provision for borrowing from the Federal Government, but that money must be paid back from those royalties.

The absolute aspect is what I think makes it workable, because it has that requirement that if they did not reach an agreement that a final agreement will be imposed.

I am convinced that we owe it to ourselves and to all of the parties involved to try to get them to settle it first. We owe it to ourselves to take this additional time to do that. Because of the failure of this Government for many, many years to make some very tough decisions, it is now our lot to have to make those tough decisions. Those decisions cannot now be made without serious and painful and traumatic events to these people, but time itself will merely make the seriousness and the trauma worse in the years ahead. So it is very important that we make a decision and that we make it in these proceedings.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MEEDS. Mr. Chairman, I yield myself 1 additional minute.

If it be the decision of this House that we do not vote the substitute which I will place before the body, it is my intention to support what this House does, because I think the most important thing is that we do something now and not let it continue to drag on as it has in the past.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I yield such time as he may consume to the gentleman from Florida.

Mr. HALEY. I thank the gentleman for yielding.

Mr. Chairman, I might call attention to the fact that while the gentleman from Washington states that he has been involved in this for 3 years, I believe he said, I have been involved in it 22 years, so I think I know a little bit about what the situation is.

Mr. Chairman, I want to make my position clear beyond any question or doubt. I also want to point out and to emphasize strongly that the position I am stating was adopted by the full Committee on Interior and Insular Affairs this year, and that substantially the same position was enacted by the House in the last Congress, but not in time to be passed by the other body.

There is only one major issue. That issue is whether the Hopi tribe should be forced by legislation to sell to the Navajo tribe a portion of the Hopi lands against the wishes of the Hopi Tribe.

The Hopi Tribe and the Navajo Tribe

have for many years disputed the ownership of an 1882 reservation. After all efforts to persuade the two tribes to negotiate an agreement had failed, Congress passed a law in 1958 authorizing the tribes to litigate the issue in the courts. The case was tried in a special three-judge court and affirmed by the U.S. Supreme Court.

The Court decided that the two tribes have an equal undivided interest in about 1,800,000 acres of land. This is called the joint-use area. The Navajo Tribe has defied the Court's decision, however, and has refused to allow the Hopis to make any use of the joint-use area. The Hopi Tribe owns a half interest in that land and the Court has said that the tribe has a right to use half of the land. The Navajos have by force prevented them from doing so, and are now in court under a petition for contempt of court.

The bill reported by the Interior and Insular Affairs Committee would carry out the Supreme Court's decision by partitioning the land and by adding half of it to the Hopi reservation and half of it to the Navajo reservation. This is the only fair procedure. Congress authorized the two tribes to go to court in 1958 to have their rights judicially determined. The courts did so, and made a final decision. The Navajos, however, refuse to recognize the rights of the Hopis and insist that the Hopis sell their undivided half interest to the Navajos. The Hopis are unwilling to do this, and Congress should not now force them to do so.

This is the central issue. Should Congress now, at this late date, undo what it asked the Supreme Court to decide? The bill reported by both the subcommittee on Indian affairs and by the full Committee on Interior and Insular Affairs would carry out the Court's decision. The substitute bill which the gentleman from Washington (Mr. MEEDS) offered in committee was defeated.

Substantially the same substitute bill will be offered today. It should be soundly defeated again. After all of the unnecessary language of the substitute bill is cleared away, the central provision of the substitute would remain. A board of arbitrators could undo the decision of the Supreme Court, which considered the equities in great detail, and force the Hopi Tribe to sell its half-interest in the land. This would be a travesty on justice.

This is not the place to review the equities. The courts have decided those equities, giving half of the disputed joint-use area to the Hopi Tribe and half of it to the Navajo Tribe. The rights of the two tribes are fixed. Congress should not take the Hopi land away from them and sell it to the Navajo Tribe over the strenuous objection of the Hopi Tribe.

Mr. Chairman and members of the committee, I would rather see the full committee bill fail, instead of be enacted in the form of the proposed substitute. I hope, however, that the proposed substitute will be defeated and that the committee bill will be passed. I urge my colleagues to vote against the proposed substitute. I would rather have no bill at all, than lend any support to a substitute that is so unfair to a small tribe that has, in effect, been invaded by another tribe 20 times as large. Vote against the substitute bill when it is offered, and vote for the full committee bill.

I might say, Mr. Chairman, I think this is a fair bill. I think we have no right now to tell the Hopi tribe, who love their land and want to keep it, and I think neither this Congress nor any other Congress has any right to force them to sell land that traditionally they have been on since the 1500's.

I thank the gentleman for yielding.

Mr. REGULA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I will not take much time on this. We have others who want to speak to the bill. I would point out that this Congress has passed many bills and appropriated large sums of money to achieve justice as between the United States of America and Indian tribes. This bill today provides an opportunity for this body to achieve justice between Indians and Indians. Earlier this afternoon we passed legislation by an overwhelming vote to help the poor and the weak to achieve an element of justice in terms of participating in our society. In the bill before us we are being asked to help a weak tribe achieve equity in protecting their property rights as against the stronger tribe. Passage of this bill will achieve that justice for a tribe which is being overwhelmed by the superior numbers of the Navajo tribe.

Mr. Chairman, this bill concerns a problem that has dragged on for nearly 100 years and badly needs a solution. Unless Congress provides that solution, there will certainly be more violence between the Hopi and Navajo Tribes.

Violence and bloodshed have already occurred, and my only interest as a member of the Indian Affairs Subcommittee is in achieving a fair and equitable arrangement that will settle the argument over this land.

The bill before us is a modified version of a bill that passed this House in 1972 as H.R. 11128. That bill died in the other body. The Senator from Arizona (Mr. GOLDWATER) testified in the House hearings in support of this bill during this session. I believe we have before us the most viable, workable, and passable bill that we can get on this thorny issue.

The gentleman from Florida and the gentleman from Washington have very ably described the bill in detail. I would only add, Mr. Chairman, that time is of the essence and we should resolve this matter promptly if justice is to be achieved for the Hopi Tribe.

The basic facts are clear. The Navajos use almost 100 percent of the disputed land even though the courts have ruled that 50 percent belongs to the Hopis.

But the Navajos, a stronger, more aggressive tribe, will not permit the Hopis to use or occupy their 50 percent. This bill if passed by Congress directs the same court that awarded 50 percent of the land to the Hopis in law to now go one step further and award 50 percent to the Hopis in fact.

Legal title without the ability to use or to occupy the land is no ownership. The Hopis obtained a court order that instructed the Navajos to grant them the use and occupancy to which they are legally entitled. That court order is difficult to implement because it does not spell out specific boundaries. This bill directs the court to establish those boundaries and it goes one step farther: It sets forth clear guidelines that the court must follow in establishing those boundaries.

The guidelines were well thought out in subcommittee and in committee. They do all that is humanly possible to avoid disruption of Navajo homes and moving large numbers of Navajo people.

The bill does not suggest that the court avoid large concentrations of Navajo people in drawing the boundary lines. It orders the court to avoid large concentrations of Navajo people.

If I have any reservation about this bill, Mr. Chairman, it would be with the fact that the bill does not spell out precisely where the displaced Navajo families should be located. However, I would point out that none of our laws on illegal occupancy contain any such provisions.

This bill recognizes that certain Navajos are illegally occupying land that belongs to the Hopis and it orders them to vacate that land. This is precisely what a court would do if any individual illegally occupied land belonging to another. In recognition of the Federal Government's unique relationship with and responsibility for Indian people, this bill does for the Navajos what no court would normally ever do for an individual in the same circumstances: It orders the Federal Government to pay not only the moving expenses but also the cost of relocating and building new homes for these people.

The fact that all mineral royalties received from the land jointly owned by the Navajos and Hopis have been divided equally between the two tribes without objection by the Navajos is a de facto recognition by the Navajos that ownership between the tribes is on a 50-50 basis and yet the Navajos are presently depriving the Hopis of their surface rights.

Mr. Chairman, far from being harsh and unhumanitarian toward the Navajos, this bill is extremely generous. It is a fair bill and a humanitarian bill, a just bill and a very necessary bill if we are to settle this intertribal matter without further violence between the tribes. I urge my colleagues to support its passage.

Mr. Chairman, at this time I yield as much time as he may consume to the distinguished gentleman from Arizona.

Mr. STEIGER of Arizona. Mr. Chairman, I will be pleased to note that we are not going to go through the entire history again. I think the gentleman from Washington did an excellent job in describing the problems. I suspect that everybody here are the wrong people to speak to, anyway, and none of us are going to read the Record and I do not want to bore anybody.

I suspect the Members are as familiar as anybody in the House with this, which unfortunately is not familiar enough.

I would like to address myself to the specific proceedings as they are going to be accomplished today. The gentleman from Washington, following the provision of the Owens bill, is going to offer a substitute.

I want the Members to know that without the perseverance of the gentleman from Washington and his sincere interest we would not have gotten to the floor at all. He has handled all the pressures in lobbying as if he, indeed, were as directly involved as those of us from Arizona and the neighboring States are. His interest has been genuine. His concentration has been great. He has visited the problem areas in Arizona. He has gone way beyond his duties as chairman.

The only problem is that he is wrong in his conclusions. Otherwise, he has done a great job.

The gentleman is going to offer as a substitute a plan that he really believes will work, but that I believe will not work at all. He is going to offer an opportunity for the tribes to negotiate.

I will simply reply in this that, as the chairman of the full committee, the gentleman from Florida (Mr. Haley) has stated so eloquently, there is no way we are going to bring off negotiations, for two very pragmatic reasons: One, the Navajos would have to give up something they now own if the true spirit of negotiation is observed. This they will not do.

The Hopis are not able, on the other hand, to accept either substitute money or land for that which the courts have decreed is theirs.

So really what the gentleman from Washington is asking us to do in a very logical and dispassionate way is to accept that which would be very palatable to the superficial observer, that is let these good people work these problems out themselves.

Mr. Chairman, if that were possible, it would have happened at least 20 years ago. The fact is that the Federal Government has not only created the situation, but it has compounded it time after time, beginning with the initial description of the land to be used by the Hopis and other Indians, as described by the gentleman from Washington. That same language led to invasion of the Navajo and the Navajo proved that he could ignore the Federal Government edict with impunity and since 1936 has done so.

The BIA with great vision and fortitude has ignored the problem. Their ignoring the problem made the Navajo believe it was all right for him to trespass on the Hopi land.

The courts when confronted with the problem met it head-on and said yes, an undivided half of this land belongs to the Hopis. They forgot to tell them which half; so the Navajo continued to invade the Hopi land.

In 1962 Congress really bit the bullet. Congress came dashing out of the hills on horseback and said, "We realize the problem and we will resolve it," and they formed the Navajo-Hopi Boundary Commission. I was a Member of that Commission. That Commission never met and certainly never solved anything; but again it was a chance for Congress to say that we did something about it.

Two years ago under the leadership of the Indian Subcommittee, Chairman Haley produced a bill that defined the disputed land and said the Navajo had to get off the Hopi land.

The bill passed this House relatively simply. This year again, we produced another bill by the gentleman from Utah (Mr. Owens). The bill he produced, I might tell the Members, was a demonstration of great political courage as far as I am concerned, for whatever that is worth. He did it with absolutely no opportunity for political profit. He did it at the risk of political jeopardy. He was able to get the bill out of committee in spite of the involvement of massive lobbying efforts by people who were not even involved. I think it showed his sincerity, obviously, but also his willingness to subject himself to political pressure in the name of justice.

So, the bill came before the House on suspension and was voted down, and here it is again. The problem is simply one that is not going to be resolved by negotiations, because in the bill offered by the gentleman from Washington, after the 6 months of negotiations, in which nobody will yield, there is the chance for the arbitrators to deny the Hopis that which they have won in the courts. It is the only chance the Navajos have to deny the Hopis that which they have won in court. It was upon the advice of almost everybody not to take to the tomahawk, but to settle these differences within the white man's jurisdictional rules.

Mr. Chairman, they did that, and it has gotten them nowhere. The Navajos have continually flaunted the court orders. They have consistently misrepresented the numbers of people involved. They have scoffed at court orders requiring them to move their livestock, which has caused the land to be 700 percent overgrazed. The only thing wrong with the Navajo position is that they are legally wrong. In short, it believes it is invincible.

The Members are going to be told, and the gentleman from New Mexico tells it very well—I have heard him do it under several auspices—the Members are going to be told about the horrendous deprivation which is going to be caused among the Navajos to be removed from their ancestral lands.

Mr. Chairman, I will say in advance of his comments that some of these people have lived there 60 days; some have come in during the last 2 years; some, indeed, have been there all their lives, but a great many people started moving into these lands when it became apparent that there was a chance that they were going to get some money for moving out again.

Therefore, I urge the Members not to take any figures, because there is no one from the BIA, the chairman of the Navajo nation, the chairman of the Hopi nation, who can give them. The Members will be told that there is no place to move them. That is simply not true. In the Navajo nation, in the Navajo irrigation project, there is programed new homes for 20,000 people; 20,000 new residents will find homes in the Navajo irrigation district. These people who will be required to move from the lands they are now trespassing upon can move there.

Therefore, I hope the Members will recognize the facts of the situation; recognize and heed the experience of the chairman of the full committee who has indeed lived with this problem for 22 years, as he stated, and has come to the conclusion that this is the only solution.

Above all, the Members, as the gentleman from Washington so eloquently put it, are doing something and not abandoning their responsibilities simply out of hand in some vague desire to do some good.

Mr. SMITH of New York. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. Mr. Chairman, I yield to the gentleman from New York, because I know of his long dedication to the Southwest.

Mr. SMITH of New York. Mr. Chairman, I thank the gentleman for yielding to me.

I have a question I would like to ask him about the $28½ million in the bill for the cost of moving these people out. Is it necessary, is it equitable to the Indians and to the taxpayers, with the coal royalties in that million and a half acres? Is there money there to pay these expenses of moving?

Mr. STEIGER of Arizona. Mr. Chairman, in the joint use lands, there are coal royalties which are being shared by both the tribes. There may be more coal royalties to be shared. I will give the gentleman the committee rationale and my own for the burden being placed upon the taxpayer.

As the gentleman from Washington recited, and as I touched upon, this problem exists because, if you will, of the lack of activity, which is the kindest word I can apply, on the part of the Federal Government. The only reason this problem exists is because of the failure of the Bureau of Indian Affairs to act; the failure of the Congress to act and the failure of the Federal judiciary to be specific.

In short, the entire Federal establishment has created a situation. Therefore, it is a Federal responsibility.

Mr. Chairman, I will tell the gentleman that to deny either or both of the tribes revenue from coal in the interest of salving the Federal conscience I do not believe would be fair.

Mr. SMITH of New York. If the gentleman will yield, the gentleman is saying it would not work to have the expenses paid by these Indian lands.

Mr. STEIGER of Arizona. Of course, there is always the question as to whether the royalties would be sufficient, which is obviously a valid question. Therefore, regardless of what the source of their income is, if you deprive either tribe of income to salve what is a federally caused problem, I think is a disservice.

Mr. Chairman, I thank the gentleman from New York for the question.

Mr. REGULA. Mr. Chairman, I yield 15 minutes to the gentleman from New Mexico (Mr. Lujan).

Mr. LUJAN. Mr. Chairman, at long last we are in the final stages of passing a bill to solve the dispute between the Hopis and the Navajos. The U.S. Government has permitted this problem to grow into a monster over the past 100 years, and action by Congress is long overdue.

But now that we are about to take action, let us be very, very certain that the action we take is fair, just and equitable to all concerned.

Let us not today take any action that will result in violence, that will result in disruption, that will result in heartbreak or suffering for a single human being.

Let us today take only those actions which our children and our grandchildren, in looking back on the 93d Congress, can applaud and respect.

I remind you that the bill before us, H.R. 10337, will result in the forcible moving of some 6,000 to 8,000 Navajos from their homes. I say "forcible" moving because I am absolutely certain that it will require force to move them. The sponsors of the bill know this; the Hopis know this; the Navajos know this; we have been warned of this by everyone connected with this problem, and yet we have a bill before us that would do exactly what we have been warned not to do.

Is there one Member of this body—one single Member—who can say to me here today, "I know we can move 8,000 Navajos from their homes without violence, without bloodshed or force?"

Mr. Chairman, we know that H.R. 10337 will result in the moving of families—but what we do not know—because there are no provisions in the bill that would let us know—what we do not know are the answers to these questions:

First. How would these 8,000 people be moved? By bus, by train, by cattlecar? How do you suppose to move these people who have said they will die before they move?

Second. Where do you propose to move them? Does the bill say, we will pick them up from here and set them down there? No, it does not. I have read the bill line by line, and I have not seen one single reference to a destination for these people. Russia does better than that for the people she kicks out of their homes. She at least provides for them to be shipped to Siberia. But this bill merely says the people will be uprooted out of their homes and moved. No mention of where to.

Third. What right do we have to treat these people different from the way we would treat other Americans? Would any single Member of this body sit here quietly while we passed a bill that would move 8,000 of his constituents out of their homes to an undisclosed destination?

What gives us the right to say to these people that we are going to settle their problem in a way that we would never dream of settling it if it were between two factions of non-Indians instead of between two Indian tribes?

It is rightfully said that Congress has plenary power over Indians. Do the Members of this body wish to go down in history as Members of the Congress that exercised that awesome power by forcing 8,000 men, women and children out of their homes, off their lands, stripped them of their livelihood, gave them no destination to head for, but cynically promised them new homes when they got there?

I say "No." I say, "Never." I say this Congress will not and cannot be a party to such actions. This is the 20th century, not the days of Kit Carson and Buffalo Bill. And these are civilized, industrious, hard-working, patriotic Americans we are talking about, not a herd of animals to be shoved from pasture to pasture.

So much for H.R. 10337. Thanks to the hard work and dedication of the distinguished chairman of the Indian Affairs Committee, my good friend and colleague, the gentleman from Washington (Mr. Meeds) we have an alternative to this terrible action. A viable alternative. A workable alternative. An alternative that recognizes the basic elements of human dignity and decency and fair dealing.

The substitute that the gentleman from Washington will offer, and which I shall support, calls for the two tribes to sit down together for 180 days and negotiate their differences to try to arrive at a solution.

Mr. Chairman, I will inform my colleagues that I strongly support the Meeds substitute and that I will offer two amendments when it is brought to the floor. Amendments that do no violence to the fairness of the bill as it is written but which strengthen that fairness and add to the impartiality of the bill.

First, I will offer an amendment to provide for one final hearing before the matter goes into arbitration.

As now written, Mr. Meeds' substitute bill assumes that the negotiating board members will become thoroughly acquainted with the Hopi-Navajo problem during the 180 days of negotiations.

But I feel there is a possibility that there may still be some questions left unanswered, and the hearings will give the board members the opportunity to ask those questions. Each tribe will have an opportunity to summarize its case and make one last "pitch" to the board. It will give each tribe a final "say" in court, so to speak.

My second amendment would simply hold in abeyance the current court cases brought by the Hopi Tribe against the United States and against the Navajos. These cases are based on the decisions arising out of the Healing against Jones case. And yet those decisions are the very reason why we are here today trying to forge legislation to implement those decisions.

I do not think it is right or fair for two parties to these negotiations—the United States and the Navajos—to be tied up in court cases at the very time they are also trying to negotiate in good faith to settle the controversies on which the court actions are based.

So my second amendment would simply hold those actions in abeyance—stay them—pending the reaching of a settlement through the provisions of this bill.

With these two amendments, the Meeds substitute will be a workable, fair and just bill.

Mr. MEEDS. Mr. Chairman, I yield 10 minutes to the gentleman from Utah (Mr. Owens).

Mr. OWENS. Mr. Chairman, I wish to say to the Members of the committee that I will spare this small but hearty group of Members the four-page speech I have prepared and speak to the points which have been raised, as directly as I can, specifically the points raised by the distinguished gentleman from New Mexico (Mr. Lujan).

I will say, first of all, that this is an extremely sensitive issue involving a great deal of emotion on both sides. This is not a typical congressional act as it relates to a minority; it is not the white man against a minority. It is a minority within a minority, and it is the Congress attempting to help them solve a problem which they have debated and which they have fought over for 100 years. And as my colleague, a man who has much more knowledge, I suppose, than I do of this problem, the gentleman from Arizona (Mr. Steiger) has set forth, the Congress has failed for 50 years to bring resolution to this problem.

Mr. Chairman, I share the hope, along with my subcommittee chairman and every Member who spoke today, that we can get some kind of a conclusion for this very serious matter out of Congress.

The main point is that these sensitivities and these issues have been heard by the courts since 1958 by a three-judge panel. This three-judge panel decided that the Hopis and the Navajos were each entitled to a one-half interest in this disputed land consisting of 1.8 million acres.

That is the point we are talking about today, and that finding was affirmed by the Supreme Court in 1963.

The Court also found in subsequent hearings, in the 10 or 11 years since, that the Navajo have kept out the Hopi. Outnumbering, as he does, the Hopi 18 or 21 to 1, the Navajo, in effect, denied the Hopi any use of this joint use territory, by sheer physical presence upon the disputed land.

What my bill proposes to do, and virtually nothing else, is to allow the holdings by the courts to be effectuated, to guarantee to the Hopi that he shall have this one-half of the land, which is his ancestral land. If the aboriginal title held, he would have all of it today, but this bill will insure to him that he will have one-half of it.

We have done several things in this bill to try to recognize the very real human problems caused by this solution. I maintain that the solution solves more human problems than it causes, but it will cause some problems which I think the gentleman from New Mexico overstated.

First of all, his statement that 6,000 or 8,000 people will be required to move is a statement off the top of his head as is the figure I will give you now, which is that there are 900 families in that area and considerably less than 6,000 or 8,000 people who will be required to move. Nobody knows. We have Bureau of Indian Affairs estimates and Department of the Interior estimates which run anywhere from 4,000 to 8,000, but it is certainly considerably less than 8,000.

But there will probably be 800 or 900 families who will be required to move, almost all Navajo families, in the land partitioned. In the bill we provided that any families that move shall be reimbursed the fair market value of the improvements on their property, second, shall be paid moving expenses and, third, up to $30,000 to help relocate in a suitable dwelling.

In addition to that I will offer an amendment today to this bill at the appropriate time to direct the Bureau of Land Management to offer to the Navajo tribe up to 250,000 additional acres. This will solve the problem that the gentleman from New Mexico brought up, about where the Navajo might move.

In essence there is another 15 million acres of Navajo land and, as the gentleman from Arizona pointed out, there are 20,000 housing units planned. I think there is plenty of space, but if there is not, this additional land could serve as a place for those dispossessed members of the Navajo tribe to move to.

Very frankly I doubt that it will be under force of bayonet, because the incentives that we have provided in the bill will make it very worthwhile to those forced to move, in essence, to move.

The $28.5 million about which the gentleman from New York asked I think is a legitimate expenditure by a Government which has caused a hardship by its failure to act in the last 50 years, and this money will be quite instrumental in overcoming the very real human problems brought about in this solution. That money, $28.5 million, which is an optimum figure, and probably too high, is certainly a cheap expenditure by this Government in return for the problems that this Government's inactivity and indecisions have caused here.

Mr. Chairman, I urge that the committee members consider very carefully the very real human problems involved in this and the fact that the courts for 15 years have been considering those human problems. This bill, if it is passed today, does not make judgmental decisions as to rights between the Navajo and the Hopi, except to try to implement what the court said the equities are. But beyond that, it tries to take the steps necessary to provide the measures to overcome what discomfort and what problems are caused to those 700 or 800 or 900 families that will be required to move.

Mr. SMITH of New York. Mr. Chairman, will the gentleman yield?

Mr. OWENS. I yield to the gentleman from New York.

Mr. SMITH of New York. Mr. Chairman, I appreciate the gentleman yielding to me.

Mr. Chairman, I would ask the gentleman from Utah (Mr. OWENS) if these two tribes, the Navajo and the Hopi, have been trying to negotiate this matter for a long period of time? Have they been talking together?

Mr. OWENS. For about 100 years, I will say to the gentleman from New York. But, more seriously than that, clearly since 1958, when the court was impaneled, yes, and prior to that, so strenuously that the Congress attempting to help toward a solution set up the three-judge panel.

Mr. SMITH of New York. They have been sitting down with each other and trying to work this out?

Mr. OWENS. Each side has its position, and those have solidified over recent years—5 to 10 years—and they have now absolutely solidified. Neither side will move.

Mr. SMITH of New York. It would seem to me that the bill proposed by the gentleman from Utah (Mr. OWENS) is what we usually do in law when there are two people who have an undivided ownership that, by law, if they cannot get together and divide it, then the court finally makes the partition and divides the property in a just and equitable way, if possible. Of course, with small pieces of property if the court cannot make that decision then it is ordered sold, and the money is divided. I do not believe that that is necessary here. But this would seem to me to be the way that these partition cases are resolved in most of our law.

Mr. OWENS. I can confirm that through my association with the gentleman from New York who is an able jurist, with whom I serve on the Committee on the Judiciary, that he is a wise and discerning judge, and I thank him for his support.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. OWENS. I yield to the gentleman from New Mexico.

Mr. LUJAN. Mr. Chairman, I would like to comment on the question raised by our good friend, the gentleman from New York (Mr. SMITH). That may be true in many, many cases that the gentleman has been concerned with, but in the case of Indian property rights we have never determined them that way. The courts have always said that you do not move people.

In my own State, for example, as I am sure in the gentleman's State, there have been many times when the courts have recognized the aboriginal right of an Indian tribe, yet they do not say "move everyone from there."

What they say is, "We will compensate the tribe for the land that it has lost."

That is one of the options that we have under this bill, and I do not think that it is something that should be overlooked.

Traditionally we have resolved the Indian land disputes by paying the tribes the value of the land at the time it was taken.

Mr. OWENS. I will say to the gentleman from New Mexico (Mr. LUJAN) that there are times, I recognize, where this bill will cause hardship just as at the time of the filling of Lake Powell on the Upper Colorado River project about 15 years ago where there were members of the Navajo Tribe in my own State that were required to move. That movement was accomplished with relative ease, and they did not receive the very real financial assistance that these members of the Navajo Tribe will receive.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MEEDS. I yield 1 additional minute to the gentleman from Utah.

Mr. LUJAN. Mr. Chairman, if the gentleman will yield further, I think the gentleman from Utah has made the point that I was trying to make.

They were Navajos that were moved, is that correct?

Mr. OWENS. I am sorry; I did not hear the gentleman's inquiry.

Mr. LUJAN. I said that I think the gentleman from Utah has just made the point I was trying to make.

Then gentleman says that when they moved the tribes off that land they were Navajos that they moved?

Mr. OWENS. Yes.

Mr. LUJAN. That was the point I was trying to make.

Mr. OWENS. This occurred when they filled Lake Powell.

Mr. LUJAN. That is the point I was trying to make, that we treat Indian citizens differently than we do the white citizens.

Mr. OWENS. This, however, is not a case of treating white men differently than red men. This is an attempt to resolve a dispute of 100 years standing between two minority groups. We are attempting to address ourselves to the needs of a tribe of red man who are outnumbered 20 to 1 by another tribe of red man: We are saying that we will guarantee his rights as the Court says his rights are. That is what my bill pretends to do, and nothing else.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. REGULA. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona (Mr. CONLAN).

Mr. CONLAN. Mr. Chairman, most of the land involved in this dispute between the Navajo and Hopi people lies in my congressional district, and I represent the majority of Indian Americans who will be affected by this bill. I rise in opposition to H.R. 10337, the Owens-Steiger proposal.

I rise to oppose this bill because it would require the forcible relocation of about 8,500 Navajo Indians at a cost of more than $29 million to the American people. Either of two other proposals introduced during this Congress would provide a far more just and equitable solution to this 92-year-old controversy.

A bill introduced by Representative LLOYD MEEDS, the distinguished chairman of the Indian Affairs Subcommittee, and another proposal of Representative MANUEL LUJAN when he was ranking minority member of that subcommittee, would both allow the two tribes to settle this matter themselves within a designated time period.

Both the Meeds and Lujan proposals provide for the 1.8 million acres of disputed joint-use land to be divided in a just and equitable manner at little ultimate cost to non-Indian taxpayers.

The Meeds proposal failed as a full Interior Committee substitute for H.R. 10337 by a 20 to 20 tie vote. The Lujan bill, also sponsored by Representative HAROLD RUNNELS and myself, would authorize the Navajo tribe to purchase back land on which Congress settled Navajo Indians. This would follow a joint determination by both tribes which of the disputed land each had a legal claim to in July 1958, when Congress last tried to settle this dispute.

Mr. Chairman, the disputed land over which Navajo and Hopi people have been at odds for a century is a rectangular tract approximately 70 miles long and 55 mills wide.

President Chester A. Arthur withdrew about 2.5 million acres from the public domain by Executive order on December 16, 1882. Under terms of that Executive order, the land was reserved "for the use and occupancy of the Hopi, and such other Indians as the Secretary of the Interior may see fit to settle thereon."

Under the authority of President Arthur's Executive order, the Interior Department allowed Navajo families, most of them sheepherders, to move into the area between 1907 to 1911. This laid the foundation for a later legal finding of "acquiescence," which gave the Navajos legal standing and rights along with the Hopis in the dispute over the land.

Congress first investigated this matter in 1920, with hearings at Keams Canyon and Polacca, Ariz. The late Senator Carl Hayden, then a Member of the House of Representatives, wanted Congress to lay out a separate reservation for the Hopis on land not already occupied by Navajos, but no legislation was passed.

It was not until 38 years later, in 1958, that Congress finally passed legislation to determine the rights and interests of the two tribes in the area set aside by President Arthur in 1882. But language giving Congress the power to distribute jointly-held land was stricken from the bill before final passage, and Federal courts later declared lack of jurisdiction to partition the joint-use area.

A 1962 U.S. district court decision in the case of *Healing* v. *Jones*, 210 F. Supp. 125, declared that Congress gave the Hopi tribe a vested property right in the disputed land through its 1958 legislation. That vested property right, the court said, could be satisfied in cash or in substitute land, rather than relocation of Navajo families already living in the disputed area.

Mr. Chairman, I believe that the Navajo and Hopi people should themselves reach a settlement of this complex matter through negotiation. H.R. 10377 does not permit this. It imposes a white man's solution on both parties to the dispute that can only be carried out through the forcible relocation of thousands of Navajo families, off land they have occupied and have legal entitlements to for many decades.

Anyone with a full knowledge of the facts and history of this dispute fully realizes the gross inequity and cruelty of this solution.

Navajo Indians did not drive anyone off this land they have inhabited for more than half a century. It was unoccupied and unused when they were permitted to settle there. Why after decades of peaceful living do some now unjustly propose to drive these Navajo families off the land, like cattle, giving Hopis a per capita share of the disputed acreage more than four times the acreage allotted to each Navajo?

I have visited and spoken with Navajo people living on this land. They are peaceful families who ask nothing more than fairness and justice in solving a dispute that long preceded them. Most of these Indian families are extremely poor, making a bare existence from the land. They have never lived anywhere else, and have nowhere else to go. I see no justice in forcibly uprooting them from the only homes they have ever known.

About 8,500 Navajos live in the inner fringes of the joint-use lands that H.R. 10337 would likely give over to the Hopi Tribe. These Navajo people say they have no intention of taking another "Long Walk" to unknown places.

I sympathize with their fears and anxieties over this so-called solution to their age-old dispute. I plead with my colleagues not to subject either Navajo or Hopi to an imprudent and carelessly devised scheme such as this, which is fraught with so much danger and will inflict untold needless suffering on already impoverished people.

Justice and equity demand that we do better for both parties involved in this matter. Therefore, at this time I urge a "no" vote on the bill before us, and a "yes" vote for the Meeds substitute.

These people live in my district, and I speak from concern for them, knowing the situation.

Mr. MEEDS. Mr. Chairman, I yield 5 minutes to the gentleman from Wyoming (Mr. RONCALIO).

Mr. RONCALIO of Wyoming. Mr. Chairman, I thank the esteemed chairman of the Committee on Indian Affairs for a few minutes to present my views on this matter which I base on an overriding equity in this very difficult human problem.

The Navajo-Hopi bill, which passed the House in the last Congress did not give to the Hopi Indians all they felt they were rightfully entitled to have, but the bill was acceptable to the Hopi Tribe.

The current bill, H.R. 10337, which was reported favorably out of the full Committee of Interior this year is a compromise bill which lifts the burden on determining an equitable partition of the joint use area from Congress and places it upon the courts to determine under a criteria which gives due consideration to the legal rights and equities of both parties.

The new substitute proposal is offered under the guise of a compromise by arbitration. A careful analysis of the measure clearly establishes that it is strictly a Navajo bill under which pro-Navajo objectives would be accomplished.

The substitute bill provides for a 180-day negotiation period. We all know in advance that the Hopi Indians will not agree to sell or in any way dispose of the one-half interest in the lands they holds as sacred, title to which has been quieted in the Hopi Tribe by the courts. With equal certainty we know that the Navajo Tribe will not agree to give up any of the Hopi lands it has now preempted. The negotiation period is simply a loss of 180 days of time.

In its present form the substitute bill could be interpreted as providing that after the 180-day waiting period, a board of arbitration would be empowered with authority to compromise the Hopi position which could force a taking of the Hopi lands against the will of the Hopi people. No one in Congress wants this result because the rights and equities of the parties have all been adjudicated and the Hopis are entitled to the one-half interest they now seek to retain. You do not compromise an adjudicated claim just because one party is dissatisfied. Will Congress bow to the threats of the Navajo tribal chairman and fail completely in the trust responsibility of the United States to protect the weaker tribe?

The provision in the bill for payment of compensation to the party receiving the lesser amount of the land is simply a device to buy out the Hopi interest because the Navajos have taken it over and refused to move. Congress does not want the Hopi Indians to sell their land. Settlement on the basis of selling the Hopi land to the Navajo Tribe could have been accomplished many years ago if the Hopi Tribe had been willing. The Government is anxious to rid itself of the trouble and would have been happy to pay the amount necessary to compensate for the Hopi interest. It is obvious as anything can be that the Navajos hope that there will be no arbitration and that in the end, the Arbitration Board will award the lands to the Navajos because they occupy it without regard to the fact that the Supreme Court of the United States has affirmed the decision which clearly gives one-half to the Hopi Tribe.

Another provision in the bill on its face appears to be Hopi in nature because it provides that the Hopi Tribe may sue for an accounting and recover sums collected by the Navajo Tribe since September 17, 1967, as trader license fees, commissions, and so forth, within the joint-use area of the Executive order reservation. It was on September 17, 1957, when the area director instructed the Navajo Tribe to preserve all such funds in a suspense account collected from the joint-use area until the rights of the two tribes in the disputed area could be determined.

The Navajo Tribe ignored this instruction and so testified at the trial of the case of Healing against Jones. This bill takes 10 years off of the period when the funds were supposed to have been held in suspension, allowing the Navajo to keep the entire amount. The substitute provision clearly contains a typographical error, reflecting its hasty and inaccurate preparation. The same provision creates a problem with respect to the interest to be awarded. Under the substitute bill at least there is an ambiguity as it appears that the 6 percent interest allowed on the recovery of this money would be upon the amount of the judgment rather than upon the amounts that were collected from the times such sums were received by the Navajo Tribe. The Navajo Tribe has used the Hopi one-half of the money during all of this time. Under the Owens bill, they would be required to pay the interest from the time they received it.

The matter of accounting for grazing fees during the period of time the Navajos have simply ousted the Hopis from the land belonging to them is omitted from the substitute bill. Obviously, it is not Congress's intent to negate such an obligation. The committee's bill contains express language as to how this matter should be handled but the substitute bill does not.

The substitute bill would further approve Navajo aggression in the 1934 reservation by using Navajo definitions to determine the Hopi interest. In the first place, the 1934 act creating the reservation said nothing about Moencopi district. It gave to the Navajo Tribe and to all Indians residing in the area described in the bill, which included all of the Hopi villages as well as Moencopi, an undetermined interest in the reservation. Since that interest has never been determined, the Navajos seek to determine it upon the basis of the compressed area into which the Hopis have been pushed strictly by force of the more powerful tribe. They completely ignore the fact that all of this area west of the Executive order reservation was conceded to be Hopi property until the Navajos invaded the same over a period of many years. The Navajos speak of ancestral homes. It is true that some Navajos invaded the territory very early. But this is an ongoing, creeping situation, taking place even today. No one can deny that there is an active building program, both in the joint use area and in the Moencopi area to fence the Hopis into a smaller area by intensifying the Navajo population around them. It is interesting to observe how quickly Navajos moving into a new area claim the same to be their ancestral home. Hopis know that areas they occupied not too long ago were completely free of Navajo population, but now so-called ancestral homes dot every accessible area.

In the 1934 reservation, the definition furnished in the substitute bill confines the consideration to the Moencopi area and the Arbitration Board is asked to determine the Hopis residing within the Moencopi area, not within the 1934 reservation as provided in the original act. In between provisions that look harmless is tucked the requirement that an Arbitration Board consider the existence of the Hopi-Navajo dwelling patterns in such area. In the legislation adopted for determination of the equities in the joint use area, the Navajo Tribe there attempted the same device because they knew they had taken the Hopi lands and if the equities could be determined upon the occupation, the Navajos were bound to win. It was not then palatable to Congress and it is not palatable now. The Hopi-Navajo dwelling patterns as a measure of interest in an area where the Hopi people have been constantly pushed by the more powerful and aggressive Navajo would put congressional approval on property rights by force.

The proposed bill further requires the Arbitration Board to consider the "necessity" of a corridor to the major portion of the Hopi Reservation, rather than determining that whatever interest the Hopi is given in the 1934 reservation should be contiguous to the reservation it now has exclusively. Arbitrators should not be considering the necessity of such a corridor. It is a known fact to everyone acquainted with the situation that as a matter of protection the Hopis need to have their land all contiguous. The experiences of the Government last year in attempting to keep the Navajo out of district six accentuates the necessity for a fenceable line between the two tribes.

The bill even provides that in the event the subsurface rights to any lands partitioned under the provisions of this act are left in joint ownership, such interest shall be administered by the Secretary. The minerals of the joint use area are not a real matter of contention between the tribes. No commission should have any authority to take any of the mineral interests from either of the two tribes in the joint use area because they own it half and half. The struggle between the tribes results from grazing livestock and from nothing else.

With respect to the reduction of livestock to meet reasonable conservation requirements, the substitute bill hinders the action being taken by the court. The Secretary is authorized to immediately commence reduction, but no date of accomplishment is included within the act. This throws the matter back into the hands of the Secretary for further procrastination. It might be noted that the Secretary and the Navajo Tribe were required under a court order to reduce livestock during a period which has expired. The Navajo Tribe and the Navajo Tribal chairman are now defending contempt proceedings for failure to accomplish the order of the court. This act would supersede the order of the court and slow reduction or perhaps indefinitely postpone it. It would be of no assistance in accomplishing the vitally needed reduction.

In short, the substitute bill fails to provide essential guarantees to both tribes. It provides no sensible solution and would join Congress in an effrontery to the rights of a peaceful, humble, and trusting Hopi people. I do not want to become a party to any such move. A last minute, ill-considered substitute bill of this type can do nothing but add insult to injury and complicate the problem we seek to solve.

Mr. REGULA. Mr. Chairman, I have no further request for time.

Mr. MEEDS. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona (Mr. UDALL).

Mr. UDALL. Mr. Chairman, in this Congress I have not had the privilege of serving on the Indian Affairs Subcommittee but I have been deeply involved and interested in this question. I was born in this area and my family has had long and close connections with both tribes.

There is general agreement in this debate it seems to me on a couple of points. One is that great credit really goes to all those who have been involved in bringing this to the stage it is in today. The gentleman from Washington (Mr. MEEDS), the chairman of the subcommittee, took on a thorny and difficult problem. He has been trying to "unscrew" the inscrutable for all these months. My colleague, the gentleman from Arizona (Mr. STEIGER), took on this situation where there is no political or personal profit involved and he has tried to do the right thing even though he and the gentleman from Washington (Mr. MEEDS) reached different results. The gentleman from Ohio (Mr. REGULA), the counterpart chairman for the minority, and the chairman of the full committee, the gentleman from Florida (Mr. HALEY) have wrestled with courage and initiative with this, as well as the gentleman from Wyoming (Mr. RONCALIO).

Our colleague from Utah took on a thankless task in sponsoring the proposal adopted by the committee. Each one has tried to come up with a fair and decent solution to this old and difficult problem.

The time has come for solution. It cannot fester and it cannot continue. We owe it to both of the tribes and ourselves and our country to resolve it.

I think there is general agreement here that the court decision in 1962 was basically fair, and that any solution should generally follow the thrust of that court decision.

So where is the disagreement here today? The disagreement is on the mechanics—the mechanics of a final solution. On that question our full committee divided very closely. It was almost an even division. On the one side we had the excellent solution proposed by my friend, the gentleman from Utah (Mr. OWENS), and he, as was said here earlier, has shown great courage and initiative to act as peacemaker.

I can live with his solution if that is the decision of the House. He says basically, "Let us now take the court decision and let us carry it out." That is the Owens solution and that was the solution adopted by the full committee.

The gentleman from Washington (Mr. MEEDS) in the substitute he will offer, which I will support, says that these people are going to have to live together before we impose a rigid arbitrary solution on them. Let us try to have them sit down and see, knowing they are under the gun and knowing there is going to be a final solution in the year 1975 one way or the other, see if they can work it out.

I have honest doubts whether they can arbitrate it in the light of the longstanding and bitter differences between these tribes. But the solution of the gentleman from Washington (Mr. MEEDS) will lead to a final answer. The substitute says if arbitration does not work within 6 months and it is so certified then the arbitrator solution is final. So I intend to support the Meeds substitute when it is offered; but I intend also to support whatever solution the House offers, because we owe a solution to these tribes of this problem this year.

Mr. MEEDS. Mr. Chairman, I yield myself 2 additional minutes.

Mr. TREEN. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from Louisiana.

Mr. TREEN. Mr. Chairman, I want to understand the substitute. After the arbitrators have met, what are the guidelines as to how they may make their decision? Are they empowered to effect a surface partition and, if so, what are the guidelines in making that partition? Would that be an equal division of land, equal quality, and so forth?

Mr. MEEDS. Yes. The arbitrators would be empowered to make a decision, which I am sure they will, because that is the problem. There are no guidelines saying they have to divide it. In the Owens-Steiger proposal, the court is required to divide the land in half. Under the arbitration proposal, they are not required to do this. They may well do it but they are not required to.

Mr. TREEN. If the gentleman will yield further, what is the approximate population of the two tribes in the area?

Mr. MEEDS. There are approximately 6,000 Hopis, most of them living in the white area and the green area. There are approximately between 6,000 to 9,000 Navajos, most of them living in the blue and orange area around the white area.

Mr. TREEN. Just one final question. The arbitration would be binding or appealable to the courts?

Mr. MEEDS. It would be binding and final, subject to the will of this Congress.

Mr. TREEN. Would the gentleman elucidate on that?

Mr. MEEDS. Yes. When the arbitrators reach a result, they will submit it to the Attorney General for merely technical advice and technical changes. Then it will lay before the Congress for 60 days. In the event Congress does not take affirmative action, it becomes settled.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from New Mexico.

Mr. LUJAN. Do I understand the gentleman correctly in answer to the question of the gentleman from Louisiana that once all the procedures in the substitute, if that passes, once all the procedures have taken place, the arbitration and the concurrence of the Attorney General and the Congress does not turn it down, that that will be full and final settlement of all Hopi claims against the Navajo, not only in the 1882 area, but in the total 1934 area?

The CHAIRMAN. The time of the gentleman has expired.

Mr. MEEDS. I yield myself 1 additional minute.

Mr. Chairman, it is not the intent of this legislation to settle other than the matters involved in the joint use area. In the Moencopi area, whatever decision is made with regard to that area, would probably be with regard to making it fit the other configuration of the joint use area. Also, it would provide those Navajo families required to move with moving expenses and things like that and giving that land to the Hopis.

Mr. LUJAN. If the gentleman will yield further, let me rephrase the question in perhaps a little more simple manner.

The CHAIRMAN. The time of the gentleman from Washington has again expired.

Mr. MEEDS. Mr. Chairman, I yield myself 2 additional minutes.

Mr. LUJAN. Mr. Chairman, is it the intent of the gentleman to quitclaim—we will use that word, although it may not be totally correct—but quitclaim all of the disputes and the claims within the entire 1934 reservation?

Mr. MEEDS. No. It is the intent, and I think the effect would be for the Navajo to, in effect, quitclaim what the arbitrators gave to the Hopis in the Moencopi area; that is, in the 1934 area, so that there would be no further dispute of that.

Mr. STEIGER of Arizona. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. Mr. Chairman, I yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. Mr. Chairman, I hope the record would not reflect exactly what the gentleman said, because the purposes for both tribes upon arbitration is to quitclaim any further claims in the other areas, so that we do not create another 1882 situation.

I know that is what the gentleman meant, and I probably misheard him.

Mr. MEEDS. No, my answer was in regard to a specific question with regard to what the arbitrators would do. Obviously, and I think if it is the desire of the negotiating teams, the parties themselves can arrive at any kind of agreement they wish and quitclaim or whatever they desire to do. Hopefully, that is what would happen. That would settle these long-lasting claims.

Mr. STEIGER of Arizona. Mr. Chairman, I know the gentleman is as anxious as both the gentleman from New Mexico (Mr. LUJAN) and myself are, not to run the risk of having the 1882 situation in the 1934 area.

Mr. MEEDS. If the gentleman was asking, would the Hopis have further claims in the Moencopi area, they would not. This would settle that matter, whether it was arbitrated, negotiated, or whatever. It would settle that question.

Mr. LUJAN. Mr. Chairman, if the gentleman will yield further, then the arbitrators would also have the power, among all the options, to the extent of saying, "All right, we have got that division here and there," and gave each of them whatever they had coming to them, and this is a final settlement of all claims between the two tribes. That is an option open to the arbitrators, is that not correct?

Mr. MEEDS. Would the gentleman repeat the last part of that question?

Mr. LUJAN. That the arbitrators, as part of the final decision, could say, "This extinguishes any claims that the Navajos will have against the Hopis, or vice versa."

That is one of the options that the arbitrators would have under the substitute, is that correct?

Mr. MEEDS. I am afraid that I just could not answer that affirmatively. No, I do not know. I cannot say that.

Mr. Chairman, I yield 1 minute to the gentleman from Montana (Mr. MELCHER).

Mr. MELCHER. Mr. Chairman, I want to associate myself with the remarks made by Chairman HALEY earlier in the debate on this bill. I want to associate myself with him and the House Committee on Interior and Insular Affairs and with the 6,000 Hopi Indians who have waited a long time for justice.

It is true, as Chairman HALEY has pointed out, that the question of equity has been decided by the courts. The time for Congress to reaffirm the property rights of the Hopi Indians is before us today. There are 6,000 Hopis. The Navajo nation numbers over 120,000. I think minority groups have found often that they can find justice in the House.

Mr. Chairman, I hope that the House will support the committee bill and in favor of the Hopis today, because it is on their side where justice lies.

Mr. MEEDS. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, to further clarify what the gentleman from New Mexico was asking, was the gentleman asking if all of the rights which the Hopis got to the 1934 area be clarified and settled by this?

Mr. Chairman, the answer to that question is "Yes." If the gentleman is asking about some other rights the Hopis may be claiming against the Navajos or the Hopis, the answer is "No."

Mr. LUJAN. Mr. Chairman, if the gentleman will yield further, at the moment I am only talking about the 1934 act.

Mr. MEEDS. The 1934 act. This will all be clarified and settled.

Mr. Chairman, I have no further request for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute printed in the reported bill as an original bill, for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all of the surface rights in and to that portion of the Hopi Indian Reservation created by the Executive order of December 16, 1882, in which the United States District Court for the District of Arizona found the Hopi and Navajo Indian Tribes to have joint, undivided, and equal interests in the case entitled "Healing against Jones" (210 Fed.

Supp. 125 (1962), affirmed 373 U.S. 758), hereinafter referred to as the joint-use area, shall be partitioned in kind as provided in this Act.

Sec. 2. The United States District Court for the District of Arizona in the supplemental proceedings in Healing against Jones is hereby authorized to partition in kind the surface of the joint-use area between the Hopi and Navajo Indian Tribes share and share alike using the following criteria in establishing the boundary line between said tribes:

(a) The Navajo portion shall be contiguous to that portion of the 1934 Navajo Indian Reservation as defined in section 9 of this Act.

(b) The Hopi portion shall be contiguous to the exclusive Hopi Indian Reservation as established by the court in Healing against Jones, hereinafter referred to as Land Management District 6, and shall adjoin that portion of the 1934 Navajo Indian Reservation as partitioned to the Hopi Tribe in section 7 of this Act.

(c) The partition shall be established so as to include the high Navajo population density within the portion partitioned to the Navajo Tribe to avoid undue social, economic, and cultural disruption insofar as reasonably practicable.

(d) The lands partitioned to the Hopi and Navajo Tribes shall be equal in acreage insofar as reasonably practicable.

(e) The lands partitioned to the Hopi and Navajo Tribes shall be equal in quality and carrying capacity insofar as reasonably practicable.

(f) The boundary line between the Hopi and Navajo Tribes as delineated pursuant to this Act shall follow terrain so as to avoid or facilitate fencing insofar as reasonably practicable.

(g) In any division of the surface rights to the 1882 joint-use area, reasonable provision shall be made for the use and right of access to identified religious shrines of either party on the portion allocated to the other party.

Sec. 3. The partition proceedings as authorized in section 2 hereof shall be assigned for hearing at the earliest possible date, shall take precedence over all other matters pending on the docket of the district court at that time and shall be expedited in every way by such court.

Sec. 4. The lands partitioned to the Navajo Tribe pursuant to section 2 hereof shall be held in trust by the United States exclusively for the Navajo Tribe and as a part of the Navajo Indian Reservation.

Sec. 5. The lands partitioned to the Hopi Tribe pursuant to section 2 hereof shall be held in trust by the United States exclusively for the Hopi Tribe and as a part of the Hopi Indian Reservation.

Sec. 6. Partition of the surface of the lands of the joint-use area shall not affect the joint ownership status of the coal, oil, gas, and all other minerals within or underlying said lands. All such coal, oil, gas, and all other minerals within or underlying said lands shall be managed jointly by the Hopi and Navajo Tribes, subject to supervision and approval by the Secretary of the Interior as otherwise required by law, and the proceeds therefrom shall be divided between the said tribes, share and share alike.

Sec. 7. Hereafter the United States shall hold in trust exclusively for the Hopi Indian Tribe and as a part of the Hopi Indian Reservation all right, title, and interest in and to the following described land which is a portion of the land described in the Act of June 14, 1934 (48 Stat. 960):

Beginning at a point on west boundary of Executive Order Reservation of 1882 where said boundary is intersected by right-of-way of United States Route 160;

thence south southwest along the centerline of said Route 160, a distance of approximately 8 miles to a point where said centerline intersects the township line between townships 32 and 33 north, range 12 east;

thence west, a distance of approximately 9 miles, to the north quarter corner of section 4, township 32 north, range 11 east;

thence south, a distance of approximately 4¾ miles following the centerlines of sections 4, 9, 16, 21, and 28 to a point where said boundary intersects the right-of-way of United States Route 160;

thence southwesterly, following the centerline of United States Route 160, a distance of approximately 11 miles, to a point where said centerline intersects the right-of-way of United States Route 89;

thence southwesterly, following the centerline of United States Route 89, a distance of approximately 11 miles, to the south boundary of section 2, township 29 north, range 9 east (unsurveyed);

thence east following the south boundaries of sections 2 and 1, township 29 north, range 9 east, sections 6, 5, 4, and so forth, township 29 north, range 10 east, and continuing along the same bearing to the northwest corner of section 12, township 29 north, range 11 east (unsurveyed);

thence south, a distance of 1 mile to the southwest corner of section 12, township 29 north, range 11 east (unsurveyed);

thence east, a distance of 1 mile to the northwest corner of section 18, township 29 north, range 12 east (unsurveyed);

thence south, a distance of 1 mile, to the southwest corner of section 18, township 29 north, range 12 east (unsurveyed);

thence east, a distance of approximately 9 miles, following the section lines, unsurveyed, on the south boundaries of sections 18, 17, 16, and so forth in township 29 north, range 12 east and continuing to a point where said section lines intersect the west boundary of Executive Order Reservation of 1882;

thence due north, along the west boundary of the Executive Order Reservation of 1882, a distance of approximately 27½ miles to the point of beginning.

Sec. 8. The Secretary of the Interior is hereby authorized to allot in severalty to individual Paiute Indians, not now members of the Navajo Indian Tribe, who are located within the area described in the said Act of June 14, 1934, and who were located within said area or are direct descendants of Paiute Indians who were located within said area on June 14, 1934, land in quantities as specified in the Act of February 8, 1887 (24 Stat. 388), as amended, and patents shall be issued to them for such lands in the manner and with the restrictions as provided in sections 1, 5, and 6 of that Act, as amended.

Sec. 9. Hereafter the United States shall hold in trust exclusively for the Navajo Indian Tribe and as a part of the Navajo Indian Reservation the lands described in the said Act of June 14, 1934, except the lands partitioned to the Hopi Tribe pursuant to section 2 hereof and the lands as described in section 7 hereof and the lands in the exclusive Hopi Indian Reservation commonly known as Land Management District 6, and further excepting those lands allotted pursuant to section 8 hereof.

Sec. 10. The Secretary of the Interior is authorized and directed to remove all Navajo Indians and their personal property, including livestock, from the lands partitioned to the Hopi Tribe pursuant to section 2 hereof and as described in section 7 of this Act. Such removal shall take place over a period of five years from the date of final partition by the court referred to in section 2 with approximately 20 per centum of the Navajo occupants to be removed each year. No further settlement of Navajo Indians on the lands partitioned to the Hopi Tribe pursuant to section 2 hereof and as described in section 7 of this Act or Land Management District 6, shall be permitted unless advance written approval of the Hopi Tribe is obtained. No Navajo Indian shall hereafter be allowed to increase the number of livestock he grazes on the areas so partitioned to the Hopi Tribe pursuant to section 2 hereof and as described in section 7 of this Act, nor shall he retain any grazing rights in those areas subsequent to his removal therefrom.

Sec. 11. The Secretary of the Interior is authorized and directed to remove all Hopi Indians and their personal property, including livestock, from the lands so partitioned to the Navajo Tribe pursuant to section 2 hereof and as described in section 9 of this Act. Such removal shall take place over a period of two years from the date of final partition by the court referred to in section 2 with approximately 50 per centum of the Hopi occupants to be removed each year. No further settlement of Hopi Indians on the lands so partitioned to the Navajo Tribe pursuant to section 2 hereof and as described in section 9 of this Act shall be permitted unless advance written approval of the Navajo Tribe is obtained. No Hopi Indian shall hereafter be allowed to increase the number of livestock he grazes on the areas so partitioned to the Navajo Tribe pursuant to section 2 hereof and as described in section 9 of this Act, nor shall he retain any grazing rights in those areas subsequent to his removal therefrom.

Sec. 12. (a) The United States shall purchase from the head of each Navajo and Hopi household who is required to relocate under the terms of this Act the habitation and other improvements owned by him on the area from which he is required to move. The purchase price shall be the fair market value of such habitation and improvements.

(b) In addition to the payments made pursuant to subsection (a), the Secretary shall:

(1) reimburse each head of a household whose family is moved pursuant to this Act for his actual reasonable moving expenses as if he were a displaced person under section 202 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894);

(2) pay to each head of a household whose family is moved pursuant to this Act an amount which, when added to the fair market value of the habitation and improvements purchased under subsection (a), equals the reasonable cost of a decent, safe, and sanitary replacement dwelling adequate to accommodate such displaced household: *Provided*, That the additional payment authorized by this paragraph (2) shall not exceed $15,000 for a household of three or less and not more than $20,000 for a household of four or more: *Provided further*, That the additional payment authorized by this subsection shall be made only to a displaced person who purchases and occupies such replacement dwelling not later than the end of the one-year period beginning on the date on which he receives from the Secretary final payment for the habitation and improvements purchased under subsection (a), or on the date on which he moves from such habitation whichever is the later date. Nothing in this subsection shall require a displaced person to occupy a dwelling with a higher degree of safety and sanitation than he desires.

(c) In implementing subsections (b)(1) and (b)(2) of this section, the Secretary shall establish standards consistent with those established in the implementation of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

(d) The Secretary is authorized to dispose of dwellings and other improvements acquired pursuant to this Act in such manner as he sees fit, including resale of such improvements to members of the tribe exercising jurisdiction over the area at prices no higher than their acquisition costs.

Sec. 13. The Navajo Tribe shall pay to the Hopi Tribe the fair rental value as determined by the Secretary of the Interior for all Navajo Indian use of the lands referred to in section 5 and described in section 7 of this Act subsequent to the date of the partition thereof.

Sec. 14. The Hopi Tribe shall pay to the Navajo Tribe the fair rental value as determined by the Secretary of the Interior for all Hopi Indian use of the lands referred to in section 4 and described in section 9 of this Act subsequent to the date of the partition thereof.

Sec. 15. Nothing herein contained shall affect the title, possession, and enjoyment of lands heretofore allotted to individual Hopi and Navajo Indians for which patents have been issued. Hopi Indians living on the Navajo Reservation shall be subject to the jurisdiction of the Navajo Tribe and Navajo Inidans living on the Hopi Reservation shall be subject to the jurisdiction of the Hopi Indian Tribe.

Sec. 16. The Navajo Indian Tribe and the Hopi Indian Tribe, acting through the chairman of their respective tribal councils, for and on behalf of said tribes, including all villages, clans, and individual members thereof, are hereby authorized to commence or defend in the United States District Court for the District of Arizona an action or actions against each other for the following purposes:

(a) For an accounting of all sums collected by said Navajo Indian Tribe since the 17th day of September 1957 as trader license fees or commissions, lease proceeds or other similar charges for the doing of business or the use of lands within the Executive Order Reservation of December 16, 1882, and judgment for one-half of all sums so collected, and not paid to the Hopi Tribe, together with interest at the rate of 6 per centum per annum compounded annually.

(b) For the determination and recovery of the fair value of the grazing and agricultural use by said Navajo Tribe and its individual members since the 28th day of September 1962 of the undivided one-half interest of the Hopi Tribe in the lands on said day decreed to said Hopi and Navajo Tribes equally and undivided as a joint-use area, together with interest at rate of 6 per centum per annum compounded annually notwithstanding the fact that said tribes are tenants in common of said lands.

(c) For the adjudication of any claims that either said Hopi or Navajo Tribe may have against the other for damages to the lands to which title was quieted as aforesaid by the United States District Court for the District of Arizona in said tribes, share and share alike, subject to the trust title of the United States, without interest, notwithstanding the fact that said tribes are tenants in common of said lands. Said claims shall, however, be limied to occurrences since the establishment of grazing districts on said lands in the year 1936, pursuant to section 6 of the Act of June 18, 1934 (48 Stat. 984).

Neither laches nor the statute of limitations shall constitute a defense to any action authorized by this Act for existing claims if commenced within two years from the effective date of this Act.

Sec. 17. The Navajo Tribe or the Hopi Tribe may institute such further original ancillary, or supplementary actions against the other tribe as may be necessary or desirable to insure the quiet and peaceful enjoyment of the reservation lands of said Hopi and Navajo Indians by said tribes and the members thereof, and to fully accomplish all objects and purposes of this Act. Such actions may be commenced in the United States District Court for the District of Arizona by either of said tribes against the other, acting through the chairman of the respective tribal councils, for and on behalf of said tribes, including all villages, clans, and individual members thereof.

Sec. 18. The United States shall not be an indispensable party to any action or actions commenced pursuant to this Act. Any judgment or judgments by the court shall not be regarded as a claim or claims against the United States.

Sec. 19. All applicable provisional and final remedies and special proceedings provided for by the Federal Rules of Civil Procedure and all other remedies and processes available for the enforcement and collection of judgments in the district courts of the United States may be used in the enforcement and collection of judgments obtained pursuant to the provisions of this Act.

Sec. 20. The Secretary of the Interior is hereby authorized and directed to survey and monument the boundaries of the Hopi Indian Reservation as defined in sections 5 and 7 of this Act.

Sec. 21. The members of the Hopi Indian Tribe shall have perpetual use of Cliff Spring as shown on USGS 7½ minute Quad named Toh Ne Zhonnie Spring, Arizona, Navajo County, dated 1968; and located 1,250 feet west and 200 feet south of the intersection of 36 degrees, 17 minutes, 30 seconds north latitude and 110 degrees, 9 minutes west longitude, as a shrine for religious ceremonial purposes, together with the right to gather branches of fir trees growing within a 2-mile radius of said spring for use in such religious ceremonies, and the further right of ingress, egress, and regress between the Hopi Reservation and said spring. The Hopi Tribe is hereby authorized to fence said spring upon the boundary line as follows:

Beginning at a point on the 36 degrees, 17 minutes, 30 seconds north latitude 500 feet west of its intersection with 110 degrees, 9 minutes west longitude, the point of beginning;

thence, north 46 degrees west, 500 feet to a point on the rim top at elevation 6,900 feet;

thence southwesterly 1,200 feet (in a straight line) following the 6,900 feet contour;

thence south 46 degrees east, 600 feet;

thence north 38 degrees east, 1,300 feet to the point of beginning, 23.8 acres more or less: *Provided*, That if and when said spring is fenced the Hopi Tribe shall pipe the water therefrom to the edge of the boundary as hereinabove described for the use of residents of the area. The natural stand of fir trees within said 2-mile radius shall be conserved for such religious purposes.

Sec. 22. Notwithstanding anything contained in this Act to the contrary, the Secretary of the Interior shall make reasonable provision for the use and right of access to identified religious shrines of the Navajo and Hopi Indians for the members of each tribe on the reservation of the other tribe.

Sec. 23. If any provision of this Act, or the application of any provisions to any person, entity or circumstance, is held invalid, the remainder of this Act shall not be affected thereby.

Sec. 24. (a) For the purpose of carrying out the provisions of section 12 of this Act, there is hereby authorized to be appropriated not to exceed $28,000,000.

(b) For the purpose of carrying out the provisions of section 20 of this Act, there is hereby authorized to be appropriated not to exceed $300,000.

Mr. MEEDS (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute printed in the reported bill as an original bill for the purpose of amendment be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

AMENDMENT OFFERED BY MR. OWENS

Mr. OWENS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Owens: Page 19, after line 2, insert the following:

(b) The Secretary of the Interior is authorized and directed to transfer not to exceed 250,000 acres of public lands within his jurisdiction within the States of Arizona or New Mexico to the Navajo Indian Tribe: *Provided*, That the Navajo Tribe shall pay to the United States the fair market value for such lands as may be determined by the Secretary. Such lands shall, if possible, be contiguous or adjacent to the existing Navajo reservation and title shall be taken by the United States in trust for the benefit of the Navajo Tribe.

Technical Amendment: Page 18, line 10, immediately after "Sec. 10" insert "(a)".

Mr. OWENS. Mr. Chairman, this is an amendment which I discussed with other members of the committee, including the chairman of the subcommittee. It would provide up to an additional 250,000 acres of land on which those members of the Navajo Indian Tribe who are required to be moved might be allowed to settle, should the Navajo decide to buy this additional land.

Mr. Chairman, I think the amendment speaks for itself.

There are allegations, founded or unfounded, that these 800 to 900 families which will be required to be moved under this bill will have no place to go because of the way the 15 million or 16 million acres in the Navajo Reservation are already divided. If so, this 250,000 acres, I think, would solve that problem.

Mr. MEEDS. Mr. Chairman, I rise in support of the amendment.

I think it improves the bill. I think it gives us a better chance of selection, and I would just point out that authority to do what the gentleman is now hoping to be done by amendment to this bill is also contained in the matter which we hope will be substituted for the entire bill at the end of the debate.

Mr. REGULA. Mr. Chairman, I rise in support of the amendment also, and I state that the minority has no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Utah (Mr. Owens).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. OWENS

Mr. OWENS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Owens: Page 24, strike out lines 23 through 26 and insert in lieu thereof the following:

Sec. 20. Notwithstanding any provision of this Act, or any agreement or settlement reached under authority of this Act, the Secretary of the Interior is authorized and directed to immediately commence reduction of the numbers of all the livestock now being grazed upon the lands within the Joint Use Area of the 1882 Executive Order Reservation and complete such reductions to carrying capacity of such lands, as determined by the usual range capacity standards as established by the Secretary of Interior after the date of enactment of this Act. The Secretary of the Interior is directed to institute such conservation practices and methods within such area as are necessary to restore the grazing potential of such area to the maximum extent feasible. He shall, in addition, upon determination of any settlement under authority of this Act, provide for the survey, location of monuments, and fencing of boundaries of any lands partitioned under such settlement. There is authorized to be appropriated not to exceed $10,000,000 to carry out the provision of this section.

Mr. OWENS. Mr. Chairman, this is an amendment which is aimed at solving a very pressing problem. The courts have determined that the disputed lands have been overgrazed by approximately 700 percent above their normal carrying capacity.

The court, in fact, in 1972, ordered that all livestock in the disputed lands be withdrawn in order to allow the land to rehabilitate itself.

This is an amendment which carries through with that order; it provides authority to the Secretary of the Interior to institute conservation practices and methods which will restore the grazing potential with maximum feasible speed as it relates both to the Navajo and the Hopi share of this disputed land.

The amendment provides for an authorization not to exceed $10 million.

This is the real heart of the problem, Mr. Chairman, whether the bill which is presently before the committee passes or whether the substitute by Mr. Meeds passes, the Navajo living on this disputed land will be required to move, because the courts have ordered that all livestock be removed. There is no grass left to graze upon. The Navajo lives with his livestock. If the livestock is removed from this land, or if the cattle and sheep starve, the Navajo will move, and this move will be very painful, without the benefits of this bill's financial assistance provisions.

This provision is an attempt to give the Secretary of the Interior more power and more facility to reclaim this land so that both the Navajo and the Hopi can enjoy its full use.

Mr. MEEDS. Mr. Chairman, I rise in support of the amendment.

I think the amendment is a very valuable addition to the legislation, and I support the amendment offered by the gentleman from Utah (Mr. Owens).

As the gentleman says, regardless of what happens with any of these bills, one of the most pressing needs in this entire area is land restoration. These lands are being overgrazed to a point as high as 700 percent in some instances. To be in the area is to recognize the absolutely terrible condition of the lands and their inability to support livestock in the traditional ways of these people.

So regardless of whether it occurs on Hopi land or Navajo land, regardless of whether it occurs in Moencopi or on district 6 land, restoration is badly needed, and I think this is a very valuable part of the gentleman's proposal.

I will also, Mr. Chairman, point out that the authority to provide for this exists also in the amendment in the nature of a substitute which I will offer.

Mr. REGULA. Mr. Chairman, I rise in support of the amendment.

I wish to state that the minority side has no objection to the gentleman's amendment.

The **CHAIRMAN.** The question is on the amendment offered by the gentleman from Utah (Mr. Owens).

The amendment was agreed to.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. MEEDS FOR THE COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

Mr. MEEDS. Mr. Chairman, I offer an amendment in the nature of a substitute for the committee amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. Meeds for the committee amendment in the nature of a substitute:

1. Strike all after the enacting clause, and insert in lieu thereof the following:

That, (a) within thirty days after enactment of this Act, the chief judge of the United States District Court for the District of Columbia shall appoint a Navajo-Hopi Board of Arbitration (hereinafter in this Act referred to as the "Board") which shall provide for the settlement and determination of the relative rights and interests of the Navajo and Hopi Indian Tribes (hereinafter in this Act referred to as the "parties") in and to lands, including surface and subsurface right, lying within the joint use area of the Hopi Reservation established by the Executive Order of December 16, 1882, as determined in the case of *Healing* v. *Jones*, (210 F. Supp. 125, D, Ariz. 1962; aff'd U.S. 758, 1963) (hereinafter in this Act referred to as the Healing case); and the rights and interests of the Hopi Tribe or Hopi individuals in and to lands, including surface and subsurface rights, lying within the Navajo Reservation created by the Act entitled "An Act to define the exterior boundaries of the Navajo Indian Reservation in Arizona, and for other purposes," approved June 14, 1934 (48 Stat. 960). The Board shall be composed of the three members, one of which such chief judge shall designate as Chairman. No member appointed to such Board shall have any interest, direct or indirect, in the settlement of the interests and rights set out in this subsection. Such chief judge shall promptly appoint a Board member to fill any vacancy which may occur in the Board's membership.

(b) Members of the Board shall receive compensation in the daily equivalent of the rate provided for grade GS–18 of the General Schedule in section 5332 of title 5 of the United States Code, for each day they are engaged in the business of the Board, and shall be allowed travel expenses, including per diem allowance, as authorized by section 5702 of title 5 of the United States Code, in connection with their services for the Board.

(c) In carrying out its responsibilities under the provisions of this Act, the Board is authorized to—

(1) make such rules and regulations as it deems necessary, not inconsistent with this Act, and

(2) request from any department, agency, or independent instrumentality of the Federal Government any information, personnel, services, or materials it deems necessary to carry out its functions; and each such department, agency, or instrumentality is authorized to cooperate with the Board and to comply with such requests to the extent permitted by law, on a reimbursable or nonreimbursable basis.

(d) All Board members shall attend the negotiation sessions provided for in section 2(c) except in the case of illness or other extenuating circumstances. Any formal action or determination of the Board shall require the agreement of a majority of the Board members.

(e) The existence of the Board and the negotiating teams established under section 2 shall terminate when the Board has filed a final report as provided in sections 3 and 4, but in no event later than the end of the one-year period beginning on the date of enactment of this Act.

(f) The Secretary of the Interior (hereinafter in this Act referred to as the "Secretary") shall appoint a liaison representative to the Board who shall attend negotiating sessions and facilitate the provision of information and assistance requested by the Board from the Department of the Interior.

(g) There is authorized to be appropriated not to exceed $500,000 for the expenses of the Board, such amount to be available in the fiscal year in which it is appropriated and in the following fiscal year.

Sec. 2. (a) Within the twenty-day period after appointment of the Board, the Board shall, in writing, contact the tribal councils of the Hopi and Navajo Tribes requesting the appointment by each such council of a negotiating team representing each tribe. Each such team shall be composed of an odd number of members (not exceeding seven), to be certified by appropriate resolution of the respective tribal council. Notwithstanding any other provision of law, the negotiating teams, when appointed and certified, shall have full authority to bind the respective tribes with respect to any matter within the scope of this Act. Each tribal council shall promptly fill any vacancy occurring on its negotiating team.

(b) In the event either or both of the parties fail to appoint and certify a negotiating team under subsection (a) within thirty days after the Board contacts the tribal council under such subsection, the provisions of section 4(a) shall become operative.

(c) Within fifteen days after formal certification of both teams to the Board, the Board shall schedule the first sessions of negotiations at Flagstaff, Arizona. Thereafter, negotiating sessions, conducted under guidelines established by this Act, shall be scheduled at Flagstaff, Arizona, or at any other place by agreement of the Board and the negotiating teams, as long as at least one session is held biweekly.

(d) In the event that either or both negotiating teams fail to attend two consecutive sessions or, in the opinion of the Board, either fails to negotiate in good faith, or an impasse in the negotiations is reached, the provisions of section 4(a) shall become operative.

(e) In the event of a disagreement within a negotiating team, the majority of the team shall prevail and act on behalf of the team unless the resolution of the tribal council certifying the team specifically provides otherwise.

Sec. 3 (a) If, within one hundred and eighty days after the first session scheduled by the Board under section 2(c) of this Act, the parties reach agreement on the settlement of the rights and interests of the parties, such agreement shall be reduced to writing, signed by the members of the negotiating teams and the members of the Board, and notarized. The Board shall submit such agreement to the Attorney General of the United States who shall, forthwith, advise the Board only on the constitutionality and legality of any or all provisions of such agreement. The Board shall have limited discretion to modify such agreement to conform to the advice of the Attorney General and to make technical changes. The Board shall provide the negotiating teams with copies of such modified agreement for their approval and signatures as above. If the teams approve and sign the modified agreement, the Board shall transmit it, together with a report thereon, to the Speaker of the House of Representatives and to the President of the Senate. The Board shall provide copies to the Attorney General and the Secretary, each of whom shall provide a report thereon to the Interior and Insular Affairs Committees of the Senate and the House of Representatives.

(b) If, within sixty days (excluding days on which either the House of Representatives or the Senate is not in session because of an adjournment for more than three calendar days to a day certain) after submission of such agreement and report to the Congress, neither the Senate or House of Representatives passes a resolution disapproving such agreement, it shall have the force and effect of law and shall be conclusive and binding upon the Navajo and Hopi Tribes and upon all other persons as to the rights and interests in lands or interests in lands which are determined and settled by said agreement.

SEC. 4. (a) If the negotiating teams fail to reach agreement within one hundred and eighty days after the date of the first session scheduled by the Board under section 2(c), or if one or both of the parties is in default under the provisions of section 2(b) or 2(c), the Board shall, within 60 days thereafter, devise a plan of settlement which shall be most reasonable and equitable in light of the law and circumstances and consistent with the guidelines set forth in section 6 of this Act: *Provided*, That the Board, in its final determination, may weight the default of either party pursuant to section 2(b) and 2(d). The Board shall then follow the procedures set out for agreements in section 3 of this Act; *Provided*, That such plan shall not be submitted to the parties for their approval.

(b) For the purpose of facilitating a negotiated settlement pursuant to section 3 or a settlement devised pursuant to subsection (a) of this section, the Board is authorized—

(1) notwithstanding the provisions of section 2 of the Act of May 25, 1918 (40 Stat. 570; 25 U.S.C. 211), to enter into an agreement with the Secretary to purchase or otherwise acquire lands for the benefit of either party from funds authorized by this Act; from the funds of either party; or funds under any other authority of law. Such lands shall be taken in trust by the United States for the benefit of the party for whom they are purchased;

(2) to enter into an agreement with the Secretary for the development of a land restoration and reclamation program for lands lying within the joint use areas of the 1882 Executive Order Reservation;

(3) to enter into an agreement with the Secretary for the development of a program for removal and resettlement pursuant to the provisions of sections 7 and 8 of this Act;

(4) in the event the subsurface interests underlying lands within the 1882 joint use area are maintained in joint, undivided ownership, to make temporary adjustments in the division of income from such subsurface interest or to otherwise temporarily to allocate the use of the interest of either or both parties to such subsurface income; and

(5) to make provision for a limited tenure and use, and for a phased removal of members of one party from lands which may be partitioned to the other party: *Provided*, That such limited tenure and use and phased removal shall be for a period not to exceed eight years from the date of final settlement.

(c) The authorizations contained in subsection (b) hereof shall be discretionary with the Board and shall not be construed to represent any directive of the Congress.

SEC. 5. For the purpose of section 3, the parties may make any provision in such agreement which is not inconsistent with existing law. No such agreement nor any provision in it shall be deemed to be a taking by the United States of private property compensable under the fifth amendment to the Constitution of the United States.

SEC. 6. For the purposes of a settlement under section 4 of this Act, the Board and the Attorney General shall be guided by the following:

(1) The Hopi Tribe and the Navajo Tribe, under the decision of the Healing case, have a joint, undivided, and equal interest in and to all of the 1882 joint use area.

(2) Any division or partition of the joint use area which results in a less than equal share to one party shall be fully and finally compensable to such party by the other party or out of appropriations hereinafter provided or both, except that any such compensation from the appropriation provided shall not prejudice the right of the compensated party to share equitably in the remaining portion of such appropriation unless imposed as a sanction pursuant to section 2(b) or 2(d) of this Act.

(3) The rights and interests of the Hopi Tribe in and to the exclusive Hopi Reservation defined in the Healing case shall not be reduced or limited in any manner.

(4) Undue social, economic, and cultural disruption shall be avoided insofar as reasonably practicable.

(5) Subject to the provisions of paragraph (2) of this section, funds appropriated under this Act shall be expended in such manner as will be most beneficial, in terms of long-term social and economic development, to members of both Navajo and Hopi Tribes living within the exterior boundaries of the Reservation established by the Executive Order of December 16, 1882.

(6) In any division of the surface rights to the 1882 joint use area, reasonable provision shall be made for the use and right of access to identified religious shrines of either party on the portion allocated to the other party, and for the reasonable availability of and access to water, firewood, and grazing resources such as to render the surface use of both parties viable.

(7) Any claim the Hopi Tribe may have against the Navajo Tribe for an accounting of all sums collected by the Navajo Tribe since September 28, 1962, as trader license fees or commissions, lease rentals or proceeds, or other similar charges for doing business on, or the use of, lands within the Executive Order Reservation of December 16, 1882, is for a one-half share in such sums. The settlement may provide for satisfaction of such claims or for adjudication of such claims, in which case the Hopi Tribe is authorized to commence an action against the Navajo Tribe in the United States District Court for the District of Arizona with any interest on an award by such court to be at the rate of 6 per centum per annum.

(8) Pursuant to the first section of the Act of June 14, 1934 (48 Stat. 960), provision shall be made for the partition and allocation of lands and interests in lands to the Hopi Tribe or Hopi individuals in the so-called Moencopi Area of the 1934 Navajo Reservation, which such provision shall take into consideration the—

(A) number of Hopi residing within such area on June 14, 1934;

(B) number of direct descendants of such Hopis residing in such area on the effective date of this Act;

(C) existing Hopi-Navajo dwelling patterns in such area;

(D) access to and availability of firewood, water, and grazing resources;

(E) necessity of a corridor to the major portion of the Hopi Reservation; and

(F) contiguity and unity of lands partitioned to the Hopi Tribe or individuals. Any lands apportioned to the Hopi Tribe or individuals shall be considered a part of the Hopi Reservation and administered by the Hopi Tribe.

SEC. 7. Any settlement accomplished under section 3 or 4 of this Act which necessitates the resettlement of members of one party from lands apportioned to the other party shall provide for—

(1) the availability of lands for resettlement;

(2) a reasonable period of time for resettlement to avoid undue social, economic, and cultural disruption;

(3) funds for rehabilitation of individuals or family units subject to resettlement;

(4) expenses of resettlement; and

(5) purchase of nonmovable improvements of individuals subject to resettlement.

SEC. 8. For the purposes of section 7—

(1) The United States shall purchase from the head of each Navajo or Hopi household, who is required to resettle pursuant to the provisions of any settlement under section 3 or 4 of this Act, the habitation and other improvements owned by him on the area from which he is required to move. The purchase price shall be the fair market value of such habitation and improvements.

(2) In addition to payments made pursuant to paragraph (1) of this section, the Secretary shall—

(A) reimburse each head of a household, whose family is moved pursuant to any settlement under section 3 or 4 of this Act, for his actual reasonable moving expenses as if he were a displaced person under section 202 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894);

"(B) pay to each head of a household, whose family is moved pursuant to any settlement under section 3 or 4 of this Act, an amount which, when added to the fair market value of the habitation and improvements purchased under paragraph (1) of this section, equals the reasonable cost of a decent, safe, and sanitary replacement dwelling adequate to accommodate such displaced household: *Provided*, That the additional payment authorized by this subparagraph (B) shall not exceed $15,000 for a household of three or less and not more than $20,000 for a household of four or more: *Provided further*, That the additional payment authorized by this subparagraph shall be made only to a displaced person who purchases and accupies such replacement dwelling not later than the end of the two-year period beginning on the date on which he receives from the Secretary final payment for the habitation and improvements purchased under paragraph (1) of this section, or on which he moves from such habitation, whichever is the later date. Nothing in this paragraph shall require a displaced person to occupy a dwelling with a higher degree of safety and sanitation than he desires.

(3) In implementing paragraphs (2)(A) and (B) of this section, the Secretary shall establish standards consistent with those established in the implementation of the Uniform Relocation Assistance and Real Property Acquistion Policies Act of 1970.

(4) The Secretary is authorized to dispose of dwellings and other improvements acquired pursuant to this section in such manner as he sees fit, including resale of such improvements to members of the tribe exercising jurisdiction over the area at prices no higher than their acquisition costs. Proceeds from such sales shall be deposited in the United States Treasury as miscellaneous receipts.

SEC. 9. Any lands or interests in lands partitioned or purchased as in-lieu lands hereunder shall be taken by the United States in trust for the tribe to which such lands are partitioned or for which such lands are purchased and shall become a part of the reservation of such tribe.

SEC. 10. In the event the subsurface rights to lands partitioned under the provisions of this Act are left in joint ownership, such interests shall be administered by the Secretary on a joint-use basis with any development thereof being subject to the consent of both parties. Costs of such development shall be shared by both parties and the net income derived from such development shall be distributed by the Secretary to the parties on the basis of any percentage formula agreed upon or set in the settlement.

Sec. 11. Notwithstanding any other provision of this Act, the Secretary is authorized to allot in severalty to individual Paiute Indians, not now members of the Navajo Indian Tribe, who are located within the area described in the Act of June 14, 1934, and who were located within said area or are direct descendants of Paiute Indians who were located within said area on the date of such Act, land in quantities as specified in the Act of February 8, 1887 (24 Stat. 388), and patents shall be issued to them for such lands in the manner and with the restrictions as provided in sections 1, 5, and 6 of that Act.

Sec. 12. Subsequent to the partition of the surface of any land by a settlement reached or determined under authority of section 3 or 4 of this Act, the Navajo Tribe shall pay to the Hopi Tribe, from the date of such partition, fair rental value as determined by the Secretary for all Navajo Indians use of lands partitioned to the Hopi Tribe and the Hopi Tribe shall pay to the Navajo Tribe, from the date of such partition, fair rental value as determined by the Secretary for all Hopi Indian use of lands partitioned to the Navajo Tribe.

Sec. 13. Either party may institute any original, ancillary, or supplementary actions against the other party as may be necessary or desirable to insure quiet and peaceful enjoyment of the reservation lands of said party and the members thereof and fully to accomplish the objects and purposes of any settlement reached under section 3 or 4 of this Act. Such actions may be commenced in the United States District Court for the District of Arizona by either of said parties against the other, acting through the Chairman of the respective tribal councils, for and on behalf of the tribes, including all villages, clans, and individual members thereof.

Sec. 14. The United States shall not be an indispensable party to any action or actions commenced under authority of this Act and any judgment or judgments shall not be regarded as a claim or claims against the United States.

Sec. 15. All applicable provisions and final remedies provided for by the Federal Rules of Civil Procedure and all other remedies and processes available for enforcement and collection of judgments in the district courts of the United States may be used in the enforcement of judgments obtained pursuant to the provisions of this Act.

Sec. 16. (a) For the purposes of carrying out the provisions of section 4(b) of this Act, there is hereby authorized to be appropriated a sum not to exceed $20,000,000. The Secretary may use such sums to make a loan or loans to either or both parties, to be used by such party or parties pursuant to an agreement of settlement reached pursuant to section 3 of this Act, or pursuant to a settlement devised under section 4 of this Act.

(b) Any loan or loans made pursuant to subsection (a) of this section shall be repaid to the United States by the party to whom the funds are loaned, and they shall not bear interest. The loan shall be repaid from the borrowing party's annual share of earnings from the subsurface rights within the 1882 joint use area, unless otherwise determined by the Secretary: *Provided*, That the minimum amount to be repaid each year shall be $500,000 for each such loan.

Sec. 17. For the purpose of carrying out the provisions of section 8 and for the purpose of any compensation which may beome payable pursuant to the provisions of section 6 of this Act, there is hereby authorized to be appropriated not to exceed $30,000,000.

2. Strike all of the title of H.R. 10337 and insert in lieu, the following:

"To provide for the mediation and arbitration of the conflicting interests of the Navajo and Hopi Indian Tribes in and to lands lying within the joint use area of the Hopi Reservation established by the Executive Order of December 16, 1882, and to lands lying within the Navajo Reservation created by the Act of June 14, 1934, and for other purposes."

Mr. MEEDS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute for the committee amendment in the nature of a substitute be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MEEDS. Mr. Chairman, it is not my intent to take at this time the full 5 minutes, but I do think it is necessary to discuss just briefly what the substitute will do.

The court at the outset will be required to appoint three arbitrators who will serve throughout the entire period of time with both parties. After that, of course, the tribes themselves will select their own negotiators, not more than seven, an uneven number. They and the three arbitrator-negotiators appointed by the court will sit in negotiation for up to 180 days. They have all of the tools we have mentioned to arrive at some kind of an agreement.

If an agreement is achieved between the negotiating parties, that agreement will be submitted to the Attorney General for technical changes and conforming changes only and will be sent to the Congress where it will lie for 60 days, and then, if not disapproved by the Congress, it will become the final settlement.

The same process will be followed if it does not reach settlement. It will be followed by an arbitration which will take place in 180 days and, with the parties having failed to reach their agreement, the arbitrators within 60 days of that time will make the final and binding decision, which is subject again to the minor technical changes made by the Attorney General and will lie 60 days before the Congress.

We have provided all of the tools that should be necessary in this legislation, but what we have not done in the substitute is to prejudge this matter. We have not said, as the committee bill does, that the court must divide the land in half and give half to each of the parties. As I said before, that may well be what the arbitrators will do and what the negotiators themselves will do, but the fact is we are not telling the arbitrators or the negotiators that is what they have to do.

This provides money for a loan from the Federal Government for the purchase of adjoining or new lands for resettlement, and it provides that money must be repaid by the advantaged party. It provides money for moving expenses, as does the bill offered by the gentleman from Utah, and it does many other things, but the most important provision in this measure is that 180 days after they start negotiating, if they have not achieved a settlement among themselves, it is going to be achieved by the arbitrators.

We have heard today that they have been arguing about this for 100 years, and they have. We have heard that if the parties could have settled it, they would have. Under the conditions that have existed I think it is true, also, but those conditions were never that time when the Navajos had to say we either make our settlement now or it will be imposed on us. They have never been under that stricture, and this legislation will put them under that stricture. I submit that we owe them this 6 additional months that it will take to try to work this out themselves.

I cannot guarantee that they can, because no one can, but the fact of the matter is we should give them this additional time, because any settlement they agree upon stands a very good likelihood of being carried out without bloodshed, and I submit that is extremely important.

Mr. HUBER. Will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from Michigan.

Mr. HUBER. There is something I am confused about. If the Supreme Court decided that the Hopi owns these lands, how can arbitrators come up with some other conclusion and say to the Supreme Court, "You are not the top dog in the country." How can they say that?

Mr. MEEDS. The Supreme Court in the case of Healing against Jones determined that the Hopi and Navajos had a joint and undivided one-half interest in the 1882 joint use area.

In the joint use area, not the entire 1882 area, but the joint use area outside the white portion there on the map and they said they did not have authority to partition. That land could be partitioned by the arbitrators rather than by the court.

Mr. LUJAN. Mr. Chairman, if the gentleman will yield, I think the difficulty is the Court did not rule that they are entitled to half the land, they said they were entitled to a one-half interest.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. Lujan, and by unanimous consent, Mr. Meeds was allowed to proceed for 2 additional minutes.)

Mr. MEEDS. I thank the gentleman for the additional time.

The gentleman from New Mexico is stating it accurately. The Court said they had a joint and undivided one-half interest, and that it is an interest in land, it is not the actual land itself. The Court could have, if we had empowered them to partition the land, the Court could have reached a decision for giving one-fourth of the land to the Hopi and three quarters to the Navajo, and required the Navajo to compensate the Hopi, as I see it.

Mr. HUBER. Mr. Chairman, if the gentleman will yield further, suppose the arbitrators decide that it is all going to go to the Navajos? If they are going to make a decision they could make that decision. Then what happens to the rights of the Hopis that the Supreme

Court has already said exist? Can the arbitrators decide in their decision that there are no rights to the Hopi Nation?

Mr. MEEDS. First of all, I do not think that would happen.

Mr. HUBER. That is not the point.

Mr. MEEDS. If they violate the constitutional rights of the Hopi, the Hopi would still have the right to go to the court.

Mr. LUJAN. If the gentleman will yield further, it could happen, and that is one of the viable alternatives under this substitute, as I understand it. It could range all the way from saying, "Get the 8,000 Navajo off of there," or, "Let the Navajo purchase the land from the Hopi." With those two extremes they can make any combination thereof. The Hopis, of course, if they were therefore to have to be compensated by the Navajo, but, by the same token, if all the land is going to the Hopi they would have to pay the Navajo for it, and there is provision in the bill as to how those interests can be taken care of.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. STEIGER of Arizona. Mr. Chairman, I rise in hysterical opposition to the substitute offered by the gentleman from Washington (Mr. MEEDS).

Mr. Chairman, I do feel very strongly about the substitute amendment, and I also recognize that without a shadow of a doubt the gentleman from Washington (Mr. MEEDS) is convinced that this is the viable solution to the problem.

I will simply, I guess, speak from my own personal experience with both of the tribes involved, and to advise the Members of the Committee, for whatever it may be worth, that both of these tribes are absolutely convinced of the justice of their own positions. And so the 6 months that the gentleman from Washington provides in his substitute, although it may be equitable and reasonable, is, I say, absolutely meaningless. We might as well go right to the arbitration, because there is not going to be any yielding. In order for the Navajo to negotiate in the true sense of the word, they have to give up something they have. In order for the Hopi to negotiate they have to agree to take money instead of land. That has been tried and tried again. It has been tried in an organized fashion since 1962. It has been tried through structured organizations since 1964, and it just is not working.

The Navajo in effect has told the Hopi, the BIA, and the rest of the country, that that cannot work, and to pull up the ladder; that they are not about to give up anything.

So any arbitration would have to be a deviation from the Supreme Court decision. That is why the Owens bill calls for a 50–50 undivided division of the land, because that is what the Supreme Court said.

That is why there are those of us who have urged the Hopis not to take up the tomahawk, not to burn, not to kill cattle, not to mutilate sheep, those of us who have urged them to work within the judicial bounds as provided by law. And when they complied with this and complied with the law, and they won, they are now told that they cannot have it; that, in effect, our system of justice only applies to the white man, to the non-Indian.

It is a very simple matter of equity, Mr. Chairman, and I will simply tell the Members that, again understanding fully the palatability of saying: "You people work it out," they have to recognize that there are some situations that are not workable, and this is one that is going to be in the hands of some arbitrators. The arbitrators are going to have the power to dispose, as the gentleman from Michigan pointed out under cross-examination, of the rights which the Supreme Court granted the Hopis, obviously with no more background than the court itself has, and that is clearly a subversion of justice.

Yes, it is unpalatable to most people, but we are going to have to move them if justice is to be served. It is just an unpalatable to deny people the use of their own land just because they are outnumbered, and that is what we are doing.

Mr. TREEN. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from Louisiana.

Mr. TREEN. I thank the gentleman for yielding.

Would not the arbitrators, even though under the substitute offered, not necessarily be bound to divide the land fifty-fifty, but would they not have to consider the Supreme Court decision which decreed that the two tribes own the land in division? According to the law, I think in most jurisdictions that would result in a 50–50 partition in kind. Does not the gentleman think that the arbitrators would have that Supreme Court decision as a guideline?

Mr. STEIGER of Arizona. I will tell the gentleman, if that is his desire, of course, it does not say anything in the substitute about that. But I will tell the gentleman that the Owens bill is exactly that, by permitting the court to partition and take into consideration not only the Supreme Court decision but the district court decision, which in effect is the manner of implementing the Supreme Court decision. There is nothing in the language of the gentleman from Washington, no criterion, as he said very accurately, no requirement that the Supreme Court decision even be referred to by the arbitrator. It seems to me that this is a tremendous abandonment of our responsibility. We have dealt with this thing, but the chairman of the full committee lived with it for 20-some years. The chairman of the subcommittee has literally lived with it for 3 years. Even we are divided. What is going to happen?

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. STEIGER of Arizona was allowed to proceed for 3 additional minutes.)

Mr. TREEN. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from Louisiana.

Mr. TREEN. I thank the gentleman for yielding.

I have another question. Could the gentleman explain this? Perhaps the author of the substitute could, if the gentleman does not have the facts on the substitute. As I understand it, three arbitrators will be appointed by the court and seven additional arbitrators by the parties; is that correct? There will be 10 arbitrators. If so, how would the additional seven arbitrators be chosen?

Mr. MEEDS. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from Washington.

Mr. MEEDS. I thank the gentleman for yielding.

There are only three arbitrators. Those are chosen by the court. There is an uneven number of Hopis and an uneven number of Navajos up to seven who are appointed by the tribal authorities as negotiators. They meet with the arbitrators.

Mr. TREEN. But the vote would be by the arbitrators alone, those three men? They would have the power of decision?

Mr. MEEDS. If the gentleman will yield further, not in the first stage during the 180 days. The votes will be made all by the negotiators. If a majority of the negotiators on the Navajo side want this solution and a majority of the Hopis agree to the same, then they have a bargain. The arbitrators are not involved at that point. It is only when they cannot agree that then the three arbitrators make the decision.

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. I thank the gentleman for yielding.

If the arbitrators divide this land on any basis except 50–50, would they not be overruled by the Supreme Court of the United States?

Mr. STEIGER of Arizona. I think the gentleman is correct. That would be exactly my definition of what would happen. It would be the only possible circumvention of the Supreme Court decision, and it would be done in the name of expedience, I will tell the gentleman. It seems to me that that is not worthy of this body. Recognizing the desirability of their working it out themselves, I will tell the Members that is not going to happen. It is going to be arbitrated. We are doing that right now in the most equitable fashion in conformity to the Supreme Court decision, and after a lot of intensive discussion.

Mr. Chairman, I would like to put this perhaps in an equation that will be understood by all, even those who have not any Indians in their districts.

There have been a great many political considerations involved in this, as is very natural but I will simply advise the Members that both the Senators from the

State of Arizona have strongly endorsed the Owens bill. In fact they have introduced a similar bill and the Members have received correspondence from them on it. Senator Goldwater is running for reelection and the only possible result of backing the Owens bill will be to antagonize the Indians, and that is a significant body to antagonize, but from his lifetime understanding of this problem he is brought to the conclusion that this is the only just solution. I hope we will appreciate his potential sacrifice in this matter and understand this problem is very real.

Mr. UDALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to comment first on the point made by my colleague, the gentleman from Arizona. The fact is that the Arizona delegation is divided, even as the committee was divided on this matter. It indicates how close this situation is. The gentleman from Arizona (Mr. Conlan) and I favor the Meeds substitute, and the gentleman from Arizona (Mr. Steiger), and, I understand, our other colleague (Mr. Rhodes), plus the two Arizona Senate colleagues, are in favor of the committee bill.

I did want to clarify the point raised by the gentleman from North Carolina a minute ago. In the first place, there is no absolute right to 50 percent of the land under the Court decision. What there is is a 50-percent right to the undivided interest in the land and that could be in fee or in money or any other division the Court wants to direct. I call attention to section 6, subsection (2), of the Meeds substitute in which it is said:

> (2) Any division or partition of the joint use area which results in a less than equal share to one party shall be fully and finally compensable to such party by the other party or out of appropriations hereinafter provided or both, except that any such compensation from the appropriation provided shall not prejudice the right of the compensated party to share equitably in the remaining portion of such appropriation unless imposed as a sanction pursuant to section 2(b) or 2(d) of this Act.

So if the arbitrators decide that the fair decision is to give more land to the Navajos, then we can have the Navajos pay more money to the Hopis to make up or we can have an appropriation to take up the difference.

As I said in general debate, these are two good proposals. Each will work. The Owens suggestions are based on an immediate and perhaps a harsh application of the Court decision. The Meeds solution is one that forces the parties to go one last time to the conference table to see if they can work it out together.

There is this concern that implementing the Court decision might be construed as a taking of Navajo land in the Moencopi area, in which case the Federal Government is stuck with $10 million or more payment. There will also be additional relocation costs under the committee bill as against the Meeds substitute.

For these reasons I would urge a vote for the Meeds substitute and against the committee bill.

AMENDMENT OFFERED BY MR. LUJAN TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. MEEDS FOR THE COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

Mr. LUJAN. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by the gentleman from Washington (Mr. Meeds) for the committee amendment in the nature of a substitute.

The Clerk read as follows:

> Amendment offered by Mr. Lujan to the amendment in the nature of a substitute offered by Mr. Meeds for the committee amendment in the nature of a substitute.
>
> In section 4. (a), after the first appearance of the word "shall", strike the comma and the words "within 60 days thereafter", and insert the following: "within fifteen days hold a hearing. At such hearing the parties shall present such evidence as shall be relevant and material to aid the Board in devising a plan of settlement. The Board shall have the power to administer oaths or affirmations and examine witnesses and receive evidence. Such hearing to conclude within fifteen days from its commencement. The Board shall, within 60 days after the close of the hearings,"

Mr. LUJAN. Mr. Chairman, the Meed substitute now calls for 180 days of hearings and negotiations. After that, the Board would come up with its own recommendations, within 60 days. What I am trying to do here is in between these two periods, the 180 days while the negotiations are going on and the final 60 days when the decision is being made, is to insert an extra 15 days in there so that each tribe can come before the Board and have its final say-so in court, so to speak.

It is not an extensive amount of time. It will add, of course, a total of 30 days probably at the maximum. I think that this time can very well be used by both tribes to sum up their case and present some legal arguments that might be necessary. That is the intent of the amendment to the substitute.

Mr. MEEDS. Mr. Chairman, I rise in reluctant opposition to the amendment. I shall not take the full 5 minutes.

I oppose this because I do not think it is necessary. The provision for 180 days of negotiations is ample for the arbitrators to acquaint themselves with the facts. In the event they should have to invoke the sanctions and begin the arbitration sooner than 180 days upon default of one of the parties, they still have 60 days before they have to reach that arbitration settlement. I think that is ample time and ample authority under the bill to have hearings and call witnesses, to obtain all the information that they will need to reach any kind of agreement.

So I reluctantly oppose the amendment.

Mr. STEIGER of Arizona. Mr. Chairman, I rise in opposition to the amendment to the substitute. I just point out that one of my major objections to the substitute of the gentleman from Washington is the delay in the inevitable final point, which is arbitration.

I understand the purpose of the request of the gentleman from New Mexico for 15 days, but it is just prolonging the inevitable, which is arbitration; so I would suggest it does nothing to add to the main bill or the substitute. Therefore, I oppose it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico (Mr. Lujan) to the amendment in the nature of a substitute offered by the gentleman from Washington (Mr. Meeds) for the committee amendment in the nature of a substitute.

The amendment to the amendment in the nature of a substitute for the committee amendment in the nature of a substitute was rejected.

AMENDMENT OFFERED BY MR. LUJAN TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. MEEDS FOR THE COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

Mr. LUJAN. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by Mr. Meeds for the committee amendment in the nature of a substitute.

The Clerk read as follows:

> Amendment offered by Mr. Lujan to the amendment in the nature of a substitute offered by Mr. Meeds for the committee amendment in the nature of a substitute: Section 13, after the last word of that section, "thereof.", strike the period and insert the following: "; *Provided, however*, That the action now pending in the United States District Court for the District of Arizona, No. 579 PCT, among the parties and the United States of America, and the appeals therefrom and any further proceedings therein shall be and the same are hereby, stayed until the approval of the settlement as set forth in Sections 3 and 4 of this Act."

Mr. LUJAN. Mr. Chairman, in bringing together two quarreling parties for negotiations, we should strive to bring them to the table with clean hands and with no threats or pressures on either party. There are today pending in the Arizona District Court certain actions brought by the Hopi against the Navajo Nation and the United States. These actions arise from the Healing against Jones decision and seek to force Navajo compliance and United States compliance with the provisions of that decision; yet the reason this legislation is needed is that the provisions of that decision are impossible to meet, even though the Secretary of the Interior has been working with the Navajos to try to meet them.

This amendment would stay all such actions until the settlement provided for in this act has been reached. At that time, of course, the settlement in itself mute and negate all these court actions.

Further, it is clear that the Hopi Tribe is attempting through these court actions to achieve through livestock reduction what it has been unable to achieve through congressional legislation.

The removal of some six to eight thousand Navajo people from their homes simply by removing from them their herds, which are their only means of livelihood; for this to continue during negotiations would drastically lessen the chances for peaceful settlement between the tribes.

I may point out one other thing, that any time that a leader would go out to negotiate on behalf of his people, it will be impossible to have his people following him, as he needs them because he might be in jail because of some contempt of court citation.

Therefore, I think that it is necessary, Mr. Chairman, that all of these court actions be put off to one side until such time as this matter is completely cleared.

Mr. MEEDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, while I said that I was in reluctant opposition to the last amendment, I must say that I am vehemently opposed to this amendment. I think we have absolutely no business in going back and attempting to undo what the Court has done under those supplementary proceedings of Healing versus Jones. That would be the effect of the gentleman's amendment.

Mr. STEIGER of Arizona. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this, I am sorry to report to the committee and Chair, is what I consider not in the spirit in which we have been conducting these proceedings up until now. The effect of this amendment would be to quash the rulings in Healing versus Jones, as the gentleman from Washington properly reports. It would perhaps be exactly what the Navajo had in mind.

It would quash the four court orders, including the contempt order which the Navajos are now in contempt of court for not removing the livestock on which they have overgrazed these lands by 70 percent.

So, Mr. Chairman, I will tell the committee that this is not only interference in separation of powers, but an abrogation of justice, and it is bad.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico (Mr. Lujan) to the amendment in the nature of a substitute offered by the gentleman from Washington (Mr. Meeds) for the committee amendment in the nature of a substitute.

The amendment to the amendment in the nature of a substitute for the committee amendment in the nature of a substitute was rejected.

Mr. OWENS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I hesitate to take the further time of the Committee, but before we vote on the substitute amendment offered by the gentleman from Washington (Mr. Meeds), I think it should be pointed out that this is a $500,000 waste, and pure delay. But more than that, it is an attempt to do away with the decision which the district court and then the Supreme Court spent 5 years deciding in Healing versus Jones.

Mr. Chairman, we know that the feet of both sides in this dispute are set in cement. We will not get them any closer together than they are. The Hopis will not give up their land for money. The Navajos cannot do anything else other than try to get some of that land, and to pay for it.

So, in essence, the arbitrators will be forced to decide anew, what is a fair midway point between those two positions of the Hopis and the Navajos—the arbitrators will be starting where the three judge panel was in 1958. The courts spent 5 years determining the equities in this case and it would be a mistake to allow the arbitrators to redecide those issues.

The Hopis are entitled to this land. They have lived there since the 1500's. They do not want money. They want what the Supreme Court says their rights are, which is to own half of that land and to control it.

Mr. Chairman, it would be folly indeed for Congress to dictate that a three-man arbitration panel should be set up to override what a three-man district court and the Supreme Court have decided are the rights of these two parties. Therefore, I appeal to the Members of the Committee: Do not overrule the Supreme Court in a matter where you do not understand the sensitivities and the equities.

Mr. Chairman, let us uphold the Supreme Court. Let us leave this matter in the hands of the courts by defeating the Meeds amendment.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Washington (Mr. Meeds) for the committee amendment in the nature of a substitute.

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. OWENS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 129, noes 199, not voting 105, as follows:

[Roll No. 252]

AYES—129

Adams
Addabbo
Alexander
Anderson, Calif.
Annunzio
Armstrong
Badillo
Barrett
Bell
Bergland
Bingham
Brademas
Brasco
Brinkley
Brotzman
Brown, Ohio
Burke, Fla.
Burke, Mass.
Butler
Byron
Carney, Ohio
Carter
Chisholm
Clay
Collins, Ill.
Conlan
Conte
Corman
Coughlin
Cronin
Davis, S.C.
Davis, Wis.
Dellenback
Dellums
Denholm
Diggs
Dingell
Donohue
Dulski
Erlenborn
Flood
Flowers
Flynt
Ford
Fraser
Frey
Froehlich
Gaydos
Ginn
Gonzalez
Grasso
Gray
Grover
Gude
Hamilton
Hanley
Hechler, W. Va.
Heckler, Mass.
Heinz
Hicks
Hillis
Hogan
Hungate
Johnson, Calif.
Jones, Okla.
Kastenmeier
Kazen
Kemp
Koch
Lagomarsino
Landgrebe
Leggett
Lehman
Lent
Long, La.
Long, Md.
Lujan
McClory
McCormack
Macdonald
Madden
Maraziti
Mathis, Ga.
Mayne
Meeds
Metcalfe
Mink
Moakley
Moorhead, Calif.
Moorhead, Pa.
Morgan
Natcher
Nedzi
Obey
O'Brien
O'Hara
Patten
Perkins
Peyser
Pritchard
Railsback
Randall
Rarick
Rees
Reuss
Riegle
Rinaldo
Roe
Rose
Rosenthal
Roush
Roybal
Runnels
St Germain
Sarbanes
Schroeder
Seiberling
Spence
Stokes
Stratton
Tiernan
Traxler
Udall
Vander Veen
Wampler
Williams
Wolff
Wright
Yatron

NOES—199

Abdnor
Abzug
Anderson, Ill.
Andrews, N.C.
Archer
Ashbrook
Ashley
Bafalis
Baker
Bauman
Bennett
Biaggi
Boland
Bowen
Bray
Breaux
Breckinridge
Brown, Calif.
Brown, Mich.
Broyhill, Va.
Burgener
Burke, Calif.
Burlison, Mo.
Casey, Tex.
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Cotter
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Delaney
Dennis
Dent
Dorn
Downing
Drinan
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Eshleman
Evans, Colo.
Fascell
Fish
Fisher
Forsythe
Frelinghuysen
Frenzel
Fulton
Gettys
Gilman
Goodling
Green, Pa.
Griffiths
Gross
Gubser
Gunter
Guyer
Haley
Hammerschmidt
Hanna
Hanrahan
Harrington
Harsha
Hastings
Henderson
Holt
Holtzman
Horton
Huber
Hudnut
Hunt
Ichord
Jarman
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Jordan
Kluczynski
Landrum
Latta
Lott
Luken
McCollister
McEwen
McFall
McKay
McKinney
Madigan
Mahon
Mallary
Mann
Martin, N.C.
Mathias, Calif.
Matsunaga
Mazzoli
Melcher
Mezvinsky
Milford
Miller
Mills
Minish
Mitchell, N.Y.
Mizell
Mollohan
Mosher
Moss
Murphy, Ill.
Myers
Nelsen
Nichols
Owens
Parris
Patman
Pepper
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quillen
Regula
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Rogers
Roncalio, Wyo.
Rousselot
Roy
Ruppe
Ruth
Sandman
Sarasin
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Stanton, J. William
Stark
Steed
Steele
Steiger, Ariz.
Steiger, Wis.
Stephens
Stuckey
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Thornton
Towell, Nev.
Treen
Ullman
Vanik
Vigorito
Waggonner
Walsh
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wyatt
Wylie
Yates
Young, Alaska
Young, Fla.
Young, Tex.
Zablocki
Zion

NOT VOTING—105

Andrews, N. Dak.
Arends
Aspin
Beard
Bevill
Biester
Blackburn
Blatnik
Boggs
Bolling
Brooks
Broomfield
Broyhill, N.C.
Buchanan
Burleson, Tex.
Burton
Camp
Carey, N.Y.
Chamberlain
Chappell
Clark
Collier
Conable
Conyers
Crane
Culver
Daniel, Dan
de la Garza
Derwinski
Devine
Dickinson
Evins, Tenn.
Findley
Foley
Fountain
Fuqua
Giaimo
Gibbons
Goldwater
Green, Oreg.
Hansen, Idaho
Hansen, Wash.
Hawkins
Hays
Hébert
Helstoski
Hinshaw
Holifield
Hosmer
Howard
Hutchinson
Johnson, Colo.
Jones, Ala.
Karth
Ketchum
King
Kuykendall
Kyros
Litton
McCloskey
McDade
McSpadden
Martin, Nebr.
Michel
Minshall, Ohio
Mitchell, Md.
Montgomery
Murphy, N.Y.
Murtha
Nix
O'Neill
Passman
Pettis
Pickle
Podell
Quie
Rangel
Reid
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Ryan
Satterfield
Sikes
Smith, Iowa
Staggers
Stanton, James V.

Steelman
Stubblefield
Symington
Teague
Thompson, N.J.
Thomson, Wis.
Van Deerlin
Vander Jagt
Veysey
Waldie
Wilson,
Charles, Tex.
Wydler
Wyman
Young, Ga.
Young, Ill.
Young, S.C.
Zwach

So the amendment in the nature of a substitute for the committee amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

Mr. LUJAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am not going to take the full 5 minutes. I simply want to point out to the Members of the House that, now that the amendment in the nature of a substitute has been defeated, we will be voting on exactly the same bill that this House turned down not more than a month ago.

The CHAIRMAN. If there are no further amendments to be offered, the question is on the committee amendment in the nature of a substitute, as amended.

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. LUJAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the committee amendment in the nature of a substitute, as amended, was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. McFALL) having resumed the chair, Mr. WHITE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 10337) to authorize the partition of the surface rights in the joint use area of the 1882 Executive Order Hopi Reservation and the surface and subsurface rights in the 1934 Navajo Reservation between the Hopi and Navajo Tribes, to provide for allotments to certain Paiute Indians, and for other purposes, pursuant to House Resolution 1095, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendent in the nature of a substitute adopted in the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. LUJAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 290, nays 38, not voting 105, as follows:

[Roll No. 253]

YEAS—290

Abdnor
Abzug
Adams
Addabbo
Alexander
Andrews, N.C.
Annunzio
Ashley
Badillo
Bafalis
Baker
Bauman
Bell
Bennett
Bergland
Bingham
Boland
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Byron
Carney, Ohio
Casey, Tex.
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conte
Corman
Cotter
Coughlin
Cronin
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, Wis.
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Diggs
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Fish
Fisher
Flowers
Ford
Forsythe
Fraser
Frelinghuysen
Frenzel
Frey
Fulton
Gaydos
Gettys
Gilman
Gonzalez
Goodling
Grasso
Gray
Green, Pa.
Griffiths
Gross
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Harrington
Harsha
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Henderson
Hicks
Hogan
Holtzman
Horton
Huber
Hudnut
Hungate
Hunt
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Kemp
Kluczynski
Koch
Landrum
Latta
Leggett
Lehman
Long, La.
Long, Md.
Luken
McClory
McCollister
McCormack
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller
Mills
Minish
Mink
Mizell
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
Owens
Parris
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Railsback
Randall
Rarick
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rose
Rosenthal
Roush
Rousselot
Roy
Ruppe
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Stanton, J. William
Stark
Steed
Steele
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stuckey
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Ware
Whalen
White
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wolff
Wright
Wyatt
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Tex.
Zablocki
Zion

NAYS—38

Anderson, Calif.
Anderson, Ill.
Archer
Armstrong
Ashbrook
Barrett
Butler
Carter
Conlan
Daniel, Robert W., Jr.
Davis, S.C.
Dingell
Flood
Flynt
Froehlich
Ginn
Grover
Gude
Hillis
Holt
Lagomarsino
Landgrebe
Lent
Lott
Lujan
McEwen
Maraziti
Mathis, Ga.
Mitchell, N.Y.
Patman
Quillen
Robinson, Va.
Roybal
Runnels
Shoup
Spence
Stratton
Wampler

NOT VOTING—105

Andrews, N. Dak.
Arends
Aspin
Beard
Bevill
Biaggi
Biester
Blackburn
Blatnik
Boggs
Bolling
Brooks
Broomfield
Broyhill, N.C.
Buchanan
Burleson, Tex.
Burton
Camp
Carey, N.Y.
Chamberlain
Clark
Collier
Conable
Conyers
Crane
Culver
Daniel, Dan
de la Garza
Derwinski
Devine
Dickinson
Evins, Tenn.
Findley
Foley
Fountain
Fuqua
Giaimo
Gibbons
Goldwater
Green, Oreg.
Hanna
Hansen, Idaho
Hansen, Wash.
Hawkins
Hays
Hébert
Helstoski
Hinshaw
Holifield
Hosmer
Howard
Hutchinson
Johnson, Colo.
Karth
Ketchum
King
Kuykendall
Kyros
Litton
McCloskey
McDade
McSpadden
Martin, Nebr.
Michel
Minshall, Ohio
Mitchell, Md.
Montgomery
Murphy, N.Y.
Murtha
Nix
O'Neill
Passman
Pettis
Podell
Quie
Rangel
Reid
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Ryan
Sikes
Smith, Iowa
Staggers
Stanton, James V.
Steelman
Stubblefield
Symington
Teague
Thompson, N.J.
Thomson, Wis.
Van Deerlin
Vander Jagt
Veysey
Waldie
Whitten
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wydler
Wyman
Young, Ga.
Young, Ill.
Young, S.C.
Zwach

So the bill was passed.

The Clerk announced the followed pairs:

On this vote:

Mr. Thompson of New Jersey for, with Mr. McSpadden against.

Until further notice:

Mr. Rooney of New York with Mr. Aspin.
Mr. Rostenkowski with Mr. Burleson of Texas.
Mr. Rooney of Pennsylvania with Mr. Culver.
Mr. Howard with Mr. Dan Daniel.
Mr. Brooks with Mr. Gibbons.
Mr. Karth with Mrs. Green of Oregon.
Mr. Stubblefield with Mrs. Hansen of Washington.
Mr. O'Neill with Mr. Litton.
Mr. Murphy of New York with Mr. McCloskey.
Mr. Podell with Mr. Martin of Nebraska.
Mr. Sikes with Mr. Kuykendall.
Mr. Burton with Mr. Hutchinson.
Mr. Helstoski with Mr. King.
Mr. Reid with Mr. Hosmer.
Mr. Passman with Mr. Andrews of North Dakota.
Mr. de la Garza with Mr. Camp.
Mr. Smith of Iowa with Mr. Broyhill of North Carolina.
Mr. Bevill with Mr. Derwinski.
Mr. Foley with Mr. Arends.
Mr. Ryan with Mr. Hansen of Idaho.
Mr. Hays with Mr. Biester.
Mr. Hébert with Mr. Devine.
Mr. Biaggi with Mr. Beard.
Mr. Carey with Mr. Hinshaw.
Mr. Clark with Mr. Conyers.
Mr. Charles H. Wilson of California with Mr. Collier.
Mr. Teague with Mr. Blackburn.

Mr. Staggers with Mr. Dickinson.
Mr. Rangel with Mr. Hanna.
Mr. Giaimo with Mr. Conable.
Mr. Fuqua with Mr. Broomfield.
Mr. Holifield with Mr. Crane.
Mr. Kyros with Mr. Findley.
Mr. Mitchell of Maryland with Mr. Blatnik.
Mrs. Boggs with Mr. Goldwater.
Mr. Evins of Tennessee with Mr. Buchanan.
Mr. Nix with Mr. Van Deerlin.
Mr. Fountain with Mr. McDade.
Mr. Hawkins with Mr. James V. Stanton.
Mr. Symington with Mr. Michel.
Mr. Waldie with Mr. Young of Georgia.
Mr. Whitten with Mr. Minshall of Ohio.
Mr. Murtha with Mr. Pettis.
Mr. Montgomery with Mr. Quie.
Mr. Roncallo of New York with Mr. Steelman.
Mr. Thomson of Wisconsin with Mr. Vander Jagt.
Mr. Charles Wilson of Texas with Mr. Wydler.
Mr. Wyman with Mr. Young of Illinois.
Mr. Young of South Carolina with Mr. Zwach.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MEEDS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

IGNORANCE OF ECONOMIC LAW IS NO EXCUSE

(Mr. JARMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. JARMAN. Mr. Speaker, I do not know whether there ever can be a situation where ignorance is bliss. But just as ignorance of the law is no excuse for an unlawful act, ignorance of economics is no excuse for politically expedient but unwise economic policy. In the context of the Nation's serious energy problems, the economic ignorance of our times can be a disastrous handicap in our efforts to meet our compelling energy needs. Indeed, much of the futile grappling with this crisis that has gone on to date in this House and in the other body has reflected either widespread economic ignorance or dangerous political expediency.

The nature and consequences of this ignorance, as it relates to the petroleum shortage, is brillantly analyzed in a Special Petroleum Report recently issued by the Chase Manhattan Bank.

This report points out that economic illiteracy has gone so far in this country that in the minds of many Americans "profit is a dirty word."

It goes on to explain that even people who have some understanding of the need for profits can be quite limited in their comprehension of the subject. Often these people do not realize that as needs for goods and services grow, there must be a corresponding expansion of profits.

The bank letter proceeds to apply these observations to the petroleum situation. The letter notes that there is a widespread belief that oil companies are guilty of profiteering and that this belief has led to proposals to punish the companies. It then goes on to state:

> Considering the widespread failure to understand the true function of profits in the free enterprise system, the attitude of the public is not surprising. But the American people are entitled to a much greater insight on the part of their elected and appointed representatives in government. Unless they fully understand the Nation's chosen economic system and unless they ascertain all the facts before they act, thest officials run the risk of setting in motion forces that are likely to prove highly detrimental in the longer run.

I share this concern about ill-advised and ill-considered action, and it is from this concern that I urge a close reading of the remainder of this bank letter. I am inserting the entire newsletter in the RECORD in the hope that my colleagues will give it the open-minded study that it merits.

The analysis of the petroleum industry profit picture in this newsletter can do much to dispel the economic confusion that could lead to harmful legislation.

The newsletter gives some of the unpublicized reasons for the surge of oil company profits during 1973. It discusses such little considered factors as the effect of dollar devaluation, of the need to maintain larger inventories, and of soaring tanker rates on oil company profits. It discusses the sharp increase in direct taxes experienced worldwide by the companies last year—a substantially greater increase than the widely proclaimed rise in their profits.

The bank letter then goes on to relate the profits of oil companies to the investment required for the United States to achieve a greater degree of self-sufficiency in petroleum.

Revealing statistics and detailed explanations are given on all these points and much more. Whether or not one agrees with the arguments made in this newsletter, I believe that a knowledge of this particular analysis must be considered essential for any intelligent discussion of the petroleum profit question.

I am convinced that the points brought out in this newsletter can move the debate over petroleum industry legislation to higher ground. This is the kind of ground on which we should stand in deliberating questions of such extreme importance to Americans of the present and of future generations.

"Ignorance of the law" is no excuse, we have been told over and over again. Neither should ignorance of basic economics be an excuse for mistakes that could be made in misinformed and misguided legislation applying to the petroleum industry. There is even less of an excuse for such mistakes now when a single detailed newsletter has provided such an array of essential economic information bearing directly on the issues now under consideration.

Mr. Speaker, at this point in the RECORD, I will include the Chase Manhattan Bank special petroleum report followed by a summary of some of the highlights of that report:

[From the Energy Economics Division of the Chase Manhattan Bank, New York, N.Y., April 1974]

THE PROFIT SITUATION: A SPECIAL PETROLEUM REPORT

PROFITS AND THE ORDINARY MAN

Ask any man what he would need first if he wanted to get into the petroleum business. He would be virtually certain to say money. He would know he could not start the business without money. And he would also know he would need more money to keep the business going and still more to make it grow.

Ask him where he would get the money. And he would be likely to say that he would have to provide most of it himself from his accumulated earnings. He would probably know he could borrow some—but only if he could prove to the lender his ability to repay the loan out of future profits.

Because he obviously must depend upon them so much, ask him to define profits. Again, he would be likely to respond correctly. He would know that, of the money he took in from the sale of petroleum, only the amount remaining after paying all the costs of doing business, including taxes, would represent his profit. He would be likely to understand that he could expand his business only if his profits were large enough. And he would also recognize that his business would fail if his profits were too small.

Despite the fact that most people readily understand their own needs for an adequate income. whether it be salary or profits, many fail to recognize the equal needs of others. Indeed, the extent of the failure to understand the vital importance of the role played by profits in the free enterprise system is appalling. Because that lack of understanding is now so great, it constitutes a significant threat to the continued existence of the economic system that has served the people of the United States so well in the past.

THE FREE ENTERPRISE SYSTEM

The American economy has been called the eighth wonder of the world because it is based on a historically revolutionary idea: that a society can function, prosper and grow on the basis of free economic choices by individuals. The market place—not government planning—regulates the economy. The desire for private gain and fulfillment, not decree or coercion, is the motivating force. It is a system that has brought to the American people the highest standard of living anywhere on earth. It has worked well because for the most part it has been permitted to function with a minimum of intervention by government. Yet, despite the demonstrated merits of the system, disturbing changes are being introduced. With increasing frequency governmental intervention is being substituted for the free choice of individuals in the market place.

ECONOMIC ILLITERACY

If asked, a vast majority of the people of this nation would doubtless say they believed in the free enterprise system. But how many really understand how it functions? Only a small proportion of all high school and college graduates have ever taken a course that explains the free enterprise system in a meaningful fashion. Former Secretary of Commerce Luther Hodges once said, "If ignorance paid dividends, most Americans could make a fortune out of what they don't know about economics."

Among the most disturbing effects of economic illiteracy is the widespread misunderstanding of the role profit plays in the free enterprise system. In the minds of far too many, unfortunately, profit is a dirty word. There is the strong tendency to think of

profits as funds left over from the operations of a business—money to be utilized for any unrelated purpose. Profits, therefore, are regarded as something a business does not really need, or at least something that can be reduced without serious consequences. Many, though they endorse the free enterprise system, nevertheless reject profits. Apparently, their lack of knowledge of economics leaves them unprepared to understand that the American economy cannot function without capital—and there can be no capital without profits. Indeed, there is the shocking evidence that some are not even able to distinguish between gross revenue and profits.

* * * * *

THE FACTORS

It is important to recognize at the outset that the group of companies does business throughout the entire non-Communist world and that the operating conditions in 1973 outside the United States were vastly different than within. The growth of demand for petroleum was strong in the United States—but it was much stronger in the rest of the world. Market needs in the United States increased by nearly a million barrels per day and elsewhere they rose by more than two million a day. Gains of that magnitude, of course, could alone produce a substantial increase in earnings without any change in the price of petroleum.

But, for several reasons—mostly abnormal—there were price increases also. A gradually evolving shortage of petroleum has been apparent for many years. For the most part that development has been regarded with complacency in the United States. In most of the rest of the world, however, the degree of awareness has been much greater. And mounting apprehension about the scarcity of supply caused prices to advance in many of the world's markets during 1973.

Largely because of governmental restraints on the generation of capital over the past two decades, it has not been possible to increase the production of petroleum in the United States in recent years. And all of the expansion of market needs, therefore, has had to be satisfied with imported oil. That means the United States has recently started to compete much more aggressively with other importing nations for available foreign supplies. And that competition in 1973 gave rise to even greater concern within other nations about the adequacy of their oil supply. They reacted by increasing their stockpiles of oil and bidding up prices further in the process.

Governments of several major oil producing nations were also responsible for higher oil prices in 1973. To varying degrees and in several stages they enlarged their ownership of the petroleum operations within their borders and in the process dictated very large increases in the price of crude oil. Under the terms of the varied and complicated formulas that establish the relationship of the governments and the operating petroleum companies, most of the benefits of the price changes went to the governments, but some accrued to the companies too.

During 1973, governments of some of the oil producing countries made threats to cut off the flow of oil. Such warnings, of course, contributed to the apprehension within the importing nations about the continuity of their oil supply. And, as a consequence, the governments of the importing nations compelled petroleum companies to maintain exceptionally large inventories. As the price of oil progressively rose in the world's major markets in response to both the forces of supply and demand and the unilateral actions of government, the value of inventories increased too. And that development was naturally reflected in the gross revenue of the petroleum companies involved.

Early in 1973 the dollar was devalued. And, in the process of the necessary conversion from various other currencies, dollars were automatically increased on the books of many petroleum companies. Thus, an action of the United States Government contributed directly and significantly to the growth of earnings of those companies.

The strong worldwide growth in the demand for petroleum in 1973 caused tanker rates to soar to record highs after being at subnormal levels the year before. Consequently, the transportation operations of many of the petroleum companies became substantially more profitable than they had been.

After being in the doldrums for several years the petrochemical operations of the petroleum companies staged a strong recovery in 1973. And the earnings from those operations, therefore, were significantly better than in the previous year. The impetus for the recovery was provided by both a strong demand for chemical products and a shortage of supply.

* * * * *

WHY PROFITS INCREASED SO MUCH

In 1972, more than half of the group's overall profits—53 percent—were earned in the United States. But, in 1973, the proportion dropped to only 37 percent. For the most part, that major shift reflected the impact of the various abnormal forces operating in 1973.

Devaluation of the dollar had the single greatest effect. Indeed, nearly one-fourth of the worldwide increase in profits can be attributed to devaluation alone. About one-sixth of the profit gain was brought about by the increase in the value of inventories following the progressive firming of petroleum prices in most of the world's market throughout the year. As explained earlier, the price changes were the result of both economic and political forces. Historically, the profitability of both the petrochemical and tanker operations of the companies has ranged from extremely poor to extremely good. It is unusual, however, for both operations to stage a strong recovery in the same year, as was the case in 1973. Because these activities did recover at the same time, they also contributed substantially to the expansion of the group's profits.

Four of the thirty companies in the group are European rather than American organizations. Their earnings have fluctuated widely in recent years and in 1972 they were severely depressed. Because of the unusual developments in 1973, the earnings of these four companies were much improved and that recovery alone accounted for more than one-third of the profit gain for the entire 30 company group.

The growth of demand for oil continued unabated in 1973. Worldwide needs were 3.2 million barrels per day larger than in the year before. And, with that much additional oil moving to market at price levels that averaged higher than in the previous year, a substantial increase in profits was a perfectly normal consequence.

When considered superficially, a 71 percent increase in profits appears excessive. But, an analysis that is limited solely to the change for a single year is not only foolish and grossly misleading but can also be dishonest. If petroleum companies are to serve the expanding needs of consumers, they must make long range investment plans. And those plans must necessarily be based upon the average growth of profits over a long period of time—not just the increase in a single year. For the past five years, including 1973, the group of companies achieved an average annual growth in earnings of 12.0 percent. For the past ten years, the annual growth has averaged 9.9 percent. In both cases, the average increase fell far short of the growth required to provide the capital funds needed to keep pace with the expansion of petroleum demand.

Within the United States alone the longer term growth of profits has been even less favorable. Although the group's earnings in 1973 were 19.1 percent higher than in the year before, they were only 11.3 percent higher than five years earlier. And the average annual growth for the past five years has been only 2.2 percent. Over the past ten years the average growth has amounted to no more than 6.2 percent. Clearly, the United States cannot possibly achieve the higher degree of petroleum self-sufficiency it so urgently needs if profits continue to grow at such slow rates. Not nearly enough capital can be generated internally nor will capital from outside sources be attracted. There are many opportunities for investment in the United States that are much more attractive.

* * * * *

ABOUT THOSE TAXES

As noted earlier, the group's taxes increased more in 1973 than its profits—both in the United States and in the rest of the world. Indeed, taxes have increased more than profits for many years. The following table illustrates the degree of increase over the past five years:

[Dollar amounts in millions]

	1973	1968	Change from 1968 Amount	Change from 1968 Percent
Profits	$11,722	$6,664	+$5,058	+75.9
Direct taxes	20,845	7,276	+13,569	+186.5

Clearly, governments are benefiting far more from the operations of the companies than the companies themselves. In the United States alone, total direct taxes rose by 33.1 percent in 1973 compared with the 19.1 percent gain in profits. Income taxes were up 72.9 percent. Over the past five years direct taxes in the United States increased by 1,343 million dollars or 65.2 percent compared with the profit gain of 441 million dollars or 11.3 percent. Income taxes alone increased by 804 million dollars or 97.2 percent during that period.

In addition to the direct taxes they pay, the companies transfer to governments an enormous amount of money in the form of excise taxes. In 1973 the excise taxes amounted to 26.4 billion dollars—10.1 billion in the United States and 16.3 billion in the rest of the world. The total taxes taken in by governments as a result of the group's operations in 1973 amounted to 47.2 billion dollars—13.5 billion in the United States and 33.7 billion in the rest of the world. Of the total taxes paid, the major portion went to the governments of the petroleum importing nations. Indeed, the tax receipts of government of the United States alone exceeded those of all the major producing countries together. Compared with the year before, the tax revenue of governments increased by 9.4 billion dollars. Over the past five years governments took in 172.7 billion dollars in taxes. The profits of the companies over the same period amounted to 39.2 billion dollars. By any test, governments have fared exceedingly well.

It should be readily apparent that the more money governments take from the companies in the form of taxes the less there is available for capital investment. When governments increase taxes they reduce profits and thereby create an immediate need for the companies to offset the loss by raising petroleum prices in an effort to restore their profits. But, if governments apply price controls or otherwise limit profits, the companies cannot offset the loss of capital funds caused by the tax increase and they are then forced to curtail their capital investment. Obviously, the companies cannot invest money they do not have.

THEY SPEND MORE THAN THEY EARN

Historically, there has always been a very close relationship between capital expenditures and profits. As one of the charts in this report clearly reveals, capital expenditures rise and fall with net income. Also indicated is the fact that the group's capital expenditures are much larger than its profits. The following table compares the actual amount of profits and capital expenditures over the past five years:

[Dollar amounts in millions]

	Profits	Capital expenditures	Expenditures over profits	
			Amount	Percent
United States	$18,883	$34,102	+15,219	+80.6
Rest of world	20,308	30,000	+9,692	+47.7
Worldwide	39,191	64,102	+24,911	+63.6

As the table reveals, the companies invested nearly two-thirds more money in the past five years than they generated in profits. And in the United States they spent nearly twice as much as they earned. In fact, well over half of their worldwide investment was made in the United States even though their profits were larger in the rest of the world. The companies were able to invest more than they earned only because they could obtain part of the money they needed through the mechanism of capital recovery and another part by borrowing.

THE IMPORTANCE OF PETROLEUM

The satisfaction of virtually all needs for goods and services throughout the world depends upon the use of energy. Without a sufficient supply of energy, the developed nations of the world cannot maintain their existing standard of living and the less developed nations will not be able to achieve the economic and social gains they so urgently need. The liquid form of oil makes it by far the most versatile of all energy sources. Our studies reveal that the world will depend upon oil alone to satisfy well over half of its energy needs between 1970 and 1985. The world's requirements for petroleum in that time will be nearly three times greater than in the preceding fifteen years. Even if the demand for oil stopped growing, the consumption would still be almost twice as large as in the preceding fifteen years.

All of the existing proved reserves of oil throughout the entire non-Communist world are not now sufficient to satisfy the worldwide needs between 1970 and 1985. If those needs are to be satisfied and a realistic level of underground inventories maintained, the petroleum industry will have to find twice as much oil between 1970 and 1985 as it discovered in the preceding fifteen years. The estimated cost of finding that much oil and providing all the additional facilities required to satisfy the world's expanding markets plus the other essential financial needs of a viable business operation will amount to well over a trillion dollars. That is about four times the amount of money the industry utilized in the preceding fifteen years. In the United States alone, the petroleum industry's financial needs will exceed half a trillion dollars.

Raising that much money will represent an enormous task. Part of it can be borrowed but at least three-fourths will have to be generated internally from profits and capital recovery. Nearly half must be obtained from profits alone and, profits will have to grow much faster than in the past. The rate of return on invested capital will need to range between 15 and 20 percent.

THE ROLE OF GOVERNMENT

But, if obstacles are raised by governments, and the petroleum industry is therefore prevented from generating all the capital funds it needs, it will be unable to serve the world's markets—a progressively worsening shortage of petroleum will surely evolve. The United States is now faced with a shortage of all forms of energy and the blame for that condition must be laid almost entirely at the doorstep of government. For nearly four decades, government has broken economic laws repeatedly and has compiled an appalling record of interference with the normal operations of the free enterprise system. Yet, against that background, many representatives of government are currently exhibiting an incredible determination to take further actions that are certain to prove highly detrimental to the nation.

The temper of the times is dangerous. And government should be acting with utmost care. It ought to be making a thorough, well-reasoned, and open-minded assessment of all the abnormal forces at work in 1973. In addition, it should be conducting an equally honest examination of its own role in bringing about the energy shortage. Good government demands nothing less. But we are not witnessing actions of that nature. Instead, there appears to be an impulsive rush to take punitive actions—actions apparently motivated primarily by the growth of petroleum company profits in 1973. There are few signs of a truly meaningful effort to seek the facts. Hearings abound. But the politically charged, theatrical atmosphere of the typical Congressional hearing does not provide an opportunity for the effective development of factual and relevant information. Sincere and earnest efforts to gain information can be accommodated far better with other methods.

Among the punitive actions proposed are limitations on both capital recovery and profits. Government appears unmindful of the serious consequences of restricting the petroleum industry's ability to generate capital funds. Apparently, there is little understanding that a worsening shortage of petroleum would be the inevitable outcome. Nor does it seem to be understood that the nation's economy would surely suffer as a result of the petroleum shortfall and that tax receipts would then decline, leaving government less able to carry on its legitimate functions.

The sequence of events in prospect are cause for much alarm. And, if government acts to set them in motion, the nation will be faced with a prolonged period of hardship. That is not to say, however, that the ultimate result would be doom. As the problems worsen, the seeds of correction will begin to grow. Consumers will not tolerate shortages of petroleum, or other forms of energy, indefinitely. They will insist that their needs be satisfied. At the present time, they are angry at the petroleum companies, as well as the electric and gas utilities because of shortages and rising prices. And the punitive actions being considered by government appear to manifest in part a desire to cater to the public attitude for reasons of political expediency. But the punitive actions will not solve the problems—they will only make them worse. And, when conditions do not improve, consumers will seek a new villain. By then, the only one available, of course, will be government.

By resorting to their most potent weapon—their votes—consumers can bring about change; they can set in motion powerful forces of correction. In response to their needs and demands, men and women with a more positive attitude toward the free enterprise system and the needs for capital can be attracted to government service. And, in time, the United States can stage a gradual recovery and again achieve a high degree of self-sufficiency relative to the supply of petroleum and other forms of energy. The nation does not lack basic energy resources to be developed—all that is required is sufficient capital funds and freedom to act.

But the time required to attain that goal will be long and painful. Favorable results could be achieved sooner if only government would recognize immediately the urgent need to work constructively with all the energy industries for the over-all good of the nation rather than continuing in an adversary posture.

Mr. Speaker, I will next include the summary of the Chase Manhattan report to which I previously referred:

"THE PROFIT SITUATION" A SUMMARY OF POINTS FROM THE CHASE MANHATTAN SPECIAL PETROLEUM REPORT—APRIL 1974

1. THE FREE ENTERPRISE SYSTEM

The American economy has been called the eighth wonder of the world. It is a system that has brought the American people the world's highest standard of living. The American economy cannot function without capital—and there can be no capital without profits.

2. PROFITS

No meaningful conclusion can be drawn from a measurement of profits (1) for only a limited time or (2) by the amount of increase over the preceding period. Government policy makers must understand the Nation's economic system and they must ascertain all the facts before they act. If they do not, those officials run the risk of setting highly detrimental forces in motion. Our economic and social well-being is so completely dependent upon an adequate supply of petroleum, the Nation can no longer tolerate political blunders that jeopardize that supply.

3. FACTORS INFLUENCING 1973 PROFIT GROWTH

The 30 petroleum companies included in the Chase group experienced a strong growth in demand for petroleum. Foreign demand growth exceeded domestic demand growth by 2 to 1. Largely because of governmental restraints on capital generation, U.S. production of petroleum in recent years has not increased. The expansion of domestic market needs had to be satisfied with imported oil. Foreign industrialized nations increased their imports and bid up world oil prices. The major oil producing nations caused price increases with substantially most of the benefits from the increases accruing to the foreign producing governments. Threats to cut off international oil movements prompted importing countries to maintain exceptionally large inventories. The value of these inventories increased as the world price of oil increased. Government-imposed dollar devaluation created profit increases on the books of the companies. Larger international petrolemum movements increased tanker earnings. Petrochemical operations recovered from a depressed earnings period.

4. WHERE THE MONEY CAME FROM AND WENT

In 1973 the gross operating revenues of the Chase group companies increased 17 percent in the U.S. and 35 percent in the rest of the world. More than 85 percent of the Chase group's profit growth occurred outside the United States. In 1972, 53 percent of the group's profits were earned in the U.S. but in 1973 the U.S. proportion had dropped to 37 percent. Income taxes have been the fastest growing cost of doing business for the petroleum companies. In 1973 the income tax payment amounted to $14.8 billion—$4.5 billion higher than in 1972. Other direct taxes totaled $6 billion in 1973. Of the 1973 operating revenues, 75 percent went to pay operating costs, 16 percent went for taxes, and the remaining 9 percent represented profits.

5. TAX BURDEN

The Chase group's taxes increased more in 1973 than its profits. Total direct taxes in the U.S. increased by 33 percent compared with the 19 percent gain in profits. Over the past five years, U.S. direct taxes increased by 65 percent compared with a profit increase of 11 percent. Over the past five years, the tax burden of the group amounted to $173 billion compared to profits of $39 billion. Including excise taxes, the total taxes taken in by governments in 1973 from the group's operations amounted to $47 billion—U.S. $13 billion and elsewhere $34 billion—an increase of $9 billion over 1972. It must be recognized that the more governments take in taxes, the less there is available for capital investment.

6. CAPITAL SPENDING

The Chase group's 1973 capital spending was far larger than its level of profits—the group invested nearly two-thirds more than they generated in profits. In the U.S. the companies invested nearly twice what they earned. Well over half worldwide investment was made in the U.S. even though their profits were larger in the rest of the world.

7. THE IMPORTANCE OF PETROLEUM

The world will depend upon oil to meet over half its energy needs between 1970 and 1985 and the requirements will be three times greater than in the preceding 15-year period. Existing proved reserves are not sufficient to satisfy worldwide demand in the current 15-year period. Twice as much oil will need to be discovered in the current 15 years as was found in the previous 15-year period, and the finding and related costs will be four times higher. These capital requirements will exceed $1 trillion worldwide and more than $500 billion in the U.S.

8. ROLE OF GOVERNMENT

The United States is faced with a shortage of all forms of energy. Blame for that condition rests primarily with governmental policy. The temper of the times is dangerous. There appears to be an impulsive rush to take punitive action. Among the punitive actions proposed are limitations on both capital recovery and profits—a worsening shortage of petroleum would be the inevitable outcome. All aspects of the Nation's economy would suffer from the petroleum shortfall. A prolonged period of hardship would ensue. The Nation does not lack basic energy resources to be developed. All that is required is sufficient capital funds and freedom to act.

Mr. Speaker, the foregoing analysis by the Chase Manhattan Bank of the petroleum industry's profit record makes it abundantly clear that the profitability of this vital industry has not been excessive. America's economic preeminence and the job opportunities of our citizens are directly dependent on the availability of secure supplies of energy resources. Vast capital expenditures will be required to provide these energy supplies. The Congress should not take adverse legislation action against the industry on which we must depend to meet the major part of the Nation's energy fuels requirements in the years ahead. For these reasons, we should not approve the Oil and Gas Energy Tax Act of 1974, H.R. 14462, as it was reported from the Committee on Ways and Means, and we surely should not approve procedures that would permit amendments to enlarge the punitive and discriminatory character of that legislation.

ALTERNATIVES TO POULTRY INDEMNITY BILL

(Mr. EVANS of Colorado asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. EVANS of Colorado. Mr. Speaker, today I have introduced a bill to provide for a study to be conducted by the Secretary of Agriculture to determine the feasibility of implementing a Federal insurance program to cover commodities not now insured under the Federal crop insurance program.

I offer this bill as an alternative to the poultry indemnity bill recently passed by the Senate and similar bills which deal on a 1-by-1 basis with the substantial business losses periodically incurred by the commodity producers.

I urge any Member who feels as I do that something needs to be done to protect these producers from losses, such as those suffered by the poultry growers of Mississippi—but who also feels that outright indemnity sets a bad precedent—to lend their support to my bill.

Following is the text of the bill plus some background material on various indemnity programs considered over the years.

The table entitled "Residue Problems Since 1969" does not include the current Mississippi incident, nor a poultry contamination incident in the Carolinas last fall.

The material follows:

RESIDUE PROBLEMS AND ESTIMATED COSTS SINCE 1969

Residue	Area	Year	Species	Estimated cost
1. Heptachlor	Arkansas	1969	Turkey	4,000,000
2. Dieldrin	Missouri	1969	Cattle	50,000
3. Dieldrin	New York	1970	Light Fowl	500,000
4. PCB [1]	do	1971	do	1,000,000
5. PCB	Southeastern United States (14 States).	1971	Poultry	2,500,000
6. PCB	Maine	1972	Broilers and heavy fowl.	3,000,000
7. PCB	Minnesota	1972	Turkeys	336,000
8. Dieldrin	Maine	1972	Heavy fowl	150,000
9. Dieldrin	Missouri	1972	Turkey	73,000
10. Dieldrin	California	1972	do	90,000
11. PCB	do	1971	do	50,000
12. Chlordane	North Carolina	1973	Turkey, broilers, and fowl.	2,000,000
13. Dieldrin	do	1973	Turkey	88,000
14. Dieldrin	Louisiana	1973	Light fowl	20,000
15. Dieldrin	Oregon	1969	Cattle	2,500,000
16. Dieldrin	Mississippi	1971	Light fowl	50,000
17. Dieldrin	Georgia	1971	Chickens	2,500
18. Dieldrin	North Carolina	1971	Swine	10,000
19. Mercury	New Mexico	1970	do	63,000
20. Hexachlorobenzene.	California	1973	Lambs	25,000
21. PCB	Missouri	1973	Turkey	567,000
22. Hexachlorobenzene.	Louisiana	1973	Cattle	400,000

[1] Polychlorinated biphenyls.

There are many more small isolated incidents involving small independent operations or producers associated with integrated operations which had problems and had to destroy their birds or products.

The gross rough estimate would be about $20,000,000 since 1969. This would not include all the side ramifications of lost egg production, etc., related to income for the producers.

INDEMNITY PAYMENTS TO DAIRY FARMERS

In 1964, several incidents occurred in which dairy farmers were directed to dump their milk because it contained residues of pesticides, principally heptachlor and dieldrin. Both were then in widespread use to control the alfalfa weevil. Later, the Department cancelled the registrations of both pesticides because it was found that even if the Department's recommendations for use were followed, excessive residue levels would result.

During Senate consideration of the Economic Opportunity Act of 1964, an amendment was added to the bill to authorize the Secretary of Agriculture to make indemnity payments, at a fair market value, to farmers who were directed to remove their milk from the market because of the residues.

Arguments in favor of the amendment were based on the cranberry indemnity precedent, and the farmers' reliance on the Department's approval of the chemicals for use.

In 1970, Congress brought manufacturers of dairy products under the program's coverage.

Out of the original appropriation of $8.8 million for the 18-month period from January 1964 to June 1965, only $349,933 was actually spent on indemnity payments. (See table, for subsequent years.)

The text of 7 U.S.C. 450j follows:

"The Secretary of Agriculture is authorized to make indemnity payments, at a fair market value, to dairy farmers who have been directed since January 1, 1964, to remove their milk and manufacturers of dairy products who have been directed since November 30, 1970, to remove their dairy products, from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government at the time of such use. Any indemnity payment to any farmer shall continue until he has been reinstated and is again allowed to dispose of his milk on commercial markets."

INDEMNITY PAYMENTS TO DAIRY FARMERS AND MANUFACTURERS

	Dairy farmers	Dairy manufacturers
1965	$381,000	
1966	203,000	
1967	400,000	
1968	231,000	
1969	109,000	
1970	200,000	
1971		$16,000
1972	37,000	
1973	33,000	95,000
Total	1,594,000	111,000

BEEKEEPER INDEMNITIES

As part of the farm bill of 1970, Congress enacted legislation establishing a program of indemnification of beekeepers who suffered losses of honey bees as the result of pesticide spraying near the land on which their hives were located.

The program has been extended several times, and is still in effect.

The substantive provisions of 7 U.S.C. 135b nt. are:

"(a) The Secretary of Agriculture is authorized to make indemnity payments to beekeepers who through no fault of their own have suffered losses of honey bees after January 1, 1967, as a result of utilization of economic poisons near or adjacent to the property on which the beehives of such beekeepers were located.

"(b) The amount of the indemnity payment in the case of any beekeeper shall be determined on the basis of the net loss sustained by such beekeeper as a result of the loss of his honey bees.

"(c) Indemnity payments shall be made only in cases in which the loss occurred as a result of the use of economic poisons which had been registered and approved for use by the Federal Government."

Payments made to beekeepers under this program were $4,669,000 in fiscal year 1972, and $6,208,000 in fiscal 1973.

CRANBERRY INDEMNITIES

On November 9, 1959, the Secretary of HEW announced that the FDA had found traces of aminotriazole, a cancer-causing weedkiller, in certain lots of cranberries, and warned the public not to buy cranberries until they were proven free of contamination. Although a relatively small portion of the 1959 cranberry crop was affected, sales fell drastically.

In March of 1960, the White House announced that USDA would offer to make indemnity payments to cranberry growers who through no fault of their own sustained lossess on berries harvested in 1959. The Department of HEW promised to undertake a program of testing and certification. No payments were to be made to the few growers who had improperly used aminotriazole.

The purpose of the indemnity program was to reestablish public demand for, and confidence in, cranberries and cranberry products. The Department paid a total of $8.5 million to 12 claimants, representing some 1,215 growers. In addition, the Department designated certain States as areas where the Farmers Home Administration could make emergency loans to eligible growers.

Funds for the indemnity program were made available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), which appropriates funds each fiscal year in an amount equal to 30 percent of the gross receipts from duties collected under the customs laws during the preceding year. Under section 32, these funds are to be used for the following purposes:

"(a) To encourage the exportation of agricultural commodities and products by payment of benefits or indemnities in connection with exportation . . .

"(b) To encourage domestic consumption of agricultural commodities by payment of benefits or indemnities for diversion from the normal channels of trade . . .

"(c) To reestablish farmers' purchasing power by payments in connection with the normal production for domestic consumption."

CONTAMINATED HAY INDEMNITIES

Early in 1968, the milk produced by a substantial number of dairy farmers in Montana was removed from the market because of residues of chlordane. The source of the contamination was found to be alfalfa hay which had been treated with chlordane in the spring of 1967 to control the alfalfa weevil. It was believed that the chemical was applied in accordance with recommendations available to the producers and spray operators.

Some producers were able to sell the contaminated hay for $12 to $15 a ton, but had to buy clean hay at $22 to $27.

Bills were introduced in the House and Senate to authorize indemnity payments to these farmers for the fair market value of hay removed from the commercial market, destroyed, or put to use other than animal feed. No payments were to be made to any farmer who had not complied with directions on the label of the chemical.

In December of 1969, the House Agriculture Committee held a hearing at which a USDA witness testified against the bill, saying that while the Department had authority to require adequate directions on pesticide labels, USDA could not be responsible for all the actions of producers, formulators, distributors, or users of pesticides. The Department's report on the bill pointed out that when hay is found to be contaminated, it is usually the result of failure to use a pesticide product according to the directions on the label.

The report also said that in about 40 States, applicators of pesticides in both aerial and ground spray operations were required to have insurance or a surety bond, and that it was possible that State laws might provide a means for compensation to farmers for losses resulting from hay contamination.

After the hearing was held, no further action was taken in either the House or Senate.

The 30 milk producers involved applied for indemnity payments under the existing dairy indemnity program, and received payments totaling about $52,000.

H.R. 15040

A bill to direct the Secretary of Agriculture to investigate and study the feasibility of a Federal insurance program covering livestock and other similar agricultural entities not covered under the Federal Crop Insurance Act, and to report to the Congress the results of such investigation and study

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of Agriculture is directed to investigate and study the feasibility of a Federal insurance program covering—

(1) cattle, sheep, swine, horses, mules, goats, bees, poultry, and other similar agricultural entities; and

(2) any agricultural commodity, including milk, eggs, and honey, which is not covered presently by the Federal Crop Insurance Act.

(b) As a part of such investigation and study, such Secretary shall deal with the following issues:

(1) the availability of actuarial data with regard to the agricultural entities and commodities described in subsection (a);

(2) the question of whether the Federal Government should act to insure owners of such entities and commodities or to reinsure private insurers of such owners, or both;

(3) the time period needed to implement such a program;

(4) the need, if any, for an experimental program prior to the authorization of a large-scale program;

(5) the approximate cost of such a program for those farmers and ranchers who participate in it;

(6) the approximate cost to the Federal Government of instituting and maintaining such a program;

(7) the demand of farmers and ranchers for such insurance;

(8) the feasibility of the Federal Crop Insurance Corporation administering such a program;

(9) the extent of any loss which should be covered by insurance under such program;

(10) the conditions under which insurance should not be offered under such program;

(11) the time period needed for such a program to become financially self-supporting;

(12) the degree to which such program should be patterned after the program authorized by the Federal Crop Insurance Act; and

(13) any other issue deemed relevant by such Secretary.

SEC. 2. The Secretary of Agriculture shall prepare and, not later than 180 days after the date of the enactment of this Act, transmit to the Congress a written report containing a detailed statement of his findings and conclusions with respect to the study and investigation made under the first section of this Act together with his recommendations for legislation concerning the program described in such section.

HOW DO WE EXPLAIN A 6-PERCENT LOAN TO RUSSIA?

(Mr. DAVIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DAVIS of Georgia. Mr. Speaker, I rise today because I am greatly concerned over the decision of the Export-Import Bank to lend $180 billion to the Soviet Union for construction of a fertilizer complex in Russia. On the same day the loan agreement was announced, newspapers in my home State were telling Georgia farmers how badly the U.S. Department of Agriculture had misjudged the supply of fertilizer available this year in our country. It is estimated that the fertilizer shortage may cost some farmers 25 percent of their crop, forcing many into bankruptcy.

The American taxpayer, beset with high interest rates when trying to pay on a home or run a business, does not understand the low 6-percent loan to Russia. I have just returned to Washington after spending several days in my Seventh District of Georgia. Many constituents were asking questions, and rightly so, which were difficult to answer. Farmers wanted to know why this administration is not more concerned about their needs than the needs of the Communists.

The American taxpayers certainly have not forgotten that a few short months ago the Agriculture Department approved a wheat sale to the Soviet Union which cost millions of dollars of Federal subsidies. They were not happy about this sorry deal.

What has happened now? Instead of officials making efforts to regain the confidence lost because of that wheat trade fiasco, we learned that the Export-Import Bank has approved a multimillion-dollar loan of tax money at about half the interest rate the taxpayer himself can secure.

The loan decision comes at a time when the American farmers are pleading for enough fertilizer to save their own crops and are getting little attention from Mr. Butz and his other bureaucrats in the Agriculture Department.

I realize fully that the Congress has no voice in the day-to-day operation of the Export-Import Bank; however, we are asked to renew the Bank's charter every 4 years. I intend to study carefully this whole question before the bank charter comes before us later this year.

The premise on which the Export-Import Bank was founded has had my support during my 14 years in the Congress. By making loans available to other countries under the conditions that the money be spent for American goods, we can improve our balance of trade. And every American can understand that we must export goods in order to offset purchasing abroad many raw materials in short supply in our own country.

It is in the concept of the Export-Import Bank that I raise the question today. My concern is whether those in control of the Bank have a full grasp of the present mood of the American taxpayer. This Government continues to lose the confidence of its people. Credibility is at a low ebb. It is a grave problem, and one that should be considered by everyone in public life, from the President at the White House to the lowest paid Government employee.

I have a simple point to make, Mr. Speaker. To my mind, the confidence of the American people in their Government is far more important than what little benefits we might gain from this untimely and unwise loan. My constituents of the Seventh District of Georgia are firmly opposed to such loans—citizens from all across the country share their strong feelings—and the Export-Import Bank should be made to listen to the wishes of the citizens it serves.

REGINA COELI SCHOOL RECEIVES FREEDOM SHRINE

(Mr. REGULA asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. REGULA. Mr. Speaker, last month I was privileged to attend the dedication of the "Freedom Shrine" collection at the Regina Coeli School in Alliance, Ohio.

The Freedom Shrine is a unique exhibit of 28 authentic reproductions of historical American documents spanning the 325 years from the Mayflower Compact to the World War II instrument of surrender in the Pacific.

In accepting this exhibit, the students of the fifth grade, room 7, led by Sister Josephine, gave a presentation of their own creation which convinced me the future of this great country will be secure in the hands of these fine young boys and girls.

It is with pleasure that I insert here in the Record the text of the presentation of the fifth grade class for all to read:

The Art of America

America is a unique way of life symbolic of the creative arts.

America provides the brushes, oils, pigments, and the canvas on which we can paint our life as we want it to be. We choose our own colors, our own form, design and pattern.

America is any tune we want to play with fife and drum, fiddle or horn to establish the beat and rhythm of the upward march to high goals.

America is a book in which we set down our life by the way we live it. We are the principal character. We live our own biography. We are free to be hero or villain, great or mediocre.

America is a stage and the role we play in the drama of life is up to us.

America is a sports arena, and the rules are written so everyone has a chance to win.

America is an engineering achievement, a bridge over which we can cross the chasm of despair.

America is an architecture with which we can build the tower of our dreams.

Song: *John Henry*

America is a sculptor's hammer and chisel with which we can fashion ourselves into the man we aim to become.

Song: *Hammer Man*

America is an art of living through which we can reach higher, think bigger, grow greater and live deeper than anywhere else on earth.

America is a place where I can be grateful for the precious gift of life with its limitless possibilities—to glory in the power of human beings to rise to great heights and to outdo themselves in miraculous works.

America is a place where I am free to understand the goodness of God which can be known only through human goodness; that when I express the highest and best, I express God.

America affords me the time to give of myself, my talents, abilities, devotions, convictions that I may contribute to the onward march of man.

Walking exercises the emotions. It gives us a chance to observe and enjoy the beauty of our American scenery. It opens our eyes to beauty. See the homes, the trees, the gardens. See the shining faces of little children. Hear singing birds and the laughter of happy people.

In America we learn that the world will not end when we fail or make an error; that there is always another day and another chance.

In America we are free to loaf, to slow down to look at a flower, to chat with a friend, to pat a dog, to read a few lines from a book.

America gives us the freedom to be creative—to paint, sing, carve, write, build, according to our heart's desire.

America is a place where love penetrates the mysteries of life. "Anything," said George Washington Carver, "will give up its secrets if we love it enough."

In America we are free to stand up and be counted for the things that count.

In America we are given words that are symbols of man's finest qualities; words such as valiant—radiant—triumphant—vibrant—heroic—these are words to live by.

American simplicity uses little words. It practices the wisdom of Lincoln, who said, "Make it so simple a child will understand; then no one will misunderstand."

America is a place of progress. The Wright brothers, airborne for only ten seconds and one hundred feet on the first flight, and now man in orbit around the earth. Smoke signals, tapping of a telegraph key, voice over a wire, radio, television and Telstar in the heavens. Candles, oil lamps, Franklin flying his kite into a thunder cloud, and Edison illuminating the world with the first electric light.

America, 'tis of thee we sing your praises—you who have given us freedom to worship our God in a sweet land of liberty.

TRIBUTE TO JOSEF CARDINAL MINDSZENTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Horton) is recognized for 60 minutes.

Mr. HORTON. Mr. Speaker, I have arranged for this special order today so that my colleagues can join in paying tribute to Josef Cardinal Mindszenty on the occasion of his visit to the United States.

Cardinal Mindszenty visited Washington last week and many of us had the pleasure of meeting this remarkable man. His stay in our country will last for several more weeks and will include visits to some 20 States.

Cardinal Mindszenty's commitment to individual freedom, to his faith, and to his country has inspired all peoples of the world. He never gave in to tyranny. In fact, there was no sacrifice too great for him in the quest for human dignity. One need only look back on his life to sense the greatness of this man.

The Cardinal was an active opponent of the fascist movement in Hungary which took root as Hitler's power grew in Germany. When the Nazis took over Hungary in late 1944, the Cardinal was seized, charged with treason, and kept captive until 2 months after Soviet troops captured Budapest. But Mindszenty was unbending in his resistance to Communist domination as well and in less than 4 years, the Cardinal was sentenced to life imprisonment for "antistate activities".

Cardinal Mindszenty found freedom in his beloved Hungary only once more, and then only for a few days. In the fall of 1956, Hungarian Freedom Fighters released him from jail and restored him to his office of Primate of Hungary in Budapest. But as Soviet tanks rumbled through the streets of Budapest and overwhelmed the capital, Cardinal Mindszenty was given asylum in the American Embassy. He remained there until September of 1971 when, at the age of 79, he departed to Vienna. There he lives as a symbol of compassion and the virtue of constancy.

Mr. Speaker, I would like to touch upon one issue which is close to the heart of Cardinal Mindszenty and to many of us here in the Congress. I speak of the Holy Crown of St. Stephen which was entrusted to the safekeeping of the United States in 1945.

A recent Washington Post editorial, though titled "A Cold War Relic," accurately described the Crown of St. Stephen as "the most precious historical relic of Hungary and its foremost symbol of national legitimacy." Yet the editorial went on to say:

> It is shameful that the United States did not return the crown years ago.

I take strong exception to this viewpoint. I see a lack of constancy when this respected newspaper, which has been in the forefront of calls for new morality in government, would toss morality aside and urge the return of the crown to its "rightful home" as a "magnanimous gesture."

Many of my colleagues and I have joined the gentleman from Maryland (Mr. Hogan) in sponsoring a resolution urging that the Holy Crown of St. Stephen remain in the safekeeping of the U.S. Government until Hungary once again functions as a constitutional government established by the Hungarian people through free choice.

A return of the crown might appear to some as politically expedient, but it would say little for our principles or our adherence to a sacred trust. I regret that the Washington Post reduced the holy crown to a cold war relic and did so shortly before Cardinal Mindszenty honored us with his presence in our Nation's Capital.

Mr. Speaker, the words and actions of our Government and of those of us in the Congress are watched closely by the world, and particularly by people who are still struggling for their freedom. I ask my colleagues to reflect upon the words of Cardinal Mindszenty himself when he paid his visit to Congress last week:

REMARKS OF HIS EMINENCE JOSEF CARDINAL MINDSZENTY BEFORE MEMBERS OF THE U.S. CONGRESS

Ladies and Gentlemen, I express my appreciation and thanks with deeply felt emotion for your efforts extended throughout the long years of the recent past on behalf of our most unfortunate and most orphaned Hungary.

For many actions of the great powers in Europe concerning Hungary we cannot be thankful. But it gives us great joy and consolation that there were and are concerned lawmakers in the United States Senate and House of Representatives who opposed oppression and raised their objecting voice in defense of the interests of a free Hungary. In 1944—as the result of the invasion of Hungary by the Russian Army—a new order was forced on our unhappy country. Then many of our politicians hoped that the miserable situation in which Hungary was at that time would turn to the better after the Peace Treaty was signed. It was assumed that as the result of that act the enemy must withdraw from our land. In 1947 Stalin made a move in the centers of power well known to us. He argued that he signed the Peace Treaty but he would maintain his troops in Hungary in order to assure the safety of the supply lines to his "glorious" army, occupying Austria. Stalin's friends at the helm of the world at that time were quick to agree and—in spite of the prohibiting articles of the signed treaty—permitted the maintenance of an overwhelming occupation force in Hungary to support the Red Army in Austria. Stalin's friends could have suggested to him to withdraw from Austria and as a result all articles of the peace treaty with Hungary could have been put in force. But this is not what happened. It did not even happen 8 years later when the Russians withdrew from Austria.

The Russian divisions are still in Hungary. Bolshevism supported by them can maintain itself by murdering the Hungarian souls and by suppressing human rights. If this bolshevism and its representatives, the Russians would be expelled from Hungary by its comrades in power, the fight which is waged on behalf of the interests of our Hungary in such an admirable manner by the Senators and Representatives of the United States Congress would not be necessary. If the Russian occupation forces would be ordered out of Hungary, the integrity of the Peace Treaty would be preserved, Hungary's enslavement and dependence would come to an end, the Church would not be persecuted as she is today, the spirit of the Declaration of Human Rights signed by all members of the United Nations would not be corrupted and I would not be compelled to remind you today of this situation. These are not said to subtract from the merits of the senators and representatives. On the contrary, these considerations gave them courage and a sense of truth to raise their voice on behalf of Hungary. For that I now express the thankful appreciation of the nation and the church!

ADDRESS BY HIS EMINENCE JOSEF CARDINAL MINDSZENTY AT A PRAYER BREAKFAST AT THE STATLER HILTON HOTEL, WASHINGTON, D.C.

Ladies and Gentlemen: For the second day there is a Hungarian World in the Capital of the United States. It is for the second day that we are expressing our thanks for the good that has been given to us, for the courageous fight that has been waged on behalf of us for so long by the senators and congressmen sympathetic to the true interest of Hungary and her People.

We do thank them for the second day but we feel we cannot express our emotions, our gratitude well enough.

I came not to be praised. Someone, who spent long years in a prison cell and others in painful and selfimposed solitude, looks at praise with somewhat different attitude than those who enjoyed freedom throughout their whole life. But the honor that your presence means to me is highly valued and I am thankful for each human heart touched by my being here.

In 1910 Hungary had an esteemed guest. Theodore Roosevelt, the former President of the United States came to our country. He was returning a visit by Count Albert Apponyi, his good friend. Apponyi suggested to the former President that he make an appearance in the Hungarian Parliament which was in session at that time and by doing so demonstrate that his visit is not only to Albert Apponyi, but to the Hungarian Nation as well. Roosevelt agreed with pleasure and traveled to Budapest. He did not only appear before the Hungarian Parliament but delivered a short address to the assembled representatives. I read the text of this address many times. It is well preserved in my memory. I remember each word of it. "I take upon this opportunity to express my thanks to the Hungarian Nation for her valiant fights, waged with swórd in hand, through nearly 1000 years in defense of European civilization." said Roosevelt. "This nation had no other fate in the past but to guard against every attack from the East aimed at the heart of western civilization, and at the very being of Christendom. Hungary defended not only herself, but the West. Not only the West represented by Europe, but in her womb America as well. I am saying this because I know your history. I would not consider myself well educated if I would not know the Hungarian People. I express my thanks again! I ask you gentlemen, representatives of the Hungarian People, to tell your constituents in every district of Hungary, that America is thankful to the Hungarian Nation." These are the words of Theodore Roosevelt.

Ten years later another President, who came from the other Party, did not see the history of Hungary at this light. He was followed by someone from the family of the thankful American, who—judging from the facts—also interpreted Hungarian history in a different way.

But the Congress of the United States has demonstrated over and over again that it understands Hungarian history. The Senate did not ratify the Treaty of Trianon, which in 1920 intended to murder the Hungarian Nation. The United States Senate did not ratify it! Since then a long line of senators and representatives stood up for the interests of the Magyars, speaking with similar voice and reflecting the identical spirit demonstrated by Theodore Roosevelt in the Hungarian Parliament.

We appreciate the fact that in this fight and in our defense they follow the historical traditions of America closely associated with Theodore Roosevelt. I express my grateful thanks to the senators and representatives for their efforts in bringing to light the injustices of the Peace Treaties of the first and second World Wars. I thank them for everything that they did in the United States Congress for the Hungarian Nation by trying to assure the implementation of human rights in Hungary.

They were consistent! Almost all nations of the World signed the Declaration of Human Rights made by the United Nations. Most do not observe the content of this noble document. It seems that nations have easily ignored their obligation to guarantee the human rights to all of their citizens. They are incredulous in living up to their duty assumed by the fixing of their signature on this Declaration.

These are statements, these are signatures which cannot be reneged. Especially they cannot be forsaken by those who placed their signatures and made the statements!

The senators and representatives fought for the Holy Crown of St. Stephen also. The Crown represents to us the one thousand year old Hungarian Constitution, the one thousand year old nationhood of our Hungary. The Holy Crown cannot be the subject of trade, ever.

We are grateful for the efforts of the American lawmakers on behalf of this Crown of St. Stephen. We thank them now, but we would not be truthful to ourselves if at the same time we would not plead for the continuation of their support.

I am aware of the fact that the United States Congress closely followed my ordeal. the fate of a humble individual. I do not think it is appropriate for me to recount the details. I know what happened. I thank those who initiated the actions and I express my gratitude to the whole of Congress which acted unanimously.

I know that there were many in the United States who prayed for me. I felt the strength of these prayers and they comforted me.

Occasionally I saw by beloved Mother in prison. At one occasion I asked her: Mother, does anybody pray for me there, outside? She answered: My son, very many people pray for you! The knowledge of this eased the pain of my soul. I am grateful, I am grateful!

Right then, right after the words of my Mother I started to repay the concerned favor extended to me by so many. I started to pray for those who pray for me. I want to continue to pray for them until my death and I am hopeful, I can continue to do so in Eternity also.

I am thankful for everything that has been done for my Hungarian Nation and beside her for my humble person.

I am deeply touched by the great number of senators and representatives who attended the reception yesterday. We had a good meeting of minds. I am joyful that the opportunity presented itself for the expression of the sincere thankfulness of the Hungarian Nation, of the Hungarian Church. After so much receiving there must be some giving! I am glad that we were able to erase our debt. We certainly cannot repay all that was done for us fully, but we are grateful.

I observe with humble satisfaction that here in the Capital, on a weekday, so many distinguished people came to this prayer breakfast. This happened because there are so many who respect and understand that small, broken nation, Hungary. Thank you, we will never forget!

Mr. ROUSSELOT. Mr. Speaker, today I rise to pay tribute to a man who has dedicated his life to the cause of freedom.

Rare is a man who is truly a symbol of an epoch in history. Rarer still is a man who fits this description not due to myth, but because of an undying and unselfish personal dedication and love for the cause of freedom. Such a man is Cardinal Mindszenty.

Cardinal Mindszenty has earned the respect and admiration of all freedom loving people. He has not taken the easy route. Throughout his life, during years spent in Nazi and Communist jails, and during years of separation from his beloved Hungarian people, he has been a living symbol of freedom to millions of people in the Soviet-dominated countries of Europe. Although he has been robed with high spiritual office, he has never lost the common touch which has meant hope to so many oppressed people.

It is my hope that we in the Congress will continue to support the great ideals of Cardinal Mindszenty.

Mr. KEMP. Mr. Speaker, I commend the gentleman from New York, my friend and colleague, Mr. HORTON, for taking this special order today to afford Members an opportunity to pay special tribute to the heroic life and service of Josef Cardinal Mindszenty, primate of Hungary and champion of freedom.

I had the moving experience of meeting personally with the Cardinal last week, receiving the Mindszenty Freedom Medal, and of conveying to him my determination to remain firm in opposition to the Nazi and Communist tyrannies he has so gallantly opposed.

I will always treasure that meeting and the Mindszenty Freedom Medal presented to me by the Cardinal in behalf of those who have in the past and those others who aspire in the future to freedom wherever they live behind the Iron Curtain.

Cardinal Mindszenty is truly a man of God and of God's word.

Buttressed by inspired principle and enduring faith, the Cardinal rallied his fellow Christians behind the banner of freedom—first, against the sinister spectacle of Nazi Germany, and then against the awesome power of the subsequent Hungarian Communist State.

For a third of his adult life—23 years—the Cardinal was either imprisoned by the Nazis and Communists or was in asylum in the American Embassy in Budapest.

Yet, the Cardinal never waivered in his fortitude.

He remained as head of the church in Hungary throughout these attempts to suppress or destroy it and its teachings, and, in so doing, he became the symbol around which Hungarians—and freedom-loving men and women everywhere—rallied.

His refusal to give in inspired them to stand firm too.

There were those times when the Cardinal stood virtually alone in national leadership—not because loneliness was his choice, but because a strict adherence to principle and faith remained through all those brutal years his first passion.

The Cardinal gave to the world a real meaning to the command of Joshua:

> Be strong and of a good courage; be not afraid, neither be thou dismayed: for the Lord thy God is with thee whithersoever thou goest.

He is a living martyr to the Christian faith.

Cardinal Mindszenty serves as an inspiration to all men who admire courage. His life has given new meaning to the word, "hero."

He well deserves that accolade in this century, just as St. Thomas More's life exemplified the real meaning of the word hero in the 15th century.

We should all aspire to live in this example.

Mr. HUBER. Mr. Speaker, Cardinal Mindszenty recently honored the United States with a visit and we were all most appreciative that he could include Washington, D.C., on his itinerary. However, it was also ironic that, coinciding with his visit, was the arrival of a delegation of so-called parliamentarians from the U.S.S.R. led by Boris N. Ponomarev. Ponomarev is one of the leading theoreticians of the Communist Party of the U.S.S.R., and it is the atheistic Marxian philosophy he expounds, which has caused the Cardinal and the people of Hungary so much suffering. One only needs to recall that the Cardinal spent 8 years in prison under the Communists and 15 years in the American Embassy in Budapest in asylum.

Cardinal Mindszenty, more than anyone else, became the symbol of faith and hope for freedom of the Hungarian people, when they rose against their Communist oppressors in 1956. Hungarian soldiers knelt weeping in the rubble of the streets of Budapest as he drove by returning to his residence from prison. The Cardinal stands now as an example to the whole Free World. One could only wish that our Government and church leaders were likewise as steadfast in holding to and propagating the cause of freedom. In this connection, I think the following editorial from the Richmond Times-Dispatch of September 30, 1971, sums up the role of the Cardinal very well and I include it at this point for all to read.

MINDSZENTY'S EXAMPLE

How will the story of Josef Cardinal Mindszenty be remembered?

Fifteen years ago, when the cardinal found asylum in the United States embassy in Budapest as Soviet tanks rumbled in to smash the Hungarian revolution, the answer to this question seemed certain enough.

Cardinal Mindszenty would be remembered as a God-loving man and patriot who courageously opposed the tyranny of atheistic communism. He would be a hero, perhaps a martyr. Here was a man who endured torture, a kangaroo-court conviction in 1949, and a bestial imprisonment at the hands of the Communists during which he was near death. Yet, upon gaining a sanctuary which afforded him ample opportunity to gain safe passage to another country, the cardinal tenaciously refused to leave his beloved homeland, where he was spiritual leader of seven million Roman Catholics. He remained a symbol of undying opposition to the ruthless Soviet subjugation of Eastern Europe.

Today, having finally bowed to the insistent pleas of Pope Paul VI, the ailing 79-year-old cardinal is in Rome, terming his reluctant acceptance of exile from Hungary "perhaps the heaviest cross of my life." The circumstance under which he ended his monastic existence in the American embassy suggests the free world no longer thinks of the churchman in quite such heroic terms. While the Pope's humanitarian concern for the cardinal's welfare can be assumed, news reports also tell that the Hungarian Primate's continuing presence in Budapest was regarded as an "embarrassment" to diplomats of the Vatican and the United States who are eager to improve relations with the Communist-controlled nations. In an age of cheery talk of detente, Cardinal Mindszenty suddenly is seen by many as a Cold War relic, an anachronism.

The more's the shame, because even though the rhetoric of politicians and pundits has changed, the basic incompatibility of totalitarian communism and religious freedom within individual nations has not. Free men will ignore Cardinal Mindszenty's example at the risk of their freedom.

Mr. HUNT. Mr. Speaker, one of the world's most distinguished churchmen, Josef Cardinal Mindszenty, honored our Nation's Capital last week by his visit.

This courageous opponent of Communist oppression has become one of the most revered spokesmen for the cause of freedom. Through his enforced exile in the American Embassy in Bucharest, he has become a symbol of freedom to men of all faiths everywhere, particularly in America.

The cardinal, now 82 years of age, was arrested on charges of treason and other offenses by the Hungarian Government in December 1948, and spent the next 22 years in jail and then in refuge in the American mission. Since 1971 he has lived in Vienna.

After years of suffering at the hands of the Communist regime, Cardinal Mindszenty was removed as Roman Catholic primate of Hungary last February amid Vatican efforts to improve relations with Communist governments. Apparently bitter and disappointed, Cardinal Mindszenty faced this final crowning blow with the same strength and deep faith in God which consoled him during his long imprisonment.

Over the years, Cardinal Mindszenty's steadfastness of faith and loyalty have been not only an example to the Catholics of the United States, but to all who treasure the message of Christ and the right of freedom.

His faith and courage will live in the hearts of the world's people for years to come and make us wonder if détente can, or ever will, become reality.

If peace and freedom do become a reality, this man, Josef Cardinal Mindszenty, who suffered so much for so many, will be largely responsible. May he live the rest of his years in peace and tranquility. Our prayers, and the prayers of the world go with him.

Mr. MINISH. Mr. Speaker, I would like to add my voice today to those of my colleagues in hearty welcome and in warm tribute to Josef Cardinal Mindszenty, a symbol of courage in a world torn apart by strife.

Taken prisoner by the Communists in Hungary in 1948, Cardinal Mindszenty remained a prisoner and an exile in his homeland for 26 years, resisting all attempts to persuade him to accept concepts alien to a mind and spirit rooted so firmly in love of God and of country.

It is a type of strength that, to some, appears archaic. But it is timeless and enduring. In resisting the lure of détente and coexistence, Mindszenty embraced the fire of loyalty that, in other times and other places, has welded peoples together.

I am happy Cardinal Mindszenty is visiting the United States once again. In September of 1973, when Mindszenty was here, he was rightfully hailed as "a symbol of courage, of integrity, and of hope."

These are virtues that appear in short supply in these troubled times. We as a nation, we as a world, need the indomitable strength of a Mindszenty to achieve peace within ourselves and peace among ourselves.

This man is a living tribute of concern for the human condition. I pray that my fellow colleagues and myself will continue to champion the cause of freedom in word and in deed, for all countries whose inhabitants are still enslaved.

Only then can our freedom have significant meaning.

Mr. ADDABBO. Mr. Speaker, I rise to join my colleagues in this tribute to Josef Cardinal Mindszenty who visited Washington last week and who will be visiting more than 20 States during the next few weeks. It was a great privilege for me to have had the opportunity of meeting Cardinal Mindszenty last week and to have received his blessing. It was a moment I shall always cherish and remember.

This special tribute is appropriately being held in a chamber which symbolizes the spirit of democracy for the United States and the free world. Cardinal Mindszenty is also a living legend and a sign of hope for those who believe in freedom. His career is filled with examples of action designed to preserve or obtain freedom for the oppressed. His resistance to fascism and communism, his anti-Nazi actions during World War II, his imprisonment and subsequent 15-year period of asylum in the American Legation prior to his move to Vienna are all recorded in the pages of history for future generations to know and admire.

Cardinal Mindszenty is truly a living legend to freedom at a time when we all need to be reminded of the precious nature of liberty. He is an inspiration to those who understand the dangers of taking our liberty for granted.

Mr. Speaker, the Hungarian Freedom Fighters who freed Cardinal Mindszenty from jail more than 18 years ago gave a gift to the entire free world and hope to those who live in captive nations. Our tribute to Cardinal Mindszenty today is an important part of that hope and I am proud to be a part of this occasion.

Mr. STRATTON. Mr. Speaker, I am proud to join today in honoring Josef Cardinal Mindszenty who is now on his first official visit to the United States after spending 15 years in asylum in the American Embassy in Budapest. This renowned elder statesman of the Roman Catholic Church is a bonafide folk hero to Hungarians the world over and has been a symbol of defiance to millions of people behind the Iron Curtain since his imprisonment by the Russians in 1948.

The controversy surrounding Cardinal Mindszenty's removal as Roman Catholic primate of Hungary last February amid Vatican efforts to improve relations with Communist governments has certainly not diminished his stature in the eyes of freedom-loving peoples the world over. His visits to a number of American cities in the last few weeks, including Washington, have demonstrated that he still commands the adulation and love of millions who have been inspired by his resolute resistance to the powers of tyranny and godlessness which submerged Hungary into the depths of communism in 1956.

Cardinal Mindszenty was named primate of Hungary on October 2, 1945, and was confirmed as cardinal a few months later. He refused to buckle under to the dictates of the growing Communist presence in Eastern Europe and Hungary following World War II, and many who turned out to see him here in Washington a week ago recall seeing the prelate on the streets of Budapest leading religious processions before they fled their home country.

The cardinal's influence became so onerous to the Communists that he was arrested on charges of treason and other offenses by the Hungarian Government in December 1948, and spent the next 22 years in jail and then in refuge in the American mission in Budapest. Since 1971 he has lived in Vienna.

Cardinal Mindszenty's sacrifices for the cause of freedom have been more than extraordinary and I am privileged to have this opportunity to praise his valiant efforts. Few people in this century have symbolized so much to so many people entrapped in Communist countries; he is truly a living legend and I join in welcoming the cardinal to the United States, just as warmly as we welcomed him into American arms in Budapest in 1956, and just as we welcomed the brave Hungarian Freedom Fighters to America, including my home city of Schenectady, in 1956 and 1957 after their brave but futile fight against oppression. Ishten Hogot. Ishten al mega Magyar.

Mr. LANDGREBE. Mr. Speaker, I proudly rise today to speak in honor of a great, courageous man, Josef Cardinal Mindszenty.

For more than half of his hallowed 82 years, this man has suffered assorted degradations, tortures, and exile. Here is a man who has espoused a fervent love of freedom, a deep love of basic human rights, and a love of his motherland. Throughout his life he has been denied all of these.

Since the time of his ordination, then Josef Pehm bucked the existing system. As early as 1919, he denounced the red terror and was subsequently jailed. When the Nazis began to envelop Hungary, he refused to comply. This man of spiritual steel defied a Nazi edict and changed his German name of Pehm to the very Hungarian name, Mindszenty. As if this was not enough, he harbored Jews and other Nazi "undesirables."

This vociferous little man could not be silenced. In 1948, on the day after Christmas, Josef Cardinal Mindszenty, Primate of Hungary and Archbishop of Esztergom, was arrested on a trumped-up charge. For 7 years, he suffered until the Hungarian revolution released him in 1956.

As the Soviet tanks rolled through the streets of Hungary to suppress the revolutionary Freedom Fighters, the Cardinal was again forced into a lonely, degrading captivity. This time he remained in exile in the American legation for 15 years. Even at the legation, ironically located on Freedom Square, he was under a constant surveillance by the secret police, the AVO.

I ask you, Mr. Speaker, why am I, a Representative from Indiana, speaking in praise of an old, Hungarian, religious personage?

The answer is clear to me. The very presence of Josef Cardinal Mindszenty in the world today bespeaks of a very active, a very hot "cold war." At a time when the "free nations" negotiate to build bridges of détente, the Communists show forth their true colors again and again. They simply will not bend, and yet we speak of talks and "summit meetings."

Are men like Josef Cardinal Mindszenty and Alexander Solzhenitsyn and their sufferings not enough? Can we not open our eyes? Or will we heed when it is too late?

Mr. RONCALLO of New York. Mr. Speaker, I rise to join my colleagues in tribute to Josef Cardinal Mindszenty on the occasion of his visit to the United States.

I have always looked to His Eminence as a beacon of light shining through the Iron Curtain and symbolizing the quest for freedom and resistance to tyranny throughout the world. During World War II, he played a significant part in Hungarian resistance to Nazi oppression. At the end of that war, his efforts in behalf of his country as well as his inherent moral leadership were recognized by his elevation to the position of Prince Primate of Hungary. There were other battles still to be fought however, and Cardinal Mindszenty did not fall into the trap of exchanging Nazi tyranny for the equally insidious Communist ideology which lies at the other end of the political spectrum. Instead, the good Cardinal resisted once again and for his patriotism spent 8 years in a Communist jail.

For a few brief days in 1956, the spark of freedom glowed again in Hungary and Cardinal Mindszenty was freed by his fellow countrymen. It is with good cause that these valiant heroes of the Hungarian Revolution of 1956 are known throughout the world as Freedom Fighters.

Hungary's freedom and that of Cardinal Mindszenty was tragically short-lived as the iron fist of the Kremlin crushed the revolution and brought the Iron Curtain crashing down once again.

Cardinal Mindszenty sought and received asylum in the American Legation in Budapest. For more than 15 years, he lived within the confines of that small compound shining as a brilliant light of patriotism and serving as an ever-present thorn in the side of the Hungarian Communist Regime. No greater devotion to country or ethical value could exceed the sacrifice of this one great man. Cardinal Mindszenty comes to the United States from a well-deserved retirement in Vienna. I understand he plans to spend several weeks in our country, visiting more than 20 States. He brings in himself a living example of the value of both liberty and patriotism.

Both of these great moral forces must be fostered and reaffirmed here if the United States is ever to reach its full potential.

Rather than honor Cardinal Mindszenty by these brief remarks today, it is we who are honored by his visit. I wish him a pleasant stay among us, but rather than wish him a safe journey back to Vienna, I wish that someday he might be able to return to a Hungary free to chart her own course among the Nations of the world.

Mr. HOGAN. Mr. Speaker, I wish to commend our colleague from New York (Mr. HORTON) for taking this opportunity to pay special tribute to one of the great freedom fighters of our time: Josef Cardinal Mindszenty.

At the time of the Hungarian revolt against Russian rule in 1956, freedom fighters liberated Cardinal Mindszenty from the captivity to which he had been sentenced 7 years earlier—in 1949—by the Communist regime on charges of treason. His reaction to his trial and subsequent imprisonment won him the admiration of all people who love freedom.

The tragic events of 1956 are well known—the brutal Soviet intervention, the presence of Russian tanks in the streets of Budapest, and the dramatic escape of the cardinal to the safety of the American mission. For some 16 years he remained a voluntary prisoner of the mission, unable to venture forth, unwilling to surrender his freedom. Then, 2 years ago, he was permitted to leave for Vienna.

Though today he is able to move freely throughout the non-Communist world, his heart's love and loyalty remain in Hungary with the people he has served with such courage and whose liberty he has so valiantly championed.

Few men have endured so much for their convictions. Cardinal Mindszenty has returned to our shores to offer to Americans and Hungarian-Americans and all others who love freedom an exemplary manifestation of personal conviction. His name will be remembered long after all those who have tried through the years to bring him to his knees have disappeared from the earth and are forgotten.

I was pleased to participate in a reception for the cardinal on Capitol Hill recently, He spoke in strong support of a resolution which I have introduced which expresses the sense of Congress that the Holy Crown of St. Stephen be kept in the U.S. possession until Hungary is returned the freedom and liberty which they so cherish. In 1945, the Holy Crown was entrusted to the U.S. Government for safekeeping until such time as Hungary became free once again to function as a constitutional government established through free choice. The Holy Crown is a national treasure of immense historical and symbolic significance to Hungarians, and American-Hungarians, who believe that governmental power is inherent in the Holy Crown itself.

The cardinal addressed the Congressmen and Senators at the reception and expressed thanks for their suport over the years. I was privileged to be asked to respond to the cardinal's remarks on behalf of the Members of Congress. I said it was an honor to be in the presence of such a great man who has been an inspiration to all who love freedom throughout the world. He has demonstrated the courage to sacrifice his own freedom for principle to call attention to his countrymen whose freedom was usurped.

The life and character of Cardinal Mindszenty, to whom the world pays tribute, are a living witness to the indomitable spirit of Hungary, a spirit which can inspire the hearts of men and women everywhere. All of us in the United States who are fortunate enough to live in freedom owe Cardinal Mindszenty our continued gratitude for his uncompromising stand against Communist oppression. We owe it to the people of Hungary who have entrusted our Government with the Holy Crown of St. Stephen to keep it in our country until a government freely elected by the people of Hungary again rules that beleaguered nation.

I ask that the homily delivered on May 21 at St. Matthew's Cathedral in honor of Cardinal Mindszenty be inserted in the RECORD at this point.

JOSEF CARDINAL MINDSZENTY—HEROIC INTEGRITY

"I am the good shepherd." (Jn. 10: 11)

This morning there was a prayer breakfast in honor of His Eminence Joseph Cardinal Mindszenty. Now it's our privilege to join this heroic prince of the Church in offering the Holy Sacrifice of the Mass.

I deem it an extraordinary honor to deliver the homily on this happy occasion. It marks the beginning of the Cardinal's two-month tour of the United States, where there are more than 900,000 of his countrymen. In fact it is the initial stage of His Eminence's world-wide apostolate.

We are not alone in paying tribute to this indomitable defender of God, Church and country. Just two weeks ago, Monsignor Giovanni Cheli, Permanent Observer of the Holy See at the United Nations, in New York, spoke in its church center; Monsignor Cheli paid high praise to the character and steadfastness in faith of Cardinal Mindszenty, who for nearly three decades was the Primate of Hungary.

We rejoice that we can join in a similar tribute today to this noble man of God.

We might also recall how this zealous and Christ-like shepherd was no less a patriot and champion of man—his rights and dignity.

He recognized and was affronted by Communism. He saw clearly what it was and is—a monstrous Juggernaut to crush Christianity and the Church, to blot out belief in God and in man's spiritual nature and destiny, in effect to obliterate inalienable human rights and individual worth.

He likewise recognized and was affronted by the political and economic pretensions of the Third German Reich. As he without compromise condemned Communism so he challenged Nazi might and totalitarianism, its political and economic tyranny, its absurd racial purism and brutal programs.

His unequivocal stand against both Communism and Nazism brought down the wrath of both upon him.

As far back as 1919, he experienced and resisted the short-lived Communist regime of Bela Kun. His defiance sent him to jail.

Then came the Nazis, whom he recognized for what they were, and did what he could, at great personal peril, to soften their atrocities, to relieve the distress of his people and to harbor in his own home Jewish fugitives from Nazi destruction.

When others, of German ancestry changed their Hungarian names into German, he did the reverse. He gave up his family name of Pehm and adopted the name of the Hungarian village where he was born.

Meanwhile, in all this turmoil, the young Mindszenty had moved from teacher to parish priest, to bishop and finally to be Archbishop of Esztergom and Prince-Primate of Hungary. In 1946, with Archbishop Spellman, he was made Cardinal by Pius XII.

Bad as these years were they were but prelude to a worse future.

With the Nazis' defeat Hungary succumbed to Communism. Not for a minute did the Cardinal misjudge it or underestimate it—as others had done—as just another social or economic theory, just another political experiment that might be dealt with on Christ's principle of rendering unto Caesar the things that are Caesar's. He saw it as the death-knell of the Church and the demise of Hungary's heroic and hard-won position as the eastern bastion of Christianity.

The Cardinal was well aware of what he might do—of what others had done and were doing. Nor was he blind to his desperate situation or its possible choices. He could lead his people down the road of compromise.

He could acquiesce to conciliatory measures that amounted to collaboration. Or he could choose stiff, sacrifical, undisguised and unconditional opposition.

For the Cardinal the choices were purely academic. Absolute evil had to be met with absolute opposition. As head of God's Church in Hungary as well as a figure of national leadership, he could imagine no other course. Standing alone, solitary in what he later called "a small and orphaned country", the Prince-Primate of Hungary faced Communism's mighty arsenal.

For it he paid dearly.

He paid with the grief he knew he was causing his devoted and beloved mother.

He paid for it with the loss of practically everything he could call his own—including in quick order his freedom and personal autonomy.

In 1948, on the second day of Christmas, Cardinal Mindszenty was arrested, flung into jail, beaten, tortured, drugged and brain washed until he was no longer his own man. The caricature of justice ended in his condemnation to life imprisonment. This was February of 1949.

A year before, New Year's Day 1948, he'd foreseen his future. Here is what he wrote—

". . . I look calmly on the artificially whipped up storm. Seething waters are no novelty in my post, held not through parties but by the grace of the Holy See. History rings many a change. Of my predecessors, two fell in action; two were robbed of all their possessions; one was imprisoned; another assassinated; the greatest, exiled. Yet, of those who came before me, none was so bare of means as I. Such a vicious snare of lies—a hundred times refuted, but stubbornly spread anew—never was organized against my seventy-eight predecessors.

"I stand for God, Church, and Country in my historic responsibility for the world's most orphaned nation. Beside the anguish of my people, my own fate matters not.

"I don't accuse my accusers. If, from time to time, conditions force me to speak out and state the facts, it is my nation's plight and the call of truth that prompts me. I pray for a world of justice and love; also for those who, in the Master's words *know not what they do*. With all my heart I forgive them." (". . . the World's Most Orphaned Nation," p 81.)

In that spirit Cardinal Mindszenty began his imprisonment for life. It turned out to be eight years of inhuman confinement, deprivation and physical and mental suffering. At least twice he was close to death.

No wonder his joy, in 1956, when the Hungarian Freedom Fighters led him triumphant from jail. Yet consider how temperate his statement—broadcast November 3: "With the fallen regime unmasked, an accounting is due at all levels before free, impartial courts. Vengeance we eschew.

"As for the tasks ahead, let me note our basic frame of reference. We now can enjoy a state ruled by law, a classless society that spurs democratic achievement while curbing capital where necessary for the common good.

"As head of the Catholic Church, I declare—like the Bishops of Hungary in 1945—our intent to aid healthful progress in every way.

"Meanwhile we justly await prompt action on freedom to teach religion, on restoration of the Church's institutions and press. What can be done today, let no man put off till tomorrow.

"Seeking the good of all, let us trust, as ever, in Divine Providence." (". . . the World's Most Orphaned Nation," p. 107.)

Only a few days later the freedom revolt collapsed. "The World's Most Orphaned Nation" fell, crushed by foreign engines of war. And Pius XII spoke for the lovers of freedom the world over—"Human rights and a budding national life have been trampled; a still bleeding people are once more enslaved." (Papal Message, No. 5, 1956.)

The Cardinal bowed to friends' insistence and sought asylum in the legation of the United States. In gratitude he wrote President Eisenhower (Nov. 8, 1956)—"A castaway in the wrack of the Hungarian fight for freedom, through your generosity I have found haven as guest of the American legation, a refugee in my own land. Your country's hospitality has save me from sure death."

From 1956 to 1971, Cardinal Mindszenty lived in the legation, an unbowed, indomitable, controversial figure, who longed for one thing only: to fulfill as he saw it his role as Defensor Ecclesiae et Patriae—without fear and most surely without compromise.

Most truly also it can be said of him that he gave his all and sought nothing for himself. God, Church and Country, they were the three guiding lights, indeed are the three guiding lights of his life, all converging into a single path—his pursuit of his responsibilities while he was Prince-Primate of Hungary.

When, in 1971, the Holy Father indicated his wishes, the Cardinal consented to leave Hungary, and became an exile. He accepted the Holy See's judgment then just as he had when called to be Archbishop of Esztergom.

Now in his 82nd year and by God's grace still vigorous, he has not relinquished his apostolate to his countrymen throughout the world; nor has he in the least lost his sense of responsibility as a Hungarian deeply in love with his country as he is with God's Church.

This is the man spared to us by divine Providence with whom we are joined in this Sacrifice.

May it bring down God's blessing on his country and upon all of us, as we offer it in gratitude, that almighty God has given the world such an example of integrity, patriotism and Christian love.

Mr. WON PAT. Mr. Speaker, I rise to take this occasion to join with my colleagues in the House to pay tribute to a truly brilliant and dedicated man, Josef Cardinal Mindszenty

Cardinal Mindszenty has come to symbolize the quest for freedom of all people throughout the world. A brave and staunch anti-Nazi during World War II, Cardinal Mindszenty rose to the office of Prince Primate of his beloved Hungary following the war, only to fall victim to yet another dictatorship, communism. As a result of his unrelenting fight against the godless forces of communism, Cardinal Mindszenty was imprisoned for 8 years, despite the outcry of a shocked and outraged peoples in the free world.

I know that many of us can remember the welcome news in 1956 when Hungarian freedom fighters released the cardinal. His freedom was to serve as a lasting memorial to those brave forces who overthrew the mantle of oppression. Such was not to be the case, however. With the savage and treasonable attack of Budapest by Soviet tanks, the rebellion was soon crushed and Cardinal Mindszenty found sanctuary in the American Legation.

Today, after over 25 years of opposition to two dictatorships Cardinal Mindszenty finally found the peace and rest he so richly deserves.

On behalf of my fellow Guamanians and on behalf of those on Guam who embrace the Catholic faith, myself included, I extend a warm greeting to Josef Cardinal Mindszenty during his stay in the United States. His untarnished record of patriotism and his love of freedom will continue to serve as a beacon to all future generations.

Thank you, Mr. Speaker.

Mrs. HOLT. Mr. Speaker, I would like to commend my colleague from New York (Mr. HORTON) for providing me with this opportunity to recognize one of the great figures in the Christian world.

His Excellency, Josef Cardinal Mindszenty has been a symbol of hope and courage not only to Hungarians but to all people who long for freedom and human dignity. To those of us in the free world, he has been representative of the dedication and devotion to the cause of liberty so courageously espoused by those who must continue to live under the Communist yoke. His persistence and determination in the face of overwhelming adversity through 8 long years of prison life and continued exile from his beloved homeland, will be long remembered. His faith and strength will serve as a shining example to all men everywhere that what one man can do, a world united in the cause of human liberty can surely accomplish.

It is a great honor to have Cardinal Mindszenty as our guest in the United States, and I know that his presence will prove an inspiration to every freedom-loving American.

Mr. RARICK. Mr. Speaker, it is a privilege for me to participate in this special order honoring Josef Cardinal Mindszenty.

Cardinal Mindszenty is a living symbol of the struggle of the peoples of the captive nations against the oppression of the Communist masters of the Soviet Union. His very life has been a struggle for freedom and individual liberty.

Cardinal Mindszenty was active in Hungary's anti-Nazi resistance and actively opposed the Communist takeover of his country. In 1949 the Communist rulers of his country sentenced him to life imprisonment for treason.

Freed for 5 days during the 1956 uprising, by the Hungarian Freedom Fighters, which the Russians crushed with tanks, the cardinal escaped and took refuge in the U.S. Embassy in Budapest. Mindszenty remained there, held a virtual prisoner by the Communists, for 15 years. Ironically, his apartment overlooked Hungary's Szabadsag—Freedom—Square. The Cardinal's personal pride and resolution, his refusal to accept humiliating terms for his release, have proven inspirational sources of strength for freedom-loving people the world over.

I could go on, Mr. Speaker, about this man and what his struggles against oppression have meant to the cause of freedom and decency in the world. I would close only by saying that it was an honor for me to meet the Cardinal personally during his visit here and it is a privilege for me to join with our colleagues in honoring him today.

We must remember him and his struggle to preserve his church and the freedom of his people. His life shines as an example of why we must make every effort to keep the Holy Crown of St. Stephen safe in the Western World until such time as the people of Hungry are truly free from their Communist oppressors.

Mr. FUQUA. Mr. Speaker, the name of Josef Cardinal Mindszenty will live as long as men love freedom.

This revered prince of the Catholic Church has lived a life under oppression from fascism and dictatorial communism. His courage and devotion to duty have impressed men in all lands and of all faiths.

Just recently I had an opportunity to meet the Cardinal on his visit to Washington. It is my understanding that this gentle man, whose resolve is that of steel, will visit more than 20 States during his visit to the United States.

I am certain that he will appreciate the outpouring of esteem and regard which he will receive in the United States.

It has often been said that freedom is not free. The life and work of this great and good man are living proof of that statement.

The Cardinal is the living symbol of the never-ending quest for freedom by his oppressed countrymen in Hungary. Because of his opposition to the fascism, he was named Prince Primate of Hungary after World War II.

Instead of being able to work for the betterment of his beloved land and its people, history thrust him into the fray against the dictatorial rule of the Communists. He spent 8 years in prison as a political prisoner and suffered cruelly in mind and spirit for his never-ending devotion to freedom.

The short-lived freedom of Hungary by its Freedom Fighters saw him released in 1956, only to see Russian tanks crush citizens armed with rocks and spirit. He sought asylum in the American legation where he lived for 15 years under U.S. protection, a symbol of all who yearn to be free.

Now he resides in Rome, having served his country and his fellow man far and above the call of duty.

I take great personal pride in paying tribute to so great and good a man in the Congress of these United States.

Mrs. HECKLER of Massachusetts. Mr. Speaker, it is with great warmth and admiration that I welcome to the city of Washington Josef Cardinal Mindszenty whose heroic story is well known to most Americans regardless of their religious beliefs.

We remember Cardinal Mindszenty as the spiritual leader of 7 million Hungarian Catholics who was active in Hungary's anti-Nazi resistance. He also opposed the Communist takeover of his country and in 1949 was sentenced to life imprisonment for treason. Freed for 5 days during the 1966 uprising so brutally crushed by Russian tanks, Cardinal Mindszenty took refuge in the American Embassy in Budapest.

For 15 years he lived in self-exile in the American legation while a Hungarian secret police car waited outside the embassy for each day of those 15 years to seize him if he appeared.

His many years in self-exile served as the symbol of his resistance to Communism and as a reminder that Hungarian Catholics still do not enjoy the freedom to preach and teach guaranteed by the Hungarian constitution.

Cardinal Mindszenty left Hungary in 1971 to establish residence in Vienna. Since his departure from Hungary he has traveled in Canada and in the United States, visiting various cities. This week he will be in Washington meeting with Government officials and Members of Congress, before visiting more than 20 States within the next few weeks.

The undisputed courage of Cardinal Mindszenty deserves our deepest praise and recognition. His great courage has enabled him to withstand many perils and remain a symbol of Christian resistance to totalitarianism.

Mr. MAZZOLI. Mr. Speaker, from his early anti-Nazi efforts, through his arrest by the Communist regime in Budapest and his long years of imprisonment and asylum in Hungary, Josef Cardinal Mindszenty maintained a faithful dedication to his God and his country. As an unfailing foe of those who would deny freedom to their fellow man, the Cardinal has become a living symbol of liberty and an inspiration to those whose lives are given in the cause of freedom.

I would like to add my voice to those of our colleagues in paying tribue to this brave and good man who has truly "fought the good fight." I wish him all happiness and good health for the future.

Mr. CONTE. Mr. Speaker, I am grateful to my distinguished colleague, Mr. Horton, for obtaining this special order so that Members may pay tribute to His Eminence Josef Cardinal Mindszenty.

I was tremendously honored and deeply moved to meet Cardinal Mindszenty on his recent, brief visit to this city. His great presence and continued vitality were felt by all who saw him. His leonine head and expressive, remarkably unlined, face belied his 82 years. But, as words do not do him justice, neither can they describe my feelings on being able to exchange words with this man who has been a symbol of resistance to oppression for more than half a century.

Like most of my fellow countrymen, I have never known the terror of a foreign takeover of my homeland, or the humiliation of a public trial before a kangaroo court, or the longing to walk once again, freely, on the ground made sacred by the blood of fallen comrades, and thus, cannot begin to understand the emotional and physical toll the years have taken from this man. But, like all of my countrymen, I must and do admire and revere this man, who has withstood so much and triumphed.

There cannot be many who do not know the history of Cardinal Mindszenty's struggle, beginning in 1919 with his incarceration for openly criticizing the Communist regime in Hungary, continuing with his imprisonment by Hitler for his bitter denunciation of Nazi persecution of the Jews, until 1948 when he was tried, sentenced, and jailed on trumped up charges by the Communist occupation government in Budapest.

With the short-lived Hungarian uprising in 1956, Cardinal Mindszenty was freed, only to be confined once again, to the American Embassy in Budapest.

Today at the age of 82, Cardinal Mindszenty lives as an example of great courage, great faith, and great humanity. That example inspires the people of Hungary today and all men of charity and conscience everywhere. I know it has inspired me.

GENERAL LEAVE

Mrs. HOLT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the special order of the gentleman from New York (Mr. Horton) and to include therein extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

THE LOBBYING CAMPAIGN AGAINST THE AUDIT BILL BY THE BANKER-BUSINESS FRIENDS OF DR. ARTHUR BURNS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. Patman) is recognized for 60 minutes.

Mr. PATMAN. Mr. Speaker, tomorrow—Thursday—the House will have an opportunity to cast a vote for open government and for the people's right to know what is happening with the people's business and money.

H.R. 10265 extends to the Federal Reserve System the same type of audit by the General Accounting Office as is now carried out in all of the other major agencies of the Federal Government. Normally, such a bill carrying forth the public's right to know and the Congress' responsibility to require accountability of all Federal agencies would be passed routinely.

But the American people and this House should be aware that the huge lobbying networks of the big business and the big banking community—the principal apologists for the Federal Reserve—are not about to allow "routine" consideration of this legislation. As many Members on this floor well know, the banks and the business community have launched—at the Federal Reserve's behest—a campaign to maintain the secrecy at the Federal Reserve.

Despite all the efforts to cloud the issue, H.R. 10265 remains a very simple bill—a bill that would require the Federal Reserve System to submit to audits by the GAO like any other Government agency.

But the people who want to go along with the lobbying campaign of the banks and the big business community will fill this Chamber with all sorts of outlandish and dire warnings about what a full-scale audit would do to the Federal Reserve's vast empire.

But, my colleagues, nothing will happen as a result of H.R. 10265 but a lifting of the iron curtain of secrecy from the operations of another Government agency. And in this day and age, this can only be beneficial to the public and the public's confidence in its Government.

So that the people and the Members may know why the weakening amendments will be coming forth, it is important to review some of the lobbying campaigns which have been underway against H.R. 10265.

Much of this campaign has been directed by Dr. Arthur Burns, Chairman of the Federal Reserve Board, who cannot stand the thought of independent auditors actually getting through the front door of his Agency. For a while I thought that Dr. Burns was going to wear out several pairs of shoes making the rounds of various Members' offices. But this activity became more discreet after I called public attention to the fact that Dr. Burns seemed to be spending more time lobbying against legislation—specifically H.R. 10265—than he was on carrying out his monetary and regulatory duties for which he is being paid monthly—by the taxpayers. But Dr. Burns is wise to the ways of modern day lobbying. And he has enlisted the muscle of the big business and the big banking communities to help him.

In fact, I have been furnished a copy of internal memorandums and telegrams showing that the Federal Reserve Chairman has contacted the big banks of New York who in turn have been tied into some of the big business lobbying groups.

These memorandums and telegrams are designed to generate opposition in the House to the bill reported from the House Banking Committee and to gain support for the Ashley-Stanton amendment. This material is just part of a concerted behind-the-scenes campaign which is underway to weaken the audit bill and to allow the Federal Reserve to continue to go unchecked by the General Accounting Office.

First, Mr. Speaker, I want to place in the Record a copy of a memorandum involving a call from John Lee, of the New

York Clearing House—the organization of the big New York City banks. This internal memorandum which was furnished me details calls from Gabriel Hauge, of Manufacturers Hanover Trust Co. of New York, to block the committee-reported bill. And more importantly this memorandum shows that the Hauge call was in turn generated by a call from Dr. Arthur Burns, Chairman of the Federal Reserve. The internal memorandum follows:

MEMORANDUM

Mr. John Lee of the New York Clearing House called: Had a call from Gabriel Hauge of Manufacturers Hanover Trust. Mr. Hauge had a call from Arthur Burns, Chairman of Fed. Mr. Burns asked Mr. Hauge if he could muster some support in New York to help the Fed repeal a bill sponsored by Mr. Patman that would require full GAO audits of the Federal Reserve System. More specifically, Mr. Burns called to our attention that there is an amendment to Mr. Patman's bill known as the Ashley-Stanton amendment. This amendment is acceptable to the Fed and the Fed would like us to assist in any way we can to get the New York delegation to the House to vote for the Ashley-Stanton amendment.

This memorandum came to my attention in connection with other material which shows that the big banks have in turn enlisted the big business community in this effort and particularly the Business Roundtable, composed of some of the biggest of the big business corporations in America. The play appears to go from Burns to Hauge to John Lee of the Clearing House to the Business Roundtable.

The Business Roundtable is no ordinary group. It is "The Elite" of the business community. This quote carried in the National Journal of April 27 illustrates this fact:

It is easy to assume that they speak for business. In fact, they speak only for big business.

Following the internal memorandum which I have just placed in the Record were a series of telegrams with notations on them indicating that they were to be sent to a number of key Members of Congress. The telegrams attached to this internal memorandum were signed by John D. Harper, chairman of the Business Roundtable, and chairman of the board, Aluminum Co. of America.

Mr. Speaker, I place in the Record copies of these telegrams:

Gordon T. Wallace,
Irving Trust Co.,
New York, N.Y.:

The work of the Federal Reserve System is of great importance to the monetary and economic policies of the Nation and, of course, to American business. Traditionally, it has been insulated from short run political and economic pressures. Now an attempt is being made to change this.

On 9/13/73 Representative Wright Patman introduced a bill, H.R. 10265, which was referred to the House Banking and Currency Committee of which he is chairman. It was reported with amendments on 10/12/73 over the vigorous protests of some members of both parties.

The bill proposes that the General Accounting Office, an Agency of Congress audit the activities of the Federal Reserve System including reviews of the results of the System's programs and activities as well as the extent to which its objectives are being achieved.

The arguments against this proposal are well spelled out in the dissents to the Banking Committee report No. 93-585 which, along with a copy of H.R. 10265, is being mailed to you today.

The dissents tell the story. Coupling the needed extension of $5 billion of Treasury borrowing power which expires 12/31/73 with the Patman audit proposals creates an unusual legislative situation from the standpoint of any veto.

I am writing to a number of Representatives expressing my views regarding this unwarranted effort to curtail the independent judgment of the board. A copy of my letter and the list of Representatives to whom I am writing are enclosed with this mailgram.

It is important that businessmen be heard on this issue. The timing of any views expressed is urgent because the matter is expected to be considered by the Rules Committee on Tuesday, 10/23 and by the full House on 10/24.

It may be that members of the Banking Committee who dissented will offer amendments limiting the auditing scope of the Patman bill. This would be helpful.

John D. Harper,
Chairman,
The Business Roundtable.

Following Mr. Harper's signature, the mailgram listed 30 Members of the House—both Republicans and Democrats—and it appears that the telegram was either sent to these Members or that they were to be contacted. I have, however, deleted these names from the material I am now inserting in the Record:

JOHN HARPER'S VIEWS RE H.R. 10265

Dear Mr. ———: The Patman-sponsored bill (H.R. 10265) to provide for an audit of the Federal Reserve Board and its banks and branches, including monetary policy decisions, should be opposed as seriously interfering with the work of the Board and eroding its independence. By their very nature the activities for which the Federal Reserve has responsibility are highly skilled and of such a confidential nature that an audit type of exposure would be seriously counterproductive. This applies especially to policy discussions and transactions which are hardly a subject for auditing even though the results may be criticized.

In the business community the work of the Federal Reserve Board is considered to be ably conducted. A detailed examination of its activities by the Comptroller General, probably with outside accountants and economists, would consume time of Board personnel which should be devoted to the Board's work. It would undoubtedly involve a platform for expressing opinions and second-guessing with respect to Board policies and would generally interfere with the work of the Board. Currently the Board's positions are publicly detailed. We note the many visits to Capitol Hill by the Chairman and other Board members to make reports. The Federal Reserve System's current actions are broadly carried in the press, its policy decisions are made public within three months and minutes of deliberations are made public after five years.

The bill is an unwarranted effort to curtail the independence of the Board by subjecting it to further congressional and executive political pressures and restraints. It should be defeated.

In addition, I have seen other memoranda indicating further mailings to the members of the Business Roundtable from its Washington office. This is just part of a nationwide campaign and I am sure that many Members in the House have received telegrams, letters, and telephone calls from bankers and businessmen—from the friends of Arthur Burns.

Mr. Speaker, I think it is important that the House know the true nature of this Business Roundtable which has entered the campaign against the audit bill.

It has come to my attention from reliable sourcest hat Dr. Burns has personally contacted a bank lobbying organization to enlist its aid in the campaign. He has traveled down to the Business Council meetings and has urged the business leaders—in addition to those mentioned in connection with the Business Roundtable—to join the efforts. The work is and has been extensive. We have even had a former Member of Congress—who was a leading banker—appear on the floor of the House of Representatives to lobby Members against the audit bill. The White House even moved into the campaign at one point and put pressure on other departments to fight the bill. And let me add that other members of the Board of Governors—in addition to Dr. Burns—have been active in the lobbying.

Mr. Speaker, I sincerely question the propriety of a Federal agency and a Federal employee like Dr. Burns engaging in blatant lobbying efforts. I particularly question it when these lobbying efforts are designed to enlist the very banks which the Federal Reserve and its Chairman are supposed to be regulating.

Mr. Speaker, these activities engaged in by a supersecret agency are just more reasons why the General Accounting Office should be authorized to make full-scale audits of the entire Federal Reserve System. These lobbying activities clearly point up the danger of allowing any agency to be regarded as sacrosanct—outside of the law—and outside of the normal review processes of the Congress.

Of course it is not just Dr. Burns and the Federal Reserve Board in Washington who are moving against the bill as reported by the committee. Other powerful people in the Federal Reserve System are also invoking their offices to eliminate the bill or weaken it.

For example, I have a copy of a telegram sent to a Member of the House from A. W. Clausen, who wears two hats—president of the Bank of America—the Nation's largest—and director of the Federal Reserve Bank of San Francisco.

In the body of the telegram opposing the legislation, Mr. Clausen says he is taking the action "as a director of the Federal Reserve Bank of San Francisco." But just so no one misses the magnitude of his power, he then signs the letter as president of the Bank of America.

Once again, Mr. Speaker, this quick and easy interchange of positions between the Federal Reserve System and the giant of giants in the banking industry points up the need for a full-scale audit. Mr. Speaker, I place in the Record a copy of this telegram from Mr. Clausen—the many hatted officials:

Washington, D.C.

I have been informed that a bill providing for an audit of the Federal Reserve System by the General Accounting Office (H.R. 10265) will be brought to the floor of the House of Representatives this week. As a director of the Federal Reserve Bank of San Francisco, I have considered this proposal and urge that you oppose it for the following reasons:

Forty years ago the Congress decided to remove the Federal Reserve System from surveillance by the General Accounting Office in order to provide for independence of judgment on the part of the Board of Governors in carrying out the responsibilities delegated to the board by the Congress. The present structure, with regional initiative by the reserve banks and central oversight by the Board of Governors, has served the country well through the years.

It is important to retain a balance of public and private elements in the system. The contributions derived from the private sector experience of the Reserve bank directors are essential to this balance.

Members of the Boards of the Reserve banks bring an intimate knowledge of developments in the economy to bear on the decisions. A post-audit by the Comptroller General of the United States might well impair the independence of their contribution.

The Federal Reserve Board's operation is already thoroughly audited by an independent certified public accountant and the results are reported to Congress.

I urge you to speak and to vote against passage of H.R. 10265 the establishment and implementation of a sound monetary policy can best be accomplished by an independent agency which is relatively free from the ebb and flow of public opinion.

Sincerely,

A. W. CLAUSEN,
President, Bank of America N.T. & S.A.

Mr. Speaker, other contacts have come to the attention of my office and the Banking and Currency Committee. These include contacts from some big corporations which I suspect have been pushed into action by the Federal Reserve's campaign. I know of no other reason why some of these large corporations would have been engaged in this kind of campaign and I sincerely question whether the stockholders and the directors of these companies are aware that their funds are being used to block audits of Government agencies.

Mr. Speaker, I suppose that no Government bureaucracy—no Cabinet official, no agency head—wants to be audited, and the Federal Reserve is no different in this respect. But its frenzy—and its near panic—is different and it only emphasizes just how long a full-scale audit is overdue.

Mr. Speaker, one of the reasons for this massive lobbying campaign and the nervousness at the Federal Reserve involves the manner in which its far-flung operations are financed. The Federal Reserve is nervous about the huge portfolio of $80 billion of Government bonds—paid-up bonds—which are in the portfolio of the Federal Open Market Committee in the New York Federal Reserve Bank.

This is $80 billion in Government bonds that have peen paid for fully and which should be retired and subtracted from the national debt. Instead, the Federal Reserve continues to draw interest on these bonds from the U.S. Treasury—between $4 billion and $5 billion annually—and this gives them a huge slush fund to use as they please wherever they please.

This $80 billion portfolio all by itself is sufficient reason for the Congress to demand an audit as well as an audit of all the other functions of the wide-ranging Federal Reserve System.

THE NATIONAL PROTECTION ACT OF 1974

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. BLACKBURN) is recognized for 5 minutes.

Mr. BLACKBURN. Mr. Speaker, I rise to introduce the National Protection Act of 1974. Its purpose is threefold:

First, reassert congressional responsibility in the area of foreign trade;

Second, protect American labor and industry from unfair competition from Communist nonfree and slave labor; and

Third, insure that the security of the United States is not endangered by transfer of U.S. technology and equipment to Communist countries.

With regard to the first purpose—"Reassert congressional responsibility in the area of foreign trade."

It seems to have been forgotten that it is the Congress that is charged with the responsibility of regulating foreign commerce. It might be well that we quote from article 1, section 8 of the U.S. Constitution that reads as follows:

> The Congress shall have the power . . . to regulate commerce with foreign nations, and among the several states.

The language of the above section of the Constitution is clear and needs no lengthy discussion. It is recognized by most students of government of late that the Congress has delegated far more of its responsibilities to the executive branch than should have been delegated. Because of such delegations of authority Congress is now impotent in many areas of national life and finds itself reduced to the role of a mere monitor of executive action with the authority to complain but with little effective role.

The administration of the Export Control Act has been delegated, with slight interference from Congress, to the Secretary of Commerce. He is required to consult with representatives of industry, under existing law, before deciding if transfer of American goods or technology is in the best interest of American industry. He is also required to consult with the Secretary of Defense to determine if transfer of such technology to Communist bloc countries represents a threat to American security. Unfortunately, industry leaders are motivated by desire for profits for their companies and the Secretary of Commerce is motivated by a strong desire to improve our balance-of-trade and balance-of-payments posture in the world. I do not condemn such motivations but I would suggest that such motivations are sometimes allowed to override good judgment when balanced against the security interests of our country.

It is not enough for me, or any Member of Congress to cry about poor judgment in the executive branch of Government. We have a constitutional responsibility, as pointed out above, to exercise our own judgment. It is this responsibility that I am seeking to reassert through the provisions of the National Protection Act of 1974.

I have called for the establishment of a committee of representatives from key congressional committees to consult with the Secretary of Commerce before final determination of those items that may be exported to Communist bloc countries without endangering Western markets or Western security.

In this manner, if errors in the regulation of foreign commerce are made then the errors can be traced to the body having the first responsibility of regulating such commerce—the Congress of the United States.

II. "To protect American labor and industry from unfair competition from Communist nonfree and slave labor."

The only reason why, today, the Soviet Union cannot compete with us is its continued lack of technological expertise and know-how. Given this, combined with Soviet forced labor, we could not compete in the world marketplace. We could not do so, not only because the Soviet government would own and control its production, but it would continue to own and control its labor force.

I do not use the term, "slave labor," symbolically; nor do I use it loosely or unadvisedly. Quite the contrary.

We have abundant documentation that the Soviet system of labor is, in fact, a ruthless system of totally controlled forced labor. It constitutes three major components: slave labor, political prisoner labor, and the low-paid, tightly regulated main labor force.

Like every other force in the Soviet Union, this labor force is forever responsive to the will, whim and caprice of the Communist Party and its subject Soviet Government.

We should never delude ourselves into believing for a moment that Soviet workers are at all free to seek their own economic level. The Communist Party, via its subject Soviet Government, decides that level, and assigns the work force in accordance therewith.

The Soviet worker has no freedom of choice of occupation or place of employment. He has no right to organize into a free and independent union. He has no representation for grievances. He has no right to strike. He has no one to plead his case with the employer. He is, pure and simple, first and last, the servant of the all-powerful state. And that state owns everything, including the worker.

The Soviet leaders pretend to provide workers with some voice in their destiny by allowing them to join a "union" which is itself an instrument of the Communist Party and the state. Thus, the union leadership's allegiance is to the party and the state, not to the worker.

III. "Insure that the security of the United States is not endangered by transfer of U.S. technology and equipment to Communist countries":

Some experts on international trade and on the Soviet system who recently testified before the House Subcommittee on International Trade issued some poignant warnings. They warned of the dangerous manner in which U.S. technology, scientific know-how, and production expertise now flows to the Soviet Union under the deadly misnomer, "peaceful trade."

Avraham Shifrin, former Soviet functionary with great knowledge of the Soviet systems of research, development, production, and slave labor, told the International Trade Subcommittee of a current Soviet boast:

> We no longer have serious need of espionage against the United States because U.S. trade and export policies are so lax we get everything we want anyway.

Many of my colleagues can remember the tragedy of December 7, 1941. The memory of tons of scrap iron sold to Japan being returned in the form of bombs is not easily erased.

Yet, today, we are not exporting simple scrap iron to the Soviet Union. We are exporting the world's most sophisticated computer technology. We are exporting machines for manufacture of miniature precision ball bearings. We have designed and are building the largest truck factory in the world in the Soviet Union. We are exporting merchant marine vessels to them.

The ball bearings are essential to production of Soviet missile systems. Their export already has advanced the development of the MIRV by from 2 to 4 years. The trucks and the vessels can be used to transport material for war as well as for peace. And the Soviet Union certainly has a greater record for waging war than for waging peace.

In sum, Mr. Speaker, the purpose of the National Protection Act of 1974 is remedy: remedy in reassertion of congressional responsibility to regulate foreign trade; remedy of the unfair competition between properly paid and organized American workers and those in the Soviet forced labor system who work as political prisoners or outright slaves, and remedy of the U.S. buildup of the Soviet war machine.

Lately, we have heard much about the need for Congress to reassert its constitutionally assigned responsibility vis-a-vis the executive branch.

Here, Mr. Speaker, is a golden opportunity for Congress to do so in the critical interest of our national protection.

THE TRUTH WILL OUT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. GROVER) is recognized for 5 minutes.

Mr. GROVER. Mr. Speaker, the audacious conduct of certain Justice Department officials in the case of our colleague, Hon. ANGELO RONCALLO, is further analyzed in an accurate and objective investigative story by Joel Kramer in the May 27, 1974, edition of Newsday.

I am pleased to submit this story for the interest of my colleagues, so many of whom have expressed shock, chagrin, and amazement at this outrageous abuse of due process:

THE RONCALLO CASE—A QUESTION OF TIMING

(By Joel Kramer)

The U.S. attorney's office in Brooklyn appears to have moved with unusual haste in obtaining its indictment against Angelo Roncallo in February, citing what was reportedly an "inflexible timetable." The office then scrambled on several fronts to gain time and to try to strengthen its case against the congressman after the indictment.

Roncallo said after he was acquitted that he had been the victim of "unjust persecution." Like the indictment charging him with conspiracy and extortion, that is merely an accusation. But based on a reading of the trial transcript and other court papers and conversations with sources close to the government and with person associated with the defense, it appears clear that the indictment was something of a rush job. And there is a question—raised by many court observers and at least one juror—of whether the government ever had sufficient evidence for the indictment.

The prosecutors who worked on the case refused to comment on their handling of it.

Here is what Newsday has learned from studying the case and talking to many of those involved in it:

After obtaining the indictment Feb. 21 against Roncallo and two Oyster Bay Town public works officials, acting U.S. attorney Edward Boyd asked both the FBI and the Internal Revenue Service to lend investigative help to the U.S. attorney's office, according to two federal sources in Brooklyn. The FBI refused the request; the IRS lent two investigators to the prosecutor's office for one month, one of the sources said, but it could not be learned what they accomplished. Both sources described such requests for help after an indictment is obtained as unusual, and both felt that the request to the IRS was, in effect, a request to "bail out" the U.S. attorney's office.

The head of the criminal division in the U.S. attorney's office in Brooklyn, Thomas Puccio, opposed obtaining the indictment at that time because he did not feel the government had enough evidence, according to a source close to the prosecutor's office.

When Jules Ritholz, who had just been hired the day before to be Roncallo's attorney, sought to delay the indictments for even as little as two days, he was told first by an assistant U.S. attorney in Brooklyn and then by a high-level Justice Department official in Washington that "the schedule" would not permit such a delay.

"Although I argued that neither the statute of limitations nor expiring grand jury term required that he deprive me of a few days in which to familiarize myself with the case, he [Assistant U.S. Attorney Peter Schlam] remained adamant in his refusal to extend the time over the weekend," Ritholz said in an affidavit filed in U.S. District Court.

It could not be learned what schedule the government was adhering to. But the prosecution was the responsibility of Boyd, whose tenure as acting U.S. attorney ended Friday when he was replaced by David Trager, a Brooklyn Law School professor. Boyd took over the post Dec. 4, after the suicide of U.S. Attorney Robert Morse, and his chance of getting the job on a permanent basis was virtually wiped out later that month when Joseph Margiotta, Nassau GOP leader, refused to endorse him. Republican leaders in Nassau and Suffolk—a number of whom, including Margiotta, are under investigation by Boyd's office—have accused Boyd of conducting a vendetta because Margiotta did not support him.

Persons less hostile to Boyd have suggested another political explanation for Boyd's apparent haste. Boyd must have known that his days in office were numbered and may have feared that if his replacement was the choice of one or more county Republican leaders in the Eastern District (Brooklyn, Queens, Staten Island, Nassau and Suffolk), the new U.S. attorney would quash the sensitive political investigations that Boyd's office was pursuing.

When Roncallo appeared before the federal grand jury Feb. 7, he said, he assumed he would be asked about allegations that Margiotta and Nassau District Attorney Cahn had tampered with a Nassau County grand jury. He said he was not asked about that at all.

He was asked instead a wide range of "innocuous" political questions, he said, including a few about a $1,000 check he accepted in 1970 from engineer William F. Cosulich, who had a large contract at the time with Oyster Bay Town, of which Roncallo was Republican leader. The check was made out to Roncallo and endorsed by him to the Oyster Bay Republican Committee.

Six days after his grand jury appearance, Roncallo said, he received a telephone call asking him to meet the next day, Feb. 14, with Assistant U.S. Attorneys Peter Schlam and Robert Katzberg. That time, he took along his law partner, Leonard Weber. According to Roncallo and Weber, Schlam said that the congressman would be indicted on charges of extorting the $1,000 check unless he decided within five days to "deliver programed testimony" against Cahn or Margiotta. Weber said he got a one-day extension, to Wednesday, Feb. 20.

On Tuesday, Feb. 19, Roncallo retained Ritholz as his attorney, and Ritholz began the effort he described in the affidavit to gain a brief delay. Schlam "said that he had a timetable to meet and it was inflexible," according to Ritholz' notes of his meeting with the prosecutor.

The key government witnesses against Roncallo, including Cosulich, had met several times with the prosecutors, dating back to December, according to later testimony. They were not called before the grand jury until Feb. 15 the day after the prosecutors allegedly told Roncallo he was going to be indicted.

The case that the government eventually presented for trial in Westbury was not good enough to convince a single juror to vote guilty at any point during the more than two hours of deliberations although four jurors were undecided at the outset, several jurors said afterward.

In comparison to the trial testimony, the evidence that was presented to the grand jury made out an even weaker case for extortion in several respects. (The prosecution is not expected to prove the case before a grand jury, just that there is enough evidence to warrant a trial.)

The most important difference between evidence presented before the grand jury and the trial was the account of Henry Ostrowski, a Cosulich employee, of a meeting in the Nautilus Diner in early September, 1970. Ostrowski testified at the trial that he had been called out of a sickbed with a fever and had gone to the diner, where he met public works officials Frank Antetomaso (a codefendant of Roncallo) and Frank Corallo (at one time a codefendant). They told him, he said, to "tell Bill Cosulich he has another chance to make a contribution, one more chance to make a contribution."

Ostrowski testified that he told Cosulich about the meeting a few days later. Cosulich testified that he then called Roncallo and arranged the meeting at which the $1,000 check was handed over. That meeting was crucial for the government, which had to establish the "wrongful use of fear of financial and economic injury" in order to prove the extortion charge.

However, neither Ostrowski nor Cosulich mentioned the meeting when they testified before the grand jury Feb. 15. Both of them explained at the trial that they had not remembered the meeting at the Nautilus Diner until after Feb. 15. Antetomaso denied that the meeting ever took place.

After the indictment was obtained, the

shoe shifted feet. The defense sought an immediate trial, saying that it was ready to begin three weeks after the indictment—an almost unheard of request by a defendant, who is usually the party seeking delay.

Sources close to the Roncallo defense said that the move began as a political tactic—Roncallo wanted a speedy disposition so that he could run again for Congress—but that Ritholz soon realized that it was a good legal strategy, too, since he felt that the government was trying to build a case after the indictment.

Schlam had told Judge Edward R. Neaher on March 1 that the government was "ready," but 10 days later, he said he could not proceed March 18, the trial date the judge had set at the defense's request. Never in his experience as an assistant U.S. attorney, Schlam told the judge, has he "been called upon to proceed with a trial and especially in a case like this, within two weeks of the day of arraignment."

Neaher replied, "To me, it sounds like a change of position because I fixed the trial date largely on the understanding that the government was ready." However, he reluctantly granted the government a delay and the trial date eventually set was April 29.

Neaher declined to be interviewed last week saying that he still has to preside over two related trials—those of former Oyster Bay public works commissioner Gerard Trotta on a charge of extorting contributions from Cosulich in 1972, and of Oyster Bay Superviser John W. Burke, on a charge of perjury.

However, the transcript of the trial, especially the conferences in chambers, indicates that the judge grew increasingly irritated with the government's tactics, especially in the last few days before the trial got under way.

Citing "new evidence" that it said, had just become available two days earlier, the government requested on Friday, April 26, that Roncallo be severed from the trial and that his codefendants, Antetomaso and Corallo, be tried first. The implication was that the government felt it had a stronger case against Antetomaso and Corallo and that if it convicted them, it could then try to persuade one or both of them to testify against Roncallo in exchange for leniency. The judge rejected the motion.

A few days later, Schlam moved to drop the charges against Corallo in order to compel him to testify. That, too, appeared to be a last-minute effort by the government to strengthen its case against Roncallo.

Neaher granted the motion, but said: "You had the evidence against these defendants to justify this indictment or the indictment never should have been handed down. Now, what I'm saying is this: I don't want anyone to get the impression here that this court is lending its aid to a practice of obtaining indictments and then getting the proof later . . ."

Subsequently, the judge's language grew even stronger. The prosecution had nearly completed its case when the judge was informed by Puccio that Schlam, the government's trial lawyer, had apparently been drugged and was unable to continue. On Friday, May 10, when Puccio requested an adjournment until Monday so that he could familiarize himself with the case and take Schlam's place, Neaher responded:

"Now, I am being very candid with you. I feel this case has been terribly mishandled by the U.S. attorney's office . . . Now it's got to stop. This case is either a case or it isn't a case."

The jurors eventually decided it wasn't much of a case. Thomas Ielpi, 41, a Brooklyn telephone repairman, was one of the eight jurors who voted for acquittal right away. "I was waiting and waiting for them to show me something. Anything. But they didn't. I would have to say that some of us were wondering why they were even indicted."

MORE FUNDS FOR OPEN SPACE PRESERVATION AND OUTDOOR RECREATION ACROSS AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. STEELMAN) is recognized for 5 minutes.

Mr. STEELMAN. Mr. Speaker, on May 23, I introduced a bill, H.R. 14999, designed to amend the Land and Water Conservation Fund Act of 1965, so as to authorize significantly increased funding for outdoor recreation programs across the country.

The Land and Water Conservation Fund Act is a product of the Congress, enacted almost a decade ago. It has since constituted the basic Federal source for the funding of Federal, State, and local outdoor recreation oriented land acquisition programs, and State and local development programs for outdoor recreation across our land.

With a current annual fund ceiling of $300,000,000, it is all too apparent that the demands for funds greatly exceed the supply. The backlog cost of authorized, but as yet unacquired, Federal outdoor recreation lands alone, reaches to nearly $2 billion. In addition, hundreds of millions of more dollars will be required in the immediate future to purchase proposed new Federal outdoor recreation lands. The backlog of proposed development on Federal recreation lands runs into the billions, though this aspect has never been funded from the Land and Water Conservation Fund.

The greatest part of the fund, however, goes to the States for use in State and local open space preservation and outdoor recreation projects. The demands for increased outdoor recreation space and facilities here is even greater than that supported by the Federal side of the fund, and projected needs here run into the billions.

Mr. Speaker, as a result of the increasing conflicts of competing uses bearing down ever more strongly on our finite land base, we are all aware of the rapid escalation which occurs in the price of land. Moreover, and perhaps more important over the long run, is the need to preserve certain lands for outdoor recreation use before other competing uses take over the land and permanently preempt that alternative forever.

Mr. Speaker, currently, the bulk of the financing of the Land and Water Conservation Fund is drawn from revenues received from sales on the Outer Continental Shelf. It has been projected that revenues from this source will move into the billions of dollars annually. It would seem only logical, as these public resources are withdrawn and converted into dollars, that a portion of those dollars be reconverted into some other form of direct public benefit. What could be more appropriate, and what could benefit more people more permanently, than the further conversion of Outer Continental Shelf revenues over to tangible public resources in the form of parks, preserves and related outdoor recreation resources—resources that can endure, and be used and enjoyed forever.

Mr. Speaker, my bill would increase the current annual ceiling of the Land and Water Conservation Fund by greater than threefold. It further provides, over a short period of seven years, for a greater percentage of matching Federal funding to the State side of the Fund, as an added incentive for the States to make even stronger efforts to generate matching dollars from State and local sources, and thus significantly increase the total funding for State and local projects. The current law provides for a dollar match of State money for each dollar of Federal money. Even with this match ratio, some States have difficulty generating sufficient State funds to match the available Federal share. My bill would change the match ratio, for a period of 7 years, to a 70 Federal/30 State match for land-acquisition dollars and a 60 Federal/40 State match for development dollars, after which time the match would revert to 50 Federal/50 State for both activities.

Mr. Speaker, an overall funding increase of the magnitude advanced in my bill is an absolute must if we are sincere and serious, and honest with ourselves over the prospects for saving much more of America's fast disappearing open space. At the rate we are now going, we are plainly too late with too little. Waiting until later to move aggressively on this matter is foolhardly, as not only will the land be greatly more expensive, but much of it will no longer exist at all; cost will then not be a relevant consideration. Moreover, the availability of more dollars now to buy park and recreation lands rapidly, once the areas are authorized, would be of great benefit to the landowners whose lands are to be purchased. Owners can then be promptly paid for their lands, without having to wait years for the money to come through as is so frequently the case now. It is very unfair for landowners to have their lands included in new park boundaries, without funds coming along promptly to pay for them.

We owe it to ourselves, and certainly to the future generations yet to come who have no voice, to move forcefully and aggressively now to secure and preserve more of what little remains of our precious natural outdoor heritage. I hope that many of my colleagues will join and support this most worthy cause of significantly increasing the size of the Land and Water Conservation Fund. I know that sympathy is already strongly here now. I can think of few efforts on the part of the Congress which would result in such lasting benefit to so many. But we must act without further delay.

A COLOSSAL CONSTITUTIONAL BLUNDER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. FROEHLICH) is recognized for 5 minutes.

Mr. FROEHLICH. Mr. Speaker, I am gravely concerned that the Committee on the Judiciary is about to make a colossal constitutional blunder that this Nation will regret for many years to come.

Yesterday, in the Democratic and Republican caucuses of the Judiciary Committee, the major points of a new letter to President Nixon were circulated among the members. One of the points that will probably be asserted in this letter is that the Committee on the Judiciary is not subject to any judicial review in its impeachment investigation. This position is extremely dangerous. It means that the committee claims absolute and unreviewable authority to demand evidence from the President (or any other executive or judicial branch officer) in an impeachment inquiry. It also means that the committee will not, under any circumstances, resort to the courts to enforce its subpenas or other demands for evidence. Any effort to enforce these demands will come through contempt citations and possible impeachment for noncompliance.

In recent weeks there has been much criticism of President Nixon's suggestion that the Judiciary Committee was sending a U-haul trailer down to the White House to cart off Presidential documents. This suggestion was widely and properly criticized as a gross exaggeration. It should be noted now, however, that the Committee on the Judiciary claims the unreviewable power to subpena every document in the White House as long as the subpenas emanate from the impeachment inquiry. This would require a fleet of trailers.

In claiming that the courts have no jurisdiction to review its demands upon the President, the committee is saying that the President has no enforceable right to privacy, no enforceable attorney-client privilege, no enforceable executive privilege, and no enforceable privilege against self-incrimination.

In effect, the committee claims the right to subpena Mr. St. Clair or Mr. Buzhardt or any other attorney who has ever served the President in the Watergate matter, to testify on everything the President may have confided to them in private conversations, and then to deny any assertion of attorney-client privilege.

The committee claims the right to subpena Mrs. Nixon to testify about what she may have discussed with her husband on any occasion that the committee deems relevant, and then to deny any assertion of the husband-wife privilege.

The committee claims the right to subpena every letter, every diary, every note, every scrap of paper upon which the President of the United States ever typed or penned or scribbled a personal thought, in order to determine whether this material contains incriminating evidence.

These sweeping claims represent a frontal assault upon our legal system and the Constitution of the United States. If we were in different circumstances, the proponents of these claims would be relentlessly condemned in all the great journals of public opinion in this land. Now, however, there is only silence.

It is true that the committee has not yet acted and may never act to implement all its claimed authority. But the point to remember is that the committee claims the right to act in its sole discretion without restraint and without review—and the only check or limit upon its authority is its own self-restraint. Historically, self-restraint has proven to be an unreliable safeguard of political and human rights. And self-restraint will not preserve the integrity and independence of our separate branches of Government.

I do not understand why committee members are opposed to an effort to enforce the committee's subpenas in the courts. If the committee is correct in its demands, then its position will be greatly strengthened by a favorable judgment from the courts. If the committee is not correct, then by definition it is not entitled to have the evidence it has demanded. A refusal to test our position in the court permits the almost inescapable inference that the committee believes its present position is weak and may not be sustained.

Our position is not weak; but we ought to be willing to test our demands before a neutral authority. The committee's inquiry must not become a runaway investigation, recognizing no restraints and no barriers in the legal system. If that were to happen, it could dismantle our Government and prove to be the greatest tragedy to flow from the Watergate disaster.

FIGHTING INFLATION: OUR MOST IMPORTANT GOAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. BAUMAN) is recognized for 15 minutes.

Mr. BAUMAN. Mr. Speaker, I have introduced several measures this week designed to deal in a meaningful way with the universal problem of inflation. The problem, as we are all well aware, is completely out of control. Inflation rates of 10 and 15 percent on an annual basis have not been uncommon in recent months. The life savings of millions of citizens, particularly older citizens, are being steadily reduced in value, causing considerable hardship. Most of us must struggle to make ends meet each week, with prices at the supermarket, the gas station, the hardware store, the clothing store, and countless other places, going sky high. And while some enjoy cost-of-living pay increases under their labor contracts, many more have no such insurance that their income will keep pace with the rapid rise in inflation, much less offer any prospect of getting a little ahead.

In short, the problem of inflation touches nearly every part of our everyday lives, and has become the principal concern of the overwhelming majority of the American people. A poll which I took in Maryland's First District earlier this year, while the energy crisis was at its worst, while Watergate revelations were coming fast and heavy, and while everyone faced the prospect of filing another income tax return, still showed inflation to be the subject of overriding concern to my district, far outdistancing fuel shortages, Watergate, or taxes. Obviously, the roots of concern over inflation extend deep into the fabric of everyday life in the country today, and it is up to us to do something about it or explain why we have failed.

The Congress has already tried a few ill-fated attempts at dealing with rapidly rising prices. Our 2½-year experiment with wage and price controls began with great ballyhoo, and ended without a whimper. Too late, after massive economic distortions had wracked the Nation's economy, did the Congress finally admit that economic controls do not work; that they cause more problems than they solve; and that they attack only the symptom, and not the cause of inflation. Prophetically, President Nixon himself had foretold the grim harvest which controls would bring, just a year before he ordered those controls implemented. Back in June of 1970, the President said:

> Controls and rationing may seem like an easy way out, but they are really an easy way in—to more trouble, to the explosion that follows when you try to clamp a lid on a rising head of steam without turning down the fire under the pot. Wage and price controls only postpone a day of reckoning.

That, of course, is precisely what happened. The day of reckoning is now at hand, and we are seeing prices jump skyward after having been held down artificially for so long. What is worse, neither the Congress nor the President ever bothered to "turn down the fire under the pot" while we pretended, via controls, to hold down inflation. The fire still rages: The Federal budget continues to soar, Federal budget deficits, and the national debt, climb steadily upward at rates undreamt of just 5 or 6 years ago, and the monetary policies of the Federal Reserve Board continue to exert irresistible inflationary pressures on the Nation's economy.

We know full well that these are the big three causes of inflation: Excessively higher Federal budgets, Federal budget deficits, and imprudent monetary policy. Yet to date, we have made no attempt to deal with these root causes of inflation. It is a difficult decision to make, to be sure. Because inflation has gotten so far out of hand, applying the necessary fiscal and monetary restraints to bring it under control once again carries with it the risk of substantially higher unemployment, and even an economic recession. But there is simply no question that these restraints must be applied to solve the problem. There is no other way. There is no easy solution, no painless way out. I do believe, however, that the means exist to hold the undesirable side effects of dealing with inflation to an absolute minimum.

Thus, I am offering two bills. One attacks one principal cause of inflation: escalating Federal budgets, and the horrendously large budget deficits and national debt to which we have become so accustomed. The other bill will relieve every American from the unfair "hidden tax" imposed upon them by the Federal Government during a time of high inflation, and will encourage adoption of a system which will enable us to apply the restraints necessary to cut inflation without causing a recession.

The first bill proposes a Constitutional amendment which would remove forever the irresistible temptation for Congress to spend more than it takes in. This amendment would require a balanced Federal budget each year, and would also mandate the eventual repayment of the entire national debt. The interest on this debt, soon to climb over the $500 billion mark, is more than $27 billion this year, one of the largest single items in the Federal budget.

This concept is a simple one, and is nothing more than commonsense. Just as every family in America must avoid spending more than it takes in, so should the Government keep its financial house in order, and give the public the sort of fiscal responsibility it has a right to expect from its elected representatives. But most importantly, this step will remove one of the major causes of the country's rapid inflation. The Federal budget makes up more than 20 percent of the Nation's gross national product. Therefore, the size of that budget, and the percentage of it which represents spending, unsupported by tax revenues, exerts a significant influence on the economy as a whole.

Requiring a balanced budget will have two effects. First, it will eliminate deficits completely, and eventually eliminate the enormous sums we must spend on debt service. The savings effected by this action, together with the removal of heavy inflationary pressure exerted by the deficit spending, will go a long way toward relieving inflation. Second, it will have a significant restraining effect on Congress propensity to spend. Today, the Congress blithely spends billions of dollars with little concern over where it is coming from. If Federal expenditures exceed income, so what? We just use red ink instead of black. No need to worry about raising taxes to cover those expenditures. But with an amendment requiring a balanced budget, suddenly Congress must give very real attention to where the money is going to come from to support additional expenditures. Since the most painful, and most politically treacherous thing a legislator can do is vote to raise taxes, the incentive to hold down spending, and therefore taxes, will be powerful indeed.

The other measure I am offering this week is one which I have cosponsored with a number of other Members, and its purpose is to implement the "indexing" plan designed by the noted University of Chicago economist, Milton Friedman. Very simply, the bill would tie Federal tax rates, interest rates on Government securities, and related items to the rate of inflation. Again, as with the other bill, this measure will have several beneficial effects.

First, it will take away from the Federal Government a grossly unfair advantage which it has as a result of the graduated tax system. Uncle Sam is the only one in the entire country who benefits from inflation. The reason is simple. As inflation goes up, so do wages, in an effort to try and keep up with the diminishing buying power of the dollar. But while we make more dollars in salary, our real income stays the same, because of inflation. Now because our dollar income has gone up, we wind up in a higher tax bracket. Therefore, the Federal Government gets to take a higher percentage of our income, in spite of the fact that our real income has not gone up at all. This amounts to an automatic tax increase which goes into effect without Congress having to lift a finger. The indexing bill would correct this inequity.

Suppose, for example, that a person's salary went up 10 percent in 1 year, and inflation went up 10 percent in the same year. Under the present system, his real income would decline, because he would be taxed at a higher rate. But if we adopt the indexing plan, his tax rate would remain exactly the same. Conversely, if a person's income stayed the same for a year, but inflation went up, the rate at which he will be taxed would go down, since, because of inflation, his real income has declined. It should be completely obvious that indexing our tax structure is only fair. The people of the United States should not be penalized by the Federal Government for inflation which the Government caused in the first place.

Second, indexing will help allow the Nation's economy to withstand the fiscal and monetary restraint necessary to complete the battle on inflation without the unacceptable side effects of high unemployment and recession. The reasons for this are a little more complex, and it will depend upon the spread of "indexing" practices to the private sector. But this is already happening to a significant extent, with wage escalators tied to the cost of living being written into more and more labor contracts every day, and similar clauses being written into purchasing contracts and similar financial agreements. Reduced to essentials, indexing will enable the economy to move with inflation as a whole, and not as things now stand, with a labor settlement over here causing a price hike over there, and an irregular succession of economic ripples throughout the economy, making it move in fits and starts.

Indexing really is a method of coping with contemporary economic realities which we could afford to ignore when they were small, but we can ignore now only at our peril. Indexing will enable us to cope with the reality of steep inflation while we go about doing the things that are necessary to reduce or eliminate that inflation.

Mr. Speaker, these bills, taken together, represent an anti-inflation package which will relieve the economic suffering we all face to one degree or another. It will take some courage to implement this package, but, as I said earlier, there is no other way. I urge the House to give these measures serious, and early, consideration.

SUGAR ACT AMENDMENTS BILL OF 1974

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. Diggs) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, I would like to insert the following statement, which I submitted for the record of the House Rules Committee, for the thoughtful consideration of my colleagues:

STATEMENT OF HON. CHARLES C. DIGGS, JR., CHAIRMAN, HOUSE SUBCOMMITTEE ON AFRICA

Mr. Chairman, I appreciate and welcome the opportunity to appear before this committee today. The Sugar Act Amendments Bill of 1974 (H.R. 14747) is to be given a rule by this committee. This bill grants a sugar quota to South Africa, the only nation in the world in which racial discrimination is a matter of law. This bill provides unnecessary economic support for South Africa.

I would like to request that this committee give H.R. 14747 an open rule. Should the committee decide on a limited rule, I would urge that there be an opportunity for floor consideration of an amendment to eliminate the South African sugar quota.

This amendment would be similar to H.R. 14913,[1] which I introduced on May 21, 1974, to terminate the South African subsidy.

I would like to outline to the committee some of the reasons why I feel a halt to South Africa's quota assignment is necessary.

As a developed nation, South Africa is an exception to the countries participating in the sugar program. Both the U.S. Agency for International Development (AID) and the United Nations Food and Agriculture Organization (FAO) classify South Africa as a developed nation. One of the traditional emphases of our sugar program has been to provide some assistance within the framework of trading relations with underdeveloped nations. South Africa's low per capita gross national product (GNP) of $954 as contrasted with its GNP of $22 billion annually reflects the systematic discrimination against the majority African community.

Whites, who form about 18 percent of the population, control 69 percent of the purchasing power. Private consumption expenditure in South Africa is 73.7 percent for whites and 19.1 percent for Africans. A greater percentage of white households in South Africa own luxury and semi-luxury items than do households in Europe. There is virtually no white unemployment while black unemployment nationally averages about 30 percent.

Sugar sales to the United States are relatively insignificant to South Africa economically. Despite a subsidy of over $33 million[2] between 1962 and 1973 which South Africa has received as a result of sugar sales to the United States, only a very small proportion of South Africa's sugar comes to the United States. In 1973, only 74,535 tons[3] out of 1,094,697 tons came to the United States. This represented about 5 percent of South Africa's sugar exports. The bulk (95 percent) of South Africa's sugar is sold under international agreements.

More than adequate sources of sugar exist in other countries which would provide alternatives to the approximately 62,000 tons allocated to South Africa under the new sugar bill. In Africa alone the two countries of Mauritius and Swaziland could absorb the South African quota assignment. They have been dependable suppliers in the past and their performance capacity as well as their productive capacity is growing. Mauritius produced over 800,000 tons of sugar in 1973 of which 45,000 tons came to the U.S. It asked for a quota increase of 70,000 tons this year and has received an increase of only about 10,000 tons. According to the U.S. Department of Agriculture, however, over 260,000 metric tons[4] of Mauritius' sugar are sold on the world market and are not bound by international agreements.

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[1] This is the same bill which was introduced by Senator Edward Kennedy on March 21, 1974, in the Senate.

[2] This $33 million is the difference between the U.S. price (generally higher) and the world market price for sugar.

[3] "Tons" refers to short tons: 2,000 lbs.= 1 short ton.

Swaziland produced nearly 200,000 tons of sugar in 1973 of which only about 31,000 tons were shipped to the U.S. It asked for an increase of 15,000 tons and actually received a reduction of about 2,000 tons. However, in 1972, it also sold more than half the sugar it produced (103,018 out of total exports of 189,378 metric tons) on the world market.

An additional reason for termination of South Africa's quota is that, in South Africa, Africans share only minimally in benefits to South Africa's sugar industry provided by the U.S. quota. One of the revised criteria for quotas set by the House Agriculture Committee suggests that the extent to which benefits in the industry are shared by sugar farmers and workers is a factor to be considered.

The overwhelming majority of sugar workers are African. In 1973 they numbered 126,000 Africans, 4,750 Indians, and 520 whites. Field workers make only $2.64 per day, which is less than the $124 per month poverty datum line (PDL) computed by the University of Port Elizabeth. The PDL, it should be noted, is calculated for a family of four and represents only what it costs to keep from starving.

In only two of the 20 mills in South Africa is it possible for there to be any black ownership participation. These two mills refined about 9 percent of the sugar output in 1973.

Of the approximately 8,000 independent growers, about 4,400 are Africans who work plots of up to ten acres only. This African-owned land totals about 32,000 acres having a value of about $276,000. White growers, who number about 2,000, own 520,877 acres, and in 1971/72 had a crop valued at over $96 million.

Of 85,000 acres of land slated to be developed by 1975, about 19,000 acres will be in African hands, 6,000 acres in Indian and colored hands, but the bulk of 60,000 acres will be in white hands.

Furthermore, South Africa discriminates against U.S. citizens. Black Americans as a rule are not permitted to visit South Africa. The criteria is race. Those few who are allowed are often placed in special categories such as "honorary white" or restricted in their movements.

Just this March, Black USIS official Mr. Richard Saunders and his wife Emily were refused service at a nightclub in a Durban hotel.

In 1971 when I visited South Africa the government reneged on an agreement which would have allowed me to visit Southwest Africa. Mr. Mewa Rambogin, husband of Ghandi's granddaughter, who played a key role in arranging a visit by me to the grounds of a sugar estate in South Africa in 1971, was placed under limited house arrest for five years shortly after my visit. I feel certain that his assistance to me was an important factor in his banning.

In summary, I think that there are clearly valid reasons for terminating the South African sugar quota. The U.S. quota is demonstrably insignificant to South Africa in economic terms, and affords only minimum benefits to the African community. The U.S. has alternative sources of supply from Africa or from sugar producing countries around the world.

Additionally, in terms of U.S. foreign policy interests in Africa, the United States cannot afford to ignore Africa's concern with U.S. support of white minority rule in southern Africa. The appearance of unnecessary support damages and threatens to permanently destroy positive and progressive U.S. relations with Africa. A sugar quota for South Africa is utterly contrary to the national interests of the United States.

NEW ENGLAND RATE CRISIS—UNFAIR BURDEN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 5 minutes.

Mr. ST GERMAIN. Mr. Speaker, as a direct result of energy shortages, New Englanders have been called upon to shoulder a disproportionate share of burdensome price increases for fuel.

The New England Regional Commission, comprised of the Governors of the six New England States, recently met and considered possible solutions to this problem. The commission passed several resolutions designed to meet the situation head-on.

So that my colleagues may have the benefit of the commission's views, I include the resolutions in the RECORD:

NEW ENGLAND REGIONAL COMMISSION—RESOLUTION NO. 86

A Resolution of the State Members of the New England Regional Commission Concerning Support of the Dickey-Lincoln School Hydro-Electric Project

Whereas, the New England Regional Commission has determined that the provision of an adequate supply of low-priced energy is essential to the economic development of the Region; and

Whereas, the New England Region will, despite energy conservation efforts, require additional electricity generating capacity in the future; and

Whereas, the development of hydro-electric capacity in the Region will reduce the Region's heavy dependence on petroleum products; and

Whereas, the proposed Dickey-Lincoln School Project will provide approximately 1.2 billion kilowatt hours of electricity per year to the New England Region; and

Whereas, the United States Army Corps of Engineers has stated that the electricity from the Dickey-Lincoln School Project will be more cost effective than comparable generating facilities dependent on other sources of energy; and

Whereas, the timely completion of the Dickey-Lincoln School Project depends in part on the provision of funds to the United States Army Corps of Engineers by the Congress to complete project design and preparation of an environmental impact statement; and

Whereas, questions have been raised concerning the environmental effects of the project;

Now therefore be it resolved by the State Members of the New England Regional Commission that

Section 1. They urge immediate Congressional action on funds for preconstruction planning related to the Dickey-Lincoln School Project.

Section 2. They urge the United States Army Corps of Engineers, immediately upon Congressional approval of preconstruction planning funds for FY 1975, to take steps to reschedule the completion of preconstruction planning for the project to the earliest possible date.

Section 3. They call upon the Department of State to resume treaty negotiations with Canada as soon as Congress appropriates funds for preconstruction planning for the Dickey-Lincoln School Project.

Section 4. That upon appropriation of funds by Congress, the New England Regional Commission staff shall determine the immediate availability of funding sources for preconstruction planning in order to accelerate the planning process. If supplemental funds will facilitate expeditious resumption of preconstruction planning, the New England Regional Commission will consider at its meeting on June 14–15, 1974, the provision of Commission funds to the United States Army Corps of Engineers for such resumption.

Section 5. That the Commission staff shall study the economic and environmental evaluations performed on the project as part of the Commission's ongoing efforts in electric facility siting research. In carrying out such activity, the Commission staff shall make appropriate arrangements for consultation with regional agencies, federal agencies and interested groups giving due consideration to public participation.

Section 6. That copies of this Resolution be transmitted to the Secretary of the Interior, the New England Congressional Delegation, the Chairman of the Federal Power Commission, the Commanding General, United States Army Corps of Engineers, within seven days of its adoption.

Section 7. Effective Date. This Resolution is effective immediately.

NEW ENGLAND REGIONAL COMMISSION—RESOLUTION NO. 87

A Resolution of the State Members of the New England Regional Commission Concerning Electricity Rates in New England

Whereas the New England Regional Commission has determined that the provision of an adequate supply of reasonably priced electrical energy is essential to the economic development of the region; and

Whereas, recent increases in the price of electricity have caused economic disruption and deep public concern; and

Whereas, the electric utilities in New England are structured on a regional basis for the distribution of electricity throughout the region; and

Whereas, recent increases in electricity rates have adversely impacted the citizens of New England and the regional economy;

Now therefore be it resolved by the State Members of the New England Regional Commission

Section 1. That the importation of less expensive electricity into the region from domestic and Canadian sources should receive priority attention of the region's utilities, the Federal Power Commission, the Federal Energy Office, the Department of State and the State Public Utilities Commissions.

Section 2. That the development of alternatives such as hydroelectric, nuclear and coal fired facilities should likewise receive the priority attention of these organizations as ways to reduce present price inequities caused by the high level of the region's dependence on expensive oil fired electric facilities.

Section 3. That the Federal Energy Office promptly take steps to increase the production of lower priced domestic residual fuel oil and allocate a fair proportion of this product to the region at an equitable price as required by law.

Section 4. That the New England utilities work with state public utility commissions in order to reduce costs wherever possible.

Section 5. That the staff of the Commission promptly evaluate the electric rate problem and prepare additional recommendations for the establishment of equitable price levels for the region's domestic, commercial, business and industrial consumers.

Section 6. Direct that this Resolution be transmitted to the following: the President, the Secretary of State, the New England Congressional Delegation, the Federal Power Commission, the Federal Energy Office, the National Governors' Conference and NEPOOL.

Section 7. Effective Date. This resolution is effective immediately.

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[4] 2,204.6 lbs.=1 metric ton.

NEW ENGLAND REGIONAL COMMISSION—RESOLUTION No. 88

A Resolution of the State Members of the New England Regional Commission Concerning the Reduction of the Price of Petroleum Products in New England

Whereas, the New England Regional Commission has determined that an adequate supply of low-priced petroleum products is essential to the economic development of the Region because it depends upon petroleum fuels for 90% of its total energy supply as compared to the National average of 44%; and

Whereas, current Federal regulations on the control of petroleum prices result in New England receiving a much larger proportion of higher priced petroleum than other regions of the Nation with a consequent strong negative force on the Region's economy; and

Whereas, New England has achieved a higher rate of fuel conservation than the National average; and

Whereas, a higher National achievement rate of petroleum fuel conservation could assist in the reduction of New England's dependence on higher priced foreign petroleum;

Now therefore be it resolved by the State Members of the New England Regional Commission that

Section 1. The State Members adopt the policy that the equalization of the petroleum prices across the Nation is essential for the continued development of the New England economy in accordance with the Emergency Petroleum Allocation Act of 1973 (P.L. 93-159).

Section 2. The State Members call upon all regions of the Nation to improve the achievements of their petroleum fuel conservation programs.

Section 3. The State Members urge the Federal Energy Office to administer the Mandatory Fuel Allocation Program so that petroleum fuel allocations are based on price as well as quantity as required by the Emergency Petroleum Allocation Act and further that the Federal Energy Office take the necessary steps to increase the domestic production of residual fuel oil and insure that New England receives its fair share of the increase in such production.

Section 4. The State Members call upon the Secretary of Defense to make available excess Defense Department fuel shortage facilities which are enumerated in a Commission report in order to increase the Region's capacity to store lower priced petroleum products as they become available.

Section 5. The New England Congressional Delegation, the Federal Government, and the public utilities and industry of New England continue to work with the New England States to reduce New England's present heavy dependence on expensive petroleum products in a manner consistent with the protection of environmental quality and public safety.

Section 6. That copies of this Resolution be transmitted to the President, the Secretary of Defense, the New England Congressional Delegation, the Administrator of the Federal Energy Office, the Appalachian Regional Commission, all other Title V Commissions and the National Governors' Conference.

Section 7. Effective Date. This Resolution is effective immediately.

NEW ENGLAND REGIONAL COMMISSION—RESOLUTION No. 91

A Resolution Concerning Energy Price Equalization

Whereas, in considering issues relating to the price and availability of energy to New England consumers, the Governors of the New England States have determined that a severe price inequality exists between this region and other regions of the country; and

Whereas, such a price inequality is directly contributing to the economic problems of the region by reducing its competitive position in the national economy and by requiring consumers to devote a disproportionate share of their income to paying energy costs; and

Whereas, the New England Regional Commission is actively involved in the development of a regional energy program designed to identify problem areas and develop joint policy among the New England States;

Now therefore be it resolved by the New England Regional Commission that

Section 1. Due to the gravity of the situation, the Federal Energy Office is requested to provide, within a period of thirty days, to the New England Regional Commission and the New England Congressional Delegation a determination of the extent and nature of the energy price differential suffered by the New England region to identify the causes of that differential and to make recommendations for appropriate remedial action.

Section 2. The staff of the Commission is instructed to work closely with the Federal Energy Office in preparing an analysis of the price differential situation and to provide, within thirty days, recommendations for equalizing the price of energy to the region.

Section 3. The New England Congressional Delegation is asked to support the request for an evaluation by the Federal Energy Office and to work with the Commission in preparing a remedial program including, as appropriate, corrective legislation.

Section 4. The Commission directs that this Resolution be transmitted to the following: the President, the New England Congressional Delegation, the Federal Power Commission, the Federal Energy Office, and the National Governors' Conference.

Section 5. Effective Date. This Resolution is effective immediately.

THE 56TH ANNIVERSARY OF ARMENIAN INDEPENDENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, yesterday marked the 56th anniversary of Armenian independence. Americans of Armenian descent throughout the United States and their compatriots all over the world paused, just as we did in the House of Representatives yesterday, to mark this important milestone in Armenian history.

I was honored to join in this commemoration, and in behalf of my constituents from the 11th Congressional District of Illinois, many of whom are of Armenian descent, to welcome Archbishop Karekin Sarkissian, Vicar of the Armenian Apostolic Church of America, who delivered the invocation on May 28.

Archbishop Sarkissian, who assumed his post in 1973, formerly served as prelate of the Julfa-Isfahm Diocese in Iran. He has established a distinguished reputation as a theologian, administrator, author, scholar, and teacher, and has held numerous positions of great responsibility within the Armenian Church as well as in worldwide ecumenical movements. He has served as a member of the Central and Executive Committees of the World Council of Churches, as chairman of the Theological Association of the Middle East, and has participated in a large number of major international church conferences.

The Armenian Church has been instrumental in holding the Armenian people together and in preserving their national idenity despite centuries of invasion by more powerful neighboring countries.

After hundreds of years of foreign domination, the courageous Armenians, although small in number and limited in resources, threw off the yoke of their oppressors and declared their independence on May 28, 1918. Tragically, however, this precious freedom was short-lived, for the newborn Armenian Republic was brutally partitioned less than 2 years later by Russia and Turkey.

Today, historic Armenian lands are in the hands of Turkey and Communist Russia, and the independence of Armenia remains an unresolved question.

The valiant Armenians have struggled unceasingly and have died willingly to preserve their nation and their Christianity, and to keep alive the hope for a free and independent Armenia. Their struggle shall continue relentlessly until the territorial integrity of Armenia is restored and Armenia achieves its ultimate destiny as a free nation in the consortium of independent world governments.

Mr. Speaker, I want to thank Archbishop Sarkissian for being with us and for delivering the invocation yesterday. I also want to say that the sad fate and memory of those who died in the cause of Armenian freedom are very much alive today, and it is fitting that we pay tribute today to their blessed memory as the struggle continues for Armenian independence.

GAO PROVIDES INFORMATION ON WHEAT BOARD CONCEPT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, on January 29, during the period of concern over $1 a loaf bread price, I asked the GAO a series of questions about the true level of U.S. wheat reserves as well as possible ideas for improving the reporting and pricing of wheat and flour reserves in the United States. Specifically, among other questions, I asked for a review of the Canadian Wheat Board program, a description of how it worked, what its costs were, and whether there would be merit in applying some of the Wheat Board concepts to the United States. I have just received that portion of the GAO response relating to the Canadian Wheat Board. I would like to enter the GAO comments in the RECORD at this point.

I am hopeful that this discussion and the attached bibliography will help provide useful information for the debate in the United States of ways and means of improving our wheat supply and wheat export policies so that the American consumer may receive maximum benefits. These comments are in no way a statement of approval or criticism of the program adopted by our good neighbors to the North. It is simply a study in comparative governmental organizations.

It is obvious that the United States would not want to adopt all of the subsidy supports and other functions of the Canadian Wheat Board. However, the GAO report does point out that—

(1) The Canadians have "readily available information" on their wheat situation whereas "problems persist over the accuracy reliability, and timeliness of the data generated" by the new USDA reporting system.

(2) "The Canadian Government has recently taken steps to stabilize the cost of bread and cereal-based foods in Canada by establishing a two-price system that insulates the domestic wheat price from the uncertainties of the export market" whereas "The United States has no wheat reserve policy or price stabilizing program to insure adequate domestic supplies at stable prices to U.S. consumers."

(3) U.S. policies are "intended to insure a certain level of return for farmers rather than to stabilize prices to consumers [as in Canada.]"

(4) The GAO feels that the Canadian system may discourage producer initiative and incentive and has the potential of being inflexible because of bureaucracy and political pressures. The Canadian system has positive advantages of—

(a) stabilizing domestic prices at a level lower than export prices;

(b) eliminating market fluctuation and speculation;

(c) facilitating long-term, large-scale, trade arrangements with domestic and foreign buyers, and is "particularly advantageous in dealing with State trading countries" like Russia (where the United States has failed so badly)

Mr. Speaker, there are many interesting aspects to the Canadian Wheat Board program. Primarily, the Canadians seem to give first preference and top concern to their own consumers. It is time that Secretary Butz and the Department of Agriculture realized that their duty lies in helping the American consumer rather than the agribusiness corporations.

The portions of GAO report B–176943 of May 23, 1974, relating to "Features of Canadian Export Regulation" follow:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., May 23, 1974.

B–176943.
Hon. CHARLES A. VANIK,
House of Representatives.

DEAR MR. VANIK: Your January 29, 1974, letter requested information on the Canadian system of regulating wheat stocks and the role of domestic international sales corporations (DISCs) in exporting agricultural products. Other information you requested will be addressed in separate correspondence. In discussions between our staffs, it was agreed that the limited information thus far developed would constitute our response.

FEATURES OF CANADIAN EXPORT REGULATION

You expressed the view that perhaps some of the operating features of the Canadian system could be adopted by the United States to better manage its wheat stocks. Essentially, you asked whether the Canadian system provided stable supplies at stable prices to the consumer.

COMPARISON OF SYSTEMS

The Canadians manage their wheat supplies through Government policies and with a quasi-governmental trading organization known as the Canadian Wheat Board. The Board is responsible for many aspects of wheat handling, including—

Development of markets and export sales;

Delivery in domestic and export markets; and

Prices, and their stability, that the producers receive for wheat.

Because the Board handles the marketing functions and has access to other Government agencies involved in establishing grain policies, it has readily available information on such diverse activities as production, storage at the elevators, shipments in transit, inventory at the ports, export sales, and sales commitments. As discussed later, the Canadian Government has recently taken steps to stabilize the cost of bread and cereal-based foods in Canada by establishing a two-price system that insulates the domestic wheat price from the uncertainties of the export market. However, the increasing costs of labor and of ingredients other than wheat recently caused the price of bread to increase 2 to 3 cents a loaf.

Wheat in the United States is managed by private producers and exporters using a free-market approach. Inherent in such a system is the problem of obtaining from private exporters adequate and current information which bears on the domestic availability and which is necessary to determine the effects of foreign and domestic demand on wheat prices and related products. The Department of Agriculture in October 1973 instituted new reporting requirements on export commitments, to obtain a more complete and timely picture of the wheat supply and demand situation; but problems persist over the accuracy, reliability, and timeliness of the data generated.

The United States has no wheat reserve policy or price stabilizing program to insure adequate domestic supplies at stable prices to U.S. consumers.

SUBSIDIES AND COSTS

In September 1973 the Canadian Government announced new minimum price guarantees and maximum prices to be paid to producers for wheat going into domestic food use, in lieu of payments to producers on an acreage basis. The policy guarantees producers a minimum in Canadian dollars (C)[1] of C $3.25 a bushel, less transportation and handling costs, for the next 7 years for wheat used for domestic food. Maximum prices to be paid to producers are set at C $5 a bushel for wheat for bread and C $7.50 for durum wheat.

The objective of the new two-price program is to prevent further domestic price increases of bread and other cereal-based foods. Payments made under the program by the Canadian Government are a subsidy to the Canadian consumer. The Government pays the Canadian Wheat Board and the Board, in turn, pays the farmer the difference, if any, between the export price, up to C $5.00 a bushel, and the C $3.25 paid by the millers.

The Wheat Board estimates the annual cost of the new price program to the Canadian Federal Treasury will be in excess of C $100 million, compared with C $64 million to C $66 million for the past 2 years under the previous program. The Canadians domestically consume, for food purposes, about 87 million bushels of wheat and export about 500 million bushels.

In contrast, the United States consumes about 530 million bushels and exports about 1 billion bushels of wheat. Using the Canadian estimates, the cost to the U.S. Government for a similar two-price system would be in excess of $600 million.

Canadian producers will continue to be paid actual world market prices, less the cost of the operation of the Canadian Wheat Board, for most of their output, which is exported.

As of early March 1974, smaller quantities of Canadian grain have been transported to the elevators and ports this crop year than in the same period last year, because of a railcar shortage, railway labor problems, and smaller amounts of wheat marketed by farmers.

Grain moves at subsidized rates to export points from scattered elevators, many of which have a low handling capacity in comparison to those in the United States. Railcars are allocated to move grain at unusually low Government rail rates established in 1925, which remain in effect. The Government subsidizes feeder lines which tie into the main rail lines for shipping grain to the ports. These subsidy payments reduce the railroads' losses but not to the extent that hopper cars are willingly allocated to move grain. The rail subsidies represent a benefit to the producers because the costs have not been offset against their returns. To ease the grain transportation problem, the Government purchased 2,000 giant hopper cars in the past year.

With respect to U.S. subsidies, the Department of Agriculture maintains a program of *domestic* price supports with guaranteed or "target" prices to wheat producers. These support payments are intended to insure a certain level of return for farmers rather than to stabilize prices to consumers. Payments under the price-support program depend on market prices which currently exceed the price-support level; therefore, no subsidies are necessary at the present time.

Export subsidy payments were formerly made by Agriculture to exporters to make up the differences between higher domestic wheat prices and lower world market prices. The payments generally resulted in sales at lower prices to foreign buyers than to domestic purchasers. Because of changed market conditions, the subsidies were eliminated in September 1972. In addition, when the United States had wheat which was surplus to its needs, Agriculture paid the storage costs for its wheat inventories.

SUPPLY AND PRICES OF CANADIAN WHEAT

Enclosures I and II show that over the years Canadian wheat supplies have been ample for domestic consumption and for export. Prices for cereals and bakery products increased gradually through 1972 but in 1973 rose sharply. As shown in the following chart, the Canadian consumer price index for cereal and bakery products (with 1967 as the base year of 100) has risen from 83.7 in 1960 to 122.6 in 1973, a 38.9 percent increase.

Enclosure III provides U.S. consumer price indexes for these products over the same period. The enclosure and the following chart show that the U.S. index for the group (with 1967 as the base year of 100) has risen from 87.1 in 1960 to 127.7 in 1973, a 40.6-percent increase.

CANADIAN WHEAT BOARD AND EXPORT CONTROL

You pointed out that the export regulation features of the Canadian system might help the United States avoid some of the pitfalls of recent years and asked about the feasibility of establishing a national export licensing and control agency. On the basis of discussions with Canadian and U.S. officials and the written material obtained on the subject, we are presenting below some of the pros and cons of such a proposal.

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[1] Late in March 1974 one Canadian dollar was equivalent to about $1.03 in U.S. dollars.

These should not be considered as all encompassing or as favoring such a proposal.

Pros

1. Controls and coordinates production, delivery (transport and storage), and marketing.

2. Regulates the flow of supplies to domestic and export markets according to demands and stabilizes domestic prices at a level lower than export prices (two-price system).

3. Controls and sets export prices and generally promotes optimal and equal returns per unit of sale to producers from all sales through markets and price differentiation (two-price system).

4. Eliminates market fluctuation and speculation.

5. Facilitates long-term, large-scale, trade arrangements with domestic and foreign buyers, particularly advantageous in dealing with State trading countries (for example China, Russia, and Eastern Europe).

6. Facilitates orderly product research and development and market promotion and development.

Cons

1. May discourage individual producers' initiative to produce quantities for export markets because of ability to obtain only an average price or sell only a certain quantity.

2. Prevents direct contracting by individual producers to insure aggressive marketing.

3. Provides little incentive for competitive and efficient merchandising and promotion with fixed pricing structure imposed on industry.

4. Permits possible misinterpretation of world supply and demand situation and pricing which could severely injure the industry.

5. Produces a potential for inflexibility and inertia because of bureaucracy and political pressures.

A bibliography of reference material is included as enclosure IV.

ENCLOSURE I.—CANADIAN CONSUMER PRICE INDEXES OF CEREAL AND BAKERY PRODUCTS FOR 1960–73

[1967=100]

Year	All-purpose white flour	Corn flakes	Plain white bread	Total
1960	74.0	82.2	81.8	83.7
1961	75.9	82.6	83.5	85.2
1962	83.1	87.3	85.9	87.1
1963	86.9	88.7	90.2	91.2
1964	91.9	91.2	94.7	95.5
1965	92.6	95.2	94.8	96.0
1966	96.7	96.5	99.7	98.6
1967	100.0	100.0	100.0	100.0
1968	101.4	100.2	102.9	102.2
1969	102.0	103.1	103.3	103.5
1970	101.4	104.1	104.8	105.7
1971	99.7	106.1	108.9	108.1
1972	102.4	109.5	113.0	111.8
1973	114.3	(1)	127.0	122.6

[1] Not available at time of review.

Source: Statistics Canada—converted by GAO to a base year of 1967.

ENCLOSURE II.—CANADIAN WHEAT SUPPLIES AND DISPOSITION, CROP YEARS 1960–61 TO 1972–73

[In thousands of bushels]

Crop year	Supplies: Inward carryover Aug. 1 [1]: Farm	Supplies: Inward carryover Aug. 1 [1]: Commercial	Supplies: Production [1]	Supplies: Total supplies	Disposition: Domestic disappearance [2]: Farm	Disposition: Domestic disappearance [2]: Commercial	Disposition: Exports wheat and flour	Disposition: Balance, total outward carryover, July 31 [1]
1960–61	143,700	455,888	518,379	1,117,967	92,078	64,299	353,249	608,341
1961–62	170,950	437,391	283,394	891,735	83,431	59,224	358,022	391,058
1962–63	59,170	331,888	565,585	956,643	82,619	55,410	331,367	487,247
1963–64	64,700	422,547	723,500	1,210,747	91,046	65,713	594,548	459,440
1964–65	120,640	338,800	600,726	1,060,166	80,607	66,941	399,594	513,024
1965–66	109,100	403,924	649,412	1,162,436	84,985	72,423	584,906	420,122
1966–67	100,000	320,122	827,338	1,247,460	84,093	71,309	515,307	576,751
1967–68	205,000	371,751	592,920	1,169,671	98,908	69,243	336,010	665,510
1968–69	236,000	429,510	649,844	1,315,354	83,964	73,724	305,838	851,828
1969–70	372,200	479,628	684,276	1,536,104	92,660	88,256	346,498	1,008,690
1970–71	542,700	465,990	331,519	1,340,209	76,474	84,368	435,213	744,154
1971–72 [3]	404,820	339,334	529,552	1,273,706	93,439	86,715	503,890	589,662
1972–73 [3]	317,500	272,162	533,288	1,122,950			576,594	366,060
1973–74 [3]			628,738	994,798				

[1] Statistics Canada.

[2] A residual item. Farm disappearance is computed by adding inward farm carryover and production and deducting therefrom marketings and outward farm carryover. Commercial disappearance is computed by adding inward commercial carryover and marketings and deducting therefrom outward commercial carryover and exports.

[3] Subject to revision.

Source: The Canadian Wheat Board.

ENCLOSURE III.—U.S. CONSUMER PRICE INDEXES OF CEREAL AND BAKERY PRODUCTS FOR 1960 TO 1973

[1967=100]

Year	Flour	Corn flakes	White bread	Whole wheat bread	Total
1960	88.4	81.4	85.2		87.1
1961	89.4	83.5	87.8		88.9
1962	90.9	86.4	89.1		90.8
1963	91.0	89.4	91.0		92.1
1964	93.3	91.6	91.5	88.1	92.5
1965	95.7	92.3	92.6	90.7	93.8
1966	97.9	94.6	98.3	96.7	97.7
1967	100.0	100.0	100.0	100.0	100.0
1968	98.3	99.9	100.5	101.1	100.4
1969	97.5	100.3	103.5	105.7	103.3
1970	99.0	103.2	109.1	111.4	108.9
1971	101.0	107.3	112.3	117.5	113.9
1972	100.4	100.6	113.0	120.1	114.7
1973	127.1	104.4	126.7	132.3	127.7

Source: Bureau of Labor Statistics, Department of Labor

[Enclosure IV]

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SHEPAUG RIVER ACT

The **SPEAKER** pro tempore. Under a previous order of the House, the gentlewoman from Connecticut (Mrs. GRASSO) is recognized for 5 minutes.

Mrs. **GRASSO**. Mr. Speaker, Litchfield County in northwest Connecticut contains some of the loveliest scenery in New England. Its rolling hills and flowing rivers are balm to the spirit and pleasure to the eye.

Today, I am introducing legislation to protect one of our treasured rivers for the future enjoyment of our people.

Specifically, my bill, identical to legislation introduced in the Senate, would add the Shepaug River to the list of rivers to be studied for possible inclusion in the wild and scenic rivers system.

The legislation introduced today is a triumph for citizen participation in the legislative process. It is an expression of sentiment by the people—heard loud and clear. It represents as well the results of cooperative action between citizens and Government and units of government at local and Federal levels.

The long months of discussion provided an invaluable dialog and the consensus that I believe is essential to action in this area. Local autonomy has been honored and any obstacles to approval have been removed by this demonstration of democracy in action.

Of the towns along the Shepaug, the citizens of Roxbury, in true New England tradition, came together in a town meeting and voted 116 to 7 in support of the proposal. The first selectman of the town of Washington by letter requested introduction of this measure. The Board of Selectmen of the town of Bridgewater, "anxious to retain the beauty" of the river, asked also for similar action. The Board of Selectmen of neighboring Woodbury adopted a resolution of support, noting that the Shepaug "provides our whole area with precious opportunities for the enjoyment of natural beauties." Scores of private citizens who live along the river and revel in the pleasures of the landscape have endorsed this legislation.

Under the provisions of the Wild and Scenic Rivers Act of 1968, the national system of rivers under protection includes rivers which possess such outstanding attributes that they should be "preserved in free-flowing condition—and their immediate environments shall be protected for the benefit and enjoyment of present and future generations."

Passage of this bill would allow the Departments of the Interior and Agriculture to study the Shepaug and determine whether or not it should be included in the system. Having marveled at the Shepaug's beauty on many occasions, I have no doubt that the Shepaug would meet the criteria needed for inclusion in the system that would gain it protection from the construction of encroachments such as power dams.

Since entering the Congress, I have consistently supported proposals to protect the environment and to designate certain portions of this country as wildlife refuges, wilderness areas, or reserves. Unfortunately, very few of these places are located in the Northeast. However, as our section of the Nation becomes more and more urbanized, tranquil areas of quiet beauty become more scarce—just when we need them most.

It is my view that the Shepaug would be a natural and justifiable addition to the wild and scenic rivers system. Flowing south from Cornwall and Goshen, the Shepaug enters the Housatonic River at Bridgewater. Its peaceful waters and verdant banks remain relatively untouched and offer a wealth of scenic beauty and natural wonder in an area of exceptional charm. The thousands of people who canoe in its waters and hike along its banks must have the opportunity to enjoy the Shepaug in the years to come.

This will be possible if we take appropriate action now. Otherwise, future generations may never know the serenity which we have the opportunity to protect.

I, therefore, urge prompt and favorable action on the Shepaug River Act.

THE IMPEACHMENT INQUIRY OF THE COMMITTEE ON THE JUDICIARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. SEIBERLING) is recognized for 5 minutes.

Mr. SEIBERLING. Mr. Speaker, as a member of the Committee on the Judiciary, I feel that there are some questions that the gentleman from Wisconsin (Mr. FROEHLICH), has just raised which must be answered. I had thought that the gentleman left the Chamber, but I see he is still here.

Certainly I do not as one member of the committee, take the position that there are no restraints on the power of the Committee on the Judiciary in an impeachment investigation. Obviously its powers are circumscribed by the Constitution, and by the rules of this House.

The Constitution requires that due process of law be observed, except in those cases where the Constitution itself makes express or implicit exceptions to constitutional restrictions, as it does, to some extent, under the impeachment clause.

For example, the double jeopardy provision of the Constitution is expressly rendered inoperative in impeachment cases by the very language of the impeachment clause. And the powers of the committee to obtain information pertinent to an impeachment investigation of the Chief Executive are an explicit exception to the principle of separation of powers.

Mr. Speaker, I think that the gentleman from Wisconsin made a rather strong overstatement of a point of view here which I do not think is asserted by the committee and which certainly is not asserted by this Member.

Mr. OWENS. Mr. Speaker, will the gentleman yield?

Mr. SEIBERLING. I yield to the distinguished gentleman from Utah, who is also a member of the Committee on the Judiciary.

Mr. OWENS. Mr. Speaker, I thank the gentleman from Ohio for yielding.

As a member of the Committee on the Judiciary, I would not like to sit in the Chamber today and leave unanswered the challenge made by the gentleman from Wisconsin (Mr. FROEHLICH).

I wish first to associate myself with the very learned comments of my colleague, the gentleman from Ohio (Mr. SEIBERLING). I wish also to point how very, very carefully the Committee on the Judiciary has proceeded with its three subpenas which we have served upon the President and how we have set forth the reasons behind our subpenas, the reasons why we want and why we need the items which have been demanded under our subpena, although I will state that I do not think we are compelled to set forth those reasons.

Mr. Speaker, I believe the committee has acted extremely responsibly in that area. We certainly have been conscious of the circumscription that the Constitution imposes upon us in proceeding to assemble the evidence for this impeachment inquiry.

What has been so disappointing, I think, to me, as a member of the Committee on the Judiciary, is the fact that we are in effect being "stonewalled" in what can only be described as a public relations ploy by the White House, in that they say they have given us all of the evidence we need.

The President said in Oklahoma 2 weeks ago, "I have given the House Judiciary Committee all of the evidence." On the other hand they press us for a prompt decision.

But the committee will not sacrifice fair, complete, and thorough examination of these issues—a complete inquiry—in favor of expediency, which is, I think, what the White House is trying to press us on. We will continue to seek the evidence.

I think the committee understands very fully what its obligations are in this matter. By the same token, it understands what its rights are. So I submit to the House and to our colleagues that the committee will act very responsively but resolutely to bring the inquiry to a close after we have gotten all of the evidence we need to make an intelligent decision.

Mr. SEIBERLING. I certainly agree, and I would like to add that it is significant, it seems to me, that on the last subpena that the committee issued, only one member of the committee voted against that subpena. That member did so, he said, not because he did not agree that the evidence was relevant and necessary but simply because he felt we lacked a practical means to enforce the subpena. That member, the gentleman from Michigan (Mr. HUTCHINSON), himself has said that there is no Executive privilege before an impeachment investigation of the President. I believe his precise words were, "Executive privilege falls."

Mr. MARAZITI. Will the gentleman yield?

Mr. SEIBERLING. I yield to the distinguished gentleman from New Jersey.

Mr. MARAZITI. Can the gentleman point out where in the Constitution there is a provision that Executive privilege or other rights fall in the face of an impeachment?

Mr. SEIBERLING. The Constitution makes no mention of Executive privilege. This is a doctrine developed only in the last 40 years by Presidents, with the aid of the courts, out of the obvious necessity for the President normally to hold some things in confidence in order to carry out the functions of his office. But it is not set forth in the Constitution.

Mr. MARAZITI. But it is a doctrine; is it not?

Mr. SEIBERLING. It is not a doctrine that the Constitution sets forth. Moreover, distinguished scholars such as Raoul Berger of Harvard Law School, have said repeatedly that the impeachment clause is, of necessity, an exception to the separation of powers, and must, therefore, also be an exception to the doctrine of Executive privilege.

Mr. MARAZITI. But it is true, is it not, that there is no specific exception—and I recognize and I know the gentleman from Ohio recognizes that the Constitution does contain a provision that the House shall have the sole power of impeachment.

Mr. SEIBERLING. That is correct.

Mr. MARAZITI. That is very clear. It means only that the House can do it if it is going to be done, but it does not say how. I submit to you no constitutional rights or doctrines are suspended, because the Constitution provides that the House do it.

Mr. SEIBERLING. I assume that the gentleman agrees that the doctrine of double jeopardy is suspended by the impeachment clause because it so states. It says a person who is impeached may be thereafter prosecuted for a violation of the criminal laws of the United States. If it did not say that, a subsequent prosecution for the same offense covered by an impeachment would otherwise be a violation of the double jeopardy prohibition in the Bill of Rights.

Mr. MARAZITI. I concur with the position of the gentleman from Ohio in that respect, because the Constitution so states, but it does not state any other doctrine.

Mr. SEIBERLING. I agree no other specific provision of the Constitution is expressly suspended by the impeachment clause, but the impeachment power is an inherent exception to the separation of powers principle. Since the impeachment power was chosen by the Founding Fathers as a check on the Executive, it necessarily endows the Congress with the power to obtain whatever evidence is necessary in order to make the power of impeachment effective. There is an ample demonstration of this not only in the Constitutional Convention and the notes of the Founding Fathers, but in the historic origin of impeachment, which was a device developed by the Parliament of England in order to impose a check on the power of the king.

That was the system that was adopted by the Founding Fathers, and the only basic change they made was that under the Constitution no criminal penalty results from impeachment. The sole penalty is removal from office and disqualification for future emoluments of office.

Mr. MARAZITI. I concur in that. But I have heard the statement made that when impeachment is involved no other powers are subject to it. I do not find that in the Constitution.

Mr. SEIBERLING. The gentleman will not find the doctrine of Executive privilege in the Constitution, either. But anyway, the committee is not asserting a sweeping dragnet power. We are asserting only the right to obtain documents which are clearly deemed relevant by every single member of the committee, including the gentleman from New Jersey, who voted for the subpena because, I am sure, the gentleman felt, as we all did, that the evidence requested was clearly relevant and necessary.

Mr. MARAZITI. I voted for the subpena, yes, and I will continue to vote for the subpenas, but I agree with the gentleman from Wisconsin (Mr. FROEHLICH) that in the final analysis the executive department and the legislative department are subject to interpretations of the Constitution, and the laws, by the third body.

Mr. SEIBERLING. I do not think there is any basic disagreement. That was why I challenged the statement made by the gentleman from Wisconsin (Mr. FROEHLICH) in the first place, because I do not understand that any of our committee believes that we have power without any restraint. We are restrained by the Constitution, the Bill of Rights, and the Rules of this House.

PROTECTING SUMMER JOBS FOR YOUNG PEOPLE

(Mr. MEEDS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MEEDS. Mr. Speaker, I am today introducing legislation to amend the Fair Labor Standards Act to permit the summer employment of young people in agriculture in situations where these summer jobs have been traditional and in situations where it is not injurious to their health.

In Public Law 93-259, the Congress forbade the employment of children in agriculture if they are under 12 years of age. Exceptions were made only to the extent that younger children can work on farms owned by their parents and on farms not covered by the Fair Labor Standards Act.

It was the clear and altogether proper intent of Congress to forbid harmful employment conditions for children in agriculture. Child exploitation in agriculture has been America's "Harvest of Shame" for too long. One aspect that has always concerned me was the fact that children of migrant workers might not receive adequate schooling.

Yet in Washington and Oregon and, I am told, in Michigan, we have a traditional, historic pattern of child labor during the summer when school is out. My own parents at one time had a small strawberry patch in Washington State, and the younger children were willing and able to harvest the berries.

Berry picking by children has been going on in the Pacific Northwest for generations. It is something that the youngsters want to do, and their parents approve of this work. It provides young people with an opportunity to earn money for school needs in the fall, and it is certainly not injurious to their health. In Skagit and Whatcom counties in my area, up to 35 to 45 percent of the berry pickers are under 12, most of them in the age 10 to 11 category.

The bill I am introducing today is carefully drafted to permit employment of children in agriculture but only if certain conditions are met. First and foremost, the children must commute daily from their places of residence. Second, the employment must not be deleterious to the child's health. Third, the child can be employed only outside of school hours. Fourth, he must work in an operation that has traditionally paid youngsters on a piece rate basis. Fifth, the young person cannot be employed longer than 13 weeks a year. The Secretary of Labor must follow these conditions in order to permit employment.

In other words, Mr. Speaker, we want to protect children from hazardous farm work, while offering them the same opportunities in piece rate agriculture that they have enjoyed for years. I think this is a modest bill and one that will be acceptable.

I insert hereafter a copy of the bill.

H.R. 15050

A bill to authorize a limited waiver of the child labor provisions of the Fair Labor Standards Act of 1938 with respect to certain agricultural hand harvest laborers

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) an employer may apply to the Secretary of Labor for a waiver of the application of section 12 of the Fair Standards Act of 1938 to the employment of an individual, who is less than 12 years of age, as a hand harvest laborer in an agricultural operation which has been, and is customarily and generally recognized as being, paid on a piece rate basis in the region in which such individual would be employed. The Secretary may grant such a waiver only if he finds that the application of such section—

(1) would cause severe economic disruption in the industry of the employer applying for the waiver, and

(2) the employment of the individual to whom the waiver would apply would not be deleterious to his health or well-being.

(b) Any waiver granted by the Secretary under subsection (a) shall require that—

(1) the individual employed under such waiver be employed outside of school hours for the school district where he is living while so employed,

(2) such individual while so employed commute daily from his permanent residence to the farm on which he is so employed, and

(3) such individual be employed (A) for not more than thirteen weeks under such waiver and (B) in accordance with such other terms and conditions as the Secretary shall prescribe for such individual's protection.

TRUMAN ON CONFIDENTIALITY

(Mr. DEVINE asked and was given this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, an excerpt from Margaret Truman's book entitled "Harry S. Truman" is most interesting as it relates to President Nixon's efforts to protect the confidentality of the Office of the Presidency. This appears on page 613 of Margaret's analysis of her father.

"Dad took his papers with him from the White House as have all Presidents since George Washington. The papers he regarded as confidential—only a small fraction of which have been used in this book—fill several dozen filing cabinets. Then there are the public papers, some 3,500,000 documents, which fill several thousand cabinets and boxes. Archivists working with these have already published eight thick volumes, each almost a thousand pages long.

Lately, some historians have criticized Dad because he has refused to open his confidential files. But Dad is not acting out of selfish motives. From the day he left office he was conscious that he still had heavy responsibilities as an ex-President. During his White House years a President gets advice from hundreds of people. He wants it to be good advice. He wants men to say exactly what they think, to tell exactly what they know about a situation or a subject. A President can only get this kind of honesty if the man who is giving the advice knows that what he says is absolutely confidential, and will not be published for a reasonable number of years after the President leaves the White House."

MASSACRE OF THE CHILDREN OF ISRAEL

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, on Sunday, June 19, 1974 on the steps of the Jewish Center in Columbus, Ohio, a rally was conducted against the atrocities, massacre, and murders of the children at Ma'alot.

Several hundred dedicated sympathizers heard an outstanding address by J. Maynard Kaplan, Chairman of the Community Relations Committee of the Columbus Jewish Federation. All persons across America should have the benefit of his remarks and keen analysis.

The remarks follow:

REMARKS OF J. MAYNARD KAPLAN

This was a sorry week for mankind.

For the massacre of the children at Maalot, in Israel, by a gang of murderers—and that is what they were—reveals the moral condition of the world at its lowest ebb. At no time in the history of mankind since it emerged from the lawless savagery of the dark ages has such bestiality been practiced and countenanced by men and nations.

For it *is* countenanced . . . it *is* condoned . . . it is even encouraged.

Regrettably, ever since warfare left the open fields and overran the more populous areas, we have become accustomed and enured to violence and death for civilians, accidentally killed or injured during the course of attacks upon legitimate targets. Untold thousands of innocents have thus been killed and wounded in Europe and Africa, in Korea, Viet Nam, Laos, Cambodia and the Middle East.

But never . . . never with the silent acquiescence of the international community, have innocent civilian children been made the open and deliberate direct target for butchery as they were at Maalot.

It is time to call a halt to the barbarism of those whose conduct places them beyond the pale of humanity. If this mindless savagery is allowed to continue unchecked and undeterred, it will become a menace not only to the people of Israel but to peace-loving peoples all over the world.

Let me recall to you that the strife in the Middle East took a new and ominous turn when, for the first time, civilians became the targets of the explosive booby traps introduced by the Arabs . . . and still used by them. The international community acquiesced in silence while letter bombs and explosive toys and fountain pens caused extensive loss of life and limb; and it remained silent when supermarkets, bus stations, schools, school buses and hospitals were destroyed or damaged with a high toll of dead and maimed.

The world paid dearly for that silent acquiescence when these terrible devices were exported into Ireland, England, the European continent and North America.

The international community was again silent when the Arabs introduced the hijacking and terrorizing of civilian aircraft . . . the burning, sacking and holding hostage of the planes and their innocent passengers. Not only did the world again remain silent, but wherever these murderers were caught (outside of Israel) they were treated with deference and released . . . into the custody of Arab governments!

Do you realize that *not one* of these murderers has ever been punished by *anyone . . . anywhere?* Including those who assassinated American and other diplomats in the Sudan, even though the world was solemnly promised by Saudi Arabia, Sudan and other Arab governments that the captured criminals would be tried and punished! Unhappily, it is these same Arab governments on whose word Israel will be forced to rely in any peace agreement.

The international community has maintained a servile and contemptible silence on terror in the air as each nation, because of its own selfish interests or fear of blackmail backs away from any international agreement that could finally put an end to this blot on civilization.

And again, the world paid for this silence. The hijacking terror was exported all over the world with particular virulence right here in the United States.

And now, on May 15, 1974, the degradation of humankind was fully exposed when the Arabs made their sole and exclusive purpose the deliberate, cold-blooded slaughter of a school group of 90 children without even the pretext of legitmacy, so inhumane and uncivilized an assault as to have been called in the United States Senate "an affront to human decency and standards of civilized conduct between nations."

But once again, the international community, except for a few sporadic comments, has remained silent and taken no action. And for that silence, the World may again pay heavily unless it quickly awakens.

Are we so blind that we cannot see the capture and slaughter of children can also be exported? Into Europe, Africa, Asia and on our own continent as well? Do we not already have enough lunatic fringe fragment groups in this country . . . some with the same Maoist training as the Arab guerillas . . . who might be tempted, if these tactics are allowed to flourish unabated, to seize and kill white children in San Francisco or black children in the rural South?

There is only one course that the civilized community can take: and that is to stop and condemn such activity NOW; and to punish all those who are responsible for such outrages. And that includes not only the terrorists and their leaders, but also the Arab governments, Lebanon, Syria, Saudi Arabia, Libya, Iraq and Egypt who have aided, encouraged, financed, armed and harbored these criminals.

The criminal responsibility of all these governments is openly spread on the record for all to see. They do not deny it . . . they have praised these attacks and urge further gangster murders.

The day after the earlier Kiryat Shemona massacre on April 11, the Arabs indicated their target had been the children in the school, but since they found none there because of Passover, they indiscriminantly shot and killed 18 civilians. Then they announced pridefully, they would be back for further attacks of the same kind. Maalot was the result. And now we are promised more.

There can be no peace for the Middle East, no peace for the world, and no freedom from terror anywhere until these manufacturers of terror are forced to stop by the international community.

And yet, despite the flagrant guilt of the terrorists and those governments which feign innocence, but without whose help the terrorists could not succeed, the prime responsibility for the atrocity at Maalot lies elsewhere.

Is there a world conscience? Is there an awareness? Do we understand what is happening when a child of 12 is slaughtered? A 12-year-old who has never, in his whole life, known a single day of peace?

What response do we hear? . . . Silence. And the few who do make comment from their official positions simply reveal the sheer inadequacy of words to describe this bestial horror; but they also betray absolute blindness to reality . . . to the reality that firm and immediate steps must be taken to assure that this barbarism will not continue.

But the one voice that should have been heard, and which could have effectively dealt with this barbarity long ago, was not heard.

And I refer to the United Nations.

This august body, conceived in this country, and housed in this country, and financed largely by this country with your tax money, has demonstrated time and time again that it is no longer an instrument for peace, but rather an instrument for the encouragement of aggression and murder.

No council which permits power bloc alignment for the continuing dominance of one group over others, no matter who they are, can possibly be an instrument for peace.

Do we not know that the expediencies of hatred which today imperil the children of Israel can one day turn against European children, African children, American children?

I do not now dwell on the extreme one-sidedness of the United Nations which corrupts and violates its charter; or the fact that Israel, a member state, is effectively barred from sitting on the Security Council and other privileges; or that it has virtually no voice; or that it cannot obtain a fair hearing even when it is clearly the aggrieved party (and even when the UN's own observers positively establish the guilt of the Arabs); or that Israel is unable to obtain even minimal relief from terrorism and aggression; or that it is completely cut off from any defensive option except to strike back at the criminal aggressors (just as has been done many times in the past by other nations of the world including the United States); nor do I need mention that time and time again the Israelis have been condemned for striking back to defend themselves; but never once, never once, have the Arabs been condemned for any act of aggression, for any attack, for any atrocity.

One listens incredulously to the sanctimonious cries of the Arabs for each new round of condemnation; and one recalls the biting irony in the words of Voltaire:

> Quand on l'attaque, l'animal méchant se défende. (When it is attacked, the naughty creature defends itself.)

The unmitigated gall of the Israelis! They raise their arms to defend themselves! Condemn! Condemn!

No, I do not dwell on any of these perversions of justice. I am only talking about children. Murdered children.

We would not be mourning the dead children of Maalot today if the United Nations had long ago taken the necessary steps to end terrorism: by applying sanctions against those nations which are guilty of or accessory to terrorism in all its hideous forms.

But instead, the United Nations has deliberately turned its back on international law and justice and has breached its trust.

Instead of condemning such horrible crimes as Kiryat Shemona, the Security Council passed a resolution condemning Israel for seeking to destroy the guerrilla nests, but without even mentioning the mass murder which necessitated it.

The silence of the international community, as well as the surrender to previous terrorist demands by various governments, and the failure of the UN to adopt sanctions has only encouraged Arab governments and terrorist organizations to continue their murderous actions.

The resulting sad chronicle of terrorist attacks, assassinations and atrocities over the past five years is already far too long and a bleak monument to evil and injustice. The moral of this repulsive history can be stated in three words: Uncondemned, unpunished, unending.

And it is bitter mockery that the United Nations, which spends billions of dollars to feed children and to educate children, cannot even initiate a resolution to protect the lives of children.

It is time to be aroused. It is time to call upon the international community to awaken—to speak out—and to work for measures which will, once and for all, remove the frightening shadow of terrorism and lawlessness which darkens our world.

It is time to call upon our representatives in government to do all in their power to bring about these results; results which will not only promote the peace and stability of the world, but which will once again reaffirm the standing of the United States throughout the world as the champion of international justice and freedom.

And it is we, all of us, whom all these people represent, it is we who must not remain silent. We must make our voices heard in protest. The world cannot be made better if its peoples are silent.

I don't think the murdered children of Maalot would want us to mourn them. Those brave kids who spent so much of their short lives in a world of bomb shelters and barbed wire, and who never knew peace, would probably prefer that we use this opportunity to reawaken the conscience of the world; to the end that their brothers and sisters in Israel, as well as children all over the world, might be assured the sanctity of life and the peace, of which they had only heard and dreamed. May they now, at last, rest in peace.

But for us there can be no rest—

Not until the world community comes to its senses and rediscovers its conscience;

Not until the nations abandon the expediences of self interest and hatred;

Not until they cast off the shackles of blackmail and deal freely with the truth;

Not until the principles of international law and justice have been restored, and a just and lasting peace has descended upon Israel and all the world; and

Only then, and not until then, can it truly be said that the children of Maalot did not die in vain.

SOME ARE FOR NIXON

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, last week in the Columbus, Ohio, Dispatch, three separate letters to the editor were published from different, and unrelated sources, commenting on the problems of the President.

The mass-media of the eastern liberal establishment does not normally record both points of view and it is refreshing to see how this is handled in the heartland of middle America, as follows:

COMPARISON PICTURE PAINTS NIXON TALL

To the Editor:

To whom is Richard M. Nixon being compared? The perfect man or other American presidents?

I submit that he should be compared to other presidents (although there is a certain similarity between the hate-filled "Impeach! Resign" crowd and the "Release unto us Barabbas" crowd of 2,000 years ago).

The only two presidents since 1912 whose private political conversations would have caused less "moral revulsions" than Mr. Nixon's are Woodrow Wilson and Herbert Hoover and they were both rejected by the electorate in historic landslides.

Franklin D. Roosevelt was a charmer. Mr. Nixon never has been. FDR was also a devious politician without peer. He took us off the gold standard, made it illegal for Americans to own gold, took us into World War II and at the end, ill, lost the peace at Yalta. Joseph Stalin made a fool of him.

Then we had Harry S Truman and my mind boggles at a contemplation of the profane expletives, s.o.b.'s, and vindictiveness of "give 'em h---, Harry"—protege of the stinky, corrupt Pendergast gang.

He took us into Korea where 50,000 American men died in our first "no-win" war with privileged sanctuaries for the enemy (I would consider this an impeachable offense).

Then came Dwight D. Eisenhower.

I doubt that Ike's tapes would have been any higher in moral quality than Mr. Nixon's. Ike was profane and he was far more vindictive than his grin indicated.

And then we had Camelot (John F. Kennedy).

Charm prevailed and the most beautiful, inspirational political speeches of the century were written by Ted Sorenson.

Reality was far different from the dream propagated by the television newscasters.

Reality was that the three years under Mr. Kennedy were disastrous. We entered Vietnam—like Korea under Truman, another "no-win" war with enemy sanctuaries.

Mr. Kennedy encouraged the overthrow of the Diems, chickened-out at the Bay of Pigs and was outsmarted by Nikita Khrushchev in the missile crisis.

Mr. Kennedy appointed his brother attorney general. And there was no outcry by the news media at such an unprecedented step. The media were too occupied predicting the end of the Vietnam War if the Diems were only replaced by a popular government.

And Attorney General Robert Kennedy called out the FBI to "get something" on Roger Blough on April 16, 1962.

I am titillated by the thoughts of the combination of dirty politics and sex that President Kennedy's tapes would have revealed. Camelot, indeed!

And then came Lyndon B. Johnson. I would love to hear a recording of LBJ's conversations with Sen. Sam Ervin when they planned the Bobbie Baker coverup.

Senator Ervin is called folk hero. He is anathema to me, because I consider him a really great hypocrite. He covered up for LBJ in the Baker affair and now he is Bible-quoting and sanctimonious.

Mr. Nixon brought half a million men home from—not into—an inherited war in Vietnam.

All presidents have had "enemies' lists" and "dirty tricks". No trick—to me—was ever dirtier than the portrayal on television in 1964 of Sen. Barry Goldwater as a man who would cause death by poisoning of a darling, blonde, curly-haired little girl. The news media never protested that.

The fact is that the television news media, as a whole, dislikes Mr. Nixon and is grossly unfair.

I listen each week to Washington Week in Review. There are five men on the panel. All five excoriate Mr. Nixon. This is repugnant to me.

The bias of the television newscasters was certainly obvious when they reviewed Sen. Ted Kennedy's Chappaquiddick speech. They commiserated with the ill-starred Kennedy and the most damning thing they could say about Teddy was that his speech reminded them of Mr. Nixon's Checkers speech of 1952. They managed to criticize Mr. Nixon when the subject was Chappaquiddick. That really requires bias.

Compared with other presidents since 1912, Mr. Nixon stands mighty tall, in my opinion. I'm sick of the hypocrisy and the clamor about morality and so forth. A number of congressmen have been involved in scandals, themselves.

Watergate is nothing compared to many scandals of the past.

MILDRED CRAWFORD MURPHY.
MT. GILEAD, OHIO.

ACCOUNT DISTORTED, SAYS NIXON BACKER

To the Editor:

It is extremely unfortunate for a nation as great and strong as ours that a few people with the powerful assistance of a news media, so bent on printing the evil that will sell newspapers or attract viewers, can turn decent people against a man the vast majority of whom elected overwhelmingly to lead them.

For far too long, the minds of Americans have been forced to focus upon Watergate. Almost all of the energy of Congress has been expended on this one matter.

With the skilled manipulation of the news media, the American people have been relentlessly bombarded with every conceivable innuendo, half-truth and insinuation until the facts are so distorted that only the ideas of a few vicious opponents of "American ideals with justice for all" are accepted by minds too weary to understand and see the truth.

It is one thing to slant the reporting of activities of a few so as to generalize. It is one thing to publicize only the delinquency of a few and leave the honest to suffer for the action of their peers. This can be corrected with understanding.

The vicious attack upon a man who has served his country well and who won the respect of a vast majority of the voting public just 18 months ago may well shake the foundation of the world.

Already the elected vice president of the U.S. (Spiro Agnew) has been tried and convicted without the benefits of judge, jury or evidence, and forced to resign. The same tactics that were used on him are now being used against President Nixon.

How long can this nation survive when a few people so skillfully twist the truth into their own opinions and force these ideas upon others? Who is immune from this calloused power of the press?

It is time for all Americans to reassess the facts put before them and revitalize their own power of reason. Now, more than ever before, all Americans must search their souls and review the essence of our greatness.

We need to move forward toward a better nation and a better world. It is time to tell our elected officials that we are tired of feet-dragging. Now is the time to work together for the good of all mankind.

Corruption will reap its reward regardless of its source. The truth will win out as long as it is permitted to be heard for what it is and not twisted and distorted into what some men want it to be.

America must be strong now more than ever before. It needs a man who, in spite of attack, still works toward a peaceful world and a vibrant and strong America.

America has chosen its leader and he should be permitted to lead.

If America does not lead, it will surely be led.

DAVID W. & PENNY MACHENSEN.
REYNOLDSBURG.

RECEIVING A FAIR TRIAL NOT THOUGHT POSSIBLE

To the Editor:

What has happened to the sense of honor and justice historically attributed to the American people?

A person who is indicted for murder is guaranteed a presumption of innocence. We are careful not to allow pre-trial publicity. Above all, we do not allow a jury to discuss the case at all prior to its verdict.

How, then, can the President receive a fair trial? Several of his accusers, who are also his jurors, have already announced their verdict in advance of the trial.

It is bad enough that he is expected to furnish the evidence to convict himself. It is worse that many of his jurors are political enemies dedicated to his downfall even prior to his election.

But to not even afford him the safeguards offered to convicted criminals is an indictment of our system that will cause a much greater future problem than the one they are attempting to cure.

T. W. MITCHELL.
JACKSON, OHIO.

MARTINS FERRY TO HONOR MAYOR JOHN LASLO

(Mr. HAYS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HAYS. Mr. Speaker, on Sunday, June 2, the city of Martins Ferry is holding a reception to honor Mayor John Laslo for 25 years of public service in various capacities, specifically as councilman and mayor but, generally, as a civic leader. Mayor Laslo has spearheaded a drive to revitalize his community and has been the focal point of a great renaissance in that very old city in Ohio which many people say was the first settlement in Ohio; there is an unresolved dispute between Martins Ferry and Marietta and certainly one or the other of them was the first settlement. In any event, Mayor Laslo has been the driving force behind the rehabilitation of this fine city which, because of his efforts, had the first model cities program in America; is one of the first cities in eastern Ohio with a housing for the elderly program. He has inaugurated a recreation program for the young people in the summer, and literally dozens of other projects which it would take too much space to mention.

Mr. Speaker, I have been a friend of Mayor Laslo through all of his years of public service and have been proud to be his friend and I want to join the literally thousands of his friends in eastern Ohio commemorating this 25th year of his service in congratulating him on the tremendous achievements of the past 25 years.

THE LAND USE PLANNING ACT: THE RIGHTS OF PROPERTY OWNERS, THE TAKING ISSUE AND COMPENSATION

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, no doctrine is more widely invoked in connection with land use regulation than is the restriction on Government action by the fifth and 14th amendments to the Constitution. The fifth amendment, which applies to action by the Federal Government states:

> . . . nor shall private property be taken for public use, without just compensation.

The 14th amendment, adopted in 1868, applies to actions by State governments by prohibiting deprivation of "life, liberty, or property without due process of law." The interpretation of this amendment in property rights cases has been traditionally a matter of State courts. The U.S. Supreme Court has ruled on this issue in a very limited number of instances during the last century.

The enforcement of both amendments involving land and the use of land applies in two instances:

First. When any level of government exercises an inherent power known as eminent domain. In this case, the land in question is either acquired in whole or in part by the government seeking to exercise the eminent domain authority. Just compensation must be paid to the owner.

Second. When regulation of land use, principally by State and local governments, is found to be of such an extent that it constitutes a "taking" of the property, the law requires compensation for the value of the property "taken." Most of the court rulings on this issue exist at the State level because it is the State government which exercises land use regulation authority either directly or through delegation to local governments.

The fifth amendment finds its roots in English legal traditions. At the time it was adopted, the framers were interested in protecting property owners against an actual physical taking of land by the Government. The English law permitted extensive regulation of the use of land and such regulations were adopted by the American colonies. Some colonial regulations required shade trees in Pennsylvania, fences in rural areas, and brick or stone buildings in Boston. Although the constitutions of the 13 original States required that property not be taken without due process of law, 11 did not require compensation. Some State courts required compensation by virtue of constitutional provisions of common law. For a time, however, there were those which did not, and no legal right to compensation was required even though there was an actual State takeover of the property.

Before the adoption of the 14th amendment the Supreme Court found no Federal constitutional prohibition against a State's taking of property without compensation. With the adoption of that amendment, the States were required to follow the due process of law when taking property but it was not until the end of the 19th century in C.B. & Q. Railway against Chicago that the court held that the due process requirement included the right to compensation for a taking.

Shortly after the Civil War, however, the Supreme Court held that an impairment of the use of property which significantly reduced its value could violate the "takings" clause even though not a taking for public use. A varied pattern in the case law appeared and the Court was unable to develop a consistent policy between finding that some regulations of land constituted a taking requiring compensation and others did not. The concluding case in this pattern was Pennsylvania Coal Co. against Mahon, which considered a Pennsylvania law forbidding coal mining which would cause surface subsidence below housing, streets or public buildings.

Despite the purpose of the legislation, the Court held that the Constitution mandated compensation of the coal companies, and since the law did not provide for payment, it was invalidated. The Court considered the economic burden placed on the landowner and held that if the regulation went too far in imposing a burden, compensation for a diminution in value was required. Writing for the Court, Justice Oliver Wendell Holmes concluded:

> The general rule at least is, that while property may be regulated to a certain extent, if regulation goes too far it will be recognized as a taking.

The exercise of the zoning power was held valid by the Supreme Court in Ambler Realty Co. against Village of Euclid. The compensation issue was not discussed. In Nectow against Cambridge, the Court invalidated the zoning of land for residential use when the owner had a contract to sell his land for industrial use. The Court found that the loss in value to the owner outweighed the value to the community. Other cases, however, found that the same test could be used to support zoning regulations.

Read in conjunction with other cases, State courts have interpreted the Pennsylvania Coal case to establish a balancing test, with the courts weighing the importance of the public interest to protect the health, safety, and welfare of the community, against the economic loss to the property owner. However, the many cases which have appeared this century, establish no clear pattern. Some invalidate regulations which result in little diminution of value, while others approve laws appearing to have a more profound impact.

In recent years, States have usually applied the balancing test. In some States, regulations against the filling of wetlands, even though developer investments were substantial, have been upheld to protect the resource against potential over development and destruction. In other States, restrictions permitting only limited water-related uses and prohibiting filling or destruction have been overturned.

Some State courts have upheld historic preservation statutes recognizing the cultural and aesthetic benefit to the community. Others, in invalidating such statutes, find that the benefits of property arise from its use and anything which deprives an owner of that use, deprives all that is valuable in owning it. Many such cases rise and fall on the ability of the challenging party to demonstrate that a loss in value has occurred in fact.

The State of Michigan has upheld the authority of a town to guide development in order to minimize its burdens on public facilities including the schools, so long as it demonstrates a reasonable relationship between existing conditions and the public welfare. On the other hand, the Pennsylvania Supreme Court has held that zoning may be used to plan the future, but not to avoid increased burdens brought by growth. Some cases have demonstrated that the burden is on the landowner to show that the land use regulation does not enhance the public health, welfare, or safety and does not constitute a valid exercise of the police power.

The Land Use Planning Act now pending before the House does not alter the development of the law on the taking issue. This is clear since the proposed act assists the States to exercise their own inherent constitutional authority. It in no way authorizes the Federal Government to regulate non-Federal lands nor to judge the validity or desirability of State or local regulations. To insure this fact, H.R. 10294 explicitly provides that nothing in the act shall be construed to enhance or diminish the rights of owners of property as guaranteed by the Constitution.

The land use bill would leave the determination of the taking and compensation question to the States. It would provide the resources necessary to determine the capability of the land to absorb development, determine which lands are most appropriate for development, and the policies for implementing these conclusions of fact.

The Land Use Planning Act would preserve the State's role for determining when compensation is necessary. There are several reasons why this is so:

First. The authority to regulate land rests with the States and local governments, and should remain there;

Second. Pursuant to this authority, State courts have developed the most expertise in dealing with this issue;

Third. State courts have applied the requirements of the takings clause in light of their understanding of the factual circumstances in each situation and they are best able to do so since they are most knowledgeable about the State and its values;

Fourth. The Federal Government is least competent to establish standards for compensation or once established, to enforce them because of past tradition and the varying circumstances between States and regions.

The bill does not attempt to articulate a standard for determining when a taking has taken place and compensation required. None of the hearings addressed this issue. Committee consideration of the taking question was brief and the enactment of a standard was rejected. Whether compensation for land use regulation is necessary should be decided by States since they, not the Federal Government, will implement the land use legislation.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. PETTIS (at the request of Mr. RHODES), on May 28 through June 7, on account of official business.

Mr. ADAMS, for May 31 through June 3, on account of official business.

Mr. ANDREWS of North Dakota (at the request of Mr. RHODES), for May 30, 1974, on account of official business.

Mr. FOUNTAIN (at the request of Mr. O'NEILL), from 5 o'clock today, May 29, on account of official business.

Mr. MCSPADDEN (at the request of Mr. O'NEILL), for the week of May 28, on account of illness of his mother.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. HOLT) to revise and extend their remarks and include extraneous matter:)

Mr. BLACKBURN, for 5 minutes, today.

Mr. GROVER, for 5 minutes, today.

Mr. STEELMAN, for 5 minutes, today.

Mr. FROEHLICH, for 5 minutes, today.

Mr. RONCALLO of New York, for 20 minutes, on May 30.

Mr. BAUMAN, for 15 minutes, today.

(The following Members (at the request of Mr. STARK) to revise and extend their remarks and include extraneous matter:)

Mr. DIGGS, for 5 minutes, today.

Mr. ST GERMAIN, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. VANIK, for 5 minutes, today.

Mr. ADDABBO, for 10 minutes, today.

Mrs. GRASSO, for 5 minutes, today.

Mr. SEIBERLING, at his own request, to address the House today for 5 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MATSUNAGA, and to include extraneous material, immediately prior to the adoption of the Mink amendment in the Committee of the Whole today.

(The following Members (at the request of Mrs. HOLT) and to include extraneous material:)

Mr. STEELMAN.

Mr. HANRAHAN.

Mr. RONCALLO of New York in two instances.

Mr. KEMP in six instances.

Mr. ASHBROOK in five instances.

Mr. BRAY in three instances.

Mr. WYMAN in two instances.

Mr. HOSMER in two instances.

Mr. SNYDER in three instances.

Mr. CHAMBERLAIN.

Mr. HUNT.

Mr. DERWINSKI in two instances.

Mrs. HOLT.

Mr. COLLINS of Texas in four instances.

Mr. TALCOTT in two instances.

Mr. FROEHLICH.

Mr. BROWN of Ohio.

Mr. SPENCE.

Mr. HOGAN.

Mr. MALLARY in two instances.

Mr. REGULA.

Mr. ESCH.

Mr. FRENZEL.

Mr. PRICE of Texas.

(The following Members (at the request of Mr. STARK) and to revise and extend their remarks:)

Mrs. SCHROEDER in 10 instances.

Mr. DRINAN in five instances.

Mr. WON PAT in three instances.

Mr. ANNUNZIO in five instances.

Mr. ANDREWS of North Carolina in 10 instances.

Mr. ROONEY of New York in two instances.

Mr. WOLFF in five instances.

Mr. VANIK in two instances.

Mr. ADDABBO.

Mr. LEHMAN in 10 instances.

Mr. DOMINICK V. DANIELS in three instances.

Mr. OBEY in six instances.

Mr. MINISH.

Mr. FRASER in five instances.

Mr. THOMPSON of New Jersey in 10 instances.

Mr. VANDER VEEN.

Mr. YATRON.

Mr. PODELL.

Mr. UDALL in five instances.

Mr. GETTYS.

Mr. MAZZOLI.

Mr. HARRINGTON in four instances.

Mr. DORN in three instances.

Mr. CLARK.

Mrs. MINK in two instances.

Mrs. CHISHOLM.

Mr. FORD in three instances.

Mr. NICHOLS.

Mr. EDWARDS of California.

Mr. ANDERSON of California in five instances.

Mr. OWENS in five instances.

Mr. STARK in 10 instances.

SENATE BILLS AND A CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 521. An act to declare that certain land of the United States is held by the United States in trust for the Cheyenne-Arapaho Tribes of Oklahoma; to the Committee on Interior and Insular Affairs.

S. 605. An act to amend the act of June 30, 1944, an act "To provide for the establishment of the Harpers Ferry National Monument," and for other purposes; to the Committee on Interior and Insular Affairs.

S. 2137. An act to amend the act of October 15, 1966 (80 Stat. 953, 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said act; to the Committee on House Administration.

S. 2439. An act to amend the Wild and Scenic Rivers Act of 1968 by designating a segment of the New River as a potential component of the national wild and scenic rivers system; to the Committee on Interior and Insular Affairs.

S. 3007. An act to authorize appropriations for the Indian Claims Commission for fiscal year 1975; to the Committee on Interior and Insular Affairs.

S. 3358. An act to authorize the conveyance of certain lands to the United States in trust for the Absentee Shawnee Tribe of Indians of Oklahoma; to the Committee on Interior and Insular Affairs.

S. 3359. An act to authorize the conveyance of certain lands to the United States in trust for the Citizen Band of Potawatomi Indians of Oklahoma; to the Committee on Interior and Insular Affairs.

S. Con. Res. 86. Concurrent resolution authorizing the printing of additional copies of the hearings and final report of the Senate Select Committee on Presidential Campaign Activities; to the Committee on House Administration.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1817. An act to provide for the striking of national medals to honor the late J. Edgar Hoover; and

H.R. 12670. An act to amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crew member duties, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 3072. An act to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for their survivors; and for other purposes; and

S. 3398. An act to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on May 28, 1974, present to the President, for his approval, a bill of the House of the following title:

H.R. 10972. An act to delay for 6 months the taking effect of certain measures to provide additional funds for certain wildlife restoration projects.

ADJOURNMENT

Mr. STARK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; whereupon (at 7 o'clock and 31 minutes p.m.), the House adjourned until tomorrow, Thursday, May 30, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2379. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report of transfers of amounts appropriated to the Department of Defense, pursuant to section 735 of the Department of Defense Appropriation Act, 1974; to the Committee on Appropriations.

2380. A letter from the Secretary of the Treasury, transmitting a report on the operations of the Exchange Stabilization Fund for fiscal year 1973, pursuant to 31 U.S.C. 822a; to the Committee on Banking and Currency.

2381. A letter from the Director of Federal Affairs, National Railroad Passenger Corporation, transmitting the financial report of the Corporation for the month of February 1974, pursuant to section 308(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

2382. A letter from the General Manager, Atomic Energy Commission, transmitting a report of the nonprofit educational institutions and other nonprofit organizations in which title to equipment was vested by the Atomic Energy Commission, pursuant to section 3 of Public Law 85–934; to the Committee on Science and Astronautics.

2383. A letter from the Chairman, Atomic Energy Commission, transmitting a draft of proposed legislation to amend the Atomic Energy Act of 1954, as amended, to extend the compulsory patent licensing authority; to the Joint Committee on Atomic Energy.

Received From the Comptroller General

2384. A letter from the Comptroller General of the United States, transmitting a report on congressional objectives of Federal loans and scholarships to health professions students not being met; to the Committee on Government Operations.

2385. A letter from the Acting Comptroller General of the United States, transmitting a list of reports issued or released by the General Accounting Office during the month of April 1974, pursuant to 31 U.S.C. 1174; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLS of Arkansas: Committee on Ways and Means. H.R. 14833. A bill to extend the Renegotiation Act of 1951 for 18 months (Rept. No. 93–1065). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee on Banking and Currency. H.R. 13839. A bill to authorize appropriations for carrying out the provisions of the International Economic Policy Act of 1972, as amended; with amendment (Rept. No. 93–1066). Referred to the Committee of the Whole House on the State of the Union.

Mr. LONG of Louisiana: Committee on Rules. House Resolution 1151. Resolution for the consideration of H.R. 13678. A bill to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes. (Rept. No. 93–1067). Referred to the House Calendar.

Mr. MATSUNAGA: Committee on Rules. House Resolution 1152. Resolution for the consideration of H.R. 14747. A bill to amend the Sugar Act of 1948, as amended. (Rept. No. 93–1068). Referred to the House Calendar.

Mr. BRADEMAS: Committee on House Administration. S. 3373. An act relating to the sale and distribution of the Congressional Record (Rept. No. 93–1069). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAHON: Committee of conference. Conference report on H.R. 14013 (Rept. No. 93–1070). Ordered to be printed.

Mr. PATMAN: Committee on Banking and Currency. House Resolution 774. Resolution declaring the sense of the House with respect to a prohibition of extension of credit by the Export-Import Bank of the United States. Reported adversely. (Rept. No. 93–1071).

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPIN (for himself, and Mr. White):

H.R. 15032. A bill to amend title 13, United States Code, to eliminate the granting of preference on the basis of political affiliation or recommendation by any political organization in the hiring of temporary or part-time employees to carry out censuses, surveys, or other work of the Bureau of the Census; to the Committee on Post Office and Civil Service.

By Mr. BLACKBURN:

H.R. 15033. A bill to amend the Export Administration Act of 1969 to prevent the exportation and reexportation of American products, including technology, capital equipment, scientific accomplishments, and agricultural commodities to nonmarket economies and unfriendly nations, and to prevent exportation of such products by American subsidiaries operating abroad to nonmarket economies and unfriendly nations; to the Committee on Banking and Currency.

By Mr. BURKE of Massachusetts (for himself, Mr. Hanley, Mr. Horton, Mr. Pritchard, and Mr. Sarasin):

H.R. 15034. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the social security program, with a substantial increase in the contribution and benefit base and with appropriate reductions in social security taxes to reflect the Federal Government's participation in such costs; to the Committee on Ways and Means.

By Mr. BYRON (for himself, and Mrs. Holt):

H.R. 15035. A bill to prevent the estate tax law from operating to encourage or to require the destruction of open lands and historic places, by amending the Internal Revenue Code of 1954 to provide that real property which is farmland, woodland, or open land and forms part of an estate may be valued, for estate tax purposes, at its value as farmland, woodland, or open land (rather than at its fair market value), and to provide that real property which is listed on the National Register of Historic Places may be valued, for estate tax purposes, at its value for its existing use, and to provide for the revocation of such lower evaluation and recapture of unpaid taxes with interest in appropriate circumstances; to the Committee on Ways and Means.

By Mr. CHAPPELL:

H.R. 15036. A bill to provide for the development of aquaculture in the United States, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DELLENBACK:

H.R. 15037. A bill to amend title II of the Social Security Act to increase the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder, and to revise the method for determining such amount; to the Committee on Ways and Means.

By Mr. DERWINSKI:

H.R. 15038. A bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax, in the case of an individual or a married couple, for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

By Mr. DINGELL (for himself, and Mr. Grover):

H.R. 15039. A bill to amend the Fishermen's Protective Act of 1967 in order to strengthen the import restrictions which may be imposed to deter foreign countries from conducting fishing operations which adversely affect international fishery conservation programs; to the Committee on Merchant Marine and Fisheries.

By Mr. EVANS of Colorado:

H.R. 15040. A bill to direct the Secretary of Agriculture to investigate and study the feasibility of a Federal insurance program covering livestock and other similar agricultural entities not covered under the Federal Crop Insurance Act, and to report to the Congress the results of such investigation and study; to the Committee on Agriculture.

By Mr. FULTON (for himself, Mr. Broyhill of Virginia, Mr. Bauman, and Mr. Runnels):

H.R. 15041. A bill to amend the Social Security Act to provide for medical, hospital, and dental care through a system of voluntary health insurance including protection against the catastrophic expenses of illness, financed in whole for low-income groups through issuance of certificates, and in part for all other persons through allowance of tax credits; and to provide effective utilization of available financial resources, health manpower, and facilities; to the Committee on Ways and Means.

By Mrs. GRASSO:

H.R. 15042. A bill: Shepaug River Act; to the Committee on Interior and Insular Affairs.

By Mr. HANLEY:

H.R. 15043. A bill to provide for the development of a long-range plan to advance the national attack on arthritis and related musculoskeletal diseases and for arthritis training and demonstration centers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HANRAHAN:

H.R. 15044. A bill to amend title II of the Social Security Act to increase to $7,500 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. HARSHA:

H.R. 15045. A bill to amend the Internal Revenue Code of 1954 and certain other provisions of law to provide for automatic cost-of-living adjustments in the income tax rates, the amount of the standard, personal exemption, and depreciation deductions, and the rate of interest payable on certain obligations of the United States; to the Committee on Ways and Means.

By Mr. HAYS:

H.R. 15046. A bill to authorize appropriations for the U.S. Information Agency, and for other purposes; to the Committee on Foreign Affairs.

By Mr. KOCH (for himself and Ms. Holtzman):

H.R. 15047. A bill to amend title 38 of the United States Code in order to provide veterans' educational assistance and home loan benefits to individuals who fulfill their obligation to perform alternative civilian service under the selective service laws; to the Committee on Veterans' Affairs.

By Mr. LUJAN:

H.R. 15048. A bill to amend part B of title XI of the Social Security Act to provide a more effective administration of Professional Standards Review of health care services, to expand the Professional Standards Review Organization activity to include review of services performed by or in federally operated health care institutions, and to protect the confidentiality of medical records; to the Committee on Ways and Means.

By Mr. LUKEN:

H.R. 15049. A bill to amend the Internal Revenue Code of 1954 to provide that certain interest forfeited by reason of premature cancellation of certain savings deposits shall not be included in gross income, and for other purposes; to the Committee on Ways and Means.

By Mr. MEEDS (for himself and Mr. Hicks):

H.R. 15050. A bill to authorize a limited waiver of the child labor provisions of the Fair Labor Standards Act of 1938 with respect to certain agricultural hand harvest laborers; to the Committee on Education and Labor.

By Mr. PATTEN:

H.R. 15051. A bill to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training; to the Committee on Interstate and Foreign Commerce.

By Mr. ROE (for himself, and Mr. Aspin):

H.R. 15052. A bill to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Huntington's disease; to the Committee on Interstate and Foreign Commerce.

By Mr. ROE (for himself, and Mr. Brinkley):

H.R. 15053. A bill to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Huntington's disease; to the Committee on Interstate and Foreign Commerce.

By Mr. SANDMAN:

H.R. 15054. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

By Mr. SISK (for himself, Mr. Bell, Mr. Edwards of California, Mr. Goldwater, Mr. Hanna, Mr. Hawkins, Mr. Ketchum, Mr. Lagomarsino, Mr. McCormack, Mr. Mathias of California, Mr. Pettis, Mr. Steiger of Arizona, Mr. Charles H. Wilson of California, and Mr. Burgener):

H.R. 15055. A bill to amend section 1(12) of the Interstate Commerce Act to provide that railroads shall not discriminate against the movement of interchange of railroad refrigerator cars not owned by a railroad, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SISK (for himself, Mr. Brown of California, Mr. Del Clawson, Mr. Corman, Mr. Dellums, Mrs. Green of Oregon, Mr. Gubser, Mr. Holifield, Mr. Hosmer, Mr. McFall, Mr. Moss, Mr. Rees, Mr. Ryan, Mr. Stark, Mr. Ullman, and Mr. Veysey):

H.R. 15056. A bill to amend section 1(12) of the Interstate Commerce Act to provide that railroads shall not discriminate against the movement or interchange of railroad refrigerator cars not owned by a railroad, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STEELE (for himself, Mr. Anderson of California, Mr. Cronin, Mr. Gilman, Mrs. Holt, Mr. Kemp, Mr. Lagomarsino, Mr. Lent, Mr. McKinney, Mr. Rogers, Mr. Sarasin, Mr. Sikes, Mr. Tiernan, and Mr. Whitehurst):

H.R. 15057. A bill to provide additional financial assistance for educational, biological, technological, and other research programs pertaining to U.S. fisheries; to the Committee on Merchant Marine and Fisheries.

H.R. 15058. A bill to provide additional financial assistance for educational, biological, technological, and other research programs pertaining to the U.S. fisheries; to the Committee on Merchant Marine and Fisheries.

By Mr. STEPHENS:

H.R. 15059. A bill to amend the National Housing Act to provide a statutory basis for the continuing administration by Federal Housing Administration of the standard risk programs under such act; to the Committee on Banking and Currency.

H.R. 15060. A bill to establish the Monocacy National Battlefield Park; to the Committee on Interior and Insular Affairs.

By Mr. STEPHENS (for himself and Mr. Dorn):

H.R. 15061. A bill to designate the Veterans' Administration hospital to be constructed at Augusta, Ga., as the Gen. George C. Marshall Memorial Veterans' Hospital; to the Committee on Veterans' Affairs.

By Mr. ULLMAN (for himself, Mr. Yatron, Mr. Cohen, Mr. Conlan, Ms. Holtzman, Mr. Luken, Mr. Matsunaga, Mr. Mizell, Mr. Young of Illinois, and Mr. Zablocki):

H.R. 15062. A bill to amend the provisions of the Social Security Act to consolidate the reporting of wages by employers for income tax withholding and old-age, survivors, and disability insurance purposes, and for other purposes; to the Committee on Ways and Means.

By Mr. VANIK:

H.R. 15063. A bill to amend the Internal Revenue Code of 1954 to eliminate tax shelter farm losses by limiting deduction attributable to farming; to the Committee on Ways and Means.

By Mr. CHARLES H. WILSON of California:

H.R. 15064. A bill to amend title 39, United States Code, to revise the organizational structure of the U.S. Postal Service, and for other purposes: to the Committee on Post Office and Civil Service.

By Mr. WHITE (for himself, Mr. Boland, Mr. Mollohan, Mr. Cohen, Mr. Hanna, Mr. Preyer, Mr. Duncan, Mr. Podell, Mr. Mann, Mr. Stark, Mrs. Boggs, Mr. Long of Maryland, Mr. Fisher, Ms. Schroeder, Mr. Frenzel, Mr. Hicks, Mrs. Collins of Illinois, Mr. Riegle, Mrs. Chisholm, and Mr. Drinan):

H.R. 15065. A bill to amend title 10 of the United States Code in order to permit the partial attachment of retired or retainer pay to satisfy judicially decreed child support contributions; to the Committee on Armed Services.

By Mr. WOLFF (for himself, Mr. Addabbo, Mr. Badillo, Mr. Brinkley, Mrs. Chisholm, Mrs. Collins of Illinois, Mr. Collins of Texas, Mr. Conte, Mr. Derwinski, Mr. Edwards of California, Mr. Kemp, Mr. Lehman, Mr. Luken, Mr. Murtha, Mr. Podell, Mr. Roe, Mr. Won Pat, and Mr. Yatron):

H.R. 15066. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the interest on deposits in certain savings institutions; to the Committee on Ways and Means.

By Mr. WYMAN:

H.R. 15067. A bill to prevent reductions in pay for any officer of employee who would be adversely affected as a result of implementing Executive Order 11777; to the Committee on Post Office and Civil Service.

By Mr. ZWACH:

H.R. 15068. A bill to amend part B of title XI of the Social Security Act to provide a more effective administration of Professional Standards Review of health care services, to expand the Professional Standards Review Organization activity to include review of services performed by or in federally operated health care institutions, and to protect the confidentiality of medical records; to the Committee on Ways and Means.

By Mr. ASHBROOK:

H.R. 15069. A bill to amend the Internal Revenue Code of 1954 to provide a limited exclusion of capital gains realized by taxpayers other than corporations on securities; to the Committee on Ways and Means.

By Mr. CLEVELAND (for himself and Mrs. Schroeder):

H.R. 15070. A bill to amend title 23 of the United States Code to authorize a grant program for research and development of alternative fuels for motor vehicles; to the Committee on Public Works.

By Ms. COLLINS of Illinois:

H.R. 15071. A bill to protect purchasers and prospective purchasers of condominium housing units, and residents of multifamily structures being converted to condominium units, by providing for the establishment of national minimum standards for condominiums (to be administered by a newly created Assistant Secretary in the Department of Housing and Urban Development), to encourage the States to establish similar standards, and for other purposes; to the Committee on Banking and Currency.

By Mr. DELLUMS (for himself, Ms. Abzug, Mr. Badillo, Mr. Brown of California, Mrs. Burke of California, Mrs. Collins of Illinois, Mr. Conte, Mr. Conyers, Mr. Derwinski, Mr. Diggs, Ms. Holtzman, Mr. Long of Maryland, Mr. Mann, Mr. Murtha, Mr. Patten, Mr. Podell, Mr. Riegle, Mr. Stark, Mr. Stokes, Mr. Tiernan and Mr. Edwards of California):

H.R. 15072. A bill to amend the Budget and Accounting Act of 1921 to provide for investigations and expenditure analyses of the use of public funds; to the Committee on Government Operations.

By Mr. DELLUMS (for himself, Mr. Boland, Mr. Clay, Mrs. Collins of Illinois, Mr. Corman, Ms. Holtzman, Mr. Moakley, Mr. Podell, and Mr. Seiberling):

H.R. 15073. A bill to amend the administrative procedure provisions of title 5 of the United States Code to make the rulemaking provisions applicable to matters relating to public property, loans, grants, benefits, and contracts; to provide for payment of expenses incurred in connection with proceedings before agencies; to provide for waiver of sovereign immunity; to provide for the enforcement of standards in grant programs, and for other purposes; to the Committee on the Judiciary.

By Mr. DIGGS (for himself, Mr. Fraser, Mr. Rees, Mr. Adams, Mr. Fauntroy, Mr. Mazzoli, and Mr. Stark):

H.R. 15074. A bill to regulate certain political campaign finance practices in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. GROVER:

H.R. 15075. A bill to amend part B of title XI of the Social Security Act to provide a more effective administration of Professional Standards Review of health care services, to expand the Professional Standards Review Organization activity to include review of services performed by or in federally operated health care institutions, and to protect the confidentiality of medical records; to the Committee on Ways and Means.

By Ms. HOLTZMAN (for herself, Mr. Badillo, Mrs. Collins of Illinois, Mr. Dellums, Mr. Drinan, Mr. Dulski, Mr. Edwards of California, Mr. Eilberg, Mr. Esch, Mr. Hechler of West Virginia, Mr. Hudnut, Mr. Kemp, Mr. Lehman, Mr. Long of Maryland, Mr. Matsunaga, Mr. Podell, Mr. Pritchard, Mr. Rodino, Mr. Roe, Mrs. Schroeder, Mr. Stark, Mr. Tiernan, Mr. Charles H. Wilson of California, and Mr. Won Pat):

H.R. 15076. A bill to amend section 214 of the Internal Revenue Code of 1954 to provide a deduction for dependent care expenses for married taxpayers who are employed part time, or who are students, and for other purposes; to the Committee on Ways and Means.

By Mr. McKINNEY (for himself, Mr. Roncallo of New York, Mr. Mallary, and Mr. Wolff):

H.R. 15077. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for regular physical examinations; to the Committee on Ways and Means.

By Mr. MURPHY of New York (for himself, and Mr. Bingham):

H.R. 15078. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for the assignment of surplus real property to executive agencies for disposal, and for other purposes; to the Committee on Government Operations.

By Mr. PRICE of Texas:

H.R. 15079. A bill to amend the Consolidated Farm and Rural Development Act to establish a loan insurance program for cattlemen; to the Committee on Agriculture.

H.R. 15080. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. STUDDS (for himself, Mr. Boland, Mr. Burke of Massachusetts, Mr. Conte, Mr. Donohue, Mr. Drinan, Mr. Harrington, Mr. Moakley, and Mrs. Heckler of Massachusetts):

H.R. 15081. A bill to establish the Nantucket Sound Islands Trust in the Commonwealth of Massachusetts, to declare certain national policies essential to the preservation and conservation of the lands and waters in the trust area, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BAUMAN:

H.J. Res. 1032. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; and to provide for the systematic paying back of the national debt; to the Committee on the Judiciary.

By Mrs. GREEN of Oregon (for herself, Mr. Dellenback, Mr. Ullman and Mr. Wyatt):

H.J. Res. 1033. Joint resolution to waive the requirements of section 13(c)(1)(A) of the Fair Labor Standards Act of 1938 relating to child labor in agriculture under certain circumstances, and for other purposes; to the Committee on Education and Labor.

By Mr. RAILSBACK:

H.J. Res. 1034. Joint resolution to designate the third week of September of each year as "National Medical Assistants' Week"; to the Committee on the Judiciary.

By Mr. RUNNELS (for himself, and Mr. Lujan):

H.J. Res. 1035. Joint resolution recognizing the Gila National Forest in New Mexico as the birthplace of the wilderness concept and the 50th anniversary of wilderness preservation to be celebrated throughout 1974; to the Committee on the Judiciary.

By Mr. BROOMFIELD:

H. Con. Res. 505. Concurrent resolution designating April 24 of each year as a National Day of Reminder of Man's Inhumanity to Man; to the Committee on the Judiciary.

By Mr. TIERNAN (for himself, Mrs. Boggs, Mr. Cleveland, Mrs. Collins of Illinois, Mr. Conyers, Mr. Davis of South Carolina, Mr. Eilberg, Mr. Flynt, Mr. Froehlich, Mr. Gude, Mr. Gunter, Mr. Hammerschmidt, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Horton, Mr. Hungate, Mr. Long of Maryland, Mr. Lujan, Mr. Mallary, Mr. Melcher, Mr. Mosher, Mr. Murphy of New York, Mr. Murtha, Mrs. Schroeder, and Mr. Whitehurst):

H. Con. Res. 506. Concurrent resolution to request the Internal Revenue Service to reevaluate the present tax deduction for the business use of automobiles; to the Committee on Ways and Means.

By Mr. CRANE:

H. Res. 1153. Resolution requiring the administration of an oath to each Member of the House prior to the consideration of any resolution of impeachment; to the Committee on Rules.

By Mr. DENNIS (for himself, Mr. Railsback, Mr. Fish, Mr. Smith of New York, and Mr. Froehlich):

H. Res. 1154. Resolution authorizing the Committee on the Judiciary to file brief as amicus curiae reproduction of Presidential documents in case of *United States* v. *Mitchell* No. CR 74–110 U.S. District Court for the District of Columbia; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 rule XXII,

439. Mr. STUDDS presented a petition of the city council of New Bedford, Mass., relative to legislation to extend U.S. fisheries jurisdiction from the present 12-mile limit to 200 miles from our shores, which was referred to the Committee on Merchant Marine and Fisheries.

EXTENSIONS OF REMARKS

THOUSANDS JAM DEPOT

HON. BILL NICHOLS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. NICHOLS. Mr. Speaker, this past Saturday, May 18, Anniston Army Depot opened its doors to the people of Anniston and Calhoun County, Ala., and invited all to come to the depot to celebrate Armed Services Day, 1974.

It was my honor and privilege to attend this open house at the Anniston Army Depot as it was for Senator James Allen of Alabama and more than 30,000 Alabamians who walked through the depot's gates during the day. This is the largest attendance ever for Armed Services Day in Anniston with the previous high being in 1966.

This day of celebration was a time for the personnel of the depot and servicemen from Ft. McClellan to demonstrate to the people of the area equipment, facilities, and ability. Judging from the favorable response the demonstrations were a great success.

But the day was also a success for many local groups around Anniston. Many nonprofit groups such as band booster clubs, boy and girls scouts and others were allowed to set up concession stands around the base and the gross total sales amounted to more than $4,000.

I believe that the sheer size of the crowd in attendance demonstrates the support the people of Anniston and Calhoun County have for their military installations of Fort McClellan and the Anniston Army Depot. In part this is due to the outstanding job that Col. Richard L. Bergquist is doing in letting the people see first-hand the operations of his post.

Because of the outstanding work done at both posts, the relationship between the civilians and the military in the Anniston area is second to none. Events such as the Armed Services Day just bear this fact out.

I would like to enclose for the Record an article which appeared in that fine Alabama newspaper, the Anniston Star, which further explains the activities of the day.

Armed Forces Day: Thousands Jam Depot

Members of the U.S. Army parachute team, The Golden Knights, demonstrated jumps they have performed the world over at the annual Armed Forces Day Saturday at Anniston Army Depot.

Ten members of the 53-man team performed for a crewd of thousands. Exiting the plane at an altitude of 13,500 feet, the parachutists performed such stunts as passing a baton and making figure eights with pink smoke that came from a device attached to their ankles.

After the demonstration, the batons used were awarded to U.S. Senator James Allen and U.S. Rep. Bill Nichols.

Also included in the day's events was a demonstration of the trained sentry dogs. Trainers showed how dogs attack and how they are trained to overcome obstacles when in pursuit.

The 14th Army Band and Oxford and Walter Wellborr High School Bands performed. Displays included the Farley L. Berman small weapons collection, the Lance missile system and aviation display.

Children were treated to tank, jeep and train rides and got their first parachute jump from a tower.

David L. Stanley of Anniston was presented the meritorious civilian service award for his assistance to the Department of the Army in solving the world-wide logistics support problem.

SENATOR RANDOLPH COMMENDS ENERGY CONSERVATION AND DOMESTIC SELF-SUFFICIENCY; CALLS AGAIN FOR CONGRESS TO ESTABLISH NATIONAL POLICY

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 29, 1974

Mr. RANDOLPH. Mr. President, the theme of the administration's energy affairs administrators and speakers during the past 2 weeks has been, for the most part, "keep high the energy conservation spirit" and "let there be no backsliding in energy conservation."

At the same time, there seems to be a disposition on the part of some officials of the Federal Energy Administration to decry use of the term "energy crisis," giving preference to the term "the Nation's serious problems in this energy-short period."

Duke R. Ligon, administrator for policy, planning, and regulation of the Federal Energy Office, now the Federal Energy Administration, pointed out in a speech to advertising executives at White Sulphur Springs on May 17 that "the problems are complex" and "date back many years." He emphasized that the "popular term 'energy crisis' was misleading" and resulted in what he termed "two inaccurate views of the real situation." He defined these so-called inaccurate views as these:

> Somehow, we have to convince the man on the street that (1) our energy problems did not begin and end with the three-month oil embargo, and (2) our dependence on foreign oil and the resultant embargo was not created by the oil industry as a hoax for higher prices.

Mr. President, I agree with Mr. Ligon that our energy problems did not begin and end with the 3-month oil embargo. But I do not agree that the popular term "energy crisis" was or is misleading—not misleading in any greater degree than is his preferred term, "energy problems". In my view, we had a very acute energy crisis during the Arabic oil embargo—and we are still in a generalized energy crisis caused by shortages of natural gas, petroleum, and of coal production.

Personally, I have not felt that the energy crisis was contrived or that it was or is a hoax. But the evidence is not all in and not all evaluated as relates to the price issue.

A few of us in the Congress and in the energy industries who observed demand for energy supplies growing far faster than the supplies themselves, have been predicting an energy crisis in the making for more than a quarter of a century. We have been urging the development of a coherent and well-coordinated National Fuels and Energy Policy for amost two decades. My own history participation has been well documented in the CONGRESSIONAL RECORD. So, I will not be drawn into a debate over whether ours is an energy crisis or energy problems; I know we are in a period of severe shortages and I know that we are a long way from having the kind of national fuels and energy policy that we need. There are fragments of policy. We have a new Federal Energy Administration, but it is too new to pull all of the fragmented pieces together. Congress must do more than create the FEA. It must look well beyond the short-term emergencies—whether these emergencies be problems or a crisis. Congress must continue its fuels and energy studies and must persist with items of legislation until it places together in good order one of our country's greatest needs—a national fuels and energy policy. America cannot settle much longer for the "bits and pieces" type of energy policy because that is what we have had for too long. And it has only served to compound and make more complex the fuels and energy problems which, in my view, have grown into crisis proportions.

Yesterday's and today's news dispatches from the Middle East include some references to what could be termed threats that there might be another oil embargo growing out of disappointments or disagreements in the Israeli-Syrian disengagement and Middle East peace negotiations.

So, Mr. President, it behooves our country and its people to continue energy conservation and acting to make it meaningful in their own interest, as well as that of America.

And, Mr. President, we must go beyond conservation and take actions pointed directly toward the long-range target of making America much more energy self-sufficient by stepping up domestic oil production as much as possible, by increasing coal production and making coal and its potential derivatives burnable in cleaner form and/or manner, and by adding to our supplies of natural gas and augmenting them with pipeline quality coal-gas. Other developments based on improving technology in uses of lignite and oil shale, as well as in nuclear power must also be expanded in the interest of achieving domestic energy self-sufficiency.

A recent speech by John C. Sawhill, Administrator of the Federal Energy Administration, seems to me to cover the energy subject very well—especially the continuing need to practice energy conservation and the requirement that there be a stepping up of efforts to achieve energy self-sufficiency on an accelerated schedule.

Mr. President, I ask unanimous consent to have printed in the Extensions of Remarks pertinent extracts from the May 16 speech by the FEA Administrator to the Public Relations Society of America at the White House.

There being no objection the extracts from that speech were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM SPEECH BY ADMINISTRATOR JOHN C. SAWHILL

This afternoon each of you has had an opportunity to develop a working insight into the Administration's energy program—our goals, our milestones, our achievements to date, and those areas where we have failed to move as rapidly as we had hoped. . . .

The United States is facing an energy dilemma today exactly because of what Government has or has not done about energy in the last two-and-a-half decades.

Like it or not, the (recent) oil embargo offers rather stirring evidence that America's energy outlook today is the result of a legacy of mistaken decisions that militated against energy conservation, and in favor of putting us in a position where we would be energy importers out of necessity, and not by choice.

The flow of Middle Eastern oil has been cut off four times within the last 26 years. Yet, as the OPEC nations grew to the point where they dominate 85 percent of the world oil export market, government and industry and consumer pushed us unexpectedly toward a predictable crisis: overdrawn energy accounts at home, and economic blackmail abroad.

The most recent embargo crystallized America's energy concerns.

We established a central energy organization, the Federal Energy Administration.

It seems incredible, but the creation of FEA provides us for the *first time* with a centralized energy management structure responsible for formulating, shaping, and executing our national energy policy.

FEA is a wholly unique government agency. For one thing, it has a statutory life—two years.

FEA is task-oriented. It is in existence for one reason: to act as a catalyst, to draw together energy efforts within the federal government, in coordination with the private sector and the American public, to move us towards energy self-sufficiency. In short, we are responsible for achieving the goals of Project Independence.

We have already undertaken a massive effort to prepare the Project Independence Blueprint, which we will be giving to the President by November 1. The Blueprint will provide a framework of action binding together the efforts in the research community, in industry and in government, to achieve the President's energy goals.

FEA will be setting our energy R & D priorities and, in the meantime, we will be reexamining our current R & D goals.

In many respects, Project Independence is the most ambitious peacetime undertaking an industrialized nation has undertaken in our era. For we are talking about billions of dollars. We are talking about revitalizing entire industries—like the coal industry—and creating totally new industries, as in the case of oil shale.

Our first major concern is to increase our energy supply base—especially from domestic sources. . . .

The lamentable fact, however, is that we still face major obstacles in nearly all of these areas—obstacles that, in many instances, can only be overcome by enacting legislation.

We need, for example, a siting act to expedite the licensing and regulatory process to bring new power plants, both nuclear and conventional on line.

For years now our nuclear power program has faced inordinate delays because of cumbersome administrative procedures which *can* and *should*, be streamlined. It takes 10 to 11 years to bring a nuclear power plant on line in the U.S., compared with 4 to 5 years in Europe and Japan. In fact, last year, the French government put aside nuclear parks to provide for expansion of their electrical generation needs over the next two decades.

The task of increasing our energy supplies is a complex one, and simply will not give way to flat declarations that "There will be energy."

Against the challenge of increasing our domestic supply base, however, we face the continuing threat of supply cutoffs—and worse yet, the economic impact of world oil prices more than tripled. We clearly have no alternative—from a national security or an economic viewpoint—to massive commitment to increased domestic energy supply.

But we're not going to stop with simply increasing our domestic energy supplies. Project Independence means much more that. It means bringing an end to our runaway growth in energy consumption.

From 1950 to 1970, total energy consumption in the United States doubled. In the last two years, the annual growth rate has been almost 5 percent.

At this rate, we would double again our energy consumption in 15 years, and reach even more preposterous levels by the next century.

Project Independence aims to reduce that energy growth by half with a comprehensive effort to establish energy efficiency and conservation in every phase of our lives.

We are confident that we can reduce this growth *without* impeding our economic growth in the future. In fact, increased energy efficiency can lead to higher productivity *and* higher profits.

Let me outline how our action program to reduce demand growth is shaping.

First, we're turning to industry, which accounts for 41 per cent—the largest share of our energy consumption. We're working with the leaders of our most energy intensive industries to establish management programs and to set energy conservation goals that will reduce the amount of energy they use in their basic processes.

We have received widespread reports of 15 to 20 percent savings from business across the spectrum in the business community.

Second, we are looking at our transportation sector, which consumed 25 percent of our energy. More important, however, it accounts for *over half* of our petroleum consumption. Clearly this is a critical area for energy conservation....

In the meantime, we can improve mileage now by observing the 55-mile-an-hour speed limit, eliminating unnecessary trips, car pooling, and improving our driving habits.

Third, we can get some major energy savings in the commercial sector, especially by cutting down consumption in our buildings. Our energy extravagance had led to design and construction of countless energy-wasting monuments in every center city skyline. Nevertheless, we have massive opportunities to cut energy use by as much as a third by simply reducing light levels, turning down thermostats, and installing insulations.

Finally, we can make individual contributions to energy conservation in our own homes, which account for one-fifth of our total energy consumption.

During the embargo, Americans achieved some crucial savings in home energy consumption. Now, we're asking the public to conserve in air conditioning, to prevent us from experiencing blackouts or brownouts this summer.

With continued public support for energy conservation in the home, we can achieve energy savings *now*.

None of this will be easy, for what we are calling for is a new energy conservation ethic that will change the way we think about and use energy. . . .

I have every conviction that we can achieve the President's energy goals, and that we can move the U.S. across the threshold toward an era of clean and abundant energy.

The task ahead is not an easy one. For what we ask of the American people is a commitment to reshape their lifestyle—to examine the ways in which we use and even *think* about energy.

For the *real* energy challenge is not of enacting needed legislation or appropriating funds for R & D—but a challenge of attitudes and values.

It is the challenge of reshaping our relationship with our natural resources, our environment, and the economics of supply and demand.

It is the challenge of crystallizing our energy concerns into patterns of action that will lead us toward a new generation of energy sources, and an energy ethic recognizing that our energy resources are, in the end, finite.

BROAD BASED SUPPORT FOR THE LAND USE PLANNING ACT

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. UDALL. Mr. Speaker, as the Land Use Planning Act of 1974 will be before the House soon, I want to point out that this legislation has broad-based support from a variety of citizen groups, trade and business organizations, and labor and professional organizations. I think this broad support is due to the balanced approach to planning incorporated in this legislation. It promotes balanced growth, involves all interests, and encourages their participation in the planning process.

Certainly, the major environmental groups are supporters, but also the National Rifle Association, the League of Women Voters, the Mortgage Bankers Association, the AFL–CIO, and the National Farmers Union, to name a few.

I would like to bring to the Members' attention a letter of support for H.R. 10294 from Mr. Walter E. Hoadley, president of the Bank of America. This distinguished and widely respected banker does not view this legislation as detrimental to our economy and I think his opinion is worthy of attention.

In addition, I include a letter from Mr. Andrew J. Biemiller, director of legislation for the AFL–CIO, expressing that organization's strong support for this legislation.

The letters follow:

Hon. MORRIS K. UDALL,
Hon. PHILIP E. RUPPE,
Committee on Interior and Insular Affairs, U.S. House of Representatives, Washington, D.C.

GENTLEMEN: I understand that your Subcommittee conducted several additional days of hearings on the proposed National Land Use Planning Act of 1974.

The purpose of this letter is to urge that this legislation be enacted soon.

I am a bank executive and economist, a firm believer in orderly economic growth and our system of enterprise, of which private property is an essential part. As a former chairman of the American Bankers Association's Urban and Community Affairs Committee and active in business, professional and community affairs, I have spoken out many times on the need to plan for the more rational use of land to meet our growth and development needs in a more orderly and timely manner. The legislation you have reported, H.R. 10294, is responsive to one of the most basic needs of the country—developing a system that will guide the unprecedented wave of urban development to occur during the next fifty years.

The basic principles embodied specifically in your committee's bill, H.R. 10294, as distinguished from alternative proposals are, in my opinion, sound. The Federal government should encourage and assist those states which want to exercise effectively their constitutional authority for overseeing the use of environmentally critical lands, and overseeing the location of major developments. People whose lives and property are significantly affected by major land-use decisions should have a voice in the making of those decisions. This means that where a land planning or regulatory decision involves lands or impacts that are of concern beyond any one local jurisdiction, a regional or state perspective is essential. The present system of land use control, developed for a far simpler economic, social, and political period, gives little voice to supra-local governments.

The legislation to constructive in that it would encourage state governments to supplement their local governments' land-use guidance activities, rather than attempt to supplant local government in this field. The legislation properly provides a framework within which development and growth programs together with needs for a high quality physical environment, can all be considered in a balanced manner through open processes in which all relevant interests can be taken into account. Your bill's emphasis on process, rather than on plans, is practical and realistic.

It's only proper for the Federal government to insist that state land planning and regulation which Federal funds help pay for should, as a condition of continued federal financial assistance, be implemented. Your legislation meets this test.

All evidence points to an extraordinary amount of new urban development in the country. The rate of household formation is currently running a third higher than in the 1960's, and even a long period of low fertility will not alter the trend of very heavy and sustained urbanization.

It is essential that we do a better job guiding growth during the next quarter century than we did with post World War II growth. To do better we will need a better land use guidance system. Your legislation, the key elements of which are drawn from the Administration land use policy bill proposed in 1971, and which in turn were derived from the Model Land Development Code of the American Law Institute, are realistic and well-conceived. They have received considerable study and have been discussed in extensive hearings in both the Senate and House of Representatives.

In summary I consider the Committee-reported bill to be a well-considered, responsible and balanced response by the Federal government to the land-use aspects of our future basic growth and development problem: how to organize, guide and coordinate the processes of urban improvement to protect what we most value in the environmental, cultural and esthetic characteristics of our country's land while at the same time meeting essential economic needs—for new and better housing, transportation, power production and transmission, agricultural production, and provide all the other supporting industrial, commercial and public facilities our population will require.

I commend you and your colleagues in the Congress associated with this legislation and with the counterpart bill already passed by the Senate. I request that this letter be made a part of your record of the hearings on this important legislation.

With every good wish.

Sincerely,

WALTER E. HOADLEY.

MAY 23, 1974.

Hon. MORRIS K. UDALL,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN UDALL: The AFL–CIO wishes to convey the strongest endorsement of HR 10294, the Land Use Planning Act of 1974 which will be acted upon by the House of Representatives next week.

We urge that you vote to pass this long-needed legislation, and that you oppose any attempts to vote down the rule, to substitute the Administration bill (HR 13790), or to weaken this legislation by any crippling amendment.

For many years the AFL–CIO has called for progressive and rational land use policy, planning and decision-making for this nation. In our belief, HR 10294 cnstitutes a well-conceived forward step in this direction. Its support by the nation's mayors, counties, governors, by trade associations of bankers, home builders and realtors, by associations of architects and planners, and by leading environmental groups, as well as by organized labor, demonstrates a wide consensus of support.

HR 10294 establishes the federal government's role as that of encouraging and providing financial and other support for the development of sound and forwarding looking land-use planning and decision-making by the States in order to assure that all decisions of more than local concern be subjected to consideration of their environmental, social and economic implications.

America's problems of growth are not confined merely to the uses of the land, and organized labor does not claim that HR 10294 is of itself a cure-all for this larger problem. It is imperative, nevertheless, that rational land-use policy must be achieved for America as part of her over-all policy on national growth. Toward this goal HR 10294 provides an encouraging beginning and merits your support.

Sincerely,

Andrew J. Biemiller,
Director, Department of Legislation.

SENATOR DOMENICI REVIEWS PUBLIC WORKS ISSUES

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 29, 1974

Mr. RANDOLPH. Mr. President, last week the observance of National Public Works Week focused on the approaching 200th birthday of our country. As its contribution to that observance, the American Public Works Association has committed itself to the compilation of a comprehensive history of public works in the United States. Throughout the country a series of events have been held in connection with this ambitious project. One of these took place in Albuquerque, N. Mex., on May 25. The speaker on that occasion was Senator Pete V. Domenici, of New Mexico, an active and productive member of the Committee on Public Works.

Mr. President, Senator Domenici's address was a meaningful discussion of current public works issues and I ask unanimous consent that it be printed in the Extensions of Remarks.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address at the American Public Works Association Bicentennial Banquet, Albuquerque, N. Mex., May 25, 1974

(By Pete V. Domenici, U.S. Senator)

"A past to remember—A future to mold" sums up the works of our men and women in public works as completely as any eight words could. The brilliant past of public works in this nation has been outlined this week by such men as Senator Jennings Randolph, Chairman of Public Works Committee, of which I am a member, and your own Ellis Armstrong, who has developed a fine slide presentation on the work the association is doing to recapture the public works past of this nation in a 1,000-page publication. I am pleased to join in this celebration of 200 years of public service and public works.

New Mexico has a unique chapter in this 200-year history book. New Mexico can lay claim to the oldest road in the nation—the El Camino Real that ran from Chihuahua, Mexico, to Santa Fe, and was built in 1581. And it's still there today, in a slightly different form. We have the oldest seat of government in the nation in Santa Fe. Santa Fe contains the oldest public government building in our State: the Palace of the Governors, still standing. And we have the Santa Fe Trail, built in 1821, which ran from Santa Fe to Missouri (or, as the Missourians would have it, from Missouri to Santa Fe).

New Mexico has been part of the great national highway system, one of transportation's most massive public works undertakings. These projects show that New Mexico's public works annals were written by men and women of vision and courage. It says in the Bible, "and by their works ye shall know them." If I may paraphrase tonight, I would say of the character and quality of our public works officials and engineers of the past, "By their works shall ye know the builders of this magnificent nation, the men and women of vision and of courage, who have so well served their fellow New Mexicans and Americans for these 200 years."

But that is the past. To what future is the past prologue? What challenges line the horizon for engineers in public works?

Let me outline three areas of genuine concern that I have as a Senator with public works responsibility, and that I think you should think about as public works officials. First, the whole area of transportation and mobility for our people and our goods requires new approaches. Secondly, environmental standards and values are going to impose greater burdens upon whatever solutions we devise to public works challenges. Thirdly, public works has moved well beyond the pure engineering state. It encompasses now much of the re-vitalizing of rural America and much of the rehabilitation of urban America. Public works, in its broadest and best sense, offers hope for a better life, if it meets the serious challenges of the next 30 years.

Let me take these three general ideas and expand upon them. The Transportation Sub-Committee of the Public Works Committee completed hearings on mass transit and the Unified Transportation Assistance Act in Atlanta two weeks ago. I was privileged to join with Senator Lloyd Bentsen of Texas in conducting those hearings. Here's what we discovered. We discovered that in those 22 cities that have the vestiges of general mass transit plans, it would take $3.5 billion for 5 years, each year, to fund capital improvements alone. That is apart from any subsidies. And remember, we are talking now only about the 22 cities that have moved beyond the planning and assessment stage. We are ignoring the hundreds of other cities that could use a better transportation system and have not even moved into an assessment stage, yet.

One witness made the point that when you discuss mass transit for our cities, you are not talking about a State-by-State project approach, like the highway system entailed. You are talking about building a series of Hoover Dams, all with their own peculiarities and varying needs. That is, the amount of State funds needed for full mass transit is absolutely, completely beyond the capability of any city to provide.

As important, the Atlanta hearings revealed that rural America's road needs must not be ignored. In our rush to help the cities, and we all realize they need help, we must not forget those Americans who travel rutted roads each day, risking life and limb among the potholes and narrow bridges of the roadways of rural America. These needs must be met too, as we in New Mexico know so well.

At stake in this decade, too, is nothing short of our prized personal mobility. It is upon this mobility that this nation has prospered. Yet, our dependence upon crude oil products, which are not only in short supply now but have a very finite future, has threatened this mobility. Bluntly, we will not be able to rely upon crude oil products for the same variety of needs they satisfy now. We must make a choice. Are we going to fuel our autos and trucks with crude oil products and our mass transit with coal or electricity, and our utilities yet a third way, or are we going to see our growing dependence on crude oil products eventually cripple our entire society. As public works specialists, this reasoning must enter into the decisions you make.

This moves us to my second point, the second new burden you must bear as you do the public's business. During the past two weeks, the U.S. Senate Sub-Committee on Environmental Pollution, of which I am a member, has held some of the most significant hearings on the Clean Air Act in our history. These oversight hearings establish several facts indisputable by any reasonable man.

First, in our transition from the past to the future we must not allow either those who want production at any cost, nor those who oppose any production at all, to hold sway. This transition does not have to be a paralyzing confrontation between the values of the producer and the values of the anti-producer. This transition can be the chance for a realistic appraisal of how industry can apply technology to meet the legitimate demands of the environment. We must not settle for some plateau of environmental quality below what our goal is, however.

Secondly, this mobility I mentioned earlier is threatened by the sheer mass of pollution it spews into our air. Thirdly, the costs to the environment of continuing our wasteful energy ways may be more than we should bear if we wish to keep the things that make this nation unique. Lastly, the engineers and scientists of this nation have been given a great challenge by the American people, both businessmen and environmentalists: find some technological answer to this dilemma of needs.

I would suspect that you, as engineers and public works scientists, are uneasily aware that the rules of the game have changed and that most of this change revolves around the environment. It's no longer enough to say, "we need a road to Quemado, because it's hard to get there now." Now you must question whether people ought to be able to get to Quemado more easily because their presence might ruin the assets that make Quemado a nice place to go. This sums up the need for prioritization not only of needs, but of ways to meet these needs. As in the transportation example, I cited earlier, we must decide not only what form of transit is best, but what fuel should be used to power that transit. We must now decide whether building a new structure won't draw people, which will require a new road, which will increase pollution in the area, which will make people less willing to live in that region, which will negate the idea of having a structure built in the first place.

I suppose I could pontificate and simply say, "You have bigger needs to consider now." But, the truth is that if ever Future Shock as a concept needed proof, the dilemma of our public works offers it. You are on the cutting edge of a technology that is changing faster than man can grasp. Decisions you make now may be obsolete by the time they are realized in concrete and steel. And yet, you must build now, today, those structures of the future. The fact that many of you in this room have survived in this game for more than 20 years attests to your ability to adapt, and yet in these tumultuous times a public works engineer is called upon to make judgments that no school, no training, no education, prepared him for fully. Thus, it is good that in this celebration of the public works giants of the past we recall that 200 years ago, our engineers did not envision the monster autos we have now, nor the airplanes, nor most of the technological changes that have occurred. But, somehow, through vision and courage, they laid the groundwork to meet the challenge of the 20th Century. Your task is to lay groundwork for a 21st Century that will be more different than we can imagine. For if Alvin Toffler's contention is right, the future of 20 years from now will be as different from the present as the present was from the past of 100 years ago.

I am moving now into my third area of general concern: that of the future of rural and urban America. Where do the small towns of America fit in this new future? What is the future of the cities. As many of you know, advanced thought in both architecture and city planning has led to the concept of huge "stacked" cities, miles high, in which a person might live and die on a "story" of his home city much like a person would live and die in his home town of birth 100 years ago. These futuristic cities would have monstrous air-conditioning systems that keep the environment at a steady temperature. A highly efficient waste disposal system would prevail. We would, in essence, live like so many millions of ants in plush anthills. That is the thinking of some of our most widely-published scenario writers.

I hope that most of you feel like I do: such a future would be a disaster. It would be predicated upon the ultimate de-humanization of our species. It would evolve upon the gradual loss of those individual freedoms we all cherish. And it would reveal finally our inability to use technology intelligently and prudently.

What is to save America from the megapolis of the future? I believe it will be the presence of a viable alternative. That alternative we can call, for the sake of simplicity, rural America. And that's where the real challenge of the public works men and women of the future will come. Can we upgrade the public services of small town America and help keep our young people in their home towns? Can we improve sewage systems so business will re-locate in our rural communities? Can we offer good water, and enough water, so that our little towns can remain viable alternatives to the disaster of the megapolis?

There are corollaries to these concerns. The technology you will have to master is increasing rapidly. We need to spend more money on research and development of new public works techniques. I am pleased to note that at Sandia Labs they are now working on a new tunneling mode and on a sewage purifying system that would use waste radioactive material to clean up waste water. But, better technology will only compound the complexities of the decisions you all have to make.

I may have sounded a little pessimistic or overly concerned here tonight. To counteract that, let me conclude by saying that I think you are going to meet the challenge of the next century. I think that the works of the past presage greater works in the future. I have confidence that we can work together to balance the environment with the economy; research with practical application; rural with urban. We in New Mexico, and in America, are lucky that it is in large to you that we have entrusted these tasks. For you have a long history of wisdom. We could have not better guardians of the public interest than you—as your memorable past demonstrates.

Thank you.

CONGRESSMAN DANIELS HAILS SADIE DEVILLIS

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. DOMINICK V. DANIELS. Mr. Speaker, I strongly believe that the opportunity for education is the right of every individual. Through my work on the Committee on Education and Labor, I have sought to give effect to that belief. It was, therefore, with great satisfaction that I read in the Dispatch, one of Hudson County's leading newspapers, of the graduation of Sadie DeVillis from a masters program at Columbia University.

Too many of our more mature citizens have adopted the often self-defeating attitude that the role of the student must always be played by a bright-eyed youth. Fortunately, Mrs. DeVillis has not.

A graduate of West New York's Memorial High School in 1927, she went on to get her bachelor's degree from Howard University in Washington, D.C., some years ago, Since then, Mrs. DeVillis gained the respect of her community, actively serving it as a teacher, librarian, and an involved member of the Gethsemane Baptist Church.

Three years ago, when a New Jersey regulation required her to obtain a professional degree to continue as a librarian in west New York, Mrs. DeVillis did not consider giving up the work she found fascinating and fulfilling. She entered the youth-dominated classrooms of Columbia and gave withness to the fact that a place was there for her.

As an example for us all who may tend to define maturity as the end of learning, I now take the opportunity to insert Mrs. William DeVillis' story:

LIBRARIAN GRADUATES: SHE LIKES TO LEARN

"It's never too late to learn" might be the motto of Mrs. Sadie DeVillis, a 1927 Memorial High School graduate, who last week donned academic robes and graduated from Columbia University with a master's degree in library science.

For the past two and a half years Mrs. DeVillis commuted to Columbia after a full day at her job as a West New York librarian, and the crowds and the antiquated New York City subways are not her two favorite remembrances.

But Mrs. DeVillis, who now specializes in children's literature, has found library work to be fascinating, and under a state requirement she had to get a professional degree to remain at the library.

"A while ago" Mrs. DeVillis graduated with a bachelor's degree from Howard University, Washington, D.C.

After graduation, she taught language arts for 10 years at the Lutheran school in Jersey City, a private elementary school. Since then she has been a librarian, a church organist, and a junior accountant with the Inter-Church center in New York City. For years she and her husband, William, have been active in the Gethsemane Baptist Church.

SURPRISE PARTY

Last week amidst the book stacks of the West New York library, now undergoing renovation, her husband Bill, and West New York Public Affairs Commissioner Henry Lynch hosted a surprise graduation party for her. "It's all so lovely" she exclaimed, surrounded by her co-workers, flowers that adorned the table. Gazing at the presents and a poem sent to Sadie by one of her former students was read by her husband, who is also active in church and civic organizations in the town.

Why the switch from teaching to library work? "I thought the change would be good for me, and when there was an opening I sort of fell into it," laughed Mrs. DeVillis.

Like many people who accomplish much, she's the last to toot her own horn. "I hate pomp and publicity. If it weren't for Bill I wouldn't even have gone to the graduation ceremony, she said.

A North Carolina native Mrs. DeVillis has lived in West New York for more than 50 years. A home on the Jersey shore, where her husband can indulge in his fishing and photography hobbies, is now only a dream, "but I'd absolutely love it," she declared.

All that she is certain of in the future is that "things change." For now, she hopes to continue library work, and perhaps help with plans of the Hudson Bicentennial committee.

INTERNATIONAL UNIVERSITY OF COMMUNICATIONS HONORS REPRESENTATIVE MURPHY WITH MASTER OF ARTS DEGREE IN COMMUNICATIONS

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. THOMPSON of New Jersey. Mr. Speaker, I am pleased to call to the attention of our colleagues an honor which has been conferred upon the distinguished and able Member from New York, Representative JOHN M. MURPHY. The occasion was his receipt of an honorary master of arts degree from the International University of Communications in Washington, D.C. An account of the ceremony follows:

IUC HONORS REPRESENTATIVE MURPHY WITH MASTER OF ARTS DEGREE IN COMMUNICATIONS

WASHINGTON, D.C.—The Founding Board and Officers of the International University of Communications of Washington, D.C. and Tokyo unanimously voted to confer their Honorary Master of Arts Degree on the New York Congressman.

Presented on May 15 in the Education Room of the House of Representatives Murphy was honored by University Chancellor James W. Grau for his contribution to contemporary communications. Grau said, "Congressman Murphy has been a constructive critic of violence and sex on network television, network profiteering and has been strong on local programming, educational television and extension of services through cable TV and translation of English programs for ethnic viewers.

Others presented with honorary degrees as Master of Arts were: Chet Huntley (posthumous); Author Fraydun Manocherian, Founder of the Manocherian-Robbins Foundation for Highway Safety; Charles B. Lipsen, Vice President, National Cable Television Association; Ralph Turner, Small Business Administration Liaison for Navy Contract Procurement; and Mrs. Adelle Fant.

Mrs. Dorothy Davies, Executive Vice President of I.U.C., who presided over the ceremony made these remarks on behalf of the University's Founder, Dr. Robert Hilliard: "As Founder of I.U.C. it is gratifying to know of yet another step toward the University's goal of serving the needs of the world through communications in taking the classroom into the world and the world into the classroom.

The University recognizes that education for the good of society involves the dedicated humanistic use of all forms of communications in all professional, business and public service fields.

Today's ceremony is one recognition of that kind of dedication."

All media and combinations of media are used as bases for solving critical human problems, including television, radio, film, print, the performing arts, the plastic arts, architecture, computers, satellites and, most important, person-to-person communications with working professionals in industry.

Subject areas for this graduate level institution include: Politics, Economics, Social Anthropology, Law, Business and Industry, Labor, Biological Sciences, Physical Sciences, Philosophy (ethics, aesthetics), Psychology, Education, Health and Environment, Asian Studies, African Studies, Latin-American Studies, Western European Studies, Eastern European Studies, Pacific Area Studies, North American Studies.

Other Subject and Media Areas that will be offered by the University according to Grau are: Environmental Reporting, Labor Relations, Government-Broadcast License "White Papers", Discrimination and Censorship, The Narcotics Laws and Journalism, Bicentennial Projects for Government, and Industry from a Communications Point of View, Content of Children's TV Programs, Women and Communications, Public Access and Broadcast License Application Supervision will be offered to worthy community groups. Many of these projects will be developed with the advice and guidance of I.U.C.'s distinguished Board of Sponsors which include: Buckminster Fuller, Donald H. McGannon, L. F. Tijmstra, William Friday, and Yoshinori Maeda.

SOL MARKS RETIRES

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. ADDABBO. Mr. Speaker, last week Mr. Sol Marks, District Director of the New York District, Immigration and Naturalization Service, retired after a distinguished career of Government service. It was my privilege to work with Sol Marks during the past 14 years and to experience firsthand his ability to administer in a compassionate and efficient manner the immigration laws of our Nation.

Sol Marks understood the problems of his field because he took the time to talk to people. He was always available to answer a question, to meet with public officials or the press, to help a family concerned about reuniting loved ones, or to help his colleagues improve the administrative machinery at the U.S. Immigration and Naturalization Service.

Mr. Speaker, we shall all miss Sol Marks whose brilliant record speaks for itself. I want to take this opportunity to wish him well on his retirement and enjoyment during the next period of his life. I am placing in the RECORD at this point the text of an article which appeared in the May 20, 1974, edition of the Long Island Press and which contains a brief review of Sol Marks' achievements in public service:

[From the Long Island (N.Y.) Press, May 20, 1974]

IMMIGRATION CHIEF HEADS FOR COUNTRY LIFE

After 40 years with the U.S. Immigration and Naturalization Service, New York District Director Sol Marks has decided to retire.

Marks, 60, a Long Beach resident, will retire next Friday.

Marks was unavailable yesterday to discuss his retirement. But Chief Judge William Fliegelman, who described himself as a longtime friend, said the decision was based solely on Marks' desire to participate in physical activities such as swimming, golf and jogging while he is in good physical condition.

Fliegelman also said Marks intends to be active in civic affairs in his home community.

During his three years as head of the New York Region, Marks initiated expedited hearings, permitting a single officer to complete as many as 100 cases per day. He also selected the first female criminal investigator in the immigration service as well as the first female immigration inspector to board ships and inspect passengers.

The period was also marked by a controversial series of mass raids at such places as Queens subway stations in which illegal aliens were rounded up and deported. Leaders of the alien groups contended the raids were an infringement of their rights, but Marks defended the tactic as the only feasible way for his undermanned agency to deal with widespread illegal immigration.

General Leonard Chapman of the Immigration and Naturalization Commission will choose Marks' successor. If an appointment is not made by next Friday, Marks' deputy, Maurice F. Kiley, will serve as acting director.

REAR ADM. JOHN P. CHASE ADDRESSES MARITIME INSTITUTE OF TECHNOLOGY AND GRADUATE STUDIES

HON. FRANK M. CLARK

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. CLARK. Mr. Speaker, I would like to place in the RECORD a presentation given to the Maritime Training Advisory Board on April 17, 1974, at the Maritime Institute of Technology and Graduate Studies, Baltimore, Md., by Rear Adm. John D. Chase, Commander of Military Sealift Command.

The presentation has been cleared by the U.S. Navy and the Department of Defense.

The text of Admiral Chase's presentation follows:

ADDRESS BY REAR ADM. JOHN D. CHASE

I am delighted to have been given an opportunity to address this audience—composed as it is of both outstanding leaders in the field of maritime labor, and acknowledged experts in maritime education.

This is indeed a wonderful school. In my visits here, I am continually impressed by the overall facilities—and somewhat awed by the Maritime Institute's use of simulators in its training of merchant mariners.

Many of you are very much involved in such training. You are aware of both existing training needs and the fact that modern techniques and equipment can develop higher level skills in less time than traditional classroom experiences.

The real purpose of complex and costly simulators is to improve the effectiveness and efficiency of the men who go to sea in our nation's merchant ships. That being the case, I would like to center my remarks on the abilities and performance of the men and ships who make such a vital contribution to their fellow man.

I have a great admiration for all our men—Navy and merchant marine—who go to sea, and consider myself fortunate to have spent a considerable portion of my own career at sea. Because of my experience, I know full-well—first hand—about the hardships, the dangers and the responsibilities which are inherent to the seagoing profession. It is axiomatic that training is vital to the performance of those who are part of the seafaring profession, for only skilled and dedicated men can meet and master the many challenges faced at sea.

Ships have always been important to U.S. security. Ships have played a vital role in the writing of U.S. history, beginning with those undersized spit kits which brought the first colonists to American shores. Ships also supplied the colonists, many of whom died when ships were delayed because of bad weather, or were lost at sea.

But ships live only through the person of their crews, particularly their masters. Ship captains are prominent in the pages which record U.S. history.

Challenges faced by masters and crews of ships in the early days of America were primarily those exerted by the forces of nature. Other dangers—which could and did influence both decisions and actions—were those which man generally associates with the unknown. To meet those challenges, early seafarers relied on their own skills, past experience, their courage, and their stamina.

In the main early seafarers were successful. However, many ships were lost, and many lives as well. As the country developed, the merchant marine also grew in both size and importance. A new and different challenge to the skills and enterprise of ship masters and crews emerged, while the basic challenge of the sea, of course, remained.

A new challenge stemmed from the need to compete commercially with ships and crews of other nations, to make a profit. During the first half of the eighteenth century our American merchant marine sailed the seas of the world, and prospered. U.S. ship designs, typified by the development of the renowned Clipper ships, our seafarers' "try all ports," and the courage to hoist more canvas in the continuing quest for speed, enabled the U.S. merchant marine to set a standard for all to meet.

However, for the last century conditions in our merchant marine have been different. For over 100 years we have been really strong only when the merchant marine was required for national defense. The massive fleet built for service in World War II—which has declined so dramatically—is only the most prominent among similar examples. With that change in emphasis, yet another challenge to our mariners emerged—the need to meet the perils of war, and to support our nation's military forces in combat.

Their response has been superlative.

Merchant ships and merchant seamen were involved in the war effort even before December 7, 1941. They helped England and her Allies battle German forces by supplying ammunition, weapons, fuel and other supplies so critically needed. Many merchant seamen lost their lives—and many merchant ships were damaged and sunk.

As early as 1939, convoys of 45–60 ships were making the trans-Atlantic run. Needless to say, many ships were old, mechanically unreliable, and offered easy targets for marauding submarines. Short legged destroyer escorts designed for coastal duty, were not able to cross the Atlantic without refueling—and merchant tankers provided fuel enroute, doing so both over the stern and alongside.

U.S. fighting ships began escorting merchant ships as early as September 1941. In one convoy that month, Slow Convoy 48, fifty ships sailed through the Strait of Belle Isle into the Atlantic. Their problems were typical. Eleven ships straggled, unable to keep up in the bad weather which was encountered. Inching along at a seven knot speed, the convoy had only four Corvette escorts. Some 400 miles south of Iceland SC 48 was attacked by German subs. Three ships were torpedoed and sunk the first night. Two more vanished in a second attack and another four in a third assault. Two Corvettes also were sunk.

Civilian manned ships also lacked weapons to protect themselves against either submarines or aircraft. Not until November 1941 was the Navy able to provide guns—and these were generally 30 or 50 caliber weapons—with only a few more effective three-inchers available. In November arming of the merchant ships began—but at a rate of only 100 a month. And weapons had to be divided among U.S., Polish, Danish, Dutch, Norwegian and other allied ships.

In 1942 more than 360 U.S. flag merchant ships were sunk. Before the end of the war in 1945 we were to lose almost 700 ships. More devastating was the loss of merchant mariners. Some 5,600 were killed or missing in action during World War II. Proportionately, merchant seamen suffered more casualties than did the combined armed services.

Importance of the sea lifeline which merchant seamen maintained was highlighted by General Marshall in a letter to Admiral King.

He said that "loss by submarines off the Atlantic seaboard and in the Caribbean threaten our entire war effort." Noting that 17 of the 71 ships allocated to the military in July 1942 had been sunk, that 20 per cent of the Puerto Rico fleet had been lost, and that tanker sinkings averaged 3.5 per cent per month, he made this grim prediction:

"I am fearful that another month or two of this will cripple our means of transport so that we will be unable to bring sufficient men and planes to bear against the enemy in critical theaters to exercise a determining influence on the war."

At that time the South Florida coast was known as "Torpedo Junction." The Delaware-New Jersey Canal was "Gasoline Alley." Ships were sunk in full sight of bathers on the beaches—and the coasts were littered with the hulks of those who managed to beach before sinking.

Even more fearful was the legendary run to Murmansk. The approaches to North Russia were known to merchant seamen as "Bomb Alley." Here often unarmed merchant ships were attacked by German submarines, by German fighters and bombers, and by enemy fighting ships.

On that North Russia route to Murmansk, only one of 110 convoyed ships was lost prior to the summer solstice of 1942. Then, however, Hitler was so confident of victory over Russia that he strengthened his forces in Norwegian waters.

In April, May and June of 1942, 110 ships left U.S. ports for Murmansk—carrying 826 thousand tons of cargo. Only 44 of the original 110 ships made it to Murmansk, delivering 300 thousand tons of vitally needed supplies.

Typical was Convoy PQ 16. Beginning on May 25, it came under attack for six consecutive days. Packs of submarines nipped at the convoy's heels in waves. While the subs lurked beneath the surface, unseen but deadly fighter planes, bombers and torpedo firing aircraft zeroed in on their slow-moving targets.

Only 11 of 33 ships in that convoy made it. More than 123,000 tons of cargo were lost. Only 65,000 tons were delivered Thirteen hundred survivors were rescued from the waters—even while remaining ships were under fire. Almost 600 of those rescued were American seamen.

Living conditions aboard World War II ships were not "first class" either. Hot bunking was a usual practice, with crews often sleeping in their life jackets. Working hours were long, and dangers great. However, a slogan carried on the masthead of one union paper was typical of the spirit and ability of the merchant marine. It read "Keep 'Em Sailing."

U.S. seamen did just that. Some men were rescued several times from ships sunk from under them. One classic example is John Stanizewski, a union seaman, who had 10 ships knocked out from under him in two wars. But he kept coming back.

Harold Harper is another name you may not be familiar with. But he survived six torpedoings. After each rescue he joined another ship's crew. One other example is typical of the bravery of merchant mariners. Too young to join any of the military services, Nick Hoogendam joined a merchant ship crew. His ship was torpedoed and this youth spent 83 days on a life raft before being rescued. He too went back to sea.

The record of all unions was magnificent. Strikes were prohibited. Merchant seamen were trained in great numbers—with union assistance. And commercial seamen didn't sit back and wait for Navy armed guards to protect them. They learned to man the guns once they were installed aboard merchant ships. They were the ones who often went into the water to rescue a comrade adrift—or even an enemy crewman whose ship had been sunk.

Now the American merchant marine is entering a new era. The post-war decline has been drastic indeed.

At the end of World War II, we had an active merchant fleet of 3,565 vessels. Today that fleet consists of 574 ships. At the end of World War II there were more than 165,000 seagoing jobs. Today less than 26,000 jobs are available.

Today, our merchant fleet carries less than 6 per cent of our nation's foreign trade. Put another way, foreign flag ships move more—about 95 per cent of our cargo. Included are large percentages of the strategic materials we must have to fuel our technology, bauxite, tin, chromium, ores and oil.

By way of contrast, flag ships of many other nations carry 30 to 50 per cent of their countries' trade. We must improve our capability—and our competitive position.

But the picture is not all dark. As of February 1, at least 85 merchant ships were under construction or on order. They total almost 6 million deadweight tons, and the orders represent an investment of more than $3.4 billion. Included are 64 tankers, 12 intermodal carriers, 7 dry bulk ships and 2 special type vessels.

Already, we lead the world in the container ship field. We also operate barge carriers such as the LASH and Seabee. On the order books are several roll-on, roll-off ships.

Construction of the Alaska pipeline will create a need for approximately 35 new tankers—up to 150,000 deadweight tons. One recent study predicted a 200 per cent increase in total trade tonnage by the year 2000.

Much of the impetus is the result of trade increases, and growing awareness of the vital role a merchant marine plays in maintaining economic and military security. That awareness is why this administration has set a goal—movement of at least 17 per cent of our trade in U.S. ships in the near future. It also is why Congress passed the administration backed Merchant Marine Act of 1970 which encourages the building of new ships.

As we move forward, we are faced with at least two new types of challenge to the masters and crews of merchant ships. Both might be categorized as "environmental." The first has to do with the internal environment.

Obviously, to secure cargo and make a profit a merchant ship has to be competitive. Today, however, a maritime industry is capital intensive. In the past it was labor intensive. Millions of dollars now are required to build a ship—with many other millions needed to maintain shipyard capability. Millions more are poured into construction of port facilities, barge marshalling areas, and development of cargo handling systems. Barges and containers require heavy investments, as do trailers, tractors and other elements of emerging intermodal systems. And good traffic management and control requires communications—and computers. All are costly.

To be competitive, in view of the heavy investment, personnel management must be improved. Crew size is a paramount factor in determining ship effectiveness and efficiency. Ships must be kept at sea for porttime is non-productive, non-revenue-producing.

All of these factors challenge masters and crews, as do working conditions. On big ships which spend little time in port, and which are equipped with automated systems of many types, the old comraderie of the sea is somewhat diluted. Crewmen may go from watch to a dining hall where they pop a prepared frozen food into a microwave oven and cook their own meals, and then on to their sleeping quarters. With bigger and bigger ships and smaller and smaller crews, there is more and more isolation.

At the same time there is a new or increased external environmental challenge—the obvious ecological challenge.

Ships have a potential to damage earth's environment. One example is the case of the Torrey Canyon. She spilled more than 100,000 gallons of oil after she ran aground off the Southwest Coast of England. Results included the death of thousands of birds, probably millions of fish, and the contamination of beaches along the coastline.

In the United States, Arizona Standard and Oregon Standard collided off San Francisco harbor in 1971. In Canada the tanker Arrow ran aground on the Cerebus Rock in Nova Scotia. In April 1972 Silver Castle collided in a fog with a cargo ship at Port Elizabeth, spilling 18,000 tons of crude oil into the sea. Nineteen lives were lost in that collision.

There are many more examples such as the collision of a container ship with an anchored tanker off Staten Island a couple of years ago. And I might mention SS Yorkmar which tried to go through a draw bridge—in the fog, while the bridge was down. In the first instance, the container ship had steering problems. In the second, communications between the bridge tender and the ship were out.

In ship operations, the potential for destruction always will be great. In fiscal year 1972, there were more than 3,000 mishaps, involving 5,000 vessels. More than 19 millions of gallons of pollutants were dumped into the sea.

MSC is no exception. Recently USNS Pendleton ran aground on Triton Island—and had to be written off. A few years ago, an open valve aboard an MSC ship resulted in an oil spill in the New York area. Naturally, the oil found its way to Coney Island beaches—at the height of the season.

Recognizing that errors will occur, and accidents will happen, we must nevertheless strive for perfection. We must make ships safer, communications better, men more aware of the destructive potential of accidents.

Lives are at stake. And thousands of people will be affected by oil spills, by breakup of ships, by loss of valuable cargo, by loss of substantial investments in ships and ship systems.

Among the mishaps in 1972, were 200 collisons while docking or undocking, 24 collisions in fog, and more than 500 collisions with piers or bridges. There were also many fires at sea, groundings, capsizing, and materiel failures.

We simply cannot tolerate such statistics. We must do better. We can do better. And many of the answers lie in the reason you have been meeting here—in improvement of training of merchant seamen.

Training is our best means of forestalling both tragedies at sea and dollar consuming minor accidents. The training offered must be continuing, must be realistic, and must be compatible with current ships and systems. Development of skills and realistic motivations demand maximum use of the best techniques and equipment available. Simulators are literally worth their weight in gold—to the student, the seamen, the ship owner and operator. (Simulators accelerate training.) Only simulators have the capability of putting a student in a realistic situation. He learns by doing, just as he would at sea.

We have seen, then, at least five challenges arise to confront the masters and crews of the ships of our merchant marine. The basic challenge of the sea exists today just as it did in the days of exploration and colonization. The statistics on ship incidents and lives lost at sea are a clear indication that the sea is a harsh taskmaster.

The challenge to be commercially competitive exists today just as it did when the clipper ships sailed into ports all around the world. The challenge of responsiveness to military requirements and of performance under combat conditions is also of extreme importance today because of the absolute dependence of U.S. military power on sealift which has been demonstrated in World War I, World War II, Korea, Vietnam, and many minor contingencies.

The challenge of the environment within the ship differs from the days of iron men in wooden ships, but the new psychological demands placed on merchant mariners are very real and very exacting. The challenge of the external environment is critical because of the growing potential of merchant ships to critically injure the ecology of the sea.

We will meet these continuing challenges and perhaps others, in the future as we have done in the past. In closing I would like to pay at least passing tribute to the asset which has been foremost in our ability to do so—the skill, dedication and heroism of our merchant sailors.

Let me give you a few recent examples.

Last year the American merchant marine seamanship trophy was bestowed upon Captain George Hollinger, master of Pacific Far East Lines' Japan Bear.

He and his crew rescued 32 Koreans whose vessel was sinking in the East China Sea. They demonstrated skilled seamanship and great courage in battling high seas and heavy winds to rescue the Korean seamen.

In 1972 the same award was presented to Captain Carl Holmes, master of States Steamship Company's SS Montana. He and his crew demonstrated the same type of performance in braving 15-foot seas to rescue 19 survivors of a Danish ship in the North Atlantic.

We have similar examples in MSC ships. Last fall USNS Huntsville was awarded a distinguished sea rescue award for the rescue of twelve survivors of a burning ship off Puerto Rico. Her master Capt. G. C. Krull recently commanded Taluga when that MSC manned oiler stood first among the oilers of the Seventh Fleet and he will command Mispillion this summer when she transfers to MSC control.

USNS Hayes, an MSC oceanographic ship, also was involved in a recent rescue after a Greek freighter had caught fire and been abandoned. Working in darkness, in heavy seas, Hayes' crewmen saved four men and women from Eurygenes who were struggling for their lives in the water. For that rescue, Captain Jacques Crampon has been recommended for the American merchant marine seamanship trophy.

In another instance, USNS Norwalk, a missile resupply ship, rescued three men from their sinking yacht off Bermuda. All were from the D.C. area. One was a Department of Labor employee. I mention that since I understand we have some Labor Department representatives in the audience.

Typical of individual heroes are 2nd Officer Kenneth Carlson and Seaman Jim Davis of SS American Ranger. Both men jumped into the sea to rescue the capain of a floundering Canadian vessel. He and his crew had evacuated their ship off the Bermuda coast. While others were pulled aboard, the captain was pitched out of his ship's workboat as it careened alongside American Ranger. Carlson and Davis risked their own lives to save a fellow merchant mariner. For their heroism, both were awarded merchant marine meritorious service medals.

I could list many more, for the list is long. But, these are typical examples—not uncommon feats. That is why I am so proud of American seamen. That is why I am so confident that the men who go down to the sea in ships will continue to overcome challenges and obstacles and will enable our merchant marine to continue to serve our country with ability, with strength, and with honor.

THE WASHINGTON REPORT

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mrs. HOLT. Mr. Speaker, the Washington Report newsletter of the American Security Council recently reported on a factfinding mission which returned from Vietnam a short time ago. I believe that the findings of the mission should be shared with all those who are concerned with the future of South Vietnam and Southeast Asian countries. Members of the mission included, among others, my colleague from Illinois (Mr. CRANE), Richard W. Smith, chairman of the National Federation of Young Republicans, Ambassador Elbridge Durbrow, director of the Freedom Studies Center, and James Cary, Washington bureau chief of the Copley Press. The mission was headed by Ambassador John Moore Allison, former Assistant Secretary of State for Far Eastern Affairs. I would like to include some excerpts from the Washington Report:

> The South Vietnamese are tightening their belts and learning to live with less, a great deal less. To survive, they need continued help, just as the nations of Western Europe needed help to recover from the ravages of World War II and to rebuild their defenses against the threat of Communist aggression.
>
> Charges that South Vietnam, with U. S. financial and technical support, has become a "police state" are not supported by the facts. South Vietnam's 122,000-man national police force has the function of preserving law and order in both the cities and the countryside; it is a vital element in the government's efforts to provide greater safety and security against terrorist attack, kidnapping, assassination, and sabotage. Since its reorganization in 1971, it has become an increasingly efficient force in securing areas that before were easy prey to guerrilla raids, infiltration and intimidation. By its nature, this fight against subversion is almost certain to lead to some abuses. But there is a definite effort to improve procedures and safeguard individual rights.
>
> Far from being a secret police device to oppress the populace, as charged by critics, the new computer system is used primarily to curb crime and enforce the law, just as in most advanced countries, including the U. S. And through frequent checking of I.D. cards, the South Vietnamese police are able to spot lawbreakers as well as enemy agents, thereby preventing large-scale infiltration of highly-trained saboteurs, sappers and spies into the cities such as occurred during the '68 Tet offensive.
>
> Charges that the South Vietnamese government has jailed tens, even hundreds of thousands of "political prisoners" are in variance with the facts. The U. S. Embassy placed the total capacity of South Vietnam's prison and detention system at 51,941 as of December 31, 1972. The total prison occupancy on that date was 43,717, and less since then.
>
> The Embassy said that its survey "conclusively refutes the widely-spread charge that South Vietnam government jails hold '200,000 political prisoners.' " And it found no evidence whatsoever that large numbers of persons had been jailed solely for their political opposition to the present government.
>
> There were, of course, many other impressions of South Vietnam and its people, gained through hours of observation, conversation and close study. Militarily, the South Vietnamese were cautiously optimistic about their ability to withstand any new North Vietnamese offensive, despite the fact that the Paris Agreements did not require the 100,000 odd North Vietnamese forces in the South to go North and despite the continued infiltration of Hanoi's troops (130,000 by conservative estimate), tanks (some 600), long-range artillery and rockets, and antiaircraft batteries plus the installation of twelve airfields, a new highway complex and a major oil pipeline—all within the South Vietnamese border. The South Vietnamese thus far have been able to beat back fierce probing attacks, some supported by Soviet-made tanks, in vulnerable border areas in the Central Highlands and along the approaches to Saigon. And as yet the North Vietnamese and Vietcong have failed to conquer a single provincial capital or significant population center. If anyone doubts still the courage and fighting ability of the South Vietnamese binh si, or GI, he should walk through what remains of Quang Tri, the northernmost provincial capital, as did members of the fact-finding mission. Not a structure remains. Yet, amid the jagged shards of concrete and twisted steel, soldiers of the ARVN 1st Division and crack Marine and Ranger units hold foxholes and gunposts and fly their red-and-yellow flag above what once was the Citadel, recaptured in 1972 as the North Vietnamese "Easter Offensive" was bloodily repulsed.
>
> In recent weeks, South Vietnam's fledgling air force (more than half of its pilots are still in training, most in the U.S.) has carried out bomb-and-strafe attacks against North Vietnamese infiltration routes and troop movements. As President Thieu explains: "We are trying to prevent the enemy from building up for a new all-out offensive and a new war that could last ten years."
>
> It is, in summation, the conviction of the fact-finding group that the struggle for South Vietnam ultimately may be decided not on the battlefield but by the false facts and wrong impressions given to Congress and the American public by anti-Vietnam propagandists. Congressman Crane put it this way: "There is this concern that the United States, at this eleventh hour, might be guilty of turning its back on a commitment that we made quite a number of years ago that came to represent literally billions and billions of dollars, not to mention the blood that we sacrificed, on behalf of trying to help a people who want to remain free from Communist domination.
>
> "It would be a great tragedy—a personal tragedy to the United States and also perhaps to the entire Free World—if we did not go that last five yards and give them (the South Vietnamese) the economic and military assistance they need now to absolutely assure their independence."
>
> Perhaps the most eloquent appeal to reason came from the deeply concerned American observer with 27 years of service abroad, the past two in Vietnam. Speaking from experience and knowledge, he told the visiting Americans:
>
> "After a quarter of a century of terrible suffering and sacrifice and by the extraordinary courage and resilience of the Vietnamese people, we have finally come to the

point where this is a united nation built on concepts of individual and national freedom and having the ability to defend itself against an aggressor who has been truly barbaric.

"We have come to the time when this country can build a happy and prosperous future for itself and make a significant contribution to peace and well-being in the area. Now we find some leaders of opinion and some in influential positions in our Government prepared to walk away.

"They cower before the Don Luces and Jane Fondas of this world and let stand unchallenged the gross lies spread by Hanoi to discredit South Vietnam and to undermine the support of responsible friends which Vietnam deserves and which we ought to give in our own interests."

THE BUREAUCRACY

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. STEELMAN. Mr. Speaker, some weeks ago I introduced legislation designed to strengthen the citizens' right to know by making important changes in the Freedom of Information Act.

Nothing is more inimical to constitutional democracy than secrecy, and where there is an overriding public need to withhold information from the citizenry, the Congress would be remiss in its responsibilities if it failed to periodically assess the operation of the Freedom of Information Act to insure that abuses do not develop.

Toward this end, I would like to call my colleagues' attention to an article in the summer 1974 Ripon Quarterly that pinpoints some of the abuses that have developed since the Freedom of Information Act became law, and I include this article in the CONGRESSIONAL RECORD:

THE BUREAUCRACY—REASSESSING THE FREEDOM OF INFORMATION ACT

(By Larry Finkelstein)

In 1966, after 12 years of deliberation, a federal Freedom of Information Act was passed by Congress to formalize the public's access to governmental information. For the first time, there was a statutory recognition that citizens need not have special standing to obtain governmental documents.

Similar to most governmental reforms, neither the fondest hopes of its supporters or the worst fears of its critics have come to pass. The intent of the act was to provide the press with a new tool to pry information from the Executive Branch of government.

The press has made little use of the act, due to the nature of the FOI process. Rather, it is more the public interest groups and corporations who are confronting governmental agencies to remove the barriers of bureaucratic secrecy.

When the act passed, President Johnson said:

"This legislation springs from one of our most essential principles: a democracy works best when the people have all the information that the security of the nation permits. No one should be able to pull the curtains of secrecy around decisions which can be revealed without injury to the public interest . . . I signed this measure with a deep sense of pride that the United States is an open society in which the people's right to know is cherished and guarded."

A new law does not easily change old habits. Legislators and presidents come and go, but the career bureaucrats continue to go about their work.

An 1857 article by Charles Dickens about "Circumlocution Offices" shows that bureaucratic obfuscation is nothing new:

"The Circumlocution Office was (as everybody knows without being told) the most important Department under Government. No public business of any kind could possibly be done at any time without the acquiescence of the Circumlocution Office. Its finger was in the largest public pie, and in the smallest public tart. It was equally impossible to do the plainest right and undo the plainest wrong without the express authority of the Circumlocution Office. If another Gunpowder Plot had been discovered half an hour before the lighting of the match, nobody would have been justified in saving the Parliament until there had been half a score of boards, half a bushel of minutes, several sacks of official memoranda, and a family-vault of ungrammatical correspondence, on the part of the Circumlocution Office.

"This glorious establishment had been early in the field, when the one sublime principle involving the difficult art of governing a country was first distinctly revealed to statesmen. It had been foremost to study that bright revelation and to carry its shining influence through the whole of the official proceedings. Whatever was required to be done, the Circumlocution Office was beforehand with all the public departments in the art of perceiving—How Not To Do It."

Well, John Peter Zengers have not been springing up in every National Press Building office, nor have the walls of government crumbled before the public's greater perception of governmental actions.

The Federal Trade Commission no longer refuses to make public its organization chart. New federal agencies, such as the Environmental Protection Agency and the Consumer Safety Protection Commission, demonstrate that public information need not be propaganda and that the public's right to know can be institutionalized into the job description of federal employees.

A more significant omen is the usage of the FOIA by public interest groups to monitor federal programs. Thirty-seven of the first 40 FOI cases were brought by corporations. Now, public interest groups are successfully winning suits in areas such as school desegregation, contingency plans for deployment of American forces in the Middle East, the Department of Agriculture's compliance with the Civil Rights Act and safety of nuclear power plants. The Carl Stern case, one of the few uses of the FOIA by the working press, has revealed the extent of FBI infiltration and disruption of alleged "subversive organizations."

These cases provide encouragement and precedent for other law suits. Federal officials are becoming wary of ruling out of hand the release of "their" records to citizens. Nonetheless, the FOI can be regarded as a tool which has some great weaknesses. Under the act nine categories of exemptions were established. The Statute specifically states that these exemptions are *not* mandatory. Agency officials have used these exemptions, however, as loopholes to prevent public oversight of governmental actions.

The exemptions include: materials specifically required by Executive Order to be kept secret in the interest of national defense or foreign policy; information related solely to the internal rules and practices of an agency; interagency or intra-agency memoranda; and investigatory files compiled for law enforcement purposes.

Agencies such as the Department of Agriculture have steadfastly refused to adhere to the spirit of the FOIA. The House Operations, Foreign Operations and Government Information Subcommittee staff believes that 90 percent of information refused to citizens under the exemptions of the FOIA should have been available to the public. Moreover, William Florence, former Air Force Deputy Assistant for Security and Trade Affairs and a 43 year veteran of the Defense Department has testified that 99½ percent of information which is classified for national defense purposes should be declassified for public scrutiny.

The bureaucracy has evolved a set of tactics to meet public requests for information, which is similar to techniques a basketball team might use to stop its opponent from scoring.

First, zone defense. The best offense is a good defense. The game plan here is for agencies to hustle to apply the nine categories of exemptions as a mandatory information strait jacket. A good zone defense forces your opponent to take low percentage shots.

Second, the slowdown. If you can hold the ball, your opponent can't score. Agencies often take between two to three months to rule upon the availability of requested information. Of course, since the opponent is always behind in this game, once the information becomes available, it is often dated and useless. A team that can't get its hands on the ball, can't score until it's too late in the game to matter.

Third, goaltending. When a player penetrates close to the basket, the defender will sometimes illegally block his shot. Similarly, some FOI shots are blocked by bureaucrats skillfully interwining information which is not exempt with classified materials. If your opponent goal-tends, it intimidates you from driving to the basket and scoring.

Fourth, the home-court advantage. In order to use the FOIA you must know exactly which materials to request. If the index of the material is "secret," how do you know what information will answer your questions? The FOI process is always played on the home court of the bureaucracy. The home court advantage is worth many points in this game.

Fifth, the doubleteam. The FOIA permits agencies to charge small fees for public inquiries to cover costs which are not in the budget. The Department of Agriculture, tried to charge Ralph Nader's Agriculture Task Force $89,000 for information which it requested. If they can't prevent the disclosure of the information, then they may try to use the doubleteam to price you out of the market.

Sixth, secret scrimmages. If fans would only wait for the regular season, they would be able to see their favorite team play. The Circumlocution Offices of some agencies seem to be perpetually engaged in writing internal personnel memoranda and in researching "working" papers which are never finished. You wouldn't want to expose the team's game plan before it is ready.

Although President Nixon has spoken about the importance of public access to governmental information, the record of this Administration has not been any better than that of its predecessors. A proposed Official Secrets Act would penalize people who unlawfully disclose information. Overclassification of documents, a greater menace to the national defense, is not punished. Misapplication of the Espionage Act, the Watergate cover-up, false and misleading statements by government officials to Congress, and unbridled usage of Executive Privilege are examples of administrative abuses.

The Administration's record could be improved by a Freedom of Information Review which is being undertaken by the Justice Department. The Administration could also support in the Senate, the amendments passed by the House of Representatives by a vote of 383 to 8, which would strengthen the FOIA by reimbursing citizens for legal fees in the event of their winning a suit from a recalcitrant governmental agency, providing for court review of national security exemptions and by reducing agency delay for informing citizens about the availability of information.

A recent Harris Poll indicates a sharp difference in attitude on secrecy between office holders and the public:

"The people, to a far greater extent than their leaders, regard government secrecy as a prime obstacle to responsiveness. But both agree that openness and honesty in officials are prerequisites to successful contact between leaders and the led.

"The people—to a degree far greater than leaders understand—appear prepared to participate in the decisions that shape their society. Both officials and public see in organized citizens' groups an increasingly successful and respected method of channeling individual energies into effective collective action.

"And when asked to make a hypothetical choice between putting government in the hands of the best and most expert leaders and giving them free rein or insisting that official actions be subject to continual, close public monitoring, Americans strongly prefer the latter alternatives. Officials ask, in contrast, for maximum freedom of action."

The Harris Poll provides only one sign that the public is seeking to participate in the basic decisions which affect their lives. Either we will make procedural recourse more effective with tools such as the Freedom of Information Act, or to quote President Nixon while he was still seeking re-election in 1972:

". . . when information which properly belongs to the public is systematically withheld by those in power, the people soon become ignorant of their own affairs, distrustful of those who manage them, and—eventually—incapable of determining their own destinies."

A PATRIOT'S VIEW OF OUR CONSTITUTION

HON. BURT L. TALCOTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. TALCOTT. Mr. Speaker, our beloved Constitution is under considerable study, even attack today. One of my friends and constituents is C. Austin De Camp, a student of our constitution and a patriot of our Nation. This nice combination makes his comments and observations especially impressive.

I ask unanimous consent to include his observations pertaining to our Constitution in the RECORD at this point:

A PATRIOT'S VIEW OF OUR CONSTITUTION

(By C. Austin De Camp)

It has been one hundred and eighty-six years since our U.S.A. Constitution was signed, sealed and delivered to the thirteen States then comprising the federation of America.

Then was given to the World, a document, later to be described by the heartiest statesman of the 19th Century, Gladstone, as, "the greatest document ever struck off by the brain and purpose of Man".

I stress, "the World" rather than the USA, as betokening a World event. That of giving tangability to an abstract concept by putting it into common practice, that of "Citizen Sovereignty". Recognition that individual Man is ultimate master. That Power, is in the people.

This, a cardinal principle of the Christian philosophy, took some seventeen hundred years for recognition. I deem it the crowning achievement of what is known as the Christian Civilization, The dominant civilization in our world today.

The transition from universally accepted old World concepts of "Man-to-be-ruled", to "Man-the-ruler," took some three thousand years in the making. A revolution second to none. This, Man-the-ruler concept after three thousand years gestation, burst upon the World in July 1776 as a dream fulfilled. One that our forefathers fought six long painful years to establish as God's way of life for Man in society. (" . . . man, endowed by his Creator, The Declaration)

A way of life political, based on a principle affirming the true relations of God, man and government unparalleled in history. One recognizing the ultimate in sublimnity of purpose, that of acknowledging God as the Creator of Freedom-for-Man.

But. Like all principles in the abstract, it was only a set of words in the minds of dreaming-thinking-wishing men. Only when the dream is given wakeful substance by being put in practice in the lives of men, demonstrating a force which gives direction to man's activities and enlists his loyalty, admiration or worship, can it be said to be a working principle.

So! Having fought for, and having determined on, the abstract principles of the God-given principles of the Declaration, our Founding Fathers saw the necessity of giving these principles working substance by incorporating them into a working set of rules and directives for the functioning of a government of free men which they dubbed, and we know as, the Constitution of the United States of America. And the dream of 1776 became a reality.

Here I would divert from the main theme if I might to comment on a phenomena that seems to manifest itself when working with truth, which might be expressed in the conclusion that virtue begets virtue. It would appear that in addition to our principle objective of establishing the virtue of Citizen Sovereignty, we find our rule book, or Constitution, has given us six other virtues that of course, add tremendously to the over-all value of the document. I list them as follows:

1) Limited Government; 2) Local self-government; 3) Defined leadership in the Central Government; 4) Separation of powers; 5) The Tri-part system; 6) Guarantees of individual rights. (Comprehensively handled in ten Amendments)

Considering the definitive provision for amendment, Article V, it may be affirmed that the Constitution gives individual rights ample consideration. We can look back over the 186 years of its direction of our citizenship with a full sense of certainty that it has functioned more ably than any other like device in history.

It has been the protector of all and every citizen's freedom. It has been the rudder that has held our Ship of State to the true course of freedom for ALL mankind for most of its functioning years. Under its stabilizing attraction, a continent-wide people have been drawn together to find a common purpose that has made them a nation of strength second to none in the world. A nation recognized as the leader of the greatest civilization ever to appear on earth: the Christian, that succeeded the downfall of the previously greatest, or that of the Roman Empire.

Should not the anniversary of the day of our national authorization, therefore be a day of great national, if not a full free-world rejoicing? Should not an American flag float proudly over the homes of every knowledgeable American? The answer for me, was yes. My flag has flown all day, Has Yours?

That brings up a question of values. Nobody ever escapes this question. It is: Can anything costing nothing have value? Costing nothing, is it worth nothing? A classic answer is that of Tom Paine's, "The Crisis", read to his troops in person by George Washington, in which it was said: "The Harder the conflict, the more glorious the triumph.—What we obtain too cheaply, we esteem too lightly".

Now, most of the people I meet and talk to, seem aware that ominous signs of our times strongly indicate that we value our Constitution too lightly. Like everything on this earth of value, its value is measured by the esteem of the whole people. Surely, the man who does not esteem the Guiding Star of his Country on the anniversary of its authorization enough to fly his flag in its honor, deserves not, its favor. Perhaps, most of those too indifferent to fly the flag on this Anniversary Day, esteem its protection of the liberties in the American way of life, as provided for them by the Declaration and the Constitution so lightly, because they are ignorant of the price humanity has paid to acquire these incomparable blessings down the ages of history. Perhaps such ignorance is not surprising when we consider, among other things, what is happening in our schools. I quote from San Jose Mercury, July 31, 1972. "It is true that the schools are being used to change our children's values . . . in the teachers manual of the Paul Brandwine basic text series for grades K to 4, entitled: 'The Social Sciences' the authors insist that the child arriving at kindergarten is mentally ill, necessitating that his teacher 'Heal Him'. Mental health . . . to be achieved when the child has rejected the morality, ethics, religion, respect for parental teaching and love of country with which he arrived at school.

Frankly, we do owe ourselves the searching question: Are the tactics of our educationists bringing about the conditions that commentator Jack Anderson outlines in his syndicated column of August 31st, '73 and which I epitomise as follows: The danger threatening our nation today, may not be conquered by taking down our musket from the shelf and joining the colors. Our belief in ourselves is raveling under the stress of shattering scandals, break-downs and breaches of faith. A sense of something gone wrong parades the land—of values lost. Whatever it was we were trying to do together—whatever it was we once stood for is now dissolving into uncertainty and disillusion. (End of Anderson comment).

Indeed, a sorry picture of our times: Of our promotion of our spiritual beginnings evolved for us in the Declaration and Constitution.

But, says Anderson· "The only cures for lost identity are rediscovery and dedication". Continuing: "What is our national purpose? What is the source and measure of our patriotism?" An answer is imperative. Have you an answer? Most of the people that I talk with admit that they have not. Some think they have an answer in blaming everyone but themselves. Some by laying the blame on some disliked individual. Never on themselves. It gets them nowhere.

Radio luminary, Clarence Manion gives an answer as follows: "Liberty cannot be continued, nor self government maintained by people who know nothing of the origin and nature of the great Declaration and Constitution, together, these two historic documents bind and define a politically organized social order the like of which has never before existed anywhere on earth".

To give this estimate historical validity, we might scan a background covering the evolvement of primitive man to a state of something we call civilization. In defining civilization, historians such as Lowe, Breasted, Quigly, Toynbee and others acknowledge entity, civilization, when it has acquired about a half dozen or more requisites of mans social integration one of which in every case is a religion.

Thus I think it very significant that ours, the greatest civilization yet to appear on this earth, the one we now enjoy, is historically known as the Christian Civilization. One that properly is an outgrowth of a little new religion that was drawn into the politically directional sphere of a civilization early in its making. One to succeed the then greatest civilization until its fall in the Fourth Century. That of Rome.

Very, very briefly: Our Christian Civilization got it's political start by edict of one Constantine the Great, a Roman Emperor. It seems to date from the Nicene Conference of 325 A.D. at which Constantine presided.

Then was born a religion that was to introduce a new concept into this world: The concept that right makes might, to counter the prevailing concept that might makes right: The philosophy which always has, always will induce war as a necessity for the determination as to which side is mightiest and may dictate to the other side. A philosophy still actuating the bulk of mankind even till now.

The Christian religion with truth as its watchword, in due time became the world exponent of the right makes might philosophy in that it asserts that in the final contest, spiritual force is greater than physical or brute force, which if and when generally recognized will end all occasion for any war.

Actually, this principle of the Christian religion was not understood in Constantine's time, if it is yet. Constantine though considered a true convert to christianity, carried on his wars for conquest and authority as avidly and successfully as before. Even now, there are few of us that understand the world conflict between the principles of right and might. All too few are definitely aware that Russia has assumed the World Leadership for the ultimate destruction of Right as the dominant force.

If more of us were aware of the age old conflict between Might and Right and the determination with which it operates in the world today, everyone on our side would be studying with equal determination ways and means of strengthening our side for its ultimate victory. Veneration and honor for this Anniversary Day, would be one of them, such that every house would be flying the banner of ours, and mankind's, hopes for that just and peaceful world which righteousness, and only righteousness can assure.

To summarize: The concept of righteousnes, by agency of the humble Christian religion, got the Christian Civilization off to the best start of any civilization, presumably at Nice in the year 325 A.D., from which it has developed into the greatest strongest and just civilization of all time.

It is our contention that this unparalleled civilization of ours, seventeen hundred years in the making, attained its greatest achievement in the recognition of individual man as "endowed by his Creator" as the supreme interest of the universe, and for having within himself potentialities through righteousness, for the attainment of infinite happiness.

This achievement was crystalized for the use of mankind in our America in the Declaration, to be implemented in the Constitution. No better hope for the world exists. If this blessed concept is to survive, its adherents and beneficiaries will have to encourage and promote it continuously: Else it will fade away.

If then, this Christian Civilization of ours is worth saving to you, you will of course honor its Great Achievement Day with humble rejoicing on the one hand and the pride of belonging on another, which will prompt the unfurling of the Flag as a mark of your own loyalty and gratitude for being an American.

VINYL CHLORIDE

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. DOMINICK V. DANIELS. Mr. Speaker, vinyl chloride, used to make many of the world's most commonly used plastic products, such as phonograph records, pipes for the construction industry, bottles, and car upholstery has left a trail of disease detected as early as 1949. This explosive gas, which has been in use since World War II, kills 23 Americans annually. There are hundreds of thousands of workers involved in the secondary use and manufacture of vinyl chloride, and there is no effective gage to measure how many additional deaths occur in this sphere of the vinyl chloride industry. In this instance, exposure levels oftentimes exceed concentrations found in vinyl chloride plants. In 1972, an Italian scientist, Prof. Cesare Maltoni, director of the Instituto di Oncologia in Bologna, initiated a study on rats exposed to vinyl chloride in a ratio of 250 parts per million.

The results of this experiment produced angiosarcoma, an irreversible cancer caused by vinyl chloride. During this same time element, available data indicated that the permissible level of vinyl chloride exposure to workers was a ratio of 500 parts per million, twice the ratio in experimentation with rats. It is also a known fact that human beings are 100 times more sensitive than rats. An exceptionally strong parallel can be focused at this point. There has been too much available data regarding this potential killer, vinyl chloride, which has been suppressed.

Between 1971–73, studies conducted by Dr. Irving Selikoff of the Mount Sinai School of Medicine, and Dr. E. Cuyler Hammond of the American Cancer Society, revealed 17 cases of angiosarcoma among vinyl chloride workers in the United States, England, Germany, and Romania. On January 24, 1974, the B. F. Goodrich Co., announced that three of its vinyl chloride workers had contracted this rare form of liver cancer at its Louisville, Ky., plant. Three additional cases of angiosarcoma were discovered at the Goodyear Tire & Rubber Co. in Niagara Falls, N.Y. Two cases of angiosarcoma were reported by the Union Carbide Co. at their South Charleston, W. Va., plant, and one case at the Pottstown, Pa. facility of Firestone Tire & Rubber Co.

Until this past year, there was not a single study in the country of liver disease among vinyl chloride workers, in spite of the fact that angiosarcoma has been a recognized hazard for 25 years. With the enactment of OSHA, Public Law 91–596, the Federal Government became responsible for providing safe and healthful working conditions for working men and women. In addition, the law created the National Institute for Occupational Safety and Health which was mandated to investigate hazardous substances, such as vinyl chloride.

Recently, OSHA proposed a permanent standard of "no detectable level" for exposure of workers to vinyl chloride. All manufacturing operations using vinyl chloride would be required to prevent employee exposure to vinyl chloride.

The OSHA standard would include:

OSHA STANDARDS

Limiting manufacture, use or handling of vinyl chloride to certain "regulated areas."

Monitoring the regulated area atmosphere to detect measurable levels (1 ppm) of the chemical and to determine individual employee exposure.

Allowing employees or their designated representatives to observe monitoring activities.

Initiating an engineering and work practice program and a respiratory protection program for employees in the regulated area when detectable levels of vinyl chloride are monitored. Respiratory protection would require continuous flow and pressure demand types of respirators.

Establishing a requirement that protective clothing be provided by employers and used by employees in regulated areas. Food, beverages and like products would be prohibited in these regulated areas.

Requiring written operational and emergency plans with employee training in routine and emergency duties.

Providing initial and subsequent medical examinations at no expense to the employee. A beginning date would be based on public comment on the proposal.

Records of the results would be retained for the duration of employment plus five years, or for twenty years, whichever is longer.

Requiring records be maintained of monitoring, medical exams, and entry to regulated areas by employees and that they be made available to OSHA and NIOSH.

Requiring, by a date to be set upon issuance of the final standard, that employers report the locations of each establishment with one or more regulated areas, and the number of employees in each regulated area during normal operations, including maintenance. Reports would also be required to be submitted to OSHA within 24 hours of any incident that results in the release of vinyl chloride in any area where employees may be exposed, followed within 15 days by a detailed written report.

Mr. Speaker, an even more detrimental effect of vinyl chloride is now being investigated. There is a serious danger of vinyl chloride contamination, not only to those who come directly into contact with this gas, but also to the inhabitants of communities surrounding industries involved in manufacturing products with vinyl chloride. An estimated 200 million pounds of vinyl chloride are discharged into the atmosphere from U.S. vinyl chloride polymerization plants each year.

If standards are promulgated to protect mice used in research, laws passed to prevent cruelty to animals, and measures enacted to protect an endangered species, why then is it not even more expedient to protect man from this vicious malady, angiosarcoma—before we become the endangered species.

SIXTH PAN-AFRICAN CONGRESS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. RANGEL. Mr. Speaker, an international event of historic magnitude will be taking place next month in Dar-Es-Salaam, Tanzania. The Sixth Pan-African Congress will be convened on June 19, 1974, the culmination of 3 years of planning and 28 years of waiting for African people throughout the world. The Fifth Pan-African Congress, held in Manchester, England, was credited by many as being the birthplace of the movement for African liberation.

When the Congress was held in 1945 only Ethiopia and Liberia were independent African nations. That Congress, under the leadership of the leading Pan-Africans of the day including men who were later to lead the liberation movements in the soon-to-become-independent African nations, set the stage for the movement which liberated black people from colonial rule on the continent of Africa. The Sixth Pan-African Congress has been called to assess the present state of the liberation movement for African people and to plan for the continuity and acceleration of the struggle of black people for freedom throughout the world.

The members of the Congressional Black Caucus have been invited by His Excellency President Julius Nyerere of Tanzania to be guests of the Government of Tanzania at the Congress. Although congressional business will likely prevent any of us from going to this conference, we hope that we will be able to send a representative to this important and historic event. Since the Sixth Pan African Congress has not received much attention in the American press, I enclose for the information of my colleagues a copy of an article which appeared in the September 1973 issue of "African Affairs" magazine by the Secretary General of the conference, Courtland V. Cox, which explains the purpose and aims of this important event.

The article follows:

SIXTH PAN AFRICAN CONGRESS

(By Courtland V. Cox)

"There are multinational corporations seeking a second scramble for the resources and markets of Africa, but black people are beginning to understand that their future status and condition are bound up with the liberation and development of Africa".

In the blighted industrial city of Manchester, England, on October 13, 1945, 200 Africans and people of African descent met, in an atmosphere charged with seriousness, in the Fifth Pan African Congress. The Second World War had just come to an end, with declarations of world peace, freedom and self-determination. But for the people of colour, whose lands were colonies of European powers, the struggle for freedom and independence was far from over; it was just entering a new phase. In Africa, only Ethiopia and Liberia were to any degree free of direct European occupation. In the Caribbean, only Haiti was not a colony of Europe. And in North America, people of African descent were living under legal and "de facto" racial discrimination, economic oppression, and political repression.

The world's African people had formed a significant part of the backbone of America and Europe in World War II, as in World War I. Black men were conscripted to do the dirty work of all the Allied armies, and Europe's African and Caribbean colonies had been pressed to provide their agricultural crops and minerals in great quantity to support the armies that defeated Hitler. At the war's end African people everywhere, quite naturally, felt themselves entitled to that same freedom that the European countries were assuming.

It was in fact the Black soldiers in the armies of America, France, and Britain, and the Black sailors from all over Africa and the West Indies in the European merchant marines, who acted as a communications network for the African world. A soldier from Senegal would find that his home experiences, due to racism and colonialism, paralleled those of the sailor from South Africa or Somalia, and the foot soldier from Chicago and Trinidad. The sailors would carry letters and documents giving information about conditions facing Black people, and depicting political resistance efforts, from one world port city to another. Then Black dock workers would help smuggle the documents inland to the local Black populaces.

By the time the Fifth Pan African Congress was called by the British section of an organisation called the Pan African Federation, led by Ras Makonnen, George Padmore, and others, the stage was set for change. As Nnamid Azikiwe, a delegate from Nigeria, later explained: "The Congress . . . marked the turning point in Pan Africanism from a passive to an active stage. The obvious transmutation in the character of the movement was precipitated by the War. Those years brought a new kind of awareness to many old and young African leaders of the indignities suffered by the Black man, everywhere and especially in his own home in Africa. The time was ripe for positive action."

Previous Congresses had emphasised agitation, a voice for colonised peoples, and reform, "and the delegations were mostly intellectuals and students" (a fact which should not be condemned, but rather set within a context of the times and conditions). The Fifth Congress was different.

There were still some scholars and students, but Kwame Nkrumah, who was joint political secretary of the Fifth Congress along with Padmore, exclaimed, "We shot into limbo those African intellectuals who were gradualists, expressing the more total demand of workers, trade unionists, farmers and peasants who were decisively represented at Manchester, and we breached imperialism's wall."

The delegates came from all over the world. While the actual number was small, owing to the expense and time involved in travel, most delegates were mandated to represent several organisations from their geographic area. From Africa, there were representations from the West Africa Cocoa Farmers, the Non-European Unity Committee (South Africa), the West African Youth League, the Nyasaland Congress, the Nigeria Trade Union Congress, and others. From the Caribbean there were, to mention a few, people from the Barbados Workers' Union, the St. Kitts-Nevis Trades and Labour Union, the Caribbean Labour, Civil Servants, and Technical Workers' Union and the British Guiana Trade Union. From the United States, there were representatives from the NAACP, the National Negro Congress, several church groups, fraternal and mutual-benefit organisations.

In the first part of the Congress, in sessions presided over by the late W.E.B. Dubois, by then a venerated scholar, who had been elected International Chairman, the delegates, one by one, region by region, gave reports on the specific conditions facing the African people in their areas. These reports told of circumstances ranging from *apartheid* in South Africa, to "one hundred years of wretched ignorance, bad health and poverty" fostered by the British in the Gold Coast, to "Jim Crow" race laws and lynchings in the US, to a description of the West Indies as the "sugar section of British imperialism, with government of sugar for sugar by sugar."

From the specifics of oppression and dependence—which invariably turned out to be similar in all places—the Fifth Congress moved to several important resolutions, declarations, and a broadly-outlined common programme to be taken back, when feasible, by various delegates to their homes. Generally, the resolutions called for mass organising for self-government and complete independence in colonies, an end to race discrimination against the Black men wherever else he resided, and the beginning of plans for co-operative African economies serving the needs of the masses in an equitable manner. There were also expression of solidarity with others then fighting imperialism and colonialism, including the Vietnamese, the Indonesians, and the Indians. The Congress sent a special message to Afro-Americans supporting their struggles inside the US, and affirming the link between those struggles and the "emancipation of all African peoples . . ."

But the single most determined thrust of the Fifth Pan African Congress was for an end to colonialism in Africa, because this was seen as the first part of the solution to all other specifics. All schemes of half-freedom were rejected, including "indirect rule, trusteeship, and mandates". Delegates called for the removal of artificial barriers to African unity, and for industrialisation and the returning of land to the masses. Many of the delegates—Kwame Nkrumah, Nnamdi Azikiwe, Jomo Kenyatta—began immediately, with their people, to devise strategies to bring these resolutions to fruition. After the Congress, in the ensuing years of political activity, some of the hopes of the Fifth Congress participants were realised. But new questions arose alongside independence.

Today, in 1973, on the threshold of the Sixth Pan African Congress, Africa is again a hub of world interest. Besides the obvious self-interest of those living on the continent, there is also the interest of, on the one hand, imperialist powers, and on the other hand, the children of Africa scattered over the world. In the US, to take an important example, interest in Africa and in Pan Africanism has been on the rise over the last five years, by two opposing camps. On one side there are the US government, the American headquarters of multi-national corporations seeking a second scramble for the resources and markets of Africa. On the other side are Black people regarding Africa as a common mother, and beginning to understand that their future status and condition, even in the US, are bound up with the liberation and progressive, cooperative development of Africa.

For America, Britain, France, Portugal and other imperialist powers, the African interest is clear, though often purposely stated in unclear language. They want a continuation of African dependence on Europe, with crucial resources such as oil, gold, bauxite, copper, diamonds, uranium, and vegetable and fibre crops flowing out, in raw form, to imperialist industry. They favour the continuance of smaller, more manageable units on African soil, emphasizing barriers of language, "culture," and geography among African groups, with substantial ties remaining between African states and the "metropolitan powers," to the detriment of intra-African ties. They want Africa solidly within the political sphere of influence of America and Europe, with no potential bases or levels of influence for noncapitalist nations. And they support the plan of whites in southern Africa who seek to halt the forces of African freedom, by creating a homegrown white common market, based in South Africa, which would make dependence and neocolonialism comfortable to African nations by the bribery of trade. America would also like to manage relationships between Africans from the West and Africans on the continent, to see that they do not get "out of hand." Learning from past mistakes of colonialists, the US is preparing to use black agents.

Over the last few years, the question of how to structure new, concrete relationships between Africans in the Western hemisphere and Africans on the Continent, and among Africans living in different parts of the Continent, and the question of what kinds of relationships to focus on, have been continually raised and discussed on both sides of the Atlantic.

In the Caribbean, there has been a similar posing of questions about the future of the Pan African struggle. The descendants of Africa who form the majority population in the Caribbean face a two-dimensional future: the struggle to develop the islands for the masses, and the question of links with the outside world.

In Africa itself, an entire generation of youth, who were only children when the Fifth Congress was held, have joined some of the older warriors in the Pan African struggle to ask questions about the movement. As one university professor from Kenya told me recently, "What has happened to the idea of the Pan African Congresses? Many of us feel that there would be great usefulness for a new one. At this point in our history, there needs to be a rekindling all over the world, of the idea that all Africans face common problems, and we must find some ways to work out common answers."

The professor was not alone in his assessment. In the late 1960's there were a series of conferences and meetings of Black people, which served to regenerate a wider interest in Pan Africanism, including the OAU Pan African Culture Festival in Algiers in 1969, the 1967 National Black Power Conference in Detroit, the 1969 Regional Black Power Conference in Bermuda, and the 1970 Congress of African Peoples in Atlanta. A group of people, some of whom had participated in more than one of these meetings, met in early spring of 1971 in Bermuda to discuss the idea of calling a Sixth Pan African Congress. At that small meeting were C.L.R. James, a respected historian who had been active in the Fifth Congress; the Tanzanian ambassador to Canada, representing TANU; and several young people from the US and West Indies with some history of political involvement (including the author). Prof. Walter Rodney, who could not attend, sent a paper giving his ideas. President Kwame Nkrumah sent a letter from Guinea saying: ". . . I agree with the idea for a Sixth Pan African Congress. Go ahead and begin your work, and I will do what I can from this end." As a result of this meeting, a Temporary Secretariat and Steering Committee were formed, to begin the broadening of participation in the Congress, and to assess interest, ideas, and commitment to holding a Sixth Pan African Congress on African soil. This working group really got under way in late 1972.

But perhaps President Julius Nyerere put the question of the Sixth Congress most succinctly when he stated, in an interview with a delegation from the Congress that "unlike past Congresses, which had one focus: ending colonialism . . . a present day Congress should say 'where do we go from here?'."

I later asked that question of many different Africans, including some workers, students, editors of publications, and just ordinary citizens. The general view, gleaned from discussions with this varied group—admittedly biased towards change—was that Africa faced the task of continuing the hot war for liberation of occupied territories. But the ongoing struggle in Africa, for the next quarter century or more, is for *all* the people of Africa to liberate themselves, in the more total sense of freedom from hunger, poverty, ignorance, and disease.

One particular segment of the African world which has shown keen interest in the idea of a Sixth Pan African Congress, and the whole question of the nature of the political framework in which technically-skilled Africans operate, has been the scientific and technical community. Several African scientists have spoken of the need for Institutes of research, experimentation, and analysis based in Africa. And two representatives from a West Indian group of technicians, themselves engineers, raised several points at a recent Regional Planning Conference in Kingston, Jamaica. Said one: "It's not that African communities have not raised their share of scientists, or created useful inventions. The record shows we have done that. But the fruits of these efforts almost always go to those who oppress us instead of for our own development. Everywhere you look, technology has been used as a tool by capitalists to dominate us. And if you are a scientist and look for someone to legitimise your work, or honour you for your hard-earned excellence, where do you have to look, man? To Europe or America! How about if the criteria for what was technically useful, for what kinds of projects were feasible, for who deserved recognition came from *us?*"

A doctor in a small town near Lagos struck a parallel note. He said: "Sometimes I find, when I have time to read professional journals, that another African doctor in Central or East Africa, or even in a hospital in Washington, D.C., is working on some of the same health and nutrition problems that my colleagues are working on—all this work by African technologists in isolation from one another! Between that and the old attitude that science is for academicians and "experts," not the people, we are years behind where we could be in solving our technical problems. With radically different systems of delivery and training of technical aids, plus more use of indigenous resources, we could really begin to move on our own."

In an address delivered recently to the first North American Region Planning Conference for the Congress, we tried to tackle the problem head on. At that time it was stated that:

"We see the Congress as being able to encourage an attitude of selfreliance among a wide constituency of African people, helping to develop the capacity within the African world to meet our basic needs, and to end our exploitation by, and our dependence on, others. That capacity does exist now, but its elements are scattered and misused. In fact, the Congress can help mobilise and organise one of our most important assets: our own manpower. African skilled manpower, given an attitude of confidence and a will to use its capability for our own self-reliance, must be put to work on our needs. Of course our people have basic, and unfortunately unmet, needs wherever we exist. So that our manpower has to be deployed in many places, and we continue to develop mechanisms for meeting our needs in many locations. But in the future, much more of our combined energies must be focused on Africa, lest years from now we find ourselves in the same positions of dependency."

There are already existing forums which address some of these same questions, and are attempting answers. But there are several dimensions to our total problem which these forums, while serving a particular usefulness in given areas, are at a loss to deal with. One fact is that nongovernmental forums can be useful to the Pan Africanist movement, because there are strategies, programmes, and institutions which are vital but, for a variety of reasons, can't be implemented by governments or states. Another is the fact that we are a people 600 million strong, existing not just in Africa, but all over the world; that human potential has yet to be tapped. Also, while we are struggling in various places for specific changes of condition, we need to remember that, in the words of a Tanzanian worker to members of a Congress delegation in Dar Es Salaam, "African liberation is not divisible."

It has been agreed that the Tanganyika African National Union (TANU) will host the Congress from June 3 to 13, 1974, at the University of Dar es Salaam. By October, 1973, the Permanent Secretariat of the Congress will be established at its base in the Tanzanian capital. It has been agreed that most of the delegates must come from Africa, with proportional representation of African people from other areas, and that the emphasis should be on delegates who have a *commitment* to the Pan African struggle and *capabilities* necessary for the liberation and development of African people. It has also been established that, for organising purposes, the Congress will be arbitrarily divided into eight Regions (North Africa, Southern Africa, East Africa, West Africa, Caribbean and South America, Australia and Pacific Islands, Europe and North America).

But beyond these few specifics, the most important work, the whole process of collecting ideas, creating papers and models, beginning new institutions and organisations, pinpointing basic problem areas, and, most important, bringing together interested persons, is still in its beginning. The International Steering Committee, which is itself still in process of formation, has pinpointed at least six major areas of emphasis: political cooperation and understanding, increased support for the liberation movements in Africa, research in science and technology, agriculture, health and nutrition, and communications.

Africans in several locations are beginning to formulate programmes and strategies in these areas. In the coming months, there will be more Regional Planning Conferences, and much smaller meetings for specific interest areas like communications and agriculture, held all over the African world. Delegations from the Congress will also be travelling much more, especially in Africa, to assess interests and help local people organise working groups for the Congress, where these do not already exist. Obviously, the tasks ahead are not easy, and the Congress cannot be a panacea, but many of us agree that it presents a timely challenge to which African people can rise.

STANLEY SLOANE NAMED NATIONAL CHAIRMAN BY UJA

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. RINALDO. Mr. Speaker, one of my constituents, Mr. Stanley L. Sloane, of Westfield, N.J., as been appointed a national chairman for the United Jewish Appeal.

Mr. Sloane, who has also been named the campaign chairman for the Jewish Federation of Central Jersey's 1975 drive, is one of 13 leaders in Jewish communities throughout the Nation who have been singled out for this most responsible leadership position for the United Jewish Appeal.

As Paul Zuckerman, UJA general chairman, put it in announcing Mr. Sloane's appointment:

> We are living in what is probably the most critical and dramatic period of Jewish history. This year more than ever the people of Israel must depend upon UJA support to continue the vital job of providing homes, jobs, and a myriad of other humanitarian services for Jews who have emigrated to Israel from countries of persecution and distress. As we look forward to the challenges that will face us in 1975, it is most encouraging to have such dedicated and competent men as Mr. Sloane on our team of national chairmen.

As one of the leaders in the Jewish community of Union County and as one of the foremost business executives in my district, Mr. Sloane has an outstanding record of helping people in need.

He has served as Pacesetters chairman, treasurer, and a member of the Jewish Federation of Central New Jersey. He is president of the 21st Century Corp., an appointed representative to the General Assembly of the Jewish Agency, and a member of the American Jewish Committee.

Mr. Speaker, I believe the achievements of Stanley Sloane and the honors that have been bestowed upon him during his long and distinguished career deserve recognition, and I ask that these comments be spread on the RECORD.

THE ATLANTIC ALLIANCE AT A LOW EBB

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. SPENCE. Mr. Speaker, for some time now many people have been quite concerned about the future of the Atlantic Alliance. During the October war in the Middle East practically none of our European allies stood with the United States at a time of potential confrontation with the Soviet Union. Similarly, in the commonly shared shortages of energy supplies, little unity characterized the Western world in attempting to deal with the problem.

In a speech in Chicago in March, President Nixon outlined many of the difficulties currently besetting the NATO Alliance and some prospects for resolving them. This speech has prompted a very thoughtful article which appeared in the Swiss paper "Neue Zürcher Zeitung." As the author of this article, Ferdinand Fuchsinger, points out, the President did not threaten our European friends. Mr. Fuchsinger said:

> What he did was to point out that it might become much more difficult or even impossible for the Administration to keep Congress from deciding on a reduction of US commitments in Europe, if it became convinced that Europe was seeking to achieve its unity and profile primarily via establishment of a contrasting position vis-a-vis America, that it was claiming unilateral services without offering anything in return and that it was organizing itself on the basis of a confrontation with its protector.

Mr. Fuchsinger has simply emphasized that the alliance must be based upon common objectives and cooperation among all the members. Lastly the author warns us that the Soviet Union continues her vigil on these developments and remains alert to the possibility of exploiting any disagreements.

I insert the entire article which I have referred to at this point in the RECORD:

THE ATLANTIC ALLIANCE AT A LOW EBB

(By Ferdinand Fuchsinger, Chief Editor of "Neue Zurcher Zeitung")

A week ago waves were high on the Atlantic. The week long US-European conflict peaked in President Nixon's Chicago speech, in which he warned that US-European relations could not continue in the present vein. "Either we work together on all fronts, or we go our separate ways," said Nixon, with a distinct bluntness heretofore rarely seen. By implication, he included in these "separate ways" the issues of security policy and military presence in Europe—the big taboos of Atlantic relationships.

Washington had not sounded such alarming notes since John Foster Dulles' threat of a "painful review" of American policy in 1954, following the disaster of the European Defense Community. Europeans left the cry of indignation over Nixon's speech, containing terms such as "offense," "brutality," "blackmail," and "collision course," to unofficial voices. The governments first reacted by maintaining a silence of shock, softened here and there by a word of mollification. Nixon himself then declared in Houston that his statement should not be taken all that seriously.

But nobody can harbor the illusion that this was just an episode, an outburst of anger already cooling down again. It would also be self-deception to discard Nixon's curious allusion to the possibility of a force withdrawal from Europe as just a bluff or his warning as just another gimmick from the "Watergate" series, calculated primarily for domestic purposes. Certainly a shock was intended. But the issue at stake cannot be shrugged off or played down by such explanations. It remains very real, even though the tone has again become somewhat milder and more "diplomatic."

What does Nixon have in mind? The French ambassador in Washington reproached him, suggesting Nixon intended an unworthy trade of "soldiers against pineapple juice." Doubtless, among other things, the President is linking security policy with trade in his view of US-European relations. He said in Chicago that it is "essential" now to give American producers a "fair break" in Europe.

To question whether this linkage is permissable and would stand any test of logic is well justified. The Senate has recently been warned by a defense expert not to overburden the security-political cycle of the Alliance by tying it up with other political issues. And even Kissinger repeated emphatically the other day that the Americans did not keep their troops in Europe "in order to do the Europeans a favor," but in order to defend themselves there. It would generally be unfair to demand concessions for something done in one's own interest—unless one keeps to the much quoted idol of American business efficiency who knows even how to sell his own breath.

However, the question needs to be answered on the basis of political considerations, not logical arguments. And even the French will not find the idea unthinkably strange these days that the laws of the first are not always the laws of the latter.

In politics, however, as in the perceptions of the normal citizen, things such as solidarity on the security front and economic interests cannot be so strictly separated from each other. In other words, it is not easy to accept an alliance partner and a serious rival at the same time, come what may, and protect him while simultaneously having to beware of his actions.

Especially in American politics the connection is obvious. The same Congress which is under natural economic pressure and which has the ultimate say in questions of foreign trade, also decides on troop stationing and security policy. It may be persuaded to assess different issues separately and not to confuse the nation's highest interests with its second highest. But, in the final analysis both elements are merged in its decisions. Therefore, European arguments against linking political, trade, monetary and security questions have remained theoretical, as logical and as diplomatic as they may have been. And theories will not quite be able to solve realistic problems.

And that is exactly the point of President Nixon's remarks. He did not threaten to revenge lack of European willingness to cooperate by withdrawing American troops or turning away from alliance policy. Such a threat would have been counterproductive to American interests and would, in any case, not be very credible from a responsible administration. What he did was to point out that it might become much more difficult or even impossible for the Administration to keep Congress from deciding on a reduction of US commitments in Europe, if the Congress became convinced that Europe was seeking to achieve its unity and profile primarily via establishment of a contrasting position vis-a-vis America; that it was claiming unilateral services without offering anything in return; and that it was organizing itself on the basis of a confrontation with its protector.

This warning related to a representative government which, like any other such government, does not base its decisions alone on an abstract rational approach such as the strategist takes and which cannot remain unaffected by irrational influences, such as isolationism—this warning is considerably more credible. However, Europe, which after all is not unfamiliar with the Washington scene, would have had reason to take such a warning a little more seriously had it been issued much earlier.

The fact that the hard truth, now that it is being bluntly spelled out, is causing a shock wave, proves that the course of European nations of late has bypassed reality. The shock may have wholesome effects on the assessment of the situation.

Still that does not yet solve the primary problem now confronting politicians and diplomats in the Atlantic relationship: that of consultation. It seems to be a problem of method, but does in fact touch upon the core of the substance itself. Today, after more than twenty years of European unification efforts, there still is no Europe speaking with one voice, nor one individual to speak on behalf of Europe. Finding a common denominator is a tantalizing process within a grouping of nine governments which cannot do without bickering and bargaining.

Where does the US, which is demanding to be consulted, fit into the process? If it is invoked in the inner-European decision-making, it becomes the tenth member of Europe; i.e. the giant among nine medium-sized statures and dwarfs, whose will would, of course, dominate and thus impair European identity. If it is consulted *after* an inner-European consensus has been conceived, a situation arises which Secretary Kissinger characterized with these words: "Europe names a spokesman with the authority to inform us on the decisions taken, but with no authority to negotiate on them."

Vicious circle? There seems to be one politically feasible way out—based on three "ifs": if the United States, as it has always maintained in the past, continues to desire and accept an effective European unity and thus a European will defined by the Europeans themselves—i.e.—an alliance resting on two pillars; if the Europeans in turn not only advertise this recognition, but work at it with determination; and if they agree among themselves that this unity cannot evolve in contrast to the American protector, at least as regards the essential aspects.

Three conditions interlocked with each other—but no clarity as regards their implementation. President Nixon's speech, too, contains a few ambiguities. It could, but need not, be understood as a massive tactical maneuver to isolate France and to force the remaining eight to choose between Washington and Paris, thus incorporating them, with America, into a kind of amputated Atlantic community. That would result in the preliminary demise of the Old European and Atlantic conception. Or does the pressure aim at France in anticipation of the improbable, i.e. that it might be led back to the Atlantic path? In one respect, however, the signal of Chicago, including its toning down in Houston remains unequivocal: the United States is demanding a cooperative Europe, and moreover she is willing and probably able to prevent another kind of Europe from developing.

The description of the American-European conflict would be incomplete in one decisive aspect if one neglected to include the Big Brother in the East who keeps a watchful eye on the events, while giving himself to catchwords. On the day following President Nixon's appeal for an Atlantic Europe, an organ of Moscow's Central Committee advertised the Gaullist idea of a Europe "from the Atlantic to the Ural." "Life itself," the article said, would form the "catalyst of a natural unification process on the whole European continent," and this "great Europe" would not rest alone on a geographic, "but rather on a political and economic concept," and it would "distinguish itself from the remnants of the myth of a little Europe." This article certainly does not need to be interpreted.

THE FUTURE OF THE AMERICAN PRESIDENCY

HON. TOM S. GETTYS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. GETTYS. Mr. Speaker, not too long ago our good friend and colleague, Hon. Mo UDALL, of Arizona, known for his wit and wisdom, participated in a lecture series at Clemson University in South Carolina. The remarks of Mr. UDALL on the occasion of his appearance at this great land-grant university were thoughtful and thought provoking on the subject of "The Future of the American Presidency." As one of the recognized outstanding students of our federal system, Mr. UDALL presents a study of the Presidency worthy of perusal by all Americans, and I, therefore, am pleased to place his address in the RECORD and commend it to all for reading pleasure and profit:

THE FUTURE OF THE AMERICAN PRESIDENCY

(By Representative MORRIS UDALL)

I commend Clemson University for this series of discussions on the future of the presidency and the role of the presidency in the nation's life. It's healthy and important and I hope I can contribute something.

My basic message is that the presidency is in serious trouble. This country was built on optimism and faith. Yet, in recent years, many Americans have stopped believing in their government. This is a very dangerous trend.

I'll give you some examples:

I'm a Democrat. But if I were asked what was the single most important term added to the vocabulary by the Johnson administration, I would have to say it was the term "credibility gap." This is simply a polite way of saying that your government is lying to you.

Twice this year, the President of the United States has gone on national television to tell his fellow citizens that he was not involved in either the Watergate break-in or the subsequent coverup. But the polls show that two-thirds of the public doesn't believe him.

Last year, 45 percent of the adult-age American citizens did not vote. Of course, many of them didn't vote because our archaic registration laws shut them out. But a great number of people didn't vote simply because they felt that they didn't matter or they were turned off to government entirely.

Sadly I report, as a member of Congress, that a Gallup Poll three or four years ago showed that the public rated public servants (or politicians) 19th out of 20 occupations on an index of trust, just above used car salesmen. They did a survey again recently and we've switched places with the used car salesmen. We all joked about it, but it's serious.

I think it's time to analyze what's gone wrong, where we're going and what we can do about it. Let's put the situation into focus first if we can.

Was the presidency always so powerful and dominating and, if not, how did it get that way? Was it congressional decline or a whole series of strong presidents?

To show you how much we've changed, a hundred years ago Woodrow Wilson, then a scholar at Princeton, wrote a book entitled *Congressional Government*. His theme was that Congress dominated public life. He said the presidency was weak, that our government was run by Congressional chairmen, the powerful barons of the House and the Senate.

I suspect that if Woodrow Wilson would come back to earth today as a scholar, he would have to write a book entitled *Presidential Government*. And yet, I believe our Founding Fathers originally intended for neither of these two branches to get the upper hand.

This idea of divided government is a unique contribution of Americans to political science.

If you were to tell the Harvard Business School, "We're going to start a new country on another planet. Devise us a government that's efficient," the last kind of government they would come up with would be one of divided powers. Efficiency demands a strong man in charge, who can make decisions and have them carried out quickly. Any such design would stress centralized control and management.

But the Founding Fathers chose another model. They had all come from countries where kings and tyrants had started wars at their pleasure, seized property and gave scant attention to liberty. So they deliberately devised a system in which power was fragmented all over the place.

There were three separate branches. And the genius of the idea was that each branch would be able to check the others. Yet, despite this, the system would be efficient. The compensating factor was that it would promote liberty, and for nearly 200 years the idea has worked and worked very well.

The idea wasn't that we're supposed to have peace among the branches necessarily or that there wouldn't be confusion and a struggle for power. Emmett Hughes said recently that the Executive, the Legislative and the Judicial branches of government were given mandates to "fight fairly, to fight openly and to fight forever." And so they have.

It all sounds kind of crazy and illogical, but somehow it works.

The result of this system has been something we tend to forget. We haven't always had dominant presidents.

Had you gone to Washington in the 1920s and asked a local bartender or cab driver—these are the oracles of wisdom in places like Washington—who were the five most important men in town, he might have gotten to Calvin Coolidge around number three, four or five. The most important man in town was Nicholas Longworth, the Speaker of the House of Representatives.

And so it was through much of our history that the most powerful men in our government were the men in Congress. But two shattering events back to back caused or at least set off the era of dominant presidents.

I remember the depression dimly. The great free enterprise system, the most productive nation on earth with all its resources was in ruin. We worry about six percent unemployment today, but in 1932 we had 33 percent unemployment. Half the factory capacity was idle and people were saying, "This system has failed." Socialism didn't really look too bad to a lot of Americans.

So when Franklin Roosevelt came along fighting this terrible breakdown in our economic system, he asked for any power he wanted and he got it. Political careers were made on the basis of who could rubber stamp Roosevelt's legislation the fastest.

An old colleague of mine who died a few years ago used to tell us how one night someone held up a piece of paper and said, "The President wants this new law on banking. All those in favor say 'aye.'" The bill was passed and sent down to the White House where the details were filled in by Roosevelt's brain trusters. I don't know if this tale is true, but this was certainly the spirit of the times.

Congress was reasserting its powers and beginning to make a comeback in the late 1930s when all of a sudden along came World War II. It was a shattering event. We were threatened by dictators who we thought were going to stamp out liberty all over the world. And so if the President wanted battleships or planes or unlimited negotiating authority, then Congress gave him battleships and planes and unlimited negotiating authority.

As a result, a whole generation of leaders grew up with the idea that it was unpatriotic to criticize the President on foreign policy. This continued into the Cold War when we believed the Russians were the leaders of a world-wide Communist conspiracy that was going to do us in at any moment. For example, the entire foreign policy of John McCormack, a great and good man who served as majority leader and then speaker during the crucial decades of the 40s, 50s and 60s, was "support the President." He did not deem it his role in Congress to initiate the kind of foreign policy suggestions we are hearing today from leaders in the House and Senate.

It wasn't always like this. Almost 125 years ago during the Mexican War, a Congressman by the name of Abe Lincoln criticized America's part in that conflict. Throughout our history it was not out of order or unpatriotic for a member of Congress to criticize the foreign policy or war policy of the President.

But World War II changed all that, and I think this hangup in part led us into the quagmire of Vietnam and made it so difficult for us to get out. Vietnam to some degree shot down this attitude that somehow the president always knows best. But in the early days of the war, many Congressmen felt that if we were in Vietnam at the President's order then we were probably there for a good reason and we had no right to question the decision.

Harold Ickes, the old curmudgeon who was Secretary of the Interior during the 1930s and 1940s, suggested that maybe we ought to be willing to distrust our presidents to some degree, to recognize that they're human beings.

Ickes said the president is "neither an absolute monarch nor a descendant of the sun god."

During the days of Lyndon Johnson, a Senator who had served with him made this comment: "It's a strange psychological phenomenon. When the President was in the Senate, nobody thought he was infallible. He was just another Senator. But he moves 16 blocks and you treat him as if he's infallible and has this private pipeline to God."

Of course that's the way it used to be in medieval times. We're not very far from the divine right of kings.

But the Founding Fathers didn't intend to create a position of imperial power. The man who holds the office of the President is simply the temporary first citizen of a republic, a democracy. He's not a monarch.

This reverence for the president's word is part of another current problem: the great growth of the entire White House operation.

I did a study in the heyday of Ehrlichman and Haldeman two years ago and I discovered a strange thing. Every president in modern times came to power saying, "There are too many people in the White House. I'm going to rely on the Cabinet departments. I'm going to get the best people and I'm going to have a tight little White House staff."

Yet everyone left the presidency with a much bigger White House staff than they began with. Richard Nixon broke all records. He made a very good speech on the need for a small White House staff in 1968, then surpassed all precedents for concentrating power in the White House.

Let me illustrate the size of the White House staff he built:

Before he became Secretary of State, Henry Kissinger headed the National Security Council. This was one little piece of the White House operation—two or three percent of it—with assistants and special assistants and secretaries and limousines and consultants and all kinds of task forces.

This small part of the White House operation had more bodies than Franklin Roosevelt's total White House staff at the height of World War II, including cooks, bakers and gardeners.

It is not in the interest of the country to concentrate power in the White House for several reasons. Yes, a powerful president may be more efficient. But it's more important to enlist the consent of the governed, to work through the regular structures than to have tightened power in the immediate White House establishment in the hands of anonymous assistants and special assistants.

I think this, along with the myth of presidential infallibility, laid the foundation for the troubles we call Watergate.

This exaltation of the presidency leads to a lot of other serious problems as well. If, for example, the president is an all powerful, all-wise ruler, then one must further his programs at all costs. A burglary becomes patriotism and destroying material evidence in a criminal case is a positive duty. If he's infallible, he should be able to start wars, and those who oppose him are always wrong somehow, despite where the Constitution says the war powers are vested in this country.

Another premise of this imperial presidency is that if the president is a noble, larger than lifesize power, then the career Civil Service ought to get in line and do what he says it should do. In Britain and other countries, the career Civil Service is a protection against politicians doing things temporarily for some kind of political advantage, and that's what our Civil Service system is meant to be as well. But the idea of the imperial presidency has changed all that.

The Foreign Service, for example, was largely demoralized during the early Nixon years by the Kissinger takeover of powers that were meant to be in the State Department.

For years, the Bureau of Labor Statistics, an important professional economic wing of the government, put out a monthly consumer price index. It has been so reliable and so professional that millions of dollars are paid out through labor contracts because of adjustments in the consumer price index. It's been a thorn in the side of every president because the president will tell us optimistically that unemployment is going down and so is inflation and everything is lovely, and then BLS comes out with its monthly report and you find that the president has misled you.

Well, BLS finally did this to Richard Nixon. So Haldeman and Erhlichman fired some professional, veteran, respected economists and in effect said to the others, "You've got to get on the team. You aren't giving figures in accordance with our game plan."

This cast a shadow throughout all other kinds of departments that are supposedly professional and non-political.

An offshoot of this imperial presidency is the destruction of the role of the Cabinet.

Before and through the Kennedy-Johnson era, Cabinet members were men of national prestige and power. They could stand up to the president and he'd be reluctant to fire them. Three of the eight original Kennedy-Johnson Cabinet members were there at the end of the eight years.

But only five years into the Nixon administration there isn't a single member of the original Cabinet left. One of the reasons, as I'm sure the former Nixon Cabinet members will tell you when they write their memoirs, is that they were being ordered around by 28-year-old hotshots from the Haldeman-Ehrlichman shop.

As a matter of fact, I doubt that there are very many people who can remember how many Cabinet positions there are, what the names of all the departments are and who are the individuals who hold each of these Cabinet positions. (I flunked this one myself.)

In my judgment, we are going to have to restore the Cabinet and give the President some big men with national reputations who can say "no." And above all, the President is going to have to learn to listen to his Cabinet members' advice and give it careful consideration, even if he ultimately rejects their proposals.

It was a sad commentary on the Cabinet when former Interior Secretary Walter Hickel was sent back to Alaska for daring to suggest changes in presidential policy. And when former Secretary of State William Rogers criticized administration actions, it was viewed as a sure sign of his impending resignation.

Another dramatic example of the downgrading of the Cabinet's role in recent years is the politicization of the Justice Department.

The Justice Department is where it is decided who will be prosecuted, whether indictments are to be quashed or carried through, whether ITT will be sued for antitrust and who will be named federal judges. For most of our history this crucial office has been headed by lawyers of national reputation, judges, law school deans, great men who have earned respect in the bar or on the bench. The postmaster general might be a politician, but the attorney-general was someone special. And then, starting in the 1950s, we broke that tradition.

Herbert Brownell is a good man and a good lawyer. Bobby Kennedy I loved and fought for and I cried when he died. He worked for equality and made a good record in the Cabinet. But neither of these men should have been attorney-general. Both got the job because they had been political managers, and because of personal closeness to the president. Who can have confidence in decisions that have to be made on liberty, life and prosecution when we have presidential political advisers in the Attorney-General's office?

John Mitchell brought this thing full circle. We now have the former attorney-general of the United States under indictment and awaiting trial. It's been alleged and admitted that a burglary was discussed in his office. Imagine, twice in his public chambers, the highest law enforcement officer in the land discussed the details of a proposed burglary of an opposition political party's office.

Now, he may have agreed to the burglary, or he may have said "don't do it and don't bring it up again" as he claims. But in either case, the fact is that these discussions were held.

I think the president has the right to have a friendly man as attorney-general, a man who shares his broad philosophy. But the first priority of the Justice Department still must be justice. I don't think the American people have had that kind of confidence in the Justice Department in recent years.

Another problem with the Cabinet is its size. Now John Ehrlichman was right on a couple of things—although he was wrong on most—and one thing about which he was right was the need to streamline the Cabinet.

We started out with only five or six Cabinet offices and for a very good reason. There is a basic principle in complicated human affairs that no man can supervise closely on a daily basis more than four or five people. That's why the military has G–1 through G–4 and a good company has five vice presidents and not 25. If you go beyond five, you start getting super vice presidents who supervise other vice presidents.

We've always had this pressure to increase the size of the Cabinet and it's still going on today. There are people who want a separate Department of Health or a separate Department of Education. There's a proposal for a Department of Peace and a Department of Energy. Every year there are more and more proposals.

Earlier this year, John Ehrlichman tried to organize the Cabinet into a few compact, comprehensive sections, each answerable to one man. It had become obvious to him that the number of Cabinet departments had gone past that magic controllable number.

The changing role of the Cabinet and the increasing power of the presidency have raised another problem—the question of executive privilege. You can't find executive privilege in the Constitution or the statutes. It's a custom and it makes sense within the limits of what was really intended.

Each of the three branches of government is entitled to an area of privacy. The President has no right to come to my office and rummage through my files and ask my secretary about that memo as to why I voted "yes" yesterday instead of "no" or what I'm planning to do about his favorite bill that he sent up last week. And I have no right to go to the White House and demand access to those advisors to the President with whom he's frankly discussed his alternatives.

Neither of us has the right to go to the Supreme Court and cross-examine a justice or his secretary about how the first draft of an opinion differed from the second draft.

There's an area of privacy that each branch has with regard to the confidential operations of that branch.

The corollary of that principle, however, was that the men who make policies and carry out policies in the Executive Branch were supposed to be available to Congress. This was because Congress is the people's representative in the formulation of Executive policies, and it must also legislate related policies of its own. And so the men who advise the president and who are supposed to carry out his policies, including those in the Cabinet, can never refuse to come to a congressional committee hearing.

But then we had the case of Ehrlichman and Haldeman and Kissinger and dozens of other people who you've never heard of who were actually making and carrying out more policy than Cabinet members, and yet these men were drawing the cloak of Executive privilege around them. As a result, Congress couldn't do its job under the system of divided powers.

In testimony before Congress, my fellow Arizonan and former Attorney General Dick Kleindienst said Executive privilege covers the whole Executive Branch.

Taken to its logical conclusion, this would mean that the postmaster of Muleshoe, Texas, on vacation in California and witness to a murder on the beach, could say "executive privilege" and refuse to testify.

Kleindienst said that although he didn't think the president would do that kind of thing, still, in theory, there is no limit to Executive privilege.

I say this is nonsense. The three contending branches are going to have to get together and define the limits of this much-abused tradition.

Another mistake has been the idea that the president bears an awesome burden. You see the picture of the lonely chief executive in that Oval Office crushed down by burdens.

And yet, no one thrust this office on Richard Nixon or tried to push it on George McGovern. In fact, I distinctly remember both of them traveling far and wide across the country for many years trying to get that awesome burden on their backs.

They're human beings, your presidents. Believe me, they're working, sweating politicians who have been graced by office, not the reverse. They are not pressed into service involuntarily. As a matter of fact, they have been known to pursue this awesome burden rather vigorously and hold onto it with a vengeance.

Now I'll grant you that not everyone is going to give a straight answer to the president on uncomfortable subjects. But I feel that in the long run the isolation of the presidency is pretty much controlled by the person in office. And I daresay President Nixon has done little to dispute this.

I remember reading the report recently of a terrified observer who had been at a White House state dinner. He said Nixon didn't come down and mingle with guests as you might in your own home. Instead, here was all the military resplendent in uniforms and at the proper moment the band sounded the martial music and down the stairs in lock-step came the President and First Lady, in marching cadence, into the East Room where everyone lined up to greet them.

I've painted a rather dismal picture of what's wrong. I would like to suggest some solutions, but first, one non-solution.

Americans like easy solutions. I think we've gotten into trouble with the environment and our energy supplies because we worship technology and technology can always give you a "quick fix." We are running out of quick fixes in technology and in the environment.

And so, with the presidency in trouble, we see the quick fix people saying, "The answer is to give us a six-year term. Let a president be elected, put politics behind him and for six years he can carry out the will of the people and do the unpopular things and do what is right."

I'm surprised that some distinguished men, such as Sens. Mike Mansfield and George Aiken, have pushed hard for this idea. In my judgment, it would be a disaster. The idea simply would not work.

I think we should reject the idea that we need a non-political president, or a non-political governor or a non-political congressman. I think some of the key things Richard Nixon did that history will honor him for were done only because he was facing the 1972 election.

I question whether he would have found a way to end the war in Vietnam or started talking with the Russians and Chinese if he weren't facing an election in 1972. I know he wouldn't have started his economic program in August 1971, if it weren't for the upcoming election because the program violated everything he had ever talked about.

Clark Clifford once said, "A president immunized from political consideration is a president who need not listen to people, respond to majority sentiment or pay attention to the views that may be diverse, intense and perhaps in variance with his own."

Does anyone believe that Richard Nixon at this point in the middle of the last half of a six-year term would be concerned about the things you would want him to be concerned about? The idea of a president above politics in judgment is hostile to the genius of democracy.

Many American mothers want their sons to grow up to be presidents like Jefferson and Lincoln, but they don't want them to become politicians in the process. Well, Lincoln was a success as a statesman because he was a politician. He went to Gettysburg not to give a speech that we could all memorize in the fifth grade a hundred years later but because some governors were going to be there and he wanted to get off in some privacy to talk with them and get some support for his policies.

We put down our politicians in this country and we make jokes about them. My favorite is the one about a politician who made a speech to a little group in a small town. "Now ladies and gentlemen," he said, "thems my views, and if you don't like 'em, well then I'll change 'em."

And of course everybody laughs and it's a cynical story. But seriously, the job of a politician is to find a majority, to build that majority and to lead people forward together. And if he has to adapt and change his policies to do it, then within the limits of his own honesty and integrity he does this.

I make this point to suggest that you are not going to have a democracy if you think somehow you can put the president or your public officials above politics. That's a non-solution. Now, here are some things we can do that I favor.

Congress can regain its war powers. We're working on that this week. It's ironic that we in Congress should have to enact a law to get back one power that everyone agrees the Constitution gives to us.

I think we also have to move on budgeting programs. If we are going to make budget policy we ought to have a budget mechanism so we can look at the large range of priorities and counter the president in this regard.

I think we also have got to force the president out of isolation so he can expose himself to some people of political experience.

I remember the story of Sam Rayburn, the long-time Speaker of the House, watching as John Kennedy came to the White House with all of his glitter and glamour. Someone said to Rayburn, "Isn't it impressive? Look at the brilliant men Kennedy has brought to Washington—Schlesinger and Sorenson and McNamara and Galbraith." And Rayburn said, "Yeah, that may be true, but I'd feel a heck of a lot better if a couple of them had ever run for sheriff."

That's the trouble with Haldeman and Ehrlichman too. Neither of them had ever run for sheriff either.

We have to restore a measure of humility to the presidency. Someone tells the story of how Thomas Jefferson took the oath of office, went back to his boarding house for dinner and found the dining room full. So he stood there a while until one boarder finally finished and took his place, ate his dinner and went to bed. Jefferson was a powerful president, but he knew he was a human being and not a God.

Today, the president of the United States doesn't have to go to a boarding house. He can have anything he wants to eat at any time, and all of those helicopters and jet planes can take him anywhere he wants to eat at any time.

I've also been personally skeptical about loner presidents who have no cronies and close friends and who never go back-packing or mountain climbing or play poker or golf or walk the beach. I think maybe we'd be better off to have presidents who aren't so intense and who don't work 24 hours a day and so on. Anyone who works that hard will lose his perspective.

And I say deliver us from presidents who can't laugh at themselves or their troubles. I remember Franklin Roosevelt used to have great fun telling stories on himself. One of his favorites was the one about the Wall Street tycoon who hated him because he had changed the economic system.

It seems one of these tycoons would get to Wall Street each day, buy a newspaper from this boy for five cents, read only the front page, curse and throw it into the trash can.

After a week, the boy said, "Sir, why do you waste money to buy a paper, read only the front page and then throw it away?"

The tycoon said, "Son, it's not really any of your business but the fact is I'm looking for an obituary."

The boy said, "But sir, the obituaries aren't on the front page. Try the back of the paper."

"Son," he replied, "believe me. The obituary I'm looking for will be on the front page."

Presidents used to go to gridiron shows where they were roasted, where jokes were told and fun was poked.

But this President refused to attend the gridiron shows and radio-TV correspondents' dinners and all of the other traditional things that say, "I'm human and I'm just a temporary president. I'm one of you and I can take a needle now and then.

Along the same line of thought, I believe the presidency must be put back in touch with the people. President Nixon's current problems have been compounded by his tendency to isolate himself from the press, from other elected office holders and from wide-ranging contacts with businessmen, educators and other groups.

It's pretty heady stuff to have a band play whenever you walk into the room and to have a mansion and its staff at your disposal. But the one thing that doesn't come with the job and yet is desperately needed is what mayors and congressmen and governors get every day—exposure to people who aren't afraid to criticize or offer frank advice.

I realize presidential safety is far different from the days when Lincoln could ride his horse through Washington or when Teddy Roosevelt could jog in Rock Creek Park. Maybe it's just not feasible for them, along with the rest of us, to walk the street now and then, try and catch a cab at rush hour or get caught in a holding pattern over Chicago's O'Hare Airport on a stormy day.

But even if that's the case, at least we could urge presidential candidates to promise regular press conferences and open doors for congressional leaders, governors and lots of ordinary, plain-speaking citizens.

I don't want to suggest by everything I've said here that a strong measure of respect and reverence for our presidents is bad. Indeed, this is one of the unifying factors in our country's history. It's an unusual factor. In most countries, the first impulse of the citizens is to chop up their leaders, cut them down, give them trouble, throw them out. This is kind of a year-round sport in many countries.

I think what we really need is a balance. We need an end to the reverential treatment of the president of the United States, this unquestioning acceptance. But we need respect for the office and the unifying factor that it has been.

Those who simply advocate a strong presidency have given up on the idea of three balancing and checking branches of government in the name of efficiency. They would continue the way things have been going in recent years.

What we need is balance—balance for the president and balance for the other two branches.

One way to strengthen that balance would be to make an adjustment in our procedure for impeachment. Through all of the recent furor, I have been made aware of the need for a refinement in our procedures or dealing with the problems of a crippled presidency. Most of us in Congress are against tinkering with the basics of our system. In fact, there have been only 25 amendments to the Constitution to fill in some of the cracks in the law. But I think we need to take a serious look at some intermediate remedy between the extreme, blunt, divisive instrument of impeachment on the one hand and the problem of a crippled, powerless incumbent under a cloud of suspicion on the other.

I have, along with several co-sponsors, introduced a bill which borrows from the parliamentary system an intermediate procedure. It says that if two-thirds of the House and Senate at any time vote "no confidence" in the president because of basic violations of the president's duty to faithfully execute the laws or violations of the rights of citizens then we would hold a special election within 90 days.

The incumbent president and vice president could run for re-election. It isn't like the impeachment process in which a president is convicted, shamed, disgraced and run out of office. In this way, the president is not convicted or affected in any way. It's simply a vote of no confidence similar to what exists in other systems.

I think we could keep the four-year term and yet have this option that would help us in a time like today.

I'm not ready to vote for impeachment. I don't think we have enough evidence. It's not a question of what my suspicions are. I just don't want to take so harsh an action without evidence. However, with no hesitation I could vote for a resolution of no confidence and then ask the people to decide what would be best for the nation.

I have talked a lot this evening about laws and constitutions and structural reforms. These things are important, but none of them will really help in the final analysis.

The thing we've got to do in this country is restore the spirit of civility, restraint and mutual trust, the spirit that distinguishes between a political adversary and a real enemy.

Some of my closest friends are men like Barry Goldwater. He's a member of another political party and I don't agree with him very often, anymore than I agree with Senator Thurmond. But we're friends and I have more in common with him than with a businessman who wouldn't touch politics with a 10-foot pole.

Our system works because of this civility and restraint and trust, because you go through the rituals such as congratulating your opponent on election night when he's clobbered you and you'd rather go off in a corner and cry or consume some stimulating beverages.

We need to rededicate ourselves to the importance of our political life, to the decency of political life. This way we'll strengthen the presidency and bring it back in the balance where it ought to be.

A long time ago, Judge Learned Hand, one of my favorite jurists, put it this way: "I often wonder whether we do not rest our hopes too much upon constitutions, upon laws and upon courts. These are false hopes. Believe me, these are false hopes. Liberty lies in the hearts of men and women. When it dies there, no constitution, no law, no court can save it. No constitution, no law, no court can even do much to help it. While it lies there it needs no constitution, no law, no courts to save it."

Thank you very much.

THE APPLE OF MY EYE

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. MAZZOLI. Mr. Speaker, parents are seldom modest about the accomplishments and talents of their children. I shall not deviate from this time-honored standard.

My sweet, lovely 10-year-old daughter, Andrea—the apple of my eye—has long exhibited a special talent for poetic expression.

It was one of Andrea's poems about protecting "little" whales which sealed my resolve to vote for the Marine Mammal Protection Act of 1972. I was sufficiently immodest to place her poem and a description of the event in the April 19, 1972, RECORD at page E3978.

Just recently Andrea favored me with two more poems. One is timely in that it deals with pollution. The other is timeless in that it deals with the Creator.

For the edification of all—and for my own self-gratification—here are Andrea's poems.

POLLUTION

Pollution is bad
It makes a lot of people mad
There are some people
Who are really very sad.

Some people try to do something about it
While other people don't
Some people just don't care
And some people are lazy and won't.

GOD

God is here
God is near
God is with us through the year.

He helps us all through thick and thin
When we lose and when we win.

When we're happy
When we're sad
Just knowing God is with us makes me very glad.

THE SUPER SNOOPERS GOT CAUGHT

HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. SNYDER. Mr. Speaker, the "holier than thou" press has been caught and I would like for the Members and readers of the RECORD to have the benefit of a press release I issued last week outlining their activities in regard to this Member. The release gives the facts:

THE SUPER SNOOPERS GOT CAUGHT

Congressman Gene Snyder today revealed that the Courier Journal and Times had been thwarted "before the fact" in their latest attempted clandestine operation.

Making reference to the alleged "bugging" of a Fraternal Order of Police meeting by the newspaper's reporters, Snyder said that he recently learned that one of their reporters had rented the apartment next to his in the adjoining Capitol Hill townhouse and at the same time they were transferring to Washington one of the reporters involved in the alleged FOP bugging operation.

Snyder said that their reporter Chuck Babcock rented the only apartment out of the hundreds of thousands in the entire metropolitan Washington area that had a common wall with his apartment. Babcock was scheduled to get possession June 10. At about the same time the paper had scheduled the transfer of the "experienced" Jerry Hicks to Washington. Hicks (white/male—age 27 of New Albany, Ind.) is one of those involved in the alleged May 1 FOP "bugging" at the Continental Inn on Arthur Street in Louisville, Kentucky.

On Wednesday, May 22, the Congressman advised the Courier's reporter, Bill Peterson, that he knew of the paper's plan and intended to expose them in a press release and in speeches. Snyder told Peterson, "I really have no objections to your plan because I don't engage in anything that I'm ashamed of or want to hide, but the people ought to know how low your paper will stoop to try to defeat me." Snyder told Peterson, "Your boys won't ever hear any 'expletives deleted' coming from my apartment."

Snyder further told Peterson "that common wall will be the only thing I ever had in common with the liberal press."

Snyder said, "Reporter Peterson seemed embarrassed that I knew about my future neighbors and indicated that I had probably spoiled the whole thing." His suspicion was right, for about 8:30 or 9 p.m. Snyder received a phone call from Ward Sinclair, then in Louisville, wherein Sinclair indicated that Peterson had called him and told him that Snyder was going to expose the whole thing and wanted to file a story. Sinclair said the lease had been cancelled and the story killed.

If in fact that Courier Journal and Times DID NOT have any ulterior motive—why cancel the lease when they were found out?

Snyder observed that while the liberal daily papers had long sought his defeat—their vigor in "going after" him had increased measurably since he had taken such a strong stand against their current pet project of forced busing.

Mr. Speaker, after the story finally got reported as a result of the above release, the following telegram was received which outlines rather vividly one group's appraisal of the Louisville daily paper:

LOUISVILLE, KY.,
May 24, 1974.

Representative GENE SNYDER:

The Highland Writers Group of Louisville

and members of the Kentucky State News Monitors, wish to make a public apology to you and members of your staff. This apology regards your recent encounter with irresponsible news reporters representing the notorious Louisville Courier-Journal and Louisville Times. Please be advised that tactics employed by these newspapers violate all known journalistic guidelines and are insulting to responsible writers.

We beg your help in defending decent citizens of Kentucky from further abuse by this callous, monopolistic press. Please release this protest to the national and local press as these newspapers now have the people of Kentucky terrified into silence. Many others are afraid to speak out due to fear of retaliation and live from day to day in a state of perpetual terror.

Respectfully.

Sam L. Draper,
President,
Highland Writers Group of Louisville.

CULEBRA

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. RANGEL. Mr. Speaker, for much too long now we in the Congress, as well as officials of good will in the administration, have been trying to accomplish what would appear to be a fairly simple act, the ending of the bombing of a tiny inhabited island off the coast of Puerto Rico by the U.S. Navy.

For more than 40 years the U.S. Navy has been using the Island of Culebra for a bombing range despite the fact that the island is inhabited and is a territory of the Island of Puerto Rico. Despite the fact that there are alternative sites, and despite the growing public pressure on the island and on the mainland for the cessation of bombing of this island by the Navy, there appears to be no willingness by the U.S. Navy to relinquish the use of the island as a target range.

Just last week negotiations which had been dragging on for more than a year and a half were terminated under the flimsiest of excuses that continued negotiations by the United States on this issue would undermine a position about to be taken on an upcoming Law of the Seas Conference sponsored by the United Nations. In response to this action I urged the President to intervene and to order the U.S. Navy to cease its operations against the island and to return the island to the people of Puerto Rico. Legal action is now being considered under the Endangered Species Act. It appears that the power of our great Government can be brought to bear, not on behalf of the inhabitants of the island, but on behalf of the hawksbill turtle, an endangered species which appears to be more protected by our laws than people or the word of the U.S. Government.

It is my hope that the courts will act where Congress has been unable to prevent further shelling of this island and provide for its return to the rightful ownership of the Puerto Rican people.

I enclose for the information of my colleagues an editorial on the situation on Culebra which appeared in the Washington Post of Sunday, May 26, 1974:

Shaming the Navy Off Culebra

The issue in the Culebra case is the word of the United States. The Pentagon promised last year to stop using this small inhabited island off Puerto Rico for Navy target practice, and now it seems prepared to break its promise. The reason offered now for not proceeding to move the target range to two isolated and uninhabited Puerto Rican islands arises from their location on the other side of an international strait from Puerto Rico. A United Nations conference on the law of the sea is about to open and some American officials reportedly fear that such a move would complicate the American position on transit through international straits.

This fear, however, is old and stale. Competent officials—notably Elliot Richardson, who was No. 2 at the State Department before becoming No. 1 at Defense, where he committed the United States to relinquish the Culebran range—weighed and discarded the straits objection. The real reason for holding up the move to the new range, we suspect, is that the Navy simply does not want to leave Culebra. It's been shooting and bombing there for nearly 40 years and it feels it owns the island. The legal argument on the straits does not appear to be anything but a dodge.

The Navy's tenacity is, indeed, something to behold. It has often seemed oblivious of the fact that people—American citizens, in fact—live there. It has resisted for years the efforts of Puerto Ricans, Congress and other parts of the Executive Branch to halt the shelling and bombing. It has been insensitive to the political and moral costs of trampling on the will of the islanders. Puerto Rico's Washington lawyer, Richard Copaken, has publicly suggested that the Navy may even have offered or provided aid to a Puerto Rican gubernatorial candidate (who lost) in 1968 in exchange for his support for a Navy takeover of the whole island.

As a result of the latest hitch, Mr. Copaken is considering invoking the Endangered Species Act of 1973. "There is no federal law to protect the people of Puerto Rico from the Navy shelling," he explained, "but there is a law to protect the endangered species there, like the hawksbill turtle which nests on the beaches of Culebra." If the Navy can't be argued, negotiated or legislated off Culebra, perhaps it can be shamed off.

IMPEACHMENT

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. HARRINGTON. Mr. Speaker, I would like to bring to the attention of the Congress the resolution of the Massachusetts Senate urging the State's delegation to support the impeachment resolution.

The text follows:

Resolutions Calling on the Massachusetts Congressional Delegation To Support the Resolution Relative to the Impeachment of the President of the United States

***Resolved,* That the Massachusetts Senate hereby urges the members of the Massachusetts congressional delegation to support the resolution calling for the impeachment of the President of the United States, H.R. 513, which is presently pending before the committee on judiciary; and be it further**

***Resolved,* That copies of this resolution be transmitted forthwith by the Clerk of the Senate to each member of Congress from the Commonwealth.**

OSHA: THE "EXPENDABLE AMERICANS"?

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. DOMINICK V. DANIELS. Mr. Speaker, on Wednesday, May 22, 1974, the Select Subcommittee on Labor, which I chair, had the distinct privilege of hearing testimony at our oversight hearings on The Occupational Safety and Health Act of 1970 from Mr. Paul Brodeur. Mr. Brodeur is a writer on the staff of the New Yorker magazine, and the author of five books, two of which deal exclusively with the problem of occupational disease in the United States. His latest effort, "Expendable Americans," exposes the conduct of men in high government and industry positions, who, for decades have permitted dangerous conditions in the American workplace to go unabated. The series of articles which serve as the basis for "Expendable Americans" has won a 1973 Sidney Hillman prize, Columbia University's 1974 national magazine award for reporting excellence, and the annual award of the Metropolitan New York chapter of the American Medical Writers Association for distinguished service in medical reporting.

The conviction reflected in Mr. Brodeur's testimony, and the in-depth research which formed the foundation for his statement impressed upon everyone present at the hearing the desperate need for a continued commitment of funds and manpower to the struggle against occupational disease.

As stated by Mr. Brodeur:

> **The Occupational Safety and Health Act is in itself an eminently worthy piece of legislation . . . but three years after its introduction, one can only conclude that the act has been a monumental failure in the area of occupational disease . . . chiefly because of lax and improper enforcement of the very rules and regulations that are supposed to protect the lives and the health of workers.**

I am inserting the full text of Mr. Brodeur's statement in the Record so that all of my colleagues may have the benefit of his insight and expertise:

Testimony of Paul Brodeur Before the House Select Subcommittee on Labor, May 22, 1974

I very much appreciate and welcome the opportunity of discussing with you today the effectiveness of the Occupational Safety and Health Act of 1970 in dealing with occupational diseases that each year kill tens of thousands of American workers, and disable hundreds of thousands more. The Occupational Safety and Health Act is in itself an eminently worthy piece of legislation. Indeed, no one knowledgeable in the field of occupational disease can fail to appreciate its intent, particularly as stated in the section declaring that no employee shall suffer impaired health or diminished life expectancy as a result of his work experience. But three

years after its introduction, one can only conclude that the Act has been a monumental failure in the area of occupational disease. This has occurred chiefly because of lax and improper enforcement of the very rules and regulations that are supposed to protect the lives and the health of workers. There are several reasons for this sad and inexcusable failure. One, of course, is the lamentable lack of funds and staff for both the Occupational Safety and Health Administration and for the National Institute for Occupational Safety and Health. OSHA still has only a handful of trained industrial hygienists to inspect factories and enforce existing regulations for health hazards that are already know and defined. Indeed, it has been estimated that it would take OSHA, as presently constituted, more than 100 years to make just one inspection of each of the nation's four million workplaces. For its part, NIOSH is so beset by a lack of resources and trained personnel that it cannot adequately fulfill its function of developing criteria that would enable the Secretary of Labor to promulgate health standards to replace obsolete ones now on the books, let alone keep up with the spate of new health hazards that are arising almost monthly in the nation's workplaces. There are presently estimated to be some 20,000 toxic chemical and harmful substances now in use in the land. Federal standards exist for less than 500 of these. And to compound the problem, hundreds of new toxic chemicals and harmful substances are being introduced into the work environment each year, without any program for first testing their effect upon the people who come in contact with them. As a result, the efforts of the pathetically understaffed clinical, field study, and research arms of NIOSH to deal with the multiple and ever-growing problems of industrial disease resemble some kind of Keystone Kop burlesque. Indeed, the people in NIOSH and in the independent medical and scientific community are like men on a handcar pumping their way up a railroad track in pursuit of an express train that has roared through months, if not years, before.

So much for the need for funds to enlarge the staff, the research programs, and the training programs in NIOSH. There is still another major reason for the abysmal failure of the Occupational Safety and Health Act that so many members of Congress labored so long to make into law. I refer to the existence in this country of what I have identified in a 75,000 word series of articles that appeared last autumn in The New Yorker as the medical-industrial complex—an entrenched group of industry doctors and consultants who, allied with key public health officials at various levels of the state and federal governments, appear to be involved in nothing less than a blatant and pervasive effort to (a) suppress and ignore medical information concerning hazardous substances that are estimated by the government itself not only to be killing 100,000 American workers a year, but disabling 390,000 more, and to (b) prevent effective enforcement of the Occupational Safety and Health Act that might put an end to this appalling slaughter. In the six months that have passed since publication of these articles, I have nowhere seen my indictment of the medical-industrial complex refuted in print. However, I have seen corroboration that my conclusions concerning the disastrous effects of its workings on the lives and health of American workers were correct. How can we possibly combat this medical-industrial complex and its business-as-usual way of handling the life and death problems posed by industrial disease through a policy of voluntary compliance with occupational health regulations, such as the Assistant Secretary of Labor has repeatedly advocated? The answer to that question is simple. We cannot. Voluntary compliance is a monstrous hoax. As one who has spent the past six years investigating and writing about the peril being posed to millions of unsuspecting Americans by toxic chemicals and harmful substances that have been introduced willy-nilly into our factories and workplaces; into the air, land, and water of our nation; and into consumer products that line the shelves of stores from one end of our country to the other, I can tell you that I know of very few instances of voluntary compliance, and that I know of no instance where any industry has ever taken it upon itself to voluntarily clean up a health problem except when faced directly with the threat of law enforcement or litigation. Therefore, when I learned that just the other day the Senate had voted to table by only 47 votes to 41 an effort to seriously weaken the Occupational Safety and Health Act, I as a citizen was concerned and appalled. Moreover, when I read in the Washington Post that the amendment to weaken the Act would have made penalties for serious violations permissive rather than mandatory, and would have stripped the Department of Labor of the power to impose fines for "non-serious violations," I was stupefied. The fact of the matter is that OSHA inspectors have proved so notoriously reluctant to cite manufacturers for serious violations of health standards that to take away their power to impose fines for "non-serious" violations would, in effect, be to gut the Act of what feeble strength it has left.

Let me give you an example of what I mean. In the autumn of 1971, doctors from NIOSH inspected the Pittsburgh Corning Corporation's asbestos insulation plant in Tyler, Texas, and found a critical occupational health hazard to exist there as a result of the presence of massive amounts of eminently respirable asbestos fibres in the air of the factory. The NIOSH doctors also determined that seven out of eighteen men with more than ten years of experience in the plant showed symptoms of asbestosis—irreversible lung scarring from inhalation of asbestos dust. Now as practically any industrial hygienist has known for the past decade, asbestos is one of the most potent and important causes of industrial cancer in the world. Yet when OSHA inspectors arrived at the plant, a month later, they saw fit not to cite the company for serious violations, which, in the language of the Act "shall be deemed to exist in a place of employment if there is a substantial probability that death or serious physical harm could result," but chose to cite the company for "non-serious" violations, which, in the language of the Act, apply to situations "where an occupational illness resulting from violation of a standard would probably not cause death or serious physical harm." For four non-serious violations—improper wearing of respirators, failure to examine workers to see if they could wear respirators, inadequate housekeeping, and insufficient dust control—the OSHA inspectors proposed a total fine of exactly $210. Because of a resulting furore, the Tyler plant was subsequently shut down. It had been in operation for seventeen years. During that period, only about sixty-two men ever worked in the factory at any given time. But—and here is the awful kicker that helps to explain the appalling casualty figures resulting from industrial disease—some eight hundred and seventy-five men had worked in the plant for varying amounts of time during those seventeen years. These men are now being surveyed and watched over by doctors of the Texas Chest Foundation, which has just been funded to the tune of $470,000 by the National Cancer Institute to carry out a study of the Tyler asbestos workers. And here is what the Foundation's "Tyler Asbestos Workers Study" has to say about the nature of the problem these men are facing.

"In 1972, approximately 875 employees of a Tyler asbestos plant completed massive exposure to inhaled amosite asbestos fibres. Approximately 260 of these employees will develop cancer, mainly bronchogenic carcinoma, and die from this disease unless some type of successful intervention is undertaken."

So much for taking away OSHA's power to impose fines for non-serious violations.

The sad plight of the Tyler workers has been and will be experienced by tens of thousands of other asbestos workers in the United States, and the risk of cancer and mesothelioma from asbestos inhalation casts a dark shadow over the lives of hundreds of thousands of other workers exposed to this mineral, as well as to their wives and children, some of who are contracting mesothelioma—an invariably malignant and always fatal tumor—merely as a result of inhaling asbestos dust carried into their homes on the clothes of their husbands and fathers.

One thing has always haunted me with regard to the asbestos problem, for I think it is indicative of how painfully slow our society has been to appraise itself of the hazards of the workplace, and to communicate them. As of 1917, most American and Canadian insurance companies were refusing to insure asbestos workers. Now what did those insurance companies know in 1917 that took the state and federal governments, the asbestos industry, the trade unions, and the independent medical and scientific community another half century to tumble on to? Well, the answer to that question is relatively simple. The insurance companies, as they are accustomed to doing, kept a sharp eye on the actuarial tables, and from them they saw and knew that asbestos workers were dying like flies.

Today the asbestos problem is still very much with us. Indeed, the standard for occupational exposure to asbestos promulgated by the Secretary of Labor in 1972, against the advice of the authors of the NIOSH Criteria Document and of his own advisory committee, is two and a half times greater than the standard for asbestos exposure in English factories. Moreover, the English standard was designed only to prevent the incidence of lung scarring, not cancer. Yet it is asbestos-induced cancer that is responsible for the vast majority of the incredible number of excess deaths among asbestos workers. And this in spite of the fact that the Surgeon General—the chief medical officer of the land—and other responsible members of the medical community have repeatedly stated that there is no known safe level of exposure to a cancer-producing agent.

Today, as all of you surely know, we are faced with still another terrible cancer hazard in the workplace. I refer to vinyl-chloride—a major chemical ingredient used in the plastics industry—which is causing a rare and always fatal tumor of the liver, called angiosarcoma. There will surely be other such chemical hazards arising in the coming months and years, for we are now about to pay a terrible price in death and disabling disease for allowing an almost mindless proliferation of toxic chemicals to be introduced without testing into the workplaces of this nation. Indeed, as the famous bacteriologist, René Dubos, of the Rockefeller University, has written: "Our health is being threatened by a new form of pestilence—a chemical pestilence that stealeth in the darkness." Now what is the solution to this problem? How can we effectively combat this new pestilence? How, in short, can we as a people cease to be, as we are now, part of a massive program of human experimentation? Well, Professor Dubos has proposed a very simple solution. He related it to me some years ago when I was writing an article on the peril posed to workers and consumers by proteolytic enzymes then widely used in household detergents. Professor Dubos said, "There must be an essential philosophy in our society that prohibits the introduction of any technical innovation until one has tested, insofar as one can, the consequences of its introduction both in the environment and upon the human beings who will come in contact with it. This, of course, has not been the case with enzyme detergents. Millions and millions of people are using them, and we have no idea what the result will be. It is criminal to have such a situation. At the very least, it is criminally stupid."

I submit, gentlemen, that one can just as well substitute in Professor Dubos' statement any number of phrases for enzyme detergents. How about the years of spraying of asbestos insulation on high-rise construction in cities and towns all across the United States? How about the use of vinyl chloride as a propellant gas in dozens of aerosols—aerosols that rarely list ingredients and usually carry a warning label that bears the euphemism "Keep Out of the Reach of Children," instead of "Keep Out of the Lungs of Children?" And this brings me to my final point today. I submit to you that there must be yet another essential philosophy in our society—a philosophy that no longer isolates workers and the hazards they face from citizens in the community-at-large and the hazards they face.

I say this for two reasons. First, as I am sure we would all agree, workers should be—all sixty million of them—considered as members in good standing of the community-at-large. (In this regard, I submit that if a million people in the so-called middle or professional class were dying each decade of preventable occupational disease, and if nearly four million were being disabled, there would long ago have been such a hue and cry for remedial action that if the Congress had not heeded it vast numbers of its members would have been turned out of office.)

Secondly, workers make things that all the rest of us buy and use. The problems posed by asbestos and vinyl chloride are quintessential examples of the fact that all too often in this society there cannot be a significant health hazard in the workplace without a corresponding hazard to consumers and unususpecting people in the general population. With the incredible proliferation of toxic chemicals and hazardous substances in the workplace, and with the growing number of new and often fatal diseases being associated with them, all of us as members of an industrial society stand at a crucial point in history. I am one who believes that if we do not learn to control our technology in these areas, we shall one day be faced with a national health disaster or monumental and perhaps irreversible proportions.

Indeed, the scandalous situation in Duluth, Minnesota, is an early warning sign of what may yet befall us. Even if we were to act now to combat occupational disease with all the vigor and resourcefulness at our command, we would still be faced with many more heartbreaking situations such as the one we now know to be threatening thousands of men who have been working in the vinyl-chloride and polyvinyl-chloride industry. Needless to say, then, I come here to urge you to use your best efforts to strengthen NIOSH and OSHA, and to insist that the Occupational Safety and Health Act be properly implemented and enforced, as the Congress intended it should be. And, lastly, I want to thank you for having given me the opportunity to do so.

STATEMENT OF ARAB TERRORISM AT MAALOT

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. BINGHAM. Mr. Speaker, the recent United Nations resolution condemning the Israeli raid on refugee camps hiding terrorists in Lebanon, while making no mention on the Arab terrorist raid at Kinyat Shemana in which women and children were killed, is an example of an outrageous double standard. More shocking was the failure of the United States to veto this one-sided resolution. Such a selective approach to acts of terrorism is hypocritical and does not serve the interests of peace. I include herewith a statement issued on May 20 by the United Nations Association of New York urging our Government to take a firm stand against all acts of terrorism.

The statement follows:

STATEMENT ON ARAB TERRORISM AT MAALOT

The United Nations Association of New York, N.Y. expresses its deep sympathy to the survivors and families of the children and other civilians murdered by Arab terrorists at Maalot.

The world must learn that peace cannot be established unless acts of barbarism by terrorist or guerrilla groups are controlled and punished.

We reaffirm our statement of May 14th calling upon the Government of the United States, in Security Council actions where terrorists are involved, to vote only for resolutions which condemn such acts of terrorism, and to veto those which avoid such condemnation.

We urge that the United States, in its diplomatic endeavors impress upon all governments the responsibility which they bear to prevent the use of their territories by guerrilla or terrorist groups whose members engage in illegal attacks upon civilians in other countries. We ask the American public, and our Government, to understand that such acts of violence produce a constantly escalating process of violence, requiring international action directed towards peace-keeping, when a country whose territory has been violated seeks to protect its citizens against further assaults.

"DEATH WITH DIGNITY" BILL

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. HOGAN. Mr. Speaker, all of those people concerned with the preservation of human life were disgusted when the Supreme Court, on January 22, 1973, held that abortion would be legal up until the moment of birth. This decision has shocked millions.

Equally preposterous are those who advocate the killing of human beings who are ill and may be a detriment to society. This type of disrespect for human life shocks all of us who love life. Are we going to enter an age where one must contribute his quota to society or be exterminated? The Constitution protects the life of all citizens, including those whose lives are not productive.

On May 21, in the Washington Post, George F. Will wrote an article exposing the inhumaneness of the so-called death with dignity bill that has been advocated in the Florida State Legislature. I would like to have this article inserted in the RECORD at this point:

FLORIDA'S "DEATH WITH DIGNITY" BILL

(By George F. Will)

So great is Walter Sackett's reverence for life, he wants to extinguish the lives of thousands of retarded citizens.

Sackett, a Florida state legislator, has a bill that, he says, would make this mass killing legal. He calls it a "death with dignity" bill.

His bill has three provisions.

One would enable an adult to direct a doctor to discontinue life-sustaining treatment when an illness is "terminal." The Florida House of Representatives passed this provision, but deleted two others, to which Sackett remains committed.

The second provision would allow a spouse or person of first-degree kinship to make such a decision for a person whom two physicians certify is incapable of making such a decision.

The third provision would permit three physicians to make that decision when an individual is incompetent and no person of first-degree kinship can be located within 30 days.

Sackett wants to include retarded citizens, especially profoundly retarded ones (he calls them "grotesques"), in the category of "terminally ill" people. He thinks the second and especially the third provisions of his bill would permit Florida to extinguish the lives of 90 per cent of the 1,500 most retarded people in state hospitals.

This, he says, would save billions of dollars that could be "used for good social purposes."

He often notes with disgust that some retarded people must be fed by gastrostomies and other tube feeding procedures. And he speaks of extinguishing life by withholding medication.

He says, preposterously, that Florida would save $5 billion over the next 50 years if Downs' syndrome (mongoloid) citizens were "permitted to succumb to pneumonia," to which they are susceptible. He wants doctors to withhold treatment for an easily treatable illness and thereby turn it into a terminal illness.

Downs' persons vary considerably in mental capabilities and in their capacities for sharing community life. Asked if an ill Downs' person "of potentially high intelligence" should be permitted to die, Sackett says: "Yes, it would be the responsibility of the parents and the consulting doctors to decide."

A fanatic is a man who knows what God would do if only God knew all the facts. "God didn't intend this," Sackett says, referring to profoundly retarded citizens—he calls them "pure vegetables"—surviving in institutions.

Sackett also claims to know the desires of retarded people. He says his desire for their deaths is "in accordance with the wishes I am sure they would express were they so able."

He insists that he only favors death for those "whom some people would have difficulty in recognizing as human beings." But ours is not a republic that extends "recognition" to human beings the way it extends diplomatic recognition to foreign governments.

Sackett says the issue is whether the state is "obliged or entitled to preserve life no matter how poor its quality." But our republic is not in the business of evaluating the relative worth of human lives.

Right now Sackett's passion for other citizens' deaths is ineffectual. Of course, parents of retarded persons are distressed to know that the extinguishment of retarded persons' lives is becoming a debatable subject in our nation.

But all law rests, in the end, on public opinion, and Sackett and others like him are trying to alter opinion. Consider this passage by another person concerned about "quality" life:

". . . eventually, when public opinion is prepared for it, no child shall be admitted into the society of the living who would be certain to suffer any social handicap—for example, any physical or mental defect that would prevent marriage or would make others tolerate his company only from a sense of mercy . . . Life in early infancy is very close to nonexistence, and admitting a child into our society is almost like admitting one from potential to actual existence, and viewed in this way only normal life should be accepted.

The author of this passage wants to erase the distinction between infanticide and abortion. Sackett wants to exclude retarded citizens from Jefferson's category of "men . . . endowed by their creator with certain unalienable rights; that among these are life . . ."

SOCIAL SECURITY—THE GREAT RIPOFF—NO. 4

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. CRANE. Mr. Speaker, before reaching the age of 65, the typical young American worker and his employer will have paid more than $135,000 for a retirement plan which claimed to have given disability protection.

Instead of this, writes reporter Warren Shore, of Chicago Today, he will receive:

The cheapest kind of "term insurance" at three to five times its normal cost.

The cheapest, least useful kind of disability protection at more than three times its normal cost.

Incredible discrimination against wage earners from a fund entirely supported by wage earners and their employers.

Mr. Shore concludes that—

The tragic irony of a system 100 per cent supported by payroll taxes punishing the wage earner and ignoring all other forms of income will be compounded in the future . . . the only way the federal treasury can guarantee even this promise is with the hope that the next generation (our children) will accept a still worse deal—that they, too, will become a generation of victims.

In a three-part series concerning social security, Chicago Today has challenged many of the myths which surround the social security system.

I wish to share this series with my colleagues and today am inserting Part 4, which appeared in Chicago Today of May 2, 1974, in the RECORD. The previous parts of this series have already been inserted into the RECORD and the final part will be placed into the RECORD at a later time.

Part 4 follows:

WHAT SOCIAL SECURITY OFFERS

(By Warren Shore)

(Is Social Security a ripoff for young people? Reporter Warren Shore has spent months examining the federal law, talking to recipients, representatives in the field, and insurance experts. He went so far as to set up a special computer program from which many of the startling figures in this series are based. In fairness, Chicago Today next week will make space available to the Social Security Administration to respond with its side of the story.)

Before he reaches 65, the typical young American worker and his employer will have paid more than $135,000 for a retirement plan which claimed to have given disability protection along the way. Instead he will get:

The cheapest kind of "term insurance" at three to five times its normal cost.

The cheapest, least useful, kind of disability protection at more than three times its normal cost.

Incredible discrimination against wage earners from a fund entirely supported by wage earners and their employers.

To understand how so much money could pay for so little protection, it's necessary to know a little about how your money should work for you.

For instance, if a young worker wants to make sure that his wife and family will be protected, should be die, with an income until the kids are out of school, the cheapest insurance he can buy is called term insurance.

As an example, a 27-year-old man can guarantee an income for his family of $500 a month for the next 20 years for an annual payment of $192—that's $16 per month.

George Menlow, a 27-year-old freight handler with a wife and two young children is promised a maximum of $450 a month benefit for his family for the next 20 years by Social Security. It's the same as term insurance because the money will stop once the kids are out of school.

The difference is that George Menlow, like millions of others like him, pays $1,400 a year for Social Security's brand of term insurance. He and his boss pay $60 a month each—more than seven times the market cost of insurance.

Social Security Administration officials point out, however, that George gets more than just term insurance for his money; he also gets disability protection and a retirement plan. Take a look:

The Social Security brand of disability insurance comes with two stunning limitations. First, it requires that a total disability be "expected to last at least 12 months."

This requirement alone, according to the National Safety Council would eliminate more than 90 per cent of all total disabilities from Social Security protection.

The 10 per cent who qualify do little better. Social Security rules say these totally disabled workers must wait "until the beginning of the seventh month" out of work to be paid at all.

George Menlow can buy disability insurance to add to his death benefit insurance for about $10 a month. There would be no 12-month total disability rule and only a one month waiting period.

Thus Menlow could improve upon both Social Security's death benefit and disability plans for a total cost of less than $30 a month. Yet he and his boss pay $120 a month—still four times the real cost.

Does this mean that the other $1,100 a year Social Security takes for George Menlow goes toward his retirement fund? Menlow had better not rely on that. The fact is that the retirement program is the saddest, least defensible part of Social Security.

Consider the case of two men who will retire this year. Charles Teppit and John Singer will both turn 65 during the same month. Both live with their wives in homes they own. Tho the two men have paid nearly the same Social Security tax, once they retire most similarities between them will end.

Teppit will retire as vice president of a large manufacturing company. His salary has been above the $40,000 level for the last 20 years and with company bond options, an executive pension plan, and his own annuities, Teppit is guaranteed a retirement income of more than $1,300 a month.

Singer is ending a 25-year career as a routing supervisor for a small trucking company. Last year his salary was $14,900. For the last 10 years, says Singer, it has been almost impossible for him and his wife Ada to save much after paying the bills. Tho they have a small savings and some insurance, the Singers will be relying on Social Security.

Because maximum Social Security tax has always been pegged at middle-class earning levels, both Teppit and Singer have paid the maximum, even tho Teppit has always earned at least twice what Singer has.

How the two men will be "evaluated" by the Social Security Administration to determine the size of their retirement checks.

Since Teppit and Singer paid the same tax during their working lives and their wives do not work, both are eligible for a family benefit check of $440 a month. But only Teppit will get the full amount.

The Social Security benefit "earnings test" decrees that for every dollar earned over $2,400 during a year, 50 cents is deducted from the benefit check.

But Social Security considers "earnings" to be wages—nothing else. Thus, Charles Teppit's bond interest, executive pension, and private annuity don't count; he will have the full $440 a month added to his other $1,300 per month for a $21,000-a-year retirement income.

"But Ada and I can't afford to live on $440 a month," says John Singer. "It's less than half what I used to take home." So like millions of others over 65, John Singer will keep working to make ends meet.

In Singer's case, it's a part-time routing job with a small trucking firm which pays $120 a week for three days' work. The income means the Singers' Social Security check shrinks to $280 a month.

"Is it fair," asks Singer, "that I should lose the Social Security I worked for because I can't afford to stop working?"

Mr. and Mrs. Singer have become the ultimate victims of Social Security. If a system can be judged by its end product, the Singer's plight should be judged:

After 35 years in the work force, paying at the maximum social security tax rate, Singer at 65 will begin giving MORE to the system than when he was working full time.

Since the Social Security Administration will begin deducting BOTH from Singer's benefit check [$160 a month] and his part-time earnings [another $24 a month], one-fifth of all his income will be taken away.

The tragic irony of a system 100 per cent supported by payroll taxes punishing the wage earner and ignoring all other forms of income will be compounded in the future.

The present generation of young workers will pay three times what Singer paid for a government promise worth no more to them than Singer's.

The only way the federal treasury can guarantee even this promise is with the hope that the next generation [our children] will accept a still worse deal—that they, too, will become a generation of victims.

WORLD WAR I PENSION BILL

HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. PRICE of Texas. Mr. Speaker, I am today introducing legislation to increase pensions for World War I veterans and their dependents.

This legislation would establish a minimum payment of $150 a month for veterans with a dependent, a rate of $135 a month for a single veteran or widow without dependents. It would also provide increased medical benefits, including an additional $125 a month for a veteran in need of regular nursing care, or $50 a month for a veteran who is house-bound but not receiving full-time professional care.

This legislation will offset losses incurred by many veterans whose social security benefits have increased, thus forcing their veterans pension down due to outside income limitations. These benefits would be minimum payments payable regardless of outside income.

The Congress passed the social security increase because it recognized that inflation had particularly and adversely affected those on fixed incomes. I am sure that Congress did not intend that our World War I veterans, or their dependents, be denied the income benefits they need. This bill is designed to recognize the Nation's obligation to those who served to protect our freedom, and to insure that World War I veterans receive the income boost they need as they face cost-of-living increases.

GAO REPORTS DISC TAX LOOPHOLE AND WHEAT EXPORTS

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. VANIK. Mr. Speaker, on January 29, I asked the General Accounting Office to provide me with an analysis of the affect of the Domestic International Sales Corporation tax loophole on wheat exports. I was concerned that this provision of the tax law, adopted in 1971, was encouraging the excessive export of wheat and other agricultural products at a time of rising prices and shortages here in the United States.

I have just received the GAO answer to my inquiry. Considering world agricultural commodity prices, I doubt that DISC has substantially encouraged the export of wheat. All that DISC has done is give a tax break and windfall profit to a few large wheat export companies.

Though the data is sketchy at best, GAO find that DISC resulted in tax savings to agricultural exporters of $7.5 million in 1972. This includes $1.25 million for wheat exporters in 1972.

The key sentence in the GAO report reads as follows:

> Treasury officials had no firm supporting figures for increased exports resulting from DISC; however, using the concept of value elasticity and assuming that income earned would be passed on to the foreign purchasers in the form of lower prices, it was estimated that the DISC legislation resulted, *at most*, in additional sales of about $22 million for all agricultural products and about $3.75 million for grain only.

This, of course, is quite an assumption. If the assumption is correct, then the American taxpayer is in the absurd position of subsidizing increased sales of cheap food abroad at a time when the Consumer Price Index for cereal and baker products rose an unprecendented 13 points between 1972 and 1973. If the assumption is false—and judging from world demand for wheat world agricultural commodity prices, and the dominant position of the United States in the area of wheat supply, I believe it is false—the American taxpayer subsidized the giant wheat exporters to the tune of $1.25 million just to do what they were already doing.

Mr. Speaker, the DISC tax loophole is totally indefensible. It must be repealed. I would like to enter into the RECORD at this point that portion of the GAO report dealing with the impact of DISC on American wheat reserves:

BIBLIOGRAPHY OF VANIK COMMENTS ON DISC

March 28, 1974, 8828, "Gao Reports DISC Tax Loophole 'Not Considered to have had much influence toward increasing U.S. Exports.'"

April 28, 1974, 11499, "Treasury Report on DISC Tax Loophole."

April 29, 1974, 12265, "Tax Analysts and Advocates says 'Evidence is Thin' on DISC's."

May 21, 1974, 15761, "Tax Experts Cite Need for Repeal of DISC Tax Loophole."

[From GAO Letter to VANIK]

DISC IMPACT

The DISC legislation was designed to provide a significant incentive to expand export operations and place U.S. domestic firms on an equal and competitive tax footing with the U.S. firms marketing through foreign subsidiaries by enabling qualifying domestic corporations to defer tax payments on approximately 50 percent of their foreign earnings from export sales. Congressional conferees, in their review of the Revenue Act of 1971, estimated that tax receipt deferrals of $100 million for fiscal year 1973 and $170 million for fiscal year 1974 would provide U.S. firms with capital and incentive so that additional sales could be obtained abroad through DISC but not at the expense of investments in foreign plants or equipment.

You mentioned the tax loss from the DISC provisions was estimated to be $240 million in fiscal year 1975. A Treasury official advised us late in March 1974 that preliminary estimates of the revenue loss ranged from about $250 million to $300 million for fiscal year 1973. We understand that these underestimates of the revenue loss are due to greater than anticipated profit margins.

The Revenue Act of 1971 requires the Secretary of the Treasury to submit each April 15 to the Congress an analysis of the operation and effect of the DISC provisions. In its April 1974 report, Treasury indicated that it attempted to evaluate the export effect of DISC legislation, recognizing the difficulty of separating the influences of various changing economic factors on U.S. exports. Treasury stated that, although its estimates are tentative, they suggest that the DISC program had a positive impact on U.S. exports.

AGRICULTURAL PRODUCTS

Treasury officials did not have complete or readily available data to analyze the value of DISC legislation in helping to increase agricultural exports, including wheat. We were informed that the DISC tax returns vary in their reporting periods from 2 months to 1 year ending June 30, 1973, and not all returns have been received. We were told that only rough comparisons could be made using the normal reporting returns received from the industry for calendar year 1972 and that the companies were only required to report on their export receipts of grain mill products rather than wheat per se.

For 75 firms reporting for periods through June 30, 1973, Treasury officials stated that raw agricultural products and services exported through DISC totaled about $1.1 billion. Total raw agricultural products and services exported for 1972 were $5.7 billion. DISC-reported exports, therefore, approximated 20 percent of the 1972 total agricultural exports. Based on 18 of 20 reporting companies dealing in grain, Treasury officials also stated that grain exports under DISC amounted to about $600 million of the $1.1 billion.

Taxable income for exporters was estimated to be $30 million for all agricultural commodities and $5 million for grain only and the deferred to Treasury and the advantage to percent of the taxable income. The income deferred to Treasury and the advantage to the companies would approximate $7.5 million and $1.25 million, respectively, plus the cost of the money over the deferred period.

Treasury officials had no firm supporting figures for increased exports resulting from DISC; however, using the concept of value elasticity and assuming that income earned would be passed on to the foreign purchasers in the form of lower prices, it was estimated that the DISC legislation resulted, *at most*, in additional sales of about $22 million for all agricultural products and about $3.75 million for grain only.

Because the DISC income tax returns were not made available to us for review, we were not in a position to independently analyze and assess the tax impact of the DISC legislation or reach a conclusion on the effectiveness of the legislation in increasing exports.

IMPEACHMENT

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. HANRAHAN. Mr. Speaker, it is becoming more and more obvious that the President's impeachment is in the near future. For this reason, I insert the following article which appeared in the Wall Street Journal for the benefit and interest of my colleagues:

THINKING THINGS OVER—IMPEACHMENT IMPERATIVE

(By Vermont Royster)

Anyone who ventures public comment on President Nixon's role in the Watergate affair needs no poll or sociological study to tell him how deep and bitter is the country's division. He will be reminded daily by the morning mail.

If he says that the Nixon transcripts paint a sorry picture of the moral tone in the White House, there will be letters denouncing him for joining those in politics and the media who are trying to "crucify" the President.

If he says that those same transcripts fail to show that the President actually did anything to obstruct justice, that they even tend to support Mr. Nixon's contention that he did not, then he will be accused of trying to "whitewash" the President.

And if he makes both observations simultaneously, as I recently did in this space, he will be caught in a cross-fire of angry readers. In the present emotionally charged atmosphere there seem to be few willing to draw a distinction between a judgment on the moral tone of those intimate conversations and a judgment on deeds done.

Nevertheless, the distinction is important. A judgment about what those conversations reveal about the character and personality of the President requires no rules of evidence. Every man may judge by his own standards.

But a verdict that the President is guilty of some high crimes or misdemeanors for which he should be removed from office does demand attention to the due processes of the law. This is not merely out of fairness to the man, Richard Nixon, but out of regard for the very integrity of our political system.

That is why proceeding with the impeachment process—and that with all due speed—has become imperative. And also why it now seems to me, though I come to the conclusion reluctantly, that the formal proceedings in Congress should be televised for all to witness. For a part of the imperative is that the people should be convinced that all has been well and justly done. There must be no cloud upon the verdict, whatever it may be.

It is true enough that the long impeachment process will be an agonizing time. If the proceedings are televised, that may well bring out demogoguery on both sides as adversaries speak not to the chamber but to the nationwide gallery, seeking to arouse public passion.

So it is not surprising that we have heard a clamor for the President to resign. Some of it, to be sure, arises from those in Congress who would like to escape having to stand up and be counted. Some come from those so angry at Mr. Nixon that they would simply have him be gone, and put no fine point upon the manner of his going.

But some of this clamor is quite sincere. It springs from the thought that his resignation would spare the country all that agony of divisive bitterness.

Yet if the President were to resign, we would have a clouded verdict indeed. We would not know what case there was for or against him. You may be sure that his adversaries would treat it as an admission of guilt. His defenders would cry that he had been hounded out of office. The doubts would rankle for years to come, with consequences no one can foresee.

This is the practical reason for going forward with the impeachment proceedings until the issue is resolved, however disturbing that may be. There is also, though, another reason equally persuasive.

The moral imperative of our political system is that the means of doing something be as proper as the thing done. Our Constitution deals not with what is to be done but how it is to be done, whether it be assuring domestic tranquility, bringing criminals to bar or dismissing elected public servants. For each of these the Constitution sets forth due procedures.

Impeachment may seem a cumbersome process; it is certainly more so than in other countries. But if so, it is cumbersome by intent. That intent was that anything so grave as the removal of an elected President not be done out of anger or inflamed passion but only upon sober judgment—made by a majority of the House and two-thirds of the Senate after a formal hearing and due deliberation.

The care in setting forth this procedure was only in part to protect a President from injustice. It was also to protect the confidence in the political process itself, that the people be assured such grave action is neither capricious nor partisan.

If in time of high emotion, as in the present moment, that due process is flouted, it is the substance of our democracy not merely its forms that are assailed. That is the risk to be avoided now.

Everyone will agree, I hope, that it were better it had not come to this. But there have been enough allegations, enough suspicions, enough ambiguities, to make it necessary that we go forward to a conclusion. It would be an ill service to the country were the House Judiciary Committee to abort its hearings; there would be too many doubts left to fester among the people. It would be equally injurious if public passion led to a political lynching.

It is hardly possible, or so it seems to me, to read those White House transcripts without shock, the more so because they belie the moral fervor Mr. Nixon has so often professed. Whatever else the outcome, his reputation lies in tatters.

Yet if we are to preserve that integrity of our political system, shocked righteousness alone cannot justify; a guilty verdict on malfeasance of office. And those transcripts by themselves, or so it seems to me, disclose no deeds done to warrant such a judgment.

That judgment, in all good conscience, must await the due process of impeachment in the full view of the public gaze. Only thus can the issue be drawn, the charges made specific, the evidence weighed, the accusors and the accused heard in an orderly manner. Only thus can we be assured that the verdict, whatever it may be, will be accepted by the people.

The imperative here is that we honor the principle of due process, not only for the sake of Richard Nixon but of ourselves.

WHERE IS THE AMERICAN CONSCIENCE?

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. ASPIN. Mr. Speaker, I would like to share with my colleagues an excellent article written by a friend and constituent, Mr. George Goss. Mr. Goss was U.S. Refugee Coordinator for South Vietnam from October 1965 until March 1968. In addition, in 1973 he was engaged in United Nations displaced persons and flood relief efforts in Pakistan.

The article is one I hope all of my colleagues will read:

WHERE IS THE AMERICAN CONSCIENCE?

"My conscience hath a thousand tongues,
And every tongue brings in a several tale,
And every tale condemns me for a villain."
—Shakespeare; King Richard III.

There seems to be no end to the tales of our country's destruction in Indochina. The National Academy of Sciences now reports that chemical herbicides used by Americans in South Vietnam have caused serious and extensive ecological damage that might take at least a century to heal. The Academy also reports that there are indications that the herbicides incidentally caused deaths among children of Montagnard tribes.

The statistics of our defoliation campaign in South Vietnam are staggering and typically macabre. The Academy states that between 1961 and 1971 the United States dropped more than 100 million pounds of herbicides on that battered country, about six pounds for every inhabitant. This grisly statistic is reminiscent of the fact that from 1965 to 1971 United States forces in South Vietnam used 21 billion pounds of explosives in South Vietnam, 1,215 pounds for every inhabitant.

Forests will grow again (even if it takes 100 years), and villages, towns, schools and hospitals can be rebuilt. But shattered human lives cannot be rebuilt (even in 100 years), and the toll of human life in Southeast Asia is a matter of horrible record—the killed, the maimed, the widowed, the orphaned, the homeless, the prostituted.

The number of men, women and children of Southeast Asia killed, wounded, maimed in the past deadly decade is not known, and will never be known. Certainly the figure runs (as we say) "to six figures." We do know that nearly half of the total population (17.5 million people) of South Vietnam has been driven from their homes and lands at some time or another during the battles to "save them"—not to mention hundreds of thousands in Laos and Cambodia.

It is an enigma of our country's involvement in Southeast Asia that our sense of morality seems to diminish in inverse (perverse?) proportion to the destruction we have visited on the helpless men, women and children of these lands. It is a mystery to me that so few voices are raised to protest a barbarism so apparent to other "civilized" countries. Aside from the protestations of Senator Edward Kennedy, Anthony Lewis and Herbert Mitgang of the *Times* and a few "bleeding heart" churchmen, the silence is suggestive of the moral blackout while six million died in Western Europe in the late '30's.

How does one explain such a block in public morality in a nation that professes to function "under God"? I confess to being profoundly baffled. One contributing factor, I have concluded, is the tragic/comic policy of government in sloganeering—"Winning Hearts and Minds;" "Fighting for Democracy;" "Pacification;" and all the dreary phrases that take on an obscene tone after all too short a time.

Another factor is the great American need to quantify in statistical terms—8,000,000 refugees in South Vietnam; 400,000 killed in Indochina; the "body counts" of the battle casualties that were so dutifully reported by the media, in the same tones and terms as the Dow-Jones averages, the weather forecast, the football scores.

We Americans seem to be momentarily shocked and repulsed by a photograph of a young girl, her body on fire, running hysterically down a dusty road. And yet we seem to be incapable of multiplying such pictures by the hundreds, by the thousands, by the *hundreds of thousands,* and realizing that they are *real* people—children without parents, parents without children, and that those who do not die are doomed to live with their suffering.

Where is the conscience of America? True; we have stopped killing the people of Southeast Asia (at least officially). But what of our moral obligation to help our "allies" (and even our "enemies") rebuild their lives (those who are still living)?

The *Times,* in an editorial more than a year ago, concluded—correctly—that, "The ultimate cost (of the war in Southeast Asia) is moral," and called for "an affirmative national response," to the debt we have incurred. President Nixon, in his 1972 "State of the World" message suggested a figure of $7.5 billion required for reconstruction and rehabilitation in Southeast Asia. Other estimates have put the figure as high as $15 billion. Today, while one occasionally hears vague suggestions of "post-war rehabilitation" for Southeast Asia, I know of no serious plans by any agency of the United States government, the United Nations or any other agency for the reconstruction of land, cities, schools, hospitals, farms, roads, bodies ravaged by years of war and suffering. In fact, our government's programs for relief and rehabilitation in Indochina have been drastically reduced in the past few years.

Anthony Lewis, in a column in the *Times* from London of May 7, 1972 (!), wrote: "It is painful for countries, as for individuals, to face the truth about themselves. But there is no way for the United States to rebuild its self-confidence or its reputation without facing the truth about what we have done in South Vietnam."

If we can afford to give every living person in South Vietnam six pounds of chemical herbicide and 1,215 pounds of explosives, we can surely afford to give those still living a modest amount of assistance in rebuilding their lives and their country particularly in light of the fact that the U.S. has spent more than $100 billion on the destruction of Indochina.

Now, more than ever before, it is vital that we Americans face the truth about ourselves (painful though it may be), and recognize and respond to our conscience and moral obligation to the people of Southeast Asia whom we have so brutally assaulted.

THE CASE FOR A FEDERAL OIL AND GAS CORPORATION—NO. 37

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. HARRINGTON. Mr. Speaker, the opponents of a Federal Oil and Gas Corporation have mounted a formidable campaign against the proposal, suggesting that FOGC represents a step toward nationalized industries.

Those opposing the corporation frequently point with disfavor to Federal involvement in business and cite the failure of Government to create a business-like, efficient structure.

The Postal Service and Amtrack are most often singled out as Federal miscarriages, and lobbyists against the Federal Oil and Gas Corporation claim that the corporation would be another example of Federal mismanagement.

Lee White, Chairman of the Federal Power Commission under President Johnson, and a leading spokesman for advocates of a Federal Oil and Gas Corporation, effectively dismissed this reservation while testifying before the Senate Commerce Committee. Urging legislators to review the success of the Tennessee Valley Authority—after which he pressed his confidence that "with the right management and support," the Federal Oil and Gas Corporation could be a successful new element in the uncompetitive energy industry.

Mr. White's remarks follow:

Remarks by Lee White

Critics frequently ask whether the Postal Service or the Amtrak experiences warrant trying to create yet another government corporation to undertake responsibilities traditionally performed by private corporations. It seems to me that Amtrak may, indeed, prove to be a very wcrthwhile invention in light of the sharply increased passenger traffic resulting from our awareness of our reaction to the energy shortages. The U.S. Postal Service is a very new instrumentality, and I am not aware of any private counterpart that provides a good comparison.

But even if these particular illustrations are not able to stand on their own two feet—and I do not know that is the case—I would prefer to look to the Tennessee Valley Authority as a closer analogy. TVA was born in controversy and is not totally free of it today. But there is no longer any dispute over its electric generating operations. It is among the leaders in the country and has worked in harmony with privately-owned electric utilities, with municipally and cooperatively-owned electric generating, distributing and transmitting systems. The Bonneville Power Administration also provides an example of efficient operations in the energy field by a government agency. I am confident that with the right management and support by the Administration and the people of this country, a government corporation could be developed which would be as efficient and as successful in its operations as TVA and Bonneville.

NASA TESTS SAVE TRANSPORTATION COSTS

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. TEAGUE. Mr. Speaker, an article in the May 13, 1974, edition of the Houston Chronicle points out the opportunity to reduce aerodynamic drag in large tractor trailer trucks. The application of aerodynamics to the problem is being examined by the NASA Flight Research Center, Edwards Air Force Base, Calif. Estimates have been made that millions of barrels of petroleum can be saved annually if these principles are applied in whole or in part to large trailer trucks. This article points out once more the importance of space-oriented research and its application to our daily lives. The article follows:

NASA Tests Save Transportation Costs

Edwards AFB, Calif.—Civilian engineers at NASA's Flight Research Center here are applying aerodynamic principles to reduce the drag on van-like vehicles to save fuel.

Researchers have already demonstrated a 54 per cent reduction in aerodynamic drag in the low-budget program aimed at improving wheeled vehicles designed for maximum usable volume—motor homes, campers, delivery trucks, semi-trailer freight haulers, etc.—by changing their shape. One test showed a fuel saving of more than one-fourth.

Engineers noted that at speeds of from 35 to 50 m.p.h., about half the drag on automotive vehicles (depending on their shape) is aerodynamic in origin—caused by air resistance. And because this drag increases as the square of the velocity, it becomes more critical at higher speeds.

REDUCE DRAG

A technical paper by NASA researchers Edwin J. Saltzman and Robert R. Meyer Jr. notes that boat and barge builders have long been aware of the proper shaping of water craft to reduce fluid dynamic drag.

"But it has only been in the last two or three decades," they say, "that ground vehicles, especially those designed for high volumetric efficiency, have traveled fast enough for aerodynamics to be an important drag factor."

For box-like vehicles they emphasize that one obvious method to reduce drag is to round the corners, though there are other methods that should be effective.

Though the effects of rounding corners are well known, they add, and the results have been measured on models, many manufacturers have not used this method.

But whether this is because of extra fabrication costs, loss of volumetric efficiency of uncertainty about the potential benefits is not known," they say.

ROUNDED CORNERS

In initial tests at the research center, engineers and technicians modified a small cab-over-engine commercial van with sheet metal into a box-shaped vehicle.

A series of tests were then conducted on the Edwards Runway to measure the basic drag or resistance on the vehicle both before and after it was modified with rounded vertical corners on the front and rear of the van.

During the tests, the truck was accelerated to a specific speed and the engine was disengaged, permitting the vehicle to coast while its deceleration was measured and timed.

Because the rolling or friction drag was constant at a given speed for all runs, the benefits of the rounded corners could be measured by comparing the drag values of the original box shape with those of the modified vehicle.

Short cotton streamers attached to the front and sides of the vehicle showed how the air flowing around the van was smoothed out by the rounded corners.

PHILADELPHIA NAVAL SHIPYARD RECEIVES AWARD

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. EILBERG. Mr. Speaker, the Philadelphia Naval Shipyard, commanded by Capt. R. R. Fargo, was recently presented the Secretary of the Navy Award for Cost Reduction Program Excellence for fiscal year 1973.

In fiscal year 1973 Philadelphia was the first naval shipyard to achieve its assigned cost reduction goal. The shipyard submitted 178 validated—by Naval Ship Systems Command—cost reduction reports totaling $6,542,800. This figure represents 166 percent of the $4 million goal and the highest dollar savings for any naval shipyard.

As a result of this and other achievements the Philadelphia Naval Shipyard was nominated to the Chief of Naval Material for this award and approval was granted.

The cost reduction program is part of the Navy management improvement program and the management of the Philadelphia Naval Shipyard has consistently supported the program.

In fiscal year 1974 the shipyard was again the first to reach its goal and this was done 1 month earlier than in the previous year. The savings of $4,130,000 through April also leads the other naval shipyards and the 166 percent ratio of savings to goal is expected to be passed in May.

This is certainly management improvement and indicates Philadelphia's cost conscious attitude to improve productivity by improving performance resulting in better ships at the lowest possible costs for the U.S. Navy.

If the security of our Nation is to be provided for as efficiently as possible, operation of the Philadelphia Naval Shipyard at maximum capacity is clearly indicated.

At this point, Mr. Speaker, I would like to enter into the Record an article from the May 17, 1974, Philadelphia Naval Shipyard Beacon on the recent Navy cost reduction awards given in Philadelphia:

The Philadelphia Naval Shipyard's FY 1973 Cost Reduction effort was formally recognized here last week as RADM R. C. Gooding, Commander, Naval Ship Systems Command, was on hand at the monthly management meeting to present the Secretary of the Navy's award for Cost Reduction Program excellence.

The dual award of SecNav's Cost Reduction banner and certificate was accepted by the Shipyard Commander. In presenting the coveted award, Admiral Gooding noted that the Shipyard had validated Cost Reduction reports totaling $6,642,800 which represented 166 percent of the Shipyard's assigned CR goal.

The Admiral said, "It is gratifying to note that Philadelphia was also the first Shipyard to reach its goal again this Fiscal Year and this was done one month earlier than in the previous year."

Savings of $4,130,000 through April, 1974, also leads the other Shipyards and Admiral Gooding remarked that, "You appear on your way to beating the 166 percent ratio achieved last Fiscal Year."

An individual SecNav Cost Reduction award was also presented to Paul E. Parr, of PERA (CRUDES), who was instrumental in a $1.2 million cost saving while with PERA (ASW) at the Boston Naval Shipyard.

EDWARD RARICK, "KNIGHT OF THE YEAR"

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. GAYDOS. Mr. Speaker, each year McKeesport Council 955, Knights of Columbus, selects one of its members for special recognition during its annual communion day breakfast. The event is held in memory of deceased members. This year's ceremony was held in St. Eugene's Roman Catholic Church with the pastor, the Reverend Leo Beck, officiating at the morning Mass.

The Knight of the Year Award is highly prized by council members for they recognize it as a symbol of their comrades respect and esteem. It is awarded only to those who have displayed outstanding qualities of leadership and participation in activities involving the council, the church, and the community. This year's award winner was a man who has distinguished himself in this respect: Mr. Edward Rarick, a Past Grand Knight of council 955.

Another highlight of this year's event was the presentation of a Knight of the Month Award to Martin O'Keson in appreciation of his work for the council and his many acts of charity.

This public recognition of the work of others is typical of council 955, which has achieved a reputation for service in civic affairs, community athletic activities and patriotic observances. The council is particularly concerned with helping children and young adults. It sponsors an annual picnic for schoolchildren, supports programs for exceptional youngsters and assists in financing scholarships for qualified students pursuing a higher education.

This year council 955 is led by Robert Krwin, Grand Knight, assisted by the following: Walter Zimmerman, Deputy Grand Knight; Mr. O'Keson, Chancellor; James Wadowsky, warden; William F. Jackson, financial secretary; L. McGlaughlin, treasurer; M. S. Benedict, recording secretary; Joseph Rainforth, Mr. Rarick, and A. G. Dietz, trustees, and the Reverend Alexis Ananis, chaplain.

Mr. Speaker, I commend Mr. Rarick and Mr. O'Keson on their awards and I extend to the officers and members of council 955 my best wishes for continued success in the future.

CATCHING THE INFLATION RABBIT

HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. CHAMBERLAIN. Mr. Speaker, the following article, "Catching the Inflation Rabbit," by Dr. Paul W. McCracken appeared in today's Wall Street Journal and I commend it to my colleagues' attention.

It is particularly timely since inflation has become one of the major problems, not only in our country, but worldwide. Dr. McCracken is an eminent economist, well known for his past service as Chairman of the President's Council of Economic Advisers, and his analysis deserves thoughtful consideration.

The article follows:

CATCHING THE INFLATION RABBIT

(By Paul W. McCracken)

"But how do you catch the rabbit?" The question came at the conference on worldwide inflation sponsored jointly by the American Enterprise Institute for Public Policy Research and the Hoover Institution. It was asked by Professor John H. Young of the University of British Columbia and formerly chairman of the Prices and Incomes Commission of Canada.

With his usual characteristic for getting at the heart of the policy problem, Professor Young asked the key question. The tools of economic analysis are adequate to prescribe a way for cooling the inflation. Tough fiscal and monetary policies pursued long enough would make the price level quiet down.

Would such action, however, produce tensions and strains beyond the boundaries of what the political process could tolerate? Would these strains produce such high rates of interest that some of our intermediating financial institutions, such as savings and loan associations, might experience lethally large outflows of funds? What is a strategy, in short, for working down the rate of inflation that takes into account the realities of the political process? These policies must be implemented through government. Advice to governments that they could not possibly take may be useful for long-run public education, but it is not apt to launch the progress which we need now down from the stratosphere of 12%–14% rates of inflation.

Even the fundamental measures themselves are apt to be more acceptable if the public believes that there is a coherent strategy or program for dealing with this many-sided problem. Otherwise policy either looks ad hoc or wedded to such things as high interest rates and hard budgets, and the inability of the citizenry to see a coordinated program can itself be a source of unease.

What would be some elements of such a program? The first point to make is that while the strategy requires more than fiscal and monetary restraint, such fiscal and monetary restraint is essential. And it does work. It was used in 1956–57 and by mid-1958 a price-level stability emerged on which the expansion of the early 1960s could be built. It was used in 1968–69, and by early 1970 the accelerating inflation crested at about a 7% rate, receding then to the 3½%–4% zone by the first half of 1971.

The orthodoxy of a bygone era, in fact, prescribed a sufficiently severe credit crunch to break the inflation and the inflation-mindedness, with the credit authorities then reversing their policies in order to minimize damage to bona fide business activity. It was the strategy in 1929 (if mention of that ill-fated year is not regarded as such as financial expletive as to require deletion), and it worked. The unfortunate 1931 tightening of monetary policy not only gave us a leading candidate for the most inept episode of central banking history, with two further and unnecessary years of financial and economic collapse, but it also forever obscured a good job of puncturing the 1929 speculative boom with a subsequent quick reversal to an easier policy.

NECESSARY RESTRAINTS

Any disinflationary program, in fact, must recognize that no stabilization of the price level has ever occurred without fiscal and monetary restraint. Much as we intellectuals recoil at the thought of subscribing to a straight-forward idea, the need for this restraint is an inescapable lesson from history. (We are more comfortable arguing that down is really up, or that the way to halt inflation is really to pursue yet more inflationary policies.)

With the federal budget on a national accounts basis already in the black, our fiscal position is not far off target if we resist the temptation of a tax reduction that would force more Treasury borrowing in credit markets that are already floundering from heavy demands. A more difficult question is whether the Federal Reserve can bring the rate of monetary expansion down to the 5%–6% zone required for progress against inflation without pushing interest rates so high as to risk financial disorder.

A credit stabilization program must also recognize candidly that no inflation can be cooled without some rise in unemployment. Only a knave or a fool would hold otherwise. To counter this inflation the rate of unemployment might well rise one or two percentage points for a period. That is in itself unfortunate, but so is the trauma and social divisiveness of continued inflation. And accepting for a time a labor force 94% or so employed, rather than 95%, puts this trade-off in better perspective. In any case government and economists both had better be blunt and candid about this trade-off rather than to hold out the hope of some painless therapy that does not exist.

If the employment rate must be expected to edge downward by a percentage point or two for a time, an integral part of any rounded program for disinflation must be attention to the maintenance of incomes. It is, of course, a pity that this country cannot jettison its polyglot array of welfare programs, programs that have caused cumulative pauperization of cosmic proportions, in favor of a systematic and generalized income maintenance program. Here again, however, the groups with their vested interest in the management of present programs clearly have enough political clout to prevent such sensible action.

What we do need, therefore, is a further strengthening of the unemployment compensation program in terms of benefits, duration of payments, and coverage. Approximately 60% of the unemployed are now covered by unemployment compensation, and a high proportion of those unemployed in any month will be back at work the next month. It is a rapidly changing group. Even so, a strengthening of existing income maintenance programs must be a part of any well-rounded approach to economic stabilization.

A coordinated stabilization program must also recognize that some prices need to be raised. With the explosion of the general price level since the end of 1972, some prices have lagged so seriously as to put in serious jeopardy the financial integrity of these institutions. There is raw material in the electric utility industry, for example, for a series of Penn Centrals during the year or two ahead if their rates are not realigned with the higher prices these companies must pay for the coal and oil that they convert into electricity. While these decisions must be made by state regulatory authorities, it is the federal government that manages the monetary, economic and environmental policies that have put the state regulatory authorities in a political box and many of these companies on the ropes. It is significant that the government of Japan, in its own stabilization program, grasped this nettle.

Finally, a rounded strategy for disinflation must include actions that would minimize the duration and magnitude of slack in the economy required to get the rate of inflation down to more acceptable levels. While generalized indexation is neither feasible nor desirable, it has a role to play. At this transitional juncture it would be better for unions and managements to bargain out the real wage increase, with a cost of living escalator to keep the increase real, than to freeze an assumed high future rate of inflation into wage contracts.

INFLATION ALERTS

While little could realistically be expected from it, a government procedure for periodic reports on wage and price developments, including citations of specific cases that would seem to indicate failure of market competition to discipline price or wage increases, might be useful. This would be along the lines of the inflation alert of 1970–71, and judging by responses from those cited (e.g., the 40% 1970 taxi fare increase in New York) these alerts in a few selected cases might induce some slight diffidence in pricing decisions. Unlike the old alerts, however, this effort should be at arms length from the President's Executive Office, rather than as four years ago in the Council of Economic Advisers, or the President would quickly be drawn more deeply into direct wage-price action than would be desirable. The great danger is that because scolding businesses is politically popular, the attention given to such an activity would overly emphasize it relative to its inevitably quite limited significance, and "the President's program" would be judged a failure.

More could be done by a concerted effort to deal with monopoly-like situations that make for high prices, and the real opportunities here are arrangements that the government itself fosters. It is government that has arranged matters so that in many cases taxis must operate at 50% efficiency on airport runs (being forced to return empty to the airport or to the city). It is the federal government that promotes wage inflation through such programs as the Davis Bacon Act or excessively rapid escalation of the minimum wage. It is government that applauds the virtues of competition for others but doggedly insists on monopoly in many of its enterprise-like activities.

There can be little doubt, for example, that removal of the Postal Service monopoly on first class mail would result in better postal service for customers and better jobs for those in the business. Unfortunately the great effort at postal reform took the direction of slightly privatizing an organization that retained its monopoly. The disappointing results were inevitable. Whether the Postmaster General remains in the Cabinet or not could be expected to make little difference in service, but giving the customer the right to use alternatives would have made a great deal of difference.

It is, of course, true that logically monopolies explain high prices but not rising prices. Once the monopoly position is exploited, it presumably no longer exerts continuing upward pressure on prices. The process of unwinding some of these monopoly situations, however, could exert some downward pressures when we are trying to restabilize the price level.

Fiscal and monetary restraint, in short, is essential to achieving a new price-level stability. It could even do the job itself. There is a better chance to keep the transition pains within politically acceptable tolerances however, if the stabilization program has a more rounded character that reflects the many dimensions of this problem.

WHAT COMMUNITY ACTION PROGRAMS HAVE ACCOMPLISHED

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. RANGEL. Mr. Speaker, it is easy for us in looking at the accomplishments of community action programs in the last decade to concentrate on where they have failed. Certainly expectations were raised in minority and poor communities that have not been fulfilled by the federally financed community action programs. But at the same time we in these minority communities have come to realize that the commitment which these programs represent to meeting the problems of poverty is a precious commitment which must not be abandoned. That is why we have been in the forefront of the fight to continue the community action programs sponsored by the Office of Economic Opportunity.

As we consider legislation to provide continued Federal support for these programs, it is good for us to look back over the last decade to review the accomplishments of these programs. There is no better statement of what these programs have meant for New York City than that which was presented by Borough President Percy Sutton at a city hall rally on April 15, 1974.

I submit for the attention of my colleagues Mr. Sutton's remarks:

SUTTON SAYS COMMUNITY ACTION AGENCIES MUST SURVIVE

(By Percy E. Sutton)

I am here today to join with you in delivering a message to Washington and to our City government here at City Hall. And that message is: The Community Action Program Must Survive!

To me, it is incredible that only 10 years after President Lyndon Johnson and the United States Congress declared a "War on Poverty," that we should be forced to demonstrate and picket against the dismantling of the "army" that was to have fought that War on Poverty—The Community Action Programs.

But, you all know that there is another kind of War that is much more important to Mr. Nixon and to Congress. To be prepared to wage this other kind of War, our Federal government spends 100 billion dollars every year. To fight the "War on Poverty" this same Federal government spends but $400 million every year.

Let me express this another way—at the present rate of spending, the amount spent on the military budget annually would keep the Community Action Program in operation from now until the year 2224—two hundred and fifty years from now!

All of us know what the Community Action Program has accomplished here in New York City. Operating out of storefronts and loft buildings, often led by people who only recently were trapped in the cycle of poverty known as welfare, the Community Corporations and their delegate agencies have begun to teach poor people how to fight against the system which has kept them poor. And it is for this reason most of all, that the Community Action Program is in trouble in Washington.

Here in New York City, the Community Action programs have developed new leaders from out of the ranks of the poor, themselves.

The Community Action programs have enabled people to develop new skills—the skills of managing their own communities and their own lives.

The Community Action Programs have gotten poor people directly involved in the delivery of human services, services that in the past were not provided at all, or were provided by government at a long arms length and with great condescension.

Ten years ago, when the Community Action Programs began to come into existence in New York City, there were few job training programs for the poor.

Ten years ago, there were only a handful of centers for the elderly—all of them run by private agencies, mostly with private funds.

Ten years ago, there was no neighborhood youth corps, little vocational training for young people, no Youth Advisory Councils.

There were no paraprofessionals in the schools, no elected community school boards and no powers for the appointed local school boards.

There were virtually no storefront offices in communities to provide housing information, to organize tenants, and to take over and manage abandoned buildings.

There was no economic development program for the poor—no local Development Corporations or buying clubs or business training.

I am not suggesting that every one of these programs I have mentioned are part of the Community Action Program, although many of them are.

What I am suggesting is that the Community Program was most important in creating the climate of community activism that brought the paraprofessionals into the schools, set up community-run day care centers, organized job training programs, and developed new careers in health.

You, who are personally involved in the Community Action Programs are the force that set other forces in motion. You are the swiftly spinning wheel that has spun off so many new programs to better the lives of poor people in our City and across America.

The battle to save the Community Action Program will be fought in Washington, in Albany, and here in New York City.

You can be assured that I will be with you when you go to Washington and to Albany. And that here in New York, in my role as a member of the Board of Estimate, with a voice and a vote in shaping our City's budget and in deciding how revenue sharing funds will be spent, that I will use that voice and that vote to help to insure the survival of the Community Action Programs, so that we might continue the chain reaction of social, economic and political progress that these programs have begun.

JOHN SAWHILL SAYS SURFACE COAL MINING BILL IS CANDIDATE FOR VETO BECAUSE NOT MUCH COAL CAN BE DUG IF IT PASSES

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. HOSMER. Mr. Speaker, no coal operator should be allowed to desecrate this Nation's landscape. There is no reason for it because the coal needed to fuel the Nation's economy can be dug without doing so.

However, in the name of environmental protection the bill H.R. 11500 so rigidly restricts surface mining that a major fraction of the coal otherwise available will be made unavailable. We can protect the environment just as well and, at the same time, dig coal under H.R. 12898, which I will propose as a substitute for H.R. 11500.

Below there is reproduced Mr. Sawhill's letter of May 29 to me which specifies just how much coal would be needlessly lost from production by the terms of H.R. 11500, and why.

I have often said that H.R. 11500 makes about as much sense as trying to grow bananas on Pike's Peak. This letter from the Administrator of the Federal Energy Office helps to explain why:

FEDERAL ENERGY OFFICE,
Washington, D.C., May 29, 1974.

Hon. CRAIG HOSMER,
House of Representatives,
Washington, D.C.

DEAR MR. HOSMER: Your letter of May 9 requested that I provide you with an analysis of the effect that H.R. 11500, the "Surface Mining Control and Reclamation Act of 1973," would have on our nation's coal supply.

In the bill's present form, it would seriously cut existing coal production and also remove vast amounts of coal reserves from future production.

The Administration feels very strongly that the bill is unacceptable in its present form.

The Bureau of Mines has given me the results of an intensive analysis of the bill in its present form on what effects the bill's requirements will probably have on production in 1975 and 1980. The estimates show that up to 187 million tons will be precluded from production in 1975 and 251 million tons in 1980.

The Bureau of Mines' final report may have some additional comments on the effects on our coal supply. It is certainly apparent at this point, however, that enactment of H.R. 11500 will result in serious losses in coal supplies. While the losses are difficult to estimate precisely, they are substantial and unacceptable. The early planning stages of Project Independence show clearly that coal will play a lead role in our nation's energy production and we need increases in coal production, not decreases. The adverse affects on our economy and balance of payments are apparent if we do not substitute domestic coal production for oil imports.

You requested an analysis of the impact of the several specific portions of the bill which appear to bear special significance with respect to our coal supply.

Sec. 206—Designation of Areas Unsuitable for Surface Coal Mining. This section appears to create a general presumption that all lands are unsuitable for mining unless it is established through the bill's procedures (including notice, hearing, and formal decision) that surface mining is physically and economically possible. The bill might also provide that Federal lands may be designated as unsuitable, regardless of existing operations, and existing leases may be conditioned to limit surface coal mining. Approximately 12 million tons per year are currently produced from Federal lands with upwards to 200 million tons estimated per year by 1985. All of this coal could be precluded from mining.

However, a catastrophic effect of this section could be a nationwide ban on new surface mining. A large percentage of future increases in coal production is scheduled to come from surface mines. Our preliminary estimates show that up to 30 million tons could be precluded under this section this next year, and upwards to 350 million tons per year by 1985.

Sec. 209(d)(9)—Prohibition of Mining in National Forests. The prohibition of coal surface mining within National forests would foreclose the recovery of up to 7 billion tons of coal. With approximately only 45 billion tons of domestic recoverable surface reserves, the prohibition of coal surface mining within National forests would therefore preclude the mining of over 15 percent of our nation's recoverable surface mineable coal reserves. We cannot, within any reasonable degree of accuracy, at this time calculate the effect on immediate production.

Sec. 211(b)(8)—Backfill to Approximate Original Contour.

Sec. 211(c)(1)—No Spoil on Down Slope on Steep Slopes.

Sec. 211(c)(2)—Backfill to Approximate Original Contour on Steep Slopes. The requirements of these sections are very difficult to quantify in terms of the effects on coal supply. The accuracy in estimating the coal reserves that would be adversely affected is constrained by the fact that each case would have to be determined on its own merits and thus far we have not inventoried or evaluated the thousands of instances where the requirements of these sections would preclude the mining of coal. We know that the requirements would create adverse mining economic conditions and in many cases it would probably not be technically possible to comply. Our best estimate at this point is up to 2.5 billion tons of coal would be permanently lost to mining, with an immediate annual loss in production of up to 67 million tons. (Currently, approximately 75 million tons per year of coal production comes from mines operating on lands in excess of 20-degree slopes in the Appalachian area. We estimate that upwards to 16 million tons of coal will be adversely affected in 1975 and 105 million in 1980.)

Sec. 211(b)(14)—Minimize Hydrologic Balance Disturbance. Here, again, it is very difficult to accurately estimate the quantity of coal reserves that would be lost under this requirement because of the lack of complete inventory data on the thousands of instances where this section's requirement would preclude the mining of coal. However, we would expect that vast coal areas in the western plains states would be adversely affected. Our best estimate at this time is that upwards to 19 million tons per year of near term production could be precluded, and 12.5 billion tons of coal reserves could be precluded from future mining.

Sec. 225—Federal Lands (fails to provide for new mines). This section fails to provide for the operation of new mines on new leases on Federal lands until the Secretary of the Interior implements a Federal lands program, including judicial review of the approval of a Federal program. The time frame of Secretarial action and judicial review is somewhat speculative; however, it is estimated that a one-year delay could preclude the mining of up to 10 million tons, and an 18-month delay could preclude an additional 10 million tons.

Sec. 710—Protection of the Surface Owner. The Interior Department estimates that about 14.2 billion tons of Federal coal underlie non-federally owned surface lands. The National Coal Association estimates that the figure is about 37.5 billion tons. The National Coal Association estimate may be closer to the correct figure, and could even be conservative. Therefore, from 14 to 38 billion tons, and more, could be precluded from mining under this section.

Sec. 212(b)(1)—Subsidence from Underground Mining. We estimate that upwards to 100 million tons of annual production could be adversely affected from 1977 on.

The above analysis of the individual sections should not be construed as cumulative effects on production and reserves. For example, some of the coal affected under the "areas unsuitable" section could be the same coal affected under the "original contour" or other sections.

If I can be of any additional assistance, please do not hesitate to call me.

Sincerely yours,
JOHN C. SAWHILL,
Administrator.

OUR LADY OF GUADALUPE SCHOOL WEEK

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. BROWN of California. Mr. Speaker, from time to time some event takes place in my district which makes me very proud and which I want to share with others. Such an event took place this past week May 19–25. Weeklong festivities were held commemorating the silver anniversary of "Our Lady of Guadalupe School Week."

Our Lady of Guadalupe School has grown from its small beginning in 1949 of three staff members to the present staff of 13. The school has graduated 590 students who serve the community in many walks of life.

During recent years the school has introduced many new programs to the students. Among these, were free lunch program for disadvantaged, a comprehensive reading program to improve reading level of its student, and bilingual, bicultural education program, which among other things, provides Spanish instruction for all grades and involves the students, 98 percent of which are Mexican Americans, in cultural activities, thereby giving them a greater appreciation for their American heritage.

Befitting the importance of the role this school has played in the life of the west side community of San Bernardino is the list of honored guests who attended the celebration of a solemn High Mass on Saturday, May 25, 1974. In attendance were His Eminence Cardinal Miguel Dario Miranda y Gomez, Archbishop Primate of Mexico; His Excellency Bishop Leo Maher of the Diocese of San Diego; Bishop-elect Gilbert Chavez and 17 priests. Also in attendance was Mother Rosa Marta Gamerdinger, Superior General of the Religious of the Incarnate Word of Mexico City. Joining her were the school's former principals, Sister Leticia Barba and Sister Gloria Felicia Resa, and the present principal Mother Noemi Barajas Arquieta.

But, as is usually the case in such events, the real celebrities in the success story of Our Lady of Guadalupe School are the students, faculty and supporting people of the community who have had the vision to provide parochial instruction to meet the needs of the Mexican-American community in San Bernardino.

It was a pleasure to be a small part of his celebration.

VICTORINO MALDONADO

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. FRENZEL. Mr. Speaker, Friday, May 31, will be a big day in the life of Victorino Maldonado, a 15-year-old triple amputee from Honduras. On Friday Victorino will arrive in Minneapolis for rehabilitation treatment at Fairview Southdale Hospital in Edina, Minn.

Victorino's good faith occurs by reason of a special concern on the part of the Lions Clubs of St. Louis Park and Orono, Minn. These civic organizations have made the arrangements and guaranteed the costs to bring Victorino Maldonado to this country for treatment.

The story of the Lions Clubs involvement begins with the Christian Medical Society's program to put volunteer U.S. medical personnel into South and Central America. Dr. Harold Panuska, a member of the Orono Lions Club and Dr. Don Watson, a member of the St. Louis Park Lions Club have both donated their time to provide dental care to the people of La Ceiba, Honduras, for the past several years.

Working in the La Ceiba Hospital, Dr. Watson, who uses a prosthetic appliance himself, was made aware of the plight of Victorino Maldonado, who had been injured in a railroad accident. The youngster had all of the motivation and spunk in the world and was eager to move around on a plaster cast with broomsticks attached. Other American medical personnel indicated that with corrective surgery, modern prosthetic appliances and rehabilitation, Victorino could serve a useful and productive life.

Doctors Panuska and Watson were determined to bring Victorino to the United States. On their return they sought a way to provide the rehabilitation. The Women's Auxiliary of Fairview Hospital in Edina graciously agreed to underwrite the total cost of rehabilitation which is estimated by the administrators of Fairview to cost about $3,500. The Fairview Hospital Women's Auxiliary is headed by its president, Mrs. Byron Roberts. The agreement by the Lions Clubs of Orono and St. Louis Park to provide the transportation costs was quickly received. Arrangements were made with the State Department, the boy's family and his doctor to obtain the necessary clearance, permission, and treatment for travel.

On Friday, May 31, Victorino Maldonado arrives at the Minneapolis-St. Paul International Airport. He will be greeted by his friends Dr. Watson, Dr. Panuska, Cliff Andreasen, president of the St. Louis Park Lions Club, Edward Younger, president of the Orono Lions Club, Vern Harjes, coordinator of this whole project from the St. Louis Park Lions Club and representatives of the Fairview Southdale Hospital and its auxiliary. It will be an exciting day for Victorino, and it will be a proud and happy day for his American friends.

All of the people who are participating in this humanitarian effort have succeeded in creating a very personal dimension to their desire to help people like Victorino who has the motivation and the spirit and only needs a little assistance so he can help himself. Congratulations to the Lions Clubs, to Doctors Watson and Panuska and to the Auxiliary of Fairview Southdale Hospital.

STATE MARITIME ACADEMIES OMITTED FROM BOLLING RESOLUTION

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. BIAGGI. Mr. Speaker, I have noted a serious oversight in the resolution—House Resolution 988—introduced by the gentleman from Missouri (Mr. BOLLING) providing for reform of the committee structure of the House. While it is uncertain what final resolution might emerge in this Congress or a subsequent Congress, I want the record to show that the State maritime academies were omitted from the resolution and should be included.

Therefore, I am including at this point in the RECORD, a copy of my letter to the gentlewoman from Washington (Mrs. HANSEN) suggesting a change in the language of the current resolution and any other resolution to include State maritime academies in the jurisdiction of some committee.

The letter follows:

WASHINGTON, D.C., *May 29, 1974.*

Hon. JULIA BUTLER HANSEN,
Chairman, Committee on Organization Study and Review, Washington, D.C.

DEAR MADAM CHAIRMAN: As your Committee culls over the many arguments pro and con regarding the Bolling Committee Report and House Resolution 988, I would like to bring to your attention one specific, detailed matter that I am concerned with.

The above resolution on page 15, delineates the jurisdiction of the Committee on Merchant Marine and Fisheries. It fails to mention in that delineation anything about the state maritime academies, which are currently under the jurisdiction of that committee. While it is implied that such coverage is there in the language of the report, it appears that it was an oversight not to include it in the language of the resolution. Therefore, I would propose the following amendment:

On page 16, line 1, add a comma after Coast Guard and

On page 16, line 1, subsection (6) should be changed to read (new material in italic):

"(6) The United States Coast Guard, Merchant Marine and State Maritime Academies."

While I realize the final language of your recommendations may not parallel the above, I am anxious to have on record the fact that the state maritime academies were omitted, probably by oversight, and should be included somewhere in the language of any final resolution.

I appreciate your consideration of this point and would be glad to provide any additional information your Committee might require.

Sincerely,

MARIO BIAGGI,
Member of Congress.

THE DANIEL BOONE NATIONAL FOUNDATION: PRESERVING THE MEANING OF AMERICA'S PIONEER HERITAGE

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. YATRON. Mr. Speaker, whenever a civic organization has made invaluable contributions to the well-being and the enrichment of life for the community and the Nation, it is fitting that we pay tribute to the organization's unselfish and humanitarian efforts. This is an apt description of the contributions made to the preservation of America's pioneer heritage by the Daniel Boone National Foundation, Berks County, Pa.

I am privileged to represent Berks County in the Congress and I am particularly honored to bring to the attention of my congressional colleagues the outstanding work and achievements of this group of dedicated persons.

The primary thrust of the Daniel Boone Foundation's meaning is aimed at historic preservation, through which we are able to gain greater insight into our American history and heritage.

To name only a few of the accomplishments of this outstanding group of Americans who provide the direction for the foundation, we must consider the building of a national headquarters, a Daniel Boone and early pioneer museum, a student history research center, and a pioneer hall of fame. Quite an impressive record of achievement. Furthermore, the foundation continues to conduct research into the exemplary life of this hero in American history, as well as other pioneers who forged this great Nation.

Daniel Boone was born in Berks County, Pa. Young people have long revered him as an American hero worthy of emulation. And, our Nation owes a great deal to the courage and spirit of national figures such as Daniel Boone. Surely, it is therefore noteworthy that Berks County is fortunate to enjoy the dedicated historical efforts of the Daniel Boone National Foundation.

I have always felt that pioneer history is one of the most interesting and exciting facets of our Nation's growth and heritage. At a time when Americans are looking more and more to the past, for reminders of our history; at a time when we place increasing value on individualism; and when we look to the past for guidance in the future, it is appropriate that we commend the work of the Daniel Boone National Foundation.

I am privileged to list below the names of the directors of the foundation and the membership roster. I know that the Congress of the United States joins with me in conveying our appreciation and our commendation of the outstanding cultural, historical and educational efforts of this unique and outstanding organization.

The list follows:

DIRECTORS AND MEMBERSHIP OF THE DANIEL BOONE NATIONAL FOUNDATION

Mr. Elwood R. Angstadt, Founder.
Dr. Sidney B. Willar.*
Dr. R. Calvin Adams.*
Mr. Raymond S. Elliott.*
The Reverend Kenneth T. Cosbey.
Mr. Elmer N. Schlegel.*
The late Mr. Andrew Wentzler.
Mr. Kenneth A. Sutton.
Dr. E. Clark Kerr.
Hon. Frederick Edenharter.*
Mr. Albert V. Schulze.
Dr. Jack Wennersten.
Dr. Jack E. Dailey.*
Mr. Frank J. Brandt.*
Rear Admiral D. S. Fahrney, USN (Ret).*
Atty. Henry C. Markofski.*
Lt. Col. Oscar H. Stroh.*
Dr. Roger G. Lowney.
Mr. Richard Bucheimer.
Mr. William R. Soukup.
Mr. David A. Horn.

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*Original Board of Founders.

BAN THE HANDGUN—XLVIX

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. BINGHAM. Mr. Speaker, a 6-year-old child had his life snuffed out the other night when the .357-magnum pistol his 8-year-old playmate had found went off. While the newspaper account of the incident is indeed tragic, it fails to reveal the true scope of that tragedy. Two lives, not one, were destroyed that night; one by a bullet, the other by the memory of what he had done.

The attached article from the May 28 edition of the New York Times presents a most compelling argument to end the proliferation of handguns—the safety of our children. I commend this message to those of my colleagues and other readers of the RECORD who are not convinced of the need to join the movement to enact comprehensive national gun control legislation:

BOY, 6, DIES AS GUN FOUND BY PLAYMATE GOES OFF BY MISTAKE

A 6-year-old Queens boy was accidentally shot to death last night when a revolver found by an 8-year-old playmate went off while he was showing it to his friend.

The dead boy was identified by the police as Jonathan Johnson of 218–02 137th Avenue, Jamaica, who was visiting his friend's house a block away, at No. 217–13, when the shooting occurred about 9:40 P.M.

The police refused to disclose the name of the 8-year-old, who was charged with juvenile-delinquency homicide.

According to the police, the older boy had found a .357-magnum Ruger Speed-Six revolver in his home and was showing it off in a second-floor bedroom when it discharged, striking the Johnson boy, who was killed instantly.

The police said the 8-year-old became so frightened that he ran out of the house, but returned home about 10:30 P.M.

The police later arrested a 23-year-old resident of the house where the 8-year-old lives. The police said the man, identified as Glen Hardwicke, would be charged with criminal possession of a loaded weapon.

GUAM STATION "KUAM" 20 YEARS OLD

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. WON PAT. Mr. Speaker, the 20th birthday of a radio station is usually not an event to stir memories. Most radio stations in America have been broadcasting for much more than 20 years. In Guam, however, where isolation was the rule, and where such modern amenities as a radio station came rather late in our lives, we are most happy to note that Guam's first radio station, KUAM, became 20 years old on March 14.

Station KUAM, owned by the Pacifici Broadcasting Co., has made major contributions to the territory. Thanks to the diligent efforts of its owners and staff, Guam was able to enjoy the latest music and news, along with locally produced programs.

Although initially there were many obstacles to overcome, including a lack of parts, unstable supply of electricity, and a continuing shortage of skilled personnel to operate the station, KUAM has nevertheless expanded its operations to include an FM station and Guam's first television statio, KUAM–TV.

KUAM has been a welcome addition to the Guam community, and in commemoration of its 20th anniversary, the 12th Guam Legislature recently enacted a resolution wishing the station continued success. I wholeheartedly join with the legislature in wishing the station every good fortune. I additionally thank the managerial staff of KUAM for the many hours of pleasant listening they have given myself and my family through the years.

At this time, I would like to include in the RECORD the text of the legislature's resolution:

RESOLUTION No. 218

(Relative to congratulating KUAM on its 20th anniversary and extending best wishes for continued success)

Be it resolved by the Legislature of the Territory of Guam:

Whereas, KUAM is celebrating its 20th Anniversary on March 14, 1974; and

Whereas, over the years KUAM Radio expanded to include KUAM–TV, KUAM–FM and WSZE–TV in Saipan, this clearly indicating the dynamic leadership of the Pacific Broadcasting Corporation; and

Whereas, the freedom of speech and the transmission of ideas is a vital and necessary cornerstone of the democratic process and of our democratic way of life; now therefore be it

Resolved, that the Twelfth Guam Legislature does hereby extend a warm and happy 20th Anniversary to KUAM and to further extend best wishes for continued success; and be it further

Resolved, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the President of KUAM, and to the Governor of Guam.

Duly and regularly adopted on the 14th day of March, 1974.

F. T. RAMIREZ,
Speaker.
G. M. BAMBA,
Legislative Secretary.

NIXON NEARS DECISION ON PROPOSALS FOR SALT TALKS

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. RONCALLO of New York. Mr. Speaker, I share the following article by Clarence A. Robinson which appears in this week's Aviation Week & Space Technology regarding President Nixon's upcoming decision on key trade points of the SALT talks.

The article follows:

SALT EXTENSION TRADES PONDERED—NIXON NEAR DECISION ON PROPOSALS FOR TRADE-OFFS THAT WOULD GIVE SOVIETS CONCESSIONS ON MIRV'S, NUCLEAR WARHEAD TESTING

(By Clarence A. Robinson, Jr.)

WASHINGTON.—President Nixon is nearing a decision on proposals by senior advisors to trade key points on nuclear armaments testing and missile warhead developments to the Soviets for a two-year extension of the present interim strategic arms limitation agreement (SALT–1).

The proposals would tie limits on multiple independently targetable reentry vehicles (MIRVs) to total missile numbers, as the Soviets wish, rather than to the throw weight of the missiles, as the U.S. has proposed.

They also would establish as part of the SALT understandings limitations on warhead test explosions based on a concept called thresholding, or limiting warhead size by a measurement of the seismic shock created by underground nuclear testing.

This could limit the U.S. to testing warheads smaller than the size believed necessary to implement new strategic targeting doctrines.

The proposals, which Secretary of State Henry A. Kissinger is expected to carry to Moscow in advance of President Nixon's planned summit meeting there later this summer, are designed to break the present deadlock in the Geneva talks. The present SALT agreement expires in May, 1977, and under the proposal would be extended to May, 1979.

A U.S.-USSR bilateral agreement on thresholding would come at a time when U.S. representatives to the Conference of the Committee on Disarmament are meeting in Geneva seeking to conclude a comprehensive test-ban agreement among 26 nations. But these talks have centered on a threshold test ban that would permit nuclear tests underground up to a certain magnitude.

THROW WEIGHT LIMIT

A number of officials in various agencies believe a limit to the number of MIRVs that each side can have ought to be unacceptable to the U.S. if it is tied to launchers instead of missile throw weight. Kissinger attempted to gain Soviet agreement to a limit by throw weight when offering earlier to extend the interim agreement two years in a Moscow visit (AW&ST Apr. 15, p. 14).

With the current throw weight of the new missiles developed by the Soviets, they could put a large number of reentry vehicles atop a single booster and still have enough yield in each to counter the U.S. anti-ballistic missile defense—the Safeguard system deployed in the Grand Forks, N.D., Minuteman missile field, a Pentagon official explained.

He added that, in terms of counter force, the USSR would not achieve any significant increase because the ICBMs are already sufficiently large that accuracy development, while important, will not greatly enhance the ability to destroy the U.S. deterrent. "With or without any increased MIRVing, both sides already have a significant deterrent," he said.

ACCURACY IMPROVING

The Soviets will soon have enough guidance accuracy, as evidenced by their latest test of MIRVs in the Pacific, to provide a significant first-strike capability, one Defense Dept. expert said. He added that a limit to the number of launchers with MIRVs could be a key element and could serve to slow the Soviets down in their development effort.

Accuracy in targeting ICBMs is important to developing a first strike capability, the official added, and it is not taking the Soviets nearly as long to achieve it as many U.S. planners believed.

To achieve an 0.9 kill probability against a hardened 300-psi. concrete reinforced missile silo with an 0.25-mi. circular error probability would require a warhead with a yield of 1.5 megatons. At a closer distance, about one-eighth of a mile, an 0.9 kill probability can be attained with a warhead of only 200 kilotons, he added.

The USSR is believed by Defense officials to have a throw weight advantage now of 6.5 million lb. to the U.S.'s 3.8 million lb., including both ICBMs and submarine-launched ballistic missiles. The U.S. has offset this Soviet advantage by the bomber force of 240 Boeing B-52s and 66 General Dynamics FB-111s, with an estimated weapon delivery weight of about 16.7 million lb. including the Boeing short-range attack missile (SRAM).

Additions to the Soviet ICBM force since the interim offensive agreement—SSX-16 developed as a mobile land-based ICBM and SSX-17, SSX-18 and SSX-19—could more than triple the Soviet's potentially survivable throw weight after a U.S. second strike. The Soviets can also enlarge their submarine ballistic missile force by the addition of as many as 350 SS-N-8 missiles with a range greater than 4,000 naut. mi. They could have up to 25 Delta-class submarines with 12 missile tubes over the next four years.

Experts estimate that by 1977, with or without an extension to the interim agreement, the Soviets will have 2,359 launchers and about 200 strategic bomber and tanker aircraft.

The nuclear force mix could include:

Light ICBMs in the SS-11/SS-13 or MIRVed SSX-17/SSX-19—approximately 1,100.

Heavy ICBMS in fixed silos like the SS-9 or its replacement, a MIRVed SSX-18—about 300. The SSX-18 can carry a 50-megaton warhead, replacing the 25-megaton version on the SS-9.

Mobile ICBMs like the SSX-16 with a MIRVed capability—about 50.

Yankee class submarines with 560 SS-N-6 missiles on 35 boats plus 324 SS-N-8s on 27 Delta submarines.

A new version of the 1,300-mi. SS-N-6 is nearing operational readiness and will have several hundred miles greater range and probably advanced MIRVed warheads.

There also is evidence that the Soviets are developing a longer version of the Delta submarine with more than 12 tubes for missiles, a Defense Dept. official said.

The Soviets also have series production under way on the supersonic Backfire bomber and have begun testing a new anti-ballistic missile interceptor.

OFFSETTING ADVANTAGE

"In the post-SALT-1 strategic balance, the USSR holds significant quantitative advantages in the number and throw weight of its intercontinental missiles. Currently, this advantage is offset by our lead in numbers of missile warheads and heavy bombers.

"We also still have a significant qualitative lead in such fields as submarine technology, missile accuracy and MIRV's," a Defense official said.

"But the Soviets obviously are not content with their current quantitative advantages and have apparently decided to strive for at least comparable qualitative advantages as well. To the extent they succeed in this effort, they could, in the absence of successful negotiations or further development of our own strategic offensive programs, move closer to upsetting the strategic balance in the future," he added.

Defense Dept. officials describe thresholding as a method of permitting nuclear warhead testing underground while limiting the warhead yield to that which would create a disturbance that could be detected and classified by a seismic device. They describe the threshold test ban treaty as the least of a number of bad alternatives in this area.

In policing such an agreement, Defense Dept. officials would prefer to see a restriction imposed on the warhead yield that can be tested since it would be easier to enforce and easier for both the U.S. and USSR to deal with technically.

One way of policing a threshold agreement would be detectors using the Richter Scale to measure the intensity of seismic events. Some Pentagon officials said the limit under discussion in Geneva now is a reading of about 4.25 on the Richter Scale. Some disarmament and nuclear experts believe that a Richter Scale reading of approximately 6 relates to the detonation of a 50–100 kiloton nuclear warhead underground in a water saturated area. The U.S. detonated a 2-megaton device in testing a warhead for the McDonnell Douglas Spartan anti-ballistic missile on Amchitka and got a Richter Scale reading of about 6.

SEISMIC DETECTION RUDIMENTARY

"In order to contain radioactivity within a nation's boundaries, nuclear underground testing must be conducted below the water table level," an official said. The shock wave transmitted in a water saturated area is greater than in a dry area, he added. It is extremely difficult to determine a single seismic figure that has any meaning, he added, because seismic detection is a rudimentary science.

"There has not been much accomplished in the area of detecting underground nuclear explosions. It would be preferable to set a warhead kiloton limit since we wouldn't really know the warhead magnitude detectable with a seismic device until after we signed such an agreement," the official added.

Decoupling—detonation of a suspended warhead in a large underground cavern with baffling to muffle the shock—is also a method that could be used to test larger nuclear warheads while masking a true indication of their size on seismic measuring devices, another Pentagon official added.

"Certain areas on the earth are much less transmissable for shock waves. If that kind of a nuclear test ban makes any sense at all, it should be a part of SALT-2," he said.

The threshold approach was discussed by Defense Secretary James R. Schlesinger before the Senate Foreign Relations Committee (AW&ST Apr. 8, p. 21). He said, "I do not think that the arguments against a comprehensive treaty relate primarily to strategic forces. One has to get into the issue of to what degree the United States wishes to improve its tactical nuclear weapons. The constraint with regard to strategic weaponry would probably be beneficial to both sides."

"Since most strategic weapons tests are high-yield tests, they would be halted under a threshold ban; however, the low-yield tests, for the refinement of tactical weapons—testing to create a new family of mini-nukes—could go on," Sen. Edward M. Kennedy (D.-Mass.) said.

"That rationale represents a step backward," he added, "from the commitment this nation made—both in the nonproliferation treaty and in the partial test ban treaty concluded by President Kennedy in 1963—a commitment to seek a halt to all nuclear tests."

If a seismic device is used to measure testing under a threshold agreement, it is likely the Soviets would press for a reading on the Richter Scale of about 3 or below, while the U.S. would want about 5. The Soviets' position, if upheld in an agreement to extend the present interim pact, would likely be to preclude the U.S. from developing a new warhead proposed for the USAF/Boeing Minuteman 3 ICBM under the retargeting doctrine proposed by Schlesinger, a Pentagon official said.

The Pentagon has proposed to Congress developing the Mk. 20, a larger nuclear warhead to replace the Mk. 12/12A now in the 200-kiloton range. The new warhead would have the same number of MIRVs but an increased yield-to-weight capability (AW&ST Feb. 4, p. 14). The improvements to the Minuteman program would provide the capability to destroy Soviet ICBM silos.

ADVANTAGE TO SOVIETS

Because the U.S. historically has developed smaller, low-yield-type nuclear warheads and relied on accuracy and MIRVing, the Soviets could have a distinct advantage. The Russians have always worked toward larger, higher-yield warheads to overcome their lack of accuracy, one Pentagon official said.

He added there are over 50 seismic devices that could be used to measure underground nuclear tests, and that to avoid any confusions in an agreement, it is likely that the ban will be specified in terms of "numbers—warhead yield. That is one figure that both sides will have no trouble determining."

TRIBUTE TO THE LATE REPRESENTATIVE CARL DURHAM OF NORTH CAROLINA

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. ROONEY of New York. Mr. Speaker, it was with a deep sense of personal loss that I learned of the recent passing of my good friend and former colleague from North Carolina, Representative Carl Durham.

In his 22 years here in the House of Representatives Carl established a record of unswerving devotion to his district, his State and his country that has rarely, if ever, been matched. He was one of the kind of men that America seems to produce at just the right time in history.

Carl was elected to the Congress for the first time in 1939, after being selected by his district Democratic congressional committee to take the place of the regular party nominee who had died just 12 days before the election. He won that election and 10 more like it until he retired in 1961.

Mr. Speaker, during the more than two decades that Carl served in this august body he became one of the most influential men in the United States in the field of atomic energy. During this period he twice chaired the Joint Committee on Atomic Energy and was a fearless fighter for the cause of civilian control over the development of all forms of atomic energy.

Mr. Speaker, Mrs. Rooney joins me in expressing our deepest sympathy to Mrs. Louise Jefferson Durham and the Durham family during this hour of their great loss.

DUKE ELLINGTON

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. RANGEL. Mr. Speaker, Duke Ellington, who died last Friday made a contribution to American musical history which will not perhaps be fully appreciated in our lifetime. Some have called him the greatest composer that America has ever produced, and those of us who had the opportunity to know him have no doubt that the Duke will achieve a lasting place in the musical history, not only of this country, but of the world.

It is with a great sense of loss, therefore, that we said goodbye to him on Monday morning at St. John the Divine Cathedral in New York. We are indeed fortunate that he has left behind the legacy of his great music to remind us of his personal majesty and the joy which knowing him brought to his friends.

I pay tribute to the Duke by inserting in the RECORD an editorial which appeared in the Sunday, May 26, 1974, edition of the Washington Post and an article by Albert Murray which appeared in the Washington Post on Saturday, May 25, 1974, describing Duke Ellington's impact on American music.

The articles follow:

DUKE ELLINGTON

When we think of jazz, a truly indigenous American art form, it is impossible to do so without pondering the impact of Edward Kennedy (Duke) Ellington, who died Friday morning at the age of 75. He was, of course, much more than a jazz composer and performer. He wrote for the symphony and he wrote sacred compositions, all in addition to nearly 900 jazz compositions.

More than two generations of Americans were raised to the gentle strains of "Satin Doll," "Don't Get Around Much Anymore," "Do Nothing Till You Hear From Me" and on and on. He gave much to his countrymen and to the world that will last and give meaning to his memory wherever fine music is appreciated.

Here in Washington, the town in which he was born on April 29, 1899, he taught himself to play the piano at a very young age, although he later had formal training. He wrote his first composition, "Soda Fountain Rag," at the age of 14 while working behind a fountain here. It was on that same job that he received the nickname that would be far better known than his real one. He carried himself so erectly in his uniform that he became known as "the Duke" and it stuck for six decades.

He went on from here to New York, the famed Cotton Club in Harlem and the band that became the international rage of the 1920s. By 1943, he was introducing his "Black, Brown and Beige Suite" to Carnegie Hall audiences and guaranteeing his place in music immortality.

"When people ask me," he once said, "I have to tell them I do for a living what they do for recreation. Music is me, is my one real joy; that's my life." That was the special joy and pleasure he took from his life's work. He lived elegantly out of the very core of his person and his style. There was no other Ellington. He came back to his home town on his 70th birthday to play at the White House to receive the Medal of Freedom, the highest award this nation can bestow upon a civilian. It was only one of hundreds of great honors he received from around the world. One important prize eluded him, and his reaction was characteristically "Ellington." When the Pulitzer Prize Committee decided in 1965 not to grant its award to the Duke, he said: "Fate's being kind to me. Fate doesn't want me to be too famous too young."

That was the Duke. A man of enormous talent, great intellect, wit and grace. His personage will be missed by all who love music and admire greatness, but he has left us an inestimable treasure—a gift to dance to, a gift to sway a mood or heighten one, a gift of love and energy that will endure for a very, very long time.

DUKE AND HIS MUSIC

(By Albert Murray)

I don't think anybody has achieved a higher aesthetic synthesis of the American experience than Duke Ellington expressed in his music. Anybody who achieved a literary equivalent of that would be beyond Melville, Henry James and Faulkner.

Duke Ellington, the most masterful of all blues idiom arranger-composers, was the embodiment of the contemporary artist at work. The Ellington orchestra was frequently booked for recitals in the great concert halls of the world, much the same as if it were a 15-piece innovation of the symphony orchestra, which in a sense it is.

Nevertheless, by original design and by typical employment as well, Ellington was still an itinerant song and dance man. Moreover, his repertory clearly reflects the fact that, over the years, most of his performances have been in night clubs, theaters, dance halls, and at popular music festivals.

Show business motivation underlies Ellington's construction of numbers for the special solo talents of, say, Cootie Williams, Johnny Hodges, and Ben Webster, no more and no less than it underlies Shakespeare's composition of soliloquies for the actor Burbage.

This similarity is perhaps at least as important to the understanding of Ellington's aesthetics as are existing psycho-political theories about black experience, by which is usually meant black misery.

But what is perhaps even more significant is that the arranger-composer's sense of structure and movement is in large measure derived from the small informal combo and the jam sessions which proceed in terms of a tradition of improvisation which is fundamentally the same as that which Elizabethans inherited from the Comedia Dell 'arte. And when as often happened, the arranger-composer works from existing tunes, as the typical Elizabethan playmaker often employed existing story lines, improvisation becomes in actuality the same process of stylization in terms of which Malraux defines all art.

When Ellington creates blues-extension concertos, in which the solo instrument states, asserts, alleges, quests, requests, or only implies, while the trumpets in the background sometimes concur, as the woodwinds moan or groan in the agony and ecstasy of sensual ambivalence and the trombones chant concurrence or signify misgivings and even suspicions, with the rhythm section attesting and affirming, he is quite obviously engaged in a process of transforming the raw experience of American Negroes into what Malraux calls style.

He is also stylizing his sense of the actual texture of all human existence, not only in the United States or even the contemporary world at large, but also in all places throughout the ages.

Such is the nature as well as the scope, authority and implication of art, and it should be just as obvious that Ellington, who is not only a genius but who after all is no less dedicated to music (and no less accomplished at it) than a Herman Melville or Mark Twain or even a Henry James was to fiction, is likewise no less involved with what T. S. Eliot referred to as the objective correlative or the objective equivalent to feeling.

Also obvious is that he is concerned, as Suzanne K. Langer's "Problems of Art" points out, that all artists are concerned with the life of human feeling which is to say how it feels to be human beyond everything else.

But what should be, if anything, most immediately obvious, was that for Duke Ellington himself, and that for members of his orchestra, textures of human feeling exist in terms of arrangements and compositions which were always related to other arrangements and compositions.

Accordingly, the performance of an Ellington composition was not nearly so dependent upon the personal feelings of his musicians as upon their attitude toward music and the styles of other musicians. The performer's personal feelings did count for something, of course, but only insofar as he could relate them to his musical imagination and his musical technique.

WOMEN IN SPORTS, PART II

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. FRASER. Mr. Speaker, in the RECORD of May 22 the first of a Washington Post series on women in sports was reprinted. Today we submit the second article. It deals with the conflict over what equal opportunity means when it comes to physical education, the so-called title IX controversy:

[From the Washington Post, May 13, 1974]

TWO SCHOOLS OF THOUGHT ON TITLE 9

(By Nancy Scannell and Bart Barnes)

"We want a University the football team can be proud of."—Dr. George L. Cross, former president of the University of Oklahoma.

COLUMBUS, OHIO—Ohio State University's mammoth football stadium, evocative of Rome's Colosseum, dominates the campus in concrete expression of a culture that values few things more highly than athletic excellence.

Columbus restaurants serve cocktail napkins bearing sketches and schedules of Buckeye teams.

The corridors of St. John Arena, a giant field house, are lined with countless trophies, plaques, ribbons and pictures of athletes whose feats down the decades have made the school's name familiar to everyone with even a casual interest in sports.

The pictures on the napkins and the walls are all of men. The stadium and the field house were built for men. Two out of every five OSU underclassmen are women.

With an athletic budget this year of $6 million, Ohio State runs one of the largest athletic programs in the United States. Despite a budding interest in women's sports—women will receive athletic awards this year for the first time—sport at Ohio State is men's business.

This year the OSU women's sports program will get only $37,000. This is six 10ths of one per cent of the $6 million. Little as it is, OSU women athletes are rolling in money compared to five years ago, when their share was $3,000. Next year women's sports here will be budgeted at $85,000.

Phyllis J. Bailey, the director of women's athletics at Ohio State and a veteran of 18 years in the school's athletic department, has seen far-reaching changes in her time. Her athletes still face a score of vexing problems, however, and Bailey still is pressing.

But she's also realistic enough to recognize that under the current setup—in which the moneymaking sports pay for all the others—virtually everything she does get will come from the men's football program.

In a very real sense women's athletics—indeed all athletics at Ohio State—is beholden to football, which in Bailey's view "has gone beyond Ohio State." It has gone beyond Ohio State in the sense that football controls Ohio State's athletic program, instead of the reverse, Bailey said. And it has gone beyond Ohio State in the sense that in the absence of nationwide reform, Ohio State as a single institution is powerless to do anything about it.

So vital is the football program to Ohio State athletics that the entire women's athletic program for next year could be paid for out of the $86,000 Ohio State gets for football radio rights and there would be $1,000 change.

"I'm not fool enough to believe I'll ever see the day when women draw 86,000 at Ohio Stadium to watch a football game," Bailey said. "I don't want a women's football team. But it seems fair to me to request the same facilities, scheduling and coaching for the women's tennis team as the men's tennis team has."

According to figures supplied by athletic director J. Edward Weaver, more than half of the entire $6,046,000 sports budget comes from football gate receipts of $3,080,000. In addition, Ohio State's share of Big 10 football television revenue is $151,000.

The next highest gate is basketball, which nets Ohio State $124,000. Television income for basketball is $50,000, less than a third of football's. From radio broadcasts of its basketball games, Ohio State gets $4,000—one 20th of what it gets for football broadcasts.

From the other 16 men's varsity sports the total income is $35,000, $25,000 of it from ice hockey.

Weaver expects to net a $682,000 profit on his athletic programs this year, which he says will be invested in facilities to be shared equally by the men and women.

To support this effort, Ohio State recruits and maintains 207 athletes on scholarships worth a total of $454,000. They range from 103 football scholarships valued at $256,000 down to one each for volleyball and fencing.

Women, who constitute 39 per cent of the 36,271 undergraduates at Ohio State, received no athletic scholarships although roughly 200 compete in varsity sports. This was the first year women were eligible for athletic scholarships under intercollegiate rules.

Nevertheless, compared to other large universities, the women's athletic program at Ohio State has made real progress.

Officials appear confident they can comply with Title 9 of the 1972 federal aid to education amendments, which bars discrimination on the basis of sex in college athletic programs.

"There isn't a single reason for Title 9 to scare me," said athletic director Weaver. "There isn't a single thing about it that we can't accomplish and that we haven't been trying to accomplish . . . anybody who tries to fight this thing is going against the grain of society."

Bailey does not entirely share Weaver's attitude. There is much at Ohio State, she says, that needs correcting.

For one thing, the woman's swimming team only gets use of the pool between 6:30 and 9 a.m. and again at dinnertime.

"There has to be some sort of reassignment of locker rooms," Bailey said.

"The women's track team works out in St. John Arena. Now if a gal has a pulled muscle she's supposed to apply heat on it. She has to do this in the dormitory and then run eight blocks back to the arena and she gets cold and sweaty. Then she has to run back to the dorm because there are no locker rooms for women in the arena."

While officials at Ohio State appear confident they can deal with the new federal requirements, some others are not so sure.

Many institutions, still smarting from what they feel were unevenly enforced laws requiring equality for women in faculty hiring and promotions, fear unequal applications of Title 9.

Penn State University has one of the more ambitious sports programs for women. It has a more liberal philosophy than most schools towards women's sports, perhaps due to an extensive program of research into the sociological, psychological and physiological aspects of sports for women and men.

But Robert J. Scannell, dean of Penn State's College of Health, Physical Education and Recreation, said he's worried about what may lie ahead.

"I'm scared to death of Title 9. I'm scared in terms of the type of things I can see . . . Now you get some of your hard-driving investigators in here and they come in after a day of looking at the budgets and our athletic program because some gal has brought a complaint—and that's all you need to start an investigation—they're in here pounding on the desk as they're prone to do.

"The emergence of women's sports in terms of the economy couldn't have come at a worse time. The absolute worst time."

Scannell (no relation to the reporter) says candidly that his sports program is big business, dependent entirely on the success of the football team.

"The only sport that makes what it spends is football. Everything else is carried at a loss," he said.

Penn State cleared $373,000 in television revenues for its sports contests this year, most of it from football.

"The only thing that we're able to sell right now is football and basketball," Scannell said. "Everything else that's carried on national television is carried at a loss on the football package. When they force ABC–TV to carry national wrestling championships, that is done by negotiating down the cost of the package, not up."

Scannell, who oversees a $3.6 million athletic program (14 men's sports, 11 women's) that includes $40,000 for women's athletics, expects to operate at a profit this year.

But it was television revenue and a trip to the Orange Bowl that kept Scannell's program in the black. He expects the university to get $580,000 for its trip to the Orange Bowl last Jan. 1 (less expenses of $300,000).

Any application of Title 9 that would force a cutback in the football program would be met with strong resistance by Scannell. And he doubts it will ever happen.

"I foresee the law that makes us do that as killing the goose that laid the golden egg. The football budget is very carefully played, like a violin. It's like having a factory where you have seven product lines, six of which you're carrying because they're good for society and one of which makes money.

"So you look at it in terms of running that one line to produce the six public service lines. If you cut back on that, you cut back on the ability to put out the other six lines."

Despite Scannell's hope that no one would apply the Title 9 regulations in such a way as to disrupt the football program others think that may happen.

"This is going to shake up the big schools . . . it may level off the men's programs," said Ross Merrick of the American Associaton of Health, Physical Education and Recreation, an affiliate of the National Education Association.

"Those schools that are professional in the entertainment business are going to be hit harder than the smaller schools," said Merrick, who endorses Title 9.

"If the Big 10 schools are going to continue the way they are, they are going to have to scale down the boys' program. The girls will have to get a slice of the pie."

The possibilities raised by Merrick are the fears behind a highly organized campaign against the Title 9 proposed guidelines.

Leading the attack is the National Collegiate Athletic Association, the governing body for intercollegiate athletics for 775 colleges, or virtually all institutions with any varsity athletic programs.

NCAA member institutions have an estimated 172,000 men and 31,000 women competing in intercollegiate athletics. Its clout comes from its ability to set rules for recruiting and awarding of scholarships and standards of eligibility. It can pretty much say who can play and who can't. It can punish violators by suspending them from competition, in the case of a Penn State or Ohio State a mortal blow to an institutions's athletic program.

It is from large universities such as these, the smaller colleges and from a cut of the television income that NCAA gets its annual operating budget of about $1.6 million.

The Association for Intercollegiate Athletics for Women operates on a budget of about $37,500 in dues from its 503 members.

Because it owes its very existence to preservation of the status quo in intercollegiate athletics, NCAA feels it has much at stake in the outcome of Title 9.

In a memorandum to its member institutions, the NCAA charged that the proposed guidelines, if enacted as now written, would be "frequently disruptive, often destructive and surely counterproductive." It urged the members to protest to HEW.

John Winkin of Maine's Colby College, the president of the 1,100-member National Association of Collegiate Directors of Athletics, asked all members to write their congressmen requesting that athletics be exempted from Title 9 provisions.

Winkin also wrote President Nixon urging him, as a sports fan, "not to let your administration wreck intercollegiate athletics."

Tom Hanson, an NCAA spokesman, argues that Congress never intended for Title 9 to apply to athletics.

Furthermore, Hanson said, the law "only says you can't discriminate. It doesn't say equal opportunity shall be provided."

Gwen Gregory, the HEW lawyer in charge of drafting the guidelines, says Hanson's interpretation of the law is wrong. The guidelines will require equal opportunity for women, she said.

The NCAA, Gregory said, is "determined to sabotage Title 9 . . . they're throwing in red herrings, asking us to be arbitrary."

While the proposed regulation will not require dollar-for-dollar spending for men's and women's programs, Gregory said, the women's programs—in most cases—will have to be upgraded. This generally will mean more money.

"The primary issues that the NCAA seems to be concerned about are not resolved at this point—one of them being the revenue-producing sports such as football," she said. "We do understand that at many schools, football and sometimes basketball supports the entire athletic program.

"The unfortunate thing, though, is that in many cases (they) support only the men's athletic programs. It may very well be that we'll come up with—and we are trying to—a manner in which these revenue-producing sports can use the revenue to the extent that they need it. But the remainder would have to be nondiscriminatorily used."

Other requirements of the guidelines as they now stand, Gregory said, include coed physical education classes and allowing girls to try out for boys' teams if there is no girls' team for a comparable sport and no possibility of forming one because of a lack of interest.

(Girls' field hockey or lacrosse, for example, might be considered a comparable sport to boys' football, thus precluding the girl from trying out for the football team. But a girl who wants to play baseball or softball where there is no girls' team and one can't be formed, may try out for the boys' softball or baseball team.)

Lee Morrison, president-elect of the Association for Intercollegiate Athletics for Women, the women's counterpart in NCAA, says the proposed regulations may prod universities into taking a closer look at the whole of men's sports.

"What I would like to come out of all of this is to retract the men's program to some extent," said Morrison, who also is women's athletic director at Madison College in Harrisonburg, Va. "Everything you read says this whole athletic picture has gotten out of hand."

"I would hope that they'll get back to giving both the men and the women an opportunity to play."

Morrison said she also believes other reforms are needed. "There's an awful lot of discrimination going on between what they call the major and minor sports and that's not against the law.

"If you can get behind the scenes on any major university campus and talk with the cross-country guys who eat at McDonald's and scrounge for what they have, there's a tremendous amount of discrimination there. And this is one of our weaknesses. If they cut out those programs (to divert money elsewhere), then they're going to blame it on us (women). That disturbs me."

ARMENIAN INDEPENDENCE DAY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. BIAGGI. Mr. Speaker, yesterday, we marked the anniversary of an important day in the annals of world history, Armenian Independence Day. While it is true that we are celebrating the 56th anniversary of this day, the tragic fact is that the people of Armenia have only enjoyed freedom for 2 years.

The courageous people of Armenia have spent far longer than 56 years searching for true liberty. Their struggle has ensued through centuries of persecution and ruthless domination. Yet throughout these long years, the freedom-loving spirit of the Armenian people has remained undaunted, and today they continue their struggle for freedom.

Armenia's history has been a tumultuous one, filled with the horrors of persecution and conspicuously void of lasting freedom. Just last month, I joined many of my colleagues as well as millions of Armenian-Americans in commemorating the Turkish massacre of the Armenian people in 1915. This deplorable event was responsible for the killing of over 1 million Armenian citizens and represented the first recorded instance of genocide in modern history.

As we take the time to celebrate Armenian Independence Day, we as the greatest freedom loving people in the world should strengthen our bonds with all those who similarly enjoy freedom. At the same time, we must renew our commitment to all those people who continue to struggle under the bonds of oppression.

The Armenian-American citizens of this Nation have contributed much to this Nation of ours, and for that we are grateful. It is now our hope that freedom may yet return to Armenia so that next May 28 we can truly celebrate Armenian Independence Day.

PASSING OF A GREAT GUAM PATRIOT, FRANCISCO BAZA LEON GUERRERO

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. WON PAT. Mr. Speaker, Guam suffered a great loss on March 8, 1974, when one of its distinguished sons, Francisco Baza Leon Guerrero—Kiko Zuilo—passed away.

During most of his adult lifetime, Mr. Leon Guerrero unselfishly dedicated his many abilities and talents to serving his friends, family, and the community. His contributions are many, including service with the U.S. Department of Agriculture Extension Service, member of the early Guam Congress, and in the 1st and 3d Guam Legislature, the latter of which he was chosen by his colleagues as their Speaker.

Perhaps his most notable contribution, however, came in 1950 when Mr. Guerrero traveled to Washington and, as one of a two-man team, worked successfully to persuade Congress to grant our territory an Organic Act which included the right to establish our own local government and the bestowal of American citizenship upon the indigenous population.

As one who was honored to serve with Mr. Leon Guerrero in the Guam Legislature and as one of the two men who came to Washington in 1950 to help in the passage of the Organic Act, I can proudly say that he was truly one of Guam's great patriots. I am proud to have had the opportunity to serve with this gentleman, and I share in the grief of his family and friends over his passing. Mr. Guerrero's life, however, will serve as an inspiration of public service to future generations.

It is appropriate that the legislative body he helped create has enacted a resolution expressing its sorrow at the passing of Mr. Guerrero. In the thought that my colleagues and friends might be interested in the career of this Guamanian gentleman, I ask that the text of the resolution now be included in the RECORD at this time:

RESOLUTION

Relative to expressing to the family of the late Francisco Baza Leon Guerrero the condolences of the people of the territory of Guam upon the death of the said Francisco Baza Leon Guerrero

Be it resolved by the Legislature of the Territory of Guam:

Whereas, on March 8, 1974, Francisco Baza Leon Guerrero passed away; and

Whereas, Mr. Leon Guerrero was a deeply respected member of the community of Guam and will be sorely missed by all; and

Whereas, Mr. Leon Guerrero, often referred to as "Mr. Organic Act" was an outstanding individual who was a pioneer statesman contributing greatly to the contents of the Organic Act, which was eventually passed by Congress in 1950; and

Whereas, Mr. Leon Guerrero was elected a member of the First Guam Legislature and the Third Legislature, being selected to be Speaker of the Third Guam Legislature by colleagues, and prior to that time, he was a continuous member of the Guam Congress as that body existed prior to the enactment of the Organic Act; and

Whereas, Mr. Leon Guerrero, a practicing attorney and a member of the Guam Bar Association and the Federal Bar Association, found time to contribute to various civic associations, among them the Young Men's League of Guam, the Holy Name Society, and the Boys and Girls Scout Council; and

Whereas, Mr. Leon Guerrero, a strong advocate of individual rights, protested strongly against any arbitrary action by the government which tended to diminish individual rights or tended to place the rights of the government on a higher priority than the rights of the individual; and

Whereas, Mr. Leon Guerrero, a gentleman in the true sense of the word, placed the welfare of the people of Guam above all else and set an example which we should all attempt to live by; now therefore be it

Resolved, that the Twelfth Guam Legislature does hereby on behalf of the people of Guam express to the family of the late Francisco Baza Leon Guerrero its deep condolences and warm sympathy; and be it futher

Resolved, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to Mr. Pedro B. Leon Guerrero, to Mrs. Emeteria L. G. Camacho and to the Governor of Guam.

MEMORIAL DAY IN SHARPSBURG

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. BYRON. Mr. Speaker, on May 27, I was honored to be among the guest speaker at the 107th annual Memorial Day commemoration at Sharpsburg. I would like to salute Antietam Post No. 236—the American Legion post that sponsored the day's events in honor of men who served and died in our country's wars.

A quote on the program cover, perhaps best sums up the patriotic purpose that was so eloquently observed by Post 236 on this occasion:

> Memorial Day is consecrated to the soldiers; it is dedicated to patriotism; around this sacred day cluster precious memories of our fallen brave. Over the silent chambers of our sleeping comrades we place our flag and flowers.

HOUSE OF REPRESENTATIVES—*Thursday, May 30, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Thus saith the Lord: "I am the Lord, thy God, fear not: for I am with thee."
—Isaiah 43: 3, 5.

O Thou Seeking Shepherd of our searching souls, and the Companion of our way through life, we thank Thee for the gift of another day and for the opportunities which are ours to serve Thee and our country within the hallowed Halls of our Nation's Capitol.

Grant that we, the Representatives of our people, may keep ourselves united in a common commitment to Thee and to the highest good of our beloved land. When the hours seem long, work wearisome, problems perplexing, and decisions difficult, sustain us by Thy presence and strengthen us with Thy spirit. Help us to live through these troubled times assured that Thou art with us always and all the way; through Jesus Christ, our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 2519. An act to amend the Securities Exchange Act of 1934 to facilitate the development of a national market system, to provide for regulation of securities information processors, to remove unnecessary burdens on competition, to strengthen and improve self-regulation and the Securities and Exchange Commission's oversight of the self-regulatory organizations, and for other purposes;

S. 2665. An act to provide for increased participation by the United States in the International Development Association; and

S. Con. Res. 37. Concurrent resolution on national American Indian policy.

The message also announced that the Senate disagrees to the amendments of the House to a bill of the Senate of the following title:

S. 628. An act to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married.

EMERGENCY FEDERAL SPENDING CUTBACK URGENTLY NEEDED

(Mr. RIEGLE asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. RIEGLE. Mr. Speaker, I take the floor today to call urgent attention to the mounting crisis within our economic system. The inflation rate is intolerable, and every American suffers from the lack of strong national policy dealing with our economic problems.

One urgent step needed now is an emergency cutback in Federal spending, something in the range of $10 to $15 billion at a minimum. There will be differences of opinion where the cutbacks should be applied, but the time for tough fiscal restraint is here.

With every family, business, and private institution forced to implement major cost reduction programs, the Federal Government must do likewise in a serious and responsible manner.

Smaller, leaner Federal Government will help America and substantially reduce the runaway inflationary pressure we are now experiencing.

I will have more to say on this matter in the days ahead.

REFERRAL OF HOUSE RESOLUTION 774 TO HOUSE CALENDAR

Mr. ASHLEY. Mr. Speaker, pursuant to clause 2, rule XIII, I request that House Resolution 774 which was reported adversely by the Committee on Banking and Currency on May 29, 1974, be referred to the calendar.

The SPEAKER. The resolution will be referred to the calendar.

COMMITTEE ON BANKING AND CURRENCY RECOMMENDS ADVERSE CONSIDERATION OF HOUSE RESOLUTION 774

(Mr. ASHLEY asked and was given permission to extend his remarks at this point in the Record.)

Mr. ASHLEY. Mr. Speaker, yesterday the Committee on Banking and Currency filed a report on House Resolution 774 with a recommendation that the resolution be considered adversely.

Under the rules of the House, an adverse recommendation by a committee on a bill or resolution must be laid on the table unless the committee reporting the bill at that time, or unless any Member within 3 days thereafter, shall request its referral to the calendar.

There is no desire on the part of any member of the Committee on Banking and Currency who voted in favor of the motion—which carried—to recommend this resolution adversely to preclude debate on this resolution and ultimately have the House work its will.

In order, therefore, for this to be accomplished, as I understand the rules of the House, this motion is being made at this time.

LET US RESTORE VETERANS DAY TO ITS TRADITIONAL AND PURPOSEFUL DATE

(Mr. SEBELIUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SEBELIUS. Mr. Speaker, according to my calendar, today is Memorial Day, although we no longer officially observe it as such. The same is true of Veterans Day. However, according to our major veteran's organizations, 41 States now observe Veterans Day on November 11. My colleagues may also have seen recent television coverage regarding the observance of Memorial Day today in several States as well.

The upshot of my remarks is that I think there is significant evidence that citizens throughout our country want very much to restore tradition and purpose to our way of life. I am aware some may think changing the date of a national holiday would be frivolous and would not represent an issue of real importance or significance. I would only point out that 41 States now observe Veterans Day on the date of the original armistice and this movement is growing.

Several weeks ago, I filed a discharge petition to bring up House Joint Resolution 126 for immediate consideration by this body. This joint resolution would reestablish November 11 of each year as Veterans Day. To date, some 44 Members have signed the discharge petition and this effort has now received the support of our major veterans organizations.

During this time of national unrest, I believe quite strongly that our people long for traditional American values and goals. As it stands now, we observe many of our national holidays as a matter of convenience. If all of our citizens would observe this day with the same emotion and feeling that is in the hearts of our World War I veterans, I feel this observance on November 11 could be very significant in our efforts to establish a permanent framework for peace and understanding.

I ask for the support of my colleagues in joining with me to restore Veterans Day to its original and proper date. As I have pointed out, some 41 States have already taken this action. I am not opposed to convenient holidays as such; however, I believe the time has come when we should put aside convenience in those special instances where rededication to a cause and national purpose is so important.

WORLD OWES HENRY KISSINGER TREMENDOUS DEBT OF GRATITUDE

(Mr. McCOLLISTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCOLLISTER. Mr. Speaker, the world owes Henry Kissinger a tremendous debt of gratitude for his personal role in the Syrian-Israel agreement. From total discord he has laid the groundwork for lasting peace.

Syria, among the Arab States, had represented the major stumbling block to Mideast accord. Through his numerous trips back and forth between Syria and Israel, Dr. Kissinger painstakingly worked out the details for disengagement and a new cease-fire. The 32 days of continuing talks indicate that every area of disagreement had a chance to be discussed and resolved.

This marks the first agreement between the two nations since 1948 when Israel was established, and signals the possibility of a new era of moderation in diplomatic relations instead of terrorism as a means of solving differences.

Both sides have had to compromise and Dr. Kissinger's genius lies in knowing where the points of give and take are and in being able to suggest more reasonable demands to the negotiators. Working in a somewhat precarious situation as domestic problems plagued the United States and its leaders, he used his personal prestige to guarantee American backing where it was needed to move the talks forward.

Dr. Kissinger has managed to come up with a settlement that meets the requirements of both sides and in so doing strengthens the earlier Egyptian agreement and provides further inhibition to renewed war.

In addition he has strengthened the U.S. position with both countries and has assured Israel of continued political, financial, and military support.

I am pleased to join my colleagues in expressing our appreciation to the Secretary of State for his outstanding efforts.

CALL OF THE HOUSE

Mr. WYDLER. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 254]

Andrews, N. Dak.
Aspin
Biaggi
Broyhill, N.C.
Burke, Calif.
Camp
Carey, N.Y.
Chisholm
Clark
Conyers
Davis, Ga.
de la Garza
Dellums
Devine
Diggs
Findley
Foley
Fuqua
Gibbons
Gilman
Goldwater
Gray
Hansen, Idaho
Hansen, Wash.
Hanna
Harsha
Hawkins
Hébert
Helstoski
Hinshaw
Holifield
Howard
Hutchinson
Jarman
Johnson, Colo.
Ketchum
Kuykendall
Kyros
Litton
McCloskey
McDade
McKinney
McSpadden
Macdonald
Martin, Nebr.
Mathias, Calif.
Mathis, Ga.
Metcalfe
Mills
Minshall, Ohio
Mitchell, Md.
Murphy, N.Y.
Nelsen
Pettis
Podell
Reid
Rooney, N.Y.
Rooney, Pa.
Ryan
Skubitz
Smith, Iowa
Steele
Steelman
Stubblefield
Stuckey
Teague
Thompson, N.J.
Udall
Vander Jagt
Veysey
Waggonner
Wilson, Charles, Tex.
Wyman
Young, Ga.

The SPEAKER. On this rollcall, 359 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO HAVE UNTIL MIDNIGHT, FRIDAY, MAY 31, 1974, TO FILE REPORTS ON H.R. 13296, H.R. 13595, AND H.R. 12427

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight tomorrow night, Friday, May 31, 1974, to file reports on H.R. 13296, to authorize appropriations for fiscal year 1975 for certain programs of the Maritime Administration; H.R. 13595, to authorize appropriations for the procurement on vessels, aircraft and installations for the Coast Guard for fiscal year 1975; and H.R. 12427, the mariner trade-in bill.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

PERMISSION FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO HAVE UNTIL MIDNIGHT, FRIDAY, MAY 31, 1974, TO FILE REPORT ON S. 2844, LAND AND WATER CONSERVATION FUND ACT AMENDMENTS

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs may have until midnight, Friday, May 31, 1974, to file a report on the Senate bill, S. 2844, to amend the Land and Water Conservation Fund Act, as amended, to provide for collection of special recreation use fees at additional campgrounds, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 10265, PROVIDING FOR AUDITS OF THE FEDERAL RESERVE BOARD

Mr. MURPHY of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 822 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 822

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10265) to provide for an audit by the General Accounting Office of the Federal Reserve Board, banks, and branches, to extend section 14(b) of the Federal Reserve Act, and to provide an additional $60,000,000 for the construction of Federal Reserve bank branch buildings. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Illinois (Mr. MURPHY) is recognized for 1 hour.

Mr. MURPHY of Illinois. Mr. Speaker, I yield the usual 30 minutes for the minority to the distinguished gentleman from California (Mr. DEL CLAWSON), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 822 provides for an open rule with 1 hour of general debate on H.R. 10265, a bill providing for an audit of the Federal Reserve Board by the General Accounting Office at least once every 3 fiscal years.

H.R. 10265 provides that the scope of the GAO audit would be all inclusive of the Federal Reserve System but that open market transactions and discount policies determined by the Federal Reserve Board to be of a sensitive nature would not be reviewed by the GAO until a year after their occurrence, the audit would not include examination reports of member banks of the Federal Reserve System or transactions conducted on behalf of foreign central banks.

H.R. 10265 also renews, until June 30, 1974, the past authority of the Federal Reserve banks to purchase directly from the Treasury public debt obligations up to a limit of $5 billion outstanding at any one time. This authority was first granted in 1942 but expired at the end of October 1973.

H.R. 10265 increases from $60 million to $140 million the amount of money that the Federal Reserve System may spend for the building of branch banks.

Mr. Speaker, I urge the adoption of House Resolution 822 in order that we may discuss and debate H.R. 10265.

Mr. DEL CLAWSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am opposed to this rule and this bill.

The primary purpose of this bill is to provide for auditing of the Federal Reserve System by the General Accounting Office. Such legislation would break with the sound tradition of insulating monetary policy from short-run political pressures. It is important to the economic welfare of the country that the Federal Reserve have sufficient independence in monetary policy to make decisions based on long-term economic considerations.

Mr. Speaker, the Chairman of the Federal Reserve, Arthur Burns is strongly opposed to this legislation. Let me quote to you from a letter which he sent to me on this subject recently:

> The position of the Federal Reserve continues to be one of unequivocal opposition to this legislation. We believe that a GAO audit oversight of the Board and the Federal Reserve Banks is unnecessary and duplicative of the efforts of our internal auditors and the outside accounting firms that we retain to monitor our practices and procedures. More important, we believe that program audits by the GAO run the risk of impairing the independence of decision-making with respect to the conduct of monetary policy. We are, and always have been, prepared to account fully to the Congress for

> our actions, in whatever manner and as frequently as the Congress may wish. The alternative of directing the Comptroller General to enlist the services of unnamed individuals—with or without preconceptions, with or without the necessary background, but clearly without the responsibility for making decision—to make pronouncements about policies that the responsible System officials have spent sleepless nights considering, would in my judgment be bad government.

Mr. Speaker, opposition to this legislation is bipartisan. Every living former Secretary of the Treasury, Democrat and Republican alike, signed a letter to the Speaker on October 18, 1973, opposing the bill as drafted. This letter was reprinted in the CONGRESSIONAL RECORD of October 18, 1973, on page 34706. Let me quote the opening two paragraphs of this letter:

> Dear Mr. Speaker: We are writing to express our deep concern about the provisions of H.R. 10265 relating to a GAO audit of the Federal Reserve System. If H.R. 10265 merely prescribed a financial audit, we would not be seriously troubled. But the bill reported to the House would go much further, authorizing GAO to evaluate monetary policymaking. It would encroach upon the independence of the monetary authorities, weakening the safeguards Congress has established to assure objective decisions in the critical area of money and credit policies.

This letter is signed by John W. Snyder, Robert B. Anderson, C. Douglas Dillon, Henry H. Fowler, Joseph W. Barr, David M. Kennedy, and John B. Connally. Mr. Speaker, the bill is also opposed by the man who was Secretary of the Treasury at the time the letter was written, George Shultz, and the man who is now Secretary of the Treasury, William Simon. These men are experienced in the intricacies of the economic system. Democrats and Republicans alike, they oppose the bill.

Mr. Speaker, enactment of this legislation would represent a step backward. In testimony before the Banking and Currency Committee, the Vice Chairman of the Federal Reserve, George Mitchell, described the history which led to the present policy. I quote from his statement.

> Congress created the GAO in 1921—eight years after passing the Federal Reserve Act—to provide the legislative branch with audit authority over the receipt, disbursement, and application of public funds. For the next twelve years the Board of Governors, but not the Federal Reserve banks and branches, came under the GAO's scrutiny. During this time, the accounts of the Board were carefully checked by GAO.
>
> In 1933, however, Congress deliberately voted to remove the Board from the jurisdiction of the GAO. The purpose, as described in the report of the Senate Banking and Currency Committee, was to "leave to the Board the determination of its own internal management policies." This action, we believe, resulted from a judgment that noninterference with the internal management of the Federal Reserve would in the long run provide better monetary and credit policies.

Mr. Speaker, the GAO did audit the Federal Reserve Board from 1921 to 1933. Congress in 1933 decided that this was not the best system. To change now would be a step backward to a procedure which was not satisfactory when it was tried over 40 years ago.

Just last week, Mr. Speaker, a proposal similar to this was rejected by the Senate Banking, Housing and Urban Affairs Committee. The action was reported the next day in the lead story in the American Banker under the headlines "GAO Audit of Fed Is Rejected by Senate Banking." The audit proposal was offered as an amendment to another bill. The article quoted Senator MCINTYRE as follows on the subject: "This amendment would be interpreted as very, very scary. It would be a very, very dangerous thing to do."

Mr. Speaker, the report from the House Committee on Banking and Currency contains dissenting views signed by 13 members opposing section 1 of the bill. In addition, separate views were filed by one other member in opposition.

Mr. Speaker, I urge a "no" vote on this rule. The House should not be wasting time on a bill as poorly conceived as this one. Just to review the opposition to the legislation, the Federal Reserve is opposed to this bill. The General Accounting Office acknowledges that it could not perform a full policy audit without hiring additional personnel with sufficient expertise. The Senate Banking Committee recently rejected an amendment identical to this bill. The Republican Policy Committee has taken a stand against the bill. Every former Secretary of the Treasury, both Democrat and Republican, oppose the bill as presently drafted.

Let us act to preserve the Federal Reserve from political meddling, and vote "no" on the rule.

I yield to my good friend, the gentleman from Illinois (Mr. ANNUNZIO).

Mr. ANNUNZIO. Mr. Speaker, I deeply appreciate my good friend, the gentleman from California (Mr. DEL CLAWSON), yielding to me. I want to commend the gentleman from California for the contributions the gentleman has made while a member of the Committee on Banking and Currency. As a member of that committee I have observed the work of the gentleman from California over the years. The gentleman has worked hard, and fought hard for his viewpoint.

However, I want to inform the gentleman from California that I respectfully disagree with the gentleman's viewpoint today in saying that this bill has little support, and that we should vote "no" on the rule.

I also have a copy of the letter sent to the gentleman from California by the Chairman of the Board of Governors, Mr. Burns. I have attended every meeting, and the hearings, and must conclude that this audit bill is necessary.

I should also like to point out to the gentleman from California that H.R. 10265 has the support of the AFL–CIO, the National Association of Home Builders, the Credit Union National Association, the Independent Bankers Association, the National League of Insurance Savings Associations, and the U.S. Savings & Loan League.

It is unfortunate, if the gentleman from California will yield further, that in the year of 1974 we should be reading a letter from the Chairman of the Board of Governors. Is the Federal Reserve Board above criticism? It is hard to believe that in this year of 1974 that the policymakers are saying to us in the Congress, "Leave us alone; we know what is best."

If these experts knew so much about these problems we would not be living in the highest inflation period in the history of this country.

So I would urge my colleagues to vote "aye" on the rule, so that we can debate this bill in the Committee of the Whole on the merits of this legislation, and let us not vote the rule down, because many, many prominent organizations in this country are asking for an "aye" vote on the rule.

Mr. DEL CLAWSON. I appreciate the statement of the gentleman from Illinois. However, I respectfully disagree with his position. Certainly the experts in the field, those who have worked internally and externally in the Federal system, have come up very strongly in opposition to the legislation.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DEL CLAWSON. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

The Chairman of the Federal Reserve Board and the Federal Reserve System cannot stop inflation. They did not make it. Congress can take its share of the blame and more by its improvident spending legislation for the inflation that is ripping the country apart these days. Do not charge that up to the Federal Reserve System exclusively.

Mr. DEL CLAWSON. I will say to the gentleman from Iowa I share that opinion. If we want to change the inflationary spiral, it had better be done not just by monetary policy alone, but it had better be done by fiscal responsibility on the part of this Congress. We had better change our views and do something about the inflationary spiral. If we want to stop inflation, fiscal discipline and restraint on Federal spending must be paramount policy.

Mr. Speaker, I now yield 5 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I wish to join my colleague from California (Mr. DEL CLAWSON) in urging defeat of this rule. I might point out that this bill has been kicking around in the Rules Committee since last October when it was reported out of the Banking and Currency Committee. After taking initial testimony on this bill on October 24, the Rules Committee by a voice vote decided to defer further action. We took more testimony on October 30, and again, on the basis of that testimony, we decided to defer action again. I should point out at that meeting we were informed by one of our Democratic colleagues on the Rules Committee that there was considerable sentiment among the members of the Banking and Currency Committee to go back to the drawing boards and come up with a better bill. But this was later flatly denied by the chairman of the Banking and Currency Committee, and so, on November 6, a motion was made to reconsider our votes to defer, and a subsequent motion to table that motion carried on a 9-to-5 rollcall vote. Finally on February 5 of this year, a rule was finally granted on this very same bill, and that is what we are considering today.

Mr. Speaker, I do not like to make it a practice of opposing rules, but I do think our committee does have some responsibility to make a determination of whether a particular bill has been poorly drawn and should be sent back to committee for further work, and I think this is one instance where that clearly applies. This is just plain bad legislation, and that is not a narrow partisan view as is evidenced in the bipartisan support for, in effect, knocking out the major provision of the bill. Now some may argue that the proper way to go about this is to grant the rule, have our general debate, and handle that matter under the 5-minute rule. I do not happen to agree in this instance, because it seems to me that when the central provision of a bill is so poorly drawn and so lacking in sound justification, then we ought not to further waste the time of the Members of this body with general debate and amendments. We should instead simply defeat the rule and get on with the other important business at hand.

The central provision of this bill to which I refer, of course, is section 1, which, among other things, authorizes the General Accounting Office to conduct what in effect amounts to a policy audit of the Federal Reserve Board. I fully agree with the bipartisan group of Banking and Currency members who, in their minority views on this bill assert that such a policy audit of the Fed would, and I quote, "break with the sound tradition of insulating monetary policy from short-run political and economic pressures." This view is shared by such prominent economists in the monetary field as Heller, Okun, McCracken, and Saulnier, and again it should be noted this is a bipartisan group.

As further argument against this bill it should be noted that the GAO has not requested this authority and it would require additional staff and expense to implement. The Congress presently has no trouble in obtaining information from the Fed, and furthermore, there are no examples of mismanagement at the Fed which would justify this wide-sweeping intrusion by GAO into the Fed's policymaking preserve. I don't think there is any question that such an intrusion will lead to a lot of second-guessing of monetary policy, discourage the free exchange of views within the Fed's policymaking councils, and could result in diminishing public confidence in the Fed's ability to manage monetary policy for no good reason.

In conclusion Mr. Speaker, this bill is unwarranted, unwise, and unreasonable, and the best thing we could do in my opinion is to "undo" it at the outset by defeating this rule. I urge defeat of the rule.

Mr. J. WILLIAM STANTON. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. I thank the gentleman for yielding.

Viewing the chronological history of this legislation, I wonder if the gentleman in the well would not agree with me that the other body had an opportunity to take up this subject matter just a couple of weeks ago, and the Senate Committee on Finance killed this legislation for this year.

Mr. ANDERSON of Illinois. I think the gentleman has just provided a very important argument, why we should not take the time of the House today to consider a bill that is not going to get final action in this 93d Congress, because, in addition to the clear sentiment, I think, within the Committee on Rules indicating that this was not good legislation, we have that further very important fact.

Mr. DEL CLAWSON. Mr. Speaker, I yield to the gentleman from Georgia (Mr. BLACKBURN) such time as he may consume.

Mr. BLACKBURN. Mr. Speaker, I appreciate the gentleman from California yielding me this time to speak on this subject.

I just want to very briefly repeat the arguments so very soundly made by the gentleman from Illinois (Mr. ANDERSON). We would be setting an extremely dangerous precedent if we begin to interject political influences into the monetary policy in this country.

We hear a great deal of discussion about the inflation problem and there is no doubt in my mind that monetary policy last year contributed to inflation.

I have been a vocal critic of the Federal Reserve when I have disagreed with their monetary policy and I make no apologies about that, but that is our system. However, I think it would be a very dreadful mistake if we begin to subject the Federal Reserve Board to the possibility, in fact the probability, of political influences which would alter their thinking from that of being economists to that of being political types who worry more about political criticism than about the long-term effects of economic policy on the Nation.

I think it is notable too that yesterday the stock market fell some 19 points. I have noticed a similar thing happening quite often when the Banking and Currency Committee brings bills to the House floor. I suggest if we want to restore the stock market, give strength to Wall Street, and let our country know we are back on an even keel again, that we vote down this rule and bring this matter to a termination.

Mr. DEL CLAWSON. Mr. Speaker, I have no further request for time and reserve the balance of my time.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 10 minutes to the chairman of the Committee on Banking and Currency, the gentleman from Texas (Mr. PATMAN).

Mr. PATMAN. Mr. Speaker, this is my 46th year in the House. In the nearly half century I have served through depression and inflation, World War, cold war, brush fire war, assassinations, riots in the cities and on the campuses, and the faith and trust of the people in the Congress and in the executive branch have never been lower. We all know why. The people distrust the Executive and the so-called independent agencies because secrecy pervades their operations. Their decisions are made behind locked doors and no one knows what goes on there.

People have lost faith in the Congress, because far too often we have been unable or unwilling to call to account those who make Government policy. This bill gives us a chance to buck the trend, to change things in a small but significant way by providing for meaningful General Accounting Office audits of the operations of the Federal Reserve. It has never been done in the history of the Federal Reserve. Meaningful GAO audits will end secrecy and unaccountability in the Federal Reserve operations. This is the heart of the bill which the House must vote on and vote up or down today.

This bill must have a rule first. I ask the Members to vote for a rule. The rule is to give the House an opportunity to work its will. Regardless whether one is for the bill or against it, he should not be against consideration. Certainly a bill of this importance should be considered by the House.

If we are against secrecy and lack of accountability in Government operations and open accountability of Government in operations far removed from national security, we will vote for the bill exactly as it was reported by the Committee on Banking and Currency. It is just that simple.

I will use the remainder of my time to list a few of the benefits which we can expect from meaningful GAO audits of the Federal Reserve. The Federal Reserve handles a startling volume of transactions. In 1972, the latest year for which figures are now available, the Federal Reserve handled 35 billion pieces of paper worth $24 trillion. GAO will determine whether these transactions were authorized by law, properly controlled and conducted with economy and efficiency.

The Federal Reserve uses the full faith and credit of the United States to buy interest-bearing securities. It pays for them by printing currency and debiting with the flick of a pen commercial bank accounts in the Federal Reserve banks. The people of the United States have paid for these securities. For each and every dollar of these securities we have incurred an equal amount of cash obligations in the form of legal tender and claims that are convertible into legal tender on demand; but instead of retiring the bonds, the Federal Reserve after buying them with Government money did not cancel the bonds, but left them outstanding, and they are in the portfolio of the Federal Reserve Banks now.

The Chairman of the Federal Reserve Board stated to me in answer to a question as to who owns the bonds. His answer was the Federal Reserve owns the bonds.

Why should they have any claim for the bonds? They did not put one penny of money into it. Every bit of it was

Government money. They have no claim on the bonds.

Now, then, if we do not change that, we will not only be out the $80 billion but when they are called, when they are due, we could be out $160 billion. Now, that is a whole lot of money and that is a good reason why this audit should be conducted to find out how that was manipulated.

Now, that $80 billion, let me show this body something about that that is misunderstood. The people are continuing to pay interest on that $80 billion, because they have not been canceled. They are alive and kicking in the portfolio of the Federal Reserve and we are paying interest on those bonds to the extent of $5 billion a year. It is not earned, but we are paying for it just the same.

GAO audits will assure that Congress gets the information and appraisals it needs to carry out its oversight responsibilities for Federal Reserve service, supervisory, and regulatory operations. The Fed has virtual "life and death" regulatory powers over all manner of private businesses—usually small—including clearing houses, travel and insurance agencies, brokers, mutual funds and, through its management of the payments mechanism, nearly all depository institutions. It is able to give privilege and property to some and take it away from others, for example, by changing the deposit system for Treasury payments. How can we vest an agency with such enormous powers and then regard its decisions as sacrosanct; off-limits to the GAO? We do not do this in the case of any other regulatory agency. We should not do it in the case of the Federal Reserve.

Inflation is our No. 1 long-run economic concern. Everyone knows that inflation is fueled by money and credit. How many of you know that the Federal Reserve sharply accelerated credit and money supply growth in recent months, and to rates far above what the economy can absorb without inflation accelerating? Seasonally adjusted annual growth rates in the most recent 3-month period are an astonishing 10.2 percent for money supply and 17.6 for credit. Judged by its deeds and not its words, the Fed has either chosen to ignore the long-run problem of inflation in recent months or decided to fight it by fueling it.

It is difficult to believe that the Fed can be so foolish as to fight inflation by fueling it. Rather, it would appear that the Fed has been occupied lately by other considerations, narrow short-run considerations to be exact. The Fed is traditionally concerned with smoothing ups and downs in the cost of short-term loans to banks. It is because of the Fed's focus on this narrow short-run concern that money and credit supplies have grown so rapidly lately. Can anyone who has followed newspaper accounts of the Franklin National Bank's troubles and the Fed's actions in this matter believe otherwise? As reported by the Wall Street Journal, May 23, page 4:

> Franklin National Bank's borrowings from the Federal Reserve System have reached about $1.1 billion.
>
> . . . Franklin has had to borrow from the Fed because of its difficulties in obtaining funds from normal channels.

Some of you will think: Maybe this is not true, or maybe, that it is worthwhile and that offsetting actions were taken. But, would not everyone feel more confident about the long-term management of the Nation's money and credit if Congress could evaluate matters such as this one with full information, not just what the Fed wants us to see, but what an adequate truly independent audit would uncover?

The Fed started this inflation when it raised interest rates. I do not believe that the banks raise the rates. Banks do not do it; the savings and loans do not do it; the mutual savings banks do not do it; the Federal credit unions do not do it. The Federal Reserve does it. It is the only institution responsible. It does it when it buys $80 billion of bonds and pays our money for them. That is a lot of money, and when they do that and put that money to work in the banks, it creates inflation and high interest rates.

Mr. Speaker, the people need proof that their elected representatives will carry out their economic policy oversight responsibilities, including monetary policy, thoroughly and judiciously. H.R. 10265 provides that the Congress, through its auditor, the GAO, will do exactly that. There may be no Watergate mess in the Federal Reserve but people want to know for sure.

The Members of Congress have a right to know. No Member can get any information from the Federal Reserve. I know, because I speak from experience. I have interrogated them for over 40 years; I know how much they will give us and how much they will not. They will tell a Member it is a secret, they cannot give it to him. They never have given it to us.

Mr. Speaker, we do not see the minutes of the Open Market Committee in time for it to be useful. They give them to us after 5 years, but after 5 years they are no good to anybody.

There are, however, about 2,500 people who know exactly what the Fed is doing in its secret sessions behind locked doors. The other people do not know it. They want insiders to get the benefit of it.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 5 additional minutes to the gentleman from Texas.

Mr. PATMAN. Mr. Speaker, by adopting this rule, we will have consideration of this bill and then we can vote on it according to what we have to vote on. It will call attention to the policies that are ruining our country today: high, excessive, exorbitant, usurious interest rates. Today, a person who buys a $20,000 home must obligate himself to pay $40,000 in interest, and then the $20,000 on the home. He must pay for three homes in order to get a fee simple title to one home. We cannot justify that. That is against conscience. Therefore, a vote against this bill would be a vote against conscience.

So we have to stop these bad policies that are ruining the country, causing poverty and unhappiness everywhere. These policies stop enactment of good programs.

Now, then, if the Members vote for the rule and for the bill, it would stop secrecy. We do not want secrecy in Government. Are we not entitled to know everything that the Federal Reserve, an agency of the Government, does?

Of course we are. We do not want secrecy in Government.

Mr. Speaker, furthermore, it will stop waste and extravagance. Remember this: There are 20,000 employees in the Federal Reserve, and their salaries have been raised without the consent of Congress up to $90,000 a year.

For one person to get $90,000 a year from the Federal Reserve, that is just going too far, especially when Congress does not authorize it.

Take the building down here which they propose to honor the name of William McChesney Martin, the man who did so much damage to his country over a period of time. We do not know how much that building costs. It was not constructed according to GSA standards. They did not ask for bids. We do not know how much the cost is, and that is the way they are spending our money. Are we going to let that go by not even having an audit of it?

Mr. Speaker, if we do not pass this bill, we will have no audit. I respectfully suggest that an audit is in the public interest. It is in the interest of this country; it is in the interest of the peace and happiness of the people; and it is in the interest of education and in the interest of health and everything that goes for happy, prosperous, healthy lives. I ask the Members to vote for this rule and then hear the arguments on the bill. I hope they will see their way clear to vote for the bill. I want to place in the RECORD a description of the "Business Roundtable" as carried in the National Journal of April 27, 1974:

THE BUSINESS ROUNDTABLE—"KNOWING WHO'S DOING WHAT"

> The suite of offices is small: an outer room for the receptionist and an inner room for the staff (of one). There is nothing pretentious about the appointments. But the suite houses what could become the most potent business interest group in Washington, D.C.: The Business Roundtable.
>
> Unlike the National Association of Manufacturers (NAM) or the Chamber of Commerce of the United States, the roundtable is selective about its membership. Only chairmen or chief executives of the country's biggest companies need apply.
>
> The roundtable exists as a vehicle for these top executives to get involved personally in government activities which could affect their businesses.
>
> The roundtable's method of operating is different from some other business lobbies. It picks and chooses its issues and its Washington representative, John Post, spends most of his time tracking issues which could be important to the members.
>
> On those issues on which he thinks the roundtable can have an impact, Post tries to persuade the executives themselves to travel to Washington to make their case directly to the policy makers.
>
> But Post is careful not to over-expose executives or to waste their clout on hopeless cases. He said that while he had been following the Federal Trade Commission's line of business proposal, he does not think the roundtable will take a direct role in the is-

sue, particularly now that the authority to review the FTC's draft questionnaire has been taken from the Office of Management and Budget and vested in the General Accounting Office.

"If (Roy L.) Ash (director of OMB) had gotten involved in it, we might have had one (executive) try to talk to him about it," Post said. "But I wouldn't have them see Elmer B. Staats (comptroller general) about it." Roundtable history: The roundtable, which has been around Washington for little more than a year, is an outgrowth of two organizations, the Labor Law Study Committee, formed in 1965 through the efforts of Roger M. Blough, former chairman of the board of U.S. Steel Corp., and the Construction Users Anti-Inflation Roundtable, a group of about 130 companies who "buy" construction, which was organized in the late 1960s when construction prices started rising steeply.

The central theme of the roundtable, Post said, is the effort of chief executives to strengthen the voice of business in society.

"The concept, as explained to the chief executives," Post said, "is that 'You have to know more about Washington, and you have to get involved.'"

The roundtable now has about 150 members, Post said, and each company pays a separate fee based on a formula which takes into account gross revenues and stockholder equity. The fees range from $2,500 to $35,000 annually.

The group takes few positions as a body. Instead, it concentrates on bringing the right executive to the right place at the right time.

"We want to be low key and helpful," Post said. "It's a matter of knowing who's doing what and only getting involved in it if some help is needed."

Congressional staff members who have had contact with Post say he is good at his job. "Post kept in closer touch on wage-price controls than anybody else I dealt with," said one Senate staff member who asked not to be identified. "He was very knowledgeable about every development that occurred. If there was discussion between offices on a new draft of a bill, he knew about it."

Post convinced four chief executives to testify before the subcommittee of the Senate Banking, Housing and Urban Affairs Committee, which was drafting controls legislation. He also arranged for the four men to meet privately with the subcommittee chairman, Sen. J. Bennett Johnston, Jr., D-La., to make their case directly.

Convincing management: Post admitted, when asked directly, that one problem he has had is convincing chief executives of even the largest companies in the country that what the government does affects their operations.

"Many of them don't realize they're entitled to state their own opinions," Post said. "But we're getting more and more of them to come and testify."

He said that many U.S. business executives tend to rely on the NAM or the Chamber of Commerce to carry their fight. "But if the oil companies have learned anything," Post said, "it's that they can't put everything on Frank N. Ikard's shoulders." (Ikard is the president of the American Petroleum Institute.)

Finding a niche: This has made roundtable relationships with the chamber and the NAM somewhat uneasy. Although all three worked together on several recent issues, including wage-price controls, officials as the chamber and the NAM expressed some puzzlement at the role of the roundtable.

Several meetings have been between Post and officials of the other two groups to work out a better relationship.

One NAM official, who would not speak for attribution, said he also had been told that some members of the roundtable were not pleased at the expanding role of the group.

Registering: This expanded role has inevitably brought more public attention on the roundtable's activities, and that has forced Post to change one aspect of his approach.

For example, he never has registered as a lobbyist, and when *NJR* asked him why, he said, "That's a question I kept asking my lawyer."

Post said his lawyer had tried to convince him that he did not engage in enough "lobbying" to be registered, but he said he had asked the lawyer to file the papers recently, "just so the question doesn't keep coming up."

One Senate staff member, who has dealt with Post, said that while the roundtable works like most other business lobbying groups, "It is easy to assume that they speak for business. In fact, they speak only for big business."

Policy Committee: According to roundtable stationery, the following chief executives form the group's Policy Committee: John D. Harper of Aluminum Co. of America; Blough; Fred J. Borch of General Electrice Co.; Bert S. Cross of 3M Co.; John D. deButts of American Telephone and Telegraph Co.; Richard C. Gerstenberg of General Motors Corp.

Also, Shearon Harris of Carolina Power and Light Co.; J. B. Jackson of J. C. Penney Co. Inc.; J. K. Jamieson of Exxon Corp.; Reginal H. Jones of General Electric Co.; C. B. McCoy of E. I. du Pont de Nemours and Co.; David Packard of Hewlett-Packard Co.; J. Stanford Smith of the American Newspaper Publishers Association.

Also, Benjamin F. Biaggini of Southern Pacific Co.; Donald C. Burnham of Westinghouse Electric Corp.; Henry Ford II of Ford Motor Co.; Robert S. Hatfield of Continental Can Co.; Brooks McCormack of International Harvester Co.; John G. McLean of Continental Oil Co.; Louis W. Menk of Burlington and Northern Inc.

Also, Frank R. Milliken of Kennecott Copper Corp.; Shermer L. Sibley of Pacific Gas and Electric Co.; Donald B. Smiley of R. H. Macy and Co. Inc.; Edgar B. Speer of U.S. Steel Corp.; J. E. Swearingen of Amoco Production Co. (Standard Oil of Indiana); O. Pendleton Thomas of B. F. Goodrich Co.; C. C. Tillinghast Jr., of Trans World Airlines Inc.; Lynn A. Townsend of Chrysler Corp.

Also, Maurice J. Warnock of Armstrong Cork Co.; Thomas F. Willers of Champion International Corp.; F. Perry Wilson of Union Carbide Corp.; J. Robert Wilson of Kansas-Nebraska Natural Gas Co.; T. A. Wilson of Boeing Co.; and Arthur M. Wood of Sears, Roebuck and Co.

Mr. GROSS. Will the gentleman yield?

Mr. DEL CLAWSON. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, may I have the attention of the gentleman from Texas?

Did I understand the figure you stated a few minutes ago was $24 trillion?

Mr. PATMAN. Yes, $24 trillion or $25 trillion.

Mr. GROSS. A substantial part of that includes check clearings, does it not?

Mr. PATMAN. Yes, it does.

Mr. GROSS. Your checks and mine, is that not right?

Mr. PATMAN. That is correct, all the transactions.

Mr. GROSS. Including the checks the gentleman got in the recent election campaign?

Mr. PATMAN. That is right.

Mr. GROSS. Will the gentleman tell me what is so wrong about check clearings to the extent of $24 trillion?

Mr. PATMAN. That is one reason for it. The gentleman makes a good point.

Mr. GROSS. What is wrong with check clearings, even to the extent of $24 trillion?

Mr. PATMAN. There is nothing wrong so long as they are cleared.

Mr. GROSS. They are cleared, are they not? Did the gentleman have difficulty with recent campaign checks or something like that?

Mr. PATMAN. We do not know how much it costs to clear these checks. We will find out if we have an audit and learn how much the Federal Government subsidizes check clearing. We will find out how much that is.

Mr. GROSS. I see nothing wrong with that. I can see everything wrong with the General Accounting Office, as much as I respect its operation, conducting the affairs of the Federal Reserve Board.

Mr. PATMAN. They are a fine office. They are honest, they are truthful.

Mr. GROSS. I agree, but I do not concede that to be their field. Let me ask the gentleman about the provision on page 3 of the bill:

> The Comptroller General is authorized to employ such personnel and to obtain such temporary and intermittent services as may be necessary to carry out the audit required by subsection (a) at such rates as he may determine, without regard to the civil service and classification laws, and without regard to section 15 of the Act of August 2, 1948.

Will the gentleman tell me what this is going to cost?

Mr. PATMAN. Mr. Speaker, this is put in every law relating to the jurisdiction of the Comptroller General. There is not one word used in that provision that has not been put in other laws.

Mr. GROSS. Mr. Speaker, let me ask the gentleman this: What is the estimated cost of this provision?

Mr. PATMAN. We do not know, but whatever it is would be worth it.

Mr. GROSS. The gentleman does not know what it will cost?

Is the gentleman saying it makes no difference what the cost?

Mr. PATMAN. Mr. Speaker, they would have to come to Congress and ask for the funds. The Federal Reserve Board does not provide the funds.

Mr. GROSS. It makes no difference what they pay the people or anything else; is that what the gentleman is saying?

Mr. PATMAN. Oh, yes, it makes a difference.

The Congress authorizes and appropriates the money.

Mr. GROSS. How about the committee that has jurisdiction over the Classification Act? Can the gentleman tell me why the committee that has jurisdiction over the Civil Service and the Classification Act is ignored? Does the gentleman think that committee should be interested?

Mr. PATMAN. Well, if the gentleman will yield further, as I say, the General Accounting Office audits them.

Mr. GROSS. But the gentleman has not considered any jurisdiction of the committee that ought to have something to say about it?

Mr. PATMAN. The General Accounting Office audits every agency except this money agency, the Federal Reserve Board.

Mr. GROSS. Mr. Speaker, I am talking about the provision the committee put in this bill to permit the hiring of an unlimited number of employees at any pay they wish to give them.

Mr. PATMAN. Mr. Speaker, if the gentleman will yield, I will say that they have saved $300 million for the taxpayers last year.

Mr. GROSS. The General Accounting Office did that?

Mr. PATMAN. Mr. Speaker, I will say that the gentleman had better vote for this bill.

Mr. GROSS. I understand all that, but does the gentleman understand what I am asking him? I am asking him why he put this unlimited provision in the bill?

Mr. PATMAN. Mr. Speaker, that provision is in every bill concerning the Comptroller General.

Mr. GROSS. Mr. Speaker, it may be in every bill coming from the Committee on Banking and Currency. It ought not to be in any bill.

Mr. PATMAN. Mr. Speaker, if the gentleman will yield further, I will say there is nothing irregular about this, I assure the gentleman.

Mr. J. WILLIAM STANTON. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. Mr. Speaker, I think what the gentleman is trying to point out by his questions whether there should be an audit of the Federal Reserve Board by the General Accounting Office. Here we are thinking that the Federal Reserve Board is not audited, and I will say to the gentleman from Iowa that I checked with the Federal Reserve Board, and for the information of the Members, in fiscal year 1973, the total cost of auditing and examining the Federal Reserve System was $7,753,000.

Mr. PATMAN. Mr. Speaker, if the gentleman from Iowa will yield, that is the gentleman's figure.

Mr. GROSS. Mr. Speaker, I will say to the gentleman from Texas that I have the highest regard for the General Accounting Office, but I am unwilling to give it unlimited authority with respect to the hiring and paying of personnel. I do not think we should do this for any agency of government, regardless of what they are auditing.

Mr. PATMAN. Mr. Speaker, if the gentleman will yield further, I will say that the gentleman from Iowa can move to strike that section.

Mr. GROSS. Well, Mr. Speaker, I certainly will. I thank the gentleman for the invitation. I did not really need it, and I will say I will certainly offer an amendment to strike that provision.

Mr. DEL CLAWSON. Mr. Speaker, I have no further requests for time.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 7 minutes to the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Speaker, this is a very simple question.

The question is whether we believe that the Federal Reserve Board, with all the power that it exerts over the economy of the United States, should be answerable to the public. That is what is involved.

What is involved right now is whether or not we want the House to vote on the bill to permit the Federal Reserve Board to be audited, not to permit the General Accounting Office to run their business for them, but, rather, to permit the General Accounting Office to find out whether that business is being run according to the intent of Congress and to report to Congress.

We have heard a lot of high-sounding talk about the Federal Reserve Board, to the effect that it should be completely independent.

Independent of what? Independent of the public? Independent of Congress and of congressional intent? A law unto itself?

That in effect is what we have allowed it to become.

Mr. Speaker, Mr. Burns is a well-meaning man. Mr. Burns, however, has been leading this country down the path of the most discredited economic theories imaginable for the last several years, and the results, as all of us know, have been well nigh disastrous.

Mr. Burns believes that the way to fight inflation is to continue to raise interest rates. It has not worked. Manifestly, it has increased inflation. It certainly has not kept people from going into debt. All it has done is to make it almost impossible for anybody ever to get out of debt.

Because of the policies fostered by Mr. Burns and his associates in the Federal Reserve Board, today a young couple wanting to buy a $25,000 house—and that is not a mansion on today's market—must agree to pay approximately $75,000, three times the value of the property, if they are ever to pay off the mortgage.

Are you going to say Congress does not have anything to say about that? Shall we lie here supinely and acquiesce in the policies made by a group who have set themselves up as being so sacrosanct that they will not even answer our questions or submit to an audit or tell the Congress how they have gone about arriving at these policies?

Is there another independent agency of the Government so protected from the Congress? Not one.

Would we put the largest drug manufacturers in charge of the Food and Drug Administration and then say that the Congress has no right to ask them questions about how they arrive at their policies? Certainly not.

Would we put the largest oil companies in charge of the Federal Power Commission and then say that the Congress has no right to inquire because that is an independent agency? Of course we would not.

Would we think of putting the largest transportation companies absolutely in charge of the Interstate Commerce Commission and then say that Congress has no right to ask any questions because that is an independent agency? Certainly we would not.

Yet not one of those agencies exercises one scintilla of the degree of control over the economy of the United States and the amount of money being paid out by almost every family in the United States in excessive interest rates as is exercised by this Federal Reserve Board.

Are we going to say that the Congress does not have anything to do with that? Is Congress going to lie down and play dead? Are we going to hide behind this mask of independence on the part of that agency and permit them to continue to accelerate interest rates without any review, without any control, and without any opportunity on the part of the Congress of the United States to know why and how they have come to that policy?

That is what you do if you vote down this rule and that is what you do if you vote down this bill. You enthrone and sanctify the Federal Reserve Board as a holy of holies in a position occupied by no other agency of this Government.

Permit me to remind you of a comment made by Leon Keyserling, the Chairman of the Council of Economic Advisers for the late President Truman. He said that if you raise the price of artichokes, that is less inflationary than if you raise the price of steel, because steel is used in the production of more end commodities than artichokes. Then he asked what commodity is used more than steel or any other commodity in the production of end products. He answered his own question. Borrowed money. Raising interest rates adds an extra layer of cost at every level of the economy.

All you have to do is to remember that 5 years ago the prime rate was about 5.5 percent and the rate of inflation was about 5.5 percent annually. Today the prime rate is 11.75 percent, the highest in history, and the annual rate of inflation is 11.5 percent. Does that not suggest some causal effect to you?

Mr. GROSS. Is the gentleman asking a question?

Mr. WRIGHT. Surely I will yield for a question.

Mr. GROSS. What is the responsibility of the Congress in all this? Congress spends money it does not have for things it could postpone to a better day. Blame the Federal Reserve Board all you want, but I suggest you get a mirror and take a look.

Mr. WRIGHT. All right. The gentleman preaches a good sermon on a pretty good text, and that is a good thing to talk about on another occasion. Congress is partly to blame. Debt is inflationary. Both public debt and private debt are inflationary.

It is not just the money in our pockets that is today bidding up the price of goods, but money we do not yet have. We are spending next month's and next year's income. We do it in this Congress when we vote deficit budgets. But we are also permitting the American people to get so deeply into debt in their private lives that they are living on a credit card binge just as the Government is. Private debt has escalated to 10 times the figure of 20 years ago. It is $150 billion now.

Let me tell you what all Americans are paying today in interest rates on public and private debts of all kinds. This year they are going to shell out $53 billion in interest—this year. You say the Congress has no rightful concern over that?

Mr. CONABLE. Will the gentleman yield?

Mr. WRIGHT. Of course, I will yield.

Mr. CONABLE. The point that the gentleman seems to be making is that Congress should exercise control over monetary policy as well as fiscal policy.

The question was asked by the gentleman from Iowa, and his point is a good one. Does the gentleman in the well feel that we have done such a splendid job on fiscal policy generally that he would like to magnify the influence of our wisdom by putting us in control of the monetary policy as well?

Mr. WRIGHT. I should like to see the Congress of the United States truly represent the American public, and when we have sat idly by and permitted interest rates to rise, the prime rate, from 5.5 percent to 11.5 percent—we have been, it seems to me, derelict in our duty.

The SPEAKER. The time of the gentleman has expired.

Mr. MURPHY of Illinois. I yield two additional minutes to the gentleman from Texas.

Mr. J. WILLIAM STANTON. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. Let me answer the question that has been asked, and I will be glad to yield to the gentleman if I have time.

Mr. Speaker, all I have to say is that the Congress cannot escape responsibility. We have sat by here and let the Federal Reserve Board add layer after layer of extra costs on the backs of the American public. Yes, we have done some of this ourselves, but we certainly have not doubled the national debt in 5 years, as the Fed has permitted the interest rate to double in so short a time, and just because we have not done one job well is no reason why we ought to acquiesce and totally abandon our responsibilities to another group that has done such an abysmal job.

Because of these increases—and I would like the Members to listen to this—because of these increases in the interest rates brought about in the last 5 years under the direction of the Federal Reserve Board, the American public is paying today in extra interest—extra interest over and above what it would have paid on the same level of debt 5 years ago—$24.4 billion this year.

This is a heavy, hidden hand in the pockets of every American. It is adding to the fires of inflation. It is like pouring gasoline on a flame when you raise the interest rates and sanctimoniously say you are fighting inflation.

If we sit by and take the position that this is just no cause for concern of the Congress, as we would if we vote down this rule, then we have no reason nor right, it seems to me, to go back to our people and say that we have done everything we can to fight inflation.

Mr. J. WILLIAM STANTON. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. I appreciate the gentleman yielding, because the gentleman in the well is one of the most highly respected Members of the House. Part of the argument made by the gentleman was that Congress has the right to know, and I fully agree with the gentleman.

Mr. WRIGHT. I think we do.

Mr. J. WILLIAM STANTON. But how many questions has the gentleman asked of the Federal Reserve Board that have not been answered? What does the gentleman want to know, and what is it that the gentleman wants to know that he will find out through this particular bill?

Mr. WRIGHT. If the gentleman will permit me to answer——

Mr. J. WILLIAM STANTON. I think that this is the most grossly unfair argument that could be made against any particular piece of legislation. The Federal Reserve Board was asked for information by the chairman of our committee a total of eight or nine times last year, and I think that he got the information. If there is anything the gentleman wants to know, just ask.

The SPEAKER. The time of the gentleman has expired.

Mr. DEL CLAWSON. Mr. Speaker, may I inquire how much time I have remaining?

The SPEAKER. The Chair will state that the gentleman from California has 7 minutes remaining.

Mr. DEL CLAWSON. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Speaker, I would like the attention of the two distinguished gentlemen from Texas, Mr. PATMAN and Mr. WRIGHT, and suggest to them that I have yet to hear whether we are to adopt the rule itself, or whether we later adopt the bill. My view is that there is nothing in this bill that helps reduce interest rates, as a matter of fact, the whole issue remains, because the greater part of the funds obtained in the mortgage market come from savings banks and savings and loan associations, and they are not covered by the Federal Reserve Board policies.

With all due respect to the chairman of the Committee on Banking and Currency, one of the reasons we have had such turmoil on the rule and will have on the bill itself, is that the chairman of the Committee on Banking and Currency over a long period of years has had a total fued with the banking community, and because of the vendetta the gentleman carries on against them, I must wonder what the purpose and the impact of this bill really is.

I think it would be a mistake to adopt the rule, and later on adopt the bill, and then think that in this way we are going to drive down the interest rates. The only way we will drive down the interest rates is to have more money available. If we have enough money available then the interest rates go down. If there is a tight money market, the interest rates go up.

But I do not think that the passage of this bill is going to have any direct effect on present high interest rates unless we in the Congress cut and balance the budget, in fact, start to retire the national debt, get the Government out of making direct contributions to inflation, and then the law of supply and demand in the money market will bring down the interest rates.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Texas.

Mr. WRIGHT. I thank the gentleman for yielding.

Of course, the gentleman is correct when he says that the mere passage of this bill will not bring down interest rates, but until we can know the methodology by which the members of the Federal Reserve Board have followed this credited theory of deliberately raising interest rates in an unavailing effort to halt inflation, then we are ill-equipped to combat it.

I am sure the gentleman would not suggest that Congress has no right to know or no interest in knowing how these things come about and what these people decide and what they do. The gentleman is not saying that we should just let them do that; put blinders on our eyes, and try to blame them instead of assuming our responsibility; is he?

Mr. DERWINSKI. No, but I would suggest that perhaps since the other body has to confirm these men when they are appointed to the Board, that a more direct cure might be if we could pass a constitutional amendment requiring that the House also vote on the confirmation of Directors of the Federal Reserve Board.

The SPEAKER. The time of the gentleman has expired.

Mr. DEL CLAWSON. Mr. Speaker, may I read for the benefit of the gentleman from Texas just one statement in a letter from Dr. Arthur Burns dated May 22, 1974:

> We are, and always have been, prepared to account fully to the Congress for our actions, in whatever manner and as frequently as the Congress may wish.

Mr. MYERS. Mr. Speaker, will the gentleman yield?

Mr. DEL CLAWSON. I yield to the gentleman from Indiana.

Mr. MYERS. I thank the gentleman for yielding.

The gentleman from Texas (Mr. WRIGHT) left me confused somewhat. He made a very articulate speech, and I agree with much of what he said, but his opening statement was this: This is a bill to make the Federal Reserve Board accountable to GAO on how it spends its funds and nothing else; but then in the thrust of his argument, he went much further than that. He started injecting that Congress should tell the Federal Reserve how to run money policies.

I would agree with him on the accountability of funds, but when he starts injecting the track record of this Congress against the professionals, I do not think he can really hold up on that argument.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. DEL CLAWSON. I yield to the gentleman from Texas.

Mr. WRIGHT. The gentleman might take that same position and say, Let the professionals run the ICC. Let the railroads run it.

Mr. MYERS. If the gentleman will yield further, if the professionals had run the railroads, they would not be in the position they are in today.

Mr. WRIGHT. We might as well let the big oil companies run the FPC. They are the pros; they are the professionals.

Mr. MYERS. But this Congress did not appoint the railroad people who are running the Penn-Central and some of the other defunct and bankrupt railroads. The Congress did not appoint those directors, but the Congress, or the other body, has some control over the appointments to the Federal Reserve Board.

Mr. WRIGHT. The point is that the Interstate Commerce Commission supposedly is an independent agency that governs their operations, and we would not want to put the Penn-Central in charge of the ICC and then say Congress has no right to know anything about it; the ICC is audited by the GAO.

Mr. MYERS. I think the gentleman from California said that the Federal Reserve Board is making available to the Committee on Banking and Currency of the Congress what it is doing. But, again, back to the track record, can the gentleman say for a moment that the Federal Reserve System is responsible entirely for the high interest rates—and that is the implication he left with his statement—any more than is this Congress by each year appropriating and mandating the Executive to spend more and more money? How can the gentleman say what caused it?

Mr. PATMAN. Mr. Speaker, I can tell the gentleman, as one who has interrogated the Federal Reserve Board and its agents for 46 years, that is absolutely untrue.

Mr. MYERS. I was a country banker. I was not a big-city banker. I do not know much about high finances, but I do know something about country banking. I will be quite honest with the chairman. I have read the chairman's statements about banking, and I cannot have much agreement with them. I would hate to run a bank the way this committee has run the finances of this country.

Mr. J. WILLIAM STANTON. Mr. Speaker, will the gentleman yield?

Mr. DEL CLAWSON. I yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. I think there is a point to be made that the Committee on Banking and Currency knows how many ping pong balls are owned by one Reserve bank.

Is that not true, Mr. Chairman? I do not know how much more we can get into detail about what we want to know about an organization than to know how many ping pong balls they bought.

Mr. MYERS. Mr. Speaker, I have the time. I would like to say one last thing.

If the only intent of this bill was to find out how the Federal Reserve Board spends money, I think many of us would support it, but by the arguments that have been made today it has been made clear it is the purpose of this legislation to interject Congress into the policies of the Board, and this we must oppose.

Mr. MURPHY of Illinois. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

Mr. DEL CLAWSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken, and there were—yeas 290, nays 85, not voting 58, as follows:

[Roll No. 255]

YEAS—290

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Annunzio
Archer
Armstrong
Ashley
Badillo
Bafalis
Barrett
Bauman
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Breaux
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Calif.
Brown, Mich.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Butler
Carney, Ohio
Casey, Tex.
Cederberg
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Collier
Collins, Ill.
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniels, Dominick V.
Danielson
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Dingell
Donohue
Downing
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evins, Tenn.
Fascell
Fish
Flood
Flowers
Flynt
Ford
Fountain
Fraser
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Ginn
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Harrington
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Hicks
Hogan
Holt
Holtzman
Horton
Huber
Hudnut
Hungate
Ichord
Jarman
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Kluczynski
Koch
Lagomarsino
Landrum
Leggett
Lehman
Lent
Long, La.
Long, Md.
Lott
Luken
McCormack
McDade
McFall
McKay
Macdonald
Madden
Mahon
Mann
Maraziti
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Hara
O'Neill
Owens
Parris
Patman
Patten
Pepper
Perkins
Pickle
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
Randall
Rangel
Rarick
Rees
Regula
Reuss
Riegle
Rinaldo
Roberts
Rodino
Roe
Rogers
Roncalio, Wyo.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Scherle
Schroeder
Seiberling
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, James V.
Stark
Steed
Steiger, Ariz.
Steiger, Wis.
Stokes
Studds
Sullivan
Symington
Symms
Talcott
Taylor, N.C.
Teague
Thompson, N.J.
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waldie
Wampler
Ware
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Ill.
Young, Tex.
Zablocki
Zwach

NAYS—85

Anderson, Ill.
Andrews, N.C.
Arends
Ashbrook
Baker
Beard
Blackburn
Bray
Broomfield
Brown, Ohio
Broyhill, Va.
Burleson, Tex.
Byron
Carter
Chamberlain
Clancy
Clawson, Del
Cochran
Cohen
Collins, Tex.
Conable
Daniel, Robert W., Jr.
Davis, S.C.
Davis, Wis.
Dorn
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Evans, Colo.
Findley
Forsythe
Frelinghuysen
Frenzel
Gettys
Goodling
Gross
Haley
Harsha
Hastings
Hébert
Henderson
Hillis
Hosmer
Hunt
Johnson, Pa.
King
Latta
Lujan
McClory
McCollister
McEwen
McKinney
Madigan
Mallary
Martin, N.C.
Mayne
Michel
O'Brien
Passman
Peyser
Pike
Pritchard
Quillen
Railsback
Robinson, Va.
Robison, N.Y.
Roncalio, N.Y.
Satterfield
Schneebeli
Sebelius
Shipley
Shuster
Stanton, J. William
Stephens
Stratton
Taylor, Mo.
Thomson, Wis.
Walsh
Whalen
Widnall
Williams
Young, Alaska
Young, S.C.
Zion

NOT VOTING—58

Andrews, N. Dak.
Aspin
Biaggi
Broyhill, N.C.
Camp
Carey, N.Y.
Davis, Ga.
de la Garza
Devine
Dickinson
Diggs
Fisher
Foley
Gibbons
Gilman
Goldwater
Gray
Hansen, Idaho
Hansen, Wash.
Hawkins
Helstoski
Hinshaw
Holifield
Howard
Hutchinson
Johnson, Colo.
Ketchum
Kuykendall
Kyros
Landgrebe
Litton
McCloskey
McSpadden
Martin, Nebr.
Mathias, Calif.
Minshall, Ohio
Moorhead, Pa.
Murphy, N.Y.
Pettis
Podell
Reid
Rhodes
Rooney, N.Y.
Rooney, Pa.
Ryan
Smith, Iowa
Steele
Steelman
Stubblefield
Stuckey
Thone
Udall
Vander Jagt
Veysey
Waggonner
Wilson, Charles, Tex.
Wyman
Young, Ga.

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Waggonner with Mr. Rhodes.

Mr. Rooney of New Jersey with Mr. Hinshaw.

Mr. Moorhead of Pennsylvania with Mr. Dickinson.

Mr. Rooney of Pennsylvania with Mr. Broyhill of North Carolina.

Mr. Biaggi with Mr. Hutchinson.

Mr. Davis of Georgia with Mr. Landgrebe.

Mr. Carey of New York with Mr. Camp.

Mr. Howard with Mr. Hansen of Idaho.

Mr. Reid with Mr. Mathias of California.

Mr. Stubblefield with Mr. Ketchum.

Mr. de la Garza with Mr. Minshall of Ohio.

Mr. Diggs with Mr. Helstoski.

Mr. Murphy of New York with Mr. McCloskey.

Mr. Podell with Mr. Kuykendall.

Mr. Hawkins with Mrs. Hansen of Washington.

Mr. Young of Georgia with Mr. Gray.

Mr. Kyros with Mr. Steele.

Mr. Foley with Mr. Devine.

Mr. Smith of Iowa with Mr. Thone.

Mr. Ryan with Mr. Pettis.

Mr. Stuckey with Mr. Gilman.

Mr. Udall with Mr. Vander Jagt.

Mr. McSpadden with Mr. Martin of Nebraska.

Mr. Litton with Mr. Charles Wilson of Texas.

Mr. Holifield with Mr. Goldwater.

Mr. Gibbons with Mr. Steelman.

Mr. Fisher with Mr. Wyman.

Mr. Aspin with Mr. Andrews of North Dakota.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. ZION. Mr. Speaker, on May 29 on rollcall 250 I voted "yea." It was incorrectly reported as "nay." I wish the RECORD to show.

PROVIDING FOR CONSIDERATION OF H.R. 13678, AMENDING NATIONAL LABOR RELATIONS ACT

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1151 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1151

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13678) to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 13678, the Committee on Education and Labor shall be discharged from the further consideration of the bill S. 3203, and it shall then be in order to consider the said Senate bill in the House.

The SPEAKER. The gentleman from Florida (Mr. PEPPER) is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Tennessee (Mr. QUILLEN) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1151 provides for an open rule with 1 hour of general debate on H.R. 13678, a bill providing for coverage of nonprofit hospitals under the National Labor Relations Act.

House Resolution 1151 provides that after the passage of H.R. 13678, the Committee on Education and Labor shall be discharged from the further consideration of the bill S. 3203, and it shall then be in order to consider S. 3203 in the House of Representatives.

H.R. 13678 provides that the requirement for notice of termination or expiration of a contract will be 90 days, and the Federal Mediation and Conciliation Service—FMCS—must be given 60 days' notice. The health care institution and labor organization will be required to participate in mediation at the direction of the FMCS.

H.R. 13678 also provides that a health care institution must be given a 10-day notice by a labor organization before any picketing or strike can take place. The Committee on Education and Labor believes this requirement will protect the public interest by insuring the continuity of health care in the institution.

Mr. Speaker, I urge the adoption of House Resolution 1151 in order that we may discuss and debate H.R. 13678.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1151 provides 1 hour of general debate for the consideration of H.R. 13678, a bill to provide for coverage of nonprofit hospitals under the National Labor Relations Act. The rule is completely open, and there are no waivers of points of order. Upon passage of the House bill, the rule provides for the consideration of the Senate bill in the House.

The National Labor Relations Act which governs collective bargaining relationships of millions of workers specifically exempts private nonprofit hospitals. This bill repeals that exemption.

This bill also adds a definition of health care institutions to include any hospital, convalescent hospital, health maintenance organization, health clinic, nursing home, extended care facility, or other institution devoted to the care of sick, infirm, or aged persons.

In addition, the bill adds several special provisions designed to facilitate collective bargaining settlements and to provide advance notice of any strike or picketing involving a health care institution.

Mr. Speaker, I am opposed to the rule and the bill but will support the earlier form and one amendment.

Mr. PEPPER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR AUDITS OF THE FEDERAL RESERVE BOARD

Mr. PATMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10265) to provide for an audit by the General Accounting Office of the Federal Reserve Board, banks, and branches, to extend section 14(b) of the Federal Reserve Act, and to provide an additional $60,000,000 for the construction of Federal Reserve Bank branch buildings.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10265), with Mr. GIAIMO in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas, Mr. PATMAN, will be recognized for 30 minutes, and the gentleman from Ohio (Mr. J. WILLIAM STANTON) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, there was one amendment offered in the committee that did not carry. The bill was voted out by a vote of 21 to 9. I heard one member of the Committee on Rules state that two or three efforts were made to get a rule and each time it was voted down. But the last time, which was in the early part of this year, we had another hearing on it in Rules and when it came to vote, it wound up with approval by a unanimous vote.

If I am wrong about that, I wish that some member of the Committee on Rules would speak up.

It was my information that it was a unanimous vote. So I think that cured the other votes in those cases where it was voted down by a 9 to 5 vote.

Mr. Chairman, the fact is that the opposition to this bill is not here in Washington among the Representatives of the people, those Representatives who are elected by the people and who are sent here to do for their constituents what their constituents would do for themselves if they were permitted to come here and engage in debate and vote the will of the people, in other words, vote their conscience.

The opposition to this bill comes from the big interests on Wall Street and in other places. We have had more trouble from the few acres of land comprising Wall Street, since this Government was established, than we have had from any other similar land area in any part of the world.

You would think they would have so many more important things to do that they would not think about a little audit bill down here that just required the Federal Reserve, which has charge of our money, to submit to an audit.

The Federal Reserve claims that they are doing a perfect job of auditing. They have what is called an in-house audit. Some people call it a self-audit. They audit themselves, and they think that is all right. Now, in a representative democracy where the people have representatives here to represent them and who should know the facts, I do not believe anyone can very truthfully and honestly—and I do not doubt the veracity or the honesty of people who take a different view, but I do not see how they could vote against just letting the facts be known.

Mr. ANDERSON of Illinois. Will the gentleman yield for a question?

Mr. PATMAN. I cannot yield now.

If this in-house audit is as good as the Federal Reserve claims it is, why are they not in here shouting, "For goodness sakes, pass this audit. We want to prove we have done a good job auditing." But instead of that they are trying to hide it. What have they to hide? If they do not have anything to hide, why are they not for the audit?

Let me tell you something that fell into my hands not too long ago. I do not know these names. Many of you know them, but I do not.

It says Mr. John Lee of the New York Clearing House had a call. He had a call from Gabriel Hague of the Manufacturers Hanover Trust. Mr. Hague had a call from Arthur Burns. He had a call from Arthur Burns from the Federal Reserve Board. Mr. Burns asked Mr. Hague if he could muster some support in New York to help kill a bill sponsored by Mr. Patman that would require a GAO audit of the Federal Reserve System. More specifically, Mr. Burns called our attention that there is an amendment to Mr. Patman's bill known as the Ashley-Stanton amendment. This amendment is acceptable; it is acceptable to the Fed and the Fed would like us to assist in any way we can to get the New York delegation in the House to vote for the Ashley-Stanton amendment.

Imagine. The people who are going to be investigated and audited are trying to get the law passed that would require the audit. Of course, there is this old rule about when a person is going to have an operation performed on him the person who wields the knife should want the patient to live. In this case I doubt that the Federal Reserve System wants this audit to take place. They are against it. But they are using devious ways to muster their support.

Let us see another instrument that we happen to have. It is from George T. Wallace of the Irving Trust Co., Wall Street, New York. It says the work on the Federal Reserve System is of such great importance to the monetary and economic policies of America and, of course, to American business. Traditionally it has been insulated from short-run political and economic pressures. Now an attempt is being made to change this. On September 13, 1973, Representative Patman introduced a bill, H.R. 10265, the bill before us here, which was referred to the House Committee on Banking and Currency, of which he is chairman. It was reported with amendments on October 12, 1973, over the vigorous protests of some members of both parties. The vote was 21 to 8. It was voted in the committee, and 21 members were for the bill.

So that statement, of course, is a little bit strange coming from probably a prejudiced person who does not want the patient to live.

After that it shows the names of 30 Members of Congress who were sent this statement. I will not mention their names because I do not know whether they actually received it or not.

These are Mr. Harper's views. Any of you who know about the Business Roundtable know that it is the largest, most elite and the wealthiest organization to look after big interests in New York City. It is less than 2 years old, and they have 150 members. Do you know how much the dues are? They run from $2,500 to $35,000 a year. They are bound to be rich.

You know that they do not want this audit bill to live, of course they do not. And they even sent out copies—they do not send it to you, but I received it, and it is made up for the purpose of writing to their Congressmen, and it starts off:

> Dear Mr. ———:
>
> The Patman-sponsored bill (H.R. 10265) to provide for an audit of the Federal Reserve Board and its banks and branches, including monetary policy decisions, should be opposed as seriously interfering with the work of the Board and eroding its independence.

I will not read all of that. As a matter of fact, I think you will find it in the Record of yesterday at page 16813. All of these statements are in the Record, and you may read them. Of course, they will be in there in tomorrow's Congressional Record, the one that is to be put out today.

Now, here are the fattest fat cats, I guess, in the land. They do not represent the little people. They say they do not. They just represent the big people and the wealthy people, the rich people, the Penn-Central people, people like those who broke the Penn-Central Railroad, and they are not thinking so much of the poor, they do not say a word about the poor people in here, and they do not say a word about the health measures that we need to pass. They do not say anything about the housing problems. The Federal Reserve Board has given notice that they are not going to help housing.

The Members heard what the gentleman from Texas, Mr. Jim Wright, said about how hard it is for the people to get housing money, and how hard it is on the people generally. And we know that we often talk about environmental quality here on the floor of the House. In order to have environmental quality the first thing it requires is a good, safe, sanitary home for a family in which to rear and educate and train their children. People cannot have that kind of a home now. The Federal Reserve Board has made it impossible.

Anybody who asks you who is responsible for these high interest rates—now, I know that the Congress can do something about it, and we are trying to do that right now. We are trying to stop the high interest rates, and to expose these scandals that are going on just from being caused by the high interest rates. You will find that there is sentiment against these high interest rates. I am not talking about reasonable rates. Nobody objects to paying a reasonable rate of interest. Nobody objects to that. And nobody objects to lenders getting a reasonable return. But we know that we are in an era of exorbitant, usurious rates. We do not want that.

This bill is the first step in the direction of stopping those high interest rates.

If you want to stop the high interest rates and make it possible for people to buy a home, to buy homes that they can pay for and in which they can rear and educate their children under the environmental quality standards necessary, vote for this bill. Be glad to do it, and proud about it, because this is a wonderful bill.

The question also has been asked: Would GAO audits require retirement of Treasury securities purchased by the Federal Reserve, now amounting in total to nearly $80 billion? The answer is "no." GAO audits could only recommend, not require, retirement of part or all of the Fed's portfolio in exchange for monetized noninterest-bearing debt certificates to serve as collateral behind Federal Reserve notes and deposit liabilities, with limited conversion on demand of these certificates into interest-bearing debt to facilitate any conceivable open market selling by the Fed. On the other hand GAO could recommend retention of the present system. I am willing to find out what the Nation's accounting experts would recommend. What is the Fed afraid of?

So, Mr. Chairman, I respectfully ask that this bill be adopted.

The Stanton amendment has already been passed on by the Federal Reserve Board. We know what it is, because it is a Federal Reserve Board-sponsored amendment. The people who are going to be investigated want to write the law for their investigation.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

What would the gentleman consider a reasonable interest rate under the circumstances that exist?

Mr. PATMAN. I should like to know the gentleman's opinion on that. If he will tell me his opinion, I will tell him mine.

Mr. GROSS. I was not talking about interest rates being too high. They may well be, but the gentleman has been talking about them being too high, and I seek to ascertain what you consider a reasonable rate.

Mr. PATMAN. What would be the opinion of the gentleman from Iowa? I am not going to pass on that. That is something we can do in Congress.

Mr. GROSS. I can tell the gentleman that I am not for his proposal to hand $1,500,000,000 to the International Monetary Fund for soft loans that carry absolutely no interest. I certainly am not for that. What does the gentleman think a reasonable interest rate is for the poor devil in this country that he has shed so many tears about in the last 5 minutes? What does he think is reasonable?

Mr. PATMAN. Of course, the gentleman is not talking about the bill; he is talking about a rabbit trail.

Mr. GROSS. I am talking about the gentleman's position. He has supported billions for foreigners who pay not a nickel on long term soft loans.

Mr. PATMAN. The gentleman from Iowa is a very able person. He knows more about it than that.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I was just interested in the observation the gentleman made a few minutes ago with respect to the surgeon who holds the knife and that he should always be anxious and desirous of the patient's survival. I wonder, since the gentleman seems to be the chief surgeon here this afternoon on the Federal Reserve Board, would he really want the Federal Reserve Board to survive, or is this a case of euthanasia?

Mr. PATMAN. The Federal Reserve was a wonderful agency when it was created. It was signed into law by Woodrow Wilson on December 23, 2 days before Christmas, in 1913. It was good law; but as evidence of the fact that good law can be ruined by bad administration, this is the best example. When the Federal Reserve was set up in 1914, Woodrow Wilson would never agree to a central bank. He said, "No," we must have at least 12 regional banks, so the bank in the remotest section of the country would get the same treatment from the Government that the New York banks would get, and that is the premise upon which the Federal Reserve Act was formulated and finally enacted into law. It was to give everybody a square deal.

But they finally got administrators in there that began to do it by regulation and by unanimous consent.

All of the officers of the Federal Reserve, the Directors, are elected by the banks themselves. These banks elect their Directors; the middle-sized banks elect theirs; the little banks elect theirs. Just like in a Democratic or a Republican primary, they have a battle, and they have the names of these fellows that they are running for Director—all of these banks—and they vote for them. They scratch two of them and leave one on there, and he is elected to be the Director for the next year.

Of course, that gives the banks quite a big advantage. But notwithstanding that, they have many other big advantages. If the gentleman knew them all, he would want to do something with this agency.

We can save this agency if we will get them back on the track and get them doing the right thing instead of always doing the wrong thing.

Mr. Chairman, I yield back the remainder of my time.

Mr. WIDNALL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, there are three sections to H.R. 10265. Sections 2 and 3 are noncontroversial so far as I know. Section 2 extends the Federal Reserve's authority to make direct purchases from the Treasury of public debt obligations up to a maximum of $5 billion. This is a little used authority but its use on a short-term basis greatly facilitates Treasury operations and avoids disruptions to the money markets. Between January 1 and October 31 of last year when this authority expired, it had been used three times in a maximum amount of $485 million. I need not go into any long discussion about the current condition of the money markets. Everyone knows they are tight. It is important, therefore, that we renew this authority.

As a result of the long delay in bringing this bill to the floor, it will be necessary to amend section 2. As reported, it provides for an extension of this authority only until June 30, 1974. As that is now a mere 30 days ahead, we will offer an amendment to change that date to June 30, 1975.

Section 3 would increase from $60 million to $140 million the amount of money the Federal Reserve may spend for the building of branch banks. We have reviewed this request and believe it is fully justified, particularly in view of the expanded activity of the Federal Reserve System.

Mr. Chairman, if these were the only provisions in H.R. 10265, we could give it our wholehearted support. But, true to the tradition of our committee, we have burdened these needed provisos with extraneous material. I refer, of course, to section 1 which provides for an all-inclusive audit of the Federal Reserve by the GAO.

Although we see little need for any GAO audit of the Federal Reserve System in light of the extensive internal audits now conducted by the Board and note that the other body flatly rejected the idea last week, we have no major objections to a limited one. During our hearings on this bill, Mr. Staats outlined three degrees of audit with the thought that we might wish to impose some limit.

What we have come to refer to as a type 1 audit would involve an audit of the accounts, financial transactions, and financial reports—

> . . . for the purpose of arriving at opinions as to whether financial transactions are carried out in accordance with applicable legal requirements and are properly accounted for, and whether the financial reports present fairly the financial position, and results of operations of the various entities in the System.—(Staats' testimony, page 12 of hearings.)

Type 2 would include the first but, in addition, would include—

> . . . selected examination of the management of resources, such as computers and other equipment, buildings, and personnel, to evaluate the efficiency and economy with which such resources are procured and used.—(Staats' testimony, page 12 of hearings.)

Type 3 would include all of the above, but would also include—

> . . . reviews of the results of the programs and activities of the System, including the extent to which its established objectives are being achieved.—(Staats' testimony, page 12 of hearings.)

Mr. Chairman, it is important that Members recognize the distinctions in these three types of audit. They are reviewed on page 11 of the committee report should anyone want to refer to them.

As I noted previously, we have no strong objection to an audit if properly limited. We believe that limit should be at type 2 and that GAO should be prohibited from engaging in the type of activity contemplated under type 3. H.R. 10265, as reported, permits the type 3 audit, but an amendment will be offered this afternoon to correct that situation.

Mr. Chairman, our objections to the type 3 audit are set forth in the committee report and will be expounded further as we debate the merits of the amendments. I will not repeat them at this point.

What I would like to say is that this is not a partisan matter but one which may have grave national consequences. No clear case has been made for any audit of the Federal Reserve System but it has been the personal goal of our chairman to see one instituted. For this reason, I am willing to go along with a type 2 audit, but I am strongly opposed to experimenting with sensitive policymaking procedures just to appease a few Members with some personal or philosophical ax to grind.

When I questioned Mr. Staats about these matters during the hearings, he replied:

> I should think that both the first and second type of audit would be relatively noncontroversial from the standpoint of its implications for policy. . . . But I would be the first to agree that this third type is much more difficult and much more sensitive from the point of view of its policy implications for the Board.—(Page 16 of hearing.)

It was clear to me that, to his credit, Mr. Staats was giving us fair warning that we were treading on thin ice if we authorized a type 3 audit.

If there are any who doubt me when I say our opposition to this is nonpartisan, or who feel this is not a serious matter, let me call your attention to the unprecedented letter inserted in the RECORD of October 18, 1973, by the gentleman from Ohio (Mr. ASHLEY). This letter addressed to the Speaker is signed by all seven of the then living ex-Secretaries of the Treasury: Messrs. Snyder, Anderson, Dillon, Fowler, Barr, Kennedy, and Connally. Let me quote from it briefly.

Referring to H.R. 10265, they say:

> It would encroach upon the independence of the monetary authorities, weakening the safeguards Congress has established to assure objective decisions in the critical area of money and credit policies. . . . As former Secretaries of the Treasury, we see no need, and considerable potential for trouble, in asking the Comptroller General to engage the services of consultants—as yet unidentified—to second-guess decisionmaking by the responsible monetary authorities.

Since then Secretary Shultz has, as he puts it "reached the station in life of an ex-Secretary" and he, too, has endorsed these views in a letter dated May 23, 1974.

Mr. Chairman, there can be no stronger statement than this cooperative, bipartisan appeal for limiting the audit authorized by this bill. I urge everyone to support the amendment to be offered by Congressman ASHLEY. If accepted, I urge support for the bill.

Mr. PATMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. BARRETT).

Mr. BARRETT. Mr. Chairman, there really should be no controversy about this legislation. It is not revolutionary. It is a simple extension of the authority of the General Accounting Office to another Government agency—the exact same authority the GAO has to audit all other major agencies of this Federal Government.

This is all part of the people's right to know what is happening in their Government and most particularly what is happening to their money. I hope that there is no Member on either side of the aisle who opposes this basic right, this basic tenet of our democratic system.

All of us in this House receive a tremendous amount of mail about high interest rates, about the lack of credit for housing and other needs and about the failures of our bank regulatory agencies. This legislation at least gives us the opportunity to tell the people that we are requiring a full-scale look—a monitoring—of the agency which sets these policies. This House should not go on record as turning down an opportunity to audit—to review—an agency which has so much to do with the everyday well-being of all our constituents.

Mr. Chairman, on October 2, 1973, when our Banking and Currency Committee was considering the bill, I asked the Comptroller General of the United States, Elmer Staats, why his agency—the General Accounting Office—was needed to audit the Federal Reserve since they already hired outside CPA's to do the job. His answer was most illuminating:

> . . . We believe that it is not healthy for an organization which is a governmental entity, any organization, to be excluded from some degree of external review so that that advice can be given to the Congress of the United States. That is point one.
>
> Point two is that these are basically Federal moneys that we are talking about here—interest which is earned on securities, which is paid for out of the interest on public debt. It is just as much Federal money as if it were appropriated directly.
>
> I fail to see the distinction of any great degree in moneys earned of that type. . .

Mr. Chairman, Mr. Staats states the issue very clearly. It is the same basis on which we have required audits of other Government agencies including the very sensitive activities of the Defense Department. There is nothing in the record which supports special kid-glove treatment for the mighty bureaucrats of the Federal Reserve.

Let us give the people a break and lift the secrecy from this agency.

Mr. PATMAN. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Chairman, I first thank the distinguished chairman of the Committee on Banking and Currency for recognizing me for the purpose of making a few remarks. I rise only after quite a bit of debate back and forth.

For a while, I was clearly in doubt as to the timing, but after the things that have happened and are happening, and after listening to the distinguished minority member of the committee, who states that there is absolutely no cause to think there is any need for an audit of the Federal Reserve System, I feel very much impelled to say a few things.

Mr. WIDNALL. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. Mr. Chairman, I yield to the gentleman from New Jersey.

Mr. WIDNALL. Mr. Chairman, I would like to say that the gentleman should correct his statement to say that "There is no need for a GAO audit."

The gentleman said, "No need for an audit."

Mr. GONZALEZ. A GAO audit. I accept that correction because I just assumed that this is what we were talking about, because the bill provides for a GAO audit. Actually, as a congressional body, a legislative group, I do not know that we are in any way capable of conducting audits. This is why we have the General Accounting Office. So, I will be delighted to make that correction because that is exactly what I intended to say.

How in the world can any one of us in the Congress help but feel that there is a clear responsibility in this area, when we pick up the newspaper, when we read the editorials in newspapers, when we read editorials and articles in the financial magazines that point out that one of the largest banks in the country is under the threat of going under and received firm pledges from the Federal Reserve to the tune of $1 billion plus, which, in effect, has been done?

Mr. Chairman, at this point I wish to include articles from other publications and the New York Times of Friday last, May 24, in which it is categorically reported that the Federal Reserve Bank of New York anted up a billion dollars plus. We do not know the exact amount because we cannot get this information. The Feds say it is none of our business, Congress is not entitled to it.

Mr. Chairman, the articles follow:

[From the New York Times, May 24, 1974]

Credit Crunch

The First National Bank of Chicago and the Michigan National Bank of Detroit have raised their prime lending rate to an all-time record of 11¾ per cent. Other major banks are still charging their most credit-worthy corporate customers 11½ per cent, but the banking community fully expects to see the prime rate go to 12 per cent or higher. Even at the present level, if one includes "compensating balances"—the minimum percentage of a line of credit that a bank's customers are expected to keep on balance at all times—the effective primate rate is now between 13 and 14 per cent, an astronomical figure for huge corporate borrowers.

The soaring of interest rates is a consequence of three major factors: double-digit inflation, the struggle of the Federal Reserve to bring that inflation under control and the heavy demands of businesses for loans—some for productive investments, others to cover their acutely strained liquidity positions.

The large commercial banks themselves have contributed heavily to the run-up of interest rates because of their own reliance on borrowed funds, which they are raising by selling large certificates of deposit to corporations and wealthy individuals and by borrowing at very short term from smaller banks with excess reserves through the so-called "Federal funds" market. Indeed, the United States Government itself, with its heavy debts, is contributing to the pressure on savings and loanable funds.

The skyrocketing of interest rates poses the danger of a severe credit crunch for the American economy. Money is draining from savings banks and savings and loan institutions into the commercial banks. Some commercial banks are also in a dangerously exposed position, which could be disastrous if the credit crunch tightens, or if they make mistakes in their plunging for needed short-term borrowed funds. The Franklin National Bank had been relying excessively on its ability to place certificates of deposit and to borrow Federal funds. Had it not been for the swift rescue operation run by the Federal Reserve Bank of New York, the Franklin could have become the first major banking catastrophe of the current crunch.

Yet the monetary authorities face an awful dilemma in trying to deal with the existing problem. If the Fed shifts to a looser money policy and feeds reserves to severely strained financial institutions and, through them, to their business customers, it will feed the inflation—the root cause of the high interest rates. But if the Fed holds too rigidly to a restrictive monetary policy, some important institutions, financial and nonfinancial, could go to the wall and the economy could suffer a severe drop in income, output and employment.

There is simply no risk-free way out of the dilemma into which the Fed has been put by past reckless fiscal and monetary policies of the Government and by the hell-bent rush of the banking system to expand loans and investments, even though to do so meant relying more and more on borrowed short-term funds. The Fed will have to come to the rescue of those banks or corporations that get into serious trouble, lest a wider disaster ensue; yet it must try to conduct such rescue operations within the context of a firm monetary policy aimed at slowing the rate of inflation.

Such generalizations are easy to state; the day-to-day decisions will be agonizing. The basic fault is that Government should not have permitted the economy to fall into such a precarious and inflationary state in the first place. An overhaul of Government's economic policymaking machinery and tools is urgently called for.

Fiscal policy—the determination of government spending and tax levels—must be depoliticized to a far greater degree. Monetary policy must focus more on insuring that the banking system does not create excess credit by every risky device conceivable, in a rat-race for expansion. Fiscal and monetary policy need to be reinforced by incomes policy to reduce and contain the pressure of powerful special-interest groups for larger and larger shares of the national income and the maximum permissible supply of credit.

To prevent the present financial crisis from turning into a crash, the task of policy reconstruction must begin at once.

[From Business Week, May 25, 1974]

Questions for the Fed

The troubles of the Franklin National Bank (page 53) raise some urgent questions about the quality of the bank's management, the efficiency of its supervision by the Comptroller of the Currency, and the adequacy of the law regulating bank holding companies. Until these questions are answered—fully and publicly—the regulatory authorities should be in no hurry to put a stamp of approval on any plan for getting Franklin out of its difficulties.

The management of Franklin has to explain how it allowed a foreign exchange trader to stick it with as much as $39-million in losses. The Comptroller's office has to explain why it watched Franklin for months but apparently took no action.

Most important of all, the Federal Reserve has to investigate the role played in Franklin's affairs by Michele Sindona, the Italian financier. Sindona's personal holding company, Fasco International Holding, owns 21% of the holding company that owns Franklin. Since Fasco owns several other companies and the bank has had dealings with them, the question arises: Is this permitted by the law that forbids bank holding companies to engage in nonbanking activities?

The question would take on added significance under the plan now proposed for putting more badly needed capital into Franklin. Sindona would acquire a big block of additional stock, putting him well over the 25% level that constitutes legal control. Clearly, he could not put all this in Fasco, but he might meet the legal requirements by splitting the stock between two different Sindona companies.

The real issue, however, is not whether such a move would be legal but whether the Federal Reserve thinks, on the basis of Sindona's record, that it would be the best solution. If the answer is "no," then the deal should be prohibited, even if that requires new legislation.

To make its decision, the Federal Reserve should get the facts—all the facts—out in the open. This is no time for the regulators to make discreet, private arrangements, like a Victorian family quietly cleaning up the gambling debts and breach-of-promise suits of a profligate son.

[From Business Week, May 25, 1974]

Franklin Faces a Long Summer

Next Tuesday, if federal regulators approve, the stock market will get its chance to pass judgment on the attempts the beleaguered Franklin National Bank is making to solve its problems and win back Wall Street's confidence and capital.

Franklin's stock was withdrawn from trading by the Securities & Exchange Commission two weeks ago after the shock of Franklin's passing a dividend—a trauma that almost galvanized an investor run on banks generally. Only time financial support to Franklin from the Federal Reserve quieted things down somewhat. But despite that help, and despite more head-rollings among Franklin's management, the bank's troubles this week looked as if they will last a while.

Assuming Franklin has told the worst about its miserable first-quarter earnings performance, in a restructured report on the period, the SEC will open the stock to trading. But it will be some time before the bank even tries to implement last week's announcement of plans for a rights offering to pick up $50-million in equity capital.

In the money markets this week, Franklin did not seem to be faring much better than it did in the first week after the dividend blow—when it had to borrow about $500-million at the Fed's discount window. To the extent Franklin can get federal funds (overnight loans of reserves) or three-month money in the form of large certificates of deposit, the central bank, as the lender of last resort, will be less embarrassed by Franklin's needs. However, a federal funds trader said Franklin's access to that market continued to be "drastically curtailed." Franklin this week was not alone. The report on the Street was that only some 10 of the largest banks in the country had easy access to funds in the CD market. Regional banks were left in the cold at a time when $30-billion in bank CDs have to be rolled over.

ON THE DOLE

Some market analysts glumly assume that Franklin will be living essentially on a dole from the Fed for several months, and in the process straining what used to be regarded as the strict short-term limits of the Fed's generosity. Even before its catastrophe Franklin had been borrowing heavily at the Fed discount window. Other prospects of financing for Franklin look, at the moment, to be running into the sand.

There have been talks about merging the $5-billion institution into such other New York area banking giants as Manufacturers Hanover Trust Co. or Irving Trust Co. talks in fact, occurred between Franklin and Manufacturers Hanover, but they were broken off because of the overlap in the two banks' branching networks. "It's hard to find a father for a $5-billion baby," comments one analyst.

Harry Keefe, partner in the investment banking firm of Keefe, Bruyette & Woods, which handles bank security issues, sees only one drastic solution. He says: "They'll have to get their branches out of Manhattan and shrink back to a $2-billion bank." He thinks competing for retail banking business in Manhattan is a thankless task even for the giants that dominate it, much less Franklin.

Franklin may not shrink in asset size. But it is certainly going to abjure all thought of growth until it turns the corner, which means its stock price—cut in half between March and May—may not have hit bottom.

HAZARDS

And it will have to contend against the hazard of possible revelations emerging from a flock of inquiries by the federal bureaucracy and Congress. The Comptroller of the Currency is probing sharply into the heavy foreign exchange losses that triggered the passed dividend, as is the Federal Bureau of Investigation. The SEC is nosing about for signs of insider trading before the no-dividend news was announced. The House Banking Committee staff is also monitoring events at Franklin to see what happened.

Buoyancy has not entirely deserted the bank's executives. Senior Vice-President Arthur Perfall says the $350,000 that Franklin added in the first quarter to its bad debt reserves should be "more than ample" to cover whatever losses may yet come to light in Franklin's loan portfolio.

Speculation had David Kennedy, former Treasury Secretary and Continental Illinois National Bank & Trust Co. chieftain, taking over as chairman of Franklin next month, with the backing of the No. 1 Franklin shareholder, Italian financier Michele Sindona. Kennedy's name could give the bank a lift. So could a pause in the upward march of interest rates.

But even if Franklin weathers the storm, the banking industry probably will long remember the Franklin case. It is expected to figure in hearings that House Banking Committee Chairman Wright Patman (D–Tex.) is calling for July. It also may prompt tougher Washington control over foreign exchange trading and hurry the onset of federal surveillance over foreign bankers in U.S. banking activity.

[From the New York Times, May 24, 1974]

Franklin National Suffers $325 Million Deposit Drop

(By John H. Allan)

The New York Clearing House Association disclosed yesterday that deposits of the Franklin National Bank had declined $325 million, or 11 percent, in the two weeks since the bank disclosed large losses in foreign-exchange trading.

At the same time, the Federal Reserve Bank of New York released figures indicating it lent Franklin more than $1 billion in the last week to bolster its financial position.

It was also learned yesterday that Norman B. Schreiber, the chairman of the executive committee of Franklin, had met Wednesday in Washington with representatives of several regulatory agencies to review the tangled affairs of the bank.

It is understood that representatives of the Federal Reserve Board, the Securities and Exchange Commission, the Controller of the Currency and the Federal Bureau of Investigation attended the meeting.

In an another development, Franklin yesterday asked the SEC to continue the suspension of trading in the holding company's securities to give it more time to restate its first-quarter earnings.

On May 10, the Franklin New York Corporation—parent company of the Franklin bank—announced plans to omit dividends on its common and preferred stock because of poor earnings. Two days later, a Sunday, the banking concern announced large losses in foreign exchange trading that were said to have been caused by unauthorized dealings by one of its traders. The losses could total as much as $39 million. On May 14, Franklin asked to have trading in its securities suspended until it restated its first quarter earnings.

According to New York Clearing House Association's figures, deposits at Franklin on Wednesday totaled $2.699 billion down from $2.994 billion on May 8, two days before the news of the plans to omit dividends.

The New York Clearing House Association, is an organization set up to clear checks among its members. Each Thursday morning, the clearing house receives reports on deposits from its members—12 major New York City Banks including Franklin.

Franklin's demand deposits, other than those of the Federal Government, dropped from $751-million on May 8 to 674-million on May 22, the clearing house reported. Over the same two-week period, Franklin's time deposits fell to $1.14-billion from $1.29-billion. Deposits in foreign branches declined $839-million from $916-million.

The drop in deposits over the last two weeks offset about four years of growth for the bank, putting it back to the level of early 1971, when its deposits were also about $2.6-billion.

FED REPORTS BORROWING

The Federal Reserve Bank of New York reported yesterday that member banks in its district, an area that covers all of New York State and parts of New Jersey and Connecticut, had borrowed a total $1.245-billion, but a somewhat different list of 12 big New York City banks—a list that does not include Franklin—had no borrowings from the central bank.

For several weeks prior to the Franklin's disclosure of its problems, loans by the Federal Reserve Bank to banks in its district—but not including the 12 large city banks—had ranged from $70-million to $206-million a week.

In the last two weeks, however, such loans from the Fed climbed to $874-million on May 15 and then to $1.245-billion on May 22.

Most, if not all, of these Federal Reserve loans are to the Franklin bank, money-market analysts believe. Moreover, the figures strongly tend to confirm a report in The Wall Street Journal yesterday that Franklin loans had reached $1.1-billion.

Arthur G. Perfall, senior vice president of Franklin and its press spokesman, would not comment on reports of Federal Reserve loans. The Federal Reserve Bank of New York, as a matter of policy, does not comment on its relations with individual banks, and a spokesman would not comment yesterday.

A Federal Reserve spokesman emphasized yesterday "that all 48 banks in New York City are solvent." If they were not, he said, they would be shut down by bank regulatory agencies.

The assistance to the Franklin National Bank, he added, is motivated by the desire to keep the financial mechanism of the country working as well as possible. The central bank was set up to solve such liquidity problems, he said.

"People will have to be persuaded their fears are groundless," he said in answer to a question about what would be needed to restore confidence in the Franklin bank.

CONFIDENCE NEEDED

Such confidence will be needed if the bank is to return to normal participation in the money market, purchasing uncommitted reserves if it wants to or selling certificates of deposits. According to bank sources, the Federal Reserve has urged bankers to resume normal activities with Franklin in the Federal funds market, but the central bank's advice apparently has not been much heeded.

Federal Reserve loans to any bank are backed by collateral, and advances are made at the "discount rate"—now 8 per cent or one-half point higher, depending upon the grade of the collateral.

For the Franklin, this means a temporary savings, for short-term funds in the money market currently carry rates of 10 per cent to 11 per cent.

[From the National Journal, Apr. 27, 1974]

The Business Roundtable: "Knowing Who's Doing What"

The suite of offices is small: an outer room for the receptionist and an inner room for the staff (of one). There is nothing pretentious about the appointments. But the suite houses what could become the most potent business interest group in Washington, D.C.: The Business Roundtable.

Unlike the National Association of Manufacturers (NAM) or the Chamber of Commerce of the United States, the roundtable is selective about its membership. Only chairmen or chief executives of the country's biggest companies need apply.

The roundtable exists as a vehicle for these top executives to get involved personally in government activities which could affect their businesses.

The roundtable's method of operating is different from some other business lobbies. It picks and chooses its issues and its Washington representative, John Post, spends most of his time tracking issues which could be important to the members.

On those issues on which he thinks the roundtable can have an impact. Post tries to persuade the executives themselves to travel to Washington to make their case directly to the policy makers.

But Post is careful not to over-expose executives or to waste their clout on hopeless cases. He said that while he had been following the Federal Trade Commission's line of business proposal, he does not think the roundtable will take a direct role in the issue, particularly now that the authority to review the FTC's draft questionnaire has been taken from the Office of Management and Budget and vested in the General Accounting Office.

"If (Roy L.) Ash (director of OMB) had gotten involved in it, we might have had one (executive) try to talk to him about it." Post said. "But I wouldn't have them see Elmer B. Staats (comptroller general) about it."

Roundtable history: The roundtable, which has been around Washington for little more than a year, is an outgrowth of two organizations, the Labor Law Study Committee, formed in 1965 through the efforts of Roger M. Blough, former chairman of the board of U.S. Steel Corp., and the Construction Users Anti-Inflation Roundtable, a group of about 130 companies who "buy" construction, which was organized in the late 1960s which construction prices started rising steeply.

The central theme of the roundtable, Post said, is the effort of chief executives to strengthen the voice of business in society.

"The concept, as explained to the chief executives," Post said, "is that 'You have to know more about Washington, and you have to get involved.'"

The roundtable now has about 150 members, Post said, and each company pays a separate fee based on a formula which takes into account gross revenues and stockholder equity. The fees range from $2,500 to $35,000 annually.

The group takes few positions as a body. Instead, it concentrates on bringing the right executive to the right place at the right time.

"We want to be low key and helpful," Post said. "It's a matter of knowing who's doing what and only getting involved in it if some help is needed."

Congressional staff members who have had contact with Post say he is good at his job. "Post kept in closer touch on wage-price controls than anybody else I dealt with," said one Senate staff member who asked not to be identified. "He was very knowledgeable about every development that occurred. If there was discussion between offices on a new draft of a bill, he knew about it."

Post convinced four chief executives to testify before the subcommittee of the Senate Banking, Housing and Urban Affairs Committee, which was drafting controls legislation. He also arranged for the four men to meet privately with the subcommittee chairman, Sen. J. Bennett Johnston Jr., D-La., to make their case directly.

Convincing management: Post admitted, when asked directly, that one problem he has had is convincing chief executives of even the largest companies in the country that what the government does affects their operations.

"Many of them don't realize they're entitled to state their own opinions," Post said. "But we're getting more and more of them to come and testify."

He said that many U.S. business executives tend to rely on the NAM or the Chamber of Commerce to carry their fight. "But if the oil companies have learned anything," Post said, "it's that they can't put everything on Frank N. Ikard's shoulders." (Ikard is the president of the American Petroleum Institute.)

Finding a niche: This has made roundtable relationships with the chamber and the NAM somewhat uneasy. Although all three worked together on several recent issues, including wage-price controls, officials at the chamber and the NAM expressed some puzzlement at the role of the roundtable.

Several meetings have been held between Post and officials of the other two groups to work out a better relationship.

One NAM official, who would not speak for attribution, said he also had been told that some members of the roundtable were not pleased at the expanding role of the group.

Registering: This expanded role has inevitably brought more public attention on the roundtable's activities, and that has forced Post to change one aspect of his approach.

For example, he never has registered as a lobbyist, and when *NJR* asked him why, he said, "That's a question I kept asking my lawyer."

Post said his lawyer had tried to convince him that he did not engage in enough "lobbying" to be registered, but he said he had asked the lawyer to file the papers recently, "just so the question doesn't keep coming up."

One Senate staff member, who has dealt with Post, said that while the roundtable works like most other business lobbying groups, "It is easy to assume that they speak for business. In fact, they speak only for big business."

Policy Committee: According to roundtable stationery, the following chief executives form the group's Policy Committee: John D. Harper of Aluminum Co. of America; Blough; Fred J. Borch of General Electric Co.; Bert S. Cross of 3M Co.; John D. deButts of American Telephone and Telegraph Co.; Richard C. Gerstenberg of General Motors Corp.

Also, Shearon Harris of Carolina Power and Light Co.; J. B. Jackson of J. C. Penney Co. Inc.; J. K. Jamieson of Exxon Corp.; Reginald H. Jones of General Electric Co.; C. B. McCoy of E. I. du Pont de Nemours and Co.; David Packard of Hewlett-Packard Co.; J. Stanford Smith of the American Newspaper Publishers Association.

Also, Benjamin F. Biaggini of Southern Pacific Co.; Donald C. Burnham of Westinghouse Electric Corp.; Henry Ford II of Ford Motor Co.; Robert S. Hatfield of Continental Can Co.; Brooks McCormick of International Harvester Co.; John G. McLean of Continental Oil Co.; Louis M. Menk of Burlington Northern Inc.

Also, Frank R. Milliken of Kennecott Copper Corp.; Shermer L. Sibley of Pacific Gas and Electric Co.; Donald B. Smiley of R. H. Macy and Co. Inc.; Edgar B. Speer of U.S. Steel Corp.; J. E. Swearingen of Amoco Production Co. (Standard Oil of Indiana); O. Pendleton Thomas of B. F. Goodrich Co.; C. C. Tillinghast Jr., of Trans World Airlines Inc.; Lynn A. Townsend of Chrysler Corp.

Also, Maurice J. Warnock of Armstrong Cork Co.; Thomas F. Willers of Champion International Corp.; F. Perry Wilson of Union Carbide Corp.; J. Robert Wilson of Kansas-Nebraska Natural Gas Co.; T. A. Wilson of Boeing Co.; and Arthur M. Wood of Sears, Roebuck and Co.

Mr. Chairman, this is very far-reaching. They are giving $1 billion to one private institution because obviously the Fed feels that the reason the bank got into its difficulties was partially, if not completely, due to the particular policies that we are now confronting because of Federal Reserve policies.

Mr. Chairman, the question that we as Congressmen must ask ourselves is, Why select this one bank? If one of our banks in our districts looks as if it is going to be in trouble, would the Federal Reserve come in, in the same form, where the experts tell us that the causes have not been fully examined as to why this particular bank, the Franklin Bank of New York, is under the shadow yet? How can we say that we will vote against a bona fide effort on the part of the Congress to exact accountability from the most powerful agency in our country, for the Fed has the power to make or break any of our Governments.

Mr. Chairman, any of our administrations can be made or broken by the Federal Reserve today. At any meeting of the Open Market Committee of the Fed, the decision can be made that can force any administration to capitulate, and can make it or break it.

Yet, for some reason not yet adequately explained to me, at least the Congress has never exacted accountability for this awesome power that is inherent in the Federal Reserve System such as we have now. The argument is that if the Congress tampers with this, it is so sensitive that something might happen. But, the question I address to each and every Member of this body is, How can we not now vote to exact accountability?

Mr. WIDNALL. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I rise in opposition to the bill. As it is written, I think it would be a disaster to our Federal Reserve System. However, if the Ashley-Stanton amendment is adopted, I shall indeed vote for the bill.

Mr. Chairman, the bill before us could cut the heart out of what is now our only line of defense against inflation. In its capacity as the originator of our day-to-day monetary policy, the Federal Reserve Board, in its Open Market Committee, has been the only curb against inflation.

Congress has taken its first steps by establishing a Budget Committee, but we have yet to demonstrate that we are willing to do anything about budgetary control, to reduce spending or balance our budget, which might have some restraint on inflation. So instead, those of us who have not been able to restrain ourselves, the Members of Congress, are saying to the only Agency that is trying to do something about inflation, "Hey, you guys at the Fed are wrong."

Mr. Chairman, there is nothing wrong with an audit of the Federal Reserve System, and the remarks of the gentleman from New Jersey, I think, reflect exactly what I feel on this matter.

The class II audit is a reasonable financial audit, is reasonable in every instance, and is not objected to by, at least as far as I know, any member of the committee. What we do object to is an attack on the independent Federal Reserve System.

What I also personally object to is the attempt to put across the idea that this bill is going to reduce our interest rate somehow. Every Member should know that there is nothing about the interest rates in this bill.

Mr. ICHORD. Mr. Chairman, will the gentleman yield on that point?

Mr. FRENZEL. I do yield to my friend, the gentleman from Missouri.

Mr. ICHORD. Mr. Chairman, I agree with the gentleman speaking, the gentleman from Minnesota, that there is nothing in this bill that would bring about a lowering of interest rates, but at the same time I have been listening very carefully for the last 30 minutes, and I have yet to hear one reason advanced as to why the Federal Reserve System should be exempt from audit by GAO, which every other agency of Government is subject to.

Will the gentleman give me one reason why?

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for his question, and I think I have already stated, as has the gentleman from New Jersey (Mr. WIDNALL) that there is no objection to the GAO audit.

Mr. ICHORD. Why is the gentleman opposing the bill, then?

Mr. FRENZEL. Because the audit specified in this bill goes to policymaking by the GAO. We think it is fine to have a financial audit. If the chairman of the committee wants to have it, I think he should have that privilege, and the GAO should do it for him. We should look at the assets; we should account for all the money. That is important and necessary. On the other hand, through the years—and as the chairman has pointed out, that was a large number of years—the Federal Reserve has been independent of this Congress in the conduct of monetary policy. There has been a pretty good reason for that. It is because they are thought to be standing a little bit above the vicissitudes of politics.

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. Yes, I will yield to my friend, the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Chairman, I thank the gentleman for yielding, but I am trying to set the record straight.

I attended all the hearings on this bill. I know, as Dr. Burns told the committee, he had no objection to a GAO audit. There is no difference in a GAO audit of the Federal Reserve System than there is of the Department of Defense, or any other branch of Government. The GAO is not a policymaking body, and the GAO would not set policy for the Federal Reserve, just as they do not set policy for the Defense Department or the Agricultural Department.

Mr. FRENZEL. Mr. Chairman, I thank both gentlemen for their contribution, and I would like to finish out my time.

The problem is that the GAO, in inspecting and auditing the policy, will have the advantage of hindsight over some of these delicate maneuvers in the open market, and in the buying and selling of foreign currencies, which, are eventually made public, anyway.

However, it seems to me that these kinds of controls and audits are simply going to erode confidence in the Federal Reserve System and weaken its independence.

The committee reported this legislation with mixed feelings. While no one objects to a legitimate audit of administrative costs, such as ping-pong balls, there is good reason to fear that by allowing the GAO to delve into the Fed's policymaking operations we will create widespread concern and uncertainty over the Fed's primary strength in combating inflation. Its strength has in its independence as a Government agency.

My distinguished committee chairman, the gentleman from Texas, has fought long and hard for this bill, and I congratulate him on finally bringing it to the floor. However, some of the well-publicized reasons which the gentleman has cited in favor of adopting this bill deserve further comments.

The gentleman from Texas has stated that an audit of the Fed will assure the Congress that the Fed is using the taxpayers' money responsibly. As I have pointed out, no one objects to that kind of standard audit. The Ashley-Stanton amendment would not eliminate that provision from this bill.

The gentleman from Texas has argued that the billions of dollars which the Fed handles, processes and otherwise comes in contact with during a year are reason enough for Congress to be checking up on them. I agree that Congress has a responsibility to check up on the Fed expenditures. But it need not cripple the Fed by striking at its independence in the process.

The Fed already conducts its own internal audits, and it also is audited by an outside private auditing firm as a double check. Some Members apparently do not trust the word or the integrity of either of these two auditors, and seem willing to incur greater Government costs for an additional audit. The Comptroller General himself testified before our committee that there was no way to tell how much a full-scale GAO audit might cost, and this bill does not specify what amount of funding would be acceptable. Not only are we striking a blow at a strong inflation fighter, we are also doing our own bit to feed inflation a little more.

Mr. Chairman, the simple fact of this bill is that in its present form it would establish a procedure for second-guessing the Federal Reserve's policy decisions. If that is allowed to occur, the private sector will almost certainly react in the traditional manner by rapidly losing confidence in the Fed's ability to carry on an independent fight against inflation. Last week, our colleagues on the Senate Banking, Housing and Urban Affairs Committee indicated their feelings on this crucial issue by defeating this bill's provisions as an amendment to another measure. Senator MCINTYRE, who voiced the concern for the majority, said that enactment of this bill in its present form would almost certainly send a wave of concern and doubt through our financial system. At a time when the Fed is being looked to as the only stable operator in a void of inflation fighters, passage of this bill in its present form would be a mistake.

I would invite the attention of the body to page H9361 of the RECORD of October 10, 1973. In a dialog with the committee chairman, the gentleman from Arkansas (Mr. MILLS) stated:

> The gentleman wants to get the Federal Reserve into the politics of the House of Representatives, and I do not want that. It is run badly enough as it is.

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. FRENZEL) has expired.

Mr. PATMAN. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. KOCH).

Mr. KOCH. Mr. Chairman, I thank the chairman of the committee for yielding 3 minutes to me.

I voted for the bill in committee. I am troubled by some of the aspects of it, and I would like to share my feelings with the Members about those aspects and perhaps get some responses from the Chairman of the Committee.

I have listened to Comptroller General Elmer Staats of the GAO, and I have listened to Chairman Arthur Burns of the Federal Reserve Board, and the problem that comes out of the discussions is this:

On the one hand, Chairman Burns says that he has no objection to a total audit of the Federal Reserve Board, not only a financial, but also a policy audit, if the policy audit is done by the Committee on Banking and Currency and not by the GAO, because he believes that it is the function of the Committee on Banking and Currency to exercise that kind of oversight, and that it would be wrong to have the GAO conduct the policy audit.

I do not know whether the reasons he gives for that are good or bad, but one of the reasons is that the kind of staff technicians that the GAO would employ might not be properly equipped to audit policy, whereas the Committee on Banking and Currency staff should be and again he says that he would have no objection to that.

Now, my quandary is this: I have heard members of the Committee on Banking and Currency state that the audit contemplated under the bill is not a policy audit; that it is simply a financial audit and they stress that it would not permit a policy audit.

When we talk about a policy audit, what we really have in mind is this: Did the Federal Reserve, when it came to its conclusions, base its determination on all the relevant facts which a prudent person should have taken into consideration. That is the nature of a policy audit.

Mr. Chairman, I ask the chairman of the committee, the distinguished gentleman from Texas (Mr. PATMAN) this question:

Would it not be wiser to let the GAO do its financial audit and allow the Banking Committee, on which I serve under the distinguished chairman, and its excellent staff to do the actual policy audit? What is wrong with allowing our committee to do the policy audit?

Mr. PATMAN. Mr. Chairman, I shall be very glad to reply to the gentleman's question. We have had inquiries on that issue before.

Every agency of Government is audited except the Federal Reserve, and——

Mr. KOCH. Mr. Chairman, I wish to interrupt the chairman of the committee and ask him if he will respond to my simply stated question.

Mr. PATMAN. Mr. Chairman, that is the reply to the gentleman's question.

Mr. KOCH. I wish to repeat the question.

Mr. PATMAN. That is the answer.

Mr. KOCH. Mr. Chairman, if the chairman of the committee will permit, I wish to repeat that question with exactitude.

What is wrong with the Committee on Banking and Currency and its own staff—and we have great staff doing the policy audit?

Mr. PATMAN. Mr. Chairman, if the gentleman will yield, I will say this to the gentleman.

A policy audit is an entirely different question. The GAO does not have the right to make a policy decision.

Mr. KOCH. Mr. Chairman, let me interrupt the chairman of the committee once again——

The CHAIRMAN. The time of the gentleman from New York (Mr. KOCH) has expired.

Mr. PATMAN. Mr. Chairman, I yield 1 additional minute to the gentleman from New York (Mr. KOCH).

Mr. KOCH. Mr. Chairman, the gentleman from Texas, the chairman of the committee, has said something which is very crucial.

Is the chairman of the committee saying on this floor that this bill will not permit the GAO to make a policy audit, and that that power vests only in us, the Banking and Currence Committee?

Mr. PATMAN. Mr. Chairman, if the gentleman will yield, I will say that they have no power to do that, and they have never undertaken a policy audit. Never has that occurred.

Mr. KOCH. Mr. Chairman, the gentleman is saying as the chairman of the Banking and Currency Committee that no matter what the language in this bill the GAO may not conduct a policy audit of the Federal Reserve Board, and that the Committee on Banking and Currency will conduct such an audit if one is required?

Mr. PATMAN. I would say they will never have a policy audit; they will never make one.

Mr. KOCH. I thank the gentleman.

Mr. REUSS. Will the gentleman yield?

Mr. KOCH. Yes, sir.

Mr. REUSS. I want fully to corroborate what has been said. I have it from the Comptroller General himself that he does not have the slightest intention of conducting policy audits, or Monday-morning-quarterbacking audits, of monetary policy. He wants to do a financial audit, and that is all the language lets him do.

Mr. PATMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Thank you, Mr. Chairman.

It seems to me all of us should have learned some pretty sound lessons based on past history and the current events going on in our Nation. We should have learned that no institution of Government is sacrosanct—not the executive branch, not the legislative branch, not the courts. No institution is sacrosanct. Therefore, if we have learned anything at all based upon the experiences we have been going through in the last year, we ought to be fully committed to a thorough, complete audit of the Federal Reserve System.

If we do not audit the Federal Reserve System, are we not in danger, then, of having public opinion say that because of a failure to audit there must be something wrong going on? Do we want to place ourselves in a position of saying that as members of a body allegedly responsive to the people, that we really did not carry out our responsibilty in terms of the Federal Reserve System? I do not think we want to risk that, because we are Members of Congress who bear that responsibility. Those members running for re-election are going to have some very, very tough questions put to us by our constituents.

I think it is absolutely necessary to audit the Federal Reserve System, the same as we do any other institution of the Government. Just because big banks are involved it does not mean that they should be above close scrutiny. The Federal Reserve is not totally above and beyond the jurisdiction of this honorable body.

Mr. J. WILLIAM STANTON. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania (Mr. JOHNSON).

Mr. JOHNSON of Pennsylvania. Mr. Chairman, the bill before us would call for the most gigantic auditing job in all history. We would direct the GAO to audit the books, accounts, records, reports, files, and all other papers, things, or property belonging to or used by the Federal Reserve System. The transactions and activities of the System is a vast one. It comprises 12 branches, and handles millions and millions of transactions. No one can estimate how many auditors it will take, but it certainly could exceed 10,000—or perhaps more.

What is an audit? It is a review of the history of a transaction or event. It is a post mortem scrutiny of an accomplished fact. The Fed is already audited by internal auditors, and also an outside independent accounting firm. They report what the Fed has done during the period being audited.

A so-called GAO audit would report the same information and accomplish the same purpose and would be a repetition of what has already been done.

However, that is not the purpose of this bill. It is designed to destroy the independence of our central bank and place it under the control of the Congress. An audit of transactions is not the aim. Those who are against the Fed want to destroy its power as the maker of our monetary policy. They want to run the bank.

The only way that the GAO would be able to accomplish this purpose would be to have auditors stationed in every bank at all times, auditing all directors meetings, and then being present each hour taking part in the open market operations of the bank. If the Congress wants this kind of a situation then the law should be changed and the Congress be the central bank. We won't need the Federal Reserve Board.

We need a strong central bank and one that is independent. In the free world we have only one central bank that is under the control of the government. That is the Bank of France. Under De Gaulle, he ordered the Bank of France to demand gold for the dollars that they hold, even though other central independent banks as a matter of policy hang on to one's dollars. His action was one of the reasons we repudiated our promise to buy back dollars with gold.

To delay the independence of the Fed will destroy our prominence abroad. It was just last year our dollar abroad was under terrific pressure and a worldwide panic was threatened. It was only our strong independent Federal Reserve System that permitted Arthur Burns to vigorously step in and take strong measures which saved the day. It called for prompt immediate action. He did not have to ask the GAO whether he could agree to currency readjustments.

A post audit of administration transactions would not be harmful, through a repetition of other audits. Even so, I would support such an audit. But to have GAO sit in and in effect run the Fed would be a big mistake.

Mr. J. WILLIAM STANTON. Mr. Chairman, I yield 4 minutes to the gentleman from Connecticut (Mr. MCKINNEY).

Mr. McKINNEY. Mr. Chairman, what are we looking at here? I listened to the gentleman from New York, ask questions, and they were good questions. Certainly when the GAO audits the Department of Agriculture it considers whether they spend money on what they say they did and whether it was proper, but it does not turn around and say, "What was the reason for your policy on selling the Russians wheat? Did you lose money or did you gain money?"

What we are talking about with the Federal Reserve Board is the very fact that any audit of their financial condition is in essence an audit of their policy. Are we going to take, in other words, the Federal Reserve Board, which must act in secrecy in order to stop the avid speculators in gold, in dollars and the avid speculators in loans, and all the rest of our national economy; are we going to put them in a condition where they become terrified to make the decision that may in the short run be costly because the audit shows with hindsight what could not have been known at the time.

What is the distinguished chairman, the gentleman from Texas (Mr. PATMAN) actually saying in this bill? He is saying, "I want to take over the Federal Reserve Board." He is saying, "I do not like high interest rates."

Well, nobody likes high interest rates. But why are the interest rates high? Because we in this Congress cannot control our spending. Because our full employment budget President certainly does not know how to control his spending. And we end up in the situation where for years under both political parties, both in the Presidency and in the House we have turned around to the Federal Reserve Board and we have said, "You tax the people of the United States." We have turned around to them and we have said, "You stop inflation. You stop the recession with your money policies."

We in the Congress and the man in the White House are not going to go before the American people and say, "This is what we have to do if we are to survive."

The chairman is saying, very dramatically, that we are not going to audit their policies, but when you audit their balance books that's what you are doing. You are auditing their policies, a policy which might have occurred on the spur of the moment, and the decision was made to dive into this market, to buy gold here, dollars there, and to do this, or that, in a very complicated international financial situation.

What happens then when the gentleman from Texas wants to come before the House of Representatives and say, "Look at this, the Chase Manhattan Bank made a windfall with a decision of the Fed, to do this, or to do that."

Mr. REUSS. Mr. Chairman, will the gentleman yield?

Mr. McKINNEY. I would like to yield to the gentleman, but I have such little time being on so low a rung on the ladder. I will yield to the gentleman if I have time.

I think, you know, that it is really high time that we sat down and decided what the distinguished gentleman from Texas is saying. He is saying, "I want to run the monetary policy of the United States in Congress."

Why does the gentleman not put that type of bill in? He could just as simply say, "Let us give the Federal Reserve to the Congress of the United States. Let us have the Congress of the United States tell the Federal Reserve Board what to do. Then we have the true issue before us."

But to sort of sneak through the back door and say, "We want to examine you, we will audit you," this is clearly just another way to get at the policymaking decisions.

I think Mr. Staats protests too much. He comes across and says, "We are not really going to make policy; we are just going to tell you whether the balance sheet looks good." What is their balance sheet? Their balance sheet is trying to control the monetary policy condition of the United States of America, and by this effort, by bringing that forth without the condition or the reason of the time this decision would put them up for political fire, which could not possibly be withstood by them. Thereby we would achieve the politicization of the Fed and its destruction.

So I would suggest that what we really are doing is saying, "Let us take over the Fed." If the gentleman from Texas, the distinguished chairman of my committee, wants to put in a bill, we will argue it on that basis. But to come in through this back-door method, and giving this overblown agency the authority, the GAO—which, by the way, is supposed to be an arm of Congress and has its head appointed by the President of the United States—is simply to say we are going to put the Fed in the position of being so afraid to act, so afraid to respond, that they will not because they are afraid of the political pressure that will hit them a year later.

Mr. J. WILLIAM STANTON. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas (Mr. MILLS).

Mr. MILLS. I thank the gentleman from Ohio for yielding to me.

Mr. Chairman, ordinarily I do not take occasion to speak with respect to bills from other committees, but I am somewhat concerned about this bill that comes from the Committee on Banking and Currency.

Mr. Chairman, all of us have received a letter from the chairman of the Banking and Currency Committee urging that we vote for GAO audit of the Federal Reserve System for two reasons. One is that the Fed's portfolio of Treasury obligations should be canceled. The other is that there is a "glaring gap" in our information about the Fed's activities.

Let us consider the first of these arguments. The gentleman from Texas points out that most of the Fed's earnings are from interest on Treasury obligations it owns. He argues that these obligations should be canceled because they have been paid for. This is indisputable: The Federal Reserve has paid for them by assuming a corresponding liability. The mechanics are that the Fed buys $1 million of securities from a dealer; the dealer's bank credits the dealer's checking account with $1 million, and in turn the bank receives credit of $1 million in its account at its Federal Reserve bank. This is the process by which the Federal Reserve adds to the reserves its member banks must maintain at their Reserve banks.

In this process the Federal Reserve System acquires a $1 million asset and assumes a corresponding liability of $1 million. The gentleman from Texas advocates cancellation of the security on the ground that the Reserve bank used Federal Reserve notes to pay for it. Even if this were the case, the argument overlooks the fact that the Reserve banks are primarily liable on Federal Reserve notes, and that the Government securities held by the Federal Reserve are backing these notes.

Proceeding from the assumption that payment by the Federal Reserve is the same as payment by the Treasury, the gentleman would cancel the major part of the assets of the Federal Reserve System, leaving it bankrupt.

Of course, the books of the Federal Reserve might be balanced once again if the Treasury assumed the Federal Reserve's liability on a corresponding amount of Federal Reserve notes. However, this rearrangement of the Government's books would raise serious questions about our determination to handle our fiscal affairs responsibly. At least two advantages of the present accounting system would be lost. First, the present system properly distinguishes between the assets and liabilities of the central bank, and those of the Treasury, which must raise the funds needed to run the Government. Second, the present system assures that our paper currency in circulation—largely consisting of Federal Reserve notes—is matched by readily marketable assets—largely Treasury obligations—held by the central bank. To abandon these arrangements, through a procedure smacking of repudiation of debt, would hardly increase public confidence in our currency or our determination to manage our affairs responsibly.

Now let me say a few words about the second argument advanced for GAO audit—namely, that there is a glaring gap in the information Congress has about the Federal Reserve. I find this astonishing. Chairman Burns has been most cooperative in responding to my requests for information. I understand that he testifies frequently and candidly before the Committee on Banking and Currency and that he also answers responsibly the numerous inquiries addressed to him outside the committee room.

To support his argument that an information gap exists, the chairman of the Committee on Banking and Currency cites a Wall Street Journal editorial commenting on possible Federal Reserve expenditures for an electronic funds transfer system. I have a copy of that editorial, and it points out that committees of

Congress do not need GAO to get information from the Federal Reserve—all they need do is ask better questions. The editorial went on to suggest that Congress look into the possibility that the Federal Reserve might spend as much as $1 billion in facilities for a new electronic system for transferring funds.

If Congress has neglected to look into this possibility, it is not because of any secrecy on the Fed's part. The Board of Governors in November 1973 invited public comment on a number of issues relating to the possible use of new electronic techniques to hold down the skyrocketing costs of clearing checks. Among the issues it asked people to comment on were what role the Federal Reserve should play in such a system and how costs should be allocated. The Senate Committee on Banking, Housing and Urban Affairs has responded by approving a proposal to establish a commission to study the implications of establishing a new payments system. The Board of Governors has endorsed this proposal and pledged to cooperate with the new commission if it is established.

I do not believe that GAO audit of the Fed is needed to fill an information gap, or that cancellation of billions of dollars of Treasury obligations will help us to finance housing, hospitals, and other worthwhile projects as the gentleman from Texas contends.

On the contrary, I believe that this would be a particularly unfortunate time for Congress to add to concern about inflationary spending. Our people know you cannot pay for a hospital by burning a bond, and they know that the Government's credit will not be improved by using repudiation to reduce the size of the debt.

Financial markets are uneasy, and this condition could get a lot worse if Congress takes an action that will be taken as weakening the independence of the Federal Reserve. The Fed is engaged in a courageous effort to reverse the inflationary tide and restore confidence in our currency. Instead of making their job more difficult, as the bill reported by committee would do, we should give them our firm support.

Thus, I think the bill itself should be either returned to the committee for further consideration or the bill itself should be voted down.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, I would like to ask my distinguished chairman if it would be his conclusion at this point that the country has been well served by an independent monetary authority balancing the problems we create on the fiscal side; and if he also does not feel that there is very little reason to doubt the basic honesty of the Federal Reserve System as an independent body?

Mr. MILLS. I would hate to see us make a political operation out of the Federal Reserve to the same extent we have made a political operation out of fiscal policy. I shudder to think where we would be inflationary wise if it were not for one restraining influence in Government trying to hold down the rising costs and rising prices.

I do not like this idea of constantly trying to nibble away at the independence of the Federal Reserve. There were some pretty smart men in the Congress who conceived the idea of establishing the Federal Reserve to handle monetary policy and to control the banks and what they can do and also to try to keep it outside the influence of the President of the United States as well as the Congress of the United States, and it should not ever get into politics.

Mr. J. WILLIAM STANTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as the gentleman from Arkansas has so eloquently put it, the immediate problem that faces us this afternoon and that is that the Congress for the first time since 1933 really put themselves in the position of interfering with the totally independent financial system of this country. We have discussed earlier and I have heard some remarks on the House floor that amazed me in the debate, that this bill in its present form will not do that. We will have an opportunity, if those who argue that it does not, to join in an amendment that we will present here shortly that will assure us that this Congress or no Congress, I hope, in the future will take that final step in which we combine the monetary and the fiscal responsibility under a political atmosphere in this country.

The chief financial officer of our Government is the Secretary of Treasury. Uniformly over the years we have been blessed with the services of outstanding men in this position. They have served their country, and the world, with honor, wisdom, and distinction.

There are eight living former Secretaries of the Treasury. Four served in Democratic administrations, namely, John W. Snyder, C. Douglas Dillon, Henry H. Fowler, and Joseph W. Barr. Four served in Republican administrations, namely, Robert B. Anderson, David M. Kennedy, John B. Connally and George P. Shultz. Better, nonpartisan political balance is hard to conceive.

All eight of these living former Secretaries of the Treasury, without exception, have subscribed to the following statement which I now read into the Record. This was a letter under date of October 18, 1973, to the Honorable Carl Albert, the Speaker of the House, with a copy addressed to the Honorable Gerald R. Ford, then minority leader of the House:

October 18, 1973.

The Honorable Carl Albert,
The Speaker of the House of Representatives, Washington, D.C.

Dear Mr. Speaker: We are writing to express our deep concern about the provisions of H.R. 10265 relating to a GAO audit of the Federal Reserve System.

If H.R. 10265 merely prescribed a financial audit, we would not be seriously troubled. But the bill reported to the House would go much further, authorizing GAO to evaluate monetary policymaking. It would encroach upon the independence of the monetary authorities, weakening the safeguards Congress has established to assure objective decisions in the critical area of money and credit policies.

The Federal Reserve reports to the Congress, and particularly to the Committees on Banking and Currency, Ways and Means, Finance, and the Joint Economic Committee. In exercising its oversight responsibilities, Congress receives a steady flow of authoritative information directly from the Federal Reserve, including candid testimony from its Chairman. As former Secretaries of the Treasury, we see no need, and considerable potential for trouble, in asking the Comptroller General to engage the services of consultants—as yet unidentified—to second-guess decisionmaking by the responsible monetary authorities.

In a comparable situation in 1970, Congress provided for a GAO audit of the Exchange Stabilization Fund, but limited the scope of the audit. We believe the provisions for audit of the Exchange Stabilization Fund could serve as a useful model for a GAO audit of the Federal Reserve. We understand that Mr. Ashley will offer an amendment to accomplish that purpose, and we commend it to the attention of the House.

We are submitting a copy of this letter to the Minority Leader for his information.

Respectfully,

John W. Snyder.
Robert B. Anderson.
C. Douglas Dillon.
Henry H. Fowler.
Joseph W. Barr.
David M. Kennedy
John B. Connally.

Since the date of that letter, George P. Shultz has resigned and become a former Secretary of the Treasury. Under date of May 23, 1974, he addressed a letter to Hon. John J. Rhodes, minority leader of the House, sending a copy of the above letter and stating:

> Now that I have reached the station in life of an ex-Secretary, and since I understand the bill will soon again be under consideration in the House of Representatives, I would like to be on record as supporting the views in the earlier letter.

The new Secretary of the Treasury, William E. Simon, joins the ranks of his predecessors in vigorously opposing the granting of authority to the GAO to audit and evaluate the monetary policymaking activities of the Federal Reserve System.

Let me call up additional expert opinion against allowing the GAO to audit Fed policy. On October 22, 1973, when consideration of the bill appeared imminent, four former Secretaries of Commerce sent a wire to our colleague, the Honorable Thomas L. Ashley. The wire speaks for itself and makes abundantly clear their opposition to a GAO policy audit of the Fed:

Morristown, N.J.,
October 22, 1973.

Hon. Thomas L. Ashley,
U.S. House of Representatives, Washington, D.C.:

As former Secretaries of Commerce, who have been and still are familiar with the effects on the business and industrial communities of policies, programs and actions of the Federal Reserve System, we wish to record our opposition to H.R. 10265 which was introduced in the House by Chairman Wright Patman. After hearings and amendments the bill was reported out favorably by a majority of members of the Committee on Banking and Currency. We understand that the Rules Committee may send the bill to the House floor within the next few days, and thus the expression of opposing views is of considerable urgency.

Our objections are focussed on the provisions of H.R. 10265 which provide for a "policy" audit by the Comptroller General and thus go far beyond the usual kind of financial audit. In our opinion the kind of audit proposed would be strongly opposed by the business and industrial communities because that kind of "Monday morning quarter-backing" by the GAO would encroach upon the independence of Federal Reserve decision making. We think that, irrespective of any personal views we or others in the business and industrial communities may have about the adequacy of Federal Reserve policies and programs, it is essential to retain the non-partisan approach that the Federal Reserve traditionally has followed in both domestic and international monetary affairs. Certainly the kind of an audit by the General Accounting Office contemplated by H.R. 10265 would tend to erode the independence of the professional judgment on which monetary policy decisions are based.

Further, it seems to us that a high degree of confidentiality is essential in conducting many of the system's functions, including the examination of State member banks, formulation and implementation of monetary policy and operations conducted with and on behalf of foreign central banks. Granting GAO access to system records relating to these functions would unnecessarily complicate the problem of assuring their confidentiality.

As prescribed by law, the Board of Governors, with its knowledge of the history and procedures of the Federal Reserve System and the intent of Congress, audits and reviews the work of the Federal Reserve banks. In so doing, it is able to exercise great care in preserving the unique character of the system without obscuring regional differences among the Reserve banks or removing an important source of innovation and constructive diversity.

The accounts of the Board of Governors are audited each year by a top-flight outside firm of certified public accountants, and we understand that no restrictions are placed on the auditors in the conduct of their duties. Their audit report is reproduced in the board's annual report, and copies of the report are furnished to the House Committee on Banking and Currency and the Senate Committee on Banking, Housing and Urban Affairs.

It seems to us that the present auditing procedures are quite adequate. If anything more is considered necessary by the Congress, however, we think that the auditing authority delegated to the GAO should clearly be limited to ascertaining that administrative funds are properly accounted for and that fully adequate accounting procedures and systems for controlling those administrative funds have been established. Furthermore, any access by the GAO to the papers of the Board and Federal Reserve banks should be limited to the financial records concerned with administrative funds and not extend to policy decisions or deliberations.

We will appreciate your timely and serious consideration of the views we have outlined in this wire. We hope you will share our views with your house colleagues, particularly those on the committees interested.

JOHN T. O'CONNOR,
U.S. Secretary of Commerce, 1965–67.
ALEXANDER B. TROWBRIDGE,
U.S. Secretary of Commerce, 1967–68.
C. R. SMITH,
U.S. Secretary of Commerce, 1968.
PETER G. PETERSON,
U.S. Secretary of Commerce, 1972.

Still more expert opinion against the policy audit is available in a letter sent to Speaker ALBERT on October 20, 1973, by four former Chairmen of the Council of Economic Advisers. Again, the approach is bipartisan with half serving under Democratic and half serving under Republican administrations. Here is what they wrote:

ANN ARBOR, MICH.,
October 20, 1973.

The Honorable CARL ALBERT,
Speaker of the House of Representatives, Congress of the United States, Washington, D.C.

DEAR MR. SPEAKER: As former Chairmen of the Council of Economic Advisers, we are writing to let you know of our concern about H.R. 10265. The basic purpose of this bill is to provide authority for limited direct Treasury borrowing from the Federal Reserve Banks. This limited authority is wise and makes possible more orderly management of the Treasury's cash reserves.

Our concern is with the nature of the proposed authority for the G.A.O. to audit the Federal Reserve. On the question of a G.A.O. audit of the System's conventional income and balance sheet accounts, we represent a range of opinion. Some would not oppose it; some feel that it would be unnecessary and unwise.

We are, however, agreed that an extension of this authority to auditing policy operations would be unwise and should not be included in this bill. Federal Reserve officials should at all times be forthcoming about requests from the Congress for a reporting on their management of monetary policy, since the system is an agent of the Congress. It would, however, ill-serve the interests of the Congress and good monetary policy to mix a review of policy with a conventional auditing of the books.

Sincerely yours,

WALTER W. HELLER,
Regents' Professor of Economics, University of Minnesota.
PAUL W. MCCRACKEN,
Edmund Ezra Day University Professor of Business Administration, the University of Michigan.
ARTHUR M. OKUN,
Senior Fellow, the Brookings Institution.
RAYMOND J. SAULNIER,
Professor Emeritus of Economics, Columbia University.

In presenting these opinions of recognized experts in opposition to the proposal that the GAO be given authority to audit monetary policy judgments of the Fed, I have deliberately refrained from detailed discussion of the vigorous objections of the Honorable Arthur Burns, Chairman of the Federal Reserve Board, as well as the other members of the Board. I did so completely to avoid any possible charge of bias or self-serving interest in presentation of judgments of experts on this important issue.

However, any such charge against the former Chairman of the Federal Reserve Board, William McChesney Martin, and now a private citizen would be demagoguery of the worst sort. Here is the thoughtful opinion and reasoned judgment of a former Chairman of the Fed who served under five Presidents as expressed in a letter of October 18, 1973, to Congressman ASHLEY:

WASHINGTON, D.C.,
October 18, 1973.

Hon. THOMAS L. ASHLEY,
House of Representatives,
Washington, D.C.

DEAR MR. ASHLEY: During my nearly 19 years' service in the Federal Reserve System, a period that spanned the Presidencies of Messrs. Truman, Eisenhower, Kennedy, Johnson, and part of Mr. Nixon's first term, I repeatedly concurred in the view written into law by the Congress in the Roosevelt era, that exemption from General Accounting Office (GAO) audit was an important factor in the independence of the System within the Government. Now, as then, the Federal Reserve is audited by the most reputable independent, outside certified public accounting firms and the job they do is, in my judgment, second to none.

H.R. 10265, the current bill in the House to change this, is a serious threat to the safeguards Congress has established to assure the impartial, objective execution of the vital task it has assigned to the Federal Reserve System. I strongly oppose this bill and feel constrained to register my protest in the public interest.

Let us keep in mind that there is no question here of whether or not the Federal Reserve should be audited: it is and long has been audited, and audited thoroughly, as I have stated, so as to assure the Congress and the public of the accuracy and honesty of its accounts. For that very reason, I would be less concerned about an additional audit limited to adminitrative expenses, such as proposed by your amendment, although even such an audit would be needlessly duplicative of the very effective control already in place. However, even such an audit, which would seem innocuous in itself and vastly preferable to H.R. 10265, runs the risk that the auditing process may slip into the areas of policy and procedure with effects adverse to the formulation and execution of sound monetary policy.

Our currency is in enough trouble now and we should be very careful of what we do.

Sincerely yours,

(s) WM. MCC. MARTIN, JR.

P.S.—I am also sending this expression of my views to Speaker Albert and Mr. Ford.

I intend to be guided by the opinions of the experts in this field. I will support the amendment which will be offered by Congressman ASHLEY, and is cosponsored by me, to strike out any authority for a monetary policy audit of the Fed by the GAO. With adoption of the amendment, I will support the bill. Otherwise, I would vote against the bill as reported and would urge other Members to do likewise.

Mr. PATMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin (Mr. REUSS).

Mr. REUSS. Mr. Chairman, I am going to address myself to two points; one, the point raised by the gentleman from Arkansas (Mr. MILLS) about the suggestion often made by the chairman, the gentleman from Texas (Mr. PATMAN) that the Fed would somehow tear up the $80 billion portfolio it has.

Many of us have hobbies. Some collect stamps, others play tennis. Mr. PATMAN's hobby is that $80 billion of the Fed.

I admire and love my chairman, but on this particular issue I do not go along with him. I do not think it would accomplish anything.

I think the gentleman from Arkansas has given pretty well my view on that. But let me say that that has nothing whatever to do with the bill before us. The bill before us does not authorize the Comptroller General or anyone else to do anything about that $80 billion. If it were, I would oppose it.

Now, let me turn to the point raised by the gentleman from New York (Mr. KOCH) and the gentleman from Connecticut (Mr. McKINNEY); namely, does this permit the GAO to make a policy audit of the Fed?

Here I want to reiterate that it does not. It does not because the language prohibits it and, more than that, it does not because the Comptroller General, Mr. Staats, has thrust his fist into the fire publicly and said he neither can nor would have the slightest intention of making a policy audit.

What is a policy audit? Take the Federal Open Market Committee. I conduct a policy audit of the Fed all the time. I am currently put out that the Fed, despite its good intentions, has been creating new money at the rate of close to 10 percent a year. I think that is altogether too inflationary. I do not need the GAO to tell me that. That is a policy audit that the gentleman from Connecticut, the gentleman from Wisconsin and the gentleman from Texas and others are perfectly competent to do, I think we ought to do more of it.

The kind of audit that the Comptroller General would do would be to see whether by any chance the Fed was doing the same kind of thing that some gentleman at the Franklin National Bank, it turned out, was doing the other day; namely, conducting $31 million worth of foreign exchange transactions without being authorized.

The only way we of the Congress can determine that is by having our servant, the Comptroller General, conduct that kind of a grubby, bookkeeper's prosaic kind of audit. We do not have the staff to do it. That is why we set up the Comptroller General. So there is a clear line, I suggest to my friend from Connecticut, between policy auditing and the financial auditing function of the GAO which this bill would confer.

Mr. GIBBONS. Mr. Chairman, for some time I have supported legislation to require the General Accounting Office to audit the Federal Reserve, and have, in fact, introduced legislation similar to that before us today. I thoroughly agree with the Banking and Currency Committee in reporting this measure to the House. I hope that it will be passed and signed into law.

Since the Federal Reserve Act was signed on December 23, 1913, there has been no audit of the Federal Reserve System as a whole which was not controlled in some manner by the System itself. Although the General Accounting Office was established in 1921, it has never had the authority to audit the entire Federal Reserve System. Until 1933, the GAO did audit the Board of Governors but was not allowed to audit the 12 Federal Reserve banks and their branches.

However, the Banking Act of 1933 removed the GAO's authority to audit the Board. The Board does maintain a staff of examiners who audit the 12 Federal Reserve banks and branches and, since 1952, the Board has been audited annually by independent certified public accounting firms. The internal auditing procedures of the Federal Reserve System have been cited in arguments against allowing the General Accounting Office to audit the Federal Reserve System and its banks and branches.

However, there are many reasons, I believe, that call for an audit by the General Accounting Office. The General Accounting Office was created to assist Congress in providing legislative control over the receipt, disbursement, and application of public funds. It does have the authority to audit the majority of Federal agencies.

The magnitude of the Federal Reserve's operations demand that it be audited. The Comptroller General of the United States in a letter to me last year in response to my question concerning the expenditures of the Federal Reserve, stated:

> With respect to the other agencies not audited by GAO, the Federal Reserve System is the most significant in terms of dollar expenditures. In calendar year 1972, the expenses of the Board of Governors were about $25.3 million, and the expenses of all 12 Federal Reserve banks were about $407.2 million, making total Federal Reserve System expenses about $432.5 million.

The major role the Federal Reserve plays in our national economy calls for an audit of its activities. The Federal Reserve enjoys a position of complete independence from congressional or executive oversight of its activities. Thus, this body which makes major decisions over the Nation's economy has very little review.

I believe that the Federal Reserve must be held accountable for its use of what are essentially taxpayers' funds. Most of its earnings are derived from interest on U.S. Government bonds, and the net earnings—the total earnings minus the expenses of the Board and the Federal Reserve banks—are transferred to the U.S. Treasury. When Mr. Staats, the Comptroller General, appeared before the Banking and Currency Committee, he stated:

> These [Federal Reserve funds] are basically Federal monies that we are talking about here. . . . It is just as much Federal money as if it were appropriated directly.

Several years ago the Banking and Currency Committee did a special study of the Federal Reserve System and listed hundreds of expenses that would not have been allowed by most governmental agencies. The report of the committee which we are considering today touches on this study in greater detail.

Mr. Chairman, this legislation is the beginning step of other steps we must take to require fiscal soundness in our Federal agencies—to require accountability of taxpayers' funds. In addition to sponsoring legislation to require the Federal Reserve to be audited, I have introduced legislation to require audits of all of the unaudited domestic agencies of the government. I have been joined by 40 Congressmen in the introduction of this important legislation.

In response to my request to him, the Comptroller General has furnished me with a detailed letter concerning the unaudited agencies and his estimate of the cost of auditing them. I would like his letter to be made a part of my remarks.

The letter from Mr. Staats, dated September 26, 1973, follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., September 26, 1973.

Hon. SAM M. GIBBONS,
House of Representatives.

DEAR MR. GIBBONS: Your letter of July 20, 1973, requested that we update certain information dealing with agencies and entities not audited by the General Accounting Office (GAO), appearing in published hearings on September 27, 1971, before the Subcommittee on Domestic Finance, House Committee on Banking and Currency. In another letter dated July 30, 1973, you requested information as to the reasons GAO does not audit certain Federal agencies and our estimate of the cost to audit these agencies.

The information you requested follows:

UPDATE OF INFORMATION APPEARING IN TWO PARAGRAPHS ON PAGE 43 OF THE ABOVE-CITED HEARINGS

GAO does not audit the Central Intelligence Agency (CIA); and is not authorized to audit the Comptroller of the Currency; the trust funds of the Smithsonian Institution; the U.S. Soldiers' and Airmen's Home, Washington, D.C.; and the alien property activities of the Department of Justice. With respect to the CIA, GAO has no authority to audit that agency's confidential, extraordinary or emergency expenditures by virtue of seciton 8 of the Central Intelligence Agency of 1949 as amended (50 U.S.C. 403j(b)). Following enactment of this act and at the request of the CIA, GAO conducted on-site audits of vouchered expenditures. However, in view of section 8 of the act and the lack of access for any substantive review of agency policies, practices and procedures, an audit of vouchered expenditures is not now being made.

Also, although GAO is authorized to audit the destruction of unfit currency by the Federal Reserve System, it is not authorized to audit other Federal Reserve System activities or accounts. Additionally, GAO has not been allowed to audit some of the activities of several other agencies. For example, the Internal Revenue Service (IRS) has refused to allow GAO to audit its administration of the tax laws unless GAO is specifically requested to do so by the congressional Joint Committee on Internal Revenue Taxation. This refusal does not extend to all IRS activities, and GAO has reviewed some IRS activities not directly related to the administration of the tax laws.

There are several areas not referred to on page 43 of the hearings in which GAO audits are limited by law or have been restricted by the actions and legal positions of Federal agencies. GAO audits of the Exchange Stabilization Fund are limited by law to administrative expenses; and the Secretary of the Treasury may prohibit GAO from auditing administrative expenses which he determines to be of an internationally significant nature. GAO's annual audits of the Federal Deposit Insurance Corporation have been limited because FDIC has not permitted us unrestricted access to reports, files and other records related to the banks which it insures. In 1972 an attempt by GAO to review the effectiveness of the Internal Revenue Service in monitoring prices under Phase II of the Economic Stabilization Program was frustrated by IRS

Although IRS did not formally deny GAO the right to review program records, it proposed limitations which would have precluded GAO from performing an independent review. GAO was originally hampered in its efforts to review the records of the Emergency Loan Guarantee Board, established by Pub. L. 92–70. While the Board subsequently made its records available, it did so only because of the intervention of the Senate and House Committees on Banking and Currency. In making the records available, the Executive Director of the Board stated that "we continue to believe that the GAO does not have the statutory authority to review the Board's internal records relating to its decisionmaking process." The Board restated this position in its first Annual Report of July 31, 1972. Finally, GAO was unable to comply with a congressional request to review the Treasury Department's enforcement of the countervailing duty statute (section 303 of the Tariff Act of 1930, 19 U.S.C. 1303) because the Treasury Department refused to afford access to necessary records.

The Central Intelligence Agency does not make public the amount of its expenditures. The expenditures of the Internal Revenue Service for fiscal year 1972 amounted to about $1.1 billion. With respect to the other agencies not audited by GAO, the Federal Reserve System is the most significant in terms of dollar expenditures. In calendar year 1972, the expenses of the Board of Governors was about $25.3 million, and the expenses of all 12 Federal Reserve banks was about $407.2 million, making total Federal Reserve System expenses about $432.5 million. The expenses of the other agencies completely exempt from GAO audits are much smaller. For instance, in fiscal year 1972, the Comptroller of the Currency had expenses of about $38.9 million, and expenses of the U.S. Soldiers' and Airmen's Home were about $11.6 million.

The activities of the Smithsonian Institution are financed by Government and private funds, and the expenditure of Government funds is subject to GAO audit, but the expenditure of funds originating from private sources is exempt from GAO audits. In fiscal year 1972, the Smithsonian Institution received non-Federal funds totaling about $4.8 million which represented about 7 percent of total funds received of about $69.1 million.

REASONS GAO DOES NOT AUDIT CERTAIN AGENCIES

Federal Reserve System

The Board of Governors of the Federal Reserve System is authorized by law (12 U.S.C. 243), to levy assessments against Federal Reserve banks to pay the expenses of the Board. The Board is authorized by law (12 U.S.C. 244), to determine and prescribe the manner in which its obligations shall be incurred and its expenses allowed and paid. Further, it specifically is provided (12 U.S.C. 244), that funds derived from the assessments against Federal Reserve banks to defray the expenses of the Board shall not be construed to be Government funds or appropriated monies.

In view of the broad authority conferred upon the Board to determine and prescribe the manner of incurring obligations and to pay its expenses, and the fact that funds used to defray the expenses of the Board are not Government funds or appropriated monies, together with the provision in 12 U.S.C. 484, that no bank is subject to any visitorial powers other than authorized by law, or vested in the courts, or as shall be exercised or directed by the Congress or by either House thereof or by any committee of the Congress or of either House, it is our opinion that GAO would be unable to undertake an audit of the Federal Reserve System without specific authority of the Congress.

The Congress has given GAO the authority to audit one activity of the Federal Reserve System. Public Law 89–427, dated May 20, 1966, requires GAO to audit the cancellation and destruction of unfit currency. The Federal Reserve banks and branches perform this function and GAO periodically audits this operation at selected banks and branches.

Internal Revenue Service (IRS)

There are no restrictions on the authority of GAO to audit the administrative expenditures of this agency. However, the nature and full effectiveness of our audit of tax collection matters is dependent upon access to tax returns and related information with respect to which restrictions do exist.

The IRS has generally taken the position that our Office does not have the legal authority to audit IRS's administration of tax laws except when specifically requested to do so by the Congressional Joint Committee on Internal Revenue Taxation. IRS has maintained the position that this committee has exclusive jurisdiction over the administration of tax laws by the IRS.

We do not agree. IRS programs are the concern of several committees of Congress. For example, the banking and currency committees have an interest in the effectiveness of IRS's role in the administration of economic stabilization controls. Other committees, such as the Appropriations Committees and the Government Operations Committees, have an interest in the economy and efficiency with which the administrative operations of the IRS—with costs well over a billion dollars—are carried out. Still other committees are interested in tax aspects of campaign contributions. In discussions of the subject with the Comptroller General, the Chairman and Vice Chairman of the Joint Committee on Internal Revenue Taxation have never stated that they had such exclusive jurisdiction. Since we have a responsibility to the Congress as a whole, our ability to fulfill this responsibility has been and continues to be hampered because of IRS's position on this matter.

IRS has additionally taken the position that no matter involving the administration of the internal revenue laws can be officially before GAO and therefore we have no audit responsibility. The Commissioner of IRS, in a letter to the Comptroller General dated June 6, 1968, stated:

"* * * I must note that the (Chief Counsel, IRS) opinion holds that the Commissioner of Internal Revenue is barred by Sections 6406 and 8022 of the Internal Revenue Code from allowing any of your representatives to review any documents that pertain to the administration of the Internal Revenue Laws. Thus, federal tax returns and related records can be made available to you only where the matter officially before GAO does not involve administration of those laws."

Under the provisions of 26 U.S.C. 6103, tax returns are open to inspection only on order of the President and under rules and regulations prescribed by the Secretary of the Treasury or his delegate and approved by the President. Regulations appearing in 26 CFR 301.6103(a)–100–107 grant several Government agencies specific right of access to certain tax returns. Our Office is not included among those agencies. The regulation applicable to our Office, 26 CFR 301.6103 (a)–1(b)(f), provides that the inspection of a return in connection with some matter officially before the head of an establishment of the Federal Government may be permitted at the discretion of the Secretary or Commissioner upon written application of the head of the establishment.

IRS has permitted Federal agencies, States, individuals, contractors, and others to have access to tax returns and records. GAO has been given access to individual tax returns only when the return is needed in connection with an audit of a non-IRS program or when we have made reviews of an IRS program at the request of the Joint Committee on Internal Revenue Taxation. Otherwise we have been denied records requested for reviews of IRS operations. We feel that a GAO evaluation of IRS's administration of the tax laws is a matter officially before us and that therefore the Secretary has legal authority to provide us access.

Alien property activities of the Department of Justice

Because the alien property activities performed by the Department of Justice are carried on with nonappropriated funds, it is our position that GAO does not have the authority to audit these activities.

Comptroller of the Currency

The expenses of the Office of the Comptroller of the Currency are paid from assessments levied against national banks. With respect to funds derived from such assessments, the law (12 U.S.C. 481), specifically provides that such funds shall not be construed to be Government funds or appropriated monies. For the same reasons set forth under the Federal Reserve System, it is our position that our Office lacks authority to audit this agency.

COST OF AUDIT

Your letter of July 30, 1973, requested our estimate of the cost to audit the Federal Reserve System; the Internal Revenue Service; the Office of Alien Property; and the Comptroller of the Currency. To arrive at an estimate of our costs, we had to make certain assumptions concerning the legislation that would be enacted authorizing GAO to make such audits.

The audits performed by our Office generally relate to either the programs, activities, and/or financial operations of the entity under review. We presumed that the legislation enacted would authorize the Comptroller General to audit the programs, activities, and financial operations of the four entities (including the administration of the tax laws by IRS) under such rules and regulations as he may prescribe. Further, we presumed that reports of such audits would be made by the Comtproller General as he deemed them necessary.

Federal Reserve System

The financial statements of the Board of Governors are audited annually by an independent firm of certified public accountants and an annual examination of the financial condition of each Federal Reserve bank and branch bank is made by bank examiners who are employees of and who report to the Board of Governors. Also, an independent firm of certified public accountants observes the examination by the bank examiners at selected Federal Reserve banks and branch banks each year and renders a report to the Board of Governors concerning the adequacy of the examinations.

If our Office were to audit the financial statements of the Board of Governors and the Federal Reserve banks and branch banks, in determining the extent and scope of our audit work, we would take into consideration the audit work performed by the certified public accounting firm and the bank examiners. It is difficult to estimate with precision the cost of such audits by our Office because, until we have had an opportunity to observe and review the audit work performed by the independent accounting firm and the bank examiners, we cannot be certain to what extent we would limit the scope of our audit work. However, assuming that we find that the work of the certified public accounting firm and the bank examiners is thorough and comprehensive, we estimate that the additional work required by our Office to express an opinion on the financial statements of the Board of Governors and the Federal Reserve banks and branch banks would cost about $125,000 after the first year.

Concerning the audit of programs and activities of the Federal Reserve System, it is difficult to estimate the cost of such audits because we cannot predict certain variables which determine how much of our manpower resources would be devoted to audits of the activities of the System. For example, the amount of audit effort which we devote to audits of any particular agency is dependent upon such factors as congressional interest in the agency's activities.

Internal Revenue Service

This is a major agency which collects over $200 billion a year in taxes and spends more than $1 billion a year and there is a substantial continuing congressional interest in its activities. On the basis of the work we have been requested to do for the Joint Committee on Internal Revenue Taxation, we estimate that it would cost about $1.5 million a year to audit the administration of the tax laws and other programs and activities of IRS.

Alien property activities of the Department of Justice

This is a relatively minor activity. We estimate that in the absence of some strong congressional interest in this activity, we would spend very little time on this audit and that our costs would be negligible.

Comptroller of the Currency

The Comptroller of the Currency is responsible for the execution of the laws relating to 4,600 national and District of Columbia banks. As noted previously, we have assumed that the legislation enacted would authorize GAO to audit the programs, activities, and financial operations of the Office of the Comptroller of the Currency without a requirement that an audit be performed with any specific frequency. The financial statements of the Office of the Comptroller of the Currency are audited annually by a firm of independent certified public accountants. In determining the extent and scope of any audit we might make of the financial operations of this activity, we would consider the work performed by the independent certified public accounting firm. In view of the annual audits that are being conducted, and assuming that they have been and are thorough and comprehensive, we do not envision a significant expenditure of our resources in this particular area. Therefore, we estimate that the cost of any financial audit we might make of this activity would probably be no more than $15,000.

The extent to which we would allocate staff to reviews of programs and activities such as the granting of charters and examinations of national banks would depend on several factors but principally the congressional interest in these activities. Because of this uncertainty we are unable to predict how much of our manpower would be devoted to such activities.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

DEAR COLLEAGUE: Commencing on May 29, 1974, the House will take up H.R. 10265, a bill which provides for GAO audits of the Federal Reserve. This is a proposal whose time has come. Nearly all important areas of government operations are audited by GAO. The operations of the Internal Revenue Service, the Comptroller of the Currency, the Office of Alien Property, and the Federal Reserve are not. There is no reason, in 1974, to keep these operations of government "off limits" to the auditor of the Congress of the United States. It defies understanding how, in 1974, secrecy and unaccountability can be tolerated in these areas of government. H.R. 10265 gives us an opportunity to end it in the Federal Reserve's operations.

The Fed's operations cover a wide range of activities including coin wrapping, check clearing, electronic funds transfer, discounting, buying and selling securities, supervising bank holding companies, passing on bank mergers, redeeming food stamps, destroying old currency, safekeeping securities and gold, economics data collection and research, and other fiscal activities for the Treasury.

As reported, the bill limits GAO by prohibiting audits of bank examination reports and transactions conducted by the Fed on behalf of foreign central banks and delays for one year audits of sensitive open market and discount operations. No additional safeguards are needed. GAO auditing authority is not proscribed in the areas of national defense, foreign policy, and diverse domestic policies. There is no reason to restrict GAO in auditing the Federal Reserve's operations beyond limits already placed on the bill as reported. In a letter to Chairman Patman dated May 1, 1974, Comptroller General Staats said, "I believe the bill as reported by the House Banking and Currency Committee should remove any concern that this Office would become involved in current decisions of the Federal Reserve Board related to monetary policy. I see no reason, therefore, for a change in the proposal and would hope the Congress would accept the proposal as reported."

The cause of open government, accountable government, good government, will be served by voting for H.R. 10265 as reported by the Committee on Banking and Currency. Let me urge you to do this.

Sincerely yours,

SAM M. GIBBONS.

Mr. RHODES. Mr. Chairman, the question before the House when H.R. 10265 is considered, is whether or not Congress should tinker with the organization it has set up on an independent basis to manage the Nation's money supply.

I do not believe we should. While I respect the committee's concern and interest in the operations of the Federal Reserve Board, I do not believe that we are justified in imposing a review of its policies when all we need is an accounting of its administrative activities.

Dr. Arthur F. Burns, Chairman of the Board of Governors, has expressed strong opposition to the bill. He said:

> In considering this bill, it is essential to keep in mind that there is no question whether the Federal Reserve should be audited.

He points out that there is already an extensive audit procedure involving resident auditors, the Board's examiners and independent CPA firms.

Dr. Burns notes that the Federal Reserve already provides Congress with voluminous information through direct testimony and other reports. He states that another layer of auditing by the Comptroller General would require additional personnel. Further, he doubts the efficacy of having outside auditors evaluating and making pronouncements about Fed policies that have been "formulated after long and careful consideration."

Chairman Burns rightfully points out that such a policy probe—

> Would raise serious questions about the authority of our Nation's central bank and run the risk of weakening business and financial confidence at a most difficult time.

This warning is echoed by Secretary of the Treasury William Simon, who said:

> Any legislation that might reflect adversely on the Federal Reserve would be particularly dangerous at the present time, in view of the uneasy state of both domestic and international financial markets.

Secretary Simon is not alone, for there is strong bipartisan opposition to the provisions of the bill. All eight living former Secretaries of the Treasury have expressed strong opposition to the legislation. Four past Chairmen of the President's Council of Economic Advisers—two from each party—have expressed similar concerns.

Congress deliberately provided for the independent status of the Federal Reserve Board in its crucial task of supervising the Nation's monetary policies. This independence has served us well in the past. It should be continued.

I urge that my colleagues consider the dangers inherent in a reversal of policy at a delicate time in our efforts to restore economic balance. I urge that they support the Ashley-Stanton amendment. This proviso would allow the GAO to audit the administrative expenses of the Board and the Federal Reserve Banks, but it would not extend into an evaluation of the policies behind the Feds' open market and foreign exchange transactions.

In an accurate bit of philosophy, Lord Falkland once wrote:

> When it is not necessary to change, it is necessary not to change.

I do not believe that it is either necessary or wise to change congressional policy toward the independent status of the Fed. I do believe that we have the oversight responsibility to conduct audits of administrative procedures and expenditures—just as we do extensively with other agencies and sectors of the Federal Government.

The Ashley-Stanton amendment accomplishes this purpose. I urge that it be adopted so that this Congress can do its delegated job of overview of how tax dollars are being spent, but not interfere with the complex and vital functions we have ourselves assigned to the Federal Reserve Board.

Mr. HARRINGTON. Mr. Chairman, I rise in support of H.R. 10265, a bill to permit audits of the Federal Reserve Board. Since it was established under President Wilson in 1913, the Federal Reserve Board has not been subject to an outside audit of its activities. Although over $53 billion is handled annually by the Federal Reserve Board, the Congress is unable to evaluate its performance.

In the post-Watergate era, when the public is establishing new levels of permissible governmental behavior and is demanding more information on how its Government is run and how decisions are made, the Federal Reserve and the Central Intelligence Agency still remain immune from audit by the General Accounting Office.

Mr. Chairman, I urge my colleagues to support H.R. 10265 to permit a GAO audit of the Federal Reserve System and to further the principle of public oversight of governmental operations.

The Federal Reserve Board's functions have important implications for the Nation's economy and for the Nation's consumers. Each year, the Federal Reserve banks handle an annual flow of over 27 billion pieces of coin and currency. Nearly 10 billion checks, worth $3.7 billion, pass through its doors each year. Yet there is no governmental audit of the Federal Reserve. It seems to me that any organization handling such a large volume of money, regardless of whether it is a private corporation or a unit of Government, needs outside audit assistance.

The General Accounting Office, Congress' investigating arm, has an outstanding record of auditing a myriad of departments and agencies which spend billions of dollars each year. It only makes sense that it should also audit the system responsible for the flow of money in the Nation.

Opponents of this bill suggest that a GAO audit will undermine the traditional independence of the Federal Reserve—an audit, however, is merely a factual report. The GAO has no power to make policy for the Federal Reserve, nor can it direct the agency's operations. Passage of this bill would in no way compromise the independence of the Federal Reserve System.

Many thousands of taxpayers' dollars are being handled and spent by the Federal Reserve System and there are suggestions that some of the money is being expended in what the Banking and Currency Committee called "highly questionable manners." A GAO audit would point out how the Federal Reserve uses its money and would allow the Congress to move to reform some of its abuses.

Without an audit, the Congress cannot determine what the Federal Reserve is doing, and it cannot make informed judgments about future programs and policy. Audits will determine whether the Federal Reserve's transactions are conducted legally and responsibly.

The present exclusion of the Federal Reserve from the GAO's audit power represents a restriction of the Congress' responsibility to oversee the functioning of Government to act to assure that Government operates at its highest possible rate of efficiency and with the highest degree of public responsibility.

Enactment of H.R. 10265 would remove the Federal Reserve from its privileged position of exemption from GAO audit. I look forward to the opportunity of voting for a similar bill to remove the audit exemption from the Central Intelligence Agency in the near future.

The Watergate scandal and the Congress' inability to deal with the problems facing our Nation in recent years have combined to undermine citizens' respect for the institutions of governments. Only by ending the secrecy under which certain segments of Government operate can we expect to act to win back the respect of the American people. And only by opening up Government to public inspection will we deserve to win back their respect.

Mr. RARICK. Mr. Chairman, article I, section 8, clause 5, of the Constitution of the United States provides that among those powers expressly delegated to the Congress is:

> To coin Money, regulate the Value thereof, and of foreign Coin, and fix the Standard of Weights and Measures.

No one has suggested that the Federal Reserve Act repealed our constitutional mandate, nor that Congress is without responsibility to the American people for failings in our monetary policies, presently completely dictated by the Federal Reserve Banking System.

I am not convinced by arguments advanced that Congress should have no role in the Fed, nor the contention that the people are disillusioned with Congress because of the big spending practices of many in this body. We in the House are directly responsible to our people and must return every 2 years to have our report cards graded, if we seek continuation of our role in the Government. Our lives, conduct, and actions are under continuous scrutiny, our votes are recorded and public. We have a code of ethics and are required to make public disclosures of outside income, honorariums, and even the sources of our campaign contributions.

On the other hand, who is the Federal Reserve? It is doubtful that 10 people in a 1,000 even know the names of the members of the Board of Governors of the Fed, let alone their term of office or their votes on any actions which directly affect our money and credit, and thus the income, savings, and lives of every American citizen.

There has never been a suggestion made that the Board of Governors and their subsidiaries adopt any code of ethics or standard of practices. Certainly it has never been suggested to anyone here that the Board has ever found any of its members in any conflict of interest situation or in violation of the public trust. It may well be that the Board of Governors police themselves, but if so, it is in dark secrecy. Contrary to the demands made on us in Congress, the body who created this sacrosanct establishment, it has never even been suggested that the Board of Governors or employees of the Federal Reserve Banking System must publicly disclose their honorariums or other income from activities not related to the Fed.

In answer to the suggestion that the Federal Reserve Banking System has incorruptible and highly skilled professions, I but repeat what many of my people tell me: if the Fed is doing a good job, what is wrong with our money and our credit? It is because of concern and desires of many people to know what is destroying the buying power in their dollars that I introduced H.R. 119 to "vest in the Government of the United States the full, complete, and unconditional ownership of the 12 Federal Reserve banks."

My only reservation is that the bill before us, H.R. 10265, does not go far enough. I voted against the Ashley amendment to water down the audit and I support this bill.

Mr. VANIK. Mr. Chairman, I oppose the Ashley amendments to dilute the authority of the General Accounting Office in conducting and providing an objective audit of the Federal Reserve System.

The legislation reported out by the Banking and Currency Committee provides adequate safeguards to insure the integrity and sanctity of the decisionmaking processes of the Federal Reserve, retaining the confidentiality for 1 year of the sensitive activities of the Federal Reserve in regard to foreign currency transactions and to retain 5-year confidentiality of open market activities.

Although I have violent disagreement with many current decisions of the Federal Reserve Board, I have high regard and confidence in Board Chairman Arthur Burns and its Board of Governors. The integrity of these gentlemen is not at issue. The question is whether we can get an objective analysis of the system for the use of Congress in the public interest.

The Federal Reserve is an institution of mortals—capable of errors—indiscretions—and perhaps fantasy. The Federal Reserve Board as an institution ought to be reviewed by the auditors of Congress to insure there will be no permanent concealment of errors in judgment or changes in its public purpose.

I have felt for a long time that the Congress cannot properly legislate unless it is supplied with information upon which it can make sound decisions. The need for prolonging the secrecy of the Federal Reserve decisions cannot be sustained.

I also feel that the GAO should be directed by the Congress to oversee and audit the IRS: not only would this provide us with additional statistical studies, but it could increase public confidence in the Service. The right of the Congress and the American people to know should not be surrendered unless there is some overwhelming evidence to sustain such a restriction.

Mr. DORN. Mr. Chairman, the independence and stability of the Federal Reserve System is the cornerstone of our banking and financial system. This independence must be protected. I am extremely skeptical of any proposal to have the GAO conduct a so-called audit of the Federal Reserve; this could too easily go beyond a simple financial audit and could curtail the Federal Reserve's indispensable freedom of action and independence.

Mr. Chairman, our banking community is close to the grassroots of the Nation. They see firsthand every day, at the local level, the destructive effects of inflation and financial instability. No profession in American life has done more to help make available to all Americans the benefits of prosperity and abundance. I commend our banking community, Mr. Speaker, and I share their concern about frontal attacks on the most important and sensitive of the Nation's financial institutions.

Historically the Congress has guaranteed the independent status of the Federal Reserve. I strongly urge that this be continued. I simply do not want the GAO or any other agency of Government making policy judgments about and second guessing the most sensitive actions by the Federal Reserve. The Fed must not become a political football. These audits would be the opening wedge of ever-increasing political pressure. I oppose this so-called audit, and will vote accordingly.

The CHAIRMAN. All time has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) The Comptroller General shall make, under such rules and regulations as he shall prescribe, an audit for each fiscal year of the Federal Reserve Board and the Federal Reserve banks and their branches.

(b) In making the audit required by subsection (a), representatives of the General Accounting Office shall have access to books, accounts, records, reports, files, and all other papers, things, or property belonging to or used by the entities being audited, including reports of examinations of member banks, and they shall be afforded full facilities of verifying transactions with balances or securities held by depositaries, fiscal agents, and custodians of such entities.

(c) The Comptroller General shall, at the end of six months after the end of the year, or as soon thereafter as may be practicable, make a report to the Congress on the results of the audit required by subsection (a), and he shall make any special or preliminary reports he deems desirable for the information of the Congress. A copy of each report made under this subsection shall be sent to the President of the United States, the Federal Reserve Board, and the Federal Reserve banks. In addition to other matters, the report shall include such comments and recommendations as the Comptroller General may deem advisable, including recommendations for attaining a more economical and efficient administration of the entities audited, and the report shall specifically show any program, financial transaction, or undertaking observed in the course of the audit which in the opinion of the Comptroller General has been carried on without authority of law.

(d) The Comptroller General is authorized to employ such personnel and to obtain such temporary and intermittent services as may be necessary to carry out the audit required by subsection (a), at such rates as he may determine, without regard to the civil service and classification laws, and without regard to section 15 of the Act of August 2, 1948, as amended (5 U.S.C. 3109b).

SEC. 2. Section 14(b) of the Federal Reserve Act, as amended (12 U.S.C. 355), is amended by striking out November 1, 1973, and inserting in lieu thereof "July 1, 1974" and by striking out "October 31, 1973" and inserting in lieu thereof "June 30, 1974".

SEC. 3. The ninth paragraph of section 10 of the Federal Reserve Act, as amended (12 U.S.C. 522), is amended by striking out $60,000,000" and inserting "$120,000,000"

Mr. PATMAN (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 1, line 5, strike out "for each fiscal year" and insert in lieu thereof "for at least one of each three fiscal years".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 1, line 6, immediately before the period at the end thereof insert ", the Federal Advisory Council, the Federal Open Market Committee, and all clearing facilities."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, lines 3 and 4, strike out "including reports of examinations of member banks,"

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, immediately after line 6, insert the following new subsection:

(c) Notwithstanding any other provision of this Act, any audit made under section 1 shall not include—

(1) examination reports of member banks;

(2) transactions conducted on behalf of foreign central banks; and

(3) operations concerning open market transactions and discount policy determined by the Federal Reserve Board to be sensitive until at least one year after the operations.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 7, strike out "(c)" and insert in lieu thereof "(d)".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 8, immediately after "the end of the year" insert in lieu thereof "with respect to which each audit required under section 1 is made".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 24, strike out "(d)" and insert in lieu thereof "(e)".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the last committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 13, strike out " '$120,000,000' " and insert in lieu thereof " '$140,000,000' ".

The committee amendment was agreed to.

Mr. PATMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to tell the Members something about this man Staats, who is now Comptroller General of the United States—and remember, that is a 15-year office, and a person cannot be appointed to succeed himself; that is it.

Before his appointment as Comptroller General, Mr. Staats had served as Deputy Director of the Bureau of the Budget under Presidents Johnson, Kennedy, Eisenhower, and Truman. That would indicate he was a pretty good man, or he would not have had the endorsement of all those fine Presidents.

Mr. Chairman, those who are opposing this audit and more particularly those who are seeking to weaken the audit, are at the same time making an unwarranted attack upon the Comptroller General, Mr. Staats, and the General Accounting Office. The GAO is a respected agency of this Congress, a watchdog agency of the Federal Government. It has the respect of people both in and out of Government, and I personally resent the attacks being made upon the GAO by the apologists for the Federal Reserve System.

Mr. Chairman, the amendment of Mr. ASHLEY would limit the scope of GAO, and in effect holds that the General Accounting Office is incompetent. We have not placed any smear respecting this on the GAO in connection with the audits of other agencies, and I do not think the Members of this House want to go on record against the competence of the General Accounting Office.

Mr. Chairman, the Ashley amendment is a vote of no confidence in the GAO and its Comptroller, and it should be rejected overwhelmingly.

Mr. Chairman, Elmer Staats has been a public official for many, many years and has served the Government well. I know of no better citizen than Mr. Staats, and I know of no tale of scandal that has touched his name at any point during his long Government service. I know of no valid charges that Mr. Staats misused his power.

The Ashley amendment implies very clearly that Mr. Staats would misuse his power if he looked at Federal Reserve books.

Mr. Chairman, regardless of how these votes come out here today, I want to state in very clear terms that I have the fullest confidence in the General Accounting Office and in the Comptroller, Elmer Staats.

Mr. Chairman, the work of the General Accounting Office has improved the effectiveness of many agencies and, more importantly, has improved the people's confidence in their Government.

It is impossible to place a dollar value on what the GAO means as a watchdog agency, but the annual report of the GAO shows us that there was at least $284 million of taxpayers' money saved in fiscal year 1973 as a result of the adoption of the recommendations of this particular agency.

Mr. Chairman, I want to challenge the supporters of the so-called Ashley amendment or of any other amendment against the GAO to come up with any evidence that they might have where the GAO has purged an agency or destroyed the effectiveness of any part of the Federal Government or where any harm has been done, as they claim would be done, to the Federal Reserve. I challenge them to stand up on this floor and tell me what the GAO has done wrong. It has audited departments and various agencies of the Federal Government. No one can produce the evidence because the GAO has not harmed these departments and agencies in carrying out their audits and has simply saved the taxpayers money.

Mr. WIDNALL. Mr. Chairman, will the gentleman yield to me?

Mr. PATMAN. I yield to the gentleman from New Jersey.

Mr. WIDNALL. Mr. Chairman, with all due respect to the chairman of our committee, I would like to ask him to point out where one single Member has been critical of the integrity and the character of Comptroller General Staats. There has been no personal attack. There has been no lack of confidence in the GAO or in its operation.

Mr. Chairman, I think this is purely a diversionary tactic on the gentleman's part, to raise a quesion like that, because it does not enter into this debate or the evaluation of the facts in connection with it.

Mr. PATMAN. Mr. Chairman, I have read the transcript. I know about it, and I know that letters have been written, "Dear Colleague" letters. I am saying to the Members that this is a direct reflection upon the GAO and that we must cure that.

Mr. J. WILLIAM STANTON. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Yes, I yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. Mr. Chairman, I appreciate the gentleman's yielding once again. In the gentleman's prepared remarks he stated that this Congress has never limited the authority of the GAO, that its auditing power has never been limited by this Congress.

Mr. PATMAN. Mr. Chairman, I do not hear the gentleman. I would like to know what the gentleman said.

Mr. J. WILLIAM STANTON. I said that a few minutes ago in the gentleman's prepared remarks——

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. J. WILLIAM STANTON and by unanimous consent, Mr. PATMAN was allowed to proceed for 1 additional minute.)

Mr. J. WILLIAM STANTON. Mr. Chairman, will the gentleman yield to me again?

Mr. PATMAN. Yes; I yield to the gentleman.

Mr. J. WILLIAM STANTON. Mr. Chairman, a few minutes ago, in his prepared remarks the gentleman told the Committee that never has the Congress limited the authority of the GAO. The gentleman well knows, as I do, that here several years ago in the Economic Stabilization Act we definitely limited the scope of the GAO.

Mr. PATMAN. Mr. Chairman, the bill you named concerned price and wage controls only.

Mr. J. WILLIAM STANTON. That is entirely the wrong bill.

Mr. WYLIE. Mr. Chairman, will the gentleman yield for a question?

Mr. PATMAN. Yes; I yield to the gentleman from Ohio.

Mr. WYLIE. Can the gentleman state the salary of the Comptroller General of the United States?

Mr. PATMAN. I am sorry. I did not hear.

Mr. WYLIE. Can the gentleman state the salary of the Comptroller General?

Mr. PATMAN. To answer the gentleman, no, I do not, but it is not $90,000 a year. Whenever they approve salaries of $90,000 a year without the approval of Congress, I think they are going too far.

Mr. WYLIE. Who makes $90,000?

Mr. PATMAN. The president of the Federal Reserve Bank in New York.

Mr. WYLIE. The gentleman is not referring to members of the Federal Reserve Board?

Mr. PATMAN. No. I know some who are only as important as the Federal Reserve Board members who only get $42,500.

Mr. REUSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wish to call the attention of the Members to a very important part of the committee amendment, that which is contained on page 2, lines 9 through 17, because a very important limitation, as suggested by the Federal Reserve, has been put in the bill, by this amendment, on the GAO audit.

As the bill was introduced by the gentleman from Texas (Mr. PATMAN) it simply authorized an audit by the GAO of the Federal Reserve System.

We then listened to the testimony of the Federal Reserve Bank, through its vice chairman, Governor Mitchell, and Governor Mitchell said that in his judgment certain constraints ought to be placed on any audit. He said as follows, and I quote:

> They include exemption of examination reports of member banks, certain transactions conducted with and on behalf of foreign central banks, and sensitive information about open market transactions and discount operations. Much of the information in the latter two categories becomes available with a lag.

Mr. Chairman, that impressed me, and so I drafted the amendment which appears on page 2, which says in the clearest kind of language that there shall be excluded from the Fed audit precisely the three things which Governor Mitchell thought were necessary, as follows:

> (1) examination reports of member banks;
>
> (2) transactions conducted on behalf of foreign central banks; and
>
> (3) operations concerning open market transactions and discount policy determined by the Federal Reserve Board to be sensitive until at least one year after the operations.

Mr. Chairman, that is precisely what was asked for. So there is in the bill, assuming we adopt, as I hope we will, the committee amendment, precisely the kind of language which was asked for by the Fed. Of course, like all of us, the Fed would still like to be exempt from any audit altogether, and there will soon be an amendment offered, I understand, which for practical purposes says just that. The Members will have a right to vote on that issue.

However, I think it should be clear to every Member right now that, with, I might add, no enthusiasm from the chairman of the committee, the gentleman from Texas (Mr. PATMAN), the Committee on Banking and Currency did impose this constraint upon the audit, and it is a very important triple constraint.

Mr. J. WILLIAM STANTON. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I will be glad to yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. Mr. Chairman, I took a long look at the gentleman's amendment, the one for which he is responsible for getting considered in the committee, and I have some serious questions concerning it.

I am sure the GAO does.

First of all, the gentleman says this is a protection against the GAO's going too far with the Fed in, first of all, number one, examination reports of member banks.

Mr. REUSS. Mr. Chairman, the bill of the gentleman from Texas (Mr. PATMAN) included that. I thought that Governor Mitchell was right in feeling that an examination report of a bank is something so sensitive that the GAO should not have a right to include examination reports of the member banks.

Mr. J. WILLIAM STANTON. Mr. Chairman, I will ask this question, if the gentleman will yield further:

Because of necessity in the way the money market has been handled, there are occasions, according to the things I have been told, that there are nonmember banks that have had examination reports asked for by the Board. What do we do about that?

Mr. REUSS. Nothing needs to be done about that, because the Federal Reserve does not have those examination reports on nonmember banks.

Mr. J. WILLIAM STANTON. Does the GAO have a right to go into nonmember banks?

Mr. REUSS. No, it does not. The Fed does not have any examination reports of nonmember banks.

Mr. J. WILLIAM STANTON. Mr. Chairman, I appreciate the gentleman's answer.

Mr. REUSS. Mr. Chairman, let me just, by way of legislative history to button this issue up, say that the GAO may not examine member banks and it may not examine nonmember banks. The latter are reports which the Fed does not even have.

Mr. J. WILLIAM STANTON. Mr. Chairman, if the gentleman will yield further, may I ask this: Is this in the bill? My good colleague, the gentleman from Wisconsin, is now telling me that it is not.

Mr. REUSS. Mr. Chairman, I will welcome any amendment, and I will be delighted to write one out myself, in order to make crystal clear exactly what is asked for.

Mr. J. WILLIAM STANTON. Mr. Chairman, the next item is: "Transactions conducted on behalf of foreign central banks."

The question I have in my mind is, although transactions conducted on behalf of foreign central banks are not obtainable, what would the gentleman do concerning transactions conducted with foreign exchange banks? I understand there is quite a difference in the wording, as it relates to "foreign central banks."

What does this mean?

Mr. REUSS. The phrase "on behalf of" comprehends—and let the legislative history be crystal clear at this point—transactions with the central banks.

Mr. J. WILLIAM STANTON. I should say the chief counsel of the minority believes there is a whole area of disagreement. There is a big difference.

Mr. REUSS. Then, let me say that I will welcome an amendment making clear what is already crystal clear.

AMENDMENT OFFERED BY MR. ASHLEY

Mr. ASHLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHLEY: Strike out line 3 on page 1 and all that follows down through line 17 on page 3 and insert the following:

Section 1. (a) The Comptroller General shall make, under such rules and regulations as he shall prescribe, an audit of the administrative expenses of the Federal Reserve Board and the Federal Reserve banks, for the purpose of ascertaining that administrative funds are properly accounted for and that fully adequate accounting procedures and systems for control of such funds have been established so as to assure efficiency and economy of operations. As used in this subsection, the term "administrative expenses" does not include any extension of credit, purchase or sale of securities in the open market, or transaction in foreign exchange pursuant to the Federal Reserve Act.

(b) In making the audit required by subsection (a), representatives of the General Accounting Office shall have access to all books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Board and the Federal Reserve banks, excluding reports of examination of banks, and excluding records, reports, files, or other papers, things, or property containing or revealing information publication of which in the judgment of the Board would have a seriously adverse effect on the conduct of monetary policy or on relations with a foreign government or foreign central bank.

(c) This section shall take effect with respect to administrative expenses incurred on or after January 1, 1974. An audit shall be made at least once in every three years under this section.

Mr. PATMAN. Mr. Chairman, will the gentleman yield for a brief question? Is this the same amendment that was offered in the committee?

Mr. ASHLEY. Substantially the same, Mr. Chairman.

Mr. PATMAN. What changes are there?

Mr. ASHLEY. I think it is the same amendment.

Mr. PATMAN. The same amendment.

Mr. ASHLEY. Mr. Chairman, the purpose of this amendment, which is offered on a bipartisan basis by Mr. STANTON, Mr. WIDNALL, Mr. STEPHENS, and myself is substantially to circumscribe the GAO audit of the Federal Reserve Board and banks that is called for in section 1 of the bill before us.

I have no quarrel with the proposition that the Federal Reserve System is a creature of the Congress and that the Congress has a continuing oversight responsibility with respect to the jurisdiction of the Federal Reserve System. I would go further and say it is certainly my experience based on 20 years in the Congress that this oversight responsibility has been discharged and discharged well by the appropriate committees of the Congress.

Nor do I have any quarrel, Mr. Chairman, with the use by the Congress of the GAO to assist in this exercise of oversight responsibility on a regular basis. I do have very serious reservations, however, with respect to the scope of the audit called for in H.R. 10265, because in my view it would undermine the independence of the Federal Reserve System, which, of course, is the institution which we rely upon exclusively for the conduct of monetary policy.

During the consideration of this legislation by the Committee on Banking and Currency the Comptroller General, Mr. Staats, who heads the GAO, testified with respect to the three types of audits which might be considered by the committee.

The first and narrowest in scope was an audit which would simply verify accounts of the Federal Reserve System. The second would provide for such verification of accounts but also include an assessment of the efficiency and the economy of the Fed's operations.

The third, which is contained in the Patman bill, included the first two, but was even broader in scope in that it provided for a policy review, and this is what is important, a policy review of all of the activities and transactions of the Federal Reserve in its conduct of monetary policy.

It was my judgment, and that of my colleagues, that there was justification for the first two purposes, but we strenuously objected to the third.

The amendment which I have offered does incorporate and provide for an audit to ascertain that administrative funds are properly accounted for, and that there are fully adequate accounting procedures and systems for control of such funds so as to assure efficiency and economy of operations. This is expressly stated in our amendment.

The amendment also specifically excludes from the term "administrative expenses" any extension of credit, open market transactions, or transactions in foreign exchange—areas of great sensitivity in the conduct of monetary policy.

Mr. Chairman, the Federal Reserve is charged by Congress, and by law, with the conduct of monetary policy, and for some 60 years it has been the view of Congress that this institution should be independent of the two political branches of Government. The amendment offered for your consideration and approval is an effort to recognize the legitimate oversight responsibility of the Congress and at the same time to maintain the ability of the Federal Reserve to carry out its responsibilities on an independent basis.

The exchange stabilization fund is audited on precisely this basis, for precisely the same reasons of sensitivity, namely, the conduct of economic policy.

I refuse to rise to the strategy bait that was offered by the Chairman, but I will take a moment to affirm what was said by the gentleman from New Jersey (Mr. WIDNALL).

Under no circumstances can this amendment be construed as an attack on the integrity or competence of the General Accounting Office. What an absurdity. This amendment is offered because there are very serious reservations in the minds of the sponsors of the amendment with respect to what I construe to be an effort to undermine the independence of the Federal Reserve. That is why this amendment is being offered. That is why I urge that the amendment be overwhelmingly adopted.

Mr. PATMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment offered by Mr. ASHLEY and others must be rejected. The amendment is a thinly disguised version of a Federal Reserve proposal. It is patterned on language now applicable to the exchange stabilization fund. The amendment would prohibit GAO audits of open market operations. This would make it impossible for GAO to make useful meaningful audits of the Federal Reserve. General Staats is acutely aware of this. On March 7 of this year he wrote Representative ASHLEY that—

> For an independent auditor to make adequate audit . . . he must have available to him information on the financial transactions as well as the assets and liabilities of the System. He must familiarize himself with the system of internal management control over financial operations, analyze accounting records, examine supporting documents, and inspect assets to the extent necessary to make the determinations called for. He need not examine in detail all financial transactions, but he must do enough work of this nature to satisfy himself that they are properly carried out and accounted for.
>
> In the Federal Reserve System, the purchase and sale of Federal securities—the so-called open market operations—are the largest category of financial transactions. As of December 31, 1973, the Federal Reserve Banks had on hand over $80 billion in such securities. An audit of these transactions would include a review of the methods of carrying them out, including a verification that purchases and sales were properly authorized. In the case of the Federal Reserve System, these transactions are authorized by policy directives of the Federal Open Market Committee and it is for this reason that we have suggested that the Committee be specifically identified in H.R. 10265 as being covered by our audit.
>
> We wish to emphasize that for the type of audit described, our auditors would need to obtain factual information on what is authorized, not on evaluating the authorization itself. We would need this information as a check on whether the transactions are carried out in accordance with proper authorization and, in turn, to establish whether they are correctly accounted for in the accounting records and disclosed in the financial reports of the System.
>
> Also, as discussed with you, we consider the proposal which would confine the scope of our audit to the administrative expenses of the Federal Reserve Board and the Reserve banks to be too restrictive to be of much value to the Congress. If so restricted, I would have to recommend against enactment of such legislation because of its marginal value and because it would result in an uneconomic use of GAO resources.

No one should be misled by the Ashley amendment. It would perpetuate secrecy and lack of accountability in the very heart of the Federal Reserve's operations—discount and open market operations. It should be voted down as it was in the committee.

H.R. 10265 should be voted up exactly as it was reported by the Committee on Banking and Currency. GAO audits of the Federal Reserve's operations would assist the Congress in carrying out its oversight responsibilities in this important area of Government operations. GAO serves no narrow partisan interest. It is the arm of the entire Congress. It is a highly professional organization dedicated to the truth and the public interest. The bill as reported is the bill GAO knows will allow it to do the job. In a letter to me dated May 1, 1974, General Staats put it this way.

> As we have discussed, I believe the bill as reported by the House Banking and Currency Committee should remove any concern that this office would become involved in current decisions of the Federal Reserve Board related to monetary policy. I see no reason, therefore, for a change in the proposal and would hope the Congress would accept the proposal as reported.

Mr. J. WILLIAM STANTON. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, as our colleague, the gentleman from Ohio, has indicated, this amendment is designed to authorize GAO to audit administrative expenses but not make policy. Members have pointed out to me that there may be some difficulty in drawing this line, particularly with regard to GAO review of the efficiency and economy of the Fed's operation; but it seems to me—and my colleague from Ohio, Mr. ASHLEY, shares this view—that the line will be reasonably clear if we keep in mind the purpose of our amendment, which is to utilize the expertise of the GAO to make recommendations in the area in which it is most competent, that of saving money, while we exclude areas of policy judgment in which GAO has no special competence.

For example, under our amendment the Fed would decide how its research budget should be allotted as between the domestic economy and international affairs.

In weighing the relation and relative importance of the two fields, the Federal Reserve would make a political judgment. However, in deciding how these resources could be best and most efficiently employed once they have been assigned to the particular area, the Federal Reserve might find the suggestions of General Accounting Office very helpful.

As once again my colleague, the gentleman from Ohio (Mr. ASHLEY), has said, fundamentally the purpose of our amendment is to fashion an amendment that was similar to what this body passed overwhelmingly when the subject of the audit of the exchange stabilization fund came before this committee in 1970. The problems involved in auditing the Federal Reserve are comparable to those which were solved in providing auditing of this fund.

First there is the problem of distinguishing between policymaking and efficiency of operations. The amendment, like the fund before, solves this problem by providing an audit of the administrative expenses for the purposes of ascertaining that administrative funds are properly accounted for and that fully adequate accounting procedures and systems of controls for such funds had been established. That is the intent and what this amendment attempts to do.

As my colleague, the gentleman from Ohio, and many of us have thought from the beginning, the arguments are many and well worthwhile as regards General Accounting Office and audit of the Federal Reserve Board. There are sections in this bill for additional funds for additional buildings. There are thousands of employees involved. There is the efficiency of operation as far as these employees are concerned. These are truly adequate and honest and conscientious concerns of the Congress.

What our amendment attempts to do, as the gentleman from Arkansas has so clearly put it, and at least we are honest in our intention, is solely to separate the monetary and fiscal responsibility in this country so that Congress will not, under political pressure, make an attempt to put themselves in the position of second-guessing the Federal Reserve System.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. J. WILLIAM STANTON. I yield to the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, is the gentleman saying that the monetary policy of the country ought not to concern Congress?

Mr. J. WILLIAM STANTON. Oh, no; I am not saying that fiscal policies are not the concern of this particular Congress.

Mr. WRIGHT. Does the gentleman feel that the Federal Reserve Board is somehow different from the other agencies of the Government? There are many independent agencies of the Government such as CAB, the FAA, the ICC, and the FPC, as well as others.

Mr. J. WILLIAM STANTON. I certainly do. I absolutely think they are different. It is when we are involved in foreign transactions and foreign policy decisions and considerations and decisions which involve the flow up and down of the monetary system of this country that I think we require a certain degree of expertise.

Where I thought the gentleman was wrong before is that we must not blame this organization or any other for the high degree of inflation we have today. I certainly cannot conceive of it in that way. I think my honest impression of the interest rate is that it is similar to a fever. We are not getting at the cause of the disease when we only treat the fever. The fever is not the cause of the disease nor is the high interest rate solely the cause of our economic problems. But we in this body, I think, can counter inflation more successfully if we do what we can do, to hold down expenditures, than the Federal Reserve can.

Mr. ANNUNZIO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment. As the author of the amendment knows, I opposed the amendment in the committee because this amendment guts the entire bill.

I would also like to point out for the benefit of the members of the committee that the sensitive transactions of the Open Market Committee are not made available for audit until a year later, and in fact, the minutes are not made available until 5 years later, so that we will not interfere with the monetary policies of the Federal Reserve Board.

I want to say to the members of the committee this afternoon and to those who say we cannot interfere with the operations of the Federal Reserve Board because it must be free to manage the money supply, that this argument can be countered if we look at the current economic situation in this country.

The Federal Reserve Board has done virtually nothing to solve our economic crisis. In fact, in some areas it has even contributed to the problem. I was trying to answer this question when we were discussing the rule.

I am not an expert, like the gentleman from Illinois, who mentioned Walter Heller and some other economists. They are the experts, but they have not been able to resolve this problem.

Right now the fault of the Federal Reserve Board is that the spigot on the money supply is too open and we are getting too much money and only the big prime rate borrowers are able to borrow this money. They are competing for the money and they are driving the interest rates up to 11½ and 11¾. When they get the money at that rate, what do the prime rate borrowers do? They pass the cost of this money on to the little consumer and they are freezing all the little businessmen and they are freezing the little people of America out.

Dr. Burns and the Board ought to look at policy and they ought to worry about the supply of money and to close that spigot a little bit so that we can have a supply of money in moderation. We have too much new money available in the large banks of America and this is what our problem is about today. Yet we are being told we must not look at the operations of this agency for fear of damaging our economy. At is it now, the Federal Reserve System through its Open Market Committee operates in complete secrecy.

We all know what happens when a government or a governmental body operates in total secrecy. The American people do not want such secrecy and they have greatly expressed that opinion time and time again. This is one of the reasons why Congress has moved to open committee hearings and markup sessions to the public. Some of those who are supporting secret operations of the Federal Reserve Board have been the most vocal in calling for more open operations in the House of Representatives.

We all know how the American people feel about the Watergate episode. They want to bring everything out into the open and find out all the facts; but how can we argue that it is necessary to bring out all the facts about Watergate in the open and then turn around and vote to keep the operations of the Federal Reserve Board behind lock and key? How can we tell the wage earner whose paycheck is being eaten up by inflation that we voted to keep secret the operations of the very agency that could go a long way to help that worker's paycheck buy food and the necessities which his family needs in order to survive?

The vote on this amendment is quite simple. A vote for the amendment means that we favor secrecy in the operations of our Government and that we are not worried about the economic problems facing our country. A vote against the amendment means that we are opposed to secrecy and want to do everything possible to curb inflation.

Why all the fuss over the sanctity of the Federal Reserve System, a system which is run, as we all know, for the benefit of the banks? Everyone here today, I know, has received letters, just like I have, from homebuilders in his area complaining about their inability to get funds for new housing starts. In many sections of the country the homebuilding industry is on the verge of collapse and these same builders are paying Shylock rates for the money they do get.

In the face of this, just recently the Federal Reserve Board announced that it would do nothing to stimulate the homebuilding industry.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. ANNUNZIO was allowed to proceed for an additional 1 minute.)

Mr. ANNUNZIO. But just a few days after the Board stated that it was willing to stand by and watch the homebuilding industry go down the drain, the Federal Reserve Board made $1 billion available to the Franklin National Bank, so that the stockholders of that institution would not lose their investments. Even the details surrounding this particular transaction are being kept virtually secret; but one thing we do know, that a homebuilder cannot get a dime from the Federal Reserve System, but the Franklin National Bank, who is beset by bad management and fast-buck artists, is able to hit the Federal Reserve for more than $1 billion.

Now, we are being told that we cannot look at the overall operation of the Federal Reserve system, because it would damage their independence. I say we cannot afford not to take a close look at the Federal Reserve system. We are the elected representatives of the people, not the banks, and we should vote to protect the people's interest. The people's interest will be protected by a full and complete audit of the Federal Reserve Board.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. ANNUNZIO. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Chairman, is it the suggestion of the gentleman that the Federal Open Market Committee be open to the public?

Mr. ANNUNZIO. No, I said that in the bill, as we discussed in the committee, that as far as the audit of the Open Market Committee is concerned, the results of that audit are not going to be made public for at least a year, so that we would not get into the internal policy of the Federal Reserve Board, and that the minutes under this legislation would be available only until after 5 years, so that I see no reason why we cannot vote the gentleman's amendment down and vote to pass this bill.

Mrs. HECKLER of Massachusetts. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the key issue in H.R. 10265 is whether or not the General Accounting Office should be authorized to evaluate the effectiveness of the Federal Reserve Board's management of our monetary policy.

The arguments that have been propounded in favor of such an evaluation might seem convincing on first hearing. However, a more careful analysis of the advantages and disadvantages of a full GAO audit raises serious questions as to its wisdom. The Ashley-Stanton amendment proposes a limited audit being made of the Fed's administrative function, and I strongly favor this limited audit because I believe that every agency of the Government should be scrutinized to evaluate its procedures and its management. Also, I would like to point out for the record that I have great respect for the Comptroller General of the United States, Mr. Staats, and his staff. My doubts concerning this bill do not stem from any lack of confidence in the GAO.

Whatever value might be derived from receiving a limited audit, is far overshadowed by the dangers inherent in a GAO review of open market operations, which this bill envisions without the Ashley-Stanton amendment. Such an audit of Federal Reserve policy would, in all probability, result in serious damage to our monetary policymaking system. For decades, we have been very careful to minimize the political influence in monetary policy because we have realized that the decisions on our money supply should be made in reaction to economic realities, objectively perceived, and not to the economic wishful thinking that is so much a part of our politics.

A full scale GAO audit of the Fed would almost certainly insure that decisions on money and credit would be publicly judged by short-term political criteria and thereby be possibly overturned, whereas such decisions by the Fed might well be part of a long-term strategy whose wisdom might not become apparent for a number of years. When one considers that our inflation rate, as bad as it is, is still the lowest of any major industrialized nation, it seems to me only prudent at this difficult and sensitive time to avoid tinkering with the basic policymaking structure.

This is not to say that the Congress should not have a role in economic policymaking. It should and does. Congress has preeminent control over our fiscal policy, should it ever decide to exercise that control.

As regards our monetary policy, serious questions have been raised and should be raised of the Chairman of the Federal Reserve and of the Governors of the Federal Reserve Board. It is their responsibility to respond, as indeed they have on any number of occasions before our committee.

As a practical matter, I do not believe the Congress should second guess the Fed's open-market decisions, simply because it is quite obvious that the Congress has not shown any greater aptitude for sound economic judgments that has the Fed.

It seems to me that we have wisely turned over the day-to-day decisionmaking to those with more expertise, who have been charged with considering both the long-term and the short-term interests of the United States.

Mr. Chairman, I am not opposed to congressional oversight. In fact, I strongly urge it in almost every field. However, in this case I do feel that we should not exercise oversight in such a way as to jeopardize the independence of the Federal Reserve Board.

Mr. Chairman, it seems to me that it is important that the Fed be a repository of independent economic expertise and continue in this role. May I say at this point that I suport the two-tier interest rate system for small business, and I urge continuance of that policy. Of course, no one likes high interest rates, least of all myself. Further, I strongly oppose the decision to force the housing industry to bear the brunt of the anti-inflation measures. Yet I do believe that Congress can have a constructive role in monetary policy without jeopardizing the existing system. This is really the crucial issue in this debate. Congress can affect monetary policy without subjecting the system to political quarterbacking. Even a year's delay in the audit opens the flood gates to further invasions of monetary decisionmaking by the Congress. If we establish 1 year as the period between the decision and the audit then, would we not be prone, if unpopular decisions are made, to reduce the interval to 6 months or 3 months, and in effect, become invisible members of the Federal Reserve Board?

Mr. Chairman, that possibility certainly exists, and I, therefore, strongly support the Ashley amendment as a more responsible approach. If, indeed, we want to change the role or structure of the Federal Reserve System, let us face that issue openly and debate it fully, and not make it a hidden result of this bill.

Mr. MOSS. Mr. Chairman, I move to strike the requisite number of words, and I rise to oppose the amendment.

Mr. Chairman, there is an air of unreality about the comments that have been made here today regarding the request for authority for a thoroughly responsible agency of the Congress to perform an audit, a limited audit, on the Federal Reserve System.

I do not appear here as a critic of the Federal Reserve or as a person hostile in any sense to the banks. But I have served for 20 of my 22 years in this House as a member of the Committee on Government Operations and during those 20 years chaired many investigative subcommittees, relying upon the General Accounting Office to undertake comprehensive audits.

Are we to cripple and hamstring this agency by limiting it to administrative audits? The Committee on Government Operations would not have been nearly as consistently effective as it has been during those years without the responsible expertise of the General Accounting Office.

I have also, during 18 of my years, served upon the Committee on Interstate and Foreign Commerce, where again we have engaged in a member of very broadly based inquiries. In that committee we have relied upon the General Accounting Office to make the kind of meaningful, comprehensive audits that gave us information to guide us in the discharge of our duties.

Mr. Chairman, I have heard an awful lot of damn-foolery in this House in comments, but little to match the charge that an audit undermines independence. It does no such thing.

I defy any Member of this House in support of the Ashley amendment to point out to me a single instance in which an audit has compromised the independence of any agency. I submit that we have quite a number of independent agencies created under the authority of this Congress which are subject to GAO audit and which continue to act independently.

Mr. Chairman, I think we have a blind spot. I think that we in the Congress are developing rapidly into a group of economic illiterates. We do not know about monetary policy because we do not want to face up to our constitutional responsibilities.

It is far easier to delegate it to the Federal Reserve System. And that is all we do; all we do is delegate authority to them.

The responsibility remains ours, whether or not we are willing to face it, and the responsibility is ours to discharge it in a responsible fashion.

Mr. Chairman, the statement that the Congress retains preeminent control has a stirring sound. We have heard that phrase repeatedly today. But this preeminent control is retained by a Congress so completely ignorant of the facts that it cannot perform the job of exercising in any sense its preeminent control over fiscal policies, nor does it.

I think it is time that we ought to look at some of the policies that are pursued by the Federal Reserve. I think it is time that we recognize the fact that through discount policies, it is perfectly feasible for the Federal Reserve to buy the commerical paper of an organization such as the bankrupt Penn Central; peddle it; move it around; and, in effect, make Lockheed-type loans through the back door. One has only to look at 12 United States Code section 343 to realize that this can be done without accountability to Congress or even the knowledge of Congress.

Mr. Chairman, the powers of the Fed are extremely broad. They are some of the most comprehensive we have ever delegated to an agency.

Perhaps we can go back to our districts and tell our constituents that we want to remain ignorant of reality. Perhaps we want to tell them that we have discharged our responsibilities. But I know that, starting back in 1958, at the time of the unexpected, gigantic deficit that we encountered in that year of the Eisenhower administration, there was an outcry over the inability of the Fed to respond flexibly to the needs of our economy.

The CHAIRMAN. The time of the gentleman from California, Mr. Moss, as expired.

(By unanimous consent, Mr. Moss was allowed to proceed for 1 additional minute.)

Mr. MOSS. Mr. Chairman, I have seen in the intervening years instance after instance where the Fed has failed to respond soon enough to the demands of the economy of this country. So I do not find it to be an institution, commendable as its performance has been, that stands blameless, or one so outstanding that the Congress should not exercise prudent oversight of it. And basic to that is a very comprehensive audit, giving the Congress full and complete information.

The CHAIRMAN. The time of the gentleman from California (Mr. Moss) has again expired.

(On request of Mr. HOLIFIELD and by unanimous consent, Mr. Moss was allowed to proceed for 3 additional minutes.)

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, several years ago I served on the subcommittee, under the chairmanship of the gentleman, which investigated the seizure of the Long Beach Federal Savings and Loan by the Home Loan Bank Board. We held many weeks of hearings, and we had the help of the General Accounting Office.

The work that they did revealed to us an unconscionable abuse of authority—arbitrary, capricious, and vindictive authority—in seizing this savings and loan institution and running its assets down from over $100 million to $19 million. We had great help from the General Accounting Office in doing this.

Mr. Chairman, I subscribe to what the gentleman has said, that what this Congress needs is a light shined into those dark places which are so laboriously kept secret, and we must remove the mysticism and black magic that is attached to the manipulation of our currency.

Mr. MOSS. Mr. Chairman, I will say to the gentleman that we could not have developed all the facts regarding the abuse of discretion by the Federal Home Loan Bank Board unless the General Accounting Office had had the authority which it possessed in that instance to make a comprehensive audit on behalf of the Congress.

Mr. HOLIFIELD. Mr. Chairman, if the gentleman will yield further, the gentleman will remember that at the conclusion of that audit three of the five Commissioners of the Home Loan Bank Board resigned.

Mr. MOSS. The gentleman is correct. They resigned because of their demonstrated abuse of discretion.

Mr. HOLIFIELD. Mr. Chairman, I wish to aline myself with the gentleman's statement and the statement made today by the gentleman from Illinois (Mr. ANNUNZIO).

Every time we start looking at the actions of the sanctified manipulators of our currency, we find that this certainly becomes very dangerous to our economy. I say it is dangerous to our economy, the thing that is happening today.

I listened 2 days ago to Dr. Burns laying the blame for inflation on the people of the United States for buying too much. I know in my congressional district, and in the gentleman's, people making $7,000, $8,000, and $9,000 a year are having a terrible struggle to get the means and the necessities of life with that amount of money and that they are not overspending.

It is not their overspending that is causing inflation but the manipulation of the currency which brings about an unconscionable interest rate and which stops building in the State of California and throughout the Nation, and brings about a situation where people cannot afford to buy homes at these high interest rates and is breaking the small businessman who has to go to the bank to get a loan.

Mr. MOSS. I will say that one commodity every one of us uses is currency and credit. The availability of it and the conditions of its availability are vital to our Nation's economy.

Mr. HOLIFIELD. I thank the gentleman for yielding.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Ashley-Stanton amendment. It provides a responsible financial audit, but attempts to protect the traditional independence of the Federal Reserve System.

I subscribe to the remarks and sentiments of the gentlewoman from Massachusetts (Mrs. HECKLER). She has summarized better than I could the arguments in support of this amendment. I hope it will be adopted.

Mr. REUSS. Mr. Chairman, I rise in opposition to the amendment.

I shall not take my full 5 minutes. I shall be very brief.

We have heard extraordinary tributes

paid, on the one hand to Comptroller General Elmer Staats, on the basis that he is magnificently equipped to perform an audit and, on the other hand to Gov. Arthur Burns, on the basis that he is so magnificently equipped that he does not need an audit. In fact, they are both wonderful people and splendid gentlemen. But that has nothing to do with the issue before us, which is simply whether Congress will be a toothless tiger or whether it will be keeping tabs on what is going on in the world. To do that requires an audit of the Federal.

The Comptroller General carefully examined Mr. Ashley's amendment, and wrote him a letter which must have been very hard to write, because he likes Mr. Ashley, but he had to say that the Ashley proposal would widen the scope of the audit so as to make it too restrictive to be of value, and that he had to recommend against such legislation, because of its marginal value and because it would result in an uneconomic use of GAO resources.

So, Mr. Chairman, anybody who wants to prove that Congress is toothless, and wants to endorse wasting governmental and GAO resources, should certainly vote for the Ashley amendment.

I hope it will be voted down.

Mr. MITCHELL of Maryland. Mr. Chairman, I rise to speak against the amendment.

I will not take my full 5 minutes. I merely want to lay out to my colleagues my concern about some strange things that are happening in this country.

We have a strange situation in which certain persons in high office say that in order for a committee of this House to do its work, they will determine how much information will be given to that committee.

Now we have a similar situation here where we have an amendment which would restrict the ability of the GAO to do the full in-depth kind of audit that has been done in the past.

I certainly agree with my colleague from California that it is nonsensical to ask for an audit and then say you can only conduct it within a very narrow sphere of operation. It is nonsensical to do this. It is a waste of time, money, and energy.

Those who fear a wide, broad, regular GAO audit somehow or other are assuming that the American people cannot and should not know the whole truth about how their Government operates. I think that is a very dangerous assumption for this democracy.

Mr. MOSS. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Maryland. I will be delighted to yield to the gentleman from California.

Mr. MOSS. Mr. Chairman, I would say to the gentleman from Maryland would the gentleman not agree that those who fear the comprehensive audit demonstrate far more lack of confidence in the Federal Reserve than those of us who seek that audit?

Mr. MITCHELL of Maryland. I certainly would. As I indicated in my remarks earlier, if we avoid the audit then maybe, inferentially, it might be suggested that there is something wrong, and we, the Members of this House, want to avoid uncovering that possible wrong. I am not saying that the Federal Reserve System has something to hide. I am saying that if we deny an audit, the full audit, that inference can be drawn.

Mr. PEPPER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is with great reluctance that I rise in opposition to the effort of my distinguished and honorable friend, the chairman of the Committee on Banking and Currency, the gentleman from Texas (Mr. Patman)—an effort which the gentleman has so long and has so tirelessly pursued. I know that the gentleman is very conscientious, and has a very serious concern about whether the Congress made a mistake in 1913 under the leadership of the then great Carter Glass in setting up the Federal Reserve System with an independent character and authority. Through the intervening years this distinguished gentleman from Texas has done what he could, apparently, to make the Federal Reserve System more amenable, at least to the Congress and perhaps to the Executive.

This is a serious matter that we are considering. Is the purpose of this legislation, if we pass it in the House today and it becomes law, going to be that the Congress has taken over the responsibility for the policies of the Federal Reserve Board through the audit system that we are authorizing?

Is the Congress going to be responsible, if we get this audit system, that we are talking about for the future programs and policies of the Federal Reserve Board.

It is interesting to see what Mr. George Meany thinks about it. He has written us a letter in support of this bill. Here is what the respected leader of labor says—and this is dated May 21, this year:

> By providing for General Accounting Office audits of the Federal Reserve's finances, management and policies, H.R. 10265 will let the Congress and the public know what the Federal Reserve has been doing (except for operations in the preceding year which are deemed to be sensitive).

Here is what the distinguished chairman, the gentleman from Texas (Mr. Patman) wrote to us, and I will read one sentence of it:

> GAO reviews of Federal Reserve programs will bring into common view whether they are fulfilling the purposes Congress has envisioned for the Federal Reserve.

The gentleman from Texas says not how it spends its money, but its programs will be brought under review by these audits if they are authorized by the Congress.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I will yield to the gentleman in just a moment, but let me conclude my statement.

Under the present practice of auditing of financial transactions of the Federal Reserve System, there are carried out annually by nationally known accounting firms. Copies of these reports are embodied in the annual report of the Federal Reserve Board and submitted to the Committee on Banking and Currency of the House and of the Senate.

What is the deficiency in those reports? What is it that the committee complains of? If it is a matter of accounting for the money they spend, what inadequacy is there in the system of auditing that we now have, and which is paid for, as the gentleman from Iowa indicated, today, paid for by the Federal Reserve Board out of their interest that they derive from their Government bonds, or by the member banks? Under this bill this auditing expense will be paid for by the taxpayers of America, and the amount of it is a very much unknown figure but would obviously be very large.

If the Committee on Banking and Currency, on which I had the honor to serve in the first 2 years of my service in the House, wants to bring to us legislation that would make the Federal Reserve a central bank, the way central banks of European nations are amenable to the political authorities of the government. that is a matter that would deserve serious consideration by this House. Even in England the Bank of England is supposed to have independence, but I had dinner with the Governor of the Bank of England one evening, and I said, "Are you really subservient to the government?" He said, "We do what the government says do."

Therefore, the Central bank answerable to the Government controlling the fiscal and monetary policies of a nation. For 61 years we have had an independent agency to do that. But are we here this afternoon asked to take over the policy direction of the Federal Reserve Board, or are we not? Or is Mr. Meany going to be disillusioned if we pass this auditing bill to find out that all it does is check the figures and has nothing to do with the policies of the Federal Reserve Board and System?

It seems to me, therefore, if we are going to pass this bill that it would be wise at least to adopt this amendment and make it clear that all this auditing will relate to is examination of the figures of the Federal Reserve operations, and that the policymaking for the Federal Reserve Board has not been taken over by the Congress until we do it directly after thoughtful consideration and not through the back door.

Mr. WYLIE. Mr. Chairman, I support this amendment partly because it would provide for an audit of the Federal Reserve administrative operations without subjecting the Federal Reserve to the whims of political maneuverings in monetary and fiscal affairs. Congress does not have a very good track record in managing its own fiscal affairs.

But, my principle support for this amendment goes to my strong opposition to section 1e. This section to be deleted reads as follows:

> The Comptroller General is authorized to employ such personnel and to obtain such temporary and intermittent services as may

be necessary to carry out the audit required by subsection (a), at such rates as he may determine, without regard to the civil service and classification laws, and without regard to section 15 of the Act of August 2, 1948, as amended.

According to the annual report of the General Accounting Office, there were a total of 4,962 employees, earning $80,116,820 or $16,140 on the average at the end of fiscal year 1974. Professional audit type people make up 67.5 percent of the total staff or 3,352 employees. No salary information for this group breakdown was furnished. As of October 29, 1973, there were 88 supergrades earning $3,168,000 or $36,000 on the average. There are an additional six top employees and the Comptroller. From this information, we can be sure that GAO's professional staff will be making a salary greater than the average and probably close to $20,000 per employee per year. Section 1e of the bill states no limits for numbers hired or salaries paid. In fact, no regard is given to classification or civil service laws at all. This comes at a time when there is a large backlog of qualified people at civil service. I do not impugn the motives of those supporting this section; but, it would appear that we are to hire political consultants and not legitimate professionals in Civil Service.

These provisions of this section which would grant unlimited authority to employ personnel are unthinkable and irresponsible.

So I support the Ashley-Stanton amendment to avoid the hiring of the many necessary Federal employees to carry out the provisions of H.R. 10265 in its present form.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. ASHLEY).

The question was taken.

RECORDED VOTE

Mr. MOSS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 224, noes 139, not voting 70, as follows:

[Roll No. 256]

AYES—224

Abdnor
Anderson, Ill.
Andrews, N.C.
Archer
Arends
Armstrong
Ashbrook
Ashley
Bafalis
Baker
Bauman
Beard
Bell
Bergland
Biester
Blackburn
Boggs
Boland
Bolling
Bowen
Bray
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Butler
Byron
Carter
Casey, Tex.
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conte
Coughlin
Crane
Cronin
Culver
Daniel, Robert W., Jr.
Davis, Wis.
Dellenback
Denholm
Dennis
Derwinski
Dorn
Dulski
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Evans, Colo.
Findley
Fish
Flowers
Flynt
Ford
Fountain
Frenzel
Frey
Fuqua
Gettys
Giaimo
Gilman
Ginn
Goodling
Green, Oreg.
Gross
Gubser
Gude
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Harsha
Hastings
Heckler, Mass.
Heinz
Henderson
Hillis
Holt
Hosmer
Huber
Hudnut
Hunt
Jarman
Johnson, Pa.
Jones, Okla.
Jordan
Kuykendall
Lagomarsino
Landgrebe
Landrum
Latta
Lent
Long, La.
Long, Md.
Lott
Lujan
McClory
McCollister
McDade
McEwen
McKay
McKinney
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mayne
Mazzoli
Meeds
Mezvinsky
Michel
Miller
Mills
Mitchell, N.Y.
Mizell
Montgomery
Mosher
Myers
Natcher
Nedzi
Nichols
O'Brien
Owens
Passman
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Preyer
Price, Tex.
Pritchard
Quie
Railsback
Regula
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Rostenkowski
Roush
Roy
Runnels
Ruppe
Ruth
Sandman
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Stanton, James V.
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Ullman
Vander Veen
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wyatt
Wydler
Wylie
Young, Alaska
Young, Fla.
Young, Ill.
Young, Tex.
Zion

NOES—139

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Annunzio
Badillo
Barrett
Bennett
Bevill
Blatnik
Brademas
Brasco
Breaux
Breckinridge
Brooks
Burke, Calif.
Burlison, Mo.
Burton
Carney, Ohio
Chappell
Chisholm
Clark
Clay
Collins, Ill.
Conlan
Conyers
Corman
Cotter
Daniel, Dan
Daniels, Dominick V.
Danielson
Delaney
Dellums
Dent
Dingell
Donohue
Downing
Drinan
Eckhardt
Edwards, Calif.
Eilberg
Evins, Tenn.
Fascell
Flood
Fraser
Froehlich
Fulton
Gaydos
Gonzalez
Grasso
Gray
Green, Pa.
Griffiths
Grover
Gunter
Haley
Harrington
Hays
Hechler, W. Va.
Hicks
Hogan
Holifield
Holtzman
Horton
Hungate
Ichord
Johnson, Calif.
Jones, N.C.
Jones, Tenn.
Karth
Kastenmeier
Kazen
Kluczynski
Koch
Leggett
Lehman
Luken
McCormack
McFall
Macdonald
Madden
Mathis, Ga.
Matsunaga
Melcher
Metcalfe
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murtha
Nix
Obey
O'Hara
O'Neill
Patman
Patten
Powell, Ohio
Price, Ill.
Randall
Rangel
Rarick
Rees
Reuss
Riegle
Rodino
Roe
Rogers
Rosenthal
Rousselot
Roybal
St Germain
Sarbanes
Schroeder
Seiberling
Staggers
Stark
Stokes
Studds
Sullivan
Tiernan
Traxler
Udall
Van Deerlin
Vanik
Vigorito
Waldie
Wilson, Charles H., Calif.
Wolff
Wright
Yates
Yatron
Zablocki
Zwach

NOT VOTING—70

Andrews, N. Dak.
Aspin
Biaggi
Bingham
Brotzman
Brown, Calif.
Broyhill, N.C.
Camp
Carey, N.Y.
Davis, Ga.
Davis, S.C.
de la Garza
Devine
Dickinson
Diggs
Fisher
Foley
Forsythe
Frelinghuysen
Gibbons
Goldwater
Hanna
Hansen, Idaho
Hansen, Wash.
Hawkins
Hébert
Helstoski
Hinshaw
Howard
Hutchinson
Johnson, Colo.
Jones, Ala.
Kemp
Ketchum
King
Kyros
Litton
McCloskey
McSpadden
Martin, Nebr.
Mathias, Calif.
Milford
Minshall, Ohio
Moorhead, Calif.
Murphy, N.Y.
Nelsen
Parris
Pettis
Podell
Quillen
Reid
Rhodes
Rooney, N.Y.
Rooney, Pa.
Ryan
Sisk
Smith, Iowa
Steele
Steelman
Stubblefield
Stuckey
Symms
Thompson, N.J.
Vander Jagt
Veysey
Waggonner
Wilson, Charles, Tex.
Wyman
Young, Ga.
Young, S.C.

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. WYLIE

Mr. WYLIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WYLIE: Page 3, lines 18 through 22, section 2 is amended to read as follows:

SEC. 2. Section 14(b) of the Federal Reserve Act, as amended (12 U.S.C. 355), is amended by striking out "November 1, 1973," and inserting in lieu thereof "November 1, 1975" and by striking out "October 31, 1973" and inserting in lieu thereof "October 31, 1975".

Mr. WYLIE. Mr. Chairman, my amendment is a simple, technical correction made necessary by the long delay in bringing this bill to the floor.

The bill as reported extends the authority of the Federal Reserve to purchase obligation directly from the Treasury until June 30, 1974. That is scarcely 30 days away. To avoid the necessity of bringing another bill to the floor during the next month, we would change that date to October 31, 1975, which conforms to the provision recently adopted by the Senate Banking Committee.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. Mr. Chairman, I yield to the distinguished chairman of the committee, Mr. PATMAN.

Mr. PATMAN. Mr. Chairman, we have examined the amendment on this side. We were furnished a copy by the gentleman from Ohio, and we are willing to accept it on this side.

Mr. WYLIE. Mr. Chairman, I thank the distinguished chairman for accepting the amendment.

Mr. WIDNALL. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. Mr. Chairman, I yield to the gentleman from New Jersey.

Mr. WIDNALL. Mr. Chairman, we will accept this amendment on this side also.

Mr. WYLIE. Mr. Chairman, I thank the gentleman from New Jersey.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. WYLIE).

The amendment was agreed to.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of H.R. 10265, a bill which provides for audits of the Federal Reserve System by the General Accounting Office.

Under article I, section 8, of the Constitution, the Congress is clearly given the authority "to coin Money, regulate the value thereof * * *." But starting with the enactment of the Federal Reserve Act in 1913, the Congress began delegating away a tremendous amount of its authority. This bill is an effort to reassume some of that original responsibility by thoroughly reviewing the operations of the Federal Reserve system through regular GAO audits.

The Federal Reserve must be held accountable for its use, in a wide variety of activities, of what are essentially taxpayers' funds. Although the system does not operate on appropriated funds, just about all of its earnings are derived from interest on U.S. Government securities, and the net earnings—that is, the total earnings minus the expenses of the Board and of the Federal Reserve banks—are transferred to the U.S. Treasury. In 1973, approximately 99 percent of the $5 billion earnings from the operations of the Federal Reserve Banks was derived from interest on U.S. Government securities. After the expenditures of the system were deducted, $4.34 billion was transferred to the U.S. Treasury. Clearly, it is appropriate and long overdue that the General Accounting Office, which is an arm of the U.S. Congress, should be given the authority to audit this system which uses and spends public funds.

Moreover, a GAO audit of the system will hopefully result in curtailment of the current excessive expenditures in the areas of membership fees in many banking and miscellaneous organizations, recreation expenses, and payments to employees for so-called moving expenses involved in transfers.

The principal controversy about the bill centers on the argument that an audit of the Fed's operations will be a political incursion into the Fed's monetary policy. However, the legislation specifically provides that operations concerning open market transactions and discount policy determined by the Federal Reserve Board to be sensitive may not be audited by the GAO until at least 1 year after such operations have taken place.

I would personally have preferred a more encompassing audit to make the Federal Reserve more accountable to the Congress. Nevertheless, I believe H.R. 10265 represents a meaningful beginning of the establishment of congressional oversight over the Fed which deserves to be adopted, and it has my strong support.

Mr. HOLIFIELD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of H.R. 10265, providing for General Accounting Office audits of the Federal Reserve Board and other designated purposes. The gentleman from Texas (Mr. PATMAN), the chairman of the Committee on Banking and Currency, is to be commended for reporting out this bill, which I understand was opposed by the Chairman of the Federal Reserve Board.

The gentleman from Texas has tried diligently in years past to get such legislation enacted. I recall that he introduced legislation in 1954 and 1955, during the 83d and 84th Congresses, for GAO audits of the Federal Reserve Board and banks. These bills were referred to the Committee on Government Operations, and the gentleman from Texas testified in 1954 before our committee concerning the legislation.

Audit functions of the Comptroller General and the General Accounting Office generally are within the jurisdiction of the Committee on Government Operations. In fact, my Subcommittee on Legislation and Military Operations will hold hearings on June 5 and 6, 1974, on several bills proposing changes in the Comptroller General's audit responsibilities. Among the bills referred to our committee is H.R. 9285, introduced by the gentleman from Florida (Mr. GIBBONS), which would make the Comptroller General responsible for auditing designated agencies, including the Federal Reserve Board and banks, now exempted from such audit coverage.

The Committee on Government Operations, under the House Rule—rule XI, clause 8—defining its jurisdiction, has legislative jurisdiction over "budget and accounting measures, other than appropriations." This means that bills relating to the functions and duties of the Comptroller General, including his audit responsibilities, generally are referred to our committee.

As the Members know, the Office of the Comptroller General and the General Accounting Office were created by the Budget and Accounting Act of 1921, which also provided for investigation and reports by the GAO of receipts and expenditures of public funds. Amendments to that basic legislation are within the jurisdiction of our committee. For example, we handled the Budget and Accounting Procedures Act of 1950, part II of which is cited as the Accounting and Auditing Act of 1950. These amendments to the Budget and Accounting Act of 1921 constitute the charter for budget and accounting procedures in the Federal Government, which are developed under GAO standards and supervision.

Another landmark statute handled by our committee is the Government Corporation Control Act of 1945, which provides essentially for GAO audits of Government corporations. I might note that each Federal Reserve Bank is a corporation organized and operated for public service. At the time when the Government Corporation Control Act was being developed, consideration was given to GAO audit of the Federal Reserve System, but it was determined that it should be excluded from the audit provisions of that act since a strong control was exercised over the banks through the Board, and all of the stock of the banks was owned by member banks.

H.R. 10265, the bill before us today, besides providing for GAO audit of the Federal Reserve Board, banks, and branches, would authorize an additional $60 million for the construction of Federal Reserve Bank branch buildings and extend the Board's authority to purchase public debt obligations from the Treasury up to a limit of $5 billion outstanding at any one time. Since the bill includes substantive matters within the jurisdiction of the Committee on Banking and Currency, it was referred to that committee, despite the overlap in jurisdiction with our committee relative to the audit provision.

I recognize that the audit provision is the controversial part of the bill. The Federal Reserve System and its banking and open-market operations are highly sensitive areas, and the Federal Reserve Board has opposed the Comptroller General's audit involvement as a possible interference with policy positions and decisions of the Board and its agents. I believe that the committee has amended the bill to provide reasonable safeguards, and that the net effect of the legislation will be beneficial to the Congress and the country.

Mr. BRASCO. Mr. Chairman, I rise in support of H.R. 10265. Since the Federal Reserve System was established on December 23, 1913, there has never been a complete audit of the entire Federal Reserve System which has not been controlled in some manner by the System itself. While the System has had some internal audits, as well as audits by certified public accountant firms, these have been little more than audits to count paper clips and petty cash funds.

Mr. Chairman, all of us in Congress are concerned about Government spending and this is one of the reasons why it is important to audit the operations of the Federal Reserve System. Since 1964, Federal Reserve expenditures have increased some 210 percent so that in 1972, the System had expenditures of more than $414 million. The staff of the Banking and Currency Committee for the past several years has reviewed what limited information the Federal Reserve would provide the committee regarding their expenditures and found that the System was spending thousands of dollars in highly questionable manners. These funds, although not of the appropriated variety, are taxpayers' money. Comptroller General Staats, when he testified before the committee on this legislation, pointed out that the GAO considers Federal Reserve funds to be "just as much Federal money as if they were appropriated directly." Why, then, should an agency which expends more than $400 million of taxpayers' money each year, be exempt from audit by the GAO, an arm of the Congress?

The Federal Reserve System argues that an audit by the GAO would of necessity interfere with the sensitive nature of the Federal Reserve operations. This argument must be rejected out of hand since the GAO audits virtually every Government agency, including the Department of Defense and the Atomic Energy Commission, whose missions must certainly be categorized in a sensitive area. It must also be noted that GAO audits of Government agencies on many occasions result in millions of dollars of savings to the taxpayers. Should the taxpayers of this country not receive the benefit of such savings that might be produced by a GAO audit of the Federal

Reserve, or at least be comforted by the fact that the Federal Reserve has been audited openly and is operating efficiently? I believe they are entitled to these benefits. I urge the Members to support this legislation.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GIAIMO, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 10265) to provide for an audit by the General Accounting Office of the Federal Reserve Board, banks, and branches, to extend section 14(b) of the Federal Reserve Act, and to provide an additional $60,000,000 for the construction of Federal Reserve Bank branch buildings, pursuant to House Resolution 822, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

RECORDED VOTE

Mr. ROUSSELOT. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 333, noes 20, not voting 80, as follows:

[Roll No. 257]

AYES—333

Abdnor
Abzug
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Archer
Arends
Ashbrook
Ashley
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brown, Mich.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Butler
Byron
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conlan
Conyers
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Wis.
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Dingell
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Flood
Flowers
Flynt
Ford
Fountain
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Harrington
Harsha
Hastings
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Henderson
Hillis
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Huber
Hudnut
Hungate
Hunt
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
King
Kluczynski
Koch
Kuykendall
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCollister
McDade
McFall
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nedzi
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncallo, N.Y.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Ruppe
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steiger, Ariz.
Steiger, Wis.
Stokes
Stratton
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waldie
Walsh
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NOES—20

Blackburn
Burleson, Tex.
Collins, Tex.
Conable
Dorn
Gettys
Haley
Hébert
Hicks
Landgrebe
McEwen
McKay
Montgomery
Passman
Roncalio, Wyo.
Runnels
Satterfield
Stephens
Teague
Treen

NOT VOTING—80

Adams
Andrews, N. Dak.
Armstrong
Aspin
Biaggi
Blatnik
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Burke, Calif.
Camp
Carey, N.Y.
Conte
Davis, Ga.
Davis, S.C.
de la Garza
Devine
Dickinson
Diggs
Findley
Fisher
Foley
Forsythe
Fraser
Frelinghuysen
Gibbons
Goldwater
Gude
Hanna
Hansen, Idaho
Hansen, Wash.
Hawkins
Helstoski
Hinshaw
Howard
Hutchinson
Johnson, Colo.
Jones, Ala.
Ketchum
Kyros
Litton
McCloskey
McCormack
McSpadden
Martin, Nebr.
Mathias, Calif.
Milford
Mills
Minshall, Ohio
Moorhead, Calif.
Murphy, N.Y.
Nelsen
Parris
Pettis
Podell
Quillen
Reid
Rhodes
Rooney, N.Y.
Rooney, Pa.
Ryan
Sisk
Skubitz
Smith, Iowa
Steele
Steelman
Stubblefield
Stuckey
Symms
Thomson, Wis.
Vander Jagt
Veysey
Waggonner
Wampler
Whalen
Wilson, Charles, Tex.
Wyman
Young, Ga.
Young, S.C.

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mrs. Burke of California for, with Mr. Camp against.

Mr. Rhodes for, with Mr. Davis of South Carolina against.

Until further notice:

Mr. Waggonner with Mr. Charles Wilson of Texas.

Mr. Adams with Mr. Wyman.

Mr. Rooney of Pennsylvania with Mr. Whalen.

Mr. Hawkins with Mr. Blatnik.

Mr. Rooney of New York with Mr. Wampler.

Mr. Kyros with Mr. Parris.

Mr. Podell with Mr. Vander Jagt.

Mr. Biaggi with Mr. Symms.

Mr. Carey of New York with Mr. Steelman.

Mr. Davis of Georgia with Mr. Dickinson.

Mr. Reid with Mr. Fisher.

Mr. Howard with Mr. Andrews of North Dakota.

Mr. Murphy of New York with Mr. Moorhead of California.

Mr. Young of Georgia with Mr. Aspin.

Mr. Jones of Alabama with Mr. Mathias of California.

Mr. Stubblefield with Mr. Goldwater.

Mr. McCormack with Mr. Devine.

Mr. de la Garza with Mr. Hutchinson.

Mr. Brown of California with Mr. Nelsen.

Mr. Diggs with Mr. Helstoski.

Mr. Foley with Mr. Findley.

Mr. Sisk with Mr. Skubitz.

Mr. Smith of Iowa with Mr. Brotzman.

Mr. Ryan with Mr. Steele.

Mr. Fraser with Mr. Minshall of Ohio.

Mr. Gibbons with Mr. Forsythe.

Mr. McSpadden with Mr. Gude.

Mr. Mills with Mr. Conte.

Mr. Stuckey with Mr. McCloskey.

Mr. Milford with Mr. Frelinghuysen.

Mr. Hanna with Mr. Martin of Nebraska.

Mrs. Hansen of Washington with Mr. Hansen of Idaho.

Mr. Litton with Mr. Pettis.

Mr. Young of South Carolina with Mr. Brown of Ohio.

Mr Broyhill of North Carolina with Mr. Quillen.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to provide for an audit by the General Accounting Office of the Federal Reserve Board, banks, and branches, to extend section 14(b) of the Federal Reserve Act, and to provide an additional $80,000,000 for the construction of Federal Reserve branch bank buildings."

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. THOMSON of Wisconsin. Mr. Speaker, on rollcall No. 257 I am recorded as not voting. I was present in the Chamber and I voted "aye." My vote was not found on the electronic voting machine.

Mr. Speaker, I ask unanimous consent that my statement appear directly following the rollcall No. 257.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

GENERAL LEAVE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

OVERSEAS PRIVATE INVESTMENT CORPORATION

Mr. CULVER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2957) relating to the activities of the Overseas Private Investment Corporation, with House amendments thereto, insist on the House amendments and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? The Chair hears none, and appoints the following conferees: Messrs. CULVER, MORGAN, ZABLOCKI, WOLFF, FRELINGHUYSEN, BURKE of Florida, and VANDER JAGT.

PERMISSION FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO FILE A REPORT ON H.R. 11500, SURFACE MINING CONTROL AND RECLAMATION ACT OF 1973

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs have until midnight tonight to file a report on the bill H.R. 11500, the Surface Mining Control and Reclamation Act of 1973.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

COVERAGE OF NONPROFIT HOSPITALS UNDER THE NATIONAL LABOR RELATIONS ACT

Mr. THOMPSON of New Jersey. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13678) to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from New Jersey.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 13678, with Mr. GIAIMO in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from New Jersey (Mr. THOMPSON) will be recognized for 30 minutes, and the gentleman from Ohio (Mr. ASHBROOK) will be recognized for 30 minutes.

The Chair recognizes the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is not a new proposition, the House having voted in the last Congress overwhelmingly on suspension to report this bill by more than 70 percent of the vote. It is not my intention, nor do I think it the intention of my distinguished cosponsor, the gentleman from Ohio (Mr. ASHBROOK), to use more than a very short time of that which is allowed to us.

For 5 months we have conducted extended negotiations involving the administration, which supports this legislation, hospital associations, and labor representatives, as well as congressional staff, to arrive at the bill which we bring before the Members today. The original bill, also cosponsored by Mr. ASHBROOK and myself, would simply have removed the existing exclusion in section 2 of the National Labor Relations Act so that nonprofit hospitals and their employees would have the benefits of coverage.

An identical bill was passed in the 92d Congress by a vote of 285 to 95. The compromise bill before us today is a bill originally introduced in this session by Senator TAFT of Ohio. An indication of its bipartisan support is the vote on passage in the other body on May 7 of 63 to 25 without amendments.

We have had virtually innumerable hearings on this subject which point out that the major disruptions in the medical industry over a period of years have been strikes for recognition. It is our sincere conviction that by putting the employees of nonprofit hospitals under the National Labor Relations Act, as those proprietary or profitmaking hospitals are now under the act, would reduce to a tremendous extent the strikes in the hospitals or in the medical industry.

We are convinced that this legislation as it is, although it is unique in that it is the first legislation under the National Labor Relations Act which singles out one industry; namely, the health care industry, will bring stability to the hospital industry work force by reducing among other things recognition strikes and the incredible turnover in hospital employees.

We are convinced also that the impasse procedures here—and I would expect that there would be an amendment which would extend the negotiation period as long as 5 months, which is inordinately long—and the legislation is an honest and nonpartisan compromise which will give the stability to the health care industry which it so desperately needs. And I assure the Members that there will be, if this legislation is not passed, continuing strikes in the hospital industry.

The bill is supported by the Department of Labor and by the administration and by a tremendous number of outside institutions and groups.

It does have in one aspect the unhappy effect of preempting the Minnesota law, which is a splendid one, but it is our belief that in the interest of the other 49 States it deserves the support of the House.

Now, in effect, there are four kinds of strikes in the industry. The first and major one is recognition. This is a strike by employees seeking to have the employer recognize their union and negotiate with it. This legislation should practically eliminate this type of strike.

The second strike is the economic strike resulting at the end of a collective bargaining contract over wages and conditions of employment. This bill provides for a 90-day notice of termination, 30 days more than under the Taft-Hartley Act, a 60-day notice to the Federal Mediation and Conciliation Service, with mandatory mediation, and a 10-day strike notice.

The third area is that of unfair labor practices. These strikes occur when an employer commits an unfair labor practice. They are a very small percentage in the health care industry and the 10-day strike notice applies to them.

The fourth area is that of jurisdiction. These strikes involve disputes between unions and are a small percentage of the health care industry. Again the 10-day strike notice applies.

We think that there are built into this legislation, after our long negotiations on both sides of the aisle and especially with the senior Senator from Ohio (Mr. TAFT), adequate protection for hospital patients even in rural hospitals.

For the most part, the citizens in America have adequate medical facilities. The rural areas have adequate medical facilities. There are built into this legislation sufficient mandatory notices, mandatory mediation, a mandatory 10-day strike period, so that there is a period of at least 3 months between the termination of a contract and the renewal of that contract before it is possible that there could be a hospital strike.

I might point out that the unions involved in the hospital industry are extraordinarily responsible and invariably have not struck unless and until there are guarantees of adequate care for the patients in the hospital involved. So there is really nothing but an illusory danger that the medical support needed by so many of our citizens would be deprived; rather, with recognition strikes being virtually rife in the industry the patients are suffering infinitely more than if the nonprofit hospitals were included in the act.

We have testimony as to the price, if you please, of a room in a hospital. A person, a patient, is fortunate if he can find a semiprivate room in any decent hospital in America for under $100 a day and they are often much more. Medical costs in the medical industry are enormous. It is the largest industry by far in the United States. The lowest people on the scale are those who swab the floors, who carry the bedpans, who are the nonprofessionals. It is to prevent their exploitation and to bring stability to the health care industry that this legislation is needed.

I would like to conclude, Mr. Chairman, with a statement which relates to the Johns Hopkins Hospital in Baltimore, acknowledged to be one of the three or four greatest in the world, where before they had—and they did this voluntarily—before they had a union they had a 1,200-percent turnover in nonprofessional employees per year.

In other words, every single month, every single employee in that hospital was having to be replaced by a newcomer. They voluntarily agreed to a union agreement, and their turnover is now less than 30 percent per annum.

This means better care for the patient. This means better care by the paramedical people, to them and to the physician and, of course, ultimately to the treatment and the well-being of the patient.

Mr. Chairman, I strongly urge the approval of this legislation.

Mr. ASHBROOK. Mr. Chairman, I rise to support H.R. 13678, a bill which I have the pleasure of cosponsoring with my friend and colleague from New Jersey (Mr. THOMPSON). I support it for three basic reasons.

One, our hearings clearly established that recognition strikes are an outgrowth of the lack of NLRB jurisdiction. Nonprofit hospitals are not required by law to recognize or bargain with organizations representing their employees.

In a number of instances, hospitals have voluntarily chosen to recognize and bargain with representatives of such employees. Where they refuse, however, employees are often forced to strike—not for better wages or fringe benefits, but merely to obtain recognition. In effect, current law denies such employees access to election procedures of the National Labor Relations Board. This bill would grant such employees access to the NLRB's election process and should reduce if not eliminate the "recognition strike."

The second reason for my support of this bill is simply a question of equity. Why should we continue an unwarranted discrimination against this one category of employees—the employees of nonprofit hospitals? There is no justification for permitting nurses, nurses aides, and other hospital employees to be covered under the National Labor Relations Act if they are employed anywhere but in a nonprofit hospital.

My third reason is that this bill adequately protects both employee and patient. The former is given much-needed equity without sacrificing health care continuity for the latter.

Extended negotiations preceded our introduction of H.R. 13678, a bill to remove the present exemption of nonprofit hospitals from the National Labor Relations Act, with specific protections for health care institutions. We had originally introduced a bill providing only for the straight removal of the present exemption (H.R. 1236). Such a bill followed the precedent in the 92d Congress, where a similar bill reached the Floor of the House, and passed by a 285–95 vote. Because of this favorable reception by the House, we reintroduced the same bill in this session.

Following our introduction of H.R. 1236, we had 2 days of hearings where we heard testimony from both labor and employer hospitals. Similar activity followed on the Senate side, where the Subcommittee on Labor held 4 days of hearings. These hearings revealed that an accommodation was needed to balance the rights of employees in nonprofit hospitals against the rights of the public for uninterrupted health care delivery.

The need for granting representational and collective bargaining rights to employees of nonprofit hospitals is apparent when we consider that the hospital industry presently employs over 3 million workers, 1½ million in nonprofit hospitals—or about 56 percent of all hospital employees—in more than 7,000 hospitals in the United States. That is almost 10 times the number employed in 1947 when they were excluded from coverage under the NLRA. Congress has included them in coverage under other labor legislation, including social security and medicare. Furthermore, it is clear that the hospital industry is big business, and no longer community charitable-type institutions that Senator Tydings envisioned when he had nonprofit hospitals excluded from coverage in 1947.

Also, it should be noted that the NLRB presently takes jurisdiction over other types of "charitable institutions," if the gross income to those institutions meets the Board's jurisdictional standards, as well as having and presently exercising jurisdiction over proprietary hospitals, nonprofit and profit nursing homes, and other profitmaking health-care institutions.

Finally, there is no reason to exclude the employees in nonprofit hospitals from rights granted other employees in profitmaking hospitals or other industries. Nonprofit hospital workers perform essentially the same functions as employees presently covered, and should not be excluded from the rights and benefits inuring to other employees in other American institutions.

When the hearings revealed a real concern for the public's right to uninterrupted patient care, apparently fearing strikes by employees of nonprofit hospitals, an accommodation was made, reflected in H.R. 13678. Accordingly, H.R. 13678 treats all health care institutions and their employees alike. There is no distinction between the procedures to be followed by labor organizations and nonprofit hospitals from procedures which proprietary hospitals or nursing homes and their labor organizations must follow. Those procedures, set out in H.R. 13678, take into account the public's right to health care delivery.

This bill provides for an extended notice period of an additional 30 days to both the other party and to mediation services in case of termination or modification of a collective-bargaining agreement; it provides, for the first time, a notice period in cases of initial negotiations; it provides, for the first time, for mandated mediation in cases of health care institutions; and it provides for a definite 10-day strike notice.

The mandated mediation and the 10-day strike notice provide protection to the public, involve the mediation services to help resolve disputes, and give the hospital ample warning should the dispute fail to be resolved. If the union or employees fail to observe the notice provisions, including the 10-day strike notice, they lose their status as employees. In other words, they can be dismissed for striking without giving the public the protection the bill provides.

If the unions, which supported this compromise, are also willing to abide by the procedures set forth in this bill, the public should be amply protected. It seems to me the unions have given up quite a bit to insure health care delivery.

Mr. Chairman, three amendments will be offered. I sympathize with the amendment of the gentleman from Minnesota (Mr. QUIE). It is true that Minnesota has a model law. However, on close examination, any of the worthwhile provisions of that law which have proved workable over the past quarter century in Minnesota can be included in any contract the parties would negotiate. I personally have opposed compulsory arbitration as a matter of principle and would not want to mandate it in this legislation. In the Minnesota law, there is a provision for compulsory arbitration. Many contracts throughout the country call for compulsory arbitration. I do not see H.R. 13678 in any way inhibiting the rights of the parties to contract on provisions which will assure continuity of medical care. I reluctantly oppose his amendment because of my high regard for him and his legislative record.

My colleague from Illinois (Mr. ERLENBORN) has given advance notice that he will offer two amendments. The one calls for an additional 60-day cooling off period. This would bring the time to 5 months. I think we have provided adequate time in the 90-day provision with 10-day advance notice for strikes. I oppose this amendment but do support his other amendment on exempting those with bona fide religious convictions from union membership. I will support this amendment when it comes to a vote.

Mr. FUQUA. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. Yes, I will yield to the gentleman from Florida.

Mr. FUQUA. On page 6 of the report there is a statement as to advance notice of any anticipated strike that must be given and a labor organization is not required to serve a 10-day notice when the employer has committed an unfair labor practice. Is that substantially correct?

Mr. ASHBROOK. It is my understanding—I do not have the report in front of me—that the employee organization is required to give a 10-day notice. This is one of the conditions we have made. We added this special provision because of the sensitive area of continuity of health care. We have added the 30 days, and we have mandated a 10-day strike notice before the union can engage in any strike or picketing at a health institution.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. ASHBROOK. Mr. Chairman, I yield myself 1 additional minute.

Mr. FUQUA. Mr. Chairman, if the gentleman will yield further, what I am referring to is if the employer has committed an unfair labor practice, does any notice have to be given?

Mr. ASHBROOK. If the employer commits an unfair labor practice?

Mr. FUQUA. Just for the legislative

history, I am trying to establish what is really meant in the report.

Mr. Chairman, let me quote the report since the gentleman does not have it.

It says:

> It is clear, therefore, that the labor organization will not be required to serve a ten-day notice or to wait until the expiration of a ten-day period when the employer has committed an unfair labor practice.

Mr. Chairman, I am trying to get a clarification.

Mr. ASHBROOK. I would say to my colleague from Florida that the Supreme Court has clearly enunciated a policy which would override the 10-day requirement but it is in a very limited situation. Say, for example, that the hospital fired all employees. The Court has said in effect that the unfair labor practice was so aggravated that a nonstrike clause was not enforceable. Only a very narrow, limited number or situation would be covered. I would answer "yes" to his question. Despite the provision for a 10-day notice, in aggravated situations where the notice is meaningless, the union would not have to give this notice.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. Yes, I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, this particular provision was written in because of the nature of the matter and would apply only to an aggravated unfair labor practice, as distinguished, in the normal course of events, under section 8(d) (3) of the act. If one was, shall we say, fired as in the J. P. Stephens case, on the first day of wearing a union button, this gives the protection to the health care worker and is only applicable in that kind of case.

Mr. FUQUA. Mr. Chairman, I thank the gentleman.

Mr. THOMPSON of New Jersey. I yield such time as he may consume to my distinguished colleague, the gentleman from Michigan (Mr. FORD).

Mr. FORD. Mr. Chairman, I will try to be brief and follow the lead of Mr. ASHBROOK, in supporting H.R. 13678 to provide for coverage of nonprofit hospital employees under the National Labor Relations Act.

This is not a new issue on the floor. We had it here in the last Congress. It was passed by an overwhelming majority.

I find it interesting, frankly, to be on the floor supporting labor legislation sponsored by the senior Senator from Ohio (Mr. TAFT), but I think the Senator, in introducing and the supporting this bill, without amendment, has, in fact, come up with the solution to a problem long overdue for solution.

Mr. Chairman, there are two such problems that are currently taking place in my own State of Michigan.

One of them, at Mercy Hospital in Monroe, is now entering its third year. This is a recognition dispute which involves approximately 170 employees.

The employees of Mercy Hospital voted over 2 years ago to participate in collective bargaining, but the hospital has refused to recognize them. They have complied with the existing State law, but this has not proved to be effective. After participating in mediation, and cooperating with and accepting the recommendations of the Governor's factfinding committee the dispute was still not resolved because the hospital has still refused to cooperate.

The only arbiter left was the courts, and despite the fact that the collective bargaining unit prevailed in both the trial court and the appellate court, the hospital has insisted on litigating this issue all the way to the Supreme Court. As a result Mercy Hospital has been operating for over 2 years in a state of confusion and uncertainty, the legislation now before us would provide for an orderly and equitable way of resolving disputes such as this.

A similar situation is now beginning to occur in Harpers Hospital—the second largest in Michigan. The 1,500 employees at Harpers have twice voted in favor of organizing a collective bargaining unit, but, like the employees in Monroe, they are not able to obtain recognition, and once again a long drawnout court battle is being threatened.

Mr. Chairman, the legislation before us today can solve problems such as this once and for all—and solve them in an orderly manner.

I would like to remind my distinguished colleagues that the employees of nonprofit hospitals were not excluded from coverage by the original Wagner Act of 1935. It was only in 1947, as the result of a Senate floor amendment, that they were specifically excluded.

That exclusion came about for two major reasons:

First, because the health industry was not in interstate commerce; and

Second, because the nonprofit hospitals were charitable in nature.

Mr. Chairman, whatever the facts and law might have been in 1947, neither of those rationales is applicable today.

The health industry is clearly within the flow of interstate commerce.

The National Labor Relations Board so held when it successively exercised jurisdiction over private proprietary hospitals, over private proprietary nursing homes, and over nonprofit nursing homes.

The Supreme Court so held when in Maryland against Wirtz it sustained the power and authority of Congress to bring hospital employees under the 1966 amendments to the Fair Labor Standards Act.

And Congress so held when, from 1964 to 1972, it brought nonprofit hospitals under the coverage of a series of Federal laws—from the Equal Employment Opportunity Act to the 1972 amendments to social security, medicare, and medicaid programs.

Nonprofit hospitals employ more than $1\frac{1}{2}$ million workers. The total revenue of nonprofit hospitals amounted to almost $19 billion in 1972. In that year, the entire hospital industry, including the giant nonprofit sector, received $12 billion in payments from private insurance companies located throughout the Nation, and $17 billion from public sources.

The second reason—that nonprofit hospitals are charitable institutions—is also no longer true.

The price per bed in nonprofit hospitals is as high as in private hospitals. They often maintain large supervisory staffs, and pay high salaries to their executives.

They are free to own large parcels of land and engage in other business ventures with tax deductions and writeoffs.

The day of the charitable hospital operating by donations from wealthy patrons for the benefit of the poor is over. The only "eleemosinary" hospital any witness could identify today is the City of Hope. It was described as a "purely charitable organization," supported by subscription the country over, which has never charged a patient for any care, treatment, or service.

And we also learned that the City of Hope has a union contract.

In short, Mr. Chairman, hospitals, including nonprofit hospitals, are, today, big business. They are engaged in interstate commerce, through their purchase of drugs, food, equipment, and fuel; items that are often produced in other parts of the country. They play a major role in our economic stream of commerce.

And nonprofit hospitals have clearly outgrown their old status as local charitable institutions.

In other words, the reasons for the 1974 exemption no longer exist. The employees of nonprofit hospitals should again be brought under the protection of the National Labor Relations Act.

Mr. Chairman, at this point I would like to urge my colleagues from both sides of the aisle to follow the bipartisan lead of the cosponsors of this legislation, the distinguished chairman, the gentleman from New Jersey (Mr. THOMPSON), and our distinguished colleague from Ohio (Mr. ASBROOK) and vote for passage of H.R. 13678 without amendment.

Mr. THOMPSON of New Jersey. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri (Mr. CLAY).

Mr. CLAY. Mr. Chairman, I rise in support of H.R. 13678 for basically two reasons:

First, to give to the employees of nonprofit hospitals the same rights and obligations shared by most workers. There is no reason for the employees of a proprietary hospital to be covered by the National Labor Relations Act, while those working in a nonprofit hospital, possibly across the street, are not.

Mr. Chairman, this bill will give to nonprofit hospital employees the dignity they deserve. No legitimate reason was advanced during our hearings to show why they should not be covered.

The second reason for supporting H.R. 13678 is to bring a much needed stability to the nonprofit hospital industry.

For a period of time the National Labor Relations Board did not assert its jurisdiction over—

First. Colleges and universities privately owned and operated;

Second. Radio stations operated by religious organizations;

Third. Privately owned profit hospitals

Fourth. Privately owned profit nursing homes; and

Fifth. Nonprofit nursing homes.

Mr. Chairman, in each of these areas it was the experience of the National

Labor Relations Board that—when jurisdiction was withheld—strikes and labor unrest resulted.

And in each of those areas, Mr. Chairman, the extension of coverage of the National Labor Relations Act was necessary to reduce strikes and bring labor peace.

The committee felt—unanimously—that here, too, coverage was necessary to bring needed stability to the nonprofit hospital industry.

This bill not only provides coverage for nonprofit hospital employees, but added protection for the whole health care industry.

Mr. Chairman, the bill is a compromise by all involved parties and I strongly urge its passage without amendment.

Mr. ASHBROOK. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. ERLENBORN).

Mr. ERLENBORN. Mr. Chairman, I rise in support of the bill under consideration, but not wholehearted support, because I believe that the bill would be improved by amendment.

I will point out that the House has in the past considered legislation in order to bring the nonprofit hospitals under the National Labor Relations Act. I was happy to support the passage of those bills in the past.

I think much credit is to be given to the House and Senate sponsors of the legislation this year in recognizing the unique situation of the health care industry and the damage that can occur to a community if there is an unwarranted interruption of the health care delivery services, particularly if that interruption comes without sufficient notice to accommodate the community by providing alternative health care delivery during the period of the strike.

So I compliment the gentleman from New Jersey (Mr. THOMPSON), and the gentleman from Ohio (Mr. ASHBROOK), for seeing the wisdom of providing in the bill under consideration for notices of the expiration of a contract and for mandatory submission to the Federal Conciliation and Mediation Service.

However, I fear that they have just not gone quite far enough in order to protect our communities.

One of the problems we face is that many communities, particularly in the rural areas, have either no hospital at all and must rely on a hospital in some other community or there is only one hospital serving, say, a rural county. If there is a strike at that hospital that shuts down the hospital for service to that community, it is very difficult to find, within a reasonable period of time and within a reasonable transportation distance, alternative health care service.

This same problem can exist in a larger community where there are multiple hospitals available, but there happens to be a concurrent strike at many of the hospitals.

In 1973, in the city of New York, for instance, the unions struck most of the hospitals in the city for an extended period of time, even against a court order that prohibited them from doing so. Just the other day I read in the paper an article about the upholding of large fines that were levied against the officials of the unions who were involved.

This points up how even in a large community such as the city of New York, if there is a strike against many of the health care facilities at the same time, there could be great disruptions, as there was in that case of the health care delivery services.

I am proposing and under the 5-minute rule I will offer an amendment that will provide after the notices and the submissions to the Federal Mediation and Conciliation Service, if a strike still seems to be imminent when the 10-day notice is given, that there be one additional step taken—not automatic and to be applied in every case—but in the discretion of the director of the Federal Mediation and Conciliation Service, who has been involved mandatorily during the negotiations up to that point and who knows the situation, that if, in his opinion, the imposition of an additional 60-day cooling off period might be helpful, he can so order.

Then, for the first 30 days of those 60 days, there would be a special board appointed for fact finding and recommendation for settlement. The next 30 days after the report is rendered the status quo will be maintained and the parties will continue to negotiate and hopefully there will be a resolution of the labor dispute.

Let me point out—and this is not without precedent—they do have such a 60-day cooling off period under the National Railway Labor Act, and I am informed that the board which has been involved in this process over the past long number of years has had a 98 percent record of success in avoiding strikes by mediation and conciliation, and I think that is awfully good. However, in addition to that, they have a record that when that 60-day period has been invoked they have been successful in 79 percent of the cases in bringing together the parties during that 60-day period and avoiding a strike. It is the latter point that I think is terribly important, because we would like to see as few strikes as possible in the health care industry and as much resolution of these disputes and continuation of health care as possible.

Mr. RUPPE. Will the gentleman yield?

Mr. ERLENBORN. I am happy to yield to the gentleman from Michigan.

Mr. RUPPE. I thank the gentleman for yielding.

I would like to state that I fully support the gentleman's position and want to congratulate him for offering the amendment which I notice the gentleman says will be offered later this afternoon.

Mr. Chairman, the amendment that will be offered by Mr. ERLENBORN can be looked at from many angles depending on the position or bias of the observer. But I submit, there is only one responsible way that we, as legislators, should look—and that is with an eye to those situations in which a strike of a nonprofit health institution could rob thousands of people of necessary care. In many areas of the country a single work stoppage would not have this effect, but we must realize that in many rural areas it very well might, and we must make provisions for such a possibility.

This amendment takes a very cautious approach. We would not be telling hospital workers they cannot strike. We would simply be saying that because the services provided are of such paramount importance, it is necessary that every step be taken to avoid a work stoppage. The 60-day cooling-off period would not be automatic under the legislation. Rather, it only can be invoked upon a finding by the Director of the Federal Mediation and Conciliation Service that the strike "threatens substantially to interrupt the delivery of health care" in the area.

We have seen what a strike can do in the metropolitan centers to interrupt the normal flow of health care services. The strike a few months ago in New York City is a prime example of the debilitating effect that can occur. But in cases such as that, there is generally some alternate form of health service available. Granted, it may be inconvenient, less beneficial, and perhaps more expensive, but at least there is an alternative in case of emergencies. This, unfortunately, is not necessarily true in the rural areas of our country. While it may seem difficult for some to believe, in my district in Michigan there are four counties, Alcona, Antrim, Keweenaw, and Oscoda, in which there are no hospitals. These 4 counties have a combined total population of almost 37,000. Also there are 11 counties in the district with only 1 community hospital. These 11 institutions have a total of 1,373 beds but serve a population of over a quarter of a million people.

The ratio is not very encouraging even when every hospital is in full operation; however, it is downright frightening should one or more be closed by a labor dispute, especially if it could be avoided. The workers have rights; of this, there is no question. But there is also no question that the people have a greater right in this instance—adequate health care. I think we would be doing a great disservice to them if we did not enact this provision for a cooling-off period. It is a balancing of the needs and rights of all those concerned. I strongly urge acceptance of this amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ASHBROOK. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. ERLENBORN. I thank the gentleman for yeilding me the additional time.

One additional problem is involved in this bill. I have a personal situation in my district where the Seventh-day Adventist Church operates a hospital. They are not presently unionized. The passage of this law does not automatically mean that they will be, either. But if the hospital operated by the Seventh-day Adventist Church is unionized and they have a union shop agreement, it will be required that members of that faith will have either to give up their jobs or join a union.

That church and a few other sects do have long-held religious beliefs that are against belonging to or paying tribute to a labor union. I think these people ought to be accommodated. Even in the military draft law we accommodate religious beliefs and we do it on a much broader basis than I would propose here.

My amendment is very narrowly drawn and would provide only that religious beliefs held by a person who is a member of a sect that has held these beliefs as a religious tenet will be able to ask for this waiver.

Mr. THOMPSON of New Jersey. If the gentleman will yield to me, I will yield the gentleman 1 additional minute.

Mr. ERLENBORN. I thank the gentleman for yielding me the additional time, and I am happy to yield to him.

Mr. THOMPSON of New Jersey. First may I say that I have the deepest respect for the gentleman's concerns. May I ask the gentleman, with respect to the Seventh-day Adventist Church hospitals with which you are familar and which are in your district, are they proprietary or nonprofit?

Mr. ERLENBORN. These are nonprofit hospitals operated by the Seventh-day Adventist Church. They have 47 such hospitals and nursing homes in the United States.

Mr. THOMPSON of New Jersey. Right. They are not now covered?

Mr. ERLENBORN. They will be under this bill.

Mr. THOMPSON of New Jersey. May I point out to the gentleman from Illinois—and I will yield additional time so the gentleman may answer my inquiry—but may I point out to the gentleman, in the first place, that obviously a majority of the employees, were this bill to become law, would have to vote for union representation. Let us presume that they do so in any one or all of the cases——

The CHAIRMAN. The time of the gentleman has again expired.

Mr. THOMPSON of New Jersey. Mr. Chairman, I yield 1 additional minute to the gentleman from Illinois.

If the gentleman will permit me to continue, they would not, I respectfully say to my friend, the gentleman from Illinois, have to join a union in any circumstances. The law is perfectly clear on that. What they would have to do, however, would be, if those hospitals were unionized, to have a reasonable share of the administrative costs of the collective bargaining agency, which benefits them as well as union members. They are not required to become members of the union.

Mr. ERLENBORN. The gentleman from New Jersey is correct, if that is the provision in the contract. However, if the provisions in the contract call for a union shop, and the payment of funds to the union in lieu of dues, this can be required, and these people hold religious beliefs that are contrary to this.

The payment of dues and the payments in lieu of dues to the union are just as abhorrent to these religious people's beliefs as that of joining the union under my amendment. There is nothing to prohibit the union, if there is a union shop, from negotiating a like payment to some other charity, and I would have no objection to that. It is not a question of the amount of money, the only question is to whom it is paid.

The CHAIRMAN. The time of the gentleman has expired.

Mr. THOMPSON of New Jersey. I yield 1 additional minute to the gentleman from Illinois.

If the gentleman will yield further, I say most respectfully that I understand that. That is not a new question; it has arisen in a number of pieces of legislation and under a number of circumstances. I recognize fully the gentleman's persuasion, and I must respectfully say to the gentleman that I expect to oppose the gentleman's amendment when the gentleman offers it. I thank the gentleman.

Mr. ERLENBORN. I thank the gentleman for the additional time.

I did know that the gentleman would oppose the amendment. I am sorry that the gentleman must do so because, as I say, there would be nothing to prohibit the negotiation of payment in like sum to some charity. I would just like to protect these people from either having to belong, being forced to join a union, or paying tribute to a union.

Mr. THOMPSON of New Jersey. I understand that. I also understand that I am going to have the unpleasant task of disagreeing with my distinguished friend, the gentleman from Minnesota (Mr. QUIE) on his Minnesota amendment. But that is the way I feel.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. THOMPSON of New Jersey. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina (Mr. HENDERSON).

Mr. HENDERSON. Mr. Chairman, I rise in opposition to the bill. I am amazed that this bill was unanimously reported to us by the Education and Labor Committee even though some of the minority members expressed additional views. I am amazed to be told that it has the support of the administration and supposedly has strong bipartisan backing.

My interest in the basic subject of extending the right of meaningful collective bargaining to groups of employees not now having such a right stems from the fact that at this very time, I am holding hearings in my subcommittee on extending statutory collective bargaining rights to Federal civilian employees.

In a very real sense, I put employees of hospitals in the same category as other public employees, even though many of them work for privately owned hospitals.

I consider them public employees because members of the public entirely unable to protect themselves can and will be hurt by giving to unions and to hospital employees what this bill gives to them.

It is, of course, no secret to anyone that I believe in the principal of freedom of choice. The right of every employee to join and participate in a union or employee group if he chooses to do so, and to refrain from such membership or participation if that is his choice.

This bill would permit, except in the so-called right-to-work States, such as my own State of North Carolina, labor unions to negotiate with management agency shop agreements under which no one could work for the hospital without paying dues to a union.

Worse than this, even with the extra layer of delays, cooling off period, et cetera, what we are doing with this bill is to give to hospital employees the right to strike, thereby paralyzing the operation of the hospital and making it impossible for patients in that hospital to continue to receive treatment.

I cannot support such a bill. I am willing to give recognition to unions as the legitimate bargaining agent for employees of hospitals. I am willing to give them the right binding arbitration in instances where they cannot agree with management; but I am not willing to give them agency shops, and I am not willing to give them the right to strike.

If we vote down this bill, I am confident that the committee can and will promptly bring back to us a bill which will give meaningful bargaining rights to hospital employees without compulsory unionism and without the right to strike.

Mr. ASHBROOK. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Chairman, I rise in support of this legislation to bring nonprofit hospital employees within a protection of the National Labor Relations Act. I supported the bill in the committee without major amendments, and will do so today.

I want to associate myself with the remarks of the distinguished coauthors of the legislation, the gentleman from New Jersey (Mr. THOMPSON) and the gentleman from Ohio (Mr. ASHBROOK).

Mr. Chairman, I think that equity requires that we move with dispatch on this legislation. It is interesting to note that around the country and especially in my area of western New York that the most harmonious and orderly labor-management relations do exist in those hospitals that are unionized.

COOLING-OFF PERIOD

Some Members of Congress have proposed the so-called cooling-off period of 60 days to take place after the expiration of a collective bargaining agreement. This suggestion, I suppose, stems from the belief that the additional time for negotiations will help the parties reach an agreement.

This bill addresses itself to the issue and provides for a notice of 90 days by either party prior to the termination or modification date and also provides for 60 days' notice prior to that date to the Federal Mediation and Conciliation Service. So instead of providing 60 days after the expiration date of the contract for additional negotiating time, this bill provides for 90 days of negotiations prior to the expiration date.

If there is any legitimacy to the belief that more time for negotiating will bring about a settlement, then this bill does that precise thing. It requires that the parties start negotiating earlier, and that they enter mediation earlier than other industries. This special provision for the health industry provides additional time for reasoned collective bargaining.

This bill's notice provisions actually are better than a 60-day cooling-off period. It maintains a single deadline to work against. It does not set up straw deadlines that lose their effectiveness. Rather it retains as the meaningful deadline, the termination date of the contract. This is vastly superior to the introduction of a new so-called cooling-off period after the termination of the contract, and the introduction of an artificial deadline. I believe that this bill's provisions for the 90-day notice to the other party and the 60-day notice to the Federal Mediation and Conciliation Service is vastly superior to any proposed additional 60 days of bargaining after the contract termination date.

Mr. Chairman, I urge all my colleagues to defeat the proposed amendment and vote for this much needed legislation on final passage.

Mr. ASHBROOK. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota (Mr. QUIE), the distinguished ranking minority member of the committee.

Mr. QUIE. Mr. Chairman, first, let me explain that I am in support of extension of the rights of representation and collective bargaining to employees of nonprofit hospitals. It is true that many of those employees have been denied the basic benefits of collective bargaining, and have been discriminated against because they sought union support. However, that has not been the case in all the States, as approximately 12 or 13 States have extended bargaining rights to employees of nonprofit hospitals. One of those States is Minnesota, and that brings me to my second point.

If H.R. 13678 is enacted without the amendment I propose, State laws, such as those in Minnesota, will be preempted by the Federal legislation. The reason certain States laws should not be preempted is simply because they are good, they have proven workable, and they have created stability in labor relations in hospitals in some States.

My amendment allows this stability to continue. It provides that the NLRB may cede jurisdiction to any State which enacted a statute prior to the NLRA amendments of 1947, this would include Minnesota, and possibly Wisconsin, which had a general labor relations law prior to 1947, and subsequent to 1947 the courts interpreted it as applying to nonprofit hospitals. It also provides that the NLRB may cede jurisdiction to any State which has a "substantially equivalent" law.

The amendment does not direct the Board to cede: It gives the NLRB discretion as to whether it should cede. The NLRA already gives the Board authority to cede unless the State law is "inconsistent with" Federal law. However, the Board has consistently held that State laws are "not consistent" with Federal law in one form or another. Therefore, in offering this amendment, it is my hope that the Board will take another look at its authority, and determine to cede where the amendment specifically so provides. It is clear that Minnesota would qualify as the Minnesota Charitable Hospitals Act passed prior to the 1947 amendments.

It is not as clear that the Board would cede where State laws are "substantially equivalent" But, it is my intent in using the words "substantially equivalent" to use a different standard than "not inconsistent with." In interpreting the words "substantially equivalent," the Board should look to the primary rights granted by the State laws—those being the rights to representation and collective bargaining. In determining whether State law is substantially equivalent, the Board need not look beyond those basic rights. For example, the Board should find a State law substantially equivalent whether or not the term "supervisor" is defined slightly differently, or whether or not the impasse resolution procedure is different from the NLRA's concept of economic warfare. In other words the rights of representation and collective bargaining should be paramount along with procedures to protect those rights in determining whether a State law is substantially equivalent: and the simple fact that a State has a different dispute resolution procedure should be immaterial.

It seems to me also that one of the main factors—if not the main factor after rights of representation and bargaining—the Board should consider in ceding should be the State's successful history under its own State law. The central fact of labor management relations law is to create stability in labor-management relations by equalizing the balance of power between management and the collective force of the working man. When stability has been achieved, when all groups, management, labor, and the public, support and achieve success at stability under the State law, the Board should carefully consider and give prime consideration to those factors in determining whether to cede.

One more point that should be emphasized and that is that the amendment applies only to nonprofit hospital labor relations. Since they were exempted by the 1947 act, a body of law has grown up in the nonprofit hospital sector only in those States which have statutes. My amendment does not disturb, or call the Board's attention to, the present standard of ceding to State law "not inconsistent with" Federal law in other health care institutions where the Board has had jurisdiction all along.

Finally, let me explain my particular concern which is a result of the successful application of the Minnesota Charitable Hospitals Act. Under that statute over two-thirds of the nonprofit hospitals have been organized to some extent, compared with the minimum 25 percent organization in the private sector generally under the NLRA. Obviously, organization has not been inhibited in my State, but has advanced beyond private industry to a great degree. Also, stability has been realized under our State law reflected in the 27 years of peaceful labor-management relations in nonprofit hospitals in Minnesota. Minnesota labor organizations originally opposed the State act: Now they oppose extension of the NLRA in any way that would preempt the State statute. This is probably because they have not only been successful in organizing, but also because they have been successful in achieving high salaries and excellent working conditions for employees without disruption, and actually utilizing the arbitration provisions in less than 18 percent of the negotiations. Over 1,500 agreements have been negotiated.

I believe that is a record of which our State can be proud, and it is for that reason that I urge your support for this amendment.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, I would like to say this to the gentleman from Minnesota, or in the plural to the gentlemen on both sides from Minnesota. Minnesota occupies a totally unique position among the 50 States in that it does in fact have a law which works well and with which all parties seem to be satisfied. It is an unhappy fact that I must oppose the prospective amendment which will be offered by my friend, the gentleman from Minnesota, on the ground that to exempt Minnesota would be to exempt any State which since 1947 has enacted a statute. So Minnesota, although it will not suffer in my considered judgment under the passage of this legislation, will in its own mind and among its own people suffer. I regret that, but I think that the common good and the interests of the other 49 States dictate that this bill should pass to cover all 50 States including Minnesota.

I say this with regret. I say this, and I want the members of the committee to know this, after I have had negotiations and extended talks with not only my good friend, the gentleman in the well from Minnesota (Mr. QUIE), but also with the Governor, who is a Democrat, and with others in that State, including the gentlemen from Minnesota, Mr. FRASER and Mr. BERGLAND and Mr. FRENZEL. Notwithstanding these conversations, which ended in impasse, I must oppose the amendment which will be offered by the gentleman.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Chairman, could I add one additional point, and I wonder if the gentleman from New Jersey (Mr. THOMPSON) would agree. I think the basic difference between the Minnesota statute and all other statutes would be the fact that in that one State they go one step further than this legislation does of, in fact, requiring mandatory arbitration. There is nothing in this particular bill if it is enacted into law to prevent that because in many areas the parties in negotiation across the table provide for compulsory arbitration, because this is an area where continuity of service is important. So therefore the Minnesota situation is not really being negated because the parties, the hospitals and the employers and the labor organization can negotiate.

Mr. THOMPSON of New Jersey. If I may interject, everything they have in their existing contracts will be and can be renegotiated in the renewal of their contracts, including compulsory arbitration.

Mr. ASHBROOK. Well, they themselves can negotiate it in their contract.

Mr. THOMPSON of New Jersey. Yes, they could agree on compulsory arbitration.

I would like to assure my friend, the

gentleman from Minnesota, that that State's nonprofit hospitals and unions could negotiate compulsory arbitration in their contracts or anything else that both parties can agree to.

Mr. QUIE. I realize they can.

Mr. Chairman, I yield to my friend, the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I support the committee amendment and I can only say that my constituents, both employees and nonemployees, do not want to yield for the greater good. They feel they have a good law and want to live and work under that law.

Mr. Chairman, I will support H.R. 13678, a bill to extend coverage to nonprofit hospitals under the National Labor Relations Act, but only if the Quie amendment is adopted.

Where there is no effective State law, the extension of collective bargaining rights to nonprofit hospital employees is a sound step. Certainly we ought to take pains here to deal fairly with both employee rights and the special health care needs of the public.

Twenty-seven years ago in April of 1947, the Minnesota Legislature enacted its charitable hospitals act. The act requires mediation of a labor-management dispute, and if the mediation fails, it directs that the dispute be submitted for binding arbitration. The act prohibits both strikes and lockouts.

The Minnesota law has been highly successful for maintaining stable labor relations and superior health care. This law is endorsed by employees and employers alike. Last September, the Minnesota AFL–CIO's 16th Constitutional Convention passed a resolution supporting the Minnesota law and urging Congress not to tamper with it. The State Council of Hospital Employee representatives and the hospital and nursing home employees union both took a similar stand. The Minnesota Hospital Association, representing nonprofit hospitals and nursing homes takes the same position. All of the people affected are unanimous in opposing Federal intervention in what has been a highly successful State program.

Minnesota is not alone in its effective State regulation. Michigan, Connecticut, Pennsylvania, and others have effective programs too. We would be setting an unfortunate and ridiculous precedent if we were, by adopting H.R. 13678, to prevent states from operating under their own laws which everyone has judged to be highly successful.

The amendment, which will be offered by Congressman Quie for most of the Members of the Minnesota delegation, would simply allow the Board to make an agreement with an agency of a state to give that agency jurisdiction over the collective bargaining relationship involving nonprofit hospitals where the state has a statute which is substantially equivalent to the provisions of H.R. 13678. This amendment would, of course, have no effect where the States have not acted, but it is in keeping with the constructive and creative principles of federalism.

I am hopeful that the committee will adopt this important amendment and thereby let the States, which are doing a good job in the field, continue to do so.

Mr. THOMPSON of New Jersey. I neglected to recognize my friend, the gentleman from Oregon. I yield myself 1 additional minute so that the gentleman from Oregon may make an inquiry or two.

Mr. DELLENBACK. Mr. Chairman, for the purpose of establishing legislative intent, I would like to ask the gentleman from New Jersey a few questions about the provisions of H.R. 13678.

First, in regard to the definition of "health care institution," I assume that is not intended to include purely administrative or financial organizations associated with health care institutions, such as Blue Cross or Blue Shield; am I correct in that assumption?

Mr. THOMPSON of New Jersey. The gentleman is correct. It would not include that type of organization. Any type of health insurance administrator would not come within our intended definition.

Mr. DELLENBACK. May I ask the gentleman from Ohio whether his understanding is the same as that of the gentleman from New Jersey?

Mr ASHBROOK. That would be exactly my understanding.

Mr. DELLENBACK. May I ask second of the gentleman from New Jersey (Mr. Thompson) this next question may seem to have an obvious answer, but I have not seen it anywhere answered to my satisfaction. Is my assumption correct that the definition of health care institution would not include health spas or diet clinics and the sort; is that the gentleman's understanding as well?

Mr. THOMPSON of New Jersey. Yes. One might add certain kinds of halls. I would agree that those commercially operated muscle-building organizations, or those that provide only health services for weight loss, outside of any patient care function, would not come within our definition of health care organization.

When we use that term we are looking to real patient care and health service delivery, whether inpatient or outpatient. In addition, we do not mean it just as to the sick or aged. We mean it also to apply to specialty health services, to private institutions caring for the mentally retarded, and the like.

Mr. DELLENBACK. May I ask the gentleman from Ohio whether his understanding agrees with that of the gentleman from New Jersey?

Mr. ASHBROOK. I would say the statement made by the gentleman from New Jersey (Mr. Thompson) would be absolutely accurate.

Mr. DELLENBACK. I thank each of the gentlemen.

Mr. THOMPSON of New Jersey. Mr. Chairman, I have no further requests for time.

Mrs. BURKE of California. Mr. Chairman, I support this bill because I believe that it will further the basic policy of the National Labor Relations Act, which is "to provide orderly and peaceful procedures" for resolving labor disputes and "to protect the rights of the public in connection with labor disputes."

Many hospital workers have been exploited through the years. Many women and many blacks are employed in hospitals at despicably low wages. Four out of five hospital employees are women. According to the most recent Labor Department statistics, average hourly earnings of hospital employees in March 1974 was $3.33 an hour and included the wages of nonsupervisory nurses. This is some 73 cents an hour less than average hourly earnings of all nonsupervisory workers in private nonfarm industries. It is 90 cents an hour less than average hourly earnings in manufacturing.

It is important that these workers in nonprofit hospitals be given the opportunity to choose a union to represent them, if they so choose. One of the unions currently active in the hospital field is Service Employees International Union. They helped me with the education that I now have and I would like to commend SEIU for its work not only in granting scholarships, but by representing workers in a responsible and effective manner. I recommend passage of this bill so that women, blacks, and all hospital workers can benefit from the rights guaranteed by the National Labor Relations Act.

Mr. MONTGOMERY. Mr. Chairman, H.R. 13678 represents a good-faith effort to accommodate the legitimate interests of the various parties involved in labor-management relations in the health care industry.

I believe, however, that the public interest in the continuity of health care services is, in fact, the overriding interest and primary rights in this situation—superseding the rights and interests of either party to the negotiations in a particular labor-management dispute.

This is why I urge the House to accept amendment to H.R. 13678 to protect the public, and safeguard the continuity of patient services by providing a 60-day emergency cooling-off period, with creation of a special blue-ribbon factfinding board—after all other settlement efforts under the NLRA had failed to resolve a dispute—in order to establish an additional means to help settle labor disputes before they threaten to close down hospital facilities on which a community may depend for its essential health care.

I believe this to be a most reasonable and workable proposal. The cooling-off period would not be automatic, but would come into play if, in the judgment of the Director of the Federal Mediation and Conciliation Service, the labor dispute "threatens substantially to interrupt the delivery of health care."

This provision would apply equally to our major metropolitan urban areas, as well as to the small communities and rural areas of America.

For instance, instead of the labor-management failure which resulted in the health emergency caused by the week-long metropolitan-area-wide strike last November in New York City—involving some 30,000 hospital employees belonging to Local 1199 of the AFL–CIO Drug and Hospital Union striking against 48 hospitals and nursing homes—there would have been a further opportunity for all parties to "cool-off," and for an unbiased group of community and civic leaders—together with impartial experts in the field of labor-management relations—to take a fresh look at the entire situation, and arrive at an outside, independent conclusion as to the facts of the dispute, with their recommendations on how best to settle all outstanding issues on an equitable basis.

There then would have been an additional period following the submission of the fact-finding report for the parties to get together under increasing public pressure on both labor and management to find suitable accommodation and grounds for agreement.

Though not a final solution—and not involving either compulsory arbitration or a prohibition on strikes—it certainly would have been much preferable to what actually occurred, and far superior to anything in present law or in the current provisions of H.R. 13678.

In addition to urban situations, the 60-day cooling-off period would have particular application to thousands of America's smaller localities, and the more rural areas of our Nation, where an entire community may be served by a few or perhaps even one health care facility—the closing of which would substantially interrupt the delivery of health care to the citizens of the community.

The protection given the public in smaller communities is especially important since some 53 percent of the hospitals in the United States are located in these non-metropolitan area communities and in remote rural areas that are even more sparsely populated—where health care is a most critical concern, and highly vulnerable to any outside interference or interruption—and where alternative sources of health care are, from a practical standpoint, unavailable.

For example, there are nearly 600 counties in this country with no hospital facility whatsoever. The citizens of these counties must rely on distant health facilities for their vital medical treatment.

And there are over 1,400 counties which depend on a single hospital to meet the health care requirements of their residents.

Procedurally, the Director of the FMCS would create a special board to investigate and report to him within 30 days regarding the labor dispute. After establishment of the special board, and for an additional 30 days after the board has reported to the Director, the status quo would be maintained, except by agreement of the parties involved. The 10-day strike notification—required by the new subsection 8(g) added by H.R. 13678—could, however, be given within the final 10 days of the 60-day cooling-off period.

It should be noted that the cooling-off proposal I am suggesting is not a novel or original concept. Rather the language of the amendment has been adapted to the health care industry from the Emergency Board provisions of the Railway Labor Act, 45 U.S.C. 160, which has been on the Federal statute books since 1926.

While not eliminating the right to strike, the 60-day cooling-off procedure can be an effective means of accomodating the positions of both labor and management. Such a cooling-off period would not interfere with the traditional collective bargaining process. In fact, over the 40-year history of the Railway Labor Act—from which the proposed cooling-off provision was adapted—the National Mediation Board has achieved an outstanding 97 percent success rate in settling disputes without resort to strikes.

I believe that the special notice requirements now contained in H.R. 13678 are a laudable and a sincere recognition of the unique and essential quality of the health care industry—analogous to police and fire protection as a vital ingredient in the life of a community.

However, I do not believe these notice requirements, even when combined with mandatory mediation under the auspices of the Federal Mediation and Conciliation Service, provide a sufficient safeguard for the public interest in the all-important field of health care for the citizens of America.

Because of this strong belief, I offer the 60-day cooling-off period amendment on the floor today, and hope that the members of the House will adopt it as a worthwhile addition to the committee-approved provisions of H.R. 13678.

I feel it can be a valuable protection for the continuity of patient care, and aid greatly in assuring successful implementation of this new amendment to the National Labor Relations Act.

Mr. BAUMAN. Mr. Chairman, I must oppose the measure before us this afternoon, not because I oppose allowing employees at nonprofit hospitals to select bargaining representatives, but because I cannot be a party to approving legislation which will threaten the continued delivery of essential health care services to the people of my district.

Placing hospital workers under the provisions of the National Labor Relations Act automatically confers on them the "right" to strike—to walk off their jobs, leaving the health of countless patients in jeopardy. This prospect is serious in any hospital, but it is particularly serious for nonprofit hospitals, a large number of which provide the only available hospital care for the Nation's rural areas. In my predominantly rural district in Maryland, one hospital often winds up servicing even three or four counties. For that hospital to have to close its doors or even cut back its operations because of a strike would not only inconvenience the many individuals who need routine operations, it would endanger the lives of those who may suddenly need emergency hospital care. The problem of health care delivery is difficult enough as it is in rural areas, without compounding the problem by giving official approval to strikes by hospital workers.

The amendment offered by the gentleman from Illinois (Mr. Erlenborn) helps address this problem, by providing a 60-day "cooling off" period, but it still leaves the possibility open for a strike to occur, at the end of that period, at which point there would be no way to avert a crisis for patients dependent on a particular hospital. Thus, while I favor the amendment, I shall still have to vote against final passage of this bill.

One other aspect of the action implemented by this bill concerns me. We have adopted an amendment which would exempt some individuals from compulsory union membership agreements because of their religious convictions. While this is certainly reasonable, I cannot see why religious convictions should be alone as a criterion for not being forced to join a union. The right to choose whether or not to belong to a union or any other group, ought to be given to any individual, whether his reason is religious, moral, economic, or otherwise. That is the essence of freedom.

Mr. FRASER. Mr. Chairman, I support Mr. Quie's amendment.

Minnesota has had a good, strong law governing nonprofit hospitals since 1947. When the law was first passed, the labor unions, concerned about union security issues, opposed the law. The situation has changed. The labor unions, after 26 years of experience working under the State law now oppose any Federal effort to usurp it. Their opposition to inclusion under National Labor Board is based on the success of the Minnesota law. Hospital workers in Minnesota are highly organized. Wages and working conditions rank among the best in the country. Clearly the Minnesota Act has served the workers' interests well. But it has also served the hospital patients well. They are assured of uninterrupted service and care.

I would prefer that the National Labor Relations Board cede authority back to Minnesota, rather than amending the NLRA. However, the Board has been reluctant to cede authority to a State, despite the fact Congress has empowered it to do so. Hence the only way to protect this progressive Minnesota law is through the Quie amendment.

Hospital workers in Minnesota have strongly supported passage of legislation to protect their fellow workers in States without strong collective bargaining laws. I would like to quote part of a letter from Neil W. Geske, secretary-treasured of Local 119, Hospital and Nursing Home Employees Union in the Twin Cities area:

> We are strongly in favor of having hospital employees throughout the country have the right to organize and engage in collective bargaining. But, we are totally opposed to a change which will invalidate a law which has been workable for the thousands of hospital employees we represent.

The position of Local 119 has been endorsed by both the Minneapolis Central Labor Union Council and the Minnesota AFL–CIO Executive Council.

Mr. Chairman, I shall include in the Record both the complete text of the letter from Mr. Geske and the resolution by the Minnesota AFL–CIO Executive Council.

Once again Minnesota is years ahead of other States in her legislation. We are now seeing many labor contracts settled without strikes, as both management and workers use mediation and arbitration, if necessary, to work out good settlements. Minnesota has recognized the usefulness of such measures since 1947.

The Quie amendment would prevent the usurpation of the Minnesota Charitable Hospital Act which has served Minnesotans so well.

The material follows:

Hospital and Nursing Home
Employees Union, Local 113,
Minneapolis, Minn., March 15, 1974

Hon. Donald M. Fraser,
U.S. House of Representatives,
Washington, D.C.

Dear Congressman Fraser: In regard to your request of the other day concerning the Minnesota Charitable Hospital Act, we submit the following:

The labor movement in the state of Minnesota has opposed the preemption of Minnesota Law because of its own experience in using arbitration rather than strike as a means of impasse resolution.

The law when originally passed in 1947 was opposed by this union. The major weakness at that time was the fact that union security issues such as union shop or agency shop were not considered to be arbitrable. In the 1973 legislature, however, this was changed so that union security matters are now arbitrable together with wages, hours and other terms and conditions of employment. The broad scope of the arbitration provisions allows us to present and have determined our position on matters which most vitally concern our members.

The arbitration provisions of Minnesota Law have not eliminated collective bargaining as the primary means of resolving disputes. For example, the most recent settlement made by this union was voluntarily negotiated and for the first time included an agency shop provision whereby employees who are not union members pay service fees equivalent to the monthly dues paid by our members. Our experience has demonstrated that the vast majority of employees choose to become union members and our membership has significantly increased since this settlement. Arbitration has thus been used only as a last resort and we have relied on voluntarily negotiated settlements to establish our contracts.

This union has also had direct experience with the use of a strike against health care facilities. Minnesota nursing homes have not been covered by the arbitration provisions applicable to hospitals. In 1966, strike action was taken against two Twin City nursing homes. Community reaction was adverse and little if anything was gained as a result of a long and bitter work stoppage. Our offer to arbitrate the disputes was rejected by the employers and we could do nothing but continue the strikes since there was no legal obligation to arbitrate.

In our opinion the benefits we have achieved under existing Minnesota Law exceed what we could have done over the past years through the use of a strike. Hospital workers in the Minneapolis, Saint Paul metropolitan area are highly organized and virtually every major hospital has contracts with this union. The benefit levels we have achieved with respect to wages and other conditions have compared most favorably with other large metropolitan areas in the country. Generally, our wage rates have ranked only behind New York and San Francisco in the tabulations prepared by the United States Department of Labor. This has been achieved without the disruptive effect on our membership that any work stoppage necessarily will involve.

We are strongly in favor of having hospital employees throughout the country have the right to organize and engage in collective bargaining. But, we are totally opposed to a change which will invalidate a law which has been workable for the thousands of hospital employees we represent.

Should you have any questions, feel free to contact this office.

Sincerely,

NEIL W. GESKE,
Secretary-Treasurer.

RESOLUTION

Subject: Pre-empting the Minnesota Charitable Hospital Act.

Whereas, the State of Minnesota has the best law governing Labor Relations in Charitable Hospitals in all of the United States, and there presently is a move in Congress to include Charitable Hospitals within the National Labor Relations Act (H.R. 1236 and S. 794) thereby pre-empting the Minnesota Charitable Hospital Act; and

Whereas, we do believe that all workers in Charitable Hospitals should be covered by the National Labor Relations Act where no superior state law exists; now therefore be it

Resolved, that the Sixteenth Constitutional Convention of the Minnesota AFL-CIO go on record and our Congressional Delegation be informed that we are opposed to any legislative action that would pre-empt the Minnesota Charitable Hospital Act.

Submitted by: Hospital and Nursing Home Employees Union, Local No. 113, AFL-CIO, SEIU.

Passed by the Minnesota AFL-CIO Executive Council on Friday, December 14, 1973.

Mr. FUQUA. Mr. Chairman, I am pleased that the committee has returned this bill to the floor as I feel strongly that employees of nonprofit hospitals should be afforded the same rights and protections as those enjoyed by employees of private proprietary hospitals. I voted in favor of this measure when it was last before us and I intend to vote the same way today.

It appears to me, however, that we should take a look at the impact of repealing the existing exemption in section 2(2) of the National Labor Relations Act for nonprofit hospitals without making certain that the important public interest in maintaining continuity in patient care is protected. I do not see this broad public policy question in terms of labor-management but more in terms of the doctor-patient relationship. Can we be certain that the repeal of this exemption and the protections provided by the committee are adequate to assure the continuity of patient care that we all want.

My concern about this matter was compounded when I noted the following language in the committee report:

> The committee is aware that a work interruption at particular hospitals, such as those in rural areas, could pose special problems of continuation of patient care. It is the committee's hope that parties to a dispute in such an institution would be cognizant of such special problems and take steps, either in advance of any dispute, or during its resolution, to mitigate the effects of a scarcity of alternative local resources.

Mr. Chairman, there are nine counties in the State of Florida which do not have community hospitals. The total population of these nine counties is over 57,000 persons. Of these nine counties, seven are within the boundaries of my congressional district. The counties of Dixie, Gilchrist, Jefferson, Lafayette, Liberty, Union, and Wakulla are without a community hospital. These counties have a combined population of some 38,500 and I am very concerned about the impact of a work stoppage at the out-of-county hospitals to which these citizens must travel. Similarly, there are 32 counties in the State of Florida with a combined population of over 880,000 with only one community hospital. Again, the Second Congressional District has a disproportionate share of these counties as I represent eleven counties with only one community hospital. The counties of Baker, Bradford, Calhoun, Franklin, Gadsden, Holmes, Levy, Madison, Marion, Suwannee, and Taylor would be severely disadvantaged by the closing of the single facility in these counties. As my colleagues from the rural areas can fully appreciate, the closing of a single or a small number of hospitals or other health-care facilities would disrupt to a considerable extent the delivery of health care to our constituents.

Accordingly, I would urge the Members to support the Erlenborn amendment which proposes to add to the National Labor Relations Act a provision for a 60-day cooling-off period in certain narrowly prescribed instances. As I understand the gentleman from Illinois' amendment, the 60-day emergency cooling-off period would be utilized only in those cases where the other provisions of the NLRA were inadequate for the parties to settle a labor dispute and the Director of the Federal Mediation and Conciliation Service determines that the dispute threatens substantially to interrupt the delivery of health care. I would not support any amendment that would deprive this employment group the right to strike as this is an essential weapon in the arsenal of employee groups. Accompanying this recognition is the idea that the interest in effective collective bargaining is offset in a limited way by the unique position of medical facilities in the delivery of health care.

The committee recognizes that the needs of patients in health-care institutions must be fully protected. For this reason a provision was included in the bill that would give hospitals advance warning of an impending strike or picketing. Likewise, the usual notice of contract termination or modification is extended to 90 days in the case of labor disputes at health care institutions. I want to point out that the committee recognizes that there are important differences in the health-care facility as an employer and others who are not involved in patient care. The welfare of the patient is a variable which would not be present in traditional labor-management disputes. It is for this reason that I believe we should extend the protection of the patient by including in the measure the 60-day cooling-off period. I do not believe that it attenuates in any respect the effectiveness of the coercive devices available to employee groups.

We have heard today that the National Mediation Board has achieved an impressive 97-percent success rate in settling disputes under the Railway Labor Act without resorting to strikes. The amendment proposed by Mr. ERLENBORN was patterned after the cooling off period provided for in the Railway Labor Act. In this proposal, of course, it would be the Director of the Federal Mediation and Conciliation Service who would make the determination as to the substantiality of the interruption of the delivery of health care.

I cannot stress earnestly enough my belief that this amendment is not anti-labor and, in fact, should be one that labor would support. Certainly, there are thousands of non-health-care employees who reside in my congressional district and who would be seriously disadvantaged should a labor dispute result in the disruption of patient services. If the strike occurred at a medical facility in Miami, I am certain that it would be a short trip across the street or across town to another facility. In the 23 very rural counties I am privileged to represent, we cannot afford the luxury of picking and choosing between medical facilities. Again, in seven of the counties in my district, there is no community hospital at all and the residents must travel out-of-county to other institutions. In 11 additional counties in my congressional district there is only 1 community hospital. If a strike results in a disruption of patient care in these areas, the Sheriff was right that "You are in a heap of trouble, Boy!"

In the interests of maintaining the continuity of patient care and greater flexibility in settling labor disputes, I urge my colleagues to support this amendment.

Mr. CLEVELAND. Mr. Chairman, I take this opportunity to express my opposition to H.R. 13678 which would extend coverage under the National Labor Relations Act to nonprofit hospital employees.

Although I do believe in the concept of labor unions and in fact recognize their significant historic contribution to securing the rights of the workingman, I simply cannot support enactment of a bill which would afford hospital employees the opportunity to strike and thus jeopardize health and lives.

When the antitrust laws were enacted to control big business, the workingman was still at a great disadvantage and in some cases was being exploited by business interests and by the forces of competition. Labor unions have provided a good means of protecting the workingman and in addition have done much to raise the standard of living. But I just do not think that some occupations, such as policemen, firemen, and public and governmental employees as well as those in the health-care industry, should be allowed to strike because of the crucial nature of the services performed and the potential for abuses which could seriously endanger the public interest.

I do want to point out that hospital employees have had serious problems trying to get pay increases which they deserved and which were necessary because of the recent massive inflation. Wage and price controls were a large and major contributing factor to their problems. But I do not believe that organizing into unions with the right to strike is the solution to this legitimate problem.

Proponents of the bill have argued that it takes into account the special circumstances surrounding labor-management disputes involving health-care institutions. While I commend their recognition of the fact that hospital care is indeed unique and provides a vital service which cannot be easily replaced, I feel these provisions are inadequate to protect the public interest. Indeed, a work stoppage could completely eliminate effective treatment and result in costly injuries or even loss of lives; and the implications for emergency situations are extremely grave.

I do intend to cast my vote in support of the amendment to provide a 60-day "cooling off" period should mediation efforts fail. I do so in the hope that if the bill should pass, this additional delay will provide at least a limited safeguard against the interruption of health care.

Mr. Chairman, at a time when considerable attention is being given to the possibility of enacting national health insurance on the grounds that adequate medical care is not being provided at a reasonable cost to all Americans, I can only suggest that enactment of H.R. 13678 would be detrimental to our present health-care system as it threatens the continuity of vital services. Indeed the supreme irony is that Congress last year enacted an Emergency Medical Services Act. Are we now to be confronted with the spectacle of a federally funded ambulance rushing a patient to the emergency room of a hospital only to find a picket line in front of an untended or grossly understaffed hospital?

Mr. ASHBROOK. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2(2) of the National Labor Relations Act is amended by striking out "or any corporation or association operating a hospital, if no part of the net earnings inures to the benefit of any private shareholder or individual,".

(b) Section 2 of such Act is amended by adding at the end thereof the following new subsection:

"(14) The term 'health care institution' shall include any hospital, convalescent hospital, health maintenance organization, health clinic, nursing home, extended care facility, or other institution devoted to the care of sick, infirm, or aged persons.".

(c) The last sentence of section 8(d) of such Act is amended by striking out the words "the sixty-day" and inserting in lieu thereof "any notice" and by inserting before the words "shall lose" a comma and the following: "or who engages in any strike within the appropriate period specified in subsection (g) of this subsection,".

(d) Section 8(d) of such Act is amended by adding at the end thereof the following new sentence: "Whenever the collective bargaining involves employees of a health care institution, the provisions of this section 8(d) shall be modified as follows:

"(A) The notice period of section 8(d)(1) shall be ninety days; the notice period of section 8(d)(3) shall be sixty days; and the contract period of section 8(d)(4) shall be ninety days.

"(B) Where the bargaining is for an initial agreement following certification or recognition, at least thirty days' notice of the existence of a dispute shall be given by the labor organization to the agencies set forth in section 8(d)(3).

"(C) After notice is given to the Federal Mediation and Conciliation Service under either clause (A) or (B) of this sentence, the Service shall promptly communicate with the parties and use its best efforts, by mediation and conciliation, to bring them to agreement. The parties shall participate fully and promptly in such meetings as may be undertaken by the Service for the purpose of aiding in a settlement of the dispute."

(e) Section 8 of such Act is amended by adding at the end thereof the following new subsection:

"(g) A labor organization before engaging in any picketing, striking, or other concerted refusal to work at any health care institution shall, not less than ten days prior to such action, notify the institution in writing and the Federal Mediation and Conciliation Service of that intention, except that in the case of bargaining for an initial agreement following certification or recognition the notice required by this sentence shall not be given until the expiration of the period specified in clause (B) of the last sentence of section 8(d) of this Act. The notice shall state the date and time that such action will commence. The notice, once given, may be extended by the written agreement of both parties.".

Mr. THOMPSON of New Jersey (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: At page 3, line 22, add the following:

(f) The amendments made herein to the Act shall take effect 30 days after the date of enactment of this bill.

The committee amendment was agreed to.

AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUIE: Page 3, after line 21, insert the following new subsection:

(f) Section 10(a) of such Act is amended by inserting "(1)" before the first sentence, and by adding at the end thereof the following new paragraph:

"(2) The Board may by agreement with any agency of any State or Territory cede to such agency jurisdiction over the representational and collective barganing relationship involving any nonprofit hospital where the State or Territory—

"(A) has in effect a statute, enacted before the date of enactment of the Labor Management Relations Act of 1947, governing such relationships; or

"(B) has enacted a statute substantially equivalent to the representational and collective bargaining provisions of this Act governing such relationship.

For purposes of this paragraph, the term 'nonprofit hospital' means a hospital or any corporation or association operating a hospital no part of the net earnings of which inures to any private member, shareholder, or individual."

And strike out "(f)" in line 22 and insert in lieu thereof "(g)".

Mr. QUIE. Mr. Chairman, as we finished general debate the point was raised that there is not any problem in Minnesota because when the contracts come due, they can negotiate an arbitration within the contracts. It is interesting that a resolution which was passed by the Minnesota AFL–CIO Executive Council on December 14, 1973, read as follows:

Whereas: The State of Minnesota has the best law governing Labor Relations in Charitable Hospitals in all of the United States, and there presently is a move in Congress to include Charitable Hospitals within the National Labor Relations Act (H.R. 1236 and S. 794) thereby pre-empting the Minnesota Charitable Hospital Act; and

Whereas: We do believe that all workers in Charitable Hospitals should be covered

by the National Labor Relations Act where no superior state law exists; now therefore be it

Resolved: That the Sixteenth Constitutional Convention of the Minnesota AFL–CIO go on record and our Congressional Delegation be informed that we are opposed to any legislative action that would pre-empt the Minnesota Charitable Hospital Act.

That is an indication from organized labor in Minnesota that they do not feel that it is adequate to have to negotiate every contract in order to get the arbitration which they seek or the other provisions of the Minnesota Charitable Hospital Act; that they have an excellent law they have been operating under now for 27 years. It has enabled them to secure higher income through that. The arbitration has been one that they have found satisfactory. Therefore, they would like to stay under it.

The Minneapolis Central Labor Union Council sent me a letter dated February 25 of this year, which reads:

MINNEAPOLIS CENTRAL
LABOR UNION COUNCIL,
Minneapolis, Minn., February 25, 1974.

Congressman ALBERT H. QUIE,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN QUIE: The Minneapolis Central Labor Union Council would like to reaffirm our position in opposition to any legislation which would pre-empt the Minnesota Charitable Hospital Act.

It is vital to the hospital workers of the State of Minnesota that no legislative action be taken to pre-empt the Minnesota Charitable Hospital Act.

Your support of our position will be greatly appreciated.

Respectfully,

VIRGIL D. MOLINE,
President.

The Hotel, Hospital, Restaurant, and Tavern Employees Union, Local 21, signed by Buck Jackson, business manager, also sends a letter saying:

HOTEL, HOSPITAL, RESTAURANT AND
TAVERN EMPLOYEES UNION,
Rochester, Minn., May 17, 1974.

Representative ALBERT H. QUIE,
House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE QUIE: In the near future a bill providing coverage for hospitals under the National Labor Relations Board will be before the House of Representatives for your consideration. When this comes about, we urge you to make all other members of the House of Representatives aware of the Minnesota Labor Relations Act which outlaws strikes and provides mandatory arbitration.

Those of us working in this field have found this state law to be satisfactory and wish to be able to continue to be covered by this law.

Yours truly,

BUCK JACKSON,
Business Manager.

Incidentally, they represent 1,200 employees in just three hospitals.

The Hospital and Nursing Home Employees Union has also written a similar letter signed by Neil Geske, the secretary-treasurer. So that we have the labor organizations that not only represent the nurses, but the other hospital employees, urging that the Minnesota law be permitted to continue.

The letter follows:

HOSPITAL AND NURSING HOME
EMPLOYEES UNION,
Minneapolis, Minn., May 6, 1974.

Hon. ALBERT QUIE,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN QUIE: Since our last letter to you concerning amending the National Labor Relations Act to include coverage of non-profit hospital employees, our position has not changed; and we trust that your office will continue your efforts to prevent the Minnesota Charitable Hospital Act from being pre-empted, as you know the Minnesota Charitable Hospital Act's most important features are the utilization of mediation and the submission of unresolved disputes to final and binding arbitration.

In line with the aforementioned, we are enclosing a copy of a news article, in part, from U.S. News and World Report that would indicate to us that both business and labor recognize the merits of final and binding arbitration to resolve unsettled disputes. We would therefore wonder why one could be opposed to the continuance of the Minnesota Charitable Hospital Act.

For lack of better legislation in other states, we would hope for coverage by the National Labor Relations Act.

Sincerely,

NEIL W. GESKE,
Secretary-Treasurer.

They have operated and operated well under Minnesota's law. I do not see how it does violence to the effort of providing the National Labor Relations Act coverage to the other States of the Union which are not covered by a superior State law.

It seems to me that many times we have permitted a State to have different standards if it wanted to. In the Clean Air Act we permitted California to have stronger standards if it wanted to.

Mr. Chairman, I know there is strong opposition to compulsory arbitration. I would not want to vote for legislation that would mandate it on anyone, but in the State of Minnesota they have operated under that law for a long time. Both management and labor in Minnesota say that is what they want. They prefer it that way.

Mr. Chairman, we must bear in mind that in this situation we have patients and hospitals who are dependent on these employees for their own health care. Sick people are not just dependent on the doctors. They are dependent on the employees of the hospital.

In many counties of Minnesota there is only one hospital in the couty. They cannot send them long distances in order to have care while there is a labor dispute, if they must operate under the NLRA. The Minnesota Charitable Hospitals Act has been in operation for a long time, and it has worked well.

Mr. Chairman, here we are not only concerned about management and labor who are aggrieved, but the patient and the public as well.

Mr. Chairman, I ask that this amendment be adopted. I urge my colleagues to support the amendment.

Mr. THOMPSON of New Jersey. Mr. Chairman, I rise in opposition to the amendment.

I really regret having to oppose this amendment.

As a matter of fact, this amendment and those of the other gentlemen were rather thoroughly debated during general debate so I will not take much time.

In effect, this amendment would be a bill of attainder for the State of Minnesota, which has a splendid law, except, of course, that it ends in compulsory arbitration, which is anathema, at least to this Member.

So I rise respectfully, but very firmly, to oppose the amendment.

One of the primary reasons for the bill before us is to remove the artificial distinction that exists between employees of proprietary and nonprofit hospitals. The effect of this amendment would be to create another and still artificial distinction in that the nonprofit hospital employees of 13 States could again have their collective bargaining relationship governed by different laws.

Mr. Chairman, potentially we have in those 13 States employees with different rights from those of other employees doing the same work across State lines.

No one can deny that medicine is clearly, as the Supreme Court said in 1966 in interstate commerce, with Blue Cross, medicare, medicaid, Blue Shield and so on, people going from one side of the river or from one State to another to get the medical care that they think is best suited to them in another area.

I just do not see why employees of nonprofit hospitals should be subject to possible exemption from the National Labor Relations Act, notwithstanding the admitted impact that it would have on the State of Minnesota which is unique among the 50 States, absolutely unique, despite the end, which is compulsory arbitration, which the gentleman and his colleagues from his State indicate is satisfactory to the labor movement there, and to the employees.

So I think it is in the common good and in the interest of the other 49 States that we dictate that this amendment not be accepted.

This goes back to 1947. Following that date in 1947, there has been a proliferation of what are called employee-employer relations and State laws which, with the sole exception of that in the State of Minnesota, are totally unsatisfactory.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I will be glad to yield to my friend, the gentleman from Minnesota.

Mr. QUIE. Mr. Chairman, I thank the gentleman for yielding.

I will say to the gentleman that the way my amendment is drafted, the National Labor Relations Board would have to decide whether they are ceded or not. It is not mandatory. I recognize the problem, and that is why I offered the amendment in this way.

Ten of the States would have to prove that their State laws are substantially equivalent before they can do it. Minnesota is absolutely covered, as far as nonprofit hospitals are concerned, after 1947. In two other States, Wisconsin and Michigan, there would have to be a determination made by the board as to whether they were covered or not.

Mr. THOMPSON of New Jersey. Mr.

Chairman, would the gentleman not agree, however, that in the number of instances where the NLRB is authorized to cede, in not one single instance have they ceded.

Mr. QUIE. The gentleman is correct. They have not ceded in one single instance, and that is why we cannot depend on section 10(a) of the bill.

Mr. THOMPSON of New Jersey. And that is why we cannot depend on the amendment offered by my very good friend, the gentleman from Minnesota.

Mr. QUIE. That is why we can depend on my amendment.

Mr. THOMPSON of New Jersey. It lowers the standard, I might respectfully say.

Mr. Chairman, I regret that I must oppose the gentleman's amendment.

The CHAIRMAN. The time of the gentleman from New Jersey (Mr. Thompson) has expired.

(On request of Mr. Quie and by unanimous consent, Mr. Thompson of New Jersey was allowed to proceed for 1 additional minute.)

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr THOMPSON of New Jersey. I yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Chairman, in the situation in Minnesota, as the gentleman knows, we have well worked out relations with this mediation service, and if there is going to be a strike, a mediator can arrive quickly on the scene. They are right there, and they have people who have had experience in mediation in nonprofit hospitals in Minnesota.

The NLRB has not had that experience so far, because they are not covered.

Will the gentleman grant that that is a factor to be considered in support of my amendment?

Mr. THOMPSON of New Jersey. Mr. Chairman, I must disagree. First, I will concede that they have not, of course, had the experience with the health care nonprofit hospitals, but with the profit hospitals, since 1969, they have had the experience and they do have the expertise, and there will not be the situation which the gentleman fears.

Mr. FRENZEL. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, it is true also in my district that employers and employees of the nonprofit private hospitals have come to me and indicated they are far happier under the Minnesota law than they would be under the Federal law. This includes everybody. This includes the nurses, the pharmacists, the janitors, the hospital administrators, the nursing home employees, and all of those people.

All of those people who work in those hospitals have been accustomed to working under what has been a very satisfactory law, and they have been working under it for 27 years now. The people who are receiving health care in Minnesota's private hospitals have been similarly pleased with the effect of this particular law.

I need not describe how well the law works, because every speaker so far has stipulated to that effect. However, although they do so, it gives the people of my State small consolation to know that they are to be sacrificed for some greater good somewhere else. It is particularly small consolation, because it is not necessary.

If the Quie amendment is adopted, there is no need to ask anyone to make sacrifices elsewhere, because the exceptions would be required to be substantially similar to the Federal law. We, in Minnesota, would be able to continue working under our admittedly superior law, and people in other less-favored States could enjoy the conditions of this law.

Therefore, Mr. Chairman, I urge adoption of the Quie amendment.

Mr. FRENZEL. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. 59 Members are present, not a quorum.

The Chair announces that he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. 108 Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee resumed its business.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. Quie).

The question was taken; and the Chairman announced that the "noes" appeared to have it.

RECORDED VOTE

Mr. QUIE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 152, noes 161, not voting 120, as follows:

[Roll No. 258]

AYES—152

Abdnor
Anderson, Ill.
Archer
Arends
Bafalis
Baker
Bauman
Beard
Bennett
Bergland
Blatnik
Bowen
Bray
Breaux
Breckinridge
Brinkley
Broomfield
Brown, Mich.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carter
Casey, Tex.
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Dellenback
Dennis
Derwinski
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Eshleman
Fish
Flynt
Fountain
Frenzel
Frey
Froehlich
Fuqua
Ginn
Goodling
Green, Oreg.
Gross
Gunter
Guyer
Haley
Hamilton
Hanrahan
Harsha
Hastings
Henderson
Hillis
Hogan
Holt
Hosmer
Huber
Hudnut
Hunt
Ichord
Jarman
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Karth
Kazen
King
Lagomarsino
Landgrebe
Latta
Lott
Lujan
McClory
McCollister
McEwen
Mallary
Mann
Mathis, Ga.
Mayne
Mazzoli
Miller
Mitchell, N.Y.
Mizell
Montgomery
Myers
Nichols
O'Brien
Pickle
Powell, Ohio
Preyer
Quie
Railsback
Randall
Rarick
Robinson, Va.
Robison, N.Y.
Rose
Rousselot
Runnels
Ruth
Satterfield
Sebelius
Shoup
Shriver
Shuster
Sikes
Skubitz
Snyder
Spence
Stanton, J. William
Steiger, Ariz.
Steiger, Wis.
Stephens
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Towell, Nev.
Treen
Ullman
Van Deerlin
White
Whitehurst
Whitten
Widnall
Wilson, Bob
Winn
Wright
Wyatt
Wylie
Young, Fla.
Young, Ill.
Young, Tex.
Zion

NOES—161

Abzug
Addabbo
Alexander
Anderson, Calif.
Annunzio
Ashbrook
Ashley
Badillo
Barrett
Bell
Bevill
Biester
Bingham
Boggs
Boland
Bolling
Brademas
Brasco
Brooks
Burke, Mass.
Burlison, Mo.
Burton
Carney, Ohio
Chisholm
Clark
Clay
Collier
Collins, Ill.
Corman
Cotter
Coughlin
Culver
Danielson
Delaney
Dellums
Dent
Dingell
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Fascell
Flowers
Ford
Fulton
Gaydos
Giaimo
Gilman
Gonzalez
Grasso
Green, Pa.
Grover
Hammerschmidt
Hanley
Harrington
Hechler, W. Va.
Heckler, Mass.
Heinz
Hicks
Holifield
Holtzman
Horton
Hungate
Johnson, Calif.
Jones, Tenn.
Jordan
Kastenmeier
Kemp
Kluczynski
Koch
Landrum
Leggett
Lent
Long, La.
Long, Md.
Luken
McDade
McFall
McKay
McKinney
Macdonald
Madden
Mahon
Maraziti
Matsunaga
Melcher
Metcalfe
Mezvinsky
Michel
Mills
Mink
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Passman
Patman
Patten
Pepper
Perkins
Peyser
Pike
Poage
Price, Ill.
Pritchard
Rangel
Rees
Reuss
Riegle
Roberts
Roe
Roncalio, Wyo.
Roncallo, N.Y.
Rostenkowski
Roush
Roybal
Sandman
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Slack
Staggers
Stanton, James V.
Steed
Stokes
Stratton
Studds
Sullivan
Symington
Thompson, N.J.
Thornton
Tiernan
Vanik
Vigorito
Waldie
Walsh
Williams
Wilson, Charles H., Calif.
Wolff
Wydler
Yates
Yatron
Young, Alaska
Zablocki

NOT VOTING—120

Adams
Andrews, N.C.
Andrews, N. Dak.
Armstrong
Aspin
Biaggi
Blackburn
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Burke, Calif.
Camp
Carey, N.Y.
Chamberlain
Chappell
Conte
Conyers
Cronin
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
de la Garza
Denholm
Devine
Dickinson
Diggs
Donohue
Dorn
Evins, Tenn.
Findley
Fisher
Flood
Foley
Forsythe
Fraser
Frelinghuysen
Gettys
Gibbons
Goldwater
Gray
Griffiths
Gubser
Gude
Hanna
Hansen, Idaho
Hansen, Wash.
Hawkins
Hays
Hébert
Helstoski
Hinshaw
Howard
Hutchinson
Johnson, Colo.
Jones, Ala.
Ketchum
Kuykendall
Kyros
Lehman
Litton
McCloskey
McCormack
McSpadden
Madigan
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Meeds
Milford
Minish
Minshall, Ohio
Moorhead, Calif.
Murphy, N.Y.
Nelsen
Parris
Pettis
Podell
Price, Tex.
Quillen
Regula

Reid
Rhodes
Rinaldo
Rodino
Rogers
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roy
Ruppe
Ryan
St Germain
Scherle
Schneebeli
Sisk
Smith, Iowa
Smith, N.Y.
Stark
Steele
Steelman
Stubblefield
Stuckey
Symms
Teague
Traxler
Udall
Vander Jagt
Vander Veen
Veysey
Waggonner
Wampler
Ware
Whalen
Wiggins
Wilson,
  Charles, Tex.
Wyman
Young, Ga.
Young, S.C.
Zwach

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ERLENBORN: Page 3, after line 21, insert the following:

(f) Title II of the Labor Management Relations Act, 1947, is amended by adding at the end thereof the following new section:

"CONCILIATION OF LABOR DISPUTES IN THE HEALTH CARE INDUSTRY; INTERRUPTIONS

"SEC. 213. (a) If a labor dispute between a health care institution and its employees is not settled under the National Labor Relations Act, and in the judgment of the Director of the Federal Mediation and Conciliation Service threatens substantially to interrupt the delivery of health care, the Director shall create a board to investigate and report respecting such labor dispute. Such board shall be composed of such number of persons as to the Director may seem desirable: *Provided, however*, That no member appointed shall be pecuniarily or otherwise interested in any organization of employees or any health care institution. The compensation of the members of any such board shall be fixed by the Director. Such board shall be created separately in each instance and it shall investigate promptly the facts as to the labor disputes and make a report thereon to the Director within 30 days of its creation.

"(b) There is authorized to be appropriated such sums as may be necessary for the expenses of such board, including the compensation and the necessary traveling expenses and expenses actually incurred for subsistence, of the members of the board. All expenditures of the board shall be allowed and paid on presentation of itemized vouchers therefor approved by the Director.

"(c) After the creation of such board and for thirty days after such board has made its report to the Director, no change in the status quo, in effect prior to the expiration of the contract in the case of negotiations for a contract renewal, or in effect prior to the time of the impasse in the case of an initial bargaining negotiation, except either by agreement or within the final ten days notification as provided in section 8(g) of the National Labor Relations Act, shall be made by the parties to the controversy."

And strike out "(f)" in line 22 and insert in lieu thereof "(g)".

Mr. ERLENBORN (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that the amendment be printed in the record.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. O'HARA. Mr. Chairman, reserving the right to object, might I ask the gentleman from Illinois to explain his amendment a little further?

Mr. ERLENBORN. Mr. Chairman, if the gentleman from Michigan will yield to me, I made this reqeust merely in the interest of saving time. A copy of the amendment was furnished to the managers on the other side and on this side. The amendment was offered in committee, and a description of the amendment has been circulated.

Mr. O'HARA. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ERLENBORN. Mr. Chairman, Members of the committee, I am not going to take much time because I know the time is late and most Members would like to get away from here as early as possible.

Mr. Chairman, I have sent to every Member a "Dear Colleague" letter explaining the amendment which is now pending and another amendment which I will offer as soon as this one is disposed of.

This amendment provides for a 60-day cooling off period, which is similar to the provision now in the Railway Labor Act.

Mr. Chairman, we saw fit as a Congress to provide this 60-day period because transportation is so important that we wanted to avoid interruption of our transportation system, whenever possible.

The utilization of the 60-day cooling-off period in the transportation industry has been quite successful. Over a period of years a number of Presidents have invoked the 60-day clause and convened a special emergency board. The record in these cases is that in 79 percent of the cases where the 60-day period has been involved a strike has been avoided.

Mr. Chairman, certainly the availability of health care services, a life and death matter literally, is altogether as important as our transportation system.

It has been stated in some of the literature sent to us by some of the labor unions that there already is a 90-day cooling-off period in the bill. This is inaccurate. There is a provision for a 90-day notice to the other party before the expiration of the contract. That is notice to the other party.

There is a provision for a 60-day notice to the Federal Mediation and Conciliation Service, which means that 60 days before the expiration of the contract they can begin to crank up the procedure so that then there would be something less than 60 days for conciliation and mediation.

But what this provides, Mr. Chairman, is that if in the opinion of the Director of the Federal Mediation and Conciliation Service, the convening of a special fact-finding board and the imposition of the 60-day cooling-off period would be helpful in avoiding a strike, it can be done. It would not be automatic.

Therefore, the Director could invoke the 60-day period. There could be the fact-finding board. They would have the recommendation at the end of 30 days, and within the next 30 days the status quo would be maintained. The parties would be able, in the light of the recommendations of the fact-finding board, to continue their negotiations. Hopefully, as our experience has been under the Railway Labor Act, in 80 percent of the cases a strike would be avoided.

Mr. Chairman, this is terribly important to everyone of our communities and particularly important in the rural areas where there may be only one hospital in the whole county, or in some counties there is no hospital. Several counties must rely on one. If that hospital is struck, it is difficult or impossible to have an alternative health care facility.

Mr. Chairman, I think it is also terribly important to understand that these strikes are different from an industrial strike. You do not stockpile people and hold them and take care of them later on when the strike is resolved. These people need immediate attention. We do not anticipate a strike in a hospital by hurrying up and taking care of all of the illnesses and then shutting down the hospital during the period of the strike.

Therefore, in these cases, even more importantly than in the cases of the transportation industry, I think the 60-day cooling-off period is terribly important. We have an experience that shows it can be helpful in avoiding strikes.

Mr. Chairman, I do hope that I have support for my amendment.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Indiana.

Mr. DENNIS. Mr. Chairman, I think the gentleman is making a very excellent statement in support of his amendment, which I certainly support. At the same time, I think he makes a pretty good argument against the bill.

Mr. McKAY. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Utah.

Mr. McKAY. Mr. Chairman, I rise in support of the gentleman's amendment.

While the labor rights of hospital employees need some recognition, the proper health care of patients is the paramount interest of hospitals. In extending coverage of the National Labor Relations Act to nonprofit hospitals—proprietary hospitals as already included—therefore, precaution must be taken to protect continuity of patient care in collective bargaining impasse situations.

In Utah, for example, a strike at a single hospital could paralyze health care in many areas of Utah. Of Utah's 29 counties, 10 have no hospitals and 13 have only 1 hospital. Of course, a general strike could seriously curtail care in even a metropolitan area, as evidenced by the strike in New York City last year.

For this reason I support an amendment to H.R. 13678 to provide for a 60-day emergency cooling-off period where a labor dispute threatens substantially to interrupt the delivery of health care to a community or area. The cooling-off procedure would not be automatic; it would be imposed only when the Director of the Federal Mediation and Conciliation Service determines the dispute will substantially interrupt health services to community. The procedure will not interfere with traditional collective bargaining process. In using a similar system used under the Railway Labor Act, the National Mediation Board has achieved a 97-percent success rate in settling disputes without resort to strike in the 40-year history of the act.

I realize that safeguards have been placed in the bill, but I think that this additional protection is necessary.

Mr. PEYSER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think that this amendment, whether we agree with the bill and the concept of this bill or not and whether we are voting for it or against it, really does not make a great deal of sense because what we would really basically be guaranteeing in extending this 60 days beyond the 60 days that are provided in the bill is to set up a method where there is going to be 5 months of so-called negotiation.

Now, it seems to me that if we cannot resolve or if the Mediation Service cannot reach a resolution after 60 days, providing an additional 60 days is going to do very little. It would seem to me that one of the things that is going to be guaranteed out of this effort is labor agreements which are going to have to be negotiated during a far longer period than in any present agreements.

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Illinois.

Mr. ERLENBORN. Mr. Chairman, the gentleman has said that in his opinion the additional 60 days will not be very helpful.

Is the gentleman aware, as I stated a few moments ago, that in the Railway Labor Act the imposition of the additional 60-day period has resulted in a 79 percent success record, since they have avoided by the imposition of the extra 60 days the calling of a strike?

Mr. PEYSER. Mr. Chairman, I am aware of the so-called statistic, but I think the thing we may have lost sight of there is that these could have been resolved and they could have reached a settlement without that additional 60-day period, and that because of that cooling-off period, we have merely an excuse for both management and labor to simply delay reaching a final conclusion.

Mr. Chairman, it seems to me that if we are interested in the good of the hospitals that we are concerned about here, we will vote down this amendment and force the conclusion to be reached as it is set forth in the act.

Incidentally, the Secretary of Labor does support this bill as it is written without this amendment. So I ask the Members to support the bill and defeat this amendment.

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield further?

Mr. PEYSER. I yield to the gentleman from Illinois.

Mr. ERLENBORN. Mr. Chairman, just to correct the record, I talked to the Labor Department today and asked them their position on this amendment and on the other amendments that are to be offered.

I was assured that no position has been taken in opposition to any of the amendments. They stated that they do support the bill.

Mr. PEYSER. Mr. Chairman, just so there is no question of lack of candor here, I have a letter dated May 24 from the Office of the Secretary of Labor, Mr. Peter Brennan, and what the letter says is that he wants "to take this opportunity to express our support for the concepts embodied in this legislation."

Therefore, I would assume that statement to mean that they are not supporting specific amendments.

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield further?

Mr. PEYSER. I will be glad to yield to the gentleman from Illinois.

Mr. ERLENBORN. Mr. Chairman, I asked them that question specifically today, and they said they do not oppose or support the amendments. So I think that when the gentleman said they supported the bill without amendments, might have been inadvertently inaccurate, because they do not oppose the amendments.

Mr. PEYSER. Mr. Chairman, the reading I would get from the letter from the Assistant Secretary of Labor is that he supports the legislation which has been proposed.

However, regardless of that fact, it seems to me, whether the Members are for this legislation or against it, this addition of 60 days has got to be considered as a negative factor, and I urge the Members to defeat the amendment.

Mr. FORD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would like to make only one point in addition to what the gentleman from New York has already said. This amendment turns it into a 5-month period, and it is suggested it would make procedures similar to those of the Railway Labor Act.

I would think that should be the last kind of procedure the House should be encouraged to follow. In the 10 years I have been here I have had to vote 5 different times on very tough issues in stopping strikes, as a result of that act, and I would not like to see us repeat that procedure in this industry.

Moreover, I like the other proceeding under the National Labor Relations Act. During the 90-day period provided in this bill the parties can be brought in, and they are forced to enter into mediation and conciliation during the entire 90-day period. If either one of them refuses, they are in trouble. That is like the procedure for other employees under the 60-day provision that is in the National Labor Relations Act.

Mr. YOUNG of Illinois. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I wish to point out to my colleagues that in the event of the passage of H.R. 13678, there will be removed the exemption of nonprofit hospitals from the provisions of the National Labor Relations Act. The proposed amendment to this act will assist in providing a longer period for hospitals and their employees to bargain collectively.

In requiring a longer period of notice, we will give a greater opportunity to settle disputes without a strike. The 10-day notice of a strike will help assure continuity of health care.

The provision of the amendment which permits an additional 60 days for the Federal Mediation and Conciliation Service to attempt to resolve the dispute may be invoked only if the Director of Federal Mediation and Conciliation Service determines, in his opinion, that the failure to invoke the additional 60-day period will substantially interfere with health care.

Certainly, if we have exempted hospitals from the NLRA since the passage of Taft-Hartley, we ought to move slowly in removing the exemption.

Mr. STEIGER of Wisconsin. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the 60-day cooling-off period amendment, because I believe it is absolutely vital to protect the public, and safeguard the continuity of essential patient services, against the danger of interruption due to labor disputes in the health care industry.

The use of such a coolng-off procedure would not be automatic. Rather, it would come into play if, in the judgment of the Director of the Federal Mediation and Conciliation Service, the labor dispute threatens substantially to interrupt the delivery of health care to a community or area. Existing provisions in H.R. 13678 do not address this issue—and there is no such cooling-off procedure included in the present bill which could be utilized when all other efforts under the NLRA to settle a dispute have failed, and a strike is imminent which would substantially interrupt health.

I believe the proposed 60-day cooling-off period would assist in protecting the public not only from major strikes in America's urban metropolitan centers—such as occurred last November in New York City when 30,000 hospital workers struck 48 hospitals and nursing homes—but also in thousands of smaller localities and rural areas across the country where the closing of a single or a few facilities in a community would substantially interrupt the delivery of health care to the citizens of the community.

In this regard, I think the members of the House will be interested in the State-by-State listing of the number of counties with no hospital, and the number with only a single hospital, together with the population in those counties. This tabulation shows that 43 million citizens coming from every State in the Union live in smaller communities or rural areas where they are dependent on one hospital located within their home county or who depend on the health care resources of another county.

I believe the 60-day emergency cooling-off period amendment would assist in protecting both rural and urban communities from interruption in their vital health care services.

While not eliminating the right to strike, the 60-day cooling-off procedure can be an effective means of accommodating the positions of both labor and management. Such a cooling-off period would not interfere with the traditional collective bargaining process. In fact, over the 40-year history of the Railway Labor Act—from which the proposed cooling-off provision was adapted—the National Mediation Board has achieved an outstanding 97 percent success rate in settling disputes without resort to strikes.

The beneficiary of this approach in the health field would be the citizens of our Nation, who require continuous health care services when illness, disease, disability or an accident occurs.

I strongly urge support of this amendment today.

And I would like to include in the Record at this point the State-by-State listing of counties I mentioned earlier:

STATE DISTRIBUTION OF COUNTIES WITH NO OR 1 COMMUNITY HOSPITAL

State	Counties with no hospitals		Counties with 1 hospital			Total	
	Number	Population	Number	Population	Beds	Number	Population
Alaska	12	32,035	12	72,266	388	24	104,301
Alabama	4	92,307	34	852,046	2,486	38	944,353
Arizona	0		5	127,558	346	5	127,558
Arkansas	15	171,598	43	885,752	3,206	58	1,057,350
California	1	484	10	111,003	666	11	111,487
Colorado	20	58,610	25	595,237	1,650	45	653,847
Connecticut	0		1	114,816	304	1	114,816
Delaware	0		1	81,892	117	1	81,892
District of Columbia	0		0			0	
Florida	9	57,008	31	819,244	2,915	40	876,252
Georgia	42	991,386	62	2,773,246	4,000	104	3,764,632
Hawaii	0					0	
Idaho	9	43,565	25	299,550	1,105	34	343,115
Illinois	19	191,165	39	801,157	3,588	58	992,322
Indiana	17	234,776	54	1,925,877	6,790	71	2,160,653
Iowa	11	157,100	57	939,472	4,436	68	1,096,572
Kansas	11	63,798	59	584,281	3,246	70	647,979
Kentucky	42	440,338	62	1,255,447	5,097	104	1,695,785
Louisiana	6	101,951	26	678,341	1,443	32	780,292
Maine	0		3	69,224	201	3	69,224
Maryland	5	1,030,315	14	706,048	2,050	19	1,736,363
Massachusetts	0		2	9,891	88	2	9,891
Michigan	8	54,641	36	991,638	3,783	44	1,046,279
Minnesota	4	69,545	40	746,863	3,626	44	816,408
Mississippi	16	214,741	47	1,007,900	3,950	63	1,222,641
Missouri	48	1,157,050	43	878,481	3,104	91	2,035,531
Montana	11	29,589	35	284,224	1,539	47	313,813
Nebraska	28	191,215	48	451,138	2,554	76	642,353
Nevada	7	20,089	8	74,293	410	15	94,382
New Hampshire	0		2	84,731	318	2	84,731
New Jersey	0		4	375,832	792	4	375,832
New Mexico	7	123,835	15	342,602	1,105	22	466,437
New York	1	4,714	14	499,336	2,258	15	604,050
North Carolina	17	226,256	51	1,907,946	6,199	68	2,134,202
North Dakota	14	60,964	26	211,983	1,231	40	272,947
Ohio	10	343,478	40	1,696,231	4,705	50	2,039,709
Oklahoma	9	89,013	41	728,799	2,811	50	817,812
Oregon	4	12,673	14	271,881	867	18	284,554
Pennsylvania	7	104,397	17	747,210	2,574	24	851,607
Rhode Island	1	45,937	2	236,941	504	3	282,878
South Carolina	5	137,967	28	984,832	3,187	33	1,122,799
South Dakota	28	292,697	29	306,793	1,400	57	599,490
Tennessee	19	197,522	49	1,119,182	4,549	68	1,316,704
Texas	39	181,806	123	1,868,707	7,109	162	2,050,513
Utah	10	38,189	13	278,029	668	23	316,218
Vermont	2	8,990	8	227,771	1,009	10	236,761
Virginia	47	1,186,874	36	1,905,916	4,976	83	3,092,790
Washington	3	13,293	12	329,662	815	15	342,955
West Virginia	13	166,279	25	515,283	1,713	38	681,562
Wisconsin	6	108,492	27	1,180,199	2,867	33	1,288,691
Wyoming	1	3,755	17	207,355	1,119	18	211,110
All States	588	8,750,437	1,415	34,264,006	115,864	2,003	43,014,443

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ERLENBORN).

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ERLENBORN. Mr. Chairman, I demand, a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 168, noes 137, answered "present" 1, not voting 127, as follows:

[Roll No. 259]

AYES—168

Abdnor
Alexander
Anderson, Ill.
Archer
Arends
Bauman
Beard
Bennett
Bowen
Bray
Breaux
Breckinridge
Brinkley
Broomfield
Brown, Mich.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carter
Casey, Tex.
Cederberg
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Dellenback
Dennis
Derwinski
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Eshleman
Flowers
Flynt
Fountain
Frenzel
Frey
Froehlich
Fuqua
Ginn
Goodling
Green, Oreg.
Gross
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanrahan
Harsha
Hastings
Heinz
Henderson
Hillis
Hogan
Holt
Hosmer
Huber
Hudnut
Hungate
Ichord
Jarman
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
King
Lagomarsino
Landgrebe
Landrum
Latta
Lent
Long, La.
Lott
Lujan
McClory
McCollister
McEwen
McKay
Mahon
Mallary
Mann
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Michel
Miller
Mink
Mitchell, N.Y.
Mizell
Montgomery
Mosher
Myers
Nichols
O'Brien
Owens
Pickle
Poage
Powell, Ohio
Preyer
Quie
Randall
Rarick
Roberts
Robinson, Va.
Robison, N.Y.
Rose
Roush
Rousselot
Runnels
Ruth
Satterfield
Sebelius
Shoup
Shriver
Shuster
Sikes
Skubitz
Snyder
Spence
Stanton, J. William
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Ullman
Van Deerlin
White
Whitehurst
Whitten
Widnall
Wilson, Bob
Winn
Wright
Wyatt
Wylie
Yates
Young, Alaska
Young, Fla.
Young, Ill.
Young, Tex.
Zion

NOES—137

Abzug
Addabbo
Anderson, Calif.
Annunzio
Ashbrook
Ashley
Badillo
Barrett
Bergland
Bevill
Biester
Bingham
Blatnik
Boggs
Bolling
Brademas
Brasco
Brooks
Burke, Mass.
Burlison, Mo.
Burton
Carney, Ohio
Chisholm
Clark
Clay
Collins, Ill.
Corman
Coughlin
Culver
Danielson
Delaney
Dellums
Dent
Dingell
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Fascell
Fish
Ford
Fulton
Gaydos
Giaimo
Gilman
Gonzalez
Grasso
Gray
Green, Pa.
Grover
Harrington
Hechler, W. Va.
Heckler, Mass.
Hicks
Holifield
Holtzman
Horton
Johnson, Calif.
Jordan
Karth
Kastenmeier
Kemp
Kluczynski
Koch
Leggett
Long, Md.
Luken
McDade
McFall
McKinney
Macdonald
Madden
Maraziti
Melcher
Metcalfe
Mezvinsky
Mills
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murtha
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Passman
Patten
Pepper
Perkins
Peyser
Pike
Price, Ill.
Pritchard
Rangel
Rees
Reuss
Riegle
Roe
Roncalio, Wyo.
Roncallo, N.Y.
Rostenkowski
Roybal
Sandman
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Slack
Staggers
Stanton, James V.
Steed
Stokes
Studds
Sullivan
Symington
Thompson, N.J.
Tiernan
Vanik
Vigorito
Waldie
Walsh
Williams
Wilson, Charles H., Calif.
Wolff
Wydler
Yatron
Zablocki

ANSWERED "PRESENT"—1

Hunt

NOT VOTING—127

Adams
Andrews, N.C.
Andrews, N. Dak.
Armstrong
Aspin
Bafalis
Baker
Bell
Biaggi
Blackburn
Boland
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Burke, Calif.
Camp
Carey, N.Y.
Chamberlain
Chappell
Clancy
Conte
Conyers
Cotter
Cronin
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
de la Garza
Denholm
Devine
Dickinson
Diggs
Donohue
Dorn
Evins, Tenn.
Findley
Fisher
Flood
Foley
Forsythe
Fraser
Frelinghuysen
Gettys
Gibbons
Goldwater
Griffiths
Gude
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Hawkins
Hays
Hébert
Helstoski
Hinshaw
Howard
Hutchinson
Johnson, Colo.
Jones, Ala.
Ketchum
Kuykendall
Kyros
Lehman
Litton
McCloskey
McCormack
McSpadden
Madigan
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Meeds
Milford
Minish
Minshall, Ohio
Moorhead, Calif.
Murphy, N.Y.
Nelsen
Parris
Patman
Pettis
Podell
Price, Tex.
Quillen
Railsback
Regula
Reid
Rhodes
Rinaldo
Rodino
Rogers
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roy
Ruppe
Ryan
St Germain
Scherle
Schneebeli
Sisk
Smith, Iowa
Smith, N.Y.
Stark
Steele
Steelman
Stubblefield
Stuckey
Symms
Teague
Traxler
Udall
Vander Jagt
Vander Veen
Veysey
Waggonner
Wampler
Ware
Whalen
Wiggins
Wilson, Charles, Tex.
Wyman
Young, Ga.
Young, S.C.
Zwach

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ERLENBORN: Page 3, after line 21, insert the following:

(f) Such Act is amended by adding immediately after section 18 thereof the following new section:

"INDIVIDUALS WITH RELIGIOUS CONVICTIONS

"SEC. 19. An employee of a health care institution who is a member of and adheres to tenets or teachings of a bona fide religion, body, or sect which has historically held conscientious objections to joining or financially supporting labor organizations shall not be required to join or financially support any labor organization as a condition of employment."

And strike out "(g)" in lien 22 and insert in lieu thereof "(h)".

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Chairman, I rise to support the amendment now being offered by my friend from Illinois (Mr. ERLENBORN). Further, I want to compliment him for his understanding, sensitivity, and willingness to use his position of influence on the Education and Labor Committee to provide the leadership for this vital and important amendment. The central issue is the preservation of full religious liberty for the country and in particular, those religious organizations in our country who have consistently demonstrated strict adherence to those matters of conscience that are inherent in the accepted principle of full religious liberty as guaranteed by the first amendment to the Constitution.

Mrs. GREEN of Oregon has been a consistent champion of this cause throughout her distinguished service in the Congress. I would hope that someday this Congress would establish this guaranteed protection in perpetuity so we can remove the concern, once and for all for those dedicated religious organizations that provide some of the finest medical, educational, and religious programs in the country.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Alabama.

Mr. BUCHANAN. Mr Chairman, I move to strike the requisite number of words and rise in strong support of the amendment offered by the gentleman and commend him for it.

Mr. ERLENBORN. Mr. Chairman, this is the religious freedom amendment. It has been described in letters sent to the office of every Member. In brief what this provides is if a person working in one of these health care facilities or hospitals belongs to a regular religious sect which holds as part of their regularly held belief that it is against their religion to belong to or pay dues to a labor union, this person would be exempt from the requirement of joining the labor union even though there be a union shop contract.

We have made it clear in the legislative history that this would not prevent and it would allow the union and employer to negotiate payment of a like sum to a charity in lieu of the union dues, but it would accommodate the religious beliefs of those who belong to a regular sect which holds these religious beliefs.

It is rather narrowly drawn, more narrowly drawn than the conscientious objector provision of the military draft law and it would affect only a very small number of people because there are only a few religions that do hold this religious belief. One such religion is the Seventh Day Adventists. They have a hospital in my district and they would be affected and they have asked me to sponsor this. I believe it is reasonable. They have 47 health care institutions across the country. Many of their members work in their institutions and they would be accommodated in their beliefs by the passage of this amendment.

Mr. Chairman, I hope the amendment will be supported and adopted.

Mr. THOMPSON of New Jersey. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I recognize very deeply that this is an ancient and yet still valid question. Those with such religious convictions are in my considered judgment entitled to the exercise of those convictions. They are indeed a minority. Nowhere under the law or under the case law would they be required in the unlikely event of the organization of a union in a hospital for instance run and operated by the Seventh Day Adventists to join the union but they would indeed be required to pay what is called their fair share of the support of the union without violating their beliefs by becoming a member of it.

Mr. Chairman, the amendment is unnecessary. Since 1951 the Federal courts have held membership in a union cannot be compelled where sincere religious convictions are involved. *Union Starch & Refining Co.* v. *NLRB*, 186 F. 2d 1008 (1951).

If no one can be compelled to join a union, the question then becomes one of financial support.

Again, the Federal courts have addressed themselves to this issue. In *Railway Employee Department* v. *Hansel*, 351 U.S. 225 (1956), the Supreme Court held that the requirement of financial support of a union by those who receive its benefits does not violate either the first or fifth amendments.

And in a case decided several weeks ago, William F. Buckley against American Federation of Radio and Television Artists, the U.S. court of appeals for the second circuit declared that a required tolerance of "free riders" would result not only in flagrant inequity, but might eventually seriously undermine the union's ability to perform its bargaining function.

So, Mr. Chairman, while you cannot compel a person to join a union, you can make him pay his fair share of the costs of maintaining a collective bargaining agency.

The only thing this amendment would do would be to relieve employees who receive the benefits of collective bargaining from financially supporting its administrative costs.

And that, to me, Mr. Chairman, does not seem fair.

This amendment also would discriminate against the millions of employees who do not work for health care institutions—what about their religious convictions? Is it right to single out one class of American workers for special treatment?

It seems to me that it clearly is neither fair nor right.

Further, this amendment would be difficult for the employer to administer and would burden the National Labor Relations Board and the courts with unneeded litigation.

What does the employer do when the union says deduct the dues and the individual claims sincere religious convictions?

What are "historically held conscientious objections"?

Since the draft cases do not require a belief in any particular God, would the courts apply the same rationale here?

Who has the burden of proof in these matters?

Mr. Chairman, the courts and Constitution have always protected the religious beliefs of our citizens. But like all other rights, they must be balanced with other interests, in this case collective bargaining and industrial peace.

The first amendment rights are not absolute when a religious belief is translated into an act or refusal to act.

Were it otherwise, I am afraid, we would have many citizens with sincere religious convictions against paying their Federal income tax.

Mr. Chairman, it is already union policy and practice to fully recognize the religious convictions of individuals. The AFL–CIO Executive Council officially declared, nearly 10 years ago:

> That unions should accommodate themselves to genuine individual scruples.

AFL–CIO affiliates were urged to "immediately adopt procedures for respecting sincere personal religious convictions as to union membership or activities."

Throughout the Nation unions have negotiated such provisions in their contracts with employers—including nonprofit hospitals, both religiously sponsored and nonsectarian. The question of an in lieu payment of union dues to a charity is a condition of employment that the parties can negotiate. At the same time, it is the committee's understanding that collective bargaining agreements would not contain substantive provisions relating to moral and religious precepts.

Further, Mr. Chairman, this issue was not raised during the hearings on this bill. We have no facts, no background information, no testimony.

This is an extremely complex and farreaching proposal. I would suggest that the gentleman consider introducing legislation to effect this purpose so that we might properly examine the issue.

Finally, Mr. Chairman, the adoption of the amendment would place a great strain on this delicately balanced compromise bill—a bill, I am sure, that the gentleman from Illinois, agrees is much needed.

For these reasons I must urge my colleagues to vote "no."

Mrs. GREEN of Oregon. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of this amendment. It is very similar to one which I wanted to offer several years ago when we were debating 14(b) and for some interesting reason it was ruled nongermane at that time even though amendments to 14(b) were the basis for legislation that day.

I did look into this very carefully. There are seven religious groups, to the best of my knowledge, in this country which according to their religious teachings do not allow their members to belong to a union or to any other organization to which they must pay dues.

In seeking the exemption from union shop agreements, they cannot be called "freeloaders." When I talked with the representatives of these seven groups, they were perfectly willing to pay the full amount of initiation and the full amount of dues to a welfare group or a charity that was mutually acceptable to both the union and to the people who as a matter of conscience could not join the union.

If seems very wrong to me to have the Federal Government impose upon any individual at the end of 30 days either the loss of job or the violation of conscience.

At the time that I offered that amendment on the floor, I said then that the matter of individual conscience is something that should not be forced to give way to the rights of the state. Religious liberty has always been a matter of the highest priority and I have always thought of the highest importance to the Congress. We have made provision both in the Social Security Act and in the military conscription provision for allowing certain exemptions to certain religious groups. At the time I intended to offer an amendment to 14(b) very similar to the one now before us—I received from the National Council of Churches a letter, and let me read two parts, because they were rather eloquent:

> We urge the Congress to take such steps as may be necessary to guarantee the religious liberty of those workers who as a matter of religious belief cannot join or support any organization other than their own church, except for the State.

Then they went on to say:

> In our judgment it should be possible for the Congress to find a formula which simultaneously guarantees the legitimate rights of organized labor and the rights of those workers referred to above whose religious beliefs make it impossible for them to join or support a labor organization.

I would say to the Members of this House, Mr. Chairman, that I think it would be terribly wrong at any time to legislate nationally so that certain individuals of certain religious persuasions should have their economic livelihood placed in jeopardy. We should make sure that their religious convictions are protected under the guarantees of the Constitution.

I urge support for this amendment. I do not consider it an antiunion matter. In fact, in my judgment, the image of the unions would be greatly improved if they would lead the fight for such an amendment. I think it should not only apply to the hospital workers that we are talking about today, but this conscience clause should become an integral part of 14(b).

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ERLENBORN).

The amendment was agreed to.

The CHAIRMAN. Are there further amendments? If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GIAIMO, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 13678) to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes, pursuant to House Resolution 1151, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. THOMPSON of New Jersey. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 240, nays 58, answered "present" 1, not voting 134, as follows:

[Roll No. 260]

YEAS—240

Abdnor
Abzug
Addabbo
Anderson, Calif.
Anderson, Ill.
Annunzio
Arends
Ashbrook
Ashley
Badillo
Barrett
Bennett
Bergland
Bevill
Biester
Bingham
Blatnik
Boggs
Bolling
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brown, Mich.
Burgener
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Carney, Ohio
Carter
Cederberg
Chisholm
Clark
Clausen, Don H.
Clawson, Del
Clay
Cohen
Collier
Collins, Ill.
Conable
Corman
Coughlin
Culver
Danielson
Davis, Wis.
Delaney
Dellenback
Dellums
Dent
Drinan
Dulski
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Fish
Flowers
Ford
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Grover
Gubser
Gunter
Guyer
Hamilton
Hanley
Hanrahan
Harrington
Harsha
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Hicks
Hillis
Hogan
Holifield
Holtzman
Horton
Hosmer
Huber
Hudnut
Hungate
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kemp
King
Kluczynski
Koch
Lagomarsino
Landrum
Leggett
Long, La.
Long, Md.
Lujan
Luken
McClory
McCollister
McDade
McFall
McKinney
Macdonald
Madden
Mahon
Mallary
Maraziti
Matsunaga
Mayne
Mazzoli
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Mills
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nedzi
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Passman
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Powell, Ohio
Preyer
Price, Ill.
Pritchard
Quie
Randall
Rangel
Rees
Reuss
Riegle
Robison, N.Y.
Roncalio, Wyo.
Roncallo, N.Y.
Rostenkowski
Roush
Roybal
Runnels
Sandman
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Skubitz
Slack
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steiger, Wis.
Stephens
Stokes
Stratton
Studds
Sullivan
Symington
Talcott
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Walsh
White
Whitehurst
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wolff
Wright
Wyatt
Wydler
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Zablocki

NAYS—58

Alexander
Archer
Bauman
Beard
Bowen
Broyhill, Va.
Buchanan
Burleson, Tex.
Butler
Byron
Casey, Tex.
Cleveland
Cochran
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Dennis
Derwinski
Downing
Duncan
Flynt
Fountain
Goodling
Gross
Haley
Hammerschmidt
Henderson
Holt
Jarman
Jones, N.C.
Kazen
Landgrebe
Latta
Lott
McKay
Mann
Mathis, Ga.
Mizell
Montgomery
Poage
Rarick
Roberts
Robinson, Va.
Rose
Rousselot
Ruth
Satterfield
Sebelius
Spence
Steiger, Ariz.
Taylor, N.C.
Treen
Whitten
Winn
Wylie
Young, Tex.

ANSWERED "PRESENT"—1

Hunt

NOT VOTING—134

Adams
Andrews, N.C.
Andrews, N. Dak.
Armstrong
Aspin
Bafalis
Baker
Bell
Biaggi
Blackburn
Boland
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Burke, Calif.
Camp
Carey, N.Y.
Chamberlain
Chappell
Clancy
Conte
Conyers
Cotter
Cronin
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
de la Garza
Denholm
Devine
Dickinson
Diggs
Dingell
Donohue
Dorn
Evins, Tenn.
Findley
Fisher
Flood
Foley
Forsythe
Fraser
Frelinghuysen
Gettys
Gibbons
Goldwater
Griffiths
Gude
Hanna
Hansen, Idaho
Hansen, Wash.
Hawkins
Hays
Hébert
Helstoski
Hinshaw
Howard
Hutchinson
Johnson, Colo.
Jones, Ala.
Ketchum
Kuykendall
Kyros
Lehman
Lent
Litton
McCloskey
McCormack
McEwen
McSpadden
Madigan
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Meeds
Milford
Minish
Minshall, Ohio
Moorhead, Calif.
Murphy, N.Y.
Nelsen
Owens
Parris
Patman
Pettis
Podell
Price, Tex.
Quillen
Railsback
Regula
Reid
Rhodes
Rinaldo
Rodino
Roe
Rogers
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roy
Ruppe
Ryan
St Germain
Scherle
Schneebeli
Sisk
Smith, Iowa

Smith, N.Y.
Snyder
Stark
Steele
Steelman
Stubblefield
Stuckey
Symms
Taylor, Mo.
Teague
Traxler
Udall
Vander Jagt
Vander Veen
Veysey
Waggonner
Wampler
Ware
Whalen
Wiggins
Wilson, Charles, Tex.
Wyman
Young, Ga.
Young, S.C.
Zion
Zwach

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Hays for, with Mr. Hébert against.

Mr. Adams for, Mr. Waggonner against.

Mr. Kyros for, with Mr. Fisher against.

Mr. Rosenthal for, with Mr. Rogers against.

Mr. Diggs for, with Mr. Andrews of North Carolina against.

Mr. McEwen for, with Mr. Baker against.

Until further notice:

Mr. Rooney of Pennsylvania with Mr. Fraser.

Mr. St Germain with Mr. Gettys.

Mr. Rooney of New York with Mrs. Griffiths

Mr. Biaggi with Mr. Patman.

Mr. Carey of New York with Mr. Ryan.

Mr. Chappell with Mr. Martin of North Carolina.

Mr. Podell with Mr. Mathias of California.

Mr. Davis of South Carolina with Mr. McCloskey.

Mr. Reid with Mr. Martin of Nebraska.

Mr. Howard with Mr. Madigan.

Mrs. Burke of California with Mr. Chamberlain.

Mr. Murphy of New York with Mr. Broyhill of North Carolina.

Mr. Sisk with Mr. Lent.

Mr. Teague with Mr. Frelinghuysen.

Mr. Young of Georgia with Mr. Stubblefield.

Mr. Minish with Mr. Goldwater.

Mr. Rodino with Mr. Forsythe.

Mr. de la Garza with Mr. Camp.

Mr. Conyers with Mr. Helstoski.

Mr. Dominick V. Daniels with Mr. Gude.

Mr. Smith of Iowa with Mr. Clancy.

Mr. McSpadden with Mr. Andrews of North Dakota.

Mr. Aspin with Mr. Conte.

Mr. Gibbons with Mr. Brotzman.

Mr. Jones of Alabama with Mr. Hansen of Idaho.

Mr. Litton with Mr. Bafalis.

Mr. Milford with Mr. Devine.

Mr. Foley with Mr. Hinshaw.

Mr. Flood with Mr. Bell.

Mr. Cotter with Mr. Hutchinson.

Mr. Hanna with Mr. Dickinson.

Mrs. Hansen of Washington with Mr. Blackburn.

Mr. Vander Veen with Mr. Kuykendall.

Mr. Davis of Georgia with Mr. Brown of Ohio.

Mr. Hawkins with Mr. Owens.

Mr. McCormack with Mr. Findley.

Mr. Denholm with Mr. Minshall of Ohio.

Mr. Dingell with Mr. Moorhead of California.

Mr. Meeds with Mr. Nelsen.

Mr. Donohue with Mr. Parris.

Mr. Evins of Tennessee with Mr. Pettis.

Mr. Roy with Mr. Price of Texas.

Mr. Lehman with Mr. Quillen.

Mr. Rhodes with Mr. Stark.

Mr. Roe with Mr. Railsback.

Mr. Stuckey with Mr. Brown of California.

Mr. Udall with Mr. Rinaldo.

Mr. Dorn with Mr. Ruppe.

Mr. Boland with Mr. Scherle.

Mr. Cronin with Mr. Schneebeli.

Mr. Regula with Mr. Smith of New York.

Mr. Steelman with Mr. Synder.

Mr. Vander Jagt with Mr. Steele.

Mr. Wampler with Mr. Symms.

Mr. Whalen with Mr. Taylor of Missouri.

Mr. Wiggins with Mr. Ware.

Mr. Charles Wilson of Texas with Mr. Wyman.

Mr. Young of South Carolina with Mr. Zion.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of House Resolution 1151, the Committee on Education and Labor is discharged from the further consideration of the Senate bill (S. 3203) to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. THOMPSON OF NEW JERSEY

Mr. THOMPSON of New Jersey. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. THOMPSON of New Jersey moves to strike out all after the enacting clause of the Senate bill, S. 3203, and insert in lieu thereof the provisions of H.R. 13678, as follows:

That (a) section 2(2) of the National Labor Relations Act is amended by striking out "or any corporation or association operating a hospital if no part of the net earnings inures to the benefit of any private shareholder or individual,".

(b) Section 2 of such Act is amended by adding at the end thereof the following new subsection:

"(14) The term 'health care institution' shall include any hospital, convalescent hospital, health maintenance organization, health clinic, nursing home, extended care facility, or other institution devoted to the care of sick, infirm, or aged persons.".

(c) The last sentence of section 8(d) of such Act is amended by striking out the words "the sixty-day" and inserting in lieu thereof "any notice" and by inserting before the words "shall lose" a comma and the following: "or who engages in any strike within the appropriate period specified in subsection (g) of this section,".

(d) Section 8(d) of such Act is amended by adding at the end thereof the following new sentence: "Whenever the collective bargaining involves employees of a health care institution, the provisions of this section 8(d) shall be modified as follows:

"(A) The notice period of section 8(d)(1) shall be ninety days; the notice period of section 8(d)(3) shall be sixty days; and the contract period of section 8(d) (4) shall be ninety days.

"(B) Where the bargaining is for an initial agreement following certification or recognition, at least thirty days' notice of the existence of a dispute shall be given by the labor organization to the agencies set forth in section 8(d)(3).

"(C) After notice is given to the Federal Mediation and Conciliation Service under either clause (A) or (B) of this sentence, the Service shall promptly communicate with the parties and use its best efforts, by mediation and conciliation, to bring them to agreement. The parties shall participate fully and promptly in such meetings as may be undertaken by the Service for the purpose of aiding in a settlement of the dispute."

(e) Section 8 of such Act is amended by adding at the end thereof the following new subsection:

"(g) A labor organization before engaging in any picketing, striking, or other concerted refusal to work at any health care institution shall, not less than ten days prior to such action, notify the institution in writing and the Federal Mediation and Councilliation Service of that intention, except that in the case of bargaining for an initial agreement following certification or recognition the notice required by this sentence shall not be given until the expiration of the period specified in clause (B) of the last sentence of section 8(d) of this Act. The notice shall state the date and time that such action will commence. The notice, once given, may be extended by the written agreement at both parties.".

(f) Title II of the Labor Management Relations Act, 1974, is amended by adding at the end thereof the following new section:

"CONCILIATION OF LABOR DISPUTES IN THE HEALTH CARE INDUSTRY; INTERRUPTIONS

"SEC. 213. (a) If a labor dispute between a health care institution and its employees is not settled under the National Labor Relations Act, and in the judgment of the Director of the Federal Mediation and Conciliation Service threatens substantially to interrupt the delivery of health care, the Director shall create a board to investigate and report respecting such labor dispute. Such board shall be composed of such number of persons as to the Director may seem desirable: *Provided, however,* That no member appointed shall be pecuniarily or otherwise interested in any organization of employees or any health care institution. The compensation of the members of any such board shall be fixed by the Director. Such board shall be created separately in each instance and it shall investigate promptly the facts as to the labor dispute and make a report thereon to the Director within 30 days of its creation.

"(b) There is authorized to be appropriated such sums as may be necessary for the expenses of such board, including the compensation and the necessary traveling expenses and expenses actually incurred for subsistence, of the members of the board. All expenditures of the board shall be allowed and paid on presentation of itemized vouchers therefor approved by the Director.

"(c) After the creation of such board and for thirty days after such board has made its report to the Director, no change in the status quo, in effect prior to the expiration of the contract in the case of negotiations for a contract renewal, or in effect prior to the time of the impasse in the case of an initial bargaining negotiation, except either by agreement or within the final ten days notification as provided in section 8(g) of the National Labor Relations Act, shall be made by the parties to the controversy."

(g) Such Act is amended by adding immediately after section 18 thereof the following new section:

"INDIVIDUALS WITH RELIGIOUS CONVICTIONS

"SEC. 19. An employee of a health care institution who is a member of and adheres to tenets or teachings of a bona fide religion, body, or sect which has historically held conscientious objections to joining or financially supporting labor organizations shall not be required to join or financially support any labor organization as a condition of employment."

(h) The amendments made by this Act shall take effect thirty days after the date of the enactment of this bill.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill, H.R. 13678, was laid on the table.

GENERAL LEAVE

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to

the request of the gentleman from New Jersey?

There was no objection.

APPOINTMENT OF CONFEREES ON S. 3203

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that the House insist on its amendment to the Senate bill S. 3203, to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? The Chair hears none and appoints the following conferees: Messrs. PERKINS, THOMPSON of New Jersey, FORD, CLAY, QUIE, ASHBROOK, and ELLENBORN.

LEGISLATIVE PROGRAM

(Mr. ARENDS asked and was given permission to address the House for 1 minute.)

Mr. ARENDS. Mr. Speaker, I take this time for the purpose of inquiring of the majority leader if he will kindly advise as to the program for next week.

Mr. O'NEILL. If the distinguished minority whip will be kind enough to yield, I will be glad to furnish the program.

Mr. ARENDS. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. Mr. Speaker, Monday we will have the call of the Consent Calendar and suspensions. There is one bill which will be called up under suspension, H.R. 14833, the Renegotiation Act extension.

On Tuesday we will have the Private Calendar, and then there will be six suspensions, as follows:

Senate Joint Resolution 40, White House Conference on Library and Information Sciences;

S. 3373, Sale and Distribution of the CONGRESSIONAL RECORD;

H.R. 13296, Maritime Administration Authorization;

H.R. 12427, *Mariner* trade-in bill;

H.R. 13595, Coast Guard authorization; and

S. 2844, Land and Water Conservation Act amendments.

On Wednesday we will take up H.R. 14747, Sugar Act amendments, with an open rule and 2 hours of debate, and we will request to go to conference on H.R. 69, Elementary and Secondary Education Act.

For Thursday and the balance of the week, we will take up the Public Works/AEC appropriations for fiscal year 1975, and H.R. 10701, the High Seas Oil Port Act, with an open rule and 2 hours of debate.

Conference reports may be brought up at any time, and any further program will be announced later.

I would like to add that the Speaker has indicated that on Tuesday he will exercise his authority to postpone the votes on the suspension of the rules matters until the end of the day.

Mr. ARENDS. Mr. Speaker, might I also ask the distinguished gentleman from Massachusetts if the gentleman is aware of the fact that the conference report on H.R. 12565, Department of Defense Supplemental Appropriation Authorization Act of 1974, was put off until Tuesday?

Mr. O'NEILL. The gentleman is correct.

Mr. ARENDS. Then that will follow the suspensions on Tuesday?

Mr. O'NEILL. The gentleman is correct.

Mr. ARENDS. I thank the gentleman.

ADJOURNMENT TO MONDAY, JUNE 3, 1974

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object, with respect to the Elementary and Secondary Education Act, request to go to conference, the program I have shows it goes over until Wednesday, not Tuesday, but Wednesday.

Mr. ARENDS. Mr. Speaker, if the gentleman will yield, may I say to the gentleman from Iowa that I was talking about the supplemental military procurement authorization bill; that is the conference report I was referring to.

Mr. GROSS. I am sorry. I misunderstood.

Mr. O'NEILL. The gentleman from Louisiana (Mr. HÉBERT), the chairman of the Committee on Armed Services, made the request that we bring that up after the suspensions on Tuesday.

Mr. GROSS. Mr. Speaker, further reserving the right to object, I notice that the last paragraph says Thursday and the balance of the week. What does the balance of the week mean?

Mr. O'NEILL. It is expected that, on Wednesday of next week, I will make a unanimous-consent request that the House meet at 10 o'clock on Thursday. If there is no objection to that, then the House would come in on Thursday at 10 o'clock, and we would bring up the public works-atomic energy appropriation bill. We anticipate that this would take probably 2½ hours. Then we would bring up H.R. 10701, the High Seas Oil Port Act. We would hope that we would be able to complete that on Thursday.

If there was no completion of the schedule that I have just read by a reasonable hour on Thursday night, then the House would possibly meet on Friday.

Mr. GROSS. Let me ask the distinguished majority leader this: On Monday of next week we have one suspension, the Renegotiation Act extensions, plus the Consent Calendar. The Consent Calendar, if it runs as it has in the last several weeks, will have about three bills, which probably will take at the most, 8 minutes or something like that. I have made some inquiries as to the Renegotiation Act extensions, and I cannot find any information that says that this is controversial. In any event, it can only take 40 minutes, plus perhaps a rollcall of 15 minutes on final passage. So, all together 55 minutes on that bill if the full 40 minutes are taken under the suspension of the rules.

May I ask the gentleman from Massachusetts whether there is another golf tournament next Monday, as there was on last Tuesday, or why is not some of this stuff down here at the end of the program for next week elevated to Monday of next week?

Mr. O'NEILL. I will be happy to answer that. One of the frailties of the leadership on both sides of the aisle is that they like to try to protect the Members if they possibly can. In view of the fact that there are seven primaries on that day, we thought it was the decent and fair thing to set the schedule up in this manner.

Mr. GROSS. I thought that we had long since foresworn any cutting of the pattern in the House of Representatives to fit a primary day clock.

Mr. O'NEILL. The gentleman is aware of the fact, of course, that on Tuesday it looks to me as though there will be five or six rollcalls at least, plus the fact that the Speaker has indicated he will exercise his authority to postpone until the end of the day the votes on the suspension list. We are going forward, but the gentleman knows that some of the men would have to come on Monday, fly back to their home districts for a meeting the night before their elections, spend a part of the day there, and then come on down later in the day to vote. I know the gentleman appreciates what we are trying to do.

Mr. GROSS. The gentleman from Iowa likes to be charitable——

Mr. O'NEILL. I am happy to hear that.

Mr. GROSS (continuing). But some of us around here at least go through the motions of seeing to it that this place runs. If no one is here at all, it is not going to run.

Mr. O'NEILL. I am sure the gentleman has not gone through just motions. He is a very effective Congressman—and we all know it.

Mr. ARENDS. If the gentleman will yield, I might say to the gentleman from Iowa that I am not worried about whether this place is going to run next week; I am worried about when the gentleman is gone next year, and I am gone, too, whether this place is going to run.

Mr. GROSS. That will not be my worry, nor will it be the worry of the gentleman from Illinois. But it does seem to me that we might be doing something next Monday other than just taking care of one suspension—one suspension over which I am told there is no controversy. So it probably will be, as it was last Tuesday, in and out in an hour and a half, something like that, or less, next Monday.

I will say to my friend, the distinguished majority floor leader, that I do not wonder that the people of this country rate the Congress as they do rate it. I really do not wonder.

Mr. O'NEILL. I just want to say to the gentleman that come next year, I will miss these Thursday evening discussions.

Mr. GROSS. I hope the gentleman does not drown in his sorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday of next week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COMMUNICATIONS FROM THE CHAIRMAN OF THE COMMITTEE ON ARMED SERVICES

The SPEAKER laid before the House the following communication from the chairman of the Committee on Armed Services, together with a subpena:

Washington, D.C.
May 30, 1974.

Hon. Carl Albert,
Speaker, U.S. House of Representatives,
Washington, D.C.

Dear Mr. Speaker: On May 28, 1974 a subpoena duces tecum issued by the United States District Court for the District of Columbia naming me, the Honorable Lucien N. Nedzi and Mr. William H. Hogan, Jr., an employee of the House Armed Services Committee, was served on Mr. Hogan commanding that we appear in the United States District Court on June 6, 1974 at 9:30 a.m. to testify in the case of United States v. John D. Ehrlichman et al. and bring a transcript of the testimony of Mr. E. Howard Hunt, General Robert E. Cushman, USMC, Mr. John D. Ehrlichman and Mr. Charles W. Colson. The subpoena was issued upon application of defendant Colson.

The testimony subpoenaed was taken in executive session during hearings of the Special Subcommittee on Intelligence of the Committee on Armed Services and remains executive session material.

The subpoena in question is forwarded herewith and the matter presented for such action as the House in its wisdom wishes to take.

Sincerely,

F. Edw. Hébert,
Chairman.

United States District Court for the District of Columbia

No. 74–116

United States of America v. John D. Ehrlichman et al.

To Hon. F. Edward Hébert, Hon. Lucien Nedzi, William H. Hogan, Jr., or any member of the House Armed Services Committee or its staff, with custody of the documents hereinafter described.

You are hereby commanded to appear in the United States District Court for the District of Columbia at Constitution Ave. and John Marshall Place (Courtroom #6) in the city of District of Columbia on the 6th day of June 1974 at 9:30 o'clock A.M. to testify in the case of United States v. John D. Ehrlichman et al. and bring with you:

1. A transcript of all testimony by E. Howard Hunt, Jr. before the House Armed Services Committee and the Subcommittee on Intelligence, relating to the formation and activities of the Room 16 Unit or "White House Plumbers" and especill thea Fielding break-in of September 1971.

2. A transcript of the testimony of General Robert E. Cushman, John D. Ehrlichman and Charles W. Colson before the abovementioned committees concerning the abovementioned subjects.

This subpoena is issued upon application of defendant Colson.

PROPOSED AMENDMENT TO THE EXPORT-IMPORT BANK ACT OF 1945

(Mr. ICHORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ICHORD. Mr. Speaker, for the information of Members of the House I wish to advise that I have submitted to the gentleman from Ohio (Mr. Ashley), who has the honor to chair the Subcommittee on International Trade of the Committee on Banking and Currency, a draft of a proposed amendment to the Export-Import Bank Act of 1945. My amendment would provide appropriate guidelines for the exercise of Presidential discretion in the execution of the authority conferred by the act, and would reserve to Congress the ultimate decision over trade with Communist countries.

As you know, there are bills pending before, and under consideration by, Mr. Ashley's subcommittee which would increase the credit authority of the Bank and extend its life. In testimony before the subcommittee, I raised the question of whether we would not be charting our course in very uncertain and treacherous waters in authorizing a wide ranging program of exporting both our finances and our technical know-how to the Soviets as the apparent down payment on an elusive but much sought era of détente.

It should seem obvious that a program of unrestrained exports of goods and services to Communist countries poses grave dangers to the national security, to the competitive position of American industry in foreign markets and, in the long run, to a high level of employment of American labor. Nor is it right that we should reward a government whose system is admittedly adverse to our own while it persists in a deliberate program of persecution of religious and ethnic minorities and refuses to adhere to the moral commitments of the international community as asserted in the universal declaration of human rights adopted December 28, 1948, by the General Assembly of the United Nations.

In light of these dangers, and of our international responsibilities, it seems to me, and many others, utterly unwise to commit to the officers of the Bank and the President a sole discretion in determining the character and extent of permissible trade with Communist countries.

You will recall that I, together with Representatives Aspin and Dent, recently introduced a sense of the House resolution which now enjoys the cosponsorship of a majority of the entire House membership. This resolution called for a moratorium on credit to the Soviets until the Senate acted upon the Trade Reform Act of 1973. Yet, despite the publication of this resolution expressing the will of this body, the Bank continues to ignore the clear injunction of a majority of this legislative body, and has, in addition to loans previously granted, since approved loans for three projects totaling $40 million, and last week announced another $180 million loan on a project enabling trade in fertilizer promoted by Mr. Armand Hammer.

At the present time paragraph (2) of section 2(b) of the Export-Import Bank Act of 1945 prohibits the Bank from making any guarantee, insurance, or extension of credit to Communist countries in connection with the purchase or lease of any product by them. By the terms of the act, however, this prohibition is not applicable in the case of any transaction which the President determines would be in the national interest.

My amendment would provide that no such determination shall be made by the President with respect to any Communist country which: First, denies to its citizens the right or opportunity freely to emigrate; second, engages in or promotes a pattern or practice of invidious discrimination against any class of its citizens by reason of race, color, or religion, or denies to its citizens the rights of freedom of thought, conscience, and religion as asserted in the Universal Declaration of Human Rights; or third, delays or obstructs the effective implementation of negotiated international agreements with the United States or its treaty organizations for the limitation of armaments and forces.

The amendment would also prohibit the granting of loans or credits in connection with any transaction that would make a significant contribution to the military potential of such country, or that would substantially and adversely affect the competitive position of U.S. industry in foreign markets, or the employment of labor within the United States.

In addition to these guidelines, any proposal for such loan or transaction must be submitted to both the Senate and House of Representatives, and such transactions may be consummated only if neither House disapproves the proposed transaction within 60 days after the President reports his determination to grant such loan.

The full text of my proposed amendment, together with extracts of pertinent statutes and of the Declaration of Human Rights to which reference is made in the draft, follow:

Mr. Ichord's Proposed Amendment to the Export-Import Act of 1945

That paragraph (2) of section 2(b) of the Export-Import Bank Act of 1945 is amended by striking out "within 30 days after making the same," and inserting in lieu thereof the following: "and such determination is not disapproved by a resolution of disapproval adopted by either House of Congress during the first period of 60 calendar days of continuous session of the Congress after the date on which the President reports such determination, together with the nature and details of any such transaction, to each House of Congress; *Provided, however,* That no such determination shall be made with respect to the purchase of any product by or for use in, or sale or lease to, the defined country if such country—

"(A) denies to its citizens or any class thereof, by reason of the race, color, religion, or beliefs of such citizens, the right or opportunity to emigrate; or

"(B) imposes upon its citizens or any class thereof more than a nominal tax on emigration or on the visas or other documents required for emigration, for any purpose or cause whatsoever; or

"(C) imposes more than a nominal tax, levy, fine, fee, or other charge on any citizen to emigrate to the country of his choice; or

"(D) engages in or promotes a pattern or practice of invidious discrimination against its citizens or any class thereof by reason of their race, color, or religion, or denies to its citizens or any class thereof any of the rights of freedom of thought, conscience, and religion as provided in article 18 of the Universal Declaration of Human Rights (adopted December 10, 1948 by the General Assembly of the United Nations); or

"(E) fails to comply with, or obstructs or unreasonably delays the negotiation or execution of, international agreements regarding the limitation of armaments or weapons between such country and the United States, or obstructs or unreasonably delays the negotiation and consummation of agreements between such country or treaty organizations of which it is a member and the United States or treaty organizations of which the United States is a member which are designed to accomplish the mutual and balanced reduction of military and naval forces, or with respect to any transaction which would—

"(A) make a significant contribution to the military potential of such country which would prove detrimental to the national security of the United States; or

"(B) substantially and adversely affects the competitive position of United States industry in foreign markets with respect to any item of production; or

"(C) substantially and adversely affects the employment of American labor within the United States with respect to any such item of production.

For purposes of this paragraph, continuity of session shall be deemed broken only by an adjournment of Congress sine die, and there shall be excluded from the computation of the 60-day period those days on which either House is not in session because of an adjournment of more than three days to a day certain. The procedure on introduction and reference of resolutions of disapproval shall be as provided in sections 908 to 913, title 5, United States Code".

STATUTES TO WHICH REFERENCE IS MADE IN MR. ICHORD'S PROPOSED AMENDMENT

SECTION 2(B)(2) OF THE EXPORT-IMPORT BANK ACT OF 1945

Section 2(b)(2) of the Export-Import Bank Act of 1945 [12 U.S. Code, section 635 (b)(2)] presently provides as follows:

"(2) The Bank in the exercise of its functions shall not guarantee, insure, or extend credit, or participate in any extension of credit—

"(A) in connection with the purchase or lease of any product by a Communist country (as defined in section 2370(f) of Title 22), or agency or national thereof, or

"(B) in connection with the purchase or lease of any product by any other foreign country, or agency, or national thereof, if the product to be purchased or leased by such other country, agency, or national is, to the knowledge of the Bank, principally for use in, or sale or lease to, a Communist country (as so defined),

except that the prohibitions contained in this paragraph shall not apply in the case of any transaction which the President determines would be in the national interest if he reports that determination to the Senate and House of Representatives within thirty days after making the same."

SECTION 2370(F) OF TITLE 22

This section which is referred to in the foregoing provision of the Export-Import Bank Act of 1945, defining the phrase "Communist country," is a provision of the Foreign Assistance Act of 1961 [22 U.S.C., 2151–2412]. Section 2370(f) of Title 22 defines the phrase "Communist country" as including specifically, but not limited to, the following countries:

"Peoples Republic of Albania, Peoples Republic of Bulgaria, Peoples Republic of China, Czechoslovak Socialist Republic, German Democratic Republic (East Germany), Estonia, Hungarian Peoples Republic, Latvia, Lithuania, North Korean Peoples Republic, North Vietnam, Outer Mongolia-Mongolian Peoples Republic, Polish Peoples Republic, Rumanian Peoples Republic, Tibet, Federal Peoples Republic of Yugoslavia, Cuba, and Union of Soviet Socialist Republics (including its captive constituent republics)."

ARTICLE 18

UNIVERSAL DECLARATION OF HUMAN RIGHTS

This article, to which reference is made, provides as follows:

"Article 18. Everyone has the right to freedom of thought, conscience and religion; this right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance."

Procedure on Resolutions of Disapproval

The amendment provides that the procedure for disposition of resolutions of disapproval shall be as provided in sections 908 to 913, title 5, U.S. Code, relating to reorganizations in the executive branch. Those provisions of title 5 follow:

§ 908. Rules of Senate and House of Representatives on reorganization plans.

Sections 909–913 of this title are enacted by Congress—

(1) as an exercise of the rule-making power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by section 909 of this title; and they supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

§ 909. Terms of resolution.

For the purpose of sections 908–913 of this title, "resolution" means only a resolution of either House of Congress, the matter after the resolving clause of which is as follows: "That the ——— does not favor the reorganization plan numbered ——— transmitted to Congress by the President on ———, 19—.", the first blank space therein being filled with the name of the resolving House and the other blank spaces therein being appropriately filled; but does not include a resolution which specifies more than one reorganization plan.

§ 910. Reference of resolution to committee.

A resolution with respect to a reorganization plan shall be referred to a committee (and all resolutions with respect to the same plan shall be referred to the same committee) by the President of the Senate or the Speaker of the House of Representatives, as the case may be.

§ 911. Discharge of committee considering resolution.

(a) If the committee to which a resolution with respect to a reorganization plan has been referred has not reported it at the end of 20 calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to the reorganization plan which has been referred to the committee.

(b) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same reorganization plan), and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(c) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same reorganization plan.

§ 912. Procedure after report or discharge of committee; debate.

(a) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a reorganization plan, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(b) Debate on the resolution shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

§ 913. Decisions without debate on motion to postpone or proceed.

(a) Motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to a reorganization plan, and motions to proceed to the consideration of other business, shall be decided without debate.

(b) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to a reorganization plan shall be decided without debate.

HOUSE STRIP MINE BILL, H.R. 11500

(Mr. RONCALIO of Wyoming asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. RONCALIO of Wyoming. Mr. Speaker, the House Interior Committee has voted out a strong but workable surface mining bill. A thorough examination of this legislation will show that it is necessary, reasonable, and acceptable. It will not only give protection to the environment from reckless, ill-planned strip mining operations, but will also allow orderly, controlled, surface mining to continue to recover our coal resources for an energy-hungry Nation.

We have heard plenty from those who would amend the bill to make it ineffective or unworkable or who would kill it entirely. It is time to consider some of the good things being said about this overdue and timely legislation. The Wall Street Journal supported H.R. 11500 in a May 28 editorial and excerpts from it follow:

> The strip mining control bill recently approved by the House Interior Committee is likely to prove just as contentious when it is debated by the full House, since environmental groups still think it is too weak and the coal industry thinks it is too tough. Bipartisan hostility is no guarantee that it succeeds in balancing environmental and energy concerns, but on the whole the committee bill seems like a quite reasonable start.
>
> It is certainly much more reasonable and realistic than a related bill passed by the Senate last October. Both bills would require that surface mined land be restored to approximately its original contour. The House Interior version also reasonably requires companies that have acquired rights to federally owned coal to obtain written consent from owners of surface rights to the land.
>
> The Senate proposal, however, flatly bans all surface mining of coal where the government has retained mineral rights, even where coal firms themselves own the surface and even where they have leased the mineral rights from the federal government. The reason for this prohibition, sponsored by Montana Senator Mike Mansfield, is to prevent the relatively unspoiled Western U.S. from becoming a vast slag heap like parts of Appalachia. But its principal effect would be to keep billions of tons of the nation's most abundant and economical energy source from ever being mined. Obviously, a ban on strip mining is not the answer to the nation's energy shortage.
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> . . . Although only about 5% of total U.S. reserves are thought to be strippable, surface mining accounts for about half of the 600 million tons of U.S. annual coal production and it offers the fastest and cheapest short range solution to the energy crisis. Strip mines can be gotten into production relatively fast, require comparatively little manpower, and yield up to 90% of their deposits (compared with less than 50% underground).
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> The populous Midwest alone has strippable coal deposits many times current U.S. annual output. That coal is good quality but it is also high in sulfur and therefore cannot be burned unless the Clean Air Act is modified, or until science learns to "clean" it or until it can economically be converted to gas. Meanwhile, industry is increasingly looking to the vast strippable deposits of less efficient but low sulfur coal in the West.
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> Actually, it isn't at all clear that industry will be unduly handicapped by the regulations embodied in the House committee bill. Pennsylvania has somewhat similar laws, supposedly the toughest of any state in the nation, yet strip mining production has actually increased in that state. Once the Mansfield amendment is removed, it seems to us the existing proposals offer a good starting point for regulating strip mining.
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> So it seems to us it would be unwise for the coal industry to push its opposition too far. Coal declined for several reasons, including the fact that the federal government created an artificial demand for natural gas by holding down its price. But it also declined because it was considered an environmental blight, and those objections are likely to remain as long as the public continues to equate coal mining with permanently scarred earth. The proposed strip mining controls would seem to offer an opportunity for the coal industry to dispel those fears and regain public confidence, even as it contributes to solving the U.S. energy shortage.

SOUTH CAROLINA FOUKE CO. CREATES FAVORABLE TRADE BALANCE

(Mr. MANN asked and was given permission to address the House for 1 minute, to revise and extend his remarks.)

Mr. MANN. Mr. Speaker, in the Fourth District of South Carolina is a company whose ingenuity in the development and perfection of a secret process has returned to the U.S. taxpayers more than $100 million—over 10 times the original purchase price paid for the State of Alaska.

I refer to the Fouke Co. of Greenville, S.C., the only exclusive fur seal processor in the world.

Today, the Fouke Co. is being recognized with the President's "E" Award for excellence in exporting in tribute to an outstanding contribution to a favorable trade balance.

Because of its unique abilities and international reputation for the highest standard of product quality, the Fouke Co. processes more than 90 percent of the world's fur seal harvests, receiving by far the largest proportion of its raw material from foreign countries.

These furs are treated by an American work force of more than 200 outstanding men and women, whose skill and dedication is reflected in today's "E" Award.

The processed furs are sold for the accounts of its shippers. Approximately 95 percent of the product sold at auction is shipped back to foreign countries, creating a favorable trade balance.

It is with great pride that I bring to the attention of the House of Representatives the remarkable record of the Fouke Co. and join in congratulating the Fouke Co. management and personnel for their achievement and recognition and exemplary demonstration of the success of our free enterprise system.

REPRESENTATIVE JACK KEMP INTRODUCES LEGISLATION TO REQUIRE EXIMBANK TO ESTABLISH INTEREST RATES FOR LOANS TO NONMARKET ECONOMY COUNTRIES AT NO LESS THAN THE INTEREST BEING PAID ON OBLIGATIONS OUTSTANDING OF THE U.S. GOVERNMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, the Export-Import Bank of the United States—an instrumentality of our Federal Government, sustained with our citizens tax dollars—has recently announced mammoth loan guarantees to the Soviet Union and other nonmarket economy countries.

Last month, Eximbank announced a $74.9 million credit extension to the Soviet Union and other Soviet bloc nations for the development of the energy resources of the Soviet Union.

We do not have sufficient energy resource development in our own country to meet the basic, expanding needs of our own citizens, but in the face of that fact the bank issues U.S. taxpayer backed loan guarantees to the Soviet Union.

Last week, Eximbank announced the largest, low-interest loan to date—a whopping $180 million credit to help finance a $400 million agreement for the sale of equipment to the Soviets.

These credits are little more than giveaways, as far as I am concerned. They are ill-advised—particularly at this time.

It makes little sense to extend credit to the Soviet Union—which, despite all the many words about an intended relaxation of tensions, remains our principal potential adversary—at only 6 percent interest—as this credit extension was—while the American people are paying from 10 to 11 and even 12 percent interest.

If the United States borrows these funds for guaranteeing these loans at 10 percent—as we will probably have to do—and then lends those funds to the Soviets at 6 percent—as we did—that 4 percent difference is picked up by the American taxpayer.

And, if the Soviets default on repayment—and their record of repaying loans is dismal—then the entire amount will be picked up by the American taxpayer.

After all, the Soviets still owe the United States some $11 billion for World War II lend-lease loans, and we all know those loans will never be repaid.

I am not opposed to foreign Eximbank transactions in general, but I am opposed to loans of this nature.

Trade is commendable only when it advances the causes for which this Nation stands, and until such time as the Soviets and other Communist nations demonstrate by deeds—not just words—that détente is possible, that they are willing to permit greater individual freedom for their citizens, that they are willing to allow freedom of emigration for their citizens, I think we have no cause to take that extra step to help those governments overcome their economic problems.

This is especially true at a time when we are spending billions of dollars for defense against this very same Communist nation.

Congress has already let the administration and Eximbank know where it stands on these issues.

The House has already passed the Trade Reform Act which requires these credits not be extended until freedom of emigration is allowed.

A majority of the Senate and House have expressed support for that measure.

The Comptroller General of the United States has ruled that credits can be extended only when a specific determination that it is in the national interest—of the United States—has been made by the President, something which was not done prior to the credit extension last week.

Hearings have been held on resolutions expressing a sense of the Congress that Eximbank should not continue to make such loan guarantees until the substantive issue has been resolved by the Congress.

In the face of all of this congressional action—which an overwhelming expression of the intent of the Congress underlying it—Eximbank continues to make these loans.

What can be done?

If for whatever reason—and, for a moment, I pass over the merits of arguments for and against such trade per se—the bank continues to issue such credits, I think the Congress should require that it be on terms at least as severe as those under which the U.S. Government itself has to borrow funds for these guarantees.

I have, therefore, introduced a bill today to amend the Export-Import Bank Act of 1945 to establish a minimum interest rate for loans to nonmarket countries by Eximbank.

The text of the bill is as follows:

H.R. 15132

A bill to amend the Export-Import Bank Act of 1945 to establish a minimum interest rate for loans to nonmarket economy countries by the Export-Import Bank

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of section 2(b)(1) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(1)) is amended by inserting immediately before the period at the end thereof the following: ", except that credit extended by the Export-Import Bank to any nonmarket economy country or an instrumentality thereof shall bear interest at a rate not less than that rate, computed most immediately prior in time to the extension of such credit by the Secretary of the Treasury, equivalent to the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such extensions of credit, adjusted to the nearest one-eighth of 1 per centum."

How would this bill work?

The Eximbank could still make such a loan.

I do not thing that they should, but for this particular bill, that opinion is beside the point.

But, that loan would have to be at an interest rate not less than that specific, particular rate equivalent to the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such extensions of credit, adjusted to the nearest one-eighth of 1 percent for convenience purposes.

That rate is to be computed by the Secretary of the Treasury prior to—not after—the extension of such credit.

This is no burdensome requirement.

The Secretary is required to make such calculations for other statutory requirements already.

The Department has this information at its fingertips even as this bill is introduced.

If the loan guarantee is for 30 years, the calculation of the rate is derived from those obligations of the United States outstanding for such a 30-year period.

If the loan guarantee is for 10 years, the calculation is derived from those obligations outstanding for that 5-year period.

The bill I have introduced does not take care of this entire issue.

I have introduced and supported other bills and resolutions to do that, including—

H.R. 14276, a bill to amend the Export-Import Bank Act of 1945 to strengthen the oversight role of Congress with respect to extension of credit by the Bank;

House Concurrent Resolution 324, expressing the sense of the Congress regarding the free emigration and expression of ideas by citizens of the Soviet Union;

House Resolution 774, declaring the sense of the House with respect to a prohibition of extension of credit by the Export-Import Bank until such time as the Trade Reform Act becomes law or is otherwise resolved;

House Concurrent Resolution 430, expressing the sense of the Congress that the President should cease all trade negotiations with the Soviet Union until such time as it demonstrates an effective relaxation of restraints on individual liberties; and

H.R 3915, a bill to prohibit most favored nations preferential trade treatment for any nation denying free emigration to its citizens.

But, this bill which I have introduced today does say this: "That if we are going to make these loans, at least these foreign governments will have to pay what our people are paying—our people who otherwise would have to subsidize the differential between what they pay and what we pay."

Mr. Speaker, I call upon the distinguished Committee on Banking and Currency to hold hearings on this matter at the earliest possible date.

Its speedy enactment would certainly be in our best national interest.

TAX REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, in 1972, Congressman WILBUR MILLS, chairman of the House Ways and Means Committee, and MIKE MANSFIELD, Senate majority leader, introduced bills which were designed to catch the attention of our colleagues and make all Members seriously consider much-needed tax reform.

I do not know about my fellow Members in Congress, but I can testify that one particular provision of these bills caught the attention of literally hundreds of persons in my district and elsewhere throughout the country.

The bills call for the repeal of many tax exemptions, exclusions, deductions and credits. This would include doing away with the tax deduction for contributions to churches and charitable organizations.

I have received volumes of mail about the subject. The mail has been so large that I have been forced to respond by mimeographed letter, which is contrary to my usual procedure.

The Mills-Mansfield bills failed to pass the 92d Congress, but Representative JOHN HEINZ of Pennsylvania reintroduced a similar bill in the present 93d Congress and that is the one—H.R. 636—presently being talked about on the House side of the Capitol.

Passage of the section on churches and charitable organizations seems to me highly unlikely.

The idea behind the bill was to wipe the slate clean of tax incentives and then to examine each one before reentering it in the statute books. It was also suggested that Congress continue to review each reinstated tax incentive at 2- to 3-year intervals.

Certainly our tax structure is in need of reform, but removing the deduction for contributions to churches and charitable organizations is not the answer.

The House Ways and Means Committee has held public hearings on tax reform for 3 months and is now beginning to mark up a recommended bill for the full House to consider.

It will be interesting to see the recommended legislation, but in my opinion, churches and charitable organizations should not be involved.

Many feel the American tax system is unfair. They feel it bears down too heavily on lower- and middle-income people whose earnings come entirely or largely from wages and salaries, and too lightly, or, in some cases, not at all, on wealthy persons with large property incomes. The same is true for particular industries, especially oil, gas, and minerals that benefit from depletion allowances.

A finance minister for France's King Louis XVI once said that the art of taxation consists of plucking the goose in order to obtain the largest amount of feathers with the least amount of hissing. And so, some have argued that the corporate goose in the United States is a pro at hissing, hence it has escaped much plucking. The working taxpayer, on the other hand, hisses less forcefully and gets plucked right down to the tail feathers.

President Nixon has shown concern about making our tax system fairer and simpler. As a part of his continuous review of the system, the President evaluates each of the so-called tax loopholes against two major criteria: Fairness to the average taxpayer and the requirement that, in the long run, the changes should not cost the average taxpayer more, but should instead reduce his taxes.

Achieving meaningful tax reform will be complex and almost impossible in an election year. It has been said that one man's tax loophole is another man's necessity.

It is important that we have a fair and equitable tax system for all our people. It is not an easy task, but it deserves our best efforts.

EXTENSION FOR HAWAII TRIANGLE FARES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alaska (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Speaker, yesterday the Civil Aeronautics Board suspended a proposal by Western Airlines to extend its Hawaii triangle coach fares beyond the current expiration date of May 31, 1974.

Western Airlines has for 4½ years provided direct nonstop air services between Hawaii and Anchorage. It has provided this service in the best interest of the public and in the beginning at considerable economic loss to its company. At that time the CAB granted Western Airlines a reduced fare schedule for promotional purposes. It is for this reason Western Airlines has been able to continue this service to the Anchorage area.

Alaska and Hawaii, as noncontiguous and geographically remote areas, are not serviced by more economic modes of transportation. Moreover, tourism, Alaska's fastest growing industry, has been greatly promoted by these triangle fares. It is for this reason I feel the CAB's actions are not in the public interest and convenience. Therefore, I have today introduced a resolution that finds that it is the sense of the House of Representatives that, during the period pending investigation and action by the CAB as cited in the order of suspension 74–5–129, Western Airlines be granted an extension of its Hawaii triangle fares.

H. RES. 1158

A resolution on the Hawaii triangle coach fares

Whereas the CAB suspended a proposal by Western Airlines to extend its Hawaii triangle coach fares beyond the current expiration date of May 31, 1974; and

Whereas these triangle coach fares are in the public interest and convenience; and

Whereas Alaska and Hawaii as non-contiguous and geographically remote states are not serviced by other more economical modes of transportation; and

Whereas tourism, friendship and understanding will be restrained by the suspension of the Hawaii triangle fares: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that, during the period pending investigation and action by the CAB as cited in the order of suspension 74–5–129, Western Airlines be granted an extension of its Hawaii triangle fares.

CREATION OF A MIDDLE EAST DEVELOPMENT BANK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. HAMILTON) is recognized for 20 minutes.

Mr. HAMILTON. Mr. Speaker, the improving political climate in the Middle East and the apparent willingness of the parties directly involved in the Arab-Israeli conflict to test the chances of peace in negotiations are factors for which we must be exceedingly thankful. Secretary of State Kissinger's diplomacy is, in large part, responsible for helping to generate this new environment.

The success of the U.S. peace initiative is based in part on Dr. Kissinger's ability to break down the complex Arab-Israeli conflict into smaller issues and then get parties to focus on "yesable" propositions, what governments can do today and tomorrow to build a structure of peace, not what a final peace settlement might involve.

It is clear more and more that the peoples of the Middle East want to divert their energies away from war and toward the process of reconstruction and development.

U.S. AID PROPOSALS IN PERSPECTIVE

To complement the success of the negotiations, the administration has introduced a large Middle East aid package for fiscal year 1975. The $900 million proposal includes some $350 million in grants and credits for Israel, $250 million in economic grants and loans for Egypt, some $200 million in military and economic aid for Jordan and a special Middle East peace fund of $100 million.

My principal concern with the aid request is not so much the amounts involved for fiscal year 1975. In fact, I suspect that Secretary Kissinger will make a strong defense for these requests before Congress. Rather, I am concerned that this aid package comes to the U.S. Congress without any explanation of how the proposed aid fits into the larger framework of assistance and cooperation necessary for ultimate success, without any indication of the long-term commitment the United States is taking on in the Middle East, without concrete reconstruction aid proposals for the Middle East, without an effort to try to internationalize the reconstruction and development process in the Middle East, and without any indication of what the oil-rich Arab countries are willing to provide.

No one state can provide more than a small percentage of the funds needed for creating the economic conditions to complement the political conditions of coexistence we seek. It is an ambitious and noble gesture for the United States to try to start the reconstruction process with a large Middle East aid package. But the proposed $900 million plus program for 1975 cannot and will not have any desirable or long-term impact unless it generates other efforts.

A large U.S. aid program will serve a useful purpose only if it functions as a catalyst for involving others, for encouraging some of the Middle East states with ample financial resources available to play a central role in the development of their region and for getting all interested international institutions working on the peace-building phase.

The United States must be thinking now about giving structure and substance to the propositions that we can only play a subsidiary role in developing the Middle East and that a genuine worldwide effort is essential to defuse further one of the world's most complicated political and military conflicts.

MULTILATERAL AND BILATERAL AID

The long-term advantages of a multilateral approach to the reconstruction and development needs of the conflict zone in the Middle East are several. On one level, it can help avoid further foreign commitments for the United States and can help insulate this country from potential domestic entanglements in the recipient country in an area of the world pregnant with the possibility of political and social upheaval. On a more practical level, multilateral programs can help give the recipient states a greater flexibility of operations, encourage more central planning, give the aid effort more continuity and avoid overlapping and conflicting projects and priorities. In this way, the effectiveness of aid could be increased and its waste and inefficiency reduced.

Bilateral aid, while useful in some technical assistance areas, and not necessarily mutually exclusive from multilateral aid, has in some parts of the world worked against a coordinated approach to the mammoth needs of development. To tackle the problems of the Middle East solely through bilateral aid will involve the outlay of billions of dollars by the United States over a period of time as peace negotiations progress and as a final settlement nears without the assurance that reconstruction and development have occurred and without the proper encouragement of parallel aid programs by other states.

The use of aid in a largely bilateral fashion for the main purpose of rewarding friends and encouraging the development of a peaceful environment will only tend to increase the political nature of the aid and reduce its economic effectiveness.

It is understandable that this initial aid package and its figures are largely the result of political considerations and it may be worthy of strong support on those grounds alone. But any calculation of the bilateral political impact of the aid should not blind us from the fact that the economic benefits of a Middle East aid package could be enhanced if it can be made part of a long-term worldwide Middle East reconstruction effort.

A MIDDLE EAST DEVELOPMENT BANK

Mr. Speaker, I am convinced that, in the long run, the establishment of a Middle East Development Bank which would address the problems of reconstruction and development of peoples directly involved in the Arab-Israeli conflict could offer the most promising vehicle for internationalizing the enormous reconstruction process that inevitably lies behind the lengthy negotiations which now preoccupy the states of the region and will continue to do so.

Such a bank should not create a role for the United States similar to the one it has with the Inter-American Development Bank. While our dollars might be involved, especially at the beginning, the leadership and major impetus must come from the states of the region and our primary role should be in providing the technical know-how and expertise and training needed to carry out good programs. This bank would address the development needs of the Arab States involved in the Arab-Israeli conflict, Israel and the Palestinian peoples wherever they group and whatever community they establish pursuant to peace negotiations.

I strongly urge the Department of State and the Agency for International Development to give more serious consideration in coming months to methods of internationalizing the reconstruction process in the wartorn Middle East.

One effort the Government should make in the near future is to take the lead and call for the convening of a separate, but parallel, economic conference of Middle East states in Geneva whose objective would be to discuss the formation of a regional development bank and to devise a concerted and detailed reconstruction and development plan for the wartorn zones of the Middle East. I would hope that all aid donor states would join the United States in supporting such a regional organization to deal with Arab and Israeli economic problems, and to combine Arab and Western resources for the good of the entire region.

CONCLUSION

I see many possible pitfalls in laying too much stress on bilateral U.S. aid and in not pursuing efforts to internationalize Middle East reconstruction aid. Egypt is a case in point.

In the early 1960's when United States-Egyptian relations were not very good, our relationship hinged almost entirely on the ups and downs of U.S. aid and wheat sale levels. That was not a healthy, stable, or desirable relationship. Now we are trying to build a new relationship with Egypt and I hope that it will not depend on aid levels. Unfortunately, at the moment, I do not see sufficient evidence that we are trying to base our new ties on broader cultural and political grounds and on a mature economic relationship, based not on U.S.-aid levels and the vagaries of appropriation bills, but on frank discussions of Egypt's needs and a mixture of Egyptian and Arab self-help measures and American technical expertise and know-how.

Mr. Speaker, we may be on the road to a Middle East peace, but there will undoubtedly be many stops, starts, delays, and detours along that road. Reconstruction and development must proceed on another separate track in building an economic structure of coexistence in the Middle East. Development projects must have a solid footing in the uncertain days ahead and I believe that a Middle East Development Bank can help provide such a strong foundation for the Middle East of tomorrow.

EUCLID YOUTHS RECEIVE AWARD FROM OHIO GOVERNOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker in the space of 1 week in April, Euclid, Ohio, and the entire greater Cleveland community were given two separate remarkable displays of courage and heroism by two 8-year-olds.

Mr. Daniel Butler repeatedly endangered his life and suffered burns over 15 percent of his body after saving his own family and another family from a fire in their duplex. Dan continued in his efforts despite the enormous danger, and not only did he suffer serious burns but, after making the last rescue, was overcome by smoke inhalation.

Mr. John Patfield, also of Euclid, rescued a 4-year-old youngster from a 6-foot-deep waterhole. The boy had fallen into the hole in an effort to retrieve his bicycle. Without hesitation or concern for his own safety, John rushed to the rescue and saved the younger boy from drowning.

It is fitting and proper that these two young men will be receiving the Ohio "Governor's Award for Community Action," an award which is given only to those Ohioans who demonstrate unique and special concern for their fellow man.

Mr. Speaker, in these days in which there seems to be so much bad and depressing news, one frequently hears concerns expressed about the future of our Nation. With young men like Mr. Butler and Mr. Patfield, no one need have any concern—our communities, our Government, and our Nation will be secure in a generation which displays the type of courage demonstrated by Dan and John.

I would like to enter in the RECORD at this point several articles describing the acts of heroism by Mr. Daniel Butler and Mr. John Patfield. I would also like to include an editorial from the Euclid News Journal of April 18, 1974, entitled, "Splendor of Youth":

[From the Euclid (Ohio) News Journal, April 18, 1974]

SPLENDOR OF YOUTH

Mark Twain once said, "Youth was so wonderful, it's a shame to waste it on children." Well, if Mr. Twain had ever met Daniel Butler or John Patfield, he might not have been so broad in his protest of to whom youth should be given.

John and Daniel are two eight-year-old youngsters who within the short span of a week made their mark in Euclid and proved that youth is not necessarily "wasted on children."

Daniel Butler or John Patfield, he might not attention of the populace. On the first day of the Easter vacation, instead of being out with other youngsters, catching the first breath of spring air, he lay in Metropolitan General hospital with serious burns.

He wasn't hurt by playing with matches or any thing like that—he suffered burns over 15 per cent of his body after saving his family and another family from a home fire.

Awakened by an explosion, Danny led his sister to safety then alerted his parents, Mr. and Mrs. Clarence Dowen.

Danny then rushed upstairs to awaken the other family, was felled by heavy smoke in a second-story hallway after the family escaped and was rescued by firemen.

John Patfield pulled his four-year-old playmate Jason DePaul out of a water-filled hole behind an apartment building a few days later to become Euclid's second eight-year-old hero within a week.

While their modus operendi were quite different, both John and Dan are responsible for saving a life without hesitation or thought of their own welfare, they either dashed into a burning home, or stepped to the brink of a muddy water hole to save their fellow man.

It is worth repeating that Dan and John are not adults, seemingly with the maturity and intelligence to act swiftly under such crises.

They are just two eight-year-olds, scarcely out of the pablum stage of life—yet they sure matured in a hurry.

The four-year-old who John pulled out of the murkey mudhole and the family that Daniel alerted will attest to this.

Euclid should be proud and in some way should honor these two fine, young citizens.

TWO FAMILIES TRY TO PULL TOGETHER AFTER TRAGIC FIRE

(By John Battle)

Clarence Dowen was asleep in the downstairs of an up-down duplex at 910 East 222 St. His wife and three children also sleep on the same floor. He didn't see or hear it but his electric clock stopped at 5:38 a.m., April 10. He normally would have awakened at 6 a.m. for work.

Allan Runyeon was on his way home from a night of security work around seven in the morning. Gloria, his wife, and two children Christina, 10, and Michelle 7, to the best of his knowledge were probably just beginning to arise for the new day.

"I remember when I got off the Freeway and stopped at the light I saw a fire truck on the streets," said Runyeon. "It wasn't moving, but as I watched, I saw it was in front of my house and flames leaping out of the charred windows."

"My God," he intoned. "You have never seen or had such an experience—arriving home and finding the firemen fighting a fire in your home. I thought all my family was dead."

Except for the bravery of an eight-year-old boy, Daniel Butler Jr., the stepson of Clarence Dowen, who noticed the fire and sounded the alarm for escape, Runyeon's fears would have come true.

A smoldering fire, apparently started in the basement crept stealthily up the walls of the wooden frame building, finally belching smoke into the downstairs kitchen and into the living room.

Dan probably was the first to notice the fire. He aroused his family, helping them out into the dark morning light. He then plunged back into the smoke filled house, without lights, felt his way up the stairs and banged viciously on the doors upstairs. Gloria Runyeon, grabbed the seven-year-old Michelle, carrying her down the stairs. Christina 10, trapped by the smoke and now flames, finally found a window, where she jumped to the concrete driveway. She was injured, but safe from the blistering heat.

Danny had trapped himself on the second floor.

"He probably couldn't have come down the stairs," said Runyeon. "He was trapped up there in that heat until he was rescued and carried down by a Euclid fireman."

The boy was immediately taken to Euclid General Hospital, where within an hour, he was transferred to Burn Center of Metropolitan General Hospital in Cleveland.

Allan Runyeon sat on the steps of the burned out house. His wife and daughter Michelle were in Euclid General Hospital suffering from smoke inhalation. Christina was in the pediatrics ward of Euclid General Hospital.

"I don't know whether he (Danny) is going to make it," said Dowen, as he looked mournfully at the smoke and fire damaged house.

"I didn't have any insurance," he added. "I lost just about everything. Even the money which was left on my dresser is gone, burned up."

Since the fire, both families have found other temporary residences to live. They had come back to the house a few days later to try to salvage the few pieces of furniture which remained. Runyeon's belongings were barely enough to fill up the back of a rented trailer.

"I could say that I am bad off until I think of Danny," said Runyeon. "I hope he lives. The doctors say it will be a few days until we know."

As of Tuesday Danny was still in critical condition, according to hospital officials.

Ironically, the day before the fire, Danny and his Boy Scout troop had visited Euclid General to hand out Easter baskets to needy patients.

"All we can do is wait," said Runyeon.

The cause of the fire has not been determined. Fire Chief George Langa said Monday that officials have narrowed things down to two areas though. He would not disclose what they are. A determination could be made by today, however.

The owner of the building is Orville Willcocks, a captain on the Euclid police force. According to Building Commissioner Robert Drobnick, as of November of last year the building had 11 exterior code violations, but that since then seven had been corrected, three were in the process of being corrected and one, a minor one at that, had not yet been corrected. None of the violations was considered a safety hazard, Drobnick said.

Donations, food, clothing and other essentials are being accepted for the families at the home of Richard Salajcik, a relative, at 20750 Nauman Ave. An account for the family has been opened at Cleveland Trust, 701 East 185 St.

TEEN TERMED HERO

Mrs. Frank Smith of 2110 Marlin St. was dashing about the city this week with a fantastic story.

Her eight-year-old grand-nephew was critically burned two weeks ago at Euclid, Ohio while chasing his mother, stepfather, two sisters and another family of three from his residence which burst into a roaring fire of an unknown origin.

And Mrs. Smith was asking that persons who might care drop the youth a line of encouragement in the Burns Center of the Metropolitan General Hospital at Cleveland, Ohio.

The youth is Danny Butler, son of Mr. and Mrs. Clarence Dowen of what was 900 E. 222 St., Euclid, Ohio. He attends St. Christine's Catholic School near his home.

The Euclid community thinks it has a hero, and we are inclined to agree with it and Mrs. Smith. Such heroism should not go unnoticed and we hope you agree.

EUCLID YOUTHS TO GET AWARD FROM GOVERNOR

Daniel Butler and John Patfield, the two eight-year-old Euclid heroes, will receive the Governor's Award for Community Action.

Governor John J. Gilligan will present the awards to the youngsters personally. A visit from the governor is now being arranged.

The honor is given to Ohioans who have demonstrated outstanding community service for the welfare of others.

The News-Journal inquired about it through State Rep. T. Timothy McCormack. McCormack in turn made contact with the governor's office.

The honor is part of the Governor's Award, the distinguished award which has been given yearly over the past 25 years. The Community Action aspect of it has been in effect for the past two years.

Daniel is the cub scout who awoke one chilly morning this month and discovered his home in flames. He alerted his family and his upstairs neighbors, but was trapped on the top floor of the building on East 222 St. Firemen rescued him, but he was severely burned. He remains in serious condition in a Cleveland Hospital. The home was virtually gutted by the blaze, forcing his parents to find a home elsewhere and start anew.

John Patfield, of 1571 East 254 St., through some quick thinking, rescued a four-year-old boy from a water filled hole six feet deep. The boy fell into the hole, which has since been filled by the city, in a vain attempt to retrieve his bicycle.

MANAGING THE DEFENSE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. OWENS) is recognized for 45 minutes.

Mr. OWENS. Mr. Speaker, the day has long since passed when the United States could stand apart from the rest of the world. Two world wars and many crises have unforgettably taught us that this country can never again jeopardize its freedom, security, and prosperity—and that of others—by failing to play our full part in the world.

This necessary international role for the United States occurs in many areas and on many levels. And, though there has been a recent tendency to overemphasize military power in international affairs, we must recognize that military power is essential to our national security. It is this power which deters other countries from effectively threatening hostilities as a way to blackmail us into doing something not in accord with our national interests. And, if fighting occurs, it is this power which will help bring hostilities to as quick and as favorable a close as possible.

As essential as our possessing military power is, however, there still remains the question: How much military strength is necessary? Answering this question is no simple task. One must make assumptions about what vital interests must be protected, what threats we face, and the like. Similarly, there is a great mass of detail to be considered. Nevertheless, certain principles are evident today.

First, the United States is a world power not only because of our military strength, but also because we possess a vast and diversified economic and technical strength combined with enduring but flexible democratic institutions. Not only is mere military power unable to achieve peace and stability alone, but unnecessary defense expenditures burden our economy and the society. Even this great country has a limit to its resources, and these resources must be allocated among many pressing needs. As in other areas, we must demonstrate fiscal responsibility. The need for fiscal responsibility is especially compelling with defense expenditures since the Department of Defense spends 30 percent of the Federal budget and 70 percent of that part of the budget whose expenditures are immediately controllable.

Defense dollars, however, are not spent as responsibly as they could be. Defense spending is too often a classic example of an uncontrolled Federal bureaucracy: its redundancy, cost overruns, and general waste are well documented. The C–5A transport and the F–111 bomber are only the most recent and well-publicized examples.

Second, the need for fiscal responsibility is reinforced by the changed international situation. This country has developed more amicable relationships with the Soviet Union and China, and our military involvement in Southeast Asia has thankfully diminished. It is not yet the time, of course, to beat our swords into plowshares; other countries have interests and policies which conflict with ours, and some countries might still be tempted to threaten the use of force against us. But just as we must avoid a false sense of security, we must also question why the emerging new international situation should not justify at least a leveling off of our defense expenditures.

In spite of the need for fiscal responsibility, particularly justified in light of the improved international situation, the Nixon administration proposes a sharp rise in military spending for the next fiscal year. The administration has requested a fiscal year 1975 defense authorization of $92.9 billion. In addition, the administration has requested supplemental funding for 1974 of $6.2 billion. In fact, reflecting a legerdemain found so often in administration statements in other areas, this supplemental includes at least $2.1 billion which should be in the 1975 request. The net result is that the administration is actually requesting $95 billion for 1975, an increase of $12.4 billion or 15 percent over the comparable 1974 authorization. See table 1.

TABLE 1.—*Defense Budget*[1]

[Dollars billions in budget authority]

Fiscal year 1974 budget costs:	
Appropriated by Congress	80.7
Pay supplemental	3.4
Readiness supplemental (genuine supplemental items)[2]	.7
Fuel price increase	.5
Middle East costs	.2
Israel emergency aid[3]	−2.2
Net cost of fiscal year 1974	82.6
Administration's fiscal year 1975 request:	
Fiscal year 1975 budget	92.9
Readiness supplemental[2]	2.1
Total fiscal year 1975 request	95.0

Wayne Owens' proposed fiscal year 1975 budget reductions—see table 2, 6–8 billion dollars.

Increase over fiscal year 1974 net cost, 4.5–6.5 billion dollars.

Savings over administration fiscal year 1975 request, 6–8 billion dollars.

[1] Includes military assistance programs.

[2] The Administration requested a fiscal year 1974 "readiness" supplemental of $2.8 billion. Of this, two items—fuel price increases ($480 million) and a Middle East cost figure ($231 million) are legitimately supplemental items reflecting unanticipated increases in the cost of approved forces. These items are included in the fiscal year 1974 budget. The remainder of the supplemental to purchase new equipment is treated as part of the fiscal year 1975 budget request.

[3] The fiscal year 1975 request contains no funds for Israel but the budget notes that a supplemental request might be made. Thus for purposes of comparing the 1974 and 1975 budgets this item should be excluded.

This smacks of fiscal irresponsibility, rather than responsibility. To achieve new responsibility, I propose that the total fiscal year 1975 request of $95 billion be reduced by $6 to $8 billion. The savings can come by eliminating unnecessary programs and trimming the fat out of other programs. This approach will insure that essential combat capabilities are not reduced; indeed, the streamlining will often serve to improve military strength.

Note that these savings still allow an increase of $4.5 to $6.5 billion over comparable 1974 levels, thereby providing ample room to cover higher costs as a result of inflation and pay increases.

The following are my specific ideas for where the cuts can occur. See table 2. Since these individual recommendations total over $6 to $8 billion in savings, there is a margin for error if international circumstances change or if, because of contract difficulties or other problems, the predicted savings for any one program are not fully realized. Further, I fully expect that my list is not exhaustive and that efficiency savings are possible elsewhere.

1. GENERAL PURPOSE FORCES

General purpose forces—Army and Marine divisions, land and sea-based tactical aircraft and naval vessels—are the most expensive part of our military budget. They absorb, with their support, almost two-thirds of the total budget. I would propose a number of savings here:

First. There is certainly no military need nor any diplomatic purpose to maintain all our present 300,000 troops in Europe. As so many observers have concluded, including the Senate Armed Services Committee, this force includes more tail than teeth—it is burdened by an unnecessarily large support establishment. As a modest initial step, there should be a 20 percent reduction in our forces there. This should result in savings of approximately $720 million for fiscal year 1975. The objective for future years should be a reduction of 50 percent from our present troop levels.

Second. Even after the end of direct U.S. military involvement in the Indochina war and 24 years after the Korean conflict broke out, we still station about 181,000 troops in the Western Pacific and Asia. Most of the 36,000 troops based in Thailand are categorized as incremental to our peacetime force and are intended for possible reintervention into Vietnam. In addition, much of our general purpose force at home is committed to the contingency of a major land war in Asia. I recommend that most of the forces maintained for Asian intervention, including the incremental force in Thailand, be eliminated. This would yield $2.4 billion in budgetary savings and include the demobilization of 3 divisions, out of a total U.S. forces of 16, 8 out of 39 tactical air wings, and 1 out of 15 aircraft carriers.

Third. The Pentagon wants to keep a World War II type carrier in commission an extra year for duty in the Indian Ocean where our interests are limited and other ships can easily show the flag if that is necessary. Deactivating the carrier will save $100 million in fiscal year 1975. This would still leave the Navy with 14 aircraft carriers, a number which I seriously question, especially since the cost of procuring and operating one nuclear aircraft carrier, without even counting the costs of its aircraft and escort ships, is well in excess of $1 billion.

Fourth. The Pentagon is developing and procuring excessively complicated weapons which are uncertain to work effectively if there is a need to use them. The high costs of these weapons, moreover, means fewer can be purchased. I recommend that the research, development and procurement of weapons for general purpose forces be reduced by $2.7 billion through a combination of terminating and stretching out programs. Examples include:

Stop the development and procurement of binary nerve gas; this new chemical warfare system is not justified. While the savings in fiscal year 1975 would only be about $4 million, the long-term costs of converting our gas stockpiles to binary nerve gas would be about $1 to $2 billion.

Cancel AWACS, an electronics-laden Boeing 707 for airborne battle management and air defense command and control, which was suddenly and unconvincingly shifted from a strategic to a tactical mission, $770 million.

Halt the Navy F–14 aircraft program, $756 million, and the Phoenix missile being developed for it, $100 million. This aircraft represents too little improvement over the F–4 to be continued as per-unit costs skyrocket. The proposal for a new, austere fighter aircraft is far more promising.

Stretch out procurement of the SSN–688 nuclear attack submarine. Only two instead of three boats should be built in fiscal year 1975 for a savings of $100 million.

Slow new tank procurement development in order to study the lessons of the Middle East war which raised serious questions about the role of the traditional tank in modern combat environments where missiles are used extensively. The appropriation for tanks should be limited to $100 million in fiscal year 1975, for a savings of about $200 million.

Stretch out procurement of the DD–963 destroyer while the financial and technical problems are resolved. The unit costs of this oversized, rapidly obsolescing destroyer is nearing $100 million. The fiscal year 1975 savings would be about $265 million.

Slow procurement of the patrol frigate, $437 million. This imaginative concept for a lower cost, less complex ASW ship is threatened by a forced-pace rush to procurement. The lessons of the DD–963 are being ignored. A more modest pace would save $200 million in fiscal year 1975 and, equally important, would increase the chances for success in the program.

A more critical look at other aircraft, missile, ship and vehicle programs could yield at least an additional $300 million.

2. STRATEGIC PROGRAMS

U.S. nuclear strategy has sought to deter nuclear holocaust by maintaining an ability to respond to any attack—up to the point of utterly destroying the attacker—even after first absorbing the worst possible strike by the other side. We can maintain the forces necessary to support this strategy and still reduce the administration's budget request.

First. The Nixon administration suggests that it has a new strategic doctrine which includes targeting military installations as well as sites and having flexible planning. However, our plans have always included a variety of targets. Similarly, flexible planning is scarcely a novel idea and does not require new weapons.

Neither the new policy nor the admitted concerns about Soviet strategic programs justify the administration's budget requests to modify existing missiles and to procure new missiles in order to improve our capabilities to destroy Soviet missile silos. These requests for improved accuracy and higher yields for our missiles introduce a dangerous element into the strategic equation. They could be construed to threaten the entire Soviet land-based missile force. This would increase pressures in the Soviet Union to develop new or improved programs and thereby trigger an arms race. And, in a crisis, the Soviets might decide to launch against us out of a fear that we will launch a preemptive strike against their missiles. For these reasons, none of the counterforce programs—costing about $300 million—should be included in the fiscal year 1975 budget.

Second. The administration seeks more than $2 billion in fiscal year 1975 for the Trident missile submarine program. Each of these submarines will cost $1.3 billion or more. The replacement of the existing 16-missile submarines with the 24-missile Trident, however, might well increase the vulnerability of our submarines since more missiles will be concentrated in fewer boats which are much larger than the existing boats. Fortunately, an alternative exists in the budget. Funds are included for the research and development of a new, smaller submarine called the Narwahl. I strongly support this program and the program for the Trident I missile—which could fit in the existing submarine force and in the Narwahl submarine. Suspending the Trident submarine—but not the Trident I missile—program would yield a savings of $1.4 billion.

Third. The proposed budget seeks one-half billion dollars for development and testing of the B–1 intercontinental bomber. However, even its supporters admit that the program is in serious technical and financial difficulties, with the estimated per plane costs now in excess of $60 million. Since present B–52 bombers can remain in service well into the 1980's with proper maintenance and some modifications, there is no reason to push ahead with the B–1 at this point. Rather, procurement of additional B–1 aircrafts should be halted. The Defense Department should begin development of a follow-on to the B–52 which could use standoff air-to-surface weapons and thereby reduce the need to penetrate the thick Soviet air defenses. These missiles are already under development and the fiscal year 1975 budget also includes $20 million for an advance tanker aircraft which could carry these missiles.

Fourth. Two years after the ABM treaty sharply limiting the deployment of antiballistic missiles—ABM's—the proposed budget still calls for $374 million for the development of more modern ABM's. These programs should be limited to research on advanced technology without the procurement of hardware, for a savings of about $200 million.

3. MILITARY EFFICIENCY

Our present military force displays a shocking increase in the ratio of officers to enlisted men. There are now more field grade, lieutenant colonel or commander and above, and flag officers to command a force of 2.2 million than there were in 1945 when the military numbered 12.1 million. Moreover, among officers and among enlisted men, there is grade creep as a higher proportion of officers are made high-ranking officers and more enlisted men become sergeants and the like. Correcting these imbalances could result in savings of about $500 million.

I also believe that savings can be realized by improving management practices. Management systems within the Defense Department should be standardized. Procurement practices should be carefully reviewed. For example, Defense Department purchase of commonly used items, called "unitary buying," rather than procurement by individual service units could in many cases avoid excessive inventories and unnecessary duplication of contracting efforts.

4. SOUTHEAST ASIA MILITARY ASSISTANCE

The continuing war in Southeast Asia is still costing the United States about $2 billion a year in military aid alone. We must put an end to our involvement in the Indochina war. The taxpayers of this country should not pay for the bullets used by the Saigon regime. I support an end in military aid to Saigon entirely this coming fiscal year.

5. MILITARY ASSISTANCE PROGRAM

The United States distributes an ever-increasing amount of military equipment around the world in free military assistance, training, and sales. This massive distribution does little or nothing to bring about world peace. Several conflicts in Asia, Africa, and Latin America have even been fueled with U.S. military aid. I recommend a cut of $1.7 billion in the administration's $1.9 billion budget request. I note that none of this request is for the Middle East; the administration has so far requested a fiscal year 1974 supplemental for the Middle East and has yet to make a request for fiscal year 1975.

Economies such as these can allow the recommended $6–8 billion savings. Moreover, it is fat, not essential combat capability, which is being trimmed. To emphasize that this proposal is not a meat-ax approach, I want particularly to declare my support for certain programs.

TABLE 2.—*Summary of some feasible reductions in fiscal year 1975 military budget authority*

[In billions of dollars]

General purpose forces	$5.9
Forces stationed in Europe	.7
Asia-committed forces	2.4
Indian Ocean carrier	.1
Procurement (including binary nerve gas)	2.7
Strategic forces	2.4
Counterforce program	.3
Trident submarine	1.4
B-1 bomber	.5
Strategic defense	.2
Military Efficiency: Adjusting officer/enlisted man ratio and grade levels	.5
Southeast Asia military assistance	1.9
Military assistance program	1.7
Total	12.4

First, our military forces should be modernized as necessary with streamlined, effective replacements. The replacement of the Minuteman I land-based intercontinental ballistic missile with the Minuteman III is a good example. Likewise, as mentioned earlier, I support Secretary of Defense James Schlesinger's proposal to begin development of the Narwahl missile submarine as a follow-on to the present missile submarines as well as the development of light-weight, simple fighter aircraft. I also encourage the Pentagon's search for a close-support aircraft to assist our combat troops. Finally, I urge the Pentagon to give close attention to the development of tactics and defenses to counter the Soviet antitank and antiaircraft weapons which were so effective in the recent Middle East war.

Second, eliminating unnecessary programs and trimming others definitely does not mean skimping on maintenance or failing to possess adequate stockpiles of ammunition and other materials. The Israeli-Arab wars have vividly demonstrated that a military force needs equipment that is ready to use, adequate maintenance, no bottleneck shortages of critical weapons and equipment, and a way to reach the combat scene quickly.

Because of their contribution to sound modernization, maintenance, and inventory policies, Hill Air Force Base, which is Utah's largest single employer, and Tooele Army Depot have nothing to fear from my proposals. Hill AFB provides vital maintenance for a wide variety of Air Force equipment as well as assisting the modernization of our Minuteman missile force. Tooele Depot helps insure that ammunition and other critical stockpiles are filled. As an example of these bases' contribution to readiness, equipment from Hill AFB or ammunition from Tooele can be carried by aircraft from Hill AFB to about any potential trouble spot in the world in less than 1 day. Though insulated from the hostilities, these bases can essentially provide frontline support.

Indeed, I am worried that the budgets for Hill and Tooele are being eaten away by the Pentagon's expensive emphasis on gold-plated weapon systems. The Defense Department as much as admitted this by recently requesting $2.1 billion for augmented force readiness, increased aircraft capability, and accelerated modernizations.

As one gets caught up in the details of defense spending, there is a tendency to forget the broad international picture. Yet it is this which helps drive up the size of the defense budget. As noted before, the recent relaxation in tensions with the Soviet Union and China should be a factor in assessing our military needs. Looking to the future, I strongly support continued negotiations to achieve mutual limitations on arms. Well conceived agreements can further reduce tensions and the need for military forces.

To be more specific, the strategic arms limitation talks—SALT—with the Soviet Union provide a significant opportunity to limit nuclear weapons with their awesome potential for destruction. In SALT, the United States should especially seek to negotiate limits on Soviet multiple independently targetable vehicles—MIRV's. A MIRV is one of a number of warheads on a single missile, each warhead capable of hitting a separate target. In return for our slowing certain of our strategic programs, for example, the U.S.S.R. might agree to limit the development of the MIRV'ed SSX-18, the even larger follow-on missile to the large SS-9. This would push further into the future the time when analysts would estimate that only a few Minutemen would survive a Soviet attack, a situation which many consider destabilizing.

In the on-going negotiations for mutual and balanced force reductions—MBFR—in Europe, the United States should seek to reduce the number of military forces now facing each other. This U.S. position, however, does not preclude immediate reductions of unnecessary U.S. support forces in Europe since these forces can have little bargaining value.

Similarly, the United States should consider possibilities for other arms control agreements. For example, the Pentagon is pressing to create a major naval base in the Indian Ocean at Diego Garcia, a small island thousands of miles from the United States and in an area of very limited military importance to us. Rather than starting a naval race in that distant place, the United States should consider negotiating limits on naval armaments in the area. The Soviet Union has expressed interest in discussing proposals since, as Soviet leader Brezhnev has said:

> [The Soviets] have never considered, and do not now consider, that it is an ideal situation when the navies of the great powers are cruising about for long periods far from their own shores.

In short, we must maintain our military strength and be capable of repelling any threat to this country's vital security interests. Our defense expenditures, however, should not be immune from the requirement of fiscal responsibility, especially as international tensions are reduced. Without impairing our essential military strength, we should insist on such responsibility; unnecessary programs should be dropped and others trimmed. At the same time, we should further pursue constructive approaches to reduce international tension sand to limit arms.

H.R. 15071, NATIONAL CONDOMINIUM ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois (Mrs. COLLINS) is recognized for 60 minutes.

Mrs. COLLINS of Illinois. Mr. Speaker, over the last few years a new type of housing unit has gained wide notoriety.

These units, known as condominiums, have become the rage of the future. They are geared to sell to those persons who do not wish to buy a house, but who want to own their own living quarters.

The condominium is attractive to persons who are tired of living and maintaining their own house or those who are just starting out in the shelter-buying market. The condominium offers apartment-type living, with recreational facilities usually shared among all of the owners. According to developers, a person or family can have housing without some of the upkeep headaches that are normally associated with the owning of property.

About 4 months ago I was talking with some of my constituents when one mentioned that the condominium craze had become so great that many apartment dwellers were being forced either to buy the rental units in which they resided or move on extremely short notice to other quarters. Since, in Chicago, as in other large cities, the housing market has become so scarce that most of the available rental units are either in the higher income bracket or at the point of being condemned, condominium buying is on the upswing.

Upon investigation I found that there are many complicated issues with condominium developments. For example, I found that in certain instances persons who bought condominium units thought that they had also purchased a share in the recreational facilities, but after occupancy they learned this was not the case: they had to pay for the use of the facilities over a long period of time—in some instancse up to 99 years—even if they did not use the facilities or face foreclosure of the mortgage on their dwelling unit. In one instance, it was ascertained that the developer will make a 50,000-percent profit on the recreational facilities alone.

Recently, an article entitled "Condominimums: New Ripoff," appeared in the Nation. Mr. Leonard Downie, Jr., the author of the article and the deputy metropolitan editor of the Washington Post, pointed out that many condominium owners, after paying between $20,000 and $100,000-plus for their units are faced not only with ramshackle construction, but with maintenance fees and real estate taxes that are reaching far beyond their expectations. On top of that, many buyers are also charged monthly rental fees for common areas—such as the lobby—and the recreational facilities that they thought they had already bought outright. I have received written permission from the Nation to insert Mr. Downie's article in the RECORD. I do so at this point:

CONDOMINIUMS: NEW RIPOFF

(By Leonard Downie, Jr.)

The condominium is the American real estate industry's newest quick-profit rage. During the 1960s, federal and state legal concessions made large-volume condominium sales feasible, and since then developers in San Francisco, Chicago, Boston, New York, Washington, D.C. and other cities, and at oceanfront and ski mountain resorts from Cape Cod south to Florida and west to the Rockies and California, have found it increasingly profitable to market apartment buildings as condominiums, selling individual apartments to home buyers. Because the demand for middle-class housing has recently outstripped the supply of reasonably priced, conveniently located detached houses in many areas, condominium housing has found a large and lucrative market.

Unlike the steadily growing popularity of earlier housing trends, explained San Francisco mortgage broker Robert W. Gaber, "an explosion of demand [for condominiums] reached, almost overnight, boom proportions." In 1969, the year before the boom began, only 5,000 new condominium units were sold; this year the National Association of Homebuilders expects that more than 220,000 will be built and sold. In addition, thousands of existing apartment buildings are expected to be converted into condominiums.

Developers and their financial backers have quickly recognized the bonanza opportunities in the condominium boom, but public officials who are supposed to watch out for the consumers' interests were taken by surprise and have not yet caught up. As a result, for tens of thousands of Americans who have paid over their money without fully understanding what they were buying, condominiums have become the newest national consumer problem. Widespread complaints of shoddy construction, poor maintenance, hidden costs and contract chicanery have produced hundreds of lawsuits against condominium developers, and prompted a number of state, county and city bodies to consider new legislation this year for the regulation of condominium development and sales.

Buying into a condominium means purchasing one unit of a multi-family residence—be it in a big city apartment building, a suburban "garden apartment" or "townhouse" development, or an ocean beach or mountain resort or retirement high rise—as opposed to renting an apartment or buying a traditional single-family house on its own lot. (In an earlier form of apartment ownership, the "cooperative," each tenant buys an interest in the whole building, this share entitling him to residence in a specific apartment. This type of ownership is found principally in New York City.) Usually, the buyer of a condominium unit also buys a proportionate share of the building's common areas and facilities—from the lobby, utility plant and outdoor grounds to the swimming pool, tennis courts or other leisure amenities that often are the heavily advertised selling points of new condominiums.

What the salesmen emphasize most enthusiastically is the idea of owning your own apartment rather than renting it. The changes in federal and state laws during the 1960s made condominium buyers eligible for the same FHA mortgage insurance and the same attractive income tax deductions for mortgage interest and real estate taxes as are enjoyed by owners of single-family detached houses. Why pay out thousands of dollars in unrecoverable rent money when you can accumulate equity by buying your own apartment? And why pass up the tax benefits?

A condominium is supposed to cost less than a single-family house of the same floor space, while offering convenient recreational facilities and professional maintenance. However, many condominium buyers have found that, when all the extra fees are added up, the apartment has cost them as much as, or more than, they would have paid for a detached house. And, after paying from $20,000 to a good deal more than $100,000 for their condominium homes, they may well discover that the construction or renovation work is poor and that the maintenance fees and real estate taxes are rapidly increasing far beyond what they had expected. On top of that, many buyers are also charged monthly rental fees for the common areas and recreational facilities they thought they had already bought outright. Thousands of even more unhappy condominimum customers lose their entire down payments and months of fee payments to developers who never finish condominium projects or who use one of many tricky technicalities in complicated sales agreements to swindle already resident tenants out of taking title to their apartments.

The condominium boom is also creating serious social and environmental problems. In many cities, elderly people living on fixed incomes have been summarily evicted from older, moderate-rent apartment buildings, so that these may be rapidly converted into high-priced "luxury" condominiums. On the edge of cities, the sprawl of suburbia that continues to chew up former farmland at an alarming rate has begun to take the form of condominium low-rise "garden apartments" and rows of attached "townhouses." Beyond major urban areas, ocean dunes are being lost to hastily constructed condominium high rises, and mountain forests are being similarly invaded.

Condominium housing is as old as Imperial Rome, where 2,000 years ago the scarcity of land in the crowded city-state and the Roman genius for construction produced large brick apartment buildings in which units were sold to their residents. The concept has reappeared periodically in Europe. The multi-unit housing crowded inside walled medieval cities was sometimes sold on a condominium basis. And since World War II, condominiums have been the most popular form of middle-class housing in Paris and other big European cities.

Until recently in the United States, however, a seeming abundance of land and our preference for owning a bit of ground of our own left no market for mass condominium real estate sales. Residential developers made most of their money by buying rural land cheaply and putting up tract homes to be sold on the attractive terms made possible by the FHA and home owners' tax benefits that are underwritten by us all. But by the 1960s, escalating prices for increasingly distant suburban land and steadily rising material and labor costs cut the profit margin in sales of detached single-family homes, and many developers turned to building and renting apartments. While collecting rent, they were able to enjoy much of their income tax-free by claiming large depreciation deductions on their buildings.

It was also at about this time that Congress and several states extended FHA mortgage insurance and standard real estate title and mortgage rights to apartments sold as condominiums. However, not until the 1970s did developers begin to push condominium sales in large numbers. The big move came when apartment building owners found that their rental profits were being reduced by rising maintenance costs and the spread of rent controls. Furthermore, once the years of maximum depreciation had passed for any given building its owner wanted to sell, and he soon found that he would get much less by selling it to another landlord for continued rental than he could by selling individual apartments, after a little cosmetic renovation, to home buyers. Soon, builders took the obvious profitable step of putting up apartment houses for immediate condominium sale.

Said James C. Downs, chairman of the Real Estate Research Corporation in Chicago, "Rental properties are obsolete in an inflationary economy. You simply cannot make any money on them because rents are too low and you can't raise rents fast enough to keep up with rising costs." In Washington, D.C., the return on investment for rental property has suddenly dropped from around 12 per cent to 5 per cent and lower, according to John T. O'Neill, head of the local Building

Owners and Managers Association in what had been the best rental housing market in the country. But an apartment building that was not making much money on rentals could easily be turned into a gold mine by converting it to a condominium.

"Take a property with units currently worth $10,000 to $20,000" each for rental purposes, O'Neill said. "You can put in a new kitchen, new appliances, carpets, drapes, better bathroom fixtures, and sell the units for $25,000 to $28,000" each. The average cost of improvements made in the typical converted condominium apartment selling for $25,000 last year, according to the National Association of Homebuilders, was only $1,200. So, even after paying for the cost of marketing the apartments, a developer can often clear a profit of 25 per cent or more by converting the average apartment building into a condominium.

And just because the seller spends as little as he can get away with, condominium buyers often inherit heating, wiring, waterpipe and other building problems that will cost them dear once they collectively own the building. Misrepresentations about the extent of renovation and the true condition of a converted building are among the most common complaints. As a result, local governments are now considering regulations to require condominium salesmen to prove that the buyers were provided with, and understood, an accurate, detailed engineer's report on the building's condition.

Many condominium sales agreements require that the monthly maintenance fee be paid to the developer selling the condominium or to a building management subsidiary he has set up. Thus, the developer can insure himself a continuing profit over the years by keeping the management fees higher than the actual cost of maintaining the building. By the time apartment buyers come to understand this arrangement, usually after watching their maintenance fees steadily increase, it may be too late for them to break the management contract. And if they do succeed in breaking the contract or in keeping the developer out of the management of their building in the first place, how do condominium buyers go about choosing a better manager? How can they properly supervise the upkeep of boilers, air-conditioning and roofs?

In addition to unanticipated maintenance costs, buyers of converted condominium apartments are often surprised by large immediate increases in their property taxes. The reclassification of a building from rental to home ownership often doubles its taxable market value, making each new apartment owner liable for real estate taxes twice or more as large as he expected. And, as the building's market value continues to increase with inflation, so does the tax bill.

It is not unusual for an apartment buyer, who was told at purchase time that he would pay $250 a month on his mortgage, plus $60 for maintenance and $40 for real estate taxes, to find himself in a year or two paying more than $100 each for maintenance and real estate taxes—the equivalent of having his "rent" suddenly jump from $350 to $450 a month. Of course, that sum is not supposed to be rent. The buyer expects to build equity with his mortgage payments and to deduct from his taxable income each year the mortgage interest and real estate taxes (but not maintenance fees).

However, purchasers of converted condominium apartments are apt to find that they cannot begin to accumulate equity and enjoy tax benefits as soon as they had expected. In many states more than half of a building's units must be sold before it can legally become a condominum. Some sellers manage to use trick clauses in long, complicated sales agreements to delay the transfer of title to individual apartment buyers even longer than that. In one Washington apartment building, recently converted to a condominium, a number of buyers did not discover until nine months after they had moved in that they still were legally only renters, pending title settlement, and that each had lost hundreds of dollars in payments not applied to their mortgages and in home owners' deductions they were not able to take on their income taxes. Instead, the building's landlord was keeping their payments as rent and using the building for his own tax deductions. It was all perfectly legal.

Worse things have happened to prospective purchasers of apartments in brand-new buildings, especially in Florida, where condominiums account for 75 per cent of all for-sale housing going up in the state. In Dade County (Miami and environs) the number of condominium building permits doubled from 1971 to 1972; in November 1972 the state Pollution Control Department banned further granting of permits until more sewage treatment plants could be built. North of Miami in Broward County (the Fort Lauderdale area), land that had been selling for $1,500 to $15,000 an acre in 1970 is now selling for $25,000 to $80,000 an acre to condominium developers. Philip Montante, the local prosecutor, said that more people are swindled buying condominiums in Broward County "than anywhere else in the United States."

To begin with, most condominiums there and elsewhere in Florida are sold, frequently to out-of-state buyers, before construction begins or is very far along. The developer uses the deposits and down payments to defray some land purchase and construction costs, with a construction loan from a bank or savings and loan association covering the rest of the "front money." That way, he need put no money of his own into the venture. Then, if the developer fails to finish the project, as has happened in Florida and elsewhere, and someone else takes it over through foreclosure, buyers may lose their entire deposits and down payments.

More common are agonizing delays of construction, and still more waiting after the buyer moves in before he gains legal title. Furthermore, thanks to hidden escalator clauses in many Florida condominium purchase contracts, the monthly payment after title settlement is often much higher than originally stated or than it would have been, according to the contract, if the building had been finished and fully occupied on time.

Buyers into most Florida condominiums discover too late that they did not buy a share of the building's recreational facilities along with their units. The developer has retained ownership of these facilities and, under a ninety-nine-year lease, rents use of them to each tenant at from $25 to $100 or more a month. As *Dun's*, the financial journal explains, "For the developer, the leasehold clause means an enormous windfall, spread over a long period. He may spend $300,000 for recreation facilities and lease the facilities to condominium owners for $100,000 a year; in three years he has his investment back and goes on to collect $100,000 a year for the next ninety-six years for doing nothing."

To make certain that they collect this rent and that the condominium apartment owners never successfully revolt, many Florida developers have the leasehold written into each deed as a mechanic's lien, which takes precedence under Florida law over even the mortgage on each unit. If the apartment buyer doesn't pay the facilities rental fee, his apartment can be sold out from under him. And in many of the leasehold clauses, there is a "cost-of-living" escalator that steadily raises the recreation facilities rental fee. Recently, attempts have been made in the Florida legislature to modify or outlaw this "release" clause, but they have thus far been unsuccessful.

Buyers of new condominium apartments protest against poor construction work and broken promises made by salesmen. A frequent complaint made of Mayor Milton Weinkle of Hallandale, a booming Broward County condominium community, is that room sizes are much smaller than promised by the salesmen and that many touted features are missing or of poor quality. "Sure we have abuses that may constitute fraud," Weinkle said, "but that's the business of the State's Attorney, not us." But the prosecutor explains that, because of inadequate Florida laws and the legality of book-size condominium sales agreements that take precedence over salesmen's oral promises, there is little he can do about the abuses.

Poor construction is a national complaint about new condominiums, especially in the increasingly numerous attached "townhouse" developments going up in the suburbs, according to a national survey made of condominium buyers by the Urban Land Institute, a nonprofit housing research organization based in Washington, D.C. Developers are building more and more townhouse condominium communities because they require less land per unit than detached homes and cost much less per unit than either detached homes or high-rise buildings that require elevators and must comply with the structural and fire prevention requirements of most local building codes. Often the less expensive construction of these townhouses translates to "cheap and shoddy" in the terminology of home buyers quoted in the Urban Land Institute survey of condominiums in several price ranges built and sold recently in suburbs outside San Francisco, Los Angeles, San Diego and Washington, D.C.

Belatedly, government officials are beginning to consider ways to curb the excesses of condominium developers. A new national model building code being urged on the states by federal officials could help improve construction quality. The Securities and Exchange Commission has ruled that sellers of certain kinds of condominiums must register their offerings and submit to SEC regulations on sales practices. The Department of Housing and Urban Development is cracking down on sales practices for recreation and vacation developments that are registered with it; these include some condominiums.

Several states—New York, Maryland and Virginia, among others—are considering protective measures for tenants of apartment buildings about to be converted to condominiums, including ninety-day notice for evictions and restrictions on the conversion of buildings in which a certain percentage of tenants oppose conversion or have not been offered a realistic opportunity to buy their own apartments. Some states are studying ways to simplify condominium sales agreements and to increase buyers' defenses against entrapment. Although too few know it, condominium buyers in many places already have the right to abrogate their purchase agreements at any time before enough units have been sold to make a building legally a condominium.

As of this writing, however, none of the proposed state or local condominium regulations has been approved. In their absence, as Florida state Rep. Alan Becker of Miami said after the bill to outlaw ninety-nine-year recreation leasehold clauses in condominium agreements was defeated last year: "What we have seen is free enterprise temporarily prevailing over justice."

On April 21, 1974, Mike Wallace, of the "60 Minutes" program of CBS, presented a segment entitled "The 'Condo' Craze."

The "60 Minutes" reporters interviewed condominium owners and developers in order to ascertain whether sharp practices of condominium sellers really do result in a "ripoff to the buyer." The result of Mr. Wallace's investigation showed that "in condominiums, promises are too frequently better than performance."

One of the interesting problems that arises in condominium purchasing is the purchase agreement itself. Since condominiums are really an alternative to single-family housing units, one could probably presuppose that the contract to purchase the unit would be similar to that of a single-family housing unit. Not so. According to Mr. Wallace:

> Chances of a misunderstanding in buying a condominium are considerable if you're not careful. . . . Say that you were to buy a $100,000 home in Florida. The contract could be on just two sides of this single sheet. Now, then, this 12-page agreement contains all of the legal language necessary for the purchase of a commercial building that sold for five million dollars. But, to buy a condominium costing a mere $29,900, you have reams of legal language to wade through. First of all: a ten-page purchase agreement. But then: an encyclopedic volume called the Declaration of Condominium—over 100 pages worth of restrictions and clauses and sub-clauses, some of it so finely printed that even some one with 20/20 vision has trouble reading it without a magnifying glass.

One lawyer said:

> The documents themselves are impossible to read by a layman. They're difficult to be read by a lawyer.

Aside from the fact that a condominium buyer may never be sure when the building may become 100 percent complete, or what portion of the building is held in joint ownership or leased from the developer, or what guarantees exist for the heating, plumbing, electricity, air-conditioning, ventilation, elevators, and/or roofing, or of what services are provided by his mortgage, one of the more interesting aspects of purchasing a condominium unit before the building is completed is the lack of a guarantee that an owner get his or her money back if the venture fails. Some developers take the money paid down on condominium units and use it to build the structure. This is unsound financial backing for the developer whose risks are often unknowingly assumed by the buyer.

Inasmuch as the transcript of the "60 Minutes" show is enlightening, I have obtained written permission to place it in the CONGRESSIONAL RECORD and do so at this point:

THE "CONDO" CRAZE

WALLACE. The biggest single expenditure most of us will ever make is for a home of our own. And they're getting more expensive all the time. So, the real estate developers—always resourceful—came up with a wrinkle new to the United States: the condominium. From Maine to California, Americans are caught up in a condo craze. But it turns out all is not gold that glitters. 60 Minutes went behind the facade of the condominium.

Industry observers tell us the condominium is the wave of the future in the housing market. There are condos for everyone: if you're married and have children; or if you are single; condominiums for retired folks; if you are a golf nut. Is it boating that turns you on or just sunning by the pool? Most important, there is a condominium for just about every pocketbook.

What's a condominium? It's a piece of real estate, an apartment or a townhouse, a unit, what have you. Unlike a rental apartment, you own your condominium outright and you pay the taxes on it. You share with your neighbors the upkeep of the common elements: lobbies, lawns, corridors. The lure of the condominium is that you can get a big mortgage on it; you can deduct your property taxes from your income tax; you can make a profit when you sell it if the market goes up. The condo first came to the United States in Florida. That's where most of them are today. So, 60 Minutes went to Florida to film a condominium buyers' guide.

The idea of condominium is hardly new. It goes back to Roman times. In Latin it means joint domain. There is an ancient Latin admonition that applies here: caveat emptor. In Roman days, it was a phrase that, fully amplified, meant: let the purchaser beware, for he ought not to be ignorant of the property which he is buying from another party. First off, be skeptical of any promises that are not in writing. The sales brochures and the scale models aren't always accurate representations of what you're going to get if you buy. Down here, the developer has the right to change things even after he has started his advertising campaign. It is in the sales office that the buyer should begin to beware.

WOMAN. These are the four buildings: Building 1, 2, 3 and 4. These two buildings will be ready about March of 1975; this one, about the middle part; and this one, about the end part of 1975.

WALLACE. That sales lady may be a trifle over-optimistic. She tells her prospects that Plaza of the Americas will be ready for occupancy a year from now. What she doesn't tell them is that not all of the necessary building permits have yet been issued nor, indeed, has a spadeful of earth yet been turned here.

In condominiums, promises—it turns out—are too frequently better than performance. Now, all that is perfectly legal and the developer suffers no penalty if he doesn't finish construction when promised.

But once the developer gets a document called a certificate of occupancy from the local government, he can force the buyer to close the deal, although the condominium is not necessarily completely finished—far from it. And the buyer may find himself battling with the developer—like the folks here at Building 300 of Winston Towers, who moved into their condominimum ten long months ago.

MAN [Over loud speaker]. Now what in heaven's name does it take to make a corporation like Centex—on the Board, recognized all over the country—what does it take to make them stand up and pay or give what you paid for? For the life of me, I haven't been able to find out. The air conditioning pipes and connections on the roof were corroded. You remember what happened with the people from the 18th floor up? They never told them that the apartments were not up to standards, that doors were missing, that refrigerators were missing, that the electric ranges had no doors on them, that the lights were out. This, Centex didn't tell them. And this, they found out when they took title and moved in.

WALLACE. The developer, however—in this case, the Centex Corporation, a nationwide building firm—sees the problem from a different point of view. Alan Grossman is vice president in charge of their Miami operation.

One of the things that the people in Building 300 complain about is this: they say, "We were promised that we were going to move into a building—a finished building," and they come in there and are—and the building isn't finished.

ALAN GROSSMAN. Well, what you say is partially correct. The building is not through nor will it be through for approximately another month. It is scheduled as an 18-month project and it should be through at the end of this month. Unfortunately, many of these people may believe that they were promised they would move into a building that is 100% complete. This is not a promise we made. Or, if it was made, it was done inadvertently or in error.

WALLACE. Either you promised or you didn't promise that they were coming into a finished building.

GROSSMAN. We—We did not promise. I—I can only assume that there was a misunderstanding between the home owner or the prospective purchaser and the sales person at the moment of sale.

WALLACE. Chances of a misunderstanding in buying a condominium are considerable if you're not careful, which brings us to a fascinating part of our story. Say that you were to buy a $100,000 home in Florida. The contract could be on just two sides of this single sheet. Now, then, this 12-page agreement contains all of the legal language necessary for the purchase of a commercial building that sold for five million dollars. But, to buy a condominium costing a mere $29,900, you have reams of legal language to wade through. First of all: a ten-page purchase agreement. But then: an encyclopedic volume called the "Declaration of Condominium"—over 100 pages worth of restrictions and clauses and sub-clauses, some of it so finely printed that even someone with 20/20 vision has trouble reading it without a magnifying glass.

Alan Becker is a Florida State Legislator who wants to change the condominium law. One gets the impression that this huge contract of the condominium developer—condominium builder—puts in front of his client is almost calculated to obfuscate, to make life a little bit more dim and difficult for the buyer.

ALAN BECKER. If it isn't intended to, it certainly has that effect. The documents themselves are impossible to be read by a layman. They're difficult to be read by a lawyer. With the time limitations, they almost aren't ever read by the people who are buying the condominium when they should read it. Now, the law gives you 15 days from the time you get this to back out of the contract. But I don't think you'll ever find a developer who will tell you that and you don't see on any of the contracts that you have the right to back out. So most people are afraid. And, in fact, they're told that they're going to lose their deposit if they try to back out and they've put down substantial deposits. If you look at the contract, advance payments made pursuant to this contract may be used for construction purposes.

WALLACE. What you're saying is that when I go into a sales office and see a brochure with a condominium I like, I give the fellow a down payment, he uses my money to build his building?

BECKER. It's a great business, isn't it? Yes, he does. The only thing he has to do is tell you on the contract that he's going to do it. But what he doesn't tell you is that in no way is your money really protected.

WALLACE. Another item the prudent buyer should be well aware of before he makes his purchase is one of the most despised—though perfectly legal—devices the developer uses to keep on making money from condominium owners long after he has sold them their apartments. The most notorious additional payment that many condo owners have to make is something called the "Recreation Lease". For instance, here at Guilford House: this swimming pool. It is the sole recreational facility in the building. And yet, the 72 owners of the condominiums here have to agree by contract to rent this swimming pool for $25,000 a year for 99 years. They have to agree to that by contract before the developer will sell them an apartment. "Take it or leave it," says the developer. The condo owners here at Guilford House took it. As a result, each one of them pays about $40 a month to rent this swimming pool.

Mr. Grossman, one of the joys of condominium living is that you're supposed to own your own home. And it turns out you own your own apartment, but you—you've got to pay a fee for recreation. Whether you use it or not, you still have to pay the fee for recreation. You sign the contract and that's what it is.

Grossman. You read the contract and then you sign the contract. And I think that anyone with any intelligence can go through it and basically understand the fundamentals of condominium ownership.

Bernard Fagen. Well, it's a very limited ownership when you begin to analyze the thing. You find that the recreation area that you see here does not belong to you. It's subject to a 99-year lease that we pay $115,000 a year for.

Wallace. Attorney Bernard Fagen is President of Building 300 Homeowners Association. He and 416 condominium owners here are party to a typical recreation lease which says that if Mr. Fagen and the rest don't pay their monthly recreation fees, their apartments can be foreclosed—taken away from them.

Fagen. He doesn't maintain; he doesn't take care; he doesn't develop. We must take care of it. In other words, this is net to him of $115,000. We even pay the taxes for this area. As an attorney, 40 years in practice—in excess of 40 years in New York—I have never seen anything like this until I've come down here to Florida.

Becker. Some developers have said that they—for a recreation facility, they look for a 50,000% profit.

Wallace. A what profit?

Becker. 50,000%. You can build a beautiful recreation facility for a million dollars and then, over the course of a 99-year lease, bring back five million dollars a year in rentals on that facility. And over 99 years, you've got roughly 50,000% return on your money.

Wallace. There is still another clause to watch out for. It's called the "Management Contract" and it can cost a lot of money over a long, long time. What you're looking at are checks representing management fees for a three and a half year period—money paid out by the apartment owners to the manager, who also happens to be the developer. Here's how it works.

Becker. The developer sells you the apartment. You're supposed to live in the condominium community, run your own affairs. But you don't really run your own affairs. The developer reserves, by contract with himself, the right to manage this place for x number of years—two years, five years—I've seen them up to 99 years.

Wallace. For a good fee?

Becker. For a good fee, yes. And with absolute control over how your money is spent and who is fired and who is hired to run your building.

Wallace. So he gets it coming and going—the builder—the developer.

Becker. Yes, he gets it. So does the purchaser.

Wallace. To Leonard Schreiber, an early developer of condominiums in Florida, the management contract is a form of insurance. I suppose the bottom-line question is: Why should Leonard Schreiber have a 25-year contract to manage and a 99-year contract for a recreation lease? Why, just for putting up those buildings, should he have this golden contract in what seems like, then, to be perpetuity?

Leonard Schreiber. Well, Mr. Wallace, it's not only Leonard Schreiber that has 25-year management contracts. You must remember, going back quite a few years when the developments were first starting to be built, lending institutions wanted to know: Who's going to manage these developments? Who's going to oversee all of the things that come into the managing of the development, from the repairs of things to the repainting of buildings to the mowing of the lawns to the taking care of the pools to—

Wallace. But you don't do that. You hire people to do that for you and you sit up front and take 6% off the top of all expenses of management.

Schreiber. That is very true. But we guide the people that we hire.

Wallace. That's a pretty high price to pay—6%—for a little guidance. Would you agree with me, Mr. Schreiber, that the day of the management contract is probably past?

Schreiber. I would say that the type of people coming into condominums today are very astute people and that the day of the management contract is—has served its purpose.

Wallace. What about the day of the recreation lease?

Schreiber. I do not think that that is over. I think that a man has a right to build what he wants to build as long as he is doing it legally and as long as there is full disclosure as the law prescribes. And I think that people have a right to either purchase from him or not purchase from him.

Wallace. A recreation lease in which the developer gets back—and this is—this happens, as you well know—a third or a half of the entire cost—in some cases 100% of the entire cost—of the recreational facilities in one year's time and keeps getting 35, 50 or 100% back every year—moral? Legal?

Schreiber. I would not pass upon the moral portion of it. Legal? Yes.

Wallace. The condominum buyers we met in Florida—lots of them—are savvy businessmen who think now that they were taken. They failed to read the fine print. Take Ernest Samuels, a 67-year-old retired executive.

Mr. Samuels, you're a grown man. You ran a furniture business. You came down here; you signed a contract. A contract is a contract.

Ernest Samuels. That's correct, sir. We did sign it. But unfortunately, when we signed that contract which was 120 pages long, we didn't know exactly what the terms of that contract were because I don't think that anybody ever read it.

Wallace. What do you mean, nobody ever read it? You have lawyers who have bought condominums here. You ran a business in New York. You mean to say that you signed a 120-page document for your condominium without reading it?

Samuels. Well, the document itself was never presented to us when we were signing the deed to the apartment. This 120-page document was usually either mailed to the people who bought the apartment or delivered to them at the time that the signing was taking place.

Wallace. But you had the right to back out?

Samuels. Yes, you did. You had the right to read it, of course—take a few weeks to read it. And then either sign or not sign.

Wallace. Well, why didn't you take a few weeks to read it? Now you're complaining.

Samuels. They didn't look like really a legal document that you're bound by in the purchase of a home.

Wallace. Well, you were wrong.

Samuels. We certainly were. Yes, sir.

Wallace. And what you're saying is to other people who might be buying condominiums in the future, "Look out!"

Samuels. I would say look out for the management agreements and look out for the leases and get your lawyer to check them carefully.

Wallace. Since we filmed that report, many of the complaints by the owners of Building 300, Winston Towers, have been taken care of by the developer.

Today a number of states are considering legislation to correct the kind of abuses we've just seen. But until these condominum reform bills are passed into law, we would still caution, "Caveat emptor—let the buyer beware."

Mr. Speaker, what with all of the abuses that I have discovered in the condominium phenomenon, I decided to write legislation which I believe will protect the condominum buyer and/or the residents of units that are being converted to condominiums, and establish reasonable minimum national standards for condominium developments which are financed with Federal assistance in any form.

The bill, H.R. 15071, National Condominium Act, would provide for the establishment within the Department of Housing and Urban Development of an Assistant Secretary for Condominiums. The assistant secretary will be responsible for, first, coordinating all of the housing programs involving condominiums within the Department; second, receiving and reviewing all plans involving condominums which are to be developed, constructed, or purchased with financial or other assistance from the Department; third, will be regularly consulted with respect to all other programs of the Department to the extent that they affect or otherwise involve condominiums; fourth, coordinate the activities and programs of the Department which involve condominums with related activities and programs of the Veterans' Administration and other Federal departments and agencies, and with the corresponding activities of lenders making federally assisted condominums housing loans; fifth, carry out studies and make recommendations for appropriate administrative or legislative action with respect to condominiums; and sixth, provide a central source and clearinghouse of information with respect to condominiums. Further, the Secretary of Housing and Urban Development is authorized under this legislation to make grants to State and local governments and agencies to help them establish special offices to administer and enforce the procedures, standards, and requirements established in the bill.

H.R. 15071 requires that no federally assisted condominium housing loan shall be made unless the developer, first, submits the names of all of the owners of the development, the terms of the sales contract, and the ownership documents; second, provides satisfactory assurances that all purchasers of dwelling units will be given a full 1-year warranty on all electrical, heating, air conditioning, ventilation units, roofing, and elevators; and third, submits the estimated operating and maintenance costs of the project, as well as any other costs which may be passed on to the owners of the dwelling units in the project whether in the form of recreational fees, maintenance fees, or otherwise. Additionally, recreational fees shall be stated separately from any other fees to be charged purchasers, shall be applied only on a unit-by-unit basis reflecting the recreational facilities to be furnished the occupants of each such unit at the occupants' option, and may be taken into account in determining the right of unit owners to use such facilities but shall not be considered a part of such owners' required mortgage payments.

The bill also provides some measure of protection of those persons who reside in buildings which are being converted into condominium units. It allows that, first, each tenant of a unit shall have first priority to purchase dwelling units in the project; second, all tenants of the structure or structures involved will have been given at least 6 months in which to decide whether or not to purchase; and third, more than half of the tenants of the structure or structures involved will have freely agreed—before the conversion to condominium use can occur—either to purchase their dwelling units or to move from the structures; fourth, tenants will receive a 90-day written notice requiring them to move if they do not decide in the 6-month period allowed to buy; and fifth, no lease agreement outstanding at the time of conversion shall be abridged without the consent of both the lessee and the developer.

I strongly feel that this legislation is needed to protect both the many honest condominium developers around this country as well as the potential buyers who might, inadvertently, assume that they will receive more than is the case. It is designed to ward off possible future abuses in condominium sales.

A copy of the bill is submitted to be printed at this point in the Record:

H.R. 15071

A bill to protect purchasers and prospective purchasers of condominium housing units, and residents of multifamily structures being converted to condominium units, by providing for the establishment of national minimum standards for condominiums (to be administered by a newly-created Assistant Secretary in the Department of Housing and Urban Development), to encourage the States to establish similar standards, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "National Condominium Act".

PURPOSE

Sec. 2. The Congress finds and declares that in view of the current difficulty in finding decent housing which exists throughout the country, and with the increasing urge for owner-managers of multi-unit rental housing to convert such housing into purchased-unit housing and to sell the units on the open market rather than leasing them, it is necessary that the Congress protect both the residents of leased units to be converted and the potential purchasers of such units from undue hardships and unexpected economic expenses. It is therefore the purpose of this Act to establish minimum national standards for all condominium units the sale of which is financed with Federal assistance in any form, and to encourage the States through a new program of Federal grants to establish minimum standards for the offering of condominium units.

DEFINITIONS

(1) the term "Secretary" means the Secretary of Housing and Urban Development;

(2) the term "developer" means any person who owns or constructs a condominium project (or converts or proposes to convert a multifamily rental housing project to condominium ownership) and who offers or proposes to offer dwelling units in such project for sale;

(3) the term "condominum project" means a multifamily housing project, consisting of one or more buildings and related property, facilities, and appurtenances, in which the dwelling units are held in condominium ownership;

(4) the term "condominium ownership" means ownership by each of two or more persons of an estate in residential real property consisting of a separate interest in one or more dwelling units in such property, either in fee or for a term of not less than 30 years, together with an undivided interest in the common elements, areas, and facilities which are appurtenant to such dwelling unit or units;

(5) the term "dwelling unit", with respect to a unit in any condominium project, includes any undivided interest in the common elements, areas, and facilities which are appurtenant to such unit;

(6) the term "federally-assisted condominium housing loan" means a loan which is made to finance the transfer of condominimum ownership to an individual or family or the purchase, construction, rehabilitation, or conversion of a condominium project by a developer, and which—

(A) is made in whole or in part by a lender the deposits or accounts of which are insured by any agency of the Federal Government, or is made in whole or in part by a lender which is itself regulated by any agency of the Federal Government; or

(B) is made in whole or in part, or insured, guaranteed, supplemented, or assisted in any way, by the Secretary of Housing and Urban Development or any other officer or agency of the Federal Government or under or in connection with a housing or urban development program administered by the Secretary of Housing and Urban Development or a housing or related program administered by any other such officer or employee; or

(C) is eligible for purhcase by the Federal National Mortgage Association, the Government National Mortgage Association, or the Federal Home Loan Mortgage Corporation, or from any financial institution from which it could be purchased by the Federal Home Loan Mortgage Corporation; or

(D) is made in whole or in part by any "creditor", as defined in section 103(f) of the Consumer Credit Protection Act of 1968 (15 U.S.C. 1602(f)), who makes or invests in residential real estate loans aggregating more than $1,000,000 per year;

and the term "federally-assisted condominium project" means a condominum project (i) the purchase, construction, rehabilitation, or conversion of which was financed in whole or in part with a federally-assisted housing loan a portion of which remains outstanding, or (ii) dwelling units in which are currently (as determined by the Secretary) being sold with the aid of federally-assisted housing loans; and

(7) the term "State" includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

ASSISTANT SECRETARY FOR CONDOMINIUMS

Sec. 4. (a) The first sentence of section 4(a) of the Department of Housing and Urban Development Act is amended by striking out "six" and inserting in lieu thereof "seven".

(b) Section 4(b) of such Act is amended by inserting "(1)" after "(b)" and by adding at the end thereof a new paragraph as follows:

"(2) One of the Assistant Secretaries provided for in subsection (a) shall be designated Assistant Secretary for Condominiums. All of the functions and duties vested in the Secretary by the National Condominium Act, and any other program or part thereof which is administered by the Department to assist in the planning, development, construction, or operation of condominiums or the purchase of condominium units, shall be administered by and through the Assistant Secretary so designated. In the exercise of this authority, the Assistant Secretary shall—

"(A) coordinate all of the housing programs involving condominiums within the Department;

"(B) receive and review all plans involving condominiums which are to be developed, constructed, or purchased with financial or other assistance from the Department;

"(C) be regularly consulted with respect to all other programs of the Department to the extent that they affect or otherwise involve condominiums;

"(D) coordinate the activities and programs of the Department which involve condominiums with related activities and programs of the Veterans' Administration and other Federal departments and agencies, and with the corresponding activities of lenders making federally-assisted condominium housing loans;

"(E) provide a central source and clearinghouse of information with respect to condominiums; and

"(F) carry out studies and make recommendations for appropriate administrative or legislative action with respect to condominiums."

(c) Paragraph (87) of section 5315 of title 5, United States Code, is amended by striking out "(6)" and inserting in lieu thereof "(7)".

REQUIREMENTS FOR FEDERAL ASSISTANCE TO CONDOMINIUMS

Sec. 5. (a) No federally-assisted condominium housing loan shall be made unless (1) the developer of the project involved submits, along with the application for such loan, a statement containing (or accompanied by) the information specified in subsection (b), and (2) the Secretary approves such statement as being accurate, complete, and in accordance with the purpose of this Act.

(b) The statement required by subsection (a) shall contain (or be accompanied by) the following:

(1) the name and address of each person having an interest in or lien on the project covered by the statement and the extent of such interest (including any interest to be retained by the developer);

(2) a statement of the terms of any contract or agreement under which the developer (or his successor in interest) is to provide any services to the project or any part thereof or to the owners of the individual dwelling units therein (and including a copy of each such contract or agreement);

(3) a legal description of the project and the land on which it is situated, in sufficient detail to identify the common elements and units in the project and their relative locations and approximate dimensions, together with copies (signed by a professional registered engineer or architect or both) of all engineering and architectural plans for the construction or conversion of the project;

(4) satisfactory assurances that all purchasers of dwelling units in the project will be given a full one-year warranty on all electrical, heating, air-conditioning, and ventilating equipment and on the roofing and elevators;

(5) the estimated operating and maintenance costs of the project, as well as any other costs which may be passed on to the owners of the dwelling units in the project whether in the form of recreational fees, maintenance fees, or otherwise;

(6) satisfactory assurances that no certificate of occupancy will be presented by the developer, or utilized to compel the signature

of any prospective purchaser, until the structure involved is 95 percent completed;

(7) a clear statement of the responsibility of the developer for any structural or engineering defects in the project;

(8) satisfactory assurances that (A) the owners of the dwelling units in the project will be permitted to form an owners' association, and select the project management, no later than one year after initial occupancy of the project or (if earlier) as soon as 80 percent of the units in the project are occupied, and (B) the developer will not establish a management lease which is enforceable against the owners of the units in the project beyond the earliest date on which such owners are authorized to select the project management under clause (A);

(9) satisfactory assurances that the date on which each structure in the project is to be completed will be clearly set forth in each purchase agreement covering a dwelling unit in such structure, and that if such structure is not completed by the date set forth in such purchase agreement—

(A) the purchaser may revoke and cancel the agreement and receive a refund of 95 percent of the purchase price, or

(B) the principal amount of the purchaser's mortgage obligation shall be reduced by 2 percent for each month (or part thereof) occurring after the date so set forth and prior to completion of the structure. at the option of the purchaser; and

(10) such other information, documents, and certifications as the Secretary may require in order to assure that purchasers are protected in a manner consistent with the purpose of this Act.

Recreational fees shall be stated separately from any other fees to be charged purchasers of dwelling units in the project, shall be applied only on a unit-by-unit basis reflecting the recreational services or facilities to be furnished the occupants of each such unit at the occupants' option, and may be taken into account in determining the right of unit owners to use such services and facilities but shall not be considered a part of such owners' required mortgage payments. Each prospective purchaser of a dwelling unit in the project shall be informed in writing of (A) the extent to which (and the basis on which) the purchase of such unit would include the use of the project's recreational services and facilities and (B) the nature of the interest in such services and facilities which the purchase of such unit would confer.

(c) In any case where the project involved is a leased-unit structure to be converted to condominium use, the statement required by subsection (a) shall also include satisfactory assurances that—

(1) existing tenants will have first priority to purchase dwelling units in the project;

(2) each prospective purchaser of a dwelling unit in the project will be furnished with a copy of the purchase agreement at least 15 days prior to signing, and in addition will be furnished with—

(A) a statement of the total operating and maintenance costs of the structure, and of the operating and maintenance costs per unit, on a monthly and yearly basis, for the preceding three years;

(B) a statement of the costs to be assumed by the owners of dwelling units in the project, both on a unit-by-unit basis and for the project as a whole;

(C) a list of the services to be offered to owners of dwelling units in the project and a statement of any changes to be made in the structure, with floor plans showing the contemplated alterations; and

(D) a description of any new additions to be made to the structure (including recreational facilities) and the cost thereof;

(3) more than half of the tenants of the structure or structures involved will have freely agreed (before the conversion to condominium use can occur) either to purchase their dwelling units or to move from the structure;

(4) all of the tenants of the structure or structures involved will have been given at least six months, after notification of the proposed conversion, to decide whether or not to purchase their dwelling units;

(5) no tenant will be required to move from the project upon its conversion without 90 days' written notice; and

(6) no lease agreement outstanding at the time of conversion (and covering a dwelling unit in the project) shall be abridged without the consent of both the lessee and the developer.

(d) Any person who signs an agreement to purchase a dwelling unit in a federally-assisted condominium project shall have a period of at least 30 days after signing the purchase agreement (excluding Sundays and holidays) in which to revoke and cancel such agreement. The right of the purchaser to revoke and cancel the purchase agreement within a specified period, as described in the preceding sentence, shall be prominently set forth in large bold-face type within the body on the first page of the agreement and also at the end of the agreement immediately below the signatures of the parties.

GRANTS TO STATE AND LOCAL GOVERNMENTS

SEC. 6. (a) The Secretary shall take all possible steps to encourage and assist State and local governments and agencies to establish procedures, standards, and requirements with respect to condominiums, similar to and no less stringent than the corresponding procedures, standards, and requirements provided by this Act, designed to protect purchasers and prospective purchasers of condominium housing units and residents of multifamily structures being converted to condominium units.

(b) The Secretary is authorized to make grants to State and local governments and agencies, in such amounts as may be appropriate, to help them establish special offices to administer and enforce the procedures, standards, and requirements referred to in subsection (a) and in general to oversee the development and construction condominiums and condominium conversions. Grants under this subsection shall be made on such terms and conditions, consistent with the purpose and objectives of this Act, as the Secretary may deem necessary or appropriate.

(c) There are authorized to be appropriated such sums as may be necessary to enable the Secretary to carry out this section.

PENALTIES

SEC. 7. Any person who willfully violates any of the provisions of this Act shall be fined not less than $5,000 and be imprisoned for not less than 2 years.

JOB LOSS SCARE IN CHROME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, reinstatement of U.S. compliance with United Nations sanctions on Rhodesia is crucial for the United States.

Imports of ferrochrome—the processed chrome ore used in stainless steel production from Rhodesia—have steadily increased at the expense of our own domestic ferrochrome industry.

In fact, the United Steelworkers of America—USWA—indicates that American jobs have been lost as a direct result of competition from cheaper Rhodesian imports.

Because of the essentiality of ferrochrome for stainless steel production, the United States cannot afford to export its ferrochrome industry. The United States cannot risk becoming the only major country in the world which cannot produce ferrochrome. Even Finland, which, like the United States, does not have natural resources of high-graded chrome ore, has learned to apply technology so that it now produces ferrochrome and exports it to the United States.

The following article from the April 7, 1974, issue of the Steelworkers' Steel Labor illustrates the detrimental impact of our importing Rhodesian ferrochrome on the domestic industry. It also points out the misrepresentation of these facts by stainless steel and other corporate interests which have tried to convince local steelworkers that they may lose their jobs if sanctions on Rhodesia are reimposed. Nothing could be further from the truth.

I would like to insert the following article for the thoughtful consideration of my colleagues:

JOB LOSS SCARE IN CHROME

Perhaps one of the cruelest forms of intimidation toward working people is the ever-present threat of jobs loss, activated by large corporate interests who seek to improve their profit-making capacity by utilizing the spectre of plant shutdowns. Unfortunately, a situation exists today in the United States where the worst of these scare tactics have been employed against members of the United Steelworkers and their families.

Some companies have made misleading statements that Steelworker jobs are endangered by the United Nations embargo on Rhodesian chrome. They have sought to use some members of our union in their efforts to have the U.S. ignore the sanctions imposed by the community of nations against Rhodesia, where slave labor conditions have understandably made this source of cheap labor and ore attractive to multinational investments.

Not only have these companies distorted the true facts surrounding the Rhodesian chrome situation, but they have ignored the existence of ample supplies from other countries and the government stockpile of chrome ore which would equal current imports from Rhodesia for 18 years.

The facts are that specialty steel jobs will not be lost but rather USWA ferrochrome jobs have been further jeopardized because of the new pressures from Rhodesian ferrochrome smelting sources. Last year the Ferroalloys Association declared that unless "aid is forthcoming soon it will only be a matter of time until almost all domestic production of ferrochrome and chromium metal will cease and the bulk of our country's requirements will be supplied from and dependent on foreign production."

The pressure of low-cost imports of ferrochrome from Rhodesia began to be felt only months after passage of the Byrd Amendment, which "sanctioned" the U.S. to violate our international obligations and deal with the rump government created by Rhodesian racists. Today seven USWA locals who once employed 2,800 workers in four companies in Ohio, West Virginia, South Carolina and Alabama now have a work force almost 30 per cent smaller—*directly attributed to ferrochrome imports of which Rhodesia is the largest source.*

Steelworkers who have been asked by company publications and mailings to support their lobbying efforts to continue this source of cheap ferrochrome may correctly ask if the motivation behind this concern is not American jobs, but rather multinational profits? Union Carbide and Foote Mineral are not coincidentally the most prominent lobbyists for Rhodesia—for they have multimillion dollar investments in that country and seek to protect their holdings.

When dealing with members of Congress, company spokesmen have never documented possible job loss due to any adherence to the Rhodesian boycott. The job loss scare is directed to the employes, as part of their game plan to use workers as pawns to influence Congressmen. They have not and cannot substantiate their attacks on USWA Congressional testimony that American steelworkers are not threatened by an embargo of imports from Rhodsia. Present and projected steel markets are strong and alternate sources of chrome exist.

Certain companies whose history with their own employes do not substantiate an over-concern for people before profits, have attempted to confuse some USWA members for their purposes. The job loss tactic, applied in the past to union organization, pollution control, occupational health and safety and other challenges to corporate profits, will not hold up under careful scrutiny and honest investigation. Facts—and not job loss scares—will place the issue into true perspective.

GLOBAL SCARCITIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. Culver) is recognized for 20 minutes.

Mr. CULVER. Mr. Speaker, the Subcommittee on Foreign Economic Policy has been holding hearings on "global scarcities," focusing on the supply situation in agriculture and minerals and the impact on the international economic order. One of the most disturbing findings of the hearings is the impact of the dramatic rise in commodity prices on the "fourth world"—the 40-odd least developed countries that have been most seriously affected by world inflation. They are populated by nearly 1 billion people and are faced with dismal growth prospects.

It is estimated that the non-oil-exporting developing countries will have to pay some $10 billion more for oil imports in 1974 than in 1973 and more than $5 billion additional for food and fertilizer imports. The resource-endowed LDC's will be able to offset at least part of this burden through higher world prices for their mineral exports. The group of some 40 MSA's—most seriously affected—are favored with no such counterbalance and will suffer a net balance-of-payments cost of some $3 billion.

These nations are faced with economic breakdown, with mass malnutrition and even starvation. A quarter of a million people have already died in the drought-stricken, sub-Sahara belt of Africa. Around the world as many as 20 million people could die if there are crop failures this year.

Whether these gloomy predictions can be avoided depends on action by the developed countries, which in turn is keyed to the leadership role that the United States is willing to exercise.

While food prices increased by 20 percent in the United States last year, they increased some 50 percent worldwide. And when a family spends 80 percent of its income on food—not untypical in the case of many LDC's—a significant price hike does not involve just belt-tightening—it drives a subsistence diet below the subsistence or survival level.

This resolution calls on the U.S. Government to take action to ease the pending crisis both by increasing food assistance to the most seriously affected nations and by moving to increase supplies. Steps should be taken to increase food aid under the Public Law 480 program and the U.S. pledge to the world food program. Wheat and corn prices have declined significantly over the past several months, and such purchases would have the concommitant effect of stabilizing U.S. agricultural prices.

Furthermore, action should be taken to increase world fertilizer production and to make more fertilizer available for critical farm needs. Such steps are needed, not just to help the developing nations, but to ease the fertilizer crunch in this country. The importance of fertilizer to world food production is demonstrated by the estimate that 1 million tons of fertilizer will produce an extra 5 million tons of grain in the United States and an extra 10 million tons of grain in emerging nations. The predicted 1 million tons of fertilizer shortfall in this country will prevent the United States from maximizing its agricultural potential, and the similar shortfall in India will seriously affect the level of supplies needed to feed that country's vast population. In light of the fact that fertilizer shortages will likely persist and that this year's crop will in part be due to fertilizer applications of previous years that will gradually exhaust themselves, the increase of world fertilizer supplies must be given the highest priority.

The United States must play a leading role in the effort to ease the food and fertilizer crisis in the world, but we must be joined by those other nations able to assist. This group includes the developed nations, the oil-exporting nations, and all other countries that have benefited from the recent rise in world commodity prices. These actions must be taken for humanitarian reasons—to resolve suffering among the world's poorest—but they also will serve the interests of the developed world. Economic breakdown and starvation lead easily to political turmoil which damages the international system and to economic depression that can have a rebound effect even on the economies of the developed nations. This is particularly true today when the industrialized nations can easily move into economic stagnation which in turn could easily slide into economic downturn.

The world is increasingly interdependent, and nations cannot isolate themselves from developments elsewhere. Only through helping the less fortunate members of the world community can we improve the prospects both for our own and world prosperity.

This resolution is introduced with a broad base of support, which includes Congressmen Andrews of North Dakota, Bergland, Bingham, Buchanan, Fascell, Foley, Fraser, Frelinghuysen, Gilman, Hamilton, Melcher, Mezvinsky, Seiberling, Whalen, and Zablocki. It is accompanied by a companion resolution in the Senate, which was introduced by Senators Humphrey, Young, Aiken, and McGee.

We have our own problems here at home, but as the country that produces 70 percent of the world's grain exports, it would be unconscionable if we did not rally to this human cause. It is an opportunity for us to reclaim our moral stature among nations, a stature that has been so sadly diminished in recent years.

H. Res. 1155

Whereas world food reserves are at a dangerously low level with less than four weeks supply remaining; and

Whereas dramatic increases in the prices of petroleum, food, and industrial commodities have placed needed quantities of these critical items beyond the financial reach of some forty of the poorest and most seriously affected developing countries with a total population of over one billion people; and

Whereas the immediate capability of these countries to produce adequate supplies of food for their people is further limited by the worldwide shortage of high-priced fertilizer, which creates a critical world food situation for hundreds of millions of people; and

Whereas the American people have a long and proud tradition of acting to combat famine and to relieve the needs of hungry people at home and abroad; and

Whereas it is in the self-interest of the United States to relieve starvation and hunger, which are the breeding ground for economic and political instability; and

Whereas the United States has recently announced its willingness to work with other nations in a cooperative effort over the next eighteen months to help those nations most severely affected by the recent price rises and food supply shortages; and

Whereas the dimensions of the present crisis call for an immediate response on the part of all governments over and above what has been forthcoming in the past: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) the contribution by the United States to the growing economic and human crisis in the developing world should be primarily in the form of food and the means and technology to produce it;

(2) the President, the Secretary of State, and the Secretary of Agriculture and their advisors should (A) give the highest priority to the immediate expansion of American food assistance through the existing authority of the Public Law 480 legislation by restoring title I sales and title II grants to at least the 1972 commodity levels, and (B) take such additional steps as might be necessary to expedite the transfer of American food commodities on concessional and donation terms to those nations most severely affected;

(3) the United States should increase its matching pledge to the world food program for 1975–1976 and encourage other nations to do so;

(4) the President and Secretary of State should (A) negotiate with other major food exporting nations to seek to obtain their participation in this emergency effort proportionate to their share of world food exports; and (B) strongly encourage oil exporting nations to contribute a fair share to these efforts to assist the most severely affected nations;

(5) the United States should announce its desire to work with the oil exporting and other nations in a major effort to increase world fertilizer production with the possibility of including the offer of American technology and capital;

(6) the President should encourage the American people to reduce the noncritical, non-food and fiber-producing uses of ferti-

lizer which now total nearly three million tons of nutrient a year, to make available increased fertilizer supplies for raising food production at home and in the developing world.

Sec. 2. It is further declared to be the sense of the House that the President of the United States and the Secretaries of State and Agriculture should, and are hereby urged to (A) maintain regular and full consultation with the appropriate committees of the Congress and (B) report to the Congress and the Nation at regular intervals on the progress toward formulating an American response in a cooperative framework to the world food crisis and the needs of the most severely affected developing countries.

Sec. 3. The Speaker of the House of Representatives is directed to transmit copies of this resolution to the President, the Secretary of State, and the Secretary of Agriculture.

THE WORLD FOOD CRISIS

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the Record.)

Mr. SEIBERLING. Mr. Speaker, the lives of hundreds of millions of people in underdeveloped countries throughout the world are hanging in the balance between life and death today. These people are suffering from starvation and malnutrition-related diseases.

The causes of this tragedy are many, but the only solution to it in the immediate future is a crash effort by the United States and other developed nations to make emergency food supplies available to the famine-infested areas of the world.

I am pleased today to join with my distinguished colleague from Iowa (Mr. Culver) and other Members in introducing a resolution calling for such an effort.

The resolution, similar to one introduced in the Senate by Senator Humphrey, urges increased food and fertilizer contributions from the United States and other food and oil exporting nations to those countries so desperately in need.

The growing worldwide shortage of food and its many ramifications is a complex problem which demands our full attention in the years ahead. There are no easy solutions. But the immediate crisis in many underdeveloped countries cannot wait for long-term answers. The only answer is more food—as fast as possible.

TAPES OR TRANSCRIPTS?

The SPEAKER pro tempore. Under a previous order of the House the gentlewoman from New York (Ms. Abzug) is recognized for 5 minutes.

Ms. ABZUG. Mr. Speaker, John T. Manaras, a friend of mine and a very able lawyer, has sent me an interesting quote on the reliability of a written transcript in conveying the full meaning of the spoken word:

> No record, no matter how skillfully transcribed, can adequately portray the venom, sarcasm, and tone of voice employed by a speaker.

This statement was made by none other than Judge Julius Hoffman in his contempt citation of the Chicago Seven and their attorneys. It appears at page 404 of In re *Dellinger*, 461 F.2d 389 (7 Cir. 1972), the decision reversing the contempt citations, and is decidedly applicable to the situation we face today with regard to Mr. Nixon.

For example, there are many different ways to say, "It is wrong," and only the actual tape of the statement as spoken can convey its true meaning to those of us in Congress who must decide whether the President should be impeached and removed from office. His refusal to turn over the tapes themselves—the best evidence—can only be interpreted to mean that they show him in an even worse light than do the transcripts.

COMMERCIAL SCALE COAL LIQUEFACTION AND COAL GASIFICATION INDUSTRY

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, today I am introducing two bills to bring about the establishment of a commercial scale coal liquefaction and coal gasification industry, as rapidly as feasible and possible.

I want to call the attention of the Members to the fact that the technology to produce liquid and gas fuel from coal is known, and has been known for many years.

Right now, in South Africa, coal is being liquefied commercially and profitably.

I do not want to detract from the need to continue our research programs because certainly improvements in the technology can be made, but it is absolutely essential that we get going with commercial operations now.

It is not necessary to tell the Congress how vital and essential it is that we make our country free from a dependence that borders on begging foreign governments for our energy supplies.

This Nation has been through months of turmoil none of us want to see the people experience again, and we have the means to prevent it. Those means lie underground in uncountable quantity, in the form of coal and oil shale.

My legislation would set up a Mineral Gasification and Liquefaction Administration, to establish a program which would assist private industry in developing and operating commercial facilities for liquefaction and gasification.

The Administrator would be authorized to make loans for developing and operating facilities, and also be authorized to complete purchase and price support agreements so there is a market, and a reasonable profit for the products.

The second bill I am introducing covers some aspects of the revenue code which would need to be adjusted to bring about this historic development in energy which our country needs so much.

PROPOSED AGREEMENTS FOR COOPERATION WITH KOREA, THAILAND, AND PORTUGAL

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, on May 16, 1974, the Atomic Energy Commission forwarded to the Joint Committee on Atomic Energy, pursuant to section 123c of the Atomic Energy Act of 1954, as amended, proposed amendments to the Agreements for Cooperation with the governments of Korea and Thailand. On May 17, 1974, the Commission forwarded a proposed amendment to the Agreement for Cooperation with the Government of Portugal. The agreements will become effective only when they have lain before the Joint Committee for 30 days, not including periods during which the Congress is in recess for more than 3 days. The 30-day periods for the proposed agreements with Korea and Thailand will expire on June 20. The 30-day period for the proposed agreement with Portugal will expire on June 21.

The new agreements provide for the following changes, among others:

First, the sections dealing with provisions of uranium enrichment services no longer constitute assurance that such services will be provided. The agreements to allow contracting for such services up to a maximum amount for each country subject to availability of capacity.

Second, the agreements now allow transfer to Korea, Thailand, and Portugal of special nuclear material other than U^{235}, such as U^{233} or plutonium.

Third, the ceilings on distribution are now expressed in terms of the amounts necessary to fuel power reactors with a total electric capacity of up to 5,000 megawatts in the case of Korea, 4,000 megawatts in the case of Thailand, and 3,000 megawatts for Portugal. These are equivalent to about 100 kilograms, 80 kilograms, and 60 kilograms of U^{235}, respectively. The previous ceilings were 6, 10, and 25 kilograms, respectively.

Fourth, the terms of the agreements are extended to the year 2014.

Without objection, I would like to enter into the record copies of the AEC letters transmitting the agreements. The letters describe the changes in more detail. Copies of the proposed agreements for cooperation are available in the offices of the Joint Committee:

Atomic Energy Commission,
Washington, D.C., May 16, 1974.

Hon. Melvin Price,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

Dear Mr. Price: Pursuant to Section 123c of the Atomic Energy Act of 1954, as amended, copies of the following are submitted with this letter:

a. a proposed amendment to the "Agreement for Cooperation Between the Government of the United States of America and the Government of the Republic of Korea Concerning Civil Uses of Atomic Energy";

b. a letter from the Commission to the President recommending approval of the amendment; and

c. a memorandum from the President containing his determination that its performance will promote and will not constitute an unreasonable risk to the common defense and security and authorizing its execution.

The amendment modifies the comprehensive thirty-year research and power agreement, which was negotiated during the period 1968 to 1972 and entered into force in 1973. The purpose of the amendment is to revise the provisions of the present agreement governing supply of special nuclear material, principally enriched uranium for fueling nuclear power reactors in the Republic of Korea. In connection with such revision of the agreement, its term would be extended into the year 2014.

The amendment reflects the Commission's revised policy governing the long-term provision of uranium enrichment services, which was adopted in 1971 and has been reflected in bilateral amendments and agreements negotiated since that time, for example, the Spanish agreement and the amendment to the Agreement for Cooperation with the Republic of China. Pursuant to this policy, the revised agreement with the Republic of Korea would be essentially an enabling document and would no longer represent any kind of supply assurance prior to execution of specific toll enrichment contracts. The amendment also is consistent with the modified Uranium Enrichment Services Criteria published by the Commission on May 9, 1973.

Article I of the amendment sets forth the basic, enabling framework for long-term supply of enriched uranium for fueling purposes. The Commission would be authorized to enter into toll enrichment contracts for supplying power reactor fuel, subject to the availability of capacity in Commission facilities and within the ceiling quantity established in Article III of the amendment. Once customers in Korea are ready to contract for a particular quantity, they would compete on an equitable basis with the Commission's other customers. Such competition for access to available capacity will, in general, be on a "first come, first served" basis.

Article I continues provision for supply of U-235 to fuel research and experimental reactors. Further, as in the Spanish agreement and Chinese amendment, for example, and in view of the expected commercial use of plutonium as reactor fuel, a new provision has been incorporated (paragraph D) to permit transfer of special nuclear material other than U-235 (i.e., plutonium and U-233) for fueling purposes. The Commission does not plan to be a world supplier of such material, particularly plutonium; rather, Koreaon reactor operators would be expected to look to the commercial market to meet needs which arise.

Article II sets forth conditions governing material supply from the U.S. and use within Korea. These are similar to conditions in the current agreement and are common to other Agreements for Cooperation. For example, an economic or technical justification is required before the Commission will give consideration to the transfer of uranium enriched to more than 20% in U-235. Further, the Commission would participate in any decision as to where fuel reprocessing shall be performed. Regarding special nuclear material produced from U.S. material acquired under the bilateral, such produced material may be transferred to third countries provided that such countries have an appropriate agreement for cooperation with the United States or guarantee the peaceful use of such produced material under safeguards acceptable to the U.S. and Korea.

Article III amends the current U-235 ceiling article of the agreement. Under the revised supply policy mentioned earlier, the U-235 ceiling becomes merely an upper limit on the amount which may be transferred for power applications and does not represent an advance allocation of U.S. diffusion plant capacity. Following the approach adopted in other recent amendments, the ceiling in the Korean amendment is based on the total megawatts of nuclear power anticipated to be supported, and it covers a program composed of an existing reactor project and those for which supply contracts are expected to be executed within the next five years. Since the Commission's policy pursuant to the Uranium Enrichment Services Criteria normally requires that initial deliveries of enriched uranium for first core loadings be contracted for at least eight years in advance of such need, the quantity limitation in the Korean amendment contemplates the execution of contracts calling for initial deliveries up to thirteen years in the future. The Korean power program which would be supported by the amendment totals 5,000 megawatts (electric).

Article IV revises the term of the agreement to establish an effective period of forty years, into the year 2014. The forty-year period is considered appropriate in view of the advance contracting requirement noted above and the practice of establishing a term for the power-type Agreement for Cooperation which encompasses the approximate economic lifetime of nuclear power reactors. For planning purposes, this lifetime is considered to be about thirty years.

The existing trilateral safeguards arrangements concluded pursuant to the current agreement would not be altered by the amendment. The United States, Korea, and the International Atomic Energy Agency (IAEA) entered into a trilateral safeguards agreement in 1968, which was amended in 1973.

The bilateral safeguards rights of the United States are suspended during the time and to the extent the U.S. agrees that the need to exercise such rights is satisfied by IAEA safeguards arrangements.

The amendment will enter into force on the date on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for entry into force.

Sincerely,

———— ————,
Chairman.

ATOMIC ENERGY COMMISSION,
Washington, D.C., 16, 1974.

Hon. MELVIN PRICE,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR MR. PRICE: Pursuant to Section 123c of the Atomic Energy Act of 1954, as amended, copies of the following are submitted with this letter:

a. a proposed superseding "Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Thailand Concerning Civil Uses of Atomic Energy";

b. a letter from the Commission to the President recommending approval of the agreement; and

c. a memorandum from the President containing his determination that its performance will promote and will not constitute an unreasonable risk to the common defense and security and authorizing its execution.

The enclosed agreement supersedes the present research type of agreement, which came into force in 1956 and expires in 1975. The basic purpose of the agreement is to establish the framework for long-term supply of enriched uranium for fueling nuclear power reactors in Thailand. The agreement's term would be forty years, extending into the year 2014.

The agreement reflects the Commission's revised policy governing the long-term provision of uranium enrichment services, which was adopted in 1971 and which has been reflected in bilateral amendments and agreements negotiated since that time, for example, the Spanish agreement and the amendment to the Agreement for Cooperation with the Republic of China.

Pursuant to this policy, the new agreement with Thailand would be essentially an enabling document and would no longer represent any kind of supply assurance prior to execution of specific toll enrichment contracts. The agreement also is consistent with the modified Uranium Enrichment Services Criteria published by the Commission on May 9, 1973. Major provisions of the agreement are discussed below.

Article VII of the agreement sets forth the basic, enabling framework for long-term supply of enriched uranium fuel. The Commission would be authorized to enter into toll enrichment contracts for supplying power reactor fuel, subject to the availability of capacity in Commission facilities and within the ceiling quantity established in Article IX of the agreement. Once customers in Thailand are ready to contract for a particular quantity, they would compete for access to available Commission enrichment capacity on an equitable basis with the Commission's other customers. Such competition for access to available capacity will, in general, be on a "first come, first served" basis.

Article VII provides for continued supply of U-235 to fuel research and experimental reactors. As in the Spanish agreement and Chinese amendment, for example, and in view of the expected commercial use of plutonium as reactor fuel, a new provision has been incorporated (paragraph D) to permit transfers of special nuclear material other than U-235 (i.e., plutonium and U-233) for fueling purposes. The Commission does not plan to be a world supplier of such material, particularly plutonium; rather, reactor operators in Thailand would be expected to look to the commercial market to meet needs which arise.

Article VIII sets forth conditions governing material supply from the U.S. and its use within Thailand. These are common to other Agreements for Cooperation. For example, an economic or technical justification is required before the Commission will give consideration to the transfer of uranium enriched to more than 20 percent in U-235. Further, the Commission would participate in any decision as to where fuel reprocessing shall be performed. Regarding special nuclear material produced through the use of U.S. material acquired under the bilateral, such produced material may be transferred to third countries provided that such countries have an appropriate agreement for cooperation with the United States or guarantee the peaceful uses of such produced material under safeguards acceptable to the U.S. and Thailand.

Article IX establishes a ceiling on U-235 transfers for power applications. Under the revised supply policy mentioned earlier, the U-235 ceiling is merely an upper limit on the amount which may be transferred for power reactor fueling and does not represent an advance allocation of U.S. diffusion plant capacity. Following the approach adopted in other recent amendments and agreements, the ceiling is based on the total megawatts of nuclear power anticipated to be supported, and it covers a program composed of reactor projects for which supply contracts are expected to be executed within the next five years. Since the Commission's policy pursuant to the Uranium Enrichment Services Criteria normally requires that initial deliveries of enriched uranium for first core loadings be contracted for at least eight years in advance of such need, the quantity limitation in the agreement with Thailand contemplates the execution of contracts calling for initial first core deliveries up to thirteen years in the future. The Thai power program which would be supported by the agreement totals 4,000 megawatts (electric).

Pursuant to Article X, Thailand would give guarantees like those given in the present agreement and other Agreements for Cooperation. The "peaceful uses" guarantee extends to material, equipment and devices transferred under the proposed agreement and to produced special nuclear material.

Article XI continues the United States' bilateral safeguards rights in the comprehensive form standard in the Agreements for Cooperation.

Article XII recognizes that safeguards responsibilities respecting transfers under the present agreement have been assumed by the International Atomic Energy Agency (IAEA) pursuant to the trilateral agreement among the parties and the Agency signed in 1964. The superseding bilateral reaffirms the parties' agreement that the Agency's safeguards responsibilities shall continue. The agreement envisages such continuation either under a trilateral agreement among the parties and the Agency, or as provided in an agreement between Thailand and the IAEA entered into under Article III of the Treaty on the Non-Proliferation of Nuclear Weapons. The United States' bilateral safeguards rights will be suspended during the time and to the extent that the U.S. agrees that the need to exercise such rights is satisfied by a safeguards agreement as contemplated in Article XII.

Article XV establishes a term for the agreement of forty years. The forty-year period is considered appropriate in view of the advance contracting requirement noted earlier and the practice of establishing a term for power-type Agreements for Cooperation which encompasses the approximate economic lifetime of nuclear power reactors. For planning purposes, this lifetime is considered to be about thirty years.

The agreement will enter into force on the date on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for entry into force.

Sincerely,

——— ———,
Chairman.

ATOMIC ENERGY COMMISSION,
Washington, D.C., May 17, 1974.

Hon. MELVIN PRICE,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR MR. PRICE: Pursuant to Section 123c of the Atomic Energy Act of 1954, as amended, copies of the following are submitted with this letter:

a. a proposed superseding "Agreement for Cooperation Between the Government of the United States of America and the Government of Portugal Concerning Civil Uses of Atomic Energy";

b. a letter from the Commission to the President recommending approval of the agreement; and

c. a memorandum from the President containing his determination that its performance will promote and will not constitute an unreasonable risk to the common defense and security and authorizing its execution.

The enclosed agreement supersedes the present research type of agreement, which came into force in 1969 and expires in 1979. The basic purpose of the proposed new agreement is to establish the framework for long-term supply of enriched uranium for fueling nuclear power reactors in Portugal. The agreement's term would be forty years, extending into the year 2014.

The agreement reflects the Commission's revised policy governing the long-term provision of uranium enrichment services, which was adopted in 1971 and which has been reflected in bilateral amendments and agreements negotiated since that time, for example, the Spanish agreement and the amendment to the Agreement for Cooperation with the Republic of China. Pursuant to this policy, the new agreement with Portugal would be essentially an enabling document and would no longer represent any kind of supply assurance prior to execution of specific toll enrichment contracts. The agreement also is consistent with the modified Uranium Enrichment Services Criteria published by the Commission on May 9, 1973. Major provisions of the agreement are discussed below.

Article VII of the agreement sets forth the basic, enabling framework for long-term supply of enriched uranium fuel. The Commission would be authorized to enter into toll enrichment contracts for supplying power reactor fuel, subject to the availability of capacity in Commission facilities and within the ceiling quantity established in Article IX of the agreement. Once customers in Portugal are ready to contract for a particular quantity, they would compete for access to available Commission enrichment capacity on an equitable basis with the Commission's other customers. Such competition for access to available capacity will, in general, be on a "first come, first served" basis.

Article VII provides for continued supply of U–235 to fuel research and experimental reactors. As in the Spanish agreement and Chinese amendment, for example, and in view of the expected commercial use of plutonium as reactor fuel, a new provision has been incorporated (paragraph D) to permit transfers of special nuclear material other than U–235 (i.e., plutonium and U–233) for fueling purposes. The Commission does not plan to be a world supplier of such material, particularly plutonium; rather, Portuguese reactor operators would be expected to look to the commercial market to meet needs which arise.

Article VIII sets forth conditions governing material supply from the U.S. and its use within Portugal. These are common to other Agreements for Cooperation. For example, an economic or technical justification is required before the Commission will give consideration to the transfer of uranium enriched to more than 20% in U–235. Further, the Commission would participate in any decision as to where fuel reprocessing shall be performed. Regarding special nuclear material produced through the use of U.S. material acquired under the bilateral, such produced material may be transferred to third countries provided that such countries have an appropriate agreement for cooperation with the United States or guarantee the peaceful uses of such produced material under safeguards acceptable to the U.S. and Portugal.

Article IX establishes a ceiling on U–235 transfers for power applications. Under the revised supply policy mentioned earlier, the U–235 ceiling is merely an upper limit on the amount which may be transferred for power reactor fueling and does not represent an advance allocation of U.S. diffusion plant capacity. Following the approach adopted in other recent amendments and agreements, the ceiling is based on the total megawatts of nuclear power anticipated to be supported, and it covers a program composed of reactor projects for which supply contracts are expected to be executed within the next five years. Since the Commission's policy pursuant to the Uranium Enrichment Services Criteria normally requires that initial deliveries of enriched uranium for first core loadings be contracted for at least eight years in advance of such need, the quantity limitation in the Portuguese agreement contemplates the execution of contracts calling for initial first core deliveries up to thirteen years in the future. The Portuguese power program which would be supported by the agreement totals 3,000 megawatts (electric).

Pursuant to Article X, Portugal would give guarantees like those given in the present agreement and other Agreements for Cooperation. The "peaceful uses" guarantee extends to material, equipment and devices transferred under the proposed agreement and to produced special nuclear material.

Article XI continues the United States' bilateral safeguards rights in the comprehensive form standard in the Agreements for Cooperation.

Article XII recognizes that safeguards responsibilities respecting transfers under the present research-type bilateral have been assumed by the International Atomic Energy Agency (IAEA) pursuant to the trilateral agreement among the parties and the Agency signed in 1969. The superseding bilateral reaffirms the parties' agreement that the Agency's safeguards responsibilities shall continue. The agreement envisages such continuation under the trilateral, as amended or supplanted by a new trilateral, or as provided in an agreement between Portugal and the IAEA entered into under Article III of the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). In the event of termination of IAEA safeguards, the United States and Portugal would review the situation in order that any necessary measures may be taken to comply with obligations of the United States pursuant to the NPT. The United States' bilateral safeguards rights will be suspended during the time and to the extent that the U.S. agrees that the need to exercise such rights is satisfied by a safeguards agreement as contemplated in Article XII.

Article XV establishes a term for the agreement of forty years. The forty-year period is considered appropriate in view of the advance contracting requirement noted earlier and the practice of establishing a term for power-type Agreements for Cooperation which encompasses the approximate economic lifetime of nuclear power reactors. For planning purposes, this lifetime is considered to be about thirty years.

The agreement will enter into force on the date on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for entry into force.

Sincerely,

——— ———,
Chairman.

FINANCIAL STATEMENT

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, pursuant to House Rules, on April 15 I filed with the House Ethics Committee my financial disclosure statement. This statement will, of course, be on file in that committee, its contents available under the stipulated conditions.

In addition, for the benefit of anyone who may be interested, I take this opportunity to advise of other details related to my personal finances for the years 1971, 1972, and 1973, as follows:

1971—Total adjusted gross income—$48,520, including Congressional salary $42,500; miscellaneous income, including business interest, dividends and honoraria, total of $5,020. Federal income tax paid—$8,778; New York State income tax paid—$3,188.50; total income tax—$11,966.50.

1972—Total adjusted gross income—$50,036, including Congressional salary $42,500; miscellaneous income, including business interest, dividends and honoraria, total of $7,536. Federal income tax paid—$9,011; New York State income tax paid—$3,330.74; total income tax paid—$12,341.74.

1973—Total adjusted gross income—$48,623, including Congressional salary $42,500; miscellaneous income, including business interest, dividends and honoraria, total of $6,123. Federal income tax paid—$8,263; New York State income tax paid—$2,368.37; total income tax paid—$10,931.37.

CONGRESSMAN PETER RODINO AWARDED HONORARY DEGREE OF HUMANE LETTERS

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, it was a

privilege to attend the 24th commencement of LeMoyne College on May 18 of this year, and to witness the awarding of an honorary degree of Doctor of Humane Letters to Congressman Peter Rodino, my colleague and good friend.

Chairman Rodino also delivered the commencement address.

I would like to share with my colleagues in the House text of the citation which appears on Congressman Rodino's degree and also the text of his commencement address.

I also offer my personal congratulations to Dr. Rodino, as a fellow Doctor of Humane Letters from LeMoyne College. It is indeed a pleasure to now refer to Peter as my fellow alumnus.

The articles follow:

Citation for Honorary Degree

American History bears witness to many men who have emerged as leaders in times of confusion and trouble. There have been men of courage, fortitude, and prudence who have united the disunited, maintained a clear vision of the goal beyond the strife, and endured and prevailed. Today, we honor United States Congressman Peter Wallace Rodino for his service to the American people as such a leader.

As Chairman of the House's Judiciary Committee which is currently conducting an inquiry into presidential impeachment, he faces a task of unprecedented difficulty, dimension and impact. A lawyer by profession, he has accepted and undertaken this task courageously and honorably, directing the committee's efforts with bi-partisan statesmanship, fairness, and legal propriety. In his fulfillment of his trying responsibility, he displays the same sense of duty and loyalty to the public trust that were evident when he directed his committee in the investigation and hearings that led to the House's confirmation of vice-president Gerald Ford in 1973.

A member of Congress for twenty-five years, Representative Rodino has served his country well in days that have seen other signs of domestic discord, tension, and transition. During the troubled 60's, for example, when the Civil Rights movement was coming of age, he supported and sponsored major Civil Rights legislation, playing a significant role in the removal of barriers to equal employment, housing, and education.

Congressman Rodino has also led the way in making the immigration laws of the United States non-discriminatory and in seeing to their just implementation. In his representation of the residents of the 10th District, in his own hometown of Newark, New Jersey, Rodino has been one of the legislature's most sensitive and active advocates of the urban populace, working diligently for legislation designed to curtail crime and illegal drug traffic and make the nation's cities safe. Significantly, he has always been a complete advocate of the people of his District, interested and concerned in their individual as well as general needs. Their priorities have been his priorities.

Elected to serve thirteen consecutive terms, he has earned his constituents' faith and admiration. Moreover, he has earned the respect of the American people, for he is a man who strives for justice both in the lives of men and women on the street and in the workings of the country's government.

Le Moyne College, therefore, takes great pride and pleasure in conferring upon Peter Wallace Rodino the degree of Doctor of Humane Letters, Honoris Causa.

Wheretofore, by these presents, we the Trustees of Le Moyne College, authorized to that purpose by the authority of the State of New York, witness that Peter Wallace Rodino has been advanced by us to the Honorary Degree of Doctor of Humane Letters and endowed with all the rights and privileges pertaining thereunto.

Commencement Speech for Le Moyne College, May 18, 1974

Father Reilly, Father Dinneen, Father Fitzpatrick, Mr. Pietrafesa, Congressman Hanley, Father Prucha, Mr. Carroll, members of the class of '74, and ladies and gentlemen:

I am deeply grateful to have had conferred upon me this honorary degree—and I am indeed honored that I am now included among the sons and daughters of the Family of Le Moyne College.

I cannot attend a college commencement without recalling my own thoughts at the time I graduated from college. At that time my first choice of a career was to be a poet. I later abandoned that ambition. I must confess to you today that in recent months, with the weight of responsibilities now facing the House Judiciary Committee, I sometimes wish that I had pursued a literary career and tried a little harder with my poetry. Yet, it has been said that: "When power leads man toward arrogance, poetry reminds him of his limitations." In that sense, I hope that I have benefitted from realizing my own limitations as a poet and will try my best to express my thoughts to you today with brevity.

It is a tradition for speakers at exercises such as this to dwell on the theme of "commencement"—to point out that the completion of an undergraduate career marks the beginning of new challenges and new responsibilities. I will follow that tradition since I believe strongly that for all of us these are indeed days of "commencement"—days in which we must accept and meet our responsibilities.

Almost two centuries ago at the "commencement" of the United States—the period when the drafting of the constitution was completed—Benjamin Franklin was asked by a good citizen of Philadelphia: "What have you given us, Mr. Franklin, a monarchy or republic?" Franklin replied: "A republic, madam, if you can keep it." For Franklin the framing of the constitution was indeed the beginning of a new challenge that brought with it an awesome responsibility.

The constitution, framed in Philadelphia, embodied many of the great lessons of the prior history of mankind on this planet. In my own studies of the constitution there are three great historical lessons which I find to be of special significance.

First, there is the great lesson that civilized man learned from the government of Rome in the sixth century when the Emperor Justinian established a code enabling each citizen to say: "I am free to be myself under God and just law fairly enforced." And in accordance with the spirit of that code "to live honorably, to injure no other man, to render every man his due."

Second, there is the great lesson learned in the thirteenth century at Runnymede, England, when the barons, with swords in hand, wrested from their tyrannical King John the Doctrine of Magna Carta—the doctrine that the king, like his subjects, is under god and the law.

Third, there was born in the eighteenth century, and embodied in the constitution, the great lesson of the American revolution—the lesson that the American people are the subjects of no man—that in America it is the people who are truly sovereign. For no man is to be servant to another under our system of laws. That while the people are governed by law—it is the people who govern through law.

For me the doctrine that the people are sovereign is the very soul and essence of American democracy. The American people look to their government as their servant. This is as it should be—for it is the people who pay the price, bear the frustrations, and endure the hardships of liberty and democracy. Yet, it is the people who are also responsible to support and protect the government that is their servant. If the people lack courage, justice will wither. If the people lack decency, the law will be defiled. Today our system is being tested as at no time since the civil war, the greatest threat, I believe, is posed by the increasing doubt that the rule of law is truly supreme in this Nation.

Throughout our whole history we, the American people, have not lacked courage, have not lacked decency. We have not lacked the strength to bear the awesome responsibilities of self-government.

One hundred eighty seven years now have passed since Franklin's admonition. Thanks to our system and to their unique capacity of the American people to withstand stresses and strains. As a people we have not only preserved our free spirit and our free institutions—but we have kept our republic.

For each generation of Americans there has always been a new "commencement"—with new responsibilities. In the nineteenth century we endured the test of a civil war in which neighbor was turned against neighbor. In the twentieth century we have endured unrelenting challenges to our democracy, both at home and abroad. We have survived four wars, a great depression, the great strains of world leadership, the agonies of assassinations and the anxieties of a nuclear age.

Today, the people of the United States through their elected representatives in the Congress are facing still another crisis—the crisis of determining whether under the Constitution grounds exist for the impeachment of the President of the United States. I, for one, am deeply convinced that our democracy can and will cope with this crisis that despite our agonizing—our free institutions will endure provided we live up to our high constitutional responsibility. One of the questions that must be answered in the process is whether our dedication to the rule of law is as strong today as it was at the time of our Nation's founding. It is truly a time for testing for all of us.

It has been said that our country, troubled by too many crises in recent years, is too tired to cope with this one. In the first year of our republic Thomas Paine wrote: "Those who expect to reap the blessings of freedom must, like men, undergo the fatigue of supporting it." For almost two centuries now Americans have undergone the stress of preserving our democracy and the Constitution that protects it. It is our turn now!

On May 1st at a meeting of the Committee on the Judiciary, I made a pledge to the Congress and to the American people which I would like to repeat again today.

I stated then:

"We are going to move ahead, preserving the integrity of our constitutional process. We are going to move fairly and thoroughly and expeditiously as the American people expect and the Constitution requires us to do."

Two years from now in 1976 our Nation will celebrate the 200th anniversary of our separation from the English Crown and our declaration of the independence and sovereignty of the American people. This bicentennial year will be a period for reevaluation and rededication. It will be a time for pondering the lessons of our Nation's history, for reaffirming our adherence to the ideals of our democracy and for invoking the spirit and virtues that sustained our ancestors in their times of severest trial.

After the great trials of our ancestors, after their wars and after their sufferings, they found strength in having overcome their fears and their fatigue.

Similarly, I believe that our Nation in the months ahead will meet the troubling uncertainties of the times with a resolve in keeping with the national heritage. That, as did our ancestors, we will find strength and sustenance in overcoming our fears. That we will enter the year 1976 with a renewed confidence in our Nation and in the validity of our democratic institutions. For the real security of this Nation lies in the integrity of its institutions and the trust and informed confidence of its people.

To achieve that end, let us regard each of the difficult days before us as a day of "commencement"—a day to face the future with courage, with decency—and with honor.

THE RULES COMMITTEE SHOULD ACT ON THE MINISH-WILLIAMS BILL

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, on March 20 members of the New York delegation met with the Speaker and Chairman Ray Madden of the Rules Committee about the pending Minish-Williams bill. The Minish-Williams bill, S. 386, would provide $800 million in Federal operating aid for local transit systems.

S. 386 came before the Rules Committee in early March after it had been reported out of conference. At that time the Rules Committee rejected the Banking and Currency Committee's request for a rule because the Public Works Committee promised to have its comprehensive transportation measure before the Rules Committee in 6 weeks.

At our March 20 meeting, Chairman Madden once again spoke about the Public Works Committee bill. But, he promised that if the Public Works Committee had not reported out its bill in 6 weeks, he would give S. 386 a rule. May 1 marked the end of this 6-week period.

On May 17, after 2 more weeks had passed with no action by the Rules Committee and no bill from the Public Works Committee, we who had met with Chairman Madden on March 20 wrote to him requesting that he fill his pledge to give S. 386 a rule.

As of this day, we have yet to receive an answer from Chairman Madden to our letter, nor has the Rules Committee acted on S. 386. Furthermore, the Public Works Committee is still in the process of drafting its bill.

Chairman Madden has had the reputation in the House of being a man of his word. I hope that he will keep his pledge, not only to the Banking and Currency Committee and New York delegation, but also to the Nation's cities desperately needing the funds provided by S. 386. S. 386 is an emergency, short-term measure extending only through fiscal year 1975. The Public Works Committee's bill is far broader, extending over a number of years and providing fundamental changes in both our highway and mass transit programs. Its enactment will not come until the fall, at the soonest. In the meantime, we must provide the emergency funds authorized by S. 386.

The letter sent to Chairman Madden on May 17 by six members of the New York delegation follows:

Congress of the United States,
House of Representatives,
Washington, D.C., May 17, 1974.

Hon. Ray J. Madden,
Chairman Rules Committee.

Dear Mr. Chairman: As you know, you met with representatives of the New York Delegation in the Speaker's office on March 20th concerning S. 386, the Minish-Williams mass transit operating aid bill.

At that time you said that if the Public Works Committee did not come to the Rules Committee for a rule on its bill in six weeks, you woud report out S. 386. May 1st marked the end of this six week period. Furthermore, last week the Democratic Caucus rejected the Bolling Committee proposal to give the Public Works Committee jurisdiction over mass transit. The Banking and Currency Committee has had continuous jurisdiction since 1961 when mass transit legislation first came to the House. As you know, S. 386 concerns only programs administered by the Urban Mass Transportation Administration and in no way affects the highway program.

It is our understanding that you have indicated recently that you still want to wait for the House Public Works Committee bill. The delays the Committee has incurred in getting a bill to the Rules Committee supports all too clearly the position of the Banking and Currency Committee that enactment of the UTAP measure will take a long time. In the meantime, it is essential that S. 386, an emergency, short-term measure be enacted.

Mr. Chairman, you are known as a man of your word. When we left the Speaker's office on March 20th we felt we could count on you. Now we are anxious that you fulfill your promise by immediately convening the Rules Committee and giving S. 386 a rule waiving points of order.

Sincerely,

Edward I. Koch.
Jonathan B. Bingham.
Elizabeth Holtzman.
Benjamin Rosenthal.
Mario Biaggi.
Bertram Podell.

TRIBUTE TO WILLIAM FORREST McINTIRE ON HIS RETIREMENT

(Mr. ALBERT asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. ALBERT. Mr. Speaker, on May 31, 1974, a distinguished public servant and my good friend, William Forrest McIntire, will retire after more than 30 years of active contribution to the growth and effectiveness of Oklahoma institutions. Forrest McIntire is a native of Durant, Okla., in my district, and was a highly decorated veteran of World War II.

A man of many accomplishments, his most recent position of leadership has been as secretary and administrative assistant to the board of regents for Oklahoma State University and the State agricultural and mechanical colleges where he has diligently worked for more than 20 years for the betterment of higher education.

I have witnessed Forrest McIntire's dedication for many years and take great pride in joining my fellow Oklahomans in thanking him for his faithful service and wishing him a long and happy retirement.

At this point I include the text of a concurrent resolution adopted by the Oklahoma Legislature expressing appreciation to William Forrest McIntire:

A Resolution Expressing the Appreciation of the Legislature to William Forrest McIntire on the Occasion of His Retirement

Whereas, on May 31 of this year, an exceptional public servant, William Forrest McIntire, will retire after more than three decades of service to his fellow Oklahomans; and

Whereas, while Forrest McIntire can look to that day with a sense of deep satisfaction after his years of service, others must view that day with sadness for the void which his departure will create and appreciation for the years of excellent service which he has dedicated in making Oklahoma a finer state; and

Whereas, after graduation from Russell High School in Durant, he attended and received his B.A. from Southeastern State College, and from there went on to Stillwater and received his Master of Arts degree from Oklahoma State University; and

Whereas, in addition to distinguishing himself academically, he has proven himself to be a fine soldier, rising from the rank of Private to Colonel, and receiving numerous decorations, including the Bronze Star with Oak Leaf Cluster, the U.S. Army Defense Medal, the U.S. Asiatic Theater Medal with three Stars, the Presidential Unit Citation, the Special Breast Order of YUN HUI with Ribbon, which was presented to him by the President of the Republic of China, a Certificate of Merit with Ribbon from Chiang Kai-Shek, and the Oklahoma Meritorious Service Award Medal; and

Whereas, although his military record would be in itself an excellent goal for anyone seeking to distinguish himself in public service, that record is but one facet of the dedication of Forrest McIntire, for in addition to his military service, he has served as Secretary of the State Board of Agriculture, Executive Secretary to Governor Roy J. Turner, a member of the Oklahoma Industrial Commission, a member of the Oklahoma Commission on Education; and

Whereas, as well as serving in those capacities, Mr. McIntire has served as Secretary and Administrative Assistant to the Board of Regents for Oklahoma State University and the State Agricultural and Mechanical Colleges for over twenty years; and

Whereas, his outstanding career of public service is evidence of his dedication of the betterment of Oklahoma and her citizens.

Now, therefore, be it resolved by the House of Representatives of the 2nd session of the 34th Oklahoma Legislature, the Senate concurring therein:

Section 1. That the Oklahoma Legislature, voicing the feelings of Oklahomans everywhere, express its deep appreciation to Forrest McIntire on the occasion of his retirement from Secretary of the Board of Regents for Oklahoma's Agricultural and Mechanical Colleges.

Section 2. That the Legislature note that the day of Mr. McIntire's retirement will be one of sadness, for on that day Oklahoma loses the expertise, dedication and compassion of a fine man who will surely be missed in the years to come.

Section 3. That a duly authenticated copy of this Resolution, after consideration and enrollment, shall be delivered to an outstanding man and a great Oklahoman, William Forrest McIntire.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Bafalis (at the request of Mr. Arends), for after 5:30 p.m., today, on account of official business.

Mr. Brotzman (at the request of Mr. Rhodes), for after 3 p.m., today, on account of official business.

Mr. Koch (at the request of Mr. O'Neill), for Monday, June 3, on account of official business.

Mr. Kyros (at the request of Mr. O'Neill), for today, on account of official business.

Mr. Mathias of California (at the request of Mr. Rhodes), for today, on account of official business.

Mr. Parris (at the request of Mr. Arends), for from 3:15 p.m., today, on account of official business.

Mr. Vander Jagt (at the request of Mr. Rhodes), for the week of May 28, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Shoup) to revise and extend their remarks and include extraneous material:)

Mr. Kemp, for 15 minutes, today.

Mr. Edwards of Alabama, for 5 minutes, today.

Mrs. Holt, for 5 minutes, today.

Mr. Widnall, for 5 minutes, today.

Mr. Young of Alaska, for 5 minutes, today.

Mr. Derwinski, for 30 minutes, today.

(The following Members (at the request of Mr. Breaux) and to revise and extend their remarks and include extraneous matter:)

Mr. Hamilton, for 20 minutes, today.

Mr. Harrington, for 5 minutes, today.

Mr. Vanik, for 5 minutes, today.

Mr. Owens, for 45 minutes, today.

Mrs. Collins of Illinois, for 1 hour, today.

Mr. Diggs, for 5 minutes, today.

Mr. Culver, for 20 minutes, today.

Mr. Koch, for 1 hour, on June 5.

Ms. Abzug, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the Record, or to revise and extend remarks was granted to:

Mr. Brown of California, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $574.75.

Mr. Wylie and Mr. Kemp, prior to vote on Ashley amendment.

Mr. Seiberling, to extend his remarks in the body of the Record to be inserted with Congressman Culver's remarks on the world food crisis.

Mr. Steiger of Wisconsin and to include extraneous matter and a table with remarks during debate on nonprofit hospital bill (H.R. 13678).

The following Members (at the request of Mr. Shoup) and to include extraneous material:

Mr. Rousselot.

Mr. Hanrahan.

Mr. Heinz in two instances.

Mr. Shriver in six instances.

Mr. Lujan.

Mr. Young of Illinois in two instances.

Mr. Mallary.

Mr. Walsh.

Mr. Edwards of Alabama.

Mr. Bell.

Mr. Wylie.

Mr. Whitehurst.

Mr. McClory.

Mr. Price of Texas.

Mr. Roncallo of New York in two instances.

Mr. McKinney.

Mr. Grover.

Mr. Scherle in five instances.

Mr. Hudnut.

Mr. Cronin.

Mr. Huber in three instances.

Mr. Gilman.

Mr. Hunt.

Mr. Gude.

Mr. Michel in five instances.

Mr. Derwinski in two instances.

Mr. Anderson of Illinois in two instances.

Mr. Guyer in two instances.

(The following Members (at the request of Mr. Breaux) and to include extraneous matter:)

Mr. Gunter in 10 instances.

Ms. Holtzman in 10 instances.

Mr. Traxler.

Mr. Yatron.

Mr. Fisher in four instances.

Mr. Dominick V. Daniels.

Mr. Roybal.

Mr. Vanik.

Mr. Charles H. Wilson of California.

Mr. Ginn.

Mr. Fraser in five instances.

Mr. Aspin in 10 instances.

Mr. Burke of Massachusetts.

Mr. Moakley in 10 instances.

Mrs. Burke of California in 10 instances.

Mr. James V. Stanton.

Mr. Evins of Tennessee.

Mr. Adams.

Mr. Ford.

Mr. Roe in two instances.

Mrs. Chisholm.

Mr. Macdonald.

Mr. Reuss in five instances.

Mr. Dent in two instances.

Mr. Eilberg.

Mr. Moorhead of Pennsylvania in five instances.

Mr. Nichols in three instances.

Mr. Dulski in five instances.

Mr. Mann in three instances.

Mr. Taylor of North Carolina.

SENATE BILLS AND CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2519. An act to amend the Securities Exchange Act of 1934 to facilitate the development of a national market system, to provide for regulation of securities information processors, to remove unnecessary burdens on competition, to strengthen and improve self-regulation and the Securities and Exchange Commission's oversight of the self-regulatory organizations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 2665. An act to provide for increased participation by the United States in the International Development Association; to the Committee on Banking and Currency.

S. Con. Res. 37. Concurrent resolution on national American Indian policy; to the Committee on Interior and Insular Affairs.

ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this following date truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 12466. An act to amend the Department of State Appropriations Authorization Act of 1973 to authorize additional appropriations for the fiscal year 1974, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2662. An act to authorize appropriations for United States participation in the International Ocean Exposition 1975.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found present to the President, for his approval, bills of the House of the following title:

On May 29, 1974:

H.R. 1817. An act to provide for the striking of national medals to honor the late J. Edgar Hoover; and

H.R. 12670. An act to amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crew member duties, and for other purposes.

On May 30, 1974:

H.R. 12466. An act to amend the Department of State Appropriations Authorization Act of 1973 to authorize additional appropriations for the fiscal year 1974, and for other purposes.

ADJOURNMENT

Mr. BREAUX. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 30 minutes p.m.), under its previous order, the House adjourned until Monday, June 3, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2386. A letter from the President of the United States, transmitting amendments to the requests for appropriations transmitted in the budget for the fiscal year 1975 for the Department of Commerce (H. Doc. No. 93–305); to the Committee on Appropriations and ordered to be printed.

2387. A letter from the President of the United States, transmitting a proposed budget amendment for fiscal year 1975 in budget authority for the Department of the Interior (H. Doc. 93–306); to the Committee on Appropriations and ordered to be printed.

2388. A letter from the President of the United States, transmitting amendments to the requests for appropriations transmitted in the budget for fiscal year 1975 for the Department of the Interior (H. Doc. No. 93–307); to the Committee on Appropriations and ordered to be printed.

2389. A letter from the President of the United States, transmitting an amendment to the request for appropriations transmitted in the budget for fiscal year 1975 for the Department of Health, Education, and Welfare (H. Doc. No. 93–308); to the Committee on Appropriations and ordered to be printed.

2390. A letter from the President of the United States, transmitting an amendment to the request for appropriations transmitted in the budget for the fiscal year 1975 for the Defense Manpower Commission (H. Doc. No. 93–309); to the Committee on Appropriations and ordered to be printed.

2391. A letter from the Chairman of the Board of Governors of the Federal Reserve System, transmitting the 60th annual report of the Board of Governors covering operations during calendar year 1973, pursuant to the Federal Reserve Act, as amended; to the Committee on Banking and Currency.

2392. A letter from the Mayor-Commissioner of the District of Columbia, transmitting a draft of proposed legislation to amend the District of Columbia Teachers' Salary Act of 1955 to increase salaries, and for other purposes; to the Committee on the District of Columbia.

2393. A letter from the Director, Administrative Office of the U.S. Courts, transmitting his annual report for 1973, pursuant to section 604(a)(4) of title 28 of the United States Code; to the Committee on the Judiciary.

2394. A letter from the Secretary of the Army, transmitting a draft of proposed legislation to modify section 2 of the River and Harbor Act of March 2, 1945 (59 Stat. 22) as amended, to authorize the Secretary of the Army to improve certain Indian fishing sites in the States of Oregon and Washington and to acquire and to develop additional Indian fishing sites in those States; to the Committee on Public Works.

2395. A letter from the Assistant Secretary, Secretary of the Treasury, transmitting a draft of proposed legislation to amend the Internal Revenue Code of 1954 with respect to the collection of income tax at source on amounts awarded in State-conducted lotteries; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 11500. A bill to provide for the regulation of surface coal mining operations in the United States, to authorize the Secretary of Interior to make grants to States to encourage the State regulation of surface mining, and for other purposes; with amendment (Rept. No. 93–1072). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPIN:

H.R. 15082. A bill to prohibit the military departments from using dogs in connection with any research or other activities relating to biological or chemical warfare agents; to the Committee on Armed Servces.

By Mr. BAKER:

H.R. 15083. A bill to amend the Internal Revenue Code of 1954 to increase to $1,200 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemptions for dependents, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

By Mr. BAUMAN:

H.R. 15084. A bill to amend the Internal Revenue Code of 1954 and certain other provisions of law to provide for automatic cost-of-living adjustments in thhe income tax rates, the amount of the standard, personal exemption, and depreciation deductions, and the rate of interest payable on certain obligations of the United States; to the Committee on Ways and Means.

By Mr. BERGLAND:

H.R. 15085. A bill to provide for additional Federal financial participation in expenses incurred in providing benefits to Indians, Aleuts, native Hawaiians, and other aboriginal persons, under certain State public assistance programs established pursuant to the Social Security Act; to the Committee on Ways and Means.

By Mr. BLACKBURN (for himself and Mr. Dent):

H.R. 15086. A bill to amend the Export Administration Act of 1969 to prevent the exportation and reexportation of American products, including technology, capital equipment, scientific accomplishment, and agricultural commodities to nonmarket economy countries and unfriendly nations, and to prevent the exportation of such products by American subsidiaries operating abroad to nonmarket economy countries and unfriendly nations; to the Committee on Banking and Currency.

By Mr. BRINKLEY:

H.R. 15087. A bill to provide for the development of a long-range plan to advance the national attack on arthritis and related musculoskeletal diseases and for arthritis training and demonstration centers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BROWN of California:

H.R. 15088. A bill to amend the Food Stamp Act of 1964 to broaden the definition of food to include basic personal hygiene items, and for other purposes; to the Committee on Agriculture.

By Mr. BROYHILL of Virginia:

H.R. 15089. A bill to amend title XVIII of the Social Security Act to extend for 1 year (until January 1, 1976) the effective date of the prohibition against medicare coverage for items and services which are covered under Federal employee health benefits plans unless there are appropriate modifications in such plans (or in the law governing them), and to require a report from the Civil Service Commission and the Secretary of Health, Education, and Welfare on the steps being taken to effect such modification; to the Committee on Ways and Means.

By Mr. BURLESON of Texas (for himself, Mr. Preyer, Mr. Shriver, Mr. Stuckey, Mr. Bob Wilson, and Mr. Zion):

H.R. 15090. A bill to amend part B of title XI of the Social Security Act to provide a more effective administration of professional standards review of health care services, to expand the Professional Standards Review Organization activity to include review of services performed by or in federally operated health care institutions, and to protect the confidentiality of medical records; to the Committee on Ways and Means.

By Mr. BURTON:

H.R. 15091. A bill to amend title 39, United States Code, to eliminate certain restrictions on the rights of officers and employees of the U.S. Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CRANE (for himself, Mr. Abdnor, Mr. Conlan, Mr. Derwinski, Mr. Goldwater, Mr. Harsha, Mr. Huber, Mr. Hunt, Mr. Kemp, Mr. Lent, Mr. Maraziti, Mr. O'Brien, Mr. Parris, Mr. Price of Texas, Mr. Treen, and Mr. Zion):

H.R. 15092. A bill to amend the Internal Revenue Code of 1954 and certain other provisions of law to provide for automatic cost-of-living adjustments in the income tax rates, the amount of the standard, personal exemption, and depreciation deductions, and the rate of interest payable on certain obligations of the United States; to the Committee on Ways and Means.

By Mr. DOWNING:

H.R. 15093. A bill to amend title 5, United States Code, to correct inequities in the determination of rates of basic pay in conversions to the general schedule of employees and positions subject to prevailing rate pay schedules; to the Committee on Post Office and Civil Service.

By Mr. FLOOD:

H.R. 15094. A bill to amend the Internal Revenue Code of 1954 to provide that the discharge of disaster relief loans by the United States shall not constitute income to the taxpayer and shall not reduce the amount of any casualty loss deduction; to the Committee on Ways and Means.

By Mr. FREY (for himself and Mrs. Heckler of Massachusetts):

H.R. 15095. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mrs. GRASSO:

H.R. 15096. A bill to provide that 100-percent Federal reimbursement to States under the medicaid program for compensation of inspectors maintaining compliance with Federal standards (as temporarily increased from 75 percent by the Social Security Amendments of 1972) shall continue on a permanent basis; to the Committee on Ways and Means.

By Mrs. HOLT:

H.R. 15097. A bill to amend the Internal Revenue Code of 1954 and certain other provisions of law to provide for automatic cost-of-living adjustments in the income tax rates, the amount of the standard, personal exemption, and depreciation deductions, and the rate of interest payable on certain obligations of the United States; to the Committee on Ways and Means.

By Mr. KOCH (for himself, Mr. Badillo, Mr. Brasco, Ms. Chisholm, Mrs. Collins of Illinois, Mr. Dellums, Mr. Evans of Colorado, Mr. Fascell, Mr. Fraser, Mr. Gilman, Mr. Matsunaga, Mr. Moorhead of Pennsylvania, Mr. Podell, Mr. Rangel, Mr. Roe, Mr. Rosenthal, Mr. Stark, and Mr. Stokes):

H.R. 15098. A bill to amend the Federal Food, Drug, and Cosmetic Act to authorize the Secretary of Health, Education, and Welfare to halt the sales and distribution of food, drugs, and cosmetics adulterated or misbranded in a manner which presents an imminent hazard to the public health and to require their recall or destruction, as may be appropriate; to the Committee on Interstate and Foreign Commerce.

By Mr. LEGGETT:

H.R. 15099. A bill to amend chapter 79 of title 10, United States Code, to make more feasible the personal appearance of a petitioner before a board authorized to correct discharges and dismissals from the Armed Forces by establishing regional boards of review, and to amend chapter 49 of such title to prohibit the inclusion of certain information on discharge certificates, and for other purposes; to the Committee on Armed Services.

By Mr. LENT (for himself, Mr. Murtha, Mr. Drinan, Mr. Yatron, Mr. McEwen, Mr. Cleveland, Mr. Gilman, Mr. Boland, Mr. Murphy of New York, Mr. Won Pat, Mr. Mitchell of New York, Mr. St Germain, and Mr. Wolff):

H.R. 15100. A bill to extend the Emergency Petroleum Allocation Act of 1973 for 1 year; to the Committee on Interstate and Foreign Commerce.

By Mr. LUJAN:

H.R. 15101. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence; to the Committee on Ways and Means.

H.R. 15102. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

H.R. 15103. A bill to amend the Internal Revenue Code of 1954 to encourage higher education, and particularly the private funding thereof, by authorizing a deduction from gross income of reasonable amounts contributed to a qualified higher education fund established by the taxpayer for the purpose of funding the higher education of his dependents; to the Committee on Ways and Means.

H.R. 15104. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain social security taxes; to the Committee on Ways and Means.

By Mr. McEWEN:

H.R. 15105. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the Secretary of Transportation from imposing certain safety standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MYERS:

H.R. 15106. A bill to make it unlawful for a Member of Congress to accept any honorarium in excess of $500, and for other purposes; to the Committee on the Judiciary.

By Mr. PERKINS:

H.R. 15107. A bill to establish a program to provide for the development of a coal gasification and coal liquefaction, for production of oil from oil shale, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 15108. A bill to amend the Internal Revenue Code of 1954 to provide incentives for production of new facilities for obtaining oil from oil shale or for converting coal into oil or gas; to the Commitee on Ways and Means.

By Mr. PRICE of Texas:

H.R. 15109. A bill to adjust loan levels established under the Agriculture and Consumer Protection Act of 1973, as amended, for the 1974 through 1977 crops of wheat and feed grains to reflect changes in farm production costs; to the Committee on Agriculture.

By Mr. RONCALIO of Wyoming:

H.R. 15110. A bill to amend part B of title XI of the Social Security Act to provide a more effective administraiton of professional standards review of health care services, to expand the Professional Standards Review Organization activity to include review of services performed by or in federally operated health care institutions, and to protect the confidentiality of medical records; to the Committee on Ways and Means.

By Mr. ROYBAL:

H.R. 15111. A bill to prohibit hospitals which receive Federal support from compensating physicians and other persons for the referral of patients for treatment; to the Committee on Interstate and Foreign Commerce.

By Mr. SHIPLEY:

H.R. 15112. A bill to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training; to the Committee on Interstate and Foreign Commerce.

By Mr. SHRIVER:

H.R. 15113. A bill to provide for the development of a long-range plan to advance the national attack on arthritis and related musculoskeletal diseases and for arthritis training and demonstration centers and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 15114. A bill to amend the Emergency Petroleum Allocation Act of 1973; to the Committee on Interstate and Foreign Commerce.

H.R. 15115. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer; to the Committee on Ways and Means.

By Mr. SHRIVER (for himself, Mr. Sebelius, and Mr. Skubitz):

H.R. 15116. A bill to prohibit the importation into the United States of any fresh, chilled, or frozen cattle meat during a 180-day period; to the Committee on Ways and Means.

By Mr. SMITH of New York:

H.R. 15117. A bill to amend the Tariff Schedules of the United States to allow containers for certain petroleum products and derivatives to be temporarily imported without payment of duty; to the Committee on Ways and Means.

By Mr. STUDDS (for himself, Mr. Andrews of North Carolina, Mr. Ashley, Mr. Blackburn, Mr. Bowen, Mrs. Chisholm, Mr. Clark, Mr. Cochran, Mrs. Collins of Illinois, Mr. Downing, Mr. Ford, Mr. Henderson, Mr. Mathis of Georgia, Mr. Mazzoli, Mr. Montgomery, Mr. Nedzi, Mr. O'Hara, Mr. Pike, Mr. Rarick, Mr. Snyder, Mr. Taylor of North Carolina, Mr. Thornton, Mr. Vigorito, Mr. Wyman, and Mr. Young of Georgia):

H.R. 15118. A bill to extend on an interim basis the jurisdiction of the United States over certain ocean areas and fish in order to protect the domestic fishing industry, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. THONE:

H.R. 15119. A bill to prohibit the importation into the United States of certain meat and meat products; to the Committee on Ways and Means.

By Mr. VANIK:

H.R. 15120. A bill to amend the Internal Revenue Code of 1954 to raise the rate of interest on underpayment of Federal taxes from 6 to 8 percent and the rate of interest on extensions of time for payment of estate tax from 4 to 6 percent; to the Committee on Ways and Means.

By Mr. VIGORITO:

H.R. 15121. A bill to amend the Wild and Scenic Rivers Act of 1968 by designating a portion of the Allegheny River, Pa., for potential addition to the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

By Mr. WIDNALL:

H.R. 15122. A bill to amend the Urban Mass Transportation Act of 1964 to insure that transportation facilities manufactured, constructed, or renovated with Federal funds will comply with minimum standards of accessibility and safety for the elderly and the handicapped; to the Committee on Banking and Currency.

By Mr. BROWN of Michigan (for himself, Mr. Horton, Mr. Boland, Mr. Hosmer, Mr. Stokes, Mr. Devine, Mr. Lagomarsino, Mr. Long of Maryland, Mr. Podell, Mr. Shriver, Mr. Yatron, Mr. Ware, Mr. Wyman, Mr. Dellums, Mr. Matsunaga, and Mr. St Germain):

H.R. 15123. A bill to direct the Secretary of Health, Education, and Welfare to develop and implement a system for the issuance of social security benefit checks on a staggered or cyclical basis; to the Committee on Ways and Means.

By Mr. CORMAN:

H.R. 15124. A bill to amend Public Law 93-233 to extend for an additional 12 months (until July 1, 1975) the eligibility of supplemental security income recipients for food stamps; to the Committee on Ways and Means.

By Mr. de LUGO (for himself and Mr. Burton):

H.R. 15125. A bill to provide for the organization of a constitutional government by the people of the Virgin Islands; to the Committee on Interior and Insular Affairs.

By Mr. DULSKI:

H.R. 15126. A bill to authorize Federal financial assistance for the operation and maintenance of the Theodore Roosevelt Inaugural National Historic Site in Buffalo, N.Y.; to the Committee on Interior and Insular Affairs.

By Mr. ERLENBORN (for himself, Mr. Bafalis, Mr. Byron, Mr. Collier, Mr. Conlan, Mr. Eshleman, Mr. Froehlich, Mr. Hosmer, Mr. Huber, Mr. Lagomarsino, Mr. McCollister, Mr. Sebelius, and Mr. Thomson of Wisconsin):

H.R. 15127. A bill to amend the Federal Election Campaign Act of 1971, and title 18, United States Code, to reform Federal election campaign activities; to the Committee on House Administration.

By Mr. FULTON:

H.R. 15128. A bill to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRINGTON:

H.R. 15129. A bill to establish a National Resource Information System, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Ms. HOLTZMAN (for herself, Mr. Addabbo, Mr. Badillo, Mr. Bingham, Mr. Brasco, Mr. Carey of New York, Mrs. Chisholm, Mr. Delaney, Mr. Dulski, Mr. Fish, Mr. Grover, Mr. Hastings, Mr. Horton, Mr. Koch, Mr. Murphy of New York, Mr. Peyser, Mr. Podell, Mr. Rangel, Mr. Rosenthal, Mr. Walsh, and Mr. Wolff):

H.R. 15130. A bill to amend title XVI of the Social Security Act to provide for emergency replacement payments to recipients of supplemental security income benefits, to authorize cost-of-living increases in such benefits, to insure that all beneficiaries receive such increases, to prevent reductions in such benefits because of social security benefit increases, to provide reimbursement to States for home relief payments to disabled applicants prior to determination of their disability, to permit payments of such benefits in limited circumstances directly to drug addicts and alcoholics (without a third-party payee), to restore food stamp eligibility to all supplemental security income recipients, to provide for expeditious action on applications for benefits, to amend eligibility requirements for separated spouses, to allow judicial review of eligibility determinations, and for other purposes; to the Committee on Ways and Means.

By Mr. KARTH:

H.R. 15131. A bill to amend section 1902 (a) (14) (B) (i) of the Social Security Act to make optional certain cost-sharing fees now required to be paid by some individuals under medicaid, to the Committee on Ways and Means.

By Mr. KEMP:

H.R. 15132. A bill to amend the Export-Import Bank Act of 1945 to establish a minimum interest rate for loans to nonmarket economy countries by the Export-Import Bank; to the Committee on Banking and Currency.

By Mr. LEGGETT (for himself and Mr. Metcalfe):

H.R. 15133. A bill to amend title 6 of the Canal Zone Code to permit, under appropriate controls, the sale in the canal zone of lottery tickets issued by the Government of the Republic of Panama, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. McDADE (for himself, Mr. Robison of New York, Mr. Flood, Mr. Coughlin, Mr. Biester, Mr. Frelinghuysen, Mr. Green of Pennsylvania, Mr. Schneebeli, Mr. Dent, Mr. Yatron, Mr. Ware, Mr. Maraziti, Mr. du Pont, Mr. Roncallo of New York, Ms. Abzug, Mr. Walsh, Mr. Badillo, Mr. Grover, Mr. Gilman, Mr. Horton, Mr. Dulski, Mr. Gaydos, Mr. Lent, Mr. Fish, and Mr. Mitchell of New York):

H.R. 15134. A bill to provide for a study of the alternatives to the Tocks Island Dam and Reservoir project affecting the Delaware River and surrounding areas; to the Committee on Public Works.

By Mr. MADIGAN (for himself, Mr. Byron, Mr. Murtha, Mr. Podell, Mr. Rees, Mr. Cochran, Mr. Mann, Mr. Froehlich, Mr. Williams, Mr. Robison of New York, Mr. Young of Illinois, Mr. Abdnor, Mr. Huber, Mr. Frey, Mr. Mitchell of New York, Mr. Hanrahan, Mr. O'Brien, Mr. Sandman, and Mr. Bafalis):

H.R. 15135. A bill to establish the National Commission on the Prevention of Raw Material Shortages; to the Committee on Armed Services.

By Mr. MADIGAN (for himself, Mr. Findley, and Mr. Shipley):

H.R. 15136. A bill to improve rail service, railroad tracks, and roadbeds by public investments; to the Committee on Interstate and Foreign Commerce.

By Mr. MAYNE:

H.R. 15137. A bill to amend the Consolidated Farm and Rural Development Act to establish a loan insurance program for livestock producers and feeders; to the Committee on Agriculture.

By Mr. RANDALL (for himself, Mr. Bolling, Mr. Burlison of Missouri, Mr. Clay, Mr. Hungate, Mr. Ichord, Mr. Litton, Mrs. Sullivan, Mr. Symington, and Mr. Taylor of Missouri):

H.R. 15138. A bill to establish the Harry S Truman Memorial Scholarships and for other purposes; to the Committee on Education and Labor.

By Mr. REES:

H.R. 15139. A bill for the establishment, management, and financing of a retirement fund for District of Columbia policemen and firemen, and for other purposes; to the Committee on the District of Columbia.

By Mr. THONE:

H.R. 15140. A bill to amend Public Law 88–482, an act, of August 22, 1964; to the Committee on Ways and Means.

By Mr. DIGGS (by request):

H.R. 15141. A bill to amend the District of Columbia Teachers' Salary Act of 1955 to increase salaries, and for other purposes; to the Committee on the District of Columbia.

By Mr. MATHIAS of California:

H.R. 15142. A bill to amend the Agricultural Adjustment Act of 1933 as reenacted, amended and supplemented by the Agricultural Marketing Agreement Act of 1937, as amended, to protect the orderly flow of agricultural commodities from farms to consumers; to the Committee on Education and Labor.

By Mr. PRITCHARD:

H.R. 15143. A bill to amend the Mutual Security Act of 1954 to require that information relating to foreign travel by Members of Congress be open to public inspection and published periodically in the Congressional Record; to the Committee on Foreign Affairs.

By Mr. ANDERSON of California (for himself, Mr. Sarasin, Mr. Matsunaga, Mr. Bell, Mrs. Grasso, Mr. Luken, Mr. Conte, Mr. Vanik, and Mr. Wolff):

H.J. Res. 1036. Joint resolution to prohibit the Bureau of Labor Statistics from instituting any revision in the method of calculating the Consumer Price Index until such revision has been approved by resolution by either the Senate or the House of Representatives of the United States of America; to the Committee on Education and Labor.

By Mr. BROWN of Michigan (for himself, Mr. Blackburn, Mr. Frenzel, Mr. Wylie, Mr. Annunzio, Mr. Rees, Mr. Koch, Mr. Young of Georgia, Mr. McKinney, Mr. Rousselot, Mr. Hanna, Mr. Gettys, Mr. St Germain, Mr. Stephens, Mr. Moorhead of Pennsylvania, Mrs. Boggs, Mr. Gonzalez, and Mr. Cotter):

H.J. Res. 1037. Joint resolution designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of service of the incumbent Chief of Naval Operations; to the Committee on Armed Services.

By Mr. FINDLEY (for himself, Mr. Denholm, Mr. Foley, Mr. Howard, and Mr. Matsunaga):

H.J. Res. 1038. Joint resolution designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of service of the incumbent Chief of Naval Operations; to the Committee on Armed Services.

By Mr. HARSHA (for himself, Mr. Blatnik, Mr. Grover, Mr. Jones of Alabama, Mr. Don H. Clausen, Mr. Kluczynski, Mr. Snyder, Mr. Wright, Mr. Mizell, Mr. Gray, Mr. Baker, Mr. Clark, Mr. Walsh, Mr. Johnson of California, Mr. Cochran, Mr. Roberts, Mr. Bafalis, Mr. Howard, Mr. Hanrahan, Mr. Studds, Mr. Ginn, Mr. Milford, and Mr. Vander Veen):

H.J. Res. 1039. Joint resolution designating the premises occupied by the Chief of Naval Operations as the official temporary residence of the Vice President, effective upon the termination of service of the incumbent Chief of Naval Operations; to the Committee on Armed Services.

By Mr. MURPHY of Illinois:

H.J. Res. 1040. Joint resolution designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of service of the incumbent Chief of Naval Operations; to the Committee on Armed Services.

By Mr. RONCALLO of New York:

H.J. Res. 1041. Joint resolution proposing an amendment to the Constitution of the United States to prohibit abortion from the moment of fertilization; to the Committee on the Judiciary.

By Mr. STEIGER of Wisconsin:

H.J. Res. 1042. Joint resolution providing for a study of the feasibility of establishing a Federal income tax credit for real property taxes paid by elderly persons, and of possible methods of reimbursing States and localities for certain revenue losses resulting from the granting of tax relief to elderly persons with respect to such taxes; to the Committee on Ways and Means.

By Mr. VANDER VEEN:

H.J. Res. 1043. Joint resolution asking the President of the United States to declare the month of January as "National Polka Month"; to the Committee on the Judiciary. ciary.

By Mr. WOLFF (for himself, Mr. Rangel, Mr. Rodino, Mr. Alexander, Mr. Annunzio, Mr. Badillo, Mr. Barrett, Mr. Bell, Mr. Bergland, Mr. Brown of California, Mr. Buchanan, Mr. Burke of Massachusetts, Mr. Dominick V. Daniels, Mr. Davis of Georgia, Mr. Davis of South Carolina, Mr. Dent, Mr. Donohue, Mr. Dulski, Mr. Fish, Mr. Fuqua, Mr. Gaydos, Mrs. Grasso, Mr. Green of Pennsylvania, Mr. Grover, and Mr. Guyer):

H. Con. Res. 507. Concurrent resolution for negotiations on the Turkish opium ban; to the Committee on Foreign Affairs.

By Mr. WOLFF (for himself, Mr. Rangel, Mr. Rodino, Mr. Beard, Mr. Bevill, Mr. Brotzman, Mr. Brown of Ohio, Mr. Burke of Florida, Mr. Chamberlain, Mr. Denholm, Mr. Evans of Colorado, Mr. Evins of Tennessee, Mr. Flood, Mr. Flowers, Mr. Frenzel, Mr. Gettys, Mr. Gunter, Mr. Haley, Mr. Henderson, Mr. Ichord, Mr. Karth, Mr. Kazen, Mr. Lagomarsino, Mr. Mazzoli, and Mr. Moss):

H. Con. Res. 508. Concurrent resolution for negotiations on the Turkish opium ban; to the Committee on Foreign Affairs.

By Mr. WOLFF (for himself, Mr. Rangel, Mr. Rodino, Mr. Hanna, Mr. Harrington, Mr. Hechler of West Virginia, Mr. Jones of Alabama, Mr. Kluczynski, Mr. Latta, Mr. Lehman, Mr. Lent, Mr. McCormack, Mr. Mills, Mr. Murtha, Mr. Nix, Mr. Patten, Mr. Roe, Mr. Roncallo of New York, Mr. Roush, Mr. Roybal, Mr. Sisk, Mr. Stokes, Mr. Traxler, Mr. Udall, and Mr. Vanik):

H. Con. Res. 509. Concurrent resolution for negotiations on the Turkish opium ban; to the Committee on Foreign Affairs.

By Mr. WOLFF (for himself, Mr. Rangel, Mr. Rodino, Mr. Myers, Mr. Rarick, Mr. Roncalio of Wyoming, Mr. Rousselot, Mr. Shuster, Mr. Smith of New York, Mr. Spence, Mr. Steed, Mr. Stephens, Mr. Taylor of North Carolina, Mr. Waldie, Mr. Whalen, Mr. Yates, Mr. Young of South Carolina, Mr. Jones of Oklahoma, Mr. Price of Texas, Mrs. Griffiths, Mr. Yatron, Mr. Casey of Texas, Mr. Clark, Mr. Leggett, and Mr. O'Brien):

H. Con. Res. 510. Concurrent resolution for negotiations on the Turkish opium ban; to the Committee on Foreign Affairs.

By Mr. GILMAN (for himself, Mr. Wolff, Mr. Rodino, Mr. Rangel, Mr. Huber, Mr. Regula, Mr. Maraziti, Mr. Martin of North Carolina, Mr. Hunt, Mrs. Heckler of Massachusetts, Mr. Sarasin, Mr. McDade, Mr. Heinz, Mr. Zion, Mr. Snyder, Mr. Hammerschmidt, Mr. Landgrebe, Mr. Gubser, Mr. Bob Wilson, Mr. Breaux, Mr. Downing, Mr. Brademas, Mr. Owens, Mr. Hicks, and Mr. Johnson of Pennsylvania):

H. Con. Res. 511. Concurrent resolution for negotiations on the Turkish opium ban; to the Committee on Foreign Affairs.

By Mr. CULVER (for himself, Mr. Anderson of Illinois, Mr. Andrews of North Dakota, Mr. Bergland, Mr. Bingham, Mr. Buchanan, Mr. Fascell, Mr. Foley, Mr. Fraser, Mr. Frelinghuysen, Mr. Gilman, Mr. Hamilton, Mr. Melcher, Mr. Mezvinsky, Mr. Seiberling, Mr. Whalen, and Mr. Zablocki):

H. Res. 1155. Resolution expressing the sense of the House of Representatives with respect to the participation of the United States in an international effort to reduce the risk of famine and to lessen human suffering; to the Committee on Foreign Affairs.

By Mr. O'NEILL (for himself, Mr. Rhodes, and Mr. Sandman):

H. Res. 1156. Resolution to condemn terrorist killings of schoolchildren in Israel; to the Committee on Foreign Affairs.

By Mr. YATES (for himself, Mr. Adams, Mr. Burgener, Mr. Brasco, Mr. Dellums, Mr. Esch, Mr. Hawkins, Mr. Hosmer, Mr. Ketchum, Mr. Luken, Mr. McKinney, Mr. Madigan, Mr. Mollohan, and Mr. Stark):

H. Res. 1157. Resolution providing for television and radio coverage of proceedings in the Chamber of the House of Representatives on any resolution to impeach the President of the United States; to the Committee on Rules.

By Mr. YOUNG of Alaska:

H. Res. 1158. Resolution on the Hawaii triangle coach fares; Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII private bills and resolutions were introduced and severally referred as follows:

By Mr. BURTON:

H.R. 15144. A bill for the relief of Kai Hung Pun aka Wah Poon; to the Committee on the Judiciary.

By Mr. CRONIN:

H.R. 15145. A bill for the relief of Katsura Fukui; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

488. The SPEAKER presented a memorial of the Legislature of the State of South Carolina, relative to Federal appropriations exceeding anticipated annual revenues; to the Committee on Government Operations.

SENATE—*Thursday, May 30, 1974*

The Senate met at 12 o'clock noon and was called to order by the President pro tempore (Mr. Eastland).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

"O God of love, O King of peace,
Make wars throughout the world to cease;
The wrath of sinful men restrain:
Give peace, O God, give peace again!

"Whom shall we trust but Thee, O Lord?
Where rest but on Thy faithful word?
None ever called on Thee in vain:
Give peace, O God, give peace again!"
—Henry W. Baker (1821–77).

We thank Thee, our Father for the measure of peace amid warring peoples and for the prospect of peace in the land of the Prince of Peace. Help us here to live and work in the spirit of His kingdom. Hasten the day when only evil will be fought and all men live in Thy kingdom.

We pray in His name who said, "Blessed are the peacemakers: for they shall be called the children of God." Amen.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the President pro tempore laid before the Senate messages from the President of the United States submitting nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed a bill (H.R. 10337) to authorize the partition of the surface rights in the joint use area of the 1882 Executive order Hopi Reservation and the surface and subsurface rights in the 1934 Navajo Reservation between the Hopi and Navajo Tribes, to provide for allotments to certain Paiute Indians, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

S. 2662. An act to authorize appropriations for U.S. participation in the International Ocean Exposition '75; and

H.R. 12466. An act to amend the Department of State Appropriations Authorization Act of 1973 to authorize additional appropriations for the fiscal year 1974, and for other purposes.

The PRESIDENT pro tempore subsequently signed the enrolled bills.

HOUSE BILL REFERRED

The bill (H.R. 10337) to authorize the partition of the surface rights in the joint use area of the 1882 Executive order Hopi Reservation and the surface and subsurface rights in the 1934 Navajo Reservation between the Hopi and Navajo Tribes, to provide for allotments to certain Paiute Indians, and for other purposes, was read twice by its title and referred to the Committee on Interior and Insular Affairs.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, May 29, 1974, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN ITEMS ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 853, 854, 855, and 856.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF PUBLIC LAW 92–578

The bill (S. 3301) to amend the act of October 27, 1972 (Public Law 92–578), was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 3301

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of October 27, 1972 (86 Stat. 1266), is hereby amended as follows:

(1) By designating subsection 4(b) to be subsection 4(c), and by adding a new subsection 4(b) to read as follows:

"Sec. 4. (b) The Board of Directors is authorized to procure the temporary (not in excess of one year) or intermittent services of city planners, architects, engineers, appraisers, and other experts or consultants or organizations thereof in accordance with section 3109 of title 5, United States Code, but at rates for individuals not in excess of the rate in effect for grade GS–18 of the General Schedule.".

(2) By deleting subsection 7(b) and inserting in lieu thereof the following:

"Sec. 7. (b) After the date of the enactment of the Act to amend the Act of October 27, 1972 (Public Law 92–578), no new construction (including substantial remodeling, conversion, rebuilding, enlargement, extension, or major structural improvement of existing building, but not including ordinary maintenance or remodeling or changes necessary to continue occupancy) shall be authorized or conducted within the development area except upon prior certification by the Corporation that the construction is, or may reasonably be expected to be, consistent with the carrying out of the development plan for the area: *Provided,* That if the development plan for the area does not become effective under the provisions of section 5 by December 31, 1974, this subsection shall be of no further force and effect until such time as the development plan does become effective under that section.".

(3) By deleting section 17 and inserting in lieu thereof the following:

"SEC. 17. There are hereby authorized to be appropriated not to exceed $1,750,000 for the preparation and presentation of the development plan pursuant to section 5 of this Act and for operating and administrative expenses of the Corporation for the fiscal year ending June 30, 1975; and for operating and administrative expenses of the Corporation for succeeding fiscal years such sums as may be necessary.".

DEVELOPMENT OF INDOOR RECREATION FACILITIES

The Senate proceeded to consider the bill (S. 2661) to amend the Land and Water Conservation Fund Act of 1965 so as to authorize the development of indoor recreation facilities in certain areas, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 1, line 5, after the word "following", strike out "new subsection:" and insert "sentence:"; at the beginning of line 6, strike out "(h) Notwithstanding" and insert "Notwithstanding"; and, on page 2, line 1, after the word "and", strike out "development of indoor recreation facilities" and insert "development of sheltered facilities for recreation activities normally pursued outdoors"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6(e)(2) of the Land and Water Conservation Fund Act of 1965 (78 Stat. 897) is amended by adding at the end thereof the following sentence:

"Notwithstanding any other provisions of this Act, not more than 25 per centum of the total amount allocated to a State in any one year under this Act for recreation purposes may be approved by the Secretary for the planning and development of sheltered facilities for recreation activities normally pursued outdoors within areas where the Secretary determines that (1) the unavailability of land or climatic conditions provide no feasible or prudent alternative to serve identified unmet demands for recreation resources; and (2) the increased public use thereby made possible justifies the construction of such facilities.".

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXCHANGE OF VESSELS

The bill (H.R. 11223), to authorize amendment of contracts relating to the exchange of certain vessels for conversion and operation in unsubsidized service between the west coast of the United States and the territory of Guam, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF AUTHORIZATIONS FOR CERTAIN MARITIME PROGRAMS, 1974

The bill (H.R. 12925) to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce was considered, ordered to a third reading, read the third time, and passed.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated.

ACTION AGENCY

The second assistant legislative clerk read the nomination of John L. Ganley, of New Jersey, to be Deputy Director of the ACTION agency.

The PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The second assistant legislative clerk read the nomination of Virginia Y. Trotter, of Nebraska, to be Assistant Secretary for Education.

The PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

INFLATION

Mr. MANSFIELD. Mr. President, inflation is the No. 1 economic problem confronting this Nation and the world today.

Inflation was not caused by Watergate; it is worldwide.

Offhand, the inflation figures for the United Kingdom, as I recall them, is around 15 percent; France, 18 percent; Denmark, 25 to 30 percent; Japan, around 25 percent, and so forth.

In the United States:

Inflation is around 12 percent;

Production is declining around 6 percent;

Wages are lagging behind prices for the 13th consecutive month;

Workers' families have approximately 6 percent less to spend than a year ago;

The stock market is down;

Prime interest rates are up to 11¾ percent.

If present trends continue, we will have to make twice as much in 1980 as we are making today, just to keep even.

What are we doing about the situation? The answer is nothing.

That applies to Congress and the executive branch of the Government.

What is the answer? I do not know definitively but I believe consideration should be given to a proposal known as indexing. It would provide for annual adjustments to reflect increases in the cost of living. The basis for adjustments would be the cost of living index.

It has been estimated that, taking all social security payments into consideration, about 50 million Americans have incomes directly tied to the Consumer Price Index, and the increases are automatic as the cost of living goes up.

Add wage escalator agreements in union contracts now in being and they cover, as I understand it, around 5 million workers. Furthermore, almost every new wage agreement covers this particular escalator clause at the present time. Add Government pensioners, both civilian and military, and that must include several million more who are "indexed."

Will it stop inflation? I do not know, but it will at least allow millions to keep even. If we cannot stop or reduce inflation—and the Government, the administration and the Congress, are unwilling to do so—then let us try this proposal and at least endeavor to keep even.

It is my intention, Mr. President, some time next week, to introduce legislation seeking to establish an index on wages and salaries so that something at least can be attempted to bring about a halt or at least an alleviation to the high cost of living which is rampant throughout the Nation and throughout the world today.

Mr. ALLEN. Mr. President, will the Senator yield to me after the distinguished minority leader has spoken?

Mr. MANSFIELD. I will be glad to yield now, on my time.

Mr. ALLEN. I thank the Senator very much.

I should like to ask the distinguished majority leader if it would not also be helpful in the battle against inflation to balance the Federal budget?

Mr. MANSFIELD. It certainly would.

Mr. ALLEN. Are any efforts being made in that regard by the Congress?

Mr. MANSFIELD. By neither the Congress nor the administration. We are both to blame, I think, in large part, for the fix in which we find ourselves today.

The only stabilizing element is, in my opinion, the Federal Reserve Bank where Arthur Burns is trying to do a job and has been a Cassandra for months trying to warn us that something must be done before the economic condition of the country breaks down and becomes more horrible than it is now.

Mr. ALLEN. Does the Senator think

there is any possibility of balancing the Federal budget for the next fiscal year, starting in July?

Mr. MANSFIELD. I would not say. That would be up to Congress and the administration.

I would point out, so far as Congress is concerned, in the first 4 years of the present administration, if my memory serves me correctly, that we reduced the requests of the President by about $22 billion to $23 billion. During that period, the deficit was increasing, conservatively speaking, by $100 billion. The House, just the other day, by a one-vote margin, passed a substantial increase in the debt limit, which is now approaching the $500 billion mark.

Mr. ALLEN. I thank the distinguished Senator.

Mr. CURTIS. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. I yield.

Mr. CURTIS. On Monday, the junior Senator from Nebraska expects to speak, under a special order, at which time I have a proposal to discuss that will assure a balanced budget. I think it is workable. I hope that all Senators will be present and listen or will read the statement.

Mr. MANSFIELD. If the Senator is successful, he will be as good domestically as Secretary of State Henry Kissinger has been in the foreign policy area.

Mr. HUGH SCOTT. Mr. President, in commenting on the most frequently discussed subject before the Senate—namely; "Who Done It"—I should like to agree with the distinguished majority leader that, of course, inflation results from spending by the administration and from the authorization and appropriation by Congress.

The distinguished Senator from Alabama (Mr. ALLEN), as he often does, has made a highly sensible suggestion—that it is not really a question of "Who Done It" but who means to do it. Who really wants to keep down the cost of living? Who really wants to reduce the budget? The proof of that pudding is found in how we vote. We are all sinners under the same sky here, I suppose.

However, if the distinguished majority leader does not mind my saying it, it is not enough to say that Congress has cut by *x* billions of dollars various budgets of the President, because that refers only to the controllables. The budget is $305 billion. The distinguished Senator from Nebraska can give me the right figures, but I think the controllables are only about $118 billion. So whatever cuts we make are usually a few billion dollars right off the $118 billion, and the remainder of the budget is accounted for by what we did before, in other years and on other dates.

We have built into this budget an enormous spending for an enormous country and for usually highly proper purposes. But we are living beyond our income as we do it. When the President cuts some of the budgets for the popular programs and when they come up here, the test is whether we vote to sustain the veto, if he vetoes it. If we do not vote for the veto, we are voting for inflation. We ought to know it.

Wherever we spend more than the budget permits, wherever we engage in this fantasy of a full employment budget—which is a favorite of economists, but which is really, in a way, an excuse for deficit financing—we are increasing the inflationary impact on the American people.

So I do not know that we can undo much of what we have done; because, after all, the American people have gone out and spent it. If we talk of giving them a tax refund now, there are certain kinds of tax refunds that would only add to inflation. It is going to take courage to resist some of the demands for automatic reaction of Congress to tax refunds in an election year. Certain kinds of tax reduction will run inflation up 20 percent. So I think we ought to have some discipline and more restraint.

The courts have decided pretty much against the President's right to impound in various cases. That would have saved money; that would have cut inflation. But it did not work.

The only thing that will cut inflation now is restraint on the part of Congress, restraint on the part of the Executive, as the distinguished majority leader has said. I do not have too much hope for it. What I think will probably happen will be that everybody will continue to blame everybody else, and the fingers will point in a complete circle; so that the outside voter, wondering why he has to pay more for meat and rent and services, will find it increasingly difficult to know whom to blame. He is, therefore, likely to turn on everybody in office and say, "Throw them all out." I hope that is not the case. That is not the exercise of the best possible judgment. But unless we can fix our several responsibilities and live up to it, everybody is in the soup.

TRIUMPH OF DIPLOMACY—AND OF A DIPLOMAT

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent to have printed in the RECORD the lead editorial of the New York Times of today, entitled "Triumph of Diplomacy—And of a Diplomat," in deserved tribute to the splendid achievements of the Secretary of State, Dr. Kissinger.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TRIUMPH OF DIPLOMACY—AND OF A DIPLOMAT

These past 32 days have changed the face of the Middle East. In a mood swinging repeatedly from enthusiasm to near-despair, Secretary of State Kissinger has completed a mission of peace and mediation without parallel in the long history of the Arab-Israeli dispute. When the details of this complex negotiation can be made known, it will doubtless rank as a classic example of diplomatic technique.

What has been achieved—it cannot be said too often—is not yet peace. It is not the long-sought comprehensive solution of the conflict. A military disengagement pact between Israel and Syria is confined in space, limited in scope, subject always to violation and reversal. Some of the most deep-rooted issues in the quarter-century Middle Eastern struggle have not yet even been addressed: the political status of the dispossessed Palestinian peoples; the governance and accessibility of the Holy City of Jerusalem; the definitive frontiers of the State of Israel in the midst of the Arab nation.

But to indicate problems yet to be solved is in no way to minimize the importance of the first step now successfully completed. As one of Israel's leading political commentators said on the news of yesterday's agreement: "Something has now started that cannot be stopped; a process has begun, and all sides will either have to get aboard or lose their influence over the future."

The process is nothing less than the recognition, finally, that Israel and her Arab neighbors can meet as sovereign states, not as victor and vanquished. There is now a shared recognition that both sides have special interests, that peace will come—if at all—through give and take, that bargaining rather than bellicosity is the safer and wiser course for leaders genuinely concerned with their people's well-being.

If the signing of an accord is the first step, the more subtle second step will be the successful implementation of the negotiated provisions in such a way that the mutual confidence implied in writing can be justified and enhanced in fact. This second step is now well under way between Israel and Egypt, following their trail-blazing agreement of last January. The Governments in Jerusalem and Damascus now must take particular care to insure that neither words nor deeds shatter the tenuous faith that each has tacitly and tentatively placed in the other.

Given the maintenance and further strengthening of this new attitude among the Middle Eastern belligerents, future generations will have cause to be grateful for the statesmanship of Syrian President Assad, who perceived his country's true interests beyond the inflammatory dogma of his predecessors, and of retiring Premier Golda Meir, whose long and courageous career in Israeli politics is climaxed in its final hours by an accord that none would have thought possible just a few months ago.

Last October this newspaper raised one of many voices critical of the award of the Nobel Peace Prize to Henry A. Kissinger for his part in the Vietnam negotiations. The dubious effectiveness of that "peace" accord, and the cynical bargaining and bombing tactics that led up to it did not seem at the time to justify his inclusion in the ranks of such men of peace as Dag Hammarskjold, Ralph Bunche or Albert Schweitzer.

If Mr. Kissinger's achievements in the Middle East these past months have not yet brought peace, they have surely set the nations of the region squarely onto the path to peace if they are ready to follow it. Considering the failures of all who went before him, this may be achievement enough for one man. By his tireless diligence and unswerving devotion to the cause of peace, Secretary Kissinger has without question earned the honor now.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. HUDDLESTON). Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 30 minutes, with statements therein limited to 5 minutes each.

THE SINNERS ARE USING UP ALL THE STONES

Mr. CURTIS. Mr. President, those who sin are throwing so many stones that we are going to run out of stones in this country. The sinners are using up all the stones.

I hold in my hand a very interesting article relating to Otto Otepka. One of the worst cases of burglarizing an office, entering files, and wiretapping occurred in the State Department during the Kennedy administration.

The article I refer to was written by the distinguished investigator and writer, Clark R. Mollenhoff. It is dated May 26, 1974. I read from it:

> Former Secretary of State Dean Rusk either has an exceedingly bad memory or is engaged in an intentional misrepresentation to the Congress on the question of electronic eavesdropping and wiretapping when he headed the State Department.
>
> Rusk has testified to a Senate subcommittee that he knows of no eavesdropping or wiretapping of State Department employes during the Kennedy or Johnson administrations.
>
> And, in a burst of self-righteousness totally out of character with his active role in the cover-up in a case involving security evaluator Otto Otepka, Rusk suggested that he would have quit as secretary had such taps been placed on his staff members without his knowledge.
>
> "There would have been someone else in my office the next day," Rusk told the joint foreign relations and judiciary subcommittees. He said he had strong feeling against some of the tactics engaged in by the Nixon administration in recent years.
>
> Rusk may have had no role in the decisions to "get Otepka" by burglarizing his office safes, putting a tap on his telephone and installing a "bug" in his office.
>
> But thousands of pages of testimony before congressional committees on the infamous ordeal of Otepka demonstrate that the secretary of state knew of the controversy over the illegal wiretappings and night entry of Otepka's safe. Rusk also took an active part in covering up for the individuals engaged in the shameful efforts to frame Otepka, who was branded "an enemy" of the Kennedy administration.

Mr. President, I believe that Senators and the country at large will be interested in reading about the rock throwing by Senators. I ask unanimous consent to have printed in the Record the article by Mr. Mollenhoff, which is entitled "Rusk 'Forgot' His Own Wiretapping Scandal."

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Richmond Times-Dispatch, May 26, 1974]

Rusk "Forgot" His Own Wiretapping Scandal

(By Clark R. Mollenhoff)

Washington.—Former Secretary of State Dean Rusk either has an exceedingly bad memory or is engaged in an intentional misrepresentation to the Congress on the question of electronic eavesdropping and wiretapping when he headed the State Department.

Rusk has testified to a Senate subcommittee that he knows of no eavesdropping or wiretapping of State Department employes during the Kennedy or Johnson administrations.

And, in a burst of self-righteousness totally out of character with his active role in the cover-up in a case involving security evaluator Otto Otepka, Rusk suggested that he would have quit as secretary had such taps been placed on his staff members without his knowledge.

"There would have been someone else in my office the next day," Rusk told the joint foreign relations and judiciary subcommittees. He said he had strong feeling against some of the tactics engaged in by the Nixon administration in recent years.

Rusk, now a teacher of international law at the University of Georgia, may have had no role in the decisions to "get Otepka" by burglarizing his office safes, putting a tap on his telephone and installing a "bug" in his office.

But thousands of pages of testimony before congressional committees on the infamous ordeal of Otepka demonstrate that the secretary of state knew of the controversy over the illegal wiretapping and night entry of Otepka's safe. Rusk also took an active part in covering up for the individuals engaged in the shameful efforts to frame Otepka, who was branded "an enemy" of the Kennedy administration.

What won Otepka a priority position on the Kennedy administration's enemy list was his truthful testimony before the Senate Internal Security Committee on certain laxities in the administration of the State Department employe security program.

Otepka, a long-time civil servant and expert security evaluator, gave his frank opinion on a Kennedy appointee and refused to change his report.

When Otepka was called before the Senate committee, his testimony was in direct contradiction of that of one of his superiors, John F. Reilly, then the deputy assistant secretary of state.

In proving that he was telling the truth and that Reilly's testimony was inaccurate, Otepka produced three documents from his files that conclusively corroborated his testimony.

According to unchallenged testimony before the Senate internal security subcommittee, Reilly and two other State Department officials—Elmer Dewey Hills and David Belisle—embarked on the "get Otepka" effort complete with burglary, eavesdropping, wiretapping, and personal surveillance. It was done with a fervor worthy of a Charles Colson, John Ehrlichman or H. R. Haldeman of the Nixon administration.

That subcommittee engaged in direct correspondence with Secretary Rusk on the eavesdropping and wiretapping after Reilly, Hill and Belisle under oath made broad categorical denials of any knowledge of eavesdropping or wiretapping.

Rusk and the State Department legal office took part in approval of letters written by Reilly, Hill and Belisle in which they admitted that they had tapped Otepka's telephone and bugged his office. But they insisted that their denials under oath were justified because "static" on the wire made the effort "ineffective."

Even this ludicrous explanation was false, for Hill later admitted that there were "a dozen" recordings made of Otepka's conversations, that he had told Reilly and Belisle about these recordings and that they had in fact listened to them with comments indicating some of it would be helpful in the "get Otepka" effort.

Hill testified that on Reilly's instructions he gave the recordings to an unidentified man who met him in a State Department corridor. Reilly later testified that he had no recollection of any recordings, conversations with Hill or instructions to Hill.

This took place under Secretary of State Dean Rusk, whose response was to force the resignation of Hill, who played much the same role as John Wesley Dean in the current Watergate controversy.

Belisle's conduct was condoned by the State Department where he remained and was promoted under the Rusk regime. Reilly was permitted to resign from the State Department with no derogatory report in his personnel record, and the Kennedy administration found a proper place for this wiretapping as a hearing examiner at the Federal Communications Commission.

Otepka has noted recently that in a June 1967 hearing, he was informed by Irving Jaffe, a Justice Department lawyer, that the taped conversations could not be produced because they had been destroyed.

The action has similarities to the Nixon administration's effort to install L. Patrick Gray as permanent director of the FBI after learning of his role in the illegal destruction of papers from the White House safe of convicted Watergate burglar E. Howard Hunt.

Repetition of the documented story of Rusk's responsibility in the Otepka matter isn't intended to minimize crimes of Nixon administration officials. Rather, it demonstrates that lack of integrity in high places is not a characteristic unique to this administration.

Incidentally, it also points up that important segments of the press and television were considerably less aggressive in dealing with such evidence of abuse of executive power when it was done by officials of the Kennedy and Johnson administrations.

ORDER OF BUSINESS

The PRESIDING OFFICER. Is there further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FREEDOM OF INFORMATION BILL

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that during the consideration and votes on S. 2543, the freedom of information bill, a staff member, Mr. Douglas Marvin of the staff of the Senator from Nebraska (Mr. Hruska), who will be the manager of the debate on this side, be permitted to remain on the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that, on May 29, 1974, he presented to the President of the United States the following enrolled bills:

S. 3072. An act to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for their survivors; and for other purposes; and

S. 3398. An act to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED AMENDMENTS TO BUDGET, 1975 (S. Doc. No. 93-83)

A communication from the President of the United States, transmitting proposed amendments to the budget, 1975, in the amount of $38,790,000 for the Department of the Treasury (with an accompanying paper). Referred to the Committee on Appropriations and ordered to be printed.

PROPOSED LEGISLATION FROM DEPARTMENT OF AGRICULTURE

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Food Stamp Act of 1964, as amended, and for other purposes (with accompanying papers). Referred to the Committee on Agriculture and Forestry.

REPORT ON SALE OF LUMBER AND TIMBER PRODUCTS

A letter from the Assistant Secretary of Defense, reporting, pursuant to law, on surplus, salvage and scrap sales and from the sale of lumber and timber products, for the first 6 months of fiscal year 1974. Referred to the Committee on Appropriations.

REPORT ON SUPPORT FURNISHED FROM MILITARY FUNCTIONS APPROPRIATIONS

A lettter from the Assistant Secretary of Defense, transmitting, pursuant to law, a report of the estimated value, by country, of support furnished from military functions appropriations, during third quarters and the cumulative fiscal year 1974 through March 31, 1974 (with an accompanying report). Referred to the Committee on Appropriations.

REPORT ON LOAN TO SOUTHERN MARYLAND ELECTRIC COOPERATIVE

A letter from the Administrator, Rural Electrification Administration, Department of Agriculture, reporting, pursuant to law, on the approval of a loan to Southern Maryland Electric Cooperative of Hughesville, Md., in the amount of $5,451,000 (with accompanying papers). Referred to the Committee on Appropriations.

REPORT ON TRANSFER OF AMOUNTS APPROPRIATED TO THE DEPARTMENT OF DEFENSE

A letter from the Assistant Secretary of Defense, reporting, pursuant to law, on the transfer of amounts appropriated to that Department. Referred to the Committee on Appropriations.

REPORT ON CONTRACT AWARD DATES

A letter from the Assistant Secretary of Defense, transmitting, pursuant to law, a list of contract award dates, for the period May 15 to August 15, 1974 (with an accompanying report). Referred to the Committee on Armed Services.

REPORT OF DIRECTOR OF SELECTIVE SERVICE

A letter from the Director of Selective Service, transmitting, pursuant to law, a report of that Service, for the period July 1–December 31, 1973 (with an accompanying report). Referred to the Committee on Armed Services.

PROPOSED LEGISLATION FROM SECRETARY OF DEFENSE

A letter from the Secretary of Defense, transmitting a draft of proposed legislation to authorize certain construction at military installations, and for other purposes (with accompanying papers). Referred to the Committee on Armed Services.

REPORT OF FEDERAL DEPOSIT INSURANCE CORPORATION

A letter from the Chairman, Federal Deposit Insurance Corporation, reporting, pursuant to law, on the operations of that Corporation for the year 1973. Referred to the Committee on Banking, Housing and Urban Affairs.

REPORT ON OPERATIONS OF THE EXCHANGE STABILIZATION FUND

A letter from the Secretary of the Treasury, transmitting, pursuant to law, a report on operations of the Exchange Stabilization Fund, for fiscal year 1973 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

REPORT ON EXPORT ADMINISTRATION

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on Export Administration, for the fourth quarter of 1973 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

PUBLICATION OF FEDERAL POWER COMMISSION

A letter from the Chairman, Federal Power Commission, transmitting, for the information of the Senate, a publication entitled "Statistics of Publicly Owned Electric Utilities in the United States, 1972" (with an accompanying document). Referred to the Committee on Commerce.

PROGRESS REPORT ON NATIONAL TRANSPORTATION POLICY

A letter from the Secretary of Transportation, transmitting, pursuant to law, a progress report on national transportation policy, dated May, 1974 (with an accompanying report). Referred to the Committee on Commerce.

PROPOSED LEGISLATION FROM DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Social Security Act to provide for automatic cost-of-living increases in supplemental security income benefits (with accompanying papers). Referred to the Committee on Finance.

REPORT ON ACTIVITIES RELATING TO CLEARANCE OF THE SUEZ CANAL

A letter from the Assistant Secretary for Congressional Relations, reporting, pursuant to law, that the President has now signed a determination authorizing the use of an additional $730,000 for activities relating to clearance of the Suez Canal (with accompanying papers). Referred to the Committee on Foreign Relations.

REPORTS OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Problems in Managing the Development of Aircraft Engines," Department of Defense, dated May 28, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Audit of Federal Deposit Insurance Corporation for the year ended June 30, 1973, Limited by Agency Restriction on Access to Bank Examination Records," dated May 23, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Pesticides: Actions Needed to Protect the Consumer From Defective Products," Environmental Protection Agency, dated May 23, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Congressional Objectives of Federal Loans and Scholarships to Health Professions Students Not Being Met," National Institutes of Health, Health Resources Administration, Department of Health, Education, and Welfare, dated May 24, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

CLARIFICATION OF REPORT ON CONCESSION CONTRACT IN GRAND TETON NATIONAL PARK

A letter from the Acting Associate Director, Department of the Interior, National Park Service, clarifying a report on a concession contract in Grand Teton National Park. Referred to the Committee on Interior and Insular Affairs.

PROPOSED GRANT AGREEMENT WITH UNIVERSITY OF MINNESOTA

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed grant agreement with the University of Minnesota for a research project entitled "Mineral Beneficiation Studies on Minnesota Copper-Nickel Deposits from the Duluth Gabbro" (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

PROPOSED CONTRACT WITH PHYSICS INTERNATIONAL CO., SAN LEANDRO, CALIF.

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed contract with Physics International Company, San Leandro, Calif., for a research project entitled "Open Pit Mine Tests of High Velocity Projectiles" (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

REPORT OF INTERDEPARTMENTAL COUNCIL TO COORDINATE ALL FEDERAL JUVENILE DELINQUENCY PROGRAMS

A letter from the Chairman, Interdepartmental Council to Coordinate All Federal Juvenile Delinquency Programs, Department of Justice, transmitting, pursuant to law, a report of that Council, for fiscal year 1973 (with an accompanying report). Referred to the Committee on the Judiciary.

REPORT ON HEAD START SERVICE TO HANDICAPPED CHILDREN

A letter from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report on Head Start Services to Handicapped Children (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

PROPOSED LEGISLATION FROM DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary of Health, Education, and Welfare transmitting a draft of proposed legislation to amend the Education of the Handicapped Act by consolidating the discretionary authorities for projects for handicapped children, and for other purposes (with accompanying papers). Referred to the Committee on Labor and Public Welfare.

PROPOSED LEGISLATION FROM ENVIRONMENTAL PROTECTION AGENCY

A letter from the Administrator, Environmental Protection Agency, transmitting two drafts of proposed legislation (1) to extend the Solid Waste Disposal Act, as amended, for one year; and (2) to extend provisions of the Federal Water Pollution Control Act, as amended, for 2 years. Referred to the Committee on Public Works; and (3) a draft of proposed legislation to extend the Marine Protection, Research, and Sanctuaries Act for 2 years. Referred to the Committee on Commerce.

PROSPECTUS FOR ALTERATION TO FEDERAL CENTER IN FORT WORTH, TEX.

A letter from the Administrator, General Services Administration transmitting pursuant to law a prospectus which revises the previously approved prospectus for alterations to the Federal Center in Fort Worth, Tex. (with accompanying papers). Referred to the Committee on Public Works.

Prospectus Proposing Alteration to GSA Depot, Dayton, Ohio

A letter from the Administrator, General Services Administration, transmitting, pursuant to law, a prospectus which proposes alterations to building 4 at the GSA Depot in Dayton, Ohio (with accompanying papers). Referred to the Committee on Public Works.

Prospectus for Alterations to Customhouse at Chicago, Ill.

A letter from the Administrator, General Services Administration, transmitting, pursuant to law, a prospectus which revises the previously approved prospectus for alterations to the U.S. Customhouse at 610 Canal Street, Chicago, Ill. (with accompanying papers). Referred to the Committee on Public Works.

Report Entitled "The Effects of Pollution Abatement on International Trade"

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report entitled "The Effects of Pollution Abatement on International Trade" (with an accompanying report). Referred to the Committee on Public Works.

Proposed Legislation From U.S. Atomic Energy Commission

A letter from the Chairman, U.S. Atomic Energy Commission, transmitting a draft of proposed legislation to amend the Atomic Energy Act of 1954, as amended, to extend the compulsory patent licensing authority (with accompanying papers). Referred to the Joint Committee on Atomic Energy.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WILLIAM L. SCOTT, from the Committee on Armed Services, without amendment:

S.J. Res. 206. Joint resolution authorizing the Secretary of the Army to receive for instruction at the United States Military Academy one citizen of the Kingdom of Laos (Rept. No. 93-887).

By Mr. LONG, from the Committee on Finance, with amendments:

H.R. 8215. An act to provide for the suspension of duty on certain copying shoe lathes until the close of June 30, 1976 (Rept. No. 93-888).

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION—CONFERENCE REPORT—REPORT OF A COMMITTEE (S. REPT. NO. 93-886)

(Ordered to be printed.)

Mr. MOSS, from the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13998) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes, submitted a report thereon.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session.

The following favorable reports of nominations were submitted:

By Mr. TOWER, from the Committee on Armed Services:

Robert Ellsworth, of New York, to be an Assistant Secretary of Defense.

J. William Middendorf II, of Connecticut, to be Secretary of the Navy.

(The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Adm. James L. Holloway III, U.S. Navy, for appointment as Chief of Naval Operations.

By Mr. Harry F. Byrd, Jr., from the Committee on Armed Services:

David P. Taylor, of Virginia, to be an Assistant Secretary of the Air Force.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. CANNON. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nominations of Major General Kjellstrom, USA, Major General Elder, USA, and Major General Foster, USA, to the grade of lieutenant general; in the Air Force, Major General Hughes to be lieutenant general, Lieutenant General Clark to be placed on the retired list in that grade and Colonel Aderholt to the temporary appointment of brigadier general. Also, Colonel Mead for appointment to the position of permanent professor at the U.S. Military Academy. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, in addition, there are three permanent appointments in the Marine Corps in the grade of 2d lieutenant. Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again, I ask unanimous consent that these names be placed on the secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. SYMINGTON (for himself and Mr. ABOUREZK, Mr. BAYH, Mr. BEALL, Mr. BENTSEN, Mr. BURDICK, Mr. ROBERT C. BYRD, Mr. HARRY F. BYRD, JR., Mr. CANNON, Mr. EASTLAND, Mr. ERVIN, Mr. GOLDWATER, Mr. HANSEN, Mr. HART, Mr. HASKELL, Mr. HOLLINGS, Mr. HUMPHREY, Mr. KENNEDY, Mr. JACKSON, Mr. MAGNUSON, Mr. MANSFIELD, Mr. MATHIAS, Mr. MCGEE, Mr. MCGOVERN, Mr. MCINTYRE, Mr. METCALF, Mr. METZENBAUM, Mr. MOSS, Mr. NELSON, Mr. PASTORE, Mr. PELL, Mr. RANDOLPH, Mr. RIBICOFF, Mr. SPARKMAN, Mr. STAFFORD, Mr. STENNIS, Mr. STEVENSON, Mr. TOWER, Mr. WILLIAMS, Mr. COTTON, Mr. BROOKE, Mr. HATFIELD, Mr. CLARK, Mr. CHILES, Mr. NUNN, Mr. TUNNEY, Mr. COOK, Mr. MUSKIE, Mr. DOMENICI, Mr. BAKER, Mr. CRANSTON, Mr. HATHAWAY, Mr. PEARSON, Mr. JAVITS, Mr. JOHNSTON, Mr. HUDDLESTON, Mr. HUGH SCOTT, Mr. MONDALE, and Mr. BIDEN).

S. 3548. A bill to establish the Harry S. Truman Memorial Scholarships and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. MUSKIE:

S. 3549. A bill to amend the Solid Waste Disposal Act as amended by the Resource Recovery Act of 1970. Referred to the Committee on Public Works.

By Mr. FONG:

S. 3550. A bill to amend subchapter 11 of chapter 53 of title 5, United States Code, with respect to the rates of pay for levels III, IV and V of the Executive Schedule, and for certain other positions being paid at rates equal to the rates for such levels; and

S. 3551. A bill to amend subchapter 10 of chapter 53 of title 5, United States Code, with respect to the rates of pay for levels II, IV and V of the Executive Schedule. Referred to the Committee on Post Office and Civil Service.

By Mr. ABOUREZK (for himself and Mr. HATFIELD):

S. 3552. A bill providing for the reaquisition of jurisdiction by Indian tribes and by the United States over criminal offenses and civil matters in Indian country. Referred to the Committee on Interior and Insular Affairs.

By Mr. ABOUREZK:

S. 3553. A bill to provide that all crude oil and other energy sources, and all products refined or derived therefrom, imported from any country in which such oil or other energy source, or such refined product is sold by the government of such country shall be imported by the Government of the United States; to establish a United States Energy Import Administration; and for other purposes. Referred to the Committee on Finance.

By Mr. DOMENICI:

S. 3554. A bill to establish the Public Lands Withdrawal Review and Evaluation Commission and to impose on such Commission a duty to undertake an immediate review of public lands withdrawn by executive action from exploration, development, and production of energy and other mineral resources with a view to determining and recommending the extent to which, if any, such lands should be made available for the exploration, development, and production of energy and other mineral resources, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. BELLMON:

S. 3555. A bill to establish a Fiscal Stabilization Board as an independent agency of the Government, and to authorize the President, upon recommendation of the Board but subject to disapproval of either House of the Congress, to increase or decrease Federal income taxes in order to stabilize economy. Referred to the Committee on Finance.

By Mr. PERCY (for himself, Mr. RANDOLPH, Mr. STAFFORD, and Mr. WEICKER):

S. 3556. A bill to conserve energy and save lives by extending indefinitely the 55 miles per hour speed limit on the Nation's highways. Referred to the Committee on Public Works.

By Mr. MOSS:

S. 3557. A bill to allow the use of certain funds authorized to be appropriated for expenditure from the Highway Trust Fund and apportioned to the States pursuant to Title 23, United States Code, without matching state or local funds. Referred to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SYMINGTON (for himself and Mr. Abourezk, Mr. Bayh, Mr. Beall, Mr. Bentsen, Mr. Burdick, Mr. Robert C. Byrd, Mr. Harry F. Byrd, Jr., Mr. Cannon, Mr. Eastland, Mr. Ervin, Mr. Goldwater, Mr. Hansen, Mr. Hart, Mr. Haskell, Mr. Hollings, Mr. Humphrey, Mr. Kennedy, Mr. Jackson, Mr. Magnuson, Mr. Mansfield, Mr. Mathias, Mr. McGee, Mr. Cotton, Mr. Brooke, Mr. Hatfield, Mr. Clark, Mr. Chiles, Mr. Nunn, Mr. Tunney, Mr. McGovern, Mr. McIntyre, Mr. Metcalf, Mr. Metzenbaum, Mr. Moss, Mr. Nelson, Mr. Pastore, Mr. Pell, Mr. Randolph, Mr. Ribicoff, Mr. Sparkman, Mr. Stafford, Mr. Stennis, Mr. Stevenson, Mr. Tower, Mr. Williams, Mr. Cook, Mr. Muskie, Mr. Domenici, Mr. Baker, Mr. Cranston, Mr. Hathaway, Mr. Pearson, Mr. Javits, Mr. Johnston, Mr. Huddleston, Mr. Hugh Scott, Mr. Mondale, and Mr. Biden.

S. 3548, to establish the Harry S. Truman Memorial Scholarships and for other purposes. Referred to the Committee on Labor and Public Welfare.

PRESIDENT HARRY S. TRUMAN SCHOLARSHIP MEMORIAL

Mr. SYMINGTON. Mr. President, on behalf of my distinguished colleague from Missouri (Mr. Eagleton) and myself, as well as some 45 of our colleagues, I introduce today for appropriate reference legislation to honor the memory of former President Harry S. Truman. This unique idea of commemorating a former President has the hearty approval of the Senate Republican leadership as well as the Democratic leadership.

This measure would provide for the annual award to 51 young Americans—one from each State and one from the District of Columbia—of a 4-year scholarship to prepare for a career in government. The cost would be far less than that of a typical modern public building—a one-time investment of $30,000,000 in treasury funds, the interest on which would carry the program permanently. It is intended that this be the sole federally financed memorial for President Truman.

The students would be known as Truman scholars and would be selected on the basis of statewide competitive examination. They would attend the colleges or universities of their choice so long as the chosen institution met the criteria established by the Board of Trustees of the Harry S. Truman Foundation with respect to courses of study offered and activities designed to prepare an individual for a career in public service.

Such studies would include training in the history and traditions and practice of American politics, as well as recent operation of the political process itself.

President Truman was noted as a widely read student of American history. His individual effort in this area gave him perspective in the direction of our country during the vital years of his service.

At the same time, this President held a firm belief in the value of formal education; and he took every opportunity to encourage young people to pursue their knowledge of these subjects that are now becoming so important to our Nation and the world.

Mrs. Truman endorses wholeheartedly this scholar program as a particularly appropriate memorial to her late husband.

Many Senators have already joined us in introducing this legislature, and we would hope that it be unanimous.

In the House, a companion bill is being introduced by Congressman William Randall who represents the district of the former President. He is being joined by all of the Members of the Missouri delegation.

I ask unanimous consent that the bill be held at the desk for the remainder of the day so that Senators desiring to do so can cosponsor this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. We would hope for prompt approval of this legislation; and I ask unanimous consent to insert at this point in the Record a summary of its details as well as the text itself.

There being no objection, the summary and the text of the bill were ordered to be printed in the Record, as follows:

Summary of Truman Memorial Bill

The proposed Harry S. Truman Memorial Scholarship Act provides for the funding and award of four year undergraduate scholarships each year to 51 young Americans in each of the 50 states and the District of Columbia.

The purpose of the undergraduate scholarship program is to provide a major educational program of preparation for public service with special emphasis on the positive political aspects of government at all levels throughout the United States.

There is a growing need in the United States for educated young people to enter public service with some knowledge of how to blend technical skills with the give and take of politices (or as it was once described, people who know how to make a "mesh" of things). Because this kind of talent is one which Mr. Truman possessed and appreciated, it is especially appropriate to honor the memory of Mr. Truman in this manner.

To achieve this objective, the bill establishes the Harry S. Truman Scholarship Foundation as an independent establishment of the executive branch of government. A Board of Trustees, composed of 15 members appointed by the President by and with the advice and consent of the Senate, would supervise and direct the Foundation through an Executive Director. Appointees to the Board would include a Senator, a Representative, a Governor, a Mayor, Federal and State Judges as well as a representative of the Truman family, and a citizen representative of the public.

The Foundation would supervise the scholarship program and under arrangements with the Governors of each State would make provisions for the selection of the scholarship winner annually on a statewide competitive basis. Each recipient of an award is to be known as a Truman Scholar and could attend the college or university of his choice provided it met Foundation criteria. Any institution of higher education offering courses of study leading to a bachelor or equivalent degree would quality so long as the institution offered courses which would prepare persons for a career in public service as determined pursuant to criteria established by the Foundation.

Qualifying institutions would also agree to provide a scholarship student with an opportunity to study no more than one of the four academic years at a college or consortium of colleges and universities in or near Washington, D.C. The purpose of the academic year in Washington is to provide specialized training in American government and politics and a laboratory where all scholars might study together.

A trust fund mechanism is employed to finance the scholarship program through an authorization for a one-time $30,000,000 appropriation. The trust fund, created in the Department of Treasury, would be invested in interest-bearing obligations of the United States or in obligations guaranteed by the United States.

It is anticipated that the $30 million appropriation would provide an annual return sufficient to provide for administrative expenses and for 51 scholarships with no individual grant to exceed an annual payment of more than $5,000.00.

S. 3548

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Harry S. Truman Memorial Scholarship Act".

STATEMENT OF FINDINGS

Sec. 2. The Congress finds that—

because a high regard for the public trust and a lively exercise of political talents were outstanding characteristics of the thirty-third President of the United States;

because a special interest of the man from Independence in American history and a broad knowledge and understanding of the American political and economic system gained by study and experience in county and national government culminated in the leadership of America remembered for the quality of his character, courage, and commonsense;

because of the desirability of encouraging young people to recognize and provide service in the highest and best traditions of the American political system at all levels of government, it is especially appropriate to honor former President Harry S. Truman through the creation of perpetual educational scholarship program to develop increased opportunities for young Americans to prepare and pursue careers in public service.

DEFINITIONS

Sec. 3. As used in this Act, the term—

(1) "Board" means the Board of Trustees of the Harry S. Truman Scholarship Foundation;

(2) "Foundation means the Harry S. Truman Scholarship Foundation;

(3) "Fund" means the Harry S. Truman Memorial Scholarship Fund;

(4) "institution of higher education" means any such institution as defined by section 1201(a) of the Higher Education Act of 1965; and

(5) "State" means each of the several States of the United States and the District of Columbia.

ESTABLISHMENT OF THE HARRY S. TRUMAN SCHOLARSHIP FOUNDATION

Sec. 4. (a) There is established, as an independent establishment of the executive branch of the United States Government, the Harry E. Truman Scholarship Foundation.

(b) The Foundation shall be subject to the supervision and direction of a Board of Trustees. The Board shall be composed of fifteen members, appointed by the President, by and with the advice and consent of the Senate, one of whom shall be selected annually by the Board to serve as Chairman.

Members of the Board shall be appointed as follows:

(1) one member from among the Members of the Senate;

(2) one member from among Members of the House of Representatives;

(3) one member who is a representative of the Truman family;

(4) four members from among individuals who are educators or scholars;

(5) one member from among the chief executives of the States;

(6) one member from among individuals who are mayors;

(7) one member from among individuals who are in the field of finance;

(8) one member from among individuals who are in the field of foreign policy;

(9) three members from among individuals who are members of the bar of the highest court of a State, of whom one shall be a Federal judge and one shall be a State judge; and

(10) one member to be a citizen representative of the public.

(c) The term of office of each member of the Board shall be six years; except that (1) the members first taking office shall serve as designated by the President, five for terms of two years, five for terms of four years, and five for terms of six years, and (2) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed, and shall be appointed in the same manner as the original appointment for that vacancy was made.

(d) Members of the Board shall serve without pay, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of their duties.

SCHOLARSHIPS AUTHORIZED

SEC. 5. (a) The Foundation is authorized to award, in accordance with the provisions of this Act, not to exceed fifty-one scholarships in any fiscal year beginning after June 30, 1973, for undergraduate study for persons who plan to pursue a career in public service. Each such award recipient shall be known as a Truman scholar.

(b) Scholarships awarded under the provisions of this Act shall be for undergraduate study leading to a bachelor's or equivalent degree at any institution of higher education approved by the Foundation in accordance with section 6(a) as an institution offering courses of study, training, research, and other educational activities designed to prepare persons for a career in public service, including the history, tradition, and practice of American politics, the development of any skills useful to the solution of problems customarily associated with public service, and practical field experience in the operation of the American political process.

(c) Scholarships under this Act shall be awarded for such periods as the Foundation may prescribe but not to exceed four academic years.

(d) In addition to the number of scholarships authorized to be awarded by subsection (a) of this section, the Foundation is authorized to award scholarships equal to the number previously awarded during any fiscal year under this Act but vacated prior to the end of the period for which they were awarded; except that each scholarship awarded under this subsection shall be for such period of study, not in excess of the remainder of the period for which the scholarship which it replaces was awarded, as the Foundation may determine.

SCHOLARSHIP REQUIREMENTS

SEC. 6. (a) A student awarded a scholarship under this Act may attend any institution of higher education if that institution—

(1) offers courses of study, training, research, and other educational activities designed to prepare persons for a career in public service as determined pursuant to criteria established by the Foundation; and

(2) agrees to provide such a scholarship student the opportunity to study for a period not to exceed one academic year at an institution of higher education or a consortium of such institutions, located in or near Washington, the District of Columbia.

(b) Each student awarded a scholarship under this Act shall sign an agreement, in such terms as the Foundation may prescribe, stating that he has a serious intent to enter the public service upon the completion of the educational program. Each institution of higher education at which such a student is in attendance will make reasonable continuing efforts to encourage such a student to enter the public service upon completing his educational program. For the purpose of this section, educational program is not limited to the academic program for which a scholarship is awarded under this Act.

SELECTION OF TRUMAN SCHOLARS

SEC. 7. (a) The Foundation is authorized to enter into arrangements with the chief executive of each State under which a State selection committee for Truman scholars is established in that State in order to conduct a statewide competitive examination and to select each year the Truman scholar for that State.

(b) The Foundation is authorized under limitations prescribed by the Board to reimburse each State for necessary and reasonable expenses incident to the selection of a Truman scholar pursuant to this section.

(c) If no Truman scholar is selected from a particular State for any year pursuant to an arrangement under this section, the Foundation may select an outstanding student from that State.

(d) No person may be selected as a Truman scholar for any State who, at the time of his selection, is not a resident of that State.

STIPENDS AND INSTITUTIONAL ALLOWANCES

SEC. 8. Each student awarded a scholarship under this Act shall receive a stipend which shall not exceed the cost to such student for tuition, fees, books, room and board or $5,000 whichever is less for each academic year of study.

SCHOLARSHIP CONDITIONS

SEC. 9. (a) A student awarded a scholarship under the provisions of this Act shall continue to receive the payments provided in this Act only during such periods as the Foundation finds that he or she is maintaining satisfactory proficiency and devoting full time to study or research in the field in which such scholarship was awarded in an institution of higher education, and is not engaging in gainful employment other than employment approved by the Foundation by or pursuant to regulation.

(b) The Foundation is authorized to require reports containing such information in such form and to be filed at such times as the Foundation determines to be necessary from any student awarded a scholarship under the provisions of this Act. Such reports shall be accompanied by a certificate from an appropriate official at the institution of higher education, approved by the Foundation, stating that such student is making satisfactory progress in, and is devoting essentially full time to, the program for which the scholarship was awarded.

(c) No scholarship shall be awarded under this Act for study at a school or department of divinity.

TRUMAN MEMORIAL SCHOLARSHIP FUND

SEC. 10. (a) There is established in the Treasury of the United States a trust fund to be known as the Harry S. Truman Memorial Scholarship Trust Fund. The fund shall consist of amounts appropriated to it by section 13(a) of this Act.

(b) It shall be the duty of the Secretary to invest in full the amounts appropriated to the fund. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt; except that where such average rate is not a multiple of one-eighth of 1 per centum, the rate of interest of such special obligations shall be the multiple of one eighth of 1 per centum next lower than such average rate. Such special obligations shall be issued only if the Secretary determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest.

(c) Any obligation acquired by the fund (except special obligations issued exclusively to the fund) may be sold by the Secretary at the market price, and such special obligations may be redeemed at par plus accrued interest.

(d) The interest on, and the proceeds from the sale or redemption of, any obligations held in the fund shall be credited to and form a part of the fund.

EXPENDITURES FROM THE FUND

SEC. 11. The Secretary is authorized to pay to the Foundation from the interest and earnings of the fund such sums as are necessary to enable the Foundation to pay stipends to the Truman scholars and allowances to institutions of higher education which Truman scholars are attending.

EXECUTIVE SECRETARY

SEC. 12. (a) There shall be an Executive Secretary of the Foundation who shall be appointed by the Board. The Executive Secretary shall be the chief executive officer of the Foundation and shall carry out the functions of the Foundation subject to the supervision and direction of the Board. The Executive Secretary shall carry out such other functions consistent with the provisions of this Act as the Board shall delegate.

(b) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(132) Executive Secretary of the Harry S. Truman Scholarship Foundation.".

ADMINISTRATIVE PROVISIONS

SEC. 13. In order to carry out the provisions of this Act, the Fountain is authorized to—

(1) appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this Act;

(2) obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code, at rates for individuals not to exceed $125 per diem;

(3) prescribe such regulations as it deems necessary governing the manner in which its functions shall be carried out;

(4) receive money and other property donated, bequeathed, or devised, without condition or restriction other than that it be used for the purposes of the Foundation; and to use, sell, or otherwise dispose of such property for the purpose of carrying out its functions;

(5) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(6) enter into contracts, grants, or other arrangements, or modifications thereof, to carry out the provisions of this Act, and such contracts or modifications thereof may, with the concurrence of two-thirds of the members of the Board, be entered into without performance or other bonds, and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5);

(7) make advances, progress, and other payments which the Board deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529);

(8) rent office space in the District of Columbia; and

(9) make other necessary expenditures.

(b) The Foundation shall submit to the President and to the Congress an annual report of its operations under this Act.

APPROPRIATIONS AUTHORIZED

Sec. 14. (a) There are authorized to be appropriated $30,000,000 to the fund.

(b) There are authorized to be appropriated such sums as may be necessary for administrative expenses incident to carrying out the provisions of this Act.

Mr. SYMINGTON. I also ask unanimous consent to have printed in the Record, Mr. President, the names of those Senators who have already cosponsored the bill, a total of 58 Senators.

There being no objection, the list of cosponsors was ordered to be printed in the Record, as follows:

Cosponsors of bill introduced by Senator Symington, joined by Senator Eagleton, to provide for a Harry S. Truman Memorial:

Mr. Abourezk, Mr. Bayh, Mr. Beall, Mr. Bentsen, Mr. Burdick, Mr. Robert C., Mr. Harry F. Byrd, Jr., Mr. Cannon, Mr. Eastland, Mr. Ervin, Mr. Goldwater, Mr. Hansen, Mr. Hart, Mr. Haskell, Mr. Hollings, Mr. Humphrey, Mr. Kennedy, and Mr. Jackson.

Mr. Magnuson, Mr. Mansfield, Mr. Mathias, Mr. McGee, Mr. McGovern, Mr. McIntyre, Mr. Metcalf, Mr. Metzenbaum, Mr. Moss, Mr. Nelson, Mr. Pastore, Mr. Pell, Mr. Randolph, Mr. Ribicoff, Mr. Sparkman, Mr. Stafford, Mr. Stennis, Mr. Stevenson, Mr. Tower, and Mr. Williams.

Mr. Cotton, Mr. Brooke, Mr. Hatfield, Mr. Clark, Mr. Chiles, Mr. Nunn, Mr. Tunney, Mr. Cook, Mr. Muskie, Mr. Domenici, Mr. Baker, Mr. Cranston, Mr. Hathaway, Mr. Pearson, Mr. Javits, Mr. Johnston, Mr. Huddleston, and Mr. Hugh Scott.

Mr. GRIFFIN. Mr. President, reserving the right to object, and I shall not object, the request of the distinguished Senator from Missouri was that the bill be held at the desk only during the remainder of this day; is that correct?

Mr. SYMINGTON. That is correct.

Mr. GRIFFIN. I shall not object, but I take note of the fact that we have had a practice in the Senate of not holding a bill at the desk for additional cosponsors, and I would object if it were longer than just for the remainder of this day. But I certainly think that request is not out of line with the general effort that we are trying to make here to keep the legislative program moving.

Mr. SYMINGTON. Mr. President, may I say that my staff informs me that the agreement was that it could be held for a day. That was the reason that I just asked for a day.

Mr. GRIFFIN. I wanted to be sure that was it.

Mr. SYMINGTON. I appreciate the courtesy of the assistant minority leader.

Mr. President, I thank the able Senator from Massachusetts for his courtesy.

By Mr. MUSKIE:

S. 3549. A bill to amend the Solid Waste Disposal Act as amended by the Resource Recovery Act of 1970. Referred to the Committee on Public Works.

SOLID WASTE AND RESOURCE RECOVERY

Mr. MUSKIE. Mr. President, I am pleased today to introduce legislation designed to further our efforts to control solid waste disposal problems and recapture energy and material resources that are now being discarded as waste by our society.

Solid waste has grown tremendously in the last few decades. It has become a substantial aggravation for the public officials who must deal with this problem locally. Solid waste disposal problems rank at the very top of the concerns of municipal officials in a recent poll by the National League of Cities/U.S. Conference of Mayors.

Eighty percent of America's cities still use open dumps to dispose of wastes. By throwing away products after their use, we are wasting energy as well as materials. An aluminum ingot made from scrap uses one-tenth the energy required to make the same ingot from bauxite. Copper made from ore available today requires 15 times the energy required for copper produced from scrap. The reduction of energy waste and the reduction of materials waste go hand in hand.

A recent report by EPA indicates that up to 60 percent of municipal waste is combustible. There are 136 million tons of urban refuse available to process for the recovery of energy. If this energy were used to produce electricity, an amount equal to 11 percent of the electricity produced from conventional steam plants in 1970 could be generated.

An added advantage of using waste as fuel is its low pollution characteristic. For example, municipal waste has one-tenth the sulfur content of ordinary coal. And energy from solid waste does not strip the land for coal or pollute the sea with oil.

The way we live has taken a great toll on the environment. Most of the nondegradable products now threatening to turn our cities into garbage dumps were developed and have been marketed since World War II.

Since World War II, our population has increased a little more than a third, but the amount of pollution per person has grown sevenfold.

Our capacity for technological innovation in creating new products has far out stripped our ability to deal with the environmental stress created by those innovations.

And I am convinced that this gap is the result of failure to try—not lack of genius. Until we alter our no deposit-no return attitude toward resources, our policies will not match the realities that face us.

Land, air, and water are all scarce resources. When we dump solid waste into any of these, we discard needed materials and damage environmental resources.

Today I am introducing a bill that will help expand Federal efforts to deal with solid waste/resource recovery problems. The bill will assist in solving these problems by: stimulating State and local plans that lead to the adoption of resource recovery techniques, second, providing loans and grants to carry out those plans third, encouraging resource conservation by firmly expanding the Federal procurement of recycled products, and fourth, stimulating standards to regulate items in the solid waste stream where such regulations would have substantial benefit.

This proposed legislation builds on the Solid Waste Disposal Act of 1965 and the Resource Recovery Act of 1970. The grants provided for demonstration projects for resource recovery techniques under the 1970 law were very useful in moving technology along. These projects provide examples of technological innovation, and are spreading to other cities.

Progress was stalled in 1973, however, when the Administration attempted to kill the solid waste program in its fiscal year 1974 budget. Congress reinstated the program, and this year the solid waste activities in the President's fiscal year 1975 budget request are at the same figure as expenditures for fiscal year 1974.

The energy problems facing the country require that we recover as many resources as possible and reduce the amount of energy used in producing materials. Our energy shortage has made us even further conscious of the need to conserve resources and recover those that we use.

The bill proposes a continuation of the Federal steps to help solve the problems of solid waste disposal and resource shortages. States are encouraged to take a larger role than ever before, but local planning and local implementation of State plans is required.

As the Congress continues to shape legislation in this area, the ideas I have put forward will undoubtedly be modified. I look forward to joining in that process and in fashioning the most useful legislative approach possible to solve this problem.

I ask that a section-by-section analysis of the bill be included in the Record, followed by the text of the bill.

There being no objection, the analysis and bill were ordered to be printed in the Record, as follows:

Section-by-Section Analysis: Draft Energy Recovery and Resource Conservation Act of 1974

Section 102—Findings and Purpose:

This section establishes the findings and purposes of the Act. It is similar to the present law with modifications to recognize a greater emphasis towards energy recovery, resource recovery, the particular problems of inner city areas, the need to adopt policies to support the resource recovery effort, and the necessity of standards in limited areas of packaging, products, and other major items of solid waste.

Section 103—Definitions:

Section 104—Research, Training, Technical Assistance and Other Activities:

This section authorizes support for various research, demonstration and training activities. It revises existing law to specify that funds may be used to support development of regulations to reduce the volume of solid waste reaching the disposal system and programs for clean up of places with severe waste accumulation problems. It adds a new subsection (d) to prohibit the current EPA practice of imposing service charges on state and local employees participating in EPA sponsored training programs.

Section 105—Special Study and Demonstration Projects on Recovery of Useful Energy and Materials:

This section is essentially the same as section 205 of the existing Act directing EPA studies of various matters relating to resource recovery.

Section 106—Grants for State Programs and State, Interstate and Local Planning:

This section is revised from the existing law to provide support not only for planning for various specific purposes, but also for the establishment of statewide solid waste management and resource recovery programs.

Subsection (a), as in the existing law, allows support for planning in a number of areas related to solid waste management with the Federal share not to exceed 66⅔ where a particular planning activity would apply to only one municipality or 75% in case of an application for more than one municipality. A number of purposes for which these planning funds can be used are listed under subsection (a).

Subsection (b) is an entirely new section and provides grants for up to 75% of the cost for establishing statewide solid waste management and resource recovery programs in fiscal years 1975 through 1977 with the Federal share dropped to 60% in the next three fiscal years.

Eligibility for a grant under this section is a condition for grants under section 107 or loans under section 108 being made in a state after January 1, 1977.

After January 1, 1977, grants under subsection (b) are preconditioned on a number of factors listed in subsection (c). These factors include (1) the establishment of a single state agency to be responsible for statewide programs, (2) state action to establish sufficient legal authority to implement its programs, and (3) a statewide solid waste management and resource recovery plan approved by EPA which includes (A) a land use plan identifying areas to be used as present and future disposal sites, (B) a program for issuing permits to all disposal sites, (C) provision to coordinate the activity of the state and municipal governments to limit the costs of collection and disposal of solid waste and assure recovery at the greatest percentage possible of recyclable or reuseable materials, (D) adequate controls on collection, recycling and disposal of hazardous wastes, (E) programs to identify methods and procedures used in the collection and transportation of materials available for recycling, (F) a provision to assure that solid waste management practices within the state are consistent with the requirement of the Clean Air Act and the Federal Water Pollution Control Act, (G) a program to close dumps in major urban areas within 2 years, (H) plans for the establishment of transfer facilities to aid rural areas in joining in larger projects, and (I) a technical assistance program for small communities.

Subsections (d) and (e) contain controls on the grant making process similar to Section 207 (b) and (c) of existing law. $50 million is authorized for this program for fiscal year 1975, $75 million for 1976 and $100 million for 1977, with annual distribution in any one state limited to 10% of the total authorization.

Section 107—Grants for Energy and Resource Recovery System and Improved Solid Waste Disposal Facilities:

This section is essentially the same as section 208 of the existing Act. It provides grants for up to 75% of the cost for demonstrating resources recovery systems with adequate assurance that the system has a plan for areawide implications. Also, it provides grants for construction of new solid waste disposal facilities if these projects are covered by adequate areawide planning and if they advance the state of the art with funding limited to a maximum 50% Federal share for projects in one municipality or 75% for more than one municipality. No more than 15% of funds appropriated under this section can be spent in any one state. Funding for this program is $75 million in fiscal year 1975, $50 million in fiscal year 1976, and $25 million in fiscal year 1977.

Section 108—Loans for Implementation of Resource Recovery Systems:

This section authorizes EPA to make loans to state and local governments for up to 75% of the cost of implementing resource recovery systems. The loans are to be for periods not to exceed twenty years. EPA may reduce the annual repayment of principle and interest by an amount equal to half of the funds received by the loan recipient from the sale of solid waste derived from the resource recovery system.

Section 109—Training Projects:

This section is essentially the same as section 210 of the existing Act providing grants for training projects. The only difference is that subsection (c) of the existing law, calling for a study of training needs, is deleted because the study should have been completed by the time the new law is enacted.

Section 110—Federal Agency Activities:

This section is intended to provide a comprehensive set of regulations to make Federal government actions more consistent with good solid waste management practices. To do this, EPA is required to publish regulations which:

(1) establish guidelines for purchasing practices which, to the maximum extent feasible, assure purchase of materials which are recycled, or which may be recycled or reused when discarded;

(2) encourage minimization of the volume of solid waste through limiting the amount of materials used and discarded; and

(3) establish procedures for the collection of solid waste which can be recycled or reused and assure that such material is available for reuse or recycling.

In addition, EPA, in cooperation with the General Services Administration and the Government Printing Office, is to develop special regulations for use of paper by the Federal government and Federal contractors.

Once the regulations for Federal activities have been developed by EPA, the President is required to publish regulations to insure their implementation by all Federal agencies. The President may exempt any single activity of facility from compliance with any regulations recommended under this section for a period of up to one year if he determines it to be in the paramount interest of the United States to do so. The one year exemptions are renewable.

Section 111—Packaging, Products, and Containers:

EPA is required to publish criteria to be used in classifying packaging, products, and containers according to the disposal problems they create, energy and resources they consume and potential for reuse or recycling. Then a list is published, followed by regulations that may specify recycled materials to be used and other component materials.

Section 112—*Major Items of Solid Waste:*

Within one year, EPA must classify major items according to disposal problems, resources consumed and potential for increasing useful life, along with regulations proposing minimum life for items classified as the worst offenders with substantial potential for improvement. Final regulations are published four months later, and take effect two years later.

All major items of solid waste produced after standards for them have been promulgated must include a label specifying the conditions for its reuse, recycling or disposal and providing information as to any reimbursable fees payable to the holder of that major item of solid waste.

Section 113—*Imports:*

Imported products for which a standard has become effective under sections 111 and 112 must have a certificate of compliance with that standard.

Section 114—*Prohibited Acts:*

(1) At any time later than one year after publication of final regulations prescribing recycling criteria, the manufacture, distribution, sale or offering for sale of any product in a container without a certification of that container which has been accepted by EPA;

(2) The manufacture, distribution, sale or offering for sale of any product in violation of any standard relating to major items of solid waste;

(3) The removal prior to sale of any label required to be affixed to a major item of solid waste, or sale of that item with the label removed;

(4) The importation into the United States of any product in violation of import regulations;

(5) Failure to comply with orders issued by EPA.

Section 115—*Enforcement:*

Willful violators are to be punished by a fine of not more than $5,000 for each violation, or by imprisonment for not more than one year, or both. If the conviction is for a violation committed after a first conviction, the punishment can be a fine of not more than $10,000 for each violation, or imprisonment for not more than two years, or both. Any violators may be subject to a civil penalty of up to $5,000.

Whenever any person commits a prohibited act, the Administrator must issue an order specifying such relief as he determines is necessary to protect the public health and welfare. The relief may include an order requiring a person to cease his violation, and may also include the seizure of any products which may be involved.

Section 116—Citizen Suits:

The citizen suit provision is essentially the same as in the air, water and noise laws, except that the waiting period to file a suit after notifying EPA is dropped from 60 days to 30 days.

Section 117—Judicial Review:

The provision relating to judicial review of administrative actions is also similar to existing laws.

Section 118—Records, Reports and Information:

Provisions relating to recordkeeping, availability of records for inspection, and providing required information are also similar to existing laws. However, one new provision prohibits use of records which are required to be shown to EPA in any subsequent criminal proceeding. Another new provision requires that any communication to EPA concerning a matter under consideration in a rulemaking or adjudicatory proceeding in the agency must be made a part of the public file of that proceeding and must be available for inspection unless it is a communication entitled to protection as a trade secret.

Section 119—Public Rulemaking:

The public is allowed to participate through a public hearing in all EPA rulemaking relating to solid waste.

Section 120—Annual Report:

EPA is required to submit to Congress an annual report on the progress of the various solid waste management programs and the impact of policies affecting resource recovery. The report must be submitted to Congress at the same time it is submitted to the Office of Management and Budget or some other agency.

Section 121—Labor Standards:

Labor protection provisions relating to wages paid on Federally-aided projects are similar to those in the Clean Air Act.

Section 122—Employee Protection:

The discharge or discrimination against any employee for taking part in any proceeding related to the Act is prohibited. The Secretary of Labor is to investigate reports of violations of this provision and where violations are found, issue orders to correct the problem and protect the employee. Employee actions in direct violation of the specific prohibitions of the Act are exempted from the prohibition in this section.

EPA is also directed to study, on a continuing basis, employment shifts due to the enforcement of the Act and investigate, where requested by any employee, where persons have been discharged or otherwise harmed in their jobs or threatened with same because of enforcement actions.

Section 123—State and Local Authority—Preemption:

Nothing in the Act is to preclude any state or local government from adopting and enforcing controls relating to solid waste management or reuse, recycling, or disposal of solid waste which are more stringent than the Federal controls.

Section 124—General Provisions:

For general program purposes, EPA is appropriated $50,000,000 for fiscal year 1975, $60,000,000 for fiscal year 1976, and $70,000,000 for fiscal year 1977.

The Secretary of the Interior is to receive $25,000,000 for fiscal year 1975, $25,000,000 for fiscal year 1976, and $25,000,000 for fiscal year 1977.

All documents submitted to the Congress, the Office of Management and Budget, or any other Federal agency with respect to a proposed budget to implement any of the provisions of this Act must be available for public inspection.

Section 125—Separability:

This section provides that if any part of this Act is held invalid, the remainder shall continue to apply.

Section 126—Water Pollution from Sanitary Landfills:

This section adds sanitary landfills to the non-point sources designated in the Federal Water Pollution Control Act for which EPA must develop regulations.

S. 3549

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Energy Recovery and Resource Conservation Act of 1974."

SEC. 2. The Solid Waste Disposal Act, as amended by the Resource Recovery Act of 1970, is amended to read as follows:

"TITLE I

"FINDINGS AND PURPOSES

"SEC. 102. (a) The Congress finds that

"(1) the energy recovery potential from materials now being discarded in solid waste could substantially contribute to needed energy production;

"(2) the continuing technological developments in methods of manufacture, packaging, and marketing of consumer products have resulted in an evermounting increase, and in a change in the characteristics, of the mass of material discarded by the purchasers of such products;

"(3) the economic and population growth of our Nation, and the improvements in the standard of living enjoyed by our population, have required increased industrial production to meet our needs, and have made necessary the demolition of old buildings, the construction of new buildings, and the provision of highways and other avenues of transportation, which, together with related industrial, commercial, and agricultural operations, have resulted in a rising tide of scrap, discarded, and waste materials;

"(4) the continuing shifts in our population have presented many communities with serious financial, management, intergovernmental, and technical problems in the recovery and disposal of solid wastes, resulting from industrial, commercial, domestic, recreational, and other activities;

"(5) and present proliferation of solid wastes and inefficient and improper methods of recovery and disposal of solid wastes are creating increasingly serious hazards to the public health and welfare, including pollution of air and water resources, accident hazards, increases in rodent and insect vectors of disease, and scenic blights that have an adverse effect on land values, create public nuisances, and otherwise interfere with community life and development;

"(6) the failure or inability to salvage, recover, and reuse such materials and the energy from such materials economically results in the unnecessary waste and depletion of our increasingly scarce natural resources; and

"(7) while the collection and disposal of solid wastes should continue to be primarily the function of State, regional, and local agencies; the problems of waste recovery and disposal as set forth above have become a matter national in scope and concern and necessitate Federal action through changes in policies and programs, development of regulations, and provision of financial and technical assistance to provide leadership in the development, demonstration, and application of new and improved methods, processes, and policies to reduce the amount of waste and unsalvageable materials and to provide for proper and economical solid waste recovery and disposal practices.

"(b) The purposes of this Act therefore are—

"(1) to promote the demonstration, construction, and application of energy recovery and solid waste management and resource recovery systems which conserve natural resources and preserve and enhance the quality of air, water, and land resources;

"(2) to provide technical and financial assistance to States and local governments and interstate agencies in the planning and development of solid waste management and resource recovery systems;

"(3) to promote a national research and development program for improvement management techniques, more effective organizational arrangements, and new and improved methods of collection, separation, recovery, and recycling of solid wastes, and the environmentally safe disposal of nonrecoverable residues;

"(4) to provide for training grants in occupations involving the design, operation, and maintenance of resource recovery and solid waste disposal systems;

"(5) to encourage cooperative activities by the States and local governments in the development and implementation of solid waste disposal and resource recovery systems; and encourage the enactment of improved and, so far as practicable, uniform State and local laws governing solid waste disposal and resource recovery;

"(6) to aid the cleanup of inner city areas and other places which have encountered particularly severe health problems and other environmental dangers because of the proliferation of solid waste;

"(7) to protect the public health and welfare through establishment of regulations for packaging practices and other manufacturing processes and products which contribute to solid waste management problems; and

"(8) to establish and expand programs and policies in the interest of public health and welfare to emphasize recycling and recovery of resources, rather than waste disposal and excessive use of raw materials.

"DEFINITIONS

"SEC. 103. When used in this Act:

"(1) The term 'Administrator' means the Administrator of the Environmental Protection Agency.

"(2) The term 'construction', with respect to any project of construction under this Act, means (A) the erection or, building of new structures and acquisition of lands or interests therein, or the acquisition, replacement, expansion, remodeling, alteration, modernization, or extension of existing structures, and (B) the acquisition and installation of initial equipment of, or required in connection with, new or newly acquired structures or the expanded, remodeled, altered, modernized, or extended part of existing structures (including trucks and other motor vehicles, and tractors, cranes, and other machinery) necessary for the proper utilization and operation of the facility after completion of the project; and includes preliminary planning to determine the economic and engineering feasibility and the public health and safety aspects of the project, the engineering, architectural, legal, fiscal, and economic investigations and studies, and any surveys, designs, plans, working drawings, specifications, and other action necessary for the carrying out of the project, and (C) the inspection and supervision of the process of carrying out the projects to completion.

"(3) The term 'consumer product' means those products which are not normally disposed of in solid or liquid waste disposal systems including any food or beverage and including those products intended for consumption by animals, and any other object intended for or capable of retail sale and residential, commercial, industrial, or recreational use, except where such object is intended to become part of a product of a commercial or industrial process.

"(4) The term 'container' means any container, package, or wrapping material which is sold with a consumer product or shipped with such product from the facility at which such product is created but which was not part of such product in its raw agricultural or virgin material state and is not intended to be used with such product at the time of sale to its ultimate purchaser.

"(5) The term 'intermunicipal agency' means an agency established by two or more municipalities within one State, with responsibility for planning or administration of solid waste disposal and resource recovery systems.

"(6) The term 'interstate agency' means an agency of two or more municipalities in different States, or an agency established by two or more States, with authority to provide for solid waste disposal and resource recovery systems serving two or more municipalities located in different States.

"(7) The term 'major item of solid waste' means any object or part of an object regularly utilized for commercial, industrial, residential or recreational purposes or transportation which has (A) a gross weight of more than ten pounds, (B) a liquid carrying capacity or more than five gallons or (C) a total volume of more than five cubic feet, and is designated by the Administrator as a major item of solid waste.

"(8) The term 'municipality' means a city, town, borough, county, parish, district, or other public body created by or pursuant to State law with responsibility for the planning or administration of solid waste disposal or an Indian tribe.

"(9) The term 'recovered resources' means usable materials or energy recovered from solid wastes.

"(10) The term 'recycle' means to (A) reuse for the same purpose as originally sold, (B) convert into a raw material from which the original product or another tangible object for which there is a viable market can be created or (C) convert into another tangible object for which there is a viable market.

"(11) The term 'resource recovery system' means a solid waste management system which provides for collection, separation, recycling, reuse, and recovery of solid wastes, including disposal or nonrecoverable waste residues.

"(12) The term 'solid waste' means garbage, refuse, construction debris, and other discarded solid materials, including solid waste materials, waste oil and other liquid materials in containers or originating in containers, and residual byproducts resulting from industrial, commercial, mining, and agricultural operations (including pollution control); and from community activities.

"(13) The term 'solid waste disposal' means the collection, storage, treatment, utilization, processing, or final disposal of solid waste.

"(14) The term 'State' means a State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

"RESEARCH, TRAINING, TECHNICAL ASSISTANCE, AND OTHER ACTIVITIES

"SEC. 104. (a) The Administrator shall conduct, and encourage, cooperate with, and render financial, technical, and other assistance to appropriate public (whether Federal, State, interstate, or local) authorities, agencies, and institutions, private agencies and institutions, and individuals in the conduct of, and promote the coordination of, research, investigations, experiments, training, demonstrations, surveys, and studies relating to—

"(1) any adverse health and welfare effects of the release into the environment of material present in solid waste, and methods to eliminate such effects;

"(2) the operation and financing of solid waste disposal programs;

"(3) measures necessary to aid the cleanup of inner city areas and other places which face particularly severe public health problems or other dangers because of accumulations of solid waste;

"(4) the reduction of the amount of solid waste and unsalvageable waste materials and procedures to encourage the separation and preparation of waste for recovery;

"(5) the development and application of new and improved methods of collecting and disposing of solid waste and processing and recovering materials and energy from solid wastes;

"(6) the identification of solid waste components and potential materials and energy recoverable from such waste components; and

"(7) the development and implementation of standards and regulations to control and reduce the volume of solid waste reaching the disposal system; and

"(8) any other matter which may be included in the annual reports required by section 119 of this Act.

"(b) In carrying out the provisions of the preceding subsection, the Administrator is authorized to—

"(1) collect and make available, through publications and other appropriate means, the results of, and other information pertaining to, such research and other activities, including appropriate recommendations in connection therewith;

"(2) cooperate with public and private agencies, institutions, and organizations, and with any industries involved, in the preparation and the conduct of such research and other activities;

"(3) recommend model codes, ordinances, and statutes which are designed to implement the purposes of this Act;

"(4) issue to appropriate Federal, interstate, regional, and local agencies information on and guidelines for technically feasible solid waste collection, separation, disposal, recycling, reuse, and recovery methods which are consistent with the policies and purposes of this Act, including data on the cost of construction, operation, and maintenance of such methods; and

"(5) make grants-in-aid to public or private agencies, and institutions and to individuals for research, training projects, surveys, and demonstrations (including construction of facilities), and provide for the conduct of research, training, surveys, and demonstrations by contract with public or private agencies and institutions and with individuals; and such contracts for research or demonstrations or both (including contracts for construction) may be made in accordance with and subject to the limitations provided with respect to research contracts of the military departments in title 10, United States Code, section 2353, except that the determination, approval, and certification required thereby shall be made by the Administrator.

"(c) Any grant, agreement, or contract made or entered into under this section shall contain provisions to insure that all information, uses, processes, patents, and other developments resulting from any activity undertaken pursuant to such grant, agreement, or contract will be made readily available on fair and equitable terms of industries and public agencies which might utilize processes to reduce the volume of solid wastes, employ methods of resource recovery, recycling, or solid waste disposal, or engage in furnishing devices, facilities, equipment, and supplies to be used in connection with reducing the volume of solid waste, disposing of solid waste or recovery and recycling of resources. In carrying out the provisions of this section, the Administrator and each department, agency, and officer of the Federal Government having functions or duties under this Act shall make use of and adhere to the Statement of Government Patent Policy which was promulgated by the President in his memorandum of October 10, 1963. (3 CFR, 1963 Supplemental, page 238.)

"(d) No service charge or other cost requirement shall be imposed as a condition of participation by any employee of a State or municipal government agency in any training program authorized by this Act.

"SPECIAL STUDY AND DEMONSTRATION PROJECTS ON RECOVERY OF USEFUL ENERGY AND MATERIALS

"SEC. 105. (a) The Administrator shall carry out an investigation and study to determine—

"(1) means to recovering energy and materials from solid waste, recommended uses of such materials and energy for national or international welfare, including identification of potential markets for such recovered resourees, and the impact of distribution of such resources on existing markets.

"(b) The Administrator is authorized to carry out demonstration projects to test and demonstrate methods and techniques developed pursuant to subsection (a).

"GRANTS FOR STATE PROGRAMS AND STATE, INTERSTATE, AND LOCAL PLANNING

"SEC. 106. (a) The Administrator may from time to time, upon such terms and conditions consistent with this section as he deems appropriate to carry out the purposes of this Act, make grants to States, interstate, municipal, and intermunicipal agencies, and organizations composed of public officials which are eligible for assistance under section 701(g) of the Housing Act of 1954, of not to exceed 66⅔ per centum of the cost of an application with respect to an area including only one municipality, and not to exceed 75 per centum of the cost in any other case, of—

"(1) making surveys of resource recovery (including energy recovery) and solid waste disposal practices and problems within the jurisdictional areas of such agencies;

"(2) developing and revising resource recovery and solid waste disposal plans as part of regional environmental protection systems for such areas, providing for recycling or recovery of materials from wastes whenever possible and including planning for the reuse of solid waste disposal areas and studies of the effect and relationship of solid waste disposal practices on areas adjacent to waste disposal sites;

"(3) developing proposals for projects to be carried out pursuant to sections 106 and 107 of this Act;

"(4) planning programs for the removal and processing of abandoned motor vehicle hulks and other major items of solid waste;

"(5) developing State laws and local ordinances to improve solid waste management and resource recovery and recycling systems; or

"(6) planning programs to achieve rapid cleanup of areas with severe health problems because of large amounts of uncollected solid waste.

"(b) The Administrator may, from time to time, upon such terms and conditions consistent with this section as he deems apppropriate, make grants to States for the purpose of establishing statewide solid waste management and resource recovery programs, which grant shall not exceed 75 per centum of the cost of establishing a statewide solid waste management and resource recovery program if such grant is made during fiscal year 1975, 1976, or 1977, and shall not exceed 60 per centum of the costs of such program in each of the three succeeding fiscal years.

"(c) After January 1, 1977, no state shall be eligible for a grant under subsection (b) of this section unless that State has—

"(1) established a single State agency to be responsible for maintaining the statewide solid waste management and resource recovery program, which State agency may also have other functions in areas relating to the environment;

"(2) established such legal authority as necessary to implement a statewide solid waste management and resource recovery plan; and

"(3) developed a statewide solid waste management and resource recovery plan submitted to and approved by the Administrator consistent with the intent and requirements of this Act, which plan shall—

"(A) include a land-use plan specifying those areas which are presently used and may be used in the future as solid waste disposal sites;

"(B) include a program for issuing permits for all publicly owned solid waste disposal sites within all Standard Metropolitan Areas with population greater than 200,000 as defined in the 1970 Census of the U.S. Commerce Department and a program for issuing such permits in the remainder of the state by 1980;

"(C) provide for coordination of the activities of the State and municipal governments relating to solid waste management and resource recovery to assure most efficient methods for (i) limiting the costs and improving the efficiency of collection and disposal and (ii) recovering the greatest percentage of recyclable or reusable materials;

"(D) assure safe and sanitary collection and recycling of materials determined by the Administrator to be toxic or hazardous, and assure disposal of toxic or hazardous materials that cannot be recycled in a manner which will not result in violation of effluent or emission limitations, standards or other requirements of the Clean Air Act or the Federal Water Pollution Control Act;

"(E) identify methods and procedures to be used in the collection and transportation of materials which are available for reuse or recycling;

"(F) assure that State, municipal, and private resource recovery and solid waste management and disposal practices will not result in a violation of effluent or emission limitations, standards or other requirements of the Clean Air Act or the Federal Water Pollution Control Act.

"(G) include (i) program prohibiting within two years of the approval of such plan the operation of any open dump within or receiving solid waste from any Standard Metropolitan Statistical Area with a population greater than 200,000 as defined in the 1970 Census of the U.S. Department of Commerce, (ii) a program prohibiting within seven years of the approval of such plan the operation of other open dumps in the remainder of the state that are deemed by the state to be environmentally unsound to a significant degree.

"(H) include plans for the establishment of transfer facilities to facilitate the inclusion of solid waste from rural areas in resource recovery systems serving areas of the state having higher population density, except where the state determines that the projected economic feasibility of such system (including projected growth of the area involved) does not justify inclusion of the rural areas in such a resource recovery system.

"(I) include a program of technical assistance for small and medium-sized communities to aid in the adoption of up-to-date resource recovery systems and solid waste disposal practices.

"(d) Upon receipt of a statewide solid waste management and resource recovery plan submitted under subsection (a) of this section, the Administrator shall, within four months after the date of receipt, approve or disapprove such plan, or any portion thereof. The Administrator shall approve such plan, or any portion thereof, if he determines that it was adopted after reasonable notice and hearings and that

(1) it complies with the requirements of paragraph (3) subsection (c); and

(2) it was developed through a process closely coordinated with the planning processes of Section 208 of the Federal Water Pollution Control Act and Section 110 of the Clean Air Act; and

(3) the State assigned primary responsibility and authority for plan development and implementation to general purpose units of government, and includes plans developed by such units of local government, unless the State (1) determined that any such plan, or its implementation, (A) failed to meet any requirement of this Act or State standards or criteria intended to effectuate such requirement; (B) was inconsistent with any other such plan or with any areawide waste management and resource recovery plan which met all applicable requirements, standards and criteria; or (C) was inconsistent with any State land use, air pollution, water pollution, noise pollution, or other environmental plan or requirement and (2) provided an adequate opportunity for administrative or judicial appeal of such determination.

(4) it assures, except in any proceedings of the State legislature, the participation of officials or representatives of general units of local government and the public in the development of subsequent revisions in the implementation of and the formulation of guidelines, rules and regulations concerning the waste management and resource recovery program.

"(e) The Administrator shall after consideration of any State hearing record, promptly prepare and publish regulations setting forth suggested revisions in a statewide solid waste management and resource recovery plan if he determines that the plan, or any portion thereof, submitted for such State is determined not to be in accordance with the requirements of this section. The State may then resubmit a plan revised to take into account the suggestions of the Administrator.

"(f) In the event that a state does not submit a plan by January 1, 1977, the Administrator may receive areawide solid waste management and resource recovery plans for multijurisdictional organizations representing general units of local government. Approval of such plans shall be conditioned upon the criteria governing statewide plans, and approval shall allow the units of government within the area covered to become eligible for financial assistance under this Act to the same extent that approval of a statewide plan would fulfill such eligibility requirements.

"(g) Grants pursuant to this section may be made upon application therefor which—

"(1) designates or establishes a single agency (which may be an interdepartmental agency) as the sole agency for carrying out the purposes of this section for the area involved;

"(2) indicates the manner in which provision will be made to assure full consideration of all aspects of planning essential to areawide planning for proper and effective resource recovery and solid waste disposal consistent with the protection of the public health and welfare, including such factors as population growth, urban and metropolitan development, land-use planning, water pollution control, air pollution control, and the feasibility of regional disposal and resource recovery program;

"(3) sets forth plans for expenditures of such grant, which plans provide reasonable assurance of carrying out the purposes for which the grant is intended;

"(4) provides for submission of such reports of the activities of the agency in carrying out the purposes of this section, in such form and containing such information, as the Administrator may from time to time find necessary for carrying out the purposes of this section and for keeping such records and affording such access thereto as he may find necessary; and

"(5) provides for such fiscal-control and fund-accounting procedures as may be necessary to assure proper disbursement of and accounting for funds paid to the agency under this section.

"(h) The Administrator shall make a grant under this section only if he finds that there is satisfactory assurance that any planning for resource recovery and solid waste management will be coordinated, so far as practicable, with and not duplicate other related State, interstate, regional and local land use and related planning activities, including any international planning activities and agreements; and including planning activities maintained in accordance with the Clean Air Act and the Federal Water Pollution Control Act and those financed in part with funds pursuant to section 701 of the Housing Act of 1954.

"(i) Not more than 10 per centum of the total of funds authorized to be appropriated under this section for any fiscal year shall be granted under this section for projects in any one State.

"(j) There are authorized to be appropriated to the Administrator of the Environmental Protection Agency to carry out the provisions of this section, not to exceed $50,000,000 for the fiscal year ending June 30, 1975, not to exceed $75,000,000 for the fiscal year ending June 30, 1976, and not to exceed $100,000,000 for the fiscal year ending June 30, 1977.

"GRANTS FOR ENERGY AND RESOURCE RECOVERY SYSTEMS AND IMPROVED SOLID WASTE DISPOSAL FACILITIES"

"SEC. 107. (a) The Administrator is authorized to make grants pursuant to this section to any State, municipal, or interstate or intermunicipal agency for the demonstration of energy resource recovery systems or for the construction of new or improved solid waste disposal facilities.

"(b) (1) A grant under this section for the demonstration of a resource recovery system may be made only if it (A) is consistent with any plans which meet the requirements of section 106(d) (2) of this Act; (B) is consistent with any guidelines recommended pursuant to section 104(b) (4) of this Act; (C) is designed to provide areawide resource recovery systems consistent with the purposes of this Act, as determined by the Administrator, pursuant to regulations promulgated under subsection (d) of this section; and (D) provides an equitable system for distributing the costs associated with construction, operation, and maintenance of any resource recovery system among the users of such system.

"(2) The Federal share for any project to which paragraph (1) applies shall not be more than 75 per centum.

"(c) (1) A grant under this section for the construction of a new or improved solid waste disposal facility may be made only if—

"(A) a State or interstate plan for solid waste disposal has been adopted which applies to the area involved, and the facility to be constructed (i) is consistent with such plan, (ii) is included in a comprehensive plan for the area involved which is satisfactory to the Administrator for the purposes of this Act, and (iii) is consistent with any guidelines recommended under section 104 (b) (4), and

"(B) the project advances the state of the art by applying new and improved techniques in reducing the environmental impact of solid waste disposal, in achieving recovery of energy or resources, or in recycling useful materials.

"(2) The Federal share for any project to which paragraph (1) applies shall be not more than 50 per centum in the case of a project serving an area which includes only one municipality, and not more than 75 per centum in any other case.

"(d) In taking action on applications for grants under this section, consideration shall be given by the Administrator (A) to the public benefits to be derived by the construction and operation and the propriety of Federal aid in making such grant; (B) to the extent applicable, to the economic and commercial viability of the project (including contractual arrangements with the private sector to market any resources recovered); and (C) to the use by the applicant of comprehensive regional or metropolitan area planning.

"(e) A grant under this section—

"(1) may be made only in the amount of the Federal share of (A) the estimated total design and construction costs, plus (B) in the case of a grant to which subsection (b) (1) applies, the first-year operation and maintenance costs;

"(2) may not be provided for land acquisition or (except as otherwise provided in paragraph (1) (B) for operating or maintenance costs;

"(3) may not be made until the applicant has made provision satisfactory to the Administrator for proper and efficient operation and maintenance of the project (subject to paragraph (1) (B)); and

"(4) may be made subject to such conditions and requirements, in addition to those provided in this section, as the Administrator may require to properly carry out his functions pursuant to this Act. For purposes of paragraph (1) of this subsection, the non-Federal share may be in any form, including, but not limited to, lands or interests therein needed for the project or personal property or services, the value of which shall be determined by the Administrator.

"(f) No grant shall be made under this section for any project in a State which on or after July 1, 1976, is not eligible for a grant under subsection (b) of section 106 of this Act.

"(g) (1) Not more than 15 per centum of the total of funds authorized to be appropriated under this section for any fiscal year shall be granted under this section for projects in any one State.

"(2) The Administrator shall prescribe by regulation the manner in which this subsection shall apply to a grant under this section for a project in an area which includes all or part of more than one State.

"(h) There are authorized to be appropriated to the Administrator of the Environmental Protection Agency to carry out the provisions of this section, not to exceed $75,000,000 for the fiscal year ending June 30, 1975, and not to exceed $50,000,000 for the fiscal year ending June 30, 1976, and not to exceed $25,000,000 for the fiscal year ending June 30, 1977.

"LOANS FOR IMPLEMENTATION OF RESOURCE RECOVERY SYSTEMS

"SEC. 108. (a) The Administrator is authorized to make loans pursuant to this section to any State, municipal, or intermunicipal agency for the implementation of resource recovery systems in those areas where resource recovery systems in private industry are unable to assure the energy and materials recovery or disposal of all materials generated in collection activities.

"(b) (1) A loan under this section for the implementation of a resource recovery system may be made only if the proposed system (A) is consistent with any plans which meet the requirements of section 105(d) (2) of this Act; (B) is consistent with any guidelines recommended pursuant to section 104(b) (4) of this Act; (C) is designed to provide areawide resource recovery systems consistent with the purposes of this Act, as determined by the Administrator, pursuant to regulations promulgated under subsection (c) of this section; and (D) provides an equitable system for distributing the costs associated with construction, operation, and maintenance of any resource recovery system among the users of such system.

"(2) The amount of the loan for any project to which paragraph (1) applies shall be not more than 75 per centum of the project costs as determined under subsection (e) of section 106 of this Act, and such amounts shall be available at an interest rate not to exceed 3 per centum per annum, as determined by the Administrator.

"(3) A loan for any project under this section shall be granted by the Administrator on condition that it be repaid within a period of not more than twenty years from the date of the loan, except that, on an annual basis, the Administrator shall reduce such payment of principal and interest due for that year by an amount equal to one-half of any funds received by the loan recipient from the sale of solid waste, or material derived therefrom, which has been recovered from operation of the resource recovery system during the previous year.

"(c) (1) The Administrator, within one hundred eighty days after the date of enactment of this section, shall promulgate regulations establishing procedures for awarding loans under this section which shall include deadlines for submission, and action on, loan requests.

"(2) In taking action on applications for loans under this section, consideration shall be given by the Administrator (A) to the public benefits to be derived by the construction and operation and the propriety of Federal aid in making such loans; (B) to the extent applicable, to the economic and commercial viability of the project (including contractual arrangements with the private sector to market any resources recovered); and (C) to the use by the applicant of comprehensive regional or metropolitan area planning.

"(d) No loan shall be made under this section for any project in a State which on or after July 1, 1976, is not eligible for a grant under subsection (b) of section 106 of this Act.

"(e) There are authorized to be appropriated to the Administrator, for repayment of loans to carry out the provisions of this section, such sums as may be necessary.

"GRANTS OR CONTRACTS FOR TRAINING PROJECTS

"SEC. 109. (a) The Administrator is authorized to make grants to, and contracts with, any eligible organization. For purposes of this section the term "eligible organization" means a State or interstate agency, a municipality, educational institution, and any other organization which is capable of effectively carrying out a project which may be funded by grant under subsection (b) of this section.

"(b) (1) Subject to the provisions of paragraph (2), grants or contracts may be made to pay all or a part of the costs, as may be determined by the Administrator, of any project operated or to be operated by an eligible organization, which is designed—

"(A) to develop, expand, or carry out a program (which may combine training, education, and employment) for training persons for occupations involving the management, supervision, design, operation, or maintenance of solid waste disposal and resource recovery equipment and facilities; and

"(B) to train instructors and supervisory personnel to train or supervise persons in occupations involving the design, operation, and maintenance of solid waste disposal and resource recovery equipment and facilities.

"(2) A grant or contract authorized by paragraph (1) of this subsection may be made only upon application to the Administrator at such time or times and containing such information as he may prescribe, except that no such application shall be approved unless it provides for the same procedures and reports (and access to such reports and to other records) as is required by section 105(d) (4) and (5) with respect to applications made under such section.

FEDERAL AGENCY ACTIVITIES

"SEC. 110. (a) Not later than one hundred twenty days after the date of enactment of this Act, the Administrator shall, after consultation with other appropriate Federal agencies, publish in the Federal Register proposed regulations recommending effective resource recovery and solid waste management practices for use by Federal agencies. These regulations shall—

"(1) establish guidelines that, to the maximum extent feasible, assure the purchase by Federal agencies of materials and products which have been recycled and may be recycled or reused when discarded;

"(2) encourage all Federal agencies to minimize the accumulation of solid waste by limiting, to the greatest extent practicable, the volume of materials and products used and discarded, and

"(3) encourage each agency to establish systems for the collection of materials for recycling (or energy recovery), reuse and provide asurance that such material and products, once collected, will be made available, whenever possible, to an appropriate public agency or private industry for reuse or recycling;

"(b) (1) Not later than one hundred and twenty days after the date of enactment of this Act, the Administrator, in cooperation with the Administrator of the General Services Administration and the Public Printer, shall publish in the Federal Register proposed regulations establishing guidelines for use of recycled paper and paper products by all agencies of the Federal Government as well as public and private agencies, individuals, and organizations who contract with the Federal Government.

"(2) Such regulations shall designate categories of paper and paper products with the greatest potential and feasibility of being composed of recycled paper and materials and shall specify the nature and percentage of such recycled materials to be contained in such products. Such regulations shall require that all Federal agencies and all Federal contractors, in the performance of their contract work, shall use recycled paper and paper products meeting the specifications of regulations promulgated pursuant to this paragraph in all purchases or acquisitions of any property having a fair market value of $5,000 or more and with respect to any purchase or acquisition on a recurring or continuing basis of the same or a functionally equivalent material, product, or item where the fair market value of the quantity thereof purchased or acquired in the course of the preceding fiscal year was $5,000 or more.

"(b) The requirements of paragraphs (1) and (2) of this section shall not apply to any procurement by a procuring agency if the procurement item which meets such requirements and regulations (A) is not reasonably available within a reasonable period of time; (B) does not meet reasonable performance standards set by such agency; (C) is only available at a price which unreasonably exceeds the current market price for competing items; or (D) cannot be purchased consistent with any other Federal law.

"(c) The Administrator shall publish final regulations to implement subsection (a) and subsection (b) respectively within one hundred and twenty days after publication of the proposed regulations, and such regulations shall become effective not more than one hundred eighty days thereafter.

"(d) The President shall prescribe regulations to carry out this section which shall insure that—

"(1) each executive agency (as defined in section 105 of title 5, United States Code) shall insure compliance of its own activities with the regulations recommended under this section and the purposes of this Act;

"(2) each executive agency which enters into a contract with any person for the operation by such person of any Federal property or facility or the performance by such person of any function of that agency, shall insure compliance with the regulations recommended under this section and the purposes of this Act in the operation or administration of such property or facility, or the performance of such contract, as the case may be;

"(3) each executive agency which permits the use of Federal property for purposes of disposal of solid waste shall insure compliance with the regulations recommended under this section and the purposes of this Act in the disposal of such waste; and

"(4) each executive agency which issues any license or permit for disposal of solid waste shall, prior to the issuance of such license or permit, consult with the Administrator to insure compliance with regulations recommended under this section and the purposes of this Act.

"(e) The President may exempt any single activity or facility of any department, agency, or instrumentality in the executive branch from compliance with any regulations recommended under this section if he determines it to be in the paramount interest of the United States to do so; except that no exemption shall be granted due to lack of appropriation unless the President shall have specifically requested such appropriation as a part of the budgetary process and the Congress shall have failed to make available such requested appropriation. Any exemption shall be for a period not in excess of one year, but additional exemptions may be granted for periods of not to exceed one year upon the President's making a new determination. The President shall report each January to the Congress all exemptions from the requirements of this section granted during the preceding calendar year, together with his reason for granting such exemption.

PACKAGING, PRODUCTS, AND CONTAINERS

Sec. 111. (a) The administrator, after consultation with appropriate Federal, state, interstate and municipal agencies and other interested persons, shall within six months after the date of enactment of this Act (and from time to time thereafter revise) publish criteria to be used in classifying products, containers, and packaging based upon (1) the solid waste disposal, resource consumption, and energy consumption problems caused by the items. (2) The potential for significant reuse of such items, and (3) the potential for resource recovery or recyclability of such items.

(b) Within 90 days after the date of publication of the criteria under subsection (a) of this section, the Administrator shall publish (and from time to time thereafter revise) publish a list of items for which regulations will be published under this section. Such list shall be based on a balancing of the factors considered in the criteria published under subsection (a) of this section.

(c) Within 180 days after the date of publication of the list under subsection (b) of this section, the Administrator, in accordance with section 553 of title 5 of the U.S. Code, shall publish proposed regulations for the manufacture, distribution, reuse, and recycling of products, containers, or packaging. Such standards may include minimum percentages of recycled materials which shall be contained in such items, maximum permissable quantities of component materials and may prescribe methods of distribution for certain items and prohibitions against the manufacture and sale of specific items. The Administrator shall publish a notice for a public hearing on such proposed regulations to be held with in sixty (60) days. As soon as possible after such hearing, but not later than six months after publication of the proposed regulations, unless the Administrator finds, on the record, that a modification of such proposed standard is justified based upon a preponderance of evidence adduced at such hearings, such standard shall be promulgated.

If after a public hearing the Administrator finds that a modification of such proposed standard is justified, revised regulations shall be promulgated immediately. Such regulations shall be reviewed and, if appropriate, revised at least every three years.

Sec. 112(a). Not later than one year after enactment of this Act the Administrator, after a public hearing, shall publish—

(1) a classification system of major items of solid waste based upon—

(A) the solid waste and resource consumption problems caused by the item,

(B) the potential for increasing the useful life of the item, and

(C) such other factors, as deemed appropriate; and

(2) proposed regulations establishing the minimum life for major items classified as contributing significantly to solid waste or resource consumption problems and having substantial potential for increased useful life.

(b) The Administrator may establish a system of fees or some other mechanism or system to encourage reconditioning, reuse, recycling, or disposal without harm to the environment or violation of any applicable air or water quality requirements of major items.

(c) Not later than 120 days after publication of the proposed regulations the Administrator after public hearings shall publish final regulations governing major items of solid waste which regulations shall become effective 24 months after publication.

"(d) The Administrator shall require that any major item of solid waste for which standards have been promulgated pursuant to this section and which is manufactured after the date or which such standards become effective shall include a label which specifies the conditions set out in the standard for that major item of solid waste for its reuse, recycling, or disposal and shall include information as to any reimbursable fees payable to the holder of that major item of solid waste at such time as the item is returned for reuse, recycling, or disposal as indicated on the label.

"IMPORTS

Sec. 113. Any product offered for entry into the United States for which a standard has become effective pursuant to section 111 or 112 of this Act, which is not accompanied by a certificate of compliance in the form prescribed by the Administrator, shall be refused entry into the United States. If a product is refused entry, the Secretary of the Treasury shall refuse delivery to the consignee and shall require storage of any product refused delivery which has not been exported by the consignee within three months from the date of notice of such refusal under such regulations as the Secretary of the Treasury may prescribe, except that the Secretary of the Treasury may deliver to the consignee such product pending examination and decision in the matter on execution of bond for the amount of the full invoice value of such product, together with the duty thereon, and on refusal to return such product for any cause to the custody of the Secretary of the Treasury, when demanded, for the purpose of excluding it from the country, or for any purpose, said consignee shall forfeit the full amount of said bond. All charges for storage, cartage, and labor on products which are refused admission or delivery under this section shall be paid by the owner or consignee, and in default of such payment shall constitute a lien against any future importation made by such owner or consignee.

"PROHIBITED ACTS

"Sec. 114 (a) Except as otherwise provided in subsection (b) of this section, the following acts or the causing thereof are prohibited:

"(1) At any time later than one year after publication of final regulations for products, packaging, and containers under section 111 of this Act, the manufacture, distribution, sale, or offerng for sale of any product packaging, or container not in compliance with such regulations;

"(2) the manufacture, distribution, sale, or offering for sale of any major item of solid waste in violation of conditions or procedures established by standards promulgated and in effect for such major items of solid waste in accordance with section 112 of this Act;

"(3) the removal by any person of any label affixed to a major item of solid waste pursuant to regulations promulgated under section 112(d) of this Act prior to sale of such item to the ultimate purchaser, or the sale of a major item of solid waste from which such label has been removed;

"(4) the importation into the United States for resale by any person of any consumer product or major item of solid waste in violation of regulations promulgated under section 113 of this Act that are applicable to such product;

"(5) the failure of any person to comply with any order isued under section 115 (d) of this Act.

"(b) The Administrator may, after public hearings exempt for a specified period of time not to exceed one year, any major item of solid waste or class thereof, from paragraphs (1) and (3) of subsection (a) of this section upon such terms and conditions as he may find necessary to protect the public health or welfare, for the purpose of research, investigations, studies, demonstrations, or training, or for reasons of national security.

"ENFORCEMENT

Sec. 115. (a) Any person who willfully violates paragraph (1), (2), (3), or (4) of subsection (a) of section 114 of this Act shall be punished by a fine of not more than $5,000 for each violation, or by imprisonment for not more than one year, or by both. If the conviction is for a violation committed after a first conviction of such person under this paragraph, punishment shall be by a fine of not more than $10,000 for each violation, or by imprisonment for not more than two years, or by both.

"(b) Any person who violates paragraph (1), (2), (3), or (4) of subsection (a) of section 113 of this Act shall be subject to a civil penalty of not more than $5,000 for each violation.

"(c) The district courts of the United States shall have jurisdiction of actions brought by and in the name of the United States to restrain any violation of section 114 of this Act.

"(d) Whenever any person is in violation of section 114(a) of this Act, the Administrator shall issue an order specifying such relief as he determines is necessary to protect the public health and welfare. Such relief may include an order requiring such person to cease such violation, and may also include the seizure of any such products by the Administrator.

"(2) Any order under this subsection shall be issued only after notice and opportunity for a hearing in accordance with section 554 of title 5 of the United States Code.

"CITIZEN SUITS

"Sec. 116. (a) Except as provided in subsection (b) of this section, any person may commence a civil action on his own behalf.

"(1) against any person (including (A) the United States, and (B) any other governmental instumentality or agency to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of any certification, standard or regulation which has become effective pursuant to this Act; and

"(2) against the Administrator of the Environmental Protection Agency where there is alleged a failure of such Administrator to perform any act or duty under this Act which is not discretionary with such Administrator.

The district courts of the United States shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce such standard or requirement or to order such Administrator to perform such act or duty, as the case may be.

"(b) No action may be commenced—

"(1) under subsection (a)(1) of this section—

"(A) prior to thirty days after the plaintiff has given notice of the violation (1) to the administrator of the Environmental Protection Agency and (ii) to any alleged violator of such certification, standard or regulation, or

"(B) if the Administrator has commenced and is diligently prosecuting a civil action to require compliance with such certification, standard or regulation, but in any such action in a court of the United States any person may intervene as a matter of right; or

"(2) under subsection (a)(2) of this section prior to thirty days after the plaintiff has given notice to the defendant that he will commence such action.

Notice under this subsection shall be given in such manner as the Administrator of the Environmental Protection Agency shall prescribe by regulation.

"(c) In an action under this section, the Administrator of the Environmental Protection Agency may intervene as a matter of right.

"(d) The court, in issuing any final order in any action brought pursuant to subsection (a) of this section, may award costs of litigation (including reasonable attorney and expert witness fees) to any party, whenever the court determines such an award is appropriate.

"(e) Nothing in this section shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any standard or requirement relating to solid waste management or to seek any other relief (including relief against the Administrator).

"JUDICIAL REVIEW

"SEC. 117. Any judicial review of final regulations promulgated under this Act shall be in accordance with sections 701–706 of title 5 of the United States Code, except that—

"(a) a petition for review of action of the Administrator in promulgating any standard, regulation, or labeling requirements under this Act may be filed only in the United States Court of Appeals for the District of Columbia. Any such petition shall be filed within sixty days from the date of such promulgation, or after such date if such petition is based solely on grounds arising after such sixtieth day. Action of the Administrator with respect to which review could have been obtained under this subsection shall not be subject to judicial review in civil proceedings for enforcement except as to whether the administrative and judicial procedures of this Act have been observed;

"(b) if a party seeking review under this Act applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that the information is material and was not available at the time of the proceeding before the Administrator, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Administrator, and to be adduced upon the hearing, in such manner and upon such terms and conditions as the court may deem proper. The Administrator may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file with the court such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original order, with the return of such additional evidence;

"(c) with respect to relief pending review of an action by the Administrator, no stay of an agency action may be granted unless the reviewing court determines that the party seeking such stay is (1) likely to prevail on the merits in the review proceeding and (2) will suffer irreparable harm pending such proceeding.

"RECORDS, REPORTS, AND INFORMATION

SEC. 118(a) Any manufacturer, distributor, or other seller of a product, package, or container of any major item of solid waste for which any certification, standard, or regulation has been promulgated pursuant to this Act shall (1) establish and maintain such records, make such reports, and provide such information as the Administrator may reasonably require to enable him to determine whether such manufacturer, distributor, or other seller has acted or is acting in compliance with this Act, and (2) upon request of an officer or employee duly designated by the Administrator, permit such officer or employee at reasonable times to have access to such information, *Provided, however,* That such records, reports or other materials as are required by this subsection to be shown to the Administrator shall not be used as evidence in any action under subsection (a) of section 114 of this Act.

"(b) For the purpose of obtaining information to carry out this Act, the Administrator may issue subpenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and he may administer oaths. Witnesses summoned shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. In cases of contumacy or refusal to obey a subpena served upon any person under this subsection, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the Administrator, to appear and produce papers, books, and documents, before the Administrator, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(c) Any records, reports, or information obtained under this section shall be available to the public, except that upon a showing satisfactory to the Administrator by any person that records, reports, or information or particular part thereof to which the Administrator has access under this section if made public, would divulge methods or processes entitled to protection as trade secrets of such person, the Administrator shall consider such record, report, or information or particular portion thereof confidential in accordance with the purposes of section 19.05 of title 18 of the United States Code, except that such record, report, or information may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this Act or when relevant in any proceeding under this Act. Nothing in this section shall authorize the withholding of information by the Administrator or any officer or employee under his control, from the duly authorized committees of the Congress.

"(d) Any communication from a person or any Federal agency to the Administrator or any other employee of the Agency concerning a matter under consideration in a rulemaking or adjudicatory proceeding in the Agency shall be made a part of the public file of that proceeding and shall be available for inspection during regular business hours unless it is a communication entitled to protection under subsection (c) of this section.

"(e) Any person who knowingly makes any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this Act shall upon conviction be punished by a fine of not more than $10,000 or by imprisonment for not more than six months, or by both.

"PUBLIC RULEMAKING

"SEC. 119. After publication of any proposed standards or regulations under this Act, the Administrator shall, after adequate notice, hold a public hearing on the proposed standards or regulations and shall also allow the public an opportunity to participate in rulemaking in accordance with section 553 of title 5, United States Code.

"ANNUAL REPORT

"SEC. 120. (a) The Administrator shall compile and publish annually a report to the Congress—

"(1) the status and progress of activities relating to reduction of solid waste and the reuse, recycling, and disposal of solid waste;

"(2) the impact of Federal procurement, regulatory, and tax and economic policies on resource recovery and recycling;

"(3) the development of markets for recycled materials;

"(4) the adequacy of disposal sites for hazardous wastes and other disposal items;

"(5) efforts of state and local governments and private industry in improved solid waste management;

"(6) new technological developments and other processes and systems to improve solid waste management and resource recovery efforts;

"(7) the need for training and recruiting personnel for solid waste management programs;

"(8) the status of any enforcement actions taken by the Administrator;

"(b) No report required in accordance with the provisions of this section, nor any draft or portion thereof, shall be submitted to the Office of Management and Budget or any other Federal agency on a date any earlier than that on which such report, or draft or portion thereof, is submitted to the Congress.

"LABOR STANDARDS

"SEC. 121. No grant for a project of construction under this Act shall be made unless the Administrator finds that the application contains or is supported by reasonable assurance that all laborers and mechanics employed by contractors or subcontractors on projects of the type covered by the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a–5), will be paid wages at rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with that Act; and the Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z–15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

"EMPLOYEE PROTECTION

"SEC. 122. (a) No person shall fire, or in any other way discriminate against, or cause to be fired or discriminated against, any employee or any authorized representative of employees by reason of the fact that such employee or representative has filed, instituted, or caused to be filed or instituted, any proceeding under this Act, or has testified or is about to testify in any proceedings related to or resulting from the administration or enforcement of the provisions of this Act.

"(b) Any employee or a representative of employees who believes that he has been fired or otherwise discriminated against by any person in violation of subsection (a) of this section may, within thirty days after such alleged violation occurs, apply to the Secretary of Labor for a review of such firing or alleged discrimination. A copy of the application shall be sent to such person who shall be the respondent. Upon receipt of such application, the Secretary of Labor shall cause such investigation to be made as he deems appropriate. Such investigation shall provide an opportunity for a public hearing at the request of any party to such review to enable the parties to present information relating to such alleged violation. The parties shall be given written notice of the time and place of the hearing at least five days prior to the hearing. Any such hearing shall be of record and shall be subject to section 544 of title 5 of the United States Code. Upon receiving the report of such investigation, the Secretary of Labor shall make findings of fact. If he finds that such violation did occur, he shall issue a decision, incorporating an order therein and his findings, requiring the party committing such violation to take such affirmative action to abate the violation as the Secretary of Labor deems appropriate, including, but not limited to, the rehiring or reinstatement of the employee or representative of employees to his former position with compensation. If he finds that there was no such violation, he shall issue an order denying the application. Such order issued by the Secretary of Labor under this subparagraph shall be subject to judicial review in the same manner as orders and decisions of the Administrator are subject to judicial review under this Act.

"(c) Whenever an order is issued under this section to abate such violation, at the request of the applicant, a sum equal to the aggregate amount of all costs and expenses (including the attorney's fees), as determined by the Secretary of Labor to have been reasonably incurred by the applicant for, or in connection with, the institution and prosecution of such proceedings, shall be assessed against the person committing such violation.

"(d) This section shall have no application to any employee who, acting without direction from his employer (or his agent) deliberately violates or causes to be violated any prohibition or limitation established under this Act or who commits any act prohibited by this Act.

"(e) The Administrator shall conduct continuing evaluations of potential loss or shifts of employment which may result from the issuance of any standard, regulation or order under this Act, including, where appropriate, investigating threatened plant closures or reductions in employment allegedly resulting from such standard, regulation or order. Any employee who is discharged or laid-off, threatened with discharge or lay-off, or otherwise, discriminated against by any person because of the alleged results of any standard, regulation or order issued under this Act, or any representative of such employee, may request the Administrator to conduct a full investigation of the matter. The Administrator shall thereupon investigate the matter and, at the request of any party, shall hold public hearings on not less than five days notice, and shall at such hearings require the parties, including the employer involved, to present information relating to the actual or potential effect of such standard, regulation or order on employment and on any alleged discharge, lay-off, or other discrimination and the detailed reasons or justification therefor. Any such hearing shall be of record and shall be subject to section 554 of title 5 of the United States Code. Upon receiving the report of such investigation, the Administrator shall make findings of fact as to the effect of such standard, regulation or order on employment and on the alleged discharge, lay-off, or discrimination and shall make such recommendations as he deems appropriate. Such report, findings, and recommendations shall be available to the public. Nothing in this subsection shall be construed to require or authorize the Administrator to modify or withdraw any standard, regulation or order issued under this Act."

"STATE AND LOCAL AUTHORITY

Sec. 123. Nothing in this Act shall be interpreted as precluding or denying the right of any State or political subdivision thereof to adopt or enforce any standard or regulation regulating to solid waste management or reuse, recycling, or disposal of solid waste which is more stringent than standards or regulations imposed under this Act.

"GENERAL PROVISIONS

Sec. 124. (4) Payments of grants under this Act may be made (after necessary adjustment on account of previously made underpayments or overpayments) in advance or by way of reimbursement, and in such installments and on such conditions as the Administrator may determine.

"(b) No grant may be made under this Act to private profitmaking organization.

"(c) There are authorized to be appropriated to the Administrator of the Environmental Protection Agency to carry out the provisions of this Act, other than section 106 and section 107 not to exceed $50,000,000 for the fiscal year ending June 30, 1975, not to exceed $60,000,000 for the fiscal year ending June 30, 1976, and not to exceed $70,000,000 for the fiscal year ending June 30, 1977.

"(d) There are authorized to be appropriated to the Secretary of the Interior to carry out this Act not to exceed $25,000,000 for the fiscal year ending June 30, 1975, not to exceed $25,000,000 for the fiscal year ending June 30, 1976, and not to exceed $25,000,000 for the fiscal year ending June 30, 1977. Prior to expanding any funds authorized to be appropriated by this subsection, the Secretary of the Interior shall consult with the Administrator of the Environmental Protection Agency to assure that the expenditure of such funds will be consistent with the purposes of this Act.

"(e) Such portion as the Administrator may determine but not more than 1 per centum, of any appropriation for grants, contracts, or other payments under any provision of this Act for any fiscal year beginning after June 30, 1970, shall be available for evaluation (directly, or by grants or contracts) of any program authorized by this Act.

"(f) Sums appropriated under this Act shall remain available until expended.

"(g) Any and all documents submitted to the Congress, the Office of Management and Budget, or any other Federal agency with respect to a proposed budget to implement any of the provisions of this Act shall be made available for public inspection during regular business hours at a place to be designated by the Administrator.

"SEPARABILITY

"Sec. 125. If any provision of this Act, or the application of any provision of this Act to any person or circumstance, is held invalid, the application of such provision to other persons or circumstances, and the remainder of this Act, shall not be affected thereby."

"WATER POLLUTION FROM SANITARY LANDFILLS

"Sec. 126. Subsection 304 (e) (2) of the Federal Water Pollution Control Act is amended by striking "and" at the end of subparagraph (E), inserting "and" at the end of subparagraph (F) and adding a new subparagraph to read as follows:

"(G) sanitary landfills sites and other solid waste disposal activities."

By Mr. ABOUREZK:

S. 3553. A bill to provide that all crude oil and other energy sources, and all products refined or derived therefrom, imported from any country in which such oil or other energy source, or such refined product is sold by the government of such country shall be imported by the Government of the United States; to establish a United States Energy Import Administration; and for other purposes. Referred to the Committee on Finance.

Mr. ABOUREZK. Mr. President, this bill would create a Federal agency to import crude oil and petroleum products sold by foreign governments. The intent of this amendment is to increase the level of competition in the petroleum industry by setting up an agency which would provide large amounts of crude oil and petroleum products to the independent sector of our domestic petroleum industry.

At present, most of the crude oil and petroleum products imported into the United States is owned and controlled by the major multinational oil companies. One need only look at the shipping manifests to see that it is Exxon, Mobil, Texaco, Gulf, Standard Oil of California, and a few others who import over 90 percent of the crude oil and products consumed in this country. Independent refiners and marketers who do not produce oil in foreign countries or who are easily outbid for foreign crude oil by the major multinationals are at a competitive disadvantage with respect to the majors.

Thus, if there were a Federal agency which would be designated as the sole importer of that portion of oil sold by foreign governments or their agencies on the world market, then independent, small refiners and marketers would have a chance to compete. This bill would not prohibit major companies from importing their own oil which they produce in foreign countries. For example, the Saudi Arabian Government currently controls 25 percent of the oil sold by Aramco. This oil is called participation oil.

It is this oil which a Federal agency could negotiate for. The Federal agency would then bid against other foreign consuming governments along with the multinational companies.

This bill then is an attempt to loosen the stranglehold of the major multinational oil companies over the oil that is imported into the United States. It is these companies more so than foreign producing countries which threaten our Nation's national security. These multinational companies are only concerned with maximizing their profits, something which they have been able to do exceedingly well and at the expense of both the producing and the consuming nations. The list of countries who have complaints against the "Seven Sisters" as they are affectionately called, is both long and formidable—Germany, England, Belgium, Japan, Iran, Iraq, and Libya.

Senator Church in his hearings on the multinational oil companies has demonstrated clearly how they have penetrated the highest levels of our Government to insure themselves of a foreign policy which will insure their control over foreign sources of crude oil—not to benefit American consumers, but only to increase their profits. A Federal agency which would import foreign government sold oil and which would distribute this oil to independent refiners and marketers would go a long way to increasing competition in the oil industry with the resulting benefits of lower prices and a continued supply passed on to consumers.

By Mr. DOMENICI:

S. 3554. A bill to establish the Public Lands Withdrawal Review and Evaluation Commission and to impose on such Commission a duty to undertake an immediate review of public lands withdrawn by executive action from exploration, development, and production of energy and other mineral resources with a view to determining and recommending the extent to which, if any, such lands should be made available for the exploration, development, and production of energy and other mineral resources, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. DOMENICI. Mr. President, it has long been recognized that the Congress has plenary constitutional authority over the retention, management, and disposition of the public lands. By Public Law 88–606 enacted on September 19, 1964, the Congress declared as its policy that public lands of the United States shall be managed in a manner to provide the maximum benefit for the general public.

By that same law the Congress announced that it had become necessary to undertake a comprehensive review of laws and regulations relating to administration of the public lands. Such a review had become necessary because those laws and regulations had developed over such a long period of time and in such an uncoordinated manner that they had become inadequate to meet the current and future needs of the American people.

In order to carry out the policy declared in that act and accomplish such a review of public lands administration, the act created the Public Land Law Review Commission. Section 4 of the act set forth the specific duties of the Commission which primarily entailed the comprehensive review of public lands administration I have refered to and a detailed report to the President and Congress regarding the entire process of public lands administration.

After a meticulous and extensive study as required by the act, the Commission submitted its report in June of 1970 in a volume entitled "One-Third of the Nation's Lands." That report, contained specific recommendations for policy guidelines pertaining to the retention and management or disposition of the Federal lands that equal one-third of the area of the entire Nation.

The report contained many specific recommendations for the improvement of public lands administration. One of the most fundamental of the Commission's recommendations was as follows:

> An immediate review should be undertaken of all (public) lands not previously designated for any specific use, and of all existing withdrawals, set asides, and classifications of public domain lands that were effected by Executive action to determine the type of use that would provide maximum benefit for the general public.

In view of this Nation's critical need for increased production from its mineral resources, particularly its energy minerals, there can be no doubt that energy and other mineral exploration, development, and production must be designated as among those uses which most directly contribute to the maximum public benefit. It is a difficult proposition to establish priorities when there are conflicting use possibilities for public lands. The Commission recognized this difficulty in its report by stating that there had been no attempt to define the maximum benefit for the general public. What I am suggesting is no more than should be obvious to everyone—regardless of how defined, maximum public benefit from the public lands must include orderly and effective utilization of energy and other mineral resources contained in those lands.

The Congress has often recognized this fact as illustrated by the Mining and Minerals Policy Act of 1970—Public Law 91-631—in which the Congress declared it to be—

> The continuing policy of the Federal Government in the National Interest to foster and encourage private enterprise in . . . the orderly and economic development of domestic mineral resources, reserves, and reclamation of metals and minerals to help assure satisfaction of industrial, security, and economic needs.

Recent events have made that simple policy declaration even more applicable now than it was in 1970, especially in view of our current domestic energy shortage and our growing dependence on foreign nations for sufficient mineral supplies, both fuel and non-fuel.

The Public Land Law Review Commission recognized the importance of domestic mineral activity by stating that—

> Public land mineral policy should encourage exploration, development and production of minerals on the public lands.

The Commission also concluded that—

> A decision to exclude mineral activity should never be made casually or without adequate information concerning the mineral potential.

From the foregoing it seems clear to me, Mr. President, that the constitutional authority of the Congress to manage the public lands for the maximum public benefit carries with it the obligation to review and modify as necessary those governmental actions which preclude mineral activities without an evaluation of potential uses of competing needs. This conclusion is in complete agreement with the major recommendation of the Public Land Review Commission I mentioned at the outset.

There are two types of governmental action by which mineral activity on the public lands may be limited or prohibited. Those are, of course, direct legislative action by the Congress and administrative action by the executive agencies acting under delegations from the Congress.

As to the majority of congressional actions relating to use designation, there is usually careful scrutiny of relevant possible uses based on full and accurate information relating to potential for different purposes, including mineral activities. Consequently, I agree with the conclusion of the Public Land Law Review Commission that, as to such legislative withdrawals and reservations, those actions for the most part were properly considered from the standpoint of energy and other mineral potential.

The same cannot be said, however, for most administrative withdrawals and reservations. In the commentary supporting its recommendations for an immediate review of such executive actions, the Public Land Law Review Commission observed that Congress had not provided sufficient statutory guidance nor established standards, gidelines, or criteria for most such withdrawals and reservations. In several places in the report the Commission indicated its strong opinion that an essential first step in implementing a more comprehensive system of public lands administration is the review of administrative withdrawals which may not be for the maximum public benefit. Typical of such emphasis on this point was the Commission's specific recommendation—No. 6—in which the Commission stated that as—

> An essential first step . . . Congress should provide for a careful review of . . . all Executive withdrawals and reservations.

The bill I introduce today, Mr. President, would provide that essential first step for energy and other mineral uses. This is, in my opinion, a tremendously important undertaking because of the precarious position we now find ourselves in for short term energy supplies, particularly oil and natural gas.

I am concerned that continuing to restrict or prohibit energy activities on these public lands without evaluating their energy potential could prove to be a most improvident land use where substantial energy potential exists. I say this because I am convinced that without such an evaluation we may, if we are ever confronted with an energy crisis of truly emergency proportions, lack the information necessary to increase our energy production by devoting lands to that purpose which have energy resources but which in normal times have a more beneficial use.

I am advised that of the approximately 775 million acres controlled by various Federal agencies, about 100 million acres have been withdrawn or reserved by Executive action. That is a significant amount of land from which, Mr. President, there is no possibility under present circumstances of that land producing 1 drop of oil or 1 cubic foot of natural gas or 1 pound of any of the minerals this Nation needs so desperately. This is true, Mr. President, regardless of whether there is energy or other mineral potential on that land or whether the use for which the land was reserved is still valid and reasonable and under current conditions still the best use for such lands.

I have no doubt, Mr. President, that these withdrawals and reservations were made in good faith by the various controlling agencies, acting frequently to fill the vacuum created by lack of congressional standards, guidelines, or meaningful policy determinations. I have no quarrel with these agencies or their administrative policies. I am simply concerned that so much of the public's resources have been removed from consideration for use as energy and mineral sources without adequate knowledge of the potential and under circumstances of national need much different than exists today and will exist for the next several years.

My bill would create a public commission patterned after the Public Land Law Review Commission. The name I have suggested is the Energy and Other Mineral Resources Evaluation Commission, but the name, of course, is unimportant. In fact, I would have no problem in accepting any other mechanism that the proper committee, after due consideration, might determine to be more likely to accomplish the tasks I will now describe.

I think it essential that the review include all the public lands which have been set aside or reserved from energy or other mineral purposes by Executive action. This scope would automatically exclude such legislative withdrawals as the national park systems, the national wildlife system, the wild and scenic rivers, the national wilderness system, and the primitive and roadless areas in the national forests now under review for inclusion in the wilderness system. Also excluded would be Indian lands. I have not excluded those lands set aside for the Naval Petroleum Reserves; but I do feel that this issue would deserve careful consideration during the legislative process.

The Commission would be charged with the following specific duties as to the lands withdrawn from energy and other mineral purposes by Executive action:

First, identify the use or uses presently designated for all such reserved lands;

Second, determine whether such use or uses are still valid and whether such reservations are reasonable in scope and area for all such lands;

Third, determine the extent of energy and other resource potential in all such lands;

Fourth, determine the extent, if any, to which energy and other mineral production exploration, development, and production can be carried out without interference with valid and reasonable use or uses for which reserved; and

Fifth, recommend which of such lands should be made available for energy and other mineral purposes in accordance with the policy of Congress to manage the public lands to provide the maximum benefit to the general public with due regard for environmental protection and conservation of the Nation's natural resources.

Under this bill, the Commission would issue a report to the President and the Congress not later than 2 years after this bill becomes law. The report would cover all aspects of its assigned activities and focus on the recommendations relating to terminations of executive reservations and withdrawals from energy and mineral purposes.

Because of the extremely critical nature of domestic energy resources my bill would require the Commission to also submit a report to the President and the Congress identifying all public lands which have been reserved by executive action that contain readily available petroleum or other energy purposes. This report will help the Congress decide whether the withdrawal of some of these lands, those on which there are known to be petroleum or other energy resources which could be developed right away, should be terminated.

Mr. President, I fully realize that this bill is not perfect in all respects. I have no particular pride of authorship and welcome any suggestions or comments, particularly those motivated by a desire to improve this bill as the legislative vehicle to make more effective use of our public lands—a responsibility of the Congress under our Constitution.

The establishment of yet another commission will be questioned by many, I am sure. I am not overly enamored of commissions but I do know that the task I have outlined requires an independence that simply does not exist in the present Federal Government structure. The Public Land Law Review Commission addressed this point, when, in its report, it concluded that:

> The authority of the Secretary of the Interior to effect modifications or revocations of withdrawals of lands administered by an agency outside the Department of the Interior is limited. Existing procedures give the administering agency a veto power over any modifications or changes in a withdrawal made for its benefit. Thus, the effectiveness of any agency review is dubious.

This appears to me to be a valid expression of the kind of inherent problem the Department of the Interior would have if it were given the duties specified in this bill. I can imagine the response an Interior task force would receive if it attempted to discharge these duties in regard to lands controlled by the Department of Defense. That unsatisfactory prospect surely is enough said on that subject.

So, Mr. President, I offer this bill because the American public, which has been magnificent in its sacrifices for the sake of energy conservation, deserves to know if land withdrawn from energy uses could not be better devoted for the production of energy. The same applies, though not to the same extent, to many other minerals which are being produced in this country in ever decreasing amounts.

This is a tremendously important matter affecting as it does approximately one-eighth of the public lands. I urge immediate consideration by the appropriate committee or committees and swift enactment of a final bill which will achieve the policies and purposes set forth in this bill.

Mr. President, I request unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3554

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DECLARATION OF POLICY

SECTION 1. (a) It is hereby declared to be the policy of Congress that the natural resources and the public lands of the United States shall be managed in a manner to provide the maximum benefit to the general public; and that, particularly in view of the critical energy and mineral needs of the United States, such maximum benefit for the general public includes maximum utilization of the natural resources and public lands of the United States for the production of energy and for mineral development when such uses are not inconsistent with other specific uses or national policies.

(b) As used in this Act, the term "public lands" includes acquired lands, but does not include Indian lands, lands in the National Park System, the National Wildlife System, the Wild and Scenic Rivers System, the National Wilderness System, and primitive and roadless areas in the national forests now under review for inclusion in the Wilderness System in accordance with the provisions of the Wilderness Act of 1964.

DECLARATION OF PURPOSES

SEC. 2. In view of the fact that the executive agencies have withdrawn and reserved substantial areas of public lands from use for energy and other mineral exploration, development, and production without adequate guidelines, and because many such reservations and withdrawals are inconsistent with the policy of Congress as declared in section 1 of this Act and other provisions of Federal law, the Congress hereby declares that it is the purpose of this Act to effect an immediate review of all public lands withdrawn or reserved from energy and other mineral resource exploration, development, and production by executive action to determine which of those withdrawals and reservations should be terminated or otherwise modified to meet the total energy and mineral needs of the Nation, including but not limited to the national defense.

COMMISSION ON ENERGY AND OTHER MINERAL RESOURCES EVALUATION

SEC. 3. (a) In order to carry out the policy and purpose set forth in sections 1 and 2 of this Act, there is hereby established a Commission to be known as the Public Lands Withdrawal Review and Evaluation Commission (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of nine members, as follows:

(1) one majority and one minority members of the Senate Committee on Interior and Insular Affairs, to be appointed by the President of the Senate;

(2) one majority and one minority members of the House Committee on Interior and Insular Affairs, to be appointed by the Speaker of the House of Representatives;

(3) four persons to be appointed by the President of the United States from among persons who at the time appointment is to be made hereunder are not, and within a period of one year immediately preceding that time, have not been, officers or employees of the United States; but, the foregoing or any other provision of law notwithstanding, there may be appointed, under this paragraph, any person who is retained, designated, appointed, or employed by any instrumentality of the executive branch of the Government or by any independent agency of the United States to perform, with or without compensation, temporary duties on either a full-time or intermittent basis for not to exceed one hundred and thirty days during any period of three hundred and sixty-five consecutive days; and

(4) one person, appointed by majority vote of the other eight members, who shall be the Chairman of the Commission.

(c) Any vacancy which may occur on the Commission shall not affect its powers or functions but shall be filled in the same manner in which the original appointment was nade.

(d) The organizational meeting of the Commission shall be held at such time and place as may be specified in a call issued jointly by the senior member appointed by the President of the Senate and the senior member appointed by the Speaker of the House of Representatives.

(e) Five members of the Commission shall constitute a quorum, but a smaller number, as determined by the Commission, may conduct hearings.

(f) Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(g) The members appointed by the President shall each receive $125 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

DUTIES OF THE CONSUMER

SEC. 4. (a) The Commission shall undertake an immediate review of all existing withdrawals, reservations, set-asides, and classifications of public lands of the United States that were effected by executive action to—

(1) identify the use or uses presently designated for all such reserved lands;

(2) determine whether such use or uses are still valid and whether such reservations are reasonable in scope and area for all such reserved lands;

(3) determine the extent of energy and other mineral resource potential in all such lands;

(4) determine the extent, if any, to which energy and other mineral exploration, development, and production can be carried out without interference with valid use or uses for which reserved; and

(5) recommend which of such lands should be made available for energy and other mineral purposes in accordance with the policy of Congress declared in section 1 of this Act and other policies of Congress relating to the administration of the public lands.

(b) The Commission shall, not later than two years from the date of enactment of this Act, submit to the President and the Congress its final report. It shall cease to exist six months after submission of said report or on June 30, 1977, whichever is earlier. All records and papers of the Commission shall thereupon be delivered to the Administrator of General Services for deposit in the Archives of the United States.

(c) The Commission shall, not later than six months from the date of enactment of this Act, submit to the President and the Congress an interim report identifying, to the extent practical, all public lands withdrawn, reserved, set-aside, or classified from energy and other mineral purposes by executive action, that contain readily available petroleum or other energy resources.

(d) The Commission shall, from time to time, recommend such modifications in existing laws, regulations, policies, and practices, as will in the judgment of the Commission serve to carry out the policy and purpose set forth in sections 1 and 2 of this Act.

DEPARTMENT LIAISON OFFICER

SEC. 5. The Chairman of the Commission shall request the head of each Federal department or independent agency which has an interest in or responsibility with respect to the retention, management, or disposition of any such public lands to appoint, and the head of such department or agency shall appoint, a liaison officer who shall work closely with the Commission and its staff in matters pertaining to this Act.

ADVISORY COUNCIL

SEC. 6. (a) The Commission is authorized to establish an advisory council consisting of the liaison officers appointed under section 5 of this Act, together with additional members, not to exceed fifteen, appointed by the Commission who shall be representative of the various major citizens' groups interested in problems relating to the duties of the Commission, including the following: Organizations representative of State and local government, private organizations working in the field of public land management and outdoor recreation resources and opportunities, landowners, forestry interests, livestock interests, mining interests, oil and gas interests, commercial and sport fishing interests, commercial outdoor recreation interests, industry, education, labor and public utilities, and environmental and conservation groups. Any vacancy occurring on any such advisory council shall be filled in the same manner as the original appointment.

(b) Members of any such advisory council so established shall serve without compensation, but shall be entitled to reimbursement for actual travel and subsistence expenses incurred in attending meetings of the council called or approved by the Chairman of the Commission or in carrying out duties assigned by the Chairman.

GOVERNORS' REPRESENTATIVES

SEC. 7. The Chairman of the Commission shall invite the Governor of each State to designate a representative to work closely with the Commission and its staff and with the advisory council, if established, in matters pertaining to this Act.

POWERS OF THE COMMISSION

SEC. 8. (a) The Commission or, on authorization of the Commission, any committee of two or more members, at least one of whom shall be of each major political party, may, for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and places as the Commission or such authorized committee may deem advisable. Subpoenas for the attendance and testimony of witnesses or the production of written or other matter may be issued only on the authority of the Commission and shall be served by anyone designated by the Chairman of the Commission.

(b) The Commission shall not issue any subpoena for the attendance and testimony of witnesses or for the production of written or other matters which would require the presence of the parties subpoenaed at a hearing to be held outside of the State wherein the witness is found or resides or transacts business.

(c) A witness may submit material on a confidential basis for the use of the Commission and, if so submitted, the Commission shall not make the material public. The provisions of sections 102–104, inclusive, of the Revised Statutes (2 U.S.C. 192–194) shall apply in case of any failure of any witness to comply with any subpoena or testimony when summoned under this section.

(d) The Commission is authorized to secure from any department, agency, or independent instrumentality of the executive branch of the Government any information such Commission deems necessary to carry out its functions under this Act and each such department, agency, and instrumentality is authorized and directed to furnish such information to the Commission upon request made by the Chairman or the Vice Chairman when acting as Chairman.

(e) If the Commission requires of any witness or of any governmental entity production of any materials which have theretofore been submitted to a Government agency on a confidential basis, and the confidentiality of those materials is protected by law, the material so produced shall be held confidential by the Commission.

APPROPRIATIONS

SEC. 9. (a) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act and such moneys as may be appropriated shall be available to the Commission until expended.

(b) The Commission is authorized, without regard to the provisions of title 5, United States Code, governing appointments in competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53, title 5, United States Code, relating to classification and General Schedule pay rates, to appoint and fix the compensation of a staff director, and such additional personnel as may be necessary to enable it to carry out its functions, except that any Federal employees subject to the competitive service laws and regulations who may be employed by the Commission shall retain their status without interruption or loss of status or privilege.

(c) The Commission is authorized to enter into contracts or agreements for studies and surveys with public and private organizations and, if necessary, to transfer funds to Federal agencies from sums appropriated pursuant to this Act to carry out such aspects of the review as the Commission determines can best be carried out in that manner.

By Mr. BELLMON:

S. 3555. A bill to establish a Fiscal Stabilization Board as an independent agency of the Government, and to authorize the President, upon recommendation of the Board but subject to disapproval of either House of the Congress, to increase or decrease Federal income taxes in order to stabilize the economy. Referred to the Committee on Finance.

Mr. BELLMON. Mr. President, today this Nation faces a period of great economic uncertainty and unrest. American citizens are faced with rapid increases in their costs of living due to a 12-percent annual rate of inflation. Interest rates are at record highs. Investors are hesitant to make long-term commitments because of the future uncertainties. Industrialists are slow to improve their plants because of high costs of money. American families are finding it difficult to purchase homes because of tight money. Government officials in charge of stabilizing our economy are concerned that the strain upon our monetary system may be more than it can bear.

These conditions are causing many to be concerned that, in spite of the good intentions of this Government to produce economic stabilization, it simply has failed to provide itself with the tools adequate to do the job.

There can be little doubt that the present chaotic conditions are at least partially due to irresponsible fiscal policies of the past. These policies go back to the early days of the Vietnam war and even though the Federal budget is presently close to being balanced, the country is paying the price of our earlier indiscretions.

When it accepted the responsibility for economic stabilization and full employment in the passage of the Full Employment Act of 1944, Congress assumed that the tools it had made available to accomplish these objectives were adequate; 30 years' experience has shown that this is simply not true.

Theoretically, when inflation threatens, Congress should act to reduce Government expenditures and help cool off the economy. As a practical matter, it is legislatively impossible for Congress to react as quickly as required to deal with changes in the Nation's economic condition.

In addition, political realities make it practically impossible for Congress to take the stern measures which are sometimes called for during an election period. This leaves the full burden of combating inflation upon the Nation's monetary managers and places unfair and impossible strain upon the few industries which are most directly affected by changes in monetary policy.

Mr. President, in order to help provide a better tool for the use of this Government in establishing a stable economy, I am today introducing a bill to create a Fiscal Stabilization Board and to authorize certain actions by the President which should help to bring inflation under control. Briefly, this bill does the following.

It creates a Fiscal Stabilization Board made up of members from major sections of the economy. The Board is authorized to keep careful check on the condition of the Nation's economic health and to issue such reports and publications as it deems necessary to carry out its functions and duties.

The bill provides authorization for the Fiscal Stabilization Board to recommend to the President when adjustments in the Nation's income taxes are needed in order to stabilize the economy. The President is given authority to submit to both Houses of Congress a message recommending an income tax adjustment plan. This plan shall take effect at the end of 30 calendar days of continuous sessions of Congress unless, between the date of transmittal and the end of such 30-day period, one House passes a resolution disapproving the plan.

The bill limits the amount of tax adjustment to 10 percent. Funds collected may be used by the Secretary of the Treasury to retire part of the Federal debt.

Mr. President, in my opinion, inflation is the most serious internal problem that this country faces. Having served as Governor of a State which operates under a constitutional requirement for a balanced budget, I have been appalled at the irresponsible methods Congress uses in managing our Federal expenditures. I am convinced that we can and must do better. Otherwise, inflation may soon become the destructive force in this country that it has become in other nations around the world.

On Wednesday, May 29, 1974, the Wall Street Journal published an article by Paul W. McCracken entitled "Catching the Inflation Rabbit." This article contains many suggestions which I believe will be helpful to members of the Senate in understanding and dealing with the problem of inflation.

I ask unanimous consent that this article be printed in the Record.

Also, Mr. President, I ask unanimous consent that the full text of this bill be printed in the Record.

There being no objection, the bill and article were ordered to be printed in the Record, as follows:

S. 3555

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fiscal Stabilization Act of 1974.

TITLE I—FISCAL STABILIZATION BOARD

Sec. 101. Establishment of the Board.

(a) There is hereby established as an independent agency of the Government a Fiscal Stabilization Board (hereinafter referred to as the "Board").

(b) The Board shall consist of seven members appointed by the President, by and with the advice and consent of the Senate. Not more than four members may be affiliated with the same political party. Two menbers shall have had experience in management, two shall have had experience in the field of labor, one shall have had experience in government, and one shall have had experience in academic affairs.

(c) Each member shall be appointed for a term of seven years, except that the terms of the members first appointed shall expire, as designated by the President at the time of appointment, at the end of one, two, three, four, five, six, and seven years, respectively, from the date of the appointment of the first member. The term of each member thereafter appointed shall commence upon the expiration of the term for which his predecessor was appointed. A member appointed to fill a vacancy in the membership of the Board occurring before the end of a term of office shall serve under such appointment only for the remainder of that term.

(d) Four members of the Board shall constitute a quorum. A vacancy in the Board shall not affect its powers. No member shall, during his term of office, engage in any vocation or employment other than the work of the Board.

(e) A member of the Board may be removed from office by the President only for inefficiency, neglect of duty, or malfeasance in office.

Sec. 102. Chairman; Salaries.

(a) The President shall, from time to time, designate one of the members of the Board to serve as Chairman. No member may serve as Chairman for a total period of more than two years during each term of his office as a member of the Board.

(b) Section 5313 of title 5, United States Code (relating to positions at level II of the Executive Schedule), is amended by adding at the end thereof the following:

"(20) Chairman, Fiscal Stabilization Board."

(c) Section 5314 of title 5, United States Code (relating to positions at level III of the Executive Schedule), is amended by adding at the end thereof the following:

"(55) Members, Fiscal Stabilization Board."

Sec. 103. Functions and Duties.

(a) It shall be the function and duty of the Board—

(1) to monitor the fiscal and monetary conditions of the United States and to advise the President with respect thereto, and

(2) to recommend to the President action to be taken by him to stabilize the national economy pursuant to the authority conferred by part VII of subchapter A of chapter 1 of the Internal Revenue Code of 1954. A recommendation to the President under paragraph (2) may be made only upon the affirmative vote of at least four Members of the Board.

(b) The Board shall, on or before January 31 of each year, submit to the Senate and the House of Representatives a full and complete report setting forth—

(1) its activities during the preceding year,

(2) its judgment with respect to the fiscal and monetary conditions of the United States during the preceding year, and

(3) its judgment with respect to the anticipated fiscal and monetary conditions of the United States for the year in which such report is submitted.

Sec. 104. Powers.

(a) The Board is authorized to appoint and fix the compensation of such officers and employees, and prescribe their functions and duties, as may be necessary to assist it in carrying out its functions and duties.

(b) The Board is authorized to obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

(c) The Board is authorized to procure information, data, and statistics from any department or agency of the Government, and the head of each such department or agency is authorized, upon request of the Chairman of the Board, to furnish such information, data, and statistics to the Board.

(d) The Board is authorized to issue such publications as it determines necessary or desirable in carrying out its functions and duties.

(e) The Board is authorized to adopt, alter, and use a seal and to prescribe such rules and regulations as it determines necessary or desirable in carrying out its functions and duties.

Sec. 105. Authorization of Appropriations.

There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this title.

TITLE II—ADJUSTMENT OF INCOME TAXES FOR ECONOMIC STABILIZATION

Sec. 201. Tax Adjustment Plans.

(a) In general.—Subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to determination of tax liability) is amended by adding at the end thereof the following new part:

"Part VII—Tax Adjustment Plans

"Sec. 59a. Findings and policy.
"Sec. 59b. Tax adjustment plans.
"Sec. 59c. Contents and duration of tax adjustment plans.
"Sec. 59d. Miscellaneous provisions.

"Sec. 59a. Findings and Policy.

"(a) Findings.—The Congress finds that the achievement of reasonable economic stability and optimal levels of employment requires a flexible fiscal policy responsive to changing conditions. The Congress further finds that, within the limitations and for the purposes set forth in this part, such a policy requires an improved procedure to make timely adjustments in the amounts of income taxes imposed by this chapter.

"(b) Policy.—The President shall exercise the authority conferred by this part solely for the purpose of stabilizing the national economy in order (1) to achieve the policy set forth in section 2 of the Employment Act of 1946, (2) to maintain the purchasing power of the dollar, (3) to maintain the stability of the monetary system, or (4) to insure an orderly and healthy rate of economic growth.

"Sec. 59b. Tax Adjustment Plans.

"(a) Preparation and submission to Congress.—

"(1) In General.—When the President determines that an adjustment in the taxes imposed by this chapter is necessary to accomplish one or more of the purposes stated in section 59a, he shall prepare a tax adjustment plan and transmit the plan (bearing an identification number) to the Congress.

"(2) Limitations.—A tax adjustment plan—

"(A) may be submitted by the President only if, within 90 days prior thereto, the Fiscal Stabilization Board has recommended to the President that he exercise the authority conferred by this part,

"(B) may not propose a plus or minus tax adjustment percentage greater than that recommended to the President by the Stabilization Board, and

"(C) may not propose a longer effective period for tax adjustment than that recommended to the President by the Fiscal Stabilization Board.

Only one tax adjustment plan may be in effect at any one time.

"(b) How submitted.—The President shall have a tax adjustment plan delivered to both Houses on the same day and to each House while it is in session. In his message transmitting a tax adjustment plan, the President shall specify the reasons for submitting the plan to the Congress.

"(c) Disapproval by Congress.—

"(1) In General.—A tax adjustment plan shall take effect at the end of the first period of 30 calendar days of continuous session of the Congress after the date on which the plan is transmitted to it unless, between the date of transmittal and the end of the 30-day period, either House of the Congress passes a resolution stating in substance that such House disapproves of the tax adjustment plan.

"(2) Continuity of Session.—For purposes of paragraph (1)

"(A) the continuity of a session shall be broken only by an adjournment of the Congress sine die; and

"(B) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain shall be excluded in the computation of the 30-day period.

"(d) Publication.—Any proposed tax adjustment plan shall be printed in the Federal Register, and any tax adjustment plan which takes effect shall be printed in the Statutes at Large in the same volume as the public laws.

"Sec. 59c. Contents and Duration of Tax Adjustment Plans.

"(a) In General.—A tax adjustment plan submitted to the Congress under section 59b shall—

"(1) specify a plus or minus tax adjustment percentage,

"(2) specify its effective date (which may be on or after the date on which the plan is submitted to the Congress),

"(3) specify the termination date for the change in taxes or provide that the change made by the plan shall remain in effect until a termination date is provided by law or by a later tax adjustment plan,

"(4) prescribe tables which shall apply, in lieu of the taxes contained in section 3402 (relating to income tax collected at source), with respect to wages paid during the period specified in the plan, and

"(5) contain such other provisions as the President determines are necessary to carry out the purposes of this part and the plan.

"(b) Special Provisions.—A tax adjustment plan may—

"(1) provide tables specifying the amount of additional tax or reduction in tax within specified adjusted tax brackets,

"(2) exempt taxpayers whose adjusted tax does not exceed the amount specified in the plan from any increase in tax provided by the plan,

"(3) provide that any decrease in tax provided by the plan shall not apply in the case of taxpayers whose adjusted tax exceeds the amount specified in the plan, and

"(4) specify different tax adjustment percentages (plus or minus) for different taxable years or other periods specified in the plan.

"(c) Duration.—A tax adjustment plan which has taken effect shall continue in effect until:

"(1) The date (if any) specified in the plan for its termination;

"(2) The date specified in a new tax adjustment plan which takes effect as provided by section 59b; or

"(3) The date provided by law enacted after the date on which the plan was submitted to the Congress.

"(d) Definitions.—For purposes of this section—

"(1) Tax Adjustment Percentage.—The term 'tax adjustment percentage' means the percentage, not greater than 10 percent, specified in a tax adjustment plan as the percentage by which the adjusted tax for any taxable year is to be increased or decreased under the plan.

"(2) Adjusted Tax.—The term 'adjusted tax' means, with respect to any taxable year, the tax imposed by this chapter for such taxable year, determined without regard to—

"(A) the taxes imposed by this part, section 56 (relating to minimum tax), section 871(a) (relating to tax on nonresident alien individuals), and section 881 (relating to tax on income of foreign corporations not connected with United States business); and

"(B) any increase in tax under section 47(a) (relating to certain dispositions, etc., of section 38 property) or section 614(c)(4)(C) (relating to increase in tax for deductions under section 615(a) prior to aggregation), and reduced by an amount equal to the amount of any credit which would be allowable under section 37 (relating to retirement income) if no tax were imposed by this section for such taxable year.

Sec. 59d. Miscellaneous Provisions.

"(a) Special rule.—For purposes of this title, to the extent the tax imposed by this section is attributable (under regulations prescribed by the Secretary or his delegate) to a tax imposed by another section of this chapter, such tax shall be deemed to be imposed by such other section.

"(b) Western Hemisphere trade corporations and dividends on certain preferred stock.—In computing, for a taxable year of a corporation, the fraction described in

"(1) section 244(a)(2), relating to deduction with respect to dividends received on the preferred stock of a public utility,

"(2) section 247(a)(2), relating to deduction with respect to certain dividends paid by a public utility, or

"(3) section 922(2), relating to special deduction for Western Hemisphere trade corporations,

the denominator shall, under regulations prescribed by the Secretary or his delegate, be increased or decreased to reflect the tax adjustment percentage.

"(c) Shareholders of regulated investment companies.—In computing the amount of tax deemed paid under section 852(b)(3)(D)(ii) and the adjustment to basis described in section 852(b)(3)(D)(iii), the percentages set forth therein shall be adjusted under regulations prescribed by the Secretary or his delegate to reflect the tax adjustment percentage."

(b) Technical and clerical amendments.—

(1) Section 21(a) of the Internal Revnue Code of 1954 (relating to effect of changes in tax rates during taxable year) is amended by adding immediately below paragraph (2) thereof the following new sentence: "If the amount of a tax imposed by this chapter is increased or decreased under part VII (relating to tax adjustment plans) such increase or decrease shall be deemed a change in the rate of tax of such tax for purposes of this subsection."

(2) The table of parts for subchapter A of chapter 1 of such Code is amended by adding below the last item thereof the following:

"Part VII. Tax adjustment plans."

Sec. 202. Effective Date.

The amendments made by section 201 shall apply to taxable years ending after the date of the enactment of this Act.

TITLE III—RULES FOR CONGRESSIONAL ACTION ON TAX ADJUSTMENT PLANS.

Sec. 301. Exercise of Rulemaking Power.

(a) The following subsections of this section are enacted by the Congress:

(1) As an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in such House in the case of resolutions (as defined in subsection (b)); and such rules shaft supersede other rules only to the extent that they are consistent therewith; and

(2) With full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

(b) As used in this section, the term "resolution" means only a resolution of either of the two Houses of Congress, the matter after the resolving clause of which is as follows: "That the — disapproves the Tax Adjustment Plan transmitted to the Congress by the President on —, 19—.", the first blank space therein being filled with the name of the resolving House and the other blank spaces therein being appropriately filled.

(c) All resolutions with respect to a tax adjustment plan introduced in the Senate shall be referred by the President of the Senate to the Committee on Finance, and all resolutions with respect to a tax adjustment plan introduced in the House of Representatives shall be referred by the Speaker of the House to the Committee on Ways and Means.

(d)(1) If the committee to which has been referred a resolution with respect to a tax adjustment plan has not reported it before the expiration of ten calendar days after its introduction, it shall then (but not before) be in order to move either to discharge the committee from further consideration of such resolution, or to discharge the committees from further consideration of any other resolution with respect to such tax adjustment plan which has been referred to the committee.

(2) Such motion may be made only by a person favoring the resolution, shall be highly privileges (except that it may not be made after the committee has reported a resolution with respect to the same tax adjustment plan), and debate thereon shall be limited to not to exceed one hour, to be equally divided between those favoring and those opposing the resolution. No amendment to such motion shall be in order, and it shall not be in order to move to reconsider the vote by which such motion is agreed or disagreed to.

(3) If the motion to discharge is agreed to or disagreed to, such motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same tax adjustment plan.

(e)(1) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a tax adjustment plan, it shall at any time thereafter be in order (even though a previous motion to the same effect was disagreed to) to move to proceed to the consideration of such resolution. Such motion shall be highly privileged and shall not be debatable. No amendment to such motion shall be in order and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(2) Debate on the resolution shall be limited to not to exceed ten hours, which shall be equally divided between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order, and it shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

(f)(1) All motions to postpone, made with respect to the discharge from committee or the consideration of a resolution with respect to a tax adjustment plan, and all motions to proceed to the consideration of other business, shall be decided without debate.

(2) All appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to a tax adjustment plan shall be decided without debate.

TITLE IV—FISCAL STABILIZATION DEBT RETIREMENT FUND

Sec. 401. Establishment.

There is hereby established in the Treasury of the United States a Debt Retirement fund to be known as the "Fiscal Stabilization Debt Retirement Fund" (hereinafter referred to as the "Debt Retirement Fund"). The fund shall consist of amounts appropriated to it as provided in section 402.

Sec. 402. Transfers to Debt Retirement Fund of Amounts Equal to Tax Increases Under Tax Adjustment Plans.

(a) There is hereby appropriated to the Debt Retirement fund amounts equivalent to the taxes received in the Treasury which are attributable to tax adjustment plans in effect under part VII of subchapter A of chapter 1 of the Internal Revenue Code of 1954.

(b) Whenever a tax adjustment plan specifying a plus tax adjustment percentage is in effect, the Secretary of the Treasury shall, from time to time, transfer the amounts appropriated by section (a) from the general fund of the Treasury to the Debt Retirement fund on the basis of estimates made by him. Proper adjustments shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or less than amounts required to be transferred.

Sec. 403. Transfers to General Fund of Amounts Equal to Tax Reductions Under Tax Adjustment Plans.

(a) There is hereby appropriated to the general fund of the Treasury amounts equivalent to the reduction in taxes (whether by way of credit or otherwise) attributable to tax adjustment plans in effect under part VII of subchapter A of chapter 1 of the Internal Revenue Code of 1954.

(b) Whenever a tax adjustment plan specifying a minus tax adjustment percentage is in effect, the Secretary of the Treasury shall, from time to time, transfer the amounts appropriated by subsection (a) from the Debt Retirement fund to the general fund of the Treasury on the basis of estimates made by him. Proper adjustments shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or less than amounts required to be transferred.

SEC. 404. MANAGEMENT OF THE DEBT RETIREMENT FUND

(a) (1) It shall be the duty of the Secretary of the Treasury to utilize those moneys in the Debt Retirement Fund not required to meet withdrawals to reduce the Federal debt.

[From the Wall Street Journal, May 29, 1974]

CATCHING THE INFLATION RABBIT

(By Paul W. McCracken)

"But how do you catch the rabbit?" The question came at the conference on worldwide inflation sponsored jointly by the American Enterprise Institute for Public Policy Research and the Hoover Institution. It was asked by Professor John H. Young of the University of British Columbia and formerly chairman of the Prices and Incomes Commission of Canada.

With his usual characteristic for getting at the heart of the policy problem, Professor Young asked the key question. The tools of economic analysis are adequate to prescribe a way for cooling the inflation. Tough fiscal and monetary policies pursued long enough would make the price level quiet down.

Would such action, however, produce tensions and strains beyond the boundaries of what the political process could tolerate? Would these strains produce such high rates of interest that some of our intermediating financial institutions, such as savings and loan associations, might experience lethally large outflows of funds? What is a strategy, in short, for working down the rate of inflation that takes into account the realities of the political process? These policies must be implemented through government. Advice to governments that they could not possibly take may be useful for long-run public education, but it is not apt to launch the progress which we need now down from the stratosphere of 12%-14% rates of inflation.

Even the fundamental measures themselves are apt to be more acceptable if the public believes that there is a coherent strategy or program for dealing with this many-sided problem. Otherwise policy either looks ad hoc or wedded to such things as high interest rates and hard budgets, and the inability of the citizenry to see a coordinated program can itself be a source of unease.

What would be some elements of such a program? The first point to make is that while the strategy requires more than fiscal and monetary restraint, such fiscal and monetary restraint is essential. And it does work. It was used in 1956-57 and by mid-1958 a price-level stability emerged on which the expansion of the early 1960s could be built. It was used in 1968-69, and by early 1970 the accelerating inflation crested at about a 7% rate, receding then to the 3½%-4% zone by the first half of 1971.

The orthodoxy of a bygone era, in fact, prescribed a sufficiently severe credit crunch to break the inflation and the inflation-mindedness, with the credit authorities then reversing their policies in order to minimize damage to bona fide business activity. It was the strategy in 1929 (if mention of that ill-fated year is not regarded as such a financial expletive as to require deletion), and it worked. The unfortunate 1931 tightening of monetary policy not only gave us a leading candidate for the most inept episode of central banking history, with two further and unnecessary years of financial and economic collapse, but it also forever obscured a good job of puncturing the 1929 speculative boom with a subsequent quick reversal to an easier policy.

NECESSARY RESTRAINTS

Any disinflationary program, in fact, must recognize that no stabilization of the price level has ever occurred without fiscal and monetary restraint. Much as we intellectuals recoil at the thought of subscribing to a straight-forward idea, the need for this restraint is an inescapable lesson from history. (We are more comfortable arguing that down is really up, or that the way to halt inflation is really to pursue yet more inflationary policies.)

With the federal budget on a national accounts basis already in the black, our fiscal position is not far off target if we resist the temptation of a tax reduction that would force more Treasury borrowing in credit markets that are already floundering from heavy demands. A more difficult question is whether the Federal Reserve can bring the rate of monetary expansion down to the 5%-6% zone required for progress against inflation without pushing interest rates so high as to risk financial disorder.

A credible stabilization program must also recognize candidly that no inflation can be cooled without some rise in unemployment. Only a knave or a fool would hold otherwise. To counter this inflation the rate of unemployment might well rise one or two percentage points for a period. That is in itself unfortunate, but so is the trauma and social divisiveness of continued inflation. And accepting for a time a labor force 94% or so employed, rather than 95%, puts this trade-off in better perspective. In any case government and economists both had better be blunt and candid about this trade-off rather than to hold out the hope of some painless therapy that does not exist.

If the employment rate must be expected to edge downward by a percentage point or two for a time, an integral part of any rounded program for disinflation must be attention to the maintenance of incomes. It is, of course, a pity that this country cannot jettison its polyglot array of welfare programs, programs that have caused cumulative pauperization of cosmic proportions, in favor of a systematic and generalized income maintenance program. Here again, however, the groups with their vested interest in the management of present programs clearly have enough political clout to prevent such sensible action.

What we do need, therefore, is a further strengthening of the unemployment compensation program in terms of benefits, duration of payments, and coverage. Approximately 60% of the unemployed are now covered by unemployment compensation, and a high proportion of those unemployed in any month will be back at work the next month. It is a rapidly changing group. Even so, a strengthening of existing income maintenance programs must be a part of any well-rounded approach to economic stabilization.

A coordinated stabilization program must also recognize that some prices need to be raised. With the explosion of the general price level since the end of 1972, some prices have lagged so seriously as to put in serious jeopardy the financial integrity of these institutions. There is raw material in the electric utility industry, for example, for a series of Penn Centrals during the year or two ahead if their rates are not realigned with the higher prices these companies must pay for the coal and oil that they convert into electricity. While these decisions must be made by state regulatory authorities, it is the federal government that manages the monetary, economic and environmental policies that have put the state regulatory authorities in a political box and many of these companies on the ropes. It is significant that the government of Japan, in its own stabilization program, grasped this nettle.

Finally, a rounded strategy for disinflation must include actions that would minimize the duration and magnitude of slack in the economy required to get the rate of inflation down to more acceptable levels. While generalized indexation is neither feasible nor desirable, it has a role to play. At this transitional juncture it would be better for unions and managements to bargain out the real wage increase, with a cost of living escalator to keep the increase real, than to freeze an assumed high future rate of inflation into wage contracts.

INFLATION ALERTS

While little could realistically be expected from it, a government procedure for periodic reports on wage and price developments, including citations of specific cases that would seem to indicate failure of market competition to discipline price or wage increases, might be useful. This would be along the lines of the inflation alerts of 1970-71, and judging by responses from those cited (e.g., the 40% 1970 taxi fare increase in New York) these alerts in a few selected cases might induce some slight diffidence in pricing decisions. Unlike the old alerts, however, this effort should be at arms length from the President's Executive Office, rather than as four years ago in the Council of Economic Advisers, or the President would quickly be drawn more deeply into direct wage-price action than would be desirable. The great danger is that because scolding businesses is politically popular, the attention given to such an activity would overly emphasize it relative to its inevitably quite limited significance, and "the President's program" would be judged a failure.

More could be done by a concerted effort to deal with monopoly-like situations that make for high prices, and the real opportunities here are arrangements that the government itself fosters. It is government that has arranged matters so that in many cases taxis must operate at 50% efficiency on airport runs (being forced to return empty to the airport or to the city). It is the federal government that promotes wage inflation through such programs as the Davis Bacon Act or excessively rapid escalation of the minimum wage. It is government that applauds the virtues of competition for others but doggedly insists on monopoly in many of its enterprise-like activities.

There can be litle doubt, for example, that removal of the Postal Service monopoly on first class mail would result in better postal service for customers and better jobs for those in the business. Unfortunately the great effort at postal reform took the direction of slightly privatizing an organization that retained its monopoly. The disappointing results were inevitable. Whether the Postmaster General remains in the Cabinet or not could be expected to make little difference in service, but giving the customer the right to use alternatives would have made a great deal of difference.

It is, of course, true that logically monopolies explain high prices but not rising prices. Once the monopoly position is exploited, it presumably no longer exerts continuing upward pressure on prices. The process of unwinding some of these monopoly situations, however, could exert some downward pressures when we are trying to restablished the price level.

Fiscal and monetary restraint, in short, is essential to achieving a new price-level stability. It could even do the job itself. There is a better chance to keep the transition pains within politically acceptable tolerances, however, if the stabilization program has a more rounded character that reflects the many dimensions of this problem.

By Mr. PERCY (for himself, Mr. RANDOLPH, Mr. STAFFORD, and Mr. WEICKER):

S. 3556. A bill to conserve energy and save lives by extending indefinitely the 55 miles per hour speed limit on the Nation's highways. Referred to the Committee on Public Works.

Mr. PERCY. Mr. President, today I am pleased to be joined by my colleagues Senator RANDOLPH and Senator STAFFORD in introducing a bill to extend indefinitely the present national speed limit of 55 miles per hour.

The current law sets the national speed limit at 55 miles per hour only until June 30, 1975, or until the President declares there is no longer a fuel shortage requiring such a limit, whichever date occurs first. The bill we are introducing today would simply eliminate the language in the current law that allows for termination of the 55 miles per hour limit.

I believe that responsible citizens in this country will agree that our Nation should continue to have a restricted speed limit. As automobiles and roads have become better engineered year after year, the gradual rise in highway speed limits has gone relatively unchecked. We would all have been wise to recognize the senselessness of this trend long ago, but it has taken the energy crisis to show us how foolish we have been.

My faith in American technology convinces me that we can learn to build cars and roads that will eventually allow us to travel comfortably at 90 or 100 miles per hour, or even faster. But I sincerely doubt that encouraging such progress would serve our country well.

One rule of thumb for lawmakers is that the best legislation affirms social tradition, and it is true that a permanently restricted speed limit for the Nation's highways would run counter to that rule. But if we take a look at our increasingly hectic and fast-paced life style, our resulting physical and mental problems, and the energy situation we now face, I believe that Congress and the public will agree that it is time to alter through legislation social tradition in the area of our national driving habits.

One primary reason we should retain a lowered speed limit is to conserve our country's fuel resources. Although the gasoline shortage has eased in recent months, energy conservation must become a permanent priority for all Americans. John C. Sawhill, Director of the Federal Energy Office, has called on the public to continue or renew their conservation efforts or face periodic critical shortages in the future.

If the energy crisis has taught us anything, it is that we as a Nation can no longer be complacent about our abundant natural resources. The energy industries and the Federal Government have at last taken time to look carefully at our current and future energy needs and resources. What we have seen is sobering; not now and not in the foreseeable future can our Nation afford to return to its gluttonous energy devouring habits of the last few decades. If we are to be even partially assured of a steady flow of resources to meet our basic energy needs, we must significantly alter our way of life to reflect the finite nature of our energy supply. It is imperative that we all learn to conserve energy as a mater of daily routine.

There are many drastic measures we could take to assure continued fuel conservation. Hopefully, they will not be necessary. The basic fact that we should consider is that limiting speeds on the Nation's highways is one of the most painless sacrifices Americans can make in the name of energy conservation. Gas rationing, odd-even allocation, prohibition of driving on Sundays—these and other fuel conservation programs would yield serious inconvenience, aggravation, and cost to the public. Limiting speeds, however, requires only a minor alteration of our motoring habits.

One of the most difficult problems the Federal Government now faces with regard to the energy crisis is to convince the public that the crisis is not over and that stringent conservation measures are just as necessary now as they were a few months ago. It is becoming more and more apparent that Americans are returning to their old energy consumption habits. A nationwide Associated Press survey has found that automobile traffic in most areas of the country is approaching pre-crisis levels. It is imperative that this trend be reversed. I believe that retaining and enforcing a reduced speed limit on the Nation's highways will not only serve to save gasoline but will also serve as a regular reminder to Americans that the need to conserve all types of energy continues.

Convinced of the desirability of a reduced speed limit, I firmly believe that the speed limit we set should be 55 miles per hour rather than any higher limit.

Fuel economy studies carried out by the Environmental Protection Agency show that the highest automobile fuel economy is obtained at 30 to 40 miles per hour. No one would suggest that American motorists be required to observe a 30- or 40-mile-per-hour speed limit. But we can reasonably retain a 55-mile-per-hour limit and still realize substantial energy savings. A Federal Highway Administration study indicates that at 70 miles per hour, 30.5 percent more fuel is required than at 50 miles per hour. At 60 miles per hour, 11.3 percent more gas is used than at 50 miles per hour.

Although fuel savings would be greater if the uniform speed limit were 50 miles per hour rather than 55 miles per hour, arguments have already been successfully waged against the lower limit. I am compelled by the interests of our trucking industry not to recommend any speed limit lower than 55 miles per hour.

Of primary importance in this issue is the fact that the livelihood of thousands of independent truckers in this country depends on the number of miles they travel in a given time and, therefore, on the speed they drive.

Second, unlike passenger cars, large trucks do not get optimum mileage at lower speeds. Large commercial vehicles actually realize better fuel economy at 55 miles per hour or higher. A higher limit for trucks than for cars has already been wisely ruled out as an unacceptable hazard to motorists. The compromise on 55 miles per hour reached in December with the enactment of the Emergency Highway Energy Conservation Act is, in my view, still a valid one.

Since the 55-mile-per-hour speed limit went into effect a few months ago, first indications are that it has proved workable and effective and that there are substantial benefits to be obtained from retaining that limit.

Mr. Sawhill of the FEO has estimated that if every automobile observed the 55-mile-per-hour speed limit, 125,000 barrels of oil might be saved every day. If all vehicles, including trucks and buses, followed the 55-mile-per-hour limit, a total of 200,000 barrels of fuel would be saved each day—73 million barrels a year.

To put these statistics in more concrete terms, it would require 146 million tons of oil-shale rock to produce the amount of oil saved in 1 year by observing the 55-mile-per-hour limit. At the current minimum production cost of domestic crude oil of $5.25 per barrel, the fuel saved in 1 year by maintaining a 55-mile-per-hour speed limit would mean a saving of $383 million. Certainly such a saving in fuel resources and costs is a significant one.

The 55-mile-per-hour limit has resulted not only in important fuel savings, but in impressive saving of human life as well. The National Safety Council reports that from November 1973 through April 1974 U.S. traffic deaths dropped by some 25 percent over the same period a year earlier. While this percentage figure is impressive in itself, when one realizes that the statistic means that by the end of April we had already saved some 5,000 lives, the importance in human terms is apparent. About 5,000 wives, children, parents, husbands are alive today, and to a very great extent, they are alive only because of the 55-mile-per-hour speed limit.

This past Memorial Day weekend is a good indicator of the tremendous saving of human life we are witnessing. Over last year's 3-day Memorial Day weekend, 539 Americans died in traffic accidents. This year, 390 people died on the highways, a decrease of 27 percent. Memorial Day 1974 suffered the lowest highway death toll for a similar holiday period in 14 years.

Certainly lowered speeds cannot be given full credit for this saving of human life. The fact that the gas shortage lowered traffic volume must also be considered. But statistics indicate that although traffic volume was down, it was not the most significant factor in the decline in traffic deaths. While U.S. traffic deaths were down some 25 percent in the first quarter of 1974, the National Safety Council estimates that traffic volume was down only about 8 percent.

In California, traffic fatalities have dropped far more than gasoline sales, which are one of the best indicators of traffic volume. In January 1974, California traffic deaths decreased 20 percent from the level of January 1973. But Californians purchased only 6.6 percent less gasoline than the previous January, and the California Division of Highways estimated only a 3.4-percent reduction in traffic volume.

The National Highway Traffic Safety Administration, an arm of the U.S. Department of Transportation, reports that an analysis from 16 States that voluntarily reduced highway speed limits in November showed a decline in deaths of 15 to 20 percent below November 1972. The remaining States, whose drivers were not legally bound to lower speeds in November, showed a decrease in fatalities of only 2 percent. Lowered speed limit States similarly reduced traffic fatalities by more than 30 percent in February, while in States with higher limits, fatalities declined only 2.7 percent. Clearly, reduced speed limits are an overwhelming factor in the decline in traffic fatalities.

The reason for the impressive saving of lives is an easily understandable one: the National Safety Council shows that a driver involved in a crash at 50 miles per hour has a chance for survival 4 times greater than a driver who crashes at 70 miles per hour. After considering all of the factors involved in traffic deaths, the Council estimates that if 55 miles per hour speed limits are observed, 8,000 to 10,000 lives could be saved this year alone, attributable purely to the lower speed limit.

We think with horror and sorrow of the Americans who died in Southeast Asia, and 56,000 of our citizens gave their lives there in the 12 years from 1961 to 1972. I cannot believe that we would knowingly sacrifice that same number of lives on our highways in half as many years simply because we doggedly demand the right to drive faster.

Lower speeds logically reduce the severity of injuries in the same manner they reduce the number of fatalities. From January through April of this year, the National Safety Council reports that disabling injuries were down 23 percent, and the cost of traffic deaths and injuries to the national economy was down nearly 11 percent—a saving of $500 million in 4 months alone.

There is a further consideration to which we should give serious thought. Small, economy size cars are more vulnerable in collisions than are standard size cars. With gas prices climbing and millions of Americans switching to small car models for money- and fuel-saving reasons, more and more drivers on the highway will be more vulnerable to death and injury. A return to higher speed limits would without doubt mean a return to a level of traffic deaths and injuries even higher than the tragic tolls we have previously suffered.

To be realistic, we must face up to a fact about Americans' driving habits with which we are all familiar. When the speed limits on the highways were set at 70 miles per hour, vast numbers of motorists traveled regularly at 75 miles per hour or faster. We as a nation have a tradition of worshiping fast cars and of driving as fast or faster than the law will allow. I believe the majority of motorists will continue to drive slightly over the posted speed limit, despite the law and despite the need to conserve fuel. Driving as fast as we can safely get away with—and sometimes faster—seems almost to be a fact of human nature. And it is doubtful that law enforcement officials could ever hope to enforce speed limits precisely.

If the speed limit is 70, many of us will drive 75; if the limit is 60, many will drive 65; if 55, we will drive 60. If we are to be realistic, we must anticipate that a 55 miles per hour speed limit will yield an effective 60 miles per hour cruising speed for millions of Americans. I certainly do not mean that motorists should not be urged continuously to adhere strictly to the 55 miles per hour speed limit, and I do not mean that law officers should disregard those who exceed the posted limit. I do think, however, that we should face up to a characteristic of the driving public that we cannot hope to change.

After adding up the various reasons I have discussed for extending indefinitely the reduced speed limit of 55 miles per hour, I cannot see the justification for returning to previous limits or setting some other limit. And if, as the experts have estimated, 8,000 to 10,000 lives and 73 million barrels of fuel can be saved each year simply by retaining and enforcing a 55 miles per hour speed limit, I feel that we would be irresponsible in not doing so. I find the life- and fuel-saving aspects of the current speed limit to be overwhelming reasons for retaining that limit.

Making the 55 miles per hour speed limit a continuing feature of American life is by no means an extreme measure; driving slower is a habit most Americans have readily acquired within the past few months. I think we can and should all learn to live with it.

SENATOR RANDOLPH JOINS IN EFFORT TO ESTABLISH PERMANENT 55-MILE-PER-HOUR SPEED LIMIT

Mr. RANDOLPH. Mr. President, I am gratified to join as a cosponsor of the bill introduced with the able Senators from Illinois (Mr. PERCY) and Vermont (Mr. STAFFORD). I add my endorsement to this proposal with enthusiasm for I believe that the 55-mile-per-hour speed limit has proven itself and should be made permanent.

In the 5 months since the 55-mile-per-hour maximum was adopted as a fuel conservation measure, there has been a dramatic decrease in the number of highway deaths compared with a year ago. There has also been a significant saving in the fuel consumed by motor vehicles.

Two weeks ago the Senate rejected a proposal to raise the maximum speed limit to 60 miles per hour. We affirmed to the American people that the U.S. Senate continues to be concerned about the energy supply situation. To have done otherwise would have amounted to an admission that Members of this body no longer consider it important to make the most efficient use of the fuel supplies available to us. I spoke against the amendment.

It is known that in recent months the number of people killed on our highways has declined sharply. This has been the trend over the past 5 months with traffic deaths 25 percent below those of a year ago. At the present rate, more than 10,000 lives will be saved this year.

The reduction in death tolls is an added benefit from a measure whose adoption was stimulated by a severe shortage of motor fuels. Although fuels are more readily available than they were a few months ago, the long-range outlook remains clouded and uncertain. The energy shortage most certainly is not over. I doubt, in fact, that we will ever again reach the point where gasoline will be as readily available as in the past and at the low prices that have helped stimulate the national dependence on personal motor vehicles.

Petroleum does not exist in unlimited quantities. If we desire to continue to enjoy the benefits it can provide we must make wise use of existing supplies. This can be done with no detriment to our economy or to our society. A national speed limit of 55 miles per hour is not an unreasonable measure, particularly when we consider that it provides a saving of 130,000 to 160,000 barrels of fuel each day.

Mr. President, I am not unmindful that many of our fellow citizens are opposed to a 55-mile-per-hour speed limit under any conditions. I have received letters urging that even the existing temporary measure be repealed. I must add, however, that I have also received numerous expressions of support for the uniform 55-mile-per-hour speed limit.

Over the years we have allowed ourselves to become excessively speed oriented. We use our cars to continually strive to move from place to place in ever decreasing periods of time. Even if there were no fuel shortage, this is a trend that should be laid to rest.

In addition to the measurable savings in both fuel and lives resulting from a 55-mile-per-hour speed limit, there is another, less tangible, benefit which I personally have enjoyed. To me, and I am sure to many millions of Americans, slower driving means more relaxed driving. We can now travel at a less hectic pace with less tension.

Mr. President, I am a realist and I have had enough personal experience recently to know that the existing 55-mile-per-hour speed limit is not universally observed. We cannot expect law-abiding motorists to be endangered by those who decide for themselves what speed they will drive and ignore the law. Speed limits, whatever they may be, should be strictly enforced. It is imperative that law enforcement agencies take seriously their responsibility to enforce speed limits and we in the Congress must make it abundantly clear that we expect such enforcement.

Mr. STAFFORD. Mr. President, it seems almost unnecessary to go over the reasons that compel me to join as a sponsor of the bill that would provide a permanent national speed limit of 55 miles an hour.

Is not it enough to note that all projections indicate that 10,000 lives will be saved annually by a 55 miles-per-hour limit on our Nation's highways?

Is not it enough to note that, in our

original effort to save gasoline we have found a simple and dramatic way to save lives?

We all know the numbers by now. Our Nation's highway death toll has declined by more than 23 percent since the 55 miles per hour went into effect. More than 4,700 lives have been saved in 6 months, and the lower speed limit was not in full effect across the Nation for all of that period.

We are told that the motoring public has become impatient with the reduced speed limit now that there seems to be more gasoline available and that motorists are beginning to substantially exceed the 55 miles-per-hour limit that became effective across the Nation on March 4.

But, the National Highway Traffic Safety Administration tells us that, even though motorists may be driving faster than 55 miles per hour in many places, highway speeds have not returned to the levels of the days before the gasoline shortage struck.

In addition, I am among those who suspect that most of the violations of the 55-mile-per-hour speed limit, at least in a proportionate sense, are being committed by over-the-road trucks and other commercial vehicles.

Perhaps enactment of a permanent national speed limit of 55 miles per hour would inspire greater enforcement at the State level and that, in turn, would encourage American motorists to resist the temptation to keep up with the trucks.

Indeed, I am convinced the average American motorist has already, by his discipline on the highways, told the Congress and the rest of the Federal Government that he is prepared to slow down—and to keep slowing down—to save lives and fuel.

Others have spoken of the substantial savings in gasoline that result from reduced driving speeds, but it is my view that the dramatic savings in lives that has been the demonstrated result of the reduced highway speed limit compels us to enact this legislation, even if there were no other benefits to the Nation.

With a single, simple, reasonable act, we have it within our power to save the lives of 10,000 Americans and to prevent injuries.

I am pleased to join with the distinguished Senator from Illinois (Mr. Percy) and the distinguished Senator from West Virginia (Mr. Randolph) in introducing this bill.

Thank you, Mr. President.

By Mr. MOSS:

S. 3557. A bill to allow the use of certain funds authorized to be appropriated for expenditure from the highway trust fund and apportioned to the States pursuant to title 23, United States Code, without matching State or local funds. Referred to the Committee on Finance.

NATIONAL TRANSPORTATION FINANCE EMERGENCY ACT OF 1974

Mr. MOSS. Mr. President, I am introducing for appropriate referral a bill which would amend the Highway Trust Fund Act, to allow the use of certain funds apportioned to the States from the highway trust fund, without matching State or local funds.

Many States are currently unable to use highway trust fund moneys apportioned to them because of an inability to raise the necessary matching funds. This dilemma is an outgrowth of the recent gasoline shortages, which decreased the amount of motor gasoline tax revenues States could raise—the source of most State matching money for Federal aid highway projects.

Because the administration impounded highway trust funds when the States could have matched them more easily, and thus prevented States from using this Federal aid the Congress directed be available to them, it is now only equitable that the Federal Government make such funds available without any matching requirement in view of the current pinch on State matching revenues.

This amendment will not provide a windfall to the States. The bill provides that the 100 percent Federal funding provision automatically expire in a State when the amount of State and local funds saved pursuant to this provision equals the sum impounded or withheld from such State by the Federal Government.

ADDITIONAL COSPONSORS OF BILLS

S. 1566

At the request of Mr. Mondale, for Mr. Inouye, the Senator from South Dakota (Mr. Abourezk), the Senator from Rhode Island (Mr. Pastore), the Senator from Utah (Mr. Bennett), and the Senator from Arizona (Mr. Fannin) were added as cosponsors of S. 1566, to provide for the normal flow of ocean commerce between Hawaii, Guam, American Samoa, or the Trust Territory of the Pacific Islands and the west coast, and to prevent certain interruptions thereof.

S. 2022

At the request of Mr. Tunney, the Senator from Iowa (Mr. Clark), the Senator from New Mexico (Mr. Montoya), the Senator from Minnesota (Mr. Humphrey), the Senator from Florida (Mr. Gurney), the Senator from Illinois (Mr. Percy), the Senator from Nevada (Mr. Cannon), the Senator from Washington (Mr. Magnuson), and the Senator from Kansas (Mr. Dole) were added as cosponsors of S. 2022, the Flexible Hours Employment Act.

S. 3311

At the request of Mr. Chiles, the Senator from Georgia (Mr. Talmadge) and the Senator from Texas (Mr. Tower) were added as cosponsors of S. 3311, to provide for the use of simplified procedures in the procurement of property and services by the Government where the amount involved does not exceed $10,000.

S. 3436

At the request of Mr. Brooke, the Senator from Maryland (Mr. Mathias) was added as a cosponsor of S. 3436, to increase the availability of mortgage credit for residential housing.

S. 3443

At the request of Mr. Mondale, the Senator from Utah (Mr. Moss), the Senator from Indiana (Mr. Bayh) and the Senator from Colorado (Mr. Haskell) were added as cosponsors of S. 3443, the Petroleum Moratorium Act of 1974.

S. 3512

Mr. MONDALE. Mr. President, in the Record of May 16, 1974, the name of the distinguished Senator from Michigan (Mr. Hart) was inadvertently omitted as a cosponsor of S. 3512. I ask unanimous consent that the next printing of the bill reflect the Senator from Michigan (Mr. Hart) as a principal cosponsor of that legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 3438—REMOVAL OF COSPONSOR OF BILL

Mr. MONDALE. Mr. President, I ask unanimous consent that the Senator from South Carolina (Mr. Thurmond), whose name was accidentally added as a cosponsor of the Rural Rail Preservation Act, be removed as a cosponsor of this bill, S. 3438.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 3546—RE-REFERRAL OF BILL TO COMMITTEE ON PUBLIC WORKS

Mr. EAGLETON. Mr. President, I ask unanimous consent that the Committee on Interior and Insular Affairs be discharged from the consideration of S. 3546, the bill I introduced to amend the Water Resources Development Act of 1974, and that the bill be referred to the Committee on Public Works, which reported the act I propose to amend.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE RESOLUTION 333—SUBMISSION OF A RESOLUTION AUTHORIZING PRINTING OF ADDITIONAL COPIES OF COMMITTEE PRINT

(Referred to the Committee on Rules and Administration.)

Mr. MOSS (for himself and Mr. Goldwater) submitted the following resolution:

S. Res. 333

Resolved, That there be printed for the use of the Committee on Aeronautical and Space Sciences 2,100 additional copies of its committee print of the current session entitled "Energy-Related Research and Development."

TEMPORARY INCREASE IN PUBLIC DEBT LIMIT—AMENDMENTS

AMENDMENT NO. 1362

(Ordered to be printed, and referred to the Committee on Finance.)

TAX RELIEF AMENDMENT TO THE DEBT CEILING ACT

Mr. KENNEDY. Mr. President, on behalf of Senators Mondale and myself, together with Senators Cranston, Bayh, Clark, Fulbright, Hart, Humphrey, Inouye, Johnston, Moss. Muskie. and Ribicoff, I send to the desk an amendment to H.R. 14832, the Debt Ceiling Act. The current amendment is identical to the tax relief amendment, amendment

No. 1349, already introduced to H.R. 8217, the vessel repair tariff bill. It contains three principal provisions:

First, it will raise the personal exemption for individuals under the Federal income tax laws, from its current level of $750 to a new level of $825.

Second, it will provide an optional tax credit of $190 in lieu of the exemption.

Third, it will provide a refund of a portion of the social security payroll taxes paid by low-income workers with children, through a tax credit "work bonus" equal to 10 percent of wages up to $4,000 in income. For incomes over $4,000, the credit is phased out at the rate of 25 cents per dollar, so that the credit disappears when income reaches $5,600. The credit is refundable—that is, it is paid as an income tax refund, even if the recipient has no income tax liability.

The purpose of the amendment is twofold: to provide an urgently needed fiscal stimulus to keep the economy from sinking deeper into the current recession; and, to provide significant across-the-board relief to millions of taxpayers suffering under the sustained severe inflation that has now reached the double-digit level and that has sharply contracted consumer purchasing power in every section of the country.

The amendment we are introducing combines the principles of separate measures that Senator MONDALE, Senator LONG, and I have introduced in the past—an increase in the existing personal income tax exemption in order to provide across-the-board relief to all taxpayers; the use of an optional tax credit in lieu of the exemption, in order to target substantial relief on low- and middle-income taxpayers hardest hit by inflation; and the use of a refundable tax credit to provide relief to those at the bottom of the income scale from the crushing burden of the payroll tax.

Taken together, these three forms of tax relief will pump an immediate and urgently needed $6.5 billion in antirecession tax relief into the economy.

Equally important, taken in conjunction with the tax reform amendment which Senator BAYH is introducing today for a group of Senators of which I am pleased to be a part, the net result of our two amendments will produce no long-term revenue loss to the Treasury, since the tax relief we grant this year will be offset—partially this year and completely in future years—by four revenue-raising tax reforms. There reforms will end the oil depletion allowance, end accelerated depreciation for spending on plant and equipment, repeal the DISC provision for export subsidies, and strengthen the minimum tax to insure that wealthy individuals and corporations pay their fair share of the income tax.

My hope is that Congress will act quickly to adopt the tax relief proposal we are offering. My own view is that the health of the American economy for the remainder of 1974 and well into 1975 may hang on the outcome of our action.

AMENDMENT NO. 1363

(Ordered to be printed, and referred to the Committee on Finance.)

THE SENATE MUST ACT ON TAX REFORM

Mr. BAYH. Mr. President, on May 21, 1974, I introduced for myself and Senators CLARK, HART, HUMPHREY, KENNEDY, MONDALE, and MUSKIE, a tax reform package designed to close four of the most egregious loopholes in our present tax laws—the percentage depletion allowance, the asset depreciation range system, the Domestic International Sales Corporation provisions, and the exclusion and deductions now allowed under the minimum tax provisions. This proposal was introduced as an amendment to H.R. 8217, the vessel repair tariff bill. When I introduced this amendment it was my understanding that this legislation would be the pending business before the Senate this week. The leadership has now decided, however, to postpone action on this bill.

Because of the fact that I believe strongly that the Senate should have an opportunity to act on these important reform proposals, I am today reintroducing them as an amendment to H.R. 14832, the debt ceiling bill on which the Senate must act prior to June 30.

DESIGNATION OF CERTAIN LANDS FOR INCLUSION IN THE NATIONAL WILDERNESS PRESERVATION SYSTEM—AMENDMENTS

AMENDMENT NO. 1364

(Ordered to be printed, and to lie on the table.)

Mr. NELSON submitted amendments, intended to be proposed by him, to the bill (S. 3433) to further the purposes of the Wilderness Act by designating certain acquired lands for inclusion in the national wilderness preservation system, to provide for study of certain additional lands for such inclusion, and for other purposes.

Mr. NELSON. Mr. President, I send to the desk an amendment to S. 3433, the Eastern Wilderness Areas Act of 1974, a bill which will shortly come before the Senate. This amendment will strengthen section 7, the management provisions section of the bill. The amendment will substitute language which was unanimously approved by the Senate Interior Committee and is contained in S. 316, the Eastern Wilderness Areas Act, as reported by the committee with 33 cosponsors.

The amendment does two things: First, section (a) mandates that the 39 wilderness study areas be managed exactly the same as the 19 "instant wilderness areas" that will be designated pursuant to the enactment of this legislation. Second, section (b) mandates that the Congress have an unlimited time to consider, review, study, and determine whether and when specific wilderness study areas should or should not be added to the national wilderness preservation system.

S. 3433, as reported by the Senate Agriculture Committee, mandates that the wilderness study areas be managed "by the Secretary of Agriculture so as to maintain their potential for inclusion in the national wilderness preservation system." The Agriculture Committee language only provides 3 years of interim protection for the study areas during which the Congress must either approve of including the areas as instant wilderness or the land would immediately revert to multiple use and sustained yields management.

This amendment will be offered in addition to a compromise package that has been carefully worked out between the two committees. This package amendment will refine the language of the bill dealing with mining, grazing, condemnation, and the existence of a citizen's advisory committee on wilderness I support these aspects of the package but I believe that this one amendment is needed to bring S. 3433 closer to the type of management envisioned by the original Wilderness Act that became law in 1964.

The question on the management of the study areas and the length of time available to the Congress for the review and ultimate disposition is not a question of intent; rather, it is a question of use and extent.

Both committees agree and their respective committee reports reflect the fact that nothing should be done to the wilderness study areas that would harm their wilderness characteristics. The question is how to protect these characteristics while the studies are being performed.

The language of S. 3433 would permit the operation of all terrain vehicles, dune buggies, jeeps, snowmobiles, and other off-the-road vehicles within the wilderness study areas unless according to chief of U.S. Forest Service, John McQuire, the machines were causing "significant damage to such things as vegetative cover, or soil or water resources." They would be permitted to operate in these areas, according to McQuire "if such effects—of their operation—were transitory * * *."

What is significant damage? What is transitory damage? Can the Forest Service give the Congress a guarantee that they will be able to police and monitor the effects of off-the-road vehicles on such a grant scale? Can we be assured that they will be able to spot all the possible degradation of the wilderness characteristics in time? I think not.

In my view the committees are also in agreement that the 3-year limit for congressional review is not appropriate. Again the question is of extent. I believe the Wilderness Act of 1964 sets a clear precedent that should be stringently followed. Under this act the Forest Service was required to review all primitive areas. These primitive areas are analogous to the wilderness study areas we are now considering. The Forest Service was also mandated to make recommendations to the Congress concerning the suitability of certain areas for inclusion in the national system. In the meantime, these areas received protection for an unlimited time until Congress disposes of them. This system has worked well and deserves to be applied to the eastern wilderness study areas.

These recreational uses are inconsistent management goals for wilderness study areas. They are certainly appropriate for other sections of the national forest in designated sections and along special trails. They are consistent with the policy established by the Wilderness Act of 1964—the Congress and only the Congress should have the power to render a definitive judgment on any and all of the proposed study areas.

Mr. President, I ask unanimous consent that the text of my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1364

On page 17, line 21, immediately after the words "the wilderness areas" insert the following: "and, until Congress has determined otherwise, wilderness study areas".

On page 17, line 24 strike the entire sentence beginning "The wilderness study areas" thereafter through page 18, line 7.

EXEMPTION FROM DUTY OF CERTAIN EQUIPMENT AND REPAIRS FOR CERTAIN VESSELS—AMENDMENT

AMENDMENT NO. 1365

(Ordered to be printed, and to lie on the table.)

Mr. CHILES submitted an amendment, intended to be proposed by him, to the bill (H.R. 8217) to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1971.

ENERGY REORGANIZATION ACT OF 1973—AMENDMENT

AMENDMENT NO. 1366

(Ordered to be printed and referred to the Committee on Government Operations.)

Mr. KENNEDY. Mr. President, I submitted legislation yesterday to reform the nuclear powerplant licensing process and to insure more adequate public participation in that process.

The legislation was to be submitted in the form of an Energy Research and Development Administration Act legislation reported yesterday by the Government Operations Committee.

As I stated yesterday, I am hopeful that the amendment I am submitting, particularly the sections on promoting public participation through the payment of the costs of technical expert and legal fees, will be acceptable to the managers.

I ask unanimous consent that the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1366

At the end of the bill, add the following:

TITLE IV—LICENSING PROCEDURE

DEFINITIONS

SEC. 401. As used in this title—

(1) the term "regulatory review process" means the process by which the Commission reviews and acts upon applications for licenses to site, construct, manuufacture, or operate production or utilization facilities, including any hearings thereon, beginning with the first filing by any person requesting or leading to a request for action and ending when the Commission denies the request or ceases supervision of the activity;

(2) the term "party" means any participant in the regulatory review process, including the applicant and the Commission staff;

(3) the term "license" means the combination of authorizations which enable a person to operate a nuclear facility or in the case of a person not intending to operate a facility, authorization for a site for a nuclear facility or to manufacture one or more nuclear facilities; and

(4) the term "Commission" means the Nuclear Safety and Licensing Commission.

APPLICATION

SEC. 402. (a) Any person seeking a license to site, manufacture, construct, or operate a utilization or production facility, as defined in section 11 of the Atomic Energy Act of 1954, shall file an application for such license at least 3 years prior to the time construction of the facility is contemplated to begin. Any such application shall include information sufficient to identify the site, size, and type of the proposed facility.

(b) Upon receipt of a license application, the Commission shall—

(1) publish a notice in the Federal Register indicating the receipt thereof and affording 30 days in which persons or organizations may request an opportunity to participate in the regulatory review process with respect to the license; and

(2) appoint an Atomic Safety and Licensing Board for such application.

(c) The Commission shall approve for participation in the regulatory review process any person or organization which has an interest which may be adversely affected by the construction or operation of the facility. An untimely petition to participate may be granted only after consideration of whether there was good cause for late filing, the likelihood of delay of the regulatory review process as a result of participation, and the extent to which the interests to be affected are represented by other parties.

PARTICIPATION IN REGULATORY REVIEW PROCESS

SEC. 403. All parties to the regulatory review process shall receive simultaneous service of all documents and written communications relating to the application received by the Commission or from any person or party or received from the Commission or by any person or party. All parties to the regulatory review process shall be given due notice and the apportunity to attend any meeting related to the application between the Commission or its staff and additional person or party, and minutes of such meetings shall be distributed to all parties to the regulatory review process. To the extent any document or other communication required to be distributed contains information which is subject to disclosure limitations under any provision of law, it shall be distributed only to parties who sign agreements to limit disclosure of the information to the extent required by law.

DISCOVERY

SEC. 404. Any party shall have the right to discover information from any other party or the Commission to the extent permitted by rules adopted by the Commission which shall be substantially the same as Rules 26 through 37 of the Federal Rules of Civil Procedure.

REQUEST FOR AUTHORIZATION

SEC. 405. (a) Within one year after the filing of the application, the applicant shall file a request for authorization for at least one of the following actions:

(1) site selection and preparation;

(2) limited construction activities;

(3) construction or manufacturing of the facility;

(4) amendments to the construction or manufacturing authorization;

(5) fuel loading and subcritical testing;

(6) low power testing and power ascension testing;

(7) limited operation up to two years;

(8) full-power, full-term operation;

(9) amendments to any operation authorization.

If no such request for authorization is filed within one year, the application shall be dismissed without prejudice to a subsequent filing.

(b) No limited construction or construction authorization may be granted unless a prior or simultaneous authorization for the site selection and preparation has been granted for the same facility. No operating authority may be granted unless a prior or simultaneous authorization for construction has been granted for the same facility.

(c) An applicant may request an authorization under subsection (a) at any time, and may request one or more authorizations at one time. When a request for authorization is filed with the Commission, it shall publish in the Federal Register a notice of receipt of such request and notice of the provisions of section 402.

HEARINGS

SEC. 406. (a) Within 30 days after receipt of a request for authorization, any party may file a notice of intent to request a hearing with respect to the proposed action.

(b) Within 30 days after receipt of all of the material upon which the Commission and the applicant rely for their respective positions on the proposed authorization, including any reports or testimony, any party who previously filed a notice of intent under subsection (a) shall file a specific statement of the issues relevant to the proposed authorization, identifying those issued on which he seeks a hearing, the factual basis for each issue including any direct testimony to be offered, and the areas of any proposed cross-examination including an identification by name or expertise of the witness to be cross-examined. Within 15 days thereafter, every other party shall file a detailed statement of his position with respect to the issues raised by the party and the factual basis for such positon including any additional direct testimony to be offered and the areas of proposed cross-examination including an identification of the name of the witness to be cross-examined.

(c) If the applicant opposes the position of the Commission, then he shall, within 30 days of receipt of the Commission position, comply with the requirements of subsection (b) of this section applicable to any party requesting a hearing.

(d) Any party opposing a hearing with respect to any or all issues may file a motion for summary disposition as to any such issue which motion shall be governed by a procedure substantially similar to Rule 56 of the Federal Rules of Civil Procedure. Such motion shall be filed within 15 days of following the filing of a specific statement of issues by a party seeking a hearing.

FINALITY OF DETERMINATIONS

SEC. 407. A motion under section 406(d) shall be granted with respect to the determination of any issue which could have been raised in connection with prior proceedings under the same application on the basis of information then available unless the party opposing the motion has established the likelihood that substantial additional protection for the public health and safety, for the common defense or security, or for the environment could result if its position were upheld and, in addition, demonstrates—

(1) a change in circumstances (including the issuance of rules and regulations subsequent to the prior proceedings); or

(2) the existence of other special circumstances or public interest factors.

SUFFICIENCY OF EVIDENCE

Sec. 408. (a) An authorization for site selection and preparation shall not be granted unless information regarding the final design, method of construction, and proposed operation of the facility is sufficient to permit a full analysis of the factors required by the National Environmental Policy Act of 1969 and the completion of the cost-benefit analysis.

(b) Any action taken after the requirements of the National Environmental Policy Act of 1969 with respect to an application are satisfied shall not require further compliance with the National Environmental Policy Act unless the requirements of section 407, relating to finality, are met with respect to the issues sought to be raised under the National Environmental Policy Act of 1969.

RELATION TO OTHER LAWS

Sec. 409. With respect to any authorization under section 405(a), the requirements of the Atomic Energy Act of 1954 and the rules and regulations of the Commission relevant to each action shall be met before the action is authorized.

ADMINISTRATION

Sec. 410. After an application has been filed, all legal and factual issues relating to the application shall be determined by an Atomic Safety and Licensing Board assigned to the application to the extent such issues are contested by any party. Decisions of the Atomic Safety and Licensing Board shall be subject to review by an Atomic Safety and Licensing Appeal Board upon the filing of a request for review by any party. Final decisions shall be subject to judicial review in the same manner as prescribed in section 189 of the Atomic Energy Act of 1954.

JOINDERS

Sec. 411. The Commission may, upon the request of any person or on its own motion, order commencement of a regulatory review process on any issues common to several nuclear facilities. The hearings shall be governed by the same rules applicable to hearings on individual nuclear plants except that the Commission shall—

(1) include notice of the hearing in publications widely read by the general population;

(2) allow 60 days for any party to file a request to be part of the regulatory review process; and

(3) permit any party to participate in the regulatory review process if its request to participate discloses that its interest could be affected by resolution of the issues if a nuclear facility to which the issues raised are relevant were built near the area with which such party is concerned.

The provisions of sections 402(a) and 406 shall not apply to a proceeding under this section unless such proceedings were commenced either directly or indirectly by the Commission, by parties seeking authorizations under section 405, or by parties reasonably expected to be seeking such authorizations.

COSTS

Sec. 412. (a) With respect to any regulatory review process or any hearing held for the purpose of adopting any rule or regulation, whether governed by section 553 or 554 of title 5, United States Code, the Commission shall, upon request, pay for the cost of participation, including attorneys' fees, in any hearing or the regulatory review process of any party, except that the amount paid, if any, shall be determined with due consideration to the following factors:

(1) The extent to which the participation of the party helped to develop facts, issues and arguments relevant to the regulatory review process or hearing.

(2) The ability of the party to pay its own expenses.

(b) The Commission shall establish a maximum amount to be allocated to each hearing or other proceeding which amount shall be apportioned among the parties seeking reimbursement of costs based upon the factors enumerated in subsection (a). The maximum amount established pursuant to this subsection shall be established and adjusted from time to time by the Commission with due regard to the following factors:

(1) actual costs of public participation in hearings based upon a non-duplicative presentation of opposing viewpoints on all relevant issues.

(2) The cost of participation in the proceeding of the Commission's staff and the applicants seeking authorizations under section 405.

(c) Payment of costs under this section shall be made within 3 months of the date on which a final decision or order disposing of essentially all of the matters involved in the hearing is issued by the Commission, except that if a party establishes that—

(1) its ability to participate in the proceeding will be severely hampered by the failure to receive funds prior to conclusion of the proceeding; and

(2) there is reasonable likelihood that its participation will help develop facts, issues and arguments relevant to the regulatory review process or hearing,

then the Commission shall make from time to time such advance payments as it deems essential to permit the party to participate or to continue to participate meaningfully in the proceeding with due regard to the maximum amount payable for costs of this hearing and the possible requests for reimbursement of costs of other parties.

(d) In the case of any judicial proceedings arising out of an appeal of a decision reached in a regulatory review process or other proceedings before the Commission, the Court may order the Commission to reimburse all costs of such proceedings, including attorneys' fees, to any party which meets the requirements of subsection (a) of this section.

(e) The provisions of this section shall become effective upon the adoption by the Commission of regulations implementing them or upon the expiration of 90 days after the enactment of this section, whichever first occurs. This section shall apply to all regulatory review processes, hearings, and court proceedings in which final decisions or orders disposing of essentially all of the issues involved in the regulatory review process or hearing or final orders of court have not been issued by the Commission or court when this section is enacted and to all regulatory review processes, hearings and court proceedings subsequently commenced. In the case of court proceedings in progress when this section is enacted, the reimbursement of costs provided for in this paragraph shall apply only to the costs referred to in subsection (d) and not to costs of the regulatory review process or hearing being reviewed.

(f) Nothing in this section shall diminish any right which any party may have to collect any costs, including attorneys fees, under any other provision of law.

(g) The authorization to make such payments shall not apply to any regulatory review processes, hearings for the purpose of adopting any rule or regulation, or court reviews arising out of such processes or hearings, if the regulatory review processes or hearings for the purpose of adopting any rule or regulation commenced later than the three years after the date of enactment of this Act.

(h) Any decision made pursuant to this section shall be reviewable in Court to the same extent as any other Commission decision, except that no stay may be issued based upon any alleged violation of this section and no court order determining that the provisions of this section have been violated shall, solely as a result of that determination, require a reversal of the Commission's decision with respect to any other issue.

(i) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

EFFECTIVE DATE

Sec. 413. The provisions of this title shall be applicable to all ongoing proceedings for issuance, revocation, modification, amendment, or revision of construction permits and operating licenses and to all construction permits and operating licenses already issued to the maximum extent practicable consistent with the public interest and the avoidance of unnecessary delay.

EMERGENCY CHLORINE ALLOCATION ACT OF 1973—AMENDMENT

AMENDMENT NO. 1367

(Ordered to be printed and to lie on the table.)

Mr. COTTON submitted an amendment intended to be proposed by him to the bill (S. 2846) to protect the flow of interstate commerce from unreasonable damage to the environmental health by assuring an adequate supply of chlorine and other chemicals and substances which are necessary for safe drinking water and for waste water treatment.

ADDITIONAL COSPONSOR OF AN AMENDMENT TO H.R. 8217

Mr. TUNNEY. Mr. President, today, I am pleased to have the opportunity to cosponsor an amendment to H.R. 8217 intended to repeal immediately the oil and gas depletion allowance.

This amendment would generate $2 billion in tax revenues for 1974 and an additional $18 billion between now and 1979. A Treasury study has shown that the top oil companies pay less than 10 percent in taxes on profits which amount to billions and billions of dollars. The depletion allowance is an unnecessary tax preference which makes it possible for the very wealthy and the financially powerful to escape their fair share of the cost of government. Because of the special treatment now given to oil companies, low and moderate income people must pay substantially more than their fair share in order to make good the tax loss.

For example, Californians paid an estimated $12.9 billion in Federal personal income taxes in 1973. Had there been no oil depletion allowance, Californians might have saved as much as $206–$207 million.

The recent explosion of oil company profits is mainly attributable to the increased cost of foreign and domestic crude oil. These huge windfall profits are not needed to encourage oil and gas expansion. The Joint Committee on Internal Revenue Taxation estimates that the industry is not likely to reinvest more than 50 percent of recent profit increases. Repeal of depletion will still leave $1.50/barrel increased profits as a powerful incentive for expanded exploration and development. I am confident that the closing of this loophole will not decrease employment nor hinder our efforts to become energy self-sufficient.

Repeal of the oil depletion allowance will make the tax system more equitable.

In addition, the additional revenues collected from the oil companies will help to balance the Federal budget and restore reasonable price stability.

Mr. President, tax justice and fiscal responsibility must go hand in hand. I strongly urge that the Senate adopt this amendment.

ANNOUNCEMENT OF A HEARING ON A NOMINATION

Mr. JACKSON. Mr. President, I wish to announce to the Members of the Senate and other interested parties that the Committee on Interior and Insular Affairs has scheduled an open hearing for June 7, 1974, on the nomination by President Nixon of Dr. John C. Sawhill to be Administrator of the Federal Energy Administration.

The hearing will begin at 10 a.m. and will be held in room 3110 of the Dirksen Senate Office Building.

Persons wishing to testify or submit statements for the hearing record should so advise the staff of the Interior Committee.

Mr. President, I ask unanimous consent that a brief biographical sketch of Dr. Sawhill be included in the RECORD at this point in my remarks.

THE WHITE HOUSE

The President today announced that he would appoint John C. Sawhill to be Administrator of the Federal Energy Administration.

Mr. Sawhill has been Deputy Administrator of the Federal Energy Office since December 4, 1973. From April 15, 1973, until then he was Associate Director for Natural Resources, Energy and Science at the Office of Management and Budget. At the time of his appointment to the OMB post, he was Senior Vice President for the Business Services Group at Commercial Credit Company, a diversified financial and leasing company.

He was born on June 12, 1936, in Baltimore, Maryland. Mr. Sawhill received his A.B. from the Woodrow Wilson School of Public and International Affairs at Princeton University and his Ph.D. in economics, finance and management from New York University's Graduate School of Business Administration. He began his career in 1958 with Merrill Lynch, Pierce, Fenner and Smith in the underwriting and research departments. In 1960 he became Assistant Dean and Assistant Professor of Finance at New York University's Graduate School of Business Administration, and he concurrently served as Senior Staff Economist to the House Committee on Banking and Currency.

Mr. Sawhill joined Commercial Credit Company in 1963 as Director of Credit Research and Planning. In 1965, he joined the management consulting firm of McKinsey and Company as a Senior Associate. He rejoined Commercial Credit Company in 1968 as Vice President for Planning. Mr. Sawhill is a Vice President and Director of Baltimore Neighborhoods, Inc., a Director of the Baltimore Area Council on Alcoholism and is a member of the Board of Trustees for the College of Art at the Maryland Institute.

He is married to the former Isabel Vandevanter and they have one child. Mr. Sawhill and his family live in Washington, D.C.

OVERSIGHT HEARINGS ON PUBLIC LAW 92–195—THE WILD FREE-ROAMING HORSE AND BURRO ACT

Mr. JACKSON. Mr. President, as I have previously announced, the Senate Interior and Insular Affairs Committee has scheduled oversight hearings on the interpretation and administration of Public Law 92–195, the Wild Free-Roaming Horse and Burro Act for June 26. For those who may have missed it, I would like to have reprinted in the RECORD an article by George C. Wilson which appeared in the Sunday, May 12, edition of the Washington Post regarding a horse roundup which occurred in Idaho. Although the hearing before the Interior Committee will not specifically focus on the roundup, the committee is concerned about the interpretation of Public Law 92–195 by the administering agencies as it relates to such occurrences.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BLOODY ROUNDUP: WILD HORSE SLAUGHTER DETAILED

(By George C. Wilson)

Ranchers slit the throats of some of the wild horses they drove to the edge of a cliff near Howe, Idaho, last year and cut their legs off with a chain saw, according to an official government report not yet made public.

The ranchers, according to government sources familiar with the report, also used a helicopter and snowmobiles to drive the horses toward an enclosure—roundup methods that violate the law.

The horses, despite such methods, eluded the ranchers time after time in the series of roundup attempts. But several of them met their deaths at the cliff, including the ones whose throats were slit and legs cut off because in their panic they had jammed their hooves irretrievably in the cliff's crevices.

Sources said those and other grisly details are contained in the official government report on the roundup written by officials of the U.S. Forest Service and Interior Department's Bureau of Land Management.

Unbranded horses and burros which roam free on public lands in the West are supposed to be protected from such roundups by the 1971 Wild and Free-Roaming Horses Act.

Sen. Henry M. Jackson (D.-Wash.), chairman of the Senate Interior Committee, is expected to ask Interior and Forest Service officials about their roles in approving the bloody roundup at a special hearing June 26 on the Wild Horse Law.

The roundup was conducted near Howe, Idaho, in January and February 1973. Government investigators have reported that the Bureau of Land Management field office gave its full blessing to the roundup.

The U.S. Justice Dept. has decided against criminally prosecuting the ranchers or anybody else involved in the case for lack of sufficient evidence.

Congressional sources familiar with what was turned up during the government's own investigation expressed incredulity at that decision by Justice.

U.S. District Court Judge Thomas A. Flannery, noting that no criminal prosecution was planned, ordered Justice on April 25 to turn the government's investigation over to the American Horse Protection Association and Humane Society of the United States.

Those two private groups are suing Federal officials for $10 million for allegedly letting the roundup take place in violation of the Wild and Free-Roaming Horses and Burros Act in 1971.

Flannery, in ordering the investigatory report released to the two groups, said "the court is guided by the fundamental notion that in a free society justice is usually promoted by disclosure rather than secrecy . . ."

However, the government report on the roundup has not yet been made part of the public record of the trial. It is in the hands of the government and the two associations who brought the civil suit.

A clerk in Flannery's office said the report probably will not be added to the regular public record until there is a formal motion to do so. Robert C. McCandless, attorney for the horse association and human society, declined to release the report when asked to do so by The Washington Post.

The report, government sources said, includes not only the findings of the Forest Service and Bureau of Land Management investigators, but, taped interviews with ranchers and others involved in the roundups.

The stated purpose of rounding up the horses and removing them from public lands in Idaho was reportedly to leave more grass for ranchers' cattle there and to sell the captured horses for dog food.

Most of the horses rounded up, according to the government's investigation, were free-roaming and unbranded—thus supposedly protected by the Wild Horse law.

Between 50 to 60 horses were captured. At least a dozen horses and one colt were killed or died during the roundup before the ranchers could ship them to the stock yard where they were to be held for slaughter. Others have died since.

The suit brought by the horse association and Humane Society stopped the intended slaughter for dog food, but the fate of the 17 surviving horses and one colt is still undecided.

ANNOUNCEMENT OF PUBLIC HEARINGS BEFORE THE WATER AND POWER RESOURCES SUBCOMMITTEE OF THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. CHURCH. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Water and Power Resources Subcommittee of the Senate Interior and Insular Affairs Committee.

The hearing is scheduled for June 18, beginning at 10 a.m., in room 3110 of the Dirksen Senate Office Building. Testimony is invited regarding three bills which are presently before the subcommittee. The measures are: S. 1119, a bill to authorize the Secretary of the Interior to make water available for a minimum recreation pool in Elephant Butte Reservoir from the San Juan-Chama unit of the Colorado River storage project; S. 2779, a bill to authorize the Secretary of the Interior to construct drainage works for the vernal unit of the central Utah project and the Emery County project, participating projects, Colorado River storage project; and S. 3529, a bill to authorize the Secretary of the Interior to construct necessary interim anadromous fish passage facilities at Savage Rapids Dam, Oreg.

For further information regarding the hearings you may wish to contact Mr. Dan Dreyfus of the subcommittee staff on extension 51076. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Water and Power Resources Subcommittee, room 3106, Dirksen Senate Office Building, Washington, D.C. 20510.

ADDITIONAL STATEMENTS

POLITICAL FREEDOM IS A REALITY IN SOUTH VIETNAM

Mr. CURTIS. Mr. President, an integral part of the anti-Saigon propaganda floating around Washington these days is the charge that there is no political freedom in South Vietnam. Those who would see the United States abandon our support of South Vietnam for whatever reason constantly claim that the Thieu government is an oppressive one which is running roughshod over the political freedoms of the people of that war-torn country.

A recent factsheet from the U.S. State Department says that such allegations just are not true, pointing out that:

> Numerous non-Communist political groups, ranging from far-right to far-left, continue to function openly in South Vietnam, and are in many cases strongly opposed to President Thieu and his Administration.

Not only are there viable opposition political parties; even further, there are opposition members of the Thieu administration in both houses of South Vietnam's Government:

> In the lower house, 58 of 158 members are active oppositionists, 7 are independents, and 93 are pro-Administration. In the upper house, there are 29 oppositionists and 41 pro-Administration members.

Another strong sign of political freedom is an active and vocal press. The factsheet points out that there are 15 daily newspapers, only three of which are proadministration.

To me, however, the strongest evidence of political freedom in South Vietnam is the fact that 500,000 South Vietnamese have been armed by the government to serve as local militia, with another 1,000,000 citizens serving as armed members of the part-time peoples' self-defense force.

Mr. President, this factsheet contains information that, to my knowledge, has not appeared in any of the national news media. It points out facts which are vitally important to our understanding of the true situation in South Vietnam, especially as we consider whether or not we will continue military aid to this country—aid which is essential to the survival of the very political freedoms which I have alluded to here and which are outlined in more detail in the factsheet.

So that we may have the benefit of the information contained in this factsheet as we consider future aid to South Vietnam, I ask unanimous consent at this time that it be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EVIDENCE OF POLITICAL FREEDOM IN SOUTH VIETNAM

1. *Parliamenary opposition*. In the Lower House, 58 of the 158 members are active oppositionists, 7 are independents, and 93 are pro-Administration. In the Upper House, there are 29 oppositionists and 41 pro-Administration members. These opposition members of the parliament, while outnumbered, are usually vigorous and sometimes successful in their efforts to block or amend Administration proposals. They enjoy parliamentary immunity and are frequently strongly critical of President Thieu.

2. *Opposition political group*. Numerous non-Communist political groups, ranging from far-right to far-left, continue to function openly in South Viet-Nam, and are in many cases strongly opposed to President Thieu and his Administration. Examples are:

The Social Democratic Alliance, the largest opposition political party;

The Revolutionary Dai Viet Party and other groups currently working for the return of former Emperor Bao Dai;

The An Quang Buddhists, who were instrumental in the overthrow of former President Diem and now oppose President Thieu; and

Various small splinter groups, some radically leftist.

3. *Opposition political personalities*. The most famous non-Communist opposition political figure in Saigon is Lt. Gen. (ret.) Duong Van "Big" Minh, who led the 1963 coup against Ngo Dinh Diem. He is politically active and issues periodic statements denouncing the present Government. Other well-known personalities currently active in Saigon oppositionist circles are Madame Ngo Ba Thanh, a radical lawyer who is one of many claimants to leadership of the so-called "third force"; and Father Chan Tin, an anti-Government activist who is currently campaigning for the release of alleged "political prisoners." Both operate openly and meet frequently with journalists and other opposition figures.

4. *Press*. There are 15 daily newspapers published in Saigon. Three are pro-Administration, three are oppositionist, five are generally independent, three are strictly sensationalist, and one is a semi-official organ of the Catholic Church. While they are subject to some wartime censorship and other restrictions, they retain considerable freedom, often criticize the Government, report Government scandals and other unfavorable news, and publish news about opposition political activities.

5. *Elections*. As specified in the 1967 Constitution, the Government has held regular elections at every level from the national to the village. Outside observers have confirmed that these elections have been generally honest and have achieved a reasonably accurate reflection of the popular will. Pro-Administration candidates have been more successful than oppositionists recently, largely because the opposition is highly fragmented and consequently not very effective at the polls. The most recent election was in August 1973, when half of the Upper House was chosen. Provincial and Municipal Council elections are scheduled for this summer.

6. *An armed citizenry*. Probably the most striking evidence that the South Vietnamese Government is not a hated, repressive dictatorship as the Communist claim, is that it has armed half a million full-time local militiamen and a million members of the part-time People's Self-Defense Force, in addition to the 500,000-man regular army. Since the total South Vietnamese population is only 19 million, most of whom are children, women, and old people, this means that the Government has armed the vast majority of its able-bodied manpower. No widely unpopular regime, facing a strong military and political threat within its own borders, would dare to pass out so many guns which might readily be turned against it.

SENATOR HATHAWAY SPEAKS OUT ON THE MIDEAST

Mr. CLARK. Mr. President, the new disengagement agreement between Israel and Syria raises our hopes for a lasting peace in the Middle East. We owe a great deal of gratitude to the efforts of Secretary of State, Dr. Henry Kissinger. At the same time the governments of Israel and Syria deserve our congratulations for making the concessions that peace always demands.

My good friend and colleague, Senator WILLIAM D. HATHAWAY, recently wrote a very perceptive article on the complex Middle East situation. This article appeared in "The Jewish Advocate" for May 23, 1974. I believe Senator HATHAWAY's comments will make very worthwhile reading for the members of this body, particularly at this very significant point in the history of Arab-Israeli relations.

I ask unanimous consent that Senator HATHAWAY's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAINE SENATOR SPEAKS OUT ON MIDEAST

(By William D. Hathaway)

The United States and the entire world face no more complex problems than the Middle East situation. There are no easy solutions and there are no shortcuts to an acceptable permanent peace. Short range pressures conflict with long range goals. Moral arguments, practical considerations and the lessons of history must all be taken into account.

Let me make my position clear at the outset.

1. I believe in the existence of the State of Israel and a National Jewish State.

2. I believe that Israel and its neighbors should have safe, secure and defensible boundaries.

3. I believe that Israel and its neighbors should have reasonable—international, if necessary—assurances against aggression and attack. War, economic blockades and the blockading of international waterways should be eliminated as elements of national policy between civilized states.

4. I believe that these objectives can only be achieved through bilateral and multilateral negotiations and agreements and through compromise and settlement in normal diplomatic processes.

These beliefs do not require me to rigidly adhere to the specific positions of the Israelis or the Arabs on each issue. Rather, I feel that the United States must be flexible and must enjoy freedom of action as it determines its role in accomplishing these objectives. The role of Henry Kissinger in the recent Israeli-Egyptian negotiations is an excellent example of the kind of careful negotiation and diplomacy that is needed in certain situations. Other negotiations will have to be carried out on a multilateral basis or through the United Nations.

The U.S. has traditionally supported Israel. This is highly understandable, given that the two countries have a great deal in common. Both are democracies with free political parties in the government and in the opposition and with free elections. Both are countries built by highly motivated pioneers. Both are countries open to and built by large immigrant groups. Americans have vivid memories of the Nazi Holocaust, the concentration camps, the loss of six million Jews and the saving role played by the Jewish community which became the State of Israel. The United States and Israel share the common heritage of Western civilization. The close ties of American Jews to the State of Israel are a fact of American life. Americans have followed the history of Israel over the past 25 years—its struggle to survive in the face of Arab opposition.

The United States also needs to have an understanding of the problems of the Arab world. There is great diversity among the Arab countries. They range from socialist states to military dictatorships to feudal absolute monarchies. They are torn by their own instability, their need for peace, their pride and by their role and power in the politics of the area and in the economics of oil. A vitriolic hatred of Israel has in the past quarter-century been the sole unifying force within the diverse Arab world. It has often served as a means of distracting the Arab states from confronting their own very real economic and social problems.

The dilemmas involved in the Middle East situation are very real and very acute. There is a clash between two highly disparate cultures, a clash with its roots in thousands of years of history. There is the contrast between levels of economic development and social welfare. Above all, there is the constant political and military confrontation which can—as we have so recently seen—explode at any moment into open warfare. Given the power alignments in the region, there is always the added threat of a Middle East war escalating into a global conflict pitting the United States against the Soviet Union.

There are a number of specific issues involved in the Arab-Israeli conflict—issues which must be negotiated and resolved in some way before there can be any stability in the Middle East.

The territorial issue is the first concern. The Arab position is that Israel must return the territory taken in the 1967 war. The Israelis insist that they must keep some or all of that territory—in order to defend themselves against the ever-present threat of attack from Arab forces. They are very conscious of their vulnerability, which was revealed sharply in the surprise Arab attack precipating the "Yom Kippur War".

There is general agreement on the need to reach some settlement on the territorial question and thereby to establish secure international boundaries. Achieving such a settlement will require complex negotiations and skillful diplomacy.

A number of separate issues are involved here.

—The Golan Heights. These have provided a strong natural fortress for the Syrians and an ideal position from which to launch attacks on Israel's Northern plain. Thus the Israelis feel it is vital to maintain the stronghold which they now have on the Golan Heights.

—The Sinai Peninsula. This desert area east of the Suez Canal has been a battleground in all the Arab-Israeli wars, in 1948 and 1956 and 1967 and once again in 1973. To the Israelis, that forbidding desert represents an essential buffer between the Egyptian forces and the developed areas of Israel.

—The Suez Canal, the Gulf of Aqaba, the Straits of Tiran. Under international law and under particular international agreements, freedom of navigation through these waterways is supposed to be assured to all nations. In practice, they have become pawns in the struggle of the Arab states for supremacy. The closing of the Straits of Tiran and the Gulf of Aqaba to shipping bound for the Israeli port of Eilat was a major cause of the 1967 war; this likewise provides the major reason for Israel's determination to hold onto the Sinai. And the Suez canal has for many years been a battleground and a de facto boundary, not an international waterway.

—The west bank. Part of Jordan until the 1967 war, with a largely Arab population but some Israeli settlement, is an area of major controversy. Some have suggested that it be constituted as a separate Palestinian state.

—Jerusalem. This is the most emotional point at issue. Holy City for three major religions—Judaism, Islam and Christianity—Jerusalem was partitioned into Israeli and Arab sectors up until 1967 and Israel's Jews were cut off from access to the wailing wall and other sites of major religious significance. Since 1967, the City of Jerusalem has been united under Jewish Rule and the Israelis are determined to maintain control while the Arabs are bitterly opposed to this. This is a continuing controversy and potentially explosive.

I believe strongly that the basic objective of negotiations in the Middle East must be the establishment of secure, defensible boundaries for the State of Israel. This is essential for the achievement of peace in the Middle East: it is essential for the survival and prosperity of the Jewish State. There are a number of possible means of resolving the various territorial issues—neutralization of border areas, international supervision, assured access to international waterways, to name but a few. Although no easy solution appears on the horizon, with the intense effort of skilled negotiators and the passage of time and hopefully a willingness to compromise on both sides, some resolution of these issues should be achieved.

Another related dilemma which has to be faced is the fate of the Arab refugees from the former State of Palestine. For 25 years they have been pawns in the Arab-Israeli conflict, confined to the squalor of temporary refugee camps that have become for many a permanent trap.

Israel rightly asserts that the absorption of the entire refugee population would not only be economically disastrous but would also gravely endanger the survival of the Jewish State. Given that Israel's current population is somewhat over 3 million, 400,000 of which are Arabs who remained after Israel was founded, the sudden addition of the more than 1 million Palestinian refugees registered with the United Nations would in fact overwhelm Israel and call into question its existence as a Jewish State. I feel it is vital to preserve the Jewish State.

On the other hand, the Arabs make the point that the refugees were dispossessed of their lands and property by the founding of Israel and thus claim that Israel should bear the responsibility of resettling them. It should be noted also that large numbers of refugees have in fact resettled themselves in other Arab countries, and indeed in other parts of the world, including the U.S. However, for political reasons, the Arab states refuse officially to assume any responsibility for the refugees.

Again, no easy solutions can be found for the problem of the Palestinian refugees, which is not just a political but also a very human dilemma. Possibilities under discussion include the establishment of a new Palestinian State, probably based on the west bank and including the Gaza Strip, plus some compensation on an international basis for the properly lost by Arabs and Jews alike in the massive displacement of populations brought about by the Arab-Israeli conflict.

A final problem which must be discussed—and which is far more visible now than ever before—is the "oil weapon" and the Arabs' demonstrated willingness to use it to achieve their political ends. The recent Arab oil embargo has sounded a grim warning to the United States.

—It has shown us that our economy and indeed our whole way of life depend to a significant degree on oil imports from the Arab world.

—It has shown us that the Arabs are able to act in concert and are willing to use the oil weapon to achieve their political ends in the Middle East.

It is important to remember, however, that the energy crisis was not invented by the Arabs. For several years, we in the United States have been warned that we faced a crisis of over-consumption of energy. The Arab oil embargo hastened the day of reckoning for us in terms of supply and in terms of price, but it did not create the energy crisis in the first instance.

In the long run, we must focus on developing alternative sources of energy—ones which will not deplete our limited natural resources. In the shorter term, we must live with the threat of the Arab oil weapon—a threat which looms even larger for our allies in Western Europe and Japan.

I believe strongly that the United States must stand firm against the Arab threat. It would be disastrously short-sighted for us to sell out the interests of Israel in exchange for a slightly firmer grip on the Arab oil tap.

Instead, we must maintain our commitments to Israel and our resolve to achieve a Middle East settlement which will guarantee peace and security for the Jewish State. There is every indication, moreover, the U.S. is continuing and will continue its support for Israel, while pressing hard for a peaceful resolution of the conflicts in the Middle East. Ultimately, this will be in the best interests of all involved.

I am concerned that the U.S. play the most active and effective role possible in promoting a Middle East settlement. It appears at this time that we are playing such a role, through the skillful efforts of Secretary of State Henry Kissinger. On the other hand, we must recognize that our role is a limited one, given the large number of strong and conflicting interests involved in the Middle East situation.

A crucial factor in Middle East diplomacy will be our relationship with the Soviet Union. At the present time we are committed to a policy of detente. However, there are obvious strains being placed on the detente. The U.S. cannot countenance the Soviets' continuing refusal to allow Russian Jews freely to emigrate to Israel and the persecution of those who seek to do so. The driving of Soviet author Alexander Solzhenitsyn from Russia is yet another sign of repression in the Soviet Union. All of this runs totally counter to the traditions of individual liberty and freedom of conscience which have been the cornerstone of American life throughout our history. Thus, the U.S. must always seek a realistic understanding of the motives and objectives of Russian policy in all areas, particularly in the Middle East, and we must realize that there are fundamental conflicts which can never be wholly resolved and may hinder the reaching of a mutually agreeable settlement.

In short, I see no justification for any suggestion that the United States will or should consider a policy of abandoning its essential interests in the Middle East or abandoning the essential interests of the State of Israel. I think that our goals of a free and independent Israel with normalized relationships with its Arab neighbors under continuing international supervision can be achieved. I think this objective calls for careful and quiet diplomacy, for flexibility and compromise which does not jeopardize our long-range aims and for a recognition that the long-term goals will be accomplished not through invective or strident statements, but through hard work, skillful diplomacy and good faith on the part of all those involved in the Middle East conflict.

BUILDING A STRUCTURE FOR PEACE

Mr. FONG. Mr. President, the "major diplomatic achievement" that was accomplished in the Middle East yesterday is another important building block for peace that has been brought about by President Nixon's strong determination to build a structure for peace that can last for generations to come.

Yesterday's announcement that Syria and Israel agreed to a cease-fire and a disengagement of forces on the Golan Heights, coupled with the Egyptian-Israeli disengagement agreement reached several months ago, now paves the way for achieving a permanent peace settlement in the Middle East.

Ever since President Nixon took office, he has worked ceaselessly to improve the international climate in order to make it more receptive to his efforts in behalf of peace for all people.

To his great credit, the President has contributed to mankind's quest for a more stable and peaceful world by:

Ending America's long and costly involvement in the Vietnam war;

Opening the doors to a normalization of relations between the United States and the People's Republic of China, the most powerful and the most populous countries in the world, respectively;

Seeking agreements with the Soviet Union to reduce our respective nuclear armaments and to further economic relations between the two nuclear giants; and

Achieving cease-fire and disengagement agreements in the Middle East that represent important steps leading from war to peace in that war-torn region of the world.

I join with the President in recognizing and thanking Secretary of State Henry Kissinger and his able staff for the Herculean work that they did in keeping the negotiations going and finally reaching an agreement when at times it appeared that their efforts would end in an impasse. The United States is most fortunate in having a man of Dr. Kissinger's intellectual training and political understanding as our Secretary of State. Never before, have I seen an individual display more physical stamina, patience, and imagination in working for the cause of world peace.

Mr. President, in spite of yesterday's welcome news, there is much more that needs to be done before lasting peace can be a reality in the Middle East. As President Nixon stated in his announcement of the disengagement agreement between Israel and Syria:

> We should have in mind that despite the fact that these two agreements have now been reached, there are many difficulties ahead before a permanent settlement is reached.

However, the President pledged that:

> As far as the United States is concerned, we shall continue with our diplomatic initiatives, working with all governments in the area, working toward achieving the goal of a permanent settlement—a permanent peace.

As a U.S. Senator, I pledge to give my full support to the President's noble efforts to build a more lasting structure for peace.

AN ATTACK AIRCRAFT THAT IS CHEAP AND GOOD GETS COLD SHOULDER

Mr. PROXMIRE. Mr. President, it is difficult to understand why the Pentagon refuses to seriously consider a new lightweight, low-cost aircraft designed and built by a private individual which appears to fit the requirements for a new close-support aircraft.

The story of the new aircraft, called the Enforcer, is detailed on the front page of today's Wall Street Journal.

According to the Journal, the Enforcer can land and take off from short, rough runways, can stay in the air for long periods, and carries six .50-caliber machineguns and 10 rockets, missiles, or bombs. Its performance characteristics dovetail neatly with the requirements for a close-support aircraft.

The Pentagon is now in the process of deciding which of two candidates to select for the close-support aircraft role. In the running so far are the Harrier and the A–10. The major difference between those aircraft and the Enforcer seems to be the Harrier will cost an estimated $4.3 million each, the A–10 is estimated at $3.4 million, while the Enforcer can be built for under $1 million—the current estimate is $770,000.

The Air Force has known about the Enforcer for 3 years. In 1971, according to the Wall Street Journal, Air Force pilots tested the plane at Eglin Air Force Base. One of the pilots is quoted as saying that the Enforcer performed better than was expected and:

> Technically, it didn't have all that fancy stuff. It was just a good platform that could take the punishment and deliver the ordnance.

All of us are aware of the fact that advances in technology are sometimes suppressed through inadvertence, lack of initiative, or worse. Recently my Subcommittee on Priorities and Economy in Government held hearings on a new method for converting garbage and waste materials into glucose. The glucose, in turn, can be used to manufacture ethanol, a fuel, or single-cell protein, a food source. The process was developed in an Army laboratory. Yet, the civilian agencies which should be directly concerned with the energy and food implications have expressed little interest and taken no steps to follow up the new technology.

Here is an example, in the case of the Enforcer, of a potential major breakthrough of the cost barrier to new, needed weapon systems. A private individual aided by a relatively small firm has built a prototype of an aircraft which appears to satisfy the Pentagon's requirement for an aircraft that we have spent millions of dollars trying to develop.

The Enforcer can not only do the things the Pentagon says a new close air support plane needs to do, it can be built, according to its designer, for a fraction of the cost of the planes now being considered.

The only thing that seems to be in the way of testing out the Enforcer to see if it can measure up to its promises is Government redtape and bureaucratic resentment. There may also be industrial resistance from the aerospace companies now in the running.

Whatever the reasons, they are unacceptable. At the very least, the Enforcer should be examined and tested so that an initial official evaluation of its advantages and disadvantages can be made. If this step is not taken, the inference must be drawn that the Pentagon is unable or unwilling to explore ways for reducing weapons costs.

I ask unanimous consent to print the article from the Wall Street Journal, May 30, 1974, by Richard J. Levine, entitled "An Attack Aircraft That's Cheap, Good Gets Cold Shoulder" in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, May 30, 1974]

AN ATTACK AIRCRAFT THAT'S CHEAP, GOOD GETS COLD SHOULDER—PROTOTYPE SITS IN STORAGE, IGNORED BY THE PENTAGON; THREAT TO PET PROJECTS?

(By Richard J. Levine)

WASHINGTON.—It can take a lot to shake the Pentagon's weapons-building bureaucracy out of its accustomed ways—more, apparently, than even the formidable ingenuity and persistence of aircraft designer David B. Lindsay, Jr.

Mr. Lindsay, who is also a wealthy Florida newspaper publisher, has been trying for three years to interest the Defense Department in his design for an attack aircraft to provide close support to ground troops. He has built a rugged little warplane, called the Enforcer, that packs a potent punch, carries a bargain-basement price tag, gets high marks for performance—and leaves the Pentagon cold.

Designer Lindsay has run into one bureaucratic roadblock after another. He has failed to persuade the Pentagon to give the Enforcer a full-scale flight test, much less consider buying it.

"I'm totally frustrated," he says. "We aren't selling anything. We're just trying to get the plane tested. The Defense Department has given up knocking the airplane and now says, 'There's no requirement for it.' "

The apparent reason for official coolness is simply that the military brass fears that the Enforcer would show up, or even threaten, such pet projects as the Air Force's new A10 attack jet and the Marine Corps' vertical-liftoff Harrier; those planes, which are designed for the same close-support role as the Enforcer, are more costly and complex.

"The services are closing every door they can," says a staff member of the Senate Armed Services Committee. "The Enforcer is too practical and too cheap to appeal to them."

LONELY STORAGE

And so the prototype plane, developed entirely with funds put up by Mr. Lindsay and Piper Aircraft Corp., sits in lonely storage in Vero Beach, Fla., far from the wild blue yonder.

(Mr. Lindsay is an unpaid consultant both to Piper, which bought the prototype, patents and manufacturing rights from him in late 1970, and to Lockheed Aircraft Corp., which last year made an agreement with Piper that could give it manufacturing rights.)

Ironically, Pentagon rebuffs of the Enforcer have coincided with calls from Defense Secretary James Schlesinger for simpler, cheaper warplanes. And officials concede that Mr. Lindsay's baby is such a craft—and more besides. After seeing Air Force and Marine Corps studies of the Enforcer, Deputy Defense Secretary William Clements, the Pentagon procurement chief, wrote: "There is little question the Enforcer can meet the general performance claims."

But he added that "neither service sees a role for Enforcer in the combat scenarios on which their future plans for aircraft inventories are based." Charles Meyers, assistant director of Defense Department research for air warfare, puts it more plainly. "It's a nifty little airplane," he says. "But unfortunately the office of Secretary of Defense doesn't have the power to stimulate the services to have a need for the thing."

UNCOMPLICATED AND INEXPENSIVE

What intrigues Mr. Meyers and other aircraft experts is that the Enforcer is uncomplicated and inexpensive. (At an estimated $770,000 each it would cost a lot less than the Harrier's $4.3 million and the A10's $3.4 million.) The Enforcer can operate from short, rough runways, stay aloft for long periods and deliver heavy firepower—ideal qualities for close-support aircraft.

The Enforcer has a speed range of 86 to 440 miles an hour and is heavily armored to protect the pilot from ground fire. It mounts six internal .50-caliber machine guns that can each spit out 1,100 rounds a minute, and it can carry 10 rockets, missiles or bombs.

"As far as shooting up people with guns or stopping tanks with missiles," Mr. Lindsay says, "we think the Enforcer will do it as well as or better than the A10 and at one-fourth the price."

In an age of sleek jets, it's true, the Enforcer hardly appears sexy. It most resembles the famed World War II P51 Mustang and has, of all things, a propeller. But Mr. Lindsay stresses that the propeller is driven by a jet engine, which should make for extreme reliability and easy maintenance.

Moreover, he contends that a jet-prop plane like the Enforcer has a significant advantage over a pure jet in flying slow and low cost support missions. Because most of the heat from the engine is used to turn the propeller, rather than being pushed out the rear of the engine, the Enforcer should be a lot less vulnerable to heat-seeking antiaircraft missiles, which proved so deadly in last October's Mideast war.

While the Enforcer generally draws high marks, it isn't faultless. A pilot who has flown the plane describes it as a "bit of a tail dragger." And Gen. Robert Cushman, commandant of the Marine Corps, recently wrote that the Enforcer "would provide a lesser combat capability" than light attack jets currently in the Marines' inventory, although he didn't make any detailed comparisons.

The Enforcer grew out of Mr. Lindsay's interest in restoring P51 Mustangs during the 1960s for sale to Latin American countries through the U.S. military-assistance program. Using ideas picked up from American pilots who had flown in Vietnam, Mr. Lindsay started designing the plane. In the spring of 1971, when the U.S. Air Force sought ideas for a counterinsurgency plane for the South Vietnamese, he and Piper Aircraft stepped forward with the Enforcer.

In August 1971, Air Force pilots briefly flew the Enforcer at Eglin Air Force Base, Fla. One of them, now-retired Major James Tilburg, says today: "It did as much as or more than was designed into the test plan. Technically, it didn't have all that fancy stuff. It was just a good platform that could take the punishment and deliver the ordnance."

After these 1971 flights, the designer, Mr. Lindsay says, "we went back to Vero Beach and waited for an order." When nothing happened, he returned to the drawing board and kept on improving the aircraft. In early 1973, disgusted at the government's inaction, he started making the rounds of Pentagon and Capitol Hill offices in an effort to win a full-scale flight test of his plane. But all he got was a paper study—and, last month, word that there isn't any need for the Enforcer. Today he will tell the full story to the House Appropriations subcommittee on defense.

About $3 million has gone into the development of the Enforcer, roughly one-third of it from Mr. Lindsay's pocket. A full flight test would cost about $6 million—money that Chairman John Stennis of the Senate Armed Services Committee has indicated would be available if requested by the Defense Department.

To Mr. Lindsay and such key legislators as Republican Sens. Barry Goldwater of Arizona and Strom Thurmond of South Carolina, it makes good sense to test the Enforcer further. In Mr. Lindsay's view, the plane would provide "damn cheap insurance" against the failure of the A10, not yet in production, and he contends that it would find a large market overseas, especially in Asia.

Perhaps Democratic Rep. Robert Sikes of Florida summed up the situation best a year ago, when he told then-Navy Secretary John Warner during a hearing:

"I have noted other instances, Mr. Secretary, where weapons systems and equipment have been offered to the services but because they were not developed by the testing service, they were given the cold shoulder. I do not think that is the proper approach.

"I think the services should be willing to test equipment that has promise. The old P51 was a great aircraft in its day. That was a long time ago. Maybe it no longer has any value. But this is a modernized version, and if it does have value, it could save the government a lot of money. We would like to have more than paper studies."

MEDICAL BENEFITS FOR OUR RETIRED MILITARY PERSONNEL

Mr. TALMADGE. Mr. President, I have watched with growing alarm the recent development of policies by the various branches of our military services to restrict or deny outright the medical benefits of our retired military personnel. This new policy comes as a great shock to me as I am sure it does indeed to those Americans who have served this great country for so many years.

Mr. President, my home State of Georgia is proud to have thousands of military retirees living within her boundaries. These dedicated Americans have either come home to their native soil or settled in Georgia upon retirement not only for the boundless opportunities we proudly offer, but also because within our State are excellent military installations representing each branch of our Armed Forces.

Now, after 20 or more years of dedicated and honorable service to the defense of this Nation, these brave men and women, who have faced the battles of three wars and remained vigilant during years of peace, are being told that strings were attached and fingers were crossed when Uncle Sam promised them the benefit of free medical care upon retirement.

I submit that such a policy is a slap in the face to these Americans, and indeed to this Congress which has for nearly 200 years raised and provided for armies to defend this Nation.

I have followed closely the past few years the struggles of our military to develop and maintain an all-volunteer force, and I sincerely hope this will be successful. To accomplish that in this day and age, however, is not an easy task, and involves not only the recruiting of dedicated young men and women, but, more important, the retaining of their trained services once their initial enlistment has expired.

The retention of highly qualified individuals in our military has always been a rough road to travel. It has been accomplished to some degree in the past, however, because of the benefits offered while on active duty and especially those available upon retirement.

These new policies of restricting or denying some of these benefits will surely sabotage the already perilous effort to retain dedicated men and women in our armed services and may also discourage those who plan to enter the service as a career.

The potential dangers of this policy should not just concern the generals in the Pentagon. It should be of great concern to each and every American. The Founders of this great Nation made it abundantly clear that a strong and vigilant military force has to be a high priority if we are to remain a free and viable people. Such strength and vigilance will not be possible if the Nation's career military and our veterans are met at every corner of life with a pie in the face.

I understand that these new policies for medical benefits have been prompted by a shortage of doctors in the military. The Senate passed in December a measure creating cash bonuses for doctors to enter our armed services, and I earnestly hope this will help alleviate this shortage.

But, this country cannot afford, in the interim, to forsake those who have dedicated their lives to her service, and I want those in the Pentagon who formulate these policies to be well aware of the grave consequences of such action, and of my deep and abiding concern over the restriction or denial of medical benefits promised to retired military personnel.

TAX-EXEMPT BONDS

Mr. DOMINICK. Mr. President, the Office of Management and Budget has proposed implementation of some new guidelines for Federal credit policies in a draft proposal referred to as "Circular A–70." Among the proposals is included a provision which would preclude the Federal Government from guaranteeing, insuring, or subsidizing in any way State and local government bonds if the interest on such bonds is tax-exempt. This circular has provoked criticism from most State governments which use such bonds to finance such projects as higher education facilities and medical care facilities.

In my own State, our legislature has gone on record in opposition to this circular because many projects dependent on Federal assistance and involving issuance of tax-exempt bonds would be jeopardized.

Mr. President, I ask that the Colorado House Joint Resolution 104 be printed in the RECORD, and I urge my colleagues to review it carefully.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

House Joint Resolution 1043

Whereas, the federal Office of Management and Budget has proposed implementation of Circular No. A–70, entitled "Policies and Guidelines for Federal Credit Programs", which would preclude local governments from issuing tax-exempt bonds to finance programs and facilities receiving federal assistance; and

Whereas, local governments rely heavily on federal assistance for financing municipal programs and facilities; and

Whereas, the implementation of Circular A–70 would significantly and adversely affect the ability of the State of Colorado and its political subdivisions to finance higher education facilities, medical care facilities, highway and mass transit facilities, urban renewal and public housing projects, and privately-owned low and moderate income housing funded by the state and by municipalities; and

Whereas, over a year ago, the attempt to implement Circular No. A–70 resulted in immediate and vigorous opposition by state and local governments and national interest groups, such as the National Governors' Conference, the Municipal Finance Officers' Association, and the National League of Cities/Conference of Mayors; and

Whereas, implementation of Circular No. A–70 would constitute direct federal intervention in, and substantial control of, debt management of the State of Colorado and its municipalities and would result in severe curtailment of the volume of tax-exempt financing, as the state and local governments would be unable to utilize it with respect to projects whose financial feasibility depends upon federal assistance; and

Whereas, Circular No. A–70 proposed an undesirable means of accomplishing public policy and has massive implications for public finance throughout the country; and

Whereas, there exist no feasible financial alternatives to replace the combination of tax-exempt municipal financing and federal assistance to provide state and local facilities; and

Whereas, it has come to the attention of the General Assembly that the Office of Management and Budget is planning a specific action with respect to implementation of Circular No. A–70 in the near future; now, therefore,

Be It Resolved by the House of Representatives of the Forty-ninth General Assembly of the State of Colorado, the Senate concurring herein:

That the General Assembly of the State of Colorado communicates its strong opposition to the implementation of Circular No. A–70 to the President of the United States and to the Director of the Office of Management and Budget.

Be It Further Resolved, That copies of this Resolution be transmitted to the President of the United States, the Director of the Office of Management and Budget, and to each member of the Congress of the United States from the State of Colorado.

THE CROSS CREEK WATERSHED PROJECT IN WASHINGTON COUNTY, PA.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that my recent statement before the Water Resources Subcommittee in support of the Cross Creek Watershed project in Washington County, Pa., be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Senator Hugh Scott

Mr. Chairman, I very much appreciate this opportunity to express my strong support for the Cross Creek Watershed Project, an important public works project which has been recommended for approval by the Soil Conservation Service of the United States Department of Agriculture and recently transmitted to the Congress by the Office of Management and Budget.

Located in Washington County in Southwestern Pennsylvania less than one mile east of the West Virginia-Pennsylvania State line, the Cross Creek Watershed Project lies within the Ohio River Basin. It was studied as a part of that recent basin study and also under the Development of Water Resources in Appalachia Study authorized by the Appalachia Regional Development Act of 1965. (Public Law 89–4 as amended by Public Law 90–103). This local project for land and water resource conservation is sponsored by the Washington County Soil and Water Conservation District, Washington County, Cross Creek Township and Independence Township Municipal Authority in conjunction with the Soil Conservation Service of the United States Department of Agriculture.

Basically, this request for $1,903,000.00 in Federal assistance for works of improvement provided under the authority of the Watershed Protection and Flood Prevention Act, Public Law 566, (83rd Congress, 68 Stat. 666) as amended, is for watershed resource protection, flood prevention, municipal and industrial water supply as well as recreational purposes. The Cross Creek Project consists of various soil conservation and treatment measures to be implemented by the land owners and the Washington County Soil and Water Conservation District with assistance from the Soil Conservation and Forest Services as well as four (4) structural improvements. Planned are (3) single purpose flood prevention structures and one multiple purpose reservoir for alleviating flood damage, water supply storage, and water-oriented recreation in conjunction with the appropriate facilities. These improvements on Cross Creek, a tributary of the Ohio River, are slated to be completed within a period of seven (7) years.

The watershed is rural in character and the economy is agriculturally based. However, it is within twenty (20) miles of Pittsburgh and Washington, Pennsylvania; Steubenville, Ohio; and Weirton and Wheeling, West Virginia. Therefore, over 2,000,000 people live within a radius of fifty (50) miles and have easy access to the area. Because of generations of use, erosion and sediment damage, there is great need for a proper land treatment program to be implemented immediately. Flooding has long been a serious problem also.

Improved open land management and forestry practices, along with various conservation measures within the project area, will significantly contribute to the reduction of erosion and sedimentation and will improve farm productivity along with water quality in Cross Creek. Flood damage will be substantially alleviated by the four structural improvements and the communities of Auella, Browntown and Studa will be protected. Because a dependable water supply will be available from the impoundments, current and future needs for planned commercial and municipal expansion will be satisfied to meet the goal of long range economic development for Washington County. The project will be of measurable help to provide for the great demand for water recreation in the southwest region of Western Pennsylvania and the Northern Panhandle of West Virginia.

Thus we see that the Cross Creek Watershed Project has great merit providing benefits of flood control, soil and resource conservation, fish and wildlife, enhanced water quality, increased municipal and industrial water supply, along with recreation and facilities for boating, fishing, camping, picnicing, or hiking. It will be a significant contribution to Pennsylvania's continuing viability as a commercial and environmental center. I am very pleased to join with the Washington County Soil and Water Conservation District, Washington County, Independence Township Municipal Authority and Cross Creek Township on behalf of this important conservation project and I urge the Committee to consider it favorably for approval.

MORE ON SOME FORGOTTEN AMERICANS

Mr. EAGLETON. Mr. President, on April 8 I made some remarks about what I termed "forgotten Americans"—those aged, blind, and disabled persons receiving State supplementary payments who have been denied the benefit of the social security and SSI cost-of-living increases voted by Congress.

Because Congress did not require the States to "passthrough" those increases, some 77,500 aged, blind, and disabled persons in Missouri and thousands more across the country are receiving today only that level of income they had in December 1973.

Last week the President sent to Congress his recommendation for legislation to authorize automatic cost-of-living increases in SSI payments in the future. Similar legislation has already been introduced in the Senate by the Senator from Minnesota (Mr. Humphrey). This is important legislation, deserving of the support of Members of Congress.

However, I want to point out once again that even with automatic SSI cost-of-living increases as many as 1 million SSI recipients may still be denied any increase in income unless and until Congress enacts the legislation I have proposed to prohibit the States from reducing their payments when these cost-of-living increases occur.

I have received a considerable number of communications over the past 2 months from those who have seen their long-awaited cost-of-living increase vanish into thin air. On May 28, I received a letter from a lady in St. Louis which describes clearly and succinctly the plight of those persons who have been denied their cost-of-living increases and, I believe, illustrates the necessity for enactment of my amendment to H.R. 3153 now pending in a conference committee.

Mr. President, I ask unanimous consent that the text of this letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

St. Louis, Mo., *May 21, 1974.*

Dear Senator: Am writing about the old folks on Welfare.

We got a raise on Social Security, but it was taken off our gold check which is a supplementary check. And the Welfare office only made up to the amount we received last December of 1973. Therefore we got no raise whatsoever. Food has gone up in price, we have raises in gas and electricity so that leaves us no raise at all.

My Social Security and gold check amounts to $160.00 and Welfare check is $58.00 which amounts to $218.00 per month.

Have also the Doctor to pay every month

as there are so few doctors that will accept that orange card from Welfare. All our medicine is not included on that card either.

I have no education as you can see not knowing just how to explain these things.

Don't think I am not thankful for so little help, but would like to know why we are not entitled to that raise in Social Security. Every time there is a raise, it is taken off our amounts and it would help us out if we could get the raise like everyone else. Not knowing who to write about this thought I would call on you.

I remain,

———, ———.

ENERGY AND THE OCEANS

Mr. HOLLINGS. Mr. President, the oceanic policies of the United States must be formulated so as to provide incentives to help us achieve both the benefits of the sea as well as the ability to protect and preserve its ecosystem. It is important that our national ocean policy, however, allow the United States to regain a competitive posture across the boards in the oceans so that by serving the welfare of our own citizens, we serve also in achieving the betterment of mankind.

ENERGY AND OCEAN POLICY

In January of last year I introduced S. 70, a bill to establish a Council on Energy Policy. The function of this council would be to establish a central point for the collection and analysis of energy information. It would also coordinate the energy activities of the Federal Government and prepare a long-range, comprehensive plan for energy development, utilization and conservation; such a council could foster improvement in the efficiency of energy production and utilization, reduce the adverse environmental impacts of energy production and utilization, assist in conservation of energy resources for the use of future generations, help reduce excessive demands, and encourage the development of new technologies to produce clean energy.

I am gratified to learn that on April 12, President Nixon's own Federal Energy Regulation Study Team, chaired by William O. Doub, has recommended establishment of a council almost identical to the one proposed in my bill, which has passed the Senate three times.

Mr. Doub, a member of the Atomic Energy Commission, believes that the United States needs an organization to consider long-range national objectives and goals. The study team reported that many agencies are working at crosspurposes without cohesive coordination. I believe it behooves the President and the Congress to get into step on these proposals by uniting for passage of the Energy Policy Council legislation.

You are aware of the march of events that led to critical energy shortages during 1973 and of our unsuccessful attempts to pass legislation to help structure Federal agencies to deal with the energy problem on a broad scale. There have been many hearings, thousands of pages of testimony and numerous proposals for major energy research and development programs, conservation programs and for Federal reorganization. I am confident that eventually, we will move in the right directions.

A report of the National Petroleum Council, "U.S. Energy Outlook," dated December, 1972 projected that the national demand for energy would grow at a yearly rate between 3.5 and 4.5 percent and that energy imports in 1975 could be within 20 to 26 percent of total U.S. energy supply.

Recent figures indicate the yearly energy demand increase rate for 1973 continued in excess of 4 percent in spite of the oil embargo and conservation measures put into effect during the autumn of 1973.

The $10 billion, 5-year program for energy research and development which was presented to the Congress in December, 1973, heavily emphasizes near-term solutions. The Federal Energy Office now appears, in the spring of 1974, to favor a combined effort to reduce the demand curve from a nominal 4 percent to 1 percent annual growth rate in 5 years, and increase domestic supplies of energy through R. & D. and other means from a declining 4 percent per year to 1 percent in this time period. This would leave a net 2 percent between the supply and demand curve to be made up by imported forms of energy.

The Federal approach of heavily committing to continued R. & D. on nuclear energy is understandable. It is relatively painless for the administration because an agency to carry out this effort already exists and functions well and this group played a large part in developing the program.

The nuclear electric business community continues to consider the sea as an attractive heat sink for the larger and larger powerplants that are envisioned. The sea is not treated as a source by this community. It is my strong feeling that the sea has more to offer to help in solving the national energy supply and demand imbalance than merely to be used as a heat sink. Are there gaps in the existing agency assignments that tend to work against planning for the use of the oceans as an energy source? How should the national energy R. & D. dollar be spent to maximize the future use of renewable forms of energy as opposed to the current squandering of nonrenewable forms of energy? Without intending to blind you, I suggest we carefully examine the sun, and the solar forms of energy available to us on this planet which is 71 percent covered by ocean waters. The sun, the sea, and the two ingredients in water may well hold the key to future generations' energy needs. It is none too soon to consider them now.

Here in the Senate, we have created the mechanism to consider these alternatives: the national ocean policy study. The study is authorized by Senate Resolution 222, requiring the Committee on Commerce, working in concert with representatives of seven other interested committees, to conduct a thorough investigation of national ocean policy and programs, including ocean sources of energy. I submit that an important function of the study in the years ahead will be renewable ocean-based energy.

Energy from the sun or solar energy is virtually inexhaustible and is inherently clean. The problem is to collect it efficiently and economically. A million-kilowatt or "thousand megawatt" solar power plant on land, equal in output to the largest conventional generating station, would require a collection area of 100 or more square kilometers, depending on the efficiency of conversion. This brings us to the sea. The tropical oceans with millions of square kilometers collecting and storing solar energy seems to be a logical target for greater emphasis in the overall energy R. & D. program for the United States and many less developed tropical countries.

Not only does the sea present an extensive surface area which can be used for solar energy collection with virtually no interference with other activities; it also lends itself to an advantageous approach to the next stages of the energy system—conversion and transmission. Fossil fuels represent solar energy converted, over millions of years, to coal, gas, and oil. These fuels can be transported by pipelines, ship, rail, or highway to the site of use, or to powerplants where the energy is converted to electricity which is transmitted in turn by wire to the site of its use. Ocean transport has traditionally been one of the least energy expensive forms of transport while electric transmission suffers substantially higher losses.

Solar energy can be used directly in the home and in industry to heat and cool buildings. It can be used to produce electricity for local consumption in small convenience electronic equipments such as radios.

Using solar radiation during the day to produce electricity requires some form of battery to hold the energy for nightfall which the demand increases. Electricity is one of the least effectively stored forms of energy in addition to the significant transmission losses that are present.

A more desirable alternative, especially when the sun's energy is collected at sea, is to use this energy to electrolyze sea water thus generating hydrogen gas, which can be liquefied and transported by pipeline and/or tanker for ultimate end use.

Hydrogen is being proposed more and more frequently throughout the world as a universal, nonpolluting fuel. I am told that we are still a long way from such a "Hydrogen Economy" but the apparent advantages which could result from an ocean-based, hydrogen economy using the sun as the prime energy source has led me to look further into the matter.

CURRENT ENERGY RESOURCES AND PROJECTIONS

Our current dependence upon fossil fuels—oil, gas, and coal—is well established. Projections reported in the hearing records of the Committee on Interior and Insular Affairs of the Senate pursuant to Senate Resolution 45 as well as projections of the American Petroleum Institute and the National Petroleum Council indicated that from 80 to 90% of our energy needs through 1985 must be satisfied through the use of fossil fuels. Coal, and oil from oil shale, are probably the only domestic fossil resources capable of decreasing our dependence on imported fuels until we develop an energy economy based upon either solar or nuclear energy, or both as primary sources and the use of hydrogen or other synthetic fuels as the secondary or energy storage form.

As I mentioned, this emphasis on the near- and mid-term is reflected in the $10 billion, 5 year energy research and development program which is divided into the following categories:

I. Conservation, $1,440 million, 13%.

II. Increase Production of Oil and Gas, $460 million, 4.7%.

III. Substitute Coal for Oil and Gas, $2,175 million, 20%.

IV. Validate the Nuclear Option, $4,090 million, 37%.

V. Exploit Renewable Energy Resources, $1,835 million, 16%.

VI. Supporting Programs, $1,000 million, 10%.

About 24 percent of the total resources would be allocated to research programs dealing with increasing our capability to develop and utilize fossil fuels in an environmentally acceptable manner. Nuclear energy programs would receive the lion's share of 37 percent while the exploitation of renewable energy sources at 16 percent which emphasizes primarily nuclear fusion but does include solar and geothermal efforts. The solar and geothermal efforts total about 3.5 percent.

I am convinced that we must move as rapidly as is feasible away from the use of fossil fuels for the generation of electric power, and the use of petroleum fuels for our internal combustion engines and similar uses. Not only are the environmental and ecological costs increasing to the point where such costs may no longer be tolerable, but these fossil fuels are a very basic raw material for many, many other uses—chemicals, fertilizers, plastics synthetic fibers and even food. In fact, one of the principal raw materials of modern U.S. agriculture is fossil fuel; to produce an acre of corn takes 80 gallons of gasoline. Remaining quantities of coal and oil on the earth, even though large, should be carefully conserved.

Certainly, nuclear energy is destined to play an increasing role as a primary energy source. In the short term, say from the present through 1985 or 1990, nuclear power will primarily be used for the generation of electricity. Scientists do not anticipate the use of nuclear powerplants in cars, trucks, trains, or commercial aircraft. However, in the transportation sector there is one promising application of nuclear propulsion power. This application is in ship propulsion.

Here the very large capital intensive ships can readily accommodate the large shielded nuclear reactor. Furthermore, the elimination of the ship's self propulsion fuel requirements represents significant potential revenue producing payload space. A present-day fossil fueled supertanker burns on the order of 6 percent of its payload to propel the ship from the Persian Gulf to the U.S. market and return. Such ships could be adapted to nuclear propulsion, and save both crude oil and time.

Surprisingly though, nuclear commercial ship propulsion has not as yet received enthusiastic support on energy conservation grounds alone.

Likewise, it is not yet feasible to consider direct solar-powered automobiles, and aircraft. Thus there appear to be some uses for which no suitable substitute for fossil fuels is readily available for the short term. Some midterm possibilities exist for synthetic liquid fuels such as methanol; however, this too is a fossil fuel.

The breadth and scope of the overall energy problem is vast and the time scales involved are much too distant for the problem to fit the customary behavior of the existing governmental and industrial institutions normally dealing with energy. Thus, the establishment of an Energy Policy Council can be considered to be a part of continuing series of actions that will bring gradual progress and improvement. Each action that is taken should not be considered to result in final solutions; 20, 30, and even 50 and 100 years from now, energy production, consumption, and conservation will be serious topics.

We must continue to analyze alternative solutions to broad multifaceted social problems such as the energy problem that face and will continue to face mankind. We must consider all the consequences of the alternatives in terms of social, technical, environment, political, economic, ecological, and esthetic aspects. This is extremely difficult and we, as yet, are ill-equipped to deal rationally with such inherent difficulties as conflicting goals and the assessment of the overall costs and benefits.

The Office of Technology Assessment which was legislated by the Congress under Public Law 92–484 has been established within the legislative branch of the Government: "to provide early indications of the probable beneficial and adverse impacts of the applications of technology and to develop and coordinate information which may assist the Congress." In my view, the establishment of the OTA represents a major milestone on the path toward increasing the capability of the Congress to deal rationally and effectively with large-scale, long-term diverse social problems, particularly those with major technological implications.

I have proposed certain technology assessment projects which, I feel, should be undertaken by the OTA so as to develop the technology assessments upon which a comprehensive, viable national ocean and coastal zone management policy can be based. Surely we must investigate and assess the overall implications of an ocean-based hydrogen economy.

ALTERNATIVES FOR THE FUTURE

Now to a more detailed consideration of the concept of a hydrogen economy. At the outset, I would point out that a full hydrogen economy is an alternative or option for the mid-term (1980–2020), but that actions must be initiated now to insure that this viable option move steadily from concept to operational status.

Hydrogen is a very economical medium for transporting energy over great distances and is a flexible synthetic fuel for many energy uses that currently rely on electricity or fossil fuel. The production of hydrogen can be achieved by various means. Most studies of the hydrogen economy take nuclear power as the starting point, using nuclear heat energy to decompose water into hydrogen and oxygen. I emphasize, however, that solar power, particularly associated with the ocean as a collector or by using the thermal gradients in the ocean, is more acceptable to me.

As I have said, hydrogen can be used in many applications that now rely on electricity of fossil fuel. These applications include: heating, cooling, lighting, and both air and ground transportation.

First. A hydrogen-fueled catalytic burner would be appropriate for us in a cooking appliance; there is no need for preheating as is required for natural-gas catalytic heaters so that the design of the burner is very simple. Similar techniques can be used for the generation of large quantities of heat for commercial and/or industrial application, but detailed design of large-scale hydrogen-fueled burners has not yet been undertaken.

For space heating at home, hydrogen-fueled burners are also attractive. Flues would not generally be required because moisture (this is the combustion by-product) added to the air by burning the hydrogen would be a welcome addition to the usually dry winter air. On the coldest days, however, the amount of moisture produced would be excessive and venting would be required.

Second. Cooling can be accomplished with conventional absorption refrigerators using hydrogen-fueled catalytic or conventional burners for the heat source. However, the solar form home heating and cooling is applicable and may well keep the hydrogen out of the average home except for cooking. This is typical of the type of trade-off that must be carried out.

Third. Gas turbine aircraft can be designed to operate on hydrogen as a fuel but quantities of such fuel required would be enormous. The National Pollution Control Administration estimated in 1970 that a single supersonic transport flying 5,000 miles a day at mach 6 would consume 100 tons per day of liquid hydrogen (more than half the present daily world production). A significant advantage involved in the use of hydrogen-fueled aircraft is that the large amounts of carbon dioxide (and carbon monoxide) currently being released into the upper atmosphere would be eliminated. Atmospheric scientists are concerned that continued introduction of large amounts of carbon dioxide into the atmosphere might trigger unacceptable long-term changes in the world's weather and climate.

Fourth. In recent years there have been a number of automobile engines converted to run on hydrogen. Two entries in the 1972 Urban Vehicle Design Competition were fueled by hydrogen with excellent results; however, major problems regarding storage of the hydrogen fuel in the automobile remain to be solved.

The School of Engineering and Environmental Design of the University of Miami presented the Hydrogen Economy Miami Energy (THEME) Conference on March 18–19, 1974. There were more than 700 participants and representatives from many nations throughout the world. More than 50 papers were presented addressing such subjects as: Primary energy sources, hydrogen transmission and storage, hydrogen production, and hydrogen utilization. The large number of scientists who participated in this conference attests to the growing interest in this new concept.

I feel that I should include some comments by Dr. Derek P. Gregory, Institute of Gas Technology, made at the Cornell International Symposium and Workshop on the Hydrogen Economy, August 20, 1973.

> Why, if hydrogen is such a clear and convenient fuel, do we not already have a hydrogen economy today? The reasons include, of course, its being too expensive, both to make the change from gas, oil and gasoline and to produce and use hydrogen. One of the reasons for the high anticipated cost is the poor efficiency of several of the process steps, compared with the fossil fuel alternatives which we have today.

Dr. Gregory says that with currently available techniques the conversion efficiency of electrolyzers in converting electric power to hydrogen is about 75 percent. If we then transport the hydrogen to another location and convert back to electricity, using conventional electric generators fueled by the hydrogen, the overall efficiency is only 27 percent. This is one reason why the hydrogen economy is a mid-term alternative. However, research needs are identified that should be initiated now. There is a need for an efficient process for the conversion of nuclear or solar thermal energy to hydrogen. Commercial scale electrolyzers with efficiencies near 100 percent will also be needed. In addition, technology must be developed for producing and transmitting hydrogen at high pressures as well as for hydrogen storage.

SUMMARY

I have drawn attention primarily to only one alternative for the production and distribution of energy for the nation's future. I have indicated that long-term planning efforts which consider all the complex interactions involved in establishing a rational energy policy for the Nation must continue to be strengthened. In addition to the technological constraints there are social, political, environmental, economic, ecological, and esthetic considerations.

I believe that we must prepare now by undertaking research and development and technology programs which will provide the tools and knowledge necessary to maintain a solar-driven ocean-based hydrogen economy as a viable alternative for the Nation's future.

I consider the proposed Energy Policy Council, as well as Senate investigations under Senate Resolution 222, the national ocean policy study, to be extremely important to our Nation's future. We have already witnessed, in the space of less than a year, the result of a lack of national energy policy. And the Federal agencies we have or are considering creating will lack the focal authority for considering future energy policy needs.

The proposal I have made today for looking to the ocean as a major energy source is one which the national ocean policy study and its members will be considering in this and future Congresses. But the Energy Policy Council is something which we need now.

I call attention to an illuminating article by Victor K. McElheny, published in the New York Times on Sunday, May 12, 1974, which describes hydrogen as a way out of the energy crisis. I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

HYDROGEN—A WAY OUT OF THE ENERGY CRISIS? THIS LIGHT, PLENTIFUL GAS IS AN ALTERNATIVE TO THE ALL-ELECTRIC ECONOMY IN THE YEAR 2000

(By Victor K. McElheny)

People who shuddered when they saw pictures of the hydrogen-filled German airship Hindenburg collapsing in flames in 1937, probably were unaware that coal-derived "town gas," which many were burning in their kitchen stoves that very day, was about 50 per cent hydrogen.

This mundane use of hydrogen in the home kitchen—rather than the explosion at Lakehurst, N.J.—was a harbinger of the "hydrogen economy" that might well develop after the year 2000.

People who saw the giant, hydrogen-fueled Saturn moon rockets thunder up from Florida in 1968–72 probably didn't realize that oil refineries and other industries in the United States already generate a tenth as much hydrogen every year as the quantity of natural gas flowing through the nation's pipelines. So there is already a kind of hydrogen economy.

Talk about a future hydrogen economy envisions a situation in which hydrogen—the simplest and lightest of all elements—would be burned as the main source of energy, supplanting oil, natural gas and coal. Such talk has intensified since the energy crisis last winter forced people to pay attention to long-neglected, long-range energy problems.

Against this background, people are asking generally how their future energy, their future British thermal units, will be generated. Proponents of a hydrogen economy bolster their case by asking also how all this new energy can be stored or delivered.

They express concern over the accelerating trend toward an "all-electric economy," in which such fossil fuels as coal, oil and natural gas increasingly are used to generate electricity, along with hundreds of new nuclear power plants and possibly solar, tidal, wind and geothermal stations.

Unless cheap, compact batteries and other energy-storage devices can be developed, most of this electricity will have to be used as it is generated, and a lot of it will have to move from remote places over a costly network of wires to get to the users. Where this will leave the automobile is not clear.

The backers of a hydrogen economy do not deny the need for vast numbers of new nuclear power plants, operating stations using solar, wind or other power.

They simply prefer to use the plant's heat—or their output of electricity, to extract hydrogen from water.

They ask if hydrogen wouldn't be a better medium for getting energy from the place where it is produced to the places where people want to use it.

Because hydrogen can be stored as a liquid in tanks or caves, a hydrogen economy might forestall the potential clumsiness of an all-electric economy. An economy tied too closely to electricity, the hydrogen enthusiasts believe, could prove almost as inflexible as the first industrial economies nearly two centuries ago tied to water mills and canals.

Most discussions of alternatives to today's fossil-fuel economy—focus on various ways to generate electric power, not on possible competitors of electricity as a means of delivering energy to users.

The proponents of a hydrogen economy think that using hydrogen as a kind of common currency of energy, independent of the source, will prove less expensive and more flexible than using electricity.

They can't be sure yet. Batteries, despite much progress, remain clumsy and costly. But the methods for obtaining hydrogen from water by using heat directly instead of by using electricity are still in the laboratory stage. If the electricity industry faces environmental challenges, the hydrogen enthusiasts face the fears dramatized by the Hindenburg.

A hydrogen economy cannot exist until the price of hydrogen begins to compete with that of natural gas, and therefore it lies far in the future. Its proponents, however, think a hydrogen economy would not seem futuristic to its users. Although nuclear and other power plants would generate hydrogen instead of electricity, hydrogen enthusiasts anticipate little change in the energy systems people are already accustomed to using.

Stored in vast tanks or caves, or moving through a greatly enlarged version of today's 250,000-mile natural gas pipeline network, hydrogen would furnish energy to millions of points of use.

It is expected that hydrogen could be burned in kitchen stoves, hot water heaters and home furnaces with burners little different, if at all, from those that use natural gas now. Baseboard electric heating units could give way to similar-looking catalytic devices where the hydrogen would "burn"—combine with oxygen—flamelessly and give off a faint, humidifying mist.

Although tank-car loads of liquid hydrogen move around the United States routinely and a hydrogen pipeline system has operated in Germany since 1938, the proponents of a hydrogen economy do not deny that there will be some extra risks that will require special controls.

Hydrogen, as the lightest of gases, will escape very rapidly from a leaking tank. The energy needed to ignite a mixture of hydrogen and air in an enclosed space, such as the airship Hindenburg, is about one-tenth the energy needed to ignite a mixture of gasoline and air in a car's engine, or a mixture of methane gas and air in a gas stove.

Because the flame of burning hydrogen is odorless and invisible, odorants and illuminants would have to be added to the gas stream if it were to be used in domestic stoves.

In a hydrogen economy, automobile engines little different from today's could be fed a stream of hydrogen from a tank full of powdered metal hydrides heated by the engine exhaust—and give off to the environment a plume of water vapor containing only traces of oxides of nitrogen.

Used widely, hydrogen would take over the role filled today by oil and gas. Most students of energy supplies expect oil and gas to be increasingly costly from now on and to be exhausted within a century.

Reliance on hydrogen as the medium of energy exchange would forestall a requirement (implicit in the increasingly electricity-intensive economy now being built in all developed nations) to distribute much of the energy supply on ultra-highvoltage lines.

This is a matter of importance to such proponents of a hydrogen economy as Henry Linden, director of the respected Institute of Gas Technology in Chicago, and Derek Gregory of the institute.

With its own funds at first (and later with support from a major patron, the American Gas Association) the institute began more than a decade ago to study the long-term usefulness of the gas industry's pipelines and other equipment when natural gas began running out.

In their discussions of a future hydrogen economy, Dr. Linden and Dr. Gregory, and other supporters of the idea, have challenged the major competing vision: an economy running largely on electricity from nuclear power plants.

The electrical equipment industry has argued that the current trend toward an electricity-intensive economy can continue to offer the flexibility of today's energy pattern.

The electrical industry's argument is buttressed by the apparent future trends in energy supply. A major customer for the projected coal gasification plants would be electric utilities. Doubts exist about the rate of expansion and ultimate size of coal and oil-shale mining or of exploitation of tar sands for oil.

Nuclear power so far has been used only to generate electricity. And most designs of big solar furnaces, windfills and geothermal wells or the harnessing of ocean tides and temperature gradients focus on producing electric power.

But critics of electricity note that really good devices for storing electric energy have not been developed, despite progress toward smaller batteries.

Another problem cited by critics is the limited number of sites—even if all environmental objections could be overcome—available in the United States for "pumped storage" reservoirs of the sort that the Consolidated Edison Company sought vainly for more than a decade to build at Storm King on the Hudson River.

In such a plant, electricity is used during hours of low demand to lift water into the reservoir. At peak hours the water is allowed to flow out again through turbines, generating electricity.

Such facilities are expected to account for only a small percentage of the total national capacity for generating electricity. By contrast, the natural gas industry reportedly possesses enough tanks and caverns to store about a quarter of the total annual flow against periods of maximum demand.

Dr. Gregory points out that the 11-million kilowatt-hour storage capacity of a single, 900,000-gallon liquid hydrogen tank at the Kennedy Space Center in Florida is about three-quarters the energy capacity of the world's largest electric "pumped storage" facility, near Ludington, Mich.

If electricity cannot be stored like a liquid, then the plants that generate it must be turned down when the demand for electricity slows after the peak hours. But million-kilowatt nuclear power plants, which have become the standard in electric utility ordering, operate best at a steady rate and near full power.

Furthermore, suitable sites for such plants, which need large amounts of cooling water or air, are becoming scarce—even though about 1,000 of them, along with nearly equal numbers of plants fueled by coal, oil or natural gas, are expected to be operating in the year 2000. The scarcity is hinted in the recent group of orders for offshore nuclear power plants from New Jersey to Florida.

If sites are scarce, then it is likely that the plants increasingly will be grouped at remote places such as the "nuclear parks" suggested by the Atomic Energy Commission.

Dr. Linden cites figures indicating that the cost of sending energy in the form of hydrogen gas through pipelines 30 inches in diameter will be cheaper than underground transmission of alternating-current power beyond 50 miles.

Pipeline shipment of hydrogen becomes cheaper than above-ground transmission of electricity on a 400,000-volt direct-current line beyond 300 miles, and cheaper than above-ground transmission of alternating current at 500,000 volts beyond 600 miles, Dr. Linden notes.

The hydrogen he is talking about would have been produced by electrolysis—using electricity to split water into its constituents of hydrogen and oxygen.

The cost of such hydrogen, computed by J. E. Mrochek in 1969, was based on an electricity price of 0.9 cent per kilowatt-hour. This would have made the hydrogen cost $2.67 per million British thermal units in 1970, more than 10 times the wellhead price of natural gas.

In an interview, Dr. Gregory said today's cost of such hydrogen is closer to $5 per million B.T.U.'s. Figures like these have led him and other pioneers of a hydrogen economy, such as Cesare Marchetti of the Italian energy research center at Ispra, to write off electrolytic hydrogen for now.

They have turned their attention to using heat directly, with the help of such metal compounds as iron chloride, to react with water and produce hydrogen, oxygen and other elements in multi-stage processes.

One of the most glamorous possibilities of a heat source for such thermochemical hydrogen is the High-Temperature, Gas-Cooled Reactor. It is marketed solely by General Atomic of San Diego, Calif., a joint venture of the Gulf Oil Corporation and the Royal Dutch/Shell Group. A 330,000-kilowatt electric power version of this plant is being put into commercial service by the Public Service Company of Colorado.

The proponents also are seeking practical tests of a hydrogen economy, Dr. Gregory said, in a "captive" situation such as the A.E.C.'s National Reactor Testing Station near Idaho Falls, Idaho. He said there had been discussion of a test of hydrogen fuel for the center's fleet of commuter buses.

Meanwhile, on a more immediate level, a hydrogen economy of sorts flourishes in the American petroleum refineries, where hydrogen is used in "cracking" crude oil.

To meet such requirements, the United States produces at least 2.2 trillion cubic feet of hydrogen annually, about 10 percent as much as the natural gas flow.

PATRIOTISM IN NEED OF REDEFINITION

Mr. TAFT. Mr. President, on May 26, my distinguished colleague from Connecticut, Senator WEICKER, delivered the commencement address at John Carroll University in Cleveland, at my request.

His address, entitled "Patriotism in Need of a Redefinition," was well received by those in attendance. I would like to share his remarks with Members of the Senate, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

PATRIOTISM IN NEED OF A REDEFINITION

(By Senator LOWELL WEICKER)

Remember when you were a youngster the joy of receiving one letter. Well, one of the rewards of being a United States Senator is that you usually get more than one letter a day. Try a thousand. Some of it complimentary; some of it very critical.

On the critical side, there are many letters opposing my stance on issues in a sincere, thoughtful, if vigorous way. That's as it should be in a democracy. It's also a vital part of my education. But there is another kind of criticism which does not deal with issues, facts, or logic, but rather questions my patriotism. This kind of disagreement finds expression in phrases such as "Go back to Russia where you came from." Or "Why don't you join the communists." Or "Stop betraying our country."

The logic of such disagreement had a parallel in the behavior of the current administration toward those who disagreed with its foreign and domestic policies. For example, it would be an understatement to say that there was disagreement in our country over the war in Vietnam. Yet I believe that all who participated in the debate were motivated by love of the United States. "Hawk" and "dove" alike, all did what they thought was best for the Eagle. In my case that meant support for President Nixon's Vietnam policies.

Yet I've never been so mad as when in February, 1973 I was invited to the White House for a "Peace with Honor" Reception. Mad because I learned that far from invitations going to the whole Congress in celebration of the end to that tragic conflict, invitations went only to those who had supported the President's position. Since the reception was designated "Peace with Honor" the implication was clear—those who had disagreed either did not want peace or were dishonorable men and women.

Now I remember the incredulity with which the nation heard the first voices of dissent over Vietnam, so committed were we to an undemocratic patriotism on the subject of war. And though I give credit to Richard Nixon for the physical act of getting us out of Vietnam as much credit goes to those patriots who caused this nation to question for the first time the correctness of its violence.

I did not accept that invitation and for other reasons have never been back.

That is what I want to focus on today—patriotism. In a wonderful passage from "A Connecticut Yankee in King Arthur's Court", Mark Twain wrote:

"You see my kind of loyalty was loyalty to one's country, not to its institutions or office holders. The country is the real thing, the eternal thing; it is the thing to watch over and care for, and be loyal to; institutions are extraneous, they are its mere clothing, and clothing can wear out, become ragged, cease to be comfortable, cease to protect the body from winter, and disease, and death.

"To be loyal to rags, to shout for rags, to worship rags, to die for rags—that is a loyalty of unreason, it is pure animal; it belongs to monarchy, was invented by monarchy; let monarchy keep it. I was from Connecticut, whose Constitution declares 'that all political power is inherent in the people, and all free governments are founded on their authority and instituted for their benefit; and that they have *at all times* an undeniable and indefensible right to *alter their form of government* in such a manner as they may think expedient.'

"Under that gospel, the citizen who thinks he sees that the commonwealth's political clothes are worn out, and yet holds his peace and does not agitate for a new suit, is disloyal; he is a traitor. That he may be the only one who thinks he sees this decay, does not excuse him; it is his duty to agitate any way, and it is the duty of the others to vote him down if they do not see the matter as he does."

James Russell Lowell said it another way:

"Then it is the brave man chooses while the coward stands aside till the multitude make virtue of the faith they had denied."

The American people said it another way in 1972.

When a young reporter standing outside a supermarket asked shoppers to sign a copy of the Bill of Rights, 75% wouldn't do so; over half said they wouldn't do so because it was a Communist document.

In the 1970's what faith had we denied? What kinds of loyalty had we acquired? Who had become the traitor?

We all know the symbols of patriotism. The flag, the parades, the national anthem, the Fourth of July. The question is not do we respect those symbols. But rather what is their meaning today? Not what *was* their meaning but what *is* their meaning? Only the living not the dead have the answer.

Wearing a flag lapel pin doesn't make you an American any more than wearing a cross makes you a Christian.

There is no American flag without the Bill of Rights.

There is no Fourth of July without the Constitution.

There is no Star Spangled Banner without an idealistic America.

There is no *patriotic* parade or speech without a nation whose focus is on the least rather than the greatest of its citizens.

In 1972 employees of the White House wore lapel pins while they advocated burglary, wiretapping, committeed perjury, impugned the patriotism of those who disagreed with them and threw due process into the shredder.

I think it is apparent that a redefinition of patriotism is very much in order in this country.

In my office is a book of watercolors based on the Star Spangled Banner as interpreted by the truly talented artist Peter Spier. The paintings which deal with the first and second stanzas are what you'd expect: The bombing of Fort McHenry, the rockets, the explosions. But then the third stanza goes on to say: "And conquer we must, for our cause it is just." And to illustrate that passage Mr. Spier painted a bulldozer conquering a slum housing, a reaping machine conquering the elements to harvest a crop of wheat, scientists in a laboratory conquering disease, and astronauts conquering the moon. The words then are Francis Scott Key, 19th century; the definition Peter Spier, 20th century.

That's what needs doing today by each of us in our own way. A definition of patriotism more in keeping with the America of our Constitution. A definition of patriotism more in keeping with the sacrifices of men and women who suffered and died at their best because they were uncompromising in the idealism they wished for their country.

Back in 1889, a Republican president, Benjamin Harrison, used his inaugural address to say: "Let those who would die for the Flag on the field of battle give a better proof of their patriotism and a higher glory to their country by promoting fraternity and justice."

Isn't that what it should *all* be about? You can't love God *only* on Sunday morning, and you can't love America *only* on the Fourth of July.

How do we show our patriotism? Well certainly not by merely paying taxes and keeping our mouths shut. That's not what the Founding Fathers had in mind for America.

Remember that the revolution which founded our nation was not like most revolutions. It was not a revolution by the lower classes against the landowners. It was not the dregs of society fighting for a piece of the economic pie. It was not the have-nots challenging the haves. Rather it was the elite of a society fighting to achieve certain idealistic principles for all their countrymen.

Think about that. The people who founded our nation were precisely those who had the most to lose in starting their revolution. Jefferson, Madison, Franklin, Washington and Hamilton. They were the elite, educated, wealthy, white male establishment. They were the Fortune 500 of their era. And yet they established principles which even today are being used to expand opportunity for all Americans and guarantee that what is hurtful will be done away with.

When those who had so much were willing to risk it all for these principles, and have time and again throughout all generations, who of this generation wants to declare the American Dream accomplished? Who does so dishonors the past and makes the horizon possible of capture. The dreams and goals of this country, like the horizons of nature, are never ending. Uniquely then among nations, America is a concept and not a political subdivision.

Rather I wish for each of you that in your own way you will seek out trouble. Isn't that what Americans have always done? Isn't that where the promise of patriotism lies?

If no one had spoken up we'd still have slavery. If no one had spoken up we'd still have the right to vote reserved to men. If no one had spoken up we'd have quality education for whites only. If no one had spoken out the working man would be machinery rather than human. If no one had spoken out "your own home" would be reality for the tens rather than the millions. And most importantly, if no one had spoken up we'd have a lot less democracy in all our lives.

As you know, our nation has a 200th anniversary coming up. Everyone is running around in a panic bemoaning our tardiness at coming to agreement on some appropriate monument or exhibition. But is that what we really need? A stone or steel symbol of our patriotism? Wouldn't it be a more fitting tribute to rededicate ourselves to those very, very difficult ideals we set for ourselves almost 200 years ago.

When most of you were about 8 years old, President Kennedy said: "Since this country was founded, each generation of Americans has been summoned to give testimony to its national loyalty. The graves of young Americans who answered the call to service surround the globe.

"Now the trumpet summons us again—not as a call to arms, though arms we need; not as a call to battle, though embattled we are; but a call to bear the burden of a long twilight struggle, year in, and year out, 'rejoicing in hope, patient in tribulation'—a struggle against the common enemies of man; tyranny, poverty, disease, and war itself."

American needs new words, new deeds, a new bravery from our generations. People ask the question when are we going to reach the low point? America, we reached the low point in the 1970s when dissent was answered with bullets, political opposition with burglary and conscience with accusations of treason. Occurrences like that without outcry—which was the case in the early 70s—are low points. Not the truth, no matter how raw, which is what we started to get in 1973. Nineteen hundred and seventy three is when we started to stand again as a nation of free men.

Your future then lies not in the House Judiciary Committee, but within yourself. Patriotism in the sense of dedication to this nation's ideals, written and unwritten requires as much as courage in surroundings of national affluence as it did of the Founders of America in surroundings of personal affluence.

In other words you risk yourself for the other fellow; not the other fellow for yourself.

"Then it is the brave man chooses."

GARBAGE: A NEGLECTED RESOURCE

Mr. HART. Mr. President, the Resource Conservation and Energy Recovery Act of 1974 is presently pending before the Senate Commerce Committee. Some of us on the committee believe that this legislation would be a major step in assuring increased energy and resource supplies for the United States. Earlier this year, Senator TUNNEY held comprehensive hearings regarding the need for increased demonstration projects for solid waste conversion into energy, and then used the record of those hearings to develop section 12 of this bill. In furtherance of his interest and expertise in this area, he has now written what I regard as an extremely perceptive and interesting article for the Nation magazine entitled "Garbage: A Neglected Resource." So that this article may be brought to the attention of my colleagues, I ask, Mr. President, unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GARBAGE: A NEGLECTED RESOURCE

(By Senator John V. Tunney)

WASHINGTON.—In its quest for self-sufficiency in the production of energy, the nation may be overlooking a critical source of power—the tens of thousands of tons of garbage that, each day, are bulldozed into dumps all across the country.

President Nixon has given us the slogan, "Project Independence—1980," by which time the nation should be producing from domestic sources all the energy needed to sustain our advanced standard of living. But we can never reach that admirable goal if we are unwilling to make substantial investment now in new forms of power generation, including the transformation of daily tons of waste into energy. The impatient lines at gasoline stations may have become shorter, but our sense of urgency should be just as intense as when the Arabs first turned off their petroleum spigots.

In the long run, the solution to the energy problem will depend, in large measure, on how each citizen budgets his or her demand for fuel and power. Car pooling, mass transit, and the development of a more efficient substitute for the smog-producing internal combustion engine should continue to be important goals. But to reach true self-sufficiency, the country must begin—as a matter of basic and urgent policy—systematically to examine all its potential resources. Solid waste presents a spectacular opportunity to help solve the energy problem, while at the same time contributing to the solution of environmental and materials problems.

Earlier in our history, when materials were scarce and expensive, "waste not" was practically a law of the land. With affluence, however, America has become conditioned to a "throwaway" style of life. Packaging is ubiquitous and planned obsolescence a way of life. Disposable products dominate the consumer market, and the economy is so structured that it is frequently cheaper to replace worn items than to repair them. Our affluence has contributed to the highest per capita production of waste in the world. Last year, we threw away 4.5 billion tons of solid waste. Included in this staggering sum were 50 billion metal cans, 27 billion glass containers, 4 million tons of plastic containers, 18.8 million tons of paper, 100 million tires and 7 million automobiles. All projections suggest that we shall be adding to these vast mountains of waste at an ever accelerating rate—and it is already five times greater than our population growth.

Meanwhile, we are creating enormous environmental, health and safety problems. Incineration and open burning of wastes thicken air pollution; open dumps cause noxious odors. Water resources are contaminated by "leachate" from landfills and dumps. Mine tailings and other industrial wastes and sludges too often befoul ponds, lakes, rivers and the oceans. Open dumps, debris and automobile graveyards blight the countryside.

Rats, lice and other insects thrive on the refuse and garbage that pile up in the urban outskirts, and wastes that may be dangerously toxic, inflammable, corrosive, or explosive are tossed into open dumps or insanitary landfills. At the same time, the shortage of land has become so serious that many cities believe that within a very few years all the space available for landfill operations will be gone. For environmental reasons as well as for energy, we must begin to view waste not as garbage to be buried or dumped but as a rich, untapped resource.

The Senate Commerce Committee is at work on a comprehensive bill on both recycling and energy generation from solid waste. In eleven days of hearings, Senators Hart, Moss and I received abundant and sometimes dramatic testimony on the potential of this new resource.

This legislation, the Resource Conservation and Energy Recovery Act, offers for the first time a total approach to the country's management of its solid wastes. It proposes a set of economic and other incentives for improving solid waste disposal and for the rapid acceleration of new techniques for recycling and energy generation. This legislation is crucial if America is to do more with its junk than be smothered with it.

The major cities alone dispose annually of metals worth $5 billion. We thus lose an estimated 12 million pounds of steel and more aluminum and tin that we produce domestically. It has been estimated that recycled waste would reclaim 7 per cent of the iron, 8 per cent of the aluminum, 5 per cent of the copper, 3 per cent of the lead, 19 per cent of the tin, and 14 per cent of the paper consumed in this country.

We still incline to take our raw materials for granted. It is sobering to realize that, of the seventy-five minerals vital to our economy, twenty-five are not found in this country. Another twenty-five exist here, but not in sufficient supply to satisfy present demand; and the rest face significant depletion by the end of this century. Yet the percentage of waste that we recover has been decreasing, even as potential shortages loom across a wide spectrum of materials. Furthermore, the recycling process itself saves energy. When scrap is used, the energy demands of steel production drop 25 per cent, and by recycling we can save 95 per cent of the energy requirements for aluminum production.

At present, we throw away garbage that contains the potential equivalent of millions of barrels of oil and gas—enough each year to meet this nation's entire energy needs for residential and commercial lighting, or up to one-third of the energy that is to be delivered by the Alaska pipeline. Europe already has begun to utilize garbage. The Netherlands, West Germany and Switzerland all make extensive use of waste for energy generation. Frankfurt now gets 7 per cent of its electrical energy from a garbage-burning installation; Amsterdam gets 6 per cent.

In recent years, we have made rapid progress in the development of technologies to convert solid waste to energy. California has plans to drill in landfills for the methane gas produced by decomposing garbage. It is estimated that from one landfill site in Los Angeles alone enough methane gas could be pumped to serve the energy needs of 25,000 households for a year. It is now also possible to convert wastes into combustible, coal-like pellets that are easily transportable and can be used in coal-burning furnaces. More advanced techniques—such as pyrolysis, whereby the wastes are, in effect, cooked at extremely high temperatures without oxygen—are available to produce a low-sulfur oil or gas. This process reduces the bulk of the solid waste, thus easing disposal.

Nevertheless, Americans continue to handle their solid waste disposal problems much as they did hundreds of years ago. While sending rockets to the moon and manned space stations around the earth, we throw our garbage out the back door.

Little headway will be made unless the President alters his policies to accord with his professed goals. In the last three years, the Administration has spent only $20 million on demonstration projects to convert waste into energy. (During this same period, it impounded $6 million earmarked for this purpose by Congress.) Such funding is inadequate for the needed rapid development of solid waste recovery and energy conversion plants.

Administration spokesmen argue that they are doing enough. They say present funding levels allow for demonstrating direct burning of shredded waste in St. Louis, a system for recovering oil from waste in San Diego, and a system for getting gas and steam from waste in Baltimore. They say they will thus be demonstrating the three major energy conversion techniques that are now available and that the roadblocks to rapid utilization of these technologies are *institutional* rather than fiscal.

The Administration unfortunately and typically, is simplistic. Witness after witness at our extensive hearings testified that the size of the city, the type of waste (which varies from area to area), and even geographical location and pollution requirements all may affect the type of system that would be desirable. But present demonstration projects are so limited that local governments, which are the major potential purchasers of such systems, have inadequate information to make an intelligent choice and are often reluctant to act at all.

Money is a major barrier also in many cities already overburdened by a multitude of urban problems. In California and several other large states, laws limit the ability of cities and counties to levy taxes for new projects, and nationwide, new municipal tax and bond schemes go down to defeat by fiscally overburdened and irate voters.

Therefore, if the Administration continues to restrict funding for recycling and energy generation, rapid tapping of our solid waste resources is impossible. The Resource Conservation and Energy Recovery Act, on the other hand, will provide the money necessary for the United States to benefit from a vital resource. To spur greater development of energy recovery, resource recovery and waste management systems, this legislation authorizes $135 million for direct grants, and $825 million in loan guarantees to stimulate the rapid development of meaningful demonstration projects. Also provided is funding for state and local plans, the construction of facilities and the training of personnel.

Money would be available under this Act only for projects that were in compliance with comprehensive state or regional plans. Therefore, this funding will serve the double purpose of stimulating research into and demonstration of new technologies, while speeding their application at the state and regional levels. Only such a program can assure a nationwide systematic use of waste resources. The federal government and its agencies will be required to set an example for the nation by being mandated to purchase recycled materials if they are available at reasonable cost.

It is time that this Administration, which has spoken boldly of energy self-sufficiency by 1980, began to match words with action. If we continue to wait for the marketplace to force local governments to take advantage of their waste resources, decades may go by, and every year of inaction means billions of dollars lost in materials and energy production. Also, sole reliance on the marketplace will not force the states to develop the comprehensive waste management plans that are essential for maximum returns. It is incredible that the Administration, despite the energy crisis, fails to ask that any money be appropriated for fiscal 1975 to demonstrate solid waste energy-recovering technologies.

Already a number of independent studies have caused serious doubts about the attainability of "Project Independence—1980." It is estimated that unless present demand trends are dramatically reversed, an all-out drive to develop domestic energy resources will still fall short of demand in 1980 by millions of barrels of oil a day—which fuel would have to come from foreign sources. Even if, as I believe, total self-sufficiency by 1980 is a commendable but probably unattainable goal, we still must act forcefully and immediately to begin to check an ever increasing dependence on foreign sources of energy and materials. If we wish to avoid a foreign stranglehold on our materials and energy supplies, we cannot continue to ignore our important solid waste resources—and now is the time for action.

DAYLIGHT SAVING TIME

Mr. BARTLETT. Mr. President, although the furor over winter daylight saving time has temporarily abated due to the longer days of springtime, a recent Harris survey should not go unnoticed.

According to Harris:

> Only 19 per cent (of the American people) rate the daylight saving move as a "good decision" while 43 per cent say it was a "bad decision" with 32 percent saying it was "neither good nor bad."

I believe it significant that, of those expressing an opinion, more than two to one oppose winter daylight saving time.

A breakdown of those opposing daylight saving shows that almost half do so because of the danger to schoolchildren leaving for school in the dark.

In the breakdown of those who favor winter daylight saving time, it is interesting to note that only 6 percent of the public thinks it saves energy—and this was the only reason the Congress passed the bill to begin with.

Mr. President, later this year I intend to introduce once again legislation to eliminate winter daylight saving time. While the preliminary studies indicate mixed results in energy saving, public opinion obviously is overwhelmingly opposed to this experiment.

I ask unanimous consent that the attached Harris poll be printed in the RECORD.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

[The Harris Survey, Apr. 22, 1974]

YEAR-ROUND DAYLIGHT SAVING TIME LACKS PUBLIC APPROVAL

(By Louis Harris)

In the aftermath of the winter-long gasoline crunch, the American people tend to agree that the law making Daylight Saving Time mandatory on a year-round basis was a poor idea. Only 19 per cent rate the daylight saving move as a "good decision," while 43 per cent say it was a "bad decision," with 32 per cent saying it was "neither good nor bad."

The major criticism centers on the perceived dangers to children going to school in the dark. Parents report that they became deeply worried over their offspring crossing streets in the early morning hours in darkness, citing numerous case of children actually hit by cars and even killed.

The other major misgiving is that while daylight saving was invoked as an energy-saver, people report they used just as much extra heat and electric light in the dark hours of the morning as they believe they saved in the late afternoons. Thus, the rationale for the move lost much credibility with the public.

In late March, a cross section of 1,495 families was asked:

"In your opinion, was the decision to go to Daylight Saving Time year-round in order to save fuel a good decision, a bad decision, or neither good nor bad?"

Winter Daylight Saving

(Total public percent)

Good decision	19
Bad decision	43
Neither good nor bad	32
Not sure	6

The daylight saving move was most resented in the Midwest and South, particularly in the small towns and rural areas, where majorities could be found in opposition. These areas are especially hard hit by two conditions: 1.) They contain agricultural communities where many people have to rise early to begin their chores, and they would rather begin work in daylight than in darkness, and 2.) Children in these locations tend to have to go longer distances to school, thus increasing the dangers they might face in the early morning darkness.

When people were asked why they felt the way they did about Daylight Saving Time, the volunteered answers broke down this way:

Behind People's Views on Daylight Saving

(Total public percent)

Why Bad Decision:	
School kids endangered	24
Use more electricity in AM	11
Hate getting up in dark	7
Use lot of fuel in AM	2
Use cars to take kids to school	1
Why Good Decision:	
Like daylight saving time	7
Gain an hour at day's end	6
Saves energy	6
Why Neither Good Nor Bad:	
Didn't save any energy	11
Doesn't affect us	6
Not sure	3

The Harris Survey found the public highly vocal and opinionated on the Daylight Saving Time issue. For example, a young mother in Nashville, Tenn., said, "I have two little ones, 8 and 6, who had to go to school all winter long in the dark hours. They would hold each other's hands, trembling every morning as they left to walk to school. I've aged 10 years worrying about them." A businessman in Little Rock, Ark., said, "It was just plain foolishness. We all just used more electricity in the morning and less in the afternoon, no gain at all." A mother in Stonington, Conn., reported. "They claimed that we would save energy by not putting lights on early in the evening. But I personally used up more gasoline taking my kids to school in the car every day than I could have saved."

The small minority who stood firm in defense of the change to Daylight Saving Time could be found mainly in the big cities in the East and West. The chief benefit they saw was to have an hour at the end of the day in daylight to spend in leisure. A Los Angeles secretary put it this way: "I like daylight saving, because it lets me get my work done early and then have some time in the late afternoon daylight to play tennis, swim, or go shopping. I think it's great." A businessman in Seattle added, "I was able to get in some extra rounds of golf and then also see the kids in daylight for a change during the winter. It was a good deal."

But the heavy weight of public opinion is against year-round Daylight Saving Time, for even those with no strong opinions on the matter mainly felt that it did not succeed in conserving more fuel.

JAMES M. FARLEY'S 86TH BIRTHDAY

Mr. McGEE. Mr. President, today is the 86th birthday of one of the most distinguished and skillful professional politicians in our history, and of a man who also happened to be both a highly successful businessman and a most effective public administrator.

I refer, of course, to James A. Farley, remembered by most of us as Postmaster General of the United States. He also is remembered by most of us as chairman of the Democratic National Committee.

Jim Farley has brought distinction to several callings, in business, in politics, and in government. It is with a great deal of pleasure that I call attention to his 86th birthday and join his countless friends and admirers in wishing him many happy returns of the day.

STRIP MINING

Mr. METCALF. Mr. President, the Senate is well aware of the potential magnitude of coal strip mining in my State of Montana. It might not be as aware, however, of the depth of feeling the activity has stirred among the people of the State.

As a result of this concern, Montana is going forward to meet the problem. The State legislature has already enacted a strong regulatory law, and can be expected to refine it when that body reconvenes next January.

Behind the push for controls over strip mining is the vast majority of Montana's citizens. Typical of those who fear stripping will create an Appalachia of the Great Plains is Harriette E. Cushman of Bozeman. Miss Cushman is herself a pioneer in Montana who has seen the effects of several decades of extraction of the State's precious resources.

I would like to share with the Senate a personal and eloquent plea by Miss Cushman to save Montana's land, water, and air. She asks Americans to seek alternatives to coal as a source of energy. She asks that we honor a moral obligation to our Indian citizens by refraining from stripping their lands. Finally, she appends a personal poem entitled "Avalanche," which suggests what an aroused citizenry can do if it will only unite.

Mr. President, I commend the reading of Miss Cushman's statement and poem to the U.S. Senate, and I ask unanimous consent that they be printed in the RECORD for even wider reading. I only regret that the RECORD will not accommodate artwork, for her writings are accompanied by an excellent cover illustration by Mr. Raymond Campeau.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

"WHERE THE DEER AND THE ANTELOPE PLAY" NO MORE?

(By Harriette E. Cushman)

(Cover by Raymond Campeau, Art Professor)

You may well ask why, when you are already overburdened with stacks of material re: Coal Strip mining that I, a mere citizen, along with hundreds of other Montanans grieve over this subject when strip mining is no skin off our noses. It's simply that we cannot stand by in apathy and allow our beautiful state to be raped by vested interests bent on wresting blackgold from some of the best range land in the country.

When I first visited Colstrip my reaction was, what wonders man has accomplished: two great shovelsful filled a coal car; the flagman waved it on; a second car came into place for filling. No deep mine shafts or tunnels where fires or "coal damp" could trap or snuff out lives.

Then my eyes looked up the unbroken draw. As far as I could see lush green grass, stirrup high waved in the breeze. While here and there white faced cattle grazed or rested in the shade of scattered Douglas firs. All was peaceful and right with the world.

Turning back to the great shovel, I asked, "How far do you intend to go before you stop?" "We won't. We'll just keep going on."

All at once I did not think so much of strip mining. Were there no alternatives for supplying human beings with needed energy without defacing a great land? Right then and there I began to read and study—both sides of the question—and buttonhole everyone who could further my education. For example I contacted Wallace McRae, manager of the Rocker Six Cattle Company, South of Forsyth, Montana. McRae is not only a director of the Montana Stockgrowers' Association, which represents the largest industry of the state, but it also a true Livestockman. To be that, one is not only a raiser of four legged critters but is also a veternarian, a mechanic, an agriculturist and also an economist and a shrewd marketing man. I might add he is a poet. He loves his land, the wide open spaces and his fellow men, regardless of race or creed. McRae is not only a poet at heart but can express those feelings in words. Let me quote from a recent verse he wrote me. By the way Wallace is the third generation on his great spread.

"They're turning my country all wrong-side up,
In the quest for the black gold—coal.
The rape of the land just wrenches my heart,
Three million acres, their goal.

"Why, if this is our country's salvation,
Do I recoil with disgust?
Why does the flavor of gold in the air,
Taste so, of ashes and dust?

"Is it the memory of fore bearers, dead?
The question in my son's eye?
Is it my pride, that won't let me give in?
Why, dear God, tell me why?"

Then from the other side, the urban man who has only two weeks vacation and tries to see the whole nation in that allotted time. He goes from the Black Hills to Yellowstone Park and sees nothing but the black top road he follows. His remarks, "There's nothing there but desert. Hell, strip it." He forgets it is a hunter's paradise. He forgets this is where "the deer and the antelope play." Also it's great pheasant and even wild turkey country.

Also from the other side you constantly hear the statement that the country will be just as good as new after restoration. They omit telling you when they show you a restored demonstration plot that hundreds of dollars per acre were used to make the comeback. It would be utterly uneconomic to expect any company to dish up that type of restoration. How much more beneficial to the company and all mankind if the coal were left and this immense amount of money needed for restoration were used to develop alternative sources of energy. That man's company and himself would surely be blessed.

Also those who say that things will be as good as new do not have all of the answers yet. There has got to be a lot more soul searching and scientific data. What will all of this do to water tables and ground waters? All through our national history, we have been too quick to call something a crisis and give an immediate solution. It is a well-known fact that back east where strip mining has been employed, "comeback" just doesn't happen.

One young and brilliant Doctor of Chemistry from the University of Kentucky wrote me a gripping letter. It contained one paragraph which is particularly pertinent. All the scientists and ecologists which I have shown it to asked me to include it in any material which I prepared. Quote:

"One position that one could take is that some new energy source will be developed while we are consuming what we already have. While many people may find this to be a reasonable view, I believe the long-range effects will be terribly detrimental. While we are waiting for this miracle we are and will be burning up irreplaceable hydrocarbons. Hydrocarbons are the backbone of the petrochemical industry which we depend upon so much for the products we use every day. The hydrocarbons are uniquely suited to these products because of their stability. When hydrocarbons are combusted they are gone forever, but other uses result in products which can be recycled. When hydrocarbons are gone, many products are not going to be possible anymore because the natural fibers which may be available such as wood, cotton etc. are inferior. What I would really like to see happen is a movement as rapid as possible away from combustion of carbohydrates. Our present reserves may already be too short for future needs."

Thus let's keep the coal for money in the bank as the rancher keeps extra hay stacks for a real emergency.

There is a second segment of our society that must be considered when determining the coal strip mining problem. That is our attitude toward coal underlying Indian Reservation land. We have a serious MORAL OBLIGATION here. The Crows, the Assiniboines, the Sioux and the Northern Cheyennes may all feel the impact of this program. It will especially affect the Northern Cheyennes since all of their land is underlined with coal. Their Tribal seat, Lame Deer, is only a stone's throw from Colstrip. The Northern Cheyennes are loyal United States citizens. They volunteered in great numbers not only for World War II but also did not wait for draft either for the Korean or for recent conflicts. Besides they are the ablest forest fire fighters that we have. No large fire has occurred in the Northwest that the Northern Cheyennes did not turn out in great numbers and fought where Whites were unable to go. Those who recognize this may think the equitable procedure is [illegible] remove them to areas of equal size with equal opportunity. This cannot solve the situation. During my 50 years of working with Indians, first in Extension Service with Montana State University and since with special work with the various tribes, their leaders are telling the truth—that if strip mining is carried out as now envisioned, it will be the end of the Northern Cheyenne Tribe. Indian Culture is not White Culture. There may be a few who have adopted white ways who may sign their land away but no amount of cash will be sufficient to tempt the Indian who reveres his own culture to give up the land that birthed him. Please, take my word for this. Let's work out some equitable solution. Do we want a repeat of the tragedy of the recent occurrence at Wounded Knee? Let's for once keep our treaty promises with our Red Brothers.

There is a third group that may be sorely affected by strip mining operations. I understand that it will take 50% or better of the water from the Yellowstone and its main tributaries: the Big Horn, the Rosebud, the Tongue and the Powder Rivers. This would be during good years. On dry years, and we have plenty of them, there would be less than a trickle to serve the irrigated tracts from East of Billings to Sidney. This could create national repercussions.

This has been much too long. Was it not Marie Antoinette who said, "If I had time I would write a note. However, lacking in time, I will write a book." That seems to be my position. For you who read all of this I thank you for your extreme patience. For you who are not so inclined, you may enjoy Ray Campeau's cover page. He made it for you.

Also I hope that you may like the idea of my poem of the Avalanche. I wrote it especially for this occasion. I am only a very small snow ball; yet with your help, may be we can start an avalanche.

After seeming so pessimistic, let me end on the note that I sincerely believe alternatives can be worked out for strip mining of coal, leaving it in the ground for money in the bank. We already know that wind can generate energy. With Yankee ingenuity the use of solar energy can be worked out that will cost less than the exorbitant cost of reclaiming land that has been stripped mined.

Thanking you for the opportunity to talk to you, I am,

Yours very sincerely,

Harriette E. Cushman.

Bozeman, Mont.

An Avalanche

How ineffective is one snow ball tossed
Against the side of a huge diesel,
Huffing with its cars of coal.
It's only a few drops of water vapor on the winter air.
And yet—
I've seen an avalanche, which is the aggregate of a million
Balls of snow,
Shake from the ridge
Above the mountain side where the G.N.R.R. snakes
Up-grade from Belton to the Summit.
Up-rooted trees and giant boulders pushed by the implacable foe
Crush snow sheds as you might snap match sticks
In your hand.
And the not-so-powerful engine now is tossed
As a toy with its string of freight
Down, down, down,
Until it's buried on the canyon floor.
Do we start an Avalanche?

Harriette E. Cushman.

Bozeman, Mont., *August, 1973.*

FINANCE HEALTH INSURANCE HEARINGS

Mr. HANSEN. Mr. President, on Friday, May 23, 1974, Russell B. Roth, M.D., president of the American Medical Association, testified before the Senate Finance Committee on national health insurance.

As the Senate had adjourned the day before, many of the Senators were unable to attend the hearings to listen to Dr. Roth's testimony. Having read the testimony myself, I find it to be the most concise, relevant, and helpful testimony yet given to the committee. I would like to share it with my colleagues.

It appears from some of the press reports that some of what Dr. Roth said has been misinterpreted. To clear up any misunderstanding, I ask unanimous consent that the text of Dr. Roth's comments be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

National Health Insurance

(By Russell B. Roth, M.D.)

Mr. Chairman and Members of the Committee: My name is Russell B. Roth. I am a practicing physician in Erie, Pennsylvania and I am President of the American Medical Association. With me are Malcolm C. Todd, M.D., of Long Beach, California, our President-Elect, Ernest T. Livingstone, M.D., of Portland, Oregon, Chairman of the AMA Council on Legislation, and Harry N. Peterson, Director of our Department of Legislation.

It is a privilege for us to come before this Committee, once again, to discuss the views of the American Medical Association on the subject of National Health Insurance. As the Nation's largest Association of actively practicing physicians, the ones who will be called upon to provide the professional services which are contemplated under any program which may be authorized by Congress, we feel that our viewpoints are extraordinarily important.

In addition, since the provision of the services in question is our daily work, we feel especially well qualified to separate the practical from the theoretical in the medical service field. Having carried on the practice of medicine in all of the many systems which have evolved in our society, we have familiarity and experience with each of the variations.

No one recognizes better than the physicians who work within them and choose between them that we have a full spectrum of operational systems, varied in organization, in financing and in administration. The Armed Forces has a federally financed and administered system which may be equated organizationally to some of the governmental systems of care abroad. The Veterans' Administration Department of Medicine and Surgery operates a network of hospitals and employs professional and allied medical personnel in a system which is larger than that of several European countries such as Sweden. We have prepaid capitation financed group practices of the Kaiser-Permanente type. We have emerging health maintenance organizations. We have fee-for-service group practices exemplified by some of the world's greatest medical centers. We have community health centers. We have corporate practices, partnerships and solo practice.

In each of these settings there is much excellent medical practice and some that is less than excellent. In any event, we have abundant evidence that it is not the system which controls the quality of care provided. That is a function of the training, the motivation and the integrity of the physicians within the system.

A wide variety of proposals generally lumped under the heading of National Health Insurance has been introduced for congressional consideration in the last five years. All deal with financing mechanisms. Some concern themselves extensively with proposed changes in medical service delivery and there are some variations among them in respect to administration.

At this point it seems most important to agree upon the fundamental principles that should undergird any program to be written into law. We would therefore deal with these principles.

Initial focus should be on the benefit structure of any program. It is obvious that the more benefits that are offered, the more expensive the program becomes. Equally clearly it is least expensive to cover the major expense end of serious illness, the so called "catastrophic expense" area, because relatively few episodes of illness are involved. It is most expensive to cover front end, minor expenses because they are so numerous. If we are to meet the principal needs not only of the aged and the poor but of the vast middle income group, it would seem we must endeavor to provide basic coverage for medical service and, if possible, add to this protection against ruinous catastrophic major medical expense.

We appreciate the economies of providing only catastrophic coverage but feel that it will meet too few of the needs and will prove very difficult to administer. We appreciate the appeal of first dollar coverage but recognize the inordinate expense involved. It has been our conclusion that if Congress is willing to appropriate the funds, benefits should include basic hospitalization, say for 60 days, and this should include psychiatric hospital care. They should include physician services wherever rendered, extended care services, outpatient hospital and home health care, dental services for children, and a well-adjusted catastrophic umbrella coverage. This essentially describes what has been built into our Medicredit bill, S. 444. The catastrophic coverage should be adjusted to ability to pay, since it is obvious that an amount which could be easy for the well-to-do family to pay could be disastrous for the much larger group of middle and low-income individuals. If the insurance is really to protect, it must be operative at the level of need.

The next important area is financing. Here the considerations are more complex. The coverage must be written within the financial reach of everyone. It must be clear that the financing arrangement should be simple and efficient. If I provide $10 worth of service for my patient and he pays me directly. I have earned $10 and he has spent $10. If, instead, money is to be collected from the patient as a tax to be transmitted to Washington, processed, transferred to another agency, processed, passed on to an intermediary, processed, and paid out as a benefit, and then reviewed for appropriateness, I will need to leave it to others to estimate how much more must be collected from the patient to yield the $10 necessary to cover the service rendered. Each complicating step in the process contributes to a shrinkage in service purchased by the medical dollar.

It should also be axiomatic that the more of the total bill for medical service that is paid by private funds, the smaller will be the demand on government, or alternatively, the more aid can be given to those who need it by the available governmental funds.

We believe that the public will look with dismay on a financing mechanism which increases the Social Security tax by 4%, as with the Kennedy-Mills proposal. As the wage earner would quickly discover, this would represent a substantial increase in actual Social Security tax—as much as 25%; the maximum Social Security tax on wages, now at $772, would be raised to $972, an increase of $200. An average wage earner (as defined by the Bureau of Labor Statistics) now earning $11,446, and paying $670 of Social Security tax, would pay $785, an increase of $115, or 17%. And the added amount of tax on the wage earner would be matched by three times that amount as the employer's share. Nor do we feel that anyone is any longer deluded by the assignment of 3% to the employer and 1% to the employee. All of this is in the category of employee compensation and nothing comes for free. It is also to be noted that when the regressive Social Security mechanism is used the family with $13,200 income pays just as much for coverage as does the family with $100,000.

We also believe that mandated insurance coverage to be provided by employers, with or without cost sharing by employees, while it reduces the tax impact, is not entirely desirable. It requires a different kind of financing for the unemployed. It is difficult to apply to persons who work for multiple employers, to migrant workers, to those who change employers, and to those who have retired from employment for any reason. We believe that the principle here should stress maximal financial participation from the private sector, and the use of general revenue financing in the governmental sector. In consequence we have enthusiasm for the financing mechanism in the Medicredit bill, S. 444, which uses tax credits to minimize the number of dollars making a round trip to Washington as tax to return as a shrunken benefit, and which places the obligation to contribute their share on those who have the ability to pay all or part of their premium cost. It uses an existing governmental collection agency, minimizes new demands for an increase in bureaucracy, and reduces administrative costs.

Finally, there is the matter of administering the program. There is precious little evidence that any particular economy or efficiency results from government health programs, but a growing body of evidence that the opposite may be true.

An example is a recent Community Health Service study. It found that the cost of a patient visit to a government-financed community health center is double the cost of a patient visit to a fee-for-service physician. The actual figures for 1969–1970, as reported by CHS, were: private physician office visit, $9.59; community health center, $21.16.

Another study involved prepaid health care for Medicaid patients in California. That study revealed, to quote HEW's own official statement, "abuses in the marketing of prepaid health care services, failures in the delivery of promised services, and deficiencies in State monitoring practices." California's State Auditor General also found that only 48% of the money for prepaid health care for these beneficiaries was actually spent for benefits. The remainder went for administration and profits.

In the case of national health insurance, we feel assured that if any part of the funding derives from Social Security taxes there would be a compulsion for Social Security control of the program. As demonstrated by the costs of the Medicare program—or the unanticipated delay in implementing the kidney dialysis and transplant program—this would be neither efficient nor economical.

We are confident that the administration of the program will best be accomplished by existing private entities in the field. Federal involvement, while inescapable when dealing with Federal tax dollars, should be kept minimal.

We again believe that our Medicredit program fulfills these objectives in respect to administration more aptly than does any other proposal to date. We believe the public, in opinion poll after poll, has reiterated its high degree of confidence in the medical profession and its low esteem for bureaucratic administration. We believe that there is validity in other current public opinion poll which indicate that the chief national concern is over inflation. In a recent Lou Harris poll, concern for medical care rated fifteenth on the priority list, while inflation ranked first. That raises a final question. Does the public really, genuinely, want Congress to aggravate its principal concern—inflation—in order to treat the fifteenth ranking problem—health? We are not sure the public does, but if it does, we strongly recommend adherence to the principles we have stated.

We recommend to your studious attention S. 444 as a well-tailored package of benefits, well-financed and well-administered. It does not make the serious mistake of trying to solve all of our problems in one piece of legislation.

Mr. Chairman, we will now be pleased to respond to questions which the Committee may have.

FINANCIAL STATEMENT/TAX RETURN SUMMARY FOR 1973 OF SENATOR AND MRS. DICK CLARK

Mr. CLARK. Mr. President, the need for openness in Government has never been more apparent. A democratic government should have nothing to hide, and neither should its public officials.

Last month, the Senate expressed its sentiment on the question of financial disclosure by Senators, Congressmen, and Federal officials. In passing the Federal Election Campaign Act Amendments of 1974 (S. 3044), the Senate decided that the Federal and State tax returns of all Federal employees making more than $20,000 a year should be open to the public. Even without the evidence of scandal and corruption that has come to light in the last few months, that provision of the bill makes commonsense. It would also make for better Government.

I ask unanimous consent that a summary of my 1973 Federal and Iowa income tax returns and a summary of my family's net worth as of January 1, 1974, be printed in the RECORD—along with a copy of a letter to the Secretary of the Senate asking that they be kept on file and available to the public.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., May 30, 1974.

Hon. FRANCIS R. VALEO,
Secretary of the Senate,
Washington, D.C.

DEAR MR. SECRETARY: Enclosed is a complete financial statement for myself and my wife. It details our family's assets and liabilities as of January 1, 1974, and it includes a complete copy of our 1973 federal and Iowa tax returns.

I intend to submit a similar report to your office each year that I am a member of the U.S. Senate. Please make it available to the public on request.

Thank you.

Sincerely,

DICK CLARK.

Statement of Senator and Mrs. Dick Clark's estimated financial worth, January 1, 1974

Assets:	
Savings deposits and cash on hand	$600.00
Senate retirement fund	3,[illegible]1.00
Stocks and mutual fund shares:	
Exxon (5 shares at 94½)	472.50
Champion Spark Plugs (14 shares at 16½)	231.00
Iowa Southern Utilities (12 shares at 21⅕)	254.40
National Investors Mutual Fund (1,302.988 shares at 7.70)	10,033.00
Personal belongings	12,330.00
Residence	92,430.00
Total	119,751.90
Liabilities:	
Mortgage on residence	71,900.00
Loan, 1st National Bank Marion, Iowa	4,000.00
Total	75,900.00
Net worth (Jan. 1, 1974)	43,851.90
Net worth (Jan. 3, 1973)	44,126.39

Summary of Senator and Mrs. Dick Clark 1973 Federal tax return—Joint return

Income:	
Senate salary	$42,263.89
Dividends	6.55
Interest	122.42
Speaking fees	3,400.00
Capital gains	1,527.37
Dick Clark Senate committee funds considered taxable income by IRS	870.69
Total	48,190.92
Less adjustments to income:	
Moving expenses	3,405.77
Congressional travel allowance	3,000.00
Total	6,405.77
Adjusted gross income	41,785.15
Less itemized deductions:	
Medical, dental expenses	150.00
Estimated State and local taxes	2,935.89
Mortgage interest	3,951.26
Congressional expenses	3,350.86
Total	10,388.01
Less personal exemptions	3,000.00
Net taxble income	28,397.14
Total tax	7,526.88

SUMMARY OF 1973 IOWA TAX RETURN (COMBINED RETURN

	Jean Clark	Dick Clark
Income:		
Salary		$42,263.89
Dividends	$3.27	3.28
Interest	61.21	61.21
Speaking fees		3,400.00
Capital gains	763.69	763.69
Dick Clark Senate Committee funds considered taxable income by IRS		870.69
Total	828.17	47,362.75
Less adjustments to income:		
Moving expenses		3,405.77
Congressional travel allowance		3,000.00
Total	0	6,405.77
Adjusted gross income	828.17	40,956.98
Federal income tax refunds received in 1973	90.48	403.52
Total	918.65	41,360.50
Less Federal income tax withheld in 1973	0	$10,729.26
Total	$918.65	30,631.50
Less itemized deductions:		
Medical, dental expenses		150.00
Local taxes	154.46	1,381.43
Mortgage interest		3,951.26
Congressional expenses		3,350.86
Total	154.46	8,833.56
Net taxable income	764.19	21,797.68
Tax	5.73	1,258.34
Less personal exemption credits	5.73	35.00
Total tax	0	1,223.34

FEDERAL ADVISORY COMMITTEES

Mr. METCALF. Mr. President, the May 26 issue of the Washington Star-News includes an informative article regarding Federal advisory committees. Written by Gerald D. Sturges, the article is headlined "Advising Government From the Closet."

He points out that a number of advisory committees still are not living up to the standards of the Federal Advisory Committee Act, especially its open meeting provision.

I ask unanimous consent to print Mr. Sturges' article in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Star-News, May 26, 1974]

ADVISING GOVERNMENT FROM THE CLOSET

(By Gerald D. Sturges)

The public continues to be wrongfully excluded from meetings of federal advisory committees, not only because meetings are closed when they ought to be open, but because ostensibly open meetings are announced on such short notice that they might as well be closed.

Agencies seem to favor the short-notice technique for energy, consumer and environmental advisory committees, and the Federal Energy Office is a prime offender.

In force now more than 16 months, the Federal Advisory Committee Act (FACA) has failed to realize its full potential as an open-meeting law for the more than 1,400 committees, commissions, councils, boards and other citizen panels that influence the executive branch in virtually every area of policy-making. The FACA declares that:

Standards and uniform procedures should govern the establishment, operation, administration and duration of advisory committees;

The Congress and the public should be kept informed with respect to the number, purpose, membership, activities and cost of these panels;

Each advisory committee meeting shall be open to the public, unless the President or head of the agency to which the committee reports determines in writing that the meeting will be "concerned with matters" listed in one of the nine categories of information which the Freedom of Information Act exempts from mandatory public disclosure.

Now consider this box score: From now through Saturday, advisory committee meetings will involve a total of 51 daily sessions. Of these, 18 are scheduled to be open to the public (35 percent), 11 will be closed (22 percent), and the remaining 22 will be "open with restrictions," meaning that a portion of the meeting will be closed or that seating will be limited or that some other limitation on attendance has been imposed.

In all, 65 percent of this week's sessions will be closed or subject to some sort of restriction. In another recent week, out of 67 sessions, 24 were slated to be closed (36 percent), 14 closed (21 percent), and 29 "open with . . ." (43 percent), for a total of 64 percent closed or open less than all the way. The week before that, with 73 sessions, it was 26 percent open, 30 percent closed, and 44 percent "open with . . .," for a consistent 74 percent.

To say that a meeting will be open may give the controlling agency better than it deserves, in view of the FACA requirement that "timely notice" of a meeting be published in the Federal Register. The Office of Management and Budget promptly interpreted that to mean seven days, with time off for emergency situations or when it just wasn't practicable to give a full week's notice.

Under pressure from the Senate Subcommittee on Budgeting, Management and Expenditures, chaired by Sen. Lee Metcalf, D-Mont., OMB decided—effective May 1—that timely notice really means 15 days. Since then:

FEO gave one-day notice of the May 15 meeting of its Wholesale Petroleum Advisory Group, when the agenda included no-lead gasoline problems, two-tier pricing system and allocation problems, and published same-day notice of the May 6 meeting of its Retail Dealers Group. (In March, FEO gave 24-hour notice of a meeting of its Electric Utilities Committee and four-day notice for a San Francisco meeting of its Retail Dealers Group.)

Virginia Knauer published six-day notice of a May 13-14 meeting of her Consumer Advisory Council, when the agenda included disussions of consumer interest in agriculture programs, energy conservation, population issues, complaint handling mechanisms and the consumer's rights to privacy.

The Department of the Interior gave seven-day notice of the May 16-17 Rangely, Colo., meeting of its Oil Shale Environmental Advisory Panel. The program was to include a tour of two leased federal oil shale tracts and consideration of policy guidelines to be recommended to federal officials.

Each of these meetings was announced as open to the public, although FEO routinely includes a caution that "space and facilities are limited." And in each case, inadequate notice was given (under the prevailing OMB interpretation) and the FACA was broken.

In supposed "observance" of the new 15-day requirement, the National Science Foundation claimed May 8 it was giving only nine-day notice of the closed meeting of its Advisory Panel for History and Philosophy of Science because of an "emergency situation": panel members couldn't agree on a meeting date.

Those who recall the dust-gathering reports of special presidential commissions on pornography, violence and population growth may wonder whether advisory committees in general wield enough influence to worry about. Indeed they do.

Prof. William H. Rodgers, Jr., of the Georgetown University Law Center, explained at Metcalf subcommittee oversight hearings on the FACA that he has written about advisory committees and explored their influence "beause I believe they're vastly underrated as policy-makers, mostly because those who do the rating (scholars, journalists and others) are only occasional observers of the advisory committee process."

One example could be the 1971 Advisory Council on Social Security, which recommended that beneficiaries receive automatic cost-of-living adjustments, and that the system switch from its conservative level-earnings level-benefits assumption to a dynamic actuarial methodology which assumes that both prices and wages will rise. The recommendations were handed in to the Secretary of Health, Education and Welfare and, as the law requires, transmitted to Congress, which adopted them.

(Ironically, a newly appointed U.S. Advisory Council on Social Security met for the first time May 3-4 of this year—in public session, because of FACA requirements—and was told by Social Security actuaries that newly revised estimates, adjusted for changing demographic and economic factors, indicate the cash benefits programs will run a long-term deficit of about $20 billion a year. Yet no reporters were present at the public meeting to hear what automatic adjustments and dynamic methodology have wrought on the Social Security system.)

Another, prospective example can be found in a recent article in the New York Times headlined. "Business Input On Trade Sought," which reported that almost 600 businessmen were about to be invited to serve on 26 industry committees, in what was termed "the most organized system of contact with industry since trade negotiations with other nations began in a big way a quarter-century ago." The article quoted an anonymous official as saying:

"American businessmen have sometimes been present during the important stages of these negotiations in the past, but always on a haphazard basis. This time we'll have as much input from our industries as the other countries have." These sector-by-sector industry advisory committees for multilateral trade negotiating would be in a key position if Congress passes a trade bill.

In the full range of federal advisory panels on whatever subject, there is a network of 1,439 committees serving more than 50 agencies, having more than 24,500 memberships, operating at a cost of more than $25 million a year. It seems little enough to insist that they live up to the open-meeting and other requirements of the Federal Advisory Committee Act.

CRISIS OF LEADERSHIP

Mr. DOMENICI. Mr. President, it has become a common tenet that the Nation suffers from a vaguely defined "crisis of leadership" and that the ship of state flounders now aimlessly. As one who disagrees with this chic opinion, I feel it is appropriate to put the entire idea of leadership into perspective. I have seldom seen a better job of this than a recent editorial by the Christian Science Monitor entitled "Crisis of Leadership."

This editorial is not only well conceived and well executed, it is well written. I especially commend to my colleagues' attention the following paragraph:

> In general, we get the government we earn. There is an interplay between the living ideals of a people and the leaders they choose—or reject. It is naive to suppose that there is not an influential relationship between the private citizen's sense of moral responsibility and the public servant's. Character in government is not something different from character in the office, the factory, the school, the theater, the law court, the kitchen, the ball park.

I ask unanimous consent that this entire editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CRISIS OF LEADERSHIP

It is commonly held today that this is an age of large crises and small men.

"Where are the giants of yesteryear?" is the melancholy cry from those who often forget that some of the giants were ogres. Somehow, somewhere—the feeling runs—there must be men who can give us the quick, sure answers to our multiplying problems.

And so governments tumble, each with its particular set of political and socio-economic causes, its distinctive crisis of confidence, as an article in this paper spells out today. But what is the common denominator between these apparently unrelated overturnings?

The contemporary mind, which sees even the random collisions of atoms as events within a universal framework of law, is not likely to write off such a rapid series of governmental collapses as wholly meaningless coincidence. At the very least it recognizes as background to all of them a common feeling of frustration, a deepening sense of the gulf between promise and fulfillment.

Yet within this disillusionment is a kernel of hope. As Emerson wrote, "When half-gods go, the gods arrive." This is something different from the revolutionary philosophy that preaches ruthless demolition as the necessary prelude to utopian order. It allows, in fact, for the possible arrival of a higher form of wisdom than mere expertise can furnish.

What is stirring in the present flurry of government defeats is a still inchoate desire that political leadership be more than an expedient manipulation of overlapping crises. There is a groping for principle, in however crude a form.

To look solely within material circumstances for either the diagnosis or the cure of the current spate of upheavals is worse than useless. The average citizen, no less than the beleaguered expert, increasingly perceives that to take steps to alleviate one social ill is often to intensify another—as the conflicting urgencies of the world's energy and environmental needs illustrate all too well.

There have been those who looked to the marriage of government and technology for the sorting out and solving of such interlocking dilemmas, but the computer as statesman is less credible in fact than in fiction. At the same time a wistful longing for moral character as distinct from mere political shrewdness has come increasingly into evidence. This is a helpful sign, if character is understood to include objective intelligence.

People long to have trust in their leaders, and to feel in them humane concern. There is nothing wrong with this desire, if it operates as a demand within the framework of democratic law and citizen responsibility. The danger comes when it opens the way for the demagogue and the dictator, citizen's own moral and intellectual effort to understand what is going on, to make responsible choices, to uphold the reign of law.

In general, we get the governments we earn. There is an interplay between the living ideals of a people and the leaders they choose—or reject. It is naive to suppose that there is not an influential relationship between the private citizen's sense of moral responsibility and the public servant's. Character in government is not something different from character in the office, the factory, the school, the theater, the law court, the kitchen, the ball park.

These are platitudes that leap to renewed life in the baleful glare of today's crises. Oddly enough, they are also promises that the individual citizen is not helpless before the unrushing tide of complexity and change. What he does and thinks counts in helping to determine the kind of men and women who will fill the posts of authority in government and national life.

If people mourn that the "great" leaders have passed away, it may be that the necessity of our time is to rediscover greatness in new ways of looking at experience. Charisma is not necessarily character, and charismatic leadership may be less important than the tone of a nation's living as reflected in its government.

This newspaper finds an illuminating hint in a modest statement from an earlier, less explosive age. When discussing the discriminatory laws against women in her own day, the founder of this paper, Mary Baker Eddy, pointed out that women were not helpless even then to effect the desired legal and moral changes. "A feasible as well as rational means of improvement at present," she concluded, "is the elevation of society in general and the achievement of a nobler race for legislation,—a race having higher aims and motives."

The statement is deceptively simple on the surface. But without fanfare it puts the responsibility where it always belongs—in the people from whom legitimate government draws its ultimate authority.

Nothing is gained by merely wishing for gifted leaders to do the job, but the achievement of "a nobler race for legislation"—and for the administration of government—is a responsbility which every citizen shares to the extent of his present capacity to participate in the democratic process.

This is not a moment in history when it is easy to speak of nobility. Yet beyond all the clutter of a distintegrating past stands the superb Genesis vision of man and woman created in the image and likeness of God. Either we rise to see the infinite possibilities of that divine creation or we fall among the ruins of the only destiny we deserve.

RADIO LIBERTY ASSESSES SOVIET CROP SITUATION

Mr. HUMPHREY. Mr. President, increasingly we are seeing food policy becoming one of the most important public policy issues throughout the world. With grain stocks at their lowest point in almost 30 years, consumers have become dependent on year-to-year production to fulfill current needs. The lack of a buffer of stocks to protect consumers against production shortfalls places the world in one of the most precarious food supply situations we have faced in recent history. And expectations are that production for the coming year will not be adequate to begin rebuilding food stockpiles. Therefore, the food security of consumers everywhere will be subject for another year to the vagaries of weather and the uncertainty over the availability of critical farm inputs such as fuel and fertilizer.

This situation means that all nations will be closely watching the outcome of the crops in the key producing areas of the world. And the largest and most uncertain variable in the world food supply situation is the outlook for grain production in the Soviet Union.

Information on the internal political and economic affairs of the Soviet Union and other Communist countries is sparse and most difficult to come by. Therefore, it is most fortunate that the Western World has the resources of Radio Free Europe and Radio Liberty to call upon when up-to-date assessments on the affairs of these countries are needed. The research arms of these radios have earned a place in academic and government circles around the world for complete and competent analyses of current Soviet and East European economic and political issues. As a result, Radio Liberty and Radio Free Europe have become the "first line" source of information to everyone depending on the most current data on the internal affairs of the Communist world.

A case in point is the thoughtful appraisal of the present Soviet grain situation prepared by Ms. Paige Bryan of the staff of Radio Liberty. This article, entitled "The Early 1974 Grain Outlook for the Soviet Union," represents the most up-to-date review of Soviet crop prospects I have been able to get anywhere. And because of the importance of this issue to world food security, I would like to share this paper with my colleagues. Mr. President, I ask unanimous consent that the full text of this paper be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

THE EARLY 1974 GRAIN OUTLOOK FOR THE SOVIET UNION, APRIL 29, 1974

(By Paige Bryan)

Summary: The following report summarizes the evidence and statistics promulgated to date which relate to this year's grain harvest.

Prospects for the world food harvest are naturally claiming much political attention this year. Along with the question of how to stretch world grain stocks to meet population growth in 1974 is the perturbing question of rising prices for raw materials of all kinds. The index of world commodity prices, for instance, compiled by the Economist, was up 83 percent in July 1973 over July 1972.[1] The price for wheat has tripled since 1972 and the price for soybeans has doubled. Meanwhile, the pace of inflation continues to mount in Western Europe, the US, Japan and many of the developing countries.

World food stocks appear to be dangerously low. Reserve stocks of wheat are approaching the vanishing point, partly owing to the soaring demand for meat and high-quality products in countries such as the Soviet Union, where people are becoming more affluent and can spend more of their discretionary income on high-quality foodstuffs. The disproportion between supply and demand became apparent with widespread crop shortfalls during 1971–72 in grains and other staples. The 1972 grain failure in the Soviet Union caused repercussions which pointed out the political sensitivity of a scarcity of grain. Now, despite a record world harvest in 1973, twice the increase achieved in that year must be obtained just to meet world population growth in 1974, according to the Director-General of the UN Food and Agricultural Organization.

Where does the Soviet Union fit in? The country is the largest grain producer in the world, but uses most of its grain domestically and for exporting small amounts to Eastern Europe. But the harvests there are unstable and unpredictable. For this reason, Soviet leaders were forced to order about 43 million tons of Western grain for delivery during the calendar years 1972–74, contrary to all previous trade patterns. They acquired most of the grain very cheaply, but prices began to rise immediately and US and European consumers have been paying substantially higher prices for food ever since. The Soviet purchases coincided with soaring inflation in world demand for high-quality food products and drought in the developing countries—notably India.

The big question is whether the Soviet Union will have to import grain again in the future, putting pressure on already burgeoning demands, and whether or not it may ever produce surpluses if it suddently starts achieving stable yields, as Soviet officials hopefully predict at every five-year interval. The surpluses are not likely to appear for some time, but the potential might be there in the long run. It will be several years, however, before the Soviet Union could ever store large surpluses, because it is unable to store the entirety of even average harvests. There is a good chance that the Soviet Union will keep importing feed grains and other high-protein feed crops, however, in order to fulfill its aim to produce more livestock products for Soviet citizens.

The outcome of the Soviet grain harvest this year is, therefore, a matter of vital economic and political concern. It cold play a significant role in determining the course of world trade in grain and will have a psychological, if not a direct, effect upon the trends in world grain prices. It is not likely that the Soviet Union will order further appreciable quantities of cereal grains in 1974. Early prospects are for a good harvest of between 200 and 205 million tons in terms of bunker-weight. (The sowing progress through May and June, however, will have a decisive effect on the end result.)

Information about the harvest still must be derived from sketchy meteorological reports in the press and the odd figure which pops up in the economic journals. This situation hasn't changed, according to U.S. Department of Agriculture economist Roger S. Euler,[2] since Secretary-General Brezhnev agreed with President Nixon in June 1972 to provide more detailed agricultural statistics on farm production, consumption, demand and trade as part of the joint Soviet-American Agricultural Agreement. The exact figures for the area and outputs of specific grains in 1973 are even now unavailable, which makes estimates for 1974 that much more difficult to guess. Camouflaged statistics may have helped the Soviet Union to procure cheap grain in 1972 (which shows that this is not an entirely unpolitical area), but it is unlikely that they could serve the same purpose again. It is difficult to think of any other reasons for the secrecy.

EARLY HARVEST OUTLOOK

The statistics and estimates below are based upon area figures for 1971 to 1974 and statistics from *Narkhoz 72*. They represent an attempt to derive an early idea of the gross output of winter and spring grains in the Soviet Union for 1974, compared with the results achieved since 1971.

SPRING AND WINTER GRAINS IN THE SOVIET UNION, 1971–74

Crop	1971	1972	1973	1974
Winter grains:				
Area, million hectares	30.0	24.4	27.0	35.0
Output, million tons	60.5	39.1	59.5	[1] 65–67.0
Spring grains: Output, million tons	120.7	129.1	163.0	[1] 135–140.0

[1] Estimated from comparative yields and areas for this and preceding years.

Sources: "Izvestia," Mar. 14, 1974 (1973, 1974 area sown to grains). "Narkhoz 72," pp. 325–27.

The plan for total grain production in 1974 is 205 million tons.[3] State purchases of grain are planned to reach 84.8 million tons, compared with 90 million tons in 1973.[4] The total area to be sown to grains this year is to be 3.5 million hectares larger than in 1973, which means that the total area sown to grain will reach for the first time approximately 130 million hectares.[5] The area sown to winter crops did not reach the planned 40 million hectares, which occasioned a comment by the Collegium of USSR Ministry of Agriculture, saying that the volume of spring work will, for this reason, be increased.[6] Nonetheless, as may be seen from the table above, the area sown to winter crops this year significantly surpasses that of past years.

The overall grain yield has also been "planned" for this year. It is supposed to show an increase of 7.6 percent,[7] although such a large increase over the record average yield of 17.4 centners per hectare in 1973 now appears to be out of reach.

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[1] Estimated from comparative yields and areas for this and preceding years.

Sources: "Izvestia," Mar. 14, 1974 (1973, 1974 area sown to grains). "Narkhoz 72," pp. 325–27.

Gross capital investments in agriculture will be considerably increased. Fertilizer deliveries are planned to reach over 72 million tons, according to a report in March 1974.[8] The plan was revised this spring over the 64.6 million tons stated as the 1974 plan in December 1973.[9] The March figure represents a 14 million ton increase over 1973 deliveries to the agricultural sector.[10] Total state investments in agriculture are planned to rise by 11.6 percent over the previous year. Total agricultural investments by the state and kolkhozes is planned to reach 26 billion rubles, which will constitute 27 percent of total investments in the economy.[11] Agricultural investment is obviously not showing any slack in its proportion of the total, and—although this does not assure efficiency—the acceleration of inputs is bound to have some favorable effects in raising crop yields. It is believed, therefore, that barring catastrophic developments in weather conditions, a harvest of from 200 to 205 million tons (in TsSU terms) can be reached.

WINTER GRAIN CONDITIONS

In the RSFSR, which contains the important nonchernozem, Ural and Volga grain regions, the winter grain area was expanded significantly. Overall fall and winter temperatures were rather low, reducing the level of soil nutrification. It was reported, however, that 20–30 kilograms of nitrogenous fertilizers per hectare will be applied to the winter grain to counteract this condition.[12] The entire area sown to grain in the RSFSR will be expanded by 1.6 million hectares.[13]

Winter grains in the central Volga and the central nonchernozem zones should be in fairly good shape, requiring no more than the normal resowing to spring crops, which is about 15 percent of the total winter area. There was a good snow cover in January in the northern chernozem region, although in the southern oblast of Volgograd and in the Eastern Ukraine the snow cover was thin or nonexistent, which meant that the soil froze to great depths and damaged winter grains.[14] There were no severe frosts observed in Bellorussia or the Baltic area. The worst winter and early spring conditions occurred in the Ukraine and the North Caucasus. There was little precipitation throughout the fall, a cold, icy winter with no snow and little rain throughout March. A higher percentage than usual of resowing winter crops will be required, according to *Pravada Ukrainy*.[15] It must be remembered, however, that the ratio of the corn area has been increased in the Ukraine this year, which will contribute to higher grain yields.

Kazakhstan also suffered, with about one-third of the winter area requiring resowing in the southern oblasts of Chimkent, Alma-Atinsk and Dzhambul. This was due to cold temperatures and hurricane winds in February.

Part of the reason that grain production will probably not reach last year's levels is because Kazakhstan's vulnerability to cyclically poor weather for crops has not been altered. The fluctuations in the original "new lands" areas of Kazakhstan, West Siberia and the Volga region can still lead to large losses in agricultural output. Weather conditions from January to April contain forebodings of a drought-ridden spring, which has been warmer than usual. About 70 percent of the 3.5 million hectares of grain in southern Kazakhstan have no water supplies of their own.[16] Although Kazakhstan plans to produce 26 million tons of grain in 1974, this goal may not be reached. Good harvests since 1969 have been obtained under excellent weather conditions, with the largest single discomfort of great quantities of rain. For this reason, the grain produced in 1972 and 1973 is believed to have been of very high moisture content, which means that in usable terms the harvest may have been 20–25 percent lower than reported.

SPRING SOWING CONDITIONS

Spring sowing is lagging seriously in the RSFSR. As of April 15, 8.8 million hectares had been sown to spring crops in the republic, taking into account the resowing of part of the area sown to winter grain.[17] This may be compared to 22 million hectares by this time last year (under excellent weather conditions).[18] The European part of the country is experiencing an unusually cold April—3 to 6 degrees below normal, according to meteorological reports.[19] This could reduce the yields from the spring grain area, but it is too early as yet to tell by how much. Warmer weather in early May could still allow for a generous output of grain in the republic, which has averaged about 100 m

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Footnotes at end of article.

lion tons since 1966.[20] (The plan for 1974 is 130 million tons after last year's record of 129 million tons.) [21] The sowing of spring crops in the country lagged behind last year's tempo by 2.5 million hectares as of April 17.[22] By April 24, 30 million hectares of summer crops had been sown, which is 13 million hectares less than at the same time last year.[23] The sowing in the Ukraine, however, has been almost completed.

While weather has been cold in the European part of the Soviet Union, it has been warm in the Urals as far as the Enisei and in Kazakhstan.[24] Spring sowing in these regions, in Belorussia and in Moldavia is proceeding significantly faster than last year.[25]

About 87 million hectares will be sown to spring grains and pulses, excluding corn (which could occupy about 4.5 million hectares this year). This is about equivalent to the 1971 area. Part of the delay this spring has arisen from a lag in completing equipment repairs owing to cold weather.

Sugarbeets had been sown on over half the planned area of about 3.7 million hectares by April 15. No reports had been received to that date on sunflower or soybean sowing. The production of sunflowers recovered to reach 7.7 million tons for the first time in 1973, against a 1966–70 average output of 6.4 million tons.[26] Inclement weather in the Ukraine could prevent their reaching such a level this year, however. The sunflower harvest is important to the Soviet Union as a source not only of vegetable oil but of oilseeds which are important components of mixed feed (kombikorm). This component, as well as certain meals and other additives, is not being delivered to state processing factories from farms in adequate amounts, which retards the program to improve livestock productivity. A brief account of a new incentive measure regarding the delivery of these additives in 1974 follows.

MIXED FEED INCENTIVE

An urgent mixed feed program has been initiated in the Soviet Union as part of the effort greatly to expand the production and consumption of animal protein in the country. Mixed feed consists of a balanced mixture of concentrates such as oats, barley and corn and protein additives such as oilseed meals, vitamin grass meal and others. The balanced feeding of kombikorm is much more effective in raising average liveweights than feeding larger amounts by volume of grain, hay and forage crops in unbalanced amounts. The production of this commodity will affect future imports of high-protein crops such as soybeans, sorghum, etc., from the United States and other Western suppliers.

By 1975 the plan calls for the production of 40.8 million tons of kombikorm and 1.2 million tons of important vitamin additives by government enterprises. On the kolkhozes and sovkhozes, with their own grain and additives, 7 million tons of mixed feed production is planned by 1975. This will still not meet feed requirements even if the targets are met. Nevertheless, state enterprises are encountering a lot of problems in obtaining the components to produce mixed feed, even though large enough amounts to meet planned deliveries are being produced on farms. Only about 15 percent of production is being sold to the state enterprises.[27] Part of the reason is that kolkhozes prefer to keep the additives themselves because they often cannot buy enough from the government, which sells scarce kombikorm to specialized livestock farms and sovkhozes first.

Beginning with the 1974 harvest, for every centner of grass meal delivered to the state mixed feed enterprises according to plan, one centner of mixed feed will be sold to the farms.[28] Each republican procurement ministry will have a supply of mixed feed to distribute in this way. In 1972, the same plan was announced for the sale of oilseeds to state kombikorm enterprises, to begin with the 1973 harvest.[29]

The plan seems to have helped in spurring the production of sunflower seeds in 1973, as mentioned above, and will probably be effective in obtaining greater deliveries of vitamin meals. Nevertheless, the problem is far from being solved and allusions to the real causes are scarce. It is possible that the price structure has been disproportionate for kolkhozes producing livestock and that some resistance has been purposely shown to protest the situation.

GRAIN STORAGE PROBLEMS

Finally, the problem of grain storage has a tremendous bearing upon the entire grain problem in the Soviet Union. Information on grain stocks is closely guarded, but storage capacity must limit the level of state reserves and farm stocks. The exact volume of storage space available in the country is unknown. It has been stated, however, that only about 23 percent of the country's feed grain and silage crop output was stored efficiently in 1971.[30] From 1971 to 73 grain elevator space was increased by only 9 million tons,[31] but the production of grain in 1973 topped 1971 by 36 million tons.

The present rate of construction is about 145 elevators per year, with 45,000 tons of storage capacity per elevator. Construction is extremely slow and inefficient, according to reports in the Soviet journals.[32] Goals for elevator construction in 1974 are only for 120 elevators, 6 new grain mills (capacity—2,100 tons per day) and 33 new mixed feed factories. A total of 610 million rubles is to be invested in grain storage, drying and processing facilities during 1974.[33] At this rate and cost, it is hard to see how the proposed intention to raise the construction of grain storage space to a rate of 10 million tons per year will be accomplished. According to K. Kuznetsov, representative of the USSR Ministry of Procurements, planners intend to be able to store all the country's grain efficiently within four to five years.[34]

CONCLUSION

The Soviet grain harvest is projected to show about a 17–22 ton reduction in comparison with the 1973 harvest. Winter crops must be resown on about 15 percent of the area in the European part of the Soviet Union, but possibly on more in oblasts of the Ukraine and the North Caucasus. Kazakhstan and West Siberia are not likely to produce as much grain as during the previous four years if the signs of drought this summer are confirmed.

The impact of the harvest for the world will be that the USSR will probably accept deliveries of grain ordered from Western countries in fiscal year 1973–74, but will place no substantial new orders for grain. It may import feed grains and additives, however. Grain storage problems are still severe and reflect how hard it will be for the country to attain efficiency in grain feeding and processing, even if production increases.

ADDENDUM

More recent reports confirm that up to 10 million hectares of the winter grain area required resowing because of winterkill, i.e., approximately on the same scale as in 1972. In this case, feed grains would probably be substituted for food grains. The widespread lack of moisture remains a prime source of concern, but we feel that the 200 million ton level (in TsSU terms) will still be reached.

FOOTNOTES

[1] *International Herald Tribune*, July 30, 1973.

[2] See: *Washington Post*, March 22, 1974.

[3] *Ekonomika sel'skogo khoziaistva*, No. 3, 1974, p. 4.

[4] *Izvestia*, December 13, 1973.

[5] Radio Moscow-I, 1900 GMT, April 10, 1974.

[6] *Ibid.*

[7] *Ibid.*

[8] *Ibid.*, 1900 GMT, March 7, 1974.

[9] *Izvestia*, December 13, 1973.

[10] *Ibid.*

[11] *Ekonomika sel'skogo khoziaistva*, No. 3, 1974, p. 4.

[12] *Sovetskaia Rossiia*, March 19, 1974.

[13] Radio Moscow–I, 1600 GMT, April 9, 1974.

[14] *Sel'skaia zhizn'*, January 13, 1974.

[15] *Pravda Ukrainy*, March 13, 1974.

[16] *Kazakhstanskaia pravda*, April 3, 1974.

[17] *Izvestia*, April 24, 1974.

[18] *Ibid.*

[19] Radio Moscow–I, 0230 GMT, April 24, 1974.

[20] *Narkhoz 72*, p. 324.

[21] *Izvestia*, March 10, 1974.

[22] Radio Moscow–I, 1600 GMT, April 17, 1974.

[23] *Ibid.*

[24] *Pravda*, April 18, 1974.

[25] *Ibid.*

[26] *Ibid.*, January 26, 1974.

[27] *Zakupki sel'skokhoziaistvennikh produktov*, No. 3, 1974, pp. 14–16.

[28] *Ibid.*, p. 14.

[29] *Pravda*, November 22, 1972.

[30] *Ekonomika sel'skogo khoziaistva*, No. 10, 1973, p. 13.

[31] *Zakupki sel'skokhoziaistvennikh produktov*, No. 3, 1974, p. 6.

[32] *Ibid.*, p. 7.

[33] *Ibid.*

[34] *Ibid.*

SCIENTISTS GANGING UP ON ANACONDA, LAWYER CHARGES

Mr. METCALF. Mr. President, I have long advocated the establishment of the Office of Consumer Counsel to represent the interests of the rank and file in utility rate cases, in abatement cases before State and regulatory agencies, and in environmental cases before State agencies. Skilled representation includes the ability to obtain and utilize speedy testimony and the experience necessary to cross-examine opposing witnesses.

Recently, in Montana, the Anaconda Co. asked for permission to have a variance on the air pollution standards at its smelter in Anaconda, Mont., when the board of health insisted that the Anaconda Co. adhere to the air quality standards established. Within its rights under the law, the Anaconda Co. requested a hearing. Time was set and the usual retinue of attorneys, experts, engineers, accountants, and briefcase carriers showed up to represent the Anaconda Co. and to overwhelm the board of health with testimony, legalisms, and expertise.

Lo and behold, the public witnesses were also prepared. The attorneys were experienced, the witnesses were knowledgeable and the usual bulldozer—no pun intended—did not overrun the board of health. For the first time the Anaconda Co. was faced with opposition, determined, skilled, and informed. The Anaconda Co. hollered foul. The opponents were prepared. The following story from the Great Falls Tribune is self-explanatory. I ask unanimous consent that the above story be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SCIENTISTS GANGING UP ON ANACONDA CO., LAWYER CHARGES

HELENA.—The first phase of a state hearing on pollution control at the southwest Montana copper smelter of the Anaconda Co.

came to an end Friday and charges that a band of scientists had ganged up on the giant mining firm.

The hearing on a petition by Anaconda for permission to violate Montana air-quality standards on sulfur-oxide emissions is scheduled to resume July 15 at the Smelter City that bears the company name.

"It becomes increasingly clear that there has been a concerted, well directed and well-timed attack," said Urban L. Roth, a Butte lawyer for the Anaconda Co., as the fifth day of the Board of Health hearing began Friday.

Roth objected to the remarks of many of the 16 persons who have appeared since Wednesday during the public-testimony phase of the hearing.

Earlier in the hearing, three Anaconda witnesses appeared. The mining firm had requested a recess in the hearing to gain more time to prepare arguments. More Anaconda testimony and witnesses for the state health agency will be heard in mid-July.

Roth said Anaconda was surprised to find "an army of well-prepared experts" ready to testify against the petition. He specifically objected to the testimony of four officials from the U.S. Environmental Protection Agency and the remarks of five members of the Western Montana Scientific Committee for Public Information, an organization based at the University of Montana.

Those two organizations appeared in opposition to Anaconda's petition. Roth alleged both organizations had prepared their testimony on the matter far enough in advance of the hearing to intervene through administrative channels.

He said the organizations instead chose to hide behind the guise of "public testimony" to make "self-serving statements, gratuitous remarks and editorial comments."

Roth said the organized opponents to Anaconda should have notified the firm in advance to allow lawyers for the company to prepare for cross examination and to take depositions from witnesses prior to the hearing.

Regulations set by the Board of Health require control of 90 per cent of sulfur-oxides, a byproduct of the production of 35 million pounds of copper monthly at the smelter. Anaconda officials have said the best they can do is 59 per cent control.

The health agency disagrees.

Arden Shenker, a Portland, Ore., lawyer who heads the state's legal team, defended the right of the Environmental Protection Agency to appear as part of the general public.

Shenker said the federal agency has a public responsibility to speak out and should not be criticized for performing that duty.

Mr. METCALF. Mr. President, this incident points up the need for Federal assistance and experienced and knowledgeable counsel to represent the public interest in all such cases.

SENIOR ETHNIC FIND—A PROGRAM OF VISTA

Mr. TAFT. Mr. President, it seems appropriate to me at this time to emphasize "good in Government" by recognizing a fine Federal program that is excelling in its purpose. The program, Senior Ethnic Find, was conceived by a bright, young Government worker, Myron B. Kuropas, Chicago regional director of ACTION, and is administered by VISTA—Volunteers in Service to America.

As a special tribute to the program's innovator, Myron B. Kuropas, and the volunteers, who have served so diligently to make this program a success, I ask unanimous consent to print in the Record a complimentary article which appeared in the Philadelphia Sunday Bulletin on April 14, 1974.

There being no objection, the article was ordered to be printed in the Record, as follows:

Elderly Ethnics, Poor But Proud, Get Federal Aid

Detroit.—Tucked away in ethnic pockets in large American cities are thousands of poor and disadvantaged senior citizens, many of them immigrants who do not speak English and are unaware of aid available to them.

A federally funded effort to reach and assist them is now making inroads in four midwestern cities including Detroit. The success rate is so high that the project will probably expand to other regions of the country.

The program, called "Senior Ethnic Find," was initiated in Chicago in 1972 by VISTA (Volunteers in Service to America) under Illinois sponsorship.

Since then, the program has expanded under local sponsorship to Gary, Ind., Cleveland and Detroit, and new programs are being planned in Milwaukee and Minneapolis.

MANY LEFT OUT

The program is the brainchild of Moyron Kuropas, Chicago regional director of Action, the federal agency which administers VISTA, the Peace Corps and other volunteer agencies. Kuropas had been looking for a program that could address itself to a group he felt was being ignored—white ethnic Americans.

"Being white ethnic myself," the son of Ukrainian immigrants explained, "I had the general feeling that when it came to social action programs, these people felt they had been left out, and all the programs were for so-called minorities and not for them."

The pilot program in Chicago uncovered widespread poverty among the aged. Most of the neglected elderly, it was found, were immigrants to their present environment, either from foreign nations or an entirely different rural environment. Many knew little English and many others knew none at all.

The language difficulty sparked the program's basic premises: To assist the ethnic elderly you have to speak their language.

DON'T WANT WELFARE

Each of the 58 VISTA volunteers working in the four Midwestern programs is bilingual. Most are ethnic elderly themselves.

"They are displaced people, they still feel strange in this country," said Mrs. Claire Kowalski, 56, a Polish-speaking volunteer who works in the Detroit enclave of Hamtramck, a colorful area of old world Poles, Russians, Yugoslavs and Ukrainians.

"They don't want welfare—they're above that—and they don't think other benefits like state property tax rebates on rental rebates affect them."

She recalled a case in which she helped an English-speaking woman with eye trouble find a Polish-speaking ophthalmologist.

"Sometimes they understand English but only want to verify it in their own language," she said.

CHURCHES ASSIST

The volunteers contact the elderly through a variety of church, civic and community groups, and through advertisements. Once they have been completely accepted by the community, many of their new contacts are through word of mouth.

One of the toughest chores is trying to convince the aged that the Government is not the ogre it may have been in their native land, and that they have a right to apply for food stamps or rent rebates.

"They feel like beggars taking handouts," explained Alex Rackauskas, 63, a VISTA worker in Chicago's Lithuanian community. "It's pride from the old country. Many are so grateful for just being in the United States that they would never complain."

NEEDS FACING SENIOR CITIZENS

Mr. MONDALE. Mr. President, Senator Gaylord Nelson recently discussed the needs facing senior citizens in a speech before the Wisconsin Allied Council of Senior Citizens. He emphasized that current Federal programs and budgetary priorities do not adequately meet these needs.

The problems of Wisconsin senior citizens are the same for the elderly nationwide: Low income, loneliness, lack of adequate housing and transportation, and the high cost of health care. Senator Nelson supports expanded programs for mass transit, home health care, health insurance coverage, tax reform, pension reform, liberalized retirement income credit, upgraded retirement earnings test, housing for the low-income and elderly, public service jobs, and reduced prescription drug costs.

Senator Nelson has been responsible for many changes in Federal laws that benefit the elderly. He led the legislative battle to extend public service job programs such as Green Thumb and Green Light, which give elderly citizens part-time employment. He has sponsored far-reaching proposals to reform the Federal drug law, which grew out of more than 6 years of hearings that the Monopoly Subcommittee, which he chairs, has conducted. He has led the fight for pension and tax reform. And his efforts to make the world a healthier place to live—through environmental clean-up—have been persistent and unmatched over many years.

I commend his recent speech to our colleagues, and Mr. President, I ask unanimous consent to have it printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Senator Gaylord Nelson's Remarks at the Annual Convention of Allied Council of Senior Citizens of Wisconsin, Inc.

It is indeed a pleasure to be here again, and to bring you up to date on what has been happening in Congress and the Federal Government since I appeared here 2 years ago.

Certainly, your voice has been heard consistently in Congress, and this kind of effective voice on behalf of senior citizens brings about change.

To mention a few (and I see a number of old friends here today): Dave Sigman, your program committee chairman and Chairman of the State Legislative Council, an old friend . . . Herman Luedke, your executive secretary . . . August (Augie) Gamalski, a member of the executive board . . . Floyd Lucia, who has long been active on behalf of senior citizens as a member of the State Board on Aging. I would like to pay particular tribute to the president of the Allied Council, Edward (Ed) Schroedter, who I understand is doing well, recuperating from a recent heart attack. We wish him a very speedy recovery and return to his active role as a long-time leader of Wisconsin's senior citizens. Some of your goals have been realized, some not, but the able leadership and dedication of this very group of people has had an impact.

Benjamin Franklin wrote in June 1740 in Poor Richard's Almanac:

"At 20 years of age, the will reigns; at 30, the wit; and at 40, the judgment."

Franklin, ironically, wrote that when he was only 34 years old.

We know that age places no limits on man's abilities, and, in fact, adds to his wisdom and resources. Being "over 30" is an attribute, not a liability.

Franklin, for example, who lived to age 84, became Ambassador to France when he was 70.

Interestingly enough, though, with all the great medical technology which has led to a longer life, the tendency in the western world, at least, is to "retire" earlier. I say "retire," because often this means simply a change in what we were doing, a new beginning.

In the United States, age 65 is "official" retirement age. In Norway and Ireland, it is 70; in Sweden and Iceland, 67; in Israel, it is 63 for women, 65 for men; and in Russia, Japan, Italy, Hungary, and Yugoslavia, retirement age is 55 for women and 60 for men.

While we are "retiring" people from the so-called work force earlier, we are finding that people are living longer than ever before. This means that many vigorous and productive years must be filled in a meaningful way.

Wisconsin's senior citizens are a unique lot, in that there are more of them than in most States of the union. Wisconsin citizens live to an average age of 71.22 years, according to the National Center for Health Statistics. Close to 38,000 persons are over 85. Wisconsin ranks 8th highest in the Nation in life expectancy. That says something is right about Wisconsin . . . and about growing old in Wisconsin.

About 14% of the State's total population is over 65. That amounts to about 550,000 people.

Unfortunately, a long life does not necessarily mean comfortable or happy years after "retirement." The phenomenon of prolonging life has brought with it problems in aging.

Today, in the United States, there is a net increase every day of almost 1,000 persons in the aged population. There are about 15 million Americans between ages 65 and 74. There are about 7,000 centenarians in the United States today who are social security beneficiaries. In Wisconsin, as of December, 1973, there were an estimated 165 centenarians on social security.

One very interesting statistic is that the number of those living to 75 years and over is rapidly increasing, and is expected to reach almost 35 percent of all the elderly by the year 2000.

In 1900 there were 3.1 million persons 65 or over. By the year 2000, there will be some 30 million persons over 65.

This incredible increase in life span, however, is not always coupled with the good life.

There are many problems with growing old in America, despite efforts to make these years comfortable.

Wisconsin senior citizens and the State Board on Aging tell me that the 5 major problems faced by senior citizens are low income, loneliness, lack of adequate housing, lack of transportation, and the high cost of health care.

Two years ago I stood before this group and discussed what Congress had done to improve the lot of America's senior citizens. A great many things *have* been done at the Federal, State, and local level to improve the situation, but far from enough.

Social security benefits have increased by 68.5 percent since 1969. President Nixon, while taking credit for these increases in a notice tucked into 1972 social security checks, would have increased social security by no more than 28 percent. We now see, however, that the large increases which Congress voted for social security are not enough to match inflation, despite a cost of living escalator provision.

A major step was taken to make social security increases "inflation-proof" when Congress, in 1972, adopted the cost-of-living yearly adjustments provision. For years, many of us have been advocating such an escalator clause. I supported this step more than 6 years ago. Unfortunately, the current inflation is so rapid that the adjustment has not caught up with the cost of living, despite the 20% social security increase that Congress passed in 1972 and the 11% passed in 1974. The Senate Special Committee on Aging annual report, issued May 16, 1974, says:

"Since September 1972—the effective date of the 20% social security increase—the overall cost of living has increased by 13.4%, but food has jumped 27.5%, and certain fuel oils for homes by 72.8% during that same period. The net income impact is that the 11% social security raise was already outdistanced when the elderly received their first checks reflecting this increase."

As a result, about 3.5 million of the Nation's senior citizens live below the poverty level. This includes about 100,000—or 20%—of Wisconsin's population over 65.

Other major reforms in recent years include:

Increased payments for more than 3 million elderly widows and dependent widowers;

Liberalization of the retirement test under social security;

A new special minimum monthly payment for persons with low lifetime earnings and long periods of covered employment; and

Establishment of the supplement security income program, which actually provides an income floor for the aged, blind and disabled.

More needs to be done, however. The supplemental security income program was conceived originally to provide an adequate income base so that food stamps would no longer be necessary. This was a mistake, we found, and Congress has tried, through four additional laws, to correct this flaw. The problem still exists in Wisconsin, however, and our office is exploring various approaches to insure that those with supplemental security incomes do not lose either food stamps or comparable cash payments. Wisconsin, again, is in a unique situation of having very high state income support. The problem we have in Congress is not to penalize Wisconsin for having higher than average income maintenance programs.

Other needs that Congress is considering include:

A National Health Insurance Program. No one disputes the need to make health care available to all at a price all can afford. The only question is how to implement such a system. I have always supported national health insurance. A number of approaches have been advocated, and Congress is now getting down to the business of carefully considering all of the proposals. Some form of national health insurance is likely to pass in the near future.

An independent Social Security Administration is a proposal that your organization is interested in. This approach is contained in one of the national health insurance bills (Kennedy-Mills) and is proposed in a separate bill, which also would prohibit mailing of messages with Social Security checks and provide for the separation of the Social Security Trust Fund from the unified budget. There are strong and compelling arguments in support of such a step.

Expanded medicare benefits are vitally important. I have long advocated medicare coverage of prescription drugs, hearing aids, eye glasses, and dentures. The Senate has passed a bill to extend medicare to out-patient drugs that are essential for maintenance to those with chronic illnesses. This issue will be carefully examined during the debate on a national health insurance bill.

Home health care coverage must also be expanded under any health insurance program. An amendment that I offered in 1972 and which was enacted as part of the medicare program, eliminated the requirement for 20 percent co-payment under part B Medicare.

The Senate Committee on Aging has documented that home health care cuts costs and keeps people in their homes, where they want to be. However, present laws encourage institutionalization. It is estimated that possibly 20 to 40 percent of the present population of institutionalized elderly could be maintained in the community if adequate supportive services were available. The fact is, however, that payments for home health care under Medicare actually declined from $115 million in 1970 to $69 million in 1972. At the same time, the number of home health agencies has declined. Several of the health insurance bills would expand home health coverage.

Tax reform is a major area that needs the attention of Congress. I have long advocated closing a number of tax loopholes, such as the oil depletion allowance, and strengthening the minimum tax. Money saved by such action could be used for desirable social programs and for tax relief.

Pension reform is another area that Congress is addressing. A bill containing provisions that I have advocated is now the subject of a conference between the House and Senate. It is our hope that a meaningful pension reform bill will be enacted shortly, although it comes, for many of you, too late.

The retirement income credit, which does affect you, should be improved and liberalized. As you know, social security and railroad retirement benefits are tax free, but the same is not true of Civil Service annuities. The retirement tax credit was adopted in 1954 to provide retired teachers, policemen, firemen and others in public employment with the same tax relief given social security beneficiaries. This retirement tax credit, however, has needed updating. The Senate Finance Committee, of which I am a member, approved an increase in the 15% retirement income credit on April 3. The base amount would be increased from $1,524 to $2,500 for single aged persons and from $2,286 to $3,750 for elderly couples. It is my expectation and hope that the full Senate will approve this liberalized retirement income credit in the near future.

The retirement earnings test also needs upgrading. The Senate passed an amendment last year that would raise the allowable income from $2,400 to $3,000, before social security benefits are reduced. This measure, along with a number of other social security amendments, is now awaiting conference action between the House and Senate.

The Federal housing program for low-income and elderly people must be unfrozen.

Public service job programs, and programs like Green Thumb and Green Light, which give elderly citizens part-time employment, must be extended. As chairman of the Senate Subcommittee on Employment, Manpower and Poverty, I led the legislative battle to extend these programs and have always worked for more adequate funding.

Federal assistance to mass transit must be expanded, so that senior citizens have better public transportation.

The cost of prescription drugs must be brought within reason. As you know, the Senate Monopoly Subcommittee, which I Chair, has produced some 30 volumes of hearings on the practices of the drug industry. Findings clearly show that the industry will charge what the traffic will bear. Bills that I have introduced are designed to improve drug testing mechanisms and reduce excessively high prices for drugs. These bills are now the subject of hearings before the Senate Health Subcommittee.

Above all these factors is the overriding need to clean up our environment, and to meet the problems of world resource shortages.

At a time when these kinds of social and environmental needs demand attention, it is interesting that the U.S. defense budget is higher than during wartime. With practically 60% of the federal budget being spent on military-oriented costs (including current military expenditures, veterans benefits and services, and interest on the national debt—most of it war-incurred), the average American family spends nearly $1,500 in general taxes to pay for military-related programs. This compares with $125 for education and manpower, $63 for community development and housing, and $45 for natural resources and environmental programs.

Millions of Americans live in poverty . . . drink substandard water . . . are poisoned by polluted air . . . and are malnourished.

This is no time to be increasing military expenditures and reducing social and environmental expenditures.

The administration's proposed 1975 budget for older Americans, however, would reduce funding for the older Americans act . . . requests no funding for training of personnel in the medical field of aging and would cut back research funding in gerontology . . . requests no funds for the employment section of the older Americans community service employment program . . . and continues a policy of rejecting housing programs for the elderly and the handicapped (section 202).

Congress will be assessing these budget proposals carefully.

Senior citizens have a right to expect a comfortable and rewarding life in later years.

The kind of senior power that your organization provides gives impetus to improving the quality of life in these years.

Thank you.

STEWART ALSOP

Mr. **RIBICOFF**. Mr. President, I knew Stewart Alsop well and for many years. Our paths crossed personally and journalistically. I respected Stewart Alsop, I admired him. He was a most special man; a broad gauged human being.

Stewart Alsop's writing is already a vital chronicle of three decades of American history. Broadened by the finest education and tempered by battle, his was at once a sensitive and tough view of national and world events. A view that was trusted; a view that shaped the perspective and direction of opinion from small town America to the most powerful capitals in the world.

While his desk and the best part of his beat were in Washington, Mr. Alsop reported on the concentric circles of events that flowed beyond the Capitol, beyond our frontiers. Trends and political point-counterpoint were drawn into perspective in straightforward, declarative sentences.

He wrote with the modesty of a man with doubts and questions, yet his pieces were forthright—backed by hard gotten facts and crafted with great thoughtfulness.

But for people who knew Stewart Alsop, the man transcended his work. We will remember Stewart Alsop as well for his courage and his grace as for his journalistic legacy.

Raised and educated in Connecticut, he was every inch a Yankee in his reserve and sense of tradition. Yet, his family heritage was merely the doorstep of his own generation which he described with profound insight.

Tragically, the finest measure of the man was his match with death—an inevitability which only a person of his stature, his intellect, accepts with such courage and grace. In his physical descent it is remarkable that his work reached what is generally regarded by his colleagues to be the zenith of his career.

Only a man confident of his mark on his and future generations and selfless in spirit could write, as he recently did:

> A dying man needs to die as a sleepy man needs to sleep, and there comes a time when it is wrong, as well as useless, to resist.

PETROLEUM LEGISLATION

Mr. **HANSEN**. Mr. President, this Congress is embarked on a suicidal course in the spate of legislation aimed at the petroleum industry.

My colleagues in the Senate may grow weary of hearing my admonitions but if the Congress succeeds in passing the punitive and even vindictive legislation and if these bills are enacted into law, there will be no hope of achieving any semblance of domestic energy self-sufficiency.

Regardless of what anyone may think of the major oil companies—and I understand the urgency in identifying whipping boys and scapegoats when things go wrong—every shotgun blast such as the Emergency Petroleum Allocation Act and the Energy Emergency Act aimed at the big oil companies also knocks the feathers out of about 10,000 independent oil and gas drillers and producers. And they are the ones who account for most of the domestic exploration and drilling inland in the lower 48 States.

One of these, Don Thorson who is a son of Harry Thorson, one of Wyoming's pioneer independent oil men, wrote a letter to the editor which graphically expresses the frustration of thousands of independent oil men at the attitude of Congress toward the oil industry.

In the hope that Dno Thorson's letter will warn some of my colleagues of the fallacy of their intentions to literally paralyze the exploration efforts of the independent segment of the oil industry—our only chance to solve our energy problems. I ask unanimous consent that the letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

LETTER TO THE EDITOR

The attitudes of people toward the oil companies concerning the oil shortage seems amazing until you listen to the politicians. Supposedly intelligent men such as Jackson and Stevenson make statements which could be called "rabble rousing" until you consider the political reasons for crucifying the oil companies.

How can we expect anything but a shortage when we produce 9 million barrels per day and consume 17 million? It is only because the large companies have gone overseas and produced cheap oil—and in turn held down domestic prices—that our energy costs have been so low. Many people have long advocated higher imports to reduce domestic prices to $2.50 per barrel; but if this had happened, we would probably be producing a third less oil than we are now and paying even more for imports if we could get them.

America has grown strong on cheap food and cheap fuel, and people have come to expect them as a birthright. The food and fuel producers have subsidized much of America's life of luxury and waste because the politicians were afraid to advocate realistic price programs.

The Sierra Club states that we have many wells shut in awaiting a market; but do they realize that most of these wells were uneconomic under conditions which existed three months ago? Do they realize that offshore wells capable of 2,000 barrels per day can be uneconomic because of their location?

Industry inventory is high, but represents only about a 30-day supply and much of this is unavailable because it is tied up in pipe lines.

The oil industry is criticized for increasing its profit 60 to 80 percent; but the actual percentage of investment which is seldom stated, has increased from about 6% to about 10% which is still low compared to industry as a whole. What other industry risks the millions year after year that the oil industry does? The rate of return for the best oil company in the nation is rated 235th among all industries for the twelve months ending September 30, 1973.

Drilling costs have nearly doubled the last four months. Taxes are increasing. The oil producer must give away nearly the first 25% of his production in royalties and taxes, but pay for producing it.

The oil companies are guilty of trying to make a reasonable profit which is the goal of every American industry, or they would not be in business.

Some misguided individuals advocate a national petroleum company; but when you look at what the government has done with the mail, think what they could do with the complex problems of petroleum production and marketing. Gasoline could cost a dollar per gallon instead of fifty cents.

Very truly yours,

Don Thorson.

Newcastle, Wyoming.

NIXON ECONOMIC REPORT DANGEROUSLY MISLEADING

Mr. **HUMPHREY**. Mr. President, yesterday I issued a statement in response to the President's report to Congress on "Economic Developmens and Policies."

In it I pointed out that the report is filled with "bad arithmetic, false promises, and self-serving prophecy."

I also observed that "the economic policy apparatus of the Nixon administration is in complete disarray. Each economic organization in the executive branch has a different idea about where the economy is headed and what economic policy should be pursued."

Mr. President, the optimistic White House pronouncement that they see "signs of improvement" in the economy, is incredible and misleading in view of the disastrous performance of our economy so far this year.

In hearings before my Consumer Economic Subcommittee of the Joint Economic Committee during the past few weeks, I have closely questioned Dr. Stein, Dr. Dunlop, and prominent private economists on the economic outlook for the remainder of this year. None of these witnesses shared the optimism expressed in the President's report to Congress.

The President's rhetoric on the economic outlook is dangerously misleading.

In this morning's issue of the Washington Post, Hobart Rowen has written an excellent article making many similar points. He cuts through the President's latest economic rhetoric to bear on the basic problem which we confront: How far will inflation go and how serious a recession will the Federal Reserve Board put the Nation through in an effort to bring down prices?

Mr. President, I ask unanimous consent that my statement of May 29, "Nixon Economic Policy Apparatus in Complete Disarray," and Hobart Rowen's article in the May 30 Washington Post, "How Much Inflation? How Serious a Recession?" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Nixon Economic Policy Apparatus in Complete Disarray

(Statement by Senator Hubert H. Humphrey)

The President's report to Congress on "Economic Developments and Policies" is filled with bad arithmetic, false promises and self-serving prophecy.

It is a repeat performance. We have heard it all before. The results speak for themselves.

Who can forget the similar empty promises of the past, promises of "four percent inflation" in 1973 and "no recession" in 1974. The Administration's economic forecasts long will be remembered for understating problems and overstating prospects for solving them.

The economic policy apparatus of the Nixon Administration is in complete disarray. Each economic organization in the Executive Branch has a different idea about where the economy is headed and what economic policy should be pursued.

One group is calling for a balanced budget this year, while another argues that this is impossible. One organization reports that inflation will have moderated greatly by the end of this year, while another projects a near double-digit level. And the President himself points to progress in fighting unemployment, while his top economic advisor predicts a level of up to six percent by the end of this year.

Under these conditions, it is not surprising that the President's Report and his creation of a new Economic Policy Coordinator are seen largely as cosmetic moves to indicate control over economic matters where none in fact exists.

It is obvious that this Administration really has no national economic policy. Even worse, its economic course has run hither and yon, with control and de-control phases and freezes, in a baffling array of ineffective, stop-gap measures.

As a result of the inconsistent, short-sighted and misleading nature of Nixonomics, confidence in the economy on the part of business, labor and consumers has been all but destroyed. And, without this very basic confidence, inflationary prices and high interest rates are pushed ever upward.

There is only one string on the Administration's economic fiddle—interest rates. It is relying completely on high interest rates at our banks and tight money policy at the Federal Reserve Board miraculously to cure our nation's economic problems.

But most Americans will only be hurt by this narrow policy. It certainly will not solve the basic problem of simultaneous inflation, recession and high unemployment that are drawing vitality and strength from the economy.

How Much Inflation? How Serious a Recession?

(By Hobart Rowen)

President Nixon, according to John Kenneth Galbraith, noted Harvard economist, "is in more trouble for failed economics than failed burglars." In an interview with Parade Magazine, Galbraith said that "no administration can survive" when the inflation rate hits 11.5 per cent, as it did in the first quarter.

Judging by the new White House cover-up of the real problems of the economy, Galbraith may be right.

In a radio address last Saturday, President Nixon assured the nation there are "encouraging signs today that the worst is behind us."

He went on to point out that the chief causes of inflation last year were food and energy prices, over which the administration had little control, and that these price increases had diminished and should ease further. Thus, "the storms are abating," the President said.

The only problem with this analysis is that, at best, it is simplistic and, at worst, dead wrong. The pattern of inflation in 1974 is different from the inflation in 1973, and as Cost of Living Council Chairman John T. Dunlop has indicated, might be more serious.

Just a day after the President delivered his soothing words on Saturday, Federal Reserve Board Chairman Arthur F. Burns told a college commencement that "the gravity of our current inflationary problem can hardly be overestimated." Using grim words very carefully, Burns said that the very future of the nation could be "in jeopardy" if the inflation rate did not recede. And he offered little hope of lower prices.

"The President is right and Burns is wrong," Ron Ziegler told UPI. Ziegler may later have to make that statement inoperative.

The root of the inflation problem that President Nixon failed to mention is that there are counter forces at work this year which more than make up the reduced pressure from oil and food prices (which of course are still very high).

"We are seeing in 1974 the consequences of the 1973 inflation," Dunlop told an audience of business writers a few weeks ago. "The 1973 costs are now going through the (economic) system, into steel, paper, utilities, transportation."

Beyond that, Dunlop pointed out, with the end of wage-price controls, business is not only free to raise profit margins—but many companies have raised prices in anticipation of further higher costs. Moreover, wages—freed of government restraint—will also tend to push prices higher.

Thus, argues Dunlop—and he has made the same presentation in the White House—we are confronted with a "bedrock" inflation in items that make up 69 per cent of the Consumer Price Index.

The stage is potentially being set, as Federal Reserve Board Governor Andrew F. Brimmer pointed out over the weekend, for a "cost-push phase of a renewed wage-price spiral similar to that in 1969 and 1970."

So our economic problems are far from being behind us: they lie ahead, and are likely to become more pressing before easing up.

"If 1973's inflation was made abroad (in fuel and other commodities) then 1974 inflation will be made at home," Dunlop says, "and one one thinks that this bedrock inflation is reversible because it is being built into wage rates and profit margins."

Recently, administration and private economists who had expected inflation to turn down this year and be less than 6 per cent during the fourth quarter have come to the conclusion we will be lucky if the rate then is no more than 7½ to 8 per cent. That is also the rate predicted by Treasury Secretary William Simon in an interview with the Washington Post, a forecast that would have been unthinkable a few weeks ago.

Paul H. Earl, an economist with Data Resources, Inc., estimates that the CPI, which swelled to 12.2 per cent in the first quarter, will still be rising at a 9.6 per cent rate in the fourth quarter.

Earl takes into account the end of price controls, especially in health care, construction, auto and processed food industries; continued supply shortages for critical materials like scrap metals, paper and copper; large increases in price of electricity and steel; and higher wage rates. All this outweighs the moderation expectable in petroleum and food prices, as well as the weakening of some spot commodity prices.

Nixon administration economists have consistently underestimated the strength of inflationary pressures in the economy. They misjudged the strength of the world-wide commodities boom when they junked Phase II of the wage-price effort in January, 1973—yet complain there was little they could have done to head off that part of the inflation.

Now, President Nixon talks in syrupy style of "further improvements in the economy" for the rest of the year. The real question is how far inflation will go, and how serious a recession the Federal Reserve Board will be forced to put the nation through in an effort to bring down prices.

JUVENILE JUSTICE AND DELINQUENCY PREVENTION

Mr. BAYH. Mr. President, as chairman of the Senate Subcommittee on Juvenile Delinquency, I want to bring my colleagues in the Congress and the concerned public up-to-date on the most recent legislative steps in regard to my 3-year effort to overhaul the Federal approach to combat delinquency and to provide a constructive method to deal with runaways.

On March 5, 1974, I was gratified that the Senate Juvenile Delinquency Subcommittee reported unanimously to the full Judiciary Committee my long-needed comprehensive Juvenile Justice and Delinquency Prevention Act, S. 821, substantially as it was introduced. Then, on May 8, the Judiciary Committee reported this legislation as amended, to the Senate. The committee action means that the possibility of enacting a comprehensive coordinated Federal delinquency program is closer to realization.

S. 821 provides for Federal leadership and coordination of the resources necessary to develop and implement at the State and local community level effective programs for the prevention and treatment of juvenile delinquency. The bill provides for a new centralized administration to insure coordination at the Federal level. The bill authorizes substantial grants to States, local governments, and public and private agencies to encourage the development of programs and services designed to prevent juvenile delinquency, to divert juveniles from the juvenile justice system and to provide community-based alternatives to traditional detention and correctional facilities used for the confinement of juveniles.

The bill creates a National Institute for Juvenile Justice to serve as a center for national efforts in juvenile delinquency evaluation, data collection and dissemination, research, and training.

The Institute, through an Advisory Committee on Standards for Juvenile Justice, will be charged with developing recommendations on Federal action to facilitate adoption of standards for the administration of juvenile justice.

The bill also amends the Federal Juvenile Delinquency Act, virtually unchanged for the past 35 years, to provide basic procedural rights for juveniles who come under Federal jurisdiction and to bring Federal procedures up to the standards set by various model acts, many State codes and court decisions.

The subcommittee, which I chair, held 10 days of hearings and heard 80 witnesses on S. 821 and S. 3148, a similar bill which I introduced in the 92d Congress. These hearings demonstrated the need for comprehensive changes in Federal juvenile delinquency programs combined with assistance to States, local governments, and private agencies to prevent delinquency and to provide community-based alternatives to juvenile detention and correctional facilities.

The bill has been endorsed by the National Council on Crime and Delinquency, the National Council of Juvenile Court Judges, the American Parents Committee, the Boys Clubs of America, the Girls Clubs of America, the American Federation of State, County, and Municipal Employees, the National Congress of Parents and Teachers, the National Executive Committee of the American Legion, the National Legal Aid, and Defender Association, the National Federation of Jewish Women, the National Association of State Juvenile Delinquency Program Administrators, the National Association of Social Workers, the Family Service Association of America, the National Governors Conference, the National League of Cities and U.S. Conference of Mayors and many others concerned organizations. The support of these concerned groups demonstrates that the passage of S. 821 would represent a vital contribution to the well-being of the youth of our nation.

I must share with you my disappointment that S. 821 as amended and reported by the Judiciary Committee place the program in the Law Enforcement Assistance Administration rather than in the Department of Health, Education, and Welfare as envisaged by my bill. The Juvenile Delinquency Subcommittee had concluded after careful study and investigation that the Department of Health, Education, and Welfare was the best place to locate a program to provide leadership in preventing delinquency and diverting youth from the juvenile justice system due to its expertise in the related areas of health, education, and other programs of social rehabilitation. There are other aspects of S. 821 as amended, particularly provisions concerning the operation and administration of the program, which I hope can be strengthened through perfecting amendments on the floor. Nevertheless, the bill as reported retains the program goals of S. 821 and brings us closer to the enactment of a measure that will provide essential programs for delinquents and youth in danger of becoming delinquent.

I am also pleased that the House of Representatives Subcommittee on Equal Opportunities of the Education and Labor Committee which has jurisdiction over H.R. 6265, the companion bill to S. 821, is completing its study of the legislation. I gave testimony in support of this bill and the Runaway Youth Act, S. 645 and its companion measure H.R. 9298, which is under the jurisdiction of the same committee. The Runaway Youth Act, S. 645, which I originally introduced in the Senate in 1971, has passed the Senate twice, once in 1972 and again in June of 1973. The Runaway Youth Act would provide Federal assistance to local groups to establish temporary shelter-care facilities and counseling services for transient youth, a long neglected group. I was impressed by the understanding of the members of the House subcommittee of both the runaway and delinquency problems and am confident that this subcommittee will be reporting this legislation soon.

I am gratified by the support expressed for legislation to help children in trouble from concerned individuals and organizations in all parts of the United States. I am particularly appreciative of the dedicated citizens in my home State of Indiana, who deal with the problems of providing justice for juveniles on a daily basis and from whom I have learned much about what still needs to be done by the Federal Government to meet the needs of our youth. I urge my colleagues in Congress to act expeditiously to provide the Federal leadership and resources so desperately needed to deal with juvenile delinquency. By enacting the Juvenile Justice and Delinquency Prevention Act, we will contribute significantly to the safety and well-being of all of our citizens, particularly our youth.

NATIONAL PEST CONTROL MONTH

Mr. DOLE. Mr. President, June is National Pest Control Month. This month has been singled out to honor the contribution the members of the pest control industry make to the protection of the health and property of all Americans.

The men and women of this industry do much to make our lives more healthy and secure. They treat our homes for crawling and flying pests which carry and transmit disease. They wage war constantly on rodents and other vermin which infiltrate our homes, businesses, and agricultural storage facilities. They service the restaurants, grocery stores, and other places where our food is sold and served. And they counteract the costly and damaging effects of termites which strike five times as many American homes each year as fire.

Members of the National Pest Control Association and the many State pest control associations submit themselves to a meaningful code of ethics and continually update their skills to participating in voluntary education and training programs for themselves and their employees. The National Pest Control Association has distinguished itself by a cooperative effort with the Environmental Protection Agency to achieve successful implementation of the new Federal Environmental Pesticide Control Act. In addition, National Pest Control Association has an active consumers affairs department which keeps the public informed on how to protect its health and property.

I ask the Senate to join me in recognition of the valuable role the members of this industry play in giving all Americans a healthier and more pleasant way of life in their homes and work environments.

OIL PROFITS CONDEMN INDUSTRY STRUCTURE

Mr. CHILES. Mr. President, I would like to bring to the attention of the Senate some very noteworthy facts concerning the oil crisis and profitmaking record of the large petroleum corporations during the last quarter.

For years, oil corporations have practiced "Dollar Diplomacy" abroad. Now that a similar scheme is being perpetrated on the American people, I think that Congress should take a forceful stand to rebalance huge oil company profits against the interests of the American consumer.

Mr. President, I am not alone in my feelings.

On April 23, Mr. Fred Hartley, the president of Union Oil Co., testified before a Subcommittee of the Joint Committee on Public Domain in California that the price of new domestic crude oil should be cut in view of the considerable profits announced by the major oil corporations—including his own company, Union Oil.

Recent studies have disclosed so many problems with oil pricing that to list them all would fill this Record.

But let us consider the fact that new oil produced from new wells or increased production from wells already in operation before March 1972 sells for about $9.50 a barrel. Under Federal price regulations old domestic oil sells at about $4.50 a barrel.

The differential was designed to give oil companies an incentive to develop new domestic sources of oil.

Instead, according to Mr. Hartly, new oil prices have risen so far and profits have risen more than needed as an incentive for more exploration while the increases have been passed along to the consumers.

This is a critical point that should not escape any of us in light of the statistics recently released by the major oil corporations showing startling increases in profit levels. According to the Wall Street Journal, April 24 edition, the following companies experienced gains in profits and revenue.

EXXON CORP.

First quarter profits rose 39 percent. Exxon's net rose to $705 million from $508 million. Revenue, including excise taxes and duties, increased 59 percent to $9.95 billion from $6.24 billion a year earlier.

TEXACO

The $589.4 million in first quarter profits, up from $264 million, an increase of 97 percent, the sharpest increase of the six major oil companies. Revenue rose to $4.92 billion from $2.49 billion. Texaco also stated that nonrecurring crude inventory profit accounted for $258 million or nearly half of its first quarter net.

GULF OIL CORP.

The 76 percent increase in first quarter profits and a 114 percent increase in revenue to $4.52 billion.

PHILLIPS PETROLEUM

The country's tenth largest oil company reported first quarter earnings of $108.6 million up from $43.4 million. Revenue nearly doubled to $1.15 billion. Phillips attributed its improved earnings to a 6-percent rise in its crude prices, and higher world chemical sales.

ATLANTIC RICHFIELD CO.

The company earned $93.9 million in the quarter compared to $50.3 million for the first quarter of last year.

CITIES SERVICE

First quarter net income of $68.8 million compared to $36.8 for the same period last year. Revenues totaled $703.2 million, up 34 percent from the first quarter of 1973.

OCCIDENTAL PETROLEUM

A spectacular increase in profits that soared 718 percent to $67.8 million from $8.3 million for the first quarter last year. Revenue rose 96 percent from $681.4 million to $1.33 billion. The company said first quarter increases were mainly due to sharp price increases reflecting unusually high demand, particularly for crude oil, coal and agricultural chemicals and fertilizer.

COMMONWEALTH OIL REFINING

First quarter earnings soared 457 percent, from $2.8 million to $15.6 million. Revenue surged from $91.1 million to $298.5 million, 228 percent.

STANDARD OIL OF INDIANA

First quarter earnings of $219 million, up 81 percent from $121 million a year earlier. Indiana Standard's domestic earnings were up 34 percent to $126 million, while the company's total revenues rose 55 percent in the quarter to $2.278 billion.

I find the Nation confronted with the simple question—Where do we go from here?

Do we go into a shell of silence until another shortage occurs?

Do we generate heat and motion until the more vocal critics become distracted by other events?

Or do we move with measured steps toward a return to reason in the oil marketplace?

As the president of Union Oil has suggested, a strong congressional action to roll back crude oil prices is an immediate step to return to reason.

But—this can only be a holding action until we see our way clear to institute some far-reaching reforms. Mr. President, I subscribe to the concept and practice of a free enterprise market place economy. I agree with the theory of profit motivation to inspire innovation; improvement and capital investment to increase productivity and increase the value of the consumers' dollar.

In this context, the outlandish profits realized during the first quarter can in no way be characterized as "business as usual." I think those kinds of profit percentages raise the ghost of monopolistic practices. They tell a damning story about the structure of our economy. There is something drastically wrong with the structure of the petroleum industry and its business practices.

Nobody thinks the modern American economy can look like an economist's perfect competitive model as envisioned by Adam Smith. It never has, even back in the pre-Civil War days and it certainly does not now. We are in for a mixed economy of some sort.

But the oil crisis has made us face up to the turning point issue because we cannot leave the American consumer at the mercy of the large corporations.

Do we move Government control and nationalization of the industry or do we move to restructure it so that we have some marketplace behavior protecting the American consumer?

I believe this is the issue which has to be effectively dealt with if we are to return to reason on gas prices.

"Reasonable monopoly," said Henry Simon, the noted economist, "is a contradiction in terms. There can be no such thing." Events of the first quarter cause me to nod in some agreement with Mr. Simon, although I find his ultimate conclusion of Government incorporation of all private corporations too drastic.

Government can influence business and should.

The Federal Trade Commission regulates the kind of advertising business may do.

The Securities and Exchange Commission regulates its practices in issuing securities.

The Federal Reserve controls the terms on which it can borrow money from the banks.

Federal law establishes the minimum wages of workers and determines that business must deal with certain labor unions. Through its income tax, Government takes half of all business profits and in effect prescribes what kind of accounting procedures must be followed. On the vast amount of contracts, nearly $60 billion in 1970, it sets elaborate standards of performance and specifies that business cannot discriminate amongst employees on the basis of race, creed, color or sex.

If business registers the huge profits, as the oil companies did in the first quarter this year, it is no easy matter to impose some sort of inhibiting Government controls so that consumers are protected. This price we pay downstream in terms of a supporting Federal bureaucracy will be borne by generations of consumers.

I believe we must move to restructure the industry so that competition and marketplace forces once again come into play.

In the meantime, I have seen reports in the media where some oil company executives have labeled Congress vindictive for even considering legislation to regulate oil profits. Mr. President, if its vindictive to expect oil corporations to be fair to consumers then this Congress should be vindictive. If it is vindictive to deplore 700-percent increases in profits at a time when inflation has already diluted the average wage earners wages then I consider being vindictive a compliment to this Congress.

Mr. President, I would like to ask unanimous consent that the San Francisco Chronicle article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

> OIL EXECUTIVE URGES PRICE CUTS IN CRUDE
>
> SACRAMENTO.—The president of Union Oil Co. said yesterday that big oil company profits show that the price of new domestic crude oil should be cut.
>
> "I think the incentive is currently greater than required and that the oil company profits that are being announced this week—our company included—verify that," Fred Hartley told the crude oil pricing subcommittee of the Joint Committee on Public Domain.
>
> He said under federal price regulations, old domestic oil sells at about $4.50 a barrel. But new oil—produced from new wells or increased production from wells already in operation before March, 1972—sells for about $9.50 a barrel.
>
> The differential was designed to give oil companies an incentive to develop new domestic sources of oil, Hartley said.
>
> But he added that since new oil prices have risen so far and since the increases are passed along to the consumers, profits have risen more than needed as an incentive for more exploration.

CURRENT U.S. POPULATION

Mr. PACKWOOD. Mr. President, I would like to report that, according to current U.S. Census Bureau approximations, the total population of the United States as of Saturday, June 1, 1974, will be 212,213,275. In spite of widely publicized reductions in our birth and fertility rates, this represents an increase of 1,472,684 since June 1 of last year. It also represents an increase of 155,277 since May 1 of this year—that is, in just 1 short month.

Over the year, therefore, Mr. President, we have added the equivalent of three cities larger than Atlanta, Ga. And in just the last month, we have added more than enough people to fill three cities the size of Champaign, Ill.

RURAL RAIL PRESERVATION

Mr. MONDALE. Mr. President, a recent editorial in the St. Paul Pioneer Press discusses the rural rail preservation bill, S. 3438, introduced by myself, Senator HUMPHREY, Senator SCHWEIKER, and Senator CLARK on May 2, 1974. The bill places a 2-year moratorium on railroad abandonments pending completion of State and local programs to effectively utilize Federal rail service continuation grants. The bill also mandates a comprehensive study of the impact of branch line abandonments on our Nation's economic, social, and environmental requirements and to provide Federal assistance to continue service along essential lines which would otherwise be discontinued.

As noted in the editorial:

> Lacking an overall transportation policy, America has bumped along with deteriorating rail service being gradually replaced by bigger and bigger trucks. Fuel problems last winter pointed up one of the problems in-

herent in a nation dependent on high-energy highway transportation.

Railroads, for their part, have been attempting to "streamline" operations by abandoning low-revenue branch lines. Proposed abandonments have to be cleared by the Interstate Commerce Commission. The ICC has approved more than 97 percent of the abandonment requests it has heard. The ICC has been guided exclusively, it seems, by the railroads' financial claims and has not considered the effects of abandonments on the rural areas served—or once served—by the affected branches.

It is because of the effects on rural America that we proposed this bill in the form of amendments to the Rail Service Act of 1973. Although the amendments were adopted by the Senate, they were, unfortunately, dropped from the bill during conference with the House.

I ask unanimous consent that the editorial from the St. Paul Pioneer Press of May 21, 1974, be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Rail Abandonment Study

Senators Humphrey and Mondale are trying to hang a Stop-Look-Listen sign on the nation's railroads. And it's about time.

The Minnesota Democrats have introduced a bill in the Senate that would impose a two-year moratorium on track abandonments. During the two-year period, there would be a thorough study of the effects of abandonment and federal assistance would be provided to keep open essential lines that were scheduled to be closed.

Lacking an overall transportation policy, America has bumped along with deteriorating rail service being gradually replaced by bigger and bigger trucks. Fuel problems last winter pointed up one of the problems inherent in a nation dependent on high-energy highway transportation.

Railroads, for their part, have been attempting to "streamline" operations by abandoning low-revenue branch lines. Proposed abandonments have to be cleared by the Interstate Commerce Commission. The ICC has approved more than 97 percent of the abandonment requests it has heard. The ICC has been guided exclusively, it stands by the railraods' financial claims and has not considered the effects of abandonment on the rural areas served—or once served—by the affected branches.

The Mondale-Humphrey bill, known as the Rural Rail Preservation Act of 1974, once was an amendment to the Passenger Rail Service Act of 1973, but was lost in the House of Representatives. Surely, the events of the last 12 months should give it a better chance as a separate bill this time around.

Last year the rail system "broke down" when called upon to move crops to market. Sen. Humphrey said, "and with this year's (expected) sharp increase in production, I fail to see how we will move the crop." Mondale noted that in the last three years alone, rail abandonments have resulted in the loss of 7,800 miles of track to rural communities.

Abandonment proceedings are in a sort of moratorium now because of a Federal Court order requiring the ICC to start producing environmental impact statements before approving abandonments. The Humphrey-Mondale bill would formalize this, require an overall study of this one important phase of American transportation and, hopefully, point the way to a long-term solution to the problem of rural rail service.

THE GENOCIDE CONVENTION: IN OUR BEST INTERESTS

Mr. PROXMIRE. Mr. President, the Genocide Convention was the first human rights treaty passed by the United Nations. The United States was one of the prime supporters of this treaty, yet we have failed to ratify it.

It has been questioned whether or not a human rights convention is the proper use of the treatymaking power granted in the Constitution to the President and the Senate. Fortunately, this question has been resolved.

The Special Committee of Lawyers of the President's Commission for the Observance of Human Rights Year 1968, commonly called the Clark Committee, issued a report in October 1969 that dealt with the issue of U.S. ratification of human rights treaties. They concluded that—

> Treaties which deal with the rights of individuals within their own countries as a matter of international concern may be a proper exercise of the treaty making power of the United States. This conclusion is supported by the past treaty making practice of this country.

The most important criteria to judge whether the Senate should ratify any treaty is whether it is in the best interests of the United States. By ratification, the United States stands to improve our international relations and give an impetus to the prospects for world peace. The treaty is in the best interests of our country since with a determined stand against the crime of genocide by the U.S. chances of genocide occurring will be reduced and will help in preserving world peace.

Mr. President, I urge the Senate to ratify the Genocide Convention.

SCHOOL BUS SAFETY: LOCAL INITIATIVE NEEDED

Mr. PERCY. Mr. President, despite widespread demands for expeditious Federal action, the problems of hazardous design and unsafe operation of school buses are still with us. In previous remarks on the Senate floor, I have urged the National Highway Traffic Safety Administration to issue, not more proposals or notices of postponed proposals, but the concrete standards that are so essential to the safety of our children. Yet, each day NHTA's delay becomes more conspicuous.

In this regard, James Morrison, an excellent free-lance writer, has penned a most constructive article, entitled, "School Bus Safety: There Is Something You Can Do." It appears in the April, 1974, issue of "Media and Consumer"—which is fast becoming one of the most outstanding compendiums of original topical writing on matters of importance to all consumers. Not willing to wait out the long delays on the Federal level in meeting school bus safety problems, Mr. Morrison intended the article "to explain enough about school bus safety to do something about it in your area."

The article points up the flimsy construction of school bus bodies as "little more than a sheet metal box bolted to a truck chassis." It is further reported that 90 percent of all injuries incurred in school bus impact accidents are caused at least partly by unsafe seat construction. Upon impact, either the seats rip out of the floor, or heads, necks, and chests are sent flying into the metal railing of the seat directly in front. These criticisms have been repeatedly raised, but keep falling on deaf ears.

Most incisively, Mr. Morrison strongly suggests that school administrators take direct initiative: First, to train and carefully superintend drivers and, second, to insure proper maintenance and safe operation of school buses. He points out:

> Nearly two-thirds of all school bus-related fatalities occur outside the bus when children are struck by passing vehicles or the bus itself. (Yet), few school districts give instruction on safe loading and unloading. . . .

I was appalled to read that one 22-year-old operator in New York had four accidents, a license probation, two speeding convictions, one other motor vehicle conviction, and a police warning on his record—yet he was hired to drive a school bus.

The article closes with an extremely helpful section entitled "25 Questions To Ask About School Buses." The questions will aid the concerned school administrator or parent in pinpointing safety problems with local school bus operation.

District 19 in Illinois and other entities around the country have already taken decisive steps towards the goal of safer school bus transportation. I wholeheartedly encourage other responsible leaders on the State, county, and district level, to follow this lead.

Mr. President, because I believe that local initiative to alleviate the hazards of school buses is so impotarnt to safeguard young children from injury and death—particularly in the absence of decisive leadership by Federal administrators—I ask unanimous consent that the Morrison article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

School Bus Safety: There Is Something You Can Do—What Difference Does It Make?

(By James Morrison)

On Oct. 30, 1973 at 6:45 p.m. nine-year-old Jeffrey Kaiserman of Skokie, Ill. was delivered to his home by a privately-operated, contract school bus. The term "school bus" is used rather loosely here, since this vehicle could not pass the state school bus safety inspection. It carried a truck safety inspection sticker. And, since it was not technically a school bus, the warning light system, by state law, had to be disconnected.

It was, however, still allowed to carry students to and from school because this particular bus was contracted directly by a private school. Thus, it did not fall explicitly under state regulation. Since this bus operation was not state regulated, the driver was not required to have a state school bus driver's certificate. In fact, this particular driver did not even have an Illinois driver's license. If he had had a state certificate he would have had to pass a test covering, among other things, proper stopping and unloading procedures. Since this was not required of him, he was not even aware there were such procedures.

This probably contributed to the fact that he stopped his non-lighted, non-school bus on the wrong side of the street. Of course, Jeff Kaiserman should have known how he and the bus driver are supposed to work together to ensure that he gets safely across the street, but since neither of them had ever been told how to do it, it is understandable that as Jeffrey Kaiserman, age 9, ran from behind an unlighted "school bus" across the street from his home, he was struck by a speeding taxi. He died a few minutes later in his father's arms.

Is your local school bus operation an accident looking for somewhere to happen? Do you know what the safety record is? Are the buses in use modern and well-equipped or ancient, creaking hulks? Is the system well-administered? Are the buses well-maintained? In short, just what is your child being exposed to every time he or she climbs on that school bus? You trust the people who drive your child to and from school, but should you?

Concerned citizens all over the country are asking themselves these questions, and many are finding that things are not as they should be.

Some are getting results in setting the situation right. Not many, but some. The ones who have been successful have taken the trouble to learn what the issues are and have committed themselves to doing something.

The intent of this special feature is to explain enough about school bus safety to allow you to do something about it in your area.

HAZARDOUS DESIGN: SOME ANTIDOTES

A school bus is a spartan vehicle. It has no frills, no luxurious appointments, little in the way of creature comforts and almost nothing to protect its passengers in an accident. School buses are built for economy. The idea is to carry as many passengers as possible (66 is normal capacity) with the least possible investment, and in this, at least, they excel.

The typical school bus is little more than a sheet metal box bolted to a truck-chassis. The seats are designed more for longevity in the face of hard use by active (and sometimes malicious) children than for either comfort or safety. A normal school bus seat is covered with semi-slick, switchblade-resistant vinyl, has a kick-proof sheet metal back and an exposed chrome rail frame to protect easily damaged upholstery borders. The whole assembly is bolted to a sheet metal floor.

The school bus body is made of sheet metal panels riveted together and to a support frame in a manner akin more to the way siding is put on a house than to the way the skin is attached to an airplane. An airplane's body panels serve as an integral part of the structure, while a school bus's skin seems to do little beyond keeping the weather out.

In vehicle accidents, injuries do not necessarily occur because the vehicle hits something. More often, injuries occur because the vehicle stops suddenly. Experts estimate that over 90 per cent of all injuries in school bus impact accidents are caused at least partly by seats.

The classic solution for preventing this kind of injury is to pad places that are likely to be hit by flying people and to keep people from flying by restraining them with seat belts.

Yet, seat belts have not been adopted in school buses for several reasons. First, seats currently in operation would not be able to do their job because the seat anchors themselves are not strong enough to take the stress of a full-fledged emergency. They rip out of the floor. Also, in many current buses, even if the passenger were constrained by seat belts, his or her head, neck and even chest could still hit the exposed frame of the seat in front. Therefore, for a total passenger restraint system to be effective, it would have to include reinforced seat anchors, stronger floors, stronger seats and padded, higher seat backs (28 inches versus the current 22 inches) to give protection in both front and rear collisions, plus padded aisle-side arm rests for protection in side crashes.

School bus manufacturers contend that all of these safety features are already available at somewhat higher cost but that nobody is buying. It seems your child is riding in the bus furnished by the low bidder.

The typical school bus costs about $10,000, and the added cost of stronger bodies, seats, seat belts and padding is estimated to be about $1,500. This works out to about $3 per child per year.

PROPER ADMINISTRATION IS ESSENTIAL TOO

If a bus never runs into anything, its crashworthiness becomes somewhat academic. But buses do run into things and children are injured on school buses. Why? The following examples should point out the effect school administrators can have on school bus safety.

The probability of serious injury in an accident is many times higher for standing passengers than for seated ones. If administrators do not choose routes in such a way that every passenger is assured of a seat, then the bus system is dangerous by definition.

Nearly two-thirds of all school-bus-related fatalities occur outside the bus when children are struck by passing vehicles or the bus itself. Few school districts give instruction on safe loading and unloading procedures to children themselves.

In many states, buses that are operated by private schools or contracted directly by parents are not bound by the legislated safety rules and can operate standard equipment driven by uncertified drivers.

School-bus drivers in some states can be as young as 16. Many states have no upper age limit for drivers, nor do they require regular medical checkups. Pay is low and reflects the low esteem for the job.

Since school-bus driving is a part-time job, almost all drivers are housewives or shift workers, often with little or no prior experience driving anything larger than a family car and no license other than a normal operator's permit before being hired. Elementary training is often all that's given and turnover is high. A study of New York school bus accidents uncovered drivers with "notoriously bad driving records." For example, one 22-year-old man with four accidents to his credit, a license probation, two speeding convictions, one other motor vehicle conviction and a police warning was hired to drive a school bus.

Approximately 203,000 school buses were recalled during a 1970 DOT field survey of bus safety. Most of the defects were discovered because they caused accidents, but most of the problems, even though they were design deficiences, should have been discovered much earlier had even a cursory preventive maintenance program been in effect.

What this boils down to is that proper or improper administration can have a tremendous effect on safe school bus operation.

STANDARDS AND LEGISLATION: NO RUSH TO ACTION

The National Highway Traffic Safety Administration has responsibility for establishing and enforcing federal safety standards for vehicle manufacturers and state highway programs. The latter is to insure that state highway programs are consistent with each other and that each state passes and enforces minimum standards of safety. To date, 19 highway safety program standards have been issued dealing with such things as driver licensing, vehicle inspection programs, police traffic services and, most recently, pupil transportation safety. They are laws and, as such, carry a penalty for noncompliance. If a state does not carry out the provisions of the standards within the specified time, it can lose 10 per cent of its federal highway funding. To date, this enforcement has been used only once and that was against Vermont for not being vigorous enough in implementing the Highway Beautification Act.

NHTSA's issuance of Highway Safety Program Standard 17, Pupil Transportation Safety (or simply Standard 17 as it is known in school bus circles) in May 1972 was a landmark event for school bus safety proponents. Standard 17 specifies minimum standards for equipment appearance (color, warning lights, signs, etc.), state program administration, driver selection and training and equipment maintenance.

Basically Standard 17 has the following provisions:

1. All safety standard legislation will apply to all vehicles that are used exclusively to transport pupils to and from schools. This means that school buses contracted by private and church schools must now use the same standards as public school buses.

2. All school buses must be painted National School Bus Glossy Yellow and have standard warning light systems and external markings. This provision is intended to give drivers of other vehicles instant recognition of school buses regardless of what state they are in.

3. Each state must have a single agency responsible for administering, enforcing and reporting on school bus operations. The responsibilities of the state agency include ensuring that drivers are properly trained and certified, that pupils receive safety and emergency evacuation instruction and that routes are planned so that there are no standees.

4. Maintenance standards, including daily pre-trip inspections, must be developed and enforced.

The school bus community was first informed of the scope of what became Standard 17 in June 1970. Thirty drafts later it appeared in the May 6, 1972 Federal Register, becoming law 30 days afterwards. It was revised to allow certain deviations for public transit buses used as school buses, and reissued in May 1973. After all this notification, the states were given until September 1977 to implement it. To date, not a single state has brought their program up to the Standard 17 minimums.

It is also the responsibility of the NHTSA to issue standards for school bus construction, but it has not acted. A comprehensive auto safety bill (H.R. 4187), currently before the House Commerce Committee, includes provisions on school bus construction. H.R. 4187 does not define school bus construction standards, but rather would force the Department of Transportation to issue a standard within a year after passage by Congress. According to the office of Rep. Les Aspin (D-Wis.), one of the bill's authors, passage is expected this session.

But even if H.R. 4187 is passed, it will be a long time before we see safe school buses on the streets. It would take at least 10 years before new buses would be in universal service because school buses last a long time and are replaced slowly. Important as it is, legislation, then, is not the place to look for quick action.

What can be done now is to encourage local school districts to refurbish old buses and buy new buses with safety options.

25 Questions To Ask About School Buses

How does your local school bus system stack up? The answers to the following questions may give you insight into the safety of your local operation:

1. What is the licensing requirement for school bus driver? Is it a state or local regulation?

2. What exceptions are allowed in licensing requirements (learners' permits, who is carried in the bus, etc.)?

3. What background checks are made on driving, health and employment records?

4. What training is given in bus operation? Who gives it? How was the course devised (Standard 17 sets 40 hours of classroom training as the minimum)?

5. What training is given in emergency and first aid procedures?

6. How often are re-tests required?

7. What is the turnover rate for drivers? Is it high? What would help?

8. What is the procedure for reporting school bus accidents? When do injuries not have to be reported?

9. What action is taken when a driver gets a traffic citation? When a driver has an accident?

10. How old are the buses? What renovation, if any, has been done?

11. What optional equipment do they have?

12. Do the buses have seat belts, energy absorbing seat backs, stanchions and reinforced seat anchors? Why not?

13. What is the legal requirement for safety equipment (first aid kits, fire extinguishers, flares, reflectors, etc.)? Who checks that the equipment mounted in such a way that it is not a hazard itself?

14. Does the maintenance program include daily pre-trip checks by drivers for critical safety items?

15. Are exhaust emission levels checked regularly? Can carbon monoxide leak into the bus body?

16. What does whoever is in charge think of Standard 17? H.R. 4187? (If they don't understand this question, then you will have a good indication of their concern with school bus safety).

17. If the bus company is a contract operator that underbid the competition, where did this company save money that the others couldn't?

18. What instruction is given to students in emergency procedures? How often? Do monitors ride buses with the students?

19. Are standees allowed? What steps are being taken to eliminate them?

20. How are school bus mechanics certified?

21. Is there a central authority for school bus operations in the state? How effective is it?

22. Are school bus regulations being enforced? What are the penalties for non-compliance?

23. Will the state be in compliance with Standard 17 soon, or will it take until 1977?

24. What are the maintenance standards for equipment? How are records kept?

25. Who checks to see if maintenance is done? How often?

SENATOR CHILES DISCLOSES INCOME TAX RETURN AND FINANCIAL STATEMENT

Mr. CHILES. Mr. President, when I came to the Senate in 1971, I adopted a policy of making public my financial statement so that anyone who desired could be aware of my financial interests and could utilize that information in judging my performance as a Senator.

I felt then—and do now even more so—that such personal financial disclosure by public officials would help gain and maintain public confidence in the integrity of those in positions to conduct the people's business. To that end I have sponsored legislation to require financial disclosure by elected Federal officials, major appointed officials, and many Federal employees. I hope that a disclosure bill will be approved by Congress soon.

At this time I am again submitting a statement of the financial status of my wife and myself. I am this year also making public the joint income tax return of my wife and myself for 1973. This decision was not made lightly, for the privacy of Federal income tax returns has long been considered one of our most cherished and inviolate individual rights; but weighing heavily in my decision was the hope that it might further contribute to restoring public confidence in congressional integrity.

Therefore, Mr. President, I ask unanimous consent to have printed in the RECORD the statement of financial status for my wife and myself, compiled as of February 1974, and the joint income tax return for Mrs. Chiles and myself for 1973.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., May 28, 1974.

Hon. FRANCIS R. VALEO,
Secretary of the Senate,
The Capitol,
Washington, D.C.

DEAR MR. SECRETARY: My purpose in writing this is to send to you a copy of the joint income tax return filed by my wife and myself for the year 1973 and a statement of financial status. This statement includes holdings and liabilities and is compiled as of February 1974.

ASSETS

Cash in checking and savings accounts approx., $2,600.00.

Stocks and other securities (See Schedule A).

Real Estate (See Schedule B).

Miscellaneous Assets (See Schedule C).

LIABILITIES

Accounts payable, $350.00.

Notes payable, $96,000.00.

Most sincerely,

LAWTON CHILES.

SCHEDULE A.—STOCKS AND OTHER SECURITIES

Unlisted securities:	*Shares*
Lake Bonny Properties, Inc. (⅓ equity)	875
Industrial Development, Inc	5
Wild Animal Kingdom	500
Over-the-counter stock:	
Lake First Mortgage Corp. (⅓ equity) less liabilities	4, 728
Founder's Financial Corp	22, 223
Hardwicke Companies, Inc	5, 000
Listed securities:	
American Telephone and Telegraph	200
American Home Products	100
Marcor, Inc	1, 020

SCHEDULE B.—REAL ESTATE

The Colonial Building, 910 South Florida Avenue, Lakeland, Florida. Completed August 1966, 6 units, 5000 sq. ft. Lot—100'x 135', ½ ownership. Mortgage—$42,079.11.

Red Lobster Inn, Lakeland, Florida. Completed January 1968, with addition November 1968. Mortgage—$155,193.63.

Red Lobster Inn, Daytona Beach, Florida. Completed June 1969. Mortgage—$212,187.40.

Red Lobster Inn, Tampa, Florida. Completed June 1969. Mortgage—$130,338.05.

Red Lobster Inn, St. Petersburg, Florida. Completed October 1969. Mortgage—$215,098.11.

Secondary financing obligation on two of four units.

From the above properties I received an income of $66,346.69 in 1973.

Manatee County, Florida Property. An undivided ½ interest in the N.W. ¼ of the S.W. ¼ of Sec. 34, Township 34 South, Range 18 East. 40 acres in submerged land in Manatee County, Florida.

Real Estate mortgages receivable:

James I. Black, Jr. et ux. 16⅔ ownership.

Assets: Real estate.

Residence: 904 Lake Hollingsworth Drive, Lakeland, Florida. Mortgage—$32,949.52.

Residence: 3807 North Woodstock Drive, Arlington, Virginia. Mortgage—$56,029.60.

Residence: Casa Del Mar, Apartment 10–C, 4621 Gulf of Mexico Drive, Longboat Key, Florida. Mortgage—$22,215. 93.

Real estate contracts receivable:

Max Leider, et ux. 16⅔% ownership.

William M. Skipper, Jr. Trustee, 16⅔% ownership.

SCHEDULE C. MISCELLANEOUS ASSETS

Furnishings.

Money in escrow from sale of stocks in 1973.

INCOME TAX RETURN—FORM 1040, 1973

Name: Lawton, M. & Rhea G. Chiles, Jr.

Address: Federal Building, Lakeland, Fla.

Occupation: U.S. Senator: Wife's occupation: Housewife.

Number of dependents: 6.

Wages: $42,500.00.

Dividends: $2,735.47.

Interest income: $32.19.

Income other than wages, dividends and interest, $67,266.41.

Total income: $112,534.07.

Adjustments to income: $9,464.93.

Adjusted gross income: $103,069.14.

Tax, check if from Form 4726: $30,977.59.

Total credits: $12.99.

Income tax: $30,064.60.

Other taxes: $864.00.

Total: $30,928.60.

Total tax withheld: $10,789.20.

Estimated payments: $12,000.

Total tax: $22,789.20.

Balance due: $8,139.40.

INCOME OTHER THAN WAGES, DIVIDENDS, AND INTEREST

Net gain or (loss) from sale or exchange of capital assets: $1,000.00.

Pensions, annuities, rents, royalties, partnerships, estates or trusts, etc.: $60,266.41.

Other (state nature and source): $8,000.00.

Total (add lines 28, 29, 30, 31, 32, 33, 34, 35, 36, and 37): $67,266.41.

ADJUSTMENTS TO INCOME

Employee business expense (attach Form 2106 or statement): $9,464.93.

Total adjustments (add lines 39, 40, 41, and 42). Enter here and on line 14: $9,464.93.

TAX COMPUTATION

Adjusted gross income (from line 15): $103,069.14.

(a) If you itemize deductions, enter total from Schedule A, line 41 and attach Schedule A. (b) If you do not itemize deductions, enter 15% of line 44, but do NOT enter more than $2,000. ($1,000 if line 3 checked): $22,533.95.

Subtract line 45 from line 44: $80,535.19.

Multiply total number of exemptions claimed on line 7, by $750: $4,500.00.

Taxable income. Subtract line 47 from line 46: $76,035.19.

CREDITS

Foreign tax credit (attach Form 1116): $12.99.

Total credits (add lines 49, 50, 51, 52, and 53). Enter here and on line 17: $12.99.

OTHER TAXES

Self-employment tax (attach Schedule SE): $864.00.

Total (add lines 55, 56, 57, 58, 59, and 60). Enter here and on line 19: $864,00.

SCHEDULE D.—CAPITAL GAINS AND LOSSES

SHORT-TERM CAPITAL GAINS AND LOSSES—ASSETS HELD NOT MORE THAN 6 MONTHS

Bad debt—Scholarship Services, Incorporated: loss—$33,000.00.

Enter net gain or (loss), loss $33,000.00.

Short-term capital loss component carryover from years beginning before 1970 (see Instruction H), 4(a).

Short-term capital loss carryover attributable to years beginning after 1969 (see Instruction H), 4(b), loss $33,000.00.

LONG-TERM CAPITAL GAINS AND LOSSES—ASSETS HELD MORE THAN 6 MONTHS

65 L–N installment sale, 1973 collections, $143.39 x 84.13%, $120.63.

71 S–Q installment sale, 1973 collections, $609.38 x 88.13%, $537.04.

510 sh Pittsburg Brewing, A, 5–25–73, 5–5–69, $1,729.71, $8,115.00, loss $6,385.29.

212 sh Royal Trust Co., A, 5–25–73, 1963, $5,052.73, $918.00, 4,134.73.

11. Net gain or (loss), combine lines 6 through 10, 11, loss $1,592.89.

13. Net long-term gain or (loss), combine lines 11, 12(a) and 12(b), 13, loss $1,592.89.

SUMMARY OF PARTS I AND II

14. Combine the amounts shown on lines 5 and 13, and enter the net gain or loss here, 14, loss $34,592.89.

If amounts on line 5 and line 13 are net losses, enter amount on line 5 added to 50% of amount on line 13, 16(a), loss $33,796.44.

Taxable income, as adjusted (see Instruction L): loss $1,000.00.

SCHEDULE A.—ITEMIZED DEDUCTIONS

MEDICAL AND DENTAL EXPENSES

One-half (but not more than $150) of insurance premiums for medical care: $150.00.

Total (add lines 1 and 9). Enter here and on line 35: $150.00.

TAXES

Real estate: $835.70.

State and local gasoline (see gas tax tables): $388.08.

General sales (see sales tax tables): $548.10.

Personal property: $208.41.

Auto sales tax: $80.00.

Total (add lines 11, 12, 13, 14, 15, and 16). Enter here and on line 36: $2,060.29.

INTEREST EXPENSE

See list: $14,560.95.

Total: $14,560.95.

CONTRIBUTIONS

Cash contributions for which you have receipts, cancelled checks, etc.: $2,247.80.

Church: $300.00.

Other than cash: $100.00.

Total contributions: $2,647.80.

MISCELLANEOUS DEDUCTIONS

Tax return prep.: $790.00.

Misc. Senate Expense: $50.83.

Entertainment: $2,274.08.

Total: $3,114.91.

SUMMARY OF ITEMIZED DEDUCTIONS

Total medical and dental: $150.00.

Total taxes: $2,060.29.

Total interest: $14,560.95.

Total contributions: $2,647.80.

Total miscellaneous: $3,114.91.

Total deductions: $22,533.95.

SCHEDULES E&R—SUPPLEMENTAL INCOME SCHEDULE

RENT AND ROYALTY INCOME

Totals: $2,994.36; depreciation, $2,359.31; other expenses, $6,715.33.

Net income (or loss) from rents and royalties (column (b) plus column (c) less columns (d) and (e)) loss: $6,080.28.

INCOME OR LOSSES FROM PARTNERSHIPS, ESTATES OR TRUSTS, SMALL BUSINESS CORPORATIONS

Chiles & Ellsworth, Partnership; $66,346.69.

Total: $66,346.69.

Income or (loss). Total of column (d) less total of column (e): $66,346.69.

Total of parts I, II, and III (Enter here and on Form 1040, line 31): $60,266.41.

Maximum amount of retirement income for credit computation: $2,286.00.

RENTAL INCOME

Property A—Lake Hollingsworth House (rented ½ year), residential: $2,047.44.

Property B—Casa del Mar beach house (rented 10 mos.), $946.92.

Total $2,994.36.

EXPENSES

Insurance property A: $54.40; property B: $79.90.

Interest property A: $2,338.05; property B: $1,874.15.

Taxes and licenses, property A: $619.65.

Utilities, property B: $429.08.

Other (list): sub-lease payment, property B: $420.00.

Maintenance, property B: $900.00.

Total expenses, property A: $3,012.20; property B: $3,703.13.

Total expenses: $6,715.33.

(DEPRECIATION CLAIMED ON SCHEDULE E)

Other depreciation: property A: House, land, F & F—$990.81.

Property B: building, F & F—$1,368.50.

Total: $2,359.31.

SOCIAL SECURITY SELF-EMPLOYMENT TAX

NET EARNINGS FROM NONFARM SELF-EMPLOYMENT

(b) Partnerships, joint ventures, etc. (other than farming): $66,346.69.

(e) Other (director's fees, etc.). Specify, Attorney fee: $8,000.00.

Adjusted net earnings (loss) from nonfarm self-employment: $74,346.69.

(a) Maximum amount reportable, under both optional methods combined (farm and nonfarm): $1,600.00.

SOCIAL SECURITY SELF-EMPLOYMENT TAX

Net earnings or (loss): (b) From nonfarm (from line 8, or line 11 if you elect to use the Nonfarm Optional Method): $74,346.69.

Total net earnings or (loss) from self-employment reported on line 12. (If line 13 is less than $400, you are not subject to self-employment tax. Do not fill in rest of form.): $74,346.69.

The largest amount of combined wages and self-employment earnings subject to social security tax for 1973 is: $10,800.00.

Balance: $10,800.00.

Self-employment income—line 13 or 16, whichever is smaller: $10,800.00.

If line 17 is $10,800, enter $864.00: $864.00.

Self-employment tax (subtract line 19 from line 18). Enter here and on Form 1040, line 55: $864.00.

SCHEDULE OF CONGRESSIONAL REIMBURSEMENTS AND EXPENSES

Lawton M. & Rhea G. Chiles, Jr., [redacted]

REIMBURSEMENTS

Travel	$3,945.70
Official Expense	10,243.63
Total Reimbursements	14,189.33

EXPENSES

Travel	10,410.63
Official Expense	10,243.63
*Cost of Living, Washington, D.C.	3,000.00
Total Expense	23,654.26
Excess expenses	9,464.93

*See attached affidavit.

Lawton M. and Rhea G. Chiles, Jr., 265–36–4818.

I hereby certify that I was in a travel status in the Washington area, away from home, in the performance of my official duties as a Member of Congress, for 250 days during the taxable year, and my deductible living expense while in such travel status amounted to $3,000.00.

LAWTON M. CHILES, Jr.

INTEREST EXPENSE

Lawton M. & Rhea G. Chiles, Jr., [redacted]

1st National Bank of Lakeland	$7,300.00
Fla. National Bank of Gainesville	75.33
National Permanent Savings & Loan Assn	3,808.08
Gulf Life Insurance Company	3,336.00
Prudential Insurance	41.54
Total	14,560.95

MAXIMUM TAX ON EARNED INCOME

Earned income: $116,846.69.

Deductions (see instructions): $9,464.93.

Earned net income. Subtract line 2 from line 1, $107,381.76.

Enter your adjusted gross income $103,069.14.

Divide the amount on line 3 by the amount on line 4. Enter percentage result here, but not more than 100%: 100 percent.

Enter your taxable income, $76,035.19.

Multiply the amount on line 6 by the percentage on line 5: $76,035.19.

a. Enter the larger of either (1) the total of your 1973 items of tax preference or (2) one-fourth of the total of your tax preference items for 1970, 1971, 1972, and 1973.

b. Less $30,000

c. Subtract line 8b from line 3a: 0.

Earned taxable income Subtract line 8c from line 7 (see instructions): $76,035.19.

If: you checked line 1 or line 4, Form 1040, enter $38,000: if you checked line 2 or 5, Form 1040, enter $52,000; if Estate or Trust, enter $26,000, $52,000.00.

Subtract line 10 from line 9 (if zero or less, do not complete rest of form): $24,035.19.

Enter 50 percent of line 11: $12,017.59.

Tax on amount on line 6 (use Tax Rate Schedule in Form 1040 (or Form 1041 instructions): $31,040.41.

Tax on amount on line 9 (use Tax Rate Schedule in Form 1040 (or Form 1041) instructions): $31,040.41.

Subtract line 14 from line 13–0.

If the amount on line 10 is: $38,000, enter $13,290 ($12,240 if unmarried head of household); $52,000, enter $18,060; $26,000, enter $9,030: $18,060.00.

Add lines 12, 15, and 16. This is your maximum tax. Enter here and on line 16, Form 1040 (or line 24, Form 1041); however, if you had net long-term capital gain in excess of net short-term capital loss, complete Computation of Alternative Tax below: $30,077.59.

COMPUTATION OF FOREIGN TAX CREDIT

Canada, date paid 1973; type of tax: income; gross taxable income: $129.90; taxes paid in dollars: $12.99.

Carryback or carryover: 0.

Total foreign taxes: $12.99.

Total U.S. income tax: $30,077.59.

Total taxable income from all sources: $80,535.19.

Column 5(c) divided by column 10: $.0016.

Limitation: $48.12.

Credit: $12.99.

GOVERNMENT WIRETAPPING BANNED IN FRANCE

Mr. KENNEDY. Mr. President, yesterday the new President of France, Valery Giscard d'Estaing, ordered an end to all government wiretapping and electronic surveillance in France within 3 weeks. He also directed that all files from any previous wiretaps or bugs be destroyed.

This action of the French Government indicates that at least one major Western power believes it can resolve the balance between individual privacy and the legitimate needs of national security solidly in favor of individual rights. President Giscard d'Estaing's order constitutes a forceful and definite statement that the right to privacy and to be free from unreasonable search in a civilized society can be safeguarded without jeopardizing the national security.

That this has happened in France is especially significant in light of Attorney General Saxbe's testimony last week before my Subcommittee on Administrative Practice and Procedure at a hearing on warrantless wiretapping and electronic surveillance. The Attorney General testified that there are estimated to be more than 70,000 wiretaps and electronic surveillances in France, compared to fewer than 1,000 law enforcement wiretaps in the United States. He cited France as an example of another Western government which has felt the need to resort to wiretapping on a massive scale.

Of course, President Giscard d'Estaing's order provides a ringing statement that France does not need to use the intrusive weapons of the wiretap and the bug to accomplish any legitimate governmental purposes. Now that France has taken this step, the executive branch of the U.S. Government should reevaluate the need and justification for this surveillance technique which operates in secret and impinges so seriously upon the constitutional liberties protected by our Bill of Rights.

Mr. President, I ask unanimous consent that the text of two articles from today's editions of the New York Times and the Washington Post be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, May 30, 1974]

GISCARD PROHIBITS WIRETAPS IN FRANCE

(By Flora Lewis)

PARIS, May 29.—President Valéry Giscard d'Estaing today ordered an end of Government wiretapping and also the destruction of files from previous taps.

This directive was announced after his first Cabinet meeting, at which he also pledged "the development of France as a country of political and intellectual asylum" and said no newspaper would be confiscated "even if there are attacks against the President."

"France is a liberal country, and she must express that tendency even more strongly," Mr. Giscard d'Estaing said as he sought to demonstrate that he meant to keep his campaign promises of change and efficiency.

Breaking with custom, the new President had the usual Cabinet communiqué read out as a statement in his own name, setting forth his own decisions.

"I will make full use of the presidential powers and the responsibilities they entail," he said.

The statement was read by his closest political associate, Michel Poniatowski, the new Interior Minister who reported that the President had a stiff warning to the Cabinet.

Mr. Poniatowski quoted the President as having said: "You are friends, you are personal friends in your problems, your worries, your life, but in your duties, you are men in the service of France and nothing else."

The President's statement said that weekly Cabinet meetings were to be simplified so that time could be devoted to general discussion of major problems.

The next meeting is to discuss the government's program, which is then to be submitted to the National Assembly on behalf of the whole cabinet.

INFLATION TO BE TOPIC

In this way, Mr. Giscard d'Estaing, who heads the small Independent Republican party, may be forcing one or more of his five Gaullist ministers to accept new policies or quit.

The cabinet, made up largely of nonpolitical specialism, also includes four centrist reformers and three members of the President's party.

The following cabinet session, on June 12, is to concentrate on the problems of inflation and the foreign payments deficit, resulting from an increase of oil prices.

The week afterward, on June 12, the Cabinet is to attend to ways to "transform French society, so as to bring more justice, more equality of opportunity, and the participation of all, particularly workers, in the responsibility" of management.

The President also said ministries were to reduce the number of aides and assistants surrounding cabinet officers. He said he would set an example by cutting the presidential staff at the Elysée Palace from 464 to fewer than 300.

The President's directive on wiretapping ordered an end to the practice within three weeks "if it exists."

The government has not bothered in the past to deny that it has a widespread, elaborate tapping system, based on circuits originally installed by the Germans during the World War II.

There was nothing specific in the directive on political and intellectual asylum about who would be welcome. France has on the whole been generous, but sometimes selective, in their hospitality to exiles from foreign lands. The statement was taken to mean that the right of asylum would be made broader and more automatic.

PAST PRACTICE RECALLED

The section of the President's statement pledging no "confiscation of the press" recalled the era when the President did not hesitate to ban personal attacks that irritated him, though he tolerated many.

In the evening, the President went on television to tell the country about his cabinet choices and what he expected of his ministers. The speech, a departure from political custom, did not praise the people he selected nearly so much as it listed the qualifications he thought worthwhile and his expectations of them.

The President, who was relaxed and chatty, gave a few details about how the government was to be organized, explaining that some of the under secretaries to be appointed on June 9 would be autonomous—those in charge of universities, the postal service and transportation, for example—and others would be deputies to their ministers. He gave only vague glimpses of what the surprisingly named new ministries of "reform" and "quality of life" would do.

The resentment and unease of traditional Gaullists at the President's approach came through clearly in a news conference today by the Gaullist party secretary, Alexander Sanguinetti.

He said his group "would no longer give unconditional support to any government, whatever it may be." He added that the Gaullists would not vote against the Government at the start, "but we will reconsider our position every time we find it necessary."

[From The Washington Post, May 30, 1974]

GISCARD TO LIBERALIZE CIVIL RIGHTS APPROACH

(By Jonathan C. Randal)

PARIS, May 29.—French President Valery Giscard d'Estaing today banned official wiretapping, promised political refugees the right of asylum and renounced the government's right to seize newspapers.

A return to what the president called France's traditional "liberal" reputation in civil rights matters was announced by Interior Minister Michel Paniatowski, long a critic of the Gaullists' practices in this field.

Presiding over his first Cabinet meeting, the 48-year-old new president did not spell out specific examples of past abuses in promising that any wiretapping archives would be destroyed and bugging itself would be stopped "if it exists."

Last December the offices of the satirical weekly Le Canard Enchaine were bugged by members of France's counter-espionage agency who were caught by the newspapers' employees.

The incident, coming on top of other bungled wiretapping cases, brought considerable discredit on the then government, especially on its interior minister, Raymond Marcellin, who ironically was technically a member of Giscard d'Estaing's Republican Independent Party.

Giscard d'Estaing's decision to stop seizing newspapers, including those attacking the president, is another break with the Gaullist view of the sacred nature of the nation's highest office.

Press seizures reached a high point during the 1954–1962 Algerian war when they were a powerful economic weapon in government hands to force critics out of business.

Even thereafter, Gen. Charles de Gaulle regularly brought suits against newspapers deemed to have insulted both himself and the presidency.

The administration of his successor, George Pompidou, on at least one occasion used the existing legislation in an unsuccessful effort to condemn a satire on Mrs. Pompidou.

In a 1971 case involving political refugees' rights, a Chinese diplomat was taken off an Algiers-to-Paris flight upon his arrival here by French counter espionage agents suspicious of his drugged condition and unusual escort of fellow Chinese.

But after apparent complaints by the Chinese government, the diplomat, said to have wanted to seek asylum, was put back on a Peking-bound flight.

In less dramatic cases, Spanish Basque refugees have complained that French authorities have banned them from living in the French Basque country in violation of the Geneva convention governing political refugees.

Under Marcellin's long reign at the Interior Ministry, hundreds of immigrant workers often were expelled from France. There was frequently criticism that their only alleged offenses had been what would have been considered the exercise of normal democratic freedoms for French citizens.

Giscard d'Estaing told his ministers: "We're here to change France and not to further our own careers." He added: "I count on you to lead France and to organize the necessary change."

He asked his ministers to streamline their own staffs and ministries, and he set an example by pledging to cut back the 464 Elysee Palace employees to fewer than 300.

Less meaningful to average citizens—but deeply galling to the already much bloodied Gaullists—was the president's suggested constitutional reform that would allow ministers to return to their National Assembly or Senate seats six months after leaving office.

De Gaulle had purposely forced parliamentarians to give up their seats upon assuming ministerial office as a means of discouraging revolving-door governments.

On more immediate matters, Giscard d'Estaing said the government's plans to fight inflation and right the increasing trade deficit caused by oil imports would be unveiled June 12.

Indicative of the government's problems are recent statistics from the Organization for Economic Cooperation and Development which increased France's projected 1974 foreign exchange deficit from roughly $3.6 billion to $6 billion.

THE THREAT OF WORLD EMBARGOES

Mr. PERCY. Mr. President, although the Arab oil embargo ended some months ago, its impact on our national economy is still very real. For example, inflation during the first quarter of 1974 jumped to an annual rate of 12.1 percent, the real value of our gross national product dipped 6.3 percent during the same period and the economy is characterized by commodity scarcities. It has become apparent that the American economy is more vulnerable to worldwide economic forces than we had thought. These cold facts make it imperative that we consider such questions as: "What is the likelihood of similar embargoes being imposed in the future? What—if anything—can we do to prevent this from happening?"

Natural resources represent the most possible area for future embargoes since a few third world countries control a large percentage of certain natural resources. It is also the most vulnerable area for the United States since we rely heavily on imports for a critical share of certain important mineral supplies. For example, we are completely dependent on imports for our cobalt, chromium, manganese, and tin. Foreign sources last year supplied 84 percent of the bauxite consumed in the United States, 92 percent of the nickel and 82 percent of the mercury.

Experts disagree, however, on the likelihood of embargoes by the third world countries. The optimists argue that the third world nations are not in a position to blackmail the rest of the world. The reasons given are: The diverse political and economic philosophies characterizing these countries; the possibilities of synthetic substitutes; and the lack of financial reserves to squeeze back production without impairing economic growth.

Fred Bergsten, senior fellow, Brookings Institution has, however, continuously insisted that the third world countries could most certainly establish their own "OPEC's" and restrict or cut off supplies to the industrialized world. He argues that this becomes more probable unless the developed nations make a significant effort to improve their relations with the mineral exporting countries. Mr. Bergsten elaborates further on this issue in an article, "The Threat Is Real," published in Foreign Policy, No. 14, spring 1974, which, Mr. President, I ask unanimous consent to print in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Threat Is Real

(By C. Fred Bergsten)

Stephen Krasner seeks to minimize "The Threat From The Third World" which I described in Foreign Policy 11. He concludes that "The Third World is not in a position to squeeze [the primary product needs of the industrialized countries] very hard," because "petroleum is the exception, not the rule." Unfortunately for the consuming countries, Krasner is wrong. As Zuhayr Mikdashi points out in the preceding piece, collusion could work—and could add dramatically to both the raging inflation and rising unemployment which are spreading rapidly across most of the globe.

First, it should be noted that neither Krasner nor anyone else has yet contradicted my view that there are a number of economic issues other than natural resources (investments, markets, supplies of manufactured goods, agreement on monetary reform and trade liberalization, environmental protection, etc.) on which the Third World can hold us up. For example, the developing countries, even those whose "objective economic interests suggest a contrary course, have adopted a common position on the *sea-beds* in opposition to that of the United States. Likewise, they have adopted a set of views on monetary reform, contrary to those of the United States, on which they seem unlikely to relent. And Krasner does not deal with several of the commodities for which, as I indicated, cartelization is most likely, such as *bauxite and timber*. So these points stand unchallenged in print, at least so far.

Second, there is growing evidence that my analysis is all too correct with regard to natural resources. OPEC has succeeded beyond my wildest fears. The bauxite producers have explicitly decided to form their own "OPEC."

OIL IS ONLY THE BEGINNING

The coffee exporters have successfully held production off the market to boost prices, and are so confident that they let the International Coffee Agreement with the consuming countries expire. The rubber producers have agreed to regular consultation. Krasner says that the market scoffs at threats from the copper exporters, but they are in contact with OPEC and something has driven the price of that commodity to unheard-of levels. Mikdashi's doubts that copper can be cartelized because "the copper exported by CIPEC countries represented less than a quarter of total world copper supply" is not very comforting, because Krasner's Table I reveals that the comparable number of OPEC oil is, at 32 percent, only slightly higher. The Shah of Iran has publicly suggested that other Third World countries emulate OPEC, and offered them assistance to do so.

Indeed, all of Krasner's examples of unsuccessful cartelization efforts come from an era which now seems light-years away. Shortages of supply have replaced shortages of demand as the dominant force in world economics for the first time in almost 50 years, and the power position of suppliers and consumers has thus changed dramatically. Détente has removed much of the security blanket which smothered international economic conflict in the past. The successes of many developing countries on a variety of fronts, and especially of OPEC itself, have provided them with the skills and the courage to effectively promote their own interests. There is indeed a very real and growing threat from the Third World unless the industrialized countries, particularly the United States, both stand up to the producer cartels and begin to adopt far more cooperative policies toward it.

On the issue of additional producer cartels, Krasner himself disposes of most of the potential differences between oil and other commodities. He concludes, however, that there are two distinguishing features which set oil apart: the flush foreign exchange positions of the oil producers, which enable them to afford the risks of cartelization, and their "shared value" concerning Israel. Neither point in fact distinguishes OPEC from potential emulators.

The foreign exchange argument

The foreign exchange argument fails for four reasons: some of the key oil producers are *not* flush, some of the leaders of other potential cartels *are* flush, reserve holdings do not tell the whole story of a country's ability to risk failure in a cartelization effort anyway, and, most important, none of these considerations is very important if the likelihood of successful cartelization is high.

Iran is crucial to OPEC, as the second largest oil producer, but its reserves equal less than three months' imports and it spends virtually all of its earnings for development. So do Iraq, Algeria, Venezuela, Nigeria, and Indonesia, which along with Iran account for 60 percent of OPEC output. Yet OPEC has obviously succeeded; reserve levels thus need not be high for even the most important cartel members.

The reason is that oil was a setup for cartelization, with very little risk involved. The same situation holds for several other commodities as well. But a country can undertake even a risky cartelization effort for a particular commodity if its over-all economic position is strong enough to stand failure.

If its economy is solely or heavily dependent on the commodity in question, as is Saudi Arabia's on oil, the risk is high unless its reserve cushion is also very high. But the risks are much lower if the potential cartelizer has a highly diversified economy, and if its reserve position does not then determine whether it can undertake the effort. This is precisely why Brazil, which has developed both an impressive manufacturing base and a highly diversified range of primary exports, as well as the world's eighth largest reserves, can hold an umbrella over the coffee market now whereas it could not do so a decade ago. Colombia can even help, because coffee now provides less than one-half its export earnings and its reserves equal six months' imports. Krasner's Table II is thus misleading; it needs to be weighted by the dependence of the producing countries on the commodities in question to portray an accurate picture of how likely they are to initiate cartels.

In addition to "safe" export earnings, a diversified economic base sharply increases the likelihood that the country can borrow sizable sums from the international capital markets to supplement its reserves. The Third World obtained over $8 billion in Eurocredits in 1972 and perhaps $10–$12 billion in 1973. So there is every likelihood that cartelization efforts can be underwritten by foreign loans as well as by national reserves and ongoing earnings from other exports of goods and services.

One source of financing for emulators of OPEC might be OPEC. The huge increase in oil prices obviously hobbles the development efforts of many countries in the Third World. But the Shah seems to reject the obvious alternatives of dual pricing for oil and compensatory grants to the beleaguered, because those options could undermine his own cartel and deplete his own reserves, respectively. Hence he has called on other developing countries to restore their terms of trade by raising their own export prices, and offered to help them do so. Underwriting such an effort would, in one fell swoop, establish OPEC as leader of the entire Third World and provide a handsome return on invested capital if the cartels worked.

These considerations of economic invulnerability are far more important for potential cartel leaders than rank and file members. There will always be cheating by smaller countries, as Krasner suggests, but the output decisions of one or two leaders determine whether the price umbrella can be held. How then do the potential leaders, and to a lesser extent members of other potential cartels, meet these criteria?

For tin, Malaysia accounts for one-half of world exports, has reserves which exceed seven months' imports, and relies on that commodity for only 20 percent of its export earnings. That same country accounts for 38 percent of world rubber exports, but rubber provides only one-third of its export earnings. Australia, which has announced that it will attend the organizational meeting of the bauxite "OPEC" and has spoken publicly of developing a "resources diplomacy," is a leading exporter of bauxite, iron ore, and lead, and has a widely diversified economic base and the world's ninth largest reserves. (The other bauxite producers are less affluent, but this appears to be the commodity least susecptible to substitutes and hence the least risky to cartelize, especially if the tin and copper producers move along similar lines.) Thailand is an important factor in the tin and rubber markets. Each of these commodities represents less than 15 percent of total Thai exports, and its reserves exceed eight months' imports. Each of the four main copper exporters relies heavily on that commodity, but Zambia, the largest exporter, has substantial reserves as do Peru and Zaire. There are many other similar examples. "Surfeit reserves" are not a distinguishing characteristic of great significance for the petroleum oligopoly.

"Shared values"

The issue of "shared values"—hatred for Israel—is even more easily disposed of. OPEC is comprised of countries with sharp political *differences*. Iran has always been *close* to Israel. There remains deep hostility between Iran and Iraq, Iran and Kuwait, and Iraq and Kuwait, Iran and Saudi Arabia are leading rivals for dominance of the Persian Gulf. Libya under Qaddafi and Saudi Arabia have bitterly competed for leadership of the entire Arab world. Venezuela and Nigeria have none of the so-called "shared values."

Yet OPEC has clearly succeeded, and was in fact a highly successful cartel well over two years *before* the latest war submerged at least some of these differences. It nicely survives the failure of Iran, Iraq, Libya, and all non-Arabs to join the production cutbacks to pressure the West over Israel. There is only one explanation: the common economic gain for all participants from raising their prices and avoiding the production increases which would undermine such action—a motive which could readily trigger similar action wherever the economics permit.

Indeed, the only political prerequisite for producer cartels is the absence of overt hostility, and none seems to exist among the members of any of the potential emulators of OPEC. Few of those countries (e.g., Bolivia and Malaysia for tin, Guinea and Guyana for bauxite) have any reason even to talk to each other *except* for their common interest in maximizing their economic returns from a commodity which they happen to have in common. So "shared values" hardly set OPEC apart.

In fact, producer cartels look more feasible in other commodities than in oil. Fewer countries need to collude. Capital, technological, and marketing complexities may be more easily mastered. As already indicated, other potential cartelizers are frequently more diversified economically and less antagonistic politically. I continue to fear that oil is only the beginning, particularly in view of the dramatic demonstration effect of OPEC's success and the utter failure of the consuming countries to respond with common action of their own.

Finally, Krasner badly misreads my proposals to deal with "The Threat" when he likens them to the Alliance for Progress and the policies of General Foods on coffee. I explicitly recognized in "The Threat" (p. 103) that autonomy is a primary Third World aim, and my policy proposals—*multilateral* aid, increased trade, a "link" between SDR's and development assistance, limitation on the activities of multinational firms—all had that objective very much in mind, and would create more than an "airy structure."

Nevertheless, Krasner may be right in doubting that my proposals will be sufficient to deal with "The Threat," I will propose a more comprehensive "Response To The Third World" in a future issue of Foreign Policy.

PRIDE ON "THE HILL"

Mr. SYMINGTON. Mr. President, "The Hill" in St. Louis has long been known for its contribution to major league baseball through such personalities as Yogi Berra and Joe Garagiola.

This Italian community in the heart of the city is now earning recognition as one of the few urban neighborhoods in this country which has escaped blight and decay.

In the April 29 issue of Time magazine an excellent article describes the efforts of Hill residents to preserve their community as a pleasant and safe place to live and work.

The dedication and cooperation of these St. Louisans provide a meaningful and challenging example to marginal neighborhoods in cities throughout the country.

I ask unanimous consent that the Time article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AMERICAN SCENE: ST. LOUIS: PRIDE ON "THE HILL"

(Many of the small and tightly knit ethnic communities that once dotted virtually every U.S. city have crumbled under the planner's rezoning and renewal schemes and the bulldozer's giant blade. One community that has successfully resisted the encroachment of urbanization is "the Hill," a 56-block, largely Italian area on the south side of St. Louis, where Yogi Berra and Joe Garagiola grew up. After a series of fierce, emotion-charged struggles with local, state and federal officials, Hill residents now boast a model community that has the lowest crime rate and the highest property values in the city. TIME Correspondent Marguerite Michaels recently visited the Hill. Her report:)

In the afternoons around 3:30, Joe ("Green") Verdi, Aneglo ("Foots") Colombo, John ("Detroit") Agresti and other properly and not-so-properly nicknamed neighborhood men gather at Rose's Tavern for a glass of beer from the 7-ft. wooden cooler. Then they drift out back toward the grape arbor for a game of *boccie*. On Wednesdays, Amelia Garavaglia, 76, flours her plump, competent hands in the back room of Gioia's Corner Market and begins rolling out 5,000 raviodi for sale in the front room. Each evening, Ida Galli switches on the spotlight in her front yard——not to scare away burglars, but to illuminate a 3-ft.-high statue of the Blessed Virgin. It is all part of the pleasant, unhurried flavor of life today on the Hill.

ITALIAN SAUSAGE

There is strong sense of ritual, both religious and community, on the Hill, where 90% of the population of 6,500 is Italian and 95% Catholic. There is also a bursting pride in the rows of narrow, well-scrubbed houses and in the family-run corner stores, where links of fat Italian sausage dangle in long rows. Many residents are direct descendants of the immigrants who left Lombardy at the turn of the century to work the clay mines of St. Louis under the hill that gives the section its name. Life on the Hill is as finely woven as Ann Reistino's brightly colored, crocheted afghans.

It was not always so. In the '60s, the neighborhood's youth began to drift away. Federal and state highway officials designated the path of Interstate Highway 44 through an area of the Hill. Assuming that land values would plunge with the construction of the road, many homeowners stopped maintaining their property. A local lead company began pumping slurry into the abandoned clay mines, threatening to undermine foundations. Explains Father Salvatore Polizzi, 43, associate pastor of St. Ambrose Roman Catholic Church: "The Hill was becoming a blighted cemetery."

Polizzi determined to change things. He began delivering sermons urging the residents to regain their lost sense of spirit and pride. He also made a point of cultivating leaders of the area's strong Democratic organization.

His efforts paid off in his first encounter: discouraging the sale of land to builders of a planned drive-in theater. Polizzi sent the Democratic ward committeeman into the streets with a sound truck announcing an emergency meeting in the Big Club Hall. After a session exploring the blight that the drive-in would inflict on the area, a small army of Italian dowagers volunteered to lie down in front of the bulldozers. The sellers backed down, and the Hill's alderman quickly slipped a regulation through the zoning board forbidding a building permit for any drive-in within 500 ft. of a residential area.

Buoyed by that success, Polizzi once again rallied community support and forced the lead company to stop pumping waste into the abandoned mines. But the biggest fight was yet to come. By 1971 construction was well under way on Interstate 44. It cut off a segment of the community, isolating 150 families. Yet the state planned only one vehicle overpass. In protest, some 300 citizens piled into buses and traveled to the state capital, Jefferson City; there they argued before the highway commission for an additional overpass.

The commission said no, and the residents cannily decided to turn the problem into an "Italian issue." When Secretary of Transportation John Volpe visited St. Louis on another matter, Polizzi requested a meeting and pressed for the overpass in the same, formal Italian that Volpe had learned back home in Massachusetts. Joe Garagiola began dropping hints that he might not be available any more on the Republican banquet circuit unless the Hill got its overpass. Finally Polizzi led a Hill delegation to Washington with a check for $50,000, raised by the residents themselves, to pay for the overpass. The Hill got its bridge, and the bells of St. Ambrose rang out the good news.

Polizzi has joined 1,100 of the area's 1,500 families in a nonprofit development corporation to guide the future of the area. In its four years' existence, the corporation has found 60 jobs for new—and old—residents in the neighborhood's salami and macaroni factories, tool company and glass factory. It has set up a summer youth program and hired students at $1 an hour to spruce up the area. The students redecorated the Hill's hydrants and trash cans in red, white and green (the colors of the Italian flag). More than 1,000 trees have been planted. A system of block workers set up by the corporation makes certain that leftover ravioli lands in, not outside the garbage cans. The corporation maintains a list of Italians eager to move onto the Hill. When houses become vacant, it often refurbishes and resells them at low cost to young couples.

The money for many of these projects comes from the approximately $50,000 earned at an annual summer festival, which draws 100,000 visitors. The aroma of lasagna and meat balls fills the air, and amateur Carusos croon over the loudspeakers. There are grape-stomping contests and a step-by-step demonstration of how to make sfinge, an Italian confection. At the evening's end a spray of fireworks flares over the neighborhood as proud residents and guests clap and cheer, aware that they have seen the past and that on the Hill at least, it still works.

MEMORIES OF A BROTHER

Mr. HUGH SCOTT. Mr. President, Joseph Alsop shares some poignant memories of his late brother, Stewart, in today's Los Angeles Times. For those of my colleagues who knew Stewart Alsop and for those who would have liked to know him, I ask unanimous consent that this revealing article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, May 30, 1974]

MEMORIES—BOTH ODD AND FOND—OF A BROTHER

(By Joseph Alsop)

WASHINGTON.—My first memory of my brother Stewart, who died Sunday, is almost grotesquely odd. When he was a baby, 60 years ago, he suffered fearful eczema. The remedy was to slather him with cocoa butter and then wrap him in gauze bandages from head to toe, so that he looked like a small, rather wizened mummy.

After that, the eczema turned into even more fearful asthma, so that on our farm there were large forbidden areas, such as "near the manure pile," because these were thought to "make Stew wheeze." Yet he was a brave, singularly stoical child, as he became a brave and stoical man. So I cannot recall him wailing in his mummy bandages or, later on, even once complaining during the hideous asthmatic attacks that repeatedly disabled him until he was about 13.

It is odd, too, that until childhood merged into youth, he was quite strikingly ugly—yellow-skinned, with a head that seemed far too large for his rather puny body, and a general look of being faintly misshapen. But that was compensated for in time, when he grew up to be the sole male Alsop with a serious claim to being handsome.

Of such trifles are one's memories made. But were the foregoing facts really so trifling? Does it not require tremendous inner fiber for an ugly, always-ailing child to develop with the years into a man of quite exceptional gaiety and grace?

The grace and gaiety, the good companionship, the gallantry whenever it was needful to be gallant, the genial wit, the wisdom of the heart, the strong insight of the mind—these qualities of my brother's hardly need pointing out to anyone who knew him or read much of what he wrote. Yet as I think back over the years, what mainly strikes me was my brother's singular combination of marked eccentricity with the best kind of conventionality.

On the eccentric side, there was my brother's view of clothing, furniture and all the normal outward ornaments of life. He almost literally held the opinion about these things of the Boston lady who remarked scornfully, "You don't *buy* hats! You *have* hats!"

To this economical approach to possessions in general, my brother added a positive mania for making amateur repairs. By some unlucky accident, for instance, he discovered a particularly noisome glue, which he firmly believed could be used to repair rugs. The results were awful to behold. Yet the glued rugs never bothered anyone; for he and my sister-in-law joined immense hospitality to a singular knack for making their innumerable guests enjoy themselves.

Feeling young again, alas, is never easy in one's 60s, but it always happened when I spent a weekend at the country house my brother loved above all other places. There would be quantities of people, young and old. There would be endless entertaining talk—for my brother was a marvelous talker, always shrewd, always salty, always worth hearing. There would be vast delicious meals. And suddenly, the staleness that age brings would be lifted.

In that country house, in a queer way, you could also see my brother's eccentric side merging into his conventional side. It was a mite eccentric, after all, to set about recreating in Maryland in the 1970s the general style and atmosphere of our family farm in Connecticut half a century earlier. Perhaps it was just this that always made me feel so much younger when I went there.

At the same time, the atmosphere of those country weekends was powerfully impregnated with all those values that my brother always cherished. Warm affection for friends, deep love of family and of country, hearty dislike for what was cheap or mean, and positive detestation for anything phony—these were his main values, all conventional enough.

Or maybe one should say that these were rather old-fashioned values, rather than conventional ones. Until his long last illness, borne with such courage, we seldom talked seriously except about politics or practical matters. But sometimes, after he was ill, something would slip out that hinted of great seriousness, as when he once said to me:

"You know, I sometimes thank God you and I were born Americans so long ago—for although I don't enjoy getting older, I begin to suspect we have seen the best time in this country."

I look at the next generation, whom he cared for so intensely, and I hope against hope he was wrong.

BRUCE BIOSSAT

Mr. KENNEDY. Mr. President, the profession of journalism and the field of politics lost a cherished friend this past weekend with the death of Bruce Biossat, a syndicated columnist for the Newspaper Enterprise Association.

Bruce was called "the dean of America's political reporters"—a title he would have put down with some self-deprecation—and he certainly filled that role. For 35 years he covered the political scene as a reporter, editorial writer and columnist. He was a gentle, honest, and supremely humorous man, who relished the rough-and-tumble of politics, and who could write about that world with wisdom and understanding but without bitterness or spite for those whose careers he examined in print. I do not think there was anyone among his colleagues or among those politicians he covered who did not share a respect and affection for him.

Bruce loved to travel on political excursions, and it was my good fortune to make many trips with him. It is hard to imagine, now, a political season which will not include, somewhere along the way, that grey-haired, wise, funny man clambering about a plane, dressed for heavy weather and looking forward to political combat. He truly graced the politics of this country, as he graced the lives of his countless friends.

Mr. President, I would like to ask unanimous consent that the obituaries of Mr. Biossat from the Washington Post and the Washington Star-News be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post]

BRUCE BIOSSAT, POLITICAL WRITER, DIES

(By Jules Witcover)

Bruce Biossat, dean of America's national political writers whose syndicated column ran in more than 400 newspapers, died in his sleep yesterday morning, apparently of a heart attack. He was 64.

Mr. Biossat was found in his bed by his wife, Barbara, about 10 a.m. at their home at 5020 Garfield St. NW. He had been in general good health and was preparing to attend the National Governor's Conference in Seattle next week.

An inveterate traveler, collector of political information, folklore and friendships among the nation's political great, Mr. Biossat was the most knowledgeable of reporters about the procedures, and intricacies involved in the making of presidential candidates.

As chief Washington correspondent and columnist for the Newspaper Enterprise Association, Scripps-Howard affiliate, he visited leading politicans in most of the 50 states every election year and often in-between, building up a network of sources that few of his colleagues could match.

In both 1968 and 1972, he compiled convention delegate counts for NEA and the National Observer that were guideposts for other political reporters. He covered his first national convention in 1940 and every one after that.

Born in Chicago on January 10, 1910, the oldest of the six children of Harry Biossat and the former Marie Reich, he attended the Universities of Washington and Chicago and worked in a steel mill and as a cookie taster in a biscuit factory before breaking into journalism.

He showed up one day in 1940 in the Chicago bureau of what was then United Press and besieged the Midwestern manager, Boyd Lewis, to hire him. Lewis had no job but invited young Biossat to send him samples of his work.

In the next four months, the would-be reporter flooded Lewis' desk with stories from all over the city, state and country, hitchhiking to Philadelphia to cover the Republican National Convention that nominated Wendell L. Willkie and filing daily reports for his special readership of one.

The young man's persistence—which became a trademark of his career as a political writer and columnist—finally was rewarded with a job covering the state legislature in Springfield, Ill. From there he went to Harrin, Ill., the Washington bureau of UP, the Chicago Daily News as a political reporter and the Washington bureau of the AP.

In 1949, he was reunited with his old boss, Lewis, who hired him to be chief editorial writer for NEA in New York, a job he held for 12 years until he moved again to Washington, first to write editorials and then to succeed Peter Edson as NEA's chief Washington correspondent and columnist.

Since then, Mr. Biossat had written four columns a week from every corner of the country and overseas, particularly Japan, in which he developed a special interest in his last years.

A gentle man with a dry sense of humor and an incredible memory for detail, he was considered and used as a walking encyclopedia of political history by his colleagues. A full and flowing mane of gray-white hair made him look older than his years and made him the brunt of his political associates. He was once referred to unwittingly by a young reporter as "that old codger," and his colleagues never let him forget it—to his undisguised amusement.

His news sources were numerous in both major parties and among liberals and conservatives alike, but the Kennedy brothers—John, Robert and Edward—had a special treatment for him, and for his doggedness as a reporter. They needled him endlessly but affectionately, to his delight.

Once when Sen. Edward M. Kennedy was campaigning for re-election, Mr. Biossat accompanied him one morning first to a casket manufacturing factory and then to an old people's home. Kennedy told his reporter friend the itinerary had been arranged for him. Another time, while speaking at a college in Massachusetts, Kennedy introduced Mr. Biossat to the faculty as his father.

During the 1968 presidential campaign of Sen. Robert Kennedy in California, the press bus was stalled on a hot afternoon and Kennedy's press secretary and a longtime friend of Mr. Biossat, Richard Drayne, jumped off and came back with a case of cold beer. When Mr. Biossat complained and asked what he'd brought for the non-beer drinkers, Drayne told him he'd tried to buy "a six-pack of Geritol, but they didn't have any." On Mr. Biossat's next birthday, Drayne came to the party for him with the six-pack.

On a presidential campaign flight a few years ago, as deadline time approached and reporters began pounding their typewriters, one of them got on the public-address system and inquired whether "anybody aboard has a quill pen, because Bruce Biossat wants to start writing."

He interviewed and knew many Presidents, but his closest association was with John F. Kennedy. In November, 1960, shortly after Kennedy's election, the President-elect was enroute to the airport to make a speech in New York when his limousine passed Mr. Biossat on a Washington street. Kennedy stopped and asked him if he'd like to go along—obviously a chance for an exclusive interview. No, the reporter said with aplomb, he was delivering a raincoat to his daughter at a school nearby, and besides he had his car with him.

Although his friends included most of the leading political figures of his day, he was as well a friend to the greenest of reporters who embarked on the political beat, steering many of them—and some not so green—away from error in fact and judgment on the campaign trail.

"No one knew more about politics in this country, or about politicians, than Bruce did," Sen. Edward Kennedy said yesterday. "And no one brought more zest and humor to the art of political journalism. He was great fun, and he was a great man, and we will miss him."

In addition to his wife, Mr. Biossat is survived by a daughter, Susan Patton of Virginia Beach, Va.; four sisters, Marzalie Stevens and Barbara Snow of Chicago, Mary Warde of Denver and Suzanne Andrews of Prescott, Ariz.; and a brother, Bayard Biossat of Chicago.

Burial, in Washington, will be private. A memorial service will be held in the library of the National Press Club on Saturday at 11 a.m., with a buffet afterward.

Mrs. Biossat has requested that remembrances be in the form of contributions to the Kennedy Center for the Performing Arts, which she and her husband attended often.

[From the Washington Star-News]

BRUCE BIOSSAT DIES AT 64; DEAN OF POLITICAL REPORTERS

(By David Burgin)

Bruce Biossat had a photographic memory, and well that he did. For to get along in lawyer Harry Biossat's household, and to be an aspiring newspaperman, an astonishing ability to recall names and dates and places was a handy tool.

"My father never bargained on my memory," Bruce Biossat often recalled. "Ah, we had some great battles! He was peerless; he would go to any length. But I held my own, and it was marvelous training for me."

So it was that Mr. Biossat, from "battles" with his father over who could be first each year to spot the auto license plates from every state and the District of Columbia, or who could rattle off the names of all the vice presidents or the entire congressional roll, fashioned a 35-year career in journalism as a political reporter.

Considered by colleagues to be the dean of reporters covering the national political scene, Mr. Biossat died in his sleep yesterday morning, Memorial Day, of an apparent heart attack at his home on Garfield Street, NW. He was 64.

He was found in bed by his wife Barbara (Babs) at 10 a.m. when he did not answer her call to breakfast.

For 25 years, Mr. Biossat's columns and dispatches appeared in The Washington Daily News and for the last two in The Star-News. His column was circulated to more than 400 North American newspapers by The Newspaper Enterprise Association (NEA), a Scripps-Howard affiliate for which he worked since 1948.

A native of Chicago and an alumnus of the University of Chicago, Bruce Biossat began his journalism career in 1940 with United Press with the same perfectionist's integrity, tenacity and attention to detail that was the mark of his style through his very last column.

Boyd Lewis, then manager of UP's Chicago bureau, rather routinely told the eager job applicant to send in samples of his work. Having worked only at odd jobs—including one as a cookie taster for a biscuit manufacturer—Mr. Biossat had no samples.

But over the ensuing weeks Lewis received samples galore, as Mr. Biossat hopscotched Illinois filing feature stories. Later he set out on his own for Philadelphia to cover the Republican National Convention that nominated Wendell Wikie, and the samples from that experience eventually convinced Lewis that UP needed upstart Biossat to cover the state legislature at Springfield, Ill.

Eight years later, after Mr. Biossat had worked for UP (now United Press International) in Harrisburg, Ill., for the Chicago Daily News and for the Associated Press in Washington, Lewis had joined NEA and hired him as an editorial writer. Lewis later became president of NEA and in 1961 sent Mr. Biossat from New York to Washington to become the syndicate's top political reporter and columnist.

Early in Mr. Biossat's days with NEA, he covered the Massachusetts senatorial campaign of young John F. Kennedy and the two struck up a friendship that lasted through President Kennedy's death and spread to Kennedy's brothers, Robert and Edward.

Mr. Biossat was enamored of the Kennedy style—"their refusal as politicians to take themselves so darn seriously," as he put it—and in particular he enjoyed the Kennedy brothers' ironic wit.

Mr. Biossat himself possessed a wry, sightly self-effacing wit which made him one of the most popular members of the Washington political press corps. During quiet times in the press galleries or on the road with the pols, he would often regale colleagues with tales of the Biossat family's annual Christmas reunion in Chicago.

Mr. Biossat's four younger sisters and brother would drive hundreds of miles to find just the right Christmas tree, usually a 25-footer, then lop seven feet off the top and seven feet off the bottom "for a wide, fat effect."

The idea was to break the family record for most ornaments, but rigid rules dictated that no ornament could touch a branch below. "The record number of ornaments is 712," he would say proudly.

Well known, too, was Mr. Biossat's annual hunt to see all the new license plates or stickers, the boyhood game he learned from his father in Chicago, where out-of-state plates are not as plentiful as they are in the Nation's Capital.

Several Washington journalists now are converts to the license tag game, among them Carl Leubsdorf, the AP political writer. In four years of competition, Leubsdorf struggled to a 2-2 tie against heavy odds.

Once, when Leubsdorf phoned Sen. Edward Kennedy's office to check a fact, an office aide rebuffed him. "I know why you're calling," the aide said. "You're just trying to find out where rare out-of-state licenses are parked, but we're working for Mr. Biossat."

Tom Nolan, a Biossat protege in the NEA bureau here and now deputy metropolitan editor of the Star-News, recalled 1967 when he led Mr. Biossat 49–42 in number of license tags seen. Nolan needed only two plates, Alaska and Rhode Island, to win the game.

"I went to Sen. Claiborne Pell's Office and found a girl who had Rhode Island plates," Nolan said. "She had her stickers but hadn't put them on yet, so I volunteered to do it for her.

"That gave me 50—only Alaska to go. I couldn't find an 'Alaska.'

Meanwhile, Bruce put on a last minute blitz by touring Capitol Hill parking areas—you were on your honor to actually see the plate—to catch up. He not only found an 'Alaska,' but he got my 'Rhode Island' to beat me."

Professionally, his colleagues say, Mr. Biossat put that kind of integrity and enterprise into his work. He was recognized as an expert on the processes by which a person can become president. And because of his tireless attention to state politics, about which he often wrote, he was the envy of peers for his long list of contacts.

As a writer, Bruce Biossat's syntax was crips, flawlessly clean, a refinement of his early wire service training. His copy was meticulously prepared. Often as not he would retype a piece until it was letter perfect.

Mr. Biossat's colleagues also knew him for another acceptable eccentricity—"one man's outrage against the system." He saved some of his best prose for indignant letters to the heads of public utilities, credit card companies, hotels and arlines. "Ralph Nader can take a lesson from me," he would say.

Although a prolific writer, and with his acute memory, Mr. Biossat was never able to write a book on either of his favorite subjects, politics and travel (he would log as many as 100,000 miles a year). But Mrs. Biossat, his almost constant companion in his work and travel, said he was to have gone to New York this week to make plans for a book about the humorous side of covering politics, and had talked about another book which would examine the contemporary press as seen through the eyes of well known political press secretaries and image-makers.

Besides his wife, Mr. Biossat is survived by a daughter, Susan Patton of Virginia Beach, Va.; four sisters, Mary Warde of Denver, Susanne Andrews of Prescott, Ariz., Marzalie Stevens and Barbara Snow of Chicago, and a brother, Bayard, of Chicago.

The family announced that burial, private, will be in Washington, but that on Saturday at 11 a.m. a memorial service will be held at the National Press Club with a buffet following. Remembrances are suggested in the form of donations to the Kennedy Center of Performing Arts.

A CONSUMER ADVOCATE OF GIANT PROPORTIONS

Mr. PERCY. Mr. President, today I wish to commend a most extraordinary woman, Mrs. Esther Peterson. This gallant lady has held one important job after another in Washington having to do with the safety and economic well-being of laborers and consumers.

Esther began her career with the Consumer's League for Fair Standards and has since been Assistant Labor Secretary under Presidents Kennedy and Johnson, White House Consumer Adviser under President Johnson, and is now chairman of the National Consumers' League and consumer adviser to Giant Food's president, Joseph Danzansky.

In the latter capacity, according to Lynn Jordan, head of the Virginia Citizens' Consumer Council—

> Esther started a chain reaction. No matter where I go in the country every consumer advocate has heard about Giant Food even though its a local chain.

In the 3 years Mrs. Peterson has been with the company, Giant has been a conspicuous pioneer among food retailers in advancing progressive consumer reforms. As a result, Giant controls a continually increasing percentage of the Washington area's retail food market.

One of Mrs. Peterson's first innovations at the company was to form consumer advisory groups whose membership included highly respected professionals as well as concerned customers. Unit pricing, open dating of perishables, nutritional and ingredient labeling of Giant brand food products, and a comprehensive toy safety program are all a part of the Peterson approach to aboveboard retailing. Mutual trust between buyer and seller is her aim.

Mrs. Peterson says:

> If you don't explain things and let consumers know, you can't complain when consumers yell about profit pictures they don't understand.

Mrs. Peterson's unusual candor even includes public announcements of the consumer program's mistakes.

What Esther Peterson symbolizes is that there exists a vast difference between responsible, constructive consumer advocates and inexperienced "demagogues" who, as she puts it, are "short on expertise and long on rhetoric."

Her experience with Giant demonstrates that there is no more effective way for an aggressive, forward-looking company to increase sales than to become genuinely responsive to the consumer.

Mr. President, I ask unanimous consent that an outstanding description of Esther Peterson and her substantial contributions—written by Claudia Levy and appearing in the Washington Post of May 12, 1974, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 12, 1974]

COUNTING ON ESTHER PETERSON—SUPERMARKET CHAIN'S CONSUMER ADVISER SPEAKS OUT

(By Claudia Levy)

Esther Peterson says that when she came to Giant Food, Inc., as consumer advisor to its president, consumer advocates thought she had sold out and executives of the Washington grocery chain thought she would keep them from selling out of anything.

But in three years of Giant's pioneering with unit-pricing, open-dating of perishables and ingredient labeling of Giant-brand products, the president of one local consumers' council says, "Esther started a chain reaction. . . ."

These days, retail food executives nationwide listen with respect—as they did last week at a Super Market Institute conference in Dallas—when Esther Peterson lays it on the line.

"If you don't explain things and let consumers know," the former White House advisor tells them, "you can't complain when consumers yell about profit pictures they don't understand."

"No matter where I go in the country," says Lynn Jordan, head of the Virginia Citizens Consumer Council, "every consumer advocate has heard about Giant Food, even though it's a local chain . . . . The word has spread across the country."

A friendly, intelligent and direct woman who approaches shoppers, labor leaders and U.S. presidents with equal ease, Mrs. Peterson initially turned down job offers from Giant chief Joseph Danzansky because she "didn't want to chance becoming a publicity gimmick."

But today, the 67-year-old former assistant labor secretary under Presidents Kennedy and Johnson—and consumer affairs advisor to the latter—is probably Giant's most easily recognized publicity asset.

Her picture and signature appear on ads pledging Giant's commitment and proclaiming the consumer's right to choose, to be heard and to know everything there is to know about meat prices. She makes similar pronouncements in low-keyed but effective television commercials and maintains a highly active schedule of speaking engagements.

And when she walks right up to a woman rummaging in the collard greens in a Southeast Washington Giant and says, "Excuse me, I'm Esther Peterson. How do you find things here? All right?" she doesn't have to explain who she is or why she's asking.

A veteran labor lobbyist who got her "picket line come-upance" fresh out of college with the Consumers League for Fair Labor Standards, Mrs. Peterson says she demanded of Danzansky and got "complete freedom to speak out according to my convictions, both publicly and within the company" when she came to work for him.

Not only was she to have "a hand at the levers of corporate power," she said, but the company would have to commit itself to try some of the programs she believed in, programs based on recommendations made by White House advisory committees and conferences.

Although a "consumer action task force" composed of Giant executives was in the process of developing a unit pricing system to help customers compare food costs when she arrived, Mrs. Peterson writes in the current issue of the Harvard Business Review, consumerism was not universally regarded as a constructive force by Giant's numerous vice presidents.

But gradually, she says, "their suspicion and hostility began to ebb, in turn, I got a priceless inside glimpse into the dynamics of a corporation."

Mrs. Peterson alarmed some retailers with her somewhat unique approach to keeping the public informed, which included announcements of the consumer program's mistakes as well as its innovations. Candor about such initial flops as an attempt to label fat content in ground beef (the state of the art wouldn't permit strict accuracy) has not harmed Giant's image, she said.

"Apparently, people admire those who are not afraid to own up to their errors."

American businesses generally have reacted to the growing consumer awareness in distinct steps, she observes. First, they deny charges made by consumer groups, then try to discredit those who make the charges or question their motives.

"When consumers get no redress and seek legislative action," she went on, businesses "oppose everything" and when legislation is passed or regulations written, they try to 'defang' anything that is enacted by working against implementation and appropriations or getting an opponent of the law appointed to administer it."

Finally, she observes, after repeated frustration, "business realizes that service is its first obligation if it is to grow and prosper" and that the best way to cope with the problems is to give "reasponsible consumer spokesmen a fair hearing." Giant Food, she adds, arrived at the last step earlier than most, "although it, too, had to agonize its way through the five steps during the 1960s."

The company's previous experience with consumer advocates had not always been happy, she said, because inexperienced advocates were often "shrill and unreasonable." The advocates, on the other hand, had been unable to convince Giant that consumers needed to be provided much more than cooking demonstrations and recipes.

One of her first moves at Giant was to start forming consumer advisory groups that included highly respected professionals such as Harvard nutritionist Jean Mayer and former Nader Raider James S. Turner, author of "The Chemical Feast"—as well as Giant customers concerned about certain issues.

Store employees were kept up to date on changes such as improvements in food and the labeling and safety packaging through lunches, informal meetings and a newsletter.

Paul Forbes, executive assistant to Danzansky, says the Giant president is highly pleased with the consumer program. Forbes acknowledges that "some of the things Mrs. Peterson proposed haven't turned out to be practical, but she says, 'You win a few and lose a few.' "

Customer demand for such heavily advertised products as fruit-scented caustic cleaners, for instance, won out over the suggestion of advisory groups that they be dropped. But, at the same time, Giant discontinued packaging them under the Giant label and posted signs in stores urging parents to keep the products out of the reach of children.

As a reporter tagged along on one of Mrs. Peterson's weekly inspection trips to Giant stores, this one at Alabama Avenue and Good Hope Road SE, the consumer affairs advisor pointed out items she said she considers "rip-offs."

High on her list, she said, are prepared foods such as shrimp cocktail ("the main ingredient is sauce; people complain about prices, but often they're paying for someone else to do their work") and fruit drinks that are 97 per cent water.

"People are bringing home water," she said. "It's best to buy a concentrate like frozen orange juice and add the water." But fruit drinks, she notes wryly, are "high-profit items, heavily advertised."

Among her goals, she said, is listing ingredients on labels by percentage.

When Giant began noting on its private-brand orange drink that real orange juice constituted 10 per cent of the contents, she added, "people said, 'Only 10 per cent?' I said, 'How much do you think is in the others?' " She searched the Southeast store's shelves to point out Giant brand orange drink, but was told by a Giant administrator that it was out of stock because it's "selling fantastic!"

Since Giant began its consumer program in earnest, Safeway Stores, the national chain that has traditionally dominated the market here, followed suit. Today, Safeway, with 163 stores, continues to generate 31 per cent of the area's sales, while Giant, with 102 stores, controls 30 per cent, up from 26 per cent in 1968.

Giant, however, has only seven stores in the District of Columbia, while Safeway has 43, many of them smaller, long-established facilities serving low-income neighborhoods.

Danzansky advocates government "writedowns" to encourage supermarket development on high priced inner city land, his assistant, Forbes, said.

"It's frightfully expensive to assemble land in the inner city," Mrs. Peterson says, "but, on the other hand, we're denying the advantages of supermarket shopping to people—the poor and the elderly—who need it the most."

Mrs. Peterson came to Giant in 1970 on a year's leave of absense from the Amalgamated Clothing Workers of America, with which she had been closely associated over the years. Later, she formally quit her labor lobbying post to stay on as a $36,000-a-year advisor to Danzansky. She has to work harder at Giant, she says, than she did when she was serving simultaneously as assistant labor secretary and White House consumer advisor.

In addition, she has gone "full circle," she says, by accepting the chairmanship of the National Consumers League, the country's oldest consumer organization, which evolved from the Consumer League for Fair Labor Standards, the group that inspired her life-long interest in labor standards. One current aim of the league is to develeop a knowledgeable group to develop a dialogue with retailers over "legitimate consumer concerns."

Mrs. Peterson finds consumer "demagogues" who fail to do their homework "short on expertise and long on rhetoric."

Others, like the Virginia consumer council's Lynn Jordan, are often asked to join Giant advisory committees because of their commitment.

Mrs. Jordan, who observes that unit pricing and open dating have helped sales rather than hindered them, feels that most of the consumer reforms initiated by Giant and other stores were fairly safe risks for the retailers.

"This is not a criticism of Esther but of the system," she said. The question of market concentration, which in this area means that four companies control more than half the market, "the real heavy economics of competition, you won't find Giant trending into those," Mrs. Jordan said.

"Among the supermarkets here, there is only the appearance of competition," said Mrs. Jordan, a Springfield, Va., resident and former computer programmmer. "You will find pricing down to meet competition in produce—if Giant runs a sale on onions, Safeway will mark them down tomorrow—but in many of the items, you will find price leading. One store sets a price and within two weeks every other store has risen up to that price."

Food prices in this area have risen comparatively higher to other costs than in other major cities, she said. And the discounting among grocery chains that began when Memco moved into this area several years ago has pretty much disappeared, she noted.

Easy slogans such as Giant's "Count on Us" are meaningless, Mrs. Jordan said. What stores should be providing consumers is "hard economic information," like "the price of potatoes is going up next month."

CLOSER COOPERATION WITH EUROPEAN ALLIES IN MILITARY RESEARCH AND DEVELOPMENT

Mr. McINTYRE. Mr. President, the subject of closer cooperation with our allies in research and development of military equipment of mutual interest is of very great importance. In fact, it promises to become even more so in these times of inflation and when the need to control Defense spending is becoming more acute.

During this past year, in my capacity as chairman of the Research and Development Subcommittee of the Armed Services Committee, I have taken a direct and personal interest in this subject. At my request, a member of the committee staff spent several weeks late last year visiting our NATO allies primarily to explore the possibility of increasing such cooperation. His report was comprehensive and very informative. It addressed a series of questions which I sent to the Secretary of Defense for comment and appropriate action. A copy of the report and my letter of transmittal were printed in the CONGRESSIONAL RECORD for February 5, 1974, on pages S1224 through S1227.

The substance of the report was very helpful as the basis for questions during the hearings on the fiscal year 1975 military procurement authorization bill.

An interim reply was made by the Director of Defense Research and Engineering on February 23, 1974, and the final reply on April 18, 1974. I request unanimous consent to have these letters and unclassified attachments printed in the RECORD at the conclusion of my remarks. Much of the information should be of interest to my colleagues, to industry and to our allies. I am convinced that it will stimulate greater cooperation and enhance our relationships.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. McINTYRE. Mr. President, there remain certain items which will require follow-up actions, and these will be pursued.

I am encouraged by the attitude and cooperation of the Department of Defense, and intend to keep the Senate informed of any significant events as they occur.

Mr. President, I am pleased to report that the Armed Services Committee has demonstrated its strong support of cooperative programs by recommending authorization of the full amounts requested in the fiscal year 1975 military procurement bill for two major programs. These are the NATO patrol hydrofoil missile ship which is a cooperative program with the Federal Republic of Germany and Italy, and the short range air defense system (Shorads) which may lead to the adoption of one of three candidate foreign developments for production in the United States by a domestic corporation.

EXHIBIT 1

DIRECTOR OF DEFENSE RESEARCH AND ENGINEERING,
Washington, D.C., February 23, 1974.

Hon. THOMAS J. MCINTYRE,
Chairman, Subcommittee on Research and Development, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Secretary Schlesinger has requested me to respond to your letter of 21 January 1974. As you requested, I have attached data sheets on most of the technical developments listed in paragraph four of Mr. Fine's trip report. The attached information represents an interim reply covering only the information available at this time. More detailed information as well as appropriate comments on the entire report will be forwarded shortly.

Mr. Fine's report of his R&D orientation visit in Europe is excellent and comprehensive. It is obvious from his comments that the European trip has provided him an extensive understanding and appreciation for the problems and promises of international cooperative research and development. His trip report should serve as a solid basis for a continuing dialogue between our staffs that can lead us to improve our international cooperative R&D efforts.

Sincerely,

MALCOLM R. CURRIE.

LEOPARD II, MAIN BATTLE TANK

A. Background

1. Developing Country—Germany.

2. Description—The LEOPARD II is the German continuation of the MBT–70 joint program which started in 1962. It is a good tank with very high cross country mobility. The FRG has not selected the main armament for the Leopard II.

3. Comparable U.S. System—XM1.

4. Status of Development—Engineering Development 14 prototypes to be built by summer 1974.

B. Relationship to XM–1 Program

Before the Army initiated the XM–1 program, it reviewed ongoing foreign tank developments and found that the Leopard II had many of the characteristics that the Army wanted in its new tank; however, there were several areas where it did not meet Army needs. These areas were ballistic protection, night vision, and fire control. Ballistic protection was an area of disagreement throughout the joint MBT–70 development. The FRG put greater stress on mobility while the U.S. placed higher emphasis on protection. New armor developments have created the opportunity for much higher levels of ballistic protection and this was a key factor in Army's decision to develop a new tank. The Leopard II night vision suit was a holdover from the MBT–70 and overtaken by technology. It is now possible to build a night vision system that is both more effective and far less costly than the system installed in Leopard II. The Leopard II's fire control system is much more complex and costly than the Army feels is needed or that it can afford. Although the Leopard II in its present configuration is not a candidate for the Army's new tank, several of its subsystems are. These include the engine, transmission, and track. In addition, its gun is a candidate in the tri-nation program to select a single gun for the new tanks of all three countries. The FRG has been encouraged by the U.S. to consider improving the Leopard II by adopting XM–1 components and/or technology. In response, the FRG is presently investigating the feasibility and desirability of modifying the Leopard II.

Q: What is the USAF interest in a cooperative program with Rolls Royce on the ESM 600 engine?

A: The ESM 600 is a small turbo shaft engine now in the demonstrative phase of development. Two demonstrative engines are to be tested this year. The ESM 600 is similar to the already developed AVCO Lycoming LTS–101 engine. The USAF has no known requirement for either of these engines at this time. There is no U.S. Navy interest in this engine.

ROLLS-ROYCE PEGASUS 15

Comment: Subject is "under development for the Advanced Harrier". Why is there or is there not an interest in pursuing a cooperative program?

Answer: Rolls-Royce did in fact investigate the uprating of the Pegasus 11 engine currently installed in the Hawker-Siddeley Harrier (AV–8A) in service with the U.S. Marine Corps and the Royal Air Force. As a product of this investigation, a configuration has been designated the Pegasus 15, which provides higher thrust, but also requires fuselage and inlet changes to accommodate the increased fan diameter. A Joint

Study Group, composed of U.K. government and contractors, Hawker-Siddeley and Rolls-Royce, and U.S. government and contractors, McDonnell-Douglas and Pratt & Whitney, are conducting a study to determine a common baseline aircraft (AV-16) and engine, resolve positions regarding rights, royalties and levies and define a possible joint development and production plan. The U.K. government is funding the U.K. contractors and the U.S. government is funding the U.S. contractors for this study.

Position: The final report of the Joint Study Group expected in April 1974 will provide a basis for a decision as to whether the development will be sought.

HAWKER-SIDDELEY ADVANCED HARRIER

Comment: Subject is "Advanced Harrier with Pegasus 15 engine". Why is there or is there not an interest in pursuing a cooperative program?

Answer: See response to Rolls-Royce Pegasus 15.

JAVELOT—AIR DEFENSE GUN

A. Background

1. Developing Country—US/France.

2. Description—The JAVELOT is a multitube launcher which fires 40mm rocket-assisted projectiles (RAP). It is a concept of achieving a high probability of hit by using highly accurate RAPs fired in salvoes from an assembly of multiple tube launchers having discreet predetermined angular divergènce.

3. Comparable US System—None.

4. Characteristics:

Weight (system)—Unknown.

Guidance—Ballistic RAP (fire control type not defined for AD application).

Range—Optimized for 2 kilometers.

Cost—Unknown.

5. Status of Development:

US/France completing Phase I, demonstration of the feasibility of the JAVELOT concept; Phase II, testing of the JAVELOT gun against aerial targets, is contingent on test results of Phase I, a requirement being generated for such a gun, and agreement by both the US and French armies to initiate Phase II.

B. Proposed response

The US Army is interested and is currently participating with France in the Phase I feasibility study. US participation in Phase II, tests against aerial targets, has been approved contingent on the test results of Phase I.

Q: What is the USAF interest in a cooperative program with Engins MATRA on the Super 530 All-Weather Air-to-Air Missile?

A: This missile is for intermediate and high altitude intercepts and can be fitted with either infra-red or radar guidance. The first launches were scheduled in 1973, with delivery of the first production units in 1976-77. The AIM 7F has a greater range and payload and will be available much sooner. We currently have no requirement for an IR version of such a missile.

Q: What is the USAF interest in a cooperative program with Engins MATRA on the 550 "MAGIC" Air-to-Air Missile?

A: USAF is interested in MATRA 550 aerodynamic performance capability and has provided a draft Memorandum of Understanding to the French for their consideration. USAF interest is confined to the unique aerodynamic design and control system of this high-maneuver missile, and not to the weapon system as an entity. Exploratory discussions for a cooperative test program have been underway for over two years.

Q: What is the USAF interest in a Cooperative Program with Engins MATRA on Drag-chute retarded bombs?

A: Bomb retarders are used to provide a safe separation distance between low flying aircraft and the blast and fragments of any ordnance it releases. The French use a 400-kg general purpose (GP) bomb almost identical to the USAF 750-lb M117 bomb. During the mid-1960's, the USAF investigated the French parachute retarder during the definition phase of the M117 bomb retardation development program. Other retarders similarly evaluated included a US-designed parachute retarder, a variation of the US Navy SNAKEYE reader fin used on the 250-lb MK81 and 500-lb MK82 GP bombs, an autogyro rotor device, a solid propellant retrorocket and a balloon parachute. The SNAKEEYE type retarder fin was selected for the M117 bomb due primarily to its mechanical repeatibility and increased weapon accuracy. The parachute retarders, both French and US, did not provide the required accuracy due to critical variations in parachute deployment times.

In either event, the USAF is phasing the M117 bomb out of service for fighter aircraft in favor of the MK82 bomb, which provides less drag when carried externally. This removes the requirement for retarders for M117 bombs.

ARMBRUST—ANTITANK WEAPON

A. Background

1. Developing Country: Germany.

2. Description—Armbrust identifies a double piston launch concept that portends a system with a firing signature less than that of a rifle or pistol. The Armburst is a closed breech system that launches a drag stabilized projectile to an effective range of 300 meters, provides a very mild gunner environment, and can be fired from inside a bunker or house because of low overpressure. The launcher consists of a straight tube containing two pistons inclosing a propellant charge which is used to eject equal masses from each end of the tube. One mass is the projectile and the other is a slug of thin plastic wafers that are broken-up and dispursed in the area immeditaely behind the launcher. Propellant gases are permanently trapped between the pistons of the launcher which is discarded after use.

3. Comparable US System—Lightweight Antitank Weapon (LAW).

	Armbrust	Law
4. Characteristics:		
System weight	10.6 lb	5.2 lb.
Effective range	300 meters	200 meters.
Guidance	Free flight rocket.	Free flight rocket.
Armor penetration	Unk	12.1 in.
Cost	Unk	$50

5. Status of Development:

Armbrust is in exploratory development. There are some technical problems involving the aerodynamics of the projectile yet to be solved. The system has not been safety certified or man rated.

B. Proposed response

The US Army is very interested in Armbrust technology. As a system, the Armbrust is too heavy to meet the US Army requirement for a Lightweight Antitank Weapon (LAW), but the technology may be adaptable to a lighter system. A cooperative R&D effort to explore the Armbrust technology may be worthwhile once the feasibility has been satisfactorily demonstrated.

MBB-KORMORAN

Comment: Subject is "long range air-to-ship weapon system". Why is there or is there not an interest in pursuing a cooperative program?

Answer: In 1969-70, while still in development, Kormoran was evaluated, along with other foreign missiles, as a candidate to fulfill the Harpoon requirement. It was rejected because of its relatively short range and other performance shortcomings. More recently, as a result of a USN-FRG Cooperative R&D meeting in April 1972, a letter of offer was forwarded to the FRG regarding their request to conduct test firings of Kormoran on the Pacific Missile Range. FRG failed to accept the offer.

Q. What is the USAF interest in a Cooperative Program with Messerschmidt-Boelkow-Blohm on the STREBO—Airborne Dispenser?

A. The AF is pursuing the possibility of cooperative R&D of the STREBO weapon system with the FRG through the mechanism of NAFAG Subgroup 9. At the present time, the STREBO is conceptual. Its development is being followed to see how it competes with existing CBU type weapons toward meeting stated operational requirements.

FRG-VTOL TECHNOLOGY

Background: The U.S. Navy is negotiating with the FRG a cooperative test plan utilizing the German lift-plus lift cruise UAK-191 prototype experimental aircraft. The program as foreseen is on the order of $2.5M. The U.S. Navy will fund about $1.9M and Germany will furnish the aircraft and provide maintenance and operations.

The FRG presently has no VTOL aircraft or aircraft programs of interest to the Air Force. Their primary VTOL work is in the area of light helicopters. The Air Force has no current requirement for VTOL aircraft.

Although there are no cooperative V/STOL development programs underway, the Air Force continues to work closely with the German Federal Ministry of Defense (FMOD) in the area of V/STOL technology, with primary emphasis in STOL technology. Approximately $14 million has been applied to coordinated V/STOL programs by each side since 1968. Under the program, the USAF developed and tested the XV-4B experimental test aircraft. USAF/FMOD cooperative V/STOL efforts continue, but at a reduced level because of funding limitations. As far as can be determined, none of the current work being done by MBB has direct relationship to known Air Force requirements.

105MM AND 120MM SMOOTHBORE TANK GUNS

A. Background

1. Developing Country: Germany.

2. Description—The Federal Republic of Germany has continued to develop both the 105mm and the 120mm smoothbore guns. The 105mm is considerably ahead of the 120mm and has demonstrated accuracy of groups with a standard deviation (SD) of .16 mils × 19 mils and penetration of the NATO medium single and triple targets at a range of 2000m. The 120 mm has demonstrated an SD of .20 mils × .21 mils and has penetrated the NATO heavy single and triple targets at 2000m.

3. Comparable US System—M68 105mm with XM735 round.

4. Status of Development—Development of the 105mm round is virtually complete and should be ready for troop trials in April 1974. Some development work remains on the 120mm round, particularly with the combustible case. This round is anticipated to be ready for troop trials in April 1975. HEAT rounds are the only other ones under development at this time. They trail the KE rounds considerably.

B. Proposed response

The 120mm smoothbore Tank Gun is the prime candidate for Germany in the Tripartite (US/FRG/UK) Tank Gun Evaluation. The 105mm Smoothbore Tank Gun serves as a backup candidate. The Tripartite Tank Gun evaluation resulted from a U.S. DoD initiative, and will evaluate gun candidates from the UK, FRG, U.S. and possibly France leading toward a common gun solution for future NATO main battle tanks.

SP-70 155MM SELF-PROPELLED HOWITZER

A. Background

1. Developing Country—United Kingdom/Germany/Italy.

2. Description—A modern self-propelled howitzer featuring high rate of fire, extended range; armor protection, and mobility. Developed in accordance with Quadrilateral (US/UK/FRG/IT) Memorandum of Understanding on 155mm ballistics and NATO standardization agreements aimed at achieving total interchangeability of allied ammunition and a common firing table.

3. Comparable US System—The US has no modern SP howitzer under development having terminated the XM179 program in 1969. The SP 155 mm howitzer in the invnetory is the M109A1, a product improved version of the M109 developed in the early 1960's.

	SP-70	M109A1
Characteristics:		
Range	24,000 m unassisted. 30,000 m w/rocket assist.	18,000 m unassisted. 24,000 m w/rocket assist.
Weight	92,400 lb	53,060 lb.
Rate of fire	3 rds in 14 sec 6 rds/min for 1 min. 2 rds/min for 1 hr.	4 rds/min for 3 min 2 rds/min for 30 min. 1 rd/3 min sustained
On board ammunition.	32 rds	28 rds.
Road speed	40 mi/hr	35 mi/hr.
Cross country	25 mi/hr	20 mi/hr.
Cost	$400-$500,000	$143,700.

5. Status of Development—SP-70 is in advanced development. M109A1 is in the field.

B. Proposed response

Although the US Army does not now have a stated requirement for a new self-propelled 155mm howitzer, a Required Operational Capability (ROC) is being prepared and coordinated for submission to HQDA. If the ROC is approved, and after the Concept Formulation Package is prepared, an assessment will be made of systems under development to include the SP-70 as a possible cooperative program.

Subject: VANESSA ASMD System as a Potential Cooperative R&D Program.

Comment: The only information immediately available on the system is in Mr. Fine's trip report, which precludes assessment of its potential as a cooperative program. However, as a direct result of the trip report, inquiry has been made to the Italian Navy under the auspices of the existing USN/ITN Mutual Weapons Development Data Exchange Agreement (MWDDEA). Determination of U.S. Navy interest in a cooperative program will be made upon receipt of the Italian reply.

DIRECTOR OF DEFENSE
RESEARCH AND ENGINEERING,
Washington, D.C., April 18, 1974.
Hon. THOMAS J. MCINTYRE,
Chairman, Subcommittee on Research and Development, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am now forwarding to you more detailed comments on Mr. Fine's European Trip Report as a follow-up to my letter to you of 23 February 1974. I hope you will find the attached information adequate, and encourage any further questions concerning this important subject.

Mr. Fine's trip report is thorough and stimulating, and of great value to the DoD efforts in international cooperation in R&D. I would welcome your and Mr. Fine's continued focus on this subject, and recommend that perhaps another trip be taken by him during the next year as a follow-up.

Sincerely,

MALCOLM R. CURRIE.

The Department of Defense through the Director of Defense Research and Engineering supports and fosters international cooperation in military research and development with our Allies. The following is the DoD response to the specific paragraphs of Mr. Fine's report:

(3c) The U.S. Army is in the process of issuing a request for proposals (RFP) for a short-range air defense missile system. The leading competitors are the three European-developed systems being proposed by three U.S. industries. The selected system will be produced in the U.S. for U.S. inventory. To further reduce outlay of U.S. R&D funds, the DoD is negotiating Memoranda of Understanding with the three European nations developing these systems to share engineering tests in the event one of these systems is selected. In this way, the U.S. will not repeat testing already conducted on the selected system, and will share costs for certain specific future testing. The DoD realizes the importance our NATO Allies attach to having the U.S. select a European-developed system for U.S. inventory and the deleterious effect on the credibility of future U.S. international cooperative efforts should a European system not be selected. However, even though the European-developed systems are strong contenders, the DoD competitive source selection procedures will be followed to insure meeting the DoD objective of satisfying our military need at the lowest risk to cost, schedule and performance.

(3d) Since its inception, NATO has worked towards equipment standardization to reduce system proliferation and logistic complexity with varying degrees of success. In the past ten years the technological competence of our NATO Allies has improved to the point that in some areas they are equal to and even surpass us. This has led to a tendency for nations to support their technological base by national developments of different systems for similar missions, which is inimical to standardization. Although standardization is and will remain a desired goal, a second goal of cooperative research and development is to achieve interoperability where standardization is not possible.

Some progress toward standardization and interoperability has been made. For example, in the Air Defense area, a number of NATO nations use Redeye, Hawk, and Nike, and plan to use Improved Hawk. The U.S. selection of a foreign-developed Shorads would add to standardization in NATO Air Defense. Another example is the agreement on common ballistics between the U.S. XM-198 and the UK-FRG-Italy FH-70 155MM howitzer. Just concluded is an agreement to competitively evaluate U.S., UK, and FRG tank guns toward selection of common main armament for future main battle tanks. These are a few examples.

(3e) In NATO and bilaterally with our Allies, the U.S. meets regularly to discuss and explore more efficient ways to increase R&D cooperation. The method showing most promise, as well as a past measure of success, has been various forms of licensing and coproduction. In a few instances to meet specific needs, the U.S. has purchased European-developed systems from European production. The French developed wire-guided short range missile SS-11, the battlefield radar RATAC, the passive sonar ranging DUUG-1, and the Marine Corps Harrier are examples. In this exchange, however, the overwhelming ratio has been in favor of European purchases of U.S. equipment. Because the U.S. technology is so advanced over a broad spectrum of military equipment, and the large production runs of U.S. equipment provides economies of scale, European purchases of U.S. equipment will dominate for some years making a balance difficult if not impossible to achieve. For this reason, shared production of equipment components or licensed production of systems seems to be a more viable procedure.

DoD believes that it is unwise to depend upon a foreign production source for a large amount of key equipment on an extended basis. This dependency not only has a direct impact on national security, but also an impact on key areas of our industrial mobilization base. In addition, U.S. production of a foreign-developed system is usually cheaper in the long run if the production requirements are large.

In summary, we prefer U.S. production under license of foreign-developed items, and believe that purchase of foreign-produced items should be limited to special cases that have little negative impact upon our national interests.

(3f) The Army initially requested $19.5M in FY 1974 for LOFAADS. After discussions with Congress, a reduced request for $7M was submitted, including $2.5M for in-house effort and $5M for licensing fees and long-lead time requirements. The Congress approved the $2.5M for in-house cost (as stated in paragraph 3c of your report) stating that the other $5M could not be used this year. DoD did not draw the conclusion that the $5M had been cut out because a determination had been made that the cost of the data package would be spread over the unit production costs.

In general, licensing agreements include various costs. There are royalty fees which are normally charged by the licensor on each unit produced. But these fees would not normally cover the preparation of a data package, which could be very costly depending on the extent of the package requested. Data packages are normally specifically contracted for as a line item in a contract with a clear understanding of what is to be delivered and what the government's rights are in the use of the data. This cost is considered a valid nonrecurring cost. The cost of a data package which is identified to a specific item is chargeable to that item, and is not normally charged to Bid and Proposal Expense.

In the SHORADS case, the data and know-how required to be transferred from a foreign country to the U.S. during the nonrecurring phase for fabrication of complete systems and missiles is quite sizeable and is considered a valid nonrecurring cost.

(3i) Generally, performance requirements of European systems require less technical risk, complexity and cost than U.S. systems. Less available military R&D funding has resulted in smaller quantum jumps in technology risk in new foreign developments, and greater use of past proven technologies in an evolutionary way. Avions Marcel Dassault has used this approach in the MIRAGE series by the use of technology or prototype demonstrators. The EXOCET anti-ship missile is another good example. On the other hand, the Europeans sometimes attempt large technology jumps, as in the case of the CONCORDE and the MRCA.

DoD feels that one of the key considerations in system design is the mix of proven and new technology used in the design. We believe that the lessons learned on the F-111 and the C-5 are being wisely used in the F-15, YF-16, and YF-17, for example. The fly-before-buy approach and the careful use of technology demonstrators represents an economical and proven technique for introducing new technology without excessive risk.

We believe that the U.S. can retain the qualitative superiority of its weapons systems by a prudent mixture of the evolutionary and revolutionary approaches, with increased emphasis upon more realistic requirements, more thorough verification of new technologies prior to system application, increased realistic testing programs, and an overall management sense of return-on-investment on a more business-like basis rather than an open-ended commitment to superior technology for its own sake.

(3k) The problem of coordinating the use of test facilities on an international basis has concerned NATO since the early 60's. In that period NATO has constructed a NATO weapons testing center in Crete and is in the process of establishing two European-based naval weapons accuracy check sites. In the past few years NATO has organized a special working group to review all test sites, wind tunnels, ranges, naval model basins and other test capabilities available in the NATO nations with an aim to improving coordination of their use and to recommend consolidation. This work is going on now.

(3m) The U.S. has and will continue to cooperate with Germany to support research and development programs and projects of mutual benefit. The availability of German offset funds has already been used in the US/FRG development of a miniature inertial navigation system in which the R&G was wholly conducted in the U.S. while costs were shared equally by the U.S. and Germany. A project underway now is the US/FRG development of a side-looking radar where again all R&G is conducted in the U.S. We continue to explore all possibilities to find other mutually beneficial projects of this nature that would permit expansion of this program. However, to draw on available offset funds, the program must meet US/FRG needs, be supported by the FRG Ministry of Defense and be of sufficient FRG priority to be approved in the FRG defense budget. The FRG Ministry of Defense is willing to expend offset funds only to meet priorities for allocation of funds.

(3n) The R&D Directors of US/UK/FR/FRG meet informally and regularly for the purpose of improving cooperation among themselves and using their good offices to increase cooperation in NATO. Some measure of success has been achieved. In practical terms, some of the efforts of the group to date are: cancellation of two (UK and FRG) of the four IR air-to-air missiles under development for similar requirements: driving toward standardization of much of the family of ground-based air defense missile systems, especially on the Central Front (REDEYE/STINGER, SHORADS, IMPROVED HAWK, and SAM–D); pressing for introduction of AWACS to upgrade the NATO Early Warning and Command and Control Network (NADGE), and for common main armament on future main battle tanks; completion of two-sided testing of Four-Nation candidate anti-tank weapons to support additional deployment doctrine in NATO, and evolve cooperation on next generation anti-tank weapons. The group regularly exchanges operational requirements to assure that no member nation starts a development project without being aware of similar projects in the other nations and without having the opportunity to cooperate rather than start an independent project. Since its inception in 1970, this Four-Power group has had a beneficial effect on cooperation at the NATO level as well. It has also led to a greater understanding of the problems and promises of R&D cooperation. As the group matures and more confidence builds up among its members, opportunities for expansion in the numbers and range of projects will grow.

(3o) The U.S. is working with its Allies and in NATO to find ways which would permit our Allies to increase their participation in the SAM–D project. The FRG is in support of the concept that SAM–D should be deployed by NATO in the early-mid 1980's as a replacement for NIKE–HERCULES, and is now including limited SAM–D procurement for this purpose in their long-range planning. It is our understanding that FRG will be encouraging other NATO Allies who presently deploy NIKE–HERCULES to use limited numbers of SAM–D in this role.

(3p) We are in agreement with the Italian Ministry of Defense on the need to examine operational requirements in NATO in order to increase the opportunities for NATO cooperation in R&D. The U.S. has contributed significantly in this NATO effort by expanding information exchange in the sensitive areas of electronic warfare, airborne early warning, command and control, air-to-air missiles and battlefield surveillance. The U.S. has also led the effort to establish closer ties between the NATO military authorities and the NATO R&D community so that a better base of understanding can be established. We have also met bilaterally with our Italian colleagues and exchanged views with an aim to increase cooperation in R&D.

(3q) The DoD is taking maximum advantage of the available excess foreign currency within the regulations established for its use. The bulk of excess foreign currency is in the Middle East and Far East countries such as Egypt and India were possibilities for cooperative R&D projects are minimal. The residual excess foreign currency in NATO available for defense R&D purposes is small and would not support extensive programs. The governing difficulty with the use of excess currency is that, in both the U.S. and the foreign country, the amounts budgeted must be accounted for in the overall defense budget and counted as defense expenditures. For DoD, projects of sufficient priority to use allocated defense funds would be conducted in the U.S.

(3r) Single service control of the requirements, specifications and development of a particular weapons area undoubtedly will preclude proliferation of hardware solutions for a common mission. However, we tend to agree with the findings of the GAO on this subject in that competition between the services up through Advanced Development can be healthful, particularly in surfacing alternative technologies and design approaches. Our management goal is to bring competitive approaches to a "shoot off" so as to select the best design for entry into Engineering Development. In situations where there is a significant difference in service requirements, we force a hard appraisal of the justification of each parameter with a goal for bringing them together in a JSOR (Joint Service Operational Requirement). In summary, we believe this approach will yield the most effective weapons to support our projected combat preparedness goals.

(3s) The Defense Advanced Research Projects Agency (DARPA) has had extensive discussions with the British Ministry of Defense representatives engaged in research and advanced technology. DARPA has already established cooperative programs and information exchanges where such activity showed promise to be mutually beneficial to both, including lasers. Continued future contacts will assure that any new programs proposed by the U.S. and UK will be given thorough scrutiny for consideration as a cooperative effort.

(3t) On the subject of Data Exchange Agreements (DEA), DoD makes every effort to review and update the existing DEAs at least biannually. The normal practice is for the Services to review the validity and continued usefulness of each established DEA according to its administrative procedures. The Army and Navy visit each country having DEAs for their review. The Air Force has each DEA project officer review his DEAs and report annually. In the Netherlands, the Army last reviewed DEAs with the Dutch in May 1973 and the Navy on 3 July 1972. The Netherlands Ministry of Defense has been invited to send a team to the U.S. to review their DEAs at their convenience.

(3u) We are fully aware of the capabilities of the complete product line of Avions Marcel Dassault and continue a dialogue with officials of the firm through various forums available. Avions Marcel Dassault is a highly competitive aerospace company which enjoys full support of the French Government in the international marketing of their products. Recent examples include the Mirage versus A–7 for Switzerland, where the intervention of the French Government adversely affected the Swiss decision to approve an A–7 buy. The Mirage F–1 versus P–530/P–600 in the Netherlands is another case where our companies will be competing with Avions Marcel Dassault and the French Government. In addition to this extremely competitive relationship, another difficulty involved in cooperation with Dassault is the third-country problem. Many important customers of French military aircraft are countries to whom the U.S. will not release advanced military aircraft for reasons of national policy. However, no insurmountable barries exist to such cooperation and we remain open to suggestions.

(3v) Dr. Gardiner Tucker, Assistant Secretary General of Defense Support, NATO International Staff, has circulated his views on the need to consolidate defense industry to reduce the impact of declining defense business. Dr. Tucker also acts for the Secretary General as Chairman of the Conference of National Armaments Directors (CNAD). He will present his views at the next meeting of the CNAD in late April 1974 where these ideas will be discussed by the R&D and production leaders of NATO. Both DDR&E and ASD (I&L) will be there to represent the U.S. at this meeting.

(3w) The CNAD has been kept informed of the NATO R&D objectives established and has been working to establish cooperative projects to meet the stated deficiencies. For the first time in NATO, during its April 1974 meeting the CNAD will have a one-day joint meeting with the NATO military authorities at the Supreme Headquarters Allied Powers Europe (SHAPE). It is believed that should the CNAD and the military authorities arrive at a consensus on the most important projects needed to meet the deficiencies, then they could present these to the NATO Ministers for their approval and action both in NATO and in their national capitals. R&D cooperation in NATO depends not only on the definition of deficiencies and the willingness of defense leaders to cooperate. It also depends on the political/economic factors in each nation which affect the will of these nations to joint cooperative programs. It is this latter political/economic will to cooperate which must be affirmed and activated to increase cooperation in NATO.

(3x) OSD is proceeding with the formulation of this new directive. The new Army regulation AR70–41 was effective 1 March 1974.

U.S. CHAMBER OF COMMERCE PRESIDENT SETS WORTHY GOALS FOR FREE ENTERPRISE—SENATOR RANDOLPH COMMENDS INITIATIVE OF PRESIDENT ARCH N. BOOTH

Mr. RANDOLPH. Mr. President, these times of uncertainty and doubt on our national goals emphasize the need for creative leadership, both in the public and private sectors of our Nation. One response to this challenge has been a heightened awareness by those in positions of influence and decisionmaking to reassess the practices of the past. Recently, at the U.S. Chamber of Commerce's annual dinner in Washington, Chamber President Arch N. Booth sounded a clarion call to business and industry leaders to join in meeting "some of the greatest challenges in our history." He warned that the business community must improve the public knowledge and acceptance of free enterprise, and demonstrate to the American people the benefits of our free economy—a tested system on which we must continue to build.

Mr. Booth then stated certain goals the members of this national organization must strive to achieve:

We must increase the involvement of all

of us in taking special leadership in dealing with problems and opportunities in community development.

We must let everybody know that it is our unswerving purpose to make the time-tested principle of representative government work better.

To make the time-tested profit-and-loss business system work better, too.

Over and above all else, we must make the principle of honesty and candor the trademark of excellence for all that we write or speak.

Mr. President, I suggest that these are goals worthy of a nation and a people which have, over this past 200 years, achieved greater progress in human dignity and material wealth than any other nation in history.

I ask unanimous consent that Mr. Booth's remarks setting the course for the U.S. Chamber of Commerce be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Remarks of Arch N. Booth, President, Chamber of Commerce of the United States

Thank you Mr. Lowe for your kind words.

Thank you ladies and gentlemen for your generous and encouraging greetings.

I'm grateful to our Board of Directors—and to all of you—for the continued confidence which you have expressed in me by this appointment to the office of President of the National Chamber.

You may be sure that I accept this office as a trust, as an honor and with a full acknowledgement of my accountability to you for all that you would like to see accomplished.

I've spent some exciting, rewarding years working in this great organization of American business and professional people.

I have the highest respect for its philosophies and its policies—for its capabilities and its potentials.

The National Chamber is now 62 years old. That fact in itself is not something to boast about. It's like Elbert Hubbard said, "There's no trick to growing old—anybody can do it who has time enough."

But there is a trick to using the passing years to gain perspective—to develop mature judgment—to grow wiser, stronger and more effective. And that's what this organization has done.

Tonight, as we face the future, our task is not so much to set great and new exciting goals, as it is to improve the processes and procedures through which we select and pursue our goals.

Ours is an economy which like all human institutions is not perfect. So we have work to do. Our function is to help with efforts to improve—to address ourselves to correcting faults and defects—to help build the strengths of our system.

As we work at the endless stream of new challenges calling for progress, we are still confronted by some *elusive* but still *essential* goals.

The goal of achieving a growing balanced economy, with high levels of employment, reasonable price stability and reasonably steady growth.

Of achieving the fullest utilization of our *human* resources.

The fullest utilization of *natural* resources.

And a development of a system which *balances* the interrelation of the two.

Certainly there will be *new worlds* to conquer.

As we face some of the greatest challenges in our history:

We must improve the public acceptance of private enterprise, and convince the American people that what they have going for them is the best there is.

We must increase the involvement of all of us in taking special leadership in dealing with the problems and opportunities in *community* development.

We must let everybody know that it is our unswerving purpose to make the time-tested American principle of representative government work better.

To make the time-tested profit-and-loss business system work better, too.

Over and above all else, we should make our greatest objective the development of ethics and integrity in all of us—in all that we do.

We in this organization must make the principle of honesty and candor the trademark of excellence for all that we write or speak.

We must face the facts and speak the truth about issues—refusing to say that the impossible is possible—or that problems can be solved by proposed solutions which may be exciting but unsound—or that some new problem will lead straight to disaster unless we adopt some drastic remedy—or that we can have our liberties and "bread and circuses" too.

That approach will give us inner strength and credibility and staying power. It will enable us to be realistic in setting our priorities.

It will enable us to match the quality of our ideas with strength of conduct that makes the way we go about our work, from day-to-day, as important as the goals we seek to achieve.

In all of this, my function will be to serve you—to continue to work, and speak, for positive progress—for America—for the Chamber of Commerce of the United States—and for the most dynamic and productive system this world has known.

COMPREHENSIVE TEST BAN TREATY

Mr. KENNEDY. Mr. President, during recent weeks I have expressed concern at the indications that administration negotiators have discarded our previous commitment to pursue a comprehensive test ban treaty, and instead have limited their goal to the achievement of a threshold treaty.

The explosion of a nuclear device by India has reinforced my belief that our national interest, and the interest of all nations, would be far better served by a mutual moratorium on weapons testing by the United States and the Soviet Union, and by the negotiation of a comprehensive treaty permanently banning all nuclear weapons tests.

The Federation of American Scientists and the Task Force for a Nuclear Test Ban have recently published statements urging the negotiation of a comprehensive test ban treaty. They believe a CTB is far more in our interests than a threshold treaty.

They argue that the issue of verification is no longer a legitimate obstacle to the signing of a CTB, and they point to the value that a CTB would offer in placing an additional qualitative restraint on nuclear weapons production, in supporting the treaty on nonproliferation of nuclear weapons, and in creating a better climate for further arms control measures.

I ask unanimous consent that the statement of the Federation of American Scientists, as well as the background materials of the Task Force for a Nuclear Test Ban, be printed in the Record along with the names of the board of sponsors of both groups.

There being no objection, the material was ordered to be printed in the Record, as follows:

FAS and Task Force for a Nuclear Test Ban Warn Against Accepting a Threshold Test Ban Rather Than a Complete Halt to Nucelar Tests

The Administration is considering the negotiation of a threshold test ban with the Soviet Union in lieu of a comprehensive, i.e., complete, test ban. We wish to make these observations, spelled out in the attached position paper.

A comprehensive test ban has many advantages in ease of monitoring compliance.

A threshold ban will do little to reduce numbers of nuclear tests if it permits explosions in the tens of kilotons (as we anticipate would be agreed) but a comprehensive ban would stop them all.

A threshold ban, but not a comprehensive test ban, would permit the United States to build (and presumably the Soviet Union to follow with) mininukes—small nuclear weapons. A threshold ban, but not a comprehensive ban, would permit the Soviet Union to build new and advanced MIRV warheads. These are not desirable developments.

A comprehensive ban—but not a threshold ban—would set an appropriate example for non-nuclear countries who have not yet signed the non-proliferation treaty.

A threshold test ban might forestall forever the achievement of a comprehensive test ban.

We understand very well that the politics of summitry and the politics of impeachment both impel the Administration toward an arms control agreement in June in Moscow. We welcome this fact! But the agreement should be a real one. We do not want to see an important potential element in our national security—the complete test ban—sold out in favor of a much less useful agreement precisely because a partial agreement, lacking real substance, is easier to reach agreement upon.

Attending the Press Conference were Dr. George Rathjens, former Deputy Director of the Advanced Research Projects Agency (ARPA) of the Defense Department and James Leonard, Ambassador and Chief of the U.S. Delegation to the Geneva Disarmament Conference, 1969–1971.

The Statement carries the specific endorsement of these former Government officials, among others, as well as the approval of the FAS and Task Force For A Nuclear Test Ban:

George B. Kistiakowsky, Science Adviser to President Eisenhower;

Herbert Scoville, Jr., Deputy Director, CIA under Presidents Eisenhower and Kennedy;

Franklin A. Long, Assistant Director, ACDA under President Kennedy;

Herbert F. York, Director of Defense Research and Engineering, DOD under President Eisenhower.

Threshold Test Ban and Its Problems

Negotiations on a ban on underground nuclear tests have been at a virtual standstill ever since the Limited Test Ban Treaty was signed in 1963. Publicly the U.S. has not altered its position that it favored a comprehensive test ban provided only that it could have onsite inspections to verify compliance. The Soviet Union has insisted that such inspections were unnecessary. No serious discussions to receive this fundamental difference have been held despite the fact that, in the last ten years, very extensive research programs have dramatically improved seismic capabilities for detecting and identifying underground nuclear tests. Now, in the spring of 1974, private discussions between the U.S. and the U.S.S.R. appear to be under way to try to limit underground testing. Unfortunately, it seems that these discussions are focused on a partial rather than a total ban on all underground tests.

The Federation of American Scientists has long supported a complete nuclear test ban treaty. In January 1972, an ad hoc committee studied the problem and called for a total test ban without onsite inspections. The arguments which were made in support of this position more than two years ago are even more compelling today. Confidence in our seismic—and other capabilities also—for monitoring underground tests has grown as experience with the new seismic technology has accumulated and as reconnaissance has improved. The requirements for new nuclear weapons, unimpressive two years ago, are even less persuasive in 1974. With the Non-Proliferation Treaty Review Conference coming up next year, the need for superpower nuclear restraint is becoming more urgent in order to prevent our non-proliferation policies from coming apart. Senator Kennedy reported that on his recent trip to the Soviet Union, Russian leaders expressed great interest in a comprehensive ban. The Senate has before it a resolution, SR 67, co-sponsored by 36 Senators from both parties. There seems little question that with a positive decision a comprehensive test ban is politically viable today.

Two alternatives for a partial ban have been suggested, a number limit and a size limit. The first would be to place an annual quota on tests for each nation which could perhaps be on a sliding decreasing scale leading to a total ban in the distant future. No restrictions would be placed on the size of the explosions carried out under the quota, but it would put a finite limit on the size of the test programs and perhaps also on new weapons developments. Such a measure would not satisfy those who are worried about weaknesses in verification capabilities since cheating—by testing above the quota—would be unaffected. (However, the incentives for cheating would be reduced as long as some tests were permitted.)

The establishment of agreed quotas for the U.S. and the U.S.S.R. might not be too difficult, but would certainly present problems for the other nuclear powers, particularly the French and the Chinese who are not prone to admit second power status. Non-nuclear weapons countries might feel that they should be allowed a quota of tests as well, thereby shattering our goal of keeping the number of nuclear weapons countries at current levels. The sliding scale could lead to a total ban, but it would be very easy for a country to refuse to continue reducing the number of tests at some later date.

The other alternative, and the one now being given serious consideration by the U.S. and Russian negotiators, would be a threshold test ban. Under such an agreement, tests giving seismic signals above a certain magnitude would be forbidden, but tests below this threshold level would be allowed. This arrangement has certain political allure since it would allow the weapons laboratories to continue weapons development and thus weaken their opposition and that of those opposed to any test ban. However, we believe that this compromise proposal has the following serious shortcomings which should be carefully examined:

1. The measured seismic signals from a given explosion will not appear to be of the same magnitude at all instrumentation stations even if carefully standardized procedures are agreed to by all parties. Some statistical criteria for describing the threshold will be required and even then the opportunities for disagreements will be manifold since the capabilities of any station will vary from day to day. Thus, not only will the negotiation of an international verification system be extremely difficult, but even with the best of intentions suspicions of cheating are likely to arise.

2. The magnitude of seismic signals will vary depending on the media in which the explosions are carried out. Thus, a 1 KT explosion in hard rock will have a seismic magnitude equivalent to 10 KT in soft dry alluvium. As a result, the threshold does not place any fixed limits on the size of the nuclear tests which will be banned.

3. Since verification inadequacies will be used as the reason for compromising on a threshold ban, it is likely that the threshold will be set artificially high to take care of "worst possible case" assumptions. Thus, in a total ban, even though an occasional seismic event of magnitude 4.5 might not be certainly identifiable, a violator would not be able to test at this level since he would still have a high probability of being caught. Furthermore, testing techniques to reduce the size of the seismic signal become legal under a threshold ban so that again the yield of allowable tests will be increased. Under a comprehensive ban the use of these techniques would have a high risk of being discovered by non-seismic means. Consequently, a threshold ban will end up by permitting tests of much higher yield than the verification technology would demand.

4. Unless the threshold were set very low, the number of nuclear tests might not be greatly reduced below the present level. The experience of the Limited Test Ban Treaty has shown that if tests are allowed to continue, under any circumstances, the ban only diverts the programs into areas that are permitted. Thus, the testing rate increased, rather than decreased, after the Limited Test Ban Treaty. In the aftermath of a threshold treaty the programs of testing at low yields—that would be below the threshold—would probably be expanded. Since hedges against abrogations would always be sought, every effort would be made to extrapolate the results of testing at lower yield to higher yield weapons. This would undermine the effectiveness of the ban. Furthermore, in order that no other ountry could obtain an undue advantage, testing would probably be carried out as close to the threshold as possible. This will increase the chances for accidental violations with resulting increased tensions. The treaty would become only a very marginal arms control measure.

5. An argument for a threshold test ban is that it would allow development of new models of tactical nuclear weapons to replace those now widely deployed. Secretary of Defense Schlesinger has said that the issue of a comprehensive treaty is "to what degree the United States wishes to improve its tactical nuclear weapons." However Schlesinger also stated in his annual Defense Department Report, FY 75, (page 82):

". . . I must stress that our tactical nuclear systems do not now and are most unlikely in the future to constitute a serious substitute for a stalwart non-nuclear defense. In fact, we must recognize in our planning that the decision to initiate the use of nuclear weapons—however small, clean, and precisely used they might be—would be the most agonizing that could face any national leader."

The negotiation of a threshold treaty will only give impetus to efforts to develop new tactical weapons that will tend to erode the firebreak between conventional and nuclear war. Instead of developing new weapons, we should be examining the size and location of our existing overseas stockpiles which Secretary of Defense Schlesinger has admitted are larger than are necessary. And we should be making these more secure by less provocative deployments. Our goal should be to make nuclear weapons harder to use, not to make new models which are more useable.

6. Continued testing between the U.S. and the U.S.S.R. is not likely to satisfy the non-nuclear weapons countries that are looking for super-power restraint in exchange for their renouncing the option of acquiring nuclear weapons of their own. Such an agreement will be viewed as confirmation that the two super-powers have only self-serving interests in promoting the Non-Proliferation Treaty. It could weaken, rather than strengthen, the U.S. position at the NPT Review Conference in 1975.

7. The negotiation of a threshold treaty now would probably put off indefinitely the achievement of a total test ban. If, as a result of the tremendous advances which have been made in our verification capabilities in the past ten years, we still do not think our capabilities are adequate for a comprehensive test ban today, then it is hard to see when they ever could be considered so. Our seismic techniques are now approaching the limits of what we can ever hope to achieve. The number of natural earthquakes increases very rapidly as the magnitude goes down and the seismic background noise becomes increasingly difficult to avoid. The yield range between those events which can be detected and those which can be identified is already very small, perhaps of the order of 1–3 KT, and it is only in this range that onsite inspections have any meaning at all. Furthermore, improvements are not likely to reduce this interval appreciably and, in any case, would be of very little significance. Thus, the acceptance of a threshold treaty now is likely to foreclose the achievement of a comprehensive test ban for years to come.

FAS BACKGROUND

The Federation of American Scientists, founded in 1946, is a unique nonprofit public interest lobby of scientists concerned with problems of science and society. Unlike virtually all other scientific societies, FAS is not a tax-deductible organization and therefore is free to influence legislation.

Membership is open to all natural and social scientists and engineers, so that an interdisciplinary point of view can be achieved.

FAS is democratically organized with an elected Council of 26 members. Constitutionally, the FAS Executive Committee (composed of 8 officials) may also issue pronouncements consistent with FAS policy.

Members of FAS participate in several ways: they vote for its officers, respond to questionnaires, suggest ideas to the National Office, serve on committees to investigate special issues, and testify before Congressional committees.

The 6,000 dues-paying members of FAS include former science-related officials of the highest possible rank from the relevant government agencies, as well as half of America's Nobel laureates in science.

In fulfilling its role as a conscience of the scientific community, FAS has worked on a variety of vital issues: disarmament, environment, energy, conversion to a non-military economy, rights of scientists, and many others.

FAS public policy statements are reflected in periodic press releases, in testimony before Congressional committees, and in the monthly FAS Public Interest Report.

Task Force for the Nuclear Test Ban

The Task Force for the Nuclear Test Ban was established in 1971 by members of the Disarmament Issues Committee of the United Nations Association-USA to promote public awareness of the need for a comprehensive test ban treaty.

CHRONOLOGY OF THE TEST BAN CAMPAIGN SINCE 1971

April 1971—Task Force Co-Chairman, Jo Pomerance, urged the Senate Foreign Relations Committee Subcommittee on Arms Control and International Organization, chaired by Senator Muskie, to hold hearings on the underground test ban.

July 1971—Hearings were held by the Foreign Relations Subcommittee. Leading scientists and arms control experts testified that the United States should initiate negotiations with the USSR for a treaty banning underground tests. Dr. Bernard T. Feld of the Laboratory for Nuclear Science at M.I.T. testified on behalf of the Task Force that on-site inspection, long the major obstacle to a treaty, was no longer necessary to detect violation. Dr. Field's testimony asserted that detection of violations was now possible by national means, including seismic detection methods.

September 1971—The Task Force organized a public education campaign on the comprehensive test ban, working through the media, and national citizens' organizations; and providing information to the Congress and the Conference of the Committee on Disarmament in Geneva.

January 1972—Encouraged by public concern, Senator Edward Kennedy introduced a Senate Resolution calling for a moratorium on underground nuclear tests and the prompt negotiations of a test ban treaty.

February 1972—Assisted by experts from the Task Force, Senators Hart and Mathias introduced a Senate Resolution calling for a test ban treaty.

These two Resolutions were endorsed by more than 35 Senators.

May 1972—Senate hearings were held on a CTB by the Senate Subcommittee on Arms Control and International Organization chaired by Senator Edmund Muskie. Some of the nation's leading scientist and arms control experts testified, urging the Administration to seek a treaty banning all nuclear tests. Mrs. Jo Pomerance of the Task Force testified on behalf of over 30 national citizens' organizations endorsing a CTB.

December 1972—Because of world-wide public concern, three Resolutions were passed in the United Nations General Assembly one of which called for a comprehensive test ban treaty by August 5, 1972, the tenth anniversary of the Partial Test Ban Treaty.

February 1973—Senator Edward Kennedy introduced Senate Resolution 67, "calling on the President to promote negotiations for a Comprehensive Test Ban Treaty."

June 1973—The Senate Foreign Relations Committee adopted Senator Kennedy's resolution by a vote of 14–1.

May 1974—The Task Force has continued its support for a comprehensive test ban and welcomes forthcoming Senate consideration of SR 67.

ABOUT THE COCHAIRMEN

Betty G. Lall was formerly Special Assistant to the Deputy Director of the US Arms Control and Disarmament Agency and Staff Director of the US Senate Subcommittee on Disarmament. She is currently on the faculty of the New York State School of Industrial and Labor Relations of Cornell University in New York City.

Jo Pomerance is a sepcial consultant to the Chairman of the Senate Subcommittee on Arms Control and International Organization, a Member of the Board of Directors of the United Nations Association, formerly Chairman of its Disarmament Issues Committee, and has in many capacities worked with non-governmental organizations accredited by the United Nations.

TASK FORCE FOR THE NUCLEAR TEST BAN,
Washington, D.C., May 21, 1974.

Hon. HENRY A. KISSINGER,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: We applaud your recognition of the compelling urgency to restrain the nuclear arms race. We agree with your view that, "The accumulation of nuclear arms must be contained if mankind is not to destroy itself." Towards this end we welcome the recent report that you and Foreign Minister Gromyko are discussing an underground test ban treaty for possible signature at a June summit meeting in Moscow.

In our view American security interests require that the comprehensive test ban (CTB) remain our goal rather than the threshold version now under discussion. Some of our reasons follow.

The CTB would signal the intention of the superpowers to halt the qualitative arms race. The threshold version, on the other hand, which merely prohibits tests down to a specified level, permits continued research and development of new weapons, adding to already exorbitant defense costs and increasing the danger of a nuclear holocaust.

Unless the CTB is arranged there is an increasing probability that additional nations will go nuclear following the example of India, now the world's sixth nuclear power.

A deadline is the review conference on the Nuclear Non-Proliferation Treaty (NPT) planned for 1975. In Article VI of the NPT the superpowers pledged to move promptly toward "a cessation of the arms race." As of now progress under the NPT has been minimal. Agreement on the CTB could fulfill this pledge, satisfying the non-nuclear powers that the nuclear threat has diminished. The threshold ban, which perpetuates the development of nuclear weapons, could have the opposite effect.

The support of the CTB "adequately verified," is established United States policy. Nearly all knowledgeable and objective experts are convinced we can now sign a CTB using national means for verification. Just this month, during Senator Kennedy's trip to the USSR, Russian leaders repeated their position: they will sign a total test ban on condition the United States abandon its persistent demand for on-site inspection. Since the Defense Department's own experts report that, because of progress in techniques of seismic detection, underground tests can be identified down to a level of two kilotons in hard rock; and since smaller tests are not considered militarily significant, there is now no legitimate excuse for failing to conclude a total test ban verified by national means alone.

We recognize that principal opposition to the CTB will come from the Defense Department and the Atomic Energy Commission, as it did when President Kennedy proposed the CTB in 1963. Already the Secretary of Defense has testified before the Senate that current arguments against the CTB relate to the new "mini-nuke" program proposed in the fiscal 1975 budget, which will require tests in the low yield categories. But we believe, Mr. Secretary, that the mini-nukes tend to blur the distinction between conventional and nuclear weapons, increasig the possibility of their use and of retaliation in kind or worse. Global devastation could follow. This is precisely the reason the Kennedy and Johnson Administrations resisted development of these nuclear novelties.

After a decade of inactivity, this breakthrough in the test ban negotiations provides an historic opportunity. Currently the CTB is advocated in a Senate Resolution, already approved by the Senate Foreign Relations Committee by a large majority. The CTB has been repeatedly endorsed by the United Nations. The measure has widespread support among American non-governmental organizations.

Against this backround, we urge you to make every effort to conclude the total test ban with the USSR—a step which could truly reverse the arms race.

Sincerely yours,

SIGNATORIES

Dr. Betty Goetz Lall, Mrs. Jo Pomerance (Co-Chairmen).

The Honorable Benjamin W. Cohen, The Honorable James J. Wadsworth (Honorary Co-Chairmen).

Dr. Herbet Scoville, Jr. (for the Executive Committee).

Adrian Fisher, Former Deputy Director of the U.S. Arms Control and Disarmament Agency, 1961 to 1969; Dean of the Law School, Georgetown University.

William Foster, Former Director of the U.S. Arms Control and Disarmament Agency, 1961 to 1969; currently Chairman of the Board of the Arms Control Association.

James E. Leonard, Ambassador and Chief of U.S. Delegation to Geneva Disarmament Conference 1969–1971, Vice President for Policy Studies, United Nations Association, UNA–USA.

Archibald S. Alexander, President, The Arms Control Association.

Rev. Harry Applewhite, United Church of Christ.

Mrs. J. Berenson, Board of Directors, UNA/USA.

Dr. Harrison Brown, California Institute of Technology.

William J. Butler, U.N. Representative of the International Commission of Jurists.

Rev. Sterling Cary, President, National Council of Churches of Christ in the U.S.A.

Hon. Joseph S. Clark, Chairman, Coalition on National Priorities and Military Policy.

Dr. Barry Commoner, Center for the Biology of Natural Systems, Washington Univ., St. Louis.

Norman Cousins, Editor, Saturday Review/World.

Dr. Paul Doty, Harvard University.

William Epstein, Former Chief of Disarmament Affairs Division, UN Secretariat.

Hon. Seymour M. Finger, Director, Ralph Bunche Institute on the UN, CUNY.

Hon. Donald M. Fraser, M.C.

Dr. Richard Gardner, Professor of Law and International Organization, Columbia Univ.

Sanford Gottlieb, Executive Director, Coalition on National Priorities and Military Policy.

Thomas Halsted, Executive Director, The Arms Control Association.

Marii Hasegawa, President, U.S. Section, Women's International League for Peace and Freedom.

Hedda Hendrix, Public Relations Consultant.

Dr. David R. Inglis, Professor of Physics, Univ. of Mass.

Dr. Marvin Kalkstein, State Univ. of New York, Stony Brook.

Donald F. Keys, World Association of World Federalists.

Dr. Betty Goetz Lall, N.Y. State School of Industrial Labor Relations, Cornell Univ.

Dr. Arthur Larson, Director, Rule of Law Research Center, Duke Univ.

Oscar de Lima, Vice-Chairman, UNA/USA.

Dr. Franklin A. Long, Director of the Program on Science, Technology and Society, Cornell Univ.

Dr. Burke Marshall, Deputy Dean, Yale Law School.

Seymour Melman, Co-Chairman, SANE.

Dr. Hans J. Morgenthau, Professor of Political Science, Graduate School, CUNY.

Hon. Wayne Morse, Co-Chairman, SANE.

Earl Osborn, Institute for International Order.

Mrs. Mildred Persinger, U.N. Representative for the U.S. YWCA.

Mrs. Jo Pomerance, Co-Chairman, Committee on Disarmament and Peacekeeping Conference of U.N. Representatives, UNA/USA.

Mrs. Frances Sawyer, President, Women United for the United Nations.

Mrs. Marjorie Schell, Committee for a New China Policy.

Dr. Herbert Scoville, Jr., Federation of American Scientists.

Dr. John Toll, Professor of Physics and President State Univ. at Stony Brook.

Jack Tourin, President, American Ethical Union.

Mrs. Carolyn Tumarkin, Women United for the U.N.

Mr. Paul Warnke.

Dr. Jerome Wiesner, President, Mass. Institute of Technology.

Dr. Herman Will, Jr., Associate General

Secretary, Board of Christian Social Concerns of the United Methodist Church.

Jerry Wurf, President, American Federation of State, County & Municipal Employees, AFL–CIO.

Charles W. Yost, Former Head, U.S. Mission to the U.N.

SENATE RESOLUTION 67

Whereas the United States is committed in the Partial Test Ban Treaty of 1963 and the Nonproliferation of Nuclear Weapons Treaty of 1968 to negotiate a comprehensive test ban treaty;

Whereas the conclusion of a comprehensive test ban treaty will reinforce the Nonproliferation of Nuclear Weapons Treaty, and will fulfill our pledge in the Partial Test Ban Treaty;

Whereas there has been significant progress in the detection and identification of underground nuclear tests by seismological and other means; and

Whereas the SALT accords of 1972 have placed quantitative limitations on offensive and defensive strategic weapons and have established important precedents for arms control verification procedures; and

Whereas early achievement of total nuclear test cessation would have many beneficial consequences: creating a more favorable international arms control climate; imposing further finite limits on the nuclear arms race; releasing resources for domestic needs; protecting our environment from growing testing dangers; making more stable existing arms limitations agreements; and complementing the ongoing strategic arms limitation talks: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President of the United States (1) should propose an immediate suspension on underground nuclear testing to remain in effect so long as the Soviet Union abstains from underground testing, and (2) should set forth promptly a new proposal to the Government of the Union of Soviet Socialist Republics and other nations for a permanent treaty to ban all nuclear tests.

Introduced February 20, 1973.

Reported by the Senate Foreign Relations Committee June 13, 1973, by a vote of 14 to 1.

PRINCIPAL SPONSORS

Kennedy (D-Mass), Muskie (D-Maine), Humphrey (D-Minn), Hart (R-Mich), Case (R-N.J.), Mathias (R-Md).

COSPONSORS

Abourezk (D-S. Dak), Bayh (D-Ind), Biden (D-Del), Burdick (D-N. Dak), Church (D-Idaho), Clark (D-Iowa), Cranston (D-Cal), Fulbright (D-Ark), Gravel (D-Alaska), Haskell (D-Colo), Hathaway (D-Maine), Hughes (D-Iowa), Hartke (D-Ind).

Inouye (D-Hawaii), Magnuson (D-Wash), McGovern (D-S. Dak), Mondale (D-Minn), Moss (D-Utah), Nelson (D-Wis), Pell (D-R.I.), Proxmire (D-Wis), Ribicoff (D-Conn), Stevenson (D-Ill), Tunney (D-Cal), Williams (D-N.J.), McGee (D-Wyo), Brooke (R-Mass), Hatfield (R-Oreg), Javits (R-N.Y.), Dole (R-Kan).

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

UNANIMOUS-CONSENT REQUEST

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as the House message relating to a Productivity Commission is laid before the Senate, there be a 30-minute time limitation thereon, to be equally divided between the majority and minority leaders or their designees.

Mr. President, I withdraw that request temporarily.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the time H.R. 11546, a bill to establish a Big Thicket National Preserve, is laid before the Senate, there be a time limitation thereon of 40 minutes, to be equally divided between the majority and minority leaders or their designees;

That the time on any amendment be limited to 30 minutes; That the time on any debatable motion or appeal be limited to 30 minutes; and That the agreement be in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF FREEDOM OF INFORMATION ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 2543, which the clerk will state by title.

The assistant legislative clerk read the bill by title, as follows:

A bill (S. 2543) to amend section 552 of title V, United States Code, commonly known as the Freedom of Information Act.

The Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That (a) the fourth sentence of section 552(a)(2) of title 5, United States Code, is deleted and the following substituted in lieu thereof: "Each agency shall maintain and make available for public inspection and copying current indexes providing identifying information for the public as to any matter issued, adopted, or promulgated after July 4, 1967, and required by this paragraph to be made available or published. Each agency shall publish, quarterly or more frequently, each index unless it determines by order published in the Federal Register that the publication would be unnecessary and impracticable, in which case the agency shall nonetheless provide copies of such index on request at a cost comparable to that charged had the index been published."

(b)(1) Section 552(a)(3) of title 5, United States Code, is amended to read as follows:

"(3) Except with respect to the records made available under paragraphs (1) and (2) of this subsection, each agency, upon any request for records which reasonably describes such records and which is made in accordance with published rules stating the time, place, fees, and procedures to be followed, shall make the records promptly available to any person.".

(2) Section 552(a) of such title 5 is amended by redesignating paragraph (4) as paragraph (5) and by inserting immediately after paragraph (3) the following new paragraph:

"(4)(A) In order to carry out the provisions of this section, the Director of the Office of Management and Budget shall promulgate regulations, pursuant to notice and receipt of public comment, specifying a uniform schedule of fees applicable to all agencies. Such fees shall be limited to reasonable standard charges for document search and duplication and provide recovery of only the direct costs of such search and duplication. Documents may be furnished without charge or at a reduced charge where the agency determines that waiver or reduction of the fee is in the public interest because furnishing the information can be considered as primarily benefiting the general public. But such fees shall ordinarily not be charged whenever—

"(i) the person requesting the records is an indigent individual;

"(ii) such fees would amount, in the aggregate, for a request or series of related requests, to less than $3;

"(iii) the records requested are not found; or

"(iv) the records located are determined by the agency to be exempt from disclosure under subsection (b).

"(B)(i) On complaint, the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in which the agency records are situated, or in the District of Columbia, has jurisdiction to enjoin the agency from withholding agency records and to order the production of any agency records improperly withheld from the complainant. In such a case the court shall consider the case de novo, with such in camera examination of the requested records as it finds appropriate to determine whether such records or any part thereof may be withheld under any of the exemptions set forth in subsection (b) of this section, and the burden is on the agency to sustain its action.

"(ii) In determining whether a document is in fact specifically required by an Executive order or statute to be kept secret in the interest of national defense or foreign policy, a court may review the contested document in camera if it is unable to resolve the matter on the basis of affidavits and other information submitted by the parties. In conjunction with its in camera examination, the court may consider further argument, or an ex parte showing by the Government, in explanation of the withholding. If there has been filed in the record an affidavit by the head of the agency certifying that he has personally examined the documents withheld and has determined after such examination that they should be withheld under the criteria established by a statute or Executive order referred to in subsection (b)(1) of this section, the court shall sustain such withholding unless, following its in camera examination, it finds the withholding is without a reasonable basis under such criteria.

"(C) Notwithstanding any other provision of law, the defendant shall serve an answer or otherwise plead to any complaint made under this subsection within forty days after the service upon the United States attorney of the pleading in which such complaint is made, unless the court otherwise directs for good cause shown.

"(D) Except as to causes the court considers of greater importance, proceedings before the district court, as authorized by this subsection, and appeals therefrom, take precedence on the docket over all causes and shall be assigned for hearing and trial or for argument at the earliest practicable date and expedited in every way.

"(E) The court may assess against the United States reasonable attorney fees and other litigation costs reasonably incurred in any case under this section in which the complainant has substantially prevailed. In exercising its discretion under this paragraph, the court shall consider the benefit to the public, if any, deriving from the case, the commercial benefit to the complainant and the nature of his interest in the records sought, and whether the Government's withholding of the records sought had a reasonable basis in law.

"(F) Whenever records are ordered by the court to be made available under this section, the court shall on motion by the complainant find whether the withholding of such records was without reasonable basis in law and which federal officer or employee was responsible for the withholding. Before such findings are made, any officers or employees named in the complainant's motion shall be personally served a copy of such motion and shall have 20 days in which to respond thereto, and shall be afforded an opportunity to be heard by the court. If such findings are made, the court shall, upon consideration of the recommendation of the agency, direct that an appropriate official of the agency which employs such responsible officer or employee suspend such officer or employee without pay for a period of not more than 60 days or take other appropriate disciplinary or corrective action against him.

"(G) In the event of noncompliance with the order of the court, the district court may punish for contempt the responsible employee, and in the case of a uniformed service, the responsible member.".

(c) Section 552(a) of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(6) (A) Each agency, upon any request for records made under paragraph (1), (2), or (3) of this subsection, shall—

"(i) determine within ten days (excepting Saturdays, Sundays and legal public holidays) after the receipt of any such request whether to comply with such request and shall immediately notify the person making such request of such determination and the reasons therefor, and of the right of such person to appeal to the head of the agency any adverse determination; and

"(ii) make a determination with respect to such appeal within twenty days (excepting Saturdays, Sundays, and legal public holidays) after the receipt of such appeal. If on appeal the denial of the request for records is in whole or part upheld, the agency shall notify the person making such request of the provisions for judicial review of that determination under paragraph (4) of this subsection.

"(B) Upon the written certification by the head of an agency setting forth in detail his personal findings that a regulation of the kind specified in this paragraph is necessitated by such factors as the volume of requests, the volume of records involved, and the dispersion and transfer of such records, and with the approval in writing of the Attorney General, the time limit prescribed in clause (i) for initial determinations may by regulation be extended with respect to specified types of records of specified components of such agency so as not to exceed thirty working days. Any such certification shall be effective only for periods of fifteen months following publication thereof in the Federal Register.

"(C) In unusual circumstances as specified in this subparagraph, the time limits prescribed pursuant to subparagraph (A), but not those prescribed pursuant to subparagraph (B), may be extended by written notice to the requester setting forth the reasons for such extension and the date on which a determination is expected to be dispatched. No such notice shall specify a date that would result in an extension for more than 10 days. As used in this subparagraph, 'unusual circumstances' means, but only to the extent reasonably necessary to the proper processing of the particular request—

"(i) the need to search for and collect the requested records from field facilities or other establishments that are separate from the office processing the request;

"(ii) the need to assign professional or managerial personnel with sufficient experience to assist in efforts to locate records that have been requested in categorical terms, or with sufficient competence and discretion to aid in determining by examination of large numbers of records whether they are exempt from compulsory disclosure under this section and if so, whether they should nevertheless be made available as a matter of sound policy with or without appropriate deletions;

"(iii) the need for consultation, which shall be conducted with all practicable speed, with another agency having a substantial interest in the determination of the request or among two or more components of the agency having substantial subject-matter interest therein, in order to resolve novel and difficult questions of law or policy; and

"(iv) the death, resignation, illness, or unavailability due to exceptional circumstances that the agency could not reasonably foresee and control, of key personnel whose assistance is required in processing the request and who would ordinarily be readily available for such duties.

"(D) Whenever practicable, requests and appeals shall be processed more rapidly than required by the time periods specified under (i) and (ii) of subparagraph (A) and paragraphs (B) and (C). Upon receipt of a request for specially expedited processing accompanied by a substantial showing of a public interest in a priority determination of the request, including but not limited to requests made for use of any person engaged in the collection and dissemination of news, an agency may by regulation or otherwise provide for special procedures or the waiver of regular procedures.

"(E) An agency may by regulation transfer part of the number of days of the time limit prescribed in (A) (ii) to the time limit prescribed in (A) (i). In the event of such a transfer, the provisions of paragraph (C) shall apply to the time limits prescribed under such clauses as modified by such transfer. Any person making a request to any agency for records under paragraph (1), (2), or (3) of this subsection shall be deemed to have exhausted his administrative remedies with respect to such request if the agency fails to comply with the applicable time limit provision of this paragraph. If the Government can show exceptional circumstances exist and that the agency is exercising due diligence in responding to the request, the court may retain jurisdiction and allow the agency additional time to complete its review of the records. Upon any determination by an agency to comply with a request for records, the records shall be made promptly available to such person making such request. Any notification of denial of any request for records under this subsection shall set forth the names and titles or positions of each person responsible for the denial of such request.".

Sec. 2. (a) Section 552(b) (1) of title 5, United States Code, is amended to read as follows:

"(1) specifically required by an Executive order or statute to be kept secret in the interest of national defense or foreign policy and are in fact covered by such order or statute;".

(b) Section 552(b) of title 5, United States Code, is amended by adding at the end the following: "Any reasonably segregable portion of a record shall be provided to any person requesting such record after deletion of the portions which are exempt under this subsection.".

Sec. 3. Section 552 of title 5, United States Code, is amended by adding at the end thereof the following new subsections:

"(d) On or before March 1 of each calendar year, each agency shall submit a report covering the preceding calendar year to the Committee on the Judiciary of the Senate and the Committee on Government Operations of the House of Representatives, which shall include—

"(1) the number of determinations made by such agency not to comply with requests for records made to such agency under subsection (a) and the reasons for each such determination;

"(2) the number of appeals made by persons under subsection (a) (6), the result of such appeals, and the reason for the action upon each appeal that results in a denial of information;

"(3) the names and titles or positions of each person responsible for the denial of records requested under this section, and the number of instances of participation for each;

"(4) a copy of every rule made by such agency regarding this section;

"(5) the total amount of fees collected by the agency for making records available under this section;

"(6) a copy of every certification promulgated by such agency under subsection (a) (6) (B) of this section; and

"(7) such other information as indicates efforts to administer fully this section.

The Attorney General shall submit an annual report on or before March 1 of each calendar year which shall include for the prior calendar year a listing of the number of cases arising under this section, the exemption involved in each case, the disposition of such case, and the cost, fees, and penalties assessed under subsections (a) (3) (E), (F), and (G). Such report shall also include a description of the efforts undertaken by the Department of Justice to encourage agency compliance with this section.

"(e) For purposes of this section, the term 'agency' means any agency defined in section 551(1) of this title, and in addition includes the United States Postal Service, the Postal Rate Commission, and any other authority of the Government of the United States which is a corporation and which receives any appropriated funds.".

Sec. 4. There is hereby authorized to be appropriated such sums as may be necessary to assist in carrying out the purposes of this Act and of section 552 of title 5, United States Code.

Sec. 5. The amendments made by this Act shall take effect on the ninetieth day beginning after the date of enactment of this Act.

Mr. KENNEDY. Mr. President, I ask unanimous consent that Mr. Thomas Susman and Mrs. Hank Phillippi, of the staff of the Subcommittee on Administrative Practice and Procedure, Mr. Al Friendly and Mr. Al From, of the staff of the Committee on Government Operations, and Mr. Paul Summit and Mr. Dennis Thelen, of the staff of the Committee on the Judiciary, be accorded the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I yield myself such time as I may use.

The Supreme Court of the United States observed a few years ago that:

> It is now well established that the Constitution protects the right to receive information and ideas.

Continued the Court,

> This right to receive information and ideas is fundamental for our free society.

An important objective behind the Freedom of Information Act, passed by Congress in 1966, is to give concrete meaning to one aspect of this right to receive information—the right to receive information from the Federal Government. This is no meager right. The processes of Government touch almost every aspect of our lives, every day. From the food we eat to the cars we drive to the air we breathe, Federal agencies constantly monitor and regulate and control. Our Government is the biggest buyer and the biggest spender in the world. It taxes and subsidizes and enforces. And it generates tons of paperwork as it goes about its business.

The Freedom of Information Act guarantees citizen access to Government information and provides the key for unlocking the doors to a vast storeroom of information. The protections of the act thus become protections for the public's right to receive information and ideas. And the accomplishments of the act become fuller implementation of the first amendment of the Constitution.

There is another significant purpose behind the Freedom of Information Act, perhaps best stated by Justice Brandeis when he wrote:

> Publicity is justly commendable as a remedy for social and industrial disease. Sunlight is said to be the best disinfectant, and electric light the most effective policeman.

Chief Justice Warren echoed this recently when he said that secrecy "is the incubator for corruption." We have seen too much secrecy in the past few years, and the American people are tired of it. Secret bombing of Cambodia, secret wheat deals, secret campaign contributions, secret domestic intelligence operations, secret cost overruns, secret antitrust settlement negotiations, secret White House spying operations—clearly an open Government is more likely to be a responsive and responsible Government. And the Freedom of Information Act is designed to open our Government.

Finally, the Freedom of Information Act is basic to the maintenance of our democratic form of government. President Johnson said on signing the FOIA that—

> A democracy works best when the people have all the information that the security of the nation permits.

The people can judge public officials better by knowing what they are doing, rather than only by listening to what they say. But to know what Government officials are doing, the people must have access to their decisions, their orders, their instructions, their deliberations, their meetings. The Freedom of Information Act provides an avenue to public access to the records of Government. Through these records the public can better judge, weigh, analyze, and scrutinize the activities of public officials, making sure at every turn that Government is being operated by, of, and for the people. And that Government is fully accountable to the people.

The Freedom of Information Act contains three basic subsections. The first sets out the affirmative obligation of each Government agency to make information available to the public, with certain information to be published and other information to be made available for public inspection or copying. Remedies are provided for noncompliance: No regulation, policy, or decision can affect any person adversely if it is not published as required, and any person improperly denied information can go to court to require disclosure. The second subsection contains exceptions to the general mandatory rule of disclosure, for matters such as properly classified information, trade secrets, internal advice memoranda, personnel and investigatory files. The third subsection makes clear that the Freedom of Information Act authorizes only withholding "as specifically stated" in the exemptions and that the act "is not authority to withhold information from Congress."

I think that it is important to point out that the act attempts to strike a proper balance between disclosure and nondisclosure, providing protection for information where legitimate justification is present. Congress has circumscribed narrowly the boundaries of justifiable withholding in the act's exemptions. Agencies have no discretion to withhold information that does not fall within one of those exemptions. It is equally clear, however, that agencies have a definite obligation to release information—even where withholding may be authorized by the language of the statute—where the public interest lies in disclosure. Congress certainly did not intend the exemptions of the Freedom of Information Act to be used to prohibit disclosure of information or to justify automatic withholding. This is a frequent misunderstanding, shared by many Government officials who insist on citing the act as forbidding release of requested information in specific cases. In fact, the exceptions to required disclosure are only permissive and mark the outer limits of information that may be withheld.

The Freedom of Information Act grew out of the efforts of a special House subcommittee and the Senate Subcommittee on Administrative Practice and Procedure in the mid-1960's. The Administrative Procedure Act had attempted to open up Government records in 1946, but it failed to provide any remedy for wrongful withholding of information. It required persons seeking information to be "properly and directly concerned," and it allowed administrators to withhold information where secrecy was required "in the public interest" or where it was considered "confidential for good cause found." With support and encouragement by the press, Congress, in 1966, enacted the Freedom of Information Act guaranteeing the public an enforceable right to Government records in the broadest sense.

Shortly after I took over as chairman of the Administrative Practice Subcommitee, we undertook a review of agency practices and court decisions under the Freedom of Information Act. We found that many agencies had not yet brought their regulations and procedures into line with the requirements of the act, but we concluded that additional time would be useful to allow them to come into compliance before looking to legislative proposals to change the still-new law. Many of the areas of the act where language was considered unclear or ambiguous were being interpreted by the courts, and we believed that the development of a body of case law on the act would be a useful predicate to any legislative attempt at clarification.

In 1972 a House subcommittee conducted extensive hearings on the operation of the Freedom of Information Act and concluded that there were major gaps in the law through which agencies were able to justify unnecessary delays, to place unreasonable obstacles in the way of public access, and to obtain undue withholding of information. The final report of the House Government Operations Committee described the failure of the act to realize fully its lofty goals because of agency antagonism to its objectives.

When Congress passed the Freedom of Information Act, it issued a rule of Government that all information with some valid exceptions was to be made available to the American people—no questions asked. The exceptions—intended to safeguard vital Defense and State secrets, personal privacy, trade secrets, and the like—were only permissive, not mandatory. When in doubt, the department or agency was supposed to lean toward disclosure, not withholding.

But most of the Federal bureaucracy already set in its ways never got the message. They forgot they are the servants of the people—the people are not their servants.

Agency officials appeared and actually testified under oath that they had to balance the Government's rights against the people's rights. The Government, however, has no rights. It has only limited power delegated to it from we, the people.

Last year, my Subcommittee on Administrative Practice and Procedure began its efforts to define the loopholes in the Freedom of Information Act and to design legislation to close them. After extensive hearings, I introduced S. 2543, which focused on the procedural obstacles to timely access to Government information. Through subcommittee and full committee consideration, we amended and improved some of the sections of the bill. And on May 8 the Judiciary Committee unanimously ordered the bill reported, as amended.

S. 2543 makes a number of changes in the present Freedom of Information Act. Let me briefly outline all of the changes made by the bill, and then discuss in greater detail what I consider to be some of its most significant provisions.

First. Indexes. Under present law, indexes of agency opinions, policy statements, and staff manuals must be made available to the public. To increase the availability of these indexes, S. 2543 requires their publication unless it would be "unnecessary and impractical." This should especially increase their availability to libraries, which play a vital role in making information widely available to the people.

Second. Identifiable records. Under present law a request must be made for "identifiable records." Since some agencies have used this requirement to evade disclosure of public information, S. 2543 requires only that the request "reasonably describes" the records sought.

Third. Search and copy fees. Each agency presently sets its own schedule of fees without review or supervision. Exaggerated search charges and extravagant charges for legal review time can provide effective obstacles to public access to Government information. S. 2543 requires the office of Management and Budget to set uniform fees, which will only cover direct costs of search and duplication, eliminating any possibility of padded fees or charges for peripheral services. These fees may be waived or reduced under specific circumstances set out in the bill.

Fourth. Venue. The bill establishes

alternate concurrent venue for Freedom of Information cases in the District of Columbia, which has built up a special expertise in such cases.

Fifth. Expedition on appeal. Freedom of Information cases are under present law to be expedited in the trial court. The bill adds a congressional intent that expedition of Freedom of Information cases extends to the appellate level also.

Sixth. In camera and de novo review. Presently de novo review with in camera inspection of documents is allowed in all cases except where withholding is justified as being in the interest of national defense or foreign policy. This exception is dictated by the Supreme Court's interpretation of the Freedom of Information Act in the case of Environmental Protection Agency against Mink. S. 2543 would reverse Mink and extend full in camera judicial review to all areas, including those involving classified documents. Specific procedures are set out in the bill for courts to follow where classification decisions are reviewed.

Seventh. Attorneys' fees. S. 2543 would allow recovery from the Government of attorneys' fees where the plaintiff in a Freedom of Information action substantially prevails and where recovery would be in the public interest. The bill contains criteria to govern the court's award of these fees.

Eighth. Answer time in court. The Government presently has 60 days to respond to a complaint in the Federal District Court. Private parties have 20 days. The bill would expedite the Government's response time, allowing 40 days for its answer. The court may grant an extension of time, or may shorten the response time, for good cause shown.

Ninth. Sanction for withholding. S. 2543 adds a new government accountability provision whereby if the court in a freedom of information case, after a hearing, finds the withholding to have been without a "reasonable basis in law," the official responsible can be disciplined or suspended by direction of the courts for up to 60 days. This should eliminate many of the cases where obstinate officials disregard the law in order to minimize embarrassment to the agency.

Tenth. Administrative deadlines. S. 2543 sets deadlines for agency handling of freedom of information requests: 10 days for the initial reply and 20 days on appeal. It sets up a certification procedure for extraordinary cases—where a large magnitude of documents subject to numerous requests are widely disbursed geographically—allowing 30 days for the initial answer time. And it provides that 10 days may be added to either the reply or appeal time if "unusual circumstances," as narrowly defined by the bill, are presented.

Eleventh. Exemption (b)(1). In its only amendment of a substantive exemption in the FOIA, S. 2543 makes clear the duty of a court reviewing withholding of classified material to determine whether a claim based on national defense or foreign policy is in fact justified under statute or executive order. Thus the court will not take an official's word for the propriety of the classification, but will look to the substance of the information to see if it had been properly classified.

Twelfth. Responsible officials. The names and positions of all government officials responsible for denying freedom of information requests are required by S. 2543 to be noted in denials and reported annually to the Congress. This supplements the sanctions section in encouraging personal accountability on the part of government officials who would withhold information.

Thirteenth. Segregable records. S. 2543 adds a new provision to the act stating that if exempt portions of requested records or files are severable, they should be severed—or deleted, as the case may be—and the nonexempt portions disclosed. Many courts are requiring this now, and the bill emphasizes the desirability of this approach in providing specifically that courts may order disclosure of "portions" of files or records as well as entire files or records.

Fourteenth. Reporting. S. 2543 requires annual reporting of agency handling of freedom of information requests to Congress. Specific information useful to the oversight functions of Congress in assessing implementation of the bill and the act is required in the report.

Fifteenth. Agency definition. The bill expands the definition of agency under the Freedom of Information Act to include the Postal Service, and Government corporations, such as the National Railroad Passenger Corporation.

Sixteenth. Authorization. S. 2543 contains language authorizing appropriations for such sums as may be necessary to assist in carrying out agency freedom of information activities, although it is expected that funds will be appropriated only for special or supplemental agency activities and not for the routine processing of requests.

Seventeenth. Effective date. S. 2543 will become effective 90 days after enactment, to give the agencies time to adapt their internal procedures to the requirements of the new law.

Mr. President, I would now like to focus on some of the most significant portions of the bill we are considering today and elaborate on the purposes and objectives of the legislation in those areas.

One of the key provisions is the new subsection 552(a)(4)(F) proposed by the bill. Under this subsection if the court determines that the Federal employee or official responsible for wrongfully withholding information from the public has acted without a reasonable basis in law, it may order the employee or official be disciplined or suspended from employment up to 60 days. Specifically, the subsection reads as follows:

> Whenever records are ordered by the court to be made available under this section, the court shall on motion by the complainant find whether the withholding of such records was without reasonable basis in law and which Federal officer or employee was responsible for the withholding. Before such findings are made, any officers or employees named in complainant's motion shall be personally served a copy of such motion and shall have 20 days in which to respond thereto, and shall be afforded an opportunity to be heard by the court. If such findings are made, the court shall, upon consideration of the recommendation of the agency, direct that an appropriate official of the agency which employs such responsible officer or employee suspend such officer or employee without pay for a period of not more than 60 days or take other appropriate disciplinary or corrective action against him.

The Freedom of Information Act has been in operation for almost 7 years, but one of its great failures is that it does not hold Federal officials accountable for withholding information required by the act to be made public. The only mechanism for enforcing the mandates of the Freedom of Information Act has been for individuals to go to court for an injunction, on a case-by-case basis, with great cost and delay. This is an expensive and not always an effective approach. The sanction is intended to encourage administrators responsible for carrying out the Freedom of Information Act to make sure that their actions faithfully carry out the terms of that law.

Former Attorney General Richardson observed in our hearings that—

> The problem in affording the public more access to official information is not statutory but administrative.

He indicated that—

> The real need is not to revise the act extensively but to improve compliance.

That is precisely why we included this sanction in S. 2543.

There are three problems to which this new accountability provision addresses itself: where officials refuse to follow clear precedent, forcing a requester to go to court despite the clarity of the disclosure requirement in the specific case; where officials deny requests without bothering to inform themselves of the mandates of the law; and where obstinacy provides the obvious basis for the official's refusal to disclose information. Let me provide some examples, both from our hearing record and from the subcommittee's day-to-day involvement with agencies on FOI problems.

Mr. Mal Schechter, a senior editor of Hospital Practice magazine, provided the subcommittee with an egregious example of agency handling of his freedom of information requests. He had for several years been attempting to obtain from the Social Security Administration access to medical survey reports done on nursing homes and other medical facilities receiving Federal payments under medicare. Mr. Schechter finally brought legal action under the Freedom of Information Act, and the district court here in the District of Columbia granted him access to 15 reports on nursing homes in the Washington metropolitan area. The Government did not appeal.

The safe assumption would have been that the next time Mr. Schechter asked for access to a medical survey report, it would be made promptly available to him. This was not the case. For in response to his next request for similar documents, the Social Security Administration refused access and stated that they did not acquiesce in the opinion of the court. Mr. Schechter had to go to court again.

This situation is epidemic in the area of requests for information which the Government considers "confidential" but which is neither commercial nor financial. While the language of the fourth exemption of the Freedom of Information Act may on its face have been slightly ambiguous on this point, numerous courts have unanimously held that for information which does not constitute trade secrets to be withheld under this exemption, the information must be both confidential and commercial, or both confidential and financial. Agency refusals to acquiesce in this clearly correct judicial interpretation have been frequent, but in light of the clarity of the case law on the subject the earlier position on this issue could no longer be considered as having a reasonable basis in law.

One of our witnesses, Mr. Peter Shuck, told of a lawsuit brought to obtain access to Agriculture Department inspection reports on meat processing plants. His suit was successful and the Government did not appeal. About a year later, however, USDA refused to turn over similar reports to another requester, alleging that they were exempt from disclosure under the FOIA. Only after Mr. Schuck's attorney intervened on behalf of this second requester did the USDA release reports.

If the persons responsible for the decisions in the nursing home and meat inspection cases knew that their actions the second time around might have resulted in the imposition of administrative sanctions by a Federal judge, their responses would likely have been different. Access would have been expedited, and resort to the courts unnecessary.

In some circumstances agency officials refuse access to information merely because they do not want it released, and they practically dare the requester to bring them to court. One example from our hearing will suffice to illustrate this problem.

Pursuant to statute the Office of Economic Opportunity must prepare an annual report. A report for fiscal 1972 was prepared prior to the decision by the administration to dismantle OEO, but the report was not submitted to Congress and was not released. Two individuals requested and were denied access to the report. They filed suit under the Freedom of Information Act.

The required disclosure of this document was so clear that the Justice Department took the position it would not defend OEO in court on the question of access to that report. Where the law was clear, and their lawyers wouldn't even defend them, OEO officials nevertheless persisted withholding the report until the last moment in court. If the responsible officials at OEO knew that their actions could result in the imposition of administrative sanctions, perhaps the citizens requesting the information would not have had to wait so long for a final adjudication of their rights.

In one instance, an agency official refused access to documents because he did not think they ought to be made available to the requester, although during a subsequent review it became clear that this official had not even considered application of the Freedom of Information request. In another, an agency lawyer articulated the basis for refusing access to records thusly: the material requested was written before 1967—so the act would not apply, he surmised—and the requester had not given any reason why he needed the information. These are cases that would likely not have arisen if the sanctions provision had been a part of the law at that time.

The concept of administrative sanctions for the nonperformance of a Federal official's duties is not a new one, nor is the concept of sanctioning a Government official for noncompliance with disclosure laws.

Under title 5 of the Code of Federal Regulations, a Federal employee can be reprimanded or suspended without the benefit of a hearing. That sanction applies to a wide range of derelictions ranging from insubordination to tardiness to failure to follow work regulations. Under the adverse action procedures an employee may be suspended for more than 30 days or removed from his job. Although a hearing is required, it is not held until after an employee is removed. An adverse action is used where it is determined that the employee should be disciplined or removed for the efficiency of the service. And under the conflict of interest regulations an employee who is involved in an activity that may give the appearance of conflict and that may affect public confidence in the Government may be administratively reassigned without a hearing or right of review.

The administrative sanctions sections of S. 2543 provides only that if a Federal judge has found the withholding of a document was without reasonable basis in law, the responsible employee—after being given notice and a hearing to present his own defense—may be subject to certain sanctions in the discretion of the judge. The recommendation of the agency involved, as to the appropriate sanction, is to be taken into account. This is certainly more protective of a Government employee's rights than those in existing Civil Service regulations. Here, only officials or employees who have clearly violated the law are subject to sanctions—not too great a penalty for guaranteeing the public's right to an open Government.

Fifteen States have penalties for violation of their freedom of information of public records statutes. Most of these penalties are criminal in nature and charge the violating official with a misdemeanor. A list of the State laws with a brief description of the penalties they provide appears in the committee report on S. 2543 at page 63.

In a recent case in the New York Federal district court, a court ordered imposition of a $5,000 sanction against a party to private litigation who obstructed the discovery of information by the adverse party under the Federal Rules of Civil Procedure. The concept of imposing sanctions to guarantee a right of access to information is thus not a novel one in the law.

The administrative sanctions contained in S. 2543 will create an incentive to Government administrators to withhold information from the public only when the Freedom of Information Act specifically exempts disclosure. Without such a sanction the act will remain a right without an effective remedy.

Now I would like to turn to another important feature of S. 2543, which is reflected in two provisions of the bill. That is the strong statement against commingling of exempt with nonexempt materials in order to prevent disclosure of the latter, and against withholding records where deletions would as well serve the purposes of the exemption under which they are withheld. Section 552(a)(4)(B)(i) provides that the court shall in Freedom of Information Act actions "consider the case de novo, with such in camera examination of the requested records as it finds appropriate to determine whether such records or any part thereof may be withheld under any of the exemptions set forth in subsection (b) of this section, and the burden is on the agency to sustain its action."

Furthermore, a new sentence is added to section 552(b) stating:

> Any reasonably segregable portion of a record shall be provided to any person requesting such record after deletion of the portions which are exempt under this section.

Taken together these provisions are intended to require agencies, and courts, to look at the information requested—not the title of the document or a restricted-access stamp or the fact that the record is in a file marked "Confidential" or "Investigation"—to determine whether the information should be released under the Freedom of Information Act.

When I originally introduced S. 2543 in October 1973 the new sentence added to section 552(b) would have read as follows:

> If the deletions of names or other identifying characteristics of individuals would prevent an inhibition of informers, agents, or other sources of investigatory or intelligence information, then records otherwise exempt under clauses (1) and (7) of this subsection, unless exempt for some other reason under this subsection, shall be made available with such deletions.

During subcommittee consideration of the legislation it became clear that it would be desirable to apply this deletion principle to other exemptions. For example, deletion of names and identifying characteristics of individuals would in some cases serve the underlying purpose of exemption 6, which exempts "personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of privacy." Deletion of formulas or statistics or figures may also in many cases entirely fulfill the purpose of the fourth exemption, designed to protect "trade secrets and commercial or financial information obtained from a person and privileged or confidential." Thus the objectives and purposes of these exemptions, as well as of exemptions (1) and (7), could equally be served by selective deletions while the basic document or record or file could otherwise be made available to the public.

It is upon this background that the new language in the Freedom of Information Act must be read. The Association of the Bar of the City of New York, in its recent report on freedom of information legislation, indicated its conclusion that the deletion or "savings clause" is "in its original form one of the most significant proposed amendments of the FOIA. It seems very important," stated the association, "that this deletion concept be included in any final amendment, and be expanded to cover other reasons for nondisclosure and all exemptions." This is precisely what we had in mind, Mr. President, in amending the original language. As stated in the committee report, page 32:

> The amended language is intended to encompass the scope of this original proposal but to apply the deletion principle to all exemptions.

With the new provisions it should be clear that there can be no blanket claim of confidentiality under any of the exemptions. In connection with this objective, S. 2543 proposes specifically to reaffirm the discretion of the courts through in camera inspection to examine each and every element of requested files or records. The Senate report in this respect cites with approval the type of procedure set out in the District of Columbia Court of Appeals in the case of Vaughn against Rosen, requiring the Government to sustain its burden of justifying its withholding of each element of a contested file or record. That procedure is consistent with our intent that only parts of records which are specifically exempt may be withheld from public disclosure. This should result in maximum possible disclosure and is consistent with the original congressional purpose in enacting the Freedom of Information Act.

This new requirement is also consistent with most judicial pronouncements in Freedom of Information Act cases, although unfortunately some courts are not adhering to the principle under some exemptions. The new language in S. 2543 should extend this deletion principle to all cases, involving all exemptions. As one court observed, "it is a violation of the act to withhold documents on the ground that parts are exempt and parts nonexempt." "Suitable deletion may be made," said the court. In another case the court found that the legislative history of the Freedom of Information Act "does not indicate . . . that Congress intended to exempt an entire document merely because it contained some confidential information." And another court said that "identifying details or secret matters can be deleted from a document to render it subject to disclosure."

When the Freedom of Information Act, as amended, refers to disclosure of "any part" of a record or to "any reasonably segregable portion of a record" this is intended to provide for release of the record after deletion of the names of informers or sources of information, formulas or financial information, confidential investigatory techniques, and the like, depending on the exemption involved. The legislative history of the act and the case law construing it is adequate to provide the basis for those exemptions, against which this deletion principle can be applied and measured.

I would like to take a few minutes to mention some other areas where S. 2543 would strengthen the public's right to Government information. These involve providing meaningful judicial review of classification decisions, setting firm time deadlines for agency responses to information requests, and eliminating abuses in the charging of fees for handling Freedom of Information Act requests, and allowing recovery of attorneys' fees in successful court actions.

Before January 23, 1973, it was generally thought that the de novo review required in Freedom of Information Act cases by section 552(a)(3) of the act applied to documents withheld under all nine exemptions, and that contested documents under all exemptions could be examined in camera by a court deciding whether withholding was justified. On that day, however, the Supreme Court handed down its decision in Environmental Protection Agency against Mink, in which Congresswoman PATSY MINK was attempting to obtain documents relating to the effect of the proposed Amchitka atomic test. The Supreme Court, upholding nondisclosure, held that where information is claimed to be required by executive order to be kept secret in the interest of national defense and foreign policy, the Freedom of Information Act does not permit an attack on the merits of the classification decision. Thus where the document requested on its face bears a classification marking, in camera review serves no useful purpose.

S. 2543 addresses both aspects of the *Mink* decision—the reviewability of classification decisions in freedom of information cases and the related matter of in camera inspection of records in the course of such review. Under the amended exemption (b)(1), courts must determine whether documents in issue are "in fact covered" by an Executive order or statute in the interest of national defense or foreign policy. In order to make this factual determination, the courts will have discretion to examine the contested documents in camera.

The bill sets out some procedures to guide judicial review of the propriety of withholding classified documents. In making its factual determination, the court must first attempt to resolve the matter on the basis of affidavits and other information submitted by the parties. If it does decide to consider the documents in camera, the court may consider further argument by both parties, may take further expert testimony, and may in some cases of a particularly sensitive nature entertain an ex parte showing by the Government. This ex parte showing would represent an exception to the normal judicial procedures. Although it may be requested frequently by the Government in order to gain some advantage over its opponent in court, I do not believe that courts should initiate such a procedure lightly. It should be used only in the most exceptional cases, perhaps where the court determines that involvement of plaintiff's counsel in that aspect of the case would itself pose a threat to national security. If the head of the agency involved, and this means a commission chairman, cabinet official or independent agency administrator, files an affidavit with the court certifying that he has personally reviewed the contested documents and finds them properly withheld under the standards of the applicable Executive order, then the court must resolve whether, in its view, the determination by the agency head is in fact reasonable or unreasonable.

That affidavit should specify which information be required to be kept secret and the reasons for this conclusion. The Court can then order disclosure of the material if it finds the withholding to be without a reasonable basis under the order of statute.

Clearly, Mr. President, the classification system is noted more for its abuses than for its protection of legitimate Government secrets. In May 1973 the House Government Operations Committee issued a report on Executive classification of information that concluded that there has been "widespread overclassification, abuses in the use of classification stamps, and other serious defects in the operation of the security classification system." The committee found the existing classification order inadequate in many respects and thus projected continuing problems in this area.

When he issued a new Executive order on classification in March 1972, President Nixon acknowledged the widespread abuses raging under the existing classification process. Let me quote from President Nixon's statement on the issue:

> Unfortunately, the system of classification which has evolved in the United States has failed to meet the standards of an open and democratic society, allowing too many papers to be classified for too long a time. The Controls which have been imposed on classification authority have proved unworkable, and classification has frequently served to conceal bureaucratic mistakes or to prevent embarrassment to officials and administrations.

In our subcommittee hearings last spring retired Air Force security analyst William Florence observed that—

> There is abundant proof that the false philosophy of classifying information in the name of national security is the source of most of the secrecy evils in the executive branch.

Mr. Florence then listed what he considered the reasons most commonly used for classifying information, and I would like to read this list for my colleagues:

First, newness of the information;

Second, keep it out of the newspapers;

Third, foreigners might be interested;

Fourth, do not give it away—and you hear the old cliche, do not give it to them on a silver platter;

Fifth, association of separate nonclassified items;

Sixth, reuse of old information without declassification;

Seventh, personal prestige; and

Eighth, habitual practice, including clerical routine.

This sentiment was echoed and the list expanded somewhat by retired Rear Adm. Gene LaRocque, who observed in testimony on the House side that for the vast majority of classified information, the reasons for classification are:

> To keep it from other military services, from civilians in their own service, from

civilians in the Defense Department, from the State Department, and of course, from Congress.

It is therefore crucial that there be effective judicial review of executive branch classification decisions if the most far reaching barricade of unjustified secrecy in Government is to be penetrated. S. 2543 is designed to provide just such effective judicial review.

Another problem which this bill addresses itself to, Mr. President, is that of undue delays in agency handling of Freedom of Information requests. Time and again our witnesses from the private sector decried the unreasonable and unnecessary delays that are involved in agency responses to requests for information under the act. Our record abounds with example upon example where a request was followed by periods of long silence, with the first word back from the agency often unresponsive. Earlier this spring my Subcommittee on Administrative Practice and Procedure opened oversight hearings on administration of the Freedom of Information Act at the Internal Revenue Service, and we continued to find delays endemic in that agency's process. Clearly legislative restrictions and guidance are necessary to meet this kind of problem.

S. 2543 establishes time deadlines for the administrative handling of Freedom of Information requests. It requires agencies to determine within 10 working days whether to comply with a request, and gives them an additional 20 days to respond to an appeal or any denial of access at the initial stage. Agencies can by regulation shift time from the appeal to the initial reply period, but would have to do this across the board, not selectively as to types of documents.

Where there are specific types of documents in large quantities, subject to numerous requests, spread geographically, then the bill provides for a certification procedure allowing the agency 30 days for the initial response time. This is to be considered an exceptional procedure, and I believe that our use in the Senate report of the Immigration and Naturalization Service example best illustrates the committee's intention with regard to this section. INS processes an average of 90,000 formal requests for records each year, seeking access to 1 or more of the 12 million individual files dispersed and frequently transferred between 57 widely scattered service offices and 10 Federal records centers. Few other agencies will be able to rival this example; but then few other agencies should be allowed to take advantage of this special certification process.

Under S. 2543 an agency may, by notifying the requester, obtain a limited extension for a period not to exceed 10 days of either the initial or appellate time limits—but not both. If the agency has certified a longer period of time for its initial response as to records sought, then no additional time extension may be obtained for this period.

Mr. President, I recognize that the sections of the bill imposing deadlines might be subject to abuse by the agencies because they are not airtight. And history has convinced us that whenever there are loopholes in procedural legislation, there is a tendency for administrators to navigate their agencies through them at each opportunity. Nonetheless, we have tried to tighten substantially the exceptions to our basic time limits. We have tried to define their perimeters in the legislation and in a rather extensive report on this point. And we will be requiring agencies to report their practices to the Congress each year, so that both the House and Senate subcommittees with oversight responsibilities can exercise those responsibilities effectively. Certainly language of these escape clauses was not lightly arrived at. We do not expect them to be lightly invoked.

The press often has special problems with its need to obtain information in a timely manner, and testimony at our hearings reflected how delays in agency responses to press requests can particularly frustrate the operation of the Freedom of Information Act from its perspective. A new provision is included in the law to promote expedited handling of any request which is "accompanied by a substantial showing of a public interest in a priority determination of the request." I believe that this will assist the press in its efforts to obtain Government information. It should also assist others who have a special need for expedited handling of their request, such as workers or public interest groups requesting information relating to health and safety. The Federal Energy Office set a good example by providing for the answering of press requests within 24 hours whenever possible.

There are two final matters I would briefly mention before concluding my remarks. First is the provision in the bill relating to user charges that may be imposed by agencies under the Freedom of Information Act. Under it the Office of Management and Budget is to promulgate regulations, subject to notice and comment, specifying a uniform schedule of fees applicable to Freedom of Information Act requests. These are to be limited to "reasonable standard charges for document search and duplication," thereby establishing a ceiling and preventing agencies from imposing burdensome and unreasonable fees as barriers to the disclosure of information which should otherwise be forthcoming.

Agencies could not under the bill charge for professional time used to review requested records or to sanitize documents before release. S. 2543 also allows documents to be furnished without charge or at a reduced rate where the public interest is best served thereby. And this public interest standard, spelled out generally in the legislation, is to be liberally construed.

Second, the bill authorizes discretionary assessment of attorneys' fees and costs against the Government where the complainant substantially prevails. This would eliminate another major obstacle to public access to information, assisting the public in their efforts to obtain judicial enforcement of the mandates of the Freedom of Information Act. S. 2543 sets out four criteria for courts to use in determining whether to award fees in a given case. The amount of fees awarded will, of course, also be influenced by application of these criteria. The bill does not state precisely how costs or fees are to be measured, but courts should look to the prevailing rate on attorneys' fees, for example, rather than solely to whether the specific attorney involved is from Wall Street or a public interest law firm.

The effective date of this legislation will be 90 days from the date of enactment. I hope that agencies will not plan to wait until the last possible moment before implementing this new legislation, since its basic principles have been proposed and debated for over a year, and a similar measure passed the House over 2 months ago. Provisions such as those relating to in camera inspection and attorneys' fees should be applied to cases already filed before the effective date, since these are not dependent on any prior agency preparation or public notice for implementation.

Mr. President, the Freedom of Information Act has already opened substantial access for the public to Government files and records. Under the act citizens have been able to obtain nursing home reports, meat inspection reports, statements of Justice Department intent on proposed mergers, AEC reports on nuclear generator safety, civil rights compliance documents, IRS agents' manuals, FBI counterintelligence program guidelines, FHA appraisal reports, and a large number and variety of other documents reflecting what the Government is doing and how it is doing it.

Even now, however, with the law on the side of the American public, it is still an uphill battle with the Government agencies and their deeply inured penchant for secrecy. There are blatantly unnecessary delays and purposeful frustrations.

There are outrageous fees. There is nitpicking over identification and there is bargaining over exemptions. There are lengthy and costly court fights. And with each new request the entire process often has to be repeated.

This is not the intent of the Freedom of Information Act. This is not what is meant by citizens' access in an open government.

The amendments presented in my bill today will give the people of this country more than just a foot in the agencies' doors—it will provide them with the necessary tools to break down the traditional bureaucratic barriers of secrecy, and to gain access to what is granted them by the Freedom of Information Act.

I urge the Senate's adoption of this important legislation.

Mr. HRUSKA. I yield myself 5 minutes on the bill.

Mr. President, I ask unanimous consent that David Clanton, a member of Senator GRIFFIN's staff, be allowed the privilege of the floor during the debate and vote on the pending measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HRUSKA. Mr. President, freedom of information is basic to the democratic process. The right of the citizen to be informed about the actions of his government must remain viable if a government of the people is to exist in practice as well as theory. It is elementary that the people cannot govern themselves if they cannot know the actions of those in whom they trust to carry out the functions of Government.

Yet, it is also elementary that the welfare of our Nation and that of its citizens may require that some information in the possession of the Government be held in the strictest of confidence. For example, the individual's right of privacy requires that personal information collected and held in the files of Government agencies under census reporting laws, income tax reporting laws, criminal investigations, and other activities, be protected from disclosure. Indeed, Senator ERVIN and I have introduced bills dealing with criminal justice information systems, the primary purpose of which is to insure that this type of information is not disclosed to the public or to any persons not directly engaged in apprehending and prosecuting an offender. Likewise, information which directly bears on delicate negotiations with foreign nations or on the maintenance of our national defense must not be exposed for all the world to see, to the prejudice of our national position or our national integrity.

The Freedom of Information Act, enacted in 1966, recognized the competing interests in disclosure and confidentiality. It attempted to balance and protect all the interests, yet place emphasis on the fullest responsible disclosure. That act imposed on the executive branch an affirmative obligation to provide access to official information that previously had been long shielded from public view. Under that act, an agency must comply with a citizen's request for information unless it can show that competing interests, such as the right of privacy or the national defense, require the information to remain confidential.

It is my understanding that, by and large, the balancing of competing interests codified in the Freedom of Information Act has proven successful. However, experience with the administration of the act indicates that some changes are necessary. As the Committee on the Judiciary found in reporting on this bill:

> The primary obstacles to the act's faithful implementation by the executive branch have been procedural rather than substantive.

In short, the problem lies not with the substantive provisions of the act but with its administration. The real need is to improve compliance with the disclosure provisions we already have on the books.

To this end, S. 2543, as amended, has been reported favorably by the Committee on the Judiciary. It is designed to remove the obstacles to full and faithful compliance with the act. Its basic purpose is to facilitate more free and expeditious public access to the information the act obligates the Government agencies to disclose.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. HRUSKA. I yield myself an additional 5 minutes.

The provisions of the bill have already been discussed. The basic features of the bill that I believe deserve elaboration are the following:

First. The bill expedites public access to Government information by requiring Government agencies to respond to requests for information within specified time periods. It is a difficult task to draw the deadline at the most appropriate point. If too much time is granted, there is the possibility that the requester's access to government records may be delayed. On the other hand, if the time limits are too rigid, Government agencies, in a spirit of caution to insure that personal rights and other interests are served, will be forced to deny requests for information that might with more study be granted. In short, time limits that are too rigid, too inflexible will be counterproductive to the interests in affording citizens the greatest amount of access to information that individual rights and good Government will permit.

I believe that the time limit provision of this bill walks the fine line. It imposes reasonable time limits under which an agency must respond to a request but permits the agency to extend the time for certain compelling reasons. For example, an agency could get an extension of time if the records requested are dispersed and cannot be located within the time limits imposed or if the request is for a voluminous amount of records which must be located and reviewed. In my view, this provision is responsive to the needs of both the Government agencies and the public.

Second. S. 2543 insures the integrity of the classification of a classified document by allowing the courts to review the document in camera, if that procedure becomes necessary. However, the bill does not permit a judge to substitute his view of the sensitivity of the document for that of the agency. A judge can overrule the agency's decision to withhold the document only if he is convinced that there is not any reasonable basis for the classification.

Mr. President, I think that this standard is sensible. Under this bill, the court can review the document to determine whether the classification is reasonably based on an Executive order or statute. But the Court cannot, and should not, be able to second-guess foreign policy and national defense experts.

Third. The bill insures responsible responses to requests by holding accountable those officials who, without a reasonable basis, deny requests for information. If a court determines that the withholding by the decisionmaker was without a reasonable basis, it may order that corrective or disciplinary action be taken. Before making such a decision, however, the agency involved shall recommend what corrective or disciplinary action it deems appropriate and the court shall accord this recommendation considerable weight in making its ultimate decision.

Finally, I want to refer to a provision that is not in the bill. The basic premise under which S. 2543 was drafted is that the problems arising under the Freedom of Information Act are procedural, not substantive. True to this premise, the committee decided not to amend the substantive provisions of the act. One of the substantive provisions considered but deleted by the committee from the bill as originally introduced was a provision changing the word "files" in exemptions 6 and 7 to the word "records." By and large, the reason for this deletion was that there was no evidence that such a change was necessary.

The provision dealing with deletion of segregable portions of records is procedural and requires the agency to segregate the disclosable portion of a record from the nondisclosable and to grant access to the disclosable portion. This provision reflects existing law, but is incorporated in this bill to clarify and emphasize the point. Being procedural in nature, it does not aid in the substantive analysis whether a particular exemption applies to a record or portions thereof. Instead, it applies once the court determines that portions of a record are disclosable, requiring the agency to divulge those portions. Thus, it would not apply where, for instance, an entire file was exempt such as under exemption 7.

Mr. President, I am pleased to have worked with the Senator from Massachusetts (Mr. KENNEDY) to develop this bill which was supported by every member of the Committee on the Judiciary when it was reported. I believe that this bill will insure that the Freedom of Information Act lives up to its title. While stressing the fullest responsible disclosure, it produces a workable formula that, in my view, balances and protects all interests.

Mr. President, I reserve the remainder of my time.

Mr. KENNEDY. Mr. President, I yield 30 seconds to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. HART. Mr. President, during the consideration of this bill I ask unanimous consent that two members of my staff, Burton Wides and Harrison Wellford be granted access to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, the Freedom of Information Act has become one of the basic charters of the public's right to know what goes on inside their Government's executive departments and agencies.

As a result of the act, more information has been made available to the public. Entire battalions of rubberstamp wielding bureaucrats have been stripped of their arbitrary, unreviewable, power to keep documents secret from the public.

Before the act, there were an estimated 53,000 officials authorized to classify documents—23,000 at the Department of Defense, over 5,000 at State and hundreds of others scattered through agencies such as General Services Administration and HEW.

Reductions of classifiers at some agencies have been dramatic, for example, before the act there were 7,745 classifiers at the Department of Commerce, today there are 81. At GSA there were 866, today there are 31. But there is still a small army of classifiers at work—17,364 in 25 agencies and 11 White House offices, according to the staff of the Government Operations Committee.

Arrayed against this phalanx is the Interagency Classification Committee, which has no chairman, one full-time employee, and a secretary.

Fortunately, the Freedom of Information Act contemplated more than a toothless guardian of the public's right to know. The act gave to citizens the right to go into court to compel agency heads to comply with the requirements of the act.

But the courts have applied rules of administrative law which have made bureaucrats the final judge of the public's right to know. The seal of approval to this interpretation of the Federal of Information Act was given by the Supreme Court in *Environmental Protection Agency* v. *Mink*, 410 U.S. 732 (1973). In that case the Court ruled that the Executive's determination as to what shall be kept secret "must be honored."

Justice Stewart in a separate opinion wrote:

> [Congress] has built into the Freedom of Information Act an exemption that provides no means to question an Executive decision to stamp a document "secret", however, cynical, myopic, or even corrupt that decision might have been. . . .

In my judgment, we must not let 17,364 bureaucrats be the final judges of what we are to know from our Government. The courts have been the traditional defenders of the right to know and association first amendment rights. The courts must not be pushed out of the picture.

S. 2543, amending the Freedom of Information Act, brings the courts back into the process of deciding what information shall be withheld from the public and what information shall be disclosed.

It provides that challenges to Government claims of exemption from disclosure under the act shall be reviewed de novo in court and the burden of sustaining the claim of exemption is on the Government.

It eliminates opportunities for arbitrary delay and obstructionism by agencies attempting to deny information to citizens. Among the abuses the bill corrects are denials of records based on the agency's assertion that the citizen has not specified an "identifiable record" when the agency knows full well exactly which documents the citizen is requesting. Arbitrary and unreasonable fees for copying and searching for documents will become uniform under schedules to be set by the Office of Management and Budget. At present agency copying fees range from 5 cents per page to $1 per page and search fees range from $3 to $7 per hour.

The bill further provides for the award of attorneys fees and costs, if the Government loses in court. This provision will discourage unreasonable litigation by the Government undertaken for no good reason except to make as burdensome as possible the effort of a citizen to acquire information from his Government.

These modifications and improvements of the Freedom of Information Act are vitally necessary. But S. 2543 falls short in at least two respects of what can be done to strengthen the public right to know under the Freedom of Information Act.

First, the provisions of section (b)(4)(B)(ii) should be eliminated from the bill.

The provisions in effect require the court to accept without question the Government's word when it decides to keep information secret from the public. The practical result of this direction to the courts is to make hollow the major achievement of S. 2543 in spelling out the right of a plaintiff to a de novo review in court of the agency's determination not to disclose confidential information.

The second change is to spell out the precise grounds on which the Government can withhold information contained in investigatory files. This change has been recommended by the administrative law section of the American Bar Association.

Our Government and way of life thrive on free and open debate. The free flow of information is vital to sustenance of our freedoms. The control of access to information should not be left solely in the hands of bureaucrats whose function it is to deny information. Citizens must have an opportunity to appeal bureaucratic determination in court. The amendments to the Freedom of Information Act proposed by S. 2543 will guarantee full review of refusals by Government agencies to make public information withheld unreasonably.

Mr. MUSKIE. Mr. President, I call up my amendment No. 1356.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MUSKIE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

> On page 10, line 11, strike out "(i)", and on page 10, beginning with line 24, strike out all through page 11, line 15.

Mr. MUSKIE. Mr. President, I call up this amendment in behalf of 27 of my colleagues. I ask unanimous consent that their names be included as cosponsors. I will not undertake to read them all.

The PRESIDING OFFICER. Without objection, it is so ordered.

The names of the cosponsors, ordered to be printed in the RECORD, as follows:

> Mr. Ervin, Mr. Javits, Mr. Symington, Mr. Hart, Mr. Chiles, Mr. Humphrey, Mr. McGovern, Mr. Gravel, Mr. Clark, Mr. Tunney, Mr. Metcalf, Mr. Mondale, Mr. Mathias, Mr. Hathaway, Mr. Burdick, Mr. Percy, Mr. Ribicoff, Mr. Montoya, Mr. Weicker, Mr. Cranston, Mr. Nelson, Mr. Baker, Mr. Stevenson, Mr. Hatfield, Mr. Abourezk, Mr. Inouye, and Mr. Biden.

Mr. MUSKIE. Mr. President, I rise with some reluctance today to offer an amendment to the generally excellent Freedom of Information Act amendments offered by my friend and able colleague, the Senator from Massachusetts. No one should underestimate the diligence and concern with which he and other members of the Committee on the Judiciary have worked to insure that the changes made in the 1967 act will, in fact, further the vital work of making Government records readily available for public scrutiny and making the conduct of the public business a subject for informed public comment.

It is because the bill before us is so very rare and important an opportunity to correct the defects we discovered in the administration of the act during joint hearings I conducted with Senator KENNEDY and Senator ERVIN last year that I wish to insure that we fully meet our responsibility to make the law a clear expression of congressional intent. In many important procedural areas, S. 2543, as the Judiciary Committee has reported it, will close loopholes through which agencies were evading their duties to the public right to know.

For example, this legislation will enable courts to award costs and attorneys' fees to plaintiffs who successfully contest agency withholding of information. The price of a court suit has too long been a deterrent to legitimate citizen contests of Government secrecy claims. Additionally, the bill will require agencies to be prompt in responding to requests for access to information. It will bar the stalling tactics which too many agencies have used to frustrate requests for material until the material loses its timeliness to an issue under public debate. And the bill provides long-overdue assurance that agencies will give full report to the Congress of their policies and actions in handling Freedom of Information Act cases.

With all these significant advances in its favor, there should be little reason to argue with the wisdom of the bill's authors. But in one vital respect, S. 2543 runs counter to the purpose I and 21 cosponsors had in introducing its predecessor, S. 1142, and endangers the momentum this Congress is developing toward bringing the problem of Government secrecy under review and control.

Responding to the Supreme Court ruling of January 22, 1973, in the case of *Environmental Protection Agency et al.* v. *Patsy T. Mink et al.*, I had proposed in S. 1142 that we require Federal judges to review in camera the contents of records the Government wished to withhold on grounds of security classification. I agree that such a requirement would have been an excessive response to the Court's holding that the original act prohibited in camera inspection of classified records, and I am completely at ease with the language in S. 2543 that makes in camera inspection possible at the discretion of the judges whenever any of the nine permissive exemptions are asserted. What I cannot accept and what I move today to strike in the subsequent language which would force judges to conduct the proceedings of in their chambers in such a way that the presumption of validity for a classification marking would be overwhelming.

Under the present terms of S. 2543, the Court is permitted to make a determination in camera to resolve the question of whether or not the information was properly classified under the criteria established by the appropriate Executive order or statute. However, if an affidavit is on record filed by the head of the agency controlling the information certifying that the head of the agency in fact examined the information and determined that it was properly classified, the judge must sustain the withholding unless he "finds the withholding is without a reasonable basis under such criteria."

If this provision is allowed to stand, it will make the independent judicial evaluation meaningless. This provision would, in fact, shift the burden of proof away from the Government and go against the express language in section (a) of the Freedom of Information Act, which states that in court review "the burden of proof shall be on the Government to sustain its action." Under the amendment I propose, the court could still, if it wishes, make note of an affidavit submitted by the head of an agency, just as the court could request or accept any data, explanatory information or assistance it deems relevant when making its determination. However, to give express statutory authority to such an affidavit goes far to reduce the judicial role to that of a mere concurrence in Executive decisionmaking.

The express reason for amending the section of the act dealing with review of classified information grows, as I indicated, from concern with the Supreme Court ruling in the Mink case last year. In that case 32 Members of Congress, bringing suit as private citizens, sought access to information dealing with the atomic test on Amchitka Island in Alaska. The U.S. Court of Appeals directed the Federal district judge to review the documents in camera to determine which, if any, should be released. This seemed an appropriate step since the act does provide for court determination on a de novo basis of the validity of any executive branch withholdings.

Unfortunately, the Supreme Court reached a decision in that case which I regard as somewhat tortuous. The Court held that in camera review of material classified for national defense or foreign policy reasons is not permitted by the act. The basis of this decision was exemption No. 1, which permits withholding of matters authorized by Executive order to be kept secret in the interests of national defense or foreign policy.

The Supreme Court decided that once the Executive had shown that documents were so classified, the judiciary could not intrude. Thus, the mere rubberstamping of a document as "secret" could forever immunize it from disclosure. All the Court could determine was whether it was so stamped.

The abuses inherent in such a system of unrestrained secrecy are obvious. As the system has operated, there is no specific Executive order for each classified document. Instead, the President issued one single Executive order establishing the entire classification system, and all of the millions of documents stamped "secret" under this authorization over succeeding years are now forbidden to even the most superficial judicial scrutiny. One of the 17,364 authorized classifiers in the Government could stamp the Manhattan telephone directory "top secret" and no court could order the marking changed. Under the Supreme Court edict, the Executive need only dispatch an affidavit certifying that the directory was classified pursuant to the Executive order, and no action could be taken.

Obviously, something must be done to correct this strained court interpretation. It need not be a drastic step. Actually, it was the original intention of Congress in adopting the Freedom of Information Act to increase the disclosure of information. Congress authorized de novo probes by the judiciary as a check on arbitrary withholding actions by the Executive. Typically, the de novo process involves in camera inspections. These have regularly been carried out by lower courts in the case of materials withheld under other exemptions in the act. They can be barred under exemption No. 1, only through a misguided reading of the act and by ignoring the wrongful consequences.

But in correcting this fault, to permit in camera review of documents withheld under any of the exemptions, S. 2543 would simultaneously erect such restrictions around the conduct of the review when classified material was at issue that the permission could probably never be fully utilized.

By telling judges so specifically how to manage their inquiry into the propriety of a classification marking, we show a strange contempt for their ability to devise procedures on their own to help them reach a just decision. Moreover, by giving classified material a status unlike that of any other claimed Government secret, we foster the outworn myth that only those in possession of military and diplomatic confidences can have the expertise to decide with whom and when to share their knowledge.

It should not have required the deceptions practiced on the American public under the banner of national secrecy in the course of the Vietnam war or since to prove to us that Government classifiers must be subject to some impartial review. If courts cannot have full latitude to conduct that review, no one can. And if we constrict the manner in which courts may perform this vital review function, we make the classifiers privileged officials, almost immune from the accountability we insist on from their colleagues.

I object to the idea that anything but full de novo review will give us the assurance that classification—like other aspects of claimed secrecy—has been brought under check. I cannot accept an undefined reasonableness standard as the only basis on which courts may overrule an agency head's certification of the propriety of classification. And I cannot understand why we should trust a Federal judge to be able to sort out valid from invalid claims of Executive privilege in the Watergate affair but not trust him or his colleagues to make the same unfettered judgments in matters allegedly connected to the conduct of defense or foreign policy.

Therefore, while I am anxious to compliment the chief sponsor of S. 2543 on the fine work that has been done and to praise the Judiciary Committee for its sincere commitment in improving the working of the Freedom of Information Act, I must respectfully move to strike these 17 offensive and unnecessary lines and to make the bill what we all want it to be—a restatement of congressional commitment to an open, democratic society.

I withhold the remainder of my time.

Mr. KENNEDY. Mr. President, at the outset I want to say how much I have enjoyed joining with the distinguished Senator from Maine, as well as the distinguished Senator from North Carolina, during the course of our joint hearings on the Freedom of Information Act and Government secrecy last year. The kind of joint hearings we had, provided an additional dimension and insight into our better understanding the opportunities as well as the problems of the Freedom of Information Act.

Many of the amendments that are included in the legislation today were developed out of and during the course of those hearings, and I want to commend the distinguished Senator from Maine for focusing attention on the particular provision of the legislation that we are considering here this afternoon. I know of his special interest and expertise in this area.

This area was a matter of considerable interest to the members of the committee. As a matter of fact, when I initially introduced the bill last year, it did not include the language which the distinguished Senator from Maine desires to strike. But during the course of the subcommittee and full committee process of markup, this language in issue was added.

I want to state at the outset that I think the amendment of the Senator from Maine is responsible and reasonable and I intend to support it.

I would like to ask the Senator from Maine just a few questions. The clause which will be excluded by the Senator from Maine's amendment deals with the procedures of how classified documents will be considered in camera.

I ask unanimous consent that the whole section to be struck be included at this point in the RECORD.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

"(ii) In determining whether a document is in fact specifically required by an Executive order or statute to be kept secret in the interest of national defense or foreign policy, a court may review the contested document in camera if it is unable to resolve the matter on the basis of affidavits and other information submitted by the parties. In conjunction with its in camera examination, the court may consider further argument, or an ex parte showing by the Government, in explanation of the withholding. If there has been filed in the record an affidavit by the head of the agency certifying that he has personally examined the documents withheld and has determined after such examination

> that they should be withheld under the criteria established by a statute or Executive order referred to in subsection (b) (1) of this section, the court shall sustain such withholding unless, following its in camera examination, it finds the withholding is without a reasonable basis under such criteria.

Mr. KENNEDY. I will highlight these particular lines: "a court may review a contested document in camera if it is unable to resolve the matter on the basis of affidavits:" It continues as follows: "In conjunction with its in camera examination, the court may consider further argument."

There was some suggestion that we require courts to entertain ex parte argument from the Government in every case, but we did succeed in making it permissive.

Our language would add a presumption to the agency head's declaration that if such a matter falls within the statute or an Executive order referred to in subsection (b) (1) of this section, the court shall sustain that provision unless, following its in camera examination, it finds the withholding is without a reasonable basis under such criteria.

I want to indicate to the Senator from Maine that although others may read it differently, I do not interpret that language as indicating a very strong presumption. I cannot understand why it concerns the Senator from Maine, although, as I said before, I intend to support the amendment. I do want the legislative history to be clear that I, at least, do not think it presents a very strong presumption in favor of an administrative agency.

But I understand what the Senator is attempting to do. I think it would strengthen the legislation.

I should like to ask the Senator from Maine, some specific questions. His amendment in no way attempts to require an in camera inspection, but I understand it still leaves that as discretionary in each of these cases. Is this right?

Mr. MUSKIE. The Senator is correct.

Mr. KENNEDY. Furthermore, the Senator's amendment allows the court to question the propriety of classification only under the standards set up in a statute or by Executive order. Is that correct?

Mr. MUSKIE. The Senator is correct.

Mr. KENNEDY. I think that is important.

This is an important, useful amendment, but it does not seek to alter the classification standards or procedures presently applicable.

We do add a slight presumption, which the Senator recognizes from reading the language. It concerns him because it is a presumption. As the author of the bill, I do not want to acknowledge a very strong presumption. At least, that is my interpretation.

Does the Senator believe there ought to be any special exemption for the National Security Administration, NSA, or the Department of Defense in this part of the bill itself?

Mr. MUSKIE. As the Senator probably knows, we are holding hearings at this time on proposals to establish classification control systems and new criteria for classifications. Out of those hearings may come something; but the amendment I have offered does not touch that.

Mr. President, will the Senator from Massachusetts yield further to me?

Mr. KENNEDY. I yield.

Mr. MUSKIE. The Senator, I think, has described the sense of my amendment very accurately and precisely. I have no real quarrel with the procedures which my amendment would remove from the statute. The principal quarrel is with the last 3 lines, as the Senator from Massachusetts has correctly pointed out.

The weight of that presumption has to be analyzed in the light of the classification system. As the Senator knows, fully as well as I do, my amendment relates to the reluctance to declassify. All the momentum in the existing classification system is on the side of secrecy and all the incentives are in favor of classification.

All of that experience with the classification system goes back a quarter of a century or more. It seems to me the language in the bill, read in that context, would reinforce the same presumptive effect. The effect would be different with different judges.

I must say that different members of the committee and of the Senate, I think, would give it a different effect if we started from scratch, with a new law that would define the presumptions dealing with classification.

If we were to start from scratch and have a new law with the presumption of law in that way, I think the presumption would be different from that operating with the existing classification system.

So the inevitable momentum that the bill's language gives supports the classifier and the classification in these words:

> The court shall sustain such withholding unless it finds such withholding is without a reasonable basis.

I should think that a judge might feel that anyone who has the responsibility at high levels to classify would not classify without a basis that was reasonable to him.

If he is a responsible man, we have to accept his basis, whether or not someone else would agree. He would make an independent judgment. That basis is reasonable.

That does not say that his basis is the same basis as my reason or the basis of someone else's, presumably that of the classifier.

That language must have a purpose, and putting that language into the bill has a purpose. The purpose clearly is to give greater weight to the testimony which the judge receives from the head of the agency than the evidence received from any other source and greater than the weight of his own judgment.

That is how I read that language. I think that in the context of the momentum of the experience which has been generated under the classification system, we ought to be very reluctant and careful in adopting this kind of language.

Mr. BAYH. Mr. President, I ask unanimous consent that Howard Paster of my staff be granted the privilege of the floor during the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH. Will the Senator permit me 1 minute under the bill?

Mr. KENNEDY. Mr. President, I yield to the Senator from Indiana.

Mr. BAYH. Mr. President, I will yield to the Senator from Mississippi shortly. I simply want to say that I find great comfort in the position of the Senator from Maine.

It seems to me that in a free society, certainly in the light of everything that we have seen occur over the past few months and years, we ought to revise the present position which seems to be that there is a right to mark something classified until it is proved not to be in the public interest. In a free society information ought to be regarded as a matter of public interest and public knowledge unless it can be proven that it should be secret.

Mr. MUSKIE. Mr. President, I thank the Senator from Indiana. In proposing this amendment, I am not asking the courts to disregard the expertise of the Pentagon, the CIA, or the State Department.

Rather, I am saying that I would assume and wish that the judges give such expert testimony considerable weight. However, in addition, I would also want the judges to be free to consult such experts in military affairs as the Senator from Mississippi (Mr. STENNIS), or experts on international relations, such as the Senator from Arkansas (Mr. FULBRIGHT), or other experts, and give their testimony equal weight. Their expertise should also be given considerable weight.

I do not see why the head of a department should be able to walk into a judge's chamber, knowing that his testimony is against that of any other expert and weighs more than any other on a one-for-one basis. He has the additional weight that the exclusive judgment is given to him. He has all of that behind him.

Why should he be given a statutory presumption in addition if he cannot make his case on its merits. He is in a better position to do that than anyone else.

Then, if he cannot make a case on its merits, I say he is not entitled to a presumption.

We ought not to classify information by presumptions, but only on the basis of merit. And only the head of an agency involved can make that case. And if he cannot make it, then he ought to lose it and not find it possible to get sustained only through the support of a statutory presumption.

Mr. HRUSKA. Mr. President, I yield 5 minutes in opposition to the amendment to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I certainly thank the Senator from Nebraska.

I have just gone into this matter within the last hour, Mr. President, but I am greatly concerned with the Senator's amendment, the amendment of the Senator from Maine, and that is not discounting his very fine work on the subject.

I think the bill itself, as worked out by the committee, has struck a fair balance that meets the requirements of law and, at the same time, gives a reasonable amount of protection.

The Senator from Maine raised a point of why give a little more weight here to the head of an agency with reference to these matters. It is for the very reason that we have placed that person in charge of that agency and given him all responsibility and power that goes with that entire office. He is the only one who is permitted to file such an affidavit here, as I understand.

I want to focus now primarily on the CIA. I start with the proposition that we have to have a CIA in world affairs; we just must have one, and time has proven its value.

So in the matter of certain information being classified, the average judge—and with all due deference to them personally—and I had the honor at one time of being a judge of a trial court myself—is just short of knowledge and information on a lot of different subject matters, just as a Senator is on a great deal of subject matters that come before him.

So I imagine that the average judge would want to hear and would want to give consideration to the head of this agency and, in matters of great concern, would really have no objection to this amendment. It is a kind of warning to the judge. The head of the agency is the only person who can file an affidavit with a court within a vast worldwide operation such as the CIA. It has to be the head of the agency. If he files an affidavit, if he takes a position on the classification of a document, that is certainly not just another piece of paper.

That is something with the man's honor and official responsibility tied with it. This provision here is one where the judge is still the master of the situation; he is still running his own court, as we use that term. He is still free to reach a conclusion of his own. But this is a mild guideline, as the Senator from Massachusetts suggests. It is not a violent presumption. It is not a wall built around this head of agency and his testimony. It is a mild presumption in favor of his testimony. The judge can still weigh it all, and unless there is found a reason that satisfies the judge—and you have got to satisfy this judge—he is not going to stop and back off because it might have satisfied the head of the agency. The judge has all of this other testimony before him, and he is going to have to be convinced himself in view of all other testimony or he is going to rule in favor of reviewing the classified documents now.

I tell you this is a serious matter, Members of the Senate. I do not lean toward trying to protect everything. I want matters to be classified the same as the rest of you do. But I have been at this thing long enough and on enough subject matters to know that we are flirting here with things that can be deadly and dangerous to our welfare, our national welfare, and we ought not to just throw the gates wide open and say, "All this is to be testimony along with all the other testimony," some of which is usually from biased sources, sources of interest, and not give any consideration here any more than just ordinary consideration to the official certification under oath of the head of the agency.

So I have to rest this thing with the Senate. The committee has worked on it and has come up with something that, I take it, is practical to live with and, at the same time largely gives to the complainants what they might wish in this case.

So until we just strike down this matter that the committee has worked so hard on and has balanced off, let us take a second thought, and I believe we will——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. STENNIS. I thought he had yielded to me and I will then finish. I thank the Senator. I have not made any remarks here yet about the Department of Defense.

There are matters, and there are many of them, that are of equal importance as those of the CIA. When I leave this floor I am going down here now for a hearing with respect to a gentleman who is nominated to be the Chief of Naval Operations, the highest ranking officer in the Navy. Next week we are going to have a hearing for the Chairman of the Joint Chiefs, the highest ranking officer, military officer, in the whole Government. In addition to that we have the civilian officers over there, men of great esteem, of great competence.

These caliber men do not carelessly file affidavits, that is my point, and committee proposal would put their honor and their official conduct at stake and at issue. Those things are not carelessly done.

So instead of just brushing them aside here in a moment, let us stay or remain with the law of reason as this committee has worked it out.

I thank the Senator again for yielding to me.

Mr. MUSKIE. Mr. President, just a minute or two of response.

May I say to the distinguished Senator from Mississippi that I hardly regard my amendment as throwing the doors wide open to irresponsible disclosure of Government secrets. But on the question as to whether or not the weight of the bureaucracy of Government is on the side of secrecy or openness, let me give you a few statistics. At the CIA there are only five full-time secrecy reviewers for 1,878 authorized classifiers.

In the third quarter of 1973 in the CIA, 1,350 documents were classified top secret, and that has climbed until, during the first quarter of this year, the number has risen to 3,115. So the enormous weight of the bureaucracy is on the side of secrecy. We have all that here, and now we want to add to that weight, a presumption. Arrayed on the other side is a district court judge who treats this issue as a part-time responsibility, who does not have this background, and he is asked to give that weight, that bureaucratic weight, a presumption over anything else he hears, over any other testimony he hears. That is what we are trying to overcome. I do not regard that as throwing the door wide open.

I am happy to yield to the Senator from New York.

Mr. JAVITS. Mr. President, I have joined Senator MUSKIE and his other colleagues in his amendment for the following basic reasons:

I believe that, one, there is no question about the fact that the whole movement of Government, especially in view of Government's experience in Vietnam, Watergate, and many other directions, is toward more openness, so that the bias, in my judgment, in the Senate, should be toward more openness rather than being toward more closed.

Second, we have finally come abreast of the fact of life that it is not providence on Mount Sinai that stamps a document secret or top secret, but a lot of boys and girls just like us who have all their own hangups and who decide in individual cases what the document should be classified as, and very serious consequences flow to individuals as a result of that classification, very serious consequences in the denial of the basic information upon which the judge releases it to the public. So the bias ought to be for openness not for closeness.

Now, one would say this is a close question normally because of this tension as between the right of the public to know and the necessity of Government in given cases to have secrecy. But the basic question has been decided by the committee, as by us, who are the movers of the amendment, that is, that a judge in camera should have the right to inspect this material. Having done that, and that is the basic question, why put a ball and chain on the ankle of the deciding authority? I cannot see that the balance of wisdom in government should move in that direction, having decided that the judge may see it. We should give him the freedom to determine whether, under all the circumstances, as the umpire between the right of the public to know and the necessity for secrecy—claimed necessity for secrecy—the umpire should not be restricted by ground rules, except ground rules dealing with basic justice and the balance of responsibility and the balance of the national interest as it relates to a given item of information.

It is for those reasons, Mr. President, because I think, having made that basic decision which now has been made by the sponsors of the bill, by the sponsors of the amendment, and by the sponsors of the House bill, I see no case for further restricting that authority and hamstringing it, once it has been given.

I find special support for that proposition in the fact that the committee itself—incidentally, I personally think they are promising a lot more than they can deliver in terms of decisions of the courts, but the committee itself says that this standard of review does not allow the court to substitute its judgment for that of the agency as under a de novo review, and neither to require the court to refer discretion of the agency even if it finds the determination thereof arbitrary or capricious. I respectfully submit it is promising a lot more than it will deliver, because I doubt that judges will do any differently—except judges who want to do differently—they are human like the classifiers in reading the information in camera—than they would without the provision.

In those circumstances, why put it in? Why not put responsibility on the shoulders of the judges, whom we trust enough to allow to see the material anyhow?

For all these reasons, Mr. President, the motion to strike is eminently warranted, and I hope that the Senate will support it.

Mr. HRUSKA. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER (Mr. HELMS). The Senator from Nebraska is recognized for 5 minutes.

Mr. HRUSKA. I rise in opposition to the amendment proposed by the senior Senator from Maine (Mr. MUSKIE). The Freedom of Information Act was enacted at the expense of a lot of time and effort. It took several years to process to the point of balancing the several interests contained in it and a sincere balanced result has been attained.

There is the right to know on the part of the public, but there is also the right and duty on the part of the Government to survive and to take such steps as may be necessary to preserve the national integrity and security.

This amendment would substantially alter that balance which is presently contained in the Freedom of Information Act. It would endanger the passage and approval of the instant bill into law, in my considered judgment. It should be acted on, if we act on it at all, not in connection with a bill where virtual unanimity was reached in the Judiciary Committee and reported unanimously without any objection to the Senate.

Mr. President, I oppose the amendment offered by the Senator from Maine. I believe that the amendment is unworkable and certainly is unwise.

At the outset, it is imperative to realize what is and what is not at issue here. Is the crux of the issue whether the courts should be able to review classified documents in camera? No. Under both the bill and the amendment, the judge can review the documents in camera. Thus, S. 2543, as unanimously recommended by the Judiciary Committee, establishes a means to question an executive decision to stamp a classification on the document.

What is at stake, Mr. President, is the sole question of whether there should be a special standard to guide the judge's decision in this matter pertaining to the first exemption. S. 2543 provides such a standard.

Under the bill, a judge shall sustain the agency's decision to keep the document in confidence unless he finds the withholding is "without a reasonable basis." We could turn that around, Mr. President, and we could ask whether it would be proper for a judge to go ahead and disclose a document even if he finds that a reasonable basis for declassification exists. That is the other end of the dilemma.

In other words, if the court finds a reasonable basis for the classification, it shall not disclose the document.

The amendment of the senior Senator from Maine would eliminate this "reasonable basis" standard and put nothing in its place. It does not substitute any standard in its place. How is the judge to be guided in his decision whether a document is properly classified? In the absence of a specified standard, I must assume that the standard that obtains is the one that applies to all the other exemptions.

Let me take the sixth exemption as an example. That exemption allows an agency to withhold records if it determines that disclosure would constitute an unwarranted invasion of privacy. In determining whether the invasion is unwarranted, the court attempts to ascertain the extent of the invasion and then balances that against the requester's and the public's need for that information. The burden of proving that the extent of the invasion outweighs the countervailing interests is on the Government.

How would this standard then apply with respect to exemption 1—the exemption that allows the Government to maintain classified documents in confidence. It would allow the judge to balance what he perceives to be the public interest in disclosing the information against Government's, which is to say the people's, judgment that disclosure will jeopardize our foreign relations and national defense. Stated quite simply, the amendment before us purports to allow a judge to release a classified document if he believes that the document should be in the public domain even if there exists a reasonable basis for the classification.

I realize that standards of proof are difficult concepts to understand and apply even for the lawyer. So, let me pose an example. Suppose that the Freedom of Information Act, together with this amendment, was on the books in the 1940's. And further suppose that someone wrote the Government requesting information about the Manhattan project. Now, under this amendment, a judge would be able to examine the project's documents in camera and decide for himself whether the classification was proper. He would realize that the disclosure of documents could jeopardize national defense but, on the other hand, he could also reason that the public should have some information so that it would know how much all this research was costing and what its objectives were. The judge could go on to reason that the public should be informed of the cataclysmic damage that could be done by an atomic weapon upon delivery so that the public could make a moral judgment as to whether such a weapon should ever be used. Balancing these concerns, as the Muskie amendment would call for, the judge could find the public interest in disclosure to outweigh the national defense implications.

Mr. President, such a standard of proof is workable for the other exemptions. If a judge is wrong in a case involving exemption 6—the privacy exemption—the harm is confined. Only one person is injured. But if a judge is wrong in a case involving the first exemption, the damage is not confined. Aspects of our national defense or foreign relations could be compromised. Put in jeopardy is not just one person but a nation and perhaps its allies.

Mr. President, what then is the crux of the issue? Is it a question whether the judge can review the classified documents in camera? No. Under both the bill and the amendment the judge can review the document in camera. Instead, the sole question is whether there should be a standard to guide the judge's decision in this matter.

By eliminating any standard to guide the judge's decision in this area, the proposed amendment would put the courts in the position of making political judgments in the field of foreign affairs and national defense. Yet the courts have little, if any, experience in these fields. Indeed the courts themselves have declared that they do not have the capacity or expertise to make these kinds of judgments.

In *Epstein* v. *Resor*, 421 F. 2d 930 (9th Cir. 1970), cert, denied, 398 U.S. 965 (1970), the Court of Appeals for the Ninth Circuit stated that the judiciary has neither the—and I quote—"aptitude, facilities, nor responsibility" to make political judgments as to what is desirable in the interest of national defense and foreign policy. The Supreme Court took the same view in *C. & S. Air Lines* v. *Waterman Corp.*, 333 U.S. 103, 111 (1948).

A "Developments in the Law Note on National Security" by the Harvard Law Review reaches the same conclusion. In discussing the role of the courts in reviewing classification decisions, it states that—

> There are limits to the scope of review that the courts are competent to exercise.

And concludes that—

> A court would have difficulty determining when the public interest in disclosure was sufficient to require the Government to divulge information notwithstanding a substantial national security interest in secrecy. 85 Harvard Law Review 1130, 1225–26 (1972).

There is also another reason why the judges should not be making political judgments on foreign policy and national defense. In order to convince a court that national defense interests outweigh any interests in public disclosure, the Government agencies may have to disclose more sensitive information to show how sensitive the documents requested really are. For example, the fact that information is sensitive may not appear from the face of the document. The agency may then be required to divulge more information to show that the document is relevant to secret ongoing negotiations with a foreign nation. Thus, the agency may be put in the curious dilemma that it must divulge more sensitive information to protect the information requested.

Mr. President, I believe we all recognize that there have been some abuses in the classification system. But we should also recognize that new classification procedures have recently been promulgated in Executive Order 11652 to correct these abuses. In a progress report just issued by the Interagency Classification Review Committee, the body created to monitor the classification system, the following progress was documented:

First. The total number of authorized classifiers within all departments has been reduced by 73 percent since the order took effect;

Second. The National Archives and Records Service has declassified over 50 million pages of records since 1972;

Third. The Department of Defense alone achieved a 25-percent reduction in its "Top Secret" inventory during 1973;

Fourth. The majority of requests, 63 percent, for the declassification of documents has been granted either in full or in part.

This last point deserves some elaboration. Under the Executive order, a person may request review of classified documents in order to obtain access to the records. If the documents are over a certain age, the agency must review the documents. This is usually a two-step process: the operating division first reviews the document to see if it is properly classified. If it determines the classification is appropriate, the requester may then appeal to the review board in the agency. If he is not successful there, he may appeal outside the agency to the Interagency Classification Review Committee. He thus has three opportunities to obtain the documents declassified before he files suit under the Freedom of Information Act.

Mr. President, in my own view, a decision by all three of these bodies that the classification is proper should put the matter to rest. Nevertheless, under S. 2543 we will also permit the courts to review the documents in camera to judge whether the classification is proper. Is it too much to ask that a standard be imposed to guide the court's decision so that a document will not be divulged to all the world if there is a reasonable basis for the classification? I think not.

Mr. President, the question whether a document is properly classified is a political judgment. This judgment must take cognizance of a number of factors, such as negotiations with other countries, the timeliness of the moment, the disclosure of other information. Who is in a better position to make this judgment—the Secretary of State or a district judge? Should we permit a judge to balance what he perceives to be the interests of the public in disclosure against the interests of the public in maintaining the document in confidence? I say, most emphatically, no.

I believe the point must be stressed that this standard does not equip the courts with a mere rubber stamp. The courts are granted the authority to review the documents in camera. And the courts can overturn a classification decision in a case involving a request for the classified documents upon finding that there is no reasonable basis upon which the classification decision can be predicated.

But if there is a reasonable basis for the classification, a judge would not and should not be able to divulge the document. It is as simple as that.

Mr. President, Senator KENNEDY, the author of this bill, has worked with me and other members of the Senate Judiciary Committee in developing a bill that recognizes and balances all of the interests. The bill was reported by the committee without a dissent. I fear that this amendment will thwart the bipartisan and cooperative efforts of the committee. But more than that, it is unworkable and extremely unwise.

If my colleagues believe that a judge should not be granted the power to disclose a classified document upon finding a reasonable basis for the classification, they should vote against the proposed amendment. I intend to.

Under the amendment offered by the Senator from Maine and under the way the bill as now drafted the judge can review documents in camera. The sole question is whether there should be a standard to guide the judge's decision on this matter.

It is not a ball and chain, Mr. President, because he can decide for himself whether there is a reasonable basis for the classification. Under the bill as presently drafted the judge is governed by the existence of a reasonable basis for the classification and on appeal it would be for the circuit court to decide whether there is a reasonable basis for that classification. I do not know—perhaps I can pose that question to the distinguished Senator from Maine, whether there is an intent to foreclose an appeal under his amendment.

Mr. MUSKIE. There is not, of course, any intention to foreclose. In addition, there is no presumption on the part of the Senator from Maine that, absent the language my amendment would strike—judges would always be unreasonable. What the Senator seeks to tell us is that his language, the language I have described, was inserted in the bill because otherwise judges would be unreasonable in evaluating the basis for the classification of documents; and that the only way to avoid that unreasonable tendency on the part of district court judges is to create a presumption on the part of the classifier. I listened to the Senator's argument closely, and that seems to be the thrust of the argument.

Mr. HRUSKA. Mr. President, the Attorney General has written a letter, the text of which is on the desk of each Senator, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D.C., May 29, 1974.

Hon. ROMAN L. HRUSKA,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HRUSKA: The Department of Justice appreciates your interest in S. 2543, a bill to amend the Freedom of Information Act.

You have inquired about a proposed amendment to the bill's provision on judicial review of documents withheld in the interest of national defense or foreign policy. This suggested amendment would alter the provisions on page 10, line 24 through page 11, line 15 of S. 2543. It would subject these documents to standards of judicial review that are the same or similar to standards applicable to ordinary government records.

As the courts themselves have recognized, the conduct of defense and foreign policy is specially entrusted to the Executive by the Constitution, and this responsibility includes the protection of information necessary to the successful conduct of these activities. For this reason the constitutionality of the proposed amendment is in serious question.

In addition, the suggested change would call for a de novo review by the court, and shift the burden of proof to the government. Such a change would place a heavy burden on the executive branch to reveal classified material which the judicial branch is unprepared to properly evaluate.

For these reasons the Department of Justice is opposed to an amendment of this nature.

Sincerely,

WILLIAM B. SAXBE,
Attorney General.

Mr. HRUSKA. The letter says, among other things the following:

> As the courts themselves have recognized, the conduct of defense and foreign policy is specially entrusted to the Executive by the Constitution, and this responsibility includes the protection of information necessary to the successful conduct of these activities. For this reason the constitutionality of the proposed amendment is in serious question.
>
> In addition, the suggested change would call for a de novo review by the court, and shift the burden of proof to the government. Such a change would place a heavy burden on the executive branch to reveal classified material which the judicial branch is unprepared to properly evaluate.

Mr. MUSKIE. I gather that in offering that letter from Mr. Saxbe, the Senator is suggesting another point: If, for example, the bill is amended by my amendment and is passed and enacted into law and its constitutionality is challenged, would it be the Senator's view that Mr. Saxbe's view on the subject of constitutionality ought to be given a presumption over that of any other opinion that the court would consider?

Mr. HRUSKA. The language in the bill is not intended to serve as the basis for the creation of a presumption. That is not its intent at all, and I do not think that is its meaning.

Mr. MUSKIE. What is its intent, if it is not a presumption? If it is not intended to give the classifier's judgment a weight exceeding that of any other witness, what is it intended to do?

Mr. HRUSKA. Let me suggest this. The question of whether a document is properly classified is a political judgment. There is no question about it. It has to be that, when it comes to national security and foreign policy.

This judgment must take cognizance of a number of factors, such as negotiations with other countries, the timeliness of the moment, the disclosure of other information, and so forth. Who is in a better position to make this judgment—the Secretary of State or a district judge? That is what it comes down to.

Should we permit a judge to balance what he perceives, with his relatively parochial interests, to be the interests of the public, in disclosure against the interests of the public, in maintaining the document in confidence? I say, most emphatically, no.

It is a problem of such scope and with so many ramifications that it belongs, as the Senator from Mississippi has said, in the hands and in the minds and in the decisions of those who are versed in that field and who have the expertise for it.

That is the reason for the language in the bill as it exists—to furnish the judge, when he is called upon to pronounce judgment, with the standard and the requirement that if he finds there is a reasonable basis for the classification, he must sustain that classification.

The point should be stressed that this standard does not equip the courts with a mere rubberstamp. They are granted the right and the authority to review the documents in camera. They can overturn a classification decision in a case involving a request for the classified documents upon finding that there is no reasonable basis upon which the classification be predicated.

It seems to me that we are tampering here with a highly important subject. The decision was deliberately made some years ago, when the parent act was passed, and we will be interfering with that political balance and a matter of vital importance if this amendment is adopted.

I hope the Senate will reject the amendment.

Mr. HART. Mr. President, will the Senator yield me a couple of minutes?

Mr. MUSKIE. I yield.

Mr. HART. I should like to ask a question of the Senator from Maine. I have listened to the exchange he has had with the Senator from Nebraska; and, as I understand, the bill, as reported by the committee, says that in the matter of a security document or file, if the head of the agency—let us say the Secretary of Defense—certifies to the court that he has examined the document and has determined that it should be withheld, the court must sustain that finding and certification, unless the court finds the withholding is without a reasonable basis.

Mr. MUSKIE. In other words, he has to find that the Secretary of Defense was unreasonable.

Mr. HART. I have never been confronted with the problem of resolving a national security file, but some of us, at least years ago, were confronted with the homely experience of trying an accident case. Is there not a parallel here?

A plaintiff puts on one eminent physician who describes why the blinking eye is the result of the accident, and the defendant puts on 10 very eminent physicians who say that is nonsense, that the blinking eye is congenital. That court can make a decision, choosing which among the 11 opinions seems most persuasive. But if accident cases were tried under a statute such as this committee bill provides, would not the court be compelled to agree with the plaintiff because there is a reasonable presumption supporting the blinking eye?

If the Secretary of Defense files a certificate, that certificate is a reasonable basis; but five prior Secretaries of Defense and the CIA Director—and name your favorite expert—all say that is nonsense. The court may agree with them; but under this language, unless it is stricken, he is handcuffed, is he not?

Mr. MUSKIE. I think the Senator has described the effect of the amendment as I understand it.

Mr. HART. I would not be comfortable with that kind of restriction.

Mr. HRUSKA. Certainly, the judge has the right to say that the blinking of an eye is, as a defense, unreasonable. Then that case will go to the circuit court of appeals, and I see no harm in that. I trust that the Senator from Michigan does not, either. But it seems to me that the door is open by this amendment and the language is plain and simple: If the basis is considered unreasonable and the judge so finds, then the information must be disclosed.

Mr. MUSKIE. I yield myself 1 minute, and then I will yield to the distinguished Senator from Florida.

The difficulty with the Senator's response is simply this. The Senator minimizes the implication that the Senator from Michigan and the Senator from Maine draw from his language, but then, in the Senator's prepared remarks, in which he justifies his language, he justifies it on the ground that the Director of the CIA is the only man who knows. The Senator clearly wants to give his knowledge, his position, and his judgment a weight far out of proportion to the Senator's response to the question raised by the distinguished Senator from Michigan.

I say to the Senator that he cannot have it both ways. Either this amendment has the effect of giving a weight to the classifier's judgment and certificate that inhibits the disclosure of information that ought to be disclosed or it does not. It cannot do both. I think I read it correctly when I read it as the Senator from Michigan has read it.

How much time would the distinguished Senator from Florida like?

Mr. CHILES. Four minutes.

Mr. MUSKIE. I yield 4 minutes to the distinguished Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. CHILES. Mr. President, I support the amendment offered by the Senator from Maine (Mr. MUSKIE), when the Freedom of Information Act was enacted over 7 years ago, it was the congressional intent that from that time forward the general rule to be observed by all bureaucrats was that disclosure of information was the norm and withholding the exception. Recognizing that the ideal is not often observed, the Federal district court was given jurisdiction to litigate differences originating from requests.

The past 7 years' experience with the act has indicated that the fears of bureaucratic obstruction were in large part well founded and that but for firm guidance by the courts in the more than 200 cases litigated under the act, the public's right to know would still be little more than a wish.

The bill before us today is the result of extensive hearings which pointed out a number of procedural shortcomings in administration of the Freedom of Information Act. I am satisfied that many of the problems will be resolved by this bill. However, I am concerned by the language presently found in a section of the bill which, in my estimation, would reverse the central thrust of the Freedom of Information Act.

As the result of a Supreme Court decision which adopted an interpretation of the language in section (b)(1) of the original act, information claimed to be classified for security purposes could not be examined by the Federal courts to determine if in fact the classification was proper and valid. Rather, the Supreme Court held that the trial judge must be satisfied with an affidavit from the head of the department originally classifying the information which affidavit would attest to the propriety of the classification. Thus, the classifier would, in fact, be the judge of the classification. This result was patently absurd. Yet, the corrective language in the bill before us does little to remedy the situation. Rather than allow true judicial review of this material, the present language once again attempts to hold the view of the department head by stating that the court must accept his affidavit unless it is found to be unreasonable. While seemingly, a step forward, this language actually reverses the general rule of the Freedom of Information Act which puts the burden of proof upon the Government to establish the basis for withholding.

If the present language in (b)(4)(B)(ii) is allowed to stand, the burden of proof will in effect be shifted away from the Government and placed with the courts.

This is a situation which must not be allowed to stand. I do not argue that an affidavit or other submission from the head of an agency should be disregarded. On the contrary, I would hope that the Court, in its camera examination of contested documents, would call upon whatever expertise it found necessary.

However, to raise the opinion of one person, especially an interested party, to that of a rebuttable presumption is to destroy the possibility of adequate judicial oversight which is so necessary for the Freedom of Information Act to function.

I think it really goes against the thrust of what we are trying to do in amending the bill, to again say that the norm is to be to open things up unless a reason can be shown to have them closed.

If, as the Senator from Mississippi said, there is a reason, why are judges going to be so unreasonable? We say that four-star generals or admirals will be reasonable but a Federal district judge is going to be unreasonable. I cannot buy that argument, especially when I see that general or that admiral has participated in covering up a mistake, and the Federal judge sits there without a bias one way or another. I want him to be able to decide without blinders or having to go in one direction.

I think we would be much better off with this amendment. I urge the adoption of the amendment.

Mr. KENNEDY. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, in my opening remarks I mentioned some words of the President of the United States when he issued his new Executive order on classification. This concern which has been expressed by the Senator from Florida, the Senator from Maine, and the Senator from Michigan is very real. This is what the President of the United States said in talking about classification, and it supports the basis for the amendment of the Senator from Maine:

> Unfortunately, the system of classification which has evolved in the United States has failed to meet the standards of an open and democratic society, allowing too many papers to be classified for too long a time. The controls which have been imposed on classification authority have proved unworkable, and classification has frequently served to conceal bureaucratic mistakes or to prevent embarrassment to officials and administrations.

I think precisely this kind of sentiment has triggered the amendment of the Senator from Maine. In reviewing hearings before the Committee on Armed Services, dealing with the transmittal of documents from the National Security Council to the Chairman of the Joint Chiefs of Staff, I find the following on page 4 of those hearings, part 2.

> The Chairman. I do not know of anything now that really is national security. We have not been able to find out anything. But when we get into it it will be a matter of judgment and so forth.
>
> Senator Hughes. Who is to make that judgment?
>
> The Chairman. The committee I am not trying to overrule anyone as a member of this committee, you know that, but it is all right for you to raise the point.
>
> Gentlemen, anyone else want to say anything?
>
> Senator Symington. Last summer when the special prosecutor sent us some papers taken out of the Dean file, in Alexandria, and which had a lot to do with CIA and military matters, they were sent here and also sent to the Ervin committee. Hastily everyone wanted to see us at once, the State Department, the CIA, FBI, DIA. Anybody I left out, Mr. Braswell?
>
> Mr. Braswell. NSA, I think.
>
> Senator Symington. Yes, and they all said these papers from the standpoint of national security must not be utilized by the Watergate Committee. We sat around this table. I said, the best thing to do would be to first read the papers Mr. Dean put in his safe before we consider making a decision to request Senator Ervin not to use them. So we read the papers. They literally had nothing to do, that we could see, with the national security. One of the staff members said, after we had read for 10 or 15 minutes, it looks to me as if this is more a case of national embarrassment than national security. In my opinion, he could not have been more right. So having been through that syndrome last summer, that particular aspect, and because of all of the various stories that have been getting out, I would join the Senator from Iowa and hope we make a full report on this situation, one way or the other because I do not see any national security involved. Admiral Moorer said he knew everything being done. So I do not see the national security angle.
>
> The Chairman. I have already told you twice that I have not run across anything yet that is national security.

Here, supposedly the most sensitive materials are considered classified by the heads of these respective agencies mentioned, yet the language which would be included in the committee amendment to the Freedom of Information Act would add some presumption to their conclusion. That presumption is what the Senator from Maine is attempting to erase. And these excerpts illustrate his point.

I think the amendment makes sense, and I am extremely hopeful that this body will support the Senator from Maine. I think it is a responsible approach. It is sensitive, as we reviewed earlier, in terms of protecting the kinds of classified material, where that protection is legitimately essential to our security and the national defense. The amendment would reach the kinds of abuses we have seen far too often in recent times.

I hope the amendment is agreed to.

Mr. MUSKIE. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. MUSKIE. Mr. President, first may I say that if the committee bill prevails, I would like to see something that minimizes the question of presumption, but I am afraid to raise the issue because, in the proper perspective, we have to describe the situation as it is.

Then, Mr. President, I would like to make one technical point with respect to the letter to Senator Hruska by the Attorney General, William Saxbe, which was put in the Record earlier. The Attorney General's letter reads:

> In addition, the suggested change would call for de novo review by a court and shift the burden to the government.

I wish to correct that. Section (a) of the Freedom of Information Act provides that in court cases "the burden is on the agency to sustain its action." That is no shifting of the burden. The Freedom of Information Act imposes this burden for a very real reason. That reason is the weight of the Federal bureaucracy, which has made it almost impossible for us to come to grips with secrecy control and limit the classification process.

I withhold the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. MUSKIE. Mr. President, I am happy to yield 4 minutes to the distinguished Senator from North Carolina (Mr. Ervin).

Mr. ERVIN. Mr. President, I rise in support of this amendment. It seems to me that we ought not to have artificial weight given to agency action, which the bill in its present form certainly would do.

It has always seemed to me that all judicial questions should be determined de novo by a court when the court is reviewing agency action. One of the things which has been most astounding to me during the time I have served in the Senate is the reluctance of the executive departments and agencies to let the American people know how their Government is operating. I think the American people are entitled to know how those who are entrusted with great governmental power conduct themselves.

Several years ago the Subcommittee on Constitutional Rights, of which I have the privilege of being chairman, conducted quite an extensive investigation of the use of military intelligence to spy on civilians who, in most instances, were merely exercising their rights under the first amendment peaceably to assemble and to petition the Government for redress of grievances. At that time, as chairman of that subcommittee, I was informed by the Secretary of Defense, when the committee asked that one of the commanders of military intelligence appear before the committee to testify that the Department of Defense had the prerogative of selecting the witnesses who were to testify before the subcommittee with respect of the activities of the Department of Defense and the Department of the Army.

On another occasion I was informed by the chief counsel of the Department of Defense that evidence which was quite relevant to the committee's inquiry, and which had been sought by the committee, was evidence which, in his judgment, neither the committee nor the American people were entitled to have or to know anything about.

And so the Freedom of Information Act, the pending bill, is designed to make more secure the right of the American people to know what their Government is doing and to preclude those who seek to keep the American people in ignorance from being able to attain their heart's desire.

I strongly support the amendment offered by the distinguished Senator from Maine, of which I have the privilege of being a cosponsor, because it makes certain that when one is seeking public information, or information which ought to be made public, the matter will be heard by a judge free from any presumptions and free from any artificial barriers which are designed to prevent the withholding of the evidence; and I sincerely hope the Senate will adopt this amendment.

I thank the Senator for yielding.

Mr. MUSKIE. I thank the distinguished Senator from North Carolina.

Mr. President, at this time I withhold the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. HRUSKA. Mr. President, I yield myself 3 minutes.

A little while ago the question was asked whether the Director of the CIA or the Secretary of State is the only man who knows whether information should be classified or whether a district judge equally situated with regard to matters relating to national security or foreign policy as any other officer of the Government.

Mr. President, it is not a question whether or not he is the only man. The courts themselves have said, as has already been cited in Epstein versus Resor in 1970, wherein certiorari was denied by the Supreme Court, that the judiciary has neither the "aptitude, facilities, nor responsibility" to make political judgments as to what is desirable in the interest of national defense and foreign policy. That is their decision, Mr. President—it is not the court's business to attempt to weigh public interests in the disclosure of this information. These are political judgments outside the province of the courts.

The Supreme Court, in the case of C. & S. Air Lines against Waterman Corp., in 1948, held to the same effect.

The Harvard Law Review note reached that same conclusion.

It is not a matter of any one person's knowing who is the one who would best know. There is the review, the trial de novo, to be sure. The bill is written so as to place upon the district judge the responsibility of determining whether or not there is a reasonable basis. If there is no reasonable basis, then he orders the information disclosed. If there is a reasonable basis, he is charged with the responsibility of maintaining the confidentiality of the information. Under that system, it would be an appealable order. It would be something that could be reviewed.

The further suggestion is made that there is no indication that a district judge will be unreasonable in acting under the amendment of the Senator from Maine. I would not think that any judge would be unreasonable. But that is not the point. If the district judge finds that there is no reasonable basis for it, should he still have the power to say, "Release the information, anyway"? That is the position for which the Senator from Maine is arguing. That is exactly the position for which he is arguing.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HRUSKA. I yield myself 3 minutes more.

In all applications for the disclosure of public documents, the procedures, under the amendment of the Senator from Maine as well as under the bill, are the same. The documents would be available if the matter cannot be resolved on the basis of affidavits. The documents are available for examination in camera, and it will be for the judge to examine them and determine whether there is a reasonable basis.

Under the amendment proposed there is no standard to guide the courts in this difficult area. The purpose of the language in the bill is to require the judge to determine whether or not there is a reasonable basis. If there is, he holds the document; if there is no reasonable basis, he may order it disclosed.

Mr. President, there are difficulties in getting papers from the Government and its agencies. There is no question that there are abuses. But, as I indicated in my earlier remarks, many steps have been taken pursuant to the Executive Order 11652 to correct those abuses. However, again, I say that the issue of abuses is not relevant to a consideration of the amendment proposed by the Senator from Maine.

Finally, I must say, Mr. President, that the adoption of this amendment could endanger the passage and approval of the bill into law. It will substantially alter that finely tuned balance. We have competing interests that are highly controversial in this field that must be encompassed and balanced.

Mr. President, it is my hope that the amendment will be defeated.

Mr. MUSKIE. Mr. President, I yield to the Senator from North Carolina.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. ERVIN. Mr President, the question involved here would be whether a court could determine this is a matter which does affect national security. The question is whether the agency is wrong in claiming that it does.

The court ought not to be required to find anything except that the matter affects or does not affect national security. If a judge does not have enough sense to make that kind of decision, he ought not to be a judge. We ought not to leave that decision to be made by the CIA or any other branch of the Government.

The bill provides that a court cannot reverse an agency even though it finds it was wrong in classifying the document as being one affecting national security, unless it further finds that the agency was not only wrong, but also unreasonably wrong.

With all due respect to my friend, the Senator from Nebraska, is it not ridiculous to say that to find out what the truth is, one has to show whether the agency reached the truth in a reasonable manner?

Why not let the judge determine that question, because national security is information that affects national defense and our dealings with foreign countries? That is all it amounts to.

If a judge does not have enough sense to make that kind of judgment and determine the matter, he ought not to be a judge, and he ought not to inquire whether or not the man reached the wrong decision in an unreasonable or reasonable manner.

The PRESIDING OFFICER. Who yields time?

Mr. HRUSKA. Mr. President, I yield myself 3 minutes.

Mr. President, will the Senator respond to a question on that subject? He and I have discussed this matter preliminarily to coming on the floor.

If a decision is made by a court, either ordering a document disclosed or ordering it withheld, is that judgment or order on the part of the district court judge appealable to the circuit court?

Mr. ERVIN. I should think so.

Mr. HRUSKA. What would be the ground of appeal?

Mr. ERVIN. The ground ought to be not whether a man has reached a wrong decision reasonably or unreasonably. It ought to be whether he had reached a wrong decision.

Mr. HRUSKA. I did not hear the Senator.

Mr. ERVIN. The question involved ought to be whether an agency reached a correct or incorrect decision when it classified a matter as affecting national security. It ought not to be based on the question whether the agency acted reasonably or unreasonably in reaching the wrong decision. That is the point that the bill provides, in effect. In other words, a court ought to be searching for the truth, not searching for the reason for the question as to whether someone reasonably did not adhere to the truth in classifying the document as affecting national security.

Mr. HRUSKA. The bill presently provides that a judge should not disclose a classified document if he finds a reasonable basis for the classification. What would the Senator from North Carolina say in response to the following question: Should a judge be able to go ahead and order the disclosure of a document even if he finds a reasonable basis for the classification?

Mr. ERVIN. I think he ought to require the document to be disclosed. I do not think that a judge should have to inquire as to whether a man acted reasonably or unreasonably, or whether an agency or department did the wrong thing and acted reasonably or unreasonably.

The question ought to be whether classifying the document as affecting national security was a correct or an incorrect decision. Just because a person acted in a reasonable manner in coming to a wrong conclusion ought not to require that the wrongful conclusion be sustained.

Mr. HRUSKA. Mr. President, I am grateful to the Senator for his confirmation that such a decision would be appealable.

However, on the second part of his answer, I cannot get out of my mind the language of the Supreme Court. This is the particular language that the Court has used: Decisions about foreign policy are decisions "which the judiciary has neither aptitude, facilities, nor responsibility and which has long been held to belong in the domain of political power not subject to judicial intrusion or inquiry." *C. & S. Air Lines* v. *Waterman Corp.*, 333 U.S. 103 (1948).

That is not their field; that is not their policy.

Mr. ERVIN. Pardon me. A court is composed of human beings. Sometimes they reach an unreasonable conclusion, and the question would be on a determination as to whether the conclusion of the agency was reasonable or unreasonable.

Mr. HRUSKA. Mr. President, I yield myself 2 minutes to read from the Supreme Court case of C. & S. Airlines versus Waterman Corp., 333 U.S. 103 (1948):

> [T]he very nature of executive decisions as to foreign policy is political, not judicial. Such decisions are wholly confided by our Constitution to the political departments of the government, Executive and Legislative. They are delicate, complex, and involve large elements of prophecy. They are and should be undertaken only by those directly responsible to the people whose welfare they advance or imperil. They are decisions of a kind for which the Judiciary has neither aptitude, facilities nor responsibility and which has long been held to belong in the domain of political power not subject to judicial intrusion or inquiry.

Mr. President, I think that is pretty plain language. I stand by it.

In this connection, as I understand Senator MUSKIE's amendment, the burden of proof is upon the Government to demonstrate what harm would befall the United States if such information would be made public and the court is to weigh such factors against the benefit accruing to the public if such information were released. However, no standards for guiding the court's judgment are included.

It seems obvious to me that in an area where the courts have themselves admitted their inadequacies in dealing with these issues, Congress should endeavor to provide the proper guidance. The reported version of this bill does so. It provides that only in the event a court determines the classification of a document to be without a reasonable basis according to criteria established by an Executive order or statute may it order the document's release.

Therefore, I respectfully submit that Senator MUSKIE's proposed amendment does not adequately come to grips with the various competing concerns involved in this issue.

Mr. MUSKIE. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Maine has 21 minutes remaining.

Mr. MUSKIE. Mr. President, I yield myself 3 minutes.

Mr. President, I have listened to the distinguished Senator from Nebraska expound at length on what he believes to be the facts and say that the judges are not qualified to make evaluations of classification decisions.

If he believes what he says he believes, he has got to be opposed to the committee bill because the committee bill establishes a procedure for judicial review. If he believes judges to be as unqualified as he describes them, eloquently and vigorously, on the floor of the Senate, he has to be against the bill to which he has given his name and support, because that bill rests on the process of judicial review.

The second point that I wish to make is, of course, that judges can be unreasonable, as my good friend the Senator from North Carolina has pointed out. But what about the executives? Let me read, from the committee report, the language of Justice Potter Stewart in concurring with the majority opinion of the Supreme Court in the Mink case that we seek in this bill to alter.

Justice Stewart stated:

> Congress has built into the Freedom of Information Act an exemption that provides no means of questioning an executive decision that determine a document is secret, however, cynical, myopic, or even corrupt that decision might have been.

Now that is the opinion of a justice who concurred in the decision in the Mink case which denied judges in camera review of executive decisions to classify in the national security field, clearly urging the Congress, in my judgment, to do something about it, and that is what we seek to do.

I simply cannot understand the position of the Senator from Nebraska (Mr. HRUSKA) in supporting, on the one hand, a judicial review process designed to open the door to examination of executive decision, and then on the other hand closing that door part way back again, because that is the clear purpose of the presumption written into the act.

So I hope, Mr. President, that, having taken this step, that we will not take part of it back, and I urge the support of my amendment for the reasons that I have amply discussed this afternoon.

I am ready for a vote at any time, but I will withhold the remainder of my time until it is clear that the Senate is ready for the vote.

Mr. TAFT. Mr. President, the Judiciary Committee deserve our appreciation for the significant work that is embodied in the bill before us today.

These amendments to the Freedom of Information Act will accomplish the committee objective of providing more open access to Government activities. The fresh air that open access will bring can only strengthen our form of Government. Informed citizens and responsive Government agencies will go a long way toward restoring the faith and confidence that the American people must have in our institutions.

The amendment offered to S. 2543 by the Senator from Maine which deals with classified information relating to national defense or foreign policy will not serve the interests of clear legislation or assist in the delicate process of making available such sensitive classified material.

It seems to me that the committee version of S. 2543 offers a definite procedure and a definite standard by which national defense or foreign policy classified information may be examined in a court proceeding. The court is not required to conduct a de novo review, most courts are not knowledgeable in the sensitive foreign policy factors that must be weighed in determining whether material deserves or in fact demands classification. Under the committee version a court needs to determine if there is a reasonable basis for the agency classification. The standard "reasonable basis" is not vague. The standard of reasonableness has been applied in our judicial system for centuries.

The proposed amendment would call for a de novo weighing of all of the factors and leave the determination to the court according to a weighing of all the information which is much more vague than that standard promulgated by the committee.

The executive branch has especially significant responsibilities in foreign policy and national defense. The recently conducted Middle East negotiations by our Secretary of State had to be conducted in secret and we are now enjoying fruit of the successful culmination of these negotiations.

I believe foreign policy considerations and national defense considerations deserve special attention and the committee version of S. 2543 accords them such special attention.

It does not seem worthwhile to confuse the standard that the committee has set nor does it seem useful to diminish the executive branch's flexibility in dealing with sensitive foreign policy matters.

I intend to support S. 2543 and urge my colleagues to approve it without amendment.

Mr. KENNEDY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. Are there a sufficient number of Senators present to order the yeas and the nays?

The PRESIDING OFFICER. There is not a sufficient second.

Mr. HRUSKA. Mr. President, I have no further requests for time on this side or in opposition to the amendment.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum, with the time to be charged to my time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays on the Muskie amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maine (Mr. MUSKIE).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from South Dakota (Mr. McGOVERN), the Senator from Rhode Island (Mr. PELL), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska (Mr. GRAVEL) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), the Senator from New York (Mr. BUCKLEY), and the Senator from Illinois (Mr. PERCY) are necessarily absent.

I also announce that the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. FANNIN), and the Senator from South Carolina (Mr. THURMOND) are absent on official business.

On this vote, the Senator from Illinois (Mr. PERCY) is paired with the Senator from South Carolina (Mr. THURMOND).

If present and voting, the Senator from Illinois would vote "yea" and the Senator from South Carolina would vote "nay."

The result was announced—yeas 56, nays 29, as follows:

[No. 219 Leg.]

YEAS—56

Abourezk
Aiken
Baker
Bayh
Beall
Bentsen
Biden
Brock
Brooke
Burdick
Byrd, Robert C.
Case
Chiles
Church
Clark
Cook
Cranston
Dole
Domenici
Eagleton
Ervin
Hart
Haskell
Hatfield
Hathaway
Huddleston
Humphrey
Javits
Johnston
Kennedy
Magnuson
Mansfield
Mathias
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Stafford
Stevens
Stevenson
Symington
Tunney
Weicker
Williams

NAYS—29

Allen
Bartlett
Bellmon
Bible
Byrd, Harry F., Jr.
Cannon
Cotton
Curtis
Eastland
Fong

Goldwater
Griffin
Gurney
Hansen
Helms
Hruska
Jackson
Long
McClellan
McClure
McGee

Nunn
Scott, Hugh
Scott, William L.
Stennis
Taft
Talmadge
Tower
Young

NOT VOTING—15

Bennett
Buckley
Dominick
Fannin
Fulbright

Gravel
Hartke
Hollings
Hughes
Inouye

McGovern
Pell
Percy
Sparkman
Thurmond

So Mr. Muskie's amendment (No. 1356) was agreed to.

Mr. MUSKIE. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. KENNEDY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAYH. Mr. President, I send my amendment to the desk and ask that it be stated.

The PRESIDING OFFICER (Mr. Helms). The amendment will be stated.

The legislative clerk read as follows:

> On page 9, line 9, following the word "person" insert the following:
>
> "When such records are made available under this section in matters which the person seeking those records can demonstrate to be of general public concern, the agency complying with the request for the records shall make them available for public inspection and purchase in accordance with the provisions of this act, unless the agency can demonstrate that such records could subsequently be denied to another individual under the exceptions provided for in subsection (b) of this act."

Mr. BAYH. Mr. President, this amendment is designed to make certain Federal departments and agencies comply with both the letter and the spirit of the Freedom of Information Act in making public requested documents in matters of general public concern.

It is not consistent with the intent of Congress for an agency to comply with a request for a certain document under the Freedom of Information Act, but, at the same time, to refuse to make that document available to the public despite the legitimate and broad public nature of the document in question.

Yet, this is precisely what happened in a Freedom of Information Act request which I made earlier this year to the Federal Trade Commission. Probably the best way to demonstrate the real need for adoption of the amendment I have offered would be for me to recount my experience in seeking information from the FTC.

On March 20 a public interest law firm—the Institute for Public Interest Representation at the Georgetown University Law Center—wrote to the Federal Trade Commission on my behalf requesting a copy of a transcript of prehearing conference the Commission had conducted on December 18, 1973 with eight major oil companies which the FTC has charged with engaging in anticompetitive practices.

That request was based on the Freedom of Information Act. Subsequently, on April 3, having received no substantive reply to the letter my attorney had sent 2 weeks earlier, I filed suit in U.S. District Court here in Washington against the FTC to secure a copy of the requested transcript.

While I did not take lightly the significance of a U.S. Senator suing an agency of the Federal Government, I felt the issue was of such importance that this strong action was required. In seeking access to the transcript, I must emphasize, I did not merely want to secure this material for myself.

Certainly the Senator from Indiana did feel it would be helpful to him in weighing current energy-related legislation to have the information being generated in this very important proceeding before the Federal Trade Commission. But beyond the need which I felt I had for the document, I also felt that it was important that the transcript of a proceeding against the eight largest oil companies be available to the public.

Few issues have generated as much concern among the American people in recent months than the energy crisis. Much has been charged about the role of the oil companies in contributing to and exploiting the energy crisis, and the FTC allegations of major anticompetitive practices against the oil companies go directly to the heart of the public concern regarding the role of the oil companies.

It, therefore, seemed to me important that not only should the transcript in question be available to the Senator from Indiana, but that transcript should be part of the public record of the FTC, available for examination and purchase by the media and individual citizens.

However, when, on April 30, the FTC agreed to my request for the December 18, 1973 transcript, it did so on a very limited basis. Specifically, the Commission provided copies of the transcript to me and to three State attorneys general who had requested it. The Commission did not add the transcript to the public docket in its case against the oil companies, and when newsmen requested a copy of the transcript they were told they would have to make individual requests for copies under the Freedom of Information Act.

This limited release of the transcript was especially incongruous since I was not under any constraint in what I could do with the copy delivered to me. Accordingly, to save those newsmen the time and trouble of bringing individual Freedom of Information Act cases against the FTC, I provided access to the transcript to anyone who wanted to come to my office and examine it.

It is evident, Mr. President, that in its limited response to my request the FTC had complied with the letter of the Freedom of Information Act. But it is equally evident that in refusing to add the requested transcript to the public docket in its case against the oil companies that the FTC had not complied with the spirit of the act.

This amendment is designed to avoid such evasion of the true purpose of the act.

I must note, Mr. President, that the amendment is written in such a way so as to place the responsibility for demonstrating that the requested material is of general public concern on the individual requesting the material. The purpose of this part of the amendment is to guarantee that the various agencies do not have to make general release of all information provided for under the Freedom of Information Act. It would be an unfair and burdensome requirement on the agencies to insist that documents of limited interest—for example, something required for academic research—be made public.

Also, the amendment does permit the agency faced with a request that information be made public to object to that request if the agency can argue successfully that subsequent requests for the documents might be denied under the exceptions provided for in subsection (b) of the act.

If I may take my experience with the FTC as an example, Mr. President, it is obvious that the case against the major oil companies is of general public concern and it is not unreasonable to place the responsibility for demonstrating this fact on the Senator from Indiana or any other individual requesting material in this category.

As for the right of the agency to object, I see no problem in giving the agency the responsibility—if it does not want to make something public—to prove that the material in question might under different circumstances qualify for a subsection (b) exception. I am satisfied once again using my experience as an example, that the FTC could not make a successful argument of this nature in the oil company case.

I do want to emphasize, Mr. President, that in citing my experience as an example I am not trying to pass an amendment of relevance to a single issue in which I was involved. Rather, I cite this experience as an example, with the conviction that if the amendment I propose addresses itself properly to my experience, it would work in the future on matters of similar public concern. In this way, when Freedom of Information Act requests are made in areas of general importance, we can be satisfied that Federal agencies will have to meet both the letter and the spirit of the law.

Mr. President, finally, what this amendment is designed to do is to satisfy what I think the intent was of the original act, and the bill brought to us today by the distinguished Senator from Massachusetts and others who are joining him, as I am, in proposing the new amendments to the Freedom of Information Act.

My amendment specifies that if an individual, under this act, is entitled to information that is a matter of some public concern, a copy of the information that is given to the individual should also be spread on the agency's public record, so that members of the news media and individual citizens may have access to it.

As I said, I have been involved in this matter with the FTC relative to some of the prehearing conferences they have been holding with the major oil companies. At long last, after having to take them to court or threatening to take them to court, the agency did, in fact, give me a copy of the first conference transcript; and I hope that before we are through, they will promise to give me other transcripts as these hearings are held. Yet while Birch Bayh happens to be a Senator from Indiana who wants this material to make proper decisions on energy issues; but I think the public has a right to know what is going on before the FTC as well. This amendment would make that possible, by requiring that a copy of these documents be put in the public records, pursuant to the provisions of this act.

Mr. KENNEDY. I yield myself such time as I may require.

Mr. President, I urge the acceptance of this amendment. I believe that the Senator from Nebraska has been informed of it as well.

It seems to me to make eminently good sense that if information is going to be made available to a particular individual, and if it meets the other requirements of the Freedom of Information Act relating to disclosure, that information should be available to other citizens as well.

The amendment does have certain protections. When an agency attempts to respond positively and constructively to a request of an individual, even though the act would allow withholding, the amendment has certain protections for the agency so it does not have to release this generally automatically. I think makes a good deal of sense. I believe it carries forward the spirit and the purpose of the legislation in encouraging release of information, and I hope that the amendment will be accepted by the Senate.

Mr. HRUSKA. Mr. President, will the Senator yield me 2 minutes?

Mr. KENNEDY. I yield.

Mr. HRUSKA. Mr. President, upon analysis, it is found that this amendment does clarify the law. The amendment contains a safeguard, by reference to section 4(b) of Public Law 90-23, commonly known as the Freedom of Information Act, which amply takes care of those items which are excluded from its purview.

I have no objection to the amendment. In fact, I favor it.

Mr. KENNEDY. Mr. President, I yield back the remainder of my time.

Mr. BAYH. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HRUSKA. Mr. President, I have a brief amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 14, line 22, insert the word "working" between "10" and "days."

Mr. HRUSKA. Mr. President, this amendment has to do with the time limitation for the purpose of filing an answer or extending the time within which an answer should be given to certain applications for disclosure. The general reference to time limitations is in terms of "working days." By inadvertence, I take it, line 22, page 14, simply says "for more than 10 days." The amendment, technical in nature, would insert the word "working," so that it would be for not more than 10 working days. That is the purpose of the amendment, and I urge its adoption.

Mr. KENNEDY. Mr. President, this is a technical, clarifying amendment. It is useful and consistent with the other provisions of the bill, and I urge its adoption.

I yield back the remainder of my time.

Mr. HRUSKA. I yield back the remainder of my time.•

The PRESIDING OFFICER (Mr. Domenici). The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

AMENDMENT NO. 1361

Mr. HART. Mr. President, I call up Amendment No. 1361.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. HART. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

On page 11, line 15, after the period, insert the following new subsection:

(3) Section 552(b)(7) is amended to read as follows: "Investigatory records compiled for law enforcement purposes, but only to the extent that the production of such records would (A) interfere with enforcement proceedings, (B) deprive a person of a right to a fair trial or an impartial adjudication or constitute a clearly unwarranted invasion of personal privacy, (C) disclose the identity of an informer, or (D) disclose investigative techniques and procedures.".

Mr. HART. I yield myself such time as I may require.

Mr. President, this act exempts from disclosure "investigatory files compiled for law enforcement purposes except to the extent available by law to a party other than an agency."

My reading of the legislative history suggests that Congress intended that this seventh exemption was to prevent harm to the Government's case in court by not allowing an opposing litigant earlier or greater access to investigative files than he would otherwise have.

Recently, the courts have interpreted the seventh exception to the Freedom of Information Act to be applied whenever an agency can show that the document sought is an investigatory file compiled for law enforcement purposes—a stone wall at that point. The court would have the exemption applied without the need of the agency to show why the disclosure of the particular document should not be made.

That, we suggest, is not consistent with the intent of Congress when it passed this basic act in 1966. Then, as now, we recognized the need for law enforcement agencies to be able to keep their records and files confidential where a disclosure would interfere with any one of a number of specific interests, each of which is set forth in the amendment that a number of us are offering.

I am offering this amendment on behalf of myself and the following Senators: Mr. Mathias, Mr. Cranston, Mr. Muskie, Mr. Clark, Mr. Ribicoff, Mr. Moss, Mr. Javits, Mr. McGovern, Mr. Proxmire, Mr. Humphrey, Mr. Hatfield, Mr. Biden, Mr. Nelson, and Mr. Abourezk.

This amendment was proposed by the Administrative Law Section of the American Bar Association. It explicitly places the burden of justifying nondisclosure on the Government, which would have to show that disclosure would interfere with enforcement proceedings, deprive a person of a right to a fair trial, constitute an unwarranted invasion of personal privacy, reveal the identity of informants, or disclose investigative techniques or procedures.

Our concern is that, under the interpretation by the courts in recent cases, the seventh exemption will deny public access to information even previously available. For example, we fear that such information as meat inspection reports, civil rights compliance information, and medicare nursing home reports will be considered exempt under the seventh exemption.

Our amendment is broadly written, and when any one of the reasons for nondisclosure is met, the material will be unavailable. But the material cannot be and ought not be exempt merely because it can be categorized as an investigatory file compiled for law enforcement purposes.

Let me clarify the instances in which nondisclosure would obtain: First, where the production of a record would interfere with enforcement procedures. This would apply whenever the Government's case in court—a concrete prospective law enforcement proceeding—would be harmed by the premature release of evidence or information not in the possession of known or potential defendants. This would apply also where the agency could show that the disclosure of the information would substantially harm such proceedings by impeding any necessary investigation before the proceeding. In determining whether or not the information to be released will interfere with a law enforcement proceeding it is only relevant to make such determination in the context of the particular enforcement proceeding.

Second, the protection for personal privacy included in clause (B) of our amendment was not explicitly included in the ABA Administrative Law Section's amendment but is a part of the sixth exemption in the present law. By adding the protective language here, we simply make clear that the protections in the sixth exemption for personal privacy also apply to disclosure under the seventh exemption. I wish also to make clear, in case there is any doubt, that this clause is intended to protect the privacy of any person mentioned in the requested files, and not only the person who is the object of the investigation.

Third, investigatory files compiled for law enforcement purposes would not be made available where production would deprive a person of a right to a fair trial or an impartial adjudication.

Fourth, the amendment protects without exception and without limitation the identity of informers. It protects both the identity of informers and information which might reasonably be found to lead to such disclosure. These may be paid informers or simply concerned citizens who give information to enforcement agencies and desire their identity to be kept confidential.

Finally, the amendment would protect against the release of investigative techniques and procedures where such techniques and procedures are not generally known outside the Government. It would not generally apply to techniques of questioning witnesses.

The purpose of the Freedom of Information Act is to provide maximum public access while at the same time recognizing valid governmental and individual interests in confidentiality. This amendment balances those two interests and is critical to a free and open society. This amendment is by no means a radical departure from existing case law under the Freedom of Information Act. Until a year ago the courts looked to the reasons for the seventh exemption before allowing the withholding of documents. That approach is in keeping with the intent of Congress and by this amendment we wish to reinstall it as the basis for access to information.

Mr. President, I think that it would be useful if a brief excerpt from the report of the committee on Federal legislation of the association of the bar of the City of New York were printed in the RECORD. The full document is captioned "Amendments to the Freedom of Information Act." I ask unanimous consent that that material may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

> S. 2543 and H.R. 12471 do not propose any amendment to Exemption 7, but would add to subsection (b) the "Savings Clause" discussed above.
>
> The courts have agreed that Exemption 7 applies to investigations by regulatory agencies as well as criminal investigations. But there is dramatic disagreement over the question of continued non-disclosure after the specific investigation is completed. The Second Circuit, in *Frankel* v. *SEC*, 460 F. 2d 813 (1972), held that investigatory files are exempt from disclosure forever, on the theory that disclosure of investigatory techniques would undermine the agency's effectiveness and would choke off the supply of information received from persons who abhor, for whatever reason, public knowledge of their participation in the investigation. The court found:
>
> "These Reports indicate that Congress had a two-fold purpose in enacting the exemption for investigatory files: to prevent the premature disclosure of the results of an investigation so that the Government can present its strongest case in court, and to keep confidential the procedures by which the agency conducted its investigation and by which it has obtained information. Both these forms of confidentiality are necessary for effective law enforcement." *Id* at 817.[27]
>
> Other jurists, however, have reached the conclusion that Exemption 7 was intended only to protect against premature disclosure in a pending investigation, and that once the investigation is completed and all reasonably foreseeable administrative and judicial proceedings concluded, the files must be disclosed.[28] We agree with this view.
>
> The fear that disclosure of investigative techniques *in general* will hinder an agency's operations appears to be illusory. The methods used for such investigations are widely known and relatively limited in type and scope. The realistic problems are those we have already met—the need to preserve the identity of sources of information *in particular cases*, the need to assure an impartial trial and to protect reasonable personal privacy. In the context of Exemption 7, there is the additional consideration that premature disclosure of the Government's case will allow the civil or criminal defendant to "construct" his defense.
>
> Against these real problems must be weighed important policy considerations which are by now also familiar—that our political system is premised upon public and congressional knowledge of the Executive Branch's activities; that the policy of agency actions is ultimately established by Congress and the public; that importunate decisions or those based on party politics, campaign contributions and the like are less likely if the public has access to the record of such decisions.

Mr. HART. Mr. President, I reserve the remainder of my time, but I hope very much that the committee and our colleagues are persuaded as to the wisdom of the amendment.

Mr. KENNEDY. Mr. President, I yield myself such time as I may use.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I believe that it would be useful for me to outline for my colleagues briefly why S. 2543 did not initially attempt to amend the seventh exemption of the Freedom of Information Act, and why I presently believe that the amendment proposed by the Senator from Michigan is a constructive and desirable one.

Last October, when I introduced S. 2543, the case law on the subject of investigatory files was substantially different than it is today. During our hearings in the spring of 1973, the subcommittee had before it legislation that would have amended in various ways a number of the exemptions of the FOIA. These proposals were fully discussed and debated. Nonetheless, when I introduced the legislation I believe that the public was secure in its right to obtain information falling within the "investigatory file" exception to disclosure mandated by the act. As Attorney General Elliot Richardson had told our subcommittee:

> The courts have rsolved almost all legal doubts in favor of disclosure.

Thus, I did not propose a change in the language of that exemption.

In the report on S. 2543, as amended, the Judiciary Committee expressed its position generally:

> The risk that newly drawn exemptions might increase rather than lessen confusion in interpretation of the FOIA, and the increasing acceptance by courts of interpretations of the exemptions favoring the public disclosure originally intended by Congress, strongly militated against substantive amendments to the language of the exemptions.

But we warned that by leaving the substance of the exemptions unchanged—

> The committee is implying acceptance of neither agency objections to the specific changes proposed in the bills being considered, nor judicial decisions which duly constrict the application of the act.

Unfortunately, Mr. President, I must agree with the Senator from Michigan that our initial appraisal of the development of the law in the area affected by his amendment has turned out to be short lived. A series of recent cases in the District of Columbia has applied the seventh exemption of the act woodenly and mechanically and, I believe, in direct contravention of congressional intent when we passed that law in 1966. One court a few years back correctly read this intent when it observed:

> The touchstone of any proceedings under the act must be the clear legislative intent to assure public access to all governmental records whose disclosure would not significantly harm specific governmental interests.

Yet in the most recent decision interpreting the seventh exemption of the Freedom of Information Act, the District of Columbia Court of Appeals observed that—

> Recent decisions of this court construing exemption seven have considerably narrowed the scope of our inquiry.

This, Mr. President, was a foreboding that the court was going astray, since the court was limiting its inquiry to avoid discussion of the intent behind the exemption and whether Congress intended documents of the kind sought, under the circumstances, to be kept secret pursuant to that exemption. The court continued:

> The sole question before us is whether the materials in question are "investigatory files compiled for law enforcement purposes." Should we answer that question in the affirmative, our role is "at an end."

This is the same kind of determination made by the Supreme Court in the Mink case, when it observed that once a judge determined records to be in fact, on their face, classified, then he could not look beneath that marking to determine whether they were properly classified. We are today reversing that holding of the court by the legislation before us, spelling out that it is Congress intention for courts to look behind classification markings. I think it appropriate and useful that we also spell out our disapproval of the line of cases I referred to earlier, and that we make clear our intention for courts to look behind the investigation mark stamped on a file folder.

The Senator from Michigan has made a persuasive case for the amendment he is proposing, and I will not go over the same ground he has covered. I do want to make two points that bear directly on this issue.

First, whether or not this amendment is adopted, I would like to make it clear that I believe the courts have, in narrowly and mechanically interpreting the seventh exemption, strayed from the requirements and the spirit of the Freedom of Information Act. The Supreme Court has not ruled on the subject yet, and there is a division among various circuits on a number of issues arising from application of that exemption. I thus want the record to show that by accepting the Senator's amendment we will be reemphasizing and clarifying what the law presently requires. If it is not accepted, the Supreme Court will still have the opportunity to set things straight.

Second, I would point out that we do address ourselves in S. 2543 to this issue in a less direct manner. Our report and my opening statement contain extensive discussion of new provisions in this legislation relating to release of records "or portions of records" and to deleting or segregating exempt portions of files or records so that nonexempt portions may be released. Judicial and agency adherence to the requirements of these amendments would go a long way to removing strict and undiscriminating adherence to narrow interpretations of the Freedom of Information Act. This would apply to the area of investigatory files as well as to the other exemptions of the act. So I think that courts would have to reconsider their reliance on any restrictive cases after passage of these new provisions anyway.

The approach suggested by the Senator from Michigan in his amendment, which states the policy considerations to be utilized by agencies and courts in determining whether to disclose investigatory information, is a salutory one. It is the same approach—with the same language—proposed by the American Bar Association representative at our hearings last year. Then, Attorney General Elliot Richardson, testifying at our hearings, told the subcommitee that—

> If a fresh approach is needed, we suggest that a modified version of the ABA's proposed amendment should be considered.

These comments were addressed to a rather different proposal to amend the seventh exemption contained in S. 1142, being considered by the subcommittee at the time. And just last week the prestigious Association of the Bar of the City of New York issued its report on amendments to the Freedom of Information Act, in which it too recommended adoption of the language proposed by the ABA, with slight modifications. Since the discussions by the ABA, the Attorney General, and the City of New York Bar Association on this issue are relevant to our consideration of the proposed amendment, I ask unanimous consent that excerpts therefrom be included in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FROM THE STATEMENT OF JOHN MILLER, CHAIRMAN, ADMINISTRATIVE LAW SECTION, AMERICAN BAR ASSOCIATION, JUNE 11, 1973

THE SEVENTH EXEMPTION

S. 1142 also proposes changes in the seventh exemption to the Freedom of Information Act, which relates to investigatory files compiled for law enforcement purposes, by expressly excluding certain specific types of records from the investigatory files exemption. Section 2(d)). However, the Administrative Law Section believes that a better approach is to set forth explicitly the objectives which the investigatory files exemption is intended to achieve in order to assure that information is withheld only if one of those objectives would be frustrated were the information disclosed. Because many different types of information may be contained in an investigatory file for which there are legitimate reasons for non-disclosure, the Section believes that it is unwise to attempt to exclude certain types of records from the exemption under all circumstances. For example, even "scientific tests, reports, or data" (Section 2(d)) contained in an investigatory file, if released prematurely, could interfere with the prosecution of an offense or result in prejudicial publicity so as to deprive an accused of his right to a fair trial. In addition, the proposal set forth in S. 1142 would not resolve the issue as to when the investigatory files exemption terminates, an issue that has arisen in several recent court decisions.

Accordingly, the Administrative Law Section recommends that, if the seventh exemption is to be amended, it be revised to read as follows:

"Investigatory records compiled for law enforcement purposes, but only to the extent that the production of such records would (A) interfere with enforcement proceedings, (B) deprive a person of a right to a fair trial or an impartial adjudication, (C) disclose the identity of an informer, or (D) disclose investigative techniques and procedures."

FROM THE REPORT OF THE COMMITTEE ON FEDERAL LEGISLATION OF THE ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK, APRIL 22, 1974

EXEMPTION 7

Exemption 7 now exempts:

"Investigatory files compiled for law enforcement purposes except to the extent available by law to a party other than an agency."

H.R. 5425 and S. 1142 would have amended Exemption 7 to read as follows:

"(7) investigatory records compiled for any specified law enforcement purpose the disclosure of which is not in the public interest, except to the extent that—

"(A) any such investigatory records are available by law to a party other than an agency, or

"(B) any such investigatory records are—

"(i) scientific tests, reports, or data,

"(ii) inspection reports of any agency which relate to health, safety, environmental protection, or

"(iii) records which serve as a basis for any public policy statement made by any agency or officer or employee of the United States or which serve as a basis for rulemaking by any agency."

S. 2543 and H.R. 12471 do not propose any amendment to Exemption 7, but would add to subsection (b) the "Savings Clause" discussed above.

The courts have agreed that Exemption 7 applies to investigations by regulatory agencies as well as criminal investigations. But there is dramatic disagreement over the question of continued non-disclosure after the specific investigation is completed. The Second Circuit, in *Frankel* v. *SEC*, 460 F.2d 813 (1972), held that investigatory files are exempt from disclosure forever, on the theory that disclosure of investigatory techniques would undermine the agency's effectiveness and would choke off the supply of information received from persons who abhor, for whatever reason, public knowledge of their participation in the investigation. The court found:

"These Reports indicate that Congress had a two-fold purpose in enacting the exemption for investigatory files: to prevent the premature disclosure of the results of an investigation so that the Government can present its stronger case in court, and to keep confidential the procedures by which the agency conducted its investigation and by which it has obtained information. Both these forms of confidentiality are necessary for effective law enforcement." *Id.* at 817.

Other jurists, however, have reached the conclusion that Exemption 7 was intended only to protect against premature disclosure in a pending investigation, and that once the investigation is completed and all reasonably foreseeable administrative and judicial proceedings concluded, the files must be disclosed. We agree with this view.

The fear that disclosure of investigative techniques *in general* will hinder an agency's operations appears to be illusory. The methods used for such investigations are widely known and relatively limited in type and scope. The realistic problems are those we have already met—the need to preserve the identity of sources of information *in particular cases*, the need to assure an impartial trial and to protect reasonable personal privacy. In the context of Exemption 7, there is the additional consideration that premature disclosure of the Government's case will allow the civil or criminal defendant to "construct" his defense.

Against these real problems must be weighed important policy considerations which are by now also familiar—that our political system is premised upon public and congressional knowledge of the Executive Branch's activities; that the policy of agency actions is ultimately established by Congress and the public; that importunate decisions contributions and the like are less likely if the public has access to the record of such decisions.

For these reasons, we conclude that the strict definitions in the earlier proposed amendment to Exemption 7 could not be relied upon to produce the intended result in all cases. For example, the non-exemption of "scientific tests, reports or data" could easily cause disclosure of special techniques or the extent of the Government's knowledge with respect to a particular investigation. Therefore, we recommend amendment of Exemption 7 instead to state the policy considerations which are to be utilized by the agencies and courts with respect to disclosure. The Department of Justice and the ABA Administrative Law Section reached the same conclusion and recommended similar amendments.

For the reasons discussed above, we recommend adoption of the language proposed by the ABA, modified slightly to make it clear that (a) *completed* investigations must be disclosed except where confidential sources of information will be *unavoidably* revealed, (b) only specialized techniques, not generally used in investigations, are protected from disclosure; and (c) the exemption applies to "records" not "files," so that disclosable material is not exempted merely by being placed in an investigatory file. Thus, Exemption 7 would read:

"Investigatory records compiled for law enforcement purposes, but only to the extent that disclosure of such records would (A) interfere with pending or actually and reasonably contemplated enforcement proceedings, (B) deprive a person of a right to a fair trial or an impartial adjudication, (C) unavoidably disclose the identity of an informer, or (D) disclose unique or specialized investigative techniques other than those generally used and known."

FROM THE STATEMENT OF ELLIOT L. RICHARDSON, ATTORNEY GENERAL OF THE UNITED STATES, JUNE 26, 1973

Section 2(d) of the bill would also limit the coverage of the exemption by excluding:

(1) scientific tests, (2) inspection reports relating to health, safety or environmental protection, and (3) any investigatory records which are also used as a basis for public policy statements or rulemaking.

These changes would seriously impair the law enforcement capability of many agencies.

The provision excluding scientific tests, reports or data from the protection of the exemption presents several problems.

First, it could jeopardize the right to an impartial trial by permitting any requestor to obtain and publish any incriminating scientific tests, such as ballistic reports, before the defendant is brought to trial.

Second, because the act does not permit an agency to determine whether a requestor has a rational basis for seeking information, any one could insist on obtaining autopsy reports or other medical reports on victims of crime, which reports may not be exempt under exemption six if the victim is dead.

Because this same information can be obtained in discovery proceedings, in which the need of the individual for the reports is a proper consideration, we do not believe an amendment is necessary.

The provision denying the protection of exemption seven to inspection records relating to health, safety or environmental protection would impede the efforts of agencies to take law enforcement action against offenders.

It would permit offenders to obtain these records and thereby discover all of the details that an agency intends to use against them in any law enforcement action, whether civil or criminal.

Finally, the provision excluding from the coverage of exemption seven records which serve as a basis for public statements or regulations not only would inhibit rulemaking in important regulatory areas but also would restrict the flow of information to the public by discouraging official discussion of public business.

For example, if a Justice Department spokesman announced that on the basis of an investigation by the FBI and the Criminal Division a grand jury would be convened to consider indictments, all of the investigatory reports apparently would no longer be protected by exemption seven.

The protection of this information cannot depend on the continued silence of officials in making public statements or issuing regulations.

If a fresh approach is needed, we suggest that a modified version of the ABA's proposed amendment should be considered along the following lines:

> The provisions of this section shall not be applicable to matters that are . . . (7), investigatory files compiled for law enforcement purposes except to the extent available by law to a party other than an agency; *Provided*, That this exemption shall be invoked only while a law enforcement proceeding or investigation to which such files pertain is pending or contemplated, or to the extent that the production of such files would (A) interfer with law enforcement functions designed directly to protect individuals against violations of law, (B) deprive a person of a right to a fair trial or an impartial adjudication, (C) disclose the identity of an informant, (D) disclose investigatory techniques and procedures. (E) damage the reputation of innocent persons, or (F) jeopardize law enforcement personnel or their families or assignments.

Mr. KENNEDY. Mr. President, I recommend the adoption of the amendment of the Senator from Michigan.

Mr. HRUSKA. Mr. President, I yield myself 10 minutes to speak in opposition to the amendment.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. HRUSKA. Mr. President, again we have a situation here where an amendment is proposed that goes to the substance of a bill which was enacted after years of processing. In 1966, agreement was finally reached among several competing interests in this field for the disclosure of public documents. Those issues were resolved and we have a very well balanced act, the deficiencies of which are such that they called for amendment but amendments which have procedural features rather than substantive features. I do believe that while the public has a right to know, there is also the duty of a government to survive. There must be sufficient safeguards under which officials of our Government can preserve national integrity, security, and public interest, and in the case of the instant amendment, law enforcement.

In my judgment, the approval of this amendment would endanger the passage and approval of this bill into law, and I would urge the Members of the Senate to reject the amendment for that reason and for additional reasons which I shall now recite.

Mr. President, in considering this bill, the Judiciary Committee reviewed an amendment that did not go as far as this one. The committee decided to reject it because it could hinder the FBI in carrying out its law enforcement responsibilities and, further, because the forced disclosure of FBI information could infringe on the individual's right of privacy. I must oppose this amendment for the same reasons.

The FBI has been successful in the past in apprehending criminal offenders and for carrying out its other investigative duties because of one chief and important asset—that is, its ability to obtain information from its informants and private citizens throughout these United States. In many instances it has not solved a crucial case because of deductive reasoning or a specific clue but because a private citizen was not afraid to come forth and offer a piece of information. In the past, the FBI has usually taken the information it receives as a matter of confidence and assured the individual his name would be kept in confidence.

The passage of this proposed amendment would undoubtedly have the effect of inhibiting FBI informants and citizens from coming forth to offer vital bits of information to the FBI. They will no longer feel confident that their names will remain secret from public scrutiny, possibly subjecting them to embarrassment and/or reprisals. The net result will be a crippling effect on the FBI's ability to garner information and obtain successful prosecution in criminal cases.

Moreover, the release of any material into the public domain is likely to cause embarrassment to individuals mentioned in FBI files. This Congress has exhibited a marked increase in the concern for the protection of privacy of U.S. citizens. There are literally dozens of bills being circulated in Congress today with various provisions attempting to protect private citizens from unauthorized disclosure of many Government records which may concern them.

Indeed, I fear that this amendment will work cross-purposes to the bills on criminal justice information systems, such as the measures introduced by the senior Senator from North Carolina (Mr. ERVIN) and this Senator.

The basic thrust of these bills is to maintain the confidentiality of law enforcement records. We have held extensive hearing on these bills and throughout these hearings the point has been repeatedly stressed that information in law enforcement files must be kept in confidence to insure that the individual's right to privacy is secure. Yet, this amendment purports to give anyone the right to request and receive some of these very same records. I can think of no other instance where an amendment to a bill has posed such a grave threat to the very thrust of a major bill that is still in committee and has yet to come to the floor.

Mr. President, the threat to personal privacy that such an amendment poses can already be documented. The Department of Justice has adopted regulations which authorize release of files which are over 15 years old to historical researchers. Like the proposed amendment, the regulations provide that the FBI can delete information which might reveal the identity of informants.

In one instance, a researcher asked for the files on the investigation of Ezra Pound for treason. Pursuant to its regulations, the FBI deleted the names of the informants and other information that it thought could reveal his identity. Yet, the research was so knowledgeable about the facts of the case that he was able to link the information in the file to the actual informants. The researcher then went on in his article to criticize these informers for cooperating with the FBI and squealing on their friend, Pound.

Apart from the merits of it, apart from the justice or injustice of it, Mr. President, if it becomes known that files may be released subject to deletions such as those enumerated in the amendment proposed by the Senator from Michigan, if it becomes known and if by deduction and by the supplying of additional extraneous information those names can, in effect, be restored by a researcher, then the forecast can be readily and reliably made that the sources for FBI information will dry up and become fewer and fewer as time goes on. This was an issue in the Pound case that arose more than 15 years after the file was current. But the Department is finding administrative difficulties with the regulations which have been adopted; regulations which are very similar to those which the Senator from Michigan seeks to put into the concrete form of a statute.

Mr. President, a few more instances like that of the Ezra Pound case and the FBI will be hard put to use informants as legitimate law enforcement techniques.

Mr. President, the FBI is very strongly opposed to this amendment. They focus on the point that their files are investigatory for law enforcement purposes, not for the purpose of writing stories. It is for one purpose only, and that is a law enforcement purpose. Since that is their mission and since enforcement of the law is a matter of prime importance to this country, this amendment should be denied and rejected.

The proposed amendment would apply to records of any age, including those most recently compiled. And it is commonsense that the more recent the case and the more recent the forced disclosure of the identity of the informant, the more impact such a disclosure will have on other individuals who may wish to do their part to assist the FBI in enforcing the law.

In my judgment, the mere approval of this amendment, even without any further procedures under it, will have that effect, Mr. President, because there will always be the imminent potential that there will be a release of that document and that there will be, through it, notwithstanding the deletion of names, the ability to trace the informant's name, address, and location.

Furthermore, it is going to be very difficult for the FBI to know how much information can be disclosed without exposing an informant. The FBI cannot know the extent of the requester's knowledge on the subject, what other information the requester may have to link certain items to the informants or even the purpose for which the requester wants to use the information.

Mr. President, I yield myself 5 minutes more.

The identification of an informant, even if accomplished by other information, together with a reference that portions of an FBI file were obtained, can strike fear in the hearts of those who already have cooperated with the FBI. This fear will be not only for their reputations but also for their own safety and that of their families.

Mr. President, as I already have mentioned, the FBI is operating under guidelines that apply to records over 15 years old. Those guidelines protect categories of information similar to the categories the proposed amendment purports to protect. However, as is clearly documented, the FBI is experiencing some difficulties under standards which go further and protect more information than those proposed in the amendment. In addition to the problem of revealing informants, it is my understanding that the estate of one individual whose file or portions of it were disclosed intends to bring suit against the FBI for invading the privacy and adversely affecting the reputations of the relatives of the individual.

In my view, we should allow the FBI to have more time to gain more experience in this difficult field before we embalm any standards in a statute. Perhaps some of the problems can be ironed out. Let us legislate on the basis of experience, not on unfounded forecasts of what might occur in the future, and certainly not in the vacuum of saying that the public has a right to know without referring to the rights that society possesses, as well as the rights of private individuals who are involved.

Mr. President, we are dealing in this matter with what I believe to be the most important rights, and in some respect the most important rights, an individual may possess, his right to privacy, and his right to personal safety. This amendment poses a threat to those rights. For that reason, Mr. President, I oppose the amendment, and I urge my colleagues to take the same step when they come to casting their votes.

Mr. President, I ask unanimous consent that there be printed in the RECORD a statement by the distinguished senior Senator from South Carolina (Mr. THURMOND) on this particular subject and on this particular point, he being absent from the Senate on official business.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR THURMOND

When the Freedom of Information Act was enacted in 1966, it was well recognized that Congressional intent behind such an Act was directed towards regulatory agencies as distinguished from investigative agencies. This premise is reaffirmed when it is noted that Congress went to great lengths to insure that data contained in investigatory files would not be disclosed to unauthorized agencies or individuals, by specifically listing as one of the nine exemptions to disclosure under the Act exemption seven pertaining to investigatory files. The passage of time has failed to produce worthwhile evidence that would encourage a change from that original stance.

All of us are aware of the general feeling permeating the country that our citizens want to know what their Government is doing and therefore, should have access to the files, of various Governmental agencies. However, by the same token, we are also concerned about a mutual problem of invasion of an individual's privacy. I contend that this fundamental right of privacy is as great, if not greater, than the right owed to the general public for open disclosure.

The FBI, being an investigative agency of the Federal Government, obtains raw, unevaluated data from individuals from all walks of life who furnish this information with the implied or expressed understanding that such information is being furnished the Government in confidence, never to be disclosed unless to an official, authorized individual or agency. Senate Report No. 813 supports this view by stating in part, "it is also necessary for the very operation of our Government to allow it to keep confidential certain material, such as the investigatory files of the Federal Bureau of Investigation." The House, in Report No. 1497 also took note of exemption seven providing protection for data such as that which is contained in the files of the Federal Bureau of Investigation.

This position has also come under judicial review and has been sustained in a number of legal proceedings. In *Weisberg v. Department of Justice*, which involved a suit by Mr. Weisberg for an FBI Laboratory report which was part of the investigation of the assassination of President Kennedy, the court held that once it has been determined by a District Judge that files, "(1) were investigatory in nature; and (2) were compiled for law enforcement purposes, such files are exempt from compelled disclosure." As recently as May 15, 1974, the Supreme Court denied certiorari in this case.

In a more recent case in which some Members of Congress brought suit against the FBI for any data it might have in its files concerning them, the District Court of the District of Columbia held that in regards to background-type investigations conducted on an individual being considered for Federal employment, such investigations are protected from disclosure under the seventh exemption of the Freedom of Information Act. It is clearly apparent that both Congress and the courts have seen the wisdom of excluding from disclosure data contained in investigatory files compiled for law enforcement purposes.

Departmental Order 528–73 which became effective in July of last year, basically provides that although Justice Department investigatory files are exempt from compulsory disclosure, persons engaged in historical research projects will be accorded access to material of historical interest that is more than 15 years old as a matter of administrative discretion. It is my understanding that since July of last year, the FBI has attempted to implement the provisions of this Order, even though it has been confronted with enumerable problems relating to the invasion of an individual's privacy.

"The New York Times" in its April 21st issue, reported that the researcher, who had requested and received data concerning Ezra Pound from the files of the FBI, was successful in identifying a number of individuals who had furnished the Bureau data concerning Pound. This, despite the fact that the names and addresses of such individuals, as well as other pertinent identifying data, were deleted from the information furnished. The researcher went on and not only identified the individuals furnishing information to the FBI by name, but also described the data they gave as well as expressed surprise that Pound's "closest friends" cooperated with the FBI. This points out the futility of attempting to protect a source of information, by deleting identfying data, from an experienced researcher who can easily put the pieces of the puzzle together.

Disclosures of this type of information can only hinder the investigative responsibilities of the FBI or those of similar agencies whose primary responsibility is to investigate criminal activities. The FBI has always staked its high reputation on the fact that information given to it in confidence is kept secret. It is just such assurance as this that encourages individuals from all walks of life to furnish this agency information felt to come within its investigative responsibilities. If we now attempt, through legislation, to discourage such people from reporting to their Government violations of law because of fear that their identities will be made public, we will be doing a disservice to our country.

Therefore, I am unalterably opposed to any amendment which will weaken the investigative effectiveness of the FBI or other agencies responsible for investigating criminal activities, by shutting off one of their greatest source of information—the American public.

Mr. HART. Mr. President, I yield 10 minutes to the distinguished Senator from Connecticut.

Mr. HRUSKA. Mr. President, will the Senator yield half a minute to me on my time?

Mr. WEICKER. I yield to the distinguished Senator from Nebraska.

Mr. HRUSKA. Mr. President, reference was made to the standards set forth in the amendment which the Senator from Michigan has offered as an American Bar Association proposal. That suggestion was not made by the Senator from Michigan. He correctly described it as a position recommended by the administrative law section of the American Bar Association. All of us who are familiar with the proceedings of that association know that that section, when it reports to the House of Delegates, thoroughly canvass and make their effort an additional process. After it has been carefully considered and recommended, it then goes to the House of Delegates.

The Senator has correctly described it. However, it has come to be known as an American Bar Association proposal, and it is not.

Mr. WEICKER. Mr. President, I wish to speak in favor of the amendment offered by the distinguished Senator from Michigan. I think it is a great amendment. I think it relates to a matter that should have received our attention and the attention of the American people a long time ago. If it had and if we had acted, many of the abuses which we place under the heading of Watergate would never have occurred.

Mr. President, I notice in the memorandum distributed by the Federal Bureau of Investigation to various members of the U.S. Senate, a statement is made in opposition to the amendment of the Senator from Michigan, that the Hart amendment would:

> Destroy the confidence of the American people in the Federal investigative agencies.

I have been asked by many young people in my State as to what for me was the greatest surprise of Watergate. I have responded by saying that the greatest revelation was the fantastic scope and quality of abuses committed by the Federal law enforcement and intelligence community; that these various agencies—be they the FBI, the CIA, the military intelligence, or the Secret Service—had escaped accountability for such a long period of time that it was only a matter of time before the little acknowledgements and the little favors snowballed into the types of massive abuses which surfaced before the Senate Select Committee.

There is nothing stated in the Constitution which places any of our law enforcement agencies in some special status separate and apart from either the executive, or congressional or judicial branches.

Yet there is not one Senator who can attest to the fact that we have exercised the type of supervision and have demanded the type of accountability of these agencies as we do of other agencies of the Government. Slowly but surely, as our legislative processes mature, one after another of the sacred bureaucratic cows comes tumbling down. And as they have, we have produced better government.

How long ago was it, for example, that it would have been unpatriotic for us to question the Defense Department? Now, we are long over that hurdle, and we have better defense because of it.

It was not too long ago that we could not question our foreign policy. We will have better foreign policy because Congress participates.

The time is long overdue to say that the intelligence agencies are performing a special function, and that we should not be a part of that function.

Abuses committed are our responsibility because there is nothing in the Constitution that says that we should not act. Rather, it is our responsibility to achieve accountability, to exercise supervision over all agencies of Government.

So when the Senator stated that it would destroy the confidence of the American people in the agencies and that that was a reason to be against the amendment, let me say that the American faith in those agencies has never been at a lower point, because we have never had the type of legislation as is contained in the amendment offered by Senator HART this afternoon.

I have already made the statement to the Senator from Michigan and the Senator from Massachusetts that I consider the amendment too weak.

My feeling is that supervision ought to be direct and not via the courts. When I am elected a U.S. Senator from the State of Connecticut, I have my security clearance. It could be that I am a crook or in the pay of a foreign government. Sorry about that. That is one of the risks of a democracy. However, I have faith in that the democratic process minimizes that possibility.

When a man or woman is elected, he or she represents the people. And he or she is the one who should supervise. That is the democratic way.

We should make sure that we get into what every Government agency is doing. Otherwise, how can we tell whether they are performing their function under the Constitution? I cannot assure my constituents that I am performing my duty if I am not allowed to look here or not allowed to look there.

So by our nonaction we have built up a new type of government. It operates under a new Constitution, and that new Constitution and that new type of Government brought us Watergate.

Let me say this insofar as law enforcement is concerned. I remember well an interview several years back Justice Black had with Martin Agronsky.

Martin turned to Justice Black and said:

> Because of these recent Supreme Court decisions, doesn't it make it more difficult to convict an individual of any particular crime or, to put it in the words of others, aren't you being soft on the criminal?

Justice Black responded, he said:

> Well, of course, it makes conviction more difficult. Have you read the Bill of Rights? The fact that a man is entitled to counsel makes it more difficult to convict him. The fact that you have a right as an American to a trial by jury makes it more difficult to convict an individual.

He went down the whole list of rights that we, as Americans, had, and which makes it more difficult to close that prison door on any one of us.

That is the view that he took upon our rights as American citizens, in making it more difficult, to incarcerate an American.

I make no bones about the fact that from a law enforcement and efficiency standpoint, ours is a very inefficient system of government because its whole emphasis is on the individual rather than society as a whole.

I have heard this term, "What's good for society." If that is the focus, we have lost the greatness that is ours as a nation; for, we have achieved a strength way beyond our head count because each of us has been allowed to flourish, as an individual rather than as a dot in a mob.

It is an inefficient form of government, but a very great form of government.

So I correlate this to what sits before us insofar as this amendment is concerned.

Yes, it is going to make the job of the law enforcement agencies more difficult in that it brings them out into the open. But, let me assure you, the far greater danger lies behind closed doors and in locked files. None of the abuses that we have seen come out of this system would have happened if more people, more eyes, more ears, had been on the scene. I would hope this body would adopt the amendment of the distinguished Senator from Michigan (Mr. HART) because to sit and groan as to all the horrible things that have happened without action would be ludicrous. A finger-pointing exercise insofar as the executive branch of Government is concerned is not good enough. Congress has to have the guts to stand up and say, "We are doing something." We cannot do something by traveling the old ways.

What is expected of each of us now is that we stand up and look where we have not looked before, and that is exactly what this amendment attempts to achieve, and why it is supported so wholeheartedly. It is not antilaw enforcement, and it is not antipatriotic. This amendment is democracy. This amendment is the patriotism that I stand for.

I thank the distinguished Senator from Michigan.

Mr. HART. Mr. President, I have felt very strongly that this amendment was sound and desirable. I salute the Senator from Connecticut. I have no doubt this is precisely the way we must go. I wish very much, others had been free to hear him.

The Senator from Nebraska correctly cautions us that there is an obligation and a duty and a right of a government to survive. But survival for a society such as ours hinges very importantly on the access that a citizen can have to the performance of those he has hired. That is important to the survival of government, too. That is what this amendment seeks to do. As the Senator from Connecticut stated so eloquently, this is really the meat and potatoes of the society that we so often describe as a free society.

I reserve the balance of my time.

Mr. HRUSKA. Mr. President, I yield myself 5 minutes.

Mr. President, the first duty of a nation is to survive. We figure that usually in terms of national defense where we are supposed to be equipped with such weapons and such military forces that we will be able to withstand and successfully resist invasion.

Yet, it has been written many, many times in political history and in philosophical government discussions that if this Nation is going to fall it is not going to fall because of external pressure or invasion from without. It is going to fall because of events that happened within its interior, and we have witnessed here for the last several decades an on-rush and an increase in crime and increasing problems in the field of law enforcement.

Mr. President, as against any individual rights to see what is in an FBI file, such as those to which we were just referred by the senior Senator from Michigan, what is the price for giving individual citizens' a right to go into Government files. There will be a continued and increasing inability of the Government to deal with violators of the law and enforcement of the law, that price is unacceptable, totally unacceptable. This Nation cannot survive if we are not able to deal with the lawless elements.

It is nice to say that our freedoms are valuable and we must have the right to know and to do this and that or the other thing, but if, in the process of getting those things we are going to be unable to deal wtih organized crime, if we are going to be unable to deal with those who wilfully violate our criminal laws and we impair the tools or even do away with the tools that we have available to us now for the purpose of dealing with those violators of law, then indeed we will have been very, very misguided in this business of trying to see that the Nation survives.

I say again that the adoption of this amendment, together with the adoption of the amendment offered here by the Senator from Maine (Mr. Muskie), Mr. President, will gravely endanger the enactment and the effectiveness of the bill before us today.

The better course of wisdom earlier this afternoon would have been to put the substance of the amendment of the Senator from Maine (Mr. Muskie) on a separate and independent basis.

That same thing is true in reference to the pending amendment. Let us put this Freedom of Information Act into a position where it can operate effectively, efficiently and for its declared purposes in those areas upon which we find agreement, and then go onto the proposition of taking substantive amendments to the Freedom of Information Act and treating them on their own merits.

They are two separable problems, and I say the price is just too high; it is too high to pay to try to treat the whole subject in one bill when the passage and the approval of certain of these amendments will actually endanger its becoming law.

It is my hope that the amendment will be defeated.

Mr. WEICKER. Mr. President, will the distinguished Senator from Nebraska yield for a question?

Mr. HRUSKA. I am happy to yield.

Mr. WEICKER. The distinguished Senator from Nebraska refers to the increase in lawlessness, and so forth. How do we deal, since these matters have come to our attention of late, with the lawless elements within the Federal Bureau of Investigation, within the CIA, within military intelligence, within the Secret Service, within the Internal Revenue Service? How do we deal with lawless elements within those Government agencies?

Mr. HRUSKA. The pending amendment does not bear upon that in any way whatsoever, because if we are going to say they must all function in the open, they must all function in total frankness and with total public disclosure, there may well be an erosion of our law-enforcement capabilities.

The answer to the question is simply this: There are regular oversight practices and procedures available to the Congress for the purpose of investigating these abuses, if they are abuses, that come to light. Furthermore, criminal abuses can be prosecuted in the courts.

I cite the case of the narcotics agents in Illinois, who allegedly raided a wrong address in search of heroin or whatever the controlled substance was. For awhile, it was said they may have infringed upon the rights of the individuals. They were tried in court. They were tried in court for lawless entry and a violation of law. Those issues were submitted to a jury and they were found innocent.

Yes, bring to court Government officials who abuse the law if there is any violation of law. Furthermore, as I earlier indicated, we also have adequate procedures here in Congress. We have legislative oversight committees.

Mr. WEICKER. I do not believe that the amendment of the Senator from Michigan involves throwing the FBI open to the mob. The amendment of the Senator from Michigan, as I understand it, employs regular court procedures, Mr. President, and is very restrictive and specific.

I repeat my question: How do we find out? How do we find out unless we have access to information as to the lawlessness that could take place or has taken place in the agencies? How do we find out?

Mr. HRUSKA. There are ways of doing it. We have legislative oversight. We have the courts to resort to where there is a violation of law.

But, Mr. President, there is a more fundamental question involved here: How are we going to find out about illegal doings of the law enforcement agencies?

I ask this question, to which I should like an answer from the Senator from Connecticut: How are we going to investigate effectively violations of law, how are we going to investigate organized crime when, if this amendment is passed, individuals will say, "Nothing doing, Mr. FBI, because if we give you a statement, it will be in that file, and there will be a court order saying that the file should be disclosed. My name may be deleted but there are other ways to find out, and they may identify me, threaten my family, or myself." These are not possibilities I am dreaming up. They can be documented by the examples I referred to earlier.

The question is, therefore, how are we going to investigate successfully to the prosecutorial and conviction stage the violation of law at large in the community?

It is a big, a massive, and a serious proposition, as all of us know.

Mr. WEICKER. I am glad to respond to the Senator from Nebraska. The fact is, there has not been a good job done in those areas of law enforcement where the agencies operated illegally. The problem is that in the quest for law and order, case after case after case after case has been thrown out because the law enforcement and intelligence communities acted illegally. So I do not think we attain any particular status of accomplishment in conquering organized crime, or any crime whatsoever for that matter, with illegal activities resulting in cases being thrown out of court.

I would suggest that the record speaks for itself. Frankly, I never thought the record of former Attorney General Ramsey Clark was that good. But, comparing his record with that achieved by succeeding Attorneys General, he looks like Tom Dewey in his prosecutorial heyday.

Mr. HRUSKA. That record is bad, but do we want to make it worse by adopting this amendment which threatens to tie the hands of the FBI and dry up their sources of information? I say, with that, the soup or the broth is spoiled, and I see no use in adding a few dosages of poison.

The pending amendment should be rejected.

Mr. KENNEDY. Mr. President, I do not recognize the amendment, as it has been described by the Senator from Nebraska, as the amendment we are now considering. I feel there has been a gross misinterpretation of the actual words of the amendment and its intention, as well as what it would actually achieve and accomplish. So I think it is important for the record to be extremely clear about this.

If we accept the amendment of the Senator from Michigan, we will not open up the community to rapists, muggers, and killers, as the Senator from Nebraska has almost suggested by his direct comments and statements on the amendment. What I am trying to do, as I understand the thrust of the amendment, is that it be specific about safeguarding the legitimate investigations that would be conducted by the Federal agencies and also the investigative files of the FBI.

As a matter of fact, looking back over the development of legislation under the 1966 act and looking at the Senate report language from that legislation, it was clearly the interpretation in the Senate's development of that legislation that the "investigatory file" exemption would be extremely narrowly defined. It was so until recent times—really, until about the past few months. It is to remedy that different interpretation that the amendment of the Senator from Michigan which we are now considering was proposed.

I should like to ask the Senator from Michigan a couple of questions.

Does the Senator's amendment in effect override the court decisions in the court of appeals on the Weisberg against United States, Aspin against Department of Defense; Ditlow against Brinegar; and National Center against Weinberger?

As I understand it, the holdings in those particular cases are of the greatest concern to the Senator from Michigan. As I interpret it, the impact and effect of his amendment would be to override those particular decisions. Is that not correct?

Mr. HART. The Senator from Massachusetts is correct. That is its purpose. That was the purpose of Congress in 1966, we thought, when we enacted this. Until about 9 or 12 months ago, the courts consistently had approached it on a balancing basis, which is exactly what this amendment seeks to do.

Mr. President, while several Senators are in the Chamber, I should like to ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. KENNEDY. Furthermore, Mr. President, the Senate report language that refers to exemption 7 in the 1966 report on the Freedom of Information Act—and that seventh exemption is the target of the Senator from Michigan's amendment—reads as follows:

> Exemption No. 7 deals with "investigatory files compiled for law enforcement purposes." These are the files prepared by Government agencies to prosecute law violators. Their disclosure of such files, except to the extent they are available by law to a private party, could harm the Government's case in court.

It seems to me that the interpretation, the definition, in that report language is much more restrictive than the kind of amendment the Senator from Michigan at this time is attempting to achieve. Of course, that interpretation in the 1966 report was embraced by a unanimous Senate back then.

Mr. HART. I think the Senator from Massachusetts is correct. One could argue that the amendment we are now considering, if adopted, would leave the Freedom of Information Act less available to a concerned citizen than was the case with the 1966 language initially.

Again, however, the development in recent cases requires that we respond in some fashion, even though we may not achieve the same breadth of opportunity for the availability of documents that may arguably be said to apply under the original 1967 act.

Mr. KENNEDY. That would certainly be my understanding. Furthermore, it seems to me that the amendment itself has considerable sensitivity built in to protect against the invasion of privacy, and to protect the identities of informants, and most generally to protect the legitimate interests of a law enforcement agency to conduct an investigation into any one of these crimes which have been outlined in such wonderful verbiage here this afternoon—treason, espionage, or what have you.

So I just want to express that on these points the amendment is precise and clear and is an extremely positive and constructive development to meet legitimate law enforcement concerns. These are some of the reasons why I will support the amendment, and I urge my colleagues to do so.

The PRESIDING OFFICER (Mr. Domenici). The Senator from Nebraska has 6 minutes remaining.

Mr. HRUSKA. Mr. President, I should like to point out that the amendment proposed by the Senator from Michigan, preserves the right of people to a fair trial or impartial adjudication. It is careful to preserve the identity of an informer. It is careful to preserve the idea of protecting the investigative techniques and procedures, and so forth. But what about the names of those persons that are contained in the file who are not informers and who are not accused of crime and who will not be tried? What about the protection of those people whose names will be in there, together with information having to do with them? Will they be protected? It is a real question, and it would be of great interest to people who will be named by informers somewhere along the line of the investigation and whose name presumably would stay in the file.

Mr. President, by way of summary, I would like to say that it would distort the purposes of the FBI, imposing on them the added burden, in addition to investigating cases and getting evidence, of serving as a research source for every writer or curious person, or for those who may wish to find a basis for suit either against the Government or against someone else who might be mentioned in the file.

Second, it would impose upon the FBI the tremendous task of reviewing each page and each document contained in many of their investigatory files to make an independent judgment as to whether or not any part thereof should be released. Some of these files are very extensive, particularly in organized crime cases that are sometimes under consideration for a year, a year and a half, or 2 years.

Mr. HART. Mr. President, will the Senator yield?

The PRESIDING OFFICER. All time of the Senator has expired.

Mr. KENNEDY. I yield the Senator 5 minutes on the bill.

Mr. HART. Mr. President, I ask unanimous consent that a memorandum letter, reference to which has been made in the debate and which has been distributed to each Senator, be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

MEMORANDUM LETTER

A question has been raised as to whether my amendment might hinder the Federal Bureau of Investigation in the performance of its investigatory duties. The Bureau stresses the need for confidentiality in its investigations. I agree completely. All of us recognize the crucial law enforcement role of the Bureau's unparalleled investigating capabilities.

However, my amendment would not hinder the Bureau's performance in any way. The Administrative Law Section of the American Bar Association language, which my amendment adopts verbatim, was carefully drawn to preserve every conceiveable reason the Bureau might have for resisting disclosure of material in an investigative file:

If informants' anonymity—whether paid informers or citizen volunteers—would be threatened, there would be no disclosures;

If the Bureau's confidential techniques and procedures would be threatened, there would be no disclosure;

If disclosure is an unwarranted invasion of privacy, there would be no disclosure (contrary to the Bureau's letter, this is a determination courts make all the time; indeed the sixth exemption in the Act presently involves just such a task);

If in any other way the Bureau's ability to conduct such investigations was threatened, there would be no disclosure.

Thus, my amendment more than adequately safeguards against any problem which might be raised for the Bureau. The point is that the "law enforcement" exemption has been broadly construed to include any investigation by a government agency of a federally funded or monitored activity. The courts only require that the investigation might result in some government "sanction" such as a cutoff of funds—and not necessarily a prosecution. The investigations of auto defects, harmful children's toys, or federally-assisted hospitals could all be hidden completely from public view, and from criticism of government inaction or favoritism, unless my amendment is adopted. This is the danger which the ABA proposal seeks to correct. These are rarely FBI investigations.

Beyond these legitimate concerns, the Bureau's letter presents arguments which reject the entire Freedom of Information Act and all efforts by the press and the public to find out what their government representatives are actually doing.

The Bureau objects that government employees would have to review files to determine whether disclosure would really be harmful, and that someone might sue if he disagrees with an agency's refusal.

But the fundamental premise of the Freedom of Information Act is precisely that the opportunity to seek information is essential to an informed electorate. It is also axiomatic that an official should not be the sole judge of what he must disclose about his own agency's activities.

Surely if the events of the last two years, collectively known as Watergate have taught us anything, they have underlined vividly the wisdom of these two assumptions.

Sincerely,

Philip A. Hart.

The PRESIDING OFFICER. The question is on agreeing to the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from Indiana (Mr. Hartke), the Senator from South Carolina (Mr. Hollings), the Senator from Iowa (Mr. Hughes), the Senator from Hawaii (Mr. Inouye), the Senator from South Dakota (Mr. McGovern), the Senator from Rhode Island (Mr. Pastore), the Senator from Rhode Island (Mr. Pell), and the Senator from Alabama (Mr. Sparkman) are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska (Mr. Gravel) and the Senator from Rhode Island (Mr. Pastore) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. Bennett), the Senator from New York (Mr. Buckley), and the Senator from Idaho (Mr. McClure) are necessarily absent.

I also announce that the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Fannin), and the Senator from South Carolina (Mr. Thurmond) are absent on official business.

I further announce that, if present and voting, the Senator from South Carolina (Mr. THURMOND) would vote "nay."

The result was announced—yeas 51, nays 33, as follows:

[No. 220 Leg.]

YEAS—51

Abourezk
Aiken
Bayh
Beall
Biden
Brooke
Burdick
Case
Chiles
Church
Clark
Cook
Cranston
Eagleton
Fong
Hart
Haskell
Hatfield
Hathaway
Humphrey
Jackson
Javits
Kennedy
Magnuson
Mansfield
Mathias
McGee
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pearson
Percy
Proxmire
Ribicoff
Roth
Schweiker
Stafford
Stevens
Stevenson
Symington
Taft
Tunney
Weicker
Williams
Young

NAYS—33

Allen
Baker
Bartlett
Bellmon
Bentsen
Bible
Brock
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Cotton
Curtis
Dole
Domenici
Eastland
Ervin
Goldwater
Griffin
Gurney
Hansen
Helms
Hruska
Huddleston
Johnston
Long
McClellan
Nunn
Randolph
Scott, Hugh
Scott,
William L.
Stennis
Talmadge
Tower

NOT VOTING—16

Bennett
Buckley
Dominick
Fannin
Fulbright
Gravel
Hartke
Hollings
Hughes
Inouye
McClure
McGovern
Pastore
Pell
Sparkman
Thurmond

So Mr. HART's amendment was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOSS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President——

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I yield to the Senator from Pennsylvania without losing my right to the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HUGH SCOTT. Mr. President, I thank the Senator from Massachusetts.

The PRESIDING OFFICER. Will the Senator suspend? Who yields time?

Mr. KENNEDY. I yield 5 minutes to the Senator from Pennsylvania, or whatever time he needs.

PROGRAM

Mr. HUGH SCOTT. Mr. President, I rise to inquire of the distinguished majority leader what is the order of business for today and for the near future, expressing the hope that perhaps it may not be necessary to be in session tomorrow. The distinguished majority leader did not know I was going to say that.

Mr. MANSFIELD. That is correct, but we are going to be in tomorrow, I am happy to state to my friend the distinguished Republican leader.

Mr. HUGH SCOTT. I have discharged my duty to my colleagues.

Mr. MANSFIELD. It is anticipated that tonight, after the disposition of the pending business, we will take up the Big Thicket National Preserve, and I would hope that the two Texas Senators would be in attendance at that time.

Following that, we will take up the House message relating to the Productivity Commission tomorrow.

Following that, S. 3433, the national wilderness preservation system.

I must apologize to the distinguished dean of the Republicans, the senior Senator from Vermont (Mr. AIKEN), and to notify him that, after many months, finally, after the original bill was reported February 15, 1973, it is the intention to call up this collateral measure, Calendar 771, S. 3433, tomorrow. It takes me a long time to attend to my good friend and colleague, my breakfast companion for many years, but tomorrow is the day.

Mr. AIKEN. Mr. President, I will say that this bill has been worked over and worked over and worked over for 15 months now. If it is to be worked over some more, there will not be any bill this session of Congress. It so happens that when you meet somebody's request and write it into the bill, someone will come up later, after someone has gotten to him, and he will say, "We want that different."

As far as any differences between the West and the East are concerned, they have been resolved, and I am very appreciative of that. I think the bill should be passed now if we are going to make a start, setting out some 246,000 acres in the Eastern States, and a study of another 400,000 acres. The East does not have any of these areas and we think it is time we did.

As soon as we reach full agreement, somebody comes along with another proposal and it is delayed another month or two; and there is no more time for delay now.

Mr. MANSFIELD Mr. President, may I say I was joking when I said I was yielding to pressure, because the Senator from Vermont understands that I am keeping a promise made before the Memorial Day recess that it would be taken up when we return.

Then, of course, conference reports and other bills on the calendar will be taken up, and it is anticipated that the defense authorization bill will be laid before the Senate tomorrow. Perhaps opening statements will be made, but no action will be undertaken until Monday next.

AUTHORIZATION FOR COMMITTEE ON FINANCE TO REPORT H.R. 8215 BY MIDNIGHT

Mr. MANSFIELD. Mr. President, I also ask unanimous consent at this time, with the consent of the Senate, that the Committee on Finance have until midnight to report H.R. 8215.

The PRESIDING OFFICER. Is there objection?

Mr. MANSFIELD. This is a minor tariff bill to which has been appended an amendment having to do with the common fund. I understand that this bill has come out of the Committee on Finance unanimously. I see the distinguished Senator from Wyoming over there.

May we have order, Mr President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MANSFIELD. And it is my understanding that the so-called common fund has to do with college investments made up of private donations and that if it is not attended to shortly, it would create economic hardships on the colleges to be involved.

So I would hope—and this, of course, would be subject to the approval of the Senate—that when that bill is reported out of committee tonight and is on the calendar tomorrow, with that kind of a time limiting factor, the usual consideration will be given to the possibility of perhaps taking it up tomorrow.

May I say, if there are any other amendments to be offered, I will pull it off the calendar and we will turn to some other measure—with the proviso of some minor tariff measure having to do with shoe leather, because this matter is very important to colleges that are dependent upon private funds to survive.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUGH SCOTT. Mr. President, will the distinguished Senator yield me an additional 5 minutes?

Mr. KENNEDY. Yes, I yield such time as the Senator may need.

PROGRAM—CONTINUED

Mr. HUGH SCOTT. The distinguished majority leader referred to the Big Thicket.

Mr. MANSFIELD. Yes.

Mr. HUGH SCOTT. Many of my colleagues have mentioned that we seemed to be going through some sort of little thicket. While I certainly would not characterize it as legislation of the feline persuasion, I am delighted that the distinguished majority leader has mentioned the defense authorization bill, because we need to get our teeth into the "big ones," as the Senator is aware, and as the whole Senate is aware, if we are going to get our work done before the recesses we have been assured of getting.

I hope that following the defense authorization bill, if there are any other "Big Thickets" in the vicinity, they will be brought in at the earliest possible time, and I know he will receive the cooperation of the minority and of the ranking Republican members of the committees in that regard.

Mr. MANSFIELD. Yes, indeed. May I express my thanks to the distinguished Republican leader and to other Senators for the accommodation and understanding they have shown in helping clear the calendar as much as possible so that we can get our work done insofar as it is possible to do so. But I think I should say, in all candor, that after the defense authorization bill is disposed of, it is anticipated calling up H.R. 8217, to which there will be some amendments proposed and which will entail some debate.

Mr. HUGH SCOTT. May I ask what that bill is?

Mr. MANSFIELD. A bill to which POW tax amendments and depreciation allowances may well be offered.

Mr. HUGH SCOTT. I thank the distinguished majority leader.

Mr. President, I am not responsible for the expletive deleted there.

ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business tonight, it stand in adjournment until the hour of 12 noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF FREEDOM OF INFORMATION ACT

The Senate continued with the consideration of the bill (S. 2543) to amend section 552 of title 5, United States Code, commonly known as the Freedom of Information Act.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KENNEDY. Mr. President, I yield myself 1 minute.

The Senator from Kansas has mentioned to me an amendment which he was considering offering to expand one of the exemptions dealing with medical research, and its relationship to the category of confidential information. Although we have no specific information about its impact at this time, I have indicated that I will work with him to review the proposal and make a determination as to its merit. The Senator would then have the opportunity to offer his amendment at a later time, perhaps to a health bill that will be pending.

Mr. DOLE. Mr. President, based on that assurance, I would like to commend the Judiciary Committee's Subcommittee on Administrative Practice and Procedure, under the very capable leadership of the distinguished Senator from Massachusetts (Mr. Kennedy), for its work on this bill to refine the provisions of the Freedom of Information Act.

I think they quite properly endeavored to correct some of the many problems of implementation created by the deficiencies and shortcomings of the existing law under section 552 of title 5, United States Code. However, I am concerned that, as spelled out on the first page of its report, the committee chose not to approach and attempt to resolve the difficulties emanating from the "exceptions to disclosure" contained in subsection (b) of the relevant section.

They did so, apparently, on the premise that such "exceptions" had been substantially clarified through numerous reported court decisions. I would have to take issue with this position, particularly as it involves item 4 pertaining to "trade secrets," and the definition thereof. For there are many yet unsettled questions in this area, probably as the result of our failure to adequately specify by statute exactly what is meant by such a "secret."

Accordingly I had considered offering to S. 2543 the following amendment to which Senator Kennedy has referred:

> On page 17, between lines 12 and 13, insert the following new subsection:
>
> Section 552(b)(4) of title 5, United States Code, is amended to read as follows:
>
> "(4) trade secrets and commercial or financial information obtained from a person and privileged or confidential, including applications for research grants based on original ideas."

Mr. President, very briefly, this was a simple amendment intended to clarify in part the application of the Freedom of Information Act as it directly relates to research grants. I have received several letters on this subject from Kansas educators—especially those associated with medical or other scientific investigations—all expressing criticism of the act's interpretation and ultimate impact on original experimental project studies.

COMPETITION IN RESEARCH

Basically, their arguments have been that research, like any other free enterprise, is highly competitive. And while individuals capable of performing experiments using the ideas of others are rather plentiful, creative individuals with new ideas of their own are much less common. Therefore, it is extremely important that the ideas of such investigators be protected.

It seems to me, then, that the scientist who applies for a research grant, based on his original idea, should not have to risk the exposure of that notion in a public document for anyone to test before he himself has the opportunity to be awarded funds to perform the necessary experiments; that is, the confidentiality of an application for a research grant being the integral part of the granting process that it is, the safeguarding of the ideas contained therein should be imperative.

PROTOCOL OF GRANT APPLICATIONS

This very standard has been generally invoked in the past, as described by Dr. John F. Sherman, Deputy Director of National Institutes of Health, during his testimony before a House subcommittee surveying the granting process in hearings of June 1972. Certain portions of his remarks are particularly pertinent, I think, and merit the attention of my colleagues.

Reading from his statement, Dr. Sherman said that—

> The information provided in grant applications submitted to the NIH is treated as confidential. Because research scientists and academic clinicians owe their advancement and standing in the scientific community to their original research contributions, their creative ideas are of critical importance and research scientists carefully protect their ideas. Thus, to the scientists and to the research clinician, research designs and protocols are regarded and treated as proprietary information, just as trade secrets are protected by the commercial and industrial sector.
>
> If we are to encourage vigorous competition in health research, the NIH must respect applicants' ideas and protect them. If they could not be assured of this confidentiality, we believe the NIH review system and its encouragement of scientific competition could not be sustained. Scientists would not supply the explicit details of their proposed research approach and methodology essential for competent review, and the NIH ability to obtain effective evaluation of scientific merit for further programmatic judgments would be markedly hampered.

Mr. President, I ask unanimous consent that the remaining selected extracts of Dr. Sherman's testimony be included in the Record at this point.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

PARTIAL EXTRACT OF TESTIMONY OF DR. JOHN F. SHERMAN, DEPUTY DIRECTOR, NATIONAL INSTITUTES OF HEALTH, DURING HEARINGS BEFORE A SUBCOMMITTEE OF THE COMMITTEE ON GOVERNMENT OPERATIONS

FLOW OF INFORMATION TO THE PUBLIC REGARDING THE RESEARCH GRANT PROGRAM

1. Applications

While the substance of the research grant applications is considered to be privileged information, a notice of the application is sent to the science information exchange. The science information exchange is an informational system operated by the Smithsonian Institution.

Section 1 of the research grant application is entitled "Research Objectives." This particular sheet contains no privileged information. It includes the name and address of the applicant organization as well as the name and other pertinent information regarding the professional personnel engaged on the project, the title of the project, and an abstract of the proposed project which has been prepared by the principal investigator.

This sheet is sent to the science information exchange and is available from them when the project is funded. The public, particularly the scientific community, may request that information about individual projects or aggregates of projects from that organization. At the time an award is made, this information is also provided to the SSIE, plus information regarding the dollar amount of the award.

2. Research grant awards

Public notices of the research grants awarded by the NIH are made available in a number of publications:

(*a*) Each year a cumulative list of awards made during the previous fiscal year is published in a series of volumes entitled "Public Health Service Grants and Awards" through the U.S. Government Printing Office. Data with regard to the awards are broken down in a number of fashions. Principally, however, this is by institution, by States, by principal investigator, the project title, the initial review group, the grant number, and the dollar amount.

(*b*) The Division of Research Grants also issues a two-volume series each year entitled "Research Grants Index," which displays the grant awards by major rubric headings, such as arthritis, brain injury, gastrointestinal circulation, et cetera. The research grants are also indexed by number and alphabetical listings of investigators.

(*c*) In addition to these formal publications, interim listings of grant awards are also available to interested individuals or organizations, including members of the press. Notice of a grant award is also sent to the congressional Representative in whose district the grantee institution is located.

3. Notification to principal investigator re applications which are disapproved or "approved but not funded"

For those applications which are disapproved or, though approved are not awarded, information summarizing the reviewer's opinions regarding scientific merit will be sent to the principal investigator upon his request. Since this information relates to the original ideas of the principal investigator and reflects on his qualifications as a scientist, it is not released to any other request or without the principal investigator's consent.

Mr. DOLE. Mr. President, in spite of this practice in the treatment of grant applications, the courts have, unfortunately, not always seen fit to accept it as being in compliance with the Freedom of Information Act provisions. And I think this may be due in great part to the vague language used in the previously mentioned "exemptions" subsection.

In fact, in ruling last November that privileged research grant information must be made public, U.S. District Judge Gesell admonished Congress for its "* * * imprecise and poorly drafted freedom of information statute." I believe the entire backdrop and rationale of that decision—which is currently on appeal—is important in the consideration of this amendment, and ask unanimous consent that the complete memorandum opinion and order be printed in the Record.

There being no objection, the decision was ordered to be printed in the Record, as follows:

[U.S. District Court for the District of Columbia—Civil Action No. 1279–73]

Washington Research Project, Inc., Plaintiff, versus Department of Health, Education, and Welfare, and Caspar W. Weinberger, Defendants

MEMORANDUM OPINION

Plaintiff invokes the Freedom of Information Act, 5 U.S.C. § 552, and seeks to compel production of certain records from the Department of Health, Education, and Welfare and one of its constituent agencies, the National Institute of Mental Health (NIMH). An injunction and declaratory judgment are sought. Plaintiff's written request for production, inspection and copying of specified records has been fully processed through appropriate administrative channels and the issues are accordingly properly before the Court, which has jurisdiction under 5 U.S.C. § 522(a)(3).

On April 13, 1973, plaintiff requested, with detailed specification, documents relating to eleven designated research grants by the Psychopharmacology Research Branch of NIMH for studies on the drug treatment of children with learning difficulties or behavioral disorders, particularly hyperkinesis. All but two of the research grants involve the use of one or a combination of stimulant or anti-depressant drugs, including methylphenidate (Ritalin), dextroamphetamine, thioridazine and imipramine, on selected school age and/or pre-school children.

All of the grants are administered by public or private non-profit educational, medical or research institutions. None of the grants is concerned with the production or marketing of the drugs being tested. Their purposes include the determination of optimal dosage levels and treatment schedules; the identification of possible harmful side effects such as drug addiction and loss of weight; the measurement of the effect of different drugs on learning, including the existence of state-dependent learning; and the development of improved assessment techniques to measure the efficacy of drug treatment on children.

Following a series of conferences and administrative actions, which need not be reviewed here in any detail, a considerable number of documents were furnished. However, as of July 27, 1973, the following categories of documents were still being withheld, and it is upon these that the litigation has finally focused:

(a) with regard to previously approved grant applications, the narrative statement and any related exhibits describing in detail the research plan to be followed (sometimes referred to as the research protocol or research design);

(b) with regard to previously approved continuation, renewal or supplemental applications, the comprehensive progress reports describing the results and accomplishments of the projects since the last such report;

(c) the entire text of all site visit reports and "pink sheets" prepared by outside consultants and NIMH staff during the agency review of the applications;

(d) the entire text of all continuation and renewal applications which have not yet been approved.

For the purposes of analysis, these various documents will be referred to simply as grant applications, site visit reports, and "pink sheets."

After some discovery, the matter came before the Court for final hearing under an arrangement developed at a status conference. The parties presented *in camera* a portion of a single grant file marked to show the type of information defendant believes may properly be withheld under the Act. This file, as marked, was also given plaintiff informally. It was agreed that the determinations made by the Court based on this example would control the disposition as to other similar material covered by plaintiff's request and presently withheld. After the record was completed, the parties presented argument and were allowed to file post-trial briefs.

I. NIMH grant procedures

Before turning to the conflicting interpretations of the Freedom of Information Act presented by the parties, the nature of the material requested must be elaborated and its significance in the chain of the grant process explained.[1]

The National Institute of Mental Health operates a dual system of review for all major research projects. The first stage involves the initial review group (sometimes called a study section or review committee), made up of from 10–20 nongovernmental technical consultants, who are appointed by the Director of NIMH for overlapping terms of up to four years. Each branch or center of the NIMH is served by one or more review groups qualified in a specific field. There are approximately 20 NIMH review groups for research project grants, as well as review groups for long-term program grants, small grants, fellowships and training. There is an Executive Secretary for each review group who is an NIMH employee and a chairman who is appointed by the Executive Secretary.

Each application is assigned by the Executive Secretary to one or more members (assignees) of the initial review group for study and comment. Assignees are selected because of their experience and competence in the areas covered by the proposed research. Noncommittee members may also be asked to review a project on an *ad hoc* basis, when the Executive Secretary feels that the committee itself lacks expertise in a necessary area.

When additional information is needed, the Executive Secretary may obtain it through correspondence, by telephone, or by a site visit conducted by the review group assignees. Site visits may also be requested by the assignees themselves when they believe it will aid in their review of the project. Site visits are generally used for unusually large or multidisciplinary applications, or when it is deemed important to meet personally with the investigator and his or her associates in order to observe the physical facilities and equipment which will be used or to observe a particular experimental technique in operation. Visitors may make suggestions for changes in the proposed research plan, and a revised protocol or addendum is sometimes submitted to NIMH following the site visit.

At the conclusion of the site visit, the team meets in executive session to discuss their reactions and to formulate a recommendation. One assignee is delegated to write up the team's findings, sometimes with the assistance of written reports from the other visitors. The site visit reports are prepared on behalf of the team as a whole and they do not identify evaluations with particular members of the site visit team.

The site visit report or, when no site visit was held, a written evaluation prepared by one of the assignees is made part of a grant book which is sent to each member of the initial review group four to six weeks before its meeting. The grant book also contains a copy of the complete grant application for each project which is scheduled to be reviewed.

Initial review groups meet three times a year. The Clinical Psychopharmacology Research Review Committee, which reviewed the grants involved here, considers an average of ten to fifteen applications at each meeting, including supplemental and renewal applications.[2] Each proposed research project is reviewed separately for approximately 45 minutes to an hour. The principal assignee describes the project and presents the findings of the site team visit. The other visitors also present a critique of the project, and NIMH staff may be asked to comment.

Following the discussion and after a consensus has been reached, a formal vote is taken on each project. If it is approved, each member of the committee then assigns a rating to the project, which is used for determining funding priorities. The minutes of each meeting contain a complete attendance list and data on the number of approvals, disapprovals and deferrals of applications considered, but they do not contain a summary of the discussion regarding any application.

After the meeting of the initial review group, an NIMH staff person prepares a Summary Statement ("pink sheet") for each grant, containing in a single document a brief description of the proposed research or training grant request and the substantive considerations that led to the specific recommendation, including in the case of a split vote the reasons for both majority and minority opinions. The Statement will normally discuss the background and competence of the investigators, any special aspects of the facilities and equipment, and whether the budget is appropriate to the aims and methodology of the project. Where human subjects are involved, the Statement should include the opinion of the review group on the risks involved. In addition, the site visit report, if one has been written, is incorporated by reference into the Statement.

All Review Commitee actions are considered to be collective and anonymous. Therefore, the Summary Statement does not attribute evaluations or comments to any individual member. If two or more members voted against the majority recommendation, their opinion is also summarized in the Statement, without identifying the members involved.

The Statements are the principal source of information regarding the application and the recommendation provided to the National Advisory Mental Health Council; they are also used by NIMH staff to provide information concerning disapprovals to applicants and to follow the results of approved projects. According to the NIMH Handbook, at 32, the Statements are "perhaps the most informative document in the history of the grant."

Footnotes at end of article.

The second stage in the dual NIMH review process involves the National Advisory Mental Health Council, a body set up by statute to "advise, consult with, and make recommendations to, the [Secretary] on matters relating to the activities and functions of the [Public Health] Service in the field of Mental Health." 42 U.S.C. § 218(c). The Council is specifically authorized "to review research projects or programs submitted to or initiated by it in the field of mental health and recommend to the Secretary . . . any such projects which it believes show promise of making valuable contributions to human knowledge with respect to the cause, prevention, or methods of diagnosis and treatment of psychiatric disorders." 42 U.S.C. § 218(c). The members of the Council are the Assistant Secretary for Health, the Chief Medical Officer of the Veterans' Administration, a medical officer designated by the Secretary of Defense, and twelve public members appointed by the Secretary of HEW.

The National Advisory Mental Health Council meets three times a year for two or three days to review the "recommendations" of all of the initial review groups within NIMH. The Council reviews from 500 to 1,000 grants during each meeting. Except where a special request is made, the Council members do not receive individual grant applications. Their decision is based solely on the review group Summary Statements. Except for grants on which a special question is raised (no more than five percent of the grants), the Council approves the recommendations from each review group in a block. Consequently, the Council's concern is with questions of general policy and of program priority, and not with the scientific merit of any individual applications.

Following approval by the National Advisory Mental Health Council, funding of a project is contingent upon the availability of funds. General priorities for funding are determined by the Director of NIMH, with the advice of the National Advisory Mental Health Council. Within these general priorities, 90 percent of the approved grants are funded in the order of numerical priority set by the initial review group. Researchers are notified of the grant award by an award letter and a formal notice, both of which are signed by the NIMH branch chief. The award letter states that the project has been approved by the initial review group and the National Advisory Mental Health Council.

II. The act

These procedures generate a prodigious amount of information concerning the proposed research projects and the allocation of funds among them. NIMH incorporates into its application instructions a warning that some of this information must be made available to the public under the Freedom of Information Act. However, it specifically assures the applicants that the following information does not fall within the terms of the Act and will not be disclosed to the public:

a. Applications for research grant support are considered to be privileged information. Until such time as an application is approved and a grant awarded, no information is disclosed except for the use of Section I of the application form PHS–398 and the notice of research project form PHS–166 by the Science Information Exchange in connection with its responsibilities for exchange of information among participating agencies.

b. Section II of the application form PHS–398 or the corresponding material in application form PHS–2590.

c. Details of estimated budgets.

d. Discussions of applications by advisory bodies.[2a] Plaintiff challenges this interpretation of the Act and NIMH's consequent withholding of substantial portions of the grant applications, "pink sheets," and site visit reports requested.

In resolving this dispute, the Court is faced wih the initial difficulty that the Act on its face does not give special consideration to the field of medical research or the problem of grant applications. Accordingly, as is usually the case where the Court must attempt to apply this imprecise and poorly drafted statute to a situation apparently never contemplated by the Congress, it becomes necessary to resolve the controversy by reliance on the high gloss which the learned decisions of this Circuit have been required to place on the legislation.

The initial question for consideration is whether the "pink sheets," site visit reports and grant applications are documents coming within the disclosure provisions of § 552 (a). Under the decisions in this Circuit, it is clear that the NIMH initial review groups constitute "agencies" as that term is used in the Act. *See, e.g., Grumman Aircraft Engineering Corp.* v. *Renegotiation Bd.*, No. 71–1730 (D.C. Cir. July 3, 1973) ("Grumman II"). They "serve as a discrete, decision-producing layer" in the application process and the priorities they set receive only perfunctory review by the National Advisory Mental Health Council. *Id.* at 10. It is equally clear—indeed not contested—that the "pink sheets" represent the final opinions of the initial review groups, presenting authoritative reasons for assigning each application to a particular priority. The site visit reports must be viewed as integral parts of these final decisions, since, as indicated by the sample file, they are incorporated by reference into the "pink sheets" and are cited as a basis for the review groups' final decisions. *See Sterling Drug, Inc.* v. *F.T.C.*, 450 F.2d 698, 704–08 (D.C. Cir. 1971); *American Mail Lines, Ltd.* v. *Gulick*, 411 F.2d 696, 703 (D.C. Cir. 1968). Both types of documents are therefore subject to disclosure as an agency's "final opinions . . . made in the adjudication of cases . . ." 5 U.S.C. § 552(a) (2)(A). As for the grant applications, they are "identifiable records" of an agency and are therefore subject to disclosure upon specific request, which plaintiff has duly made. *See* 5 U.S.C. § 552(a)(3); *Bristol-Myers Co.* v. *F.T.C.*, 284 F. Supp. 745, 747 (D.D.C. 1968).

All of the documents sought by plaintiff must therefore be produced in full unless the Government can establish that certain papers or sections thereof fall within the specific exemptions enumerated in the Act. Defendants suggest that three of these exceptions are applicable to the documents at issue. In considering this claim, the Court must construe the requirement of disclosure broadly and the exemptions narrowly in order to promote "the clear legislative intent to assure public access to all government records whose disclosure would not significantly harm specific governmental interests." *Soucie* v. *David*, 448 F.2d 1067, 1080 (D.C. Cir. 1971).

Defendants argue that all description of an applicant's proposed research, whether in its application or in agency reports, constitutes confidential material within the terms of the fourth exemption.[3] However, that exemption shields only trade secrets and other confidential information that is either "commercial" or "financial" in nature. *Getman* v. *N.L.R.B.*, 450 F.2d 670, 673 (D.C. Cir. 1971). None of the applicants for NIMH grant funds are profit-making enterprises, nor are such funds sought for the production or marketing of a product or service.[4] Whatever Congress may have meant by the admittedly imprecise terms in the fourth exception, the Court cannot, consistent with its duty to construe the Act's exemptions narrowly, find that scientific research procedures to be undertaken by non-profit educational or medical institutions fall within those terms.[5] Even if the Court were to find otherwise, however, defendants would not prevail, for they have wholly failed to meet their burden of proving that the particular research designs and protocols at issue in this case contain material that would normally be kept confidential by the researchers themselves, regardless of the agency's own assurances of confidentiality. *See Sterling Drug, Inc.* v. *F.T.C., supra*, at 709.

Defendants also raise the fifth exemption,[6] which shields inter- and intra-agency memoranda. However, this Court's finding that the "pink sheets" and site visit reports constitute final agency opinions takes those documents out of the fifth exemption, *see Grumman II, supra*, at 13, and the applications are not protected because they were written by non-agency personnel, *see Note, The Freedom of Information Act and the Exemption for Intra-Agency Memoranda*, 86 Harv. L. Rev. 1047, 1063–66 (1973), and contain essentially factual material, *see Bristol-Myers Company* v. *F.T.C.*, 424 F.2d 935, 939, *cert. denied*, 400 U.S. 824 (1970).

Similarly, there is no merit to defendants' claim that the disclosure of any agency reference to the professional qualifications or competence of a particular researcher would constitute a clearly unwarranted invasion of personal privacy under the sixth exemption.[7] That provision shields only, "personnel and medical files and similar files" from disclosure. Although the term "files" has been justifiably criticized as vague, *see K. Davis, supra* note 4, at 798, it cannot be ignored.[8] The sixth exemption was intended to protect "detailed Government records on an individual," H. Rept. 1497, 89th Cong., 2d Sess. 11 (1966), and it cannot be extended to shield a brief analysis of professional competence written into a final agency opinion.

Perhaps in recognition of this distinction, Congress incorporated another privacy provision into the Act which is not limited to Government files. Immediately following the disclosure requirement in § 552(a)(2), the Act states: "To the extent required to prevent a clearly unwarranted invasion of personal privacy, an agency may delete identifying details when it makes available or publishes an opinion, statement of policy, interpretation, or staff manual or instruction. However, in each case the justification for the deletion shall be explained fully in writing." Portions of the "pink sheets" and the site visit reports could fall within the terms of this exemption, but the Government has the burden of establishing that disclosure in each instance would be "clearly unwarranted." *See Getman* v. *N.L.R.B., supra*, at 674.

Upon careful consideration of the competing interests involved, the Court concludes that the Government may, to the extent described below, delete identifying details from statements of opinion concerning the professional qualifications or competence of particular individuals involved in the research project under consideration. Disclosure of such information might substantially injure the professional reputations of researchers, while deletion would not, in most instances, significantly obscure the reasons for assigning an application to a particular priority.

It must be stressed, however, that the holding of this Court is narrowly limited. Normally, only the names of the individuals under discussion may be deleted, leaving the opinions themselves free to be disclosed. *Grumman Aircraft Engineering Corp.* v. *Renegotiation Bd.*, 425 F.2d 578, 580–81 (D.C. Cir. 1970) ("Grumman I"). If, as is the case with many of the documents sought by plaintiff, the names of the researchers have already been disclosed or if for any other reason the deletion of such names would not conceal the identity of the individuals under discussion, the statements of opinion might

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Footnotes at end of article.

have to be deleted in their entirety. But in every case the defendants may only delete that minimum amount of information necessary to conceal the identity of those individuals whose privacy is threatened in the manner described above.

As a further limitation, no deletions whatever may be made from documents relating to an application—whether initial, continuation, renewal or supplemental—which has actually been granted, since in such cases the public's interest in knowing how its funds are disbursed surpasses the privacy interests involved. Nor may the identity of an institutional applicant be concealed, because the right of privacy envisioned in the Act is personal and cannot be claimed by a corporation or association. *K. Davis, supra* note 4, at 781, 799.

Apart from resolution of the instant controversy, plaintiff asks for assistance to insure that subsequent similar requests for information from NIMH will not be delayed and obfuscated by drawn-out negotiations and Court proceedings. Plaintiff's concern is well taken, for the Act should, to the extent practical, be self-operative to assure prompt disclosure as contemplated by Congress. At a minimum, the defendants should promptly modify existing regulations and grant application instructions to bring them into conformity with the decision of this Court. It is particularly important that grant applicants be placed on notice that information submitted pursuant to an application for NIMH grant funds and final agency opinions concerning the award of such funds, as defined above, cannot normally be kept confidential nor withheld from the public.

The foregoing shall constitute the Court's findings of fact and conclusions of law.

GERHARD A. GESELL,
U.S. District Judge.

NOVEMBER 6, 1973.

FOOTNOTES

[1] The following textual description of the NIMH grant review process is taken principally from the deposition of Dr. Ronald S. Lipman, Chief of the Clinical Studies Section of the Psychopharmacology Research Branch of NIMH and from the NIMH Handbook for Initial Review Staff (1970), plaintiff's 1 exhibit in evidence.

[2] Supplemental applications are for additional funds above the amount previously approved for the current or any future project year. Renewal applications are for funds beyond the project period previously approved. Continuation applications are filed at the beginning of each year in the previously approved project period. Generally, supplemental and renewal applications must compete for available funds with other applications, new or otherwise; they are processed through both stages of the review process. Continuation applications are generally noncompeting and not subject to the review process.

[2a] National Institutes of Health, Grant for Research Projects, Policy Statement 14 (1972). This interpretation of the Act is consistent with HEW's more general interpretation. codified at 45 C.F.R. § —.

[3] 5 U.S.C. § 552(b)(4): "This section does not apply to matters that are . . . trade secrets and commercial or financial information obtained from a person and privileged or confidential. . . ."

[4] In recent testimony before Congress, Dr. John F. Sherman, Deputy Director of the National Institutes of Health, argued that the fourth exemption should apply to grant documents because "to the scientist and to the research clinician, research designs and protocols are regarded and treated as propriatary information, just as trade secrets are protected by the commercial and industrial sector." Hearings on U.S. Government Information Policies and Practices Before a Subcomm. of the House Comm. on Government Operations, 92d Cong., 2d Sess. 3620 (1972). However, this analysis is only relevant to the extent that Dr. Sherman recognizes that research procedures are not actually trade secrets, nor are research part of the "commercial or industrial sector." His arguments are exceptional * * *.

* * * * *

[5] The Attorney General's Memorandum on the Public Information Section of the Administrative Procedure Act (1967), at 34, apparently reached a contrary conclusion, based upon comments in the congressional reports to the effect that "technical data" concerning "scientific or manufacturing processes" would be covered by the fourth exemption. However, Professor Davis points out that the quoted language was derived from a Senate report on an earlier version of the exemption which did not contain the limiting words "commercial or financial," and that the shielding of non-commercial technical information would be contrary to the clear wording of the statute. K. Davis, The Information Act: A Preliminary Analysis, 34 U. Chi. L. Rev. 761, 789–91 (1967). In resolving this dispute in Davis' favor, the Court finds it significant that the D.C. Circuit in Getman followed Davis and interpreted the fourth exemption narrowly (although it did not specifically consider the disputed language in the congressional reports), while the Attorney General's Memorandum interpreted it broadly to cover all confidential material.

[6] 5 U.S.C. § 552(b)(5): "This section does not apply to matters that are . . . inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency . . . ."

[7] 5 U.S.C. § 552(b)(6): "This section does not apply to matters that are . . . personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy. . . ."

[8] An earlier version of the sixth exemption shielded the specified files and all "similar matter" (emphasis added), but Congress amended that phrase to use the more limited term "files" throughout. K. Davis, supra note 4, at 798 n. 94.

[U.S. District Court for the District of Columbia—Civil Action No. 1279–73]

WASHINGTON RESEARCH PROJECT, INC., PLAINTIFF, VERSUS DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, AND CASPAR W. WEINBERGER, DEFENDANTS

ORDER

In accordance with the Court's Memorandum Opinion filed this 6th day of November, 1973, it is hereby

Ordered that the defendants promptly amend all relevant application instructions and agency regulations, including those codified at 45 C.F.R. § 5, to bring them into conformity with the decision of this Court, and it is further

Ordered that the defendants promptly produce and make available to plaintiff for inspection and copying all documents listed in its request for information dated April 13, 1973, except that, if any such document relating to an application that has not been granted contains a statement of opinion by a Government officer, employee or consultant concerning the professional qualifications or competence of an individual involved in the research project under consideration, the defendants may delete from that document any detail which would identify a particular individual as the subject of that statement, or, if such deletion would be impossible or ineffectual, the defendants may delete the statement itself.

GERHARD A. GESELL,
U.S. District Judge.

NOVEMBER 6, 1973

Mr. DOLE. Mr. President, I think the situation in this case of Washington Research Project, Inc., against Department of Health, Education and Welfare clearly demonstrates the need for congressional action to insure that research ideas are indeed accorded the confidential status which they deserve. It is for that sole reason that I drafted the said amendment, in anticipation of proposing its adoption.

While it is not our business to preempt the courts in matters of judicial concern, it is our affirmative legislative duty to lay down proper statutory guidelines. Regardless of the outcome in the cited case, therefore, we still have the obligation to protect against any future unnecessary, unwise, and unfair premature disclosure requirements in the specific area of scientific experimentation.

Certainly, the whole idea of "disclosure" and the public's "right to know" is of paramount importance at this time in our Nation's history. And I have no desire or intention of placing undue restrictions on those fundamental concepts. But I feel very strongly that, in the area of research grants, nondisclosure entitlement is justified—and completely within the spirit of the Freedom of Information Act itself.

It is my sincere hope that my colleagues will agree, and join me at the appropriate time in moving to identify such matters as specifically excepted from categories of information which should be disseminated to the public. I urge this problem to be the subject of special hearings at the earliest opportunity, and that it be resolved coincident with future health legislation, as the distinguished floor manager of the present bill (Mr. KENNEDY) has suggested.

The PRESIDING OFFICER. The question is on agreeing to committee amendment in the nature of a substitute, as amended.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill (S. 2543) was ordered to a third reading and read the third time.

Mr. KENNEDY. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 12471.

The PRESIDING OFFICER laid before the Senate H.R. 12471, to amend section 552 of title 5, United States Code, known as the Freedom of Information Act.

The PRESIDING OFFICER. The bill will be considered as having been read twice by title, and without objection the Senate will proceed to its consideration.

Mr. KENNEDY. Mr. President, I move to strike all after the enacting clause of H.R. 12471 and insert in lieu thereof the language of S. 2543 as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts to insert the Senate language as a substitute for the House bill.

The motion was agreed to.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 12471) was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. GRIFFIN. Mr. President, is the Senator from Nebraska entitled to recognition?

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. HRUSKA. Mr. President, I shall take not more than 3 or 4 minutes to recapitulate what has transpired today on this bill.

First, I point out that this bill was reported unanimously and without objection from the Judiciary Committee to accomplish certain procedural changes in the Freedom of Information Act, which was enacted in 1966.

Some substantive changes were offered in committee. They were turned down. The purpose was to make it an effective and an efficient implement and in a very vital field; namely, the right of the public to know, on the one hand, and, on the other hand, to conserve the confidentiality of Federal Government departments and documents and to enable them to function properly and effectively.

Mr. President, it is to be regretted that some major, substantive changes were effected by amendments on the floor of the Senate today.

It is my intention—and I shall do so—to vote against the bill because of the agreement to those amendments. It was my prior intention to vote for the bill, but it is my present intention to call to the attention of the President the very undesirable features of the two amendments.

In my judgment, there has been a disastrous effect upon law enforcement, particularly by the Federal Bureau of Investigation and the law enforcement agencies of our national Government. The amendments will have an effect also on the local law enforcement agencies as well.

I shall urge the President as strongly as I can to veto this measure. It is my belief that it is sufficiently disadvantageous and detrimental that it requires a veto. It is to be regretted, Mr. President, because we had a good bill. We should go forward and make the Freedom of Information Act as effective as possible. I think a fine balance had been worked out with the many interests competing for information that either should be disclosed or should be held confidential, and with other interests such as permitting the courts to review classified documents in camera.

Mr. President, I make this as a statement in connection with the future proceedings on the bill.

Mr. President, I ask unanimous consent that a brief statement summarizing those points be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT

Mr. President, my points of summary are as follows. First as to the Muskie amendment, I fear that we are giving undue latitude to the courts in dealing with a very important national issue. The amendment asks the courts to review documents to determine their effect on the national defense and foreign policy of the United States. Yet the amendment offers the courts no guidance in performing this task. It asks the court to make political judgments.

Indeed, this is a task for which the courts themselves have found that they lack the aptitude, facilities and responsibility. This is not my own flat statement. These are the words the Supreme Court used in *C. & S. Air Lines* v. *Waterman:*

> [T]he very nature of executive decisions as to foreign policy is political, not judicial. Such decisions are wholly confided by our Constitution to the political departments of the government, Executive and Legislative. They are delicate, complex, and involve large elements of prophecy. They are and should be undertaken only by those directly responsible to the people whose welfare they advance or imperil. They are decisions of a kind for which the Judiciary has neither aptitude, facilities nor responsibility and which has long been held to belong in the domain of political power not subject to judicial intrusion or inquiry.

Likewise, a Harvard Law Review Developments Note reached the same conclusion.

In discussing the role of the courts in reviewing classification decisions, it states that "there are limits to the scope of review that the courts are competent to exercise," and concludes that "a court would have difficulty determining when the public interest in disclosure was sufficient to require the Government to divulge information notwithstanding a substantial national security interest in secrecy." 85 Harvard Law Review 1130, 1225–26 (1972).

Furthermore, the Attorney General in a letter which I earlier introduced in the Record expressed the opinion that grave constitutional questions arise in the adoption of this amendment. As the Attorney General concluded, "the conduct of defense and foreign policy is specially entrusted to the Executive by the Constitution, and this responsibility includes the protection of information necessary to the successful conduct of these activities. For this reason, the constitutionality of the proposed amendment is in serious question."

Second, I believe that the amendment to exemption 7 could lead to a disastrous erosion of the FBI's capability for law enforcement notwithstanding the safeguards and standards contained in that amendment. To be sure, the standards contained in the amendment look well on paper. However, based on the experience that the FBI has accumulated to date under standards similar to these, it is clear that they are difficult if not impossible to administer.

Here are some of the effects which adoption of the Hart amendment could have.

1. It could distort the purpose of agencies such as the FBI, imposing on them the added burden of serving as a research source for every writer, busybody, or curious person.

2. It could impose upon these agencies the tremendous task of reviewing each page of each document contained in any of their many investigatory files to make an independent judgment as to whether or not any part thereof should be released.

3. It could detrimentally affect the confidence of the American people in its Federal investigative agencies since it will be apparent these agencies no longer can assure that their identities and the information they furnish in confidence for law enforcement purposes will not some day be disclosed to the subject of the conversation.

Fourth, and finally, it could set the stage for severe problems regarding the privacy of individuals.

Mr. President, in my view, nothing would be lost by deferring action on this amendment because the FBI is now operating under standards virtually similar to those contained in the amendment. It would be well to allow a suitable interval of experience to be accumulated under these regulations in order to ascertain the wisdom or lack thereof in putting these standards in statutory form.

Mr. President, the highly detrimental and far-reaching impact that these two amendments taken together pose is so grave and sweeping that it is my intention to address a letter to the President urging as strong as I can that he veto this measure if it passes in this form.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. HRUSKA. Mr. President, I gladly yield to the distinguished Senator from Arkansas.

Mr. McCLELLAN. Mr. President, I wish to associate myself with the views expressed by the distinguished Senator from Nebraska. I fully intended to support the measure as it came to the floor of the Senate. However, in view of the amendments that have been agreed to today, which destroys the purpose of the bill, in my judgment, and violate the Nation's security on documents and records, I cannot support the measure. I shall now have to vote against the bill.

Mr. KENNEDY. Mr. President, I yield myself 2 minutes.

The Freedom of Information Act was passed in 1966. This legislation we are considering today is really a response by Congress to the past experience we have found with the failure of Government agencies to respond to the public's legitimate interest in what had been taking place inside their walls. It is precisely the extreme and unreasonable secrecy of the past that this bill addresses, and I think the overwhelming support by the press and across the country for some legislative response to this secrecy can be answered by this bill.

I should say that the amendments that have been agreed to by a strong vote in the Senate today in no way infringe upon national security or upon the law enforcement agencies and their responsibilities in this country. I think this is the most important legislative action that can be taken to open up the Government to the American people, who require it, who demand it, who are begging and pleading for it.

I want to acknowledge the constructive and supportive efforts of Senator HRUSKA and his staff in developing this legislation for floor action. I am disappointed that he does not feel that he can support this bill as amended on the floor.

The bill provides ample protection for the legitimate interests of Government agencies. It also insures that they will be open and responsive to the American people.

I hope that the bill will be passed.

I am ready to yield back the remainder of my time.

Mr. HRUSKA. Mr. President, may I ask of my colleagues if there are any requests for time? Apparently there are none, so I yield back the remainder of my time.

Mr. KENNEDY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from California (Mr. Cranston), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from Indiana (Mr. Hartke), the Senator from South Carolina (Mr. Hollings), the Senator from Iowa (Mr. Hughes), the Senator from Hawaii (Mr. Inouye), the Senator from South Dakota (Mr. McGovern), the Senator from New Mexico (Mr. Montoya), the Senator from Rhode Island (Mr. Pastore), the Senator from Rhode Island (Mr. Pell), and the Senator from Alabama (Mr. Sparkman) are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska (Mr. Gravel), the Senator from South Dakota (Mr. McGovern), the Senator from Rhode Island (Mr. Pastore), the Senator from Rhode Island (Mr. Pell), and the Senator from California (Mr. Cranston) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. Bennett), the Senator from New York (Mr. Buckley), and the Senator from Idaho (Mr. McClure) are necessarily absent.

I also announce that the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Fannin), the Senator from Arizona (Mr. Goldwater), and the Senator from South Carolina (Mr. Thurmond) are absent on official business.

I further announce that, if present and voting, the Senator from South Carolina (Mr. Thurmond) would vote "nay."

The result was announced—yeas 64, nays 17, as follows:

[No. 221 Leg.]

YEAS—64

Abourezk
Aiken
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Bible
Biden
Brock
Brooke
Burdick
Byrd, Harry F., Jr.
Cannon
Case
Chiles
Church
Clark
Cook
Dole
Domenici
Eagleton
Ervin
Fong
Gurney
Hart
Haskell
Hatfield
Hathaway
Huddleston
Humphrey
Jackson
Javits
Johnston
Kennedy
Magnuson
Mansfield
Mathias
McGee
McIntyre
Metcalf
Metzenbaum
Mondale
Moss
Muskie
Nelson
Packwood
Pearson
Percy
Proxmire
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Symington
Taft
Tunney
Weicker
Williams
Young

NAYS—17

Allen
Byrd, Robert C.
Cotton
Curtis
Eastland
Griffin
Hansen
Helms
Hruska
Long
McClellan
Nunn
Randolph
Scott, William L.
Stennis
Talmadge
Tower

NOT VOTING—19

Bennett
Buckley
Cranston
Dominick
Fannin
Fulbright
Goldwater
Gravel
Hartke
Hollings
Hughes
Inouye
McClure
McGovern
Montoya
Pastore
Pell
Sparkman
Thurmond

So the bill (H.R. 12471) was passed.

Mr. KENNEDY. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. MOSS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, I move that S. 2543 be indefinitely postponed.

The motion was agreed to.

HEALTH SERVICES RESEARCH, HEALTH STATISTICS, AND MEDICAL LIBRARIES ACT OF 1974

Mr. KENNEDY. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 11385.

The PRESIDING OFFICER (Mr. Nunn) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 11385) to amend the Public Health Service Act to revise the programs of health services research and to extend the program of assistance for medical libraries, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. KENNEDY. I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. Kennedy, Mr. Williams, Mr. Nelson, Mr. Eagleton, Mr. Cranston, Mr. Hughes, Mr. Pell, Mr. Mondale, Mr. Hathaway, Mr. Schweiker, Mr. Javits, Mr. Dominick, Mr. Beall, Mr. Taft, Mr. Stafford conferees on the part of the Senate.

ENERGY TRANSPORTATION SECURITY OR INSECURITY—AT WHAT COST?

Mr. COTTON. Mr. President, I ask unanimous consent to insert in the Record a statement which I made today before the Subcommittee on Merchant Marine of our Committee on Commerce, opposing the bills, H.R. 8193 and S. 2089.

The bill, H.R. 8193, carries the short title, "The Energy Transportation Security Act of 1974," and would require an increasing percentage of imported petroleum and petroleum products to be transported on higher-costing U.S.-flag tanker vessels.

If enacted, this legislation could have a profound, and probably adverse, effect upon the cost of meeting our current, pressing energy resource needs. I seriously question whether, as reflected in the short title "The Energy Transportation Security Act of 1974," this legislation would provide our Nation with such security. Rather, I fear that it could very well render the availability of needed petroleum from foreign sources more insecure and increase the cost to the American economy, including consumers, farmers, and industries.

Of course, as in many such cases, there is plenty of room for reasonable men to differ on the rather complex provisions of this bill. A similar bill was defeated in the Senate last year by a margin of only 12 votes. However, I feel that at this time the Senate should be made aware of the rather far-reaching issues involved in this measure. That is the reason why I should like to have printed in the Record the statement I made before the committee, not as a speech, but as a statement, and invite the attention of the Senate to it. I ask unanimous consent that the statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT OF SENATOR NORRIS COTTON ON H.R. 8193 AND S. 2089

Mr. Chairman, I wish to express my appreciation to you and to Chairman Magnuson for granting my request for this additional day of hearing on the bills, S. 2089 and H.R. 8193.

As you will recall, in the 92nd Congress I opposed vigorously a legislative proposal similar to the pending bills. That earlier legislative proposal was a Committee amendment to the maritime appropriation authorization bill, H.R. 13324, of the 92nd Congress, which would have required that at least 50% of all "crude and unfinished oils and finished products" imported into the United States on "a quota basis, allocation or licenses" be carried on board higher-costing tanker vessels of the United States.

My principal concern then, as now, was the probable cost impact upon the consumers of certain sectors of the country, such as the New England and upper Midwestern States. Although this remains my principal concern, I do have several others, not the least of which is my personal opinion that at this particular time in our Nation's history when it is beset with the problems of very serious energy shortages, any restriction of any kind whatsoever that would make it more diffiult for us to obtain oil, such as the pending legislation, should be resisted.

Accordingly, my primary objective is to ensure the continued flow of vital energy resources at the lowest possible cost to the American consumer and to the American taxpayer.

In expressing this opposition to the pending legislation, I wish to make clear that I am *not* opposed to needed maritime promotional programs. I supported enactment of the Merchant Marine Act of 1970. Moreover, I have continued to support that statutory maritime program both in this Committee and on the Committee on Appropriations on which I serve with respect to annual appropriations implementing that Act which have annually been in excess of ½ billion dollars.

Mr. Chairman, I am not expressing opposition to the pending legislation out of any deference to the major oil companies. None are located or have any facilities in my State. As a matter of fact, those of us from the New England region represent 6 of the 12 States in this Nation which are without any refinery capacity whatsoever.

Moreover, as Under Secretary of Commerce Tabor testified on the initial day of hearings on this legislation, those of us situated on the Eastern seaboard are most heavily dependent upon foreign oil, and in 1970 the 17 Eastern seaboard States which constitute Petroleum Administration for Defense (PAD) District I, imported more than 70% of all U.S. petroleum imports. Therefore, I, as the senior Senator from New Hampshire, have a vital and a genuine interest in any legislative proposal which might in any way serve to impede or increase the cost of the transportation of this needed energy supply.

Now, Mr. Chairman, with respect to the pending legislative proposals—H.R. 8193 and S. 2089—I would like to make two observations in comparison to H.R. 13324 of the 92nd Congress. First, with respect to the issue of consumer costs I invite the Committee's attention to the following excerpt from its majority report, accompanying H.R. 13324, seeking to rebut the cost argument on the basis that the preference requirement was tied to the then existing mandatory oil import program:

"* * * Obviously, if that program [i.e., the mandatory oil import program] is eliminated at some future date, none of the foregoing analysis with respect to the lack of impact on American-flag carriage on consumer costs would remain true. *At that point, these additional costs would have an impact on consumer prices.*" (Emphasis supplied)

Mr. Chairman, the mandatory oil import program no longer is in existence so that, based upon the very language quoted above from the majority report on H.R. 13324, the pending bills, S. 2089 and H.R. 8193, will have an impact on consumer costs!

Second, and again in comparison with H.R. 13324 of the 92nd Congress, notwithstanding the amendment adopted by the House during the floor debate on H.R. 8193 to exempt the small independent refiner from the provisions of this legislation, it is my present opinion that the pending legislation may very well have broader implications than H.R. 13324. The earlier legislation (H.R. 13324), although specifying a greater percentage of 50%, contained various exclusions which would have limited it to only about 18% of all oil imported in 1972, according to one witness who testified before the House Committee on Merchant Marine and Fisheries. By contrast the pending legislation is drafted so as to require at least 20 percent, increasing to at least 30 percent after June 30, 1977, of the gross tonnage of all liquid petroleum products imported into the United States on ocean vessels "including movements (i) directly from original point of production and (ii) *from original point to intermediate points for transshipment or refinement and ultimate delivery to the United States* . . ." This would apply, Mr. Chairman, not only to crude oil but also to badly needed imports, such as home heating oil, gasoline, heavily industrial fuel oil, jet fuel, and petrochemical feedstocks.

And, Mr. Chairman, the argument advanced for including in the percentage requirement movements from original point to intermediate points is to avoid any incentive to construct refineries outside of the United States, and thereby avoid the application of this legislation. However, notwithstanding this meritorious objective, I would hasten to point out that it is my understanding that we have built only three refineries in the last eight years in the United States, and that increasing concern over damage to the environment has led the citizens of some States, such as my own, to vote against the construction of refinery capacity in such States. Thus, in the final analysis, Mr. Chairman, it may very well prove to be in our national interest to continue to allow the construction of offshore refinery capacity, yet the pending legislation could serve to impede even that.

Now, Mr. Chairman, with respect to H.R. 8193—the proposed "Energy Transportation Security Act of 1974?—I believe that there are several significant issues involved, including the following:

(1) Potential cost impact upon American economy, including consumers, farmers and industries;

(2) Retaliation by the Arab Organization of Petroleum Exporting Countries (AOPEC);

(3) Unduly burdensome administrative problems;

(4) Domestic shipyard capability and inflationary impact;

(5) Lack of a demonstrated need;

(6) A precedent for the extension of cargo preference requirements to other commodities;

(7) Creation of a captive, noncompetitive market for U.S.-flag tanker vessels;

(8) Balance-of-payment benefit; and

(9) Another added government benefit to our multi-faceted maritime promotional program.

1. Potential cost impact upon American economy, including farmers and industries:

Mr. Chairman, as you are aware, the House Committee on Merchant Marine and Fisheries conducted 15 days of hearings on the bill, H.R. 8193, and similar measures. During the course of those extensive hearings, the House Committee received testimony from a number of witnesses. All of the witnesses, except one, who testified on the issue of cost, indicated that there would indeed be some cost from enactment of this legislation passed on to the American consumer. These cost estimates range from a high of 45 cents per barrel for each and every barrel of waterborne oil imports by the American Petroleum Institute to a *savings* to the American consumer of 68 cents, according to Mr. Stanley H. Ruttenberg, President of Stanley H. Ruttenberg & Associates Inc., of Washington, D.C.

Since testifying before the House Committee, I understand that the American Petroleum Institute has revised its earlier estimate upward to a cost of 79 cents per barrel in 1975, increasing to $1.44 per barrel by 1985 for every barrel of oil imported to our shores, with a cumulative cost for the period 1975–1985 approaching *$60 billion*.

Now, Mr. Chairman, I understand Mr. Ruttenberg, author of a study sponsored by the National Marine Engineers Beneficial Association entitled "The American Oil Industry: A Failure of Anti-Trust Policy," has indicated that 52 cents of his 68 cents savings to the American consumer is predicated upon "transfer pricing" and relates to enforcement by the Internal Revenue Service of section 482 of the Internal Revenue Code. My only observation in this regard, Mr. Chairman, is that if Mr. Ruttenberg's allegation is correct, then the proper remedy lies with enforcement by the Internal Revenue Service, or an appropriate amendment to the Internal Revenue Code, which you, as Chairman of the Senate Committee on Finance, I am sure would be able to take care of in rather short order.

Mr. Chairman, I would like the record to show that the senior Senator from New Hampshire is not the only skeptic with respect to the allegation that there would be no cost as a result of this legislation, to the American consumer. In this connection, I noted with particular interest that midway through the hearings before the House Committee on Merchant Marine and Fisheries, on February 5th, its distinguished Chairman the Honorable Leonor Sullivan, when questioning Mr. Herbert Brand, President of the Transportation Institute, noted the following:

"I am not sure that I agree with your statement on page 4 that there will not be any increase in the cost of fuel as a result of this legislation" (See hearings before the Committee on Merchant Marine and Fisheries, House of Representatives, Serial No. 93–26, at page 331).

Mr. Chairman, my fears concerning a potential cost impact upon the American consumer as a result of this legislation is only heightened after examining the experience under existing cargo preference statutes with respect to government-financed cargo. The American Petroleum Institute inserted in the hearing record of the House Committee on Merchant Marine the table entitled "Comparison of U.S. and Foreign-flag Charter Fixtures, 1968–72" which indicated that the cost for American-flag vessels was on the magnitude of 260% greater than that for foreign-flag vessels. Certainly one might discount this tabulation as one of bias in view of the American Petroleum Institute's opposition to the pending legislation. But, Mr. Chairman, I would hasten to point out that the Maritime Subsidy Board arrived at a somewhat similar conclusion in its fact-finding hearing on the payment of subsidy for carriage of preference cargoes (Docket No. S–244) when it noted the following:

"* * * *In 1969, the rate premium's averaged 100–150% of the foreign-flag rate.* It is estimated that the rate premium reimbursements for these agriculture programs has approximated *$100 million a year* in recent years and has perhaps *aggregated a billion dollars over the full life of the program.*" (Emphasis supplied)

Mr. Chairman, I submit that all of the indications bode ill for the impact upon our economy of the pending legislation. In this connection Dr. William A. Johnson, Special Assistant to the Deputy Secretary of the Treasury, testified before the House Merchant Marine and Fisheries Committee in the following manner:

"My basic objection to the proposed legislation is that it could intensify the energy crisis. As I understand it, a major objective of the bill is to stimulate employment in the shipping industry. However, to the extent that impedes imports of vitally needed oil, it will create unemployment in the petrochemical, automobile, machine tool, and other industries that are dependent upon oil or oil products as feedstocks or sources of energy * * * " (See hearings before the Committee on Merchant Marine and Fisheries, House of Representatives, Serial No. 93–26 at page 207)

With respect to the American farming community, Mr. Chairman, I would simply point out that several letters have been received from organizations representing this sector of our economy, and all have been in opposition to the pending legislation.

For example, by letter dated May 20th, the National Association of Wheat Growers noted the following:

". . . Wheat growers have continuously been opposed to legislation mandating use of U.S.-flag vessels.

"Required use of U.S.-flag vessels is an indirect subsidy that raises costs to U.S. consumers, increases costs of agricultural production, processing and distribution of food.

"It is also very damaging to our efforts to reduce trade barriers, and to expand trade opportunities around the world."

By letter dated May 21st, the American Farm Bureau stated its opposition in the following manner:

"Enactment of this bill would adversely affect farmers and ranchers in two important ways:

"1. Higher farm production costs.

* * * * *

"2. Reduced export markets for agricultural commodities.

* * * * *

"Urban consumers also would be adversely affected. They would have to pay more for (1) the petroleum products they use themselves, (2) various consumer products for which the industrial use of petroleum products is a significant cost factor, and (3) U.S.

food and fiber produced in smaller quantities, at higher per unit costs as a result of shrinking export markets for agricultural commodities.

"Decreased expenditures by foreign buyers would lead not only to a further loss of markets for U.S. farmers and ranchers but also to a worsening of our international trade balance. Our net surplus in value of agricultural exports over agricultural imports now is the most favorable part of our national trade balance situation.

"We urge the Subcommittee on Merchant Marine of the Senate Committee on Commerce to reject in their entirety H.R. 8193, the 'Energy Transportation Security Act of 1974', and other bills with similar objectives."

Finally, by letter dated May 22nd, the National Grange expressed its position on the pending legislation as follows:

"The National Grange has always opposed the passage of legislation that would require a percentage of U.S. imports of crude oil and petroleum products to be carried on U.S.-flag vessels. It has so testified in Congressional hearings in the past. The late fuel oil crisis and continuing fuel shortage and cost escalation has in no way changed our views but, if anything, has intensified our convictions."

But, Mr. Chairman, the underlying issue which is not resolved in either of the pending bills is the question of who is to assume the burden of costs resulting from these bills. Is it to be all of the taxpayers under a direct subsidy type program, or is it to be the American consumers under an indirect subsidy through a cargo preference type program, or is it to be a combination of both, which is what would result from enactment of either S. 2089 or H.R. 8193. Both pending bills would permit a combination of government assistance, involving construction-differential subsidy, operating-differential subsidy in some instances, and cargo preference. However, not even those favoring enactment of the pending legislation are in accord on this point.

"For example, Mr. Alfred Maskin, Executive Director of the American Maritime Association (AMA), whose organization, I might add, raised the "double subsidy" issue in Docket No. S-244, has testified in the following manner before this Subcommittee:

"We turn now to the question of how the cost of this fleet should be borne.

"The first device to be considered, naturally, is the direct subsidy program offered under the Merchant Marine Act of 1970.

"We are not convinced, however, that this will provide the tanker fleet we need.

"First, at the statutory rate of construction subsidy, even taking into account that this will descend to 35% by 1976, the Government's share of the building program, which we estimate will cost some $10.4 billion, would run to some $3.6 billion or an average of $520 million a year.

"Not only is this more than twice the annual appropriation for *all* construction since F.Y. '71, but it would rise to an average of $750 million in the last three years of the program.

"Frankly, we have grave doubts that the Congress would be willing to appropriate, or the Administration to spend, such sums of money.

"Second, the Government's willingness to pay subsidy is only one side of the coin. The shipowner must also be ready to invest his own money, ..."

"Our essential point is that cargo is more critical to ship construction and operation than subsidies; and with respect to this legislation, cargo is the name of the game."

On the other hand, Mr. Michael R. Naess, Executive President of Zapata Corporation, submitted a statement for the hearing record of the House Committee on Merchant Marine and Fisheries in which he noted the following:

"If H.R. 8193 included a provision precluding tankers from ODS and CDS, we would oppose it vigorously, since under these circumstances our costs would be substantially higher than our foreign-flag competitors and we would have no choice but to pass along the difference to our customers. But no such provision appears. * * *"

"Now, if you assume that H.R. 8193 replaces CDS, the U.S.-flag operator therefore does without ODS and CDS, then the cost premium escalates drastically. Versus new foreign-flag ship, the premium rises 13-fold over what it was to 1.6c per gallon. And versus *old* foreign-flag ships, the U.S.-flag ships need a startling premium range from 2.3c to 3.2c per gallon. * * * *To further safeguard this possibility, and to ensure that cargo preference cannot be used to create an undue burden on the consumer, we would recommnd that the proposed bill be modified to extend the benefit of cargo preference exclusively to ships built with construction differential subsidy* * * *" (See hearings before House Committee on Merchant Marine and Fisheries, House of Representatives, Serial No. 93-26 at pages 725 and 727).

Mr. Chairman, I suggest that Mr. Naess knows whereof he speaks. Although Zapata Corporation now has no shipping investments, until July 1973 it did have a fleet consisting of over 40 tankers, bulk carriers and combination carriers, largely of Liberian and British registry.

2. Retaliation by the Arab Organization of Petroleum Exporting Countries (AOPEC):

Mr. Chairman, proponents of the pending legislation have advanced the argument that enactment of S. 2089 or H.R. 8193 would provide our nation with the security of having the necessary transport to carry needed oil to our country. But, I submit that this argument simply glosses over the fact that our major national security concern should be, and is with the interruption of oil at its source in foreign countries, rather than any major concern in interruptions in shipping due to the flag or ownership of vessels used in international oil trade. There is no avoiding the fact that this legislation would create a non-tariff trade barrier. And it will be of little avail if we have several million deadweight tons of tanker vessels under American registry and they arrive at the source of oil, be it Kuwait or Venezuela, only to have those nations refuse to load needed crude oil on our ships. The likelihood of such an event coming to pass is only heightened by the fact that most oil producing foreign nations presently are seeking to build and operate tanker vessels under their own national registry. We therefore could end up with a great deal of tanker tonnage constructed at the expense of both the American taxpayer and consumer, but with no oil for them to transport to our ports.

Mr. Chairman, to quote the late and distinguished Senator Dirksen, "It seems to me that we are confronted with teh issue of pork chops at 90 cents a pound or no pork chops at all!"

3. Unduly burdensome administrative problems:

Mr. Chairman, with respect to the issue of undue administrative problems, I foresee at least the following three concerning H.R. 8193:

(i) Determination of "fair and reasonable rates for United States-flag commercial vessels";

(ii) Administration of "fair and reasonable participation of United States-flag commercial vessels in such cargo by geographical areas"; and

(iii) Establishment of "reasonable classifications of persons and imports . . ."

With respect to the first problem area of determination of "fair and reasonable rates". Mr. Chairman, proponents of the pending legislation have been prone to argue that this determination provides relief insuring the availability of necessary tanker tonnage to provide for the uninterrupted flow of needed petroleum imports. This may prove to be correct to the extent to which the proponents quote the provision of the bill. Unfortunately, what they fail to indicate is that the bill specifies "fair and reasonable rates for *United States-flag commercial vessels*". This has significant cost import since fair and reasonable rates are not to be determined on the basis of "world scale", or in other words, world-wide competition, but rather with respect to those rates which are fair and reasonable in our own domestic tanker market, which as a general rule will be higher.

Additionally, Mr. Chairman, with respect to the determination of "fair and reasonable rates for United States-flag commercial vessels", the provision of the bill is silent with respect to whether this means fair and reasonable with respect to (i) company-owned tanker vessels?; (ii) tanker vessels on long-term bareboat or time charters?; or (iii) tanker vessels on spot charters? For this reason, Mr. Chairman, I suggest that this one determination alone has the potential for creating a bureaucratic morass.

But, then, Mr. Chairman, there also must be a determination to ensure "fair and reasonable participation of United States-flag commercial vessels in such cargoes by *geographical areas* . . ." To what geographical areas does this refer? Are there presently designated "geographical areas", and if so, where are they situated, and if not, is this a concept that is subject to change pursuant to administrative determination?

Mr. Chairman, although the "geographical areas" concept has been incorporated into the existing cargo preference requirement of section 901(b) of the Merchant Marine Act of 1936, as amended, it is my understanding that it has been the subject of a variety of administrative interpretations by agencies of the Executive Branch. However, whereas existing law is concerned principally with the *exportation* of government-financed cargoes, H.R. 8193 is concerned with *importation* of petroleum and petroleum products. How, then is the "geographical areas" concept to be applied? Is it to be applied to point of destination or point of origin? The difference could have a profound impact. Quite frankly from a parochial standpoint, I wonder whether it means that those of us situated in northern New England will be encountering another invidious quota program applicable, for example, to Canada if it is considered one of several "geographical areas".

The third and final problem area I foresee is the requirement that the Secretary of Commerce "establish reasonable classifications of persons and imports subject thereto . . ." This provision prompted Under Secretary of Commerce Tabor to make the following observation:

". . . the bureaucratic and legal quagmire certain to be encountered in the daily enforcement of cargo preference is explicit in the amendment. I am referring to the administrative and judicial remedies which are outlined for individuals seeking redress from alleged improper classification or treatment in implementing the provisions of the law.

"* * * I would be less than candid, however, if I did not acknowledge that a large administrative organization will have to be established to carry out those duties. * * *"

In this connection, Mr. Chairman, when Mr. Ruttenberg responded to written questions submitted to him by Congressman Clark concerning the determination of fair and reasonable rates for United States-flag commercial vessels, Mr. Ruttenberg made the following statement:

". . . if this clause is fully implemented by proper regulations, the government, presumably the Maritime Administration, could require full disclosure of cost and prices to enable determination of whether a rate is fair and reasonable. The consumer would thus be protected from overcharges, at least for that portion of oil which would be carried on U.S.-flag ships." (See hearings before the Committee on Merchant Marine and Fisheries, House of Representatives, Serial No. 93–26, at page 635).

My only observation in this regard, Mr. Chairman, is that it would appear that Mr. Ruttenberg's statement is premised upon the false assumption that the Maritime Administration will be regulating tanker vessel rates whereas in point of fact it will only be passing upon the fairness and reasonableness of such rates "for United States-flag commercial vessels". On the other hand, if Mr. Ruttenberg's regulatory premise is correct, then not only would it appear to be a duplication of the functions of the recently established Federal Energy Administration, but the Congress might be well advised to consider repeal of Reorganization Plan No. 7 of 1961 which transferred the regulatory functions from the then existing Federal Maritime Board to the Federal Maritime Commission, since for all intents and purposes we will be vesting in the Maritime Administration regulatory authority necessary to enable it to carry out functions under the pending legislation!

4. Domestic shipyard capability and inflationary impact:

Mr. Chairman, with respect to the issue of our domestic shipbuilding capability, I am reminded of the testimony of Mr. Howard F. Casey, Deputy Assistant Secretary for Maritime Affairs, before this very same Subcommittee on Merchant Marine on May 16, 1974 when testifying on the pending maritime authorization bill, S. 3319. On that occasion Mr. Casey made the following observation:

"Subsidized shipbuilding orders exceeding $2.5 billion have been generated by the 1970 Act. * * *

"As a result, the domestic shipbuilding industry today has underway the greatest peacetime shipbuilding boom in its history. * * * This backlog in terms of value is 3½ times as large as the 1970 orderbook, and is only exceeded by the crash shipbuilding programs of World Wars I and II. * * *"

Now, Mr. Chairman, the foregoing quote might be discounted by some as a self-serving declaration. But, I would like to quote from the Foreword to the 1973 Annual Report of the Shipbuilders Council of America which noted, in part, the following:

"Placement of contracts for naval vessels, merchant ships, oil drilling rigs, barges and other floating equipment produced an unprecedented peacetime backlog of work in U.S. shipyards valued at more than $6.5 billion.

"On the world scale of ship tonnage on order or under construction, the United States moved from tenth to eighth position.

"Federal appropriations in support of naval and merchant shipbuilding reached new highs for peacetime."

Finally, Mr. Chairman, in the magazine Fortune of May 1974, there was an article entitled "Fortune's Directory of the 500 Largest Industrial Corporations". Included with that article is a tabulation of the industry medians for return on stockholders' equity, and for 1973 the category entitled "Shipbuilding, railroad equipment, mobile homes" shows a return of 13.9%, which is even greater than the 13.4% recorded for the same period of time for the category of "Petroleum refining"!

Based upon the foregoing, I submit that one need not ponder very long as to why Under Secretary of Commerce Tabor, correctly in my opinion, observed the following:

"* * * If this bill becomes law, we can expect sharply increased prices for both the construction and operation of U.S.-flag tankers. * * * The 40 additional VLCCs required by 1977 would cost approximately 4.2 billion dollars at currently estimated prices—prices which do not include the anticipated shipyard price escalations."

Let us not therefore delude ourselves any further with respect to the potential cost impact of the pending legislation. Be it the American taxpayer through Federal subsidies, or the American consumer through increased product prices—and, I consider "taxpayer" and "consumer" to be synonymous—The citizens of this country are inevitably going to be called upon to bear the burden of any such increased cost.

5. Lack of demonstrated need:

Mr. Chairman, the next issue that causes concern to me is the apparent lack of a demonstrated need for a crash shipbuilding program for additional tanker tonnage when viewed in light of the present world-wide tanker construction. For example, Mr. Paul H. Riley, Deputy Assistant Secretary of Defense (Installations and Logistics) for Supply, Maintenance, and Services when testifying before the House Committee on Merchant Marine and Fisheries, made the following point:

In point of fact, total tonnage now in service, building or on order in world shipyards for delivery by 1977 may already be approaching the total tonnage which the world oil industry will require in 1980. There is, therefore, the likelihood of a surplus tanker supply and possibly depressed prices in coming years, particularly for large crude carriers.

"Under these conditions, forced employment of U.S.-flag tankers by oil importers would incur increases in transportation costs, which would, in turn, be reflected in higher domestic petroleum prices." (See hearings before the Committee on Merchant Marine and Fisheries, House of Representatives, Serial No. 93–266, at pages 174–175.)

"Well, our estimate is that by 1980, the world will need about 350 million dwt of tanker tonnage to satisfy its crude oil shipment requirement.

"We now have about 200 million dwt on hand. We now have on order or planned another 150 million, so that gets you to about your 350 million. * * *" (Ibid. at page 193)

In addition, Mr. Chairman, I request unanimous consent to insert at the conclusion of my statement a copy of an article appearing in the financial section of the *New York Times* of Sunday, April 14, 1974, predicting a similar potential surplus tonnage of tanker vessels.

Accordingly, Mr. Chairman, I am constrained to conclude that, notwithstanding the meritorious objectives of S. 2089 and H.R. 8193, the cost implications could make it foolhardy and unwarranted to embark upon a "crash" tanker vessel building program fueled by the pending legislation.

6. The legislation establishes a precedent for the extension of cargo preference requirements to other commodities:

Mr. Chairman, in examining the issue of precedent which the pending legislation will furnish, I firmly believe that all members of Congress should recognize that, if enacted the pending legislation will provide the first precedent for extension by statute of the United States of a government-mandated preference requirement for U.S.-flag vessels with respect to *commercial cargoes*. Certainly, it is a recognized fact that our nation is dependent upon other nations for the supply of raw materials, such as chrome ore. It is not inconceivable, Mr. Chairman, that once the entering wedge has been made by the pending legislation, there will be future efforts to extend this same commercial application or cargo preference to a multitude of other commodities, both for importation and exportation.

I have a very real fear that such an extension of the cargo preference requirement could very well come to pass, especially in light of testimony received before the House Committee on Merchant Marine and Fisheries.

For example, in response to certain questions submitted by Congressman Frank M. Clark, Mr. Alfred Maskin, Executive Director of the American Maritime Association responded in the following manner:

"*Question.* The government has never applied a preference requirement to commercial cargo. Now you are asking us to do it for oil. If for oil, why not for every type of commercial cargo?

"*Answer.* Well, I don't intend to make sweeping generalizations for that because I believe that circumstances surrounding the importation or exportation of any particular commercial commodity vary, and that whether or not we apply a preference requirement to any other commodity has to be decided on the merits of that particular case.

"Of course, we import many other bulk commodities besides oil—ores and other dry bulk commodities which are of strategic importance to the United States, and which again are being carried almost entirely by foreign-flag ships. *Off the top of my head, I can see no reason why a preference requirement should not be applied to these commodities, or to liquefied natural gas which we're just beginning to export.* * * *" (See hearings before House Committee on Merchant Marine and Fisheries, Serial No. 93–26, at pages 362–363)

Similarly when Mr. Shannon J. Wall, President of the National Maritime Union of American, AFL–CIO, appeared before the same House Committee, the following exchange occurred between he and Congressman DuPont:

"Mr. DuPont. Let me ask a second question.

"If this is good for all oil, why is it not good for chromite and Volkswagens, and Swiss watches?

"Why not require everything that comes into the United States to have 30 percent of it come in on American-flag ships?

"Mr. Wall. I think we have to take one step at a time. Let us see if we can get the 20 percent on the tankers.

"Mr. DuPont. So this is the first time you are coming up, and you intend to come back and ask us to extend it to other products?

"Mr. Wall. The United States is dependent on its importations from overseas, and *I would see no reason why all commodities could not be so treated.* * * *" (Emphasis supplied) (Ibid. at pages 408–409)

7. Creation of a captive, non-competitive market for U.S.-flag tanker vessels:

Mr. Chairman, when Under Secretary of Commerce Tabor testified before this Subcommittee on May 20th, one of his observations was as follows:

"I am opposed to the proposed legislation because it is contrary to our efforts to create a truly healthy and *competitive* fleet. A statutory requirement that commercial oil import cargo be carried in U.S.-flag bottoms would effectively abandon the concept that the U.S. Merchant Marine can become competitive in the international market place. * * *" (Emphasis supplied)

In a similar vein, the Assistant Secretary of Commerce for Maritime Affairs Robert J. Blackwell, testified in the following manner before the House Committee on Merchant Marine and Fisheries:

"In summary, I am opposed to oil cargo preference legislation for the following reasons:

"3. Cargo preference could introduce inefficiencies into the transportation of petroleum which, because of inflexible carriage requirements, may result in higher costs than would otherwise occur." (See hearings before Committee on Merchant Marine and Fisheries, House of Representatives, Serial No. 93–26 at page 27)

Now, Mr. Chairman, the foregoing observations have been made principally with respect to the pending legislation, S. 2089 and H.R. 8193. Unfortunately, I feel that the pending legislation cannot be so isolated and viewed solely with respect to its impact. Rather, it must be viewed in its total context, especially in relationship to existing cargo preference statutes applicable to government-financed generated cargoes.

When so viewed, I foresee the very real prospect that what we are accomplishing is simply extending seaward into the international market place a trade which could be subject to what will be, in effect, cabotage principles. For example, if H.R. 8193 is enacted, I can foresee the prospect of operators of U.S.-flag tanker vessels, which could be eligible for construction-differential subsidy, operating-differential subsidy, where applicable, and other Federal government benefits, engaging in a triangular trade from continental United States ports to, say, India, transporting grain subject to existing cargo preference requirements with attendant premium rates; making the very short voyage in ballast from India to the Persian Gulf to load crude oil subject to the preference requirements of H.R. 8193; then proceeding with such crude oil for discharge at a refinery in Rotterdam or the Bahamas; and then at such intermediate point under the same preference requirements of H.R. 8193, loading refined petroleum products for discharge at a port in the continental United States.

Thus, in the final analysis, Mr. Chairman, as a matter of simple business practice, I anticipate that, if the pending legislation is enacted, U.S.-flag tanker vessel operators will compete more and more with each other, and less and less with foreign-flag tanker operators. I seriously question the wisdom of pursuing this course of action.

8. Balance-of-payments benefit:

Now, Mr. Chairman, again the proponents of S. 2089 and H.R. 8193 have made much of the argument of the estimated benefit from enactment of this legislation to our balance-of-payments. However, I would hasten to point out that Dr. William A. Johnson, Special Assistant to the Deputy Secretary of Treasury testified before the House Committee on Merchant Marine with respect to this point in the following manner:

"If the present fleet configuration is maintained, the direct balance-of-payments outlay for the period 1976–80 would be $5.95 billion. If the fleet envisioned by H.R. 8193 were created, the outlay would be $4.41 billion, for an annual savings of $308 million. The total balance-of-payments savings of $315 million amount to only 3.4 percent of the 1972 balance-of-payments deficit.

"Let me stress, however, that *I think it highly unlikely that the United States would achieve $315 million in savings each year because of enactment of this bill.* No account is made for possible imitation by foreign countries. We have no idea for example, what the loss in U.S. shipping might be if foreign countries imposed similar restrictions on their imports or exports.

"Nor is it likely that the balance-of-payments savings would result only from a switch from foreign to U.S. tankers. As I have indicated, in the extremely tight crude oil and product market with which we are now confronted, the result of this bill, if enacted, would probably be reduced imports. Should this happen, *we may well have a substantially improved balance-of-payments position but at the cost of disruption to our economy and intensified fuel shortages for the American public. I do not think that the balance-of-payments savings are worth that price* or should be a primary consideration in the decision to enact this bill." (Emphasis supplied) (See hearing before the Committee on Merchant Marine and Fisheries, House of Representatives, Special No. 93–26 at page 211)

9. Another added Government benefit to our multi-faceted maritime program:

Mr. Chairman, I believe it is common knowledge that subsidy and subsidy-effect programs of the Federal Government have been a source of continual concern to the members of the Joint Economic Committee of the Congress. This concern has been reflected in several reports issued by the Joint Committee with respect to such programs. I share some of their concern, particularly in the case at hand, where we have legislation which constitutes yet another step in the proliferation of maritime promotion programs.

At the present time, Mr. Chairman, our maritime subsidy programs, be they direct or indirect, are becoming legion. They include for example, construction-differential subsidy, operating-differential subsidy, cargo preference requirements for government-financed cargoes, cabotage laws to protect our coastwise trade, sale and exchange of vessels, low interest vessel mortgage insurance, war risk insurance, and tax benefits through a special construction reserve fund in which U.S.-flag operators may deposit tax-deferred funds. In addition, it is my understanding that the Department of Defense also has a "build and charter" program for "handy size tanker to deliver [sic. petroleum] products to military forces ashore in time of war."

Now, on top of all of this, Mr. Chairman, S. 2089 and H.R. 8193 under the misleading title of the "Energy Transportation Security Act of 1974" are being promoted as yet another benefit to be added to the existing multi-million dollar programs for our maritime industry. As I observed at the beginning of my statement , Mr. Chairman, I supported actively the enactment of the Merchant Marine Act of 1970. But, I believe that at a certain point Congress must call a halt and say, "Enough is enough!",

Also, Mr. Chairman, I understand that in the course of earlier hearings conducted by your Subcommittee on the pending legislation, you frequently have noted that the resistance of the major oil companies to this legislation has been due to the fact that such companies do not wish to deal with American labor. I am not here to defend or espouse the position of the major oil companies. Since the major oil companies own most of the tanker tonnage, I view the present legislation as a proposition in which "heads they win, or tails they win". The people who are really going to be hurt by enactment of the pending legislation are small independent refineries who must compete with the major oil companies.

For example, I understand that United Refining Company of Warren, Pennsylvania, has, or will express opposition to the pending legislation indicating that, if H.R. 8193 is enacted, its only recourse would be to *export* refined foreign oil to European markets where it would be able to recoup its costs for such higher priced foreign oil. If so, Mr. Chairman, then we may face the unique situation of experiencing not a flight of American capital, but rather a flight of American petroleum products, which are badly needed for the continued operation of our industrial society.

Now, insofar as concerns your observation concerning the desire of the major oil companies to avoid bargaining with American labor, I can only note that within this very Congress our Committee on Commerce held hearings and ordered reported without recommendation the bill, S. 1566, bearing the short title of the "Hawaii and United States Pacific Islands Surface Commerce Act of 1974". The purpose of S. 1566 is to provide for the normal flow of ocean commerce between Hawaii, Guam, American Samoa, or the trust territory of the Pacific Islands, and the West Coast and to prevent certain interruption, such as labor strikes. As one of the principal sponsors of this legislation observed in his opening statement:

"* * * This measure was the culmination of efforts to formulate a reasonable legislative approach to solving Hawaii's most pressing problem—our unique vulnerability to surface transportation stoppages involving the west coast Hawaii trade.

"With 99 percent of our trade by weight arriving by ship or barge and with some 90 percent of our imported food products dependent on west coast-Hawaii shipping the need for relief can be clearly shown."

Yet, Mr. Chairman, these same areas so highly dependent on imported oil may very well be confronting yet another vehicle for disruption of commerce so vital to us. As Under Secretary of Commerce Tabor observed at the opening day of hearings on pending legislation, "Hawaii, for example, imports from abroad virtually all the oil it consumes. Hawaiian consumers will therefore share with consumers on the East Coast the heaviest burden of cost of this bill."

In conclusion, Mr. Chairman, I should like to quote from an editorial of October 16, 1973, which appeared in the *Journal of Commerce* concerning the pending legislation, and which I should like to include in its entirety at the end of my statement. In that editorial entitled "A Double Tanker Subsidy?" the following observation was made:

"* * * A form of special assistance, once given to meet special circumstances, is invariably regarded by its beneficiaries as a God-given right and a permanent feature of their economic environment.

"Moreover, we suspect that once Congress specifies that a certain proportion of oil cargoes move in U.S. ships the minimum won't stay long as 30 per cent and may not long be limited to oil. * * *"

And I might add that the pending bills provide a minimum, *not* a ceiling, percentage of carriage requirement (i.e., "at least") that could even be increased *administratively* without any further Congressional action whatsoever!

Mr. Chairman, S. 2089 and H.R. 8193 are both highly improvident legislative measures. If we are to have any energy transportation security as suggested by the short title of H.R. 8193, then this legislation should be and must be soundly rejected!

[From the New York Times, Apr. 14, 1974]

WHAT TO DO WITH ALL THOSE TANKERS

(By Christopher Hayman)

LONDON.—According to the professionals, the outlook for the world tanker market is grisly indeed.

The world's tanker fleet amounted to 212 million tons, deadweight (carrying capacity), as of the start of the year. By the second half of next year, there will be a surplus of 48 million tons—or 58 million should the Suez Canal be reopened—says Eggar Forester, London shipbrokers.

There are 3,293 ships in the present fleet. Somebody is going to have to be using 141 more tankers each year until 1978 just to accommodate the tonnage on order now, says the Royal Dutch/Shell oil group.

All in all, it would be a brave man who was not looking for a surplus fleet of some kind.

That said, however, one must note the dangers of making any firm prophecies, given the volatile nature of tankering.

Even by its own standards, the business has been excelling itself for virtuosity in recent months. When the embargoes on oil shipments were announced by Arab states in the fall, the index of charter rates skipped from Worldscale 350 to 420, then dropped on a single black day in October from 420 to

80. The index did recover temporarily to around 200, but has plunged again to the 80 level where it now rests.

The imponderables, in fact, abound despite an assumption of a return to more normal shipping patterns.

The future of Suez is an obvious one. The chairman of the canal authority has put forth a reopening program that would make the waterway available to 60,000 tonners by the end of this year, for 150,000 tonners three years later and for 250,000 tonners after another three.

Reopening, agreed to in an unpublished portion of the Jan. 18 disengagement accord between Egypt and Israel, has the financial and technical support of the British, Japanese and Americans. It has been estimated that opening would reduce demand for tankers by 5 per cent. But there are problems.

When the 100-mile canal was closed down in the 1967 Middle East war, it could take 60,000 ton tankers and was 38 feet deep. Siltage, wrecks and tons of unexploded munitions have severely eroded that capacity and to take a laden 200,000 tonner, the canal would have to be deepened to 68 feet—at the cost of billions of dollars.

Two-thirds of the canal's well-over $200-million of revenues in 1966, the last full year of operation, came from oil traffic—at 90 cents a ton, laden. Eight inflationary years and huge cleaning-up costs later, the balance of toll revenue needed versus oil's willingness to pay is out of phase. So is any guess as to what sort and how much traffic the canal would attract.

Another problem is to assess American crude imports for the remainder of the decade, given the United States, "Operation Independence." The Federal Energy Office's latest report supports the view that self-sufficiency may be achievable by 1980. There could be a big increase in American imports between now and 1977–78, but no one is sure whether reduced demand for energy sources generally may take hold.

The impact of offshore exploration on tanker demand is easier to predict, but not much so. Distances from the terminal to the refinery may shrink from historical norms—in the case of the North Sea, for example. According to one guess, if the North Sea is producing 3 million barrels a day by 1980 the demand for tankerage would be cut by 25 million deadweight tons from what would be needed to move the same amount of oil to consumers from the Persian Gulf.

On the supply side, meanwhile, there is already a massive amount of tonnage on order—152 million deadweight tons of above-200,000-ton tankers alone at the turn of the year and about 200 million tons in all.

These are signs that, while contracting has fallen off very sharply in the last three months, oil producing countries, particularly the Arabs, are beginning to catch the bug and order ships. Contracting has come not just from national tanker companies such as those in Iraq and Libya, but also from the Arab Maritime Petroleum Transportation Company, sponsored by the Organization of Petroleum Exporting Countries. Eight participating nations funded the maritime company at $500-million, and it has ultra-large crude carriers and shows signs of ordering more.

For independent tanker owners particularly, there is a hope that the Arabs will supplement their fleet by buying into existing tanker contracts rather than continuing to order fresh tonnage of their own. But it can only be called a hope.

There are a few brighter spots in the picture. With bunker, or fuel, costs showing little sign of easing after more than doubling in the wake of the Middle East war, there is a strong temptation for owners to run their ships at reduced speeds, meaning more tankers used for moving a given amount of oil. For a 16-knot tanker, a reduction of speed of one knot means a bunker saving of 16 per cent.

Also if the projected increase in demand for coal creates a bigger demand for dry-bulk ships, the so-called combination carriers, such as ore-oil carriers, could move into the dry trades, thus acting as a safety valve on the tanker market.

Concerning the size of the ship needed, one crucial factor is the fate of the bill to authorize construction of a United States East Coast deep water oil terminal, capable of accommodating very large crude carriers. The upper limit for tankers serving the coast at present is 80,000 deadweight tons. If the proposal for offshore terminals to handle ships of up to 250,000 tons gets Congressional approval, size patterns would be radically affected.

And size is no small consideration, given that building one of those 250,000-tonners will run you perhaps $60-million at present. Furthermore, only about 15 per cent of any building order is contracted at a fixed rate, allowing for subsequent adjustments to reflect currency shifts and, perhaps, inflation.

Another important element would be the development of refineries in Arab lands, an increasingly popular plan, which would shift shipping needs from bulk crude toward more specalized products.

In any case, a large chunk of the world's product carrier fleet is about to reach the end of its economic life, and there is an opportunity now to radically alter size patterns.

The prospects are certainly blighted for the independent tanker owners, which account for 141 million of the 212 million-ton total world fleet. The increase in bunker fuel costs alone has meant that the break-even point for a spot tanker voyage has climbed to around 50 on the charter rate index from the traditional 30 for a very large crude carrier.

Inflation and the currency situation are pinpointed as the chief threats by the International Association of Independent Tanker Owners, or Intertanko, which represents about 70 per cent of all independently owned tonnage.

Last December, an Intertanko working party found special measures were required to rescue those owners trapped into long-term charter agreements at rates set before the fluctuations that followed the adoption of floating currency rates.

Some 30 per cent of the world fleet is on such long-term, or more than 12-month lease, the remainder being divided among single-voyage charters (20 percent), oil company tonnage and less-than-12-month leasing.

Although some major European oil companies have begun making offsetting payments for currency losses, some observers interpret the institutionalizing of the uncertainties inherent in a world-wide float as posing a threat to the whole future of long-term chartering.

And the clear signs of an imminent overtonnaging situation catch many quite small-time operators faced with taking delivery of ultra large crude carriers in 1976–77 that they may have difficulty in employing.

[From the Journal of Commerce and Commercial, New York, (N.Y.), Oct. 16, 1973]

A DOUBLE TANKER SUBSIDY?

There is a very good reason why Congress should think a long time before voting to aid one section of the business community by restricting another. It is that no matter how urgent the need for aid may seem at the time, the restriction is almost sure to outlast a complete reversal of the conditions that brought it into being.

The same, unfortunately, is too often true of subsidies, whether direct or indirect. One only need cite the difficulty the administration had in paring farm support payments at a time food prices were skyrocketing; or the difficulty others had in convincing the administration that import quotas on oil, meats, dairy products and the like should be dropped in similar circumstances. Other examples could be cited, but these should suffice to make the point that gets so little notice in Congress when proposals to give some group a helping hand take legislative form. A form of special assistance, once given to meet special circumstances, is invariably regarded by its beneficiaries as a God-given right and a permanent feature of their economic environment.

In our view, this consideration alone should be enough to deter Congress from enacting legislation requiring that a specific proportion of petroleum and petroleum products imported into this country be carried in tankers of American registry. After all, if it was folly for the administration to restrict oil imports when prices were already rising and shortages growing, what could be said of legislation that would force petroleum prices still higher?

The administration has already said it. The Department of State, the Interior Department and Maritime Administrator Robert J. Blackwell have already stated their opposition to the idea, and more (the Department of Defense among them) may have done so by the time these lines appear.

But 200 members of the House have other ideas. They are backing a bill requiring that 20 per cent of all imported petroleum and products be moved in American tankers at the start of the program. By 1977 this minimum would have been raised in stages to 30 per cent. Also supporting the bill, not surprisingly, is a coalition of business interests that want to operate the tankers and the maritime unions that want jobs for their members.

Also behind this move is a rationale that strikes us as curious. It is the outgrowth of a relatively new tanker subsidy program which is large enough, on the basis of Mr. Blackwell's estimates, to enable the U.S. operators to haul about 18 per cent of the 12 million barrels expected to be coming into this country daily by 1980, and by 1985 perhaps 20 per cent of an expected daily inflow of 15 million barrels.

Now note the thought processes at work. The subsidy program by itself promises the operators only 15 to 20 percent of the business from seven to a dozen years from now. The operators and the unions want more, and they want it a lot sooner. But the subsidy program cannot be easily enlarged without running afoul of the Office of Management and Budget or perhaps even the House Appropriations Committee.

What could be more attractive, then, than the idea of shifting the extra burden from the Treasury to the importer? Because American ships are costly to run, their charges in trades such as this are relatively high. But the importers will have no choice but to pay them for at least 20 to 30 per cent of what they get from overseas.

It goes without saying, of course, that importers paying artificially inflated rates for nearly a third of their oil, and averaging these out through the remainder of their price structure, will pass the increases on to a public already fearful of future shortages in gasoline, heating oil and other products. And thus will the public subsidize not only the construction program now authorized, but the explanded plans of the operators and unions.

Mr. Blackwell's arguments against this are several and valid. He would view it, he said, as "an admission that the administration's new mritime program has failed and . . . that the U.S. merchant marine can never become competitive in the international market."

Yes, it would. But it would be more than that. It would be a move to accomplish by indirect means what cannot presently be accomplished by direct means. Moreover, we suspect that once Congress specifies that a certain proportion of oil cargoes move in U.S. ships the minimum won't stay long as 30 per cent and may not long be limited to oil. Does anyone seriously doubt that there will be constant pressure to raise it? Have we forgotten the farm parities?

BIG THICKET NATIONAL PRESERVE, TEX.

Mr. BIBLE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 11546.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

H.R. 11546, to authorize the establishment of the Big Thicket National Preserve, in the State of Texas, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 2, line 1, after the word "dated", strike out "November 1973" and insert "May 1974"; at the beginning of line 2, strike out "NBR–BT 91027" and insert "NBR–BT 91,030"; on page 4, line 10, after the semicolon, insert "and Big Sandy-Village Creek Unit, Hardin County, Texas, comprising approximately fifteen thousand four hundred and fifty acres."; on page 5, after line 12, strike out:

SEC. 2. (a) Effective six months after the date of the enactment of this Act or at such time as the Secretary publishes the detailed description of the boundaries of the preserve in the Federal Register as required by subsection 1(b) of this Act, whichever is earlier, there is hereby vested in the United States all right, title, and interest in, and the right to immediate possession of, all real property, except the mineral estate, lands or interests in lands owned by the State of Texas or its political subdivisions, or existing easement for public utilities, pipelines, and railroads, and except as provided in subsection (c) of this section. The Secretary shall allow for the orderly termination of all operations on real property acquired by the United States under this subsection, and for the removal of equipment, facilities, and personal property therefrom.

(b) The United States will pay just compensation to the owner of any real property taken by subsection (a) of this section and the full faith and credit of the United States is hereby pledged to the payment of any judgment entered against the United States pursuant to the provisions of this Act. Payment shall be made by the Secretary of the Treasury from moneys available and appropriated from the Land and Water Conservation Fund, subject to the appropriation limitation contained in section 6 of this Act, upon certification to him by the Secretary of the agreed negotiated value of such property, or the valuation of the property awarded by judgment, including interest at the rate of 6 per centum per annum from the date of taking to the date of payment therefor. Any action against the United States for just compensation for any lands or interests taken pursuant to this subsection shall be brought in the district court of the United States for the district in which such property is situated. In the absence of a negotiated agreement or an action by the owner within one year after the date of enactment of this Act, the Secretary may initiate proceedings at any time seeking a determination of just compensation in the district court of the United States for the district in which the property is situated. In the event that the Secretary determines that fee title to any lands taken pursuant to this provision is not necessary for the purposes of this Act, he may, with the concurrence of the former owner, revest title in such lands to such owner subject to such terms and conditions as he deems appropriate to carry out the purposes of this Act and he may compensate the owner for no more than the fair market value of the rights so reserved: *Provided*, That the Secretary shall not revest title to any lands for which just and full compensation has been paid.

(c) This section shall not apply to any improved property as defined in subsection 3 (b) of this Act: *Provided*, That the Secretary may, in his discretion, initiate eminent domain proceedings if, in his judgment, such lands are subject to, or threatened with, uses which are or would be detrimental to the purposes and objectives of this Act. The district court of the United States for the district in which such property is situated shall have jurisdiction to hear evidence and determine just compensation for any lands taken pursuant to the provisions of this subsection.

On page 7, at the beginning of line 21, change the section number from "3" to "2"; on page 10, at the beginning of line 22, change the section number from "5" to "4"; and on page 11, at the beginning of line 7, change the section number from "6" to "5".

Mr. BIBLE. Mr. President, I ask unanimous consent that Jim Beirne, the staff assistant handling parks and recreation areas, be granted the privilege of the floor on the pending bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, I ask unanimous consent during consideration of H.R. 11546 and all amendments thereto, that Melanie McCoy of my staff be permitted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, I ask unanimous consent that a member of my staff, Tim Furlong, be granted the privilege of the floor during debate on the pending bill and any amendments thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIBLE. Mr. President, I now yield to the distinguished Senator from Utah (Mr. Moss).

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION—CONFERENCE REPORT

Mr. MOSS. Mr. President, I submit a report of the committee of conference on H.R. 13998, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. NUNN). The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13998) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report which reads as follows:

CONFERENCE REPORT (S. REPT. No. 93–886)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13998) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That there is hereby authorized to be appropriated to the National Aeronautics and Space Administration:

(a) For "Research and development," for the following programs:

(1) Space Shuttle, $805,000,000;

(2) Space flight operations, $313,300,000;

(3) Advanced missions, $1,500,000;

(4) Physics and astronomy, $140,515,000;

(5) Lunar and planetary exploration, $266,000,000;

(6) Launch vehicle procurement, $143,500,000;

(7) Space applications, $196,300,000 of which $2,000,000 is designated for research on Short Term Weather Phenomena; and $1,000,000 is designated for research on ground propulsion systems;

(8) Aeronautical research and technology, $171,500,000;

(9) Space and nuclear research and technology, $79,700,000, of which $1,000,000 is designated for research on hydrogen production and utilization systems;

(10) Tracking and data acquisition, $250,000,000;

(11) Technology utilization, $5,500,000;

(b) For "Construction of facilities," including land acquisition, as follows:

(1) Addition to flight and guidance simulation laboratory, Ames Research Center, $3,660,000;

(2) Rehabilitation and modification of science and applications laboratories, Goddard Space Flight Center, $890,000;

(3) Modifications for fire protection and safety, Goddard Space Flight Center, $1,220,000;

(4) Acquisition of land, Jet Propulsion Laboratory, $150,000;

(5) Addition to systems development laboratory, Jet Propulsion Laboratory, $4,880,000;

(6) Addition for integrated systems testing facility, Jet Propulsion Laboratory, $3,790,000;

(7) Modification of water supply system, Lyndon B. Johnson Space Center, $935,000;

(8) Modification of 6,000 pounds per square inch air storage system, Langley Research Center, $515,000;

(9) Rehabilitation of 16-foot transonic wind tunnel, Langley Research Center, $2,990,000;

(10) Modification of propulsion systems laboratory, Lewis Research Center, $2,580,000;

(11) Modification of rocket engine test facility, Lewis Research Center, $660,000;

(12) Construction of X-ray telescope facility, Marshall Space Flight Center, $4,060,000;

(13) Modification of beach protection system, Wallops Station, $1,370,000;

(14) Construction of infrared telescope facility, Mauna Kea, Hawaii, $6,040,000;

(15) Modifications for fire protection and safety at various tracking and data stations, $1,430,000;

(16) Space Shuttle facilities at various locations as follows:

(A) Construction of Orbiter landing facilities, John F. Kennedy Space Center, $15,880,000;

(B) Construction of Orbiter processing facility, John F. Kennedy Space Center, $13,380,000;

(C) Modifications to launch complex 39, John F. Kennedy Space Center, $37,690,000;

(D) Modifications for dynamic test facilities, Marshall Space Flight Center, and National Aeronautics and Space Administration Industrial Plant, Downey, California, $3,920,000;

(E) Construction of Orbiter horizontal flight test facilities, Flight Research Center, $3,940,000;

(F) Modifications for crew training facilities, Lyndon B. Johnson Space Center, $420,000;

(G) Modification of the vibration and acoustic test facility, Lyndon B. Johnson Space Center, $410,000;

(H) Construction of materials test facility, White Sands Test Facility, $790,000;

(I) Modifications for solid rocket booster structural test facilities, Marshall Space Flight Center, $2,590,000;

(17) Rehabilitation and modification of facilities at various locations, not in excess of $500,000 per project, $14,900,000;

(18) Minor construction of new facilities and additions to existing facilities at various locations not in excess of $250,000 per project, $4,500,000;

(19) Facility planning and design not otherwise provided for, $10,900,000.

(c) For "Research and program management," $749,624,000, and such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

(d) Notwithstanding the provisions of subsection 1(g), appropriations for "Research and development" may be used (1) for any items of a capital nature (other than acquisition of land) which may be required at locations other than installations of the Administration for the performance of research and development contracts, and (2) for grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities, and title to such facilities shall be vested in the United States unless the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to insure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for "Research and development" pursuant to this Act may be used in accordance with this subsection for the construction of any major facility, the estimated cost of which, including collateral equipment, exceeds $250,000, unless the Administrator or his designee has notified the Speaker of the House of Representatives and the President of the Senate and the Committee on Science and Astronautics of the House of Representatives and the Committee on Aeronautical and Space Sciences of the Senate of the nature, location, and estimated cost of such facility.

(e) When so specified in an appropriation Act, (1) any amount appropriated for "Research and development" or for "Construction of facilities" may remain available without fiscal year limitation, and (2) maintenance and operation of facilities, and support services contracts may be entered into under the "Research and program management" appropriation for periods not in excess of twelve months beginning at any time during the fiscal year.

(f) Appropriations made pursuant to subsection 1(c) may be used, but not to exceed $35,000, for scientific consultations or extraordinary expenses upon the approval or authority of the Administrator and his determination shall be final and conclusive upon the accounting officers of the Government.

(g) Of the funds appropriated pursuant to subsections 1(a) and 1(c), not in excess of $10,000 for each project, including collateral equipment, may be used for construction of new facilities and additions to existing facilities, and not in excess of $25,000 for each project, including collateral equipment, may be used for rehabilitation or modification of facilities: Provided, That of the funds appropriated pursuant to subsection 1(a), not in excess of $250,000 for each project, including collateral equipment, may be used for any of the foregoing for unforeseen programmatic needs.

(h) The authorization for the appropriation to the National Aeronautics and Space Administration of $10,900,000, which amount represents that part of the authorization provided for in section 1(b)(12)(I) of the National Aeronautics and Space Administration Authorization Act, 1974, for which appropriations have not been made, shall expire on the date of the enactment of this Act.

SEC. 2. Authorization is hereby granted whereby any of the amounts prescribed in paragraphs (1) through (8), inclusive, of subsection 1(b) may, in the discretion of the Administrator or his designee, be varied upward 10 per centum to meet unusual cost variations, but the total cost of all work authorized under such paragraphs shall not exceed the total of the amounts specified in such paragraphs.

SEC. 3. Not to exceed one-half of 1 per centum of the funds appropriated pursuant to subsection 1(a) hereof may be transferred to the "Construction of facilities" appropriation, and, when so transferred, together with $10,000,000 of the funds appropriated pursuant to subsection 1(b) hereof (other than funds appropriated pursuant to paragraph (19) of such subsection) shall be available for expenditure to construct, expand, or modify laboratories and other installations at any location (including locations specified in subsection 1(b)), if (1) the Administrator determines such action to be necessary because of changes in the national program of aeronautical and space activities or new scientific or engineering developments, and (2) he determines that deferral of such action until the enactment of the next Authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities. The funds so made available may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No portion of such sums may be obligated for expenditure or expended to construct, expand, or modify laboratories and other installation unless (A) a period of thirty days has passed after the Administrator or his designee has transmitted to the Speaker of the House of Representatives and to the President of the Senate and to the Committee on Science and Astronautics of the House of Representatives and to the Committee on Aeronautical and Space Sciences of the Senate a written report containing a full and complete statement concerning (1) the nature of such construction, expansion, or modification, (2) the cost thereof including the cost of any real estate action pertaining thereto, and (3) the reason why such construction, expansion, or modification is necessary in the national interest, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

SEC. 4. Notwithstanding any other provision of this Act—

(1) no amount appropriated pursuant to this Act may be used for any program deleted by the Congress from requests as originally made to either the House Committee on Science and Astronautics or the Senate Committee on Aeronautical and Space Sciences.

(2) no amount appropriated pursuant to this Act may be used for any program in excess of the amount actually authorized for that particular program by sections 1(a) and 1(c), and

(3) no amount appropriated pursuant to this Act may be used for any program which has not been presented to or requested of either such committee,

unless (A) a period of thirty days has passed after the receipt by the Speaker of the House of Representatives and the President of the Senate and each such committee of notice given by the Administrator or his designee containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

SEC. 5. It is the sense of the Congress that it is in the national interest that consideration be given to geographical distribution of Federal research funds whenever feasible, and that the National Aeronautics and Space Administration should explore ways and means of distributing its research and development funds whenever feasible.

SEC. 6. Section 203(b)(9) of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2473(b)(9)), is amended to read as follows:

"(9) to obtain services as authorized by section 3109 of title 5, United States Code, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18;".

SEC. 7. The National Aeronautics and Space Administration is authorized, when so provided in an appropriation Act, to enter into a contract for tracking and data relay satellite services. Such services shall be furnished to the National Aeronautics and Space Administration in accordance with applicable authorization and appropriation Acts. The Government shall incur no costs under such contract prior to the furnishing of such services except that the contract may provide for the payment for contingent liability of the Government which may accrue in the event the Government should decide for its convenience to terminate the contract before the end of the period of the contract. Title to any facilities which may be required in the performance of the contract and constructed on Government-owned land shall vest in the United States upon the termination of the contract. The Administrator shall in January of each year report to the Committee on Science and Astronautics and the Committee on Appropriations of the House of Representatives and the Committee on Aeronautical and Space Sciences and the Committee on Appropriations of the Senate the projected aggregate contingent liability of the Government under termination provisions of any contract authorized in this section through the next fiscal year. The authority of the National Aeronautics and Space Administration to enter into and to maintain the contract authorized hereunder shall remain in effect as long as provision therefor is included in Acts authorizing appropriations to the National Aeronautics and Space Administration for subsequent fiscal years.

SEC. 8. This Act may be cited as the "National Aeronautics and Space Administration Authorization Act, 1975".

And the Senate agree to the same.

FRANK E. MOSS,
JOHN C. STENNIS,
HOWARD W. CANNON,
BARRY GOLDWATER
CARL T. CURTIS,
Managers on the Part of the Senate.
OLIN TEAGUE,
KEN HECHLER,
DON FUQUA,
J. W. SYMINGTON,
CHARLES A. MOSHER,
ALPHONZO BELL,
JOHN W. WYDLER,
Managers on the Part of the House.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13998) to authorize appropriations to the National Aeronautics and Space Administration for FY 1975 for research and development, construction of facilities, and research and program management submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The NASA request for Fiscal Year 1975 totaled $3,247,129,000. The House authorized $3,259,084,000, and the Senate amendment authorized $3,267,229,000. The committee of conference agrees to a total authorization of $3,266,929,000, as follows:

CONGRESSIONAL ADJUSTMENTS TO NASA FISCAL YEAR 1975 BUDGET REQUEST

	Budget request	House	Senate	Committee of conference
Research and development:				
Space Shuttle	$800, 000, 000	$820, 000, 000	$800, 000, 000	$805, 000, 000
Space flight operations	323, 300, 000	308, 300, 000	318, 300, 000	313, 300, 000
Advanced missions	1, 500, 000	1, 500, 000	1, 500, 000	1, 500, 000
Physics and astronomy	140, 515, 000	140, 515, 000	140, 515, 000	140, 515, 000
Lunar and planetary exploration	266, 000, 000	266, 000, 000	264, 000, 000	266, 000, 000
Launch vehicle procurement	140, 500, 000	140, 500, 000	143, 500, 000	143, 500, 000
Space applications	177, 500, 000	179, 500, 000	200, 500, 000	196, 300, 000
Aeronautical research and technology	166, 400, 000	170, 655, 000	171, 500, 000	171, 500, 000
Space and nuclear research and technology	74, 800, 000	80, 500, 000	74, 800, 000	79, 700, 000
Tracking and data acquisition	250, 000, 000	250, 000, 000	250, 000, 000	250, 000, 000
Technology utilization	5, 500, 000	5, 500, 000	5, 500, 000	5, 500, 000
Total	2, 346, 015, 000	2, 362, 970, 000	2, 370, 115, 000	2, 372, 815, 000
Construction of facilities	151, 490, 000	146, 490, 000	147, 490, 000	144, 490, 000
Research and program management	749, 624, 000	749, 624, 000	749, 624, 000	749, 624, 000
Grand total	3, 247, 129, 000	3, 259, 084, 000	3, 267, 229, 000	3, 266, 929, 000

The points in disagreement and the conference resolution of them are as follows:

1. The House authorized $820,000,000 for the Space Shuttle program, adding $20,000,000 to the NASA request.

The Senate authorized $800,000,000.

The Conference substitute authorizes $805,000,000.

The Conference agreement recognizes that funds have been utilized from the program management reserve to solve the unanticipated technical difficulties encountered in the preparation of the Santa Susana test facilities to support Space Shuttle main engine component and subsystem development testing.

2. The House authorized $308,300,000 for the Space Flight Operations program.

The Senate authorized $318,300,000.

The Conference substitute authorizes $313,300,000 for this program.

The Conference substitute is a reduction of $10,000,000 from the NASA request and both Houses were in agreement that $5,000,000 of this reduction is to be made against the Apollo-Soyuz Test Project. The Committee of Conference agrees that the additional $5,000,000 reduction in the NASA request contained in the Conference substitute is to be taken from Development, Test and Mission Operations authorization provided, however, none of the reduction is to be applied against the supporting activities at the Mississippi Test Facility.

3. The House approved $266,000,000, the NASA request, for the Lunar and Planetary Exploration program.

The Senate authorized $264,000,000.

The Committee of Conference adopts the House position authorizing $266,000,000 for this program.

4. The House authorized $140,500,000 for the Launch Vehicle Procurement program, the amount of the NASA request.

The Senate authorized $143,500,000 for this program, an increase of $3,000,000 to initiate procurement of the Delta launch vehicle to be used to launch the ERTS–C spacecraft.

The Committee of Conference adopts the Senate position.

5. NASA requested $177,500,000 for the Space Applications program. The House authorized $179,500,000, an increase of $2,000,000, and specifically designated in the bill that $2,000,000 of the authorized funds are to be used for research on short-term weather phenomena, $2,000,000 for research on hydrogen production and utilization systems, and $1,000,000 for research on ground propulsion systems.

The Senate authorized $200,500,000, adding $23,000,000 to the request—$13,000,000 to initiate the ERTS–C spacecraft, $6,000,000 for additional energy research, $2,000,000 for research on short-term weather phenomena, and $2,000,000 for ERTS data processing activities.

The Conference substitute authorizes $196,300,000 for this program and designates $2,000,000 for research on short-term weather phenomena and $1,000,000 for research on ground propulsion systems.

The Committee of Conference agrees that NASA should initiate promptly the ERTS–C spacecraft project and should apply added resources to its energy research and development activities including the solar satellite power station study.

6. NASA requested $166,400,000 for Aeronautical Research and Technology.

The House authorized $170,655,000, an increase of $4,255,000 for additional effort in selected areas of aeronautical research.

The Senate authorized $171,500,000, an increase of $5,100,000 in the NASA request, with generally similar objectives to those of the House.

The Conference substitute adopts the Senate position.

7. The House authorized $80,500,000 for the Space and Nuclear Research and Technology program, increasing the NASA request $5,700,000 for coal and other energy-related research.

The Senate authorized $74,800,000, the amount of the NASA request.

The Conference substitute authorizes $79,700,000, designating $1,000,000 for research on hydrogen production and utilization systems.

The Conferees agree that $3,900,000 of the additional authorization is to be applied to coal-related research.

8. The House authorized $10,040,000 for an optimized infrared telescope facility to be constructed at Mauna Kea, Hawaii.

The Senate authorized $6,040,000 for this facility as requested by NASA.

The Conference substitute adopts the Senate position.

9. NASA requested $42,690,000 for modifications to Launch Complex 39, John F. Kennedy Space Center, to accommodate the Space Shuttle.

The House authorized $35,690,000 for this project, a reduction of $7,000,000.

The Senate authorized $42,690,000.

The Conference substitute authorizes $37,690,000.

10. The House authorized $3,940,000 for the construction of orbiter horizontal flight test facilities at the Flight Research Center, an increase of $2,000,000 above the NASA request to provide a capability for long-term aeronautical research.

The Senate authorized $1,940,000 for this facility.

The Conference substitute adopts the House position.

11. The House authorized a lump sum amount of $77,020,000 for Item 16. Section 1(b) for the several projects authorized for the Space Shuttle program.

The Senate authorized each individual Shuttle project with a specified amount therefor in lieu of a lump sum total for all projects.

The Conference substitute adopts the Senate position.

12. The House inserted Section 1(h) in the bill rescinding $10,900,000 of FY 1974 authorization for the construction of Orbiter landing facilities at the John F. Kennedy Space Center.

The Senate did not include a comparable provision in its action on this bill.

The Committee of Conference adopts the House position.

13. The Committee of Conference adopts the House position opposing the NASA proposal to place the Plum Brook Station in a standby mode and considers that every effort should be made to maintain this facility in a minimum operating condition so as to continue to provide support for NASA and other associated research activities for at least one year.

FRANK E. MOSS,
JOHN C. STENNIS,
HOWARD W. CANNON,
BARRY GOLDWATER,
CARL T. CURTIS,
Managers on the Part of the Senate.
OLIN TEAGUE,
KEN HECHLER,
DON FUQUA,
J. W. SYMINGTON,
C. A. MOSHER,

ALPHONZO BELL,
JOHN W. WYDLER,
Managers on the Part of the House.

Mr. MOSS. Mr. President, I move adoption of the conference report.

The motion was agreed to.

BIG THICKET NATIONAL PRESERVE, TEX.

The Senate continued with the consideration of the bill (H.R. 11546) to authorize the establishment of the Big Thicket National Preserve in the State of Texas, and for other purposes.

Mr. BIBLE. Mr. President, I shall make a brief statement on the pending measure.

A similar measure was previously passed by the Senate in 1970. It was sponsored by one of the early leaders and great dedicated supporters of the Big Thicket, former Senator Yarborough, who worked tirelessly during the time he was in the Senate and has worked tirelessly ever since to see this area acquired and made a national preserve. I want to pay tribute to him at the outset of my statement.

The purpose of this bill is to establish the Big Thicket National Preserve in the State of Texas. In establishing this unit of the national park system, the Congress will assure the preservation of numerous representative areas typical of the Big Thicket region and it will protect and preserve the natural values which make this "biological crossroads" unique in the United States.

The bill authorizes the Secretary of the Interior to acquire lands, waters, and interests therein, within an area depicted on a map on file with the Department of the Interior, to be known as the Big Thicket National Preserve. The bill provides that the preserve may not include more than approximately 100,000 acres.

Mr. President, I ask unanimous consent that a rather full background description of the area be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BACKGROUND AND DESCRIPTION OF AREA

The Big Thicket area of eastern Texas contains a great diversity of plant communities. These vegetative units range from the drier upland country, to the baygall, bog, streambank, and floodplain forest communities. Various habitats within the units are unique, and may support the nearly extinct ivory-billed woodpecker and red wolf.

The chief value of the Big Thicket lies in its unique biological resources, evidenced largely by displays of plant life found nowhere else in the United States. Preservation of examples of these botanical displays is clearly necessary for continued scientific study and an educational and inspirational reminder to future generations.

The National Preserve category is a new concept, which will establish the preservation and protection of areas, which are unique due mainly to the flora and fauna, for the benefit of future generations, and which may be threatened by encroaching developments or other adverse situations.

The approximate 57 miles of river corridor with several access points will provide additional means to explore and appreciate much of the Big Thicket area. In addition to hiking trails in these and other areas, access by boats and canoes will also permit the visitor to enjoy the area in a different manner.

The Big Thicket of East Texas contains eight different biological habitats, ranging from savannah, to bald-cypress swamp, to upland mixtures of American beech, southern magnolia, white oak and loblolly pine. This area is unique in the United States. Changes in elevation from 400 feet on the north to a few feet above sea level on the south, as well as changes from well drained to swampy areas, and from fertile soil to intrusions of less fertile soil types, account for the variety of plant communities in the Big Thicket area. In addition, to its extraordinary diversity of flora, the area contains a wealth of animal life, and magnificent specimens of individual tree species. The larger mammals include the Texas whitetail deer, red and gray fox, raccoon, ringtail, mink, otter, skunks, opossum, bobcat, mountain lion, armadillo, and on occasion, black bear. Three out of four species of insectivorous plants occur there. Over 300 birds have been listed for the Big Thicket, including the American egret, roseate spoonbill, and the relatively rare red-cockaded woodpecker. The ivory-billed woodpecker which was the largest woodpecker in North America, may survive in the area. The Thicket also contains the largest known specimens of American holly, black hickory and planer tree, as well as 40 wild orchid species, some found nowhere else.

The scientific resources of Big Thicket are outstanding, not only because a variety of biological communities are in close proximity, but because of the ecologic interplay between species. The Committee is advised that explanation of these scientific values will be a major part of the interpretation by the Park Service of the Preserve. In addition to its scientific interest, the area is also one of great natural beauty, including parklike beech and magnolia stands, virtually impenetrable "thicket" areas, and picturesque bald cypress-water tupelo swamps.

The Big Thicket once comprised several million acres, but it has been greatly reduced by logging, clearing for agricultural uses and oil field operations, and more recently, vacation home subdivisions. It is now divided into strips and blocks of ecological islands and these islands are steadily being encroached upon.

Interest in preserving the Thicket as a part of the Park System began before the Second World War. Specifically, studies of the area were made in 1965 and 1966, and in April 1967, the Advisory Board on National Parks, Historic Sites, Building and Monuments, found that "The Big Thicket, with its great variety of vegetational types, its magnificent specimens of individual tree species, its diversity of bird life . . . and its unusual animal communities, is of national significance."

The principal purpose of the Preserve would be to preserve key areas for scientific study, rather than to provide solely for outdoor recreational opportunities. Development of the area for visitor use would consist mainly of access roads to the edges of the units, trails, interpretive facilities, primitive campsites and boat launching facilities so that visitors could explore the Preserve from the numerous streams, rivers, and bayous. In preserving the area for a scientific purpose, the Big Thicket National Preserve is similar to the joint Federal-state effort at the Ice Age National Scientific Reserve in Wisconsin (16 U.S.C. 469d *et seq.*), which was created to protect, preserve, and interpret nationally significant values of Wisconsin continental glaciation, including moraines, kettleholes, swamps, lakes, and other reminders of the ice age.

Following are descriptions of the units which are to be included in the Big Thicket Preserve:

1. *Big Sandy Creek Unit.*—Comprising 14,300 acres, this unit extends southward from the Alabama-Coushatta Indian Reservation. It is a wild, well-watered, relatively unaltered area containing outstanding examples of several of the Big Thicket's ecotypes from upland communities to the streambank, bog baygall, and swamp communities. Included in the wide variety of wildlife which inhabit this area are some of the few remaining alligators.

2. *Menard Creek Corridor Unit.*—This appendage to the Big Sandy Creek Unit is about 20 miles long and totals approximately 3,359 acres. Unlike Big Sandy Creek, which is part of the Neches River drainage system, Menard Creek is a tributary of the Trinity River. It is anticipated that visitors in this area will experience many of the natural features common to the Big Thicket area and it is expected that public facilities will be developed on the lands located at its confluence with the Trinity River.

3. *Hickory Creek Savannah Unit.*—This 668 acre tract is considered to be a distinctive threshold community bordering on the traditional Big Thicket. It clearly illustrates the influence of soil types on plant distribution. Basically, it is a grassland containing hundreds of varieties of herbacious plants, broken occasionally by longleaf pines and low bushes and trees. While upland pine savannah areas were once extensive, now only a few unaltered areas remain intact. Of these, the Hickory Creek Unit is considered one of the finest.

4. *Turkey Creek Unit.*—Illustrative of the typical Upper Thicket vegetation types, this 7,800 acre unit contains the largest known field of pitcher plants in the region. Its northern reaches include one of the greatest varieties of subtypes to be found in the Big Thicket, while the southern portion features an unusually well-preserved tract of mixed hardwoods typical of the streambank community.

5. *Beech Creek Unit.*—This 4,856 acre unit lies in the heart of the Big Thicket's upper division. Occupying well-drained, fertile soils, it supports fine stands of beech, magnolia, white oak and loblolly pine—a combination of which represents, to some, the "true" Thicket. While portions of the area have been cut over they are rejuvenating and will ultimately equal the values of the virgin area known as "Woodland Chapel" which is contained in this area.

6. *Upper Neches River Corridor Unit.*—Extending southward from Dam B to the Neches Bottom Unit, this river corridor is approximately 21 miles long and includes approximately 3,775 acres of land. In addition to its many values as one of the major rivers of the area, the Upper Neches offers canoeing opportunities and fishing for smallmouth bass and catfish. This unit also includes the Sally Withers addition which is considered one of the most pristine remaining oxbow lakes.

7. *Neches Bottom and Jack Gore Baygall Unit.*—Located along the eastern border of the Big Thicket region, this 13,300 acre unit supports mature lowland hardwood forest types and contains many species not found elsewhere in the Big Thicket. Laced with sloughs which contain large specimens of bald cypress and water tupelo, the elevated lands contain equally impressive birch, elm, oak, boxelder and planer trees. Such an area naturally provides valuable habitat for both common and endangered wildlife.

8. *Lower Neches River Corridor Unit.*—This 17 mile stretch of the Neches River includes 2,600 acres and helps provide the continuity of the corridor from Dam B to its confluence with Pine Island Bayou. Like the other major creeks and streams in the region, the Lower Neches supports a very rich subtropical forest varying in composition as soil types change. The role of all of the streams is most

important to the entire Big Thicket because it is totally dependent upon the complex pattern of water drainage and seepage; consequently the protection afforded this and the other stream segments will help to assure the continuance of the Big Thicket environment.

9. *Beaumont Unit.*—Although this 6,218 acre tract is located near the City of Beaumont, it remains perhaps the wildest component of all of the units to be included in the Preserve. Located, as it is, at the confluence of the Neches River and Pine Island Bayou, it is virtually an island isolated by the streams and canals that surround it. Although some cypress may have been harvested in the area at some time, part of it has never been logged and it is doubtful that a better stand of basic hardwoods exists anywhere in North America. It is considered to be a superlative example of the Big Thicket's flood plain and streambank communities. In this remote section, where access is difficult, due to sloughs and swamply fingers, it is hoped that the ivory-billed woodpecker may still exist.

10. *Loblolly Unit.*—Comprising 550 acres, this unit has been considered one of the basic components of most of the major Big Thicket proposals. It contains the only extensive stand of loblolly pines remaining in the Big Thicket and is said to have persisted only because it has been entangled in litigation since the turn of the century.

11. *Little Pine Island—Pine Island Bayou Corridor Unit.*—This 2,100-acre corridor unit is about 14 miles long. Like the other stream corridors it is important because it nourishes and drains other areas of the Big Thicket, but it is also significant because of its highly scenic combination of palmetto and cypress swamps.

12. *Lance Rosier Unit.*—Near the southernmost end of the Big Thicket, the Lance Rosier Unit is the largest component of the proposed Preserve. Totaling 25,024 acres, this unit is relatively undisturbed and is the most important representative of Lower Thicket vegetation. Because of its size and character, it should facilitate the preservation of wildlife species that might become endangered in smaller tracts.

13. *Big Sandy-Village Creek Unit, Hardin County.*—This area contains 15,450 acres and contains the unique Sandylands-Ponds Area and is an extension of the Turkey Creek Unit.

Mr. BIBLE. Mr. President, on the question of hunting and fishing, the language in the bill conforms with the traditional committee practice as reflected in other national recreation areas. Hunting and fishing are permitted in accordance with the State and Federal laws.

The Interior Committee of the Senate adopted two amendments, one of which called for a change in the map, which is referred to on page 5 of the report, and I ask unanimous consent that that reference be printed in the Record in full.

There being no objection, the material was ordered to be printed in the Record, as follows:

COMMITTEE AMENDMENTS

The Committee made two related amendments to H.R. 11546. The first amendment changes the map designation in section 1(b) of the bill "from NBR-BT 91,027 dated November 1973" to "NBR-BT 91,030 dated May 1974." This change is to reflect the second amendment which is the addition of a 15,450-acre unit designated as the Big Sandy-Village Creek Unit in Hardin County, Texas. The Big Sandy-Village Creek Unit was added on the basis of the unique Sandylands-Ponds Area and as an extension of the Turkey Creek Unit.

The Committee also amended H.R. 11546 by deleting the "legislative taking" provision contained in section 2 of the House-passed bill. This section was eliminated in favor of the normal acquisition policy and subsequent sections of the bill are renumbered. The Committee feels that legislative taking is an extraordinary measure which should be invoked only in those instances in which the qualities which render an area suitable for national park status are imminently threatened with destruction. The Committee does not believe that the Big Thicket area represents such an instance.

The Committee was assured during the hearings on this legislation that those timber companies with holdings in the area will, in good faith, continue the moratorium once specific boundaries are designated.

The Secretary of the Interior is authorized to file a declaration of taking in the usual manner however, should any particular area within this Preserve be threatened. The Committee feels that this is adequate for protection and will provide suitable flexibility for the orderly and prompt acquisition and establishment of the Big Thicket National Preserve. The Committee has always cooperated when any request for a declaration of taking has been requested.

An additional consideration in the deletion of the legislative taking provision is the current backlog within the National Park Service acquisition program. To acquire those areas already authorized but unacquired is estimated to cost at least $248 million. To enact a legislative taking in this legislation would either postpone the acquisition of previously authorized areas or would require the United States to pay interest computed from the time of the taking until the date of final payment.

Mr. BIBLE. The change is an addition of 15,450 acres designated as the Big Sandy-Village Creek Unit in Hardin County, Tex. The Big Sandy-Village Creek Unit was added on the basis of the unique Sandylands-Ponds Area and as an extension of the Turkey Creek Unit. This is practically the only difference between the House-passed bill and the bill that is now before the Senate.

The second main difference is that the committee amended H.R. 11546 by deleting the legislative taking provision contained in section 2 of the House bill. This provision was eliminated in favor of the normal acquisition policy for national park units and subsequent sections of the bill are renumbered.

The committee feels that legislative taking is an extraordinary measure which should be invoked only in those instances in which the qualities which render an area suitable for national park status are imminently threatened with destruction. The committee does not believe that the Big Thicket area represents such an instance. In fact, we have only invoked legislative taking in the case of the Redwood National Park as I recall.

Also, it should be commented that to give legislative-taking authority in this bill would, in effect, give it a priority over a backlog of some $248 million of previously authorized park acquisitions and additions, recreation areas, seashore areas, and lakeshore areas. The committee felt that this was inadvisable; therefore, we have not put this in the bill before the Senate.

As to the cost of the bill, the sum in the Senate version, as in the House version, is $63,813,000 for land acquisition, and $7 million for development of the area.

Mr. BENTSEN. Mr. President, will the Senator yield?

Mr. BIBLE. I yield.

Mr. BENTSEN. Will the distinguished Senator from Nevada tell me whether the provisions of this bill are such that the Secretary would be prevented from taking homes in the Big Thicket Area unless absolutely necessary? I am deeply concerned about the homes, as I know the senior Senator from Texas is, and we want to be certain of that.

Mr. BIBLE. I want to make the Record clear that both Senators from Texas have spoken to me on this point. I think the query they raise is understandable, and I believe it is covered on page 2 of the bill. I read from line 12:

> . . . the Secretary . . . shall further make every reasonable effort to exclude from the units hereafter described any improved year-round residential properties which he determines, in his discretion, are not necessary for the protection of the values of the area or for its proper administration.

I would be opposed to taking homes that are year-round residential properties. I believe that was the feeling of the full committee, and I am happy to make that part of the legislative history on the floor.

Mr. BENTSEN. I thank the distinguished Senator.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. BIBLE. I yield.

Mr. TOWER. Mr. President, I join my colleague in expressing concern about this matter.

I appreciate what the distinguished Senator from Nevada has said. He assures us that in his mind this adequately directs the Secretary of the Interior to actively attempt to exclude homes and businesses. He is confident of that.

Mr. BIBLE. I am confident of that. I give the additional assurance that as this matter moves forward, dollars will be required to acquire the land and develop it, and that can be handled through the appropriations process as well.

If there are shacks or shanties down on the streambeds of the creeks that run out of this area, or other structures which are incompatible with the basic purposes of the bill, then I think that is a little different problem. But as to year-around residences that pose no conflict with preserving the area, I see no problem at all. I give every assurance that as long as I am around—and I hope afterward—there will be no effort to try to take them.

Mr. TOWER. The chairman is satisfied that the Secretary of the Interior has enough flexibility in drawing the boundaries of all these units to make as little impact as possible on homes and businesses.

Mr. BIBLE. I would certainly hope that good commonsense would be used. I do not think there is any better word for it. I hope the boundaries are drawn in such a way to go around the little areas that contain homes.

Mr. TOWER. I thank the Senator. I associate myself with the remarks of my colleague from Texas.

Mr. BIBLE. Mr. President, I yield the floor.

Mr. BENTSEN. Mr. President, I wish to say to the distinguished chairman of the subcommittee that we are most appreciative of his efforts and for the work he has done. This is a great day for the supporters of the Big Thicket. I think this exemplifies the long history of the distinguished Senator from Nevada in preserving the unique and natural areas of America. The people of Texas and the friends of the Big Thicket everywhere are greatly indebted to him.

I know there is a difference between the House version and the Senate version. I personally prefer the Senate version, which I understand was reported unanimously by the committee.

Mr. BIBLE. The Senator is correct.

Mr. BENTSEN. I know that House Members support the House version, but I do not think it is such a difference that it cannot be resolved. It is important that we get legislation to preserve the Big Thicket because we know the inroads that are being made on the timber there.

Mr. BIBLE. I concur with the sentiments of both Senators. I anticipate no great problems if the bill goes to conference. There was another great Texan who said, "Come, let us reason together." I am sure if we adopt that philosophy we will be able to get a bill and send it to the White House for signature.

Mr. BENTSEN. As I recall the quotation to which the Senator referred was from the book of Isaiah. As I recall, the rest of the quotation goes on to say, in effect:

> If ye be willing and obedient, you shall eat the good of the land.
>
> But if you refuse and rebel, ye shall be devoured with the sword.

In this instance I say if we do not accomplish our purpose we will see a fast erosion of a great park.

Mr. BIBLE. I recognize the Senator as a student of the Bible and I am glad he has added to the quotation.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. BIBLE. I yield.

Mr. TOWER. Mr. President, I resent my distinguished colleague from Texas, who is also a lawyer and a businessman, outshining a clergyman's son in knowledge of the Bible.

I would be remiss if I did not associate myself with his remarks on the splendid work done by the distinguished Senator from Nevada. He has been very patient in this matter and has been most accommodating to Senator BENTSEN and to me. I think we owe the Senator from Nevada a debt of gratitude.

I would like to pose one more question. I was glad to see that the committee included the acreage along Village Creek in the preserve, which I think is very important to the total concept of the preserve. I wish to ask the chairman to join me in expressing support for this unit and its inclusion in the bill as finally agreed to in conference.

Mr. BIBLE. We will attempt to do that. That was the main difference in the bill before us today and the bill passed by the House. In conference we will do our best to sustain the Senator's position.

Mr. TOWER. I thank the Senator from Nevada.

Mr. BENTSEN. Mr. President, as I have said this is a great day for the supporters of the Big Thicket National Preserve. The Senate Interior Committee, through the efforts of the distinguished senior Senator from Nevada, has moved this proposal in record time and the supporters of the Big Thicket owe both him and the committee a great debt. Senator BIBLE has shown the concern for the Big Thicket that he has demonstrated during his remarkable career for the preservation of all our unique natural areas, and the people of Texas and the friends of the Big Thicket everywhere owe him a great debt.

The plight of the Big Thicket has caused great concern in my State and around the country. It has prompted the members of the Texas congressional delegation to support the House-passed bill, which with certain differences we are considering today. And that same concern for the Big Thicket is demonstrated by the unanimous support given this bill by the members of the Senate Interior Committee.

At the outset let me say that, although I obviously prefer the features of the Senate bill, I do not believe that there are any differences between the two versions which are serious enough to be allowed to jeopardize the establishment of a Big Thicket preserve. The Big Thicket is in great danger and it is urgent that we act to save it.

The great conservationist John Muir in urging the preservation of our magnificent western forests once said:

> God has cared for these trees, saved them from drought, disease, avalanches, and a thousand straining, leveling tempests and floods; but he cannot save them from man's folly—only Uncle Sam can do that.

His words were true of the redwoods of California at the beginning of this century and his words are equally true of the hardwoods, virgin pines, and flowering magnolias of the Big Thicket today.

The Big Thicket is the westernmost part of a forest system that once extended across the entire southern region of the United States. At one time the Big Thicket comprised almost 3.5 million acres of forests and streams spread across 12 counties in the southeast area of Texas. Today that vast forest has been reduced to a few hundred thousand acres and the wildlife and vegetation of the Big Thicket stand to be lost forever unless the Government acts to save them. Today, the trees of the Big Thicket continue to be felled and its ecology further damaged by unregulated lumbering and development. By acting today, we will preserve a representative portion area of this great wilderness before it is too late.

The unique nature of the Big Thicket has long been recognized by every major conservation group in the United States and it has been referred to by experts who have visited the thicket and studied its ecology as the biological crossroads of North America. The bill we have before us today establishes a park of 100,000 acres and includes representative samples of all the important features of the Big Thicket area. In addition, this bill, as the report of the committee clearly indicates, provides protection for the landowners and homesites in the Big Thicket area. I want to emphasize again that I believe the Big Thicket Biological Preserve must be established in harmony with the economic and other activities of the people in the area. No homes should be taken that can be avoided. Improved property such as farm and ranch lands have no place in a biological preserve.

I believe that local concern over the loss of homes has been the major source of opposition to this proposal in the area of the park and I believe that this local opposition will develop into prolonged legal conflicts unless the Secretary of the Interior makes a clear policy concerning the rights of homeowners in the area. In order for the Thicket to be saved we must proceed in a spirit of both cooperation and consideration. Cooperation among those who support a Big Thicket Preserve and consideration for the views of those who oppose it.

It is also true, however, that those who profit materially from this natural wilderness and who live near it must also be willing to act in concert with those who are seeking only to profit from its beauty and whose only attachment to the wilderness is a desire to see it preserved.

Teddy Roosevelt spoke of this need when he said:

> We have become great because of the lavish use of our resources and we have just reason to be proud of our growth. But the time has come to inquire seriously what will happen when our forests are gone, when the coal, the iron, the oil, and the gas are exhausted, when the soils have been still further impoverished and washed into the streams polluting the rivers, denuding the fields and obstructing navigation. The questions do not relate only to the next century or to the next generation. It is time for us now as a Nation to exercise the same reasonable foresight in dealing with our great natural resources that would be shown by any prudent man in conserving and widely using the property which contains the assurance of well-being for himself and his children.

This is the spirit that has brought us so close to saving the Big Thicket today and to preserving a legacy not only for those of us who have shared the wonders of the Big Thicket but also for those future generations who will be able to enjoy its beauty and who will applaud our foresight.

Mr. TOWER. Mr. President, not since the 91st Congress has the Senate had the opportunity to vote on the establishment of a Big Thicket National Preserve in the State of Texas. During the 91st Congress, the Senate passed a bill to establish a Big Thicket National Park and I hope that today the Senate will choose to support H.R. 11546 and establish the Big Thicket National Preserve.

I would like to take this opportunity to commend the Senate Interior Committee and its Subcommittee on Parks and Recreation which gave this matter careful study, gave my views on it every consideration, and acted on the legislation expeditiously. In December, the House of

Representatives passed H.R. 11546. I had certain reservations about the way the bill came out of the House and worked with the Senate Interior Committee to see if the bill could be amended. I am happy to say that the committee agreed with a number of my proposals. The Senate version of H.R. 11546 increased the acreage to 100,000 acres and added acreage in the area of Village Creek. If acreage in the area of the arid sandylands, succession ponds area is not included, then, in my opinion and that of many scientists, the heart of the Big Thicket will be omitted from the preserve. One of the most important ecological systems, which is an integral part of the Big Thicket, would be deleted if acreage in this area was not included. I hope that if the Senate passes this bill and goes to conference with the House that the Senate conferees will see fit to work for the inclusion of acreage in this area. I do not believe that the amount of acreage is at issue. I encourage the Senate to be flexible on the amount of acreage to be included but that our conferees continue to support some acreage in the area of Village Creek.

If the Senate passes this legislation, I hope that its conferees will again consider the homeowners in the Big Thicket. I had asked for the deletion of Menard Creek and Pine Island Bayou which are too heavily populated with permanent homes and businesses to be included in any preserve. If the Senate and House continue to support the inclusion of these areas, let me encourage the conferees to consider giving the National Park Service flexibility in drawing the boundaries of these units in order to exclude as many permanent homes and businesses as possible.

Attempts to protect and preserve this unique area of our Nation have been going on for 30 years. During my tenure in the Senate, I have continuously worked for legislation to preserve the area. Because the thicket is located at the crossroads of the forests of the south and east and the vegetation of the west, and contains elements of all these areas, the Big Thicket is unique not only to Texas but to the United States. Its wet climate and rich soil have created a beautiful and ecologically unique combination of plants and wildlife which must be preserved for future generations. This preserve would not only provide unlimited opportunities to scientists and students who wish to study its plants and wildlife but also to the American people who have never had the opportunity to see the champion trees, the unusual plants living in juxtaposition with each other and the lush foliage and wildlife which abound. A canoe trip down the Neches River or Village Creek or a hike through one of the many units, each unique in its own way, is something each American should have the opportunity to experience.

Mr. President, today let us take the next step in our 30-year journey to preserve the Big Thicket and vote in favor of H.R. 11546.

Mr. BIBLE. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments were agreed to en bloc.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 11546) was read the third time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. BIBLE. I yield back the time under my control.

Mr. TOWER. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 11546) was passed.

Mr. BIBLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. TOWER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SUGAR LEGISLATION

Mr. LONG. Mr. President, whenever Congress is considering extension and amendment of the Sugar Act, there appear a number of press articles which endeavor to analyze the sugar situation. Accusations and innuendoes about lobbyists and special interests run rampant. Hundreds of sinister implications are hinted at as to who is doing what and why. Such is the case this year.

Some of these articles and commentaries are useful because they contain reliable facts. Others, however, are misleading and should be disregarded as irresponsible journalism. Far too few of them even give a fair and impartial analysis as to just why there is a Sugar Act in the first place and why it is essential that the act be extended.

The Sugar Act was first passed in 1937, and although it has been amended by the Congress from time to time, its basic objcctives have never changed. They are:

First, to assure adequate supplies of sugar to consumers at fair prices;

Second, to protect and maintain domestic sugar producers;

Third, to promote our export trade by reserving a substantial portion of our market for sugar imports.

Over the years, the act has achieved each of its three objectives. Consumers have been assured of an adequate supply of sugar at reasonable prices. The domestic producers—the 28,000 domestic farms scattered throughout the country with an investment of about $1.5 billion in land, equipment, and crops, as well as the 150,000 sugar farmworkers have benefited from this program.

The importance of having most of our sugar produced at home is dramatically illustrated this year when petroleum, minerals, and some basic agricultural commodities have created difficulties for importing countries. We have had ample supplies of sugar and consumers in just the first 4 months of this year have saved over a third of a billion dollars on the 3.6 million tons of sugar consumed.

The price of sugar for the United States for January through April averaged 4.73 cents a pound less than the world market price—adjusted to a duty paid New York price basis. This is the record despite several speeches by USDA officials late last year and early this year which served only to frustrate the normal operation of the program.

At a critical time when worldwide shortages prevailed and the world price for sugar exceeded our own domestic price, these unfounded hints that the program might be abandoned created great uncertainty not only among our own producers but among our foreign suppliers as well. Some of these foreign suppliers were shipping us sugar at some sacrifice to themselves—because the world market price was higher than our own. Uncertainty on their part as to the future of the Sugar Act made the situation worse for everybody by creating unnecessary instability in the market.

In 4 of the past 5 crop years world consumption of sugar has exceeded world sugar production. The result has been reduced working stocks, spot shortages, and the highest sugar prices since 1920. Given this situation, some persons have arrived at the rather astounding conclusion that the sugar program should be ended and that the U.S. market should be merged with the world market, at world prices. This is surprising because the U.S. price for raw sugar has been below the world price—when adjusted to a comparable basis—since late November 1973.

Indeed, during the first 4 month of this year, the difference has averaged 4.72 cents per pound, or 23.7 percent in our favor. This situation was dramatized during February when the quoted wholesale price for refined sugar in Buffalo, N.Y., averaged 18.49 cents per pound in 100-pound bags, while simultaneously in Toronto, Canada—where the full impact of the world price is reflected in the price consumers pay—the comparable price for February averaged about 35 cents or almost double the U.S. price.

Such a savings to the U.S. consumer would not have been possible without the U.S. sugar program which encourages foreign suppliers to give preference to the U.S. market under all conditions. Despite world scarcity, despite the earlier misadventures of the Department of Agriculture, the U.S. sugar program during the past 4 months has been supplying U.S. consumers with sugar at prices below the prevailing world price.

Mr. President, I ask unanimous consent to insert in the RECORD a table showing the volume and price data for the first 4 months of this year as published by the USDA.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

	U.S. sugar distribution (thousand tons)	Cents per pound			Price discount (million dollars)
		U.S. price	World market price[1]	Discount to United States	
January	939	12.63	16.87	4.24	80
February	886	17.09	22.83	5.74	102
March	918	18.11	22.86	4.75	88
April	904	19.25	23.40	4.15	75
Total	3,647				345

[1] Adjusted to duty paid—delivered at New York.

Mr. LONG. Mr. President, the experience of the past 4 months make it clear to me that the best way to assure an adequate supply of sugar at stable, reasonable prices is to continue the sugar program in its present, basic form.

It is unfortunate, in my opinion, that the positive benefits of the sugar program often go unreported. One recent, rather lengthy, newspaper article criticized the program but barely mentioned that for 6 months, despite a world shortage, U.S. consumers have been buying sugar at prices substantially below the world price. The same article referred to a letter last January addressed to the President jointly by the distinguished Senator from Utah, Senator BENNETT, who is the ranking minority member of the Finance Committee, and myself. I ask unanimous consent to insert in the RECORD the text of the letter sent to the President.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., January 24, 1974.

Hon. RICHARD M. NIXON,
President of the United States,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: As chairman and ranking minority member of the Senate Committee on Finance, which has jurisdiction over the Sugar Act, we are deeply disturbed by the recent developments in the sugar market.

As you know, worldwide sugar is relatively scarce, especially for the first half of this year. It is both this scarcity, and the way in which your Department of Agriculture is reacting to it, which are the sources of our concern.

The Sugar Act is specifically designed to insulate our market in large degree from the idiosyncrasies of the world market. As such, it tends to protect the domestic industry, to promote stability in foreign commerce, and to assure U.S. consumers adequate supplies at stable prices.

In addition to our own production (which supplies more than half of our needs) we have first call on the exportable supplies of about 30 countries. The reason: when sugar is in surplus, the United States is an assured market at a fair price and so the exporting countries in their own long term interest also fill their U.S. quotas in times like the present when they could get a higher price elsewhere.

This inclination of various countries to fill their U.S. quotas has been weakened by recent speeches and statements by Mr. Calcagnini, Director of the Sugar Division, and Mr. Kenneth Frick, Administrator of ASCS. These U.S.D.A. officials have been proposing that the Sugar Act not be extended when it expires at the end of this year. In place of it, they suggest a program along the lines of the Agricultural Act of 1973, which is appropriate for the export crops to which it applies but which appears to us nonsensical in the case of a sensitive commodity which this nation must import.

The inclination of countries to meet their commitments in supplying our needs has been further weakened by U.S.D.A. decisions relating to our estimated requirements for the current year. Last year we consumed about 11.5 million tons of sugar and would expect to need about 11.7 million tons this year. After several adjustments, the requirements determination for the current year had reached a generous 12 million tons prior to January 11th. On that date it was increased by an additional one-half million tons. The implication of this action was that the rest of the world would be denied a tremendous quantity of sugar at a time when supplies were already scarce.

In making this further increase, the U.S.D.A. did not allocate it country-by-country but made it on a first-come, first-served basis. This action is badly undercutting one of the main strengths of the Act, which has been the obligation of foreign countries to ship their specific quota to the U.S. or else be penalized on future quotas. Failure to allocate the additional imports on a country by-country basis could lessen our ability to get the sugar we do need.

As a result, the world price of sugar at Caribbean ports rose from 14½ cents a pound on January 11th to 16 cents on January 18th. That increase in the world price under the current circumstances had the effect of raising the duty-paid and delivered price for U.S. quota sugar from 12.05 cents per pound on January 11th to 12.85 cents on the 18th.

The unusually large increase in our requirements estimate had the highly unsettling effect of almost immediately starting rumors in trade circles that the U.S. Government would soon suspend quotas and related provisions of the Sugar Act entirely. For this reason, shipments to the United States are being retarded in the expectation that the U.S. price may soon rise to the world price level.

The slowing down of arrivals at this critical stage exerts a strong upward pressure on domestic sugar prices and, therefore, tends to defeat one of the purposes of the Act—protection of consumers.

It should be noted that since Mr. Calcagnini's speech to the Sugar Club in New York on November 9, 1973, the world price for sugar has increased 6.00 cents per pound and the domestic price, 1.78 cents. The natural reaction of sugar exporting countries has been to defer shipments to the United States. It is probable that most countries contemplate filling their quotas but not in the first half of the year when sugar commands such a high price in the world market.

The Sugar Act which has worked so well since the mid 30's is up for renewal this year. The Senate Finance Committee contemplates hearings as early as possible. Pending legislative renewal of the Sugar Act, we believe that some stability can be brought back into the market and that U.S. supplies from foreign countries can be made more secure by the Government's clear statement that it intends to support renewal of the Sugar Act. Furthermore, a statement by you that there are no plans to suspend operation of the Sugar Act by administrative action during the current year would have a significant price stabilizing effect.

We will appreciate your usual prompt attention to this subject and will look forward to an early report as to what assistance the Senate Committee on Finance might expect from the Administration in protecting the integrity of the Sugar Act.

With kindest regards, we are
Respectfully yours,
RUSSELL B. LONG,
WALLACE F. BENNETT,
U.S. Senators.

Mr. LONG. Mr. President, in our letter, we predicted that the unusually large increase in the U.S. requirements estimate implied that the rest of the world would be denied a tremendous quantity of sugar at a time when supplies were scarce. As a result, world prices continued to spiral upward. As it turned out, we were right. An article in the Wall Street Journal on May 17, 1974, stated in part:

> The U.S. imports almost half of the sugar it needs every year, and this year the Agriculture Department boosted the import quotas by 500,000 tons to 12.5 million tons in an effort to increase supplies and thus—it was thought—help stem rising prices.
>
> Instead, U.S. buyers were forced into the tight world market compete with the free—spending Arabs. Regular suppliers were running short and some were selling in the hot world market before meeting their U.S. commitments, trade sources say.

It will be noted from this statement that there was a tendency for suppliers to sell on the world market for a higher price than they could receive from U.S. buyers. This action—I am sure—was accelerated by talk of U.S. Government officials who advocated discontinuing the Sugar Act. If there were to be no U.S. sugar program, there would be no incentive to continue supplying the U.S. market.

It is interesting to note that sugar prices have reached high levels when according to the Wall Street Journal article:

> World sugar production during the 1973–74 crop year is estimated at 81.8 million tons, a 6% rise from last year, while world consumption is predicted at 81.3 million tons, up 4% from last season. This will be the first time in three years that production has outpaced consumption.

Final stocks of sugar are estimated to be higher at the end of 1973–74 than at the very low level at the beginning of the year. There are many opinions as to why sugar prices rose so much more this year than last year. As the Wall Street Journal article points out:

> The Arab nations took some of their bloated petroleum revenues and began buying raw, unrefined sugar in world markets. Seemingly disregarding price, these countries placed orders for about two-thirds of their estimated 1974 import requirements of about one million tons; in previous years, buying was more selective and spread out over a longer period.

Another opinion is that the inflated requirements estimated for the United States had the effect of leading the world exporters to believe that consumption would be higher than in fact it will be. This is exactly what Senator BENNETT and I predicted in our letter to the President.

It should be clear to everyone that the Sugar Act has not caused high prices for sugar. Prices to U.S. consumers would have been much higher if there had been no Sugar Act. I must also point out that the Sugar Act does not guarantee domestic growers or foreign suppliers the current high prices—but the price guarantees are around 12 cents per pound—about half the current price.

The Sugar Act is an effective way to assure consumers of adequate supplies of sugar; to protect the welfare of the domestic producers; and to encourage foreign suppliers to supply us with the additional sugar we need. It has continued to achieve those objectives under the most adverse conditions.

The House Committee on Agriculture has reported a bill which preserves the basic features of the sugar program and extends the act for 5 years. The Finance Committee will handle the House bill expeditiously when it is received in the Senate and it is my intention to proceed with legislation which continues this essential program.

QUORUM CALL

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized tomorrow under the standing order, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited therein to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON S. 1752—HOUSE MESSAGE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of routine morning business tomorrow, the Senate proceed to the consideration of the House message on S. 1752, relating to a Productivity Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a time limitation on that House message of 30 minutes, to be equally divided between the two leaders or their designees.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO PROCEED TO CONSIDERATION OF S. 3433, NATIONAL WILDERNESS BILL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the House message tomorrow, the Senate proceed to the consideration of S. 3433, which is the so-called wilderness bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON S. 2846

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as it is called up and made the pending business before the Senate, there be a time limitation on S. 2846, a bill to protect the flow of interstate commerce from unreasonable damage to the environmental health by assuring an adequate supply of chlorine and other chemicals and substances which are necessary for safe drinking water for waste water treatment, of 1 hour, to be equally divided between the distinguished majority leader and the distinguished minority leader or their designees; that there be a time limitation on any amendment thereto of 30 minutes; that there be a time limitation on any debatable motion or appeal of 20 minutes; and that the agreement be in the usual form, with the understanding that the bill will not be called up tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR REPORTING S. 1566

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. Williams, I ask unanimous consent that the agreement to report the bill, S. 1566, to the Senate by June 3 be modified to allow the committee an additional 15 days within which to consider it.

It is my understanding that on April 24 the Committee on Commerce reported without recommendation the bill, S. 1566, to provide for the normal flow of ocean commerce between Hawaii, Guam, American Samoa, or the Trust Territory of the Pacific Islands and the west coast, and to prevent certain interruption thereof. It was referred to the Committee on Labor and Public Welfare for a period not exceeding 40 days.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM FRIDAY TO MONDAY NEXT AT 11 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business tomorrow, it stand in adjournment until the hour of 11 a.m. Monday morning next.

The PRESIDING OFFICER. Without objetcion, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS ON MONDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday next, after the two leaders or their designees have been recognized under the standing order, the following Senators be recognized, each for not to exceed 15 minutes, and in the order stated: Mr. Curtis, Mr. Griffin, and Mr. Robert C. Byrd.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON MONDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, after the order for the recognition of Senators, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I now recall that my distinguished majority leader indicated on the floor a little earlier today that on tomorrow the Senate will proceed to the consideration of H.R. 8215 with an understanding that there will be no amendments offered to that bill on the floor.

I, therefore, revise my unanimous-consent request as follows: That immediately after the conclusion of routine morning business on tomorrow, the Senate proceed to the consideration of H.R. 8215, which is a minor tariff bill, and that upon the disposition of that bill—and it has been reported today—the Senate will then proceed to the consideration of the House message as previously stated.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, on tomorrow the Senate will convene at the hour of 12 noon. After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited therein to 5 minutes each, at the conclusion of which the Senate will proceed to the consideration of H.R. 8215, after which the House message on S. 1752, relating to a Productivity Commission, will be taken up under a time limitation of 30 minutes.

As of now, I would anticipate no rollcall votes on that measure, based on the information that has been given to me.

Upon the disposition of the House message, the Senate will take up the bill S. 3433, the national wilderness preservation system. There is no time limitation on that bill at the moment. Yea-and-nay votes could occur thereon.

Upon the disposition of that bill, it is the present intention of the leadership to proceed, for opening statements, to call up the bill S. 3000, the military procurement authorization bill, with the understanding that there will be no rollcall votes thereon tomorrow.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 noon tomorrow.

The motion was agreed to; and at 5:41 p.m., the Senate adjourned until tomorrow, Friday, May 31, 1974, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate, May 30, 1974:

DEPARTMENT OF THE TREASURY

Gerald L. Parsky, of the District of Columbia, to be a Deputy Under Secretary of the Treasury, vice Jack Franklin Bennett, elevated.

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

The following-named persons to be Members of the General Advisory Committee of the U.S. Arms Control and Disarmament Agency:

Harold Melvin Agnew, of New Mexico, vice John J. McCloy, resigned.

Gordon Allott, of Colorado, vice William J. Casey, resigned.

Edward Clark, of Texas, vice Douglas Dillon, resigned.

Lane Kirkland, of Maryland, vice James R. Killian, Jr., resigned.

Carl M. Marcy, of Virginia, vice Lauris Norstad, resigned.

Joseph Martin, Jr., of California, vice Peter G. Peterson, resigned.

John A. McCone, of California, vice J. P. Ruina, resigned.

Gerard C. Smith, of the District of Columbia, vice Cyrus Roberts Vance, resigned.

IN THE U.S. AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Lee M. Paschall, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Gordon T. Gould, Jr., 419–03–0765FR (major general, Regular Air Force), U.S. Air Force.

IN THE U.S. ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. James William Sutherland, Jr., [redacted] Army of the United States (major general, U.S. Army).

U.S. RAILWAY ASSOCIATION

The following-named persons to be Members of the Board of Directors of the United States Railway Association for the terms indicated: (new positions)

FOR A TERM OF 2 YEARS

Clifford G. McIntire, of Maine.
William W. Scranton, of Pennsylvania.

FOR A TERM OF 4 YEARS

Gale B. Aydelott, of Colorado.
James E. Burke, of New Jersey.

FOR A TERM OF 6 YEARS

Frank H. Blatz, Jr., of New Jersey.
Samuel B. Payne, of Massachusetts.
W. K. Smith, of Minnesota.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 30, 1974:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Virginia Y. Trotter, of Nebraska, to be Assistant Secretary for Education in the Department of Health, Education, and Welfare.

ACTION AGENCY

John L. Ganley, of New Jersey, to be Deputy Director of the ACTION Agency.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

EXTENSIONS OF REMARKS

THE CONYERS COALITION

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. LANDGREBE. Mr. Speaker, I wish to call the attention of my colleagues, and especially the members of the Judiciary Committee, to a column by Victor Riesel, whose personal courage is exceeded only by his accuracy in reporting. The subject of Mr. Riesel's column is Representative JOHN CONYERS, whose excusal from the Judiciary Committee Watergate investigation I have called for and again call for. Mr. CONYERS, by his words and deeds, has amply shown that he cares not a wit for constitutional due process and the Constitution itself. I urge my colleague Mr. RODINO to investigate the fitness of Mr. CONYERS for participation in the Judiciary Committee investigation, in view of the chairman's promise of a fair examination of the evidence in the Watergate affair by the Judiciary Committee.

The article follows:

PREFERS COMMUNISTS?—JUDICIARY COMMITTEE'S JOHN CONYERS JOINS COALITION WITH FRIEND ANGELA DAVIS

(By Victor Riesel)

WASHINGTON.—There's nothing flamboyant about the soft-voiced 45-year-old bachelor, Congressman John Conyers, Jr.—except his violent hatred for Dick Nixon and his intense passion for coalition with left-wingers, former Communists and at least one current member of the Central Committee of the Communist Party U.S.A.

Conyers, who would have the House Judiciary Committee, of which he is a member, investigate the U.S. in general and the White House in particular, sets his own rules. If one discusses him, his record, his friends' activities and their Communist records, one is swiftly denounced as a "racist" and oppressor of the working class. To refer to old FBI dossiers on his politicial ally, Detroit Mayor Coleman Young, is to face the Congressman's full fury, oral brimstone and power.

After carefully perusing Congressman Conyer's recent hell-and-fire speeches, many of which sound brutally, chauvinistically anti-white to me, it's evident he would like to impeach President Nixon merely for breathing. Though Conyers is a member of the National Advisory Council of the American Civil Liberties Union (ACLU) he hasn't granted the President of the U.S. an iota of the right to due process which the ACLU has to Nazis, Fascists and Communists.

For years now he has chosen strange alliances—so his pre-conviction of Dick Nixon hardly is surprising. Actually, he's not even very kind to Sens. Hubert Humphrey, Walter Mondale and Ted Kennedy, whom he finds "all confused."

But none of this is as strange as taking the trouble to fly into Detroit May 10 to join a member of the Communist Party U.S.A. Central Committee and others to whip up a typical radical rally. That member is Angela Davis.

Conyers, speaking that day for the National Alliance Against Racism and Political Oppression, called for "a great coalition" against Watergate-ism, racism and oppression.

He averred he would stay the weekend with the coalition leaders to organize a "struggle against the system of racism and repression that spawned Watergate."

Comrade Angela Davis, whose Communist party leaders (Gus Hall et al.) were in Moscow then where they had spent some time conferring with Soviet General Secretary Leonid Brezhnev, did her oratorical thing. She added a fillip by calling for a national black mobilization in Raleigh, N.C., on July 4.

Now Conyers is far too sophisticated to have overlooked the clear implications of what he was saying and of the import of Angela Davis' presence. Conyers is an old trade-union hand. He knows all about infighting between what are called "the commies" inside labor and the anti-Communists. He sure knows the "C.P." record in Detroit and what they tried to do (and did for a while) to the big United Auto Workers.

What, then, are the Congressman's standards? This question cannot be answered by any vituperative riposte from his corner. He has demanded the President's impeachment for such varied reasons as Dick Nixon's opposition to the Office of Economic Opportunity and the bombing of Cambodia.

Yet he joins with a member of the American Communist Party Central Committee—a party locked into Moscow, a party which approved the Soviet military invasion of Czechoslovakia, a party which has denounced American aid to the allies during the years of Nazi assault on Europe and during the Hitlerian blitz of London.

Conyers has been attacking American multinational corporations. But he strides to the same speaker's platform with Angela Davis, whose party is a section of the most brutal multinational operation the world has known and which joined with the Nazis in the very early '40s.

And there is another, equally grave issue. It seems to me John Conyers, who as a member of the House of Representatives should be speaking for all the people, is using Watergate to whip up racial hatred.

He has a safe seat in Michigan's First Congressional District. He could use his soft voice, his place in the Black Caucus to bring the races together. Yet here he is using the Watergate tragedy as a tool for prying white and black people apart.

He has gone before many black groups with his cookie-cutter cliche attacks on racism. He is using this to push himself in his Democratic party. He has his eye on a Senate seat. He pokes into the United Auto Workers internal politics.

He wants Dick Nixon not only impeached but imprisoned. That's extreme. But one need only note the friends he keeps and the enemies he chooses to understand why.

What this nation needs is an appeal to reason, more unity, not more divisiveness. And certainly less reverse racism.

VENEZUELA DEBATE

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. GUNTER. Mr. Speaker, in an attempt to further informed and enlightened debate on the amendment that will be offered when the U.S. Sugar Act reaches the floor to suspend Venezuela's sugar quota until fair oil prices are restored, I would like to share with my colleagues some thoughtful objections to my amendment raised by a distinguished minority member of the Committee on Foreign Affairs, Mr. THOMSON of Wisconsin.

While obviously I have a different perspective on this matter than does my distinguished colleague, I believe it is not too early to begin debating the merits of the amendment I propose.

Therefore, I am reprinting at this point in the RECORD the text of a thoughtful letter I received from Mr. THOMSON and my own response thereto concerning the Venezuela amendment for the purpose of encouraging broader attention to the basic issues at stake and hopefully promoting similar dialog among my colleagues on an equally thoughtful, concerned, and responsible level.

The texts of the letters follow:

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 20, 1974.

Hon. BILL GUNTER,
Cannon House Office Building,
Washington, D.C.

DEAR BILL: I have before me a copy of your May 23rd "Dear Colleague" letter entitled, "A Message to Venezuela." While I share your frustration over the high price of imported oil and its implications for the American people, I would urge you to reconsider any efforts you may be planning to strike Venezuela's quota from the United States Sugar Act.

Venezuela is one of the few genuine democracies in Latin America. Despite the historical experiencing of a century and a half of one military strongman followed by another, the country has successfully struggled for more than fifteen years to overcome its political past. Today, Venezuela stands as a shining example of the democratic process at work in a Third World setting.

The Congress recognized Venezuela's significant accomplishment by inviting President Rafael Caldera to address us in 1972. That event was our way of recognizing a nation that has furthered the cause of democracy in the Americas and the world. There probably is not a handful of other Third World nations that merit similar treatment.

Venezuela has been vigorously anti-communist and friendly toward the United States. Due to the predisposition of its leadership and the vicious covert efforts of Fidel Castro's Cuba, this democracy has developed strongly anti-communist tendencies. It has verbally chastised the excesses of Fidelismo and offered an alternative course to her Latin American neighbors. In addition, Venezuela was the complainant in a series of events culminating with the isolation of Cuba from most of the hemisphere.

Caracas and Washington have agreed on many of the larger world issues. Yet, Venezuela has never hesitated to express a divergent view or adopt a divergent policy. When differences have arisen, they have not been advertised in newspaper headlines, but discussed in an atmosphere of mutual amity and understanding.

Venezuela has treated American investment fairly. There have been no nationalizations reminiscent of Bolivia in 1952 or Chile in 1972; reasonable, if not generous, returns on invested capital have been permitted. American ownership of Venezuelan oil is now being phased out and while I cannot agree with that policy, it is being conducted over a reasonable period and after the investment has been returned. American interests are now mining large quantities of iron ore and bauxite south of the Orinoco River. As with oil, these investments have been treated in a business-like fashion.

No matter what the intent of striking Venezuela from the Sugar Act, Caracas and probably the rest of Latin America would consider this step a direct slap at Venezuelan independence and pride. Aside from the enmity created, the challenge could not go unmatched. The obvious response would be an embargo on oil which would only exacerbate the American consumers' problem. It is a fact the United States needs to buy oil, iron ore, and bauxite far more than Venezuela needs to sell sugar. Striking the country from the quota system, therefore, is not a credible threat.

Action against Venezuela in the Sugar Act would unquestionably send a message to Caracas. But I fear that it would be read in translation: "Do not ever act against our interests or we will slap you down."

Please consider these thoughts. Thank you for your attention.

With best regards, I am
Sincerely yours,
VERNON W. THOMSON, M.C.

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 30, 1974.

Hon. VERNON W. THOMSON,
Member of Congress,
Washington, D.C.

DEAR VERNON: I appreciate your taking the time to express your views on the Venezuela amendment to the Sugar Act which I and others will be offering on the floor. Unfortunately, I cannot share your views with respect to the appropriate response by the United States in this instance, and hope that you might consider some of the reasons with the same thought and care I hope I have exercised in reflecting on your good letter.

To begin with, it is perhaps useful to emphasize once again, as I have in my recent statements, that the amendment represents a response to a general economic situation which I am persuaded can no longer be ignored—and that it is not a gratuitous singling out of Venezuela per se for condemnation. Indeed, I join in being encouraged by the progress demonstrated by Venezuela toward democratic government over the past fifteen years and applaud their vigorous resistance to attempted communist inroads, particularly by the communist dictatorship in Cuba. My amendment is not intended, nor in all sobriety do I believe there is any evidence to suggest it would have the effect, of altering the basic posture of the country of Venezuela in this regard. For I believe that posture is formulated not as some corollary to the state of Venezuela's relations with the United States at any given moment on a single economic matter, but on their own recognition of self-interest, self-dependence, spirit of nationalist pride and feeling, and philosophical maturity.

If, in fact, that posture of anti-communism rests on maintaining in any given instance the ability to wreak economic havoc in the United States without response from us, then that posture is weak and fragile indeed and Venezuela would seem not to merit the laudatory regard I join in extending to it for its accomplishments and progress the past 15 years after all. I happen to believe, and I think the evidence indicates when viewed dispassionately, that the basic posture of Venezuela viz a vis the communist world rests on stronger bases than you perhaps extend credit to it for so resting.

I also join, quite obviously, in welcoming such signs of friendship towards the United States as have been exhibited on some occasions. In the instance at hand, however, the people of my own State of Florida, particularly those on small fixed incomes, who are confronted with skyrocketing fuel bills because of Venezuela's wholly unjustified and rapacious pricing policies may perhaps be forgiven for feeling that with friends like that, we may not need enemies.

With respect to the mutual amity and understanding you feel has characterized discussions between Venezuela and the United States over differences where they exist, that mutual amity has not served in the past year to relieve the enormous burden placed on American consumers, nor has the State Department yet been able to furnish me any reason for hope that such discussions show any sign of relieving the burden any time in the foreseeable future. Nor have they been able to provide such assurances with respect to the other OPEC countries. Mutual amity and understanding in this instance therefore, I fear, is dependent upon the continued willingness of our country to allow Venezuela to proceed with the rape of American consumers undisturbed. I do not believe it is the responsibility of our government or of the Congress, however, to continue to leave that situation undisturbed. The economic consequences not only to our own country but to all of the world—and most particularly to the poorer nations of the Third World for which Venezuela asserts such concern at the same time it creates such economic havoc—are now too serious in my judgment to permit our continued indifference.

With respect to the posture of reasonableness you indicate Venezuela has generally taken toward foreign business investments compared to some other Latin American countries, my response I'm afraid must be that I am less concerned at the moment with the gentle treatment accorded to multinational oil conglommerates than I am with the genuine and serious hardship being worked on the average-income citizens of my State of Florida, some of whom now experience electric utility bills almost doubled in size over last year at this time.

Venezuela, of course, would have to determine its own response in the event the message my amendment contemplates is sent to it, and indirectly sent to all OPEC countries. But should Venezuela choose to take the route you suggest, I think it is clear that as the only real world agricultural power, the United States is scarcely the helpless and pitiful giant our absent response toward oil price gouging and boycott of the past year has suggested. I earnestly believe it is time to make that abundantly clear to the oil producing nations of the world. I believe we can applaud the achievements of Venezuela long and loudly without feeding the interests of our own deprived consumers and the requirements of our own minimum economic health to the insatiable appetite of Venezuelan foreign economic policy for greater and greater oil profits at our expense.

With respect to the credibility of the threat, which is not a word I have employed, that might attend the suspension of a sugar quota for Venezuela to retain their quota would appear to indicate that action with respect to that quota carries some degree of credibility. But it is intended that the sending of a measured, limited, restrained message at this time serve the function of placing the oil producing nations on timely notice—and it is intended that the ultimate capacity of our country to assert our own economic self-interested if pressed and forced to do so carry the even more credible and important message.

I appreciate the concern of Venezuela with their own sense of nationalistic pride. It is a virtue I believe we would do well to consider adopting for the ultimate benefit of our own people. But Venezuelan pride, in my view, cannot rest on the right to exploit American consumers without protest if we are to fulfill our own basic obligations to our own constituents. Venezuela must find its pride in more equitable relations with the United States and the rest of the world. My firm belief is that Venezuela knows exactly what it has been doing the past year with respect to its oil gouging price policies. In response to the message my amendment contemplates sending, it may react with unconvincing righteous indignation and appeals to injured innocence—or it can proceed to restore the quota, the means for which are provided in my suspension amendment, by resort to that spirit of amity and understanding they have exhibited on other matters and other occasions.

My personal respect for your position and achievements as a genuinely constructive Member of the Congress might lead me to wish I could agree with your reasoning on this particular matter, but I regret I cannot. But I hope that I might, in closing, adequately communicate my own feeling that in the end this amendment is not the mere response to a feeling of frustration, as you suggest at one point; but is, rather, I believe, a sober and merited response required by the economic realities that now govern the international monetary situation and threaten not only our own country but the worldwide economy. I believe economic stability requires, from a coldly practical standpoint, that countervailing forces be launched which only we can set in motion if there is to be a beginning of movement back toward world economic equilibrium, an equilibrium now in such ominous shape that we in the Congress must all turn our most sober and effective attention toward it and the formulation of an adequate response if real disaster is to be averted.

I hope you will appreciate that this is the basic motivation and nature of my proposed amendment and thinking in general, and that I of course fully respect that others might reach varying conclusions as to what our response should be. But I hope you will agree with me, in any event, that a worthwhile purpose is served by inaugurating debate on this most serious threat to economic stability at home and abroad and finding together as colleagues a remedy that will be strong and effective.

With best regards,

Bill Gunter,
Member of Congress.

HOMECOMING AT NIH

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. OBEY. Mr. Speaker, the May 31 issue of Science carries an item headed, "What NIH Needs Is a Party," which reports the concern of friends of the National Institutes of Health that morale there is slumping, and that something is needed, "to revitalize its dampened spirits."

That something is a party, in the view of NIH alumnus, Sidney Udenfriend, and what he has in mind is a homecoming, scheduled for next spring, "to which the thousands of men and women who have studied and worked at NIH over the years would be invited to honor their alma mater."

I think the Science article gives a good account of why the friends of NIH are concerned—for example, "indications that some of the country's highest-ranking scientists and politicians are wondering whether it might not be perfectly all right to allow NIH to diminish in scope and stature." I should like to insert the article at this point:

What NIH Needs Is a Party

The NIH needs a shot in the arm, something to revitalize its dampened spirits, according to its friends who, for many months, have been worried about rumors that NIH is going downhill.

There are reports that the intramural program is being financially starved. There are stories that many of NIH's brightest scientists are thinking of leaving because they are not able to recruit new people under the federal government's stringent hiring freeze.

And there are indications that some of the country's highest-ranking scientists and politicians are wondering whether it might not be perfectly all right to allow NIH to diminish in scope and stature. There are those who believe that the money that goes to the intramural program should be spent in private institutions (their own), and that there is no necessity for the government to maintain NIH as a research center of intellectual excellence when there are places on the outside competing for funds. There are those who might be content to see NIH become simply an administrative center, a body without a mind.

It is no surprise that scientists who treasure the special intellectual and research qualities of NIH are outraged by the mere hint of such heresy. It drives them to NIH's defense. "The intramural program sets the scientific tone of the entire extramural program. . . . Should the intramural program in Bethesda be allowed to deteriorate, the whole NIH effort will suffer," declares Sidney Udenfriend, one of NIH's most stalwart supporters.

Udenfriend is director of the Roche Institute of Molecular Biology in Nutley, New Jersey, and an alumnus of NIH where, for many years, he was head of clinical biochemistry at the National Heart Institute. He has decided that what NIH needs is a party. What he has in mind is a homecoming to which the thousands of men and women who have studied and worked at NIH over the years would be invited to honor their alma mater.

Udenfriend has taken steps to arrange such a reunion. With the consent of NIH director Robert Stone and DeWitt Stetten, the deputy director for science, Udenfriend has sent letters to more than 25 NIH alumni asking them to serve on the reunion committee. "I think you will realize how important this event can be to the future of the NIH," he wrote. "The type of homecoming I have in mind will include widespread publicity and participation of leaders in Congress and the press. It should contribute to an improvement in the morale of the staff in Bethesda and emphasize to our national leaders and to the American public the significant training role of this great Institute." No one turned him down.

The homecoming is scheduled for next spring, 19 and 20 April. "We chose that weekend," Udenfriend says, "because it comes at the close of the federation meetings in Atlantic City. We don't intend to make this an expensive affair so we decided to pick a time when a lot of our alumni will be in the area anyway."

The exact format of the reunion has not been decided—Udenfriend welcomes suggestions—but it is likely to emphasize NIH's past scientific accomplishments. [Many of them were catalogued recently by NIH scientists trying to explain to Health, Education, and Welfare Secretary Caspar Weinberger why it would be a bad idea to charge Clinical Center patients, each of whom is a research subject, for hospitalization (*Science*, 23 November 1973)].

Another likely feature of the reunion, designed to save money and promote friendship, is a "take an alumnus home to dinner" program in which present NIH scientists would be encouraged to offer some modest hospitality to their visitors.

As yet, no decision has been made about whether there will be a homecoming king and queen but, if there are, you can bet they will be chosen by peer review.

GOVERNMENT WORKERS: ELITE

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. FORD. Mr. Speaker, on Sunday, April 28, 1974, several newspapers across the country carried an Associated Press story entitled "Government Workers: Elite." This unsigned article was a vicious attempt at setting the worker in the private sector against his fellows in the public sector for the further benefit of big business.

The Associated Press article included a welter of statistics designed to "prove" that Government employees are "overpaid and overpensioned." This unknown author concluded that—

> Pensions (for government employees) are a major reason for the spiraling taxpayer burden.

At the same time he makes sure to note a U.S. Chamber of Commerce source warning that:

> In the competition for good employees, federal wages drive up private wages, fueling inflation.

It is obvious that this last "warning" is the real thrust and purpose of the article. Big business is naturally concerned about the inflationary effect of a raise in Government salaries—when it might result in a larger wage bill for them as industry workers seek the benefits that Government employees have struggled for.

Vincent L. Connery, national president of the National Treasury Employees Union, has answered these slanderous charges against Government workers in a hard-hitting article in the National Treasury Employees Union Bulletin for May 1–20, 1974. He makes it clear that the rosy picture of a Government "elite" is not a true picture of a labor force that has had to endure promotion restrictions, downgradings and reductions-in-force over the past few years. The collection of half-truths in the Associated

Press article gives a very distorted picture of the real situation and Mr. Connery does a very fine job in pointing this out. I would like to insert at this point a copy of Mr. Connery's "comments" in the RECORD.

PRESIDENT CONNERY COMMENTS

On Sunday, April 28, 1974, numerous newspapers across the country carried an Associated Press article entitled "Government Workers: Elite." The story, which understandably carried only the Associated Press byline and not a specific author, is nothing more than an outrageous slander of Federal employees.

It is impossible in one column to deal adequately with the blatant inaccuracies, misstatements of fact, and complete and utter bias of the article. Rather than presenting a reasonably accurate picture of pay and fringe benefits in the Federal government, the article so distorts and twists the truth that it is impossible for the uninformed reader to distinguish fact from fiction.

To suit its slanderous purpose, the article combines the Federal workforce with state, country, and municipal employees as well as postal workers. Nowhere, for example, is there the slightest indication that Federal employees as a percentage of the total United States population have considerably declined over the past 20 years.

In an effort to mask this fact, since it obviously does not meet with the intentions of those who wrote the article, Federal employees are merged with the fast growing state, county, and municipal workforce. Throughout the article, Federal employees are distinguished from other public sector workers except in this instance when all public employees are lumped together and described as "government workers." In this, the article deliberately mixes apples and oranges so that the authors are able to paint the picture of a government workforce gone wild. Yet, even schoolchildren in classes know that the vast increase in the U.S. population since World War II days demands a corresponding increase in city and municipal employees to service rapidly growing communities.

Once again, by combining postal workers and Federal employees, the authors of the article have consciously chosen to mislead the readers by stating that "Federal salaries rose 12.8 percent in 1973." In fact, as every federal employee is well aware, the October 1973 comparability adjustment for General Schedule employees was an average 4.77 percent. Nowhere is this explained in the article; nor does the article mention the fact that Federal employees have suffered a nearly 4 percent loss in comparability in the past few years and have been forced to endure promotion restrictions, downgradings, and reductions-in-force.

Instead of a full explanation of the cited statistics, the article only confuses the reader by printing half-truths and exaggerated statements such as the totally erroneous example of the Federal government secretary making "$19,246 per year." In reality, of course, any Federal secretary would love to accept a salary of one-half of this amount. Even allowing for this blatant overstatement, it does not go to the basic unfairness of citing one example in a workforce of over 2 million; and even if this example is correct, which it is not, the article violates the most fundamental logical precept of jumping from the particular to the universal.

The Associated Press article then goes on to say: "Many state and local governments have adopted the federal system of paying a retired employee 70 to 80 percent of his average wage the last years on the job. As a result, pensions are a major reason for the spiraling taxpayer burden. Federal pension payments have risen from $1.3 billion in 1964 to $4.6 billion last year, and officials estimate they'll be $12 billion in 1994." This statement is one of the most infuriating distortions of a host within a host of inaccuracies.

A Federal employee retiring after 30 years of service receives 56 percent of the average wage for his last three years on the job. This applies to more than 99 percent of all retirees, flatly and without equivocation. The article cites a considerable increase in what they term "Federal pension payments." This again, obviously, gives the reader the false impression that such payments are made directly to Federal retirees.

In point of fact, these payments are made to a Government trust and the reason for the increase in recent years is only because of a Federal law which mandated that the Government fund the trust; something which it had refused to do during the period 1920–1956 inclusive and for all, save a few years, thereafter well into the 1960s. Thus, the Federal government left this fund in an actuarially bankrupt condition unable to pay the pensions. In other words, the sharp rise in costs was the same that would occur to any householder who had ignored his bills for 36 years and then was forced to make up the differenec on a 10 year installment plan.

According to the Associated Press article, an "average" employee who earned $13,200 a year retires on a $10,560 pension. Once again, rather than "average," the article cites the maximum possible pension that could be paid under the law and only to a person who retires with more than 40 years of government service. The "average" government employee earning $13,200 per year would retire at a maximum pension of $7,425, less a 10 per cent reduction for the husband or wife beneficiary.

There is much in Federal personnel administration that can be decried and there is, perhaps, even more in Federal spending that can be legitimately attacked. But the Federal worker who has been forced time after time to pay for all of the ills of the establishment certainly does not need the Associated Press on his back.

Stories such as the Associated Press diatribe do a vast disservice to all American workers. The article panders to the interests of the American businessman in placing private sector worker-readers against their fellows in the public sector. It toadies to the U.S. Chamber of Commerce, the propaganda arm of American business, in their never ending campaign to distort the wage picture in both the public and private sectors.

The anonymous author of this AP story must have been a White House plumber (expletive deleted).

PROTECTION OF THE WORLD'S WHALES

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. DINGELL. Mr. Speaker, Mr. GROVER and I are introducing legislation today to amend the Fishermen's Protective Act to increase the ability of the President to ban the importation of products from countries whose nationals are found to be in violation of an international fisheries conservation program.

In 1971, the Congress amended this legislation to enable the President to forbid the importation of fish products from such countries, upon a certification by the Secretary of Commerce that such violations were in fact occurring. As far as I know, this section of the law has never been implemented, although investigations are currently underway by the Secretary of Commerce.

The immediate problem, to which this legislation is particularly addressed, arises from the activities of the Japanese and Soviet whaling fleets. Under the terms of the International Whaling Convention, nations are restricted as to the types and number of whales that they may catch. I will not go into the details of the precise issue which confronts us today other than to say that the Japanese and Soviet Governments have formally notified the International Whaling Commission that they will not be bound by the restrictions approved last June upon certain types of whaling activities and that these actions appear to me clearly to trigger the sanctions provided in the Fishermen's Protective Act.

The unilateral and intransigent positions adopted by the whaling nations require a strong and positive response by this Nation and by the other nations of the world. In some manner, the message must be communicated that this attitude cannot be tolerated and that international conservation agreements must be carefully and responsibly adhered to, lest the resources themselves be destroyed. The bill introduced today serves this purpose.

It is clear that, at least with respect to Japan, the ability of this country to close off our markets to fish products is of considerable significance. This country presently imports over 75 percent of the fish we eat and a very great percentage of this is Japanese in origin. It is clear that the language of the existing law would be of assistance, if the decision were made to impose the sanctions provided in it.

At the same time, however, we must bear in mind the fact that we live in a protein-hungry world, and that other markets can be found for these fishery products, if Japan chooses to develop them: there is a seller's market in world fish products today. Accordingly, it may not be so great a burden to impose the sanctions authorized by present law, and the burden will lessen over time.

The bill increases the power of the President to impose additional sanctions upon countries which choose to violate or ignore international conservation agreements. It steps up our power to increase the prohibition to cover other products than fish products alone. I believe that it will not be viewed with indifference by any of the members of the International Whaling Commission, nor should it. The weapon which it creates is a meaningful one, and should be used with extreme care.

We are watching with great interest the current negotiations which involve the future of the International Whaling Commission. The next meeting of the Commission is scheduled to be held in June and a member of the staff of the Committee on Merchant Marine and Fisheries will be present during that meeting. If my own schedule permits, I will also be present. This meeting may well indicate the direction in which the

Commission is going, and whether or not there is any useful purpose to be served by allowing it to continue. It may also suggest, in stronger form than has yet been done, the need for prompt action by the Congress along the lines of this bill.

The bill H.R. 15039, follows:

H.R. 15039

To amend the Fishermen's Protective Act of 1967 in order to strengthen the import restrictions which may be imposed to deter foreign countries from conducting fishing operations which adversely affect international fishery conservation programs

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1978) is amended—

(1) by inserting "(1)" immediately after "Sec. 8. (a)";

(2) by inserting immediately before subsection (b) the following new paragraph:

"(2) If the President, after directing the Secretary of the Treasury to impose any prohibition pursuant to paragraph (1), determines that such prohibition is not effective in deterring the offending country from engaging in harmful fishing operations, he may direct the Secretary of the Treasury to prohibit the bringing or the importation into the United States of any or all products which are the growth, produce, or manufacture of the offending country (including any fish products not subject to the prohibition imposed pursuant to paragraph (1)) for such duration as he deems appropriate and to the extent that the prohibition imposed pursuant to this paragraph is sanctioned by the General Agreement on Tariffs and Trade.";

(3) by amending the second sentence of subsection (b) to read as follows: "In the event the President fails to direct the Secretary of the Treasury—

"(1) to prohibit, pursuant to subsection (a)(1), the importation of fish products of the offending country, or if such prohibition does not cover all fish products of the offending country; or

"(2) to prohibit, pursuant to subsection (a)(2), the importation of any product of the offending country after the President determines that the prohibition imposed pursuant to subsection (a)(1) is ineffective the President shall inform the Congress of the reasons therefor."; and

(4) by striking out "fish products" each place it occurs in subsections (c), (d) and (e) and inserting in lieu thereof "products".

THEY GAVE US LOVE—THEY GAVE US STRENGTH

HON. RICHARD F. VANDER VEEN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. VANDER VEEN. Mr. Speaker, I rise before the House to pay tribute today to two citizens of Grand Rapids, Mich. I have known Dr. Louise Schnute and Dr. Mark Dick for many years. This wonderful husband and wife team of pediatricians have served the inner city in Grand Rapids for almost two-score years.

Dr. Mark and Dr. Louise, after these nearly 40 years of self sacrifice and dedication to the neediest little Americans and their mothers, will be retiring from fulltime practice. Plans are tentatively made for semiretirement in Colorado.

I want to take this opportunity to thank them for the many years of service, and for the many individual acts of compassion and sacrifice, stretching down the years. I also wish them many years of happiness and fulfillment. But, most importantly, I want to try to express what the careers of these remarkable physicians have meant to me and have taught me and my own family. That meaning and that lesson have been what true leadership is all about.

The question of leadership is very much in the public mind today. Americans are struggling to redefine the values that make up leadership worthy of the name. The example of Dr. Mark and Dr. Louise are certainly guideposts that all Americans can look to in our seeking for the substance, and undertaking the effectiveness of true leadership.

Their leadership was example. Whether it was climbing the stairs of a tenement to treat a sick mother, or to bring her child into the world, or to heal the children troubled in body or in soul—all these they did, and did in a quiet, but terribly effective way.

Frankly, Dr. Mark and Dr. Louise are the kind of leaders I personally prefer. They pursued and achieved lives of personal excellence in public service. They feel things and people very deeply. They have loved and suffered much in this striving and this achieving and serving.

Mr. Speaker, it is easy to think that those who live their lives of personal sacrifice and devotion with quiet dignity and public distinction, have an easy time of it. But it takes a strong love and an equally strong will to continue to give yourself—day after day—year after year—decade after decade.

Grand Rapids will miss this remarkable team. Their many, many patients will never forget them. We all have become better able to understand ourselves, and to understand how we too can be of service, all by living alongside Dr. Mark Dick and Dr. Louise Schnute.

Mr. Speaker, I am proud to make this statement before the House. I hope those who read my words in Washington, in Michigan, across the Nation and throughout the world, will also be able to learn from this living example of leadership.

LESLIE ARRIES SPEAKS ABOUT NEW SOURCES OF PERSONAL ENERGY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. KEMP. Mr. Speaker, Les Arries, Jr., general manager of Buffalo, N.Y.'s WBEN Inc. and a good friend of mine, was one of the featured speakers during St. Paul's Cathedral Lenten Series, 1974.

In a deeply moving address, Les outlined what he sees as some of the most serious issues facing America—our loss of personal privacy, our inability to face accelerating change, the inbreeding which afflicts American education, and the urgent need to reestablish a proper balance between the executive, legislative, and judicial branches of Government.

Equally important, however, Les Arries talked about the responsibility which rests with each American to contribute to the process of dynamic change which America is in the midst of. As Les Arries said:

> It is not enough to live in a free, strong America, taking the good things it has to offer without helping in return to insure its future. Any individual, each and everyone of us, can and should be making a contribution to our country's future.

I commend Les Arries' address to the attention of each of my colleagues. It is an extraordinary document worthy of the serious review of all Americans.

The address follows:

NEW SOURCES OF PERSONAL ENERGY

(By Leslie G. Arries, Jr.)

A plaque hangs just inside the door in my office. It is called "A Broadcaster's Prayer" and it reads: "Dear God: Give me the wisdom to know right from wrong, truth from falsehood, honest opinion from propaganda. Give me the courage to face all issues without fear, with the inherent faith that in fulfilling Thy will I may discharge to the utmost my responsibility as a Broadcaster under God. Give me the strength, strength of body to withstand the rigors and strains of never satiated public demands, as a mediator of conflicting opinions and ideologies, strength of mind to refuse at all costs the temptations to prostitute my services as a Broadcaster to selfish or partisan purposes, strength of spirit to defend at all cost the freedom of the individual as a creature of God. Let me serve mankind with this most powerful force for good in Thy Holy Name. Amen."

That really describes the charter under which I personally operate.

As a broadcaster responsible to the people of this community, it is necessary, particularly if your station or stations editorialize, to have a grasp on many of the problems, concerns, and interests of our society.

I have a lot of concerns as a Broadcaster, as a citizen of Western New York and as an American.

One of my deepest concerns is the extent to which we, as individuals, in this great nation, have lost our personal freedoms. I believe it started with President Franklin Roosevelt. I am sure that Norman Thomas, the outstanding Socialist, died happy even without becoming President of the United States for which he often ran, because before his death he saw this country move far down the road to a socialistic society. He saw that government at all levels, city, state and federal, was making decisions and designing programs for the good of the group rather than the individual. I don't believe most Americans, and particularly the "under 30," realize how much individual freedom has been lost. Let me give you just one example.

The Internal Revenue Service can go to your bank (even though they have no charges against you and you, in no way, have broken the law) and demand and receive all your records and individual checks for as far back as they want. The bank cannot stop their request. The bank cannot inform you it's happening, and you are powerless to act. I asked my bank to sign a form that they would not release any information about me to anyone except bank examiners without first obtaining my permission or at least advising me. No dice! Because they themselves have no way of refusing the IRS demand.

Congressman Jack Kemp has a bill which he hopes to get passed in this session of Congress that will change this, and insure privacy for the individual in many other areas too.

More than two years ago, Gene Pulliam, the

Pulitzer Prize winning editor of the Indianapolis Star, wrote a front page editorial on the subject "Will the Federal Bureaucracy Destroy Individual Freedom in America?" His opening sentence reads:

"The most serious threat to freedom in America today—including freedom of the press—comes from a Federal bureaucracy which seems determined to gain control over every facet of American life."

There are three other quotes from this editorial I would like to read.

"This is not a partisan issue. As a matter of fact, there are now three great parties in America—the Democratic party, the Republican party and the Federal bureaucracy. Of the three, the Federal bureaucracy is the strongest and most powerful because it is the best organized and is protected from political reprisal by civil service."

"Entrenched behind the safety of civil service tenure, the bureaucrats always proclaim that they are acting in the public interest and proceed to issue decree after decree, having the full force and effect of law, whereas not 20 per cent of the bureaucratic rules and regulations and orders are ever voted on by the Congress.

"Most democracies have been destroyed by centralized bureaucracies—or at least by the rule of organized minorities."

I was so impressed with what he had to say that I sent out over 300 copies of this editorial to community leaders in Western New York. I don't know whether or not you have thought about it but I'm sure if you do, you will be able to offer many examples of the loss of personal freedom in our society to the group ideology. You can start with seat belts.

Let's think about something else. Change. Do you realize the rate at which Americans are being asked to assimilate change? How many of you have read Alvin Toffler's book "Future Shock"? It is text book kind of reading but well worth the effort. Americans have always prided themselves in their abilities to handle change, but for the last 10 to 15 years we have been getting it at a rate that we find very hard to handle. When I say "we" I mean the over-35 crowd. Those who were raised by parents who thought and taught that food, clothing and shelter for yourself and your family were the basic goals, and that God, country and the American flag were worth fighting for. As a matter of fact, deep down, most of the 50+ers resent the rate of change and some of the things they are being asked to accept as part of change. That is why, in part, they responded so strongly in support of Agnew when he unleased the "silent majority" a few years back. His target, the media, like the messengers of old, were to be condemned because we showed or told of the changes taking place in our society, or dared to suggest that further changes were necessary. I don't think the rate of change will slow down in the near future but increase if anything.

On February 4th, the Buffalo Evening News on pages 6 and 7 of Section I carried these headlines with supporting stories which clearly show no slow down in government spending or government control of our lives:

1. Nixon Seeking 1.3 Billion Dollars to Upgrade Mass Transit, with Priority for Buses,

2. 1.7 Billion Dollars Aid Asked for College Students,

3. 1.7 Billion Dollars More Sought to Improve the Environment,

4. Income-Security Spending will top 100 Billion Dollars.

5. 3.77 Billion Dollars for Space,

6. Modest Increases in Spending for Arts, Humanities (82 million dollars),

7. 1.6 Billion Dollars Provided for U.S. Energy Hunt,

8. $10,300 Pay Hike Asked for Congress Over Next 3 Years (34 million dollars the 1st year),

9. 85.8 Billion Dollar Budget for Defense Urges New Nuclear Arms Research,

10. U.S. Military Aid to Viets to Double (1.45 billion dollars),

11. Health Budget Stresses Efforts to Aid Areas Needing Medical Care (369 million dollars),

12. Doubling of Funds Proposed for Checks on Food Plants (195 million dollars),

13. 37 Billion Dollar Fiscal Cushion is Hopeful Projection for 1978,

14. 2.8 Million Dollars is Earmarked to Pay for Watergate Probe, and

15. Your Debt Share: $2,380.75 (but by July 1, 1975, the national debt will be 508 billion dollars).

Do you think the American people exercise their proper responsibility to tell their elected representatives and government officials what programs and services they approve of and what programs and services they want modified or discontinued? I don't. How often do you talk to or write your congressmen, mayor, or governor?

Let's change the subject to one which I feel strongly about—our educational system. I am very concerned about the inbreeding that takes place in our educational system. Today's teachers go through high school and college; then they may get a masters or doctors degree; and then they get a job in teaching. They have absolutely no idea of the American free enterprise system or gross national product or what really developed this country and made it the leader of the free world. Such in-breeding with cocker spaniels made the breed nervous and jerky.

Yet, these educators have control of this country's most important resource for the future—the minds of our young people. It is frightening to me. They have been turning out graduates for some ten years now who are anti-business, anti-advertising, and willing to turn over all control of their lives to government as long as they can develop their inter-personal and human relationships.

They have also been programmed, yes I said programmed, for change. There is that word again.

Recently, I visited a new, very modern school system in this area. A typical third grader had no place to hang his hat or coat, no desk, the walls of the classroom were some days arranged in a rectangle, some days in a circle, some days in a square; some days no walls; some days he sat down with his 3rd grade classmates; some days with 4th or 5th graders; if he felt like it, he could do cartwheels in the midst of a group reading session; in other words, he couldn't count on system, he was exposed to very little discipline and he was being given distorted points of view about America and most of our social issues.

I can't help but wonder if some 10 years down the road when the last of the World War II veterans are too old to do anything about it and one of this country's enemies confronts, challenges and attacks us, whether these young people under this kind of educational system will stand and fight. It is hard to see what they believe in except causes—Nader's, the Symbionese, the Vietnam deserters, etc.

If I had my way, no future teacher could engage in that profession without 3 years in business, and existing teachers would have to spend the next 5 summers working in business.

Our company has been active in two areas in an effort to do what we can to correct this situation. First, we support a Junior Achievement Company. The Junior Achievement program is one in which young people of high school age form a company, elect officers, decide upon and produce a product or service, sell it, issue stock, issue an annual statement and hopefully pay a dividend. I have seen young people who have no idea of the free enterprise system become, for the first time, aware of how we have built our economy and nation.

Another step which we have encouraged is to help establish a continuing series of meetings between various businessmen and educators at the high school level. These meetings have provided insights in both directions.

Watergate—The one result I hope will come from Watergate is the re-establishment of balance among the Executive, the Legislative and the Judicial. Starting with FDR and each president since has added to it, the Executive has taken, many times by the default of the Congress, more and more and more control. I think the wiser heads in Washington on Capitol Hill have seen the damage being done to our American system of government, and are willing to set aside party politics and to take the necessary steps to reverse the trend. It is a very difficult trend to turn around and expensive to do, also.

When the government submits its annual budget it is so voluminous that no committee of Congress, or even the full Congress, could possibly begin to exercise proper control and supervision. In the matter of computers, which could be a tremendous help in analysing such information, Congressman Jim Hastings tells me that the administration has 300 to the Congress' 60. But Congress must exercise fiscal responsibility if they are ever to regain proper balance with the Executive branch of government.

Your program this month is about new sources of personal energy. As a committed member of this society with deep concerns, some of which you have just heard, my energy derives from my desires to contribute or help in any way I can to support what I believe in. For me, this is totally separate from my job.

However, my job as a broadcaster does include the responsibility to inform, educate and to bring the news in balance to our audiences as well as to entertain them. Broadcasting, in my opinion, has become the leading social force in our society. Roper and Harris polls indicate more people turn to broadcasting for news and information than to any other source.

That is why WBEN–TV does an hour of local news and why our radio stations have so many 15 minute news programs. Why we have more prime time public affairs programs in radio and television, and why we have such a large news staff. That is why I have no sympathy for "happy talk" or "show biz" news programs, or why I feel "up to 57 minutes of music per hour" is not fulfilling a broadcaster's responsibility to his community.

The fuel for continued efforts on my part came twice recently when the TV station and I received the Abe Lincoln Award as determined by fellow broadcasters and when a development fund drive which I am heading for a local hospital went over the top. I took these opportunities to give special thanks to God, too.

The people have soured on government at all levels and are suspicious of government officials and elected representatives. The mistrust is not without foundation. But the people have been unwilling in the past to make the commitment to change what they didn't like, to make the system work or revise it. In my opinion, it is not enough to live in a free, strong America, taking the good things it has to offer without helping in return to insure its future. Any individual, each and everyone of us, can and should be making a contribution to our country's future.

I want to conclude with some thoughts from Theodore Roosevelt:

"TO THE MAN IN THE ARENA

"It is not the critic who counts, not the man who points out how the strong man stumbled or where the doer of deeds could have done them better. The credit belongs to the man who is actually in the arena; whose face is marred by dust and sweat and blood; who strives valiantly; who errs and comes short again and again; who knows the great enthusiasms, the great devotions, and spends himself in a worthy cause; who, at the best, knows the triumph of high achievement; and who, at the worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who know neither victory or defeat."

Thank you.

REDS HOPE CONGRESS WILL MOVE TO KILL HISC

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. ASHBROOK. Mr. Speaker, it is indeed fitting that, during the period when Joseph Cardinal Mindszenty has honored us by his presence here in the United States, I am able to share with my colleagues excerpts from a news release from the Cardinal Mindszenty Foundation of St. Louis, Mo., of April 18, 1974, entitled "Reds Hope Congress Will Move to Kill HISC."

Additionally, I am pleased to offer for the public record a letter of March 11, 1974, to the chairman of the House Committee on Internal Security, Mr. Richard Ichord, from the Bishop Emeritus and chairman of the board of the American Hungarian Federation, the Right Reverend Zoltan Beky, D.D. Bishop Beky's gracious comment about the committee's "pioneering work in exposing revolutionary subversive groups" will not go unnoticed by Mr. Ichord whose first activity as chairman in 1969 was to fully focus the committee's rights on revolutionary-action organizations. Copies of the letter were sent to many Members of the House.

I welcome, as the committee's ranking minority member, the kind expressions of support from both of these patriotic organizations and wish particularly, on the occasion of the visit of that respected and revered "rebel," the Hungarian Primate, to draw attention to the ironical course of circumstances which found both His Eminence and the Soviet delegation of Deputies of the Supreme Soviet on Capitol Hill at the same time.

One of the members of the Soviet delegation, A. B. Chakovsky, reportedly complained that—

> There are some few American politicians who attempt to interfere in Soviet domestic affairs, and we don't like it.

Need I remind the House Members that there were "some few" Soviet armies which "interfered" in the domestic affairs of Hungary, in the mid-forties, capturing that beleaguered nation—symbolized by the inhuman tortures suffered by the Cardinal—for communism, and which again, at the behest of Soviet "politicians" reinvaded Hungary in 1956 when she showed signs of successfully rebelling against the Kremlin's civil and military puppets in Budapest.

The mere physical presence in Washington of Cardinal Mindszenty testifies to the burning spirit of this remarkable man and to his people whose persecution should lend courage to all freedom-loving peoples everywhere. The final chapter in this tragic story has not as yet been written he confidently informed two members of my staff during his reception in a House office building.

The above-mentioned documents follow:

Reds Hope Congress Will Move To Kill HISC

When the U.S. Senate voted in 1972 to cut off funds—thereby terminating—the Subversive Activities Control Board, the Communist Daily World cheered in a front-page editorial headlined "The Road to Victory" saying: "We campaigned for that." The Reds will soon be cheering the demise of the House Internal Security subcommittee unless the American public wakes up and protests moves by anti-internal security forces to legislate HISC to death.

The Committee and its predecessor, the House Committee on Un-American Activities, have been prime targets of Communist "abolition" efforts for over 40 years, and no wonder. Recent areas investigated by HISC include Communist influences in the U.S., breaches of internal security and Red agitation and coordination of riots and revolution in the streets.

The many hearings the Committee has held since 1973 are reflected in published HISC reports now available from the Superintendent of Public Documents including such studies as "The Communist Party, U.S.A.—Defender of Soviet Anti-Semitism," "Subservience of Communist Party, USA to Communist Party of the Soviet Union," "Communist Party, USA Attempts to Re-penetrate the Trade Union Movement," and "Revolutionary Target: The American Penal System."

The Communists want to see that the excellent work the Committee is doing in an attempt to educate the public about the strategy, tactics and propaganda of Communism against the free world is ended. Chances are 50–50 that their hopes will be realized in 1974.

ABOLITION HISTORY

In 1960 an anti-security lobby was established and funded to campaign for an end to the investigation of Communist activity in the U.S. This organization was originally called "The National Committee to Abolish HUAC" but is now known as the "National Committee Against Repressive Legislation." It has a full-time Washington lobbyist and ample funds and the Communist influence behind the scenes has been well documented. The principal strategy of the anti-HISC group has been to call for the committee's abolishment by transferring its jurisdiction to another committee. The situation today is this: Rep. Richard Bolling (D-Mo.) one of the House of Representatives' staunchest anti-HISC foes—has proposed abolition of the House Committee on Internal Security and the transfer of its jurisdiction, but not its responsibilities or staff, to . . . Government Operations Committee. This move would deal the final death blow to HISC.

CLEVER STRATEGY

Longtime congressional observers say that Bolling's proposal is one of the cleverest bits of legal strategy ever used against HISC (or its predecessor, the House Committee on Un-American Activities). Congressmen who would *never* vote directly against HISC (or now do so and tell their constituents they were only casting their lots to "streamline" congressional committee structure and save taxpayers' money.

In March, 1973 the House vote was 289–101 in favor of giving HISC its small $475,000 budget. The Bolling "efficiency" stratagem pales when held up to, for example, the millions of wasted taxpayers' dollars congress approves for subsidizing U.S.-Communist "Trade" deals.

Nevertheless, over the years anti-security propaganda efforts have succeeded in narrowing congressional support for any HISC-type committee investigating subversive activities in the U.S. Example: In 1973 in California, the most populous U.S. state, 20 out of 43 representatives voted *against* funding HISC which, ironically, is the only governmental agency to date that has done in-depth investigation of the California-based terrorist Symbionese Liberation Army.

* * * * *

Editor-Publisher William Randolph Hearst comments in his March 3 column as follows:

"The all important point is that if the Polling committee recommendation is adopted, it will almost certainly finish the kind of vigorous continuing probe of subversive activity for which the HUAC-HISC has been noted."

* * * * *

LAST DEFENSE

HISC is now conducting extensive public hearings on the many aspects of terrorism and its effect on the American Internal security situation. It is also investigating attempts by anti-security forces to prevent the FBI from collecting intelligence about subversives. It is imperative that this important work continues.

Here is how effective those forces that want to end such investigations have been in the past:

On June 30, 1973, the Subversive Activities Control Board was terminated.

In May, 1973 the Internal Security Division of the Department of Justice was terminated.

The Department of Defense has stopped investigating disruptions by radicals and anti-military activists and destroyed its internal security files.

Anti-security forces have pressured police intelligence units, such as the New York City Police Intelligence department, to curtail investigation of subversives by instigating numerous lawsuits. As a result the courts have ordered many intelligence files to be destroyed.

The Government Loyalty Security Program has been cut back so much that it exists now in name only.

The House Internal Security Committee, under the strong chairmanship of Rep. Richard Ichord (D-Mo.), may well be one of America's last defenses against the kind of Communist-instigated terrorism that is on the increase all over the world. Legislating HISC out of existence would be one of the great tragedies and mistakes in this country's history.

American Hungarian Federation,
March 11, 1974.

Hon. Richard Ichord,
Chairman, House Internal Security Committee, Washington, D.C.

Dear Congressman Ichord: Our organization, representing most American Hungarian churches, organizations, and fraternal societies for the past 67 years, has been recently informed of the plan of the Select Committee on Committees to abolish the HCIS and to merge it with the House Judiciary Committee.

We are very much aware of the basic and excellent work of your Committee in the past in exposing subversive elements and foreign agents in this country and we applaud your pioneering work in exposing revolutionary subversive groups in the United States, most recently by your report on the Symbionese Liberation Army.

It is our opinion in which the great majority of American citizens of Hungarian descent join us, that the HCIS should not be abolished but remain as an independent unit as it performs significant legislative tasks and that attention should be given to a possible enlargement of its budget and jurisdiction in view of resurgent urban guerilla groups and tactics in the U.S.

Please be assured of our continued support for your Committee. We are writing in support of HCIS also to Rep. Richard Bolling.

With best regards, we are

Sincerely yours,
Rt. Rev. Zoltan Beky, D.D.,
Bishop emeritus,
Chairman of the Board.

COMPLAINTS ABOUT QUALITY OF TAPWATER

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. LEHMAN. Mr. Speaker, on a recent walking tour of the Norland-Norwood area of the 13th District, I encountered numerous complaints about the quality of the water being provided to residents there.

Charges have been filed in criminal court against utility companies operating water plants in the north Dade area by the Dade County Pollution Control Office for selling cloudy, discolored, ill-smelling, and ill-tasting water. The office was only recently empowered by the Dade County Board of Commissioners to enforce water quality regulations.

The problem has been further exacerbated by the recent drought. In Carol City, Norland and Norwood, citizens are finding it almost impossible to drink the tapwater.

Carol City utilities is already in criminal court on charges brought by the pollution control office on its inferior water. Sampling is being conducted daily, and a moratorium has been placed on any expansion of the plant until the water quality reaches an acceptable level.

Charges have been filed against North Miami Beach utility and the Broward Water Service. Much of the same conditions have been found in the water these companies are supplying as well.

While the first steps being taken by the office are commendable, the delay in initiating action is inexcusable. A family's health may be seriously imperiled by poor water quality, and the residents in these areas are understandably anxious to see their water quality brought up to a reasonable standard.

I have been advised by the Environmental Protection Agency that authority to clean up the water had been given to the Dade County Pollution Control Office because of the drought. However, despite EPA's delegation of enforcement authority to the office, EPA can reassume its original authority to improve the water quality if the situation becomes a major health problem. I have advised EPA that I will call on them if residents in these areas do not see significant improvement in their water quality in the very near future.

I am inserting into the Record the correspondence I have had with Mr. Colin Morrissey, chief enforcement officer of the Dade County Pollution Control Office:

May 14, 1974.

Mr. Colin Morrissey,
Chief Enforcement Officer, Dade County Pollution Control Office, Miami, Fla.

Dear Mr. Morrissey: I have been receiving very disturbing reports concerning the quality of the water supply in the Carol City, Norland and Norwood areas.

A great many residents of these areas have told me that the water now has a very disagreeable taste and odor. In addition, it contains excessive sediment. It is feared that these may be signs of a problem which could threaten the health of area residents.

I would like to know what Dade County is doing to correct this problem and when the residents of these areas may expect significant improvement in the quality of their water.

I have already been in touch with the Environmental Protection Agency in Washington regarding this matter and I stand ready to help in any way if you should require Federal assistance to solve this problem.

Thank you for your cooperation.

With best wishes, I am,

Sincerely,
William Lehman,
Member of Congress.

May 22, 1974.

Hon. William Lehman,
Member of Congress, House of Representatives, Washington, D.C.

Dear Mr. Lehman: On April 16, 1974, the Board of County Commissioners passed and adopted an emergency ordinance which made Chapter 10D-4, "Water Supplies" a part of Chapter 24, Pollution Control Ordinance, by reference. Said Section known as 24-9 authorizes the Pollution Control Officer to enforce any violations of Chapter 10D-4 of the Division of Health.

Pursuant to said authority under Section 24-9, this department commenced investigating complaints of poor quality water being supplied to consumers by Carol City Utilities, Broward Water Services, Inc., and the City of North Miami Beach Utilities serving the Norwood area. Samples of potable water taken at complainants' homes on April 24, 1974 revealed that the complaints were justified and that the physical properties of the water were in violation of turbidity and color and that the chemical properties of the water revealed excessive quantities of iron.

Predicated on the results of said samples, the Pollution Control Department on May 2, 1974, filed forty-four (44) charges in County Court against said utilities for supplying potable water in violation of 10D-4.03(8) (12) (Potable Water Standards).

As of this time, we have not received a date for arraignment. Engineering inspections conducted by this department on April 29, 1974 revealed that both Carol City Utilities and the City or North Miami Beach Utilities were in active progress to upgrade and expand their facilities.

At the present time the Miami-Dade Water and Sewer Authority, the Dade County Health Department and the Pollution Control Department are working together in a concerted effort to, as expeditiously as possible, guarantee that the quality of potable water delivered to the consumers of Dade County is in compliance with the standards, to wit:

"Building holds are being imposed in service areas where the quality and water pressure are found to be below standards. Said building permit holds remain in effect until the utilities effected correct their problems.

"The Pollution Control Department has initiated a continual sampling program and has set up a potable water section composed of water engineers to evaluate the water utilities. Predicated on the results of our samplings and our engineering evaluations violations will be issued to be followed by court actions in all those cases where it is found the administrative means to obtain compliance are not accomplishing their purposes."

We are of the opinion that our enforcement program now in progress will quickly put the water utilities on the road to compliance.

Very truly yours,
Colin Morrissey,
Director, Dade County Pollution Control.

HARRY McDONOUGH

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. MOAKLEY. Mr. Speaker, the development of youth in our society today has to be one of our highest priorities. Constantly bombarded by the social, technological, and political changes which occur with such frequency nowadays, our Nation's young people need means of developing their physical and mental capabilities to keep up with these rapidly changing times.

With this pressing need for assistance to the younger generation, it is always heartening to see interest developed and effectively carried out.

Harry McDonough, a good neighbor in South Boston and a close friend, is a man who has devoted much of his own time and effort into the type of program which will help to fulfill this need.

Harry has combined his intense desire to help youngsters with his exceptional talents as a sailor to institute a program of sailing instruction for Boston area school-age children.

A supervisor inspector with the U.S. Customs Service, Harry has been active for many years running the Pleasure Bay sailing program in South Boston, and has implemented such innovative ideas as a sailing program for the blind, and a program of instruction through South Boston High School—certainly an unusual but exciting part of the high school curriculum.

Such devotion to youth welfare, at his own expense and time, has not gone unnoticed. Harry has been lauded by many organizations for his work, and his programs have frequently been outlined in the media. Last year, he was recognized as "Yachting's Man of the Year" by Yacht Racing Union of Massachusetts Bay.

I would like to bring to the attention of my colleagues in the House the full story of the efforts of Harry McDonough on behalf of young people. Three articles have appeared recently in the Boston press citing his work. I would like to insert these now in the Record for inspection by my colleagues and the American people.

The second article capsulizes the work Harry has done, and describes accurately the character of this fine man and public servant.

The first article, which appeared in the spring 1973 edition of Customs Today, a publication of the U.S. Customs Service, clearly points out the hard work of this energetic man in assisting our young people.

The articles follow:

HARRY J. McDONOUGH KEEPS YOUNGSTERS AFLOAT

"A youngster is better off in a sailboat than on a street corner," says Harry J. McDonough, a supervisory inspector in the Boston District. An avid sailor himself, McDonough is so convinced of this, he spends his offduty time managing a South Boston area program that teaches gradeschool youngsters how to handle sailboats in Boston harbor.

McDonough joined Customs as a messenger in 1953, but sailing has been his lifelong hobby. "My father had a 100-foot schooner called the 'Harvard'. He used to take a lot of other youngsters for a sail every time he could. I guess I'm continuing his efforts on a larger scale."

The youth-oriented Boston inspector remembers how much he enjoyed sailing with his father. He also recalls how much the other youngsters liked it too. In 1964 he decided to start a boating program that would enable South Boston area children to learn and enjoy his favorite hobby.

"I started contacting everybody I thought could help," McDonough says. "I'm from South Boston. I know there are families there that can't afford sailing lessons. So I convinced businessmen, city officials, and boat enthusiasts to do something for them.

"The more time kids spend in boats in the company of adults who care about them, the better off they'll be. Sailing sure beats hanging around a drugstore.

"At first all we had was a few boys and girls being invited for rides in my friends' boats. Now, after eight years' work by a lot of people, we have a full-fledged training program going with 600 kids enrolled," McDonough says.

"The first time I saw a boy climb into a sailboat with his eyes wide open in anticipation it was worth all the work."

The Boston inspector had done this kind of work before when he started the South Boston Youth Hockey Program. At present 500 young people, aged five to 16, participate in the program at the Murphy skating rink, just across the street from the sailing club.

Besides McDonough, the seamanship program has a few other experienced volunteer instructors. "As for equipment, if it hadn't been for some kind-hearted businessmen we wouldn't have any at all," McDonough says.

"We have had rafts, life-jackets, and even a headquarters building donated. Most important are the boats: 30 new 12-foot-long Kingfish' class boats. They're seldom idle."

Although he doesn't talk much about it, McDonough has received several awards for his work. One, presented to him last fall, was the "Yachting's Man of the Year" award. It came from the Yacht Racing Union of Massachusetts Bay.

Introducing grade schoolers to boating provides more benefits than just fresh air and exercise, according to McDonough.

"It's easy for a youngster to get off to a bad start in any urban area—and South Boston is no exception.

"When you get kids interested in sports being taught by adults interested in their becoming good citizens, you're making a good investment in their future—and your city's too.

"Part of a youngster's development is influenced by his or her associates, and you can't find a nicer group of people anywhere than sailboat enthusiasts. They're the greatest," McDonough says.

McDONOUGH FAMILY RISES TO SAILING PROMINENCE

(By Arthur Sullivan)

There have been some famous old names in the sailing circles of Massachusetts but today we are talking of a new family making nautical history, the McDonoughs of South Boston.

Harry, the Hurricane of the gridiron, and his daughter, Barbara, a 22-year-old beauty, who has been climbing the ladder of sailing since she was a tyke, are the newcomers.

First time we saw Harry in action was at the old Braves field. He was ripping holes in high school lines and only just beginning to take a serious interest in sailing and sailboats. South Boston High was his fighting ground and then he went down to the Bay for his fun and action.

He found sailing stimulating, challenging as football, and knew it took plenty of courage to whip a foe and wind. But he soon outdistanced most around him until his combative soul sought other challenges.

He found a big one seven years ago and he and his daughter, Barbara, who works in D.A. Garry Burns office as a secretary, teamed up to fulfill this growing ambition.

Harry puts it this way. "I have always been obsessed with the idea that kids should have an opportunity to do something that would get them off the doorsteps and street corners.

"I wasn't just thinking of developing Olympic sailors but there is nothing wrong with that, I was just thinking of giving some fun to youngsters who could not otherwise find the opportunity.

Pretty Barbara, ruling as Queen of the New England Boat Show which opened Saturday at the Commonwealth Pier, then piped up, "my dad and the rest of the family were always interested in sailing. I found a liking for it early when I was just about four-years-old and have been at it since.

"When Dad first talked about helping kids to learn to sail I volunteered to help and he was glad. I started racing when I was 11 mainly in the 210 and 110 classes." Then she sighed a big sigh as she looked over her shoulder at the New England Show to gaze on 150 sailing craft and continued:

"But it was a sport I thoroughly enjoyed and knew I could communicate with the kids whom dad might recruit."

So Harry and Barbara went to work and started to give classes and soon the kids began to flock to his classes on the waterfront across the street from where he had started a hockey program earlier.

Today there are some 500 kids in the program boasts Barbara and she hopes more will come when classes reopen.

But the McDonoughs now have another dream. They hope with the help they have been getting from the M.D.C. and Rep. Gerald O'Leary, that a sports complex can be developed where year round classes in sailing or any other phase of sport can go on.

His idea is stirring interest on many fronts and not only children but adults have already signed for the new sailing classes.

In the plan each person who joins the class will have to pass a swimming test.

Harry with a wide grin of approval of his darling daughter went on, "we plan to start with kids ten years old at first and later hopefully lower the age limit to six if they can pass the swimming test."

Then Harry had a pat on the back for Simon Fireman, who is showing his marine hardwares at the New England Show telling how the Atlantic Avenue businessman donated 100 life jackets to the program.

He heaped praise on Gerry O'Leary and Commissioner Sears for their part and emphasized that the sailing program is not just for South Boston folk. "Anyone can join," said the energetic Customs man.

Another goal of the McDonoughs is to get to the State Dept. of Education and ask it to start a sailing team at each school. "We can take care of 30 teams in South Boston," he added as he talked about the hopes for the future.

In the training fleet the McDonoughs use, there are 30 Kingfisher boats, 12 feet long and he gets help from a faculty that includes Marty McDonough, no relation to Harry and Pam O'Day, daughter of George, the Olympic Gold Medalist.

So when you visit the New England Boat Show don't be surprised if you see Harry on the prowl looking for students and supplies.

This third article speaks of the innovation found in much of Harry's work, outlining the programs he has instituted for sailing instruction for the blind, as well as detailing his latest ideas in youth development areas:

MDC MAKES IT CLEAR SAILING FOR BLIND

(By Pamela Constable)

It is a hot, sticky afternoon at Castle Island. Beach blankets clutter the sand, radios blare, children catcall from the piers and step in melted popsicles.

Silently streaking across Pleasure Bay, away from the clammy din, is a sleek, 20-foot sailboat. Its skipper listens attentively for the flapping sound of luffing sails, delicately balanced between a 60-degree heel and capsizing.

The skipper feels the hot sun beating down on his head, but he does not see the clouds, nor the puffed out mainsail, nor the tiller he is grasping. He is blind.

An implausible scene? Up until this May, yes. But not since Harry McDonough decided that even blind children should have the chance to learn a sport which he has loved for over 45 years.

McDonough runs the Metropolitan District Commission's summer sailing program, which began late last August after a nine-year struggle to secure funding and has been growing by leaps and bounds ever since.

"It was a question of stick-to-it-wity." McDonough, a grizzled salt in battered khakis, straddled the prow of his pet 21-foot sailboat, Cherokee Lady, describing his efforts at politically maneuvering his lifetime dream of a free sailing program into reality.

Nine years and many connections since he began the fight, he now has everything he wanted: a fleet of 30 (soon to be 40) fiberglass "Kingfishers," four larger boats donated for instruction, a clubhouse, two Boston Whalers for rescue, and over 200 applicants for the junior program alone.

"Anyone who can swim 75 yards will be admitted to the program," said McDonough, and he means it. The youngest child in his afternoon class is eight, and the oldest member of his senior citizens' class in his 60s.

In fact the senior citizens' class boasts a quite distinguished honorary member, McDonough's longtime sailing companion ex-House speaker John W. McCormack, who is 81.

* * * * *

when McDonough noticed a woman on the dock describing to her blind son what the sailing class was doing.

"It hit me like a sledgehammer," McDonough recounted, "that the way my father taught me to sail was by blindfolding me."

"Blind people's affliction makes them better sailors," said McDonough, pausing from splicing a mainsheet. "They have much better sensitivity to balance and feel, which are the basics of sailing. They also have no concept of fear, which is the stumbling block of many seeing would-be sailors."

McDonough's blind students are now able to skipper a boat with only one other person aboard to warn them of approaching obstacles. A regatta is planned for them in September, for which McDonough has concocted buoys with cowbells to direct the sailors audibly.

Perhaps his most ambitious plan is a program for mentally retarded children, which he has arranged with several institutions in the Boston area. "It's going to be difficult," he admits, "but in this country everyone should have the opportunity to learn how to have fun."

Much of his program's success is the result of friends' donations. Along with the fiberglas fleet, four larger racing boats have been given to the program, as have 300 life preservers, by sympathetic residents. Even Senator Edward Kennedy has offered the use of his yacht for a day of sailing by the junior class.

"You find many people are just waiting to give," McDonough, the eternal optimist, explains. "Only no one ever asks them."

His prime concern is safety. "This is no hockey rink," he says grimly. "That's death out there, and we've gone too far to have it ruined by tragedy." His "handpicked" staff includes his son John, 20. Boston teacher Marty McDonough (no relation), John Foley, and Fred Ahearn.

So far, over 200 youngsters have applied to the program alone, and McDonough expects more applications during the summer. "It's no great mystery," he said. "Word of mouth has spread this thing like wildfire."

Finally, this fourth article from the Boston Globe, provides a record of Harry's greatest recognition, that of the presentation to him of the "Yachting's Man of the Year Award" by the Yacht Racing Union of Massachusetts Bay. This certainly is the ultimate reward for such a dedicated man as Harry, and its inclusion here in the RECORD is well deserved:

YACHTING AWARDS PRESENTED: HARRY McDONOUGH, "MAN OF THE YEAR"

(By John Ahern)

There's a wonderful trophy awarded each year by the Yacht Racing Union of Massachusetts Bay and for men who take part in the sailing game the winning of it comes only second to a free pass to heaven.

It's called the Distinguished Yachtsman Award or Yachting's Man of the Year and the identity of the winner isn't known until the moment he or she is asked to come to the rostrum.

The other night at Pier Four, Harry McDonough nearly went over the side when King Durant, the outgoing president of the group, asked him to step forward and say a few words. After getting the prize, of course.

Now it's a rare day when Harry isn't quick to react and it's even rarer when he doesn't have something to say, especially about the junior program he has been getting off the ground for a lot of years. But he recovered in time and was the hit of the great night as he explained how his program, under MDC auspices, at Pleasure Bay (that's at Castle Island if you don't know the territory) is progressing and he had a few words for the 210 Class skipper as well, hot words at that.

"I had no idea why I was there and I was getting kind of itchy," Harry explained. "I wanted to get home and do some planning on the project but John Murphy talked me into coming and he talked me into staying. And then when King called me to the head table, I couldn't move. I never dreamed never once, that I might be the winner. I've had some thrills and this has to be the biggest one."

Years ago Harry got the idea that kids with no money would profit by learning to sail. He cajoled people to take these youngsters from the city streets out for a sail. He talked the MDC into thinking of a sailing program at Castle Island.

Harry rang every bell of every politician he could find, selling his idea. It took seven years and it was worth it.

Now there are over 200 kids enrolled in the program and they get plenty of time in the dinghies McDonough was able to get. Next summer he figures there will be more than 300 youngsters learning to sail and that's 300 kids off the streets, 300 kids learning something great.

"We've been given a couple of 210s for the program," Harry said, "and we got them because the members are changing the rig again. It's getting so the average man cannot keep up with the cost of this and rather than go through it all again, they give the boats away.

"Let them keep it up and ruin the class. We'll own all the boats if they want to stay that foolish."

Harry also pleaded with the big boat men—Ted Hood, Buzz Schofield, Norm Cressy and the others—to spend one day afloat with the kids.

"It would be the biggest thing that ever happened to some of those kids," McDonough said.

"They never would forget sailing on a 45 or 50-footer and it would prove to them that despite their backgrounds and financial conditions, they also can make it to the top. It would give them incentive. It would give them a goal in life. Little things like this help make better Americans."

U.S. RESPONSE TO OIL GOUGING

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. GUNTER. Mr. Speaker, in connection with the amendment to be offered to suspend Venezuela's sugar quota until such time as fair oil prices are restored, I recently placed in the RECORD the general views of respected economist Eliot Janeway with regard to the need to fashion an overall response to the oil pricing policies of the OPEC countries.

At this time I would like to place in the RECORD the views of economic writer Hobart Rowen along the same lines as his column appeared in a local newspaper on May 23, 1974.

In particular, I would like to call the attention of my colleagues to Mr. Rowen's timely reference to the OPEC countries "for the special and sudden burden they have placed on the rest of the world, notably on poor countries, by a fourfold increase in the price of oil within a year's time."

Mr. Rowen also observes:

> If the United States decided to price wheat the way OPEC prices oil, it has enough leverage on the market to get $20 a bushel.

The point is that the United States has no desire to reap such returns at the expense of our neighbors. But neither, Mr. Speaker, do we wish—nor can our own consumers afford—to furnish financial bonanzas to oil rich countries who have made it abundantly clear they are only too delighted to reap such returns at the expense of the United States and their other neighbors.

Eliot Janeway argued with insight and understanding, I believe, that until the United States begins asserting its own economic leverage again, equilibrium will not be restored to the world marketplace.

The amendment I will be offering with other colleagues to the Sugar Act to suspend Venezuela's quota until such time as it returns to fair and equitable oil pricing policies for the United States can serve as a clear signal that the Congress is determined to do what is necessary to restore world economic stability.

The text of Mr. Rowen's column follows:

[From the Washington Post, May 23, 1974]

THE OIL CARTEL AND DEVELOPMENT AID

(By Hobart Rowen)

Despite the noble efforts of IMF Managing Director H. Johannes Witteveen, the oil cartel countries have been willing to cough up only small amounts of money to help the oil-importing countries meet the outrageous prices that the cartel itself has set.

The defense offered by the Organization of Petroleum Exporting Countries (OPEC) is a mixture of clever rhetoric and sheer arrogance. In essence, they argue that the cartel countries have not become truly rich like the industrialized West, but merely more "liquid"; that oil prices are still below the level that should be achieved to balance off inflation in other commodities; and that the West—notably the United States and Canada—are soaking the poor countries by extortionate prices for food.

Dr. Abderrahman Khene, the Secretary-General of OPEC, made the rounds here recently, delivering this pitch. He argues that the industrial nations have been raising the prices of their manufactured goods and food, and that the problem of the poor countries thus didn't start with OPEC.

Agriculture policy in this country, of course, has stupidly contributed to inflation. But as Dr. Khene knows, the price of wheat bears a close relationship to weather and crop yields—a matter quite different from a half-dozen oil sheikhs sitting down in Teheran, arbitrarily deciding on a price for oil that costs 10 to 30 cents a barrel to produce—a cost that hasn't varied.

If the United States decided to price wheat the way OPEC prices oil, it has enough leverage on the market to get $20 a bushel.

But there is little doubt that the major countries of the world, especially the United States, must be faulted for lack of generosity in development aid. Far from meeting the recommended goal of 1 per cent of total Gross National Product, U.S. development aid is about one-fourth of that figure, ranking 15th in a list of 16 wealthy countries.

That does not excuse the OPEC countries for the special and sudden burden they have placed on the rest of the world, notably on the poor countries, by a four-fold increase in the price of oil within a year's time.

When Dr. Khene talks of OPEC's "moderation" and "wisdom" in "limiting" the price of oil to provide a government-take of $7 a barrel, he is talking economic nonsense. The abrupt shift of $50 to $60 billion of resources from the oil-consuming countries to OPEC (even if some of the burden is postponed by financing schemes) is beginning to raise havoc in industrial as well as less developed nations.

"In thinking about the effects of the sharply higher oil price," Federal Reserve adviser Robert Solomon said in a thoughtful speech the other day, "I have found it useful to view it as a sales tax on consumption. The imposition of this 'tax' has raised the price of petroleum products."

Solomon, vice chairman of the Committee of Twenty Deputies, points out that the OPEC countries "must lend their enlarged revenues" back to those who are paying through the nose for their oil.

But not much is coming back. Against the $52 billion increase in OPEC surpluses this year alone projected by Witteveen (to a total of $65 billion), the total amount pledged for a special IMF "facility" is some $2.8 billion.

Much has been made of some sales of oil at concessional terms to India. But the concessions don't seem overly generous—and in total, are a drop in the bucket. For example, India will get about $100 million worth of oil from Iraq and a similar amount from Iran in special deals. Against that, India's extra cost for oil this year is more than $1 billion.

The need to get cash into the hands of the hardest-hit countries is so desperate that the World Bank is scraping together about $150 million by diverting some of the International Development Agency (IDA) funds—pitifully small to begin with—to the poorest countries on the list.

International agencies calculate that higher oil, food, fertilizer, and capital goods costs to the poor nations this year will run about $6 billion more than what they will recover in higher export prices.

Assistance by the IMF and other international agencies, plus a reduction of reserves will cover $4 billion, leaving a minimum of $2 billion in new assistance needed by the poor countries. Projections are that this minimum "gap" will increase to $2.5 billion in 1975, and run to $4 or $5 billion a year from 1976 to 1980.

In the immediate and desperate period ahead, the United Nations is trying to get contributions—in any form—that would work out to roughly a 50–50 share between the industrialized world and OPEC.

But the industrialized world, even if it comes through with contributions this year equal to OPEC's, is likely to resist carrying an equal share into the future.

The strong view of the United States, as it sees new OPECs over the horizon for bauxite and other commodities, is that the biggest part of the burden ought to fall on those who create the problem.

PASSING OF THOMAS R. HAY

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. RONCALLO of New York. Mr. Speaker, Long Island has lost a distinguished member of its community with the passing of Thomas R. Hay, a historian and electrical engineer who died Sunday at Glen Cove Community Hospital. Hay, a Locust Valley resident since 1941, edited and wrote for various electrical engineering trade magazines. However, his daughter, Edith Hay Wyckoff, publisher of the weekly Locust Valley Leader, said:

> History was the whole thing. He just did the engineering to put food on the table.

A specialist on the South's role in the Civil War, Hay wrote a number of books on Southern generals, including James Longstreet and John Bell Hood. He was working on a biography of Gen. John Bankhead Magruder when he died. Hay contributed to various historical journals and encyclopedias and had a 1,000-volume historical research library in his home.

While we mourn his passing and share his family's grief and loss, we are heartened by the fact that his works will remain among us long after we are all gone.

TRIBUTE TO REV. ANTHONY H. ABATE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. BIAGGI. Mr. Speaker, on Saturday June 1, Mrs. Biaggi and I will join hundreds of our friends and neighbors from the Bronx in paying tribute to Rev. Anthony H. Abate, O.F.M., associate pastor of the Church of Our Lady of Pity. Father Abate will be celebrating the joyous occasion of his 25th year of service to our Lord as a priest and teacher. It is only fitting that as Father Abate reaches this milestone, we, his friends and parishioners, take time to congratulate him, and cite some of the many accomplishments he has made to the communities he has worked.

While Father Abate's quarter century of service has brought him to several different localities, he likes to refer to the Bronx as his home. Father Anthony H. Abate was born in Brooklyn, and completed much of his early education here, including his days in preparation for the priesthood. He received his degree from St. Bonaventure College in 1955, and was ordained into the priesthood on June 24, 1956.

Father Abate donated the majority of the next 10 years to the teaching of young men, first in Boston, and then in the Bronx at Cardinal Hayes High School. The young men who attended Cardinal Hayes from 1962–67 remain grateful today for the dedication and guidance which Father Abate provided them during those years.

Following his happy years in teaching, Father Abate embarked upon an equally meaningful career at the Church of Our Lady of Pity where he has been since 1967. Father Abate in his years at Our Lady of Pity has represented the epitome of what the modern day priest should be in our present-day society. He has combined a respect for the traditions of the past with a keen realization of the needs of the present. He has demonstrated in both word and deed that the concept of today's priest is based as much on work done outside the church as inside.

An example of Father Abate's work on behalf of the South Bronx community has been his work as chairman of the Morris Cortlandt Neighborhood Association. This organization was formed to rehabilitate some of the ravaged areas of the South Bronx which had fallen victim to incomplete urban "progress." Father Abate, when he arrived at Our Lady of Pity, was alarmed at the lack of housing units for poor citizens. The association, made up of representatives of the archdiocese of New York, as well as from the city and State governments, has as their primary objective to provide hundreds of new housing units for the elderly and handicapped residents of this community.

Father Abate's seemingly tireless work on behalf of the association has gained him the respect and acclaim of thousands of New Yorkers, and has brought him that much closer to the people he serves in the South Bronx.

Father Abate and I have had numerous contacts in his years at Our Lady of Pity. I have seen and heard of his sensitivity for people and overriding desire to provide whatever assistance necessary. He and I had the pleasure of working together in 1972 on behalf of a young man from Italy, Patricio Vitrello, who was seeking to come to the United States for treatment of a grave kidney disease. While I was fortunate in my efforts to secure his admission to this country, it was Father Abate who took personal supervision of the welfare of this young boy. He was able to acquire the services of one of the foremost kidney specialists in this Nation, Dr. Samuel Kountz, who performed the kidney transplant which was needed to save the boy's life. The transplant was initially successful, but complications set in after young Vitrello returned to Europe. Father Abate did not abandon his commitment, but instead brought the young man back for further treatments and as a result of his dedicated efforts, the young man today is a happy and growing individual with a promising future.

In addition to his previously mentioned duties, Father Abate still finds time to serve as the chaplain for the Anchor Clubs of America, Branch 52, as well as the director of the Third Order of St. Francis.

Personally, Father Abate is a man who relishes his life as a priest. He sees his role in today's society to be based on providing people with spiritual leadership and moral guidance. He is a man who is not content to see the world as it is, but rather seeks to change that which he considers unjust or wrong. He is a man whose perseverance allows him to succeed in these efforts.

Mr. Speaker, it is a rare privilege and honor to pay tribute to a man of the caliber of Father Anthony H. Abate. There are many words of praise which could be dedicated to Father Abate, but he for one would feel uncomfortable receiving them.

Rather let us follow the adage, actions speak louder than words, for it would be far more appropriate if we were to carry on our lives in the same traditions of Christian love and brotherhood which has characterized the life of this great servant of God, Father Anthony H. Abate.

MEL LAIRD WRITES ABOUT THE USE OF THE VETO

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. KEMP. Mr. Speaker, before the concept of a veto-proof Congress is accorded inordinate praise by the members of the majority, I recommend they read a recent article appearing in Reader's Digest, written by our former colleague, Presidential adviser, and Secretary of Defense, the Honorable Mel Laird. Entitled "The Veto: Key to Effective Government," the article points out that the veto is indeed one of a President's primary weapons in the continuing process of enacting legislation which meets the criteria of both the executive and the Congress.

Mel Laird argues convincingly that it is a weapon which is neither outmoded nor often ill-used. In fact, the veto has a solid record of accomplishment in preserving a proper balance between the executive and the legislative branches, especially as it relates to keeping the Federal budget from growing out of sight.

I recommend the article highly.

The article follows:

[From the Reader's Digest, June 1974]

THE VETO: KEY TO EFFECTIVE GOVERNMENT

(By Melvin R. Laird)

Soon after the 93rd Congress convened in January 1973, a classic difference of opinion arose between the executive and legislative branches of our government. President Nixon sent to Capitol Hill a new vocational rehabilitation program for handicapped persons, requesting $700 million a year—or 90 percent *increase* over the amount in the budget when he first took office. Whereupon Congress authorized $1.166 billion, nearly double the President's request. Convinced not only that the figure was dangerously inflationary, but that such a huge sum could not be spent effectively, the President vetoed the bill.

When Congress failed to muster the support necessary to override the veto and there was the consequent possibility of no new help for the handicapped, I met with House and Senate leaders to hammer out a compromise. Result: the vocational rehabilitation program was enacted at a spending level ($725 million) that the President could approve—and taxpayers could credit the veto with a savings of $441 million.

Critics liken the veto to executive tyranny, "thwarting the will of the majority." Efforts are being made by some special-interest groups to elect in November what is called a "veto-proof" Congress. Such scare terminology does a real disservice to public understanding of the veto power. Indeed, after more than 20 years' service in Congress and with the executive branch, I am convinced that the much-maligned veto is actually crucial to the effective operation of our government.

The veto procedure—spelled out in Article I, Section 7, of the Constitution—is simple. Each bill passed by both the House and the Senate is sent to the President. If he signs it, the bill becomes law. However, he may "veto" (Latin for "I forbid") the bill by returning it to Congress with a statement of his objections.* The President's disapproval may then be overridden by a two-thirds vote of both Houses of Congress.

Thus, the veto allows the President to intervene in the legislative process, blocking bills he considers unwise and forcing others to be rewritten. While a negative action, it becomes in practice a positive force, usually leading to reasonable compromises between Congress and the President. Most important, the veto is never absolute. Congress always has the final word through its ability to override. (In fact, the Founding Fathers wrote the veto provision into the Constitution mainly out of a fear that Congress would otherwise run roughshod over the President.)

In my view, the veto is therefore the sole constitutional power a President has to prevent hasty or ill-considered laws. The correct response to excessive spending programs enacted by Congress is the veto—not the impoundment, of appropriated funds. Accordingly, I agree with recent court decisions that struck down several attempts by the Nixon Administration not to carry out programs passed by Congress and signed into law.

Over the years, the veto has evolved from a little-used device for expressing purely constitutional objections to legislation into a broad weapon of Presidential leadership. Washington exercised the power twice, Adams and Jefferson not at all. It was Andrew Jackson who paved the way for future activist Presidents with numerous vetoes designed to push his concept of "popular sovereignty." In four terms Franklin D. Roosevelt rejected 635 bills. He used vetoes and the threat of vetoes to influence important national programs including farm bills, highways and labor relations. In all our Presidents have cast 2292 vetoes with President Nixon using the veto comparatively sparingly. (See box).

I have seen firsthand how the veto power has often contributed to good legislation and responsible government. Used properly the veto can mean:

TAX DOLLARS SAVED

The President's budget last year called for a record $31.6-billion appropriation for the departments of Labor and Health, Education and Welfare. Despite this the Senate voted to increase the figure by $1.8 billion! Acting for the Administration, I passed the word that the higher figure was clearly excessive. Nevertheless when the appropriation bill emerged from a House-Senate conference the spending level was still nearly $1.3 billion over the President's budget.

Seeking to avert an impasse, I met separately with House and Senate leaders, advising them that unless at least $400 million was cut from the Labor-HEW bill, I would recommend that the President veto it. I didn't threaten. I simply said, "You can override if you want; but the President can't be responsible to the taxpayers for the larger amount."

The prospect of a veto led to a sound compromise. The House voted to recommit the bill to conference, and Congress eventually voted to cut the additional $400 million. Thus, the bargaining power of the veto led Congress to lop close to $1 billion from the amount it would otherwise have appropriated.

Congressmen sometimes vote for an excessive appropriation because of inordinate pressure exerted on them by groups in their particular districts. It is fortunate for the country that a President, presumably trying to serve the best interests of all the people, has the power to veto such a measure. Many of the Congressmen may recognize the merit of a veto and hence have no disposition to override it.

UNWISE LEGISLATION CURBED

For years, the Democratic majority in Congress had differed with the Nixon Administration over the role of manpower-training programs, Congress, prodded by organized labor, demanded that such programs include vast sums to place unemployed on the public payroll. The President insisted that "WPA-type jobs" had no place in a training program, and vetoed two bills containing public-employment provisions.

Last summer, soon after I became a domestic adviser to the President, I dropped in on AFL-CIO president George Meany—a long-time, valued friend—and told him that the manpower bill then before Congress would be vetoed if it included an unrestricted public-employment program. "Let's work out a compromise," I suggested; he agreed. By the end of 1973, Meany and labor's many supporters in Congress accepted a "triggering" provision whereby public-service jobs would be confined to areas of the country with substantial (6.5 percent) unemployment.

A LEADERSHIP WEAPON PROVIDED

Historian Edward S. Corwin has accurately described the veto as a "weapon" of Presidential leadership. I agree, but would add that, like any weapon, it can be abused. For example, Andrew Jackson vetoed several pieces of legislation primarily because of his bitterness against Sen. Henry Clay, leader of Jackson's opposition in Congress. James Buchanan was accused of vetoing a bill to dredge a channel in Michigan only because that state had supported his opponent.

The vast power of the veto, with rare exceptions, should be directed only toward major national or constitutional issues, regardless of what positions differing sides may take. I recall that in 1960, Congress, under extreme pressure from federal-employe unions whose members converged on Washington by the thousands, passed a 7.5-percent pay raise for government workers—at a cost of nearly a billion dollars for the first year alone. President Eisenhower, worried about the adverse effect on the economy, called the pay boost "fiscal and legislative irresponsibility" and vetoed it, despite tremendous election-year pressure not to. Congress overrode the veto. To my mind, his veto stands as one of the most courageous Presidential acts in recent history.

Another classic executive-legislative confrontation took place last year when the Senate and House overrode President Nixon's veto to enact the War Powers Bill. Once again, the veto served as the Founding Fathers intended. From his viewpoint, the Chief Executive had every right to feel that the bill restricting his war-making powers was "both unconstitutional and dangerous" and cast his veto accordingly. On the other hand, Congress, reflecting a strong conviction that under the Constitution it and not the President must raise troops and declare war, acted properly in overriding the veto.

The American constitutional system has existed longer than any other democratic government in the world today. This system, in which both members of Congress and the President hold fixed terms, and have independent powers and responsibilities, has given the United States stable, responsive government for nearly 200 years. At a time when the institutions of government face severe attack, it is vital that we remember the solid record of accomplishment that our form of government—including the veto power—has achieved.

Presidential vetoes in office and average per year

	Vetoes	*Average*
Theodore Roosevelt	82	10.9
William Howard Taft	39	9.8
Woodrow Wilson	44	5.5
Warren Harding	6	2.5
Calvin Coolidge	50	8.9
Herbert Hoover	37	9.3
Franklin Roosevelt	635	52.5
Harry Truman	250	32.1
Dwight Eisenhower	181	22.6
John Kennedy	21	7.5
Lyndon Johnson	30	5.8
Richard Nixon	42	8.0

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* The Constitution provides that the President has ten days (excepting Sundays) to veto a bill. If Congress adjourns before the ten days are up the President may kill the bill simply by failing to sign it. This is known as a "pocket" veto.

ADDRESS BY HON. L. J. ANDOLSEK

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. DORN. Mr. Speaker, on May 1 of this year the District of Columbia Department of the Veterans of Foreign Wars conferred its Loyalty Award upon a distinguished American, U.S. Civil Service Commissioner Ludwig J. "Lud" Andolsek. Commander David C. Hungate, Loyalty Day Chairman A. Leo Anderson, and Ladies Auxiliary President Mrs. Margaret Donesa, are to be commended for their efforts in focusing attention on "loyalty"—an attribute so vital to the continued well being of this great Nation.

I have long respected Lud Andolsek for the diligent and successful effort he made in rising from the hearth of a iron miner's cabin in Minnesota to high office in our national Government, for his outstanding military service in wartime, and for his superb service as a member of the Civil Service Commission.

His acceptance remarks upon receiving the esteemed Loyalty Award are themselves indicative of the man who was honored, and of the wisdom of the VFW in selecting its winner. As chairman of the House Committee on Veterans' Affairs I include his remarks in the RECORD so that they may be shared by my colleagues and our fellow Americans:

WORKING FOR PATRIOTISM

(By Commissioner L. J. Andolsek)

Everyone in this room has already proved his willingness to serve his country in foreign fields. I wonder if you are now willing to work for your country at home.

I say that without any real doubt. But our country is in a strange mood. We are waiting for the other shoe to drop. And many of the things we hold dear seem to be slipping away as we wait.

It is not always popular to talk about patriotism. I'm glad this is a place where it is popular. But sadly enough, the number of places like this is growing steadily smaller.

Old ideas and assumptions, which once made our great institutions legitimate and confident, are fast eroding. They are challenged by different ideas, different assumptions, which are as yet ill-formed, contradictory, and shocking.

It is hard for politicians, for managers, for leaders of all kinds to operate in an environment where established ideas no longer seem to work. We need to stand back and look at these ideas, and we must either get rid of them or accommodate them. And if you are a realist, as I am, you will not give odds on our getting rid of them anytime soon.

What, for example, is your idea of patriotism? Is it "my country right or wrong"? Is it—whatever my country asks, I will do? Is it—whether my country asks or not, I will work always for the best for the United States of America?

I don't ask those questions in order to praise one answer over another, or to criticize anyone's idea of patriotism. I ask them so you will ask yourself.

In today's world it is not enough for patriotism to be merely a kind of emotional glow, with a mental picture of the flag waving on high and everybody full of high-minded enthusiasm. That reaction is great in its place, but it isn't enough.

I used to know a young lad, seven or eight years old, whose family always had a United States flag on a handsome standard in their front hall. I always thought this was an inspiring kind of symbol for him to grow up with.

But his mother told me that about the only time the boy noticed the flag was when he had been caught red-handed in some crime. When his father would advance on him with a stick in his hand to administer discipline, the youngster would run for the front hall and wrap himself in the flag.

Well, there are plenty of people in all walks of life in this world whose patriotism doesn't go any deeper than that. They wrap themselves in the flag on every occasion.

Yet reverence for the flag is certainly an important part of patriotism. And I think you would have to say that real patriotism consists of the entire attitude of a life. It comes from a willingness to put the welfare of the nation above the welfare of self.

There is a great difference in the attitude of different people when they salute the flag, for example. When the people in this room salute the flag, which they have served, and which they have followed under conditions of stress in a foreign land, I sense that it is almost a religious experience.

But sometime, watch the perfunctory way in which the flag salute is handled in some schools, and watch the faces of some of the youngsters as they go through it. There is nothing here that suggests religion.

In Indianapolis one of the newspapers has a column called the "Thanks Tank." The other day a woman wrote in to say that her newspaper carrier, Tony Smith, in delivering the paper, found $3 on the front steps. He knocked on the door, but she didn't hear. So Tony carefully folder the money inside the paper and left. As the lady wrote, this act was possible only because he had the right kind of training at home.

It's a matter of attitude—a built-in morality that cannot be obtained any other way. Similarly, it seems to me that patriotism—like respect for any of our institutions—is built on the foundation of a strong family.

Then consider what the polls tell us about the way in which institutions of all kinds are respected in America today. As we near the 200th anniversary of this nation, isn't it ironic that the Congress, and the judiciary, the executive branch of our government, the Presidency—even business—not one of those institutions can get a vote of confidence from as many as one out of three Americans.

And if all our institutions are so disrespected, how can we expect patriotism that is anything but a hollow shell?

I don't actually feel that the picture is as bad as this seems. Mingling with the members of this organization gives me a great deal of hope, for I sense here a great, sincere love of country—a real respect for our great institutions that goes beyond the momentary misdeeds of a few.

But I do not believe the road back will be easy. When you look at our history, America is built on the hard, steady, enthusiastic work of her citizens. Right now the so-called "work ethic" is greatly downgraded, and scorned by many.

Yet work is the four-letter word that made this country great. We are seeing hard-working Japanese and hard-working Germans and hard-working, well-motivated people all over the globe edging past us in productivity.

I think American ingenuity will find a way to motivate our own people, and once again we will become the productive, inventive, victorious people we have been in the past.

This will not be easy. We may have to raise and properly train a whole new generation before the job will be done.

Maybe we'll have to listen to Dr. Spock again—except that this time he's right. Did you hear that he admitted he was wrong before? He admits he contributed to the making of a whole generation of parents who were not parents—and now he favors more discipline in the home. Looks like we've made at least one convert!

Discipline and work—two things we'd just as soon not face—but they build men, and families—and nations!

I'm calling on this audience, and on all patriotic Americans, to work for their country. Whether your job is "enriched" or not, whether somebody goes out of his way to supply you with interesting or inspiring work, you can gain inspiration from doing your job well, whatever it is.

And I'll tell you this, with the present state of craftsmanship, if you do your job really well—in any field—you'll be so unusual that crowds may gather to watch you perform.

I said in the beginning, "I wonder if you are willing to work for your country at home."

I now know the answer. I know you are willing . . . and I hope by your actions you will inspire others to do the same. The Civil Service Commission started a long time ago to study and improve productivity among Federal workers through all the techniques of job enrichment and better motivation we can find.

Many private firms are bending every effort to make work meaningful and hence more productive. Institutions of all types are taking whatever steps they can to regain the confidence of the people.

Here in the VFW, ceremonies like Loyalty Day serve to remind us that loyalty is vital to our national life—and real patriotism is the ultimate expression of loyalty.

Maybe with your help we can build a new and better attitude throughout our population, which will do much to build a new and better nation . . . one better fitted to the difficult tasks at hand.

I know I can count on you, because it is your patriotic duty.

KENNETH CHRISTOPHER—THE COMPLETE PHOTOGRAPHER

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. DE LUGO. Mr. Speaker, I wish to acknowledge the artistic achievements of a talented photographer, Mr. Kenneth Christopher. A native Virgin Islander, Mr. Christopher should soon be nationally recognized for his fine work.

Two recent events are bringing Kenneth's talent to a larger audience. A collection of his photographs was recently featured in a 1-week exhibit at Riise's Art Gallery in St. Thomas. In March 1974, "Remember When," a poetry book by Winnie "Oyoko" Loving, was published with Mr. Christopher's photographs as illustrations. These opportunities are a significant broadening to an already successful photojournalistic career: His pictures have been published in both the local and national press. To Virgin Islanders, though, Mr. Christopher's most memorable work will remain his annual collection of photographs printed in the St. Thomas Carnival booklet.

I am sure that we will be hearing more about Kenneth Christopher as he continues to expand his areas of creative expression. His ability to capture the fleeting mood, the subtle flick of emotion in a two-dimensional print, marks him as the truly unique photographer.

At this time, I would like to present for my colleagues' attention the following detailed profile of Mr. Christopher's career:

[From the Virgin Islands Post, May 16, 1974]

KENNETH CHRISTOPHER—THE COMPLETE PHOTOGRAPHER

A man equipped with a camera has often been humorously described as "double trouble" if the man doesn't capture you, his camera certainly will!

Kenneth Christopher is a photographer, a serious one. His photography represents the local life, the local people, their hopes and dreams, the art of island existence. Utilizing his multi-faceted camera techniques, K.C. feels out the heartbeat, the pulse of the Virgin Islands and captures the expressions, mood and the personality of his subjects and develops them to perfection. His one-man show opens at Riise's Art Gallery on Tuesday, May 21st, and will run through Tuesday, May 28.

For many years, the impact and significance of K.C.'s picture-taking was usually exemplified on the front page, sports page, or center-fold of the local newspapers. A fine newsman, printer, reporter, R.C. often told his story pictorially with just a short caption to make the reader think. His on-the-spot coverage of hot news, accidents and fires put him a class by himself among communications media personnel on the island of St. Thomas.

His style is unique outstanding. He's fast, but manages to accurately convey the mood of his subject as well as the physical black and white picture itself.

As an artist, K.C. is shy, quiet, almost boyish, and extremely sensitive. Astrologically speaking, his cordial Cancerian smile has assisted him in bringing relaxed smiles to unwilling models, fretting babies, nervous brides, and bashful and irate old-timers. He has a special knack with children who seem to be drawn to him naturally.

St. Thomas born and bred, Kenneth Christopher earned his nickname of K.C. when there were too many Kenneths in his class at school. He began taking pictures during that time.

It's no easy task to operate an instrument as skillfully as K.C. maneuvers his cameras. He's been at it for over fourteen years. Basically, self-motivated and self taught, K.C. has taken courses from, and is a member of, the New York Photography Institute.

Many of his pictures have appeared in Ebony Magazine, national newspapers, and all of the local newspapers. Some of his more famous photos are the ones of the St. Thomas Carnival which have appeared in the Carnival booklet year after year. The Department of Public Safety has called on K.C. on numerous occasions to shoot pictures of newsworthy scenes.

In March 1974, K.C. illustrated a poetry book that was written by Winnie "Oyoko" Loving, a poet from Boston, who is residing in St. Croix. The book will undoubtedly give K.C. national prominence as a photographer in the States as the book gets recognition for the tremendous black and white photos he took. It's entitled "Remember When."

K.C.'s favorite camera is his Hasselblad, his reason being, "it is difficult to operate. It has a good many check points that must be correct before the picture will come out," he explains.

"Although I got interested in photography on my own," he states, "Basil Ottley was very nice to me when I first began taking pictures. He gave me lots of hints and tips plus a full course in photography in just four hours." K.C. says that his favorite subjects are anything that moves. Even trees move."

In recent months K.C.'s photography has entered a refreshing new era, one that has developed him spiritually as well as technically. Instead of the characteristic newspaper photos and portraits, he is now focusing on candid shots that speak about life and its meaning photos that depict the depth of human to human feeling.

"I try to make my pictures alive so that anyone looking at them, whether next week or next year or a hundred years from now, will feel that they were right there on the scene. Photography is a fascinating way to see the rest of the world . . ." he explains.

Kenneth Christopher's eyes see a living and complete world through the lens of his camera. Come to Rise's Art Gallery from Tuesday, May 21 through Tuesday, May 28, and see the work of Kenneth Christropher . . . the complete photographer.

AMNESTY ENDORSED BY FATHER HESBURGH

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. DRINAN. Mr. Speaker, I bring to the attention of my colleagues the moving words of the distinguished president of the University of Notre Dame, Father Theodore M. Hesburgh.

Father Hesburgh's endorsement of amnesty is accompanied by a statement made with Father Hesburgh's characteristic clarity and forcefulness.

This article entitled "To Be Really a Noble Nation: Amnesty" is taken from the Boston Globe of Monday, May 27, 1974.

The article follows:

TO BE REALLY A NOBLE NATION: AMNESTY

Amnesty is a dirty word for many Americans. They identify it with traitors, deserters, kooks, hirsute hippies, and unconscientious objectors.

What they don't think about is what started us thinking about amnesty; the moral dilemma of the Vietnam War, in which more than a million civilians were murdered on each side, hundreds of thousands of soldiers were killed, a war that left 50,000 Americans dead, and a quarter of a million wounded.

There were other moral aberrations, too: destruction beyond comprehension, secret bombings in Cambodia authorized by the President, tiger cages for government torture, orphans without number—all of this and more without anyone having a good explanation of why we were there, what was really accomplished.

And after a year of peace with honor, both sides have had more killed in a year than we did in all the years we were there.

Who is able to make any sense out of this moral morass? Who will sit in judgment on the motives of many young people who decided in conscience that they would have no part of this senseless killing, violence and destruction—even if it meant going to jail for years, going underground away from home, family and friends, or, if it were the only alternative, leaving their country?

Granting that some did these things from base or selfish motives, who is going to play God at this late date? The horrible moral mess that was Vietnam is now being prolonged in the lives of those youngsters who were caught up in all the ambiguities it brought.

Where are the elders, the best and the brightest who escalated the original mistake, the generals, the colonels, the high officials involved in My Lai, and all the other massacres that never really came to light? They go scot-free. One lone army officer who was put on house arrest with unlimited visiting privileges for his girl friend is now free from even that slap on the wrist. Meanwhile, thousands of youngsters languish in jail, underground, out of the country, victims for better or for worse in a no-win situation.

I used to think that maybe it could be sorted out, some way, selectively—if someone had the time, the patience, and, especially, the wisdom to study each case and pass judgment individually. I guess what really pushed me over the line into the position favoring unconditional amnesty for all was the sight of one of the greatest war hawks of them all, the strong talker about the bad apples spoiling the other good apples fighting the war, our Vice President Spiro Agnew who was super-anti-amnesty until he was caught doing something really bad—and, what does he do? He wheels and deals with all his might to achieve amnesty for himself, and he gets it, quickly and effectively. Other distinguished, mature public servants are also copping pleas for amnesty.

All this leads our country into impossible, almost obscene contradictions. While some agents of government were trapping and jailing a young man who left his Canadian sanctuary to attend the funeral of his father, other agents were guarding the former Vice President who was enjoying his amnesty, playing golf. Two questions emerge: Who was more guilty of dereliction of duty, more worthy of amnesty? And second: Should Canada be more understanding of young Americans than America?

At this point, I say let's wash out the residue of Vietnam. We have more present poisons to concern us. Even if some of those still outside or beyond the law did not have the highest motives—though many did—these petty young miscreants, alongside their distinguished elders in Watergate, etc., are pikers.

I, for one, can more easily forget what the youngsters did than what their elders did. And that is all amnesty really means, forgetting. If we want to be really noble as a nation, amnesty also means forgiving, but that's hard to come by if you happen to be young, poor, powerless, and often despised by those who are older, affluent, powerful, and the creators or perpetrators of the moral morass in the first place.

For them to forgive would be to admit they were wrong. That's another reason amnesty is a dirty word, whether it is taken to mean forgetting or forgiving.

MATERNAL AND CHILD HEALTH PROGRAMS

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. KOCH. Mr. Speaker, Dr. Frederick Tunick, director of a children and youth project at the Jewish Hospital of Brooklyn, testified before the House Ways and Means Committee on May 17 on the importance of maternal and child health programs being included in a national health insurance system

I would like to append for the information of our colleagues the excellent statement he submitted for the RECORD. The statement follows:

TESTIMONY BEFORE THE COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES

Mr. Chairman and Members of the Committee on Ways and Means: I am Frederick L. Tunick, M.D., F.A.A.P., Director of Children and Youth Project #628, Brooklyn, New

York and I represent the National Association of Children and Youth Project Directors.

I am here to testify in support of H.R. 13870 and especially those principles within the bill, such as Title IV Section 401 which "assure through programs of Federal Assistance that health services covered under Title V, XVIII, and XX of the Social Security Act are accessible to every American.

I am speaking for the 68 Children and Youth Projects throughout our country. These projects, established under Title V of the 1965 Social Security Act, are currently providing comprehensive health care for more than half a million children of preschool and school age. Comprehensive health care, according to Children and Youth philosophy, includes a broad program of preventive health, sickness care, public health nursing, mental health, dental care, speech and hearing, nutritional services, and social services. It has long been recognized that "good health" for children is not merely the absence of disease; good health is the ability of the child to perform up to his optimal level in all fields of endeavor. Any factors which might interfere with this ability have been of vital concern to the Children and Youth Projects. To this end, we have set up multi-professional teams to care for our young registrants.

I do not have to document the achievements of the Children and Youth Program over the past seven (7) or eight (8) years. It is the only Nation-Wide Ambulatory Care Service that has been continuously monitored since its inception by means of a national statistical reporting system. These facts are well known to members of this committee who have supported the extension of Title V for the past two (2) years.

The authors of H.R. 13870, in their wisdom, have stated in paragraph (2) of Section 401, "prior to the effective date of the health insurance benefits authorized by amendments made by this Act to the Social Security Act, to accelerate and broaden Federal Programs designed to strengthen the nation's resources of health personnel, facilities, and services and its system of delivery of health services, in order to enable the providers of health services better to meet the demands on them when such benefits become available. . . ." It is because of this far-sighted planning that I enthusiastically support this bill.

I must add one criticism, however, or I would be remiss in my dedication to preventive health services. It is my understanding that under the provisions of both H.R. 13870 and H.R. 12684 (The Comprehensive Health Insurance Plan endorsed by the Administration) there would be a 25% co-insurance payment required for pre-natal visits, and preventive health for children. The concept of availing oneself of preventive medical services is not one that is readily acceptible to families in the poverty stricken areas of our nation. Health care does not have a high priority among the necessities of life in a poor family until some crisis occurs. The Maternal and Infant Care and Children and Youth Projects have concentrated their efforts, through health education, and have succeeded to a considerable extent in gaining acceptance of Preventive Health principles among our patients. This is evident from the documented lowering of pre-natal morbidity and mortality in the M.I.C. Projects and the dramatic decrease in the rate of hospitalization and shortening of the length of hospital stay among children enrolled in the C & Y Projects.

I urge the members of this committee to eliminate the co-insurance payment required in both bills for pre-natal and preventive health service visits. This would remove a major stumbling block in the way of reaching our goal: A nation of healthy mothers and healthy children.

Thank you for allowing me to testify.

TAX RELIEF

HON. IKE F. ANDREWS

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. ANDREWS of North Carolina. Mr. Speaker, on April 25, 1974, I introduced a bill to provide tax relief for hundreds of thousands of educational loan recipients in the United States who recently received retroactive tax-due notices from the Internal Revenue Service, and I would like to share with my esteemed colleagues my views on the necessity for the legislation.

The bill, H.R. 14392, presently before the Ways and Means Committee, is designed to offset the retroactive portion of an IRS ruling that student loans with a "forgiveness" provision are taxable income.

Those who have received the tax-due notice include students and graduates who received loans to prepare for careers in nursing, medicine, teaching, dentistry, pharmacy, medical technology, physical therapy, optometry, and other critical professions. Their loans, obtained through various State and Federal scholarship programs, included the "foregiveness" provision, under which students agreed to repay their loans after graduation by working for a specified period in an area where there was a personnel shortage in their profession.

The ruling, which results in individual tax payments of hundreds, and in some cases thousands, of dollars, is retroactive. This means that Federal taxes are being charged on loans which were canceled as far back as 1971. The year 1971 is as far back as is allowable under the statute of limitations. However, the loans are charged to the taxable year in which the loan was repaid by service, rather than the year the money was actually used. As a result, one pharmacist residing in North Carolina's Fourth Congressional District, received a $300 tax bill, payable in 15 days, on a loan he made in 1968–69.

The decision to make taxes payable retroactively on such loans is, in my estimation, grossly unfair to the thousands of students who obtained the loans in good faith and without any knowledge that the IRS intended for them to pay such taxes. It is my understanding that neither the loan recipients nor the administering agencies knew that the IRS would expect the payment of taxes on these loans containing the forgiveness provision.

I would like to share with my colleagues an editorial comment that appeared in the May 14, 1974 edition of the Raleigh News and Observer. In reading it, I would like to remind my colleagues that the bill I have introduced deals specifically with the retroactivity of the Revenue ruling. The editorial, entitled "Taxing Education Loans Unfair" reads as follows:

> TAXING EDUCATION LOANS UNFAIR
>
> The effort to collect federal taxes on special incentive loans to college students is the kind of legal correctness that smacks of arbitrariness and invites reform.
>
> The loans have been given to thousands of young North Carolinians and other Americans for years. The notes contain a "forgiveness" agreement whereby the borrower, if he or she pursues a certain vocation or locates in a certain area of the country, is excused from paying back the money.
>
> For example, when there was a shortage of teachers during the 1960s, National Defense Education Act loans encouraged college students to become educators by releasing them from the note payments if they became teachers. For every year of teaching, the borrower's note was reduced by a year's tuition.
>
> The idea is used by private scholarship donors such as local medical societies as well as state and federal governments. It is an idea that works.
>
> It is now threatened by a 1973 interpretation of the law that allows the Internal Revenue Service to collect taxes on income received from incentive loans. The IRS may be technically correct in seeing the "forgiveness" loan as income. But, as stories in The News and Observer make clear, recipients were not told the money was taxable nor, until this year, was onyone asked to pay taxes on such income. Worse, the IRS has applied the interpretation retroactively and is collecting back taxes from surprised, past recipients. A young pharmacist in Durham, for example, was given a $300 back tax bill this year for a loan made in 1968–69.
>
> Rep. Ike Andrews of the Fourth District has introduced a bill in Congress that would prohibit such collections. Andrews' bill would revise the Internal Revenue Code so that student "forgiveness" loans, upon discharge, would not be considered part of an individual's gross income. The bill deserves support not only from affected college graduates but from the public as well. The legislation would correct the present situation in which the IRS seems to be penalizing with one hand what the government is encouraging with the other.

I hope that my colleagues will agree with me about the importance of the bill, H.R. 14392, and will join me in cosponsoring the measure.

CORRECTING MISINFORMATION ABOUT H.R. 11500

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. UDALL. Mr. Speaker, on May 15 the Wall Street Journal erroneously reported that the Surface Mining Control and Reclamation Act of 1974, reported by the Interior Committee on the previous day, would ban mining on slopes of 20 degrees or more. There were other factual errors in the article.

There has been a great deal of misinformation vociferously and widely disseminated about the legislation. H.R. 11500 does not ban mining on steep slopes nor do the environmental safeguards contained in the bill amount to a ban.

Following is the correction printed by the Wall Street Journal on May 29 to their previous story:

> Coal strip-mining bill recently approved by the House Interior Committee would impose certain requirements on mining on slopes steeper than 20 degrees. The most important of these is a prohibition against throwing excavated material, or "spoil," down the slope except where necessary to gain access to a coal seam. The same bill

would impose a fee of 1.23 cents per million British thermal units, or BTUs, of heat content on all mined and imported coal, mostly for reclamation of abandoned strip mines. A BTU is the amount of heat required to raise the temperature of a pound of water one degree Fahrenheit at near 39.2 degrees. Thus, the fee would range from around 14 cents a ton for low-BTU Western coals to 38.4 cents for high-BTU Appalachian coals. In an earlier edition, it was incorrectly reported that the fee was 30 cents a ton and that the bill would bar mining slopes greater than 20 degrees.

WOMEN IN SPORTS

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mrs. MINK. Mr. Speaker, in light of the growing controversy on equal participation for women and girls in educational institution-sponsored sports programs, especially on the collegiate level, I am submitting portions of an exceptional and comprehensive article, "What Constitutes Equality for Women in Sport?", which was written by Ms. Margaret C. Dunkle, associate of the project on the status and education of women of the Association of American Colleges. This article is a valuable contribution to the discussion on women and sports and is well worth our close attention as we focus on the Education Amendments Act of 1972 proposed regulations on title IX requiring educational institutions to provide equal opportunities to all persons participating in or benefiting from any educational program or activity receiving Federal financial assistance:

WHAT CONSTITUTES EQUALITY FOR WOMEN IN SPORT?—FEDERAL LAW PUTS WOMEN IN THE RUNNING

Colleges across the country are reviewing their sports and athletic programs to determine if they provide equal opportunity to their female students. Federal law now mandates that institutions eliminate policies or practices which discriminate against students, as well as employees, on the basis of sex. In addition, enthusiasm for women's athletics is increasing rapidly.

There is a growing recognition that women's athletics, especially women's intercollegiate athletics, is likely to change dramatically in the next decade. A report to the American Council on Education on intercollegiate athletics found that:

"The most important and far-reaching recent development on the college sports scene has been the movement to achieve equal treatment for women in the conduct of intercollegiate athletics."

Some institutions have been reluctant to change policies and practices mandated by athletic conference or association rules, even though they have a discriminatory impact. Such regulations, however, *do not* alter the obligation of an institution to provide equal opportunity to women and men under federal law. It is becoming increasingly likely that, because of pressure on institutions to have nondiscriminatory policies, athletic association and conferences will be forced to change their rules and regulations.

Legally it does not matter whether or not an institution provides any given service or opportunity. What does matter is that the services and opportunities it does provide not discriminate on the basis of sex.

Although the prospect of coeducational teams has attracted the most attention, there are a variety of issues which must be considered in evaluating opportunities for women in sport. Some issues and remedies are relatively clear cut; others are not.

This paper outlines some of the issues related to equal opportunity for women in sport, gives examples of some situations that might have to be reassessed, and discusses some of the alternatives that are being proposed.

THE EDUCATIONAL VALUE OF SPORT

Most people believe, to some extent at least, that there is a complementary relationship between a healthy mind and a healthy body. Throughout the ages many philosophers have maintained that vigorous physical activity builds character and develops citizenship, as well as contributing to physical well-being. But, according to *Sports Illustrated*, this reasoning has not been applied equally for women and men:

"Sports may be good for people, but they are considered a lot gooder [sic] for male people than for female people."

The Victorian image of women as physically weak led most early educators to downplay physical activity for women. It was the women's colleges—Vassar, Wellesley, Goucher—which first encouraged women to engage in vigorous exercise, apparently on the theory that women could do their best mental work only if it were balanced by physical activity. Also, the founders of these colleges felt that it was necessary to disprove claims that women did not have the physical ability or stamina needed for a college education.

Sport and athletic programs for women have traditionally focused on instruction and lifetime sports. In general, competitive athletic programs have grown out of physical education programs. Much of the tradition for men in sport and athletic programs, however, has been tied to competitive athletic programs. Although these two traditions are not necessarily contradictory, they have oftentimes led to the development of programs for women and men which are strikingly different. This paper attempts to address issues of concern to people interested in sport, no matter what their specific orientation.

ATTITUDES TOWARD WOMEN IN SPORT

Athletics is a sensitive issue for many people. Because athletics reflect cultural norms, they have tended to perpetuate sex stereotypes and myths about what is "right" for men and what is "right" for women. Men are "supposed to be" strong and aggressive, both physically and emotionally, while women are "supposed to be" weak and passive. Women have not been encouraged to participate in athletics at least partly because the traits associated with athletic excellence—achievement, self-confidence, aggressiveness, leadership, strength, swiftness—are often seen as being in "contradiction" with the role of women. As a Connecticut judge stated in a 1971 decision that denied women the right to participate on a cross country team:

"The present generation of our younger male population has not become so decadent that boys will experience a thrill in defeating girls in running contests, whether the girls be members of their own team or an adversary team . . . Athletic competition builds character in our boys. We do not need that kind of character in our girls, the women of tomorrow. . . ."

Jack Scott, former Athletic Director at Oberlin College, commented on the attitude towards women in athletic circles:

"As any male athlete knows, there is nothing worse than being called 'feminine' when he makes a mistake in athletics, especially in a contact sport. . . . [M]ale athletes from 12-year old kids to 36-year old professional football players have had tears brought to their eyes by that kind of 'condemnation.'"

In contrast, comparing a female athlete to a man is seen by many as the highest compliment. When the coach Micki King, one of the finest divers in the world, wanted to compliment her:

"[He] . . . made the remark that she dives like a man. . . . So quite clearly, what Micki King did was dive correctly; and this was labled the 'masculine way.'"

Attitudes such as these are difficult to overcome. Sometimes women compare the discrimination that they have faced in sport to the discrimination that blacks have faced. Although these two types of discrimination are obviously not identical, there are some similarities. Just as men's teams have refused to compete with women, white teams once refused to compete with blacks.

Myths die slowly. Although some societies have encouraged women in sports more than others, there have always been vigorous women. The great bull-leaping acrobats of the Minoan culture were women. Etruscan and Spartan women and men trained together. Egyptian and Greek legends credit women with the invention of ball games. Henry VII complained of the expense of keeping Anne Boleyn in archery equipment.

The attitudes that people have about women in sport influence the total athletic opportunities that are available to women—the funding of their programs, the adequacy of their facilities and equipment, the employment conditions of their teachers and coaches, etc.

THE LEGAL MANDATE FOR EQUALITY FOR WOMEN STUDENTS IN SPORT

The legal mandate for equal athletic opportunity regardless of sex comes from Title IX of the Education Amendments of 1972. The key section of Title IX, which became effective on July 1, 1972, reads:

"No person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving Federal financial assistance."

All educational institutions which receive any federal money are covered by the anti-discrimination provisions of Title IX. Virtually every college and university receives some form of federal financial assistance. Although there are some exemptions from non-discriminatory *admissions*, Title IX requires all educational institutions to provide equal opportunities to their students regardless of sex once they are admitted.

The implications of Title IX for the issue of equality in sport (as well as for a variety of other issues) are considerable. Interestingly, although the Education Amendments Act was hailed as landmark education legislation, the sex discrimination prohibitions were generally ignored by the press and little noted by the educational community.

Title IX empowers the government to withdraw funds, debar institutions from eligibility for future funds and to bring suit against institutions which discriminate against students or employees on the basis of sex. The enforcement provisions of Title IX are patterned after those of Title VI of the 1964 Civil Rights Act, which prohibits discrimination against the beneficiaries of federal monies (students) on the basis of race, color or national origin. Title IX (like Title VI) is enforced by the Office for Civil Rights of the Department of Health, Education, and Welfare. Charges of discrimination may be brought by writing to the HEW Secretary, specifying the nature of the discrimination.

Although (as of April 1974) the implementing regulations were not issued, Title IX has been in effect since July 1972. HEW's Office for Civil Rights, which has jurisdictional power over Title IX, had not fully decided (as of April 1974) exactly how Title IX would apply to some aspects of sports and athletic programs. Despite this, a number of complaints of sex discrimination in sports and other areas have already been filed. For example, women students have filed complaints of sex discrimination against the University of Michigan and the University of Wisconsin concerning the athletic and sports programs.

Prior to the enactment of Title IX, charges of discrimination in sports programs could only be brought under the Equal Protection Clause of the Fourteenth Amendment to the Constitution. Perhaps the most common challenge under the Fourteenth Amendment has been by women who were prohibited from participating on "male" teams by the rules or regulations of an athletic conference or association. In most instances, there were no parallel female teams. In all probability many future complaints of sex discrimination in sports will be brought under both Title IX and the Fourteenth Amendment.

The existence of state laws, or rules and regulations of an athletic association, which permit or require different treatment based on sex is not a defense to charges brought either under Title IX or the Fourteenth Amendment. In accordance with the concept of federal supremacy, the obligation to comply with federal law supersedes the obligation to comply with state law or regulations of private associations (such as athletic associations or conferences).

Federal law does not presume to dictate what specific philosophy or practices an institution must follow concerning sports. This is an educational decision which belongs to those who formulate educational policy at an institution. *Federal law does require, however, that once a philosophy or practice is determined, it be applied equally regardless of sex and that it not have a disproportionate impact on one sex.*

It would be equally legal, for example, for a college to have no competitive athletic program whatsoever or to have an extensive competitive athletic program, so long as the policies were applied equally regardless of sex.

Many aspects of sports at the college level—especially male competitive athletics—are coming under increasing scrutiny and criticism. For example, the American Council on Education has recently sponsored a preliminary study of the educational, economic, legal, moral, political, and sociological aspects of intercollegiate athletics in an effort to identify problem areas and formulate recommendations to alleviate these problems. Challenges and questions to the philosophy and operations of college athletic programs are coming from a variety of sources and can be expected to lead to significant changes. Certainly some of these changes will be caused by an effort to eliminate discrimination against women in sports.

WHAT CONSTITUTES EQUALITY FOR WOMEN IN NON-COMPETITIVE PROGRAMS?

Non-competitive and instructional programs in general include programs in which participation is not based on skill. This would, for example, include all physical education and instructional classes, recreational opportunities and most intramural and club sports.

Discrimination in non-competitive (as well as competitive) programs is widespread. To some extent at least, this is a potential problem area on virtually every coeducational campus in the country. To illustrate the pervasiveness of the problem, each of the following sections begins with actual examples of how discrimination might manifest itself on campus. Although the examples are real-life, the institutions at which they occurred are not named.

Instructional opportunities and mixed physical education classes

At a prestigious private institution the women's and men's physical education departments were separate and the instructional courses available to female and male students varied considerably. For example, women could not take wrestling and men could not take self defense or volleyball.

At a southern state university female students could not take coaching courses for credit, with the result that they were not "qualified" to coach teams.

Many physical educators and women's groups argue that there is no justification for single-sex non-competitive or instructional programs. Under Title IX, the lack of duplicate facilities (such as locker rooms and bathrooms) could not be used as a reason for excluding one sex or the other. Bathroom and locker room space may have to be reallocated, but in any event Title IX would *not* require women and men to undress in front of one another or to share the same bathroom at the same time.

Because of different interest patterns between women and men, it is likely that some instructional classes will continue to be made up primarily of members of one sex. However, women's groups are urging institutions to take care to assure that classes which are primarily male not receive preference over classes which are primarily female in such areas as facilities and equipment, scheduling of classes, or teacher competence.

Many college physical education majors are preparing to become elementary or secondary school physical education instructors and/or coaches. In some institutions the credentials that women can acquire in college for this job are more limited than those a male can acquire. For example, women may be prohibited from taking coaching courses either at all or for academic credit. Or a semester of a "male" sport (such as flag football) may be required as a prerequisite for a coaching course. The result is that, upon graduation, she is not "qualified" to coach teams and is effectively barred from a common career ladder—that from physical education instructor, to coach, to head of the athletic department, to mid-level administrator, to principal. Policies which prohibit one sex from taking courses which develop their skills would have the lingering effect of limiting future job opportunities and would be a violation of Title IX.

Some women's groups are stressing that institutions be on guard not to offer courses which might have the effect of discriminating against women. For example, if an institution offered coaching instruction only for predominately male sports, it might leave itself vulnerable to criticism and charges from women's groups.

Sex-based requirements for physical education majors

At an Ohio liberal arts college women majoring in physical education must take a service course each term. There is no similar requirement for men.

Some institutions have different requirements for majors in physical education for their female and male students. A different number of courses may be required of female and male students, a different grade point average may be required for graduation or graduation with honors, the selection of courses required or offered may be different, etc. Whatever the difference, it seems clear that such sex based differentiations violate Title IX.

Requirement for graduation

At a Pennsylvania college women must show proficiency in two sports in order to graduate. Men need only to show proficiency in one sport.

Different requirements for graduation for female and male students may take a variety of forms.

Men, but not women, may be able to exempt required physical education courses by taking a skills test.

Male, but not female, varsity athletes may be exempted from physical education classes.

Men, but not women, may receive academic credit for participating in intercollegiate athletics.

Women, but not men, may be able to fulfill their physical education requirement by taking such courses as square dancing, bowling or archery.

Whatever the form of the difference, it is clear that such sex-based differences are a violation of Title IX.

Institutions which allow students to exempt their physical education requirements by excelling on a fitness test may well be faced with a dilemma. For reasons of physiology and training it is likely that male students will in general score higher on these tests than female students. A test which failed a disproportionately large number of women might be found discriminatory under Title IX.

Intramural programs

At a major state university, women were prohibited from participating in any of the five team sports in the "All Campus Division Program." They could only compete in the individual or dual sports.

It is common for intramural programs to provide more opportunities for men than women, regardless of the interest of women in participating. Many women's groups stress that strong intramural programs for women can serve an "affirmative action" function—that is, they can provide women with the opportunity to develop athletic skills that they did not develop earlier because of lack of facilities, training or encouragement.

Recreational opportunities

At one Ohio institution a woman could not use the handball courts unless a male signed up for her.

At a large midwestern university, this intramural pool was specifically reserved for "Faculty, Administrative Staff and Male Students" for approximately two hours each day. That is, this was a time for men only.

Providing different or greater recreational or leisure sport activities for members of one sex might prompt charges of sex discrimination. Students might challenge this under Title IX, while employees might challenge the practice as a discriminatory fringe benefit under employment legislation.

WHAT CONSTITUTES EQUALITY FOR WOMEN IN COMPETITIVE ATHLETICS?

The disparities between opportunities for women and men in competitive athletics are often even more pronounced than the disparities in non-competitive athletics. Although these differences exist for a variety of reasons, it appears that they will be closely examined in determining if an institution is complying with the requirements of Title IX.

In general "competitive athletics" refers to athletic teams for which selection is based on competitive skill. This might include programs at the varsity, junior varsity, freshman, or (in some instances) the intramural and club level. As used in this paper, the term competitive athletics includes the activities that are commonly referred to as intercollegiate athletics.

Physiological differences between the sexes

It has sometimes been argued that vigorous physical activity renders women sterile or otherwise damages them. This belief, as well as a number of more subtle myths, has certainly been disproven. These myths include the following:

MYTH. Participation in athletics might damage a woman's reproductive organs. In fact, many gynecologists believe that vigorous activity improves the muscular support in the pelvic area. The uterus is one of the most shock resistant internal organs and considerably more protected than male genitalia.

MYTH. Athletic activity causes menstrual problems and impedes menstrual regularity. In fact, the reverse appears to be true.

MYTH. Women can't reach peak performance during menstruation. In fact, although there is a great deal of variability among women, women Olympic athletes have won competitions and broken records during all stages of their menstrual cycles.

MYTH. Female bones are more fragile than male bones. In fact, they are on the average smaller, not more fragile.

MYTH. Women are more likely to be injured in sports. In fact, the injury rate per participant is lower for girls than boys in both contact and non-contact sports.

MYTH. Females should not play contact sports because they might damage their breasts. In fact, medical and athletic authorities argue that breast protectors could be designed for women, just as various protective equipment has been designed for men's organs.

MYTH. Women who engage in strenuous athletics develop bulging muscles. In fact, given the same amount of exercise, the development of bulging muscles depends primarily on the amount of male hormone a person has.

Before puberty, males and females are nearly identical in their physical abilities. Tests of strength, muscular endurance, cardiovascular endurance and motor performance show few differences between the sexes up to this age. Beyond that age, however, the male becomes considerably stronger, possesses greater muscular and cardiovascular endurance and is more proficient in almost all motor skills. These differences increase in magnitude with time, and the female tends to plateau between the ages of ten and fourteen. According to Dr. Jack Wilmore, however:

"Recent evidence . . . indicates that these differences may be more of an artifact of social or cultural restrictions imposed on the female either at or just prior to the outset of menarche, than a result of true biological differences in performance potential between the sexes."

A major physiological difference between adult women and men is that men on the average are larger and heavier than women. The average woman, on the other hand, is more flexible and has better balance. Women in sport point out that most sports emphasize and reward traits in which men tend to excel.

Averages can be misleading. Although a superbly fit adult female may be at a real disadvantage competing with a superbly fit adult male in athletic contests which depend primarily on speed and strength, she might well outperform an average male. In the words of Dr. Thomas E. Shaffer:

"While there are very significant sex-related differences between males and females, it should be borne in mind that there are undoubtedly greater differences between the third and the 97th percentile in each sex than there are differences between the average female and the average male in terms of physical performance."

In other words, *all* men are not superior to *all* women in *all* athletic skills. There is a good deal of overlap in ability between the sexes, so that a sizable number of women outperform a number of men.

Facilities and equipment

At an Ivy League college the women's crew team was given inferior equipment because the coach of the men's team did not believe that women could handle the newer, better shells. At another eastern college, the crew coach authorized the use of funds designated for *both* the female and male teams to purchase a shell designed for men only, rather than for a shell both sexes could readily use.

When the new gym was built, the old gym was "retired" to the women.

Generally there are great differences between the facilities and equipment available for women's and men's competitive athletics, even for the same sports. For example:

The women's teams may get the "left over" equipment from the men's teams or they may get the old equipment when the men's teams get new equipment.

Uniforms may be provided for the male team only, or the uniforms for the male team may be more elaborate.

The women may have inferior gym or locker room facilities.

The equipment for the male team may be of a higher quality or they may have more "backup" or practice equipment.

Equipment (such as practice uniforms, tennis rackets) may be provided for male, but not female, teams.

All of these practices are likely to be challenged under Title IX. Many institutions are beginning to evaluate the equipment and facilities to assure that there is no disparity based on sex.

Provision of medical and training facilities and services

The university health service provides team doctors for varsity athletics for men, but not women.

At a private eastern university, members of the male football team ate at a "training table" which featured high protein food. No similar provisions were made for any female athlete.

At a west coast state university, certain insurance programs are available to men athletes only.

A woman athlete who injured her knee could not use the ultrasonic machine available for therapy of male athletes.

An institution which provided such differential services (including insurance coverage) to male, but not female, athletes would leave itself vulnerable to charges of sex discrimination under Title IX.

Scheduling of games and practice times

The women's varsity basketball team at an ex-women's college had difficulty practicing because they were allowed to use the gym only when the men's teams did not want to use it.

The women's swimming team at one elite eastern school had to practice on week nights after dinner because no other time was made available for the women to practice.

Routinely giving priority to teams of one sex in scheduling of games or practices might well be considered a violation of Title IX. For example, all of the following may be called into question under the law:

Assigning male teams to the most desirable seasons of the year and times of day to compete and/or practice.

Allowing male teams longer practice sessions, at the expense of practice sessions for female teams.

Giving varsity teams priority use of facilities if there are substantially more men than women that compete at the varsity level.

To resolve these problems, female and male teams could, for example, alternate days (with the women using the facilities on Monday and Wednesday, the men on Tuesday and Thursday and both on Friday and Saturday). Likewise, they could alternate "desirable" and "undesirable" times (so that, for example, neither team always played on a weeknight or a weekend).

Availability of funds for travel and per diem allowances

In order to pay for travel to athletic events, the members of the women's teams had to sell candy bars and hold bake sales, while the men's teams traveled by chartered bus at the university's expense.

The women's teams had to pay for their own transportation and meals, while the university footed the bill for first class air fare for the men's football team.

Often, in part because of strikingly different funding mechanisms and levels for women's and men's sports, there are wide discrepancies in the opportunities that female and male teams have for travel. Often the per diem allowances for men are considerably higher than those for women. Indeed, in some institutions, the women have no per diem allowance.

Using different standards and providing different opportunities and amounts of travel money for female and male teams is coming under increasing challenge. Some people are proposing that all (or predominately) male teams and all (or predominately) female teams travel together, and compete at the same institutions on the same days so that travel costs are simultaneously shared and minimized.

Athletic scholarships

If a woman accepted an athletic scholarship, she was automatically banned from many competitive intercollegiate athletics.

Until the spring of 1973, the Association for Intercollegiate Athletics for Women (AIAW) had a strict policy forbidding female competitors in intercollegiate athletics from accepting *any* financial aid that was based in whole or part on athletic ability. This policy grew out of a concern that the provision of scholarships or other financial assistance specifically designated for athletes created a strong potential for abuses which could be detrimental to both the student and the quality of the institution's athletic program for women. Women saw the problems with athletic scholarships for men and tried to avoid the same problems in women's intercollegiate athletics by banning scholarships entirely. The different positions of the women's and men's athletic associations on the issue of scholarships are illustrative of the different approaches and traditions in women's and men's athletics. The AIAW policy was changed largely in response to a suit (*Kellmeyer, et al. v. NEA et al.*) brought by female tennis players at Marymount College (Florida) who protested being denied the right to participate in the prestigious AIAW-sponsored intercollegiate competition because they were recipients of athletic scholarships. Now the AIAW no longer prohibits female athletes from accepting athletic scholarships. In large part because this prohibition has been lifted, a number of institutions now offer women athletic scholarships.

Athletic scholarships may come from a variety of sources; the impact of Title IX *may* vary according to the source of income. For example, it seems clear that scholarships which come from general university funds, student activity fees, etc. must be awarded in a nondiscriminatory manner. That is, they could not provide different amounts or types of aid, limit eligibility, apply different criteria or otherwise discriminate on the basis of sex. These scholarships would have to reflect the interest and capabilities of the student-athletes, regardless of sex. Although the Title IX regulations are not yet out (as of April 1974), they might allow an institution to offer single-sex scholarships for "affirmative action" purposes—that is, in an effort to overcome the effects of past discrimination. However, scholarships which are administered by a group outside the institution and which the university in no way endorses, approves, lists or perpetuates can be limited to one sex.

A related issue to that of scholarships is the availability of student employment. Providing different employment opportunities or options for female and male athletes or referring them differently to jobs on the basis of sex would undoubtedly be deemed a violation of Title IX, as well as of other legislation prohibiting sex discrimination in employment.

Recruiting athletes

The regulations of the Association for Intercollegiate Athletics for Women state that some "recruitment practices may be contrary to educational objectives" and clearly forbid subsidizing campus visits of prospective student athletes. The regulations of the National Collegiate Athletic Association, on the other hand, permit the institution to subsidize recruiting athletes in a variety of ways.

A SALUTE TO MSGR. STANLEY A. KULPINSKI FOR HIS 40 YEARS OF SERVICE TO GOD AND COUNTRY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. KEMP. Mr. Speaker, the Right Reverend Monsignor Stanley A. Kulpinski, pastor of Queen of Martyrs Church of Cheektowaga, N.Y., celebrated the 40th anniversary of his ordination to the priesthood on Sunday, May 26, 1974.

To those of us in western New York who are aware of his work for God and country and his commitment to our community, this milestone must not go unheeded.

Monsignor Kulpinski's many contributions are too numerous to completely list. Among others they include his work as administrator of St. Stanislaus Church, Buffalo, pastor of St. Mary's Church, East Eden, spiritual director of the Miraculous Shrines of Canada, and pastor of Queen of Martyrs Church in Cheektowaga.

Beyond that, his work as an arbitrator for jursidictional disputes, grievances, wages, et cetera, has received recognition throughout the State of New York. He served as chairman of the National Catholic Industrial Conference, 1955–60, diocesan director for the Buffalo Labor Management College and 10 district schools and chaplain and religious celebrant for 23 years at Westinghouse Corp.

On May 16, 1974, the Cheektowaga Times paid tribute to Monsignor Kulpinski. I commend the article to the attention of my colleagues and to the public. We are proud of Monsignor Kulpinski in our community and express our thanks to him for his devotion to those ideals upon which a better America must be built.

The article follows:

MONSIGNOR KULPINSKI TO MARK 40TH YEAR IN PRIESTHOOD

Rt. Rev. Msgr. Stanley A. Kulpinski, pastor of Queen of Martyrs Church, 180 George Urban Blvd., since 1955, will be honored Sunday on the 40th anniversary of his ordination to the priesthood.

The celebration will include a noon Mass in the church, a 1:15 p.m. play by the school children in the auditorium and a 2:45 p.m. open house in the auditorium.

Msgr. Kulpinski received his B.A. and M.A. degree from Canisius College and St. Bonaventure University, respectively; studied theology at Christ the King Seminary in Allegany, and attended Catholic University for his post-graduate work.

He became administrator for St. Stanislaus Church, Buffalo, in 1945 and was pastor of St. Mary's Church, East Eden, from 1953–1955.

Msgr. Kulpinski, who as spiritual director to the Miraculous Shrines of Canada has given special services for 20 years to the chronically ill and wheelchair patients, has since 1939 been a professor of social philosophy, "Ethics of Industrial Relations," and the Papal Social Encyclicals.

Since 1946, he has been an arbitrator for jurisdictional disputes, grievances, wages, etc.

He served as chairman of the National Catholic Industrial Conference (1955–1960), diocesan director for the Buffalo Labor Management College and 10 district schools and chaplain and religious celebrant for 23 years at Westinghouse Corp.

He has participated in and conducted numerous industrial seminars and workshops, been a frequent guest lecturer and served as consultant for various labor unions in a number of states.

Msgr. Kulpinski, co-founder and charter member of St. Rita's Home in Getzville, lists countless professional affiliations and memberships as well as tenures as chaplain for industrial organizations, the Erie County Penitentiary, Erie County Home and Infirmary and St. Rita's Ladies Guild Auxiliary.

His memberships include the American Arbitration Ass'n, Buffalo Chamber of Commerce, American Sociological Ass'n, Gov. Rockefeller Committee for the Erection of the Ashford Nuclear Project and the Public Employees Relations Board for the City of Buffalo.

Msgr. Kulpinski, commentator for WWOL radio's "Church in the News" program which now is in its 10th year, is listed in "Who's Who—The Catholic Clergy of the Nation."

He was the 1972 recipient of the Toastmasters International Communication and Leadership Award, twice received a Buffalo Bison from Buffalo Mayors Frank A. Sedita and Stanley M. Makowski and also received the Key to the City from Mayor Sedita.

The Adam Plewacki American Legion Post presented him the Americanization Award for his accomplishments on behalf of the war effort during World War II.

THE NEED FOR MORE OPEN COMMITTEE SESSIONS IN THE HOUSE

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. BROWN of Ohio. Mr. Speaker, over the past several weeks, the Honorable BILL GUNTER of Florida and I have invited cosponsorship of an amendment that. we will offer on the House floor when the Bolling committee's proposal for reorganizing the House committee structure comes up for House action.

The amendment would provide that meetings of the House committees and subcommittees would be required to be open, except in narrowly defined circumstances relating to national security or when open meetings might definitely compromise the public interest or the legal rights of individuals.

As of today we have been joined by 43 members of the House as cosponsors to our proposed amendment, and are pleased that they are representative of a very wide range of the political spectrum of the House—liberal, moderate, and conservative. Additional Members have indicated interest in also joining this effort for more open committees and subcommittees.

Several weeks ago, Mr. GUNTER addressed a meeting of Young Democrats in Clearwater, Fla., and spoke on the subject of our proposed amendment and the Bolling committee's reorganization plan. The speech was an excellent analysis of the Brown-Gunter open committees amendment, which I wish to place in the RECORD for the benefit of my colleagues:

REMARKS OF HON. BILL GUNTER

It's a real pleasure to share this occasion with you.

And I'm particularly glad to be able to be with you tonight because it gives me the opportunity to report to you on the most recent developments in Washington, and particularly in Congress, with respect to some of the matters on which you and I share a very real concern.

This has been a really frantic and hectic week in Washington. They all are, of course. But this week produced what I believe is the first sign of some real and hopeful progress towards a goal that has been one of my prime objectives in the Congress—and that is the reform of Congress itself.

I know the public attention is understandably focused most of all right now on the Presidency and all the unfolding developments relating to impeachment.

But while that goes on, there are some critical and important battles taking place behind the scenes in Congress that will in my judgment play an equal role in determining the future of this country. They are not, unfortunately, getting the kind of widespread public attention they deserve. True congressional reform, in fact, will require that the public generally be aware of the stakes involved for the future welfare of the country. That is why I think it is important to keep you posted on these developments and informed—so that they can bring your own influence to bear.

On two days this past week, the Democrats in the House held a special caucus to consider a plan to totally restructure the committee system of the House and rearrange their jurisdictions. The plan, which is known as the Bolling reorganization plan, in effect attempts to set new priorities for the conduct of public business by the House. It attempts to modernize and streamline its operations and make it more capable of dealing with the flood of urgent modern problems that all too often now just seem to overwhelm the Congress.

It is a reform that is long overdue. And it is a reform that is by no means assured of taking place now.

On going into the caucus, I have to say that I was somewhat pessimistic. The special interests and other forces arrayed against this badly-needed and long-overdue reform are well-established and deeply entrenched. They are powerful. They are not embarrassed to show their muscle. And they are interested not in the welfare of the country or the capacity of Congress to deal responsively with modern problems and to meet the needs of our people—but in only one thing, their own narrow, special interest.

I can say that after those two days in which the special House Democratic Caucus met, however, I emerge somewhat more hopeful. I believe now that the Bolling reorganization plan has a fighting chance to succeed—provided a real demand can be generated for reform from the public at large. The opponents of the plan, fortunately, are not organized among themselves. Each special interest is attempting to take care of its own particular interest only. And this makes it possible, I think, for those of us who are fighting for basic and genuine reform to succeed.

There is still another critical reason, however, why you and others should be pushing strongly for enactment of the reorganization plan. That is because if we can move that plan out of committee and onto the House Floor for action, then I think we have an excellent chance to get an amendment passed to put an end to secret, closed-door meetings of the House committees and subcommittees and apply the "Government in the Sunshine" principle such as we adopted in Florida to the House of Representatives in the conduct of national business.

Also last week, I joined with a respected Republican Congressman from Ohio, Clarence Brown, to head a bipartisan drive in the House for an amendment to the Bolling plan if it reaches the floor that would effectively end congressional secrecy.

The response was just beginning to come into my office when I left to come down here to Florida to a letter Clarence Brown and I sent to all of our colleagues in the House asking for their support for this amendment.

You would be surprised, I think, if you could go over the list, to see the broad-based and bipartisan support this amendment is picking up—and from every area of the country.

On the basis of this response, I'm willing to predict that if we can just get the Bolling plan out onto the House Floor, we will be able to pass my amendment to open up all House committees and subcommittees to the public, with the few limited, narrowly-defined areas where the national security or such things as the legal rights of individuals might be involved.

Even in this instance, the amendment being offered by Clarence Brown and myself would require that a majority of a committee vote to close a meeting each time one is closed—and that a transcript of anything said in the closed session having nothing to do with national security or the other limited exceptions be made public.

Ending congressional secrecy is not only an idea long-overdue but one I believe whose time has come—and that it will come if enough of the public understand the importance of what is at stake.

And it is, I think, not merely important—but critical.

Congress, I'm sad to observe, is no longer a functioning institution for all practical purposes. It may pass bills and appear on the surface to be tending to business. But the recent energy crisis, among many other indications, clearly demonstrated, I think, that it is unable to respond quickly, comprehensively and successfully to deal with urgent problems.

As serious as this is, it is even more critical in my view that strong and effective action be taken to restore public faith in Congress as an institution, however—and faith in the men who are elected to serve in Congress.

Only last January a poll showed that only 21 per cent of the people had faith in Congress and approved of the way it was doing its job.

As concerned as we may be with Watergate, or as preoccupied as we may be with the unfolding tragedy related to the impeachment question, we must be equally concerned with the growing loss of confidence in Congress as an institution—and indeed with a growing inability of Congress to respond to the needs and problems that exist in the country for our people.

When nearly 80 per cent of the people indicate indifference to, or lack of knowledge of, or lack of respect for, the conduct of the Congress which is most truly supposed to represent them, then something is fundamentally wrong.

I believe there are two fundamental and overriding needs to be met. One is to open the secret corners of Congress to the public light of day, and to scrutinize the commitment of those who now serve or would serve in Congress to total honesty—personal, financial and intellectual.

The second is the absolute need, now, to bring Congress as an institution into the 20th Century—to modernize and reform it in order to deal with modern problems and human needs.

Passage of the Gunter-Brown open committee meeting amendment can accomplish the first. It is real and substantive reform. It proposes not to simply stand outside the closed committee room door and demand the doors be opened—but to actually open them.

And passage of the reorganization plan drafted by my colleague Dick Bolling of Missouri can move us well down the road towards accomplishing the second.

So this is the fight that is going on right now in the House and that you need to know about so that you can make your own influence felt. Because it is your Government—your House of Representatives—conducting your business—and your interests and the interests of the country as a whole are what is at stake in the outcome of this fight to bring "Government in the Sunshine" to the House of Representatives, and to make the House of Representatives a modern institution capable of responding to your needs.

I hope you will find ways to express your support for the effort to reform the House. And with the help of you and others like you, we will make Congress the kind of institution that merits and has public faith again.

Thank you.

A STRONG CASE FOR NATIONAL HEALTH INSURANCE

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. LEHMAN. Mr. Speaker, the last few years have seen a great deal of discussion of national health insurance. There are still some who insist that our present methods of health coverage are adequate, and it is to these people I address these remarks.

Recently, an acquaintance of mine was hospitalized for a month. Upon her release, she was presented with a bill for $9,757.31. Of this, $198 was charged for the surgical operation and placement in a recovery room, $1,922 was charged for a semi-private room. The remaining portion of the bill, $7,637.31, accounted for innumerable tests, medications, and other services. There is even included a charge of 50 cents for a box of Kleenex.

While her group plan health insurance will cover the major part of the bill, the other members of the group will also have their premiums raised as a result.

With her permission, I am inserting the itemized bill into the RECORD. Not only does this particular case present an exceptionally strong argument for national health insurance, but as well, shows the great necessity for the inclusion of cost-accounting procedures in any such program.

The information follows:

INTERNAL REVENUE SERVICE NO. 59-1402842, BLUE CROSS HOSPITAL NO. 275, MEDICARE PROVIDER NO. 10-0210

Date	Description of services		Service amount
Mar. 26	Liver imaging multi	27783513	144.00
	Radioisotopes	27	144.00
Mar. 26	Esophscpy/gastrscopy	35000405	55.00
	Gastrointestinal	35	55.00
Mar. 26	E.O.R. physician fee	50000009	25.00
Apr. 5	Injections intravens	50000207	10.00
	Professional services	50	35.00
	Total charges		9,757.31
	Net total		9,757.31
April 23	02 Hum w/can mk dail	15511017	6.00
April 23	02 Hum w/can mk dail	15511017	6.00
April 23	02 from piped sys/hr	15511058	16.00
April 23	02 from piped sys/hr	15511058	2.00
April 23	Ultsonic Rx pr treat	15511140	8.00
April 23	Ultsonic Rx pr treat	15511140	16.00
April 23	Chest physio fl rout	15513435	20.00
April 23	IPPB Rx Inc medction	15514086	28.00
April 23	IPPB Rx Inc medction	15514086	14.00
	Oxygen	15	2,417.00
April 10	Monitoring	16000606	25.00
April 10	Electrocardiogram	16000804	25.00
	Electrocardiograms	16	50.00
March 27	Serv chge blood	20010815	20.00
March 27	Serv chge blood	20010815	20.00
March 27	Serv chge blood	20010815	20.00
March 27	Serv chge blood	20010815	20.00
April 19	Serv chge blood	20010815	20.00
April 19	Serv chge blood	20010815	20.00
	Transfusion set-up/serv	20	120.00
March 27	Whole blood	21010616	37.50
March 27	Whole blood	21010616	37.50
March 27	Whole blood	21010616	37.50
March 27	Packed cells	21010632	37.50
April 19	Packed cells	21010632	37.50
April 19	Packed cells	21010632	37.50
	Whole blood/packed cells	21	225.00
March 26	Emergency room	23000102	10.00
	Emergency service	23	10.00

Date	Description of services		Service amount
Apr. 12	02 from piped sys/hr	15511058	16.00
Apr. 12	Ultsonic Rx pr treat	15511140	24.00
Apr. 12	IPPB Rx inc medction	15514086	42.00
Apr. 13	02 Hum W/can mk dail	15511017	6.00
Apr. 13	02 from piped sys/hr	15511058	32.00
Apr. 13	Ultsonic Rx pr treat	15511140	24.00
Apr. 13	IPPB Rx inc medction	15514086	42.00
Apr. 14	02 hum W/can mk dail	15511017	6.00
Apr. 14	02 from piped sys/hr	15511058	32.00
Apr. 14	Ultsonic Rx pr treat	15511140	32.00
Apr. 14	IPPB Rx inc medction	15514086	42.00
Apr. 15	02 hum W/can mk dail	15511017	6.00
Apr. 15	Ultsonic Rx pr treat	15511140	24.00
Apr. 15	IPPB Rx inc medction	15514086	42.00
Apr. 16	02 hum W/can mk dail	15511017	6.00
Apr. 16	02 from piped sys/hr	15511058	16.00
Apr. 16	Ultsonic Rx pr treat	15511140	24.00
Apr. 16	IPPB Rx inc medction	15514086	28.00
Apr. 17	02 hum W/can mk dail	15511017	6.00
Apr. 17	Ultsonic Rx pr treat	15511140	16.00
Apr. 17	IPPB Rx inc medction	15514086	14.00
Apr. 19	02 hum W/can mk dail	15511017	6.00
Apr. 19	02 from piped sys/hr	15511058	16.00
Apr. 19	Ultsonic Rx pr treat	15511140	24.00
Apr. 19	Chest physio fl rout	15513435	20.00
Apr. 19	IPPB Rx inc medction	15514086	28.00
Apr. 21	02 hum W/can mk dail	15511017	6.00
Apr. 21	02 hum W/can mk dail	15511017	6.00
Apr. 21	02 from piped sys/hr	15511058	8.00
Apr. 21	Ultsonic Rx pr treat	15511140	16.00
Apr. 21	Ultsonic Rx pr treat	15511140	24.00
Apr. 21	Chest physio fl rout	15513435	10.00
Apr. 21	IPPB Rx inc medction	15514086	28.00
Apr. 21	IPPB Rx inc medction	15514086	28.00
Apr. 22	02 hum W/can mk dail	15511017	6.00
Apr. 22	Ultsonic Rx pr treat	15511140	16.00
Apr. 22	Chest physio fl rout	15513435	20.00
Apr. 22	IPPB Rx inc medction	15514086	28.00
Apr. 4	02 from piped sys/hr	15511058	16.00
Apr. 4	Chest physio fl rout	15513435	20.00
Apr. 4	IPPB Rx inc medction	15514086	28.00
Apr. 5	Aerosol Rx per treat	15510613	32.00
Apr. 5	02 Hum w/can mk dail	15511017	6.00
Apr. 5	02 from piped sys/hr	15511058	16.00
Apr. 5	Chest physio fl rout	15513435	30.00
Apr. 5	IPPS Rx Inc medction	15514086	56.00
Apr. 6	Aerosol Rx per treat	15510613	8.00
Apr. 6	02 Hum w/can mk dail	15511017	6.00
Apr. 6	02 from piped sys/hr	15511058	32.00
Apr. 6	Chest physio fl rout	15513435	40.00
Apr. 6	IPPB Rx Inc medction	15514086	56.00
Apr. 7	Aerosol Rx per treat	15510613	32.00
Apr. 7	02 hum w/can mk dail	15511017	6.00
Apr. 7	02 from piped sys/hr	15511058	32.00
Apr. 7	Chest physio fl rout	15513435	20.00
Apr. 7	IPPB Rx Inc medction	15514086	56.00
Apr. 9	Aerosol Rx per treat	15510613	24.00
Apr. 9	02 Hum w/can mk dail	15511017	6.00
Apr. 9	Chest physio fl rout	15513435	30.00
Apr. 9	IPPB Rx Inc medction	15514086	42.00
Apr. 10	Aerosol Rx per treat	15510613	24.00
Apr. 10	02 Hum w/can mk dail	15511017	6.00
Apr. 10	02 from piped sys/hr	15511058	48.00
Apr. 10	Chest physio fl rout	15513435	10.00
Apr. 10	IPPB Rx Inc medction	15514086	42.00
Apr. 11	02 Hum w/can mk dail	15511017	6.00
Apr. 11	02 Hum w/can mk dail	15511017	6.00
Apr. 11	02 from piped sys/hr	15511058	32.00
Apr. 11	02 from piped sys/hr	15511058	32.00
Apr. 11	Ultsonic Rx per treat	15511140	8.00
Apr. 11	Ultsonic Rx per treat	15511140	32.00
Apr. 11	USN Tx initial	15511157	14.00
Apr. 11	IPPB Rx Inc medction	15514086	28.00
Apr. 11	IPPB Rx Inc medction	15514086	42.00
Apr. 11	Arter Bl gas anal in	15514102	50.00
Apr. 12	02 Hum w/can mk dail	15511017	6.00
Apr. 16	Linen savers, dozen	13069000	1.50
Apr. 16	Linen savers dozen	13069000	1.50
Apr. 16	Thorcntesis try disp	13114509	12.00
Apr. 17	Basic biopsy tray	13014006	12.00
Apr. 17	Miscellaneous csr	1307450	3.00
Apr. 17	Miscellaneous csr	13074505	3.00
Apr. 20	Linen savers, ½ doz	13069505	.75
	Central supplies	13	102.66
Apr. 10	Bronchial asp tube	14224026	5.60
Apr. 10	Disposable suction	14900906	5.00
Apr. 10	Disposable pack	14900914	25.45
	Surg. supplies	14	36.05
Mar. 23	Vacuum inter install	15514060	25.00
Mar. 24	Vacuum inter daily	15514078	10.00
Mar. 28	IPPB Rx Inc medction	15514086	14.00
Mar. 28	IPPN Rx int pt instr	15514094	16.00
Mar. 29	IPPB Rx inc medction	15514086	42.00
Mar. 31	IPPB Rx inc medction	15514086	42.00
Apr. 1	02 hum w/can mk cath	15511009	10.00
Apr. 1	02 from piped sys/hr	15511058	8.00
Apr. 1	IPPB Rx inc medction	15514086	42.00
Apr. 1	IPPB Rx inc medction	15514086	42.00
Apr. 2	02 hum w/can mk dail	15511017	6.00
Apr. 2	02 from piped sys/hr	15511058	48.00
Apr. 2	IPPB Rx inc medction	15514086	42.00
Apr. 3	Aerosol Rx initial	15510605	14.00
Apr. 3	Aerosol Rx per treat	15510613	16.00
Apr. 3	02 hum w/can mk dail	15511017	6.00
Apr. 3	02 from piped sys/hr	15511058	16.00
Apr. 3	Chest physio fl rout	15513435	30.00
Apr. 3	IPPB Rx inc medction	15514086	42.00
Apr. 3	Arter bi gas anal in	15514102	50.00
Apr. 4	Aerosol Rx per treat	15510613	24.00
Apr. 4	02 hum w/can mk dail	15511017	6.00
Apr. 3	Medication	10000107	160.55
Apr. 4	IV Sol, 1,000, 500 cc	10000123	13.50
Apr. 5	IV Sol, 1,000, 500 cc	10000123	13.50
Apr. 9	Medication	10000107	2.80
Apr. 9	Medication	10000107	5.50
Apr. 9	Medication	10000107	(CR) 11.50
Apr. 9	IV Sol, 1,000, 500 cc	10000123	19.95
Apr. 9	IV Sol, 1,000, 500 cc	10000123	42.50
Apr. 9	IV Sol, 1,000, 500 cc	10000123	13.50
Apr. 9	IV Sol, 1,000, 500 cc	10000123	13.50
Apr. 10	Medication	10000107	5.25
Apr. 13	IV Sol, 1,000, 500 cc	10000123	13.50
Apr. 19	Medication	10000107	391.50
Apr. 19	IV Sol, 1,000, 500 cc	10000123	13.50
Apr. 21	Medication	10000107	271.50
Apr. 24	Medication	10000107	522.85
	Drugs	10	2,004.90
Mar. 22	Admission kit	13009501	5.00
Mar. 26	Angiocath each	13008008	3.00
Mar. 26	Irrigating set disp	13063508	4.00
Mar. 26	Levine tube	13068507	3.00
Mar. 26	Miscellaneous csr	13074505	1.00
Mar. 27	Miscellaneous csr	13074505	3.00
Mar. 27	Sputum collect sys	13095013	6.00
Mar. 27	Kleenex bx	13140009	.50
Mar. 28	Midstream catch kit	13074000	2.00
Mar. 30	Sml vein infsion set	13093000	2.00
Apr. 3	Thorcntesis try disp	13114509	12.00
Apr. 5	Angiocath each	13008008	3.00
Apr. 5	Kling 3 inch-ptready	13066006	.75
Apr. 5	Miscellaneous csr	13074505	.14
Apr. 9	Midstream catch kit	13074000	2.00
Apr. 9	Midstream catch kit	13074000	2.00
Apr. 9	Sputum collect sys	13095013	3.00
Apr. 10	Normal saline 1,000 cc	13077508	5.00
Apr. 12	Miscellaneous csr	13074505	11.52
Apr. 19	Gross micro 1-5 slds	07715196	15.00
	Pathology	07	15.00
Mar. 23	Gastro with k b	08742413	72.00
Mar. 26	Chest single view	08710105	16.00
Mar. 26	Abd men complete	08740201	32.00
Mar. 27	Chest two views	08710204	24.00
Mar. 2	Chest single view	08710105	16.00
Apr. 3	Chest two views	08710204	24.00
Apr. 4	Chest complete	08710303	32.00
Apr. 6	Chest complete	08710303	32.00
Apr. 7	Chest two views	08710204	24.00
Apr. 11	Chest two views	08710204	24.00
Apr. 12	Chest two views	08710204	24.00
Apr. 18	Chest two views	08710204	24.00
Apr. 23	Chest two views	08710204	24.00
	X ray-diagnostic	08	368.00
Mar. 26	Medication	10000107	3.35
Mar. 26	IV sol, 1,000, 500 cc	10000123	13.50
Mar. 26	IV sol 250, 150, 100, 50 cc	10000206	3.50
Mar. 26	IV sol 250, 150, 100, 50 cc	10000206	3.50
Mar. 27	Medication	10000107	4.00
Mar. 27	Medication	10000107	4.00
Mar. 27	Medication	10000107	4.00
Mar. 27	Medication	10000107	4.00
Mar. 27	Medication	10000107	4.00
Mar. 27	IV sol 250, 150, 100, 50 cc	10000206	3.50
Mar. 28	Medication	10000107	4.00
Mar. 28	IV sol 250, 150, 100, 50 cc	10000206	3.50
Mar. 29	Medication	10000107	4.00
Mar. 29	Medication	10000107	4.00
Mar. 29	IV sol, 1,000, 500 cc	10000123	418.95
Mar. 30	Medication	10000107	4.00
Mar. 30	Medication	10000107	4.00
Mar. 30	IV sol, 1,000, 500 cc	10000123	23.20
Apr. 12	Glucose blood or uri	06011175	10.00
Apr. 12	Profile 15 chem	06012173	58.00
Apr. 12	Protein total	06012215	8.00
Apr. 12	CBC with diff	06110530	12.00
Apr. 12	Platelet count	06112098	10.00
Apr. 12	Culture routine othr	06210835	16.00
Apr. 12	Culture routine othr	06210835	16.00
Apr. 12	Culture sensitivity	06210876	15.00
Apr. 12	Prothrombin time	06312243	8.00
Apr. 12	Lab misc	06910004	10.00
Apr. 14	Platelet count	06112098	10.00
Apr. 14	A.F.B. smear	06210025	6.00
Apr. 14	Culture routine othr	06210835	16.00
Apr. 14	Culture routine othr	06210835	16.00
Apr. 14	Culture sensitivity	06210876	15.00
Apr. 14	Partial thromboplast	06311997	12.00
Apr. 14	Prothrombin time	06312243	8.00
Apr. 15	Profile 12 chem	06012165	30.00
Apr. 15	Platelet count	06112098	10.00
Apr. 16	Stat charge	06912778	2.00
Apr. 20	Bilirubin total only	06010367	11.00
Apr. 20	Co^2	06010482	10.00
Apr. 20	Chloride bld ur csf	06010581	10.00
Apr. 20	Creatinine bl or uri	06010771	10.00
Apr. 20	Potassium bld urine	06012124	9.00
Apr. 20	Sodium	06012413	9.00
Apr. 20	CBC with diff	06110530	12.00
Apr. 20	Prothrombin time	06312243	8.00
Apr. 21	A.F.B. smear	06210025	6.00

INTERNAL REVENUE SERVICE NO. 59-1402842, BLUE CROSS HOSPITAL NO. 275, MEDICARE PROVIDER NO. 10-0210—Continued

Date	Description of services		Service amount
Apr. 21	Blood culture	06210819	20.00
Apr. 21	Blood culture	06210819	20.00
Apr. 21	Culture routine othr	06210835	16.00
Apr. 21	Culture sensitivity	06210876	15.00
Apr. 24	Alph 1 antitrypsin	06610158	20.00
Apr. 24	Protein electro	06612238	24.00
	Laboratory	06	2,125.00
Apr. 5	Bilirubin total only	06010367	11.00
Apr. 5	Lipase bld or urine	06011712	16.00
Apr. 5	Reticulocyte count	06112304	7.00
Apr. 5	Sedimentation rate	06112353	7.00
Apr. 5	Blood culture	06210819	20.00
Apr. 5	Blood culture	06210819	20.00
Apr. 5	Blood culture	06210819	20.00
Apr. 5	Culture routine othr	06210835	16.00
Apr. 5	Culture routine othr	06210835	16.00
Apr. 5	Culture sensitivity	06210876	15.00
Apr. 5	Culture sensitivity	06210876	15.00
Apr. 5	Febrile agglutinins	06211031	15.00
Apr. 5	Urinalysis rout	06412639	7.00
Apr. 5	Coombs direct	06710701	10.00
Apr. 5	Coombs indirect	06710719	10.00
Apr. 6	Profile 12 chem	06012165	30.00
Apr. 6	CBC with diff	06110530	12.00
Apr. 6	Prothrombin time	06312243	8.00
Apr. 7	A.F.B. smear	06210025	6.00
Apr. 7	Culture routine othr	06210835	16.00
Apr. 7	Culture routine othr	06210835	16.00
Apr. 7	Culture quant urine	06210843	20.00
Apr. 7	Culture sensitivity	06210876	15.00
Apr. 7	Culture sensitivity	06210876	15.00
Apr. 7	Gram stain	06211254	7.00
Apr 9	Chloride bld ur CSF	06010581	10.00
Apr. 9	Potassium bld urine	06012124	9.00
Apr. 9	Profile 12 chem	06012165	30.00
Apr. 9	Sodium	06012413	9.00
Apr. 9	CBC with diff	06110530	12.00
Apr. 9	Culture stool	06210827	20.00
Apr. 9	Culture routine othr	06210835	16.00
Apr. 9	Culture sensitivity	06210876	13.00
Apr. 9	Partial thromboplast	06311997	12.00
Apr. 9	Prothrombin time	06312243	8.00
Apr. 9	Urinalysis rout	06412639	7.00
Apr. 12	Amonia blood	06010185	15.00
Apr. 12	Amylase blood	06010201	13.00
Mar. 27	Blood culture	06210819	20.00
Mar. 27	Blood culture	06210819	20.00
Mar. 27	Blood culture	06210819	20.00
Mar. 27	Prothrombin time	06312243	8.00
Mar. 27	Prothrombin time	06312243	8.00
Mar. 27	Occult bld feces gas	06411912	4.00
Mar. 27	ANA	06510218	24.00
Mar. 27	Lipoprotein electro	06611735	30.00
Mar. 27	Protein electro	06612238	24.00
Mar. 27	Blood type X match	06712509	20.00
Mar. 27	Blood type X Match	06712509	20.00
Mar. 27	Lab misc	06915003	15.00
Mar. 27	Lab misc	06935001	35.00
Mar. 27	Lab misc	06935001	35.00
Mar. 27	Lab misc	06935001	35.00
Mar. 27	Lab misc	06935001	35.00
Mar. 27	Lab misc	06935001	35.00
Mar. 27	Lab misc	06935001	35.00
Mar. 28	Culture quant urine	06210843	20.00
Mar. 28	Culture sensitivity	06210876	30.00
Mar. 29	CBC without diff	06110548	8.00
Mar. 29	CBC without diff	06110548	8.00
Mar. 29	A.F.B. culture	06210033	22.00
Mar. 31	Profile 15 chem	06012173	58.00
Mar. 31	CBC with diff	06110530	12.00
Mar. 31	CBC without diff	06110548	8.00
Mar. 31	Platelet count	06112098	10.00
Mar. 31	Culture routine othr	06210835	16.00
Mar. 31	Culture sensitivity	06210876	30.00
Mar. 31	Gram stain	06211254	7.00
Apr. 1	CBC without diff	06110548	8.00
Apr. 2	Bilirubin direct	06010359	11.00
Apr. 2	CBC with diff	06110530	12.00
Apr. 3	Creatinine bl or uri	06010771	10.00
Apr. 3	Profile 12 chem	06012165	30.00
Apr. 3	Prothrombin time	06312243	8.00
Apr. 5	Amylase blood	06010201	13.00
Apr 5	Bilirubin direct	0601031	11.00
Apr. 10	Anes supp TM 0-60	05111505	20.00
Apr. 10	Anesthesia circuit	05613005	8.70
	Anesthesia supplies	05	28.70
Mar. 22	CBC with diff	06110530	12.00
Mar. 22	Prothrombin time	06312243	8.00
Mar. 22	Urinalysis rout	06412639	7.00
Mar. 22	Vdrl screen(rpr)	06512693	8.00
Mar. 22	Stat charge	06912778	2.00
Mar. 23	CBC without diff	06110548	8.00
Mar. 24	CBC without diff	06110548	8.00
Mar. 25	Bilirubin direct	06010359	11.00
Mar. 25	Profile 12 chem	06012165	30.00
Mar. 25	CBC without diff	06110548	8.00
Mar. 25	CBC without diff	06110548	8.00
Mar. 25	CBC without diff	06110548	8.00
Mar. 25	Prothrombin time	06312243	8.00
Mar. 25	Coombs direct	06710701	10.00
Mar. 25	Coombs indirect	06710719	10.00
Mar. 27	Australian antigen	06010268	25.00
Mar. 27	Australian antigen	06010268	25.00
Mar. 27	Cephalin chol floc	06010557	12.00
Mar. 27	Cholesterol	06010599	12.00
Mar. 27	Thymol turbidity	06012520	10.00
Mar. 27	Triglycerides	06012595	16.00
Mar. 27	CBC with diff	06110530	12.00
Mar. 27	CBC without diff	06110548	8.00
Mar. 27	CBC without diff	06110548	8.00
Mar. 27	CBC without diff	06110548	8.00
Mar. 27	CBC without diff	06110548	8.00
Mar. 27	CBC without diff	06110548	8.00
Mar. 27	CBC without diff	06110548	8.00
Mar. 27	CBC without diff	06110548	8.00
Mar. 27	LE prep	06111702	16.00
Mar. 27	Platelet count	06112098	10.00
Mar. 27	Platelet count	06112098	10.00
Mar. 27	A.F.B. smear	06210025	6.00
Mar. 22	R-0309 semiprivate		62.00
Mar. 23	R-0309 semiprivate		62.00
Mar. 24	R-0309 semiprivate		62.00
Mar. 25	R-0309 semiprivate		62.00
Mar. 26	R-0309 semiprivate		62.00
Mar. 27	R-0309 semiprivate		62.00
Mar. 28	R-0309 semiprivate		62.00
Mar. 29	R-0309 semiprivate		62.00
Mar. 30	R-0309 semiprivate		62.00
Mar. 31	R-0309 semiprivate		62.00
Apr. 1	R-0309 semiprivate		62.00
Apr. 2	R-0309 semiprivate		62.00
Apr. 3	R-0309 semiprivate		62.00
Apr. 4	R-3009 semiorivate		62.00
Apr. 5	R-0309 semiprivate		62.00
Apr. 6	R-0309 semiprivate		62.00
Apr. 7	R-0309 semiprivate		62.00
Apr. 8	R-0309 semiprivate		62.00
Apr. 9	R-0304 semiprivate		62.00
Apr. 10	R-0304 semiprivate		62.00
Mar. 11	R-0304 semiprivate		62.00
Apr. 12	R-0304 semiprivate		62.00
Apr. 13	R-0304 semiprivate		62.00
Apr. 14	R-0304 semiprivate		62.00
Apr. 15	R-0304 semiprivate		62.00
Apr. 16	R-0304 semiprivate		62.00
Apr. 17	R-0304 semiprivate		62.00
Apr. 18	R-0304 semiprivate		62.00
Apr. 19	R-0304 semiprivate		62.00
Apr. 20	R-0304 semiprivate		62.00
Apr. 21	R-0304 semiprivate		62.00
	Daily hospital service	01	1,922.00
Apr. 10	Surgery, ½ hr	02000206	82.00
Apr. 10	IP recovery, 1 hr	02600104	17.00
	Operating/recovery rooms	02	99.00

THE REVEREND WALTER E. SCHMIDT, S.J., RECEIVES BROTHERHOOD AWARD

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. EDWARDS of California. Mr. Speaker, I would like to pause for a minute to recognize the achievement of Father Walter E. Schmidt, senior vice president of the University of Santa Clara, who will receive this year's brotherhood award from the National Conference of Christians and Jews June 19 in San Jose.

Father Schmidt deserves this honor as few others do. He is a man who has dedicated his life to the children of Santa Clara County. Not only has he served long and well in the University of Santa Clara, but he is the founder and moving force behind the Santa Clara Valley Youth Village.

Father Schmidt founded the village in 1944, when a group of 20 eager teenagers came to him and urged that there was nothing to do and no place to go in the midst of World War II in Santa Clara, Calif. I wonder if Father Schmidt had any idea that that little youth center would become an enduring service in Santa Clara and that he would dedicate major portions of time and energy to the project for the next 30 years when he agreed to open the center, "but just for the summer"?

I am pleased that Father Schmidt has been chosen for this brotherhood award, but I know that no award or recognition can possibly mean as much to him as the knowledge that he has been able to help so many youngsters to find themslves. He has succeeded in helping countless thousands of young people to find their way to responsible adulthood with a concern for their fellow man. Nevertheless, it is fitting that Father Schmidt should be so honored.

We could not do wrong to use his life as a measure of what decent men and women can do to live what must be a fulfilling and profoundly satisfying life.

OIL DEVELOPMENT OFF THE COAST OF MASSACHUSETTS

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. HARRINGTON. Mr. Speaker, Massachusetts faces the surprising prospect of being the locale for one of America's "oil rushes" of the 1970's. Petroleum and natural gas reserves have been identified off our coast.

Frankly, Mr. Speaker, the citizens of Massachusetts, and their elected leaders, do not quite know what to make of this challenge. We need additional sources of secure, domestic energy, but we fear for the beauty of our coastlines and the stability of our way of life. We need additional sources of jobs, but we have a long-standing—and justified—suspicion of the major oil companies who ordinarily dominate development of fossil fuel resources.

Journalist Jack Thomas of the Boston Globe has captured the complexities of the offshore oil issue in a portrait of Morgan City, La.—a quiet southern community turned into a boom town by drilling in the Gulf of Mexico. Thomas records the perceptions of Morgan City residents, and offers his own. He outlines the undeniable economic benefits development has brought, but also describes the main highway through Morgan City, "crowded on both sides with hundreds of ugly, one-story, predominantly prefabricated pizza huts, bars, shopping centers, fast food restaurants, and industrial firms which seem to be the unavoidable penalty in American boom towns."

Mr. Thomas' article is the most provocative I have read on the implications of offshore oil for New England, because, concerned as it is with an issue on which many people have defined hard-line positions for or against development, he takes an even-handed and balanced approach. We would do well to keep in mind an observation made to Mr. Thomas by a Louisiana environmentalist:

> In Massachusetts, you have time to develop this thing carefully. You don't have to develop it our way.

Mr. Speaker, at this point I insert Mr. Thomas' articles into the RECORD:

[From the Boston Globe, May 19, 1974]

OIL AND FISHING A THRIVING MIX FOR LOUISIANA

(By Jack Thomas)

MORGAN CITY, LA.—Lee Vaccari was a struggling engineer for an oil company in Texas, and the future looked promising until the boss told him the bad news that they were transferring him to Morgan City to work on off-shore drilling.

The news was so demoralizing that Vaccari remembers the date. "It was Jan. 2, 1950," he said, "and my first reaction was, 'Where the hell is Morgan City'?"

His wife, Marian, did not rhapsodize over the prospect of life in a sleepy Louisiana town on the banks of the Atchafalaya River, and their day-long ride from Texas was depressing.

"I cried all the way," she said.

But that's all changed.

Today, thanks to off-shore drilling, Vaccari is a millionaire who owns 13 businesses which employ 500 people with a payroll of $3 million a year. He lives lavishly in a $150,000, seven-bedroom home with a swimming pool in his yard, a Mercedes Benz in his driveway and a Rolls Royce in his garage.

NOW A BOOM TOWN

And Morgan City, thanks to off-shore drilling, has been transformed from a languid fishing village with a few thousand residents into a thriving industrial center with 18,000 residents, a strong economic base, a healthy employment rate, skyrocketing land values, and a profusion of new homes, new businesses, new schools, new highways, a new hospital, a new civic center and a substantial appreciation for what off-shore drilling has done for Morgan City.

Louisiana's 397-mile coastline is a rich blend of bayous, bays, lakes and levees decorated with moss-draped swamp trees, salty, grassy marshes and an everchanging wilderness with native iris, ferns, palmettoes, gum trees and the now-rare cypress trees which take 100 years to grow.

From Texas to Mississippi, the coast is dotted with dozens of communities, like Morgan City, whose character, life-style and natural beauty have been changed by the state's $300 million off-shore petroleum industry.

Preliminary exploration indicates the Atlantic Continental Shelf, from Nova Scotia to Florida, may contain at least a 20-year supply of crude oil and a 35-year supply of natural gas. The most promising areas are Georges Bank off New England, Baltimore Canyon off Maryland, and Blake Plateau off northern Florida.

PROSPECT CHILLS NORTHEAST

In recent years, the discovery of domestic petroleum has not kept pace with demand and, as a result, the Federal government may decide soon to grant oil companies the right to drill off the Atlantic Coast.

The Federal government continues to conduct feasibility studies, although drilling could not be done till late in this decade. But in anticipation of leasing rights, a consortium of 48 oil companies will spend $3 million this summer for seismic studies in search of oil off Long Island and Cape Cod.

Offshore drilling, principally in the Gulf of Mexico off Louisiana, produces 16 percent of the free world's oil, and 6 percent of its natural gas.

For many New Englanders, the prospect of the Northeast as a major oil producing region is culturally alien.

Would it destroy the beauty of the New England coast? Would it harm the fishing industry, the shellfish industry, or the multimillion Cape Cod tourist business? Would it help communities like Fall River and New Bedford, which are plagued by chronic unemployment?

Morgan City was headquarters for Louisiana's famous shrimp industry, when, in 1947, for the first time, oil was discovered out of sight of land about 43 miles south of Morgan City.

Life here has not been the same since.

"This is a boom town," said Michael Hopkins, manager of the new municipal auditorium. "I've lived in six boom towns in my life, and I can guarantee what will happen if there is drilling offshore in Massachusetts. It's unbelievable. What happens is that people get rich. Millions are made instantly. Of course, it's going to destroy a certain amount of local flavor."

As he talked, he drove along US Route 90, the main highway through town, which was crowded on both sides with hundreds of ugly, one-story, predominantly prefabricated pizza huts, bars, shopping centers, fast food restaurants, and industrial firms which seem to be an unavoidable penalty in American boom towns.

In the center of the divided highway was a 40-foot model of an offshore oil rig described as the eternal flame of Morgan City. It was dedicated 18 months ago as "an inspiration and reminder of the heroism of pioneers who brought in the first oil well in 1947." A permanent gas flame burns from the top.

A few feet away, also in the center of the highway, is a life-size shrimp trawler entitled The Spirit of Morgan City. Two mannekins in foul-weather gear peer from the cabin.

"This is what you should emphasize," said Hopkins. "Tell the people to plan for this thing. One oil company means another 20 to 30 businesses will be established. In a way, it's like they're parasites. Don't let them string out their bars and businesses. You will get a lot of roughnecks and lower class. But the landowners are going to make a lot of money, unbelievable money. Everybody will profit."

S. J. "Slick" Morrell, who has been city manager for 26 years, was showing a visitor some yellowed pictures of Morgan City before World War II.

"Without the oil industry? Hell, Morgan City would be nothing but a ghost town. People here are definitely favorably disposed to the oil industry."

The Louisiana petroleum industry provides jobs for 100,000 people, about 10,000 of them in the Morgan City area.

The largest employer is J. Ray McDermott Co., which manufactures $25 million offshore drilling rigs.

"What do we contribute to Morgan City?" repeated Robert Matchin, head of McDermott's Morgan City office. "We furnish the people with the money to buy their groceries. We employ 2200 people, about 95 percent of them from within a 45-mile area. We have a big backlog of work, and business looks good for another 10 years, at least."

Many people in Louisiana are puzzled and resentful that New England demands oil and gas from Louisiana, but is reluctant to drill off the New England coast.

"If there's oil or gas there," said millionaire Vaccari, "sooner or later the country's got to have it."

NORTH IMPRACTICAL

Sitting in a leather chair in his living room, sipping a martini, he answered the next question carefully.

"There is a feeling among Louisiana people that we have gambled on an idea when it was not refined and we have done real well. Why should we give our resources to New Englanders who don't want to take a gamble on oil now, when there's no risk? But they don't mind depleting our resources."

His wife, Marian, asked her guest why northern people insisted on leaving their thermostats at 80 degress during the Winter.

"It doesn't seem fair," Vaccari pressed, "that we can't get fuel here for our cars because we ship it north, and the people in the north won't drill for oil. People up there worry about being compromised? Well, I'd rather be compromised and warm than uncompromised and cold."

Do the drilling rigs damage the esthetics of the seaside?

"No," said Marian Vaccari. "At night they are all lit up like Christmas trees."

"Isn't that ugly?" asked the guest.

"Are lighthouses ugly?" answered Vaccari.

"No," said the guest. "They're pretty."

"Well that's what these rigs look like."

Louisiana's coastline is mostly marsh and the state has fewer beaches to worry about than Massachusetts.

"Shoot," said Vaccari, "the way they operate the rigs today, the problem of spillage is way overplayed."

Coast Guard figures support his contention. In 1971, there were 2.6 million gallons of oil spilled from tankers in United States waters. About 30 percent of that, or 700,000 gallons were spilled in New England. That's six times the total of oil pollution for all offshore drilling operations during the same year, according to Shell Oil Co.

Vaccari is proud of his wealth. "When I came here," he said, "there were two millionaires in Morgan City. Do you know how many there are now? About 50."

A few blocks away, Catherine Delsaver, the city historian, who is completing three years' research on Morgan City, sat in her living room in front of a coffee table with a model oil rig in the center, and demonstrated some animosity for Northerners.

"If it weren't for us, New York City and Boston couldn't function. They'd better get on the ball and find whatever oil or gas is in the Atlantic. Don't forget, these Northern cities use a hell of a lot of fuel. They don't seem to realize that they need it more than we do. These Louisiana wells have been running full blast for 25 years, and they could run out."

FISHING PROSPEROUS

City Manager Morrell described the community's economic health. "Before oil, people struggled along on $35 a week, and now the same people are making more than $200 a week. And that's faster than the cost of living has gone up. A plot of land that cost $300 in 1940 sells today for $10,000 to $15,000," said Morrell.

"Resistance? At first there was some resistance from the shrimp and fishing industry, but after they discovered they weren't hurting, there was no more trouble."

Indeed, the major social event of the year was the annual Shrimp Festival on Labor Day weekend. In 1968, the festival was renamed the Shrimp and Petroleum Festival, and now a king is chosen to represent the oil industry and a queen to represent the shrimp industry.

There is no evidence the shellfish or fishing industry has been harmed by the oil industry. Louisiana produces 91 million pounds of shrimp a year, and about 1.2 billion pounds of commercial fish, which is more than 20 percent of the US total.

The oil industry has settled into the eastern part of Morgan City, along the river and U.S. Route 90, leaving the downtown area, which used to be the center of activity with the post office, city hall and five and dime store, pretty much intact.

The older part of Morgan City looks like any other small southern community with few changes since the Forties and Fifties. It belies the frenetic activity on the other side of town.

It is, almost, as if time in that part of Morgan City had stood still. Telephone calls are five cents, people still sit on the park benches, and when the city hall clock struck 12 at 1:17 in the afternoon a few days ago, nobody seemed to mind.

MASSACHUSETTS COULD LEARN FROM US, SAYS LOUISIANA SCIENTIST

(By Jack Thomas)

NEW ORLEANS, LA.—Dr. Lyle St. Amant dipped the wing of his four-passenger plane over the Gulf, and pointed past the bright white egret, the oyster boat chugging to shore and a $25 million oil rig, and said, "There's your rainbow oil slick."

As assistant director of the Louisiana Wildlife and Fisheries Commission, Dr. St. Amant is responsible for approving offshore petroleum operations.

A biologist, zoologist, entomologist and authority on Louisiana marine life, Dr. St. Amant is convinced that with careful management, the petroleum industry can exploit Louisiana's mineral wealth without discord or undue damage to the ecology or estuarine areas.

"Oil slicks and spillages are unsightly, costly to clean and totally unacceptable from an esthetic standpoint," he said, "but they seem to be one of the least toxic industrial effluents entering our waters".

Later, in his office in New Orleans' French Quarter, Dr. St. Amant described his 28 years of dealing with the petroleum and marine interests in the Gulf of Mexico.

"Anybody contemplating oil production off the coast could well spend some time here and see what to do and what not to do. We don't know all the answers, but we do know the problems."

The petroleum industry is the largest capital investor in Louisiana. More than $8 billion has been invested in offshore drilling. Of that, $1.8 billion has been paid in royalties and production taxes and nearly $3 billion in lease bonuses and rentals for about 3.4 million offshore acres.

"The ocean has great resiliency," Dr. St. Amant said. "In Louisiana, we have seven million acres producing some of the best shellfish in the world—70 to 100 million pounds of shrimp a year. We produce from 800 million to 1.2 billion pounds of commercial fish a year, which is 20 to 23 percent of the total U.S. production. And more than 14,000 wells have been drilled in our state-owned waters, and another 8,000 wells in Federal waters off Louisiana.

"We cannot detect any harmful effects on fish," he said. "The ocean is a hell of a big place."

Dr. St. Amant sat behind his desk, took off his glasses and rubbed his eyes.

"This may startle you," he said, "but I think there's way too much relative significance given to the probability or possibility of fish and bird mortality from oil spills.

"Look, animals die all the time. We kill them all the time. Every year, 1.2 million pounds of good fish are killed needlessly because for every pound of shrimp, five to 10 pounds of fish are killed. That's 500 million fish thrown back into the sea dead because it's economically unsound to bring them in.

"Overnight, red tide kills a million pounds of fish. That's not our major worry, though. The big concern is the permanent effect on nursery grounds, and whether the drilling has changed the ecology.

"Birds? In my tenure on this job—28 years, I've seen between 3000 and 4000 birds oiled up. Compare that to the fact that we kill a million birds a year hunting.

"How many birds do we lose naturally, in, say, a hurricane. The number of birds lost in an intermittent oil spill is negligible. The crucial thing is to find, identify and protect breeding grounds."

"In Massachusetts, you have time to develop this thing carefully," he said. "You don't have to develop it our way."

SECRETARY OF THE INTERIOR SAYS STRIP MINING BILL WILL BE VETOED IN PRESENT FORM AND SAYS WHY

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. HOSMER. Mr. Speaker, there are many values in the American society, respect for which has helped make us a great Nation. The environmental ethic is one of them and another is the energy ethic.

In the past we got strip mined coal for energy purposes by neglecting the environment. Now, to correct that situation members of the Interior and Insular Affairs Committee have overreacted and produced the bill H.R. 11500 which is overweighted on the environmental side and drastically underweighted on the energy side. We can respect both values and I am proposing H.R. 12898 as a substitute for H.R. 11500. H.R. 12898 does, in fact, respect both values.

Meanwhile, the Secretary of the Interior in a letter to the chairman of the Interior and Insular Affairs Committee has specified why H.R. 11500 is unacceptable from the standpoint of the coal production losses it would involve. The letter follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., May 29, 1974.

Hon. JAMES A. HALEY,
Chairman, Committee of Interior and Insular Affairs, Washington, D.C.

DEAR MR. CHAIRMAN: We have undertaken a thorough review of H.R. 11500 which, on May 14, 1974, was ordered reported by your Committee. We have concluded that the bill has several objectionable features which must be changed in order to strike the right balance between our need for environmental protection and our energy requirements. The Administration feels very strongly that the bill is unacceptable in its present form.

We have made a study of the effects of the bill on coal production and, while there are significant factual and interpretive uncertainties with any study of this kind, I am led to conclude that the bill will involve unacceptable coal production losses.

Enclosed is a table giving summary estimates of the possible and minimum expected effect of certain provisions of the bill on coal production. The "possible" effects assume strict interpretation and implementation of the bill. The "minimum expected" effects assume a much less stringent interpretation and application of those features of the bill. Under both assumptions, however, costs of mining will rise significantly in many cases. The total effects of the bill *cannot* be obtained by adding the individual ones; they are not cumulative. We are preparing a more detailed analysis of H.R. 11500 as it relates to coal production and expect it to be available in the near future.

For 1975 coal losses would probably range from 31 to 187 million tons of needed coal. These losses are attributable to certain selected features of the bill. Other features could add to this loss depending upon interpretation and application. These figures assume that in the first three years of the Act's effectiveness the more liberal interim standards will apply and that certain existing practices will continue. After the first three years, more stringent standards become effective and we expect they will be more stringently applied. On this basis, the potential loss beyond 1977 is projected to be 33 to 271 million tons by 1980 and the latter projection assumes significantly (perhaps 50%) higher production costs in many cases.

Throughout your Committee's work on H.R. 11500, the Administration has consistently pointed out that unless major changes were made in the bill, its implementation could seriously damage the Nation's energy position with respect to coal production. Regrettably, H.R. 11500, as reported by the Committee still has many of the deficiencies we have previously addressed. I urge very strongly that amendments be adopted to make this a workable bill. My principal concerns are:

1. *Interim Program*. In the bill, as amended, the interim compliance sections would present some very severe problems in terms of administerability. This is important because it can adversely affect short-term supplies of needed coal. Among other matters, the timing of the program is unworkable. It would go into effect immediately for new mines and after 120 days for existing mines. Compliance with these deadlines by the coal industry will be almost impossible. Until State requirements and permits are issued, industry will be unable to determine how the bill's requirements apply to its own operations. As to new operations, we think not less than 90 days should be allowed before the bill's requirements come into play with a requirement that the State regulatory agencies act within 30 days on interim permit applications. For existing operations, the state regulatory agency should be required to specify within 60 days how the interim requirements apply to operations and each operator should then have 120 days to comply.

Additionally, the bill should be amended to make it clear that during an interim program, the Federal Government will not be issuing permits where a State fails to act and the Federal role will consist of monitoring and limited enforcement.

2. *Designating Lands Unsuitable for Mining*. The bill's provisions for designating lands on which surface mining cannot take place have several deficiencies. Section 206(a) (2) appears to create a general presumption that all lands are unsuitable for mining unless it is established through the administrative procedures required by the bill (including notice, hearing and formal decision) that surface mining is both physically and economically possible. The procedural effect of this could be a nationwide moratorium on surface mining, something clearly not intended by the Committee. Surface mining presently accounts for 50% of all coal mining or roughly 300 million tons, based on 1973 figures. At the least, the burden of establishing unsuitability should be shifted so that the bill would provide that an area *must* be designated unsuitable only if it is shown that it is not physically possible to reclaim. In this connection the Administration has on several occasions expressed the view that it is inappropriate to classify lands as unsuitable based on economic criteria, and I want to reiterate our strong opposition to this provision.

Finally, we think the procedure for designation of lands unsuitable should be improved and the bill should be amended to allow permit-by-permit approval of surface mining even in areas designated as unsuitable, where the State finds that in the particular circumstances reclamation subject to the bill's overall requirements will in fact occur.

3. *Surface Subsidence from Underground Mining*. Our consistent position has been that measures taken to control land surface subsidence, resulting from underground mining are proper. We note that two major improvements were made in Committee markup on H.R. 11500 to allow postponement of subsidence control until study of surface subsidence and underground mining is completed and to grant the Secretary of the Interior authority to modify permitting requirements for minimizing surface subsidence effects from underground mining. H.R. 11500, as amended, does not adequately cover the overall subject of applicable underground mining technology to minimize the problem of surface subsidence. Section 212 (b) (1) leaves unclear the intent of "to *prevent* subsidence to the extent technologically and economically feasible." This provision if interpreted to prohibit induced subsidence in a controlled manner where possible and appropriate, could result in serious production losses. The coal losses in 1975 from adopting such an interpretation could amount to 17 to 117 million tons, could result in costs higher than present costs and could result lower overall resource recovery. We urge you to have your committee study this provision in detail for it may have the profound effect of disallowing recovery of vitally needed coal in certain areas by either surface or underground mining methods.

4. *Exclusion of Surface Mining in National Forests*. We oppose the legislative prohibition against surface mining of coal in national forests. National forests should be left open for coal development under multiple use principles. As I have previously expressed, our opposition to prohibiting mining in National Parks, Refuges, Wildernesses and Wild and Scenic Rivers specified in section 209(d) (9) is based on our concern with legislative taking of existing private rights. It has been our policy to prohibit new surface mining in the areas named in the bill, other than national forests, and we expect this policy to continue.

5. *Performance Criteria*. Even after the Committee's markup, some of the bill's performance criteria will result in unacceptable coal production losses.

The permanent requirements relating to hydrology may well preclude mining of vast coal areas, particularly in the west. Beyond this, we simply do not have sufficient information of the effects on hydrology and the pro's and con's of various specific provisions which are in the bill.

The prohibition against the placement of spoil on the downslope in steep slope areas alone could involve substantial production losses in the range of 3 to 16 million tons in 1975 and 18 to 105 million tons in 1980. I am also concerned with the short-range impact of the bill's interim requirements relating to mining on steep slopes. While I generally agree with the desirability of these provisions, a broader equipment variance should be allowed than that now provided by section 201(b) (7), since we anticipate that during the 2-year interim period equipment shortages will be a real constraining factor on coal production.

Further, the bill should be explicit in Section 211 in providing language to identify further what constitutes "approximate original contour," and to accept the newer land restoration methods presently being employed such as head-of-hollow fill and spoil haulback. These may be disallowed as the bill is now worded. The overall effect of the bill's provisions mandating return to original contour (including provisions relating to mountain top mining, thick seams and spoil on the downslope) would likely range from 4 to 59 million tons of coal lost from production on 1975. This assumes for the interim program that some mountain top mining will continue and variances will permit spoil on the downslope. In 1980 the original contour requirement might be met through the haulback method but at significantly higher cost.

6. *Non-coal mine environmental impact control*. While the Committee restricted the original provisions of Title VI of H.R. 11500 so that they apply only to Federal lands, we continue to believe they are undesirable. To the extent that the Interior Department already has authority to control use of Federal lands, the provisions are unnecessary. Beyond this, the procedure for designating lands unsuitable for non-coal mining is inappropriate and should be undertaken only in conjunction with a full non-coal regulatory program.

7. *Surface owner protection*. The Administration has stated on several occasions its opposition to the bill's surface owner consent provisions on the ground that they constitute unwarranted Federal shifting of rights which are more properly a matter of state law. More particularly, section 709 of the Committee reported bill is objectionable because it requires (i) surface *owner* consent for surface mining Federally owned coal and (ii) either consent of or a bond for the benefit of Federal *permit and lease holders* before Federal coal can be surface mined. A bonding alternative must be provided to protect the *owners* of tangible surface rights affected by surface mining. We also believe it is wholly inappropriate to give *permit and lease holders* a new right to veto the use of Federal coal. We also object to the needless inclusion of consent or bond requirements for the benefit of those whose use of water might be affected by mining. This provision appears so uncertain as to be unworkable and the appropriate objectives would be achieved through the bill's basic reclamation requirement.

8. *Mining and Mineral Research Centers*. Inclusion of Title VIII which among other things authorizes the establishment of mining and mineral research centers, is unacceptable. The President vetoed a bill containing similar provisions passed by the 92nd Congress (S. 635) because it would have fragmented and undermined the priorities of our current research efforts and because it would have created an inflexible program precluding the best use of available research talents of the nation regardless of location. Adequate authority already exists for support of needed mineral research programs.

Attached is an Addendum setting forth additional modifications which should be made in the bill.

The Administration will continue to work with the Congress to produce good surface mining legislation. I cannot emphasize too strongly, however, that there remain serious objectionable features in the bill, which must be changed to strike the right balance between our need for environmental protection and our energy requirements.

Sincerely yours,

ROGERS C. B. MORTON,
Secretary of the Interior.

ADDENDUM

LETTER TO CONGRESSMAN HALEY CONCERNING H.R. 11500

(a) *Judicial review; procedure*. Actions implementing H.R. 11500 should be subject to review only by United States Courts of Appeals rather than by U.S. District Courts and Federal regulations of program-wide import (those issued pursuant to sections 202, 211 and 212) should be reviewed only in the United States Court of Appeals for the District of Columbia on a petition to review filed within 90 days of the issuance of the regulations. In addition, we believe the language of section 222 permitting judicial review of Secretarial disapproval of State plans should be eliminated. This would be consistent with other environmental laws which preclude review of such decisions. We are also opposed to permitting citizen intervention in criminal proceedings as section 223 would now apparently permit. This section should also be modified to delete the provision under which expenses of litigation may be awarded against the government.

(b) *Abandoned mine reclamation*. Title IV of the reported bill would create an Abandoned Mine Reclamation Fund with fees and other receipts on a revolving basis and would establish a program for reclaiming privately owned land which has already been surface mined. Primary funding of the program would be derived from a 1.23¢ per million BTU tax on coal mined. This amounts to approximately 15¢ to 35¢ per ton on coal mined in the United States. We agree that reclaiming our "orphan lands", victims of past mining damage, is a serious problem. The rural land reclamation provision set forth in section 405 could provide substantial windfall property benefits to private landowners. In view of the magnitude of the problem and the amount of dollars available at this time, we cannot support the kind of massive outlay which would be necessary to make any significant progress in the restoration of these lands. The first priority in mined area protection must be to arrest ongoing damage presently being inflicted on the land and all needed funding should be devoted to a regulatory program to achieve this objective. Moreover, a large percentage of previously mined areas contain coal which is presently of commercial value or will become so as technology advances. This means that second generation mining activities will bring new opportunities for reclamation. The Administration proposed surface mining legislation contained provisions to encourage the reworking of past mined areas by methods which will promote reclamation of the entire area. This would not require Federal expenditures and should result in significant rehabilitation of past damaged lands.

(c) *Responsibility for surface mining reclamation program.* Sound administration requires that authority and responsibility for the surface mining reclamation program run directly to the Secretary of the Interior and not to the Office of Surface Mining Reclamation and Enforcement as specified in Title V. The Secretary should have sufficient flexibility to manage the program efficiently, utilizing Departmental resources where appropriate and adjusting the program as future developments warant.

(d) *Indian program.* The surface mining program which would be established by Title III of the bill is unnecessary and ill-advised. The Secretary of the Interior now has adequate authority to protect Indian lands and is exercising that authority. Both Federal and Indian resources would be needlessly diverted to the separate programs which Title III would authorize. This would result in overtaxing the already limited manpower and financial resources available for surface mine reclamation work and dilute the effectiveness of such programs on Indian lands.

(e) *Confidentiality of information.* It is essential that the application requirements of the bill be modified to provide for preserving the confidentiality of competitively sensitive material made available by permit applicants.

(f) *Citizen suits.* The scope of section 222, which authorizes citizen suits in the Federal courts, is extremely broad and could subject operators to serious risk of undue harassment. First, authorization for the recovery of damages instead of merely for injunctive relief is unprecedented in environmental citizen suit litigation. In addition, such actions are authorized not merely for violation of an operator's permit, but also for violation of the Act itself. This would bypass the procedural safeguards available to challenge a permit at the time of issuance and would amount to a collateral attack upon an issued permit and an unwarranted interference with the discretion of the issuing agency. Finally, section 222(b)(2) provides for litigation in the U.S. District Courts against a state-regulated agency and is therefore in violation of the eleventh amendment of the Constitution.

TABLE 1.—POSSIBLE EFFECTS OF SELECTED FEATURES OF H.R. 11500 ON COAL PRODUCTION

[In millions of tons]

Selected features	1975		1980	
	Possible	Minimum expected	Possible	Minimum expected
Mountaintop mining	27	4	36	[1] 0
Thick seams, shallow overburden	32	0	67	0
Spoil on downslope	16	[2] 3	105	18
Small surface mines	38	14	48	18
Subsidence from underground mining	[3] 117	17	[3] 99	15
Possible overall effect	187	31	271	33

[1] Assumes extensive use of the haulback method at significantly higher costs.

[2] Assumes parts of Virginia and Alabama surface-mined coal production will be affected, and that in the interim other States will continue as now.

[3] Includes all production from shallow cover mines (300 ft) and that the bill eliminates all underground mining with less than 300-ft cover.

Note: (a) The above figures are not cumulative. (b) These figures do not include estimates for possible loss of production due to interpretation to lands unsuitable for mining, national forests, hydrological balance, Federal lands, surface owners' protection, and other provisions of the bill. Please refer to report for discussions of these items.

Source: Bureau of Mines, Department of the Interior, a report, "An Analysis of H.R. 11500 as amended, Effect on Coal Production."

EATING HIGH ON THE HOG

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. BROWN of California. Mr. Speaker, during a period of rapidly rising prices, particularly food prices, the consumer often is hard put to know where to assign responsibility for the hardships he is facing. During the last year-and-a-half, as a member of the Agriculture Committee, I have sought to learn where the responsibility should be placed and what legislative remedies must be pursued. The Agribusiness Accountability Project of Washington, D.C., has prepared a report which helps to demonstrate that it is not the average farmer but the corporate middlemen, the corporate marketing chains, and the corporate farm suppliers that are generating unconscionable profits for themselves and higher prices for the American consumer. It is because of evidence such as this that I am a cosponsor of the Family Farm Act which would prohibit corporations from engaging in farming. The report, with its data and its legislative recommendations, should be read by every Member of Congress and I am placing it in the RECORD today for that purpose:

FOOD MIDDLEMEN AND FARM SUPPLIERS: EATING HIGH ON THE HOG

(By Susan DeMarco and Jim Hightower, Agribusiness Accountability Project)

President Nixon, intending to characterize himself as the farmer's friend, recently did the verbal equivalent of stepping in a fresh cow pattie. What he did was to say, "farmers never had it so good." As you might imagine, they did not take kindly to that out in the farm country.

Not only was the President's statement bad politics, it was wrong. No one knows that better than farmers. Sure, the farmer's income was up in 1973, but two facts in particular bother farmers about the President's statement. First, farmers neither caused the exorbitant food prices of 1973, nor did they profit most from them—it was food middlemen that continued to take the big bite out of the consumer's food dollar. Second, the President was trying to make political hay out of a temporary price boom that already is fizzling out—1974 does not look all that great to farmers.

MIDDLEMEN NEVER HAD IT SO GOOD

Consider the first question: who profited? There can be no doubt that 1973 was a good year for farm income, especially for grain and livestock farmers. As it turns out, Administration publicists were a bit overzealous in their initial claims for farm income, and they had to revise their early figures downward by $2 billion. And there is considerable doubt that all of that $24 billion in farm income actually ended up on the farm, since a good many corporate processors and marketers of such commodities as eggs and poultry get counted as "farmers." These quibbles aside, however, 1973 was not a bad year to have been a farmer.

But it was not the kind of year that warrants being singled out in a Presidential press conference. Even with the record income levels of 1973, farmers received only 46 cents out of the consumer's food dollar. The rest went to corporate middlemen. And lest you think that every farmer in America is drawing 46 cents every time a consumer lays down a dollar, you ought to know that most farmers never see that kind of ratio. For example, the chicken that you pay $1.50 for, pays the chicken farmer 6 cents. Department of Agriculture statistics show that a can of peaches cost consumers 41 cents last year, but the peach farmer got only 7 cents of it. You spent 28 cents for a loaf of white bread, and only 4 cents of it trickled back to the wheat farmer. That can of corn that cost you a quarter returned only 3 cents to the farmer.

At a time of skyrocketing food prices and consumer disgruntlement, the President pointed to farmers, without bothering to mention that food corporations were enjoying even better times. Cattle ranchers are said to have done especially well in 1973, but none did anywhere near as well as such corporate cowboys as Iowa Beef Processors, with a 77 percent profit increase last year, or Missouri Beef Packers, with a 110 percent profit increase. And food processors whined all last year about government price controls, but they whined all the way to the bank. For example, the big canners of fruits and vegetables did much better than the farmers who grew the stuff, with such firms as Del Monte taking a 35 percent profit increase in 1973, Campbell Soup up 23 percent and Castle & Cook up 52 percent.

The May 4th issue of Business Week offered another interesting insight into how the chips actually fell last year. In a listing of salary increases for corporate executives, the food industry was found to be very generous. Food manufacturing firms ranked ninth out of 32 industries surveyed, boosting the pay of their top executives by an average of 17.7 percent. For example, while consumers were being advised by government and industry to switch from beef to beans, Kraftco increased the salary of its board chairman from $264,000 to $321,000. Of course, consumers ultimately get to pay for Kraftco's internal largesse. Grocery chain executives ranked fourth in Business Week's listing, taking home a 24.3 percent pay increase. Safeway, which complained all last year about its paper-thin margins, scraped up an extra $16,000 from somewhere to round off its chairman's salary at a neat $200,000 a year. Precious few farmers make the equivalent of a $16,000 salary, much less $200,000. And Business Week reports that these top executives now are feeling "the pinch of inflation," so we can expect their pay levels "to take another big jump with the expiration of controls."

PRICES: DOWN ON THE FARM

Food middlemen are the ones who never had it so good, and now they are having it even better. Grocery shoppers undoubtedly are puzzled over the phenomenon of the "disappearing price drop" in our food economy. Since September of 1973, the news media has been reporting each month that the farm value of food has been falling. But, somehow, that price drop on the farm has not made its way into the supermarkets. In fact, farm prices fizzled 16 percent from August to December of last year, but supermarket prices remained sizzling hot. Even as President Nixon was making his remark in March about the good fortunes of American farmers, the price they were being paid was falling for the sixth straight month, while the price charged to consumers actually was rising! The decrease in farm prices is disappearing directly into middleman bookkeeping.

Food firms complained that they took a beating last year because they were having to pay farmers so much at a time they were trying to hold consumer prices down. Nonsense. Not only did they pass all of the farmers' increase right through to the beleaguered consumer, but they attached a sizable mark-up of their own. The Federal Reserve Bank of Chicago reports that food middlemen increased their take from consumers by 6.5 percent in 1973. That is an increase exceeded only once (1970) in the last twenty years. And the Department of Agriculture reports that these firms will increase their share in 1974 at a rate that "may be more than double the 1973 increase." What that means is that consumers will pay much more for food this year, and much less of what they pay will go to farmers.

In 1973, the farmer was getting 46 cents of the food dollar. By March of 1974, that already had fallen to 43.6 cents. In April, the price of farm products fell another 5.5 percent and it is expected to fall even more during the year. But the retail price of food is hardly keeping pace. The Administration is well-known for its way with words and statistics, but a remark earlier this month by Herbert Stein, chairman of the President's Council of Economic Advisors, is enough to drive both farmers and consumers crazy. He said, "The *decline* in farm product prices are likely to be reflected in much smaller *increases* in retail food prices than occurred in the first quarter of 1974" (emphasis supplied). Only the National Association of Food Chains can appreciate the logic of that.

In fact, there is the kind of logic that food chains can carry to the bank, for there are profits in them thar credibility gaps. Food retailers in the first three months of this year had profits that were 59 percent higher than a year ago, even though their sales were up just 14 percent.

To a significant degree, this level of profit is the result of monopoly power in the food industry. There are 32,000 food manufacturing firms, but 100 of them make 71 percent of the profits. Those few firms, powerfully situated between millions of farmers and millions of consumers, are the decisive force in the American food economy. Dr. William Shepherd, a leading authority on market concentration, reports that the food industry falls well within the category of "tight oligopoly," with the average four-firm concentration within the industry being 55 percent.

In many food lines, shared monopolies exert much greater control. For example, 91 percent of all breakfast cereal is sold by four firms (Kellogg, General Mills, General Foods and Quaker). Three firms (Dole, Del Monte, and United Brands) sell 85 percent of all the bananas. Gerbers alone sells 60 percent of baby food, and Campbell Soup sells 90 percent of all soup. The same high level of concentration exists in food retailing, with more than half the cities in the country being dominated by four or fewer chains. In the Washington, D.C. area, for example, Safeway, Giant, Grand Union and A&P control 72 percent of the grocery market. Nationally, Southland Corporation, the parent of the 7–11 chain, owns a third of all the convenience stores.

COSTS: UP ON THE FARM

The Administration has made a mess of our food economy over the past few years. Now they are allowing monopolistic food middlemen to extract big profits from the wreckage, while publicly drawing attention to the modest and long-overdue profit levels of family farmers. That alone is enough to make even the most reticent farmer swear, but there is another harsh economic reality that is squeezing farmers and causing them to think seriously about the advice of old-time populist leader Mary E. Lease: "Raise less corn and more hell."

That reality is the rise in farm production costs. Not much of what the farmer gets stays in his pockets, for he has a mess of bills to pay. President Nixon missed this fine point of farm finance when he was telling farmers how well off they are. As farmers move through spring plantings they are massively pessimistic. The cost of their production supplies has increased even more dramatically than the fizzling of farm prices. The Department of Agriculture predicts that farmers' expenses in 1974 will be more than $9 billion above last year.

A corn farmer in Iowa told the Des Moines Register of fertilizer prices this year 40 percent higher than last, of diesel prices doubling since last year, and of corn seed that has gone from $25 a bushel to $37 a bushel. The cost of new machinery has gone out of sight, and repair of old machinery is about as costly—as this corn farmer put it, "You don't need too big a truck to haul away $500 in parts." He is having to shell out this kind of money now, while the price he can expect for his corn already has tumbled this year from $3.25 a bushel to $2.27.

At work here is the other jaw of the corporate vise that is squeezing family farmers. There may be a profit made on the farm in 1974, but there will be much more profit made off the farmer. Here's a sample of profit increases farm suppliers already have had in the first quarter of this year:

Percent Profit and Sales Increase First Quarter 1974

Firm	*Profit*	*Sales*
International Harvester	113	16
Stauffer Chemical	55	31
Occidental Petroleum	716	96
Firestone Tire & Rubber	19	17
Pfizer	33	26

Source: *Business Week*. May 11, 1974. "Survey of Corporate Performance: First Quarter 1974." pp. 70–90.

To put these profits into perspective, the average profit increase in all industries in this first quarter was 16 percent. Farm suppliers might be said to have never had it so good. And again, these profits can be traced to the existence of monopoly power within the industries. For example, Dr. Shepherd reports that the four leading farm machinery firms hold 70 percent of the relevant market. The Federal Trade Commission staff found that farmers were overcharged $251 million in 1972 because of the existence of monopoly power in the farm machinery industry. The four-firm concentration ratio in the chemical industry is 71 percent; in petroleum refining, 65 percent; and in tires, 71 percent.

PROSPEROUS FARMERS/HAPPY CONSUMERS

The vast majority of the American people no longer know how to produce their own food. That fact is hailed as a major achievement of American agriculture—millions have been freed from the necessity of producing food for themselves. While that freedom is a blessing, it also leaves us vulnerable. We are dependent on the tiny minority that manages our food economy. And I am not talking here about farmers. A great deal of official lip service is paid to family farmers, but they actually have negligible power in the food economy and, in fact, have been made as vulnerable as the rest of us. Food power today rests squarely with giant corporations. And those corporations are taking advantage of our vulnerability—they are working to restructure American agriculture to fit their marketing needs, and they are jacking up prices and reaping enormous profits. Government, which ought to intervene against this power to assure a food policy that satisfies the broader public interest, has sided instead with corporations.

Secretary Butz fairly gloated about the consumer plight last year, exultantly declaring at one point that "the day of cheap food is over." No one is suggesting that food ought to be "cheap," but there is no question that food ought not be expensive. We are not talking here about automobiles or television sets—food happens to be the most basic of all consumer items. It is not something to put up for the highest cash bid or to turn over to the whims of concentrated market power. Food, health care and housing are three human necessities, and it ought to be a matter of government policy to assure that none of these are priced out of reach of any citizen. But that is not government policy.

The evidence indicates that the Nixon-Butz Administration is pursuing a policy of high-priced food, without adequate protections for farmers and consumers. That policy is allowing farm input corporations to increase their prices without restriction or serious questioning. It is demanding that family farmers increase production and lower their prices, ostensibly to lower retail prices. But it also is allowing processors, marketers and retailers to hold consumer prices up in order to increase their margins and profit levels. And, as the final straw, it is demanding that consumers pay the tab while swallowing the official line that all this is the inexorable workings of a "free market."

Despite the divisive rhetoric that has come out of the Department of Agriculture over the past months, farmers and consumers are not enemies. Even at the height of last year's food crisis, the opinion polls consistently showed broad public support of family farmers, coupled with a distrust of food corporations. Both are well-placed.

The question is whether there will be any relief. Consumers and farmers alike want action. They will not get it from the Department of Agriculture. If consumers and farmers ever are to have it good again, they must look to Congress.

It is possible to pursue a food policy that would produce inexpensive food, happy consumers and prosperous farmers. At least we ought to try it. But it is impossible to lower food prices and to raise farm income without dealing directly with the structure of the food economy. President Nixon, in his 1973 farm message, said that it was time to "get the government off the farmer's back." The real problem is to get corporate power off the farmer's back, not to mention out of the consumer's pocket. That means such action as strong anti-trust enforcement among farm suppliers and food middlemen; serious consideration of such protections as the Family Farm Act and collective bargaining for farmers; establishment of an international grains reserve; and, development of a regional marketing system utilizing both farm and consumer cooperatives.

MASSACHUSETTS' EXPERIENCE WITH NO-FAULT INSURANCE—PART 1

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. MOAKLEY. Mr. Speaker, Massachusetts was one of the first States to recognize the need for insurance reform by passing a controversial no-fault insurance measure in 1970. Since then our laws have been amended and successfully tested in court.

While clinical studies are often quite useful, actual experience is of course the true test of any proposal. As a Representative from Massachusetts, it is my feeling that our experience can serve as a beneficial guide to my colleagues considering possible Federal legislation.

Therefore, I would like to submit a report by the Joint Committee on Insurance of the General Court of Massachusetts. This report deals with the history and development of no-fault insurance in Massachusetts, and statistical information on savings to the Massachusetts motorist. The text of the report is lengthy, and I will insert it in installments. The first installment follows:

HISTORY AND DEVELOPMENT OF NO-FAULT INSURANCE IN MASSACHUSETTS

As a system designed to compensate the victim of a motor vehicle accident for personal injuries, the old tort system fell far short of its expectations. Some injured parties received no compensation, while others received far less than their medical and economic costs. This was partially due to the role of fault in the system, the need for the injured person to prove that another was at fault and that he was legally free from fault.

The fault system was too cumbersome and slow, prompt payments of compensation for personal injuries occurred rarely, if ever, with delays of several years before final payment or a determination that no payment was due, especially in metropolitan areas. Also, it has been asserted that the crowded court dockets were in a large measure attributable to personal injury cases in general and to motor vehicle accident cases in particular, and in Massachusetts, motor vehicle tort cases constituted nearly 60 percent[1] of all law entries before the principal trial court. Compounding the problem is the fact that jury trials take longer than other trials.

The point is that justice delayed is justice denied. An injured person needing money to pay his bills cannot wait, as can an insurance company, through the long period necessary to press and recover his claim, and he would be forced to settle for an inadequate amount in order to obtain immediate recovery. Under no-fault one would recover up to $2,000 from his own insurance company regardless of fault.

A further criticism of the former system is the difficulty of actually proving negligence in court. Evidence given in motor vehicle accident cases usually consists of highly contradictory statements from the two sides, estimating such factors as time, speed, distance and visibility, which are offered months after the event by witnesses who were never very sure just what did occur and whose faulty memories are undermined by lapse of time, bias, conversation with others and by the influence of counsel. Furthermore, who, in retrospect from the fragments of evidence given by the participants or bystanders and those who arrived on the scene at a later time, is expert enough to reconstruct the fleeting scene with any assurance of its accuracy? Under no-fault, negligence would not have to be proven in most cases, thereby doing away with the difficult and often unreliable factor of determining fault.

Another objection to the old system is that it was in large part an unfair method of compensation for losses, that those with relatively slight injuries were being promptly and vastly overpaid (the so-called nuisance claims), while those who were seriously hurt were grossly underpaid, and then only after a long delay. The insurance companies, to avoid the expense and risks of litigation made generous settlements of small claims; but the person with a permanent disability, usually a wage earner for a family with a low income, was typically without resources to meet mounting expenses and would find himself in a pathetically inadequate bargaining position with the insurance company. The company's position, because of the very nature of the bargaining, grew correspondingly stronger with every delay, and would often lead to a compromise which failed to adequately compensate the victim. This abuse is eliminated under the no-fault system since there will be no need to be concerned with bargaining positions as everyone is paid their damages under $2,000 regardless of the strength of their position in regard to proving fault.

Furthermore, the old system was excessively expensive due to the role of fault. Contests over the intricate details of accidents and all the elaborate preparations that had to precede them wastefully increased the cost of administration of the system. In cases of relatively modest injury, the expense of the contest often exceeded the amount claimed as compensation. Inherent in the trial to determine fault was the expense of lawyers for both parties and an appropriate part of the total costs of maintaining courts that were largely dedicated to motor vehicle accident cases. All the expenses had to be borne by the insurance companies in determining fault which was ultimately reflected in increased premiums for the insured. Compulsory automobile insurance rates were expected to increase 30 percent for 1971. A total of approximately 37 percent reduction in the rates has been made possible because of the enactment of the modified no-fault legislation.

It has become apparent that it is both unfair and uneconomical for the law of torts to place so many of the risks of an industrial society on accident victims by forcing them to prove fault before allowing them to collect their damages. The proponents of no-fault have analogized that much of what has been found to be true for automobiles is also true for machines, that is, given their swift and lethal nature, they are bound to take a heavy toll of life and limb quite apart from any real fault on anyone's part. They assert that the awareness of how unfair it is to cast this predictable burden disproportionately on accident victims has been reflected in recent developments in the law of torts by changing the law of negligence to allow more and more calmants to recover by circumventing the previous strict standards of proving fault.

The most striking example of relieving the burden of proving fault has been in the area of workmen's compensation where the employer has been made liable for injuries to his employees irrespective of negligence or fault on anyone's part. The employee merely relinquishes his right to sue and collects whatever out-of-pocket losses he sustains from his employer regardless of fault.

A second example of this trend away from the fault system has been the statutes abrogating or modifying the defense of contributory negligence and inserting in its place the doctrine of comparative negligence. According to the doctrine of contributory negligence if one party is found to be even the slightest degree negligent then he is barred completely from recovery. To eliminate the harshness of this doctrine of fault, the theory of comparative negligence has been introduced in several states and became effective in Massachusetts on January 1, 1970. This doctrine would allow recovery to one even though he has been at fault in an automobile accident although reducing his amount of damages by his degree of fault. Another example of the court's realization of the difficulty of proving negligence has been in the area of manufacturer's liability where it became understood that a person injured by a product would have a difficult burden of proving the manufacturer's negligence. The courts established the doctrine of strict liability—a theory which eliminates the necessity of proving fault and which imposes liability on the manufacturer regardless of his fault or negligence.

This was based on the reasoning that proof of failure to use due care in a complicated manufacturing process is something which a plaintiff would have little knowledge. No-fault adherents stress the similarity in the difficulty of proving negligence, and would impose recovery on a no-fault basis to both parties involved in an accident. Thus, with a general breakdown of the strict adherence to the rule that one must prove fault to recover in a tort suit, it was felt by proponents of no-fault that the theory of eliminating or lessening the burden of proving fault should be applied to automobile insurance by providing for payments on a no-fault basis to any mortorist or pedestrian injured by an insured's motor vehicle for up to $2,000 for medical, hospital, funeral expenses and loss of wages.

COURT DECISION UPHOLDING NO-FAULT INSURANCE

The No-Fault Law (Chapter 670 of the Acts of 1970), abrogating the traditional common law necessity of proving fault for injuries under $2,000 raised a serious question as to its constitutionality. The issue in dispute was whether the operation of the No-Fault Law deprived an injured person of his constitutional right to a full recovery in tort for losses suffered due to personal injury resulting from the negligence of another; specifically, does Chapter 670 of the Acts of 1970 violate the due process clause of the 14th Amendment of the U.S. Constitution? The Supreme Judicial Court of Massachusetts determined that No-Faul did not violate the due process clause, and thus declared it constitutional in the case of Pinnick V. Cleary 271 N.E. 2nd 952 (1971).

The court in determining whether a person is being deprived of due process under a given statute generally applies two tests:

1. Does the statute bear a reasonable relation to a permissible legislative objective?

2. Does the statute provide an adequate and reasonable substitute for pre-existing rights?

The court in analyzing the question as to whether the No-Fault Law did bear a relation to a legitimate legislative objective recognized that the objective of the statute was to cure the three basic inequities within the previous tort system; the clogging of the courts with motor vehicle tort cases, the staggering costs of automobile insurance and the inequities involved when claimants were compensated for their injuries. The court concluded that the No-Fault Law was indeed a "rational solution of these inefficiencies and inequities".

The court answered the question of whether the statute provided an adequate and reasonable substitute for pre-existing rights in the affirmative. The court stated that the practical effect of Chapter 670 was to afford citizens the security of *prompt and certain* recovery of a fixed amount of his out of pocket losses. The accident victim is entitled to immediate payment of his most pressing item of cost: medical expenses. In addition, he receives the major portion of his lost wages not covered by a wage continuation plan.

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[1] Pinnick v. Cleary 271 N.E. 2nd 592 (1971).

In return for the benefit, the injured motorist merely surrenders the possible minimal damages for pain and suffering recoverable in cases not marked by serious economic loss or objective indicia of grave injury; plus the outside chance for a generous settlement or a liberal award by a judge or jury which will allow him to reap a monetary windfall out of his misfortune. In addition, the accident victim loses his right to recover in tort to the extent that he is eligible for personal injury protection benefits (medical expenses and lost wages up to a limit of $2,000), yet since he can recover the first $2,000 under no-fault, he loses nothing by it.

Thus, the No-Fault Law, Chapter 670 of the Acts of 1970, withstood its most critical test. The Supreme Judicial Court found that the act was a valid exercise of legislative power and did not violate the due process laws of the Fourteenth Amendment of the United States Constitution.

OUTLINE OF CHAPTERS 670 AND 744 NO-FAULT BODILY INJURY INSURANCE LAW

The following outline is a brief description of the No-Fault Bodily Injury law itself, as amended up to 1972. Questions and answers which go to the point of the law, and which will answer some of the more important questions concerning the statute will be found in Appendix A.

I. Payment is to be made on a no-fault basis to any motorist or pedestrian injured by an insured's motor vehicle up to $2,000 for medical, hospital, funeral expenses and loss of wages. The injured party receives these payments from his own insurance company regardless of his fault or negligence in the accident. Chapter 313 of the Acts of 1972 amends this portion of the law by requiring insurance companies, upon notification of disability of the insured from a licensed physician, to commence medical payments or provide notice of non-payment and reasons within 10 days. In addition, in any case where payments due remain unpaid the insured has the right to commence court action against the company.

If the damages are in excess of $2,000 then the injured party receives the first $2,000 on a no-fault basis from his own insurance company and he will be able to collect the excess over $2,000 from the other party's insurance company by suing him under the old tort system. For example, if the injured person's damages are $5,000, he collects $2,000 on a no-fault basis from his own insurance company. He then must proceed against the other party or the other party's insurance company for the remaining $3,000. Whether or not he will be compensated for the remaining $3,000 will depend on his negligecnce or freedom from negligence as all amounts over $2,000 are determined under the present tort system.

Thus, it must be kept in mind that the compulsory system still remains in existence since one must purchase insurance to protect himself for all cases involving damages over $2,000.

II. Payments for loss of wages, or for those persons not employed—loss by reason of diminution of earning power, is limited to the amount actually lost by reason of the accident.

A. This is further reduced by limiting a person's recovery for loss of wages to 75 percent of his wages and deducting from that amount any sum provided for under any wage continuation plan.

B. As an example, if one loses $1,000 in lost wages he would receive 75 percent of that figure or $750. But if he has a wage continuation plan that pays him $500, this must be deducted from the $750, and he receives $250 from his insurance company.

Since an injured person might be able to recover his wage losses from another source at a later date which would sufficiently compensate him for his loss, he might then wish to reimburse his wage continuation plan so that he would not have any loss of standing in regard to benefits or time which he had accumulated under such a plan. Chapter 794 of the Acts of 1971 amends no-fault by allowing an injured person who receives benefits under a wage continuation plan to later reimburse the plan without loss of standing in the plan if he recovers from another source; such as an income protection plan or as the result of a tort suit if his damages are to the extent necessary to institute a tort action.

It should also be borne in mind that under the present no-fault law if a person must use wage continuation benefits as a result of an automobile accident and within a year's time he becomes ill or injured again and his wage continuation plan does not have sufficient funds to reimburse him for this illness or injury, the amount that was paid out from the plan for the automobile accident is then put back in his wage continuation fund by the automobile insurance company under the personal injury protection plan.

III. The following persons may be excluded by insurers from no-fault benefits.

A. Those under the influence of alcohol or narcotic drugs.

B. Those committing a felony or seeking to avoid lawful apprehension or arrest by a police officer while involved in a motor vehicle accident.

C. Operators of motor vehicles who possess the specific intent of causing injury or damage to themselves or others.

IV. An injured party may recover damages for pain and suffering arising out of an injury sustained in an automobile accident only if his reasonable and necessary medical expenses exceed $500 unless the injury:

A. Causes death;

B. Consists in whole or in part of the loss of a body member;

C. Consists in whole or in part of permanent and serious disfigurement.

D. Results in loss of sight or hearing; or

E. Consists of a fracture.

V. A motorist is offered five deductibles of $100, $250, $500, $1,000 or $2,000 (the $100 deductible was added by chapter 339 of the Acts of 1972), and if he does purchase a policy with a deductible and he is involved in an automobile accident, the amount of the deductible which he has selected will be deducted from his recovery. It is understood that one who purchases a policy with a deductible will be offered that policy at a lower rate than if he had purchased a policy without a deductible. This would permit a person with good hospital and medical insurance such as that provided by Blue Cross/Blue Shield and other private companies to avoid unnecessary duplication in benefits and thus reduce costs.

VI. A victim may elect to sue but can recover only that amount over $2,000 in damages and that amount over 75 percent of his wages, as it must be borne in mind that the wrongdoer is exempt in tort for the first $2,000 of damages.

VII. An assigned claims plan is to be created to provide protection to a Massachusetts resident who, as a pedestrian is injured by an uninsured out-of-state car or by a hit and run driver. If the pedestrian or his family own a car, he will collect under his own insurance policy, but if this is not the case then he will collect from the assigned claims plan, the funds of which will be derived from insurance companies doing business in Massachusetts.

VIII. The law also provides for the introduction of a merit rating program for 1972 to be established by the Commissioner of Insurance. Surcharges are to be added to one's premium charges for convictions for moving violations by the policyholder or a member of his household. Discounts are to be applied when neither the policyholder nor any member of his household has been involved in an accident in which there has been more than $200 damage. The maximum period to be used in determining surcharges and discounts is five years. The law specifies certain surcharges presumed to be reasonable: (1) for a conviction for driving under the influence of alcohol or drugs, 100 percent; (2) for speeding, 20 percent; (3) for all other moving violations, 10 percent. The discount for each full year without reportable accidents is 2 percent, therefore, the maximum discount one may earn is 10 percent—5 years at 2 percent.

IX. A fifteen per cent reduction for the rates for 1971 for all lines of coverage, including compulsory bodily injury, extra bodily injury limits, property damage and physical damage, was provided for in the act. However, the Supreme Judicial Court held that only a fifteen per cent reduction for compulsory bodily injury was constitutional.

X. There is a provision in the law that when an insurance company offers a policy of compulsory insurance they must also offer extra bodily injury limits of $15,000 and $40,000, plus Property Protection (no-fault), medical coverage, guest coverage, and now under the no-fault property protection law, fire, theft, and comprehensive insurance, and also uninsured motorist coverage of limits of $15,000 and $40,000. There will no longer be a need for one to purchase split coverages—compulsory bodily injury insurance with one company and other lines of coverage with another company, which are often at higher rates. In addition, every motorist will be guaranteed the availability of any and all coverages which he desires to purchase. Previously, it was quite difficult for many motorists, particularly those in high risk areas, to be able to purchase fire, theft, and comprehensive insurance.

XI. One of the most significant aspects of this legislation is the automatic renewal reform as provided by Chapter 744 of the Acts of 1970 which was passed soon after the No-Fault Bodily Injury Act (Chapter 670 of the Acts of 1970) and was designed to amend Chapter 670 by guaranteeing the continued availability of automobile insurance supplied by private enterprise.

Chapter 744 provides for automatic renewal for the following:

A. Automatic renewal for those individuals 65 or over for all lines of motor vehicle coverage with the following exceptions:

1. Fraud in the application for insurance.
2. Guilty finding for a moving violation.
3. Suspension or revocation of license or registration for a period of more than 30 days.
4. Ineligibility for merit rating discounts due to accident involvement.
5. Convictions for driving under the influence of alcohol or unlawful drugs.
6. Non-payment of premium.
7. A general reduction in the volume of automobile insurance by the insurer in the Commonwealth if the Commissioner determines that this is not an attempt to circumvent the purposes of this section.

B. Any person who is entitled to the 2 percent reduction for the year 1972 and of a net discount of 4 percent for the year 1973, i.e., those who qualify under merit rating provisions, shall be automatically renewed by their insurance company except for those exceptions applicable to those 65 or over. This would then provide for automatic renewals for those safe drivers under the age of 65.

C. If an insurance company refuses to renew a policy for those persons under 65 who do not qualify under the merit rating plan for a reason other than one of the exceptions applicable to those 65 or over, then that company shall be required to accept at least one additional risk from the assigned risk plan.

D. In addition, no company shall refuse to issue a motor vehicle policy because of age, sex, race, occupation, or principal place of garaging of the vehicle. This change in the law is significant in that many motorists have been unable to purchase their needed insurance simply because they happen to live in a high risk area or their occupation is one which happens to be classified as a high risk occupation even though these motorists may have been very safe drivers.

XII. To prevent insurance companies that in the past have written auomobile insurance from refusing to write no-fault insurance, Chapter 744 provides that the Commissioner of Insurance may, after a public hearing, suspend a casualty company's license to issue any other form of insurance if they refuse to write no-fault automobile insurance. Certain other broad powers have been granted the Commissioner to guarantee that this plan will function smoothly.

CONGRESSMAN LEHMAN'S MOBILE CONGRESSIONAL OFFICE

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. LEHMAN. Mr. Speaker, for the last several months I have been one of the few Members of the House to utilize a full-time mobile congressional office to supplement my district office. A large van has been outfitted with materials dealing with the Federal Government and its agencies, and a staff member assigned to it full time.

The mobile office travels to areas that are great distances from my district office. It provides those who are unable to come to the district office the opportunity to utilize the congressional services available to them.

Another unique feature of the mobile office is the cooperation of Barry College. The college has provided a student who is working toward his masters degree in social work to supplement the mobile office staff. This student also fills the role of an independent observer.

The student this year was Peter Bidney. To complete his course of study, he has written a report on the mobile office.

I am inserting into the RECORD this report as well as a letter from Mr. Louis Tasse of the Dade County School Board who watched the mobile office at work, and commend both to my colleagues' attention:

REPEAT ON CONGRESSMAN LEHMAN'S MOBILE OFFICE

INTRODUCTION

Congressman Lehman's Mobile Office has served a diverse group of persons in its short period of existence. The groups are generally persons who lack transportation to the District Office. Others served are those unaware of the Congressional services available to them. The program has also been a meaningful experience to the staff who worked with the Mobile Office.

This report describes the impact of the Mobile Office on the persons visited.

The short-term effectiveness of the Mobile Office is easy to measure. The number of persons served is the most practical yardstick. On the other hand, the long-term effect which may be of the greatest value is difficult to determine. Increasing citizen awareness is a process not easily quantified. The Mobile Office is creating an informed citizen, one who will know how to acquire information on Federal programs and where to turn for aid with them.

GOALS AND OBJECTIVES

The Mobile Office seeks to reach the persons who have difficulty in reaching the District Office for assistance. A large group of those over 65, approximately 14 percent of the 13th Congressional District, may not have a means of transportation. Many of this same group must travel alone. An elderly person venturing into unfamiliar places has a difficult time. Besides the older American, the student population lacks transportation as well as an understanding of where to go for Congressional help.

Recently, the Mobile Office has been trying to reach the low income person. Contact has been established with this often neglected part of society by visiting social service centers and Federally subsidized housing projects.

Of course, I could cite more reasons than the difficulty of transportation for the existence of the Mobile Office. Nevertheless, it is one of the key reasons for the Mobile Office outreach program.

Another purpose is to spread awareness. Each visit the Mobile Office makes evokes an expression of surprise at the services available through a Congressional office. Persons want to know what agency handles their particular wants and needs. The Mobile Office staff, backed up by the available literature for various Federal agencies, gives interested persons a direction and contact for further inquiry. The Mobile Office educative process bridges the communication gap between the agencies and the citizens they serve. Many persons who visit the Mobile Office don't have a problem, but want up-to-date information on the agencies they depend on—agencies such as the Veterans' Administration, Social Security, Civil Service Retirement Bureau, the Department of Health, Education and Welfare, and others involved with the citizen's daily life. Thus, the governmental education process is a vital service.

The final and perhaps most important job of the Mobile Office is problem solving. During every visit, persons are given the opportunity to see a staff member with their problem. This is a warmly received opportunity. To a senior citizen, problems with a Federal agency are viewed as insurmountable obstacles. Many have tried in their own fashion to contact the agency involved to no avail. The interest of the Congressman generally brings a quick result. Once a person sees how effective this contact is, the relationship provides a cornerstone for their future security.

PROGRAMS AND SERVICES

Programs have been developed to promote the most efficient use of the Mobile Office. They are adapted to the age group and interests of the group being served.

Two of the large programs have involved public schools and senior citizens. A description of those programs follows:

Schools

The school program has three parts:

1. The job of the Congressman and the services provided through the District Office are explained. The legislative process and how governmental agencies operate are described.

2. A pre-arranged topic, currently being discussed in school government classes, is discussed. Students then participate in an open forum in which they have an opportunity to ask questions of staff and air their own views.

3. At the close of the forum, each student is given the opportunity to speak with the staff on any matter they choose.

CONCLUSION

The program is very successful with students. Not only do they learn about how their government and its agencies are involved with their daily lives, but how to deal with problems they may experience within the government process. This is an important lesson and sensitizes these young persons to the impact of government on their lives, thereby making them interested in becoming better informed citizens.

Senior citizens

The Mobile Office visits many senior adult organizations. These persons greatly appreciate the services extended. The transportation problems of this age group are well known. The Mobile Office is ideal for overcoming this particular handicap. The dependency of these persons on Federal agencies, such as the Social Security Administration, creates a vital reason for a strong relationship with their U.S. Congressman.

The program opens with an explanation of the available Congressional services. The discussion highlights the general problems of the elderly.

For example, many of these persons rely upon their Social Security check to live. If a problem arises because no check arrives, the quick investigation by a Congressman's office may prevent a desperate situation.

Other examples of some situations the Mobile Office has unearthed and solved are police protection for a Senior Center, a stop light for an intersection heavily used by the elderly, and assistance in getting a new bus stop located closer to senior citizens housing.

An effort is made by the staff to speak to every individual, thus giving persons a chance to discuss personal problems they hope the staff can handle. It also provides an opportunity for the person to clarify his problem for the staff member.

CONCLUSION

The senior adults which we visited expressed relief upon learning they could establish a relationship with their Congressman and his staff through the Mobile Office.

MOBILE OFFICE UNIT SERVICE DELIVERY CHART

This chart gives information on the number of people served and the amount of cases interviewed. The chart is divided into three areas: Senior adult groups, public schools, and a general group of places visited.

SENIOR ADULT GROUPS

Edison Court Senior Center, 6200 N.W. 3rd Ave., Miami, Fla. 33150 (Two visits), people served, 103; cases interviewed, 23.

James Scott Senior Center, 6701 N.W. 3rd Ave., Miami, Fla. 33147 (Two visits), people served, 78; cases interviewed, 16.

Jollivette Plaza Senior Center, 6701 N.W. 24th Place, Miami, Fla. 33147 (Two visits), people served, 140; cases interviewed, 27.

Hialeah Adult Senior Center, 20 W. 6th St. Hialeah, Fla., people served, 100; cases interviewed, 12.

Congress of Senior Citizens, District #1, 12220 Griffin Blvd., North Miami, Fla., people served, 124; cases interviewed, 10.

Hialeah Gardens Senior Adult Club, 100 Palm Ave., Hialeah, Fla., people served, 85; cases interviewed, 6.

Hialeah Adult Senior Center, Congress for Senior Citizens, District #7, 20 W. 6th Ave., Hialeah, Fla., people served, 92; cases interviewed, 12.

Twin Lakes (HUD), 1205 N.W. 95th St.,

Miami, Fla., people served, 47; cases interviewed, 3.

Palm Tower (HUD), 950 N.W. 95th St., Miami, Fla., people served, 55; cases interviewed, 6.

Peters Plaza (HUD), 191 N.E. 75th St., Miami, Fla., people served, 42; cases interviewed, 10.

Emmer Apts. (HUD), 7820 N. Miami Ave., Miami, Fla., people served, 38; cases interviewed, 5.

PUBLIC SCHOOL PROGRAMS

Carol City Sr. High, 3422 N.W. 187th St., Carol City, Fla., people served, 230; cases interviewed, 6.

Madison Jr. High, 3400 N.W. 87th St., Miami, Fla., people served, 310; cases interviewed, 13.

Miami Central Sr. High, 1781 N.W. 79th St., Miami, Fla., people served, 380; cases interviewed, 16.

Carol City Jr. High, 3737 N.W. 188th St., Carol City, Fla., people served, 90; cases interviewed, 3.

North Miami Beach Sr. High, 1247 N.E. 167th St., North Miami Beach, Fla., people served, 340; cases interviewed, 7.

Hialeah Sr. High, 257 E. 47th St., Hialeah, Fla., people served, 170; cases interviewed, 5.

OTHER PLACES VISITED

Diplomat Mall Shopping Plaza, E. Hallandale Blvd., Hallendale, Fla. (Two visits), people served, 183; cases interviewed, 11.

Larchmont Apts. (HUD), 8351 N.W. 5th Place, Miami, Fla., people served, 62; cases interviewed, 8.

Miami-Dade Jr. College, 11380 N.W. 27th Ave., Miami, Fla. (Three visits), people served, 380; cases interviewed, 31.

Here's Help (drug center), 151 St. and N.W. 27th Ave., Miami, Fla., people served 35, cases interviewed, 2.

Sky Lake Shopping Mall, Miami Gardens Drive and N.E. 19th Ave., N. Miami Beach, Fla., people served, 45; cases interviewed 3.

Our Lady of Perpetual Help, Junior High School, 13400 N.W. 28th Ave., Opa-Locka, Fla., people served, 143; cases interviewed, 5.

DADE COUNTY PUBLIC SCHOOLS,
ADMINISTRATIVE OFFICE,
Miami, Fla., April 1, 1974.

Hon. WILLIAM LEHMAN,
North Miami Beach, Fla.

DEAR MR. LEHMAN: On Tuesday, March 26th, I visited the Community School Program at North Dade Junior High Community School. During this visit, I had the opportunity to observe your Congressional Mobile Office in action, disseminating material and talking with the people of the area about available services provided through the House of Representatives.

I was not aware until this time that there was a Congressional Mobile Office operating in our community, and was very interested in having your staff explain the concept to me and in browsing through the many pamphlets available for distribution to citizens through this field unit. The information on citizenship, aging, social security, branches of the Federal government and their services, health and welfare services and the many other pieces of information available through the Mobile Office were of tremendous interest to me.

This letter is simply to advise you that my first impression of the Congressional Mobile Office idea was a very positive one, and that your staff and the information they were courteously disseminating to citizens of all ages appeared to be a most useful service. Since I was so impressed, I thought I would take the time to write you this letter to say that in my opinion a good idea was providing a good service.

Sincerely,

LOUIS J. TASSE,
Consultant, Community School Program.

A NEW ANTIABORTION AMENDMENT

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. RONCALLO of New York. Mr. Speaker, in the infamous Dred Scott case (*Scott* v. *Sandford*, 60 U.S. (19 How.) 393, 409 (1857)) in 1857, the Supreme Court held that a free descendant of slaves could not be a citizen of the United States and indicated that "the general terms used in the Constitution of the United States, as to the rights of man and the rights of the people," were not intended to include slaves "or to give to them or their posterity the benefit of any of its provisions." The Dred Scott case stood for 105 years as a landmark of constitutional iniquity, establishing the principle that a class of innocent human beings could be excluded from the protection of the Constitution and treated as chattels. We rested on the assumption that the 14th amendment, adopted in 1868, had excised forever that principle from the Constitution. The 14th amendment provides:

> No State shall . . . deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.

Under the 14th amendment, and the comparable provisions of the fifth amendment, all persons are entitled to the right to live. We assumed, of course, that all human beings were included by the 14th amendment in that protected class of personhood. After all, that was a principal aim of the Civil War, to extend constitutional protections to all human beings. As Senator Allen A. Thurman said in 1875, in commenting on the 14th amendment:

> [It] covers every human being within the jurisdiction of a state. It was intended to shield the foreigner, to shield the wayfarer, to shield the Indian, the Chinaman, every human being within the jurisdiction of a State from any deprivation of an equal protection of the laws. [3 Cong. Rec. 1794 (1875) (Emphasis added)]

On a shameful day in our history, the Supreme Court on Jan. 22, 1973, rendered what has to be described as The Dred Scott Case of the 20th Century. [Roe v. Wade, 410 U.S. 113 (1973), Doe v. Bolton, 410 U.S. 179 (1973)] The Court refused to recognize the simple fact that the unborn child is a human being from the moment of conception. The Court refused to decide when human life begins and said, in effect: that whether or not the unborn child is a human being, he is not a person within the meaning of the 14th amendment. As a "nonperson," therefore, this most innocent and helpless of all human beings was held to have no right to live. In jurisprudential terms, the Court's rulings have the same character as if the Court had defined an explicitly admitted human being as a nonperson. The 1973 abortion rulings, therefore, are based on exactly the same principle as the Dred Scott case, that an innocent human being can be defined as a nonperson and killed if his existence is inconvenient or uncomfortable to others or if those others consider him unfit to live. It is also the very same principle that underlay the Nazi extermination of the Jews.

It has been estimated that, under the Supreme Court rulings, at least 1.6 million innocent human beings a year, or more than 4,300 every single day, are legally killed by abortion in the United States. Even under the partial relaxation of abortion laws that existed at that time, 700,000 babies were killed in 1972 by abortion. In the wake of the Supreme Court decisions of 1973, it is apparent that we have embarked upon the greatest slaughter of innocent human beings in any nation in the history of the world.

Speaking of the Dred Scott case, Abraham Lincoln said:

> I believe the decision was improperly made and I go for reversing it. [The works of Abraham Lincoln, Federal Edition (1905), IV, 215 ff.]

We must say the same thing of the Supreme Court abortion decisions. They were improperly made and it is long past time for the Congress and the people of the United States to do something to reverse them.

The one surely effective remedy for the abortion decisions is an amendment to the Constitution of the United States. Various amendments have already been proposed to deal with the abortion problem. One type, the so-called States' rights amendment, introduced by Representative WHITEHURST of Virginia (H.J. Res. 427, 93d Cong., 1st sess. 1973), would leave it up to the States to decide whether to forbid or permit abortion. This approach is wholly unacceptable. As Senator JESSE HELMS of North Carolina observed:

> It is simply wrong in principle to subject the right to life of innocent human beings to the variant determinations of different legislatures. The right of innocent life is inviolable. And it is indivisible. The right to exterminate innocent life surely is not one of the reserved powers of the States.

More acceptable amendments have been introduced by Representative LAWRENCE J. HOGAN—House Joint Resolution 261; also introduced in the Senate by Senator JESSE HELMS—and by Senator JAMES L. BUCKLEY—Senate Joint Resolution 119.

The Buckley amendment (S.J. Res. 119) provides:

> Section 1. With respect to the right to life, the word "person" as used in this Article and in the Fifth and Fourteenth Articles of Amendment to the Constitution of the United States, applies to all human beings, including their unborn offspring at every stage of their biological development, irrespective of age, health, function or condition of dependency.
>
> Section 2. This Article shall not apply in an emergency when a reasonable medical certainty exists that continuation of the pregnancy will cause the death of the mother.
>
> Section 3. Congress and the several States shall have power to enforce this Article by appropriate legislation within their respective jurisdictions.

Without going into detail here, it is fair to observe that the Buckley amendment fails to define the point at which human life begins and the constitutional protections therefore attach. It leaves room for a legislature or the courts to define that human life begins at some point later than the fertilization of the ovum by the sperm. Nor is this a mere academic point. It is increasingly evident that the abortion of the future is likely to be by pill. A constitutional amendment on abortion must apply at the moment of fertilization so as to prevent the licensing of abortifacient pills and devices. If they are licensed for use at any stage of pregnancy, even the earliest, it will be impossible to control their use at every stage. To prevent the licensing and legal distribution of drugs that have no purpose other than to cause abortion, and to control the distribution of drugs that have legitimate as well as abortifacient uses, the amendment must unequivocally prohibit abortion at every stage beginning with the moment of fertilization.

In addition to its failure to define the point at which human life begins, the Buckley amendment is objectionable on account of its authorization of abortion where it is claimed to be necessary to save the life of the mother. The fact is that today there is no situation where abortion is medically necessary to save the life of the mother. This provision of the Buckley amendment would open the door to abortion on specious psychiatric and other grounds. There is no other situation in the law where one is permitted to kill intentionally another innocent nonaggressor even to save one's own life. If two people are on a raft in the middle of the ocean and it appears that the raft will continue to hold only one, neither person has the legal right to throw the other overboard. Otherwise, might would make right. Nor, in my opinion, should the unborn child be called an aggressor so as to justify his killing under principles of self-defense.

The Hogan-Helms amendment, in my opinion, is far superior to the Buckley amendment. The Hogan-Helms amendment provides:

> Section 1. Neither the United States nor any State shall deprive any human being, from the moment of conception, of life without due process of law; nor deny to any human being, from the moment of conception, within its jurisdiction, the equal protection of the laws.
>
> Section 2. Neither the United States nor any State shall deprive any human being of life on account of illness, age, or incapacity.
>
> Section 3. Congress and the several States shall have the power to enforce this article by appropriate legislation.

The Hogan-Helms amendment, like the Buckley amendment, purports to confer 5th and 14th amendment rights on all human beings. However, unlike the Buckley amendment, the Hogan-Helms amendment defines the moment at which human life begins. It attaches its protections to all human beings "from the moment of conception." And the Hogan-Helms amendment would not confer constitutional legitimacy on abortions where they are claimed to be necessary to save the life of the mother. The Hogan-Helms amendment, in my opinion, is adequate to deal with the Supreme Court abortion rulings.

However, although the Hogan-Helms approach is sufficient, in my view, I believe it is now time to introduce another amendment which will present a different approach. It may be asked why I have decided to introduce a new amendment if I regard the Hogan-Helms language as adequate. The answer lies not in the Hogan-Helms amendment itself but rather in the energetic efforts that have been made to confuse the people about its meaning and impact. One issue that has been raised concerns the adequacy of the term "from the moment of conception" to define the point at which human life begins and the constitutional protections would therefore attach. I believe that "from the moment of conception" is an adequate phrase. However, there are some who have voiced reservations about this phrase in view of the fact that the Supreme Court, in Roe against Wade, mentioned in passing what the Court called "new embryological data that purport to indicate that conception is a "process" over time, rather than an event." [410 U.S. at 161] I do not believe that the term "from the moment of conception" is deprived of its precision and utility by this fragmentary dictum of the Supreme Court. However, I recognize the legitimate concern to make whatever amendment is adopted as precise as possible. To that end, I propose, in the amendment I introduce today, to replace the phrase "moment of conception with "moment of fertilization" in defining the point at which human life begins. As Dr. Bradley Patten put it in his basic text on embryology:

> It is the penetration of the ovum by a spermatozoon and the resultant mingling of the chromosomal material each brings to the union, that culminates the process of fertilization and initiates the life of a new individual" (Patten, Foundations of Embryology—1964—35, 82).

The latest point in time to which "moment of fertilization" could be construed to refer would be the penetration of the ovum by the sperm.

Another reservation that has been expressed about the Hogan-Helms amendment, as also about the Buckley amendment, concerns its efficacy to prevent abortions committed by private persons who are not public officials and not otherwise acting under color of law. The approach of both Hogan-Helms and Buckley is not to forbid private abortions directly, but rather to extend the relevant constitutional guarantees to the unborn child. Those guarantees are couched in terms prohibiting governmental action rather than private action. An ordinary homicide, committed by one private person against another private person, for example, is not a violation of the U.S. Constitution. It is a violation only of State or local law. What the U.S. Constitution forbids is deprivations by governmental action of such rights as life, liberty, property, and the equal protection of the laws. I believe that the Hogan Helms and Buckley amendments are sufficient to prohibit abortions by private persons as well as those by State officials. This is so because those amendments would prevent the State and Federal Governments from denying the unborn child the equal protection of the laws. If a State, for instance, forbade through its homicide laws the unjustified killing of human beings in general, but discriminated against unborn human beings by not forbidding their killing, such unequal application of the general prohibition against killing innocent human beings would deny the unborn human being the equal protection of the laws. Such discrimination would be a denial of the civil right to live of the unborn child.

The Supreme Court indicated this in Roe against Wade when it said that if the unborn child is a person for purposes of the 14th amendment, the abortionists' case collapses. In view of this, in my opinion, the formulations of both the Hogan-Helms and Buckley amendments, which in effect confer the essential 14th amendment rights on the unborn child, are sufficient to reach private action and to outlaw private abortions. However, there has been much—in my view, unfounded—concern expressed in some pro-life quarters that the indirect formulations of both amendments would not clearly forbid private abortions in which State action is not involved. It would be desirable, therefore, to propose an amendment at this time that would directly forbid abortions. The direct prohibition is neater, simpler, and more to the point.

I introduce today the following amendment to the Constitution of the United States, to reverse the Supreme Court decrees and to lift the scourge of abortion from this land:

> (1) Abortion is hereby prohibited within the United States and all territory subject to the jurisdiction thereof. As used in this article, abortion means the intentional destruction of unborn human life, which life begins at the moment of fertilization.
>
> (2) Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.

The amendment I propose is cast in terms of a direct prohibition of abortion, comparable to the 13th amendment's direct prohibition of slavery. For this reason, it operates directly to prohibit all abortions, whether performed by private parties or State officials. Even if a State legislature failed to enact a prohibition against abortion, this amendment would authorize Federal criminal and civil proceedings against abortion, just as such proceedings are now authorized with respect to the involuntary servitude which is forbidden by the similar language of the 13th amendment. Such proceedings would be available to prevent the licensing of abortifacient drugs which have no purpose other than to cause an abortion as well as they would be available to punish, prevent or award damages for surgical abortions.

The amendment I propose would forbid all direct abortions even where claimed to be necessary to save the life of the mother. Unlike such cases as the cancerous womb and the ectopic pregnancy where the death of the child is an unintended result of an independently justified operation, the direct abortion to save the life of the mother involves the intentional killing of the child to accomplish a good end; that is, the saving of the life of the mother. Such a direct abortion purportedly to save the life of the mother would be based on the finding, for example, that the mother will commit suicide if she is not allowed to kill her child or perhaps that continuation of the pregnancy will aggravate some physical ailment and thereby cause her death. As I mentioned above, there is no longer any medical necessity for such abortions. And, if we write into the Constitution an authorization of direct abortion where it is claimed to be necessary to save the life of the mother, we will inevitably open the door to psychiatric abortions and even abortions for mere convenience where a doctor certifies that the abortion is necessary to save the mother's life.

The amendment I propose would forbid all direct abortions, through the definition of abortion as "the intentional destruction of unborn human life." However, this amendment would allow such independently justified emergency operations as removal of a cancerous womb or of an ectopic pregnancy. In the latter type of situation, the unborn child is growing in the fallopian tube or elsewhere outside the womb without any hope of survival. With the cancerous, the removal of the womb is required to save the mother's life. Its removal will have the unintended effect of preventing the continued survival of the unborn child who is carried in the womb. Such operations are justified as independent medical emergency operations. They have never been considered abortions in the legal sense.

Rather, for example, the intent in the ectopic pregnancy situation is to perform an independently justified removal of the damaged portion of the fallopian tube because the continued existence and aggravation of that damage threatens the mother's life. The removal of that portion of the tube, in which the developing child is growing without hope of survival, results in the death of the child. But the death of the child is an unintended effect of the removal of the damaged portion of the tube which is independently justified as a medical emergency because of the immediate physical threat it poses to the mother's life. The removal, medically required to save the mother's life, of an ectopic pregnancy or of a cancerous womb has never been prohibited by the law and it would not be forbidden by the amendment I propose. The amendment, however, would forbid all direct abortions. No direct abortion is medically necessary to save the life of the mother. I emphasize that no mother's life would be endangered by the amendment I propose. But the lives of countless innocent children would be saved because it would prohibit the killing of babies for stated reasons of convenience and for reasons of convenience masked under a fraudulent guise of medical or psychiatric necessity.

In introducing this amendment, I do not belittle in any way the efforts of Congressman Hogan, Senator Helms, Senator Buckley, and all the others who have supported their amendments out of a sincere conviction that we can no longer tolerate the wanton murder of the most helpless minority in our midst. I believe the Hogan-Helms amendment is adequate and that the Buckley amendment could be made so. But I also believe that it is time to present a new approach to the Congress and to the people. My amendment is not designed to write into the Constitution any sweeping elaboration of the rights of all human beings of all ages. Apart from abortion, the existing provisions of the Constitution are adequate for the protection of those rights. Instead, the immediate evil is abortion. Babies are dying in this land by the millions at the hands of murderers operating under the sanction of reprehensible court decrees. Abortion must be stopped. I propose to do so by an effective prohibition operating directly against all who would kill these most innocent and helpless of all human beings. I urge a speedy consideration of this matter. For the hour is far advanced. And the issue in abortion is no less than this: Whether life is a gift of God or of the State.

JOHNNY STILL CAN'T READ, NEW FEDERAL REPORT FINDS

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. HUBER. Mr. Speaker, a recent report further confirmed, if that was still needed, the fact that illiteracy is more prevalent than ever before. We are reaping the harvest of the Dick and Jane approach to reading. The interesting point to note here is that we have now had nearly 9 years of Federal aid to education and yet the results are disappointing. Could it be that what we really need for our schools is not money, but a return to discipline, and the teaching of reading, writing and arithmetic in the traditional manner? The article from the Detroit News of December 9, 1973, is attached for the consideration of my colleagues.

Johnny Still Can't Read, New Federal Report Finds

Washington.—One million U.S. children 12–17 years old cannot read even at the fourth grade level of a 9-year-old, according to a new federal report.

Results of the special four-year testing program, suggesting illiteracy is more pervasive than ever before realized, were termed "alarming and discouraging" by Dr. Ruth Love Holloway, the government's reading expert.

The problem was found to be the most severe among low-income black males, where one out of five could end formal schooling without being able to read a simple paragraph.

The National Center for Health Statistics, an arm of the Department of Health, Education and Welfare (HEW), yesterday said the findings indicate existing government definitions of literacy "might lead to serious underestimates" of the problem.

Part of HEW's Health Examination Survey, the special reading tests were administered to a sampling of 6,768 children between 1966 and 1970.

The scoring showed 4.8 percent were illiterate. Projected nationwide, that means about one million of 22.7 million schoolage children who should be in grades six through 12 cannot read a fourth grader's materials.

Illiteracy was found to be most prevalent among boys, especially blacks from low-income families where parents had little or no formal education.

For example, 4.7 percent of white males and 1.7 percent of white females could not read, compared with 20.5 percent of black males and 9.6 percent of black females.

In families with less than $3,000 annual income, 9.8 percent of white children and 22.1 percent of blacks were judged illiterate.

But the inability to read dropped to 3.5 percent and 12.6 percent respectively in the $5,000–$6,999 income level and to 0.8 percent and 4.7 percent in families earning more than $10,000.

If parents had little or no formal education, 22 percent of whites and 53 percent of blacks could not pass the test. When one parent had finished elementary school, the illiteracy rate fell to 6 percent for white children and 18 percent for blacks.

GREATER LAWRENCE ASSOCIATION OF THE BLIND, INC.

HON. PAUL W. CRONIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. CRONIN. Mr. Speaker, recently I met with a representative group of the Greater Lawrence Association of the Blind, Inc., which is an affiliate of the National Federation of the Blind. The National Federation has chapters in 48 States with a membership that exceeds 50,000 and is the largest organization of blind people in the United States.

The meeting was requested in order that the Greater Lawrence Association could express its profound disappointment and disillusionment with the National Accreditation Council—NAC. In the course of our meeting, several instances of discrimination were highlighted.

Since the National Accreditation Council is a federally funded organization, I would greatly appreciate a report from your office concerning the NAC and its functions. I understand there are no representatives of the blind on the National Accreditation Council. Furthermore, the NAC is actually hurting the blind people by accrediting inferior agencies which provide inferior services. The members of the National Federation of the Blind have tried over 3 years to make the NAC respond to their needs, but have met with resistance and have not been allowed to even observe the NAC Board of Directors' meetings.

The demands of the NFB seem to be most reasonable, and I cannot understand the failure of the NAC to respond to any of their points. In the original legislation it was the intent of Congress to help the blind. It is my belief that the National Accreditation Council has not fulfilled this intent. I urge you to investigate the responsiveness of the NAC and take the necessary steps to remedy this situation. You may be assured that I will not vote for funding for that organization and will urge my colleagues to withhold their vote until and unless the NAC becomes responsive to the needs of the blind people it serves.

JERSEY CITY, HUDSON COUNTY, A GREAT PLACE TO LIVE—CONGRESSMAN DANIELS HAILS MAYORS JORDAN AND CAPPIELLO

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. DOMINICK V. DANIELS. Mr. Speaker, very often reform-minded persons who see decaying areas in our urban centers think that it is best to simply bulldoze whole neighborhoods without regard to the indigenous population. The destruction of southwest Washington a generation ago and the elimination of the West End of Boston and the dispersion of the people of the affected areas, was accomplished without any real regard for human values.

I am pleased that in Hudson County, N.J., we are trying to renovate and restore without losing the sense of community. The administrations of Mayors Paul T. Jordan in Jersey City, and Steve Cappiello in Hoboken, in particular have placed great stress in rebuilding without bulldozing. Indeed national publications have paid tribute to these able and thoughtful mayors who have shown that government can be effective and still show feeling for people. Hoboken and Jersey City are the better for it.

Sometimes people poke fun at Jersey City and Hudson County, our crowded streets, our congestion, our aging community facilities, and all the problems that go with living in an area which was built generations ago. Cynics used to ask why would anyone want to live in Hudson County. Lately parts of Jersey City and Hoboken are witnessing a housing boom as our brick and brownstones have caught the eye of those able to afford suburbia, but no longer willing to spend 2 hours a day commuting.

Our most important asset is often overlooked. It is our people, friendly decent people who often have deep roots in the community. Frankly, as a lifelong resident of Hudson County, I would not want to live anywhere else.

One of the most important community assets is the Jersey Journal, a newspaper which concerns itself with the community and reports superbly on matters of special concern to those who live in our compact cities with their polyglot ethnic population.

Each week the Journal publishes a column of thank yous from ordinary citizens. This week's caught my eye and I would like to share it with the Members of the House. None is really earthshaking, but they do tell a story of average Americans who go about their daily schedule yet manage to concern themselves with their fellow men and women. Taken as a whole, they show a panorama of life in the 14th Congressional District of New Jersey. Without any further comment, they show that our people do care about other people. I am proud to represent 478,000 of the greatest people in the Nation. For the edification of all I insert at this point in the RECORD this short vignette from May 28 edition of the Jersey Journal:

THANK YOU: PRAISE FOR THOSE WHO EARN IT

AN HONEST YOUNG MAN

DEAR EDITOR: I publicly thank and commend a young man for his honesty. I dropped a purse while walking on Central Avenue between Bleecker and Charles Street today with two of my friends. Suddenly this honest young man stopped us and asked if we had dropped this purse. Immediately I recognize it was mine and he handed it to me.

We were so shocked I could not express my appreciation and thank him enough or to repay him for his honestly for nothing was missing within. We feel we would not be able to recognize him again to do so.

To have a young man prove his character and honesty on a busy avenue is one we can be proud of and commend him. May God bless him and reward him in some way.—Mary Fehl, Jersey City.

A REALLY GOOD DEED

DEAR EDITOR: On March 26, 1974 at 5:55 p.m. while riding my bicycle east on Secaucus Road near the Post Office, I was struck from behind by a passenger car. The driver stopped, got out of his car, then reentered it and drove off. I had a broken right elbow and a badly injured right leg. Three cars passed as I lay in the gutter with my smashed-up bike. I waved for help from these three men(?) but they looked at me and passed me right by. They were males, not men.

I could not see the plate number of the car that struck me and if it had not been for an intelligent and alert young men who was not afraid to get involved, I probably would never have found out who ran me down. He sized up the situation immediately and got the plate number and returned to the scene.

I thank you Michael Donatacci of Hoboken, and may God bless you.

I would also like to thank the Hudson County Police, the men from Miller's abattoir who called the police and the guards from the Post Office who placed a blanket on me to keep me warm.—Walter E. Morse, Jersey City.

A SPLENDID PROGRAM

DEAR EDITOR: This past year, Henry E. Harris School initiated a career education visitation program. The teachers assisted their students in developing their goals, provided motivation for learning, and contributed to greater involvement in their formal educational experience.

This program could not have been accomplished without the help of many people who were willing to give their time to come to Henry E. Harris School to give lectures and demonstrations to the students. In many cases, field trips were also arranged to various businesses.

Because of their help, Henry E. Harris students were provided a pathway to an enlightened future, reflecting the requirements of a constantly changing world.—Mrs. James McGuire, fifth grade teacher, Henry E. Harris School.

TWO SPLENDID OFFICERS

DEAR EDITOR: I recently had occasion to call the Police Emergency when I could not reach my own doctor.

Within a very few minutes, police officers John McGovern and Paul Hoy were at my house, and when they saw the situation, they called the ambulance.

I want them to know how much I appreciate their kindness and consideration at a time when it was very much needed.

The young lady and two young men who came with the ambulance were also very nice.

We complain about people when we are not satisfied. The least we can do is say "thank you" when we are.—Nora F. Maher, Jersey City.

JUDGE GAVE US INSIGHT

DEAR EDITOR: We would like to thank Judge Daniel Gilmore of the Juvenile and Domestic Relations Court for his assistance concerning our project on juvenile problems.

Because of the knowledge and patience he showed us, we gained considerable insight into the real problems of today's youth.—Cheryl Titunick, Tim Kaminski, Jersey City.

ALL WERE HELPFUL

DEAR EDITOR: I wish to give my thanks to the many people who aided my daughter and grandson, Janice and Marc Mullins, at the time of their accident on Washington Street. I sincerely appreciate the help given by the Hoboken Volunteer Ambulance Service, the patrolmen, merchants and shoppers in the vicinity who rushed to assist them.—Mrs. Lucille Mollico, Hoboken.

A KINDLY BUS DRIVER

DEAR EDITOR: I would like to express my thanks to the bus driver who stopped his bus and came over and picked me up when I had a fall Saturday 2 p.m. May God bless him and give him happiness all his life.—Teresa O'Neill, Jersey City.

RUSSELL McCLURE

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. SHRIVER. Mr. Speaker, Russell McClure, a distinguished public servant and nationally known public administrator, died recently following a long illness. His successful career included service as city manager of the city of Wichita for a total of 13 years in two different periods. He also had served as the first director of an organized effort to revitalize the downtown section of Wichita.

Russell McClure was an expert in urban affairs. He was respected by the people. He helped make Wichita, his hometown, a wonderful place to live. He will be sorely missed by all of us who knew him.

Under leave to extend my remarks in the RECORD, I include the following editorial from the Wichita, Kans., Beacon which eloquently describes the lasting contributions of Mr. McClure.

RUSSELL MCCLURE

Although sometimes a controversial figure in his later years, Russell McClure helped build Wichita, devoting his life to strengthening the city administration.

McClure, who served 13 years as city manager in two different periods, died Friday after a long illness. He had retired two years earlier from his post as deputy city manager for urban affairs.

He was nationally honored for his work in bringing professionalism and efficiency to city government and during his two stints as city manager—1941 to 1948 and 1962 to 1968—he helped develop a personnel merit system, a retirement program, an employe council and grievance procedure.

When he retired as city manager in 1968, he was put in charge of the city's social action programs, most of which had been begun during his service as city manager. These "people programs" were highlighted by the

Model Cities project, a $4 million federal program to improve health, employment, housing and educational and social services in model neighborhood areas.

Russell McClure may be gone, but the progress he brought to public administration in Wichita will live after him, a lasting monument to the memory of a man who loved serving his city.

MEMORIAL DAY CEREMONY AT NATIONAL CEMETERY IN MOBILE, ALA.

HON. JACK EDWARDS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. EDWARDS of Alabama. Mr. Speaker, on Sunday, May 26, I was privileged to participate in the Memorial Day ceremony at the National Cemetery in Mobile, Ala. The event was the result of much hard work by Troop 5 of the Boy Scouts of America, sponsored by the Fulton Heights United Methodist Church.

Others who participated in the program were the Air Force Band of the Gulf Coast, the ROTC Color Guard-Drill Team from the University of South Alabama, Mark Stewart of Troop 5, who served as master of ceremonies, Rev. Billy Hall, minister of Fulton Heights United Methodist Church, Sister Michael Jean of the Providence School of Nursing, and Rev. James Finley, pastor of the Phillips Temple AOH Church of God. Every person involved made a strong contribution to the program's success.

The main address was given by Maj. Gen. Emmett B Cassady, USAF (Ret.), who compiled quite an impressive record in the Air Force before retiring in Mobile. His speech was timely and carried a pertinent message for our Nation. Accordingly, I ask unanimous consent that General Cassady's address be included in the RECORD at this point:

MEMORIAL DAY SPEECH BY MAJ. GEN. EMMETT B. CASSADY

Mr. Stewart, Congressman Edwards, Members of the Armed Forces, Members of the Boy Scouts of America, Scoutmaster Lankford.

Ladies and Gentlemen. In gathering today we commemorate a remarkable group of men and women; for we here honor not only the dead in whose midst we are privileged to assemble, but all those, wherever buried, who have honorably and nobly died that our Republic might live.

Today let us remember those whose cherished hopes and attainable ambitions were cut off in the bright sunshine of youth. Let us remember those whose wounds, brought years of suffering, before death led them to this quiet spot. Let us remember those whose service in peace and war gave distinction to every segment of our society. They all lie here in honorable repose.

The message their tombstones might give us today would be far more than the name, the unit, and the date of death. They might say to us, "*You* take care of today and tomorrow, *our* day has passed."

In such a reminder there is hope. Hope for today and hope for tomorrow. We see our hopes for tomorrow clearly visible in the shining ranks of our splendid youth in the uniform of the Boy Scouts of America. It is they who have organized this Memorial Day Service. It is they who will carry the torch of liberty—for who can deny the forward looking promise in their motto, "Be Prepared".

Yes, today we must be prepared to squarely face the difficult problems which confront every citizen of our great republic—and we must find solutions! My brothers in arms sleep in peace.

Only death is indifferent to the woes of mankind. It cares not for forms of government: It gathers them in as it does all living things: It matters not to the grim reaper—republic—monarchy—dictatorship, each survives only as long as its people so will.

We are now approaching the two hundredth anniversary of the founding of our republic. As a people we have survived wars, floods, hurricanes, pestilence, weak leadership, inflation, deflation and depression. Now we must be prepared to survive the even more elusive forces which would destroy us as a people.

We have seen the enforced idleness, the cold homes and the consternation which arose with the energy shortage. We are a wasteful people and we have had a warning in this recent experience. Surely our honored dead would say to us, "Husband your great natural resources, for difficult times yet lie ahead."

Everywhere we see the degrading impact of pornography. Our honored dead may have repeatedly declared that our country would never permit our youth to be exposed to such an evil.

We see our personal ever increasing expectations become unfulfillable because of inflation. To most of our honored dead a small salary was sufficient to meet their needs. They would surely be appalled at the extent to which we have permitted the debasement of our once sound dollar.

We have watched the plague of drugs fasten upon many of our youth, and take a terrible toll. Addressing this problem our honored dead would unquestionably say, "This is the first enemy to attack, and our national policy must be victory at whatever the cost, for our most precious asset is the youth of our country".

For months we have marched, inexorably, toward a crisis of national leadership. The confrontation between our chief executive and the judicial and legislative branches is of profound sorrow and pain to all of us; for it lies like a malignant tumor within our body politic. Our honored dead would surely demand a cure for this sad affliction. They might say to us, "Be prepared to demand that the rule of law be not violated by any one of the three great segments of our government. The law must prevail!

Looking at the atomic world of today we find it not far removed from the bow and arrow age of yesterday. It remains a world in which, as Wendell Wilkie said, "Only the strong can be free." It has always been the same.

We could not be here in free assembly today should we the people not have provided our armed forces with the tools to do their job.

As the burdens of tax, inflation and other issues demanding priority grow, so do the demands for reducing the power and might of our military preparedness. On this issue, so vital to the life of our republic, our enobled dead would surely say, "At whatever the cost, never, never, never provide for freedom anything less than that required for victory."

Ladies and gentleman—our honored dead served in behalf of freedom, of which law and order is one bulwark. We must each be prepared, as a citizen, to carry our full share of the heavy load which is the price of liberty. We must each be prepared to face and defeat our problems with the same resolve that led the founders of our republic to pledge their lives, their fortunes, and their sacred honor to the cause which made us free men and women. We can do whatever is necessary while being secure in the knowledge that valiant men and women in our armed forces stand ready to defend, with their lives, the priceless heritage America has bequeathed to us all.

In freedom we have received a many splendored thing. It is ours to hold in trust for the next generation. Let it not be said that it was laid to rest during our time.

God remember our heroic dead and God bless America.

ZOOS: TODAY'S ARK

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. WHITEHURST. Mr. Speaker, I have introduced legislation which would provide support and assistance to zoos in upgrading their facilities and improving their management. The bill, H.R. 12047, also establishes a Federal Zoological and Aquarium Board to assist in the improvement of zoo personnel and physical plant.

The interest in making changes for the better is apparent. The delay in taking action is caused by the severe fiscal bind facing most cities. Many of the city zoos need substantial rebuilding involving large areas of the facility. Unfortunately, priority for zoo construction usually gets bumped down the ladder from year to year as other needs arise. Congress should act to meet this need.

Zoo management officials are now instituting in some areas a concept called "survival centers." They are facilities located outside cities in which there is room for freedom of movement and some semblance of a natural environment. The action encourages animal breeding, thereby reducing the risk of further endangering already endangered species by stocking zoos from the wild. Indeed, captive breeding can be important to the survival of some species; however, many are unable to do so unless in a herd environment.

H.R. 12047 contains a provision for the necessary financial assistance to zoos planning survival centers. The bill has been referred to the House Merchant Marine and Fisheries Committee, 1334 Longworth House Office Building, Washington, D.C. 20515. I urge my colleagues on the committee to take action on this bill and report it to the House for a vote. The need for action is now while there is still time to rescue our deteriorating zoos and bring humaneness to the animals held in them.

An article describing survival centers and their importance to animals and zoologists was published in the May 28, 1974, edition of the Christian Science Monitor. I urge my colleagues to read it. I insert the article at this point in the RECORD:

NEW ROLE FOR ZOOS: PROTECTING ENDANGERED SPECIES

(By Frederic Hunter)

SAN DIEGO, CALIF.—A year and a half ago Charles Sedgwick and Clyde Hill went bear hunting in Alaska. What kept them warm during a week of freezing, all-night vigils was the hope of bagging a rare Yakutat "blue."

When they spotted bear baits and a shooting platform nailed to a tree, they knew other hunters were also after the same bear. One had posted a $1,000 reward for anyone who could lead him to a "blue."

On the final night of the hunt Chuck Sedgwick spotted the bear from a toolshed where he was staked out. An inadvertent rustle as he aimed sent the big blue charging toward him, but the animal swerved away and jumped into a tree. Dr. Sedgwick shot and bagged the bear—for the collection of the San Diego Zoo.

His "hunting" with a tranquilizer rifle probably saved the rare blue from a trophy-seeker using bullets. The hurried, week-long expedition shows to what lengths professionals from around the world are going to save rare and endangered species from the threat of extinction.

RARE COLOR PHASE

"The fabulous blue bear of Alaska," notes Mr. Hill, the San Diego Zoo's curator of mammals, "is one of the last major mysteries of the world of mammals." It represents a rare color phase of the American black bear, and its range (from Yakutat Bay to Glacier Bay) is "only a pinprick on a world map."

Prized by hunters for its glistening blue coat (pelts are worth $5,000), the blue bear is in danger of being hunted into extinction.

By capturing Yakutat Barry, as the 200-pound male is now called, Mr. Hill and zoo veterinarian Sedgwick took only the first of the many steps that could lead to "zoo-banking" (preserving in captivity) blue bears.

Success now hinges on getting a female blue, and prospects appear "almost non-existent." A recent survey shows that of 80 bears sighted in the blue's habitat area, only one is blue; its sex is unknown.

The zoo has, however, received permission from the Alaska Department of Fish and Game to capture two black bears from the blue's habitat area. San Diego Zoo officials hope that breeding the male blue with one or more female blacks eventually will produce a female blue. But even if this process builds up a stock of blues, the problems of inbreeding could end the project.

Is a "color phase" of one species of bear all that important?

"We are the ark," Dr. Sedgwick declares unequivocally, speaking of a newly emerging role for zoos. "Animals are not safe anywhere else in the world. People can be critical about zoo breeding programs; they can say we don't reproduce natural animals. But we feel like we're the ark."

"Everyone in the zoo business is very aware of world conservation problems," says Mr. Hill. "We're spending as much time and money as possible to do what we can. Money especially is limited."

Even so, a zoo does not have to be as big an operation as San Diego's to play a crucial role in saving an endangered species.

For example, a successful breeding program run by the small, privately-owned Catskill Game Farm near Cairo, N.Y., has helped insure the preservation of Przewalski (wild Mongolian) horses, rare living ancestors of modern horses.

From a herd of nine of the rare horses, acquired in 1956 from the Munich Zoo, Catskill owner Roland Lindeman has bred 55 Przewalskis, about one-third of the current world population. As a result of the program there are good prospects that the horses will regain a foothold in their natural habitat. According to Mr. Lindeman the Soviet Government now is seeking to establish a 500-square-mile reserve where Przewalski horses would be protected in the original habitat or something very close to it. Mr. Lindeman will donate a stallion and two mares.

While many zoos are making serious efforts to establish breeding programs, not all have been as successful as Mr. Lindeman's venture. At a 1972 meeting on breeding endangered species, John Perry, assistant director of Washington's National Zoo, could list only eight species of animals for which zoo propagation had been successful enough "to give reasonable assurance that a species can be permanently maintained without further acquisitions from the wild." Still zookeepers see the effort as vital.

"The conservation problems are vast and overwhelming," comments San Diego's Clyde Hill. As prime problems he lists habitat destruction, the population explosion, wars, human and industrial development, and vested interests, including, for example, the economic role of hunting in Alaska.

"There's no hope in India," he asserts. "And East Africa is one of the great population explosion places in the world. Animals are going to take second place there. Those of us in the conservation field can't keep up with these problems.

"But," he adds, "look at the conservation situation right here in California. We're not hungry; we're well educated, and even so, we can't keep the condor going."

Even when the needed animals can be found for animal banks at zoos, getting them to mate in captivity is no easy proposition. Many will not mate unless their surroundings match their natural habitats and there is sufficient compatibility between the particular animals the zoo arbitrarily has paired.

BRINGING UP OFFSPRING

If the animals do mate, the task of raising a significant number of offspring to adulthood in a zoo is enormous. The numbers most zoos can care for are pitifully small.

"If you totaled all the mammals in U.S. zoos," notes Mr. Perry, "there are fewer than 36 individuals per mammal species." These numbers are not designed for survival."

Four reforms could help a zoo better preserve endangered species: specialization in fewer species; long-term breeding programs using dozens, not mere pairs, of animals; establishment of spacious rural breeding farms; and expansion of animal propagation research.

But the most important reform for survival of endangered species, Mr. Perry contends, is a change in mankind's regard for animals—from considering them mere objects for human uses to recognizing their intrinsic worth and importance in earth's ecology.

"The world is our zoo," Mr. Perry stresses, "a zoo that must be well managed, its resources carefully husbanded, for these are the only resources it can ever have. We have appointed ourselves the keepers of this zoo, but we cannot live outside its gates. We are of it. Our lives are inextricably intertwined with the lives of all the lives within. Their fate will be ours."

TRIBUTE TO DUKE ELLINGTON

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. HUDNUT. Mr. Speaker, I would like to take this occasion to pay tribute to a man who contributed so much to American music over the years and who left us a great legacy. That man is the late Edward Kennedy "Duke" Ellington who died Friday, May 24.

Thousands of Duke Ellington's fans gathered at the Episcopal Cathedral of St. John the Divine in New York on Monday of this week to pay their last respects to the great pianist, musician, composer, band leader, playwright, and statesman. While he is remembered as a "man who made the 20th century swing", he was also a composer of religious music and in 1968 performed his famous Second Sacred Concert at the Cathedral of St. John the Divine.

A middle-aged postal worker is quoted as saying:

> Ellington saved me during the Depression because he gave so many folks and me, the only thing we could afford—music.

This is typical of the contributions made by Duke Ellington to the people of America as well as the world.

Taking note of his great achievements in the music field and as a good will ambassador of the United States, President Nixon presented Duke Ellington the Medal of Freedom on his 70th birthday. No man has been more deserving of this honor and I am very glad that it came to him at that time.

While Duke Ellington will be missed as a great human being, his compositions such as "Mood Indigo," "Satin Doll," and "Solititude" will live on forever. All of us are indeed fortunate for the legacy he has left to us.

AMERICA THE BEAUTIFUL

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. WYLIE. Mr. Speaker, Mr. George Davenport, a senior at Dublin High School, Dublin, Ohio, and a constituent of mine, is the recipient of the annual U.S. Government Award presented by the Washington-Perry Township Women's Republican Club. The essay which won Mr. Davenport the award deserves public dissemination and I recommend it to all as food for thought.

The essay follows:

AMERICA THE BEAUTIFUL

(By George Davenport)

Many people believe that modern America is on its way to oblivion. They support this pessimistic statement by reminding us of all of our nation's problems concerning corruption in the higher echelons of our government, the energy crisis, our unstable economy, and our polluted environment.

There are others who state that Americans, as a whole, are soft, lazy, apathetic, and lackadaisical individuals. They support this with examples such as the murder of a young woman in the streets of New York City not too many years ago. This murder was carried out in front of over 100 witnesses, not one of whom had the internal fortitude nor the gumption to jump in to assist the woman. They just stood around and watched. Another example of the public's general apathy is the fact that in seven of the last eight presidential elections, the winning candidate has received fewer votes than the number of eligible voters that did not even bother to show up at the polls to voice their opinions.

Do you believe that America is on its way out as evidenced by all her problems and the supposed "apathy" of her people? The arguments presented above certainly seem to point in that general direction. However, I believe that these arguments are individual, independent cases, ones that don't tell the whole truth.

Our nation appears to be in deep trouble with political corruption, energy crises, crime, and innumerable other problems, but then, what country isn't? Every nation in the history of the world has had devastating crises and problems. Some have folded; others have overcome their problems, but not without the infliction of great damage. This does not offer much consolidation, nor does it justify our political, social, and economic ills.

However, the United States of America has successfully overcome some of the problems of her past, a few of which were her inspiring Revolution for freedom against the British tyranny, the brutal Civil War, both World Wars, and the demoralizing Depression of the 1930's.

Why is it that our nation has survived and flourished while others have fallen? I attribute it to those principles and ideals established by our forefathers in the Constitution of the United States. I believe that a nation in which a citizen has the right and potential to participate as much or as little as he desires in an effort to bring about governmental changes is bound to be a much stronger, happier, and unified nation than one in which the people serve the government. I also believe that a nation that exists solely for the betterment and general welfare of its citizens in far stronger and unified than any other conceivable form of government. Our government is successful in achieving this goal of serving the citizen in many ways. For instance, in the United States of America, an individual has the right to choose his style of speech, mode of dress, occupation, religion, locale, and life-style. Where else but America is this right upheld?

The United States of America is based on the principle of "all men being created equal," and it has taken great strides to achieve equality, racial or otherwise. The Constitution guarantees all persons shall be equal before the law; there shall be no favorites. Again, where but America?

America is a nation in which the majority of the people rule by their participation in campaigns and voting; and yet it is a nation in which the minority's rights and privileges are protected so that they cannot be infringed upon by the desires of the majority.

As mentioned earlier, some people believe that Americans are soft, lazy, and apathetic. They really don't care what happens around them; just so long as they are comfortable. This may be true is some cases, but I believe that 99% of the American citizens may be counted on when the need arises. Pope Pius XII (Eugene Pacelli) once said, "The American people have a genius for splendid and unselfish action, and into the hands of America God has placed the destinies of afflicted humanity." In a recent edition of the U.S. News and World Report, it was stated that America has become the accepted peacemaker throughout the world. The two World Wars and our subsequent aid to Europe, the Korean and Viet Nam conflicts, our aid in the Middle East, Bangladesh, and Pakistan all vividly demonstrate that the American people are not apathetic; they do care. America is the only nation in the history of the world to have done so much and received so little from other nations and their people. That is my kind of country.

I believe in a nation that strives for the betterment of its citizens, not just itself. I believe in a nation that encourages its citizens to do as they want, say what they wish, and act as individuals. I believe in a nation that has sent men to the moon and yet still strives to fight poverty and disease. I believe in "America the Beautiful;" I believe in the United States of America, yet I believe that in order for our nation to reach its greatest potential, it will require the cooperation and desire of the American populace. I have faith in America; I have faith in her people. Together, we shall continue to lead the world.

TRIBUTE TO RICHARD E. CHEVERTON OF GRAND RAPIDS, A DEDICATED PIONEER IN LOCAL TELEVISION NEWS

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. MACDONALD. Mr. Speaker, earlier this month, Richard E. Cheverton died of cancer in Grand Rapids, Mich., where he had served for 18 years as news director of television station WOTV. Although I knew Dick Cheverton only slightly, I have learned since his death of the high regard which his fellow TV newsmen and his friends felt for him, and how important he was to the development of local television news in this country.

One of the most positive and encouraging developments in television over the past decade has been the exponential growth of television news in our cities. In the early 1960's, most TV stations contented themselves with 15 minutes of local news, weather, and sports to match the network's newscast. Today, virtually every major market sees a full hour of local news in addition to the network's 30 minutes. A number of large TV stations program 90 minutes or 2 hours in the early evening and a half-hour late at night. With this increase in airtime has come a corresponding expansion of staff and facilities. Ten years ago, only a few hundred men and women worked in local TV news. Today, they number in the thousands.

A handful of dedicated TV news professionals led the fight for increased attention to local news on television. Prominent in that group was Dick Cheverton.

The tributes which follow, led by a personal message from our friend and former colleague, Vice President GERALD R. FORD, testify to the contributions made by Dick Cheverton to the excellence and prevalence of local TV news today:

MESSAGE FROM VICE PRESIDENT GERALD R. FORD IN TRIBUTE TO RICHARD CHEVERTON

The word integrity comes strongest to my mind when I think of Dick Cheverton. He had a rocklike dedication to the truth. I knew Dick as a good friend for nearly 20 years. But in that time, he never let our friendship diminish the toughness of his questions, or the fierceness of his determination to make known the full facts of a story.

In our city of Grand Rapids, Dick Cheverton sought the facts when problems or disputes arose. And he made sure that his broadcasts and documentaries reported responsibly and fairly those facts regardless of any pressures that might be brought to bear.

Integrity and ability established Dick Cheverton as one of the leaders of his profession. Leadership that was recognized nationwide in his election to the Presidency of the Radio Television News Directors Association, and to a number of terms to the Board of Directors of that organization and that of the AP News Broadcasters.

But his contributions to the still-young profession of broadcast journalism were most significant in the high standards which he did so much to encourage, by example, through the training of new journalists on his news staff, and through articulate and forceful exposition of his ideas and his ideals.

As one of the pioneer journalists in Television News, Dick Cheverton was a key figure in the rapid expansion of TV coverage of community news, which helped make television news a primary source of news for a majority of Americans.

I hope that Dick Cheverton's integrity, his ideals, and his dedication to the principle that the facts of any story should be reported as fully, fairly and responsibly as possible will long inspire journalists to follow his example.

BROADCAST BY WILLARD SCHROEDER, GRAND RAPIDS, WEDNESDAY, MAY 8

Today, Dick Cheverton, News Director of WOTV, died after a long struggle against cancer.

Chev was, I think, well known to most of you as the man who wrote and telecast the editorials run on this station for many years. He was also the behind the scenes boss of our entire news enterprise.

Whatever status WOTV enjoys in news is essentially to his credit. He came to work here eighteen years ago when TV news was more a future goal than a reality. He hired the staff, set professional standards and organized our efforts to deliver what comes to you now on a regular basis.

But those of us here at WOTV had the privilege of knowing Dick in a more personal way. While he was a competent administrator, it was not his greatest talent. More importantly, he was a fine writer and reporter. He maintained a persistent sense of independence—of being his own man—that transcended his being part of an organization. And that is what really made him stand out above the crowd. Along with his talents of a sensitive reporter and clear, direct writer, he had the integrity that added up to his being a journalist of the first order.

But he never took himself too seriously—and that's what made it not only a privilege to work with him—it also was exciting and fun.

Dick and I were close personal friends. Over the years we shared quite a few joys and sorrows. I—and all the rest of the staff—will miss him.

But we are grateful for the years Dick was with us. He was one of the good guys—a positive force that will be remembered for what he was and what he did.

[From the Grand Rapids Press]

A COMPETITOR WILL BE MISSED

People throughout the Western Michigan broadcasting range will remember Dick Cheverton, WOTV's news director who died Wednesday, as a calm and reasoned voice, a commentator devoted to fair conclusions based on fact.

Those who knew him personally will recall him as a fast man with a quip: a decent and a tolerant man. The only things Dick couldn't tolerate were a phony—or a phony issue. He could spot either a mile down the pike and make mincemeat of it.

To his staff, he was a fair and considerate boss, to his associates a good newsman, a fighter for freedom of the press and for the public's right to know.

His opposite numbers, whether in print or electronic media, remember Dick as a tough, ethical competitor. And as a friend.

All in all, a pretty good way to be remembered.

From Bos Johnson, President, Radio Television News Directors Association

As a President of RTNDA, Dick Cheverton led us in a difficult journey toward recognition of broadcasting's role in the journalistic process. He led us by example, as a solid working newsman. He led us also by the strength of his will to better understand our own role in society. And he led us to communicate that understanding to the nation.

But that doesn't describe the man. Dick was a good friend, a warm human being, a man concerned about his community. And, when he was at work in his news room, he was a good competitor. But most of all, I think I'll remember Dick Cheverton as someone I looked up to. Every encounter I had with him drove home this point: he had a keen sense of outrage at evidences of wrongdoing and impropriety. Although he had worked in news for years, he never lost that ability to react on behalf of the little man.

The awards he and his news department won are many. But the recognition I'm certain he cherished most was the respect of his fellow professionals. And this Dick Cheverton possessed in full measure.

From Richard Krolik, Former Vice President, Time-Life Broadcast

Dick Cheverton did the job of local TV news director about as well as anyone ever did. The awards committees for the Peabody, du Pont, Sigma Delta Chi, Edward R. Murrow, AP and a dozen other honors attested to that.

He fought for staff and equipment and air time. He wrote and delivered editorials that earned him the respect of the very Establishment he attacked. He saw to it that the vital issues concerning all the communities in his audience got fair and extensive coverage.

More than that, he perceived the need to upgrade local TV news throughout the country, and to expand its horizons. As an early RTNDA president, he advocated tough requirements and he defended the integrity of TV newsmen along with their print predecessors and peers. He keynoted the first national conference on TV News Standards, and he lectured to neophyte newsmen at RTNDA regional meetings.

Thanks to Chev, Grand Rapids saw a lot of the world through the filmed reports of a man they knew and trusted. He traveled to Vietnam and Western Europe, to the satellite countries and the Middle East, and even to China, where he hobbled around on crutches following Vice President Ford.

Through the years, despite frequent bouts with one or another kind of painful ailment, he never lost his irreverent sense of humor. He is survived, not only by his splendid wife Virginia and their two good children Dick and Nancy, but also by a generation of local TV news people, who owe him more than they know.

"WE WILL BURY YOU" SAYS SOVIET PARLIAMENTARIAN

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. HUBER. Mr. Speaker, recently, the Congress was visited by a delegation from the U.S.S.R. It was labeled as a delegation of "parliamentarians" which is certainly not descriptive in their case, since neither their Supreme Soviet nor their Council of Nationalities ever questions the decisions of the ruling Communist Party, nor will they ever, since the leaders of the party and the government are one and the same. What is interesting however, is the fact that this delegation fairly oozed with détente. But, back in Moscow they were withholding distribution of an article in one of their theoretical journals, Kommunist, by one of these so-called visiting parliamentarians, Mr. Boris N. Ponomarev, who was informing his readers that the United States is ripe for overthrow. We are all part of a dying capitalism, he went on and is it not ironic that they are falling over themselves to trade with a decaying nation? I commend the article by Paul Wohl in The Christian Science Monitor of May 23, 1974, to the attention of my colleagues:

U.S. Lawmakers To Learn Soviet Concept of Détente

(By Paul Wohl)

"Parliamentarians" of the Supreme Soviet of the U.S.S.R. are in Washington to establish contact with United States congressmen and to explain to them the Soviet concept of détente.

The delegation composed of seven men and one woman, mostly magazine or newspaper editors, is headed by Boris N. Ponomarev, chairman of the foreign affairs commission of the Soviet of Nationalities, one of the two houses of the Soviet legislature.

In line with the double nature of the Soviet state, which is ruled by the Communist Party, most of the members of the delegation also belong to the party's Central Committee, which elects the Politburo.

THESIS DEVELOPED

Mr. Ponomarev, the head of the delegation, is an alternate (nonvoting) member of the Politburo, and head of one of the most important sections of the Central Committee's "apparatus"—the section in charge of relations with foreign Communist parties.

In other words, he is a maker and formulater of party policy, rather than a party parliamentarian. In a major article entitled "Vladimir Ilich Lenin and the Communist World Movement" published in No. 6 of Kommunist, the Central Committee's political and ideological journal, Mr. Ponomarev has developed a thesis that in theoretical phrasing says what the Soviet Union's blunt former Nikita S. Khrushchev told the American people: "We will bury you!"

CLEAR MEANING

While Mr. Ponomarev's article used theoretical language, its meaning is clear. This may explain why issue No. 6 of Kommunist has failed to reach the United States. The latest issue to arrive is No. 5 of March, an unusual occurrence because Kommunist is a bi-weekly.

"Capitalism in today's countries is not only ripe but overripe for Socialist transformation," wrote Mr. Ponomarev.

PRESENT-DAY SYMPTOMS

"In each one there exists the complete machinery of accounting and control [a prerequisite of socialism, according to Lenin] which serves the financial oligarchy as a means of maintaining and strengthening the capitalist system of exploitation."

The present-day symptoms of this system, he said, are decay and a parasitical nature. As examples the author mentioned the current chaos, the energy crisis, the "enormous growth of the military-industrial complex," and the "abuse of executive power."

This characterization is aimed at the U.S., whose "supernational or international corporations, essentially American, monopolize an increasing share of world production."

The international corporations are part and parcel of the "straight monopolistic system in the era of imperialism . . . a dying capitalism condemned by history to make place for socialism."

Lenin anticipated with Mr. Ponomarev that "in the coming decisive battles of world revolution, the majority of mankind will turn against capitalism and imperialism."

BASIC POLICY

"The capitalist system which," the author admitted, "is still capable of industrial growth and scientific technical progress . . . will not collapse automatically . . . but at any time in one or other part of the system, the situation can arise which opens the way for basic social transformation," provided there is readiness.

"What matters is to find the right road." This is the Soviet Union's basic policy according to Moscow's apostle of detente.

"The Soviet Union consistently supports . . . all peoples who fight for their freedom and independence. Thousands of fighters against imperialism find refuge in our country. We consider it our international duty to stand up for foreign Communists."

SUAVE LANGUAGE

"We can say boldly," Mr. Ponomarev concluded, "the Communists have the initiative when the cardinal questions of the fate of human society are at stake . . . in the struggle for communism and against imperialism."

In his exploratory talks and persuasive efforts to win over U.S. legislators to the Soviet concept of detente, the head of the Supreme Soviet delegation is certain to use suave and conciliatory language.

The fact that most delegation members are, and have been for years, responsible editors of leading party publications guarantees their mastery of rhetoric and argumentation. Like Mr. Ponomarev, they devote only a tiny fraction of their time to parliamentary sessions that are of a rubber-stamp nature and involve no major public debate.

COMPETITION IN THE ENERGY INDUSTRIES

HON. RICHARD W. MALLARY

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. MALLARY. Mr. Speaker, the House will soon be considering H.R. 14462, the Oil and Gas Energy Tax Act. This act has generated a great deal of discussion as to the competitive nature of the oil and natural gas industries, and the extent of profits that are being received by these industries as a result of the energy crisis.

In evaluating H.R. 14452, many Members may find useful the following study made by Congressmen Fish, Frelinghuysen, Horton, Whitehurst, and myself, which analyzes the state of competition in the petroleum and natural gas industries, giving special emphasis to industry structure and behavior:

Competitive Aspects of Each Industry

Two recent trends are changing the nature of competition in the energy industry: (1) the rapid transformation of single-fuel energy companies into multi-fuel companies through acquisition practices; and (2) the economic collapse of many independent energy companies, particularly oil distributors.

In theory, competition in the energy industries should be having the following favorable effects in terms of benefits to the consumer and the economy.

Maximization of efficiency in allocation of resources on a price sensitive basis.

Minimization of the cost of producing a given level of output and hence minimization of prices which sellers can profitably charge, and

Rapid and flexible adaptation of market supply to changes in demand.

Have these goals been attained in the energy industries? The essential questions to be answered include:

(a) Is the energy shortage, or "crisis", real, and, if so, what factors account for its existence?

(b) What is the current status of competition among the major and the independent energy companies?

(c) Do recent changes in the nature of competition in the energy industries violate existing antitrust and monopoly laws?

(d) In effect, is competition working as an effective regulator of the energy industries?

(e) What proposals might remedy the present competitive situation?

A description of the energy industries' market structure, although not conclusive evidence on competitive practices, does illustrate competitive possibilities. Questions to be asked concerning the market structure are the following: (1) What are the components of the market?; (2) What are the relative sizes and percentages of ownership of sellers?; (3) What is the degree of independence of actions among sellers? Can firms make decisions based solely on the company's objectives, or are they collusive decisions?; (4) What are the conditions of entry for new sellers? How easy is it to enter into the energy business?; (5) What are the factors which constrain market development?

THE PETROLEUM INDUSTRY

The petroleum industry is divided into four basic market segments: (1) crude oil exploration and production; (2) transportation; (3) refining and (4) distribution and marketing.

All of the large major petroleum companies * and many of the medium size firms are vertically integrated, that is, they participate in all four market segments. The remainder of the firms are non-integrated medium to small independent petroleum companies.

The major companies own a substantial share of the total petroleum market. For example, the majors owned approximately 50% of the domestic net crude products in 1969, 64% of proven domestic crude reserves in 1970, 58% of domestic crude oil and gasoline refining capacity in 1970, and 55% of the gasoline market in 1970. The rest of the market is divided between the smaller integrated companies and non-integrated independents.

Petroleum companies, in general, have sole ownership of their respective facilities in the refining and marketing segments. In marketing the oil firm will sometimes sell a gasoline station to a marketer, but usually the oil firm will lease the facility to the marketer.

In the past, independent gasoline retailers selling non-branded gasoline played an important role as guarantors of competitive pricing. By offering fewer services and pumping larger volumes of gasoline, the independent retailers had been able to undercut major brand prices. However, recent supply problems have jeopardized the viability of the independent marketing sector and, consequently, have undermined an important free-market check on the majors' price policies.

Non-branded independent marketers have traditionally received their gasoline supplies from three sources: (1) the "excess production" of refineries owned by non-major integrated firms (between 65 and 75%), (2) independent refiners (between 20 and 30%), and (3) imports (less than 5%). Historically, less than 2% has come from majors' excess production.

In the past year, all of these supply sources have been constricted. Independent refiners have been unable to obtain sufficient crude, since integrated crude suppliers have diverted supplies to their own use. Similarly, integrated refiners no longer have "excess production" to sell to independent marketers. Finally, the oil import quota system (and later the Arab embargo) placed artificial constraints on the supply of imported products. By last June, these factors had already resulted in 1,200 independent gasoline station closings, according to the FTC.

It was hoped that the mandatory allocation program would ameliorate the independents' supply problem, since it ostensibly requires that supply reductions be proportional to the amount supplied during a 1972 base period. This should prohibit selective reductions by integrated suppliers which would favor affiliated retailers to the detriment of independents. However, a recent FTC report on the allocation program suggests that its effectiveness in this regard has been limited.

In theory, marketers faced with exceptional problems can apply for special allocations. This system has not provided equitable allocations to independents, because, some allege, integrated suppliers have taken advantage of loopholes in the regulations to selectively expedite requests for special-case allocations.

In addition, independents which relied heavily on foreign imports during the 1972 base period have been hit hard by the embargo. The present allocation regulations have no adequate mechanism for permitting independents which are heavily dependent on foreign supplies to share in domestic supplies.

Even when independents can buy imported gasoline, they must pay premium prices. Furthermore, since independent refiners rely heavily on high-priced "new oil", the gasoline they sell to independent marketers is more expensive, on the average, than gasoline supplied by the majors to their affiliates. As a result, the independents have lost the price advantage which permitted them to compete with the major brands' full-service retailers. During periods of extreme gasoline shortage, independents can sell their gasoline even at high prices. However, when and if the market "clears", they will be in an untenable position.

To sum up, supply shortages and price increases have been particularly detrimental to non-branded independent gasoline retailers, formerly an important force promoting free-market price competition in the marketing sector. Moreover, their plight has been exacerbated by the special relationship between integrated producers and refiners and their affiliated retailers.

The ownership structure in the transportation segment, is different. Pipelines are the major mode used to transport petroleum, in that 75 percent of all crude oil and 25 percent of refined products move through pipelines. Virtually all of the majors and smaller integrated petroleum companies hold joint interest with each other in the transportation network. For example, the Colonial Pipeline is jointly owned by five majors and by five smaller independents firms. The main reason for joint ownership is that no single petroleum company transports enough to warrant the vast financial expenditure necessary to build its own pipeline; consequently, firms share the expenses of building and maintaining the pipeline.

In crude oil exploration and production, there is growing mutual inter-dependency among medium to large size petroleum companies. This interdependence is manifested by these medium to large size firms jointly acquiring leasing rights to drill for oil. The method by which the firms jointly acquire the leasing rights normally is through bidding combines. For example, in any given sale of private, state or federal leasing rights, four firms which would otherwise bid independently on the lease will combine to submit a single bid, thus reducing the effectiveness of competitive bidding.

Once the leasing rights are awarded to a bidding combine, there is joint ownership of the leased land by the firms involved. As a result of this practice, many firms have joint leases with one another. For example, only four of the sixteen largest petroleum firms with interests in federal offshore producing leases own 50% or more of their leases independently. Conversely, ten of the sixteen own 80% or more of their offshore properties jointly with each other.

The ownership of onshore producing leases is highly interconnected. Of the eighteen largest producers in the state of Louisiana, fourteen have five or more joint ventures with the other.

To a considerable extent, group bids permit producers to expand the number of leases on which they can bid without incurruring the extraordinary risks associated with putting all one's eggs in one basket. The same is true in the case of the exploratory arrangements into which producers enter. The odds on drilling a successful well is one chance in ten. Joint operating agreements, where they are made, often are required as conservation measures and for efficient production. Many of these joint exploration and production arrangements are encouraged and even required by state authorities under laws intended to assure maximum efficiency in the recovery of petroleum.

Barriers to new companies entering the petroleum industry are mainly related to highly integrated and capital intensive characteristics of the industry. It has been estimated that to build a refinery which will return a reasonable profit will cost between $200 and $250 million. To insure an economic return on such a large investment, a firm must have an assured or risk-free supply of crude oil. Thus, it is almost a necessity to enter into exploration and production of crude (which entails a further investment) or to have an assured supply of foreign crude.

A highly integrated firm can have economic advantages over the non-integrated independent refiner. Consider the necessity to transport oil by pipeline. Pipelines transporting oil across state lines are common carriers, and thus are subject to Interstate Commerce Commission (ICC) regulation. The pipeline companies seek approval from the ICC of rates that provide sufficient returns from the owner's pipeline investment. But the rate approved may be well above the competitive cost of transporting crude. For the vertically integrated owners the excessive rate is not a great burden in that profits from one segment can be transferred to subsidize another segment. Non-integrated independent refiners, however, must pay the excessive charge and are put at a cost disadvantage relative to their major competitors. Thus, the firm which wants to enter the refinery market has formidable costs and cost disadvantage to content with.

DEVELOPMENT CONSTRAINTS

Several factors have constrained the development of domestic petroleum and its by-products: the Oil Import Control Program, the halt in refinery construction, and the lack of economic incentives.

The Oil Import Control Program, begun in 1959, regulated the amount of foreign oil which could be imported into the United

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* By large major petroleum companies (or "majors") we mean Exxon, Texaco, Standard of Indiana (Amoco), Mobil, Gulf, Standard of California (Chevron), Atlantic Richfield and Shell.

States. This program along with prorationing practices, combined to restrict the supply of domestic gasoline which might have otherwise been greater. Until the control program was terminated in April, 1973, the government had vacillated for several years about the continuation of the program.

With the fate of the program and the dimension of foreign oil imports uncertain, refinery construction halted. Petroleum companies generally were unwilling to spend $250 million to build new refinery capacity without a guaranteed supply of crude.

However, the few companies that did want to build new refineries on the East Coast (in such states as Maine and Delaware) to process imported crude ran into fierce environmental opposition. This opposition, John Lichtblau of the Petroleum Industry Research Foundation estimates, blocked construction of approximately 500,000 barrels daily of additional refining capacity—the four percent increase in refining capacity needed to have avoided the gasoline shortage of the summer of 1973.

Tax incentives, specifically the oil depletion allowance, encourage exploration and production of crude oil. However, aside from the 7% investment credit, no such special incentives existed for refinery construction and operation, thereby discouraging development in this sector, particularly by the non-integrated firms.

The integrated oil firm can "afford" to break even at the refinery level because the firm makes substantial profits at the crude oil level. But the company which only markets refined oil, which returns a much smaller margin of profit than the crude, cannot spend $250 million only to break even on the investment.

New policy, spelled out in the President's April Energy Message, permits refiners to import unlimited amounts of crude oil with an import fee. As an incentive to domestic refiners, 75% of the crude oil import fee is waived for five years for a new refinery. However, because it takes at least three years to construct a new refinery, the benefits in increased new refining capacity derived from the incentive are also at least three years away.

THE NATURAL GAS INDUSTRY

The natural gas industry is divided into three basic market segments: (1) exploration and production; (2) pipeline transmission and (3) distribution and marketing.

In general, the ten major natural gas producers are not integrated, that is, they have no significant ownership in pipeline companies or in the distribution and marketing area. However, backward integration has recently been taking place in the industry. Backward integration occurs when gas distributors buy into the other two segments, while the pipeline company integrates downward into the exploration and production aspect of the industry. Even with this trend, no major company in one segment is a major company in another segment.

There are two parts to each market segment of the natural gas industry, the interstate and intrastate markets. There is a need to distinguish between the markets because the Federal Power Commission (FPC) regulates the interstate market but does not regulate the intrastate market. The main consequence of FPC regulation is that the price of natural gas in the interstate market is one-half of the price of natural gas in the intrastate market.

In the interstate market, the ten major natural gas producers accounted for about 50% of the 1971 interstate sales, while the next 290 producers accounted for an additional 45% of the market sales. The eight major pipelines accounted for 58% of all interstate natural gas purchases in 1971. Thus, it appears that percentages of ownership in each of the two segments is reasonably diverse.

However, the percentages of ownership in the interstate production aspect is misleading because of the ten major natural gas producers, eight are also major oil companies. Statistics on the intrastate sales by producers to interstate pipelines in 1968 show that five of the top ten are major oil companies and that Exxon alone accounted for 25% of the total sales. The primary reason for the conspicuous presence of the major oil firms in the production of natural gas is that about 35% of all natural gas is found drilling for petroleum.

Natural gas producers engage in joint bidding for offshore leases and unitization for development of a particular gas field or reservoir. Such action results from risk-sharing, the substantial bonus bids required under present leasing practices, regulations concerning compulsory unitization and state conservation regulations.

The gas pipelines differ from the petroleum pipelines in that gas pipelines are contract carriers, (petroleum pipelines are common carriers) which has legal implications for the producer, pipelines and distributor relationship. The contracts between producer and pipelines last usually for twenty years. While there is a legal dependence on each other, there is also an economic dependence involved because when gathering lines are laid and the main pipeline constructed, the particular wells involved can only deal with the respective pipeline company. This relationship leads to mutual dependence and of course mutual interests.

Barriers to entry in the exploration and development for natural gas are relatively low in comparison with other industries. Capital requirements are modest for onshore activities. Current leasing practices may be erecting entry barriers, as bonus bidding increases, particularly to the small, non-integrated producers.

By virtue of the Natural Gas Act passed in 1938, the Federal Power Commission was delegated the legal power to regulate the natural gas industry. The premise on which the FPC was delegated this authority was the "natural monopoly" economic argument. The natural monopoly argument essentially stated that because of the physical and economic arrangements, dictated by the location and production of natural gas, that is, the contract carrier relationship of the pipeline to the producer and the distributor, there did not exist a workable competitive but a natural monopoly situation.

To legitimize the FPC's continued regulation, the "economic rents" argument has been used against those who say competition is possible. Economic rents accrue to landowners who sell production rights if expectations change after the lease agreement is signed. Thus if the price of gas were deregulated and competition existed in natural gas production, this situation would produce a stream of rents for landowners and short-rents for producers. In other words the consumer would have to pay more and the landowner would make more profit for the same amount of gas sold. It is interesting to note that similar rents earned in other markets, for example, by the owners of farmland and by farm operators, seem to be accepted in our society today without demands that they be limited by price controls.

The FPC regulates the price of natural gas by a complicated formula made up of geographical, cost and most importantly margin of profit parameters. The FPC states that in its price determination, there is built in a 15% margin of profit which is considerably higher, about 1–5% higher, than the rate of return for the petroleum industry.

It's logical to assume that with this substantial rate of return production of natural gas would increase; however, the reverse has happened. In the last three to five years natural gas production has decreased. One FPC official explained that natural gas producers, in anticipation of gas price increases, are holding back production. That may be true, but why hasn't the 15% margin of profit attracted *new* natural gas producers in significant quantity?

IMPLEMENTATION OF REGIONAL RAIL REORGANIZATION ACT: SPEECH OF EDWARD JORDAN, PRESIDENT, U.S. RAILWAY ASSOCIATION

HON. BROCK ADAMS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. ADAMS. Mr. Speaker, I have recently had the opportunity to read a speech delivered by Mr. Edward G. Jordan, president of the U.S. Railway Association to a briefing seminar entitled "Railroads in Change." I think it will be of interest to all who are concerned with the implementation of the Regional Rail Reorganization Act.

The Regional Rail Reorganization Act of 1973, established USRA to plan the restructuring of the bankrupt Northeast railroads into one or more viable private railroad companies.

In his remarks, Mr. Jordan outlines what the U.S. Railway Association is doing to prepare the preliminary system plan to be released on October 29 of this year.

I was pleased to learn of the many sources of information that will be tapped in the preparation of the preliminary system plan and particularly the cooperation the association has obtained from those States and railroads which will be affected by the reorganization.

Mr. Jordan, in his speech, placed great emphasis on the intention of USRA to work closely with the appropriate agencies and regional planning groups of the 16 States served by the bankrupt railroads. I believe this close coordination with the States is of the greatest importance. It is clear to me that a railroad system for the Northeast cannot be designed by a computer in Washington, D.C. The public hearings already conducted by the Rail Services Planning Office of the ICC have produced a great deal of valuable information and provided a valuable counter balance to the somewhat drastic recommendations in DOT's initial report on rail service in the Northeast. I know that this information will be of value to USRA.

I am very concerned about the problems being raised in the courts regarding the implementation of USRA under the Regional Rail Services Act and I will continue to report to my colleagues on developments as they occur:

STATEMENT OF EDWARD G. JORDAN

Thank you very much for your gracious introduction, John. It's very flattering to have been introduced by the Hyman Rickover of the Railroad industry.

I would also like to thank the sponsors of this seminar for giving me this opportunity to make two points at one time. First, to tell you who we are and what we are doing to get started at the United States Railway Association; secondly, to emphasize that we seek the cooperation of the distinguished group of experts assembled here today.

As you know, the United States Railway Association was created to implement the Regional Rail Reorganization Act of 1973, commonly known in our organization as the gospel according to the 93rd Congress. Since I accepted the position as President of the Association, I have read and reread the provisions of the Act. And, indeed, it has become our scripture—we will follow the steps as stipulated in the Act and we are dedicated to its goals. I recognize the potential impact of the many topics you are discussing here. We recognize, nonetheless, that we simply don't have the time to wait for all the uncertainties to be resolved. We are going ahead trying to be fully aware of all of the "what if's." But we are not waiting nor are we marking time until the constitutionality of various sections of the Act, for example, is resolved. We couldn't get our job done if we did. We have a large and complex task to do in a limited time frame, and we have begun.

Before I begin to describe the work to date, it is a special pleasure for me to introduce the man who will be leading it all: Arthur Lewis, whose name has been submitted to the Senate by President Nixon to become Chairman of the Board for the Association. I know that Arthur is very interested in the proceedings of this seminar and has attended some of the panel sessions. And, although the nominations for the remaining seven non-government members of the Board have not yet been released, we expect that they will be in the very near future.

In getting the Association's work underway, one of our first steps has been to assemble the finest staff we can. And while this takes time, there is simply no way to work this problem without outstanding people. I know that you have already heard our Vice President for Operations and Facilities Planning, Jim Hagen. Jim came to us from his position as Associate Administrator for Economics for the Federal Railroad Administration. I also hope that you have had the opportunity to meet and talk with the members of his staff attending the various panel sessions. In addition, we have the services of Pete Cruikshank, as Vice Phesident for Planning and Coordination, who has currently been out riding the rails to get a first-hand look at the problem. Pete came to us from his position as President of the Fort Worth and Denver Railway. We also have Dick Sullivan, formerly Director of Public Affairs for the Port Authority of New York and New Jersey, as our Acting Vice President for Public and Government Affairs. And last, but not least, we have Alan Dean, a long-time Washingtonian and former Assistant Secretary for Administration for the Department of Transportation, as Vice President for Administration.

I am still in the process of looking for Vice Presidents for both the Financial and Manpower Planning functions and a General Counsel. If any of you have likely candidates for the job, the number is 426-2258. In all, we will have a staff of approximately 190 people, and I can assure you that we will have a competent staff capable of using any and all the help you can provide us.

Well, that's who we are. What we are doing takes more than one speech to tell. But, succinctly, the major effort now has been to accumulate the data we need to make our decisions. We received, and were grateful for, the Secretary of Transportation's Report, which suggested that approximately 25% of the track mileage was "potentially excess". The DOT report is a useful tool but will by no means be our only tool. We have also received the thoughtful evaluation of the Secretary's Report from the Rail Services Planning Office of the Interstate Commerce Commission. The recommendations of that Report are being fully considered in our planning. We are particularly grateful for the transcripts of the 19 hearings conducted so far by that office. We have a special staff hard at work in culling valuable current information submitted in the process of those hearings.

With these two planning documents in hand, we at the Association now turn to the task of preparing our own Preliminary System Plan by October 29 of this year. And I'm pleased to report that we have made a good beginning.

In conjunction with the Rail Services Planning Office, we have jointly requested, from 33 railroads, detailed information to build a common data base. We are also working closely in building this data base with the states, the railroad industry and all interested planning groups.

In this matter of the evaluation of local rail services, we are having a group do a line-by-line analysis of each segment which has been proposed by any source for possible exclusion from the system. And we are including estimates of potential growth in that analysis. We have formed a state liaison group designed to provide technical assistance to the states. We have contacted the state Departments of Transportation and regional planning groups. And we will make available to all of these groups the information that we receive as part of our search for consistent and current data. So far, the Association has held detailed meetings with one-third of the states involved in the reorganization process.

We have already provided one state with a listing of all lines within that state that have been suggested for abandonment and/or state subsidy by the DOT report or by the carriers involved. The state can then make its own assessment of the traffic loads, needs of the shippers and the need for line rehabilitation and improved service. And we intend to provide such a listing to each of the 17 states involved. We fully intend to involve the states in our planning process, assuming mutual acceptability and accuracy of data and providing full opportunity for their comments to be part of our ongoing planning process.

We have also made substantial progress in identifying the special studies which will be required to accomplish our goals. Within the next few weeks, we will be awarding contracts to study a number of critical areas. Studies dealing with present and projected traffic flows; a study on community impact resulting from potential changes in rail services; and a study on the present and future role of rail passenger service. And as part of our intensive analysis of service, we want a study aimed specifically at the evaluation of light density lines. We need, and are getting, research into the potential for coordination and consolidation of rail facilities and operations, dealing with both service and cost impacts. We need a study on the requirements for rail competition in the region and a study of the role of rail carriers as opposed to alternate methods of transportation both now and in the future.

In addition, as part of the massive effort to structure Conrail operationally and marketing-wise, the Association will conduct studies on such topics as car utilization, the level of fixed plant required, new concepts in train operations and yarding techniques. Virtually all of this work will be underway soon.

And we have already announced a contract with Bechtel, Incorporated, of San Francisco, covering the initial phases of the survey of the existing conditions of the bankrupt carriers' properties and to make projections of the improvements needed to achieve a rehabilitated and modernized fixed plant. In this initial stage, Bechtel will develop the criteria to be used in obtaining a standard format as a work approach for all companies to be involved. The company will also be the technical director for the entire contract. They will provide our planners with the most current, complete and consistent data available. And because of the massive size of the task, once work is underway Bechtel will report to us on a weekly basis as the information is developed. An effort to acquire such detailed information on the actual physical plant of six railroads at one time has not even been attempted since the first World War.

I emphasize this because it is a keystone of our approach—we will solve the problem on the basis of a detailed analysis of the specifics involved, not on the basis of generalizations or unknowns.

We are seeking the expertise and advice which exists in the industry—especially from those solvent and bankrupt carriers who are the most familiar with the problems and the most affected by our decisions. We have initiated extensive dialogues with a number of the major carriers in the region to get their viewpoints on how they might best participate in the restructuring process. We have been encouraged by the industry's awareness of the need for major changes in the region and grateful for the number of constructive, although tentative, proposals for ways in which substantive changes can be implemented.

In summary, we at the Association believe that it is essential to involve the best available talent—both within our own organization and through consultants; that it is essential to solicit solid inputs from the states; and that it is essential to get the best judgments from the industry on how we should go about our restructuring process. And we do this for at least the practical reasons that we believe that it is the best way to reach a rational solution to this terribly complex problem and the best way to have the solution accepted by those affected by it.

Obviously, then, the preliminary system plan which will emerge from the United States Railway Association shall be no surprise. Those who will be affected by it will have had a channel through which they can introduce their ideas and information. All the non-proprietary information that we obtain will be shared with all interested groups. Decisions will be made from a common data base. And although I am not naive enough to suggest that everyone will agree with our decisions, they will know the basics on which our conclusions were reached.

These are the ways in which we have begun. We are open to and welcome your suggestions. One of the most meaningful catch phrases of recent years says, "If you're not part of the solution, you're part of the problem." I go on record today to invite each and every one of you to be on the solution side of that proverb. Tell us what you want us to know as we attack the problem of the Northeast rails. The Association welcomes your viewpoints.

We are realists at the Association and we recognize the alternatives that threaten if we do not succeed. We believe that nationalization, which nobody wants, is merely buying the problem—not solving it. And we feel that equity receivership will not provide the protection that Congress intended for the shippers, the communities, the environment and the citizens of the Northeast.

I hope that I have been able to answer some of the questions you may have had about the United States Railway Association. We do exist, we are working, and although we are not physically located in the middle of town, the doors are always open and I'm told that more than 10% of Washington's cab drivers know where we are.

But I also realize that it would be impossible to answer all the questions that arise from anything as new and as massive as this problem. In fact, at this stage of the game, I doubt anyone would admit to knowing all of the questions, let alone the answers.

But we have gone ahead on what the Wall Street Journal, the New York Times and United Press International have called the "largest corporate reorganization in the history of free enterprise."

It is one thing to have been given the mandate to fufill a Federal law. It is another thing to have been given a desk, a telephone and a wastebasket. But the most important thing in starting a massive project such as this is having the sheer audacity to begin.

That beginning has been made. As we look ahead it is clear that imagination, ingenuity and inspiration are going to be needed right along with facts, figures and the discipline of strong business judgments.

With the tight frame in which we will work, inertia is our biggest enemy—indecision our most perilous pitfall. But with it all, I stand before you to say that we will do the job that is before us: the problem is too great; the stakes too high; the opportunity too precious. Moreover, the task must be done not just to salvage the past but to construct the future.

I realize that I could go on talking for hours about our Association (or so my wife tells me) and hope that I have not worn your patience thin. I appreciate the opportunity to have been here with you today.

NATIONAL LABOR RELATIONS ACT COVERAGE FOR EMPLOYEES OF NONPROFIT HOSPITALS

HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mrs. CHISHOLM. Mr. Speaker, as you all know we are considering H.R. 13678 today. The members of the Education and Labor Committee and the Members of the House have been bombarded with letters both from the hospitals and the hospital workers on this issue so we can anticipate a fairly heated debate on this subject.

I am very conscious of the concern raised by the hospitals. Right now health facilities in my own congressional district are experiencing strikes by the drug and hospital workers and my office has been flooded by elderly patients who are worried about securing treatment during the strike.

But I am equally concerned about the problems confronting the hospital workers. The article below which appeared in the St. Louis Post-Dispatch presents the plight of the hospital workers far more eloquently than anything I can say. These workers, most of whom are poor black women, do not have the most basic rights that the majority of the work force take for granted.

Programs such as medicaid and medicare have been a boon to the patient population and to physicians and hospitals but benefits and improved working conditions have been slow to trickle down to the hospital employees at the bottom. We want good health care and we hope that the patient population will not be unnecessarily disturbed but if this is to be accomplished the concerns of the hospital workers must be dealt with a good deal more honesty and justice.

The article follows:

[From the St. Louis Post-Dispatch Dec. 24, 1973]

RECOGNITION ONE OF MAJOR ISSUES IN HOSPITAL WORKERS' WALKOUTS

(By Paul Wagman)

Ask Lucille Millican how she likes her job, and her cheerful, easy manner suddenly becomes serious.

"I love my job," she says earnestly.

Mary Bolden nods her head. She says she feels much the same way.

Even so, neither Mrs. Millican nor Mrs. Bolden is working these days. Each is on strike against the Normandy Osteopathic Hospital.

It is not an easy strike for them to weather. Like all of the employes who walked out on their jobs at Normandy on Sept. 15, Mrs. Bolden has been without strike benefits except for the few dollars a week for her carfare to the picket line, and except for a few bills paid by the strike hardship committee.

She has fallen behind on her rent and other payments. Food stamps pay for $37 worth of food a month, but the food that money buys lasts for barely two weeks, she says.

But Mrs. Bolden cannot envision going back inside the hospital unless the strike is won.

"It just got so that working conditions were unbearable," she says.

When Mrs. Bolden walked out on her job as a central supply worker, scores of other Normandy workers walked out with her, says the union that organized them, Service Employes International, Local 50. All the employes had jobs on the bottom rungs of hospital work—nurses' aids, maintenance workers, orderlies, kitchen workers, licensed practical nurses and maids.

The walk-out at Normandy Osteopathic Hospital, a 226-bed facility at 7840 Natural Bridge Road, Normandy, was not an isolated event. Within a few days in the middle of September, workers walked out at Mount St. Rose Hospital, a 124-bed facility at 9101 South Broadway, Lemay, and at Lindell Hospital, an institution with 70 beds at 4930 Lindell Boulevard.

What the workers were demanding, above all, was recognition by their hospitals that they had the right to organize themselves into a collective bargaining unit. The employes had signed cards expressing their wish to be represented by Local 50.

Through the Hospital Association of Greater St. Louis, all three hospitals rejected the proposals. The association says that unions have no place in nonprofit hospitals.

This position is invested with the authority of the law. The Taft-Hartley National Labor Relations Act of 1947 exempts nonprofit hospitals from having to bargain with employes as a unit.

As a result, service employes are organized in only two of the approximately 40 nonprofit, private hospitals in the St. Louis area. The exceptions are Missouri Pacific Hospital, where workers are represented by the Brotherhood of Railway Clerks, and Christian Welfare Hospital in East St. Louis. Christian Welfare recognized service workers as members of Local 50 only after a protracted strike in 1972.

Two bills are pending in Congress that would eliminate that exemption. But in the meantime, the strike hardship committee is running out of funds to pay for necessities.

"Christmas is coming up," one striking worker explained, "and people have other things to spend their money on besides making contributions to the hardship fund."

Most strikers have been forced to go back to work. In the words of those who remain on the lines, they have been "starved out."

That hardly means, however, that the workers have returned to well paying jobs. One of the main reasons the workers want a union is that they believe their pay is terrible.

When Mrs. Bessie Belle walked out on her job as a nursing aid at Normandy, for instance, she was earning $2.35 an hour. Every two weeks, she says, she took home about $140. When she started at the hospital six years ago, she earned $1.25 an hour.

Mrs. Marie Eddins, a laundry worker, says she was earning $2.13 an hour when she walked out. That rate gave her $135 take-home pay every two weeks.

At Mount St. Rose Hospital, 37 of 48 workers who signed union cards said they were earning less than $2 an hour. Twenty-eight of those 37 earned $1.80 an hour.

The highest paid person earned $3 an hour. One employe who had worked at Mount St. Rose for 23 years reported earning $1.95 an hour, a union officer said.

As a result of these wages, some full-time hospital workers are eligible to draw Aid to Dependent Children, said John Sorbie, president of Local 50. Some also are eligible for medicaid, and receive this assistance, when they go to their own hospitals, he said.

"These hospitals keep their employees' wages low and let Uncle Sam and—you and I, the taxpayers—pick up the cost of providing the medical care that is considered a standard fringe benefit in every industry in the United States," Sorbie testified before a Senate subcommittee.

Aside from low wages, the strikers object to what they consider the unsystematic way in which they are paid. There is no uniform scale of wages, they say.

"A person who started out at the same time as you did in the same job might make a dollar an hour more," one Normandy worker complained. Another said that on holidays, some workers would be paid time and a half, but that others would not.

Robert McAlister, a black maintenance man at Lindell Hospital, said he had worked six years and was earning less than $2.50 an hour when a white maintenance man was hired at $3 an hour.

Nursing aids at Normandy are instructed not to complain about inequities in the pay system, Mrs. Bell said. "They tell you at meetings, you can get fired if you talk about your pay," she said.

The strikers say that these practices amount to favoritism and that the partiality tends to work against blacks and women. At Normandy and Lindell hospitals, most of the service workers are black women. At Mount St. Rose, most are women, but they are white.

But as dissatisfied as the workers are about their pay, they seem to be just as unhappy about their working conditions.

For instance, striking employes at Normandy complained bitterly that they were asked to sign statements that they would not be sick or tardy to work any longer. If they refused to sign it, they were subject to being dismissed, they said.

One of the things the strikers want most if they are unionized is a grievance procedure. As it stands, they say, they are shuffled from one supervisor to another, and nothing ever happens.

"You see, we're not out here to hurt the hospitals," Mrs. Doris Carter, a striker at Normandy said. "We're just tired of being treated like kids."

A reporter called Warren Brucker, administrator at Normandy to ask him whether such working conditions were in fact in practice. Brucker had his secretary refer the reporter to the hospital association, although the secretary said she explained to him that the reporter wanted his response to matters that specifically concerned his hospital.

The executive vice president of the hospital association, Gerald Malloy, said he doubted that a rule of silence was imposed in the halls at Normandy. But he said he had "no direct information" on specific work regulations at the hospital.

HERITAGE FOUNDATION REPORT ON SOUTH VIETNAM

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. HUBER. Mr. Speaker, a fact finding mission sponsored by the Heritage Foundation, Inc., of Washington, which just returned from South Vietnam. The authors are Prof. James E. Dorman, Jr., and Mr. Peter Hughes. In large part their report confirmed the findings of the trip earlier this year by the American Security Council and the Vietnam Council on Foreign Relations, as well as the assessments of Ambassador Martin in Saigon. In brief, the report of the Heritage Foundation, Inc., asserts that Saigon's problems are largely economic, but the country is making progress. It agrees that the military threat remains serious, but is manageable for the moment. The government is stable and not repressive in the sense of Communist China or the Soviet Union. Selected items from the report, which I feel will be of interest to my colleagues follow:

SELECTED ITEMS FROM THE REPORT

1. THE MILITARY SITUATION

In line with that overall strategy, Hanoi has been steadily increasing her troop strength in the South since the cease-fire.

Total NVA-VC strength is now in the neighborhood of 270–300,000, a record for the war and a force substantial enough—even without further reinforcement, according to American military observers—to conduct extensive operations for over two years. This large fighting force, moreover, has been substantially re-equipped since the 1972 offensive, a consequence of the continued flow of Soviet aid to Hanoi. At least 150 130mm. artillery pieces have been brought south, and as many as 400 tanks and amphibious vehicles. Aerial photography has discovered a major truck park just south of the Cam Lo River in the I Corps region which at times has accommodated nearly 400 military vehicles of various types. East of the Laotian and Cambodian borders, extending south from the former Demilitarized Zone to Darlac Province, runs a virtually-completed road network of impressive quality, and older supply networks in Laos and Cambodia have been refurbished.[1] An oil pipeline to the road network, with a spur thrusting into the Ashau Valley. Henceforth it will be far easier than in the past for Hanoi to supply its southern armies.

Nevertheless, it is clear that the North has no intention of abiding by any of the terms of the 1973 truce except when it appears to its advantage to do so. If a major offensive does not occur in 1974, the reason will have to do with Hanoi's assessment of the probabilities for major gains, and not with any alteration in objectives. As one analyst told us, Hanoi fundamentally is seeking a strategy which will work; and the activities of the NVA since the cease-fire reflect that search. Between January and April of 1973 the communist forces concentrated on "land-grab" operations, attempting to seize control of territory and population in areas of ARVN military weakness. The onset of the rainy season brought about a period of consolidation characterized by minor local engagements, while in recent months NVA efforts have been reduced to attempts to capture and stockpile rice, due to difficulties encountered in feeding their large army.

To summarize, then, the military situation is obviously improved over that of 18 months ago. While the huge NVA army presents a constant threat of the most serious proportions, for a variety of reasons a major offensive does not seem probable now; should one occur under present conditions it is unlikely that it would result in the permanent capture by the communists of major cities or much new territory, whatever temporary advances might be achieved—and widely publicized—in the opening phases. The effectiveness and morale of the ARVN are improving, and the armed forces of the South appear to have the capability to isolate and reduce the significance of many of the "leopard spot" zones during the months to come. All of this, of course, depends on a continued flow of military aid from the United States, about which we shall have more to say,

II. THE ECONOMIC SITUATION

It is clear that South Viet Nam faces a long road to economic self-sufficiency, and that continued infusions of foreign assistance, especially from America, will be necessary for five years to come.[2] In the interim, the people appear well-fed, and as resilient and hard-working as any in Asia; neither are there any signs of damage and destruction, either in the cities or in the countryside, on a scale wide enough to interfere with economic development. Over the long term, if the effects of the enduring warfare can be minimized, continued increases in agricultural productivity coupled with development of an export trade in wood, glass, shrimp and other fish products, and ultimately oil, as well as the cheap, abundant and technically skilled labor supply, hold out legitimate hope that the economic miracles of Taiwan and South Korean can be repeated.

A major step in this direction could come if the Overseas Private Investment Corporation* were allowed to extend its investment insurance to the Republic of Viet Nam. OPIC would guarantee U.S. investors against war damage, currency incontrovertibility and expropriation. But OPIC has been directed by Congress not to extend its investment insurance to the Saigon government. As a result, American private capital, and that of other advanced industrial nations, is not readily available for Viet Nam.

Questioning the unavailability of OPIC aid for South Viet Nam, William Peterson has asked if it is "wise to extend aid at some $1.5 billion a year, while in effect denying the recipient country adequate access to American business investments?"[3] It was, after all, with the OPIC coverage that the economies of South Korea and Taiwan were able to prosper to the extent that they are no longer dependent upon American economic aid and that they have achieved healthy and vital economies. Thus, if Congress persists with its present policy of denying OPIC guarantees to South Viet Nam, the paradoxical result will be that Saigon will become more, not less, dependent on U.S. economic aid.

III. THE POLITICAL SITUATION

During our stay in Viet Nam we saw none of the outward manifestations of the totalitarian state so visible, for example, in China, the Soviet Union or Eastern Europe. Travelers are required to present identity cards where asked; we observed two such requests, both put to young men, and both were allowed to move swiftly on their way. The military presence is quite visible, but the reasons for that are obvious. Few of the citizens with whom we spoke seemed bitterly opposed to the government. Indeed, more than 560,000 South Vietnamese have been armed as part of the Popular Self-Defense Force program with a loss rate of only one to five weapons per thousand distributed—impressive figures for a society supposedly governed by a "small, externally imposed and increasingly-despised elite."[4] Significantly, there has been no indication of revolutionary stirrings even from an armed populace.

Overall, we came to believe that there exists in South Viet Nam today a stable and viable government, clearly inspiring more popular support than its NVA–VC opponents. Its future obviously depends upon the extent to which it can deal effectively with the awesome array of military and economic problems with which it is confronted. And its ability to do so, in turn, will for the next several years depend upon continued aid from abroad, and especially from the United States.

IV. POLITICAL PRISONERS

The question of political prisoners in South Viet Nam has been one of heated emotional debate in the United States. Critics of the Saigon government have used the political prisoner issue as a vehicle to undermine both popular U.S. domestic and Congressional support for the Republic of Viet Nam.

Because of the necessarily-imposed time limitation on our trip we decided to visit only one penitentiary, that on Con Son Island. This island is located 70 miles off the coast of Viet Nam and, although it is an almost idyllic semi-tropical setting, it is a prison settlement originally founded by the French with a capacity for 9,614 prisoners. Because of photographer/journalist Don Luce's sensationalized series on the Tiger Cages, Con Son is the most infamous of all South Viet Nam's prisons.

Our conversations with the Viet Cong prisoners (self-proclaimed Viet Cong, incidentally) confirmed Ambassador Martin's contention that the U.S. Embassy had not been able to identify a single prisoner who was in prison solely for his political beliefs and opposition to the Thieu government. When asked why they were in jail, the Viet Cong response was because of their desire for peace. When pressed further, the inmates acknowledged that they were involved in various forms of terrorist activities.

The American who visits Con Son prison will inevitably be taken aback by the existing conditions. However, the conditions in Con Son compare favorably with living conditions in Viet Nam as a whole.

Another point worth mentioning is that the Tiger Cages have not been used since 1970. This was confirmed by both prison officials and prison inmates, and it is also evidenced by the chemical decay and vegetational overgrowth surrounding the Tiger Cage cells.

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[1] For U.S. Air Force reconnaissance photos showing various aspects of the North Vietnamese military build-up in the South, with particular attention to airfield reconstruction, see *Aviation Week and Space Technology* for September 17, 1973, pp. 12–17; October 8, 1973, pp. 20–21; and February 25, 1974, pp. 14–17.

[2] For a recent analysis of the future prospects of the economy of South Vietnam, see Patrick M. Boarman (ed.), *The Economy of South Vietnam: A New Beginning* (Los Angeles; Center for International Business, 1973).

*OPIC is a Government-administered agency which promotes and guarantees private investment in "friendly" developing countries.

[3] William Peterson, "South Vietnam, OPIC, and American Business." *National Business*, March 1974.

[4] Mr. Tom Hayden, interview on *CBS News*, January 25, 1974.

Because of mounting criticisms by American peace groups the U.S. Embassy in Saigon, under the auspices of Ambassador Graham Martin, has undertaken three intensive staff level investigations into the political prisoner issue in South Viet Nam. The Embassy's conclusion is that there is a civilian prisoner population of about 35,000. They found that of this number nearly 30,000 were common criminals—a figure that compares proportionately with the prison population of any other country. The remaining 5000 have been listed as "communist offenders" or South Vietnamese civilians who have actively aided the communist war effort. These individuals have been designated to be exchanged with the communists in the prisoner of war negotiations.

BARRIER FREE TRANSPORTATION ACT OF 1974

HON. WILLIAM B. WIDNALL

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. WIDNALL. Mr. Speaker, I have today introduced H.R. 15122, the Barrier Free Transportation Act of 1974. It is a proposal for positive action in opening transportation systems to the use of our handicapped citizens. It is a very basic action—long overdue—urgently needed—but practical in the fact that it offers a logical and feasible method of applying constructive effort in support of policy.

Mr. Speaker, section 16(a) of the Urban Mass Transportation Act of 1964 states, and I quote:

> SEC. 16. (a) It is hereby declared to be the national policy that elderly and handicapped persons have the same right as other persons to utilize mass transportation facilities and services; that special efforts shall be made in the planning and design of mass transportation facilities and services so that the availability to elderly and handicapped persons of mass transportation which they can effectively utilize will be assured; and that all Federal programs offering assistance in the field of mass transportation (including the programs under this Act) should contain provisions implementing this policy.

As a member of the Urban Mass Transit Subcommittee, I was pleased to support the establishment of this national policy and I am certain that it has been effective in creating awareness and supporting many special efforts. The recent $64 million expenditure to retrofit the District of Columbia Metro system plan so as to insure accommodation for the handicapped may be the prime example. There have also been a number of studies and demonstrations and special equipment development projects which were undoubtedly spurred on by this policy.

Regrettably, however, there have been no production models, no nationally acceptable developments and little improvement in the availability of transportation for the handicapped. We can no longer stand on policy without sanction. The need is too great, the consequences are tragic and we simply must provide positive actions through which we can give mobility and reasonable opportunity to the handicapped.

Recently, upon introducing H.R. 14387, the Barrier Free Environments Act of 1974, I reported certain findings of fact on the numbers of handicapped persons in our society and the tragic result of the present limitations in accessible transportation facilities. These data provide dramatic measure of the needs and I will, therefore, include them for the record following these remarks.

Mr. Speaker, my proposals in this bill, H.R. 15122, are short and to the point. I, therefore, insert a printing of the summary of the bill at this point in the RECORD so that all of my colleagues may be immediately advised of its content.

In the near future, we are expecting consideration to be given to amendments to the Urban Mass Transportation Act of 1964. I will move to offer H.R. 15122 as an amendment at that time. I am confident that my colleagues will want to support this action.

The summary follows:

SUMMARY OF H.R. 15122

The Secretary of Transportation would be required to enforce the national policy on barrier free transportation by:

(1) Prescribing minimum standards of design in new construction, modernization or renovation necessary to ensure barrier free accessibility, adequate maneuvering room and safety for handicapped and elderly persons utilizing mass transportation facilities assisted by Federal programs. The Secretary would require that such standards be adhered to by recipients of any or all Federal assistance in the field of mass transportation, and such standards shall be issued not later than January 1, 1975 to be effective not later than January 1, 1976, and

(2) Ensuring that all applications for grants or loans approved after June 1, 1974, pursuant to authority in the Urban Mass Transit Act of 1964, provide assurances that planning for transportation services include specific provisions for the accommodation of elderly or handicapped persons.

HANDICAPPED WHO ARE UNABLE TO USE TRANSIT

	Under 65	65 and over	Total
A. Can go out but cannot use transit	1,153,000	1,153,000	2,306,000
B. Cannot leave home	878,000	878,000	1,756,000
C. Institutional	30,000	930,000	960,000
D. Acute conditions (temporary)	185,000	50,000	235,000
Total	2,246,000	3,011,000	5,257,000

Thirteen percent of the working-age chronically handicapped would return to work if transportation were no longer a problem.

The labor force statistics cited above imply additionally that a subgroup of our population which tends to be disadvantaged in employment also tends to be forced to use its limited resources for more expensive means of transportation. The handicapped, for example, take 14% of their trips by taxi compared with 2% of the non-handicapped.* Clearly, an improvement in transit accessibility for the handicapped would not only increase their employment opportunities, but would also enhance every other aspect of life in which mobility is a factor.

STATUS OF THE HANDICAPPED AND ELDERLY

The Handicapped. Determining the exact number of people with transportation dysfunctions is at this time impossible, because no comprehensive surveys oriented specifically to transportation handicaps have been undertaken. Reliable estimates can be made, however, by projecting on the national population incidence rates (determined by the National Health Survey). These projections yield the 1970 estimates for each handicap class.

It was found that a total estimate of 13,370,000 handicapped Americans would experience difficulties in utilizing mass transit systems.

THE NATIONAL NUMBERS OF HANDICAPPED WITH TRANSPORTATION DYSFUNCTIONS[1]

Handicap class	Elderly handicapped	Nonelderly handicapped	Total handicapped
Noninstitutional, chronic conditions:			
Visually impaired	1,460,000	510,000	1,970,000
Deaf	140,000	190,000	330,000
Uses wheelchair	230,000	200,000	430,000
Uses walker	350,000	60,000	410,000
Uses other special aids	2,290,000	3,180,000	5,470,000
Other mobility limitations	1,540,000	1,770,000	3,310,000
Acute conditions	90,000	400,000	490,000
Institutionalized	930,000	30,000	960,000
Total	7,030,000	6,340,000	13,370,000

[1] 1970 estimate, who cannot use transit or who use transit with difficulty.

Sources: HEW National Center for Health Statistics 1960 and 1970, Census of Population.

Overview of target group statistics

Total elderly	20,066,000
Total handicapped	13,370,000
But there are significant overlaps:	
Elderly and handicapped total (with no double counting)	26,406,000
This breaks down to three relevant exclusive classes:	
Handicapped elderly	7,030,000
Handicapped nonelderly	6,340,000
Elderly who are not handicapped	13,036,000
Grand total	26,406,000

THE STUDENT AID HOAX

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. DRINAN. Mr. Speaker, it is another manifestation of the blindness of the administration that they have once again failed to make any provision for the cost-of-education grants to institutions of higher learning in the United States.

I attach herewith a perceptive editorial from the New York Times of May 28, 1974. This persuasive editorial notes that Congress felt that it was essential to have both basic opportunity grants for students in America as well as institutional grants. One without the other cannot bring about true educational opportunity for students in America.

THE STUDENT AID HOAX

The inflationary rise in college tuition is a direct threat to higher education for students from poor as well as middle-income homes. In the public and the private sector, costs to the student are mounting astronomically. Yet the Federal Government seems determined to accelerate the inflationary trend.

Three years ago the Carnegie Commission on Higher Education recommended a formula to aid students and institutions simultaneously. Modeled on the concept of a guaranteed annual income, it would automatically entitle to scholarship aid any college-age student whose parents' income is below a set minimum. At the same time, every college would receive a cost-of-education grant for each federally subsidized student.

The Nixon Administration subsequently incorporated this sensible plan in its 1972 higher education aid package. Although approved by Congress, the program has never been fully funded.

Now the Administration has asked for the full funding of the Basic Opportunity Grants (B.O.G.) at a level of $1.3 billion, while not only scuttling other important grants and loans, but without making any provision for cost-of-education grants to institutions—a fatal defect.

The plan to link aid to the students and to the institutions is a tandem that cannot run successfully on one wheel. Aid to students does nothing to solve the institutions' budget problems. The colleges' only alternative then will be to raise tuition, thus wiping out the gains promised to the students.

What makes the Administration's piecemeal approach to the problem particularly deplorable is the fact that the original prescription had been so sensible and so easy to implement. The elimination of institutional aid turns a constructive proposal into a cruel hoax. The effect will be a mirage of new student aid that will evaporate into the thin air of inflation, while the colleges' economic foundations crumble.

MARYLAND WINNER OF MARITIME POSTER CONTEST

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. LONG of Maryland. Mr. Speaker, Sharon Denise Lambert, a 17-year-old junior at Dulaney Senior High School, in my district in Maryland, won grand prize in this year's 18th National Maritime Poster Contest. Miss Lambert was presented a $500 check at Maritime Day ceremonies in Washington, D.C., on May 22, 1974.

Miss Lambert's winning poster "Ship American," was chosen from 10,000 entries by high school students in 30 States. This is the first time that a talented student from the important port city of Baltimore has been honored. Miss Lambert's native city of Baltimore is the second largest container cargo port in the United States.

The "Ship American" theme is portrayed with a stylized bullseye of the Stars and Stripes on a blue background with white stars and red circles focusing on the prow of a modern cargo ship underway on the high seas.

Reproductions of Sharon's poster, in the tens of thousands, have been distributed throughout U.S. maritime and foreign trade communities and were exhibited in post offices and other Government buildings during the month of May. Her poster will also be seen in foreign lands, carried by cargo ships flying the Stars and Stripes around the world.

Mr. Speaker, I congratulate Sharon Lambert for her outstanding portrayal of the essential U.S. merchant marine and wish her the best of luck in the coming years.

FIFTIETH ANNIVERSARY OF THE BORDER PATROL

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. EILBERG. Mr. Speaker, May 28 marked the 50th anniversary of the establishment of the Border Patrol of the Immigration and Naturalization Service. It is well to recall that the Border Patrol grew out of the changing needs of our growing country and continues to serve effectively in stemming the tide of illegal aliens.

For almost a hundred years after this Nation was founded, there were no Federal laws imposing restrictions against the admission of aliens. Our national policy then favored unrestricted immigration, and this policy was richly rewarded through the substantial contributions made by immigrants and their descendants in the building of this country.

As legislation was adopted excluding certain aliens and imposing numerical limits on others, millions of aliens found they were unable to gain admission through lawful channels. Some turned to other channels which afforded an easier means of gaining entry. Encouraged by unscrupulous persons who sought to reap financial reward, large numbers of aliens were persuaded to enter this country illegally.

Alien smuggling soon developed into a highly organized lucrative business which the established immigration force could not hope to control. In an attempt to meet this problem, a small group of mounted inspectors was assigned to patrol the Mexican border. This token enforcement group which never consisted of more than 75 officers, was woefully inadequate to control the entry of large numbers of illegal aliens or to combat the organized smuggling activities along the border.

In order to respond to this urgent situation, the 68th Congress, on May 28, 1924, provided for the establishment and maintenance of a Border Patrol.

The initial force of 450 hastily recruited officers was faced with the enormous task of preventing the smuggling and unlawful entry of aliens across approximately 6,000 miles of land border. Despite its limited size, lack of experienced personnel, and inadequate transportation, the courage, and devotion to duty of these officers resulted in the effective and efficient enforcement of our immigration laws.

Today a corps of courteous, superbly-trained, and neatly-uniformed officers works along our borders protecting against the illegal entry of aliens and the smugglers who viciously exploit these aliens. During the course of an extensive investigation of the illegal alien problem by my Subcommittee on Immigration, Citizenship, and International Law, I witnessed first-hand the dedication and resourcefulness of these officers in their attempt to meet the difficult tasks assigned to them.

Loyalty and esprit de corps have always been hallmarks of the Patrol from the beginning. These qualities have impressed all who have watched this dedicated organization grow in strength, professionalism, and public confidence.

While the duties of the Border Patrol necessarily stress law enforcement and alien control, it would be a mistake to let this golden anniversary pass without noting that the Patrol is also a hand of friendship and assistance extended to citizens and aliens alike. Its officers have gladly rendered assistance to people in distress in situations ranging from locating children and adults lost in remote areas to assisting in rescue operations and transporting accident victims to medical facilities. Likewise, Border Patrol agents have played an active and instrumental role in combating the movement of hard drugs and marihuana into the United States.

Mr. Speaker, the public services rendered by agents of the Patrol, both in their official capacity and as private citizens, have earned them the respect and good will of their fellow Americans.

I am pleased to join in the recognition of the 50th anniversary of the Border Patrol and to express my appreciation for this outstanding organization.

DELINQUENT INTERNATIONAL DEBTS AND UNPAID CLAIMS

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, as you know, the Foreign Operations and Government Information Subcommittee of the House Committee on Government Operations conducts a continuous review of delinquent international debts and unpaid claims owed to the United States.

Our last report showed that the total international debt, including unpaid claims owed to the United States, is approximately $60 billion. Of this amount more than a billion dollars, including unpaid claims but excluding World War I debts, was delinquent—that is, overdue in payment by at least 90 days. More than 100 countries of the world were delinquent in paying their debts to the United States.

The purpose of these remarks, Mr. Speaker, is to announce that the subcommittee will conduct a public hearing at 10 a.m. next Thursday, June 6, to learn what progress has been made in the collection of these debts. The hearing will be held in room 2203 of the Rayburn Building with witnesses from the Departments of State and Treasury.

WHAT ARE WE GOING TO GET OUT OF IT?

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. DENT. Mr. Speaker, in this age of détente in arms and détente in trade and détente in just about everything else there are some hard questions we should ask ourselves. First, what does Dr. Kissinger mean by détente? Second, what do the Russians mean by it? What are they going to get out of it? What are we going to get out of it?

To answer somewhat the latter questions I refer you to these excerpts of a report given by Benjamin F. Schemmer, editor of the Armed Forces Journal, to the IAM aerospace conference in Colorado this year, which appeared in the May 30, 1974 issue of The Machinist:

The Soviet Union has been negotiating seriously with Boeing, Lockheed, and McDonnell Douglas since last October for a $500 million buy of wide-bodied jets—DC–10's, L–1011's or 747's. Think of what that would do to the aerospace industry—$500 million worth of wide-bodied jet sales when the wide-bodied jet sales are still in a slump.

Up to 30 aircraft are initially involved. That's a big deal when you remember that in 1973 McDonnell Douglas delivered only 57 DC–10's, Lockheed delivered 39 L–1011's and Boeing delivered 30 747's. So there's a lot of enthusiasm for that deal within the companies and the government.

But look at the conditions the Soviet negotiators have laid down for the privilege of our selling them those planes. First of all, they would like to buy them on credit. Secondly, they would like to co-produce them in Russia.

They would like to co-produce them in a plant they want Boeing or Lockheed or McDonnell Douglas to build in Russia that would employ 30,000 people. A seven-plant, integrated complex, not just to build aircraft, but something we don't have here—the engines, the avionics, the whole bag.

That's three and a half times Boeing's commercial labor force. That plant, if built, would produce annually over 100 wide-bodied jets. That's half of all the commercial jets built in this country in 1972, and one-third of all the jets delivered by your members in 1973.

The other conditions the Soviets have suggested are that we work with them on a joint design and manufacturing effort on any derivative models of the plane they buy. And that we work with them on a joint design and manufacturing effort on advance technology wide-bodied jets.

And finally, they have asked the U.S. Government for a bilateral airworthiness agreement which effectively would certificate every Soviet-made airliner, past as well as future, as though it has already met all of the stringent Federal Aviation Agency airworthiness standards.

You realize that that is the one reason the Soviets have not been able to penetrate Western markets with their commercial jets. They can't get airworthiness certificates on them. But there's a $500 million dollar cookie being held out here that Boeing, Lockheed, and McDonnell Douglas desperately need.

Here are some extracts from a letter dated Dec. 18, 1973, signed by Willis Hawkins, who was then corporate vice president for research and development at Lockheed, now retired. He's all for the sale and says:

"Real technology expertise can rarely be successfully imported. . . . On Dec. 13, at a meeting with Commerce and Treasury, I showed the example that every nation which licensed the F–104 for production failed to import the technology behind it. . . . Those nations without exception, have failed to utilize the technology to develop a competitive new fighter."

Mr. Hawkins recommends signing up for the negotiating conditions the Soviets laid out.

A letter signed by the chairman of Boeing, T. Wilson, on Jan. 10, 1974 to Steve Lazaras, then the Deputy Assistant Secretary of Commerce for East-West trade, says:

"I recommend that we go ahead with . . . a prime systems management role in the design and construction of a complete manufacturing facility for commercial-type subsonic aircraft production in the Soviet Union."

James McDonnell has a rather different attitude. . . . He said:

"In a competitive atmosphere between U.S. companies set up by a government offering questionable short term gains, it is likely that a rationale for giving away valuable and deep rooted technology can be developed, justified and approved . . ." But he recommends against it.

There are questions that we should ask. The first, is this flow of technology with Russia a one-way street? I think the answer is very clearly, yes. In 1972 when the Soviets had a crop failure and were hungry, we sent them wheat. In 1973, when we faced an energy crunch, they helped shut off our oil.

A second question, does Russia have technology that we need and if so, will we ever get it? Yes, they do have technology we need. But there seems little assurance that we'll ever get it.

There is an imbalance in the kind of technology that's available for trade. The important U.S. leads are in computer technology, integrated circuits, tele-communications, ship and submarine quieting techniques, and some kinds of strong fiber-reinforced composite materials.

The important Soviet leads are in chemical warfare defense technology, high performance integral rockets and ram jets, the capability of land vehicles to cope with Arctic conditions and difficult terrain, and aircraft maintainability.

Of the five areas where our technology leads, three are oriented to the private sector and thus available for export. But all four areas where there are important Soviet leads and present clear-cut military technology—the kind we export and the kind the Soviet Union isn't about to.

What Russia wants is manufacturing know-how, management techniques, production processes. Are we exporting finished goods or the commodities that mean jobs in America?

A RING OF TRUTH

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. HANRAHAN. Mr. Speaker, we all know what a serious problem crime in our Nation has gotten to be. This theory by Attorney General Saxbe is well known by many, but I thought my colleagues might enjoy this article anyway.

The article follows:

A RING OF TRUTH

We have no doubt that many of the world's problems are highly complex and that obvious solutions are not always the best.

But once in a while it helps to be reminded of simple fundamentals. Attorney General Saxbe offered such a reminder on the subject of crime in a speech to a group of prison wardens the other day.

People are probably more likely to commit crimes, he reasoned, when the chances for getting away with it are relatively good. Or in other words, a good way to reduce the crime rate is to increase the certainty of punishment.

That thesis won't win any awards for deep thinking and social theorists may recoil in horror. But somehow it has a ring of truth, so much so that we wonder how it ever got mislaid in all the concern over crime.

STATE DEPARTMENT AUTHORIZATION BILL

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. DERWINSKI. Mr. Speaker, on Monday, May the 20th the Senate by voice vote passed what was labeled by the majority leadership as noncontroversial, a State Department authorization bill. This noncontroversial piece of legislation, if it became law, would:

First. Block any expansion of the United States on Diego Garcia unless Congress approves;

Second. Call for new initiatives toward opening up U.S. relations with Communist Cuba;

Third. Requires the Secretary of State to develop a detailed plan for reducing U.S. assistance to the point where the United States is no longer a principal source of funds and material for South Vietnam's self-defense and economic viability;

Fourth. Repeal the Formosa resolution which authorizes the President of the United States to protect the Chinese Nationalist islands and the Pescadores Islands.

I am surprised, Mr. Speaker, that the U.S. Senate would consider this legislation which so drastically affects the foreign policy of this Nation to be noncontroversial and not warrant lengthy debate on the floor of the Senate.

I am confident that the House of Representatives will take this matter more seriously and will in all probability reverse the Senate's action.

Mr. Speaker, I would like to call to the attention of my House colleagues an article on this subject by columnist Frank Van Der Linden which I insert in the RECORD at this point:

REPAIRING THE DAMAGE

(By Frank Van Der Linden)

WASHINGTON.—President Nixon is looking anxiously to House conservatives to repair the damage inflicted upon his foreign policies by a surprise Senate vote for a bill intended to delay expansion of U.S. naval and air facilities on Diego Garcia in the Indian Ocean.

The measure would also open the way for a softer policy towards Communist Cuba; phase out our aid to South Vietnam and repeal the 1966 resolution defending Formosa.

All of these things were done in less than five minutes one afternoon last week, without a word of opposition or a roll call when the Senate adopted the State Department authorization bill. The few Senators on the floor at the time were engrossed in debate on the $25 billion bill for federal aid to education. North Carolina's Republican Sen. Jesse Helms had the floor. Majority Leader Mike Mansfield persuaded him to yield briefly for the passage of a bill which the Montana Democrat called noncontroversial.

Innocently, Helms went along with the unanimous consent motion which slid the State Department bill through; and Minority Leader Hugh Scott of Pennsylvania made not the slightest objection.

Not until after it was too late did the President's chief lobbyist, Tom Korologos, come storming out of Vice President Gerald Ford's office, just off the Senate floor, raging over the passage of the measure with the "Communist amendments," as he called them.

"What's the matter with our leadership?" Korologos stormed. Now, the White House is urging the House Foreign Affairs Committee to scrap some of the Senate amendments to the $979.9 million State Department legislation.

Since the chairman, Dr. Thomas Morgan, has won renomination in the Pennsylvania Democratic primary and is sure of reelection to the seat he had held for 30 years, the President is counting on him to act. "With Doc Morgan's help, we'll try to clean up the bill in the House and then be tough in conference with the Senate to produce a good final draft," one White House spokesman said.

These are the four key sections:

1. Diego Garcia—The Senate would block any expansion of the U.S. base on this British-owned island unless Congress approves it, by law, in a new agreement with Britain. The Administration is seeking $29 million to lengthen the airfield and deepen the harbor, so that U.S. ships and planes may more efficiently checkmate a potential Soviet move towards a dominant influence in the Indian Ocean.

2. Cuba—The Senate would end the 12-year-freeze on our relations with Castro, dating from the Cuban missile crisis, and call for "a new policy, based upon current circumstances."

3. Vietnam—This section requires "a specific timetable for the phased reduction" of economic and military aid to the anti-Communist Saigon regime so that the United States "will cease to be the principal source of funds and material" for its self-defense.

4. Formosa—The Senate, without a peep of protest, repealed the 1955 resolution authorizing the President to use U.S. armed forces to protect the Chinese Nationalist island and the Pescadores islands off China's coast.

In October, 1971, when the United Nations kicked out the Taiwan regime and admitted Communist China, the Senate Foreign Relations Committee proposed a similar repealer. Then the Senate killed the repealer, 43 to 40.

Now the Senate committee contends, "sufficient time has elapsed" to enact it "in a less dramatic context." Besides, it says, the resolution enacted at the request of the late President Eisenhower "has long since become obsolete."

CENTRAL MEDICAL INTAKE

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. EILBERG. Mr. Speaker, my city, Philadelphia, opened its newest link in its very fine drug treatment system on May 23.

The Central Medical Intake, a referral and orientation unit is a most important and innovative addition to the system.

Developed by the Coordinating Office for Drug and Alcohol Abuse Program—CODAAP—the Central Medical Intake is designed to:

Provide immediate care to those seeking help;

Assist local, State, and Federal authorities in planning and coordinating treatment services and resources;

Offer the client comprehensive information on the resources and choices available to him, and

Provide uniformity of record keeping.

CMI is funded by a $350,000 grant from the National Institute for Drug Abuse, supplemented by a $115,000 grant from the Governor's Council on Drug and Alchol Abuse. It will operate under contract to the City on a cost-reimbursement basis.

Central Medical Intake will be headed by Ms. Elaine Palusci, a psychologist and former CODAAP staff member, who developed the proposal.

THE CASE FOR A FEDERAL OIL AND GAS CORPORATION—NO. 38

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. HARRINGTON. Mr. Speaker, the backbone of any business organization is its personnel. Without good personnel, even a perfectly structured business cannot succeed.

The problem of quality personnel has frequently been emphasized by opponents of the proposed Federal Oil and Gas Corporation. These spokesmen maintain either that the FOGC would be unable to attract qualified persons, or that it would siphon off private industry's most talented individuals.

Testifying before the Senate Commerce Committee, former Federal Power Commission Chairman Lee White answered critics of the Corporation and said he believed American educational institutions would respond to the current energy crisis as it did to the Sputnik space challenge in the late 1950's.

I would like to bring Mr. White's response to this issue to the attention of the Congress.

His remarks follow:

REMARKS

The argument that says there are only a limited number of geologists, engineers and other technical competents and that a government-owned corporation would only drain off such talent from private corporations thereby producing no net benefit seems to me to indicate little confidence in the people in the petroleum industry and in our educational institutions. Such an argument is applicable to any new development and misses the point completely. The purpose of setting up the government-owned corporation is to establish a corporation mechanism where the motivation and the thrust is keyed to national needs. I don't know how many major league baseball teams that were "expanded" teams have managed to win league pennants or the World Series, but the notion that things ought to stay the way they are simply because that is the way they are, won't do the trick. Referring again to the TVA analogy, it somehow was able to attract talent to it without disrupting other utilities that had to give up some of their trained personnel. Moreover, I would expect that our educational institutions will respond to the current energy crisis as it did to the sputnik-space challenge in the 50's and 60's by emphasizing the development of energy oriented scientists and technicians. It may also be asked how an industry that has not been able to produce all of the oil and gas that is needed will be able to get by with only the scientific and technical talent it presently possesses.

INTRODUCTION OF LEGISLATION TO RAISE THE RATE OF INTEREST ON UNDERPAYMENT OF FEDERAL TAXES FROM 6 TO 8 PERCENT

HON. CHARLES A. VANIK

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. VANIK. Mr. Speaker, I am today introducing legislation to amend the Internal Revenue Code to raise the rate of interest on underpayment of Federal taxes from 6 to 8 percent and on extensions of time for estate taxes from 4 to 6 percent.

Long-range tax policy, as well as the unprecedented prime interest rate of more than 10 percent, makes this legislation necessary. At the present time, I believe that many individuals and corporations are using the IRS as a low-interest bank. If one has a temporary cash shortage, one might be tempted to underpay taxes, at an annual cost of 6 percent, rather than take out a bank loan at 10.5 to 13 percent.

Under the present law, provided by 26 U.S.C. 6601, any underpayment of tax—except for estimated taxes—calls for simple interest at the rate of 6 percent per year. Actually, this is assessed at the rate of one-half of 1 percent per month for the period of underpayment. Calendar year individual taxpayers are required to pay any tax due on April 15 after the end of their taxable year. Interest commences to run on that date, regardless of whether an extension of time is secured within which to file the return.

In terms of long-range tax policy, I believe that too many individuals have become lax about the payment of taxes. A stiffer interest rate penalty will encourage proper tax filings. The problems which can be created by too low interest penalties have been documented by a recent General Accounting Office report entitled, "Collection of Taxpayers' Delinquent Accounts by the Internal Revenue Service." The GAO report, dated August 9, 1973, states:

> As of March 31, 1972, estates that had been granted extensions owed taxes of about $347 million. The Internal Revenue Code requires that annual interest of 4 percent be charged on these taxes. This rate is 2 percent lower than the 6 percent charged on underpayments, nonpayments, or extensions of time for payment of other Federal taxes.

Since this 4-percent interest rate was established in 1938, the Govermnent's cost of borrowing funds has increased so that it now exceeds the interest rate on estate taxes. This change results in the Government's incurring additional interest costs which the Congress may not have anticipated when it established the 4-percent rate.

Because the 4-percent interest rate on deferred estate tax payments is significantly below the rate of interest estates can earn on investments, the estates have no incentive to promptly pay their taxes if they can obtain extensions. Therefore GAO believes the interest rate on deferred estate tax payments should be closer to the Government's cost of borrowing funds.

With today's high interest rate, the same problem applies to the 6-percent underpayment rate as applies to the 4-percent estate tax rate.

Finally, the higher rate will encourage greater care in the preparation of tax returns. It is unclear at this time whether or not civil or criminal tax fraud can be proven in the case of the President's tax returns. But it is clear from reading the report of the Joint Committee on Internal Revenue Taxation that the preparer of the President's tax return was incredibly sloppy. At best, the preparer of the return had a cavalier attitude toward the tax law. Such a contemptuous approach should not be rewarded with a 6-percent penalty interest rate. Under the legislation I am introducing today the interest on the President's "underpayment" would have totaled $43,211 instead of the amount recommended in the joint committee report of $32,409.

MRS. RUTH SEITZ RETIRES FROM HOLY NAME HIGH SCHOOL

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. JAMES V. STANTON. Mr. Speaker, June 1974 will mark the end of an era at Holy Name High School of Cleveland, Ohio, of which I am proud to be an alumnus. Mrs. Ruth Seitz will retire after completing 46 years of outstanding and memorable service to the students, faculty, alumni, and parents of Holy Name.

In her 46 years at Holy Name, she has been teacher, friend, confidant, and disciplinarian to the thousands of students who have passed through Holy Name's halls. She is perhaps most noted for running the "quietest study hall in town." Her famous math problems will long remain a painful memory of those students who were unfortunate to have been assigned them as punishment for disrupting those study halls.

Mrs. Seitz, along with her husband Fred, has been a fixture at the ticket gates of Holy Name athletic events for many years. Regardless of the weather, they would be standing at the gate collecting tickets from students and alumni—many of whom were greeted by first name.

Eugene T. Krakowiak, Holy Name's principal, refers to Mrs. Seitz as "history in motion." She could be called a living resource book on the advances of education, particularly Catholic education, in Cleveland.

She can scare the daylights out of the toughest football player, and in the next instance, radiate the warmth and generosity that has made her the beloved lady she is today. She holds that unique relationship with her students so many teachers strive for but seldom achieve—of being a friend yet never losing her professional respect and dignity or her respect for her students. She may be tough, but she is the one person all alumni seek out when returning to Holy Name.

Holy Name will lose an irreplaceable person when Mrs. Seitz leaves at the end of this school year, but she will leave a legacy few people can come close to matching. Her past and present students have their memories of Holy Name, and intricately woven amid those memories will be Mrs. Seitz, for she has done more to contribute to the tradition and success of Holy Name and her gradautes than any other single person.

I feel singularly honored I have this opportunity to publicly acclaim her achievements at Holy Name. On behalf of all her students, alumni, faculty, and friends of Holy Name, I wish her the best of everything in the years ahead and a sincere thank you for all she has given to so many in the past.

AN ACT OF HEROISM

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. RONCALLO of New York. Mr. Speaker, at any time but perhaps particularly at this time of so much dissension and turmoil, it is heart warming to hear an act of goodness and unselfishness by an individual who, quietly going about his routine duties, performs an act of heroism which immediately lifts him above the crowd. Such an act was recently performed by a constituent of mine, Officer William N. Post, of 154 Connecticut Avenue, Massapequa, N.Y. His action has been described as exemplifying the highest ideal of the concern of one human being for another who is in distress. For his act he is to be awarded the American Red Cross Certificate of Merit, the highest award which can be given to a person who saves a life by using skills learned in a Red Cross first aid, small craft, or water safety course.

My sincere congratulations and a tip of the hat to Bill Post. Below are the details of the act which he performed.

On July 6, 1973, police officer Post, trained in Red Cross first aid, was on patrol at a beach when he saw a young girl being dragged from the water onto the beach by a companion. Immediately Officer Post went to assist the apparently lifeless victim. He cleared the girl's airway and began at once to administer mouth-to-mouth respiration continuing until the girl resumed breathing. Officer Post then treated the victim for shock, and continued artificial respiration as needed until an ambulance arrived. The girl was taken to a hospital and later recovered completely. Without doubt, Officer Post's use of his skill and knowledge saved the victim's life.

WALL STREET JOURNAL SAYS COOL SPENDING

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. HUNT. Mr. Speaker, the May 23, 1974 edition of the Wall Street Journal took Congress to task for its "thirst for political glory." Of course we all know what they were talking about—the grandiose, billion-dollar election year bills which the Democratic majority would like to push through hoping they will insure victory at the polls come November.

But, as the Journal points out, the most important business the Congress faces is killing inflation and restoring order in the Nation's capital markets.

The article should be read by every Member of Congress and every American citizen. So you, and they might do so, I submit it for the RECORD.

CONGRESSIONAL SPENDING HIT

". . . The Senate has just voted up $25.2 billion for federal school aid over the next four years. House Public Works has $24 billion in mind for mass transit over six years. The President is hinting that he might compromise with Senator Kennedy and Congressman Mills on a federal health insurance bill, which would cost billions as yet uncounted. And the season has hardly begun.

"Senator Magnuson, a member of the Senate Appropriations Committee, warned the Senate of raising 'false hopes' in passing the education bill. The Senate will be a Grand Central Station for complaints when educators see the difference between what was authorized and what they can get, he suggested.

"No doubt a clamor of constituents and bureaucrats yelling for their money would be disturbing to Mr. Magnuson's colleagues, although the prospect hasn't deterred them from voting yea. There are no doubt hopes that the clamor won't begin before the fall elections and the chimeras still will be alive and well while pressure groups are deciding who to support.

". . . Given the pressures likely to be generated by the authorizations, there is every reason to fear that Congress will fall back on the old standby, deficit financing. In other words, it will go ahead and vote the appropriations and let the Treasury borrow more money to comply with its mandate. That course will be particularly tempting—since it would have the blessing of fiscal stimulus theorists—if the economy is sluggish next fiscal year.

"But if that proves to be the case, let us all hope and pray that the nation's credit markets are in better shape then than now. There is very little assurance that they will be.

"Private demand for credit—brought on by inflation, inadequate corporate earnings, excessive consumer borrowing and other causes—already is straining the liquidity of the nation's credit markets. To break the vicious cycle of inflation and inflation-fueled credit damage, the Federal Reserve is trying to hold money growth in check. But it is ever on the brink of creating a liquidity crisis.

"This condition may well continue for some time before it will be possible for the nation to get inflation under control. The last thing in the world the Fed will need next fall will be a new outburst of Treasury borrowing to finance an ever rising federal deficit. By then, the Fed and the credit industry may be pretty exhausted from the liquidity-inflation struggle and expanded federal borrowing could only serve to further starve private borrowers and increase the clamor for the Fed to ease money.

"We could be more sympathetic to the authorization forces in Congress if they could demonstrate some pressing need other than their own thirst for political glory. In fact, it is hard to find any area where there is an urgent need for federal aid. Most state treasuries are in good shape. The population load on schools is beginning to diminish. The gaps in health care insurance could be filled with far less spending than is presently envisioned. A compelling case for mass transit subsidies has not been made.

"But a compelling case can be made for killing inflation and restoring order in the nation's capital markets. It is the most important business the nation faces. It would be nice if the Congress would make that its main business as well."

THIS IS MY MICHIGAN

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. TRAXLER. Mr. Speaker, I recently received a letter from a resident of Bad Axe, Mich., whose love for the great State of Michigan led her to compose a song on its behalf. I was so impressed with the enthusiasm and affection for our State which Mrs. Mary Ann Cove's song expresses, that I wanted to share it with my colleagues. For that reason, I include Mrs. Cove's song in the RECORD:

THIS IS MY MICHIGAN

(Words and Melody by Mrs. Mary Ann Cove)

CHORUS

Michigan, Oh, Michigan, My Michigan
When you visit us, you'll come again and again.

We have valleys, we have rivers, we have lakes,
God has put them here for us all, for our sakes.
We have flowers, we have trees and animals, too.
We have farmlands, we have factories, we have skies so blue.

(Chorus.)

We have ski slopes, hunting, fishing here in Michigan.
We have racing, lotteries, dancing. So come if you can.
Come to see us, come visit us, we welcome you.
Michigan, Oh, Michigan, we love you.

(Chorus.)

We have bridges; our Mackinac Bridge is something to see.
In the evening when you're travelling, it looks like God's Christmas tree.
Detroit City, our Capital Lansing, or Bad Axe, Michigan,
You'll love our country, so come and see us, soon if you can.

(Chorus.)

TO SOUTHERN U.S. SENATORS AND CONGRESSMEN

HON. BILL NICHOLS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. NICHOLS. Mr. Speaker, in the June 1974 issue of Progressive Farmer an editorial addressed to southern U.S. Senators and Congressmen expressed the editor's dismay over the rising postal rates as dictated by the U.S. Postal Service.

This open letter is thought provoking and interesting reading and I would like to enter a copy of the article to be printed in the RECORD of this body. I hope that all Members of Congress take time to read the article.

EDITORIAL: TO SOUTHERN U.S. SENATORS AND CONGRESSMEN

Dear Friends:

Freedom of communication is basic in our society and under our system of government. This freedom must be preserved if our system of government is to continue to be the model for the world that it now is. Only an enlightened and fully informed electorate can ensure its preservation.

The electorate can be kept fully informed only by economical distribution of information, from independent sources, concerning every facet of our society—financial, political, cultural, agricultural, and the everyday business of living and earning this living.

The focal point of all this is the rapid and exorbitant increases in postal rates since the post office was changed from a service organization to one which is supposed to be a self-supporting business.

Since 1886 The Progressive Farmer Company has been a major user of the mails. For all of these years until recently, we received few complaints about the service provided by the post office system. It was a service oriented agency. Now, there is widespread concern over the U.S. Postal Service's present policies. We believe our company has earned the right to comment on skyrocketing postal rates and poor service.

The rate increases will have three devastating effects on the American people.

1. They will be among the most dramatic and visible price increases in a mounting sea of inflation. And isn't it something when a supposedly businesslike Government agency leads the way in inflation at a time when every thoughtful citizen is concerned about this problem.

2. They will inhibit freedom of communication by killing some publications and crippling others.

3. They will exert a strong influence on the types of magazines and books that will be published in the future. Obviously those with affluent subscribers, i.e. *Palm Beach Life*, *Wall Street Journal*, and *Fortune* will be able to pass along the rate increases. Perhaps not so obvious is the tremendous competitive advantage this will give to the sex and other sensational publications which are largely sold on newsstands versus those which have relied on mail distribution and have no alternative.

First-class letter mail rates recently increased 25%—from 8 cents to 10 cents. Additional increases will be large and frequent under the present system.

Far more inflationary is the hidden cost to taxpayers of soaring second-class postal rates. Rate increases of about 130% have been approved, and proposed new increases will make the total as much as 200% higher than in 1971. The annual amount our company will pay for these increases exceeds our total after-tax profits for *Progressive Farmer* and *Southern Living* magazines. We know the end is not in sight.

If such increases continue to be rubber-stamped regardless of their effect on the nation, how can Congress expect the public and business to believe that our Government is determined to halt inflation?

It is very discouraging for us to send as much money as we do to Washington and then have our Government and the Postal Service we patronize so heavily try to brand us as a subsidized business prospering at the expense of the taxpayer. There is such a maze of overlapping taxes to be paid that it is difficult to unravel the mess. But a detailed study we have made in our company shows that for every dollar our stockholders keep we are sending $28 to $30 in taxes to Federal, State, and local governments.

We want to clear up, once and for always, the fact that our magazines, and the magazines as a whole, are not a financial burden to the Postal Service or to the nation's taxpayers. If all magazines went out of business tomorrow the Postal Service deficit would be greater—not less—and the Government's own figures sustain this.

Neither is it true that higher postage rates will lower taxes. What's really going to happen, unless Congress stops the trends of our times, is that both taxes and postal rates will be pushed as high as the traffic will bear.

Such large postal rate increases are a serious mistake, but the drastic consequences we are predicting will result from the much higher future increases which are inevitable under the present system. Basically, the present U.S. Postal Service philosophy is an attack on the communication system that made American self-government possible.

It is strange that we find it necessary to argue that easy access to information is an essential ingredient of self-government. This principle of freedom was given the highest possible priority by the Founding Fathers; it was enshrined in the Bill of Rights; its implications have been expounded by wise men for 200 years.

John Adams, second President of the United States, expressed it this way: "The preservation of the means of knowledge among the lowest ranks is of more importance than all of the property of rich men in the country."

Our fourth President, James Madison, said: "Knowledge will forever govern ignorance, and a people who mean to be their own governors must arm themselves with the power that knowledge gives. A popular government without popular information is but a prologue to a tragedy."

Congress has frequently reaffirmed that there was a strong national interest in the circulation of magazines, newspapers, and books at low cost during the 19th century and the first two-thirds of this century. During these years our elected officials in Washington did not see the postal system as a business, nor as a means of raising revenue for the Government.

They saw it in its higher role as a fundamental weapon in the armory of an informed public. Their philosophy stimulated an extraordinary increase in the diversity of magazines, books, and newspapers, and in the size and reach of their circulation. This historic approach had and still has particular significance for the South, where libraries, bookstores, and newsstands are not plentiful.

We have lost sight of many values—values treasured by our Founding Fathers—in the unprecedented turmoil of the past few years, whether for good reasons or bad. Congress has relinquished direct control of what had been a fundamental ingredient of self-government in turning the post office system over to the U.S. Postal Service.

The U.S. Postal Service claims that mail users are charged exactly what it costs to process and deliver their mail. This is not true.

At present, the Postal Service attributes about half its costs to classes of mail. The other half is defined as institutional. These institutional costs are assigned judgmentally to various classes of mail. In the many years Congress fixed postal rates, no issue was more controversial than post office cost accounting procedures. Does anybody really think that a solution to the problem has been worked out and that every citizen pays exactly what it costs to deliver his mail?

More people are affected, and the Postal Service and Congressmen receive more complaints, when first-class postage rates go up than when other classes are increased. Obviously this is a powerful influence on the judgment of those involved in allocating costs.

The Kappel Commission's long and intensive study of the postal system was the most comprehensive review we know of, and it was largely accepted by the Congress. That Commission, itself, recognized the faults of postal system cost-ascertainment systems and took a strong position against any fully allocated cost system.

This concept must eventually lead to differential mail rates and to the closing of post offices that lose money, many of which are in the Southern States. Can you imagine what this ill-founded system will eventually determine to be the cost of delivering a package to the more remote regions of the country. Half the U.S. rural population lives in the South, making the Southern States some of the most rural states in the nation. It would be difficult to overestimate how important this matter is to people who live in this region.

Many Southern rural post offices are losing money. That's a well known fact. With the Postal Service running "like a business," with fully allocated costs, why not close those money-losing post offices? Or is it in the public interest to keep those offices open? Of course it is. So they are subsidized, as they should be.

Contradictions are everywhere in the new U.S. Postal Service. One of the principal arguments of proponents of the new postal organization was that the new postal service would be removed from politics. But there is much evidence that it is more deeply involved in Washington politics than ever. We have seen copies of propaganda their lobbyists used with U.S. Senators and Congressmen.

These same people also said that the new system would provide continuity and stability of management. The results are just the opposite. For example, the Postal Rate Commission has had three chairmen in three years, and the turnover of commissioners has been high. So far as we know, none of the commissioners has had postal experience, nor does any of them have the needed understanding of, or experience in, publishing or any other heavy mailing business.

It is also contradictory to hear our President point to the inadequacies of TV for covering national news and other developments, while he is endorsing policies which further weaken the medium of responsible printed words. This is done when higher and higher postal rates interfere with the balance we had for many years among the mass media.

The perspective of history may reveal that this Administration and the Congress will make their greatest mistake if Postal Service policy is allowed to destroy the unique "easy-dissemination-of-information" feature of the American way of life.

We all know that the executive branch has gained power in relation to the legislative branch. Too much so, we think, and many Congressmen seem to agree. The biggest transfer of potential power ever released by Congress was shifting the Postal Service from Congress to a control by boards and commissioners appointed by the executive branch.

What that did was to put the machinery in place for a President to control the press. Not by censorship, but in a much simpler, quicker way—economic strangulation of the troublemakers.

Advocating this change in the American system, Postal Service spokesmen have stated repeatedly that there is no longer a need to bind the nation together through an inexpensive communications system. We doubt that they ever understood, much less agreed with the Jeffersonian rationale, which is that more general diffusion of knowledge will yield a better social and political order. It is ironic that these Postal Service people miss the significance of the indispensable role played in our society by the Postal Service.

This trend toward restraining the flow of information to the masses will be tragic if it continues unbridled. About 10 years from now, here is what is likely to happen: Some Congressman will introduce a bill calling for Government action to fill the information void. And he will be able to make a strong case. The facts will support his contention that the written press is controlled by and read by the elite who can afford to pay exorbitant prices for good magazines, out-of-town newspapers, and books. He will propose that the Government fill that void. It will be interesting to see how Congressmen who supported a "pay-its-way" postal service back in 1973–74 will vote on his bill.

When that bill passes there will be no way to separate politics and propaganda from the material designed to fill the information void. And the cost of such a Government information program will be staggering in comparison to what it would cost right now to preserve a two-centuries-old system of easy-flowing information.

A concerned and dedicated Congress, many years ago, made possible our philosophy of "free and easy dissemination of information." This philosophy helped to make America great. It helped make every farmer's mailbox a university. It helped make rural America the most productive area of its kind in the world. And now, Congress has an opportunity to change a national misdirection in policy that threatens to destroy that priceless philosophy. Emory O. Cunningham, President and Publisher.

We believe this message is important; not so much for Progressive Farmer but for all the yet unborn ideas, books, newspapers, and magazines that might not draw their first breath of life unless there is due regard for the basic principle of freedom of communication.

Should you want to share this view with others, write us for a limited number of free reprints. And communicate your views to your U.S. Senators and Congressmen. The Editors, Progressive Farmer, Box 2581, Birmingham, AL 35202.

LONG PRESENTS TAXES, ASSETS DATA

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. LONG of Maryland. Mr. Speaker, I am presenting financial data beyond the law's requirements to make clear my tax position and my assets.

In 1973, I paid $14,906.50 in taxes on a gross income of $48,569.77—$10,233 in Federal taxes, $4,673.46 in State and local taxes.

In 1972, I paid $14,129.21 in taxes on a gross income of $45,158.69—$9,152.64 in Federal taxes and $4,976.57 in State and local taxes.

In 1971, I paid $14,953.70 in taxes on a gross income of $48,759.90—$10,165.39 in Federal taxes, $4,788.21 in State and local taxes.

My major source of income is my $42,500 per annum salary as a Member of Congress. My main non-Government income is an annuity from my service at the Johns Hopkins University and rent from the farm I own in Harford County, Md.

My current stock holdings include 100 shares of General Motors, 100 shares of Digital Equipment, 100 shares of Textron, and 100 shares of John B. Abt Corp. I estimate their total market value at $18,000.

In addition, I own my home in Ruxton, Md., which I purchased in 1946 for $32,000. That home has a $13,500 mortgage. I also own a farm in Hartford County, Md., consisting of 112 acres. That property was purchased in 1965 for $118,000 and currently has a $44,000 mortgage.

My contribution to the Federal retirement system totals $28,993.09. This is, of course, not a liquid asset.

My remaining assets include two 1970 automobiles and the furnishings of my home in Ruxton, Md.

NASHVILLE BANNER EDITORIAL SAYS: "TENNESSEE CONGRESSMEN'S VIEWS SOUND ON APPROACH TO IMPEACHMENT ISSUE"

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. EVINS of Tennessee. Mr. Speaker, Columnist Lee Bandy, of the Nashville Banner, reported in a recent article that the members of the Tennessee House delegation are "keeping their options open" and reserving judgment on the issue of impeachment until the facts and evidence have been developed and fully evaluated.

Subsequently, an editorial appeared in the Banner which commented on this article and on an opinion poll by the Banner which indicated that 80.3 percent of those responding to the poll did not favor impeachment of the President.

The editorial concluded:

> It is this newspaper's strong belief that Tennessee's congressmen are acting responsibly when they insist on knowing all of the facts before reaching a decision on how they will vote.

Because of the interest of my colleagues and the American people in this most important matter, I place the article by Mr. Bandy and the editorial in the RECORD.

The article and editorial follow:

[From the Nashville (Tenn.) Banner, May 22, 1974]

STATE CONGRESSMEN NOT READY TO IMPEACH

(By Lee Bandy)

WASHINGTON.—While Tennessee House members are generally disturbed by the tone of the edited White House transcripts, none is yet prepared to vote for the impeachment of President Nixon.

In their reading to date of the 1,300-odd pages of transcript of taped presidential conversations, the Tennessee lawmakers have failed to uncover any evidence which in their opinion would warrant the removal of the chief executive from office.

However, all of them stress they're approaching the impeachment question with the awareness all evidence has not surfaced in the Watergate scandal. Hence, members are keeping their options open.

The House Judiciary Committee is currently being presented evidence as compiled by its legal staff. The panel is expected to report its findings the latter part of next month. And predictions are the committee will vote articles of impeachment.

LINES OF SPLIT

None of the Tennesseans says he'll vote for impeachment just because the committee might recommend it. It's a decision each will have to make based on what he thinks is an impeachable offense. And this is where the house delegation splits—almost down party lines.

The Democrats tend to subscribe to the so-called broad interpretation of impeachment which suggests a President can be removed from office simply for gross misconduct.

The Republicans, on the other hand, lean towards the narrow view which says a President can only be impeached for an indictable crime as spelled out in the Constitution. This is the interpretation to which the White House subscribes.

"I believe in reading the Constitution on impeachment and living with it literally," said Rep. Dan Kuykendall, R-Tenn.

The Constitution says a President can only be removed from office for conviction of treason, bribery, or other high crimes and misdemeanors.

FULTON WAITING

Rep. Richard Fulton, D-Tenn., says he will not make any determination about impeachment until the Judiciary Committee has reported to the membership.

"If I think the facts as presented to us demand a vote for impeachment, I'll vote for it. If I don't think the facts justify such a vote, I will vote against impeachment."

The Nashville Democrat termed as "unacceptable" the President's release of censored transcripts rather than the tapes themselves. As a juror, he said, he would like to hear the tone of the conversations. However, Fulton would not go so far as to suggest that Nixon's refusal to comply with the committee subpoena constitutes an impeachment offense.

But the congressman indicated he subscribes to the broad view of interpretation. He expressed the opinion that impeachment should not be confined to "high crimes."

BROAD VIEW

Rep. Joe L. Evins, D-Tenn., the delegation dean, said he subscribes to the constitutional remedy for removing a president from office, but tends to give it a broad interpretation.

"I will wait until all the evidence is in before deciding how I will vote," he stressed.

Rep. Robin Beard, R-Tenn., said, "I'm basing my impeachment vote strictly on the indictable crime concept," and criticized the Judiciary Committee "for already making up its mind" to impeach the President.

He said Nixon could be "scot clean" and the panel "would still vote for impeachment."

The Brentwood Republican indicated he is approaching the impeachment question "with an open mind." He added, "I only hope and pray Nixon is innocent like I would for any president."

However, Beard acknowledged the atmosphere in the GOP ranks "is one of total confusion and apprehension." He said, "the members don't know what to do" about impeachment. "We have people screaming for impeachment and others urging us to stand firm. It's be damned if you do and be damned if you don't."

The freshman congressman admitted "all of us are looking for something to rationalize. We're trying honestly to do what's right. The major frustration is 'am I doing the right thing?'"

NOT THE TIME

Rep. John Duncan, R-Tenn. said, "it would be totally irresponsible to say which way I would go on impeachment. We need to keep quiet."

The Knoxville Republican voiced the opinion that Nixon made a grave mistake in releasing the transcripts in the first place. "I'm a strong believer in the separation of powers," he explained.

But from what he's read of the transcripts, Duncan said he hasn't found anything in them to incriminate the President.

Rep. Ed Jones, D-Tenn., who favors Nixon stepping aside and letting vice president Gerald Ford serve as acting president until the impeachment question is resolved, said he hasn't made up his mind how he would vote should the matter reach the House floor.

"I will wait until the evidence is presented and I have polled my constituency. Then, my decision will be made," the Yorkville Democrat said.

While he leans toward the indictable crime concept at the moment, Jones indicated he was keeping an open mind on that question.

"Impeachment is a pretty serious situation," he said, and "gross misconduct" would have to be considered as possible grounds for removing the President.

EVIDENCE WANTED

Rep. Lamar Baker, R-Tenn., said, "I'm favorable to the President. I would like for him to be clean. But if we have charges significant to support impeachment, I'd have to consider my vote on the basis of the evidence presented."

The Chattanooga lawmaker indicated his views on impeachment include a combination of the broad and narrow interpretations. "If the President incapacitated himself through the use of alcohol or drugs, and did not commit an indictable crime, removal from office would be in order. But I don't think you can remove him for a flimsy offense."

Rep. James H. Quillen, R-Tenn., charged that allegations made against Nixon have a partisanship ring to them. "There's no question that they're partisan," he contended.

Subscribing to the narrow view of impeachment, the Republican lawmaker said, "I've always felt the facts at hand do not reveal any impeachable offense."

However, he stressed he's maintaining an open mind and will take "a good look" at the evidence when it's presented. But Quillen added, "It must be within the framework of the Constitution, I would not vote to impeach the President based on the present facts."

MOVE WAS DARING

Kuykendall conceded the tone of the transcripts is "tough stuff." He called their release "a daring move" on the President's part. The Memphis Republican expressed the opinion that Nixon ended up "buffeted, scarred, and innocent" by their content. Anyone not reaching the same conclusion, Kuykendall charged, is simply not being fair.

He criticized members saying they have an open mind on impeachment. "You can't go into this thing neutral. This is a criminal case. A man is innocent until proven guilty. I don't have any choice in this matter. No, my mind is not open."

Kuykendall voiced the opinion that Republicans and conservatives who were looking for some place to hang their hats "got it" when Nixon released the edited transcripts.

TENNESSEE CONGRESSMEN'S VIEWS SOUND

The results of *The Banner's* "You Decide" balloting show most of those readers responding are overwhelmingly opposed to the impeachment of President Nixon and his resignation, and most think the transcripts of taped presidential conversations exonerate him in the Watergate scandal.

Of 4,175 replies to the question of impeachment, 80.3 per cent said "no."

Of 3,981 replies to the question of resignation, 88.5 per cent said "no."

Of 3,331 replies, 67.2 per cent said the transcripts did exonerate the President.

These responses are startling in the face of a recent Harris Poll which showed 49 to 41 per cent that those surveyed thought Mr. Nixon should be impeached. Sixty per cent did not believe the President "had no knowledge of the coverup," in the poll of 1,555 persons.

Nor do the "You Decide" responses agree with a Roper Poll, which showed 53 per cent of 1,934 persons interviewed believed impeachment was the answer.

It should be pointed out that our "You Decide" poll is not necessarily a statistically pure survey in that only ballots returned by readers, at their discretion, are involved.

But a Sindlinger & Co. poll, based on 1,677 interviews, indicates that 54.3 per cent of those responding felt Mr. Nixon should continue in office. The poll showed 57.9 per cent felt he should not be impeached.

This wide divergence of opinion, even among the professional polls, may indicate one of two theories: That there is a changing mood on the part of the American people about faith in the United States Constitution and that there are particular areas in which support of the President is higher than in others.

This newspaper has vigorously opposed any partisan persecution of the President in the Watergate tragedy.

The Banner hopes the investigation and deliberations of the House Judiciary Committee, as it begins its part of the constitutional process that could lead to impeachment, will be thorough, fair and carried out swiftly, reflecting the "impartial justice" guaranteed to Mr. Nixon or to any other president.

On May 10 we said we could not agree that the transcripts exonerate Mr. Nixon of complicity in a shameful scheme to mislead the American people about corruption at the highest levels of their government.

We still firmly hold that view.

We also hold the view that the Constitution of these United States should be followed to the letter in the search for justice, a belief obviously shared by members of Tennessee's congressional delegation, who have declared they are not yet prepared to vote for Mr. Nixon's impeachment.

While there may be a split down party lines on terminology, the Tennesseans are together on one point—they are waiting until all the evidence is in before making a decision.

One of Watergate's sadder aspects has been the obvious pre-judgment by some members of both the House and the Senate before the evidence is presented.

It is this newspaper's strong belief that Tennessee's congressmen are acting responsibly when they insist on knowing all of the facts before reaching a decision on how they will vote.

Under the provisions of the Constitution of the United States, every man has a right to fair trial.

So does the President.

YOUNG AMERICANS SHOW STRONG PATRIOTISM

HON. JAMES R. GROVER, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. GROVER. Mr. Speaker, one of the most repeated and least valid assumptions today is that young people in America are turned off and cynical in regard to their country and its institutions.

From my observations, nothing is further from the truth. In fact, Mr. Speaker, I find the young people with greater interest than ever and great confidence that we can have world peace, prosperity, and respected and respectable Government.

As an outstanding example of the zeal and dedication of young Americans I am submitting for the Record the winning essay, written by Miss Cindy Noble, of Bay Shore, N.Y., that was entered in an Americanism essay contest, sponsored by the Brentwood Republican Club, open to 6th-grade students in 16 Brentwood elementary schools.

I am proud of Miss Noble, as well as the other contestants, and their parents, and I do believe they represent the majority of American citizens.

The essay follows:

Americanism

(By Cindy Noble)

A great president said, "Ask not what your country can do for you—ask what you can do for your country."

America is a land that has been made great by the contributions of millions of people. These people took the resources that this land was blessed with and developed them into the most powerful nation on earth.

As an American, it is my duty to my country to respect, participate and contribute.

I show my respect for my country whenever I say the Pledge of Allegiance or sing our National Anthem. The Pledge of Allegiance is a statement of my belief of what America stands for and the National Anthem reminds us of the sacrifices made by many Americans so that I may live in a free country.

As an American, I believe it my responsibility to keep myself informed on all the issues and events affecting our local and national government.

As an American it is my duty to support the candidate of my choice and inform my elected officials of my beliefs.

It is my responsibility to work for and vote for the people I feel could best govern our land.

As an American, I should attempt to develop myself into a producive and contributing member of my country, speaking out on those issues that effect all Americans.

I must also strive to see my hopes and dreams for our country come true.

As an American, I hope that my country will continue to be one of the world's great leaders in the pursuit of freedom, liberty, and justice for all.

As an American, I believe we must continue to help underdeveloped nations achieve free government and we must continue to be a good neighbor to all.

Americanism is not just a feeling, a belief. It is a desire. It is a hope for the future, a salute to the past, and a great obligation to the present.

Without our support and guidance, it will not remain a desire, and hope for the future.

As an American, I must constantly ask, "What can I do for my country" This is what Americanism means to me.

THE OLDER AMERICANS ACT

HON. SAMUEL H. YOUNG

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. YOUNG of Illinois. Mr. Speaker, the people of the United States are concerned about their senior citizens. Approximately one-tenth of our population is over 65 years of age. The Older Americans Act which this Congress has passed and continues to support, is an example of the reflection of public concern through the Congress.

There are many agencies, both public and private, that are trying to provide and create a fuller life, a more satisfying life, for our senior citizens.

The Presbyterian Home of Evanston, Ill., is one of these private agencies that provides a meaningful lifestyle for approximately 500 residents in three operating components with a full-time staff of over 250 persons.

The Geneva Place provides separate rooms and housing for 120 persons and has a library, music room, auditorium and shopping facilities.

Westminster Place consists of 60 cottage units, 57 townhouses and 130 apartments.

The Mary McGaw Infirmary and Louise Wilson Infirmary contain a total of 176 beds, 6 clinics and X-ray and laboratory departments.

The officers and directors of the Presbyterian Home are dedicated persons who have a great concern for their fellow man and they are doing something about it.

On May 6, 1974, the Presbyterian Home celebrated its 60th anniversary. On this occasion, four outstanding individuals were presented with the "Foster G. and Mary W. McGaw Awards."

Speaking on such occasion, Elliot Richardson, former Attorney General, gave a very inspiring address on concern for senior citizens.

Donald Sharp, president, made an appropriate report on the history and development of the Presbyterian Home and its plans to raise an additional $9 million to match a $3 million challenge gift by Foster G. and Mary W. McGaw.

Brainard Chapman, chairman of the National Presbyterian Home, described these recipients of the "Foster G. and Mary W. McGaw Awards" as follows:

Address By Brainard Chapman

William McCormick Blair is the son of a distinguished Chicago family and founder of the investment banking firm which bears his name. He has devoted much to the growth of Chicago in the arts, sciences and higher education. The presence of his life-size portrait in the Chicago Club bespeaks his stature among the leaders of that city; and his international standing was apparent when he brought the Versailles Exhibition to the Chicago Art Institute.

The Presbyterian Home especially salutes Mr. Blair for his many years as President of the Congregation of the Fourth Presbyterian Church, for his gift of the magnificant Blair Chapel to that institution, and for his personal democracy and humility.

By authority of the Board of Directors, the Presbyterian Home joyfully bestows upon William McCormick Blair the Foster G. and Mary W. McGaw Award.

Dr. Karl Menninger is a physician, teacher, author, and humanist, whose contributions to medicine, psychiatry, mental health and prison reform are legion. He has devoted more than half a century to the service of mankind. To Dr. Menninger, closed doors have been a challenge, and the horizons of knowledge have been no barrier to his passion to isolate, analyze and solve problems in human behavior which have baffled lesser men. Dr. Menninger's vocation and avocations have overlapped, and he has succeeded in them all.

In these days when society's emphasis is on the masses and large numbers, we are particularly grateful to him for his understanding consideration of the individual.

By authority of the Board of Directors, the Presbyterian Home is honored to bestow upon Dr. Karl Menninger the Foster G. and Mary W. McGaw Award.

Dr. James Roscoe Miller is a student, cardiologist, teacher, dean, president and chancellor of a great university, his life has been one of personal growth and service. And as he grew, the university grew; and as the university grew, its operating budget grew—more than six-fold since he became president; and to keep its budget in balance, its benevolences grew—and that was his department. Northwestern's growth has been financially sound because of his even-handed execution of his open-handed policy. The Presbyterian Home congratulates Dr. Miller.

And all the while, Dr. Miller's counterparts in business and finance, who were not content that he limit his talents to the academe, invited him to share with them his wisdom; and he generously acquiesced. As a long, close friend of the man and woman in whose names the McGaw Medal has been cast, it is particularly appropriate that Dr. Miller is one of its first recipients.

By authority of the Board of Directors, the Presbyterian Home proudly bestows upon Dr. James Roscoe Miller the Foster G. and Mary W. McGaw Award.

W. Clement Stone is an original and provocative thinker, philosopher, author, tireless advocate, competent executive and human dynamo. He founded and built a great insurance company through his industry and abiding faith in a positive mental attitude. He has assiduously sought to teach our nation's youth how to duplicate his record, and he has brought his multiple talents and philanthropy to bear in many problem areas of our society, perhaps most importantly, in the field of mental health.

In common with the other men whom The Presbyterian Home salutes tonight, Mr. Stone lost his life only to find it and he has found fulfillment in helping others. But, in Mr. Stone's case, the Presbyterian Home has a particular pleasure because, as a member of a local Presbyterian congregation, the Presbyterian Home not only salutes a friend, but also a neighbor.

By authority of the Board of Directors, the Presbyterian Home happily bestows upon W. Clement Stone, the Foster G. and Mary W. McGaw Award.

LIBERATING OUR SERVICE ACADEMIES—CONGRESSMAN SAMUEL S. STRATTON'S PERSUASIVE ARGUMENT

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. CHARLES H. WILSON of California. Mr. Speaker, as a member of the Manpower Subcommittee of the House Armed Services Committee, chaired by the distinguished Congressman from Texas, Mr. O. C. Fisher, I have been concerned with improving the quality and capability of the All-Volunteer Army. To this end, I have long been a supporter of legislation to admit women to our Nation's service academies and applaud the Merchant Marine Academy for taking the first step in this direction.

At our opening session on May 29 to consider H.R. 11268, I was greatly impressed by the testimony offered by Congressman Samuel S. Stratton, a senior member of the full committtee, in support of this important legislation. Congressman Stratton pulled no punches in answering, eloquently and cogently, all the arguments I have ever heard against admitting women to our service academies.

For the benefit of those colleagues who are not yet convinced that, as Congressman Stratton states, "The services need qualified women today more than the women need the services," I would like at this point to share Congressman Stratton's very persuasive views:

Testimony of Congressman Samuel S. Stratton in Support of H.R. 11268, To Admit Women to the Service Academies

Mr. Chairman, I appear here this morning as a co-sponsor of H.R. 11268, to urge the committee to approve the bill. I speak as a senior member of the Committee, who indeed is often classed as belonging to the committee's more conservative and militant wing. I also speak as a long-time member of the Board of Visitors of the U.S. Naval Academy, and as a long-time member with over 31 years, 6 of those on active duty, of the U.S. Naval Reserve.

I have long favored the admission of women to the service academies, long before it became so fashionable in the House and the Senate, and as a member of the Naval Academy's Board of Visitors I urged some three years ago the admission of women and warned Academy officials they were opposing the inevitable, and instead of thinking up reasons to keep women out, they ought to be making plans to make their admission a simpler and less traumatic experience.

Mr. Chairman, let me say in all candor that I do not regard the official Department of Defense report on our bill as a serious document or even as worthy of what should regularly and predictably be the intellectual level of the Department of Defense. They have no official arguments, only excuses. In fact their official response makes it clearer than ever that the overwhelming bulk of the opposition to women in the service academies is based on nothing more than inertia and resistance to change.

Actually, as members of this distinguished subcommittee are well aware, there is nothing new about women in the U.S. Armed Forces. We had them in World War I, and we had them in far greater numbers in World War II—nurses, administrators, yeomen, ferry pilots. And in recent years, under pressure from the women's movement and Members of Congress, we are enlisting women in all our services, admitting them to ROTC, to the Navy's Officer Candidate School at Newport, Rhode Island; the Navy has commissioned two women as pilots; we have a woman admiral and several women generals now; in the Army a woman has been placed in command of male troops stationed overseas; and the Merchant Marine Academy, one of the nation's traditional service academies, has already opened its ranks to women applicants.

So what is all the fuss about? If women can do all these things—including attend the Merchant Marine Academy—what is so unique or forbidding that the Republic would somehow crumble overnight if women were to be admitted to West Point, Annapolis, or the Air Force Academy at Colorado Springs? In general three reasons have been given for opposing such admission: (1) need for added facilities, (2) the service academies train only combat personnel, and (3) the "discipline", if we use a polite euphemism, of the academies' procedures would be unduly harsh on women cadets and midshipmen. Let me examine each of these in order.

First, with respect to facilities. This is utter nonsense. If women want to go to the service academies they must be prepared to live under the ascetic conditions that prevail there. The only physical changes that would be required would be the addition, or conversion, of a few female bathroom facilities. Compared to the normal milcon budget originating from the three academies each year this expense would be peanuts.

Second, the matter of academy "discipline," or what is really involved, academy "Mickey Mouse." These are the sophomoric, neanderthal traditional practices that still apply at West Point and Colorado Springs, and to a somewhat lesser degree at Annapolis, designed to inflict physical and psychological punishment on new plebe cadets and midshipmen to "condition" them to the rigid disciplinary procedures of service academy life as contrasted with civilian life on the outside. Actually, there is no excuse for these practices in the military academies anyway. The Navy has taken some steps to modify them. They ought to be abolished altogether, and if the admission of women is needed to do it we ought to admit women to the academies for that purpose alone. No such procedures apply in ROTC and very few apply in OCS. Yet there is no statistical proof whatsoever that "Beast Barracks" at West Point leads to significantly improved intellectual or combat capabilities when West Point graduates reach the combat field. Discipline is a necessary part of military life, and must apply to women as well as men. In fact most women exceed men in their ability to adhere to such rigid procedures. Childish abuse, designed primarily to allow sophomores to take out on the freshmen the indignities that they themselves endured a year ago, is totally indefensible in the academies whether we ever admit women or not.

Finally, the argument about combat. It is alleged that the service academies train only for combat careers. This is unmitigated nonsense. Graduates of Annapolis who cannot meet the eye test are commissioned in the Supply Corps; some of these may go to sea, but so do Navy nurses now. Some whose color vision proves defective, like Roger Staubach, don't even have to serve; they can move directly into a career in professional football. Until this year the Naval Academy had a premedical program. Its participants became doctors, not combat line officers. The program was terminated this year, probably because its existence—as I have pointed out to the Navy on many occasions—was a living refutation of their constant claim—still embodied in the DOD report on our bill—that all Academy graduates are programmed for combat line careers. The Air Force Academy has a similar pre-med program.

While I do not have the precise statistics—and you will probably find them hard to get while these hearings are under way—the same is true for the Air Force and the Army. Only a portion of Air Force Academy graduates fly. And only a portion of them end up flying in combat, believe it or not. Many Air Force Academy graduates end up in missile sites in North Dakota, or as ground officers on air bases. Are these really combat roles in any meaningful sense of the word? A woman silo officer could be killed in a direct hit on a silo, but so could a lot of other civilian women with the same hit on the same North Dakota missile site.

The same is true of the Army. Some day we ought to figure just how many men in a typical combat infantry division ever really fire a rifle. I spent two years overseas in World War II, most of it with the Army, as an intelligence officer. I went ashore in 3 combat landings, I interrogated prisoners in the front lines, I dug foxholes and ducked falling bombs and never once fired a shot in anger. I try to convince my children I was some kind of war hero, but I have often wondered privately how much of my job could probably have been performed just as well by a qualified woman. Almost all of it, I'm afraid.

I'm not suggesting that we ought to have women in combat, Mr. Chairman. They don't even have women firing rifles in the Israeli Army. But the fact of the matter is that the definition of combat is a whole lot narrower than many people—especially those who have never been in combat—think it is. There are an infinite number of very important combat support assignments that women can fill, in the combat zone, without ever having to fire a rifle—intelligence, medical, aviation, auto maintenance, communications, logistics. For that matter there are an awful lot of shipboard jobs in the Navy that don't involve direct "combat", including our whole nuclear Polaris fleet. Do women have to automatically be disqualified from such assignments? To be sure they might themselves be killed, but as we learned in Britain and Germany and Russia in World War II, the front lines in modern warfare include the home front. Women and children died in those conflicts even though they never saw a uniform much less a service academy.

The fact of the matter is, Mr. Chairman, the services need qualified women today more than the women need the services. We on this Committee know all too well that the volunteer army is not working out. We need more volunteers. We need more highly qualified and more highly motivated volunteers. This is what women can do for us today in the armed services. And if we enlist them as privates and apprentice seamen then we also have an obligation to allow them to serve as officers as well. If we do accept them as officers they deserve to be trained at the same academies—as well as the same universities—as the men. We can't relegate women in the service to some female ghetto.

Frankly, I don't expect that even if we pass this bill we are going to be deluged with women applicants. But I believe the women we do get will add a great deal, in brains and in enthusiasm, to our service academies. It is time for us to pass this bill, Mr. Chairman, and it's time for us to tell the Service Academies to grow up, get rid of their Mickey Mouse, and catch up with the rest of America and the rest of the world.

A TIME FOR ACTION

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. RONCALLO of New York. Mr. Speaker, many persons have contended that American policies, both foreign and domestic, are reactions rather than actions and are not consistent with the great American traditions of world leadership and fundamental principles as put forth in our great National Documents.

Proponents of this idea have further asserted that our political leadership is more concerned with the polemics of the political rhetoric of peace than with viable programs to establish peaceful settlement of differences between nations on the basis of understanding and dealing with human need. Such viewpoints are often exaggerated but they should serve as cause for deep thought.

"A Time for Action," an essay written by Bruno Andrews, a Rotarian of my constituency, is an eloquent plea for humanity. He contends that—

> What the mind of man can conceive and believe man can achieve.

His thesis is that man has invented war and that man has the infinite mental capabilities to invent peace. Mr. Andrews suggests the establishment of a Rotary International College for World Peace with graduate fellowships offered to citizens of every nation of the world.

Originally presented to the Rotary Club of Massapequa, Long Island, the essay was then circulated among 400 Rotarian leaders in 150 nations representing 778,000 Rotarians and resulted in a great outpouring of affirmative response. Especially gratifying was the fact that the Cairo, Egypt, Rotary Club and the Haifa, Israel, Rotary Club maintained open communication in a cooperative pursuit of this ideal while their nations were engaged in mortal combat.

The essay follows:

A TIME FOR ACTION

(By Bruno Andrews)

Dear Fellow Rotarian: This year we are observing the 68th anniversary of Rotary International. We can reflect with pride on the monumental growth from its meager beginning of 4 members to its present strength of 15,500 Rotary Clubs and 728,000 Rotarians in 149 countries.

To commemorate the phenomenal development, I believe, Rotary International should reach high and initiate a program commensurate in scope and humanitarian importance with its universality of membership, accelerated rate of growth and basic fundamental principles. We need to focus our combined effort on the human problem. Each of us need to make much greater effort to avoid continued misery of mass slaughter and maiming of humanity in our world.

Based on a firm belief that the similarities between people are more important and create a bond of strength superior to the power of cleavage caused by their differences, we, as Rotarians, should cross the threshold of the 20th century and light the way to achievement of man's eternal dream of universal peace.

It is a sad commentary on our technologically advanced society that man has learned to propel himself to the moon and back, but has yet to learn to live at peace in harmony on planet earth. Where is the sanity of worrying about balancing our check book when all of humanity can be incinerated in a nuclear flash?

The world is too dangerous for Rotarians to live life as if it is a comfortable room. If we are to avoid future mass slaughter and maiming of humanity each of us must commit ourselves to something larger than himself.

The difficulties in enforcing the peace terms in Vietnam point to a terrifying fact about human society. Men know far less about the making of peace than about the making of war. On a global scale they maintain academies to teach war strategy and tactics. They carry out far flung programs to train soldiers to fight. They spend billions of dollars on weapons and bombs. They require men to give a year or more of their lives in compulsory military service.

What about peace? No one is compelled to study peace or to work for peace. There are no government peace academies for educating people in the difficult and intricate arts of peace making and peace keeping. In terms of human thought, action or commitment, the tragic truth is that peace has never been as important as war.

The United Nations is a dramatic example of the secondary role of peace in human affairs. It was founded in 1945 for the purpose of eradicating the "scourge of war"—in the words of the preamble to the U.N. charter.

Yet, the world organization has never been given the means to fulfill that purpose. The statesmen, especially from the major nations, make grandiose speeches about the importance of the United Nations, but they carefully deprive it of authority for carrying out its mandate. The United Nations as a world organization has no lawmaking or law enforcing powers. It is severely limited in its ability to deal with world anarchy.

The finanial support given to the United Nations by its members is an all too accurate reflection of the value they attach to a peace keeping mechanism. The United States pays the highest dues, by far, of any of the members of the United Nations yet, the United States has spent more for an average single day of warfare in Vietnam than its full year payment to the United Nations.

We must learn to pay the price for peace for we get what we pay for—in peace as in everything else. Presidents Nixon, Johnson, Kennedy and Eisenhower have said that the eradication of war is the most vital business on earth. Yet our payment to the United Nations has been slashed. The budget for the United Nations—the only agency inside the U.S. Government specifically charged with the responsibility for finding ways to bring effective arms control and disarmament in the world—has been cut to ribbons.

Meanwhile, our military budget has been increased—despite the end of the war effort in Vietnam and the recent detente with the Chinese and the Russians.

It is not just national governments that give far more attention to war making than peace making. Peace is the most neglected subject in the American educational curriculum. Not more than a dozen American colleges and universities have instituted systematic world peace studies. Manhattan College, Duke University, Colgate University and the University of Michigan are among the pioneers in American higher education recognizing the fact that people must be educated in the nature and management of peace if peace is to become a reality.

The ultimate test of civilization is whether or not it contributes to growth—improvement—of mankind. Does it uplift, inspire, stimulate and develop the best in man? There is really no other right purpose of world community except to provide an environment and an opportunity to develop a better people.

Unless the world community works for humanity it is not working at all. We must think and plan and program not alone in terms of schools, highways, streets, offices, the marketplaces, or even dwelling units, but we must plan and program with the fundamental purpose of making the world community into a neighborhood where a man, his wife and family can live and work and above all else, grow—grow in character, in personality, in love of God and neighbor.

Without the development of a world community which exists to serve human life and not detract from it, our complex civilization cannot survive.

Fellow Rotarians, there can be no more noble concept in our society than service above self to a worthy person or worthy ideal for the benefit of humanity. Therefore, I pray that the Rotary Club of Massapequa will seize this opportune moment to initiate in the district through the International Service Division and the Rotary Foundation the adoption of a program to establish a Rotary International College for World Peace based on the fundamental basic humanistic principles of Rotary . . . to issue a broad appeal for support and involvement on a world wide scale. Enrollment of qualified graduate students on a fellowship basis, establish enrollment quotas for every nation in the world regardless of its form of government. Its object would be to train people to become International Civil Servants, especially in complicated matters of peace keeping through world understanding among nations through the peaceful settlement of differences between nations.

A study of human behavior can only lead to the conclusion that, war need not be inevitable, peace has a mind of its own and does not automatically follow the cessation of hostilities, it will not go away by itself. When enough people come to understand that peace is a science, and are prepared to meet its stern demands, there is an excellent chance that war can be abolished. Until then it is difficult for the human race to regard itself truly civilized.

When Rotarians become personally committed and involved in the progressive realization of this high ideal of service to world humanity we will feel spiritually enriched—more alive in Rotary. We will better understand that one Rotarian does make a difference and what the individual Rotarian can bring to the construction of social progress and to peace for world humanity.

THE SUGAR ACT SHOULD BE TERMINATED

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. PEYSER. Mr. Speaker, today I joined with my colleagues, Mr. Reuss, Mr. Van Deerlin, Mr. Eilberg, and Mr. Findley in sponsoring the following letter, which I thought would be of interest to the Members of the House:

Dear Colleague: The bill to extend the Sugar Act, H.R. 14747, is scheduled for consideration on the House floor on Tuesday, June 4.

In our opinion, it should be rejected.

Price fixing, quotas, government decrees, international trade barriers, uneconomical production, subsidies, and bureaucracy are all hallmarks of this forty-year-old program that long ago outlived its usefulness.

The program has not kept prices from running wild. On the contrary, by providing some foreign nations with privileged and arbitrary access to the U.S. market, it is responsible for the volatile world price of sugar. Sugar is now more than double the price the program is supposed to assure. Experts forecast that demand in relation to supply will remain so strong for several years that prices will remain well above the Act's objective.

It has not assured adequate supplies at stable prices. Quotas, which in times of surplus assured both supplies and prices, now go unfilled as domestic producers turn to more profitable crops and foreign producers to other markets. Witness the recent erratic action of the Philippines, our largest foreign supplier. World conditions are unstable and unpredictable; at such a time neither the quota system nor arbitrary domestic production controls serve any useful purpose. Congress should abandon both.

Producers and users of sugar—and taxpayers as well—will be better off if the existing program is allowed to expire on December 31. Without the program, income will remain strong for producers—domestic and foreign alike. Production and prices will respond more precisely to market conditions, free of legislated distortions. Permanent law in the form of tariff and price-support authority (in the Agricultural Adjustment Act which will not expire) will provide producers with adequate standby protection.

We invite your help in terminating this unwise and outdated program.

POLYGRAPH AND TELEPHONE MONITORING HEARINGS

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, during the early 1960's, the House Foreign Operations and Government Information Subcommittee conducted studies on the Federal Government's use of polygraphs—popularly known as "lie detectors"—and telephone monitoring devices.

At that time, the subcommittee strongly criticized both practices, pointing out the dangers in the proliferation of such snooping.

Recently, the subcommittee circulated a questionnaire to Federal agencies on the current use of these devices. Certain technological changes have occurred within the last few years which require an updating of the subcommittee's investigation in these two fields.

The current mood of the Nation on questions of invasion of privacy also calls for these hearings so Congress will have the latest information available for whatever action it deems necessary.

Therefore, as chairman of the subcommittee, I have scheduled public investigative hearings on polygraphs for June 4 and June 5 and similar sessions on telephone monitoring for June 11 and 13. All hearings will begin at 10 a.m. in room 2203 of the Rayburn Building and include both agency and outside witnesses. The findings and recommendations will later be contained in a report submitted for consideration by the Committee on Government Operations.

MAYC OF EAGLE LAKE, TEX.

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. PICKLE. Mr. Speaker, some months ago, I attended the 1974 scholarship dinner for the Mexican-American Youth Council in Eagle Lake, Tex.

This is an impressive concept, Mr. Speaker, of the youth and adults of a town joining together in self-help for Mexican-American youth.

I feel this is a unique group and only their bylaws can truly tell their story.

I include the constitution and bylaws of Mexican-American Youth Council, MAYC, in the RECORD:

CONSTITUTION AND BYLAWS OF MEXICAN-AMERICAN YOUTH COUNCIL (MAYC)

ARTICLE I

Purposes and goals

The purpose will be threefold:

A. To unite and organize the Mexican American Community into a self-help type organization.

B. To devise and implement a program that will have as its goals:

1. To encourage and assist the youth to participate in and take full advantage of all available educational opportunities.

2. To provide activities and projects that will build personality, character, good sportsmanship, healthy bodies and better citizens.

3. To give spiritual guidance that will instill in the minds of youth a sense of the need, value and practice of the Christian faith in all areas of life.

4. To build a positive attitude of constructive confidence in Mexican American youth and citizens.

C. The primary thrust of this program will be directed to Mexican American youth.

ARTICLE II

Location of activities

The location of the Mexican American Youth Council, here-in-after referred to as MAYC, will be centered in Eagle Lake, Texas, and will cover the same area as the Rice Consolidated Independent School District. However, this is not to limit the Board of Directors the right to pursue projects and activities involving youth and adults in any area they see fit.

ARTICLE III

Membership

Section 1: All persons age 18 and over interested in the advancement of Mexican American youth are eligible to membership. However, this minimum age does not apply to youth directors.

Section 2: Membership dues shall be set by the Board of Directors.

Section 3: The Board of Directors may, at its discretion, provide for other types or classes of membership including both youth and adult.

ARTICLE IV

Annual meeting of membership

Section 1: Time and place. The regular annual meeting of the membership shall be held in Eagle Lake, Texas, or at any other place within the area served by MAYC as may be designated by the Board of Directors. Such meeting shall be held within thirty days of the close of the fiscal year and at a time and place specified by the Board of Directors. Special meetings may be called by the Board of Directors.

Section 2: Notice of meetings. Written or printed notice of all membership meetings, stating the nature, time, place and purpose thereof shall be mailed to each member at least ten days prior to the time of the meeting.

Section 3: Voting rights and quorum. Each member is entitled to one vote and voting by proxy shall not be permitted. The number present at any regular or special meeting of MAYC duly called and held shall constitute a quorum for the transaction of business.

Section 4: The purpose of the annual membership meeting will be to review activities of the preceeding year, receive reports of officers and committees, review plans for the upcoming year, ratify action of the Board of Directors, elect a new Board of Directors, complete any unfinished business and/or to consider any new business.

ARTICLE V

Board of directors

Section 1: Duties and number. The management of the business, program and activities shall be vested in and exercised by a Board of Directors. The Board of Directors, hereinafter referred to as the Board, shall consist of no more than seventeen (17) members, as follows:

A. At-large positions: There shall be up to seven At-large Directors who will be designated by alphabetical position. These seven alphabetical positions will include representatives of any sponsoring organization as provided for in Article VIII herein.

B. Regular Members: There shall be up to ten (10) regular members designated both by numbered position and by area of responsibility as per Attachment A.

Section 2: Election of Directors. The Board of Directors shall appoint a nominating committee which will make nominations of directors to the annual membership meeting. The nominating committee will consider specific areas of responsibilities in making its recommendations.

Section 3: Election and terms of office. At the first annual membership meeting, Directors shall be elected to succeed the first Board that was appointed by the Steering Committee which was created by action of the Andrew Men's Club of the Guadalupe Catholic Church. At the first annual membership meeting the number of Directors shall be fixed as herein stated and that number shall be elected to serve until the end of the current fiscal year as fixed in Article IX, except a Board position may remain vacant by action of the Board as in Article V, Section 8. Directors shall be members of MAYC. Thereafter, Directors shall hold office until their successors have been duly elected. Directors shall not hold more than three (3) consecutive one (1) year terms.

Section 4: Meetings. The first meeting of a newly elected Board shall be held within ten (10) days of the annual membership meeting, at which meeting, officers of the Board shall be elected. The Board shall hold at least one meeting every three (3) months. Special meetings of the Board shall be held when called by the Chairman or President or by a majority of Directors.

Section 5: Notice of meetings of the Board of Directors shall be mailed to each Director at least five (5) days prior to time for such meeting.

Section 6: Vacancies. If a vacancy shall occur in the office of any directorship, such vacancy may be filled by an appointment made by the Board who will serve until the next annual membership meeting.

Section 7: The Executive Committee of the Board shall consist of the Chairman, President, Vice President, Secretary, and Treasurer and may exercise the power and authority of the Board between sessions of the Board and subject to the will of the Board.

Section 8: In the event the Board determines to not have an active project in a specific area of responsibility as indicated in Attachment A, then such numbered position should remain vacant.

ARTICLE VI

Officers

Section 1: The Board of Directors shall elect from its number, a Chairman, President, Vice President, Secretary and Treasurer and such other officers and subcommittees as deemed advisable.

Section 2: The term of officers will be for one (1) year and shall be the same as that of the Directors. Officers shall serve without compensation and until their successors are elected. Nominations for election of officers may be by secret balloting or by Nominating Committee and/or from the floor. Election of officers must be by secret ballot when there is more than one nominee for the vacancy to be filled.

ARTICLE VII

Duties of officers

Section 1: Duties of Chairman. The Chairman shall preside over all meetings of the Board of Directors, call regular and special meetings of the Board.

Section 2: Duties of President. The president shall serve as Vice Chairman of the Board, he shall be coordinator of all projects and activities, he shall be the executive officer and ex-officio member of all committees.

Section 3: Duties of Vice President. In the absence or disability of the President, the Vice President shall perform the duties of the President.

Section 4: Duties of Secretary. The Secretary shall keep a complete record of meetings of the Board of Directors. He shall have charge and supervision of all books and records of MAYC. He shall serve all notices of meetings as required by the by-laws.

Section 5: Duties of Treasurer. The treasurer shall keep an accurate account of all funds, dues, income and expenses, and perform all duties with respect to the finances of MAYC.

Section 6: Other officers and committees may be appointed and their duties prescribed by the Board.

ARTICLE VIII

Sponsorship

In order to assist in the program and in the implementation of specific projects, the Board may seek and accept two types of sponsors as follows:

A. General Sponsor: A General Sponsor will be limited to an organization or institution. The purposes, goals and motives of any sponsoring organization or institution must be in harmony and be compatible with the purposes and goals as expressed in Article I herein. Board approval is required for the appointment of a General Sponsor.

B. Project Sponsors: Project sponsors may include individuals, businesses, organizations, institutions, agencies and clubs who have special interests and capabilities that would be valuable in the implementation of specific projects. Board approval is required for the appointment of project sponsors. However, the responsible Director may actively seek and tentatively approve project sponsors.

ARTICLE IX

The Fiscal Year Shall Begin Feb. 1 and End Jan. 31.

ARTICLE X

Amendments

These by-laws may be altered or amended by a vote of a majority of the members attending an annual or special membership meeting. However, notice of any proposed change shall be given in the notice of the meeting.

HOUSING FOR THE ELDERLY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. RANGEL. Mr. Speaker, this is a time of optimism in our dealings with the national housing quandary. The two omnibus bills presently in Congress have created new hope toward solving the riddles of public housing, urban renewal and Federal subsidization policy. However, in the midst of this optimism and fervor to "get something through," we must not lose sight of all the needs that are to be answered by this legislation. Perhaps the most crying need of all is that of the elderly.

There are presently 20 million Americans over the age of 65; 6 million of these people live in substandard dwellings; 1.6 million must cope with the discomforts of inadequate plumbing. A large percentage of this group are poor, relying entirely upon their social security payments for support. Many are members of various minority groups and are subjected to all the intrinsic discrimination that comes with being black in our society. They are often disabled and must count upon the effective delivery of nutritional, health, transport, and other essential services. In short, millions of our senior citizens require subsidization in order to attain accommodations suitable to their needs at prices they can afford.

At present, there are a mere 350,000 units of public housing designed to suit the needs of the aged. We must not be indifferent toward the needs of people who have spent their lives in service to our Nation. With this in mind, I wish to submit a summary of the housing report of the 1971 White House Conference on Aging (WHCOA). This report outlines a sound housing policy for the aged which would be valid for the next 10 years. Because of the urgency of this concern, I am submitting a statement outlining the viewpoints of several organizations representing the aged.

The Senate bill, (S. 3066), contains several provisions for the updating and expanding of section 202 of the Housing Act of 1959. These provisions embody several of the recommendations of the WHCOA report. For example, a trust fund would be established for housing loans to the elderly and handicapped. It is my hope that the House Committee on Banking and Currency will see to it that H.R. 10036, when submitted to the floor, will contain similar provisions. The time is short, and the current mood is to delete all but the most basic elements of the housing legislation. However, when the final act emerges from the House-Senate conference sessions, it must come to grips with the needs of our elderly. As the following report explains, "If we are indifferent toward the last years of life, we diminish the dreams of all our people:

PROCEEDING OF THE 1971 WHITE HOUSE CONFERENCE ON AGING

INTRODUCTION

There were 362 Delegates named to the Housing Section. Some 327 of these filled out an advanced registration form, and of these, 25 percent indicated that they were already retired. Approximately a fifth of the registrants of the Section were members of one of the minority groups.

The various professional and technical groups concerned with different aspects of housing the elderly were represented by highly experienced persons. The most numerous of these were administrators of old-age or retirement homes. Others were public housing authorities and directors, architects, builders, realtors, legislators, model cities personnel, bankers and brokers, nursing home administrators, housing planners and consultants.

Interested organizations were also strongly represented. Among them were unions, religious groups, associations of homes for the aged, cooperatives, nursing homes, boarding homes, and resident care homes. Delegates who were providers of services related to housing included dietitians, social workers, physicians and nurses, religious leaders, and environmental planners.

The recommendations produced by this complex and sophisticated group of Delegates, guided by the preferences expressed by the older people among them, reflect the desires and thinking initiated in the State and local White House Conferences on Aging, the earlier Older American Forums, and National Organization Task Forces.

Altogether, the Section approved 25 recommendations addressed to such critical policy questions as the funding of elderly housing, eligibility for occupancy of publicly assisted housing, types of housing needed to meet the diversified and changing needs of aging persons, financial aid programs for homeowners and renters, standards, and research and manpower needs to insure quality of facilities and of their management.

Within these recommendations will be found policy guidelines for feasible action in the area of housing which, if implemented at national, State and local levels, by public and private resources, will not only increase the quantity of housing available to older people, but concomitantly will improve the quality of their lives.

SECTION REPORT

PREAMBLE

A national policy on housing for the elderly worthy of this Nation must enjoy a high priority and must embrace not only shelter, but needed services of quality that extend the span of independent living in comfort and dignity, in and outside of institutions, as a right wherever the elderly live or choose to live.

Of particular concern and priority are the poor, the minority groups, the disabled, and the aged located in isolated rural areas.

Availability of housing in great variety is imperative. Such housing should respond to health and income needs and provide a choice of living arrangements. It should include sales and rental housing, new and rehabilitated housing, large and small concentrations. It should be produced by public agencies and by private profit and nonprofit sponsors, with incentives to encourage such housing in all communities.

Funds to support a massive and varied housing program and mechanisms for assuring appropriate services are imperative to the well-being of the elderly of this Nation. A decent and safe living environment is an inherent right of all elderly citizens. It should become an actuality at the earliest possible time.

RECOMMENDATIONS

Recommendation I.—Earmarked Funds for elderly housing

A fixed proportion of all government funds—Federal, State, and local—allocated to housing and related services, shall be earmarked for housing for the elderly, with a minimum production of 120,000 units per year.

Recommendation II.—New Eligibility Criterion

Eligibility for the benefits of publicly assisted low and moderate income housing and related services shall be based on economic, social and health needs. Recipients having incomes above an established minimum level shall pay for benefits on a sliding scale related to their income.

Recommendation III.—Housing production based on need

The Federal Government shall ensure that State, regional, and local governments and private nonprofit groups produce suitable housing for the elderly on the basis of documented need. The Federal Government shall encourage production through the uniform application and use of appropriate incentives.

Recommendation IV.—Variety of Housing with related services

A variety of living arrangements shall be made available to meet changing needs of the elderly. Such arrangements shall include residentially oriented settings for those who need different levels of assistance in daily living. The range shall include long-term care facilities for the sick; facilities with limited medical, food and homemaker services; congregate housing with food and personal services and housing for independent living and recreational and activity programs.

Recommendation V.—Supportive and outreach services

Supportive services are essential in the total community and in congregate housing. Emphasis shall be given to providing more congregate housing for the elderly, which shall include the services needed by residents and provide outreach services to the elderly living in adjacent neighborhoods when needed to help older people remain in their own homes.

Recommendation VI.—Property tax relief

The State or Federal Government shall provide mechanisms to make possible local property tax relief for the elderly homeowner and renter.

Recommendation VII.—Elimination of procedural delays

Every effort shall be made to eliminate red tape and procedural delay in the production of housing for the elderly.

Recommendation VIII.—Allocation of housing to minority groups

Particular attention shall be given to the needs of all minority groups and the hardcore poor elderly. At least 25 percent of the elderly housing shall be for the hardcore poor elderly, those with incomes at the poverty level or less per year.

Recommendation IX.—Multidisciplinary review teams

All Federal agencies dealing with housing for the elderly shall be required to establish multidisciplinary teams to formulate guidelines for architectural standards based on the needs of the elderly. The multidisciplinary teams shall also have authority to review and approve innovative proposals.

Recommendation X.—Development of housing by minority groups

Minority nonprofit groups shall be encouraged and assisted in developing housing for the elderly.

Recommendation XI.—Relocation and replacement

When housing units for the elderly are eliminated for any reason, adequate replacement units must be available and relocation programs provided before such persons are displaced.

Recommendation XII.—New definition of family needed

Congress should revise the definition of a family in the National Housing Act to include single persons 55 and over.

Recommendation XIII.—Preservation of neighborhoods

The Federal Government shall encourage the preservation of neighborhoods of special character through rehabilitation, and selective replacement of substandard dwellings with new dwellings, with full provision for the elderly of the area to remain in their familiar environment.

Recommendation XIV.—Direct loan housing program

Housing funds now impounded by the Administration should be released and the highly effective Section 202 of the Housing Act with its special guidelines related to space, design, construction, and particularly favorable financing, restored.

New Section 202 projects should be established by recirculating monies now being sent to the United States Treasury from mortgage payments and Section 202 conversions to Section 236 or like programs. Such conversions of current Section 202's should be encouraged by establishing incentives.

The Senior Housing Loan Section 202 administrative component of the Department of Housing and Urban Development should have management audit responsibility for all Section 202 projects and all Section 236 elderly projects.

Recommendation XV.—Rent supplement

The rent supplement program shall be increased in dollars and eligibility.

Recommendation XVI.—Housing and related services

Financial incentives shall be available to families providing housing and related care in their own homes, or in appropriate accommodations, for their elderly relatives.

Recommendation XVII.—Property tax exemption for nonprofit housing sponsors

The Federal Government shall provide financial incentives to State and local governments to encourage property tax exemption of voluntary, nonprofit sponsored elderly housing projects.

Recommendation XVIII.—Assistance for home maintenance

The inability of the elderly to financially maintain their homes because of high maintenance cost and increasing taxes resulted in the recommendation that interest-free, non-amortized loans be made available, the amount of the loan to be related to income, with repayment either upon the death of the borrower or the transfer of the property.

As an additional element of national policy, it is proposed that ways or mechanisms be researched to enable older homeowners to voluntarily utilize the equities in their homes to increase their discretionary income while remaining in their own homes.

Recommendations XIX, XX, XXI.—Government organization for housing

(XIX) Congressional action shall be taken to establish within the Department of Housing and Urban Development an Office of Assistant Secretary of Housing for Elderly. This office shall have statutory authority and adequate funding to provide overall direction toward the implementation of a national policy and the production of housing for the elderly.

(XX) Executive action shall be taken to create an Executive Office on Aging within the Office of the President.

(XXI) Congressional action shall be taken to create a Special Committee on Aging in the House of Representatives.

Recommendation XXII.—Protection for elderly homeowner

The Congress shall enact legislation to safeguard the elderly property owner or purchaser from unscrupulous real estate developers and/or promoters.

Recommendation XXIII.—Housing for rural and Indian elderly

The Congress shall enact legislation providing special funds for adequate housing and supportive programs to meet the unique needs of rural elderly Americans, including those on Indian reservations.

Recommendation XXIV.—Housing standards

Standards for physical and environmental security should be developed and applied as an integral and basic element of all housing projects serving the elderly.

Recommendation XXV.—Housing research and training

Competent service to the elderly in housing requires sound research widely disseminated and utilized, covering many aspects of their living arrangements. Such research shall be undertaken to cover the health, physical, psychological, and social aspects of environment in urban and rural areas; to delineate the needs of elderly over 80 years of age; to determine the needs of transient elderly; to establish the importance of selecting appropriate locations; and to provide safe and adequate construction. Particular attention is directed to the consequences to vulnerable older people of improper sales methods and inadequate housing arrangements. There also shall be undertaken a well-conceived and well-financed program of training for professional and semiprofessional staff to develop efficient and competent management in developments for the elderly.

KEMPER HONORED BY NATIONAL COUNCIL ON ALCOHOLISM

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. CRANE. Mr. Speaker, on May 2, James S. Kemper, Jr., president and chief executive officer of Kemper Insurance and Financial Cos. received the Gold Key, the National Council on Alcoholism's highest award.

It gives me great pleasure to extend congratulations to Mr. Kemper who has long been a leader in the effort to fight the disease of alcoholism in this country.

Jim Kemper has been a member of the board of directors of the National Council on Alcoholism since 1959 and, while he has been active in all phases of NCA's operations, his most recent contribution has been in the area of health insurance coverage for alcoholism.

At one time alcoholism, not considered the illness which it is, was excluded from standard health insurance policies. Today, as a result in part of the efforts of Jim Kemper, many major plans throughout the country include coverage for alcoholism just as they do for other diseases.

Under Jim Kemper's leadership, Kemper Insurance has been a pioneer in the development and utilization of effective corporate programs dealing with the rehabilitation of alcoholics, as well as with other drug abusers. In 1973, his companies were the first to extend coverage for alcoholism care under group accident and health policies to State licensed alcoholism treatment centers. Alcoholism care in hospitals has been part of Kemper health policies for many years.

It has long been Jim Kemper's belief that American business cannot thrive in a vacuum. Only in a healthy and strong society can business achieve its real potential, and only by assisting men and women to do the best which their abilities will permit can our society fulfill its real promise. To help to make our society a healthy one, Jim Kemper has served in many different capacities, including service as a member of the Department of Health, Education, and Welfare's National Advisory Council on Alcohol Abuse and Alcoholism.

In the past, only seven Gold Key Awards have been made in the 30-year history of the National Council on Alcoholism. Previous recipients have been Alcoholics Anonymous, the late E. M. Jellinek, the late Raymond G. McCarthy, R. Brinkley Smithers, Mrs. Marty Mann, Senator HAROLD HUGHES, and Mercedes McCambridge.

A free society is only as decent a place as the men and women who make it up. Jim Kemper has been a real source of such strength, dedication, and civic mindedness and he is to be congratulated for a job well done.

THE HERO OF HUNGARY

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. ZWACH. Mr. Speaker, Josef Cardinal Mindszenty is truly a pillar of the ideals of individual freedom that we, as Americans, cherish.

Ordained in 1915, Cardinal Mindszenty's private life is one of meditation, prayer, and fasting. His public life is a constant struggle against fascism, communism, and atheism.

His campaign against communism began in 1919 against the terror tactics used in the first move toward the foundation of a commune in Hungary.

During World War II, he was one of a few priests arrested and jailed for his anti-Nazi sermons and letters and his intercessions on behalf of the persecuted Jews.

His fight against communism continued shortly after the war when he was named Prince Primate of Hungary. He was offered free passage to the West by the Communists but preferred to remain in Hungary, despite his full understanding that his decision would probably cost him his life.

He was arrested on December 26, 1948, by the secret police and imprisoned until he was freed by rebels in 1956.

He gained asylum with the U.S. Mission in Budapest where he remained for 15 years. He refused to leave his flock. He believed it his duty to remain in his homeland.

He finally agreed to the will of the Vatican and departed from Hungary in September of 1971. His departure marked the beginning of coexistence between the Roman Catholic Church and the Hungarian State. Cardinal Mindszenty's departure and dethronement was a psychological gain for the Communists in attaining their goal of complete dominance over the lives of the Hungarian people. This fact was certified by a statement from the Hungarian Freedom Fighters Federation expressing their dismay at Cardinal Mindszenty's removal.

I ask that you, my follow colleagues, join me in honoring this stalwart hero of freedom and personal dignity.

ARTHRITIS PREVENTION, TREATMENT, AND REHABILITATION ACT

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. SHRIVER. Mr. Speaker, today I have introduced legislation designed to expand and improve the treatment received in this country by the more than 20 million people who suffer from arthritis. As more and more of our resources are directed toward health research, it is important that the Nation's No. 1 crippling disease not be forgotten.

Arthritis costs the American economy over $9 billion each year in lost wages, disability benefits, premature deaths, medical expenses, and lost tax revenues. More important, arthritis costs millions of Americans many hours of suffering from pain and disabilities. For many, the retirement years which should be rewarding have become filled with anxiety and discomfort. Many younger persons are also affected.

At present, less than 1 percent of the budget of the National Institutes of Health is used for arthritis research. The Arthritis Foundation estimates that there are approximately 50,000 arthritics in the Fourth Congressional District of Kansas which I represent and a similar number in every other congressional district. I am certain that to these people the expenditure of $18 million of a total NIH budget of nearly $2 billion is inadequate for arthritis research.

My bill would upgrade research activities aimed at finding better ways of treating and preventing arthritis and rehabilitating arthritics. It would strengthen research programs and provide training opportunities to encourage physicians and allied health personnel to enter the field of arthritis research. A National Commission on Arthritis and Musculoskeletal Diseases would be set up to develop a long-range arthritis plan, similar in purpose to the national cancer plan.

There must be a concerted effort to end this major disabling disease, and I urge that action be scheduled on this bill by the Public Health and Environmental Subcommittee of the House Interstate and Foreign Commerce Committee.

MODIFIED OPEN RULE

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. GUDE. Mr. Speaker, the House will shortly have before it the Oil and Gas Energy Tax Act of 1974. Consideration of this measure provides us with an important, even historic, opportunity not only to restore a measure of tax equity long laid aside, but also to strike a blow for openness and democracy in House proceedings. By that I refer to the modified open rule which the Democratic caucus has instructed the majority members of the Rules Committee to approve.

It has long been recognized that complex tax bills could not be fairly dealt with under a completely open rule, that such a procedure enables bills to become "Christman trees" decorated with special interest ornaments and only a bit of tinsel in the way of reform.

It is also clear, however, that a closed rule is contrary to democratic principles and frequently thwarts the will of the majority of the Members. A closed rule gives to the committee which authored the bill sole power in determining vital legislation of interest to the whole country. It is undemocratic in the extreme that other Members of Congress should have no influence on the development of such legislation except through their "yes" or "no" vote on the finished product. A fair and progressive compromise between these two extremes is the modified open rule permitting certain amendments announced in advance.

This procedure allows all Members to consider important legislation on the merits of each of its parts rather than as a whole, and it gives committee members who may have lost a vote in committee an opportunity to take their case to the whole House.

The justice of such a rule is clearly illustrated in the vote of the Democratic caucus to instruct the Rules Committee to permit votes on the Green and Vanik amendments to H.R. 14462. The Green amendment would provide for an immediate end to the oil depletion allowance rather than the phase-out called for in the bill, and the Vanik amendment would change the tax credit on foreign produced oil to a regular deduction and eliminate the deduction on intangible drilling costs. It makes no sense whatever that all Members of Congress should be denied an opportunity to vote on two fundamental amendments to a landmark piece of legislation.

I support the amendments in question and with them attached I support the bill, but more importantly, I support the rule which would permit consideration of these amendments. Opening committee doors to the public is an important step forward which to the credit of the House, it has largely made, but it is not enough. We must also open House procedures to the will of the majority, and I urge all Members, regardless of their positions on the Green and Vanik amendments, to support a modified open rule on H.R. 14462 and to permit free and open debate to take place.

PUERTO RICAN GOVERNOR CALLS FOR CLOSE PERMANENT TIES WITH UNITED STATES

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. HARRINGTON. Mr. Speaker, the relationship between the Commonwealth of Puerto Rico and the United States is an evolving one, dynamic not static, and not immutable to change. Since the establishment of this unique governmental compact in 1952, the arrangement has been subject to reevaluation so that it could better reflect the needs of both parties to the compact.

In an effort to achieve a stronger bond between two friendly governments, an Ad Hoc Advisory Group on Puerto Rico, whose members were appointed by the President of the United States and the Governor of Puerto Rico, has been reexamining this compact. It was before this committee that the Governor of Puerto Rico, the Honorable Rafael Hernandez Colon testified, and his views were inserted in the May 3, 1974, CONGRESSIONAL RECORD. I commend his remarks to the attention of my colleagues, and want to assure the Governor that his ideas will receive serious consideration from those of us in the U.S. House of Representatives who have the welfare of the people of Puerto Rico very much in mind.

Mr. Speaker, I would like to insert in the CONGRESSIONAL RECORD an editorial from the May 10, 1974, Christian Science Monitor which points out the importance of Gov. Hernandez Colon's statement before the Ad Hoc Advisory Group on Puerto Rico:

PUERTO RICO'S MATURING STATUS

All United States federal legislation, under current procedure, automaticaly applies to Puerto Rico unless the Caribbean island is specifically exempted. Puerto Rico's Gov. Rafael Hernandez Colon wants to change this arrangement, automatically excluding the island unless it is purposely written into legislation before Congress.

This is only one of a number of steps that Governor Hernandez Colon mentions as "needed revisions" in the commonwealth arrangement under which Puerto Rico is linked to the U.S. These revisions add up to a plea for "local control over matters fundamentally local in nature."

They amount to a call for greater self-government, more autonomy for the sun-drenched island in the Caribbean. But Governor Hernandez Colon is quick to say he wants no loosening of ties with the U.S. Those ties, he said recently, are "a unique experience in interdependence . . . many decades ahead of its time."

The overwhelming majority of Puerto Ricans, at least 95 percent, favor retention of the ties. But this majority also supports revisions in the arrangement and Governor Hernandez Colon is obviously on solid ground when he makes his new plea. If implemented, the changes he seeks would recognize the vastly different requirements of Puerto Rico and the U.S. Economic differences, for example, between the crowded, resource-poor island with 875 people per square mile and a huge, wealthy continental nation with only 57 people per square mile result in dissimilar problems and solutions.

Without representation in Congress, Puerto Rico has long found that many decisions produce policies which, while beneficial to the mainland, are inadvertently detrimental to the best interests of the people of Puerto Rico. For this reason, there is much logic in what Governor Hernandez Colon seeks. The ad hoc U.S.-Puerto Rico committee now looking into the commonwealth arrangement ought to weigh his words carefully and come up with recommendations aimed at meeting the problems he mentions..

PATIENT REFERRAL IRREGULARITIES

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. ROYBAL. Mr. Speaker, the results of several recent studies have indicated that some doctors have not always had the health of their patients in mind when they have prescribed treatment or medication. It has been alleged in one study that 20 percent of all operations were unnecessary for the patient's well-being. Another found that doctors have prescribed unnecessary drugs and required excess visits for their medicare and medicaid patients. Since these reports have been made public, steps have been taken to correct these practices.

However, recent developments have demonstrated that there is another pernicious practice known as "patient selling" being carried out in some of our largest cities. Some private community hospitals, funded by groups of doctors, are finding it difficult to fill their beds and operate at a profit. They have, therefore, contracted with doctors to pay a referral fee or kickback to any doctor who refers a patient for treatment. This has led some doctors to refer healthy patients to hospitals for costly stays or minor operations that were not necessary. The referring doctor takes his fee, the hospital charges exorbitant rates for unnecessary services and the patient often faces financial ruin without receiving meaningful health care.

Today, I have introduced a bill which represents a partial solution to the problem. My bill would prohibit hospitals which receive Federal aid from compensating physicians or other people for referring patients for treatment. The Secretary of HEW is charged with making regulations for the enforcement of this policy.

My bill, however, cannot reach the totality of the problem. Many of these private community hospitals do not depend on Federal support and will remain outside the purview of the statute. Currently, some 17 States have statutes which prohibit fee splitting by physicians. I am hopeful that when the "patient selling" problem is aired at hearings on my bill, other States will also act to prevent this pernicious practice.

WATERGATE—REQUIEM FOR A PRESIDENT

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. DERWINSKI. Mr. Speaker, we do recognize that here in Washington, the press is not truly representative of the thinking across the country as a whole.

I do believe that their views, especially the obvious personal attacks toward the President, are not shared by all the press across the country.

As an example of this belief, an article by Ted Weckel in the Oak Lawn-Evergreen Park News of Thursday, May 23, gives his personal views on the impeachment issue:

WATERGATE—REQUIEM FOR A PRESIDENT

(By Ted Weckel)

As I sat watching "The Making of a President" last week on my local TV outlet, namely my family room couch, I could not help from reflecting how far a man could come back from adversity and conversely how far a man could sink to the brink of ruin, all within a decade.

For those of you who were not privileged to have viewed the show, it was the documentary of John F. Kennedy's campaign for the Democratic nomination for President, as well as his campaign for President against R. M. Nixon in the memorable election of 1960, I am referring, of course, to one Richard M. Nixon, our now embattled President elect who is not only fighting for his political life but who well may be serving, as our president, his last few months in office.

Tomes of words have been written about the many faces of Dick Nixon. Most of which our readers are more than familiar with, but where did it all start and why did he allow it to happen. These are the questions that are uppermost in the nation's minds. This writer, being a neophyte in the great game of politics, will not speculate on the why's or how's of Watergate, for I will leave these observations and comments to the professionals who make a living at their trade.

I would like, if I may, to take a quick look at the human side of our President. Yes, good people, he is a human being just like you and me and I think the humaness of our President has somehow been lost in the overwhelming lust for certain factions of our nation who are seeking to destroy not only the man but the office of President as well.

Unfortunately for President Nixon, and for those who will follow, our political system is not that sophisticated that any one man can possibly control the myriad of committees and their particular functions on an "in depth" capacity, that surrounds the highest office in the land. Consequently, due to the humaness of any President, he must choose and select people who he believes will operate their particular segment of a campaign in an honest and forthright manner. Now, no matter how sage a human being may be, the margin for error in judgment in selecting a number of "bad apples", in this vast multitude of workers, is extremely prevalent. Needless to say, in the "Watergate Horror", this has never been more evident.

Now the question has been posed—so many, many times—can a President be held accountable for the actions of these "Bad Apples" that have been "caught with the goods"? But let's take that supposition a wee bit further. Can any President be held accountable for being "caught in the act" of a system that we, the people of the U.S. of A. have created? How many public officials have not been caught. That is the question. How can we as a nation, and more specifically, the "uncaught" public officials now have a "Holier Than Thou" attitude, when the quarters and dollars are still hanging from the sides of their mouths from their daily trips to the trough. No—two wrongs don't make a right and I hope they never will, but all of this self righteousness and "goody-two-shoes" attitude that is being displayed by the politicians on both sides, as well as the Press and Television, just has to be the height of hypocrisy.

I somehow feel that Mr. Nixon, at this point in time, is "Taking the Pipe" so to speak, for all of the past Presidents' sins and errors, from good old George Washington down to L.B.J. I somehow get the feeling that we are all about to witness an old fashioned lynching. The unruly and unthinking crowds, worked up to a fever pitch, are about to take the prisoner from the jail, throw the rope over the old Oak tree and proceed with the hanging. After it is all over, the crowds look in sullen silence, hang their heads and shuffle off, each to their own thoughts. Most wondering whether it was the right thing to do.

I will not sit in judgment of Dick Nixon, for some day all of us will be judged on our own individual merits, from the leaders of the world to the lowest caste of India. All will be judged accordingly and in their proper perspective. But for those who cry "Impeach, Impeach"—let them cast the first stone—but perhaps a more proper epitaph for the Presidency of Richard M. Nixon might read—"Father forgive them—for they know not what they do".

PERSONAL STATEMENT

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. PEYSER. Mr. Speaker, because of the concern with the financial status of all public officials expressed by the media as well as certain public groups, I am disclosing at this time pertinent segments of my 1973 income tax.

My total earned income for 1973 was $58,152.32. This is a decrease from my 1972 income of $3,186.88. Fourteen thousand nine hundred and thirty-nine dollars comes from life insurance renewals—renewals represent a deferred commission on life insurance policies that I sold prior to becoming a Member of the U.S. Congress. The earnings on these renewals will decrease every year. I earned $710 in honorariums. In Federal, State, and local taxes I paid $15,621.39. I contributed $925.65 to charity. Due to a change in the tax regulations, I had to report on my tax form the amount of money contributed to the 23d Congressional District educational fund. This figure added $10,500 to my total income. All of this money, with the exception of $4.58, was spent for services to the district such as newsletters, et cetera. I had personal expenses directly related to my job as a Congressman—namely the maintenance of an apartment in Washington while my family still lives in our home in New York, food, travel, et cetera—of $5,500 for which I am not compensated. I do receive a $3,000 deduction from my total income for my expenses incurred living in Washington. I own no tax free bonds or other securities. I have filed a full report of my earnings and sources of earnings with the Clerk of the House every year I have been in Congress.

"COOKIE" GOSPODARIC NAMED UNICO CITIZEN OF THE YEAR

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. O'BRIEN. Mr. Speaker, I would like to publicly congratulate Frank J. "Cookie" Gospodaric, a gentleman from my hometown of Joliet on being named 1974 Citizen of the Year by the Joliet Chapter of UNICO.

No one deserves this honor more than "Cookie," as he is affectionately known. His generosity and outstanding service to the community over the years have won him friends throughout Joliet and the country. UNICO stands for unity, neighborliness, integrity, charity, and opportunity and there can be no doubt that "Cookie" embodies all those qualities, although he would be the last to say so.

I would like to take this opportunity to submit for the record an article that ran in the Joliet Herald-News describing the award presentation and I would also like to congratulate Miss Patricia Baron, who was UNICO's 1974 scholarship winner.

The article follows:

ONE OF GREATEST MOMENTS: GOSPODARIC

Unpretentious as always, and with a catch in his voice, Frank J. "Cookie" Gospodaric, honored Sunday night as UNICO's 1974 Citizen of the Year declared "I feel this is one of the greatest moments of my life."

Insisting that others were more deserving of the award, he told the overflow audience of some 600 "Through you I became somebody." He accepted the engraved trophy presented to him by UNICO president Ralph Bada "in the name of the community as well as myself."

Miss Patricia (Pat) Baron, an honor student at Joliet West, shared honors with Gospodaric at the 18th annual dinner-dance program of the Joliet Chapter at the Sheraton-Joliet Motor Inn. She is the chapter's 1974 scholarship winner. The honor student, who is enrolled in the Loyola University School of Nursing in Chicago, was presented with a $1,000 scholarship. Paul Trizzino, vice president, made the presentation.

Pat, poised and with her brown eyes sparkling, expressed gratitude to the selection committee and to her teacher and counselors at West. "I'll do the best to bring credit to UNICO, to Joliet West and to the nursing profession," she pledged.

Her widowed mother, Mrs. Helen Baron, accompanied her and was a special guest.

Toastmaster Louis R. Bertani ushered in the program with the observation "Where but in America would an Italian service club honor a Slovenian as Man of the Year and give a scholarship to a young lady of Ukrainian descent."

Two surprise awards were made to Gospodaric during the program. Frank Lewandowski, representing the Retail Liquor Dealers of Will County and Area 36 presented him with a plaque denoting his friendship and the generosity to the dealers. The plaque notes that "no person is ever honored for what he received but for what he gives."

State Rep. Harry Leinenweber presented Gospodaric with a copy of House Bill 897 as adopted by the Illinois House of Representatives May 14 honoring him for the Man of the Year designation and outlining his many community accomplishments during the last 50 years.

It was Bill Lipsey, the 1973 Man of the Year, who presented the "unpublished accomplishments" of Gospodaric which qualified him for the 1974 honor. He used UNICO's theme in his litany of performances, stressing that "Cookie is a very humble person."

Lipsey told of the Unity in Gospodaric's family and its close-knit relationship.

N, he said, stands for neighborliness and noted that Cookie has friends all over the United States. He also declared that the honoree is "miserly when it comes to friends. He makes new ones but never forgets the old ones."

I, said Lipsey is for integrity and stressed that not once was Gospodaric's integrity questioned. "He is above reproach," added Lipsey.

C is for charity and he proceeded to tell of several of Cookie's charitable deeds with Cookie requesting that they be given no publicity. "This is the truest form of charity," said Lipsey.

"O is for Cookie's uncanny ability to recognize opportunity, to assess situation for what it is and turn a liability into an asset." "He makes his own opportunities," said Lipsey.

In his response Cookie mixed his usual wit with his informal remarks, some of which he tried to read but quickly abandoned for "off the cuff remarks."

In a serious moment he commended UNICO for "its wonderful work." He paid tribute to Miss Baron, the scholarship winner and commended the club for awarding such a scholarship. "It's wonderful for the community and it has earned you the respect of the community. UNICO is wonderful," he concluded in expressing his gratitude for the honor.

In the audience were princes of the church, federal and circuit jurists, professional people and men and women from all walks of life.

AN IMPORTANT OPINION

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. McKINNEY. Mr. Speaker, amidst the variety of opinions on the legalities and practicalities of recent events, I believe a clear and well-reasoned position on the subject of Presidential resignation merits our attention. The following editorial, broadcast by Mr. Ray Colonari, vice president and general manager of WICC radio, Bridgeport, Conn., reflects a view with which some may not agree but which must be presented to appraise the public of both sides of this important issue. Especially now, when it is so necessary for the public to be informed, the press and media are charged with the responsibility of delivering the complex facts of today's news to a large and diverse audience. I think WICC, and Mr. Colonari, serve the people of Connecticut's largest city well in this capacity.

The editorial, broadcast May 16, follows:

> WICC hopes President Nixon does not resign. The arguments made that he should, do not outweigh the reasons why he should stay on as the possible impeachment process determines his guilt or innocence. For him to resign now would leave major questions unanswered. We have seen government turnovers recently in England, France, Israel, Denmark, West Germany, in most cases because the people or the elected governments took issue with the failures of the various administrations' policies. In this country Presidents are elected to serve for four years with the voters given the oportunity to make the choice for the next four years. We do not think the future will be served by the establishment of a precedent whereby an extremely unpopular President is houndetd out of office. Both the President and the country are due a complete and public airing of all the facts.

NATIONAL RADIO MONTH

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. YATRON. Mr. Speaker, May has traditionally been recognized as Radio Month throughout the United States—a fitting time during which to reflect on the important role played by radio in our lives.

Today, the manager of the local radio station is an integral part of the community. Like any small businessman, he must battle the encroachment of Federal Government into our lives. He must recognize the relation of the major issues and current events to everyday living. And, he approaches these problems with objectivity and compassion.

He is usually his own program director, sales manager, and many times, chief announcer and news director—quite an extensive list of responsibilities. The radio station manager belongs to virtually every service organization in the town and he is involved with his community in a very personal way.

Perhaps the most significant aspect of the small station operation is the vital role it plays in public service.

Whenever there is an emergency in the town, when disaster or tragedy strikes, the record of local radio stations is unparalleled and impressive. It is a record of service to which the entire broadcasting industry can point with pride.

In our complex society, the local radio station provides not only a bridge to reality and information, but a door to life itself—to the world in which we live and to the problems, needs, and achievements of people. When disaster occurs and modern science is often incapable of providing immediate solutions, we can look to the radio and its public services to the community.

No better example exists than the quality and character of public service performed by Pennsylvania stations during the flood disasters of hurricane Agnes in 1972. With unselfish dedication—and I have firsthand knowledge that this is so—local radio stations went about the business of broadcasting warnings, helping to protect life and property, and offering encouragement.

Radio was the only link between flood victims and the rescue operation in most cases.

On a day-to-day basis, the station manager is an actual part of every local event, large or small, as well as a part of national and international matters. He knows his business and is aware of his responsibilities to the community. The station manager responds to the needs of the people. Unfortunately, his achievements sometimes go unrecognized, even in his own community.

In the Sixth District of Pennsylvania—Berks, Schuylkill, and Northumberland Counties—we have an unusually outstanding group of radio stations. They provide civic and cultural direction and I am honored to list these stations below.

It is a privilege to commend their outstanding work to the attention of my congressional colleaguues.

Radio—disseminating information to the people, offering enjoyable entertaining, and providing responsible reporting. A window to the world.

Radio stations in Pennsylvania's Sixth Congressional District:

BERKS COUNTY

WEEU Broadcasting Company, Reading.
WRAW Radio, Reading.
WBYO Radio, Boyertown.
WHUM Radio, Reading.
WRFY-FM, Reading.

SCHUYLKILL COUNTY

WAVT Radio, Pottsville.
WPPA Radio, Pottsville.
WZTA Radio, Tamaqua.
WPAM Radio, Pottsville.
WMBT Radio, Shenandoah.

NORTHUMBERLAND COUNTY

WMIM Radio, Mount Carmel.

SUPPORT FOR CUYAHOGA NATIONAL PARK CONTINUES

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. VANIK. Mr. Speaker, the distinguished chairman of the House Subcommittee on Parks and Recreation (Mr. TAYLOR) has scheduled a field hearing for June 8 for further consideration of H.R. 7077, a bill to create the Cuyahoga Valley National Historical Park and Recreation Area in Ohio. That bill, now with 48 House cosponsors, will preserve up to 20,000 acres of undeveloped land between Cleveland and Akron.

The Cuyahoga Park has enjoyed wide support from all aspects of the community. The Cleveland newspapers, including the Cleveland Plain Dealer, have consistently supported the park and have given excellent coverage to both House and Senate legislative deliberations.

I would like to include in the RECORD the Plain Dealer's latest editorial, published May 29, in support of the park. The editorial follows:

WHY OHIO NEEDS CUYAHOGA PARK

> Since 1965 the state of Ohio has committed $125 million to acquiring parklands and developing them for use. But even counting public parks now owned by the state, Ohio is still one of the five states with the lowest ratio of parks to people.
>
> The federal government has attempted to use the state's relatively new dedication to improving outdoor recreation as an argument against designating the Cuyahoga River Valley as a national historical park and recreation area. The state, says the federal government, already is doing a splendid job of buying land in the valley under a 50–50 funding program with the federal government.
>
> The federal position conveniently overlooks a report by the National Park Service in 1972 that emphatically recommended federal park status for the Cuyahoga Valley area to preserve it against imminent threats to its rural, semiwild nature. If the state perseveres in buying land in the valley under the 50–50 arrangement, it is estimated that 20 years will be needed to acquire the proposed park area. By that time irreparable changes may have been made in the landscape.
>
> It cannot be argued either that local effort is a criterion that the federal government has used in the past in establishing national park sites. Of the other four states at the low end of the park-per-person scale, Texas has three national parks, North Carolina has two, plus national forests, and Massachusetts has one. Only Rhode Island, the smallest state has none, but four national parks are closer to its residents than any are to Ohioans.
>
> Ohio is the sixth largest state, and with Indiana, Illinois, Michigan and Wisconsin is in an area where one-fifth of the total population of the nation is concentrated. Yet Ohio has no national park, and only 1 percent of all federally administered recreation areas are located within the five-state region.
>
> The National Park Service controls 24,560,000 acres nationwide. If each state had an equal share, Ohio would have 491,213 acres of national parks. That is not how national parks are established, and it should not be a factor. But it is true that Ohioans must travel long distances to use the national park system.
>
> A congressional committee will be in the valley, at Blossom Music Center, June 8 for a hearing on the proposed national park. The Plain Dealer knows that committee members will be deeply impressed with the beauty of the area and urges all those who want the park to become a reality to attend the hearing and register their support, either as witnesses or by written statements.

THE LANGUAGE PROBLEM

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. RANGEL. Mr. Speaker, it is difficult to comprehend the disillusionment experienced by a frightened child who is believed by his teachers to be retarded. This is the plight of many monolingual Spanish-American youngsters. When a student is branded as ignorant, his self-esteem falters; with this, goals and expectations diminished.

This tragic cycle of failure and frustration must be broken. Bilingual education is a viable solution but has not received the support it deserves. I would therefore like to submit for the attention of my colleagues, the following newspaper column by Jose Torres which recently appeared in the New York Post. It illustrates the kind of success that can be realized by bilingual education projects:

THE LANGUAGE PROBLEM

(By Jose Torres)

Have you heard about the Puerto Rican boy who couldn't speak a word of English, went to school here and, when he reached the fourth grade, was officially branded retarded.

In the first grade, Raulito's (not his real name) teacher said he was too slow; in the second grade, he was considered ignorant; in the third grade, the teacher said he was stupid; and, before he completed the fourth grade, Raulito was sent to an institution for retarded children.

Then, by sheer accident, broadcaster Geraldo Rivera discovered this young boy. Not only did he find Raulito not to be retarded, to the contrary, he thought Raulito was a highly intelligent child.

What had happened to Raulito was simply that he couldn't communicate, and nobody bothered or was able to find out why. He had been a victim of his language—Spanish.

Raulito's case is not an isolated one. It has happened to other Puerto Ricans. That's why there are so many Puerto Rican dropouts from our public schools. And there are implications which go beyond the teacher-student relationship, which affect Puerto Rican homes.

To illustrate: There is a fiery struggle by many Puerto Rican educators to convince the school system to certify bilingual programs in public schools. Paradoxically, many Puerto Rican parents are against it. And many of these parents who oppose bilingual education, it should be noted, themselves can't speak English.

Non-Puerto Rican authorities are puzzled by this, and Puerto Ricans involved in the school system are trying to convince parents of the Puerto Rican child's need for bilingual education.

The problem, as I see it, is psychological but not all that complicated. These Puerto Rican parents see their own language as a barrier, an enemy, the English language as their nemesis. It's the reason for their poverty, their social status.

It's not a strange thing for a Puerto Rican mother to tell a neighbor in Puerto Rico, "My son speaks English," as a sign of intelligence and superiority.

In Raulito's case, he began as a slow student and wound up as "stupid." Doubtless, his IQ shrank as he advanced in grades. Understandably, learning the English language became more difficult as he moved up through the grades.

To prevent more Raulitos, more dropouts, things are being done by Puerto Ricans within the school system. I've visited many schools where bilingual experiments are taking place. I've seen the determination of many young Puerto Rican teachers who see bilingualism as a must for the thousands of Hispanic children who flood our schools.

Annette Fuentes is a teacher at CS 211, the Bronx school involved in bilingual education. She is a Puerto Rican mother with muscle in her words, proud of her heritage, determined to advance her people. And she is not alone.

With her in the struggle are 39 other teachers and principal Carmen Rivera, also Puerto Rican. They have 600 students in 23 bilingual classes. Although the children are mostly Puerto Rican, they have black classmates who are learning the Spanish language of their neighbors.

"This unique and innovative school program," said Carmen Rivera, "offers all its children the opportunity to learn a second language—English to the Spanish-dominant and Spanish to the English monolingual and bilingual children. In addition, there is the commitment to maintain, strengthen and develop the children's vernacular skills—Spanish for the Spanish-dominant and English for the English-dominant."

Walking with Annette Fuentes through the three-story mattress warehouse-turned school building, she showed me the classes the innovative teaching methods, the children's interest.

But the school faces serious problems. Located in District 10, it serves children from District 12, so 50 per cent of its pupils are bused in while many of the others walk long blocks to school. The school must also maintain a roster of 750 children to qualify for federal funds.

"In September," Annette Fuentes said, "District 12 is opening four new community schools, none of them bilingual. This could mean the end for us."

The implication is that since CS 211 pupils are from District 12's area, their parents may elect to send them to the new schools within walking distance rather than continue busing them in. I have talked with community leaders throughout the city, asked them to look into the situation. It would be tragic if CS 211's work should go down the drain.

NS "SAVANNAH" TO BE USED AS MODEL FOR TANKERS

HON. BO GINN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. GINN. Mr. Speaker, in its work to seek the answers to the many problems that confront our Nation, the Congress often funds pilot projects and demonstration programs to test new ideas. All too often these programs sink into oblivion. But on occasion they set the stage for a revolutionary new approach to needs of the present and demands of the future.

The Congressional program that led to the construction of the nuclear ship *Savannah* in 1962 was such a program. This great ship was the testing ground for the feasibility of nuclear-powered merchant shipping. The NS *Savannah* itself has been retired now after completing its mission of proving the promise of nuclear power for commercial vessels. It rests now in Savannah's harbor in my district.

With the energy crisis and the spiraling cost of petroleum our Nation's merchant fleets are searching now for new fuel sources. They are looking to nuclear power, and thanks to the NS *Savannah*, the answer to their search is near at hand. On May 22, George P. Livanos, president of Seres Shipping, Inc., announced his intention to build nuclear-powered tankers using the technology learned through the NS *Savannah*.

This is a dramatic development for all Americans, and I would like to share with my colleagues an excellent article concerning Mr. Livanos' plan. The story was written by Ms. Barbara Dlugozima, one of the outstanding staff writers of the Savannah Morning News-Evening Press. I would also like to include in the RECORD a copy of Mr. Livanos' statement of May 22.

The article follows:

"SAVANNAH" TO BE USED AS MODEL FOR TANKERS

(By Barbara Dlugozima)

An American shipping company executive announced here this morning his firm has made application to build three nuclear-powered oil tankers using the Nuclear Ship Savannah as a model.

George P. Livanos, president of Seres Shipping Inc. of New York City took the occasion of National Maritime Day, which is today, to make announcement on board the N.S. Savannah.

He said that hopefully by May 29 his firm will have applied to the U.S. Maritime Administration for permission to construct three ultra-large crude-oil carriers of 600,000-ton capacity.

The vessels—he referred to them as "super nukes"—will enter service in the early 1980s and will fly the American flag and be manned by American crews.

"NOT DEPENDENT"

Livanos said the purpose of the ships will be "to demonstrate to the world that the United States is not dependent on the energy resources of other nations to power the vessels required for its ocean commerce."

He predicted that the tankers will be money-making, saying this is also a purpose of the venture.

$40 MILLION

The cost of the nuclear plant on each ship will run as high as $40 million.

In making the announcement, Livanos said he wants to see that America does not slip back into the "mediocrity" in shipping, that he said the nation experienced in the late 1960s.

He noted that the N.S. Savannah proved that nuclear powered ships, and the atom itself, could be used for peaceful purposes.

He said he was saddened by the fact that the ship is now sitting idle.

He said he envisioned the ship as "the forerunner of a new generation of commercial nuclear ships with capabilities which even Jules Verne would have considered a dream."

He added, "The N.S. Savannah, displacing roughly 10,000 tons, traveled approximately a half million miles, burning only 165 pounds of uranium. Today, as a result of advances in the state of the art which the Savannah made possible we can obtain six times its power output and drive on ultra-large crude carriers of 600,000 tons going ten times around the globe on a single fuel loading."

Livanos said he foresees his ships, if approved by the federal government, helping to ease the gas shortage.

OFF SHORE PORTS

He outlined what he called "the piston theory." He said his ships would load up with oil in the Persian Gulf and bring it (the oil) to offshore ports in this country in the Atlantic Ocean and the Gulf of Mexico for unloading.

In this way the oil carriers would not pose environmental or safety dangers to anyone and "in fact, nobody would see them (the tankers) except at their gas stations they would be paying less for gas."

Accompanying Livanos at the press conference today were Dr. Zelvin Levine, director of the U.S. Maritime Administration Advanced Ship Development Office, and D. L. Crook, director of the National Maritime Research Center in Galveston, Tex.

Levine said the Maritime Administration is eager to get such a venture as the one outlined by Livanos going.

"We are getting pressure right now from people from all kinds of countries who want to buy our capability (using nuclear-powered vessels). Eventually, we will sell it to somebody, but we want it for the United States first."

Text of Press Statement by George P. Livanos

LIVANOS, SERES SHIPPING HEAD, ANNOUNCES FILING FOR THREE "SUPER-NUKE" TANKERS ON BOARD "NS SAVANNAH" ON NATIONAL MARITIME DAY

May 22—America's National Maritime Day—commemorates a truly historic event: On that date, May 22, 1819, the "S. S. Savannah"—the Steam Ship "Savannah"—lifted anchor in this harbor and embarked on a voyage which marked the first major change in man's mastery of the seven seas since Biblical times. After several thousand years of reliance on the power of the winds to drive sails, supplemented by muscle-power on the oars, the "S. S. Savannah", flying the American flag, bound for Liverpool, first harnessed steam for propulsion in ocean commerce.

A hundred and forty three years later, May 22, 1962, this beautiful ship on which we stand today, the "N. S. Nuclear Ship, Savannah", entered the very same harbor of Savannah, in Georgia and thus opened another era in the history of marine propulsion for ocean-going merchant vessels.

The power of the atom, a truly historic accomplishment, was first harnessed through the pioneering efforts of the United States Navy, under the leadership of a great American, Admiral Hyman Rickover. When the submarine "Nautilus" radioed back, "underway on nuclear power", 20 years ago, the atom was first harnessed for warships.

Just as the "Nautilus" was the forerunner of more than a hundred nuclear vessels which fly the flag of the U.S. Navy, on and under the oceans and the great Arctic icecap that cover three-fifths of the earth, the "N. S. Savannah" should have been, and can still be, the forerunner of a new generation of commercial nuclear ships, with capabilities which even Jules Verne would have considered an impossible dream.

Christened by Mrs. Eisenhower, the "N. S. Savannah", displacing roughly only 10,000 tons, traveled almost a half-million miles, entered 46 world ports without accident or incident, burning only 165 pounds of uranium fuel.

Today, as a result of advanced state-of-the-art which the "N. S. Savannah" made possible, we can obtain 6 times its power output and drive an Ultra Large Crude Carrier (ULCC) of 600,000 tons, longer than the World Trade Center is tall, 10 times around the earth on a single fuel loading.

Other nations also have learned the lessons of the American "N. S. Savannah"—indeed, we Americans, with customary generosity, published all of the know-how of the 'N. S. Savannah" for all the nations of the world to use as they saw fit. Germany has built her own "Savannah", christened the "N. S. Otto Hahn", which has been in service as an ore carrier for 6 years, performing perfectly. Japan, too, has built her first nuclear vessel, the "N. S. Mutsu", but she is not yet in service. France, the United Kingdom, Italy, and other maritime nations are actively pushing the development of their first nuclear ships.

The Soviets have a nuclear ice-breaker, the "N.S. Lenin", in service in the Arctic regions, and three more under construction.

But the sobering fact is that there are more nuclear warships today flying the flags of other nations, than American; and in the equally vital area of merchant shipping, the American flag flies only on this mothballed ship, a museum, still not even open to the public.

In light of the worldwide pursuit of nuclear merchant shipping, as we stand here on board this beautiful "Savannah", her reactor dismantled and deactivated, I cannot help but wonder if she is to represent not only our finest hour of maritime history, but also our surrender of the leadership we once held.

Built as dramatic demonstration of President Eisenhower's "Atoms-for-Peace" program, never intended to be economically viable, she wrote "Mission Accomplished" on her primary task of technology and safety and efficiency.

But while the "N.S. Savannah" carried our flag triumphantly around the world, during the decade of the 60s in which she operated, those years were a decade of decline and defeat and surrender for the American Merchant Marine. From our position of Number One in maritime affairs at the end of World War II, the U.S. had declined to the point where, in 1968, we had become an almost insignificant factor in world shipping. Less than 5% of our ocean commerce was carried in U.S. ships in 1968. In short, apathy, default, defeat had replaced the spirit of bold venture that marked two centuries of this nation's history.

I was born in New Orleans, and so I know the meaning of rivers and harbors to the history of America. Today's headlines cloud our heritage, our history, and our future. Wherever we look above the horizons of this beautiful and historic city of Savannah, rich in the culture and the economy of the Old and New South, there is a pall of troubled smoke, swirling up out of these troubled times.

After forty years of bloody entanglement of the wars of the rest of the world, there is the faint glimmer of hope for "a generation of peace"—but a peace that is still so precarious that we must think first of nuclear power for the Navy, before we dare focus a high priority on merchant shipping.

Our own nation is torn with suspicion and passions which have not brought the bloodshed of civil war, but certainly the agonies run deep, as erosion becomes corrosion of our institutions and our ideals.

Militarily, our position as the world's leading power for peace is challenged. In the world economy, our leadership has been eroded, corroded, also as the plight of the American Dollar is linked almost by seismograph to the soaring values of a new currency called, "The Petro Dollar". From crude oil to steel, shortages afflict our affluent society and our "effluent economy".

At such a time, two years away from our Bicentennial, I believe all Americans should face and answer this question:

Is mediocrity—second-place surrender—to become the Spirit of '76?

For me, the answer must be an emphatic "NO!"

And standing here on this magnificent, but mothballed "Nuclear Ship Savannah", I say we still possess the brainpower and the will power—the head and the heart to be first again—certainly in shipping.

Standing here on this first nuclear merchant ship, whose proud name spans the history of steam propulsion, I say that America has the technology to capture on the oceans of the world the same leadership that Made-in-America jet engines gave us in the skies. From the C-47 through the 747, Made-in-America jets provide more than 90% of the airlift for the Free World. Made-in-America "nukes" can match that leadership on the high seas.

And I can report to you that I can feel the reawakening of that American spirit in our merchant marine. From the ebb tide of 1968, there is a distant rumble of a rising force. Strong leadership in Washington—in Congress and the White House—and in the ranks and the leadership of American seamen—from all these sources and resources of American strength of will, came the Merchant Marine Act of 1970, which has stimulated a dramatic revival of American shipbuilding—however, I would remind you that the Act of 1970 is at long last an improvement of the Act of 1936, and there were the 34 becalmed years in between.

Today, we have new shipyard facilities, new types of ships, aggressive Research and Development and—most important of all—we have a growing national recognition that America is a maritime nation.

We have now the highest level of shipbuilding activity in our peacetime history. In maritime affairs, America is on the road back to leadership! I feel it. I know it.

And in that spirit, I want to use this place, and this date—Maritime Day—on board the "N.S. Savannah"—I want to announce a business decision, and I emphasize that word "business" decision:

Whenever possible, I try to make business based on hard facts, free from emotion. The decision that we are announcing today is that Seres Shipping Inc., and its nuclear subsidiary, has applied to the United States Maritime Administration for authorization to construct 3 ULCC tankers—Ultra Large Crude Carriers of 600,000 DWT.

These "super nukes" will be planned to enter service on a piston run between the Persian Gulf and some American offshore superport—still not located or funded, still of undetermined parentage or control.

The Seres super nukes will be built in American shipyards—they will fly the American flag—and they will be manned by American crews. They will seek only the CDS—Construction Differential Subsidy—that applies to conventional ships.

But because the soaring cost of fossil fuels has already crossed the costs of nuclear power, we will seek no Government operating subsidy.

By computer and seat-of-my pants, I know the super nukes will make money—pay good American wages to the best seamen in the world—pay taxes—pay dividends to owners and operators and to the American system of free enterprise and freedom of the seas.

It has been forgotten that the "N.S. Savannah", one-sixtieth the size of the super nukes, was first designed as a tanker; as such, it might have been a profitable ship, in more ways than diplomacy and safety and efficiency.

As an American, I am proud of this beautiful and graceful ship. As a businessman, I am grateful for its pioneering achievements, without which the option of nuclear power would not exist. You, the citizens of Savannah, enjoy and have nurtured a rich maritime heritage, which this ship exemplifies. I salute you for the foresight you have shown in bringing her here to this honorable and still inspiring retirement.

With the support of port cities like Savannah, on the oceans that guard and enrich our East and West, and the great rivers that are vital arteries of our nation, this "N.S. Savannah" will have finally spawned a peaceful nuclear age on the seven seas, and under the American flag!

MEMORIAL DAY

HON. BURT L. TALCOTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. TALCOTT. Mr. Speaker, the best I read or heard on Memorial Day was a poem first read by Mrs. Elma Dean at the dedication of the Brittany Memorial to Americans who died in World War II:

Memorial Day

Let them in, Peter, they are very tired;
Give them the couches where the angels sleep.
Let them wake whole again to new dawns fired
With sun not war. And may their peace be deep.
Remember where the broken bodies lie . . .
And give them things they like. Let them make noise.

God knows how young they were to have to
die!
Give swing bands, not gold harps to these
our boys.
Let them love, Peter—they have had no
time—
Girls sweet as meadow wind, with flowering
hair . . .
They should have trees and bird song, hills
to climb—
The taste of summer in a ripened pear.
Tell them how they are missed. Say not to
fear;
It's going to be all right with us down here.

I am grateful to Lewis and Thomas Saltz for republishing this beautiful, timeless poem.

EX-IM BANK'S LOAN POLICY IS UN-AMERICAN

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. DENT. Mr. Speaker, I am sure that my colleagues are aware by now of the extension of $180 million in credit to the Occidental Petroleum Company by the U.S. Export-Import Bank, for the express purpose of financing a chemical fertilizer deal with the Soviet Union.

Certainly we know that this $180 million loan represents the largest such credit ever extended by Ex-Im Bank. But perhaps we have not all been apprised of the current situation of Ex-Im loans, set forth in an article in The Wall Street Journal dated May 24, 1974, just 2 days after the Occidental-Soviet loan was approved.

EX-IM BANK HEAD SAYS LENDING PROGRAM FACES CUT DUE TO RISING INTEREST RATES

WASHINGTON.—Rising interest rates may force sharp cutbacks in the Export-Import Bank's lending program for the rest of this year, the head of the U.S. export-credit agency disclosed.

The chief victims, said Ex-Im Bank Chairman William J. Casey, may be the bank's principal customers, U.S. manufacturers of commercial jet aircraft, which already face steep financial and competitive pressures.

Mr. Casey said that until next January, the Ex-Im Bank may "face a very real prospect" of rejecting "one out of every three or four loans we would have made in the past." He said the recent general escalation in interest rates has brought a surge of applications for Ex-Im Bank loans, which carry a 7% interest rate, much lower than the prevailing rate from commercial banks.

As a result, the bank's loan limit of $3.8 billion for the fiscal year ending June 30 already has been reached, Mr. Casey said. Indeed, he said, the agency already has made or received recommendations from its staff for about $4.8 billion in loans. This means $1 billion in loans will have to be turned down or included in the fiscal 1975 authorization, which Congress hasn't yet cleared.

"Unless next year's authorization is higher than this year's, even wtihout the usual and indeed the necessary increase in exports, we would find ourselves forced to turn down one out of every three or four loans and, if I'm any judge of trends, the reality would be a lot closer to two out of five," Mr. Casey told the Aerospace Industries Association of America, meeting in Williamsburg, Va.

Mr. Casey said the bank hasn't yet decided how it will respond to the loan pressures, although he said it probably will have to reject some loan applications. He said the bank may have to reduce its role in loan-participation or loan-guarantee programs.

He indicated the agency may have to cut the participation in aircraft loans to 30% from 45%, which would increase interest costs to the purchaser of an aircraft to 9.8% annually from about 8.6%, counting the Ex-Im Bank share and the share the purchaser borrows from a commercial bank. This, however, could bring the interest burden on credit sales by domestic aircraft producers "dangerously above" that which Europeans and Japanese competitors can offer.

About 26% of the Ex-Im Bank loans so far this year have helped finance commercial jet exports. At the beginning of this year, the bank had provided $4.2 billion in loans covering the export sales of more than 1,000 commercial jets, valued at about $10 billion. In addition, bank loans of $275 million have been made to help finance the sales of 748 other aircraft.

Mr. Speaker, I will simply add here that Ex-Im Bank's loan policy seems curiously un-American.

CONGRESSMAN DRINAN ENDORSES THE STATEMENTS OF THE COMBINED JEWISH PHILANTHROPIES AND JEWISH COMMUNITY COUNCIL OF METROPOLITAN BOSTON AND OF THE NEWTON CLERGY ASSOCIATION ON ARAB TERRORISM IN THE MIDDLE EAST

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. DRINAN. Mr. Speaker, 2 weeks ago people around the world expressed their horror in response to the cold and senseless killings of schoolchildren at the village of Maalot in Israel. Within this outrage, responsible voices were heard to call not only for an end to acts of terrorism but for an end to cooperation with these groups by governments who harbor and protect them.

Mr. Speaker, I urge my colleagues to take note of the eloquent statement on the Maalot tragedy issued by the Combined Jewish Philanthropies and Jewish Community Council of Metropolitan Boston Joint Committee on Mideast Policy. It calls for a comprehensive and active approach by the United States against terrorism and those governments who support it. The text of the statement follows:

The following statement was adopted today, (Thursday, May 16), by the Joint Mid-East Policy Committee of the Combined Jewish Philanthropies of Greater Boston and the Jewish Community Council of Metropolitan Boston.

"Thoughtful people all over the world have been overwhelmed by the barbaric acts perpetrated by Arab terrorists in Ma'alot. Today's strong U.S. criticism of the Arab terrorists' seizure and murder of Israeli school children is not enough. Only two weeks ago, the immoral U.S. vote in the Security Council of the United Nations had the effect of encouraging further Arab terrorist outrages. Ma'alot was the inevitable sequel to Kiryat Shemona and the bitter fruit of the UN vote.

"No government and no people can pretend to moral leadership by condemning only the criminal acts of a few barbarians. The Arab terrorists would not exist or function without the encouragement and support of Arab governments. Lebanon, Syria, Iraq and Libya provide essential training and staging facilities while Saudi Arabia, the Persian Gulf sheikdoms and others enthusiastically finance their crimes.

"Our government must finally recognize these realities. We know to our sorrow that terrorism once condoned knows no boundaries. The government of the United States must forthrightly condemn the actions of Arab governments that support and nourish the criminal activities of Arab terrorists and it must give visible effect to our national revulsion. Our leadership in the cause of world peace demands no less."

In a statement of my own, printed in the May 16, 1974, CONGRESSIONAL RECORD, I was careful to note the need to link the current emerging Middle East peace agreements to a long overdue suppression of terrorism. Since then I have been contacted by many of my constituents urging action in support of Israel and against terrorism. A thoughtful statement, which I have received from Rabbi Terry R. Bard, Rev. Harold Pulley, Rev. Polly Laughland, and Father Robert Connors of the Newton Clergy Association in Newton, Mass., follows:

THE MASSACRE AT MA'ALOT

With indignation and anger we respond to the senseless killings at Ma'Alot, Israel. The members of the Newton Clergy Association demand that the United Nations take action to insure that just and secure borders be guaranteed for Israel, and that any acts of terrorism be treated with the most severe means at its disposal. We call upon all people of good will to come forward and to condemn these inhumane atrocities and to build bridges of conciliation that will eliminate such acts of terrorism and the need for retaliation.

Rabbi TERRY R. BARD,
Rev. HAROLD PULLEY,
Rev. POLLY LAUGHLAND,
Fr. ROBERT CONNORS.

Mr. Speaker, I wish to echo and endorse this sentiment. Let us hope that the United Nations can overcome the black mark it earned by its callous and one-sided reaction to the terrorist attack at Kiryat Shemona with a more positive response.

ENERGY, ECOLOGY, AND ECONOMICS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. BROWN of California. Mr. Speaker, I highly recommend that every Member of Congress read a recent article by Howard T. Odum, Ph. D., that was published in the January–February issue of Industrial Development. Dr. Odum is a noted ecologist, and is a pioneer in his field. Ecology, as Webster's dictionary reminds us, is the totality or pattern of relations between organisms and their environment.

In recent years we have heard the expressions of frustration from segments of our society that ecology should include economics. Not so frequently we have heard the explanation of how it does. Dr. Odum has done a masterful job of explaining the relationships of energy, ecology, and economics. His views challenge the assumptions of most advocate groups, including many environmentalists. I intend to investigate many of the questions that Dr. Odum raises in his article, and I urge others to compare their own views with those of Dr. Odum. I insert this extremely helpful article in the RECORD for consideration by others:

[From Industrial Development,
January–February 1974]

ENERGY, ECOLOGY, AND ECONOMICS

(By Dr. Howard T. Odum, Environmental Engineering Sciences, the University of Florida)

(NOTE.—Figures referred to in text, are not printed.)

How much does energy really cost us? Tally the tab for extraction and production with the toll on the environment, and the costs may override the benefits, says a noted ecologist. Here, Dr. Howard Odum provides a balance sheet to weigh the true costs of energy against the net value that can be applied to a better quality of life. He explores proposals for the "steady state" as a means to avert catalytic catastrophe in a world that is bankrupting its energy assets.

As long predicted energy shortages appear, as questions about the interaction of energy and environment are raised in legislatures and parliaments, and as energy-related inflation dominates public concern, many are beginning to see that there is a unity of the single system of energy, ecology and economics.

The world's leadership, however, is mainly advised by specialists who study only a part of the system at a time. Instead of a single systems understanding, we have adversary arguments dangerous to the welfare of nations and the role of man as the earth's information bearer and programmatic custodian. Many economic models ignore the changing force of energy regarding effects of energy sources as an external constant; eco-activists cause governments to waste energy in unnecessary technology; and the false gods of growth and medical ethics make famine, disease and catalytic collapse more and more likely for much of the world. Some energy specialists consider the environment as an antagonist instead of a major energy ally in supporting the biosphere.

Instead of the confusion that comes from the western civilization's characteristic educational approach of isolating variables in tunnel-vision thinking, let us seek a common sense overview which comes from overall energetics. Very simple overall energy diagrams clarify issues quantitatively, indicating what is possible. The diagrams and symbols are explained further in a recent book (Odum, 1971).[1]

For example, Fig. 1 shows the basis of production in interaction of fuel reserves, steady energies of solar origin and feedback of work from system's structure. Fig. 1-a is the computer simulation of this model for our existence showing a steady state after our current growing period. As the fuel tank is drained, we return to a lower solar base of simpler agriculture. Simple macroscopic minimodels based on overview of world energy provide the same kind of trend curves as the detailed models of Forrester and Meadows (see Meadows et al., 1972).[2] With major changes confronting us, let us consider here some of the main points that we must comprehend so they may be prepared for.

1. The true value of energy to society is the net energy, which is the yield after energy costs of getting and concentrating that energy are subtracted.

Many forms of energy are low grade because they have to be concentrated, transported, dug from deep in the earth or pumped from far at sea. Much energy has to be used directly and indirectly to support the machinery, people, supply systems, etc., to deliver the energy. If it takes 10 units of energy to bring 10 units of energy to the point of use, then there is no net energy. Right now we dig further and further, deeper and deeper, and go for energies that are more and more dilute in the rocks. Sunlight is also a dilute energy that requires work to harness.

We are still expanding our rate of consumption of gross energy, but since we are feeding a higher and higher percentage back into the energy seeking process, we are decreasing our percentage of net energy production. Many of our proposed alternative energy sources take more energy feedback than present processes. Fig 2 shows net energy emerging beyond the work and structural maintenance costs of energy processing.

2. World-wide inflation is driven in part by the increasing fraction of our fossil fuels that have to be used in getting more fossil and other fuels.

If the money circulating is the same or increasing, and if the quality energy reaching society for its general work is less because so much energy has to go immediately into the energy getting process, then the real work to society per unit money circulated is less. Money buys less real work of other types and thus money is worth less. Because the economy and total energy utilization is still expanding, we are misled to think the total value is expanding, and we allow more money to circulate which makes the money-to-work ratio even larger. Fig. 3 shows the circulation of money that constitutes the GNP in a counter-current to the energy flow.

3. Many calculations of energy reserves which are supposed to offer years of supply are as gross energy rather than net energy and thus may be of much shorter duration than often stated.

Suppose for every 10 units of some quality of oil shale proposed as an energy source there were required nine units of energy to mine, process, concentrate, transport and meet environmental requirements. Such a reserve would deliver one-tenth as much net energy and last one-tenth as long as was calculated. Leaders should demand of our estimators of energy reserves that they make their energy calculations in units of net energy. The net reserves of fossil fuels are mainly unknown, but they are much smaller than the gross reserves which have been the basis of public discussions and decisions that imply that growth can continue.

4. Societies compete for economic survival by Lotka's Principle, which says that systems win and dominate that maximize their useful total power from all sources and flexibly distribute this power toward needs affecting survival.

The programs of forests, seas, cities and countries survive that maximize their systems' power for useful purposes. The first requirement is that opportunities to gain inflowing power be maximized, and the second requirement is that energy utilization be effective and not wasteful as compared to competitors or alternatives. For further discussion see Lotka (1922)[3] and Odum (1971).[1]

5. During times when there are opportunities to expand one's power inflows, the survival premium by Lotka's Principle is on rapid growth even though there may be waste.

We observe dog-eat-dog growth competition every time a new vegetation colonizes a bare field where the immediate survival premium is first placed on rapid expansion to cover the available energy receiving surfaces. The early growth ecosystems put out weeds of poor structure and quality, which are wasteful in their energy capturing efficiencies, but effective in getting growth even though the structures are not long lasting. Most recent modern communities of man have been in 200 years of colonizing growth, expanding to new energy sources such as fossil fuels, new agricultural lands and other special energy sources. Western culture and more recently Eastern and Third World cultures are locked into a mode of belief in growth as necessary to survival. Grow or perish is what Lotka's principle requires, but only during periods when there are energy sources that are not yet tapped. Fig. 3 shows the structure that must be built in order to be competitive in processing energy.

6. During times when energy flows have been tapped and there are no new sources, Lotka's Principle requires that those systems win that do not attempt fruitless growth, but instead use all available energies in long-staying, high diversity, steady state works.

Whenever an ecosystem reaches its steady state after periods of succession, the rapid net growth specialists are replaced by a new team of higher diversity, higher quality, longer living, better controlled and stable components. Collectively, through division of labor and specialization, the climax team gets more energy out of the steady flow of available source energy than those specialized in fast growth could.

Our system of man and nature will soon be shifting from rapid growth as a criterion of economic survival to steady state nongrowth as the criterion of maximizing one's work for economic survival (Fig. 1). The timing depends only on the reality of one or two possibly high-yielding nuclear energy processes (fusion and breeder reactions), which may or may not be very yielding.

Ecologists are familiar with both growth states and steady state and observe both in natural systems in their work routinely, but economists were all trained in their subject during rapid growth, and most don't even know there is such a thing as steady state. Most economic advisors have never seen a steady state even though most of man's million-year history was close to steady state. Only the last two centuries have seen a burst of temporary growth because of temporary use of special energy supplies that accumulated over long periods of geologic time.

7. High quality of life for humans and equitable economic distribution may be more closely approximated in steady state than in growth periods.

In growth, emphasis is on competition, and large differences in economic and energetic welfare develop; competitive exclusion, instability, poverty and unequal wealth are characteristic. During the steady state, competition is controlled and eliminated, being replaced with regulatory systems, high division and diversity of labor, uniform energy distributions, little change and growth only for replacement purposes. Love of stable system quality replaces love of net gain. Religious ethics adopt something closer to that of those primitive peoples that were formerly dominant in zones of the world with cultures based on the steady energy flows from the sun. Socialistic ideals about distribution are more consistent with steady state than growth.

8. The successfully competing economy must use its net input of richer quality energy flows to subsidize the poorer quality energy flow so that total power is maximized.

In ecosystems, diversity of species develop that allow more of the energies to be tapped. Many of the species that are specialist in getting lesser and residual energies receive subsidies from the richer components. For example, the sun leaves on top of trees transport fuels that help the shaded leaves so they can get some additional energy from the last rays of dim light reaching the forest floor. The system that uses its excess energies in getting a little more energy even from sources that would not be yet yielding alone, develops more total work and more resources for total survival. In similar ways, we now use our rich fossil fuels to keep all kinds of goods and services of our economy cheap so that the marginal kinds of energies may receive the subsidy benefit that makes them yielders, whereas they would not be able to generate much without the subsidy. Fig. 4 shows the role of diversity in tapping auxiliary energies and maintaining flexibility to changing sources.

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[1] Odum, H. T. 1971, *Environment, Power and Society*, John Wiley, 336 pp.

[2] Meadows, D. H., D. L. Meadows, J. Randry and W. W. Behrens, III. 1972. *The Limits of Growth*, Universe Books, New York.

[3] Lotka, A. J. 1922. Contribution to the energetics of evolution. Proc. Natl. Acad. Sci.,

9. Energy sources which are now marginal, being supported by hidden subsidies based on fossil fuel, become less economic when the hidden subsidy is removed.

A corollary of the previous principle of using rich energies to subsidize marginal ones is that the marginal energy sources will not be as net yielding later since there will be no subsidy. This truth is often stated backwards in economists' concepts because there is inadequate recognition of external changes in energy quality. Often they propose that marginal energy sources will be economic later when the rich sources are gone. An energy source is not a source unless it is contributing to net yields, and ability of marginal sources to yield goes down as the other sources of subsidy become poorer. Fig. 4 shows these relationships.

10. Increasing energy efficiency with new technology is not an energy solution, since most technological innovations are really diversions of cheap energy into hidden subsidies in the form of fancy, energy-expensive structures.

Most of our century of progress with increasing efficiencies of engines has really been spent developing mechanisms to subsidize a process with a second energy source. Many calculations of efficiency omit these energy inputs. We build better engines by putting more energy into the complex factories for manufacturing the equipment. The percentage of energy yield in terms of all the energies incoming may be less, not greater. Making energy net yielding is the only process not amenable to high energy-based technology.

11. Even in urban areas, more than half of the useful work on which our society is based comes from the natural flows of sun, wind, waters, waves, etc., that act through broad areas of seas and landscapes without money payment. To compete and survive an economy must maximize its use of these energies, not destroying their enormous free subsidies. Necessity of environmental inputs are often not realized until they are displaced.

When an area first grows, it may add some new energy sources in fuels and electric power, but when it gets to about 50 percent of the area developed it begins to destroy and diminish as much necessary life support work that was free and unnoticed as it adds. At this point, further growth may produce a poor ability in economic competition because the area now has higher energy drains. For example, areas that grow too dense with urban developments may pave over the areas that formerly accepted and reprocessed waste waters. As a consequence, special tertiary waste treatments become necessary, and monetary and energy drains are diverted from useful works to works that were formerly supplied free.

12. Environmental technology which duplicates the work available from the ecological sector is an economic handicap.

As growth of urban areas has become concentrated, much of our energies and research and development work has been going into developing energy-costing technology to protect the environment from wastes, whereas most wastes are themselves rich energy sources for which there are, in most cases, ecosystems capable of using and recycling wastes as a partner of the city without drain on the scarce fossil fuels. Soils take up carbon monoxide, forests absorb nutrients, swamps accept and regulate floodwaters. If growth is so dense that environmental technology is required, then it is too dense to be economically vital for the combined system of man and nature there. The growth needs to be arrested or it will arrest itself with depressed, poorly competing economy of man and of his environs. For example, there is rarely excuse for tertiary treatment because there is no excuse for such dense packing of growth that the natural buffer lands cannot be a good cheap recycling partner. Man as a partner of nature must use nature well, and this does not mean crowd it out and pave it over; nor does it mean developing industries that compete with nature for the waters and wastes that would be an energy contributor to the survival of both.

13. Solar energy is very dilute, and the inherent energy cost of concentrating solar energy into form for human use has already been maximized by forests and food-producing plants. Without energy subsidy there is no yield from the sun possible beyond the familiar yields from forestry and agriculture.

Advocates of major new energies available from the sun don't understand that the concentrations quality of solar energy is very low, being only 10^{-16} kilocalories per cubic centimeter. Much of this has to be used up in upgrading to food quality. Plants build tiny microscopic semiconductor photon receptors that are the same in principle as the solar cells advocated at vastly greater expense by some solar advocates. The plants have already maximized use of sunlight, by which they support an ecosystem whose diverse work helps maximize this conversion as shown in Fig. 5a. If man and his work are substituted for much of the ecosystem so that he and his farm animals do the recycling and management, higher yield results as in sacred cow agriculture (Fig. 5b). Higher yields require large fossil fuel subsidies in doing some of the work, as in making the solar receiving structures (Fig. 5c), whereas the plants and ecosystem make their equipment out of the energy budget they process. Since man has already learned how to subsidize agriculture and forestry with fossil fuels when he has it, solar technology becomes a duplication. The reason major solar technology has not and will not be a major contributor or substitute for fossil fuels is that it will not compete without energy subsidy from fossil fuel economy. Some energy savings are possible in house heating on a minor scale.

14. Nuclear energy is now mainly subsidized with fossil fuels and barely yields net energy.

High costs of mining, processing fuels, developing costly plants, storing wastes, operating complex safety systems and operating government agencies make present nuclear energy one of the marginal sources which add some energy now while they are subsidized by a rich economy. A self-contained isolated nuclear energy does not now exist. Since the present nuclear energy is marginal while it uses the cream of rich fuels accumulated during times of rich fossil fuel excess, and because the present rich reserves of nuclear fuel will last no longer than fossil fuels, there may not be a major long-range effect of present nuclear technology on economic survival. High energy cost of nuclear construction may be a factor accelerating the exhaustion of the richer fuels. Fig. 4 illustrates the principle.

BREEDER PROCESS

The Breeder Process is now being given its first tests of economic effectiveness and we don't yet know how *net* yielding it will be. The present nuclear plants are using up the rich fuels that could support the breeder reactors if these turn out to be net yielders over and beyond the expected high energy costs in safety costs, occasional accidents, reprocessing plants, etc. Should we use the last of our rich fossil fuel wealth for the high research and development costs and high capital investments of processes too late to develop a net yield?

FUSION

The big question is will fusion be a major net yield? The feasibility of pilot plants with the fusion process is unknown. There is no knowledge yet as to the net energy in fusion or the amounts of energy subsidy fusion may require. Because of this uncertainty, we cannot be sure about the otherwise sure—leveling and decline in total energies flow that may soon be the pattern for our world.

15. Substantial energy storages are required for stability of an economy against fluctuations of economies, or of natural causes, and of military threats.

The frantic rush to use the last of the rich oils and gas that are easy to harvest for a little more growth and tourism is not the way to maintain power stability or political and military security for the world community of nations as a whole. World stability requires a de-energizing of capabilities of vast war, and an evenly distributed power basis for regular defense establishments, which need to be evenly balanced without great power gradients that encourage change of military boundaries. A two-year storage is required for stability of a component.

16. The total tendency for net favorable balance of payments of a country relative to others depends on the relative net energy of that country, including its natural and fuel-based energies minus its wastes and non-production energy uses.

Countries with their own rich energies can export goods and services with less requirement for money than those that have to use their money to buy their fuels, those countries with inferior energy flows into useful work become subordinate energy dependents to other countries. A country that sells oil but does not use it within its boundaries to develop useful work is equally subordinate, since a major flow of necesary high quality energy in the form of technical goods and services is external in this case. The country with the strongest position is the one with a combination of internal source of rich energies and internal sources of developed structure and information based on the energy. The relations of energy sources to payment balance are given in Fig. 6.

During periods when expansion of energy sources is not possible, then the many high density and growth-promoting policies and structures become an energy liability because their high energy cost is no longer accelerating energy yield.

Many pump priming properties of fast growing economies have been naturally selected and remain in procedures of government and culture. Urban concentrations, high use of cars, economic subsidy to growth, oil depletion allowances, subsidies to population growth, advertising, high-rise buildings, etc. are costly in energy for their operation and maintenance, but favor economic vitality as long as their role as pump primers is successful in increasing the flow of energy over and beyond their special cost. Intensely concentrated densities of power use have been economic in the past because their activities have accelerated the system's growth during a period when there were new energy sources to encompass.

During periods of expanding energy availabilities, many kinds of growth-priming activities may favor economic vitality and the economy's ability to compete. Institutions, customs and economic policies aid by accelerating energy consumption in an autocatalytic way.

The pattern of urban concentration and the policies of economic growth simulation that were necessary and successful in energy growth competition periods are soon to shift. There will be a premium against the use of pump priming characteristics, since there will be no more unpumped energy to prime. What did work before will no longer work, and the opposite becomes the pattern that is economically successful. All this makes sense and is commonplace to those who study various kinds of ecosystems, but the economic advisors will be sorely pressed and lose some confidence until they learn about the steady state and its criteria for economic success. Countries with great costly investments in concentrated economic activity, excessive transportation customs and subsidies to industrial expansion will have severe stresses. Even now, the countries who have not gone so far in rapid successional growth are setting out to do so at the very time when their former more steady state culture is about to begin to become in more favored economic state comparatively.

Systems in nature are known that shift from fast growth to steady state gradually with programmatic substitution. But other instances are known in which the shift is marked by total crash and destruction of the growth system before the emergence of the succeeding steady state regime.

Because energies and monies for research, development, and thinking are abundant only during growth and not during energy leveling or decline, there is a great danger that means for developing the steady state will not be ready when they are needed, which may be no more than five years away but probably more like 20 years. (If fusion energy is a large net energy yielder, there may be a later growth period when the intensity of human power development begins to affect and reduce the main life support systems of the oceans, atmospheres and general biosphere).

The humanitarian customs of the earth's countries now in regard to medical aid, famine and epidemic is such that no country is allowed to develop major food and other critical energy shortage because the others rush in their reserves. This practice has insured that no country will starve in a major way until we all starve together when the reserves are no longer there.

Chronic disease was evolved in man as his regulator, normally being a device for infant mortality and merciful old age death. It provided on the average an impersonal and accurate energy testing of body vitalities, adjusting the survival rate to the energy resources. Even in the modern period of high energy medical miracles, the energy for total medical care systems is a function of the total country's energies, and as energies per capita fall again so will the energy for medicine per capita, and the role of disease will again develop its larger role in the population regulation system. Chronic disease at its best was and is a very energy-inexpensive regulator.

Epidemic disease is something else. Nature's systems normally use the principle of diversity to eliminate epidemics. Vice versa, epidemic disease is nature's device to eliminate monoculture, which may be inherently unstable. Man is presently allowed the special high yields of various monocultures including his own high density population, his paper pine trees and his miracle rice only so long as he has special energies to protect these artificial ways and substitute them for the disease which would restore the high diversity system, ultimately the more stable flow of energy.

The terrible possibility that is before us is that there will be the continued insistence on growth with our last energies, by the economic advisors that don't understand so that there are no reserves with which to make a change, to hold order and to cushion a period when populations must drop. Disease reduction of man and of his plant production systems could be planetary and sudden if the ratio of population to food and medical systems is pushed to the maximum at a time of falling net energy. At some point the great gaunt towers of nuclear energy installations, oil drillings and urban cluster will stand empty in the wind for lack of enough level of technology to keep them running. A new cycle of dinosaurs will have passed its way. Man will survive as he reprograms readily to that which the ecosystem needs of him so long as he does not forget who is serving whom. What is done well for the ecosystem is good for man. However, the cultures that say only what is good for man is good for nature may pass and be forgotten like the rest.

There was a famous theory in paleoecology called orthogenesis which suggested that some of the great animals of the past were part of systems that were locked into evolutionary mechanisms by which the larger ones took over from smaller ones. The mechanisms then become so fixed that they carried the size trend beyond the point of survival, whereupon the species went extinct. Perhaps this is the main question of ecology, economics and energy. Has the human system frozen its direction into orthogenetic path to cultural crash, or is the great creative activity of the current energy-rich world already sensing the need for change? Are alternatives already being tested by our youth so they will be ready for the gradual transition to a fine steady state that carries the best of our recent cultural evolution into new, more miniaturized, more dilute and more delicate ways of man nature?

In looking ahead, the U.S. and some other countries may be lucky to be forced by changing energy availabilities to examine themselves, level their growth, and change their culture towards the steady state early enough so as to be ready with some tested designs before the world as a whole is forced to this. A most fearful sight is the behavior of Germany and Japan who have little native energies and rush crazily into boom and bust economy on temporary and borrowed pipelines and tankers, throwing out what was stable and safe to become rich for a short period; monkey see, monkey do. Consider also Sweden that once before boomed and busted in its age of Baltic Ships while cutting its virgin timber. Later it was completely stable on water power and agriculture, but now for a few years of growth became like the rest, another bunch of engines on another set of oil flows, a culture that may not be long for this world.

What is the general answer? Eject economic expansionism, stop growth, use available energies for cultural conversion to steady state, seek out the condition now that will come anyway, but by our service be our biosphere's hand maiden anew.

ADDENDUM

The preceding paper was invited by the Royal Swedish Academy of Science. Previous work of the author include A Tropical Rain Forest and Environment, Power and Society. Dr. Odum's work on energy balance and environmental conservation merited a Distinguished Service Award from the Environmental Planning Guide and the Industrial Development Research Council in 1973.

WHAT'S RIGHT WITH AMERICA?

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. GAYDOS. Mr. Speaker, the series of economical and governmental "wrongs" which have stunned the country have many people wondering if there is anything "right" with America. I assure them, there is.

I saw what's "right" with America less than 2 weeks ago at a "congressional workshop" I conducted in Bethel Park Borough. It is customary to open these public information meetings with a Pledge of Allegiance, led by several Boy or Girl Scouts. The flag salute always ignites a spark of patriotism among those in the audience.

But the outdoor ceremony conducted by the Scouts of Bethel Park fanned that spark into a glowing flame of pride. It was the most stirring demonstration of patriotism I have seen in a long time.

Approximately 35 members of Boy Scout Troop 215 and Cub Pack 217 participated in the ceremony. They stood at attention while the flag was raised to the top of its standard. They held their salute while it ascended and I wish you could have seen the look on the faces of these young Americans.

There was no sign of discouragement with their Government; no look of shame, no embarrassment. They stood straight and tall, heads erect, and their eyes reflected nothing but pride; pride at being an American; pride in their flag and pride in their country.

I came away from the ceremony convinced that as long as America continues to produce citizens like the Scouts of Bethel Park, I have no fear for the future.

Mr. Speaker, I am inserting the names of these Scouts and their leaders into the RECORD. I want my colleagues to become acquainted with 35 good examples of what's right with America:

PARTICIPANTS

BOY SCOUT TROOP 215

Ron Beyer, Don Clingan, Doug Delestinne, Mark Donnelly, Joseph Garzarelli, Frank Giehll, James Giehll, Mark Griffith, Michael Griffith, Mark Guinn, Kirk Hanlon, Scott Hanlon, Scott Herrle, Alex Ivkovic, Brett W. Johnson, Thomas Krakosky, John Lappe, Whitten Little, James Longman, William Loughead, Scott Moore, William Mondora, Gene Nowak, Mark Nowak, Roy Price, David Reno, Craig Spence, Allen Walbert, Scoutmaster Louis Herrle, Assistant Scoutmaster Daniel Donnelly, Assistant Scoutmaster Donald Guinn and Committee member Donald McCarty, Sr.

CUB SCOUT PACK 217

William Beyer, John Beyer and Cubmaster Ronald Beyer.

MASSACHUSETTS LEGISLATURE MEMORIALIZES LEGISLATION TO PRECLUDE SOCIAL SECURITY BENEFITS FROM AFFECTING VETERANS' ADMINISTRATION PENSIONS

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. HARRINGTON. Mr. Speaker, I would like to bring to the attention of the House a resolution recently passed by the House of Representatives and the Senate of the Commonwealth of Massachusetts, calling for the U.S. House of Representatives to enact legislation to keep any change in social security payments from affecting a Veterans' Administration pension to veterans receiving both social security and veterans' pension. It seems to me that the House should take note of this resolution from the State Legislature of Massachusetts, for it is relevant to legislation, H.R. 12788, currently pending before the House Veterans' Affairs Committee.

The text follows:

Resolutions Memorializing the Congress of the United States To Enact Legislation That Would Preclude Social Security Benefits From Affecting Veterans' Administration Pension Payments

Whereas, Many war veterans are receiving Social Security payments and Veterans Administration Pensions; and

Whereas, It would be unfair and unjust to allow any Social Security payments to decrease or eliminate the Veterans Administration Pensions to veterans receiving both; therefore be it

Resolved, That the Massachusetts General Court respectfully urges the Congress of the United States to enact legislation to preclude any change in Social Security payments from affecting any Veterans Administration Pension to veterans receiving both; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress and to each member thereof from the Commonwealth.

TRIBUTE TO JOZSEF CARDINAL MINDSZENTY

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. DULSKI. Mr. Speaker, it is a pleasure to join my colleagues today in paying tribute to Cardinal Mindszenty, and I commend the gentleman from New York (Mr. HORTON) for obtaining this special order.

Long a symbol of spiritual freedom despite his years of physical bondage, the cardinal has been an inspiration to countless liberty-loving peoples around the world.

Although he cannot return to his fellow Hungarians behind the Iron Curtain, his travels in the free world have been a wonderful opportunity for Hungarian emigres as well as other nationalities to see him firsthand and hear his message.

Last week Cardinal Mindszenty was in western New York where he was warmly received. Particularly touching was the rapport between the 82-year-old prelate and the young people he addressed.

Accounts of his visit appeared in the Buffalo Evening News, and I would like to insert one article in the RECORD at this point:

The Mindszenty Message to Children: Keep Faith

(By Dick Burke)

Jozsef Cardinal Mindszenty, 82, frail by nature and heroic by conviction, met with several hundred school children in Western New York Wednesday.

To them the stern-faced, unsmiling Hungarian churchman, a world symbol of man against tyranny, was some venerable vestige of the past.

To the old priest the fresh-faced youngsters are part of the future, walking across the threshold of the Year 2000 "amid a world in crisis."

Last place he visited in his mid-morning mile-a-minute rush was Calasanctius Preparatory School for Gifted Children on Windsor Ave.

The school is concerned with a $150,000 scholarship fund campaign which continues through Sept. 1 and the cardinal remarked to a luncheon guest that as long as there are students with financial needs they should be aided by those with financial means.

Guests included Auxiliary Bishop Bernard J. McLaughlin of the Catholic Diocese of Buffalo and Episcopal Bishop Harold B. Robinson of Western New York Diocese.

Earlier the cardinal met another group of children in a different setting—scores of youngsters of Assumption Parish and nearby Queen of All Saints School—gathered along the curb in front of Assumption Church on Steelawanna Ave., within sight of the Bethlehem steel plant. Among them were black and Arab and Puerto Rican children from the school's bilingual class.

They waved American flags and some Hungarian flags.

In the small white interior of Assumption Church Cardinal Mindszenty celebrated Benediction with the Rev. Antol Olah-Toth, Hungarian-born pastor, and the cardinal's interpreter, Msgr. Tibor Meszaros. Also at the church was Msgr. Julius Szabo, former pastor there and in charge of the local Mindszenty Program Committee.

Cardinal Mindszenty talked quietly, intensely in Hungarian to the group crowded in the church.

In Dunkirk's Cardinal Mindszenty High School, he told 300 students gathered in the gym with faculty, staff and parents to hold to their Catholic faith firmly, saying: "First comes faith in Christ, then out of faith comes the moral strength of life."

He warned against many theories and ideas now prevalent "against God and humanity," and went on to remind them their "school and education system is based upon faith. Without faith no true life is possible."

In a strong voice and frequent thrusting of his right forefinger for emphasis he said from the stage rostrum: "You young people are educated for the next decades of human history. You will pass the threshold of the year 2000 . . .

"In my captivity I read in the newspapers of institutes named after me. I could not imagine the land, the people and the students," he said.

He also reminded his young listeners how his enemies "detracted and calumniated my name, defamed me and persecuted the church and the faith."

Hundred of students waving Hungarian flags greeted the old cardinal at the high school as his police-escorted entourage arrived. A sign on the school lawn read in Hungarian: "God Brought You, With Love We Greet You."

School Principal Joseph Wroblewski greeted the cardinal who also received felicitations from senior high class president Nancy Hart, Dunkirk Mayor Leon A. Damian and Chautauqua County Legislator Joseph Gerace.

En route through greening Chautauqua County Cardinal Mindszenty remarked he was "much impressed by this big and beautiful land."

In Buffalo on the way to Calasanctius Prep the Cardinal stopped briefly at the motherhouse of the Sisters of Social Service at 440 Linwood Ave. This Hungarian-founded order has been in this diocese the past 25 years.

At Niagara University, Father Slattery, president, told the cardinal: "This is Niagara's finest hour because we welcome a prince of the church, a hero of our times and a man who has spoken out against the enemies of the church.

"By your heroic suffering, you have truly ennobled all of humanity."

Cardinal Mindszenty said he was proud to receive an honorary degree because it comes from "a university of great name. I enjoy it because I know the professors and educators here are striving to keep up the Catholic way of life."

The cardinal was presented with an honorary doctor of laws degree by Father Slattery at a convocation in Dunleavy Hall. About 320 persons witness the presentation.

Msgr. James P. Foley, pastor of St. Bernard's Church, Youngstown, was presented the President's Medal earlier by Father Slattery.

A SOCIAL REVOLUTION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my Washington Report entitled "A Social Revolution":

A Social Revolution

This month the nation is scarcely noticing the 20th anniversary of the momentous event that set off a profound social revolution. In May, 1954, the United States Supreme Court, after surveying 17 states in which black children were forbidden to go to public school with white children, concluded in Brown vs. Board of Education of Topeka, that in the field of public education the doctrine of separate but equal had no place, and that separate educational facilities were inherently unequal. Striking down a pervasive inequality imposed by force of law, the Court said such facilities denied the equal protection of the laws guaranteed by the United States Constitution.

The results of that decision, with its new concept of the 14th Amendment, have been profound, reaching far beyond the dismantling of the South's dual public education system. The decision set in motion a social revolution that has yet to run its course. School districts have been desegregated, blacks have been elected in increasing numbers to public office (3,000 of them now hold public office, with 16 blacks in the U.S. Congress), public facilities have been desegregated, blacks have served in the cabinet and now serve in the Supreme Court, universities have dropped their restrictive color bars, and the Congress, prodded by President Lyndon Johnson, has enacted the Civil Rights and Voting Rights laws that have dramatically changed the roles of blacks in employment and the political process. Black aspirations and pride have soared. From a plea to attend the same schools as whites has flowed a whole series of events that has shaken the very roots of American society, and brought to the American scene personalities like Martin Luther King, Malcolm X, and "Bull" Connor, and events like the civil rights marches, the Freedom Riders, and, in Watts, a new form of urban violence.

In the two decades since the Brown decision enormous strides have been made by blacks, but the battle for equality is far from over. The dual school systems and the separate lunchrooms may be gone, but the civil rights movement has stalled in recent years as a new kind of segregation has appeared, especially in the North, a segregation based not so much on race as on economic and social class. Today, schools of the deep South are more thoroughly integrated than in the North. In the South 46% of the black children are in predominantly white schools. A pattern of impressive gains and bitter setbacks emerges in the South, with most rural schools desegregated, many urban systems still segregated, and several smoothly integrated. In the North the school systems of the large cities are largely segregated. This segregation is caused by housing patterns rather than overt political decisions about the placement of students and it may be the most painful social question facing the nation. It has prompted the most controversial form of integration which requires busing across metropolitan district lines. At the moment further action on busing is held in abeyance, while school districts await a Supreme Court decision in a Detroit case where a federal judge ordered busing for integration between city and suburban schools.

Strangely enough, after all the turmoil of this social revolution, the key assumption of desegregation, that the well-being of black children would improve with integration, is being challenged. Even the role of education in shaping citizens and the gain achieved by desegregation are being questioned, while the pain of the effort to desegregate is apparent. Some researchers have found that school integration, in itself, has very little effect on the academic achievements of either blacks or whites. Others have found that desegregation has a positive, although slight, effect on black achievement, and does not seem to damage white pupil performance. Still other researchers have found that integration can be made to work by changing the techniques and the atmosphere of the desegregated school. Some surveys show that integration helps young blacks move ahead, especially if the integration is with middle class whites. Overall, most of the experts agree that there just isn't enough information to judge finally the effects of integration, and there are no definitive answers to the value of integration. The real task ahead of the researchers appears to be to find out under what conditions desegregation works and when it does not.

As a result of the fights over busing, quotas, and affirmative action, prescriptions for solving the country's racial problems are out of fashion today. No one is really optimistic that the problems of race will be soon resolved. But all would agree that the nation has gained and learned in these 20 years and inched closer to the ideals of justice and equality that lie at the heart of what this nation is all about.

The anniversary of the Brown decision may be no reason for celebration, but it is a good time to pledge to build on the considerable, even if insufficient, gains that have been made.

TAX DEDUCTION FOR ADOPTION EXPENSES

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. SHRIVER. Mr. Speaker, I am today joining more than 125 Members in the House in sponsoring legislation which would allow taxpayers a personal income tax deduction for expenses incurred in the adoption of a child.

Existing law allows a tax deduction for certain medical expenses connected with the birth of a child. It is only right that the Congress act to extend similar tax advantages to those people who seek to provide a home and family for children through legal adoption.

Adoption expenses consist of legal fees, social agency costs which may include medical care of the natural mother and infant, court costs, and the costs of making the necessary social studies to insure that the child is placed in the correct home.

The general range of adoption expenses is roughtly equal to the cost of childbirth, but while birth expenses are usually covered by some form of insurance or are tax deductable, adoption expenses are not.

This is not fair, and it is not wise. The Child Welfare League of America estimates that there are approximately 190,000 children in foster homes and institutions who have not been placed in permanent homes. These thousands of children represent a financial drain on society, and no purpose is served by continuing to support them with public funds or charities.

This bill would ease the burden on public funds while at the same time it could provide homes to homeless children and happiness to childess families.

Since the Ways and Means Committee is currently holding hearings and marking up tax reform legislation, it is my hope that the committee will consider the broad range of support for this bill as indicated by the many cosponsors and will include its provisions in its recommendations.

AUTOMOBILE SERVICING UNIT

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. LUJAN. Mr. Speaker, Mr. Stan Humphrey of Albuquerque, N. Mex., has conceived an idea which will aid in the recovery of waste oils. His "automobile servicing unit" offers a very interesting approach to the problem of collecting waste oil and would give every person who owns and operates an auto an opportunity to help in conserving and reusing oil.

The unit is installed in the ground over which an automobile may be positioned to allow a person access to the underside of the auto to change the oil in it or do whatever other work was necessary. The most interesting part of the whole idea is that the oil drained from the automobiles would be gathered in a central storage unit at the site and then transported back to the refineries to be reprocessed.

Not only would these prefabricated units alleviate some of the problems facing the do-it-yourselfer but would also help to conserve and recycle one of our most precious natural resources. Therefore, I have inserted the detailed explanation of Mr. Humphrey's invention in the RECORD herewith to show the achievements and inventiveness of this young man.

[U.S. Patent 3,603,046]

AUTOMOBILE SERVICING UNIT

[Illustration not printed in the RECORD]

Inventor: Stanley Humphrey, Jr., 2823-518 Kathryn, S.E., Albuquerque, N. Mex., 87106.

Appl. No. 35,752.

Filed: May 8, 1970.

Patented: Sept. 7, 1971.

Automobile Servicing Unit, 13 Claims, 1 Drawing Fig.

U.S. Cl., 52/173.

Int. Cl., E04h 14/00.

Field of Search, 52/173.

REFERENCES CITED

United States patents:

1,357,022, 10/1920, Bahls, 52/173.

3,533,200, 10/1970, Zoebelein, 52/173X.

Primary Examiner—Patrick D. Lawson.

Attorney—Richard A. Bachand.

Abstract: A unit to accommodate a person and over which an automobile may be positioned to allow the person access to the underside of the automobile, including an open enclosure having a stairway providing ingress and egress thereto, a doorway closable over the opening to prevent unauthorized access to the enclosure, and means for positioning the car at a location allowing access to the desired portions of the underside of the automobile.

BACKGROUND OF THE INVENTION

1. Field of the Invention.

This invention relates to improvements in apparatus for use in conjunction with automotive servicing, and more particularly to a prefabricated unit for servicing the undersides of an automobile.

2. Description of the Prior Art.

Soon after automobiles began increasing in popularity across the United States, service stations began springing up. Early service stations, prior to the introduction of hydraulic car lifts, commonly had a hole in the floor of the garage over which the car to be serviced was positioned. The mechanic servicing the car merely went into the hole for access to the underside and engine of the car. These so called "grease pits" were just a hole dug in the ground of depth sufficient to accommodate a mechanic. The mechanic, of course, would have to carry his tools and equipment into the pit.

As technology has advanced, the hydraulic lift has almost entirely replaced the formerly used grease pits in service stations, allowing a mechanic to merely drive the car to be serviced over the lift, and apply a hydraulic fluid to raise the car over the mechanic's head allowing him free access to the undersides of the car without having to crawl under it.

However, as technology further advanced, car service has become almost prohibitively expensive. As a result, many car owners, rather than have their cars serviced at service stations, do the work themselves as a hobby or to save expenses or for various other reasons. One problem, however, these do-it-yourselfers have found is the conspicuous absence of places or garages in which they may work on their cars. A do-it-yourself oil change, for example, in the driveway of one's house is messy and inconvenient, and, moreover, poses the additional problem of disposing of the old oil removed from the crank case of the car. In many localities, dumping used crankcase oil on the ground is illegal. Thus, a person changing his oil must find a proper oil dump or other safe way to dispose of the used oil.

BRIEF DESCRIPTION OF THE INVENTION

In light of the above, it is an object of the invention to provide a unit which is easily installable in which a do-it-yourselfer may conveniently service his automobile.

It is a further object of the invention to provide a unit which is coverable to prevent accidental or unauthorized access thereto.

It is a still further object of the invention to provide a unit which can easily be substantially prefabricated of a single piece of material.

These and other objects, features, and advantages of the invention will become apparent to those skilled in the art from the following description when read in conjunction with the appended claims and attached drawings.

The present invention is a five-wall unit for installation in the ground to provide an enclosure of dimensions sufficient to accommodate a person. Mounted in the enclosure is a stairway to allow ingress and egress from it, and covering the enclosure is a slidable door which may be mechanically or manually operated to partially, or completely close off the enclosure. Additionally, a lip or wing is provided on the top of the enclosure having thereon means to direct and position a wheel of an automobile to properly locate the engine and other underside mechanisms of the car over a desired part of the enclosure for efficient servicing. An oil drain assembly and a grease gun assembly may be additionally prefabricated into the unit to provide an entirely prefabricated assembly.

BRIEF DESCRIPTION OF THE DRAWING

The invention is illustrated in the sole FIGURE of the drawing in which is illustrated a perspective view of a preferred embodiment of the invention, which has been partially cutaway to show the interior construction of the invention.

DETAILED DESCRIPTION OF THE INVENTION

As shown in the drawing, the unit 10 of the invention is made generally of five wall members making up the floor 20, and four walls 21, 22, 23, and 24. The floor and walls define a cavity open at the top, and intended for installation in an appropriate hole or cavity in the ground or other surface to allow an automobile to be driven or located over the enclosure. Of course, the dimensions of the enclosure may be varied as matter of engineering or design choice, but should be sufficient to accommodate at least one person to work on the car. The walls may be of any material; however, materials such as fiberglass, stainless steel, aluminum, or the like are especially desirable since they may be molded, blown, welded, or otherwise easily formed into the shape illustrated.

Around the top edge of the unit 10 is at least one lip, wing, or apron 25 extending outwardly from the enclosure and having formed along its surface means for positioning the car at a desired location over the enclosure. Such positioning means may conveniently be a guide rail assembly 26, which may be made of pipes or tubing, or formed as an extension of the wall, as illustrated. To properly position the automobile over the grease pit, a recess 29 may be formed in the wing 25 in which the front wheel of the car may be brought to rest. Alternatively, a single pipe (not shown) may be mounted on the wing perpendicular to the direction of the desired path of the wheel against which the wheel may be brought to rest. Appropriate pipe tubing which may be used as guide rails, if desired, may be of any material of substantial strength to withstand the forces exerted thereupon by the automobile tire, and may be made, for example, of steel, iron, or the like. Although the invention is illustrated with two similar guide rail assemblies 26 on each side of the assembly, since the width between automobile wheels varies among manufacturers, only one guide rail assembly may be preferred in particular installations.

Contained within the unit 10 is a staircase 30, which, like the walls and wings may be formed or molded of fiberglass, stainless steel, or the like, and which may be separately formed and installed, as illustrated, or may be formed integrally as a part of the overall unit 10. Thus, if the unit 10 is to be molded, it may be formed with floor 20, walls 21–24, wings 25 and 26, and staircase 30 all as a single unitary piece, as shown.

Covering the enclosure is a door 40 which may be of a slidable or foldable type, and which may be guided into position by guides 41 and 42 on opposite sides of the enclosure. Door 40 may fold down into a doorwell (not shown) mounted on the wall 22 of unit 10, and may be driven or controlled by an electrical motor (not shown) or, alternatively, by a piston arrangement (not shown) or may be manually operated. The door 40 may close the unit entirely, as would be preferable in a private installation to prevent unauthorized entry into the enclosure; alternatively, the door may only partially cover the enclosure, as would be preferable in a public installation, such as would be encountered in with respect to a vending machine type operation.

Within the enclosure of unit 10, on one of its walls, such as wall 24, may be mounted an oil-receiving assembly 45. Oil-receiving assemblies, such as assembly 45, being well known in the art and not described herein in detail may be a receiving bowl 46 mounted on flexible or movable pipe 47 to allow the bowl to be placed under the appropriate engine oil drain port. Connected to the pipe 47 external to the unit may be an oil sludge receptacle (not shown).

Additionally, a grease gun assembly 50 may be mounted on one of the walls, as wall 24. Such grease gun assemblies and mountings, being well known in the art, are not, therefore, described herein.

Although the invention has been described with a certain degree of particularity, it is understood that the present disclosure has been made only by way of example and that numerous changes in the details of the construction and the combination and arrangement of parts may be resorted to without the parting from the spirit and scope of the invention as hereinafter claimed.

What is claimed is:

1. A prefabricated unit for mounting in a hole in the ground to accommodate a person to allow him access to the undersides of a vehicle positioned over said unit comprising:

Five wall members joined together to form a box enclosure open at one side; at least one wing member joined to one of said walls at said opening to project outwardly from said opening;

Means on said at least one wing for guiding an automobile wheel along said wing; and

Means for retaining said wheel at a preselected position on said wing.

2. The unit of claim 1 further comprising: A stair assembly in said unit to allow ingress and egress from the box enclosure of said unit, and means on said open portion of said box for covering said box.

3. The unit of claim 2 wherein said means for covering said box is a sliding door and means guiding said door along two of said five wall members.

4. The unit of claim 3 wherein said means for guiding said door extend in the direction of travel of said means for guiding an automobile wheel, and said door extends at least to said means for retaining said wheel.

5. The unit of claim 4 further comprising a grease gun assembly mounted on one of said five wall members and an oil drain assembly mounted on one of said five wall members.

6. The unit of claim 2 wherein said five wall members, said wing, and said stair assembly are formed of fiberglass.

7. The unit of claim 2 wherein said five wall members, said wing and said stair assembly are of steel.

8. The unit of claim 1 wherein said means for guiding an automobile wheel comprises at least one pipe disposed along the desired path of said automobile wheel.

9. The unit of claim 8 wherein said means for guiding an automobile wheel is two parallel pipes running along the desired path of said automobile wheel, spaced apart a distance to accommodate said wheel.

10. The unit of claim 6 wherein said unit is of a single piece of material.

11. A unit over which a car may be driven to contain a person to allow said person access to the undersides of said car comprising:

A unitary box including five walls forming an open enclosure;

A wing portion extending outwardly from the opening of said enclosure;

A stair member on an inside of one of said walls to provide a means of ingress and egress to said enclosure;

A door mounted on one of said walls, operable to close said enclosure of said box;

Means for guiding an automobile wheel along said wing;

Means for locating said automobile wheel at a desired position on said wing.

12. The unit of claim 11 further comprising a grease gun assembly mounted on one of said walls.

13. The unit of claim 12 further comprising an oil drain assembly mounted on one of said walls.

PROFESSORS PASS SIGNIFICANT RESOLUTIONS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. RANGEL. Mr. Speaker, I would like to call the attention of my colleagues to a series of resolutions adopted in April by the American Association of University Professors. These resolutions deal with a variety of issues, from discrimination against minorities and women, to the faculty's role in governing universities. They reflect the association's deep concern about protecting the rights of individuals in our society.

RESOLUTIONS ADOPTED BY THE 60TH ANNUAL MEETING, AMERICAN ASSOCIATION OF UNIVERSITY PROFESSORS, APRIL 27, 1974, WASHINGTON, D.C.

RESOLUTION ON EDUCATIONAL OPPORTUNITY FOR MINORITY STUDENTS

We still live in a racist society, a society in which equal opportunity is far from realized. Following a long period of discrimination, justice is not achieved by merely asserting that henceforth all will be treated as equals. Such a posture is a facade which hides inequality of opportunity. That part of society which is being discriminated against is very likely to continue to face situations that perpetuate the disadvantages of discrimination.

Achieving true equality of opportunity requires a transition period in which institutions make special efforts to allow those who have been the victims of discrimination to demonstrate their potential. Therefore, the Sixtieth Annual Meeting of the American Association of University Professors applauds and endorses efforts on the part of institutions of higher education to provide minority students with increased access to and increased educational opportunities in undergraduate, graduate, and professional schools.

RESOLUTION ON FOREIGN STUDENTS

The American Association of University Professors has long recognized the value of student interchange among the countries of the world. The Sixtieth Annual Meeting regrets the Department of State's new requirement that an applicant for a foreign student visa present evidence of ability to provide, without recourse to employment, for all expenses during the entire period of study in the United States. Many foreign students come from families of limited financial means and depend upon part-time or summer employment to supplement their resources. It is important for educational, cultural, and diplomatic reasons that the United States continue to admit academically qualified students from all strata of society in other countries. This Meeting therefore calls upon the State Department's Bureau of Educational and Cultural Affairs to rescind the instructions contained in Visa Transmittal Letter-854 and return to the more flexible, encouraging, and realistic policy on student visa regulations previously in effect.

RESOLUTION ON THE EQUAL RIGHTS AMENDMENT

The Sixtieth Annual Meeting of the American Association of University Professors is concerned that the failure thus far of the Equal Rights Amendment to secure ratification is indicative of apathy, even hostility, to the concept of sex equality. This failure will impede efforts to end sex discrimination in higher education, as well as other areas of our society. The Annual Meeting urges those states which have not yet done so to ratify the proposed Twenty-Seventh Amendment to the Constitution of the United States.

RESOLUTION ON AFFIRMATIVE ACTION

The Sixtieth Annual Meeting of the American Association of University Professors reaffirms the resolutions of previous Annual Meetings urging the elimination of discrimination against minorities and women in higher education, and the rectificaiton of inequalities in rank, pay, promotion, and recruitment caused by past discrimination. We are concerned, however, that many institutions interpret affirmative action to require merely token compliance with the law.

This Meeting therefore calls upon the Secretary of Health, Education, and Welfare and other responsible government officials to enforce vigorously laws and policies on non-discrimination and affirmative action. We urge all institutions involved in higher education to pursue affirmative action in good faith, adhering to the spirit as well as the letter of the requirements.

RESOLUTION ON TITLE IX OF THE EDUCATION AMENDMENTS OF 1972

The Department of Health, Education, and Welfare has delayed the issuance of regulations to implement Title IX of the Education Amendments of 1972, which prohibits discrimination on grounds of sex in any educational institution receiving federal financial assistance. Almost two years have elapsed since this provision became law. However, the law has not been enforced because no guidelines have been approved to describe scope and enforcement procedures.

The Sixtieth Annual Meeting of the American Association of University Professors calls upon the Secretary of Health, Education, and Welfare to end immediately this inexcusable delay and to expedite the issuance of Title IX guidelines that will assure equal access to all programs in higher education, including athletics, without regard to sex.

RESOLUTION ON COLLEGE AND UNIVERSITY GOVERNMENT

This Meeting deplores recent instances of intervention by college and university administrations, governing boards, and external political agencies in determinations of academic policy and procedure without adequate regard for the professional competence and primary authority of the faculty in these areas. These interventions are particularly serious when they involve the areas of curriculum and faculty status, including appointments, reappointments, non-reappointments, conferrals of tenure, and dismissals.

The Sixtieth Annual Meeting of the American Association of University Professors calls upon governing boards to adopt as policy the 1966 *Statement on Government of Colleges and Universities*, and for boards, administrators, and faculty members to implement its principles.

RESOLUTION ON FACULTY INVOLVEMENT IN PLANNING AND ALLOCATION OF RESOURCES IN COLLEGES AND UNIVERSITIES

The Sixtieth Annual Meeting of the American Association of University Professors considers it imperative that colleges and universities establish appropriate mechanisms for full and effective participation by faculty-chosen tenured and non-tenured professors in decisions on educational planning, budgeting and allocation of resources at all levels of the installation. The need to implement the principles enunciated in *The Role of the Faculty in Budgetary and Salary Matters* (1972) grows yet more urgent as institutions face financial exigency, real or claimed, with resulting potential or actual reductions in faculty and staff, and cutbacks or elimination of educational programs. Meaningful faculty participation will help to protect the tenure, academic freedom, and general morale of the faculty, which are essential to the fulfillment of the institution's responsibility to society in maintaining the high standards of teaching, research, and service.

RESOLUTION ON REBUILDING OF CENTRAL STATE UNIVERSITY, WILBERFORCE UNIVERSITY, CEDARVILLE COLLEGE, WALKER COLLEGE, AND HANOVER COLLEGE

The entire academic community was dismayed when tornadoes recently heavily damaged the campuses of Central State University, Wilberforce University, and Cedarville College in Ohio, Walker College in Alabama, and Hanover College in Indiana. The Sixtieth Annual Meeting of the American Association of University Professors applauds the announced determination of the faculties, administrations, trustees, and state and federal government officials to rebuild the campuses of these institutions in order that they may continue their major contributions to education and to social progress.

RESOLUTION ON GRADUATE TRAINING OF MILITARY OFFICERS

A recent ruling by the Department of Defense has severely restricted the right of military officers to enroll for graduate work at colleges and universities which have dropped their ROTC programs. This action was taken after strong pressure from Representative F. Edward Hébert, Chairman of the House Armed Services Committee, and in spite of the elimination by Congress of statutory language to the same effect.

The Sixtieth Annual Meeting of the American Association of University Professors protests this intrusion on the independence and autonomy of colleges and universities. It urges the Department of Defense to rescind this restrictive ruling and to provide assurance that, in the future, selection of institutions for advanced work for military officers will be determined by academic considerations, not dictated by political pressures.

COMMITTEE ON RESOLUTIONS

Sandra W. Thornton (Political Science), Georgia Institute of Technology, *Chairman*.

J. Bunker Clark (Music History), University of Kansas.

Richard H. Hiers (Religion), University of Florida.

Nahmin Horwitz (Physics), Syracuse University.

Donald L. Pierce (Mathematics), Lincoln University.

William B. Woolf, Washington Office Staff.

THE FREE LIBRARY OF PHILADELPHIA

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. EILBERG. Mr. Speaker, the Free Library of Philadelphia has been designated as a "regional library" of the Foundation Center located in New York and Washington, D.C. As a local service, it will provide complete information on foundations and philanthropic organizations in the Delaware Valley and throughout the United States.

Among the publications provided will be the Foundation Grants Indexes, the Foundation News, and the Foundation Center Information Quarterly. In addition, the collection includes aperture cards for IRS 990 tax returns of philanthropic organizations in Pennsylvania, New Jersey, and Delaware. Also included are foundation annual reports on microfiche, abstracts of the annual reports on file cards, and other standard reference works.

The establishment of the collection will be welcomed by area foundation administrators, university development staffs, government officers, journalists, and fund-seeking human services institutions. Services now provided by the Philadelphia Free Library local foundation center were formerly offered only in the New York headquarters of the Foundation Center.

UNIVERSITY PARTICIPATION

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. PICKLE. Mr. Speaker, I have obtained a copy of remarks delivered by Dr. James M. McKie to the graduates of the College of Social and Behavioral Sciences of the University of Texas at Austin. Dr. McKie is dean of the college.

Even though Dr. McKie makes some astute remarks as to our changing social mores, the most important point, in my opinion, is the charge to the graduates. This charge is that a university should be a community made up of everyone, not just the students, faculty, and staff. Our universities should not be introverted, but extroverted—bringing into their counsel all of society for the university is society's tool.

I want to share these remarks with my colleagues, Mr. Speaker:

TO THE GRADUATING CLASS, COLLEGE OF SOCIAL AND BEHAVIORAL SCIENCES

It is customary on these occasions for the Dean to say a few words of congratulations and farewell to the graduating students and a few words of congratulation and welcome to their parents, relatives, and friends.

The students here today who came to the University at Austin four years ago are the first class to have entered the College of Social and Behavioral Sciences after its formation. The old College of Arts and Sciences, which many of your parents attended and which was the main undergraduate college here for many decades, is now phased out. It will take a little while for the world to get used to us, but we are now fairly launched.

It may be helpful to those in the auditorium who are not terribly familiar with the College to explain that the Social and Behavioral Sciences, represented by the distinguished faculty on this platform, are the disciplines that study human behavior, past and present, and the arrangements and social institutions that human beings have contrived to form and regulate their relations with each other and with the world around them. I said "past and present"; I should have added "future" because that is also a focus of what we study, and it is of course of primary interest to the young people here who are about to hurl themselves into it.

I don't know whether our graduates here, when they look back 25 or 30 years from now, when the future has become the past, will feel that the University has done its part in preparing them to face the world to come. I am not referring now to getting jobs and developing careers; I expect that Mr. Jay Hull will have more to say about that a little later. I am talking about the ways that human society is likely to change over the next few decades. No doubt you will think that they will be changes for the worse—the time when one attended college seems to be regarded by almost everyone as the golden age. Well, maybe this age is only gilt, and tarnished at that, but nevertheless our society may be in for some difficult times ahead.

Perhaps my colleagues on the social science faculty will not think I am exaggerating too much in saying that we seem to be going through some fundamental changes in the orientation of Western society. For hundreds of years, especially during the last hundred and fifty, it has followed a course of exuberant growth. In America especially, the world has seemed to be boundless, with infinite psychological horizons. But while this graduating class was here in college, certain unmistakable signs of a new era have appeared. We have gone through a rather painful rethinking of our role of political leadership in the world; the contrast with 1960 and earlier is striking. We have packed up the exploration of space, and have resigned ourselves to living with each other on this small planet, alone in the universe, for a good many years to come. Most important of all, the energy crisis and the developing shortages of most other raw materials, and even of food, have signaled that exponential growth of production, technology, and population have at last encountered the inherent limits of a world with finite resources. Perhaps least important, we have had to turn off the fountains.

We can adapt to these emerging conditions, but at the cost of changes in the way we live and relate to each other. Many social scientists believe that the Western world is likely to turn from an extensive, space-using, waste-making, gadget-prone, resource-gobbling, rapidly growing system to one more conserving, inward-turned, concerned with cycles of renewal and preservation of a tolerable environment. The stresses on social institutions are likely to be severe. We will face pressing problems in devising adaptations in political and social institutions and behavior that can handle the extraordinary complexity and tensions of interpersonal relationships in such a difficult environment, without giving up what we cherish most.

Maybe no one is really prepared for the last quarter of the twentieth century. I hope that students in social and behavioral sciences will be better equipped for it, psychologically, than most. (A recent survey by one of our professors of psychology found that students in behavioral sciences believed more strongly than others that "external events shape peoples' lives." That at least is the beginning of wisdom; external events are certainly going to do that to all of us.)

When you come back for your children's commencement, as I hope you will, the University may be a very different place as a result of the changes that are now generating themselves out there in the "real" world. Probably your parents and relatives who were students here think it already is, compared to what it was 25 or 30 years ago, notwithstanding the presence of a few familiar faces among the faculty. I can sympathize with their feelings as they walk down the Drag and see theaters exhibiting movies that couldn't have been shown at an American Legion smoker then without provoking a police raid; with their observation that no one wears a dress any more except the Hare Krishna people; and even with the simple frustration of those mothers who twenty years ago had their daughters vaccinated in places that they thought wouldn't show. Life styles at the University have changed a lot.

And yet, much endures; the University seems to rise above its occasional travail and to adapt successfully to changed circumstances. After all, thirty years ago we were in the middle of a rather disruptive war. We were also suffering through a terrible conflict over the purposes and future of the University; yet no one can doubt its growth in excellence and reputation since that time. I feel confident that it will continue.

We want this University to be a place of which you, as alumni, can be proud, as I trust you are; but that is not all. We also want you to continue as members of the University community. It is much bigger than the campus at Austin with the faculty and students that happen to be on it now. The real community includes its graduates and alumni, of whom I think I see several generations in this auditorium. It includes the oncoming generations of students, some of whom are also here. These generations—of Texans and less fortunate people—are the University, too. Without their continuing loyalty, help, and support, the University would wither and die. All of us here on this platform hope to see you on the campus, in the University-sponsored activities around the state and nation, in the alumni associations, maybe even in the Legislature, and in due time in the side rows of this auditorium as your own descendants and younger friends receive their baccalaureates.

AN AMERICAN'S ANSWER TO GORDON SINCLAIR

HON. JOEL PRITCHARD

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. PRITCHARD. Mr. Speaker, perhaps the most positive outcome of the entire Watergate episode is that it has forced the average American citizen into more clearly defining his own individual values regarding what he has a right to expect from his government and his elected leaders. An interesting upshot of this is a growing sense of patriotism—manifesting itself in far different ways among individuals, but expressing wide belief that the strength of the American people will carry us through the temporary crisis. The public is disappointed, disillusioned, disheartened, disgusted. Yet the vast majority of citizens remain fiercely loyal to traditional American ideals and confident that the United States will sustain itself despite current ordeals.

In "An American's Answer to Gordon Sinclair," Charles Ashman, a gentleman I know, has written what I believe to be an eloquent expression of faith in our Nation and respect for our people. His message is refreshing in these difficult times, Mr. Speaker, and I commend "An American's Answer" to the attention of my colleagues:

AN AMERICAN'S ANSWER TO GORDON SINCLAIR

The other day, on radio, I heard your moving letter. You're right—we're down—but it's okay, we'll soon be doing better.

Your words were kind, and very true. Bless Canada for you, sir. But don't you worry—when we fail we know just what to do, sir.

You see . . . as a nation we're very young, but we've done a lot of living. And, yes, you're right again—our sin has always been in giving.

We've fought for causes not our own, crusaded, too, when needed; And when we've seen an unfair fight, we've cared, and interceded.

But, as you say, we get no thanks. Instead, somehow, we're hated. Time after time it's proven so—we're not appreciated.

But you know what? This world is made of givers and of takers. And we, it seems, were meant to give—to be doormats, peacemakers.

A fountain flowing freely, for just anyone to drink from—A strong and heavy golden chain that all would grab a link from.

We are aware that there are those who would not only break us. But spur the weakening of the chain, and someday, overtake us.

Too many times our fine young men have gone in droves, like cattle, Across the sea, to lose their lives in someone else's battle.

Our Arlingtons are not concerned with kings, dictators, bosses—But with unnecessary rows of neatly placed white crosses.

Remember—as a nation that's young, we're telling quite a story. We've left our footprints on the earth, and on the moon—Old Glory.

We are a nation under God, and surely He sustains us Through every setback that we have—through every war that drains us.

We're used to problems and to pain, and though they seem to hover, we work them out, and every time we manage to recover.

So, Gordon Sinclair, thanks a lot. Your words are reassuring. But don't you worry—we'll survive, and do some more maturing.

Our Teapot Domes—our Watergates—our every scrape and scandal Will not defeat us, but improve our skills in how to handle.

It may be that we are not wise to show the world our fumbles, Revealing all our inner strife—our discontents and grumbles.

But we are frank—perhaps naive—we do not hide our errors. No—we parade them honestly, with truths our standard-bearers.

Perhaps we will, in time, grow cold to the despairs of others, And learn we cannot feed the world, or be to all men brothers.

Yet, we would pray, if we should cease our universal mission, That caring would not be destroyed or lost in the transition.

We're glad that someone like yourself came forward, as you have, sir, To say the things we have not said. You've touched our wounds with salve, sir.

And so, from all Americans take this appreciation, With love, from the United States, this great world's Greatest Nation!

(Permission for use granted by Charles Ashman, 5-23-74.)

WORLD FOOD PROBLEMS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. GILMAN. Mr. Speaker, today I am joining my distinguished colleague from Iowa (Mr. CULVER) in introducing a resolution urging our Nation's assistance to those areas of the world which are suffering from famine.

With malnutrition and threat of starvation prevalent in many parts of the world, as a world leader we have a humanitarian responsibility to help in alleviating the growing problem of dwindling food supplies affecting many of the less developed countries.

Recent news reports have noted the severe food deprivation in the Sahel desert area of Western Africa. Less publicized but also threatening are the food shortages experienced in many parts of South Asia.

Historically, famine has periodically blighted our world. However, we live in a new world today, an interdependent world, a world where instant communication brings the problems of other peoples in once remote corners of the globe to our daily attention.

Improved communications not only make us aware of troublesome events in other parts of the world but also enable us to readily assist in contributing to the resolution of these difficulties. In his recent speech before the sixth session of the United Nations General Assembly, Secretary of State Kissinger, pledging our commitment to global prosperity, said:

> It must remain the subject of constant, unremitting efforts over the years and decades ahead.

Although our Nation cannot be expected to be the breadbasket for the rest of the world, the fact remains that we currently are the world's leading exporter of wheat, feedgrains, and rice as well as providing 90 percent of the world's soybean exports. Presently North American exportable grain surpluses, in which the United States is by far the leading exporter, even exceeds Middle East oil exports.

While the excessive dependence on U.S. agricultural products by other nations places these countries in vulnerable positions, it also places a heavy responsibility upon the United States, particularly due to the food emergencies existing in many parts of the world. The American people cannot condone death by starvation while food is abundant here at home. Hesitation in responding to the critical needs of starving children and adults in other parts of the world would be morally unconscionable.

Accordingly, the resolution we are introducing today clearly delineates the responsibility of the United States in lessening human suffering from food shortages. The measure calls upon our Nation to set its highest priority assistance to the lean nations through our Public Law 480 food for peace program. Additionally, the measure commits our Nation to provide the necessary technology to help the less developed countries help themselves. Finally, the resolution calls upon other rich nations to expand their food programs and calls upon the oil producing countries to increase their efforts at fertilizer production, which have recently been impeded by the steep increases in fuel prices.

Our goal of global prosperity cannot be reached by the resolution we are introducing. A special United Nations World Food Conference is scheduled for November 1974. At that time many of the world food problems wlil be discussed. The race between population and food production; the dwindling amount of cultivatable land; the shortened supplies of energy; the excessive costs of fertilizer and fuels; all of the significant problems of feeding the world's population.

However, in the interim, we cannot wait for the U.N. conference. There is a need for prompt action, there is a critical need to bring relief to those areas of the world where persons are starving today.

Accordingly, I urge my colleagues to lend their support to this resolution so that we can begin to lessen the suffering experienced by the underfed peoples of the world. We have the ability for providing assistance, but we must make this assistance available promptly, before the famine takes any heavier toll in human lives.

DEMOCRATS SIDETRACK COMMITTEE REFORMS

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. ANDERSON of Illinois. Mr. Speaker, we are now nearly three-quarters of the way through the 93d Congress and yet, a monumental undertaking we embarked on early last session seems to be further from realization than it was at that time. I am referring, of course, to the Committee Reform Amendments of 1974, House Resolution 988, the product of our bipartisan Select Committee on Committees to reform our archaic House committee structure. The reason for this sad twist of fate is a decision made by 111 House Democrats in caucus to "deep six" this proposal in a caucus task force, ostensibly to study it further. There is little question in my mind that if this decision is allowed to stand, this Congress will not have an opportunity to act on this meaningful and comprehensive reform proposal.

I recently read an excellent background "editorial memorandum" prepared by Common Cause on the action of the Democratic caucus. I think this analysis is worth sharing with my colleagues, and include the entire text of the memorandum at this point in the RECORD:

HOUSE DEMOCRATS VOTE IN SECRET TO SIDETRACK MAJOR COMMITTEE REFORMS

Meeting in secret and acting by secret vote, House Democrats May 9 sidetracked and tried to kill a major revision of the House's antiquated and creaky committee system.

The revision was proposed unanimously by the bipartisan Bolling-Martin committee. Common Cause has not given up the fight for the Bolling-Martin plan. We will work to have the full House vote on the proposal before Congress adjourns.

Ironically, the attempted homicide was committed by liberal Democrats, led by Rep. Phillip Burton (Calif.), who in the past have been leaders in efforts to make the House a more modern, responsive and accountable institution. They did it because they feared the plan would reduce their own growing power in the House. In effect, they joined members of the senior Democratic Establishment who have always resisted reform of ancient House methods because it would diminish their own spheres of authority.

Moreover, the attack on the committee reforms came in the Democratic caucus, the organization of all House Democrats, which these same liberal reformist Democrats have sought to make a tool of majority will. House Democrats, acting in caucus, have brought pressure on committees and chairmen who have refused to act on issues favored by a majority of the party; the primary example was anti-war proposals that were forced from the Foreign Affairs Committee in 1972.

In this case, however, the caucus was used to thwart majority sentiment in the House. There seems little doubt that Republicans and Democrats who favor the committee revisions together constitute a substantial majority in the House. But the plan was stopped at the starting gate by old line senior Democrats, who have been against committee change from the start, working with their new colleagues-in-arms: the more liberal Democrats who have been around long enough now to gain some clout of their own in House affairs and want to preserve the status quo. The principal figures among the old-line Democrats were powerful committee chairmen including Wilbur Mills (Ways and Means Committee), Wayne Hays (House Administration Committee), Harley Staggers (Commerce Committee), Chet Holifield (Government Operations Committee), and Leonor Sullivan (Merchant Marine and Fisheries Committee). The strategy was to have liberals such as Burton who have a reform reputation act as the public leaders for killing reform.

SENT TO HANSEN COMMITTEE

Technically, the Democrats did not kill the Bolling-Martin resolution. Instead, they voted to send the proposal to another committee, headed by Rep. Julia Butler Hansen (D-Wash.), for more study—a favorite way to try to kill something. The Hansen committee is to report back to the caucus by mid-July, but the intention of the opponents was clear—they hoped to send it to the political graveyard.

The Hansen unit, a committee of the Democratic caucus, was set up several years ago by senior House Democrats to deflect growing sentiment among rank-and-file Democrats for basic reform in House procedures. The committee made some recomemndations, which were adopted, but it has never been a hotbed of reform.

It is well stocked with senior Democrats and includes many members who would be adversely affected by the Bolling-Martin plan. Headed by Hansen, an appropriations subcommittee chairperson, the committee's other members are Burton, Hays, Frank Annunzio (Ill.), Barbara Jordan (Texas), Joe Waggonner (La.), Robert Jones (Ala), Phil Landrum (Ga.), James O'Hara (Mich.), Neal Smith (Iowa), and Frank Thompson (N.J.). It is significant that most of these persons are on legislative committees that would lose power and whose chairmen worked hard against the reform plan: Waggonner and Landrum on Ways and Means; O'Hara, Burton and Thompson on Education and Labor; Jones on Government Operations; Thompson, Annunzio, and Hays on House Administration.

With this membership any suggestions the Hansen unit comes up with will have approximately the potency of a placebo.

REFORMERS CHANGE COLORS

Behind this startling chameleon performance by Burton and other sometime-reformers is the Bolling-Martin committee's redistribution of jurisdiction, responsibilities and power in the House. Entrenched House Democrats (including Burton and his liberal allies), when faced with the choice of making the House function more responsibly or voting to undercut their own power bases, acted decisively in favor of their own influence.

The Los Angeles Times called the caucus action "a shabby performance." It raises serious doubts about the House Democrats' commitment to raise the prestige of Congress from its current bottom-of-the-barrel status with the public. The action once again proves the evils that flow from secret actions that bar accountability to the public. There is no question that the reforms would have been approved in caucus had the vote on them been public. It was for this reason that the vote was secret, and the Democrats went to unprecedented lengths to keep it secret. House Democrats have repeatedly refused to adopt automatic recorded and public votes in their caucus, even though they make decisions on public issues. Often, however, the votes are recorded in the caucus and the results reach the public. But this time they went even a step beyond (to hide their actions) by taking the vote by secret ballot, so that not even their colleagues knew how they voted and there was no way the members could be held accountable for their actions.

Now, the only way that citizens will learn how their Representatives voted on this basic reform issue is by asking them directly.

REFORMS PROPOSED

The plan to restructure House committees came from the Select Committee on Committees, headed by Reps. Richard Bolling (D-Mo.) and Dave Martin (R-Neb.). Other committee members are Democrats Robert Stephens Jr. (Ga.), John C. Culver (Iowa), Lloyd Meeds (Wash.), and Paul S. Sarbanes (Md.), and Republicans Peter H. B. Frelinghuysen (N.J.), Charles E. Wiggins (Calif.), William A. Steiger (Wis.), and C. W. (Bill) Young (Fla.).

The committee held extensive hearings, spent some $700,000 in more than a year of work and carefully put together a unanimously backed plan to clear up the present hodge-podge of committee jurisdictions and concentrate responsibility for subjects that have become of major importance since the last committee reorganization in 1946, and to even the work load of existing committees.

Last year for example 14 of 21 House committees held hearings on energy proposals. The plan would focus responsibility for energy by converting the Interior Committee into a Committee on Energy and Environment with broad responsibility for energy matters. The overworked Ways and Means Committee would lose certain health, foreign trade, unemployment compensation and pension matters to other committees. That committee operates without subcommittees (enhancing its chairman's great power) which limits its ability to handle all the subjects it should; consequently urgent public business, such as tax reform, is neglected. The Education and Labor Committee would be split in two, a proposal strongly opposed by organized labor.

ACTION IN THE CAUCUS

The importance of the Bolling-Martin plan prompted Democrats to bring it before their caucus, even though it was a bipartisan resolution. Republicans, of course, had no say in the caucus.

The Bolling-Martin committee was ready with unanimous recommendations to present to the House. The caucus prevented this. A substantial number of House Republicans strongly favored the plan and were expected to vote for it. The Democratic caucus prevented this. The many members of both parties who realize Congress is an inept branch of government saw the Bolling-Martin plan as a major step in revitalizing the House. The caucus prevented this.

The Bolling-Martin plan was blocked because the caucus functioned in secret and because caucus rules were ignored.

Burton, leader of the opponents, proposed to the caucus that the plan be sent to the Hansen committee in order to try to kill it. His strategy was to keep the entire decision-making process secret because he knew he could not win if the votes were recorded and members were made accountable for their actions.

A Burton ally, Rep. William Clay (Mo.), moved that the pending vote on referring the plan to the Hansen committee be made by secret ballot. This was an unprecedented action in the caucus for voting on substantive issues. (Clay is on the Education and Labor Committee which the Bolling-Martin plan split in two, requiring members to give up one.) Clay's proposal carried by a 98–81 standing (that is, non-recorded) vote. Bolling immediately sought a recorded vote on whether it would be a secret vote to send it to the Hansen committee. Bolling was clearly entitled under the rules to a recorded vote. The chairman of the caucus, Olin Teague (Texas) rejected the request—an erroneous ruling that doomed committee reform. (Teague is a senior Democrat, having come to Congress in 1946, and is chairman of one committee and a member of two others. The Bolling-Martin plan would require Teague to leave one of those committees.)

House rules, which the caucus follows, always allow a Representative on the losing side of a nonrecorded vote to obtain a recorded tally. The caucus, meeting in secret did not have the benefit of advice from the House's parliamentary experts. Nevertheless, it strains credulity to think that any person who has been in the House almost three decades, and is a committee chairman, is unaware of the most elementary House rules. In fact, Teague later admitted that he was in error in denying Bolling's request for a recorded vote, according to Rep. Robert F. Drinan (Mass.) who was present. But a motion to reopen the question of an open or secret vote was not granted by Teague.

So, the caucus went on to vote by secret ballot on Burton's proposal to refer the matter to the Hansen committee. It was approved 111–95.

HEROES AND DEVILS

This battle, like most in Congress, featured some Representatives who deserve special praise for their efforts, and some who deserve the opposite. The pre-eminent figure in the latter group was Burton, a member of the Education and Labor and Interior Committees. With Education and Labor split, Burton would have to choose between one of the three resulting committees. (The Bolling-Martin plan prevents a member from serving on more than one of 15 designated "major" committees. The list includes Burton's three.) Burton's strategy of a secret vote is especially ironic because it was he who in 1973 helped lead the reformers' unsuccessful fight for open, recorded votes in the Democratic caucus on all substantive issues.

Burton was aided by other liberals who usually have supported reform but in recent years have moved up the seniority ladder. Included were Frank Thompson (N.J.), John Brademas (Ind.), and James O'Hara (Mich.) —2nd, 5th and 6th ranking Democrats, respectively, on Education and Labor. Clay also is on the committee. O'Hara, like Burton, also is on Interior.

Others were Bob Eckhardt (Texas) and John Dingell (Mich.) whose committees would have lost clout in the House. In addition, Dingell is maneuvering for a position on the Ways and Means Committee. Ways and Means Chairman Mills was a leader of the anti-reform forces because his committee would suffer the largest denuding of influence of any in the House. The plan also was opposed by many other old-line Democrats who are either committee chairmen or near the top of the heap. They were supported by a number of outside groups that usually don't agree on issues: the AFL-CIO, the U.S. Chamber of Commerce, the National Association of Manufacturers and a number of environmental groups.

On the other side of the issue, there were many Democrats who worked hard for the reforms. Speaker Carl Albert (Okla.) spent much effort attempting to round up support, as did Bolling and the other Democrats on his committee. Not all of the Democrats who in the past have been supporters of reform defected from the fold this time. Outstanding examples of those who stayed and worked hard for the Bolling-Martin plan were James V. Stanton (Ohio), Don Fraser (Minn.), Bob Bergland (Minn.) and Jim Wright (Texas). They were supported by the Citizens Committee on Natural Resources and the Americans for Democratic Action, in addition to Common Cause.

But many individuals and groups normally identified with reform defected and, with the usual foes of change, they prevailed. Democratic majority leader Thomas P. O'Neill (Mass.) summed it up for reporters: "The name of the game is power, and the boys don't want to give it up."

CONSUMERS BEWARE—BEEF INDUSTRY IN REAL TROUBLE

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. SHRIVER. Mr. Speaker, the American beef industry is in real trouble, and so is the American consumer. Due largely to Government interference last year in the normal supply and demand operations of this industry, corrective Government action is now needed if we are not to face serious beef shortages and higher prices in the near future.

Along with my Kansas colleagues, KEITH SEBELIUS and JOE SKUBITZ, I am today introducing legislation which would impose a complete embargo on beef imports for 6 months. This action is needed to alleviate market imbalances caused by unwise price controls last year.

On the face of it a beef embargo would appear to be against the best interests of consumers. This is not true. In the long run consumers stand to suffer far more if this legislation and other actions are not passed. A bankrupt American beef industry can produce no beef.

The discriminatory price freeze last July, coupled with consumer boycotts, the energy crisis, truckers strikes, and greatly increased feed costs have put this industry on the ropes. Producers in Kansas and other beef growing States are losing more than $100 per head. Losses nationwide can be counted in the billions of dollars. This is a vital industry, and it needs help.

Last December, the Secretary of Agriculture announced that meat import quotas, which the President suspended in 1973, would continue to be lifted for 1974. As required by law, the Secretary will review the situation every 3 months, at which time the suspension could be reconsidered.

I believe the situation is so serious now that Congress should insist that meat imports be stopped immediately, and that the halt be imposed for a long enough period to allow domestic supplies to come more in line with demand. Our bill calls for the embargo to continue for 180 days, or about 6 months.

This, of course, is not the only answer to a complex problem. The beef industry itself, in cooperation with retailers, must take actions to promote their products to consumers who feel they were treated unfairly last year and who have been hesitant to resume normal buying habits. The consumers themselves should learn from the experiences of the past year that lower prices for beef are not the only answer. Producers must have adequate incentive to produce additional supplies for long-term needs, and this means fair prices all along the production line.

At the same time, the proposed embargo is an area in which Congress has the responsibility and the power to help the beef industry. As pointed out recently by the president of the Kansas Livestock Association, the United States has become the world's dumping ground for beef, and at a time when our own cattle industry is undergoing one of the worst marketing situations in history.

Japan has already embargoed beef imports, and the European Economic Community has taken actions which, in effect, have halted beef imports into member countries. The United States stands alone as the largest free-world market for beef, and our meat import quotas remain suspended.

This bill will be referred to the Ways and Means Committee of the House. I know that committee is very busy working on tax reform and health insurance legislation, but I call on the chairman to make a special effort to take a look at what is happening to America's beef producing capacity and to report this bill out as soon as possible. America's consumers will need it.

RETIRED TEACHER CONTINUES HELPING OTHERS

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. WALSH. Mr. Speaker, too often when a man or woman retires from his or her chosen profession, they are written off by society. We seem to be saying a person's usefulness and ability to contribute automatically ceases at a given retirement age.

Fortunately, we finally seem to be learning this is both untrue and unfair. And even more fortunately, it is the retirees themselves who are proving to us they still belong.

Recently, such a person has been brought to my attention by an article in the May 14 edition of the Auburn,, N.Y., Citizen Advertiser. The story, by Roberta Kelsey, describes the work being done by a retired teacher to make life a little easier for handicapped persons.

I would like to share that article with my colleagues:

National recognition has come to Mrs. Wesley Warner of Moravia as a direct result of her talent with needle and thread.

Lillian Warner, now retired from a teaching career of over thirty years, is a member of the Philomath Study Club of Moravia. The local Philomath has been affiliated with the Federation of Women's Clubs since 1939 and members have been encouraged to enter various contests.

When Mrs. Norman Schiek, health nurse at Moravia Elementary School, described the plight of a local paraplegic youngster, Mrs. Warner accepted the challenge. Mrs. Schief explained that the boy, almost 12 and a victim of a bicycle and car accident, could not buy trousers which fit and could be pulled over his stiff shoes and braces. Because of this, he needed help in dressing.

Mrs. Warner got right to work on the problem and soon had designed and constructed a pair of trousers using zippers and "Velcro" for side seams and ankle openings. This enabled the lad to dress himself. "His appreciation for these trousers which fit well, concealed his braces and helped him to be independent was all the reward one could want," said Mrs. Warner.

A duplicate pair was sent to the state contest for "Fashion Designs for the Handicapped" won first prize for New York State. The entry was then forwarded to Washington where it was given third place in the national contest. The trousers are now on their way to Minneapolis where they will be on display at the 83rd national convention of the General Federation of Women's Clubs which convenes the last week in May.

At the 80th convention of the women's clubs of New York, Mrs. Richard Johnson, state chairman of "Fashion Designs for the Handicapped" competition introduced Mrs. Warner, describing her entry and disclosing it had won first place in the state and third place nationally. This was the first time New York has placed in the top five awards for the nation.

Mrs. Warner's national prize was a special sewing machine. State prizes were a sewing basket and 60 spools of thread. The Philomath will also receive a cash prize which will be used to further help with its projects for the handicapped.

Lillian has made and given the boy three pairs of these special trousers and the contest pair will be his after the national convention.

"I will be just delighted," said Mrs. Warner, "if my original idea is adopted by a pattern company so that other paraplegics may wear attractive, well-fitting, functional trousers which conceal braces."

THE HARD ROAD TO WORLD ORDER—III

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. BINGHAM. Mr. Speaker, in part III of Prof. Richard Gardner's analysis of the need for and the difficulties with achieving world cooperation, he argues that new and stronger rules should be incorporated into existing cooperative agreements such as the GATT and the OECD. He also suggests that the United States and the other industrialized countries should commit themselves to assisting in the development of the developing countries, while, in return, the developing countries should provide nondiscriminatory access to raw materials at reasonable prices.

The third section of Professor Gardner's article in Foreign Affairs follows:

III

For the moment, it may seem that the "energy crisis" has operated to reduce the chances of progress on some of these key multilateral action fronts. Certainly it has deferred a new monetary agreement, triggered a series of nationalistic actions affecting trade, contributed to the U.S. Congress balking at the American share for the World Bank's soft loan activity, jeopardized some domestic measures for the environment in the United States and elsewhere, and sharply affected the food balance for countries increasingly dependent on fertilizer. There is no rule in international affairs that things have to get worse before they can get better; they can just go on getting worse. Even with some roll-back in oil prices, it will require a special effort of coöperation for the industrialized countries to absorb the economic impact of increased oil costs without resorting to beggar-my-neighbor policies. It will take considerable statesmanship to maintain the flow of development assistance to those resource-poor developing countries which have little to offer the industrialized nations in return. And it will require still greater ingenuity to "recycle" a portion of the additional oil revenues back to these countries so that they can realize their minimum development goals.

But if one takes a longer view, it becomes apparent that, far from reducing the practical importance of multilateral agreement on specific subjects, the "energy crisis" has made the existing agenda even more crucial, and in fact added what is in effect a new action item. For some years we have been talking of resource scarcities in terms of physical limits; what is now apparent is that long before any such limits are approached we confront what Lester Brown has called "the emerging global politics of resource scarcity." The problem is not only one of increasing total supplies of scarce materials, but of assuring their fair allocation between countries. Large parts of the world are dependent on food exports from the United States, just as the United States has become dependent on oil from the Middle East. Unilateral cutoffs of these vital resources for political, economic or conservation reasons could have grave consequences, even to the point of triggering international conflict. In the early days of the Second World War, Roosevelt and Churchill proclaimed an Atlantic Charter with the postwar objective of "access, on equal terms, to the trade and to the raw materials of the world." In three decades of negotiations since that time, our focus has been almost exclusively on access to markets. In the next decades, we will need to place new emphasis on arrangements to assure reasonable access to scarce resources.

Over the next few months, it seems likely that initial answers to the specific problem of oil will be sought in a widening series of negotiations that will come to embrace producing and consuming countries. But it is already clear that such negotiations will not be limited merely to the terms and conditions, including price, on which oil will hereafter be made available by its principal producers. These latter have made it abundantly clear that their intended "terms and conditions" extend at least to the transfer of technology and investment and to the price and availability of raw materials and finished products that now move from the major oil consuming countries to the oil producers. Once other developing countries become involved, moreover, other subjects could form a part of the multilateral bargain that may be necessary—such as market access for developing countries' exports, the participation of the oil producers in aid and relief for the developing consumer countries, and provisions for food that guarantee its availability and price on terms paralleling those worked out for oil.

In all probability, these negotiations will not be crammed into the framework of the already-scheduled trade negotiations for which principles were agreed at Tokyo last fall. But certainly what is worked out for and around the question of oil will have a major impact on those negotiations—and may well leave unresolved many of the wider issues of principle involved in the question of access to resources. These issues have now become critical, and we need to look hard at the present state of international law and organization and what can be done about it.

Not surprisingly, after three decades of neglect, the present state is far from satisfactory. The General Agreement on Tariffs and Trade does contain a general prohibition on the use of export and import controls (Article XI) as well as a requirement that both export and import controls should not discriminate between countries (Article I). But a subsequent article adds exceptions to these rules—and exceptions to the exceptions—which make it extremely difficult to discern any coherent guidelines for national policy.[2] And, what is more to the point, all of these principles are effectively vitiated by a subsequent GATT article (XXI) which declares that nothing in the GATT shall be construed "to prevent any contracting party from taking any action which it considers necessary for the protection of its essential security interests . . . taken in time of war or other emergency in international relations."

A major objective in the forthcoming trade negotiations should be to incorporate some new and stronger rules. At a minimum, these should prohibit the use of export or other controls for political purposes. A country should not be permitted to cut off or threaten to cut off exports in order to change another country's policies (although exceptions would have to be granted to permit countries to restrict the export of weapons and national security information and also to restrict trade in the course of actual hostilities). The new rules should also seek to define more precisely the economic, conservation and other purposes for which exports can be limited, and should place greater emphasis on the need to take account of the interests of others. Most important of all, since the rules on this complex subject will inevitably require interpretation in specific circumstances, new GATT procedures should be created requiring advance notice, consultation, authoritative interpretation of the rules, and settlement of disputes by impartial conciliation commissions under GATT auspices.

Where countries are found to have violated the new principles and fail to adjust their policies in accordance with multilateral decisions, they should face the possibility of multilateral reprisals. If this cannot be done through the GATT, it may have to be undertaken through the OECD or some other multilateral forum. In extreme situations, multilateral sanctions may even have to be applied to countries that are not GATT members, on the theory that violation of broadly agreed-upon community standards are gravely threatening community interests. If we can propose cutting off air service to countries that give refuge to hijackers, if we can contemplate denying port facilities to nations that pollute the oceans with their tankers, we should certainly explore the possibility of multilateral trade, aid and investment embargoes on nations that threaten the world economy by arbitrarily withholding vital raw materials.

None of the Arab oil producing countries is a party to GATT except for Kuwait, but a number of them (including Saudi Arabia) have committed themselves in bilateral treaties with us to refrain from the very measures of trade discrimination which they recently aimed in our direction.[3] Moreover, all of these countries voted for U.N. Resolution 2625 (XXV) of the 1970 General Assembly, entitled "Declaration of Principles of International Law Concerning Friendly Relations and Cooperation Among States in Accordance with the Charter of the United Nations." One of the key principles of the Declaration was the following: "No State may use or encourage the use of economic, political or any other type of measures to coerce another State in order to obtain from it the subordination of the exercise of its sovereign rights and to secure from it advantages of any kind."

It was the Afro-Asian group in the United Nations, including the Arab countries, that pressed hardest for this principle and for the proposition that it was already part of international law. Of course, their motive was to prevent the United States and other industrialized countries from using economic power as an instrument of political pressure. Not a single voice has been raised in the United Nations to cite the relevance of this authoritative declaration to the Arab oil embargo—which is typical of the "double standard" that currently prevails in the world organization and accounts for much of the skepticism about the integrity of its decisionmaking process.

Lest we adopt an unduly self-righteous attitude on these matters, however, we should recognize that the United States itself has been one of the worst offenders in using trade controls in ways which have adversely affected other countries. As a result of congressional pressures, the President was given the authority to cut off aid to countries trading with Cuba or North Vietnam. Last summer we unilaterally cut off exports of soybeans and other agricultural products to our trading partners in Europe at the very time we were pressing them to modify policies of agricultural self-sufficiency and become dependent on our production. And the House of Representatives only recently adopted amendments to the trade bill denying most-favored-nation treatment and trade credits to the Soviet Union and other "non-market economy" countries until they grant free emigration to their citizens.

It is obvious from recent events that the whole concept of an open and coöperative trading system is under serious attack. International trade is becoming heavily "politicized." This trend is destroying the traditions of reasonably free and non-discriminatory access to markets and supplies that are essential in an increasingly interdependent world.

Cordell Hull, Secretary of State under Franklin Roosevelt, was a believer in the theory that "if goods can't cross borders, armies will." Since the U.N. Charter, countries are no longer permitted to use force to back up their economic claims. Quite apart from legal prohibition, such actions now entail costs and risks that make them politically undesirable. But if the Atlantic Charter concept of equal access to raw materials cannot be guaranteed by the use of force, we need to implement it by institutional arrangements that include an effective combination of incentives to coöperation and deterrents to destructive behavior.

Amendments have now been proposed to the trade bill which would authorize the President to cut off trade, aid and private investment from countries that injure the international community by the unreasonable denial of essential commodities. In using such new powers our government should act multilaterally, not bilaterally, for at least three reasons. The first is that in most cases a threat of reprisals against raw material cutoffs will have little practical significance unless we have our OECD partners with us. The second is that unilateral U.S. action will look to others as a destructive act of nationalism unless it is related to multilateral rules and procedures. The third is that such an effort of "collective economic security" could degenerate into a North-South economic war unless it is based on principles acceptable to a substantial number of developed and developing countries.

Obviously codes of conduct by themselves are not enough. On both sides of the great economic divide, there will need to be more enlightened perceptions of national interest. In recent years, the developed countries have manifestly failed to discharge the aid and trade obligations that were necessary to make a success of the Development Decade. Partly in response to this failure, partly out of a misguided nationalism, many developing countries enlisted under the banner of "sovereignty over natural resources"—failing to see that developed countries also have "sovereignty" over their capital resources, their technology and their internal markets, and that some mutually agreed limitations of sovereignty are essential to give full possibilities to the sovereignty of all. Ironically the greatest victims of the "sovereignty" that the OPEC countries exercised in quadrupling oil prices in 1973 were the developing countries themselves.

It would be tragic if developing countries were to conclude from the temporary "success" of the OPEC countries in raising oil prices that confrontations through producer cartels and across-the-board nationalizations now offer a better future for them than cooperation. Growing resource pressures do promise some additional bargaining power to many developing countries, but outside of oil the possibilities for successful produced cartels to raise prices are very doubtful—either the producers lack the identity of interest and the necessary foreign exchange reserves for a collective cutback in supply, or the consumers have too many other options in the form of large stockpiles, home-based production, and the availability of substitutes. The danger is that a policy of confrontation could push developed countries into policies of self-sufficiency, denying developing countries the technical assistance, the capital and the market access without which they cannot meet their development goals. In the economic and political backlash, even the resource-rich countries would lose; and the have-not countries would lose most of all.

In the next several years, the United States and the other industrialized countries, in their enlightened self-interest, should commit themselves to a number of measures to assist the economic development of the developing countries—more multilateral aid, more market access for developing countries' exports, more transfer of technology, a world food reserve, more private investment on mutually satsifactory terms, revenue-sharing from seabed exploitation, the issuance of special drawing rights to multilateral lending agencies, and a new look at commodity agreements in those special situations where they may be practicable. In return, the developing countries can fairly be asked to do their part in the construction of a cooperative economic order which would include nondiscriminatory access to raw materials at reasonable prices.

Thus the elements of a "world order bargain" between rich and poor are merging more clearly as a result of the energy crisis. The way to strike it is not through bilateral North-South arrangements that can only lead to political friction and an unfair distribution of both aid and raw materials. To find a truly multilateral solution to the energy problem, as part of the broader issue of economic relations between developed and

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[2] Article XX of GATT permits measures deviating from these and other GATT rules "relating to the conservation of exhaustible natural resources if such measures are made effective in conjunction with restrictions on domestic production or consumption." The same article also permits measures "essential to the acquisition or distribution of products in general or local short supply; *Provided* that any such measures shall be consistent with the principle that all contracting parties are entitled to an equitable share of the international supply of such products . . ." These authorizations of export restrictions are subject to the requirement that such measures "are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail, or disguised restrictions on international trade."

[3] The export embargo on oil was applied selectively to the U.S. and the Netherlands, and thus clearly violated the most-favored-nation provisions in the bilateral agreements.

> developing countries, is perhaps the most urgent challenge that now faces the international institutions and their members.

FREEDOM OF INFORMATION STUDY DIRECTOR QUITS AT JUSTICE

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, an outgrowth of the House Foreign Operations and Government Information Subcommittee's investigation of Federal agency compliance with the Freedom of Information Act was the creation, within the Department of Justice, of a Freedom of Information Study Unit.

The study unit was directed by the Attorney General to conduct a Government-wide inquiry into how well Federal agencies were responding to the public's right to know, as guaranteed under the FOI Act, and to make recommendations accordingly.

On February 19, 1974, Attorney General William Saxbe, in a letter to Study Unit Executive Director Jerry Clark, promised that the study unit would be given the widest latitude to produce the most "independent and objective" analysis possible. Clark further was assured that the unit's finding, after being circulated throughout the Government for comment but not for alteration, would then be sent to the Congress.

Today, Jerry Clark resigned when it became apparent to him that the independence to conduct this most necessary study was now being denied by his superiors.

I am greatly dismayed, but not too surprised, that the Justice Department is unwilling to allow its own Freedom of Information Study Unit to produce an objective and independent report on the administration of our Nation's freedom of information laws.

Apparently, somebody at Justice got cold feet when it looked like they could not exercise control over the study unit's final product.

It is obvious to all of us familiar with the issue that any objective analysis of the Federal bureaucracy's administration of the Freedom of Information Act will show abuse of, and indifference to, the public's right to know.

My lack of faith in the Justice Department's desire to see stronger laws in this area have been hardened recently by the Department's heavy lobbying in the Senate to weaken House-passed amendments to the Freedom of Information Act.

Faced with overwhelming House support for our subcommittee's amendments to strengthen the act, the Department has expended much time and effort on the Senate side trying to water down that Chamber's version of our bill. I am pleased to report this effort failed.

It is clear that the Justice Department does not believe in protection of the public's right of access to Government information.

AMERICA NEEDS ATOMIC ENERGY EXPANSION

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. COLLINS of Texas. Mr. Speaker, the recent difficulties of a power company in New York highlight industries' problems with government bureaucracy. The redtape, paperwork, public hearings, and lawsuits all combine to make it impossible for a power company to build new facilities.

America needs more power for its industrial and consumer expanding requirements.

Last year, I sat in on a House committee that was working to determine where powerplants should be located. We had one dedicated group that objected to every suggestion that was made. After several months of this, our committee chairman asked them just what they would recommend. They answered that they had no suggestions as to where plants should go, as their position was one of finding the objections to the proposals made.

What we need today is to give positive thinking people an opportunity to move forward. One of the basic potentials of additional power is the use of atomic energy. I read an interesting article in Industry Week, May 27, 1974, about the Government harassment and delays that are negating progress.

This was a good article and I would like for you to review some of its best paragraphs. Here is Industry Week on powerplant delays:

> GOVERNMENT IS MAIN ATOM PLANT ROADBLOCK
>
> Despite the growing need for electric power, 70 out of 95 nuclear power plant projects have experienced delays ranging from two to 66 months. The main cause: the licensing and regulatory requirements of the government.
>
> These findings come from a survey by the Atomic Industrial Forum Inc. (AIF), New York, of 37 utilities with 47 units under construction and 48 awaiting permits.
>
> For those plants under construction, the survey found an average delay of 24.3 months; for those awaiting permits, 25.9 months.
>
> At those plants under construction, the survey showed, 1,119 plant-months have been lost in delays. By far the largest part of these delays—471 plant-months—was due to government licensing and regulatory requirements. The next most important was late delivery of components and materials: delays of 87 plant-months. Others: shortages of craft labor, 76 plant-months; inadequate productivity by labor, 72; and shortages of engineers and technical support personnel, 47.3.
>
> Interestingly, lack of public acceptance of nuclear reactors seems to be a very minor cause in the delay of plants under construction. The utilities surveyed stated that lack of adequate information on nuclear projects at the national and local level did not account for any delay.
>
> Tactics of public intervenors in the licensing process have been somewhat more significant in delay nuclear plants; these account for 29 plant-months of delay for units included in the survey.
>
> SPEEDUP
>
> The survey was done at the request of the government to help spot the reasons for delays in nuclear projects and to find ways to avoid such delays.
>
> Utilities responding to the survey stated that 14 of the 47 nuclear units under construction could be finished sooner if several steps were taken immediately. Most important of these would be elimination of the public hearing prior to issuance of the operating license. (This would still leave a public hearing before a construction permit is granted.) On the average, this move would speed up construction by three to four months, the utilities said.
>
> More significant speedups—seven to eight months—could be made with plants still in the planning stage, they said. Here, the respondents suggested one change in Atomic Energy Commission (AEC) procedures: allow site preparation work before a construction permit is issued. Now, no site preparation can get underway without a construction permit.
>
> The AEC is moving to speed up its licensing and regulating procedures. At the same time, however, other developments are stretching out timetables for nuclear units. Respondents to the survey repeatedly mention worsening shortages of materials, components, and equipment. They also foresee growing problems with antitrust reviews, and redundancy in their dealings with federal, state, and local regulatory agencies.

SOCIAL SECURITY—THE GREAT RIPOFF—NO. 5

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. CRANE. Mr. Speaker, in the final section of a five-part series concerning social security, Chicago Today reporter Warren Shore concludes that—

> The United States Social Security system is bankrupt.

Judged as insurance, he concludes the following:

> Social Security pays different benefits to people who have paid the same tax—and no benefits to some who have paid thousands of dollars.
>
> The system is designed to raise "premiums" (taxes) at a faster rate than it will raise benefits.
>
> The so-called "trust fund" the government says "pay the benefits" doesn't exist.

Judged as welfare, Mr. Shore concludes the following:

> Social Security offers benefits without regard to family need—only past income.
>
> The system collects 5.5 per cent of the income of a $13,000 a year worker and 1. per cent of the income of a $50,000 worker.
>
> The over-65 worker is penalized for working regardless of his need.

In the Federal pamphlet, "Your Social Security," it is stated that—

> During working years employes and their employers pay Social Security contributions which are pooled in special trust funds. When earnings stop, monthly cash benefits are paid from these funds.

This statement, Mr. Shore writes. is not true.

> By the federal government's own insurance regulation standards, a fund of more than $600 billion would be needed to guarantee present Social Security promises. Yet the Social Security Administration's total retirement and disability trust fund now stands at $36.5 billion—scarcely enough to guarantee benefits for 10½ months.

In the final section of his important five-part series, Warren Shore sums up his findings and presents some proposals for the future.

I wish to share this final section with my colleagues, the previous parts of this series having already been inserted into the Record at an earlier time, and insert in the Record at this time the article, "Social Security—A Way To Correct Its Shortcomings," from Chicago Today of May 3, 1974:

Social Security—A Way To Correct Its Shortcomings

(By Warren Shore)

The United States Social Security system is bankrupt. It can survive only thru larger and larger acts of public charity or a total reorganization.

Because the American wage earner has been willing to pay the charity [in the form of an 800 per cent rise in payroll tax without a matching rise in benefits], Social Security has been able to conceal its bankruptcy for the last 20 years.

But hiding the bankruptcy will get more and more expensive for U.S. workers. Up to now the cost has been paid by converting our Social Security system into both the worst of insurance and the worst of welfare.

Judged as insurance:

Social Security pays different benefits to people who have paid the same tax—and no benefits to some who have paid thousands of dollars.

The system is designed to raise "premiums" [taxes] at a faster rate than it will raise benefits.

The so-called "trust fund" the government says "pays the benefits" doesn't exist.

Judged as welfare:

Social Security offers benefits without regard to family need—only past income.

The system collects 5.5 percent of the income of a $13,000-a-year worker and 1 percent of the income of a $50,000-a-year worker.

The over-65 worker is penalized for working regardless of his need.

Those who continue to doubt Social Security's bankruptcy should consider The Great Trust Fund Myth.

In the Federal pamphlet, "Your Social Sesecurity," we were told that "during working years employes and their employers pay Social Security contributions which are pooled in special trust funds. When earnings stop, monthly cash benefits are paid from these funds."

That statement is not true. By the federal government's own insurance regulation standards, a fund of more than $600 billion would be needed to guarantee present Social Security promises.

Yet the Social Security Administration's total retirement and disability trust fund now stands at $36.5 billion—scarcely enough to guarantee benefits for 10½ months.

The truth is that, despite government claims, the trust fund is NOT used to pay benefits and hasn't been for 20 years. Today's payroll taxes are used to pay today's benefits—and the difference is critical.

Put simply by a spokesman for the Illinois state insurance department, "Using present premiums to pay off present claims is an insurance fraud because it conceals a state of bankruptcy."

Then why would the nation's largest insurer, Social Security, choose to operate this way?

When first enacted in 1937, Social Security was a small system taking a small tax [1 per cent] and offering a small return or "cushion." During the next 20 years benefits were raised without a matching rate of tax increase.

Thus because Congress was creating a generation of workers who would get more from Social Security than they put in, there was logic in assuming that these workers would continue to vote for legislators who favored the system.

So the Social Security Administration didn't bother with a true reserve fund. After all, wasn't the "selling of future policies" a virtual certainty?

But there was a fatal flaw. Giving more to one generation than it paid for, using the payroll taxes of the next generation without a reserve, means the second generation will get less than it paid for.

That second generation, the generation of victims, is today's young worker. Forty years of promising what didn't exist means today's wage earner must buy a "policy" full of government attempts at maximizing taxes while minimizing benefits.

This has led to:

Offering a benefit package worth less than a third of what it costs to offer.

Pegging benefit increases to the cost of living index and Social Security tax increases to the "average wage" which traditionally rises faster.

Keeping the earnings test [which reduces benefit checks] at below the poverty level.

Enacting a six-month waiting period for disability payments.

As we have said before, the present promises [even for currently older workers and retirees] can be kept only with future tax increases. Can the Congress continue to be certain that young workers will vote for legislators to keep this system in force?

Obviously the time has come to look for a way out.

The following proposals are a synthesis of discussions with Professor Milton Friedman of the University of Chicago, Professor Colin Campbell of Dartmouth, Professor James Buchanan of the University of Virginia, and John Brittain of the Brookings Institute.

While the proposals may seem radical, keep in mind that it is also radical to continue measures which, in private business, would result in bankruptcy. These experts suggest:

Repeal the present payroll tax for Social Security.

Replace the payroll tax with a system of Social Security bonds.

Continue to pay existing beneficiaries partially out of bond revenues and paritally out of general funds, but stop accumulating benefits for those workers who wish to opt out of the present system.

A Social Security bond system could continue to have mandatory features. A worker would be required, for instance, to purchase Social Security bonds equal to a certain percentage of his income in any given year. But he would have choices.

The bonds could be purchased from the federal treasury, at normal discount and interest rates, just as savings bonds are now added to payroll deductions.

A wage earner also would have the option of leaving the federal Social Security system entirely. To do this he would simply give proof that he is purchasing Social Security bonds from a private commercial source. Ample measures for regulating these sources already exist.

He further would request that the Social Security Administration compute the value of what already has been "contributed" in his name and that Social Security Treasury bonds be issued to him in that value.

There is no question that newly issued Social Security retirement bonds would create a huge addition to known federal debt. But the addition would simply be a measure to determine the value of what the federal government already has promised wage earners.

The present Social Security structure merely hides the debt by giving the wage earner's money to the retired and disabled, virtually guaranteeing that greater and greater amounts will be needed to keep the system from collapsing. No other trust or guaranty fund exists.

The greatest single value of the Social Security bond to the American wage earner is that it would radically change his relationship to the Social Security Administration.

A bond holder would know exactly what his government [or a private bond issuer] owes him and when payments would begin. Bondholders could not be subjected to "earnings tests," waiting periods, marital status tests or the like.

Still to be considered are the present death benefit and disability features of Social Security. Since the present system offers these features only in their cheapest form [term insurance for the death benefit and a six-month waiting period for disability], they could be duplicated in the cheapest way.

The features could be added to the new Social Security bonds for three to five times less than we are now paying.

Those who chose to buy more than the minimum in Social Security bonds would be free to sell the overage anytime they wish into the open market—like any other bond. The present system, tho much more expensive to most than private life insurance, offers no cash value.

The present Social Security system has taken 37 years to become what it is. No bond system or any other proposal will solve all the problems overnight.

The only imperative is that we recognize the present generation of young workers for what it is: A generation of victims whose financial condition is getting worse every day.

EXECUTIVE PRIVILEGE: A CONSTITUTIONAL MYTH

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. BRADEMAS. Mr. Speaker, the Harvard Law School has long been preeminent among American centers of legal scholarship. Holmes, Brandeis, Warren, Corbin, Frankfurter, Howe—the list is virtually endless—all are part of the Harvard tradition, and each of them is an important part of the history of American jurisprudence.

Mr. Speaker, Harvard's reputation for legal excellence has been enhanced in recent months with the publication of two important books, both by the same member of the Harvard Law School faculty. In his volumes on "Impeachment: The Constitutional Problems," and "Executive Privilege: A Constitutional Myth," Prof. Raoul Berger has made a most significant and timely addition to our understanding of two of the most misunderstood aspects of our Constitution.

Professor Berger's analysis, as usual, relies on rigorous logic and a respect for history "as it actually happened"; his patience with polemics and arguments made of necessity is appropriately short.

Mr. Speaker, an excellent review of Professor Berger's most recent book, "Executive Privilege: A Constitutional Myth," appeared on May 5, 1974, in the New York Times Book Review. I include it at this point in the Record in order that Members may be acquainted with Professor Berger's views, and hopefully, be encouraged to read his book:

EXECUTIVE PRIVILEGE: A CONSTITUTIONAL MYTH

(By Raoul Berger. 384 pp. Cambridge, Mass.: Harvard University Press)

(Reviewed by Garry Wills)

Herman Wolkinson has a lot to answer for. In 1949, this otherwise obscure official in the Justice Department wrote several papers for The Federal Bar Journal entitled "Demands of Congressional Committees for Executive Papers." These reflected the atmosphere of Truman's war with Congress, and were aimed especially at investigating committees like that of Homer Ferguson, on which young William Rogers was serving as counsel. Though the papers never became official documents in that Democratic Administration, they obviously made quite an impression on Rogers—so much so that, when he had changed sides and joined the Justice Department himself, the Wolkinson papers, only slightly recast, issued from Herbert Brownell's department as an official explanation of the Eisenhower Administration's refusal to let Congress see executive papers.

The occasion was the Army hearings before Senator McCarthy's committee. John Adams, the General Counsel for the Army, had made an embarrassing admission in his testimony—that a high White House meeting had been convened to consider ways to do in the committee. (This seemed a good idea, at the time, to people who later deplored the same kind of meeting when it was aimed at the Ervin Committee.) McCarthy demanded the records of that meeting, and Eisenhower sent a letter denying the right of Congress to ask for internal documents of this sort. Brownell appended a memorandum cribbed from Wolkinson. When Rogers became Attorney General, he wrote a memorandum reciting the Wolkinson arguments in even greater detail, and that document became the foundation for all later White House efforts to keep its dealings secret from the Congress.

Wolkinson had used extensive historical citations, going all the way back to George Washington, in favor of "an uncontrolled discretion" granted to the President over what he could withhold from Congress. He did not use the term "executive privilege" because it did not yet exist. Neither did Brownell or Rogers, in their memoranda. But the term was coming into use by 1958, and Rogers did use it outside his memorandum, in a magazine article—the first high official's use of the term.

The way had been prepared, under Franklin Roosevelt, whose Attorney General had also argued for secrecy—more plausibly—in time of war. The growth of the "security" mentality under Truman, and the cult of a strong executive leadership for cold war purposes, made the doctrine seem peculiarly liberal and virtuous. The Washington Post could not be kind enough to the Eisenhower refusal when McCarthy was at issue. It looks, then, like "executive privilege" is another fine mess the cold war has gotten us into—unless, of course, all the historical incidents mentioned by Wolkinson were valid examples of uncontrolled Presidential discretion.

Comes now Raoul Berger to tell us, emphatically, they were not examples of any such thing. There is an exuberance of pugnacious learning in Berger that is almost comic in its effect. He not only knocks down the Rogers memorandum, he jumps on it over and over, leaving it, like Leacock's Tancred the Tenspot, "flat as a postcard and of no use to anybody." The memorandum is an incredibly sloppy mélange of bad history, bad logic and bad law.

Berger heaps bipartisan scorn on all those who have used the memorandum in recent years—from William Bundy, under Lyndon Johnson, to William Rogers, acting as Secretary of State but citing himself as Attorney General—for the purposes of secret warmaking. By the time Berger has finished with it, the Rogers memorandum looks like an archetypal White House dirty trick, and anybody who uses its examples in the future had better be ready to duck.

But Berger is not content with a merely destructive job. Those who have read his earlier books, "Congress vs. the Supreme Court" and "Impeachment," know there are certain things to be expected when Berger goes into action: frequent jaunts back into seventeenth century British law, as the exemplar of our constitutional thinking; a reliance on judicial review as the solution to almost every political problem; a passionate belief in the wisdom of our original scheme of government. It is a pleasure to see him take a phrase from the Constitution and develop all the richness of its historical context, the precision of its legal formulation, its applicability to our times.

Take the words that say the President shall have the power to make treaties "with the advice and consent of the Senate." Berger takes us back to 1415 A.D., when the King of England passed laws "by the Advice and Assent of the Lords Spiritual and Temporal, and at the Request of the Commons." The House of Commons was then a petitioner, and only the House of Lords was a consultor to the King. But in the seventeenth century, that key period of parliamentary development, kings enacted laws "by and with the Advice and Consent of the Lords and Commons in this present Parliament assembled."

Both houses of Parliament were now full partners with the King in this legislative process, and proud of the earned prerogative—so much so that the lower house impeached the Earl of Oxford in 1715 because he negotiated a treaty for the Queen in such a way as "Prevented the just Advice of the Parliament to her Majesty." In the same way, James Iredell told the North Carolina ratification convention the House would impeach a President if he did not provide the Senate with information enabling it to advise him on the formulation of any treaties.

That is one strand Berger follows. Another is the careful phrasing that makes "advice and consent" apply to the whole power of treaty-making, but only to the confirmation of ambassadors, not their nomination. Still another is the way the colonial legislatures wrested the privilege of consulting on the laws from royal governors.

Then he inquires after the meaning of the word "treaties" in eighteenth century usage. He moves from Bailey's Dictionary to the Letters of Camillus, where Alexander Hamilton wrote: "From the best opportunity of knowing the fact, I aver, that it was understood by all to be the intent of the provision to give that power the most ample latitude—to render it competent to all the stipulations which the exigencies of national affairs might require; competent to the making of treaties of alliance, treaties of commerce, treaties of peace, and every other species of convention usual among nations . . . And it was emphatically for this reason that it was so carefully guarded; the cooperation of two-thirds of the Senate, with the President, being required to make any treaty whatsoever."

Then he moves on to the nation's early practice, showing how Washington went into the Senate chamber to discuss his first Indian treaties—and only desisted from this practice because he was told that his awesome presence intimidated members from frank criticism of any view he expressed.

Not only does Berger explore all these avenues in seeking full understanding of the phrase; he tells us in lengthy footnotes what each of the best scholars have said on each matter; he strips away misunderstandings (e.g., the use out of context of John Marshall's phrase "sole organ" when talking of the President's role in diplomacy); he traces the growth of constitutional aberrations (e.g., the whole doctrine of "executive agreements").

Only when this phrase of the Constitution has been lit through, turned every way toward the light, and studied from each angle, does he apply it—but crushingly—to the whole growth and prosecution of the Vietnamese war. Where was the advise and consent of the Senate? What right had Presidents to deny Congress information on the war's preparation, its rationale, its operations? The denial of the Pentagon Papers to Senator Fulbright is at last seen for the enormity it was—precisely the situation James Iredell had called an impeachable offense.

I have given Berger's treatment of this one phrase as a type of the work he does on word after word of the Constitution, bringing it back to life. He does as much for the demand that the President keep reporting on the state of the nation to its lawgivers, and on the rights of general inquest implied by the duty of impeachment if the executive fails to execute the laws as they were intended by the lawgivers.

Berger's scholarship is fiercely independent, yet trustworthy. I spent many an hour checking his account of the Marshall subpoena to Thomas Jefferson, since even Dumas Malone gets that episode wrong in his latest volume—but Berger's legal analysis, based on fewer materials than Malone used, is perfectly sound.

All Berger's recent work has been so timely that it seems to be responding to events—to Vietnam as a "Presidential war," to the White House refusal of information to Congress, to the threat of impeachment, to all the arguments about confidentiality and privilege and executive discretion. But it is also widely known that the timeliness is an accident. Impeachment and judicial review keep popping, up like King Charles' head, in his pages because he began, in his first book, exploring the boundaries between the three branches of our Government, and impeachment and judicial review are the great defining forces.

The first book dealt with the limits of the legislative branch, and the second with those of the executive. This new book is actually more concerned with Congressional prerogative than with executive excess—but, through it all, the boundary-patrolling role of the Court is kept in mind, making the three books a connected trilogy, to be studied as a whole. Together they constitute one of the scholarly landmarks of our time.

THE POLISH FALCON SOCIETY OF DEPEW, N.Y.

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. KEMP. Mr. Speaker, on August 18, 1974, the Polish Falcon Society of Depew will open its new facilities at 445 Columbia Avenue. A very special tribute belongs to the deceased president of the club—Mr. Stanley Salaszny—without whose tireless dedication and hard work the Polish Falcon Society of Depew would not be what it is today. Under his tutelage and with the help of the village of Depew, the Falcon Society has established itself as a dynamic organization committed to the welfare of the community—having made donations, financial and personal, to the Depew Senior Citizens Center, and other local endeavors, including youth and religious causes.

Under the leadership and guidance of its current officers, including its president, Richard Gramza, the chairman of the board, David Len, and its secretary-treasurer, Edward Kosikowski, the Polish Falcon Society of Depew has in front of it many years of service to the community and all of western New York.

Village trustee, Norm Downey has been of great assistance to the society, along with hundreds of others whose tireless efforts and dedication are a vital part of its success.

HISTORY

The Polish Falcon Society is a fascinating oganization with a rich history. With the help of Depew chief of police, Mr. Louis Wenzka, I am able to outline the history of the organization:

HISTORY OF POLISH FALCON SOCIETY

At an assembly, on the 15th of November, 1903 gathered by Mr. A. Skrabinski, then president of District III, Polish Falcons of America, was founded the Gymnastic Society of Polish Falcons of Depew, New York. The Matt Dworzanowski Hall on Penora St. was where eight members registered and elected a temporary administration consisting of Anthony Krzywicki, President; Alex Utecht, Secretary; Matt Dworzanowski, Treasurer; and Frank Lisniewski, Instructor.

The same slate of officers was re-elected January, 1904, and the members resolved to hold the First Gymnastic Exhibition and Ball on January 19th. At the February meeting, the officers failed to report on the Ball "because income and accounting was lost"—"disappeared like camphor". After a stormy session, the membership separated in disgust.

After several months a majority of members gathered and reorganized. Newly elected were: Frank Paluszak, President, Alex Utecht, Secretary; J. Krzywicki, Treasurer; and J. Wienckowski, Instructor. Walter Witkowski was later elected to fill the treasurer's post, vacated by Alex Utecht who enlisted in the U.S. Navy.

The Nest moved from Dworzanowski Hall to the SS Peter & Paul Church Hall in 1906 and on June 25th, 1911 celebrated the ceremony of consecrating its banner. The act of blessing was performed by the late Rev. Father Stanley Fimowicz, Pastor of the SS Peter and Paul Church.

Labor Day, September 1911 found the Nest hard at work hosting the District III Polish Falcons convention. The events were highly successful and stabilized the organization fraternally and financially.

In 1919 the Nest acquired the building at 45 Crane Street for the business and pleasure of its membership and moved all its activities out of the church hall. Incorporation under the laws of the State of New York was completed on May 25th, 1922 and recorded on June 17th, 1922 in the archives of Erie County. This action brought about a revised constitution with an updated set of aims and procedures and established the current name of "Polish Falcon Society of Depew, N.Y. Inc."

In spite of the Depression Era, the Society survived and added membership in the newer generations, especially during and after World War II.

The Clubrooms were enlarged and altered in 1951 and further remodeled in 1953 when the Golden Jubilee Banquet was celebrated on November 15th. The Falcons proudly looked back on fifty years of achievement in an atmosphere of community acceptance and the pleasure of good fellowship.

It was at this celebration that it was noted that Frank Paluszak and Walter Witkowski, two of the original eight members, were present and active. The publicity created a new recognition by younger and new residents of the Village and membership rose almost out of bounds.

The growth of the Society made it apparent that the Clubroom could never contain the needs of the coming years and the foresight of past administrations was really appreciated in the knowledge that a large tract of land was owned by the Society on Columbia Ave. at Warner Rd.

Plans were made and brought about the current building at 445 Columbia Ave. With a ceremonial parade and consecration of facilities, the Society moved into its newest clubrooms on September 17th, 1971.

The Village of Depew honored the Society by re-naming a new section of French Rd. to Falcon Drive.

I want to thank the Falcon Society, its members, and all those affiliated with it, publicly, for their great contributions to Polonia.

HUMAN RIGHTS IN CHILE: GOVERNMENT AUTHORIZES OAS COMMISSION TO VISIT ITS TERRITORY

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. FRASER. Mr. Speaker, I am pleased to report that the Government of Chile has authorized the Inter-American Commission on Human Rights of the Organization of American States to visit its territory to investigate charges of human rights violations. In April, the Commission requested permission to make such a visit. I am inserting in the RECORD the exchange of correspondence between the Government of Chile and the Commission regarding this request to visit Chile.

I am also placing in the RECORD a letter sent by 32 Members of Congress to the Commission urging it to conduct an onsite investigation into the charges of human rights violations in Chile. Many Members of Congress have been concerned about events in Chile. The House Foreign Affairs Subcommittees on Inter-American Affairs and International Organizations and Movements held two joint hearings in May on the human rights situation in Chile. On June 11, the subcommittees will hear from a Department of State witness concerning the Department's assessment of the situation and measures to improve respect for human rights in Chile.

Also reprinted below is an article by Joseph Novitski that appeared in the May 27 issue of the Washington Post. This article states that repression, torture, and other human rights violations are still pervasive in Chile.

The administration has requested for fiscal 1975 $83 million in bilateral U.S. economic assistance, military assistance, and credit sales to Chile. Of that amount, $800,000 is military assistance and $20,500,000 is military credit sales. In view of the serious charges of human rights violations in Chile, the Congress may wish to, at least, suspend military assistance and sales to Chile until the Inter-American Commission on Human Rights has completed its investigation and found whether or not the Government of Chile is fulfilling its obligations under the OAS Charter, the American Declaration of the Rights and Duties of Man, and other relevant declarations and treaties.

The aforementioned documents follow:

GOVERNMENT OF CHILE AUTHORIZES COMMISSION ON HUMAN RIGHTS TO VISIT ITS TERRITORY

The Government of Chile, by note of May 23, 1974 addressed to the Chairman of the Inter-American Commission on Human Rights, authorized the Commission to meet in its territory, thus responding to the request made by the Commission in a note dated last April 18.

The Commission, during its thirty-second session, held April 8–18, 1974 in Washington, D.C., decided to request the authorization, established in its Statute, to meet in the Republic of Chile and gather additional information on acts denounced against the Government of Chile, as well as to examine *in loco* the situation of human rights in that country.

The Minister of Foreign Affairs of Chile, Vice Admiral Ismael Huerta, in informing the Chairman of the Commission of the decision of the government, suggested that the visit take place during the month of July.

CHILE RESPONDS TO COMMISSION ON HUMAN RIGHTS' REQUEST FOR AUTHORIZATION TO VISIT ITS TERRITORY

WASHINGTON, D.C.—The Inter-American Commission on Human Rights, during its thirty-second session, held April 8–18, 1974 in Washington, D.C., in view of the number and seriousness of the denunciations of alleged violations of human rights that it had received in relation to Chile and in accordance with the provisions of the Statute of the Commission, decided to request of the Government of Chile the authorization necessary to meet in that country and thus obtain additional information on the cases denounced.

To that end, the Chairman of the Commission, Dr. Justino Jiménez de Aréchaga, sent the following note, dated April 18, 1974, to the Government of Chile:

His Excellency, REAR ADM. ISMAEL HUERTA DIAZ,
Minister of Foreign Affairs,
Santiago, Chile.

EXCELLENCY: The Inter-American Commission on Human Rights has followed with much attention the unfolding of events that have occurred in the Republic of Chile since September 11, 1973, analyzing them in relation with the effective operation and protection of human rights.

This interest has been made manifest by the frequency with which we have corresponded with the Government of Your Excellency since that date in fulfillment of the obligations imposed upon us by the clear standards which govern our activity.

We have already had the opportunity to acknowledge formally—and we are pleased to repeat it on this occasion—that the Government of Your Excellency has endeavored to offer ample information on the majority of the questions which the Commission has formulated. Likewise, we expressly acknowledge the facilities accorded to the Executive Secretary of the Commission during his visit in mid-October 1973.

During this session, the study of the present situation of human rights in Chile has taken a great part of our time. On the one hand, we have examined those individual cases, clearly determinable, in which the violation of certain fundamental rights of one or several specified persons has been denounced. But, in addition, it has been necessary to analyze separately that which we might call a "general case," that is, the aggregation of charges from different sources according to which there is a policy in Chile which would imply, according to the claimants, the systematic disregard of fundamental human rights.

The Commission still lacks important evidence that would permit it to form a definitive opinion on many of the industrial cases under examination; but it is especially in relation to that which we call a "general case" that greater contradictions appear—still insolvable by us—between the allegations of the claimants and the information furnished by the Government of Your Excellency.

The imperative necessity to carry out the duties that the American states have imposed on the Commission in approving its Statute, leads us in this case, after a very careful consideration of the surrounding circumstances, to exercise the faculty conferred by Article II of the Statute and Article 50 of the Regulations, precepts that, constituting one of the normal means by which we do our work, foresee that we might request authorization of a government in order to examine in its territory the situation of human rights, for the purposes contemplated in Article 150 of the Charter of the Organization of American States, amended by the Protocol of Buenos Aires of 1967 and Article 9(bis) *b* of the Statute of the Commission.

The Commission believes that only by working in such a manner can it take a decision with full knowledge of the facts with respect to the situation of human rights in Chile, whether it be to recommend the measures that it deems necessary for their complete protection or whether it be to be able to affirm, on the other hand, that the violations denounced did not take place.

The ample understanding shown to date by the Government of Your Excellency leads us to believe that the request for authorization will be granted; and, in such case, we wish to say in advance that the Commission considers that next June 1st would be the best date for commencing its work.

Awaiting decision on this request, I repeat, Excellency, the assurances of my highest consideration.

Justino Jiménez de Aréchaga,
Chairman.

By way of reply, the Government of Chile, through its Representative to the OAS, sent the following cablegram on May 15 to the Commission:

May 15, 1974.

No. 440.

Delegation of Chile to the Organization of American States, Washington, D.C.

Mr. Chairman: There follows a transcription of the cablegram of the Acting Minister of Foreign Affairs of Chile and Minister of National Defense, Admiral Patricio Carvajal:

"Mr. Justino Jiménez de Aréchaga
Chairman of the Inter-American Commission on Human Rights, Washington, D.C.

The Ambassador of Chile to the OAS advised me yesterday of the text of a note, dated April 18, that you had sent to the Minister of Foreign Affairs of Chile, Vice Admiral Ismael Huerta, a note which, to this moment, has not been received in this Department of State. This leads me to respond by cable to that communication.

In view of the fact that the President of the Government Junta and the Minister of Foreign Affairs are currently in Paraguay and that the latter will make an official visit to Argentina immediately afterwards, I prefer to await the return of both before giving a concrete response to your petition that the Commission on Human Rights travel to Chile. But, of course, I can say in advance that the date suggested by you of the first of June is somewhat premature due to the aforementioned circumstances.

Very truly yours,

Patricio Carvajal,
Acting Minister of Foreign Affairs of Chile, Santiago de Chile—May 15, 1974"

Sincerely yours,

Manuel Trucco,
Ambassador, Representative of Chile to the Organization of American States.

In turn, the Chairman of the Commission, reaffirming the desire of the Commission to visit Chile in light of the situation there, responded as follows on May 16, 1974:

His Excellency, Patricio Carvajal,
Acting Minister of Foreign Affairs,
Santiago, Chile:

In response to cablegram Your Excellency of 15 of this month, forwarded by Chile delegation to the Organization of American States, Inter-American Commission on Human Rights sincerely regrets that Your Excellency's government considers, for the circumstances indicated in your aforementioned cablegram, that the date of First of June suggested by this commission to meet in territory of Chile with the object of continuing its examination of the situation of human rights "is somewhat premature." Commission in exercise its irrevocable mandate to watch over observance human rights, and in view of the seriousness and urgency of the acts denounced, holds to its firm intention to visit Chile as soon as possible to study in loco denunciations which allege violations of human rights, especially right to life, liberty and personal security, right of protection from arbitrary arrest, as well as right to due process of law, set forth in articles I, XXV and XXVI of the American Declaration of the rights and duties of man approved in the Conference of Bogota with the affirmative vote of Chile. We wish to express anew to Your Excellency that in light of article 42 regulations Commission request of authorization does not constitute a judgment in advance admissibility of denunciations. Awaiting definitive decision by Your Excellency's government on authorization request, accept Excellency assurances highest consideration.

Justino Jiménez de Aréchaga,
Chairman Iachr.
Luis Reque,
Executive Secretary.

U.S. Senate,
Washington, D.C., March 19, 1974.

Hon. Justino Jimenez de Aréchago,
Chairman, Inter-American Commission on Human Rights Organization of American States, Washington. D.C.

Dear Mr. Chairman: Since September 11, 1973, the date of the military coup in the Republic of Chile, we, the undersigned members of the Senate and House of Representatives of the United States of America, have viewed with increasing concern the deprivation of basic human rights of many persons, both citizens and aliens, in that country. We are especially distressed that violations of human rights have continued in Chile for many months after the initial horrors that occurred in the aftermath of the coup. We respectfully request the Inter-American Commission on Human Rights to take the appropriate measures in connection therewith.

Due to the urgency and gravity of the charges, we earnestly urge the Commission to make an on-the-spot investigation of the situation of human rights in Chile at the earliest possible opportunity. We believe that such a mission would be the best guarantee for the protection of the life and liberty of many persons.

Sincerely yours,

Bella Abzug, Herman Badillo, George Brown, Jr., Thomas L. Ashley, Jonathan Bingham, Frank Church, Ronald Dellums, Donald Fraser, Floyd Haskell, Harold E. Hughes, Robert Leggett, Spark Matsunaga, Edward Mezvinsky, Frank Moss, David Obey, Henry Reuss, Fortney H. (Pete) Stark, Jerome Waldie, and Walter F. Mondale.

Don Edwards, Michael Harrington, Elizabeth Holtzman, Edward Koch, George McGovern, Ralph Metcalfe, Parren Mitchell, Edmund S. Muskie, Charles Rangel, Benjamin Rosenthal, Gerry R. Studd, Antonio Borja Won Pat, Delegate from Guam, and John C. Culver.

[From the Washington Post, May 27, 1974]

Chile Finds Tense Peace Under Junta

(By Joseph Novitski)

Santiago, May 26.—The pace of repression has slowed in Chile, though the practice has far from disappeared. The intensity has eased, at least temporarily, and Chileans are learning to live with the military junta that has ruled the country for eight months.

Some, like the Santiago lawyer who told his partners, "The only good Communist is a dead one," are utterly happy with the junta. Some, like the wives of men held prisoner for eight months without charges or the widows of men shot without trial, are appalled by it.

Others, who probably represent that majority of adult Chileans, voted against the overthrown Socialist government of President Salvador Allende and marched against it in the street, supported the military coup d'etat, but are beginning to cautiously question the junta's aims, its repressive practices and effects of its policies. They do not, however, hint that they want to turn back to any of the last president's 34 tumultuous months in power.

Often, in the farmland south of Santiago and the fishing ports and mining camps in the north, persons in this middle group wondered out loud where Chile is going. Since the bloody coup in which Allende died Sept. 11, the governing junta has established clear policies in only two areas: Repression and economic recovery. The rest has remained undefined in detail.

The new government has behaved most often like an occupying army establishing rules for civilians to live by, turning the economy, devastated by mismanagement, back to work, and hunting down and rooting out "the enemy." The armed forces and the national police, all represented on the four-man junta, formally declared war last September on those Chileans who actively supported Allende or his Marxist plans. The war, the junta said, continues, although it has long since turned from shooting to secret arrests and trial by military courts.

The rules of the war are secret, shifting and often arbitrary. People are arrested and disappear, according to a court petition filed last March on behalf of 131 persons by the leaders of Chile's three religious communities, the Roman Catholic, the Protestant and the Jewish. Anonymous tips are sufficient authority for military patrols, police or the military intelligence services to arrest anyone and hold him as long as they like.

"It is not one dictatorship," said a lawyer who once supported Allende but withdrew from his government well before it fell. "Every Chilean has the dictator he finds in front of him. It may be a good-natured soldier on sentry duty or a hard-nosed colonel."

Detentions have probably totaled tens of thousands. In some places, like the farming town of Rancagua, they can be tempered by common sense. The military commander there recently released a peasant denounced by a vengeful neighbor as the secretary of an outlawed leftist political party. A parish priest proved the peasant was illiterate and he was freed.

In other instances, legal reasons go unexplained. Orders are enough. For example, 34 surviving leaders of Allende's government have recently been returned to Santiago after spending eight months at hard labor, eating beans, lentils and starches, at the Dawson Island prison in the storm-tossed Straits of Magellan.

Two of the men were taken off the island ill and later died in Santiago hospitals. None has been formally charged. Their wives have been told that their interrogations will begin now, while the men are held in solitary cells without visitors or reading or writing materials. Then they will be tried by courts-martial.

Court-martial sentences sometimes have

been tempered by mercy, as in the northern provinces where prison sentences have, at times, been reduced to decrees of internal exile. Those sentenced thus, like the Russian revolutionaries under the Czars, must live by their own means in towns well away from their homes.

In other instances, sentences, even for offenses committed before the coup and the declaration of war, have been tough. Ninety-six known death sentences have been carried out. There probably have been more. Recently, the junta intervened at the insistence of a Roman Catholic bishop to reduce five death sentences to long prison terms.

"We want to get rid of the Communists," a military prosecutor explained to a defense lawyer during a provincial court-martial. "We don't like doing it, but we have to be hard on them."

Lawyers, some doctors, and the 28 bishops of Chile's Roman Catholic church, have charged that prisoners in the junta's war have been tortured. The junta's interior minister, Gen. Oscar Bonilla, chose the other day not to deny the charge, but to assert that they were "damaging to the national interest and unacceptable." Gen. Augusto Pinochet, the army general who presides over the junta, has declared that there may have been excesses in the days following the coup, but that these have stopped on his orders.

The charges of torture are hard to prove, and the junta's rebuttals are difficult to evaluate because the victims have almost all remained nameless. At least one case this year found its way into the records of a court in the capital, however.

In March, a Mrs. Virginia Ayress filed a criminal complaint over the treatment of her husband, Carlos, to her son and to her daughter, Luz de las Nieves Ayress. All three had been arrested late in January. The complaint, in accordance with Chilean legal procedure, was taken up for investigation at the first criminal court of San Miguel, a working class suburb of Santiago. It was given file number 40. 876-12.

In the bound court file, Mrs. Ayress said that her daughter had been tortured in four ways before being turned over to an army regiment, where she was unharmed, and later confined in Santiago's women's jail.

"She was raped ferociously by three or four men. She was handcuffed and blindfolded," the complaint stated. "Also they introduced sticks into her vagina, they tied her up and separated her legs and made rats walk over her, making them enter her vagina. They did the same thing with spiders. They applied electric current to her tongue, ears and vagina. They hit her head, especially behind the ears. They hit her in the stomach. They hung her up, sometimes by the legs and sometimes by the arms. They terrorized her because she had traveled to Cuba on a scholarship to study cinema in Cuba in 1971," the mother said in her signed statement.

The criminal court judge ruled himelf incompetent to act on the complaint last month.

"As soon as we knew they were detained because of their participation in the former government, we forwarded the file to the army prosecutor's office," a clerk at the court reported. An officer at Santiago's permanent military tribunal said the file had been forwarded this month to the air force prosecutor, who is drawing up the charges against the detained members of the Ayress family.

Cases such as that of Luz de las Nieves Ayress are not made public. But Chile, for all its narrow length, is a small country, of small cities and towns, except Santiago. The country's population of 10 million is roughly that of Pennsylvania. The army, although its size is secret, is probably no larger than the student body of a medium-sized state university in the United States. The whole air force has as many men as a large high school. The word of arrests, some executions, and above all the dismissals of leftists on a large scale from jobs in factories, mines and in the bureaucracy, gets around.

"Sure, we should respect the armed forces," said a dirty, bearded fisherman on the waterfront of Antofagasta. "They're the people who defended the country, maybe even saved it. But now you look at them cross-eyed and they take you away for lack of respect for the military and, bam they shoot you like that."

Still, life goes on at a nearly normal Chilean pace. People go to work and, often, still stop for a midday siesta or at least a long lunch. The production of copper, Chile's basic export at Chuquicamata, the largest mine in the country and one of the largest in the world, is up 42 per cent, because, according to a mine shop steward, "We want to work, it's good for us and the country." The output of farms and factories is by all accounts, noticeably higher than it was last year at this time. So is unemployment.

A new school year has started, with float parades and sack races to determine the queens of the freshman classes at the eight universities. About 16,000 of the 110,000 students enrolled last year have been dismissed for their political activities under the former government. Women shop at stores that are full again, but they are very careful when they buy because prices have soared and wages have been held down.

"Things are so expensive," said a housewife in a frayed cloth coat, shaking her head and moving past a vegetable stall in Santiago's central market.

"Tell it to Pinochet," the stallkeeper answers with a shrug. Increasingly, people are trying to tell it to Pinochet.

In the capital, a labor leader spoke out on national television against the unequal distribution of hardships under the government's economic policy. Gen. Pinochet sat next to him. At a National Bar Association meeting, a lawyer told the audience that many of his political clients had been tortured, and some government-supporting lawyers argued, over a chorus of shouts, that he should be heard. At the port at Antofagasta, Mrs. Daisy Vega got a promise from the army general running the province that she and her neighbors in a shantytown would be given a month's warning if the government decided to move them off their land.

"I have to recognize that I was wrong," Mrs. Vega said after she talked to Brig. Gen. Rolando Garay. "I thought he was going to come and do all the talking and our part was to listen. No, he listened to our problems and told us straight out he didn't have much money but would try to help."

There have also been signs that the military government, after extending its control down to the very roots of the country, has paused to listen and to decide exactly what is to come next. The junta has pushed back the deadline for a new constitution it had ordered from a commission of lawyers, some of whom were known, in the past, for their admiration for Jose Antonio Primo de Rivera, the founder of Spain's fascist movement, the Falange.

It is the economic policy that is hurting most. The few rich live well, but middle-class families say they have stopped saving and cut back on entertainment. Poor families, over and over again, report that they have cut down their diets.

CATTLEMEN AND CATTLE FEEDERS NEED FINANCIAL AID

HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. PRICE of Texas. Mr. Speaker, recently, I introduced legislation to establish a $3 billion revolving guaranteed or insured loan fund to aid financially stricken cattlemen and cattle feeders. This program would be administered by the Farmers Home Administration.

In early May, I called upon the President and the Secretary of Agriculture to consider such a fund so that qualified beef producers who are now, and were previously, in the beef cattle business could apply for emergency 5-year loans at an interest rate of 5½ percent.

As any person in the cattle business can tell you, cattle producers are taking tremendous losses, sometimes as much as $150 a head. Over the past 15 months, the Nation's cattle feeders have sustained significant and consistent financial losses. Many experienced cattlemen have lost their savings, ranches, and any equity that they had accumulated over the years. Because of the massive extent of these losses, many cattlemen and cattle feeders are unable this year to borrow funds from normal credit channels without emergency funds. Yet, without needed capital, the Nation's feedyards cannot be restocked; and without restocking feedlots, the industry will be unable to continue to supply beef to America's dinner tables in either the quality, quantity, or the consistent supply necessary to stabilize the beef market.

The amount of $3 billion is the minimum amount necessary to help the $20 billion beef producing industry in my opinion. This industry normally uses some $5 billion in annual credit in Texas alone, and in my district, losses have already exceeded $1 billion. Others, such as the American National Cattlemen's Association, have estimated that in the coming year, $15 billion in credit will be needed in order to continue beef cattle operations.

As of January 1, 1974, there was a 6-percent decline in the total number of cattle on feed in the United States. Furthermore, replacements were down 15 percent in the October-December quarter of last year. Over the past 8 months, approximately 10 percent less cattle has been replaced in the feedlots. This lack of replacements is increasing daily due to the lack of financial capital.

My real concern is that unless something is done immediately, many cattle feeders will no longer be able to continue replacing cattle. As a cattle feeder myself, I know firsthand that the losses which have been sustained over the last months are only indicative of the overall situation facing every cattle feeder in the business. Not only are the present low prices of fat cattle breaking those who are feeding cattle, but it is also shaking the banks and other financial loan companies who have been loaning money to develop and keep the cattle industry in business.

Not only is the cattle feeding industry in jeopardy at the present time but so is the future meat supply of the Nation. The present disastrous prices of fat cattle are also having a serious effect on cow-calf operations. It takes years to build a cow herd to supply the steers and heifers for feeders. For adequate supplies of beef in the future, it is imperative that steps be taken to alleviate this situation in the cattle industry.

This legislation will enable cattlemen to borrow funds, at Government-guaranteed or insured levels, in order to replace the needed cattle in the feedlots. If replacements do not start to rise, then beef cannot be provided to the American tables in a consistent and sufficient manner which will allow the market to return to stability.

For the further information of my colleagues, the text of my bill, H.R. 15079, follows:

H.R. 15079

A bill to amend the Consolidated Farm and Rural Development Act to establish a loan insurance program for cattlemen

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) is amended by striking out "Subtitle D" in the center heading immediately preceding section 331 and inserting in lieu thereof "Subtitle B", and by inserting immediately after subtitle C the following new subtitle:

"SUBTITLE D—LOAN INSURANCE FOR CATTLEMEN

"SEC. 331. (a) The Secretary shall insure loans made by a lender other than the United States, or made by the Secretary and sold to such lender, to a borrower in the United States who—

"(1) is a citizen of the United States;

"(2) is or has been engaged in beef cattle producing operations to an extent and in a manner determined by the Secretary as necessary to assure reasonable prospects of success in cattle producing endeavors financed by loans insured under this subtitle;

"(3) is unable to obtain sufficient credit to finance his actual needs in the beef cattle producing business at reasonable rates and terms, as determined by the Secretary after considering prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time; and

"(4) has, if he has received previously a loan insured under this subtitle, performed successfully the terms of such loan.

"(b) Loans insured under this subtitle must be expended for the purpose of financing the normal operations of buying, raising, and selling beef cattle by the borrower whose loan is being insured.

"SEC. 332. (a) Subject to the approval of the county committee, appointed under section 352, the amount of any loan insured under this subtitle shall be determined by the lender.

"(b) The period of repayment of any loan insured under this subtitle shall not exceed 5 years.

"SEC. 333. (a) The Secretary shall from time to time establish the interest rate which may be paid by borrowers on loans insured under this subtitle, but such rate shall not exceed 5.5 per centum per annum.

"(b) Whenever the Secretary determines it necessary that a lender be paid a higher interest rate on a loan than is to be paid by the borrower on such loan in order for the Secretary to be able to enter into a contract of insurance with a lender with respect to such loan, the Secretary may contract to pay the difference between the interest rate to be paid by the borrower and the interest rate to which the lender is to be entitled under such contract.

"SEC. 334. (a) The Secretary shall determine whatever security he deems necessary for the obligations entered into by him in connection with loans insured under this subtitle.

"(b) The Secretary may enter into any security instrument in connection with loans insured under this subtitle; whenever practicable he shall provide that such instrument constitutes a lien running to the United States even though the notes are held by lenders other than the United States.

"SEC. 335. In any case in which the borrower receives the loan insured under this subtitle in installment payments, the Secretary shall specify in any contract made in connection with such loan that such borrower shall receive no such payments after failure by the borrower to perform successfully the terms of such loan.

"SEC. 336. The Secretary is authorized—

"(1) to make agreements with respect to the servicing of loans insured under this subtitle and to purchase any such loan on conditions and terms as he may prescribe; and

"(2) to retain out of payments by the borrower a charge at a rate specified in the insurance agreement applicable to the loan.

"SEC. 337. Any contract of insurance executed by the Secretary under this subtitle shall be an obligation supported by the full faith and credit of the United States and incontestible except for fraud or misrepresentation of which the holder has actual knowledge.

"SEC. 338. (a) The borrower of any loan insured under this subtitle shall pay such fees and other charges as the Secretary may require.

"(b) Such borrower shall prepay to the Secretary as escrow agent such taxes and insurance as the Secretary may require and on such terms and conditions as he may prescribe.

"SEC. 339. (a) There is hereby created the Cattleman's Insurance Fund (hereinafter in this subtitle referred to as the "fund") which shall be used by the Secretary as a revolving fund for the discharge of obligations of the Secretary under this subtitle.

"(b) The Secretary is authorized to transfer, no later than 12 months after the date of enactment of this subtitle, assets from the Agricultural Credit Insurance Fund, described in section 309, to the fund if he determines that such transfer is necessary to establish the insurance program created by this subtitle.

"(c) Moneys in the fund not needed for current operations shall be deposited in the Treasury of the United States to the credit of the fund or invested in direct obligations of the United States or obligations guaranteed by the United States. The Secretary may purchase with money in the fund any notes issued by the Secretary, for the purpose of obtaining money for the fund, to the Secretary of the Treasury.

"(d) The Secretary shall make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds necessary for discharging obligations under this subtitle, and he may make and issue such notes for the purpose of establishing the insurance program created by this subtitle. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into consideration the current average market yield of outstanding marketable obligations of the United States having maturities comparable to the average maturities of loans insured under this subtitle. The Secretary of the Treasury shall purchase any notes of the Secretary issued hereunder, and, for that purpose, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act and the purposes for which such securities may be issued under such Act are extended to include the purchase of notes issued by the Secretary hereunder. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

"(e) Notes and security acquired by the Secretary in connection with loans insured under this subtitle shall become a part of the fund. Notes may be held in the fund and collected in accordance with their terms or may be sold by the Secretary with or without agreements for insurance thereof at the balance due thereon, or on such other basis as the Secretary may determine from time to time. All net proceeds from such collections, including sales of notes or property, shall be deposited in and become a part of the fund.

"(f) The Secretary shall deposit in the fund any charges collected for loan insurance services provided by the Secretary under this subtitle as well as charges assessed for losses and costs of administration in connection with insuring loans under this subtitle.

"(g) The Secretary shall utilize the fund—

"(1) to make loans which can be insured under this subtitle whenever he has reasonable assurance that they can be sold without undue delay, and he may sell and insure such loans;

"(2) to pay amounts to which the holder of insured notes is entitled on loans insured accruing between the date of any payments by the borrower and the date of transmittal of any such payments to the holder; in the discretion of the Secretary, payments other than final payments need not be remitted to the holder until due or until the next agreed remittance date;

"(3) to pay to the holder of insured notes any defaulted installment, or upon assignment of the note to the Secretary at the Secretary's request, the entire balance due on the loan;

"(4) to purchase notes in accordance with contracts of insurance entered into by the Secretary;

"(5) to make payments in compliance with the Secretary's obligations under contracts of insurance entered into by him;

"(6) to pay taxes, insurance, prior liens, and expenses necessary to make fiscal adjustments in connection with the application and transmittal of collections or necessary to obtain credit reports on applicants or borrowers, plus expenses for necessary services, including commercial appraisals and loan servicing and consulting fees, and other expenses and advances authorized in section 355(a) of this Act in connection with loans insured under this subtitle; such items may be paid in connection with guaranteed loans after or in connection with acquisition by the Secretary of such loans, or of the security of such loans after default, to an extent determined by the Secretary to be necessary to protect the interest of the United States;

"(7) to pay the difference between interest payments by borrowers and interest to which insured lenders are entitled under contracts of insurance entered into by the Secretary under section 333(b);

"(8) to pay the Secretary's costs of administration of the program authorized under this subtitle, including costs of the Secretary incidental to insuring loans under this subtitle; and

"(9) to perform any other act authorized by this subtitle.

"SEC. 340. The aggregate amount of the obligations insured under this subtitle and outstanding at any one time shall not exceed $3,000,000,000.

"SEC. 341. For purposes of this subtitle—

"(1) the term 'cattle producing operations' means a beef cow-calf rancher, an individual who raises beef cattle in his normal ranching operations, a feedlot operator who feeds beef cattle for himself and others, a partnership that feeds beef cattle, or an operator who feeds beef cattle for himself; and

"(2) the term 'beef cattle' means cattle raised to be sold and slaughtered for beef producing purposes.".

(b) Sections 331 through 344 of the Consolidated Farm and Rural Development Act, and all references thereto, are redesignated as sections 351 through 364, respectively.

CONSOLIDATION: THE WAY OUT OF THE BUREAUCRATIC MAZE

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. BELL. Mr. Speaker, the wondrous ways of bureaucracy were illustrated again recently by an experience of Dr. George Outland of the San Mateo, Calif., Union High School District. Dr. Outland spent many hours and 13 telephone calls worth $45 trying to decipher, and track down the sender of, a message involving a mysterious "title IV, part A." The question was: Title IV, part A of what? The sender further neglected to indicate with what agency of what level of government he was affiliated.

As Dr. Outland indicates in his letter, his experience exemplifies the need to move toward consolidation of the myriad overlapping programs administered by Federal agencies. Those of us who will meet next week to iron out the differences between the House and Senate versions of the Elementary and Secondary Education Act Amendments might do well to contemplate Dr. Outland's comments.

The letters follow:

LEA PLANNING—ENTITLEMENT: $3,357.75.

SUPERINTENDENT OF SCHOOLS,
San Mateo Union High,
San Mateo, Calif.:

Subject: District entitlement data for use in planning proposals for part A, title IV.

In the process of mailing packets to title IV, part A, eligible applicants, in some cases page 2 was inadvertently attached to the wrong page 1. Please check to ensure your entitlement (planning figure) agrees with that shown above.

WILLIAM G. DEMMERT, Jr.

SAN MATEO UNION HIGH SCHOOL DISTRICT,
San Mateo, Calif., May 3, 1974.

Hon. ALPHONZO BELL,
Representative From the 28th District of California, Congress of the United States, Cannon House Office Building, Washington, D.C.

DEAR AL: This was the matter of which I earlier advised you by telephone. I have written to Dr. Riles as well. I am seriously considering writing to the Secretary . . .

As you know, the Association of California School Administrators, and previously, the Joint Committee on Federal Legislation of CASA/CASSA/CASBO/CESAA/CAASA, has consistently requested the Congress to fund all categorical aid programs for education through our State Department of Education. This allows and encourages better coordination among the many programs meant to assist our students.

Enclosed please find documentary evidence in support of this position. (See my first enclosure, exactly as received in this district.) This is not a typical example; indeed, it is the worst example of Federal mismanagement I have ever seen! But, it is illustrative . . .

First, the reference to Part A, Title IV. I personally know of the following Titles IV:

Elementary and Secondary Education Act of 1965, Public Law 89-10, as amended; Title IV, Education Research and Training; usually administered through Region IX, USOE;

Civil Rights Act of 1964, Public Law 88-352; Title IV, Desegregation of Public Schools; usually administered by the Department, and we know the people there;

Higher Education Act of 1965, Public Law 89-329; Title IV, Student Assistance (not normally a concern to a secondary school district);

National Defense Education Act of 1958, Public Law 85-864, as amended; Title IV, National Defense Fellowships (not normally of interest to us);

None of those. Back to the files. There are also the following Titles IV:

Federal Property and Administrative Services Act of 1949, Public Law 81-152; Title IV, Foreign Excess Property (unlikely);

Health Amendments Act of 1956, Public Law 84-911; Title IV, Extension of the Hospital Survey and Construction Act (not that one);

Housing Act of 1961, Public Law 87-70; Title IV, College Housing (not us);

Economic Opportunity Act of 1964, Public Law 88-452, as amended; Title IV, Employment and Investment Incentives (maybe; but no action initiated by us . . .);

Housing and Urban Development Act of 1965, Public Law 89-117; Title IV, Compensation of Condemnees (obviously not us);

Demonstration Cities and Metropolitan Development Act of 1966, Public Law 89-754; Title IV, Land Development and New Communities (Foster City?);

Omnibus Crime Control and Safe Streets Act of 1968, Public Law 90-351; Title IV, State Firearms Control Assistance (we've always worked with CCCJ and the county on this one; topic seems unlikely for our use);

Comprehensive Drug Abuse Prevention and Control Act of 1970, Public Law 91-513; Title IV, Report on Advisory Councils (we've done much pioneer work in drug abuse education, but this does not seem to apply);

Housing and Urban Development Act of 1970, Public Law 91-609; Title IV, Consolidation of Open Space Land Programs (dealing with our two vacant sites?);

Education Amendments of 1972, Public Law 92-318; Title IV, Indian Education (might be that, but we have no applications pending).

So, there are some 14 Titles IV which we have on file in our office. None appears too likely, although we have worked closely with Civil Rights Act Title IV staff in the past, and sought grants thereunder.

Second, let's telephone. Since all State Department of Education mail comes with a letterhead, signature, date, and usually a sound reference to either California Education Code, California Administrative Code, or Federal law; let's assume a Federal official for "William G. Demmert, Jr." Per my second enclosure, you will note the following:

Called USOE Region IX, San Francisco, talked/waited for fifteen minutes on February 13, at 1:55 p.m.; no Demmert there, not in their directories of USOE; gave me the USOE information number.

Called Washington the next day, February 14, due to time differential:

245-8025 11:34 a.m. USOE locator 5 min No Demmert; try NIE at 254-5800.

254-5800 11:39 a.m. NIE locator 4 min No Demmert; try NIE Personnel, 254-5100.

254-5100 11:49 a.m. NIE Personnel 3 min No Demmert;

254-8025 11:53 a.m. USOE locator 7 min Try 755-8724.

Time out for lunch and recuperation (of patience).

755-8724 1:00 p.m. Out of Service.

254-8025 1:03 p.m. USOE locator 9 min Try 254-5174 (NIE Personnel; "No, already tried"); then try 245-7803.

245-7803 1:12 p.m. Wrong number 3 min Try 245-8116.

245-8116 1:20 p.m. No answer.

245-8025 1:27 p.m. USOE locator 5 min Try 755-7693.

755-7693 1:32 p.m. Demmert's Ofc 5 min Not in: call again.

Next day, February 15:

755-7693 1:02 p.m. Demmert 4 min Business call re letter; was for Indian Education.

Total time, one hour and twenty minutes, $23 (at my hourly rate of $17.25), plus telephone bill of $22.05; total cost, $45.05 to set up one four-minute conversation. That would up one four-minute conversation. That would buy 18 hours of paraprofessional time for students in this district!

Third, this "LEA Planning Entitlement" of $3,357.75 is not a planning entitlement, not for a "planning proposal," per Dr. Demmert; it must be used for program. It is an entitlement (planning figure)—that is, the expected amount of the entitlement to be granted some time in the future, following application by the LEA. The amount would not cover the cost of bringing all our Indian students together from our eight campuses on any kind of regular basis, much less provide any meaningful program. (The entitlement is 10% under the cost of one teacher-period for this District.)

Incidently, USOE Region IX called back on February 20 with a number for Demmert; she gave us 755-0620.

Frankly, Al, I have never met Dr. Demmert; I have spoken with him but once on February 15. He may be gifted in the education of Indian children. (I do not know significant differences in the educational requirements of Indian youngsters which are so dissimilar from programs of special education, general education, vocational education, compensatory education, and/or continuation education that they must be isolated and treated differently than other young people—black, brown, white, or yellow.)

I very respectfully request that you take such actions as are available to you, and which you consider appropriate, to have all operational programs administered through the California State Department of Education and consolidated into the fewest possible categories. This classic example of mismanagement may be without parallel, but it underscores our dissatisfaction with USOE program administration.

(Please note, I do not recommend moving demonstration/pilot programs, such as NIE's work with vouchers and other experimental programs; nor USOE data gathering/comparison activities among the several States; nor even the appropriate models provided by USOE for school accounting, community involvement, school plant planning, or similar recommended examples of educational improvement. However, I frankly doubt that even if Dr. Demmert is the most competent educator of Indian children in the nation that he can have any positive effect sitting behind his desk in Washington, far, far removed from the Southwest, the northern plains, and even the Southeast, where these students are concentrated. I imagine their respective state departments of education and LEAs would be far more effective in helping red people.)

Thank you for your time and consideration.

Sincerly yours,

GEO. F. OUTLAND,
Director of Research and Resources.

P.S.—We declined the entitlement February 19.

APPLICATIONS TECHNOLOGY SATELLITE–F

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. TEAGUE. Mr. Speaker, today was a historic day for our Nation and our national space program. The results of the lauch of the Applications Technology Satellite–F—ATS–F—will not be fully realized until it has accomplished a broad variety of missions destined not only to benefit directly the people of this Nation, but also the people of the subcontinent of India. Direct broadcast of health and educational television programs to remote areas, aeronautical and maritime communication, position location, traffic control, and spacecraft tracking and data relay all will be encompassed by the ATS–F program.

ATS–F is the first of its kind. It will spend its first year over the Galapagos Islands being used for educational and medical communications in the Rocky Mountains, Appalachia, Washington State, and Alaska.

In its second year, ATS–F will be moved to a position over Kenya, East Africa, and will be used in instructional television for the subcontinent of India covering daily 5,000 villages throughout remote points of India.

During the joint US./Soviet Apollo/Soyuz mission, this same satellite will be used to track and relay information from this internationally manned experiment. ATS–F is a true pioneer in our national space program. It is the summation of practical gains now being derived from our national space effort.

I am including in the RECORD a NASA mission summary on this important program and commend its reading to my colleagues and the general public:

APPLICATIONS TECHNOLOGY SATELLITE–F

MISSION SUMMARY

The most versatile, powerful communications spacecraft ever developed was launched by the National Aeronautics and Space Administration at Kennedy Space Center, Florida on May 30.

Associated with NASA in the Applications Technology Satellite F(ATS–F) mission are the Department of Health, Education and Welfare, the Federation of Rocky Mountain States, the Appalachian Regional Commission, the Veterans' Administration, the Federal Aviation Administration, the Maritime Administration, the National Library of Medicine, Indian Health Service, U.S. Coast Guard, Alaska, COMSAT Corporation, National Oceanic and Atmospheric Administration, Universities of Washington, California and Minnesota, Canadian Government, European Space Organization and, later, the Government of India.

The new spacecraft (ATS–6 in orbit) will be used for the next several years to test a variety of new space communications concepts. These include direct broadcast of health and education television programs to small and simple ground receiving units in remote regions over a large geographical area; aeronautical and maritime communications, niques; and space craft, tracking and data position-location, and traffic control tech- relay.

The ATS–F carries equipment for more than 20 technological and scientific experiments, some of them international in scope.

No other spacecraft similar to the ATS–F has ever been placed in orbit. This 1,402 kilograms (3,090 pounds) spacecraft consists essentially of an Earth Viewing Module (EVM) connected to a deployable reflector antenna which measures nine meters (30 feet) in diameter when deployed. Spacecraft control, communications and experiment systems are located in the EVM.

For its first year of operation, the ATS–F will be located at 94 degrees west longitude over the equator. At this location, a point over the Galapagos Islands, the spacecraft will be in view of all of the continental U.S. from its geosynchronous altitude of some 35,680 kilometers (22,300 miles).

Shortly after the spacecraft is on this station and checked out, it will be used along with the ATS–1 and ATS–3 now in orbit to conduct the Health-Education Telecommunications (HET) experiment which encompasses both educational and two-way medical tele-conferencing experiments.

The HET experiments are planned in three geographic areas: the Rocky Mountain region, the Appalachian states, and the states of Washington and Alaska. HET will pioneer delivery of high quality educational and health services to millions of Americans in remote parts of these areas.

For the HET experiment, the ATS–F will be able to relay two separate color TV signals, each accompanied by four voice channels. Thus, programs can be broadcast in several languages simultaneously with the viewer being able to select English, Spanish, or one of several American Indian dialects. The ATS–1 and ATS–3 spacecraft will be used for two-way voice and data transmissions in support of the ATS–F during both educational and health-medical experiments.

Approximately one year after launch, the ATS–F will be moved eastward until it is over the eastern edge of Lake Victoria, located in Kenya, East Africa. From this position, the spacecraft will be "visible" to the subcontinent of India. It will then be used by the Indian Government about four hours a day for one year to conduct the Satellite Instructional Television Experiment (SITE).

For this experiment, the ATS–F will be used to broadcast daily television programs to 5,000 villages and cities in seven states throughout India. Programs aired will stress improved agricultural techniques, family planning and hygiene, school instruction and teacher education, and occupational skills. Because of the large number of languages and dialects spoken in India, each video channel will be accompanied by two audio channels in different languages.

In mid-July, 1975 the ATS–F will be used to track and relay TV and other data from the Apollo-Soyuz spacecraft as they orbit the Earth in a 10-day joint U.S.-U.S.S.R. experiment to advance international cooperation in manned flight.

ENVIRONMENTAL TRADE OFFS

HON. ROY A. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. TAYLOR of North Carolina. Mr. Speaker, one of the more significant conservation programs in our Nation takes place each year in my district in Fontana Village in North Carolina. Annually, it attracts conservation and business leaders to discuss their vital mutual interests. This is the 15th anniversary of the Fontana Conservation Roundup.

This year the theme of the conference, held May 15–18, was "Environmental Trade Offs." One of the speakers at this conference was George B. Hartzog, Jr., the former Director of the National Park Service, and now a practicing attorney in Washington, D.C.

Mr. Hartzog's remarks are particularly relevant to the choices we will be making about "Environmental Trade-Offs" in solving our energy and environmental programs in the years ahead. Mr. Hartzog's recommendation that all receipts from sale and leasing of our coal shale and offshore oil lands be earmarked in a new recreation park and renewable resources fund deserves study and I recommend this address for the consideration of my colleagues:

ENVIRONMENTAL TRADE OFFS

The theme of your Conference—Environmental Trade-Offs—is one of the most serious issues confronting our society as it searches for new goals and new ethics. The Conservation Movement has advanced front and center in the making of national policy despite a recent article in the Washington press indicating that environmental considerations clearly have taken a back seat to the energy crisis. Someone is not listening. A recent Gallup Poll reported that while 25 percent of the respondents blamed the oil companies for the energy shortage and 23 percent blamed the Federal Government, only two percent thought that "ecologists" were at fault.

The institutions in our society are being called into question today as never before. Unfortunately, many are found wanting in integrity, candor and responsiveness. In this crisis of confidence among our people the Conservation Movement must provide vigorous national leadership to formulate the new national policies required to restore and maintain quality in life now and in the future.

We need to forge a new alliance of those concerned with the preservation of nature and those involved in the renewal of our cities. We shall not long preserve the wilderness of pristine America if millions of our citizens, clustered in metropolitan jungles of concrete and asphalt, remain ignorant of—and continues to be denied the benefits from—the renewing experiences of God's great out-of-doors and their rich cultural heritage.

Few will gainsay the wisdom of seeking energy self-sufficiency through exploitation, under adequate controls, of our off-shore oil, shale and coal resources. As conservationists concerned with the quality of life, we must call into question, however, the national policy of the Administration that will not re-invest the receipts from the disposition of these non-renewable resources in the conservation of our renewable resources.

Increased leasing of coal, shale and offshore oil lands is estimated to produce eight to ten billions of dollars of revenues, annually, in the foreseeable future. Except for minor deposits to the Land and Water Conservation Fund, the Reclamation Fund, and transfers to the States, the vast majority of these revenues are to be spent currently for unidentified programs in the 300 billion dollar plus Federal budget.

In the meantime, the Administration has destroyed the Open Space program designed to bring life to our strangling cities; 3½-million acres of our National Forests remain unforested or under-stocked; research into the management of our renewable resources continues to be funded at the poverty level of wartime; and, in the absence of adequate recreational facilities, millions of our children wander aimlessly on the streets of our cities—likely targets for crime, debauchery

and death. Is it conceivable that any family, corporation, or country concerned either for itself or its posterity would tolerate a policy of selling its heirlooms to squander the receipts in daily living?

I suggest that prudent national policy would require that all receipts from the sale and leasing of our coal, shale and off-shore oil lands should be earmarked in a new RECREATION, PARK AND RENEWABLE RESOURCES FUND. This investment Fund could be used to finance the traditional programs of the Land and Water Conservation Fund for State and Federal land acquisition and for development of State and local recreation facilities.

Additionally, the recreation, park and renewable resources fund should be available to finance urban park and recreation programs, as well as indoor recreation facilities.

It is unrealistic to suggest that revenue-sharing will be a sufficient substitute for the Federally-financed Open Space program for our cities. Starving cities should not be enjoined to make the unacceptable choices of using such monies either for "bread" or for programs to "clothe" the cities in life sustaining green parks and socially redemptive programs of recreation.

For decades we have enjoyed the benefits of our magnificent national forests manned by talented, creative professionals. Yet, today, because of inadequate funding 3½ or more million acres of our national forests have been harvested and remain unforested or understocked. A recreation, park and renewable resources fund financed from sales of our non-renewable resources would correct this glaring blemish on our National Forest System.

All of our resource managing agencies are underfinanced with research funds to achieve their respective missions. From personal experience in the National Park Service I know this to be true. Those wonderful people in the National Park Service have not had the financing to provide the scientific data for so basic a management decision as the "people carrying capacity" of a natural environment. How can you preserve a park even if you know all other things but are uninformed of this crucial data? A recreation, park and renewable resources fund could finance such indispensable research programs.

I believe that the idea of an Eastern Wilderness System is an idea whose time has come. The Congress probably will enact it in this Session. Such a bill, when implemented, may add 200 to 500 thousand acres to the Wilderness Preservation System in the East. Hardly a "drop in the bucket" of what will be needed to serve this and future generations!

We have tens of thousands of acres of land—mostly East of the Mississippi River—that have already served one economic use, such as strip mining. Now, they lie fallow—unused and ofttimes abused—a financial burden to their owners and an economic disaster to the communities they once supported. These lands should be recycled as park and forest reserves. Once acquired by the Federal Government with monies from the recreation, park and renewable resources fund, they should be land-banked until their scars are healed. When healed, these lands could take their place as contributing units of our National Park and Forest Systems, such as Great Smoky Mountains and Shenandoah National Parks, and the George Washington and Nantahala National Forests. Importantly, moreover, these recycled lands could provide significant future additions to the Wilderness Preservation System in the East when it will be most needed by our burgeoning strip cities of the Atlantic Seacoast and the Midwest.

After several years of indecision and inadequate financing, meaningful efforts are now being made for the celebration of our Bicentennial. A talented, vigorous, imaginative Director of the Bicentennial Administration has been appointed by the President. Moreover, Federal funding has been increased dramatically to the National Park Service and to the States to preserve our historic and cultural heritage. These efforts may get us by 1976 without substantial embarrassment. They will not suffice as long-term national policy.

Our historic and cultural heritage is the tangible evidence of the continuity among the generations of men. This heritage provides social cohesion to our mobile society. Its roots must be nourished in each generation. A substantial continuing program of historic and cultural preservation should be financed from the recreation, park and renewable resources fund.

As long ago as 1962 the Outdoor Recreation Resources Review Commission recommended that Federal policies be developed to encourage private enterprise to shoulder a major share of the challenge of providing outdoor recreational opportunities for our citizens. No significant National policy has been developed—the nagging problems persist: the threat of unfair competition by publicly financed facilities, the hazard of unbearable tort liability, and the lack of assured financing at reasonable rates. We need a new charge to the Bureau of Outdoor Recreation to include private recreation facilities in the Nationwide Outdoor Recreation Plan with assurance that where adequate private facilities exist, publicly financed facilities will not be provided. The recreation, park and renewable resources fund could provide for guarantee of low-cost loans and tort coinsurance to solve the remaining major problems for the private sector to move aggressively into outdoor recreation.

As a part of the recreation. park and renewable resources fund, we must provide some new tools to protect our natural and cultural heritage. The traditional tools of fee acquisition and local zoning are ofttimes inappropriate. We need authority for Federal land managers to issue Compensable Federal Land Use Regulations to protect the environments of important natural and cultural properties when local zoning is unequal to the task or in some cases wholly undependable.

New management arrangements are also necessary, particularly for cultural preservation programs. The old system of single line management must give way in some instances to Boards of Directors consisting of Federal, State, local and private interests as the controlling policy instrument. The Connecticut River, the island resources of Massachusetts, Maine and other States, and the nationally significant monuments of our Indian Reservations are examples of important cultural resources which will be preserved only if we are wise enough and humble enough to involve other entities in formulating policies and programs for preservation and management.

This Fontana Conservation Roundup and the conservation movement can have no greater challenge than to insure that the environmental trade-offs ahead of us are such as will renew our spirits and inspire our posterity.

The American Revolution is not yet over! The choices we make about environmental trade-offs will determine whether, indeed, the American dream matures into the reality of a new era of human dignity.

Thank you very much.

WOMEN IN SPORTS: PART III

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. FRASER. Mr. Speaker, on May 22, and again on May 29 we introduced into the Record articles on women in sports.

Today we are placing the third article of this Washington Post series in the Record. The article deals with the different financial treatment given to women and men athletes:

[From the Washington Post, May 14, 1974]

The Financial Bind

(By Nancy Scannell and Bart Barnes)

Things have gotten a lot better for girl and woman athletes in the Washington area over the past few years. That is to say the female athlete here is a little less far behind than she used to be in relation to the male athlete.

It is not to say she is getting anything like a fair deal.

In virtually every institution and school system the female athlete lags far behind her male counterpart. She has few sports to participate in and inferior equipment and coaching. However well she does, she gets less recognition.

For female athletes here—as elsewhere—the price of excellence often is insults and slights that reinforce the prevailing attitude that sport, serious sport, is for men and boys.

The limited acceptance of girls in some areas of athletics has not broken down the traditional barriers.

Fifteen-year-old Hania Richmond went out for the Groveton High School soccer team this spring, made the squad and was elected cocaptain. A few weeks later she was unceremoniously dropped. School officials cited the Virginia High School League policy that girls may not play contact sports with boys.

Such strictures are common and troublesome, but the real bind for female athletes is financial. The numbers vary from school to school and jurisdiction to jurisdiction, but the bottom line nearly everywhere is that, at athletic budget time, girls are considered to be worth less than boys. (Comparisons are difficult to draw because athletic budgets are financed from a variety of sources such as gate receipts, boosters clubs and tax dollars.)

A recent study of the Fairfax County school system showed about nine dollars are spent on boys' athletics for every dollar that goes to the girls. That figure is by no means unusual for the area or for the nation.

Madison High School is an illustration of the way things are. When boys' teams at Madison win a championship, it is customary to honor them at an awards banquet. When a girls' basketball team won a divisional championship last year, recalls one team member, "We climbed on a bus and went to Giffords." Giffords is an ice cream parlor.

To pay for their program the girls at Madison do such things as operate a laundry service, picking up and delivering towels for students in physical education classes.

Members of the girls softball team at Madison and their parents and coaches often have had to cut the grass and line out the fields themselves.

"We have worked until the wee hours of the morning," said Gloria Milburn, who is in charge of girls' athletics there. "We have personally mowed and raked a good portion of the field."

"There have been a number of times Gloria and I, in our spare periods or after school, have lined the girls' softball fields only to go out and find we had no lines left . . . because the boys had used our lines for their games," said Pat Dean, Madison's basketball coach.

Part of the problem at Madison and many schools throughout the area is that people just don't take girls' sports seriously.

Dean recalled this reaction of the boys' athletic director when a trophy arrived at the school for the girls' basketball team:

"He brought me in our trophy and said 'What the hell is this? Who ordered it?' I just said 'We earned it at the regional tournament.' "

In recent years Madison girls' basketball teams have won their way to six of nine district tournaments. At the end of each year their recognition was a mimeographed standings sheet.

At nearby West Springfield High School, boys' sports events and pep rallies for them are announced over the public address system. One day Shirley Duncan, who directs the girls' athletic program at West Springfield, got tired of waiting for it to occur to somebody that her regional champion girls' basketball team deserved to be included. So she walked into the principal's office and broadcast the announcement herself.

Girls athletic director Billie Reynolds at another Fairfax High School, Robinson, heard through the grapevine that there was to be a pep rally for all school teams. But no one had said anything to her about it. "I had to go in and ask to be in it. The football coach, the cross country coach, were automatically included."

William Savage, who directs the county's athletic program, says efforts are underway to upgrade girls sports.

Savage agreed there are such problems as the nonmaintenance of the girls' softball diamond at Madison. His groundskeeping staff is small, he said, and he has to get the baseball fields ready first because the baseball season begins before softball.

In Alexandria, a study commission on the status of women found that "of all facets of school life, athletics is the one where girls most often have to take a back seat.

"Less money is spent on sports for girls and girls receive less encouragement to compete seriously . . . In athletics, it seems that a great deal of money is being spent to benefit a relatively small number of students."

The report cited specifically the football program at Alexandria's T. C. Williams High School, which cost a total of $12,335 last year. The most expensive sport for girls at the school was gymnastics at $2,140. In all, $31,162 was spent on the boys' athletic program, compared to $6,360 on girls' athletics.

Adding in the sports budget of George Washington and Hammond High Schools, which have only freshmen and sophomores, Alexandria spends $95,632—counting coaches' stipends—and a boys' athletic program that includes 12 competitive sports. For girls the sports budget is $25,560 for a six-sport program. Eight head coaches and 49 assistant coaches work with boys' teams; there are six head coaches and eight assistants for the girls.

William Blair, head of athletics for Alexandria public schools, says there has been a surge of interest in girls' sports and that he for one thinks that's good. Doug Poretz, spokesman for the school system, said the city is planning to make a special appropriation of $74,000 this year to improve both girls' and the so-called "minority" sports. In the past each has gotten short shrift.

This egalitarian concern would have been welcomed two years ago by Chris Strider, a recent graduate of T. C. Williams, who ran into roadblock after roadblock when she and more than 50 other females tried to start a girls' crew team.

At first the girls were told there were no locker rooms at the boat house. They said they'd change in the bathroom. Then they were told they were too frail, they might drop the shells. Finally, when they persisted, they were told they could form a team to compete in the fall. In the fall there is no competition.

An all-girl crew team since has been formed at T. C. Williams.

Girls have integrated crew teams at neighboring Arlington's Washington-Lee High School, where there are five girl coxswains on the 73-member crew squad.

Arlington also offers girls sports in gymnastics, outdoor track and swimming and it is likely that next year the program will be expanded to basketball, softball and coed golf, said Bob Gill, county athletic director. Spending ratios at each of the county's three high schools this year run at $18,000 for boys' sports to $3,000 for girls.

In testimony before Arlington County's Commission on the Status of Women, Barbara Reinwald, girls' athletic director at Washington-Lee, said that for the girls' varsity sports (including crew) at her school, there are only three coaches, while each of the nine boys' varsity and junior varsity sports had a coach.

Five years ago District of Columbia public schools offered only one interscholastic sports activity for girls, an annual archery tournament. City schools now offer varsity athletic programs for girls in volleyball, basketball, track and field and softball. In addition, city schools have coed teams in swimming, tennis, and golf.

Vinna C. Freeman, director of girls' athletics, said interest in girls' sports now is at an all-time high despite numerous obstacles and handicaps. The girls on a softball team at Cardozo High School had all their gloves stolen twice, Freeman said, but they raised money and kept buying more.

At virtually every senior and junior high school in the city, Freeman said, there is increasing pressure to put girls' sports on a par with the programs in 10 sports available to boys. The demand for coaches has grown so, Freeman said, "that I don't have enough women who are trained."

One indication of the relative value the system attaches to the two programs is the salary differential between coaches of girls' teams—as little as $250 and no more than $750—and the coaches of boy's teams: $1,000.

One of the more advanced interscholastic sports programs for girls in this area is in Montgomery County, where at the high school level, 1,709 girls are participating in eight varsity sports. The county also is the target of the first formal complaint of sex discrimination in local public school athletics.

The complaint was filed under Title 9 of the federal aid to education amendments of 1972, which prohibits discrimination on the basis of sex in a number of areas, including athletics, at any institution or system receiving federal funds. The penalty is loss of federal fundings.

In Montgomery within the last few years a number of noncontact sports such as tennis, track and golf have been made coed, reflecting an area trend.

Bethesda-Chevy Chase High School's track team is one such integrated squad. Coach Kerry Ward said girls first joined the team two years ago. Ward says he has developed some powerful girl runners, capable in some instances of beating boys, which some in the athletic establishment have difficulty living with.

"As long as the girls were just mascots, that was okay," Ward said. "But when they started winning . . . that can be a threat to the whole tradition of jockdom."

Generally the girls on Ward's team compete against other girls, but they did go to a meet last year in Annapolis where they ran against eight boys and beat four of them.

Prince George's County schools, until two years ago offered no interscholastic sports competition at all for girls. Under pressure from women's groups, the school board authorized a program for girls in the fall of 1972 in three sports, basketball, track and volleyball. But the program still is far behind the 10 varsity sports available to boys and spending on girls sports is about one-third of that for the boys.

Jill Greenberg, head of the education committee of the Prince George's Women's Political Caucus, thinks the county could be headed for real trouble if it fails to comply with Title 9.

"We could get into the same kind of hassle we got into with school integration," Greenberg said. She was referring to a massive crosscounty busing program begun in the Prince George's public schools last year under orders from a federal judge.

"What we are working for is to think of physical education in terms of a person's right; learning to take care of your body. In a very real sense the girls have been deprived. They almost need more funds to acquire the skills they need . . . it's almost compensatory education."

Vincent C. Holochwost, director of athletics of Prince George's schools, says that because of the new Title 9 regulations, as far as he's concerned, there will be no additions on the boys' athletic program until the girls have caught up.

In the two years that girls in the Prince George's public school system have had organized interscholastic competition, Holochwost said, some small steps forward have been taken.

High Point High School's girls' basketball team won a county championship this year, for example, but the initial reaction of many of the male students to a first-rate girls team was surprise.

"I talked to some of the boy students. They said, 'Hey, they're good. They really know how to play basketball.'" said Virginia Honey, girls' basketball coach at High Point.

On Feb. 25, when the High Point girls beat DuVal High School for the regional championship, the High Point cheerleaders and pompom girls and a number of students and administrators turned out to support the team. Later the girls' championship team was honored at an awards banquet just as High Point's championship football team had been in the fall.

Vicky Robinson, a High Point junior, has been on the team for two years and is the second highest scorer with an average of 14 points a game. She says she has nothing in particular to prove in playing and does it "only because it's fun and it's something to do after school."

At the college level, athletics for women in this area range from an ambitious basketball program at Federal City College to a struggling effort at Georgetown University, where women's teams are barely allowed in the gym.

Natalie Paramskas is director of women's athletics at Georgetown. During the winter she runs intercollegiate competition for women in basketball, volleyball and gymnastics.

She gets to use the gym from 7:30 to 9:30 on Tuesday and Thursday nights. During that time she tries to run practices for all three sports simultaneously.

When there's a game scheduled that causes problems, Paramskas said. "If we have a volleyball game, the women's basketball team can't practice."

The women's basketball team at Federal City College is developing national recognition through participation in championship tournaments across the country. At FCC, it's the women's basketball team and not the men's that commands recognition. Accordingly, the women's basketball budget is $22,630 and the men's, $15,841.

Of Federal City's total budget of $104,626 for five men's sports and two women's, the women get almost 25 percent, or $23,630.

At the University of Maryland's College Park campus, which, with 34,000 students is the largest educational institution in this area. Dorothy McKnight, coordinator of women's athletics, has seen a lot happen in 10 years.

A decade ago, when she came to College Park, McKnight said. "We had teams but nobody even knew we existed. We drove our own cars to the games and collected money from the players to pay for the gas. The girls made their own uniforms. It was a very minimal program."

Three years ago the athletic department agreed to support a women's program and now Maryland has varsity athletics for women in field hockey, tennis, swimming and basketball. Lacrosse and volleyball are being added.

Still the budget for women athletes at Maryland is only a fraction of what the men get, $30,000 in next year's athletic budget of $2,091,000.

Nevertheless, McKnight says she's generally satisfied with the progresss her women's program has made, although "We need and can use more money."

In principle at least her boss, athletic director Jim Kehoe, is behind her.

"While I support philosophically the principle of equality, as a practical matter it just won't work," Kehoe said. "This department wholly endorses a comprehensive women's athletic program but that does not include athletic scholarships or equal sharing of revenue."

REMARKS OF CONGRESSMAN CRANE FOR AMA CONVENTION, ANAHEIM, CALIF.

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. ROUSSELOT. Mr. Speaker, my colleague from Illinois, Congressman PHIL CRANE, on December 5, 1973, addressed the American Medical Association convention, morning session of the House of Delegates, in Anaheim, Calif.

Mr. Speaker, because this address by my colleague (Mr. CRANE) was a culmination of long discussions that had occurred within the framework of American Medical Association and has subsequently triggered other events of interest to this body, I felt that my colleagues would wish to be aware of these comments regarding the professional standards review organizations.

As a result of our colleague, Mr. CRANE's speech to the American Medical Association, the position recommended by Mr. CRANE has been sustained by a committee of the Association on Professional Standards Review Organizations and a suit has been filed in court recommending that the PSRO law be declared unconstitutional.

A substantial number of practicing physicians and other professional people from the medical field have been most interested in the general concepts developed in Mr. CRANE's remarks:

SPEECH BY CONGRESSMAN PHILIP CRANE

Thank you very much Dr. Shields . . . I deem it a great priviledge to have this opportunity to come before you today in this capacity. I am one of a number of members who were instrumental in getting Dr. Heard to come to Washington to talk to us. He gave of his time and energy at our request to present an evaluation of how we in Congress might most effectively deal with the question of the possibility of repeal of the Professional Standards Review Organizations.

PASSAGE OF PSRO

I think, to give you a brief history of the House action, it's important for you to know that the House hadn't the vaguest idea of what it voted on when the PSRO legislation went through the House. We did *not* introduce it in the House. It was introduced in the Senate and tacked onto a complex, lengthy social security bill. The Senate has no rules with respect to germaneness. This clearly would have been ruled a non-germane amendment to that legislation had it been introduced in the House. This was the deceptive way PSRO slipped through and I can assure you that probably 90% of the members of the United States Congress today haven't the fuzziest idea what a PSRO is. They don't understand the concept—they don't even know that they cast a vote on it.

SIGNATURES ON PETITION FOR REPEAL OF PSRO

I say that advisedly because I had the opportunity to talk to any number of my colleagues on the subject in attempting to recruit signatures on that letter that we sent to you. I'm confident I could have produced, as Dr. Shields indicated, easily a hundred signatures on that letter, based on the principle involved in this issue, if members had had the chance to evaluate the merits or demerits of PSROs. However, in talking to members I asked them first the question, "Do you know what a PSRO is?" If they answered in the negative, I didn't proceed any further. Secondly, those who indicated some vague understanding, but uncertainty as to where their constituents in the medical profession stood, I said, "Don't sign this until you talk to your physicians back home." One of the ways I've managed to achieve some degree of credibility with my colleagues is by attempting conscientiously to avoid getting them into a situation where they may have political problems back home. I think it's important for you to know as well that there are a number of bills that have been dropped in the hopper in the House calling for the outright repeal of PSRO by members whose names were not on the letters. Further, there are members on the other side of the aisle who have indicated their opposition to PSROs, but whose names do not appear. The only one of those whom I talked to personally as I was leaving the floor was Congressman Rarick. This was because John has been in the vanguard of this fight from the beginning, submitted the first repeal bill, and has the greatest number of co-sponsors on his bill.

MY OWN CONCERN ABOUT PSRO

Now let me briefly explain some of my reasons for concern. First of all, as Dr. Shields noted, I come from a family of physicians. I was the black sheep, having gone into the history profession, because I had too many sympathetic pains to suffer the rigors of medical school. But on the other hand, I do have an appreciation of what the American medical practice is all about and I think I have, probably, as great a respect for it as any member you'll find in the Congress of the United States.

MY CONCERN ABOUT OTHER PROPOSED MEDICAL LEGISLATION

As some of you know, I have not co-sponsored your particular legislative alternative to Senator Kennedy's National Health Insurance Bill. When I was approached to be a co-sponsor of that legislation, I indicated that I would not because in my judgment it did not best serve the interest of American medicine. I still hold that point of view. I have not co-sponsored the administration's approach; I have not co-sponsored the health industry's approach; I have not co-sponsored the hospital association approach. By producing an alternative, you have given away half the battle at the outset. And I can't put enough emphasis on that point. With respect to PSRO, the question is one of options available to you people in the medical profession.

NO HEALTH CARE CRISIS

In debating, the worst approach you can take is to concede your opponent's premise. In my judgment, that's what the administration has done, that's what the medical profession has done, the health insurance people have done it, hospital associations have done it. You have implicitly accepted Kennedy's analysis of the problem; viz., that there is, indeed, a health care crisis in America. Your response to this claim is you have a better approach to deal with that alleged crisis. I totally reject the premise and I would be more than happy to spend any time with you back in your home states defending my position. I think the evidence is abundantly available to one and all to prove the point, that we have the best medical care here in the United States of any comparable country or collection of countries in the world. And I don't care if you want to get into the discussion of infant mortality rates, maldistribution of doctors, doctor-patient ratios, medical costs, what-have-you. If you make a comparison because what we have done without government intervention in medicine in this country and what they have done with varying degrees of government intrusion in the delivery of health care in countries that have gone that path, our performance is without peer. This is not to suggest that we are without problems. But we are closing the gap on those problems more effectively under our approach than are countries which have turned to government for solutions. Getting in bed with people in my profession is the most disastrous possible course you can take. As physicians, I know you are committed to providing the best possible health care, and certainly as a potential patient, I have a vested interest.

PRINCIPLES INVOLVED

But beyond that, I have a vested interest in certain overriding principles that are at stake in this great battle. Those principles don't touch physicians alone because there is virtually no business or profession today that is not under the threat of governmental intervention. We have a collective fight on our hands, gentlemen, and that fight is not confined to the battles that preoccupy your attention today. That's just a part of it. But that, too, is a part of my reason for being here. My work involves battles across the broad spectrum of all our business-professional interests in the effort to preserve a free society. And it is for that reason, perhaps far more than any other, that I am here with you today.

OBJECTIONS TO PSRO

Now it seems to me in talking to physicians that there is no one who will defend the concept of PSRO in principle. The objections to PSROs are abundantly plain to you, but there are two critical ones that strike me as overriding. One is the idea that you can have laymen impinging their judgments on the best professional judgment of physicians.

ESTEEM OF THE MEDICAL PROFESSION

Do you really think that the average patient in this country is going to repose greater confidence in government or in bureaucracy than he will in his physician? I can guarantee you he won't. You're in a unique position. The recent Gallup poll, as you know, revealed the fact—out time and time again—that the physician is the most respected man in our society. By contrast, the people in my profession have just slipped below the used car salesman. The used car salesman is at least providing a service in the private sector. I would raise the question as to how much positive good people in my profession are doing for anyone. And I don't mean because we've consciously malicious. We fall into the category Justice Brandeis described in the Olmstead case when he said, "Americans should be most on guard against encroachments against their liberties when government's intentions are beneficient . . . when its policies are initiated by men of zeal, well-intentioned but without understanding." That's precisely the situation we're in today with respect to PSROs.

INVASION OF PRIVACY

Now in addition to this, the potential for invasion of patients' privacy is a clear violation of the Hippocratic Oath and your professional ethics. In the Ellsberg case, burglars had to break into a psychiatrist's office to get files. With this law the bureaucrats can simply walk into a psychiatrist's office and review any patient's records. I can assure you that if you brought this point home to politicians, you've got a sensitive issue for getting politicians to understand the inadvisability of this legislation.

PRAGMATIC APPROACH

I can understand why you've taken some of the actions you have. I fought the battle with you in '65 on the Medicare question. I know a lot of physicians after that decided it was hopeless to fight the Federal leviathan on principle, that "pragmatism" or "realism" dictated attempting to control and direct from within as the only chance of preserving a semblance of private practice. But one must be careful when he succumbs to this reasoning that he does not give away more than he has to. In looking over some of the recommendations that you've come up with, the first one says, "at this time—and this is substantiated by ranking members of the House Ways and Means Committee—attempts to repeal PSRO would be fruitless." Let me assure you first that the Ways and Means Committee is not the exclusive committee to talk to on this. Secondly, there is potentially a whale of a lot of support in that Congress for outright repeal. Thirdly, what support is not there is primarily the result of a lack of understanding of what's happened, and that even includes members of the Ways and Means Committee. As a Congressman, I'm telling you that this is not a lost battle. Moreover there is no reason why you cannot explore a variety of options simultaneously. They are not mutually exclusive. You don't have to give up the effort to repeal only because you think a more likely alternative is to attempt to clean up a bad law. In addition to this you can at the same time contemplate working for repeal through the courts. I would certainly be willing to stand beside any physician or any association of physicians that refuses to comply with this law on the grounds that it does violence to the ethics of the medical profession.

PRINCIPLES AT STAKE

It is important for all of us to keep in mind, as I said earlier, that there are precious principles at stake here. I was the only member who testified before the Ways and Means Committee in opposition to *any* governmental intrusion in the so-called health care field. I was the only member. And at the time I testified, the man chairing the committee, Mr. Burleson, observed that this was certainly a "novel" point of view, that it had never been presented to that committee. I got into all the alleged shortcomings of health care here in the United States and pointed out that when you make comparisons with other countries, you'll see we're closing the gap on the remaining problems we have faster through free medicine than any other countries that have opted in favor of socialized medicine and that any effort to suggest we have a health care "crisis" in America is pure hokum.

NOT MUTUALLY EXCLUSIVE POSITIONS

But to go on here with another recommendation, it's suggested that a position of non-participation would tend to make Association efforts to seek amendments to PSRO or to modify similar regulations, similarly fruitless. That is absolutely not true. If anything, the more vigorous the opposition, the greater the willingness of politicians to seek a compromise. You can go on record as a national body, condemning on principle what you know in your hearts to be wrong and simultaneously work for other alternatives behind the scenes in the event we can't win on the question of outright repeal. This is a part of what I mean about these positions not being mutually exclusive.

EFFECT ON OTHER HEALTH LEGISLATION

Another position stated here says that "noncompliance or non-participation would also weaken Association efforts to affect other pending and future health legislation." Again, I would differ. In fact it indicates a lack of understanding of how the political process works. Each one of you has input. And if you don't think you have input on the politicians, I can guarantee you, you have input on their constituents. If Senator Kennedy attempts to ride that hobby horse of national health insurance into the White House, he's not going to make his major thrust until 1975. It's a political issue and I don't think anyone of us should be deceived about that point. In the meantime, between now and 1975, you have an opportunity collectively to talk individually to patients. Patients are voters. And if you alert them to the danger, then you can generate a massive political influence. Another statement claims that "Repeal of PSRO would leave the medical profession still subject to other legislative controls which already exist, perhaps more distasteful." Well, to be sure, that's a possibility.

COMPLIANCE DESTROYS YOUR PROFESSION

But let me just tell you one other thing. If we are going to draw the battle lines on principle—and in my judgment, that's how they should be drawn—the best way calculated to permit the government intrusion that could ultimately destroy your profession, is to get compliance. If you draw the battle lines on the basis of the professional judgment of the physician versus the gun that's being pointed at his head by government, and I can assure you beyond that, that once they identify the politicians as the enemy, the politicians will back off in a hurry. This kind of legislation cannot survive without your consent and your compliance. It's a total impossibility. This is more "foot-in-the-door" legislation as you know. The supporters of Medicare back in 1965 were candid enough to acknowledge that it was foot-in-the-door legislation ultimately for a government take-over of the medical field. And I submit to you that this is just another part of it.

RECOMMENDATIONS

I have probably exceeded my time constraints but let me, if I may, continue for just a couple more moments to pass on some recommendations. One: Don't despair. I think the most pernicious doctrine in Washington today, and I see it in business associations, I see it in the professional associations, is a certain feeling of despair over the inevitability of legislation. Well, that doctrine of inevitability is the rankest superstition that Karl Marx ever advanced. I had a student who came up to me some years ago when I was teaching, and he said, "Dr. Crane, I believe in your philosophy and your principles and your values and your ideals, but let's face it, the United States is finished. Western civilization is down the drain. We're inevitably moving on to some kind of bland socialism. So, in effect, why fight it; eat drink and be merry for tomorrow we die." And I said, "Young man, I can appreciate your feelings because at one point in my undergraduate career I almost bought that vicious concept. But think for a moment, if you and I refuse to give in and we fight. And in turn we win two converts each tomorrow and in turn we enjoin them to win two converts each. Before long we'd be a majority. And if a majority of Americans believe as we believe then can you tell me that the United States is finished and western civilization is down the drain?" He said, "I never thought of it that way." I added, "You have been removed from the battle **because you bought a false premise. And that is the doctrine of inevitability. And because you did, you have been as effectively removed from the battle as if they had put you up against the wall and blown your brains out. But they managed to do it more economically, they saved a bullet, because they did it with a false idea."**

Now, gentlemen, I'm telling you there are good ideas and right principles and if you people, who are most immediately affected, will not be in the vanguard of fighting for those principles, then to be sure, we may lose the battle in Washington; it will simply be a matter of time. They'll take us salami-style—a slice today and a slice tomorrow and a slice the next day. But I think that everyone of us believes that there are principles involved in this issue that are worth defending. And there are members down there who will go to bat for you. Even if you don't come out for repeal, I and a number of my colleagues will continue to wage the battle because patients are going to be concerned about this, even if the physicians will not lead the fight. Secondly: *Speak up* to your patients. Get the patients involved in this battle. You command their respect and they trust you. Let your impact be felt. Thirdly: *Influence your local politicians*. Don't necessarily depend upon speaking as a voice from the House of Delegates. Communicate individually with your own Representatives and Senators. Speaking to us personally does have political effect. And fourthly: As Abraham Lincoln said, *"Let us have faith that right makes might."* I mean, we've *got* to have faith in free institutions and we've got to be willing to stand up and be counted on the side that we know to be right. We must be aware of compromises with evil. As Pope said: "Vice is a creature of such frightful mien, that to be hated means but to be seen; but seen too oft, familiar with her face, we first endure, then pity, then embrace." I would hope and pray, gentlemen, that you will not be guilty of that and I would hope and pray that we might join in a common effort here in behalf of private practice. We may not win all of our objectives, but if you come out forthrightly in behalf of right principles, you've got the opposition on the defensive immediately. We may have to settle for something less than what we want. But a position of principled opposition to government intervention gives us the best political leverage in terms of dealing with people who view politics as the art of compromise. You don't start with a half-way house position to begin your negotiations unless you're prepared to lose your position altogether. Finally, I would only remind you of a quotation by Woodrow Wilson, who was a student of history before being elected President. Wilson made the observation that the history of liberty is a history of limitation of governmental power—never the increase of it. "When we resist concentration of power," Wilson said, "we are resisting the powers of death. For the destruction of human liberty has ever been preceded by concentration of governmental power."

I thank you gentlemen.

THE DECLARATION ON FOOD AND POPULATION

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mrs. BURKE of California. Mr. Speaker, I am happy to have been among those 1,500 signers from 98 countries who signed the Declaration on Food and

Population, which was officially presented to United Nations Secretary General Kurt Waldheim at United Nations Headquarters in a special ceremony on April 25.

More than 50 U.S. Senators and Representatives were among those who signed the declaration dealing with the crisis of serious population pressures and widespread famine in many countries of the world, with the chilling prospect that untold millions of men and women and children face possible death through starvation during the next 5 years.

In receiving the declaration, the Secretary General expressed his gratitude and his concern for the related world problems of food shortages and too rapid population growth and his hope that the international community will find humane solutions to these critical problems.

Secretary of State Henry Kissinger in a message to Mr. Waldheim endorsing the declaration said that the United States will do its part and will strongly support a global cooperative effort to increase food production. He also said that he hopes "that other countries able to do so will make similar contributions and that all countries will take active measures to bring population growth and food production into better balance."

I would like to point out that this declaration, which was also endorsed by the Shah of Iran, the President of Senegal, the Prime Ministers of India and Sri Lanka, was a program of the Population Crisis Committee, of which William H. Draper, Jr., is honorary chairman. He has made incalculable contributions to the search for solutions to the problems outlined in the declaration particularly in connection with population, and in his unremitting effort to make men and women everywhere understand the need for concerted action in dealing with the world population explosion. I am proud to say that I have recently been made a member of the Board of Directors of the Population Crisis Committee. The declaration follows:

Declaration on Food and Population

A CALL TO GOVERNMENTS AND PEOPLE FOR ACTION BY CONCERNED CITIZENS FROM MANY PARTS OF THE WORLD

To Governments, Organizations and Men and Women Everywhere; We, the Undersigned, Address this Declaration on Food & Population:

No link unites the family of man more than his need for food. For food is an essential condition of life, common to all people; wherever they are, whatever they do, they share alike in this need.

The stark truth is that man's ability to produce food is not keeping pace with his need. Despite efforts by governments and the international community to solve world food problems, more people are hungry today than ever before.

Hundreds of millions of the world's people are undernourished. Population growth is adding 75 to 80 million more people each year, 200,000 each day. Within the next 25 years or so our present numbers of nearly 4 billion will be nearly 7 billion. They must all be fed.

The world food situation took a sharp turn for the worse in 1972 and 1973:

1. Stocks of grain have hit an all-time low since the end of World War II. Surplus stocks formerly held in reserve have nearly been exhausted and no longer offer security against widespread hunger and starvation.

2. Food prices have reached new highs. Last year, despite a record world harvest, escalating demand nearly doubled grain prices. The increasing cost of food threatens to cause serious hardship for many people already spending most of what they have on food.

3. Less of the cheaper protein foods, which normally supplement grain diets, is available. The world's fish catch and per caput production of protein-rich legumes, the staple diet in many countries, have declined.

4. Food shortages have created serious social unrest in many parts of the world and are particularly severe in countries where hunger and the diseases that thrive on under-nourished bodies are prevalent. This scarcity has been aggravated by the consumption of more and more grain to produce meat, eggs and milk.

5. Mounting fertilizer and energy shortages are reducing food production in certain areas and increasing food prices.

In this new and threatening situation, a bad monsoon in Asia (which could occur in any year), or a drought in North America (like those in the 1930's and 1950's), could mean severe malnutrition for hundreds of millions and death for many millions.

This dangerously unstable world food picture, when seen against an unprecedented population increase, has created an immediate sense of urgency. The dangers of food shortages could remain a threat for the rest of this century—even if, hopefully, bumper crops in some years create temporary surpluses and even if the trend toward reduced birth rates becomes general throughout the world.

World food production in the years ahead must rise at least 2 percent a year to keep pace with the present rate of population growth. But it must rise a good deal more if the world's people are to be provided with an adequate diet. This required annual increase in food production is considerably greater than that which occurred during recent decades—and seems to be increasingly harder to achieve each year. But unless there is this necessary and continuous increase in food production, there will be even more hunger and malnutrition and soaring food prices.

The need to seek solutions is pressing. The nature of the problem, the precarious state of world food production made critical by predicted expectations of continued population growth, calls for concerted action by the world community. There is only one cure for hunger and that is food. No palliatives or panaceas in the form of reports or resolutions can alleviate the pain of empty stomachs that must be filled. International resolutions, however high-minded, are a mockery if they do not have a tangible impact on the human condition.

The United Nations is now providing leadership on both these problems. In August the United Nations will convene the World Population Conference in Bucharest. In November it will convene the World Food Conference in Rome. These are the first occasions when governments have agreed to meet to consider these crucial questions and to consider taking action on them.

With these two conferences only a few months away, we urge governments, acting before, at and after these two global conferences, to consider realistic and purposeful measures such as the following:

1. Give high priority to programs in each country which will increase the production of grains, legumes and other staple food crops; ensure the availability of protein-rich foods, particularly to the more vulnerable population groups; expand the production of fertilizer; and improve the opportunities for small farmers to make a reasonable living. Develop a comprehensive and constructive World Food Plan for adoption at the World Food Conference.

2. Support sound population policies relevant to national needs which respect national sovereignty and the diversity of social, economic and cultural conditions; accept and assure the human right of each couple to decide for themselves the spacing and size of their families;[1] and recognize the corresponding responsibility of governments to provide their peoples the information and the means to exercise this right effectively.[2] Embody these policies in a World Population Plan of Action to be agreed upon gy governments at the World Population Conference.

3. Recognize that the interdependence of the world community creates an obligation to assist in the necessary funding of food and population programs by both developing and developed countries. This calls for the elaboration and implementation of a global strategy by the United Nations and its family of agencies, including the Food and Agriculture Organizations of the United Nations and the United Nations Fund for Population Activities.

4. Establish sufficient food reserves through national and international efforts to provide continuing vital insurance against food shortages.

5. Recognize that, in our finite world where resources are limited, the family of man must one day, and hopefully fairly soon, bring birth rates into reasonable balance with the lowered death rates that have been achieved. Many governments see the need to guide national policy toward this objective.

A solution to the present world food crisis must be found within the next few years. The social transformation which can lead to a reduction in the world rate of fertility, along with lowering the rate of mortality, will take decades to accomplish. But a start must be made now because the millions of people being born each year place a heavy burden on the resources available to many nations for education, health, employment and the maintenance of environmental quality. A reduction in population growth could help alleviate this burden. Effective measures toward resolving both the world food and population problems must come within a total strategy of development. Not only is social and economic development desirable in itself, but also it contributes to moderating population growth. All these measures are designed to improve the quality of life.

In this Declaration, we focus on food because it is the most critical of the pressures on the world today. It is the greatest manifestation of world poverty, which has many aspects. The absolute numbers of desperately poor are far greater today than ever before in history. The need to eradicate acute poverty is being recognized more than ever as a collective responsibility. It is a task which global partnership and the demands of social justice make imperative.

We repeat, food is crucial because literally tens of millions of lives are suspended in the delicate balance between world population and world food supplies. Growing populations, denied sufficient food needed for survival, resist all efforts to secure a peaceful world. With increased production and more equitable distribution of food, the future could provide a prospect of less misery and more hope for countless people now deprived of the basic necessities that are their right.

The World Food Conference represents a unique opportunity. This opportunity must not be missed. Comprehensive international agreements must be reached to assure at least minimal food supplies, with sufficient annual carry-over stocks. Disastrous breakdowns in the world food supply can thus be avoided. All nations may then rest secure in the knowledge that this, the most critical of their immediate problems, is being attacked with wisdom, vigor and unity of purpose.

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[1] United Nations Teheran Declaration of Human Rights, 1968 (para. 16).

[2] Resolution 1672 (LII) of the United Nations Economic and Social Council, 1969.

In the name of humanity we can call upon all governments and peoples everywhere, rich and poor, regardless of political and social systems, to act—to act together—and to act in time.

STEWART ALSOP

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mrs. GRASSO. Mr. Speaker, on Sunday Stewart Alsop, a well respected and dedicated journalist and a courageous man, fell victim to the dreaded disease, leukemia, and passed away after fighting the disease valiantly for 3 years.

A native of my home State of Connecticut—the son of a talented and dedicated family from Avon—Mr. Alsop graduated from Yale University, earning a bachelor's degree in 1936. Several years later, he joined the British Army before the United States entered World War II and rose to the rank of captain before switching to the U.S. Army paratroopers in 1944. Assigned to the Office of Strategic Services, he worked with resistance forces in enemy territory, receiving awards from both the British and French for his service.

After the war, Stewart Alsop became a journalist. He wrote a column with his brother Joseph that appeared in some 160 newspapers, completed several books and magazine articles, and since 1968 has written a weekly column for Newsweek magazine.

Mr. Alsop gained recognition for his inventiveness and phrasemaking ability, even though he had no literary pretensions. He first used such now common words as hawk and dove, egghead, and the phrase "eyeball to eyeball," which added color to the skilled journalism in which he took such pride.

The death of this outstanding journalist fills us with great sadness. Yet, in the face of death, Stewart Alsop pursued his chosen work and also wrote a book on his arduous illness and approaching death. His calm and courageous attitude toward death, even in this moment of sadness, fills us with awe and serves as inspiration for all.

We will miss Stewart Alsop and his intelligent comments on the world around us.

For the interest of my colleagues, I am inserting the following article in the RECORD:

[From the Hartford Courant, May 28, 1974]

STEWART ALSOP

> Most people are remembered for the way they live. Stewart Alsop, prominent political writer who died May 26 in Bethesda, Maryland, long will be recalled as one who knew not only how to live, but also how to die.
>
> Mr. Alsop faced death many times, first with the British King's Royal Rifle Corps, then after switching to the U.S. Army paratroopers when this nation entered World War II. Hazards also abounded in this work with the Office of Strategic Services involving resistance forces in enemy territory.
>
> Later as a newsman, Mr. Alsop toured the globe to get first-hand knowledge of the sometimes dangerous action. He said reporting is hard on shoe leather, once quipping that a newsman's feet are more important than his head. He also cautioned that an observer must look beneath the surface of events to see the real, life drama of national and human destiny.
>
> When Mr. Alsop ended his 12-year collaboration with his brother, Joseph, on the political column, Matter of Fact, to devote full-time to magazine writing, he asserted that the years had been "full of movement and suspense . . . often tersely stirring and splendidly exciting." For him, there was hardly anything more enjoyable "than the feeling of being on the trail of something real important" as he wrote in The Courant column of March, 1958 marking the close of the partnership.
>
> Since then, Mr. Alsop continued to focus on the news as a regular Newsweek columnist earning respect from readers and colleagues alike for writing skill, insight and personal integrity. Several books also gained acclaim of critics and the public.
>
> However, it is his most recent volume, Stay of Execution, that may bring Mr. Alsop his most enduring recognition. In it he reveals what it is like to be condemned to death, in his case, from leukemia, to come to grips with the future and make the best of it. He wrote, "People are brave when there is nothing else to be," understanding his courage.
>
> He also learned how the threat of death breaks down barriers between people and "you realize how amazingly nice—there is really no other word for it—most people are," he wrote. As his credo, Mr. Alsop took Winston Churchill's words: Take life as it comes; dread naught; all will be well.
>
> In his dying, Stewart Alsop opens our eyes to living. The pity is that he died a day too soon to know that his home state's Library Boards Association gave his last literary effort first place for nonfiction in the annual book awards competition.

OUR NATION SALUTES SCOUT JEFFREY OUTWATER OF BOY SCOUT TROOP 286, RECIPIENT OF THE MEDAL OF MERIT AWARD OF THE BOY SCOUTS OF AMERICA

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. ROE. Mr. Speaker, on Sunday, June 2, the residents of my Eighth Congressional District and the State of New Jersey will convene at a formal Court of Honor for the presentation of the most highly coveted Medal of Merit Award of the Boy Scouts of America to Scout Jeffrey Outwater of Boy Scout Troop 286 whose outstanding heroic deed saved the life of a 4-year-old youngster and truly exemplified the noble principles and sterling doctrine of the Boy Scouts of America.

As Boy Scout Troop 286 and Cub Scout Pack 186 assemble to commemorate and manifest their troops' esteem and respect for Jeffrey's outstanding spontaneous rescue and courageous unselfish action in exercising a lifesaving feat without regard to his own safety in the true spirit and tradition of the Boy Scouts of America, I know that you and our colleagues here in the Congress will join with me in sharing great pride with Jeff, his family, friends, and associates for the leadership qualities and strength of personal character he has demonstrated "under fire."

Mr. Speaker, I submit for the CONGRESSIONAL RECORD a description of Jeff's heroic deed which was forwarded to me by Mr. Robert A. Van Etten, committee chairman of Pack 186. This statement which relates an account of what happened in Jeff's discussion with the group of adults who brought the children off the ice and dried them by the fireplace immediately after the rescue took place is as follows:

> There was little ice this winter at Glen Wild Lake in northern New Jersey, but finally the lake froze and everyone went skating. Late Sunday afternoon, January 21st, ten-year old Jeffrey Outwater became tired of skating and decided to ride his bike on the ice, great fun for a boy who lives in the hilly lake country, miles of flat ice.
>
> As he rounded a point on the lake, Jeff immediately saw the danger. Several very young children were approaching a group of older children. Between the two groups was a large rock protruding through the ice. While the lake was safely frozen, many spots around the shoreline, including some docks and large rocks, had opened up from the movement of the water.
>
> This was a large rock, where the thicker safe ice became thinner and thinner until there was water immediately surrounding the rock. Jeff shouted to the younger children to go around, but four-year old Amy Demarest, came straight ahead toward the rock. She fell through the thin ice. Her knees went partially through and caught in the ice, pushing her forward through the thinner ice and she fell head down into the icy water. The ice that trapped her knees never gave way completely, and she was held face forward in the water.
>
> Jeff dropped his bike and threw himself across the thin ice and water on the opposite side of the rock. He managed to climb onto the rock and using it to push off he was able to grab Amy, as Jeff says, "by the scruff of her neck" and get her head out of the water. Pushing against the rock again, he grabbed more of Amy, not a small four-year-old, and partially threw and then shoved her up onto the safer thick ice which surrounded the open hole.
>
> Other children standing nearby, heard Jeff's warning shouts and had seen Amy fall into the water. As Jeff got her back to the safety of the thicker ice, Peter Croop, who is fourteen and also lives on the lake, got Amy's wet jacket off and wrapped her quickly in his own coat. By this time Brent McCowan, thirteen, skated to the house nearby where Amy's parents were visiting and by shouting and gesturing, Brent alerted everyone. The adults rushed out to find two very wet children, Amy crying from the cold and wet, and Jeff more nervous and frightened now that it was over than he cared to show in front of his friends and the adults.

Mr. Speaker, it is my privilege and honor to seek this national congressional recognition of Scout Jeffrey Outwater and his act of heroism that saved the life of Amy Demarest and serves as a shining example not only to the youth of America and throughout the world but to the adults alike who can surely be proud of our children and feel reassured in the knowledge that so long as there are young people like Jeff in our society, the future and destiny of our country is truly in good hands. Our Nation does, indeed, salute Scout Jeffrey Outwater of Boy Scout Troop 286.

WOMEN IN SPORTS

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mrs. MINK. Mr. Speaker, at a time when the issue of female participation in athletic activities is making headlines, I thought it would be appropriate and timely to insert the following excerpt from the article, "What Constitutes Equality for Women in Sport?" by the Project on the Status and Education of Women:

COMPETITIVE ATHLETICS: SINGLE SEX TEAMS VERSUS MIXED TEAMS

This issue is as complex as it is controversial. A number of organizations have taken stands on it, often for very different reasons. The question of "coed teams" has generated more publicity and more court action than perhaps any other issue concerning women in sport.

Often people ask if the fact that a sport is a "contact sport" can be used to justify prohibiting women and men from playing on the same team. Those who oppose coeducational contact sports generally base their opposition on a concern for the physical safety of the women or on the idea that women and men should not be forced into "contact" situations. Advocates of coeducational contact sports point out that competitive athletics are, by their very nature, closely supervised, and medical experts and physical educators say that the woman who is capable of making a competitive team is no more susceptible to injury than a man who is capable of making a team. Also, there appears to be no legal basis under Title IX for differentiating between contact and non-contact sports.

Perhaps it would be helpful to outline some of the factors that one might consider in evaluating which structure—mixed (coeducational) teams, single sex teams or some combination of the two—is most likely to provide equal opportunity in competitive athletics for both women and men.

In evaluating these structures, institutions may find it helpful to keep in mind that the impact of a policy or practice must fall equally on both sexes. In other words, does the policy have a disproportionate effect on one sex or the other?

SHOULD ALL TEAMS BE COMPLETELY COEDUCATIONAL

To some, complete integration of the sexes in all sports would appear to be both the most simple and the least discriminatory solution. Upon closer inspection, however, it becomes clear that, because of differences in training and physiology, such an arrangement would effectively eliminate opportunities for women to play in organized competitive athletics. For these reasons, this alternative would not appear to be in line with the principle of equal opportunity.

SHOULD THERE BE TWO TEAMS FOR EACH SPORT: ONE FEMALE, ONE MALE?

One way in which an institution might attempt to be in compliance with Title IX would be to operate parallel male and female single sex teams (without discrimination in services, facilities, equipment, etc.) for *each* sport. However, a major problem with this approach is that "separate-but-equal" has been generally considered *inherently unequal* since the Supreme Court outlawed racially segregated education in 1954. In general, the only times that "separate-but-equal" has been considered acceptable when sex discrimination was involved has been in issues related to privacy (such as the use of bathrooms, locker rooms, dressing rooms, etc.). Opponents of the "separate-but-equal" approach have also criticized it because it does not allow the superior female athlete to compete on the male team (which might well be the team with the highest ability level). Moreover, this alternative might be prohibitively expensive.

Advocates of this alternative maintain that applying the "separate-but-equal" principle in competitive athletics can be justified for sex discrimination (but not race discrimination) because there are generally physical differences between women and men (but not between blacks and whites). They maintain that women's athletics are different from men's athletics, even when the game they are playing is the same. (As an example of this, they cite the different strategies and skills that are involved with women's and men's tennis.) Superior women athletes could not "move up" to the men's team, so that the women's team would not be undercut by losing its best athletes.

A major advantage of the separate-but-equal team approach is that, because the two teams can operate in unison in many areas, this approach might be a fast and effective way to rectify some of the current imbalances in resource allocation and spectator interest. For example, a method of scoring modeled after that used in the Olympics has been suggested by a number of people as a way to capitalize on the "two team" concept. Under this, female teams would compete against female teams and male teams against male teams (alternating the game order, since the second game is generally the "star attraction"). The scores of the two contests would be totaled to determine the winning school. For example, if a school's women's basketball team won 80 to 60 and the men's team lost by 55 to 70, then the school would have won the competition by a five point margin (135 to 130). Proponents of this approach point out that having the two teams travel and compete together would minimize travel expenses and provide an incentive for those involved with women's and men's athletics to work together more closely.

SHOULD THERE BE TWO PREDOMINATELY SINGLE SEX TEAMS, WITH A PROVISION ALLOWING THE "UNDERDOG SEX" TO "COMPETE UP?"

This idea has been suggested as a way to provide the superior female athlete with a chance to "compete up" (that is, compete for a position on the men's team). This mechanism would work in the following manner: Assume that there are "separate-but-equal" teams for women and men. However, the skill level of one team (for example, the men's team) is considerably higher than the skill level of the other (women's) team. Therefore, in this case, women could "compete up" but men could not "compete down." The result of this alternative would be two teams—one team which would be substantially male (but officially open to either sex) and one team open to women only. (Of course, neither team could be favored in terms of facilities, opportunities, etc.) This situation would be analagous in some ways to the opportunity that members of the junior varsity team often have to try out for the varsity, while the reverse is not permitted.

Although this approach might provide the superior female athlete with the opportunity for the highest level competition, it has been criticized as administratively unwieldy and too complex to be workable. In addition, some women fear that this practice would have the effect of skimming off the best players from the women's teams. Opponents of this approach also point out that, although the woman who makes the men's team is likely to be one of the best players on the women's team, she is not likely to be one of the best players on the men's team.

SHOULD THERE BE THREE TEAMS: ONE FEMALE, ONE MALE AND ONE MIXED?

Proponents of this "three team" approach maintain that it offers the best features of both the single sex and mixed approaches. They argue that it would provide opportunities for students who want to compete on single sex teams, as well as mixed teams. In addition, they maintain that this alternative would provide the most students with the opportunity to participate in competitive athletics. They argue that, if competitive athletics is an important part of the educational experience at an institution, as many students as possible should have the opportunity to participate in them.

On the other hand, those who oppose this approach point out that having three teams for a sport could be prohibitively expensive. They also maintain that having three teams would dilute the available athletic talent and result in mediocre athletic contests. In addition, they say that it would be difficult to find other institutions with similarly structured teams to compete against, since this approach would require a rather large participation rate. Also, women's groups fear that, unless there is a requirement that the mixed team be fifty percent female, it would become in effect a second all male team.

IF THERE IS A SINGLE TEAM FOR A GIVEN SPORT, SHOULD IT BE SINGLE SEX OR MIXED?

The concept of "separate-but-equal" teams is complicated by the fact that women and men often have different interest patterns. Generally institutions offer different competitive athletics for women and men based on the assumption that they have different interests. For example, an institution might offer field hockey for women and fooball for men. Assuming equal opportunity, this situation poses no problem until a woman tries out for the football team or a man tries out for the field hockey team. The institution is at this point faced with deciding whether it is in the interest of equal opportunity to allow the member of the opposite sex to try out for the "single sex" team.

Many people argue that not allowing the person to try out for the team would infringe on his or her individual rights. Others counter that the effect of this "open door" policy could well be discriminatory: that is, while a good many men might qualify for the "women's" field hockey team, few (if any) women would qualify for the "men's" football team. They argue that the *effect* of this two-way open door policy would be to provide substantially more competitive athletic opportunities for more men than women and that, if men were allowed on the "women's field hockey team, the "women's" team might eventually be predominately male.

In trying to resolve this difficult situation and assess whether integrating the single sex team would be discriminatory or in line with equal opportunity, an institution might examine the overall pattern of competitive athletic opportunities offered to women and men. An institution might, for example, decide to provide one fall sport for each sex—field hockey for women and football for men. (This assumes that roughly equal facilities, opportunities, etc. are provided for both teams.) Based on this decision, the university might refuse women the opportunity to participate on the football team *and* refuse men the opoprtunity to participate on the field hockey team (especially if opening up both teams would have the effect of displacing a significant number of women but few, if any, men).

The above reasoning assumes that there are roughly comparable female and male teams and programs for similar sports (e.g., field hockey/football) in a given season. If these "equal" opportunities do not exist, the argument for keeping a team single sex does not apply. In fact, some people argue that, if there is not sufficient interest to have separate teams for the same sport, then the institutions must open up the one team it does have to both sexes on a competitive basis.

SHOULD TEAMS BE BASED ON HEIGHT AND WEIGHT?

Although this structure does not officially depend on sex, the height/weight categories (certainly the categories at the extremes) would be virtually single sex. For competitive athletics, this structure has been criticized because:

It might give the illusion of nondiscrimination, while at the same time perpetuating discrimination, especially if priority were given to the larger height/weight teams (which would generally be all male).

It would require too many separate teams to be administratively feasible and it would therefore be prohibitively expensive.

Some persons claim that there are valid physical differences (such as muscle mass) between the sexes, even between women and men of the same height and weight.

Although this arrangement is probably not practical or desirable for all competitive athletics, a number of people maintain that it would be a viable option for intramural, non-competitive and instructional programs.

WHAT OTHER ALTERNATIVES ARE THERE?

In the July 1973 issue of *Ms.* magazine, Brenda Feigen Fasteau, a lawyer for the American Civil Liberties Union Women's Rights Project, identifies several other options, all of which she finds *unacceptable:*

A system involving ability-determined first and second-string teams. She finds this inequitable because it would probably result in *two* all or predominately male teams, with no increased opportunities for women.

A first-string team that is sex-integrated and a second-string all-female team. This might be criticized for discriminating against men.

A first-string team based on ability with a second-string team that was evenly divided between women and men. Fasteau does not favor this approach because it would have the result of favoring boys by virtually assuring them one and a half out of the two teams.

A quota system requiring half females and half males. This system, she feels, would cause a variety of problems, among them "intrateam ostracizing of the [women] who dilute the overall performance and interteam exploitation of the 'weaker sex' by members of the opposing team."

There is considerable disagreement among physical educators, legal experts and women's groups about what is the best approach to this difficult and complex problem. Other alternatives not mentioned here may evolve as the issue is studied more closely and as various approaches are put into practice. Women's groups are stressing that it is especially important to look at the *results and effects* of policies, as well as the policies themselves, to determine if there is equal athletic opportunity for women.

COMPETITIVE ATHLETICS: THE FUNDING OF PROGRAMS

The issue of funding is central to the issue of equality. Although there maye not be a one-to-one relationship between the amount of money expended and equal opportunity, it seems certain that funding levels and mechanisms will need to be studied in evaluating the degree of inequity for women in sport.

Some women's groups are pressing for an "equal expenditure" standard. Using this principle, institutions would be required to spend the same of money per student or per participating athlete for females and males. They argue that this is the best way to make certain that women and men have equal opportunities. In contrast to this point of view, some athletic associations argue that revenue producing sports should be partially or totally exempt from the requirements of Title IX.

Perhaps the crux of the problem concerning funding women's intercollegiate athletics is that, with a finite amount of money available for intercollegiate athletics, providing more equal funding for women's teams may mean that institutions cannot afford to continue to fund men's teams at high levels.

The issues involved with the funding of programs—where the money comes from, how much is allocated and what it is used for—are both complex and closely interrelated. The following outlines some of the important areas.

THE SOURCES OF FUNDS

At a western state university the men's athletic program is funded as a line item in the regular budget. The women's program, however, must compete with the chess club to receive student activities fees.

At one large state institute, only $5,000 of the $68,000 raised by student fees for athletics was allocated for women's programs, even though about 50 percent of the student body was female.

The sources of funds for athletics vary greatly from campus to campus; often the sources of funds for women's and men's athletics *on the same campus* are dramatically different. Although this situation makes providing equal opportunity a more complex issue, it is doubtful that having different *sources* of funding for women's and men's competitive athletics is in itself a violation of Title IX, provided that such funding does not have a disproportionate effect on the basis of sex in terms of programs, facilities, etc. If the athletic programs for women and men are funded in different ways, the burden to prove that this complex funding pattern does not discriminate on the basis of sex is likely to lie with the institution.

The funds for intercollegiate athletics may come from such diverse sources as a line item in the institution's budget, student activities fees, revenue generated by athletic events, the athletic department (which is generally all male), the women's or men's physical education department, or from fund raising activities. (In addition, of course, funds for the support of intercollegiate athletics may also be "hidden" in the institution's budget in a number of ways—maintenance on the stadium, practice gyms and fields; health care provided by the university health service; salaries of coaches or trainers; giving athletes special consideration for scholarships or student employment; and so forth.) A study of the "Status of Funding of Women's Intercollegiate Athletics" (*Journal of Health, Physical Education and Recreation,* October 1973) found that the most frequently mentioned "best" funding source was a line allocation from the school budget. However, only 25 percent of the programs received funding from this source. A far larger proportion (41 percent) depended on student activity fees. Those that were funded from these fees in general expressed a high degree of dissatisfaction because of a lack of consistency and security in funding from year to year.

In addition to its inconsistency (especially if allocation is governed by the student government), using student activity fees differentially for women's and men's athletics may pose a problem with students. Since this money is designated for student activities, its allocation can expect to come under fire from women on campus when it does not fund women's athletics at a reasonable level, compared to the men's program. At one state institution, for example, women students protested the allocation to men's athletics of 86 percent of the $115,000 earmarked for athletics. At other institutions, women are protesting having their student activities fee "automatically" buy them entrance to men's intercollegiate athletic events. (This money is then treated as "revenue" from these sports.)

THE SOURCES OF FUNDS: REVENUE PRODUCING SPORTS

Athletic organizations and some university representatives argue that revenue producing sports (such as football and basketball) should be exempted from the requirements of Title IX either entirely or to the extent that any revenue produced is used to perpetuate that sport. They argue that, even though these teams are all-male, they are in a class by themselves. They fear that certain sports revenues would decrease if the fund raisers couldn't promise that funds would be spent on the teams they had traditionally supported. They feel that this would cause a particular problem in colleges where revenues from one sport support other competitive sports as well. Women's groups contend that such exemptions would perpetuate the *status quo*. They point out that the effect of allowing revenue to be retained for the expenses of a particular team would have a substantial discriminatory effect. For example, members of a men's basketball team might have their uniforms and travel expenses covered, while members of the women's basketball team might have to pay for their own uniforms and travel out of their own pockets (as indeed many women athletes now do). In addition, some women's groups maintain that, if revenue producing sports are exempted in some way from the requirements of Title IX because they resemble business activities more than educational programs, these sports do not belong on a college campus in the first place.

It is not yet clear what position HEW's Office for Civil Rights will take on this issue. It might be helpful to examine what *might* happen in two different fact situations—i.e., when a sport runs in the red and in the black:

When a Competitive Sport Makes a Profit: Assume that the income from a sport was $500,000 and that the total cost of maintaining that sport was $450,000. This leaves a profit of $50,000. (1) If revenue producing sports were exempted totally, this $50,000 could be used in any manner whatsoever. (However, if this $50,000 profit were funneled back to the college for general expenses or for other sports programs, it would probably be subject to the same nondiscrimination requirements as other general institutional funds.)

(2) If revenue sports were exempt only to the extent that they are self-financing, the institution would be required to use only the profit ($50,000) in a nondiscriminatory manner. (For example, excess revenues from male intercollegiate athletics could not be used to support only other male sports—a practice that women's groups charge is common.) (3) If revenue producing competitive athletics were not exempted at all, the entire $500,000 would have to be used in a nondiscriminatory manner.

When a Competitive Sport Runs in the Red: Assume that the income from a sport was $100,000 and that the total cost of maintaining that sport was $175,000. This results in a $75,000 deficit. Also assume that the institution followed the common practice of underwriting this deficit. (1) Even if revenue producing sports were totally exempt, the institution would probably be under considerable pressure to include the $75,000 subsidy of the sport in their assessment of female and male athletic opportunities. (2) If revenue producing sports were exempt only to the extent that they are self-financed, the institution would undoubtedly be required to include this $75,000 subsidy in evaluating equal opportunity. (3) If revenue producing competitive athletics were not exempt at all, women's groups argue that the entire $175,000 would have to be accounted for in a nondiscriminatory manner

The above examples are considerably more simple than actual funding situations. In most institutions the cost of maintaining revenue producing competitive athletics is interwoven into a variety of budget categories—the maintenance department, the physical education and/or athletic departments, capital expenditures (for stadiums, etc.), equipment, etc. Separating out the extent (in dollars and cents) to which a given sport is supported by an institution is no simple task.

In addition, it would be necessary to define what expenses would be included in the "self-financed" definition. For example, would funds for athletic scholarships be treated like salaries and included in this definition of "self-financing?"

One final point to keep in mnd is that, no matter what position the government takes on the issue of revenue producing sports, an institution could not differentially allow teams of one sex or the other to engage in revenue producing sports.

THE SIZE OF THE BUDGETS

At a large state university in the northwest, women's sports received only *nine-tenths of one percent* of the institutions two million dollar athletic budget ($18,000), even though *over forty percent* of the undergraduate students were women.

At a major state university, *over 1300 times* as much was spent for men's intercollegiate athletics than for women's.

Although they many have once had some validity, the reasons most often given for funding women's athletics at a low level often do not hold up under scrutiny. It has been shown that, given encouragement and ample opportunity, female students become interested in athletic programs. They practice seriously and strenuously. Given ample support and publicity, women's sports can create as much spectator interest as men's sports. For example, girls' basketball in Iowa is a major sport, and outdraws boys' basketball.

Disparities between the budgets for women and men are a central concern when evaluating an institution's athletic program. These disparities may take the form of differences in either the *total amount of money* spent on women's and men's sports or the *amount of money allocated per sport* for women and men. A recent study reported in the *Journal of Health, Physical Education and Recreation* (October 1973) found that the average annual budget for all of women's athletics at institutions was $8,905 (or about *a dollar per student*). However, the average "optimal" budget for women's athletics was $21,600, well over twice the actual budget. In comparison with the budgets of many men's athletic departments, even this "higher" figure seems modest indeed.

It is likely that women's sports will require considerable budget increases to provide fair opportunities to women students, especially when new programs are being "geared up." However, it is unlikely that women's competitive sports will require, in the near future, the identical funds that men's competitive sports now require. According to the *New York Times* (March 15, 1974), nine out of every ten college athletic departments (which are generally all or predominently male) run at a deficit—a deficit which is usually covered by university operating funds. The National Collegiate Athletic Association (NCAA) estimates that the current *annual* deficit of its members is almost fifty *million* dollars.

The issue of equal opportunity for women can provide an opportunity to assess the total athletic program (for both women and men) in light of the goals and objectives of the institution.

THE USE OF THE FUNDS

At a private New England College the budget for the male (but not the female) teams included funds for travel. The women had to hold bake sales, sell Christmas trees and seek donations in order to fund their travel.

Women in competitive athletics commonly report that their budgets do not cover (or do not cover adequately) a variety of items that are covered in the men's budgets. Commonly cited as examples of this are inequities in allocations for travel, equipment and uniforms, as well as for scholarships and recruitment.

Problems in this area are related to the fact that often competitive athletic programs for women and men are administered separately, receive very different per student or per sport allocations, and receive their money from different sources. Some women's groups are concerned that institutions will attempt to justify differences in the use of funds for female and male athletics because they are run by separate departments, or receive their funds from different sources. The implication of having separate administrative mechanisms or budgets for women's and men's athletics is that it would be essential for the parallel departments to coordinate their budgets very closely. (It is also not clear whether or not Title IX will allow two separate administrative structures to exist.)

OSHA: ADMINISTRATIVE APATHY ON WORKERS' HEALTH

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. DOMINICK V. DANIELS. Mr. Speaker, as my colleagues are aware, the Select Subcommittee on Labor, which I chair, has been conducting oversight and legislative hearings on the Occupational Safety and Health Act of 1970. In order to keep my colleagues informed of pertinent information disclosed during the course of the oversight hearings, I have periodically inserted in the RECORD the testimony of individuals who have shed some light on particular problems with the administration of OSHA. I am pleased to commend to the attention of my colleagues the full text of the testimony of Mr. Bertram Cottine, staff associate in occupational health for the Health Research Group, a public interest organization funded by public citizens and engaged in research and advocacy on health issues.

As I have stated from the start of the oversight hearings, the problems with OSHA do not lie with the law itself, but rather with the often unequal and lackadaisical enforcement and administration of its provisions. The law was intended to protect the working men and working women of this country from safety and health hazards at the worksite. It was written as a tough, but fair law; it was intended to be administered as such a law. Mr. Cottine's testimony reaffirms my initial conviction, when he states:

> The protection afforded employees is dependent on real Federal presence. The massive Federal effort to eradicate job-related disease and injury enacted on December 28, 1970, has been compromised by inadequate and uncertain budget commitments, wholesale delegation to the States of Federal enforcement authority, "voluntary" instead of "compulsory" compliance, and administrators unequal and insensitive to their responsibility.

I urge the Members of this body to study the cogent and forceful arguments made by Mr. Cottine:

TESTIMONY OF BERTRAM ROBERT COTTINE

Mr. Chairman and Members of the Select Subcommittee, I am Bertram Robert Cottine, Staff Associate in Occupational Health for the Health Research Group, a public interest organization funded by Public Citizen and engaged in research and advocacy on health issues.

The concern we express today regarding occupational health is no different than four years ago—it is the domestic violence encountered each day in the form of occupational casualties and diseases. Based on limited data collected by the National Institute for Occupational Safety and Health (NIOSH) occupational health persists as a significant public health problem. At least 390,000 new cases of disabling occupational disease occur each year and as many as 100,000 deaths per year result from occupational diseases.[1] Even when combined with frequently undiagnosed, untreated and unreported disease, these figures can never convey the agony of the injured, the anguish of the family, and the added burden on the community as a whole.

The Occupational Safety and Health Act just passed its third anniversary. The statute has survived numerous attacks including constitutional litigation,[2] an attempted amendment to withdraw U.S. Labor Department jurisdiction over farmworker exposure to pesticides [3] and the virulent assaults on small business jurisdiction.[4] But the survival of the statute from legal attack assures no more than the administrative authority to act. The protection afforded employees is dependent on real Federal presence. The massive Federal effort to eradicate job related disease and injury enacted on December 28, 1970 has been compromised by inadequate and uncertain budget commitments, wholesale delegation to the states of Federal enforcement authority, "voluntary" instead of "compulsory" compliance, and administrators unequal and insensitive to their responsibility. The Department does not dare to protect working men and women in their hazardous jobs. Rather the Department perceives itself as an arbitrator between employers and employees with the end result the negotiation of the workers statutory right to "a safe and healthful workplace." [5] Because both management and organized labor are displeased, the Labor Department believes it is fulfilling its responsibility to the working public.

OCCUPATIONAL HEALTH HAZARDS

Health hazards result from an environment within the exclusive control of the individual employer. This committee wisely recognized the significance of the workplace environment as a crucial component in the environmental effort and based on this understanding recommended passage of the 1970 Occupational Safety and Health Act.[6] The Secretary was charged with setting occupational health standards which most adequately assure that no employee will suffer material impairment of health or function capacity. Its actions in this area are indicative of the Department's unduly restrictive interpretation of its standard-setting authority, and its policy of administrative delay, inadequacy and deception. Both these problems may be traced to the lack of sensitivity to the dangers resulting from occupational health hazards and the absence of familiarity with the medical consequences associated with continued human exposure. Despite its direct mandate to promulgate

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Footnotes at end of article.

standards which ". . . most adequately assure that no employee will suffer material impairment of health or functional capacity . . ."[7], the Department perceives itself as a mediator between the industry and labor, rather than a protector of working people.

In a ritual-like fashion the Department each year promises a new emphasis on health hazards. Last year's promise failed to materialize into any sustained action against health hazards. The Department's actions this year demonstrate the illusory nature of the Assistant Secretary's promise once again. First, the fourteen practically identical standards on carcinogens issued on January 29, 1974 were a carry-over from last year when the Labor Department failed to meet its statutory deadline of November 3, 1973. Furthermore worker exposure to vinyl chloride was only regulated because of unfortunate and unforeseen circumstances.

In the past three years, the Department has taken only four actions to bring health hazards under control. It did not respond to the serious hazard of employee exposure to asbestos until a year and a half after this committee reported on its dangers.[8] It waited over two years before it took any action against beta-naphthylamine—a chemical which this committee found ". . . so toxic that there is no safe limit of exposure to it."[9] Both the regulations on asbestos and beta-naphthylamine (among thirteen other cancer-producing chemicals) were initiated only after a formal standard-setting petition had been filed by affected employes. In the case of the cancer-producing chemicals (carcinogens) a suit for a mandatory injunction was necessary to compel the issuance of an emergency standard.[10] A similar court action was required to obtain the protection of farm-workers exposed to organophosphate pesticides.[11] In the tragic case of vinyl chloride, where 3 (now 7) of angiosarcoma of the liver—a rare liver cancer—were first revealed to the public on January 23, 1974, a petition by concerned members of the labor movement was necessary to insure the issuance of an emergency temporary standard. Thus, it is apparent that the Department has taken no independent initiatives to assure working men and women that they will not suffer material impairment of health or functional capacity. Moreover, the Department failed to meet the statutory mandate to issue a permanent standard on carcinogens within six months of an emergency standard—it delayed for almost three additional months.[12]

The importance of the Labor Department's responsibility for occupational health and the enormity of its failure can only be measured by the magnitude of worker exposure to toxic substances. All the new standards issued to date [13] plus the four hundred chemicals previously regulated are [14] quickly minimized by the more than five hundred chemicals which are introduced into the workplace environment every year and the more than 11,000 chemicals listed in the *1973 Toxic Substances List* compiled by NIOSH.[15] The failure to effectively regulate this constant flood of new chemicals into the workplace is partially attributable to the Department's refusal to regulate chemicals on the basis of the toxicologically identical effects, e.g. cancer-producing effects (carcinogenicity). This is compounded by its insistence on human evidence of disease—epidemiological surveys and clinical observations—rather than a preventive approach which would eliminate the occurrence of occupational disease. The statute frees the Secretary from the constraints of limited or unavailable evidence. As this Committee reported ". . . it is vital when the Secretary sets an occupational health standard he do so on the basis of the best available evidence; *it is not intended that the Secretary be paralyzed by debate surrounding diverse medical opinion . . .*"[16]

It is encouraging to note the use of experimental evidence in regulating the fourteen carcinogens and vinyl chloride monomer. The health consequences resulting from exposure to these chemicals and many others is the most drastic known to man—CANCER. To ignore scientifically valid evidence of carcinogenic effects until human evidence is produced would require more than the "best available evidence"—a scientifically impossible feat—and ultimately would defeat the purpose of the Act. What later evidence may or may not prove is beyond the Department's capacity to predict. The policy urged by some would require experimental evidence to be confirmed by incontrovertible human data before effective regulatory action could be taken. This would not only be administratively irresponsible, but morally and ethically reprehensible.

Another factor which contributes to the Department's inactive role in combating occupational health hazards has been its delayed response to criteria documents prepared by the National Institute for Occupational Safety and Health. Fifteen of these documents have been transmitted to the Secretary, yet only one of these documents has produced a new standard (asbestos). Two of them are the subject of advisory committees (noise and hot environments). No proceedings have been commenced with respect to the remainder [17] and eight more criteria documents are expected to be transmitted before the end of Fiscal Year 1974.[18] Based exclusively on the Department's current track record, the expeditious regulation of these significant health hazards affecting millions of workers is a remote possibility. In addition, the Department has developed two new strategies for evading its standard-setting responsibilities. First, it has established a new step in the rulemaking procedure prescribed in section 6(b) of the Act as "Advance Note of Proposed Rulemaking" [19] and requested additional comments from interested persons. In spite of the review consultants who participate in the preparation of criteria documents and the extensive opportunity for public participation after the publication of proposed rule,[20] the Department established this duplicative and time-consuming step. The second delaying device developed by the Department is to return the criteria document to NIOSH rather than issue a proposed standard. The Secretary returned the heat stress document notwithsanding the passage of almost two years from its submission by NIOSH (June 30, 1972) and the issuance of a recommended standard by the Standards Advisory Committee on Heat Stress in January. The Secretary has threatened similar action on noise and ultraviolet radiation [21] in an attempt to avoid his statutory mandate to provide a safe and healthful workplace.

In addition, fourteen of the sixteen standards issued for various cancer-producing substances contain no monitoring of the work environment or detailed diagnostic protocols specific to detecting human exposure to these carcinogenic substances. This is in direct violation of section 6(b)(7) of the Act and in total disregard of the recommendations of the Standards Advisory Committee on Carcinogens and the present availability of monitoring equipment and medical protocols. Obviously, scientific and medical advances should be the basis for updating hygiene and medical procedures; unfortunately, these advances are not predictable. Moreover they provide no support for avoiding the statutory requirement of monitoring and medical surveillance. In this regard it is also essential that the four hundred chemicals currently regulated by numerical exposure levels (threshold limit values) be promptly supplemented with monitoring and medical surveillance provisions as well as signs, labelling and auxiliary work practices. The pilot project covering 40 of these chemicals is long overdue [22] and promises nothing regarding the other four hundred toxic substances.

INSPECTION AND ENFORCEMENT

The most critical problem in the enforcement of occupational health standards is the lack of industrial hygienists. Due to insufficient budget requests by the Administration and Congressional inaction, the Labor Department has not yet fielded a staff of even 100 hygienists for the 57 million workers covered by the Act.

A recent survey by the Health Research Group on the enforcement of the vinyl chloride standard demonstrates the unfortunate consequences of this understaffing. Of all the listed manufacturers and processors of vinyl chloride only two of forty-two had been inspected under the Walsh-Healey Public Contracts Act.[23] Thirteen have been inspected under the Occupational Safety and Health Act, but seven of those were not inspected for a violation of the vinyl chloride standards. Survey requests were made under the Freedom of Information Act [24] which legally entitles us to this data on inspections. Nevertheless one OSHA Area Office refused to disclose whether any of the specified worksites in its jurisdiction had been inspected for worker exposure to vinyl chloride. Significantly that office was the Louisville Area Office which covers the B. F. Goodrich plant where seven cases of liver cancer have already been reported. Moreover, one Area Director described the situation as follows:

"We are aware of the vinyl chloride standards and we are also aware of the vinyl chloride producers in this area. Inspections are planned for the near future contingent on the scheduling of people and the availability of equipment." [25]

The Assistant Secretary's finding of a grave danger from continued workplace exposure has simply not materialized into a signficant enforcement effort to protect workers from this serious health hazard.

An employer will never recognize the force of law behind these standards as long as inspections are an infrequent occurrence. Furthermore, the necessity of compliance is minimized by small penalties and abatement periods which are prolonged and easily extendable. Finally an employer's "good faith" neither abates health hazards nor mitigates the impairment of health suffered by a worker.

The quality of the enforcement effort has also been seriously deficient in the area of occupational health. The promulgated standards appear to establish numerial limits on worker exposure to toxic chemicals.[26] However OSHA has published Sampling Data Sheets which make it clear that employers may exceed these established levels by as much as 3.9 times [27] and still be cited for only a non-serious violation, that is, a violation which requires no monetary penalty at all.[27a] For example, lead exposure which is limited to ug/m^3 for an 8-hour time-weighted averaged may go as high 600 ug/m^3 and still not be cited as a serious violation. This irresponsibility is compounded by the fact NIOSH has recommended a standard of 150 ug/m^2.[28] (Furthermore, a time-weighted average permits exceptionally high exposures—excursions—as long as the average for the eight hour period does not exceed the numerical limit.) The human consequence of this enforcement policy is lead poisoning.

The Department has also failed to effectively use the imminent danger provisions of the Act [29] when health hazards are discovered at a worksite. Despite express statutory language describing both death and serious physical harm, attention has been focused almost exclusively on death. Thus, no level of exposure to the carcinogen asbestos is consid-

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Footnotes at end of article.

ered an imminent danger[30] though a single exposure may be sufficient to result in an irreversible cancer liability.[31] Only exposure to carbon monoxide with its fatal effects is considered an imminent danger at ten times the already high threshold limit value.[32] This reluctance to use the imminent danger provisions of the law in appropriate circumstances is compounded by the refusal of the Department to use *local* laboratories for the immediate analysis of air samples as in the case of a D.C. Metro worker exposed to excessively high levels of silica dust. While this refusal is an apparent violation of the *Compliance Operations Manual*,[33] it nonetheless indicates the lack of concern for serious, even life-threatening, health hazards.

Another devastating enforcement policy was the omission of a final date by which the hazard must be abated. While the *Compliance Operations Manual* again required a specific *abatement* date to be included in the citation,[34] numerous citations were issued during the first year and a half with only the date by which an employee had to submit an abatement *plan*. The effect of this was to legally require only the submission of an abatement plan, not the actual abatement of the hazard itself. While this policy has apparently been corrected, the employees at numerous worksites are still "protected" merely by the submission of a paper plan.

Two very critical and related problems involve the disclosure of monitoring results and required self-inspection. Authorized employee representatives and affected employees have been compromised in their efforts to combat health hazards by inaccessibility to monitoring data from inspections. This information is critical because effective abatement cannot be compelled and medical surveillance and diagnosis cannot be initiated without an identification of the toxic substance and the quantity of exposure. It is also essential to any informed participation in Review Commission proceedings. Moreover, citizens cannot take effective action against the insidious health hazards hidden in the emissions, effluents and waste to which they are generally exposed if they cannot identify the pollutant. A regulation which would have officially authorized the disclosure of this data as required by the Freedom of Information Act has not been issued though it was proposed over eight months ago.[35] Secondly, the Department has not issued any regulations requiring self-inspection by the employer—an inspection which might well have revealed the recurrent liver cancer at B.F. Goodrich had the employer been required to compare and review his illness reports with the chemicals and recent findings regarding the toxicity of these chemicals.

NATIONAL INSTITUTE FOR OCCUPATIONAL SAFETY AND HEALTH

The research, investigatory and advisory function of NIOSH is central to the preventive health effort established by the Act. Unfortunately its capacity has been severely limited by totally inadequate appropriations, an overburdened and deplorably insufficient staff, as well as the instability which follows unpredictable budget and personnel authorizations. These constraints have forced NIOSH to limit most of its activities to participation in standard-setting and the preparation of criteria documents.

The preventive health role authorized by the 1970 enactment requires not only the expansion of these responsibilities but additional support for initiatives in training, research, monitoring, and medical surveillance. These programs are essential to NIOSH's continuous responsibility for standards development but they also provide the only operative detection system for undiscovered health hazards. The Hazardous Evaluations conducted by NIOSH investigators at selected worksites and the NIOSH Trade Name Ingredient Survey are only a few of the projects which must comprise a significantly increased commitment and sufficient to successfully determine and eliminate pervasive health hazards.

CONCLUSION

The Occupational Safety and Health Act is a significant legislative improvement on the unenforceable voluntarism of consensus standards, the ineffectiveness of workmen's compensation as a preventive health measure, and the inadequacy of state occupational health laws. This Act is not simply a labor law whose protections vary according to the competence of the administrator or the corporate domination of the Administration; nor is it a public health enactment dependent exclusively on the vigor and resourcefulness of a government inspector. This Act properly arms the Assistant Secretary with the authority to identify and control health hazards by the exercise of his regulatory powers and to swiftly and completely eliminate these hazards by administrative penalties and court action. Moreover, the law appropriately vests workers with the power to protect themselves against the devastating and insidious diseases of the workplace. This statutory authority must not only be preserved, it must be effectively exercised. These worker rights must not only be recognized, they must be implemented. Unfortunately, the Assistant Secretaries have been unequal and insensitive to their legal responsibility.

FOOTNOTES

[1] U.S. Dep't of Labor & U.S. Dep't of Health, Education & Welfare, *President's Report on Occupational Safety and Health* 111 (1972).

[2] *Lance Roofing Co. v. Hodgson*, 343 F. Supp. 685 (N.D.Ga. 1972), *aff'd mem.*, 409 U.S. 1070 (1972).

[3] H.R. 8860, 93rd Cong., 1st Sess. § 2 (1973); S. 1888, 93 Cong., 1st Sess. § 2 (1973).

[4] H.J. Res. 1278, 92d Cong., 2d Sess. (1972); *Cong. Rec.*, vol. 118, pt. 22, pp. 28731–28738.

[5] 29 U.S.C. § 651(b) (1970).

[6] *H.R. Rep. No. 91–1291,* 91st Cong., 2d Sess. 14(1970).

[7] 29 U.S.C. § 655(b)(5).

[8] 36 *Fed. Reg.* 23208 (Dec. 7, 1971).

[9] *H.R. Rep. No. 91–1291,* 91st Cong., 2d Sess. 15 (1970).

[10] *Oil, Chemical & Atomic Workers Int'l Union v. Brennan,* Civil No. 730–73 (D.D.C., filed April 17, 1973).

[11] *Thomas v. Brennan,* Civil No. 502–73 (D.D.C., filed February 28, 1973).

[12] 39 *Fed. Reg.* 3756 (January 29, 1974).

[13] 39 *Fed. Reg.* 12342 (April 5, 1974) (vinyl chloride: emergency temporary standard); 39 *Fed. Reg.* 3756 (January 29, 1973) (carcinogens); 38 *Fed. Reg.* 10715 (May 1, 1973) (pesticides: emergency temporary standard); 37 *Fed. Reg.* 11318 (June 7, 1972) (asbestos).

[14] 29 C.F.R. § 1910.93(1973).

[15] Nat'l Institute for Occupational Safety & Health, U.S. Dep't of Health, Education & Welfare, *Toxic Substances List* vii (1973 ed.).

[16] *H.R. Rep. No. 91–1291,* 91st Cong., 2d Sess. 18 (1970).

[17] Nat'l Institute for Occupational Safety & Health, U.S. Dept. of Health, Education & Welfare, *Criteria for Recommended Standards on Occupational Exposure to Inorganic Arsenic, Beryllium, Carbon Monoxide, Chromic Acid, Coke Oven Emissions, Inorganic Lead, Inorganic Mercury, Sulfur Dioxide, Toluene, Toluene Diisocyanate, Trichloroethylene, and Ultraviolet Radiation* (1972–1974).

[18] These include benzene, cadmium, carbon tetrachloride, cotton dust, nitric oxide, xylene, zinc chloride, and egress from high structures.

[19] Carbon Monoxide, 38 *Fed. Reg.* 22631 (August 23, 1973); Coke Oven Emissions, 38 *Fed. Reg.* 26207 (September 19, 1973); Trichloroethylene, 38 *Fed. Reg.* 28074 (October 11, 1973); Toluene, 38 *Fed. Reg.* 30452 (November 5, 1973); Chromic Acid, 39 *Fed. Reg.* 1277 (January 7, 1974; Inorganic Mercury, 39 *Fed. Reg.* 2272 (January 18, 1974).

[20] 29 U.S.C. § 655(b).

[21] 3 *BNA Occupational Safety & Health Rep.: Current Reports* 1443 (April 18, 1974).

[22] *Id.* at 1325 (March 21, 1974).

[23] 49 Stat. 2036 as amended, 41 U.S.C. §§ 35 *et seq.* (1970).

[24] 5 U.S.C. § 552 (1970).

[25] Letter from Oscar F. DiSilvestro, Area Director; North Platte, Platte, Nebr. to Bertram Robert Cottime, May 14, 1974.

[26] 29 C.F.R. § 1910.93 (1973).

[27] *CCH Employment Safety & Health Guide: Developments 1971–1973* ¶ 8330 (1972).

[27a] 29 U.S.C. § 666(c).

[28] Nat'l Institute for Occupational Safety & Health, U.S. Dept of Health, Education & Welfare, *Criteria for Recommended Standards on Occupational Exposure to Inorganic Lead* I–1 (1972).

[29] 29 U.S.C. § 662.

[30] OSHA Sampling Data Sheet #2, *CCH Employment Safety & Health Guide: Developments 1971–1973* ¶ 8330 at 6578 (1972).

[31] *See generally* U.S. Dep't of Health, Education & Welfare, *Report to the Surgeon General of the Ad Hoc Committee on the Evaluaion of Low Levels of Chemical Carcinogens* (1970) *in Hearings on Chemicals and the Future of Man Before the Subcom. on Executive Reorganization & Government Research, Senate Comm. on Government Operations,* 92d Cong. 1st Sess. 180 (1971); *Lawyers Medical Cyclopedia* §§ 39.46d, 38.46g (C. Frankel ed., 1972).

[32] OSHA Sampling Data Sheet #1, *CCH Employment Safety & Health Guide: Developments 1971–1973* ¶ 8330 at 6578 (1972).

[33] Occupational Safety & Health Administration, U.S. Dep't of Labor, *Compliance Operations Manual* § IX–B–2–b(3)(a)(1972).

[34] Id. at § X–F (1972).

[35] 38 *Fed. Reg.* 24314 (August 30, 1973).

TOWARD MORE RESPONSIVE HEALTH CARE; THE GENERAL HOSPITAL-MMC PROJECT

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. FRASER. Mr. Speaker, a unique new hospital complex, the first of its kind anywhere in the country, is now being built on the eastern edge of downtown Minneapolis. When completed, the new $70 million facility will physically join two major local health institutions, one private and the other public.

In a recent issue of Northwest Architect, Thomas Mattison and L. G. Johnson have described this innovative public-private hospital combination. I want to take this opportunity to insert the article about the General Hospital-Metropolitan Medical Center project in the Record:

The General Hospital-MMC Project: A Study in Responsiveness

(By L. G. Johnson and Thomas R. Mattison)

A new medical complex is now rising on the eastern end of the Minneapolis loop. The $70 million, 1,221 bed complex is unique in many ways: it's the largest number of hospital beds under one roof in the state, it is the only public-private hospital combination in the nation, its programs are receiving national recognition for furtherance of the concepts of hospital sharing, and finally it is, in our opinion, an unparalleled example of institutional responsiveness to community demands and needs.

How did the complex happen? How did Metropolitan Medical Center, the largest private hospital in the Twin Cities, and the publicly-owned Hennepin County General Hospital agree to build cooperatively an architecturally integrated, two-institution medical complex? And why is it that the project itself and the many outreach programs growing out of the project demonstrate responsiveness to the community?

In 1969 there was no question about the citizen support for a new General Hospital. By a vote of 10 to 1, citizens approved $25 million to put up a new structure. It soon became apparent, however, that $25 million would not be enough for the challenges and programs demanded of Hennepin County General Hospital. In 1971 a second referendum was held, but public credibility was strained by the requested increases and a lack of understanding led to the defeat of the additional funding required. The need for an expansive program did not go away, however. General had a problem.

Four blocks from General Hospital, Metropolitan Medical Center was well into the planning of its own building program. MMC was a 1970 consolidation of two independent units, Saint Barnabas Hospital and The Swedish Hospital. Although the two had been physically linked by a shared building, legal consolidation did not provide a unitary structure. Physical changes were required to consolidate the major services into proximal locations. Otherwise the economies gained through consolidation would be diminished.

Enter the Citizens League, a unique Twin Cities organization whose volunteer members study intensively various public policies questions. The Citizens League record for innovative and progressive recommendations and implementation in the Twin City area is justifiably famous on a national basis. A Citizens League committee, studying General Hospital, learned of MMC's building plans and eventually recommended the two institutions build together, thereby facilitating the sharing of various services. As might be expected, the administrations and staffs of the two hospitals did not react with great favor initially to this suggestion for a fundamental change in their way of providing health care. Law required, however, that the regional and state health planning agencies approve of construction and both of these groups became convinced of the rationality of the Citizens League position. MMC and General would build together.

Then a unique architect-sponsored event helped to bring the two hospitals to a more positive psychology toward the collocation and sharing of services. For seven days in June of 1971, a continuous intensive planning session called a "charette" was held in a building near the two hospitals. Architects, administrative and medical staffs and nurses from both hospitals met daily to establish criteria for the construction of the two institutions. Predictably, the first criteria related to high quality patient care and operating efficiency. Soon, however, sharing criteria began to be added. The staffs agreed that architectural emphasis must be placed on eliminating physical barriers between the two hospitals and providing intra-hospital accessibility. Naturally, there were individual institutional constraints and a desire on the part of both hospitals to maintain their identities. Nonetheless, in one week the rough outline for more than one million square feet of space had been sketched.

The charette served as the vehicle by which the major program and architectural statements of the complex were solidified. In addition, the informal, participative, open feeling of the charette created an esprit between the two institutions which has served to help continue extensive cooperation in the implementation phase. Current plans call for General Hospital and MMC to share more than 20 services, including pediatrics, obstetrics, rehabilitation and extended care, emergency service, radiation therapy, cardiovascular laboratory, food service, materials management, communications, library and steam and chilled water generation. Sharing of several of these services has already been initiated. The others will become effective upon completion of the construction program. The administrations of both hospitals are convinced that the cooperative building and programming thrust established by the charette and the interest of the community will enable each to continue giving high quality care with marked results in cost containment.

A building was not the only outgrowth of community interest in MMC and Hennepin County General Hospital. Most community groups recognized the need for construction on the parts of both MMC and General, however, many community leaders were suggesting that the county, as the legal custodian of programs for the medically deprived, and Metropolitan Medical Center, as a representative of the private hospital industry, had a responsibility to reach out to the community in providing easily accesssible health services. The two hospitals were equally responsive to the suggestions. As a result, the Hennepin County Health Coalition, a nationally unique combination of consumers and providers, was formed to continue intensive planning and implementation of responsive health care through total community involvement. In addition, both MMC and General extensively increased their individual organizational commitments to the community.

When the construction in process is complete, the integrated Metropolitan Medical Center will lie to the east, the new Hennepin County General Hospital to the west, and a jointly-managed Center Hospital will connect the two. A person will be able to walk freely indoors from one end of General Hospital to the other end of Metropolitan Medical Center. Floors in the Center Hospital will serve patients from the two institutions intermingled. Personnel from one hospital will manage one service in Center Hospital, while those of the other hospital will manage another. Agreements for management procedures are being developed at the present time. Thus, there will be no committee management inside the Center Hospital but there will be maximum sharing.

From the standpoint of these two hospitals it is fitting to discuss the responsiveness and humanization of health care in an architectural magazine. An architecturally conceived event, the charette, ignited a spirit of cooperation that helped Metropolitan Medical Center and Hennepin County General Hospital achieve a common sense of purpose and a heightened dedication to cooperate and prosper together.

BROOKINGS INSTITUTION OFFERS ANALYSIS OF FOREIGN TAX PREFERENCES FOR THE OIL INDUSTRY

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. VANIK. Mr. Speaker, the Brookings Institution has just released the latest volume in its series, "Setting National Priorities." Like its predecessors, this year's volume examines in depth the President's proposed budget as well as alternative policies that could be pursued. In short, the Brookings series offers a much needed overview of our national policies.

Not surprisingly, this year's edition, "Setting National Priorities: the 1975 Budget," sets aside one chapter to investigate Federal energy policies. Here, I have found a concise and lucid explanation of how our tax code has encouraged foreign investment by our multinational oil companies. The Brookings analysis concludes, in part—

> At present, therefore, the large U.S. oil companies typically pay no U.S. tax at all on their foreign operations, *and worse, they usually have excess credits which they can use to make tax-free investments in low-tax third countries at the expense of domestic investment—contrary to the goal of encouraging independence from foreign trade*—and encourages the growth of large, vertically integrated multinational companies, which conflicts with antitrust objectives. (Emphasis added.)

The study goes on to suggest that elimination of the foreign tax credit on income from the production of foreign oil and gas may be the most desirable way in which to eliminate the strong inducement to foreign investment.

Because of its significance to pending legislation, I am inserting the Brookings' analysis of the oil companies' foreign tax preferences in the RECORD:

FOREIGN TAX PROVISIONS FOR ENERGY PRODUCERS

Another problem concerns the tax treatment of income from the foreign branches of domestic oil firms. Just as there is a question as to whether the United States tax code should be subsidizing depletion of existing resources, there is an even greater question as to whether it should be subsidizing investment in foreign sources of supply. Certain provisions in the tax code appear to do this, and these provisions bear reexamination now that the difficulties of relying on petroleum imports have been illustrated so dramatically.

The tax treatment of income earned by United States firms from their foreign investments is determined by two basic and well-accepted principles. The first is that the United States follows standard international conventions in allowing host countries to assess the first tax on the foreign profits of U.S. branches and subsidiaries; the second is that the United States tries to standardize the tax treatment of its own firms between foreign and domestic investment so as not to encourage or penalize either one. This leads to the imposition of the normal 48 percent corporate tax rate on income earned here and abroad, but with a dollar-for-dollar tax credit for all income taxes already paid to foreign countries on earnings abroad. But it does not allow a dollar-for-dollar tax credit for operating costs such as rents, royalties, and excise taxes. These items are deducted before computing taxable profits, but not credited against tax liabilities, both here and abroad.

The combination of these well-accepted principles can lead to a rather bizarre tax situation for the large U.S.-based international oil companies. In the first place, because of percentage depletion and expensing of intangible drilling expenses, the U.S. tax liabilities on foreign petroleum operations are already low without any credits, on the order of 30 percent of gross profits. Then, because in petroleum-exporting countries the rights to land are typically held by the government, it becomes difficult to distinguish creditable income tax payments to these governments from deductible royalties. In fact, most payments are currently considered by the Treasury as income taxes and are thus credited against the U.S. tax liability of the foreign operation.

This is true even though many of these countries do not have general income taxes and this tax is quite specific to petroleum—indeed, it is quoted in dollars per barrel just as royalties or excise taxes would be. There are, in other words, strong grounds for believing that payments to the host country should be treated either as a royalty or an excise tax, both of which are only deductible, and not as a creditable income tax. Because the high creditable taxes, about 90 percent of profits, generally exceed the low U.S. tax liabilities, U.S. oil companies have accumulated large amounts of unused credits. Through another provision, they have been allowed to apply these unused credits to mineral-related operations in low-tax third countries to reduce U.S. tax liabilities there. The relationship of these provisions then seems calculated to inspire investment in oil-related operations in low-tax third countries—Caribbean refineries and tankers registered in Liberia, Honduras, and Panama—rather than domestic investment.

At present, therefore, the large U.S. oil companies typically pay no U.S. tax at all on their foreign operations, and worse, they usually have excess credits which they can use to make tax-free investments in low-tax third countries. This is a clear subsidy of foreign investment in these third countries at the expense of domestic investment—contrary to the goal of encouraging independence from foreign trade—and encourages the growth of large, vertically integrated multinational companies, which conflicts with antitrust objectives.

Certain steps could be taken to redress these shortcomings. President Nixon proposed in his January 1974 energy message that depletion allowances be eliminated for the computation of taxes on the operations of foreign branches of U.S. oil companies. Whatever the merits of domestic depletion allowances, this seems a step in the right direction. The President also asked the Treasury to review its regulations that treat payments to foreign governments as income taxes and not as royalties or excise taxes, the intention being that only about half these payments would be creditable. The Treasury estimates that these provisions together would increase U.S. government revenues by only a small amount, say by $0.1 to $0.2 billion, but they would substantially eliminate the excess foreign credits and limit the inducement to tax free investment in third countries. Further steps, which might also be desirable to limit this inducement and increase revenues even more, would be to consider the entire payment to foreign governments deductible and to introduce a per-country limitation which would not allow excess credits from one foreign operation to reduce the tax liability from operations in other countries.

DR. JOSEPH J. H. SMITH—SERVICE ABOVE AND BEYOND THE CALL OF DUTY

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. BROWN of California. Mr. Speaker, this coming Saturday, the first of June, a group of my constituents will gather in Colton, Calif., to honor Dr. Joseph J. H. Smith, who is retiring this summer after 38 years of dedicated service to the people of Colton.

Thirty-eight years. That is a long time to serve in any position. One can more easily appreciate how long ago Dr. Smith began his Colton practice by realizing that he came to Colton in the middle of Franklin Delano Roosevelt's first campaign for reelection to the Presidency. And that was not even the beginning of Dr. Smith's career; he had already completed a year as an intern at Los Angeles County Hospital, another year practicing in Pomona, and 6 years in the Riverside County community of Blythe before he came to Colton in 1936.

During these many years Dr. Smith has served the citizens of the Colton area in many ways. Apart from his practice, he has been active in the Tuberculosis Association, the Cancer Society, and the Easter Seal Society. He served as president of the County Medical Society in the mid-forties, and in 1966 as president of staff at San Bernardino Community Hospital. In the period from 1970 through 1972, Dr. Smith served as president of the Administrative Board of Community Hospital.

I certainly do not want to give the impression, Mr. Speaker, that all of Dr. Smith's community service has been related to the medical world. Despite his extensive donations of time and effort in that area, such a statement would be quite inaccurate. Dr. Smith served on Colton's School Board for 9 years. He has been a member of the Library Board since 1949, and currently serves as its president. I could go on in great detail about Dr. Smith's activities and offices held in the Kiwanis Club, the Masonic Lodge, the Order of the Eastern Star, and other organizations for some time. But in the interest of conserving time here today I will elaborate on only one more of Dr. Smith's associations: his membership in my own Colton Methodist Church. Dr. Smith has been a member of our congregation since his arrival at Colton, and has served on many committees within the church. He was chairman of the Building Committee during the construction of the church's Sanctuary and Wesley Hall, and from 1960 until 1964, he devoted a particular great amount of his time to the church as a speaker on Southeast Asian missions, traveling throughout southern California and even into Arizona to speak in other churches.

Mr. Speaker, Dr. Smith is obviously an outstanding citizen of Colton, well-deserving of the testimonial and recognition dinner which his many friends and neighbors have planned for him this Saturday evening. I join them in their sentiments, and I will be happy to convey the greetings and respect of the House of Representatives to this distinguished humanitarian, along with our wishes for a happy and fulfilling future in this new period of his life.

SENATE—*Friday, May 31, 1974*

The Senate met at 12 o'clock noon and was called to order by Hon. SAM NUNN, a Senator from the State of Georgia.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Our Father-God, hallowed be Thy name in this Chamber, in every office, in every concourse, and in all our work. Lift our duties into service for Thee. May no task seem trivial, no duty too small, no program without meaning, no day without its splendor. Hold us to truths higher than ourselves, to standards which keep us striving for improvement, to principles tested by time and confirmed in experience. May we ever be receptive to new insights, to fresh revelations of truth, and free us from scorn of that which is old simply because it is old. May we go forth to our temporal duties with a sense of the transcendent and eternal in our hearts.

We pray in Thy name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 31, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. SAM NUNN, a Senator from the State of Georgia, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. NUNN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, May 30, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Acting President pro tempore (Mr. NUNN) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House insisted upon its amendments to the bill (S. 2957) relating to the activities of the Overseas Private Investment Corporation, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CULVER, Mr. MORGAN, Mr. ZABLOCKI, Mr. WOLFF, Mr. FRELINGHUYSEN, Mr. BURKE of Florida, and Mr. VANDER JAGT were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the bill (S. 3203) to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PERKINS, Mr. THOMPSON of New Jersey, Mr. FORD, Mr. CLAY, Mr. QUIE, Mr. ASHBROOK, and Mr. ERLENBORN were appointed managers on the part of the House at the conference.

The message further announced that the House had passed a bill (H.R. 10265) to provide for an audit by the General Accounting Office of the Federal Reserve Board, banks, and branches, to extend section 14(b) of the Federal Reserve Act, and to provide an additional $80,000,000 for the construction of Federal Reserve bank branch buildings, in which it requests the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 10265) to provide for an audit by the General Accounting Office of the Federal Reserve Board, banks, and branches, to extend section 14(b) of the Federal Reserve Act, and to provide an additional $80,000,000 for the construction of Federal Reserve bank branch buildings, was read twice by its title and referred to the Committee on Banking, Housing and Urban Affairs.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the Executive Calendar, with the exception of Calendar No. 145.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar, with the exception of Calendar No. 145, will be stated.

DEPARTMENT OF DEFENSE

The second assistant legislative clerk read the nomination of Robert Ellsworth, of New York, to be an Assistant Secretary of Defense.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

The second assistant legislative clerk read the nomination of David P. Taylor, of Virginia, to be an Assistant Secretary of the Air Force.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

U.S. AIR FORCE

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Air Force.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. ARMY

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Army.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. NAVY

The second assistant legislative clerk read the nomination of Adm. James L. Holloway III, U.S. Navy, to be Chief of Naval Operations.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

NOMINATIONS ON THE SECRETARY'S DESK

The second assistant legislative clerk proceeded to read sundry nominations in the Marine Corps, which had been placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 15 minutes, with statements therein limited to 5 minutes.

THE ISRAELI-SYRIAN DISENGAGEMENT

Mr. ROBERT C. BYRD. Mr. President, I want to congratulate President Nixon and Dr. Kissinger on the remarkable achievement of having reached an Israeli-Syrian disengagement.

Considering all of the age-old problems and deep-rooted prejudices involved, I know that the frustrations that confronted Dr. Kissinger in his persistent efforts must have seemed at times overwhelming. But with his usual tenacity and some flexibility, his great knowledge and skill, he has finally been successful in achieving the goal he set out to gain.

I think we all realize that in reaching this goal, Dr. Kissinger had the full support of President Nixon and acted at all times with the authority of President Nixon.

The Nation should be grateful. While there are many problems that remain to be settled, I believe that our country and other peace-loving countries can certainly breathe more easily and can certainly be proud of the President and of Secretary of State Kissinger for this very extraordinary and difficult, as well as highly important accomplishment.

Mr. President, I personally congratulate the President and Dr. Kissinger. I think that Dr. Kissinger was the right man, at the right place, and at the right time.

There is no question that the countries of Israel and Syria must have had great difficulty in persuading their own people and, as a matter of fact, in many instances, difficulties in understanding really what the problems of each other's country were. They needed the highly skillful mediating force as provided by Dr. Kissinger to bring them together and help to resolve their differences.

Once again, Dr. Kissinger has shown himself worthy of the confidence of the Senate in having confirmed his nomination, worthy of the confidence of the President of the United States for having been nominated by him, and worthy of the confidence of the American people and the leaders of the various countries which have been aided by his superior mediating skills.

Mr. STAFFORD. Mr. President, I am sure that the President of the United States and Dr. Kissinger will appreciate the words of the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD) the assistant majority leader. I certainly do. I should like, in effect, to join the distinguished Senator in what he has just said. I think that Dr. Kissinger, indeed, is the architect of the first real chance for permanent peace in the entire Mideast and that the past 32 days he spent there, serving as the principal catalyst in negotiating a cease-fire and a buffer zone between Israel and Syria are among the most important 32 days of these times.

I congratulate Dr. Kissinger on his successful efforts, and the President on his confidence in Dr. Kissinger, making him available for that purpose.

DEATH OF E. K. GAYLORD

Mr. BARTLETT. Mr. President, today marks the end of an era. Mr. E. K. Gaylord passed away last night during his 102d year, after spending the day at the office and attending a dedication.

Every Oklahoman is saddened by Mr. Gaylord's death. We will miss Mr. Gaylord perhaps more than any other of our leaders because, in a real sense, before statehood until his recent passing, he has been one of our foremost leaders.

Mr. Gaylord was an amazing man. His life was as good as it was long. He was as compassionate as he was courageous, as conscientious as he was determined, as energetic as he was visionary, as sensitive as he was honest. He was a gentleman—a genuine gentleman.

Mr. Gaylord's spartan and religious life overflowed with accomplishments and greatness. His productivity and record will stand forever as an example and a challenge to every Oklahoman and American. He will be remembered as a great man among the great men of Oklahoma and our country.

When from time to time the history of Oklahoma is written, the imprint of Mr. Gaylord will be readily apparent. That imprint will be a mark of progress and goodness. Because Mr. Gaylord continually planned for the future, we will profit from his life for years to come.

In thinking about Mr. Gaylord's long life, it is apparent that, from beginning to end, he seemed, on every single day, to fulfill the philosophy expressed by Theodore Roosevelt.

> It is not the critic who counts; not the man who points out how the strong man stumbled, or where the doer of deeds could have done better. The credit belongs to the man who is actually in the arena; whose face is marred by dust and sweat and blood; who strives valiantly; who errs and comes short again and again; who knows the great enthusiasms, the great devotions, and spends himself in a worthy cause; who at the best knows in the end the triumph of high achievement; and who at the worst, if he fails, at least fails while daring greatly; so that his place shall never be with those cold and timid souls who know neither victory nor defeat.

ORDER FOR CONSIDERATION OF S. 3000, AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PROCUREMENT

Mr. ROBERT C. BYRD. Mr. President, I announced on yesterday that upon the disposition of the wilderness bill today, the Senate would proceed—without votes, but for the purpose of having opening statements, if desired, by Senators—to the consideration of S. 3000, to authorize appropriations for military procurement. That is still the intention of the leadership.

I ask unanimous consent that, on Monday next, after the transaction of routine morning business, the Senate proceed to the consideration—or resume consideration, whichever the case may be—of S. 3000.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I assume that action will be completed on the Wilderness Act today. There is no time agreement thereon, as of this moment.

I ask unanimous consent that upon the disposition of the Wilderness Act today, the Senate proceed to the consideration of S. 3000, for the purpose only of opening statements thereon.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. NUNN) laid before the Senate the following letter, which was referred as indicated:

PROPOSED LEGISLATION FROM SECRETARY OF COMMERCE

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 216(b) (1) of the Merchant Marine Act, 1936 (with accompanying papers). Referred to the Committee on Commerce.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BURDICK, from the Committee on the Judiciary, with an amendment:

S. 572. A bill to waive the statute of limitations with regard to the tort claims of certain individuals against the United States (Rept. No. 93–889); and

H.R. 6979. A bill for the relief of Monroe A. Lucas (Rept. No. 93–890).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. McGEE (for himself, Mr. KENNEDY, Mr. HASKELL, Mr. HANSEN, and Mr. CRANSTON):

S. 3558. A bill for the relief of John Bruce Dodds. Referred to the Committee on Armed Services.

By Mr. DOLE:

S. 3559. A bill to prohibit the use of dogs in research and experiments conducted by departments, agencies, and instrumentalities of the United States when such use is likely to result in needless or excessive suffering by such dogs. Referred to the Committee on Commerce.

By Mr. RANDOLPH:

S. 3560. A bill to amend the Solid Waste Disposal Act so as to encourage to the grestest extent practicable the recovery of materials and energy from solid waste residues, to authorize regional solid waste system and resource recovery planning grants, to provide incentives for the recovery of resources from solid wastes, and for other purposes. Referred to the Committee on Public Works.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. McGEE (for himself, Mr. KENNEDY, Mr. HASKELL, Mr. HANSEN, and Mr. CRANSTON):

S. 3558. A bill for the relief of John Bruce Dodds. Referred to the Committee on Armed Services.

Mr. McGEE. Mr. President, today several of my colleagues, Mr. KENNEDY, Mr. HASKELL, Mr. HANSEN, and Mr. CRANSTON, have joined me in introducing a private bill for the relief of Air Force Academy Cadet Second Class John Bruce Dodds. Bruce is the son of a military family who maintain a home in the Wind River Mountain Range, near Pinedale, in Wyoming, and he was my nominee to the Academy.

Early this spring Cadet Dodds was discovered to have a malignant tumor in his thigh, and his leg was removed at Fitzsimmons Hospital in Denver. I have been informed that all medical authorities believe that the operation was successful and that as far as they can determine there is no evidence of any spread of the cancer. Cadet Dodds was back in classes at the Academy on crutches in time to ctach up on his academic work and take his final exams. I have just been advised that he has again earned the academic honor of a position on the dean's list. Later this year he will be fitted with a prosthesis and receive the necessary training to enable him to do everything he once did with two legs—except run.

However, the Air Force has determined that, without exception, they have no authority to keep a cadet at the Academy who is not fully qualified for commissioning as an officer in the U.S. Air Force upon his graduation.

Cadet Dodds' life has been spent as a part of a military family, and his goal has always been to attend the Air Force Academy, graduate, and spend his life in the service of his country. His desire remains to continue at the Academy and graduate with his class, although he realizes that he could not be commissioned. His father, Col. John Dodds, has spent a considerable period of time in Washington these last few weeks meeting with Air Force officials in an effort to obtain a waiver which would allow Bruce to finish his education at the Academy. Colonel Dodds has also been advised that there is no authority for such a waiver. The bill we introduce today would allow this cadet to graduate with his class.

This young man's future has been changed by an "act of God." His morale and determination can be strengthened by such an opportunity to continue his academics at the Academy, where he has many friends among the Cadet Corps. The effect of such a humanitarian act by Congress would not only influence the life of Cadet Second Class John Bruce Dodds, it would also affect the Academy, the entire Cadet Corps, and the total image of the military in the eyes of the public—at a time when the United States is endeavoring to effectuate an "all-volunteer" Army.

Mr. President, this is indeed a case where time is of the essence. Our prompt favorable action is imperative prior to the fall semester at the Academy.

By Mr. DOLE:

S. 3559. A bill to prohibit the use of dogs in research and experiments conducted by departments, agencies, and instrumentalities of the United States when such use is likely to result in needless or excessive suffering by such dogs. Referred to the Committee on Commerce.

Mr. DOLE. Mr. President, last December I wrote to John L. McLucas, Secretary of the Air Force, to protest experiments using beagle dogs to test environmental pollutants at Wright-Patterson Air Force Base in Ohio. I considered these experiments conducted on mute victims to be cruel and inhumane. I was assured at that time that it was not the policy of the U.S. armed services to conduct experiments that would cause needless suffering and torture of these domestic animals.

I now understand that the Edgewood Arsenal Research Center has advertised for 450 beagle puppies to be used in experiments with toxic materials used in chemical and biological warfare. I have been informed that the research center has used 446 beagles for these tests since July 1, 1973. Those dogs that do not die during the painful experiments are killed later for autopsies to study the effects of the gases. In many cases these animals are "debarked" so they cannot emit so much as a whimper during these experiments.

At present there are no laws to protect dogs in laboratories, no regulations at all as to what can be done to them, no requirements that they be handled humanely—only suggested guidelines. It is obvious to me that it will take more than the public outcry to halt these experiments and provide for the humane treatment of these domestic animals.

It is the public policy in this Nation to prevent the inhumane treatment of both domestic and wild animals as evidenced by the excellent and often thankless work of the SPCA and various humane societies. The Congress itself has taken a stand on the treatment of wild horses and has set stiff anticruelty regulations on trapping practices. The taxpayers resent their tax dollars being used to finance these experiments where no safeguards have been provided to insure that the methods used are painless, or that more humane, alternative procedures could not achieve the same research results.

I believe it is time for the Congress to help stop this barbaric cruelty. Therefore, I am introducing legislation today that would prohibit the departments and agencies of the Federal Government from using dogs in these experiments, causing needless suffering and inhumane treatment of these domestic animals.

I would hope that the Congress will respond swiftly to this problem, will accord my bill full and complete consideration, and will act to put an end to these practices which are so abhorrent to the American people. I will welcome the cosponsorship and support of my colleagues as this legislation receives consideration. And I ask unanimous consent that the text of the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3559

A bill to prohibit the use of dogs in research and experiments conducted by departments, agencies, and instrumentalities of the United States when such use is likely to result in needless or excessive suffering by such dogs

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds it is against the public policy of the United States to use dogs in scientific research or experiments when such use results in needless or excessive suffering by such dogs. It is the purpose of this Act to require all departments, agencies, and instrumentalities of the United States to comply with that policy.

Sec. 2. Section 14 of the Federal Laboratory Animal Welfare Act (7 U.S.C. 2138) is amended by inserting "(a)" immediately after "Sec. 14.", and by adding at the end of such section a new subsection as follows:

"(b) Notwithstanding any other provision of law, no department, agency, or instrumentality of the United States may use any dog in any scientific, quasi-scientific, medical, or quasi-medical research or experiment if the use of such dog in such research or experiment is likely to result in needless or excessive suffering by such dog."

By Mr. RANDOLPH:

S. 3560. A bill to amend the Solid Waste Disposal Act so as to encourage to the greatest extent practicable the recovery of materials and energy from solid waste residues, to authorize regional solid waste system and resource recovery planning grants, to provide incentives for the recovery of resources from solid wastes, and for other purposes. Referred to the Committee on Public Works.

INTRODUCTION OF THE SOLID WASTE UTILIZATION ACT OF 1974

Mr. RANDOLPH. Mr. President, we are familiar with the major problems facing urban communities in the United States. A recent study conducted by the National League of Cities surveys these critical problems.

Mayors and councilmen throughout our country have ranked refuse and solid waste problems at the top of the list of 28 major problems facing urban areas throughout America. This concern is considered more significant than those of law enforcement, streets and highways, fiscal tax policies, and some 24 other major problems facing cities throughout the United States. Only in the West does refuse and solid waste rank behind law enforcement, relationships with the county, planning and zoning, downtown development, streets and highways, and public transit.

Nearly half of our cities, some 46.5 percent, anticipate running out of current landfill capacity between 1974 and 1978. Solid waste disposal is the third largest expenditure funded solely from local revenues.

The Environmental Protection Agency estimated that in 1971 about 125 million tons of municipal waste, or 3.2 pounds per person per day, were generated from residential and commercial sources.

In response to the problems, I introduce the Solid Waste Utilization Act of 1974. This measure establishes a national policy of encouraging the greatest practicable degree of recovery of resources and energy from solid waste. The bill also would require the environmentally safe disposal of solid waste residues. In the furtherance of this policy, the bill, in summary, contains the following provisions:

First. The Environmental Protection Agency would be required to promulgate standards for the disposal of solid waste from any municipality with a population of 2,500 or more. Such standards must prohibit all open dumping or open burning of solid waste and require compliance with provisions of the Clean Air Act and Federal Water Pollution Control Act. Similar standards would be required for the disposal of industrial, agricultural, and mineral solid wastes not collected by municipal systems.

Second. An authorization of $5 million each year is provided for technical assistance to States, municipalities, and regional solid waste planning agencies for the planning and installation of resource recovery systems, for the planning of hazardous waste management systems, and the implementation and operation of efficient conventional solid waste disposal systems.

Each metropolitan area and a surrounding territory of sufficient size to economically justify regional management would be required to have appropriate processes for regional planning of solid waste management, resource recovery, and hazardous waste disposal systems. The Governor, in accordance with Federal guidelines, would be required to designate regional planning agencies composed at least in part of local elected officials.

This provision is patterned after section 208 of the Federal Water Pollution Control Act. However, the planning entities designated under this provision also would be authorized to construct and operate resource recovery systems.

Third. The bill would provide loans to municipalties or regional agencies for resource, including energy, recovery systems. In addition, the Administrator would be authorized to guarantee loans made to private industry by lending institutions for the construction of resource and energy recovery systems. These loans and guarantees could be made until July 1, 1979, and would be repaid out of user charges after providing a reasonable rate of return on any private capital involved.

Fourth. The bill also seeks to provide markets for recovered resources by requiring Federal agencies to give preference in procurement to goods and materials manufacutred by recovered resources. Such goods and materials are eligible for purchase at an incentive price of up to 125 percent of the current market price for equivalent goods or materials. In addition, grants can be made for the establishment and operation of recycling centers.

Fifth. In order to assure a market for resource recovery, manufacturers of containers or manufacturers of primary materials such as aluminum, glass, plastic and steel, used in containers, are required to guarantee the purchase of all recovered resources from containers recovered by resource recovery systems constructed with assistance under this act. Guarantees are for purchases at the prevailing market value or recovered resources meeting market specifications.

Sixth. Any State or political subdivision which receives assistance under the proposed act and in which such guarantees are provided, would be preempted from adopting or implementing any controls, taxes or deposits on containers. This preemption would prevent any such controls from placing an unreasonable burden on commerce or substantially altering the distribution system for containers or their contents.

Seventh. Conforming amendments are provided in the existing Solid Waste Disposal Act, including authority to make contracts for demonstration with any private organization or individual.

Eighth. For resource recovery demonstration system grants and contracts, $140 million is authorized for fiscal years 1975 and 1976. This is identical to the existing authorization under this section. In order to carry out the new provisions of the act, $200 million is authorized for each of fiscal years 1975, 1976, and 1977. Thus the total authorization in the bill, over 3 years, would be $880 million.

ANNOUNCEMENT OF HEARINGS

The Committee on Public Works will conduct hearings on this bill and other related measures on July 9, 10, and 11. The hearings will be held by the new Panel on Materials Policy which was established this week in our Subcommittee on Environmental Pollution.

The uncertainty and increasing cost of energy supplies has placed increased emphasis to the need to obtain maximum use and reuse of our dwindling nonrenewable natural resources. The Panel on Materials Policy, which I will chair, will deal exclusively with issues relating to resource management and materials policy and will be the focal point of Committee activities in this area.

Other members of the Panel are Senator EDMUND S. MUSKIE, chairman of the Subcommittee on Environmental Pollution, Senator LLOYD BENTSEN, Senator JOSEPH R. BIDEN, JR., Senator ROBERT T. STAFFORD, Senator JAMES A. MCCLURE, and Senator PETE V. DOMENICI.

In addition to the bill I introduce today, the July hearings will also consider S. 3549, the Energy Recovery and Resource Conservation Act, introduced by Senator MUSKIE; S. 3277, the Energy and Resource Recovery Act, introduced by Senator DOMENICI; and administration proposals in this field.

Prior to these hearings on legislative proposals, the Panel on Materials Policy, on June 11, will consider the report of the National Commission on Materials Policy. On the following day, June 12, representatives of the Environmental Protection Agency will appear to discuss issues associated with the disposal of hazardous wastes. State and local officials will testify before the panel on June 13 to review Federal-State relationships in the solid waste and resource recovery field.

Both of these sets of hearings will begin at 9:30 a.m. each day in room 4200, Dirksen Building.

MATERIALS POLICY

With enactment of the Resource Recovery Act of 1970—Public Law 91–512—the Congress also created (title II) the National Commission on Materials Policy "to enhance environmental quality and conserve materials." In recognition of the need to "utilize present resources and technology more efficiently and to anticipate future materials requirements of the Nation and the world," the Comission was asked to make recommendations "on the supply, use, recovery, and disposal of materials."

In the June 27, 1973, final report of the Commission, found that the goal of a national materials policy for the United States should be to—

First. Provide adequate energy and materials supplies to satisfy not only the basic needs of nutrition, shelter, and health, but a dynamic economy, without indulgence in waste;

Second. Rely on market forces as a prime determinant of the mix of imports and domestic production in the field of materials but at the same time decrease and prevent wherever necessary a dangerous or costly dependence on imports;

Third. Accomplish the foregoing objectives while protecting or enhancing the environment in which we live;

Fourth. Conserve our natural resources and environment by treating waste materials as resources and returning them either to use or, in a harmless condition, to the ecosystem; and

Fifth. Institute coordinated resource policy planning which recognizes the interrelationship among materials, energy, and the environment.

In summary, the United States needs a national materials policy which recognizes the need for simultaneous achievement of energy, materials, and environmental policies. The economy and the environment do not represent polar interests; rather, they are part of the same system.

Three basic policy directives evolved from the Commission's deliberations geared toward "meeting the challenges of securing a sufficient supply of materials while managing and conserving the physical basis of our national life":

Strike a balance between the "need to produce goods" and the "need to protect the environment" by modifying the materials system so that all resources, including environmental, are paid for by users.

Strive for an equilibrium between the supply of materials and the demand for their use by increasing primary materials production and by conserving materials through accelerated waste recycling and greater efficiency of use of materials.

Manage materials policy more effectively by recognizing the complex interrelationships of the materials—energy—environment system so that laws, Executive orders, and administrative practices reinforce policy and not counteract it.

The Commission considered resource recovery among the highest national priorities and encouraged the Congress and the executive branch to establish recycling as an explicit national goal.

ENERGY CONSERVATION

Recent concerns for the adequacy of United States energy supplies and environmental quality have focused attention on the conservation of natural resources as well as energy and on the effects of the use of these resources on the environment. Faced with continued growth in the consumption of energy and materials and the generation of waste, attention is presently being directed to the conservation of energy and the improvement on current energy and materials uses and effective management practices.

Mr. President, significant savings in energy consumption can be made through better solid waste management and resource recovery methods. Energy conservation is possible through four means; source reduction, energy recovery, recycling, and improved collection. The potential savings in energy consumption through improved solid waste management was recently discussed in a paper by Robert A. Lowe of the Environmental Protection Agency Office of Solid Waste Management Programs. Through a combination of source reduction, recycling, and improved collection there is an estimated national energy savings equivalent to some 521,000 barrels of oil per day.

By comparison, this is equal to: 7 percent of all the fuel consumed by utilities in 1970; 14 percent of all the coal consumed by utilities in 1970; 35 percent of the oil projected to be delivered through the Alaskan pipeline; 52 percent of the crude oil imported directly from the Middle East in September 1973; or 1.5 percent of all energy consumed in the United States in 1970.

These four energy conservation opportunities can be developed if they are properly reflected in a solid waste management plan which considers the flow of materials through our economy from the point of acquisition of material resources through processing and manufacturing, to product use, and ultimate waste disposal.

HAZARDOUS WASTE DISPOSAL

With enactment of the Resource Recovery Act of 1970, the Congress recognized the need for establishment of a national system for the storage and disposal of hazardous wastes. In its 1974 mental Protection Agency concluded that—

> The management of the Nation's hazardous residues—toxic chemical, biological, radioactive, flammable, and explosive wastes—its generally inadequate; numerous case studies demonstrate that public health and welfare are unnecessarily threatened by the uncontrolled discharge of such waste materials into the environment.

Mr. President, the technology is available to treat most of these hazardous wastes by physical, chemical, thermal, or biological methods, and for disposal of the resultant residues. According to the EPA, the chief programatic requirement to bring adequate management of hazardous wastes is the creation of demand and an adequate capacity for treatment and disposal of such wastes. A national policy on hazardous waste management is needed, taking into consideration environmental protection, equitable distribution of costs among sources, and recovery of waste material.

To insure adequate protection of public health and the environment, a regulatory approach is deemed best for achievement of such a material hazardous waste management policy.

The EPA concluded in its report to the Congress that:

> (1) a hazardous waste management problem exists and its magnitude is increasing; (2) the technical means to solve the problem exist for most hazardous waste but are costly in comparison with present practices; (3) the legislative and economic incentives for using available technology are not sufficient to cause environmentally adequate treatment and disposal in most cases; (4) the most effective solution at least direct cost to the public is a program for the regulation of hazardous waste treatment and disposal; (5) a private hazardous waste management service industry exists and is capable of expanding under the stimulus of a regulatory program; (6) because of inherent uncertainties, private sector response cannot be definitely prescribed; (7) several alternatives for Government action are available, but, based on analyses to date, EPA is not convinced that such actions are needed.

For the reasons set forth in this study the proposed Solid Waste Utilization Act of 1974 contains provisions for the development of regional hazardous waste disposal systems as well as solid waste management and resource recovery systems.

I ask unanimous consent that the summary and conclusions of the 1974 report of the Environmental Protection Agency to the Congress on the disposal of hazardous wastes be printed in the Record at this point.

There being no objection, the summary and conclusions were ordered to be printed in the Record, as follows:

Summary and Conclusions

The management of the Nation's hazardous residue—toxic chemical, biological, radioactive, flammable, and explosive wastes—is generally inadequate; numerous care studies demonstrate that public health and welfare are unnecessarily threatened by the uncontrolled discharge of such waste materials into the environment

From surveys conducted during this program, it is estimated that the generation of nonradioactive hazardous wastes is taking place at the rate of approximately 10 million tons yearly. About 40 percent of these wastes by weight is inorganic material and about 60 percent is organic; about 90 percent occurs in liquid or semiliquid form.

Hazardous waste generation is growing at a rate of 5 to 10 percent annually as a result of a number of factors: increasing production and consumption rates, bans and consumption rates, bans and cancellations of toxic substances, and energy requirements (which lead to radioactive waste generation at higher rates).

Hazardous waste disposal to the land is increasing as a result of air and water pollution controls (which capture hazardous wastes from other media and transfer them to land) and denial of heretofore accepted methods of disposal such as ocean dumping.

Current expenditures by generators for treatment and disposal of such wastes are low relative to what is required for adequate treatment and disposal. Ocean dumping and simple land disposal costs are on the order of $3 per ton whereas environmentally adequate management could require as much as $60 per ton if all costs are internalized.

Federal, State, and local legislation and regulations dealing with the treatment and disposal of nonradioactive hazardous waste are generally spotty or nonexistent At the Federal level, the Clean Air Act; the Federal Water Pollution Control Act; and the Marine Protection, Research, and Sanctuaries Act provide control authority over the incineration, and water and ocean disposal of certain hazardous wastes but not over the land disposal of residues. Fourteen other Federal laws deal in a peripheral manner with the management of hazardous wastes. Approximately 25 States have limited hazardous waste regulatory authority.

Given this permissive legislative climate, generators of waste are under little or no pressure to expend resources for the adequate management of their hazardous wastes. There is little economic incentive (e.g., the high costs of adequate management compared with costs of current practice) for generators to dispose of wastes in adequate ways.

Technology is available to treat most hazardous waste streams by physical, chemical, thermal, and biological methods, and for disposal of residues. Use of such treatment and disposal processes is costly, ranging from a low of $1.40 per ton for carbon sorption, $10 per ton for neutralization/precipitation, and $13.60 per ton for chemical oxidation to $95 per ton for incineration. Several unit processes are usually required for complete treatment and disposal of a given waste stream. Transfer and adaptation of existing technology to hazardous waste management may be necessary in some cases. Development of new treatment and disposal methods for some wastes (e.g., arsenic trioxide and arsenites and arsenates of lead, sodium, zinc, and potassium) is required. In the absence of treatment processes, interim storage of wastes on land is possible using methods that minimize hazard to the public and the environment (e.g., secure storage and membrane landfills).

A small private hazardous waste management industry has emerged in the last decade offering treatment and disposal services to generators. The industry currently has capital investments of approximately $25 million and a capacity to handle about 2.5 million tons of hazardous materials yearly, or 25 percent of capacity required nationally. However, the industry's current throughput of hazardous waste is about 24 percent of installed capacity, or 6 percent of the national total. The low level of utilization of this industry's services results from the absence of regulatory and economic incentives for generators to manage their hazardous wastes in an environmentally sound manner. This industry could respond over time to provide needed capacity if a national program for hazardous waste management, with strong enforcement capabilities, was created. This industry would, of course, be subject to regulation also.

The chief programmatic requirement to bring about adequate management of hazardous wastes is the creation of demand and adequate capacity for treatment and disposal of hazardous wastes. A national policy on hazardous waste management should take into consideration environmental protection, equitable cost distribution among generators, and recovery of waste materials.

A regulatory approach is best for the achievement of hazardous waste management objectives. Such an approach ensures adequate protection of public health and the environment. It will likely result in the creation of treatment and disposal capacity by the private sector without public funding. It will result in the mandatory use of such facilities. Costs of management will be borne by those who generate the hazardous wastes and their customers rather than the public at large, thus, cost distribution will be equitable. Private sector management of the wastes in a competitive situation can lead to an appropriate mix of source reduction, treatment, resource recovery, and land disposal.

A regulatory program will not directly create a prescribed system of national disposal sites because of uncertainties inherent in the private sector response. EPA believes that the private sector will respond to a regulatory program. However, full assurance cannot be given that treatment and disposal facilities will be available in a timely manner for all regions of the Nation nor that facility use charges will be reasonable in relation to cost of services. Also, private enterprise does not appear well suited institutionally to long-term security and surveillance of hazardous waste storage and disposal sites.

Given analyses performed to date, EPA believes that no Government actions to limit the uncertainties in private sector response are appropriate at this time. However, if private capital flow was very slow and adverse environmental effects were resulting from the investment rate, indirect financial assistance in forms such as loans, loan guarantees, or investment credits could be used to accelerate investment. If facility location or user charge problems arose, the Government could impose a franchise system with territorial limits and user charge rate controls. Long-term care of hazardous waste storage and disposal facilities could be assured by mandating use of Federal or State land for such facilities.

EPA studies indicate that treatment and disposal of hazardous wastes at central processing facilities are preferable to management at each point of generation, in most cases, because of economies of scale, decreased environmental risk, and increased opportunities for resource recovery. However, other forces may deter creation of the "regional processing facility" type of system. For example, the pending effluent limitation guidelines now being developed under authority of the Federal Water Pollution Control Act may force each generator to install water treatment facilities for both hazardous and nonhazardous aqueous waste streams. Consequently, the absolute volume of hazardous wastes requiring further treatment at central facilities may be reduced and the potential for economies of scale at such facilities may not be as strong as it is currently.

Given these uncertainties, several projections of future events can be made. Processing capacity required nationally was estimated assuming complete regulation, treatment, and disposal of all hazardous wastes at the earliest practicable time period. Estimates were based on a postulated scenario in which approximately 20 regional treatment and disposal facilities are constructed across the Nation. Of these, 5 would be very large facilities serving major industrial areas, each treating 1.3 million tons annually, and 15 would be medium-size facilities, each treating 160,000 tons annually. An estimated 8.5 million tons of hazardous wastes would be treated and disposed of away from the point of generation (off site); 1.5 million tons would be pretreated by generators on site, with 0.5 million tons of residues transported to off-site treatment and disposal facilities for further processing. Each regional processing facility was assumed to provide a complete range of treatment processes capable of handling all types of hazardous wastes; and, therefore, each would be much more costly than existing private facilities.

Capital requirements to create the system described are approximately $940 million. Average annual operating expenditures (including capital recovery and operating costs) of $620 million would be required to sustain the program. These costs are roughly estimated to be equivalent to 1 percent of the value of shipments from industries directly impacted. In addition, administrative expenses of about $20 million annually for Federal and State regulatory programs would be necessary. For the reasons stated earlier, however, capacity and capital requirements for a national hazardous waste management system may be smaller than indicated and more in line with the capacity and capital availability of the existing hazardous waste management industry.

In summary, the conclusions of the study are that (1) a hazardous waste management problem exists and its magnitude is increasing; (2) the technical means to solve the problem exist for most hazardous waste but are costly in comparison with present practices; (3) the legislative and economic incentives for using available technology are not sufficient to cause environmentally adequate treatment and disposal in most cases; (4) the most effective solution at least direct cost to the public is a program for the regulation of hazardous waste treatment and disposal; (5) a private hazardous waste management service industry exists and is capable of expanding under the stimulus of a regulatory program; (6) because of inherent uncertainties, private sector response cannot be definitely prescribed; (7) several alternatives for Government action are available, but, based on analyses to date, EPA is not convinced that such actions are needed.

EPA has proposed legislation to the Congress that is intended both to fulfill the purposes of Section 212 of the Solid Waste Disposal Act as amended and to carry out the recommendations of this report. The proposed Hazardous Waste Management Act of 1973 would authorize a regulatory program for treatment and disposal of EPA-designated hazardous wastes; the States would implement the program subject to Federal standards in most cases. All studies performed in response to Section 212 will be completed in time to serve as useful input to congressional consideration of our legislative proposal.

NATIONAL MATERIALS POLICY ISSUES

Mr. RANDOLPH. Resource recovery from solid wastes represents a major and virtually untapped source of materials at a time when we are faced with emerging supply-demand deficits. It is becoming increasingly difficult for the United States to satisfy its growing demand for raw materials from virgin materials, even at increasing prices. In the majority of cases the gap between the U.S. requirements for basic materials and the remaining easily accessible world supplies is continuing to widen.

A 1972 report of the National Academy of Engineering, National Academy of Science, indicated that, except for a short period during World War I, when the United States was a net exporter of minerals, until shortly before World War II, we have imported far more minerals than we have exported. Demands have increasingly been satisfied by the import of raw materials. In 1970, this amounted to a balance-of-payments deficit of about $4 billion. If the trends of the last 20 years continue, by the year 2000 this deficit could grow to over $60 billion per year.

Some 20 minerals are involved, including such key minerals as chromimum, aluminum, nickel, and zinc. Supplies of many of these vital minerals are controlled by a handful of countries. For example, 80 percent of the world's export supply of copper is controlled by four countries and 98 percent of the U.S. imports of tin are controlled by Malaysia, Thailand, and Bolivia.

Even before the recent oil embargo, many experts were expressing concern about the U.S. vulnerability to group action by producing countries of other basic minerals. Whether these countries could impose the same pressures as the oil producers is subject to debate. I ask unanimous consent that a table be printed in the RECORD at this point to indicate the percentage of U.S. mineral requirements imported during 1972.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Percentage of U.S. mineral requirements imported during 1972. Data derived from Mining and Minerals Policy 1973, a report by the Secretary of the Interior to the Congress

Mineral, Percentage Imported, and Major Foreign Sources

Platinum group metals, 100, U.K., U.S.S.R., South Africa, Canada, Japan, Norway.
Mica (sheet), 100, India, Brazil, Malagasy.
Chromium, 100, U.S.S.R., South Africa, Turkey.
Srontium, 100, Mexico, Spain.
Cobalt, 98, Zaire, Belgium, Luxembourg, Finland, Canada, Norway.
Tantalum, 97, Nigeria, Canada, Zaire.
Aluminum (ores and metals), 96, Jamaica, Surinam, Canada, Australia.
Manganese, 95, Brazil, Gabon, South Africa, Zaire.
Fluorine, 87, Mexico, Spain, Italy, South Africa.
Titanium (rutile), 86, Australia.
Asbesto, 85, Canada, South Africa.
Tin, 77, Malaysia, Thailand, Bolivia.
Bismuth, 75, Mexico, Japan, Peru, U.K., Korea.
Nickel, 74, Canada, Norway.
Columbium, 67, Brazil, Nigeria, Malagasy, Thailand.
Antimony, 65, South Africa, Mexico, U.K., Bolivia.
Gold, 61, Canada, Switzerland, U.S.S.R.
Potassium, 60, Canada.
Mercury, 58, Canada, Mexico.
Zinc, 52, Canada, Mexico, Peru.
Silver, 44, Canada, Peru, Mexico, Honduras. Australia.
Barium, 43, Peru, Ireland, Mexico, Greece.
Gypsum, 39, Canada, Mexico, Jamaica.
Selenium, 37, Canada, Japan, Mexico, U.K.
Tellurium, 36, Peru, Canada.
Vanadium, 32, South Africa, Chile, U.S.S.R.
Petrolum (includes liquid natural gas), 29, Central and South America, Canada, Middle East.
Iron, 28, Canada, Venezuela, Japan, Common Market (EEC).
Lead, 26, Canada, Australia, Peru, Mexico.
Cadmium, 25, Mexico, Australia, Belgium, Luxembourg, Canada, Peru.
Copper, 18, Canada, Peru, Chile.
Titanium (ilmenite), 18, Canada, Australia.
Rare earths, 14, Australia, Malaysia, India.
Pumice, 12, Greece, Italy.
Salt, 7, Canada, Mexico, Bahamas.
Cement, 5, Canada, Bahamas, Norway.
Magnesium (nonmetallic), 8, Greece, Ireland.
Natural gas, 9, Canada.
Rhenium, 4, West Germany, France.
Stone, 2, Canada, Mexico, Italy, Portugal.

Mr. RANDOLPH. Mr. President, many of these imported minerals have their end in the solid waste stream. Resource recovery offers the potential for returning large fractions of many of these imported minerals into the raw materials supply system. Accomplishment of this objective will require the formulation of a comprehensive national materials and environmental policy. The Solid Waste Utilization Act of 1974, which I introduce today, builds on the policy set forth in the Resource Recovery Act of 1970 toward the eventual creation of such a national materials policy keyed to resource recovery.

Mr. President, I ask unanimous consent that the text of the Solid Waste Utilization Act of 1974 be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3560

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, divided into titles and sections in accordance with the following table of contents, may be cited as the "Solid Waste Utilization Act of 1974."

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(a) Federal Procurement Preference for Recovered Resources.
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Sec. 5. Amendments to section 203, Solid Waste Disposal Act, providing additional definitions.
Sec. 6. Authorizations.

DECLARATION OF POLICY

SEC. 2. It is hereby declared to be the national policy to encourage to the greatest extent practicable the recovery of resources, including energy from solid waste. In the furtherance of this policy, it is the objective of this Act—

(a) to prohibit all open burning or open dumping of solid waste;

(b) to provide technical assistance and financial assistance for the construction of resource recovery systems;

(c) to require the planning of solid waste management systems, resource recovery systems, and hazardous waste disposal systems on a regional basis;

(d) to enhance markets for recovered resources through (1) a preference in Federal procurement policies for goods or materials containing recovered resources and (2) the authorization of payment of those additional procurement costs associated with such goods or materials; and

(e) to require a market for all resources recovered from containers which are guaranteed by the manufacturers of such containers or the manufacturers of the primary materials from which such containers are produced.

SEC. 3. The Solid Waste Disposal Act, as amended by the Resource Recovery Act of 1970 (84 Stat. 1230), is amended by inserting after section 212 the following new sections and renumberng succeedng sectons accordingly:

"SOLID WASTE DISPOSAL STANDARDS

"SEC. 213. (a) The Administrator shall, within one hundred and eighty days after the enactment of the Solid Waste Utilization Act of 1974, promulgate solid waste disposal standards, including methods and operational procedures, for the disposal, including storage.

Such standards shall apply (1) to the disposal, including storage, of all industrial solid waste not collected by any municipal solid waste management system, (2) to the disposal of solid waste from any municipality which has a population greater than

2,500, and (3) to the disposal of agricultural and mineral solid wastes not collected by any municipal solid waste management system.

"(b) Such standards, at the minimum, shall require—

"(1) the prohibition of all open burning or open dumping of solid wastes;

"(2) compliance with effluent limitations, schedules or timetables for compliance or other requirements established under an implementation plan pursuant to section 110 of the Clean Air Act, as amended (84 Stat. 1680), or any new source standard of performance promulgated under section 111 of such Act;

"(3) compliance with any effluent limitation or condition of a permit under the Federal Water Pollution Control Act, as amended (86 Stat. 816), and any requirement for area-wide sources established under section 208 of such Act; and

"(4) consideration of the total impact of such disposal on (A) the environment, including groundwaters, and (B) any established or proposed land use plans for the effected area.

"(C) In order to provide for the enforcement of standards promulgated under this section, after the effective date of such standards each system for the disposal of solid waste shall be deemed a point source within the meaning of the Federal Water Pollution Control Act, as amended (86 Stat. 816), and shall be required to obtain a permit in accordance with section 402 of such Act.

"TECHNICAL ASSISTANCE

"SEC. 214. (a) In carrying out the purposes of this Act, the Administrator is authorized to provide technical assistance to States, municipalities, and agencies designated pursuant to section 215 of this Act, to facilitate—

"(1) the planning and implementation of resource recovery systems, including systems intended to recover significant amounts of energy from municipal solid waste;

"(2) the implementation and operation of efficient conventional solid waste management systems;

"(3) the planning and implementation of solid waste management systems for the disposal of solid waste residues resulting from air pollution control and water pollution control requirements of Federal, State, or local government agencies; and

"(4) the planning and implementation of solid waste managements systems for the disposal, including storage, of hazardous wastes.

"(b) Such assistance shall include, but not be limited to, project planning and feasibility studies, management and operational assistance, the provision of expert consultation, and the dissemination of technical information. Such assistance may be provided through (1) personnel of the Environmental Protection Agency, including detail of such personnel to an agency eligible for assistance under this section, (2) the payment of funds authorized for this section to other departments or agencies of the Federal Government, (3) the employment of private individuals, partnerships, corporations, or suitable institutions under contracts entered into for such purposes, or (4) grants-in-aid to such State, municipality or intermunicipality agency designated pursuant to section 215 of this Act.

"(c) Of the funds authorized in Section 222 of this Act for each fiscal year beginning after June 20, 1974, $5,000,000 shall be available to carry out clause (a)(2) of this section.

"REGIONAL SOLID WASTE MANAGEMENT AND RESOURCE RECOVERY SYSTEM PLANNING

"SEC. 215. (a) For the purpose of encouraging and facilitating the development and implementation of regional solid waste management system, resource recovery system, and hazardous waste disposal system planning—

"(1) The Administrator, within ninety days after the date of enactment of the Solid Waste Utilization Act of 1974 and after consultation with appropriate Federal, State, and local authorities, shall by regulation publish guidelines for the identification of those solid waste management areas which, as a result of urban-industrial concentrations or other factors, are appropriate planning units for the establishment of regional solid waste management systems, resource recovery systems, and hazardous waste disposal systems, and the siting of facilities for intermunicipal systems. Each such area shall contain at least one urban center and the maximum surrounding territory which can be identified with such urban center by trading patterns, labor markets, geographic features, political boundaries, or other factors associated with the more efficient solid waste management and with the facilitation of more economic recovery of resources from solid wastes.

"(2) The Governor of each State, within sixty days after publication of the guidelines issues pursuant to paragraph (1) of this subsection, shall identify each solid waste management area within the State which, complies with such guidelines. Not later than one hundred and twenty days following such identification and after consultation with appropriate elected and other officials of local governments having jurisdiction in such areas, the Governor shall designate (A) the boundaries of each such area, and (B) a single representative organization, including elected officials from local governments, or their designees, capable of developing effective regional solid waste management, resource recovery, and hazardous waste disposal system plans for such area. The Governor in the same manner at any later time may identify any additional area (or modify an existing area) for which he determines regional planning to be appropriate and designate the boundaries of such area, and may designate an organization capable of developing effective regional plans for such area.

"(3) With respect to any solid waste management area which, pursuant to the guidelines published under paragraph (1) of this subsection, is located in two or more States, the Governors of the respective States shall consult and cooperate in carrying out the provisions of paragraph (2) of this subsection, with a view toward (A) designating the boundaries of such interstate solid waste management area for the purpose of developing the most effective regional solid waste management, resource recovery, and hazardous waste disposal system plans, and (B) designating, within one hundred and eighty days after publication of guidelines issued pursuant to paragraph (1) of this subsection, a single representative organization capable of developing effective regional plans for such area.

"(4) If a Governor does not act, either by designating or determining not to make a designation of a solid waste management area under paragraph (2) of this subsection within the time required by such paragraph or if, in the case of an interstate solid waste management area, the Governors of the States involved do not designate a planning organization within the time required by paragraph (3) of this subsection, the chief elected officials of local governments within an area may be agreement designate (A) the boundaries of such an area, and (B) single representative organization including elected officials from such local governments, or their designees, capable of developing a regional plans for such area.

"(5) Existing regional agencies may be designated under paragraphs (2), (3), and (4) of this subsection.

"(6) Designations under this subsection shall be subject to the approval of the Administrator.

"(b)(1) Within one year after the date of designation of any organization under subsection (a) of this section such organization shall have in operation a continuing regional solid waste management, resource recovery, and hazardous waste disposal system planning process consistent with section 213 of this Act. Plans prepared in accordance with this process shall contain alternatives for solid waste management, resource recovery, and hazardous waste disposal and shall be applicable to all solid wastes generated within the area involved. The initial plan prepared in accordance with such process shall be certified by the Governor and submitted to the Administrator not later than two years after the planning process is initiated.

"(2) Any plan for a solid waste management area prepared under such planning process shall include, but not be limited to—

"(A)(i) the identification of solid waste management, resource recovery, and hazardous waste disposal needs over five-, ten-, and twenty-year periods, updated every three years, including public and private facilities, and any requirements for the acquisition of land and (ii) a program to provide the necessary financial arrangements to meet such needs;

"(B) the establishment of construction priorities for such systems or facilities and time schedules for their initiation and completion;

"(C) the establishment of a regulatory program to regulate the location, modification, and construction of any facilities;

"(D) the identification of those agencies necessary to construct, operate, and maintain all facilities required by the plans and to otherwise carry out the plans;

"(E) the identification of the measures necessary to carry out the plans including (i) financing, (ii) the period of time necessary to carry out the plans, (iii) the costs of carrying out the plans within the time period specified, and (iv) the economic, social and environmental impact of carrying out the plans within such time period; and

"(F) provisions to assure compliance with section 213 of this Act.

"(3) Solid waste management, resource recovery, and hazardous waste disposal system plans shall be certified annually by the Governor or his designee (for Governors or their designees, where more than one State is involved) as being consistent with applicable statewide policies. Such plans shall be submitted to the Administrator for his approval.

"(c)(1) The Governor of each State, in consultation with the planning agency designated under subsection (a) of this section, at the time any plan is submitted to the Administrator, shall designate one or more management agencies (which may be an existing or newly created local, regional, or State agency or political subdivision) for each solid waste management area designated under subsection (a) of this section and submit such designations to the Administrator.

"(2) The Administrator shall accept any such designation, unless, within one hundred and twenty days of such designation, he finds that the designated management agency (or agencies) does not have adequate authority—

"(A) to carry out appropriate portions of regional plans developed under subsection (b) of this section;

"(B) to manage effectively related facilities serving such area in conformance with any plan required by subsection (b) of this section;

"(C) directly or by contract, to design and construct new systems or facilities, and to operate and maintain new and existing systems or facilities, as required by any plan developed pursuant to subsection (b) of this section;

"(D) to accept and utilize grants, or other funds from any source, for these purposes;

"(E) to raise revenues, including the assessment of solid waste collection or disposal charges;

"(F) to incur short- and long-term indebtedness;

"(G) to assure in implementation of such plans that each participating municipality pays and receives proportionate share of costs and revenues;

"(H) to refuse to receive any wastes from any municipality which does not comply with any provisions of an approved plan under this section applicable to such area; and

"(I) to accept solid wastes from industrial sources.

"(d) After a management agency having the authority required by subsection (c) of this section, has been designated pursuant to such subsection for an area and a plan for such area has been approved pursuant to subsection (b) of this section, the Administrator shall not make any grant or loan under this Act within such area except to such designated agency and for systems or facilities in conformity with such plan.

"(e) No permit under section 402 of the Federal Water Pollution Control Act, as amended (86 Stat. 816), shall be issued for any point source which is in conflict with a plan approved pursuant to subsection (b) of this section.

"(f)(1) The Administrator shall make grants to any planning agency designated under subsection (a) of this section for payment of the reasonable costs of developing and operating a continuing planning process under subsection (b) of this section.

"(2) The amount granted to any agency under paragraph (1) of this subsection shall be 100 per centum of the costs of developing and operating a continuing planning process under subsection (b) of this section for each of the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977, and shall not exceed 75 per centum of such costs in each succeeding fiscal year.

"(3)(A) Each applicant for a grant under this subsection shall submit to the Administrator for his approval each proposal for which a grant is applied for under this subsection. The Administrator shall act upon such proposal as soon as practicable after it has been submitted, and his approval of that proposal shall be deemed a contractual obligation of the United States for the payment of its contribution to such proposal.

"(B) There is authorized to be appropriated to carry out this subsection not to exceed $50,000,000 for the fiscal year ending June 30, 1975, not to exceed $75,000,000 for the fiscal year ending June 30, 1976, and not to exceed $100,000,000 for the fiscal year ending June 30, 1977.

"LOANS AND LOAN GUARANTEES FOR RECOVERY SYSTEMS

"Sec. 216. (a) The Administrator is authorized to purchase evidences of indebtedness and to make loans (which for purposes of this section shall include participation in loans) to municipalities or agencies designated pursuant to section 215 of this Act to aid in financing any project in connection with a resource or energy recovery system serving all or a substantial part of the recipient's jurisdiction.

"(b) The Administrator is authorized to guarantee loans made to private borrowers by private lending institutions in connection with a resource, including energy, recovery system serving all or a substantial part of the jurisdiction of the municipality or regional agency designated pursuant to section 214 of this Act in which it is located.

"(c) Funds loaned or the repayment of which is guaranteed under this section shall be used for the purchase or development of land and facilities (including machinery and equipment) and for working capital necessary for a resource or energy recovery system, and shall not be used for operation or maintenance of any element in such system after an initial start-up period.

"(d) Loans and loan guarantees under this section shall be made upon such terms and conditions as the Administrator may by regulation prescribe: *Provided, however,* that no such guarantee shall at any time exceed 90 per centum of the amount of the outstanding unpaid balance of such indebtedness.

"(e) No loan or loan guarantee under this Act shall be made after July 1, 1979.

"(f) Loan guarantees under this section shall be made only after the Administrator determines that the resource, including energy, recovery system being financed is consistent with the plans established pursuant to section 215 of this Act.

"(g) Loans made and loans guaranteed under this section shall be repaid out of charges paid by the users of the solid waste disposal system or from recovered resources, including energy, after the owner or operator of such system receives out of such charges and proceeds the costs of operating and maintaining such system and a reasonable rate of return, as determined by the Administrator.

"MARKETS FOR RECOVERED RESOURCES

"Sec. 217. (a)(1) Each Federal agency which procures goods, materials, or energy for its own use or for the use of other government agencies, whether through advertisements for bids or through any other process of procurement, shall give preference to the purchase of energy and of goods and materials manufactured in whole or in part from or with recovered resources, and shall give additional preference to the purchase of goods and materials manufactured with the greatest proportion of recovered resources among competing items.

"(2) The Administrator, in cooperation with the Administrator of General Services, within 60 days after the enactment of this section shall publish guidelines for the use of Federal agencies in carrying out the requirements of paragraph (1) of this subsection. Such guidelines may provide that a minimum percentage of each agency's procurement be set aside for the purchase of recovered resources, including energy, or that certain classes or categories of goods or materials procured for use by any Federal agency contain at least a minimum percentage of recovered resources.

"(3) In order to encourage the development of stable markets for recovered resources, during the five full fiscal years following enactment of this section, any Federal agency may purchase recovered resources, including energy or goods and materials manufactured with a substantial use of recovered resources at a price no more than 125 per centum of the current market price for equivalent goods or materials purchased without regard to the requirements of this subsection; *Provided, however,* that when a purchase of a single item, or a class or category of items, is being made from among competing suppliers where the percentage of recovered resources is essentially the same, the purchase shall be so as to be to the greatest advantage to the Government.

"(4) The provisions of subsection apply to the procurement of energy or materials necessary for the production of energy.

"(b) The Administrator is authorized to make grants to any State, municipality, agency designated pursuant to section 215 of this Act, or private non-profit organization serving all of an area designated pursuant to section 215 of this Act for the establishment and operation of centers for the collection of solid waste from which recyclable containers or other recoverable resources may be recovered. Such grants shall be made in cases where the concentration of such materials in such centers makes economical the recovery of resources, including energy, or the transportation of such materials under circumstances which otherwise would not be economically feasible.

"RESPONSIBILITIES OF PRIMARY PRODUCERS AND PACKAGING AND CONTAINER MANUFACTURERS

"Sec. 218. (a) In order to assure the development of markets for recovered resources, (1) a manufacturer of primary materials from which containers are manufactured, including but not limited to aluminum, glass, paper, plastic and steel, or (2) a manufacturer of containers, directly or through contract with manufacturers of such primary materials, shall as a condition of entering such containers into interstate commerce guarantee purchase of all recovered resources from containers recovered from resource recovery systems constructed under section 208 or section 216, if requested to do so by the Administrator. Such guarantee shall be for the purchase at prevailing market value (at the primary manufacturer's place of business or at the appropriate resource recovery system) of recovered resources that meet market specifications. Such guarantees shall be made in accordance with regulations promulgated by the Administrator. In such regulations the Administrator shall provide for the consideration of the manufacturer's contribution to the total container market, the chemical or metallurgical capacity of such manufacturer's production process to utilize such recovered resources, and any other factor affecting such manufacturer's ability to utilize such recovered resources or otherwise guarantee utilization of such recovered resources.

"(b) No State or political subdivision thereof which receives assistance under this Act, or in which funds under this Act are expended, may adopt or enforce any restrictions, prohibitions, taxes, fees, deposits or other controls on the manufacture or sale of containers based on the disposal characteristics of such containers, when such restriction, prohibition, tax, fee, deposit or other control would place an unreasonable burden on interstate commerce or substantially alter or modify the distribution system for containers or their contents in such area. This subsection shall apply only in jurisdiction where the guarantees required by subsection (a) of this section are provided and in cases where the facilities for collection and recovery of resources from such containers are present in such State.

Sec. 4. (a) Subsection (a) of section 208 of the Solid Waste Disposal Act, as amended by the Resource Recovery Act of 1970 (84 Stat. 1230), is amended by inserting after "agency" the words ", and contracts with any private organization or individual,".

(b) Section 208 of the Solid Waste Disposal Act, as amended by the Resource Recovery Act of 1970 (84 Stat. 1230), is amended by inserting "or contract" after "grant" wherever it appears and by inserting "or contracts" after "grants" wherever it appears.

(c) Subsection (b) of section 208 of the Solid Waste Disposal Act, as amended by the Resource Recovery Act of 1970 (84 Stat. 1230), is amended by adding at the end thereof the following new paragraph:

"(c) Grants or contracts under this section shall encourage the demonstration of new resource recovery systems and components thereof and the demonstration of the replicability or applicability of such systems under varying conditions of size, location, and other factors."

Sec. 5. Section 203 of the Solid Waste Disposal Act, as amended by the Resource Recovery Act of 1970 (84 Stat. 1228), is amended by adding at the end thereof the following new paragraph:

"(11) The term "container" means the immediate container or package used for the transport and delivery of any commodity to household consumers, but does not include any container or package in which such immediate container or package is placed for display or for other purposes nor any box, carton, or other container in which one or more such immediate containers or packages are shipped."

"Sec. 222. (a) There are authorized to be posal Act (as so redesignated by section 3 of this Act) is amended to read as follows:

"Sec. 222 (a). There are authorized to be appropriated to carry out the provisions of this Act, other than section 208, not to exceed $200,000,000 for each of the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977.

"(b) There are authorized to be appropriated to carry out section 208 of this Act not to exceed $140,000,000 for each of the fiscal years ending June 30, 1975, and June 30, 1976."

ADDITIONAL COSPONSORS OF A BILL

S. 3357

At the request of Mr. BURDICK, the Senator from Arizona (Mr. GOLDWATER) and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of S. 3357, to restore to Federal civilian employees their rights to participate, as private citizens, in the political life of the Nation, and for other purposes.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975—AMENDMENTS

AMENDMENTS NOS. 1368 THROUGH 1370

(Ordered to be printed, and to lie on the table.)

Mr. PROXMIRE submitted three amendments, intended to be proposed by him, to the bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

NOTICE OF HEARINGS ON COAL SLURRY PIPELINES

Mr. JACKSON. Mr. President, on April 9, I introduced legislation designed to facilitate the construction of coal slurry pipelines—(amendment 1175 to S. 2652). I wish to inform all Senators and the public that on June 11, the Committee on Interior and Insular Affairs will hold a hearing on my proposal.

It is increasingly clear that coal slurry pipelines are going to be needed to move the coal required to meet our energy needs. My proposal would do two things. First, it would amend the law governing issuance of rights-of-way over Federal lands for oil and gas pipelines. The existing law was recently updated by the Congress in connection with its consideration of the trans-Alaska pipeline and is found in title I of the Act of November 16, 1973. Thus, the most modern and environmentally responsible Federal law would apply to coal slurry pipelines on Federal lands.

Second, my proposal would give a right of eminent domain over private property to the operator of a coal slurry pipeline, if the Secretary of the Interior makes certain findings with respect to the pipeline involved.

Anyone wishing more information should call Mike Harvey of the committee staff—225-1076. The hearing will begin at 10 a.m. in room 3110, Dirksen Senate Office Building.

ADDITIONAL STATEMENTS

REQUEST THAT SUPREME COURT FORGO ITS RECESS

Mr. MANSFIELD. Mr. President, I have today, written a letter to Chief Justice Warren E. Burger, requesting that the Supreme Court forgo its 4-month recess, beginning on Monday next. If the Court goes out on Monday next, it will not return, under its usual procedure, until October 1, which would create a 4-month interregnum.

It is my very strong belief that, in these troubled times, the Supreme Court should stay in session throughout this period, as the Congress and the President will, so that any matters which come before it for adjudication, could be considered on a reasonably expeditious basis and not postponed until the return of the Court on October 1.

In other words, I believe the Supreme Court, in these troublous times, should stay in session during the 4-month period that it usually recesses so that there will be no unconscionable delays in consideration of Watergate or related matters which might be placed before it. Like the President I want to see Watergate behind us as soon as possible, but I feel that before this can be done, both the Congress and the Judiciary, including the Supreme Court, must remain in session to face up to their awesome responsibilities.

Mr. President, I ask unanimous consent to have printed in the RECORD my letter to Chief Justice Warren E. Burger, dated May 31, 1974.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, D.C., May 31, 1974.

Hon. WARREN E. BURGER,
Chief Justice, Supreme Court of the United States, Washington, D.C.

DEAR MR. CHIEF JUSTICE: In view of the troubled times which confront our nation today and the possible need for the services of the Supreme Court over the next four-month period, I would most respectfully request that you consider the possibility of the Court remaining in session during that period.

The reason is, if, in view of the troubled times which confront us, the Court is called upon for action, it would be much more advisable to have it "at the ready" rather than in recess until October 1, 1974. If the Supreme Court goes out of session and there are any questions affecting Watergate and related matters before it at that time, it would mean, unless the Court decides otherwise, that there would be a delay of four months, at least, before a decision could be reached. Like the President, I want to get Watergate behind us, and it is with that thought in mind that I make this request to you and the Associate Justices of the Court.

Furthermore, if the Supreme Court were to stay in session over the next four months, it would set an excellent example, along with the President and the Congress and would show to the American people that not only are we on the job but, as far as the Courts are concerned, that justice does not move slowly.

I would appreciate your giving this matter your most urgent consideration because I think the needs of the times call for such action as I have requested.

Must close now, but with best wishes, I am

Sincerely yours,

MIKE MANSFIELD.

FREEDOM OF INFORMATION ACT AMENDMENTS

Mr. HUGH SCOTT. Mr. President, as a member of the Judiciary Committee, I participated in deliberations on S. 2543, the so-called Freedom of Information Act Amendments. A constructive compromise was worked out in committee between Senators KENNEDY and HRUSKA, with my full support. Hence, I voted to report the bill to the Senate floor.

Yesterday, however, two very damaging amendments were tacked onto the bill. I voted against each one.

Subsequently, I voted for final passage of the bill in the hope that a more acceptable bill could be worked out in conference. If the bill reported back to each House and passed, still contains the objectionable amendments added by the Senate, I expect the President to veto it—and I may vote to sustain if the opportunity presents itself.

The bill originally reported by the committee was a good one. Its stated purposes were fourfold:

First. To facilitate freer and more expeditious public access to government information;

Second. To encourage more faithful compliance with the terms and objectives of the FOIA;

Third. To strengthen the citizen's remedy against agencies and officials who violate the act; and

Fourth. To provide for clear congressional oversight of agency performance under the act.

Unfortunately, the delicate balance worked out in the committee was upset by the Senate's action in adopting some very unwise amendments.

OLDER AMERICANS

Mr. WILLIAMS. Mr. President, May is Older Americans month. This Nation owes much to her senior citizens. They are to be thanked heartily for the contributions they have made to our country's growth and they are to be acknowledged as vital and participating members of our communities.

Today, I would like to take a few minutes to commend a very special group of older Americans, those who are giving their time, knowledge and energy as ACTION Volunteers.

Not long ago, an elderly person who also was handicapped might have lived out his or her life politely ignored within the walls of a nursing home, veterans' hospital, or at home.

But today, the blind man, the woman in a wheelchair, the victim of cerebral palsy are refusing to be ignored. They have found ways to live productive lives.

Helped by private foundations, public training programs, and an increasingly aware public, the handicapped aged are leaving their quiet corners and are moving into the mainstream of society.

One of the routes to fuller lives they have found is RSVP, the retired senior volunteer program. This nationwide program is part of ACTION, the Federal agency for volunteer service. RSVP offers men and women over 60 the chance to take part in a variety of community-sponsored service activities.

In a New York City RSVP project, volunteer Jeanne Hornstein, 69 and blind, has been visiting patients at Creedmore State Hospital since 1971. Every Tuesday, she and her "friends" knit and talk. Sometimes, one of the patients will read to her.

Before her regular visiting starts, Mrs. Hornstein leads 50 or more patients and other volunteers in reciting the Lord's Prayer, singing, and exercising. She explains and demonstrates each exercise, encouraging patients to join her. She said:

> Volunteering has given me a feeling of being needed. The patients look forward to my coming, and this makes me feel food.

At the same hospital, Connie Seirkes, 63, works with 8 to 10 children who are blind and deaf. With very little sight herself, Miss Seirkes is trying to teach these children the concept of braille.

One blind, deaf, and mentally ill woman at the hospital also has an impaired sense of touch, which makes learning braille especially difficult.

To help her learn, Miss Seirkes decided to press into service a device developed by the Lighthouse for the Blind. The device, a board with screws which can be lifted out and put back, helped her to feel the letters. It worked, and together Miss Seirkes and her student have progressed to the letter F.

In Spanish Lake, Mo., a therapeutic hobby turned into a volunteer trade for a 67-year-old man.

Raymond Wamhoff of St. Louis took up woodworking after losing his hand in an industrial accident in 1941. He began his hobby he said, to keep his arm from atrophying from disuse.

After retiring from an office job many years later, Wamhoff began, on his own, to visit hospital patients—"especially patients who were despondent or who had lost a hand."

Later, looking for additional activity, he joined RSVP. Now he is teaching woodworking at the Missouri Hills Home for Boys in Spanish Lake, where 90 teenagers are under court commitments for a variety of offenses. He said:

> Some of these fellows haven't a friend in the world, if someone tries to help them, it can make them feel life is worth living.

John P. Poyo, 73, of Jersey City, N.J., emigrated to the United States from Spain. He married, raised a family, and worked for more than 30 years as a bookkeeper and manager for a Catholic publication. After retirement, Mr. Poyo found he enjoyed teaching his grandchildren to speak Spanish, and this led to his assignment with RSVP. A few days each week, Mr. Poyo, now a senior volunteer with the Jersey City RSVP, teaches Spanish to classes of all age groups at the Zabriskie Street Branch of the Jersey City Public Library. When these Spanish classes are over, he enjoys helping out with the toddler story hour in the library. In addition to his regular assignment, Mr. Poyo took on a temporary special assignment; for several months, he offered one-to-one counseling to a student in the Harrison School system who had recently emigrated from Spain and was having adjustment problems. Mr. Poyo also contributes to the Jersey City RSVP newsletter, and is a member of the American Association of Retired Persons.

In another ACTION program for older volunteers, the foster grandparent program, cerebral palsy victim William Kleinglass, 62, cares for a 14-year-old Ronnie at the Walter E. Fernald State School in Waltham, Mass. Ronnie is both blind and severely retarded.

Kleinglass, taken out of school after the fourth grade because of his disability, was never able to hold a regular job. But since he became a foster grandparent 2 years ago, he has served 4 hours a day, 5 days a week. Kleinglass has been able to help Ronnie improve his own ability to cope with the world.

Easily frightened by strangers, Ronnie used to sit for hours with his hands over his eyes. But now, at the sound of Kleinglass' voice, the hands come down and the boy's face breaks into a grin. The two spend hours together walking the grounds of the hospital. His hands guided by Kleinglass, Ronnie has begun to discover such wonders as grass and flowers.

Mrs. Betty Eckman of Mt. Holly, N.J., is a foster grandparent at the New Lisbon State School in New Lisbon, N.J. Two years ago, Brett was assigned to her as her "foster grandchild." Through her daily work with Brett, Mrs. Eckman quickly realized that the boy, althought classified as retarded, was actually quite intelligent, and that his main problem was a severe hearing loss resulting in inability to speak. Mrs. Eckman had learned some sign language as a child, and she began to teach it to Brett. She also began teaching him how to read and write. Though she only has a grade school education herself, she began schooling herself in new subjects in order to help Brett more. And although she, like all foster grandparents, is of low income, she cannot help buying new books that she thinks will help Brett. Because of the progress Mrs. Eckman has made with Brett, the child is now able to work with a speech therapist, and is expected to be released to a more advanced training school in another year.

In addition to the service opportunities offered to older Americans through RSVP and the foster grandparent program, the Service Corps of Retired Executives—SCORE—enables retired business executives to apply their years of business know-how to helping small, struggling enterprises.

SCORE Volunteer Wilfred Gallow of Detroit counsels small businessmen with management problems. Gallow, a retired real estate broker, lost his sight 13 years ago.

ACTION's older volunteers serve in the Peace Corps and VISTA, in addition to SCORE, RSVP, and the foster grandparent program.

Not only are they helping others, but they are also helping themselves to fuller lives.

Asked to testify in 1972 before a U.S. Senate subcommittee on the effectiveness of the foster grandparent program, 80-year-old Bertha Bailey said:

> I have arthritis, and I used to use a cane. When I came to interview for a volunteer position, I was afraid they would think I was too weak if they saw the cane.
>
> So, I left it in the car. I haven't used it since.

Today there are almost 100,000 older Americans participating in ACTION volunteer programs across the Nation and throughout the world. I commend them for their spirit and their service to their fellow man. And I support the continued growth of the ACTION programs which provide the vehicle through which our older Americans can offer their knowledge and assistance to those in need.

PETROLEUM COMPANY PROFITS

Mr. HRUSKA. Mr. President, recently there has been a great deal of concern expressed over the large profits being earned by petroleum companies. Much of the analysis has dwelled on the dollar volume of profits or on the increase in 1974 over a comparable period in 1973 or 1972.

In a recent edition of the Omaha World-Herald there appeared an article by Edward T. Foster, a general contractor, which analyzes the profits from a different perspective. He argues that there are factors other than dollar profits to be considered in evaluating an oil firm's performance.

So that my colleagues may get another view of the profit situation, I ask unanimous consent that the World-Herald article, "Head Mistells Corporate Story," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Head Mistells Corporate Story

(By Edward T. Foster)

Statements in a recent Associated Press story in The World-Herald about Standard Oil of Ohio were absolutely true.

I have objected to most of the press headlining such financial news in a manner that leads uninformed and cursory readers to reach untrue conclusions.

To many readers, your headline means that Sohio is making 29 per cent profit, which is excessive. For any corporation to make $22.6 million per quarter appears to some readers to be almost criminal—but it is not true.

(The head read: Standard of Ohio Profits Rise 29 Pct.)

Here is more complete data: Anyone with $56 can become a part owner of Sohio. Sohio is owned largely by many small investors. At current dividend rates, the owner of a $56 share will get for a whole year's use of his money $1.36 or 2.428 per cent.

It frequently happens that a corporation—after paying 50 per cent tax on earnings—might make 10 cents a share one year and

$1 a share the following year. Without question, that is a profit increase of 1,000 per cent, but it falls far short of complete reporting. In the case cited there could have been no dividend the first year and, say, 50 cents the following year. Expressed in sheer mathematical terms, this is an infinite percentage increase in dividends.

The Sohio profit percentage increase to less than 4.5 per cent is, in my opinion, quite reasonable. The $1.36 per share that stockholders receive for use of each $56 invested compares very unfavorably with the 10 per cent one can get through lending his funds through certificates of deposit to many competing sellers.

The opportunity to invest in Sohio and to participate in the allegedly fantastic profits is open to anyone. I am astounded that anyone keeps Sohio stock at such a lousy yield (16th largest corporation in U.S.A.) When the man on the street sees an earning report of nearly $23 million, he yells, "Robbers—break 'em up!"

If it were not for the large corporations and their tremendous reservoir for investment by small stockholders, our current mass production and distribution facilities would not exist. Each of us would still be stirring a small plot of ground, making his or her clothes, and be in the horsedrawn era.

Everyone who owns an insurance policy is an indirect investor in large business; likewise anyone with a bank account or a home mortgage. It appears impossible for the ordinary citizen to grasp the concept that money is stored labor for which the owner is as entitled to rent as an owner is entitled to rent on a house or a horse or a truck. The fact some such money may have been inherited does not alter the fundamental rights of current ownership; inheritance and estate taxes are taking care of this rapidly.

The fundamental problem is that the news media reports the truth but not the "whole truth." The whole truth is needed to dispel the popular fallacy that big corporations are owned by such families as the Rockefellers, Cabots, Lodges and Kennedys. The fact is that most corporation ownership lies in small lots with thousands of small investors, who have sacrificed and saved for the proverbial rainy day. Many widows and orphans are able to live in dignity because a provident husband and father had the foresight and wisdom to invest in large corporations corporate stocks, or to buy insurance, which is a secondary investment in such stocks. The only alternative for such families if a very poor one—to go on welfare.

The great influence of the press, I believe, imposes a concurrent responsibility to more effectively portray the facts. Full reporting along the lines I suggest would tend to eliminate the growing class polarization, the downright communist belief that bigness is badness, that all wealth should be shared on a per capita basis, and that money is not entitled to reasonable rent.

Comments on this page reflect diverse points of view which are not necessarily those of The World-Herald.

SALARY INCREASES

Mr. McGEE. Mr. President, earlier this month I noted with interest a story in the New York Times reporting approval by the State assembly in Albany of a supplemental budget bill.

In this report in the Times for May 15, reporter Alfonso A. Narvaez stated that the budget bill contained approval of $15,000 salary increases for the controller and attorney general of the State of New York, which would bring their pay up to $60,000 a year, or to a point equal with that paid members of the President's Cabinet.

In the same report, the Times went on to say that the New York State bill would provide for an acceleration of scheduled salary increases for members of that State's judiciary. Raises originally due January 1, 1975, would come in July instead, bringing the salary of court of appeals judges to $60,575 and of the chief judge to $63,143.

Thus, members of New York's highest court would be paid rates slightly above those of Associate Justices of the U.S. Supreme Court, who now are compensated for at the rate of $60,000. So too, the New York chief judge would be paid at a slightly higher rate than the Chief Justice of the United States, whose present rate of compensation is set at $62,500.

New York Supreme Court judges and court of claims judges would see their salaries rise to $48,998 a year, compared with the $42,500 a year paid judges of U.S. Circuit Courts of Appeals, and the $40,000 now paid Federal district court judges.

Increases ranging from about $6,000 a year to almost $11,000 also would be provided for judges in lower courts of the New York system.

Mr. President, I believe this report points out the gap which virtually every day grows wider between the compensation of top Federal officials, including the judiciary, and what reason would seem to dictate that they should be paid. I am quite sure that the legislature of the State of New York is engaged in no giveaway, but I must say that it has faced up to the situation better than we in Washington.

Federal officials in all three branches of the Government have been watching their buying power erode. They have been going without an increase in compensation since 1969. And, as a result of this body's vote of March 6, there is no relief now in sight.

Having reviewed the situation relative to judges in the State of New York, let me relate what the Commission on Executive, Legislative, and Judicial Salaries had to say in its report last year on the topic of the Federal judiciary:

> The Commission is sincerely concerned about the current level of compensation paid Federal judges. They are career employees with little opportunity to supplement their judicial salaries. During the past four years increases in the cost of living without compensating salary increases have intensified the economic pressures and financial sacrifices required for judicial service. Judges are recruited from a well-paid profession and the difficulty of attracting outstanding lawyers to the Federal bench and retaining them is increasing as judicial compensation falls further behind that of practicing lawyers.

THE ISRAELI-SYRIAN DISENGAGEMENT

Mr. McGEE. Mr. President, the Israeli-Syrian disengagement of forces agreement, which has now been signed in Geneva, adds to the long string of achievements Secretary of State Henry Kissinger has scored in the foreign policy area. Yet, it is also a tribute to President Nixon's persistence in his attempts at bringing stability to the international community.

The latest accord represents another vital step on a very difficult road toward a long-term and viable Middle East peace. Yet, it represents a highly significant and important element that few believed could be possible just a few months ago.

Once again, Secretary Kissinger has demonstrated his remarkable skills in utilizing the United Nations as an important element in his peace initiatives. The United Nations Emergency Force on the Egyptian front has proven to be a stabilizing influence on that situation. Now, we see the United Nations playing an important role as a buffer between Syrian and Israeli forces. The Secretary is to be commended for utilizing the tools of international diplomacy available to him in achieving these breakthroughs. It has not only resulted in substantive steps being taken in the Middle East, but it has also strengthened the United Nations as a vital international institution, as well as demonstrated how indispensable the United Nations is to the world community.

The Israeli-Syrian disengagement was particularly difficult due to the long, traditional animosity and mistrust which has existed between the two nations. Thus, there are few people who cannot help but be tremendously impressed with what Secretary of State Henry Kissinger has achieved with the latest agreement.

The latest Middle East accord is but a part of the much larger picture of international problems and international concerns. What the Secretary has achieved should drive home the point to Congress that we should not act as an obstacle to foreign policy initiatives aimed at lessening tensions around the world and building a stable international community which can truly address itself to the problems of starvation, illiteracy, and disease. We will all pay the price for shortsightedness if the Congress retreats into an isolationist posture and fails to work in a constructive relationship with the Secretary in achieving these ends.

Again, the American people and the international community owe Secretary Kissinger a debt of gratitude for his latest achievement. The road ahead in the Middle East remains a difficult one. However, the Secretary has achieved important goals in assuring that we are still headed in the direction of a viable Middle East peace.

The Secretary has performed with empathy and imagination. He has demonstrated his deep understanding of, and appreciation for, the forces at play in that area of the world. He has also exhibited patience and unmatched physical endurance. All these elements were important ingredients in his remarkable achievement.

THE FARM COMMODITY PRICE SITUATION

Mr. HRUSKA. Mr. President, the farm commodity price situation continues to worsen. Yet, there is no reflection of this price drop in retail stores. Recently, Agriculture Secretary Earl Butz was quoted in the Des Moines Register as deploring the situation. He said:

> It is high time that these lower farm prices

show up more fully in lower retail store prices.

I agree wholeheartedly with Mr. Butz's assessment of the situation. There are cattle feeders in my State going broke because their costs are far exceeding the prices they are receiving for their products.

As Mr. Butz correctly related in the Register story, "People should understand that when farm costs go up, they stay up." But commodity prices go up and down, and currently, they are declining.

So that my colleagues may be better informed about the commodity price situation in comparison to retail prices, I ask unanimous consent that the Department of Agriculture News Release entitled "Farmers Hit With Price Declines" be printed in the RECORD.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

FARMERS HIT WITH PRICE DECLINES

WASHINGTON, May 10.—"Farmers have taken a major adjustment in price in the last several weeks," Secretary of Agriculture Earl L. Butz said today. "Prices of major farm commodities have dropped 20 to 40 percent since January and February.

"It is high time that those lower farm prices show up more fully in lower retail store prices," Secretary Butz said. "While food prices at stores have leveled off some, margins are still higher than normal."

Secretary Butz pointed out that wheat flour which in February cost bakers about 16 cents a pound (enough to bake a 1½-pound loaf, now costs the bakers about 10 cents a pound—6 cents a loaf less. Supermarkets, which paid about 87 cents a pound wholesale for beef (whole carcasses) in February are now paying only about 67 cents a pound.

"The prices that consumers pay at the stores should be reflecting the drop in farm prices in the coming weeks. The increases in retail food prices should be behind us except for occasional items, primarily those that may show seasonal shortages," Secretary Butz said.

"Farmers have tackled inflation with the best antidote there is to inflation—higher production and more output per man hour. Farm people are leading the way in the inflation fight. My hat is off to them. The country owes them a debt of gratitude and understanding," Secretary Butz said.

Some farmers, such as beef and hog producers and poultrymen have taken a real beating lately, Secretary Butz indicated. "Dairymen are also beset with high costs. All farmers are, for that matter," Secretary Butz said. "Farm costs are 16 percent higher than a year ago. Fertilizer costs have skyrocketed, for instance.

"People should understand that when farm costs go up, they stay up. But prices of farm commodities go up and down—and they have been coming down sharply for several weeks. We should all be aware that farmers are in the front lines of the fight against inflation and they are taking some hard shots," Secretary Butz said.

On May 7, the Department of Agriculture reported that the winter wheat crop will be largest ever produced in the United States—27 percent more than last year's record crop. "Farmers are going all out to grow more wheat, feed grains and cotton this year. They are doing it even though machinery is hard to get, fertilizer and other costs have jumped through the roof, and interest rates are high. Farmers are doing a terrific job," Secretary Butz said.

NATIONAL SECURITY AND THE CONSTITUTION—ADDRESS BY SENATOR MATHIAS

Mr. ERVIN. Mr. President, last Friday evening my good friend, Senator "MAC" MATHIAS addressed the American Law Institute on a subject which is very dear to my heart—the Constitution. His wise remarks about the dangers posed to individual rights by the misuse of the so-called "national security power" were received with much enthusiasm by the distinguished members of the American Law Institute.

I would like to share with my colleagues Senator MATHIAS' outstanding address on "National Security and the Constitution." Therefore, I ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

*NATIONAL SECURITY AND THE CONSTITUTION

(By CHARLES McC. MATHIAS, JR.)

The position of world power, the greatest the world has yet seen, has brought with it increasing strains upon our most cherished liberties. In the 198 years of this country's existence, technical progress has carried us to the position of world leadership with all the glory such worldly preeminence brings. Power has also brought problems of unimagined magnitude. Our power is so great that we have the means to annihilate civilized life on earth, or we can do much to make the life of mankind one of peace and tranquility. This nation holds fate in its hands, but it is the very sense of almost apocalyptic power that has made many believe that we must do everything possible to strengthen the ability of this nation to make its decisions on the most rational basis possible.

As life in the United States has become more complex, as our population has grown, as modern science has created new means of transportation and communication, enhanced public services and created annihilative military forces, these developments have been accompanied by the growth of huge bureaucracies.

Scientific progress, technical advance and the disciplined hierarchical chains of command that dictate bureaucratic efficiency are uneasy partners with individual liberties and the egalitarian principles so familiar to us in the Declaration of Independence, the Constitution and the bill of rights.

President Abraham Lincoln's description of the American system of government as being "of the people, by the people and for the people," has unquestionably been eroded by the growth of the efficient bureaucracies created to serve the people. The needs of technology and the bureaucracies that use the ever advancing and more efficient technologies have been expressed in ways that have become familiar to us in formulas such as the "needs of the State," "National security," "foreign policy," "defense," or "inherent Executive powers." All of these vague terms have worked as a relentlessly erosive force against the foundations of individual liberties found in the guarantees of the Constitution.

The forgotten amendment of the Bill of Rights, the Ninth and Tenth Amendments:

ARTICLE IX

The enumeration in the Constitution, of certain rights, shall not be construed to deny or disparage others retained by the people.

ARTICLE X

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

were placed in the Bill of Rights to meet the expected pressures from any of the three branches should they attempt to exceed the prescribed powers contained in the basic articles of the Constitution.

The Constitution does not specify any inherent powers, or prescribe extraordinary authority in the Executive Branch or any other branch of government to meet so-called "national security", "foreign policy," or "national defense." The duty to repel invasion and to meet internal rebellion and to command the armed forces according to rules and regulations made by the Congress is clear and explicit. Any actions that go beyond these clearly expressed duties, in my view should be governed by the Ninth and Tenth Amendments.

The Youngstown Steel decision and particularly Justice Jackson's concurring opinion in that case has proved a good guide. Justice Jackson's argument stressed the obligation of the Executive to carry out the laws passed by the Congress. In his conclusion, he said:

"With all its defects, delays and inconveniences, men have discovered no technique for long preserving free government except that the Executive be under the law, and that the law be made by parliamentary deliberation."

There is clearly a need for new legislative guidelines in many of the most fundamental areas of our national life.

There is widespread agreement that we must meet the challenges caused by the failure of policy that have taken place over the last decade. These policy shortcomings are reflected in the Vietnam war, Watergate, the energy crisis, the deterioration of our schools, and cities. The need for better health plans, better care for the aged and the under-privileged and our increasing problems with law and order—all of these difficult issues serve as warning that our system of government is not fully meeting the needs of the country. These warnings have caused thoughtful men to examine not only the particular instances that have bred division and discontent in the land, but more importantly, has caused an examination of the fundamental institutions of our government. It was Sir William Blackstone, the eminent 18th Century English jurist whose *Commentaries* were the handbook for the founding fathers of the American Republic, who most fittingly expressed the nature of the law as "the principal and most perfect branch of ethics."

It is my view that our fundamental laws still reflect the ethos of this nation. But I am also convinced, and I know many of you here tonight will share my conviction, that serious challenges to our constitutional foundations have been made which must be answered. The root causes of these challenges are a direct result of the growth of bureaucracies and the rapid advance of technology.

The most damaging and serious challenges, in my view, have been in the area of the 4th Amendment to the Bill of Rights. In this regard, Justice Brandeis, in his opinion written for the Olmstead case in 1927 (277 US 438) in a prophetic way foretold many of the problems created by new technology that we now recognize as threats to our liberties:

"Time works changes, brings into existence new conditions and purposes. Therefore, a principle to be vital must be capable of wider application than the mischief which gave it birth. This is peculiarly true of constitutions. They are not ephemeral enactments, designed to meet passing occasions. They are, to use the words of Chief Justice Marshall 'designed to approach immortality as nearly as human institutions can approach it.' The future is their care and provision for events of good and bad tendencies of which no prophecy can be made. In the application of a constitution, therefore, our contemplation cannot be only of what has been but of what may be. Under any other rule a constitution would indeed be as easy of application as it would be deficient in efficacy and power. Its general principles would have little value and be converted by precedent into important lifeless formulas. Rights declared in words might be lost in reality.

"When the Fourth and Fifth Amendments were adopted, 'the form that evil had therefore taken' had been necessarily simple. Force and violence were then the only means known to man by which a Government could directly effect self-incrimination.

"It could compel the individual to testify—a compulsion effected, if need be, by torture. It could secure possession of his papers and other articles incident to his private life—a seizure effected, if need be, by breaking and entry. Protection against such invasion of 'the sanctities of a man's home and the privacies of life' was provided in the Fourth and Fifth Amendments by specific language. Boyd v. United States, 116 U.S. 616, 630. But 'time works changes, bring into existence new conditions and purposes.' Subtler and more far-reaching means of invading privacy have become available to the Government. Discovery and invention have made it possible for the Government, by means far more effective than stretching upon the rack, to obtain disclosure in court of what is whispered in the closet."

It is quite apparent that refined and subtle techniques of electronic surveillance, computer technology and other scientific advances have out-distanced the law and the ability of the Courts to rationally, and on the basis of knowledge and sound judgment decide what constitutes a reasonable search and seizure.

The Pentagon Papers and the Ellsberg break-in and so-called "national security leaks," have all contributed to weaken the protections to privacy guaranteed by the Fourth Amendment. In the Pentagon Papers case, some of our most important newspapers were restrained for a time by court order from publishing documents from the Defense Department study known as the Pentagon Papers on the grounds of "national security."

I am informed that in a few weeks one of our most distinguished publishing houses will publish the first censored book in American history. It is a book, I am informed, on the role of the Central Intelligence Agency and its clandestine operations. Large portions of its text have been deleted prior to publication on grounds related to the need of "national security." In the Pentagon Papers case, the opinions of the Justices of the Court clearly expressed unease about limiting First Amendment rights, because of the uncertain and loosely defined needs of "national security." While the Court ruled that the Pentagon Papers should be published, I accept, and I am sure that many of my colleagues in the Congress also accept, the opinions expressed in that case that the Legislature needs to enact statutes to clarify a most troublesome area of the law.

In the so-called Keith case (U.S. v. U.S. District Court Eastern District of Michigan) in which the Court unanimously decided that in matters of domestic surveillance warrantless wiretaps constituted illegal acts, the court expressly avoided judgment on the so-called "foreign policy," "national security," "national defense," area. The court went on to suggest that the Legislature should clarify for the Court and the country through statutory guidelines the boundaries of "foreign intelligence surveillance," which is yet another aspect of the amorphous area called "national security."

After a year of study, hearings and consultations with law professors and practitioners of the law, I introduced a month ago with Senator Sam Ervin of North Carolina and the Majority Leader, Senator Mansfield, Senator Hart and others, a bill whose purpose would be to strengthen the guarantees of privacy contained in the Fourth Amendment. It has the support. I am happy to say, of the Attorney General. The bill is entitled "The Bill Of Rights Procedures Act of 1974. The genesis of the bill lies in the views expressed by the Court in the Pentagon Papers and Keith cases and I have, therefore, attempted to provide firm statutory guidelines to prescribe the limited circumstances under which reasonable searches and seizures would be permitted.

In my view, the protections of the Fourth Amendment should not be abridged by arbitrary action on the part of the Executive Branch alone or indeed, by any of the three branches. After hearing extensive testimony from members of the Federal Bureau of Investigation and other enforcement agencies who are now serving or who have served in the past two dacades, I am of the view that any valid concern for our national security would not be endangered by the requirement that exceptions to the protections of the Fourth Amendment prohibiting searches and seizures, breaking and entering, wiretapping, the procurement and inspection of records, should be permitted only if a warrant is issued by a Federal Court. The warrant must account for the reasons for the exception and must meet the test of probable cause that a crime had been or was about to be committed. In addition, there would be a requirement for a regular and consistent procedure for accounting for the reasons for the exception and the disposition for the actions taken under the exception. This accounting would be in the form of regular reports made to the appropriate judicial and Congressional bodies which shall in turn, be required to protect the privacy of the individuals affected as called for by the Fourth Amendment. The record of actions, not the substance, would be made available to the Courts and the Congress with full and appropriate protections for the individuals concerned in order to assure that those who must maintain oversight do not in turn abuse the Fourth Amendment they are under oath to protect.

The basic premise of the Bill of Rights Procedure Act is that there can be no matters of public policy which can be determined except through constitutional processes.

I am convinced we cannot allow policy loopholes to continue if we are to remain a Democracy. There can be no national security, foreign policy, or national defense exceptions—all of which vague incantations translate to mean the needs of those who are at any given time in charge of the State. If we accept Blackstone's view that the law is the highest ethical expression of our society and since the making of law is the constitutional way policy is made by the government of the United States, it is crucial that the Congress adapt itself to meet the changes brought about by new technology and bureaucracy so that it can make the law as the Constitution intended.

It is all too evident that in many important areas of public policy Congress does not make the law. This is particularly true in the areas of complex technology, foreign policy and national defense. It is unfortunately true that most often bills concerning these matters are written by the Executive Branch and they are drafted in such a way to give maximum flexibility, open-ended authority and broad discretionary power to the Executive. It is also not surprising that information concerning the matters contained in these bills are carefully controlled by the Executive.

We have become familiar with the phrase "as the President may determine," or "if the President, in his discretion deems it necessary." As a result of studies made by a special Senate Committee formed to address the problems created by the 500 statutes conferring extraordinary power in time of war and emergency, it is evident that a pervasive pattern of Executive law-making of the kind I have just suggested has grown up by a gradual process of accretion over the past 40 years.

Despite the clear responsibilities assigned by the Constitution that only Congress shall make the law, in areas of scientific complexity, high technology, foreign policy and military weaponery, Congress, as a general rule, has deferred to the judgment of the Executive Branch. A prime reason for this reliance upon the Executive Branch, and for the delegation of law-making to the Executive is that Congress has not given itself the required means to make reasoned judgments on these matters. It has not yet provided itself with the staff necessary, nor has it insisted on the information required to make rational judgments required for sound law and sound policy although important efforts are now being made to do so.

Accountability for the actions taken to carry out national policy is another area where significant reforms are necessary. The Congress has not performed its oversight function, again, largely because it does not have the information or staff competence to do so. In addition, practices have grown up whereby the usual means to accountability have been bypassed for reasons of State. For example, the Federal Register Act was passed in 1935 in order to give public notice of Executive actions taken pursuant to statute or constitutional authority. As the law was written, it prescribed that all proclamations and Executive orders were to be recorded in a *Federal Register*. But in recent decades most important Executive decisions in the area of national security, foreign policy, and defense have been called by other names than Executive Orders and are not recorded in either a classified or unclassified form.

As a consequence, neither the Congress nor the public is aware of vital actions which have legal effect, that is, require the compliance of individuals or institutions or the expenditure of public funds. By evading the term "Executive Order" and calling Presidential directives by some other name, such as National Security Directives, the purposes of the Federal Register Act have been circumvented, and an important means of accountability has been weakened. I shall soon introduce in the Senate, remedial legislation to require the accounting for all Executive actions having legal effect in either a classified or unclassified register as appropriate, and it is my hope that through this means we can close this enormous loophole which, in my view, has weakened our government of constitutional processes.

It is evident to me that the lack of adequate staff and information and the inability of the Congress thus far to keep pace with technology and the imperatives of increasingly larger bureaucracies is also true of our judicial system. The kind of questions that came before the Courts in the Pentagon Papers and the Keith case are symptomatic of fundamental problems which face the country. As a consequence, I respectfully suggest the Courts must find independent means of giving themselves the ability to make independent authoritative judgments rather than relying so heavily on the point of view of the Executive Branch which, understandably perhaps, has shown itself in many instances to be anything but a dispassionate party.

As we approach the Bicentennial, I can think of no more rewarding or necessary objective for the United States than to strengthen the ability of our government to decide all questions of policy, no matter how technical or urgent, in accord with the constitutional processes set forth in the Constitution and the Bill of Rights.

I would like to quote the still relevant and stirring words contained in the last paragraph of Justice Brandeis's opinion in Olmstead written 45 years ago:

"Decency, security and liberty alike demand that Government officials shall be subjected to the same rules of conduct that are commands to the citizen. In a government of laws, existence of the Government will be imperiled if it fails to observe the law scrupulously. Our Government is the potent, the omnipresent teacher. For good or for ill, it teaches the whole people by its example. Crime is contagious. If the Government becomes a lawbreaker, it breeds contempt for law; it invites every man to become a law unto himself; it invites anarchy. To declare that in the administration of the criminal law the end justifies the means—to declare that the Government may commit crimes in order to secure the conviction of a private citizen—would bring terrible retribution. Against that pernicious doctrine this Court should resolutely set its face."

We have had clear and unmistakeable warnings in the form of recent abuses of the Constitution. We have had formal requests from the Courts to setforth statutory guidelines; and we have continuing unrest, discontent, and divisiveness in the country over unresolved questions. It is my view that these warnings and requests must be heeded, and that actions of the kind I have discussed with you tonight are necessary if we are to continue as a democracy.

GENOCIDE: END THROUGH INTERNATIONAL COOPERATION

Mr. PROXMIRE. Mr. President, the act of genocide has occurred throughout history with countless examples of wars of annihilation and extermination. The past two generations have been shocked by a more recent and most barbarous example of man's inhumanity to man. The painful memory of the atrocities committed by the Nazis against the Jews in World War II prompted action on an international scale which had never before been possible.

With the organization of the United Nations, the hope is that by international cooperation between nations, crimes, such as genocide can be effectively curtailed. In 1946 the United Nations adopted a resolution against genocide, which reads as follows:

> Genocide is a denial of the right of existence of entire human groups, as homicide is the denial of the right to live of individual human beings; such denial of the right of existence shocks the conscience of mankind, results in great losses to humanity in the form of cultural and other contributions represented by these human groups, and is contrary to moral law and to the spirit and aims of the United Nations . . . the punishment of the crime of genocide is a matter of international concern.

Since that time, people have forgotten the full nature of the pain and suffering that is the result of the crime of genocide.

Fortunately, the United Nations followed this resolution with the International Convention on the Prevention and Punishment of the Crime of Genocide, which defined the act and sought to make it an international crime.

The crime of genoicide can only be prevented through international cooperation plus a moral stand against the crime by all people. The United States publicly can state its opposition to this terrible crime by joining with 78 other nations in ratification of the Genocide Convention. I urge my colleagues to consider prompt passage of this necessary treaty.

THE 50TH ANNIVERSARY OF THE PLAINFIELD, N.J., KIWANIS CLUB

Mr. WILLIAMS. Mr. President, last week I had the honor of participating in the 50th anniversary celebration of the Plainfield Kiwanis Club in New Jersey.

The event had a special personal meaning for me because I was representing my father who passed away this year. He was the last surviving founding member of the club.

I found the experience to be a moving one, particularly in these most troubled times. These are people who are justifiably proud of what they have done as individuals and even more proud of the many, many civic contributions they have made through the Kiwanis Club.

And, they expressed an attitude which clearly is the only solution for our problems—a determination to keep trying to do even better things for the community.

In short, it was a microcosm of what this country is all about and what made us great.

I found the remarks of the current president of the club, Thomas E. Williams, to be most appropriate, and so that they may be shared, I ask unanimous consent that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY THOMAS E. WILLIAMS

What's it all about?

This is a glorious night. It is an opportunity to look back and honor all of the past presidents and officers and look at their contributions and accomplishments. Looking back is great because it gives us an even greater insight and motivation for the future.

For those of you who are not familiar with Kiwanis, let me tell you what it means to me and my fellow Kiwanians who sincerely believe in its concepts. Kiwanis is sharing—Kiwanis is giving of yourself for the benefit of your fellow man. Kiwanis is working to make a community a better place to work and/or live in. As you read the past history in your journal, you'll get a brief idea what Kiwanis is all about.

Most cities are going through a traumatic period and the answer to a great deal of it is better education and people evaluation. The more we evaluate—the more we understand and the more we understand the more we love. The more we love—the more we understand. It is a happy unending cycle. It is a period where we Kiwanians must become more deeply involved. Perhaps within the next 50 years we can have it all put together.

I'm not trying to put a damper on our 50th anniversary. I am just putting a realism to all of our city problems in the past 50 years. If you want it solved as business and professional people, you better start getting involved—and Kiwanis holds many keys—let's use them.

Tonight as we celebrate our 50th anniversary, and rightfully we have earned it. However, one club does not make a city, therefore, at this time I want to salute all of our fellow service clubs, civic, cultural and fraternal organizations because as a composite we have made Plainfield a fine city.

EXECUTIVE WAGES RISE

Mr. McGEE. Mr. President, there are today approximately 4,200 Federal employees in the so-called supergrades, grades GS-16, 17 and 18, and another 1,000 employees in the top step of GS-15 who are being paid $36,000 annually, as are employees at the senior levels of the other Federal pay systems.

These employees, along with those on the Executive Schedule, have seen no pay raises lately. The executive, legislative and judicial salaries were last adjusted in 1969, when the pay rate for Level V of the Executive Schedule was set at its present position, thus imposing a ceiling on career employees in the supergrades. GS-18 employees reached that ceiling in January of 1971 and the compression has been great ever since, so that now we have a situation in which 85 percent of the supergraders and 1,000 GS-15 employees are at the ceiling.

Without action by the Congress, the situation will remain unchanged another 3 years, further eroding the purchasing power of these people, widening the gap between what Government and private industry pay for high-level help, and destroying any sense of rationality in the pay structure.

Last year, while nothing was being done to rectify this situation in Government, executive pay in private industry rose an average of 6 percent, with total compensation including bonuses increasing by 7.1 percent.

Mr. President, I ask unanimous consent that an article taken from the April 4, 1974, Washington Post which deals with executive pay in the private sector last year, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EXECUTIVES' WAGES RISE 6 PERCENT IN 1973

(By James L. Rowe Jr.)

The Cost of Living Council reported yesterday that executive salaries rose an average of 6 per cent last year, while total executive compensation, including bonuses rose 7.1 per cent.

The report came in a preliminary survey of 579 companies with annual sales of more than $250 million.

Cost of Living Council Director John T. Dunlop told reporters that he felt the survey demonstrated that the council's control of executive salaries and other compensation had been effective.

Last week, Sen. William Proxmire (D-Wisc.) wrote Dunlop charging that the council's enforcement of controls on executive compensation was "scandalous" and cited several executives whose increases during 1973 were much higher than 10 per cent.

Executive salaries are tied to the same 5.5 per cent standard "which has been applied with some flexibility to hourly workers," according to a council statement. Average hourly earnings increased by about 6.2 per cent for non-farm workers during 1973, the Bureau of Labor Statistics reported, slightly higher than the 6 per cent salary increase registered by executives.

The figures cover 5,865 executives who were neither promoted nor demoted during 1973.

When bonuses are added in, the council report said, the average compensation for these executives rose by 7.1 per cent. However, the report said, the "bonus amounts allowed" under the council's regulations were 40 per cent less than these companies would have paid the executives under the formulas most of them use to determine bonus payouts.

For the 3,284 executives who received bonuses in 1972 and 1973, their salary increases averaged 6.3 per cent and their increases in compensation averaged 7.4 per cent. The executives who got no bonuses in either year had average increases in salary last year of 5.7 per cent.

LEGAL SERVICES CORPORATION

Mr. JAVITS. Mr. President, it is expected that the Senate will consider early next week the conference report on H.R. 7824, the Legal Services Corporation Act of 1974, which the House already approved on May 16, by a vote of 227 to 143.

This measure would establish, as requested by the President, a new independent nonprofit legal services corporation, to conduct the legal service program, now under OEO administration, under the governance of an 11-member Board of Directors, appointed by the President, with the advice and consent of the Senate; a majority of the Board must be members of the bar.

The conference report, which was signed by all conferees, represents a reasonable accommodation between the Senate and the House measures, toward the objective of establishing such a corporation, an objective which has already been frustrated twice: first by veto by the President in December 1971 and then the following year when the corporation provisions were dropped from the Economic Opportunity Amendments of 1972, by virtue of disagreement over the Board and other terms.

It is very heartening that the American Bar Association, which has been the strongest independent advocate of this legislation, outside the executive and congressional branches themselves, has through its board of governors, on May 23, 1974, resolved its support for the concept of a new independent corporation and for the conference report in particular.

The resolution concludes as follows:

> Now, therefore, be it resolved, That the American Bar Association reaffirms its support for a National Legal Services Corporation; and
>
> Further resolved, That the American Bar Association urges the United States Senate to expeditiously act favorably on H.R. 7824; and
>
> Further resolved, That the President of the United States is urged to approve and enact H.R. 7824 if and when it is approved by the Senate; and
>
> Further resolved, That the President of the American Bar Association is authorized to communicate the position of the Association to the Senate, the President and to state and local bar associations.

The president of the American Bar Association, has transmitted the resolution to each of the major State and local bar associations listed in the ABA Redbook, together with a memorandum which states:

> The legislation, unanimously approved by a Committee of Conference of the House and Senate, has been passed by the House and is expected to be taken up by the Senate shortly after the Memorial Day recess. There has been considerable pressure mounted by the opponents of legal services to secure a veto of the legislation when cleared by the Congress. While I personally am inclined to the belief that the president favors the legislation, I am hopeful that those who support legal services will contact the White House so that the President will have that information.

I ask unanimous consent that there be printed in the Record a copy of a letter to me from the president of the ABA dated May 29, 1974, together with the text of the resolution, the covering memorandum, and the most recent ABA listing of State and local bar associations.

There being no objection, the material was ordered to be printed in the Record, as follows:

American Bar Association,
Washington, D.C., May 29, 1974.

Hon. Jacob K. Javits,
U.S. Senate,
Washington, D.C.

Dear Senator Javits: I am pleased to transmit to you as a principal sponsor of H.R. 7824, the Legal Services Corporation Act, the enclosed memorandum which was forwarded to state and local bar associations with a resolution adopted by the Board of Governors of the Association at its meeting in Washington last week.

We are actively working to secure the enactment of this most important legislation which will provide a framework through which a professional program of legal services to the poor may be continued and expanded.

Sincerely,

Chesterfield Smith.

American Bar Association

RESOLUTION ADOPTED BY BOARD OF GOVERNORS, WASHINGTON, D.C., MAY 23, 1974

Whereas, The American Bar Association since 1970 has vigorously supported the enactment of legislation authorizing a federally-funded, nonprofit corporation to succeed the Legal Services Program of the Office of Economic Opportunity; and

Whereas, The U.S. House of Representatives on May 16, 1974, passed H.R. 7824, the Legal Services Corporation Act of 1974, as reported by a Committee of Conference of the House and Senate; and

Whereas, H.R. 7824 reflects a compromise of differing versions of legislation passed by both Houses of Congress after four years of Congressional consideration of the concept of a legal services corporation during which period the interests and concerns of all interested constituencies, including the organized bar, have been fully considered, debated and resolved; and

Whereas, H.R. 7824, in its current form provides framework which will allow the continuation of a professional program of legal services to the poor;

Now, therefore, be it resolved, That the American Bar Association reaffirms its support for a National Legal Services Corporation; and

Further resolved, That the American Bar Association urges the United States Senate to expeditiously act favorably on H.R. 7824; and

Further resolved, That the President of the United States is urged to approve and enact H.R. 7824 if and when it is approved by the Senate; and

Further resolved, That the President of the American Bar Association is authorized to communicate the position of the Association to the Senate, the President and to state and local bar associations.

Memorandum

American Bar Association,
Washington, D.C., May 24, 1974.

To: State and Local Bar Associations Listed in ABA Redbook.
From: Chesterfield Smith.
Subject: Board of Governors Action on Legal Services Corporation Legislation.

I am pleased to transmit for the information and appropriate action of your association a resolution adopted by the Board of Governors of the Association at its meeting in Washington, D.C. yesterday. The Board, in reaffirming the Association's support for a national legal services corporation, specifically urged favorable action on H.R. 7824 upon the Senate and enactment of the legislation, if passed, on the President.

The legislation, unanimously approved by a Committee of Conference of the House and Senate, has been passed by the House and is expected to be taken up by the Senate shortly after the Memorial Day recess. There has been considerable pressure mounted by the opponents of legal services to secure a veto of the legislation when cleared by the Congress. While I personally am inclined to the belief that the President favors the legislation, I am hopeful that those who support legal services will contact the White House so that the President will have that information.

A copy of the Conference Report is being forwarded to the state bar office with this memorandum. Please contact John Tracey of the Association's Washington Office for further information or any assistance needed on this matter by your association.

Chesterfield Smith.

Directory of Bar Associations

This is the latest edtion of our Directory of Bar Associations. You will note that the Directory lists, in addition to the current president and executive director or secretary of each bar association, the president-elect or vice president, where this information was made available; the year in which the bar association was founded; the approximate number of members in the bar association; and the date of the association's next annual meeting. Where a listing is incomplete or inaccurate, it is usually because we have not received complete or accurate information from that bar association. If each bar association keeps us informed with this kind of information this publication will be more valuable to all of our readers.

Keys—
*Integrated Bar
**Partially Integrated
A/M: Date of Annual Meeting

STATE BAR ASSOCIATIONS

*Alabama State Bar, Founded 1879, 3,500 Members, A/M: July, 1974; *president*, M. Roland Nachman, Jr., P.O. Box 668, Montgomery 36101, 205-262-5721; *president-elect or vice president*, Alto V. Lee, III, P.O. Box 1665, Dothan 36301, 205-892-4516; *executive director*, Reginald T. Hamner, P.O. Box 2106, Montgomery 36103, 205-269-1515.

*Alaska Bar Association, Founded 1955, 549 Members, A/M: June, 1974; *president*, L. S. Kurtz, Jr. 825 W. 8th Ave., Anchorage 99501, 907-279-2411; *president-elect or vice president*, James R. Blair, P.O. Box 2251, Fairbanks 99701, 907-452-1201; *executive director*, Mary F. LaFollette, P.O. Box 279, Anchorage 99510, 907-272-7469.

*State Bar of Arizona, Founded 1894, 4,000 Members, A/M: May, 1974; *president*, Richard A. Segal, 234 N. Central, Suite 300, Phoenix 85004, 602-258-8792; *president-elect or vice president*, Stanley G. Feldman, 111 S. Church St., Tucson 85701, 602-792-3836; *executive director*, Eldon L. Husted, 234 N. Central, Suite 858, Phoenix 85004, 602-252-4804.

**Arkansas Bar Assn., Founded 1898, 1,768 Members, A/M: January, 1974; *president*, James A. West, Merchants Natl. Bk. Bldg., Fort Smith 72901, 501-782-0361; *president-elect or vice president*, James B. Sharp, Bk. of Brinkley Bldg., Brinkley 72021, 501-734-4060; *executive director*, C. E. Ransick, 408 Donaghey Bldg., Little Rock 72201, 501-375-4605.

*State Bar of California, Founded 1909, 38,000 Members, A/M: September, 1974; president, Seth M. Hufstedler, 2220 Crocker-

Citizens Plaza, Los Angeles 90017, 213-626-0671; executive director, John S. Malone, 601 McAllister St., San Francisco 94102, 415-922-1440.

Colorado Bar Assn., Founded 1897, 4,168 Members, A/M: October, 1974; president, Anthony W. Williams, P.O. Box 338, Grand Junction 81501, 303-242-6262; president-elect or vice president, Donald S. Stubbs, 1200 American Natl Bk. Bldg., Denver 80202, 303-892-9400; executive director, William B. Miller, 200 W. 14th Ave., Denver 80204, 303-222-9421.

Connecticut Bar Assn., Founded 1875, 4,100 Members, A/M: October, 1974; president, James R. Greenfield, 900 Chapel St., New Haven 06510, 203-787-6711; president-elect or vice president, William K. Cole, 799 Main St., Hartford 06103, 203-278-0700; executive director, Daniel Hovey, 15 Lewis St., Hartford 06103, 203-249-9141.

Delaware State Bar Assn., Founded 1922, 635 Members, A/M: June, 1974; president, Irving Morris, 1201 Market Tower, Wilmington 19801, 302-658-5278; president-elect or vice president, William Prickett, 1201 Market Tower, Wilmington 19801, 302-658-5278; executive director, Richard H. May, 1201 Market Tower, Wilmington 19801, 302-658-5278.

*District of Columbia Bar, Founded 1972, 17,000 Members, A/M: June, 1974; president, Charles T. Duncan, 1700 Pennsylvania Ave., N.W., Washington 20006, 202-872-0404; president-elect or vice president, John W. Douglas, 888 16th St., N.W., Washington 20006, 202-293-3300; executive director, Raymond F. Garraty, 1730 Pennsylvania Ave., N.W., Suite 440, Washington, D.C. 20006, 202-785-9130.

Bar Assn. of the District of Columbia, Founded 1872, 4,700 Members, A/M: June, 1974; president, Austin F. Canfield, Jr., 4400 Jenifer St., N.W., Washington 20015, 202-244-5695; president-elect or vice president, Lawrence E. Carr, Jr., 1001 Connecticut Ave., N.W., Washington 20036, 202-659-4660; executive director, William M. Huey, 1819 H. St., N.W., Suite 300, Washington 20006, 202-223-1480.

*The Florida Bar, Founded 1906, 14,634 Members, A/M: June, 1974; president, Earl B. Hadlow, P.O. Box 4099, Jacksonville 32201, 904-354-1100; president-elect or vice president, James A. Urban, P.O. Box 633, Orlando 32802, 305-843-4421; executive director, Marshall R. Cassedy, The Florida Bar Center, Tallahassee 32304, 904-222-5286.

*State Bar of Georgia, Founded 1883, 7,200 Members, A/M: June, 1974; president, F. Jack Adams, P.O. Drawer 150, Cornelia 30531, 404-778-2251; president-elect or vice president, Cubbege Snow, Jr., P.O. Box 4987, Macon 31208, 912-742-1424; executive director, Mrs. Grant Williams, 1510 Fulton Natl. Bk. Bldg., Atlanta 30303, 404-522-6255.

Bar Assn. of Hawaii, Founded 1899, 950 Members, A/M: November, 1973; president, Wallace S. Fujiyama, P.O. Box 26, Honolulu 96810, 808-536-0802; president-elect or vice president, Harold W. Nickelsen, P.O Box 26, Honolulu 96810, 808-521-2611; executive director, Eleanor I. Pierce, P.O. Box 26, Honolulu 96810, 808-537-1868.

*Idaho State Bar, Founded 1925, 856 Members, A/M: August, 1974; president, John H. Bengtson, P.O. Box 446, Lewiston 83501, 208-743-4526; president-elect or vice president, Thomas G. Nelson, P.O. Box 525, Twin Falls 83301, 208-733-3722; executive director, Ronald L. Kull, P.O. Box 895, Boise 83701, 208-342-8958.

Illinois State Bar Assn., Founded 1877, 17,392 Members, A/M: June, 1974; president, William P. Sutter, 1 First Natl. Plaza, Ste. 5200, Chicago 60670, 312-786-6616; president elect or vice president, John R. Mackay, P.O. Box 846, Wheaton 60187, 312-668-7800; executive director, John H. Dickason, Illinois Bar Center, Springfield 62701, 217-525-1760.

Indiana State Bar Assn., Founded 1896, 4,600 Members, A/M: October, 1974; president, William S. Gordon, 533 Warren St., Huntington 46750, 219-356-4100; president elect or vice president, Gerald H. Ewbank, 114 W. High St., Lawrenceburg 47025, 812-537-2522; executive director, E. B. Lyle, 330 Bankers Trust Bldg., Indianapolis 46204, 317-639-5465.

Iowa State Bar Assn., Founded 1872, 3,850 Members, A/M: June, 1974; president, F. W. Tomasek, 815 Fifth Ave., Grinnell 50112, 515-236-3109; president elect or vice president, D. J. Goode, Hubbell Bldg., 10th Floor, Des Moines 50309, 515-284-1940; executive director, Edward H. Jones, 1101 Fleming Bldg., Des Moines 50309, 515-243-3179.

Kansas Bar Assn., Founded 1882, 2,750 Members, A/M: May, 1974; president, J. Richards Hunter, P.O. Box 1343, Hutchinson 67501, 316-662-3331; president elect or vice president, Leonard Thomas, Home State Bk. Bldg., Kansas City 66101, 913-321-7500; executive director, Ken Klein, P.O. Box 1037, Topeka 66601, 913-234-5696.

*Kentucky Bar Assn., Founded 1871, 5,155 Members, A/M: May, 1974; president, Glenn W. Denham, 2121½ Cumberland Ave., Middlesboro 40965, 606-248-2765; president elect or vice president, Viley O. Blackburn, 101 W. Mt. Vernon St., Somerset 42501, 606-678-8171; executive director, Leslie G. Whitmer, 243 State Capitol Bldg., Frankfort 40601, 502-564-3795.

*Louisiana State Bar Assn., Founded 1941, 6,500 Members, A/M: May, 1974; president, M. Truman Woodward, Jr., 1100 Whitney Bldg., New Orleans 70130, 504-581-3333; president-elect or vice president, Kent Breard, P.O. Box 6134, Monroe 71201, 318-387-8000; executive director, Thomas O. Collins, Jr., 301 Loyola Ave., New Orleans 70112, 504-522-9172.

Maine State Bar Assn., Founded 1891, 1,006 Members, A/M: January, 1974; president, Merrill R. Bradford, 6 State St., Bangor 04401, 207-947-0111; president-elect or vice president, Charles W. Smith, 199 Main St., Saco 04072, 207-284-7421; executive director, Edward M. Bonney, P.O. Box 788, Augusta 04330, 207-622-7523.

Maryland State Bar Assn., Founded 1896, 5,510 Members, A/M: June, 1974; president, Norman P. Ramsey, 10 Light St., 17th Fl., Baltimore 21202, 301-539-5040; president-elect or vice president, Hal C. B. Clagett, 14803 Pratt St., Upper Marlboro 20870, 301-627-5500; executive director, Manley E. Davis, Jr., 905 Keyser Bldg., Baltimore 21202, 301-685-7878.

Massachusetts Bar Assn., Founded 1911, 8,400 Members, A/M: June, 1974; president, Frederick G Fisher, Jr, 28 State St, Boston 02109, 617-742-9100; president-elect or vice president, Charles J. Kickham, Jr., 1318 Beacon St., Brookline 02146, 617-566-5990; executive director, Carl A. Modecki, One Center Plaza, Boston 02108, 617-523-4529.

*State Bar of Michigan, Founded 1935, 13,000 Members, A/M: September, 1974; president, Carl Smith, Jr., 703 Washington Ave, Bay City 48706, 517-892-2595; president-elect or vice president, Stephen C. Bransdorfer, 465 Old Kent Bldg., Grand Rapids 49502, 616-459-8311; executive director, Michael Franck, 306 Townsend St., Lansing 48933, 517-372-9030.

Minnesota State Bar Assn., Founded 1883, 5,099 Members, A/M: June, 1974; president, Gene W. Halverson, 700 Providence Bldg., Duluth 55802, 218-727-6833; president elect or vice president, Roger P. Brosnahan, 68 E. Fourth St., Winona 55987, 507-454-2925; executive director, Gerald A. Regnier, 100 Minnesota Federal Bldg., Minneapolis 55402, 612-335-1183.

*Mississippi State Bar, Founded 1886, 3,300 Members, A/M: June, 1974; president, Joe H. Daniel, P.O. Box 1084, Jackson 39205, 601-352-5607; president-elect or vice president, James H. Ray, P.O. Drawer 409, Tupelo 38801, 601-842-1721; executive director, George H. Van Zant, P.O. Box 1032, Jackson 39205, 601-948-4471.

*The Missouri Bar, Founded 1880, 8,126 Members, A/M: September, 1974; president, Robert L. Hawkins, Jr., P.O. Box 456, Jefferson City 65101, 314-635-7166; president-elect or vice president, Arthur H. Stoup, 950 Home Savings Bldg., Kansas City 64106, 816-842-6422; executive director, Wade F. Baker, P.O. Box 119, Jefferson City 65101, 314-635-4128.

Montana Bar Assn., Founded 1886, 900 Members, A/M: June, 1974; president, Henry Loble, P.O. Box 176, Helena 59601, 406-442-0070; president-elect or vice president, Douglas R. Drysdale, P.O. Box 1122, Bozeman 59715, 406-587-4425; executive director, Diana Dowling, Room 324 Power Block, Helena 59601, 406-442-7660.

*Nebraska State Bar Assn., Founded 1876, 4,299 Members, A/M: October, 1974; president, Bert L. Overcash, 1241 N Street, Lincoln 68508, 402-432-0321; president-elect or vice president, Bernard B. Smith, P.O. Box 699, Lexington 68850, 308-324-2393; executive director, Burton E. Berger, 1019 Sharp Bldg., Lincoln 68508, 402-477-7717.

*State Bar of Nevada, Founded 1928, 805 Members, A/M: May, 1974; president, George M. Dickerson, 630 S. Third St., Las Vegas 89101, 702-382-9191; president-elect or vice president, William P. Beko, P.O. Box 191, Tonopah 89049, 702-482-6666; executive director, Robert R. Herz, P.O. Box 2125, Reno 89505, 702-329-0252.

*New Hampshire Bar Assn., Founded 1873, 1,100 Members, A/M: June, 1974; president, Shane Devine, 1838 Elm, Manchester 03104, 603-669-1000; president-elect or vice president, Aronold P. Hanson, 110 Pleasant St., Berlin 03570, 603-752-5200; executive director, Joseph S. Hayden, 77 Market St., Manchester 03101, 603-669-4869.

New Jersey State Bar Assn., Founded 1898, 9,000 Members, A/M: May, 1974; president, Harold J. Ruvoldt, Sr., 168 Ocean Ave., Jersey City 07305, 201-434-7559; president-elect or vice president, Stanley S. Brotman, 1179 E. Landis Ave., Vineland 08360, 609-691-1200; executive director, Francis J. Bolduc, 172 W. State St., Trenton 08608, 609-394-1101.

*State Bar of New Mexico, Founded 1925, 1,580 Members, A/M: October, 1974; president, Russell D. Mann, P.O. Drawer 700, Roswell 88201, 505-622-6221; president-elect or vice president, George T. Harris, Jr., P.O. Box 2168, Albuquerque 87103, 505-243-4511; executive director, Earl R. Cooper, 1117 Stanford, N.E., Albuquerque 87131, 505-842-3063.

New York State Bar Assn., Founded 1876, 22,500 Members, A/M: January, 1974; president, Ellsworth VanGraafeiland, 700 Midtown Tower, Rochester 14604, 716-232-6500; executive director, John E. Berry, One Elk St., Albany 12207, 518-449-5141.

*North Carolina State Bar, Founded 1933, 5,412 Members, A/M: October, 1974; president, Ralph H. Ramsey, Jr., P.O. Box 426, Brevard 28712, 704-833-4113; president elect or vice president, Kenneth R. Hoyle, P.O. Box 1087, Sanford 27330, 919-775-5524; executive director, B. E. James, P.O. Box 25850, Raleigh 27611, 919-832-0518.

North Carolina Bar Assn., Founded 1899, 3,400 Members, A/M: July, 1974; president, Joseph C. Moore, Jr., P.O. Box 309, Raleigh 27202, 919-833-3644; president-elect or vice president, Walter F. Brinkley, P.O. Box 557, Lexington 27292, 704-246-2324; executive director, William M. Storey, 1025 Wade Ave., Raleigh 27605, 919-828-0561.

*State Bar Assn. of North Dakota, Founded 1900, 705 Members, A/M: June, 1974; president, Alan B. Warcup, P.O. Box 1617, Grand Forks 58201, 701-772-8111; president-elect or vice president, Ward M. Kirby, P.O. Box 1097, Dickinson 58601, 701-225-8143; executive director, Robert P. Schuller, 314 MDU Office Bldg., Bismark 58501, 701-255-1404.

Ohio State Bar Assn., Founded 1880, 12,560 Members, A/M: May, 1974; president, Walter A. Porter, 390 Talbott Tower, Dayton 45402, 513-228-2222; president-elect or vice president, William L. Howland, 325 Masonic Bldg., Portsmouth 45662, 614-353-1157; executive director, Joseph B. Miller, 33 W. 11th Ave., Columbus 43201, 614-421-2121.

*Oklahoma Bar Assn., Founded 1904, 6,633 Members, A/M: November, 1973; president, John R. Wallace, P.O. Box 1168, Miami 74354, 918-542-5501; president-elect or vice president, Deryl L. Gotcher, 1700 Fourth Natl. Bk., Tulsa 74119, 918-583-1115; executive director, Harold J. Sullivan, P.O. Box 53036, Oklahoma City 73105, 415-524-2365.

*Oregon State Bar, Founded 1935, 4,028 Members, A/M: October, 1974; president, Wesley A. Franklin, 3232 1st Natl. Bk. Tower, Portland 97205, 503-225-0870; president-elect or vice president, Lynne W. McNutt, P.O. Box 1136, Coos Bay 97420, 503-269-5821; executive director, John H. Holloway, 808 S.W. 15th Ave., Portland 97205, 503-229-5788.

Pennsylvania Bar Assn., Founded 1895, 10,622 Members, A/M: January, 1974; president, William M. Power, 102 N. Main St., Doylestown 18901, 215-345-7500; president-elect or vice president, Lewis H. Van Dusen, Jr., 1100 Philadelphia Natl. Bk. Bldg., Philadelphia 19107, 215-491-7216; executive director, Frederick H. Bolton, 401 N. Front St., P.O. Box 186, Harrisburg 17108, 717-238-6715.

*Bar Assn. of Puerto Rico, Founded 1840, 3,196 Members, A/M: September, 1974; president, R. Elfren Bernier, P.O. Box 20955, Rio Peidras 00928, 809-767-8902; president-elect or vice president, Arturo Negron-Garcia, P.O. Box 1900, San Juan 00903, 809-764-8960; executive director, Oswaldo Rivera-Cianchini, P.O. Box 1900, San Juan 00903, 809-724-3358.

Rhode Island Bar Assn., Founded 1898, 1,500 Members, A/M: September, 1974; president, Paul M. Murray, 2 Kay Street, New Port 02840, 401-847-0380; president-elect or vice president, Michael A. Monti, 732 Industrial Bk. Bldg. Providence 02903, 401-421-1061; executive director, Edward P. Smith, 17 Exchange St., Providence 02903, 401-421-5740.

*South Carolina State Bar, Founded 1968, 2,735 Members, A/M: June, 1974; president, William M. Wilson, P.O. Box 504, Camden 29020, 803-432-7606; president-elect or vice president, James C. Parham, Jr., P.O. Box 10207, Greenville 29603, 803-242-3131; executive director, Barbara Babb, P.O. Box 11297, Capitol Station, Columbia 29211, 803-256-8067.

Association, South Carolina Bar Assn., Founded 1884, 1,867 Members, A-M: May, 1974; president, Harold W. Jacobs, 1231 Washington St., Columbia 29201, 803-779-5200; president-elect or vice president, deRosset Myers, P.O. Box 250, Charleston 29402, 803-723-9447; executive director, Ralph C. McCullough II, 1515 Green St., Columbia 29208, 803-777-6617.

*State Bar of South Dakota, Founded 1897, 1,046 Members, A-M: June, 1974; president, Ross H. Oviatt, 17 Second Ave., S.W., Watertown 57201, 605-886-5812; president-elect or vice president, William F. Day, Jr., P.O. Box 690, Winner 57580, 605-842-1676; executive director, William K. Sahr, 222 E. Capitol, Pierre 57501, 605-224-7554.

Tennessee Bar Assn., Founded 1875, 3,900 Members, A-M: June, 1974; president, Harlan Dodson, P.O. Box 2524, Nashville 37201, 615-244-6840; president-elect or vice president, F. Graham Bartlett, P.O. Box 550, Knoxville 37901, 615-637-1440; executive director, Billie Bethel, 1717 West End Ave., Ste 600, Nashville 37203, 615-329-1601.

*State Bar of Texas, Founded 1882, 23,000 Members, A-M: July, 1974; president, Leroy Jeffers, 2010 First City, Natl. Bk. Bldg., Houston 77002, 713-236-2330; president-elect or vice president, Lloyd Lochridge, 900 Congress Ave., Austin 78701, 512-476-6982; executive director, H. C. Pittman, P.O. Box 12487, Capitol Station, Austin 78711, 512-476-6823.

*Utah State Bar, Founded 1932, 1,965 Members, A-M: July, 1974; president, LaVar E. Stark, 2651 Washington Blvd., Ogden 84401, 801-393-8688; president-elect or vice president, Joseph Novak, 520 Continental Bk. Bldg., Salt Lake City 84101, 801-328-4737; executive director, Dean W. Sheffield, 203 Kearns Bldg., Salt Lake City 84101, 801-322-5273.

Vermont Bar Assn., Founded 1878, 666 Members, A-M: October, 1974; president, Peter P. Plante, Municipal Bldg., White River Junction 05001, 802-295-3151; president-elect or vice president, John H. Downs, P.O. Drawer 99, St. Johnsbury 05819, 802-748-3188; executive director, C. John Holmes, P.O. Box 25, Chalotte 05445, 802-425-2861.

*Virginia State Bar, Founded 1939, 9,587 Members, A-M: June, 1974; president, James A. Howard, 1530 Virginia Natl. Bk. Bldg., Norfolk 23510, 804-627-2991; president-elect or vice president, Howard W. Dobbins, P.O. Box 242, Richmond 23202, 804-643-7301; executive director, N. Samuel Clifton, Imperial Bldg., 5th & Franklin Sts. Richmond 23219, 703-770-2061.

Virginia Bar Assn., Founded 1890, 3,000 Members, A-M: July, 1974; president W. Gibson Harris, 1400 Ross Bldg., Richmond 23219, 804-643-8341; president-elect or vice president, Thomas V. Monohan, Winchester 22601, 703-667-1096; executive director, Peter C. Manson, University of Virginia School of Law, Charlottesville 22901, 804-924-3416.

*Washington State Bar Assn., Founded 1933, 5,600 Members, A-M: September, 1974; president, Cleary S. Cone P.O. Box 499 Ellensburg 98926 509-925-3191; executive director, G. Edward Friar, 505 Madison, Seattle 98104, 206-622-6054.

*West Virginia State Bar, Founded 1947, 2,060 Members, A-M: October, 1974; president, Ernest C. Swiger Union Bank Bldg. Clarksburg 26301 304-624-5601; president-elect or vice president, James O. Porter, P.O. Box 2185, Huntington 25722, 304-529-6181; executive director Forest J. Bowman, E-404, State Capitol Charleston 25305, 304-346-8414.

Association, West Virginia Bar Assn., Founded 1886, 1,140 Members, AM: September, 1974; president, Charles A. Tutwiler, McDowell Cty. Bk. Bldg., Welch 24801, 304-436-3135; president-elect or vice president, James P. Robinson, P.O. Box 273, Charleston 25322, 304-344-4081; executive director, F. Witcher McCullough, P.O. Box 346, Charleston 25322, 304-342-1474.

*State Bar of Wisconsin, Founded 1878, 9,300 Members, AM: June, 1974; president, Victor A. Miller, St. Nazianz 54232, 414-773-2147; president-elect or vice president, Patrick T. Sheedy, 110 E. Wisconsin Ave., Milwaukee 53202, 414-272-4344; executive director, Philip S. Habermann, 402 W. Wilson St., Madison 53703, 608-257-3838.

*Wyoming State Bar, Founded 1915, 781 Members, AM: September, 1974; president, Thomas Morgan, P.O. Box 1070, Gillette 82716, 307-682-7213; president-elect or vice president, William J. Kerven, 104 Fort Street, Buffalo 82834, 307-684-2248; executive director, Joseph E. Darrah, 275 N. Bent, Powell 82435, 307-754-2934.

LOCAL BAR ASSOCIATIONS REPRESENTED IN THE ABA HOUSE OF DELEGATES

Arizona

Maricopa County Bar Assn., Founded 1914, 1,626 Members, AM: December, 1973; president, Charles T. Stevens, 100 W. Washington, Ste. 1445, Phoenix 85003, 262-252-7259; president-elect or vice president, William F. Haug, 111 W. Monroe Ave., Ste. 1800, Phoenix 85003, 262-252-5911; executive director, A. L. Meyer, 234 N. Central, Suite 862, Phoenix 85004, 262-252-6527.

California

Alameda County Bar Assn., Founded 1937, 1,658 Members, AM: November, 1973, president, John F. Guinee, 1065 A Street, Hayward 94541, 415-581-1735; president-elect or vice president, John C. Loper, 2150 Valdez St., Oakland 94612, 415-444-3131; executive director, Harold C. Norton, 208 Financial Center Bldg., Oakland 94612, 415-893-7160.

Beverly Hills Bar Assn., Founded 1931, 1,900 Members, A/M: September, 1974; president, Orlan S. Friedman, 1880 Century Park, E., Los Angeles 90067, 213-553-9696; president-elect or vice president, Edwin M. Rosendahl, 9777 Wilshire Blvd., Beverly Hills 90212, 213-273-0342; executive director, Tracy Schumacher, 300 S. Beverly Drive, Beverly Hills 90212, 213-553-6644.

Los Angeles County Bas Assn., Founded 1878, 11,132 Members, A/M: June, 1974; president, G. William Shea, 3435 Wilshire Blvd., 30th Fl., Los Angeles 90010, 213-381-3411; president-elect or vice president, Christian E. Markey, Jr., 606 S. Hill St., Los Angeles 90014, 213-626-1491; executive director, Donald O. Hagler, 606 S. Olive St., Ste. 1212, Los Angeles 90014, 213-624-8571.

Lawyers Club of Los Angeles County Founded 1931, 1,500 Members A/M: November, 1973; president, Harold I. Cherness, 412 W. 6th Street, Los Angeles 90014, 213-622-8682; president-elect or vice president, Richard G. Reinjohn, 611 W. 6th St., Ste. 700, Los Angeles 90017, 213-624-9774; executive director, Barbara Philips, 412 W. 6th St., Ste. 918, Los Angeles 90014, 213-622-8682.

Orange County Bar Assn., Founded 1901, 1,535 Members, A/M: January, 1974; persident, James W. O'Brien, 7901 Westminster Ave., Westminister 92683, 714-893-1371; president-elect or vice president, Frederick T. Mason, 2555 E. Chapman, Ste. 705, Fullerton 92631, 714-879-1010; executive director, Andrea Hall, 17291 Irvine Blvd., Suite 309, Tustin 92680, 714-838-9200.

San Diego County Bar Assn., Founded 1921, 1,739 Members, A/M: December, 1973; president, John L. Newburn, P.O. Box 272, LaJolla 92037, 714-454-4233; executive director, Julie A. Hegg, 1200 Third Ave., Suite 414, San Diego 92101, 714-232-6739.

The Bar Assn. of San Francisco, Founded 1872, 4,200 Members, A/M: December, 1973; president, Michael Traynor, Alcoa Plaza, San Francisco 94111, 415-981-5252; president-elect or vice president, Robert H. Fabiar, 555 California St., San Francisco 94120, 415-622-6095; executive director, Sue U. Malone, 20 Montgomery St., San Francisco 94104, 415-391-6102.

Lawyers Club of San Francisco, Founded 1946, 2,800 Members, A/M: January, 1974; president, Alexis J. Perillat, 605 Market St., San Francisco 94105, 415-986-0289; president-elect or vice president, Richard M. Kapland, 155 Montgomery St., San Francisco 94104, 415-982-5250; executive director, Grace Hackett, 1255 Post St., San Francisco 94109, 415-673-6025.

Santa Clara County Bar Assn., Founded — 1,287 Members, A/M: January, 1974; president, Lawrence A. Menard, 777 N. First St., Suite 333, San Jose 95112, 408-295-2522; president-elect or vice president, Conrad L. Rushing, 111 W. St. John St., Suite 666, San Jose 95113, 408-288-9100, executive director, Mary A. Davis, 12 S. First St., No. 229, San Jose 95113, 408-288-8840.

Colorado

Denver Bar Assn., Founded 1903, 2,465 Members, A/M: June, 1974; president, Gilbert M. Westa, 931 - 14th Street, Denver 80202, 303-266-4174; president-elect or vice president, Wayne D. Williams, Capitol Life Center, Denver 80203, 303-222-9424; executive director, William B. Miller, 200 W. 14th Ave., Denver 80204, 303-222-9421.

Florida

Dade County Bar Assn., Founded 1920, 1,975 Members, A/M: June, 1974; president, Irwin J. Block, 2401 Douglas Road, Coral Gables 33134, 305-443-1571; president-elect or vice president, Ben E. Hendricks, Jr., 310 Alhambra Circle, Coral Gables 33134, 305-445-3692; executive director, Johnnie M. Ridgely, 111 N.W. First Ave., Miami 33128, 305-379-0641.

Georgia

Atlanta Bar Assn., Founded 1888, 1,800 Members, A/M: May, 1974; president, Jule W. Felton, Jr., 3300 First Natl. Bk. Tower, Atlanta 30303, 404-658-9600; president-elect or vice president, John T. Marshall, 1100 C & S Natl. Bk. Bldg., Atlanta 30303, 404–521–1900; executive director, Margaret P. Lindsey, 704 Fulton County Courthouse, Atlanta 30303, 404–521–0777.

Illinois

The Chicago Bar Assn., Founded 1873, 10,000 Members, A/M: June, 1974; president, James W. Kissel, 1 First Natl. Plaza, Suite 4700, Chicago 60670, 312–329–5422, president-elect or vice president, James P. Connelly, 77 W. Washington St., Suite 2103, Chicago 60602, 312–236–7106; executive director, Jacques G. Fuller, 29 S. LaSalle St., Suite 1040, Chicago 60603, 312–782–7348.

Association, Chicago Council of Lawyers, Founded 1969, 1,200 Members, A/M: October, 1973; president, Arnold B. Kanter, 69 W. Washington St., Suite 3000, Chicago 60602, 312–443–5097; president elect or vice president, John C. Christie, Jr., 135 S. LaSalle St., Chicago 60603, 312–263–1131; executive director, Richard K. Means, 53 W. Jackson, Room 1333, Chicago 60604, 312–427–0710.

Indiana

Indianapolis Bar Assn., Founded 1878, 1,528 Members, A/M: January, 1974; president, Karl J. Stipher, 810 Fletcher Trust Bldg., Indianapolis 46204, 317–635–4535; president-elect or vice president, Douglass R. Shortridge, One Indiana Square, Suite 1960, Indianapolis 46204, 317–635–9535; executive director, Rosalie F. Felton, One Indiana Square, Suite 2550, Indianapolis 46204, 317–632–8240.

Kentucky

Louisville Bar Assn., Founded 1900, 1,326 Members, A/M: January, 1974; president, Victor W. Ewen, 2100 Commonwealth Bldg., Louisville 40202, 502–589–1110; president-elect or vice president, William B. Stansbury, 545 Starks Bldg., Louisville 40202, 502–589–4440; executive director, Jay Crouse, 400 Courthouse, Louisville 40202, 502–583–5314.

Maryland

The Bar Assn. of Baltimore City, Founded 1880, 2,300 Members, A/M: June, 1974; president, George L. Russell, Jr., 621 Court House, Baltimore 21202, 301–396–3100; president-elect or vice president, William W. Cahill, 10 Light St., No. 1900, Baltimore 21202, 301–539–2125; William I. Weston, 621 Court House, Baltimore 21202, 301–539–5936.

Massachusetts

Boston Bar Assn., Founded 1876, 4,300 Members, A/M: May, 1974; president, John G. Brooks, 53 State Street, Boston 02109, 617–523–2100; president-elect or vice president, Edward J. Barshak, 73 Tremont St., Boston 02108, 617–227–3030; executive director, Frederick H. Norton, Jr., 16 Beacon St., Boston 02108, 617–742–0615.

Michigan

Detroit Bar Assn., Founded 1836, 4,000 Members, A/M: May, 1974; president, Ivan E. Barris, 1930 Buhl Bldg., Detroit 48226, 313–965–5565; president-elect or vice president, George T. Roumell, Jr., 700 Ford Bldg., Detroit 48226, 313–962–8255; executive director, John E. Lama, 600 Woodward Ave., Detroit 48226, 313–961–3545.

Oakland County Bar Assn., Founded 1934, 1,300 Members, A/M: May, 1974; president, Daniel C. Devine, 860 W. Long Lake Rd., Bloomfield Hills 48013, 313–647–7200; president-elect or vice president, William P. Whitfield, 804 Community Natl. Bank Bldg., Pontiac 48058, 313–333–7941; executive director, Nancy A. Galloway, 1200 N. Telegraph Road. Pontiac 48053, 313–338–2100.

Minnesota

Hennepin County Bar Assn., Founded 1919, 2,400 Members, A/M: May, 1974; president, Edward J. Schwartzbauer, 2400 First Natl. Bk. Bldg., Minneapolis 55402, 612–340–2825; president-elect or vice president, Sheldon D. Karlins, 512 Builders Exchange Bldg., Minneapolis 55402, 612–339–7131; executive director, Kay M. Runyon, 700 Cargill Bldg., Minneapolis 55402, 612–335–0923.

Missouri

Kansas City Bar Assn., Founded 1884, 1,800 Members, A/M: October, 1974; president, Max W. Foust, 1700 Home Savings Bldg., Kansas City 64106, 816–474–6050; president-elect or vice president, Roy A. Larson, Jr., 2420 Pershing Rd., No. 400, Kansas City 64108, 816–421–6767; executive director, Bobbie Lou Hunsperger, 861 Home Savings Bldg., Kansas City 64106, 816–474–4322.

A/M: Date of Annual Meeting.

Association, Bar Assn. of Metropolitan, St. Louis, Founded 1874, 2,470 Members, A/M: April, 1974; president, Frank E. Vigus, 721 Pestalozzi, St. Louis 63118, 314–577–234; president elect or vice president, Michael N. Newmark, 611 Olive St., #1555, St. Louis 63101, 314–231–5833; executive director, R. Leland Hamilton, 806 St. Charles, St. Louis 63101, 314–421–4134.

New Jersey

Essex County Bar Assn., Founded 1899, 3,000 Members A/M: April, 1974; president, William L. Kirchner, Jr., 92 Washington St., Newark 07102, 201–622–6207; president elect or vice president, Samuel S. Saiber, 92 Washington St., Newark 07102, 201–622–6207.

New York

Assn. of the Bar of the City of New York, Founded 1871, 10,000 Members, A/M: May 1974; president, Orville H. Schell, Jr., 1 Wall St., New York 10005, 212–943–6500; executive director, Paul B. DeWitt, 42 W. 44th St., New York 10036, 212–MU 2–0606.

New York County Lawyers Assn., Founded 1908, 9,000 Members, A/M: May, 1974; president, Henry N. Ess, III, Wall Street, New York 10005, 212–HA 2–8100; president elect or vice president, Wilbur H. Friedman, 300 Park Ave., New York 10022, 212–593–9000; executive director, Julius Rolnitzky, 14 Vesey St., New York 10007, 212–267–6646.

Ohio

Cincinnati Bar Assn., Founded 1872, 1,600 Members, A/M: April, 1974; president, Robert O. Klausmeyer, 2900 DuBois Tower, Cincinnati 45202, 513–621–8550; president elect or vice president, Frank G. Davis, 805 Tri-State Bldg., Cincinnati 45202, 513–721–7296; executive director, Martha H. Perin, 26 E. 6th St., Suite 400, Cincinnati 45202, 513–381–8213.

The Bar Association of Greater Cleveland, Founded 1873, 3,700 Members, A/M: May, 1974; president, Norman W. Shibley, 1500 Natl. City Bank Bldg., Cleveland 44114, 216–696–3232; president-elect or vice president, Robert G. McCreary, Jr., 1144 Union Commerce Bldg., Cleveland 44115, 216–696–1144; executive director, Peter P. Roper, 1044 Terminal Tower, Cleveland 44113, 216–696–3525.

Columbus Bar Assn., Founded 1869, 1,700 Members, A/M: June, 1974; president, Russell Leach, 100 E. Broad St., Columbus 43215, 614–221–6651; president-elect or vice president, John M. Adams, 88 E. Broad St., Columbus 43215, 614–224–6139; executive director, Judy Stoothoff 22 N. Front St., Columbus 43215, 614–221–4112.

Cuyahoga County Bar Assn., Founded 1927, 1,800 Members, A/M: May, 1974; president, David I. Sindell, 1400 Leader Bldg., Cleveland 44114, 216–781–8700; president-elect or vice president, Albert J. Morhard, 810 Natl. City Bank Bldg., Cleveland 44114, 216–781–9191; executive director, David Arnold, 3000 Terminal Tower, Cleveland 44113, 216–696–6010.

Oklahoma

Oklahoma County Bar Assn., Founded 1903, 1,050 Members, A/M: January, 1974; Stewart W. Mark, 100 Park Ave. Bldg., 5th Floor, Oklahoma City 73102, 405–235–9621; president-elect or vice president, John L. Belt, 600 Hightower Bldg., Oklahoma City 73102, 405–235–9371; executive director, Carol Stevens, 412 Mercantile Bldg., Oklahoma City 73102, 405–236–8421.

Association, Tulsa County Bar Assn., Founded 1903, 1,066 Members, A/M: December, 1973; president, Floyd L. Walker, 405 Mayo Bldg., Tulsa 74103, 918–584–4136; president-elect or vice president, John Boyd, 217 W. 5th, Tulsa 74103, 918–582–2244; executive director, Losi M. McIlroy, 822 Beacon Bldg., Tulsa 74103, 918–584–5243.

Oregon

Multnomah Bar Assn., Founded 1906, 1,500 Members, A/M: January, 1974; president, James Spiekerman, 1200 Standard Plaza, Portland 97204, 503–222–9981; president-elect or vice president, John R. Faust, Jr., 1408 Standard Plaza, Portland 97204, 503–226–7321.

Pennsylvania

Allegheny County Bar Assn., Founded 1870, 3,361 Members, A/M: December, 1973; president, Robert Raphael, 1330 Grant Bldg., Pittsburgh 15219, 412–471–8822; president-elect or vice president, Daniel B. Dixon, 919 Oliver Bldg., Pittsburgh 15222, 412–281–3311; executive director; executive director, James I. Smith, III, 920 City-County Bldg., Pittsburgh 15219, 412–261–0518.

Philadelphia Bar Assn., Founded 1802, 5,200 Members, A/M: December, 1973; president, Joseph N. Bongiovanni, Jr., 617 Four Penn Center, Philadelphia 19103, 215–LO–3-1166; president-elect or vice president, William R. Klaus, The Fidelity Bldg., 20th Floor, Philadelphia 19109, 215–KI–5-1234; executive director, Philip R. Goldsmith, 423 City Hall Annex, Philadelphia 19107, 215–MU–6-5687.

Texas

Dallas Bar Assn., Founded 1873, 2,465 Members, A/M: November, 1973; president, John L. Estes, 3600 Republic Bank Tower, Dallas 75201, 214–744–4511; president-elect or vice president, Louis J. Weber, Jr., 917 Republic Bank Tower, Dallas 75201, 214–744–4023; executive director, Jo Anna Moreland, Adolphus Hotel, Dallas 75221, 214–742–4675.

Houston Bar Assn., Founded 1870, 3,200 Members, A/M: July, 1974; president, Vincent W. Rehmet, 1200 The Main Bldg., Houston 77002, 713–224–7272; president-elect or vice president, Ralph S. Carrigan, 3000 One Shell Plaza, Houston 77002, 713–229–1219; executive director, Gaye Platt, 200 Houston Bar Center Bldg., Houston 77002, 713–222–1441.

Washington

Seattle-King County Bar Assn., Founded 1906, 2,040 Members, A/M: June, 1974; president, Burroughs B. Anderson, 1900 Washington Bldg., Seattle 98101, 206–682–8770; president-elect or vice president, William Wesselhoeft, 929 Logan Bldg., Seattle 98101, 206–622–1711; executive director, Helen M. Geisness, 320 Central Bldg., Seattle 98104, 206–623–2551.

Wisconsin

Milwaukee Bar Assn., Founded 1858, 1,550 Members, A/M: May, 1974; president, Lawrence J. Bugge, 736 N. Water St., Milwaukee 53202, 414–273–0800; president-elect or vice president, Jackson M. Bruce, Jr., 735 N. Water St., Milwaukee 53202, 414–271–6110; executive director, Georgeanne Rude, 740 N. Plankington Ave., Milwaukee 53203, 414–271–3833.

LOCAL BAR ASSOCIATIONS WITH MEMBERSHIPS OVER 300 WHICH ARE NOT REPRESENTED IN THE ABA HOUSE OF DELEGATES

Alabama

Birmingham Bar Assn., Founded 1885, 847 Members, A/M: December 1973; president, Timothy M. Conway, 800 First Natl.-Southern Natural Bldg., Birmingham 35203, 205–328–8141; president-elect or vice president, Robert D. Norman, 1103 City Federal Bldg., Birmingham 25203, 205–328–6643; executive director, Beth Carmichael, 900 Jefferson County Courthouse, Birmingham 35203, 205–251–8006.

A/M: Date of Annual Meeting.

Mobile Bar Assn., Founded, 360 Members, A/M: December, 1973; president, Alex T. Howard, Jr., P.O. Box 1988, Mobile 36601, 205–432–7682; president-elect or vice president, Nicholas S. McGowin, P.O. Box 23, Mobile 36601, 205–433–3991; executive director, Conrad P. Armbrecht, II, P.O. Box 290, Mobile 36601, 205–432–6751.

Arizona

Pima County Bar Assn., Founded, 450 Members, A/M: June, 1974; president, Robert F. Miller, 111 S. Church, Tucson 85701, 602–792–3883; president-elect or vice president, W. E. Dolph, 2 E. Congress, 9th Floor, Tucson 85701, 602–792–4800; executive director, Doris Mindell, 220 State Bldg., 415 W. Congress, Tucson 85701, 602–882–5508.

Arkansas

Pulaski County Bar Assn., Founded, 350 Members, A/M: June, 1974; president, Philip E. Dixon, 1550 Tower Bldg., Little Rock 72201, 501–375–9151; president-elect or vice president, Dean R. Morley, 2900 Percy Machin Dr., North Little Rock 72114, 501–758–2955; executive director, John M. Bilheimer, 622 Pyramid Life Bldg., Little Rock 72201, 501–374–3758.

California

Fresno County Bar Assn., Founded 1910, 389 Members, A/M: December, 1973; president, Harold D. Sandell, 510 Security Bk. Bldg., Fresno 93721, 209–486–2500; president-elect or vice president, Stephen Barnett, Guarantee Savings Bldg., 4th Floor, Fresno 93721, 209–233–5713; executive director, Val Weston, 409 T. W. Patterson Bldg., Fresno 93721, 209–264–0137.

Long Beach Bar Assn., Founded 1919, 550 Members, A/M: January, 1974; president, Edwin J. Wilson, 444 W. Ocean Blvd., Suite 1700, Long Beach 90802, 213–435–9111; president-elect or vice president, Walter J. Desmond, 614 Heartwell Bldg., Long Beach 90802, 213–437–2839; executive director, Nila Alcock, 444 W. Ocean Blvd., Suite 500, Long Beach 90802, 213–432–6929.

Sacramento County Bar Assn., Founded 1949, 900 Members, A/M: December, 1973; president, Kneeland H. Lobner, 2401 Capitol Ave., Sacramento 95816, 916–444–2140; president-elect or vice president, Jerome R. Lewis, 1431-22nd St., Sacramento 95816, 916–444–7674; executive director, J. Richard Glade, 901 H Street, Suite 101, Sacramento 95814, 916–448–1087.

San Bernardino County Bar Assn., Founded 1875, 326 Members, A/M: June, 1974; president, George W. Porter, 1047 W. 6th Street, Suite 104, Ontario 91764, 714–986–3851; president-elect or vice president, Edgar C. Keller, 323 W. Court, Suite 302, San Bernardino 92401, 714–889–2681; executive director, Willard B. Tappan, 364 N. Arrowhead Ave., San Bernardino 92401, 714–888–6791.

San Fernando Valley Bar Assn., Founded 1926, 885 Members, A/M: January, 1974; president, Kevin G. Lynch, 501 S. Brand Blvd., San Fernando 91340, 213–361–1121; president-elect or vice president, LeVone A. Yardum, 15300 Ventura Blvd. #405, Sherman Oaks 91403, 213–788–4841; executive director, Sue Keating, 14540 Hamlin St., Suite D, Van Nuys 91401, 213–786–5055.

San Mateo County Bar Assn., Founded 1931, 650 Members, A/M: November, 1973; president, Harlan K. Veal, 1710 Industrial Rd., San Carlos 94070, 415–593–1871; president-elect or vice president, Xenophon Tragoutsis, 128 Brentwood Dr., South San Francisco 94080, 415–589–4089; executive director, Ramon S. Lelli, 333 Bradford St., Redwood City 94063, 415–364–5600.

Southeast District Bar Assn., Founded 1950, 342 Members; president, Roger J. Pryor, 411 S. Long Beach Blvd., Compton 90221, 213–631–2738; president elect or vice president, James E. Pearce, 18300 Pioneer Blvd., Suite B, Artesia 90701, 213–869–5011; executive director, Rose Reina, 12720 Norwalk Blvd., Norwalk 90650, 213–868–6787.

Connecticut

Bridgeport Bar Assn., Founded 1920, 475 Members; president, Maurice J. Magilnick, 955 Main St., Bridgeport 06604, 203–367–4421; president-elect or vice president, C. David Munich, 945 Main St., Bridgeport 06604, 203–335–3501.

Hartford County Bar Assn., 1,600 Members; president, William R. Davis, 75 Lafayette St., Hartford 06106, 203–522–1196; president-elect or vice president, Maxwell Heiman, 43 Bellevue Ave., Bristol 06010, 203–589–4343; executive director, Frances Krilyno, 266 Pearl St. Hartford 06103, 203–525–8106.

New Haven County Bar Assn., Founded 1907, 600 Members; president, Roger J. Frechette, 215 Church St., New Haven 06507, 203–865–2133; president-elect or vice president, Stephen I. Traub, 152 Temple St., New Haven 06507, 203–777–7615.

Florida

Broward County Bar Assn., Founded 1956, 800 Members; president, Nicholas J. DeTardo, 4747 Hollywood Blvd., Hollywood 33021, 305–987–3400; president-elect or vice president, William F. Leonard, 2810 E. Oakland Pk. Blvd., Ft. Lauderdale 33306, 305–563–2671; executive director, Norma B. Howard, 735 N.E. Third Ave., Ft. Lauderdale 33304, 305–764–8040.

Hillsborough County Bar Assn., Founded 1937, 675 Members, A/M: May, 1974; president, Ronald D. McCall, P.O. Box 1438, Tampa 33601, 813–228–7411; president-elect or vice president, Leonard H. Gilbert, P.O. Box 3239, Tampa 33601, 813–223–5366; executive director, Dorothy D. Vines, P.O. Box 26, Tampa 33601, 813–226–6431.

Jacksonville Bar Assn., Founded 1897, 765 Members, A/M: May, 1974; president, John M. McNatt, Jr., 1500 American Heritage Bldg., Jacksonville 32202, 904–354–0624; president-elect or vice president, James M. McLean, 1300 Florida Title Bldg., Jacksonville 32202, 904–356–3911; executive director, Alice Elwes, 1101 Barnett Bank Bldg., Jacksonville 32202, 904–354–2144.

Orange County Bar Assn., Founded 1887, 735 Members, A/M: May, 1974; president, Michael R. Walsh, 1751 S. Orange Ave., Orlando 32806, 305–841–9370; president-elect or vice president, Fred M. Peed, P.O. Box 1273, Orlando 32802, 305–843–9500; executive director, Patricia A. Sambrook, 55 E. Washington St., Orlando 32801, 305–422–4537.

Palm Beach County Bar Assn., Founded 1922, 555 Members, A/M: May, 1974; president, Raymond W. Royce, 450 Royal Palm Way, Palm Beach 33480, 305–655–8433; president-elect or vice president, Peter Van Andel, P.O. Box 71, Palm Beach 33480, 305–655–1980; executive director, Mary Burdick, County Courthouse, Room 339, West Palm Beach 33401, 305–655–5200.

St. Petersburg Bar Assn., Founded 1925, 385 Members, A/M: June, 1974; president, Charles W. Burke, 616 First Federal Bldg., St. Petersburg 33701, 813–822–3124; president-elect or vice president, John D. Harris, Jr., Florida Natl. Bank Bldg., St. Petersburg 33701, 813–822–3943.

Illinois

DuPage County Bar Assn., Founded 1879, 400 Members, A/M: June, 1974; president, Clifford M. Carney, 4915 Main St., Downers Grove 60515, 312-969-2300; president elect or vice president, Alan C. Hultman, 5106 Main St., Downers Grove 60515, 312–968–5112; executive director, Florine McKay, 202 W. Front St., Suite 3B, Wheaton 60187, 312–653–7779.

Lake County Bar Assn., Founded 1912, 320 Members, A/M: June, 1974; president, Donald M. Lonchar, Jr., 33 N. County St., Waukegan 60085, 312–623–0112; president elect or vice president, Donald S. Flannery, 200 N. Milwaukee Ave., Libertyville 60048, 312–362–1515; executive director, Michael L. Roach, 25 N. County St., Waukegan 60085, 312–244–0600.

Peoria County Bar Assn., Founded 1906, 325 Members, A/M: July, 1974; president, Mishael O. Gard, 1900 Savings Center Tower, Peoria 61602, 309–673–0741; president elect or vice president, John C. Newell, Jr., 1210 Lehmann Bldg., Peoria 61602, 309–674–3163; executive director, Mary Louise Jacquin, Peoria County Courthouse, Room 209, Peoria 61602, 309–676–4611.

West Suburban Bar Assn., Founded 1942, 420 Members, A/M: December, 1973; president, Alexander O. Walter, 1936 S. Austin Blvd., Cicero 60650, 312–656–4955; president elect or vice president, Robert D. Goldstine, 7660 W. 62nd Pl., Summit 60501, 312–458–1253.

Indiana

Allen County Bar Assn., Founded 1901, 360 Members, A/M: October, 1973; president, James R. Grossman, 1210 Lincoln Bank Tower, Fort Wayne 46802, 219–422–4706; president elect or vice president, James R. Solomon, 1212 Anthony Wayne Bank Bldg., Fort Wayne 46802, 219–423–3331; executive director, Barbara Carto, 1012 Fort Wayne Bank Bldg., Fort Wayne 46802, 219–743–8221.

Iowa

Polk County Bar Assn., Founded 1886, 725 Members, A/M: May, 1974; president, James E. Cooney, 920 Liberty Bldg., Des Moines 50309, 515–243–7611; president-elect or vice president, John A. McClintock, 803 Fleming Bldg., Des Moines 50309, 515–244–2141.

Kansas

Topeka Bar Assn., Founded 1905, 351 Members; president, Robert R. Irwin, First Natl. Bank Tower, Topeka 66603, 913–232–0551; president-elect or vice president, Donald Patterson, First Natl. Bank Tower, Topeka 66603, 913–232–7761; executive director, Edward B. Soule, First Natl. Bank Tower, Suite 610, Topeka 66603, 913–232–0545.

Wichita Bar Assn., Founded 1915, 587 Members, A/M: June, 1974; president, Patrick F. Kelly, 612 Union National, Wichita 67202, 316–267–2212; president-elect or vice president, Lee Woodard, 518 Century Plaza, Wichita 67202, 316–265–1688; executive director, Jonalou M. Pinnell, 505 Beacon Bldg.. Wichita 67202, 316–262–4537.

Louisiana

Baton Rouge Bar Assn., Founded 1949, 425 Members, A/M: March, 1974; president, Rolfe H. McCollister, P.O. Box 2706, Baton Rouge 70801, 504–348–5961; president-elect or vice president, Frank W. Middleton, Jr., P.O. Box 2471, Baton Rouge 70821, 504–348–3221; executive director, Billy O. Wilson, 714 Louisiana Natl. Bank Bldg., Baton Rouge 70801, 504–342–7775.

New Orleans Bar Assn., Founded 1924, 1,800 Members, A/M: November, 1973; president, Moise W. Dennery, 1003 Maritime Bldg., New Orleans 70130, 504–525–7453; vice president, Harry McCall, Jr., 1003 Maritime Bldg., New Orleans 70130, 504–525–7453; executive director, Gloria Phares, 1003 Maritime Bldg., New Orleans 70130, 504–525–7453.

Shreveport Bar Assn., 345 Members A/M: October, 1974; president, Ben King, Commercial Natl. Bank Bldg., Shreveport 7110, 318–423–6177; executive director, Fred C. Sexton, Jr., 501 Caddo Parish Courthouse, Shreveport 71101, 318–422–0711.

Maryland

Baltimore County Bar Assn., Founded 1921, 313 Members, A/M: January, 1974; president, Wililam Baldwin, 24 W. Pennsylvania Ave., Towson 21204, 301–823–0260; president-elect or vice president, John T. Welsh, 44 W. Chesapeake, Towson 21204, 301–823–1578.

Montgomery County Bar Assn., Founded 1894, 750 Members, A/M: June, 1974; president, Robert L. Kay, 5330 Wisconsin Ave., Chevy Chase 20015, 301–654–6767; president-elect or vice president, James T. Wharton, 100 S. Washington, Rockville 20850, 301–763–7770.

Massachusetts

Hampden County Bar Assn., Founded 1864, 631 Members, A/M: May, 1974: president, Frank L. Uman, 31 Elm St., Suite 447, Springfield 01103, 413–737–9624; president-elect or vice president, Charles Cohen, 1500 Main St. Springfield 01103, 413–732–2147.

Middlesex County Bar Assn., Founded 1898, 1,100 Members, A/M: January, 1974;

president, John V. Harvey, Middlesex Probate Court, East Cambridge 02141, 617-876-8000; president-elect or vice president, Edward D. McCarthy, 341 Broadway, Cambridge 02139, 617-491-2112; executive director, Antonio de J. Cardozo, 1 Center Plaza, Boston 02108, 617-523-7400.

Bar Assn. of Norfolk County, Founded 1886, 800 Members, A/M: May, 1974; president, Charles A. George, 10 Diauto Drive, Randolph 02368, 617-963-4733; president-elect or vice president, Leon Rubin, 1354 Hancock St., Quincy 02169, 617-773-5142.

Worcester County Bar Assn., Founded 1887, 600 Members, A/M: October, 1973; president, Philip J. Murphy, 410 Main St., Fitchburg 01402, 617-342-6081; executive director, John J. Moynihan, 340 Main St., Worcester 01608, 617-757-7457.

Association

Michigan

Grand Rapids Bar Assn., Members, A/M: February, 1974; president, Ernest A. Mika, 500 Frey Bldg., Grand Rapids 49502; 616/459-3200; president elect or vice president, Robert W. Richardson, 740 Old Kent Bldg., Grand Rapids 49502; 616-459-1171; executive director, Marjorie C. Wilcox, 1010 Old Kent Bldg., Grand Rapids, 49502, 616-454-9493.

Ingham County Bar Assn., 300 Members, A/M: June, 1974; president, Jack W. Warren, City Hall, Lansing 48933, 517-484-4557; president-elect or vice president, John L. Cole, P-K Bldg., East Lansing 48823, 517-332-3541.

Macomb County Bar Assn., Founded 1910, 400 Members, A/M: September, 1974; president Wesley J. Roberts, 28800 Van Dyke, Warren 48093; 313-756-8620; president-elect or vice president, Max D. McCullough, 15 S. Gratiot, Mt. Clemens 48043, 313-463-0597.

Minnesota

Ramsey County Bar Assn., 1,100 Members, A/M: May, 1974; president, Fred W. Fisher, 624 Endicott Bldg., St. Paul 55101, 612-222-6841; president-elect or vice president, William C. Meier, 430 Minnesota Bldg., St. Paul 55101, 612-226-8844; executive director, James H. Adams, 825 Sibley Memorial Hwy., St. Paul 55118, 612-224-8426.

Mississippi

Hinds County Bar Assn., Founded 1932, 420 Members, A/M: April, 1974; president Erwin Ward, 200 S. President St., Jackson 39205, 601-948-3033; president-elect or vice president, Martha Gerald, 402 Lamar Life Bldg., Jackson 39205, 601-948-3030; executive director, Ross Barnet, Jr., Barnett Bldg., Suite 315, Jackson 39205, 601-948-6640.

Missouri

Lawyers Assn. of Kansas City, Founded 1928, 550 Members, A/M: May, 1974; president, Jack Z. Krigel, 1210 Commerce Tower, Kansas City 64105, 816-474-8850; president-elect or vice president, William H. Woodson, 1000 Power & Light Bldg., Kansas City 64105, 816-474-8100; executive director, James H. McLarney, 1500 Commerce Bldg., Kansas City 64106, 816-842-9692.

St. Louis County Bar Assn., Founded 1931, 460 Members, A/M: April, 1974; president, George Bude, 130 S Bemiston, Clayton 63105, 314-727-5822; president-elect or vice president, Ivan Schenberg, 130 S. Bemiston, Clayton 63105, 314-726-6545.

Nebraska

Lincon Bar Assn., Founded, 325 Members, A/M: April, 1974; president, Paul Douglas, County-City Bldg., Lincoln 68508, 402-473-6321; president-elect or vice president, Theodore L. Kessner, 400 Lincoln Benefit, Life Bldg., Lincoln 68508, 402-475-5131.

Omaha Bar Assn., Founded 1924, 700 Members, A/M: January, 1974; president, Harold L. Rock, 600 Woodman Tower, Omaha 68102, 402-346-6000; president-elect or vice president, John T. Grant, 410 Acquila Court Bldg., Omaha 68102, 402-341-9929; executive director, William E. Naviaux, 1101 Farm Credit Bldg., Omaha 68102, 402-341-2616.

New Jersey

Bergen County Bar Assn., Founded 1899, 1,100 Members, A/M: December, 1973; president, Daniel Gilady, 214 Main St., Hackensack 07601, 201-489-522; president elect or vice president, Kevin M. O'Halloran, 210 Main St., Hackensack 07601, 201-487-2441; eecutive director, Bruce H. Losche, 267 Summit Ave., Hackensack 07690, 201-487-5500.

Camden County Bar Assn.; Founded 1881, 610 Members, A/M: September, 1974; president, Samuel L. Supnick, 1 Broadway, Camden 08103, 609-966-5900; president-elect or vice president, Daniel B. Toll, 1040 N. Kings Hwy., Cherry Hill 08034, 609-779-1700.

Hudson County Bar Assn., Founded 1887, 900 Members, A/M: December, 1973. president, Martin J. Brenner, 921 Bergen Ave., Jersey City 07306, 201-653-5020; president-elect or vice president, Lester Miller, 4008 38th St., Union City 07087, 201-863-4800.

Mercer County Bar Assn., Founded, 450 Members, A/M: January, 1974; president, Thomas C. Jamieson, 1 W. State St., Trenton 08608, 609-396-5511; president-elect or vice president, Richard M. Kohn, 1215 Natl. State Bank Bld., Trenton 08608, 609-392-6155; eecutive director, Rudolph A. Socey, Jr., 143 E. State St., Trenton 08608, 609-989-8300.

Middlesex County Bar Assn., Founded, 444 Members, A/M. June, 1974; president, John H. Stockel, 313 State St., Suite 608, Perth Amboy 08862, 201-431-5544; president-elect or vice president, Andrew V. Clark, 214 Smith St., Perth Amboy 08861, 201-324-1234.

Monmouth Bar Assn., Founded 1908, 750 Members, A/M: May, 1974; president, William H. Burns, Jr., Court House, Freehold 07728, 201-431-5544; president-elect or vice president, George N. Arvanitis, Court House, Frehold 07728, 201-431-5544; executive director, Patricia A. Grignard, Court House, Freehold 07728, 201-431-5544.

Morris County Bar Assn., 450 Members, A/M: January, 1974; president, Stewart G. Pollock, 10 Washington St., Morristown 07960, 201-539-1011.

Passaic County Bar Assn., Founded 1889, 746 Members, A/M: March, 1974; president, I. Lloyd Gang, 174 Gregory Ave., Passaic 0705, 201-777-7722; president-elect or vice president, Carl V. Greenburg, 663 Main Ave., Passaic 07055, 201-777-8900; executive director, Harold Valentine, 1195 Clifton Ave., Clifton 07013, 201-473-0070.

Bar Assn. of Union County, Founded 1902, 70 Members, A/M: December, 1973; president, Albert L. Simpson, 44 Elmwood Ave., Union 07083, 201-688-7700; president-elect or vice president, Robert M. Read, 328 Park Ave., Scotch Plains 07076, 201-332-6200; executive director, Alfred M. Wolin, 567 Morris Ave., Elizabeth 07208, 201-353-5700.

New Mexico

Albuquerque Bar Assn., Founded 1954, 370 Members, A/M: December, 1973; president, William E. Snead, P.O. Box 2226, Albuquerque 87103, 505-852-8177; president-elect or vice president, Phillip D. Baiamonte, 509 Roma Ave., N.W., Albuquerque 87102, 505-243-2878; executive director, Olive E. Brinkman, Simms Bldg., Room 507, Albuquerque 87102, 505-243-2615.

New York

Albany County Bar Assn., Founded 1900, 535 Members, A/M: January, 1974; president, Thomas M. Whalen, III, 35 State St., Albany 12207, 518-434-2196; president-elect or vice president, James S. Carter, 40 Steuben St., Albany 12207, 518-465-3484.

Brooklyn Bar Assn., Founded 1872, 1,950 Members, A/M: May, 1974; president John H. Finn, 123 Remsen St., Brooklyn 11201, 212-MA 4-0675; president-elect or vice president, Joseph J. Tombardo, 123 Remsen St., Brooklyn 11201, 212-MA 4-0675; executive director, K. Frederick Gross, 123 Remsen St., Brooklyn 11201, 212-624-0675.

Broome County Bar Assn., 350 Members, A/M: June, 1974; president, Chandler Y. Keller, Security Mutual Bldg., Binghamton 13901, 607-724-4328; president-elect or vice president, Donald M. Sukloff, Bankers Trust Bldg., Binghamton 13901, 607-723-7913; executive director, N. Theodore Sommer, 724 Security Mutual Bldg., New York 13901, 607-723-5341.

Bar Assn. of Erie County, Founded 1887, 1,887 Members, A/M: June, 1974; president, M. Robert Koren, 1300 Liberty Bank Bldg., Buffalo 14203, 716-856-3631; president-elect or vice president, Joseph P. Runfola, 405 Brisbane Bldg., Buffalo 14203, 716-852-4850; executive director, Carol J. Seal, 662 Ellicott Square Bldg., Buffalo 14203, 716-852-8687.

Monroe County Bar Assn., Founded 1892, 1,203 Members, A/M: December, 1973; president, Anthony R. Palermo, 16 E. Main St., Rochester 14614, 716-546-6474; president-elect or vice president, Charles F. Crimi, 700 Wilder Bldg., Rochester 14614, 716-325-2110; executive director, Milford J. Wheeler, 8 Reynolds Arcade, Rochester 14614, 716-546-1817.

Bar Assn. of Nassau County, Founded 1899, 2,700 Members, A/M: May, 1974; president, Daniel P. Sullivan, 1539 Franklin Ave., Mineola 11501, 516-746-1141; executive director, William E. Jackson, Jr., 15th & West Sts., Mineola 11501, 516-747-4070.

Nassau Lawyers Assn. of Long Island, Founded 1949, 700 Members, A/M: December, 1973; president, William J. Malone, 147 W. Merrick Rd., Freeport 11520, 516-FR 9-2500; president-elect or vice president, Samuel H. Forman, 1686 Roosevelt St., Baldwin 11510, 516-OR 8-1811.

Onondaga County Bar Assn., Founded 1875, 900 Members, A/M: December, 1973; president, Thomas H. Dyer, 28 E. Main St., Marcellus 13108, 315-673-2045; president-elect or vice president, Taylor H. Obold, 300 First Trust & Deposit Bldg., Syracuse 13202, 315-475-1611; executive director, Robert W. Dettor, 826 State Tower Bldg., Syracuse 13202, 315-471-2667.

Queens County Bar Assn., Founded 1876, 2,500 Members, A/M: March, 1974; president, Jules J. Haskel, 90-04 161st St., Jamaica 11432, 212-JA 6-6700; president-elect or vice president, Paul S. Graziano, St. John's University School of Law, 212-696-8000; executive director, Fred A. Brue, 90-35 148th St., Jamaica 11435, 212-AX 1-4500.

Richmond County Bar Assn., Founded 1909, 355 Members, A/M: February, 1974; president, Pasquale Bifulco, 15 Beach St., Staten Island 10304, 212-448-8121; president-elect or vice president, John G. Hall, 15 Beach St., Staten Island 10304, 212-447-1962.

Rockland County Bar Assn., Founded 1940, 329 Members, A/M: May, 1974; president, Irving A. Garson, 120 N. Main St., New City 10956, 914-634-8822; president-elect or vice president, Orville H. Mann., Jr., 17 S. Broadway, Nyack 10960, 914-358-0048; executive director, Eileen R. Lutz, 60 S. Main St., New City 10956, 914-634-2149.

Suffolk County Bar Assn., Founded 1908, 1,150 Members, A/M: May, 1974; president, James V. Fallon, Sr., 53 Main St., Sayville 11782, 516-567-0430; president-elect or vice president, Herman Schechter, 51 E. Main St., Smithtown 11787, 516-265-1700; executive director, Angela D. Cooney, 742 Veteran's Memorial Highway, Hauppauge 11787, 516-979-8300.

Westchester County Bar Assn., Founded 1896, 1,400 Members, A/M: March, 1974; president, Charles E. Doyle, Jr., 1010 Park Ave., Peekskill 10566, 914-737-0020; president-elect or vice president, Herbert A. Finneson, 55 Church St., White Plains 10601, 914-949-1720; executive director, Ellen M. Cherry, 65 Court St., White Plains 10601, 914-761-3707.

White Plains Bar Assn., 350 Members, A/M: December, 1973; president, Paul Gavin, 190 E. Post Road, White Plains 10601, 914-946-3942; president-elect or vice president, Charles A. Goldburger, 175 Main St., White Plains 10601, 914-949-5921.

North Carolina

Greensboro Bar Assn., 300 Members, A/M: April, 1974; president, G. Neil Daniels, P.O. Drawer U, Greensboro 27402, 919–273–2591; president-elect or vice president, A. L. Meyland, 500 W. Friendly Ave., Greensboro 27402, 919–275–8615.

Wake County Bar Assn., 400 Members, A/M: November, 1973; president, William Joslin, P.O. Box 487, Raleigh 27602, 919–828–7212; president-elect or vice president, Henry H. Sink, P.O. Box 1471, Raleigh 27602, 919–828–0684; executive director, W. Gerald Thorton, P.O. Box 1150, Raleigh 27602.

26th Judicial District Bar Assn., Founded 1955, 550 Members, A/M: May, 1974; president, Lloyd C. Caudle, Johnston Bldg., Charlotte 28281, 704–333–9037; president-elect or vice president, Larry V. Daggenhart, N.C.N.B. Bldg, Charlotte 28281, 704–376–4803.

Ohio

Akron Bar Assn., Founded 1875, 920 Members, A/M: June, 1974; president, Charles E. Pierson, 1 Cascade Plaza, Akron 44308, 216–535–2661; president-elect or vice president, Duane L. Isham, 1 Cascade Plaza, Akron 44308, 216–535–4114; executive director, Elizabeth Glymph, 407 Ohio Bldg., Akron 44308, 216–762–7453.

Dayton Bar Assn., Founded 1922, 687 Members, A/M: May, 1974; president, Hugh E. Wall, Jr., 600 I.B.M. Bldg., Dayton 45402, 513–223–8177; president-elect or vice president, William M. Cromer, 345 W. Second St., Suite 114, Dayton 45402, 513–223–5159; executive director, Mrs. G. Duffey Hegele, 601 Centre City Offices, Dayton 45402, 513–222–7902.

Mahoning County Bar Assn., Founded 1912, 415 Members, A/M: May, 1974; Arseny A. McIelnick, 610 Mahonig Bank Bldg., Youngstown 44503, 216–744–8973; president-elect or vice president, William G. Houser, 1010 Union Bank Bldg., Youngstown 44503, 216–744–4578; executive director, Mrs. Mary DeMain, Court House, Youngstown 44503, 216–746–2933.

Stark County Bar Assn., Founded 1900, 430 members, A/M: May, 1974; president, Ben M. Dreyer, 530 Renkert Bldg., Canton 44702, 216–455–5206; president elect or vice president, Richard E. Davis, 1st Natl. Bk. Bldg. No. 6122, Canton 44702, 216–456–4504; executive director, Mary L. Holland, 321 Peoples-Merchants Trust Bldg., Canton 44702, 216–453–0686.

The Toledo Bar Assn., Founded 1878, 900 Members; president, Paul M. Smart, 1200 Edison Plaza, Toledo 43604, 419–255–8220; president-elect or vice president, Thomas J. Manahan, 420 Madison, Suite 700, Toledo 43604, 419–243–6148; executive directors, Mrs. Samuel F. Hunter, 218 Huron Street, Toledo 43604, 419–242–9363.

Pennsylvania

Dauphin County Bar Assn., 415 Members, A/M: January, 1974; president, Thomas D. Caldwell, Jr., 123 Walnut St. Harrisburg 17105, 717–232–7661; president-elect or vice president, Christian V. Graf, 407 N. Front St., Harrisburg 17105, 717–236–9318; executive director, Leonard Tintner, P.O. Box 3787, Harrisburg 17105, 717–236–9377.

Delaware County Bar Assn., Founded 1872, 421 Members, A/M: January, 1974; president, John J. Maffei, P.O. Box 647, Media 19063, 215–565–3100; president-elect or vice president, Lewis B. Beatty, Jr., P.O. Box 140, Media 19063, 215–LO 6–8200.

Montgomery Bar Assn., Founded 1891, 524 Members, A/M: January, 1974; president, Morris Gerber, 18 W. Airy St., Suite 200, Norristown 19401, 215–279–6700; president-elect or vice president, Mason Avrigian, 12 E. Butler Ave., Ambler 19002, 215–MI 6–6000.

Wilkes-Barre Law & Library Assn., Founded 1872, 312 Members, A/M: January, 1974; president, J. Earl Langan, 2 William St., Pittston 18640, 717–654–4643; president-elect or vice president, Perry J. Shertz, 1000 Blue Cross Bldg., Wilkes-Barre 18701, 717–829–0511; executive director, John G. Zapotok, Court House, Wilkes-Barre 18702, 717–822–6029.

South Carolina

Richland County Bar Assn., Founded 1889, 450 Members, A/M: December, 1973; president, Clarke W. McCants, Jr., Palmetto State Life Bldg., Columbia 29201, 803–765–2312; president-elect or vice president, N. Welch Morrisette, Jr., 1306 Main St., Columbia 29201, 803–254–0335; executive director, John W. Williams, 1600 St. Julian Place, Cola 29204, 803–779–6785.

Tennessee

Chattanooga Bar Assn., Founded 1897, 390 Members, A/M: April, 1974; president Charles Gearhiser, Maclellan Bldg., Chattanooga 37402, 615–267–6723; president-elect or vice president, Mrs. Selma Cash Paty, 807 Chestnut St., Chattanooga 37402, 615–267–5404.

Memphis & Shelby County Bar Assn. Founded 1922, 900 Members, A/M: October, 1974; president, Edward P. A. Smith, P.O. Box 3007, Memphis 38103, 901–526–0606; executive director, DeAnne Downing, 200 Courthouse, Memphis 38103, 901–527–7020.

Nashville Bar Assn., Founded 1831, 760 Members, A/M: December, 1973; president, Louis Farrell, Jr., J. C. Bradford Bldg., Nashville 37219, 615–255–1113; president-elect or vice president, O. B. Hofstetter, Jr., American Trust Bldg., Suite 304, Nashville 37201, 615–255–7336.

Texas

El Paso Bar Assn., Founded 1921, 300 Members, A/M: January, 1974; president, Joe Calamia, 1604 State Natl. Plaza, El Paso 79901, 915–533–7425; president elect or vice president, Thor G. Gade, 1224 Southwest Center, El Paso 79901, 915–533–5422; executive director, James L. Gallagher, 11–D El Paso Natl. Bank Bldg., El Paso 79901, 915–533–2493.

Nueces County Bar Assn., Founded 1929, 350 Members, A/M: June, 1974; president, James H. Atwill, 1800 Guaranty Bank Plaza, Corpus Christi 78401, 512–883–6351; president elect or vice president, F. Starr Pope, Jr., P.O. Box 2446, Corpus Christi 78403, 512–884–3551; executive director, Mrs. Irene Canales, P.O. Box 1284, Corpus Christi 78403, 512–883–4022.

San Antonio Bar Assn., Founded 1873, 1,211 Members, A/M: July, 1974; president Roy R. Barrera, 424 E. Nueva, San Antonio 78205, 512–224–5811; president-elect or vice president, Henry W. Christopher, Jr., 210 Park North, Professional Bldg., San Antonio 78230, 512–349–1377; executive director, Jimmy Allison, Bexar County Courthouse, San Antonio 78204, 512–227–8822.

Travis County Bar Assn., 586 Members, A/M: May, 1974; president, William B. Hilgers, 711 W. 7th St., Austin 78701, 512–476–4731; president-elect or vice president, Jack Maroney, 900 Brown Bldg., Austin 78701, 512–472–5456; executive director, Jerome M. Smith, 1108 Lavaca St., Suite 400, Austin 78701, 512–476–4126.

Virginia

Arlington County Bar Assn., Founded 1926, 324 Members, A/M: April, 1974; president, Paul F. Sheridan, 1911 N. Fort Myer Dr., Arlington 22209, 703–524–5400; president-elect or vice president, Robert J. Arthur, 2054 N. 14th St., Arlington 22201, 703–527–0124; executive director, William B. Moore, 2009 14th St., N., Arlington 22201, 703–527–8100.

Fairfax Bar Assn., Founded 1920, 400 Members, A/M: May, 1974; Roy A. Swayze, 4085 Chain Bridge Rd., Fairfax 22030, 703–591–7100; president-elect or vice president, A. Hugo Blankinship, Jr., P.O. Box 338, Fairfax 22030, 703–273–4600; executive director, James F. DeDeo, P.O. Box 248, Fairfax 22030, 703–273–6400.

Norfolk and Portsmouth Bar Assn., Founded 1900, 560 Members, A/M: December, 1973; president Allan S. Reynolds, Plaza One Bldg., Norfolk 23510, 804–627–7705; president-elect or vice president, Jerrold G. Weinberg, Virginia Natl. Bank Bldg., Norfolk 23510, 804–623–3555; executive director, C. J Collins, 902 City Hall Bldg., Norfolk 23510, 804–441–2825.

Bar Assn. of the City of Richmond, Founded 1885, 850 Members, A/M: February, 1974; president, Eugene W. McCaul, 1005 United Virginia Bank Bldg., Richmond 23219, 804–644–5491; president-elect or vice president, Herndon P. Jeffreys, Jr., 615 Mutual Bldg., Richmond 23219, 804–644–1963; executive director, Hunter W. Martin, 1002 Mutual Bldg., Richmond 23219, 804–643–8616.

Washington

Spokane County Bar Assn., Founded 1900, 373 Members, A/M: June, 1974; president, Robert M. Brown, 902 Paulsen Bldg., Spokane 99201, 509–MA 4–3211; president-elect or vice president, Robert D. Dellwo, 1016 Old Natl. Bank Bldg., Spokane 99201, 509–624–4291.

WISCONSIN

Dane County Bar Assn., 600 Members, A/M: August, 1974; president, Roy B. Hovel, 235 E. Main St., Sun Prairie 53590, 608–837–5324; president elect or vice president, John J. Walsh, 25 W. Main St., Madison 53703, 608–257–1491; executive director, John M. Moore, 222 W. Washington Ave., Madison 53703, 608–257–3764.

ORGANIZATIONS REPRESENTED IN THE HOUSE OF DELEGATES

American Judicature Society, 46,000 Members, A/M: August, 1974; president, John S. Clark, First Natl. Bank Bldg., Petoskey, MI 49770, 616–347–3907; president-elect or vice president, Arlin M. Adams, U.S. Courthouse, 5th Fl., Philadelphia, Pa. 19107, 215–597–7317; executive director, Glenn R. Winters, 1155 E. 60th St., Chicago, IL 60637, 312–NO 7–2727.

American Law Institute, 1,513 Members, A/M: May, 1974; president, Norris Darrell, 48 Wall St., New York, NY 10005, 212–HA 2–8100; president-elect or vice president, R. Ammi Cutter, 62 Sparks St., Cambridge, MA 02138, 617–876–0032; executive director, Herbert Wechsler, 435 W. 116th St., New York, NY 10027, 212–749–0655.

American Patent Law Assn., 3,900 Members, A/M: October, 1973; president, John T. Kelton, 100 Park Ave., New York, NY 10017, 212–683–4221; president-elect or vice president, Arthur R. Whale, The Dow Chemical Co., Midland, MI 48640, 517–636–4719; executive director, Charlotte E. Gauer, 2001 Jefferson Davis Highway, Suite 203, Arlington, VA 22202, 703–521–1680.

Assn. of American Law Schools, 125 Members, A/M: December, 1973; president, Maurice Rosenberg, 435 W. 116th St., New York, NY 10027, 212–280–2694; president-elect or vice president, Soia Mentschikoff, 1111 E. 60th St., Chicago, IL 60637, 312–753–2455; executive director, Milard H. Ruud, One Dupont Circle, N.W., Suite 370, Washington, D.C. 20036, 202–296–8851.

Assn. of Life Insurance Counsel, 760 Members, A/M: May, 1974; president, Robert L. Dillard, Jr., P.O. Box 2220, Dallas, TX 75221, 214–741–1321; president-elect or vice president, Dudley Porter, Jr., Fountain Square, Chattanooga, TN 37402, 615–755–1298; executive director, Donald S. Fuerth, Prudential Plaza, Newark, NJ 07101, 201–336–2525.

Conference of Chief Justices, 53 Members, A/M: August, 1974; president Edward E. Pringle, 210 State Capitol, Denver, CO 80203, 303–892–2022; president-elect or vice president, J. Allan Crockett, 332 State Capitol, Salt Lake City, UT 84114, 801–328–5281; executive director, William L. Frederick, 36 W. 44th St., Room 1208, New York, NY 10036, 212–869–3949.

The Federal Bar Assn., 14,500 Members, A/M: September, 1974; president, Simon H. Trevas, 1709 New York Ave., N.W., Washington, D.C. 20006, 202–785–9150; president-elect or vice president, David H. Allard, 7514 Honesty Way, Bethesda, MD 20034, 202–343–3445; executive director, J. Thomas Rouland, 1815 H St., N.W., Suite 420, Washington, D.C. 20006, 202–638–0252.

Federal Communications Bar Association, 900 Members, A/M: June, 1974; president, Marcus Cohn, 1920 L St., N.W., Washington, D.C. 20036, 202–293–3860; president-elect or vice president, Jack P. Blume, 1211 Connecticut Ave., N.W., Washington, D.C. 20036, 202–293–1282; executive director, Linda A. Cinciotta, 1815 H St., N.W., Washington, D.C. 20006, 202–347–8500.

Judge Advocates Assn., 1,500 Members, A/M: August, 1974; president, James A. Bistline, 15th & K Streets, N.W., Washington, D.C. 20005, 202–628–4460; president elect or vice president, William L. Shaw, 3701 College Ave., Sacramento, CA 95818; executive director, Richard H. Love, 1010 Vermont Ave., N.W., Washington, D.C. 20005, 202–783–5858.

Maritime Law Assn. of the United States, 2,200 Members, A/M: November, 1973; president, J. Edwin Carey, 96 Fulton St., New York, NY 10038, 212–233–6171; president-elect or vice president, Warren A. Jackman, 135 S. LaSalle, Chicago, IL 60603; executive director, Francis J. O'Brien, 96 Fulton St., New York, NY 10038, 212–233–6171.

National Assn. of Attorneys General, 55 Members, A/M: June, 1974; president, Robert W. Warren, 114E State Capitol, Madison, WI 53702, 608–266–1221; president-elect or vice president, Robert B. Morgan, P.O. Box 629, Raleigh, NC 27602, 919–829–3377; executive director, John J. Hickey, P.O. Box 5377, Lexington, KY 40505, 606–252–2291.

National Assn. of Women Lawyers, 1,400 Members, A/M: August, 1974; president, Helen V. Porter, 3825 N. Alta Vista Terrace, Chicago, IL 60613, 312–353–8086; president-elect or vice president, Marjorie M. Childs, 375 Woodside Ave., San Francisco, CA 94127; executive director, Alfreda Rockwood, 1155 E. 60th St., Chicago, IL 60637, 312–493–0533.

National Bar Assn., 5,000 Members, A/M: August, 1974; president, Archie B. Weston, Sr., 8949 S. Stony Island, Chicago, IL 60617, 312–978–6500; president-elect or vice president, Charles P. Howard, Jr., 3206 N. Hilton St., Baltimore, MD 21202; executive director, Allie L. Weeden, 1721 S St., N.W., Washington, D.C. 20009, 202–387–5903.

National Conference of Bar Examiners, 600 Members, A/M: August, 1974; president, Yoshio Shigezawa, 607 Melim Bldg., 33 Queen Blvd., Honolulu, HI, 808–521–1051; president-elect or vice president, John Germany, P.O. Box 1288, Tampa, FL 33601, 813–223–1621; executive director, William H. Morris, 333 N. Michigan Ave., Suite 1025, Chicago, IL 60601, 312–641–0963.

National Conference of Commissioners on Uniform State Laws, 230 Members, A/M: August, 1974; president, Harold E. Read, Jr., One Constitution Plaza, Hartford, CT 06103, 203–278–1150; president-elect or vice president, Allan D. Vestal, University of Iowa, College of Law, Iowa City, IA 52240, 319–353–4394; executive director, William J. Pierce, University of Michigan, School of Law, Ann Arbor, MI 48104, 313–764–9336.

National District Attorneys Assn., 5,000 Members, A/M: March, 1974; president, John J. O'Hara, 605 City County Bldg., Covington, KY 41011; president-elect or vice president, Preston A. Trimble, Court House, Norman, OK 73069; executive director, Patrick F. Healy, 211 E. Chicago Ave., Chicago, IL 60611, 312–944–2667.

National Legal Aid and Defender Assn., 600 Members, A/M: October, 1973; president, E. Clinton Bamberger, Jr., 620 Michigan Ave., N.E., Washington, D.C. 20007, 202–635–5144; president-elect or vice president, Theodore Voorhees, 888–17th St. NW., Washington, D.C. 20006, 202–872–8600; executive director, James F. Flug, 1601 Connecticut Ave. NW., Washington, D.C. 20009, 202–462–1608.

SUSPENSION OF DUTY ON CERTAIN COPYING SHOE LATHES

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of H.R. 8215, which will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 8215) to provide for the suspension of duty on certain copying shoe lathes until the close of June 30, 1976.

The Senate proceeded to consider the bill, which had been reported from the Committee on Finance, with amendments on page 2, after line 18, insert a new section, as follows:

SEC. 3. (a) Section 501 of the Internal Revenue Code of 1954 (relating to exemption from tax on corporations, etc.), is amended by redesignating subsection (f) as (g), and by inserting after subsection (e) the following new subsection:

"(f) COOPERATIVE SERVICE ORGANIZATIONS OF OPERATING EDUCATIONAL ORGANIZATIONS.—For purposes of this title, if an organization is—

"(1) organized and operated solely to hold, commingle, and collectively invest and reinvest (including arranging for and supervising the performance by independent contractors of investment services related thereto) in stocks and securities, the moneys contributed thereto by each of the members of such organization, and to collect income therefrom and turn over the entire amount thereof, less expenses, to such members,

"(2) organized and controlled by one or more such members, and

"(3) comprised solely of members that are organizations described in clause (ii) or (iv) of section 170(b)(1)(A)—

"(A) which are exempt from taxation under subsection (a), or

"(B) the income of which is excluded from taxation under section 115(a),

then such organization shall be treated as an organization organized and operated exclusively for charitable purposes.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 1973.

Mr. ROBERT C. BYRD. Mr. President, this bill has been cleared on both sides of the aisle.

In keeping with Mr. MANSFIELD's commitment on yesterday to the Senate, based on assurances that had been given to him, no amendment was to be offered to this bill. I therefore yield the floor; and, if no Senator wishes to speak, I suggest that the Chair put the question.

First, Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The title was amended, so as to read: "An act to provide for the suspension of duty on certain copying shoe lathes until the close of June 30, 1976, and for other purposes."

NATIONAL COMMISSION ON PRODUCTIVITY AND WORK QUALITY

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of a message from the House of Representatives on S. 1752.

The ACTING PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 1752) prescribing the objectives and functions of the National Commission on Productivity and Work Quality, which were on page 4, strike out all after line 16 over through and including line 5, page 5, and insert:

(i) The Commission shall transmit to the President and to the Congress, not later than July 1, 1974, a report covering its activities during Fiscal Year 1974 and describing in detail the program to be carried out by the Commission under this section during Fiscal year 1975. Such report shall include an explanation of how the Commission's program has complied or will comply, as the case may be, with the provisions of subsection (f).

And on page 5, strike out lines 6 through 9, inclusive, and insert:

(j) There is hereby authorized to be appropriated such sums, not to exceed $2,500,000, as may be necessary to carry out the purposes of this section during the period from July 1, 1974, through June 30, 1975.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time not be charged against either side.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, the bill we have before us today, S. 1752, to extend the life of the National Commission on Productivity and Work Quality, is a relatively minor bill, as bills go in the legislative process, but I think it is of very great importance. If there is any magic word, any key to the fight against inflation, or a means of righting what is wrong in the economy, it is productivity.

Mr. President, this bill is important for three reasons:

First of all, the only way we have to keep our standard of living on the rise, to continue to feed, clothe, house, and care for 210 million Americans, is to raise our productivity and efficiency. If we cannot do that, the United States will neither be able to provide for the general welfare of those at home or to provide for the defense of the country abroad.

Second, this bill is important as one of the major ways to fight inflation. If we can raise the level of productivity in the Nation, the rate of inflation is offset by that degree. So, productivity, along with fiscal and monetary policy, is the key to inflation.

Third, productivity is the key to Government efficiency. It is the major way by which Government costs can be kept down. It is the method through which more work can be produced with fewer man hours.

Until recently there was an assumption on the part of economists that there were no productivity increases in the Federal Government. It was both a naive and completely wrong assumption. About 10 years ago Kermit Gordon, who had been President Kennedy's head of the Bureau of the Budget, and who was the head of Brookings, made a study of Federal Government productivity in six agencies and found it increased very sharply in some and somewhat in others.

I persisted in trying to measure productivity throughout the Government. GAO, the Office of Management and Budget, the GSA, and other agencies have combined to do this, and I am happy to say that about 60 percent of Government activity is now measured for productivity.

One of the major jobs of this Commission is to promote that work and effort. This is the best way I know to avoid taxpayer ripoffs, to provide economy and efficiency in Government, and to give the public more services for less money.

Simply because we have not measured Government productivity in the past we have not made the decisions that would greatly improve production and efficiency and permit taxpayers to get more for their dollar or to get it at a much lower cost to the taxpayer.

The Commission already has done constructive things. They have not had much money. They had a very small staff. This bill gives them only a fraction of the amount we proposed in the Senate. Nevertheless, a great deal can be done.

As I say, there is no way we can advance the standard of living of the American people except to find ways through research, technology, improvement organization, and investing capital when it is appropriate to provide that every worker can produce more for the number of hours he works. If these measures to enhance productivity can be put into effect, the standard of living improves; if they are not, it does not improve.

We have failed to establish a program for improving productivity in this country as they have in other progressive and economically free nations. We have had a marvelously well-motivated economic system that provided great incentives for productivity, but we have not given it the overall emphasis in the Federal Government that we should. This agency will provide for that. For that reason I am delighted to speak for the proposal and I am very happy it is going to be considered at this point.

I am also delighted to see that the distinguished Senator from New York (Mr. JAVITS) is present in the Chamber. In the Joint Economic Committee the distinguished Senator from New York has been a vigorous and outspoken supporter of productivity studies, and reliance on productivity to improve the performance of our economy.

Mr. President, I yield the floor. If I have time reserved to me, I yield to the Senator from New York.

The PRESIDING OFFICER. There is 15 minutes to a side.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. JAVITS. We have 15 minutes to a side. I do not think there is any opposition, so I ask unanimous consent that the one-half hour may be available to the Senator from Wisconsin on the measure before us.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I yield whatever time he wishes to the Senator from New York.

Mr. JAVITS. I would like to ask a question. Is it the Senator's intention to move that we concur in the House amendment?

Mr. PROXMIRE. That was my understanding. Does the Senator have a notion that we should amend the House bill?

Mr. JAVITS. I was going to, in a sense, publicly confer with the Senator from Wisconsin on that score.

I am advised, if we look at the bill which is at the desk—I have the original papers, so the clerk does not worry, right before me, and they are, of course, available to the Senator from Wisconsin—we passed this bill on May 10, 1973. So a year later we are back with the House measure. I understand in the interim this matter has gone through quite a struggle in the other body. It took a year to get it over here, even though it was cut in half. I gathered it was dead on one occasion over there.

Mr. President, I am not one to run from a fight, but I think, with the fiscal year coming on July 1, and with no money in the till, we had better carry on this agency and do our fighting after we are sure there is a patient to fight over.

So I believed the intention of the Senator, in coming to the floor, was to ask us to take this measure, albeit with the greatest regret.

I would like to state to the Senator I agree. I think it is so close now, and this has had such a rocky road, that if we sent it to conference now, it is very unlikely we would get anything. But the Senator may wish to consider that and perhaps let us know, before the end of the debate, how he would like this matter to be handled.

Mr. PROXMIRE. I think I can respond to the Senator right now. He is absolutely right. As I said in my statement, this was a bigger bill when it passed the Senate. I think it was a bill that would do more good. Every cent provided was justified. However, as the Senator has pointed out, it had great trouble in the House. It was apparently dead and it was revived only because of efforts on the part of the administration, the Senator from New York (Mr. JAVITS), and others, who worked very hard to make the passage of the bill possible in the House, and then only on the basis of compromise.

I think it would be unrealistic and dangerous to send it back to the House in an amended form, though I agree wholeheartedly with the Senator from New York that it should be increased. I think it might very well result in the death of the bill.

I think once we get the bill enacted into law, it would be possible, on the basis of the performance of the agency, to provide for the kind of improvement and the more substantial resources that the bill justifies

Mr. JAVITS. The Senator is very gracious. I agree with him. I am glad we concur.

As to the merits of the bill, normally, this would have just gone through on a motion, and so on, and no one would have said anything about it here; but I asked the leadership to let me know so I might have a word on it.

Here is my point: There is no question about the fact that of all the misguided, wrong-end-of-the-telescope economies, this is it. We have suffered a diminution in our productivity in the last quarter of more than 6 percent, on an annual basis; and over the past year itself productivity has declined, too. You can contrive all the schemes you think of about: for example, issuing government credit for housing, Arthur Burns holding the line at the Federal Reserve, toughing it out, which apparently is the President's view on the economy, or writing standby controls, or any other scheme that anybody else thinks of. It is all meaningless if the productive base is not there. That is what this country is built on. That is why America is great. Without that, forget it—we are a second or third class power.

One does not need any mirrors for that. Look at Great Britain. Great Britain did not decline because she lost her empire. Her empire was a drain on her toward the very end. But Great Britain declined in power because she lost productivity in the tremendous race that is taking place in the world today. They have the capacity, but, for whatever reason, they are not using it.

The same thing can happen to us. It is very dangerous. And it is amazing to me that there are so few of us expressing ourselves on this subject. I am so deeply gratified by the constant fortification and support that the Senator from Wisconsin has given to this program. There are so few of us who realize that.

Let me give the Senator a practical example. In Jamestown, N.Y., I am very proud to say that, with my encouragement and with that of the local people, they have formed a labor-management council to deal with productivity in local establishments. The result has been that that made Jamestown, which was considered one of the worst labor markets in New York from the point of view of attracting business, absolutely turn 180 degrees the other way, and it is now about to get a new industrial facility which will add 25 percent to its labor force, at very high paying jobs, and will revolutionize that community. So it went from the worst to the best by that simple technique.

Mr. President, there is room for 5,000 of those councils in the country to deal with the whole range of problems of worker alienation, which workers themselves testify to—no interest in the workplace, no right to make decisions in which people can participate in some of the management decisions, no stake in the action, in the many ways in which that can be accomplished by profit sharing, stock ownership, better pensions, and a hundred other things, not even the enthusiasm that comes from campaigns against alcoholism or accidents, and a multitude of other things carried on under the head of productivity.

Then we provide $5 million, which is miniscule in this matter. We are dealing with hundreds of billions of dollars of productivity, and the House cuts that to $2.5 million. Really, we deserve to be laughed at. The industrial giant of the world has this much pride to deal with its single greatest deficiency, to wit, the decline in productivity.

So I am going to make this suggestion, Mr. President, to my beloved colleague from Wisconsin. He is very influential in his committee. This measure comes out of the Banking, Housing and Urban Affairs Committee. He may even—we are all cheering on the sidelines—be chairman of that committee. I think it is our fault that we have not made enough of our case on the productivity issue. The Senator from Wisconsin is second in command of the Joint Economic Committee. I am the ranking Republican member thereon. He is the second in command of the Banking, Housing and Urban Affairs Committee.

I am not in any way asking him, and I know it is a request which is unnecessary, because he feels as strongly about it as I do, but does he not feel that it is our fault that we have not made the issue vivid enough to the American people, on the highest priority, and that we ought to swallow this, though it is a terrible thing to do, and it is really demeaning to all of us who understand the situation of our country? But there we are. It is a democracy. There are two Houses, and we have to do the best we can. However, could not we dedicate ourselves to really making the case before the country, using the form of either the Banking Committee or the Joint Economic Committee, and stamp it with the high priority which it deserves, so that to take this is a crushig defeat—will at least give us strength and inspiration to try to convert the defeat into a victory by demonstrating to the country how shortsighted and parochial it is to devote $2½ million to the increase of productivity of American business?

What is even worse, we know the mission is entirely sound, but that makes the $2.5 million even more demeaning to help improve the morale and quality of work for American working people.

To give the Senate the order of magnitude, we are engaged in activiites in the reform of pension and welfare plans to improve the morale of American workers. The assets of welfare pensions are $150 billion, and they are increasing at the rate of $12 billion every year. If we are successful with these activities, we will make it possible for 35 million workers to have a prospect of secure retirement, as against the present half prospect, because they have, largely, only social security.

That is the order of magnitude of the morale of the American worker, and we are going to devote $2.5 million to that and for productivity. It is laughable.

Nevertheless, I think, as I have said, that we have been at fault. We have not made an adequate case, apparently, and that is what we ought to do before we swallow this particular spot of dust in a situation that needs a world of good, fresh earth on which to build.

Mr. PROXMIRE. Mr. President, I thank the Senator from New York. He has put this problem in the correct and proper perspective.

It is hard for us to comprehend what $150 billion is. It is $150,000 million. It is about 50,000 times the $2.5 million we would appropriate here for the Productivity Commission. We are speaking of 5,000 productivity commissions that we could have around the country, such as in Jamestown, N.Y., to which Senator JAVITS referred, and which is an excellent example of how productivity commissions work.

We were reminded, too, by Dr. Arthur Burns of the fact that during World War II productivity commissions were extremely helpful. They were one of the reasons why we won the war and became the arsenal of democracy. If they worked then and worked extremely well, it would seem to me that they would work now.

I did not realize the House bill provides over one-fourth of what the Senate provided. What the Senate provided is very meager indeed.

So I would agree that we should work very hard to provide the funds that would enable the agency to perform this function on a national basis, and should also provide encouragement for councils to be developed in more cities in our country. This is the answer, as the distinguished Senator from New York has pointed out, to getting productivity. It is the only way in which we can get productivity and progress in the long run.

I think the Senator from New York has made a most helpful statement.

It could be the basis of our determination to see that Productivity Commission is kept alive and provides the kind of investments that would be repaid many times over.

We talk about a benefit-cost ratio. If we could have a productivity commission working and operating effectively, it would pay for itself 100 times over—maybe 1,000 times over.

Mr. JAVITS. Mr. President, I hope we might join with other Senators—I know that the Senator from Illinois (Mr. PERCY) is deeply interested—to work on such a proposal in fiscal year 1975.

In short, I do not think we should be bound by this particular provision for the whole year. If we can make a strong case, there is no reason why we should be satisfied with this small amount. We take it because we have to. This is really only a beginning, rather than an end, so far as I am concerned.

Mr. PROXMIRE. Mr. President, I like that idea very much. The important thing is that we should try to provide more funds in fiscal 1965 as the Senator has said, rather than wait until 1976.

In the course of the hearings, the GAO testified that $500,000 was provided for the Army Procurement Depot at Joliet, Ill., requiring that information to make investments to see if they could increase their productivity.

That agency, like so many other agencies, did not have the production or the kind of incentive that the private sector has. So, they made an investment in a whole series of equipment that cost $20,000 here and $40,000 there. I can tell the Senator from New York that, altogether, the investment of $500,000 paid for itself in the first 110 days. Within 1 year, it paid back $1.8 million. Within 10 years, the average life of the equipment, it paid back $18 million.

This is the kind of saving we can get for the taxpayers if we can make the Federal Government productivity conscious.

It seems to me that this is the only way we can have progress in our economy. As I pointed out, it makes it possible to pay higher real wages and not suffer from the kind of unstable inflation which is our prime economic problem now.

Mr. JAVITS. Mr. President, I thank my colleague very much. And I am very much heartened by the fact that he will join with me and with other Senators to do what really ought to be done in this field.

The ACTING PRESIDENT pro tempore. The question is on concurring in the House amendment to S. 1752.

Mr. PROXMIRE. Mr. President, I move that the Senate concur in the House amendment.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Wisconsin.

The motion was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. PROXMIRE. Mr. President, I move to lay that motion on the table.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion to lay on the table.

The motion to lay on the table was agreed to.

EASTERN WILDERNESS AREAS ACT OF 1974

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of Calendar No. 771 (S. 3433) which will be stated.

The assistant legislative clerk read as follows:

Calendar No. 771 (S. 3433) a bill to further the purposes of the Wilderness Act by designating certain acquired lands for inclusion in the National Wilderness Preservation System, to provide for study of certain additional lands for such inclusion, and for other purposes.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. AIKEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. AIKEN. Mr. President, I wish to make an opening statement at this time on the pending business.

The Senate is considering today, S. 3433, a bill which extends the protection of the National Wilderness Preservation System to some national forest lands in the Eastern United States.

I am not going to take up this body's time outlining this legislation as the details are included in the Agriculture and Forestry Committee's report which has been available since May 2.

This bill represents the culmination of

legislative efforts that began on June 13, 1972, when the senior Senator from Georgia (Mr. TALMADGE) and I introduced S. 3699, a bill to establish a wild areas system in the Eastern United States.

We introduced the legislation because we felt that citizens in the Eastern United States should have the opportunity for access to wilderness areas.

This opportunity is foreclosed to the bulk of the Nation's population because most of the wilderness areas that have been established under the 1964 Wilderness Act are in the western part of the Nation.

Since the enactment of the Wilderness Act of 1964, 95 wilderness areas have been designated in the United States.

Only four of these areas have been designated in national forests east of the 100th meridian.

If Congress does not act promptly to protect primitive areas in the Eastern United States, the possibility of enjoying this type of recreation could be forever foreclosed to many Americans because of the population and development pressures on eastern forest lands.

Although S. 3973, a bill to set up an Eastern National Forest Wild Areas System, was reported by the Committee on Agriculture and Forestry and passed by the Senate in September 1972, there was not enough time for the House to act on the bill during the 92d Congress.

In January 1973, on behalf of myself, the Senator from Georgia (Mr. TALMADGE), the Senator from Minnesota (Mr. HUMPHREY), and the Senators from Alabama (Mr. SPARKMAN and Mr. ALLEN), I reintroduced this legislation as S. 22, the National Forest Wild Areas Act.

The Committee on Agriculture and Forestry took prompt action and reported S. 22 out of the committee on February 15, 1973.

The Committee on Interior and Insular Affairs requested that consideration of S. 22 be delayed until that committee had an opportunity to consider similar legislation, S. 316.

The Interior Committee felt that rather than create a new system of wild areas in the Eastern United States, it should extend the protection of the National Wilderness Preservation System to the Eastern United States.

After extensive hearings and consideration, the Interior Committee reported S. 316 on December 20, 1973.

It was apparent that there was a need to resolve the differences between these two bills.

Thus, the chairman of the Committee on Agriculture and Forestry (Mr. TALMADGE) requested that S. 316 be referred to his committee so that an accommodation could be worked out.

The product of this legislative compromise is S. 3433, the bill before the Senate at this time.

This legislation creates 19 "instant" areas in 15 States and it designates 40 "study" areas which will be preserved for their wilderness potential until a decision is made whether to include these areas as part of the National Wilderness Preservation System at some future time.

Since the Agriculture and Forestry Committee reported S. 3433, I have had continuing discussions with Senators from Western States.

In one final effort to accommodate their concerns, a block of amendments will be offered which, in effect, will let the western wilderness areas be managed under the terms of the 1964 act and the new eastern wilderness areas will be managed under the more strict provisions of S. 3433.

Senator TALMADGE and I will accept these amendments, although we feel that a very strong case can be made for applying the same strict management standards for the West as proposed for the East.

In summary, Mr. President, the opportunity is at hand now to set aside a limited number of acres east of the 100th meridian for wilderness protection.

Several times during the 15 months this matter has been hovering over the Senate, we thought that agreement among all parties had been reached only to find it disappear into thin air.

It is time for the Senate to make a decision and give the American people an answer to whether they will be able to have limited wilderness areas in the Eastern United States.

It is time for the various environmental and conservation organizations to face this issue and decide once and for all whether they really want eastern wilderness or whether they would rather delay action because they feel the time is not for bringing this matter to the Senate floor.

I urge the Senate to pass this legislation and preserve for future generations the natural beauty and primitive characteristics of some 246,000 acres of forest land in the Eastern United States.

Mr. President, in working out this new compromise bill, I want to give credit to the staffs of both the Committees on Agriculture and Forestry and Interior and Insular Affairs because they have really had a job, with people changing their minds from time to time, in working out something which we thought and hoped would be fair to every one.

Mr. President, I yield now to the distinguished Senator from Georgia (Mr. TALMADGE)—my chairman.

Mr. TALMADGE. Mr. President, the pending bill is excellent legislation. It is legislation which will preserve for future generations in the Eastern United States an opportunity to enjoy recreation in primitive or wilderness areas. It is legislation that will prevent the spoilation of those few last unspoiled areas in the East.

In this bill we recognize the fact that Eastern National Forests have been acquired primarily from private ownership and, in the past, have been subject to the highly developed works of man. Moreover, we recognize that some areas within Eastern National Forests which have been abused in the past have been restored, or are in the process of restoration to a near natural condition—a condition which is predominately primitive and undisturbed in character. S. 3433 would set aside certain of these areas to be maintained in their primitive state and to allow the process of restoration to continue, undisturbed by further intrusions of man.

Today's consideration of S. 3433 marks a significant milestone in the congressional consideration of legislation which was first introduced by the senior Senator from Vermont (Mr. AIKEN) and I on June 13, 1972. We introduced on that date S. 3699, a bill to establish a system of wild areas within the National Forest System in the Eastern United States.

Since that date this legislation has been through a long and tortuous route, but I am happy that we were able finally to resolve the differences between the wild areas bill reported by the Senate Committee on Agriculture and Forestry and the eastern wilderness bill reported by the Senate Committee on Interior and Insular Affairs. The fact that we are today considering this legislation and the fact that we were able to achieve an excellent compromise, which accommodates the views and interests of both committees, is due largely to the perseverance and leadership of the senior Senator from Vermont. We all know GEORGE AIKEN as a reasonable man, a man not given to partisan bickering. We all know him as an elder statesman of the Senate. However, those of us who know GEORGE AIKEN also know him as a very tenacious, determined, and persuasive man when he puts his mind to securing passage of important legislation. The fact that we are considering an eastern wilderness bill today is due primarily to the tenacity and perseverance, as well as the great persuasive ability of the senior Senator from Vermont.

There have been many roadblocks along the path to considering eastern wilderness legislation. There have been those who have misconstrued the motives of Senator AIKEN and other members of the Committee on Agriculture and Forestry who were interested in preserving primitive areas in the East. In fact, the legislation that we initially introduced prompted an extensive write-in campaign and many false rumors and allegations about the intent of the legislation and its authors. However, the senior Senator from Vermont was never moved by these tactics. He continued his efforts to secure passage of this legislation with the kind of self-assurance and determination that comes from having been a leading conservationist and protector of the environment long before the protection of the environment was a popular issue.

The Vermont Senator was an active conservationist in the finest sense of the world when "ecology" was only an obscure term in crossword puzzles. His record of achievement in this area dates back to the 1920's, when he began to propagate and cultivate wildflowers and ferns. He began this effort because he feared that urban growth would make wildflowers and ferns extinct.

Throughout the Senator's career in the U.S. Senate he has been a man whose interest in our natural resources and their preservation has been constant and always constructive. It has never mattered what the issue—he has always been hard at work to secure better conservation and the wise use of our resources. I would not attempt to enumerate all of his achievements—they would make my remarks much too long and I am sure that the Senator would object.

However, I would like to mention a few of his outstanding achievements. While he was chairman of the Committee on Agriculture and Forestry in the 83d Congress, Senator Aiken introduced legislation on administration of the National Forests, legislation to provide for their orderly use, improvement and development. Although this legislation passed the Senate, it was defeated in conference. However, it was the forerunner of the Multiple-Use and Sustained Yield Act of 1960, which Senator Aiken helped to enact. Every major forestry bill that Congress has enacted in the past 34 years has been subject to the imprint and good work of our colleague, the senior Senator from Vermont. Time and again, he has let others take the credit for the work that he does. Time and time again, he has played a key role in shaping good legislation and helping us to avoid poor legislation. That is why I wanted to give the credit on the Eastern Wilderness Act of 1974 to the man who deserves it, George Aiken.

As we all know, he plans to retire at the end of this session of Congress. If we, the 99 other Members of the Senate, could get together to design a perpetual monument that would be a faithful reproduction of what George David Aiken has stood for in his personal and public life, we could not pick a better one than this legislation. His life is typified by S. 3433, which seeks to secure for the American people of present and future generations the benefits of the enduring resource of wilderness.

In conclusion, Mr. President, I also want to pay tribute to the distinguished chairman of the Committee on Interior and Insular Affairs, Senator Jackson, and to the staffs of the Committee on Agriculture and Forestry and the Committee on Interior and Insular Affairs. They have worked diligently and determinedly to perfect this bill, and I desire to pay tribute to them, also.

Mr. AIKEN. Mr. President, I do not know how to thank the Senator from Georgia for the remarks he has just made, and I hope that I may be deserving of some of them, at least.

I have been a member of the Committee on Agriculture and Forestry since the first day I came to the Senate, January 10, 1941, and have been a member of the committee ever since, serving as chairman for 2 years, and as acting chairman for 2 earlier years.

Although I feel that I have done all the work I can do in the field of agriculture and rural development—and that is by far the most important industry or occupation in the world today—and although I do not expect to be here after 7 months and 2 days more have gone by, I am extremely pleased that the Senator from Georgia is going to be here to carry on the work we have both been so much interested in and concerned with.

I want to join him in giving credit to the Senator from Washington and the staff of the Committee on Interior and Insular Affairs. They have worked well with our own loyal, faithful, hard-working staff of the Committee on Agriculture and Forestry, and I want to express appreciation for the cooperative work we have enjoyed.

I believe that the bill we have finally worked out is fair. I think it will be productive to our recreational, cultural, and agricultural affairs; and I trust that it will be approved by the Senate and will be approved very shortly by the House, without opposing votes.

Mr. TALMADGE. I thank my distinguished friend.

Mr. President, I ask unanimous consent to have printed in the Record a statement by the distinguished Senator from Minnesota (Mr. Humphrey).

The PRESIDING OFFICER. Without objection, it is so ordered.

PRESERVING OUR WILDERNESS

We have a National Wilderness Preservation System today because a lot of dedicated people in public and private life have recognized the full range of values of wilderness and have worked hard and long to point this out to others.

Aldo Leopold and Robert Marshall were the early activists, the wilderness pioneers, a full 50 years ago. And Howard Zahnizer recognized 20 years ago that a statutory base for wilderness was essential to the preservation of such areas.

I take some pride myself in helping to advance the concept of wilderness preservation. In 1956 I introduced the first wilderness bill in Congress. My good friend and distinguished colleague from Vermont, Senator Aiken, actually secured the first statutory recognition of wilderness with his successful 1960 amendment to the Multiple-Use and Sustained Yield Act. And, of course, there have been many others in Congress who have provided leadership in preserving wilderness in our nation.

Men like Senators Tom Kuchel and Clinton Anderson, Senator Henry Jackson and Senator Frank Church who did the yeoman work in the Interior and Insular Affairs Committee that brought us the 1964 Wilderness Act.

But I must come back again to the man who has been the quiet workhorse for securing wilderness over the years—Senator George Aiken. Here is a man who loves the land because he knows it and knows it because he is close to it.

Senator Aiken's record as a legislator is widely known. Less well known is the fact that he is a distinguished horticulturalist operating not only an orchard in Vermont, but also a unique wild flower nursery. Growing wild flowers is an art that requires that one recreate a miniature "wild" environment for the plants. Senator Aiken is one who keenly and perhaps uniquely in this Congress, recognizes man's need to understand nature's environment. I think this in part explains his life-long dedication to a very basic principle—man should be at peace not only with his fellow man but also with the world in which he lives.

The bill we now have before us represents an effort over two Congresses, on the part of the Senior Senator from Vermont, to assure that examples of wilderness will endure in National Forests in every region of our nation. Beyond this, what the bill does is recognize that while man may have changed an area, man has the capacity to work with nature to erase the traces of man's presence.

Mr. President, the 187,000,000-acre National Forest System is located in 42 of our States and the Commonwealth of Puerto Rico. We have National Forests that lie East of the 110th Meridian in 27 states. This System truly is nationwide. Today one-eighth of the National Forest System acreage lies in the East.

From the outset, the out-of-doors recreational use of the National Forests has been of major importance. Primitive trails and simple campgrounds, often undeveloped, provided those who sought an enjoyable outdoor experience in a truly natural setting the opportunity to obtain it. Even in the East, where some 95 percent of the system represents purchased lands, there were many areas that had the quality of wilderness; areas where the imprint of man's presence was substantially unnoticeable, and the remaining evidence was disappearing under the inexorable influence of natural forces.

In the West, much that is now designated as wilderness had not escaped having the impact man recorded on it. True, the American Indian did not have a culture and technology that affected the land as did the unfolding American industrial society of the 18th and 19th Century. Nonetheless, the Indian ranged across the entire continent. Much of the vegetation that the European found when he first "discovered" each new frontier was the direct result of the Indian society.

Beyond evidence of hunting and trapping, most of the areas in the West that are in designated wilderness contain substantial evidence of man's effort to find minerals, to graze, to carve out homesteads. Small reservoirs and other water developments were also undertaken as were efforts to pierce these areas with roads.

In general, the ruggedness of the terrain and the paucity of economically useable resoures in these areas mitigated against permanent development and utilization of the resources in the past. Most of the wilderness areas are forested lands. In general, due to their elevation, soil, and rainfall, they are areas of low timber growth and the general quality of the timber has been such that, by and large, they were by-passed as timbering operations moved westward. However, some areas were subjected to extensive timber cutting, some even before the National Forests were created, and this cutting was the liquidation logging that was characteristic of that earlier era.

In short, Mr. President, there are virtually no areas in the United States that man has not examined and explored, and very few where he has not attempted to develop in some fashion. Yet, there still are in the Nation lands which have those qualities that make them wilderness by virtue of their ecological, geological or other features and by their scientific, educational scenic or historical value.

The bill before us clearly recognizes this central fact.

More specifically, this legislation does three things.

First, it adds 19 small areas, all in the East, to the National Forest Wilderness System.

Second, it requires that studies be completed in five years on 40 more small areas, all in the East.

Third, it provides improved protection for all designated National Forest Wilderness Areas so that the quality of wilderness will be fully preserved. Pastoral activities, such as grazing, can be continued wherever they pose no conservation problem. Timber cutting restrictions are more clearly spelled out. Hunting, fishing and trapping may continue with due regard for the wilderness character of designated areas. Existing mining claims or permits are not disturbed. However, no new claims or permits can be issued in designated areas. Private land holdings within designated wilderness also can continue, so long as the use is consistent with wilderness.

I want to compliment my colleague from Vermont, Senator Aiken, for the constructive and dedicated way he has sought to improve the wilderness concept. This bill's emphasis is a tribute to his leadership. The modest additions proposed in the system and the revisions in management of existing areas expand the National Forest Wildnerness System significantly because they emphasize quality rather than quantity.

Mr. JACKSON. Mr. President, it is particularly appropriate that the Senate is considering S. 3433, the Eastern Wilderness Areas Act, this year, because 1974, as we all know, marks the anniversary of the establishment of the National Wilderness Preservation System.

Many of my colleagues will recall the tremendous efforts involved in the successful passage of the 1964 Wilderness Act. With its passage, the United States began a major effort to preserve its few remaining primitive areas and protect their unique value as places for wilderness experience, solitude, scientific inquiry, and primitive recreation. Although many studies remain to be done and the legislative agenda is not completed, this effort has already borne fruit. The 1964 act designated as wilderness 54 areas covering about 9.1 million acres of land. The act also established a procedure for designating additional areas. It requires that potential wilderness areas be evaluated by the Secretaries of Agriculture and the Interior, either on their own volition or as directed by acts of Congress, and that recommendations concerning wilderness designation be made to the Congress by the President. An additional 37 areas have been added to the National Wilderness Preservation System since 1964 under this procedure, bringing the total acreage in the system to over 11 million. Studies continue, and legislative proposals are pending, for additional potential components of the Wilderness Preservation System in the national parks, forests, and wildlife refuges.

Our efforts to date, however, suffer from one major defect. This defect becomes readily apparent upon viewing a map of the United States which shows the location of the components of the wilderness system.

Mr. President, almost all of the wilderness areas are located in the West. These areas are situated at great distances from the major population concentrations in our country and, because of this, they are beyond the reach of many of the people who would most appreciate their solitude and natural beauty. In fact, less than 10 percent of the total area of wilderness is situated in the most populous, eastern region of our country, where 65 percent of our citizens reside.

This anomaly is due only partially to the physical fact that the East, in providing for its greater population, has developed far more land and thus deprived itself of much of its natural environment. Unfortunately, the failure to establish Eastern wilderness areas has also been caused by conflicting objectives and jurisdictional disputes within both the executive and legislative branches of the Federal Government. These conflicts and disputes resulted in arguments over different resource policies—development versus protection; different interpretations of the definition of "wilderness"—both generally and specifically, as it is contained in the Wilderness Act; and different views as to who should establish Eastern wilderness areas and how they should be managed. Perhaps, the highwater mark of this era of polemics was the publication of a 1971 internal report of the Forest Service in which regional foresters for the Eastern and Southeastern regions concluded that—

> There are simply no suitable remaining candidate areas for wilderness classification in the [eastern] part of the national forest system.

Mr. President, I am happy to say that this era has passed. All parties are now united in their desire to correct the imbalance in the national effort to preserve wilderness and in their recognition that there are numerous areas in the East worthy of preservation. The Forest Service, on behalf of the administration, submitted a proposal; the Agriculture Committee reported S. 22, Senator Aiken's bill; and the Interior Committee considered S. 316, the bill I introduced on behalf of 32 cosponsors. On December 20, 1973, the Interior Committee unanimously reported S. 316, which was then re-referred to the Agriculture Committee. S. 3433, as reported by the Agriculture Committee and which we are now considering, is the product of both the Interior and Agriculture Committees and contains provisions from S. 316, S. 22, and the administration's bill.

S. 3433, as reported, would provide the truly national system of wilderness areas envisoned in the original Wilderness Act. This measure promises our eastern citizens, that, after nearly a decade of waiting, wilderness protection will at last be extended to the unique unspoiled lands and natural environments in our Eastern national forests.

Mr. President, the splendid spirit of cooperation between the two committees and their staffs had resulted in a bill far superior to those first introduced. I want to thank the chairman of the committee, the distinguished senior Senator from Georgia, for his leadership in bringing about the merger of the various bills into the strong measure that is now before the Senate. S. 3433 designates 19 wilderness areas totalling aproximately 252,000 acres and 40 study areas with approximately 373,390 acres, all located in national forests of the eastern United States. Contrast this to the weaker original bills where, for example, only S. 316 matched S. 3433's number of instant areas at 19; S. 22 had 13 and the administration's bill none. Only the administration's bill with 53 study areas had more than S. 3433's 40 study areas, S. 22 had 27 areas and S. 316 had none. Furthermore, the management provisions of S. 3433 are clearly far superior to those of the original bills.

Mr. President, no legislative proposal can ever hope to be entirely free of controversy. S. 3433 is no exception. For example, I joined S. 3433 as a cosponsor to demonstrate that S. 3433 represented the joint efforts of the two committees—Interior and Agriculture. Yet, I do have certain concerns about this bill. These concerns are shared by major environmental groups and I ask unanimous consent that their letters be inserted in the Record at this point.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Sierra Club,
Washington, D.C., May 15, 1974.

Senator Henry M. Jackson,
Senate Office Building,
Washington, D.C.

Dear Scoop: The Sierra Club appreciates the opportunity to comment on the provisions of S. 3433, as requested in your letter to us of May 13.

In general we believe that this measure to preserve significant areas of Eastern Wilderness is a much needed piece of legislation: we are appreciative of the work of both the Senate Interior Committee and the Senate Agriculture Committee, and hope that the spirit of cooperation that has prevailed thus far will result in the passage of a bill of major importance to the American public.

In your letter of May 13 you request that we address comments on three broad categories; provisions regarding mining, grazing, and condemnation as they apply to both eastern and western wilderness areas; the treatment of wilderness study areas; and the direct amendments to the Wilderness Act of 1964.

Regarding the first of these categories, our position is clear, and has been for some time. The Sierra Club believes that mining and grazing are not compatible with wilderness values, and we believe that condemnation is a useful, and in some cases essential, tool for developing an adequate system.

At the same time, we have reservations about introducing broad areas of public controversy into the eastern wilderness bill, a bill that by itself should have few, if any, provisions that are objectionable to any persons interested in our public lands. We are concerned, therefore, that the Eastern Wilderness bill may not be an appropriate vehicle for raising these issues as they apply to the system nationwide. We would not be adverse to a reversion to the language of S. 316, which bans mining and grazing on eastern lands only—a ban that we believe to be essential in light of eastern conditions—and that gives power of condemnation to the agency only in exigent cases in eastern areas. These provisions of S. 316 are generally agreed upon by all parties, and we recognize the wisdom of treating the perhaps more controversial western problems in separate legislation. The alternative—mingling the provisions of eastern and western wilderness management in a single bill—may result in no bill at all being enacted in 1974, a result that nobody would wish to envision.

The second major category of comments you requested concerns the management provisions of the wilderness study areas. Here also our position is, and always has been, unequivocal.

First, we believe that wilderness study areas should receive interim protection comparable to the permanent protection afforded designated wilderness areas. In this regard we conclude that the rather vague language of S. 3433 is defective. If nonwilderness activities are tolerated on the publicly owned lands of the wilderness study areas, it is easy to foresee unanticipated destruction to the land that would unintentionally thwart later wilderness consideration. One need only examine areas of the public land that have received heavy off-road vehicle use to realize the impact of an activity that might arguably be permitted under the language of S. 3433. We assume that the objectives are the same in both S. 3433 and S. 316, the preservation of the resource pending an ultimate determination of the Congress, but we believe that the unequivocal language of S. 316 is far more certain to achieve that goal. We urge that full wilderness protection be afforded the wilderness study areas until such time as the Congress has an opportunity to decide final designation.

This leads us to a second defect in the language in S. 3433 regarding wilderness study areas. Under the terms of that bill, the wilderness study designation will only be maintained for three years after a recommendation is submitted to the Congress. We appreciate the need for speedy action on these proposals, but we believe that this provision is unworkable, and, furthermore, that it violates one of the most basic concepts underlying the wilderness system.

In 1964 the Congress deliberately reserved for itself the right to designate wilderness areas, and the prerogative to return previously protected lands to multiple use management. We approve of that principle. Any area that is of sufficient quality to warrant Congressional protection in the first place deserves continuing protection until the Congress reviews its own decision. It is both illogical and in conflict with the basic premise of the Wilderness Act to permit administrative action to terminate a Congressionally mandated decision.

The Sierra Club believes that the original language of S. 316 handles the problem of wilderness study areas in a superior fashion. The provisions of S. 316 will leave the final decision to the Congress, as is appropriate within the context and history of the Wilderness Act, and will not lead to any precipitous administrative action foreclosing our wilderness options.

The final category of provisions on which you requested our views concerns the provisions in S. 3433 that directly amend the the Wilderness Act.

It is our feeling that the Wilderness Act is a strong measure that can stand on its own merits without amendment. Although we welcome such supplementary legislation as S. 316 or S. 3433, we do not believe that it is appropriate to amend the basic statute at the present time. Therefore, we would prefer not to see any such major direct action.

If the Congress should decide to enact certain amendments to the Wilderness Act, these amendments should be carefully considered. Several of the provisions of S. 3433 would, we feel, create unnecessary problems.

We are not persuaded of the need for an advisory committee. Such committees, although commendable in principle, generally serve as diversions to the important work that must be undertaken by the Congress, the agency, and the interested public. Public participation is, of course, essential, but we believe that adequate provisions direct and meaningful public participation are contained in the original Wilderness Act, S. 316, and S. 3433, without creating a highly artificial structure that is likely to be of limited value.

We prefer the original concept of an annual report to the implementation of a biennial report. The annual report serves a useful function in informing the Congress and the public as to the status of the program, and we would consider it inappropriate to forego this opportunity in these years of active wilderness decision-making.

Finally, we are skeptical of the wording of Section 8(c)(1), concerning limitations on timber stand modification. We are convinced that this language was inserted into S. 3433 for entirely laudatory purposes, but we are concerned that it might be misconstrued in the context of its placement in the Wilderness Act: the Wilderness Act clearly foresees necessary emergency action in the event of fire, insect infestations, and diseases; and timber stand modification may be an acceptable course of action in such a contingency. Our concern is that the language of Section 8(c)(1) may be interpreted to mandate this particular response in preference to other actions that may in the circumstances be more appropriate. Given the fact that the language of the original Wilderness Act clearly proscribes timber stand modification as a routine practice, and yet leaves the alternative open during times of emergency, we would prefer to avoid any misinterpretation by deleting this language altogether.

In conclusion, we are impressed by the conscientious and perceptive work undertaken by all Senators who have worked on the problem of Eastern Wilderness. We appreciate your continuing interest and enthusiasm, and we hope that these comments may be useful to you. Above all, we urge that prompt action be taken on this measure by the Senate.

Sincerely yours,

BROCK EVANS,
Director, Washington Office.

THE WILDERNESS SOCIETY,
Washington, D.C., May 16, 1974.

Senator HENRY M. JACKSON,
Chairman, Senate Committee on Interior and Insular Affairs, New Senate Office Building, Washington, D.C.

DEAR SENATOR JACKSON: We are very pleased to respond to the request from you on behalf of the Senate Interior Committee for our comments on eastern wilderness areas legislation now pending before the Senate, particularly with respect to S. 3433 as reported by the Senate Agriculture Committee. Throughout its history, the Society has been directly involved in the study, identification and management of wilderness lands in the eastern United States. We are pleased, therefore, to offer the committee our views which we hope will be of value to it.

We have examined with considerable care both S. 3433 as developed by the Senate Agriculture Committee and S. 316 as reported by the Senate Interior Committee. We have studied the provisions of these bills as they affect the Wilderness Act and as they affect the administration of designated wilderness and of wilderness study areas. We see problems with respect to the provisions in S. 3433 as they deal with mining, grazing and condemnation of in-holdings within wilderness. We recognize the desirability of uniform practices throughout the National Wilderness Preservation System and we laud the intent of the Agriculture Committee to attain this uniformity. However, the Agriculture Committee, in its bill, has recognized the validity of the 100th meridian distinction between east and west with respect to water resources projects, denying the President authority to permit these in the east while continuing that authority in the west. This distinction, in our view, is a legitimate recognition of currently different political and social circumstances east and west of the 100th meridian. We urge that this distinction be similarly established at this time with respect to mining, grazing, water resource projects, and condemnation of inholdings, and that S. 3433 generally adhere in these specifics to the language of S. 316.

Wilderness study areas should be managed in accordance with the Wilderness Act as prescribed for Primitive Areas. This is required in S. 316. S. 3433, in contrast, states that wilderness study areas shall be managed "so as to maintain their potential for inclusion in the National Wilderness Preservation System." This is a totally undefined standard without any previous definition or application. The Forest Service indicated in its written testimony before the House Interior and Insular Affairs Committee (March 26, 1974) that under this language it would permit the operation of snowmobiles and other off-road vehicles within study areas. Such intrusions would violate a major tenet of wilderness protection and could seriously endanger the wilderness character of study areas. The Wilderness Society strongly supports the language of S. 316, which ties the standard of management for wilderness study areas to the 1964 Wilderness Act by declaring that these areas "shall be administered by the Secretary in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas."

S. 3433 would limit the period of protection of a study area to a maximum of 3 years after the Presidential recommendation has been submitted to the Congress. Any limited or fixed period of protection dissipates the prerogative of the Congress to make the decision as to whether areas shall or shall not be placed in the National Wilderness Preservation System. Further, a fixed period of protection works against orderly wilderness designation by pressuring the Congress to make a decision before it may be prepared to act or by loss of the opportunity through default. This matter was a prime concern when the original wilderness bill was being considered by the Congress. It was finally agreed, by both proponents and opponents of wilderness legislation, that only the Congress should make the final determination as to what areas are to be placed in the Wilderness System. Consistent with that principle, the Congress then required through provision of the Wilderness Act that Primitive Areas—of which wilderness study areas are the equivalent—shall be protected the same as designated wilderness "until Congress has determined otherwise." This unlimited period of protection for study areas should be retained, as in S. 316.

The Society strongly opposes the "Amendments to the Wilderness Act" (beginning on page 22) of S. 3433, all of which are offered as direct amendments to the parent Wilderness Act of 1964. It is our recommendation that any direct amendment of the 1964 Wilderness Law be postponed until a later time. The urgent need at this time is for an eastern wilderness areas measure. The two needed and relevant provisions in this group of amendments pertain to water resource projects and to the requirement for a 60-day notice period for all administrative wilderness hearings. Both of these provisions can be covered without treating them as amendments to the Wilderness Act. We have already commented favorably with respect to the water resource project provision, and the 60-day notice requirement is already satisfactorily contained in S. 316.

The provisions of S. 3433 to create a citizens advisory committee on wilderness and to change the report on the status of the Wilderness System from annual to biennial frequency are undesirable. Given the numerous opportunities for citizen input which are written into the Wilderness Act, we see no need for a citizens advisory committee. The status report on the Wilderness System should be issued on an annual basis, at least in the period of the next several years when many areas are being added to the System by Congress. This report is the one official, current source of data on areas in the System and additions made and being considered during the year. It affords a much needed opportunity for presentation of any current problems related to the Wilderness Act and its administration. There is great practical need for it on an annual basis until such time as the Wilderness System is substantially completed.

We appreciate this opportunity which you have provided, Senator Jackson, to offer to you our comments on this important legislation. We trust that you and your committee will find them useful.

Sincerely,

ERNEST M. DICKERMAN,
Director of Field Services, Eastern Region.

NATIONAL WILDLIFE FEDERATION,
Washington, D.C., May 15, 1974.
Hon. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Reference is made to your letter of May 13, 1974 requesting our views on S. 3433, a bill to establish eastern wilderness.

After reviewing S. 3433, the National Wildlife Federation offers the following comments:

The main thrust of the proposed legislation is to establish 19 "instant wilderness areas" and 40 wilderness study areas east of the 100th meridian. While we concur, in principle, with the selection of the areas identified in S. 3433, we believe that the bill is much too broad in many respects and yet fails to adequately differentiate between eastern and western wilderness. In our judgment that deficiency in the bill could result in the degradation of western wilderness.

On the other hand, the Federation is of the opinion that S. 3433 goes too far in its provisions concerning condemnation, grazing, and mining. It is highly likely that the bill, as presently worded, would be badly defeated because of the active opposition of many strong western groups concerned about extending condemnation authority, mining ban, and grazing restrictions to federal lands west of the 100th meridian. While we subscribe, in principle, to those objectives, we firmly believe it is politically unrealistic to include them in S. 3433.

The Federation has no objection to having the wilderness study areas managed to "maintain their potential for inclusion in the National Wilderness Preserving System" instead of being managed in the same manner as statutory wilderness. In our judgment, that approach will give the U.S. Forest Service some desirable flexibility in the management of the areas. On the other hand, the Federation is opposed to limiting such management protection to only three years from the date of submission to the Congress of the President's recommendation instead of until the Congress determines otherwise as under the 1964 Wilderness Act. That kind of limitation would provide a strong incentive for groups opposing wilderness to engage in stalling tactics to run out the clock.

The 1964 Wilderness Act has proven to be a sound, equitable law. We see no valid reason for the numerous amendments to the Act proposed in S. 3433. In our judgment, there is no substantive rationale for establishing a citizens advisory committee on wilderness, nor should the current annual reporting requirement be reduced to one of a biennial nature. Public hearings and review procedures presently allow for adequate citizen input during the decision-making process without establishing an advisory committee. The annual report is an extremely useful information document for both government agencies and private organizations alike and its periodicity should not be changed. With the exception of the provisions concerning extending the hearing notification time from 30 days to 60 days and prohibiting certain new construction in eastern wilderness, the remainder of the proposed amendments are redundant.

Last, the Federation notes and endorses the provision in S. 3433 for the Secretary of Agriculture to "carry out management programs, development, and activities in accordance with the Multiple-Use Sustained Yield Act of 1960 . . . within areas not designated by him for review . . ."

For the reasons stated above, the National Wildlife Federation recommends that S. 3433 be amended as follows:

(1) Revise Section 3 to add the following sentence:

"Subject to that geographical restriction, the Secretary of Agriculture may consider for review areas where man and his own works have once significantly affected the landscape but are now areas of land (1) where the imprint of man's work is substantially erased; (2) which have generally reverted to a natural appearance; and (3) which can provide outstanding opportunities for solitude or a primitive and unconfined type of recreation."

(2) Revise all language in the bill concerning condemnation, grazing, and mining so that it applies only to areas east of the 100th meridian.

(3) Revise the last part of Section 7(a) to delete the reference to a three year management requirement. In its place substitute language requiring the Secretary of Agriculture to manage wilderness study areas so as to maintain their potential for inclusion in the National Wilderness Preservation System until the Congress determines otherwise.

(4) Delete all of Section 8 except for Section 8 (b) (2) and Section 8 (c) (2) which should be retained in the bill but *not* as amendments to the Wilderness Act of 1964. (With respect to the grazing features of Section 8 (c) (2), see recommendation (2) above.)

We appreciate your thoughtfulness in seeking our views in this matter.

Sincerely yours,

THOMAS L. KIMBALL,
Executive Vice President.

THE IZAAK WALTON LEAGUE OF AMERICA,
May 30, 1974.
Hon. HENRY JACKSON,
Chairman, Senate Interior Committee,
U.S. Senate, Washington, D.C.

DEAR SENATOR JACKSON: In response to your letter of May 15, the Izaak Walton League of America is pleased to offer the following comments on S. 3433, the Eastern Wilderness Areas Act of 1974. As you requested, we will address three broad issues: (a) provisions regarding mining, grazing, and condemnation as applied throughout the National Wilderness System; (b) management of wilderness study areas; (c) direct amendments to the 1964 Wilderness Act.

First, the League has consistently advocated the termination of such inappropriate, non-conforming uses of wilderness as mining, grazing, and water resources development. In particular we have urged that these practices be statutorily excluded from wilderness areas designated under the Eastern Wilderness Act, due to the small and fragile nature of these remnants of wilderness. Similarly, we believe that condemnation authority can be a useful mechanism for protecting the entire wilderness system, but that it is essential in the eastern situation. We support the additional protection given to the Eastern areas by S. 3433 and firmly believe that such protection should, eventually, be extended throughout the wilderness system.

However, we can not fail to question whether this is the proper time, or whether an Eastern Wilderness bill is the appropriate vehicle, for applying these long overdue protective provisions to all willderness areas in the country. The basic provisions of the Eastern Wilderness proposals have been laboriously worked out over several years and enjoy widespread support. Now, late in the second session, the press of Congressional business leaves little time to resolve new controversies over extending condemnation authority and a ban on mining and grazing throughout the wilderness system. We believe that these proposals could better be dealt with in separate legislation (such as S. 1010, currently pending in the Senate) and that reversion to the language of S. 316 would be in order at this time.

Second, with respect to the management of wilderness study areas, we find the language of S. 316 to be far preferable to that of S. 3433, in terms of both the standards and the duration of protection. It is clear that the study areas must be managed so as to guarantee that the option of eventual wilderness designation will be retained. By providing that these areas "shall be administered by the Secretary in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas", S. 316 insures that the wilderness option will not be foreclosed except by direct Congressional action. The management standards mandated by S. 316 have been thoroughly articulated by repeated application; they are not subject to permissive construction or misinterpretation.

By contrast, the language of S. 3433 seems somewhat vague and ambiguous. The requirement that study areas be managed "so as to maintain their potential for inclusion in the National Wilderness Preservation System" could be construed to permit activities antithetical to the wilderness concept. For example, in testimony before the House Interior Committee, the Chief of the Forest Service indicated that such language would permit the operation of snowmobiles in wilderness study areas. Continued use of off-road vehicles will lead to gradual erosion of the wilderness character of these areas, and will tend to legitimize and reinforce recreational patterns that are incompatible with wilderness designation.

With respect to the period of protection of the study areas, we believe that the language of S. 316 is again superior. Under S. 3433 study area protection would terminate three years after the President submits a recommendation to the Congress. This provision violates the principle, establsihed by the 1964 Wilderness Act, that Congress reserves to itself sole authority to designate wilderness areas and to return protected areas to multiple use management. We appreciate the fact that both Committees have acted in good faith and in pursuit of the same objective: preservation of the wilderness values of the study areas pending a timely Congressional decision as to whether or not the areas shall be placed in the National Wilderness Preservation System. We submit that the unequivocal, time-tested language of S. 316 offers a superior vehicle for accomplishing these shared objectives.

Third, we believe that the direct "Amendments to the Wilderness Act", in Section 8 of S. 3433, are an unnecessary complication of the Eastern Wilderness Areas proposals and that direct amendments to the parent statute could more appropriately be the subject of separate legislation. In any case, we question the need for an advisory committee, and oppose the shift from an annual to a biannual report. We have found the annual repart to be extremely valuable during the period of rapid growth of the wilderness system and urge that it be retained. Finally, we specifically oppose the proposed amendment on timber stand modification, Sec. 8(c)(1). While the amendment is undoubtedly intended to clarify the intent of the original statute, we believe that it may be misconstrued to give timber stand modification legal precedence as an emergency response to fire, insect infestation, and disease—whether or not it is the most appropriate action. We believe the amendment to be unnecessary, and urge that it be deleted from the bill.

The Izaak Walton League deeply appreciates the careful and dedicated work by both the Interior and Agriculture Committees on behalf of Eastern Wilderness. We believe that the proposed legislation has benefited greatly from the prevailing spirit of enthusiasm and cooperation, and we trust that any remaining differences can be resolved promptly and amicably. We hope you find these comments useful in your continuing attempts to secure an Eastern Wilderness Act this year.

Sincerely yours,

MAITLAND S. SHARPE,
Environmental Affairs Director.

Mr. JACKSON. I will be submitting an amendment to answer these concerns. However, true to the cooperative spirit this measure has engendered, I believe this amendment is acceptable, as well, to the chairman of the Agriculture Committee.

Before closing, I wish to pay tribute to one man in particular. No man has worked longer or harder for the cause of eastern wilderness than my esteemed colleague from Vermont (Mr. AIKEN). It can truly be said that he is the father of eastern wilderness. All of us owe him a profound debt of gratitude—a debt which we can only repay by promptly passing S. 3433. Let us resolve to make a truly living monument to the Senator's tireless efforts—let us protect the eastern wilderness.

I salute, and on behalf of all of our colleagues in this great body, I pay tribute to the able and distinguished senior Senator from Vermont (Mr. AIKEN).

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. JACKSON. I yield to the distinguished Senator from Georgia.

Mr. TALMADGE. I thank the Senator for yielding and I express appreciation for his personal references to me. Second, I concur with all he has said about our colleague, the distinguished Senator from Vermont (Mr. AIKEN).

Mr. JACKSON. I hope the Senator concurs in what I said about the distinguished Senator from Georgia.

Mr. TALMADGE. I thank the Senator.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JACKSON. I yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, whatever they said about me I would like to say about the distinguished senior Senator from Georgia and the distinguished Senator from Washington, as well. I know we all have worked very hard on this matter. If only we put as much work into other legislation coming before the Senate as we have on this bill perhaps the country would be a little better off for it.

I am familiar with the amendments the Senator from Washington plans to propose very soon. I approve of them. I think we have come to an excellent solution of a problem. A lot of work has gone into the matter and I hope it can become active law before this session is over, and the sooner the better.

Mr. TALMADGE. Mr. President, I have studied the amendments to be proposed by the Senator from Washington. I concur with the Senator from Vermont. They are acceptable and I urge the Senate to accept them when the Senator from Washington proposes them.

Mr. JACKSON. I thank the distinguished Senator from Vermont and the distinguished Senator from Georgia. I shall offer the amendments in just a moment. I wish to yield first to the distinguished Senator from Alabama (Mr. ALLEN) and then offer the amendments.

Mr. President, in the meantime, I ask unanimous consent that the following individuals may be granted the privilege of the floor during the debate on the pending measure: Fred Craft, Brent Kunz, Maureen Finnerty, Jerry Verkler, Steve Quarles, Russell Brown, Mike Harvey, and William Van Ness.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I thank the distinguished Senator from Washington for yielding to me at this time. I am delighted that agreement has been reached on this passage of S. 3433, a bill which will create presently 19 additional wilderness areas and designate another 40 wilderness study areas east of the 100th meridian. This bill will be known as the Eastern Wilderness Areas Act of 1974. Its purpose is to further the purposes of the Wilderness Act by designating certain acquired lands for inclusion in the National Wilderness Preservation System, to provide for study of certain additional lands for such inclusion, some 39 acres, at a later date.

Mr. President, in the Wilderness Act of 1964 Congress established a national policy to secure for the American people present and future generations the benefits of an enduring resource, our wilderness. To this end the act established a national wilderness preservation system and designated as units of the system the national forest areas which had been administratively classified as wilderness, wild, or canoe.

Thus, the original components of the wilderness system were 54 national forest areas containing 9.1 million acres. Since the enactment of the Wilderness Act of 1964, 95 wilderness areas have been designated in the United States. However, only four of these have been designated a national forest east of the 100th meridian. Thus, most of the wilderness areas are in the less populous western half of the Nation, while in the more populous eastern half, including, of course, the southern portion of the United States, there are few wilderness areas.

This situation results, in part, from the position that the Forest Service has taken as to what qualifies as wilderness. The Forest Service, in contrast with the National Park Service and the Bureau of Sport Fisheries and Wildlife, has taken the position that most of the areas in the East are not sufficiently pristine to qualify as wilderness.

It cannot be questioned that those in the East have felt the impact of man possibly greater than in western areas. However, many of these areas have been restored or are in the process of restoration to a primitive and natural condition.

The Forest Service interpretation of the definition of wilderness in section 2(c) of the Wilderness Act of 1964 has come under heavy attack by certain citizen and conservation groups, and I think properly so. Many citizens have felt there is a need to set aside primitive areas in the Eastern United States, regardless of whether these areas in the past have felt the heavy impact of man.

Mr. President, I am delighted that the Committee on Interior and Insular Affairs, under the leadership of its distinguished chairman, the distinguished Senator from Washington (Mr. JACKSON), the Committee on Agriculture and Forestry, under the distinguished leadership of the able and distinguished chairman, the distinguished Senator from Georgia (Mr. TALMADGE), and the distinguished senior Senator from Vermont (Mr. AIKEN), the senior Member of this body, have reached an agreement as to the provisions of this bill. This matter has been before the committee for several years. It is certainly a tribute to the spirit of compromise among the Senator from Washington, the Senator from Georgia, and the Senator from Vermont that general agreement has been reached with respect to setting aside wilderness areas in the eastern part of the United States.

Whether they are called wilderness areas or wild areas, or whatever, just as long as they are preserved for present and future generations in their presently wild state is what is important.

One of these wilderness areas to be set aside is in the State of Alabama in the Bankhead National Forest. By alphabetical arrangement it is the first of the wilderness areas mentioned in the bill on page 3, where the bill states that there are hereby designated as wilderness and, therefore, components of the National Wilderness Preservation System—

> Certain lands in the Bankhead National Forest, Alabama, which comprise about 1,200 acres, are generally depicted on a map entitled "Sipsey Wilderness Area—Proposed," and shall be known as the Sipsey Wilderness.

Mr. President, the people of the State of Alabama are anxious that this wilderness area in the Sipsey branch be set aside as a wilderness area.

My distinguished senior colleague (Mr. SPARKMAN) has given outstanding leadership to the effort to include the Sipsey area in the wilderness-preservation areas. He and I introduced a bill to accomplish this. He has been in the forefront of efforts to make of the Sipsey area a wilderness area. He strongly supports this bill (S. 3433) and he and I are cosponsors of the bill. He is delighted that at long last the efforts of Sipsey supporters are being brought to fruition with the passage of this bill.

I wish to commend and pay tribute to three of our citizens who have been working on this matter for many years, since before I came to the Senate, as a matter of fact. I know they have been working on it for more than 6 years, and I am delighted that their efforts are now culminating in the successful conclusion of this matter. I speak with confidence in this regard because I believe that, agreement having been reached here in the Senate, the House will go along with the provisions of this bill. Mrs. Mary Burks, of Birmingham, Ala., Mrs. Lindsay C. Smith, of Birmingham, Ala.; Dr. Charles S. Prigmore, of the University of Alabama at Tuscaloosa; and the Alabama Conservancy have all been very active in the inclusion of the Sipsey area into the wilderness preservation system.

The report of the Committee on Agriculture and Forestry on the bill (S. 3433) contains a quotation from Aldo Leopold (1887–1948):

> The richest values of wilderness lie not in the days of Daniel Boone, nor even in the present, but rather in the future.

And these wilderness areas are being set aside not just for the present generation but for generations yet unborn who will have the opportunity to enjoy this scenery and these primeval conditions of the wilderness area.

I pay tribute again to the efforts of the distinguished Senator from Vermont (Mr. AIKEN), to the distinguished Senator from Washington (Mr. JACKSON), to the distinguished Senator from Georgia (Mr. TALMADGE), and to the staffs of the Agriculture and Forestry Committee and the Interior and Insular Affairs Committee. It has been the staffs, working under the leadership of the three Senators whose names I have alluded to, that have really worked out this compromise which has resulted in the agreement on the bill at this time.

Mr. JACKSON. Mr. President, I want to commend the distinguished Senator from Alabama for his great interest in the wilderness bill from the very beginning since he came to the Senate. I commend him on his general statement on the philosophy of the legislation and its importance for the future of all people who live in this great country of ours.

Mr. President, I should like to call up now the unprinted amendment which is at the desk.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk proceeded to read the amendment offered by Mr. JACKSON, for himself, Mr. METCALF, Mr. HASKELL, and Mr. NELSON.

Mr. JACKSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Without objection, the amendments will be considered en bloc.

The amendments are as follows:

AMENDMENTS

(a)(1) On page 22, between lines 19 and 20, insert a new subsection (d) as follows:

"(d) Notwithstanding the provisions of clause (4)(2) of subsection 4(d) of the Wilderness Act, commercial grazing of livestock within any wilderness area designated by or pursuant to this Act may be continued under permits consistent with the purposes of this Act."

(2) On page 24, line 7 through line 5 on page 25, strike section 8(c)(2) in its entirety and insert in lieu thereof the following:

"(2) Paragraph (4)(1) is amended by striking the semi-colon directly after "denial" and before "and" and inserting in lieu thereof ': Provided, That with respect to areas designated as wilderness by or pursuant to the Eastern Wilderness Areas Act of 1974, the President shall not authorize the establishment of any new reservoirs, water-conservation works, power projects, transmission lines, or other facilities;'."

(b) On page 18, line 8, through line 22, strike subsection 7(b) and insert in lieu thereof the following new subsection:

"(b) Notwithstanding the provisions of paragraphs (2) and (3) of subsection 4(d) of the Wilderness Act and subject to valid existing rights, federally owned lands within wilderness areas and wilderness study areas designated by or purusant to this Act or hereafter acquired within the boundaries of such areas shall be withdrawn from all forms of appropriation under the mining laws, and from disposition under all laws pertaining to mineral leasing, and all amendments thereto. Such withdrawal shall take effect in areas designated by this Act upon the date of enactment of this Act, in any area designated pursuant to this Act upon the date of enactment of the Act providing for such designation or the date of designation by the Secretary of Agriculture, and for any land acquired within the boundaries of such areas upon the date of such acquisition."

(c)(1) On page 18, line 23, and page 19, line 16, strike "national forest".

(2) On page 18, line 24, and page 19, line 4 and 17, strike "and the Wilderness Act".

(3) On page 25, lines 6 and 7, strike subsection 8(d) in its entirety.

(4) On page 25, line 8, strike "(e)" and insert in lieu thereof "(d)".

(5) On page 26, line 6, strike "(f)" and insert in lieu thereof "(e)".

(d)(1) On page 25, line 23, after the semicolon insert "and".

(2) On page 26, line 2, strike the semicolon and "and" and insert in lieu thereof a period.

(3) On page 26, lines 3 through 5, strike paragraph (3) in its entirety.

(4) On page 26, line 7, strike "12" and insert in lieu thereof "11".

(5) On page 27, lines 1 through 18, strike the new section 10 and its title in their entirety.

(6) On page 27, line 20, strike "11" and insert in lieu thereof "10".

(7) On page 28, line 4, strike "12" and insert in lieu thereof "11".

(e) On page 18, lines 4 and 5, strike "for more than three years" and insert in lieu thereof "beyond the expiration of the third succeeding Congress".

Mr. JACKSON. Mr. President, as I have said, no legislative issue is free of controversy. S. 3433 is no exception. I have held discussions with members of the Interior Committee, and have obtained the views of various national environmental groups concerning S. 3433. As a result of these discussions, our staffs have been discussing possible modifications, and I have prepared an amendment which I now send to the desk.

(1) Subsection (a) of the amendment concerns grazing. The Wilderness Act of 1964 directs that grazing shall continue in the national forest wilderness areas. S. 316, on the other hand, provided for a cut-off after 2 years of commercial grazing of livestock in eastern national forest wilderness areas. Among the reasons for this cutoff were that in a letter to the Interior Committee, Senator AIKEN requested it; that, unlike in the West, livestock can harm wildnerness characteristics in the East because they feed on hardwood shoots; and that grazing is not a significant economic activity in the proposed wilderness areas and study areas in the East.

S. 3433, however, would make the continuation of grazing in either eastern or western wilderness areas discretionary with the Secretary of Agriculture. As you undoubtedly know, commercial grazing of livestock in many national forest wilderness areas and proposed areas in the West is an activity with significant economic benefits for localities in the vicinity of those areas. Members of the Interior Committee believe that a number of western wilderness proposals which we have acted on in the past would have failed had S. 3433's language been in effect. In the last few years wilderness legislation has begun to receive strong support from ranchers and local chambers of commerce who no longer view wilderness as a threat to the local economy and instead regard it as a protection of the local lifestyle. To suddenly remove the guarantee of continued grazing in western wilderness, after 10 years of experience under the Wilderness Act, would undermine this increasing local support and seriously endanger future western wilderness legislation. To maintain S. 3433's language appears particularly unnecessary since no organization, to my knowledge, has maintained that grazing has threatened the wilderness characteristics of any western wilderness area or potential area.

Therefore, subsection (a) would maintain the grazing language of the Wilderness Act for western national forest wilderness. In deference to the Agriculture Committee's judgment concerning grazing in eastern national forest wilderness areas, the amendment would include S. 3433's discretionary authority in the East rather than S. 316's cutoff.

(2) Subsection (b) concerns mining. The Wilderness Act provided that establishment of mining rights could continue until January 1, 1984. S. 316 limited the provision in the Wilderness Act to western national forest wilderness areas and cut off new rights in eastern national forest wilderness areas and study areas as of the date of the bill's enactment. Among the many reasons for S. 316's provisions was the possibility of surface mining in a number of Appalachian areas. Surface mining would most certainly destroy any area's value as wilderness. Shaft mining, the most likely form of mining to occur on any mining rights established in western wilderness areas, is much less of an intrusion on wilderness where the areas are large. However, shaft mining could adversely affect wilderness areas and study areas in the East because of their limited size. The ban in eastern wilderness study areas as well as instant areas was to provide protection during the study. Obviously, if any study area proves to be unsuitable for wilderness and reverts to multiple use, mining rights can again be established. Furthermore, exploration can continue throughout the study period.

S. 3433 extended the ban on establishment of any new rights to western wilderness areas. I am opposed to this for basically two reasons. First, the Interior Committee is presently considering S. 1010, my bill which would amend the Wilderness Act by shifting the cutoff date from January 1, 1984, to the date of S. 1010's enactment. This bill, upon which hearings have been held, is the proper vehicle to accomplish the objectives of S. 3433's mining provision as it relates to western wilderness. Second, a mining rights cutoff in western wilderness is a difficult subject worthy of special, separate attention, which it will receive when S. 1010 is considered by the full Interior Committee.

Subsection (b) would limit the immediate mining rights cut-off to Eastern National Forest Wilderness Areas and wilderness study areas.

(3) Subsection (c) concerns condemnation authority. The original Wilderness Act removed the Forest Service's authority to condemn within National Forest Wilderness Areas. Of course, the authority to condemn in wilderness study areas and multiple-use national forest land areas continues. S. 316, as reported, would not affect the Wilderness Act provision concerning western wilderness areas. However, it would provide condemnation authority in Eastern National Forest Wilderness Areas. The authority was provided in the East because eastern acquired forest lands have not been consolidated to anywhere near the same extent as have the public domain forest lands of the West. A much higher percentage of land in the proposed eastern wilderness areas is in private ownership, and in the case of coal mining rights, in a form of private ownership which would be very detrimental to eastern wilderness. Although the wilderness areas and wilderness study areas designated by S. 3433 represent some of the best consolidated Eastern National Forest Lands, there is still about 10 percent private lands within these areas. In the West, private lands comprise much less than 1 percent of the wilderness areas, thus posing a much more minor problem. In the East, the private lands are so scattered throughout most of the wilderness areas and wilderness study areas that the wilderness quality of those areas could be jeopardized by nonconforming usage of the private lands. In several cases, just the provision of access to inholdings, as required by the original Wilderness Act, could seriously degrade the wilderness experience.

S. 3433 extends the eminent domain authority provided in S. 316 to Western National Forest Wilderness Areas. I am opposed to this extension because it is unnecessary—again, I know of no organization which has found inholdings in western areas to threaten the wilderness quality of those areas—and it, too, would erode local support for western wilderness legislation.

Subsection (c) would limit the application of the condemnation authority in National Forest Wilderness Areas to eastern areas.

(4) Subsection (d) concerns the National Wilderness Advisory Committee which would be established by subsection 8(f) of S. 3433. Neither the Wilderness Act nor S. 316 provides for such a committee. Instead, the acts, S. 316 and S. 3433, have numerous provisions providing for strong local citizen participation in wilderness decisions. Several members of my committee feel the National Advisory Committees do not adequately provide truly balanced citizen input. As the Advisory Committee is established by an amendment to the Wilderness Act which is under the jurisdiction of the Interior Committee, I have taken particular care to determine the position of the committee's members.

I believe subsection (d) to remove from S. 3433 the provisions relating to the advisory committee represents the viewpoint of most, if not all, of the members of the Interior Committee.

(5) Subsection (e) concerns the protection of study areas. Under S. 316 we provided that study areas would be protected as wilderness areas except where S. 316 specifically provided otherwise. S. 316 also provided protection of the study areas until such time as "Congress has determined otherwise." This quoted language duplicates the protection provision of the Wilderness Act concerning primitive areas. S. 3433, on the other hand, states that each study area is to be protected to maintain its "potential" for wilderness and only for 3 years after the submission to the Congress of the President's recommendations concerning it.

I have been somewhat concerned about the "potential" language, not because of anything the Agriculture Committee has done, but because of the possibility of a too flexible interpretation by the Secretary of Agriculture. A recent statement of the Chief Forester concerning offroad vehicle use in a study areas underlines this concern. Therefore, I requested a letter from the Forest Service which I feel does clarify the intent of the Department of Agriculture with respect to the protection of these study areas. I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. FOREST SERVICE,
Washington, D.C., May 29, 1974.

Hon. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate.

DEAR MR. CHAIRMAN: This is in reply to your request for an explanation of how the Forest Service would manage eastern wilderness study areas ". . . so as to maintain their potential for inclusion in the National Wilderness Preservation System. . . ." as would be required pursuant to Section 7(a) of S. 3433.

In April, the Forest Service issued a directive prescribing the management of wilderness study areas. The directive applied to the 274 new study areas (271 are west of the 100th meridian) selected by the Chief in the Roadless Area Review and Evaluation process. Its coverage was broadened in May to include the areas contained in the Administration's legislative proposal, "The Eastern Wilderness Amendments of 1973." The coverage of the directive would be extended to the study areas established pursuant to S. 3433. The directive reads as follows:

8261.1—MANAGEMENT PENDING STUDY AND FINAL DECISION.

"New study areas will be managed to protect their wilderness characteristics until detailed studies can be completed and a recommendation is accepted by the Washington Office as to their classification for wilderness or other purposes.

"No actions will be undertaken in new study areas that will change their wilderness characteristics, including harvesting timber, building roads, vegetative type changes, or constructing other permanent improvements that would not be allowed in established wilderness."

During the study period, multiple use plans would include recognition of these areas and no commitments would be made for the resources which would adversely affect future designation as wilderness. No proposed action would be permitted if its implementation would become a basis for not recommending the area for wilderness classification. Existing authorized improvements such as corrals, fences, cabins, snow courses, and hydrometeorologic instruments, could be retained until a final land management decision is made. Interim use of wilderness study areas would be permitted where wilderness characteristics of the area would not be impaired, or during certain emergencies. Wildfires would be suppressed, and insect and disease epidemics treated, if an environmental analysis indicated this was feasible and desirable. Mineral leasing, location, and entry under United States mining laws, and access to private lands would be in accordance with existing laws and regulations.

You will note from the above that our policy allows all possible uses which are compatible with maintaining the area's potential for wilderness. To do otherwise would be unfair to the other present users of the area. A wilderness study area is just that—an interim designation during the time an area is being studied for suitability or nonsuitability for wilderness. We believe that the time to institute total wilderness management is when this process is completed and decisions made.

To be specific concerning off-road vehicles, they would not be allowed in study areas where the machines would do significant damage to such things as the vegetative cover, or soil and water resources. They would be allowed if the effects were transitory and would not alter the area's qualifications for future wilderness designation.

Because these areas are restored to a near-natural condition, they become a special resource of the eastern National Forests. In our concern that such a special resource can be easily damaged, we will monitor the areas closely to preclude resource damage from legitimate use and determine the need for enforcement against violators of the laws and regulations.

Thank you for the opportunity to comment on this matter.

Sincerely,

REXFORD A. RESLER,
Associate Chief.

Mr. JACKSON. Mr. President, of more fundamental concern to me, however, is the length of protection of the study areas. Given the 5-year study period, we can most likely expect that all 40 studies will be submitted to the Congress almost simultaneously at the end of the 5th year. I believe it will be very difficult for Congress to act on all 40 studies in 3 short years, particularly when one considers that, in the Senate, alone, the study areas will have to be considered by both the Interior Committee and the Agriculture Committee.

I understand, however, that the members of the Agriculture Committee are opposed to the "until Congress decides otherwise" protection provided by S. 316.

Therefore, as a compromise position, I suggest subsection (e) of the amendment which provides in effect for a protection period for a minimum of three full Congresses.

Mr. President, I believe that this amendment will resolve the issues in a fair and equitable manner.

I want to say at this time that the distinguished junior Senator from Montana (Mr. METCALF), the distinguished junior Senator from Colorado (Mr. HASKELL), the distinguished junior Senator from Wisconsin (Mr. NELSON), all members of the committee, have done an outstanding job in hammering out the provisions that are in this bill in connection with the hearings that the Senate Interior Committee held not only in Washington, D.C., but around the East. I want to commend all three of them, especially Senator HASKELL, for chairing most of the hearings outside of the city and, as chairman of the Public Lands Subcommittee, for taking the bill through subcommittee markup. These Senators have played an invaluable role in getting the Interior Committee bill to the floor, as have the members of the Agriculture Committee and the staffs of the two committees in working out this final version of the Eastern Wilderness Act.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. AIKEN. We have had excellent cooperation from the Senators from the Interior Committee States, I call them. In addition to the ones who have been so helpful, mentioned by the Senator from Washington, we have also had excellent cooperation from Senators HANSEN and FANNIN, and many others. There has been an upsurge of interest in this legislation within the last 30 days, I would say.

I want to give credit to all the Senators from west of the 100th Meridian for the cooperation which they have given us, and particularly the junior Senator from Montana, who is with us at this time, Senator METCALF, who has been particularly helpful in this respect.

Mr. JACKSON. I thank the Senator. I must say it is in the best tradition of the U.S. Senate that we have resolved our differences, and I think we can say the American people will be the beneficiaries of this effort; and I commend the Senator from Vermont again.

I now yield to the junior Senator from Vermont.

Mr. STAFFORD. I thank the distinguished Senator for yielding.

Mr. President, I just wanted to say at this point that, as the junior partner of the senior Senator from Vermont in connection with the very significant and important piece of legislation which we are considering this afternoon, I know the country will appreciate the efforts of many able Senators in composing this legislation, in bringing it forth, and in passing it in this body this afternoon, because I am sure it will be passed. But I am equally certain that my colleague, Senator GEORGE AIKEN, has really been the father of this bill. These proposals have been very important to him for a long time. He has had a lifelong interest in this type of legislation, and future generations will not need these wilderness areas to remember the name GEORGE AIKEN, but it will be a fitting remembrance of him as these 19 areas go into the preserved wilderness areas of the United States.

I thank the distinguished Senator for yielding.

Mr. AIKEN. Mr. President, does the Senator from Washington desire to have his amendment acted on?

Mr. JACKSON. I will call up the amendment and get a vote on it. First, I yield to the distinguished Senator from Wisconsin.

Mr. BAYH. Mr. President, at this time, I also want to express my opposition to the Nelson amendment No. 1364 which would have the effect of treating wilderness study areas the same as instant wilderness areas, and, at the same time, remove any time limitation on when Congress would have to determine whether a study area, or a modified study area, should be included in the wilderness system

I am opposed to this amendment, Mr. President, because I believe firmly that both sections of the amendment are contrary to the proper and effective consideration of study areas.

In submitting his amendment, the Senator from Wisconsin said that:

> It mandates that the 39 wilderness study areas be managed exactly the same as the 19 "instant wilderness areas."

In other words, Mr. President, this amendment would destroy the purpose of designating certain possible wilderness areas as study areas. Instead of studying an area for possible future inclusion in the wilderness system, the effect of this amendment would be to make study areas instant wilderness areas. I regard this as unfair to the people in and near study areas who, like the residents of Brown and Jackson Counties in Indiana in and around the Nebo Ridge study area, did not have an opportunity to testify before the map was drawn for the study area.

It is extremely important to bear in mind that in situations such as Nebo Ridge, where private land is included in the study area, that residents of the area have absolute assurance under the committee bill that designation of the land as a study area will not affect their private holdings during the study. As my colloquy with the Senator from Vermont showed, this is precisely why the Agriculture Committee made the proper distinction between study areas and instant wilderness areas. To destroy that distinction would be most unfair to the people directly affected by the designation of an area as a wilderness study area.

This point is especially important since the second part of the Nelson amendment increases the problem. To remove any time limitation in which Congress must make a decision on making a study area, or a modified study area, part of the wilderness system places the residents of a study area in a kind of perpetual limbo.

Moreover, if a study area is to be managed as a wilderness area, and if there is to be no time limitation on final determination as to whether a study area will be turned into a wilderness area, the net effect of the Nelson amendment would be to make Nebo Ridge and the other study areas instant wilderness areas for the indefinite future.

This would be contrary to the goal of providing the affected citizens in and around study areas an opportunity to be heard before their region is made into a wilderness area. It would effectively shortcut the proper hearings process, denying affected citizens their legitimate opportunity to be heard, and I must stress my strong opposition to such a step.

Mr. President, as was brought out in the colloquy with the able and distinguished Senator from Vermont (Mr. AIKEN) the bill as reported from the Agriculture Committee provides two fundamental protections for citizens with private holdings in study areas:

First. Nothing may be done to restrict their use of their land during the study period so long as they do not desecrate it, something the people of Nebo Ridge would never do; and

Second. The people would have ample opportunity to be heard, and Congress would have to take specific action before a study area, or any part of a study area, could be made into a wilderness area.

Amendment No. 1364 destroys those two fundamental protections and I urge strongly that if it is offered, it be defeated.

Mr. NELSON. Will the Senator from Washington yield for two questions of verification?

Mr. JACKSON. I yield.

Mr. NELSON. I understood the Senator to say that the time allowed for Congress to act, following the recommendation of the President with respect to the wilderness area, is three full Congresses subsequent to the recommendation that comes to Congress. Does that mean three full Congresses following the Congress in which the recommendation is made?

Mr. JACKSON. The Senator is correct.

Mr. NELSON. So that could mean almost 8 years?

Mr. JACKSON. It could.

Mr. NELSON. One further question. I had favored the provisions of the original Wilderness Act that would allow Congress whatever time was necessary.

Mr. JACKSON. That was also in S. 316 which the Interior Committee reported.

Mr. NELSON. Yes. I should like to ask the chairman of the Committee on Interior and Insular Affairs and also the chairman of the Committee on Agriculture and Forestry: If it appeared at some time that Congress was unable to act on the recommendations that had come to it on set-aside wilderness areas, and if it were necessary to propose a further extension, would the two chairmen be prepared to push the legislation to give and to grant an extension? I raise the question because I have had officials from a number of organizations that are interested raise it with me. They are concerned that the time might run out.

Mr. JACKSON. Mr. President, I shall yield to the distinguished chairman of the Committee on Agriculture and Forestry for his answer.

Mr. TALMADGE. I concur in the thoughts of the Senator from Wisconsin. I point out, however, that it took us but 15 months to work up this eastern wilderness bill, complex as it is. Certainly, I think that Congress could act in a period of, as the Senator has stated, almost 8 years on any study area that was recommended for inclusion in the wilderness system.

If the jurisdiction comes to the Committee on Agriculture and Forestry on any of these study areas—and it would consist of acquired land—I would pledge that my committee will always act expeditiously.

Mr. NELSON. I thank the distinguished Senator from Georgia.

Mr. JACKSON. I might add that if the Committee on Interior and Insular Affairs were involved and it would appear that both committees will be by virtue of our shared jursidiction on this bill, the Interior committee's jurisdiction over the Wilderness Act, and the Agriculture committee's jurisdiction over acquired lands—we, of course, would be prepared to extend the time for new legislation, if it could not be accomplished within the framework of this amendment.

Just this year, we passed legislation to extend the protection of wild and scenic study rivers for an additional 5 years. I think that if there were not sufficient time, we could do the same thing with respect to this bill. We would hope to be able to do it within the amendment's time framework. If we cannot, we have the power to take action, I assure the Senator from Wisconsin.

Mr. NELSON. Mr. President, I thank the distinguished Senator from Washington and the distinguished Senator from Georgia. I was personally satisfied as to what the answer would be, because I know that both the chairmen and members of both committees desire to have wilderness areas set aside. However, people from such areas, who are interested, have worried about the possibility that they might not have enough time and wanted an allowance. So it would be our intent to extend the time, if that becomes a necessity, respecting some of the recommendations relative to wilderness areas.

I should like to ask a question of the distinguished Senator from Vermont (Mr. Aiken) respecting the use of recreation vehicles and off-the-road vehicles on public lands in the study areas, pending recommendations for permanent setasides. I am concerned about the interpretation that was put upon the language of the bill by the Chief of the Forest Service. I should like to ask the author of the bill for his interpretation of the intent of the legislation respecting the use of off-the-road vehicles on public lands within the study areas.

Mr. AIKEN. Mr. President, I am glad the Senator from Wisconsin has asked that question, because I believe the issue of off-the-road vehicles and their use in study areas should be made absolutely clear.

When the Wilderness Act of 1964 was enacted, there were very few such vehicles. Now they abound; some say there are too many of them. Some of these vehicles can negotiate almost any terrain, and many are like tanks or tractors in their impact on the vegetation and soil.

The goal of our language is to eliminate the use of off-the-road vehicles on public land in wilderness study areas, except for purposes of ingress and egress.

The Secretary will not intefere with the use of off-road vehicles on private lands, or with private property owners who must have access to their land.

There are two reasons why off-road vehicle restrictions are needed. The basic one is that the intent is to protect the study area from actions that will destroy its wilderness characteristics while the study is underway and later while the Congress is considering whether to enact a wilderness designation for the area. The second reason is that these vehicles are inimical to the wilderness concept.

Mr. NELSON. Mr. President, I thank the Senator from Vermont for that interpretation. I thought it was important to raise the question. The interpretation by the Chief of the Forest Service of the language in the bill is that off-the-road vehicles would be permittees on public lands in wilderness study areas at his discretion. I did not think that was what the language in the bill meant, and I desired to have it clarified.

The interpretation of the Chief of the Forest Service was based upon this language, line 24, page 17, of the bill, S. 3433:

> The wilderness study areas designated by or pursuant to this Act shall be managed by the Secretary of Agriculture so as to maintain their potential for inclusion in the National Wilderness Preservation System until Congress has determined otherwise * * *

I thought that that language was perfectly clear; that the wilderness study areas would be treated as the instant wilderness areas, as it had been in the past. But the Chief of the Forest Service had a different interpretation which, in my opinion, was important because it did not follow the intent of the statute nor the intent of the Congress. I am glad to have that issue clarified.

Mr. President, I ask unanimous consent to have printed at this point in my remarks the letter from the Chief of the Forest Service, written to me on May 29, 1974.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Department of Agriculture,
Forest Service,
Washington, D.C., May 29, 1974.

Hon. Gaylord Nelson,
U.S. Senate.

Dear Senator Nelson: This is in reply to your May 22 letter regarding the use of off-road vehicles within the wilderness study areas designated pursuant to S. 3433.

In April, the Forest Service issued a directive prescribing the management of wilderness study areas. The directive applied to the 274 new study areas (271 are west of the 100th meridian) selected by the Chief in the Roadless Area Review and Evaluation process. Its coverage was broadened in May to include the areas contained in the Administration's legislative proposal, "The Eastern Wilderness Amendments of 1973." The coverage of the directive would be extended to the study areas established pursuant to S. 3433. The directive reads as follows:

8261.1—MANAGEMENT PENDING STUDY AND FINAL DECISION

"New study areas will be managed to protect their wilderness characteristics until detailed studies can be completed and a recommendation is accepted by the Washington Office as to their classification for wilderness or other purposes.

"No actions will be undertaken in new study areas that will change their wilderness characteristics, including harvesting timber, building roads, vegetative type changes, or constructing other permament improvements that would not be allowed in establishing wilderness."

During the study period, multiple use plans would include recognition of these areas and no commitments would be made for the resources which would adversely affect future designation as wilderness. No proposed action would be permitted if its implementation would become a basis for not recommending the area for wilderness classification. Existing authorized improvements such as corrals, fences, cabins, snow courses, and hydrometeorologic instruments, could be retained until a final land management decision is made. Interim use of wilderness study areas would be permitted where wilderness characteristics of the area would not be impaired, or during certain emergencies. Wildfires would be suppressed, and insect and disease epidemics treated, if an environmental analysis indicated this was feasible and desirable. Mineral leasing, location, and entry under United States mining laws, and access to private lands would be in accordance with existing laws and regulations.

You will note from the above, that our policy allows all possible uses which are compatible with maintaining the area's potential for wilderness. To do otherwise would be unfair to the other present users of the area. A wilderness study area is only that—an interim designation during the time an area is being studied for suitability or nonsuitability for wilderness. We believe that the time to institute wilderness management is when this process is completed and decisions made.

In answer to your specific question as to whether we would allow continued use or snowmobiles and other off-road vehicles in wilderness study areas—

No, we would not allow such use where the machines would do significant damage to such things as the vegetative cover, or soil and water resources.

Yes, we would allow such use if the effects were transitory and did not alter the area's qualifications for future wilderness designation. If, through our monitoring program, the land manager determined that the snowmobile and off-road vehicle use were causing residual effects which might prejudice wilderness qualifications of the land, he would terminate the use of the machines.

Thank you for the opportunity to comment on this matter.

Sincerely,

R. A. Resler,
(For John R. McGuire, Chief).

Mr. NELSON. I emphasize this with some specificity because I think it is very important that this dialog on the floor of the Senate represent the legislative intent as to the interpretation of that sentence that I just read from the statute. The interpretation made by the Senator from Vermont would represent the unanimous intent of Congress and it is, therefore, unnecessary for me to offer my amendment. I previously thought that the language was perfectly clear until the Chief of the Forestry Service interpreted it differently.

I would just add that in reading the report of the Committee on Agriculture the intent to protect the wilderness study areas was quite clear. That report states on page 17:

> Wilderness study areas designated by or pursuant to the bill are to be managed by the Secretary so as to maintain their potential for inclusion in the National Wilderness Preservation System until Congress determines otherwise.

I am happy to have the response and the interpretation of the principal author of the bill. I think that clarifies the matter satisfactorily, and I shall not call up my amendment respecting that provision or the length of time given for the Congress to act.

I just wish to conclude by saying that I want to commend the distinguished Senator from Vermont for his long fight in behalf of setting aside an Eastern wilderness area. I am happy to have four wilderness study areas in my own State. They are magnificent areas that ought to be preserved in their current state in perpetuity.

I commend the distinguished chairman of the Interior Committee and the members who worked so hard on this bill, as well as the chairman of the Committee on Agriculture. I think this is a piece of landmark legislation which will end up setting aside almost 800,000 acres ultimately as part of the wilderness system within, mostly within, the forests, within the public lands, although included within them are some 44,000 acres of private land.

I think an excellent job has been done on this bill. Although there are some slight points that I would have a difference with, I think it is a very, very good piece of legislation.

Mr. JACKSON. Mr. President, I again express my appreciation to the able Senator from Wisconsin for his cooperation and time and effort in trying to forge a sensible solution to the differences between S. 316 and S. 3433. I commend him because I believe the result will be the enactment in this Congress of an Eastern Wilderness Act, which, as we all agree, will be an everlasting monument to the dedicated efforts of the able senior Senator from Vermont.

Mr. President, I know of no additional requests for time. I think we are prepared to vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington (Mr. JACKSON).

The amendment was agreed to.

Mr. BAYH. I would like to express my personal appreciation to the distinguished Senator from Vermont for his longtime interest in preserving important areas of our country for our posterity to enjoy. As the Senator knows, an area in my State, Nebo Ridge in Hoosier National Forest, is among those designated as wilderness study areas under this bill.

A number of people in my State have expressed a deep interest in this particular part of the bill. If the Senator will permit I would like to direct a few specific questions to him in an effort to clarify some questions which have been raised relative to Nebo Ridge.

It is my understanding that the management standards of wilderness and study areas are different. Does the fact that Nebo Ridge is specified as a study area mean that existing roads, powerlines, and other improvements or developments in a designated study area—such as Nebo Ridge—could remain intact during the study period?

Mr. AIKEN. Yes, the management standards for wilderness study areas are different from the management standards for wilderness areas Under the bill, existing roads and other improvements in designated study areas would remain unaffected during the study period.

Mr. BAYH. Is my interpretation of this measure accurate when I say that inclusions of a region as a study area does not necessarily mean that the area will become a wilderness area?

Mr. AIKEN. The Senator is correct. The designation of an area for study does not mean that the area will necessarily be designated as wilderness. Such designation would come only after a review by the Secretary of Agriculture.

Mr. BAYH. Is it not correct that formal designation of a study area as a wilderness area could only come after public hearings—in which affected citizens could be heard?

Mr. AIKEN. Yes. In making his review of a study area, the Secretary of Agriculture is required to hold public hearings. The bill provides that notice of the hearing must be given at least 60 days in advance.

Mr. BAYH. Is it also correct that even if the Secretary of Agriculture recommends that an area be designated a wilderness area that the Congress must act before that designation could take effect?

Mr. AIKEN. After the Secretary completes his review, he submits his findings to the President. The President then submits his recommendations to the Congress, and a study area can only be designated as wilderness by a subsequent act of Congress.

Mr. BAYH. Is it fair to say that if Nebo Ridge, or any other study area, is subsequently recommended as a wilderness area that all of the land in the study area need not necessarily be included in the possible future wilderness area?

Mr. AIKEN. Once again the Senator is correct. The Secretary of Agriculture or the Congress may decide that only part of a study area should be formally designated as a wilderness area.

Mr. BAYH. I appreciate the Senator's reponse. This is an important point, especially as it relates to the guaranteed opportunity for public hearings prior to the time a study area might be designated—in whole or in part—as a wilderness area. Has it not traditionally been the firm policy of the Agriculture Committee that thorough and fair public hearings be provided in all such instances?

Mr. AIKEN. Yes. The committee has always sought to give adequate opportunity for the expression of opinion by affected citizens and this is why such a provision is written directly into the bill.

Mr. BAYH. Since there has been great concern expressed by residents in and near the proposed Nebo Ridge study area, am I correct in my understanding that the study area designation would not interfere in any way with present private residences and farms in the study area?

Mr. AIKEN. The designation of Nebo Ridge as a study area would not interfere with privately held residences or farms within the boundaries of the study area.

Mr. BAYH. To carry this a step further, persons owning land in Nebo Ridge and other designated study areas would be permitted, as I interpret your response, to sell, deed, or leave to their heirs privately owned property in such a study area?

Mr. AIKEN. The Senator is correct in his interpretation. Persons owning land within the boundaries of Nebo Ridge or any other study area designated by the bill could sell, lease, or will their property without any restrictions.

Mr. BAYH. In others words the people in Nebo Ridge may continue to use their land, this legislation notwithstanding, in exactly the same fashion they are currently using their land?

Mr. AIKEN. That is the intention of the study area designation.

Mr. BAYH. Furthermore, passage of this legislation—which involves the designation of 19 wilderness areas and 40 wilderness study areas—does not authorize the taking of private land in the Nebo Ridge area. Is that correct?

Mr. AIKEN. The enactment of the bill would not authorize the taking of privately held land in the Nebo Ridge area.

Mr. BAYH. As I understand the purpose of study area designations, it is to prevent the desecration of a given area so as to avoid the destruction of its natural beauty. Would it be correct to interpret this designation to mean that the Forest Service would be able to prevent any desecration of Nebo Ridge or any other study area during the period that such areas were being considered for possible inclusion in the National Wilderness System?

Mr. AIKEN. The Senator is correct. Under the management standard for the 40 wilderness study areas designated by the bill—including Nebo Ridge—the Forest Service must protect the wilderness potential of the areas while reviews are proceeding. No action could be taken on federally owned land in a study area that would change its wilderness characteristics—including the harvesting of timber, building new roads, or constructing other improvements which would destroy its natural beauty.

Mr. BAYH. If I may summarize my interpretation of the Senator's responses—and correct me if I am wrong—this proposed designation of Nebo Ridge as a study area means, on one hand, that nothing may be done in Nebo Ridge while it is a study area that would destroy its potential as a wilderness area, and, on the other hand, life may go on in Nebo Ridge in its present manner without disruption.

Mr. AIKEN. The Senator is correct. As I stated, the Forest Service must protect the wilderness potential of all of the study area. However, the bill does not purport to affect privately owned land in any study area, and private rights are, therefore, protected.

Mr. BAYH. I thank the able Senator from Vermont for his clarification of the legislation and his careful attention to this important matter.

Mr. HUGH SCOTT. Mr. President, after a year and a half of intense study by two Senate committees, I am pleased that the so-called Eastern Wilderness Areas Act of 1974 is now before us. I have taken an active interest in the development of this vital bill, especially as it concerns the Allegheny National Forest in Pennsylvania. The forest is located in four of the Commonwealth's northwestern counties—Warren, McKean, Forest, and Elk.

On February 15, 1973, the Committee on Agriculture and Forestry favorably reported S. 22, a similar bill, which recommended that two areas of the Allegheny National Forest be studied by the Secretary of Agriculture for possible inclusion into the wild areas system. The two areas specified were Hickory Creek in Warren County and Tracy Ridge in Warren and McKean Counties. The acreage to be studied in each area was not detailed in the bill.

Because the Committee on Interior and Insular Affairs claimed concurrent jurisdiction over this bill, S. 22 was held on the calendar while still another bill, S. 316, was considered by that committee. On December 20, 1973, S. 316 was favorably reported with specific mention of Hickory Creek and Tracy Ridge. Unfortunately, the committee recommended reducing the acreage to be studied—from 11,200 to 8,200 in the case of Hickory Creek and from 10,000 to 7,900 in the case of Tracy Ridge.

Previously, I had urged that a total of four areas be studied—Allegheny Front in Warren County and Minister Creek in Warren and Forest Counties, in addition to the other two.

On January 23, 1974, I introduced amendment No. 939, to S. 316, expanding the acreage under study at Hickory Creek and Tracy Ridge and adding one more area for study—10,000 acres at Allegheny Front. Not enough background material was available to include Minister Creek in my amendment.

The Committee on Agriculture and Forestry then began another review of this legislation, including my amendment. On April 26, 1974, the distinguished chairman of the committee, Mr. TALMADGE, advised me that my amendment was considered and agreed to by the committee. And on May 2, 1974, the committee filed its report, along with a clean bill, S. 3433. Section 5 of the bill, which I cosponsored, specifically designates three areas of the Allegheny National Forest for review and study by the Secretary of Agriculture as to their suitability for preservation as wilderness—11,200 acres at Hickory Creek, 10,000 acres at Tracy Ridge, and 10,000 acres at Allegheny Front.

I would like to express my thanks and appreciation to Senators TALMADGE, AIKEN, JACKSON, and FANNIN for their assistance to me in this effort.

Mr. President, I am proud to have played a role in developing this bill. I hope the Senate will approve it and pave the way for swift action in the House of Representatives.

EASTERN WILDERNESS AREAS ACT OF 1974 DESIGNATES IMPORTANT AREAS IN PENNSYLVANIA

Mr. SCHWEIKER. Mr. President, the bill which we are considering today, the Eastern Wilderness Act of 1974, is a significant national conservation bill and contains important areas in Pennsylvania. Senator HUGH SCOTT and I originally offered an amendment to the bill to include specific areas and increased acreage in Pennsylvania. I am very pleased that our proposal has been included in the bill as it has been reported by the Agriculture Committee.

Our amendment, now in the bill, would establish three study areas in the Allegheny National Forest: It increases the acreage in the Hickory Creek study area to 11,200 from 8,200 acres. The acreage for the Tracy Ridge study area is increased from 7,900 to 10,000 acres. Finally, our amendment added the 10,000-acre Allegheny Front as a study area.

According to forest statistics for 1970, 1,274,604,000 board feet of timber was grown in Pennsylvania and 718,630,000 board feet of timber was removed. The growth has definitely exceeded the cut. In 1952, commercial forest lands covered 14,574,000 acres in Pennsylvania and in 1970 the acreage increased to 17,478,000. 442,000 acres of land was owned outright by the forest industry in 1952 compared to 610,000 acres in 1970. The 1960 Multiple-Use Sustained Yield Act, overwhelmingly enacted by the Congress, includes a provision for the Forest Service to create wilderness areas and to properly maintain them so long as reasonable. Pennsylvania currently has no wilderness areas. In view of the continuing growth of commercial forest acreage in Pennsylvania, I believe the designation of these wilderness areas in Pennsylvania to be reasonable.

This bill will help preserve for the millions of people in the eastern region of our country, now and in the future, unspoiled natural areas to be enjoyed in their original state. It is important that we act now to preserve these unique areas many of which are located within easy access of our most heavily populated areas. I urge my colleagues to join me in supporting this important legislation.

Mr. JACKSON. Mr. President, before I conclude my remarks and we have the vote on passage, I want to take this opportunity to express my appreciation to the staff of our committee, in particular Mr. Russell Brown, who has spent literally weeks and months pouring over the maps and doing all the technical work in connection with the many areas covered by this bill. He did the basic staffing in the field as well as for the hearings that were held here in Washington. The policy sections of the bill were the responsibility of our counsel, Mr. Steven Quarles, who has spent so much time on land-related legislation, including the Land Use Policy and Planning Assistance Act which we passed last June, the strip mining bill, and the national resource lands management legislation on which he was assisted by Michael Harvey, an area in which he is an expert. That bill will be coming up next week.

Mr. President, I know of no other amendments. I think we are prepared to go to third reading.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The bill having been read the third time, the question is, Shall it pass?

Mr. METCALF. Mr. President, over the years the Senator from Vermont (Mr. AIKEN) has been a strong advocate of conservation measures and of wilderness protection. I can recall, as a Member of the House of Representatives, when I was a Member of that body, he as a Member of the Senate supported and defended the right of people to continue to own the public land when the Ellsworth bill would have provided for the trading of stumps in national forests for logging privileges in areas that were taken for national parks or dams, and so forth.

I remember when the D'Ewart bill came up, and he defended the provisions that would have preserved public ownership. Here is a man who, over the years, has supported and defended the right to western conservation, western wildernesses, and the protection of western forests, streams, lakes, and areas of wilderness quality.

Therefore, it is most appropriate that I stand up and note that today, at long last, the Senator's dream of an eastern wilderness program has finally come true, and the Senate is about to pass an eastern wilderness bill. After all the efforts that he has made to protect wildernesses, and for conservation of streams and forests and such areas, all over the rest of the United States, he has finally achieved recognition of the need for protection of our eastern areas. I believe this is the high point in the career of the Senator from Vermont insofar as his long-time advocacy of setting aside conservation and recreation is concerned. Finally he has by reason of his long advocacy of the use of public domain lands for environmental and conservation purposes achieved recognition of the need for an eastern wilderness.

The PRESIDING OFFICER (Mr. METZENBAUM). The bill having been read the third time, the question is, Shall it pass?

The bill (S. 3433) was passed, as follows:

S. 3433

An act to further the purposes of the Wilderness Act by designating certain acquired lands for inclusion in the National Wilderness Preservation System, to provide for study of certain additional lands for such inclusion, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be known as the "Eastern Wilderness Areas Act of 1974".

STATEMENT OF FINDINGS AND POLICY

SEC. 2. (a) The Congress finds that—

(1) in the more populous eastern half of the United States there is an urgent need to identify, study, designate, and preserve areas for addition to the National Wilderness Preservation System;

(2) areas of wilderness in the most populous eastern half of the United States are increasingly threatened by the pressures of a growing and more mobile population, large-scale industrial and economic growth, and development and uses inconsistent with the protection, maintenance, and enhancement of the areas' wilderness character;

(3) the national forests in the eastern United States consist predominantly of acquired lands where the impact of man's past activity has been substantial, and the res-

toration of such lands for conservation purposes and specifically for wilderness purposes requires considerable effort;

(4) there is a growing need for the broad range of recreational opportunities which can be provided within the national forest system; and

(5) among these opportunities is the opportunity for present and future generations to enjoy primitive recreation in a spacious, natural, and wilderness setting.

(b) Therefore, the Congress finds and declares that it is in the national interest that areas hereinafter cited in the eastern half of the United States be promptly designated as wilderness within the National Wilderness Preservation System, and that additional areas be promptly studied. These actions are required in order to preserve such areas as an enduring source of wilderness which shall be managed to promote and perpetuate the wilderness character of the land and its specific values of solitude, physical and mental challenge, scientific study, inspiration, and primitive recreation for the benefit of all of the American people of present and future generations.

DESIGNATION OF AREAS PURSUANT TO THIS ACT

SEC. 3. Only national forest areas east of the one hundredth meridian may be designated pursuant to this Act as wilderness areas or wilderness study areas.

DESIGNATION OF WILDERNESS AREAS

SEC. 4. In furtherance of the purposes of the Wilderness Act (78 Stat. 890), the following lands (hereinafter referred to as "wilderness areas") located east of the one hundredth meridian and as generally depicted on maps appropriately referenced, dated April 1974, are hereby designated as wilderness and, therefore, as components of the National Wilderness Preservation System—

(1) certain lands in the Bankhead National Forest, Alabama, which comprise about twelve thousand acres, are generally depicted on a map entitled "Sipsey Wilderness Area—Proposed", and shall be known as the Sipsey Wilderness;

(2) certain lands in the Ouachita National Forest, Arkansas, which comprise about fourteen thousand four hundred and thirty-three acres, are generally depicted on a map entitled "Cane[illegible] Creek Wilderness Area—Proposed", and shall be known as the Caney Creek Wilderness;

(3) certain lands in the Ozark National Forest, Arkansas, which comprise about ten thousand five hundred and ninety acres, are generally depicted on a map entitled "Upper Buffalo Wilderness Area—Proposed", and shall be known as the Upper Buffalo Wilderness.

(4) certain lands in the Appalachicola National Forest, Florida, which comprise about twenty-two thousand acres, are generally depicted on a map entitled "Bradwell Bay Wilderness Area—Proposed", and shall be known as the Bradwell Bay Wilderness;

(5) certain lands in the Chattahoochee and Cherokee National Forests, Georgia, and Tennessee, which comprise about thirty-seven thousand three hundred acres, are generally depicted on a map entitled "Cohutta Wilderness Area—Proposed", and shall be known as the Cohutta Wilderness;

(6) certain lands in the Daniel Boone National Forest, Kentucky, which comprise about five thousand five hundred acres, are generally depicted on a map entitled "Beaver Creek Wilderness Area—Proposed", and shall be known as the Upper Buffalo Wilderness;

(7) certain lands in the Hiawatha National Forest, Michigan, which comprise about six thousand six hundred acres, are generally depicted on a map entitled "Big Island Lake Wilderness Area—Proposed", and shall be known as the Big Island Lake Wilderness;

(8) certain lands in the Mark Twain National Forest, Missouri, which comprise about sixteen thousand four hundred acres, are generaly depicted on a map entitled "Glades Wilderness Area—Proposed", and shall be known as the Glades Wilderness;

(9) certain lands in the Mark Twain National Forest, Missouri, which comprise about nineteen thousand one hundred acres, are generally depicted on a map entitled "Irish Wilderness Area—Proposed", and shall be known as the Irish Wilderness;

(10) certain lands in the White Mountain National Forest, New Hampshire, which comprise about twenty thousand three hundred and eighty acres, are generally depicted on a map entitled "Presidential Range-Dry River Wilderness Area—Proposed", and shall be known as the Presidential Range-Dry River Wilderness:

(11) certain lands in the Nantahala and Cherokee National Forests, North Carolina and Tennessee, which comprise about fifteen thousand acres, are generally depicted on a map entitled "Joyce Kilmer-Slickrock Wilderness Area—Proposed", and shall be known as the Joyce Kilmer-Slickrock Wilderness;

(12) certain lands in the Sumter, Nantahala, and Chattahoochee National Forests in South Carolina, North Carolina, and Georgia, which comprise about three thousand six hundred acres, are generally depicted on a map entitled "Ellicott Rock Wilderness Area—Proposed", and shall be known as Ellicott Rock Wilderness;

(13) certain lands in the Cherokee National Forest, Tennessee, which comprise about two thousand five hundred and seventy acres, are generally depicted on a map entitled "Gee Creek Wilderness Area—Proposed", and shall be known as the Gee Creek Wilderness;

(14) certain lands in the Green Mountain National Forest, Vermont, which comprise about six thousand five hundred acres, are generally depicted on a map entitled "Bristol Cliffs Wilderness Area—Proposed", and shall be known as the Bristol Cliffs Wilderness;

(15) certain lands in the Green Mountain National Forest, Vermont, which comprise about fourteen thousand three hundred acres, are generally depicted on a map entitled "Lye Brook Wilderness Area—Proposed", and shall be known as the Lye Brook Wilderness;

(16) certain lands in the Jefferson National Forest, Virginia, which comprise about eight thousand eight hundred acres, are generally depicted on a map entitled "James River Face Wilderness Area—Proposed", and shall be known as the James River Face Wilderness;

(17) certain lands in the Monongahela National Forest, West Virginia, which comprise about ten thousand two hundred and fifteen acres, are generally depicted on a map entitled "Dolly Sods Wilderness Area—Proposed", and shall be known as the Dolly Sods Wilderness;

(18) certain lands in the Monongahela National Forest, West Virginia, which comprise about twenty thousand acres, are generally depicted on a map entitled "Otter Creek Wilderness Study Area", and shall be known as the Otter Creek Wilderness; and

(19) certain lands in the Chequamegon National Forest, Wisconsin, which comprise about six thousand six hundred acres, are generally depicted on a map entitled "Rainbow Lake Wilderness Area—Proposed", and shall be known as the Rainbow Lake Wilderness.

DESIGNATION OF WILDERNESS STUDY AREAS

SEC. 5. (a) In furtherance of the purposes of the Wilderness Act and in accordance with the procedures specified in section 3(d) of that Act, the Secretary of Agriculture shall review, as to its suitability or nonsuitability for preservation as wilderness, each area designated by or pursuant to subsection (b) of this section.

(b) Areas to be reviewed pursuant to this section (hereinafter referred to as "wilderness study areas"), located east of the one hundredth meridian and as generally depicted on maps appropriately referenced, dated April 1974, include—

(1) certain lands in the Ouachita National Forest, Arkansas, which comprise approximately five thousand seven hundred acres and are generally depicted on a map entitled "Belle Starr Cave Wilderness Study Area";

(2) certain lands in the Ouachita National Forest, Arkansas, which comprise approximately five thousand five hundred acres and are generally depicted on a map entitled "Dry Creek Wilderness Study Area";

(3) certain lands in the Ozark National Forest, Arkansas, which comprise approximately two thousand one hundred acres and are generally depicted on a map entitled "Richland Creek Wilderness Study Area";

(4) certain lands in the Ocala National Forest, Florida, which comprise approximately ten thousand acres and are generally depicted on a map entitled "Alexander Springs Wilderness Study Area";

(5) certain lands in the Appalachicola National Forest, Florida, which comprise approximately one thousand one hundred acres and are generally depicted as the "Sopchoppy River Wilderness Study Area" on a map entitled "Bradwell Bay Wilderness Area—Proposed";

(6) certain lands in the Shawnee National Forest, Illinois, which comprise two thousand eight hundred acres and are generally depicted on a map entitled "LaRue-Pine Hills Wilderness Study Area";

(7) certain lands in the Shawnee National Forest, Illinois, which comprise approximately fifteen thousand acres and are generally depicted on a map entitled "Lusk Creek Wilderness Study Area";

(8) certain lands in the Hoosier National Forest, Indiana, which comprise approximately thirty thousand seven hundred and fifty acres and are generally depicted on a map entitled "Nebo Ridge Wilderness Study Area";

(9) certain lands in the Kisatchie National Forest, Louisiana, which comprise approximately ten thousand acres and are generally depicted on a map entitled "Kisatchie Hills Wilderness Study Area";

(10) certain lands in the Kisatchie National Forest, Louisiana, which comprise approximately five thousand acres and are generally depicted on a map entitled "Saline Bayou Wilderness Study Area";

(11) certain lands in the White Mountain National Forest, Maine, which comprise approximately twelve thousand acres and are generally depicted on a map entitled "Caribou-Speckled Mountain Wilderness Study Area";

(12) certain lands in the Hiawatha National Forest, Michigan, which comprise approximately five thousand four hundred acres and are generally depicted on a map entitled "Rock River Canyon Wilderness Study Area";

(13) certain lands in the Ottawa National Forest, Michigan, which comprise approximately thirteen thousand two hundred acres and are generally depicted on a map entitled "Sturgeon River Wilderness Study Area";

(14) certain lands in the Clark National Forest Missouri, which comprise approximately seven thousand six hundred and forty acres and are generally depicted on a map entitled "Bell Mountain Wilderness Study Area";

(15) certain lands in the Clark National Forest, Missouri, which comprise approximately six thousand eight hundred acres and are generally depicted on a map entitled "Rockpile Mountain Wilderness Study Area";

(16) certain lands in the White Mountain National Forest, New Hampshire, which comprise approximately ten thousand acres and

are generally depicted on a map entitled "Carr Mountain Wilderness Study Area";

(17) certain lands in the White Mountain National Forest, New Hampshire, which comprise approximately fourteen thousand four hundred acres and are depicted as the "Great Gulf Wilderness xtension Study Area" on a map entitled "Presidential Range Wilderness Area—Proposed";

(18) certain lands in the White Mountain National Forest, New Hampshire, which comprise approximately sixteen thousand acres and are generally depicted on a map entitled "Kilkenny Wilderness Study Area";

(19) certain lands in the White Mountain National Forest, New Hampshire, which comprise approximately twenty thousand acres and are generally depicted on a map entitled "Wild River Wilderness Study Area";

(20) certain lands in the Pisgah National Forest, North Carolina, which comprise approximately one thousand one hundred acres and are generally depicted on a map entitled "Craggy Mountain Wilderness Study Area";

(21) certain lands in the Croatan National Forest, North Carolina, which comprise approximately seventeen thousand acres are generally depicted on a map entitled "Pocosin Wilderness Study Area";

(22) certain lands in the Wayne National Forest, Ohio, which comprise approximately nineteen thousand acres and are generally depicted on a map entitled "Archers Fork Wilderness Study Area";

(23) certain lands in the Allegheny National Forest, Pennsylvania, which comprise approximately eleven thousand two hundred acres and are generally depicted on a map entitled "Hickory Creek Wilderness Study Area";

(24) certain lands in the Allegheny National Forest, Pennsylvania, which comprise approximately ten thousand acres and are generally depicted on a map entitled "Tracy Ridge Wilderness Study Area";

(25) certain lands in the Allegheny National Forest, Pennsylvania, which comprise approximately ten thousand acres and are generally depicted on a map entitled "Allegheny Front Wilderness Study Areas";

(26) certain lands in the Francis Marion National Forest, South Carolina, which comprise approximately one thousand five hundred acres and are generally depicted on a map entitled "Wambaw Swamp Wilderness Study Area";

(27) certain lands in the Cherokee National Forest, Tennessee, which comprise approximately four thousand five hundred acres and are generally depicted on a map entitled "Big Frog Wilderness Study Area";

(28) certain lands in the Cherokee National Forest, Tennessee, which comprise approximately fourteen thousand acres and are generally depicted as the "Citico Creek Area" on a map entitled "Joyce Kilmer-Slickrock Wilderness Area—Proposed";

(29) certain lands in the Davy Crockett National Forest, Texas, which comprise approximately four thousand acres and are generally depicted on a map entitled "Big Slough Wilderness Study Area";

(30) certain lands in the Sabine National Forest, Texas, which comprise approximately four thousand acres and are generally depicted on a map entitled "Chambers Ferry Wilderness Study Area";

(31) certain lands in the Jefferson National Forest, Virginia, which comprise approximately four thousand acres and are generally depicted on a map entitled "Mill Creek Wilderness Study Area";

(32) certain lands in the Jefferson National Forest, Virginia, which comprise approximately eight thousand four hundred acres and are generally depicted on a map entitled "Mountain Lake Wilderness Study Area";

(33) certain lands in the Jefferson National Forest, Virginia, which comprise approximately five thousand acres and are generally depicted on a map entitled "Peters Mountain Wilderness Study Area";

(34) certain lands in the George Washington National Forest, Virginia, which comprise approximately six thousand seven hundred acres and are generally depicted on a map entitled "Ramsey's Draft Wilderness Study Area";

(35) certain lands in the Monongahela National Forest, West Virginia, which comprise approximately thirty-six thousand three hundred acres and are generally depicted on a map entitled "Cranberry Wilderness Study Area";

(36) certain lands in the Nicolet National Forest, Wisconsin, which comprise approximately two thousand six hundred acres and are generally depicted on a map entitled "Black Jack Springs Wilderness Study Area";

(37) certain lands in the Chequamegon National Forest, Wisconsin, which comprise approximately six thousand three hundred acres and are generally depicted on a map entitled "Flynn Lake Wilderness Study Area";

(38) certain lands in the Chequamegon National Forest, Wisconsin, which comprise approximately four thousand two hundred acres and are generally depicted on a map entitled "Round Lake Wilderness Study Area";

(39) certain lands in the Nicolet National Forest, Wisconsin, which comprise approximately two thousand seven hundred acres and are generally depicted on a map entitled "Whisker Lake Wilderness Study Area"; and

(40) certain lands in the Caribbean National Forest, Puerto Rico, which comprise approximately eight thousand five hundred acres and are generally depicted on a map entitled "El Cacique Wilderness Study Area".

(c) The Secretary of Agriculture shall, within five years from the date of this Act, send to the President his recommendations concerning the wilderness study areas designated by this Act. The President shall advise the United States Senate and House of Representatives of his recommendations with respect to the designation as wilderness of each area submitted. Each recommendation of the President for designation of an area as wilderness shall become effective only if so provided by an Act of Congress.

(d) The Secretary of Agriculture may, through publication in the Federal Register, designate national forest system areas east of the one hundredth meridian other than those areas specified in subsection (b) of this section or any areas designated as wilderness study areas by Congress pursuant to this Act, for review as to suitability or nonsuitability for preservation as wilderness. Nothing in this section shall be construed as limiting the authority of the Secretary of Agriculture to carry out management programs, development, and activities in accordance with the Multiple-Use Sustained-Yield Act of 1960 (74 Stat. 215; 16 U.S.C. 528–531) within areas not designated by him for review in accordance with the provisions of this subsection.

(e) The recommendations of the Secretary of Agriculture for each wilderness study area designated by or pursuant to this Act shall be accompanied by a report, including maps and illustrations, showing among other things the boundaries of the study area; the characteristics which make or do not make the area worthy for classification as wilderness, including scenic, natural, and wilderness attraction of the area, restorability of the area to near natural conditions, current and expected patterns of landownership, and surface and subsurface rights not held or controlled by the public; foreseeable potential uses of the land and water which would be enhanced, foreclosed, or curtailed if the area were included in the system; the environmental, economic, and social consequences of designation as a wilderness area; the interrelationship of the classification of a wilderness area to the total management of the particular national forest under the applicable multiple-use management plans.

(f) Nothing herein contained shall limit the President in proposing, as part of his recommendations to Congress, the alteration of existing boundaries of any wilderness study area or recommending the addition to any such area of any contiguous area predominantly of wilderness value.

FILING OF MAPS AND DESCRIPTIONS

SEC. 6. As soon as practicable after enactment of this Act, a map of each wilderness study area, and a map and a legal description of each wilderness area, designated by this Act, shall be filed with the Committees on Interior and Insular Affairs and on Agriculture of the United States Senate and House of Representatives, and each such map and description shall have the same force and effect as if included in this Act: *Provided, however*, That correction of clerical and typographical errors in each such legal description and map may be made. Each such map and legal description shall be on file and available for public inspection in the office of the Chief of the Forest Service, Department of Agriculture.

MANAGEMENT OF AREAS

SEC. 7. (a) Except as otherwise provided by this Act, the wilderness areas designated by or pursuant to this Act shall be managed by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act, as amended by this Act. The wilderness study areas designated by or pursuant to this Act shall be managed by the Secretary of Agriculture so as to maintain their potential for inclusion in the National Wilderness Preservation System until Congress has determined otherwise, except that such management requirement shall in no case extend beyond the expiration of the third succeeding Congress from the date of submission to the Congress of the President's recommendations concerning the particular study area.

(b) Notwithstanding the provisions of paragraphs (2) and (3) of subsection 4(d) of the Wilderness Act and subject to valid existing rights, federally owned lands within wilderness areas and wilderness study areas designated by or pursuant to this Act or hereafter acquired within the boundaries of such areas shall be withdrawn from all forms of appropriation under the mining laws, and from disposition under all laws pertaining to mineral leasing, and all amendments thereto. Such withdrawal shall take effect in areas designated by this Act upon the date of enactment of this Act, in any area designated pursuant to this Act upon the date of enactment of the Act providing for such designation or the date of designation by the Secretary of Agriculture, and for any land acquired within the boundaries of such areas upon the date of such acquisition.

(c)(1) Within wilderness areas designated by or pursuant to this Act, the Secretary of Agriculture may acquire by purchase with donated or appropriated funds, by gift, exchange, condemnation, or otherwise, such lands, waters, or interests therein as he determines necessary or desirable for the purposes of this Act. All lands acquired under the provisions of this subsection shall become national forest lands.

(2) In exercising the exchange authority granted by paragraph (1), the Secretary of Agriculture may accept title to non-Federal property for federally owned property of substantially equal value, or, if not of substantially equal value, the value shall be equalized by the payment of money to the grantor or to the Secretary as the circumstances require.

(3) The authority of the Secretary of Agriculture to condemn any private land or interest therein within any wilderness area designated by or pursuant to this Act shall not be invoked so long as the owner or owners of such land or interest holds and uses it in the same manner and for those pur-

poses for which such land or interest was held on the date of the designation of the wilderness area: *Provided, however,* That the Secretary of Agriculture may acquire such land or interest without consent of the owner or owners whenever he finds such use to be incompatible with the management of such area as wilderness and the owner or owners manifest unwillingness, and subsequently fail, to promptly discontinue such incompatible use.

(4) At least sixty days prior to any transfer by exchange, sale, or otherwise (except by bequest) of such lands or interests therein described in paragraph (3) of this subsection, the owner or owners of such lands or interests therein shall provide notice of such transfer to the supervisor of the national forest concerned, in accordance with such rules and regulations as the Secretary of Agriculture may promulgate.

(5) At least sixty days prior to any change in the use of such lands or interests therein described in paragraph (3) of this subsection which will result in any significant new construction or disturbance of land surface or flora or will require the use of motor vehicles and other forms of mechanized transport or motorized equipment (except as otherwise authorized by law for ingress or egress or for existing agricultural activities begun before the date of the designation other than timber cutting), the owner or owners of such lands or interests therein shall provide notice of such change in use to the supervisor of the national forest within which such lands are located, in accordance with such rules and regulations as the Secretary of Agriculture may promulgate.

(6) For the purposes of paragraphs (7) and (8) of this subsection, the term "property" shall mean a detached, noncommercial residential dwelling, the construction of which was begun before the date of the designation of the wilderness area (hereinafter referred to as "dwelling", or an existing agricultural activity begun before the date of the designation of the wilderness area, other than timber cutting (hereinafter referred to as "agricultural activity"), together with so much of the land on which the dwelling or agricultural activity is situated, such land being in the same ownership as the dwelling or agricultural activity, as the Secretary of Agriculture shall determine to be necessary for the enjoyment of the dwelling for the sole purpose of noncommercial residential use or for the agricultural activity, together with any structures accessory to the dwelling or agricultural activity which are situated on the land so designated.

(7) Any owner or owners of property on the date of its acquisition by the Secretary of Agriculture may, as a condition of such acquisition, retain for themselves and their successors or assigns a right of use and occupancy of the property for such noncommercial residential purpose or agricultural activity for twenty-five years, or, in lieu thereof, for a term ending at the death of the owner or his spouse, whichever is later. The owner shall elect the term to be reserved. The Secretary of Agriculture shall pay to the owner the fair market value of the property on the date of such acquisition less the fair market value on such date of the right retained by the owner: *Provided,* That whenever an owner of property elects to retain a right of use and occupancy as provided for in this section, such owner shall be deemed to have waived any benefits or rights accruing under sections 203, 204, 205, and 206 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894), and for the purposes of those sections such owner shall not be considered a displaced person as defined in section 101 (6) of that Act.

(8) A right of use and occupancy retained or enjoyed pursuant to paragraph (7) of this subsection may be terminated with respect to the entire property by the Secretary of Agriculture upon his determination that the property or any portion thereof has ceased to be used for such noncommercial residential purpose or agricultural activity and upon tender to the holder of a right an amount equal to the fair market value as of the date of tender of that portion of the right which remains unexpired on the date of termination.

(d) Notwithstanding the provisions of clause (4)(2) of subsection (4)(d) of the Wilderness Act, commercial grazing of livestock within any wilderness area designated by or pursuant to this Act may be continued under permits consistent with the purposes of this Act.

AMENDMENTS TO THE WILDERNESS ACT

SEC. 8. The Wilderness Act is amended as follows:

(a) Section 2(c) of the Wilderness Act is amended by adding at the end thereof the following new sentence: "The term 'wilderness' shall include areas designated by or pursuant to the Eastern Wilderness Areas Act of 1974."

(b) Section 3(d) of the Wilderness Act is amended as follows:

(1) Clause (B) of paragraph (1) is amended by changing the semicolon at the end thereof to a colon and inserting the following new proviso: *"And provided further,* That the respective Secretaries shall give public notice at least sixty days in advance of any hearing or other public meeting concerning any wilderness study area; and".

(2) Clause (C) of paragraph (1) is amended to read as follows:

"(C) at least sixty days before the date of a hearing advise the Governor of each State, the governing board of each county, or in Alaska the borough, parish, town, and municipality in which the lands are located, the governing board of each appropriate substate multijurisdictional general purpose planning and development agency that has been officially designated as a clearinghouse agency, the governing board of each appropriate established environmental protection district, and Federal departments and agencies concerned, and invite such officials and Federal agencies to submit their views on the proposed action at the hearing or by no later than thirty days following the date of the hearing."

(c) Section 4(d) of the Wilderness Act is amended as follows:

(1) Paragraph (1) is amended by adding at the end thereof the following new sentence: "No timber stand modification shall be permitted except as provided for in this paragraph (1)."

(2) Paragraph (4)(1) is amended by striking the semicolon directly after "denial" and before "and" and inserting in lieu thereof ": *Provided,* That with respect to areas designated as wilderness by or pursuant to the Eastern Wilderness Areas Act of 1974, the President shall not authorize the establishment of any new reservoirs, water-conservation works, power projects, transmission lines, or other facilities;".

(d) Section 7 of the Wilderness Act is amended by striking the word "ANNUAL" in the title thereof and changing the section to read as follows:

"SEC. 7. (a) At the opening of each Congress, the Secretaries of Agriculture and the Interior shall jointly report to the President, for transmission to Congress, on the status of the National Wilderness Preservation System, including a list and descriptions of the areas in the system, regulations in effect, and other pertinent information, together with any recommendations they may care to make.

"(b) There shall be included in the report—

"(1) descriptions of those wilderness study areas that are recommended for designation as components of the National Wilderness Preservation System, in accordance with the procedures specified in section 3(d) of this Act; and

"(2) descriptions of those portions of wilderness study areas that are recommended not to be designated as wilderness, together with the reasons for the recommendation."

(e) The Wilderness Act is amended by adding at the end thereof the following new sections 8 through 11:

"HUNTING, FISHING, AND TRAPPING

"SEC. 8. The Secretary of Agriculture shall permit hunting, fishing, and trapping on the lands and waters within national forest wilderness areas in accordance with applicable Federal and State laws; except that the Secretary may issue regulations designating zones where, and establishing periods when, no hunting, fishing, or trapping shall be permitted for reasons of public safety, administration, or public use enjoyment. Except in emergencies, any regulations promulgated pursuant to this section shall be issued only after consultation with the wildlife agency of the State or States affected.

"MANAGEMENT PLAN

"SEC. 9. The Secretary of Agriculture and the Secretary of the Interior shall each prepare a management plan for each wilderness area and wilderness study area for which they have jurisdiction, utilizing a multidisciplinary approach and providing for appropriate public involvement.

"TRANSFER OF FEDERAL PROPERTY

"SEC. 10. The head of any Federal department or agency having jurisdiction over any lands or interests in land within the boundaries of these wilderness areas is authorized to transfer to the Secretary of Agriculture or the Secretary of the Interior, where appropriate, jurisdiction over such lands for administration in accordance with the provisions of this Act.

"COOPERATION WITH STATES

"SEC. 11. The Secretary of Agriculture and the Secretary of the Interior shall cooperate with the States and political subdivisions thereof in the administration of wilderness areas and in the administration and protection of lands within or adjacent to the wilderness area owned or controlled by the State or political subdivision thereof."

REGULATIONS

SEC. 9. The Secretary of Agriculture and the Secretary of the Interior are authorized to issue such rules and regulations as they deem necessary to carry out the purposes of this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 10. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. TALMADGE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. AIKEN. Mr. President, I want to get S. 22 off the books.

Mr. JACKSON. Yes; does the Senator want to send it back?

Mr. AIKEN. Yes.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the bill (S. 22) be recommitted to the Committee on Agriculture and Forestry.

The **PRESIDING OFFICER.** The Senator is advised that that bill is not on the Calendar.

Mr. TALMADGE. It is on the Calendar. I ask unanimous consent that that be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HELMS). Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975

The PRESIDING OFFICER (Mr. HELMS). Under the previous order, the Senate will now proceed to the consideration of S. 3000, which the clerk will state.

The assistant legislative clerk read as follows:

S. 3000, to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with amendments, on page 2, line 9, after the word "Army", strike out "$339,500,000" and insert "$320,300,000"; in line 10, after "Marine Corps", strike out "$2,960,600,000" and insert "$2,862,700,000"; in line 11, after "Air Force", strike out "$3,496,600,000" and insert $3,286,300,000 of which (1) $192,700,000 shall be available only for the procurement of the A–10 or the A–7D aircraft, based on the winner of a "fly-off" competition between such aircraft, as determined by the Secretary of Defense and certified to the Congress by the Secretary, such funds to be available within thirty days after certification to Congress provided no objection is interposed by any of the four authorizing or appropriation committees having jurisdiction over such procurement, and (2) $549,800,000 shall be available only for procurement in connection with the Airborne Warning and Control System, and shall be available for that purpose only if and after the Secretary of Defense determines and certifies such determination to the Congress that such system is cost effective and meets the mission needs and requirements of the Department of Defense, except that the foregoing certification requirement shall not apply with respect to the procurement of long lead time items for such system."; on page 3, after the word "Army", strike out "$458,200,000" and insert "$436,500,000"; in line 6, after the word "Navy", strike out "$620,600,000" and insert "$634,500,000"; in line 7, after "Marine Corps", strike out "$76,000,000" and insert "$74,100,000"; in line 8, strike out "$1,610,800,000" and insert "$1,572,400,000"; in line 10, after the word "Navy", strike out "$3,562,600,000" and insert "$2,881,000,000"; in line 13, after the word "Army", strike out "$331,900,000" and insert "$293,300,000"; in line 14, after "Marine Corps", strike out "$80,100,000" and insert "$74,200,000"; in line 20, after the word "Army", strike out "$53,400,000" and insert "$46,000,000"; in line 21, after the word "Navy", strike out "$25,600,000" and insert "$25,500,000"; on page 4, line 7, after the word "Army", strike out "$1,985,976,000" and insert "$1,875,243,000"; in line 8, after "(including the Marine Corps)", strike out "$3,264,503,000" and insert "$3,151,042,000"; in line 10, after "Air Force", strike out "$3,518,860,000" and insert "$3,389,470,000"; after the amendment just stated, insert a comma and "of which $81,405,000 shall be available only for research, development, testing, and evaluation in connection with the A–10 aircraft, and shall be available for that purpose only if such aircraft wins the "fly-off" competition against the A–7D aircraft;"; in line 16, after "Defense Agencies", strike out "$555,700,000" and insert "$536,657,000"; in line 24, after the word "Army", strike out "785,000" and insert "768,300"; in line 25, after the word "Navy", strike out "540.380" and insert "527,000"; on page 5, line 1, after "Marine Corps", strike out "196,398" and insert "192,800"; in line 2, after "Air Force", strike out "630,345" and insert "615,000"; after line 2, insert:

SEC. 302. (a) It is the sense of the Congress that the United States military forces in Europe have an excessive number of headquarters and noncombat military personnel relative to the number of combat personnel located in Europe. Therefore, the noncombat component of the total authorized Army strength in Europe shall be reduced by an amount not less than 20 per centum of the noncombat component strength authorized as of June 30, 1974. Such reduction shall be completed not later than June 30, 1976, and not less than 50 per centum of such reduction shall be completed on or before June 30, 1975. The Secretary of Defense may take action to increase the combat component strength of the Army in Europe by restructuring the various combat and support elements of these forces and by obtaining from other North Atlantic Treaty Organization countries as much logistical support as possible for United States forces in Europe. Except in the event of imminent hostilities in Europe, the amount of such increase in United States Army combat strength shall not exceed the number of noncombat military personnel that are reduced by this section. For purposes of this section, the combat component of the Army in Europe includes only the infantry, cavalry, artillery, armored, air defense, and missile combat units of battalion or smaller size. The Secretary of Defense shall report semiannually to the Congress on all actions taken to improve the combat proportion of United States forces in Europe. The first report shall be submitted not later than January 31, 1975.

(b) The Secretary of Defense shall undertake a specific assessment of the costs and loss of nonnuclear combat effectiveness of the military forces of the North Atlantic Treaty Organization countries caused by the failure of the North Atlantic Treaty Organization members, including the United States, to standardize weapons systems, ammunition, fuel, and other military impedimenta for land, air, and naval forces. The Secretary of Defense shall also develop a list of standardization actions that would improve the overall North Atlantic Treaty Organization nonnuclear defense capability or that would have resources for the alliance as a whole. He shall evaluate the relative priority and effect of each such action. The Secretary shall cause these assessments and evaluations to be brought before the appropriate North Atlantic Treaty Organization bodies in order that the specific actions and recommendations can become an integral part of the overall North Atlantic Treaty Organization review of force goals and development of force plans. The Secretary of Defense shall report semiannually to the Congress on the specific assessments made under the above provisions as well as the results achieved with the North Atlantic Treaty Organization allies. The first such report shall be submitted to Congress not later than January 31, 1975.

(c) The total number of United States tactical nuclear warheads located in Europe on the date of enactment of this Act shall not be increased except in the event of imminent hostilities in Europe. The Secretary of Defense shall study the overall concept for use of tactical nuclear weapons in Europe; how the use of such weapons relates to deterrence and to a strong conventional defense; reductions in the number and type of nuclear warheads which are not essential for the defense structure for Western Europe; and the steps that can be taken to develop a rational and coordinated nuclear posture by the North Atlantic Treaty Organization Alliance that is consistent with proper emphasis on conventional defense forces. The Secretary of Defense shall report to the Committees on Armed Services of the Senate and the House of Representatives on the results of the above study on or before April 1, 1975. In addition, beginning on September 1, 1974, the Secretary of Defense shall report semiannually to the Committees on Armed Services of the Senate and the House of Representatives on the number, type, and purpose of United States tactical nuclear warheads located in Europe.

SEC. 303. It is declared to be the policy of Congress that any increase in the ratio of aircrew to aircraft for the strategic airlift mission of the Air Force above the present ratio of 2.00 active duty crewmembers and 1.25 Reserve Force crewmembers per aircraft should be achieved through the components of the Selected Reserve and not by increasing the active duty force level of the Air Force. To carry out such policy the Secretary of Defense is directed to formulate a plan to increase the strategic airlift crew ratio per aircraft to the required levels by utilizing jointly the resources of the Air National Guard and the Air Force Reserve. Such plan shall specifically include: (1) restructuring the missions of Air National Guard units so as to retain an effective strategic airlift capability within the Air National Guard and the Air Force Reserve; (2) the utilization of Air National Guard units now in existence so as to avoid the loss of existing skills in those units; (3) alternatives, including, but not limited to, transfer, rotation, "hybridization", and "association," for making available to the Air National Guard and the Air Force Reserve strategic airlift aircraft in numbers sufficient to support an effective capability; (4) a test of the "hybrid concept" for Air National Guard units in the strategic airlift role using C–5 or C–141 aircraft at not less than two existing Air National Guard facilities. The Secretary shall submit his plan to the Congress not later than ninety days after the date of enatcment of this Act, and before the implementation thereof, together with an evaluation of such plan, the proposed schedule for its implementation, and such recommendations for legislative action relating to the subject matter of this section as he may deem appropriate.

On page 9, line 10, after the word "States", strike out "379,848" and insert "390,000"; in line 11, after "Army Reserve", strike out "215,842" and insert "220,000"; in line 12, after "Naval Reserve", strike out "107,526" and insert "110,000'; in line 15, strike out "89,128" and insert "93,412"; on page 10, line 15, after the word "Army", strike out "358,717" and insert "335,400"; in line 18, after "Marine Corps", strike out "323,529" and insert "313,200"; in line 19, after "Air Force", strike out "269,709" and insert "261,300"; in line 22, after "(other than the military departments)", strike out "75,372" and insert "72,800"; on page 11, line 10, after the word "opportunity", strike out "program: *Provided,* That whenever the Secretary of the military department concerned or the Secretary of Defense determines that the direct substitution of civilian personnel for military personnel will result in economy without adverse effect upon national defense, such substitution may be accomplished without regard to the numbers of civilian personnel authorized by this section: *Provided further,* That when" and insert "program. Whenever"; at the top of page 12, strike out:

SEC. 502. When the Secretary of Defense determines that such action is necessary in the national interest, he may authorize the employment of civilian personnel in excess of the number authorized by section 501: *Provided,* That the number of additional personnel authorized to be employed pursuant to the authority of this section shall not exceed 1 per centum of the total number of civilian personnel authorized for the Department of Defense by section 501: *Provided further,* That the Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength pursuant to this authority.

And, in lieu thereof, insert:

SEC. 502. It is the sense of Congress that the Department of Defense shall use the least costly form of manpower that is consistent with military requirements and other needs of the Department of Defense. Therefore, in developing the annual manpower authorization requests to the Congress and in carrying out manpower policies, the Secretary of Defense shall, in particular, consider the advantage of the conversion of jobs performed by military personnel to civilian employees and vice versa. A full justification of conversions from one form of manpower to another, included in the authorization requests, shall be contained in the annual manpower requirement report to the Congress required by section 138(c)(3) of title 10, United States Code.

On page 13, line 3, after "Sec. 601.", insert "(a)"; in line 7, after the word "Army", insert "97,638"; in line 8, after the word "Navy", insert "71,279"; in line 9, after "Marine Corps", insert "26,262"; in line 10, after "Air Force", insert "52,900"; in line 12, after the word "States", insert "12,111"; in line 13, after "Army Reserve", insert "6,673"; in line 14, after "Naval Reserve", insert "2,536"; in line 15, after "Marine Corps Reserves", insert "3,403"; in line 17, after the word "States", insert "2,359"; in line 18, after "Air Force Reserve", insert "1,126"; after line 18, insert:

(b) The average military training student loads for the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components prescribed in subsection (a) of this section for the fiscal year ending June 30, 1975, shall be adjusted consistent with the manpower strengths provided in title III, title IV, and title V of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the Reserve Components in such manner as the Secretary of Defense shall prescribe

On page 14, after line 5, strike out:

SEC. 701. Subsection (a)(1) of section 401 of Public Law 89-367, approved March 15, 1966 (80 Stat. 37), as amended, is hereby amended to read as follows:

"(a)(1) Not to exceed $1,600,000,000 of the funds authorized for appropriation for the use of Armed Forces of the United States under this or any other Act are authorized to be made available for their stated purposes to support Vietnamese military forces on such terms and conditions as the Secretary of Defense may determine: *Provided,* That nothing contained in this section shall be construed as authorizing the use of any such funds to support Vietnamese military forces in activities designed to provide military support and assistance to the Government of Cambodia or Laos.".

And, in lieu thereof, insert:

SEC. 701. (a) Paragraph (1) of section 401(a) of Public Law 89-367, approved March 15, 1966 (80 Stat. 37), as amended, is amended to read as follows:

"(1) There is authorized to be appropriated as a single appropriation to the Department of Defense for the fiscal year ending June 30, 1975, the sum of $900,000,000, including $212,300,000 for procurement of aircraft, missiles, tracked combat vehicles, and other weapons, to support South Vietnamese military forces. Such appropriation shall be administered and accounted for as one fund and may be obligated only by the issuance of orders by the Secretary of Defense for such support. Funds appropriated pursuant to this section shall be deemed obligated at the time the Secretary of Defense issues orders authorizing support of any kind to South Vietnamese military forces. No support herein authorized may be made available in any manner unless pursuant to a specific order issued by the Secretary."

(b) That portion of paragraph (2) of such section 401(a) which precedes clause (A) is amended to read as follows:

"(2) No defense article may be furnished to the South Vietnamese forces with funds authorized for the use of the Armed Forces of the United States under this or any other Act unless the Government of the Republic of South Vietnam shall have agreed that—".

(c) Section 401 of such Public Law 89-367 is amended by striking out subsections (b), (c), and (d) and inserting in lieu thereof the following:

"(b) No funds authorized by this or any other Act to or for use by the Department of Defense may be obligated in the fiscal year ending June 30, 1975, for support of South Vietnamese military forces in any amount in excess of the amount of $900,000,000.

"(c) Any obligation incurred against funds authorized under this section shall, in the case of nonexcess materials and supplies furnished from the inventory of the Department of Defense, be equal to the replacement cost thereof at the time such obligation is incurred, and in the case of excess materials and supplies, be equal to the actual value thereof at the time such obligation is incurred.

"(d) No funds authorized by this section may be used in any way to support Vietnamese or other forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos.

"(e) Within 30 days after the end of each quarter of the fiscal year, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the House of Representatives a written report regarding actual obligations incurred against funds appropriated pursuant to this section. Such report shall indicate the different purposes for which such obligations were incurred and the amounts thereof, together with such other information as the Secretary determines appropriate."

SEC. 702. Subsection (b) of section 7307 of title 10, United States Code, is amended to read as follows:

"(b)(1) After the date of enactment of this paragraph, no naval vessel in excess of 2,000 tons or less than 20 years of age may be sold, leased, granted, loaned, bartered, transferred, or otherwise disposed of unless the disposition thereof has been approved by law enacted after such date of enactment.

"(2) After the date of enactment of this paragraph, any naval vessel not subject to the provisions of paragraph (1) may be sold, leased, granted, loaned, bartered, transferred, or otherwise disposed of in accordance with applicable provisions of law only after the Secretary of the Navy, or his designee, has notified the Committee on Armed Services of the Senate and the House of Representatives in writing of the proposed disposition and 30 days of continuous session of Congress have expired following the date on which notice was transmitted to such committees. For purposes of this paragraph, the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of such 30-day period."

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—PROCUREMENT

SEC. 101. Funds are hereby authorized to be appropriated during the fiscal year 1975 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons as authorized by law, in amounts as follows:

AIRCRAFT

For aircraft: for the Army, $320,300,000; for the Navy and the Marine Corps, $2,862,700,000; for the Air Force, $3,286,300,000 of which (1) $192,700,000 shall be available only for the procurement of the A-10 or the A-7D aricraft, based on the winner of a "fly-off" competition between such aircraft, as determined by the Secretary of Defense and certified to the Congress by the Secretary, such funds to be available within thirty days after certification to Congress provided no objection is interposed by any of the four authorizing or appropriation committees having jurisdiction over such procurement, and (2) $549,800,000 shall be available only for procurement in connection with the Airborne Warning and Control System, and shall be available for that purpose only if and after the Secretary of Defense determines and certifies such determination to the Congress that such system is cost effective and meets the mission needs and requirements of the Department of Defense, except that the foregoing certification requirement shall not apply with respect to the procurement of long lead time items for such system.

Missiles

For missiles: for the Army, $436,500,000; for the Navy, $634,500,000; for the Marine Corps, $74,100,000; for the Air Force, $1,572,400,000.

Naval Vessels

For naval vessels: for the Navy, $2,881,000,000.

Tracked Combat Vehicles

For tracked combat vehicles: for the Army, $293,300,000; for the Marine Corps, $74,200,000.

Torpedoes

For torpedoes and related support equipment: for the Navy, $187,700,000.

Other Weapons

For other weapons: for the Army, $46,000,000; for the Navy, $25,500,000; for the Marine Corps, $500,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST AND EVALUATION

SEC. 201. Funds are hereby authorized to be appropriated during the fiscal year 1975 for the use of the Armed Forces of the United States for research, development, test and evaluation, as authorized by law, in amounts as follows:

For the Army, $1,875,243,000;

For the Navy (including the Marine Corps), $3,151,042,000;

For the Air Force, $3,389,470,000, of which $81,405,000 shall be available only for research, development, testing, and evaluation in connection with the A-10 aircraft, and shall be available for that purpose only if such aircraft wins the "fly-off" competition against the A-7D aircraft; and

For the Defense Agencies, $536,657,000, of which $27,000,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

TITLE III—ACTIVE FORCES

SEC. 301. For the fiscal year beginning July 1, 1974, and ending June 30, 1975, each component of the Armed Forces is authorized an end strength for active duty personnel as follows:

(1) The Army, 768,300;
(2) The Navy, 527,000;
(3) The Marine Corps, 192,800;
(4) The Air Force, 615,000.

SEC. 302. (a) It is the sense of the Congress that the United States military forces in Europe have an excessive number of headquarters and noncombat military personnel relative to the number of combat personnel located in Europe. Therefore, the noncombat component of the total authorized Army strength in Europe shall be reduced by an amount not less than 20 per centum of the noncombat component strength authorized as of June 30, 1974. Such reduction shall be completed not later than June 30, 1976, and not less than 50 per centum of such reduction shall be completed on or before June 30, 1975. The Secretary of Defense may take action to increase the combat component strength of the Army in Europe by restructuring the various combat and support elements of these forces and by obtaining from other North Atlantic Treaty Organization countries as much logistical support as possible for United States forces in Europe. Except in the event of imminent hostilities in Europe, the amount of such increase in United States Army combat strength shall not exceed the number of noncombat military personnel that are reduced by this section. For purposes of this section, the combat component of the Army in Europe includes only the infantry, cavalry, artillery, armored, air defense, and missile combat units of battalion or smaller size. The Secretary of Defense shall report semiannually to the Congress on all actions taken to improve the combat proportion of United States forces in Europe. The first report shall be submitted not later than January 1, 1975.

(b) The Secretary of Defense shall undertake a specific assessment of the costs and loss of nonnuclear combat effectiveness of the military forces of the North Atlantic Treaty Organization countries caused by the failure of the North Atlantic Treaty Organization members, including the United States, to standardize weapons systems, ammunition, fuel, and other military impediments for land, air, and naval forces. The Secretary of Defense shall also develop a list of standardization actions that would improve the overall North Atlantic Treaty Organization nonnuclear defense capability or that would save resources for the alliance as a whole. He shall evaluate the relative priority and effect of each such action. The Secretary shall cause these assessments and evaluations to be brought before the appropriate North Atlantic Treaty Organization bodies in order that the specific actions and recommendations can become an integral part of the overall North Atlantic Treaty Organization review of force goals and development of force plans. The Secretary of Defense shall report semiannually to the Congress on the specific assessments made under the above provisions as well as the results achieved with the North Atlantic Treaty Organization allies. The first such report shall be submitted to Congress not later than January 31, 1975.

(c) The total number of United States tactical nuclear warheads located in Europe on the date of enactment of this Act shall not be increased except in the event of imminent hostilities in Europe. The Secretary for the defense structure for Western Europe of Defense shall study the overall concept; how the use of such weapons relates to deterrence and to a strong conventional defense; reductions in the number and type of nuclear warheads which are not essential for the defense structure for Western Europe; and the steps that can be taken to develop a rational and coordinated nuclear posture by the North Atlantic Treaty Organization Alliance that is consistent with proper emphasis on conventional defense forces. The Secretary of Defense shall report to the Committees on Armed Services of the Senate and the House of Representatives on the results of the above study on or before April 1, 1975. In addition, beginning on September 1, 1974, the Secretary of Defense shall report semiannually to the Committees on Armed Services of the Senate and the House of Representatives on the number, type, and purpose of United States tactical nuclear warheads located in Europe.

SEC. 303. It is declared to be the policy of Congress that any increase in the ratio of aircrew to aircraft for the strategic airlift mission of the Air Force above the present ratio of 2.00 active duty crewmembers and 1.25 Reserve Force crewmembers per aircraft should be achieved through the components of the Selected Reserve and not by increasing the active duty force level of the Air Force. To carry out such policy the Secretary of Defense is directed to formulate a plan to increase the strategic airlift crew ratio per aircraft to the required levels by utilizing jointly the resources of the Air National Guard and the Air Force Reserve. Such plan shall specifically include: (1) restructuring the missions of Air National Guard units so as to retain an effective strategic airlift capability within the Air National Guard and the Air Force Reserve; (2) the utilization of Air National Guard units now in existence so as to avoid the loss of existing skills in those units; (3) alternatives, including, but not limited to, transfer, rotation, "hybridization", and "association," for making available to the Air National Guard and the Air Force Reserve strategic airlift aircraft in numbers sufficient to support an effective capability; (4) a test of the "hybrid concept" for Air National Guard units in the strategic airlift role using C-5 or C-141 aircraft at not less than two existing Air National Guard facilities. The Secretary shall submit his plan to the Congress not later than ninety days after the date of enactment of this Act, and before the implementation thereof, together with an evaluation of such plan, the proposed schedule for its implementation, and such recommendations for legislative action relating to the subject matter of this section as he may deem appropriate.

TITLE IV—RESERVE FORCES

SEC. 401. For the fiscal year beginning July 1, 1974, and ending June 30, 1975, the Selected Reserve of each Reserve component of the Armed Forces will be programed to attain an average strength of not less than the following:

(1) The Army National Guard of the United States, 390,000;
(2) The Army Reserve, 220,000;
(3) The Naval Reserve, 110,000;
(4) The Marine Corps Reserve, 36,703;
(5) The Air National Guard of the United States, 93,412;
(6) The Air Force Reserve, 51,319;
(7) The Coast Guard Reserve, 11,700.

SEC. 402. The average strength prescribed by section 401 of this title for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year, and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength for such fiscal year for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

TITLE V—CIVILIAN PERSONNEL

SEC. 501. (a) For the fiscal year beginning July 1, 1974 and ending June 30, 1975 the Department of Defense is authorized an end strength for civilian personnel as follows:

(1) The Department of the Army, 335,400;
(2) The Department of the Navy, including the Marine Corps, 313,200;
(3) The Department of the Air Force, 261,300;
(4) Activities and agencies of the Department of Defense (other than the military departments), 72,800.

(b) In computing the authorized end strength for civilian personnel there shall be included all direct-hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether in permanent or temporary positions and whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program. Whenever a function, power, or duty or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense or from a department or agency within the Department of Defense, the civilian personnel end strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

SEC. 502. It is the sense of Congress that the Department of Defense shall use the least costly form of manpower that is consistent with military requirements and other needs of the Department of Defense. Therefore, in developing the annual manpower authorization requests to the Congress and in carrying out manpower policies, the Secretary of Defense shall, in particular, consider the advantages of the conversion of jobs performed by military personnel to civilian employees and vice versa. A full justification of conversions from one form of manpower to another, included in the authorization requests, shall be contained in the annual manpower requirements report to the Congress required by section 138(c)(3) of title 10, United States Code.

TITLE VI—MILITARY TRAINING STUDENT LOADS

SEC. 601. (a) For the fiscal year beginning July 1, 1974, and ending June 30, 1975, each component of the Armed Forces is authorized an average military training student load as follows:

(1) The Army, 97,638;
(2) The Navy, 71,279;
(3) The Marine Corps, 26,262;
(4) The Air Force, 52,900;
(5) The Army National Guard of the United States, 12.111;
(6) The Army Reserve, 6,673;
(7) The Naval Reserve, 2,536;
(8) The Marine Corps Reserve, 3,403;
(9) The Air National Guard of the United States, 2,359; and
(10) The Air Force Reserve, 1,126.

(b) The average military training student loads for the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components prescribed in subsection (a) of this section for the fiscal year ending June 30, 1975, shall be adjusted consistent with the manpower strengths provided in title III, title IV, and title V of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the Reserve Components in such manner as the Secretary of Defense shall prescribe.

TITLE VII—GENERAL PROVISIONS

SEC. 701. (a) Paragraph (1) of section 401(a) of Public Law 89-367, approved March 15, 1966 (80 Stat. 37), as amended, is amended to read as follows:

"(1) There is authorized to be appropriated as a single appropriation to the Department of Defense for the fiscal year ending June 30, 1975, the sum of $900,000,000, including $212,300,000 for procurement of aircraft, missiles, tracked combat vehicles, and other weapons, to support South Vietnamese military forces. Such appropriation shall be administered and accounted for as one fund and may be obligated only by the issuance of orders by the Secretary of Defense for such support. Funds appropriated pursuant to this section shall be deemed obligated at the time the Secretary of Defense issues orders authorizing support of any kind to South Vietnamese military forces. No support herein authorized may be made available in any manner unless pursuant to a specific order issued by the Secretary."

(b) That portion of paragraph (2) of such section 401 (a) which precedes clause (A) is amended to read as follows:

"(2) No defense article may be furnished to the South Vietnamese forces with funds authorized for the use of the Armed Forces of the United States under this or any other Act unless the Government of the Republic of South Vietnam shall have agreed that—".

(c) Section 401 of such Public Law 89-367 is amended by striking out subsections (b), (c), and (d) and inserting in lieu thereof the following:

"(b) No funds authorized by this or any other Act to or for use by the Department of Defense may be obligated in the fiscal year ending June 30, 1975, for support of South Vietnamese military forces in any amount in excess of the amount of $900,000,000.

"(c) Any obligation incurred against funds authorized under this section shall, in the case of nonexcess materials and supplies furnished from the inventory of the Department of Defense, be equal to the replacement cost thereof at the time such obligation is incurred, and in the case of excess materials and supplies, be equal to the actual value thereof at the time such obligation is incurred.

"(d) No funds authorized by this section may be used in any way to support Vietnamese or other forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos.

"(e) Within 30 days after the end of each quarter of the fiscal year, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a written report regarding actual obligations incurred against funds appropriated pursuant to this section. Such report shall indicate the different purposes for which such obligations were incurred and the amounts thereof, together with such other information as the Secretary determines appropriate."

SEC. 702. Subsection (b) of section 7307 of title 10, United States Code, is amended to read as follows:

"(b)(1) After the date of enactment of this paragraph, no naval vessel in excess of 2,000 tons or less than 20 years of age may be sold, leased, granted, loaned, bartered, transferred, or otherwise disposed of unless the disposition thereof has been approved by law enacted after such date of enactment.

"(2) After the date of enactment of this paragraph, any naval vessel not subject to the provisions of paragraph (1) may be sold, leased, granted, loaned, bartered, transferred, or otherwise disposed of in accordance with applicable provisions of law only after the Secretary of the Navy, or his designee, has notified the Committees on Armed Services of the Senate and the House of Representatives in writing of the proposed disposition and 30 days of continuous session of Congress have expired following the date on which notice was transmitted to such committees. For purposes of this paragraph, the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of such 30-day period."

This Act may be cited as the "Department of Defense Appropriation Authorization Act, 1975".

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I first want to thank the leadership, both the majority and minority leaders, for arranging to get the military procurement bill up for debate and disposition next week.

They made an unusual effort to arrange for all of this. It is part of the program that will get this important measure up for full consideration, as well as consideration of amendments, if any, and to final passage, as a major step in moving it on to a conference with the House so that we can get agreement, hopefully, fairly soon there.

Then that will dispose of the authorization for all the military hardware, manpower, and related matters, and thus pave the way for the appropriation in this field. It is an important part of our legislative procedure here to have these matters considered first in an authorization bill.

It is a wonderful place to get a better understanding, too, of the weapons and any policy behind the weapons; and it gives the membership a comprehensive view of the whole picture, and they can then better consider the appropriation.

Furthermore, Mr. President, the Committee on Armed Services has to insist, on the floor and in conference, that the procedures of authorization first and appropriations next be followed, and that this will be observed consistently.

So it is up to us to get the bill to the floor as early in the session as possible, to get it disposed of, and finally enacted into law. This year our committee finished the hearings and had the bill written up and agreed to far earlier than usual. I think it was by the 17th of March. We have a very comprehensive committee report of almost 200 pages. It has already been printed. We had a copy delivered to the office of each Senator, either yesterday or the day before, together with a copy of the entire bill. The printed hearings have been available for several days, lacking the last two volumes, which will be available either now or by tomorrow, and I call it to the special attention of the membership.

Incidentally, the hearings on the bill were very comprehensive. We have two active subcommittees. One took up tactical airpower, for example, and the other took up research and development; and hearings were held on all major aspects of the bill. Then the full committee held hearings on the remainder of the bill, and it was brought in together, for very extensive discussion, for the markup.

This year, there is more than $9 billion in the bill for research and development. The Senator from New Hampshire (Mr. McIntyre) and his subcommittee and the staff spent almost 12 months in preparation of various aspects of the bill. Much was known of what was going to be in the bill before we received the actual proposal in writing. It has received extensive consideration—perhaps the most extensive and comprehensive consideration that has ever been given by Congress to a research and development bill in any field; and, of course, the largest such item is in the military procurement bill.

So we will start debate on Monday when we convene. I believe that after the preliminaries are over and we get into the meat of the matter, it will move forward rather rapidly. I hope that the leadership, with its usual effectiveness, will be able to get agreements for votes, after reasonable discussion. I am very hopeful that we can dispose of this bill next week, within a week's time, rather than take 6 or 7 weeks, as has happened some years heretofore, particularly during the war in South Vietnam.

I thank the leadership, Mr. President, and I yield the floor.

QUORUM CALL

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on May 30, 1974, he presented to the President of the United States the enrolled bill (S. 2662) to authorize appropriations for U.S. participation in the International Ocean Exposition '75.

ORDER FOR YEA-AND-NAY VOTES ON MONDAY NOT TO OCCUR UNTIL THE HOUR OF 3:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that if any rollcall votes are ordered prior to 3:30 p.m. on Monday next they not occur until the hour of 3:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I do not anticipate it, but such could occur.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 11 a.m. on Monday next. After the two leaders or their designees have been recognized under the standing order, Mr. CURTIS will be recognized for not to exceed 15 minutes, to be followed by Mr. GRIFFIN for not to exceed 15 minutes, to be followed by Mr. ROBERT C. BYRD for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business for not to exceed 15 minutes, with statement limited therein to 5 minutes each.

Upon the conclusion of the transaction of routine morning business the Senate will resume consideration of S. 3000, a bill to authorize appropriations for fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and for other purposes.

Yea-and-nay votes could occur on amendments thereto on Monday. Privileged matters could be called up at any time, as well as other measures on the Legislative Calendar or the Executive Calendar that will have been cleared by that time.

ADJOURNMENT TO MONDAY

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 11 a.m. on Monday next.

The motion was agreed to; and at 2:24 p.m. the Senate adjourned until Monday, June 3, 1974, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate May 31, 1974:

THE JUDICIARY

William H. Orrick, Jr., of California, to be U.S. district judge for the northern district of California vice William T. Sweigert, retired.

Henry F. Werker, of New York, to be U.S. district judge for the southern district of New York vice Sylvester J. Ryan, retired.

U.S. AIR FORCE

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. George S. Boylan, Jr., [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. James A. Hill, [redacted]FR, (major general, Regular Air Force), U.S. Air Force.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 31, 1974:

DEPARTMENT OF DEFENSE

Robert Ellsworth, of New York, to be an Assistant Secretary of Defense.

David P. Taylor, of Virginia, to be an Assistant Secretary of the Air Force.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. James D. Hughes, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the Retired List in the grade indicated under the provisions of Section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Albert P. Clark, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer for temporary appointment to the grade of brigadier general in the U.S. Air Force under the provisions of chapter 839, title 10 of the United States Code:

To be brigadier general

Col. Harry C. Aderholt, [redacted]FR, Regular Air Force.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Ralph Longwell Foster, [redacted], U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. John Alfred Kjellstrom, [redacted], Army of the United States (brigadier general, U.S. Army).

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. John Howard Elder, Jr., [redacted] U.S. Army.

Col. Dana G. Mead, [redacted] U.S. Army, for appointment to the position of permanent professor at the U.S. Military Academy under the provisions of title 10, United States Code, section 4333.

IN THE NAVY

Adm. James L. Holloway III, U.S. Navy, for appointment as Chief of Naval Operations for a term of 4 years pursuant to title 10, United States Code, section 5081.

IN THE MARINE CORPS

Marine Corps nominations beginning Francis B. Clements, to be second lieutenant, and ending Samuel Mauch, Jr., to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on May 8, 1974.

EXTENSIONS OF REMARKS

"LOWERING THE COST OF HIGHER EDUCATION," AN ARTICLE BY HOWARD R. BOWEN

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to insert in the RECORD the text of a most thoughtful article entitled, "Lowering the Cost of Higher Education," by Howard R. Bowen.

The article was originally published in the New York Times.

Howard Bowen, chancellor of the Claremont University Center, is an economist who specializes in the economics of higher education.

He has written "Efficiency in Liberal Education," and "Evaluating Institutions for Accountability."

The text of his article follows:

LOWERING THE COST OF HIGHER EDUCATION

(By Howard R. Bowen)

One of America's greatest issues is how the rising costs of college should be financed—how much of the expense of higher education should be borne by students and their families, how much by government and philanthropy.

It is a pressing question for both individual and society, and it has stirred wide debate.

For the family, sending a student to college is an investment comparable to buying a house. The 4-year outlay for tuition, board and room, transportation and incidentals, may range from $8,000 to $20,000 or more, depending on whether the student lives at home or on campus, attends a public or private college, selects a low-cost or high-cost institution and whether he receives student aid.

Including lost income for the student who might otherwise have been working—perhaps $20,000 over the four college years—the total investment for college education may approach $30,000 to $40,000.

This large investment pays off handsomely in personal satisfactions, intangible benefits to society and higher lifetime income. The U.S. Census Bureau has just reported that a man with a college degree can expect to earn $758,000 during his lifetime, whereas a man with only a high school diploma can expect to earn $479,000.

But the fact that the investment probably will pay off in the future does not lessen the pain of raising the money in the present. And the price has been rising sharply, along with the prices of gasoline, bread and postage.

College charges for tuition, fees, board and room have nearly doubled since 1960, from $850 a year to $1,600 in public institutions, and from $1,600 to $3,300 in private schools. (Personal expenses and transportation bring the total even higher).

These high college costs are a major worry to millions of families of all income levels—the families from which come the 6.5 million full-time college students, and the families containing the remaining 18.5 million persons in the 18–24 age group who might be college prospects.

How high tuitions should go, and what sort of student aid should be provided, have been analyzed and argued in at least six major reports by distinguished commissions in the past several months, including the Carnegie Commission headed by Clark Kerr, a Department of Health, Education and Welfare task force, a federal commission and an elite businessmen's group.

The general thrust of these studies is that tuitions should be raised, that student aid should be expanded and that the aid increasingly should be in long-term loans rather than outright grants.

In effect, these reports say that America's historic policy of low tuitions is no longer tenable. They propose instead that families shoulder more of the burden, and that students themselves take out loans to be repaid out of future earnings.

But requiring young persons to go heavily into debt—as much as $15,000 to $20,000—for their education is less than generous toward youth. It is unbecoming for those in middle age who received their educations without such debt to say, in effect, to the next generation, "We got our education; now get yours on the cuff." In addition, lending is a cumbersome way to get money to support higher education.

I do not suggest eliminating all grants based on means tests, or all loans to students. But the nation should go slowly in raising tuitions to levels that will require intensive use of means-based grants and heavy indebtedness. Such a system would break down both politically and administratively.

Fairness also suggests low tuition. The student and his family already bear two-thirds of the total cost of higher education, counting the student's lost time and forgone income. Institutional costs are only one-third of the total. Since education benefits society as well as students, it seems fair that a major part of institutional costs be borne by society—through government and philanthropy.

Private colleges and universities are indispensable: They add diversity, contribute to intellectual freedom, help set academic standards. There competitive position undoubtedly would improve if tuitions were raised in public colleges.

But private colleges should be strentghened by lowering their tuitions, not by raising them in public colleges. This could be done by providing, from public funds, partial tuition payments to students in private colleges. The GI Bill was a kind of forerunner, giving veterans the money for tuition in whatever school they chose. Today, more than 30 states are experimenting with various kinds of grants to reduce or offset high tuitions at private colleges. Most of these programs do not have enough money, but the principle is valid.

America's historic policy of making higher education open and available with low or no tuition is still sound. This was the idea underlying the founding of hundreds of private colleges in the early 19th century, the Morrill Act of 1863 establishing the land-grant colleges, the GI Bill and the community college movement.

Why at this stage, when we still need to bring millions of young persons—many from ethnic minorities—into the mainstream of American life, and when much educational work remains to be done for all, including adults, are we shifting to a high-tuition philosophy?

Instead of putting more of the burden on the student and his family, Americans should stop the rising family cost of college by:

Holding down tuitions in public colleges.

Providing adequate state financing for public colleges and universities.

Reducing tuitions in private colleges through state tuition grants to students at those schools.

Providing adequate federal grants to low-income students.

Using loans sparingly as supplemental student support.

THE CHRISTIAN AND PATRIOTISM

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. LANDGREBE. Mr. Speaker, I would like to share with my colleagues an article by the late Dr. H. C. Slade, former pastor of the Jarvis Street Baptist Church in Toronto, Canada, which appeared on may 23 in the Christian Beacon. In the trying times we are now experiencing, we must find encouragement where we can. I think we can obtain a great deal of encouragement and wisdom from this inspiring article, and I therefore submit it for my colleagues' inspection:

The Christian and Patriotism

In the context of our subject for this evening, we observe that a minister's office is two-fold. He must in his preaching declare and define man's relationship to two governments; the Divine government and civil government.

I.

First let us define our relationship to two governments. With respect to Divine government a minister of the Gospel has a definite commission to preach, the Gospel of the Kingdom of God. This was the theme with which our Lord began His ministry in His inaugural address. His very words are recorded for us in the Gospel according to St. Mark, Chapter 1, verses 14 and 15, "Now after that John was put in prison, Jesus came into Galilee, preaching the gospel of the Kingdom of God, And saying, the time is fulfilled, and the Kingdom of God is at hand: repent ye, and believe the gospel." Under this distinctive subject we exalt the Lord Jesus Christ as Saviour, and that is our main business. His is a saving name. Before He was born in human flesh, the name was given to Joseph and to Mary. "And she shall bring forth a son, and thou shalt call His name Jesus: for He shall save His people from their sins."

The Apostle Peter later on in his ministry, after our Lord had ascended, declared, "This is the stone which was set at nought of you builders, which is become the head of the corner. Neither is there salvation in any other: for there is none other name under heaven given among men, whereby we must be saved."

Among all the great personages to appear in this world, or yet to appear, whether he be religious or otherwise, there is none who sustains the same relationship to human beings as does our Lord and Saviour Jesus Christ. We look in vain to anybody else for salvation. He alone died for our sins and rose again a mighty Conqueror over death, hell and the grave. He was delivered for our offenses and raised again for our justification. "For He hath made Him to be sin for us, who knew no sin; that we might be made the righteousness of God in Him" (2 Corinthians 5:21). We not only exalt Jesus Christ as Saviour but we magnify Him as the King.

God's messenger, Isaiah, prophesied, "For unto us a child is born, unto us a son is given: and the government shall be upon His shoulder: . . . Of the increase of His government and peace there shall be no end, upon the throne of David, and upon His kingdom, to order it, and to establish it with judgment and with justice from henceforth even for ever. The zeal of the Lord of hosts will perform this."

My friends, Jesus is King of kings and Lord of lords. When all other kingdoms and thrones shall have toppled and been crumbled to dust, this blessed One in all the blaze of His glory shall sit on the throne of the universe and reign forever.

"Now unto the King eternal, immortal, invisible, the only wise God, be honour and glory for ever and ever. Amen." Thank God, His Kingdom of grace and glory is open to us. Concerning one person, Jesus said, "Thou art not far from the Kingdom." The way of entrance into this kingdom is cited in clearest terms. It is by means of the new birth. I remind you of the words spoken by the Lord Jesus to a distinguished teacher in Israel by the name of Nicodemus, "Verily, verily, I say unto thee, except a man be born again, he cannot see the kingdom of God." What a solemn thought: Those who fail the experience of a new birth will not even get a sight of God's kingdom much less ever enter therein. He said, "Ye will not see it." Oh, hear it from His lips again, "The kingdom of God is at hand, repent ye and believe the gospel." All those who believe on the Lord Jesus Christ are spoken of as having passed from death unto life, from darkness into His marvelous light. Yes, delivered from the power of Satan and translated into the kingdom of the Son of His love. I ask you, Has this grand transaction ever taken place in your life?

Next, we come to the matter of our relation and obligation to civil government. Our Lord's statement makes our duty in this connection perfectly plain. "Then saith He unto them, Render therefore unto Caesar the things which are Caesar's; and unto God the things that are God's." Concerning this relationship many sincere people are deeply concerned. In times of national events, such as a general election or of national crisis as a way, they find themselves quite confused as to what they should do. They only want to do their duty and stand for the right, but what their obligations may be under these circumstances they are not at all sure. If they could only know for certain, the teaching of the Word of God on the subject, the matter with them would be immediately settled. There are others, of course, who are not even interested in the affairs of civil government for say they, "Our citizenship is in heaven.

Therefore, we do not feel any responsibility whatever toward the governments of the world; so by them responsibility in this relationship is altogether neglected and ignored. I read of one person who remarked, "They cannot blame me for failures in the government for I have not voted for 20 years." Probably, he is to be blamed most of all. On one occasion the inimitable C. H. Spurgeon was seen going to the polling booth to vote, and on his way he was met by a Christian brother who did not believe in voting. In a tone of amazement he said, "Mr. Spurgeon, are you going to vote?" Mr. Spurgeon replied, "Indeed, I am." "But have you forgotten the teaching of the Bible which commands us as Christians to crucify the old man?" Mr. Spurgeon answered, "That is exactly what I am doing. You know my old man is a deep-dyed Liberal, and I am determined this time to make him vote Conservative." According to the teaching of Scripture, citizens of the heavenly kingdom have also an earthly citizenship to maintain. Has Divine providence by means of birth or immigration brought you to this country? Then you have become a part of this great and favored nation. You have come to enter into the immense benefits provided by way of freedom, protection and prosperity. Friends, we ought to fully enjoy them all for in some countries of the world these liberties just do not exist. Do not say, therefore, that you have no responsibility whatever toward this country or to the affairs of its government.

Now, let us turn to our text and take the case of the Jewish people at the particular time Jeremiah wrote these words. Remember these people found themselves in a foreign country under the rulership of a heathen king. Actually, they were in a state of slavery and constantly exposed to provocation. Doubtless day by day they met with insults, persecution, and to add insult to injury we read the people of the land required of them a song; a song of mirth. Little wonder in their state of mourning they had hung their harps on the willow trees! Hence, the only reply they could give, "How shall we sing the Lord's song in a strange land?" Evidently, they did not know how to relate themselves to the Emperor, Nebuchadnezzar and his despotic form of government. Through Jeremiah, now residing in Jerusalem, God sends special instructions. "Thus saith the Lord of hosts, the God of Israel, unto all that are carried away captives, whom I have caused to be carried away from Jerusalem unto Babylon; build ye houses, and dwell in them; and plant gardens, and eat the fruit of them; take ye wives, and beget sons and daughters; and take wives for your sons, and give your daughters to husbands, that they may bear sons and daughters; that ye may be increased there, and not diminished. And seek the peace of the city whither I have caused you to be carried away captives, and pray unto the Lord for it: for in the peace thereof shall ye have peace" (Jeremiah 29:4–7).

In the light of this directive Daniel, who as a young man was also carried into captivity, is set before us as a model. On the grounds that he did endeavor to be loyal and act the part of the good citizen, he was elevated to the highest possible position of government. It would seem that for a time he had been entrusted with the office of Prime Minister.

The situation of the Jews of this time was quite different from that of ours. We are not under a foreign power. We have not been led into slavery. As Canadian citizens, this country is our home. Hence, how much greater our obligation to the affairs of government than theirs! God adds in verse 11, "For I know the thoughts that I think toward you, saith the Lord, thoughts of peace, and not of evil, to give you an expected end." Thank God, He has thoughts toward us. They are very definite, specific thoughts. They are thoughts of peace. What God said to them in effect was this, "You submit to your situation and ultimately through your trial after 70 years have expired I will bring you back. I will restore you to your own land and prosper you again. I will give you another opportunity as a nation to begin anew."

II.

When we learn that civil government is an ordinance of God our obligation as Christians is made very clear. The inspired Apostle Paul affirms very positively that civil government, along with the family and the Church, is definitely a Divine institution. This fact he sets forth in a number of injunctions. First, to the believers in Rome, "Let every soul be subject unto the higher powers. For there is no power but of God: the powers that be are ordained of God" (Romans 13:1). Rome at that time was the seat of the imperial government which ruled most of the then known world. The Jewish people, as such, who were under Rome's power lived in deep resentment and occasionally tried to resist it. "But Christians," said the Apostle, "are not to be enemies of a proper government." Later on along the same lines. In Chapter 3, verse 1, we read, "Put them in mind to be subject to principalities and powers, to obey magistrates, to be ready to every good work." Further teaching on this subject comes from the Apostle Peter. In his First Epistle, Chapter 2, verse 13, we read, "Submit yourselves to every ordinance of man for the Lord's sake: whether it be to the king, as supreme; Or unto governors, as unto them that are sent by him for the punishment of evildoers, and for the praise of them that do well. For so is the will of God, that with well doing ye may put to silence the ignorance of foolish men."

After reading these passages can there be any doubt respecting our relation to our country? In the main, we have been here in Canada ever since we became a nation protected by wholesome laws, most of which, in principle, are based on the Word of God. We have enjoyed freedom, and best of all, religious freedom to a high degree. We have been given every liberty and opportunity to propagate the good news of the Gospel. In the Communist countries of the world, this is not so. Our concern at present is that there are enemies within our borders who, if they had the necessary power, would utterly destroy all these blessed privileges. Therefore, we consider it to be our bounden duty when an election is called—and one is called on the Federal level for October 30 of this year—to put forth every legitimate effort to elect men of high principle and truthworthy character in order that these precious, dearly-bought rights may be maintained. The particular mode of government I do not believe is here under consideration. The reference is more to the principles of government. There are various modes that have been adopted by the different nations or countries of the world, such as an absolute monarchy, a limited monarchy like the one in the United Kingdom at the present time, and a republic. The idea is that any government that provides order as against chaos and that gives due protection and freedom to its people must be upheld. Government, especially our form of democratic government, is a very beneficial appointment indeed. God never intended that man should be left in a state of brute creation. Can you suppose law being suspended in Canada for five days? There is no government, no policemen, no restrictions of any kind. Every man is left to do just what he feels inclined to do. Each is independent of his fellow. He is at liberty to follow the bent of his own inclinations without regard to the welfare of others. There is no restraint on the part of any. What have you got? You have violence, misery, lust, cruelty, and dishonesty pervading the whole of our Dominion. There would be, I am sure, an outcry such as was never heard before in this country. Demands for the restoration of government would be heard from every quarter. I submit that no one after that experience would mind paying even income tax or any other kind of tax. Demonstrations of lawlessness among university students and strikers in numerous countries where leaders in government have lost control give us some idea what such a situation would be like.

My friends, well established government such as we have experienced in the past is of God. Its benefits are beyond calculations. The ruler, as the Apostle Paul states, is a terror to evil works, and he does not bear the sword in vain. It is indeed an instrument of blessing and comfort. Humanly speaking, we owe our safety and freedom, both religious and civil, to law and order upheld by properly constituted government.

III

Lastly, we shall consider the nature of our responsibility. The fact that government is an order of God ought to be sufficient to convince any Christian of his duty to support it. Now, let me speak briefly to you about the nature of our responsibility. Although it is true we are not of the world, still we are in the world, and while here in the matter of promoting the highest welfare and good of all our fellowbeings we are under very heavy obligation. Look again at our text, "And seek the peace of the city whither I have caused you to be carried away captives, and pray unto the Lord for it: for in the peace thereof shall ye have peace." The fact is that government of any city or country where we may reside surely has a claim on us to obey its righteous laws. Yes, there is such a thing under certain relationships as having a claim on one another. Are you a husband? Your wife has a claim on you. Are you a wife? Your husband in the very nature of the sacred relationship of marriage has a claim on you. Children, parents have a claim on you. You also have a claim on them and have every right to expect something from them. Masters, you have a claim on your servants. Servants have a claim on their masters. The word of God gives explicit teaching in these matters. Above all, of course, there is One in heaven who sees all and before whom we all some day must stand and give an account. He has the highest claim of any, and upon us all. We are taught, "Render therefore to all their dues, tribute to whom tribute is due, custom to whom custom, fear to whom fear, honor to whom honor. Owe no man anything but to love one another for he that loveth another hath fulfilled the law" (Romans 13:7 and 8). I would remind you that our Lord Jesus Christ Himself paid tribute to the Roman government; thus to Ceasar.

The spirit of disloyalty and lawlessness is something unthinkable with a Christian. There can only be one exception to the rule, and that is when and where laws may be adopted which run contrary to the laws of God. For example, if the time ever came when we would be forbidden to preach the Gospel of our Lord Jesus Christ, with the early apostles our one answer would have to be, "We ought to obey God rather than men. The One who said, 'All authority in heaven and in earth is given unto me, go ye therefore and disciple all nations' has first claim and must be obeyed." But laws which are established on the principles of the Word of God are just and good and are to be by us strictly obeyed.

There is no inconsistency whatever between being a patriot and a true Christian. I can think of three great Christian gentlemen within my acquaintance from three different countries of the world with whom I have rejoiced extremely in Christian fellowship who are or were greatly to be admired as outstanding patriots. I am thinking of Dr. Dubarry of France, Dr. McIntire of the United States and, of course, Dr. Shields whom you knew in this place as being a Britisher to the core. Loyalty to our country should involve the willingness to fight for it when it is engaged in a defensive war. Personally, I could have no respect whatsoever for the zombies who during the second world war went into hiding instead of taking their places as true and responsible patriots for the defense of our freedoms. When the necessity arose, even the patriarch Abraham went to war against Amraphel of Shinar, Arioch, king of Ellasar, Chedorlaomer, king of Elam, and Tidal, king of nations. He smote them and pursued them unto Hobah and he brought back all the goods and the women also and the people.

If our country were invaded by cruel, heartless and godless oppressors such as the Communist forces of Russia and China, the whole nation would naturally be involved, but there is a sense in which true Christian people would be affected most. Every passenger is concerned in the safety of the plane.

The employment of spiritual weapons is, of course, the most effective. The Jewish captives in Babylon were enjoined to ". . . seek the peace of the city whither I (God) caused them to be carried away captives, and pray unto the Lord it . . ." (Jeremiah 29:7).

Real peace is the fruit of righteousness. There can be none while the Divine order is violated and the will of the Almighty set at naught. We remember that Melchizedek who blessed faithful Abraham was first King of Righteousness and after that also King of Peace.

The Gospel is God's message of peace to the world. There are deep rankling wounds in the body politic which only the Gospel can heal. Apostasy as a dark cloud in the form of social immorality, domestic vice, economic injustice, crime—and young people are being trained in it—drunkenness and false teaching, has settled upon the earth. The Gospel of Jesus Christ alone can set things right. With the Apostle Paul we believe it to be "the power of God unto salvation to everyone that believeth."

Who did George Whitefield and John Wesley bring peace to England? It was by means of the Gospel. Christians are called the light of the world and the salt of the earth.

In seeking the peace of the city Jeremiah commanded the people of God to pray for it. In order that we might emulate this worthy example I shall read to you that very appropriate passage of Scripture found in 1 Timothy, Chapter 2, "I exhort therefore, that, first of all, supplications, prayers, intercessions, and giving of thanks be made for all men; for kings and for all that are in authority; that we may lead a quiet and peaceable life in all godliness and honesty. For this is good and acceptable in the sight of God our Saviour; Who will have all men to be saved and to come unto the knowledge of the truth." The promise given to Solomon is still true and awaits our most earnest appropriation. "If my people which are called by my name, shall humble themselves, and pray and seek my face and turn from their wicked ways then will I hear from heaven and will forgive their sin and will heal their land" (II Corinthians 7: 14).

My dear friends, it is righteousness that exalteth a nation. Sin is a reproach unto any people. I verily believe that if we will earnestly seek the face of the One who ever waits to be gracious He will turn back the tide of evil in this country and pour us out a blessing; even a flood-tide blessing that there will not be room enough to contain it. "Seek ye first the Kingdom of God and His righteousness and all these things shall be added unto you."

We shall sing for our closing hymn number 510 in the Hymnary. Allow me to quote the first and the last verses:

"From ocean unto ocean
Our land shall own Thee Lord,
And, filled with true devotion,
Obey Thy sovereign word;
Our prairies and our mountains,
Forest and fertile field,
Our rivers, lakes, and fountains
To Thee shall tribute yield.

"Our Saviour King, defend us,
And guide where we should go,
Forth with Thy message send us,
Thy love and light to show,
Till, fired with true devotion
Enkindled by Thy word,
From ocean unto ocean
Our land shall own Thee Lord."

"A 6-YEAR PRESIDENCY" BY THE HONORABLE MORRIS K. UDALL

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. BRADEMAS. Mr. Speaker, I am sure that Members of the House will read with great interest the following thoughtful article by our distinguished colleague, the Honorable Morris K. Udall, of Arizona entitled a "A 6-Year Presidency?"

Congressman Udall's essay, which appears in the June 1974 issue of the Progressive follows:

A 6-Year Presidency?

(By Morris K. Udall)

Following the twin outrages of Vietnam and Watergate, the idea of a single six-year Presidential term—once grist for undergraduate debating societies—must now be considered a serious proposal with a growing list of influential advocates. Among them are Senator Mike Mansfield, the majority leader, who presumably wants to put the collar on Presidential power, and President Nixon, who would augment it. The opposition, equally bipartisan, arrives at two conflicting conclusions: that the single term would (a) unacceptably broaden Presidential authority or (b) destroy it.

I see the potential for both, and almost none for the kind of benevolent monocracy for which so many of its advocates yearn. Opponents of the six-year term have been getting the short end of the publicity lately, and thus it would be well to review their misgivings.

Traditional critics of the longer term lean heavily toward the argument cleverly expressed in Clark Clifford's oft-quoted comment: "A President who can never again be a candidate is a President whose coattails are permanently in mothballs." How is the President, such opponents ask, to deal with a recalcitrant Congress, particularly one controlled by the opposition party, if he is in effect a "lame duck" upon inauguration? Worse, how is he to get a handle on that immovable object, the Federal bureaucracy?

The truth of this criticism is at least partially borne out by Richard Nixon's all-out invasion of the executive agencies following his re-election: a kind of domestic Cambodian policy wherein he used (sometimes illegally) brute power, in this case the fact of incumbency, to overrun and occupy bureaucratic sanctuaries which he sensed would grow less responsive as his retirement day approached.

The position taken by Clifford, Harry Truman's White House counsel and Lyndon Johnson's Secretary of Defense, in my view is an effective argument not only against the single term but also against the Twenty-second Amendment, both of which imply the divorcing of the Presidency from politics. The difference is that promoters of the six-year term openly favor this division, while the fathers of the two-term limit produced the divorce unwittingly. The fact is that Dwight Eisenhower, the only President to serve a full second term under the Amendment's limitation, was politically emasculated following re-election and could not control his own Cabinet, much less the Congress.

However, a different perspective is offered by those who fear the opposite result from a six-year term—not emasculation but imperialization. The reasoning runs along these lines: Had Ralph Nader attended the Constitutional Convention of 1787, we might well have ended up with a system of "accountability" rather than one of "checks and balances." For the framers had one thing in mind above all others—that the Executive could not rule with impunity. After prolonged debate, they decided against the Virginia delegation which proposed a lengthy single term because, in the words of William Houston of New Jersey, to remove the reward of re-election was "to destroy the great motive for good behavior." The President was at all times to be "accountable" to the electorate. So long as he satisfied the populace, why should he not be allowed to serve three or even more terms?

Of course, no President until Franklin Roosevelt served more than two terms, a fact which might have led advocates of the Twenty-second Amendment to tread more lightly on the Constitution. Nor does the history of the last two decades since the Amendment was ratified suggest anything like a repeat of the one-man dominance of the office. But advocates of the Amendment cut a wide swath in the fiber of "accountability" so carefully constructed by the framers, and it is not unreasonable to argue that a six-year term might destroy it completely.

Take the example of Richard M. Nixon. It is true that had he not faced a re-election campaign, the President would have had no motivation to unleash the kind of campaign which produced the Watergate scandals. But facing an election, Nixon did some other things. He brought American troops home from Vietnam, slapped on wage and price controls, went to China, and moved toward detente with the Russians—in each case reversing prior positions. In short, his greatest achievements grew out of the pressure of an approaching election. How many of these decisions would have been made had Nixon had two more years to serve in a single term?

The principle of accountability was at work, and Nixon felt uncomfortably wed to it. Now the psychology is reversed. Under the cloud of Watergate, he resists the demands of the public and the pleas of Republican Party leaders to disclose relevant evidence—all in the knowledge that he faces no political future and must only avoid a criminal one.

The current vacuum of Presidential leadership in the midst of political and economic crisis is argument enough against further impingements on the constitutional system of accountability. But there is one other bearing on the election process itself. While Americans live by the results of majority rule, it must be remembered that the chief protection we accord minorities is their ability to exert the leverage of their numbers as an important force in plebiscite.

During the traumatic outbreaks and demonstrations of the 1960s, the nation was once again reminded that minorities, believing they have little voice in governmental policies, can cause utter chaos by resisting them. We learned all over again that highway and poverty programs can be successfully pursued with fifty-one per cent support, but that highly controversial policies, such as fighting wars and integrating schools, take a broad two-thirds to three-fourths consensus. And it is almost axiomatic that Presidents (like Nixon and Johnson) who have faced the hostility of minorities come to favor a single, longer term, wherein their policies are not held hostage to an election. At the heart of their belief is the mistaken paternalistic implication: "I am the President and I know better than the people what's good for them." This is dangerous heresy in a country that depends on the consent of the governed—a heresy that would be institutionalized by adoption of the six-year term.

Granted that something has to be done to tame this beast of Presidential power, are there not less dramatic, better-targeted reforms which would not tamper so destructively with our constitutional system? I believe there are such reforms:

Serious thought must be given to repeal of the Twenty-second Amendment. This, in my view, was a vindictive act of an earlier generation and has already proven to be a mistake.

An alternative to impeachment should be developed—one whose implications are not so painful. I am co-sponsoring one such proposal patterned after the parliamentary "vote of no confidence," with a general election to be held when two-thirds of the Congress finds, on carefully specified grounds, that the President is not properly performing his duties.

Congress must reform and modernize itself at a faster pace if it is to turn the tide of executive dominance. Of immediate importance is the adoption of the Bolling Committee's jurisdictional streamlining of the archaic House committee system.

We must search out new ways for the "loyal opposition" to present its programs and criticisms of the incumbent in forums that will approximate those the President receives. The President should have ready access to the country, but he should not be allowed to monopolize political communication.

The press must insist that all future Presidential candidates pledge themselves to frequent and regularly scheduled press conferences.

Most importantly, Congress must enact tough election reforms to begin to recapture the confidence of an angry public in its political institutions. Topping the list is a sound system of publicly financed campaigns and a Federally sponsored effort to get unregistered voters on the rolls.

A final answer is to work for change in public attitudes toward the Presidency. Many American mothers want their children to grow up to be Presidents like Jefferson and Lincoln, but they don't want them to become politicians in the process. The mythology of statesmanship is such that we forget that like Lyndon Johnson and Richard Nixon, Presidents Jefferson and Lincoln were living, breathing, sweating politicians, whose success in large measure was due to their political skill. Those who would isolate the Presidency from everyday politics might bear that in mind.

O. R. STRACKBEIN WRITES ABOUT PRESS CAMPAIGNS

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. FISHER. Mr. Speaker, O. R. Strackbein is one of the Nation's leading authorities on matters relating to the role played by the news media in our society and in our system of democracy. Under leave to extend my remarks I include an article he recently wrote on the subject. It is timely, objective, and thought provoking. The article follows:

PRESS CAMPAIGNS

(By O. R. Strackbein)

The press over the years has devoted itself to campaigns for or against an innumerable variety of causes, candidacies, programs, and public issues.

Since the press by its very nature gained access to the public more frequently and possibly in a greater proportion of the population than any other instrument of access to the public, it was a handy medium that could be utilized not only as a carrier of news, which was presumably its leading reason for being, but also as a medium of whatever else lent itself to dissemination in the form of print applied to paper. Newspapers, indeed, came to draw no small share of their income from a variety of advertising and from the use of their press for jobs of commercial printing. Again, it was the nature of the instrumentality and its accidental versatility that combined to make of the press a means of livelihood through publication of newspapers.

In the early days the press had but a short radius of circulation. While its influence could not be measured to any precise degree, it was sought by those who wished to influence the public, and it came to be used for that purpose. In political campaigns it was a common experience in communities to behold one newspaper in the camp of one candidate and an opposing newspaper in the camp of the other. If there were several newspapers a diversity of opposition and support was quite sure to add zest, life and fury to the contest.

Such contests, of course, were good for the newspapers concerned. Partisans of both sides avidly read reciprocally about the sins and rascalities of the other in the news columns, editorials and cartoons of the opposing press. One side could and would answer the other. Vehemence of expression, wild charges, pious denials and counter changes all came out in the wash. Because of the power of the printed word the favor of the press became a highly prized quarry.

The experience of early Colonial America with the despotism of monarchical practices made the framers of our Constitution alert to the value of a free and "untrammeled" press to the aspiration of democracy.

The subject of the press was, however, not foremost in the minds of the delegates who met in Philadelphia. They were more concerned about devising a form of government that first and foremost would be made as poor as possible against the kingly abuses of governmental power with which they had become familiar historically and which they had been eager to escape.

They felt strongly that absolute power could not be entrusted to man. Unrestrained power, such as the divine right of kings, which had spread over Europe, was anathema to the colonists. As an antidote the Constitution-framers provided for the separation of powers, which is to say, a system of checks and balances within the very structure of government. This was so devised, or intended to be so arranged that the natural jealousy of power and the motivation flowing from the clashing of contending forces, would automatically check each other.

The three branches of government—not a brainchild of Madison, Hamilton and Hay or the other Constitution-makers, but an import from European political philosophers who had verbally plowed the ground back and forth and crisscross many times—the three branches of government were to balance one another and prevent gravitation of too much power into the hands of any one branch. The republic which was proposed presented a unique opportunity of putting this very sensible philosophy into effect. Nowhere else than in what was to become the United States was there such a virgin opportunity, on such a hopeful and promising scale, free of hereditary entanglements and obstacles. The wayward tendencies and ambitions of greedy men who might seek an undue extension of power in the executive, legislative or judicial branch would soon be checked by the alert holders of power in the other two branches, or by the electorate. The latter would remain as the final check. The powers vested in each branch were spelled out by a process of enumeration and positive assignment no less than express injunctions.

The instrument was admittedly not perfect or complete. In a short time the first Ten Amendments were adopted, called the Bill of Rights, taking effect December 15, 1791. It was only then that the press was mentioned, and then only in a negative fashion, and in the same clause that proclaimed freedom of speech as a right that was not to be abridged by any law of Congress. It may be noted in passing that the press, because of its unique attributes and ownership was assured ascendancy over freedom of speech, which, having no amplifier compared with freedom of the press, languished and indeed could be held in tow at the mercy of the press.

Since the press in the early days was local in its circulation there was not much reason to be concerned about its power. There was no reason for incorporating its functions into the framework of government, or to provide for a system of checks and balances that would operate as a brake on its powers, should it ever wax sufficiently powerful to become the source of serious concern. Developments that were unforeseen at the time (1787–88) were naturally passed by, as, for example, the atomic weapon. It was always possible, in any case, to set up another newspaper as a check against budding rampancy of a particular newspaper. Jefferson and Hamilton did so in their bitter rivalry. George Washington complained strongly against attacks upon him by Jefferson's National Gazette; but there is no record of his setting up an opposing sheet. This all happened, of course, after adoption of the Constitution. The power of the press was still confined to inflicting irritation and outrage and did not produce widespread and deep concern over the perils of its abuse.

The press thus came along under the high privilege granted to it by the First Amendment. Congress was to make no law abridging its freedom. This negative injunction left the press largely to its own devices. Except in the matter of libel and commercial law it was left free of restraint. No handle of responsibility was placed in the hands of the public by which it might call the press to account; such as periodic elections by which editors or publishers might be replaced if their services were regarded as failing of public trust. No power of impeachment was placed in the hands of those whom the newspapers were to serve. This omission meant that there remained one sector in the field of popular self-government beyond the reach of the people themselves.

The time came when the circulation of newspapers ranged farther afield. While the high-speed press had not been foreseen it nevertheless was developed in time. With its use it was possible to print copies by the hundreds of thousands and even millions. With the help of advertising revenue and large-scale output it was possible to sell newspapers at a low price, thus assuring ever broader circulation. Today a few newspapers enjoy a national market. This achievement could be hailed as a contribution to the culture of the people and their increasing enlightment, and no doubt justly so; but the equation is no longer so clear or without distinct minus signs. The number of newspapers had declined. Many have been merged in the same city, so that today local and regional monopoly power is a reality in the ranks of the press. Efforts to expand circulation rather than being directed toward surpassing competitors in excellence of news service may lead newspapers to concentrate their appeal to the lower registers of the human character.

Today a press campaign, i.e., by one or more newspapers, represents a different dimension from that of the earlier times. All the resources of the press, news writers, commentators (columnists), editorial writers and cartoonists may be enlisted in a systematic drive. The newspaper, moreover, may own radio or television outlets. The press, if the newspapers are unified, or in a monopolistic position, then is committed to victory in whatever campaign it may mount. It may gather a formidable momentum by repetitive assault against what or whom it opposes or uninterrupted support for the object of its promotion.

While individual newspapers will claim objectivity and fairness in their news columns they may align themselves solidly, or nearly so (with some allowance for dissenting views), on their editorial pages through their columnists and cartoonists. This choice of sides had been generally accepted as legitimate journalistic practice as long as the news columns remained unsullied; but doubts and troubled concern have severely shaken complacency in recent times, especially in areas subjected to a press monopoly. A heavy shift toward opinion-saturated news items has given impetus to the dismay.

Too much power over the shaping of thought and images and in general the setting of the ethical and cultural climate, it is feared, lies dangerously within the power of the metropolitan press, not to mention television and radio. The advantage is seen not only in the wide circulation of like-minded newspapers but also in the growing coloration of the news items by reporters and copy editors who are enlisted in this or that campaign, and who wish not only to report events but to influence them. These workers of the Fourth Estate become advocates alongside of the editorialists. They write interpretative articles and also find means of infiltrating news accounts by a form of bias that is not readily detected by readers who are not sensitized by intimate or special knowledge of the subject treated.

Room for demagoguery expands as the reporters specialize and gain expert insight not shared by the workaday public. The practice of advocacy journalism, i.e., participating in campaigns, either openly or covertly, takes on the color of a one-sided presentation in support of the selected goal, much as advocates at law present only one side of a case in which the client is interested. It is not expected that the counsel of one side will make a presentation for the opposing side. Under monopoly journalism there may not be so much as opposing counsel! Concealment of bias may, indeed, be developed into a veritable art.

The specialization of reporters is not of itself an evil. It is most desirable if the enterprise has the financial capability to make it possible; but it is open to unacceptable practices. For example, on controversial subjects expert opinions may roam far afield from each other and still appear highly compelling when they are considered separately. Behold the dissenting opinions of Supreme Court justices! Unless the reader of one of these opinions is thoroughly grounded in the subject matter he could be convinced by the single opinion. If he then reads the other opinion he will learn a lesson in credulity, for the second opinion wil seem as convincing as the one that had just convinced him! Now he must really study the opinions if he is to perceive which is right. Even then he will find that much depends on the point of view from which he takes his own departure.

Appraised in this context it is not difficult to perceive the advantage of the specialized reporter over the lay reader of his report, which is to say perhaps more than 99% of the public. Without attributing malfeasance or deception to the reporter, it is nonetheless quite obvious what a leeway he enjoys, including liberal quotations from one side and few from the other—a scope of options that lie at the mercy of his honesty as a journalist. It is to prop just such honesty with checks and balances that these were instituted in our governmental system; but they were not extended to the press. The honesty of the journalist is no doubt as good as any but he is exposed to a variable but possibly unacceptable degree of temptation if his employer has his heart set on winning a campaign. Acceptable or not, the public has no hold over the reporter such as it has over public officials and such as these have over each other, thanks to the separation of powers. The natural father of biased journalism is the press campaign.

To permit power over the dissemination of news to gravitate into the hands of a monopoly or near-monopoly of news media with no external rights of access represents a means of subverting the interests of democracy.

The clash of ideas, opinions and theories is recognized by us as a healthy exercise in a democracy. In the course of such interchange error may be exposed and reduced, if not eliminated, while truth is provided the maximum opportunity of shaping human affairs. Thomas Jefferson held that even error may be tolerated if reason is left free to combat it. Control of the means of moulding public opinion in a few hands, such as a monopoly press, or even in a combination of like-minded media, represents the introduction of a new type of dominancy over the public. Kings have never held a monopoly on monopoly.

The power of the theocratic State was broken and then also the dominance of the autocratic monarchs. One of the instruments by which the power of the latter was fettered on the way to divestment was the restraint of a constitution fastened on the monarch. These struggles ran over centuries. Today movement is mounted on a highly accelerated schedule; but the lust for power has not abated in the human breast. Dominancies all answer to the same god, which is power and gratification of the ego and enhancement of privileges. Newspapers and other media, electronic, for example, are not immune to the temptation. It would be naive to believe that journalists are more trustworthy in this respect than other mortals, as if they were of a different species. How the press by a process of veritable transsubstantiation, was able to expand a sanctuary posted against trespass by the Constitution, a purely negative reservation, into an empire of growing dominancy over the fortunes of the people's supposedly uninhibited power of self-government must remain a question for further explanation.

Should the fort be finally taken by the press and its sister media the possibility of dislodgement would be de minimus. The weaponry at the disposal of the media is virtually impregnable once set in place. Its fire power, both in point of high frequency and in its reach and scope, so far exceeds that of the citizenry that it represents no contest.

Such an assertion would indeed represent an exaggeration but for one dominant fact: there is no way by which an objector can reach the press without incurring great risk of relegation to oblivion by the press itself. It has that power and is not notably loath at exercising it. From under the umbrella of the Constitutional injunction, designed to assure its freedom, the press has overrun the cities, where nearly all the people live, and great areas of the countryside or suburbs, where people go to flee the cities; and has entrenched itself. It has fortified itself by freely exercising the advantage that it so loudly but properly denounces when it encounters an example of it in the civil, political or economic world apart from the press itself.

"FOOD RESOURCES OF THE SEA" BY JOHN H. RYTHER

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. BRADEMAS. Mr. Speaker, I insert in the RECORD the text of a most interesting essay by John H. Ryther entitled, "Food Resources of the Sea," published in the February, 1974, issue of the Bulletin of the American Academy of Arts and Sciences.

FOOD RESOURCES OF THE SEA

(By John H. Ryther)

(NOTE.—John H. Ryther is a Senior Scientist at the Woods Hole Oceanographic Institution where he was previously Chairman of the Department of Biology. Mr. Ryther, who has been associated with WHOI since receiving his doctorate from Harvard in 1951, is currently director of a major sewage treatment-aquaculture project in which human wastes are recycled to grow algae as a source of food for shellfish. In addition to his duties at the Oceanographic Institution, Mr. Ryther has served as an active member of the corporations of the Marine Biological Laboratories and the Bermuda Biological Station; he was Scientific Director of the U.S. Biological Program, International Indian Ocean Expedition, and is currently acting as Commissioner of both the NAS–NRC National Resources Commission and the U.S. Marine Mammal Commission. A recent publication entitled Aquaculture: The Farming and Husbandry of Freshwater and Marine Organisms, written by John Ryther, John E. Bardach, and William O. McLarney, was nominated by the National Book Awards Committee for the 1973 science book of the year award.

In recent years, farming of the sea has been recognized as one of the most promising aspects of the world-wide effort to increase food production. The importance of cultivating aquatic food resources can perhaps best be seen in the context of the dramatic changes that have taken place in the global food situation over the past decade. Ten years ago, the literature was filled with dire forecasts of a breakdown in the world food economy. In their book, Famine 1975, published in 1967, William and Paul Paddock warned that the Malthusian nightmare was virtually upon us, that by the mid-1970's, the population would exceed the available food supply bringing with it "the time of famines." Toward the end of the 1960's, however, these doomsday predictions gave way to a far more optimistic outlook based partly on improved prospects for population control but largely on the advent of the much-heralded Green Revolution. Under favorable conditions, "wonder wheat" and "miracle rice" have, in fact, produced remarkable results. Yet like many other technological phenomena, the Green Revolution has failed to live up to the exaggerated promises of its prophets. Since the new seeds require fertilizer, irrigation, and modern equipment, they are limited in their application, particularly with respect to the situation in the developing world. As a consequence, the projected increase in agricultural production of as much as 5 per cent a year has never materialized.

Further difficulties have resulted from the severe weather of the past two years;

droughts in some parts of the globe and floods in others caused bad harvests in many areas and a drastic decline in agricultural yields throughout the world. Today, grain stocks are at their lowest point in twenty years and the general world food situation is more severe than at any time since the mid-1960's. As *Science* magazine stated some months ago, "pessimism is back in vogue" with respect to the world food situation.*

With renewed concern over the increasing demand for food has come the realization that agricultural production is constrained not so much by the availability of arable land and advanced technology but by the availability of fresh water. Sophisticated methods of irrigation have been supplemented by efforts to shift precipitation patterns and alter the flow of rivers. On another level, the untapped resources of the sea have been cited as the potential cure-all for a hungry world. Here again, however, the prospects for achieving ever-increasing yields have alternated between optimism and pessimism.

In the years immediately following the end of World War II, the fishing communities of the world were landing between 15 and 20 million tons of marine products; by the mid-1960's, the world fish catch had risen to between 60 and 70 million tons. This substantial increase over a twenty-year period gave rise to the overly optimistic belief that the sea could save mankind from hunger and starvation. By the end of the 1960's, however, it had become apparent to a number of scientists that the ocean was not the great reservoir of food it was once thought to be. By analyzing the basic factors governing marine food production, they concluded that most of the ocean was limited in nutrients and that productivity was centered largely in coastal areas. With 90 per cent of the ocean poor in terms of food resources, it was estimated that the total world harvest of fish, then close to 70 million tons annually, would peak at only 100 million tons.

At about the same time that scientists were reevaluating the potental food production of the ocean, the fisheries of the world were faced with a new problem. In the late 1960's, the total world fish catch registered a significant decline, the first in the postwar years. Since then, the annual catch has been fluctuating irregularly. In the early 1970's, for example, the landings of the great Peruvian anchovetta fishery, which at their peak represented as much as 20 per cent of the world's total fish production, suddenly fell sharply. One of the reasons for the drop was a shift in the pattern of ocean currents, a sudden cessation of the upwelling of nutrient-rich waters along the Peruvian coast. Yet, underlying this immediate cause was the fundamental problem of over-utilization of resources. In other parts of the world, herring, cod, haddock, salmon, tuna, and some thirty other species commonly used directly as human food are already "over-fished" or near full exploitation. Given this fact, it is possible that the total world catch may never even reach the current projected maximum of 100 million tons a year.

How important is the present contribution of the sea to human nutrition and to man's food needs in general? In terms of calories consumed, the contribution is virtually insignificant. Grains of different varieties still account for the largest percentage of human energy; only 10 per cent of our caloric input comes from terrestrial animals in the form of meat, eggs, and milk, and a mere 1–2 per cent from fish. In terms of high-quality animal protein, however, the role of fish products is far more significant. Of the 70 million tons of fish now harvested annually, some 11 million tons, or 17 per cent, can be regarded as human food. The rest consists of either fish used for animal feed, fertilizer, and bait, or inedible shells, seaweeds, and other wastes. In terms of the protein requirements established by the FAO, the 11 million tons of edible fish represents about 25 per cent of the high quality animal protein needed by the 3.5 billion people living on the earth today.

Would the projected annual yield of one hundred million tons materially improve the world food situation by the year 2000? Unfortunately not. If present trends continue, there will be more than 7 billion people on the earth by 2000 and the contribution that commercial fishing will make to their protein needs will be less than it is today—some 18 per cent as compared with the current figure of 25 per cent. In other words, it is unlikely that commercial fishing, in itself, can ever provide more than a small fraction of our requirement for high-quality animal protein.

To improve and increase aquatic productivity, we must go beyond traditional fishing methods to farm the ocean scientifically. Primitive forms of aquaculture have been carried out in Southeast Asia for many years, even centuries in some instances. These sea farming systems are quite effective in producing fish and their implementation in other areas offers the promise of greatly expanded food supplies from the sea.

Along the coast of almost any country in Southeast Asia, one can find acres of farm ponds that have been constructed by clearing and excavating mangrove swamps with hand labor; slabs of mud are used to build up the simple dikes that form the pond. In most cases, the ponds are linked to an estuary or the ocean by means of various outlets, some of which allow water to flow in and out with each tidal cycle. In other cases, the ponds are cut off from the ocean except for an occasional change of water when they become too salty from evaporation or too fresh from the heavy rainfall. The nature and complexity of the pond system varies depending on the country, the traditional form of construction, and the species to be cultivated.

Once the ponds are completed, they are stocked with young organisms of various kinds; milkfish, mullet, and shrimp are typical of the species grown in this manner. Under present conditions, the fry are either captured in coastal ponds by opening the sluice gates on the incoming tide or, more likely, purchased from dealers who specialize in collecting and selling fry to fish farmers. The purchase of fry is currently the most expensive part of the farming process; it would be a great stimulus to the economy of these Asian countries if modern hatchery techniques could be introduced into the fish farming systems, thereby providing a reliable low-cost supply of juvenile organisms.

Initially, the fry are placed in small nursery ponds where they may be fed artificially During this period, the main production ponds are prepared for stocking. The first step is to drain the ponds and dry them for a week or more. The bottom soil is then loosened and leveled by tilling and raking; it may also be fertilized lightly with manure, rice bran, or other inexpensive natural products. Next, the ponds are flooded to a depth of two or three inches and allowed to stand for several weeks. In time, a community of algae, bacteria, worms, and other small invertebrates grows on the bottom of the ponds; blue-green algae, in particular, are encouraged because their nitrogen-fixing capacity permits the pond to become self-sufficient in terms of its nitrogen sources. This dense mat of algae and associated organisms constitutes the main food of the fish stocked in the ponds.

As soon as the fry attain fingerling size, they are transferred into the production ponds where they are left to grow for several months to, at most, a year at which time they become marketable and are harvested. The average yields of these ponds is on the order of 500 pounds per acre per year, a reasonable but not outstanding figure for the production of high-quality animal protein. To promote greater yields, new techniques which proved effective in Taiwan have recently been implemented in other parts of Southeast Asia. Of particular importance is the practice of continuous stocking and harvesting; instead of stocking the pond once a year with fry, allowing them to grow into adults and harvesting them all together, a population consisting of several different-sized groups is maintained in the pond at all times, with the larger fish harvested almost continuously; in this way, the pond is kept at or very close to its optimum carrying capacity. Taiwanese methods of controlling predators and competitors for the food of the cultured fish as well as a type of pond construction which promotes more efficient harvesting have also been adopted. The result of these very simple improvements has been to increase yields from about 500 pounds to over 2,000 pounds per acre per year.

In summary, this form of aquaculture is simple, indeed primitive, in conception, yet its productivity compares very favorably to the rate of production per unit acre of land. Sea farming of this nature possesses other advantages as well. It presents more of the difficulties involved in introducing new products into an area for it supplies a product which is useful and already accepted in the country in which the organisms are grown. It is well suited for the underdeveloped parts of the world where vast acres of coastal wetlands exist. It can be developed with hand labor and very little capital investment and it requires only one man to supervise several hundred acres of ponds, except (when traditional methods are used) during the brief period of stocking at one time of year and harvesting at another. It can be undertaken on almost any scale; by employing almost identical techniques, a wealthy entrepreneur or government can operate thousands of acres of ponds or an individual can farm a single pound. Finally, it is an extremely profitable undertaking; people who have underwritten coastal aquaculture projects in the Philippines or Singapore or Indonesia are currently realizing a 20–30 per cent annual return on their investment.

To illustrate the advantages of this approach, one need only compare the difficulties involved in developing a commercial fishing industry in the Philippines with the success of aquatic farming in that country. Some years ago, the FAO set out to make fishing a major industry in the Philippines. The problems were formidable: a nonseagoing people had to be convinced of the value of the enterprise; fishermen had to be recruited from a reluctant native population or imported from other countries; a fleet of fishing vessels, freezer ships, and delivery vehicles had to be procured; and fishing ports, storage facilities, and roads had to be constructed. It was an extremely difficult task compared with the limited effort involved in establishing a number of aquacultural ventures, scattered throughout the country and operated by people who want and need this kind of farming and will consume its products.

When I was in the Philippines in 1967, the total annual yield of existing ponds farmed in the traditional manner was 63,000 tons or an average of 500 pounds per acre. However, as I indicated earlier, the introduction of improved techniques has raised current production to over a ton per acre. In addition, the government has identified about a million and a quarter acres of mangrove swamps that are available for the development of this type of pond culture, bringing the maximum theoretical yield of Philippine fish culture to

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*The article entitled "World Food Situation: Pessimism Comes Back into Vogue" by Nicholas Wade (*Science*, August 17, 1973) contains an interesting analysis of the short- and long-term prospects for the world's food situation.

approximately 1.7 million tons. Production at this level would be more than adequate to meet the protein requirements of the entire country. It is this kind of experience which underlines my belief that aquaculture is potentially both an attractive and valuable method of food production.

Using these figures, can we extrapolate the total theoretical yield if this form of aquaculture were supplied on a global scale? On the basis of my own calculations, I estimate that there are about one billion acres of coastal wetlands in the world. As a standard of comparison, some seven to eight billion acres of earth are now used for food production, with half of the area devoted to agriculture and half to grazing. If only one-tenth of the available wetlands, or 100 million acres, were set aside for aquacultural development, the potential yield, using improved methods of production, would be 100 million tons of fish per year—the equivalent of the potetnial yield from the world's commercial fisheries. This rate of productivity is particularly impressive given the fact that it can be achieved through a relatively simple process that requires no extraneous feeding and very little labor or capital investment. Moreover, while the potential yield from aquaculture is equal, in terms of gross tonnage, to the potential yield from commercial fishing, the former contains a far greater percentage of material that is directly beneficial to man. At least 50 per cent of the aquaculture yield is available for direct human consumption; if the remainder is recycled as fishmeal or fed to terrestrial animals, another 10 per cent can be realized. In the case of the commercial fish catch, only 17 million of the potential 100 million tons can be consumed by humans. Taken together, however, the commercial catch and the aquaculture products represent 77 million tons of food—enough to satisfy the protein requirement of a population estimated to be on the order of seven billion by the year 2000.

It should be emphasized that the production figures relating to aquaculture are based on the relatively simple technologies now in use. Theoretically, it is possible to realize even greater yields. For example, we know that the production of food in aquatic systems can be substantially increased if the production of the plant blooms which support the food organisms can be expanded through fertilization of the water. At the same time, however, the addition of fertilizer can pose a serious threat to the viability of farm ponds. If these systems become too heavily laden with organic material, they become unstable and their oxygen supply is seriously depleted. The central problem is that increased yields of organic matter require intensive fertilization of the water, yet fertilization eventually becomes a limiting factor in all kinds of food production, whether it be terrestrial or aquatic. One form of aquaculture that promises increased productivity without the detrimental effects associated with fertilizers was developed by the Chinese over a thousand years ago. The Chinese practice of polyculture entails the introduction into an aquatic system of a number of different species, each occupying a different ecological niche and consuming a different type of food. In the case of the Chinese carp, six varieties can be stocked in one pond; the grass carp which consumes the large emergent vegetation; two midwater dwellers, one of which prefers zooplankton, the other phytoplankton; and three bottom dwellers which feed on mollusks, worms, and the feces of the grass carp. The result is a highly efficient system of fish culture. On its own, the grass carp eats so much vegetation that its highly organic wastes could upset the balance of the pond; within the framework of polyculture, however, the bottom-feeding fishes derive some of their nourishment from the partially digested plant remains in grass carp feces, thereby preventing the pond from becoming overladen with organic wastes and adding to the production of fish. The yields from this form of aquaculture are far greater than those obtained from the cultivation of a single species.

The importance of conserving and recycling nonrenewable nutrients has led not only to a recognition and appreciation of Chinese polyculture but also to the development of a highly advanced form of aquaculture designed to increase food production from the sea by recycling human wastes. For the past three years, the Woods Hole Oceanographic Institution has been conducting laboratory experiments in which marine plankton algae, grown in diluted effluent from treated sewage and other compounds, are used to provide food for shellfish, principally oysters. A flowing system has been developed in which seawater, enriched with the effluent from a nearby secondary sewage treatment plant, is continuously pumped into a pond of algal culture as a comparable volume of culture is continuously removed. The single-celled algae in the pond feed on the "effluent fertilizer" and proliferate, turning the water muddy brown in color. This water is then circulated through runways where the oysters, if they are properly located and in the proper number, filter out the algae. In this way, the algae remove all the objectionable nutrients including ammonia, nitrate, and phosphate from the sewage effluent while the oysters, in turn, remove the algae from the water. However, since the oysters are not completely efficient machines, they return some of the nutrients to the water in the form of excreted wastes. To utilize these secondary waste products, we have added another component to the system which consists of tanks of seaweed that feed on the residual or regenerated nutrients. Sea lettuce is one of the varieties of seaweed which thrives in this environment and, in yet another extension of the system, is used as food for abalone.

In addition to the excreted, dissolved wastes removed by the seaweed, the oysters also produce a solid waste product which settles to the bottom of the tank and is eaten by sand worms. The sand worms, which are highly prized as bait—in fact, they are more expensive per pound than lobsters—are then circulated to a neighboring tank where they serve as food for flounder. The outcome of this continuous culture system is a primary crop of oysters and side-crops of seaweeds, worms, flounder, and abalone. In the end, the ultimate product which is discharged into the sea is as pure or purer than the ocean water itself.

In my view, this project is indicative of the future course of research in sea farming. By working with pollution, we have been able to achieve one of the highest rates of protein production in the world. Of course, a number of difficulties have arisen in the attempt to maximize the efficiency of the system. At the present time, the major challenge is to insure that no disease-carrying viruses are allowed to contaminate the oysters. Since the sewage is chlorinated before being pumped into the tanks, it is presumably free of bacteria. However, it is known that virus particles are not quantitatively removed or killed by conventional sewage treatment methods. A monitoring system which will concentrate viruses from large volumes of seawater has recently been devised as a first step in our study of the virus problem. It is our hope that, in collaboration with T. G. Metcalf of the Department of Microbiology, University of New Hampshire, and J. G. Trump of the High Voltage Laboratory, Massachusetts Institute of Technology, we can develop a process that will destroy virus particles at the sewage treatment level, well before they enter the system.

Research on the combined sewage treatment-aquaculture project was begun on a scaled-down model designed and tested indoors. The model was later expanded in size and moved outside where it could be tested under natural conditions. To determine the reliability, productivity, and economics of the system, however, the level of experimentation must be increased to a *much* larger scale. Last fall, a new Environmental Systems Laboratory was completed to house pilot-scale studies related to the project. Initially, the Environmental Systems Laboratory will contain a 12,000-square-foot algae farm as well as shellfish and finfish culture tanks containing seawater from Vineyard Sound and treated effluent to cultivate the algae. The six algae ponds are 50 feet in diameter with three-foot depths; the shellfish growing units occupy a 3,000-square-foot area; and the piping system filters and heats up to 1,000 gallons of seawater per minute.

What does the project promise for the future? If implemented on a large scale, such a system would be capable of producing an annual crop of one million pounds of shellfish meat from a one-acre production facility and a fifty-acre algae farm using effluents from a community of 11,000 people. The potential yield of world-wide aquaculture, based on the simplest improvements, is already an impressive 100 million tons of food; by adopting advanced culture techniques such as that developed at Woods Hole, the yield could well be multiplied ten-fold within the next three decades.

NATIONAL HEALTH INSURANCE—FIRST STEP TO SOCIALIZED MEDICINE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. RARICK. Mr. Speaker, many well-meaning people are starting to discuss health insurance in one form or another as a means of providing fair and equitable health care to all of the American people. Tragically, in the discussions of health insurance, little is said to remind the people that all of the pending Federal health insurance programs are directed toward placing private insurance plans under public or bureaucratic control. Nor is it mentioned that only some 11 percent of the American people today do not have private health insurance programs. Nor is it ever suggested that converting from a private program to a publically controlled program will increase the cost and significantly downgrade the quality.

I would submit that none of the pending health insurance programs could possibly work to the advantage of the American people and are but a step toward socialized medicine. In fact, the labor bosses, so adamant in continued salary raises for their membership, continue to support a health security bill which would take over all existing health insurance programs, public and private, and provide "free" health care for everyone under a single federally run system to be paid by the taxpayers out of the Public Treasury.

The president of the American Medical Association, testifying in Washington last week, questioned whether the American public is as much interested in enactment of a national health insurance plan as the news media would have them believe.

The recent Harris poll shows inflation still ranking as first on the priority lists of concerns among the American people. The same survey ranked health care as 15th. Since any new Federal program must result in expanded spending which will only result in more inflation, our leaders who are demanding a federally controlled health program to meet the demands of the public seem to be only fooling themselves.

In discussing Federal control of health care, the politicians and the opinion-making machinery are using Americans' concept of our present private health care systems to make our people believe they have the same benefits under socialized medicine. They will not.

The advocates of "new medical care" are showing one thing and working toward another.

I believe my colleagues would find the following editorial from the local newspaper, which has never shown great concern over inflation, along with another related newsclipping, of interest:

[From the Washington Post, May 24, 1974]

AMA President Says Public May Not Want a Health Plan

The American Medical Association yesterday questioned whether the American public is much interested in enactment of a national health insurance plan.

AMA President Russell B. Roth of Erie, Pa., told the Senate Finance Committee that any such plan, including the one favored by his organization, is bound to push up health costs.

He said a recent Louis Harris survey showed that "concern for medical care rated 15th on the priority list, while inflation ranked first."

"That raises a final question," he said. "Does the public really, genuinely, want Congress to aggravate its principal concern—inflation—in order to treat the 15th ranking problem—health?"

However, Roth said that if Congress decides to move ahead on national health insurance, it should give close consideration to the AMA proposal called Medicredit.

The AMA plan would permit beneficiaries who pay part or all of their health insurance premiums to private companies to use tax credits to offset a part of their payments.

This mechanism would "minimize the number of dollars making a round trip to Washington, as tax to return as a shrunken benefit."

He said a proposal would be the least desirable because it would boost Social Security taxes and involve maximum government participation in the financing.

Meanwhile, before the House Ways and Means Committee, labor and insurance industry spokesmen continued their disagreement as to whether a national insurance plan should operate through the private insurance industry.

"We are strongly opposed to private insurance coverage and employer-employee contributions . . ." Dr. Lorin E. Kerr, director of occupational health for the United Mine Workers, said.

He said basic requirements for a health-care plan include comprehensive benefits, universal coverage, financing by a progressive income tax surcharge and quality and cost controls.

But Frederick E. Rathgeber, vice president of the Prudential Insurance Co. and spokesman for the Health Insurance Association of America and other groups, said a partial or total government takeover would be "inefficient, inflexible and an unnecessary use of taxes urgently needed to deal with other domestic needs."

He said the private insurance industry can demonstrate that it is efficient and that its profits have been extremely modest and used to expand and improve its services.

[From the Washington Post, May 26, 1974]

The Health Insurance Debate

The hearings on national health insurance that began last week in the Senate and last month in the House are not just for show and tell. Both of the committee chairmen involved, are personally sponsoring national health insurance bills. Each has made it clear that he wants to report out a bill in this session and has some hope it may pass. The earnest and often technical questions which committee members are throwing at witnesses reveal that the members are not grandstanding for the voters back home; they are seriously thinking through the difficult practical problems of setting up a national health insurance system.

Moreover, the parade of witnesses has shown clearly that the question being debated is not *whether* the United States should have national health insurance, but *what kind* it should have. Even the American Medical Association is no longer opposing national health insurance as such. It is pushing its own limited version called "Medicredit," under which the federal government would use the income tax to subsidize individual purchases of comprehensive health insurance.

It is, of course, always possible that the impeachment proceedings will pre-empt the time and energy of the Congress in a way that prevents enactment of health insurance legislation in this session of Congress. But other obstacles to passage also exist, and these strike us as being surmountable with a little good will and good sense. One is the fact that divisions still exist on several crucial features of a prospective national health insurance system. The other is the possibility that as the election nears some legislators may decide they have more to gain from voting for a lost cause than from making the compromises necessary to get a health insurance bill enacted.

The grounds for a compromise, however, are there. Fairly general agreement already exists that the bill ought to (1) replace Medicaid with comprehensive subsidized health insurance for low income people and (2) protect everyone against the "catastrophic" medical expenses of a serious illness or accident. The three bills under serious discussions accomplish these goals in different ways.

The Kennedy-Mills bill would provide comprehensive health insurance coverage for everybody under the Social Security system and finance it by increasing Social Security taxes. Only the poor would get free care, however; most people would have to pay a portion of their medical bills, but would be fully protected against expenditures exceeding $1,000 a year per family. We believe this is basically a sound approach.

Administration proposal would provide similar benefits (with most families contributing to their bills up to a maximum of $1,500 a year), but would pay for it differently. Employers would be required to buy insurance coverage from private insurance companies and to share the premiums with their employees. Only the needy would have their insurance subsidized out of general tax revenues. We are less enthusiastic about the administration approach, mainly because it sets up a private tax (the premium paid directly to the insurance company) and fails to provide adequate public controls on the insurance industry or the health providers.

The Long-Ribicoff bill, far less comprehensive than either of the other two, would provide only catastrophic protection against family expenditures exceeding $2,000 a year and would set up a separate program for the poor. Except perhaps as an interim measure, the Long-Ribicoff approach strikes us as inadequate. It does nothing to help middle income people obtain comprehensive coverage of less extreme medical disasters, and its separate system for the poor perpetuates two-class medicine.

The President, in a radio address last Monday, reemphasized the importance he attaches to national health insurance and his willingness to work out a compromise with the Congress. We hope he is willing to move toward the Kennedy-Mills approach, rather than scaling down his own proposal in the direction of the Long-Ribicoff bill.

If a workable compromise is to be effected, one more voice must be raised in its favor: the voice of organized labor, which, for good reasons, carries great weight on Capitol Hill in discussions of health insurance. So far the major unions have rejected all three bills. They are holding out for a far more drastic "health security" bill that would replace all existing health insurance, public and private, with a single federally-run system and would provide free care for everyone.

We have doubts about the wisdom and workability of such a total transformation of the health financing system in one big leap. So does most of the Congress. Labor's leadership should stop painting its utopias with a broad brush and get into the practical realistic debate that is taking place on Capitol Hill right now. With union support, a compromise bill preserving the best features of the Kennedy-Mills approach would stand a good chance of passage.

DEAN RUSK AND THE OTEPKA CASE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. ASHBROOK. Mr. Speaker, the Washington Post of May 10 in an article on wiretapping and electronic surveillance quotes former Secretary of State Dean Rusk as stating that he recalls no "instance of wiretapping or other electronic surveillance directed toward any officer of the Department of State or any newsman for the purpose of discovering leaks." It was, of course, during his tenure that the most celebrated wiretap case of the 1960's, the Otto Otepka case, occurred. It will be remembered that the Senate Internal Security Subcommittee, in exhaustive hearings on State Department security and on the Otepka case, brought to public attention the tapping of Mr. Otepka's phone by State personnel, two of whom later "resigned" when the subcommittee revealed their perjurious testimony concerning their part in the tapping.

That Mr. Rusk knew and was involved in the case is a matter of public record. For instance, in his news conference of February 25, 1965, Mr. Rusk was questioned about the Otepka case by Clark Mollenhoff, the Des Moines Register investigative reporter and later counsel to President Nixon:

MOLLENHOFF. Well, do you condone the unauthorized wire taps or have you looked into this at all?

RUSK. As you know, sir, I have looked into this in great detail, but I am not going to get into this with you today.

On May 26, 1974, the same Mr. Mollenhoff reminded Mr. Rusk of the Otepka case in his syndicated column appearing in the Richmond Times-Dispatch. I insert at this point in the RECORD the Mollenhoff column and excerpts from two of Mr. Rusk's news conferences when he, as Secretary of State, was questioned, on both occasions by Mr. Mollenhoff on the use of unauthorized wiretaps employed against Mr. Otto Otepka, a State Department employee at that time:

[From the Richmond Times-Dispatch, May 26, 1974]

RUSK "FORGOT" HIS OWN WIRETAPPING SCANDAL

(By Clark R. Mollenhoff)

WASHINGTON.—Former Secretary of State Dean Rusk either has an exceedingly bad memory or is engaged in an intentional misrepresentation to the Congress on the question of electronic eavesdropping and wiretapping when he headed the State Department.

Rusk has testified to a Senate subcommittee that he knows of no eavesdropping or wiretapping of State Department employees during the Kennedy or Johnson administrations.

And, in a burst of self-righteousness totally out of character with his active role in the cover-up in a case involving security evaluator Otto Otepka, Rusk suggested that he would have quit as secretary had such taps been placed on his staff members without his knowledge.

"There would have been someone else in my office the next day," Rusk told the joint foreign relations and judiciary subcommittees. He said he had strong feeling against some of the tactics engaged in by the Nixon administration in recent years.

Rusk, now a teacher of international law at the University of Georgia, may have had no role in the decisions to "get Otepka" by burglarizing his office safes, putting a tap on his telephone and installing a "bug" in his office.

But thousands of pages of testimony before congressional committees on the infamous ordeal of Otepka demonstrate that the secretary of state knew of the controversy over the illegal wiretapping and night entry of Otepka's safe. Rusk also took an active part in covering up for the individuals engaged in the shameful efforts to frame Otepka, who was branded "an enemy" of the Kennedy administration.

What won Otepka a priority position on the Kennedy administration's enemy list was his truthful testimony before the Senate Internal Security Committee on certain laxities in the administration of the State Department employe security program.

Otepka, a long-time civil servant and expert security evaluator, gave his frank opinion on a Kennedy appointee and refused to change his report.

When Otepka was called before the Senate committee, his testimony was in direct contradiction of that of one of his superiors, John F. Reilly, then the deputy assistant secretary of state.

In proving that he was telling the truth and that Reilly's testimony was inaccurate, Otepka produced three documents from his files that conclusively corroborated his testimony.

According to unchallenged testimony before the Senate internal security subcommittee, Reilly and two other State Department officials—Elmer Dewey Hill and David Belisle—embarked on the "get Otepka" effort complete with burglary, eavesdropping, wiretapping, and personal surveillance. It was done with a fervor worthy of a Charles Colson, John Erhlichman or H. R. Haldeman of the Nixon administration.

That subcommittee engaged in direct correspondence with Secretary Rusk on the eavesdropping and wiretapping after Reilly, Hill and Belisle under oath made broad categorical denials of any knowledge of eavesdropping or wiretapping.

Rusk and the State Department legal office took part in approval of letters written by Reilly, Hill and Belisle in which they admitted that they had tapped Otepka's telephone and bugged his office. But they insisted that their denials under oath were justified because "static" on the wire made the effort "ineffective."

Even this ludicrous explanation was false, for Hill later admitted that there were "a dozen" recordings made of Otepka's conversations, that he had told Reilly and Belisle about these recordings and that they had in fact listened to them with comments indicating some of it would be helpful in the "get Otepka" effort.

Hill testified that on Reilly's instructions he gave the recordings to an unindentified man who met him in a State Department corridor. Reilly later testified that he had no recollection of any recordings, conversations with Hill or instructions to Hill.

This took place under Secretary of State Dean Rusk, whose response was to force the resignation of Hill, who played much the same role as John Wesley Dean in the current Watergate controversy.

Belisle's conduct was condoned by the State Department where he remained and was promoted under the Rusk regime. Reilly was permitted to resign from the State Department with no derogatory report in his personnel record, and the Kennedy administration found a proper place for this wiretapping as a hearing examiner at the Federal Communications Commission.

Otepka has noted recently that in a June 1967 hearing, he was informed by Irving Jaffe, a Justice Department lawyer, that the taped conversations could not be produced because they had been destroyed.

The action has similarities to the Nixon administration's effort to install L. Patrick Gray as permanent director of the FBI after learning of his role in the illegal destruction of papers from the White House safe of convicted Watergate burglar E. Howard Hunt.

Repetition of the documented story of Rusk's responsibility in the Otepka matter isn't intended to minimize crimes of Nixon administration officials. Rather, it demonstrates that lack of integrity in high places is not a characteristic unique to this administration.

Incidentally, it also points up that important segments of the press and television were considerably less aggressive in dealing with such evidence of abuse of executive power when it was done by officials of the Kennedy and Johnson administrations.

TRANSCRIPT, SECRETARY RUSK'S NEWS CONFERENCE OF FEBRUARY 25, 1965

Q. Mr. Secretary, for a number of years—excuse me, Mr. Secretary.

A. Yes.

Q. I want to turn to an internal problem in the State Department. Mr. John Reilly, who took part in some unauthorized wire taps in the Otepka case here several years ago, gave some untruthful testimony under oath before a Committee of Congress on this, and now he has been hired by the FCC. I wonder if you could tell us if it is true that the State Department made no unfavorable comment in his personnel file on either the unauthorized wire taps or the untruthful testimony under oath on a material matter?

A. I don't know what comments were made in his personnel file. I simply am uninformed on that point.

Q. Well, do you condone the unauthorized wire taps or have you looked into this at all?

A. As you know, sir, I have looked into this in great detail, but I am not going to get into this with you today.

Q. Well, Mr. Secretary, just a moment—

Q. I don't want to deal with the Otepka case.

A. Yes?

Q. Mr. Secretary, were we satisfied that all supplies and infiltration from the North had been stopped, would the United States be content to solve the indigenous aspects, the civil war aspects, by free elections under international supervision in South Viet-Nam?

A. Well, let's get to the first step first, and then if we get to that step, then we will have the luxury of indulging in the consideration of the second step.

Q. What are our policies with regard to the indigenous aspects of a civil war? Could you enlighten us on this?

A. Well, I think that the indigenous aspects of it could be brought to a conclusion very quickly, and that the South Vietnamese people could turn back to the problem of building their country and improving their constitutional system, elevating the economic standards of the country and get on with the . . .

Q. Mr. Secretary?

A. Sure.

Q. I did want to clear up two things here. You said you had looked into this matter and I wondered, did you know there were unauthorized wire taps and did you know there was untruthful testimony under oath? Those seem to be the pertinent points.

A. Well, I am aware of the circumstances involving both those points, but I won't make a characterization of either one of them at this point.

Q. Do you think it's all right? Did you approve it?

A. No, I am not making any comment about what I did or did not approve of about either one of those points.

TRANSCRIPT, SECRETARY RUSK'S NEWS CONFERENCE OF NOVEMBER 26, 1965

Q. Mr. Secretary——

A. Yes.

Q. On another question, could you tell us what high State Department official it is that has custody of these illegal and unauthorized wiretap recordings on the Otepka telephone? You have had an investigation for about a year and a half or so, and I thought you could pin that down for us.

A. No, I don't have the information, and I'm not sure that I would tell you if I had the information.

Q. Well, doesn't it seem rather important? You have testimony that one of your highest officials was given custody of these wiretap recordings, that were illegal and unauthorized and I would think that in your supervision of the Department that you would be interested in finding this out as soon as possible.

A. Well, when you talk about custody, if you are talking about in whose lockbox such things are, I don't know. If you are talking about custody, well, this would be the responsibility of Mr. Crockett.

Q. Well, do you know who obtained those recordings? Does Mr. Crockett have those recordings now?

A. I'm not going to get into that.

Q. Well, I don't know why not. This seems to be——

A. Because I'm just making a judgment that I'm not getting into it.

Q. Well, this deals with the administration of your department and the problem has been pending now for about two years, and I would think you——

A. You have asked your question and I have given the answer.

CARL BILLMAN, 1913-74

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. BRADEMAS. Mr. Speaker, earlier this year, on January 26, 1974, Carl Billman, who was for over 26 years the executive secretary of the United Chapters of Phi Beta Kappa died.

As one of the members of the senate of Phi Beta Kappa, the governing board of that body, I came to know Carl Billman and to observe the dedication and ability he brought to his responsibility as chief executive officer of Phi Beta Kappa.

Mr. Speaker, I should like at this point in the RECORD to include a tribute to Mr. Billman that was prepared by Dr. Frederick Hard, professor of English literature at the University of California-Santa Cruz, and a senator emeritus of Phi Beta Kappa.

Dr. Hard's tribute to Carl Billman follows:

CARL BILLMAN, 1913-74

(By Frederick Hard)

Carl Billman, Executive Secretary of the United Chapters of Phi Beta Kappa for over twenty-six years, died on January 26 at his birthplace in Winchester, Massachusetts after a brief illness. He is survived by his mother, Mrs. Christopher Billman, 5 Lewis Road, Winchester, and by his brothers George and Russell. Private services were held in Winchester on January 30.

Born in 1913 he received his early education in Winchester schools. He was elected to Phi Beta Kappa at Harvard in 1935. There he earned both the B.A. and M.A. degrees in history, and taught that subject at Harvard and at St. Mark's school. In September 1946 he was engaged as Assistant Secretary of the United Chapters, and upon the resignation of Secretary George A. Works in April 1947 he was appointed Acting Secretary. He served in that capacity until the December 1947 meeting of the Senate, at which time he was elected to the Secretaryship.

Early in that period the headquarters of the Society were shifted to two different locations in New York City and to another temporary site at Williamsburg while plans were going slowly forward for a permanent location in Washington, D.C. Secretary Billman not only overcame the stresses and inconveniences of these dislocations of an operating base, but he also contributed significantly to the completion in 1955, of arrangements for establishing the new home at 1811 Q Street.

During his term of office the Society saw its greatest period of growth, both in numbers of chapters (from 141 to 214) and in total membership (from 119,000 to over 250,000). Yet organizational expansion was by no means the main focus of his interest. His chief concern was for the encouragement of higher standards of excellence for colleges and universities through the promotion of humanistic learning. Phi Beta Kappa fostered these purposes especially by several developments to which he gave much attention: the continuously successful publication of the *American Scholar;* the remarkably effective Visiting Scholar program; the estatblishment of the Phi Beta Kappa annual Book Awards; and the expanded activities of the Senate Committee on Qualifications. All of these developments depended largely upon capable and efficient staff coordination and cooperation. Mr. Billman's ability to command respect and loyalty from his office force was noteworthy but never ostentatious. The particularly complex duties of the Committee on Qualifications imposed heavy demands upon his time, talent, temperament, and experience; but he performed his tasks admirably, with skill, energy, tact, and gentle patience. Successive chairmen of that committee have frequently expressed their grateful approval of his expert and judicious assistance.

His friends were pleased and even this habitual modesty could not conceal his own surprise and pleasure at two events which recently gave recognition to the esteem in which he was held by his colleagues and associates. One of these was the conferring of the honorary degree of Doctor of Laws by Davidson College; the other, on the twenty-fifth anniversary of his secretaryship, the presentation, on behalf of the Senate, of a gold watch and a ceremonial citation by President Park.

A valued member of his staff has lately said, "Those who had the good fortune to work with him knew how Mr. Billman matched a demanding standard of excellence with unusual consideration for others. We shall try to continue that tradition." A further testimony of this quality of considerate loyalty to the Society that he served so well is the fact that not long before the onset of his last illness, when arrangements were being made for his retirement annuity, he quietly named as one of his beneficiaries the Phi Beta Kappa Foundation. The loss of Carl Billman will be mourned wherever the influence of Phi Beta Kappa is felt. A memorial fund has been set up in his name. Contributions may be made to the United Chapters of Phi Beta Kappa.

WHY THE PRESIDENT SHOULD NOT RESIGN

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. LANDGREBE. Mr. Speaker, I have had many disagreements with the policies of this administration. Our differences are, I believe, fundamental. I have opposed the policies and the program of the President whenever I thought that his proposals were fiscally unsound and generally damaging to the country. Therefore, what I am about to say should not be interpreted as a blanket endorsement of Mr. Nixon, his programs, or his administration. The issue is much more fundamental than that. The question is whether by resigning under pressure from members of the Government, members of the press, and others, Mr. Nixon will be setting a precedent for future Presidents. The question is whether his resignation will merely whet Congress appetite for power.

There has been a great deal of controversy over executive privilege and the Presidency. It is not an impeachment inquiry that will damage the Presidency, although it may damage the President; it is the resignation of a President that may damage the Presidency. By capitulating to pressure for his resignation, Mr. Nixon would go a long way toward transforming this country from a republic, whose Chief Executive Officer serves for a fixed term of years, to a democracy, whose leader serves at the pleasure of the people. By resigning rather than enduring impeachment, Mr. Nixon would be, in effect, changing this Government from one ruled by a written Consttiution to one ruled by a popular will. Our Republic would not be changed into a parliamentary system—even a parliamentary system requires a vote of no confidence for the removal of a chief executive—it would be transformed into an ochlocracy: rule by the mob. The mob, of course, in this case is much more sophisticated than a street gang, yet it is nonetheless a mob.

I believe that Mr. Nixon's resignation at this time and in the present circumstances would gravely affect our form of government. I know that many of my colleagues in both Houses of this Congress have publicly urged the President to resign, some more thoughtfully and responsibly than others. Yet I believe that this course of action would be more damaging to the Presidency than an impeachment proceeding. By impeachment and conviction a President may be removed from office; by resignation under pressure, the Constitution is altered in effect, if not in substance. From that time forward the understanding will be that a President may serve a 4 year term, only if his popularity remains high in our national plebiscites, the polls.

If the President is to be removed from office, he ought to be removed by the constitutionally prescribed means; impeachment and conviction for treason, bribery, or other high crimes and misdemeanors. He ought not to be removed by extraconstitutional means, such as a forced resignation. One's position on this matter is a good indication of how seriously one takes the Constitution as the law of the land. I have heard it argued that resignation is a constitutionally recognized action, and that, therefore, forcing the President to resign is constitutionally acceptable. The argument is fallacious. The Constitution obviously recognizes that a President might resign, and quite properly prescribes the procedure to be followed for filling the vacant office. But the fact is that there are many good reasons for a President to resign that do not fundamentally affect our form of government; however, resignation under pressure from Members of Congress, the news media and others is not one of those reasons for it is external to the President. A good reason for any President to resign might be mental or physical incapacity; a low showing in the polls is not a good reason for a Presidential resignation, for it is based upon factors which have nothing to do with whether a man is able or worthy of holding office.

To say then that resignation in this case would be acceptable because resignation is recognized in the Constitution is to ignore the difference between a resignation under public pressure and a resignation for internal reasons. If the President cannot perform his duties due to some incapacity of his then he ought to resign. But he ought not to resign simply because the majority of the people think he ought to resign, for he holds office under the Constitution, not under the Gallup poll. Plebiscitary democracy is as great a threat to a free society as dictatorship. I urge the President to stay in office and await the outcome of the impeachment procedure, not for his own sake, but for the sake of our form of government.

MEDIA COVERAGE OF SUBSTANTIVE ISSUES

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. BRADEMAS. Mr. Speaker, I insert in the RECORD a most thoughtful editorial by Philip H. Abelson, editor of "Science" magazine, a weekly publication of the American Association for the Advancement of Science.

The article to which I refer appears in the May 21, 1974, issue of this journal and follows:

MEDIA COVERAGE OF SUBSTANTIVE ISSUES

(By Philip H. Abelson)

A cursory examination of news sources leads to the conclusion that citizens have a great number of opportunities to become well informed. They can view programs on the various television channels. Most radio stations give the news at least hourly—some continuously—and there are many talk shows. Newspapers and newsweeklies attempt to carry on their traditional function.

Yet a closer examination reveals that the news media are not effective in presenting balanced news in depth, but are to a degree contributing to a malfunctioning of society. They have participated in creating and exacerbating a series of crises by overconcentrating attention on particular topics. Typically, after a period of concentrated attention, the media suddenly drop one topic as they rush to indulge in overkill of the next one.

These tendencies were noted by Alan L. Otten in a recent column in the *Wall Street Journal* which began:

"One hallmark of contemporary America, it's frequently been noted, is the short lifespan of its crises.

"A problem emerges suddenly, builds swiftly to crisis proportions, briefly dominates public consciousness and concern, and then abruptly fades from view. Civil rights, urban decay, hunger, drugs, crime, campus unrest, medical care, the environment, energy—one succeeds another with blurring speed, almost as though some issue-of-the-year club were in charge."

A glance at Otten's list leaves one with the impression of a variable amount of residue from the periods of great mass media attention. Most of the topics listed are now practically dead as far as the media are concerned. True, there is a considerable residue from emphasis on the environment both in legislation and in public consciousness, although with sharply curtailed media coverage, the public concern and interest have lessened. After tremendous attention, news coverage of the energy crisis has almost disappeared, and there is little indication of substantive progress in meeting the issue. The basic problems remain, but the public is bored with the subject, and the net effect of the coverage is to make it more difficult for progress to be made in the future.

Another undesirable feature of the massive attention is its lack of quality. The bizarre and the spectacular news takes precedence over reports with balance and substance. We at *Science* frequently have opportunities to evaluate the performance of the media in unearthing the facts about a given situation, and more often than not we are disappointed. This is particularly true in those areas in which science and technology interact with public policy. These issues are usually complex and enduring and not well handled by slick or sensational journalism.

The current practices of the mass media point up the value of publications like *Science* that are designed to inform rather than to excite. Although our resources are comparatively modest, we feel no handicap in competing. On any topic we choose to cover, we can if we wish produce a more rounded, complete, balanced, and scholarly story. Usually we do not choose to compete on topics that are being well covered by others. We prefer to pinpoint issues before they are in vogue, and we are not averse to dealing with significant topics after others have dropped them, provided there is new and relevant information.

In our efforts to maintain quality, we are fortunate in having a readership that expects good performance. Our authors understand this and tend to behave accordingly. We are also fortunate in having an audience that values rigor and discussion in depth and is willing to contribute ideas, time, and money to the common objective.

WHEELING, W. VA., CUSTOMHOUSE

HON. ROBERT H. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. MOLLOHAN. Mr. Speaker, Thursday, May 23, I was privileged to participate in the dedication of the Old Customhouse in Wheeling, W. Va., as an historical monument. The dedication remarks were made by Mr. Vernon D. Acree, U.S. Commissioner of Customs.

The significance of this occasion merits being recorded in the public record. Mr. Acree's remarks follow:

REMARKS BY U.S. COMMISSIONER OF CUSTOMS, VERNON D. ACREE

Honored guests, Congressman Mollohan, Mr. Latimer, Mayor Haranzo, Mrs. Fluty, members of the board of directors of West Virginia Independence Hall Foundation:

I am delighted to be here today to participate with you in this celebration in connection with our Nation's Bicentennial.

During the past two years I've visited many old customhouses around the country. Some of them are even older than your magnificent building. But, unfortunately, most have been altered to provide modern conveniences. The glow of gas lights no longer warms marble walls as the architect intended.

And so it is a special pleasure to see this splendid building being carefully restored after decades of only minimal care. I sincerely congratulate the State of West Virginia and the directors of Independence Hall Foundation on this most impressive project.

I have heard an interesting story about your customhouse. Back during the Civil War some burglars tried to rob the government vault in this building. At the time the vault held over a million dollars. Now, as I understand it, this vault is in a corner between two walls of the customhouse. The burglars worked all night with crowbars and chisels to dig a hole through the customhouse walls. But between every layer of brick they uncovered iron bars. It was nearly daybreak and the robbers could see and feel the money, but they couldn't pry apart the iron bars to get it out. With the approach of dawn they were forced to flee. Just one more hour and they could have walked off with a fortune.

For lack of an hour the burglars failed. Destiny and the dawn's early light were surely on the Government's side.

Destiny appears to have a history of siding with the Federal Government in this building. One hundred and thirteen years ago today, voters in this area sided with the Federal Government and changed the course of local history. On May 23, 1861, the people of the State of Virginia voted to secede from the Union. At the same time, the people of the northwestern counties voted against the proposal. Thus began the chain of events which produced the great State of West Virginia. And, as you all know, this customhouse was the scene of some of those momentous events.

One of your local newspapers in 1861 credited destiny with providing this building in time for the new State. "A fine State House," the press declared, "and just the place for the legislature to meet. The governor's room was almost made to order." And indeed I have to agree.

Today we are here to proclaim this distinguished old building "historic" as part of the Customs Service's contribution to America's Bicentennial Era. Since today marks a famous anniversary in West Virginia history, it might interest you to know that we in Customs also have an anniversary coming up. This year the Customs Service marks its 185th birthday as an agency established by George Washington and the First Congress of the United States. So today I want to speak briefly about the history of this small but vital agency which has had such an enormous impact on our country's growth and economic position in the world.

When the people of Boston tossed tea chests into the harbor 200 years ago they were rebelling against a tariff—a tariff which meant taxation without representation. But when our forefathers approved the Nation's Constitution, the same tool of oppression, tariffs, became the instrument for freedom and economic stability. For 70 years after 1789, Customs produced over 90 percent of all the Treasury's funds. These dollars made possible a period of unprecedented growth. They financed the opening of the west, beginning with construction of the National Road. Better known as the Cumberland Road, it reached your city of Wheeling in 1818. The Louisiana Territory, the Floridas, the Gadsden Purchase, and the Alaska Purchase were also financed largely by customs collections.

In 1835 Customs revenues even paid off the national debt! And during the 1850s a full Treasury, created largely by Customs revenues, enabled the Architect of the Treasury to build many handsome public buildings, including this customhouse.

So you see, not only destiny but also customs revenues worked together to provide your customhouse "just in time to serve as a State House and Governor's Office."

Today Customs no longer produces the greatest share of the Treasury's funds. Nevertheless, the Customs Service is still important to the Treasury Department and to the American people.

As in the past, we are still the first line of defense against contraband, such as narcotics and dangerous drugs. In addition, our mission has been broadened to include such modern responsibilities as environmental and consumer protection and cargo theft.

We now serve at 300 ports of entry throughout the country and maintain watch over 96,000 miles of land and sea borders. And we enforce over 200 laws for some 40 other Federal agencies.

Last year Customs officers inspected and examined more people, vehicles, boats, cargo and mail from abroad than ever before in history. We collected more than $4.2-billion in revenue on $68-billion worth of imported merchandise on a budget of $225-million.

We also cleared more people entering the country than the Nation's entire population—263 million persons.

While we processed this mountain of merchandise and mail and this sea of humanity, our enforcement mission also registered gains. We confiscated more than $500-million in illicit drugs.

In their role as the "first line of defense" at our borders, Customs officers use the latest in enforcement technology: a nationwide computer-based look-out system, special sensors, patrol boats, light aircraft, helicopters, and special-purpose vericles. Obviously, we have come a long way from that handful of revenue officers who manned the cutters to prevent smuggling in the 1790s.

Our Wheeling office was closed in 1913, but last year Charleston became the first Customs port of entry in West Virginia in 60 years. This reflects the economic growth of your State. Charleston is clearly emerging as a major regional transportation and distribution center, and we believe this new port is making a valuable contribution to the economic future of your State.

Last year exports of coal, agricultural products, and manufactured goods from your State were valued at $824-million. Total imports came to $463-million, so it looks like West Virginia is doing its part to improve the Nation's balance of payments!

Changing laws, changing patterns of trade and commerce, and changing methods of smuggling continue to challenge the Customs Service. And we continue to modify our activities to keep abreast of these changes.

But, at the same time, we seek to preserve those timeless qualities and traditions of our Service . . . just as you in West Virginia have sought to rescue and restore this beautiful monument to your State's history.

Today we commemorate this building—symbol of Federal authority at our borders and ports of entry for nearly two centuries. In so doing, we add the Treasury Department's salute to your proud heritage. We sincerely hope that this building will insure an opportunity for future generations to appreciate your State's history and also the contributions the Customs Service has made to our Nation.

On behalf of my associates in the United States Customs Service and the Department of the Treasury, I deeply appreciate the opportunity to be here today. Thank you.

A STATEMENT OF NATIONAL ISSUES AND NEEDS IN THE FIELD OF AGING

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. BRADEMAS. Mr. Speaker, as chairman of the House Select Education Subcommittee, which has jurisdiction over the Comprehensive Older Americans Services Act, I found of particular interest a recent statement of "National Issues and Needs in the Field of Aging" that was prepared at the Ethel Percy Andrus Gerontology Center of the University of Southern California.

The statement will, I believe, be of interest to every Member of Congress in considering legislation that affects the older people of our country.

The statement follows:

A Statement of National Issues and Needs In the Field of Aging, April 1974

Why aging? Attempts to focus on growing old and being old seem inappropriate in this youth-oriented society. However, the hard facts and figures are that America is graying. Whereas in 1900 only 3% of the population of the United States was age 65 or older, today 21 million people or 10% of the total American population is over the age of 65. While the under 65 age group today is 2.5 times as large as it was in 1900, the over 65 age group in the United States has grown to be 6.5 times as large. Since we have yet to find the fountain of youth or the road to an unwrinkled, undebilitated immortality, the increasing demand is for society to confront the hard social realities and pressing issues of our aging society in a humanitarian way. Some of the specific problem areas creating needs for older people are:

MORE PEOPLE ARE REACHING OLD AGE TODAY

In 1900, an individual's life expectancy at birth was 47 years. Today at birth an individual's life expectancy is 70 years, or 23 years longer. In the U.S. today those who are 65 have a life expectancy of 15 years; men can expect to live another thirteen years while women can expect another sixteen years. Today we can look forward to a longer and healthier second half of life but also to one which is often unplanned, frustrated and lonely. A critical need is to help individuals plan for that free time in ways which enhance the later years.

RETIREMENT

The growing emphasis on early retirement results in more years of leisure time with less income to support these years. In the United States nearly one-sixth of the adult population is outside the labor force. Within a few years, it is possible that approximately one-fourth of the adult population over the age of 20 will be considered "nonproductive." Statistically, this means that some 25 million people will be without serious "work" or a significant role to occupy their time. Counselling programs, educational programs as well as retirement and social planning, are required to develop alternative life styles to replace the current work-oriented ethic.

INCOME

In 1971, the median income per year of families where the head of the household was over 65 was $5,453 contrasted to $10,976 when the family head was under 65. This means that older families live on about $95 per week, or on about one half the income of younger families. The median yearly income for unrelated individuals living alone or with none-relatives over 65 was $2,199 or about $45 per week. About one quarter of the elderly live below the poverty level. Many do not become poor until they reach old age. The poverty of the elderly is accentuated by their fixed incomes in the present period of inflation and rising costs. The priority here is to assure older adults adequate and secure incomes and to provide them with the necessary information to optimally budget their available financial resources.

RECREATION: THE USE OF LEISURE TIME

On one occasion or or another, all of us have cried out for free time, a day off, or an extended vacation. But, how would it be to have twenty-four hours a day, seven days a week, 365 days a year of free time? That older adults find it difficult to use all this free time is reflected by the tremendous growth and interest in Senior Centers across the country. (In 1969 the National Directory of Senior Centers contained 1200 listings of Centers as contrasted with the 340 listed in the 1966 directory.) Leisure activities are expensive and generally geared to the whims of the young rather than to the interests, financial capabilities, and physical limitations of older adults. What is needed is a more responsive and extensive plan for developing leisure time activities and facilities that are appropriate, meaningful, and stimulating for older people.

EDUCATION

Half of the U.S. elderly never completed elementary school. Some three million have had no schooling or less than five years. Approximately six percent are college graduates. It is often older adults who have the time, patience and interest for learning, rather than the young. The educational system is beginning to make opportunities for learning more accessible to the aged. At the University of Toulouse in France the Third Age College is devoted specifically to providing a stimulating learning environment for some 350 men and women who are over 65 years of age the U.S. has nothing quite like the Third Age College. However, an increasing number of programs for older citizens is being developed in the U.S. at universities, junior colleges, and recreation and senior centers. A number of universities, including Ohio State University and the University of Denver, recently offered courses free of charge to the elderly. The need is for extensive and sophisticated educational programs and opportunities for older adults. Eric Hoffer put it well when he said,

"The rising restlessness of the young will force us to reverse the accepted sequence of learning years followed by years of action. In the post-industrial society the first half of a person's life will be dedicated to strenuous, useful action, and the second half to book learning and reflection. Old age will be something to look forward to. It will be a time for leisurely study, for good conversation, for savoring and cultivating friendship; a time for the discovery of new interests, and for the transmutation of experience and knowledge into wisdom."

PHYSICAL HEALTH AND NUTRITION

Some 15.4 million persons over 65, or about eighty-six percent, have one or more chronic conditions. Chronic conditions increase with age, whereas acute conditions decrease. People over the age of 45 have over 45 days of disability per year and this restriction on activity increases with age. Men and women over the age of 45 have a greater prevalence and severity of dental problems than the average for all adults aged 18 to 79. The older person's reduced income makes it more difficult for him to pay for his health care needs. In 1970, per capita health care expenditures for older persons were 3½ times higher than for the under 65 population; $791 as compared to $226. Approximately ⅔ of the older person's medical expenditures are paid for by Medicare and Medicaid programs.

Nutritional inadequacies are a priority problem among older adults. The Agricultural Research Service of the U.S. Department of Agriculture conducted a study on the nutritional diets of the elderly in New York City and found that less than one half of the households were providing diets containing sufficient nutrients and calories to insure well-being. It is significant that changes induced by poor nutrition are characteristic of those changes we associate with aging, i.e., loss of appetite, fatigue, irritability, anxiety, loss of recent memory, insomnia, distractability and mild delusional states.

In the areas of physical health and nutritional care there are inadequacies in the present programs relating to too few facilities, manpower shortages, lack of sufficient financing, lack of training programs for caretaking personnel, lack of educational programs for the public, and poor coordination of services and agencies involved with health programs for the older adult.

MENTAL HEALTH

Emotional and psychological distress among older persons is the inevitable result of failing physical powers, increasing social isolation, loneliness, and the loss of well-established social and work roles, Although persons over 65 years constitute only 10 percent of the U.S. population, they represent more than 20 percent of admissions to mental hospitals and occupy approximately one third of all mental hospital beds. It is estimated that three million persons, or about 15 percent, over the age of 65 who are living in the community suffer from moderate to severe psychiatric impairment. Of these, two-thirds function with community or family support and one-third are as sick as the population in the mental hospitals.

Of the over 65 age group, 120,000 are in mental hospitals and 370,000 are in nursing homes with mental illness. By 1975, it is estimated that of the two million old people aged 65 and over who need psychiatric services, only 15 to 20 percent will receive the needed services. In most cases the psychiatric services rendered involve diagnosis, not treatment. Among the aged, and particularly those over age 75 years, physical and mental illnesses tend to go together. Eighty to 90 percent of geriatric mentally ill patients also have physical ailments severe enough to interfere with functioning.

There tends to be long-term institutionalization for mental illness when the individual is 65 years and older rather than short-term inpatient treatment followed by psychiatric outpatient treatment or counselling services. The over 65 form only two percent of the outpatient clinic population, 2.6 percent of the day-care population and 14 percent of the community health center population.

The critical need is for community mental health services, outpatient counselling clinics and senior centers to put older people in contact with activities, people, and support services. Better community-based and home care services promise to make mental health and an independent, self-sufficient life style realizable possibilities for increasing numbers of older persons.

HOUSING AND TRANSPORTATION

Transportation and housing create interrelated problems for the older person. Reduced incomes and the need for accessibility to public transportation can dictate housing locations. Thirty-nine percent of the people who live in low income public housing projects are 65 or more years of age. Some of the projects have only older people living in them. Next to housing and medical expenses, transportation is the third largest income expense among the elderly. Nationally only 54 percent of the older population own and operate their own automobile compared to 83 percent of the general population. About one-third of the elderly poor have substantial transportation problems. These problems become especially critical in the large urban metropolitan areas having poor public transportation systems. The elderly find themselves concentrated in inner city ghettos, which boast both housing they can afford and generally easier access to public systems of transportation.

However, public transportation systems often ignore the routes to health facilities, shopping and community service centers, which are areas of importance to the elderly. Adequate planning of systems of transportation and site locations for housing, health, shopping, and community services facilities is essential to maintain contact between older persons and the community.

CRIME, PERSONAL SAFETY, AND CONSUMER PROTECTION

The impact of crime on the aged is profound. Generally residing in urban areas, older persons are easy targets for pickpocketing, assault, burglary and murder. They are favorite marks for many kinds of fraud, illegitimate schemes and misleading advertising. In a Kansas City study of crime and the aged, fully 75 percent of the victims of serious crimes had incomes less than $3,000 yearly. To compound the problem, fear of crime can force an older person to retreat into his home, where he is isolated from friends, activities, and services. The Kansas City Study found that fifteen percent of the aged victims of crime experienced substantial withdrawal from society as a result of the assault. There is a crucial need to provide better consumer and police protection for senior citizens. Dissemination of crime prevention literature to the elderly is necessary via the media, magazines, radio, and television.

With older age comes an increased need for legal services. Older citizens may require legal information about their finances and about technicalities involved in the paper work for welfare, Medicare, Medicaid and Supplemental Security Income. Information is needed to protect their rights in the legal issues of age discrimination, pension plan rulings and early retirement plans. The aged must become informed and knowledgeable consumers and citizens so that their vulnerability is decreased and their personal rights and protection are firmly assured.

These are the priority needs and problems confronting our aging population. The programs dealing with the problems of the aging to date reveal that these problems cannot be solved independently from each other. No single approach can be fully responsive to meeting the needs of the elderly. What is needed is a coordinated, integrated and comprehensive approach which mobilizes the resources of a concerned society.

The leadership roles in such efforts originate in concerned universities that have a competent group of researchers, teachers, and professionals who need support to realize their potentials and commitments to the field. Selected universities need to be encouraged and financially supported to develop special programs in aging.

TRIBUTE TO MRS. VIOLA GOLDMAN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. ANDERSON of California. Mr. Speaker, on June 13, the many friends and associates of Mrs. Viola Brereton Clark Goldman are honoring this outstanding educator for her many years of dedicated service to the community, State, and Nation.

It is through the selfless efforts of individuals, such as Mrs. Goldman, that our values, our ideals and our social fiber are transmitted from generation to generation, continuously seeking to improve our society through knowledge.

Born in Lawton, Okla., Mrs. Goldman was educated at the University of Oklahoma, and received her masters degree from the University of Southern California.

In 1946, she began teaching in Lynwood at Central Elementary School. Later, she taught at Washington Elementary, also in Lynwood.

Then, after 7 years of teaching experience, she was appointed principal of Lugo and Central Elementary Schools. Two years later, in 1955, Mrs. Goldman became principal of Wilson Elementary School, where she was a leader in patriotic activities designed to instill pride and civic awareness in her pupils.

Following the annexation of Janie P. Abbott Elementary School from Compton in 1967, Mrs. Goldman was appointed principal of that school where she was recognized for her skills and for her devotion as the recipient of the George Washington Award, and the Principal School Award, both signal honors awarded for only the highest abilities.

During her outstanding career as an educator, she received the George Washington Honorary Medal four times; the Principal School Award—which, incidentally, is the highest award given—a total of three times; and she was the recipient of the Valley Forge Freedom Foundation Award.

In addition to Mrs. Goldman's duties at her schools, she is an active participant in community affairs. She is the President of the Lynwood Teachers Association, and a member of both the Soroptimist Club and the University Women's Club.

But, most importantly, Mrs. Goldman also found time to raise a stepson Bill Clark, who, along with his wife Lyn, have attained Ph. D. degrees.

Mr. Speaker, thanks to the service of Mrs. Goldman and others like her, future generations will possess the historic significance of our country, the social context in which to frame ideas, and the civic awareness needed to improve the conditions which confront mankind.

I take great pride and pleasure in noting her achievements in the community, and I wish to join the many friends and associates of Mrs. Goldman in commending this outstanding individual for her many years of selfless dedication to the betterment of our society.

THE HARD ROAD TO WORLD ORDER—IV

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. BINGHAM. Mr. Speaker, in part IV of Prof. Richard Gardner's analysis of the need for, and the difficulties in the way of, achieving world cooperation, he points out some of the "structural" difficulties involved in creating an enforceable system of international rules. He also suggests some possible solutions.

The fourth part of Professor Gardner's article from the April issue of Foreign Affairs follows:

THE HARD ROAD TO WORLD ORDER

The need for multilateral agreement and management is, then, becoming steadily greater and more widely felt. But of course need alone is not enough. Most national leaders around the world do not have to be persuaded that it would be much better to approach key problems on a multilateral basis, usually a global one; the question that troubles them is whether international rules and organizations can be made to work. Unless some major structural weaknesses can be dealt with more effectively, even the existing responsibilities of existing international agencies will slowly wither away, and new responsibilities, however badly needed, will simply not be given either to old or new agencies.

Since the structural problems are political in origin, to remedy them will require not just technical ingenuity but an act of political will on the part of key member-states. The deficiencies of international institutions that governments cite as reasons for bypassing them are of the governments' own making. Some acts of creative statesmanship are needed to break out of the vicious circle. To paraphrase a slogan of the peace movement: "All we are saying is, give the international organizations a chance."

The most obvious structural problem is in the decision-making process. How to equilibrate voting power, not just with national sovereignty but with responsibility for implementing decisions, is a riddle that continues to plague the international agencies. It is understandable that large and middle-sized powers will not grant significant authority to a General Assembly where countries representing less than ten percent of the population of the total membership and less than five percent of the budget can take decisions by a two-thirds majority. It is equally obvious that the "principle of unanimity" under which any one country can veto action is not a recipe for progress.

Fortunately, there are a number of methods that have been developed to assure that influence in decision-making bears a reasonable relationship to power in the real world and to the responsibility for implementing decisions. Weighted voting is the most obvious, but the assigning of differential voting rights is often non-negotiable Other approaches deserve greater attention: "double majorities" (requiring a majority of all the members plus a majority of specially defined categories of members); "weighted representation" (delegating decision-making to a small committee in which the countries that are most important in the particular subject matter have more than their normal proportion of seats); "bicameralism" (in which decisions must first be adopted by a small committee with weighted representation and then by the membership as a whole); and "conciliation" (deferring a vote for a "cooling-off period" of further negotiations at the request of a specified minority of countries).

Obviously no one decision-making formula will be applicable across the board. Different structures are required for different functions—what is appropriate in a new oceans agency may not be appropriate in multilateral development assistance. Moreover, the decision-making reforms that are needed will not always adjust power in the same direction. The United States will justifiably seek "a GATT within the GATT" where decisions can be taken by the key trading nations on some special voting basis rather than on the one-nation one-vote formula among 86 contracting parties. At the same time, it can reasonably be asked to concede a greater voice in the IMF and World Bank to Japan and the Arab countries, whose voting power does not adequately reflect their financial power. To be sure, changes in outmoded or unreasonable decision-making arrangements may be opposed initially by the countries that presently have more than their fair share of influence. The challenge to multilateral diplomacy—and one that has not been seriously faced so far—is to persuade the countries that are overendowed with power in a particular institution that a fairer sharing is needed to save the institution from creeping irrelevance and make it more effective on matters of interest to them.

A related but separate structural problem is how to improve present arrangements for creating, adapting, interpreting and enforcing international law—what some would call the "normative process." The development of new rules of law has become both more cumbersome and more politicized—we need only contrast the highly political 90-member preparatory committee for the current Law of the Sea negotiations with the small and expert International Law Commission that prepared the texts for the Law of the Sea conventions of 1958. While the membership explosion of the U.N. system makes it politically impossible to return completely to the old ways of doing things, the common interest of all countries in the orderly development of new rules of international law suggests that greater use of small and expert bodies should be made in the preparatory stage of law-making conferences.

Once the rules have been created, we need better arrangements for adapting them in the light of rapid and possibly unforeseen changes in political, economic or scientific circumstances. The traditional amendment process is as unsatisfactory a means for modernizing treaties on oil pollution from tankers as it is for modernizing the GATT provisions on nontariff barriers. A possible formula here is the delegation of power to small and expert groups to promulgate changes in the rules, subject to an "opting out" privilege for countries that do not wish to accept the changes. With respect to interpretation and application of the rules, we will need to have greater resort, in such diverse contexts as trade and environmental protection, to fact-finding, conciliation and arbitration by disinterested third parties. Finally, we will need to find better ways of enforcing the rules, as by multilateral action that denies benefits and applies punishments. As has been noted, where essential community interests are threatened, as for example in hijacking, marine pollution or the withholding of vital raw materials, action may need to be taken not only against those who ratify the rules and then break them but against those who refuse to accept the rules at all.

A third structural problem that must be mentioned is the crisis in morale and effectiveness that now afflicts the international civil service. Though a few international agencies may be exempt from this generalization, in most of them the concepts of independence and efficiency have been badly eroded by political pressures, particularly the excessive emphasis given to the concept of "equitable geographical distribution." If the vitality of the international agencies is to be assured, more must be done to apply standards of excellence in recruitment, promotion and selection out. Greater efforts should be made to fill senior positions with outstanding persons from the professional, scientific and business worlds, rather than predominantly, as is now the case, with persons on loan from member-governments. As with the other structural problems, what is required here is a change in national behavior resulting from a new perception by key governments of their enlightened self-interest.

A final structural problem is how to coordinate and rationalize the fragmented system of international agencies. Governments are encountering increasing difficulties in coping with the proliferating conference schedule and the bewildering variety of secretariats that deal with separate pieces of a total problem. The need here is not just to cut overlapping and wasteful activities, but to clarify responsibility for taking and implementing decisions. It involves both functional coordination (e.g., the respective responsibilities for balance of payments adjustment between IMF, GATT and OECD), and regional coordination (e.g., the division of functions on air pollution between the U.N. institutions and agencies like NATO, OECD, and the Council of Europe). Once again, the problem is fundamentally political, since the proliferation is partly the result of "forum shopping" by governments which wish to promote a favorable outcome, and partly the result of the launching of special purpose programs (e.g., on population, environment, and narcotics) financed by voluntary contributions from governments which feel they cannot achieve their objectives within the U.N.'s central policy and budget process.

A generation ago the central problem was to create new institutions where none existed; today it is to get several hundred functional and regional commissions, boards, committees and secretariats to work together effectively. Perhaps the most difficult obstacle in the way of the objective is the projection into the international organizations of the fragmented system of "portfolio government" that still characterizes most of the major countries. Governments will have to do a better job of coordinating themselves if the functional approach is to produce a coherent system of international institutions. The special session of the General Assembly on economic issues now scheduled for 1975 provides a useful opportunity for governments to clarify their objectives and improve their internal processes for the achievement of this purpose.

CONGRESSMAN BRADEMAS SALUTES OLDER AMERICANS MONTH, 1974

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 30, 1974

Mr. BRADEMAS. Mr. Speaker, I rise to observe that we are concluding this week the month set aside each year by proclamation to honor older Americans. As chairman of the Select Education Subcommittee, which has jurisdiction over the Older Americans Act, I am particularly pleased to comment on the steps that have been taken this year to repay the debt we all owe to those older citizens who have given so much to our country.

Mr. Speaker, I hope that this month of recognition and rededication may awaken in many people a renewed sense of what we all have to learn from our elders, each of us can recall the words of the White House Conference on Aging in 1971 that "something is wrong with any society in which every age level is not clearly of meaning and value to that society."

The conference was echoing, with that statement, some words from the Book of Job:

> With the ancient is wisdom, and in length of days, understanding.

I believe that this month of recognition should also serve, Mr. Speaker, to remind us of the material situation of our Nation's older people. We must never forget what a distance we have yet to go in insuring economic justice for the elderly of America.

Consider that:

One quarter of the 20 million Americans aged 65 and over are living in poverty;

Another 5 million cannot afford the Bureau of Labor Statistics "Intermediate

Family Budget" which, itself, is an inadequate $5,200 annually for two people;

Medicare covers only 42 percent of the hospitalization costs of Americans aged 65 and over;

Last year over 19,000 retiring employees lost the retirement benefits which had been guaranteed them because their pension funds were inadequately funded; and

Property taxes have increased 30 percent in the last 4 years, ravaging the budgets of elderly homeowners living on fixed incomes.

Mr. Speaker, these are facts we cannot ignore, and which we must remind ourselves to consider in our legislative efforts.

I believe, however, that we can this month take pride in some accomplishments by Congress which address the problems of the elderly, for the last two Congresses have compiled a more solid record of achievement on behalf of older Americans than any in recent memory.

In the last 5 years Congress has increased social security benefits by more than 60 percent, despite unremitting hostility by the Nixon administration to this basic effort toward economic sufficiency for retirees.

Significant pension reform legislation has been enacted by both the House and Senate and a conference committee is at work perfecting a bill. I trust the result will begin the long overdue reform of private pension plans that too often leave retired workers with little or nothing to show for years of contribution.

With respect to the health care available to the Nation's elderly, Congress has before it several alternative plans, and hearings are going forward on them, with a view to reducing the burdens of illness on our population. As heavy users of health care, the elderly have a large stake in the results of these deliberations, and for their sake alone it is high time that the Nation moved toward a more comprehensive insurance coverage or other means of assuring access to quality health care.

In the past year, the Select Education Subcommittee, which I have the honor to chair, produced a bill to extend the Older Americans Act. After a presidential veto of an earlier bill, Congress passed and the President signed legislation under which funds are provided to States and localities for a comprehensive, coordinated service system for the elderly.

The law assigns new duties and responsibilities to the States to plan programs for the elderly in their jurisdiction. Under the measure, new "area agencies" are being created in subregions of each State to serve as focal points for coordinating all existing services to older Americans.

Also as part of the Older Americans Act, we have seen the development this past year of a nutrition program for the elderly, which this spring made possible the serving of an average of 200,000 people per week a hot meal each day, and provided social, educational, and recreational programs for senior citizens .

I am pleased to have been one of the House sponsors of the legislation to extend this program for 3 more years, which passed recently by an overwhelming vote of 380 to 6.

Finally, Mr. Speaker, I note that owing to the work of this Congress, we may yet see a coordinated attack on some of the scientific mysteries of aging, through a new National Institute of Aging passed by both Houses of Congress and awaiting Presidential action at this moment. We need to know all we can about the process of aging in all its dimensions, if we are to legislate wisely on this important subject.

Thus it should be clear, Mr. Speaker, that this Congress has taken seriously its responsibilities with respect to the needs of the older American.

But we still have much to do, Mr. Speaker, in order to make real for all our Nation's older citizens the rich promise of American life. I trust that although Older Americans Month, May, 1974, comes to a close, we shall not cease our efforts on behalf of the older people of our country.

HOUSE OF REPRESENTATIVES—*Monday, June 3, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Now, O God, strengthen Thou my hands.—Nehemiah 6: 9.

Eternal God, whose life is love and whose love is life, on this new day we lift to Thee the cup of our free hearts praying that Thou wilt fill it with the wisdom, the power, and the peace of Thy gracious spirit.

Be Thou our guide as we endeavor to lead our Nation along the paths of truth and honor that together we may dwell on the high plane of clean moral living.

During these difficult days enable us to have the vision and the valor to do all we can to bring about the reign of law and love, of truth and righteousness, that our Nation may now and ever be a blessing to all mankind.

To this end, O God, strengthen Thou our hands and our hearts.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 11223. An act to authorize amendment of contracts relating to the exchange of certain vessels for conversion and operation in unsubsidized service between the west coast of the United States and the territory of Guam; and

H.R. 12925. An act to amend the act to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13998) entitled "An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1752. An act prescribing the objectives and functions of the National Commission on Productivity and Work Quality.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 8215. An act to provide for the suspension of duty on certain copying shoe lathes until the close of June 30, 1976;

H.R. 11546. An act to authorize the establishment of the Big Thicket National Preserve in the State of Texas, and for other purposes; and

H.R. 12471. An act to amend section 552 of title 5, United States Code, known as the Freedom of Information Act.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 11385) entitled "An act to amend the Public Health Service Act to revise the programs of health services research and to extend the program of assistance for medical libraries," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KENNEDY, Mr. WILLIAMS, Mr. NELSON, Mr. EAGLETON, Mr. CRANSTON, Mr. HUGHES, Mr. PELL, Mr. MONDALE, Mr. HATHAWAY, Mr. SCHWEIKER, Mr. JAVITS, Mr. DOMINICK, Mr. BEALL, Mr. TAFT, and Mr. STAFFORD to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2661. An act to amend the Land and Water Conservation Fund Act of 1965 so as to authorize the development of indoor recreation facilities in certain areas;

S. 3301. An act to amend the act of October 27, 1972 (Public Law 92–578); and

S. 3433. An act to further the purposes of the Wilderness Act by designating certain acquired lands for inclusion in the National Wilderness Preservation System, to provide for study of certain additional lands for such inclusion, and for other purposes.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the bill on the Consent Calendar.

MISSING IN ACTION IN SOUTHEAST ASIA

The Clerk called the concurrent resolution (H. Con. Res. 271) expressing the sense of Congress with respect to the missing in action in Southeast Asia.

There being no objection, the Clerk read the concurrent resolution as follows:

H. CON. RES. 271

Whereas the Government of the Democratic Republic of North Vietnam and the Provisional Revolutionary Government (Viet Cong) have failed to live up to article 8, paragraph (b) and the protocol in article 10 of the January 27, 1973, agreements and the explanatory statement on the same article contained in the June 13, 1973, agreements, all of which relate to facilitating the location and care of graves of the dead, exhumation, and repatriation of the remains as well as to obtain information on those still considered missing in action;

Whereas the Congress of the United States has declared that the United States will cease all military activity in South Vietnam, Cambodia, and Laos by August 15;

Whereas the Lao Patriotic Front (Pathet Lao) has also failed to cooperate in this effort: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that it shall be the policy of the United States that the Government of the United States shall cease forthwith all consideration of aid, trade, diplomatic recognition, or any other form of communication, travel, or accommodation with the Democratic Republic of North Vietnam or the Provisional Revolutionary Government (Viet Cong) until such time as the aforesaid agreements are complied with to the fullest extent.

With the following committee amendments:

1. Page 2, beginning in line 5, strike out "or any other form of communication, travel,".

2. Page 2, immediately after line 9, insert the following:

"SEC. 2. In order to maximize public concern for those who are still missing in action in Southeast Asia as well as to honor suitably the memory of those who served and died there, the Congress hereby authorizes and calls upon the President to—

"(1) Cooperate with and encourage local officials and civic leaders across the Nation to dedicate and suitably mark individual trees in local ceremonies as living commemoration to former residents who are still missing as a result of the fighting in Southeast Asia, as well as to all those who served and died there; and

"(2) Dedicate and suitably mark a national commemorative tree or national commemorative grove of trees at an appropriate location as a national living commemoration to all those who are still missing in Southeast Asia as well as to all those who served and died there.".

Such ceremonies shall, to the extent possible, be coordinated for implementation upon Memorial Day next.

3. Amend the preamble to read as follows:

Whereas the Government of the Democratic Republic of North Vietnam and the Provisional Revolutionary Government (Viet Cong) have failed to live up to article 8, paragraph (b) and the protocol in article 10 of the January 27, 1973, agreements and the explanatory statement on the same article contained in the June 13, 1973, agreements, all of which relate to facilitating the location and care of graves of the dead, exhumation, and repatriation of the remains as well as to obtain information on those still considered missing in action; and

Whereas the Lao Patriotic Front (Pathet Lao) has failed to live up to its obligations under the agreement of September 14, 1973; and

Whereas the United States has ceased all military activity in South Vietnam, Cambodia, and Laos as of August 15, 1973: Now, therefore, be it

The SPEAKER. Without objection, the amendments are agreed to.

Mr. GROSS. Mr. Speaker, reserving the right to object, in view of the fact that the North Vietnamese last week suspended further talks concerning the missing in action, I must object, and will follow that with a request for a rollcall vote. I support the resolution.

I withdraw my reservation.

The SPEAKER. The question is on the committee amendments.

The committee amendments were agreed to.

Mr. GILMAN. Mr. Speaker, I rise in support of House Concurrent Resolution 271, a resolution I was pleased to cosponsor, calling for the prohibition of aid, trade, and diplomatic relations with those nations failing to comply with peace treaty provisions governing search efforts for American servicemen who still remain missing in Southeast Asia following the termination of U.S. military operations there.

In January of this year, I investigated firsthand the status of our search and recovery efforts in Southeast Asia. Following my factfinding visit, I testified before the House Foreign Affairs Committee, unhappily reporting the failure of the North Vietnamese and the Pathet Lao to comply with the provisions of the Paris Peace Treaty and the Peace Agreement of September 14, 1973, noting that we had not received their assistance in the exhumation of the remains of our servicemen and that the North Vietnamese had refused to cooperate with our joint search teams and had failed to provide any information concerning our men missing in action.

Shortly thereafter, the National Security Policy Subcommittee of the House Foreign Affairs Committee, chaired by my distinguished colleague from Wisconsin (Mr. ZABLOCKI), reported out the bill now before us, House Concurrent Resolution 271.

Congress has a continuing responsibility to our missing men and to their families. We must not give up the search for their remains, for grave sites or for any lingering prisoners of war until we have fully satisfied ourselves that we have done everything within our power to finally resolve this issue.

Accordingly, I urge my colleagues to adopt House Concurrent Resolution 271. While this resolution in and of itself may not return our missing men, its passage will certainly encourage more intensive efforts at search and recovery. We can do no less for those who have given so much.

The SPEAKER. The question is on the concurrent resolution as amended.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and

The vote was taken by electronic device, and there were—yeas 273, nays 0, answered "present" 1, not voting 159, as follows:

[Roll No. 261]

YEAS—273

Abdnor
Alexander
Annunzio
Archer
Arends
Armstrong
Ashley
Aspin
Bafalis
Baker
Barrett
Bauman
Beard
Bennett
Bergland
Bevill
Blackburn
Boggs
Boland
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clawson, Del
Clay
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Denholm
Dennis
Dent
Derwinski
Dickinson
Dingell
Downing
Drinan
Duncan
du Pont
Edwards, Ala.
Eilberg
Erlenborn
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gross
Gubser
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Harsha
Hastings
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Hicks
Hillis
Hogan
Horton
Hosmer
Huber
Hudnut
Hungate
Hunt
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kuykendall
Lagomarsino
Landrum
Latta
Leggett
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCollister
McDade
McEwen
McFall
McKay
Madden
Mahon
Mallary
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Matsunaga
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murtha
Myers
Natcher
Nedzi
Nelsen
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Perkins
Pettis
Peyser
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Quie
Quillen
Railsback
Rarick
Rees
Regula
Reuss
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Stanton, J. William
Steed
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Vander Veen
Vanik
Vigorito
Waggonner
Wampler
White
Whitehurst
Whitten
Williams
Winn
Wyatt
Wylie
Yates

Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, Tex.
Zablocki
Zion

NAYS—0

ANSWERED "PRESENT"—1

Steiger, Ariz.

NOT VOTING—159

Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Ashbrook
Badillo
Bell
Biaggi
Biester
Bingham
Blatnik
Bolling
Bowen
Brademas
Brasco
Brinkley
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burton
Butler
Carey, N.Y.
Chisholm
Clark
Clausen, Don H.
Cleveland
Cochran
Cohen
Conyers
Corman
Cotter
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Delaney
Dellums
Devine
Diggs
Donohue
Dorn
Dulski
Eckhardt
Edwards, Calif.
Eshleman
Flowers
Flynt
Foley
Ford
Fraser
Fulton
Gettys
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gude
Gunter
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Hawkins
Helstoski
Henderson
Hinshaw
Holifield
Holt
Holtzman
Howard
Hutchinson
Jarman
Johnson, Colo.
Jones, Tenn.
Jordan
Kluczynski
Koch
Kyros
Landgrebe
Lehman
Luken
McCloskey
McCormack
McKinney
McSpadden
Macdonald
Madigan
Mann
Maraziti
Mathias, Calif.
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mink
Minshall, Ohio
Murphy, Ill.
Murphy, N.Y.
Nichols
Nix
Pepper
Pickle
Podell
Price, Tex.
Pritchard
Randall
Rangel
Reid
Rhodes
Riegle
Rogers
Roncallo, N.Y.
Rooney, N.Y.
Rousselot
Roy
Roybal
Runnels
Ruppe
Ryan
Seiberling
Shoup
Spence
Staggers
Stanton, James V.
Stark
Steele
Stubblefield
Studds
Sullivan
Symington
Symms
Talcott
Thompson, N.J.
Treen
Van Deerlin
Vander Jagt
Veysey
Waldie
Walsh
Ware
Whalen
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wydler
Wyman
Young, Ga.
Young, S.C.
Zwach

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. ZABLOCKI. Mr. Speaker. I ask unanimous consent for the immediate consideration of a similar Senate concurrent resolution (S. Con. Res. 81) relating to unaccounted-for personnel captured, killed, or missing during the Indochina conflict.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 81

Whereas the Agreement on Ending the War and Restoring Peace in Vietnam, signed in Paris on January 27, 1973, and the joint communique of the parties signatory to such agreement, signed in Paris on June 13, 1973, provide that such parties shall—

(1) repatriate all captured military and civilian personnel,

(2) assist each other in obtaining information regarding missing personnel and the location of the burial sites of deceased personnel,

(3) facilitate the exhumation and repatriation of the remains of deceased personnel,

(4) take such other steps as may be necessary to determine the fate of personnel still considered to be missing in action; and

Whereas the Government of the Democratic Republic of Vietnam and the Provisional Revolutionary Government of Vietnam have failed to comply with the obligations and objectives of the agreement and joint communique, especially the provisions concerning an accounting of the missing in action; and

Whereas the Lao Patriotic Front has failed to supply information regarding captured and missing personnel or the burial sites of personnel killed in action, as provided in the Laos agreement of February 21, 1973, and the protocol of September 14, 1973; and

Whereas it has not been possible to obtain information from the various Cambodian authorities opposed to the Government of the Khmer Republic concerning Americans and international journalists missing in that country: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that new efforts should be made by the Government of the United States through appropriate diplomatic and international channels to persuade the Government of the Democratic Republic of Vietnam, the Provisional Revolutionary Government of Vietnam, and the Lao Patriotic Front to comply with their obligations with respect to personnel captured or killed during the Vietnam conflict and with respect to personnel still in a missing status; that every effort should be made to obtain the cooperation of the various parties to the conflict in Cambodia in providing information with respect to personnel missing in Cambodia; and that further efforts should be made to obtain necessary cooperation for search teams to inspect crash sites and other locations where personnel may have been lost.

SEC. 2. The Government of the United States should use every effort to bring about such reciprocal actions by the parties to the peace agreements, including the Government of the Republic of Vietnam and the Royal Lao Government, as will be most likely to bring an end to the abhorrent conduct of the Government of the Democratic Republic of Vietnam, the Provisional Revolutionary Government of Vietnam, and the Lao Patriotic Front regarding the missing in action.

SEC. 3. The Congress declares its support and sympathy for the families and loved ones of the Americans missing in action, who have suffered such deep human anguish for so long due to the undisclosed fate of the missing in action.

SEC. 4. Upon agreement to this resolution by both Houses of the Congress, the Secretary of the Senate shall transmit a copy of such resolution to the President of the United States.

MOTION OFFERED BY MR. ZABLOCKI

Mr. ZABLOCKI. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ZABLOCKI moves to strike out all after the resolving clause of Senate Concurrent Resolution 81 and insert in lieu thereof the provisions of House Concurrent Resolution 271, as agreed to by the House:

That it is the sense of Congress that it shall be the policy of the United States that the Government of the United States shall cease forthwith all consideration of aid, trade, diplomatic recognition, or accommodation with the Democratic Republic of North Vietnam or the Provisional Revolutionary Government (Viet Cong) until such time as the aforesaid agreements are complied with to the fullest extent.

SEC. 2. In order to maximize public concern for those who are still missing in action in Southeast Asia as well as to honor suitably the memory of those who served and died there, the Congress hereby authorizes and calls upon the President to—

(1) cooperate with and encourage local officials and civic leaders across the Nation to dedicate and suitably mark individual trees in local ceremonies as living commemoration to former residents who are still missing as a result of the fighting in Southeast Asia, as well as to all those who served and died there; and

(2) dedicate and suitably mark a national commemorative tree or national commemorative grove of trees at an appropriate location as a national living commemoration to all those who are still missing in Southeast Asia as well as to all those who served and died there.

Such ceremonies shall, led to the extent possible, be coordinated for implementation upon Memorial Day next.

Strike out the preamble, and insert:

Whereas the Government of the Democratic Republic of North Vietnam and the Provisional Revolutionary Government (Viet Cong) have failed to live up to article 8, paragraph (b) and the protocol in article 10 of the January 27, 1973, agreements and the explanatory statement on the same article contained in the June 13, 1973, agreements, all of which relate to facilitating the location and care of graves of the dead, exhumation, and repatriation of the remains as well as to obtain information on those still considered missing in action; and

Whereas the Lao Patriotic Front (Pathet Lao) has failed to live up to its obligations under the agreement of September 14, 1973; and

Whereas the United States has ceased all military activity in South Vietnam, Cambodia, and Laos as of August 15, 1973: Now, therefore, be it

The motion was agreed to.

The Senate concurrent resolution, as amended, was concurred in.

The preamble was amended so as to read:

Whereas the Government of the Democratic Republic of North Vietnam and the Provisional Revolutionary Government (Viet Cong) have failed to live up to article 8, paragraph (b) and the protocol in article 10 of the January 27, 1973, agreements and the explanatory statement on the same article contained in the June 13, 1973, agreements, all of which relate to facilitating the location and care of graves of the dead, exhumation, and repatriation of the remains as well as to obtain information on those still considered missing in action; and

Whereas the Lao Patriotic Front (Pathet Lao) has failed to live up to its obligations under the agreement of September 14, 1973; and

Whereas the United States has ceased all military activity in South Vietnam, Cambodia, and Laos as of August 15, 1973: Now, therefore, be it

The title was amended so as to read "Expressing the sense of Congress with respect to the missing in action in Southeast Asia."

A motion to reconsider was laid on the table.

A similar House concurrent resolution (H. Con. Res. 271) was laid on the table.

MISSING IN ACTION IN SOUTHEAST ASIA REMEMBERED

(Mr. HUBER asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HUBER. Mr. Speaker, it has been nearly 11 months since I introduced House Concurrent Resolution 271 to somehow assist in expressing the sense of the Congress with regard to our missing in action in Southeast Asia. Since that time 105 Members of the House have joined me in cosponsoring this resolution. And, while it will not bring back anyone's loved one, it will put North Vietnam and the Vietcong on notice that the Congress is still concerned about this matter and that we have not forgotten our MIA's, nor is the Congress about to concede anything to either of them until they comply with the agreements they signed relative to the MIA's. It will demonstrate the continuing concern of the Congress for the still suffering families and loved ones of those men still unaccounted for.

It is ironic that today, as House Concurrent Resolution 271 is called up on the Consent Calendar, that just last week, the North Vietnamese and Vietcong walked out of the four-party joint military team talks, which were set up for the express purpose of resolving the MIA problem. These talks were not set up to resolve military or political problems and the fact that the North Vietnamese and Vietcong linked their walkout to the so-called truce violations and other political matters demonstrates once again, if indeed it needed to be demonstrated again, their insincerity in this matter.

It is also well to ask ourselves where we are on this problem at this point in time. We have had more fruitless meetings. We have had one search team ambushed, last December with tragic results as one man was killed and four wounded. We have had 23 bodies, of which we previously were aware, returned. Some cases have been resolved by searches in certain areas of South Vietnam. A few more have been resolved by a presumptive finding of death and this, in itself, has become controversial. The number of persons still listed as missing in action still stands officially at more than 1,000; although such organizations as the National League of Families of American Prisoners and Missing in Action still keep their tallies at 1,300.

We have also witnessed the recurring rumor of Americans still being held in Laos. Tomorrow in Laos is the deadline for the release of the American flier Emmett Kay and any others who have been captured, and we know there are some Thais being held and there may be more. It is also the deadline for furnishing information on any MIA's that the Pathet Lao or North Vietnamese might have relative to Laos. This deadline has been set and changed on numerous occasions and there is no reason to believe that the other side will be any more cooperative than on previous occasions, but we can always hope.

The problem is still of tragic dimensions. The passage of this resolution should become a prod to get the North Vietnamese and Vietcong to comply with the agreements relative to the MIA's. It is now my hope that the Senate will not act speedily on House Concurrent Resolution 271 which states:

> That it is the sense of the Congress that it shall be the policy of the United States that the Government of the United States shall cease forthwith all consideration of aid, trade, diplomatic recognition, or accommodation with the Democratic Republic of North Vietnam or the Provisional Revolutionary Government (Vietcong) until such time as the aforesaid agreements are complied with to the fullest extent.

GENERAL LEAVE

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks just prior to the concurring in of the Senate concurrent resolution just concurred in.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A REPORT ON THE PUBLIC WORKS-ATOMIC ENERGY COMMISSION APPROPRIATION BILL FOR 1975

Mr. EVINS of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on the public works for water and power development and Atomic Energy Commission appropriation bill for 1975.

Mr. DAVIS of Wisconsin reserved all points of order.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair wishes to announce that the Chair will now take unanimous-consent requests from the Members prior to taking up the next bill.

DEDICATION OF U.S. NAVY SEABEE MEMORIAL

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, on Memorial Day I had the distinct privilege of attending the U.S. Navy Seabee Memorial dedication.

Located on Memorial Drive near the entrance of Arlington National Cemetery, this memorial came about as a result of the efforts of our former colleague, Congressman Bill Colmer. Realizing the importance of the Seabees to our national history, Chairman Colmer introduced House Joint Resolution 55 in the 92d Congress, which was subsequently signed into law and paved the way for the construction of the Seabee Memorial.

Mr. Speaker, I would like to urge my colleagues to visit this attractive piece of history to our Nation's Capital, and also to read the remarks of Adm. Ben Moreell, who was the founder of the Seabees. I have been given permission to insert Admiral Moreell's Memorial Day remarks in the body of the RECORD today.

EDWARD KING GAYLORD

(Mr. STEED asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEED. Mr. Speaker, it is my sad duty to advise the House of the death last Thursday night of Oklahoma's most unique citizen, Edward King Gaylord. Having celebrated his 101st birthday recently, he has been recognized as the dean of America's newspaper publishers for many years.

Mr. Gaylord began his newspaper career in Oklahoma before statehood. For the last 70 years he has played an unusual and powerful role in the birth and development of the State.

At the time of his death he was president of the Oklahoma Publishing Co. and editor and publisher of the Daily Oklahoman and Oklahoma City Times. In addition, his holdings included WKY radio and WKY-TV in Oklahoma City, the State's largest trucks express service, television stations in Tampa, Dallas-Fort Worth, Houston, Tacoma, Milwaukee, and a radio station in Albuquerque.

Mrs. Gaylord died last January 16. Survivors include two daughters, Edith Harper and Mrs. Ralph Neely; a son, Edward, all of Oklahoma City, nine grandchildren and a great-granddaughter.

To have known Mr. Gaylord was to have experienced a unique impact. Unequalled and unexcelled in his field as the unchallenged king of Oklahoma media, a dynamic and indispensable source of power in the birth, growth, and development of the State from infancy to one of the Nation's most powerful and prosperous, he made more imprint on more lives in more places for a longer period of time than any other man.

Successes as a publisher, broadcaster, industrialist, and civic leader carved many niches in many halls of fame for him. Because he contributed so much for so long he made Oklahoma history part and parcel of his own biography. He died as he lived with a young mind and heart eagerly looking to the future and to a continued improvement in the quality of life for his fellowmen.

But more than all this, I cherish his memory as a man who extended the helping hand of opportunity to so many young Oklahoma men and women. The thousands who have worked for him, some outstanding successes in other walks of life on the national and international scene, will remember him as an employer who never lost his faith that young talent could and should be developed. My good fortune was to have started my time of employment with him in 1923. This tour, along with two others he permitted me as the years went by, gave me the help I needed and had to have for whatever success I have been able to achieve. I know I speak for all those in that vast army of "Gaylord graduates" when I extend to all the Gaylords our heartfelt sympathy and our gratitude for having known this great man.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Arkansas.

Mr. MILLS. Mr. Speaker, I should like to express to the gentleman my sorrow upon the passing of this very distinguished newspaper editor. Like the gentleman from Oklahoma, I have known him for a long time, and I extend to his family my deepest sympathy.

Mr. STEED. I thank the gentleman from Arkansas for his comments.

A MESSAGE OF HOPE, CONFIDENCE, AND PRIDE IN OUR COUNTRY

(Mr. BUCHANAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. BUCHANAN. Mr. Speaker, the Vice President of the United States spoke in the city of Birmingham, which it is my privilege to represent, last week at the annual Salvation Army dinner and brought a message of hope and of confidence and pride in our country, which was warmly received.

The Vice President's visit to Birmingham was initiated by Mr. Frank M. Taylor, an advertising executive who is giving outstanding leadership as the chairman of the advisory board of the Salvation Army.

Honored at the annual dinner was the former chairman of the advisory board, Donald A. Brabston, who has continued to serve this organization with distinction.

Such leading citizens as these comprise the advisory board of this agency which has earned the respect and gratitude of our entire community for its many good works and its distinguished service to mankind.

It is fitting that such an outstanding individual as Vice President GERALD FORD should choose the Salvation Army as the occasion to visit Birmingham and address a large audience filled with persons of leadership in our State.

I include herewith for the edification of the House an article by Peggy Roberson of the Birmingham News, which is an excellent writeup of that speech and which I commend to the reading of my colleagues.

The article is as follows:

"BOOST AMERICA" WORDS BY FORD DRAW APPLAUSE

(By Peggy Roberson)

Vice President Gerald Ford Wednesday night in Birmingham asked the American people to "awake to a fight against the despair and demoralization that are threatening to undercut the fabric of our society."

He praised the Salvation Army, which invited him to keynote its annual dinner meeting at the Birmingham-Jefferson Civic Center, as an organization which truly "has given your heart to God and hand to man."

More than 1,800 persons, seated at an acre of candlelit tables, heard the admonition to "reaffirm the values that have made the United States of America the greatest country in the world, a nation with more freedom, more opportunity, more blessings and more challenges."

The vice president threaded his speech with references to "a certain trumpet," a contrast to what the Bible calls "an uncertain trumpet."

The musicians of the Salvation Army, Ford said, "have played clear and strong notes on street corners throughout the world. The Army has not sounded what the Bible calls 'an uncertain trumpet.' For who shall join the ranks and show confidence of the leadership sounds 'an uncertain trumpet'?"

He compared the voluntary spirit of the Salvation Army with the volunteer spirit in America that "found our people ready to give not only their hearts but also their hands to the work of individual enterprise. This has nurtured the self-respect of a free people."

The vice president urged a renewed faith in individual and collective ability to redeem the American family and the American community—including systems of health, transportation, urban development and education. "We must cope with inflation and energy shortages and give our citizens a new sense of confidence in our problem-solving capability," he added.

The government must step in at a certain point to do for individuals what they cannot do for themselves. Ford said. But, he cautioned, "Let us be very sure where that point is. With new federalism and general revenue sharing—as your fine mayor knows—we have started moving power away from the bureaucrats on the Potomac back to the people in Birmingham . . . ."

The words "morality" and "patriotism" are coming back in fashion, the vice president said. "And I hope that we can also find the sense of humility necessary to seek the guidance of God," he added. "We have yet to find a program for computers that will instill a voluntary sense of faith, a love of country, and a belief in an authority higher than any man."

The vice president made no direct mention of the two-year national concern with Watergate, but he said, "The United States is approaching a moment when we need not only to acknowledge a need of awakening and change, but to take the appropriate actions."

These actions will not be taken "by abdicating the two-party system and abandoning our safeguards of freedom inherent in the constitutional checks and balances of the three branches of federal government," he said. "Obviously, we must not throw out the baby with the bathwater."

People need to regain control over their own lives, the vice president said. "This will not be achieved by the scapegoating of the President or any other public official. It will not be achieved by downgrading the Congress or the courts. It will be achieved by direct involvement in the political process by every citizen," he said.

"If public officials do not perform, they should be voted out of office," he declared.

The audience listened respectfully, but quietly, until Ford reached the end of his prepared speech and launched into a "boost America" theme.

Many in the country are pessimistic, Ford acknowledged. "But I don't share that pessimism."

Few citizens realize how much people throughout the world trust the American people, he said.

"Tomorrow—just a few hours away—the governments of Israel and Syria are going to sign an agreement on disengagement, perhaps ending centuries of distrust and fighting.

"In just 25 years, that part of the world has seen four wars. But when the fourth war broke out in October of last year, and the entire area started heating up, and it looked like there would be a confrontation between the Soviet Union and ourselves, who did they turn to?"

The audience applauded when the vice president answered his own question: "The United States. It is the only nation they could trust."

Warming to the response, Ford said, "Not Britain, not the Soviet Union, but the United States."

And when the parties to the disagreement wanted a head of state to be their contact, "Who did they go to?" Ford asked.

Again the audience applauded when he answered, "The President of the United States, . . . not Breshnev, not Prime Minister Pompidou, not Mr. Harold Wilson nor his predecessor, Mr. Heath. They went to the President.

"And when they wanted somebody to sit down with them and try to work it out, who did they call for? Henry Kissinger."

The audience stood and applauded when he urged, "We as Americans should be proud we are Americans, and we should be proud of America."

The vice president was introduced by U.S. Rep. John Buchanan who said his first vote—even before he was sworn into the House of Representatives—in January of 1965, was for Gerald Ford to be head of the Republican Caucus and House minority leader.

Buchanan praised Ford as a man of "sincere religious faith, high moral character and unimpeachable integrity. He has shown those qualities of character in both his public life and his personal life."

The congressman suggested that Ford was "raised up by God for this crisis, for this time."

After the vice president's speech, Commissioner William E. Chamberlain, Southern Territorial Commander of the Salvation Army, told Ford, "You have inspired us."

Donald C. Brabston, Salvation Army advisory board chairman for 1972–73 was presented the William Booth award for his work with the organization.

Frank M. Taylor, advisory board chairman for 1973–74, presided; Mayor George Seibels presented the vice president with a key to the city.

The vice president ended his first visit to Birmingham since taking the post in October only four hours after it started. He boarded his jet—parked too far away from the road at the Air National Guard field to tell whether Air Force One or Two—and took off for Washington, D.C. about 10 p.m., trailed by two planeloads of newsmen, staff and Secret Service protectors.

TAX REFORM, NOT TAX RELIEF, SHOULD BE SUPPORTED NOW

(Mr. CONABLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONABLE. Mr. Speaker, I note some confusion in the public statements that are being made at this time about tax reform and tax relief. There is a difference, and deliberate efforts to foster the idea that they are identical are mischievous and dangerous. Many responsible legislators can and should support tax reform; few can responsibly support generalized tax relief now.

The problem is that most people believe that tax reform will work to their individual benefit. Obviously, if everyone's taxes go down, the only net result can be less revenue for the Government unless the resulting stimulus brings increased production and economic activity. Circumstances in our economy now indicate that such a tax cut stimulus would probably aggravate price instability instead, and goodness knows we do not want any more inflation.

But tax reform is something else. Its purpose is to increase the equity and progressivity of the total tax structure, through review of preferences, elimination of deductions and adjustment of rates. Reform will work to the benefit of low- and middle-income taxpayers; but the size of the benefit should be kept in reasonable perspective if we are not to create expectations which force us to add relief to reform. Generally, the Federal income tax is working better and more fairly than the average citizen can realize from newsworthy items about spectacular exceptions. The average taxpayer, numerous as he is, gets only modest tax reduction from major changes with respect to the wealthy few, and he should not be politically manipulated by leaders who can only wind up trapped in their own rhetoric, to the country's detriment.

CHAPLAIN EDWARD M. GAFFNEY, CAPTAIN, U.S. ARMY

(Mr. KING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KING. Mr. Speaker, Chaplain Edward M. Gaffney, captain, U.S. Army, Roman Catholic chaplain at Fort Lesley J. McNair, will celebrate his 25th anniversary of ordination to the priesthood on June 9. A native of Newark, N.J., Father Gaffney entered the Dominican order in 1942 and was ordained in 1949. As a Dominican priest he served 5 years at Holy Name Church in Philadelphia, 9 years as a preacher of parish missions, and 2 years as master of retreats in Kingstree, S.C., before joining the Army in 1966 in response to an appeal for chaplains during the acute shortage due to the Vietnam war. Chaplain Gaffney has served in Vietnam, Germany, and in Washington, D.C. This July he will begin his duties as chaplain to the Armed Forces in Bangkok, Thailand.

Chaplain Gaffney is a dedicated priest and an exemplary chaplain who has sacrificed much in order to serve both God and country with an unselfish generosity.

May his years of service bear much fruit and may he be blessed in the years to come.

Many of us who are not in the military service are permitted to attend mass at the Fort McNair Chapel. We are most grateful for the services rendered to us by Father Gaffney and enjoy his friendship. We regret to have him leave us and can only wish him the best of health and good fortune in his new post in Bangkok, Thailand.

THE NATIONAL PROTECTION ACT OF 1974

(Mr. BLACKBURN asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. BLACKBURN. Mr. Speaker, I take this minute to announce to my colleagues that the gentleman from Pennsylvania (Mr. DENT) and I have cosponsored legislation which we will call the National Protection Act of 1974. This bill is designed to be attached as amendments to the Export Control Act which will be acted upon by this House within the next few weeks.

The purpose of this bill is to reassert congressional authority in the field of foreign trade. Furthermore, it is to protect American jobs and American industry from unfair competition from Communist slave labor. Furthermore, it will strengthen the hand of the defense mechanism of this country to prevent the export of American technology and capital goods to build up the Communist war machine.

THE SURFACE COAL MINING REGULATION BILL WILL DENY THIS NATION ABOUT ONE-THIRD OF ITS COAL SUPPLY ANNUALLY

(Mr. HOSMER asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. HOSMER. Mr. Speaker, last week I placed in the RECORD letters from Interior Secretary Morton and Federal Energy Administrator Simon documenting that access to up to almost one third of the coal this Nation now mines would be put out of reach if H.R. 11500 is enacted. These items are printed on pages E3358 and E3388.

My calculation of this approximate fraction is arrived at by the following means:

First. Restrictions in H.R. 11500 that are excessive and unneeded for the purpose of imposing satisfactory environmental practices on surface coal mine operators will preclude production of up to 187 million tons of coal per year.

Second. That is nearly two-thirds of the production from surface mines.

Third. About one half of coal mined in the United States is taken from surface mines.

Therefore, production of approximately one-third of the Nation's total coal would be precluded by the terms of H.R. 11500.

The substitution of bill H.R. 12898 for the defective H.R. 11500 will provide sensible protection of the environment and impose prompt and strict reclamation upon mined land. It will do so without denying the nation a single ton of this needed energy source.

RENEGOTIATION AMENDMENTS OF 1974

Mr. MILLS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 14833), to extend the Renegotiation Act of 1951 for 18 months.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 102(c)(1) of the Renegotiation Act of 1951 (50 U.S.C. App., sec. 1212(c)(1)) is amended by striking out "June 30, 1974" and inserting in lieu thereof "December 31, 1975".

The SPEAKER. Is a second demanded?

Mr. COLLIER. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. MILLS. Mr. Speaker, the renegotiation process is designed to eliminate excessive profits from Government contracts and related subcontracts in national defense and space-related procurement programs. In the absence of legislation, the Renegotiation Act will expire on June 30, 1974. The bill before us today, H.R. 14833, extends the act for an additional 18 months, or until December 31, 1975. The bill makes no other amendments to the act.

Let me give a brief summary of the renegotiation process before discussing the need for a continuation of the Renegotiation Act. As I indicated, the purpose of renegotiation is to eliminate excessive profits on military and space-related Government contracts. The act authorizes the Renegotiation Board to review the total profit derived by a contractor during a fiscal year from all of his renegotiable contracts and subcontracts in order to determine whether or not the profit is "excessive." The board is empowered to eliminate those profits found to be excessive in accordance with certain factors set forth in the statute. Thus, renegotiation is determined not with respect to individual contracts but with respect to all renegotiable contracts and subcontracts during a year.

Contractors with renegotiable sales in excess of the $1 million statutory minimum for a year must file a report with the Renegotiation Board. "Renegotiable" sales are those with the Department of Defense, the Departments of the Army, Navy, and Air Force, the Maritime Administration, the Federal Maritime Board, the General Services Administration, the National Aeronautics and Space Administration, the Federal Aviation Administration, and the Atomic Energy Commission. Various types of contracts are exempt from renegotiation, some on a mandatory basis such as those for standard commercial articles and those with State or local governments. In addition, the Board has discretion to exempt certain types of contracts, such as those outside the United States and where profits can be determined with reasonable certainty when the contract price is established.

Mr. Speaker, as I indicated previously, the Renegotiation Act would expire as of June 30, 1974, without further congressional action. The Committee on Ways and Means is aware that a number of recommendations have been made to amend the Renegotiation Act.

I would like to point out, however, the action taken by Congress at the last extension of the Renegotiation Act in 1973. At that time, both the House Committee on Ways and Means and the Senate Committee on Finance recommended a 2-year extension of the act, with a study of the renegotiation process to be made by the staffs of the Renegotiation Board and the Joint Committee on Internal Revenue Taxation. The study was to incude a review and analysis of the three congressionally sponsored reports: the House Committee on Government Operations report, the report of the Commission on Government Procurement, and the GAO report. It was contemplated that a comprehensive study of these and other recommendations would be completed in sufficient time to allow congressional review prior to the expiration of the act in June 1975. However, the 1973 bill, H.R. 7445, was amended on the Senate floor to extend the act for only 1 year. This amendment was accepted in conference and approved by both the House and the Senate. Thus, the time for the study was significantly reduced.

In addition, the staff of the Renegotiation Board was unable to go on record in any official discussion of the specific recommendations contained in the aforementioned reports because of disapproval by the Office of Management and Budget of many of the Board's responses to the various recommendations and the OMB delay in finally granting approval to what the Board ultimately recommended to the Congress. Faced with no combined report by the staffs of the Board and the joint committee in time for the Ways and Means hearing, the staff of the joint committee published a preliminary report independently of the staff of the Renegotiation Board. This report presented a summary analysis of the renegotiation process and of the various recommendations made in the three reports.

Since there was not sufficient time to complete the study as contemplated by the Committee on Ways and Means last year, the Committee concluded that the Renegotiation Act should be extended this time through the end of the first session of the next Congress in order for the study to be completed by the joint committee staff. It expects the joint committee staff study to be completed well before the end of 1975, so that there will be sufficient time for a comprehensive review of the entire renegotiation process at that time. The 18-month period was selected instead of a 2-year extension as recommended by the Board so that the committee would make its substantive review prior to the end of the 1st session of the 94th Congress.

In addition, it is expected that within the next 18 months the backlog of renegotiation cases resulting from Vietnam-related procedure will be largely eliminated. For example, the Board reports that the bulk of the excessive profit determinations made during the first 9 months of fiscal 1974 were applicable to contractor fiscal years 1967–69.

For the above reasons, Mr. Speaker, the Committee on Ways and Means has requested that the staff of the Joint Committee on Internal Revenue Taxation complete its study on the renegotiation process. The staff of the joint committee is to continue their consultation with the Renegotiation Board staff, and make a final report in time for hearings to be held well before the expiration of the act, as extended by the bill.

At the same time, the Renegotiation Board is requested to report its legislative recommendations early in 1975 to give sufficient time for them to be considered by the joint committee staff prior to the hearings. The Board is further requested to continue its review of the statutory factors used in determining excessive profits in order to clarify the application of the factors in different cases. The committee believes that this is very important in considering further legislative charges.

Although the Renegotiation Board made a few recommendations during their testimony, the committee believed it would be better to consider these proposals at the time the committee makes its comprehensive review of the entire renegotiation process next year.

Mr. Speaker, the bill, H.R. 14833, was reported unanimously by the Committee on Ways and Means, and I urge its adoption by the House.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, I support this bill to extend the life of the Renegotiation Board for a year and a half. I suppose I am one of the few, perhaps the only Member of the House to have undertaken a long study of the Renegotiation Board and its efforts, and for that reason I feel competent to say that the Board has done a good job, and faces a great deal of work still to be done.

The Renegotiation Board returns more money to the Government than it costs to operate. That places it in a rare class, and is in itself evidence that we ought to examine its work closely, and do what we can to make the Board more effective.

Unfortunately this bill does not in any way address the real needs of the Renegotiation Board. It does not strengthen the act, and does not extend the scope of the Board's authority, or improve its capacity to deal with the broad realm of renegotiating complex procurement contracts, so as to protect the Government from paying excessive costs.

I believe that we would better serve the needs of the Renegotiation Board by extending the act for 5 years, or better yet extending it indefinitely. This would allow the Board time and the congressional backing it needs to develop a set of operating guidelines that would make its work more effective and efficient. Both the Board and the industry it works with need to know that Congress does not believe in paying excessive profits to defense contractors.

We need to look into the problem of the Board's growing backlog. Part of this is due to the removal of appellate jurisdiction in renegotiation matters from the Tax Court. Jurisdiction should be returned to the Tax Court, and appeals from renegotiation decisions expedited by assigning an appropriate number of judges to this function. As matters now stand, the Board frequently is in the dark about its current work, not knowing how pending legal appeals might affect current cases. The efforts of the Board would be greatly simplified if this bill took into consideration this need, and solved it.

We need to provide the Board with greater authority to enforce its orders. We should expedite efforts to achieve unified cost accounting, as provided for in the Defense Production Act. This would help both the Board and industry.

As matters now stand, the Renegotiation Board resolves most of its cases by the simple process of negotiation. Very few cases ever require any Board orders to be issued. Fewer still ever end up in the courts. But the Board needs to be more effective. It is presently unable to deal effectively with suppliers of very large items—the big defense contractors. Instead, its efforts center mainly on the smaller, more vulnerable companies that are more amenable to negotiation. This is so simply because the Board does not have the manpower, the backing of Congress, or possibly the intestinal fortitude to take on the giants of the defense industry. This might be different if this bill provided for making the Board permanent, or if it clearly showed the resolve of Congress not to allow profiteering in defense industries. But our position, as reflected in this bill, is ambiguous, as it has been for some years. I think that if we took a firm stand, and showed a real commitment, the Board might very well respond with a vigorous performance. And that is just what it, and the country, really need.

Nevertheless, this bill leaves the Renegotiation Board alive, and provides it another lease on life. I would have liked to see more, but this is better than nothing. I support this bill, and urge my colleagues to do likewise.

The SPEAKER. The gentleman from Illinois is recognized for 20 minutes.

Mr. COLLIER. Mr. Speaker, I yield to the gentleman from California (Mr. GUBSER) such time as he may consume.

(Mr. GUBSER asked and was given permission to revise and extend his remarks and include extraneous matter, including his previous statements on this subject.)

Mr. GUBSER. Mr. Speaker, at the risk of seeming to carry coals to Newcastle I would like to recite two very basic political axioms.

First of all, if one wants to get the attention of the media one has to find a devil to beat and then totally mutilate him.

Second, if one is retiring and not seeking reelection, he need not bother to beat that devil.

That is the circumstance I am in here today. I feel that the devil in this case is the military-industrial complex. It is always popular to beat the military-industrial complex devil and assume that all defense contractors are wrong and crooked.

I am not changing my tactics today because I am retiring from this body at the end of this term. I opposed the extension of the Renegotiation Act in 1966 and I was defeated overwhelmingly.

I opposed it in 1968 and was defeated overwhelmingly. I did so again in 1971 and I intend to mildly oppose it today and fully expect to be again defeated overwhelmingly, because the devil must be beaten.

Rather than go through my arguments and consume the time of the House, Mr. Speaker, I would like to submit for the RECORD statements which I have made in the past on this subject. They are not entirely up to date, but the points and the logic made in those statements, in my personal view, are still valid. The Renegotiation Act is a relic and a white elephant of the pre-Korean war days, which does not save as much money as it costs and which constitutes a harassment to industry and is one of the reasons that defense industries are gradually shifting their expertise away from building things for the Department of Defense to the commercial market.

Furthermore we now have the Truth in Negotiations Act which makes the work of the Renegotiation Board duplicative and wasteful.

Mr. Speaker, at this point I submit a statement which I made before the Committee on Ways and Means on March 12, 1968.

The statement is as follows:

STATEMENT OF HON. CHARLES S. GUBSER IN OPPOSITION TO THE RENEGOTIATION ACT, MARCH 12, 1968

PREFACE

Mr. Chairman, as a Member of the Armed Services Committee, with a special interest in defense contracting, I have devoted considerable study to the Renegotiation Act. As the ranking minority Member of the Special Investigations Subcommittee of the Committee on Armed Services, which is charged with the continuing responsibility of reviewing defense contracting procedures, I have probed deeply herewith the surface of this subject.

The original purpose of the Renegotiation Act was to prevent excessive profits and war profiteering. And during the Korean War, when procurement was accomplished on a crash basis, it clearly served that purpose. None of us sanction and approve war profiteering just as some of us would favor sin or oppose motherhood. Why then should we terminate an act which once served this meritorious purpose?

To answer this question will require the courage to probe beneath the obvious, perhaps at some political risk. Such a probe will prove that the Renegotiation Act results in a net loss to the taxpayers. Secondly, it will allow that the act contradicts established procurement policy and its stated goals. Thirdly, it will reveal that the act contributes to a dangerous centralization of defense efforts. Fourthly, it will become clear that the act is unnecessary.

It will be my purpose in this presentation to discuss these four points in depth. Following this, I should like to offer a rebuttal of some of the arguments which are being advanced by proponents of the Renegotiation Act.

RENEGOTIATION ACT RESULTS IN A NET LOSS TO TAXPAYERS

Mr. Chairman, on March 25, 1964, I presented figures to this Committee which showed that for the year 1963 the Renegotiation Act resulted in a net loss of $9,321,000 to the American taxpayers. On May 10, 1966, I testified again to the effect that for the fiscal years 1962 through 1965 renegotiation resulted in a net loss to the taxpayers of $30.8 million. This figure was based upon an estimate that the cost of preparing and processing renegotiation filings amounts to .06 percent of renegotiable sales. The Machinery and Allied Products Institute a very reputable organization, has estimated the cost of filing renegotiation reports at .1 percent of renegotiable sales. Using this factor, the loss to the government for the years 1962 through 1968 would rise to $64.2 million.

My charges in 1964 and 1966 were given wide circulation, were presented before this Committee and were reiterated on the Floor of the House. Yet to this day not a single representative of the Renegotiation Board has risen to challenge my figures!

I have updated my calculations and now contend that for the years 1963 through 1967, the latest date for which I could secure figures, the total net loss to the taxpayers as a result of renegotiation was $27.7 million, based upon a .06 cost factor and $68.3 million based upon a .1 factor.

For these years, renegotiable sales totaled $170.2 billion. The cost of submitting to renegotiation, based upon the .06 percent factor, would therefore be a $102.1 million.

This cost to industry would be a deductible tax item and by making the assumption that the sales were equally divided over the base years and weighting those years with the declining corporate tax rate, we can say that $50.2 million of this cost was paid for by the government in the form of reduced income tax.

To this amount, let us add the amount which is charged to the government in the form of increased prices to recover the cost of preparing renegotiation filings. Assuming that the average defense contractor has a 25 percent defense volume, then we have an additional cost of $12.5 million.

By adding the operating expenses of the Renegotiation Board over the base period of $12.4 million, we now have a total cost of renegotiation, before refunds are made, of $75.1 million.

Over the base period, the refund determinations, net of tax, were $47.4 million, thus producing a net loss of $27.7 million to the taxpayers.

Had I not been overly conservative and applied the .1 percent factor used by MAPI, the loss would rise to $69.3 million.

In fiscal year 1967, the determination of excess profits after tax, which resulted from renegotiation, was $8,254,257, out of a total in sales subject to renegotiation of $33.12 billion. In rough figures, this amounts to less than one-quarter of one percent recovery after taxes of total renegotiable sales. This is a rather ridiculous recovery in terms of the costs incurred by industry and by the government in arriving at this determination.

Representatives of the Renegotiation Board will undoubtedly counter this statement with the old, tired "cop on the beat" argument. This argument completely ignores the great strides which have been taken in recent years toward the improvement of defense contracting, the completely changed policy we have adopted, the principle of redetermination, and laws like the Truth in Negotiations Act which have come into effect in recent years. I will deal with these matters later in my presentation.

Though the Renegotiation Board has not, to my knowledge, claimed credit for voluntary refunds as the direct result of the renegotiation process, it is noteworthy that no qualifying language is included in its report listing such refunds. For example, for fiscal year 1967 the report of the Renegotiation Board lists more than $30 million in voluntary refunds. Unless one carefully analyzes this figure, it is possible to make the mistake of assuming that all of these refunds were due to the renegotiation process. The report should have stated that such refunds are for all purposes, including such things as engineering changes which resulted in cost reductions, refunds due to redetermination, and a variety of other reasons.

In summary of this point, Mr. Chairman, I believe the evidence is overwhelming that since 1955, when excessive profit determinations reached a high of $165 million, the return to the taxpayer from the renegotiation process has been gradually declining until it has now reached the point where it consistently costs the taxpayer more than it saves.

RENEGOTIATION CONTRADICTS ESTABLISHED PROCUREMENT POLICY AND ITS STATED GOALS

Mr. Chairman, early in Secretary McNamara's administration of the Department of Defense it became apparent that defense contracts were gradually becoming less attractive to thousands of small and medium-sized businesses across the country and, as a result, we were headed toward a concentration of defense procurement into large firms which did nothing but government contracting. Accordingly, a new Armed Service Procurement Regulation, numbered 3–808.1, was added to the ASPR on July 17, 1963. It states:

"It is the policy of the Department of Defense to utilize profit to stimulate efficient contract performance . . . Negotiation of very low profits, the use of historical averages, or the automatic application of a predetermined percentage to the total estimated cost of a product, does not provide the motivation to accomplish such performance. Furthermore, low average profit rates on defense contracts overall are detrimental to the public interest. Effective national defense . . . requires that the best industrial capabilities be attracted to defens econtracts. These capabilities will be driven away from the defense market if defense contracts are characterized by low profit opportunities. . . ."

ASPR 3–808.1 then goes on to spell out guidelines, rules and regulations for the implementation of this policy. In these implementing regulations, the profit objective is stated to be "that part of the estimated contract price . . . which, in the judgment of the contracting officer, is appropriate for the procurement being considered . . ." This will be a part of the record of negotiation and will be subject to redetermination. Why, then, should it be renegotiated?

Mr. Chairman, the record clearly shows that despite the contrary intent of ASPR 3–808.1, defense profits have been going steadily downward.

The Logistics Management Institute recently completed a study entitled "Defense Industry Profit Review," which was made under contract with the Department of Defense. The revelations of this report are startling. Based upon statistically valid procedures, Logistics Management Institute found and so informed the Defense Department that the average profit as a percent of capital investment of high and medium volume companies has been lower for the past five years on their defense business than on their commercial business. The trend of profits on defense business has been downward since 1958 while commercial profits have steadily trended upward.

The LMI report showed that net profit on total capital investment was 6.9 percent on defense business in 1966. The corresponding ratio for defense contractors' commercial business was 10.8 percent and for companies in an FTC–SEC sample 12.4 percent.

From a high in 1958 of 10.2 percent profit on total capital investment defense profit sunk to 6.9 percent in 1966.

At the same time profit as a percentage of total capital investment on the commercial business of defense contractors ranged from a low of 4.7 percent in 1961 to a high of 11.6 percent in 1965 and stood at 10.8 percent in 1966.

Over the same period the defense business ratio of profit to sales declined from 2.7 percent in 1958 to 2.4 percent in 1966. In contrast, the commercial business of both defense firms and the FTC–SEC companies showed increases in profit on sales. The first group showed increases from 3.4 percent in

1958 to 5.0 percent in 1966 and the second group increased from 3.6 percent in 1958 to 5.5 percent in 1966.

The LMI report states further: "Discussions with defense contractors reveal that most of them plan to increase their commercial business as a percent of their total business. They intend to change their commercial/defense business mix primarily by concentrating growth efforts on non-defense business."

Defense contractors explain their reasons as follows: "Because commercial business is generally less competitive, there is a greater profit potential in that type of business."

Thus from a reliable group conducting a statistically valid study for the Department of Defense, it is obvious that defense profits are continuing to go down and there is less and less reason for the renegotiation process.

The Congress, the Administration, and the general public have constantly urged greater use of competitive fixed price contracts. This emphasis upon firm fixed price contracts involves a significant shift of financial risk from the government to the contractor. When a contractor assumes the risk of quoting a fixed price, he accepts uncertainty. In some cases he may, due to an unanticipated and an improved production technique, make a larger profit than expected. On the other hand, he might just as easily lose. In fact during the five-year period, 1963–1967, there was a total of $1.5 billion of losses reported by defense contractors in filings with the Renegotiation Board. To require contractors to assume this new risk and comply with the policy demanded by Congress and the Administration, and then deny him the right to profit which stems from an improved and unanticipated productive technique, is contradictory to the previously mentioned Armed Service Procurement Regulation and present procurement ploicy. This is one reason contractors are concentrating on commercial rather than defense business.

Furthermore, let us not forget that, contrary to the statement by Mr. Hartwig, Chairman of the Renegotiation Board, in his letter to Speaker McCormack of February 23, all large contracts for the procurement of new and complex systems are subject to redetermination and profits are reviewed in the light of actual cost experiences rather than estimated and uncertain cost estimates.

For these reasons, Mr. Chairman, I conclude that the principle of renegotiation contradicts established procurement policy and its clearly stated goals.

THE ACT CONTRIBUTES TO A DANGEROUS CENTRALIZATION OF DEFENSE EFFORT INTO THE HANDS OF A FEW COMPANIES

Mr. Chairman, we have already seen from the Logistics Management Institute report that defense contractors are emphasizing growth in non-government, non-defense business because of declining profits.

In addition, industry is concerned over the activities of the General Accounting Office and the requirements of the Truth in Negotiations Act. The whole question of which costs are allowable and which are pertinent in pricing is causing contractors to think twice before soliciting government business as opposed to concentrating on commercial markets.

Also, Mr. Chairman, private industry has become reluctant to concentrate research and development efforts on the development of a product which might be useful in the national defense. Oftentimes a developer is not allowed to recover his costs on the first procurement. On the second round he may be forced to bid against competitors who have a competitive advantage because they have no research and development costs.

All of these factors tend to compress the number of firms who honestly vie for government business. The very small firm, the "loft operator," the marginal and unqualified bidder is always around to bid from somebody else's blueprints. And then there are the industrial giants, the General Electric, the Lockheeds, the General Dynamics, who deal with government on a large scale and are geared for such business. But the medium-sized companies, with their great wealth of talent and the tremendous contributions which they can offer to the national defense, are being frozen out of the defense effort. This compresses and concentrates productive capacity, know-how and ability. Mr. Chairman, this is serious and adversely affects the national defense because it narrows the base of ingenuity available to the national defense.

Renegotiation is one cause of this. It is one more harassment from government, one more unnecessary step which adds unreasonably to overhead and makes government business less attractive than commercial.

THE RENEGOTIATION ACT IS UNNECESSARY

Mr. Chairman, government negotiators are securing better prices and there is more competition in every type of defense activity than ever before. The LMI report showing that defense profits are going down even while gross business is increasing is ample proof of this statement.

In addition, we have a law, Public Law 87–653, commonly referred to as the "Truth in Negotiations" Act. Just last Friday, the Special Investigations Subcommittee, on which I serve as ranking minority member and which is responsible for a continuing review of the "truth in Negotiations" Act and its application, issued a report which suggested that the Department of Defense "expand post-award activities pricing stemming from the use of inaccurate, incomplete, or non-current data supplied by prime and subcontractors." In our recommendations we advocated further that defense contractors be declared ineligible for future business "if, after investigation of over-pricing, it is found sub-contractors have willfully or through culpable negligence deceived any government contracting official with respect to pertinent cost information in existence at the time of the agreement or pricing."

The Truth in Negotiations Act is a relatively new tool which renders the renegotiation process even more obsolete. Furthermore, as recommended by our Committee, the Department of Defense is continuing to sharpen the effectiveness of this tool.

The present emphasis upon firm fixed price competitive contracting with redetermination and incentive clauses allows redeterminations to be made based upon actual proven costs rather than estimations. Here is another tool which is available to the Department of Defense and which accomplishes anything which the Renegotiation Board can possibly claim as a reason for its existence.

Under today's circumstances, the act is unnecessary, obsolete and wasteful.

REBUTTAL OF CLAIMS BY THE RENEGOTIATION BOARD

Though, as I previously stated, the Renegotiation Board did not claim credit for all voluntary refunds listed in its annual report, I must say nothing was done to rebut a probable implication that such was the case. As previously stated, it is likely that very few, if any, of these voluntary refunds are due to the threat of renegotiation.

In his letter of February 23 to Speaker McCormack, Mr. Lawrence Hartwig, Chairman of the Renegotiation Board, states, ". . . there will be a continuing demand for new and increasingly complex aircraft, missiles, space vehicles and other specialized items; . . . market tested prices do not and cannot exist for costly, novel, and complex military and space products. For this reason prices must be negotiated, often with sole-source contractors. *Such negotiated prices are necessarily based upon uncertain cost estimates because reliable cost experience is not available. . . .*" (Emphasis supplied)

Mr. Chairman, this statement is either deliberate misrepresentation or it is made out of inexecusable ignorance!

Mr. Hartwig is obviously referring to major procurement like the F–111 and other weapon systems. In every one of these cases there has been competition just as there was competition between Boeing and General Dynamics in the case of the F–111. In almost all cases the contracts were fixed price with incentives calling for redetermination. In most every case the final price is based upon actual cost data instead of "uncertain cost estimates" as Mr. Hartwig implies. The only possible exception I can think of is the procurement of F–4 aircraft for the Navy. This procurement under an emergeny situation does not fortify Mr. Hartwig's argument because the F–4 contract was based upon actual not estimated cost experience.

Mr. Hartwig's statement, as I previously mentioned, contradicts our changed procurement practice of emphasizing fixed price contracts and forcing contractors to assume new risks. We cannot promote a new policy of urging contractors to assume the risk of quoting a fixed price by saying to them in effect, "We deny your right to profit from your own improved techniques, but we preserve your right to lose."

Mr. Hartwig mentions that the Armed Services Committee favored making the law permanent. I remind you that this recommendation was made in 1960 before our changed defense procurement policy which emphasizes fixed price contracting and before the Truth in Negotiations Act passed in the 87th Congress. It strikes me that Mr. Hartwig has gone rather far back in history for support of his plea for permanency of his outmoded organization.

I am further shocked by Mr. Hartwig's recommendation for the opportunity to expand the Board's useless operation by elimination of the commercial exemption. Government has been very adept at negotiating discounts for catalogue items. Furthermore, there is no justification for the assumption that government is entitled to lower prices than commercial customers. It amounts to after-the-fact determination of volume discounts and it ties the hand of the government negotiator who is trying to get the lowest possible price. It forces the contractor to peg his lowest possible volume price at a higher level so as to anticipate the added risk of a cutback by renegotiation.

At the present time, the General Services Administration is attempting to follow the fantastic policy whereby the government would be entitled to a volume discount for an order quantity of one, on the justification that the government is a major customer and entitled to "most favored" treatment.

This type of thinking and that which crops up in Mr. Hartwig's recommendations are defiant of the private enterprise system where the price of catalogued items is set by competition in the market place. If we are to commence such a one-sided system of negotiation where the government can negotiate in the private enterprise system under a special set of rules, then we are taking a step in the direction of totalitarianism.

Only two arguments in favor of renegotiation seem to have any validity at all. And they are both rebuttable. First, there is the "cop on the beat" argument; namely, that the threat of renegotiation causes contractors to be a little more honest in estimating costs.

This may have been true ten years ago, but it ignores things which I have repeatedly mentioned in this statement. It ignores the trend toward fixed price redeterminable type contracts, the Truth in Negotiations Act, and the improved contracting procedure used by the Department of Defense.

Profiteers can be caught without renegotiation. This process is simply an extra—an unneeded "cop on the beat."

The other argument for renegotiation is that it provides an after-the-fact review of all of a contractor's profits over a full year and takes into consideration all of his contracts, while the safeguards I have mentioned are applicable only on a contract-by-contract basis.

Mr. Chairman, if the proper monitoring of each contract is made under existing law, the sum total is bound to be reasonable. Also, this argument ignores present contracting policy whereby contractors are urged to assume the risk of quoting fixed prices under redeterminable contracts.

SUMMARY

Mr. Chairman, I believe I have shown that the renegotiation process results in a net loss to the taxpayer, that it contradicts established procurement policy, that it is injurious to defense procurement and restricts the talent and ingenuity of American industry which is available to the national defense and, lastly, that the act is unnecessary. I urge you to let this useless and obsolete act die at the end of its authorized period. In no event should it be made permanent and in no event should its jurisdiction and authority be increased.

Mr. GUBSER. Then, Mr. Speaker, to conclude my remarks, I would simply like to ask that the remarks I gave in the House on June 8, 1971, appearing on page 18617 of the CONGRESSIONAL RECORD be reprinted at this point.

The statement is as follows:

Mr. GUBSER. Mr. Chairman, I would like to echo the sentiments of the gentleman from Ohio (Mr. BETTS), and add my compliments to the chairman for his usual articulate, succinct, to-the-point and clear explanation of the bill.

On three previous occasions I have come down to the well of the House to oppose extension of the Renegotiation Act on grounds that it had outlived its usefulness and constituted an added cost and harassment to business which actually was adverse to the taxpayers' interest. However, being a realist, I fully recognize the way the winds of public opinion are blowing today. Certainly it would be ill advised of this Congress at this point in time to do anything which appeared as a relaxation of restrictions against defense industry. No matter how justified it might be, I am quite certain that the general public would misunderstand it.

So, contrary to my usual positions, I am here only to compliment the committee for the additions which they have made to this bill. Certainly putting this determination over into the Tax Court is a wise move and, second, the redetermination of interest rates is timely. I stand here, therefore, urging that the bill be passed as reported from the committee.

I must take just 2 or 3 minutes, however, to briefly go over the past arguments that I have made in opposition to this legislation. I have not updated my figures, but I think I rather conclusively proved in 1968 that the amount refunded to the Treasury as a result of renegotiation may actually be a net loss. First this amount should be reported less the tax which had been paid on it—and that is approximately half—second, it is well established by reputable organizations that it costs one-tenth of 1 percent of renegotiable sales merely to submit to the process of renegotiation. That, when taken as a percentage of all renegotiable sales, amounts to a very sizable amount, an amount which is added to the price of the product charged to the Government. This amount, too, comes off the top of the tax yield which goes to the U.S. Government.

If you add to that the administrative costs of continuing the Renegotiation Act, I think you would find today, even in light of seemingly improved figures, that what I said in 1968 would still be true, that if you add up the total balance sheet, you will find that this results in a net loss to the taxpayers of the United States.

That is but one of my concerns. I am deeply concerned about what is happening to defense procurement.

I know the way the winds of public opinion are blowing. I recognize the heavy wind that comes from the fluttering of a flock of parrots voicing the cliches which are very popular today: Anything that is defense is evil. Any person who makes a weapon for the defense of this country is of necessity wrong and a profiteer. I recognize that is the mood which seemingly prevails.

But, I repeat, the time will come when these same people will recognize that the defense of this country is still a very important item, and it takes hardware, it takes people to manufacture that hardware, particularly in this day and age of long lead times and complicated techology.

What is happening? Every small businessman across this country is getting out of the defense business just as fast as he can get out of it. Despite the statements that you hear from the other side of this Capitol, defense industry profit is constantly going down to the point where it is not attractive. Many major defense contractors are in financial trouble. Every small businessman in this country is concentrating on getting out of defense and charting future growth in his company into commercial channels.

We are shrinking the base of expertise which is available to the U.S. Defense Department, and concentrating it in the hands of a few cartels.

We are building American Houses of Krupp because of harassments to business like the Renegotiation Act. The House of Krupp did not serve the best interests of Germany and following the same path will not serve the United States of America.

Mr. COLLIER. Mr. Speaker, I see no need in going into great detail on this point, but I do think it worth noting that during 1974 the Renegotiation Board estimates it will recapture $70 million in excessive profits on Government contracts. The total administrative and operating expenditure of the Board is estimated at $5 million for the year, so there is a substantial difference between Board costs and recoveries, and the difference is substantial.

Mr. Speaker, I support H.R. 14833, which would extend the Renegotiation Act of 1951 for 18 months, or through calendar 1975.

The renegotiation process, which has been provided for by statute since 1942, permits an after-the-fact review of a contractor's total fiscal year profits derived from contracts, which are essentially of a defense-related nature, if the contractor's negotiable sales exceeds $1 million. In conducting this review, the Board considers a number of factors, including the contractor's efficiency, the risks he has taken, the character of his business, and his contribution to the defense program. After due deliberation, if the Board determines that a contractor's profits have been excessive, it is empowered to reduce those profits.

Contending that improvements in Government procurement and pricing policies have made the operations of the Renegotiation Board unnecessary, some sources have argued that the act should be discontinued. Our committee, however, felt it should be extended, for a number of reasons.

Because of the changing technical requirements and increasing complexity of defense and space procurement, established market prices and costs often are not available, and negotiated contracts consequently are used for the bulk of such procurement. Additionally, the process is completely different from price adjustments or determinations with respect to individual contracts and thus provides a further check on overall contractor profits as well as on the reasonableness of prices which the Government must pay in order to maintain its defense-related commitments.

The real question facing the committee was: for how long a period should the act be extended? And the suggestions made in this regard ranged widely in scope. Some advocated giving the Board a permanent status, others wanted to extend its life indefinitely, and still others not only sought a lengthy extension but expanded coverage for the Board along with other changes.

The committee concluded, however, that a single 18-month extension would be most appropriate.

As my colleagues may recall, when the act was extended in 1973, both our committee and the committee of jurisdiction in the other body agreed on a 2-year extension. It was felt that this would give the staffs of the Renegotiation Board and the Joint Committee on Internal Revenue Taxation adequate time to conduct a comprehensive study of renegotiation policies and procedures in light of three congressionally sponsored reports on the subject which had been made between 1971 and 1973. However, the bill calling for the 2-year extension was amended on the floor of the other body to provide for a 1-year extension, and conferees on the legislation agreed to this change.

Inasmuch as the latest extension period was insufficient to allow for completion of the comprehensive study which had been desired, our committee felt it would be wise at this time to provide for an extension long enough to permit not only a staff analysis but also an opportunity for public hearings on various recommendations for change.

In deciding upon an 18-month extension, the committee took into account a general belief that the backlog of cases resulting from Vietnam procurement can be largely eliminated within this time period. We felt that with this factor out of the way, and with the results of a thorough staff study before us, we would be in a much better position to make determinations with respect to the long-range future of renegotiation.

Mr. Speaker, H.R. 14833 provides for the 12th extension of the Renegotiation Act. I urge the House to approve it now.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. COLLIER. I would be delighted to yield to the chairman, the gentleman from Arkansas.

Mr. MILLS. I appreciate the gentleman bringing out the point that he did. There is no way that the committee or anyone else can estimate how much may have been saved in the original pricing under these contracts, just because of the fact that the contracts were subject to renegotiation. Is that not true?

Mr. COLLIER. I would agree with the chairman and add that the amount saved because of that factor may have exceeded the $65 million net which the Board is expected to save in excessive profit recapture this year.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. COLLIER. I yield to the gentleman from Iowa.

Mr. GROSS. I hope this debate does not conclude without someone identifying the Devil that we heard about a little while ago. I am still waiting to hear who it is.

Mr. COLLIER. Well, the gentleman from California is extending his remarks and I am sure in the CONGRESSIONAL RECORD tomorrow the identification will be entirely clear.

Mr. GROSS. I thank the gentleman.

Mr. SCHNEEBELI. Mr. Speaker, I rise in support of H.R. 14833, which provides very simply for an extension of the Renegotiation Act from July 1, 1974, through December 31, 1975.

As my committee colleagues have pointed out, this extension period will provide adequate time for the completion of studies and analyses which we will need in order to act responsibly on more far-reaching recommendations with respect to the renegotiation program.

I would like to note in addition, Mr. Speaker, that the Board has indicated it anticipates a recovery record in 1974 higher than for any year since 1958.

During our committee's public hearing on this matter, the Board informed us that it has made determinations of excessive profits totaling more than $63 million already this year, and expects this figure to climb to approximately $70 million before next January. Inasmuch as it costs the Board about $5 million per year to stay in business, the latest estimates indicate there could be a 14-to-1 ratio of recoveries to operational costs this year. I submit that this is a noteworthy statistic, Mr. Speaker, and represents another reason for my support of this measure.

I joint in urging passage of H.R. 14833.

Mr. VANIK. Mr. Speaker, the Renegotiation Board has proven itself to be a reasonably effective and capable protector of the public with its inspections of Defense contractor profits. In an industry that has demonstrated itself rife with administrative incompetence, it is good to know that there exists an independent third party, free from the enormous political and purchasing powers of the Department of Defense, that will continue the scrutiny so necessary to prevent gross misuse of American tax dollars.

There continues to be, Mr. Speaker, several areas of improvement in the Renegotiation Board that we all should consider. One is the length of the Renegotiation Board's authority extensions. Since its birth in World War II, the Board has never enjoyed an authorization life of more than 3 years. Usually, extensions have been only for a period of 2 years. H.R. 14833 is necessary today because the Board was given only a 1-year extension in 1973; but even this bill allows only an 18-month extension.

Mr. Speaker, there is much difficulty with short terms. Long-term projects are not possible, potential employees are reluctant to apply, and day-to-day operations are continually threatened with unpredictable curtailment. The Renegotiation Board deserves to be allowed a more reasonable life, perhaps 5 years, as my friend and colleague from Texas (Mr. GONZALEZ) recommended in his testimony before the Ways and Means Committee on May 14. I hope our next consideration of the Renegotiation Board will include such a lengthening of their authority.

A second area of improvement would be a clarification and modernization of the "exempted products" provisions of existing Renegotiation Board authority. Most of these exemptions, which exclude a large amount of otherwise renegotiable contractor income, were motivated by special wartime considerations that are no longer justifiable 30 years after World War II. In 1974, these provisions are no longer necessary exemptions to protect the national defense effort. Instead, they have become just plain old financial loopholes, supported by only the industries who stand to make larger profits by their continuation.

The General Accounting Office has just released a study of defense contractor cost over-runs—an area of incredible abuse that now is able to escape the statutory authority of Renegotiation Board review. The GAO reported that 55 weapons systems have incurred cost overruns totaling more than $26 billion. This is absolutely shameful, a pitiful "rip-off" of the public.

In an attempt to provide some industry accountability in this particular area of defense contracting. I would like to see the Renegotiation Board given authority to inspect these cost overruns. As things now stand, it appears that the Government is largely powerless to prevent these administrative alterations and construction delays that end up costing the American public many times the agreed-upon prices originally negotiated. The Renegotiation Board seems to me to be one of the best ways to try to bring an end to these never ending examples of fiscal nonmanagement.

I have previously expressed my interest in amending the Renegotiation Board authority to include provision for the Board to inspect the amount of return to the public for the sale and leasing of publicly owned mineral rights. In this area, there exists no Government check at all on the fairness of these leases. If a phosphate lease on public land brings a high bid of $1 million when it is clear that it is worth $10 million, the public is being cheated out of $9 million. Recent events have shown that there is good reason to believe that the Department of the Interior has been less than diligent in their protection of the public's interest in sales of land gas, oil shale, and mineral leases.

Although such a provision would be a departure from the historical role of the Board, inspection and evaluation of mineral leases would be no different from renegotiation of defense contractor profits—each is an attempt to insure that the public's interest is not being abused by private industry.

Mr. Speaker, I hope that when we next consider an extension of the Renegotiation Board's authority, we will be able to make strengthening amendments so that the public's interest may be better protected.

Mr. MILLS. Mr. Speaker, I have no further questions.

The SPEAKER. The question is on the motion of the gentleman from Arkansas that the House suspend the rules and pass the bill H.R. 14833.

The question was taken.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 278, nays 2, not voting 153, as follows:

[Roll No. 262]

YEAS—278

Abdnor
Abzug
Alexander
Annunzio
Archer
Arends
Armstrong
Ashley
Aspin
Bafalis
Baker
Barrett
Bauman
Beard
Bennett
Bergland
Bevill
Blackburn
Boggs
Boland
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Chamberlain
Chappell
Clancy
Clawson, Del
Clay
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert
W., Jr.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Dickinson
Dingell
Downing
Drinan
Duncan
du Pont
Edwards, Ala.
Eilberg
Erlenborn
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Fisher
Flood
Ford

Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gross
Guyer
Haley
Hamilton
Hammer-
schmidt
Hanley
Hanrahan
Harsha
Hastings
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Hicks
Hillis
Hogan
Horton
Hosmer
Huber
Hudnut
Hungate
Hunt
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kuykendall
Lagomarsino
Landrum
Latta
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCollister
McDade
McEwen
McFall
McKay
Madden
Mahon
Mallary
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mezvinsky
Michel
Milford
Miller
Mills
Minish

Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead,
Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murtha
Myers
Natcher
Nedzi
Nelsen
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Perkins
Pettis
Peyser
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Quie
Quillen
Railsback
Rangel
Rarick
Rees
Regula
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Seiberling
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Stanton,
J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes

Stratton
Stuckey
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Vander Veen
Vanik
Vigorito
Waggonner
Wampler
White
Whitehurst
Whitten
Williams
Winn
Wyatt
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, Tex.
Zablocki
Zion

NAYS—2

Gubser
Leggett

NOT VOTING—153

Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Ashbrook
Badillo
Bell
Biaggi
Biester
Bingham
Blatnik
Bolling
Bowen
Brademas
Brasco
Brinkley
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burton
Butler
Carey, N.Y.
Cederberg
Chisholm
Clark
Clausen, Don H.
Cleveland
Cochran
Cohen
Conyers
Corman
Cotter
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Dellums
Devine
Diggs
Donohue
Dorn
Dulski
Eckhardt
Edwards, Calif.
Eshleman
Findley
Flowers
Flynt
Foley
Fraser
Fulton
Gettys
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gude
Gunter
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Hawkins
Helstoski
Henderson
Hinshaw
Holifield
Holt
Holtzman
Howard
Hutchinson
Jarman
Johnson, Colo.
Jones, Tenn.
Kluczynski
Koch
Kyros
Landgrebe
Lehman
Luken
McCloskey
McCormack
McKinney
McSpadden
Macdonald
Madigan
Mann
Maraziti
Mazzoli
Meeds
Melcher
Metcalfe
Mink
Minshall, Ohio
Murphy, Ill.
Murphy, N.Y.
Nichols
Nix
Pepper
Pickle
Podell
Price, Tex.
Pritchard
Randall
Reid
Rhodes
Rogers
Roncallo, N.Y.
Rooney, N.Y.
Rousselot
Roybal
Runnels
Ruppe
Ryan
Sebelius
Shoup
Shuster
Spence
Staggers
Stanton, James V.
Stark
Steele
Stubblefield
Studds
Sullivan
Symington
Symms
Talcott
Thompson, N.J.
Van Deerlin
Vander Jagt
Veysey
Waldie
Walsh
Ware
Whalen
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wydler
Wylie
Wyman
Young, Ga.
Young, S.C.
Zwach

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Thompson of New Jersey with Mrs. Green of Oregon.

Mr. Addabbo with Mr. Gray.

Mr. Rooney of New York with Mrs. Mink.

Mr. Mann with Mr. Roybal.

Mr. Carey of New York with Mr. Stark.

Mr. Nichols with Mr. Findley.

Mr. Biaggi with Mr. Gude.

Mr. Murphy of New York with Mr. Hansen of Idaho.

Mr. Diggs with Mr. Andrews of North Carolina.

Mr. Rogers with Mr. Cederberg.

Mr. Kluczynski with Mr. Grover.

Mr. Koch with Mr. Runnels.

Mr. Reid with Mr. Lukens.

Mr. Macdonald with Mrs. Holt.

Mr. James V. Stanton with Mr. Anderson of Illinois.

Mrs. Sullivan with Mr. Butler.

Mr. Charles H. Wilson of California with Mr. Andrews of North Dakota.

Mr. Wolff with Mr. Don H. Clausen.

Mr. Young of Georgia with Mrs. Grasso.

Mr. Cotter with Mr. Hutchinson.

Mr. Fulton with Mr. Ashbrook.

Mr. Green of Pennsylvania with Mr. Cleveland.

Mr. Hanna with Mr. Landgrebe.

Mr. Harrington with Mr. Bell.

Mr. Hawkins with Mr. Culver.

Mr. Jones of Tennessee with Mr. Cochran.

Mr. Podell with Mr. Biester.

Mr. Nix with Mr. Brown of California.

Mr. Holifield with Mr. Devine.

Mr. Murphy of Illinois with Mr. Maraziti.

Mr. Clark with Mr. Madigan.

Mrs. Chisholm with Mr. Blatnik.

Mr. Howard with Mr. Burke of Florida.

Mr. Brasco with Mr. Eshleman.

Mr. Brademas with Mr. McCloskey.

Mr. Bingham with Mr. McKinney.

Mr. Dominick V. Daniels with Mr. Bowen.

Mr. Badillo with Mr. Conyers.

Mr. Burton with Mr. Brinkley.

Mr. Corman with Mr. Dorn.

Mr. Danielson with Mr. Gettys.

Mr. Kyros with Mrs. Griffiths.

Mr. Henderson with Mr. Jarman.

Mr. Mazzoli with Mr. Lehman.

Mr. Davis of Georgia with Mr. McCormack.

Mr. Symington with Mr. Metcalfe.

Mr. Randall with Mrs. Hansen of Washington.

Mr. Pepper with Mr. Minshall of Ohio.

Mr. Melcher with Mr. Price of Texas.

Mr. Pickle with Mrs. Burke of California.

Mr. Stubblefield with Mr. Roncallo of New York.

Mr. Fraser with Mr. Steele.

Mr. Meeds with Mr. Ruppe.

Mr. Donohue with Mr. Symms.

Mr. Dulski with Mr. Talcott.

Mr. Staggers with Mr. Sebelius.

Mr. Edwards of California with Mr. Walsh.

Mr. Foley with Mr. Whalen.

Mr. Flynt with Mr. Shoup.

Mr. Gunter with Mr. Spence.

Mr. Helstoski with Mr. Wiggins.

Ms. Holtzman with Mr. Waldie.

Mr. Flowers with Mr. Shuster.

Mr. Adams with Mr. Widnall.

Mr. McSpadden with Mr. Bob Wilson.

Mr. Dellums with Mr. Studds.

Mr. Vander Jagt with Mr. Ryan.

Mr. Van Deerlin with Mr. Ware.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may have the privilege of revising and extending their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

SUSPENSION OF DUTY ON CERTAIN COPYING SHOE LATHES

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 8215) to provide for the suspension of duty on certain copying shoe lathes until the close of June 30, 1976, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 1, line 3, after "the" where it appears the first time insert "Appendix to the".

Page 2, after line 12, insert:

SEC. 3. (a) Section 501 of the Internal Revenue Code of 1954 (relating to exemption from tax on corporations, etc.), is amended by redesignating subsection (f) as (g), and by inserting after subsection (e) the following new subsection:

"(f) COOPERATIVE SERVICE ORGANIZATIONS OF OPERATING EDUCATIONAL ORGANIZATIONS.—For purposes of this title, if an organization is—

"(1) organized and operated solely to held, commingle, and collectively invest and reinvest (including arranging for and supervising the performance by independent contractors of investment services related thereto) in stocks and securities, the moneys contributed thereto by each of the members of such organization, and to collect income therefrom and turn over the entire amount thereof, less expenses, to such members,

"(2) organized and controlled by one or more such members, and

"(3) comprised solely of members that are organizations described in clause (ii) or (iv) of section 170(b)(1)(A)—

"(A) which are exempt from taxation under subsection (a), or

"(B) the income of which is excluded from taxation under section 115(a),

then such organization shall be treated as an organization organized and operated exclusively for charitable purposes.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 1973.

Amend the title so as to read: "An Act to provide for the suspension of duty on certain copying shoe lathes until the close of June 30, 1976, and for other purposes.".

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. SCHNEEBELI. Mr. Speaker, reserving the right to object, and I shall not object because I support the bill and the amendments very wholeheartedly, I ask the gentleman, if he will, to explain the amendments.

Mr. MILLS. Will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman.

Mr. MILLS. Mr. Speaker, the Senate has passed H.R. 8215 which provides for the suspension of duty on certain copying shoe lathes until the close of June 30, 1976. This is identical to the House-passed bill. In addition, the Senate added an amendment to this bill which is intended to make it clear that cooperative arrangements formed by educational organizations for the collective investment of their funds shall be exempt from Federal income taxation.

One such organization, the Common Fund, apparently is in danger of losing Internal Revenue Service recognition of its tax-exempt status. The Common Fund was organized by a number of educational institutions to provide a cooperative investment fund to contract with professional advisors for research, advice, and actual investment of the colleges' and universities' contributions to the fund. Since the Internal Revenue Service appears to make outside subsidy of the fund's administrative expenses a necessary condition for exemption, and such outside private foundation support terminated this past June 30, 1973, the Common Fund must now depend solely upon member institutions for continued operational costs and appears to be in danger of losing its exemption ruling. This amendment would make it clear that certain cooperative arrangements for investment, such as the Common Fund, would be exempt from taxation.

Mr. Speaker, the Senate amendment has no effect on existing revenues since it merely continues the exempt status of cooperative investment activities of educational institutions.

I recommend that the Senate amendment be adopted.

Mr. SCHNEEBELI. I thank the gentleman for his explanation.

Mr. Speaker, I know of no opposition to the bill or amendments. All parties concerned who are interested in it endorse this legislation. I urge its adoption, and withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MILLS. Mr. Speaker, in the event there are some Members who may desire to revise and extend their remarks on this matter, I ask unanimous consent that all Members may have 5 legislative days in which to do so.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

TURMOIL IN THE DAIRY INDUSTRY

(Mr. OBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. OBEY. Mr. Speaker, there is only one word to describe what is happening in the dairy industry right now, and that is "turmoil."

For one thing, warehouses are bulging with excess cheese. In my district in Wisconsin, 14 small cheese factories—which buy milk from about 1,500 dairy farmers—were told one Friday that as of the next Friday they would have no place to sell their cheese.

That means, first, that cheese plants may have to close down, because they are long on cheese but short on buyers. And, it also means that thousands of dairy farmers have had some sleepless nights worrying about whether they could find an outlet for their milk.

There are a number of reasons for this glut of cheese on the market.

For one thing, even though the wholesale price of cheese has been falling steadily, and dramatically, since March 1, you would never know it by going into a supermarket. Cheese prices there have not fallen a bit. In some cases, they have actually gone up, even though the wholesale price has dropped about 20 percent.

Add to that the Nixon administration's ill-advised efforts to import cheese from abroad and you can picture the mess we are in.

We imported just about 100 million pounds of cheddar cheese between January 2 and March 31 of this year. And, at the end of March there was also about 350 million pounds of cheese in storage throughout the country—so much cheese that there are hardly enough facilities to store it. In one case I understand a skating rink was rented to store barrels of cheese.

I am grateful that Agriculture Secretary Earl Butz has agreed to meet with a number of us from the Wisconsin congressional delegation on this matter later this afternoon. We will be stressing the need for the Department of Agriculture to purchase some of this cheese for school lunch or other nutrition programs, and the possibility of getting loan funds for the cheesemakers who either cannot find money to finance their huge inventories at all or are being asked to pay 14 percent interest rates to do so.

Mr. Speaker, the dairy industry is in bad trouble, and some basic changes in the administration's overall policy toward the dairy industry are necessary.

Some farmers lose money every time they produce a hundred pounds of milk. So, the need to increase price support levels to 90 percent of parity is obvious. It ought to be done, and it ought to be done now.

It is painfully obvious too that we have got to curb the almost endless importation of cheese and other dairy products which have been coming into this country for the past year and a half. Those imports are creating havoc with our domestic dairy industry, without saving consumers a penny.

And, as I have indicated time and again they are not produced or manufactured under the same strict sanitation standards which are required of our own farms and cheese plants. To put it simply, we have got a double standard—strict sanitation standards for farmers, for cheese plants, and inspection of the finished product here at home, but only at-random inspections of imported products at their port of entry.

Mr. Speaker, that double standard ought to be eliminated, and would be by a bill I introduced, with over 60 colleagues, to require sanitation standards for foreign producers and manufacturers comparable to those we have in this country. Two days of hearings on that bill were held 2 weeks ago.

An editorial on this subject recently appeared in the Wausau Record Herald. That editorial, a copy of which appears below, asks: Why should American dairy farmers be forced to compete with their counterparts abroad on an unfair basis?

That is a very good question, indeed, and I hope the Congress will say that they will not have to compete that way in the future by passing my bill, H.R. 9419, later this session.

The editorial follows:

WAUSAU VIEWPOINT: CONSISTENCY IN DAIRY FOODS

The American consumer is assured of high-quality dairy products—unless he unknowingly purchases a foreign product. Why the federal government should permit this double standard of quality is beyond us.

Wisconsin's standards, of course, are among the highest in the nation. But farmers in the European Economic Community who export to the U.S. market are not required to meet the stringent standards enforced in this country.

For two good reasons, import standards must be changed. One, the present dual standard is not fair to the American dairyman, particularly those in the high-standard states like Wisconsin. Two, the American consumer expects the best quality and deserves it.

Our Wisconsin producers are in a continual battle with consumer advocates over the quality, shelf-life and consistency of taste of U.S. fluid milk. Yet the Common Market countries apparently have no communitywide sanitation regulations.

Instead of using milkhouses which are separated from barns, bulk coolers and pipeline milkers, European producers can continue in the centuries-old methods and do not have to comply with modern practices. Yet they are permitted to take advantage of an American market where stringent standards of quality have boosted prices. Not having to meet these standards, naturally the foreign producers can undersell the American.

If they had to meet the same standards our Wisconsin dairy farmers are meeting, most of these foreign farms would be unable to compete.

We fully understand the importance of free trade in both directions, particularly because America again has a favorable balance of trade. But why should their own government be forcing the American dairyman to compete on an unfair basis?

THE PRESIDENT'S ECONOMIC MESSAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, as chairman of the Subcommittee on International Finance, I would like to offer my comments on the President's economic message of May 28, 1974.

In my opinion, the message minimized the seriousness of the international economic situation. And I saw no sense of urgency in dealing with the principal international economic problem of today—the irresponsible oil price increases by the members of the Organization of Petroleum Exporting Countries. These price increases are having disastrous effects on the less-developed countries and indeed serious effects on the developed countries; and there are sure to be severe strains on the international monetary system and the world economy as the year progresses.

I have yet to see any optimistic predictions as to the effects of the activities of the international oil producers monopoly. The reason is simple—there can be none.

The President's message is written in vague terms of fluctuating uncertainties.

There are, of course, uncertainties always. I can assure the President that a sufficient number of experts have evaluated the effects of the oil price increases for us to know that the prospects for the international economy are not good and that there is reasonable cause for concern.

It seems that the White House hope that by ignoring the price problem and by solving the Mideast conflict that oil prices will come down. There is little evidence to support this position. Indeed, oil exporters are meeting today, saying that they need still higher prices, because of inflation.

I had hoped that the President recognized the seriousness of the international economic situation when I wrote him a month ago. But I have yet to receive a reply, and this indicates that he does not know the depth of the problem, does not care, or does not want to say so.

We have to face facts. There is an international oil monopoly which has quadrupled prices in a period of less than a year and threatens to do so every 3 months, regular as a clock. In the Mideast these prices are 70 times the cost of production. By no stretching of the English language can this be described as anything but price gouging.

Are we going to tolerate this new generation of robber-barons? By exercising monopoly power over a vital commodity—power which we have never thought to be morally right—a small group of people will control by 1980, 70 percent of the world's total monetary reserves.

The United States must exercise its leadership and begin to tackle this problem. We do not need, and are ill-served by, an economic message that evades the issue and sounds notes of optimism, even optimism hedged by uncertainty.

NATIONAL RIVER ACADEMY FILLS MANPOWER GAP

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER), is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, since 1970, the National River Academy of the United States of America has charted a steady course in training rivermen for the Nation's waterways. Recently the Port of Mobile recognized that fact in its monthly publication. I am proud to report this success to my colleagues and commend the following article for their consideration:

As the Tennessee-Tombigbee Waterway moves closer to completion, Alabama and mid-America confidently anticipate a long-term continuation of the current boom in business on inland waterways.

But increasing prosperity breeds increasing responsibilities. The need for trained and efficient personnel to operate the inland waterways system is mushrooming along with the progress.

For example, the towboat industry will require more than 1,000 newly licensed operators each year to meet increasing demands and to offset attrition caused by retirement, promotions, sickness, death, etc. The primary reason for this high attrition rate is the compulsory licensing of towboat operators that became effective September 1, 1973.

Fortunately, a group of farsighted men recognized the need for decisive steps toward meeting river industry requirements head on. In 1970 the National River Academy of the United States of America was formed.

The National River Academy (NRA) is a non-profit educational institution that promises to fill the impending manpower gap on inland waterways. Its founders directed the Academy toward providing courses of training to qualify persons in all phases of the inland waterways transportation industry.

The history of river commerce illustrates the need for an institution like the NRA. Traditionally, the industry has relied upon "on the job training" to fulfill qualified personnel requirements. Under the compulsory licensing program, this system is no longer adequate.

Also, safety has been a vital concern to the barge and towing industry for many years. In spite of tremendous (and often effective) efforts by responsible rivermen over the years, results have been disappointing. A study of a recent ten year period revealed that, while the number of towing vessels increased by 20%, the number of casualties increased by 120%.

The directors of the NRA plan to meet the challenge of reducing risks on the river through the application of modern techniques in institutional training, as well as on board training.

The Academy is located about ten miles south of Helena, Arkansas. Initially the school offered a curriculum for deck-hands, tankermen and engineers. An advanced cadet/pilot program was begun in the fall of 1972.

Of the school's 60-acre campus, ten acres are located on the river side of the levee. The master plan for the training site provides for six buildings to house administrative offices, classrooms, laboratories, dormitories, dining and recreational facilities.

The Academy's first completed building is equipped to provide simultaneous training for 120 students in six classrooms. Each classroom is designed and equipped for a specific course, complete with related training aids and audio visual equipment.

Shop areas provide the actual tools and equipment of the trade. Deckhands receive instruction and practice in rope and wire splicing, fabricating bumpers, servicing searchlights, and identification and use of essential safety equipment.

The engineering laboratory is equipped for practical maintenance and operation of various diesel engines. The electrical lab provides for the use and limitations of electrical installations, the breakdown and overhaul of various motors, and for trouble shooting. Pipefitting, welding, burning and brazing supplement the machinery repair phase of the program, and pollution training is aided by an operable shipboard sewage disposal plant.

A combination library-lounge, sleep-quarters, a large galley, administration offices, and a reception area complete the present facility.

Of the five buildings to be constructed, top priority has been placed on a river pilot simulator training building which will house a device similar to those now used by the airline industry in pilot training. The first of its kind in the world, the simulator is designed to train and qualify potential licensed operators for towboats and other vessels on the rivers.

The program will provide a sophisticated training curriculum that offers to the industry a 90% trained pilot, proficient in safety, casualty reviews, radio telephone techniques, radar interpretation and rules of the road, and he will have had numerous hours operating a tow under all conditions of weather, traffic and river hazards. A pilot completing the course at the Academy will be prepared to serve as an apprentice pilot of extraordinary ability immediately upon graduation, and his training will have been accomplished safely, conveniently and economically.

The simulator will accomplish this by creating extremely realistic duplications of circumstances encountered by a towboat pilot.

The student at the controls will stand in a typical pilothouse. The view he sees out of its windows will be projected onto screens surrounding the mockup.

As he controls his "tow" the scene will respond to his controls. The external "forces" will be computer generated. An instructor will have control of conditions such as river currents, wind velocity and direction, and visibility. Engine failures, generator failures, appearance of an unexpected tow and other emergencies will be simulated, as well as realistic radio communications and radar presentations.

The "test areas" to be used include such hazardous locales as the Helena Bridge, the St. Louis Harbor and the Vicksburg Bridge.

Presently, the Academy has an enrollment of approximately 60 cadets. Each cadet pays $1,000 a year for a two-year program equally divided between classroom study and towboat experience. While on the river, cadets receive regular wages. However, part of their wages go to the NRA to help defray expenses. Cadets continually move between the Academy and the river in each phase. In this way, the cadets promptly apply on the river what they've learned in the Academy.

The classes are staggered so that one is on land while the other is on the river, conserving space and faculty personnel.

After graduation, cadets usually assume a position of an apprentice pilot or steersman. His progress will depend upon his ability to prove himself to management.

The occupational outlook for cadet/pilots is virtually unlimited. The graduate of the National River Academy will find himself being sought after like a college football star being recruited by the pros.

Developing the safest, most economical and most advanced methods of transporting goods along the inland waterways is the ultimate goal of the Academy.

Because of a group of farsighted men, the National River Academy is today a reality. It promises to become a vital force in the economic development of river transportation.

ADMIRAL MOREELL'S REMARKS AT DEDICATION OF U.S. NAVY SEABEE MEMORIAL

(Mr. MONTGOMERY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MONTGOMERY. Mr. Speaker, as I noted earlier during my 1-minute speech, I was very fortunate to be able to attend the dedication of the U.S. Navy Seabee Memorial on May 27. I would like to share with my colleagues the following remarks made during the ceremonies. The first is the introduction of Adm. Ben Moreell by Rear Adm. A. R. Marschall, who is Chief of Civil Engineers of the Navy. The second set of remarks is the main address of Adm. Ben Moreell, who is rightly considered the Father of the Navy Seabees.

The memorial to the Seabees of the U.S. Navy authorized by Public Law 92–422, 92d Congress, House Joint Resolution 55 of September 18, 1972, was dedicated on Monday, May 27, 1974. The memorial is located on Memorial Avenue near the entrance to the Arlington National Cemetery.

The dedication ceremony for the memorial to the Seabees of the U.S. Navy was attended by some 1,000 guests. Presentation of the memorial to the American people was made by the President, Seabee Memorial Association, Inc., Rear Adm. George Reider, CEC, USNR, retired.

Rear Adm. Albert R. Marschall, CEC, USN, Commander, Naval Facilities Engineering Command and Chief of Civil Engineers, introduced Adm. Ben Moreell, CEC, USN, retired, who delivered the dedication address. Admiral Marschall introduced Admiral Moreell with:

Introduction of Adm. Ben Moreell

Now we have arrived at that point in the dedication of this memorial when we have the unique opportunity of hearing from one in our midst who sired, witnessed the birth, nurtured the juvenile period, survived the adolescent age, and counseled into responsible mature adulthood, those "magical creatures" called Seabees.

The journey of life for the founder of the Seabees started more than four score years ago. His distinguished achievements along the course of this journey are legion.

It is our fondest hope that the Seabees have in some measure reflected the strength of character and personal qualities of their founder.

As this great American proceeds on his journey in the space age, we continue to be the beneficiaries of his wisdom, charity, patriotism, compassion and sincere warmth. Would that we had the wisdom to chart our journey with a vision and devotion like unto his.

My fellow Americans, Admiral Ben Moreell.

Address by Adm. Ben Moreell, CEC, USN, Retired at the Dedication Ceremony for U.S. Navy Seabee Memorial

The Seabees were born of dire need at a time of great national peril.

Our people were stunned by the surprise attack on Pearl Harbor and Hickam Field, our heavy losses in dead and wounded, the destruction of our ships, planes and military installations, our inability to counterattack, and the grave danger to our national security.

American casualties totaled 3700. Nineteen ships, including seven battleships, three cruisers and three destroyers were sunk or seriously damaged. More than 300 military aircraft were destroyed.

In the Philippines similar losses were sustained, but on a much smaller scale.

The national mood was one of total bewilderment. But when the shock of the first blow wore off, the resilient American spirit asserted itself and the nation moved vigorously to retaliate. We realized that although we had lost a battle, the war had only just begun!

For some years our Bureau's war plans had made provision for organizing and equipping construction forces, with military training, to work in combat areas. But conditions were now far different from those contemplated in our war plans. It was imperative that we move forward rapidly, solving problems as they arose, as best we could.

It appeared that our high command would plan to carry a counteroffensive across the Pacific to the enemy's homeland by progressive occupation, development and utilization of his island bases. In the Atlantic there would be need for large scale base facilities from which offensive actions could be mounted against the European mainland.

We concluded that under conditions then existing civilian contractors and their employees could not be used with maximum effectiveness in active combat areas. Under provisions of the Geneva Convention a civilian bearing arms would be classified as a guerrilla, liable to summary execution if captured. Also, capture by the Japanese of the civilian employees of our contractors at Wake Island, Guam, and in the Philippines revealed that very few had the training and discipline necessary to protect themselves under fire and to fight back.

Furthermore, there was a great shortage of skilled labor everywhere. Our experiences in Iceland, Newfoundland and the Caribbean taught us that good construction men could be obtained more readily if they were enrolled as military personnel rather than as civilians.

We decided, therefore, that our most important task of highest priority was to recruit competent workers and give them military training and status.

Because maximum speed was essential, the recruiting of men who already had construction skills would be very important. This would permit most of the limited time available for training to be devoted to military training. Also, valuable time would be saved in initiating and completing construction.

A collateral requirement was authority to enroll skilled workers in petty officer ratings commensurate with their experience and capabilities. They would thus acquire supervisory authority and, also, increased pay which would reduce the gap between their military pay and what they could obtain in civil life. Many had made a sizable financial sacrifice to join the Seabees.

The second and most significant essential was to obtain authority for Civil Engineer officers to exercise military command, an authority which, at that time, was prohibited by Navy Regulations.

These matters were resolved with the wholehearted cooperation of the Bureau of Navigation (later the Bureau of Naval Personnel), the Judge Advocate General of the Navy, and organized labor, especially the Building Trades Department. We are particularly indebted to the latter, who spared no effort to help us, so much so that, at our peak strength, seventy percent of our men had come from the ranks of trade unions!

With the solution of these problems the way was cleared for the task of organizing a force of skilled builders who could fight when needed.

At the beginning of our naval base expansion program on July 1, 1939, we had on active duty 159 Civil Engineer officers and no enlisted personnel. On January 5, 1942, we were authorized to recruit our first three Seabee battalions with 32 officers and 1,042 men each.

From that time our numbers increased rapidly, reaching a peak strength on July 1, 1945, of 10,200 officers and 247,000 men. Eighty-three percent of these were on duty outside the continental limits of the United States.

What kinds of men were these Seabees?

They were, for the most part, typical American artisans and professional men: plumbers, carpenters, masons, machine operators, mechanics, wharf builders, stevedores, engineers, architects, surveyors, draftsmen, stenographers, clerks, lawyers, teachers, preachers doctors, dentists, accountants, cooks and bakers. Probably every profession, trade, vocation and avocation was represented in the Seabees. They were an authentic cross section of the American social structure. There were represented in their ranks by practically every race, creed, color, national origin, degree of affluence, and previous condition of servitude!

Of the more than 10,000 officers almost eighty-five percent had one or more college degrees, mostly in engineering. Others were honor graduates of the university of hard knocks, having been tempered in the fires of the highly competitive construction industry.

Many of the enlisted men were also college graduates. Some who had been rejected by other branches of the Armed Forces because of physical disabilities or advanced age were accepted in the Seabees if they were competent workmen in fairly good physical condition.

A war correspondent who accompanied a battalion of Seabees to North Africa wrote that if a man were valuable enough all that was required of him was that he be able to see lightening and hear thunder; in such cases, he added, they didn't examine the applicant's eyes. They just counted them!

The enlisted Seabees were about ten years older than their counterparts in other branches of the Navy and in the Marine Corps, their average age being thirty-three. However, considerable liberties were taken in recording the ages of Seabee recruits. There age were accepted in the Seabees if they were were rumors that in some instances any resemblance between the age stated in a Seabee's enlistment application and his true age was purely coincidental!

There remain some interesting questions about this colorful organization of American workmen, of whom an enthusiastic admirer remarked: "Their slogan is 'Can Do'; which, they say, means that the difficult we do at once; the impossible takes a bit longer."

Where did they serve?

They were active in every combat area of World War II. They took part in every amphibious operation in the Pacific. They were in North Africa, Sicily and at Salerno, in southern Italy. They handled the artifical harbor, landing barges, causeways and fueling facilities at Omaha Beach in the invasion of Normandy. They took part in the Rhine crossing. They worked in the Caribbean, Iceland, Newfoundland, Alaska and the Aleutians.

What kinds of work did they do?

The primary function of the standard construction battalions in the Pacific was to build advance bases for the Fleet and the Marines, including their respective air arms. These were the stepping stones to the ultimate destination, the Japanese mainland. In addition, they were called upon to build, restore, improve or expand facilities needed by any of our fighting forces, afloat or ashore.

To supplement the regular battalions, units and detachments were organized to fill special needs.

The largest of these were stevedore battalions, known as "Seabee Specials," who were assigned to load and unload ships at homeports and in the forward areas. They helped out, also, in construction and in combat when called upon. By VJ Day there were 44,000 men in these special battalions.

Special units were organized solely to maintain facilities built by others and for such tasks as operating tire repair shops; dredging; fabricating steel pontoons; assembling causeways, bridges and drydocks; operating ferries and barges; oil well drilling; construction, repair and operation of power plants; underwater demolition and others.

What made the Seabees "tick"?

It would be trite to say that the Seabees had high morale. They did. But so did many other groups and individuals in the Armed Forces. High morale is an old American custom. But something more is needed to account for the achievements of this brand new outfit, composed preponderantly of so-called "construction stiffs," having only a modicum of military indoctrination.

I believe the answer lies in the realm of the spiritual, that their motivation stems from a nebulous entity, often called "the spirit of the organization," an intangible force which, when men labor under great stress, often impels them to rise far above their normal capabilities.

I have seen this force at work under oppressive and dangerous conditions and I have observed its great potential. It is akin to that faith from which stems the "power to remove mountains," faith in God, in country, in shipmates and in one's self!

It is our good fortune that this transcendent force, which can permeate and motivate an entire organization, is often firmly implanted in the minds and hearts of its individual members, and thus can become a vibrant living tradition, to be handed down, with ever-increasing lustre from one generation to the next. I believe it is so with our Seabees!

What did the high command say of them?

It would be false modesty if I failed to show great pride in the generous praise accorded the Seabees wherever they served.

Fleet Admiral King, Chief of Naval Operations and Commander-in-Chief of the U.S. Fleet during World War II, in his first official report to the Secretary of the Navy on the progress of the war, wrote: "The accomplishments of the Seabees have been one of the outstanding features of the war. Furthermore, they have participated in practically every amphibious operation undertaken thus far, landing with the first wave of assault troops to bring equipment ashore and set up temporary bases of operation. There can be no doubt that the Seabees constitute an invaluable component of our Navy."

On their Second Anniversary, Admiral King wrote to them, "Your ingenuity and fortitude have become a legend in the Naval service."

On their Fifteenth Anniversary, Fleet Admiral Nimitz wrote me, "It is my pleasure to extend to you, the 'King Bee,' my heartiest congratulations on a job well done. The original idea of having highly skilled construction workers in uniform has developed into one of the many valuable components without which we could not maintain our Navy as we know it today." Then, with his customary magnanimity, he added this postscript in his own handwriting, "Dear Ben: Above is only a part of my admiration for the Seabees. Without them we could not have beaten the Japanese."

Marine General Vandergrift, hero of Guadalcanal, wrote, "I do not know how we could have gotten along without the Seabees."

And General Holcomb, Commandant of the Marine Corps throughout World War II, wrote, "Our Marines, returning from the fronts, have had nothing but praise for our Navy's rugged fighter-builders. Wherever Marines have gone they have seen their Seabee comrades performing miracles of construction and repair, often under heavy fire."

Admiral Stark, Commander of U.S. Naval Forces in Europe during World War II, wrote, "Nothing you or anyone else can say would do justice to the wonderful work of the Seabees in the British Isles, and especially their preparations for the invasion of Normandy."

General of the Army MacArthur, Commander in Chief, Army Forces, Pacific, in conferring the Presidential Citation on the 40th Seabee Battalion for their performance in the Battle for the Island of Manus in the Admiralty Group, stated: "After working all day and fighting all night, small parties of the Construction Battalion personnel still found time, during their few hours of leisure off duty, to rout out small bands of the enemy, locate and report pill boxes, and otherwise carry the offensive to the enemy's position. The cheerful and uncomplaining attitude of these engineers and their outstanding esprit was noticeable to all associated with the unit and created an immediate resurgence of offensive spirit in weary troops."

Such, in brief summary, was the record of the World War II Seabees. They set a standard of achievement for on-coming generations to excel; and excel they did, in many instances. Records, like pie crusts, are made to be broken!

After the surrender of the Japanese on August 14, 1945, the Seabees, as with all other branches of the Armed Forces, were demobilized rapidly. It have stated that we reached our peak military strength on July 1, 1945, with 10,200 Civil Engineer officers and 247,000 men. By December, 1946, our force had reached its low point of 700 officers and 5,000 men.

With the advent of the Korean War there was again need to expand. Later, the activities in Vietnam called for another expansion. Our Post-World War II military personnel reached a peak, in 1969, with 2200 officers and 29,800 men.

After the withdrawal from Vietnam the force was again reduced so that the total strength at present is 1500 officers and 13,500 men.

Here, it is fitting to recall, with profound sorrow, the recent tragedy in the Philippines. Three of our most talented and promising officers were shot down in cold blood, by parties unknown, while in the performance of their official duties. They were Captain Thomas J. Mitchell, Commander Leland R. Dobler and Lieutenant Charles H. Jefferies, II, of the Civil Engineers Corps, United States Navy. Our hearts go out in deepest sympathy to their bereaved families.

In addition to their works in Korea and Vietnam, for which they have received the highest commendations, today's Seabees have enlarged the scope and dispersion of their activities.

They have served in practically all parts of the world. Most important, they have added a new and important dimension to their functions by their humanitarian programs for the relief of human suffering, at home and abroad.

Today we dedicate this memorial to the officers of the Civil Engineer Corps and to the men of the Seabees, past, present, and future. Those who have gone before have established the "spirit of the organization," its ideals and traditions. It is for those who follow to dedicate themselves to the perpetuation of that spirit, the essential elements of which are high morale, expert skills, versatile ingenuity, devotion to duty and deep compassion for and a desire to help the needy, whoever and wherever they may be.

Perhaps the time has come to amplify our original motto "Construimus Batuimus."—"We Build, We Fight" by adding these words: "and we help our fellow man in his hour of need".

In the early days of World War II the Chaplain of a newly recruited battalion of Seabees distributed a questionnaire to the men. Among others, was this query. "What can we do to make you more content?" and this reply came back from one Seabee: "Nothing—I got in this outfit to give—not to get."

This is a true saying and worthy of all Seabees to be received, that we got in this outfit to give, not to get. May it always be the beacon by which Seabees set their course!

CAMPAIGN OF DISTORTION DOES DISSERVICE TO LAND USE PLANNING ACT

(Mr. UDALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. UDALL. Mr. Speaker, I come to the floor today to object to a campaign of misrepresentation which has been deliberately fostered to cloud the issues surrounding the Land Use Planning Act of 1974. For months we supporters have struggled like Sysiphus rolling back myths about this bill as they have been generated, and with each effort found that as old myths are exposed, new ones are generated to take their place.

During the week of June 10, this body will have the opportunity to debate the Land Use Planning Act of 1974, along with a substitute Land Use Planning Act offered by Mr. STEIGER and Mr. RHODES. These bills will bring to the consideration of the House a set of issues with vast implications about the quality of life we lead, for the use of our land effects all in far-reaching ways.

Through the course of 3 years of hearings and discussion in the Subcommittee on the Environment and in the full Interior Committee, we came to a number of conclusions about the direction which Federal land use legislation should take. We concluded, among other things, that the proper agency for dealing with land use issues of more than local significance is the State, and not the Federal Government, with strong input into the process from local governments and private citizens. We concluded that the Federal role should be limited to encouraging the development of an adequate land use planning process at the State level. We also concluded that certain kinds of environmental protection are sufficiently important to the general welfare that they are within the police powers of the State.

These, and many other issues, have been debated at great length in the subcommittee and the full Interior Committee. I think that this debate has been extremely fruitful in clarifying issues in our minds, and that the result of this long process has been the thoughtful approach to Federal land use legislation as evidence in H.R. 10294. I also think that the major elements of this debate should recur on the House floor, so that the rationale behind this important legislation can be demonstrated for the consideration of the full House.

The seeds of confusion sown by the chamber of commerce and other equally irresponsible opponents of this legislation has grown into a tangle of confusion and misrepresentation which I feel can no longer be left unchecked. I regret that instead of engaging in debate over the legitimately controversial issues raised by this legislation, we have been forced to deal largely with the malevolent misreadings and misrepresentations of the bill which have been so assiduously cultivated.

For the benefit of my colleagues I point to a textbook example of the sort of irresponsible and slanderous attack to which this bill has been subjected. The document from which I will pick but a few examples of distortion and misrepresentation is the Action Call of May 21, 1974, circulated by the legislative department of the chamber of commerce The arguments and issues are ones that the chamber of commerce—perhaps in this case more aptly termed the "chamber of confusion"—has been disseminating in a saturation campaign to cloud the real issues at stake.

The chamber of commerce completely ignores the distinction we have carefully drawn between the development of a plan and the development of a planning process. The "guidelines, requirements, suggestions" of the bill which the chamber of commerce cites as dictating an adequate plan, all deal with what constitutes an adequate process. The Action Call claims that H.R. 10294 gives States 3 years to develop adequate plans. Such a requirement would be absurd and is nowhere contained in the bill. In fact, what we require for a State to be eligible for grants is that it develop an adequate planning process within 3 years.

The chamber of commerce Action Call claims that H.R. 10294 "is lopsided in its environmental concern, almost ignoring the need for beneficial economic development, for meeting the Nation's energy needs, for developing natural resources, for feeding and housing people."

Now these claims might make sense if "almost ignoring" meant "considering fully." But barring such a rewriting of the dictionaries, the chamber's assertions are just false. All the items they list are included in the bill as important considerations in an adequate planning process, as a simple reading of sections 104 and 105 would show.

The chamber's most mischievous allegations are contained in their hysterical discussions of property rights. The Action Call claims that H.R. 10294 "provides for nonuse of property in 'areas of critical environmental concern.'" Having made this totally false claim, it proceeds to outline the totally fictitious consequences: Because "the bill does not require that the State use its powers of eminent domain in prohibiting the use of land," the owner of property where development is prohibited "would, in effect, donate his land to the State," says the chamber.

Of course the fact is, the bill says nothing about nonuse of land, or about prohibiting development. It also quite naturally says nothing about compensation for such prohibition. In fact, property rights and development rights are protected by well known principles of constitutional law which this legislation cannot alter.

Finally, as a sign of the sort of careful preparation that went into the chamber of confusion's Call, note that it confuses the new Steiger-Rhodes bill (H.R. 13790), with the old Steiger bill (H.R. 11325). Thus, it praises the Steiger-Rhodes bill for a section protecting private property rights which does not appear in it, but was instead in the old Steiger bill.

It is a pity that the process of orderly discussion and debate on this bill should be disrupted by the irresponsible campaign being waged by the chamber and others. These individuals should make a real attempt to understand this legislation and not attempt to impose its conclusions on the chamber membership and on this body under the guise of contributing to a responsible debate.

Mr. Speaker, I have always respected those who have expressed opinions different from mine about this legislation. I can not, however, understand how an organization such as the chamber of commerce—an organization with a once commendable reputation and one that represents responsible businessmen throughout the country—could fall so far from the level of accuracy and responsibility we expect from such organizations. The chamber should know better and I urge the Members not to be taken in by this kind of propaganda.

The chronic mistake of some elements of the business community in modern times is that they get caught up in blind opposition to instead of supporting constructive conservative change.

This campaign of distortion and misunderstanding does a disservice to the sensible elements of the U.S. business community and it is no wonder that many businessmen have rejected this shallow approach to our Nation's problems.

TUNNEL VISION IN THE COAL INDUSTRY

(Mr. UDALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. UDALL. Mr. Speaker, in a number of instances over the past months, various industry groups and individuals have spoken out against the basic provisions of H.R. 11500, a bill to regulate surface coal mining operations. A particular emphasis in these statements has been the assertion that the provision of the bill to regrade and reclaim lands to the "approximate original contour" is a standard that will prevent the mining of thick coal seams in the West and require the operator to dig another hole in order to get material to fill in the coal mine operation. Industry spokesmen also argue that this provision prevents the operator from taking drainage and erosion control measures.

Simply these assertions are not true, and are a purposeful misrepresentation and misinterpretation of the provision of the bill.

Explanations of the bill's provisions which were developed and circulated during subcommittee and full committee markup have been made available to industry and anyone else who has shown an interest. These explanations are being included in the committee report supporting this legislation.

Over the past months, several members of the press have undertaken a fair amount of resarch on this topic including discussions with Members involved in this legislation, conservation groups, industry representatives, and field trips to both eastern and western mining operations. One of the resulting articles from this effort was printed in the May issue of Fortune, and I commend it to Members for their attention. However, included here are copies of the editorial from that issue of Fortune, "Tunnel Vision in the Coal Industry," and an editorial which appeared in last Tuesday's Wall Street Journal, "Regulating Strip Mining." In short, both of these editorials are telling the coal industry to wake up, come out of the past and into the 20th century in order to meet the environmental as well as other needs of the current day and to enter into a "social compact" with the public in order to dispel the fears that the past abuses of coal mining have created and regain public confidence.

Mr. Speaker, the terms and provisions of H.R. 11500 represent the framework for such social compact and not a ban or prohibition on mining.

The editorials follow:

[From Fortune Magazine, May 1974]

TUNNEL VISION IN THE COAL INDUSTRY

All too often over the years, Congress has imposed stern new regulations on industry without really knowing what it was doing. In some cases at least, part of the blame falls upon the industries concerned: instead of cooperating in the lawmaking process, they pooh-poohed the problem or lobbied for crippling amendments. Such tactics can backfire. The automobile industry, for example, underestimated the degree of concern about safety and air pollution, refused to engage in a serious dialogue, and found itself burdened with meddlesome and seriously flawed legislation.

The same sort of industry behavior is evident in the current debate over a proposed federal strip-mining law. It is hard to think of any industrial activity in the U.S. that has a worse image than the surface mining of coal. Many reasonable Americans who concede that it will be necessary to strip-mine more coal in the years ahead fear that this will create new badlands on an unprecedented scale. But as the article on page 215 relates, it is now economically feasible to strip-mine coal *and* mend the land afterward, even in steeply sloping terrain. The time is clearly at hand for a social compact that will allow mining to proceed, but under rules that will reassure the public.

TRYING TO SELL A MYTH

The coal companies know more about strip-mine reclamation and its costs than anybody on Capitol Hill. But instead of helping to write a good bill, the industry has been trying to impede and weaken the bill now before the House Interior Committee. Spokesmen and lobbyists for the coal industry have warned of a decline in output if the bill passes. They have tried to slip through moderate-sounding amendments that would open up gaping loopholes.

Coal men invoke the energy crisis as an argument against careful reclamation, even though the higher fuel prices brought about by scarcity will amply cover reclamation costs with plenty to spare. And the industry is trying to sell the outright myth that strip mining's bad name is mostly the result of past sins. Anyone who has driven through states with weak reclamation laws—which means most coal-mining states—knows that thousands of acres are being ruined right now.

The House bill, as well as the measure that passed the Senate last fall, contains some bad features that should come out. But the heart of both measures is a reasonable provision that should remain inviolate. It requires that after the coal is removed, the land generally must be regarded to its "approximate original contour." This rule is patterned after the regulations in effect in Pennsylvania, where the country's toughest reclamation law has not prevented a sizable increase in strip-mine production.

Some coal men say the proposed federal legislation goes beyond even Pennsylvania's requirements. If that is so, some tinkering is needed. It can best be done with the help of men who know the industry best.

[From the Wall Street Journal, May 28, 1974]

Regulating Strip Mining

The strip mining control bill recently approved by the House Interior Committee is likely to prove just as contentious when it is debated by the full House, since environmental groups still think it is too weak and the coal industry thinks it is too tough. Bipartisan hostility is no guarantee that it succeeds in balancing environmental and energy concerns, but on the whole the committee bill seems like a quite reasonable start.

It is certainly much more reasonable and realistic than a related bill passed by the Senate last October. Both bills would require that surface mined land be restored to approximately its original contour. The House Interior version also reasonably requires companies that have acquired rights to federally owned coal to obtain written consent from owners of surface rights to the land.

The Senate proposal, however, flatly bans all surface mining of coal where the government has retained mineral rights, even where coal firms themselves own the surface and even where they have leased the mineral rights from the federal government. The reason for this prohibition, sponsored by Montana Senator Mike Mansfield, is to prevent the relatively unspoiled Western U.S. from becoming a vast slag heap like parts of Appalachia. But its principal effect would be to keep billions of tons of the nation's most abundant and economical energy source from ever being mined. Obviously, a ban on strip mining is not the answer to the nation's energy shortage.

Fifty years ago coal accounted for about 75% of America's energy needs, now it accounts for only about 18%. But domestic oil and gas soon will be able to supply less than 40% of the nation's needs. Either America will have to import oil and gas and endure the political and financial problems that choice poses, or it must exploit its enormous coal reserves. Mining only 50% of our estimated 3 trillion tons of coal, thought to be one-half of the world's known reserves could supply the nation's growing energy appetite for hundreds of years.

That's where strip mining comes in. Although only about 5% of total U.S. reserves are thought to be strippable, surface mining accounts for about half of the 600 million tons of U.S. annual coal production and it offers the fastest and cheapest short range solution to the energy crisis. Strip mines can be gotten into production relatively fast, require comparatively little manpower, and yield up to 90% of their deposits (compared with less than 50% underground).

The populous Midwest alone has strippable coal deposits many times current U.S. annual output. That coal is good quality but it is also high in sulfur and therefore cannot be burned unless the Clean Air Act is modified, or until science learns to "clean" it or it can economically be converted to gas. Meanwhile, industry is increasingly looking to the vast strippable deposits of less efficient but low sulfur coal in the West.

But while strip mining is efficient and inexpensive, it is also a threat to the environment. The coal industry is making a concerted and apparently successful effort to restore and reclaim stripped land, but environmentalists claim that less than one-half of U.S. land previously stripped for coal has never been reclaimed. Their fears of additional land ravaged by bulldozers and draglines are reflected in the two strip mining bills under consideration, which the industry claims impose unreasonable restraints.

Actually, it isn't at all clear that industry will be unduly handicapped by the regulations embodied in the House committee bill. Pennsylvania has somewhat similar laws, supposedly the toughest of any state in the nation, yet strip mining production has actually increased in that state. Once the Mansfield amendment is removed, it seems to us the existing proposals offer a good starting point for regulating strip mining.

So it seems to us it would be unwise for the coal industry to push its opposition too far. Coal declined for several reasons, including the fact that the federal government created an artificial demand for natural gas by holding down its price. But it also declined because it was considered an environmental blight, and those objections are likely to remain as long as the public continues to equate coal mining with permanently scarred earth. The proposed strip mining controls would seem to offer an opportunity for the coal industry to dispel those fears and regain public confidence, even as it contributes to solving the U.S. energy shortage.

DEPARTMENT OF DEFENSE RECRUITING RESULTS FOR APRIL 1974

(Mr. DAN DANIEL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, again today I place in the Record the Department of Defense recruiting results for the month of April 1974. The four armed services obtained during April 27,190 enlistments, including prior-service and non-prior-service personnel.

As the table below shows, the Marine Corps recruited only 1,670, or 45 percent of its objective. Nearly all—99 percent—were high school graduates. The Marine Corps was unable to accept enlistments from high school nongraduates in April because of the law which requires that at least 55 percent of all nonprior service enlistees in fiscal year 1974 in each service be high school graduates. Results by service were as follows:

RECRUITING RESULTS, ALL SOURCES

	April			March percent objective
	Program objective	Actual	Objective	
Army	15,600	14,170	91	91
Navy	4,580	5,830	127	100
Marine Corps	3,750	1,670	45	108
Air Force	5,480	5,510	101	101
Total DOD	29,410	27,190	92	97

Year-to-date recruiting results by service. During the first 10 months of the fiscal year the four military services have achieved 93 percent of their cumulative recruiting objectives. The following table shows year-to-date performance by service:

RECRUITING RESULTS, ALL SOURCES, YEAR-TO-DATE, FISCAL YEAR 1974

	Program objective July to April	Actual	Percent of objective
Army	175	156	89
Navy	71	71	100
Marine Corps	46	41	88
Air Force	63	63	100
Total DOD	355	331	93

It is emphasized that recruiting input is only one element of the manpower program, and that total strength on hand is also influenced by reenlistment rates as well as unprogramed losses such as early discharges. It is expected that the Department of Defense total military strength will be within 1 percent of the target of 2,174,000 planned for the end of the current fiscal year.

Enlistments by source: The number of non-prior-service men enlisted was 22,190 or 90 percent of the services' April objective; the number of non-prior-service women was 2,520 or 102 percent of the objective; and the number of prior-service personnel was 2,480 or about 109 percent of the objective. The following table shows the distribution of April enlistments by source:

RECRUITING RESULTS BY SOURCE

	April			March percent objective
	Program objective	Actual	Percent objective	
Nonprior service:				
Men	24,680	22,190	90	95
Women	2,460	2,520	102	100
Prior service	2,270	2,480	109	117
Total DOD	29,410	27,190	92	97

Total military strength by service: The total DOD military strength was about 1 percent below the strength level planned at the end of March, as shown in the following table. The Navy shortfall reflects an earlier problem in strength accounting rather than a failure to meet recruiting objectives. A total of 8,800 enlisted losses resulted from a careful review of actual strength on hand. The Navy is striving to make up the difference before year-end through over delivery against its recruiting goals, as evidenced by their achievement in April of 127 percent of their programed recruiting objective:

STATUS OF MILITARY STRENGTH BY SERVICE

[In thousands]

	End of March				June 1974, current objective [1]
	Objective [1]	Actual	Shortfall	Percent	
Army	786	784	−2	1	782
Navy	560	548	−12	2	551
Marine Corps	193	192	−1	1	196
Air Force	665	664	−1	1	645
Total DOD	2,204	2,188	16	1	2,174

[1] March strength objectives reflect the lowered strength objectives for the end of the fiscal year which were announced in January and which resulted from congressional action on the fiscal year 1974 budget request. Program adjustments were made in late Janaury.

NON-PRIOR-SERVICE ENLISTMENTS, MEN AND WOMEN, BY SERVICE. DURING APRIL THE SERVICES ACHIEVED THE FOLLOWING RESULTS AGAINST THEIR NON-PRIOR-SERVICE OBJECTIVES FOR MEN AND WOMEN

NON-PRIOR-SERVICE RECRUITING RESULTS—MEN

	April			March percent objective	Year to date percent objective
	Program objective	Actual	Percent objective		
Army	13,100	11,380	87	87	87
Navy	3,400	4,610	136	99	99
Marine Corps	3,400	1,390	41	112	89
Air Force	4,780	4,810	101	101	100
Total	24,680	22,190	90	95	92

NON-PRIOR-SERVICE RECRUITING RESULTS—WOMEN

	April			March percent objective	Year to date percent objective
	Program objective	Actual	Percent objective		
Army	1,200	1,250	104	101	104
Navy	570	570	99	99	106
Marine Corps	110	120	106	93	100
Air Force	580	580	101	100	100
Total DOD	2,460	2,520	102	100	103

Reserve components: The total Selected Reserve strength increased in February for the sixth consecutive month with the two National Guard components, and the Naval and Air Force Reserves showing net gains. Although non-prior-service enlistments for all Reserve components are lower than the objectives for the year to date, the shortfalls have been partially offset by successes in recruiting prior-service enlisted personnel:

FISCAL YEAR 1974 SELECTED RESERVE STRENGTHS [1]

[In thousands]

	ARNG	USAR	USNR	USMCR	ANG	USAFR	DOD total
Authorized end strength	412.0	260.6	116.9	39.5	92.5	51.5	972.9
Actual:							
June 30, 1973	385.6	235.5	126.2	37.5	90.4	43.8	919.0
Sept. 30, 1973	384.9	231.5	119.1	35.3	90.5	43.3	904.6
Dec. 31, 1973	392.5	227.2	119.1	33.1	92.5	43.5	908.2
Feb. 28, 1974	403.1	226.9	114.9	32.2	93.1	43.9	914.1
Mar. 31, 1974	404.9	226.2	115.4	31.8	93.6	44.4	916.2
Change from previous month	+1.8	−.4	+.5	−.3	+.5	+.5	+2.6
Net short/over authorized end strength	−7.1	−34.4	−1.5	−7.7	+1.1	−7.1	−56.7
Percent short/over	−1.7	−13.2	−1.3	−19.5	+1.2	−13.8	−5.8

[1] Unaudited preliminary reports from services.

Mental groupings: High school graduates: In March about 90 percent of all non-prior-service enlistees were mental categories I–III, which are the average and above average mental groups; only 10 percent were in mental category IV, the below-average group. High school graduates amounted to 66 percent of enlistments; the increase from March is due primarily to the Marine Corps' recruitment of 99 percent high school graduates. The date for July–April is shown in the following table along with the April results:

HIGH SCHOOL GRADUATES AND MENTAL GROUPINGS

[Nonprior-servicemen and women]

	High school graduates			Mental groups I, II, III [1]		
	April		Year to date, percent	April		Year to date, percent
	Number	Percent		Number	Percent	
Army	6,800	54	54	10,550	84	82
Navy	3,020	61	70	4,820	97	97
Marine Corps	1,490	99	50	1,410	93	93
Air Force	4,940	92	94	5,360	99	99
Total DOD	16,250	66	65	22,140	90	90

[1] Above average and average categories.

May objectives: The service's manpower programs for May called for the following enlistment objectives from all sources:

May program objectives:

Army	14,300
Navy	4,790
Marine Corps	4,150
Air Force	5,500
Total Department of Defense	28,740

In addition to these program objectives, the Navy is seeking 790 extended active duty Reserve enlistments and 1,350 additional regular force enlistments because of revised loss estimates. The Marine Corps is seeking 580 additional enlistments to offset previous recruiting shortfalls but will be taking only high school graduates.

ADTC ADDS NEW DIMENSIONS TO TAC AIR

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, Eglin Air Force Base in Florida has a key part in much of the testing and development of the modern and sophisticated weapons which are essential to an effective defense in today's world. The Air Force magazine for March 1974 carried an interesting and unusually detailed statement on Eglin's mission, stating:

> At Eglin AFB, Florida, the revolutionary impact of guided weapons on the scope and effectiveness of tactical airpower is about to gain other dimensions. In the future, TAC air will not only be able to deliver ordnance with extreme precision but do so from considerable standoff distances and under all weather conditions.

This is only one of Eglin's important missions, but it is of sufficient significance that I submit portions of the statement for printing in the RECORD:

ADTC ADDS NEW DIMENSIONS TO TAC AIR

(By Edgar Ulsamer)

In punctilious Air Force language, the mission of the Armament Development and Test Center (ADTC) at Eglin AFB, Fla., is to "plan, program, and manage development, test, and acquisition programs for air armament to include air-launched tactical and air-defense missiles, guided weapons, nonnuclear munitions, nonnuclear munitions safety, aircraft guns and ammunition, targets, and related equipment."

To Maj. Gen. Henry B. Kucheman, Jr., the Center's Commander, this means that "we strive to be the center of excellence for air armament, that we translate present and project threats into weapons and can defeat such threats, and that we do this at the lowest possible cost and with the smallest family of weapons.

"These weapons must be as effective, simple, reliable, and easy to maintain as we and our contractors know how to make them, and they must incorporate to a maximum extent commonality and modularity." To the almost 7,700 military and civilian managers, chemists, engineers, physicists, and other assorted professionals who man the Center, ADTC's mission is to be "the business end of the Air Force."

Its most spectacular product of the recent past was the first generation of guided weapons, which has decisively influenced the nature and scope of tactical air operations.

Today, the Center is well on its way toward a breakthrough of at least equal importance, described by Brig. Gen. Gerald K. Hendricks, Commander of the Center's Air Force Armament Laboratory, as the capability to deliver guided weapons "with extremely high reliability and precision not just under daylight VFR [visual flight rules] conditions but in weather and at night. What's more, we will be able to do this from a standoff position through a family of glide weapons and standoff missiles [SOMs—which use highly economical turbojet engines to boost range] and incorporate a variety of guidance systems and seekers, either interchangeably or in combination, to provide wide flexibility."

What ADTC is "beginning to see is really a beautiful emerging scene; we are going to to have standoff, we are going to have precision, and we are going to have some all-weather capability," he added.

The Center's goal, according to General Hendricks, is a family of glide weapons consisting of at least two different carriers capable of accommodating a variety of warheads, including the Mk. 84 2,000-pound bomb and PAVE STORM, the 2,000-pound submunition carrier, capable of accepting bomblets, Gator antitank mines, or airfield attack ammunitions.

Where standoff ranges beyond the limits of the Modular Guided Glide Bomb (MGGB) are required, it is possible to design systems with "throwaway" propulsion, meaning a turbojet-powered missile operating in the subsonic speed regime, which can deliver large payloads at extended ranges.

According to Col. E. M. Munyon, ADTC's Director of Development Plans, a recent study by ADTC of a standoff missile indicates "that we can build such a weapon at low technological risk and at a reasonable price. SOM's task would be to fly strike missions and to provide defense suppression. The missile would be launched by a manned aircraft from the forward edge of the battle area [FEBA] and be guided to its distant target by highly accurate midcourse and terminal guidance methods."

The underlying rationale for SOM, according to General Hendricks, is that "we are not dependent on rollback as our only viable operating mode, and, in addition to being able to attack the high-value fixed targets at will, with little or no attrition of manned aircraft, this weapon requires the enemy to come on the air with the emitting elements of his defensive systems which may then be targeted and struck."

He added that SOM will not be invulnerable to enemy defense, but "it will be premised on sufficient technological sophistication to require highly sophisticated defenses; that is to say, SOM will be able to penetrate defenses and suppress them or achieve a highly favorable exchange ratio." Most of the basic subsystems required by SOM have been developed for ADTC's glideweapon program.

So far as propulsion is concerned, General Hendricks explained that the turbojet engine of the Navy's Harpoon air- and sea-launched missile is well suited for SOM use and priced at about $15,000. A mockup of a standoff missile design has been fitted on an F-4 aircraft. The F-4, the F-111, the A-10, and the B-52 are capable of carrying SOMs. Depending on the types of guidance systems used on SOM, the unit cost of the missile should not exceed $100,000, Colonel Munyon believes.

One of ADTC's long-term projects for assuring that future manned strike forces will be able to penetrate hostile airspace with a minimum of loss is SAMCAP, a concept using a SAM Intercept Missile System, or SIMS. SAMCAP is still in an early concept formulation state. SIMS is predicated on the notion that SAM technology is reaching a level where outmaneuvering them, as American pilots did so successfully in Southeast Asia, will no longer be possible.

Another anti-SAM project is the memory-aided antiradiation missile, or MAARM. Initial ADTC research indicates that "it is possible to design a missile which, by combining a computer memory with real-time detection, can ferret out a SAM site during the split second that it has to go on the air, even if there is immediate radar shutdown," Colonel Munyon said. A six-month study of the MAARM concept was initiated early this year by ADTC.

One of the most challenging munitions designs is dictated by the close-air-support mission, with its compelling need for flawless target identification and high precision. Late last year, ADTC completed the advanced development of a laser-guided, close-air-support missile using a modified Maverick. Flight-testing of the system, General Hendricks said, involved ten launches, of which eight were "one hundred percent successful against both static and moving armored personnel carriers. These firings involved both airborne and ground laser illumination [target designation]."

Known as CASM, the laser-guided Maverick uses a so-called proportional laser seeker. This system is in competition with a seeker developed by Texas Instruments, Inc., for the Navy and similar systems by other contractors. The Department of Defense is expected to choose one of the competing designs in the near future.

The first-generation CASM is billed as a low-cost, fail-safe, accurate laser-guided weapon for day/night and reduced-visibility operation by strike aircraft in conjunction with a ground or airborne forward air controller; the long-term objective is to expand the system into an adverse-weather weapon by providing it with multimode seekers.

The Air Force's current family of guided weapons uses two basic seeker systems—laser guidance and electro-optics, or EO. These seekers are used in a modular manner, meaning they can be fitted, like modules, to a number of bombs and missiles in the inventories of the Air Force and the Navy. Laser guidance is by far the most economical, with the price of the simplest kits having come down to about $2,200. Prices of the EO kit have been reduced almost as sharply, from an original cost of about $40,000 per unit to approximately $16,000.

Not yet in the Air Force's inventory but fast approaching a state of operational application is the so-called Imaging IR tracker, a system premised on the fact that all objects radiate energy in the infrared spectrum. Imaging IR trackers are not daylight-dependent and can be coupled with data links.

A step beyond these three basic seeker technologies, according to General Hendricks, is the concept of the multimode guidance system. Premised on the fact that all three systems share common components, their principal difference being the different areas of the frequency spectrum in which they work, the Air Force Armament Laboratory is delving into ways to capitalize on this commonality. "We will be able in the near future to operate Maverick with three separate seekers—that is, laser, EO, and Imaging IR.

Another option for a highly accurate terminal guidance system is known as Optical Area Correlation. It appears to be especially suitable for large noncontrast targets. (Targets of this type tend to defy EO systems, which rely on contrast for target identification.) The system borrows from the way a human navigator does his job; it looks for landmarks that are matched against information in its programmer's memory and thus is oriented toward the target.

Tac air's toughest job is providing closer air support against armor under all weather conditions and in the face of proliferating mobile SAMs, such as the Israeli Air Force encountered during the recent Mideast war. An Air Force project known as MIMS, for Multiple Independent Maneuvering Submunitions, is a viable option, according to Colonel Munyon.

Guided by a contrast seeker, MIMS appears able to home on the target signatures of tanks and concealed aircraft in adverse weather, including rain and fog. Because the seeker is limited in range, it appears necessary to provide MIMS with some form of supplemental midcourse guidance.

The seeker is self-contained, does not need remote control, and therefore, is relatively impervious to jamming. Initial studies indicate that guidance is relatively inexpensive.

Radar and IR continue to be the principal guidance means for air-to-air missiles, according to General Hendricks, with a so-called two-color seeker using both IR and ultraviolet, at the other extreme of the spectrum, beginning to show some promise. One innovation is the active radar seeker called FAST. The FAST concept is predicated on a small inexpensive radar illuminator aboard the missile. At present, radar illuminators are carried aboard the launching aircraft.

A joint Navy/Air Force program, the FAST missile seeker indicates that it may be possible to build an active radar seeker for as little as $5,000. Such a system would have a launch-and-leave capability and appears capable of coping with all weather and all aspect problems.

A promising ADTC effort to enhance the effectiveness of air-to-air munitions is the so-called aimable warhead. Its objective is to increase the lethality of air-to-air missiles by using a "smart fuze," with selective initiation of the explosion which focuses the energy of the warhead toward the target instead of expending that energy in all directions. A segmented IR proximity fuze "looks out in four directions from four viewing ports and then triggers the warhead in a manner that aims the energy at the target. The result is to direct extremely high-speed warhead fragments on the targets and enhance kill probability," General Hendricks explained.

At this writing, the Air Force is prepared to issue RFPs (requests for proposals) on phase one of a new low-cost dogfight missile named CLAW. CLAW's key virtues are to be "low production and life-cycle costs, simplicity, and minimal maintenance requirements to make it compatible with the Bare Base concept," according to ADTC officials. Colonel Munyon believes the new missile's unit production cost should be less than $10,000 in the case of large quanity buys.

Since CLAW envisions very accurate terminal guidance, a small warhead will suffice. Designed to be fired rapidly, more than one missile may be fired in a single engagement. There is statistical evidence that a missile of this type can increase overall kill probability. "It is conducive to superior training—because we can afford to fire more of them—and, because of the light weight, we can carry more of them," according to Colonel Roy.

Closely associated with the air-to-air missiles under study by ADTC are drones to test these missiles under realistic conditions. The Center is about to make its first buy of twenty-two F–102 aircraft reconfigured for drone operation. According to Colonel Roy, the Air Force plans to award a contract this spring, thereby giving USAF the only full-size, maneuvering afterburning target drone available for missile testing by the Air Force and the Army. The Navy has the QF–4 target drone.

The PQM–102 will provide a capability to evaluate sophisticated air-to-air weapons against a full-size, maneuvering afterburning target. "There simply is no substitute for actually firing at realistic targets to verify total system performance. Under these test conditions, we expect drone losses. However, the cost of the drones will be low, compared to an aircraft cost, because the F–102 is amortized and the only investment cost is the modification cost," Colonel Roy said.

The greater the effectiveness of conventional munitions, the less need for tactical nuclear weapons, with the attendant risk of escalation, General Kucheman pointed out. A program designed to do just that is ADTC's Hard-Structure Munitions (HSM) effort. Although "years away" from the operational inventory, recent progress on HSM has been good, especially since the appointment of the Lawrence Livermore Laboratory as key contractor. Livermore is proficient in designing highly efficient explosives and in analyzing shockwave propagation.

While the precise nature of HSM approaches is classified, the broad needs for dealing with super super-hardened targets as earth-covered bunkers, bridges, and command-and-control centers are obvious: The munition must be prevented from ricocheting off thick concrete, and the warhead must penetrate well into the structure before its main energy is released.

Fuel Air Explosives (FAE) munitions provide a capability to defeat protected targets such as bunkers and foxholes that are essentially immune to conventional, general-purpose bombs, cluster munitions, and guns. Both the Air Force and the Navy have been working for some time on Fuel Air Explosives weapons that form a fuel-air cloud and then detonate it. FAEs were used sparingly in Southeast Asia to clear mined areas and for defoliation. But, in the past, the need to retard the weapon's speed by parachute prior to detonation made FAE a cumbersome weapon. The Air Force and the Navy now are pursuing different approaches to delivering FAE in a high-speed dive mode, according to General Hendricks.

A specialized munitions effort handled by its own ADTC System Program Office in behalf of the Air Force, Army, and Navy, is the air-deliverable Gator antitank and antipersonnel mines. The weapon is planned to achieve initial operational capability in 1979. Different dispensers for delivery by fixed-wing aircraft and helicopters are to be used. In the case of the former, the All Altitude Spin Projectile (ASP) is currently being considered as the principal Air Force delivery means. The Navy is planning to use the Mk. 7 for delivery, and a rotary wing dispenser is being developed by the Army for helicopter delivery. The mine is aerodynamically shaped to spin for dispersion and contains a focused charge that is directed against the underside of a tank. To meet the Army's and Marine Corps' tactical requirements, the mine will include self-destruct features to permit friendly forces to pass through mined areas a certain time after the mines have been laid.

Other specialized munitions under study by ADTC and the Armament Laboratory are PAVE ROCK, AFAM (Airfield Attack Munition), and the Grass Hopper antitruck mine. The PAVE ROCK 2.75-inch rocket is an interim weapon for attack on aircraft in hardened shelters until new concepts, such as AFAM, come into being. AFAM is part of the Center's family of guided, modular weapons optimized for attack on airfields. The Grass Hopper, still in a laboratory stage, uses seismic, magnetic, and other sensors to trigger its charge.

Increasingly sophisticated air defenses pose a need for more efficient carriage of externally mounted bombs to permit supersonic penetration of hostile airspace as well as bombing at supersonic speed.

To facilitate the latter, ADTC is investigating basic shape changes to make air-delivered ordnance suitable for supersonic ballistic flight and has come up with the so-called bluff-bomb kits as a highly efficient means of adapting conventional bombs for supersonic delivery. Although based on a rather simple technique of carrying bombs backwards with a hubcap-like shroud to reduce drag, the results of the initial tests involving speeds as high as Mach 2 have been very promising, according to General Hendricks.

The progress and diversity of the Center's current projects give General Kucheman confidence "in the Air Force's continued, clear-cut ability to operate in even the most sophisticated hostile air-defense environment and do our job reliably and with ever-increasing accuracy.

"For every weapon there is a counterweapon. It is our job to find the counterweapons that cost the least and perform best," General Kucheman said. The Air Force people who created the first generation of guided weapons seem well on the way toward adding still other dimensions to tactical airpower.

THE ISLES OF CAPRICORN

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, the controversy which has arisen about the need for a refueling capacity for U.S Navy ships at Diego Garcia in the Indian Ocean has also focused attention on the political climate of the area and the military capabilities of the nations whose forces are in the area.

Both factors are discussed in the May issue of Sea Power, by Lawrence Griswold, a contributing editor of that magazine. His article is entitled, "The Isles of Capricorn." I am pleased to submit portions of it for inclusion in the RECORD:

THE ISLES OF CAPRICORN

(By Lawrence Griswold)

Less than one month ago, on the afternoon of April 8, to be precise, four British minesweepers, soon to be supplemented by a number of helicopters from the assault carrier USS *Iwo Jima*, arrived at Port Said to begin clearing the Suez Canal of mines, an Anglo-American project expected to be completed by the end of October 1974.

According to the plan agreed upon in Cairo, reopening the canal to allow passage of vessels drawing no more than 35 feet—a depth which will make the canal useful for most warships of every navy—will be but the first of two helpful projects.

The second, widening and deepening the canal to handle modern aircraft carriers and supertankers, is expected to commence within a year or so and require several years for completion. Moscow has already expressed disapproval to Cairo of the Anglo-American operation, but the Russian Navy is expected to make use of the reopened canal to expedite its own plans for the Indian Ocean. Those plans are much more ambitious than the U.S. Navy's own modest hopes for use of a refueling station on the suddenly famous, well-sited but tiny atoll of Diego Garoia.

The strategic history of the Indian Ocean began in the early 16th century with the scramble by Portuguese, Dutch, French and English for the spices and jewels of the Indies and ended after Napoleon's final exile on St. Helena and exchanges at the Congress of Vienna of occupied islands and territories. Thereafter, France retained, until 1960, Madagascar (now the Malagasy Republic), La Reunion, and the Kerguelen Group, along with the Crozets and other uninhabitable islands below the 45th parallel. The British, however, retained Mauritius, the Seychelles and most atolls north of Mauritius to India.

It may be without significance that the colonies discarded after 1945 by the British Empire in the northern section of the Indian Ocean are now, without exception, included within the sphere of influence of the Russian Empire: from Fort Blair in the Andaman Islands across the Bay of Bengal, through India and Sri Lanka (Ceylon) to Socotra, Somalia and Aden. These are the ports and places where, according to reliable and repeated reports, some 20 Russian surface warships and six Echo-Two and Hotel classes of missile-bearing submarines make their patrols. Nor can it be overlooked that the USSR's Indian Ocean fleet in "Exercise Okean," in 1970 worldwide naval operation announcing the coming of age of the Soviet Navy, was deployed across the Malacca Strait-Cape Town ocean route north of Mauritius.

Fleet concentration points in each ocean lay squarely across the principal sea routes of the world and, excepting only Cuba, where the United States Navy still holds Guantanamo, northeast of islands still outside the Russian orbit.

In the early years of Europe's struggle for Asian territory, sailing masters rounding the Cape of Good Hope gave the southern tip of Africa a broad offing before tacking to the northward to hold the tradewinds and set a new course for La Reunion and Mauritius where they could be provisioned before the long voyage to the Indies.

Today's voyager would be sailing into an almost-Russian lake. Sri Lanka and the Malagasy Republic, both recently "liberated" republics, are to the extreme left of the political spectrum. And the smaller islands north of the Equator—ranging eastward from sparsely inhabited Socotra, to India's Laccadive islets and the equally thin string of atolls south of the Laccadives comprising the Maldive Republic, to Sri Lanka and across the Andaman Sea to the western tip of Sumatra—have a deep red political coloration. This area, from the Strait of Malacca to the Red Sea, has become, in short, a Russian naval stamping ground.

The equatorial belt, however, from Aldabra and the Seychelles to the Chagos Archipelago, is still British territory. And the Mauritian Republic (Mauritius), although independent, is a member of the British Commonwealth. The other islands—the Comoras, La Reunion, and the bleak volcanic groups just north of Antarctica—are French, bankrupt and verging on precarious independence. Several, including a temporarily euphoric Mauritius intoxicated with sugar profits, have far better naval-air base potentials than Diego Garcia and are worth, along with Diego Garcia itself and the local Russian real estate, a long second look.

As a strategic naval base and waystop for provisions in the path of all ocean traffic between Europe and Asia before the days of the Suez and Panama canals, the history of Mauritius in its earlier years was a violent one, although the very earliest were peaceful enough.

Naturally, the discoverers were Portuguese. They could hardly miss it. They called it the Isle of Bats (*Islas Cernas*) but failed to colonize it.

The Dutch, who followed the Portuguese some 90 years later, arrived in 1598, called it Mauritius (after Prince Maurice of Orange) and promptly colonized it with convicts from South Africa and the Netherlands.

An interregnum of pirates working out of Madagascar followed the Dutch, but in 1715 a French colony took root and by 1721, enlarged by immigrants from neighboring Bourbon (now La Reunion), Mauritius became the *Isle de France*. It remained French until, after a number of naval battles and invasions, it fell to the English in 1810.

Europeans on Mauritius number fewer than one per cent of its estimated population of 850,000—of whom just over half are descendants of the indentured Indian workers in the sugar plantations, traditional mainstay of the island's economy and, since 1972, a commodity of sharply increased value on the world market. More than a third of the remaining 48 per cent of Mauritius' population is unadulterated African and the remainder move gradually across the chromatic scale on an acutely color-conscious island.

Due to the efforts of British officialdom and French mission-schools, Mauritian literacy, approximately 95 per cent, is the highest in the Indian Ocean.

The government of Mauritius is run by labor unions with political fronts and dominated by islanders of Indian descent. But, since a substantial minority are Muslim or Parsees rather than Hindu, there is no racial solidarity and the influence of the minority, who represent the business sector of the population, is greater than their numbers.

The political breakdown follows a religio-racial pattern. The dominant Hindu-based Labour Party has been in office since 1968, the year of independence, but only with the support of the Moslem Action Committee and the Mauritian Social Democratic Party (which represented the African minority). The coalition collapsed in December, 1973, but a "state of emergency" continues.

Sugar profits encouraged the expansion of tea plantations, a secondary money crop, and a building program of hotels and motels to accommodate the growing influx of tourists now arriving at Port Louis and at La Plaisance airport near Vieux Port Grand.

From the viewpoint of naval-air strategy, and omitting the social and political difficulties inevitable following collapse of the sugar boom (already past its peak), Mauritius' situation in the Indian Ocean is as vital as that of Cuba in the Atlantic. Its lack of harbors of any real worth, the encircling coral reef and the shallowness of the lagoons render it valueless, without substantial improvements, for deep-draft warships or submarines. But dredging sea-approaches and existing harbors at Port Louis (in the northwest) and Vieux Port Grand (in the southeast) would erase one major obstacle, while a few tons of explosive could open the reefs to shipping.

Ideally situated to monitor maritime traffic between Southeast Asia and the Bay of Bengal with southeastern Africa and the Cape of Good Hope, Mauritius lies about 1,250 miles from the African coast, 50 miles from the Malagasy Republic, 2,500 miles from Cape Town and 900 miles from Diego Garcia.

In almost every way, the island republic once known as Madagascar is strategically superior to Mauritius. Almost 1,000 miles in length from north to south and 350 miles wide at its broadest, it forms, with Portugal's Mozambique on the western shore, the oceanic barrier of the Mozambique Channel. The width of Mozambique Channel varies from about 525 miles at the south to less than 300 north of the island's center. Madagascar's channel coast is generally shallow and muddy with few usable harbors except in the extreme northwest, where the serviceable Nossi Bay once sheltered French and (on one occasion) Imperial Russian warships. The island's generally steep Indian Ocean coast is marked by a 300-mile long string of lagoons at the south, but with few indentations offering a safe harbor. An area of about 228,000 square miles, considerably larger than the state of Texas, provides sustenance for the population of about 7,200,000.

Malagasy history really begins with the Arab explorers of the 8th and 9th centuries, but it was not until the conclusion of the wars between the native Sakalava and Hova tribes toward the end of the 18th century that its modern history started, with the victorious Hovas dynasts over the entire island. Most fighting thereafter was between competitive English and French forces. France won in 1885, but internal disturbances persisted until General Joseph Gallieni ended them in 1899. Except for a brief British interlude in September, 1942, Madagascar remained French until voluntarily relinquished by Paris in 1960. It remains a member of the French Community and of the United Nations.

Socially and politically, the Malagasy Republic is in crisis. As in most newly-independent Caribbean and Indian Ocean nations, the urban trade unions used their organizational experience to win political control, but, as usual, elections have not provided periods of tranquility. Strikes and disorders in 1971–72 resulted in changes of government and cabinets.

The present Military Government was authorized in 1972 to maintain a State of Emergency until 1977. Tananarive last year quarreled with Paris over the status of Diego Suarez, the modernized naval base still operated under agreement by the French Navy. Early in 1974 Paris let it be known it had decided to "abandon" the base. Tananarive let it be known it had "ejected" the French.

Defense of the Indian Ocean has troubled naval planners since 1947, when the Indian subcontinent became independent. But no substitute for Trincomalee, in British Ceylon, was seriously considered until after 1958, when news of Russia's naval ambitions trickled out of Moscow.

At that time there were still no British plans to abandon Aden, the Arab-Persian Gulf, and the eastern Mediterranean. Moreover, the French Navy was back in Diego Suarez, so the southern sector was secure.

Even so, Anglo-American naval chieftains pondered the vacuum in the center, even dragging out for inspection the atolls of the Seychelles Group and Aldabra, along with Addu Atoll in the Maldives—where the British Navy had taken refuge after the 1942 Japanese raids on Trincomalee and into the Bay of Bengal.

Diego Garcia, once an auxiliary landing field for the RAF, ultimately surfaced, for awhile, and sank. After 1970 and Okean, however, it was again fished out for re-examination—this time as an air, submarine, and small warship base.

Almost in the middle of the Indian Ocean and slightly east of the main ship lane between Sumatra's Sabang and Mauritius, Diego Garcia is the largest of the Chagos Group, a wishbone-shaped atoll about 12 miles in length, six miles across, and enclosing a deepwater lagoon with a wide entrance at the north. The two legs of the wishbone are covered by cocopalm plantations; copra has been the sole money crop.

The entire Chagos Group has a combined area of 76 square miles and a mixed population totalling under 1,000 (all engaged in the harvesting and drying of coconuts). An old emergency air strip used by Australian pilots 1942–45 may be replaced by an air base long enough to handle B–52s and, when they're deployable, B–1s. Clearing and levelling the more practicable leg should be easy; deepening the lagoon entrance and long anchorage inside may be another matter. In any case, the atoll has possibilities. Just over four degrees south of the Equator, it is well out of the roaring forties and nearly invisible to such hostile searchers as are unacquainted with navigation. Against more sophisticated enemies its only defenses must be the aircraft and warships using it. Due to its location, however, its value as a communications base may be considerable.

It has, of course, been sheer coincidence that England's stepped withdrawal from her possessions east of Gibraltar, now demilitarized and useless, has been matched by simultaneous Russian naval and political advances. The continuous probing the Indian Ocean which commenced shortly after partition of India was at first confined to electronically-equipped fishing trawlers and oceanographic vessels—the latter, perhaps incidentally, making substantial contributions to the world's knowledge.

It soon became apparent, however, especially after the 1967 Arab-Israel War and the blocking of the Suez Canal, that Russian naval interest is carefully selective. With base facilities at Egypt's Alexandria and Port Said secured, the other end of the Suez Canal became as important as the Red Sea littoral.

Somalia was forthwith courted assiduously, by both communist superpowers. But in the end, Russian offers to modernize the Somali ports of Berbera, Mogadishu, and Kismayu, equip the Somali Armed Forces with modern weapons, and provide food and economic aid outbid a Chinese offer of railroads.

When the British Navy withdrew from its major base at Aden, Russian political subversion succeeded in obtaining not only agreement of the South Yemeni sheikdoms to unification but also a South Yemen welcome to the Russian fleet. With both shores of the Red Sea and the Somali Indian Ocean coast thus under semi-Soviet control, the USSR's next thought was of the island of Socotra, 130 miles east-northeast of Cape Gardafui and the Horn of Africa, and on the direct east-west ocean route between Malacca and the Red Sea—also on the vertical north-south ocean route between the Arab-Persian Gulf and the Cape of Good Hope. Socotra belongs, moreover, to the South Yemeni Peoples' Republic. It came as no surprise, therefore, when it was reported in 1970 that Russian marines had landed on Socotra, built a communications station there and laid out landing strips for an air base. During the 1971–72 Indo-Pakistan War, Socotra's northern coast was the rendezvous point for the Russian Navy. It remains today the western pivot for Russian naval operations in the northern Indian Ocean.

At the opposite side of the Indian Ocean, in the northeastern corner known as the Bay of Bengal, as much an arm of the Indian Ocean as the Arabian Sea, lies the eastern pivot. In February 1973 the officer commanding Russian forces at the solitary Bangladesh port of Chittagong announced that his command would remain there for several years "in order to chart the seas and map the coast of the area." Since early 1972 the Russian Navy and Russian engineers have been hard at work in the upper bay and around the river approaches and the port of Chittagong. Thus, Chittagong, across the bay from India's Vishakhapatnam (also used by the Russian Navy), likely will remain the easternmost Russian naval base in the area, along with Vishakhapatnam, while Aden, almost 4,000 miles sea-distance away, does duty at the extreme oceanic west.

Legally, Socotra is, as stated, the property of the Peoples' Republic of South Yemen. But when Aden permitted the landing by Russian marines and construction of Soviet facilities along the flat desert-like shores of the south coast, the right of eminent domain was, in effect, surrendered to Moscow. Since 1971, Russia has erected a permanent communications base in Somalia's mountains on the Horn of Africa, so that on Socotra may now be discarded. But the island remains a valuable corner of the scalene triangle completed by Berbera and Aden.

With that Red Triangle monitoring all ship traffic, east and west, north and south, in the western Indian Ocean, control of the Indian Ocean north of the Equator appears to have passed to Admiral Sergei G. Gorshkov's *Pax Sovietica*. The question now is whether the western democracies have the will and the wisdom to maintain their own tenuous toeholds elsewhere in that strategic area.

FRAMEWORK FOR ORDERLY FOREIGN TRADE?

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. FASCELL. Mr. Speaker, earlier this month the President's very able Special Representative for Trade Negotiations, Ambassador William D. Eberle, delivered a major address before the Society of American Business Writers on foreign trade as related to our increasing dependence on foreign resources, the increasing need for better world cooperation on trade issues, and the impact of the world inflationary spiral. In his address Ambassador Eberle also summarized the impressions he gained on a recent mission to Latin America. Because of the importance of trade issues to virtually every part of the Nation, I am certain that many Members will find Ambassador Eberle's speech most informative:

FRAMEWORK FOR ORDERLY FOREIGN TRADE?

The language of foreign trade, even to some business journalists, must frequently seem dull and esoteric. Such terms as surpluses or deficits in international payments accounts are simple enough, but such issues as customs unions, rules of product origin, non-tariff barriers, and discriminatory trade agreements usually end up being so complex that only the trade specialists get excited about them.

Tonight, I want to move away from this traditional focus and talk about trade in a more general and more current perspective. I'm therefore not going to talk about such matters as reverse preferences, or GATT Article XXIV, Paragraph 6, or antidumping duties.

Instead, I want to talk to you about three propositions. *First*, that our own economic welfare has become more dependent on what happens in other economies—on the ability of others to supply us with the goods we need to run our factories or to satisfy our desires as consumers, on their ability to buy the output of our farms and factories, on the economic policies of other governments. *Second*, this increased dependence makes it more essential than ever for us to be able to cooperate with other governments on the design and implementation of policies that affect us in common, and to resolve the disputes that can arise as each government seeks to satisfy the economic and social objectives of its electorate. *Third*, in the coming months, we are likely to experience a continuation, and perhaps even a worsening, of the worldwide inflationary pressures that have plagued us in the past years. In this situation, all governments will come under strong public pressure to alleviate the problem. It remains an open question whether governments will respond to their pressures by taking unilateral, beggar-thy-neighbor type actions or whether they will show the statesmanship to work together. If they should take the first road, the results could be devastating economically and politically. If they take the second road, the world could come out of the present crisis better equipped to manage economic relations in our interdependent world. What fork in the road countries will choose will depend in no small part on our leadership. Let us examine these propositions, and their implication for us as a nation.

The first proposition is that our economic welfare has become more dependent on our trade links with other countries. Anyone who has waited in long lines at gasoline stations this spring has, I am sure, become aware of this increased dependence on others. Similarly, anyone who has done any shopping recently, I am sure, has noticed the increased prices and shortages which have resulted in large part from economic events outside our borders. No less an authority than John Dunlop, the Director of the Cost of Living Council, who appeared before you yesterday, pointed out that "The major lesson of the inflation of 1973, is the reality that we live in a vastly more interdependent world in primary commodities and manufactured goods than ever before. . . . The time has come to equip ourselves with trade policies to deal with these new conditions."

The second proposition is that this increased economic interdependence requires better forms of international cooperation, not only because your government, or any other government, acting independently can no longer adequately assure your economic welfare, but because the economic friction that can result from unilateral non-cooperative actions can poison political and security relationships. After World War II, the United States took the lead in organizing an international framework for economic cooperation among countries. One element of this framework was the General Agreement on Tariffs and Trade, which established some rules of the road for international trade relations and provided a forum where countries could meet to reduce their barriers to trade on a reciprocal basis and to sort out trade conflicts. This framework has served the world well in providing a basis for expanded trade. The real world, however, has now outgrown the scope of an agreement that was designed to permit countries to take the first cautious steps towards expanded trade. It is woefully inadequate for a world in which the reduction of barriers has led to greatly expanded economic links among countries. What is needed now are new rules and arrangements which will allow governments to cooperate with each other in managing their economies. They cannot avoid doing so, because the policies adopted by any one government inevitably affect economic conditions in other countries. This need for greater cooperation, however, does not imply the need to sacrifice our own freedom of action. The trick is to recognize this high degree of interdependence among nations, and still allow sovereign states to set their own priorities and make their own decisions.

How do we insure one nation's freedom to act in such an interdependent world? I would suggest that this is not a new problem. It is very similar to how an individual's freedom is maintained as a citizen of a nation.

How do one nation's economic policies affect a direct impact on the economies of other nations?

Subsidies may permit products to enter another market unfairly. Quotas may prevent products from being exported from one country to another. It may be competition from undervalued currencies, or capital restrictions which prevent a free flow of trade and investment around the world.

How do we avoid conflict and yet preserve our economic freedom? By establishing a framework where there are international guidelines which provide for alternative options, so that individual sovereign nations can make decisions, have their own priorities, and yet make those decisions within these acceptable guidelines with a minimum of tensions and irritations.

Now, beyond these considerations, we also have to look at the interdependence of the economics, politics and security of the world.

Around the world today a tremendous range of issues is being negotiated. We have the Strategic Arms Limitation Talks—SALT II, the Mutual and Balanced Force Reductions—MBFR; the Congress on Security and Cooperaton in Europe; we have begun international consultations on energy; we are preparing for a world conference on food; we have a whole string of conferences on the law of the sea, and the use and control of our natural resources and ecological balance.

All of these are taking place on the political side or the security side. It is not our intention to hold any one of these as a hostage for any other. In the real world, it is all too clear that, unless all of these areas are managed together, the irritations and tensions in one can create a bad atmosphere which can overflow to undo progress in another. It is this kind of interdependence that we are experiencing and that is why we are trying to find an improved system to manage trade to play its part in an overall movement away from confrontation and toward an era of negotiations.

That is the kind of interrelationship that must be assessed as we go along, and the kind of parallel effort we are talking about. We see trade negotiations not as a test of strength but as a test of joint statesmanship. We can then be able to start the process of erecting a durable structure of peace in a world from which all nations can benefit from increased trade.

The third proposition is that we are likely to experience serious inflationary problems and supply shortages in the period ahead. You are all aware of the large increases which have taken place recently in the price of oil and other forms of energy. As these increased prices for energy will make it more expensive to produce other goods, and will thus create upward pressures on other prices. In addition, we have indications that other raw materials might similarly rise in price, both as a result of natural constraints on supplies and as a result of efforts of the producers of such other raw materials to organize themselves into producer cartels that would agree to limit production.

This lesson has been recognized by the Congress as well, and a broadened concept of our trade objectives has been embodied in proposals by Senators Mondale, Ribicoff, Chiles, and others, suggesting that the U.S. trade negotiative objectives ought to encompass management of the condition of supply of raw materials.

Second, in order to improve our ability to cooperate with other countries, we must again have the necessary authority from Congress.

Now, I note that there have been predictions there will be no Trade Reform Act passed by Congress this year, and therefore no new round of multilateral trade negotiations. I believe we must have a trade bill, and a round of multilateral negotiations, not just because the Administration wants one, but because most of the political leaders of the world are convinced they need one to cope with a critical period of interdependence in the world.

But, suppose for a minute with me that I'm wrong and that recognition of these interdependencies simply is not in the Congressional cards this year—that there will be no trade bill and no new multilateral trade negotiations.

Then what? Or, some of you may ask: so what? What difference will it make?

I just returned last week from an extensive tour of Latin American capitals, in which I headed an interagency team of ranking trade policy officials whose assignment it was to follow up the initiatives offered by Secretary of State Kissinger toward a new "politica de buen socio"—a policy of good partnership, based not on rhetoric and promises, but on concrete solutions to specific issues in the trade field. Our purpose was to consult and to listen; to discuss freely and frankly with our important trading partners to the South the ongoing, continuing trade problems and opportunities. To sift, if you will, the grist of future trade negotiations; the stuff of which these economic—and political and security—interdependencies are made.

I come back from those consultations feeling a little like Charles Dickens' Scrooge after being visited by the ghost of Christmases future. I feel we got a glimpse of what the trading world might look like without a Trade Reform Act, and without a Tokyo Round. Let me share a little of that vision with you, by describing first what that world would *not* look like. It would *not* be a world in which all the trade problems, recognizing that there is no multilateral framework in which to resolve them, will obediently dry up and blow away. It would *not* be a world in which other countries, accepting a new U.S. effort to "Bring America Home," will cease to look to U.S. leadership in resolving international economic problems. It would *not* be a world in which the U.S. can continue to grow and prosper at home and abroad by working around increasing trade irritations and disputes without the legal domestic and international machinery to work them out directly.

Rather, I think it would be a world in which bilateral economic relationships, and disputes, proliferate—not only between nations but between nations and defensive regional blocs as well. It would be a world in which—with all the good will and intentions we can muster—we find ourselves grappling at problems through makeshift measures, each "solution" risking the generation of still other problems.

I do not single out Latin America as the source of most of these trade problems; to the contrary, issues with Europe, Japan, and Canada would add up to more in number, if not in importance. But our swing through Latin America brought home to us in microcosm a representative sampling of the bilateral trade problems and opportunities that can develop between good trading partners and friends, and the recognition that these will not fade away with the postponement of a new U.S. trade law and a new round of multilateral negotiations.

Here are just a few of the more important examples:

1. *Commodity producers' concerted action groupings.* The example of the Organization of Petroleum Exporting Countries (OPEC) is no idle reference for general debate in the United Nations. Producers of such commodities as bauxite, copper, coffee, tin, bananas, and sugar are all at various stages of considering similar price-protective associations. We urged that they include consuming nations to assure an equity of interests, but the results are far from final.

2. *Retaliation against "subsidized" exports.* Never was the need for an agreed set of international guidelines on acceptable and unacceptable export "subsidy" practices more clearly demonstrated than on our Latin American trip. Most Latin countries are trying, with the encouragement of the U.S. and other industrialized nations, to diversify their exports in order to better earn their own way in world trade. Yet one country, for example, is concerned that its export promotion rebates to all its new industries may run afoul of an 80-year old U.S. law aimed at export subsidy practices ill-defined as "bounties or grants." For our part, our Domestic International Sales Company (DISC) tax preference has been challenged by the European Community.

3. *Improved access to markets.* Amelioration of special U.S. import restrictions against such commodities as cigars, sugar, meat, and rum, and some manufactured products, is being seriously pressed by a number of Latin countries, just as we claim discrimination against a number of U.S. exports by other developed countries in their markets or third markets.

The list goes on and on. These and other specific bilateral problems could, of course, best be resolved on a multilateral basis, under which new rules of the international trade laws could be staked out for all to follow, or to pay an accepted penalty for violating them for unilateral reasons.

It is to manage these specific, day-to-day bilateral trade problems, which affect everything from what we wear to what we eat and drink—as well as to sustain economic growth and living standards at home and abroad through multilateral trade expansion and reform—that we so urgently need the Trade Reform Act and the Tokyo Round.

But managed these bilateral problems must be—with or without the benefit of a new law and order for international trade.

Finally, let me suggest where we stand today in respect to the TRA and its prospects for passage.

The bill passed the House in its present form last December by an unprecedented two-to-one margin. If votes could be taken today in the Senate Finance Committee and on the floor, I have no doubt a good bill—basically acceptable to both Congress and the Administration—could be worked out in joint Senate-House conference committee and sent to the White House for enactment shortly, within a matter of days or a couple of weeks.

The main problem is the bill's so-called Jackson-Vanik amendment adopted on the House floor, which would condition both new authority to extend equal tariff treatment and existing authority to extend trade credits to communist countries on a finding that such countries maintain unrestricted emigration.

Secretary Kissinger has publicly testified to his willingness to explore a reformulation of this amendment with Senator Jackson and other Senate leaders—a reformulation which would not prohibit such tariff treatment and credits, but which would preserve the human rights expression reflected in the Jackson-Vanik amendment, subject to Congressional participation in determining the terms and conditions of such an offer.

Without such a reformulation, the President has indicated that Jackson-Vanik language as it now exists would be unacceptable.

There are other, minor improvements—most of a technical nature—which we would like to see considered and adopted, and a host of proposed Senate amendments may have to be dealt with on the Senate floor. But Jackson-Vanik remains the principal problem to be resolved.

I remain confident that the bill will be enacted. But to assure that result, and the much-needed multilateral reforms which can only flow from it, we must make clear to the public, and through it the Congress, how important this is to our own standard of living and security.

SAFEGUARDING NUCLEAR MATERIALS FROM DIVERSION FOR WEAPONS

Mr. PRICE of Illinois. Mr. Speaker, in the past few days there have been numerous articles in the newspapers concerning the possible diversion of special nuclear materials for the clandestine production of nuclear weapons. The probability of such an occurrence is presently exceedingly small since, in addition to the difficulties involved in diverting such material from its normal channels, the talents and facilities required for the fabrication of a nuclear device are highly specialized and limited. On the other hand, since the possibility does exist and since the flow of the materials involved in commercial channels will increase significantly in the future in order that our energy requirements can be met, the matter of diversion of such materials must be given additional consideration.

In this respect, I would like to invite the attention of my colleagues to a special panel that I have appointed to review one of the most critical areas involved in the diversion of nuclear materials—the transportation area. Following are the panel members along with a brief statement concerning their affiliations and qualifications:

Mr. John T. Conway (Chairman of the Panel) Executive Assistant to the Chairman of the Board of Consolidated Edison Company. Formerly Special Agent of the FBI and Executive Director of the Joint Committee on Atomic Energy. Mr. Conway is a lawyer and engineer.

Mr. Carmine S. Bellino, formerly Administrative Assistant to J. Edgar Hoover and in charge of the FBI's Accounting Unit. Mr. Bellino is a certified public accountant. He has performed a special survey of the safeguarding of nuclear materials for the AEC.

Dr. K. Z. Morgan, Professor, Nuclear Engineering Department, Georgia Institute of Technology. Formerly Director of Oak Ridge National Laboratory Health Physics Division (1943–72) and Cosmic Ray Physicist.

Mr. John G. Palfrey, Professor of Law at Columbia, formerly Dean, Columbia College, Atomic Energy Commissioner, Fellow Kennedy Institute of Politics at Harvard, and Chairman of the AEC's Advisory Committee on Nuclear Materials Safeguards.

Dr. Theodore B. Taylor, Chairman of International Research and Technology Corporation. Formerly consultant to International Atomic Energy Agency on international safeguards of nuclear materials, Deputy Director, Defense Atomic Support Agency; and staff member of the Los Alamos Scientific Laboratory.

Mr. William Wegner, Deputy Director of Naval Reactors Division of AEC with special responsibilities in regard to nuclear materials.

I believe this panel is outstandingly well qualified to study the question of diversion and report to the committee and the Congress what they find. Every one of the panel members has outstanding qualifications in the fields involved in protecting special nuclear materials and in the safe handling of such materials. I want to again thank all of them for taking on this duty. I am sure their efforts will help us to take the proper actions in dealing with these matters—particularly in the future as the amount of materials in commercial channels significantly increases.

Senator John O. Pastore, Vice chairman of the Joint Congressional Committee on Atomic Energy and I recently addressed a letter to the Chairman of the AEC concerning the adequacy of the AEC's efforts in the field of safeguards. Our letter and the Commission's response cover substantive factors involved in the safeguards problem. Accordingly, for the benefit of my colleagues, I would like to include both my letter of May 3 and the AEC response of May 17 at this point in the Record:

May 3, 1974.

Dr. Dixy Lee Ray,
Chairman, U.S. Atomic Energy Commission,
Washington, D.C.

Dear Dr. Ray: The crescendo of publicly expressed concern about precautions needed to safeguard special nuclear material from possible diversion and the clandestine manufacture of weapons makes it mandatory that the Commission provide a prompt, clear response respecting the current situation and the Commission's assessment and plans in relation to projected civilian activities in nuclear areas.

Of course, we are cognizant of the testimony of the Commission's staff on this subject over the past several months, and of the views in your February 20th letter commenting on Dr. Ted Taylor's testimony earlier this year criticizing the safeguards measures. However, the public must be satisfied that the Commission is dealing adequately with this major aspect of the civilian nuclear program. In our judgment, this problem should be addressed by the Commission on a high-priority basis. The public must be given the facts, and any present or upcoming inadequacies in the safeguards system must be promptly eliminated.

It may well appear to the public that there has been a lack of leadership by the Commission in this area. The delayed reactions to the two most recent GAO reports concerning safeguards, and the absence of a substantive response to statements of concern based on the consultants' report which was aired last weekend tend to instill unease and erode confidence.

The Committee would appreciate receiving your early reply.

Sincerely yours,
Melvin Price,
Chairman.
John O. Pastore,
Vice Chairman.

U.S. Atomic Energy Commission,
Washington, D.C., May 17, 1974.
Hon. Melvin Price,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

Dear Mr. Price: I am pleased to respond to the May 3, 1974 letter from you and Senator Pastore concerning the Commission's special nuclear material safeguards program. Let me assure you that at this time there is nothing more important to the Commission than the effective operation of this program. Up to now, there have been no losses of special nuclear material due to subversion or sabotage. The credit for this record we share with you.

But, times do change. We cannot rest on this accomplishment. Due to the requirements of a growing nuclear industry there is more information on nuclear physics available and there are more people with this expertise—and weapons expertise—in our society. Except for fuels materials for military and development reactors there is relatively little highly enriched uranium, plutonium or U–233 in the licensee system now; but with the advent of HTGR, LMFBR, and plutonium recycle, there will soon be a considerable amount of such material in use.

We recognize two immediate problems. The first is to assure that the goals of our safeguards program are adequate and that our management of safeguards matters is effective for present conditions as well as for the future. You know of our recent improvements in regulations effecting licensee safeguards. The first round of inspections of the implementation of these standards is underway. The Commission also is considering policies regarding particular aspects of the program—such as transportation of special nuclear material and the security background checks of personnel in key positions. Our reviews of all aspects of the licensee's program will continue. It is worth noting that we have taken many preliminary actions well before the current public concern over safeguards matters; and we are making changes based on these actions to maintain the effectiveness of the system.

The second problem is that of public concern. The general sense of public frustration over the faults in our way of life are nowhere better evidenced than in the highly technical aspects of national nuclear programs. We work hard at improving public understanding. Further plans are underway and, in the meanwhile, we solicit your assistance.

In closing, I wish to reiterate that we have operated an effective safeguards system; but we must set higher standards in order to update its effectiveness in light of changing conditions, and we must make every effort to increase public confidence in that effectiveness. I have enclosed some documents to further assure you of our resolve.

Sincerely,
Dixy Lee Ray,
Chairman.

[Comparison of the GAO recommendations and the new Commission regs.]

ANALYSIS OF DEFICIENCIES CITED BY GAO IN THE PROTECTION OF SPECIAL NUCLEAR MATERIAL IN TRANSIT

I. *A shipment was made on a flatbed truck with an open cargo compartment.* Paragraph 73.30(c) of 10 Code of Federal Regulations, prohibits shipment of containers weighing 500 pounds or less in open trucks, railroad flat cars or box cars and ships. Heavier containers may be shipped on flatbed trucks but must be locked. On the General Manager's side, it is required that packages be either in the continuous custody of AEC or DOD cleared personnel or, if shipped via for-hire carrier, locked or sealed in vans or freight containers.

II. *The truck was not equipped with an alarm or communications equipment.* Paragraph 73.31(c) of 10 Code of Federal Regulations, requires that each motor vehicle used to transport SNM be equipped with a radiotelephone. The General Manager has similar requirements with respect to nonlicensed shipments.

III. *The truck driver was alone and unarmed.* Paragraph 73.31(c) of 10 Code of Federal Regulations, governs motor vehicle shipments and requires either:

A. An armed escort, consisting of at least two armed guards, accompanying the shipment in a separate escort vehicle. Also, the shipment vehicle itself must have two occupants for trips equal to a greater than one hour and one person for shipments less than one hour; or

B. use of a specially designed truck or trailer which reduces vulnerability to diversion. Two people must accompany this method of shipment. An armored car with two armed guards would be one manner of meeting this requirement. In the alternative a vehicle of special design not yet in use could be utilized.

In regard to shipments subject to AEC's regulatory requirements, the AEC and GAO advise that the Supreme Court's decision in 1968, in the *Schneider* v. *Smith* case, indicates that it would be advantageous to clarify a section of the Atomic Energy Act to specify in so many words that the AEC's authority to prescribe regulations to guard against the loss or diversion of special nuclear material includes the authority to predetermine the trustworthiness of drivers and guards involved in shipments. The Joint Committee has no question about the intent underlying Sec. 161(i) of the Atomic Energy Act (42 U.S.C. 2201(i), and believes such authority is implicit in that section. If necessary or advisable, the Joint Committee will recommend that this intention be restated by the Congress.

The General Manager requires that shipments be accompanied by two people having AEC or DOD security clearances. Virtually all such escorts are AEC or DOD couriers who are armed even though at present there is no overall requirement for use of armed personnel. A requirement for arming has recently been included.

IV. *There was no preplanned routing; the driver chose his route.* Paragraph 73.30(b) of 10 Code of Federal Regulations, requires that shipments be preplanned to assure that deliveries occur at a time when the receiver will be present at the final destination. Both paragraph 73.30(b) and the General Manager require that routes be selected to avoid areas of natural disaster or civil disorders. Also, paragraph 73 requires each licensee to submit a plan outlining the procedures that he will use to meet the new transportation security requirements of sections 73.30 through 73.36 and section 73.70(g). Each approved plan contains a license condition which requires that telephone call-in time be preplanned.

V. *There were no periodic call-in points to let the shipper or receiver know the trucks' whereabouts and to confirm that no problems had been encountered enroute.* Paragraph 73.31(b) and the General Manager require that periodic calls be made to specified reporting points every two hours, with allowances up to five hours for licensees under certain specified circumstances.

VI. *The seals on the shipping containers could be easily duplicated, thus defeating the purpose of seals which was to detect unauthorized tampering.* Paragraph 73.30(c) requires that SNM be shipped in containers which are sealed by tamper-indicating type seals, and also that either the container or the vehicle be locked. In most cases, the freight container (into which packages are loaded) or vehicle must also be sealed with a tamper-indicating seal. The General Manager also requires that for-hire trucks must be locked or sealed.

VII. *The material was shipped in portable containers that could be carried by one individual without the aid of mechanical handling equipment.* Use of portable containers is still permitted; however, containers of 500 pounds or less must be locked and shipped in locked trucks. The General Manager has essentially prohibited less than full load shipments so that packages would never be exposed to across-the-dock handling by uncleared personnel; access to the cargo, except by cleared and authorized personnel, is also prohibited.

VIII. *At the airport, the material was stacked on a dolly in an open bay area.* Paragraph 73.35(b) of Code of Federal Regulations, requires that an armed guard maintain continuous visual surveillance of a shipment at all times while located in a terminal or in storage. The General Manager's requirements also prohibits such operations, unless conducted in the continuous personal custody (direct observation) of AEC or DOD cleared people.

ANALYSIS OF DEFICIENCIES CITED BY GAO IN FIXED SITE PROTECTION

The following is a list of weaknesses cited by GAO in the report, "Improvements Needed in the Program for the Physical Protection of Special Nuclear Material." Included are the paragraphs in the physical protection amendments which speak to the points raised by GAO.

WEAKNESSES

1. *Weak physical security barriers:*

Paragraph 73.50(f) requires barriers to be maintained in effective condition.

2. *Ineffective guard patrols:*

Paragraph 73.50(b) requires an isolation zone around the perimeter barrier, which is monitored to detect the presence of persons or vehicles in the zone, and requires that the protected area within be monitored or periodically checked.

3. *Ineffective alarm systems:*

Paragraph 73.50(f) requires that intrusion alarms be maintained effective and tested at least once every seven (7) days. Paragraph 73.50(c) requires unoccupied vital areas and material access areas be protected by an intrusion alarm, which must, like all such alarms, annunciate in at least two continuously manned locations as required by paragraph 73.50(d).

4. *Lack of automatic detection devices:*

Paragraph 73.50(c) as mentioned above, requires intrusion alarms. Paragraph 73.50(c) also requires monitoring and searches which will probably be accomplished by use of detection devices.

5. *Lack of plans for recovering SNM:*

The licensees are required by paragraph 50.34(c) to have a security plan to protect SNM from theft or diversion. Actual recovery is a governmental responsibility. Paragraph 73.50(e) requires licensees to have an effective communication system to notify authorities.

6. *Incomplete inspections with respect to security:*

Inspections would now be conducted against both the detailed requirements in the regulations and against the facility's security plan (paragraph 50.34(c)).

7. *Watchmen following distinct patterns on tour:*

The requirement of intrusion alarms along with monitoring should supplement greatly the guard patrol.

8. *SNM stored in pre-fab steel structures:*

Paragraph 73.60(a) restricts storage or use of SNM to a material access area, which by definition in paragraph 73.2(j) is within a building of stone, brick, concrete, steel, or comparable material. A Butler building would not likely be appropriate.

9. *Effective guard force:*

Paragraph 73.50(a) requires training and equipping of guards and watchmen, and requires that security procedures be written which detail duties of guards and watchmen.

10. *The fenceline (which is the primary security barrier) is weak and vulnerable to undetected entry:*

Paragraph 73.50(b) requires an isolation zone which by definition (paragraph 73.2(k)) is monitored to detect the presence of persons or vehicles; furthermore, vital areas and material access areas are within buildings within protected areas, thus requiring two physical barriers rather than one (paragraph 73.2(h)) and (paragraph 73.2(j)).

11. *Illumination was inadequate:*

Paragraph 73.50(b) requires illumination sufficient to the monitoring required.

12. *Locks were damaged and inoperative:*

Paragraph 73.50(f) requires that locks be maintained. Further, paragraph 73.50(c) requires locks to be changed if an employee leaves or if there is reason to believe that they have been compromised.

13. *Security requirements are vague and incomplete:*

The regulations set forth detailed and specific requirements. The rule is supplemented by Regulatory Guides which give detailed acceptable means of meeting the regulations.

14. *No routine interchange of inspection reports between the General Manager and Regulation on licensees who possess both classified and unclassified SNM:*

The removal of the exemption for classified SNM from requirements of Part 73 places classified SNM under Regulatory Operations inspections. Regulatory Operations and Security will cooperate in a single inspection for both classified and unclassified SNM.

15. *Licensees are not required to report operational security changes:*

Paragraph 50.34 (c) requires the licensee to detail his security procedures in the security plan and paragraph 50.54(p) requires notification and AEC approval before any change to a security plan is made which would downgrade security. The AEC also is notified of any operational change which the licensee has made but which does not downgrade security.

SUMMARY OF ACTIONS TAKEN ON SAFEGUARDS BACKFITTING PLANS FOR FUEL FACILITIES—MAY 14, 1974

1. FACILITY SECURITY PLAN

(a) *Description*

Regulations required a physical security plan consisting of two parts. Part I must address vital equipment, vital areas, and isolation zones, and must demonstrate how the licensee plans to meet the new physical protection requirements applicable to nuclear plants. Part II must list tests, inspections, and other means to demonstrate compliance with the new requirements. The licensee is prohibited from making any change which would decrease the effectiveness of the security plan without prior Commission approval. Other changes made without prior Commission approval must be reported to the Commission within 2 months after the change is made. The new requirements apply to licensees authorized to possess 5,000 grams or more of SNM computed by the formula, gram=(grams of contained U–235 in enrichments 20% and above)+2.5 (grams U–233+grams of plutonium).

(b) *AEC licensees subject to requirement*

Twenty-nine licensees were required to submit facility security plans on the basis of their authorized possession limits as of January 6, 1974 when the requirement became effective. We evaluated only 23 plans, because six licensees subsequently requested and were issued license amendments to reduce their possession limits below the Part 73 "trigger" quantities.

By March 11, 1974, we had completed the review of all plans. All but two of the 23 plans were approved and license amendments were issued requiring licensees to comply with their plans. A number of specific license conditions were incorporated in each license to supplement the approved plans so as to assure that an adequate level of protection would be provided to meet the intent of the regulations. Onsite visits were made in connection with each review.

The two facility security plans not accepted were those submitted by Battelle Memorial Institute, Columbus, Ohio, and by NUMEC, Apollo, Pennsylvania, for its high enriched uranium operations. We rejected the Battelle plan on February 22 and received a revised plan for review on March 19.

We conducted an onsite visit on April 3 and 4, 1974, and, at our request, Batelle submitted additional information which we received on April 29, 1974. We expect to complete our review on May 17, 1974. On the basis of our review thus far, we believe that the plan, supplemented by additional license conditions, will be acceptable.

We issued an order to NUMEC on March 11 modifying its license to reduce the possession limit to less than 5,000 grams the quantity of U–235 (contained in uranium enriched to 20% or more in the U–235 isotope) effective September 1, 1974 and modifying the license to incorporate interim license conditions to assure a higher level of protection than proposed by NUMEC for "trigger" quantities of U–235. Following issuance of the order, we visited the NUMEC facility to discuss possible modifications to the security plan. On March 25, NUMEC submitted a revised security plan and requested that the order be changed to permit continued operations at the Apollo facility with the previous authorized quantities of U–235. We reviewed the revised plan, prepared supplementary license conditions, and on May 7, 1974 informed NUMEC that we will make appropriate modification to the order when we have determined that the combination of those measures described in the plan and those described in the proposed license conditions are in place and operational at the Apollo facility.

(c) *Manpower required for reviews*

We completed the review of these plans on an accelerated schedule using a Task Force composed of 8 people. A total of 3,032 hours were expended in reviewing the plans.

(d) Remaining work

As noted above, we have work remaining on one case, which we expect to complete by May 17.

Two licensees (United Nuclear-Naval, New Haven and Montville, Connecticut, and Babcock & Wilcox-Naval) have indicated that they may want a hearing on the license conditions that we placed in their licenses.

We are processing a number of requests from licensees for changes in their physical protection license conditions.

2. TRANSPORTATION SECURITY PLAN

(a) Description

Regulations required a plan outlining the procedures that will be used to meet the transportation protection requirements, including a plan for the selection, qualification and training of armed escorts, or the specification and design of a specially designed truck or trailer as apporpriate. The licensee is prohibited from making any change which would decrease the effectiveness of the transportation plan without the prior approval of the Commission. Other changes made without prior approval by the Commission must be reported to AEC within two months after the change is made.

(b) AEC licensees subject to requirement

All licensees who were required to submit facility security plans were also required to submit transportation security plans. Only 13 comprehensive transportation security plans were submitted. Ten of these were from licensees and three were from companies who intended to provide a transportation service to licensees. The latter three companies are Edlow International, Tri-State and Transnuclear. The licensees who did not submit comprehensive transportation security plans stated that they would not make shipments of SNM above "trigger" quantities until they give us an acceptable plan. All such licenses have been amended to specify this. All reviews and licensing actions were completed by March 6, 1974.

(c) Manpower required for reviews

As with facility security plans, we completed the review of the submitted plans using a Task Force composed of three people. A total of 707 hours were expended in the review of the plans.

(d) Remaining work

Licensees who did not submit comprehensive transportation plans will be doing so in the weeks and months to come. We expect that many of these will specify that SNM will be transported by one of the transportation service companies. A number of requests for changes in approved plans are being processed.

3. PHYSICAL INVENTORY AND LEMUF PROGRAM

(a) Description

Regulations required a full description of the program to be used by the licensee to comply with strengthened material control and inventory requirements, including measurement limits of error associated with materials unaccounted for. Licensees are prohibited from making a change in the program approved by the Commission which would decrease the effectiveness of the material control and accounting program, without the prior approval of the Commission. Other changes made without prior Commission approval must be reported to the Commission after 2 months to 6 months of change depending on the type of SNM involved.

(b) AEC licensees subject to requirement

Twenty-nine fuel facilities were required to submit material accountability plans on the basis of their possession limits. Twenty-six plans were received and reviewed by May 10, 1974. Each plan was incorporated as a condition of license and supplemented by a number of license conditions to assure that an adequate level of control and accounting would be provided to meet the intent of the regulations.

Of the remaining three, the United Nuclear Corporation requested an exemption from submitting a plan for its New Haven facility based on an early termination of operations. We denied the request and asked the Company to submit a program description by May 24, 1974, because high enriched uranium will be processed for several months at that location. The Nuclear Fuels Services' reprocessing plant that is currently shut down was granted an exemption from submitting a plan by March 6 since such a submittal will be required in a separate licensing action for its expansion program. The Gulf Nuclear Fuels Company was granted an exemption from submitting a plan for its New Haven facility on the basis that its possession limit for high enriched uranium will be lowered below threshold quantities by July 6, 1974, and its limit for low enriched uranium will be lowered below threshold levels by November 6, 1974.

In accordance with the provisions of 10 CFR 70.51(e)(6), three licensees were temporarily granted higher LEMUF limits than those specified in 10 CFR 70.51(e)(5). A LEMUF limit of 0.7 relative percent was granted to the Nuclear Fuel Services' high enriched uranium plant at Erwin, Tennessee, until August 31, 1974. For one year, the plutonium plant of Kerr-McGee in Oklahoma was granted a LEMUF limit of 1.8 kilograms of plutonium for a single inventory period. The HTGR fuel fabrication operation of General Atomics in San Diego, California, was granted, for one year, LEMUF limits of 3.0 kilograms of U-235 and 3.2 kilograms of total uranium for a single inventory period.

(c) Manpower required for reviews

A task force of twenty-five people was employed to conduct the accountability reviews between March 26 and May 10, 1974. A total of 5,825 hours was required to complete the reviews.

(d) Remaining work

As noted above, we have work remaining on one case. We expect to complete this within 30 days of receipt of the plan.

We anticipate a number of requests will be received for changes in licensee plans and conditions of licenses.

Overview of AEC Safeguards Projects

1. Materials and Plant Protection Program Statements.

A. Safeguards Policy Paper being prepared by staff for consideration by the Commission.

B. Regulatory Goals and Objectives paper in preparation by staff.

2. Statement of ERDA/NEC Safeguards Interface.

A. Policy Paper being prepared by staff to define the interface between ERDA and NEC in the safeguards area.

3. Critique of Special Safeguards Study.

A. Staff has prepared an analysis of the Special Safeguards Study.

4. Review of Licensee Physical Security Plans.

A. Regulatory review of the physical security plans submitted as a result of recent regulation amendments is completed for fuel cycle plants and near completion for nuclear reactors.

5. Review of License Material Control Plans.

A. Regulatory review of the material control plans submitted as a result of recent regulation amendments has been completed.

6. Immediate Action Directive for Additional protection of unclassified special nuclear material shipments was issued by the General Manager on May 7, 1974.

7. Materials and Plant Protection Standard Format and Content.

A. Guides in the materials and plant protection area for applicants to use in preparing license submittals are in development.

8. Legislation to Permit Licensee "O" Clearance Program.

A. Proposed legislation has been submitted to Congress as part of current omnibus bill to enable Regulation to require clearances for certain licensee personnel.

9. Improvement of the Nuclear Material Information System (NMIS).

A. The NMIS is being revised to enable more prompt reporting of licensee inventory anomalies to Regulation.

10. Development of Alarm and Response Policy for Material Unaccounted for (MUF).

A. Staff is developing a detailed policy as to what action is to be taken when a licensee exceeds the new MUF limits.

11. Assessment of the Impact of the Present Reorganization Bills.

A. The impact of the Nuclear Material Security Bureau concept is being analyzed by Regulatory staff.

12. Evaluation of Revised Inspection Program for Licensee Safeguards Activities.

A. Regulatory evaluation of a revised inspection program based on the new regulations is now in progress.

13. Charter for a Regulation Safeguards Review Committee.

A. Proposed Charter has been prepared by Regulatory staff and submitted to the Director of Regulation.

14. Regulation Changes in Development.

A. Safeguards Design Criteria for Reprocessing Plants.

B. Safeguards Design Criteria for Fuel Fabrication Plants.

C. Sabotage Protection Requirements for Nuclear Power Plants.

D. Fundamental Nuclear Materials Control.

E. Measurement Control Program for Special Nuclear Material Control and Accounting.

15. Selected Research and Technology Programs in Process.

A. Diversion Path Analysis.

A study to determine the most probable locations in a plant where material might be diverted and methods to prevent such diversions.

B. Federal Guard Force Study.

A program to determine the feasibility of using a federal guard force to protect private material as opposed to private guards.

C. Threat Analysis.

A program to review the past terrorist activities in the country in order to profile potential future terrorists that could pose a threat to the nuclear industry.

D. Vulnerability Studies.

Programs to determine the vulnerability of power plants and fuel cycle facilities to sabotage.

E. Real Time Material Control.

A program to implement automated material measurement techniques in order to establish a real time inventory data system.

F. Continuous Communication.

A program to determine procedures for using continuous communication in licensee shipments.

G. Safe Secure Vehicle.

A program to design a vehicle for licensee use that will incorporate penetration resistance and immobilization features.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MANN (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. ADDABBO (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. VANDER JAGT (at the request of Mr. ARENDS), for the week of June 3, 1974, on account of illness.

Mr. BURKE of Florida (at the request of Mr. ARENDS), for Monday, Tuesday, and Wednesday, on account of personal business.

Mr. CORMAN, for today, on account of official business.

Mr. HOWARD (at the request of Mr. O'NEILL) for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HUBER) and to revise and extend their remarks and include extraneous matter:)

Mr. KEMP, for 15 minutes, today.

Mr. BLACKBURN, for 10 minutes, today.

(The following Members (at the request of Mr. OWENS) and to revise and extend their remarks and include extraneous matter:)

Mr. GONZALEZ, for 5 minutes, today.

Mr. DIGGS, for 10 minutes, today.

Mr. ALEXANDER, for 5 minutes, today.

Mr. OWENS, for 10 minutes, today.

Mr. ALEXANDER, for 30 minutes, on June 5.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the appendix of the RECORD, or to revise and extend remarks was granted to:

Mr. HUBER, to follow passage of Senate Concurrent Resolution 81.

Mr. PRICE of Illinois, and to include extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD, and is estimated by the Public Printer to cost $627.

(The following Members (at the request of Mr. HUBER) and to include extraneous matter:)

Mr. KEMP in five instances.

Mr. QUIE.

Mr. BLACKBURN.

Mr. CONLAN in five instances.

Mr. WYATT.

Mr. MIZELL in eight instances.

Mr. BAKER.

Mr. FROEHLICH.

Mr. STEIGER of Wisconsin in two instances.

Mr. MALLARY.

Mr. HOSMER in three instances.

Mr. CRANE in five instances.

Mr. KETCHUM.

(The following Members (at the request of Mr. OWENS) and to include extraneous material:)

Mr. LONG of Maryland in 10 instances.

Mr. WON PAT.

Mr. MOSS

Mr. GONZALEZ in three instances.

Mrs. MINK in two instances.

Mr. MOLLOHAN.

Mr. RARICK in three instances.

Mr. ANNUNZIO in six instances.

Mr. LONG of Louisiana.

Mr. DE LA GARZA in 10 instances.

Mr. SISK.

Mr. DIGGS.

Mr. ALEXANDER.

Mr. ROBERTS.

Mr. LEGGETT.

Mr. EDWARDS of California.

Mr. BURKE of Massachusetts in two instances.

Mr. SIKES.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2661. An act to amend the Land and Water Conservation Fund Act of 1965 so as to authorize the development of indoor recreation facilities in certain areas; to the Committee on Interior and Insular Affairs.

S. 3301. An act to amend the act of October 27, 1972 (Public Law 92-578); to the Committee on Interior and Insular Affairs.

S. 3433. An act to further the purposes of the Wilderness Act by designating certain acquired lands for inclusion in the National Wilderness Preservation System, to provide for study of certain additional lands for such inclusion, and for other purposes; to the Committee on Interior and Insular Affairs.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 11223. An act to authorize amendment of contracts relating to the exchange of certain vessels for conversion and operation in unsubsidized service between the west coast of the United States and the territory of Guam; and

H.R. 12925. An act to amend the act to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1752. An act prescribing the objectives and functions of the National Commission on Productivity and Work Quality.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 2 minutes p.m.), the House adjourned until tomorrow, Tuesday, June 4, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2396. A letter from the President of the United States, transmitting amendments to the request for appropriations transmitted in the budget for the fiscal year 1975 for the Department of the Interior (H. Doc. No. 93-310); to the Committee on Appropriations and ordered to be printed.

2397. A letter from the President of the United States, transmitting proposed budget amendments for the fiscal year 1975 for the Department of Housing and Urban Development and for the President's disaster relief fund (H. Doc. No. 93-311); to the Committee on Appropriations and ordered to be printed.

2398. A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting the supplemental summary of the budget for fiscal year 1975, pursuant to section 221(b) of Public Law 91-510 [31 U.S.C. 11(b)] (H. Doc. No. 93-312); to the Committee on Appropriations and ordered to be printed.

2399. A letter from the Chairman, National Labor Relations Board, transmitting lists of employees of the Board, cases heard, and the fiscal statement for the fiscal year ended June 30, 1973, pursuant to section 3(c) of the Labor Management Relations Act of 1947; to the Committee on Education and Labor.

2400. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination No. 74-19 authorizing the ordering of defense articles and services to provide military assistance to Cambodia; to the Committee on Foreign Affairs.

2401. A letter from the Assistant Secretary of the Interior, transmitting the Department's proposed management program for the King Range National Conservation Area and related documents, pursuant to Public Law 91-476; to the Committee on Interior and Insular Affairs.

2402. A letter from the National Railroad Passenger Corporation, Director of Federal Affairs, transmitting a report for the month of April 1974, on the average number of passengers per day and the on-time performance of each train operated, pursuant to section 308(a)(2) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

2403. A letter from the Attorney General, transmitting a draft of proposed legislation to remove the limitation on payments for consultant services in the Community Relations Service; to the Committee on the Judiciary.

2404. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation, together with a list of the persons involved, pursuant to section 244(a)(1) of the Immigration and Nationality Act, as amended (8 U.S.C. 1254 (c)(1)); to the Committee on the Judiciary.

2405. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a copy of an order suspending deportation in the case of Pablo Manuel Mozo-Roca, pursuant to section 244(a)(2) of the Immigration and Nationality Act, as amended [8 U.S.C. 1254 (c)(1)); to the Committee on the Judiciary.

2406. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to authorize the Judicial Conference of the United States to fix fees and costs in the U.S. district courts and for other purposes; to the Committee on the Judiciary.

2407. A letter from the Chairman, U.S. Water Resources Council, transmitting the second annual report on the progress in preparing a level B plan for river basins in the United States, pursuant to section 209 of the Federal Water Pollution Control Act Amendments of 1972; to the Committee on Public Works.

2408. A letter from the Board of Trustees, Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, transmitting the 1974 annual report of the Board, pursuant to section 201(c) of the Social Security Act, as amended (H. Doc. No. 93-313); to the Committee on Ways and Means and ordered to be printed.

2409. A letter from the Board of Trustees, Federal Hospital Insurance Trust Fund, transmitting to 1974 annual report of the Board, pursuant to section 1817(b) of the Social Security Act, as amended (42 U.S.C. 1395i(b)(2)) (H. Doc. No. 93-314); to the Committee on Ways and Means and ordered to be printed.

2410. A letter from the Board of Trustees, Federal Supplementary Medical Insurance Trust Fund, transmitting the 1974 annual report of the Board, pursuant to section 1841 (b) of the Social Security Act, as amended (42 U.S.C. 1395t(b)(2)) (H. Doc. No. 93-315); to the Committee on Ways and Means and ordered to be printed.

RECEIVED FROM THE COMPTROLLER GENERAL

2411. A letter from the Comptroller General of the United States, transmitting a report on the status of selected major weapon systems in the Department of Defense; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Omitted from the Record of May 30, 1974*]

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 12427. A bill to amend section 510 of the Merchant Marine Act, 1936; with amendment (Rept. No. 93-1073). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 13296. A bill to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce (Rept. No. 93-1074). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 13595. A bill to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes; with amendment (Rept. No. 93-1075). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. S. 2844. An act to amend the Land and Water Conservation Fund Act, as amended, to provide for collection of special recreation use fees at additional campgrounds, and for other purposes; with amendment (Rept. No. 93-1076). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted June 3, 1974*]

Mr. EVINS of Tennessee: Committee on Appropriations. H.R. 15155. A bill making appropriations for public works for water and power development, including the Corps of Engineers—civil, the Bureau of Reclamation, the Bonneville Power Administration, and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 93-1077). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAKER:

H.R. 15146. A bill to amend title XI of the Social Security Act to repeal the provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs; to the Committee on Ways and Means.

By Mr. FASCELL:

H.R. 15147. A bill to amend part B of title XI of the Social Security Act to provide a more effective administration of professional standards review of health care services, to expand the Professional Standards Review Organization activity to include review of services performed by or in federally operated health care institutions, and to protect the confidentiality of medical records; to the Committee on Ways and Means.

By Mr. HÉBERT (for himself and Mr. Bray) (by request):

H.R. 15148. A bill to extend the time limit for the award of certain military decorations; to the Committee on Armed Services.

By Mr. McDADE (for himself, Mr. Robison of New York, Mr. Eshleman, Mr. Hastings, Mr. Smith of New York, Mr. Conable, Mr. Hanley, and Mr. Goodling):

H.R. 15149. A bill to provide for a study of the alternatives to the Tocks Island dam and reservoir project affecting the Delaware River and surrounding areas; to the Committee on Public Works.

By Mr. OBEY (for himself and Mr. Ichord):

H.R. 15150. A bill to protect the public health and welfare by providing for the inspection of imported dairy products and by requiring that such products comply with certain minimum standards for quality and wholesomeness and that the dairy farms on which milk is produced and the plants in which such products are produced meet certain minimum standards of sanitation, to the Committee on Agriculture.

By Mr. ROE (for himself and Mr. Stokes):

H.R. 15151. A bill to amend section 4a, the commodity distribution program of the Agriculture and Consumer Protection Act of 1973; to the Committee on Agriculture.

H.R. 15152. A bill to amend the National School Lunch Act, and for other purposes; to the Committee on Education and Labor.

By Mr. ROSENTHAL (for himself and Mr. Wolff):

H.R. 15153. A bill to amend title XVI of the Social Security Act to provide for emergency assistance grants to recipients of supplemental security income benefits, to authorize cost-of-living increase in such benefits and in State supplementary payments, to prevent reductions in such benefits because of social security benefit increases, to provide reimbursement to States for home relief payments to disabled applicants prior to determination of their disability, to permit payment of such benefits directly to drug addicts and alcoholics (without a third-party payee) in certain cases, and to continue on a permanent basis the provision making supplemental security income recipients eligible for food stamps, and for other purposes; to the Committee on Ways and Means.

By Mr. WHITEHURST (for himself, Mr. Davis of South Carolina, Mr. Gude, and Mr. Parris):

H.R. 15154. A bill to amend title 5, section 5704(a)(2), United States Code; to the Committee on Government Operations.

By Mr. EVINS of Tennessee:

H.R. 15155. A bill making appropriations for public works for water and power development, including the Corps of Engineers—civil, the Bureau of Reclamation, the Bonneville Power Administration, and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1975, and for other purposes.

By Mr. ESCH (for himself, Mr. Ketchum, and Mr. Mosher):

H.J. Res. 1044. Joint resolution designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of service of the incumbent Chief of Naval Operations; to the Committee on Armed Services.

By Mr. REID:

H. Con. Res. 512. Concurrent resolution expressing the sense of Congress that the United States endorses Lake Placid, N.Y., as the site of the 1980 Winter Olympic Games, provided that Olympic plans and activities do not conflict with environmental laws or regulations respecting Adirondack Park; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

489. By the SPEAKER: Memorial of the Senate of the State of Montana, relative to providing information to the public concerning production and consumer costs of farm products; to the Committee on Agriculture.

490. Also, memorial of the House of Representatives of the State of Montana, relative to providing information to the public concerning production and consumer costs of farm products; to the Committee on Agriculture.

491. Also, memorial of the Legislature of the State of Montana, relative to daylight saving time; to the Committee on Interstate and Foreign Commerce.

SENATE—*Monday, June 3, 1974*

The Senate met at 11 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Ever-present and ever-gracious God, touch our hearts with the warmth of Thy love and our minds with the wonder of Thy wisdom. Enlarge our human powers with the strength which comes from Thee. Infuse our lives with the qualities of character which fit us for the times in which we live. May we see beyond the baffling and bewildering events of the times, the mysterious but certain movement of Thy spirit and the unfoldment of Thy coming kingdom. Spare us from the cynicism and skepticism which clouds the holy vision of a better nation and a better world. As we pray for all in this Chamber so we pray for all leaders of our Government that they may honor their office by service pleasing to Thee.

We pray in the name of our Lord and Master. Amen.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, May 31, 1974, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF THE CALL OF THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rules VII and VIII, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

INDIVIDUAL INSTRUCTION AT U.S. MILITARY ACADEMY

Mr. ROBERT C. BYRD. Mr President, I ask unanimous consent that the Senate proceed to the consideration of Senate Joint Resolution 206.

The PRESIDENT pro tempore. The resolution will be stated.

The legislative clerk read as follows:

S.J. Res. 206, authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy one citizen of the Kingdom of Laos.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Army is authorized to permit within eighteen months after the date of enactment of this joint resolution, one person, who is a citizen of the Kingdom of Laos, to receive instruction at the United States Military Academy, but the United States shall not be subject to any expense on account of such instruction.

SEC. 2. Except as may be otherwise determined by the Secretary of the Army, the said person shall, as a condition to receiving instruction under the provisions of this joint resolution, agree to be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation, as cadets at the United States Military Academy appointed from the United States, but he shall not be entitled to appointment to any office or position in the Armed Forces of the United States by reason of his graduation from the United States Military Academy, or subject to an oath of allegiance to the United States of America.

ORDER OF BUSINESS

The PRESIDENT pro tempore. The distinguished minority leader is recognized.

A SENATOR'S SOLILOQUY

Mr. HUGH SCOTT. Mr. President, it is a nice Monday and no one is here. This is normally an excellent time for Senators to speak because they can avoid colloquy, disagreement, disapproval, dissent, or even debate. In these ideal situations, one would normally expound on the world situation at length, assuming a great deal of expertise and otherwise entertaining those present; namely, himself and the Presiding Officer.

But this is too good a Monday to throw it away on this kind of exercise. So, tempted as we all are by the sound of our own voices, I will, nevertheless, desist and yield back the remainder of my time.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order the distinguished Senator from Nebraska (Mr. CURTIS) is now recognized for not to exceed 15 minutes.

HOW ABOUT TAXES?

Mr. CURTIS. Mr. President, how about taxes? Income taxes, that is. What is the level of our income tax burdens and is this the time to cut taxes?

I have secured from the Treasury Department the amount of income taxes which were paid by an individual with a spouse and two children on earned income in various amounts for the year 1963 and for the year 1973. The table is as follows:

INDIVIDUAL INCOME TAX LIABILITY OF A MARRIED COUPLE WITH 2 DEPENDENTS, COMPARISON OF 1963 AND 1973 LAW

Earned income	1963 tax	1973 tax
$3,000	$30	0
$4,000	200	0
$5,000	370	$98
$6,000	540	245
$7,000	710	402
$8,000	888	569
$9,000	1,075	744
$10,000	1,262	905
$15,000	2,291	1,765
$20,000	3,500	2,760
$25,000	4,889	3,890
$50,000	14,576	11,915
$100,000	41,274	33,060

The Congress over the past 10 years has reduced income taxes on the money the American people earn, but the Federal Government has had to borrow the money to pay for these tax reductions. The costs of government have not been reduced. The national debt was increased in order to lower taxes. The Congress has done this—has forced it onto the Nation.

I am for reducing taxes, but only if Government expenditures are reduced to the point that the budget is balanced and we have a surplus. Then, part of that surplus should be applied to the national debt and a sizable part of it should become a tax reduction for our people. To reduce taxes by increasing the national debt, in the absence of some extreme and grave national emergency, is not only a deception, but a cruel deception. The key to relief for the American economy and the American taxpayers is reduced spending.

Just where does our money go? There is an official Government publication called "The United States Budget in Brief." The inside cover page has a chart which clearly sets forth what happens to your tax dollar. Here is where it goes:

Benefit payments to individuals	$0.37
Grants or payments to States and localities	.17
National defense	.29
Interest on the national debt	.07
All other Federal operations	.10
Total	1.00

"All other Federal operations" includes many programs. This 10 cents of each tax dollar pays for many programs including the total cost of salaries, staffs, travel, and allowances for running Congress, the Supreme Court, the Federal Bureau of Investigation, public works projects, the Office of the President, the Interior Department, the Agriculture Department, the Commerce Department, the Library of Congress, the Government Printing Office, and many other important functions of Government. They are paid with 10 cents out of the tax dollar.

A study of these figures as to where our money goes is most interesting. General Government—that is, all these operations I have talked about—including the cost of defending our beloved country, accounts for 39 cents out of every tax dollar. Our deficit spending of the past has placed on us an interest burden that takes 7 cents out of every tax dollar, and when we add to this the payments of cash to individuals and to States and localities under programs voted by Congress, largely over the last two or three decades, we arrive at a total of 61 cents of the tax dollar. These 61 cents, with the exception of that part of the interest load due to war, is the cost of the welfare state. The proponents of the welfare state have done something for the American people. I make no harsh criticism of persons who favor more Government programs than I do, but I say let us pay for them as we go.

Mr. President, what is the major economic problem that our country faces? The unanimous verdict is that it is inflation. Costs of every description are soaring. Families can not make ends meet. Life insurance has less and less value. Homes become so expensive that they are difficult to acquire from earnings.

Government causes inflation, and Government, perhaps, is the biggest victim of inflation. When inflation is rampant, all Government expenditures, whether they be for paying retirement benefits, building highways, paying wages, defending the country, paying medical bills, and all else, likewise soar. It is a vicious cycle.

The major cause of inflation is deficit spending and the resulting mounting national debt. The 1974 fiscal year will end on July 1. It is expected that our deficit will be $4.7 billion, and $9.4 billion in 1975. Our deficits over the past 5 years have been as follows:

[In billions]

1970	$2.8
1971	23.0
1972	23.2
1973	14.3
1974 (estimated)	4.7

Politicians and office holders may theorize concerning the causes of inflation, and they may advance such nonsense as a full employment budget, but the fact remains that as deficit spending goes, so goes inflation.

How can we have a balanced budget? Resolutions and speeches will not do it. Promises will not bring it about. Even budget reform measures such as Congress passed recently will not bring about a balanced budget. Sporadic slashing of a number of items in the budget which cannot be justified should be done, but it is not adequate to scratch the surface toward a balanced budget. Claims of tax reform will not balance the budget. Congress should continuously work toward tax reform to do justice to every taxpayer. If some individuals or groups are not paying their just share, it should be corrected; but to advance the idea that if certain "others" were required to pay what they should pay, there would be ample money to pay for all the spending which has been voted and promised is not in accord with the facts.

If all of these other proposals for a balanced budget have failed, how can we have a balanced budget? I am convinced there is only one way to do it. We need a constitutional provision that compels the Government to live within its means. A mere prohibition in the Constitution is not the answer. If our Constitution were amended merely to require that if there were no money in the Treasury there could be no expenditures, we would find it unworkable. For instance, if all the money is gone and there are 2 months yet to go in the year, should we stop all Government? Or, should we stop paying benefits to individuals? Or, should we close veterans' hospitals? Or should the Government stop all payments?

My proposal, Senate Joint Resolution 142, for a constitutional amendment, would impose a mandatory automatic surtax every year in order to bring about a balanced budget. It would work automatically. It would be beyond the reach of the politicians to thwart. Politicians and officeholders never oppose a balanced budget. They just say it is a good idea, but not now.

A surtax is a percentage tax on the regular tax. For example, if a 3-percent or a 5-percent or a 10-percent surtax were needed to balance the budget, every taxpayer would figure his or her tax in the ordinary way and increase it by the needed percentage.

The proposal would require the President to submit a balanced budget. If the President recommended a greater amount of expenditures than the estimated tax receipts, he would be required to determine the amount of the deficit and figure the rate of surtax needed in order to bring the budget in balance. This would be transmitted to Congress as part of his budget message.

Congress rightfully is in control of the taxing power. That control by Congress is not disturbed. Congress would still have full power to determine the level of spending and the level of taxation.

If the President submitted a budget that included a surtax in order to put it in balance, Congress could do several things: Congress could lower expenditures so a surtax would not be required; Congress could, if it chose, impose some other kind of tax in order to prevent a deficit, and thus the surtax would not be needed; Congress could work its will on expenditures; Congress might increase expenditures, in which case it would have to increase tax revenues, or a surtax would automatically be imposed.

This constitutional amendment further provides that at appropriate times during the year the Speaker of the House of Representatives would be required to determine the level of spending which Congress had voted and make an estimate of the expected revenues; and if the expenditures exceeded the estimated revenue receipts, the Speaker of the House of Representatives would be required to calculate the amount of surtax needed to put the budget in balance. If Congress did not reduce expenditures or impose other taxes, this surtax would automatically be imposed and collected.

It might well be asked, "What should the country do if war is declared or a nationwide grave economic emergency should be upon us?" My proposal carries a provision that would permit Congress under such circumstances to set aside the provisions for a mandatory balanced budget for a year, upon a three-fourths vote of both Houses of Congress.

If a war or great emergency lasted more than a year, the set-aside provision could be continued but there would have to be a vote upon the question every year. If our country faced such a serious situation, I am convinced that the three-fourths vote of each House of Congress could be obtained.

To some it might seem strange that a conservative Senator from the State of Nebraska would propose a constitutional amendment that could result in higher taxes. The answer is twofold. First, if we are to have high spending, taxes must be high. Second, I believe that if the Congress and the President are faced with the question of reducing expenditures or collecting the necessary taxes, they will reduce expenditures. I believe that the adoption of my proposal will result in less expenditures and, in turn, less taxes.

Mr. President, the way the situation is now, Congress votes for more and more expenditures. Congress does not face up to the situation and levy the necessary taxes. The deficits, the debts go on and on. Senators rise in this Chamber and offer proposals to reduce taxes that take away billions of dollars of revenue but they do not accompany their proposals with reductions in spending, and the deficits go on and on.

Oh, we can resolve, we can pound the table, and we can get excited about one item, but the fact remains that that is not enough to balance the budget. Tax reform is important, but it will not do it. The budget reform bill will not bring in a balanced budget.

Mr. President, we are about to witness in this Chamber in the coming weeks attempts to further injure the financial security of this country by irresponsible tax reduction proposals. What we should be doing is to advance a constitutional provision and submit it to the States that would compel the Government to pay as we go.

Mr. President, it might be later than we think. I am not a pessimist. It is never too late as long as men are willing to fight, and we should fight for a program of financial integrity and honesty for the U.S. Government.

There is no way of heading off inflation unless we put our financial house in order and end deficit financing. History has proven that this cannot be accomplished unless our Constitution is amended to require it. I appeal to concerned citizens everywhere to help in the passage by Congress and the ratification by the States of this constitutional amendment, Senate Joint Resolution 142.

Mr. President, that concludes my remarks.

The PRESIDENT pro tempore. The Senator from Michigan is recognized.

Mr. GRIFFIN. Mr. President, I yield now to the distinguished Senator from South Carolina.

The PRESIDENT pro tempore. The Senator from South Carolina is recognized.

Mr. THURMOND. I thank the distinguished Senator from Michigan.

The PRESIDENT pro tempore. The Senator may proceed.

Mr. THURMOND. Mr. President, I would like to associate myself with the remarks of my able and distinguished colleague from Nebraska (Mr. Curtis).

The gravity of our inflationary problems cannot be overstated. Prices in the United States have recently been rising faster than in any other peacetime period in our history, with the exception of a brief period at the end of World War II. If this rate continues, the very future of our country is in danger.

The immediate causes of this inflation are not impossible to identify. There were disappointing crop harvests in a number of countries in 1972. There was a dramatic increase in worldwide demand for labor, raw materials, and finished goods in 1973. More recently, the oil exporting countries drastically altered the traditional supplies and prices of petroleum products. Wage and price controls resulted in severe economic distortions, and their termination has brought on the expected bulge in wages and prices. Underlying all of this, however, is continued irresponsible Government spending which all too often seems to be based on the premise that if enough money is thrown at a problem, it will go away.

Mr. President, we live in a world of limited resources and we simply cannot continue the naive assumption that the Federal Government can spend its way to Utopia. Somewhere, sometime, someone has to pay, and the people of the United States are paying right now with the ever-decreasing value of their dollar.

Mr. President, at this time it appears that the only real action being taken against inflation is the Federal Reserve Board's efforts to control the growth of the money supply.

It will be disastrous for us if we rely solely on this instrument to combat inflation. Tight money is already drying up the housing industry. The prime and other interest rates are at record levels. The stock market continues its slump. Monetary policy plays a most important role in combating inflation, but I emphasize that monetary policy alone cannot solve the problem. We must attack the basic disparity between demand and supply—and particularly Government demand.

For these reasons, Mr. President, I am pleased to join in support of the resolution proposed by the distinguished Senator from Nebraska (Mr. Curtis). His resolution calls for a constitutional amendment to impose a mandatory automatic surtax every year if necessary to bring about a balanced budget. It is sensible and it is realistic. It provides a reasonable exception in the event of national emergency.

It is regrettable that a constitutional amendment is necessary to restore fiscal responsibility to the U.S. Congress. I would hope that Members of this body collectively would exhibit the same judgment and restraint that commonsense citizens throughout this country exhibit in planning a simple household budget—that it would be recognized that a country, just like an individual, cannot continually spend more than is taken in. However, as a practical matter, it is unlikely that Congress will face up to its responsibilities, absent an amendment of this nature. Accordingly I pledge my support to this amendment.

At the same time, Mr. President, I urge that continued attention and consideration be given to other measures necessary to control inflation. We must continue action to encourage increased production of supplies in the energy and agricultural areas. We must examine the impact of union monopoly power on our economy. We must encourage voluntary restraint on the part of both business and labor.

A number of my colleagues and other economic spokesmen are making the traditional election year call for a tax cut. This may be good election year politics, but it is bad economics. A tax cut will boost consumer demand and ultimately will send prices only higher. Its most obvious impact will be to increase the Federal deficit. In my opinion, it is simply deceiving the American taxpayer to give with one hand by reducing taxes, while taking with the other by increasing inflation. I strongly oppose an across-the-board tax cut unless Government spending is also reduced.

Mr. President, inflation can be controlled, but it will take dedication and sacrifice on the part of everyone. The resolution offered by Senator Curtis is an example of such dedication and sacrifice, and I am pleased to support it.

Mr. President, I want to say further that I recall the late Senator Harry Byrd, one of the most able and distinguished Members of the Senate, with whom I had the pleasure of serving, introduced a constitutional amendment resolution some years ago to provide that we would not spend more than we took in at the Federal level. His distinguished son has carried on in the same way. The distinguished Senator from Nebraska (Mr. Curtis), the distinguished Senator from North Carolina (Mr. Helms), and other Senators have been interested in this matter; and it is important that we take action.

We have been talking about balancing the budget, but it has been mere talk. We have spent more than we have taken in for 24 out of the last 30 years. How much longer can we go on this way? How many years are we going to go before we balance the budget?

I realize that this solution is a tough one, but we have got to have tough solutions.

The Senate has to have the courage to balance the budget. I am not too sure the budget is going to be balanced year after year unless we pass a constitutional amendment which will require that it be done. If we vote for this constitutional amendment, then it will be required that we put on a surtax automatically if we spend more than we take in.

In my State of South Carolina we have a similar provision. In my State if we spend more than we take in in any one year, the very next year taxes have to be increased to pay the deficit of the preceding year. That is a constitutional amendment, and I believe we have been able to keep the budget balanced in my State, because of that constitutional amendment.

If we can do it in my State, if other States can do it, then we can also do it at the Federal level. I believe the most feasible, the surest, and the soundest way to do it is to pass a constitutional amendment as has been advocated here by the distinguished Senator from Nebraska. I hope the Senate will see fit to act on this constitutional amendment at an early date and that we can begin balancing the budget. We cannot keep on spending and spending and spending.

Yes, I am willing to give a tax cut, if we cut spending. But unless we cut spending, it would be foolish to cut taxes.

I hope this resolution will receive prompt attention and favorable action.

Mr. GRIFFIN. Mr. President, is there any time remaining under my order?

The PRESIDING OFFICER (Mr. Gravel). The Senator has 3 minutes remaining.

Mr. GRIFFIN. I yield the remaining time to the distinguished Senator from Virginia, and if that is not enough, the distinguished majority whip has indicated he will yield further time.

Mr. HARRY F. BYRD, JR. I thank the Senator.

Mr. President, I feel that the Senator from Nebraska has made an important contribution to his fellow citizens by his speech in the Senate this morning.

The Senator from Nebraska has focused attention on what is certainly the No. 1 problem facing our Nation today, namely, the need for the Federal Government to put its financial house in order. I am convinced that we are not going to get inflation under control, I am convinced we are not going to get the cost of living under control, until the Federal Government puts its own house in order and gets its spending under control.

The Senator from Nebraska, on page 2 of his speech today, points out he favors reducing taxes but only if Government expenditures are reduced to the point that the budget is balanced and a surplus is created.

As the able Senator from South Carolina just pointed out, if we attempt to reduce taxes without reducing expenditures, then I submit we are acting in a highly irresponsible way. The only way we can logically reduce taxes is to reduce Government spending. Unless we do reduce spending, unless we do eliminate the smashing deficits, then I submit inflation will continue and the cost of living will continue to rise.

Mr. President, I feel that the American citizen is far more alert to this problem than are a majority of the Members of the Congress. The past two weekends I spent out among the people of Virginia, and I find that, wherever I go, the more people I talk with, the more concerned they are with the inflation that is eating so heavily into every wage earner's pay check and into every housewife's grocery dollar.

The Senator from Nebraska today points out one method that can be taken, which, if taken, can bring a halt to this soaring inflation.

The Senator from Nebraska points out in his speech today that the cause of inflation is deficit spending. He hits at another important point, and that is what he calls the nonsense of a full employment budget.

We have heard so much here in the last few years about the full employment budget. Well, as the Senator from Nebraska points out, that is just so much nonsense.

I would go stronger than that, and I would say it is a fraud on the American people to say that the Government should spend what presumably it would have in the way of revenues—if—if we have full employment, which we don't have and do not expect to have. That is like saying that I would not be broke if my uncle had left me a million dollars.

I agree with the Senator from Nebraska—it is a lot of nonsense. Fortunately, we now have a Secretary of the Treasury who does not believe in the concept of a full employment budget. Secretary Simon is talking about the need of achieving a balanced budget—a balanced budget in the real sense, not in the full emplyoment sense. Secretary Simon's voice I find to be a refreshing one.

The one man in Government today who has done as much as he can to bring about some semblance of sanity and solvency to our Nation, Dr. Arthur Burns, Chairman of the Federal Reserve Board, has taken steps necessary from a monetary point of view. But he cannot do the job alone.

The administration and the Congress, as I see it, must work together to get spending under control and to eliminate deficits if we are going to get inflation under control.

I want to comment also on the statement made by the Senator from Nebraska on page 9 of his excellent speech today in which he points out that the proposal submitted by him this morning would require the President to submit a balanced budget.

That, as I see it, is essential. Unless the President submits to the Congress a balanced budget, there is no way, as a practical matter, that the Nation will have a balanced budget. But in the last few years, unfortunately, the President has submitted to the Congress a deliberately unbalanced budget. Until that concept is thrown into the trash can by the administration, I submit that we are not going to get a balanced budget.

I think what the Senator from Nebraska points out today as part of his proposal requiring the President to submit a balanced budget is a vital and basic part of any effort to bring about an elimination of deficit spending.

In that regard, I might point out that the Government has not balanced its Federal funds budget since 1960. It has not had a surplus or a balanced budget in its Federal funds since President Eisenhower left office, and that was a long time ago. The accumulated Federal funds deficit of the Federal Gvoernment for the short 6-year period fiscal 1970 through fiscal 1975 will be $133 billion, or 25 percent of the total national debt. Yes, 25 percent of the total debt will have been incurred in that short period of time, just 6 years.

So the Senator from Nebraska, I feel, has made a major contribution to his fellow citizens in taking the leadership today, in focusing attention on this vital subject. It affects the pocketbook of every working man and woman in our Nation.

The inflation which we have been experiencing is a tax. It is a hidden tax. It is a cruel tax. It hits hardest those on fixed incomes and those in the lower and middle economic groups.

It is to eliminate inflation or get it under control. It is to eliminate the smashing deficits that the able Senator from Nebraska has introduced this legislation and has made the excellent speech that he has. I am so pleased to commend and congratulate him for the important speech he has made in the Senate today.

Mr. GRIFFIN. Mr. President, with the authority of the distinguished majority whip, who is not in the Chamber at this moment, I ask unanimous consent that such time as the distinguished Senator from North Carolina may require be yielded to him from the time available to the majority whip.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I thank the distinguished Senator from Michigan.

Mr. President, I am pleased to join the distinguished Senator from Nebraska in cosponsoring Senate Joint Resolution 142, and I commend him on his thoughtful remarks. I also desire to associate myself with the wise expressions of the distinguished Senator from South Carolina (Mr. THURMOND) and, of course, the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.).

As the Senator is aware, I strongly believe that the root cause of inflation today may be found nowhere else but in the Halls of Congress itself. It is Congress that refuses to restrain itself; it is Congress that continually appropriates more money than comes in for more programs than the citizens know how to deal with. And it is Congress that refuses to face up to the only honest remedy for its mistakes—raising the money to cover the steadily rising expenditures. Congress refuses to make the unpopular decisions. In short, it is Congress that refuses to refuse.

Six times on this floor, the distinguished senior Senator from Virginia (Mr. HARRY F. BYRD, JR), and I have attempted to get the Senate to act upon the question of a balanced budget. We have not asked the Senate to vote restrictions upon itself; we have asked the Senate only to require the President to submit a balanced budget. It is not difficult to present a balanced budget; it only requires that income be matched to outgo. Either spending must be slashed, or taxes raised. It is as simple as that.

But 6 times, Mr. President, the Senate has refused to accept this proposal, although on one occasion 43 Senators indicated support of such a move. Nevertheless, the Senate has not acted. The reason is very obvious. If the President submitted a balanced budget, the burden would be squarely upon the Congress to keep it balanced. If the President is required to show the way to fiscal sanity, Congress would be in a fine predicament if it went on the usual spending spree. Congress should not have the opportunity to spend all it pleases and let the President take the blame for inflation and inequitable taxes.

That is why the proposed constitutional amendment offered by the distinguished Senator from Nebraska would solve the problem. In fact, it would turn the situation inside-out. If the Constitution required a balanced budget, with an automatic surtax to keep income matched to spending, all of a sudden spending would become very unpopular. It would not take long for the citizenry to associate the higher taxes they would be paying with the spending programs urged by the incumbent Members of Congress. I am confident that, within a brief while after this amendment were ratified by the several States, there would be many ardent converts in Congress to the doctrines of economic prudence and restraint in taxation.

Mr. President, a moment ago the distinguished Senator from Virginia mentioned the Federal deficit. I want to reiterate that within the next year or 18 months the Federal debt of this country will be in excess of a half trillion dollars—over $500 billion.

The last time I checked for a specific figure was April 18, and the Federal debt on that day was $473,014,648,856.11; and upon further inquiry the Treasury Department informed me that just 1 year ago, April 18, 1973, the total Federal debt was $455,570,163,323.85.

I mention these precise figures to emphasize that this represents an increase in the Federal debt in 1 year's time of about $18 billion.

Mr. President, this is where the body is buried. This is the cause of inflation. Let us cease to receive the American people. Let us tell them the truth. I think about the young people who come into the Chamber watching their democracy in action. They hear all of the pious claims of "doing this for the people" and "doing that for the people." But I think of the young people who will be paying this debt, plus interest, throughout their lives, and I submit that it is a fraud on them to continue to thrust America into the swamps of socialism.

As the distinguished Senator from Virginia has so eloquently said, I think the very least we can do is to tell them the truth about their Federal Government and tell them the truth about who is really responsible for the inflation that is running rampant in America.

Mr. President, I am pleased to be associated with the distinguished Senator from Nebraska in this effort, and I commend him for the work he has done in bringing this resolution before this body.

Mr. FANNIN. Mr. President, allow me to commend the distinguished Senator from Nebraska, Mr. Curtis, for his excellent presentation today on "How About Taxes". Having worked with him for a number of years on the Finance Committee, I have great admiration for his grasp of economics and his dedication to fiscal responsibility.

As a cosponsor of this amendment, I heartily endorse what my colleague has said.

In the past several years we have seen a great push to bring more honesty into Government and our commercial system. We have sought to provide our citizens with more information so they can make better judgments about the value of the product they are receiving.

This amendment might be called the truth-in-Federal-spending amendment. Or we could call it truth-in-labeling or truth-in-billing.

It would put an end to hucksterism by politicians who promise their constituents something for nothing.

Each year each taxpayer would get a true accounting of what he owes the Government, and he could then decide whether the product is worth the price. If the citizen is satisfied that he is getting his money's worth, then he votes to retain his elected officials. If the citizen feels that he is getting bilked, then he votes to throw out the big spenders.

As it is, this Congress and our Government are lying to the American people about the cost of running the Government. This Government is not being financed by taxes, but by inflation.

As a fiscal conservative I share my colleague's distaste for increasing taxes. If, however, it is the threat of increased taxes that is necessary to bring our budgetary process back to fiscal sanity, then I must support it.

It has been said that inflation is the cruelest of taxes. Inflation falls hardest on the retired and the poor, those who are least able to cope with it. Inflation is demoralizing for those who work hard to support their families, only to find that the more they earn the less they seem to be able to buy.

Senator Curtis cited some interesting figures which give the illusion that taxes have been reduced over the decade between 1963 and 1973.

These figures provide only an illusion of tax reduction. The figures do not take into account the ravages of inflation.

In 1963 a $10,000 income was considered very adequate. Most people thought that if they ever earned $10,000 they would be on easy street.

As the figures show, the tax on a $10,000 income in 1963 was $1,262 as compared with $905 in 1973.

It must be kept in mind, however, that in today's economy it probably takes a $20,000 income to approach the living standard provided by $10,000 a decade earlier.

What we should compare is the taxload on a $10,000 income in 1963 with the taxload on a $20,000 income today. In such a comparison, the tax today is $2,760 or more than double the $1,262 of a decade earlier.

So in 1963 the family with a $10,000 income paid about 12.6 percent of it in Federal taxes. Today, with a comparable income—$20,000 inflated—the tax percentage is about 13.8.

We also must take into account the fact that State and local taxes, including those for education, has shot up tremendously in the past decade. A great deal of this increase has been triggered by the Federal Government either requiring or enticing States and localities into expensive new programs.

It is Federal spending which has been the primary cause of inflation in this country. Excessive Federal spending robs our economic system of capital which is needed to provide reasonable loan rates for housing. Federal spending incites inflation psychology which throws our entire system out of kilter and negates normally effective measures of maintaining our economic stability.

Mr. President, the only way we are going to put a certain end to this spending mania is to tear up our credit cards and start operating as realistic and responsible administrators. Congress must stop playing fast and loose with the economic future of our people. This amendment would bring stability and responsibility back into our system.

TRANSACTION OF ROUTINE BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period of 15 minutes for the transaction of routine business, with statements therein limited to 5 minutes each.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of Illinois. Referred to the Committee on the Judiciary:

Resolution

Whereas, Two recent decisions by the United States Supreme Court concerning the constitutionality of abortion statutes in the States of Texas and Georgia have interpreted the United States Constitution in a fashion significantly different from the convictions of most American citizens about the values of human life; and

Whereas, The sweeping judgment of the United States Supreme Court in these cases is an obvious rejection of the unborn child's right to life through the full nine month gestation period; and

Whereas, The fundamental protection of life in our United States Constitution ought not be modified, diluted or abridged by judicial interpretation; and

Whereas, Is is incumbent upon those people in this country who believe that the defenseless unborn deserve protection in our modern society; therefore, be it

Resolved, by the Senate of the Seventy-Eighth General Assembly of the State of Illinois, the House concurring herein, that the Congress of the United States is hereby urged and requested to adopt a Constitutional Amendment that will guarantee the explicit protection of all unborn human life throughout its development subordinate only to saving the life of the mother, and will guarantee that no human life shall be denied equal protection of law or deprived of life on account of age, sickness or condition of dependency and that Congress and the several states shall have the power to enforce this article by appropriate legislation; and be it further

Resolved, That copies of this preamble and resolution be forwarded by the Secretary of State to the Illinois Congressional delegation, the Secretary of the United States Senate, the Clerk of the United States House of Representatives, Chairman of the Judiciary Committees of the United States Senate and House of Representatives, the Attorney General of the United States and the President of the United States.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GRAVEL, from the Committee on Public Works, without amendment:

S. 3546. A bill to extend for 1 year the time for entering into a contract under section 106 of the Water Resources Development Act of 1974 (Rept. No. 93–891).

By Mr. MAGNUSON, from the Committee on Commerce, with an amendment:

H.R. 11295. An act to amend the Anadromous Fish Conservation Act in order to extend the authorization for appropriations to carry out such act, and for other purposes (Rept. No. 93–892).

By Mr. MAGNUSON, from the Committee on Commerce, with amendments:

H.R. 14291. An act to amend the Northwest Atlantic Fisheries Act of 1950 to permit U.S. participation in international enforcement of fish conservation in additional geographic areas, pursuant to the international convention for the Northwest Atlantic Fisheries, 1949, and for other purposes (Rept. No. 93–893).

By Mr. PASTORE, from the Committee on Commerce, without amendment:

S. 585. A bill to amend section 303 of the Communications Act of 1934 to require that radios be capable of receiving both amplitude modulated (AM) and frequency modulated (FM) broadcasts (Rept. No. 93–895).

By Mr. FANNIN, from the Committee on Interior and Insular Affairs, without amendment:

S. 283. A bill to declare that the United States holds in trust for the Bridgeport Indian Colony certain lands in Mono County, Calif. (Rept. No. 93–894).

REPORT ENTITLED "THE CONSTITUTIONAL IMMUNITY OF MEMBERS OF CONGRESS"—REPORT OF A COMMITTEE—(REPT. NO. 93-896)

Mr. METCALF, from the Joint Committee on Congressional Operations, submitted a report entitled "The Constitutional Immunity of Members of Congress," on the legislative role of Congress in gathering and disclosing information (together with additional and individual views), which was ordered to be printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. TOWER, from the Committee on Armed Services:

Gen. David C. Jones, U.S. Air Force, to be appointed as Chief of Staff, U.S. Air Force.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. CANNON, from the Committee on Armed Services:

Gen. George S. Brown, U.S. Air Force, for appointment as Chairman of the Joint Chiefs of Staff.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. McGEE:

S. 3561. A bill to provide procedural rights for Federal employees subject to proposed adverse actions. Referred to the Committee on Post Office and Civil Service.

By Mr. CHURCH (by request):

S. 3562. A bill to authorize appropriations to the Department of State for contribution to the International Commission of Control and Supervision in Vietnam. Referred to the Committee on Foreign Relations.

By Mr. MAGNUSON (for himself, Mr. Jackson, Mr. Church, and Mr. McClure):

S. 3563. A bill to authorize the construction of a highway bridge across the Snake River between Clarkston, Washington and Lewiston, Idaho. Referred to the Committee on Public Works.

By Mr. EASTLAND:

S. 3564. A bill to authorize the financing of parkways from the Highway Trust Fund. Referred to the Committee on Public Works.

By Mr. FANNIN:

S. 3565. A bill to authorize the Secretary of the Interior to engage in a feasibility investigation of a water supply delivery system for the city of Yuma, Ariz. Referred to the Committee on Interior and Insular Affairs.

By Mr. McGOVERN:

S. 3566. A bill to provide daily summaries of congressional business by means of toll-free telephone lines in 15 pilot cities. Referred to the Committee on Government Operations.

By Mr. DOMENICI (for himself and Mr. Montoya):

S. 3567. A bill to declare that certain land of the United States is held by the United States in trust for the Pueblo of Laguna. Referred to the Committee on Interior and Insular Affairs.

By Mr. BENTSEN:

S. 3568. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Cibolo project, Texas, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. HARTKE (for himself and Mr. Magnuson):

S. 3569. A bill to amend the Rail Passenger Service Act of 1970, and for other purposes. Referred to the Committee on Commerce.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHURCH (by request):

S. 3562. A bill to authorize appropriations to the Department of State for contribution to the International Commission of Control and Supervision in Vietnam. Referred to the Committee on Foreign Relations.

Mr. CHURCH. Mr. President, by request, I introduce for appropriate reference a bill to authorize appropriations to the Department of State for contribution to the International Commission of Control and Supervision in Vietnam.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the Record at this point, together with the letter from the Assistant Secretary of State for Congressional Relations to the President of the Senate dated May 21, 1974, and the justification for U.S. support to the ICCS.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 3562

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there are authorized to be appropriated to the Department of State for fiscal year 1975 not to exceed $16,526,000 for payments by the United States to help meet expenses of the International Commission of Control and Supervision in Viet-Nam: *Provided,* that funds appropriated under this section are authorized to be made available for reimbursement to the Agency for International Development of amounts expended by the Agency for International Development during fiscal year 1975 as interim United States payments to help meet expenses of the International Commission of Control and Supervision.

Sec. 2. There are authorized to be appropriated to the Department of State not to exceed $11,200,000 for reimbursement to the Agency for International Development of amounts expended by the Agency for International Development to help meet expenses of the International Commission on Control and Supervision in fiscal year 1974.

Sec. 3. Reimbursements received by the Agency for International Development pursuant to this Act may be credited to applicable appropriations of that Agency and shall be available for the purposes for which such appropriations are authorized to be used during fiscal year 1975.

Department of State,
Washington, D.C., May 21, 1974.

Hon. Gerald R. Ford,
President, U.S. Senate,

Dear Mr. President: There is transmitted herewith proposed legislation which will authorize funds in FY–1975 of up to $27.7 million for support of the International Commission of Control and Supervision in Viet-Nam. Of this total $16.5 million covers vital services we believe are needed to keep the ICCS functioning in FY–75 and $11.2 million is to reimburse the Agency for International Development for expenses incurred during FY–74.

We believe it is in the national interest that the United States should demonstrate to Hanoi, and to the world at large, that we support the peace-keeping mechanism of the Paris Accords. As explained in the attached justification, the ICCS has not, to date, been as effective as we had hoped in enforcing the ceasefire in Viet-Nam. However, it is an essential part of the peace structure established by the Paris Accords. If it had to atrophy or to close for lack of funds an unravelling of the Viet-Nam peace structure could result. Moreover, the presence in South Viet-Nam of several hundred foreign personnel charged with overseeing the ceasefire does, we believe, help deter a resumption of all-out warfare.

The Department has been informed by the Office of Management and Budget that there is no objection to the presentation of the proposed legislation to the Congress and that its enactment would be in accord with the program of the President.

Respectfully,

Linwood Holton,
Assistant Secretary for
Congressional Relations.

Justification for U.S. Support to the ICCS

Well over a year has passed since the signing of the Viet-Nam peace agreement in January of 1973. While there have been serious deficiencies in the implementation of the cease-fire, we believe nonetheless that progress has been made toward the goal of a full and lasting peace in Viet-Nam. A key indicator is the decline in battlefield casualties since the cease-fire to a level of about one-third the casualties suffered in the years preceding the Paris Agreement.

A complex of factors—including our developing detente with the Soviet Union and China—has led to this lowering of the violence in South Viet-Nam. The International Commission of Control and Supervision (ICCS) is one of those key factors serving to keep the lid on in that area. While the performance of the ICCS has never matched its potential, it remains an essential part of the peace structure established by the Paris Accords. The presence in South Viet-Nam of several hundred foreign personnel charged with overseeing the military situation does, we believe, help deter a resumption of all-out warfare.

Since its inception in early 1973 the ICCS has faced serious financial problems. At the present time the continued existence of the Commission is in jeopardy because of the lack of adequate financial support by the communist side. Despite strong efforts on our part, they have declined to contribute their full prescribed share and we cannot be sure they will contribute their full share in the future. It is clear that the communists through their lack of support are seeking to induce a reduced role or even a termination of the ICCS. In contrast, the Government of the Republic of Viet-Nam has paid its full share and may be expected to continue to do so. We continue to insist that all parties meet their financial obligations to the ICCS.

In the face of these efforts by the communist parties, we believe it is imperative that the ICCS be kept operational. The atrophy or dissolution of the ICCS would clearly contribute to the unravelling of the Viet-Nam peace structure and encourage a renewal of general warfare. Further, U.S. failure to back the ICCS to the fullest extent possible could well be interpreted by Hanoi as a sign of declining U.S. interest in a peaceful solution in Viet-Nam. If the ICCS is to survive, the U.S. will have to assure an adequate level of funding for the Commission by contributing in excess of its prescribed share. In effect, the U.S. contribution will be largely used to pay for the cost of essential services including transport and communications, provided by American contractors. These services comprise the greater part of the ICCS budget. Compared to the costs of our past military involvement, the price we must now pay for these peace-keeping operations is remarkably small.

By Mr. MAGNUSON (for himself, Mr. JACKSON, Mr. CHURCH, and Mr. McCLURE):

S. 3563. A bill to authorize the construction of a highway bridge across the Snake River between Clarkston, Washington and Lewiston, Idaho. Referred to the Committee on Public Works.

Mr. MAGNUSON. Mr. President, with Senators JACKSON, CHURCH, and McCLURE, I am today introducing legislation to authorize and direct the Secretary of the Army, through the Corps of Engineers, to construct a four-lane lift suspension highway bridge across the Snake River between Clarkston, Wash., and Lewiston, Idaho. The Secretary would also be authorized and directed to construct the necessary bridge approaches. The new bridge would be located approximately 2 miles upstream of the present U.S. Route 12 bridge between the two cities. For their part, affected State and local jurisdictions would be required to: First, hold and save the United States free from any damages resulting from the construction; second, provide without cost to the United States all lands, easements, and rights-of-way necessary for the construction; and, third, maintain and operate the bridge and approaches after they are built.

This legislation is consistent with formal memorials that have been approved by both the Washington and Idaho Legislatures petitioning the Federal Government to build a new Lewiston-Clarkston Bridge. Furthermore, it is consistent with the comprehensive development plans of both Lewiston and Clarkston. However, I wish to emphasize that this bill is introduced as a working draft and that we will be soliciting the views of the appropriate non-Federal officials in both States so that any specific recommendations they may wish to make regarding changes in the bill will be available to the Public Works Committee.

Mr. President, the need for a new Lewiston-Clarkston Bridge has been created by construction of the Federal Lower Granite Lock and Dam project on the Snake River. Therefore, it is entirely appropriate that the new bridge and approaches be built at Federal expense.

Completion of the Lower Granite project in February 1975 will substantially raise the Snake at Lewiston-Clarkston. Consequently, the drawbridge that was built in the 1930's and now serves as the only transportation link between the two cities will have to be raised far more frequently for vessel movement. That will be the case since the clearance under the bridge will be reduced from its present range of 26 to 45 feet to a range of 13 to 18 feet according to estimates supplied by the Corps of Engineers. That, in turn, is projected by local officials to create serious traffic congestion on both sides of the river since there are now more than 22,000 two-way vehicular trips over the bridge on an average day. Besides the adverse impact the projected congestion will have on the local economy and the inconvenience it will create for local residents who must commute daily between the two cities, it will also pose a direct threat to public safety since the only ambulance service available to Clarkston residents is headquartered across the river in Lewiston.

In summary, there is a clear and pressing need for a new bridge—as proposed by this bill—that will permit uninterrupted travel between the two cities despite the higher water level; and there is a clear and convincing justification for the Federal Government's bearing the cost of constructing the bridge and approaches. Consequently, I strongly urge the Public Works Committee to take early and affirmative action on this proposal once the affected State and local jurisdictions have had an opportunity to comment.

Mr. President, I ask unanimous consent that memorials passed by the Washington and Idaho State Legislatures petitioning the Federal Government to construct a new Lewiston-Clarkston Bridge be printed in the RECORD at the conclusion of my remarks.

There being no objection, the memorials were ordered to be printed in the RECORD, as follows:

SENATE JOINT MEMORIAL No. 106—STATE OF WASHINGTON

To the Honorable Richard M. Nixon, President of the United States, and to the President of the Senate and the Speaker of the House of Representatives, to the Senate and House of Representatives of the United States, in Congress assembled

We, your Memorialists, the Senate and House of Representatives of the State of Washington, in legislative session assembled, respectfully represent and petition as follows:

Whereas, The two cities of Lewiston, Idaho and Clarkston, Washington are the commercial and trading centers of the area and by the 1970 census, including their urban environs, had a combined population in excess of thirty-seven thousand people; and

Whereas, The cities of Lewiston and Clarkston are presently connected by a single bridge across the Snake River which carries U.S. Highway 12, a federally aided primary route extending from Aberdeen, Washington to Detroit, Michigan; and

Whereas, Downstream from the two cities the United States Army Corps of Engineers is now constructing the Lower Granite Dam on the Snake River creating a reservoir scheduled for filling in 1975; and

Whereas, The planned normal pool level of the reservoir will be higher than the normal free flowing high water mark which was the basis for construction thirty-five years ago of the only bridge between the two cities; and

Whereas, The existing bridge structure would restrict river traffic in view of the size of craft and barges now being used on the river and would necessitate frequent bridge openings; and

Whereas, On an average day in calendar year 1972 there were twenty-two thousand two-way vehiclular trips across the existing bridge; and

Whereas, With the lift span of the present structure in the open raised position, passage between the two cities is blocked and traffic congestion along U.S. Highway 12 often extends into the metropolitan centers of both cities creating additional traffic problems; and

Whereas, The comprehensive plan for each city includes a proposal for a second span across the Snake River at sufficient elevation so as not to interfere with normal navigation in the planned pool behind the Lower Granite Dam; and

Whereas, Funds for this project are not available from the highway programs of the state of Washington, the County of Asotin, or the city of Clarkston;

Now, therefore, your Memorialists respectfully pray that the Congress begin immediate action to appropriate the funds necessary to construct a bridge across the Snake River between the cities of Lewiston, Idaho and Clarkston, Washington.

Be it further resolved, That copies of this Memorial be immediately transmitted by the Secretary of State to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and to each member of the Congress from this state.

SENATE JOINT MEMORIAL No. 105—LEGISLATURE OF THE STATE OF IDAHO

A JOINT MEMORIAL

To the Honorable Richard M. Nixon, President of the United States, to the President of the Senate and the Speaker of the House of Representatives, and to the Senators and Representatives representing the State of Idaho in the Congress of the United States; relating to funds for construction of a bridge across the Snake River between the cities of Lewiston, Idaho, and Clarkston, Wash.

We, your Memorialists, the Senate and House of Representatives of the State of Idaho assembled in the First Regular Session of the Forty-second Idaho Legislature, do hereby respectfully represent that:

Whereas, the two cities of Lewiston, Idaho, and Clarkston, Washington, are the commercial and trading centers of the area, and by the 1970 census had a combined population, including their urban environs, in excess of thirty-seven thousand people; and

Whereas, the cities of Lewiston and Clarkston are presently connected by a single bridge across the Snake River which carries U.S. Highway 12, a federally aided primary route extending from Aberdeen, Washington, to Detroit, Michigan; and

Whereas, downstream from the two cities the United States Army Corps of Engineers is now constructing the Lower Granite Dam on the Snake River creating a reservoir scheduled for filling in 1975; and

Whereas, the planned normal pool level of the reservoir will be higher than the normal free flowing high water mark which was the basis for construction thirty-five years ago of the only bridge between the two cities; and

Whereas, the existing bridge structure would restrict river traffic in view of the size of craft and barges now being used on the river and would necessitate frequent bridge openings; and

Whereas, on an average day in calendar year 1972 there were twenty-two thousand two-way vehicular trips across the existing bridge; and

Whereas, with the lift span of the present structure in the open raised position, passage between the two cities is blocked and traffic congestion along U.S. Highway 12 often extends into the metropolitan centers of both cities creating additional traffic problems; and

Whereas, the comprehensive plan for each city includes a proposal for a second span across the Snake River at sufficient elevation so as not to interfere with normal navigation in the planned pool behind the Lower Granite Dam; and

Whereas, funds for this project are not available from the highway programs of the State of Idaho, the County of Nez Perce, or the City of Lewiston.

Now, therefore, be it resolved by the First Regular Session of the Forty-second Legislature, the Senate and the House of Representatives concurring therein, that we do hereby respectfully petition the Honorable President of the United States, the President of the Senate and the Speaker of the House of Representatives, and the Congress of the United States to begin immediate action to appropriate the funds necessary to construct a bridge across the Snake River between the cities of Lewiston, Idaho, and Clarkston, Washington.

Be it further resolved that the Secretary of the Senate be, and he is hereby authorized and directed to forward copies of this Memorial to the President of the United States, the President of the Senate and the Speaker of the House of Representatives of Congress, and to the Senators and Representatives representing the State of Idaho in the Congress of the United States.

A SECOND BRIDGE FOR LEWISTON

Mr. CHURCH. Mr. President, I am pleased to introduce along with my colleagues from Idaho (Mr. McClure) and Washington (Mr. Magnuson and Mr. Jackson) a bill to authorize construction of a second bridge to span the Snake River between Lewiston, Idaho, and Clarkston, Wash. Construction of this bridge would relieve traffic problems which may occur when the Lower Granite Dam pool is flooded and open to navigation.

The Lower Granite lock and dam project is a Federal endeavor and it is only proper that the Federal Government finance construction of a bridge to accommodate the traffic problems resulting from the Corps of Engineers' project.

As introduced this bill would authorize construction, at Federal expense, of a four-lane, lift suspension highway bridge and approaches connecting Lewiston and Clarkston at river mile 142 of the Snake River—approximately 2 miles upstream from the present U.S. Highway 12 bridge. In keeping with normal practice, local or State interests would provide lands and easements necessary for construction of the bridge. and would maintain and operate the structure after construction.

Introduction of this legislation is the culmination of months of work with interested citizens in Idaho and Washington. Changes might be made in the bill submitted today but I know that with introduction of a bill we can get the ball off of dead center and start some meaningful planning and discussions. I pledge my continued support in efforts to get this bridge built.

The citizens of Lewiston and Clarkston have made the case which justifies Federal financing for construction of this bridge. In fact, the Idaho and Washington State Legislatures have passed formal memorials supporting Federal financing of a second bridge. I ask unanimous consent that a copy of the Idaho Legislature's memorial be entered at the end of my remarks.

The existing interstate bridge was completed in 1939 and consists of a lift span over the channel of the Snake River. With completion of Lower Granite Dam, and the subsequent raising of the water level, traffic on the river will be halted unless the lift span is raised each time a large boat or barge attempts to pass under.

Furthermore, raising of the reservoir is expected to increase river traffic substantially making more frequent raising of the existing bridge necessary, causing interruption of traffic and congestion at both ends of the bridge. However, frequent raising of the existing bridge will cause serious problems beyond traffic congestion. The two cities directly involved conduct cooperative health and safety programs. Reciprocal agreements are in effect in the areas of fire protection, ambulance service, and police services. Lewiston has the only pathology laboratory and blood bank to serve both cities. The old bridge, with a design cycle of another era which requires as much as 20 to 25 minutes to raise and lower, is outdated and must be supplemented with this second bridge.

For these reasons, this legislation should be enacted. I urge prompt and favorable consideration by the Public Works Committee so that a bill can be passed by the Congress and signed into law.

By Mr. McGOVERN:

S. 3566. A bill to provide daily summaries of congressional business by means of toll-free telephone lines in 15 pilot cities. Referred to the Committee on Government Operations.

LEGISLATIVE INFORMATION SERVICE TELEPHONE PROGRAM

Mr. McGOVERN. Mr. President, I introduce for appropriate reference a bill to provide daily summaries of congressional business by means of toll-free telephone lines in 15 pilot cities.

Recent events have tended to sorely discredit politics and government in the United States. This is a fact that we cannot escape. But it is one that those of us in Congress can act firmly to reverse. We can begin by accelerating our efforts to make government as open as possible to the people we serve.

Last December, a comprehensive survey conducted by Louis Harris Associates for the Senate Subcommittee on Intergovernmental Relations produced several important findings. First, it demonstrated that "fundamentally, people want an opening up of the Federal Government." Second, the survey discovered that, while people by their own admission had an inadequate understanding of the shape and structure of American government, they wanted to know much more. Third, and among the most important facts documented by the Harris study, is that 90 percent of the American people are convinced that government can work effectively and well.

These and other findings place a heavy responsibility on Members of Congress to respond positively both to the public skepticism about politics and to the sizeable reservoir of confidence in government.

Earlier this year, in testimony before the Joint Committee on Congressional Operations, I made a series of suggestions on how the Congress might be made more accessible to the American public.

First, I suggested that we undertake a serious examination of the opportunities that cable television might afford in making factual information about government more widely and easily available. That information might include data on veterans' benefits, social security questions, availability of informative Government publications, new programs and application deadline requirements, and precise instructions on how to contact Government agencies and Representatives in Congress.

Second, because all of us benefit by sharper awareness of public attitudes toward congressional performance, I recommended that national surveys of public opinion be conducted for the Congress on a twice yearly basis. These polls could regularly sample evolving attitudes toward the Congress while measuring public feelings on new issues.

A third recommendation spoke to an additional role for the media in providing the public with information on their Government. I suggested that local newspapers might conduct regional seminars on the congressional process. Professors from local colleges, private citizens, and members of the press, as well as members of the Congress, could be invited to give their views not only on what the Congress does but also on how it might be made more effective. The transcripts of these seminars could be published on an installment basis in the sponsoring publication so that many more people could develop a better understanding of how Congress might better serve their local areas.

Finally, I recommend the adoption of facilities which would make the pending business of Congress more accessible on a timely basis. In line with that proposal, the bill I am introducing today creates a practical program that can be started promptly, with a minimum of expense, while providing a useful and concise amount of data on what business is being conducted daily in Congress.

The bill would establish a legislative information service telephone program. It would be a pilot program with a 19-month life span and it would be conducted in 15 cities selected by the Director. The Director would be chosen by the Comptroller General of the United States without regard to political affiliation and solely on the basis of the Director's fitness to perform the duties prescribed by the act.

Those duties would include the daily preparation of concise, nontechnical summaries of: first, the business pending before the Senate and the House of Representatives on that day; second, the summaries of the calendar of business of the Senate and the House of Representatives for the following legislative day; and third, the schedule of committee meetings of both the Senate and House of Representatives for the following calendar day.

These summaries would be recorded and made available by means of toll-free telephone lines in each of the 15 pilot cities. This means that anyone in those cities could call in anytime and find out what issues were currently being considered by the Congress. With more specific information at their disposal, the people would not only be better able to form their opinions, but also to ask more informed questions. Their Representatives and Senators in turn would benefit by greater public awareness of congressional efforts and by an improved ability to give more precise answers to questions on the work of Congress.

The bill would also establish an Office of Congressional Information which, in addition to the duties already described, would answer correspondence on the operation of the program, notify the public of the program itself, and prepare analysis of the program's operation and cost-effectiveness. If the program wins public support, this analysis could become the basis for improving and extending the program.

Mr. President, more than a century ago, Abraham Lincoln said,

> I am a firm believer in the people. If given the truth, they can be depended upon to meet any national crisis. The great point is to bring them the real facts.

The aim of this legislation is as simple as the faith Congress and the people share in our ability to solve the Nation's problems. It is to give the people the facts on what Congress is doing and as a result help them to have an even greater influence on the work we do on their behalf.

I ask unanimous consent that the text of my bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3566

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ESTABLISHMENT OF OFFICE

Section 1. There is established within the General Accounting Office, under the supervision and control of the Comptroller General of the United States, an office to be known as the Office of Congressional Information (hereafter referred to in this Act as the "Office").

DUTIES AND FUNCTIONS

Sec. 2. (a) It shall be the duty and function of the Office to establish and administer a Legislative Information Service Telephone Program. That Program shall consist of—

(1) the preparation each day of concise, non-technical summaries of—

(A) business pending before the Senate and the House of Representatives on that day;

(B) the calendar of business of the Senate and the House of Representatives for the following legislative day (as such information is made available by the leadership of the Senate and the House of Representatives); and

(C) the schedule of committee meetings of both the Senate and the House of Representatives for the following calendar day;

(2) the provision of electronic recording and telephonic transmission of such summaries by means of toll-free telephone lines in each of the fifteen cities selected in accordance with subsection (b) of this section;

(3) the installation of recording equipment and the rental of toll-free telephone lines adequate to provide for such transmissions in those cities;

(4) notification to the public of the availability of the summaries referred to in clause (1); and

(5) public opinion sampling to determine the awareness and recreation of the general population to such summaries in each of those cities.

The Office shall commence providing such summaries not later than 120 days following the date of enactment of this Act.

(b) The Director shall select fifteen cities in the United States of varying population size, representing all major sections of the country, as test cities in which to conduct the Legislative Information Service Telephone Program. Not more than one such city shall be selected from any one State.

(c) Not later than 9 months following the date of enactment of this Act, the Office shall prepare and transmit to the President pro tempore of the Senate, the Speaker of the House of Representatives, and the Comptroller General of the United States a report which shall set forth—

(1) an evaluation of the Legislative Information Service telephone program;

(2) a statement of the cost effectiveness of the program;

(3) an analysis of public reaction to the Program; and

(4) the recommendation of the Office with respect to whether the program should be continued, and if so, whether and how the program may be improved and expended.

PERSONNEL; POWERS

Sec. 3. (a) The Office shall be headed by a Director who shall be appointed by the Comptroller General of the United States. The Director shall be appointed without regard to political affiliation and solely on the basis of his fitness to perform his duties, and shall be compensated at a rate equivalent to the grade of GS–18.

(b) The Director shall be assisted by a Deputy Director who shall be appointed by the Comptroller General of the United States. The Deputy Director shall be appointed without regard to political affiliation and solely on the basis of his fitness to perform his duties, and shall receive compensation at a rate equivalent to the grade of GS–17. Under the direction of the Director, the Deputy Director shall—

(1) supervise such personnel as are deemed necessary to record, transmit, and catalog the daily recorded summaries described in section 2(a) of this Act; and

(2) supervise such personnel as are deemed necessary to receive, process, acknowledge, and catalog all correspondence directed to the Office regarding the Legislative Information Service telephone program.

(c) (1) The Director shall appoint and fix the compensation of such other personnel as may be necessary to carry out the duties and functions of the Office. All personnel of the Office shall be appointed without regard to political affiliation and solely on the basis of their fitness to perform their duties. The Director may delegate to personnel of the Office authority to perform any of the duties and functions imposed by this Act on the Office or on the Director.

(2) In carrying out the duties and functions of the Office, the Director may procure the temporary (not to exceed one year) or intermittent services of experts or consultants or organizations thereof by contract as independent contractors, or in the case of individual experts or consultants, by employment at rates of pay not in excess of the daily equivalent of the highest rate of basic pay paid under the General Schedule of section 5332 of title 5, United States Code.

(3) In carrying out the duties and functions of the Office, the Director may, as agreed upon with the head of any department, agency, establishment, regulatory agency, or commission, utilize the services, facilities, and personnel of each department, agency, establishment, regulatory agency, or commission. The utilization of such services, facilities, and personnel may be with or without reimbursement by the Office as may be agreed.

(4) The head of such department, agency, establishment, regulatory agency, or commission is authorized to provide the Office such services, facilities, and personnel under this subsection.

Sec. 4. There are authorized to be appropriated to the Office such sums, not to exceed $2,000,000, as may be necessary to carry out the provisions of this Act.

Sec. 5. The Office shall cease to exist 19 months following the date of enactment of this Act.

By Mr. DOMENICI (for himself and Mr. Montoya):

S. 3567. A bill to declare that certain land of the United States is held by the United States in trust for the Pueblo of Laguna. Referred to the Committee on Interior and Insular Affairs.

Mr. DOMENICI. Mr. President, I introduce today a measure which would set aside a tract of approximately 480 acres of Federal land, now administered by the Bureau of Land Management, to be held in trust for the Pueblo of Laguna, N.Mex. I am pleased to be joined by my distinguished colleague from New Mexico (Mr. Montoya).

The tract, which is adjoined on the north, east and south by lands already held by the United States in trust for the Pueblo of Laguna, is currently used by the Pueblo under a permit from the Bureau of Land Management. Although this bill was not part of the Bureau of Land Management or Bureau of Indian Affairs legislative program, I understand that neither agency has indicated any objection and I know of no other persons or groups having any interest in these lands.

I urge prompt and favorable action on this measure and I also ask unanimous consent that the text of the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3567

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all right, title and interest of the United States in and to the following described land, and improvements thereon, are hereby declared to be held by the United States in trust for the Pueblo of Laguna:

NEW MEXICO PRINCIPAL MEDRIDIAN

Township 9 north, range 3 east, section 30, northwest one quarter and south one half, containing 480 acres more or less.

By Mr. BENTSEN:

S. 3568. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Cibolo project, Texas, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

CIBOLO PROJECT, TEXAS

Mr. BENTSEN. Mr. President, I am pleased to introduce today a bill to authorize the construction of the Cibolo project in Texas. Congressman ABRAHAM KAZEN has introduced the bill on the House side and I am pleased that we will be working together on this project.

Mr. Chairman, the Cibolo project is located in Wilson County, Tex. near the city of San Antonio. The project's plan of development provides for construction of Cibolo Dam and Reservoir in Cibolo Creek to regulate its flows for flood control, and for municipal and industrial water supply. The plan includes recreation and sport fishing facilities at the reservoir and would provide major fish and wildlife benefits.

The project has undergone a thorough 7-year Federal and State investigation which revealed that the project would contribute greatly to the capacity of the municipal and industrial water supply systems for the growing communities of San Antonio, Karnes City, and Kennedy.

Most of the Cibolo project region depends solely on the Edwards (Balcones Fault Zone) and Carrizo-Wilcox aquifers for total water supply. Continued dependence upon these aquifers by the region's competing water users portends serious consequences from the headwaters of the Guadalupe, San Antonio, and Nueces River Basins to the estuaries and the Gulf of Mexico where the biological and economic productivity are reliant upon fresh water and nutrient materials. The region urgently requires a supplementary surface water supply system in order that progress may be made toward implementation of a well-planned surface water-ground water conjunctive use program for the area. The multipurpose Cibolo project represents the first phase of such a planned supplementary surface water supply system, and it will also provide much needed flood control storage to mitigate flood hazards in the lower San Antonio River Basin.

Construction and development of the Cibolo project will provide the region with a dependable yield of 25,000 acre-feet of water per year. A demonstrable need presently exists for this water. The city of San Antonio is ready now to contract for the major portion of this yield for municipal and industrial purposes. The cities of Kenedy and Karnes City also stand ready to begin immediate use of the principal portion of the remainder of the yield.

Currently, the Edwards—Balcones Fault Zone—aquifer is the sole water supply source for the city of San Antonio. In turn, the city is the largest metropolitan area in the Nation whose municipal requirements are met entirely with ground water. In recent years, regional water supply and water management studies have clearly shown that the dependable yield of the Edwards aquifer is rapidly being approached and that development of surface water supplies for the region is absolutely essential.

In addition to the project's importance in providing the city of San Antonio a supplementary water supply source and in reducing demands being imposed on the Edwards aquifer, the project is of considerable importance to the cities of Kenedy and Karnes City because these communities must now use ground water that is very undesirable because of excessive salt concentrations.

Mr. Chairman, the Office of Management and Budget has indicated to Congressman KAZEN that this project has its blessing and it is my understanding that the House of Representatives is prepared to approve the project very soon.

Based on these two facts plus the importance of the project and the extensive studies that have been made on it, I would hope that the Interior Committee would take swift and positive consideration of this authorization request.

By Mr. HARTKE (for himself and Mr. MAGNUSON):

S. 3569. A bill to amend the Rail Passenger Service Act of 1970, and for other purposes. Referred to the Committee on Commerce.

Mr. HARTKE. Mr. President, I am introducing today the Amtrak Improvement Act of 1974. This legislation is the result of the continuing oversight activities of the Surface Transportation Subcommittee of the Senate Commerce Committee, and I believe it will help to improve rail passenger service in the United States. The last year has conclusively demonstrated the need for increasing use of passenger trains. More importantly, there has also been an overwhelming demonstration of the public desire to use the trains—Amtrak's ridership has skyrocketed beyond capacity, and I cannot think of any area of the United States that would not like to have increased amounts of rail passenger service.

This legislation will help Amtrak fulfill the public need for better quality rail passenger service. An authorization for Federal grants under section 601 of the Rail Passenger Service Act for fiscal year 1975 is made, and the loan guarantee authority of section 602 of the act is amended. These moneys will help make the necessary improvements in both the service offered and the equipment used so that we can continue to move toward a more balanced transportation policy. The extent of our imbalanced expenditure of public moneys for transportation purposes is well known. In fact, of the $28.2 billion in public funds that were spent last year for transportation, 86 percent was spent for highways, 10 percent for air transportation, 3.7 percent for waterways, and less than one-fourth of 1 percent for rail transportation. Given the energy efficiency and environmental compatibility of rail passenger transportation, we can no longer afford to neglect the development on an adequate rail passenger system. When one examines the development of such systems in other technologically advanced countries, it becomes quite clear how far behind we have fallen. It is my hope that we will continue to devote our attention and resources to this worthwhile goal.

In addition to an authorization for fiscal 1975 and an increase in the loan guarantee authority for Amtrak, this bill contains several other provisions designed to improve the operations of the National Railroad Passenger Corporation. Section 2 of the bill directs the Corporation to directly perform all maintenance and repair functions on its equipment. Amtrak has the authority to do this under the present legislation, but has failed to do so. This means that people who are not working for the Corporation are doing most of the maintenance and repair work on Amtrak's trains, and the results, to say the least, have been far from satisfactory. Even the Department of Transportation, in its annual report to Congress, which was due March 15 but has been impounded by the Office of Management and Budget since then, recommends that Amtrak directly assume maintenance functions on its trains. The current situation is unsatisfactory both from the point of view of the quality of maintenance that is being performed—with resultant breakdowns and the like—and from the point of view of cost control and accountability.

Section 2 of the bill will also help facilitate the necessary congressional oversight of the implementation of the Northeast corridor project, which is required by the Regional Rail Reorganization Act. Not only would monthly progress reports be sent to the Congress, but Amtrak is directed to cooperate fully with all the responsible parties, and the Secretary of Transportation is directed to assign the project the highest status within the Department. This will be absolutely necessary if the 5-year implementation deadline contained in the joint statement of managers of the Regional Rail Reorganization Act is to be adhered to.

Section 3 of the bill directs the Secretary of the Treasury to assure that the Bureau of Customs uses customs inspections procedures aboard Amtrak's trains operated in international intercity rail passenger service that are modern and up to date. The Senate Commerce Committee has received numerous complaints regarding some of the procedures that have been used, and in one instance I am aware of a procedure that has been used which requires the passengers to completely detrain in the weather, carrying their luggage, for an inspection. That sort of inspection is calculated to serve the convenience of the inspectors more than the passengers or the American public. There is no good reason why the United States cannot follow the lead of the many countries who have on-board inspections procedures that are conducted while the train is moving to its destination. This enables the fastest journey time and helps the competitiveness of rail passenger service with less energy efficient or environmentally compatible modes of transportation. It is incredible to me to see the Federal Government, through two different programs—one run by Amtrak and the other run by the Department of the Treasury—essentially fighting itself. They can be compatible and they should be compatible. A perfectly adequate inspection can be performed by Customs while the train is in motion to its destination, and that is what this section would help effectuate.

Section 4 of the bill will help correct a situation that has existed for some time now. The Rail Passengers Service Act in its present form grants pass privileges in much the same form that the amended section I am proposing today, but requires the Interstate Commerce Commission to decide how much Amtrak should receive for the carriage of passholders. Unfortunately, the Commission decided under these provisions that Amtrak should receive essentially nothing, and because of this decision, there has been a great economic incentive on the part of Amtrak to restrict the use of passes to the maximum extent possible. A bewildering array of restrictive regulations has resulted that in effect diminishes the usefulness of the pass privilege, which is not what Congress intended when this section was originally enacted. The amended section is designed to remove the source of the difficulty, and it also will pick up some employees of what are essentially railroads but who were left out because they worked for what are technically railroad subsidiaries that do not formally qualify as railroads under the applicable provisions of the Interstate Commerce Act.

Section 5, in addition to amending the amount of authorized loan guarantee authority, also makes clear what the role of the Secretary of Transportation is to be in guaranteeing loans for the Corporation. When the Board of Directors, and I should point out that the Secretary is a statutory member of the Board, approves a capital or budgetary plan and requests the Secretary to guarantee the requisite loan, the Secretary is not to second guess the Board and make all the capital and budgetary decisions of the Corporation over again as part of the process of guaranteeing that loan. When the Secretary does that sort of thing he is acting as some sort of legislatively unauthorized court of review over the decisions of the Board of Directors and making the Board a rather meaningless body. In the Amtrak Improvement Act of 1973, the Secretary was given the authority to issue general annual guidelines regarding these matters, and my amendment would extend that authority to cover guaranteed loans. The Secretary would then be able to participate in the decision both through the annual guidelines which apply to grants and loan guarantees, and through his statutory seat on the Board of Directors. Congress will continue its oversight of Board decisions as part of its general oversight activities of the Corporation, I should also point out that all the Presidentially nominated Board members are subject to confirmation by the Senate of the United States, which provides additional protection of the public interest.

Section 7 of the bill merely removes a technical difficulty that arises from the present wording of section 304(b) of the act. This section as presently worded prevents any railroad, after the initial issuance of stock by Amtrak is complete, from owning or controlling more than 33⅓ percent of the outstanding shares. At the present time, all of the stock subscriptions are complete, and there are two railroads, the Penn Central and the Burlington Northern, that are technically in violation of the act—the Penn Central owns 56 percent of the common stock and the Burlington Northern owns 36 percent of the common stock. The amendment is designed to remove the technical violation, and I am satisfied that it would in no way adversely affect the public interest.

Section 8 is a minor technical revision of the act, and section 9 would merely incorporate S. 1328, which has already passed the Senate. Section 10 makes a minor revision to the Interstate Commerce Act, which is technical in nature.

Mr. President, I am hopeful for quick Senate passage of the Amtrak Improvement Act of 1974; it is a piece of legislation designed to best effectuate the public interest in improved rail passenger transportation, and I ask unanimous consent that the bill be reprinted at the conclusion of my remarks and those of Senator MAGNUSON.

Mr. MAGNUSON. Mr. President, I am pleased to cosponsor the Amtrak Improvement Act of 1974 with the distinguished chairman of the Surface Transportation Subcommittee, Senator HARTKE. I know that Senator HARTKE's efforts in the field of rail transportation are leading to major improvements, and I am in full support of all the provisions of his bill. It is very gratifying to me to see the renaissance in thinking about the need for improved rail transportation, and as chairman of the Senate Commerce Committee, I share Senator HARTKE's commitment to translate that changed thinking into actual improvements.

While I am in full agreement on all of the remarks of Senator HARTKE regarding this legislative proposal, I would like to add a few observations regarding section 9 of the bill. That section essentially incorporates S. 1328, the West Coast Corridor Feasibility Study Act of 1973. This measure has already passed the Senate, on July 11 of last year. There is little disagreement over the merits of what it requires—a study of the long-range transportation needs to the west coast. The Federal Government has already done its homework here in the Northeast, with the 1971 report of the Secretary of Transportation on transportation in the Northeast Corridor, from Boston to Washington. One of the most significant of the recommendations contained in that report, the implementation of improved high speed rail passenger service in the corridor, was required to be implemented in the Regional Rail Reorganization Act of 1973. Section 2 of this bill is designed to help facilitate congressional oversight of that requirement.

The Northeast Corridor Report is a highly commendable piece of work. It was conducted over an 8-year period and cost around $12 million—dollars well spent in my opinion. But the responsibility of the Federal Government to do this sort of long range planning does not end with the Northeast corridor. Already the San Francisco to Los Angeles air route is the most heavily traveled in the world. There are several corridors on the west coast that have already been identified in addition to San Francisco-Los Angeles. The west coast needs to have the same sort of in-depth study and investigation that has already occurred here in the Northeast. Now that the Department has developed the requisite methodolgy and analytical capability, the needed study of the west coast should be easier than it was here in the east.

While section 9 requires nothing in the way of actual transportation improvements, it does require the sort of long range planning that the Department should have already initiated. There is no requirement that the recommendations of the study are modally uniform or that in fact any change in the present transportation system be recommended for any particular segment. In fact, it is entirely possible that different recommendations could obtain for the various segments under consideration, and I would more or less expect that certain segments should be improved more rapidly than others. There is no excuse for the lack of long range planning than is presently the case, and I am hopeful that the Senate will again pass this worthwhile proposal, and that the House of Representatives will agree to it in conference.

Mr. President, I ask unanimous consent along with Senator HARTKE that the full text of the Amtrak Improvement Act of 1974 be reprinted at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3569

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Amtrak Improvement Act of 1974".

SEC. 2. Section 305 of the Rail Passenger Service Act of 1970 (45 U.S.C. 545) is amended by adding at the end thereof the following two new subsections:

"(c) The Corporation shall, to the maximum extent practicable, directly perform all maintenance, rehabilitation, repair, and refurbishment of rail passenger equipment. Until the Corporation obtains, by purchase, lease, construction, or any other method of acquisition, Corporation-owned or controlled facilities which are adequate for the proper maintenance, repair, rehabilitation, and refurbishment of the rolling stock and other equipment and facilities of the Corporation, the railroads performing such services shall do so as expeditiously as possible and shall accord a higher priority to such work than to the maintenance and repair of equipment utilized for the transportation of freight.

"(d) The Corporation shall advise, consult and cooperate with, and, upon request, assist in any other manner the Secretary of Transportation, the United States Railway the Consolidated Rail Corporation in order to facilitate completion and implementation of the Northeast Corridor project, as defined in section 206(a)(3) of the Regional Rail Reorganization Act of 1973, by the earliest practicable date. The Secretary shall report monthly to the Congress on the progress made in implementing such project, and shall assign the highest priority to its completion.".

Sec. 3. Section 305(e)(7) of the Rail Passenger Service Act of 1970 (45 U.S.C. 545(e)(7)) is amended by inserting immediately prior to the semicolon a period and the following new sentence: "The Secretary of the Treasury shall establish and maintain, in cooperation with the Corporation, customs inspection procedures aboard trains operated in international intercity rail passenger service that will be convenient for passengers and will result in the most rapid possible transit between embarkation and debarkation points on such service.".

Sec. 4. Section 405(f) of the Rail Passenger Service Act of 1970 (45 U.S.C. 565(f) is amended to read as follows:

"(f) The Corporation shall take such action as may be necessary to assure that, to the maximum extent practicable, any railroad employee or any employee of a company owned wholly by one or more railroads and which operates any equipment or performs any service in connection with the transportation of freight or passengers by railroad who was eligible to receive free or reduced-rate transportation by railroad on April 30, 1971 under the terms of any policy or agreement in effect on that date will be eligible to receive free or reduced-rate transportation on any intercity rail passenger service provided by the corporation under this Act. However, the Corporation may apply to all railroad employees eligible to receive free or reduced-rate transportation under such policy or agreements, a single systemwide schedule of terms determined by the Corporation to reflect terms applicable to the majority of such employees to those policies or agreements in effect on April 30, 1971. As a condition precedent for providing free or reduced-rate transportation to such employees, the Corporation shall be reimbursed by the railroad or company referred to above by whom the employee had been employed by way of payment of 50% of the regular applicable fare for transportation furnished to such employees on a space available basis and for the full applicable fare for reserved space transportation under any policy or agreement referred to above plus the cost of implementing and administering this section.

If any railroad company which operates intercity passenger service not under contract with the corporation notifies the Corporation and any railroad or other company referred to in this subsection that it will accept the terms of any agreement or decision made pursuant to this section, such railroad company shall be reimbursed for services provided in accordance with such agreement or decision. If used in this subsection, the term "railroad employee" means (1) an active, full-time employee, including any such employee during a period of furlow or while on leave of absence of a railroad, a terminal company, or a company owned wholly by one or more railroads and which operates any equipment of performs any service in connection with the transportation of freight or passengers by railroad, (2) a retired employee of any such railroad or company, and (3) the dependents or any employee referred to clause (1) or (2) of this sentence.

Sec. 5. Section 601 of the Rail Passenger Service Act of 1970 (45 U.S.C. 601), is amended by striking out $334,300,000", and inserting in lieu thereof "$534,300,000".

Sec. 6. Section 602 of the Rail Passenger Service Act of 1970 (45 U.S.C. 602), is amended by striking out, in subsection (d) thereof, "$500,000,000" and by inserting in lieu thereof "$900,000,000"; and by adding at the end thereof the following new subsection:

"(h) Any request made by the Corporation for the guarantee of a loan pursuant to this section, which has been approved by the Board of Directors of the Corporation, shall be approved by the Secretary without substantive review of the objects of such underlying loan. Substantive review of the capital and budgetary plans of the Corporation by the Secretary shall be effected by the Secretary in his capacity as a member of the Board of Directors of the Corporation and through issuance of general guidelines pursuant to section 601 of this Act.".

Sec. 7. Section 304(b) of the Rail Passenger Service Act of 1970 (45 U.S.C. 544(b)) is amended by striking out the word "owned" and by inserting in lieu thereof the word "voted" and by adding at the end thereof the following new sentence: "If any railroad or any person controlling one or more railroads, as defined in section 1(3)(b) of Title 49 owns, directly or indirectly through subsidiaries or affiliated companies, nominees, or any person subject to its direction or control, a number of shares in excess of 33⅓ per centum of the total number of common shares issued and outstanding, such excess number shall, for voting and quorum purposes, be deemed to be not issued and outstanding.".

Sec. 8. The Rail Passenger Service Act of 1970, as amended, is further amended by deleting "Rail Passenger Service Act of 1970" wherever the same shall appear and by inserting in lieu thereof "Rail Passenger Service Act".

Sec. 9. The High Speed Ground Transportation Act (49 U.S.C. 1631 et seq.) is amended by adding a new section at the end thereof:

"Sec. 1642. (a) The Secretary shall make an investigation and study, for the purpose of determining social advisability, technical feasibility, and economic practicability, of a high-speed ground transportation system between the cities of Tijuana in the State of Baja California, Mexico, and Vancouver in the Province of British Columbia, Canada, by way of the cities of Seattle in the State of Washington, Portland in the State of Oregon, and Sacramento, San Francisco, Fresno, Los Angeles, and San Diego in the State of California. In carrying out such investigation and study the Secretary shall consider—

"(1) the various means of providing such transportation, including both existing modes and those under development, such as the tracked levitation vehicle;

"(2) the cost of establishing and operating such a system, including any acquisition of necessary rights-of-way;

"(3) the environmental impact of such a system including the future environmental impact from air and other transportation modes if such a system is not established;

"(4) the factors which would determine the future adequacy and commercial success of any such system, including the speed at which it would operate, the quality of service which could be offered, its cost to potential users, its convenience to potential users, and its ability to expand to meet projected increases in demand;

"(5) the efficiency of energy utilization and impact on energy resources of such a system, including the future impact of existing transportation systems on energy resources if such a system is not established;

"(6) the ability of such a system to be integrated with other local and intrastate transportation systems, both existing and planned, in order to create balanced and comprehensive transit systems;

"(7) coordination with other studies undertaken on the State and local level; and

"(8) such other matters as he deems appropriate.

"(b) In carrying out any investigation and study pursuant to this section, the Secretary shall consult with, and give consideration to the views of, the Civil Aeronautics Board, the Commission, the Corporation, the United States Railway Association, the Corps of Engineers, and regional, State, and local transportation planning agencies. The Secretary may, for the purpose of carrying out such investigation and study, enter into contracts and other agreements with public or private agencies, institutions, organizations, corporations or individuals, without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(c) The Secretary shall report the results of any study and investigation pursuant to this section, together with his recommendations, to the Congress and the President no later than January 30, 1977. The Secretary shall submit interim reports to the Congress on January 30, 1975, and January 30, 1976.

"(d) There is authorized to be appropriated not to exceed $8,000,000 to carry out the provisions of this section.".

Sec. 10. Section 202(b)(2) of the Interstate Commerce Act (49 U.S.C. 302(b)(2)), is amended by striking the period at the end of the second sentence thereof and by inserting in lieu thereof the following: ": *Provided*, That (7) any amendments of such standards, which are determined by the national organization of the State commissions and promulgated by the Commission prior to the initial effective date of such standards shall become effective on such initial effective date; and (2) after such standards become effective initially, any amendments of such standards, which are subsequently determined by the national organization of the State commissions, shall become effective at the time of promulgation or at such other time, subsequent to promulgation by the Commission, as may be determined by such organization.".

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 2785

At the request of Mr. Percy, the Senator from Tennessee (Mr. Brock), the Senator from Delaware (Mr. Roth), the Senator from Florida (Mr. Chiles), and the Senator from Kentucky (Mr. Huddleston), were added as cosponsors of S. 2785, a bill to authorize the Administrator of General Services to enter into multiyear leases through use of the automatic data processing fund without obligating the total anticipated payments to be made under such leases.

S. 3229

At the request of Mr. Schweiker, the Senator from North Carolina (Mr. Helms) was added as a cosponsor of S. 3229, the Soviet Energy Investment Prohibition Act.

S. 3339

At the request of Mr. Humphrey, the Senator from New Mexico (Mr. Montoya), the Senator from Iowa (Mr. Hughes), and the Senator from Idaho (Mr. Church) were added as cosponsors of S. 3339 a bill to amend the program of supplemental security income for the aged, blind, and disabled—established by title XVI of the Social Security Act—to provide for cost-of-living increases in the benefits provided thereunder.

S. 3383

At the request of Mr. McGovern, the Senator from Pennsylvania (Mr. Hugh Scott) was added as a cosponsor of S. 3383, the World War I veterans' pension bill.

S. 3417

At the request of Mr. Eagleton, the Senator from Kentucky (Mr. Huddleston) was added as a cosponsor of S. 3417, a bill to amend title 5 of the United States Code (relating to Government organization and employees) to assist Federal employees in meeting their tax obligations under city ordinances.

S. 3434

At the request of Mr. Hugh Scott, the Senator from Oklahoma (Mr. Bellmon), the Senator from California (Mr. Tunney), the Senator from Arizona (Mr. Fannin), and the Senator from Pennsylvania (Mr. Schweiker) were added as cosponsors of S. 3434, a bill to establish university coal research laboratories and to establish energy resource fellowships.

S. 3526

At the request of Mr. Dole, the Senator from New Mexico (Mr. Montoya) was added as a cosponsor of S. 3526, to prohibit the importation into the United States of certain meat and meat products.

SENATE JOINT RESOLUTION 142

At the request of Mr. Curtis, the Senator from South Carolina (Mr. Thurmond) was added as a cosponsor of Senate Joint Resolution 142, proposing an amendment to the Constitution of the United States relative to the balancing of the budget.

SENATE JOINT RESOLUTION 189

At the request of Mr. Harry F. Byrd, Jr., the Senator from Texas (Mr. Tower) was added as a cosponsor of Senate Joint Resolution 189, to restore posthumously full rights of citizenship to General R. E. Lee.

ADDITIONAL COSPONSOR OF A CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 80

At the request of Mr. Curtis, the Senator from Delaware (Mr. Roth) was added as a cosponsor of Senate Concurrent Resolution 80, expressing the sense of Congress regarding the annexation of the Baltic Nations.

EXEMPTION FROM DUTY CERTAIN REPAIRS OF U.S. VESSELS—AMENDMENTS

AMENDMENT NO. 1371

(Ordered to be printed and to lie on the table.)

Mr. HUDDLESTON. Mr. President, on behalf of Senators Church, Ribicoff, Kennedy, Williams, Fong, Gurney, Cook, and myself, I submit an amendment to H.R. 8217 and I ask that it lie on the table and be printed.

The amendment relates to the retirement income credit portion of H.R. 8217 and would provide future cost-of-living adjustments in the tax credit for some 971,000 affected Americans.

The retirement income credit has become badly out of date since it was instituted. H.R. 8217 contains a Finance Committee amendment which provides a substantial increase in the amount used to compute the 15-percent income tax credit for retirees who have little or no social security. I strongly endorse and support the committee's action.

Our amendment provides that whenever future cost-of-living adjustments are made in social security that the base for computing the retirement income credit will be raised by a like percentage—thus providing protection for almost 1 million retirees against future inflation.

Current law, of course, exempts social security income from taxation. Government pensioners and other retirees receiving little or no social security are entitled to a 15-percent tax credit on their retirement income—pensions, annuities, interest, dividends, and rent. Those affected include such civil service retirees as teachers, policemen, firemen, et cetera.

The maximum base for computing this credit is now $1,524 for retired single persons and $2,286 for retired couples. This base has not been updated since 1962 for single persons and 1964 for couples. During that same time, social security benefits have been adjusted six times. Monthly social security benefits for the average worker have increased from $76.19 in 1962 to $166.42 in 1973; for couples the increase has been from $127.90 to $276.71. As you can see, the retirement income credit has fallen far behind and is badly out of date.

H.R. 8217 provides a significant and much-needed increase in the retirement income credit. It would raise the base to $2,500 for single elderly persons and $3,750 for elderly couples. The Finance Committee and the Senate Special Committee on Aging are both to be commended for their efforts to increase the retirement income credit and to put those retirees on a more comparable basis with social security retirees.

Our amendment is designed to insure that 10 more years do not go by before another increase is approved. This would be accomplished by providing that whenever the Secretary of Health, Education, and Welfare determines an automatic cost-of-living increase in social security benefits is warranted, under title II, section 215 of the Social Security Act, the base on which the retirement income credit is computed would be raised by a like percentage.

Unless some provision is made for a cost-of-living adjustment, non-social-security retirees' incomes will be eaten up by inflation and they will be unable to meet current living costs. Of the 971,000 persons affected, 70 percent make less than $10,000—based on 1972 tax returns—85 percent make less than $15,000 and 27 percent make less than $5,000. So the beneficiaries will be the low and moderate income Americans hit hardest by inflation.

According to the U.S. Treasury, in a hypothetical case in which a 10-percent cost-of-living increase in social security benefits is made, the cost of increasing the retirement income credit base 10 percent would be approximately $25 million. That, I think, is a very small price to pay to insure thousands of Americans that they will be able to make ends meet on their retirement income.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975—AMENDMENTS

AMENDMENT NO. 1372

(Ordered to be printed and to lie on the table.)

Mr. ABOUREZK. Mr. President, I have long been concerned about what happens when a nation disregards its obligation to defend basic human rights in its dealings with other nations. I believe that eventually it will probably begin to disregard the human rights and its obligation to insure them at home, also.

It has been 25 years since the United States signed Eleanor Roosevelt's declaration of human rights, yet what do we have to show for it? With the U.S. complicity and support, political repression and torture are everyday occurrences in South Vietnam and a number of our other allies.

In fact, as I shall discuss later in greater detail, there have been South Vietnamese policemen who, while attending the International Police Academy, have advocated outright torture as a sure-fire means to obtain answers from their own citizens should other methods of interrogation fail.

Few of these governmental atrocities could be continued and extended to such proportions were it not for the acceptance, tacit approval, and often assistance of the U.S. Government or American business interests.

Mr. President, I believe the time has come for the U.S. Senate to stand up to these failures of the past by insuring that at least those citizens in the largest recipient country of our military assistance, South Vietnam, be insured a court trial if they are to be held behind bars.

For this reason, I am submitting an amendment to the military procurement bill, S. 3000, which would insure that before the Government of South Vietnam receives any military assistance in the coming fiscal year, they will have presented written assurances that all persons sentenced and imprisoned without the benefit of a formal court trial will be released.

While such an action will not guarantee that the basic human rights of these people will be restored, it does insure that they will not be held against their will without having been proved guilty.

Certainly, if South Vietnam is not now holding any of its citizens in prison without the benefit of trial, this amendment obviously would not apply. However, it does insure that if it is not happening now, it will not happen in the future either.

Mr. President, in light of the fact that this Government spent over $175 billion in the last 10 years, not to mention the 55,000 lives, trying to mold a political system in South Vietnam similar to that in the United States, it seems highly unwise that we continue to overlook the importance of impressing upon the South Vietnamese the importance of some of the vital cornerstones of democracy such as habeas corpus. For what purpose have we expended all of these lives and these billions of dollars if the country for which we gave so much does not even guarantee its citizens the most basic of all civil rights—that of a trial?

My amendment would insure—at least in part—that the almost unprecedented resources which this Nation has used in behalf of South Vietnam and its effort to establish a democracy has not been in vain. Mr. President, I ask unanimous consent that the text of this amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 1372

On page 16, line 23, add the following new subsection:

"(f) No funds are authorized to be appropriated or made available under this subsection unless and until the President notifies the Congress in writing that he has received formal assurances that the Government of South Vietnam will release by December 31, 1974 all persons sentenced and imprisoned without benefit of formal court trial or defense counsel, and that all such persons and political prisoners will have restored to them their civil rights."

AMENDMENT NO. 1373

(Ordered to be printed and to lie on the table.)

Mr. ABOUREZK. Mr. President, I am today submitting an amendment to the Military procurement bill which would insure that the Defense Department obtain the consent of Congress before transferring any of the material presently held in the war reserve stocks, allies—WRSA—to any other government.

The Pentagon recently announced that its last three budget requests included a total of more than $1.8 billion to build a reserve stockpile of weapons for possible use by the allies in Asia—rather than by American forces.

To my knowledge, the Pentagon has never produced any record to any committee of Congress proving that the request for such funds had been clearly labeled or explained to Congress. In fact, it was less than a month ago that the distinguished chairman of the Foreign Relations Committee, Senator FULBRIGHT discovered that the administration was hiding $490 million of war reserve funds in the new fiscal 1975 budget now before the Senate. According to a Washington Post story on the newly discovered "war reserve" equipment, neither the United States budget for fiscal year 1975 nor any other publicly released document at this time makes any mention of the war reserve stocks for allies.

It has always been common knowledge I think, that the United States stockpiled equipment for its own forces. But it was not known generally that weapons were being stockpiled for other nations, even though those weapons would be under our Government's control.

The Pentagon has stated that the war reserve stocks for allies cannot be released until a conscious Presidential decision with the appropriate congressional consultation is made. If this is so, then they should not have any qualms about supporting my amendment. For all that my amendment would do is to insure that such consultation is made and that the Congress approve of such a transaction before it is made. If we must approve the funds for the equipment in the first place, then surely we should also be in a position to approve or disapprove DOD's giving that equipment away.

It is my understanding that the basic rationale behind the stockpiling of weapons for allies is to have a ready supply of arms—other than those earmarked for U.S. units—which could be used in an emergency by such countries as Vietnam, Thailand, Korea, or any other ally. If this understanding is correct, then my amendment would not only insure congressional oversight, it could allow for replenishment of any expended supplies should that be necessary.

Mr. President, I ask unanimous consent that the text of this amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 1373

On page 3, below line 22, add the following new section:

SEC. 102. No weapons, equipment or other material from the War Reserve Stocks, Allies may be transferred from U.S. control to other governments without specific authorization erected by the Congress enacted after the date of enactment of this act.

AMENDMENT NO. 1374

(Ordered to be printed and to lie on the table.)

Mr. ABOUREZK. Mr. President, I am submitting an amendment to the military authorization bill to amend a law that has been on the books for more than a century, a law that is almost completely unknown to the public and has only the most minimal visibility to Members of Congress. Yet through a "backdoor" and obscure financing technique, the Department of Defense has been able to skirt the normal appropriations process and obligate hundreds of millions of dollars. They make the vital financial commitment; in a perfunctory way we later pay for it.

The process works this way. Instead of coming to Congress and justifying their budget requests, obtaining appropriations with support of both Houses and then obligating and expending the money, the process is reversed. The Pentagon is allowed to first obligate the money—without any participation by Congress in the decision—and then come to Congress at some later point to obtain funds to liquidate the obligation. By that time the hands of Congress are tied. The obligation is legal and binding. We have no choice but to appropriate the money.

In short, the essential commitment of Treasury resources is made not by the people's representatives, responsible for protecting the power of the purse, but by nonelected officials in the executive branch.

The law I speak of is found in title 41 of the United States Code, section 11. Sometimes it is referred to as Revised Statute 3732. More familiarly it is known as the "feed and forage law," a name that by itself captures the ancient flavor of this legislation. Whereas other agencies of the Government are forbidden from entering into contracts or making purchases unless they first have an appropriation, this law allows the Departments of the Army, Navy, and Air Force to make contracts and purchases—in advance of appropriations—for clothing, subsistence, forage, fuel, quarters, transportation, or medical and hospital supplies. This is permanent authority. It remains in force year after year, decade after decade, without any action required by Congress.

Other than designating the categories that can be funded, the law contains only one other restriction: the obligations incurred "shall not exceed the necessities of the current year." Basically it is open-ended authority, invoked whenever the Department of Defense decides it is time, for whatever amounts it thinks necessary.

I have been unable to obtain a full accounting of this law, but it appears that in the brief period from 1960 to 1972 the Pentagon relied on this authority to obligate $1.7 billion. These statistics, compiled by the Comptroller's Office in the Department of Defense, are shown in the following table, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ATTACHMENT 1

USE OF THE AUTHORITY OF SEC. 3732, REVISED STATUTES (41 U.S.C. 11)

Fiscal year and appropriation	Amount authorized (thousands)	Amount used (thousands)	Ultimate method of financing (dollars in thousands)	Program in which the deficiencies were incurred and reason for use
DEPARTMENT OF THE ARMY[1]				
1962—Operation and maintenance, Army	$54,044	$54,040	DOD Appropriation Act, 1966, Public Law 89-213.	Funds were required to cover deficiencies in transportation, fuel, medical and hospital supplies, clothing, and maintenance.
1966—Military personnel, Army	28,000	0		
1966—Operation and maintenance, Army	139,600	138,602	142,165 restoration authorized (Public Law 91-171).	Funds were required to cover deficiencies in transportation, fuel, medical and hospital supplies, and maintenance.
1967—Operation and maintenance, Army	7,433	0		
1968—Military Personnel, Army	93,400	0		

Fiscal year and appropriation	Amount authorized (thousands)	Amount used (thousands)	Ultimate method of financing (dollars in thousands)	Program in which the deficiencies were incurred and reason for use
1968—Operation and maintenance, Army	$1,269,100	$1,134,830	Transfer from emergency fund, Public Law 90-392 (2d supplemental, 1968).	Funds were required to cover deficiencies in transportation, fuel, medical and hospital supplies, clothing, and maintenance of aircraft.
1968—Operation and maintenance, Army National Guard	1,800	1,828	do	Do.
1969—Military personnel, Army	410,000	0		
1969—National Guard personnel, Army	16,400	0		
1969—Operation and maintenance, Army	13,000	0		
1969—Operation and maintenance, Army National Guard	181,300	0		
1972—Operation and maintenance, Army	75,800	[2] 75,800	Undetermined	To cover transportation in connection with increased activities in Southeast Asia.
DEPARTMENT OF THE NAVY [3]				
1966—Military personnel, Navy	28,400	23,600	Recoveries of prior-year obligations	Funds were required to cover deficiencies in subsistence of enlisted personnel, PCS travel costs, and clothing allowance for enlisted personnel.
1966—Military personnel, Marine Corps	19,000	1,700	do	Funds were required to cover deficiencies in subsistence, PCS travel costs, and clothing.
1966—Operation and maintenance, Navy	83,700	66,000	DOD Appropriation Act, 1970, Public Law 91-171 and United States Code 701-708 transfer of $65,963,088.16 from O. & M., N "M" account to O. & M., N fiscal year 1966 account).	Funds were required to cover deficiencies in ship activities and overhaul, fuel, and transportation of things.
1966—Operation and maintenance, Marine Corps	7,900	6,800	Recovery of prior year obligations	Funds were required to cover deficiencies in depot supply maintenance, training and operation, and transportation of things.
1968—Operation and maintenance, Navy	338,700	0		
1968—Operation and maintenance, Marine Corps	46,600	0		
1968—Military personnel, Navy	142,800			
1968—Military personnel, Marine Corps	31,900	0		
1968—Reserve personnel, Navy	5,900	0		
1969—Military personnel, Navy	220,200	0		
1969—Military personnel, Marine Corps	61,500	0		
1969—Reserve personnel, Marine Corps	6,400	0		
1969—Operation and maintenance, Navy	20,000	0		
1969—Operation and maintenance, Marine Corps	28,900	3,600	Recovery of prior year obligations	Funds were required to cover deficiencies in the cost of transportation of things.
1972—Military personnel, Navy	2,800	0		
1972—Operation and maintenance, Navy	91,100	[2] 78,300	Undetermined	
DEPARTMENT OF THE AIR FORCE [4]				
1966—Military personnel, Air Force	45,100	40,323	Administrative cancellation	Funds were required to cover deficiency in subsistence of enlisted personnel and PCS travel costs.
1968—Military personnel, Air Force	72,700	0		
1968—Operation and maintenance, Air Force	528,100	0		
1969—Military personnel, Air Force	413,600	0		
1969—Operation and maintenance, Air Force	398,500	0		
1969—Operation and maintenance, Air National Guard	15,700	0		
1972—Operation and maintenance, Air Force	85,000	[2] 70,105	Undetermined	To cover minimum essential costs for increased operations in Southeast Asia for fuel, supplies, maintenance, transportation, special air missions, temporary duty travel, and other personnel support.
DEFENSE SUPPLY AGENCY				
1969—Operation and maintenance, Defense agencies	15,900	0		

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[1] Data prior to 1960 not available.
[2] Preliminary, June 30, 1972.
[3] Date prior to 1966 not available.
[4] Data prior to 1954 are not available.

Mr. ABOUREZK. Mr. President, what was the origin of this law? How did Congress come to delegate such vast authority? Are the reasons that prompted the appearance of this law more than a century ago still valid today?

Unfortunately, most of what is known about this statute is erroneous or misleading. It is generally regarded as a Civil War law, since the bulk of the language was adopted in 1861. This suggests that at a time of genuine emergency Congress decided to entrust to executive officials this extraordinary authority. The argument can then be made that we continue to live under crisis conditions and therefore this statute, although passed at a different time and under different circumstances, is still needed today.

ORIGIN OF THE LAW

Let me first clear up this misconception. The feed and forage law is not a Civil War statute. It is not an emergency statute borne of war. The basis for this legislation goes back to 1820. Prior to that time the Members of Congress had become concerned about the manner in which executive departments applied—or misapplied—public funds. An act of 1820 represented an important effort by Congress to tighten its control over the purse. On January 12 the House Ways and Means Committee reported out a bill to regulate the Treasury, War, and Navy Departments. The purpose of the bill was to restrict the availability of unexpended balances for the War and Navy Departments and to direct the Secretary of the Treasury to make annual reports on the balances remaining the Treasury or in the hands of the Treasurer. The latter had been acting as agent for the War and Navy Departments.

A week later the bill was recommitted to the Committee on Ways and Means. When reported out again on March 6 it was substantially enlarged. The bill now included additional restrictions on the military departments, such as the practice of transferring funds from 1 year to the next or from one account to another. Moreover, the bill also included a precursor to the feed and forage law:

> SEC. 6. *And be it further enacted*, That no contract shall hereafter be made by the Secretary of State, or of the Treasury, or of the Department of War, or of the Navy, except under a law authorizing the same, or under an appropriation adequate to its fulfillment; and excepting, also contracts for the subsistence and clothing of the army or navy, and contracts by the Quartermaster Department, which may be made by the Secretaries of those Departments.

In 1820, it was the responsibility of the Quartermaster's Department to provide all forage, fuel, straw, and stationery for the use of the troops, to provide for the quartering and transportation of the troops, and for the transporting of all military stores, camp equipment, and artillery. This helps explain why later amendments to the feed and forage law, after omitting reference to the Quartermaster's Department, had to specify the categories of forage, fuel, quarters, and transportation.

The 1820 bill passed both Houses in substantially the same form as the March 6 version reported out by the Ways and Means Committee. If the bill prompted any debate or discussion on the floor, the record does not show it. But some insight into the origin of the feed-and-forsage provision is gained by looking at the debate on the military appropriations bill, which took place March 8 and 9. Henry Clay, the Speaker of the House, criticized the executive departments for entering into contracts prior to congressional authorization or appropriation:

> Mr. Clay did not concur, he said, in the idea that any contract made by an officer of the Government, was binding on Congress. If contracts were made, for example, for the erection of fortifications where they were not wanted, was the Government bound to execute the work? Certainly not. They might take back the contract, paying the other party all damages and cost he may have sustained by the annulment of the contract.

Lewis Williams, a Representative from North Carolina, agreed that executive officers had no right to make contracts in anticipation of congressional support, while William McCoy of Virginia protested "the practice of permitting the heads of departments to legislate for Congress, and to pledge the funds of the Government to any extent, at their pleasure. As a general principle, contracts ought not to be made by officers of the Government but under the authority of law."

In restricting this practice, the Members of Congress decided to allow flexibility in the case of contracts for the subsistence and clothing of the War and Navy Departments and contracts by the Quartermaster's Department. An element of flexibility was particularly necessary since other forms of executive discretion—access to unexpended balanced and transfer authority—were being brought under closer legislative control. A desire to supply the elementary needs of the military was thus the primary impulse behind the enactment of section 6 of the 1820 law. Several decades later the Supreme Court in the Floyd acceptances—1869—offered its understanding for the appearance of section 6:

> It will thus be seen that contracts for the subsistence and clothing of the army and navy, by the secretaries, are not tied up by any necessity of an appropriation or law authorizing it. The reason of this is obvious. The army and navy must be fed, and clothed, and cared for at all times and places, and especially when in distant service. The army in Mexico or Utah are not to be disbanded and left to take care of themselves, because the appropriation by Congress, for the service, has been exhausted, or no law can be found on the statute book authorizing a contract for supplies.

Another step toward the feed-and-forage law was taken in 1852. In reporting out the Army and Navy appropriation bills, the House Ways and Means Committee added a section to forbid the transfer of funds from one account to another. That prohibition was enacted into law in the case of the Navy bill, but the same prohibition in the Army bill was modified by the Senate Finance Committee to give the President limited authority to transfer funds for "subsistence of the Army, for forage, for the medical and hospital departments, and for the Quartermaster's Department." Senator Hunter, chairman of the Finance Committee, explained that the prohibition on transfers was to be "put on the footing of the law of 1820." The Senate modification was included in the final section that became law:

> SEC. 2. *And be it further enacted,* That all acts or parts of acts authorizing the President of the United States, or the secretary of the proper department, under his direction, to transfer any portion of the moneys appropriated for a particular branch of expenditure in that department, to be applied to another branch of expenditure in the same department, be, and are hereby, so far as relates to the Department of War, repealed; and no portions of the moneys appropriated by this act shall be applied to the payment of any expenses incurred prior to the first day of July, one thousand eight hundred and fifty-two. But nothing herein contained shall be so construed as to prevent the President from authorizing appropriations for the subsistence of the army, for forage, for the medical and hospital departments, and for the quarter-master's department, to be applied to any other of the above-mentioned branches of expenditure in the same department, and appropriations made for a specific object for one fiscal year, shall not be transferred to any other object, after the expiration of that year.

THE 1820–61 PERIOD

From 1820 to 1861 Congress imposed a number of restrictions on the power of executive departments to shift funds from one year to the next, from one account to another, and to contract for items in advance of appropriations. In curbing such powers, Congress repeatedly found it necessary to allow the military departments a certain level of flexibility. The needs of soldiers on the distant frontiers were not to go unmet because of inadequate funds or contracting authority.

Part of this flexibility was needed because of the lack of adequate transportation and communication facilities during that period. In 1840, whether by rivers, canals, or turnpikes, it took almost 1 week to travel from New York to Cleveland and 3 weeks to go from New York to Chicago. Communications were still at a primitive state. Samuel Morse developed the first practical telegraph in 1832, but it was not until 1844 that a message was transmitted over the first experimental line running from Baltimore to Washington. The telephone, invented in 1877, was not available for distance communication until 1884, at which time a conversation was held between New York and Boston. While those advances facilitated communication between the major cities, they offered little help in relaying messages from Washington to the military outposts. Under such conditions the health and well-being of the soldiers depended very greatly on the feed-and-forage authority.

This limited authority was especially important in the event that Congress did not pass the regular Army and Navy appropriation bills on time.

For instance, the Secretary of the Navy complained about late appropriations in his report of December 2, 1825. He explained that the Navy appropriation bill was generally passed late in February of the short session and generally not until May of the long session. Since the budget year at that time began on January 1, this meant a delay of from 2 to 5 months. It was also the practice of Congress to change the wording and character of an appropriation, resulting in a further delay of from 1 month to 6 weeks before legislative instructions were given to and acted upon by Navy agents. The Secretary of the Navy concluded that "for nearly one-half of the year, the Department acts in perfect ignorance of the law under which it is bound to act."

In 1842 Congress adopted the present fiscal year budget, letting the year run from July 1 to the following June 30. Even with this additional time for Congress to provide funds, the fiscal year often began without an appropriation for a department. That was the situation in August 1856 when Congress adjourned without passing the Army appropriation bill. In calling Congress back in special session for that purpose, President Pierce noted that he had partial authority to contract for the supply of clothing and subsistence. But if Congress did not appropriate funds for the Army:

> The executive will no longer be able to furnish the transportation, equipment, and munitions which are essential to the effectiveness of a military force in the field. With no provision for the pay of troops the contracts of enlistment would be broken and the Army must in effect be disbanded, the consequences of which would be so disastrous as to demand all possible efforts to avert the calamity.

He alerted Congress to other injustices:

> A great part of the Army is situated on the remote frontier or in the deserts and mountains of the interior. To discharge large bodies of men in such places without the means of regaining their homes, and where few, if any, could obtain subsistence by honest industry, would be to subject them to suffering and temptation, with disregard of justice and right most derogatory to the Government.

President Pierce also described the threats of Indian raids against the inhabitants of the Territories of Washington and Oregon, on the Western plains, and in Texas, New Mexico, and Florida. He feared that disbandment of the Army would invite—

> Hordes of predatory savages from the Western plains and the Rocky Mountains to spread devastation along a frontier of more than 4,000 miles in extent and to deliver up the sparse population of a vast tract of country to rapine and murder.

Congress passed the Army appropriation bill 9 days later.

1860–61 STATUTES

The Legislative, Executive, and Judicial Appropriation Act of 1860 contained two sections that restricted executive spending discretion. Section 2 repealed a provision that had allowed departments to reduce deficiencies in some accounts by drawing on surpluses elsewhere. Section 3 contained several provisions relating to public bids for contracts, the feed-and-forage authority, and restrictions on the purchase of patented arms or military supplies. The following history shows how those two sections were related.

When the bill was first reported out of the House Ways and Means Committee on March 19, 1860, it contained the following section placing restrictions on departmental spending power:

> SEC. 2. *And be it further enacted,* That no part of the amount appropriated by any act of Congress for the service of any one fiscal year shall be used for or applied to the service of any other year, nor be transferred to or used for any branch of expenditure than that for which it may be specifically appropriated; and that the twenty-third section of the act entitled "An act legalizing and making appropriations for such necessary objects as have been usually included in the general appropriation bills, without authority of law, and to fix and provide for certain incidental expenses of the departments and offices of the government, and for other purposes," is hereby repealed.

The section therefore had three features: a prohibition on transfer of funds between fiscal years; a prohibition on transfer of funds between appropriation accounts; and repeal of a section, passed in 1842, which had given departmental heads authority to cover deficiencies by drawing on surpluses. There was no committee report to elaborate on the objectives and purposes to be served by section 2.

John Sherman, chairman of House Ways and Means, asked that section 2 be modified by striking out the first part relating to transfers between years and by adding the date of August 26, 1842, to identify the act that contained section 23. The language of section 2 was modified as requested by Sherman and included in the bill passed by the House.

The Senate Finance Committee recommended that section 2 be deleted. Although there was no committee report to explain why, Senator Robert M. T. Hunter, chairman of the committee, told his colleagues that the Finance Committee "did not believe such a change would work well. . . . [T]hey have been constantly restricting the power of the departments in regard to transfers, until they have restrained them as far as we think is proper." Hunter expressed apprehension that a total prohibition on transfers "will turn out to be that we shall make larger appropriations than otherwise would be necessary. In other words, departments would pad their estimates as a hedge against unexpected contingencies and expenses.

The Senate adopted the recommendation of its Finance Committee and deleted section 2. Senator Jefferson Davis then offered the following amendment:

> *And be it further enacted*, That all purchases and contracts for supplies or services in any of the departments of the Government, except for personal services, when the public exigencies do not require the immediate delivery of the article or articles or performance of the service, shall be made by advertising a sufficient time previously for proposals respecting the same. When immediate delivery or performance is required by the public exigency, the articles of service required may be procured by open purchase or contract at the places and in the manner in which such articles are usually bought and sold, or such service engaged between individuals. No contract or purchase shall hereafter be made unless the same be authorized by law, or be under an appropriation adequate to its fulfillment, except in the War and Navy Departments for clothing, subsistence, forage, fuel, quarters, or transportation, which, however, shall not exceed the necessities of the current year. No arms nor military supplies whatever, which are of a patented invention, shall be purchased, nor the right of using or applying any pretended invention, unless the same shall be authorized by law, and the appropriation therefore explicitly set forth that it is for such patented invention.

The only explanation for this amendment consisted of these words by Senator Davis:

> That is supplemental to existing legislation, and I think it will perfect the restrictions now imposed upon contracts for public supplies. It also introduces a new feature, that of preventing the purchase of patents from individuals for public use, unless Congress shall first make an appropriation for the purpose.

The Davis amendment was adopted without any discussion.

The House did not concur in the deletion of section 2. It proposed that the repeal of section 23—regarding general transfer authority—be put back in the bill. In turn, the House agreed to accept the new Senate language. Representative Justin Morrill explained that this would "circumscribe the discretion upon the part of the different departments of the Government; so that no transfer can be made from one appropriation to another, except for subsistence, forage, and in the commissary and medical departments of the Army. There it seems to be absolutely necessary; for our men must be fed and clothed, wherever they may be. All discretion in reference to other departments will be entirely prohibited, if this amendment be agreed to."

On the following day Senator Hunter described the House compromise as having the effect of leaving "to the War Department the power of transfer that it now has, and to repeal that section of the act of 1842 under which other departments have transferred to some extent." With regard to the War Department's transfer power, he was apparently referring to section 2 of the Army Appropriations Act of 1852 which permitted the President to transfer funds "for the subsistence of the army, for forage, for the medical and hospital departments, and for the quartermaster's department."

As agreed to by the House and the Senate and enacted into law, the 1860 bill contained these two restrictions on executive spending discretion:

> SEC. 2. *And be it further enacted*, That the twenty-third section of the act entitled "An act legalizing and making appropriations for such necessary objects as have usually been included in the general appropriation bills without authority of law, and to fix and provide for certain incidental expenses of the departments and offices of the government, and for other purposes," approved twenty-sixth August, eighteen hundred and forty-two, is hereby repealed: and the Secretary of the Interior is hereby authorized to pay, out of any moneys in the treasury not otherwise appropriated, such amount as may by him be regarded as reasonable and just for the rent of the rooms occupied by the United States courts at Los Angeles, California, from the twenty-seventh October, eighteen hundred and fifty-four, to the fifth August, eighteen hundred and fifty-six: *Provided*, That the whole amount paid shall not exceed the sum of three thousand dollars.
>
> SEC. 3. *And be it further enacted*, That all purchases and contracts for supplies or services in any of the departments of the government, except for personal services, when the public exigencies do not require the immediate delivery of the article or articles, or performance of the service, shall be made by advertising, a sufficient time previously, for proposals respecting the same. When immediate delivery or performance is required by the public exigency, the articles or service required may be procured by open purchase or contract at the places and in the manner in which such articles are usually bought and sold, or such services engaged between individuals. No contract or purchase shall hereafter be made unless the same be authorized by law, or be under an appropriation adequate to its fulfillment, except in the War and Navy Departments, for clothing, subsistence, forage, fuel, quarters or transportation, which, however, shall not exceed the necessities of the current year. No arms, nor military supplies whatever, which are of a patented invention, shall be purchased nor the right of using or applying any patented invention, unless the same shall be authorized by law, and the appropriation therefor explicitly set forth that it is for such patented invention.

The picture at this point becomes more complex and confusing, for (section 3 of the 1860 act—containing the feed-and-storage provision—was amended by the naval appropriations bill, enacted on February 21, 1861. When the bill was reported out of the House Ways and Means Committee on January 7, 1861, it did not contain any general restrictions on executive spending discretion. On the floor, however, Representative Thomas Jefferson of Pennsylvania offered an amendment to broaden the authority of the Secretaries of War and Navy to purchase patented arms:

> *Provided*, That so far as it prevents the discretion of these officers in the purchase and use of any article required for the purposes and use of the Army and Navy which may have been patented, the Secretary of War and the Secretary of the Navy are fully authorized and permitted to make any purchases and to secure the use of any article in their judgment absolutely needed or required for the public service now forbidden by the provisions of the second section of the act making appropriations "for sundry civil expenses of the Government," approved June 23, 1860.

In actual fact, the Sundry Civil Expenses Act became law on June 25, 1860, and it did not contain a section relating to patented arms for the Army and the Navy. Representative Florence must have been referring to section 3 of the 1860 act. John Sherman made a point of order against the Florence amendment because it "repeals a law enacted on this subject at the last session of Congress." The point of order was sustained and the naval bill passed the House without reference to section 2 or section 3 of the 1860 act.

Nevertheless, concern about the restriction on patented arms resurfaced on the Senate side. Senator John P. Hale, member of the Naval Affairs Committee, offered an amendment to repeal section 3 of the 1860 act. As justification for the repeal he read from a report in which the Secretary of the Navy said that section 3 was injurious because it restricted the Navy's access to patented arms and military supplies. The effect, according to the Secretary, was to confine the Navy to antiquated equipment. Senator Hale described section 3 as "inconvenient and inhumane to the sailors; and the Secretary asks us to repeal the law that prevents him from buying these patented articles, and also which compels him to advertise for everything he wants to buy. There are certain articles which he should be at liberty to buy without advertisement, which discretion is taken away by this act. We propose, now, merely to repeal it."

Senator James Pearce, ranking Republican on the Finance Committee, agreed that it would be advisable to modify the law by allowing the Secretaries of the

War and Navy Departments "to purchase many of the articles which have been mentioned in the paper [by the Secretary of the Navy] that has been read at the Secretary's table; but I should like to see the provision so far as it regards the purchase of patented arms, retained in the law." The Senate agreed to the following language:

> *And be it further enacted,* That the third section of an act entitled "An act making appropriations for the legislative, executive, and judicial expenses of the Government for the year ending 30th of June, 1861," and approved June 23, 1860, be, and the same is hereby, repealed, except so far as the said section prohibits the purchase of patented fire-arms, as to which the said section shall still be in force.

On the House side, Representative George Hughes of Maryland moved that the section on firearms be repealed as well—

> The War and Navy Departments should have the right to purchase such patented arms as they may need. I am not a little surprised that the repeal of this part of the act is not provided for in this amendment.

Hughes withdrew his amendment, the House refused to concur in the Senate language, and the task of devising an acceptable alternative therefore fell upon the conference committee. As enacted into law, the naval appropriations bill contained the following:

> SEC. 5. *And be it further enacted,* That the third section of the act entitled "An act making appropriations for the legislative, executive, and judicial expenses of the Government for the year ending the thirtieth of June, eighteen hundred and sixty-one," approved June twenty-three, eighteen hundred and sixty, be and the same is hereby repealed, except so far as the said section prohibits the purchase of patented firearms, as to which the said section shall still be in force.

This meant that the House and the Senate had inadvertently repealed the feed-and-forage provision, a mistake which Congress remedied within a few weeks by adding a section to the Sundry Civil Expenses Act.

As reported out of House Ways and Means, the Sundry Civil Expenses Act of 1861 contained nothing about transfer or feed-and-forage authority. Nor did those subjects appear in the bill as passed by the House or reported out of Senate Finance. On February 25, 1861, however, Senator James Simmons of Rhode Island offered an amendment to repeal section 3 of the 1860 act. He noted that the provision on patented arms prevented the Secretary of War from purchasing anything "but some of those old flintlock guns. I think it is about time we had good arms, if we are to have any." Senator Pearce objected to the amendment on the ground that it would allow the Secretary of War to indulge in favoritism when awarding contracts, but the amendment was agreed to by the Senate.

What came out of conference was substantially different. Two parts of the 1860 act were revived: the provision for public bids for contracts and the feed-and-forage authority. Section 10 of the Sundry Civil Expenses Act of 1861 read as follows:

> SEC. 10. *And be it further enacted,* That all purchases and contracts for supplies or services, in any of the Departments of the Government, except for personal services, when the public exigencies do not require the immediate delivery of the article or articles, or performance of the service, shall be made by advertising a sufficient time previously for proposals respecting the same. When immediate delivery or performance is required by the public exigency, the articles or service required may be procured by open purchase or contract at the places, and in the manner in which such articles are usually bought and sold, or such services engaged between individuals. No contract or purchase shall hereafter be made, unless the same be authorized by law or be under an appropriation adequate to its fulfillment, except in the War and Navy Departments, for clothing, subsistence, forage, fuel, quarters, or transportation, which, however, shall not exceed the necessities of the current year. And the third section of the act entitled "An act making appropriations for the legislative, executive, and judicial expenses of the Government for the year ending the thirtieth of June, eighteen hundred and sixty-one," shall be, and the same is hereby, repealed.

The current authority in title 41, section 11, of the United States Code differs from this 1861 act in three respects. The feed-and-forage law now applies to the Army, Navy, and Air Force. A second change occurred in 1906 when the words "medical and hospital supplies" were inserted after "transportation." Third, the Department of Defense Appropriation Act of 1966 included a reporting requirement for any exercise of authority granted in 41 U.S.C. 11.

AN ANACHRONOUS LAW

It is apparent that the original conditions giving rise to the feed and forage law have long since disappeared. The financial embarrassment facing the Secretary of the Navy in 1825 and President Pierce in 1856 has no counterpart today. If Congress fails to pass appropriations for the Defense Department on time, the Department is immediately covered by a continuing resolution. As a stopgap funding provision, it enables the Department to continue operations uninterrupted while awaiting final action on the regular appropriation bill. At various points in the year the Defense Department can come to Congress for supplemental appropriations to meet unusual and unanticipated expenses.

Furthermore, Congress is no longer a part-time legislative body. The 19th and 20th centuries differ markedly in the length of congressional sessions. From 1851 to 1861 the long sessions—the first half of a Congress—averaged 236 days, while the short sessions—the latter half—averaged only 90 days. Today there is virtually no short session. As a practical matter we are in session year-round.

It is also evident that the granting of the feed-and-forage authority was characteristically tied to the removal of the power to transfer funds from one appropriation account to another. Today, in contrast, the Defense Department has access both to statutory and nonstatutory means of shifting funds from one program to another. The Department of Defense Appropriation Act for fiscal 1974 contains transfer authority of $625,000,000, allowing administrators to take funds out of one appropriation account and place them in another. The act includes a $5,000,000 contingency fund for the Secretary of Defense to be spent at his discretion for "emergencies and extraordinary expenses."

Moreover, the entire structure of military appropriation bills has changed fundamentally to give administrators additional flexibility. The Army and Navy Departments in the 1820–61 period were subjected to line-item control by Congress. But in recent decades we have funded the Defense Department with lump-sum appropriations. For example, the Defense Appropriation Act for fiscal 1974 contains a lump-sum amount of $7.1 billion for the military personnel, Army account; $6.5 billion for the operation and maintenance, Air Force account; $2.7 billion for the aircraft procurement, Navy account; $3.0 billion for Air Force research, development, test, and evaluation; and other large lump-sum amounts.

Within those huge accounts the Department of Defense is able to reprogram funds from one project and activity to another. The amount of funds reprogramed back and forth in the Defense Department involves several billion dollars a year, again illustrating the degree of spending flexibility available to Pentagon officials. The history and magnitude of this financial operation is described in a recent study by Louis Fisher for the February 1974 issue of the Journal of Politics.

These examples—and others could be cited—demonstrate that the Department of Defense has adequate flexibility to cope with emergencies and unanticipated expenses. But there is still another reason for amending this feed and forage law. The past few years have highlighted the need for budget reform, the need for Congress to recapture its power of the purse. Nothing is more fundamental, more basic to constitutional principles than to have financial commitments made by Congress and by Congress alone. The decision to commit the Nation's resources is ours alone. No longer can we tolerate the existence of permanent authorizations that allow agencies to make end-runs around the appropriations process. Let the Department of Defense, along with other agencies, come through the front door from now on.

Mr. President, I ask unanimous consent that the study by Dr. Fisher as well as the text of my amendment be inserted into the RECORD.

There being no objection, the study and amendment were ordered to be printed in the RECORD, as follows:

REPROGRAMMING OF FUNDS BY THE DEFENSE DEPARTMENT

(By Louis Fisher*)

It is characteristic of studies on "How a bill becomes a law" to conclude with the president's signing of the bill. How the bill is later implemented and administered rarely receives attention. Similarly, we follow the process of an appropriation bill up to final passage and lose sight of it thereafter. Yet highly significant actions occur during the postappropriation stage. Members of Congress vote with the understanding that funds will be obligated and spent for certain purposes. Frequently the funds are directed to other purposes by executive departments and agencies.

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One instrument for executive spending flexibility is "reprogramming" of funds within an appropriation—a practice regularly employed by the Department of Defense, Atomic Energy Commission, Department of Interior, Veterans' Administration, and other federal agencies. Despite the magnitude of funds involved and the intriguing questions of congressional control and budget priorities, little has been written about reprogramming. Few students of government have even heard of the term, much less know the details of how it operates.

This article shows how reprogramming has developed in the Department of Defense, excluding military construction and the Corps of Engineers. Of special interest are the rationale for reprogramming, the procedures followed, specific magnitudes (dollar amounts and number of actions), and the irregular uses—or abuses—of reprogramming. The paper concludes by discussing the recent trend of opening up the reprogramming process to allow for more visibility and greater participation by members of Congress.

RATIONALE FOR REPROGRAMMING

Each year the Department of Defense comes before Congress to justify its budget requests, setting forth in great detail the purposes to which the funds are to be applied. Requests are then modified by committee and congressional action, as explained in committee reports and by floor action. Most of the details in justification sheets and changes brought about by committee and floor action are subsequently omitted from the appropriation bill that becomes law. Yet even though Congress appropriates lump-sum amounts to the Defense Department, it is the understanding of the Appropriations committees and of the Congress that the money will be spent in accordance with the original departmental justifications, as amended by committee and congressional action. Agency officials are expected to keep faith with Congress and respect the integrity of budget estimates.

The committees and the agencies recognize that it is often necessary and desirable to depart from budget justifications. The Department of Defense must estimate months and sometimes years in advance of the actual obligation and expenditure of funds. As the budget year unfolds, new and better applications of money come to light. Reprogrammings are made for a number of reasons, including unforeseen developments, changing requirements, incorrect price estimates, wage-rate adjustments, changes in the international situation, and legislation enacted subsequent to appropriations.

Executive flexibility in reprogramming is distinct from budget "transfers." First, the authority to transfer funds is explicitly stated in statutes, whereas the basis for reprogramming is entirely nonstatutory: for example, committee hearings, committee reports, Defense Department directives and instructions, and even "gentlemen's agreements" and understandings that are not made part of the public record. And second, transfers involve the shifting of funds from one appropriation account to another. Reprogramming refers to the shifting of funds *within* an account. The lack of knowledge about reprogramming is understandable. The practice is based on nonstatutory agreements, and it operates at the level of subaccounts in the appropriation structure.

The term "reprogramming" does not appear in committee reports and committee hearings until the mid-1905s. Prior to that time, however, essentially the same kind of budget practice had been carried out under different names, such as "transfers," "adjustments," and "interchangeability." An article by Arthur W. Macmahon in 1943 describes a subcommittee process that allowed the Bureau of the Census to spend money that had been appropriated for a somewhat different purpose.[1] A committee report in 1940 contains an understanding that permitted the Forest Service to reallocate appropriations "irrespective of any earmarking that may have been set up in the Budget."[2] Elias Huzar wrote about a World War II "gentlemen's agreement" requiring the War Department to "notify, and get the approval of, the military appropriations subcommittees before it effected transfers."[3]

Congress consented to this shifting of funds during World War II as a necessary emergency measure. But as the practice persisted, members of the Appropriations committees grew restive and began to reassert legislative spending prerogatives. This attitude was particularly pronounced in 1949 when Congress adopted the concept of the "performance budget," shifting the emphasis toward lump-sum appropriations. The National Security Act Amendments of 1949 authorized the secretary of defense to prepare the budget estimates in such form and manner "so as to account for, and report, the cost of performance of readily identifiable functional programs and activities. . . ."[4] Subsequent reductions in the number of appropriations accounts for the Defense Department resulted in considerable broadening of executive spending flexibility.

As the reprogramming procedure came to require regular reporting by the Defense Department and prior approval of selected items by designated committees, it developed into a technique of providing executive flexibility while at the same time preserving congressional control. This shift of responsibility to committees coincides with the development of other forms of the "committee veto," requiring executive officials to "come into agreement" with designated committees.[5]

TABLE 1.—REDUCTION IN THE NUMBER OF DEFENSE APPROPRIATION ACCOUNTS

Fiscal year	Army	Navy	Air Force	Other	Total
1948	40	64	([1])	--------	104
1949	39	53	3	3	98
1950	34	50	12	4	100
1951	26	24	11	5	66
1952	25	27	9	8	69
1953	10	24	9	10	53
1954	11	24	8	10	53
1955	8	22	8	10	48

[1] Air Corps funds included under Army.

Source.—Appropriation acts during these years.

REPROGRAMMING PROCEDURES

Congressional control over defense reprogramming has progressed through a number of stages. The Appropriations committees have required the Defense Department: (1) to keep them advised of major reprogrammings; (2) to submit semiannual tabulations of reprogramming actions; (3) to report more frequently; and (4) to obtain prior approval from the Appropriations committees for certain categories. By 1961 the Armed Services committees were introduced into the system of prior approval. The extent of congressional participation continued to widen, going beyond the subcommittee chairmen and ranking minority members to include other members of the subcommittees and even the full committees of Congress.

1950–61

Hearings by the House Committee on Appropriations in 1950 indicate that the shifting of funds within Department of Defense (DoD) accounts had become commonplace by that time. A representative for the Department of the Army said that no one could "transfer in a subappropriation from one project to another without the direct approval of my office except in certain areas where we have allowed 10 percent or $100,000 whichever is the lesser, in order to have flexibility." In addition to this departmental control, the army representative presented this assurance:

"As you know, sir, in any change where there is a major factor it is discussed with the committee. I have made a religious practice of that. I have made no shift whatsoever when I figured that they should be brought to your attention."[6]

The essential check at this point, therefore, was a disposition on the part of the Defense Department to keep faith with the Appropriations committees and to preserve the integrity of departmental estimates. The committees themselves did not receive regular reports, nor did they spell out for the Defense Department which reprogrammings required committee review prior to implementation.

The first specific legislative guideline appears in 1954. In reporting out the defense appropriations bill, the Senate Appropriations Committee identified areas in which economies were believed possible. To the extent that reductions could not be accomplished in the areas suggested "without detrimental effect, adjustments should be made in such areas as will not impair the program. The committee directs, however, that in no instance shall a project within an appropriation exceed the amount of the original budget estimate."[7] The conference report on the 1954 defense bill further defined the authority of the Defense Department to shift funds within an appropriation:

". . . it is agreed by the managers that such transfers [reprogrammings] shall be effective only with respect to those specific projects which were reduced by the House and made the subject of appeal for restoration to the Senate and only upon prior approval of the Appropriations Committees of the Senate and the House of Representatives for the Department of Defense."[8]

During hearings in 1955 on the defense budget, Congressman John Taber (R–N.Y.) remarked that every year there were at least 10 or 15 Defense Department reprogramming requests asking the House Appropriations Committee to approve a change in some items from the justifications. Requests were transmitted to the chairman and ranking member of the defense subcommittee for their consideration. DOD Comptroller Wilfred J. McNeil, acknowledging that other diversions took place without the committee's knowledge, maintained that clearance was obtained from the Appropriations committees on all important matters.[9]

In its committee report on the defense appropriation bill in 1955, House Appropriations admitted that it was not always practicable to adhere rigidly to budget justifications. However, the mere fact that there was a lessened requirement in one category did not imply either the right or the need for the Defense Department to make an increase elsewhere. The committee also warned that it had never been its intention to permit the military departments to have "unrestricted freedom in reprogramming or shifting funds from one category or purpose to another without prior notification or consent of the Committee."[10]

The committee identified three methods of legislative control. In cases where appropriations had been provided to cover broad categories, the Defense Department should keep faith with the committee and with Congress by adhering to the detailed justifications presented in support of the Pentagon's

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Footnotes at end of article.

budget. Second, when major reprogrammings were necessary, military departments should continue to advise the committee both by way of specific request for prior approval and by notification for informational purposes. The committee now added a third control by requesting semiannual tabulations for *all* reprogramming actions by the Defense Department. The Pentagon responded by issuing a set of instructions which defined the scope of reporting requirements and established criteria as to what would constitute a "major reprogramming" action.[11]

A 1959 report by House Appropriations noted that seminannual tabulations, while helpful, had not been sufficiently timely. Moreover, the practice of having military services advise the committee of major reprogrammings had become "virtually inoperative." The committee directed that the Defense Department report periodically—but in no case less than 30 days after departmental approval—the approved reprogramming actions involving $1 million or more in the case of operation and maintenance, $1 million or more for research, development, test, and evaluation (RDT&E), and $5 million or more in the case of procurement. Such reports were to indicate the distribution of funds prior to reprogramming, the amounts reprogrammed, and a "clear, concise statement of the reasons for the action taken." New instructions were prepared by the Pentagon to comply with the committee's request.[12]

1961–73

During hearings in 1961 on defense appropriations, it was brought out that the navy had advised House Appropriations by letter $584 million in shipbuilding funds had been reprogrammed to start construction on five additional *Polaris* submarines. By the time of the hearings, the navy had already awarded contracts and project orders to shipyards for construction. Congressman Gerald Ford, Jr. (R-Mich.) reminded the navy official that the usual procedure for major programmings required the Secretary of Defense to write to the committee asking for concurrence. "Such obligation action is not taken by the Defense Department until this committee, and I presume others, give a concurrence." [13] When asked by Congressman Melvin Laird (R-Wis.) why the navy had not obtained committee concurrence before transferring shipbuilding funds to the *Polaris* program, Adm. Morris A. Hirsch replied:

"Things have moved very fast in the area and this appears to me to have been an attempt to get on with something that the Defense Department felt should be done, and then to make sure that everyone understood exactly what had been done possibly a little bit later".[14]

However well-intentioned such "end runs" might be, the House Appropriations Committee did not like them. It proposed four trols. In a letter to Defense Secretary Rob- changes to tighten up reprogramming con- ert S. McNamara, dated March 20, 1961, Chairman George H. Mahon (D-Tex.) asked that specific committee approval be required for the following categories of reprogramming:

1. Procurement of items omitted or deleted by Congress.

2. Programs for which specific reductions in the original requests were made by Congress.

3. Programs which had not previously been presented to or considered by Congress.

4. Quantitative program increases proposed above the programs originally presented to Congress.[15]

McNamara accepted the first two points, but not the last two. Charles J. Hitch, Pentagon Comptroller, reinforced McNamara's objection by expressing concern about substantial additional paperwork burden, not only for the Defense Department but for the committees. Hitch was also worried that prior approval would come to include the Armed Services committees as well, because of the trend toward annual authorizations (Section 412) begun in 1959.[16]

Mahon wrote McNamara on April 26, 1961, agreeing to the more modest reprogramming procedure ("at least for a trial period"). Roswell L. Gilpatric, deputy secretary of defense, sent the revised reprogramming understanding to Mahon on May 4, 1961, including review not only by the Appropriations committees but also by the Armed Services committees. This outline by Gilpatric served as guidance until the Defense Department rewrote its reprogramming directive in 1963.[17]

A report by House Appropriations in 1962 noted "with some concern" that there had been no revision of DoD instructions for reprogramming since 1959, even though "significant changes based on mutual instructions" had occurred since that time. The committee asked that the instructions be revised immediately. The revised DoD directive was issued the following year.[18]

Current DoD directives continue the practice of making semi-annual reports, obtaining prior approval on selected items and programs, and making prompt notification on others. Proposed reprogramming actions must have the personal, specific approval either of the secretary of defense or the deputy secretary of defense prior to being submitted to the committees.[19] With respect to procurement of aircraft, missiles, naval vessels, tracked combat vehicles and other weapons, prior approval is obtained from the Armed Services and Appropriations committees from both houses for these situations:

1. Items deleted by the Congress from programs as originally presented.

2. Programs for which specific reductions in original amounts requested have been made by the Congress.

3. Any aircraft, missiles, naval vessels, tracked combat vehicles and other weapons authorized by legislation reported by the Committees on Armed Services in compliance with Section 412(b) of Public Law 86–149, as amended.

4. Reprogramming from an earlier fiscal year program to a later fiscal year program.[20]

With respect to other items and categories of items covered under defense appropriations, prior approval is obtained from only the Appropriations committees for these situations:

1. Procurement of items deleted by the Congress from programs as originally presented.

2. Programs for which specific reductions in original amounts requested have been made by the Congress.

3. Reprogramming from an earlier fiscal year program to a later fiscal year program.[21]

These same three criteria, in the case of reprogramming of funds for RDT&E authorized by Section 412(b), require prior approval of the Armed Services committees. Furthermore, DoD representatives are to discuss with the committees, prior to taking action, any other cases involving matters which are known to be of "special interest" to one or more of the committees. Because of different interpretations between the Pentagon and the committees as to what constitutes an item of "special interest," a reprogramming could be submitted in the form of notification rather than prior approval.

A controversy in 1972 revealed that DoD reporting procedures did not permit full compliance with these controls. Despite the fact that the secretary of defense and the Appropriations committees were required to approve any increase in personnel accounts that had been reduced by Congress, the navy violated the provision. Melvin Laird, who was by now secretary of defense, said that he could not ascertain from the reports that the navy had failed to comply. The DoD instruction was amended to make such actions more visible.[22]

The Defense Department defines "prior approval" in the following way: if the secretary of defense has not been informed of approval or disapproval by the committees within 15 days after they receive a reprogramming request, "it will be assumed that there is no objection to the implementation of the proposed reprogramming." [23] That may be the assumption, but the Pentagon does not actually *proceed* with the reprogramming. For both the House and the Senate Appropriations committees, prior approval means explicit, written approval, whether it takes 15 days, a month, or longer. In the case of the House Armed Services Committee, the Defense Department will call if the committee does not respond within 15 days. Sometimes a verbal approval from the committee will be sufficient, with a follow-up letter to come. For the Senate Armed Services Committee, the Defense Department will also not proceed until it has formal approval, eventually in writing.

Prompt notification (within 48 hours after DoD approval) is required for any reprogramming action, single or cumulative, that exceeds these dollar thresholds:

Footnotes at end of article.

TABLE 2.—REPROGRAMING BY PROGRAM ACTIVITY

[In millions of dollars]

Fiscal year	Military personnel	Operation and maintenance	Procurement	R.D.T. & E.	Total
1956 [1]	158	455	1,515	NA	2,128
1957 [1]	85	214	2,056	NA	2,355
1961 [2]	NA	NA	2,796	994	3,791
1962 [2]	NA	NA	1,482	426	1,908
1963 [2]	NA	NA	913	862	1,775
1964	40	219	1,272	473	2,008
1965	63	230	1,256	434	1,985
1966	75	230	1,552	495	2,253
1967	191	398	2,234	549	3,373
1968	181	121	3,899	596	4,797
1970	NA	NA	NA	NA	2,431
1971	366	585	1,791	523	3,266
1972	328	534	654	164	1,680

[1] Figures exclude $26,000,000 and $20,000,000 for fiscal years 1956 and 1957, respectively, for reserve components (excluding construction).

[2] Excludes reprograming actions for personnel, procurement of small arms and tracked vehicles, operation and maintenance, and some other parts of the defense budget.

Source: Fiscal years 1956 and 1957 are taken from House, Committee on Appropriations, "Department of Defense Appropriations for 1959, Hearings," 85th Cong., 2d sess., 1958, 255. For fiscal years 1961–63, see House, Committee on Armed Services, "Department of Defense Reprograming of Appropriated Funds: A Case Study," 89th Cong., 1st sess., 1965, 32. Fiscal 1964 comes from Stoneberger, "Appraisal," 51. For fiscal years 1965–67, see House, Committee on Appropriations, "Department of Defense Appropriations for 1969, Hearings," 90th Cong., 2d sess., 1968, pt. 1:365. For fiscal 1968, see House, Committee on Appropriations, "Department of Defense Appropriations for 1970, Hearings," 91st Cong., 1st sess., 1969, pt. 6:313. The fiscal 1970 figure is from H. Rept. 1570, 91st Cong., 2d sess., 1970, 6–7. Figures for fiscal years 1971 and 1972 were obtained from the Department of Defense, Office of the Assistant Secretary of Defense (OASD) (comptroller). Totals for these years are not always the sum of the program activities becaus figures are rounded.

1. An increase of $5 million or more in a budget activity in the military personnel and operation and maintenance appropriations.

2. An increase of $5 million or more in a procurement line item or the addition to the procurement line item base of a new item in the amount of $2 million or more.

3. An increase of $2 million or more in any budget subactivity line item in an appropriation for research, development, test and evaluation, including the addition of a new budget subactivity line item of $2 million or more, or the addition of a new budget subactivity line item, the cost of which is estimated to be $10 million or more within a three-year period.[24]

Any reprogramming action to which one or more of the committees concerned takes exception within 15 days of receipt of the notification will be reconsidered by the secretary of defense.[25] "Reconsideration" generally means that the action will be placed on hold until the committees approve.

MAGNITUDES OF REPROGRAMMING

No comprehensive record of the number and dollar amounts of reprogramming actions by the Defense Department has been published. Occasionally, in committee hearings, committee reports, and committee prints, figures are made available for particular years. This fragmentary record is compiled here.

Dollar amounts

Reprogramming actions submitted to the committees have ranged between $1.7 billion and $4.7 billion, averaging $2.6 billion a year for the 13 years included in Table 2. The predominance of procurement and RDT&E results from two factors: the interest of review committees under prior-approval and notification procedures, and the imprecision of budget estimates for these program activities.

Footnotes at end of article.

Except for fiscal years 1961, 1967, 1968, and 1971, total dollar amounts are generally in the $2 billion range. The high figure for fiscal 1961 coincides with a change in administrations, with reprogramming used by the Kennedy administration as a mechanism to modify budget priorities established by his predecessor. The war in Southeast Asia no doubt accounts for much of the large figures for fiscal years 1967 and 1968. The military buildup just prior to those two years was satisfied primarily by budget supplementals.

Reprogramming statistics rarely show the magnitude of below-the-threshold actions—internal actions by the Defense Department that are carried out without committee notification or approval. Internal reprogramming for fiscal years 1964 through 1967 accounts for an average of $1.1 billion a year (Table 3).

TABLE 3.—REPROGRAMING ACTIONS COMPARED TO INTERNAL REPROGRAMING

[In millions of dollars]

	Reprograming actions	Internal reprograming	Total
Fiscal year:			
1964	2,008	853	2,861
1965	1,985	927	2,912
1966	2,353	1,247	3,601
1967	3,448	1,555	5,004

Note: Totals do not always reflect the sums, which have been rounded.

Source: House, Committee on Appropriations, "Departmen of Defense Appropriations for 1969, Hearings," 90th Cong., 2d sess., 1968, pt. 1:356.

Number of reprogramings

Some idea of the number of reprogrammings is available for fiscal years 1964–68 and 1971–72 (Table 4). It should be understood that a reprogramming action is often made up of several reprogrammings, with funds taken from several projects and reallocated to other projects. Thus, a large number of reprogrammings (sometimes as many as 30 to 40) will be packaged together and presented as a single request on DD Form 1415 and given a single DoD serial number. The study by Harold W. Stoneberger explored this relationship between reprogramming actions and the number of appropriation line items affected. He concluded that such reprogramming action, on the average, affected eight budget line items.[26]

Also of interest is a breakdown between reprogramming actions that are subject to prior approval by the designated committees and those that are merely sent to the committees for notification. Such information is available for the portion of fiscal 1968 running from July 1, 1967, to February 19, 1968. During that period the Defense Department sent 97 formal reprogramming actions to the review committees. Of the $3.6 billion involved, prior approval accounted for only $122 million. The balance consisted of submissions for notification.[27]

TABLE 4.—NUMBER OF REPROGRAMING ACTIONS

Fiscal year	Military Personnel	Operation and maintenance	Procurement	R.D.T. & E	Total
1964	2	5	52	37	86
1965	8	9	49	34	100
1966	3	10	61	42	116
1967	3	9	50	41	103
1968	6	5	77	30	118
1971	15	13	66	38	132
1972	10	17	32	23	84

Source: Information for fiscal years 1964 and 1965 comes from House, Committee on Appropriations, "Department of Defense Appropriations for 1967, Hearings," 89th Cong., 2d sess., 1966, pt. 1:340. For fiscal years 1966 and 1967, see House, Committee on Appropriations, "Department of Defense Appropriations for 1969, Hearings," 90th Cong., 2d sess., 1968, pt. 1:365. A discrepancy exists between the procurement figure listed in the first source for fiscal 1965 (49 actions) and the second source (46 actions). The fiscal 1968 figure comes from House, Committee on Appropriations, "Department of Defense Appropriations for 1970, Hearings," 91st Cong., 1st sess. 0969, pt. 6:313. Figures for fiscal 1971 and 1972 were obtained from the Department of Defense 1ASD (Comptroller).

IRREGULAR USES OF REPROGRAMMING

Substantial differences exist between reprogramming in form and reprogramming in practice. Even the most conscientious reader of committee hearings, committee reports, and DoD directives and instructions will be misled as to the actual working of reprogramming.

In the past, for example, "committee approval" was granted not by the full committee—not even by the full subcommittee—but by a few of the ranking members. In 1973 in the House Appropriations Committee, approval was granted by the full Subcommittee on the Department of Defense (Mahon was chairman of both the full committee and the defense subcommittee). In the Senate Appropriations Committee, reprogrammings for minor matters were formerly decided by the chairman and ranking minority member of the Subcommittee on the Defense Department. The full subcommittee is now brought together more frequently to consider reprogramming actions.

With regard to authorizing committees, the full House Armed Services Committee acts on reprogramming requests. The Senate Armed Services Committee, in earlier years, used to delegate reprogramming decisions to the committee chairman and the ranking minority member, assisted by committee counsel. In 1970 a separate Subcommittee on Reprograming of Funds was established. Depending on the issues involved, this five-member subcommittee may decide the reprogramming request or else pass it on to the full committee. The tendency in recent years has been toward greater involvement by the full committee.

Without access to reprogramming records in the Pentagon and in the review committees, it is impossible to know the extent to which this spending flexibility is abused. It is the impression of this research that most reprogramming actions are routine and noncontroversial. Yet the reprogramming process occasionally breaks down, allowing policy changes of major significance and occasional violation or circumvention of congressional controls.

1. Bypassing the Congress

It is evident that reprogramming can become a convenient instrument for circumventing the normal authorization and appropriation stages. Instead of obtaining approval of Congress as a whole, executive agency officials need only obtain approval from certain subcommittees or of subcommittee ranking members. The opportunity for mischief is substantial. An agency could request money for a popular program, knowing that Congress would provide the funds. Later it could use the money for a program that might not have passed scrutiny by the full Congress. In a 1966 report, three Republican members of the House Appropriations Committee—Glenard P. Lipscomb (Calif.), Melvin Laird, and William E. Minshall (Ohio)—said that a reprogramming action is, in essence, "a procedure which bypasses the Congress. The reprogramming process is recognized by the undersigned to be a useful and necessary procedure for meeting emergencies and unusual unforeseen situations. What is of concern is the tendency on the part of the Defense Department to use what is essentially an emergency tool on a more regular and frequent basis than the situations warrant."[28]

Congressional control is also affected when the Pentagon alters the base from which reprogrammings are made. In submitting budget justifications for RDT&E, the Pentagon divides each appropriation account—for the army, navy, air force, and defense agencies—into program elements. Program elements are then broken down into separate projects. For example, under the account "RDT&E/Navy" you will find the program element "Missiles and related equipment," containing such programs as the *Aegis*, *Trident*, and submarine-launched cruise missile.

These points may appear to be overly technical, but they go to the heart of the reprogramming procedure. Generally speaking, if funds are to be shifted *between* program elements, committee interest is at its highest, leading either to notification or prior approval. But if funds are to be shifted *within* program elements, the basic control shifts toward the Pentagon. When the Pentagon presented its budget justifications for fiscal

1973, it reduced the number of program elements, provoking a particularly vigorous reaction from the Senate Armed Services Committee. This opposition caused the Pentagon to abandon its new budget format and return to its standard presentation of the estimates.[29]

2. *"Ace in the hole"*

Reprogramming, at times, becomes a convenient remedy for administrative indecisiveness. In the fall of 1964 the House Armed Services Committee approved an emergency request by the navy to reprogram funds for the TA-4E, a subsonic jet training aircraft. An investigation by the committee subsequently disclosed that the "emergency" nature of the request resulted from an inability, or unwillingness, on the part of the Pentagon to reach a decision several years earlier. As a consequence, funds were not provided in the regular budget for the trainer aircraft. The committee study observed that reprogramming had been used as an "ace in the hole" to resolve situations "that have been allowed to deteriorate to the point of emergency." [30]

3. *Undoing the work of Congress*

The Defense Intelligence Agency (DIA) requested $66.8 million for fiscal 1971 to cover certain operating funds. The House Appropriations Committee cut that request by $2 million, largely on the conviction that the agency was heavily overstaffed. DIA proceeded to reduce its budget by only $700,000, having successfully prevailed upon the Defense Department to request reprogramming for $1.3 million to make up the difference. Incensed, Congressman Jamie L. Whitten (D-Mass.) asked if he was to understand that "after Congress developed the record and made reductions on that basis, we are to have them come in here and ask for restoration, which is what it amounts to, of funds that the Congress saw fit to eliminate?" After the DIA director signed the reprogramming request, almost three months elapsed before the agency came before the House Appropriations Committee. Of course, that made it even more difficult to hold DIA to the original congressional reduction.[31] Of $1.3 million requested for reprogramming the committees allowed $700,000.

4. *Circumventing thresholds*

For any reprogramming on a new research project of $2 million or more, the Defense Department must present the proposal for committee review. During fiscal 1971, the Defense Department wanted to initiate a $4 million research project, to be handled by the Defense Special Project Group (DSPG). The Defense Department told DSPG to use $1 million to start the project and promised $3 million later from the Emergency Fund. By the time the proposal reached Congress, the project was three months underway. Whitten described the circumvention of the $2 million threshold in these terms: "You took a million dollars and got it started, and now you come up here and we are caught across the barrel. You have already started with a million dollars, but the million dollars was part of something which cost more than $2 million and clearly comes within the reprograming agreement." [32] The reprogramming request was rejected.

The effect of the request went even further. DSPG was a new name for the Defense Communications Planning Group (DCPG), which had been responsible for administering the electronic battlefield (the "McNamara Line"). Congress was under the impression that DCPG would be disbanded and the project transferred to the military services. Instead, it adopted a new name and dreamed up new research projects to keep itself alive. The House Appropriations Committee characterized the attempt to perpetuate DSPG as "a classic example of bureaucratic empire building and of the bureaucratic tendency to never end an organization even after the work for which it was created has been concluded." [33] Both of the Appropriations committees agree to terminate the agency.[34]

5. *New starts*

Reprogramming has been used in several instances to initiate major weapons systems or to move from the research and development stage into production. The electronic battlefield, for example, was originally started in the fall of 1966 by means of a reprogramming action.[35] Not until years lated did Congress as a whole learn of the project. Even Senator Stuart Symington (D-Mo.), a ranking member of the Senate Armed Services Committee, said that he first learned of the project "when I read about it in a weekly magazine." [36] The cost of the system from fiscal 1967 to fiscal 1971 was $1.68 billion.[37]

Another controversial use of reprogramming involved the F-14 Navy fighter aircraft. A 1969 committee report by House Appropriations directed that no funds were to be used "for tooling beyond that needed for fabrication of the test aircraft." [38] The painful and costly experience of the F-111 aircraft convinced the committee that technical and developmental problems should be ironed out first before moving to the production stage. But when the Navy requested permission the next year to reprogram $8.5 million for advance procurement items—to allow funds to be obligated toward production of 26 aircraft—House Appropriations approved the request.[39] The committee later explained that it had seriously considered the possibility of halting further production of the F-14, returning it to RDT&E status, but that "the Navy prevailed upon the Committee to reverse its position." [40]

6. *Risk-taking*

An element of risk accompanies each reprogramming proposal. Whenever the Defense Department requests that funds be shifted from one program to another, it necessarily admits that (1) the original program was overfunded; (2) there has been slippage in the original program (thus freeing additional funds); or (3) the original program has been downgraded in priority. Reprogramming therefore alerts the Appropriations committees to potential areas for retrenchment and economizing. That type of situation in 1969 prompted the House Appropriations Committee to recommend that the budget for "Aircraft Weaponization" be reduced "because about 50 percent of the funds appropriated for this program element in the last three fiscal years have been reprogramed for other uses." [41]

In cases where a reprogramming proposal is rejected, the Appropriations committees may go a step further and also eliminate the very programs that the Pentagon had shown a willingness to sacrifice. For example, in the spring of 1971 the Defense Department announced that it was willing to give up $139.5 million that had been requested for an AOR oil tanker and three ATS rescue and salvage ships, in order to divert those funds to a new nuclear-powered aircraft carrier (the CVAN-70, later designated CVN-70). After strong opposition was voiced by members of Congress, the Office of Management and Budget submitted a budget amendment to delete $52.6 million for two of the salvage ships. Both Appropriations committees supported this reduction.[42] Senate Appropriations also wanted to eliminate $56.5 million for the oil tanker, a ship of such "low priority that it can be deferred without endangering the operational capability of the fleet. . . " [43] The oil tanker was eventually funded. The net result of a Pentagon suggestion to reprogram funds for a new carrier was therefore the loss of two salvage ships.

CLOSER LEGISLATIVE CONTROL

It is a peculiar fact of the appropriations process that budget estimates are scrutinized by the authorization and appropriation committees—often undergoing intensive review by party study groups, by outside professional organizations, and during floor debate—and yet no comparable review exists for the billions of dollars that are reprogrammed after the appropriation bill becomes law. As Stephen Horn observed: "It is incongruous that the [Senate Appropriations] committee spends days, weeks, or even months holding hearings to review a particular budget—and additional time in markups and on the floor and in conference, arguing the merits of various appropriations—only to have one or two members months later approve an agency's request to shift funds often amounting to many millions of dollars from one purpose to another." [44]

Reprogramming has been subject in recent years to tighter controls, both direct and indirect. An indirect approach is to cut down on the amount of carry-over balances. The existence of unused funds from prior years creates an opportunity (and a temptation) to apply those funds to new purposes. A report by the House Appropriations Committee in 1970 told of a reprogramming request in which the Defense Department had "found" unexpended funds from fiscal years 1961 through 1966, primarily from *Polaris* accounts, as a source of financing new projects. The availability of such funds, the committee noted, "makes defense planners, to a limited extent, immune from tight Congressional fiscal control." [45]

The fiscal 1970 appropriation bill for the Defense Department attempted to bring carry-over balances under closer control by directing the secretary of defense to identify all old balances and recommended rescissions.[46] Disappointed by the results, Congress went a step further the next year by changing no-year ("available until expended") appropriations to multi-year appropriations. Appropriations for major procurement became available for only three fiscal years (except for shipbuilding, which requires a five-year term), while appropriations for RDT&E were made available for a two-year period.[47] Those limits were repeated in the Department of Defense Appropriations acts for fiscal 1972 and fiscal 1973.[48]

Another indirect approach is to open up the budget process by making reprogramming more visible. In previous years, whenever hearings were held on defense reprogrammings, transcripts were simply filed with the committees. They were not printed in the published hearings (except for brief accounts), nor was there any indication—through deletions or other notations—that reprogramming hearings had even been held.

In response to criticism of the reprogramming technique, the House Appropriations Committee has begun to print large portions of the transcripts in its published hearings. In 1970 the committee included 156 pages on reprogramming actions, focusing on the controversial F-14 aircraft. In hearings the next year on the defense budget, over 500 pages were devoted to discussion by committee members and DoD officials on reprogramming requests. Published hearings by the House Appropriations Committee on the defense budget in 1972 included 229 pages on reprogramming.[49]

New rules adopted by the House of Representatives on March 7, 1973, provided for open meetings unless the committee or subcommittee, in open session and with a quorum present, determines by roll-call vote that all or part of the remainder of the meeting shall be closed to the public. As a result of that change in the rules, the defense subcommittee of House Appropriations began opening some of its hearings on reprogramming actions.

Footnotes at end or article.

The heavy volume of reprogramming has produced sharp criticism from leading members of the House and Senate. Chairman Mahon of the House Appropriations Committee remarked in 1971 that "we cannot have double hearings on all programs every year. We are a little irritated—at least I am—that we are confronted with this sort of thing."[50] During hearings that same year by the Senate Armed Services Committee, the chairman, John Stennis (D-Miss.) issued this warning to Secretary Laird:

"I want to refer to reprograming now. It seems to me, and I think others see it about the same way, that this matter of reprograming has gone too far, Mr. Secretary. Someone called my attention to the fact that $42 million of the fiscal year 1971 SAFEGUARD research and development funds are being reprogramed to be used for a variety of personnel purposes. Now we debated 5 or 6 weeks on the floor and told the Members of the Senate who voted for the SAFEGUARD money that it was needed and it was necessary. We had a tie vote in 1969, and we had to go through a battle last year, you remember, and now to come along and say we are going to take $42 million of that because we did not need it after all, looks bad."[51]

The Senate Armed Services Committee set up a separate subcommittee on reprogramming in 1970. The new unit was a response to the growing criticism of the defense budget, the stringency of money, and an insistence on the part of Senate members and the public for greater visibility of the budget and legislative process.

Legislative efforts to monitor reprogramming are not confined to the review responsibilities of the Appropriations and Armed Services committees. Just as the Pentagon is to keep faith with the committees, the committees are to keep faith with Congress as a whole. For instance, the Defense Department submitted a reprogramming request late in 1964 to use $3.1 million for a new program called STEP (Special Training and Enlistment Program). During hearings by the defense subcommittee of the Senate Appropriations Committee, Leverett Saltonstall (R-Mass.) and Mike Mansfield (D-Mont.) questioned the propriety of using reprogramming to initiate it. Saltonstall thought that the whole Congress should know about it, while Mansfield considered it advisable to have the program examined by the Senate Armed Services Committee and by the entire Senate Appropriations Committee. Appropriations committees from both houses turned down the reprogramming request.[52]

Another example of committee sensitivity to other members occurred in 1971 when Secretary Laird expressed interest in obtaining funds to begin construction of a fourth nuclear-powered carrier. He suggested that he might seek funds either through reprogramming actions or budget amendments.[53] Senators Walter Mondale (D-Minn.) and Clifford Case (R-N.J.) wrote to Sen. Allen J. Ellender (D-La.), chairman of the Appropriations Committee, to voice their opposition to this use of reprogramming. Ellender assured them that funding for the carrier would have to follow the regular appropriation process: a budget request from the President followed by congressional authorization and appropriation.[54] Senator Stennis took the same position.[55] Instead of confining legislative approval to the four review committees, the decision was opened up to Congress as a whole.

When the Defense Department submitted a reprogramming request for an additional $61.2 million for the *Cheyenne* helicopter in 1971, committee sensitivity was again apparent. Since this weapons system had been the object of severe criticism by members of Congress, the House Appropriations Committee allowed reprogramming of only $35 million to reimburse the contractor for services rendered. The committee denied the request to reprogram funds for fiscal 1973 development on the ground that "it did not seem proper to anticipate the will of Congress with respect to the Cheyenne program that far in advance."[56] The Senate Appropriations Committee also noted that members of the Senate were "opposed to the procedure of providing funds for the continuation of the development program through a reprogramming action." With regard to fiscal 1972 development, $9.3 million was placed in the appropriation bill as a separate and identifiable item, allowing the full Congress to work its will.[57] The army finally canceled the *Cheyenne* in 1972.

A more formal and systematic review role for Congress was contemplated in a bill introduced in March 1971 by Sen. Lawton Chiles (D-Fla.). The bill directed the head of each federal agency, on or before the thirtieth day after the close of each fiscal year, to report to the comptroller general: (1) the amount of reprogrammed funds expended during the fiscal year; (2) the purpose for which such reprogrammed funds were expended and the amount expended for such purpose; and (3) the purposes for which the funds were originally appropriated and the amount appropriated for each purpose. The comptroller general would then compile this information and furnish it to each committee and to each member of Congress.[58]

Instead of annual reports, it would seem reasonable to have the federal agencies submit their reprogramming requests to the General Accounting Office (GAO) at the same time that they send them to the review committees. They could simply send an extra copy to GAO. GAO and Congress would thus know of reprogramming requests before, not after, the fact. When committees act on the requests, it would also be an easy matter to have them send an extra copy of their actions to the GAO to show which reprogrammings were approved.

Still another suggestion is to have reprogramming proposals subject to a "lay on the table" procedure, with the understanding that they could not be implemented until a period of 15 to 30 days had elapsed. This requirement would at least give interested and motivated members of Congress an opportunity to mobilize support against controversial reprogrammings. With hindsight, one can see that the decision to proceed with production of the F-14 aircraft could have benefited from closer examination and deliberations by Congress acting as a whole.

CONCLUSION

The scope of reprogramming by the Defense Department helps to underscore the highly tentative nature of its budget estimates. Although budget estimates are merely that—*estimates*—there is a tendency at times to consider them as permanent monuments, chisled in stone. Defense secretaries characteristically advise the Appropriations committees that the military budget has been scrutinized and gone over with a fine-tooth comb. The fat has been trimmed; only the muscle remains. To tinker with the budget, Congress is warned, is to risk upsetting the delicate balance of priorities and "force levels" established by military planners.

The heavy and regular use of reprogramming, amounting to billions of dollars each year, emphasizes the fact that the defense budget is anything but firm. If more members of Congress understood how much money is shifted around after passage of the defense appropriation bill, they might be a little more bold and penetrating when questioning the Pentagon's budget requests. The case of the *Safeguard* ABM system shows what can be done when Congress examines a weapons system in detail.[59] A prospect of closer legislative review might stimulate the Defense department to improve its planning operations and procurement policies.

The implications of reprogramming go beyond questions of the defense budget. We have numerous studies on the committee veto, yet none touch on the committee veto involved in prior-approval reprogramming. We focus on the committee-veto procedures that have statutory backing, while at the same time remaining unaware that some nonstatutory committee activities probably have far greater significance.

Studies on legislative liaison are also incomplete. Such studies describe in detail the formal offices established in executive departments and the White House. But what of the day-to-day liaison activities that take place with reprogramming? Departmental officials remain in close touch with review committees to seek advice on matters that might be of "special . . . interest." To what extent does a president and the Office of Management and Budget retain control of reprogramming actions? It appears that they are largely excluded from what seems to be essentially an agency-committee operation. To ask such questions is to encourage students to pay closer attention to administrative and congressional practices of budget execution.

FOOTNOTES

[1] "Congressional Oversight of Administration: The Power of the Purse" (pt. 2), *Political Science Quarterly*, 58 (September 1943), 380, 404. Reprogramming is sometimes spelled with one "m." This article uses two, except when a quotation has the alternate spelling.

[2] *Ibid.*, 404.

[3] *The Purse and the Sword* (Ithaca, N.Y.: Cornell University Press, 1950), 352.

[4] 63 Stat. 586, sec. 403 (Aug. 10, 1949).

[5] For presidential complaints regarding the use of the committee veto, see comments by Harry Truman, *Public Papers of the Presidents, 1951*, 282; by Dwight Eisenhower, *Public Papers of the Presidents, 1954*, 508, *1955*, 689, *1956*, 596, 649–650; by John F. Kennedy, *Public Papers of the Presidents, 1963*, 6; and by Lyndon B. Johnson, *Public Papers of the Presidents, 1963–64*, I, 104, II, 861, 1,249, *1965*, II, 1,083, and *1966*, II, 1,008, 1,354.

[6] U.S., Congress, House, Committee on Appropriations, *Department of Defense, Appropriations for 1951, Hearings*, 81st Cong., 2d sess., 1950, pt. 2:1,000.

[7] S. Rept. 1582, 83d Cong., 2d sess., 1954, 1–2.

[8] H. Rept. 1917, 83d Cong., 2d sess., 1954, 8.

[9] House, Committee on Appropriations, *Department of Defense Appropriations for 1956, Hearings*, 84th Cong., 1st sess., 1955, 562–563.

[10] H. Rept. 493, 84th Cong., 1st sess., 1955, 8.

[11] Reprinted in Senate, Committee on Government Operations, *Budgeting and Accounting, Hearings*, 84th Cong., 2d sess., 1956, 113–119. For dissatisfaction expressed by the House Appropriations Committee in 1956 regarding a reprogramming action, see H. Rept. 2104, 84th Cong., 2d sess., 1956, 13.

[12] H. Rept. 408, 86th Cong., 1st sess., 1959, 20. *Department of Defense Instruction*, "Reprogramming of Appropriated Funds—Report on," No. 7250.5 (Oct. 23, 1959). The House Appropriations Committee expressed its satisfaction with these revised procedures in H. Rept. 1561, 86th Cong., 2d sess., 1960, 26–27.

[13] House, Committee on Appropriations, *Department of Defense Appropriations for 1962, hearings*, 87th Cong., 1st sess., 1961, pt. 1:105–106.

[14] *Ibid.*, 109.

[15] House, Committee on Appripriations, *Department of Defense Appropriations for 1962, Hearings*, 87th Cong., 1st sess., 1961, pt. 3:578.

[16] *Ibid.*, 579–580. Section 412(b) of the Military Construction Act of 1959 provided: "No funds may be appropriated after December 31, 1960, to or for the use of any armed force of the United States for the procurement of aircraft, missiles, or naval vessels unless the appropriation of such funds has

been authorized by legislation enacted after such date." 73 Stat. 322 (1959).

[17] Harold W. Stoneberger Colonel, U.S. Air Force, "An Appraisal of Reprogramming Actions," Student Research Report No. 159, Resident School Class of 1968 (Washington, D.C.: Industrial College of the Armed Forces), 48–50.

[18] H. Rept. 1607 (March 4, 1963), 87th Cong., 2d sess., 1962, 21. *Department of Defense Directive,* "Reprogramming of Appropriated Funds," No. 7250.5.

[19] *Department of Defense Directive,* "Reprogramming of Appropriated Funds," No. 7250.5 (May 21, 1970), sec. II.B.

[20] *Ibid.,* sec. II.C.17.

[21] *Ibid.,* sec. II.C.2.

[22] Letter from Secretary Laird to Sen. Allen J. Ellender, May 8, 1972, together with memorandum dated May 9, 1972, amending DoD *Instruction* 7250.10.

[23] *Department of Defense Directive,* "Reprogramming of Appropriated Funds," No. 7250.5 (May 21, 1970), sec. II.C.4.

[24] *Department of Defense Instruction,* "Implementation of Reprogramming of Appropriated Funds," No. 7250.10 (Apr. 1, 1971), sec. V.A.2.

[25] *Department of Defense Directive,* "Reprogramming of Appropriated Funds," No. 7250.5 (May 21, 1970), sec. II.D.2.

[26] Appraisal," 43–54.

[27] House, Committee on Appropriations, *Department of Defense Appropriations for 1969, Hearings,* 90th Cong., 2d sess., 1968, pt. 1:351,355.

[28] H. Rept. No. 1316, 89th Cong., 2d sess., 1966, 18. Congressman Albert J. Engel (R-Mich.) noted in 1950: "I cannot help but go back to what happened heretofore, where the War Department told us they were going to use money for one purpose and used it for an entirely different purpose for which the committee might not have appropriated the money had it been justified for that purpose." House, Committee on Appropriations, *Department of Defense Appropriations for 1951, Hearings,* 81st Cong., 2d sess., 1950, pt. 3:1,512.

[29] S. Rept. 962, 92d Cong., 2d sess., 1972, 107–110.

[30] House, Subcommittee for Special Investigations of the Armed Services Committee, *Department of Defense Reprograming of Appropriated Funds: A Case Study,* 89th Cong., 1st sess., 1965, 16.

[31] House, Committee on Appropriations, *Department of Defense Appropriations for 1972, Hearings,* 92d Cong., 1st sess., 1971, pt. 2:331-339. DIA argued that one reason for not complying fully with the congressional cut was that almost half the fiscal year had elapsed by the time the House Appropriations Committee acted on its budget. Committee staff say that the $2 million cut had taken the late appropriation into account.

[32] *Ibid.,* 610.

[33] H. Rept. 666, 92d Cong., 1st sess., 1971, 118-119.

[34] *Ibid.,* 118; S. Rept. 498, 92d Cong., 1st sess., 1971, 197, and H. Rept. 754, 92d Cong., 1st sess., 1971, 14.

[35] Senate, Armed Services Committee, *Investigation into Electronic Battlefield Program, Hearings,* 91st Cong., 2d sess., 1970, 36. This reference does not explicitly support my statement, but conversations with several officials in DoD's comptroller's office have confirmed that reprogramming was the initial means of financing the electronic battlefield. Moreover, a private study by McGraw-Hill's DMS Market Intelligence Report stated that the "original FY67 funding of the program was $3.5 million. After creation of the DCPG, the three services quickly upped funding to several hundred times that by reprogramming and use of emergency funds." 116 *Congressional Record* 23,827 (July 13, 1970). A letter from the author to the secretary of defense, June 22, 1972, attempting to pin down more precisely the relationship between reprogramming and the electronic battlefield, was not acknowledged. A follow-up letter of March 10, 1973, also went unanswered.

[36] 116 *Congressional Record* 23834 (July 13, 1970).

[37] *Investigation into Electronic Battlefield Program,* 15.

[38] H. Rept. 698, 91st Cong., 1st sess., 1969, 75. The conference committee rejected the amount of $8.5 million which had been proposed by the Senate for advance procurement. H. Rept. 766, 91st Cong., 1st sess., 1969, 6.

[39] House, Committee on Appropriations, *Department of Defense Appropriations for 1971, Hearings,* 91st Cong., 2d sess., 1970, pt. 5:1,114. See 1,100-1,124 for discussion on the reprogramming request.

[40] H. Rept. 666, 92d Cong., 1st sess., 1971, 76–77.

[41] H. Rept. 698, 91st Cong., 1st sess., 1969 72.

[42] H. Rept. 666, 92d Cong., 1st sess., 1971, 89, and S. Rept. 498, 92d Cong., 1st sess., 1971, 135.

[43] S. Rept. 498, 92d Cong., 1st sess., 1971, 131. The Senate Committee on Armed Services had denied authorization of the oiler because of its admittedly low-priority nature. S. Rept. 359, 92d Cong., 1st sess., 1971, 69.

[44] *Unused Power: The Work of the Senate Committee on Appropriations* (Washington, D.C.: The Brookings Insittution, 1970), 212.

[45] H. Rept. 1570, 91st Cong., 2d sess., 1970, 8.

[46] 83 Stat. 487, sec. 642 (Dec. 29, 1969).

[47] 84 Stat. 2037, sec. 842 (Jan. 11, 1971).

[48] 85 Stat. 716 (Dec. 18, 1971), and 86 Stat. 1184 (Oct. 26, 1972). The multi-year provisions are repeated under separate titles.

[49] House, Committee on Appropriations, *Department of Defense Appropriations for 1871, Hearings,* 91st Cong., 2d sess., 1970, pt. 5:987–1,143; House, Committee on Appropriations, *Department of Defense Appropriations for 1972, Hearings,* 92d Cong., 1st sess., 1971, pt. 2:328–729, and *ibid.,* pt. 9:201–330; House, Committee on Appropriations, *Department of Defense Appropriations for 1973, Hearings,* 92d Cong., 2d sess., 1972, pt. 2:137–366.

[50] House, Committee on Appropriations, *Department of Defense Appropriations for 1972, Hearings,* 92d Cong., 1st sess., 1971, pt. 2–336–337.

[51] Senate, Committee on Armed Services, *Fiscal Year 1972 Authorization for Military Procurement, Research and Development, Construction and Real Estate Acquisition for the Safeguard ABM and Reserve Strengths, Hearings,* 92d Cong., 1st sess., 1971, pt. 1:232–233.

[52] Senate, Committee on Appropriations, *Department of Defense Reprograming, 1965, Hearings,* 89th Cong., 1st sess., 1965, 1–4, 9.

[53] Senate, Committee on Armed Services, *Fiscal Year 1972,* 97.

[54] Senate, Committee on Appropriations, *Department of Defense Appropriations for Fiscal year 1972, Hearings,* 92d Cong., 1st sess., 1971, 1,344–1,345.

[55] *New York Times,* Apr. 18, 1971, 40.

[56] H. Rept. 666, 92d Cong., 1st sess., 1971, 105.

[57] S. Rept. 498, 92d Cong., 1st sess., 1971, 18; H. Rept. 754, 92d Cong., 1st sess., 1971, 13.

[58] S. 1333, 92d Cong., 1st sess. (March 23, 1971. A letter from Caspar W. Weinberber, deputy director of the Office of Management and Budget, to Sen. John L. McClellan (D-Ark.), chairman of the Senate Government Operations Committee, July 6, 1971, strongly opposed the bill. A similar bill, H.R. 10429, was introduced on August 5, 1971, by Congressman Dante B. Fascell (D–Fla.). Neither bill was acted upon. For an earlier proposal to involve the full Congress in major reprogramming actions, see Horn, *Unused Power,* 230–231.

[59] Louis Fisher, *President and Congress: Power and Policy* (New York: The Free Press, 1972), 212–224, 324–327.

AMENDMENT No. 1374

At the appropriate place in the bill insert a new section as follows:

SEC. —. (a) Section 3732 of the Revised Statutes (41 U.S.C. 11) is amended by—

(1) striking out in subsection (a) the following: ", except in the War and Navy Departments, for clothing, subsistence, forage, fuel, quarters, or transportation, which, however, shall not exceed the necessities of the current year";

(2) striking out the subsection designation "(a)" at the beginning of such section; and

(3) striking out subsection (b) of such section.

(b) The first proviso contained in the paragraph entitled "Medical and Hospital Department", under the heading "MEDICAL DEPARTMENT", in the Act entitled "An Act making appropriations for the support of the Army for the fiscal year ending June thirtieth, nineteen hundred and seven" approved June 12, 1906 (34 Stat. 240), is amended by striking out the following: ", except in the War and Navy Departments, for clothing, subsistence, forage, fuel, quarters, transportation, or medical and hospital supplies, which however, shall not exceed the necessities of the current year".

AMENDMENT NO. 1377

(Ordered to be printed, and to lie on the table.)

Mr. HARTKE submitted an amendment, intended to be proposed by him, to Senate bill 3000, supra.

AMENDMENT NO. 1378

(Ordered to be printed.)

Mr. HUMPHREY proposed an amendment to Senate bill 3000, supra.

ADMISSION OF WOMEN TO SERVICE ACADEMIES—AMENDMENT

AMENDMENT NO. 1375

(Ordered to be printed and referred to the Committees on Armed Services and Commerce.)

Mr. HATHAWAY. Mr. President, today, along with Senators THURMOND, MANSFIELD, and JAVITS, I am introducing a substitute amendment to S. 2351, the bill I introduced last summer that would have allowed women to be admitted to the service academies. This amendment does not change the substance of that bill; it merely makes a few technical changes.

Last December, we supported an amendment on the floor to the enlistment bonus bill, S. 2711, that also contained the substance of S. 2351. That amendment passed the Senate without opposition, but was deleted in the House Armed Services Committee by a margin of one vote.

In the conference, the House position prevailed, but only when the Senate was promised the House would hold hearings and consider the matter further. Those hearings commenced on May 29, and today we are introducing our amendment in hopes that action can be taken on this measure soon.

We feel it is time discrimination in this area came to an end.

Mr. President, I ask unanimous consent that the text of this amendment be included in the RECORD at the conclusion of my remarks.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 1375

Strike out all after the enacting clause and insert in lieu thereof the following:

That (a) subsections (a), (b), and (c) of section 4342 of title 10, United States Code, are each amended by striking out the word "sons" wherever it appears in such subsections and inserting in lieu thereof "children".

(b) Section 4346 of such title is amended by adding at the end thereof a new subsection as follows:

"(e) A female who is qualified to be trained in a skill or profession in which females are permitted to serve as commissioned officers in the armed forces shall not be ineligible for or denied admission to the academy on account of sex."

SEC. 2. (a) Subsections (a), (b), and (c) of section 6954 of title 10, United States Code, are each amended by striking out the word "sons" wherever it appears in such subsections and inserting in lieu thereof "children".

(b) Subsection (d) of section 6956 of such title is amended by striking out "men" each time it appears in such subsection and inserting in lieu thereof "members."

(c) Section 6958 of such title is amended by adding at the end thereof a new subsection as follows:

"(d) a female who is qualified to be trained in a skill or profession in which females are permitted to serve as commissioned officers in the armed forces shall not be ineligible for or denied admission to the academy on account of sex."

SEC. 3. (a) Subsections (a), (b), and (c) of section 9342 of title 10, United States Code, are each amended by striking out the word "sons" wherever it appears in such subsections and inserting in lieu thereof "children".

(b) Section 9346 of such title is amended by adding at the end thereof a new subsection as follows:

"(e) A female who is qualified to be trained in a skill or profession in which females are permitted to serve as commissioned officers in the armed forces shall not be ineligible for or denied admission to the academy on account of sex."

TEMPORARY INCREASE IN PUBLIC DEBT LIMIT—AMENDMENTS

AMENDMENT NO. 1376

(Ordered to be printed, and referred to the Committee on Finance.)

Mr. TAFT. Mr. President, today the Senator from California (Mr. CRANSTON) and I are introducing an amendment to the upcoming debt limit bill, H.R. 14832, which would ensure that aged, blind and disabled recipients of supplemental security income will not have their food stamps cut off by a change in the laws scheduled for June 30. Our amendment would also prevent an additional administrative burden so great that it is certain to disrupt the operation of the food stamp program, starting next month.

Except in the five States which elected to "cash out" food stamps when the welfare program for the aged, blind and disabled was converted from State administration to the federally administered supplemental security income program, SSI recipients presently can receive food stamps based on their incomes in the same manner as any other citizen. The only exception is that by regulation they are guaranteed eligibility for the minimum amount of food stamps, as is traditional for welfare programs.

Unless Congress acts, as of June 30, the law would change; the provisions of Public Law 93-86 come into effect. This law would provide that in all States, eligibility for food stamps would be determined by comparing present SSI benefits with payments under the old welfare program applicable, plus the value of food stamp benefits on December 31, 1973, for each SSI recipient. Only recipients whose SSI benefit is less than the sum of the December 31 welfare and food stamp benefits would be eligible for food stamps.

These changes would eliminate food stamps in a discriminatory manner for many poor and needy SSI recipients. At the same time, the changes require the burdensome and costly administrative task of determining promptly these people's food stamp and welfare benefit levels as of last December on a case by case basis.

Furthermore, since SSI benefits must increase with time just to keep pace with the cost of living, while the December 31, 1973, benefit levels will not increase, more people will need food stamps as time passes even if their spending power has not increased. This will happen for the first time when SSI benefits increase from $140 to $146 per month on July 1.

Our amendment, which has already been passed by the Senate as a Finance Committee amendment to H.R. 3153, would remedy this situation by keeping the status quo in effect until June 30, 1975. After that time, States would have no "cash out" option and food stamps could no longer be "cashed out." Federal welfare payments in the five affected States would be reduced accordingly, but the SSI recipients in these States would instead become eligible for food stamps for the first time since the initiation of SSI.

I realize that in recognition of the problems which would be created if Public Law 93-86 is allowed to go into effect on June 30, the administration has now introduced its own proposal for a permanent settlement of this problem. However, it is quite likely that that proposal would not be acted upon by June 30. Furthermore, the situation after June 30, 1975, under our amendments is different from the administration's proposals only in that our amendment does not statutorily eliminate the automatic eligibility for the minimum amount of food stamps which SSI recipients now enjoy, while it does eliminate cash payments for the bonus value of food stamps in the five "cash out" States.

I am hopeful and confident that once again the Senate will see the need for this legislation. With the June 30 date close at hand, it is essential that the amendment quickly be enacted.

I ask unanimous consent that the text of the amendment be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 1376

At the end of the bill, add the following new section:

SEC. —. (a) (1) Section 3(e) of the Food Stamp Act of 1964 is amended, effective July 1, 1974, to read as it did before amendment by Public Law 92-603 and Public Law 93-86, but with the addition of the following new sentence at the end thereof: "No individual, who receives supplemental security income benefits under title XVI of the Social Security Act, State supplementary payments described in section 1616 of such Act, or payments of the type referred to in section 212(a) of Public Law 93-66, shall be considered to be a member of a household or an elderly person for purposes of this Act for any month during the 12-month period beginning July 1, 1974, if for such month, such individual resides in a State which provides State supplementary payments (A) of the type described in section 1616(a) of the Social Security Act, and (B) the level of which has been found by the Secretary of Health, Education, and Welfare to have been specifically increased so as to include the bonus value of food stamps.".

(2) Section 3(b) of Public Law 93-86 is repealed, effective July 1, 1974.

(b)(1) Section 4(c) of Public Law 93-86 is repealed, effective July 1, 1974.

(2) The last sentence of section 416 of the Act of October 31, 1949 (as added by section 411(g) of Public Law 92-603) is repealed, effective July 1, 1974.

(3) No individual, who receives supplemental security income benefits under title XVI of the Social Security Act, State supplementary payments described in section 1616 of such Act, or payments of the type referred to in section 212(a) of Public Law 93-66, shall be considered to be a member of a household for any purpose of the food distribution program for families under section 32 of Public Law 74-320, section 416 of the Agricultural Act of 1949, or any other law, for any month during the 12-month period beginning July 1, 1974, if, for such month, such individual resides in a State which provides State supplementary payments (A) of the type described in section 1616(a) of the Social Security Act, and (B) the level of which has been found by the Secretary of Health, Education, and Welfare to have been specifically increased so as to include the bonus value of food stamps.

(c) For purposes of the last sentence of section 3(e) of the Food Stamp Act of 1964 (as amended by subsection (a) of this section) and subsections (b)(3) and (f) of this section, the level of State supplementary payment under section 1616(a) shall be found by the Secretary to have been specifically increased so as to include the bonus value of food stamps (1) only if, prior to October 1, 1973, the State has entered into an agreement with the Secretary or taken other positive steps which demonstrate its intention to provide supplementary payments under section 1616(a) at a level which is at least equal to the maximum level which can be determined under section 401(b)(1) of the Social Security Amendments of 1972 and which is such that the limitation on State fiscal liability under section 401 of such Amendments does result in a reduction in the amount which would otherwise be payable to the Secretary by the State, and (2) only with respect to such months as the State may, at its option, elect.

(d) Section 401(b)(1) of the Social Security Amendments of 1972 is amended by striking out everything after the word "exceed and inserting in lieu thereof: "a payment level modification (as defined in paragraph (2) of this subsection) with respect to such plans."

(e) Section 401(b)(3) of the Social Security Amendments of 1972 is repealed.

(f) The amendments and repeals made by subsections (d) and (e) shall be effective July 1, 1974, except that such amendments and repeals shall not during the 12-month period beginning July 1, 1974, be effective in any State which provides supplementary payments of the type described in section 1616 (a) of the Social Security Act the level of which has been found by the Secretary to have been specifically increased so as to include the bonus value of food stamps.

AMENDMENT NO. 1379

(Ordered to be printed and referred to the Committee on Finance.)

TEMPORARY INCREASE IN PUBLIC DEBT LIMIT—AMENDMENT

Mr. EAGLETON. Mr. President, I submit for appropriate reference an amendment to H.R. 14832, an act to provide for a temporary increase in the public debt limit. This amendment would extend the provisions of Public Law 93-233 relating to the eligibility of supplemental security income recipients for food stamps, now due to expire on June 30, for an additional 9 months.

FOOD STAMP ELIGIBILITY OF SSI RECIPIENTS

As Senators will recall, Public Law 92-603 which authorized the SSI program also included a provision under which aged, blind, and disabled individuals eligible for SSI benefits would be ineligible to participate in the food stamp or food distribution programs.

On two occasions last year, the Senate voted to reverse that decision by making SSI recipients eligible for food stamps if they meet the income eligibility standards of the food stamp program.

This provision was first included in S. 1888, the Agriculture and Consumer Protection Act, by the Senate Agriculture Committee. Subsequently, the provision was drastically modified by the conference committee. Public Law 93-86 would make an SSI recipient eligible for food stamps only if his SSI payment plus his State supplementary payment, if any, does not exceed the payment he would have received under the State's applicable public assistance program as in effect for December 1973 by an amount at least equal to the food stamp benefit for which he would have been eligible under the July 1973 food stamp schedule.

The ink was scarcely dry on Public Law 93-86 when it became evident that this provision would be not only administratively cumbersome, but would have the effect in general of disqualifying those SSI recipients with the lowest incomes while preserving food stamp benefits for those with relatively higher incomes, that is, those whose December 1973 incomes were already above the SSI payment levels.

Recognizing the serious problems associated with these provisions of Public Law 93-86, the Senate Finance Committee included in H.R. 3153, the Social Security Amendments of 1973, a provision making SSI recipients eligible for food stamps if they meet the income eligibility criteria of that program.

Again, however, the conference committee declined to approve this Senate-passed provision and instead included in Public Law 93-233 a temporary suspension of the provisions of Public Law 93-86 in order to allow time for further study of the SSI-food stamp issue.

Under that temporary provision now in effect and which expires on June 30, SSI recipients are eligible for food stamps except in the five States which had already agreed to "cash out" food stamps by providing higher supplementary payments to their SSI recipients. Those States are California, Massachusetts, Nevada, New York, and Wisconsin.

During this 6-month period, under regulations issued by the Department of Agriculture, SSI recipients are automatically eligible for food stamps without regard to their income or assets if all members of the household are SSI recipients, if the household consists of an SSI recipient and an "essential person," or if the household consists of SSI and AFDC recipients. SSI recipients who reside in households with persons who are not public assistance recipients have their eligibility determined on the basis of their income and resources.

We are now approaching June 30, the date on which this temporary provision will expire. Three principal courses of action are available.

First, Congress could take no action, permitting the provisions of public law 93-86 to go into effect on July 1. In my view, this should not be allowed to occur. It would be a most unfortunate result for thousands of low-income aged, blind, and disabled persons who in these inflationary times, need and deserve every bit of assistance they can get. And it would impose an enormous administrative burden on what are, in many cases, already overburdened State and local welfare agencies.

Second, the House and Senate could come to an agreement prior to June 30 on a permanent solution to the question of SSI food stamp eligibility. It is my understanding that the House Agriculture Committee is now considering recommendations recently submitted by the Department of Agriculture which would make SSI recipients eligible for food stamps after June 30 if they meet the food stamp income and assets tests.

Third, the temporary provisions of public law 93-233 could be extended for an additional period of time, thereby guaranteeing the continuation of food stamp benefits for all of those now receiving them. The amendment I am submitting today would extend those temporary provisions for an additional 9 months, or until March 31, 1975, the same period of time as the extension of the debt limit by H.R. 14832.

Mr. President, I believe it is extremely important that there be no disruption next month of the food assistance now available to SSI recipients. Therefore, absent some clear indication that legislation will be enacted prior to June 30 that will preserve food stamp benefits of low-income aged, blind, and disabled persons, it is my intention to propose this amendment to H.R. 14832, the public debt limit bill.

I ask unanimous consent that the text of my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1379

At the end of the bill, add the following new section:

SEC. —. (a) Section 8 of Public Law 93-233 is amended, in subsection (a), (b), and (e) thereof, by striking out "6-month", wherever it appears therein, and inserting in lieu thereof "15-month".

(b) The last sentence of section 3(e) of the Food Stamp Act of 1964 (as added by section 8 (a) (1) of Public Law 93-233) is amended by striking out "6-month" and inserting in lieu thereof "15-month".

Amend the title of the bill to read as follows: "A bill to provide for a temporary increase in the public debt limit, and for other purposes."

ADDITIONAL STATEMENTS

THE CASE AGAINST PUBLIC FINANCING OF FEDERAL ELECTIONS

Mr. ALLEN. Mr. President, many words were spoken, pro and con, about public financing of political campaigns during Senate debates in November and December, 1973, and in April of this year. While many points were made independently during these debates, no effort was made to present a compilation of the various arguments.

At my request, however, Mr. Frederick Pauls, analyst in American National General Research Division, Congressional Research Service, Library of Congress, has compiled arguments against the public financing of political campaigns, and in the process discusses 26 different points.

Mr. President, I believe that this document has great value in the continuing debates surrounding public financing of political campaigns and that it should be given the broadest possible coverage. I ask unanimous consent that this compilation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CASE AGAINST PUBLIC FINANCING OF FEDERAL ELECTIONS

INTRODUCTION

In the report are noted arguments against the public financing of political campaigns. The report does not attempt to examine each of the various bills which has been introduced in the 93rd Congress to provide public money in one way or another for campaigns. Proposals introduced range from total subsidy for general elections only to partial funding of primary elections as well. In addition, some bills propose government financing of selected campaign costs (e.g., mail, radio-TV). Some bills make public financing optional, some make it mandatory. Rather than examine each of the bills for faults, we have concentrated on arguments which can be made against the general concept of public financing of campaigns. We caution, therefore, that some of the criticisms raised may not apply to certain bills.

Our sources have included hearings held on the subject in 1973 by the Senate Subcommittee on Privileges and Elections, hearings in 1967 on campaign financing by the Senate Finance Committee, and excerpts from various articles, statements, and books. In addition to our discussion of each argument we have quoted for some arguments from persons making the same general point. Each quotation is documented. These quotations often develop subsidiary points of an argument.

The report does not review arguments favoring public financing of Federal election campaigns although these have been made. This exclusion of favorable arguments does not represent a position or preference of the Service on the merits of the proposal.

1. *So Radical an Idea Should be Subject to Careful Scrutiny Before Adoption*

Twice the Congress has enacted Presidential Election Campaign Fund Acts as amendments to tax bills. A third attempt to attach public-financing-of-all-Federal-elections amendments to the second debt ceiling act of 1973 failed only after the House refused to accept it and several Senators engaged in lengthy debate which forced the provisions to be deleted from the bill. In a fourth attempt by supporters this year, the Senate passed public campaign financing provisions and the matter now lies in the House Administration Committee.

It can hardly be contended that the concept has been thoroughly aired before congressional committees. In 1966, when the first Presidential Election Campaign Act was passed, a mere two days of hearings in August were held on that idea and on bills to permit tax credits and tax deductions. Only ten persons testified before the Finance Committee when it held those hearings and not all of them spoke to the idea of Federal financing of presidential-election-campaign-fund amendment to the foreign Investors Tax Act. The House acquiesced and the first Presidential Election Campaign Fund Act was established only to be suspended in 1967 when the Senate on reflection found it wanting in many aspects.

Subsequently, in June, the Senate Finance Committee held six days of hearings on various campaign financing proposals, including public financing of presidential and senatorial elections. It reported a bill providing for such assistance on November 1, 1967 but no floor action was taken.

Thereafter, the notion lay dormant until resurrected by the Senate in November, 1971. The House acquiesced and the Presidential Election Campaign Fund Act became operative without adequate hearings having been held on the proposal.

By 1973 some Members of Congress were advocating that all Federal elections be financed in whole or in part from the Treasury. In late June an attempt to repeal the Presidential Election Campaign Fund Act of 1971 failed in the Senate by a vote of 30–62. In late July Senators Kennedy and Scott attempted to amend S. 372, the Federal Elections Campaign Act Amendments of 1973 (passed by the Senate July 30), to provide for public financing of congressional general elections. This effort failed when the amendment was tabled by a 53–40 vote. Senators argued, including some who supported the idea, that hearings should be held on such a radical proposal.

It was not until September of 1973 that four days of hearings by the Privileges and Elections Subcommittee were held on the specific idea of public financing of congressional campaigns. Pursuant to those hearings Senator Pell, the Subcommittee's chairman, introduced Federal Election Campaign Fund bill (S. 2718) on November 16, 1973.

However, proponents of public financing were not content to let the full committee work its will and report the Pell bill, or a clean bill, to the Senate for orderly debate. On November 15, just a day before Senator Pell introduced his bill, the Senate Finance Committee, in a hearing on the Public Debt Limit Act (H.R. 11104), considered an amendment to that bill to provide for full public financing of congressional general elections and partial public financing of presidential primary elections. In late November the Senate accepted the amendment. The House, however, balked and in the end the Senate deleted the offensive provisions from the bill.

In late February 1974 the Senate Rules and Administration Committee reported a public financing bill (S. 3044) to provide public money for presidential and congressional primary and general elections. The Federal Election Campaign Act Amendments of 1974 passed the Senate on April 11, 1974.

No proposal will more dramatically affect the conduct of elections in the United States than this one. Yet the history of congressional consideration of the idea is replete with haste. With the single exception of the 1973 hearings by the Senate Subcommittee on Privileges and Elections, the Senate has failed to hold comprehensive hearings on the subject. Time and again it has attempted, sometimes successfully, to legislate this matter on the floor. Such legislation is almost always ill conceived. In testimony before the Subcommittee, Robert G. Dixon, Jr., an Administration spokesman, urged that Congress await hearings and recommendations on this proposal by a Commission on Federal Election Reform, which President Nixon called for in 1973 and which the Senate voted in July (S.J. Res. 110).

It is unfortunate that the Presidential Election Campaign Fund was adopted through floor amendment. It would be equally unfortunate if congressional public financing became law in a rush for reform. It makes far better sense to establish the Election Reform Commission and let the idea be reflected upon before plunging onward.

Beyond that, the Senate owes the House the opportunity to hold hearings on the subject and to work its will upon a public financing bill in circumstances other than that of having a gun at its head—as was the situation with the public fiancing proposal attached to the Debt Ceiling Act in November 1973 and the two actions on the Presidential Election Campaign Fund Act.

Only if Congress moves in an orderly fashion can the public be assured that public financing is a sound idea and the evidence on that proposition is far from positive. This area of doubt reinforces the argument that such a proposal should be debated only after the fullest consideration of its wisdom and impact.

Additional commentary

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"The arguments in favor of public financing are not without merit. However, the idea has not received adequate study and the arguments in its favor are not as strong as is commonly thought. Certainly, a proposal that could entail such dramatic change in the political process might have many unforeseeable consequences, and has such powerful arguments both for and against should warrant a most careful examination and evaluation [sic]. Furthermore, proponents of public financing should not forget that the same goals can be achieved by writing responsible rules into a system of private financing. Intensive study of both public financing and alternative means of private financing is needed before we decide which means is best suitable for achieving the goal of open, honest and clear [sic] elections."—William Frenzel (R), Rep. from Minnesota, in Senate Hearings before Subcommittee on Privileges and Elections, 93rd Congress, 1973, p. 158.

2. The Belief that Public Financing Will Purify the Electoral Process in a Way that No Other Reforms Will Is Naive and Untrue.

Fervent proponents of public financing assume that it will cure all that ails our system of political campaigning. The axiom is that money was the root of all Watergate evils. Take away all that privately given and garnered money, according to this theory, and all those obnoxious, unethical, and illegal political activities engaged in during the 1972 election will disappear.

Certainly we are sophisticated enough not to believe that there is any simple solution to such problems. There is no legislative solution to ill will; no means of curbing those intent upon questionable campaign practices. Those breaking the rules in 1972 knew what the rules were and that they were breaking them, no matter what sophistry they may later have contrived to justify their behavior. Would public financing of campaigns have precluded such activity as occurred in 1972? The honest man must admit that it is uncertain that this would have been the case.

Before adopting public financing of campaigns, it would be better to gauge the effects of the full-disclosure law enacted in 1971 (the Federal Elections Campain Act); to measure the effectiveness of that Act over a span of elections; and to make such changes in that law as are necessary to regulate properly, fairly, and effectively political campaigns and election finance. In 1973 the Senate passed numerous amendments to the 1971 campaign finance law some of which attempt to make it more difficult for Watergate-type excesses to take place. One such amendment would limit the amount of money which can be contributed in cash. Another would limit the total amount any one individual can annually contribute both to a canditdate and to all candidates (see under argument about the constitutionality of limiting campaign contributions). This may be a more sensible route to controlling campaign spending and election practices than public financing and it deserves a fair trial before the private financing system is disposed of.

Additional commentary

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"It is simplistic to expect that public financing is a panacea for the electoral system, or to believe that fundamental changes in the political structure or electoral processes will not result. Change is desirable, perhaps, urgent, but further thought and dialogue are necessary to a better understanding of what impending changes mean."—Herbert Alexander, Director, Citizens' Research Foundation, in "Watergate and the Electoral Process," a paper delivered at the Center for the Study of Democratic Institutions, Santa Barbara, Calif., Dec. 1973.

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"[T]here is no magic in public financing. It is not going to do anything mysterious to purify a system that good rules in a private financing system cannot do.

"To state it another way, a lawbreaker will be a lawbreaker, under any system. It is far more important to pass the kind of bill that you passed in July [S. 372, Federal Elections Campaign Act Amendments of 1973] if we are going to assert any law and order in our election system.

"Every evil that is detailed in the testimony of the previous witnesses can be curbed by bills such as you already passed."—William Frenzel (R), Rep. from Minnesota, in *Hearings* before the Senate Subcommittee on Privileges and Elections, 93rd Cong., 1st Sess., 1973, p. 142.

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"The abandonment of private financing will not necessarily end campaign abuses. Under public financing, those who are dishonest might still find means of circumventing the law. Events such as Watergate might still occur, because they may be not just a reflection of the way in which we finance our campaigns, but of a mentality and set of attitudes that will persist even with the advent of public financing."—William Frenzel, Rep. from Minn., *Hearings* before Senate Subcommittee on Privileges and Elections, 93rd Cong., 1st Sess., 1973, p. 151.

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"One allegation about providing financial subsidies to political candidates is that the temptation to engage in illegal activities would diminish.[47] Both experience and logic suggest this would not be the case. Experience with subsidies in Puerto Rico demonstrates that the subsidies are used up before the election and that the illegal solicitation of funds, for example, from government employees, ensues.[48] Such a result seems logical, for there is no fixed amount needed for a truly contested campaign. It is a myth to think that the provision of subsidies would change this. In fact, activities such as the Watergate break-in are more likely to occur in campaigns where the level of normal propaganda is low than in campaigns where extensive activities of the ordinary kind take place. The argument that we can reduce the number of break-ins by limiting the amount of advertising on television and by financing campaigns with public money seems a dramatic non sequitur."—Ralph K. Winter, Jr., Campaign financing and political freedom (AEI), 1973, pp. 21–22.

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[47] See TV address of Spiro T. Agnew, New York Times, October 18, 1973, p. 34.

3. *Public Financing Is Contrary to Our Tradition of Private Financing, a Tradition Which Both Weeds Out Unviable Candidates and Underpins the Voluntaristic Nature of Our Political System.*

One measure of a candidate's viability is his ability to generate contributions on his behalf for public office. Proponents of public finance portray this process as seedy and sinister at worst, demeaning at best. Some of this reaction may flow from the regrettable excesses of the 1972 elections. It is a fact, however, that private financing has served the Republic well from its beginning. The solicitation of political contributions is a learning process for the office seeker and communications channel for the contributor. It is a means of "putting your money where your mouth is."

Moving to a system of public finance may well encourage those to seek office who would not stand a chance of surviving the "fires" of seeking financial support for their campaigns.

It is questionable whether private financing precludes any viable candidacy from surviving. Senator McGovern's success in 1972 indicates that those with limited initial appeal in opinion poll soundings on potential presidential nominees are not automatically closed off from the money necessary to conduct a campaign, while front runners may fall by the wayside and see their sources of funds dry up. This selecting out process is an essential part of our electoral system. Public financing could alter this process by allowing all to remain in to the very end and, in the case of presidential nominations, might create a situation in which the power brokers at a convention would make the final determination.

Moreover, our party system has always been one which relied on voluntarism, an important ingredient of which has been the solicitation of money to finance the party and its candidates. Adoption of public financing is bound to alter this state of affairs, largely removing this input from the people thus making politics an affair of the state, possibly more remote from the people than is presently true.

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Additional commentary

"Private financing is a traditional and useful way to determine candidate attractiveness. It is the old market test, not always effective or fair, but it is not a bad one."

"The enthusiasm of contributors enlivens campaigns and increases voter participation. Also, private financing functions in a manner similar to the free market. It has been one of the traditional ways of determining the popularity and attractiveness of a candidate. Popular candidates rarely have a shortage of funds, while unpopular candidates are usually unable to raise large amounts of funds. Many public financing proposals would give equal amounts of funds to both types of candidates, thereby discriminating against those who are more popular."—William Frenzel (R), Rep. from Minnesota in Hearings before the Senate Subcommittee on Privileges and Elections, 93rd Congress, 1st Sess., 1973, p. 143, 151.

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"Is the use of tax revenues for financing of campaign expenses of political parties and candidates the answer? We think not.

"Indeed, we believe this approach to the problem would be wrong, unfair, and dangerous. Wrong—because it is not compatible with our democratic system which is based on voluntarism. Unfair—because incumbents would have the advantage of public financing of their campaigns on top of free mailing privileges, offices, staffs, phone and travel allowances, to the detriment of challengers. Dangerous—because it may pave the way to profound and unwelcome changes in our democratic system and an undue influence of government in our political process.

"Federal funds applied to Presidential and congressional campaigns, and perhaps later to State and local campaigns, would substantively change the extent of personal participation in politics and significantly alter our political system which has operated with reasonable success for 200 years. It stands to reason that once the campaign finance door is opened to public funding, no matter how slight the crack, ways will be found within the Congress to open it ever wider.

"This Nation's political system is predicated on the proposition that our people are free to group together to pursue legitimate political objectives through a voluntary contribution of time, effort, and money. To sharply diminish that proposition would imply that Congress has lost faith in the American way. Furthermore, now to offer Federal subsidies as the cure-all for our political illnesses might well be compared to the hastily conceived remedy, combined with an improper diagnosis, that killed the patient it was intended to help."—Charles F. Hood, representing the Chamber of Commerce of the U.S., Hearings before the Senate Subcommittee on Privileges and Elections, 93d Cong., 1st Sess., 1973, p. 363.

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"The existence of subsidies might well decrease citizen participation and the morale of those active in politics. Such was the result in Puerto Rico where, over time, party morale declined and voter interest in party activities was correspondingly reduced.[56] The existence of subsidies, in short, might increase the distance between voters and candidates."—Ralph K. Winter, Jr., Campaign financing and political freedom, (AEI), 1973, p. 24.

4. *Public Financing Will Repose Power Over Campaigns in the Bureaucrats Not the People.*

At present financing political elections lies ultimately with the people. They are the source of money and they help to determine who shall run for office and who shall not. Public financing will remove this power from them. It will place that power in the hands of government bureaucrats which, though not an evil *per se*, is less desirable than leaving the matter in the hands of the people.

Voter interest is poor enough (only 55 percent of eligible voters in the last presidential election chose to exercise their voting privilege) without doing more to discourage involvement, which is likely to be a consequence of public financing of campaigns. We should be finding ways to involve the people, not ways to further remove them from the electoral process.

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Additional commentary

"The enthusiasm of contributors enlivens campaigns and increases voter participation."

"Depending on the type of public financing, I believe elections would be drab . . . In my judgment, enthusiasm would decline."

"Bureaucrats would write the rules, control the money, and supervise the law. Our Government would then be leaving the people almost nothing. If we take the elections from the people, we have stolen their heritage.

"That is an overdramatization of the problem, but, somebody is going to decide when a fellow made a right report. If he did not, he is not going to get his Federal money."—William Frenzel (R), Rep. from Minnesota, in Hearings before the Senate Subcommittee on Privileges and Elections, 93rd Congress, 1st Sess., 1973, p. 143.

"In our fervor for cleaning up the dirtier aspects of political campaigning, we mustn't make it a sterile operation—too pure and fragile to be touched by the hands of the people. We think that 100 percent public financing would remove an important element of citizen involvement."[1]—Lucy W. Benson, President of the League of Women Voters, as quoted in a Washington Star News article, January 16, 1974 [p. A 15]

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"And there is one other aspect to the personal involvement and participation in campaigns in America, and that is this: As men who have been elected to public office statewide, each of you is aware of the increasing professionalism in campaigns. Professional managers, consultants and specialists in media, advertising, demographics, research, computers and scheduling are part of nearly every major campaign in this country. Regrettably, however. I fear that much of the citizen involvement and therefore influence is being eroded.

"The use of volunteers is on the decline, which is very sad, but one of the few growing areas of political participation is in the contributing arena. More and more people are participating in campaigns by giving in relatively small amounts of their financial resources, and I do not believe we should in any way discourage this growing trend. Rather, we should congratulate those who have made viable the solicitation of financial support from the many instead of the few, and we should encourage this growth instead of discouraging it.

"As long as campaign financing is on a voluntary basis, the public can exercise some control over the choice of candidates and politics. If politicians do not have to rely on private donations, public influence is weakened over the process of government."—Bernard M. Shanley, vice chairman of the Republican National Committee, in Hearings before the Senate Subcommittee on Privileges and Elections, 93rd Congress, 1st Session, 1973, p. 318.

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"Here are some of the ways public financing might open the electoral process to manipulation by the federal government: 1) The federal government could set conditions on the candidate's qualifications over and above those already in existence. For various reasons, it could refuse to give federal funds to candidates who were allegedly in 'violation' of the law, classified as 'subversive,' or who were actively opposed to the major parties or the party in power. 2) The federal government could force parties to conform to federal rules and regulations and might eventually gain control of them. 3) Incumbents could purposefully appropriate small amounts of money for political campaigns, thereby making it impossible for the challenger to wage an effective campaign and assuring themselves of victory. 4) Congress and the President might be unable to agree upon how much money to appropriate, in which case there might be little or no funds for political campaigns. 5) The federal agency in charge of administering public financing might manipulate the electoral process. It could amend the law by rule without Congress knowing exactly what changes were being made."—William Frenzel, Rep. from Minnesota, Hearings before Senate Subcommittee on Privileges and Elections, 93rd Cong., 1st Sess., 1973, p. 150.

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[48] Henry Wells and Robert Anderson, Government Financing of Political Parties in Puerto Rico: A Supplement to Study Number Four (Princeton, N.J.: Citizens' Research Foundation, 1966), p. 5.

[56] Committee for Economic Development, Financing a Better Election System (New York, 1968), p. 48.

[1] The article notes further, however, that "the League favors a mix of private and public financing that would encourage small individual contributions through tax credits and the income tax checkoff. Additional money then could be made available to candidates who have shown they have 'substantial public support,' the League said without going into detail."

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"Relationships between political parties and voters may be weakened, and citizen interest in working actively in a campaign lost."—Robert G. Dixon, Jr., Asst. Atty. Gen., Dept. of Justice, Hearings before Senate Subcommittee on Privileges and Elections, 93rd Cong. 1st Sess. 1973, p. 306.

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"While the actual cost of administering a program of Federal financing of elections is still unknown, a massive bureaucratic organization would have to be established to supervise the program. Its cost eventually would become exorbitant, and I question seriously that such a program could be realistically and fairly administered. We are all too well aware of the history of bureaucratic involvement in something as open as the political process."—Bernard M. Shanley, Vice Chairman, Repub. National Comm., *Hearings* before Sen. Subcomm. on Privileges and Elections, 93rd Cong., 1st Sess., 1973, p. 317.

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"It is unfortunate that progressive and successful steps to broaden and expand the base of financial support in the campaign last year have been clouded by attention to big money, 'fat cats,' and illegal contributions. The good that took place in 1972 should be a part of our thinking on Federal financing of campaigns. For example, approximately 1 million contributions were received in behalf of President Nixon's reelection. The majority of the contributions were in amounts of $100 or less, with the average of these contributions less than $25. The contributions received in these small amounts totaled more than $15 million.

"Senator McGovern likewise, raised a similar amount through the financial support of tens of thousands of individuals who contributed in relatively small amounts.

"In contrast, it has been estimated that only 30,000 American citizens contributed to the 1960 campaign of both Presidential candidates. Thus, in only 12 years there has been a sixfold increase in the number of small donors who voluntarily participated in the all-important elective process.

"Campaign reform is necessary. Considering the legislation required for this reform, I urge that you amplify the good while cutting away the bad. Legislation that would force out the small contributor would do irreparable damage to our elective process."—Bernard M. Shanley, Vice Chairman of the Republican Nat'. Comm., *Hearings* before Senate Subcom. on Privileges and Elections, 93rd Congress, 1st Sess., 1973, pp. 315–316.

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"In 1973, almost 85 percent of our total contributions came from the small giver. I think you know, Mr. Chairman, as well as I do, and a lot better, perhaps, that where an individual gives a small amount—I do not care whether it is $1 or $5—to a candidate, he then becomes an advocate, he becomes interested. And this is good, it seems to me, for the electoral process. This is what we want; we do not want to lose them.

"And with the present erosion of both parties—both the Democrat and the Republican Party—we are losing people every day, as opposed to the independents. And we cannot afford it. And the tragedy in this country will be when we lose the two-party system. As you know better than I do, it will be a disaster for this country; it is the basis of our whole system."—Bernard M. Shanley, Vice Chairman, Repub. Nat'l. Comm., *Hearings* before Senate Subcom. on Priv. and Elections, 93d Cong., 1st Sess., 1973, p. 321.

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"The current fault of our political system is the shortage of 'people participation.' Too few of our eligible citizens vote. In 1972, 48 million potential voters stayed away from the polls. This number exceeded the votes cast for any candidate.

"Too few work in political campaigns, and too few support financially the party or candidate of their choice. It is estimated that 90 percent of all political contributions come from 1 percent of the population. Here in the world's greatest democracy, such lack of political involvement is deplorable. Public financing would only widen the gap between the electorate and the political process.

"Our greatest need is to develop a sense of obligation and responsibility on the part of more Americans to participate fully in the electoral process—in short, to broaden the popular base of political activity and political giving."—Charles F. Hood, representing the Chamber of Commerce of the U.S. Hearings before Sen. Subcom. on Priv. and Elec. 93d Cong., 1st Sess., 1973, p. 364.

5. *Public Financing Is Yet Another Example of the Subsidy Philosophy.*

Public financing is yet another example of the propensity to attempt solution of national problems with Federal handouts. Subsidization should be employed only if absolutely necessary and that hardly appears to be the case in campaign financing. Other approaches may prove more helpful in controlling campaign costs, e.g., contribution and expenditure limitations, increased or better advertised tax credits and tax deductions, or limited government assistance which treats all candidates in an equal way (say in mail privileges).

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Additional commentary

Government subsidies for campaigns "would create intractable problems principally because there is no sound underlying theory to justify the subsidy."—Ralph K. Winter, Jr., Campaign Finances (AEI Special Analysis, 1971).

6. *Public Financing Proposals Prohibiting or Unreasonably Limiting Private Contributions May Violate First Amendment Guarantees of Free Speech.*

Some constitutional scholars and others contend that to prohibit or unreasonably limit contributions by individuals is to violate First Amendment guarantees of free speech. In the contributing context, the giving of money constitutes a "free-speech" act. This argument was perhaps partially responsible for the elimination of limitations on the size of contributions done in the Federal Election Campaign Act of 1971. Public financing proposals which would preclude any private financing seem on their face to violate this constitutional guarantee. Any unreasonable limitation would also seem to violate that guarantee. Such proposals, accordingly, are constitutionally dubious.

S. 372, the Federal Election Campaign Act Amendments of 1973, passed by the Senate July 30, 1973, contain limitations on contributions ($25,000 maximum by an individual to all Federal candidates in any election and $3,000 maximum by an individual to each Federal candidate in any election). How constitutionally valid these limitations are is a question yet to be settled by the courts. Limitations are predicated on Congress' right to regulate Federal elections and to "purify" the electoral process. In any court test the principles of regulation and electoral purity will undoubtedly be weighed against the guarantee of free speech in order to reach a conclusion. This same weighing process would probably occur if a public financing system were brought to court by an individual who felt his First Amendment guarantees were being violated because he was denied, or unreasonably constrained, in his right to contribute to a political campaign.

Additional commentary

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"Prohibition, or unreasonable limitation of private contributions is an unconstitutional denial of a long-enjoyed right. It is an obvious discrimination that I do not have to point out to you if we allow one person to volunteer services, and deny another person his right to contribute money. If an accountant, executive or lawyer can contribute $5,000 to my campaign in volunteer services, which they regularly do, how can we tell a person in a wheelchair who wants to give me $5,000 that he cannot."—William Frenzel (R), Rep. from Minnesota in *Hearings* before the Senate Subcommittee on Privileges and Elections, 93rd Congress, 1st Sess., 1973, p. 142.

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"Under some bills, candidates who do not elect to receive a subsidy must nevertheless abide by limitations on contributions and spending. Such limitations may conflict with the First Amendment policy of encouraging as much communication in the political realm as possible."—Robert G. Dixon, Jr., Asst. Atty. Gen., *Hearings* before Senate Subcommittee on Privileges and Elections, 93rd Cong., 1st Sess., pp. 306–307.

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"Direct subsidies would also raise serious problems of freedom of expression. They would be a form of compulsory political activity which limited the freedom of those who would refrain as well as of those who chose to participate. When an individual is forced, in effect, to make a contribution to a political movement to which he is indifferent or which he finds distasteful, it may fairly be said that a basic freedom is being infringed. When this forced payment is combined with limits on contributions to favored candidates, political freedom is drastically limited. Many who today propose subsidies to political parties or candidates condemn subsidies where religious organizations are concerned. The precise constitutional issues differ but they are sufficiently analogous that one may well question whether the underlying principle is not the same. Indeed, what if a religious party were formed?"

"Public financing of campaigns might run afoul of the Constitution in other ways. Whatever the size of the subsidy, and particularly when combined with a limit on expenditures, the precise amount would be subject to constitutional challenge on the grounds that it discriminated in one fashion or another. The charge would not be less forceful for the fact that it would be entirely up to those in power to say how large the subsidy would be." [57]

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[57] A subsidy proposed for Massachusetts in 1964 would have allocated $200,000 to the two major parties in proportion to each party's share of the total vote in the last state primary. This formula would have given the Democratic Party the great bulk of the subsidy. An Opinion of the Justices, 347 Mass. 797, 197 N.E. 2d 691 (1964), however, found the then-pending legislation not to be a "public purpose" under state law, thus strongly implying that the bill's constitutionality was doubtful.

"Any formula for determining who gets what subsidy is open to constitutional challenge, for subsidies are inherently inconsistent with a 'free trade in ideas.' One commentator has stated it thus:

"The traditional meaning of this concept is that government must not interfere on behalf of either a majority or a minority; if the majority's superior resources give it greater power to express its views through the mass media, this is a natural and proper result of the superior appeal the majority's 'product' has to the public. Government intervention on behalf of minorities would deny first and fourteenth amendment rights to members of the majority group by undermining the preponderance which the free market has given them. Likewise, state action calculated to reduce the relative power of minorities to express their views would infringe their constitutional rights. A plan allocating funds to all parties equally would give minorities publicity out of proportion to the size of their following thus discriminating against the majority, and a plan apportioning funds according to party size would give the majority more funds with which to influence uncommitted voters, tending to increase the majority's preponderance.[58]

"This dilemma seems inescapable unless we abandon the tradition that government neither help nor hinder the propagation of the views of a political movement."—Ralph K. Winter, Jr., Campaign financing and political freedom (AEI), 1973, pp. 25–26.

7. *Whether or Not Americans Support Public Financing Is Open to Question.*

While a Gallup poll released September 30, 1973 found 65 percent of its respondents thought it a "good idea" that "the federal government provide a fixed amount of money for the election campaigns for the presidency and for Congress and that all private contributions from other sources should be prohibited," a Harris poll released September 24, 1973 found that 73 percent opposed "ending all private contributions to political campaigns, and [having] the federal government finance campaigns out of tax money." Such diametrically opposed findings leave in doubt what actual support there is for the concept among the American people. Moreover, most Americans are so uninformed as to the purposes of and means for public financing of campaigns, not to mention its consequences, that they are in no position to formulate an intelligent opinion. Certainly they are owed an opportunity to be educated in this matter and to register their opinions with the Congress prior to the Government instituting wholesale public financing of national level political campaigns.

Moreover, first year experience with the tax checkoff to finance the Presidential Election Campaign Fund, established by the Revenue Act of 1971, indicates little interest and enthusiasm among the people. Only 3.1 percent of taxpayers submitting returns for 1972 chose to direct that $1 (or $2 on a joint return) of their taxes owed be designated for the Fund. The total amount designated in 1972 was $3.9 million.

Over a four year period this trend, if it holds, would provide no more than $16 million to be divided among the major and minor party candidates who could qualify for and did choose public financing of their campaigns in 1976. In 1972 George McGovern spent about $28 million in a losing and President Nixon about $55 million in a winning effort. Obviously, if the taxpayer continues to demonstrate apathy for the checkoff there will be hardly enough money available for one decent campaign, let alone more than one. (Note: Early tax returns for 1973 indicate a higher level of participation—14.5 percent. If this high participation rate continues, the Fund would have sufficient amounts by 1976 to finance the general election campaigns of presidential candidates. However, this high rate of checkoff may be a temporary taxpayer reaction to Watergate and enthusiasm could wane in future years.)

At all levels in 1972 it has been estimated that $400 million was expended in political campaigns. All of this money was privately raised, which suggests that private financing is a viable system. It remains to be proven that public financing via the checkoff can do as well.

Additional commentary

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"The American public largely ignored the tax checkoff last year, and indications are they will do so again, even though the checkoff form is moved on the form 1040 page of the income tax return. Citizens want to identify directly with the candidate or party of their choice, not through the Treasury Department. Through Federal financing, personal involvement and real participation are lost."—Bernard M. Shanley, Vice Chairman Repub. Nat'l. Comm., in Hearings before Senate Subcommittee on Priv. and Elec., 93d Cong., 1st Sess., 1973, p. 318.

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"In a recent poll of our members, we found that: 93 percent favor overall election reform; 94 percent support public disclosure of contributions to, and expenditures by, all candidates for Federal office; 74 percent believe the election campaign law should be administered and enforced by an independent agency; 88 percent favor shorter campaigns; 92 percent would require each candidate to have one central committee for reporting and recordkeeping purposes; 83 percent oppose the granting of free or reduced postal rates to any Federal candidate; 83 percent oppose the present practice of permitting labor and business-related political action groups to contribute unlimited amounts to candidates or parties; and *76 percent favor the continued voluntary funding of political campaigns.*" [Emphasis supplied.]—Charles F. Hood, representing the Chamber of Commerce of the U.S., in *Hearings* before the Senate Subcom. on Priv. and Elections, 93d Cong., 1st Sess., 1973, pp. 364–365.

8. *Public Financing Will Unfairly Work to the Advantage of Incumbents.*

Incumbents enter a campaign with advantages over their opponents. Because of their free mailing privilege they can make known their names in their districts or State through letters, newsletters, and questionnaires. Accordingly, voters are more familiar with them than they are with those who run against them.

A Twentieth Century Fund study, *Electing Congress*, shows that between 1954 and 1968, 92 percent of all House incumbents who sought re-election (3,220 races) were successful, while 85 percent of Senate incumbents won re-election (224 races) during that same period of time. Proponents of public financing claim that it will even the odds between incumbent and opponent. There is a real question as to the validity of that claim. Opponents normally must spend more than incumbents if they are to be successful. Public financing will preclude that possibility and thus benefit the incumbent who already has the advantage. This occurrence is as likely, if not more likely, than that of evening the odds between incumbent and challenger. This is especially true in House races where the challenger must outspend the incumbent if he is to have any chance.

Additional commentary

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"Challengers are at the mercy of incumbents . . . In the Senate it is said that your challengers can win with less dollars. I will stipulate that. However, in the House it is different. You fellows in the Senate are important big shots. When you fellows run, you dominate the media. When you run every person in the media is hanging on your every word.

"Over in the House we have to fight for a little visibility. Now, in the House an incumbent has access to the media, but the challenger is just another guy. [T]ables out of a study . . . indicate that a challenger has to spend 10 times as much money as an incumbent to prevail in a House election. I am not sure that I agree with that factor, but I must conclude that in the House it is an unequal struggle with the incumbent heavily favored, and that the House and Senate are two completely different kinds of races."—William Frenzel (R.) Rep. from Minnesota, in *Hearings* before the Senate Subcommittee on Privileges and Elections, 93rd Cong., 1st Session, 1973, p. 142.

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"A $150,000 limitation for a Congressional campaign may sound huge to reformers or to incumbents whose re-election does not require spending of amounts anywhere near this figure. However, for the challenger, lower limitations impose nearly impossible problems. With today's costs there is no way a challenger can make himself known over a well-identified incumbent when there are stringent expenditure limitations.

"An interesting study by W. F. Lott and P. D. Warner III of the Economics Department of the University of Connecticut written in 1971 is reproduced in the Congressional Record of September 23, 1971 on pages 33137 to 33140. Lott and Warner say bluntly that the impact of spending restrictions is 'to insulate the incumbent and for all practical purposes insure his election.'

"Warner-Lott's research 'indicates, for example, that an office-holder who has 40 percent of the total eligible votes in his district registered in his party, can, if he and his opponent are limited to $50,000, expect to receive 60 percent of the total votes cast.'

"Table 4, reproduced on the next page, on page 33140, shows that with a 50 percent-party registration, the challenger must spend over $54,000 and the incumbent only $5,000 to have an equal chance of election."

TABLE 4.—MAXIMUM LIKELIHOOD POINT ESTIMATE OF CAMPAIGN EXPENDITURE NECESSARY TO GIVE CANDIDATE AN EQUAL A PRIORI CHANCE OF ELECTION

Voter registration in the party of the candidate, as a percentage of total registration	Expenditures	
	Incumbent	Challenger
30	$31,335.59	$343,960.69
40	11,091.46	121,747.36
50	4,955.96	54,399.96
60	2,566.08	28,167.05
70	1,470.89	16,145.54

"One way to balance the scales under a system of public financing does exist. A candidate would require more money if he was a challenger than he would if he were an incumbent. In order for this alternative to be effective, a measure of the value of incumbency would have to be calculated and the difference paid to the challenger. This system, however, stands little or no chance of passage because Congressmen would not want to see their challengers in a position of beating them at election time."—William Frenzel (R), Rep. from Minnesota, statement submitted to Senate Subcommittee on Privileges and Elections, 93rd Cong., 1st Session, 1973, p. 157.

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[58] NOTE.—"Payment of State Funds to Political Party Committees for Use in Meeting Campaign Expenses Lacks a Public Purpose," Harvard Law Review, vol. 78, pp. 1260, 1262–1263. See also Williams v. Rhodes, 393 U.S. 23 (1968). There an Ohio law which made it quite difficult for third parties to get on the ballot was considered. Justice Black, writing for the majority, noted that "there is, of course, no reason why two parties should retain a permanent monopoly on the right to have people vote for or against them. Competition in ideas and governmental policies is at the core of our electoral process and of the First Amendment freedoms." 393 U.S. 32. Similar considerations would seem to apply to a subsidy which gave third parties less than major parties.

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"I don't go in very strong for public financing. On the face of it, it would give the party in power [or incumbent] what would seem to be an advantage."—Sen. George Aiken, in "Political Report/Public financing sought, House committee battle likely over Senate plan," by Jonathan Cottin, *National Journal Reports,* 11/10/73, p. 1683.

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"What would prevent an incumbent President from vetoing or an incumbent Congress from refusing to appropriate money for political campaigns, thereby insuring their own re-election?"—William Frenzel, Rep. from Minn., *Hearings* before Senate Subcom. on Privileges and Elections, 93d Cong., 1st Sess., 1973, p. 151.

"Federal financing would be of tremendous aid to incumbents and a major disadvantage to challengers, which I think Senator Johnston just indicated, although he did not say it. It would be virtually impossible for an unknown challenger in a large State, such as Texas or California, to unseat an incumbent Senator if he could only spend $175,000, the limit proposed in one bill under consideration. It would take more than that to even get his name known to a majority of the State's voters."—Bernard M. Shanley, Vice Chairman, Repub. Nat'l. Comm., *Hearings* before the Sen. Subcom. on Priv. and Elec., 93d Congress, 1st Sess., 1973, p. 317–318.

9. *The Problem of Frivolous Candidacies.*

One of the great problems with all public financing proposals is that they may spawn frivolous candidacies because of the lure of public funds. Three ways have been proposed to discourage the emergence of such candidacies: 1) qualifying petitions, 2) bonds, and 3) matching grants. None of them, however, is without problems.

Petitions present the problem of conflicting laws in the several States and raise questions about what is a valid signautre, how to deal with challenges, and who may sign a petition (and how many he may sign). Verification and processing may take so long as to hamper, if not prevent, the granting of money to candidates. Also, the petition method favors those with money nad party-backed candidates because these candidates can field the manpower necessary to obtain the needed signatures.

Posting bonds would discriminate against candidates in poor areas because they would find it difficult to obtain the bond. It might also discourage independent candidates who would fear going into deep debt if their bids proved unsuccessful. Finally, it could lead to endless recounts in election after election demanded by candidates who fail to receive enough votes to secure their bond and their subsidy.

Matching grants, while the least objectionable, could lead to washing of funds (e.g., a contributor of $1,000 could increase his contribution 100 percent by having it given under 20 different names at $50 per name, thus qualifying it for matching grants) to help candidates qualify for public funds. This method also might fail to produce adequate funds for some races, particularly if combined with stringent contribution limitations. Also, high threshold figures to qualify for matching funds could deter economic and social minority candidacies.

Among general problems inherent in all these approaches are: 1) discouragement of candidacies by those who want to educate the public, 2) discouragement of those who do not want to go through the bureaucratic hassles involved in applying for funds, and 3) discrimination against frivolous candidates by denying them access to the political process.

Additional commentary

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"When the public financers go further and apply their concept to primary or pre-nomination electioneering, the problems multiply. How do you separate serious from frivolous candidates for a House or Senate seat, particularly when the prospect of public money guarantees candidates an opportunity for exposure at a minimum of cost. Do you require signatures on a petition before a candidate is qualified to get federal funds? A firm can be hired to get them—at $50 per 100 in California. Do you require a prospective candidate to raise some amount in small contributions? How much? Since interest groups already are organized and making just such small contributions upon direction, they could have more clout from their traditional donations, while letting the U.S. Treasury pay part of the costs."—Walter Pincus, Campaign financing, the New republic October 27, 1973. p. 18.

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"A second allegation made on behalf of subsidies is that they would increase 'the opportunities for meaningful participation in . . . electoral contests without regard to the financial resources available to individual candidates. . . .'[49] But how many would become candidates if we subsidized campaigns? Unrestricted access to such subsidies would be an incentive to everyone with a yen for publicity to become a candidate; elections would thus become an anarchic jungle with policy issues wholly obscured. For that reason, many subsidy proposals suggest limitations on eligibility. One formula might call for a subsidy adjusted to performance on previous elections, but that seems unfair to newcomers and overly generous to the "old guard." Another route would be to adjust the subsidy according to performance in the election itself. For example, the Hart bill (which applies only to Senate and House races but could easily be extended to presidential campaigns) would require a security deposit equal to one-fifth of the anticipated subsidy. If the candidate got less than 10 percent of the total vote, the deposit would be forfeited. If he got less than 5 percent, he would have to repay whatever subsidy he had received."[50]

"Such a provision, however, is hardly consistent with the bill's ostensible purpose. A candidate such as Fred Harris, for example, might well have no chance under such a law. If he refused the subsidy, it would be a signal that he did not take his chances seriously. He would then be quite unlikely to raise substantial funds, unless he had a rich patron, an alternative closed off by limits on individual contributions. If he took the subsidy, he would risk bankruptcy. The Hart formula could thus be a Trojan horse to the average candidate.

"What the formula would create, however, would be a temptation for those who anticipated financial gain from running for office. Under the Hart plan, the author/candidate might be encouraged to enter the race to gather material for a book. A publisher's advance could cover the cost of posting the security bond or returning the subsidy. Similarly, many young lawyers would be likely to find it profitable to enter congressional races and take their chances on the subsidy in order to get publicity beneficial to their practices. Even if they might have to forfeit their bond or return the subsidy. it might seem a good risk when the amount was capitalized over the period of time that the anticipated income would accrue. The Hart formula might thus increase the number of non-serious candidates while discouraging those the bill is designed to aid."—Ralph K. Winter, Jr., Campaign financing and political freedom. (AEI), 1973, pp. 22–23.

10. *There Are Ways for the Government to Assist Candidates Other Than by Total Subsidy.*

If it is felt that the Government ought to provide assistance to candidates for public office, there are more equitable and less complicated ways of doing it than through direct financial assistance. For example, the Government could subsidize part of the mailing costs of candidates; or repeal Section 315 of the Federal Communications Act to permit commercial broadcast of political programs without having to give equal time to all candidates; or meet expenses which are equally shared by candidates. This kind of approach avoids the sticky problems of formulas, enforcement, and inequitableness which attend public financing of campaigns.

Additional commentary

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"All necessary election and primary costs that do not benefit one candidate or party or position on election issues against any other are properly a public responsibility and should be conducted at governmental expense."—Committee for Economic Development, "Restoring confidence in the political process," January 21, 1973, p. 10.

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"A public subsidy for all Federal elections could not be enforced effectively; if granted, it should be confined to specific areas readily monitored.

"Pending bills to determine, among other matters, eligibility of candidates for funds, review of cases where funds are denied, policing records and making investigations involve complicated, protracted and costly administrative and judicial procedures; and enforcement would be difficult."—Robert G. Dixon, Jr., Asst. Atty. Gen. Dept. of Just., *Hearings* before the Senate Subcommitteee on Privileges and Elections, 93rd Cong., 1st Sess., 1973, p. 306.

11. *Tax Credits and Deductions Can Be Increased or Those Existing Better Advertised in Preference to Public Financing.*

The Revenue Act of 1971 allows the taxpayer to claim annually either a tax credit of $12.50 ($25.00 on joint returns) or a tax deduction of $50.00 ($100.00) for political contributions. The purpose of this credit or deduction is to encourage small contributions. as an alternative to public financing efforts should be made (1) to increase the credit and deduction if the present ones are considered insufficient to stimulate giving, and (2) to inform voters of the existence of the credit and deduction in order to encourage contributions in small amounts. If large amounts can be raised in small sums, then the pressure for solicitation of large contributions will be eased and the fear of improper influence because of large contributions abated. The private financing system can continue then to finance elections in America and public financing can be avoided with its many problems and negative features.

Additional commentary

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"We urge the federal government, political organizations, and citizen groups to conduct an extensive campaign to inform voters and taxpayers of the tax-incentive provisions in the new law. States levying personal income taxes should adopt tax credits similar to those allowed on the federal income tax. Moreover, we recommend that state tax-credit provisions include contributions to all campaigns on issues subject to popular vote, as well as gifts to primary and general election campaigns."—Committee for Economic Development, "Restoring confidence in the political process," January 21, 1973, p. 9.

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[49] Hart bill, section 2(1).

[50] *Ibid.,* Section 7(a).

Former Senator Robert F. Kennedy prefered tax incentives to public subsidies. In testimony before the Senate Finance Committee in 1967 he said: "By comparison to tax incentives, I believe individual participation will be discouraged if we use direct subsidies from the Treasury to finance campaigns. I would prefer to have the committee consider moving in the direction of encouraging individual contributions through tax incentives."

In opting for tax incentives the Senator noted seven arguments that favor this approach over public subsidies. These are: (1) incentives would aid candidates prior to the general election while subsidies would "almost necessarily" be limited to activities after the conventions; [2]

(2) incentives would encourage contributions for candidates below the presidency, who are future presidential candidates; [3]

(3) incentives do not represent the threat to our party system that subsidies do; [4]

(4) direct subsidies raise difficult problems regarding who shall qualify, proliferation of candidates, arbitrary formulas that will not work in practice, and interference in state and local party disputes; (5) public subsidies raise constitutional dilemmas not present with tax incentives, in particular ones regarding minor party right to funds and traducing of First Amendment rights of free speech in denying the private citizen the right to contribute; (6) a checkoff permits the taxpayer to earmark how his tax dollar shall be spent, which is contrary to tradition, while direct appropriations would leave a public subsidy system open to the vagaries of the appropriations process; and (7) direct subsidy would "further separate the individual citizen from the political process—insulating the party organization from any need to reach citizens except through the one way communication of television and advertising. The political parties would talk to the citizen; but the individual could not effectively talk back." [5]—Robert F. Kennedy, a Sen. from N.Y., in Senate Committee on Finance, Political campaign financing proposals (hearings), 90th Congress, 1st Session, 1967, pp. 244–248.

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"Sounder solutions than direct public financing may be available by broadening the base of voluntary citizen participation, examples include tax and other inducements."—Robert G. Dixon, Jr., Asst. Atty. Gen., Dept. of Justice, Hearings before the Senate Subcommittee on Privileges and Elections, 93rd Cong., 1st Sess., 1973. p. 306.

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"To broaden the base of political giving, we urge the Congress to provide for reasonable tax deductions as further incentive to smaller contributors."—Charles F. Hood, representing the Chamber of Commerce of the U.S., *Hearings* before Senate Subcom. on Priv. and Elec., 93rd Cong., 1st Sess., 1973, p. 364.

12. *The Taxpayer's Dollar Will Be Used To Support Candidates He Does Not Favor and Campaign Activities He Abhors.*

The 1971 law establishing the Presidential Election Campaign Fund provided for separate accounts for the two major parties and a general fund for other parties. Presumably this permitted the taxpayer the option of designating to which account he wished to allocate his dollar. The option was included to meet objections to a single fund which would deny the taxpayer the right to earmark his contribution. This segregation of funds was vitiated, however, by a provision of the law which authorized the transfer of funds from the general account to the accounts of each major party 60 days prior to a general election. In other words, a taxpayer who had designated money to the general account, perhaps because he did not want his money to support candidates of either major party, could see some of his money transferred to the accounts of the major parties. This transfer authority made a mockery of the ostensible right to designate one's tax dollar to other than a major party.

In 1973 Congress took yet a further step and obliterated altogether the right of the taxpayer to earmark his dollar. A provision of the first Debt Ceiling Act of 1973 (P.L. 93–53) eliminated the special accounts and provided instead for one general account from which all candidates would draw funds. While this move had the saving grace of excising hypocrisy from the initial act, it made the plan vulnerable to the criticism that the tax checkoff denies to the taxpayer the right to designate who shall benefit from his contribution. The present system of private financing, on other other hand, retains sole power to the contributor in making this determination, a fundamental right which ought not to be denied him.

Obviously, the problem which proponents of the tax checkoff proposal confront is that if they permit the taxpayer final say in the allocation of his dollar, with no provision to transfer money from one fund to another, the embarrassing situation might arise of insufficient funds being earmarked to finance a candidate of a major party. Their solution is to take away what should be guaranteed.

Others have proposed having no checkoff but instead authorizing the Congress to appropriate such amounts as are necessary to fund public financing of elections. This proposal compounds the problem by removing from the taxpayer any say whatsoever in the matter and by making all taxpayers contributors whether they want to be or not. Accordingly, it is even more unfair than the checkoff.

Yet another problem encountered in public financing is the use of taxpayer dollars to finance campaign activities which he does not approve. The clever and engaging spot advertisement is a favorite of political candidates yet appalls many people. Public financing is not going to change the use of such spots. It will simply use the reluctant taxpayer's dollar to finance them. Even less palatable would be the demagogue financed from the public treasury. The taxpayer might take great exception to him and to financing his type campaign but unless elaborate, and probably unconstitutional, restrictions were placed upon the speech of candidates nothing could be done to curtail the demagogue. At least under the private financing system his money comes only from those who support him.

Additional commentary

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"A very basic question, not yet answered, is whether the average citizen wants his tax dollars spent on billboards, campaign flyers and such standard political gimmicks as balloons. Reliability of campaign management would not be increased with Federal financing; the reverse, I am confident, would be true."

"Citizens want to identify directly with the candidate or party of their choice, not through the Treasury Department. Through Federal financing, personal involvment and real participation are lost."—Bernard M. Shanley, vice chairman of the Republican National Committee, in *Hearings* before the Senate Subcommittee on Privileges and Elections, 93d Congress, 1st Sess., 1973, p. 317–318.

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"The use of private money is said to have weakened public confidence in the democratic process. We ought to ask, however, whether confidence is likely to be restored when taxpayers pay for campaigns they regard as frivolous, wasteful, and, in some cases, abhorrent. Would the taxpayer viewing television spots have more confidence because part of the tab came out of his paycheck? Would the voter have more confidence because he had to help pay for activities with which he disagreed? What would happen if a racist ran for office and delivered radical and quasi-violent speeches? One result might be cries for even more regulation—in particular, for regulation of the content of political speech. Those calling for public financing often point to polls showing public discontent with the high cost of campaigns. The same polls, however, show as much discontent with 'too much mudslinging.' [55] Indeed, the question, 'Why should the public pay for—?' seems a natural response to repugnant, but subsidized, campaign rhetoric."—Ralph K. Winter, Jr., Campaign financing and political freedom, (AEI), 1973, p. 24.

13. *Cost of Elections Is Entirely in Keeping with What Is at Stake.*

The favorite adjectives used to describe campaign costs by those seeking public financing of elections are "soaring," "exorbitant," "skyrocketing," "mushrooming." With great lament it is noted that costs have doubled or tripled in recent years. Yet, as a noted authority on the subject, Herbert Alexander, Director of the Citizens' Research Foundation, has pointed out, campaign costs when looked at in perspective are not that extraordinary in our rich, post-industrial society. In March 1973 he wrote, "political costs need to be considered in perspective. Considered in the aggregate, politics is not overpriced. It is under financed. $400 million [his estimate of the costs of all elections in 1972] is just a fraction of 1 per cent of the amounts spent by governments at all levels, and that is what politics is all about, gaining control of governments to decide policies on, among other things, how tax money will be spent. $400 million is less than the amount spent in 1972 by the two largest commercial advertisers in the United States."[6]

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[2] At the time the Senator was testifying his remarks were premised on the 1966 Election Campaign Fund Act, which had just been shelved in the Senate. That plan did not forsee the financing of presidential primaries, a proposal which has since emerged; hence, the Senator's comment that subsidies "almost necessarily" would have to be limited to activities after the convention. Elsewhere in this listing of arguments the problems attendant with financing primary campaigns have been addressed (see, "We Do Not know What Effect Public Financing Will Have on Pre-nomination Presidential Campaigns").

[3] Again, Senator Kennedy did not foresee the proposal to finance congressional campaigns as well as those for the presidency, and his argument here is premised on private financing of those elections.

[4] Senator Kennedy was particularly concerned that overcentralization of our party system would occur because the 1966 Act gave a large role to the national parties in controlling the expenditure of public funds. Most current plans would subsidize the candidates directly, which proposal raises a separate set of problems regarding the party system. Nevertheless, the Senator's point that public subsidy would dramatically affect our party system is valid whether they play a central role, as he feared, or almost no role, as envisioned in current public financing proposals.

[5] Again, the Senator's contention in this argument is premised on the 1966 plan which gave parties a central role. However, if the word "candidate" is substituted for "party" the argument still retains validity and his basic point that it insulates the electoral process from the individual remains valid whether control is vested in the candidate or the party.

[55] The results are from a Gallup poll reprinted in *Hearings*, p. 456.

In a post-1972-election interview with U.S. News and World Report,[7] Alexander stated that the spending total for 1972 was not excessive for an affluent nation, observing that "it's not much in terms of what is spent on chewing gum and cosmetics." The amount spent in 1972 amounted to less than $3 a head on the basis of nearly 140 million Americans of voting age, or about $5 per actual voter.

Accordingly, how valid is the claim of public financing proponents that our election costs are too high or that the only fair and feasible means of meeting them in the future is through public subsidy? Our rich country is undoubtedly capable of supporting campaigns without recourse to that solution.

Additional Commentary

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"I do not think we spend too much on elections. Federal elections in this country cost less per voter than elections in many other democratic countries. Total expenditures for Federal elections are only somewhat more than the annual Procter & Gamble advertising budget.

"We ranked in the lower third of the democratic countries in the way we spend money for elections. I think it is darn important, so I do not mind spending as much on our legislative process as we do for soap suds or polished chrome."—William Frenzel (R) Rep. from Minnesota, in Hearings before the Senate Subcommittee on Privileges and Elections, 93rd Congress, 1st session, 1973, p. 143.

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"Fourth, it is alleged that public financing will help determine 'the extent to which expenditure levels may be substantially higher than necessary for the conduct of a competitive, informative, and effective campaign. . . .'[52] This statement, too, seems a non-sequitur, since a subsidy tells us nothing about whether present non-subsidized expenditures are excessive. In addition, provision of a subsidy would almost surely increase the amounts spent, as it did in Puerto Rico."[53]—Ralph K. Winter, Jr. Campaign financing and political freedom, (AEI), 1973, p. 23.

14. *Pernicious Impact of Public Financing on Our Party System.*

No matter what system of public financing is devised it would appear to have an adverse effect on our present party system. Under the present system the parties play a limited role in election campaigns but do not so totally dominate them as to exclude independent-minded candidates from winning elections. If public financing were done exclusively through political parties, power to control dissidents and party independents would accrue to party leaders, potentially smothering a vital force for new ideas and change within a party. Also, because parties would no longer be dependent on private sources for funds, they might be less responsive to popular will.

If, on the other hand, financing were done entirely through candidates, parties could be greatly weakened, splinter candidacies fostered, and the strong two-party system potentially threatened by proliferating third party candidacies. The possibility of financing both candidates and parties would be costly and it might be difficult to maintain an equitable balance between them.

Additional commentary

"In all this discussion of public financing, where does the political party fit in? Should federal funds go directly to the candidates? If so, how does a party organization support itself? Won't this make candidates more indifferent to party discipline than they are now? Is this desirable? Or if the party becomes the custodian of federal money, won't we be encouraging various interest groups to set up their parties?"—Walter Pincus, campaign financing, the New Republic, October 27, 1973, p. 18.

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"If a subsidy is given to individual candidates, party discipline may be impaired. If the subsidy is given to parties, independence of candidates may be lost."—Robert G. Dixon, Jr., Asst. Atty. Gen., Dept. of Justice, Hearings before Senate Subcommittee on Privileges and Elections, 93rd Cong., 1st Sess., 1973, p. 306.

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"Public financing would also endanger the delicate balance of our party system. If the subsidy were to go largely to party organizations, they would be immensely stronger than they are now. On the other hand, if it were to go directly to candidates, party organizations would be considerably weakened. The subsidy question thus can be rationally decided only after a number of normative as well as empirical inquiries into the nature of our party system have been satisfactorily resolved. Do we need stronger national parties or stronger state parties? Do we need more candidates independent of existing party organizations, or do we need more organizations such as the Committee to Re-Elect the President? Do we need more party solidarity or will this simply lead to greater executive power?

"There are no settled views on any of these questions. Yet the proposals now before Congress threaten to impose a solution to each and perhaps to change our present system radically and rapidly. The danger is not the less because the effect is random or unintentional—or perhaps even mindless."—Ralph K. Winter, Jr., campaign financing and political freedom, (AEI), 1973, pp. 24–25.

15. *Party Responsibility May Decline Because of Public Financing.*

One of the functions of party leaders at the State and local level, and at the national level, is to know the possible sources of financial support for campaigns and to help solicit this money. Remove this function from them and our party system may well die. Proposed systems of public financing which circumvent the party—and most do—may encourage dissolution of parties as we have known them. Historically parties have served as conduits for the various interests of our pluralistic society, binding these together in broad-based coalitions. They have also served to focus voter attention on competing philosophies of government. Thus, they have been a source both of cohesion and of diversity. With their role in promoting and financing candidacies replaced by public funding one wonders whether they could long survive or continue to function in the traditional manner at the national level.

Additional commentary

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"If government funding is provided, the candidate may need to rely less than at present on the party or on party identification. Would relationships between parties and candidates diminish further if candidates receive government financing without reference to parties? Would this, in turn, affect the cohering and unifying roles parties play?"

"When subsidies are extended to Senatorial and Congressional campaigns . . . reduced party loyalty would tend to fragment both majorities and minorities, perhaps leading to new factionalism and splinter parties."—Herbert Alexander, Director Citizens' Research Foundation, "Watergate and the electoral process," a paper delivered at the Center for the Study of Democratic Institutions, Santa Barbara, Calif., Dec. 1973.

"We have, I believe, exaggerated the limiting effect the need to raise campaign funds has on prospective candidates. And we are in danger of forgetting that the present system is largely responsible for our having two parties, as against three, four or more parties in congressional, senatorial or presidential elections. Do we want to change the two-party system? If so, we are talking of a major structural change, a hazardous one, and not one that should come about as a side effect of public financing."—Walter Pincus, Campaign financing, the New republic, October 27, 1973. p. 18.

16. *Many State Party Leaders Are Opposed to Public Financing.*

A survey by the U.S. News and World Report in August 1973 found that "Republican State leaders are virtually unanimous in opposing the use of taxpayers' dollars for political expenses. Democrats are overwhelmingly in favor of the idea." Based on a telegraph and telephone survey of 110 chairmen of State parties (54 of whom responded), they discovered that 28 chairmen (22 Republicans and 6 Democrats) were opposed to public financing of political campaigns, while 20 (all Democrats) favored it, and 6 had no opinion or declined to offer one.

Here is what some of those opposed to public financing had to say about it:

Alabama, J. Richard Bennett, Jr., Repub.: "I am unalterably opposed to the financing of campaigns with public funds. Such a system is unworkable, inconsistent with our system of government, would be impossible to administer fairly, and is fraught with the danger of abuses."

Arizona, Harry Rosenzweig, Repub.: "The use of public funds for national political campaigns would open a Pandora's box of problems."

Florida, L. E. Thomas, Repub.: "The concept of federal funding of campaigns is certainly a form of socialism and is much worse than the present system. The very newspapers and radio and television stations that bemoan the high cost of campaigns could cut campaign costs by as much as two thirds by providing equal advertising space and time to all candidates as a public service."

Hawaii, Carla Coray, Repub.: "The income-tax checkoff is a failure. Citizens want to donate directly to candidates on their choice."

Kansas, Jack Ranson, Repub.: "Federal financing would bring much more federal control, and we need less federal control of all aspects of our lives, not more."

Kentucky, Charles Coy, Repub.: "Generally government supervision should be limited to seeing that elections are fairly conducted."

Kentucky, J. R. Miller, Demo.: "I do not favor federal financing. I favor a strong appeal to the public. Restore confidence in the average person. Instill pride in the U.S., and the money will come."

New Jersey, James Dugan, Demo.: "I have difficulty accepting totally public-financed campaigns. I believe them contradictory to the Constitution."

New Jersey, John Spoltore, Repub.: "The taxpayers have too much to pay for now without the further burden of public financing of campaigns."

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[6] Herbert E. Alexander, The high costs of politics, New York times, March 30, 1973, p. 39.

[7] History's costliest campaign, U.S. News and World Report, November 13, 1972, p. 20.

"In Israel they spend over $21 a head for elections. In America in 1968 the figure was $1.12. You have before you a $1.88 figure for this year.

[52] Hart bill, Section 2(3).

[53] Arlen J. Large, "How Should We Finance Elections?" Wall Street Journal, May 10, 1973, p. 24, col. 4.

New Mexico, Murray Ryan, Repub.: "The use of public money for national campaigns would result in an undesirable bureaucratic maze."

New York, Richard Rosenbaum, Repub.: "The existing federal laws should be more thoroughly assessed before tampering with them by placing stringent limitation on contributions, or providing for either full or partial government financing of political campaigns. The kind of laws frequently discussed today could wind up giving government an inordinately large roll in determining who may run for office and how effective any given candidacy may be."

North Carolina, James Sugg, Demo.: "I am not at all certain a system of public funding can be devised that will solve the problem of campaign financing satisfactorily, because of the complexities in choosing candidates eligible for funds."

Oklahoma, Clarence Warner, Repub.: "I am strongly against tax dollars being used in campaigns and against limiting the total amount which can be spent. Both of these proposals work to the advantage of the incumbents."

17. *We Do Not Know What Effect Public Financing Will Have on Pre-nomination Presidential Campaigns.*

It has been suggested and proposed that public financing is desirable for pre-nomination presidential campaigns. This will considerably affect the manner in which such campaigns are conducted and may close out options which exist in the present system. Among questions raised: will public financing include funding the cost of wooing or electing State convention delegates in those States which use the convention system for selecting delegates to national conventions? If so, how are legitimate expenses for that purpose to be defined? If not, will States be forced into primary selection of such delegates against their wishes?

Herbert Alexander has pointed out some options in the present system which may be adversely affected by a system of public financing:

"A movement to draft a potential nominee who had not announced his candidacy or participated in any primaries;

Dark horse candidates;

Favorite son and daughter candidates;

A candidate who loses a primary or two but insists his candidacy is viable and wants continued government assistance;

A candidate who does not expect to be nominated, but enters the contest in order to dramatize an issue, such as Representative McCloskey in the Republican Party in 1972." [8]

He concludes: "solutions to many of these contingencies may well be found, but these are [the] kinds of activities that offer safety valves, which should not be closed without considerable scrutiny." [9]

Additional commentary

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"What about the presidential race, which may begin for any one of a number of hopefuls at least a year before any primary? Do you require a man to raise $100,000 or $250,000 in small contributions before he gets any federal funds? Must he do that before the first primaries have started or can he start after? Can he do it just before the national convention, even if he has no delegates? Can he keep getting federal funds after losing several primaries? Can a favorite son get his small contributors from his own state, then use his federal money to run in other states?"—Walter Pincus, Campaign financing, the New republic, October 27, 1973. p. 18.

18. *Public Financing in Parliamentary Systems Is Not Analogous to the U.S.*

To draw comparisons between subsidies in parliamentary systems and in the United States overlooks the basic fact that we have an electoral system different from theirs. Subsidies in European countries with parliamentary systems are made to political parties, not to candidates. In these countries, parties control the campaigns of their candidates, supplying most of the money to finance those campaigns. While parties in our country do supply some financial assistance to candidates, they do not exercise the iron control over campaigns that is true in parliamentary systems.

Campaign financing with government subsidy is far less of a threat to the party system of a parliamentary form of government than it is to the political party system in our country. Accordingly, what may work in Norway will not necessarily work in the United States. What particularly distinguishes our electoral system from those of Western European countries is our primary system by which we choose nominees for the general election. This factor complicates the public financing of our campaigns and makes it difficult to finance them fairly. In parliamentary systems parties choose candidates and do not face the difficult problem of primaries in financing elections with public money.

Additional commentary

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"In most of the nations with subsidies, governments fund the parties annually, not only at election time. This is supplemented by free broadcast time, again made to the parties and not to the candidates. Historically, at first, most of the subsidies were given in small amounts to supplement resources already in the political process, and later increased when the system adjusted to the infusion of new funds. Excepting in Puerto Rico, in no country providing subsidies have ceilings been imposed on private contributions. In contrast, efforts are being made in this country to both limit and subsidize. Would that we knew the possibilities of doing both effectively, or the consequences of doing either ineffectively."—Herbert Alexander, Director, Citizens' Research Foundation, in "Watergate and the electoral process," a paper delivered at the Center for the Study of Democratic Institutions, Dec. 1973.

19. *Will Public Financing Really Curb the Power of Special Interests?*

Some proponents of public financing believe that it will rid the political process of the corrupting influence of corporate and private wealth. However, it is questionable whether contributions from them are a primary source of their influence. In this regard two assumptions of those who advocate public financing are more myth than fact. These are: (1) that special interests dominate the political process to the exclusion of the public interest, and (2) that their influence is a direct function of their campaign contributions. Suspicion and accusation, far more than hard evidence, are the foundation for these beliefs.

The Founding Fathers recognized the inevitability of interest groups in society and so created a form of government designed to balance their competing demands. It is both reasonable and acceptable in our political system to have groups petition political leaders on behalf of their interests. Many groups go a step further and solicit from their membership contributions for candidates who look upon their interests with favor. When these contributions cumulate to several thousands of dollars, they become sinister in some people's minds. Actually, they can be thought of as investments which sometimes pay off and sometimes don't. Corporate leaders themselves have spoken of campaign contributions as attempts not to curry favor but to prevent harmful government actions.[10] Regardless of the motivation behind such contributions, no self-respecting Member of Congress nor any President considers himself a lackey for any interest group whose members contribute to his campaign.

Moreover, the power of interest groups will continue to be exercised in the political arena regardless of whether there is public financing of election campaigns. It is doubtful that such a system of financing elections will diminish the proper role that groups play or their attempts to persuade legislators to vote in ways favorable to their interests. Nirvana will not come to pass with public financing; nor is it likely that the Congress will somehow become populated with whomever it is the proponents of public financing believe will be elected if their proposal is adopted.

Additional commentary

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"The assertion that the political process is dominated by the wealthy, vested interests to the exclusion of the public interest is misleading and an over-simplified view of the realities of our democratic processes. While there are numerous examples in which heavily financed interest groups have obtained tax loopholes, subsidies and other government favors, there are also many instances where these interest groups have been frustrated in their attempts to obtain legislation favorable to their interests or to block legislation that was unfavorable. For example, in recent years, there has been:

"The defeat of the aerospace lobby in the battle over the SST;

"Reduction of the oil depletion allowance in the 1969 Tax Reform Act in the face of strong industry opposition;

"Active government efforts to clean up our waters, launched over the intense opposition of industries such as paper and chemicals;

"Passage of Medicare in 1965 in the face of an all-out AMA mobilization against the bill;

"Enactment of stringent air pollution control standards regarding auto emissions despite the opposition of the auto industry;

"Justice Department consent decree requiring ITT to divest a half-dozen major subsidiaries acquired in mergers, despite its vast financial resources and an intense campaign to get the case dropped;

"Opening of the highway trust fund in spite of extensive lobbying efforts by the highway lobbies.

"Nor have these been isolated incidents. Defense and space funding have experienced steady relative declines, despite heavy lobbying and spending by the so-called 'military industrial' complex, while spending for health, education and welfare programs has soared, doubling to around $100 billion.

"These examples are not meant to be an attempt to obfuscate the sometimes excessive and occasionally overwhelming power of the vested interests, but rather they are an effort to place the influence of the special interests vs. the public interest into a more realistic perspective."—William Frenzel, Rep. from Minnesota, *Hearings* before the Senate Subcommittee on Privileges and Elections, 93rd Congress, 1st Sess., 1973, pp. 148–149.

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"Special interest influence is a problem, but campaign contributions are only one of many contributing factors. In fact, political contributions may not be a major or primary source of power for the special and vested interests. There are at least three other factors that are important and significant sources of their power and influence.

"1. The producer groups (usually the special and vested interests) have an inherent advantage over consumer groups (usually the general public). Specifically, producer groups have more time and greater resources which allow them to develop the following attributes that give them an important edge in the struggle for political power:

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[8] Herbert Alexander, "Watergate and the electoral process," paper delivered before the Center for the Study of Democratic Institutions, Santa Barbara, Calif., Dec. 1973, p. 28.

[9] *Idem.*

[10] Eileen Shanahan, They felt they bought protection, New York Times (Week in review), November 18, 1973, p. 1.

"Specialized knowledge and expertise in the complex and technical matters in which governmental decisions are required;

"Professional staff and representatives possessing knowledge of the governmental processes, and access to the key people who make the decisions;

"A large stake in the limited range of issues that affect their interest, thus allowing for maximum mobilization of resources at the appropriate time and place;

"A certain 'legitimacy,' because the parties most affected by a governmental action should have a large role in determining the outcome;

"Organization networks and structures that facilitate articulation and forceful presentation of their views to both the public and the relevant government decision makers.

"For example, if a public utility wants an increase in rates, it has the time and resources to invest a considerable amount of effort in a campaign to obtain governmental approval. It can develop information that will demonstrate the great need for such an increase. The utility knows the process by which to obtain approval and can easily contact the proper people and decision-makers. Having a huge stake in the issue, the entire corporation's resources can be mobilized for this particular effort. Since the company is greatly affected by the possible increase, the government must listen and weigh its case.

"2. Political parties in the United States are relatively weak, broad-based and decentralized. In many other democratic nations, the parties provide a stronger focus and rallying point for the consumer or public interest. The influential special and vested interests in the United States are not often challenged by the political parties. The main check on their powers are the other, conflicting, influential special and vested interests.

"3. Even more importantly, the United States is a highly fragmented, governmental structure. Decisions on particular issues are focused in legislative committees and subcommittees and in executive agencies and bureaus. With the possible exception of the Office of Management and Budget, there is no overall budget control mechanism, no overall view of the allocation of national priorities, and no central agency that can shape and define national public policy. Each special and vested interest merely must concentrate its resources on a handful of committees, agencies or bureaucracies to obtain governmental favors and assistance. Meanwhile, more broadly-based groups, such as the consumer and the public interest groups, face the more difficult job of monitoring and overseeing dozens of committees, hundreds of departments, agencies and bureaucracies, and hundreds of thousands of state and local political entities.

"Given these other factors, public financing may fail completely to curb the 'excessive and corrosive' influence of the special and vested interests. Certainly, it will not eliminate or drastically reduce their power and influence."—William Frenzel, Rep. from Minnesota, *Hearings* before the Senate Subcommittee on Privileges and Elections, 93d Congress, 1st Sess., 1973, pp. 149–150.

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"Besides being related to free expression private political contributions provide a means for social or economic minorities, notably business, to gain extra political leverage. This function places campaign giving within the tradition of social pluralism established by the drafters of the U.S. Constitution."—A. James, Reichley, Let's reform campaign financing but let's do it right, Fortune, December 1973, p. 158.

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"Finally, we are told that subsidies will reduce the pressure on Congressional candidates for dependence on large campaign contributions from private sources. . . .[54] If, however, one reduces the pressure on candidates to look to the views of contributors, to whom will the candidates look instead? The need to raise money compels candidates to address those matters about which large groups feel strongly. Candidates might well, upon receiving campaign money from the government, mute their views and become even more pre-packaged. Eliminate the need for money and you eliminate much of the motive to face up to the issues. Candidates might then look more to attention-getting gimmicks than to attention-getting policy statements. A subsidy combined with spending limits might insulate incumbents both from challengers and the strongly held desires of constituents."—Ralph K. Winter, Jr., Campaign financing and political freedom, (AEI), October 27, 1973, pp. 23–24.

20. *It Would Be More Difficult and Probably More Costly to Finance Campaigns Publicly at the Congressional Level than Under the Present System.*

Leaving aside for the moment the many difficulties involved in financing publicly presidential elections, the problems encountered in financing elections for Congress are even more overwhelming.

The degree and intensity of competition in presidential elections is fairly uniform from election to election. This is not true in congressional elections. In some congressional elections there is little general election competition. Accordingly, elections are really determined at the primary level. Two problems arise from this fact. First, public financing would seem to be required at the primary as well as the general election level in order to realize its stated goal of "purifying" the election finance process. This obviously would increase the cost of election finance to the taxpayer. Second, public financing could increase the cost of elections by encouraging excessive intra and inter-party competition.

Presently, there are several states that are one-party States. Perhaps public financing will change this and create a two-party system in those States, but that is not a certainty. What is more likely is that persons with little chance of victory will nevertheless contest for office because of the availability of funds to them, thus driving up costs, and that candidates who in the past needed to spend small sums to get elected now will spend the total available to them either because of competition or because the money is there for the asking.[11] The one-party-state syndrome also raises the difficult problem of determining whether the candidate of the other "major" party merits major-party funding support since the track record of his party on its face does not indicate that he so qualifies.

Most formulas for public financing depend on the eligible voting age population as the base for determining what money shall be allocated to finance a campaign. Under this formula "x" cents times the EVP produces "y" funds. Unfortunately, election realities may indicate that either more or less money is required in any given race than is produced under the formula. Accordingly, some will be generously treated while others are starved. Candidates A and B in one State may require only several thousand dollars to run a campaign against each other but be allocated far more than that while candidates C and D in another State require more than is prescribed by law for them, hence they are penalized. In other words, there are more variables which figure into the amount of money which is necessary to compete for election than are reducible to a formula for determining that figure. Under current practice these variables (degree of party competitiveness, incumbency of one of the opponents, non-incumbency of either opponent, nature of the State or district involved, cost differential of campaign services across the United States, travel cost differential in States and districts) can be more easily accommodated to, budgeted for, and financed than is true under a system of public finance.

At the primary level, assuming that public financing must also exist there, the devilishly difficult problem arises concerning how to limit the number of candidates who shall be publicly financed. Obviously, it is not financially feasible to fund everyone who runs. Accordingly, lines must be drawn below which the right to funds is denied. Who is to decide at which point some candidate is to be denied public money—below 5 percent of the vote? 10 percent? 15 percent? No one really has a good answer.[12]

Moreover, the process of financing at the primary level is far more difficult than at the general level. Some plans call for candidates to post a bond which they would forfeit if they fail to secure the required percentage of votes to qualify for public financing. Most also have a payback provision, requiring candidates to pay back public funds which they have received if they fail to garner a sufficient number of votes to qualify for assistance. Thus the allocating of funds is complex and the bookkeeping involved is horrendous. Without knowing whether they will receive a vote sufficient to qualify them for assistance, the Government would be giving funds to candidates so they may compete for nomination. It would then have to get back that money from those who fail to qualify. Clearly this is a potential Frankenstein monster.

Bonding and payback provisions are necessary, it is said, to discourage frivolous candidacies while public financing is needed to encourage and aid those to run who might not otherwise be able to. One wonders who are the former and who the latter in this situation? By comparison the present private financing system seems far simpler and more preferable.

Suppose that there is primary competition between third party candidates. Are they to receive no public funds? If they are to receive funds, what lines of non-eligibility are to be drawn for them? Is the amount to be made available to them to be determined by the total votes they receive? If so, is this fair since it is seldom that primary turnout matches general election turnout with the possible exception of those one-party States where primaries determine general election victors?[13]

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[54] Hart bill, Section 2(4).

[11] S. 3044, however, prescribes a limit on public money available to and spendable by candidates in uncontested elections. That limit is 10 percent of their expenditure ceiling in a contested election.

[12] S. 3044 avoids this difficulty by requiring a candidate to raise threshold money before he can qualify for Federal dollars. The problems with this approach are (1) that it can enhance the influence of special interests who can easily aid their candidates in raising the sums needed, (2) that it invites the large contributor to devise means for sub-dividing his contribution in order to augment its value, and (3) that high threshold requirements discriminate unfairly against economic and social minority candidacies, because such candidates will find it difficult to raise this threshold money in small contributions.

[13] Obviously a high threshold requirement, as provided in S. 3044, greatly diminishes the prospects of third party primary candidates for obtaining public funds.

(For additional comment on the problem of third parties see argument 22 *infra*).

(NOTE.—The problems of incumbency are addressed in argument 8, *supra*)

Additional commentary

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"Public financing plans do not really fit our Federal, pluralistic election system. States vary; districts vary; people vary.

"In the House, all of the action occurs in

"If you publicly finance all of the races, you will be literally pouring down the drain 85 percent of the taxpayers' money that you spend for elections.

"Are you going to spend money for all the guys that run against Wilbur Mills, George Mahon, Carl Albert, and Wright Patman. They seldom have primary opponents, and yet certainly they will want to use that money.

"And also, the House Members who think they are safe in the House elections will take the money and spend it on the public media, so they will be in a good position to challenge you guys in the Senate the next time around."—William Frenzel, Rep. from Minnesota, *Hearings*, before the Senate Subcommittee on Privileges and Elections, 93rd Congress, 1st Session, 1973, p. 144.

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"In addition to the problems that I previously have noted with respect to certain of the pending public financing proposals, I would like to point out one other problem, Mr. Chairman, that is present in my State of Louisiana with respect to other proposals that have been made to the committee. My State is favored or disfavored, depending upon your point of view, with the fact that we have only 3 percent of our registered voters who are Republicans.

"Now, as a believer in the two-party system, I don't believe we ought to forever seal off the chance of Republicans getting elected in our State by saying that they are entitled, under some kind of Federal financing arrangement, to only 3 percent of Federal campaign money.

"On the other hand, I do not think the Federal Government ought to finance a party representing such a small percentage of the registered electorate on an equal basis with Democrats."—J. Bennett Johnston, Sen. from La., *Hearings* before the Senate Subcommittee on Privileges and Elections, 93rd Con., 1st Sess., 1973, p. 312.

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"Certain of the proposed bills make no provision for financial [sic] primary elections. Thus, would anything really be accomplished by financing general elections from the Federal till while having primaries funded through private donations?"

"There are some sections of the country, may I say, in parentheses, Senator Pell, that the primary election is the election. And consequently, a primary election by all odds is the most important part of the election process.

"It has been my experience in politics that money spent in primary campaigns probably has greater impact on results than that spent on general elections."—Bernard M. Shanley, Vice Chairman, Repub. Nat'l. Comm., *Hearings* before Sen. Subcom. on Priv. and Elec., 93d Cong., 1st Sess., 1973, p. 317.

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"There is absolutely no way that the people in my district would accept the spending of $90,000 in a congressional race. It is more than has ever been spent in a general election in the history of the State of Wisconsin.

"Nationally, only a handful of the 831 candidates for the House in the last general election spent that much. That vast majority spent half that amount in the general and primary elections combined. We need to clean up the way we are financing campaigns but not by lavishing candidates with huge amounts of Federal dollars."—David Obey, Rep. from Wisconsin, remarks in the *Congressional Record*, February 13, 1974, p. 3042, regarding S. 3044, reported by the Senate Committee on Rules and Administration.

"Few of the proposals for public financing are contoured to meet the many peculiarities and idiosyncrasies of the states and localities. Among problems which are encountered: 1) discriminatory petition requirements for third party candidates; 2) deposit requirements favor the wealthy over the poor; 3) spending limitations are unreasonably low for some states, unreasonably high for others; 4) equal amounts for major party candidates may help challenges in Senate races (because incumbents normally outspent challengers) but will hurt challengers in House races (because challengers must outspend incumbents if they are to have a chance); 5) misallocation of funds by giving equal amounts to those in hot races and those in weakly contested races, thus underfinancing important races, and over-financing relatively unimportant races."—William Frenzel, Rep. from Minn., *Hearings* before the Senate Subcommittee on Privileges and Elections, 93d Cong., 1st Sess., 1973, p. 152.

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"The nomination process for the House varies from state to state, district to district, and a House race differs from statewide Senate campaigns, which themselves vary from state to state. The presidential nomination process varies not only from state to state, but from candidate to candidate. To impose a uniform method of financing on all candidates, both in primary and general elections, would inevitably require one uniform selection process thereby dislocating a variety of local and state arrangements whose strength as well as weaknesses have been certified by experience. When we speak of public financing we are suggesting not simply some casual reform but a fundamental change in the heterogeneous ways candidates for federal office are chosen."—Walter Pincus, Campaign financing, the New Republic, October 27, 1973, pp. 17–18.

21. *Public Financing of Congressional Elections May Adversely Affect the Executive-Legislative Balance of Power.*

Herbert Alexander has raised the interesting point that subsidies for senatorial and congressional campaigns will lead to more independent-minded candidates on the ballot, some of whom will be elected. "At a time when there is concern over Executive-Legislative relationships, when there is concern about Executive encroachment, any further splintering of Congress . . . would ensure the diminishing of the Legislative branch. Checks and balances would be more diffused."[14]

22. *Problems Encountered because of Minor and New Parties.*

One of the difficulties inherent in any public financing proposal is that it discriminates against minor and new parties. This is so because all plans treat the major parties as equals (even though from election to election and State to State this is untrue) in the allocation of public funds to their candidates while employing a different formula for minor and new parties—usually in their case predicating support either on past performance at the polls or performance in the year for which funds are granted.

Such a differentiation may operate to freeze into place minor and new parties. Correlatively, the present two party system may get locked into place because candidates of these parties will always be guaranteed uniform sums so long as they poll a certain percentage of the vote (usually 25 percent). It is true that the present two party system has existed for more than 100 years and that it may remain that way another 100 years with or without public financing, but at least under a private financing system there is a better chance than one of the major parties might expire for lack of financial support. This need to survive financially is one reason our party system has remained dynamic. It cannot be denied, of course, that even under a public financing system one of the present major parties might pass from existence. However, the security public financing would offer the present major parties would militate against that occurring.

Yet a different consequence is the possibility of third party movements proliferating in the hopes of capturing sufficient votes to obtain public money. Once such support is earned, public finance may then prolong the life of a third party. This possibility does not exist with a private financing system in which minor parties survive only so long as people are willing to contribute to them.

Additional commentary

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"Proponents of public financing have failed to arrive at a workable, fair and equitable formula for third and minor parties. They have failed to derive a formula that would make it fairly difficult, but still quite feasible for a third party to receive federal funding. A system (e.g. use of petitions) that might work well for qualifying third and minor parties in California and Oregon might fail miserably in New York and Vermont. A system (e.g. security deposit) that might cause a proliferation of third party and splinter party candidates in one area (e.g. Westchester County) might make it extremely difficult for a third or splinter party to get federal financing in another area (e.g., South Bronx). Proponents have also failed to come up with a formula that will distribute funds fairly and equitably among major and minor parties.

"The treatment of major, minor and third parties raises substantial constitutional questions. Under a system of public financing, must minority parties be guaranteed equal protection? If they are, they would have to receive as much or more than major parties. This would cause a proliferation of minor parties. If they are not given equal protection, the system may be declared unconstitutional. Even if a minor or third party is given as much as a major party, it may still be discriminatory, because the minor party must spend more if it is to do well in an election. To limit the amount a new, minor or third party can receive from the federal treasury to as much as or less than the amount for major parties might severely cripple the ability of these parties to wage successful campaigns. Furthermore, there are ample legal precedents against arbitrary classification of this nature."—William Frenzel, Rep. from Minn., *Hearings* before the Senate Subcommittee on Privileges and Elections, 93d Cong., 1st Sess., 1973, p. 53.

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"A subsidy for a minor party may enable it to survive, although its aims and methods merit an early demise.

"Constitutional objections are also likely to be raised to proposals for a public subsidy to the extent that:

"Major parties receive larger subsidies than minor parties;

Minor parties are required to make refunds of subsidies if they fail to obtain a certain number or percentage of votes, or to forfeit security deposits whereas similar conditions are not imposed on major candidates."—Robert G. Dixon, Jr., Asst. Atty. Gen., Dept. of Justice, *Hearings* before the Senate Subcommittee on Privileges and Elections, 93rd Cong., 1st Sess., 1973, p. 306.

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[14] Herbert Alexander, Watergate and the electoral process, a paper presented at the Center for the Study of Democratic Institutions, Dec. 1973.

"Splinter and third parties would benefit greatly by Federal financing at the direct expense of the national parties. For instance, if there had been Federal financing in 1968, it is reasonable to assume that Senator McCarthy, denied the Presidential nomination by the Democratic Party, might have formed his own third party, virtually assured of getting at least 5 percent of the vote and being guaranteed retroactive reimbursement of his campaign expenses.

"With the independent vote increasing as it is, the two major parties cannot afford a further splintering of their efforts or of our two-party system, which, in my opinion, makes our Constitution effective. I believe some of the bills being proposed foster erosion of the two great parties in this country by providing for the subsidizing of minority parties in elections."—Bernard M. Shanley, Vice Chairman, Repub. Nat'l. Comm., *Hearings* before Sen. Subcom. on Priv. and Elec., 93 Cong., 1st Sess., 1973, p. 317.

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"Under a system of public financing, a one-shot third or minor party might poll sufficient votes in an election to assure a sizeable subsidy in the next campaign. By the time of the next election, it is feasible that such a party would have spent its fury and be virtually extinct. Yet, it would receive several million dollars which it could decide to spend in a squanderous fashion."—William Frenzel, Rep. from Minn., *Hearings* before Senate Subcom. on Privileges and Elections, 93d Congress, 1st Sess., 1973, p. 152.

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"Similarly, direct subsidization of campaigns must have an enormous but uncertain impact on third parties. If a formula like that contained in the Hart bill is employed, third parties would usually have to gamble whether to take the subsidy. The 'seriousness' of a party would have little to do with its decisions since early showings in the polls might augur well—but all third parties suffer late in campaigns from the urge of voters to make their votes 'count.' Declining the subsidy would be taken to mean that the party was not serious and, in any event, the possibility of subsidy would deter further giving. If the formula is based on showings in previous elections, subsidies would sustain third parties long after their appeal had diminished, simply because they once received a significant portion of the vote."—Ralph K. Winter, Jr. Campaign financing and political freedom, (AEI), 1973, p. 5.

23. *Public Financing Will Either Dry Up Money Available to Local Candidates or Focus the Special Interest Money at the Local Level.*

There is a definite possibility that public financing of national elections will not spur an outpouring of private money to finance state and local elections but will dry up traditional sources of money because it is more difficult to generate contributing enthusiasm at that level. To the degree that this occurs, the so-called special interests may step in, or be called upon, to finance state and local election campaigns. The howl will then go up to finance these elections from public funds and another bite will be put upon the taxpayer if that is enacted. Elections will then become the sole responsibility of the State (Nation) and the voluntary basis of our political system will be wiped away. Is this what we want to see happen?

Additional commentary

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"If a system of public financing is adopted, it is very likely that many states would continue with their systems of complete private financing. There are two possible serious consequences of a system of public financing. Such a system could dry up funds for state and local candidates, who already have a difficult time raising adequate funds. Private givers might feel that their responsibility has been satisfied by the National Program. Special interests would not. As a result, state and local candidates and the quality of state and local governments might decrease.

"On the other hand, private contributors—especially special interest groups—might channel the funds formerly used in federal lections into state and local government. Expenditures in State and local races are presently much less than in national races. So if private funds were channeled toward the state and local sector, it might be easy to 'buy' candidates with 'dirty money.' Furthermore, a dramatic increase in spending at the state and local level would probably mean a dramatic increase in overall spending in political campaigns, which is contrary to the goals of many of the proponents of public financing. Chasing 'dirty money' from the nation's capitol to the state capitols and court house would be an ironic by-product of federal financing."—William Frenzel, Rep. from Minnesota, *Hearings* before Senate Subcommittee on Privileges and Elections, 93d Congress 1st Session, 1973, pp. 154–155.

24. *It Is False to Assume that Money Raised Privately Is Necessarily Suspect.*

Proponents of public financing seem to begin with the assumption that money privately contributed to finance campaigns is necessarily suspect. Yet, there is good reason to doubt the validity of that assumption It is true that interest groups donate with the expectation that those they support who win office will vote in ways beneficial to their interests. But often the candidates they support share a community of interest with them anyway and would vote in their favor on the basis of philosophical predilections irrespective of financial support. Why must the conclusion be drawn that such candidates are "bought" or "unduly influenced" by the funds which come to them from people with whom they share interests? This dark connotation to contributing distorts reality. In some measure it is the "hobgoblin" of liberal minds seeking sinister forces at work to subvert the public interest. These same liberals who see so much wrong in corporate executives contributing to campaigns find nothing sinister in the funds contributed on their behalf by interest groups which favor them. This "good guys"/"bad guys" division among contributors is a false one.

Moreover, whatever faults may exist in the private financing system can be corrected by sensible and effective legislation. The 1971 Federal Election Campaign Act was a step in that direction. Efforts further to perfect it are preferable to junking the private financing system. Public financing as a solution is like throwing the baby out with the bathwater. Much money contributed to finance campaigns in our country is without taint. It is contributed by thousands of Americans who believe in our system of government and want to show their support for the kind of candidates they think should hold office. There is no good reason to deprive them of this opportunity.

Additional commentary

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"Privately raised money is not necessarily 'dirty' money. Good rules can clean it. I will bet every member of this committee has raised hundreds of thousands of political dollars that they do not think is dirty money."—William Frenzel (R.) Rep. from Minnesota, in *Hearings* before the Senate Subcommittee on Privileges and Elections, 93rd Cong., 1st Sess., 1973, p. 142.

25. *Fundraising Is not Demeaning, but Challenging. The Object Is to Solicit Support Based on Previous Performance and to Constantly Enlarge that Support.*

Underlying the notion of public financing is the idea that fundraising is a shabby, distasteful, and demeaning process. Is this really true? Is not the need to solicit funds one more way in which the officeholder remains in touch with the people? Is it not a means for him to measure public response to his performance in office? Should we insulate the candidate from this process of sufficiently proving himself to the satisfaction of the electorate that they are willing to invest in his candidacy? Perhaps we do need to widen the contribution base in this country—and tax incentives which are on the lawbooks have that goal in mind; but it is questionable that we ought to insulate the candidate from the need to raise money to finance his campaign. This need does not demean him. It does require him to convince people that he merits their financial backing, a requirement that is in keeping with our electoral tradition and one worth preserving.

Additional commentary

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"Political fundraising is not demeaning to me. It is not easy, and it may never be fun, but I have never been ashamed to ask for money for candidates I support, including myself.

"I wonder if those that are demeaned have as good a product to sell.

"In my State the Republican Party raised $1 million from 68,000 contributors. We get over 10 percent of the members of our parties to contribute, and the biggest fundraising adventure has an average per capital [sic] contribution of $7.05.

"I think that is pretty democratic fundraising."

"In support of public financing, proponents assert that private fund raising is a humiliating and degrading experience that political candidates should not be forced to face. While fund raising can be difficult and occasionally embarrassing, proponents fail to recognize its value as a barometer of: 1) a candidate's popular support, 2) public approval of his record while in office, and 3) his seriousness about serving in public office. Furthermore, many public financing proposals might put candidates, especially incumbents, in a position where they would have to do very little to get elected."—William Frenzel, Rep. From Minnesota, *Hearings* before the Senate Subcommittee on Privileges and Elections, 93d Congress, 1st Session, 1973, p. 143, 151.

26. *Definitional Problems Are Encountered in Public Financing Proposals.*

In other arguments presented in this compilation definitional problems have been alluded to. These problems are difficult and raise doubt that fair subsidies can be worked out based on formulas that do not treat candidates as equals. Herbert Alexander, America's foremost analyst of campaign financing, has stated that "presumably, the goal of government subsidy is to help serious candidates, yet retain enough flexibility to permit opportunity to challenge those in power without supporting with significant tax dollars candidates merely seeking free publicity and without attracting so many candidates that the electoral process is degraded. Accordingly, . . . how [do we] define major and minor parties, and distinguish serious and frivolous candidates, without doing violence to equality of opportunity, or to 'equal protection' under the Constitution?" [15] These questions admit of no easy answer. Alexander continues, "any standards must be arbitrary, and certain screening devices must be used, based upon past vote, numbers of petitions, posting of money bonds, or other means. Some of these means require 'start up' funds or masses of volunteers to get petitions signed, and other plans, such as matching incentives, require popular appeal that can best be achieved through incumbency or years of exposure which also costs money." [16]

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[15] Herbert Alexander, Watergate and the electoral process, a paper presented at the Center for Democratic Studies, Dec. 1973.

Additional commentary

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"If the amount of the subsidy is based upon previous votes received by the candidate's party, incumbents would receive more money than challengers, who are already at a disadvantage for other reasons. (Under 1966 and 1967 Senate Finance Committee formulas, the parties or candidates qualifying as 'major' would receive equal subsidy assistance.) Subsidies require formulas that raise difficult questions as to what is a 'major' or 'minor' party and why a party is so classified.

"They also bring up the issue of what is a 'qualified candidate,' particularly in the pre-nomination period. Eligibility by petition on a nationwide basis presents problems of validation of signatures and possible harassment by challenging petitions. If subsidies base eligibility on the vote received by a party in the previous election, new parties would not qualify until two or more years after they have organized. To subsidize a minor party after its political activity has peaked could prolong its uselessness; otherwise it might fade away."—Herbert E. Alexander, Money in politics, (1972), p. 238.

VETERANS DAY

Mr. DOLE. Mr. President, today the Subcommittee on Federal Charters, Holidays, and Celebrations of the Senate Judiciary Committee held hearings on returning the celebration of Veterans Day to the traditional date of November 11. In view of the widespread interest in making this change in Kansas and the majority of other States, I believe every Senator should be aware of the importance of this issue. Mr. President, I request unanimous consent that my statement before the subcommittee be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

VETERANS DAY

Mr. Chairman, I appreciate the opportunity to testify on returning Veterans' Day to November 11 and commend you on your efforts in scheduling these hearings.

On November 11, 1971, in the 92nd Congress, I introduced a Bill to restore the special day for veterans to November 11. Since that time, five more bills have been introduced in the Senate to accomplish the same purpose.

The simple fact is that the vast majority of veterans in Kansas and across the country want their holiday celebrated on the traditional date—November 11. In 1954, the Congress changed Armistice Day to a day for the honoring of all veterans. The original measure to establish Veterans' Day was introduced by the Honorable Edward Rees of Emporia, Kansas, who served the Fourth District of Kansas for 24 years in the Congress. In view of the distinguished service of Congressman Rees, the celebration of Veterans' Day on November 11 has a special meaning and importance to the former servicemen of Kansas. Since we in the Congress have taken the action to set aside a day in honor of veterans, we have the responsibility to be attentive to the preferences of veterans as to when their day should be celebrated.

STATE ACTIONS CLEAR

Currently there are 42 States which celebrate Veterans Day on November 11. It is significant that 40 of these States have returned to the traditional date after a period of celebrating it on the fourth Monday of October in response to the Federal change as established by the Congress in 1968.

In the remaining 8 States which have not returned to the traditional date, there are several moves in progress to accomplish this. These efforts range from bills in State legislatures to memorial resolutions to the Congress.

So the preference of the vast majority of State governments has been made clear. I think this is mandate enough for the Congress to return Veterans Day to November 11.

VETERANS' PREFERENCE

But the mandate is even stronger. The veterans population in the States celebrating on November 11 amounts to over 85 percent of the total living U.S. veterans. It is their actions which have caused 42 States to use the traditional date for honoring veterans. So the preference of the vast majority of veterans is clear, and we in the Senate should be responsive to this.

I can personally speak for the tremendous number of letters and phone calls I have received from veterans and their families and friends on this issue. The veterans organizations testifying here today also indicate the high level of support among those for whom this holiday was originally intended to honor.

SENATE SUPPORTS

It is significant that six bills have been introduced to change Veterans Day back to November 11. I was pleased to see that almost the entire Veterans' Affairs Committee has come out in support of a bill to accomplish this action. The distinguished Senator from Nebraska who sits on this subcommittee has also given his support to a similar measure.

All of this support—from the States, veterans and Senators—clearly shows the desire of the Nation. I think our actions here in the Senate should reflect that mandate.

Working men and women have chosen a day of their own—Labor Day. By the same token, veterans—who have given so much to preserve the things we cherish in this country—should have the same opportunity.

VETERANS RISING IN STATURE

Mr. Chairman, I think the controversy and division in this country over the American involvement in the Vietnam war may have caused us to overlook the contributions of those who served during that time. Regardless of our feelings about Vietnam, we can all agree that the veterans of that era performed as heroically as American soldiers in any war.

Those men have not received many of the benefits of G.I.'s of earlier periods. I believe the attitude of Congress and the American people toward Vietnam veterans is changing. One way this can be expressed is to give a special significance to the day for all veterans and this can be done by putting the celebration on November 11, the traditional date.

SACRIFICE IS PRESERVING

Veterans Day deserves the highest recognition possible. Millions of Americans have sacrificed their time, their talents and even their lives to secure and strengthen the ideals of liberty, freedom, and democracy which gave birth to our Nation. These Americans—our veterans—have earned the respect, gratitude and recognition of their fellow countrymen. Their contribution to America is unique and America's tribute to them should be equally unique.

For many years, this tribute was paid on November 11, a day which is both unique in history and appropriate for recognizing the contributions of Americans to world freedom. November 11 is Veteans Day and always will be in the hearts and minds of millions of Americans. The change in the legal designation cannot erase the significance of this date, nor can an extra 3-day weekend justify a reduction in this Nation's tribute and homage to the men and women who have given so much in their quest for world peace and freedom.

With these thoughts in mind, I urge that every effort be made to pass this legislation to reinstate the date of November 11 as Veterans Day. Passage of this legislation will again establish a legal holiday which represents American tradition and provides a unique and fitting day of recognition for American veterans.

Again, I express my appreciation for this opportunity to testify and hope we can act quickly to restore November 11 as our official national day of salute and tribute to the men and women who have so proudly worn the uniform of the United States.

ATOMIC ENERGY SECURITY

Mr. BIDEN. Mr. President, as the use of atomic energy expands, security becomes an increasingly larger problem. Rigorous efforts must be taken to insure against the possibility of the theft of nuclear materials, such as plutonium and certain forms of uranium. Even a crude homemade bomb could cause a large number of casualties and much damage, if detonated. In addition, safeguarding the transportation of such material remains a problem which has not been completely worked out yet.

Security is just one of the crucial problems that must be dealt with as the number of plants handling atomic materials proliferates. Others, such as those involving radioactivity, waste disposal and storage, transportation, and risk of accident must all be part of the equation which determines the method and use we make of nuclear energy.

Two particularly interesting articles by Thomas O'Toole, which appeared recently in the Washington Post, explore the matter of security regarding atomic energy. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

FEARS OF NUCLEAR THEFT STIRS EXPERTS, AEC—I

(By Thomas O'Toole)

When an atomic weapon travels by train in the United States, it moves in a gray metal car whose two-ton steel top is locked into place by massive bolts. If the same weapon rides on the road, it travels in a truck whose wheels can be locked and whose armor-plated sides can only be pierced by bazooka shells.

The reasoning for such tight security is obvious, but not so obvious is the fact that the Atomic Energy Commission is thinking seriously of ordering the same precautions when shipping nuclear materials, not just the finished weapons.

Such deep concern is rooted in some deep fears that the worldwide growth of atomic energy might be accompanied by attempts at atomic theft, either by organized criminals, terrorists or even governments. The results of nuclear theft are not easy to contemplate, involving as they do the almost unspeakable threats of billion-dollar ransoms and downtown nuclear explosions in the world's cities.

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[16] Idem.

"The human casualties and property damage that could be caused by nuclear explosions vary widely," is the way it's put by Theodore B. Taylor, a onetime designer of nuclear weapons and now a crusader for tighter nuclear safeguards, "but even a nuclear explosion 100 times smaller than the one that destroyed Hiroshima could have a terrible impact on society."

Taylor calculates that impact. A nuclear blast so small that weapons experts might describe it as a "fizzle" might be enough to kill 100,000 people watching a football game. The fallout alone from a "fizzle" blast in the open could kill another 5,000, while the same explosion set off beneath Manhattan's World Trade Center could topple both buildings, and kill as many as 200,000 people.

"Fizzle" blasts worry people like Taylor the most, because that's the kind of bomb atomic thieves are most likely to build. Nobody thinks thieves can build a hydrogen bomb. But a number of people (Taylor included) are convinced that sophisticated thieves could put together a bomb with the same destructive force as the 13-kiloton explosion that leveled Hiroshima.

A growing number of weapons experts think that "basement" nuclear bombs are real possibilities. Taylor says that everything the bomber needs to know is buried in the stacks of the nation's public libraries. He says the most concise explanation of the theory of making a bomb is in the Encyclopedia Americana, written by the onetime research director for the Pentagon.

"Every educated person already knows the single most essential fact about how to make nuclear explosives, namely that they work," Taylor said in a book he co-authored for the Ford Foundation's Energy Policy Project. "Also, every country including India has successfuly tested a nuclear weapon on their first attempt. That's important."

The Atomic Energy Commission is not as concerned as Taylor is about basement bombers, but no longer does it consign them to the pages of science fiction. This is the way the threat is assessed by Edward B. Giller, assistant general manager for military applications:

"If you're a bomb designer like Ted (Taylor) who's worked in a big bomb factory for 10 years, then it's easy. It's not easy, but if I lost 20 kilograms (44 pounds) of plutonium last night to a big gang and they were in fact members of a gang identified by the FBI as terrorists, it's conceivable they could put together without blowing themselves up. . . . It would probably be a pretty clumsy thing, something you'd have to put in a truck but they'd have a credible threat."

The AEC ran a test on itself a few years ago just to find out how easy bomb making had become. It quietly hired two young physicists with no more experience than their Ph. D. degrees, gave them access to a small computer and an unclassified library, then told them to design a nuclear weapon and predict its yield.

The two physicists had a finished weapon in six months. Their predicted yield came within 10 per cent of what their weapon would have produced had it been fired. They now work in the weapons program at Los Alamos Scientific Laboratory, where Taylor spent 10 years.

About four months ago, AEC Director of Licensing John O'Leary asked an AEC study group to investigate the possibility of nuclear theft. Don't study it to death, O'Leary told them, just take six or eight weeks and see if there's anything to it. Make sure it's not a crackpot scheme.

The study group included an MIT physics professor, a weapon designer at Sandia Laboratory and William Sullivan, one time assistant to the FBI Director and former director of the Office of National Narcotics Intelligence. Here's what they concluded:

"There is widespread and increasing dissemination of precise and accurate instructions on how to make a nuclear weapon in your basement. . . . There is also a slow but continuing movement of personnel into and out of the areas of weapons design and manufacture. . . . We believe these factors necessitate an immediate and far-reaching change in the way we conduct our safeguards programs."

What triggered the study group's deepest fears was the rapid rise in worldwide terrorism and the sudden spurt of political kidnappings, which it concluded "may lead to a rise of urban terrorist groups in this country of a sort without precedent in our history."

There are now 50 known terrorist groups operating around the world, most of them well-financed and well-armed. There are five active terrorist organizations in North America, five in Latin America, five in Europe and ten in the Middle East. Their names are household words. Black September, Al Fatah, Tupamaros, the Japanese Red Army, the Ulster Freedom Fighters, the IRA.

In the six years ending Dec. 31, 1973, there were 422 known terrorist incidents that ended in 236 deaths. Fifty-nine of the 422 incidents ended in at least one death.

More important, terrorism is on the rise. There were 50 incidents in 1969, 74 in 1972 and 120 last year. The size of the force and the size of the ransom has also increased. There were 4.6 terrorists per incident in 1970, 8.7 in 1972. Terrorists reaped $11 million in ransom in 1972, $13.3 million in 1973.

Despite their great leap upward, terrorists have yet to threaten nuclear theft. There have been some disquieting incidents, like the threat by a 14-year-old physics student to blow up Orlando, Fla., unless he was given $1 million. He sent in a sketch of his nuclear weapon, precise in its detail.

Not long ago, a man hijacked an airplane and threatened to dive-bomb the Oak Ridge National Laboratory. The most serious threat took place in Austria, where terrorists poisoned a railroad car with radioactive iodine. The car was taken out of service and the Austrian Federal Railroad Administration offered a $5,200 reward (highest in its history) for information about the radiation terrorists.

The attack with radioactive iodine points up two things about nuclear theft. First, the terrorists were thinking about the public's fear of radiation. Second, they had access to radioactive materials. It's true that radioactive iodine is no nuclear bomb, but it's not sold in the corner drugstore, either.

Outside of the James Bond movie "Thunderball," nobody has ever threatened the United States with the theft of a nuclear weapon, although it admits to two threats "of a similar kind" in the last month.

The United States goes to unusual lengths to prevent the loss of an atomic weapon, but nevertheless it has lost a few. Four fell out of a B–52 over Palomares in Spain, while another four dropped out of another B–52 over Greenland. All eight were recovered.

Not so with a bomb that dropped out of a plane over South Carolina some years ago. It's still missing, presumably buried in a South Carolina swamp. A Navy fighter-bomber reportedly missed the carrier deck once and sank to the bottom of the Pacific, its nuclear bomb aboard. It's still there.

Outside of weapons in stockpile, the United States has over 40,000 atomic weapons scattered around the world. Most are in the United States, but about 7,000 are in Europe and a smaller number are in the Far East.

The number of countries where American nuclear weapons are located is small, the number having shrunk when President Kennedy discovered that nuclear missiles were unlocked and relatively unguarded in Turkey and Italy about the time of the Cuban missile crisis.

Where and how weapons are stored is a secret, but they're all kept in underground vaults. The vaults are guarded in roughly the same way the gold is guarded at Fort Knox. Electronic locks and cryptographic codes are used to close and open doors leading to the vaults.

How many weapons are moved each year is a secret. They are believed to move one at a time, some by truck. The train is a full train, even though only one car contains a weapon. Each car on the train has armed guards.

The truck that carries atomic weapons travels in convoy. There is an armed car ahead of it, an armed van just behind it and a third armed car five miles to the rear. The truck itself is secret. It can be made immobile if attached and is built to resist penetration. It would take hours for a full squad of men armed with bazookas to get inside the truck, and by then electronic signals would have sounded the alarm that the truck was under attack.

Suppose an attack succeeds and a terrorist group steals a weapon. Can they arm it and fire it? Nobody really knows the answer to that since there are so many electronic barriers built into the bomb. It might take them months to figure a way to trigger the bomb.

"They'd probably have to tear the whole thing apart and put it back together again," the AEC's Edward Giller said. "In effect, they would have to rewrite the whole mechanism"

The Atomic Energy Commission worries less about a bomb being stolen than it does about the nuclear materials used in the making of a bamb. Three metals can be made into a bomb, plutonium and two isotopes of uranium. One is uranium-233, the other uranium-235.

Just how much plutonium and uranium are needed to make a bomb is a secret, but it's a lot less than it used to be. The first atomic bomb that was detonated in the New Mexico desert contained about 60 pounds of plutonium. The bomb dropped on Hiroshima contained 132 pounds of uranium. Ted Taylor has described both bombs as "stupid," mostly meaning they were overweight.

Nobody can buy plutonium or uranium on the open market. Plutonium doesn't even occur in nature. It's made by man, as a by-product of fissioning uranium in nuclear power plants. Natural uranium cannot be used to make bombs either. A bomb maker needs uranium that is at least 90 per cent Uranium-235, which is only made in uranium enrichment plants.

There is a uranium enrichment plant in France, another in England, a third in China and several in the Soviet Union. A pilot enrichment plant is operating in the Netherlands, producing low-enriched uranium for atomic power plants.

Three enrichment plants are in the United States, one at Oak Ridge, a second at Paducah, Ky., and a third at Portsmouth, Ohio. The one at Portsmouth makes uranium fully enriched with U-235.

Time was when fully enriched uranium was used only to make bombs. No longer. It is the fuel for the Navy's 107 nuclear-powered ships and the fuel for a new type of power plant called the High Temperature Gas Cooled Reactor, which operates at twice the temperatures of ordinary nuclear power plants.

Only one of these plants is in existence today, being operated at Fort St. Vrain, Colo. Ten are on order in the United States alone. Japan is building one, and West Germany plans to build one. West German Energy Minister Horst Ehmke believes it is the power plant of the future.

Nobody would want to steal the uranium

or the plutonium that is inside a submarine reactor or a nuclear power plant, for the same reason that nobody would want to steal it when it came out of the reactor or the power plant. It's too radioactive, lethally so. It would have to be stolen and then handled by remote control, then put through an exhaustive chemical reprocess to get the radiation out.

On the other hand, the metal that comes out of the enrichment plant, that goes into the fabrication plant where it's made into fuel elements and even the metal that's shipped to the submarine or the power plant before it's installed is invaluable.

Not only to the terrorist, either. Uranium and plutonium in their pure form are worth more than their weight in gold. Uranium is worth about $6,000 a pound. Back in the 1950s, a ring of thieves stole some uranium fuel elements from the Bradwell power plant in Britain and even employed a "fence" to sell them. They were caught before a sale could be made.

Just how much uranium and plutonium exist in their pure form in the United States today is a secret, but the numbers are large and growing. One estimate is that almost 2 million pounds of both metals are in storage at AEC plants around the country. That figure is expected to grow to at least 3 million pounds by 1980.

The uranium and plutonium that's stored at AEC plants is believed pretty safe. What worries the worriers and keeps security men awake at night are the shipments that must be made, almost all of them covering long distances.

"There's no question transportation is our weakest link," the AEC's Ed Giller says. "If a terrorist is going to make an attempt, that's where he'll make it."

The AEC ships uranium from its enrichment plants to its reactors at Hanford, Wash., and Savannah River in Georgia. Plutonium is shipped out of Hanford and Savannah River to the fabrication plant at Rocky Flats, Colo. Rocky Flats ships to the weapons plants in Pantex, Texas and Burlington, Iowa.

That's only for weapons shipments, whose size and number are secret. There are also shipments on the civilian side, though they're not as large and don't often contain the pure metal the way weapons shipments do.

In the year ending March 31, 1974, the AEC counted 455 shipments of what it calls "special nuclear materials" by its civilian licensees. Special nuclear materials are quantities of plutonium and fully enriched uranium that are in excess of what the AEC calls "trigger quantities."

The trigger quantity for plutonium is two kilograms, 4.4. pounds. The trigger quantity for fully enriched uranium is five kilograms, which is 11 pounds. The trigger quantity is not enough to make a bomb. At least four times the trigger quantity is understood to be enough for a bomb, though the exact quantity is secret.

There are 26 plants in the U.S. licensed by the AEC to handle and ship plutonium and fully enriched uranium. The largest number of shipments are made by five plants scattered across the country.

A plant owned by Gerr-McGee in Cimarron, Okla., makes plutonium fuel pins for a new test facility in Richland, Wash. A factory outside Pittsburgh also ships fuel pins to Richland. Together, the two plants handle and ship close to 2,000 pounds of plutonium in a year.

Fully enriched uranium is coming into the power plant at Fort St. Vrain, Colo. from a factory in San Diego. The largest uranium handlers in the country are the factories making fuel for the Navy's 102 atomic submarines. These are United Nuclear in New Haven and Babcock & Wilcox in Lynchburg, Va., which together handle thousands of pounds of weapons-grade uranium every year.

The plutonium and uranium that are shipped from these plants go out under armed guard, either in armored cars or in trucks escorted by armed guards in a second car. They follow preplanned routes, so if they're hijacked rescue squads know where to look.

While uranium and plutonium on the move is the big worry of the AEC, there is still a lot of concern about the same materials disappearing from the factory itself. An armed attack on a factory is unlikely, but a theft from the inside is not so unlikely.

Plutonium and uranium disappear in large enough quantities every year for the AEC to investigate each disappearance. The AEC calls the disappearances a "MUF," for material unaccounted for. The AEC loses as much as 100 pounds of uranium and 60 pounds of plutonium every year, enough to make more than 10 atomic bombs.

Most times, the MUF is due to poor inventory measures, bad weights, lost scrap—carelessness, in other words. But each time a MUF takes place, diversion is suspected. An investigation is begun. Plants are closed down. Sometimes fines are levied.

The most celebrated MUF took place back in the Apollo, Pa., plant of NUMEC. The factory had just taken a big order to process and fabricate 2,200 pounds of fully enriched uranium for Westinghouse Astro-Nuclear, which was making the fuel for the nuclear-powered rocket.

In the fall of 1965, NUMEC was told to make an inventory of its uranium. It came up short by 207 pounds, worth at that time over $1 million. It was also enough to make several large bombs. For a while, China and Israel were both under suspicion as the possible thieves.

The AEC closed down the plant and began to look for the missing uranium. It found some in the air filters, about 12 pounds in the 730 filters that kept uranium from blowing out the smokestacks. It found another 14 pounds in a burial pit on a mountaintop eight miles away. It cost the factory $100,000 to dig up the burial pit looking for the missing metal.

At the end of the search 148 pounds of uranium was still missing, NUMEC was forced to pay the AEC $834,000 for the missing metal. Diversion was still suspected, so the AEC interviewed every employee in the plant and every one of its past employes. The AEC concluded there was "no evidence" of diversion, but there are still a few people there who suspect China and Israel.

AEC Seeking To Cut Peril of Atom Theft—

(By Thomas O'Toole)

John O'Leary, Director of Licensing, Atomic Energy Commission: "I think we have to bring this possibility of your being incinerated by a diverted or stolen nuclear bomb down to a level of risk comparable to . . . being struck by lighting."

Nobody knows what the risk of incineration from nuclear theft is, but it isn't as small as being hit by lightning.

Whatever the risk, Jack O'Leary says, it's too high. Maybe it's something like 100,000 to 1, he says, but that's too high. The chance of being killed by a atomis bomb exploded by terrorists, extortionists or blackmailers, O'Leary says, should be in the realm of unthinkability.

O'Leary is the AEC official who commissioned a study of the threat of nuclear theft about four months ago. The study was done by five men—three physicists, a weapons designer and the onetime assistant (William Sullivan) to FBI Director J. Edgar Hoover. Their conclusions were that the United States is not spending enough money and effort to prevent nuclear theft.

"It is our strong feeling," the study team wrote, "that the point of view adopted, the amount of effort expended and the level of safety achieved in keeping special nuclear material out of the hand of unauthorized people is entirely out of proportion to the danger to the public. . . ."

Special nuclear material is plutonium uranium-233 and uranium-235. The wrong hands could take the right amounts of any of these three metals and make an atomic bomb. The right amounts aren't all that much. Twenty pounds of uranium might be enough to make a bomb.

Few people worry about the outright theft of an atomic bomb. The United States has more than 40,000 atomic bombs around the world, but they're in underground vaults at heavily guarded military bases. When they are moved they travel in special aircraft, trains and trucks, all of them under armed guard.

Even if a bomb were stolen, it would take an incredible effort to set it off. Intricate electronic locks are built into every atomic weapon, meaning that bomb thieves would have to take the weapon apart and put it back together again to set it off.

More and more people worry about the theft of plutonium and uranium that the thieves could use to make a bomb themselves. Where would they steal it? An atomic power plant burning low-enriched uranium (not good enough for bombs) makes enough by-product plutonium in a year for two bombs. There is enough pure and fully-enriched (93 per cent U235) uranium being shipped around the United States for submarine and power plant fuel for another 10 bombs a year.

The growth of nuclear power will multiply the threat. The 55 atomic power plants operating in the United States will grow to 150 by 1980 and as many as 1,000 by the end of the century. There are 90 nuclear power plants abroad, a number expected to grow more than 200 by 1980 and to 1,400 by the year 2,000.

As many as 10 per cent of these plants are expected to be of a relatively new class of plant known as the High Temperature Gas Cooled Reactors. They operate at twice the temperatures of conventional nuclear plants, meaning they make twice as much heat and twice as much electricity as conventional plants from the same amount of uranium. How do they do this? By burning fully enriched uranium, the same metal used in nuclear bombs.

All nuclear power plants make plutonium as a byproduct, some more than others. The fast-breeder power plants built or being built in the Soviet Union, France, Britain and the United States make more plutonium, than they burn uranium, which is the purpose of the breeder plant.

Whatever the type of plant, plutonium will gather in mounting quantities the world over. The United States will have accumulated almost 900 tons of plutonium by 1990, Europe and Japan more than 900 tons. At the end of the century, the United States, Europe and Japan will be generating plutonium at the rate of 1,200 tons a year. That's enough for 200,000 bombs.

There are two things that can be done with all this plutonium—store it or use it. If the world stores it, that means expensive garbage dumps that can be counted on to keep the plutonium safely for 24,000 years. An anticipated worldwide shortage of uranium at less than $20 a pound is enough to act against storing it.

Most experts assume atomic power will be running on what they call a "plutonium recycle" economy, meaning that the plutonium will be recovered and used as fuel itself.

That means another 15 to 20 factories in the United States alone to process the plutonium into fuel elements, making theft from one that much easier. It also means several shipments of plutonium around the country every day, again raising the risk of plutonium theft. Thieves might choose to steal plutonium for money alone. They could get as much for plutonium as they get today for pure heroin.

The first line of defense against nuclear theft is the risk thieves run when they steal bomb material. The form thieves are likely to find it in is radioactive. The AEC ships fuel elements in heavy casks just to protect the handlers.

How secure are the casks? Trucks carrying nuclear fuel cores have rolled off hillsides, killing the drivers but not cracking the cores. Cylinders of uranium hexafluoride have fallen off trains and under their wheels without breaking open.

Next, the thieves run a terrific risk when they attempt to build a bomb. Four men have died in the United States putting bomb components together in what weapons experts call the "criticality" experiment, a test the thieves must do if their weapon is to work.

"This is an experiment that's called 'twisting the lion's tail' " said Edward B. Giller, AEC assistant general manager for military applications. "You can get bit."

Another risk comes from the high explosive that must be wrapped in a perfect sphere around the plutonium or uranium to squeeze it into a critical mass. The people handling the explosive as they build the trigger must be expert at their craft, not just knowledgeable.

"You can melt dynamite and you can machine it," Giller said, "but if you don't do it right you have a very good chance that your basement will blow up with your house."

The second line of defense against nuclear theft is the physical safeguards built to protect the plutonium and uranium at the factory and on the road. The AEC spends $50 million a year safe-guarding its material, a figure that's bound to grow in the years just ahead.

"We need to spend money on this; this isn't some two-bit problem," said the AEC's Robert Minogue, one of the nation's leading experts on safeguards. "This is a serious problem and it needs a serious effort."

There are 26 factories in the United States licensed to handle plutonium and uranium. Some are modern and well-protected. Others are not. The United Nuclear plant that makes fully enriched submarine fuel (ideal for weapons) consists of several buildings in a rundown neighborhood of New Haven, one or two as rundown as the neighborhood. A chain-link and barbed-wire fence runs around the plant, except where the walls border the sidewalk.

"It's bad," states Ralph G. Page, chief of the AEC's Materials and Plant Protection Branch. "It is not good, not good."

Bad as it is, the AEC let United Nuclear get off this year without upgrading its protection. The reason is that United Nuclear is closing its New Haven plant in September to move to a new factory in Mottville, several miles from New Haven.

The "upgrading" was ordered by the AEC this year for all 24 plants. The cost of the new protective measures ranges from $500,000 to $2 million per plant, includes things like putting in outdoor searchlights, higher fences and more guards.

The biggest single expense ordered by the AEC for the factories is an intrusion alarm system. Estimates run as high as $400,000 for each factory, as much as $10 for each foot of fence. The alarms aren't tied to the fence and they're not the conventional "ringing" alarms that most people identify with burglar systems.

They include infrared devices to detect warm bodies at night. There are magnetic detectors to sound out weapons, seismic listening devices that can hear the fall of feet, pressure detectors that pick up any force being exerted on the fence.

The AEC is almost as concerned about the people on the inside of the factory. It has developed and begun to use a super Geiger counter that looks like one of those electronic portals now in use at airports to check passengers. This new device can detect pieces of plutonium or uranium as small as one gram, whether it's being carried out in a person's clothes or inside his body.

One reason the AEC installed these doors is that security people remember how many well-known physicists walked out of Los Alamos Scientific Laboratory during the war with uranium souvenirs. They had to send the FBI after many of them, just to get the uranium back.

The Achilles heel in all this is not the factory, it's the truck or train that carries the uranium and plutonium away from the factory. New regulations put in this year require shipments to be accompanied by a driver and a guard, both of them armed. They're required either to drive an armored car or to be followed by an armed escort car.

The truck driver must follow a pre-planned route, so that rescue teams would know where to look if the truck is attacked. The driver uses a radiotelephone to call in regularly along his route.

There are shortcomings to all these plans. The AEC would like to scrap the radiotelephone, mostly because the lines are often busy. It would like to install in the trucks radios with a cleared frequency, right into central communication centers that keep track by computer of all the nuclear trucks on the road. Eventually, the AEC would like its own communications satellite hovering above the earth, watching and listening to its trucks.

What the AEC would also like is an unclassified version of the secret truck that hauls nuclear weapons. If the truck were attacked, the driver could stop the truck and freeze the engine by pushing a button. Another push and two of the wheels might blow off, rendering the truck immobile.

Even measures like these don't satisfy the safeguards experts. Some think the shipments of nuclear metals should be shrunk, so that only one-fourth of the "trigger quantity" for uranium and plutonium travel at any one time.

Others think the 10 or so chemical reprocessing plants planned for the United States should be built alongside the 26 fuel fabrication plants already doing business, so there will be no need to ship metals from one to the other.

One of the most extreme solutions to the safeguards problem would be to "poison" the uranium and plutonium whenever it leaves the factory. Poison it with excess radioactivity, making it that much more hazardous for the thief to steal it. Almost bizarre, this solution is under serious study at the AEC right now.

The trouble with all these schemes is that they add expense to the already skyrocketing cost of doing business in the nuclear power industry. The poison idea is also dangerous, introducing a large hazard to the people handling the nuclear material and to the public if there's an accident.

Nonetheless, new changes in nuclear safeguards will have to be made, if safeguards are to make incineration from nuclear theft a risk comparable to being hit by lightning.

The fear among some experts is that the AEC will move slowly and somewhat reluctantly to strengthen its safeguards. Some experts worry that the AEC might feel that stronger safeguards would inhibit the growth of nuclear power, by focusing too many spotlights on its hazards.

The AEC can boast that its safeguards have worked so far, but its track record is far from spotless. The agency still does not have an overall chief in charge of safeguards. It had one, Delmar Crowmon, but forced him out a few years ago.

His deputy, Charles Thornton, was shunted to the side not long ago because he wanted stiffer safeguards. Thornton wanted armed guards even on shipments of natural uranium, which cannot be used to make weapons, but which conceivably could produce plutonium if it were used as fuel in a secret reactant.

The AEC set up an outside watchdog committee on safeguards seven years ago. The committee's job was to advise the AEC and it met at least twice a year until 1971. It has not met since—some feel because the AEC believes the committee might embarass it. The AEC has a different explanation.

"There's a representative of Consolidated Edison and a representative of Westinghouse Electric on that committee," explains L. Manning Muntzing, AEC director of regulation and a man to whom the committee reports. "I've taken the position that until the committee is reconstituted and that conflict of interest is removed, I will not use that committee."

One member of the committee who does not serve private industry claims that the two members Muntzing is talking about are the toughest members of the committee. They're former FBI men and one-time executive assistants to the Joint Committee on Atomic Energy in Congress, men who "really understand the troubles we'll have if safeguards don't work."

There is a single statistic that safeguards experts often quote in assessing the threat of nuclear theft. Between 1 million and 2 million men have already been trained by the United States in the handling, moving and operation of nuclear weapons.

FOREIGN AID—ADDRESS BY SENATOR INOUYE

Mr. McGEE. Mr. President, last Wednesday the distinguished junior Senator from Hawaii (Mr. INOUYE) delivered a speech in Honolulu to the Western Regional Convention of American Society of Women Accountants. In that speech, Senator INOUYE urged a complete reassessment of our foreign aid program.

Senator INOUYE did not advocate that we abandon our international responsibility for assisting in the development of the poorest nations of the world. Quite the contrary, his call for a reassessment of our assistance programs stems from his very deep concerns for the present and future well-being of millions of people in the world who live and die daily in an environment of starvation, disease, and illiteracy.

In opening his remarks, the Senator noted:

> Since 1970, something almost unnoticed—yet basic and universal—has occurred in the world. Mankind has slipped out of the Era of Plenty into the Era of Scarcity. This change represents the most profound alteration in the society of man since the Renaissance. It affects each and every one of us to some degree today. In the not too distant future, it will dominate the lives of two-thirds of mankind; later it will overpower the hopes and dreams of four-fifths of the world.

I have the privilege of serving on the Foreign Operations Appropriations Subcommittee of which Senator INOUYE is chairman. While we have experienced honest differences over how we attempt to attack the problems of the world—problems which threaten our very own existence—I have a tremendous respect for his ideas. Again, while I may not agree with everything he has said in his speech. I commend him for continuing the debate on the issue of foreign aid. It is an enlightened debate and one in which all of us benefit.

Senator Inouye's speech is healthy. Our Foreign Operations Appropriations Subcommittee sessions are healthy discussions of issues as the distinguished chairman directs the subcommittee in an attempt to achieve the most viable development assistance program possible.

I congratulate him for carrying his concern to the people. I ask unanimous consent that his speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Speech by Senator Daniel K. Inouye

Since 1970, something almost unnoticed—yet basic and universal—has occurred in the world. Mankind has slipped out of the Era of Plenty into the Era of Scarcity. This change represents the most profound alteration in the society of man since the Renaissance. It affects each and every one of us to some degree today. In the not too distant future, it will dominate the lives of two-thirds of mankind; later it will overpower the hopes and dreams of four-fifths of the world.

Strangely, very few of us are aware of what has happened. However, these world issues are of such enormous scale that sensible people can no longer ignore them.

United Nations Secretary General Kurt Waldheim stressed this when he recently said, "The pursuit of short-term national interests by any nation or group of nations can no longer provide even a brief reprieve from the inevitable results of the present trends." In an April 15th address before the U.N., Secretary of State Henry Kissinger called it, "the challenge of interdependence." Secretary Kissinger stated, "We are part of a single international economic system," and he somberly challenged the assembly and the world "to come to terms with the fact of our interdependence."

Like a runaway engine with numerous attached cars, there are six major interconnected problems that we must face and somehow master if the collision and tragedy that confront us all are to be avoided. These problems are: poverty, population, food shortages, inflation, energy shortages, and weapons control.

Each inescapable element has its own properties and problems. When they are combined, as they now are rapidly combining, they, like the various elements of a nuclear bomb, may trigger an explosive chain reaction of massive forces—social, economic, and political. Some are now already quite evident.

Poverty grips more than two-thirds of the world's people. Some of the world's poverty-stricken are here in America, where 10 million adults over the age of 16 years are functionally illiterate and 24 million of our citizens are officially malnourished. However, this represents only a small fraction of the abject and inhumane poverty that exists abroad. While one-third of mankind lives in relative abundance—and some in superabundance—the rest of the world's population remains entrapped in a web of hunger, malnutrition, illiteracy, unemployment, and corrosive poverty. The gap between the rich and the poor widens daily in an almost insurmountable chasm.

Last year, average income in developed countries was approximately $2,400 per capita. The comparable income in the nondeveloped countries was $180. Within 10 years, the industrialized and developed nations will raise their per capita income by $1,200 to $3,600 per person. Three-quarters of the rest of the world will be fortunate to add $100 each raising their per capita income to $280. Imagine that: by 1980, the numbers will be $3,600 to $280—a 13.1 ratio.

Each year, 80 percent of the increase will go to those countries where per capita income already averages more than $1,000. These countries contain only one-quarter of the world's population. A mere 6 per cent of the gain will go to countries with per capita incomes averaging $200 or less—countries which nevertheless contain more than 60 per cent of the world's people.

There are many types of poverty. Poverty is a relative term. Poverty as experienced in America's Appalachia would represent a reasonably comfortable middle-class existence to the poor of the Sahel or Bandgladesh.

The poorest of the poor—or roughly 40 per cent of the developing countries—have shared alomst no growth and live in conditions of deprivation that fall below any rational definition of human decency. In more than twenty countries, the very poor earn less than $80 a year or less than 30¢ a day. In India alone, more than 210 million people—the approximate population of the United States—live on less than $40 a year.

Unless governments can reverse the present trend, the income share of the poorest 60 per cent will further decrease while that of the richest 5 per cent will continue to increase. There has been virtually no "trickle down" of resources and income. Here development efforts have almost completely failed.

The population problem is undoubtedly the greatest single obstacle to world economic and social improvement. While it took our planet approximately two million years for the human population to reach three billion, it will require only 35 years at present rates to add an additional three billion people. By the year 2000, the earth's population will increase by more than one billion persons every eight years.

What does this really mean? Let us try to visualize it. If you became a parent today and your child lived into his seventies, he would know a world of approximately 15 billion people. Today's population is just over four billion. Assuming this rate of increase continues, his grandchild would share a world of more than 60 billion. Obviously, some links in the chain of life would break before then.

The United States and other industrialized nations have allocated considerable resources and talent to their own population control problems. At present, the developed world has achieved a stable population with very little numerical growth.

When India announced a year and one half ago that she had achieved a decrease in her growth rate, it was hoped that the populations of less developed countries might be eventually controlled. Now we know that, not only did India not achieve the announced reduction, but her population, like much of the rest of the Third World, is actually hopelessly out of control. By the year 2000, the number of inhabitants of the developed and industrialized countries will scarcely change, but the populations of the developing and less developed nations will at least double. Approximately 20 per cent of the world's population will then live in the developed countries. By the year 2040, this will drop to just 10 per cent and continue to decrease unless we can effect rather massive change in the world.

Of the six international and intranational trends being discussed today, food and food shortages are perhaps the most well known and pathetic.

Last year saw food shortages in India, Sahel, Bangladesh and other areas of the world. That was before the oil crisis. Now there will be far less energy available to run tractors, irrigate marginal land, and produce vital fertilizer. Due to lack of fertilizer alone, it is estimated that India's wheat crop will be reduced by at least one-third this year. Throughout most of Asia, crop production will be down sharply and with a 2 to 3 per cent yearly population increase certain, a huge food deficit threatens.

For weeks, alarming reports have been circulated predicting poor harvests in India. Afghanistan, New Guinea, Kenya, Ethiopia, and other Third World nations. At present, across the Sahel region of North Africa, a full-scale starvation grips entire nations. In spite of massive international humanitarian relief efforts, an ever-increasing number are dying, and unless other methods are utilized, millions more will starve and additional millions will be debilated and retarded.

In the developing countries, close to one billion persons presently suffer from severe malnutrition or starvation. Twenty to 25 per cent of all children die before their fifth birthday. The life expectancy is 20 to 30 years less than it is here in America. With the developed population now stable and the developing nations rapidly gaining additional inhabitants, this chaotic situation will worsen.

A profound moral and political test awaits the United States and other developed nations on the issue of food.

Recently a well-known nutritionist at Harvard got to the heart of this problem. He stated, "The same amount of food that is feeding 210 million Americans would feed 1.5 billion Chinese on an average Chinese diet."

The older developed nations and numerous newly-developed nations are constantly improving their diets. As the food supply in the world during any given year is relatively finite and fixed, this dietary improvement is often achieved at the expense of marginal diets elsewhere. Americans ate 50 pounds of beef per capita in 1950. In 1973, it was 119 pounds per person. Presently an American consumes 2,200 pounds of grain—most of it to fatten his animals. A Chinese needs only 400 pounds to live on an average Chinese diet.

Simply averting our attention will not deny the linkage between the level of food production and consumption in the U.S. and other developed nations, and the ever-widening ripple of starvation throughout the world. In order to merely maintain the present inadequate diets, food production must double by the year 2000 to keep up with population increases. At present, world food reserves are down from the 69-day supply in 1970 to less than a 30-day supply in 1974—the lowest level since the holocaust of World War II.

While time does not permit me to dwell on it at length in this discussion, the interrelated problems of worldwide inflation and the energy crisis are pertinent. If oil prices, which are now approximately four times 1972 prices, stay at present levels, it will cost the developing countries some $15 billion more for essential imports in 1975 than it did in 1974.

This increase is equivalent to nearly five times the total net U.S. development assistance in 1972 and almost double the total amount of development assistance for all developing countries from all sources that year.

This year, all nations must face increased oil prices as well as higher prices for essential food, fertilizer, raw materials and/or finished products. The rate of inflation ranged from some 7 per cent to 25 per cent for developed countries this past year. However, the rate was much higher in the nonindustrialized countries where it ranged from 20 per cent to 200 per cent.

Some developing countries will be able to partially offset increased prices and inflation with exports of raw materials. For the poorest 40 countries, there is little relief available. In the near future, they will need at least an additional $5 billion in aid merely to maintain this stability and survive.

Perhaps the greatest paradox in the entire aid picture centers on weapon development and procurement. For whatever it is worth to America, we are the world's largest supplier of weapons and military material to the developing nations: Planes and advisors to Bolivia, F–14 jets to Iran, tanks to India and Pakistan, carbines, helicopters and transports to the Philippines. The shopping list is endless and the customers read like a list of the Who's Who in the United Nations.

Over the past decade alone, the United States sold or gave away more than $21 billion in weapons to more than 60 countries. This accounts for more than one-half of the total international trade in arms. Even more unsettling is the fact that our military exports have doubled in the past four years and jumped again this year—to more than $5.4 billion.

We supply not only arms and material, but also war technology and advisors. Many thousands of police and military have been trained with U.S. foreign assistance and weapons development encouraged. You may have noticed that a few weeks ago, India, one of the largest and poorest nations on the earth, exploded a nuclear device underground. At a time when her millions are literally starving, India has invested millions of dollars and valuable technology in the preliminary production of a nuclear capability.

Last year, I called for our government to curtail this senseless policy of weapons distribution and sales. I urged at that time that the Administration attempt to bring about a meaningful international agreement on conventional (non-nuclear) arms distribution, especially in the developing world.

Americans are the most generous and humanitarian people in the world. Since World War II, the United States has provided more than $183 billion to the world in international assistance. In a recent public poll, 84 per cent believed it to be in the best interest of the United States to help other countries. Almost 70 per cent favored the United States providing direct and multilateral assistance to the developing world. Yet, foreign aid is the most unpopular program within the Congress and in the nation.

As chairman of the Foreign Operations Subcommittee of the Appropriations Committee, I can assure you that there are many valid reasons that Americans react this way.

Whereas most Americans believe that foreign aid means "helping other countries and people by sending money and food," military items and police training represent a larger percentage of our total foreign aid than does economic and humanitarian assistance.

Our priorities in the way aid is distributed also need reordering. What is the Administration's sense of values—what is the grasp of the real problems facing humanity—when, this year, the Administration proposes to spend ten times as much on South Viet Nam with a population of 19 million persons, as on India, Pakistan, and Bangladesh with a total population of 711 million?

Clearly, drastic reforms are called for. Foreign aid, throughout the 1950's and 1960's, was closely associated with our overall foreign policy objectives for gaining political advantage in the Cold War. Today, the overall goals of the foreign assistance programs of the United States must not be primarily to halt the flow of communism and aggression. Detente and improved relations with the Soviet Union and China have removed much of that menace. Today, if our aid is to continue to be supported by Congress and the American people, it must speak to the real social and economic problems found in the less-developed world.

In addition, the entire U.S. assistance apparatus—which is the most top-heavy and expensive of all governmental agencies—must reduce its administrative cost and redirect its efforts.

The military component must be taken out of the foreign aid bill. In the past, it was argued that the military aspects helped to justify the economic and humanitarian aspects. I believe this is no longer the case. The world urgency of development—energy, food, and social—will easily absorb all the funds that we can make available for assistance. Continuing to pour American tax dollars and technology into bolstering the police and military forces of more than sixty nations can no longer be justified. In most cases, it compounds—rather than eases—the problem. Assistance should and does begin at home. We find ourselves in a rising price spiral, which demands that the expenditures of our tax dollars must be fully justified. Poverty, illiteracy, and hunger still exist within our land and our first priority must be to assist our own citizens.

Whatever funds the United States can make available for foreign assistance must be directed to reach and to assist the poorest people elsewhere in the world—not the richest, as has too often been the case in the past.

A complete foreign aid reassessment is essential. In the past, aid from rich to poor nations has had only a limited success in fostering development. Given the scope of the problems now forming throughout the world, our aid philosophy and methodology are antiquated and doomed to fail. The dangers of unbalanced economic and social world growth cannot be ignored. The adjustments must begin now.

RESOLUTIONS OF NATIONAL GUARD ASSOCIATION OF ARIZONA

Mr. GOLDWATER. Mr. President, recently the National Guard Association of Arizona held its 1974 annual conference in the city of Tucson and took action on three matters which I believe are of importance to the Members of Congress. The action was taken in resolutions which were unanimously adopted and which urged Congress and the Department of Defense to:

First. Take every possible step to make every possible effort to account for the more than 1,300 American servicemen still missing in Southeast Asia and to secure the immediate release from captivity those still alive

Second. That the Department of Defense be urged not to propose or direct a reduction in the authorized strength of the National Guard or the inactivation of existing National Guard units.

Third. That legislation be enacted making additional recruiting and retention incentives available to guardsmen and reservists.

Mr. President, I ask unanimous consent that the full text of these resolutions adopted by the National Guard Association of Arizona be printed in the Record.

There being no objection, the resolutions were ordered to be printed in the Record, as follows:

Resolution

Know all men by these presents: That the National Guard Association of Arizona at the Annual General Conference of the Association Assembled at Tucson, Arizona, on the 27th day of April, 1974, adopted the following resolution:

RELATING TO STEPS TO BE TAKEN TO ACCOUNT FOR AMERICAN MIAS IN SOUTHEAST ASIA

Whereas, American military involvement in Southeast Asia is rapidly drawing to a close with the signing of a truce agreement calling for return of all American prisoners of war; and

Whereas, American military forces in the Republic of Vietnam have been withdrawn pursuant to that truce agreement; and

Whereas, although almost five hundred Americans missing in action and held as prisoners of war have been accounted for and released from captivity, there remains at least thirteen hundred of their fellow Americans yet unaccounted for in Southeast Asia; and

Whereas, it is the responsibility of the people of this nation to do everything in their power to determine whether these men are still alive and, if so, to secure their immediate release from captivity;

Now, therefore, be it resolved, by the National Guard Association of Arizona, in Annual General Conference Assembled this 27th day of April, 1974 at Tucson, Arizona, that the President and the Congress of the United States be and they are hereby earnestly requested and urged to take every possible step and to make every possible effort to account for the more than thirteen hundred American servicemen still missing in Southeast Asia and to secure the immediate release from captivity of those still alive; and

Be it further resolved, that the President of this Association be and he hereby is authorized and directed to send a copy of this Resolution to the President of the United States, each member of Congress from Arizona, the National Guard Bureau and the National Guard Association of the United States.

In witness whereof, the undersigned officers of the Association have hereunto set their hands officially and affixed the seal of the Association this 27th day of April, 1974.

Resolution

Know all men by these presents: That the National Guard Association of Arizona at the Annual General Conference of the Association Assembled at Tucson, Arizona, on the 27th day of April 1974, adopted the following resolution:

RELATING TO OPPOSING A REDUCTION IN STRENGTH OF THE NATIONAL GUARD

Whereas, the National Guard is the largest organized element in the reserve forces and provides a significant portion of the organized structure and combat strength of the military forces of the United States under the Total Force Concept; and

Whereas, the reduction in strength of the active military forces of the United States has placed increased responsibility for the national defense on the National Guard; and

Whereas, the National Guard is available for local disaster assistance and support of State and local civil authorities, as well as being the first line reserve element in the national defense establishment; and

Whereas, the cost of maintaining the National Guard is far less than maintaining equal active forces, making the Guard the best buy in today's defense market;

Now, therefore, be resolved, by the National Guard Association of Arizona, in Annual General Conference Assembled this 27th day of April 1974 in Tucson, Arizona, that the Department of Defense be and it is hereby earnestly requested and urged that it not propose or direct a reduction in the authorized strength of the National Guard or the inactivation of existing National Guard units, but rather that it convert existing units for which no need is recognized to units required under the current Total Force Concept to provide an effective well-rounded military establishment; and

Be it further resolved, that the President of this Association be and he hereby is authorized and directed to send a copy of this Resolution to the President of the United States, the Secretary of Defense, the Secretaries of the Army and the Air Force, each member of Congress from Arizona, the National Guard Bureau and the National Guard Association of the United States.

In witness whereof, the undersigned officers of the Association have hereunto set their hands officially and affixed the seal of the Association this 27th day of April, 1974.

Resolution

Know all men by these presents: That the National Guard Association of Arizona at the Annual General Conference of the Association Assembled at Tuscon, Arizona, on the 27th day of April, 1974, adopted the following resolution:

Relating to Legislation to Provide for Certain Recruiting and Retention Incentives

Whereas, the increased responsibility for the national defense placed upon the National Guard and for other reserve forces makes it necessary that the authorized strength of units be maintained; and

Whereas, experience in the volunteer service no-draft environment indicates that additional recruiting and retention incentives are necessary to insure that units are maintained at full strength; and

Whereas, enlistment and re-enlistment bonuses, reduction of the age for commencement of retired pay, lifting of sixty retirement points per year ceiling for inactive duty training, survivors' benefits for survivors of guardsmen and reservists who die before date of eligibility to receive retirement pay, G.I. Bill benefits, full commissary and post exchange privileges, and increased medical and dental benefits would be strong recruiting and retention incentives; and

Whereas, proposed legislation has been introduced in the Congress of the United States which, if enacted into law, would make these benefits available to guardsmen and reservists;

Now, therefore, be it resolved, by the National Guard Association of Arizona, in Annual General Conference Assembled this 27th day of April, 1974 at Tuscon, Arizona, that the Congress of the United States be and it is hereby earnestly requested and urged to enact proposed legislation pending before it making the above described benefits availabel to guardsmen and reservists; and

Be it further resolved, that the President of this Association be and he hereby is authorized and directed to send a copy of this Resolution to the President of the United States, each member of Congress from Arizona, the National Guard Bureau and the National Guard Association of the United States.

In witness whereof, the undersigned officers of the Association have hereunto set their hands officially and affixed the seal of the Association this 27th day of April, 1974.

THE THREAT TO IDAHO WATER

Mr. CHURCH. Mr. President, it was recently revealed that the U.S. Water Resources Council is conducting a study on the use of water resources to meet the national energy crisis.

The trouble is that the Council is now talking about the possibility of "interbasin diversion" of water, and even the assertion of Federal jurisdiction over State water rights.

As chairman of the Senate Interior Subcommittee on Water and Power Resources, I think it appropriate that the Nixon administration be reminded that under current law, any studies of water diversion are prohibited. That prohibition, in the form of a 10-year moratorium, was written into law in 1968, and I am proud to have been one of its coauthors.

However, the fact remains that the moratorium is under attack, and in Idaho—where water is our life blood—there is an understandable concern.

On May 24th, the Coeur d'Alene Press stated well the opposition of Idahoans to water diversion or the assertion of Federal jurisdiction over Idaho water rights:

> We will do everything we can within our power to fight this asinine proposal. Here is a time when all Idahoans need to stand up and be counted. Here is a time to take the battle to the halls of Congress and the White House. Here is a time to draw a line and say, "Enough!"

I agree, and as chairman of the Water and Power Subcommittee, I advise the Nixon administration to drop any plans it has for diverting Idaho water or attempting a takeover of Idaho water rights.

I ask unanimous consent that the editorial form the Coeur d' Alene Press be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Coeur d'Alene Press, May 24, 1974]

Hands Off Idaho's Water

An ominous cloud from Washington, D.C., has blown over Idaho's precious water resources.

Gov. Cecil Andrus hauled up the storm flag this week when he revealed that the federal government is showing a great interest in diverting water from the Northwest to meet the needs of the rest of the nation.

Andrus issued the alert after he received word from the Federal Water Resources Council that it is considering meeting the nation's energy needs by asserting federal control over state water rights, by interbasin transfers and by changing the use of water from the existing reservoir projects.

The rationale for such Neanderthal thinking is that the water is needed more to meet national energy requirements, such as the use of water to extract oil from shale rock in Colorado, than it is needed by Idaho citizens.

This is in spite of the fact that computer research indicates that the critical need for Idaho by the year 2020 will be water.

We supported editorially the transfer of electrical power generated from Northwest dams during the energy crisis last winter. We felt the region should be willing to share its electricity because everyone was suffering equally and because the water would return when the rains returned, as it indeed did. The water stayed in the region. Only the power it produced was exported.

But we draw a battle line at this latest proposal. They are not talking about diverting the product of water by the water itself.

Idaho is rich in water resources because state officials and others had the foresight years ago to prevent their despoiling through overuse, industrial pollution and urban sprawl. As a result, Idaho remains rich in natural resources while other states, particularly in the East, have overbuilt, overpopulated and overpolluted to the point that many areas have become a vast wasteland of barren soil jammed horizon to horizon with a teeming mass of humanity.

Now Idaho is expected to bail them out. Federal officials are saying, in effect, "Well, we let this get all messed up, now we're going to take what you have because we need it more. After all, you've got more than we've got and so we want some of it."

So to salvage the horrendous conditions in many parts of the nation, the Northwest is expected to play dead and let itself be stripped until it is in the same condition as they are.

We don't believe the writers of the U.S. Constitution had this in mind when they stressed the importance of "equality."

We will do everything we can within our power to fight this asinine proposal. Here is a time when all Idahoans need to stand up to be counted. Here is a time to take the battle to the halls of Congress and the White House. Here is a time to draw a line and say, "Enough!"

We don't know what bureaucratic bubblebrain dreamed up this little fantasy, but whoever he is, we urge that he be relegated to the farthest reaches of the Interior Department where he will not be a danger to himself and the public at large.

PEACE CORPS AUTHORIZATION ACT, 1975

Mr. BIDEN. Mr. President, unfortunately, due to scheduling difficulties, I was unable to be present during the debate and vote on Thursday, May 2, 1974, on the Peace Corps Authorization Act of 1975, H.R. 12920. At this time, I would like to make it a part of the record that, had I been present, I would have voted affirmatively.

As originally conceived in 1961, when the Congress passed the Peace Corps Act, it was meant to promote world peace and friendship. Specifically, its purpose was manifold. Young volunteers were sent to recipient countries to provide needed manpower. Also, the Corps was meant to promote a better understanding between American and foreign nationals. I think that our Peace Corps has been very successful in both instances.

I have studied the report of the Foreign Relations Committee and I have concluded that the modest increases requested are justified in light of general inflation and the demands of the work. For these reasons, I also would have supported both the Mondale and Cranston amendments to increase readjustment allowances reflecting an enormously increased cost of living since 1961.

In light of this authorization request, I think that it is worth mentioning the unique role that the Peace Corps plays in our foreign assistance program. The Peace Corps gives volunteers the chance to help the everyday person in underdeveloped countries, while enhancing their own self-growth. For all of these reasons, I would have voted for H.R. 12920, had I been present.

NATIONAL SUMMER YOUTH SPORTS PROGRAM—A GOOD PROGRAM

Mr. DOMENICI. Mr. President, today I would like to go on record as adding my support to S. 3480, the National Summer Youth Sports Program Act of 1974. Congress founded this worthwhile program in 1969 which has since supervised sports activities for more than 200,000 disadvantaged youngsters between the ages of 10 and 18.

It is quite astounding that this program is scheduled to expire at the end of this fiscal year. I feel very strongly that this Congress take the initiative in establishing the national summer youth sports program as a permanent program.

This program with the cooperation of the President's Council on Physical Fitness and the National Collegiate Athletic Association has spread to 36 States and 105 institutions. A basic requirement is that at least 90 percent of the youths participating in each program be selected from families whose income falls below the poverty level.

I have been witness to the success of this program in my own State of New Mexico. The University of New Mexico became involved with the summer youth program in 1970 and has since worked with 1,900 youths. This program also offered employment for 72 professional employees and 57 part-time aides. During the summer months these youths receive medical examinations, daily nutritious meals, health education, and counseling in study and career opportunities along with instruction in supervised sports activities.

I express my support for this bill because it offers a much needed mechanism to afford underprivileged youths the opportunity of growing through athletic competition and their surrounding programs. We must not forget out obligations to our young people by allowing this program to die for lack of funds.

PAY COMPRESSION IN THE CIVIL SERVICE

Mr. McGEE. Mr. President, the current issue of the Federal Times carries, in its Forum column, an article by Chairman Robert E. Hampton of the Civil Service Commission which I would like to bring to the attention of every Senator. It deals with the problems of pay compression in the civil service and advocates adoption of the President's recently submitted proposal to alleviate this situation somewhat by granting some salary increases in the executive branch only.

The problem created by the failure to approve an earlier recommendation on executive, legislative, and judicial salaries has exacerbated an already sorry situation, but I would point out that the problem is not solely centered in the executive branch.

Chairman Hampton's article gets to the heart of a very serious aspect of the overall problems, however. That is, of course, the illogical, morale-dampening impact of long-term pay freezes which sometimes make it preferable for experienced, competent career professionals to retire early and leave Government service. I ask unanimous consent that the article by Chairman Hampton be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE EXEC PROBLEM: A COMPRESSION CRISIS

(By Robert E. Hampton)

Can you imagine any well-run business with an organizational structure in which the chief administrative officer and officials at five or six subordinate reporting levels are all making the same salary?

Can you imagine such a company retaining the services of those executives if their pay remains frozen from three to five years and possibly more, while inflation rages and their contemporaries in other companies receive appropriate annual increases?

How do you think such a situation would affect the morale, motivation and productivity of the executives whose pay is so frozen?

How would you expect such executives with long service to react when they realize they may retire and receive annuities amounting to 60 or 65 percent of their present "take home" pay—and look forward to cost-of-living annuity increases that within a few years could bring them to present take home pay levels? (A few, in fact would wind up receiving more in annuities than their take home pay.)

What would happen to the efficiency and effectiveness of the business that experiences such a leadership drain?

The answers to these questions should be obvious. They sum up the situation facing the federal government as a result of the compression of salaries of the top-level of the career service that has occurred over the past few years. And the problem will grow increasingly worse unless salary compression is soon relieved.

The problem stems from "linkage" of top career salaries to levels of pay established by the Executive Pay Act, and the recent rejection by Congress of the President's proposed adjustment of salaries of members of Congress and top officials of the Executive and Judicial Branches.

Since under provisions of present law it would be four years before another such proposal, the President on May 7 urged Congress to take action this year on an emergency measure that would provide at least partial relief of the compression of senior career level salaries.

The current salaries for officials covered by the Executive Pay Act were set in early 1969. Since that time, the Consumer Price Index has risen more than 34 percent, and private sector executive pay has gone up by a like amount.

The government's 1.3 million general schedule employees, first catching up to and then maintaining comparability with private enterprise pay, have received six pay increases in this period, totaling more than 42 percent.

Despite these increases, and parallel increases in almost every other economic indicator, the salaries for top officials in the federal government have remained frozen.

While this pay freeze directly applies only to the 700 top officials in the Executive Branch (and to 1700 officials, including judges and members of Congress, in the other two branches), it has indirectly frozen the pay of nearly 10,000 senior executives and professionals in the government's career service.

This has happened because a provision of federal law prohibits paying employees under the general schedule or the other career pay systems more than the salary for the lowest rung, level V of the Executive Schedule, the pay system for the top officials. The level V salary is now $36,000.

This limitation on pay for career employees has resulted in a highly technical, but very real, problem of "salary compression." General schedule salaries are supposed to be adjusted every year to keep them comparable with private enterprise pay for work of similar difficulty and responsibility.

Every year since 1971, comparability has called for more and more of the pay rates of the general schedule to be higher than $36,000, but only $36,000 could be paid.

This pay limitation is currently preventing the government from paying comparability pay rates to managers and professionals in 13 theoretically different pay steps: The top step in GS–15, six of the nine steps in GS–16, all five steps in GS–17, and the single step of GS–18.

Employees in these four different GS grade levels are receiving the same pay rate, despite the fact that the difficulty and responsibilities of their jobs vary greatly.

This is "salary compression," and it is getting worse every year, as more and more steps are limited to $36,000, despite the fact that higher salaries would be necessary to provide comparability with what private enterprise pays similar managers and professionals.

Clearly, it is very demoralizing for one of our top career executives in GS–18 to realize that his pay is more than 20 percent below comparability and that this lag has cost him more than $15,000 since he first hit the $36,000 in January 1971.

There can be little wonder that many of our best senior employees at the $36,000 ceiling are retiring, since they can often better themselves financially by taking their civil service retirement annuities and finding a non-federal job.

Furthermore, they realize that, if they remain in the government, they will have to forego cost-of-living increases in civil service annuities, increases which have amounted to more than 10 percent in the last year.

The most recent COL increase in annuities of 5.5 percent last January brought a total of 20,000 retirements, of which 400 were by executives being paid salaries of $36,000.

The CPI for April 1974 was sufficient to trigger another annuity increase of 6.4 percent, effective in July. It will bring another big wave of retirements of top career executives—perhaps higher than before, in the light of the current freeze on their pay.

The federal service can ill afford such exodus of its most able career leaders at the peak of their performance potential.

In addition to the problem caused by the ever-increasing rate of these executives and professionals, recruitment of highly qualified individuals from outside the government to take the places of the retirees is also becoming harder, as outstanding candidates observe not only the present inadequacy of our higher-level salaries but also the limited prospects for an improvement in this situation.

We are even beginning to see cases where some present federal employees are declining promotions because they are unwilling to assume the burdens of a more difficult job without a commensurate increase in pay.

So far, these problems have only had a limited impact on the quality of the government, but I am deeply concerned that we will begin to see a precipitous erosion of the career service's best talents if action is not taken soon.

Already we can see danger signs—top researchers leaving the National Cancer Institute, the Social Security Administration unable to fill its chief actuary position for nearly a year—and these types of cases are multiplying.

Last year, a special nine-member panel appointed by the President, the Chief Justice, the Vice President, and the Speaker of the House of Representatives studied the executive pay situation and recommended an immediate 25 percent pay raise for top officials in all three branches of government.

President Nixon agreed with this recommendation, but decided to phase the increase over three years, with a 7.5 percent increase each year. He recommended this approach to Congress in February of this year. In March, Congress rejected the President's recommendation.

Many knowledgeable observers felt this rejection was largely because a pay raise for Congress was included in the recommendation, and this is always a politically volatile subject in an election year.

Because of the urgent need for action to ease the impact of the pay freeze on the Executive Branch's ability to carry out the management of federal programs, the President decided it was necessary to ask Congress to reconsider this subject.

Therefore, he submitted a new recommendation.

However, this new pay recommendation would not provide any pay raise for Congress, nor would it affect any federal salary currently at the congressional salary rate of $42,500 or higher. The chart below shows the effect of the President's new recommendation.

Raising the ceiling on career employees' pay to $41,000 will not eliminate salary compression—some employees in GS–16, GS–17 and GS–18 will still be receiving somewhat less than comparability with private enterprise would call for—but it will substantially alleviate the compression problem, and will help our top career employees regain some of the financial ground they have lost in the past few years.

I am hopeful that Congress will act very rapidly on the President's recommendation, since fast action on this matter is essential to our efforts to maintain the outstanding managerial work force the government has developed in its career service.

Executive schedule level	Present salary	Recommended salary
Level I (Cabinet members)	$60,000	(1)
Level II (Deputy Secretaries and heads of a few major agencies, etc.)	42,500	(1)
Level III (heads of most major agencies, etc.)	40,000	$42,000
Level IV (Assistant Secretaries, etc.)	38,000	41,500
Level V (heads of major bureaus, etc., and ceiling on career pay)	36,000	41,000

[1] No change.

WITHOUT BUSING, WOULD ANYONE REALLY CARE?

Mr. MUSKIE. Mr. President, there is no way to "prove" the degree to which busing and desegregation bring us closer to our goal of equality in education, and in society at large. But what I thought were some particularly instructive observations about the value of desegregation were made recently by a teacher in one of our local school systems, and were reprinted last Friday, May 31, in the Washington Post column of William Raspberry.

The teacher, Phoebe E. Cuppett, is a reading specialist in the Prince Georges County, Md., public school system. She reported that desegregation—through busing—has made visible progress in correcting inequalities, ranging from "little inequities," like the availability of chocolate milk and ice cream, to "more profound discrepancies," like the quality and quantity of teaching materials. And she found that desegregation brought new cooperation and positive attitudes among students and parents, bringing black and white together, "learning compassion and coming to understand each other's values."

Ms. Cuppett's observations may not qualify as scientific proof of the value of busing in her county, and they do not pretend to demonstrate that the details of that desegregation plan are perfect. But they illustrate well an important reason for maintaining our commitment to desegregation—that without busing, we would have no insurance that anyone would "care enough to spend equal time, effort and money on neighborhood schools."

Mr. President, I ask unanimous consent that the William Raspberry column containing Ms. Cuppett's comments be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 31, 1974]

WITHOUT BUSING, WOULD ANYONE REALLY CARE?

(By William Raspberry)

Phoebe E. Cuppett, a teacher in the Prince George's County schools, takes impassioned exception to some things I had to say recently against the primacy of racial balance in the public schools. She took particular exception to a paragraph that said:

"Granted the popularity of the antibusing sentiment doesn't make it right. But if you're going to push a clearly unpopular program, you ought to be damned sure that the struggle and the risk of losing are worth it."

Here are excerpts from her response:

In the last analysis, you seemed to advocate that it may be better simply to shore up the neighborhood schools and forget the painful continuation of forced busing to achieve the dubious value of racial balance. "The time, effort and money spent on busing could be better used for other things. Like better schools, for instance."

The question in my mind is that if busing were removed (like the Ten Commandments from society), what would insure that anyone would care enough to spend equal time, effort and money on neighborhood schools?

Even with the busing, certain hardcore conservative factions in and out of the county school system would like to curtail the momentum made since Jan. 29, 1973. The County Council is proposing a gigantic funding cut. This will affect the sizes of classrooms and will place a greater burden on the possibility of the integration plan working more and more smoothly.

Most appalling, the school board proposes to do away with Head Start and to concentrate on developing the *lack* of modern, innovative methods by reinstating corporal punishment. If these proposals are carried through, the disadvantaged children of the lower socio-economic areas will not receive the chance to "catch up." Many of the human relations programs set up last year will be axed. Remember, this is what is happening *with* busing. Are we to be intimidated to lose the significant gains we made last year? . . .

I was hired in 1970 as a reading specialist. It was my assignment to visit four or five schools a week to offer my services. Some of the things I saw were little inequities, such as children never seeing chocolate milk or ice cream in their cafeterias. (Later on when white children arrived at some of these schools, the chocolate milk and ice cream did, too.)

More profound discrepancies were observed in the ways resources were supplied to the schools. A lack of materials and a surfeit of out-of-date textbooks were often in evidence in the poorer neighborhood schools. Sometimes the attitudes of individual teachers were not tolerant. . . .

I remember my feeling of shock and helplessness shortly after arriving in 1972 at my present school. I found that 75 per cent of the school was reading two or more years below grade level. How could one reading teacher ever begin to help two or three hundred children with individual and specific needs so severe?

Shortly afterward, the order to desegregate came. A great many of those children needing crucial help were bused out to more prosperous neighborhood schools. A large number of children from those schools came to ours. A strange mixture of white and black adult liberals suddenly joined hands to try to make this important changeover work. Perhaps 10 or 15 persons came to me, volunteering to work without pay, helping children learn to read. . . .

It is not a Utopia. We have little frictions and sometimes fights on the playground. But we also have children making friends and children acquiring knowledge of each other's culture. Most significant to me, we have a larger part of the school population reading on grade level. The children who were the farthest behind have caught up by one, two and sometimes three grade levels within little more than a year's time. This is exciting!

Was busing worth it? I have only to look at two of my sixth grade student volunteer reading tutors in order to know. Michael is black. Cathy is white. Both sets of parents have helped as volunteer aides and tutors during the changeover.

Before the January order, Michael was a fifth grader reading on a 3.2 level. This year he is on a sixth grade level in reading. Michael and Cathy and I have many rap sessions together. After watching "The Autobiography of Miss Jane Pittman," we talked about it.

Cathy's eyes grew wide with shock and sadness. "I never knew white people had treated black people in that way," she said. Her friend Michael made the evils of past humanity more real and more unjust than a thousand abstract lectures could have.

As an adult I am learning, too. Being a WASP from a tiny Pennsylvania town where seeing a black American is a rarity has made me dig deeply into my own set of prejudices and lack of them to "know where I am at."

It is partly because the busing forced us to be together that we are together, learning compassion and coming to understand each other's values.

CREDIT NEEDS OF FARMERS AND RANCHERS

Mr. CURTIS. Mr. President, the Economic Research Service of the Department of Agriculture has predicted that the credit needs of America's farmers and ranchers will double between 1970 and 1980—from $10 billion annually to $20 billion.

Ways and means of providing this additional capital has been of great concern to myself and other members of the Committee on Agriculture and Forestry. Amendments to the Farmers Home Administration Act in 1972 and 1973 increased the amount of money that agency could lend to a single customer. Because of the inflation in the ensuing period, these limits are already obsolete, and I intend to support legislation now before Congress to double the current farm ownership and farm operating loan limits of FHA.

I would add, however, that many private commercial banks and the member associations of the farm credit system are doing everything they can to help meet this ever-increasing credit need of farmers and ranchers.

The Omaha National Bank has been a prime agricultural lender for many years and has just increased this effort through the formation of an agricultural credit subsidiary which will attempt to tap the major money markets for funds.

A very interesting article on this new program and its initiator, Morris F. Miller, chairman of the Omaha National Bank, appeared in the June 2 edition of the New York Times. I ask unanimous consent that that article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INNOVATIVE OMAHA BANKER: HE TAPS THE EAST'S FUNDS FOR BENEFIT OF FARMERS

(By H. J. Maidenberg)

If necessity and capital are the parents of invention, Morris Folsom Miller must be one of the most innovative matchmakers to ply Wall Street in many a year.

Mr. Miller, chairman of the Omaha National Corporation and its chief subsidiary, the Omaha National Bank, recently helped introduce an unusual method of marketing commercial paper—that is, businessmen's I.O.U.'s.

These businessmen are ranchers and farmers, and their needs for credit have never been greater. But the Wall Street money market is unsettled, and the traditional gulf between Eastern bankers and the nation's largest industry—agriculture—yawns as wide as ever.

The Omaha National Bank finds the problem particularly vexing. Although it is the largest bank in its region, it ranks 187th among the nation's commercial banks, it is hard pressed to provide financing to ranchers and farmers.

"We can't make any loan for more than $4-million," Mr. Miller explained at breakfast in New York the other day. "With both record plantings and the distressed cattle market putting pressure on us, we had to find a way into outside money markets."

The way seems simple, in retrospect. Omaha National formed a subsidiary, the Ag-Co Corporation, which began operations late in May. Ag-Co's plan is to make loans to farmers and ranchers, put up 25 per cent of the money and turn over the rest of the loan (commercial paper) to Blyth Eastman Dillon & Co., Inc., the big Wall Street investment banking house.

To make the commercial paper attractive to investors, the Aetna Casualty and Surety Company insures the loans against default. Blyth Eastman Dillon then markets the paper, with the Morgan Guaranty Trust Company acting as paying agent and doing the paperwork.

For investors, it is the first time that insured commercial paper backed by "prime names" has become available. Such investment instruments mature in about six months and carry interst rates 1.5 or 2 per cent above the prime rate.

"Initially, most of the paper will represent loans to the hard-pressed cattle feeders who are losing about $150 on every animal they sell today," Mr. Miller said in his direct manner.

Reeling off figures without hesitation, the 55-year-old Omaha banker described the plight of the cattle feeders.

"On one hand," he said, "it takes eight pounds of feed to produce a pound of beef, and grain prices are still high. On the other hand, consumers can't afford or won't buy as much beef as they did a few years ago."

Cattle feeders have become caught between their own progress and the public's growing concern over the environment. Unlike many breeders, who have the pastures needed to feed calves, the feeders pack 100 to 150 calves and yearlings onto each acre.

Not only do their feedlots lack grass, Mr. Miller pointed out, but also the problem of disposing of animal waste aggravates the cost of expensive feedstuffs.

"The feedlots have moved closer to the markets, usually expanding urban centers," he said, "and the people there don't want that waste polluting their waterways and lands.

"This also means that expansion is often out of the question. And let's remember that 75 percent of our beef production today comes from feedlots."

It was a far different situation 20 years ago when Americans began consuming more beef than pork and the relatively new type of feedlot operator began thriving on cheap subsidized grain and plenty of available acreage.

Although the livestock industry is rapidly becoming integrated (horizontally and vertically) into huge companies, their names remain largely unknown to Eastern money managers.

"Besides," the chairman of the Omaha National Bank continued, "most big banks favor customers who generate deposit flows such as retailers, manufacturers and the like. Feedlot operators don't generate this kind of interest-free deposits."

Mr. Miller ought to know. He was born in Omaha, the center of the nation's beef industry, and he was the son of an owner of a grain milling company that was sold 21 years ago to the Kellogg Company, the cereal producer.

"As long as people eat every day," he said over his fried eggs and sausages at the New York Athletic Club, "our town will have a stable economy. But we do have problems in finding work for those people in the packing houses. The decentralization of packing firms has reduced that employment sector."

Mr. Miller's home town, Omaha, is nevertheless a prosperous city of 350,000 within a metropolitan area of 550,000. With the movement of packing houses closer to urban markets, the Western Electric Company and the Union Pacific Corporation have become the city's major employers, he said.

"We still have fine schools; I mean public schools and all my family has gone to them."

After attending Omaha public schools, he earned his Bachelor of Arts degree in business administration at the University of Michigan in 1940. Soon after Pearl Harbor, Mr. Miller entered the Army Air Corps. He spent 39 months in the Far East, rising to the rank of major.

Upon his discharge, he joined a small bank as a bookkeeper. Within a year he switched to another small-town bank as a teller, a position he held five years.

"It all began to happen in 1951," he recalled. In that year he moved back to Omaha and joined the bank he now heads as assistant cashier. He married a doctor's daughter a year later and was soon recalled to active service in the Korean War. He emerged as a reserve colonel.

Since then he has quickly moved up Omaha National's organizational ladder. He was named a director in 1958, vice president in 1962, president in 1969 and a chairman a few months later.

One former mentor at Omaha National who has long known Mr. Miller observed recently: "Moe is a serious banker. I don't care what sports he says he plays, he is and has always been a no-nonsense banker."

But there is another side of Mr. Miller. On June 8, he will receive a medal from the Israeli Government for his efforts over the years to both aid that nation and relations between Omaha's Christian and Jewish communities.

A present officer of the bank commented: "Moe won't slap you on the back, and he won't stab you in the back. Besides his wife and three children, I don't think anything counts with Moe but the bank. All I can add is that his golf is mediocre, his politics is Nebraska Republican and his faith is in America."

Asked to comment on that estimation, Mr. Miller replied that he also had faith in the nation's agricultural strength and ability to serve as an international breadbasket, adding:

"Oh, I suppose we won't be eating as much beef in the future as we have in the past because of the growing demand for grain as human food. Another factor is that beef doesn't keep as well as pork, which can be smoked, or poultry and fish, which can be frozen for long periods."

While many packing houses are expanding into the production and finishing of livestock, the Omaha banker does not expect any General Motors to develop in agriculture. For one thing, Midwest and Far West farmers and ranchers have traditionally fought against large interest controlling water rights. And available water, rather than capital, determines the size of farms and ranches.

"Our part of the country has also had strong prejudices against bigness in any form," Mr. Miller observed. "So we may see the old system returning to the beef industry."

The old system was one in which farmers used some of their autumn harvest earnings to buy calves or yearlings, fed them on the grain put aside for that purpose and then marketed the mature animals in late spring. The farmer-feeder also had enough land to accommodate animal waste without disturbing his community's ecology.

However, the old system will not lessen the farmer's demands for credit, for as prices rise for crops, equipment and land, so does the need for financing increase.

Mr. Miller said that banks only provide some 35 per cent of the farmer and rancher financing today. "The rest comes from the credits extended by seed, equipment, fertilizer and other 'input' providers the farmer deals with, or the various Federal agricultural lending agencies."

Omaha National would like to expand its agricultural lending, which now accounts for a third of the bank's loan portfolio of some $340-million.

"But that would require branching and most Midwest states, including Nebraska, do not permit branching. It's part of the fear or dislike of bigness," Mr. Miller said.

"As to more immediate things, I'm going back to Omaha, pick the family up and fly out to our little place in Wyoming for a week of trout fishing. Now there is this trout stream just a few feet from our door out there. . . ."

THE BIG FARM LENDERS

[In millions of dollars, as of June 30, 1973]

	Total agricultural loans	Total deposits
Bank of America, San Francisco	$717.1	$36,861.7
Security Pacific National Bank, Los Angeles	269.5	11,304.7
Valley National Bank, Phoenix	204.3	2,249.0
Crocker National Bank, San Francisco	136.5	6,532.1
United California Bank, Los Angeles	127.8	6,386.4
Wells Fargo Bank, San Francisco	121.8	8,317.1
Omaha National Bank, Omaha	106.4	419.8
Seattle-First National Bank, Seattle	103.7	2,625.6
Idaho First National Bank, Boise	88.3	688.5
First National Bank, Portland, Oreg	71.9	2,106.1
First National Bank, Phoenix	69.5	1,492.8
First National Bank, Chicago	67.9	10,725.5
U.S. National Bank, San Diego, Calif.[1]	67.1	933.9
National Bank of Commerce, Seattle	60.6	1,687.6
Chase Manhattan Bank, New York	57.0	26,175.8

[1] Bank insolvent Oct. 18, 1973. Assets and liabilities taken over by Crocker National Bank.

Source: Compiled by American Banker.

DELAWARE STATE JAYCEES CAMPAIGN TO REDUCE ALCOHOLISM

Mr. BIDEN. Mr. President, the enactment of the Alcohol Prevention, Treatment, and Rehabilitation Act, which I cosponsored, recognizes the magnitude of alcoholism as a major health problem. Although passage of this legislation is a major landmark in the fight to eliminate alcoholism, it is only a beginning. There is still a great deal of work to be done.

Once again, Delaware is taking a lead in the battle to stamp out this insidious disease. The Delaware State Jaycees have launched a media campaign to call attention to this health problem, and to the fact that there are 9 million alcoholics in the United States. Further, the Delaware State Jaycees have joined their national organization in sponsoring "Operation Threshold," a program which is aimed at reducing alcoholism.

Mr. President, I commend the Delaware State Jaycees for their fine work in fostering public awareness of alcoholism and the need to prevent it and treat it. I ask unanimous consent that a resolution, introduced in the Delaware General Assembly by State Representative Hudson E. Gruwell, which commends the Delaware State Jaycees, be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

To call to the attention of all of the people of Delaware the excellent work being done by the Delaware State Jaycees in the campaign to reduce alcoholism

Whereas, despite the services of hospitals, detoxification centers and medical science generally there is a continuing growth of alcoholism in the United States; and

Whereas, alcoholism is considered the most insidious drug-related disease; and

Whereas, the Delaware State Jaycees are calling attention to this mentally, physically and emotionally-crippling disease with a series of commercials used by WDOV, Dover radio station, and other radio stations; and

Whereas, this commercial states that there are nine million alcoholics in the United States, that alcoholism is the number-one health problem, that fifty percent of traffic fatalities are alcohol-related, and that 450,000 alcoholics in the United States are between the ages of nine and twelve; and

Whereas, the Delaware State Jaycees have joined their national organization in sponsoring Operation Threshold which seeks to reduce alcoholism.

Now therefore, be it resolved that the House of Representatives of the General Assembly of Delaware, the Senate concurring therein, wishes to commend most sincerely the campaign of the Delaware State Jaycees and especially the excellently-prepared commercial used by Radio Station WDOV and other media outlets in the drive to reduce alcoholism.

Be it further resolved that the General Assembly of the State of Delaware by this joint resolution expresses the wish that this campaign to reduce this insidious disease be continued not only by the Delaware State Jaycees but by all of the public and private agencies now engaged in this work.

Be it further resolved that copies of this joint resolution be conveyed to each member of the Delaware Congressional Delegation for their consideration and cooperation.

SENATOR RANDOLPH COMMENDS THE WEST VIRGINIA MOUNTAINEERS FOR RURAL PROGRESS COUNCIL FOR SUPERIOR SERVICE AWARD IN RURAL COMMUNITY DEVELOPMENT; CITES COOPERATION BY ALL LEVELS OF GOVERNMENT

Mr. RANDOLPH. Mr. President, on May 16 at the Department of Agriculture's 28th annual honor awards ceremony in Washington the only recipient of the Superior Service Award for Rural Community Development was the West Virginia Mountaineers for Rural Progress Council. This is a statewide organization based in Morgantown. This well-deserved award is the culmination of diligent efforts and effective planning. The Department of Agriculture cited the council—

> For significant achievement in obtaining Federal, State, and County agency cooperation in rural development efforts; and for creating awareness and motivating local citizens, groups, and organizations into a total rural development program.

The West Virginia Mountaineers for Rural Progress Council—MRP—is the fourth State organization to receive the Superior Service Award for Rural Community Development.

The MRP and its county committees provide collective leadership through Federal, State, and local agencies and organizations to encourage local participation in achieving various rural program objectives. The West Virginia MRP Council stresses interagency cooperation and full resource commitment.

Four years ago West Virginia's Rural Development Committee—with its theme "Mountaineers for Rural Progress"—determined that rural progress in West Virginia could not be effective without a combined and coordinated Federal, State, and local effort to improve our State's social and economic development. The MRP stressed that greater progress can be achieved through maximum utilization of existing resources and a constant endeavor to eliminate duplication of programs already being undertaken by other agencies.

Through this unique organizational framework and communications system, rural development in West Virginia has made significant gains. The council coordinates rural development activities, reviews the monthly reports of the county MRP committees, and monitors the progress of various programs.

The Mountaineers for Rural Progress nomination report states:

> For the first time in West Virginia history, Federal, State, and County Agencies, along with local groups, are meeting together and accomplishing rural progress that no one agency could achieve alone.

Mr. President, having sponsored the Appalachian Regional Development Act and the Public Works and Economic Development Act, I am intensely aware of the neeed for the role being exercised by Mountaineers for Rural Progress. Practical realities of limited funding and resources demand that we approach social and economic development on a regional basis to the maximum extent possible.

To help achieve its objectives, MRP has formed 10 State committees comprised of leaders in business, industry, education, and local and State government. These committees are waste disposal; environmental improvement and rural beautification; agriculture; land use development; forestry; econ-environment; environmental education; vocational, technical and adult education; water recreation; and wildlife resources.

These committees are working toward a comprehensive approach to solve critical State problems. These efforts include the initiation of new vocational education programs, a statewide land-use conference, material recycling workshops, and county recreation plans. The county MRP committees can provide increasingly greater assistance in the planning of such vital facilities as sewage treatment and water systems.

It was my privilege to meeet with many of the members of the Mountaineers for Rural Progress State Council following the agriculture awards ceremony. Those able to attend the ceremonies were: J. Kenton Lambert, Director, Farmers Home Administration; James S. Bennett, State conservationist, Soil Conservation Service and former chairman of the MRP State Council; Gus R. Douglass, Commissioner, State Department of Agriculture; Edward H. Post, executive secretary, State Department of Highways, representing William S. Ritchie, Jr., Commissioner, Department of Highways; H. G. Woodrum, Department of Natural Resources, representing Ira S. Latimer, Jr., director, Department of Natural Resources; Carl S. Thomas, Bureau of Vocational, Technical, and Adult Education, representing Daniel B. Taylor, State superintendent of schools; Ronald L. Stump, director, Cooperative Extension Service; George Heidrich, president, West Virginia District Supervisors Association; Alfred Troutt, forest supervisor, Monongahela National Forest; William B. Bridgforth, field representative, Rural Electrical Administration; Dr. George W. Hess, USDA Animal and Plant Health Inspection Service; Dr. B. L. Coffindaffer, president, Bluefield and Concord State Colleges, and former chairman of the Mountaineers for Rural Progress State Council; and Kermit R. Zinn, State executive director, Agricultural Stabilization and Conservation Service, and presently the chairman of the MRP State Council.

Other members of the State council include Betty Dean, executive director, West Virginia Council of Towns and Cities; Orus L. Bennett, research soil scientist, Agricultural Research Services; John D. Hurd, executive secretary, West Virginia State Chamber of Commerce; Carl L. Bradford, director, Office of Federal-State Relations; Dr. N. H. Dyer, director, West Virginia State Department of Health; William W. Myers, president, West Virginia Banker's Association; Donald L. Fogus, executive secretary, West Virginia Forests, Inc.; Dr. Homer Evans, acting dean, West Virginia University College of Agriculture; Richard Shelton, executive director, West Virginia Association of County Officials; and James White, president, West Virginia Homebuilders' Association.

Mr. President, I commend the members of the State council and the many citizens and Government officials responsible for this award. West Virginia Mountaineers for Rural Progress Council is a splendid example of cooperation by all levels of government in the development of programs and projects that best respond to the needs of rural Americans, particularly through the active

participation by citizens at the grassroots level.

EXIMBANK ENERGY LOANS

Mr. SCHWEIKER. Mr. President, I would like to call to the attention of my colleagues an article which appeared in the Washington Star-News May 31, entitled "Ex-Im Oil Loans Drawing Fire."

This article details the shocking shortages of oil drilling equipment and production machinery which have been created in this country by Eximbank subsidies of overseas operations.

Since last June, according to the article, the Eximbank has financed the export overseas of $460 million of exploration, production, transport, and refinery material, at 6-percent and 7-percent interest—while the prime rate today in this country is 11½ percent. In this situation, no businessman in his right mind would focus his energy development efforts in this country; if this national policy has a name, it should be "Total Energy Dependence—1980."

I have introduced S. 3229, to absolutely prohibit Eximbank participation in the proposed multibillion dollar Siberian energy development project. This article makes clear that in addition to enacting S. 3229, we must reconsider the entire issue of Eximbank financing of foreign energy projects. I ask unanimous consent that the article be printed in full in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Star-News,
May 31, 1974]

EX-IM OIL LOANS DRAWING FIRE

(By John Holusha)

Independent oil producers are complaining bitterly that the nation's Project Independence is being undermined by low-cost government-backed loans for the export of drilling and refining equipment despite shortage at home.

"This is nonsense," one independent promoter snorted. "Here we have this program that's supposed to make us self-sufficient (in energy) but the Export-Import Bank is giving long-term credits at 7 percent to export a flood of pipe and equipment.

"Even if I could get it, I'd have to pay prime rate." The prime bank lending rate is now at a record 11½ percent.

A search of Ex-Im Bank records shows that since last June the bank has made available more than $200 million to finance the export of some $460 million of exploratory, production, transport and refinery materials.

Interestingly, some $340 million of this has been agreed to since the October Arab oil embargo.

Some of the financing arrangements include: Slightly over $6 million for an offshore drilling rig to be used in the Arab emirate of Abu Dhabi. Abu Dhabi is a member of OPEC, the organization that coordinated the cutoff of oil shipments to the United States.

Credits up to $100 million to build an oil pipeline from the Gulf of Suez to Alexandria, Egypt. The line will be owned 50 percent of Egypt, with the remainder shared by Saudi Arabia, Kuwait, Abu Dhabi and Qatar—all OPEC members.

$4 million for drilling rigs to be used by a subsidiary of Ashland Oil Co. in Nigeria.

$49.6 million for desulfurization equipment at a refinery in the Bahama islands. The plant is owned by Standard Oil of California and New England Petroleum Corp.

Most of these loans were made at a 6 percent interest rate, since the increase to 7 percent did not come until February. Ex-Im Bank usually advances 45 percent of the cost of the equipment to be exported, with a commercial bank advancing a similar amount and the buyer putting 10 percent down. Ex-Im will guarantee the bank loan in some cases.

Although Ex-Im does not receive a regular appropriation from the government, its loans are backed by the full faith and credit of the United States. Moreover, it was initially capitalized by $1 billion from the U.S. Treasury.

There is little question that there is a shortage of oil exploration and production machinery in the United States. The recent tripling of the price of crude oil has touched off a wildcatters' boom.

J. A. Mull of Mull Drilling Co. in Wichita, Kan. is a typical explorer.

"I've got 40 locations, including offsets, I could be drilling now. But I've only got two rigs and three strings of casing (the pipe used to line the drilled shaft). It's so bad that we're pulling secondhand casing out of wells in Louisiana that are 35 years old."

Other bottlenecks are in drilling pipe ("I've been promised only two strings this quarter") and the rigs themselves. ("They said 18 to 24 months was the best delivery they could promise.")

"And, hell, there isn't a pumping unit in the country," he adds.

An aide to the Senate Interior Committee, which has looked into domestic production problems, concurs on the shortage.

"Part of the problem of course, is that anybody who can string two pipes together is out in his back yard trying to punch holes," he said.

But another factor is links between the major oil companies and equipment producers and lenders, he adds. "We hear stories of equipment heading down toward the Gulf. Instead of turning up in the production fields it heads toward the port of Houston and Galveston."

"There is also the issue of whether it is better to use, say, four rigs on 10,000 barrel-a-day wells in the United States or send them to four different countries overseas for 50,000-barrel wells."

The problem of resource allocation, the aide says, "is terribly complex."

The attitude at the Federal Energy Office is similarly divided. A middle-level official said the Ex-Im Bank notifies the FEO of prospective loans for export of petroleum gear. "If it's on the critical list, we tell them we'd rather they didn't finance it."

Does the comment have any impact? "I don't know, we don't follow up."

At the policy-making level, the tone is somewhat different.

The independents have "legitimate complaint" when they see badly needed equipment go overseas with the help of the Ex-Im Bank, an aide to policy chief Duke Ligon concedes.

But the FEO feels "our focus can't be so narrow that we concentrate solely on U.S. production. We can't afford to ignore world supply and the effects on countries like Japan."

Ex-Im Chairman William J. Casey, a former under secretary of state for economic affairs, sees the issue in terms of payments balances and the competitive position of American industry.

"In some types of equipment we have an advantage. If we step out of those markets now, we'd be inviting other countries to step in," he said.

Casey said it could be "counterproductive" to sacrifice these markets now and be frozen out of them in a few years when production of drilling and refining machinery has caught up to demand.

Since the oil companies claim they need large profits to finance exploration, why give them low-cost loans? Casey was asking.

"Well, we could sit here and say use your own money," Casey said. "But other countries like Britain, France and Japan support their industries more than we do. Other countries make 5 percent money available."

Casey added that the bank has "been going slow" in financing the export of materials in short supply.

The FEO aide admitted there is somewhat of a conflict between the goal of U.S. self-sufficiency and Ex-Im's role of bolstering payments surpluses through exports.

"Up until now, as you know, we've been too busy putting the fire out.

"Now we're trying to create some unity of approach. We've got to come up with some long-range policies to eliminate the bottlenecks."

HOUSING

Mr. BIDEN. Mr. President, in a statement adopted by its executive council, the AFL–CIO deplored heavy inflation pricing American families out of the housing market and lack of legislation for the poor who are relying on the Federal Government for assistance. The executive council also suggests solutions for the crisis which are sound and viable:

> We urge that special assistance programs be dramatically expanded, and that direct loans to low- and moderate-income families be made. We urge the Administration to accept the principle of additional funding for subsidized housing programs, for new public housing construction, and for rural housing needs.

Housing as an issue can no longer be equated with the inability of the low- and moderate-income family to survive without Federal assistance because it represents a social and economic complex of considerations to all Americans. The AFL–CIO statement lets Congress know that the public is aware of measures which actually shortchange them, and that Americans are concerned about those inadequacies. Mr. President, I ask unanimous consent that the text of the AFL–CIO statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE AFL–CIO EXECUTIVE COUNCIL ON HOUSING

Each day as mortgage interest rates climb higher (they have passed 9% with no end in sight), additional thousands of American families are being shut off from homeownership and from decent rental housing.

By customary standards, including those of lenders, a family should not have to pay more than 25% of its income for housing. With current housing costs, and particularly the astronomic costs of mortgage interest rates, families earning $15,000 a year or less cannot afford the monthly costs of buying an average-priced home, with principal and interest payments, real estate taxes, utilities and hazard insurance.

Some 70% of America's households have an annual income less than $15,000. Their inability to buy housing is the key to the disastrous drop in home building.

In the first quarter of 1974, a reduction in housing construction was a major factor in the drop in the Gross National Product. President Nixon continues to proclaim his "hope" that increased housing production will play an important role in "upturn" in the economy he predicts, but his one decisive action in the housing area was to suspend Federally subsidized housing programs.

The Federal Government has made only feeble and ineffectual efforts, in response to this housing crisis, despite the role that housing plays in the country's economic health. Arthur F. Burns, chairman of the Federal Reserve Board, has admitted that present monetary policies will be destructive to the housing industry. This is not an adequate response by the Federal Government to the problems of low and moderate income families or to the sad state of the housing industry.

The AFL–CIO Executive Council once again calls upon the Administration to take prompt action under precedents firmly established. We urge that special assistance programs be dramatically expanded, and that direct loans to low and moderate income families be made. We urge the Administration to accept the principle of additional funding for subsidized housing programs, for new public housing construction, and for rural housing needs.

Nothing short of such major and immediate efforts can restore health to the low and moderate income housing market, to the housing industry and to the total economy.

NIXON TRIP TO MIDDLE EAST UNNECESSARY

Mr. CHURCH. Mr. President, I applaud Secretary of State Henry Kissinger's month-long efforts in negotiating a disengagement agreement between Israel and Syria. This is a singular accomplishment which I fully support.

The proposed follow-up trip to the Middle East by President Nixon, however, is unnecessary. I do not see what benefit such a tour would be except for the President himself. As noted historian and political commentator Arthur Schlesinger, Jr. pointed out in his excellent article in last Friday's Wall Street Journal, Nixon's "magical mystery tours must be regarded as part not of the defense policy of the United States but of his own defense policy against impeachment."

I ask unanimous consent that Professor Schlesinger's contribution to the Wall Street Journal's editorial page be printed here in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, May 31, 1974]

MR. NIXON'S MAGICAL MYSTERY TOURS

(By Arthur Schlesinger, Jr.)

President Nixon has often claimed that foreign policy is his strongest suit. In his moment of extremity, he is evidently determined to play that suit for all it is worth. His plan to visit the Middle East and the Soviet Union while the House Judiciary Committee is weighing his fate therefore confronts Congress and the American people with grave and curious questions.

The only possible justification for the presidential trips must be that through his physical presence Mr. Nixon will win advantages for the United States that are not to be won otherwise. Congress is entitled to know what these advantages might be. They are certainly not self-evident. In the Middle East Mr. Nixon would do no more than bless a settlement already worked out by Dr. Kissinger. In Moscow, if he tries to go beyond deals already completed, he would enter into negotiations from the unpromising situation of a President who, not being able to afford a failure, may be tempted to pay too high a price for an appearance of success.

Until we are told what added benefits Mr. Nixon's personal touch will bring, his magical mystery tours must be regarded as part not of the defense policy of the United States but of his own defense policy against impeachment. And if Congress, without question or objection, permits a President in almost unprecedented disrepute to wander about the world in a transparent effort to shore up a crumbling political position at home, it will quite deserve the contempt with which Mr. Nixon has been treating it.

Mr. Nixon's current strategy is to present himself, as he did in his recent seance with James J. Kilpatrick, as America's indispensable man in world affairs. If his steady hand should ever leave the tiller, this argument implies, American foreign policy will run around or crash into the rocks. The argument hardly puts the man he recently chose as his Vice President in a flattering light. But then Mr. Nixon in the same interview indicated his opinion of Vice Presidents, especially in connection with foreign policy. Mr. Kilpatrick asked him whether he had told his Vice President of 1971 about the diplomatic opening to China. "Agnew?" Mr. Nixon replied in what Mr. Kilpatrick describes as an "incredulous" tone. "Agnew? Oh of course not."

Mr. Nixon seems genuinely persuaded that no other American can deal as well with foreign leaders. In fact, many of the foreign leaders he has dealt with are in trouble too or are no longer around (England, France, West Germany, Israel, Egypt, Portugal, Canada, even perhaps Chou En-lai in China). And one wonders whether any realistic foreign leader these days will not be embarrassed by Mr. Nixon's drowning embrace and prefer to talk to an American President who commands a modicum of respect from his own people.

Nor, for that matter, does Mr. Nixon's argument for his personal indispensability cast a flattering light on his Secretary of State, who, there is every reason to suppose, would also be President Ford's Secretary of State. The White House story is that all Dr. Kissinger does is to execute Mr. Nixon's instructions. Without the guiding presidential hand, we are given to understand, the Secretary of State would only make a mess of things. Thus presidential spokesmen claim that Dr. Kissinger's Middle East negotiations have been subject to Mr. Nixon's constant "direction"—though reporters covering the White House, as this newspaper disclosed last week, regard this as a fiction and resent it.

WHO'S IN CHARGE?

Is Mr. Nixon really in daily charge of foreign affairs? Has he ever been? When he refused to meet last winter with the Senate Watergate Committee, Sen. Weicker of Connecticut sent him a list of written questions. One question noted that Mr. Nixon had said he had been too busy with foreign affairs to find out about Watergate and the cover-up; "yet your daily logs for June and July 1972 show literally hundreds of minutes for meetings with principal Watergate figures while only minutes were spent with individuals such as Dr. Kissinger." (Mr. Nixon did not respond to Sen. Weicker's observation.) The tapes have pretty well laid to rest the carefully cultivated myth of Mr. Nixon as a forceful, well-organized, decisive executive. One imagines that he can be quite as rambling and deferential in discussing what to do about foreign affairs with Dr. Kissinger as he was in discussing what to do about Watergate with Messrs. Haldeman, Ehrlichman and Dean.

No doubt the President has intervened personally from time to time, as in ordering the invasion of Cambodia in 1970 and the Christmas bombings of 1972, and in so doing may even have rejected the advice of Dr. Kissinger. But the main line of the Nixon foreign policy bears less the imprint of the pre-1969 Nixon than of the pre-1969 Kissinger. The foreign policy of a Ford administration would doubtless bear the same imprint.

Even supposing that American foreign policy might change under Mr. Ford, has it been so wise and effective under Mr. Nixon that the American people should sacrifice domestic values in order to insure its continuation? No one can doubt that as a negotiator Dr. Kissinger is an invaluable national resource. His work in the Middle East in recent months has been extraordinary. His ability to enter into the viewpoints of others, his instinct for areas where compromise might be possible, his penetrating intelligence and imperturbable good cheer, his combination of tact, patience and sheer physical stamina—all these qualities make him one of the exceptional diplomatists of the century.

Whether his conceptions are as impressive as his skills is another question. He sees the world essentially in terms of the political and military relations among the great powers. He is everlastingly right, of course, in his view that national interest is far more decisive than ideology in shaping a great power's policy. This view made it easier for the United States to embark on relations with Peking. But that development was not in itself any great feat of diplomatic prestidigitation. By 1969 the Chinese leaders were desperate to break out of isolation and determined to block the consolidation of a Soviet-American combine against themselves. The Chinese connection was ripe for the plucking. It did, however, require maladroit diplomacy to pluck it at such unnecessary cost for the United States in Japan and India.

The besetting sin of the Nixon-Kissinger policy is that it expands far more concern on our enemies than on our friends, on dictatorships than on democracies. It is easier to deal with leaders who can deliver their countries than with leaders who must take account of a restless internal opinion. Dr. Kissinger's impatience with the democratic governments of Western Europe, for example, has hardly been concealed. He has even questioned their legitimacy—a singular observation by the representative of a government whose own legitimacy is in doubt. But this concern for enemies, for dictataorships, for political and strategic issues may obscure other factors on the world scene. In consequence of Dr. Kissinger's preoccupations, our foreign economic policy has been a shambles, our Latin American policy dismal, our African policy largely non-existent, our European policy a failure, our United Nations policy a scandal.

THE TIMES' HEADLINE

Even in the countries themselves, preference for authoritarian regimes will only cause trouble for the United States in the longer run. On May 6 The New York Times had an arresting headline: "Communist Party Emerges as Strongest in Portugal." Our policy in Portugal had been to give fervent support to an authoritarian government. That government, by representing its constitutional opponents, had predictably placed the opposition under the command of the Communists, who alone were proficient at underground organization and survival. Portugal may end up with a Communist government in another year. It may be predicted that, so long as we pursue in Greece, Spain, Chile and elsewhere the same policy we pursued in Portugal, that policy will eventually produce the same result—and the same headline.

This policy, by tying the United States to detested local tyrannies, also intensifies American unpopularity among peoples struggling to get on the democratic path. Nor does the Nixon administration apparently find it easy to identify the United States with democratic developments. In the case of Portugal we kept our enthusiasm for the overthrow of the dictatorship under stern control. On May 3, the European Economic Community hailed the emergence of "a democratic Portugal." But the United States, so far as I have been able to discover, maintained a gloomy silence until May 22 when the American ambassador finally gave the new government a goodwill message from President Nixon.

The time may well be arriving for a reorientation of our foreign policy. Dr. Kissinger's skills and preoccupations may have defined our international agenda long enough. He has done remarkable things, and he remains our best negotiator. We must build on his success in detente with the Soviet Union, in opening relations with China, in the stabilization of the Middle East. But we need more than ever to pay attention to the things Dr. Kissinger has ignored: to our democratic friends in Europe and our own hemisphere; to food, energy, trade, aid, the monetary system and other international economic problems; to the United Nations.

In short, the preservation of President Nixon and his foreign policy is not necessarily what the United States most needs today. Even if it were, however, that should not be the overriding issue brought up by the movement for Mr. Nixon's impeachment. Professor Hugh Trevor-Roper, the English historian, has explained Watergate to his fellow countrymen by drawing a parallel between Watergate and Hampden's refusal to pay ship-money to Charles I. "No doubt, in the 1630s," Mr. Trevor-Roper writes: "foreigners thought the English very foolish to make such a fuss about ship-money when a firm and unhampered English government might have been effective in Europe. But the English thought first of their own liberties; and who shall say that they were wrong?"

LEARNING THE METRIC SYSTEM

Mr. BIDEN. Mr. President, the Senate recently passed the Elementary and Secondary Education Act Amendments of 1974. I was pleased that this legislation included a provision to prepare for the use of the metric system of measurement, because I believe that this demonstrates the foresight which is essential for effective educational planning.

Two decades ago this Nation was taken by surprise when the Soviets launched the Sputnik. What followed was a rapid shifting of educational priorities. There was an onslaught of new math programs, new science programs, and an urgency to catch up quickly. It was an educator's nightmare that would have delighted Thomas Henry Huxley and depressed Matthew Arnold.

It would be easy to follow along this path once more—to pretend that the old traditions will prevail. But more logical minds have begun to anticipate changes, and one of these changes must eventually be the move away from traditional English measurement to the metric system of measurement.

Were it not for this early indication that the transition will soon be upon us, we might one day confront the bureaucratic decision that on Monday morning, July 1, 1983, all Americans will begin using the metric system of measurement—notwithstanding the fact that many have never heard of it.

Instead, we have chosen a more enlightened route. The Education Amendments of 1974 provide for grants to schools which are developing projects for education in the metric system of measurement. Moreover, the provision states that—

> It is the policy of the United States to encourage educational agencies and institutions to prepare students to use the metric system of measurement with ease and facility as a part of the regular education program.

There should be no element of surprise then as the United States gradually shifts from the English measurement system to the metric system. But more important than the element of surprise is the fact that not only did we see the change approaching, but we acted to prepare ourselves.

Mr. President, I commend the Senate for its favorable support of the metric education provision; although its inclusion in the education bill was not greeted with a burst of cannon, it is deserving of special recognition.

For this reason, I am especially pleased that Delaware is once again in the vanguard of progress. On February 21, 1974, the Delaware State Board of Education adopted the Metric in Delaware Resolution, which mandates the shift from the English measurement to the metric measurement system. A plan for implementation has been developed to achieve a smooth transition.

Mr. President, I also wish to commend the board of education in Delaware for their foresight in this area, and I ask unanimous consent that a brochure published by the State department of public instruction, "Metric in Delaware," be printed in the RECORD.

There being no objection, the brochure was ordered to be printed in the RECORD, as follows:

STATE BOARD ADOPTS INTERNATIONAL METRIC SYSTEM OF MEASUREMENT

The State Board of Education, at its February 21, 1974 meeting, passed a resolution that mandates a move from the traditional English system of measurement to the *International* Metric *System* of *Measurement*.

The implementation plan has been developed to make the move to metric as painless and effortless as possible. Inservice training will indeed be a major requirement and the Department of Public Instruction is readying materials and obtaining ideas to get this program underway in the near future. Another important facet of the *Metric in Delaware resolution* is the selection of textbooks that use the International Metric System as the primary system of measurement. Text materials are expected to be replaced in accordance with district schedules for textbook adoption. All text materials should have the International Metric System of Measurement as the primary measurement system by September, 1980. This includes texts used for all disciplines: economics, business, social studies, art, etc.

Panic should not be a factor in hasty decisions about the metric system. There are many materials on the market to be evaluated; one must decide what is wanted, and most importantly, what is needed. Teaching the metric system will be just like teaching the English system. *Measurement skills* are needed to be taught, and the International Metric System of Measurement will make it easier.

DOES THE METRIC SYSTEM GIVE YOU TROUBLE?

You have been using a metric monetary system for years

1 Penny equals 1 "Centidollar."
1 Dime equals 1 "Decidollar."
1 Dollar equals 1 "Dollar."
10 Dollars equal 1 "Dekadollar."
100 Dollars equal 1 "Hectodollar."
1000 Dollars equal 1 "Kilodollar."
How many pennies in 1000 dollars?
How many centimeters in a kilometer?

What Do You Really Need to Teach Metric?

There are a few additional materials that a teacher needs in her classroom in order to adequately teach the metric system of measurement to her students. This list is neither minimum nor maximum but is what might be thought of as adequate. It is realized that much of this equipment can be shared among teachers so not every classroom needs to have all of this material all of the time. However, teachers must have access to the material. Remember, these materials are to be in addition to materials for measurement already in the classroom.

It must also be remembered that measurement is an activity—an experience—hence, activities which all students are expected to master in the fourth grade will be exploratory activities in the first, second, and third grades. As a result, much of the material overlaps grade levels but this is not to imply that objectives overlap or that students will be doing the same things year after year.

Kindergarten

Bathroom scales calibrated in metric.
Meter sticks.
Centimeter graph paper.
Graduated liter pitcher.
Centimeter cubes, interlocking.

Grade one

Bathroom scales calibrated in metric.
Balance scales.
Metric weights, 50 g to 200 g.
Spring scale, metric.
Meter sticks marked in centimeters and decimeters only.
30 cc rulers marked in centimeters and decimeters only.
Centimeter graph paper.
Graduated beakers and pitchers.
Thermometer calibrated in degree celsius.
Centimeter cubes, interlocking.

Grade two

Spring scale, metric.
Balance scale.
Metric weights, 20 g to 200 g.
Meter sticks marked in centimeters and decimeters only.
30 cc rulers marked in centimeters and decimeters only.
Centimeter graph paper.
Centimeter cubes, interlocking.
Graduated beakers and pitchers.
Student calipers.
10 meter tape measure.
Thermometer calibrated in degree celsius.

Grades three to six

Spring scale, metric.
Balance scale.
Metric weights, 1 g to 500 g.
Meter sticks with millimeter markings.
30 cc rulers with millimeter marking.
Metric adhesive tape.
Centimeter graph paper.
Centimeter cubes, interlocking.
Graduated beakers and pitchers.
Liter cube, fillable.
Student calipers.
10 meter tape measure.
Metric trundle wheel.
Thermometer calibrated in degree celsius.

HOW HOT IS HOT?

Prefixes are not commonly used with temperature measurements as they are with those for weight, length, and volume. Temperatures in degrees Celsius, as in the familiar Fahrenheit system, can only be learned through experience. The following may help to orient you with regard to temperatures you normally encounter.

0° C.	Freezing point of water.
10° C.	A warm winter day.
20° C.	A mild spring day.
30° C.	Quite warm—almost hot.
37° C.	Normal body temperature.
40° C.	Heat wave conditions.
100° C.	Boiling point of water.

THE FARMER IS NOT TO BLAME

Mr. ABOUREZK. Mr. President, we are all concerned about the monstrous rate of inflation that our country has been facing. The cost of living in the United States has increased by 10.2 percent in the past year and at an annual rate of 12.1 percent in the past 3 months.

Inflation rates this high are extremely unusual in American history. In fact, we would have to go back to 1951 to find anything similar to what we are now undergoing.

Food prices have been a particular problem point. You can frequently put off buying a new car or a new suit of clothes. And for items like these there is likely to be a long time interval between purchases. But not so with food. Food items are bought every day and changes in price are highly visible with an immediate impact.

The American housewife has a right to be outraged by high food prices. But I hope that she does not blame the farmer. The farmer's share of the consumer's dollar continues to decline. Right now the farmer gets 42 cents of every consumer food dollar while the middleman gets 58 cents.

Anybody who thinks that the farmer never had it so good simply has not been following the commodity markets very closely. Practically every Department of Agriculture index that you can name shows a decline in prices received by farmers and an increase in marketing margins received by middlemen.

For example, the index of agricultural prices for April 15 shows an overall decline of 6 percent. Wheat and rye prices dropped a whopping 18 percent, feed grain and hay declined 10 percent, as did poultry and eggs. Soybeans and flaxseed dropped 11 percent and meat animals, already low, declined 6 percent. The only major crop to show an increase was cotton.

Soaring inflation must be brought under control, but it would be dead wrong to blame the American farmer. In fact, that farmer has helped keep down the cost of living for over 20 years by giving Americans the best food buys in the world.

MARYLAND GENERAL ASSEMBLY'S RESOLUTION ON STATUS OF PANAMA CANAL

Mr. BEALL. Mr. President, on Friday, May 31, 1974, at a ceremony in Annapolis, Governor Mandel, State Senate President James, and House Speaker Briscoe affixed their signatures to Senate Joint Resolution No. 34. This legislation, which passed both Houses of the Maryland General Assembly overwhelmingly, supports continued undiluted sovereignty and jurisdiction by the United States over the Canal Zone and the canal on the Isthmus of Panama.

In recent months, I have become aware of the necessity for the Congress to steadfastly maintain the present status of the canal and the Canal Zone. I believe continued U.S. sovereignty best serves the commercial interests of all the nations of the world. Consequently, on March 29, 1974, I joined with 34 of my colleagues in cosponsoring Senate Resolution 301. This resolution is similar to numerous resolutions which are pending in the House of Representatives.

Mr. President, I believe that the future status of the Panama Canal Zone and the modernization of the canal are important policy matters which the Congress may be asked to grapple with in the not too distant future. Because approximately 70 percent of the traffic through the canal either originates or terminates in the United States, the question of the future status of the Panama Canal could have great domestic as well as international implications. This is especially true in the coastal States with great seaports such as Baltimore.

Unfortunately, the modernization of the canal has long been delayed, partly because of concern regarding the future status of the Canal Zone. It would seem unlikely that a major modernization project would be undertaken as long as the future status of the canal remains in doubt.

I believe, Mr. President, that the domestic impact of the possible closing of the Panama Canal cannot be overlooked. This is especially true in light of the impact on world commerce and various national economies which have occurred as a result of the periodic closings of the Suez Canal. If the Panama Canal were closed to American shipping, it would obviously complicate the transfer of military vessels from the Atlantic to the Pacific and vice-versa. But it would also have great impact on our domestic way of life. The American merchant marine, which is badly in need of modernization, would be placed under immense strain if it were required to transport cargo around the continent of South America. Cargoes would be reduced, fuel consumption would be increased, and the cost of transporting these cargoes would be significantly increased. Within the continental United States, our trucking industry and rail freight industries would be called upon to bear an additional burden. This would have a major impact on our environment, on highway congestion, and on domestic energy consumption. All of these factors could contribute to higher costs and thus aggravate the current inflation.

Adm. John S. McCain, Jr., former Commander of American Forces in the Pacific and now president of the U.S. Strategic Institute, and Maj. Gen. Thomas A. Lane, editor-in-chief of the Strategic Review, the institute's quarterly publication, recently published an editorial entitled "The Problem in Panama." Mr. President, I ask unanimous consent that the text of the Maryland State Senate Joint Resolution No. 34 be printed in the Record at the conclusion of my remarks along with the editorial entitled "The Problem in Panama," the text of the statement presented before the Maryland State Senate Committee on Judicial Proceedings by Walter C. Boyer, deputy administrator of the Maryland Port Administration, and portions of the testimony presented during the same hearing by Franz O. Willenbucher, J. D., captain, U.S. Navy, retired.

There being no objection, the material was ordered to be printed in the Record, as follows:

Resolution

(Explanation: Capitals indicate matter added to existing law. [Brackets] indicate matter stricken from existing law. [[Double brackets]] indicate matter stricken out of bill. *Italic* indicates amendments to bill.)

Senate Joint Resolution No. 34: A Senate Joint Resolution concerning Panama Canal and Panama Canal Zone for the purpose of supporting continued undiluted sovereignty of the United States and jurisdiction by the United States over the Panama Canal and the Panama Canal Zone on the Isthmus of Panama.

Whereas, United States diplomatic representatives are presently engaged in negotiations with representatives of the *de facto* Revolutionary government of Panama, under a declared purpose to surrender to Panama, now or on some future date, U.S. sovereign rights and treaty obligations, as defined below, to maintain, operate, protect, and otherwise govern the United States-owned Canal and its protective frame of the Canal Zone, herein designated as the "Canal" and the "Zone," respectively, situated within the Isthmus of Panama.

Title to and ownership of the Canal Zone, under the right "in perpetuity" to exercise sovereign control thereof, were vested absolutely in the United States and recognized to have been so vested in certain solemnly ratified treaties by the United States with Great Britain, Panama, and Colombia, to wit:

(1) The Hay-Pauncefote Treaty of 1901 between the United States and Great Britain, under which the United States adopted the principles of the Convention of Constantinople of 1888 as the rules for operation, regulation, and management of the Canal; and

(2) The Hay-Bunau-Varilla Treaty of 1903 between the Republic of Panama and the United States, by the terms of which the Republic of Panama granted full sovereign rights, power, and authority in perpetuity to the United States over the Zone for the construction, maintenance, operation, sanitation, and protection of the Canal to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority; and

(3) The Thomson-Urrutia Treaty of April 6, 1914, proclaimed March 30, 1922, between the Republic of Colombia and the United States, under which the Republic of Colombia recognized that title to the Canal and the Panama Railroad is vested "entirely and absolutely" in the United States, which treaty granted important rights in the use of the Canal and Railroad to Colombia.

The United States, in addition to having acquired title to and ownership of the Canal Zone, purchased all privately owned land and property in the Zone, from individual owners, making the Zone the most costly United States territorial possession.

The United States since 1903 has continuously occupied and exercised sovereign control over the Zone, constructed the Canal, and, since 1914, for a period of 60 years, operated the Canal in a highly efficient manner without interruption, under the terms of the above mentioned treaties, thereby honoring its obligations, at reasonable toll rates to the ships of all nations without discrimination.

From 1904 through June 30, 1971, the United States made a total investment in the Canal, including defense, at a cost to the taxpayers of the United States of over $5,695,745,000.

Under the terms of the 1903 treaty and the 1936 and 1955 revisions thereof, Panama has been adequately compensated for the rights it granted to the United States, in such significantly beneficial manner that the compensation and correlated benefits have constituted the major portion of the economy of Panama, giving it the highest per capita income in all of Central America.

The Canal is of vital and imperative importance to hemispheric defense and to the security of the United States and Panama.

Approximately 70 percent of Canal traffic either originates or terminates in United States ports, making the continued operation of the Canal by the United States vital to its economy.

The present negotiations and a recently disclosed statement of "principles of agreement" by our treaty negotiator, Ambassador Ellsworth Bunker, and Panamanian Foreign Minister Juan Tack, Panama treaty negotiator, constitute a clear and present danger to hemispheric security and the successful operation of the Canal by the United States under its treaty obligations.

The present treaty negotiations are being conducted by our diplomatic representatives under a cloak of unwarranted secrecy, thus withholding from our people and their representatives in Congress information vital to the security of the United States and its legitimate economic development.

The United States House of Representatives, on February 2, 1960, adopted House Concurrent Resolution 459, 86th Congress, reaffirming the sovereignty of the United States over the Zone territory by the overwhelming vote of 382 to 12, thus demonstrating the firm determination of our people that the United States maintain its indispensable sovereignty and jurisdiction over the Canal and the Zone.

Under Article IV, Section 3, Clause 2 of the United States Constitution, the power to dispose of territory or other property of the United States is specifically vested in the Congress, which includes the House of Representatives.

The Panama Canal is essential to the defense and national security of the United States. It is of vital importance to the economy and interoceanic commerce of the United States with the remainder of the free world.

Valuable exports from the State of Maryland and valuable imports to this State go through the Panama Canal to and from distant reaches of the globe.

Under the sovereign control of the United States, the Panama Canal has provided uninterrupted peacetime transit to all nations[[.]] *; now, therefore be it*

[[The traditionally unstable nature of Panamanian politics and government poses an implicit threat to the security of the interests of the United States which for many years have been served by the Panama Canal.

The Republic of Panama possesses neither the technical nor the managerial expertise effectively to operate and maintain the Panama Canal; and the Republic of Panama does not have the capabilities to meet the growing demands placed upon the Canal; now, therefore, be it]]

RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That:

(1) The government of the United States should maintain and protect its sovereign rights and jurisdiction over the Panama Canal and Zone, and should in no way cede, dilute, forfeit, negotiate, or transfer any of these sovereign rights, power, authority, jurisdiction, territory, or property that are indispensably necessary for the protection and security of the United States and the entire Western Hemisphere; and

(2) There be no relinquishment or surrender of any presently vested United States sovereign right, power, authority, or properly, tangible or intangible, except by treaty authorized by the Congress and duly ratified by the United States; and

(3) There be no recession to Panama, or other divestiture of any United States-owned property, tangible or intangible, without prior authorization by the Congress (House and Senate), as provided in Article IV, Section 3, Clause 2 of the United States Constitution; and be it further

Resolved, That the General Assembly of Maryland requests the Congress of the United States to reject any encroachment upon the sovereignty of the United States of America over the Panama Canal and insists that the terms of the Hay-Bunau-Varilla Treaty of 1903 as subsequently amended be adhered to and retained; and be it further

Resolved, That the Secretary of State of Maryland, under the great Seal of this State, send copies of this Resolution to Richard M. Nixon, President of the United States; Gerald R. Ford, Vice-President of the United States; Henry A. Kissinger, Secretary of State; Carl Albert, Speaker of the House; J. William Fulbright, Chairman, Senate Foreign Relations Committee; and to each member of the Maryland Delegation to the Congress of the United States; and be it further

Resolved, That copies of this Resolution be sent to the presiding officers of the legislatures of the several states with request for similar action.

THE PROBLEM IN PANAMA

Ellsworth Bunker, so recently our esteemed Ambassador to the Republic of Vietnam, and presently in charge of negotiating an adjustment of treaty arrangements with the Republic of Panama, has announced the conclusion of a broad negotiating agreement committing the United States to surrender its sovereign rights in the Canal Zone. The change would be made through the negotiation of new treaties for operation and defense of the Canal.

The announcement was accompanied by sympathetic propaganda in the press, affecting to reassure our people that Canal Zone sovereignty is a relic of the colonial era which affronts our neighbor, Panama, and must be relinquished to restore good relations. We think such treatment is a serious disservice to an important question of policy.

When the United States became interested in building a canal at Panama, the isthmus was a disease-ridden jungle area in which a French company, in twenty years of effort and at a cost of 20,000 lives, had failed utterly to overcome the problems of sanitation and engineering. In a decade of great investment of money, energy and both medical and engineering skills, the United States transformed the country of Panama, as well as the Zone, and in 1914 opened the waterway.

To protect this investment, which was to be for the ages, the United States, under the terms of the Hay-Bunau-Varilla Treaty of 1903 with Panama, had taken full rights of sovereignty in perpetuity to a zone ten miles wide embracing the Canal route. It had also undertaken, in the Hay-Pauncefote Treaty of 1901 with Great Britain, to operate the Canal for world commerce with no special privileges for U.S. shippers.

It is estimated that the net cost of the Canal to the United States to date, including defense and not including interest on investment, has been about $6 billion.

Until the riots in Panama in January, 1964, the United States had made concessions to Panama on various aspects of the 1903 Treaty but had firmly resisted claims for relinquishment of sovereignty. It is this apparent change of position on the perpetuity of U.S. sovereignty.

Under the 1903 Treaty, the authority and jurisdiction of the United States in the Canal Zone are legally unchallengable. The Canal, the U.S. investment in it, and the interests of world commerce are secure.

Under the proposed retrocession of sovereign powers to Panama, that Republic would acquire sovereign rights and authority over the operation and defense of the Canal; and the United States would then hold any such rights only by virtue of its treaty with Panama. Against eviction by a hostile government in Panama, the United States would have no more legal standing than Britain had against Egypt in its base at Suez in 1951.

The population of Panama is about the same as that of Detroit, about 1.5 million. The proposition before us is that Panama holds some inherent right of sovereignty which entitles it to take over this high American investment and operate it for its own benefit. It is perfectly clear that Panama has no such right today, and that it will not have such authority over this critical waterway unless the United States now cedes this authority to Panama.

We suggest that to enter such negotiations today is a serious abandonment of U.S. authority and responsibility. To confide this crucial waterway to the nominal control of a small country which is ill-qualified to administer or defend it is an act of Great Power irresponsibility. If Great Britain had, in 1951, asserted the world interest in Suez and committed military forces to defend that interest, the Canal would not have been closed but would today be a lively artery of commerce bringing great tributory benefit to the people of Egypt.

The belief of some officials that U.S. operation and defense of the Canal under treaty provisions, instead of under sovereign authority, would eliminate the friction of recent years is a calamitous misjudgment of the present scene. Marxist-Leninist subversion would be intensified by such a retreat. Friction would mount and the U.S. position would become intolerable. The United States would be compelled to use force against the Republic of Panama, or to withdraw and allow the Canal to be operated and defended by another lessee. That is a prospect which no President should impose on his successors.

If U.S. sovereignty is to be surrendered in two decades or five decades, that decision should be made by Americans who will be in charge of national policy at that time. The only proper consideration for our leaders today is whether the United States should surrender sovereignty here and now. If they will not act affirmatively now, they should not prejudice the right of another generation to act in its time.

STATEMENT BEFORE THE SENATE COMMITTEE ON JUDICIAL PROCEEDINGS, STATE OF MARYLAND, BY MARYLAND PORT ADMINISTRATION PRESENTED BY WALTER C. BOYER

The Maryland Port Administration is grateful for the opportunity to appear before the Senate Committee on Judicial Proceedings and lend its support to Senate Joint Resolution No. 34, introduced by Senators James, Conroy, McGuirk and Clark, calling for the continued undiluted sovereignty and jurisdiction of the United States-owned Canal and its protective frame, the Canal Zone, situated in the Isthmus of Panama.

It has been stated by others that the United States has built and maintained the Canal at its own expense, but has operated it in virtual trusteeship for the ships of all nations. It is important to place in the record, however, the significant importance of the Panama Canal for the commerce of the United States.

In tables attached to this statement, it is shown that the Panama Canal has provided for about 15,000 ship transits, involving some 127,561,733 long tons of cargo at a revenue rate of about $1.00 per ton in 1973.

Commercial traffic involved about 73,394,000 long tons in the Atlantic to Pacific crossing, and 52,710,000 long tons in the Pacific to Atlantic crossing. However, of these substantial tonnages, trade originating in or ending in United States' ports amounted to 54,820,000 long tons in the Atlantic to Pacific crossing, and 29,033,000 long tons in the Pacific to Atlantic crossing. Additionally, the Canal provided transit for 1,405,428 long tons of United States Government cargo, much of it vital military cargo. Grouped together, this constitutes at least 67% of all trade of the Panama Canal, for the calendar year 1973, originating in or ending in United States ports. The vital importance of the Panama Canal to the United States should be evident to everyone.

The Port of Baltimore also has a vital interest in the Panama Canal. In 1972, the Port of Baltimore registered some 22,407,257 long tons of foreign commerce. Of this amount, exports totalling 2,499,214 long tons and imports totaling 1,282,946 long tons involved trade utilizing the Panama Canal. This constituted 17% of the foreign commerce of the Port of Baltimore. Much of this trade is in areas such as Japan and Hong Kong where the Port Administration is making a direct solicitation effort. Additionally, significant intercoastal trade of the Port of Baltimore utilizes the Panama Canal.

It has been demonstrated that the United States has a vital stake in the Panama Canal, with the Port of Baltimore being significantly affected. This clearly becomes the business and concern of the Maryland State Legislature.

On behalf of the Maryland Port Administration, I urge adoption of Senate Resolution No. 34 by our Legislature, upon the recommendation of this Honorable Committee.

FOREIGN TRADE OF THE PORT OF BALTIMORE UTILIZING THE PANAMA CANAL, CALENDAR YEAR 1972

[Long tons]

Country	Exports	Imports
Japan	2, 171, 742	425, 377
China	96, 787	
Peru	73, 546	282, 025
Taiwan	66, 461	
Bangladesh	45, 894	
Korea	22, 450	
Indonesia	22, 334	
Australia		334, 353
Philippines		193, 038
Colombia		48, 153
Total	2, 499, 214	1, 282, 946

FOREIGN TRADE OF THE PORT OF BALTIMORE

Calendar year 1972	7, 300, 300	15, 106, 957
Total	22, 407, 257	

SUMMARY ACTIVITY—PANAMA CANAL

	1973	1972
Oceangoing transits:		
Commercial	13, 841	13, 766
Government	373	413
Free	24	59
Total	14, 238	14, 238
Small transits:		
Commercial	722	777
Government	118	148
Free	31	35
Total	871	960
Total cargo (long tons):		
Commercial	126, 143, 495	109, 271, 968
Government	1, 405, 428	1, 742, 303
Free	12, 810	62, 532
Total	127, 561, 733	111, 076, 803
Total transit revenue	$131, 623, 544	$116, 865, 769

WORLD TRADE ROUTES—PANAMA CANAL

[In thousands of long tons]

	1973	1972
Atlantic to Pacific crossing:		
East coast United States to Pacific	48, 397	38, 575
East coast Canada to Pacific	2, 105	1, 576
East coast Central America to Pacific	1, 755	1, 820
East coast South America to Pacific	7, 987	8, 302
West Indies to Pacific	6, 022	5, 991
Europe to Pacific	6, 540	5, 936
Africa to Pacific	555	427
Middle East to Pacific	32	25
Total	73, 394	62, 652
Pacific to Atlantic crossing:		
West coast United States to Atlantic	6, 555	4, 709
West coast Canada to Atlantic	6, 214	7, 220
West coast Central America to Atlantic	2, 012	2, 010
West coast South America to Atlantic	14, 671	10, 322
Canal Zone to Atlantic	17	3
Hawaii to Atlantic	389	482
Oceania to Atlantic	4, 730	4, 719
Antarctica to Europe	6	22
Asia to Atlantic	18, 116	17, 095
Total	52, 710	46, 582
Both directions:		
Atlantic to Pacific crossing	73, 394	62, 652
Pacific to Atlantic crossing	52, 710	46, 582
Total	126, 104	109, 234

TRADE ORIGINATING IN OR ENDING IN THE UNTIED STATES

Atlantic to Pacific crossing:		
East coast United States to Pacific Ports	48, 397	38, 575
East coast Canada to West Coast, United States	9	15
East coast Central America to West Coast, United States	40	151
East coast Central America to Hawaii	39	25
East coast South America to West Coast, United States	2, 414	2, 527
East coast South America to Hawaii	31	28
West Indies to West Coast, United States	2, 106	2, 444
West Indies to Hawaii	69	92
Europe to west coast, United States	1, 643	1, 338
Europe to Hawaii	5	7
Africa to west coast, United States	53	53
Middle East to west coast, United States	14	11
Total	54, 820	45, 266
Pacific to Atlantic crossing:		
West coast United States to Atlantic	6, 555	4, 709
West coast Canada to east coast, United States	1, 987	2, 312
West coast Canada to Puerto Rico	127	120
West coast Central America to east coast, United States	1, 009	1, 102
West coast South America to east coast, United States	5, 273	4, 585
West coast South America to Puerto Rico	336	40
Hawaii to east coast, United States	358	437
Hawaii to other Atlantic destinations	31	45
Oceania to east coast, United States	1, 825	1, 799
Oceania to Puerto Rico	6	8
Asia to east coast, United States	11, 263	10, 421
Asia to Canal Zone	83	70
Asia to Puerto Rico	180	160
Total	29, 033	25, 808
Both directions:		
Atlantic to Pacific crossing	54, 820	45, 266
Pacific to Atlantic crossing	29, 033	25, 808
Total	83, 853	71, 074

TAKEN FROM THE STATEMENT BY FRANZ O. WILLENBUCHER, J.D., CAPTAIN USN (RETIRED) BEFORE THE MARYLAND SENATE COMMITTEE ON JUDICIAL PROCEEDINGS

Adoption of Senate Joint Resolution No. 34 by our Legislature will constitute another shining example of the traditional contributions by the Free State of Maryland to the progress of our great nation in its quest for freedom and justice for all. Such action will exemplify the intended constitutional purpose of our Founding Fathers that the sovereign People, through their state legislators, acting in their highest sovereign capacity, should let their representatives in the national Congress know their views on matters of such vital importance as that which is now being considered by this Committee.

About a year ago, on the educational television program—The Advocates—the question of surrender of the United States-owned Canal and Canal Zone was comprehensively debated. Both those for United States surrender at Panama and those who opposed such abject surrender were represented by the most capable advocates that they could find. On completion of that nationwide debate, the moderator asked the extensive audience to cast votes by mail, giving The Advocates' post office box number in Boston. More than 12,000 responded, with 86 per cent registering a resounding "No!" When, in 1960, the question of authorizing the flying of the Panamanian flag in the Canal Zone was debated in our national House of Representatives, the recorded vote was 382 to 12 against such authorization, as unwarranted and a danger to the essentially necessary continued recognition of United States sovereignty there. How prophetic was the warning? Notwithstanding that resounding congressional disapproval, the flying of the Panamanian flag in the Canal Zone was authorized by the United States and *now* we have a clear and present danger of proposed abject and complete surrender.

For far too long, it has been completely unnecessary to ask—What are the aspirations of Panama with respect to the Canal Zone and the Canal? Panamanian leaders and agitators have never disdained to publish their objectives. But no clearer summary of them has ever been made than that by Gilberto Arias, recently Secretary of Finance in the Cabinet of President Chiari, as quoted on March 19, 1963, in the isthmian newspaper, Critica. His words were:

"In the future, with God's help, we will achieve our objective: that the Panama Canal be the property of Panamanians, under full and absolute jurisdiction of the Republic of Panama, maintained by Panamanians, operated by Panamanians, sanitated by Panmanians and protected by Panamanians."

More recently, there have been even increasingly irresponsible propagandistic statements, including blackmail, with threats of violence, expropriation and exploitation.

Contrast this to the more than 60 years of peaceful, uninterrupted, efficient operation of the Canal by the United States at rates so reasonable as to require expenditures by the United States to provide operating expenses above net receipts.

Moreover, Panama has been a country plagued with endemic revolution, having had 59 presidents in the 70 years since it granted sovereignty over the Canal Zone to the United States in perpetuity. Its present government is de facto, having instituted itself in power by military coup . . .

At the present time, the principal points in the canal situation can be emphasized as follows:

First. The United States has a fine canal at Panama *now* with indispensable sovereignty and jurisdiction over the Canal Zone for its efficient maintenance, operation, sanitation and protection.

Second. Experience has shown that the present canal works, and will continue to work, and how to provide for its major increase of capacity and operational improvement, *without a new treaty with Panama*.

Third. This modernization program, developed during World War II, known as the Terminal Lake-Third Locks plan, can be accomplished "at comparatively low cost" and in a relatively short time.

Fourth. Between 1904 and 1971 we, the American taxpayers, invested almost $6-Billion on the Panama Canal and its defenses.

Fifth. If we cannot hold the Canal which we built, own, and have maintained at our own expense and operated in virtual trusteeship for the ships of the world, the United States will be completely driven from the Isthmus, Panama will become another Cuba, and the Canal another Suez.

Adoption of Senate Resolution No. 34 by our Legislature, upon the recommendation of this Honorable Committee, will provide a rallying point for other sovereign states to follow. Our Committee has become informed that the American Legion and the Veterans of Foreign Wars, both, are presently distributing copies of Maryland's Senate Joint Resolution No. 34 to the presiding officers of all of the legislative bodies of the remaining states with request for similar action. Thus, the Free State of Maryland, once again, occupies a position of leadership for which we can all take justifiable pride. As Douglas Freeman, one of our most noted historians said: "If our nation ever falls, it will not be because of the common man, for he is sound. It will be because of the refusal of those of leadership capacity to lead."

NUTRITION AND USDA COMMODITIES

Mr. BIDEN. Mr. President, I am gratified that my colleagues in the Senate have expressed their support for the legislation, introduced by Senator McGovern, which will increase the scope of Federal food assistance programs. Senate passage of S. 3458, which authorizes the Department of Agriculture to purchase nonsurplus commodities for nutrition programs, and S. 3459, which increases the level of assistance for school lunch programs recognizes the need to insure nutritional adequacy for the indigent and for our school-age children.

Of particular importance to my State of Delaware is the permanent authorization for the purchase of nonsurplus commodities by USDA for donation to the child nutrition, institutional feeding, supplemental feeding, disaster relief programs, and other traditional recipients of these commodities. The current lack of surplus food has driven prices skyward, and without the authority provided in this legislation individual organizations, purchasing locally, would not be able to afford the same variety and quantities of food they now offer. The victims, of course, would be the indigent and the children.

In Delaware, the Division of Purchasing distributed 1,880,318 pounds of food to the schools and day care centers participating in the national school lunch program during the period of August, 1973, and January, 1974. These foods were purchased by USDA at a cost of $605,063.73. If the same food had been purchased locally, the cost would have been $809,406.81. Without this legislation the effects of these higher local costs on the 105,000 children served daily are obvious.

Another important aspect of this legislation, and there are many, is the authority for States to serve reduced price school lunches to children from families whose marginal income cannot provide for adequate meals. As the price of the school lunch rises, participation in the program drops, and the incidence of malnutrition or subnutrition increases. Information from school districts in Delaware indicates that the greatest drop in participation has occurred in the elementary schools, where the need for adequate nutrition is most essential.

Therefore, I commend Senator McGovern for his efforts in designing this important legislation, and my colleagues in the Senate for recognizing the need.

Mr. President, I would also like to express my appreciation to the many Delawareans who participated in an intense campaign to create public awareness of the need for this legislation. I have met with representatives from school district food services and from the Delaware Division of Purchasing, and through the efforts of these individuals, and many like them in other States, we have begun to consider Federal food assistance a national priority.

In this respect, I would like to share with my colleagues some of the information I received from the Delaware Division of Purchasing concerning the role of Federal food programs in Delaware.

Mr. President, I ask unanimous consent that two communications from the Division of Purchasing, the first to participants in the school lunch program, and the second to institutional participants, be printed in the Record.

There being no objection, the Communications were ordered to be printed in the Record, as follows:

Division of Purchasing,
Department of
Administrative Services,
Delaware City, Del., February 19, 1974.

During the period August 1, 1973 through January 31, 1974, federally donated foods totaling 1,880,318 pounds were delivered to those schools and day care centers participating in the National School Lunch Program. These foods were acquired by USDA at a cost to the federal government of $605,063.73.

If purchased locally, the same food, if and when available, would have cost $809,406.81.

The Division of Purchasing distributed the 1,880,318 pounds of food at a cost to the schools and day care centers of $22,844.52 in service charges.

The difference between what the food would have cost, the schools and day care centers, if purchased locally, and our service charges, is $786,562.29. This figure could, theoretically, be considered a savings to our local programs.

State-wide participation is 191 Schools, and 46 Day Care and Head Start Centers feeding 105,000 children daily.

Here are the price comparison figures:

PRICE COMPARISON FIGURES

Commodity	USDA cost, f.o.b. destination	Local price
Butter	$20.69	$25.60
Shortening	10.82	14.40
Flour, A. P	5.07	10.00
Cornmeal	3.91	8.00
Rice	12.42	16.00
Rolled oats	3.34	14.40
Dry milk	39.99	43.20
Dry beans	12.23	32.00
Peanut butter	15.88	22.08
Salad oil	13.68	21.00
Cranberry sauce	8.40	12.00
Frozen turkeys	$29.61	$34.40
Frozen orange juice	9.57	18.48
Canned green beans	7.62	11.04
Grapefruit juice	4.60	5.64
Boned poultry	49.56	NA
Ground beef	52.75	61.60
Canned tomatoes	7.86	10.02
Canned plums	8.17	11.28
Canned pears	11.27	16.96
Sweet potatoes	9.36	15.04
Frankfurters	32.37	40.59
French fries	5.79	5.94
Fruit cocktail	8.75	11.28
Canned corn	8.51	11.28
Canned peaches	9.03	18.40
Frozen chicken	13.90	16.50

NA—Not available.

Division of Purchasing,
Department of
Administrative Services,
Delaware City, Del., April 25, 1974.

Memorandum

To: Institutional Participants.
From: Russell Frey, Field Representative.
Subject: Federally Donated Food.

For almost 40 years there has been a Federal law, Section 32 of PL 320, regarding the purchase of surplus foods; since 1949, Section 416 of the Agricultural Act, regarding price supporting. Since all of you are involved daily with feeding and its accompanying problems, you are aware that, recently, there has been virtually no surplus, and no need for price supports. In order to purchase the greatest part of USDA commodities, special legislation was enacted last August, Section 4(a), P.L. 93–86, which authorized USDA to purchase commodities even though they are not in surplus nor need to be price supported. This authority expires June 30, 1974.

Without this authority, USDA estimated that 75% of the commidities distributed this year would *not* have been purchased. What does this mean to the Institutional Food Program? You may well understand that individual organizations, purchasing locally, in relatively small amounts, would not be able to buy the variety and quantities for the low per capita charge, rendered by this agency, which applies regardless of the quantity of food received by you. It should be clear to all of you how important these commodities are to the Institutional Food Program. . . .

During the period, Fiscal 1973, federally donated foods totaling 344,452 pounds were distributed to institutions in Delaware. These foods were acquired by USDA at a cost to the federal government of $87,628.59. With a participation figure of 5,585 persons during that same period, the cost to the recipient institutions was approximately $8,500.00 in assessments charged by this agency.

LEGION COMMANDER EATON SUPPORTS VIETNAM VETERAN

Mr. McGOVERN. Mr. President, the Senate Veterans' Affairs Committee has announced that comprehensive legislation dealing with the inequities in the GI bill will be ready for final Senate action with in a week or so. I want to commend the committee and particularly, the chairman, Senator Hartke, for the fine work done on the legislation. The announcement that the final Senate bill will include a tuition payment proposal similar to the one I have been advocating in the Senate for over a year is welcome indeed.

In the past year or so, there has been some misunderstanding and some bitterness on the part of ardent supporters of reforms for Vietnam veterans. Among other complaints, it was felt that the major established veterans' organizations were not supporting the reforms as strongly as they might. My own experience as a long-time supporter of increased benefits for Vietnam veterans does not support that contention.

In the most recent edition of the American Legion magazine, Comdr. Robert Eaton has written a straightforward analysis of the situation that leaves no doubt about the Legion's total commitment to the Vietnam veteran.

Mr. President, I ask unanimous consent that Commander Eaton's article be printed in the RECORD. Its timeliness in regard to the activities of the Congress speaks very well for itself.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SORRY STATE OF VIETNAM VETS' EDUCATION—AND WHAT TO DO ABOUT IT

(By Robert E. L. Eaton)

In recent months, newspapers and TV stations have begun to make the public more aware of the plight of thousands of Vietnam veterans in attempting to go to college under their GI Bill.

Many of them (typically those most in need of help) cannot go to school at all.

Their GI Bill benefits, which are far short of the WW2 benefits in the education they can buy, are too meager for them to make out.

Each Vietnam vet who wants to go to school on his GI benefits but can't represents a failure of the program, but a windfall for the government.

Last year, the Vietnam GI Bill benefits for a full-time, single, college student came to $220 a month or about $55 a week—known as a subsistence allowance. For a normal nine-month college program, this came to $1,980. For each Vietnam veteran who could see no way to pay for his tuition, books, college fees, room, board and transportation on $55 a week for nine months, Uncle Sam simply saved himself the whole $1,980, while the Vietnam vet got no allowance and no education.

The chief difference between the WW2 GI Bill education program and the Vietnam benefits is that in addition to a subsistence allowance, the WW2 veteran got up to $500 toward his tuition, books, etc. In those days, this covered the entire cost of tuition and books at most colleges.

The American Legion estimates that a similar allowance, not to exceed the actual cost of tuition, fees, books, etc., and with a ceiling of $1,000, would serve fairly well under today's soaring education costs.

But Vietnam veterans get no such allowance at all. Their subsistence allowance is their entire GI benefit. If they can't pay for their tuition, books, fees, etc. out of their $55 a week "subsistence" they can forget about school unless they have ample means from other sources.

The average cost for books and miscellaneous fees at most colleges today is put at about $216, or just about one month's Vietnam GI "subsistence." Tuition fees range all up and down the scale, and are going up. In some state universities, tuition is free for veterans of that state, which is a real break for as many resident veterans as they'll accept. In others, it is as high as $890 for residents and $1,000 or more for non-residents. Private colleges and universities may charge up to $5,000 or more with no break for state residents. Some purely technical schools below college level charge over $2,000 in tuition. Tuition in the neighborhood of $700, which is quite common and due for a further raise next fall, would take every cent of 13 weeks subsistence allowance.

Small wonder that TV stations have had little trouble finding Vietnam veterans to put on the air to make cynical remarks in the order: "Yeah, I could make it to college if I didn't eat, and slept in the gutter."

Nevertheless, the program has worked "well" enough to permit a large number of rosy statements from government sources citing its "success." Large numbers of Vietnam veterans have been able to use their GI benefits. But citing the raw numbers hides the discrimination against the neediest veterans that is built into the meagreness of the Vietnam education program to date.

The $55 a week has been of great value to those veterans who have enough money of their own to make up for its inadequacy, or whose parents can afford them substantial help, or who have been able to qualify for substantial scholarships or loans, or who are lucky enough to live in those states with the most progressive state university programs for their young citizens.

State aid seems to account for a large percent of college attendance by Vietnam veterans for which the federal government has tended to credit the Vietnam veteran's GI benefits. California, with an excellent state university program, seems to have a veteran enrollment of about 37%. Vermont, whose state program is no match for California's, shows about 14.2% veteran enrollment. West Virginia, Indiana and quite a few others don't show a great deal more. This situation has been continuous since the first substantial number of Vietnam veterans began to be discharged nearly ten years ago.

Many borderline Vietnam veterans (financially) are going to college but can hardly be considered a success for the GI program. They have made it by shopping around for the cheapest course in the cheapest college, often abandoning the course of study they preferred because it wasn't offered in the schools they could afford to attend. Any WW2 vet who was accepted for admission could have made it to Harvard Business School financially, in 1946, granted he would take the usual student jobs if he was personally on his uppers. His GI Bill was sufficient to scratch through somehow. This is impossible for a Vietnam veteran if his chief asset is his GI benefits.

The worst situation by far, however, is the plight of the Vietnam veteran without other resources, who simply cannot go to school at all.

It is remarkable that a nation which expresses a great concern for the needy has for years gone along with a GI education program whose workings favor those veterans with the most means and deny any benefits at all for those with the least.

I am hopeful that the sudden interest of the news media will help push forward a speedy reform. The Legion has been seeking improvement for some years but without much support from other segments of the public. Two years ago the Harris poll took an interest. It reported, after a survey, that 59% of Vietnam veterans didn't apply for GI school benefits, and as many as 83% of these indicated that there was no point in applying because there was no way they could afford college even with their GI benefits.

The media have as yet largely failed to pinpoint where the trouble has been or what the remedy is. Some TV programs have done an excellent job of portraying the plight of the veterans, but have then explained that it was the fault of the public, of the viewers, of you and me, because we just had too little sympathy for Vietnam veterans and were "turned off" on their war.

The nub of the problem is quite simple. Vietnam veterans need a tuition and book allowance on top of their subsistence payments. The TV viewers never did anything to prevent it. Only the Congress and the President can provide it. Neither President Johnson nor President Nixon ever gave Administration support for GI tuition and book allowances. News programs sometimes blame the Veterans Administration. The VA has consistently opposed tuition payments while issuing statistics about the success of the present benefits. It does this as an arm of an Administration which is opposed to tuition aid. But the VA cannot grant tuition allowances until the Congress enacts authorization, and if it does, the VA then must pay the allowances. The Congress has never approved tuition allowances and has rejected the appeals of Vietnam students and the Legion, working together.

Not until the 7th of April of this year have I seen any of the media indicate where the center of resistance has been in Congress. On that day, William Greider reported in the Washington Post that Rep. Olin E. Teague, of Texas, has opposed veterans' tuition allowances since 1950 when, as a young member of the House Veterans Affairs Committee, he led an investigation of the rackets which colleges, universities and their faculties made of the tuition and book allowances granted WW2 veterans.

This is an old story to the Legion. Rep. Teague rose to be Chairman of the House Veterans Affairs Committee, and held the chairmanship until quite recently, when he voluntarily left it to head a different committee. During his years he did a great deal for veterans, but he became a stone wall of opposition to tuition allowances for Vietnam veterans. In his powerful position he refused to report out any bill authorizing them.

In 1971, Gil Moody, the state Legion Commander in Rep. Teague's own state of Texas, wrote him beseeching him to report out some kind of tuition payment to Vietnam veterans. The answer was a flat no, because the colleges had cheated the government after WW2 by abusing the tuition allowance as it was then administered.

In 1972, when Legion National Commander John Geiger was trying desperately to get tuition payments authorized, the Legion's Director of Rehabilitation and Veterans Affairs, Edward Golembieski, advised in a letter of Jan. 2, that there was almost no point of the Legion even putting in a tuition bill "in view of the Chairman's adamant opposition." We did put it in, and, as predicted, it was never reported out.

What we were able to get was a gradual increase in the subsistence allowance to the $55 a week in effect last year. The House of Repersentatives has recently approved a 13% increase for next year, bringing the weekly allowance for a single, fulltime student to about $62. Though any increase would help, this would hardly solve the problem. In fact its chief effect would be to keep the present situation from getting worse in the face of mounting educational costs, every aspect of which is rsing faster than the cost of living.

It is ironical to think that it was the sins of the colleges and universities a generation ago which have been invoked to deny an education to the Vietnam veterans who need help the most—and not the nature of the Vietnam war, as many have said.

It is entirely possible for Congress to devise a program granting tuition which the colleges could not so easily abuse, and I am happy to report that the Senate Veterans Affairs Committee is now considering several bills to provide a tuition allowance to Vietnam vets. I had the pleasure on April 9 of discussing it in person with the Chairman, Sen. Vance Hartke of Indiana, and the next day our representatives testified before a Senate sub-committee, offering our recommendation that a tuition allowance of up to $1,000, but not to exceed the actual cost should be authorized.

Since there is no such provision in the House bill—while the President and the Veterans Administration actively oppose tuition—I hope that the public will now get in the act and write vigorous letters to their Representatives and Senators to support such a measure. I hope the media will keep it up, too, and will do more to spell out what their audiences can do to help. It isn't very hard to do. Demand reasonable tuition and book allowances for Vietnam veterans, so that the neediest veterans can benefit as much as those with more ample resources.

ADDRESS BY DEAN CLARENCE E. MANION

Mr. THURMOND. Mr. President, on May 15, 1974, Dean Clarence E. Manion delivered an inspiring address on the foundations of our Republic and the significance of the Declaration of Independence. The occasion of his address was a Washington testimonial dinner in his honor. Dean Manion used that opportunity to deliver a stirring call for a return to the religious principles instilled in our American declaration.

In the clarity of his words, Dean Manion recited the Nation's drift away from those lofty ideals which made such an impact upon the world in 1776. He reminded us that the Founding Fathers never intended that freedom of religion be a bill of divorce from the Almighty. As he pointed out, the Congress on September 24, 1789, called upon President Washington on the same day it approved the first amendment to the Constitution, to proclaim a national day of thanksgiving and prayer to Almighty God.

Mr. President, as we approach the time of our Bicentennial celebration, the words of this distinguished American should be heard and heeded. For, as he said, it is the 200th anniversary of the Declaration of Independence which we will be observing in 1976. It was that inspired document which established the American Nation under God.

Mr. President, Dean Manion so eloquently presented his case for a reaffirmation of the basic American principles that I would like to share them with the Members of the Senate. I ask unanimous consent that his address, entitled "To The Republic—Where Is It? Could It Be Hiding in Our Declaration of Independence?" be printed in the Record at the conclusion of my remarks.

There being no objection, the item was ordered to be printed in the Record, as follows:

"To the Republic"—Where Is It? Could It Be Hiding in Our Declaration of Independence?

(By Clarence E. Manion)

This will be the first speech I ever made in response to a subpoena. I wasn't asked to come here tonight; I was ordered to come. Nor was I promised immunity in exchange for this testimony at my own testimonial. Neither do I have access to the Fifth Amendment. I don't know what Judge Sirica would think of such a witness, but I want to assure him and everybody else that I did not break into the Mayflower! I have been brought in, and any plans or secrets of the Liberals that I have in my possession came from the public domain, namely, the newspapers.

But next—and more seriously this time—let me say that while I do not deserve it, and tried my best to prevent it, I am nevertheless overjoyed by this beautiful tribute. My gratitude for it is so deep that I dare not trust my notoriously weak emotional restraints by trying adequately to express that gratitude now to Phyllis Schlafly, Senator Helms and all of the wonderful men and women in the great patriotic organizations and publications who conceived, sponsored and produced this memorable occasion.

So permit me to detour around a possible crack-up by simply expressing the hope that the Good Lord will richly bless all of these unselfish sponsors and all of you, too, my dear friends, for this comforting manifestation of your great charity. From my long experience with Him, I am sure that He will do just that.

During this dinner I have been making a person-to-person, visual canvass of this remarkable audience. My conclusion now is that, by and large, we have here tonight the most distinguished, learned, heat-tempered, case-hardened group of patriotic Conservatives ever assembled in this country, No doubt the reporter whom I observed identifying each of you as you arrived has now gone back to his pressroom convinced that here tonight there has just arrived, and most appropriately in the Mayflower, mind you, the vanguard of the long awaited "Seven Days in May." He will probably report that each of you arrived armed with a big "piece of the rock"—the Plymouth Rock, of course.

Your conservative learning and experience emancipates me from a chronic obligation that I habitually assume on the radio in trying to convert at least a part of the listeners to an appreciation of some facet of conservatism as the saving grace of American freedom. Fortunately, all here tonight understand that sweet mystery of life as well as I do. So, at long last, I am free to say a few, although not entirely unrelated, words about something else.

To me, the stubborn persistence of the Manion Forum through the years invariably recalls the outstanding, enduring character described in Carlyle's dramatic story of the French Revolution, the mercurial but dedicated Abbe Sieyes.

The Abbe was the only clergyman who turned up in the first French Revolutionary Assembly in 1789. He joined the revolutionary movement with an iron-clad determination to draw up a strong constitution for the New Free France modeled on the one that had just been adopted in America. For ten turbulent, frustrating years the Abbe kept his long nose to that rough grindstone, straight through the ruthless reign of terror while the busy guillotine was washing the streets of Paris with the blood of hundreds of his fellow revolutionary leaders, and right up to 1799 when Napoleon Bonaparte quieted everything down with his long promised blast of grapeshot.

Many, many years later, a very young Frenchman asked the aged Abbe Sieyes to tell him all that he had accomplished during the big Revolution. Replied the Abbe, "I survived." Like the Abbe Sieyes, the Manion Forum has survived, and in spite of its twenty years of ups and downs it is still going strong.

I am more than ever convinced now, at this perilous point in time, so to speak, that it is critically important for learned and concerned Conservatives to give studious attention to this critical key concept called "Survival."

For instance, there is a great debate going on now about the moral propriety of employing extraordinary methods for keeping a sick human being alive beyond the point when all hope for his or her recovery is gone. Now, let's face it, similar questions are currently plaguing many Conservatives about the hope of reviving what often appears to be the moribund conservative cause. Their question is: "Can the conservative cause survive?" And, beyond that, under our presently depressed and demoralized political circumstances, *should* it any longer survive?

But let me quickly submit that this is not the basic question. The basis question is: "Can and should the American Republic survive? Has our unique system of constitutional government, which was designed for our federated nationally independent country, now outlived its usefulness?" This basic question tells us exactly what the conservative cause is all about. The fact is that what we Conservatives have always been and still are trying to conserve is the National Independence and Constitutional Government of the United States of America.

We have sometimes allowed ourselves and others to forget that political Conservatives are the real, authentic American conservationists. Political Conservatives are dedicated to the preservation of the truly basic, irreplaceable resources of this country, namely, its moral, spiritual and legal resources. Patriotic Americans who are seriously interested in preserving the basic national resources implicit in our traditional climate of freedom with its safe environment of law and order, should quit listening to Ralph Nader and start reading the American Declaration of Independence. There—in our official declaration of national purpose—is where our basic store of these indispensible resources are enshrined.

Fortunately, unlike the Constitution of the United States, the Declaration of Independence has not had to suffer the slings and arrows of recent Supreme Court misconstructions. The American Civil Liberties Union has not sought—not yet, at least—to get Federal Court injunctions against the public reading or schoolroom explanations of the great Declaration. This is only because little if any of that is now being done. Nevertheless, in their recent decisions, Federal judges have openly invited the A.C.L.U. to present, on behalf of its atheistic clientele, such injunctive petitions when and if such reading, recitation or study of the Declaration becomes popular.

Unlike the Constitution, the Declaration is not what the judges say it is. On the contrary, it is the unchanging voice of self-evident truth speaking with the first breath of the new life of "the Republic for which it stands." So, in our search for the Republic, that remarkable Nation under God which the flag represents and which we all saluted so proudly at the outset of this dinner, we must turn to the Declaration which provided our Federal Constitution, and which so conclusively rationalized all of the principles, purposes and procedures of our entire constitutional system.

At its outset the Declaration states that we trace our title to our national independence to Almighty God Himself. Then, before we are ten lines deep into the document, we find that "We hold these truths to be self-evident: (1) That all men are created;"—in other words, God exists.

Please pause here to note that, expressly, this holding is not advanced as a logical conclusion. Deliberately, no evidence is offered to support it. For the members of the Continental Congress, no evidence was needed. They all join in the Declaration unanimously. They *knew* that Almighty God exists—not merely as a matter of their great religious faith but as an obvious matter of fact. Everyone of them believed these self-evident truths as confidently as he knew that he was alive when he subscribed to them. *Thus our Declaration of Independence was, and remains today, one of the most profound acts of religious faith in all history.*

The signers went on to declare that all men are "created equal"—equal in the sight of God, their Creator, that is, and therefore equal before the law of the new land that they had brought into existence then and there. All men are thus equal before God and before the civil law, and they are otherwise unequal, different, that is, in every conceivable way. The Declaration does not say that all men are born equal, because obviously they are not. Our Creator gives each of us a special, different personality that is apparent from our looks and actions and is finally certified by your fingerprint. Take a look at that fingerprint of yours. It is your God-given individuating trade mark which distinguishes you and each of us from every other person who now lives or who has ever lived on the face of the earth.

This is the vital point and place where Abbe Sieyes' French constitution-makers cracked up on their man-made, atheistic rock called "liberty, equality and fraternity." Our God-fearing political ancestors went the French Revolutionaries one better: they insured the success of our constitutional system by latching it into eternal God-made truth.

If all men were identical, if they had been geared like the lower animals—to do the same thing under the same circumstances at the very same time—and had been left without the individual incentives, ambitions and aptitudes that have collectively pulled human civilization steadily forward, no one would have ever made "two blades of grass grow where one grew before." That being so, the human race would have starved to death thousands of years ago.

The Declaration goes on to say that all men are endowed, not by the civil government, but by God Himself, with "certain unalienable rights" and that the one over-riding purpose of all civil government is to secure and protect each person's God-given life and liberty while that person is making his particular contribution to the general good by using his personal talents to provide for his own welfare.

The Declaration makes it clear that civil government is never our master. On the contrary, such government is merely man's agent for the protection of God's gifts. All of this makes our Declaration of Independence the greatest theo-political document ever published in the world. It is the most perfect orientation of man to his God, to his government, and to his fellow-man to be found anywhere in all literature outside of Holy Writ.

It speaks eloquently and directly to the point of all of our present political discouragements and disconsolations, but, apparently nobody is listening to the Declaration of Independence. And, unfortunately, the people who are most completely deafened to its voice are a majority of the Justices of the United States Supreme Court.

In the beginning of our history, Supreme Court Justices were continuously construing the letter of the Constitution in the spirit of the Declaration of Independence, and said so. But, unfortunately, our recent generation of Justices have short memories. They remember and rely entirely and without question upon the ruling of Tom Clark, Hugo Black, Earl Warren, Arthur Goldberg, and William O. Douglas. They apparently have no official recollection of Justices Marshall, Moody, Brewer, Hughes, and Cardozo, or of their periodic face-to-face castigations by Felix Frankfurter.

And so, fifteen years ago, while the Fedtral Trade Commission wasn't looking, the errant Justices climaxed their insulated wisdom by gratuitously merging the first eight amendments into the 14th Amendment, and thus effectively wiped out the basic separation of powers between the States and the Federal Government that the Founding Fathers had used as the warp and woof of our Federal system.

Since that time, our Supreme Court picks up the entire Constitution only when and where, if ever, the 14th Amendment leaves off. Thus, and right while the Congress and the Presidency have been making Brownie points about the sacredness of the separation of their respective powers, the Supreme Court and its deputy District Federal Judges have taken over the administrative supervision of state insane asylums, state prison reform, state school busing, state abortion and pornography laws, and, among other things, state legislative, school and Congressional districting. At the same time, Federal judicial oversight has blanketed and preempted the whole field of state crime and punishment.

Over the Manion Forum microphone a few weeks ago, the able Attorney General of Indiana, Theodore Sendak, complained and cited numerous examples to show that in the last few years the Federal courts have decided that they are to legislate. They now make new laws instead of deciding cases and controversies under existing laws. He said that by the current use of so-called equity powers, the Federal courts have carried their jurisdiction to the point where they are now all three branches of government in one.

The remedy that our Chief Justice Burger proposes for the resulting over-crowded and conjested Federal Court dockets is more Federal judges. To the layman it appears that if we could get the Federal judges out of state schools, insane asylums and prisons, we might find ourselves with more of them than we need.

One hundred and twenty-five years ago, in deciding for the Supreme Court of the United States that the Federal courts should not intervene in state political controversies, the Court's distinguished Justice Woodbury said this:

"If the people in the distribution of powers under the Constitution should ever think of making (Federal) judges supreme arbiters in political controversies when not selected by nor frequently amenable to the people, they (the people) will dethrone themselves and lose one of their own invaluable birthrights; building up in this way slowly but surely a new sovereign power in the republic in most respects irresponsible and unchangeable for life—and one more dangerous than the worst elective oligarchy in the worst of times." (Luther v. Borden, 7 Howard 51–53–1849)

Not as slowly, but just as surely, as Justice Woodbury prophesied, the separation of powers, which for so long constitutionally characterized our Republican form of government, has been wiped out by the new consolidated power of the Barons of the Federal Bench.

But the most significant result of its gratuitous consolidation of the First Amendment with the 14th came when the Court held that the First Amendment's "no religious establishment" clause was now suddenly an indissoluble part of the 14th Amendment and thus now and forevermore a restriction upon the states. Consequently, henceforth the states could not any longer permit students in its public schools voluntarily to say together, out loud:

"Almighty God, we acknowledge our dependence upon Thee and we beg Thy blessings upon us, our parents, our teachers and our country." (Engle v. Vitale, 370 U.S. 421, 1962)

That was in 1962. Since then, under the prodding of professional atheists, the absolute divorce of God from the Government of the states and of the United States has been affirmed every time that a case in point could manage to get itself before the Supreme Court for decision.

The irony of this contrived, official anti-God twist in the Supreme Court's version of our constitutional history is disclosed in the Congressional Record. The Court has insisted that this ruthless separation of God from government was written into the First Amendment by Congress. However, the Congressional Record reveals that on September 24, 1789, the very same day on which it approved the First Amendment, Congress called upon President Washington to proclaim a National Day of Thanksgiving and Prayer to Almighty God.

Wasn't the Supreme Court able to find the record of that Congressional call in 1962? Or did it ignore it?

Back in 1917, Vice President Tom Marshall suddenly interrupted and cooled down a heated Senate debate on the pressing needs of the Nation. Said Marshall: "All this country needs is a good five-cent cigar." If Marshall came back to look us over today, he would probably say that all this country needs now is a good exorcist! Old-timers like Marshall would undoubtedly see a lot of deviltry in our American way of life and strife today. The kidnappings, burglaries and blackmail merely headline the constantly rising currents of crime, cruelty, amorality and wide-spreading popular fear.

For the first time in a hundred years, Congress is challenging the right of the President to complete his term of office. The easy excuse is to blame all of the turmoil on the stubborn iniquity of Richard Nixon, but in the perspective of our troubles that explanation doesn't stand up. Mr. Nixon's publicized deficiencies are among the effects rather than the causes of our troubles.

Vice President Marshall would undoubtedly say that our present plethora of troubles is a Divine Judgment that we have brought upon ourselves. He would read the Declaration of Independence and then look at the present anti-God decisions of the United States Supreme Court. He would want to know how resounding was the roar of protest from the Bar, the state judges, the colleges, the churches, the Congress and the President when these no-prayer, anti-God decisions were announced? At that time our children had been praying aloud in all of our schools, public and private, for 170 years under the same First Amendment that the Supreme Court now uses to silence them.

Was it popular ignorance or popular apathy that accommodated our people to this proclamation of neutrality for our government in the battle between God and the devil? Marshall would ask what kind of a face will this put upon our upcoming celebration—or will it be a cremation—of the Declaration of Independence on July 4, 1976? He would remember that John Adams, who signed the Declaration of Independence, wrote to his wife the next day that the great event "should be solmenized by future generations with pomp, parade and bonfires from one end of the country to another with acts of devotion to God Almighty from this time forward forevermore."

Marshall would have missed what President Coolidge said about the Declaration on its 150th anniversary in 1926, but he probably heard about that, too. Listen to it:

"There is a finality about its self-evident truths that is exceedingly restful . . . No advance, no progress can be made beyond these propositions. If anyone undertakes to deny these truths, the only direction in which he can proceed historically is backward to the time when there were no rights of the individual . . . These principles have their source and roots in religious convictions. Unless the faith of the American people in these religious convictions is to endure, the principles of the Declaration of Independence will perish."

Now, at this point, we would be forced to tell Marshall the hard truth. During the last eight years Presidents Johnson and Nixon have appointed three commissions which have spent millions of dollars doing nothing about the upcoming 200th anniversary of the Declaration. Unfortunately the only activity that I have encountered in connection with 1976 is by an organization that ignores the Declaration of Independence and is hailing the anniversary as a time to bring about a new revolution which will destroy our constitutional system by the establishment of a Maxist government for the United States.

Are the officially appointed Presidential Commissioners afraid that they may be enjoined, or arrested if this precious, priceless document is read and explained over the air and otherwise publicized under their auspices?

Remember, please, that it is the 200th anniversary of the Declaration of Independence that we are to celebrate in 1976. We are not commemorating the anniversary of our national independence itself; that was not confirmed until 1783. In 1976 we will, or should be, celebrating the survival of our Republic as it is defined and previewed in this inspired and inspiring prospectus for our free constitutional system. So at the moment it is the Declaration of Independence that is calling—in vain—for volunteers.

I therefore hope and pray that political Conservatives will move in at once and en masse to occupy the disgraceful vacuum that now surrounds this upcoming bicentennial. And let all Conservatives who aspire to be President, Senator, Congressman, governor or state legislator adopt the Declaration of Independence as the supporting base of their platform, with the Ten Commandments as the next adjacent plank.

This will remind our countrymen that each and all must govern themselves according to God's moral laws if the constitutionally limited civil government of our Republic is to succeed and be sustained. This resounding conservative act of faith will catch the conscience of every patriotic American. It will cut our bewildered people loose from the wickedness and snares of the Devil who now slithers through the seductive Utopian doctrines of Permissiveism, Behaviorism, Humanism, Liberalism, Socialism and Communism.

It will revive the unconquerable "Spirit of '76" that is the key to the survival and revitalization of the Republic and to a sweeping victory for the union of God and Country, one and inseparable, then and now and forever.

A NEED FOR DRASTIC REORDERING OF OUR FOREIGN AID PRIORITIES

Mr. PROXMIRE. Mr. President, on May 29, my distinguished colleague from Hawaii, Senator Inouye, who is also chairman of the Foreign Operations Subcommittee of the Appropriations Committee, delivered a speech to the western regional convention of the American Society of Women Accountants. His speech eloquently calls attention to six problems of the "era of scarcity" that we now live in: poverty, population, food shortages, inflation, energy shortages, and weapons control. After analyzing these problems, he calls for drastic reform in the way our foreign aid is distributed and urges that the United States alter its priorities by concentrating its aid on social and economic hardships of the less developed world, rather than on military aid, in order to meet the pressing problems of the era of scarcity.

I would like to commend his remarks to the serious attention of the Members of the Senate, and I ask unanimous consent that they be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Remarks

(By Senator Daniel K. Inouye)

Since 1970, something almost unnoticed—yet basic and universal—has occurred in the world. Mankind has slipped out of the Era of Plenty into the Era of Scarcity. This change represents the most profound alteration in the society of man since the Renaissance. It affects each and every one of us to some degree today. In the not too distant future, it will dominate the lives of two-thirds of mankind; later, it will overpower the hopes and dreams of four-fifths of the world.

Strangely, very few of us are aware of what has happened. However, these world issues are of such enormous scale that sensible people can no longer ignore them.

United Nations Secretary General Kurt Waldheim stressed this when he recently said, "The pursuit of short-term national interests by any nation or group of nations can no longer provide even a brief reprieve from the inevitable results of the present trends." In an April 15th address before the U.N., Secretary of State Henry Kissinger called it, "the challenge of interdependence." Secretary Kissinger stated, "We are part of a single international economic system," and he somberly challenged the assembly and the world "to come to terms with the fact of our interdependence."

Like a runaway engine with numerous attached cars, there are six major interconnected problems that we must face and somehow master if the collision and tragedy that confront us all are to be avoided. These problems are: poverty, population, food shortages, inflation, energy shortages, and weapons control.

Each inescapable element has its own properties and problems. When they are combined, as they now are rapidly combining, they, like the various elements of a nuclear bomb, may trigger an explosive chain reaction of massive forces—social, economic, and political. Some are now already quite evident.

Poverty grips more than two-thirds of the world's people. Some of the world's poverty-stricken are here in America, where 19 million adults over the age of 16 years are functionally illiterate and 24 million of our citizens are officially malnourished. However, this represents only a small fraction of the abject and inhumane poverty that exists abroad. While one-third of mankind lives in relative abundance—and some in superabundance—the rest of the world's population remains entrapped in a web of hunger, malnutrition, illiteracy, unemployment, and corrosive poverty. The gap between the rich and the poor widens daily in an almost insurmountable chasm.

Last year, average income in developed countries was approximately $2,400 per capita. The comparable income in the nondeveloped countries was $180. Within 10 years, the industrialized and developed nations will raise their per capita income by $1,200 to $3,600 per person. Three-quarters of the rest of the world will be fortunate to add $100 each raising their per capita income to $280. Imagine that: by 1980, the numbers will be $3,600 to $280—a 13.1 ratio!

Each year, 80 per cent of the increase will go to those countries where per capita income already averages more than $1,000. These countries contain only one-quarter of the world's population. A mere 6 per cent of the gain will go to countries with per capita incomes averaging $200 or less—countries which nevertheless contain more than 60 per cent of the world's people.

There are many types of poverty. Poverty is a relative term. Poverty as experienced in America's Appalachia would represent a reasonably comfortable middle-class existence to the poor of the Sahel or Bangladesh.

The poorest of the poor—or roughly 40 per cent of the developing countries—have shared almost no growth and live in conditions of deprivation that fall below any rational definition of human decency. In more than twenty countries, the very poor earn less than $80 a year or less than 30¢ a day. In India alone, more than 210 million people—the approximate population of the United States—live on less than $40 a year.

Unless governments can reverse the present trend, the income share of the poorest 60 per cent will further decrease while that of the richest 5 per cent will continue to increase. There has been virtually no "trickle down" of resources and income. Here development efforts have almost completely failed.

The population problem is undoubtedly the greatest single obstacle to world economic and social improvement. While it took our planet approximately two million years for the human population to reach three billion, it will require only 35 years at present rates to add an additional three billion people. By the year 2000, the earth's population will increase by more than one billion persons every eight years.

What does this really mean? Let us try to visualize it. If you become a parent today and your child lived into his seventies, he would know a world of approximately 15 billion people. Today's population is just over four billion. Assuming this rate of increase continues, his grandchild would share a world of more than 60 billion. Obviously, some links in the chain of life would break before then.

The United States and other industrialized nations have allocated considerable resources and talent to their own population control problems. At present, the developed world has achieved a stable population with very little numerical growth.

When India announced a year and one half ago that she had achieved a decrease in her growth rate, it was hoped that the populations of less developed countries might be eventually controlled. Now we know that, not only did India not achieve the announced reduction, but her population, like much of the rest of the Third World, is actually hopelessly out of control. By the year 2000, the number of inhabitants of the developed and industrialized countries will scarcely change, but the populations of the developing and less developed nations will at least double. Approximately 20 per cent of the world's population will then live in the developed countries. By the year 2040, this will drop to just 10 per cent and continue to decrease unless we can effect rather massive change in the world.

Of the six international and intranational trends being discussed today, food and food shortages are perhaps the most well known and pathetic.

Last year saw food shortages in India, Sahel, Bangladesh and other areas of the world. That was before the oil crisis. Now there will be far less energy available to run tractors, irrigate marginal land, and produce vital fertilizer. Due to lack of fertilizer alone, it is estimated that India's wheat crop will be reduced by at least one-third this year. Throughout most of Asia, crop production will be down sharply and with a 2 to 3 per cent yearly population increase certain, a huge food deficit threatens.

For weeks, alarming reports have been circulated predicting poor harvests in India, Afghanistan, New Guinea, Kenya, Ethiopia, and other Third World nations. At present, across the Sahel region of North Africa, a full-scale starvation grips entire nations. In spite of massive international humanitarian relief efforts, an ever-increasing number are dying, and unless other methods are utilized, millions more will starve and additional millions will be debilitated and retarded.

In the developing countries, close to one billion persons presently suffer from severe malnutrition or starvation. Twenty to 25 per cent of all children die before their fifth birthday. The life expectancy is 20 to 30 years less than it is here in America. With the developed population now stable and the developing nations rapidly gaining additional inhabitants, this chaotic situation will worsen.

A profound moral and political test awaits the United States and other developed nations on the issue of food.

Recently a well-known nutritionist at Harvard got to the heart of this problem. He stated, "The same amount of food that is feeding 210 million Americans would feed 1.5 billion Chinese on an average Chinese diet."

The older developed nations and numerous newly-developed nations are constantly improving their diets. As the food supply in the world during any given year is relatively finite and fixed, this dietary improvement is often achieved at the expense of marginal diets elsewhere. Americans ate 50 pounds of beef per capita in 1950. In 1973, it was 119 pounds per person. Presently an American consumes 2,200 pounds of grain—most of it to fatten his animals. A Chinese needs only 400 pounds to live on an average Chinese diet.

Simply averting our attention will not deny the linkage between the level of food production and consumption in the U.S. and other developed nations, and the ever-widening ripple of starvation throughout the world. In order to merely maintain the present inadequate diets, food production must double by the year 2000 to keep up with population increases. At present, world food reserves are down from the 69-day supply in 1970 to less than a 30-day supply in 1974—the lowest level since the holocaust of World War II.

While times does not permit me to dwell on it at length in this discussion, the interrelated problems of worldwide inflation and the energy crisis are pertinent. If oil prices, which are now approximately four times 1972 prices, stay at present levels, it will cost the developing countries some $15 billion more for essential imports in 1975 than it did in 1974. This increase is equivalent to nearly five times the total net U.S. development assistance in 1972 and almost double the total amount of development assistance for all developing countries from all sources that year.

This year, all nations must face increased oil prices as well as higher prices for essential food, fertilizer, raw materials and/or finished products. The rate of inflation ranged from some 7 per cent to 25 per cent for developed countries this past year. However, the rate was much higher in the non-industrialized countries where it ranged from 20 per cent to 200 per cent.

Some developing countries will be able to partially offset increased prices and inflation with exports of raw materials. For the poorest 40 countries, there is little relief available. In the near future, they will need at least an additional $5 billion in aid merely to maintain this stability and survive.

Perhaps the greatest paradox in the entire aid picture centers on weapon development and procurement. For whatever it is worth to America, we are the world's largest supplier of weapons and military material to the developing nations: Planes and advisors to Bolivia, F-14 jets to Iran, tanks to India and Pakistan, carbines, helicopters and transports to the Philippines. The shopping list is endless and the customers read like a list of the Who's Who in the United Nations.

Over the past decade alone, the United States sold or gave away more than $21 billion in weapons to more than 60 countries. This accounts for more than one-half of the total international trade in arms. Even more unsettling is the fact that our military exports have doubled in the past four years and jumped again this year—to more than $5.4 billion.

We supply not only arms and material, but also war technology and advisors. Many thousands of police and military have been trained with U.S. foreign assistance and weapons development encouraged. You may have noticed that a few weeks ago, India, one of the largest and poorest nations on the earth, exploded a nuclear device underground. At a time when her millions are literally starving, India has invested millions of dollars and valuable technology in the preliminary production of a nuclear capability.

Last year, I called for our government to curtail this senseless policy of weapons distribution and sales. I urged at that time that the Administration attempt to bring about a meaningful inernational agreement on conventional (non-nuclear) arms distribution, especially in the developing world.

Americans are the most generous and humanitarian people in the world. Since World War II, the United States has provided more than $183 billion to the world in international assistance. In a recent public poll, 84 per cent believed it to be in the best interest of the United States to help other countries. Almost 70 per cent favored the United States providing direct and multilateral assistance to the developing world. Yet, foreign aid is the most unpopular program within the Congress and in the nation.

As chairman of the Foreign Operations Subcommittee of the Appropriations Committee, I can assure you that there are many valid reasons that Americans react this way.

Whereas most Americans believe that foreign aid means "helping other countries and people by sending money and food," military items and police training represent a larger percentage of our total foreign aid than does economic and humanitarian assistance.

Our priorities in the way aid is distributed also need reordering. What is the Administration's sense of values—what is the grasp of the real problems facing humanity—when, this year, the Administration proposes to spend ten times as much on South Viet Nam with a population of 19 million persons, as on India, Pakistan, and Bangladesh with a total population of 711 million?

Clearly, drastic reforms are called for. Foreign aid, throughout the 1950's and 1960's, was closely associated with our overall foreign policy objectives of gaining political advantage in the Cold War. Today, the overall goals of the foreign assistance programs of the United States must not be primarily to halt the flow of communism and aggression. Detente and improved relations with the Soviet Union and China have removed much of that menace. Today, if our aid is to continue to be supported by Congress and the American people, it must speak to the real social and economic problems found in the less-developed world.

In addition, the entire U.S. assistance apparatus—which is the most top-heavy and expensive of all governmental agencies—must reduce its administrative cost and redirect its efforts.

The military component must be taken out of the foreign aid bill. In the past, it was argued that the military aspects helped to justify the economic and humanitarian aspects. I believe this is no longer the case. The world urgency of development—energy, food, and social—will easily absorb all the funds that we can make available for assistance. Continuing to pour American tax dollars and technology into bolstering the police and military forces of more than sixty nations can no longer be justified. In most cases, it compounds—rather than eases—the problem. Assistance should and does begin at home. We find ourselves in a rising price spiral, which demands that the expenditures of our tax dollars must be fully justified. Poverty, illiteracy, and hunger still exist within our land and our first priority must be to assist our own citizens.

Whatever funds the United States can make available for foreign assistance must be directed to reach and to assist the poorest people elsewhere in the world—not the richest, as has too often been the case in the past.

A complete foreign aid reassessment is essential. In the past, aid from rich to poor nations has had only a limited success in fostering development. Given the scope of the problems now forming throughout the world, our aid philosophy and methodology are antiquated and doomed to fail. The dangers of unbalanced economic and social world growth cannot be ignored. The adjustments must begin now.

ECONOMIC DEVELOPMENT PROJECTS CAN HELP SOLVE POVERTY PROBLEMS—OR AGGRAVATE THEM

Mr. HUMPHREY. Mr. President, a number of reports from the drought-stricken nations of the Sahel have pointed out how past economic development projects have often contributed to the problems of this extremely poor area rather than to providing solutions. The most recent such report is Ray Vicker's article in the Wall Street Journal of May 24, "Ancient Enemy: Many People and Cattle Exacerbate the Effects of Drought in Africa."

It is pointed out that cattle vaccination programs have resulted in herds too large for these marginal lands to bear. Wells dug in semidesert areas have resulted in overgrazing in the well areas. With the grass gone, cattle have stripped and killed the trees that prevented soil erosion. In farming areas, concentration on the production of on cash crop has caused deterioration of the soil.

Not only in the Sahel, but in many other parts of Africa as well, growing populations have in recent years been pushing against the limits of their land. More and more people are trying to make a living from Africa's marginal lands—farming and raising livestock in areas where rains are uncertain, where frequent years of drought destroy crops and pastureland. The dependence of ever greater numbers of people on these lands threatens the ecological environment and, at the same time, makes the consequences of drought and famine more severe.

The effects of development projects in the Sahel that did not take into account the total environment have taught us the great need for integrated development planning in this and all similar areas. To increase the cattle population in order to increase meat production, to drill wells at random in order to provide more water, to concentrate on increasing the production of a single cash crop, are obviously shortsighted projects which might raise incomes in the short run but have disastrous consequences for the economy in the long run. Unfortunately, these are often the least expensive development projects for countries with few resources. They require a minimum of training and detailed planning.

But as this article points out, it is training and careful planning that are essential if these mistakes are not to be repeated in the Sahel and other parts of

Africa. Herdsmen must be taught to raise fewer, better quality livestock—and provided with easy access to markets where their cattle may be sold. Research must be done on the kinds of crops and patterns of crop rotation most suitable to semiarid areas—and least damaging to the ecological environment. And efforts must be made to increase production per acre on the good land, so that fewer people will have to move to marginal areas to make a living.

The MIT study that AID has commissioned on the ecological effects of various development alternatives for the Sahel is a promising indication that we have learned that development requires more than simply increasing output in the short-run. But there is a need for a much greater commitment on the part of the developing countries and the international donor community to research in livestock and crop production in areas where rainfall is inadequate and uncertain, to adapting the findings of this research to the ecological requirements of each area, and to investing in the human resources of these countries as well as the natural resources.

Mr. President, I ask unanimous consent that Ray Vicker's article, "Ancient Enemy: Many People and Cattle Exacerbate the Effects of Drought in Africa," from the May 24, 1974 Wall Street Journal, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ANCIENT ENEMY—MANY PEOPLE AND CATTLE EXACERBATE THE EFFECTS OF DROUGHT IN AFRICA

(By Ray Vicker)

TIMBUKTU, MALI.—Two bony cows stand motionless in the glaring sunlight about 40 miles north of here, watching a blue-robed nomad of the Tuareg tribe cut down a lone acacia tree in a barren gully. As the tree crashes to the ground, the cows move slowly toward the leaves. They are starved for food, but too weak to run for it.

"There! You are seeing one of the causes of this drought," shouts a British agricultural expert on an aid mission as he brakes his Land Rover. He points to the fallen, stripped trees that lie along the gully. "The few trees help hold the soil for grass to grow after the rains," he explains. "With the trees gone the soil blows away, and there will be no grass for a long time even if the rains return to normal."

It is a lesson in the fragile ecology of this vast Sahel, the sub-Saharan region that is suffering from the worst drought in living memory. It is a drought that stretches across Africa from the Atlantic to Ethiopia and the Indian Ocean. A shift in weather patterns is the essential cause, of course, but over-population and overgrazing and other bad agricultural practices are tightly interwoven in the reasons why this drought is so severe—and why recovery, when and if it comes, will be agonizing and expensive.

The drought is of such staggering proportions that relief and aid agencies thus have focused most of their efforts on trying to feed the hungry; the problems of the drought's longer-term effects largely have been set aside.

AID ISN'T A SIMPLE MATTER

There are six million to eight million people in the Sahel who are acutely affected by the drought, plus unknown millions more in Ethiopia, where statistical enumeration is lacking. The volume of food aid for these people is likely to total 600,000 metric tons this year, up from 450,000 tons last year, says Kenneth A. P. Stevenson, the Rome-based director of the Food and Agriculture Organization's Office for the Sahelian Relief Operation.

Aid in this part of the world isn't a simple task. Often, determining where to send the food necessitates surveys, which the dirt-poor countries hit by the drought can't handle themselves. Then, roads, communications and such sometimes must be established in order to get the food to where it is needed. From Ethiopia in the east to Mauritania in the west, United Nations, Red Cross and other aid groups are frantically working long hours to create patchwork distribution facilities.

Near Dessie, Ethiopia, for instance, a British army team hacks feeder roads to remote villages that previously had to rely on mules to bring in supplies. Air transport would seem to be a faster, more efficient way to distribute urgently needed food and medical supplies, but aid officials largely avoid it. Why use precious aid funds on air transport, they ask, when the money might be better used for building roads that may be permanent?

It is a pertinent question, for if meteorological pessimists are right, African drought relief could develop into a long-lasting task.

THE HUMAN FACTOR OF DROUGHT

In fertile areas with considerable rainfall, somewhat less may not matter much. But in marginal lands such as the Sahel even a relatively small decline can be catastrophic. The African drought is not marked by a complete lack of rain; there usually is some during the June-September rainy season. What counts, though, is the volume of rain through the summer and its distribution over the Sahel. Since 1968, the rainfall has been under average and too spotty to sustain the demands that people are placing on the land.

"It won't be until next September that we will know whether or not adequate rainfall this year is breaking the drought," Alexander Rotical, UN aid chief in Mali, says in his Bamako office.

Meanwhile, some think the Sahel has been so devastated by drought that it will take more than a year of rain to end it. One theory is that the Sahara is relentlessly moving south, enveloping pasture and farming land. But others aren't so sure. "If the phenomenon of desertification exists at all, it is due to the human and animal element and not to climatic variations," says Marcel Roche, a Paris scientist with the French Organization for Scientific Research in Overseas Territories.

There certainly is much evidence supporting this condition. Population in the Sahel is increasing at a rate of nearly 3% annually, according to A. I. Grove, an authority on desert countries at the University of Cambridge in England. The Sahel has "one of the highest birth rates in the world," Prof. Grove says.

These growing numbers of Africans value cattle for prestige as well as for wealth. They tend to push the expansion of herds to the limit, with each man's social and economic position determined by the size of his herd. There were an average of 18 million cattle in the Sahel from 1960 to 1965, the FAO-estimates. By 1971 there were some 25 million—about equal to the human population. This number has declined since then as more animals died because of drought, but the herds still are too big for the available pastures to sustain safely.

In 1968, before the present drought set in, some areas were being grazed by 6,000 cattle where, the experts said, 600 would have been ideal given the water and the pasture. Now there are more cattle and less water. New wells have been drilled to provide water for the increasing number of animals, which lowers the water table.

"The new wells have allowed seasonal pastures to become all-year pastures," says A. Blair Rains, a British expert on African agriculture. "Now there are far more cattle per area, resulting in serious deterioration of the pasture."

Overgrazing has been so serious that even the roots of grasses have been destroyed. The few remaining trees are being cut down for their leaves to feed animals. Large patches of the Sahel have been stripped so bare that it might take seven to 15 years to rehabilitate them even with good rains, some experts say.

Sedentary farmers on the savannahs of the drought's southern edge also contribute toward diminishing the land's productivity. Most of them raise cattle as well as till the soil, and sometimes they farm land that might better have been left as pasture.

"But what can you do when the pressure of population calls for ever more food?" asks one French adviser to the government of Niger. He shrugs and lifts his hands in a gesture of helplessness.

Some answers may be forthcoming this fall when a U.S.-sponsored study of the region is due to be completed by Massachusetts Institute of Technology. The study, which uses systems-analysis techniques, may become the framework for long-range development in the area.

Meanwhile, some farfetched ideas are surfacing in the vacuum of realistic options. One of these schemes, proposed by those who think the drought's devastation might be halted by a torrent of cash, is to plant a green belt of trees across the Sahara. Presumably, this green belt would catch and hold moisture and thus provide pasture for the cattle.

But the only type of tree that grows in the Sahel is the stunted acacia, which has difficulty growing at all in places where a green belt would be most needed. Moreover, young trees are great gulpers of water, so in its first four years the green belt would require all the water of the Sahel; after that the trees might sink roots deep enough to reach underground water. But how would all the water of the Sahel be moved to the green belt? And how would people survive if all the water went to the trees? And who would pay for all this?

More practical programs call for teaching the people in the Sahel to practice more efficient farming and pasturing techniques, to husband the water they have and to fight erosion. Practical, that is, assuming that the six-year drought will end someday. That it might not is too terrible for people here to contemplate.

"We can't even admit that this 'drought' is anything but cyclical, nor can anybody else who is in aid work," says one western diplomat in Niamey, Niger.

"We are participating in short-range aid programs—purpose of seed to replant again this year, for instance—and other such assistance. We would be foolish to recommend such aid if we thought this drought were long-term. We would be throwing money away that might better be used for resettling these people," he explained.

Resettle them where? The question prompts a shrug. Is there a sincere conviction that the drought will end?

"But you don't understand," the diplomat says emotionally. "We can't even think of this being long-term. God! That would be too awful for any of us to face."

PRESENTATION OF PORTRAIT BUST OF PRESIDENT JOHNSON

Mr. BENTSEN. Mr. President, it was my privilege to be a guest on May 29 at the unveiling of the bust of President Johnson at the National Portrait Gallery. Our distinguished colleague, HUBERT

HUMPHREY, the Vice President under Lyndon Johnson, was the principal speaker. His eloquence was evident, as was the deep feeling which he expresses, a feeling which those who knew Lyndon Johnson share.

I ask unanimous consent that the remarks of Senator HUMPHREY be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR HUBERT H. HUMPHREY

It is a very great pleasure for me, and a personal pleasure, to return here to the Portrait Gallery and to share in the presentation of this remarkable likeness of Lyndon Baines Johnson. I want you to look at it. That sculpture almost comes alive to us. It is unfortunate that Miss Mason can't be here with us today to share in the spirit of this occasion, to see the many friends that are here—people that she has known so well, and to feel the admiration that her artistic work evokes. I'm sure you will agree with me that she has given loving attention to detail, and she has captured what you and I know as the qualities of this man—the dynamic and vital qualities of a man who was a leader in whatever position that he occupied.

It is difficult, even now, for me and, I am sure, for any of you—to speak of him as if he were not with us—present, physically. So, I am going to ask you to think of him in those terms—to look on him as a man of the present, and indeed, a man of the future, for surely his is a vital and perpetual and, for me, a continuing presence. And I am confident that that's the feeling of the millions and millions of people who knew and loved him, and who truly benefitted from the goals and dreams that he pursued. How well I recall how President Johnson would say to me that, as President, he was the man that had to speak for the people who could not speak for themselves. The person who serves as President has to be strong enough to speak for the weak and has to have the sense of ideals and presence to speak for those that may not be heard or who may be forgotten.

I want Lady Bird, and I want all of the friends of Lyndon Johnson, and indeed his family to know that I consider the greatest privilege of my life to have had the opportunity to serve with him—to be a candidate on the ticket with him; to run for election and win with him; and to be the Vice President of the United States in his Administration.

Mortality is a strange phenomenon. And when reflecting on the life of a great or historical figure, the temptation is always to want to enlarge and exaggerate the qualities of the one who is remembered so fondly.

But I'm going to level with you. I think it's impossible for any of us here to grasp at this hour and this time the full meaning of Lyndon Johnson's life. This will require the refinement of time, the refinement indeed of historical perspective, to filter out the dust of the minutiae, so that we can find the solid rock of character and of accomplishment that really symbolize and represent the man, his politics, his Administration.

What we can and do know is that he was a unique man. I have noted down here that he was a giant of a man. When he embraced you, you were embraced. And when he chastised you, you were chastised! There was no doubt, no ambivalence, no indifference.

He was a giant of a man that was groomed and nurtured in the great Texas hill country that he loved so much. He was touched by the disparities of great wealth and cruel poverty; by the arbitrary divisions of the North and of the South; and between the privileged and the deprived; and between the great and the mean.

Lyndon Johnson worked his way, fought his way, earned his way to the pinnacle of political power. I had a chance in a few years to watch that remarkable advance. We came to the Senate together in the same year of 1949. He moved in the company of the great world and national leaders. How well I remember. He used to tell me about people that I'd only read about, that he knew. But one thing I recall is that he never once lost sight of who he was, what he was, who he was for, and what he as for—in other words, his mission. Rooted firmly and squarely in the best traditions of our Nation, this man had a clear and sensitive understanding that people, not institutions, are the foundation of our government. He knew the first three words of the Constitution—"We the People." He never got them confused. He understood that the whole objective of government is what Thomas Jefferson said it was to be. You may recall that Jefferson said that the only legitimate objective of government is the health, happiness and well-being of the people. And that, indeed, was the guiding philosophy of President Johnson, who wanted to be remembered as the man who made great contributions to education, and wanted to be remembered as having opened the doors of opportunity for every American and even extending his great strong hand and arm to help people walk through those doors.

He was keenly aware of the worth of every person and the responsibility of government—and particularly the President—to speak to the needs and aspirations of those who are deprived of the opporutnity to enjoy the promises of freedom. I guess that's what drew me to him more than anything else.

And looking on the life of a fallen leader, we are sometimes inclined to speak of the achievements that he left behind, as I have here for this moment. But Lyndon Johnson's legacy is not the past. It is a living one. It is here and now—and that legacy is found in the face of a black child who will never again be forced to live in a society that has been divided on the basis of race.

It is a legacy of universal suffrage for all. I think that the one moment that he was happier than any time that I witnessed him in the legislative process was that moment in the joint session of the Congress when he addressed us on the voting rights—voting rights for everybody, and said, "We shall overcome!" That was a moment of tremendous emotion, and also of great purpose.

It's a legacy that he's left us for elderly Americans, hope for their greater security in their final and their dwindling years.

It is a legacy of education for every American boy and girl. Can't you just hear him say that he wanted every American boy and girl to have all the education that they could take, all that they could absorb.

And it's a legacy for economic opportunity for hundreds of thousands of disadvantaged citizens. I'd like to say here that the one war that this man really wanted to win, and the one that he wanted to wage, was the War on Poverty—not just the war on the poverty of the purse, but the poverty of spirit.

The list is endless, but most of all Lyndon Johnson left us with hope for the survival of our precious democracy. He showed us that the most diverse elements could be brought together. He understood the preamble of the Constitution—that we were required to form a more perfect union; to establish justice; to insure domestic tranquility; to provide for the common defense; to promote the general welfare; and to secure the blessings of liberty for ourselves and our posterity.

And he believed that these things could be done in the political process—with reason. and debate and decision. He defined for me and for you the challenges, and he showed us a way to meet them—upright, head-on, and not to retreat.

So this particular bust of this good man will remain here for our countrymen to see and to ponder. And I invite all Americans to remember not just the President, but to remember the man, Lyndon Johnson. Be proud of his accomplishments, for he was truly one of our own. Let's not look to his achievements as a static history of his period, but view them, rather, as a challenge to tackle the tough jobs that remain—just as he did, with a fierce, at times, and an uncompromising hatred for injustice, bigotry, and poverty which you and I know and which he knew sap the life of our people and taint the blessings of liberty.

Now I'm privileged to present a beautiful and wonderful woman that stood with this man through the years—a constant source of inspiration to him, a constant source of strength. When I think of President Johnson, I can't help but think also that the Nation received two for one—a President and Lady Bird Johnson. God bless you.

AMERICANISM—OUR PRIVILEGE AND OUR STRENGTH

Mr. PROXMIRE. Mr. President, today when so many people have lost confidence in the Government, it is refreshing to find a reaffirmation of the values upon which this country was founded.

I recently came across just such a reaffirmation. It was in the forum of an essay written by Ruth Ringelstetter of Lake Mills, Wis., who submitted it in the yearly Wisconsin American Legion essay contest. This year's theme was "Americanism—Our Privilege and Our Strength."

Her essay, which won first place in the grades 10–12 division, reminds us of our heritage and our opportunities. Most importantly, she points out that our strength is "the fact that we are one as Americans, and millions as individuals."

It is a pleasure to salute Ruth on her accomplishment and the many students across Wisconsin who took part in this worthwhile event.

I ask unanimous consent that her essay be printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

AMERICANISM—OUR PRIVILEGE AND OUR STRENGTH

What is it about Americans that make them so special? Is it the books they read? The movies they see? The way they dress? The people they know?

No, it's none of the above. Americans are special merely because of the freedom they represent to the rest of the world. Where else but in America can a person come from a ghetto and soon be making millions of dollars doing something he really enjoys—such as playing basketball?

America is a land of opportunities. People work where they want to work. They have a choice in everything they do. Some choices are merely between a good choice and a bad one, but others are between equally good choices.

This vast land of America is a land of intellects, of artists, of writers, doctors or lawyers; but no matter what a person is, he remains the most valuable of all things—an individual.

American children are taught of their inheritance, but they are, at the same time taught that they should have their own thoughts and not be afraid to voice them.

This is where he American strength lies—in the individuality of the people and their ideas. Without them, America would remain the same—not changing—not growing, and, "in order to form a more perfect union" America must continue to listen to the ideas and dreams of its people.

America is strong because the people care about each other, and care what happens to their country, and to their homes and are willing to fight for them.

It is the privilege of every American to believe what he will and to become what he wants: Americans are free from birth. It's not something they have to work for: it is a privilege of every American.

Americans complain a lot, but sometimes complaint is necessary in order to bring about a change for the better. Americans are people who know what they want from life and who help each other get where they're going in life.

The American government has its problems, but every government does, and our democratic government is one of the better governments in the world.

From living in America a person gets a better outlook on life and knows the things that make him free. Every American with an idea should voice it even though it may seem stupid or not worth the bother. This is his country—the land of the free.

It is, therefore a privilege to be an American—to be associated with its greatness and to be a part of all that happens.

So our Americanism or the Americanism in each one of us is our strength. We will work together to create a better place to live, to breathe, and to be, just to be Americans. This is our strength—the fact that we are one as Americans, and millions as individuals.

MCPL'S REPORT ON THE ROLE OF CONGRESS IN THE LAW OF THE SEA CONFERENCE

Mr. STEVENSON. Mr President, the UN Law of the Sea Conference will convene in Caracas next month for its first session. The aim of the Conference is to draft the vitally needed new international laws to provide for the orderly use of the oceans and the resources they contain.

I think we all recognize that solutions to the problems, old and new, which confront us in the marine environment will be viable only if they have the support of the international community. It is not merely fitting, but necessary, that we endeavor to reach accord on the use and development of the oceans through multilateral negotiations.

A great deal of preparatory work over a period of years has preceded the Law of the Sea Conference. The issues on the international level have received considerable attention in the Congress. Over 50 pieces of ocean-related legislation have been introduced in the 93d Congress. Until now, however, there has been no study of the congressional role with regard to the Law of the Sea Conference.

I am happy to report that Members of Congress for Peace Through Law has given this matter attention. This organization's Committee on the World Environment and International Cooperation, of which I am vice chairman, held a symposium on Congress role late in January at Airlie House, Va., bringing together Congressmen, representatives of the executive branch, and ocean experts. Under the leadership of the committee's chairman, Representative GILBERT GUDE, of Maryland, who has just been appointed a congressional delegate to the Law of the Sea Conference, the panel examined in detail the interaction of the Congress and the Executive in developing ocean policy. I believe that the report of this symposium will be of considerable interest to Members and their staffs and, therefore, I ask unanimous consent that the full text of this report be printed in the CONGRESSIONAL RECORD at the conclusion of my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE ROLE OF CONGRESS IN THE LAW OF THE SEA

[Report of a symposium sponsored by the world environment and international cooperation committee of Members of Congress for Peace through Law]

PREFACE

The year 1974 may be marked by history as a time when men and nations began to take significant steps toward establishing durable institutions for the peaceful and equitable regulations of their relations and their use of the planet they inhabit. Or, it may be recorded as another instance of man's failure to live in harmony with his fellows and his environment. The verdict will be registered in the outcome of the United Nations Law of the Sea Conference and its attempt to erect a foundation for comprehensive international ocean law.

It is clear that existing ocean law is no longer adequate to meet the demands made of it. The combined pressures of expanding technology and increasing exploitation of the resources of the sea present the nations negotiating at Caracas and Vienna with both complex problems and powerful incentives.

To these problems there are no safe and simple answers. No solutions exist that will satisfy every interest of every nation. Different perspectives and different proposals exist not only between but within nations and the problems of developing common-interest approaches is not less difficult for individual governments.

It is to the part played in this process by the Congress that Members of Congress for Peace through Law addressed themselves in an Airlie House symposium in January, 1974. The participants did not attempt to achieve an agreed position for the United States in the Law of the Sea Conference. Rather, they explored their differing concerns and conceptions in an effort to find areas of consensus and to ensure that both the legislative and executive branches would carry out their obligations in the formulation of ocean law in a climate of candor and mutual understanding.

In this regard the symposium was a distinct success. The reader will find in the accompanying report of the symposium not only reflections of the differences which were expressed but also intimations of the spirit of frankness and cooperation which prevailed. I would like to express my gratitude to all the symposium participants for their part in the discussions. Special thanks are due to Senator Claiborne Pell of Rhode Island, to Representative Don Clausen of California and to Professor John Norton Moore of the U.S. Department of State for their thoughtful contributions as panelists.

GILBERT GUDE,
Chairman, Committee on World Environment and International Cooperation of Members of Congress for Peace Through Law.

EXECUTIVE PERSPECTIVES ON THE ROLE OF CONGRESS

For reasons of both practice and principle, the Congress has an important role in the formulation of international ocean law. Since the 1974 Law of the Sea Conference provides a unique opportunity for achieving a comprehensive, widely-ratified, common-interest treaty and since the consequences of a failure to reach such an agreement are staggering, it is crucial that both Houses actively involve themselves in this process.

More specifically, there are five compelling reasons for maximizing Congressional input to the development of ocean law. They are:

1. The necessity for obtaining the advice and consent of the Senate to any treaty developed in the Law of the Sea Conference. It is especially desirable to avoid what may be termed, in reference to the Versailles Treaty, a "Woodrow Wilson syndrome."

2. The desire to have the decision process as broadly based as possible, permitting all those affected to participate through their elected representatives in the Congress.

3. The existence of a large reservoir of ocean expertise in the Congress, especially on the nine House and Senate committees which address ocean-related matters.

4. The need to promote interaction between national legislation and the international negotiations, especially during the interim period, when portions of the treaty might be provisionally applied, between the signing of a Law of the Sea convention and its ratification.

5. The need to prepare the groundwork for eventual legislation implementing a Law of the Sea convention, which might include articles permitting provisional application, after ratification by the Senate, especially legislation in the areas of fisheries and seabed mining.

The fourth point—harmonizing national legislation with the negotiating process—is especially significant. While serious problems exist in regard to fisheries—problems causing the Congressional concern which led to the 200 mile fisheries jurisdiction bills—a comprehensive Law of the Sea treaty could resolve the fisheries issue through some form of 200 mile coastal state resource jurisdiction. If, however, there were a major *unilateral* shift toward extended coastal state jurisdiction, during the interim period of the negotiations, such action could impinge on the viability of the conference itself, on enforcement (especially in relation to Japan and the Soviet Union), and on the nature of the agreement. The Cold War between Britain and Iceland is an instance of the kind of enforcement problems and major confrontations that might issue from unilateral action.

Similar problems might arise from passage of legislation like H.R. 12233, the deep seabed hard minerals bill, which would give Congressional sanction to unilateral seabed mining. The administration's preference is to obtain an international agreement for this purpose and to resolve problems by multilateral negotiations.

To ensure that U.S. policy in the Law of the Sea Conference is a national policy not a special interest policy, the State Department has taken several steps that will increase Congressional participation; among them are:

1. Providing for maximum flow of information through Congressional hearings.

2. Involving Congressmen in the work of the United States delegation through the appointment of six House members and eight Senate members as Congressional delegates.

3. Adding Congressmen to the private sector advisory committee, which now has 80 representatives from the fields of international law, the environment, the fishing in-

dustry, maritime industries, and the extractive industries.

4. Institution of a Congressional liaison position in the Interagency Task Force's Law of the Sea office.

Two controversial problems which could have an impact on Congressional reactions to a Law of the Sea Treaty are: provisons for international revenue-sharing and royalty arrangements in the oceans and initiatives being taken with respect to national energy policy.

As to energy, Federal Energy Office representatives have recently been added to the National Security Council Interagency Task Force on the Law of the Sea. Furthermore, President Nixon's 1970 statement of the U.S. position on the oceans is considered by the State Department to be fully consistent with energy policies developed since then.

Regarding resource sharing, the U.S. introduced in the UN Seabed Committee at its 1973 Geneva meeting a proposal on a coastal seabed economic area, without specifying inner or outer boundaries. The issue of where the outer limit should be drawn is less important than what measures will apply in this economic area and how. The amount of royalties and the percentage of revenues from this zone to be shared with other states must be determined by the need to commence resource exploitation.

In relation to both fishing and seabed mining, there must be a treaty to protect equally national and common or international interests. These interests could be satisfied, as regards mining, by a treaty providing for non-discretionary licensing of firms and for international conservation and full-utilization standards.

The interim period between the drafting and the general ratification of a treaty is crucial, however. Two ways of coping with this interim period are being pursued by the United States. The U.S. is trying to achieve provisional solutions in the International Commission for Northwest Atlantic Fisheries (ICNAF), the last meeting of which was most successful, though it left enforcement problems unresolved. Secondly, the government seeks provisional application of any Law of the Sea Treaty after it is signed but before it is ratified. This expedient is seen as helping to solve critical "common pool" problems first, while leaving detailed or unique difficulties to later negotiation. A parallel approach was followed in implementing the Chicago International Civil Aviation Agreement.

CONGRESSIONAL PERSPECTIVES ON ITS LAW OF THE SEA ROLE

Congress has taken an active and often positive interest in ocean affairs on a variety of fronts, particularly in recent years. Over 50 pieces of ocean-releated legislation have been introduced in both Houses in the 93rd Congress. Most controversial are the bills to extend United States jurisdiction for fishing and fisheries conservation to 200 miles and to direct the Secretary of the Interior to license firms and to grant them leases to mine the hard minerals (manganese nodules) on the deep seabed. The ocean mining bills, which were reintroduced in modified form in both Houses at the opening of second session, also provide that firms so licensed would be indemnified by the U.S. government for any losses they might incure as a result of provisions of any Law of the Sea convention which might come into effect, especially provisions restricting their licenses or leases.

In the past, it was the Congress which established the Sea Grant College Program in 1968. Since then, several institutions have inaugurated sea grant programs and other colleges have indicated their desire to do so. The Congress can achieve still further progress in this field by authorizing additional funding, which has been maintained at a static level despite rising costs. Besides providing the monies for expansion of the Sea Grant College Program to other colleges and universities, Congress should look toward the development of an International Sea Grant program, which, in areas such as West Africa, could help offset aggravated protein shortages by promoting aquaculture and technology-sharing.

Likewise, the new Bureau of Oceans and International Environmental and Scientific Affairs in the State Department, which Secretaries Rusk and Rogers had not favored, was created by statute of the Congress in 1973, the only one of the Department's Bureaus to be so established. It is now well-regarded and Deputy Secretary Rush was particularly pleased at this Bureau, though the Department had to be forced to accept it.

Of more direct importance to ocean law was the Senate's draft seabed convention, Senate Resolution 186 of November 7, 1967. Paralleling the slightly earlier action of Maltese Ambassador Arvid Pardo in the UN General Assembly, this proposed treaty embodied six basic principles for governing the action of nations in the extraterritorial marine environment. Out of these proposals grew the 1971 Treaty on the Peaceful Uses of the Seabed and the Ocean Floor, banning the emplacement of nuclear weapons and other weapons of mass destruction on the seabed beyond national jurisdiction.

Though the Departments of State and Defense ridiculed the original proposals as premature, the pressures of advancing technology eventually made them a practical necessity.

These same Congressional initiatives played a role in President Nixon's early and forward-looking statement of the U.S. position on the Law of the Sea. This statement may be regarded as the jewel of President Nixon's foreign relations diadem, matching his efforts to improve relations with Moscow and Peking. Over time, however, the original U.S. negotiating position on ocean space has eroded and a special effort must be made to maintain it.

These considerations give weight to the notion that, in matters where Congress has held views unlike those of the Executive Branch, there have been benefits when Congress pressed ahead with its own proposals. This will continue to be true in the future and an analogy may be drawn between the original 1967 proposal for a seabed arms control treaty, which eventually won the approval of many nations and resounding Senate ratification in February, 1972, and current proposals to ban the military use of environmental and geophysical modification. Strong Congressional support for this latter effort, expressed in overwhelming Senate passage of Senate Resolution 281, could have results as rewarding as the Seabed Treaty and again demonstrate the foresight of Congress. To date, persistent Congressional pressure has produced some forward movement by the Executive Branch, including a promise of a second study of the proposal and some dialogue between the Defense Department and the Senate in recent hearings. The lesson to be learned is that Congress must take a lead in innovation with regard to ocean affairs and ocean law.

EXECUTIVE CONCERNS ABOUT CONGRESSIONAL ACTION

Attempts to legislate unilateral solutions to some ocean problems could entail significant costs for the United States. For example, extension of jurisdiction over fisheries, as has been proposed in the Congress, is illegal under the 1958 convention on ocean law and other nations could hale the U.S. before the International Court of Justice (ICJ) if it so extended its claims. The case of Canada, which rescinded its acquiescence in compulsory ICJ jurisdiction when it unilaterally extended its control over Arctic waters for pollution abatement purposes, provides evidence of the recognition of ICJ interest in these matters. Iceland acted similarly when it claimed additional jurisdiction over fishing.

Thus the United States might lose in the ICJ if it unilaterally extended its jurisdiction over fisheries in the period before a Law of the Sea Treaty is negotiated, ratified, and implemented. It has been objected that the ICJ does not have jurisdiction over U.S. actions because of the Connally Reservation qualifying the international court's compulsory authority regarding issues which the U.S. considers domestic in nature. The administration, however, favors repeal of the Connally Reservation. More importantly, it would be difficult, indeed, to assert that a 200-mile American fisheries zone extending over vast international waters is merely a domestic matter.

In any case, such U.S. action as is contemplated in fishing zone bills now before the Congress could encourage the very kind of unilateralism which the Law of the Sea Conference aims at curbing. Other nations will be especially unwilling to negotiate and accept international obligations if they see that the U.S. is moving unilaterally; hence, the United States must take the lead in developing multilateral solutions to ocean problems.

Unilateral American extension of ocean jurisdiction through legislation would, furthermore, undercut the government's negotiating positions on the applicability of international standards to the oceans and limitations on coastal nation control over oceanographic research, as well as discourage functional jurisdiction for the environment and for ship construction. Such unilateral measures would also appear to support the extension of jurisdiction by Peru and Ecuador, as well as of other states claiming 200-mile territorial seas. Finally, it could create enforcement problems, particularly with Japan and the Soviet Union, in the midst of delicate negotiations for a Law of the Sea Treaty which hopefully will be acceptable to them.

As to the specifics of such a convention, the State Department foresees a treaty providing for a territorial sea limited to twelve miles with broad resource jurisdiction for coastal states beyond that limit. Though the issues are enormously complex, there is a core agreement on these points among participating nations. If there is general agreement on other issues, such as the character of the International Seabed Resources Authority and navigation rights, then many states may be induced to support coastal nation resource jurisdiction out to 200 miles, or beyond in the case of fish. Under the species approach to fisheries, coastal nations would have management responsibilities for coastal species; an international regime or regional managements would be developed for management of highly migratory species; and coastal states would manage anadromous species.

Furthermore, the problem of depleted fish stocks is more effectively remedied by measures such as the Pell-Magnuson bill for the protection of certain fish stocks than by unilateral extension of jurisdiction for fishing purposes.

As regards dispute settlement, especially in the proposed 200 mile zone of limited coastal nation jurisdiction, the U.S. position stresses complsory arbitration by a third-party. The United States has, moreover, introduced draft articles for an ocean tribunal.

Many of the proposals made in the Congress for solving the problems posed by the increasing use of ocean space and ocean resources may have consequences more serious than existing problems. The fact of declining fish stocks, which has engendered several bills to give U.S. management control over offshore fisheries, does not constitute a case for unilateral extension of jurisdiction. On the contrary, there is a real irony in the fact that a unilateral U.S. extension of fishing jurisdiction to 200 miles would destroy the American bargaining position on the very issue of international standards for fisheries management which would allow the maintenance of the maximum sustainable yield of fish. Unilateral American action might thus trade a near-term gain in some fish stocks for losses across the board over the long range.

Major enforcement problems and a potential for conflict will remain in the oceans, whether the rights of coastal nations are extended unilaterally or through multilateral agreement. Unilateral action would likely result in increased enforcement problems, while extension of claimed U.S. jurisdiction would strain the Coast Guard's already overtaxed capacity for enforcement.

The provisional application of any international Law of the Sea convention negotiated at Caracas would help to mitigate some of the more pressing problems. The procedure still needs to be worked out between the Congress and the Executive. Provisional application could commence upon signing or upon Senate ratification. Immediate referral of the treaty to the Senate and provisional application only after some sort of congressional approval appear to represent the wisest course. Consultations on this point remain to be carried out between the Senate and the State Department.

The concerns of the Congress—expressed directly to the Executive Branch and in legislation—cannot be finally allayed in advance of the Law of the Sea negotiations; yet the Congress must give full consideration to the costs of a failure to agree on a treaty as a result of unilateral action.

CONGRESSIONAL CONCERNS ABOUT EXECUTIVE ACTION

While Congressmen can approve the U.S. negotiating position and its objectives and appreciate the necessary ambiquity in terminology for purposes of negotiation, there remains considerable concern in the Congress over whether the government will be able to achieve the kind of treaty it is seeking in the Caracas conference. Pressures from constituents with ocean interests are growing and there is little confidence among these constituents in the ability of the U.S. to obtain the Law of the Sea convention desired. Even if such a treaty can be negotiated and ratified at some point, immediate problems persist and are causing anxiety among the people Congressmen represent. The Soviets, for example, are fishing within the U.S. twelve-mile limit at night and the Coast Guard has been unable to take effective enforcement action. Thus there are a number of very large "ifs" about the treaty itself and about the interim period between negotiations and implementation.

It is the view of some Members of Congress that fisheries differ from all other ocean-related problems, such as seabed mining, deepwater ports, and nuclear power stations, in that inaction at the international level on fisheries would result in the loss of an irretrievable source.

Because of these doubts about the government's ability to achieve an equitable treaty with adequate safeguards for American interests at a time when so many other nations are adopting strongly nationalistic positions, it is likely that even Congressmen who are not enthusiasts of bills to extend U.S. fishing jurisdiction will find it necessary to vote for them in this election year. Hence, such bills may pass easily. Yet their consequences for U.S. Law of the Sea interests may be small since they contain clauses providing for the development of a general Law of the Sea Treaty. The Deep Seabed Hard Minerals Bill, which involved resources beyond coastal or contiguous waters, faces a more difficult vote, at least in the Senate.

DISCUSSION: ISSUES AND PROPOSALS

Islands and territorial seas

The UN Seabed Committee, in its preparatory sessions, has considered a proposal for determining the territorial seas of islands on the basis of an archipelagic concept, yet an alternative approach would be to limit, for legal purposes, the continental shelf of islands to a size no greater than that of the adjacent land mass. This would permit a better cooperative division of ocean resources between continental states and off-shore islands. Such an approach has already been worked out in the cases of the French islands of St. Pierre and Miquelon off the coast of Newfoundland in the North Atlantic and the British Falkland Islands off the coast of Argentina in the South Atlantic.

The solution to the island problem may be more determinative of ocean law than is imagined and proposals such as the foregoing are especially needed and commendable. The growing importance of hitherto seemingly insignificant islands is attested to by the Clipperton Island case, involving a dispute between France and Mexico. Though a dead issue for some years. France has revived its claim by once-a-year visits to this Eastern Pacific island southwest of Mexico because there may be valuable manganese nodules on the ocean floor nearby.

The State Department, meanwhile, is studying the question of the territorial seas of islands in terms of three problems:

1. The delimitation of national boundaries, as between Greece and Turkey or between the U.S. and the U.S.S.R.; this leads to the question of whether islands as to be given the same weight as adjacent land masses in drawing national boundaries, though current opinion is that they should not be;

2. The breadth of the territorial sea around islands, a question which the 1958 ocean law convention decided in favor of granting mid-ocean islands, even if scarcely more than a rock, a twelve-mile territorial sea; and

3. The extent and nature of resource jurisdiction around islands.

International peace forces and the United Nations

At the San Francisco Conference of 1945 nations gathered to remake the world and to improve on the old League of Nations in the Charter of the United Nations. The participants, though, failed to realize that the weaknesses were not in the League structure but in the member states. Today the same is true of the UN; the United States and the Soviet Union, for example, do not want the UN to decide major issues.

Yet a functional way of achieving the San Francisco objectives may exist in the proposal to create a Seabed Resource Authority to oversee the use and exploitation of the oceans. Nations could take this opportunity to move to the concept of an International Seaguard, similar to national coast guards. This, in turn could lead to International Peacekeeping Forces and then to a world governed by law. This kind of approach seems less ridiculous now than in the past. If the U.S. backed the concept of an International Seaguard, it could take the lead in providing the nucleus for the inspection force of the Seabed Resource Authority and thereby increase its reputation as a peace-keeping nation.

Application of existing law

The concept of a 200-mile coastal nation resource zone, advocated by several nations in the meetings of the UN Seabed Committee, is likely to entail costs that are unacceptable to the international community. Furthermore, the 1958 convention on the living resources of the sea already contains articles permitting coastal nations to take non-discriminatory action to preserve fish stocks, subject to agreement by other nations. What, then, may be needed is a bill to promote utilization of the present international law. In fact, of course, American fishermen do not want non-discriminatory action but rather want foreign fishing vessels out of traditional U.S. fishing areas. While action in such matters lies with the Executive, the State Department would act if the Congress passed a resolution enjoining implementation of this 1958 provision. Again, the Pell-Magnuson bill, which places these matters in the hands of the Secretaries of State and Commerce, could assist in the conservation of fish stocks.

Regional agreements

Concern was expressed over the risks incurred by placing so many vital issues in a comprehensive, totally international decision-making forum. The UN Charter allows for regional agreements and the hope was expressed that the door to Western Hemisphere agreements on resources and navigation would not be closed, if solutions cannot be achieved in the broader context of the Law of the Sea negotiations.

It was pointed out that, while regional approaches by Africa or the Americas would be useful in certain cases, they do not satisfy the problems posed by distant water fishing fleets, such as the Soviet and Japanese fleets. The benefits of a comprehensive treaty and acceptable solutions of common pool problems must be weighed against the risks of interim solutions which might lessen the chances of protecting fisheries through a Law of the Sea convention.

Other ocean management forums

On another front, it was noted that, while ICNAF had shown progress as a management mechanism through adoption of overall instead of limited fishing quotas, it continues to have enforcement difficulties and to be restricted to the North Atlantic, and not Alaska, where similar problems exist. In multilateral negotiations, such as the Law of the Sea Conference, the State Department considers that the U.S. benefits from support for coastal nation jurisdiction, so it may be a better forum than ICNAF or regional agreements because the U.S. has the votes for its position.

Approval was also expressed for ICNAF action in permitting voluntary boarding of fishing vessels for inspection purposes. Additionally, consideration was given to the fact that some fish catches are intrinsically more valuable than others and fishing nations must arrange their priorities accordingly, while remaining ready to compromise in open negotiations.

Future deliberations

The question was raised of the need of a continuing deliberative body or forum to take up issues left unaddressed by a Law of the Sea Treaty, particularly if it confined itself to a statement of general principles. Since the conference agenda already contained some 92 issues and there would likely be some which the conference could not resolve or address, it was pointed out that there is a strong interest in finding some mechanism—perhaps conferences at five or ten year intervals—for taking them up. The U.S. as yet has no fixed policy on the matter of an ongoing ocean body. However, if an ocean regime or deliberative body is left too open in its mandate, it might prove to be an invitation to continuing challenges to the nature of specific details in the basic treaty.

Impact of U.S. offshore leasing policy

It was noted that Secretary of the Interior Rogers C. B. Morton, in January testimony before the Subcommittee on Immigration, Citizenship and International Law of the House Judiciary Committee, acknowledged that his agency was granting off-shore oil exploration leases beyond 200 meters and that a clause in these leases making them contingent on the provisions of a Law of the Sea treaty had been dropped in November. Secretary Morton denied that these measures represented a *de facto* retreat from President Nixon's 1970 Law of the Sea position that the area beyond 200 meters would be subject to mixed international and national jurisdiction and that resources therein would be subject to some form of revenue-sharing.

The State Department maintains that that these changes by the Interior Department do not represent a change in U.S. policy. Leases beyond 200 meters will be subject to any international treaty and the policy for oil exploration leases has been examined by the government to ensure that all legal and other requirements can be met if the leases come under an international treaty. The contingency clause in the leases was dropped, it was asserted, because this clause was confusing to small oil companies. The U.S., however, has full authority to ensure compliance with the provisions of an international regime.

Attitudes of Other Nations

In view of the fact that Japan has never ratified the 1958 ocean convention (and thus could not take the U.S. before the ICJ for any unilateral actions), a question arose as to what attitude the Japanese would take if they found they did not like the treaty emerging from the Law of the Sea Conference and where their possible failure to sign the treaty would leave the U.S. Again, it was noted that in the cases of both Japan and the U.S.S.R., the U.S. has little to gain by unilateral extension of fishing rights, which would be challenged by both nations, and much to gain by attempting to bring them into the framework of international ocean law. The chances of bringing them into a *comprehensive* agreement are improved because they have a variety of other ocean interests, such as Japan's importing of oil through the Malacca Straits, the need for oil, increasing ocean research needs, and dependence on rights of navigation. Hence there is a very good possibility of obtaining trade-offs by treating these several issues in the same forum and the probability is that they will join in the treaty. Finally, the Japanese failed to ratify the 1958 Continental Shelf convention principally because of the article making sedentary species a part of the resources of the Continental Shelf. Yet now they have reason to think that there is oil in the East China Sea which they need and this exemplifies the kind of circumstances that will include them to overcome objections on some points in order to obtain rights in other areas.

CONCLUSION

The participants agreed that relations between the Executive and the Congress have been mutually open and fair with regard to the Law of the Sea question. It was noted, additionally, that Secretary of State Kissinger strongly supports the United States negotiating position in the Law of the Sea Conference. Furthermore, there was consensus that the Congress must become much more involved in the Law of the Sea Conference and related issues.

While there was general agreement that a conference format is the best means of treating the numerous Law of the Sea questions in a comprehensive whole and provides the best format for discussing them intelligently, there remained doubt that nations could agree on the text of a treaty at the Caracas session of the Law of the Sea Conference, given the enormity and complexity of the issues to be considered.

PANELISTS

The Hon. Gilbert Gude Member of Congress, Maryland.

The Hon. Claiborne Pell United States Senator, Rhode Island.

The Hon. Don H. Clausen Member of Congress, California.

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PREPARING FOR THE FUTURE

Mr. HUMPHREY. Mr. President, I wish to point out a compelling editorial, "The World's Resources (V): No Drawbridge," in the May 28 issue of Newsday.

The editorial points out how the world has been groping toward a new relationship. It points out that countries have become more interdependent, and we will need to deal with this new reality.

The author also suggests that food stocks should be replenished through the creation of a world food bank. It also becomes clear that aid to the poorest countries is more critical than ever before.

Mr. President, this is a thoroughly sensible approach. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE WORLD'S RESOURCE: (V): NO DRAWBRIDGE

A lot of Americans have come to think of foreign aid and international trade as charitable enterprises that this country, struggling with inflation, shortages and a slowing economy, can no longer afford. Should the United States pull up its drawbridges on the rest of the world and concentrate on its own problems?

In a series of editorials over the past few weeks, we've tried to point out that the U.S. no longer has that option. Consider:

The American economy demands a nearly limitless supply of raw materials to feed its factories and create new jobs. And the U.S. no longer has a sufficient supply of raw materials within its own borders. We now need Zaire's copper and Jamaica's bauxite at least as much as those countries need our money and technology.

The cost of imported raw materials has suddenly surged as producer nations demand a bigger slice of the economic pie. Unless prices are brought under control, the U.S. faces chronic inflation that will not only erode paychecks but also sap our capacity to pay for the natural resources that we will have to import in greater and greater quantity.

As James Akins, the U.S. ambassador to Saudi Arabia, points out, "With the possible exception of Croesus, the world has never seen anything quite like the wealth which is now flowing into the Persian Gulf." Surdenly the U.S. is no longer the world's banker. To pay their oil bills, many of our trading partners already are cutting down on U.S. imports and doing everything short of piracy to boost exports—usually at the expense of American jobs.

H. G. Wells said long ago that "our true nationality is mankind." Never before has the interdependence of people and nations been so obvious. Without substantial aid from the developed countries, millions in Africa and Asia will starve this year. And the energy crisis, and shortages of everything from structural steel to toilet paper, demonstrate the extreme vulnerability of industrialized societies in a world of dwindling resources.

From challenge comes opportunity, and history may well mark last October, when the Arabs shut off their oil taps, as the period when rich and poor nations finally acknowledged their interdependence and began working for their mutual good. But right now the poor nations are banding together in an attempt to soak the rich, while the developed countries have withdrawn within their own borders to ride out the storm. That's a blueprint for disaster, on both sides.

The immediate problem is not that the world has run out of resources, but that chasms have developed between nations and groups of nations as each struggles to get an edge on its neighbor. Helmut Schmidt, West Germany's new chancellor, put his finger on the problem: "The resources crisis toward which the world is moving is not so much one of production as it is a crisis of institutions." The institutions that govern international trade and monetary exchange must be revitalized, and in our view the following steps would go a long way toward accomplishing that goal:

The U.S. Congress should act promptly on a foreign trade bill that has been gathering dust for more than a year now. It is the key to ending the disturbing move toward protectionism that has followed the oil crisis in many countries. The trade bill would empower the President to lower American tariffs and other artificial trade barriers in return for like treatment by other nations. A critical round of world trade talks is due later this year; without new authority to negotiate agreements, the hands of U.S. negotiators will be tied.

As Gamani Corea, the new head of the United Nations Conference on Trade and Development, has urged, producer and consumer nations should join to stockpile materials that are now coming into short supply. The idea is not only to create a buffer against severe shortages but also to help stabilize world commodity prices and to insulate the fragile economies of developing nations against boom-and-bust business cycles.

Similarly, with food stocks at a 20-year low, it is vital that the U.S. join with other nations to replenish supplies through the creation of a world food bank. Failure to do so has already led to the deaths of millions at a time of record grain yields in the U.S. and Russia.

While the Arabs decide what to do with their new-found riches, the developed nations must not abandon their aid to the so-called Fourth World countries—those with neither industrial capacity nor natural recources. They need aid more desperately than ever now, and rising oil bills make it difficult for the developed nations to supply it. But they must help, and encourage the oil producers to do likewise, or stand by while a third of the world's population slides even deeper into poverty.

The world is now at the threshold of a new age. Whether it will be dark or golden depends entirely on the degree of international cooperation that can be generated now, not only in the economic sector but also in such vital fields as population control and resource conservation. In the final analysis, the outcome will depend on whether the people of both rich and poor nations heed the words of Albert Schweitzer: "You don't live in a world all alone. Your brothers are here too."

JUDGE NOT, THAT YOU BE NOT JUDGED

Mr. CURTIS. Mr. President, former Senator John M. Butler, of Maryland, has sent me a copy of the sermon delivered on May 26, 1974 by the Reverend Walter G. Hards, Th. D., at the St. David's Church in Baltimore.

Reverend Hards' sermon merits the attention of all of us and I, therefore, ask unanimous consent that it be printed in the Record.

There being no objection, the sermon was ordered to be printed in the Record, as follows:

Sermon By Reverend Walter G. Hards

"Judge not, that you be not judged. For with the judgment you pronounce you will be judged, and the measure you give will be the measure you get. Why do you see the speck that is in your brother's eye, but do not notice the log that is in your own eye?" St. Matthew 7:1–3

I have just finished reading the White House Transcripts. The Transcripts! You may be thinking, "I don't want to hear any more about that subject, much less in church." Well, you are not going to. I do want to say something, however, not about the Transcripts themselves, but about reactions to them. I have read, not studied, the Transcripts. This means that I am not competent to speak about them. Having read them I find myself out of my depth, and certainly out of my area of competency.

I also want to emphasize this: No one should construe anything I say either as a defense or a condemnation of the President. Others, who are competent, will decide whether Mr. Nixon has committed an impeachable offense. Our Constitution provides the means by which this decision will be made. Let us, whatever others may do, leave it to those empowered by the Constitution to deal with this matter. What we as individuals may do is to pray that justice will be done and that our country will be strengthened as a result of this traumatic experience. One thing for which I pray is that justice will be done speedily, in order that the crisis of credibility which many of us suffer may be ended, and that the creative forces of justice done may begin their healing powers.

I am, I repeat, not competent to speak about the Transcripts. I have four things to say, however, about reactions to their publication.

First, I am concerned about some of the judgments made regarding the moral stance of Mr. Nixon. A knowledgeable person who has made a thorough study of the material may well make a considered decision about this question. It will still be that person's private opinion. If enough competent persons come to the same conclusion, then that will be weighty evidence.

What I am bothered about is the number of persons who, a few days after the Transcripts were published, spoke in righteous indignation about Mr. Nixon's involvement. Many of these were clergy, local and national. I seriously question whether these clergy when they made their pronouncements had had time to read the Transcripts. They may have read excerpts, but who selected the samples? Even if they had read the Transcripts I question their competency to evaluate them.

Every profession has its occupational hazards. The hazards to which clergy are prone is that of pontificating. While others have to spend long hours in careful analysis of documents, some clergy feel that by virtue of ordination they can make what in reality are snap judgments. I am a little suspicious of clergy who are always making pronouncements, who have ready answers for every problem which confronts us, who never feel the need to answer "No comment" when a reporter asks for their opinion.

I suspect that this clergy pose of being the authoritative answer-men goes back to the time when the clergyman was the only educated person in the community. In those days he was the school master, the newscaster, the molder of public opinion. He was. He isn't. Today, most of the parson's people are just as well educated as he is. In some areas of knowledge they are much better educated. It ill becomes him to play the part of the one who knows, especially when he doesn't know. I submit to you, as my personal opinion, that most of the comments made by clergy on the Transcripts were based on ignorance.

I have read the Transcripts, but I am not competent to evaluate them. If you want to know what's in them, read them. If you don't want to read them, then suspend judgment about them. Remember the words of Jesus, "Judge not that you be not judged." Don't make snap judgments about this or any other matter.

The second thing I want to say about the Transcripts relates to the "unintelligible" parts. Time and time again, sometimes with boring regularity, you read the word "unintelligible". A great deal has been made of this.

Professor Andrew Blackwood, a former teacher of mine, used to observe that anyone who uses horse sense will have a stable mind. Let's use a little horse sense about these "unintelligibles".

I am conscious during the first moments of the sermon that I am speaking to you through a microphone. Then I forget completely about it. If a tape recorder were recording in the church it would pick up all my words—or would it? Well, would it? I have the intention to speak distinctly, but I know, because you have told me, that sometimes you miss something that I have said. If this sermon were being taped, the transcript would contain the word "unintelligible".

Now change the "scenario", to use a word from the Transcripts. You and I are in a conference room. Our conversation is being taped. I know it's being taped. You don't. Obviously, therefore, neither of us is speaking into a mike. You or I get excited. We move around. In this hypothetical situation I planted the bug, but in moments of extreme excitement I forget it's there. I, and this may prove my ignorance of taping methods or my extreme credulity, am not at all surprised that some words in the White House Transcripts are unintelligible. On the contrary, if all the words were intelligible, I would suspect that someone had edited the tapes to make them one hundred percent correct.

Be this as it may, the fact is that there are numberous occasions where the word "unintelligible" occurs in the Transcripts. There has been an unbelievable reaction to this fact. The theory is that the gaps in the tapes contained racial slurs, made either by the President or his associates. These slurs, so we are expected to believe, were erased before the tapes were transcribed. There is not one scintilla of evidence for this statement. It is the most immoral charge I have heard in a long time. Someone, or some group, certainly went on a fishing expedition on this one. There is a basic element in the moral code: Thou shalt not bear false witness. To propagate this canard is to bear false witness.

Third, the "expletive deleted". These words appear quite frequently in the Transcripts. It is clear that Mr. Nixon and his associates often used expletives. I do not use them, although I probably know most of them. I may sometimes think some of them, but I don't use them! I was taught somewhere that people who have a command of their language do not use expletives.

Some people have made quite a big thing of the fact that the President used expletives. They make their use imply something about his moral character. Well, I am reminded of a bit of conventional wisdom. It is "those who live in glass houses shouldn't throw stones".

The Transcripts are the recording of a group of men talking about a very important and explosive problem. They were discussing politics with the League of Women Voters, or with the clergy of Washington, or the women's organization of St. Swithin's in the Vale. They were men in a closed session. I cannot help but wonder whether those who express so much concern over the President's use of expletives, never use them. There is as much possibility of not hearing expletives in "the smoke filled room" as there is of hell freezing over.

I shall never forget attending a dinner party at the home of Admiral Chester Nimitz on Treasure Island. There was also a group of men and women from the government in Washington. The admiral sat at the head of the table, regaling us with stories of his experiences in World War II. I can't remember one sentence which did not include an expletive. He seemed to have a favorite, which I understand was common among men in the Armed Forces. Admiral Nimitz was a great, humble, good man, expletives notwithstanding. He was honest. He talked naturally. At that party he may have selected his expletive out of deference to the mixed company! But he used them.

I cannot but conclude that those who raise a fuss about the President's expletives are either hypocritical or unrealistic.

It is contrary to religion to take the name of the Lord our God in vain, but there is nothing in our religion which prohibits the use of old Anglo-Saxon words. The question of the expletives therefore is one of propriety. It certainly would have been improper for the President or any of his associates to have used such language in many, if not most, situations. To use it among themselves is not surprising since many men do in male company. You may not like that, but the question is, not what we like, but what is. Therefore, again, "Judge not, that you be not judged".

A final point. This: Many who have spoken harshly about the President as a result of the release of the Transcripts, do not manifest any feeling for the situation in which Mr. Nixon and his associates found themselves. Try and put yourself in their situation and then honestly answer the question, How would I have reacted? Perhaps it is impossible for us to answer the question honestly, because we have never been in such a situation. We should recall the wisdom of the American Indian who said: "I will not judge another man until I have walked in his moccasins for two full moons."

The situation with which the Transcripts deal is a tragic one. We should understand the magnitude of the tragedy for all involved. They were not talking about a hundred or even a thousand dollars lost at the Preakness. They were not discussing the economy, as serious as that is. They were not debating the merits of our foreign policy, as explosive as it may become. They were talking about criminal acts in which some of them were apparently involved. This was a situation in which their livelihoods and their futures were involved; not only theirs as individuals, but theirs as families. Whatever the Grand Jury decides, whatever the Special Prosecutor uncovers, whatever the Senate Committee discovers, the fact is that some lives will be blighted for the rest of their lives.

I am not suggesting that we condone any illegal act committed by anyone. All I am saying is that we should try to understand why Mr. Nixon did what he did when he did it. To understand is not to condone. To understand is to feel for the other. The feeling may well be one of sadness.

If Mr. Nixon is guilty, he should be impeached and removed from office. But he has not yet been proven guilty, and until he is we should suspend judgment. He should not be judged guilty by the mass media, the members of the cocktail circuit, or political opportunists. In our country we still profess to believe that anyone is presumed innocent until proven guilty by a court of competent authority. Let us grant this basic right to our highest elective official.

A few months ago I gave a series of sermonettes to the children about criticizing other people. The basic points I made apply to the present situation. They were these: We should not judge others, because we do not know enough, because we are not good enough, and because we would not want others to treat us in such a fashion.

In these trying and difficult days, illustrated by the Transcripts, let us apply these simple principles to the question of the guilt or innocence of those involved. None of us has been called to be judge, jury and prosecutor of anyone. We are called to pray for all sorts and conditions of men.

ABOUREZK'S CONVINCING PLEA FOR RESEARCH IN SOLAR ENERGY

Mr. PROXMIRE. Mr. President, our colleague, Senator JAMES ABOUREZK recently wrote in the Los Angeles Times what is by far the most concise and persuasive case I have read concerning the direction in which our energy research should go.

In the course of his article, Senator ABOUREZK contends that solar energy is clean, inexhaustible, environmentally and physically safe while other energy sources are not.

He also argues that while there is immense private and public pressure behind research in other energy areas, "Nowhere in the United States today is there a center of influence seriously interested in solar energy."

Mr. President for the past few weeks my staff, the staff of the Joint Economic Committee, and myself have been pushing for a fair trial for a startling new process for converting most of the billions of tons of garbage—a tonnage that is increasing every year—to a fuel substitute for gasoline or to a protein food. The exciting new process to do this has been developed at the Army Laboratory at Natick, Mass. The conversion is cheap, practical, and offers a remarkable simultaneous boost in solving both our energy shortage and our solid waste disposal dilemma. But like solar energy it is comparatively friendless. Fuel and food producers in the private sector with some heartening exceptions may be indifferent or hostile, and in the public sector they have so far been both ignorant and discouraging.

I intend to do what I can to continue to push the fullest and fairest trial for this Natick process of converting garbage to fuel and food, and I intend to do all I can to help our colleague JAMES ABOUREZK push hard for solar energy. In that connection I ask unanimous consent that the article by Senator ABOUREZK from the May 2, 1974 Los Angeles Times be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OIL FIRMS, AEC ACCUSED OF IMPEDING DEVELOPMENT—ALL-OUT EFFORT URGED TO UTILIZE SOLAR ENERGY

(By James Abourezk)

Solar energy is clean. Coal, oil, nuclear and other energy sources in varying degrees are not.

Solar energy is inexhaustible. Coal, oil, nuclear and other energy sources are finite.

Solar energy is environmentally and physically safe. Nuclear energy poses severe problems of radioactive waste disposal, while coal mining is widely known to be destructive of the land and dangerous, and oil drilling offshore creates severe spillage problems.

Despite such obvious, straightforward and compelling arguments in favor of using energy from the sun, solar energy research and development continues to be the neglected stepchild of both federal and corporate energy development programs. Thus, it was no surprise that Dixy Lee Ray, chairman of the Atomic Energy Commission, recently recommended to the President that slightly more than 2 cents out of every federal energy dollar be spent on developing solar energy. In so doing, she slashed fivefold the solar spending recommendations of her own scientific subpanel.

Private industry, meanwhile, invests the overwhelming bulk of its money in coal gasification, oil shale, nuclear and other nonsolar energy projects.

The argument used by federal officials and business executives for their neglect of solar energy is identical. "It costs too much and it will take time to develop"—that's the usual put-down for solar energy.

How far we are from economically competitive electrical power generation from the sun is a matter open to scientific debate. But I believe that debate largely misses the point.

This country needs clean new energy sources. Solar energy is just such a source. We should, therefore, press ahead with an optimum investment in research and development of solar energy to find out precisely what we can or cannot do.

The most serious impediment to speeding up solar energy development is, in my opinion, not one of feasibility but one of structure. Nowhere in the United States today is there a center of influence seriously interested in solar energy.

Within the federal government nuclear energy and coal reign supreme. Led by the AEC and the Interior Department, the executive branch long ago decided that nuclear energy and coal are the wave of the middle and long-range future. It is patently unrealistic to ask a group of men and women who have spent decades trying to develop nuclear energy and coal resources to pass judgment on the relative merits of solar energy versus nuclear or coal energy, and to help administer solar energy research and development.

In the private sector there is an even stronger bias in favor of fossil fuels. Coal and oil are the quick-profit, quick-yield fuels. They are largely controlled by a handful of companies, which, above all, want to exploit those resources to the utmost. They strongly favor new techniques for utilization of coal and oil shale over possible alternatives.

The results of the federal and private biases against solar energy are there for anyone who wants to see them. Consider the following:

The AEC, both in its chairman's recommendations to the President, and in its staff draft environmental impact statement on the nuclear fast breeder reactor, has taken a consistently pessimistic line on solar energy. It has also slashed recommended solar funding.

Secretary of Commerce Frederick Dent, in a confidential memo, has called for a 14-year, $98 billion government subsidy program to develop synthetic fuels.

President Nixon's proposed five-year federal energy research and development program allocates $4 billion for nuclear fission, $2.9 billion for coal and only $350 million for solar energy.

Dr. H. Guyford Sever, chief science adviser to President Nixon, has downgraded even the most immediately feasible and elementary solar energy program for heating and cooling of homes—by calling the project premature and noting that "far more research is needed before we get to the demonstration stage."

Private oil corporations echo the line that solar energy is way down the pike. At the same time, they quietly buy into fledgling solar energy companies. This creates a self-fulfilling prophecy—they can retard solar development through control of key companies and patents.

If development of nonpolluting, inexhaustible, safe energy from the sun is in the public interest, then it seems to me that some entity whose sole interest is the rapid development of solar energy must be established. This entity should be free of the atomic energy bias. It should be immune from pressure exerted by the oil lobby. Its single goal should be quick to explore and develop methods of producing and using solar energy.

One way to achieve this goal would be to enact legislation underwriting a private solar energy industry and prohibiting the entry of companies already involved in oil, coal or other competitive energy fields. Another way would be to establish an independent governmental organization devoted to solar energy research and development.

I prefer the private approach because I believe it to be more flexible and, with proper safeguards, less susceptible to pressure from the enemies of solar energy.

I am convinced that an all-out effort to develop solar energy will yield results far more quickly than some so-called experts now believe possible. Perhaps I am wrong. But surely a nation facing fuel starvation and gross pollution must spend the money to get the truth about its cleanest, most plentiful energy resource.

THE NORTHEAST RAIL REORGANIZATION

Mr. STEVENSON. Mr. President, on Thursday, May 23, I testified before the Rail Services Planning Office which was conducting hearings in Springfield, Ill., on the Secretary of Transportation's report on "Rail Service in the Midwest and Northeast Region." The hearings were conducted by the director of the

ICC's Rail Services Planning Office, Mr. George Chandler.

I stated that what concerned me most in the report was not its emphasis on making any future railroad system in the Midwest and Northeast region financially viable for that is one of the two main goals of the Regional Rail Reorganization Act. Rather, what concerned me most about the report was the pervading assumption in it that the best way to attain financial viability in a restructured rail system was to abandon wholesale great portions of supposedly "uneconomic" rail lines, particularly local branch lines, and abandon them without a concomitant regard for the devastating economic and social impact that such abandonments would have on the areas covered by the reorganization.

The DOT report is the first step in a long process by which a newly created agency—the U.S. Railway Association—will develop a final system plan to restructure the railroads in the Midwest and Northeast. That final system plan is to be submitted to Congress in March of next year. I stated in my testimony that if the final system plan does not balance all the factors set forth in the Regional Rail Reorganization Act and in fact endangers our economy and our prospects for growth, we would be duly bound to oppose its final approval in the Congress. I doubt that we shall have to do that, but the matter rests with the U.S. Railway Association.

Mr. President, I ask unanimous consent that my testimony before the Rail Service Planning Office hearings be printed in the Record.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

STATEMENT OF SENATOR ADLAI E. STEVENSON OF ILLINOIS

Statement by Senator Stevenson at a hearing of the Rail Services Planning Office, Interstate Commerce Commission, on the Department of Transportation Rail Service Report, Springfield, Illinois, May 23, 1974:

I appear here this afternoon wearing several hats. The first is that of a United States Senator from Illinois appearing on behalf of my constituents who rely and depend on adequate rail service and are threatened by the recommendations in the Secretary's report. Another hat is that of a Senator who serves on the Surface Transportation Subcommittee of the Senate Commerce Committee. Those Committees heard the testimony, drafted and reported out the Senate version of the Regional Rail Reorganization Act. So, I appear here not only as a Senator representing Illinois but as a member of the Senate Committees which will continue to review the Rail Reorganization Act and its implementation.

I have been impressed with the work of the Rail Service Planning Office. The Office has responded, quickly and well, to the mandate in the legislation to "conduct public hearings to solicit comments" on the Secretary's report. Some 376 witnesses testified in Chicago and St. Louis during March on the Secretary's report, most of them on the impact of the report on Illinois. Also, I was heartened by your response, Mr. Chandler, to my March 27 letter suggesting further Illinois hearings. You stated that you planned the hearings in Illinois which are being held this week in Effingham, here in Springfield, and those to be held in two weeks in Peoria and Rock Island.

I am also impressed with the initial "Evaluation" of the Secretary's report which your Office published three weeks ago today. In addition to raising legitimate questions about the assumptions the report relied on, the methodology utilized in the report and the severe impact the recommendations in the Secretary's report would have, if acted upon, your evaluation made many positive suggestions as to how the U.S. Railway Association might proceed in formulating the preliminary system plan.

The very first recommendation in your May 2 report to the USRA was that in formulating the preliminary system plan the USRA "should give full consideration to the social goals enumerated in section 206(a) of the Act which time constraints prevented the Secretary from addressing in depth." The language you chose was generous. My main message to you, is not that the USRA "should" consider the other goals of section 206(a), but that it must consider them. And these goals cannot be characterized only as "social". They are directly and vitally economic as well.

Illinois is the largest exporting state in the nation; its agriculture and industry cannot withstand wholesale railroad abandonments. In the years ahead, Illinois' coalfields will relieve the nation of dependence on Saudi Arabia's oilfields. Illinois' future as a supplier of energy, as well as food, cannot survive wholesale railroad abandonments. The world depends upon our food; the nation increasingly upon our energy. Project Independence would be undermined if Illinois' energy development was held back because of transportation shortcomings.

What concerned me most in the Secretary's report was not its emphasis on making any future railroad system in the Midwest and Northeast region financially viable. After all, that is the first of eight goals set forth in the legislation, and the report of the Senate Commerce Committee did state that of the eight goals, that of "the creation of a financially self-sustaining rail service system in the region" was one of "two basic goals." If we are to rely on private industry to supply our rail needs, that industry must be financially self-sustaining. That is a primary lesson of the Penn Central debacle.

What concerned me most about the report was the pervading assumption that the best way to attain financial viability in a restructured rail system was to abandon wholesale great portions of supposedly "uneconomic" rail lines, particularly local branch lines, and abandon them without a concomitant regard for the devastating economic and social impact that these abandonments would have on the areas covered by the reorganization.

As was pointed out in your May 2 Evaluation, there are indications that abandonment of substantial amounts of rail line will have relatively little impact upon railroad profitability compared to certain other costs, such as labor costs and the prolonged effects of many years of deferred maintenance. If, for example, the most inefficient one-fourth of the Penn Central's 20,000 mile system were abandoned, the Penn Central would reduce its $100 million annual deficit by only one-fifth, or $20 million. An $80 million deficit would remain. And that one-fourth abandonment for the Penn Central is about what the DOT report has in mind for the Midwest and Northeast regions generally and for Illinois in particular.

Accepting the test of financial viability, DOT's findings were inconsistent, and its methodology faulty. Under the DOT report proposal, the Toledo, Peoria and Western Railroad's lines between Peoria and Webster, Illinois, would be abandoned almost entirely and its vital Eastern connection with the Penn Central trackage at Effner, Illinois, would be eliminated. The DOT's test of financial viability would spell the financial demise of this railroad. And the Toledo, Peoria and Western Railroad, the only railroad performing east-west service via the Peoria Gateway, is a profitable railroad and has maintained all of its facilities to the level required by the Federal Railroad Administration. The TP&W's situation is indicative of what is wrong with the DOT report.

The methodology in the DOT report relies almost totally on historic data for determining financial viability—on what was and not on what might have been and what could be. The report takes no account of the fact that there is a freight car shortage in the United States, and that this shortage has reached critical proportions—especially in the grain producing region of the Midwest. The Senate has passed S. 1149, the so-called freight car bill, and hopefully that legislation will produce and make better use of freight cars. If decisions on rail abandonment are based on traffic at a time of freight car shortages, we might not have the railroad tracks to reach the grain elevators when the new freight cars are available.

The Secretary's report fails to take account of the future. The nation is on the verge of a breakthrough in developing its vast coal resources. In the next few years pilot and demonstration plants for the conversion of coal to oil and gas will be built, some of them in Illinois. By the 1980's many commercial coal gasification and liquefaction plants will begin to be built, some of them close to the mine mouths and pipelines here in Illinois—some at a distance. And when the technologies are perfected, more coal will be burned directly by power plants across the nation. All of this will require more trains from the coal fields.

Your evaluation commendably recommends that the Association consider a 1980 time horizon for future rail traffic projections. I would note, however, that Section 206(a) (4) of the Act calls for "the preservation . . . of existing railroad trackage in areas in which fossil fuel natural resources are located. . . " Considering the vast coal resources in Illinois, I suggest a time frame beyond 1980.

Energy is to an industralized economy what air and water are to the body. And transportation is the lifeblood of that industralized economy. We cannot accept sweeping damage to our transportation sector, like abandonment of one-fourth of the rail trackage, and not expect great damage to our entire economy.

One of the terminals the DOT report recommends as suitable for abandonment is "The Andersons" grain elevator in Champaign County. A letter from the Champaign County Farm Bureau states:

"Should this abandonment be forthcoming for The Andersons it is doubted that enough trucks would or could be available to transport this grain to a central point of loading on a main artery of railway. As an example, in 1973, with 9,496 cars shipped by The Andersons, holding 3,300 bushels of grain per car (this) would equal 31,336,800 bushels of grain. With abandonment and a cost of 5c per bushel estimated additional (cost) to transport this grain to a central loading point on a main line, the additional cost would be $1,566,840 which would be a lowering of the price to the farmer or else an additional cost to the processor and consumer."

Such is the effect of rail abandonment from one grain elevator in one county in one state. The total effect of the proposed abandonments would be multiplied a thousand fold and more. The USRA should measure carefully the effects of rail abandonment; the DOT did not.

Another goal in the legislation, and one which DOT did not consider because it did not have the time, is "the minimization of job losses and associated increases in unemployment and community benefit costs in areas in the region presently served by rail service." In a 4-county area in southeastern Illinois—Wayne, Edwards, Wabash, and White counties—the DOT proposal would eliminate rail services for 21 of 29 communities and for 17 grain elevators. The Executive Director of the Greater Wabash Regional Planning Commission estimates that the four counties could lose as many as 2,000 jobs which would affect almost 8,000 family members. He estimates that the area could lose over 10,000 potential jobs.

I come back, therefore, to my main point, that it is incumbent upon the USRA to consider all the factors set forth in the Act. Financial viability is one. But the Senate Commerce Committee also set forth as one of "the two basic goals" of the Act: "the establishment and maintenance of a rail service system adequate to meet the rail transportation needs and service requirements of the region."

That is what we in Illinois want—and that is what the Congress required. We are not given it in the DOT report. But the Congress also established a process for the development of a balanced system.

If the final system plan does not balance all the factors set forth in the law and endangers our economy and our prospects for growth, then the Congress will disapprove it—and that would be more unfortunate. It is all up to the USRA now. I have every reason to believe the USRA will do its duty well.

SPECIAL OLYMPICS

Mr. BENTSEN. Mr. President, over the Memorial Day weekend some 2,200 handicapped children gathered in Austin, Tex., for the Texas Special Olympics. The Olympic games have represented for years both the highest standard of athletic competition and the most competitive forum for amateur athletes. The special olympics in Austin, carries forward that tradition in a unique way.

The special olympics is a forum for true champions and is an event that reminds us all of what can be accomplished by those with the desire to win no matter what the obstacles.

The handicapped children who participated in the special olympics did not set any new world competitive records, but they did give personal performances that rival the achievements of any athlete.

The special olympics are sponsored nationally by the Joseph P. Kennedy Foundation and the Texas competition is under the auspices of the Texas Association for Retarded Children. District meets were conducted in every area of the State and in all some 12,000 handicapped children competed in these events.

The goal of the special olympics is to give those with handicapped skills an opportunity to perform to the best of their ability in the company of those with similar abilities. It is an important development in an overall national effort to afford the handicapped the training, the help and the generous spirit which can help lead to normal lives for them all. I want to congratulate the organizers of this special olympic event and the young athletes who gave such tremendous performances.

I ask unanimous consent that an article from the May 3, 1974, Austin American-Statesman on the special olympics be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SPECIAL OLYMPICS EXPECTS 2,200

More than 2,200 mentally handicapped participants are expected in Austin this week for the sixth annual Texas Special Olympics (TSO) State Meet at the University of Texas.

"The state meet is the culmination of year-long athletic training and competition in cities all over Texas," said Mary Jane Boswell, a member of the TSO board of directors. Approximately 12,000 mentally handicapped children and adults participated on the local level and in 30 district meets, he explained.

Special Olympics was begun and is sponsored nationally by the Joseph P. Kennedy Jr. Foundation. There are Special Olympics programs in every state and some foreign countries.

The TSO Program is a division of the Texas Association for Retarded Citizens. This year's state meet is sponsored locally by the Austin State School, Travis State School, Austin-Travis County Mental Health-Mental Retardation Center and the Austin Association for Retarded Citizens.

"The emphasis is not so much on competition and winning as it is on participation," Ms. Boswell said. Every mentally handicapped person has a chance to participate and be a winner because each participant competes against others with similar abilities and skills, she explained. There is a place for the blind child or a person with cerebral palsy just as there is a place for the athletes who rival top University Interscholastic League competitors, she added.

The Special Olympics is not just an event with emphasis on athletics. "For many, it is the first time they have left their home towns or a state school. It is a chance for socialization, to make new friends, to see a part of the world and life that were only dreamed of before," Ms. Boswell explained.

One of the highlights of the state meet will be the opening ceremonies and parade of athletes Thursday at 6:30 p.m. in Memorial Stadium. This is the event where all participants gather to show their "true colors" with all the pomp and circumstances of the real Olympic games.

Participating in these ceremonies will be Secretary of State Mark White; City Councilman Bob Binder; Beverly Campbell, coordinating director of the Kennedy Foundation; the First Cavalry Band of Fort Hood; the Marine Corps Color Guard and the Ben Hur Shrine Srekoj Clowns.

The Bexar County Sheriff's Mounted Posse will ride the Olympics torch from Houston, site of the 1973 state meet, to San Antonio, site of the 1972 state meet, to Austin.

The meet will be held Thursday, Friday and Saturday at the University of Texas. Track, field and gymnastic events will take place in Memorial Stadium and swimming will be in the Gregory Gymnasium pool. Participants will be housed in Jester Dormitory.

IMPEACHMENT

Mr. MONDALE. Mr. President, article II, section 4 of the Constitution provides:

> The President, Vice President and all civil Officers of the United States, shall be removed from Office on Impeachment for, and Conviction of, Treason, Bribery, or other high Crimes and Misdemeanors.

Article I, section 2 vests "the sole power of impeachment" in the House of Representatives, and article I, section 3 describes the Senate's "sole power to try all impeachments."

The framers of the Constitution were realists. They were confident that the people had the ability to make self-government work; but they were skeptical of human nature and feared what might happen if the President were accorded unlimited power.

As a result, the Constitution was carefully designed with many checks and balances to prevent the excessive use of power which might threaten American freedom.

One of the checks and balances built into the Constitution was impeachment. The framers gave the legislative branch the power to remove a sitting President, in the words of the Constitution, for "treason, bribery, or other high crimes and misdemeanors."

Entirely apart from the debate over what constitutes an impeachable offense, it is clear from the constitutional debates, as well as the face of the document itself, that the framers intended to impower the legislative branch to remove the head of the executive branch. It is abundantly clear that impeachment was codified as a cornerstone of our constitutional structure.

Why was the impeachment mechanism included? The framers envisioned circumstances where the 4-year term would not be sufficient to check the aggregation or abuse of power by the executive. In the words of Harvard's Raoul Berger:

> It was because the separation of powers left no room for removal by a vote of no confidence that impeachment was adopted as a safety valve, a security against an oppressive or corrupt President and his sheltered ministers.

James Madison put it this way, when, in his Journal, he wrote:

> (Madison) thought it indispensable that some provision should be made for defending the Community ag(ain)st the incapacity, negligence or perfidy of the chief Magistrate. The limitation of the period of his service was not a sufficient security. He might lose his capacity after his appointment. He might pervert his administration into a scheme of peculation or oppression . . . In the case of the Executive Magistracy which was to administered by a single man, loss of capacity or corruption was more within the compass of probable events, and either of them might be fatal to the Republic.

The framers wanted a way to remove a sitting executive. They chose impeachment; they vested the power in the House; they placed the trial in the Senate.

Surely, the power of impeachment is the most solemn power entrusted to the legislative branch, involving as it does the removal of the head of a coordinate branch of government. Nevertheless, the power of impeachment is one of the indispensable—possibly the most indispensable—elements of the system of checks and balances that the framers constructed to keep official power within bounds.

If the House were to vote a bill of impeachment, the trial would take place in the Senate. As a Member of that body, and a potential juror in an impeachment trial, I must not, and I will not, prejudge the question of whether the President should be impeached or the nature of the evidence for or against the President. I cannot, however, remain silent on the question of access to evidence essential to an impeachment inquiry.

The power of impeachment is the prerogative of the House of Representatives. Its power is sole; the scope of its exercise must be absolute. In exercising the power of impeachment, the House must be able to investigate, must be able to study, must be able to make an informed judgement as to whether grounds for impeachment—under any of the various definitions—exist.

Yet, we all know too well of the "stonewalling" that has confronted the House Judiciary Committee as it has carried on its impeachment inquiry. To its request for relevant materials, it received delay and excuses. To its initial subpena for needed materials, it received partial transcripts. To its latest subpena, it received defiance.

Mr. Nixon has clearly defined his attitude toward the impeachment process: It is up to me, he says, to define those offenses for which I am accountable via the impeachment process; and it is, above all, up to me, he says, to decide which evidence might be used in an impeachment investigation.

If Mr. Nixon's view of impeachment is accepted, either through congressional acquiescence or congressional indifference, impeachment becomes a sunken ship on the constitutional waters. Impeachment becomes nothing more than an empty gesture, subject to Executive veto.

To disregard this vital element of our constitutional system—to read the impeachment clause as mere surplusage—is to demean the Constitution and to throw its carefully constructed equilibrium out of balance.

There is only one way to hold a sitting President accountable. And a President must be accountable. It rests with the House of Representatives to hold the President accountable.

When we denigrate impeachment, we denigrate a device which the framers regarded as essential to a republican form of government. When we ignore impeachment, we ignore an important element in our system of checks of balances. When we allow impeachment to be frustrated by Presidential fiat, we frustrate the Constitution.

Throughout the past several months, as various investigative bodies—the grand jury, the Senate Watergate Committee, and the House Judiciary Committee—have been seeking to get to the truth behind the Watergate scandal, President Nixon has repeatedly argued that he is, by his refusal to cooperate with these bodies, protecting the Presidency. He says that his reliance upon "executive privilege," "national security," and simple defiance is necessary to preserve the integrity and independence of the Office of the President.

Far greater than any alleged threat to the Presidency, is the threat to the future viability of Congress as a coordinate branch of government. The total frustration of the impeachment power will be the ultimate castration of Congress.

In the words of columnist and editor George Will:

If Mr. Nixon gets away with his doctrine nullifying the Constitution's impeachment provision—that is, if he sticks to his doctrine and still manages to finish his term then the first business of the 95th Congress when it convenes January, 1977, should be to amend the Constitution, deleting all language that suggests impeachment applicable to presidents.

We should make the 95th Congress do that, and then we should forbid all Congresses to do anything else of consequence, ever.

Richard Nixon's impeachment "strategy" is but another instance of Presidential usurpation of congressional prerogatives. The warmaking power is vested in Congress by article I. Yet, we all know of the serious Presidential incursions on that power. The Congress has the power to appropriate money, the President may veto legislation, but the item-veto was rejected by the framers. Yet, we know the impoundments that more than 20 Federal and State courts have ruled illegal.

If Richard Nixon is successful in usurping the congressional impeachment function, he will have cast the ultimate stone against a coordinate branch of government.

It will, indeed, be a strange version of the Constitution that will be operative when the next President takes office. The warmaking power will have mysteriously shifted to the executive branch. Duly appropriated money will only have to be spent when the President finds that prospect attractive. And the President will be totally immune from impeachment.

I ask unanimous consent that the column by Mr. Will, entitled "For Congress: A 'Make-or-Break' Test," from the Washington Post of May 28, 1974, be printed in the Record.

There being no objection, the column was ordered to be printed in the Record, as follows:

FOR CONGRESS: A "MAKE-OR-BREAK" TEST

(By George F. Will)

Twelve years ago California voters rejected Mr. Nixon's offer to be their governor, causing columnist Murray Kempton to feel reprieved: "Richard Nixon's defeat in California has removed him to that small place in history which belongs to national disasters which did not quite happen."

But it is still too early to write Mr. Nixon off as a national disaster. He seems to want to be a disaster, but the unintended effects of public figures are often more important than their intended effects.

Mr. Nixon did not intend to spend his second term conferring self-respect on Congress, or nullifying the impeachment provisions of the Constitution. But he is going to do one or the other, and whichever it is, we will be better off.

All this became inevitable when Archibald Cox, the first Special Prosecutor, unintentially became the Anne Boleyn of American history.

Ms. Boleyn, Henry VIII's second wife, gave birth to a girl. Henry did not understand chromosomes, so he did not suffer baby girls gracefully. He terminated the marriage, thereby bringing on the English Reformation and, you might say, the United States.

Similarly, Mr. Cox never really did anything except displease the sovereign, who beheaded Mr. Cox. This caused the impeachment process to clank into what passes for motion in the House of Representatives. This led ineluctably to the House Judiciary Committee's subpoena for the "best evidence"—the tapes.

The subpoena produced a few custom-tailored transcripts, and a letter from Mr. Nixon telling the committee to stop pestering him.

Mr. Nixon has thrown down the gauntlet in the form of a doctrine. His doctrine is: a President has the right to decide which offenses he will permit himself to be impeached for, and he also has the right to select, trim, polish and edit any evidence used against him.

If Mr. Nixon sticks to this doctrine, and if he is not impeached for sticking to it, it will become the definitive precedent. It will establish presidential control over impeachment inquiries against Presidents. It will mean that Presidents are immune from impeachment.

Of course it is conceivable that Mr. Nixon's assertion of this doctrine may have a dramatic unintended effect.

All Napoleon wanted to do was subdue those rival principalities. But he inadvertently provoked them into becoming modern Germany. Mr. Nixon's aggressive doctrine may provoke the little rival princess on Capitol Hill. They may unite against him in defense of their institution's prerogatives.

Mr. Nixon's doctrine is a potentially lethal blow aimed at the constitutional impeachment process itself. As such it is his worst offense yet, worse even than hiring the people he hired and helping to cover up what they did.

If Mr. Nixon sticks to his doctrine and is not impeached, then perhaps he is right in saying that Presidents should be immune from impeachment. Perhaps Congress is too confused to be trusted with anything as weighty as the impeachment power.

The 93d Congress, now sitting, is a typical Congress. Using anesthetics and forceps, it has extracted a bit of doctored evidence from Mr. Nixon.

If Congress does not think Mr. Nixon's denial of all other evidence—his attempt to destroy the impeachment process—is itself an impeachable offense, then Congress should indeed quit pestering Mr. Nixon. It should stop its impeachment charade.

Worse than unenforced laws are unenforceable laws. Worse still is a constitutional provision that is unenforceable. Worst of all is a constitutional provision that is unenforceable but not recognized as such.

Impeachment, as regards Presidents, may be such a provision. It may offer only the illusion of recourse against abuse of power.

If Mr. Nixon gets away with his doctrine nullifying the Constitution's impeachment provision—that is, if he sticks to his doctrine and still manages to finish his term then the first business of the 95th Congress when it convenes January, 1977, should be to amend the Constitution, deleting all language that suggests impeachment applicable to presidents.

We should make the 95th Congress do that, and then we should forbid all Congresses to do anything else of consequence, ever.

CLEAN AIR ACT AMENDMENTS

Mr. TAFT. Mr. President, on May 14, the Senate passed legislation to amend the Clean Air Act of 1970, to provide a means of dealing with the energy shortages.

H.R. 14368, which I supported, provides for temporary suspension of certain air pollution requirements, requires reports with respect to energy resources, and provides for coal conversion. The authority granted is temporary, in recognition of the need to continue energy conservation efforts, and balancing this need with our environmental goals.

The New York Times, on May 28, contained an editorial on the Senate's action, in support of the Senate version of the legislation. I commend it to my colleagues for their information, and ask unanimous consent to have it printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CLEAN AIR, LIMITED

> The bill to amend the Clean Air Act of 1970, recently passed by the Senate, is at best an environmentalist rearguard action. In its original form, as an Administration package designed to meet the oil shortage, the proposed changes were wholly indefensible. They would have all but wiped out effective clean air standards until such time as the United States became, in fact, independent of foreign oil.
>
> Russell Train, administrator for the Environmental Protection Agency, took exception to some of the White House provisions but passed the package along. The House passed an amending bill that was bad but better than the Administration's. The Senate's bill is a marked improvement over that of the House.
>
> Sponsoring the changes, Senator Muskie of Maine has suggested that he is bent on precluding something worse. He and other environmentalist Senators are yielding to the incontrovertible fact that there is an oil shortage and that no matter what temporary relief is being felt at the moment, it will be intensified in the foreseeable future. Coal is needed—and quickly. Their hope is to keep that need from being made a pretext for wiping out the hard-won advances that have been made toward a more breathable atmosphere.
>
> Viewed in this light, the Senate bill is a compromise that appears to leave no one acutely unhappy and no one overly enthused. Environmentalists, power companies and automobile manufacturers can all take some comfort in it, if not much. It will buy an unpredictable increment of energy for an unpredictable loss in clean air.
>
> Most important among its provisions, the Senate substitute would significantly narrow the freedom of industrial and power plants now fueled by gas or oil to convert to coal. Where that freedom could be generously construed under the House bill, the Senate would limit it to those facilities that are located in areas already meeting the air quality standards fixed by the E.P.A. No conversions would be allowed that would jeopardize those standards.
>
> Under either measure, stringent controls of automobile emissions will again be postponed. The original act required such controls on all 1975 model-year cars. The deadline was later put off to 1976, and the new amendments would give the manufacturers until 1977, with the E.P.A. having the option of giving them a years' extension beyond that.
>
> The auto industry's leisurely pace in the reduction of car pollutants means corresponding delay in the attainment of general clean air goals—unless auto traffic itself is to be sharply curtailed. On the brighter side, modification of the Clean Air Act would bring nearer the day when New York will have to limit if not ban taxi-cruising, put a high tax on parking, levy tolls on all bridges and otherwise discourage the needless use of the internal combustion engine.
>
> Meanwhile, of the two moves to compromise on clean air for more energy, the tougher Senate version should by all means prevail in the conference committee.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, the United Nations General Assembly, on December 11, 1946, stated in its first resolution on the subject of genocide:

> Genocide is a denial of the right of existence of entire human groups, as homicide is the denial of the right to live of individual human beings.

We in the United States proudly point to our Constitution, and more particularly to our Bill of Rights, as a staunch guardian of individual rights. We place great value on the individual's right to live, as is evidenced by our vast system of criminal laws dealing with homicide. Yet the Senate procrastinates on the ratification of the Genocide Convention which deals with the right to live of not merely one individual but entire groups of individuals.

The 25-year delay in the ratification of this convention can only cause serious doubts in the minds of the citizens of the world as to the sincerity of our commitment to the right to live. Traditionally we have been leaders in support of basic human rights. Our failure to act in this instance, however, stands in glaring contradiction to this leadership. The Senate's delay on genocide caused former Chief Justice Earl Warren to remark:

> We as a nation should have been first to ratify the Genocide Convention—instead we may well be the last.

Mr. President, I urge that we live up to our role as leaders and ratify the Genocide Convention promptly.

ANNIVERSARY OF THE ADOPTION OF THE POLISH CONSTITUTION

Mr. STEVENSON. Mr. President, on May 3, the Polish community around the world commemorated the adoption of the Polish Constitution in 1791. Throughout the month of May, this anniversary has served as a source of pride to all Polish-Americans.

The principles of the 3d of May constitution are the foundations of both the Polish and American struggles for freedom. With its goals of national sovereignty, freedom of choice and basic human rights for all, the 3d of May constitution closely parallels those values our Founding Fathers embodied in our Constitution. Today, some 10 million Americans of Polish origin enjoy the protections and guarantees of life and liberty under our historic document. And this same democratic spirit and yearning for political self-determination is alive today in the hearts and minds of the people of Poland.

Each year, thousands of Poles enter the United States and find here an environment which nurtures human rights and opportunity. During fiscal year 1973, of the 400,000 immigrants entering the United States, over 4,000 made the journey from Poland. Over 2,000 Polish visitors last year adjusted their visa status when they arrived to become permanent residents here.

In Illinois alone, over 72,000 residents were born in Poland and 225,000 can trace their parentage to Poland.

America's friendship and support for the oppressed nations of Eastern Europe is well known. During the period from 1946 through 1973, 164,494 Polish citizens took refuge in the United States—further proof that resistance to Soviet domination continues.

Today, I join in offering encouragement and hope to those who are still forced to live with hardship and suppression in their historic homeland. I am proud to represent the almost 300,000 citizens of Polish ancestry in Illinois whose business and social achievements and participation in government provide an excellent source of inspiration to the people of Poland. It is my sincere hope that continued diplomatic efforts will someday allow the Polish people to enjoy the true independence they so earnestly desire.

19TH TUNISIAN NATIONAL DAY

Mr. HARTKE. Mr. President, 19 years ago, on June 1, 1955, Habi Bourguiba, the leader of the Tunisian Neo-Destour Party was allowed to come back home after several years of imprisonment and exile. A few months later, on March 20, 1956, the French Government formally granted Tunisia her independence, and Mr. Bourgiba eventually became the head of the Tunisian Government and later the President of the Tunisian Republic.

However, it was the return of their leader rather than the formal granting of independence that the Tunisian people and government chose for their National Day. Last Friday then, the Tunisian people commemorated for the 19th time their National Day, and this will be an occasion for the world to review once again the remarkable political stability, social progress, and economic development achieved by this small Arab nation of North Africa since she freed herself of foreign rule.

The history of modern Tunisia has become common with Habib Bourguiba since he left the old Destour Party in 1934 and created the Neo-Destour Party.

In the 19 years since Tunisia became independent, the country has modernized to a large extent. Thanks to heavy expenditures on education—Tunisia spends proportionately more money on education than any country on Earth—education has become widespread, the standard of living has doubled, and the economy has diversified and improved. All these impressive successes were due partly to the hard work and ingenuity of the Tunisian people, and partly to the international assistance her government has been able to obtain and use efficiently. Thanks to this progress, reliance on foreign assistance is decreasing, and some experts think it could be phased out in a few years if the present trends continue.

The rate of growth of population has been checked, thanks to the first program of birth control set up in an Arab or African country. The status of women has been one of the first concerns of the Government, and the condition of women in Tunisia is now to be envied in several countries; polygamy has been abolished and Tunisian women now have the same rights as men.

In the international field, this small country of 5.5 million people, which is the site of ancient Carthage, chose unequivocally from the first days of its independence to side with the free world. Even during World War II, before Tunisia became independent, her future leaders chose to support the Allies rather than the Axis, even when the latter had the upper hand. Today, although she is a member of the nonalined group, her sympathies are still going toward the ideals of democracy, freedom and self-determination for which we stand. Her government has steadily emphasized the virtues of moderation and cooperation between nations. You all know that as early as 1965, President Bourguiba had the foresight to advocate negotiations between the Arabs and Israelis, in the context of United Nations resolutions, to break the Middle East stalemate. It is unfortunate that the Arabs and Israelis needed two more wars, and untold devastation and human suffering to heed his advice.

I would also like to mention the friendly and constant relationship that has existed between our two countries since Tunisia became independent. President Bourguiba has already visited the United States in an official capacity twice, in 1961 and again in 1968, and I understand plans are underway to prepare another visit before the end of this year.

Mr. President, it is with a great deal of pleasure that I offer the government and the people of Tunisia congratulations on their National Day.

STUDENTS FLOCK TO VOCATIONAL EDUCATION

Mr. PROXMIRE. Mr. President, there was good news on the front page of the Washington Post this morning in a story by Ron Shaffer. A headline proclaimed: "Students Flock to Vocational Courses." Why is that good news? It is because the one way we can improve the standard of living in this country—and pay ever high wages without devastating inflation is by increasing productivity. And one sure way to increase productivity is to improve the training and skill—the availability of the technicians who produce our goods.

In my series of speeches on what is right with the Federal Government I recently pointed to improvement in this country's education as a shining accomplishment of the past few years. In the past dozen years we have increased our Federal contribution to vocational education by more than ten fold—a thousand percent. This article in the Post tells the happy story of the results eloquently.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STUDENTS FLOCK TO VOCATIONAL COURSES

(By Ron Shaffer)

Paul Farmer, 15, is one of those high school students who doesn't like the classroom. He is interested in welding, not English literature.

Starting in September, Paul will be able to spend two hours a day studying welding, among other construction techniques, at a new $4.6 million career education center in Arlington. The center is one more response by a school system to the growing number of students who want to leave high school with a start toward a career that does not require four years of college.

"Kids aren't going to college any more just for the sake of it," explains Thomas E. Smolinski, director of the career center. "They want more of an idea in high school what they're going to be doing in later life, rather than waiting to get to a university to do their exploring.

Consequently, school officials in the Washington metropolitan area report, participation in vocational courses has doubled or tripled in the last few years, and local public school systems are rapidly expanding the number of career orientation programs and specialized vocational training.

One of the moving forces in this trend, educators say, is a change in attitudes of youth toward blue collar work.

No longer are students as conscious about status as they once were, and this is breaking down old perceptions that there are so-called "good jobs", like doctors, and "bad jobs", like bricklayers, local educators say.

School officials also are working to remove the traditional stigma attached to jobs involving physical labor by offering more vocational courses, and a career education program from kindergarten on designed to show how different jobs relate and how each can be valuable and satisfying.

This program includes hands on tools in kindergarten; role playing in the elementary schools where youngsters act out both white-collar and skilled labor jobs and visits to work sites where students are encouraged to study the worker as well as the product.

In junior high school the study becomes more intense, with students focusing on the connection between a range of jobs in fields such as transportation, health sciences, communication or marketing.

Then, those students in high school who have a strong interest in a job can choose from a list of vocational training courses that is being expanded annually but still is not meeting the demand.

More than 1,000 students already have signed up for the Arlington career center courses, and there are waiting lists for most classes.

"Traditionally the adage was, 'Get good grades and stay in school or you'll have to go to work,' but more and more students are disregarding that," says Dr. N. Edwin Crawford, director of career education for Prince George's public schools. "Youngsters are opting to go to work; they want to go to work, to get involved."

In developing their vocational curriculum, administrators note also that jobs stemming from vocational training often pay more than so-called white collar jobs available to college graduates, and that the Department of Labor predicts that three out of four new jobs between now and the end of the decade will not require a college education.

One of the ironies of the present high unemployment rate is that there is a shortage of workers in construction and maintenance-related fields. "Try to get something fixed in your home—a television, plumbing, electrical work—and you can't get it done," says Dr. Crawford.

"In the past we've channeled kids into what we thought was good for them; we told them these (blue collar) jobs were bad and nobody went out to work them," he said. "Now kids are more intelligent. They're looking for something meaningful and relevant to them and they're not letting this older generation impose their values on them."

Critics of the trend toward career education and increased vocational training, Dr. Crawford says, "complain we're trying to lock kids into an early choice. But in career education we're simply trying to give kids more information with their career options. It begins in kindergarten and covers not just blue-collar jobs, but all jobs."

For instance in the Prince George's County police department, Crawford said, there are 450 jobs other than being a patrolman. "These are jobs that kids know nothing about. Many are high paying and very interesting. That's what career education is, trying to let kids know about these other jobs."

Paul Farmer, a sophomore at Washington-Lee High School, says he figures the Arlington career center is what he's looking for.

"In the first year (general construction) you get to arcweld, and the second year you get further training in welding. That helps getting into a union," he says. "A journeyman welder makes good money, and that's something you can always fall back on if you want to try something else."

Paul's two older brothers are iron workers, his mother explains, and Paul is tired of school already. We're not your 9-to-5 office family type; Paul likes getting outdoors, so this (program) will be great for him."

Arlington, like the other Washington area school systems, will allow students to spend up to half their classroom time training in courses such as hotel-motel management, fashion design, carpentry, masonry and child care, with the rest of their time devoted to the standard academic construction at their home high schools.

In Alexandria junior high school students now can watch a butcher carve meat in the class room; in Montgomery County high school students can intern as say, a congressional aide or work part time in data processing; and in Fairfax County students build houses.

As part of their high school vocational training experience, students in some Washington area school jurisdictions repair at cost cars, radios, televisions, and heating and air conditioning products brought in by the public. They set hair, cut hair or give manicures in cosmetology and barbering classes and build prefabricated sheds, raise nursery products and repair lawnmowers.

One of the unusual vocational projects in the area is the home in Annandale built entirely by Fairfax County high school students.

The project took 18 months; boys did most of the construction and girls planned the interior design and the color-coding, and together they marketed it.

The home sold for $73,000 last fall to television newscaster Wes Sarginson. "It has been an outstanding home, with many fewer problems than you would expect in a new house," Sarginson told a reporter this week.

His previous, smaller home cost $69 a month to heat, Sarginson said: the larger, student-built home costs $32 a month. "That gives you an idea about how much tighter the new home is."

The quality of student work, Sarginson said, can be further evidenced in the repair job they did on a car owned by his friend and coanchorman, Fred Thomas.

"He had a Volkswagen van that was a moving junkpile, an embarrassment to ride in," Sarginson said. "The floor was rusted through, no body shop would touch it." Students in an auto mechanics course at George Marshall High School near McLean tore the car down and refurbished it to near-new quality, Sarginson said. The cost was parts and $1 for labor.

Construction students from all 22 Fairfax County high schools are now involved in building a complex of eight structures at

Hemlock Overlook Regional Park near Clifton. This project, built with Northern Virginia Regional Park Authority money, is to be an environmental campus where students can take overnight field trips for nature study.

About 50 of the students are at the work site all day and have their English and social studies classes in the woods.

While Arlington is the first to consolidate vocational programs in one complex, Alexandria has plans to follow suit in 1976 with a vocational complex at T. C. Williams High School, and the District of Columbia is moving toward opening some area vocational centers that will include programs of study in services, marketing, and construction.

Some of these are due to be opened next fall, and gradually will replace the traditional vocational schools in the District, which offered its special training only to those students in the school.

The high school vocational programs are structured to provide the basics for continued study specialized at area junior colleges and technical schools. Often one or two years beyond high school is required to enter skilled jobs.

"We don't want students to have to spend four years in college to find out what they want to do," Dr. Crawford said. "We want to let them know what options are open to them early on, and have them know about different types of work and become involved in appropriate technical training and academic instruction that will prepare them for jobs.

"One high school girl told me she wanted to major in medical research in college," Dr. Crawford said. "I asked her why and she said she had picked that field out of a college catalogue. She didn't know anything about it—the hours, the pluses and minuses, the requirements or whether she even had the aptitude for it.

"My own son decided in high school to be an economist because he read where it was one of the highest paying jobs. But he didn't know what the job entailed until his last two years in college. It's a sad story but it happens all the time."

His son went on to get a master's degree in education, Dr. Crawford added, but now works as a paint foreman because that pays better than work he could find in his college major.

FOOD PRICES DROP AT THE FARM, BUT NOT AT THE SUPERMARKET

Mr. HUMPHREY. Mr. President, as part of my continuing interest in food prices, as chairman of the Subcommittee on Consumer Economics, I chaired hearings at the end of May on processing and retailing practices which increase the price or lower the quality of food to the consumer. Our witnesses provided numerous examples of such practices and the subcommittee plans to use their testimony as a basis for further hearings.

A problem which all our witnesses acknowledged was the level of concentration in both food processing and retailing. In the cereal, soup and canned fruits and vegetables industries, three or four firms completely dominate the market. In retailing, some cities, like Washington, D.C., are at the mercy of two, three, or four large chains. It has been estimated by Federal Trade Commission staff that the consumer pays an extra $2.3 billion in food bills because of the lack of adequate competition in the food marketing system.

The retail food chains have often countered this argument by claiming that their profit margins are already so low that prices are at a minimum. However, Dr. Russell Parker, an economist with the Federal Trade Commission, told our subcommittee that—

> We often hear that prices charged by grocery chains cannot be greatly affected by concentration or other structural variables because their profit-to-sales ratios are low. Most food chains do have profit-to-sales in the two to five percent range before taxes. A look at the evidence shows that prices can be reduced and profits are not driven to negative levels. . . . In recent years low-margin retailers have been among the most profitable firms in the food chain business.

The cost and profits derived from food processing also increase retail prices. Testimony from the agribusiness accountability project showed that profits of some meat, fruit, and vegetable processors increased between 23 and 110 percent during 1973. Although food marketing firms were in some cases recouping losses suffered during price and wage controls, the subcommittee intends to closely monitor the profit performance of these firms during this year.

In this period of high food prices, the movement of the farm-retail price spread merits special attention. Statistics compiled by the Department of Agriculture show that since June 1973, the farm-retail spread has increased by 25.3 percent. In the last several months farm prices have declined. In the last 2 months alone they have dropped 16 percent. Yet there has been little reflection of this decline at the retail level. Even Dr. Paarlberg, Director of Agricultural Economics at the Department of Agriculture, expressed surprise that retail food prices had only declined by 0.3 percent in April. He indicated that USDA had expected retail prices to drop at least 1 percent given the sharp decline in farm prices. Normally retail prices lag slightly behind when farm prices drop. I intend to follow movements in the spread this year and to question food retailers before the subcommittee if adjustments in retail food prices are not made soon.

The subcommittee intends to investigate a number of other issues relating to food prices during further hearings this year. I am especially concerned about the recent action by the Federal Trade Commission in abandoning an investigation of retail food chains in Washington. Furthermore, the Federal Trade Commission has recently begun a wide-ranging study of the entire food marketing industry which we expect to follow closely.

Mr. President, I ask unanimous consent that excerpts from the excellent testimony presented by our witnesses follow my remarks in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

STATEMENT BY RUSSELL C. PARKER, ASSISTANT TO THE DIRECTOR, BUREAU OF ECONOMICS, FEDERAL TRADE COMMISSION

Mr. Chairman and Members of the Subcommittee on Consumer Economics, I am Russell C. Parker, Assistant to the Director, Bureau of Economics, Federal Trade Commission.[1] It is a privilege to appear before this Committee to testify on the subject of concentration in the food processing and retailing industries and the consequences of this concentration for the consumer.

The best single, generally available, measure for evaluating the importance of monopoly in industries is the level of market concentration. The degree of product differentiation between the outputs of competing sellers and the difficulty faced by potential entrants are also important but the existence of these leads to, and therefore are highly correlated with, high concentration.

The level of concentration in a product market indicates the extent to which competing sellers are likely to be affected by the selling strategies of others. Market concentration ratios are an index of the degree of interdependence of firms. Competitors in unconcentrated markets are each so small they are not concerned with possible competitor reactions when choosing their marketing strategies. When concentration is substantial, the interdependence of leading firms is so great that strong communities of interest develop to identify and avoid those strategies most likely to lead to competitive reactions which are destructive to profits. Strong price rivalry is usually the first to be identified. This situation is called oligopoly. When concentration is great enough—this is when all firms can act without fear of effective dissent in achieving joint profit maximization—monopoly exists. The several firms acting together in this fashion are generally referred to as participating in a shared monopoly. Competition in concentrated, oligopolistic type, industries mainly occurs in terms of product variations, additional advertising and services.

The Bureau of the Census computes concentration statistics which show the percent of production or sales in a market accounted for by the 4, 8, or 20 largest producers. These measures are computed for manufacturing industries about three years after each regular Census year which is supposed to be every five years. The latest Census year for which complete concentration data are currently available is 1967. On two occasions since World War II, 1966 and 1970, the Census has provided very limited concentration tabulations based on its annual survey of manufacturers. In addition to manufacturing, grocery retailing concentration ratios for 230 metropolitan areas are computed by Census every Census year for the Federal Trade Commission. The most recent tabulations are for 1967. What do these concentration data show about the state of competition in food processing and retailing?

How has concentration changed? Between 1958, the Census year and 1970 there were several definitional changes which make comparisons over time difficult. However, an analysis of concentration changes is possible for the 31 industries whose definitions remained unchanged. Of these 31, fourteen showed concentration increases of more than two percentage points and nine showed declines of that magnitude. In other words there was an upward shift in concentration. Of the redefined industries, five caused the industry to move to a lower concentration category and three caused changes in the reverse direction. The downward moving industries were quite large and in net the redefinitions caused a significant downward shift in the distribution of industries.

The most significant concentration increases in the 1958 to 1970 period were confectionary products, beer and wine industries. Mergers and high advertising expenditures were important factors in each of these industries. The brightest spot in the concentration picture is meat packing (2011). This is a very important industry accounting for about 10 percent of all food industry value added and nearly one out of five dollars spent by consumers. Since World War II meat packers went down from 41 percent to 23 percent. Meat packing (2011) is an area where advertising is unimportant and consumers are aided in their purchase of meat by U.S. Government inspection and grading.

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[1] This statement represents only the views of a member of the FTC staff. It is not intended to be, and should not be construed as, representative of an official Commission policy.

Besides the high and probably increasing level of concentration in individual food industries, concentration is also high for food manufacturing overall because of the multi-industry participation of large food manufacturing corporations. Just 50 food manufacturing corporations control most of the important producing position in all of the individual industries and product classes according to Census Bureau tabulation. These fifty corporations owned half of all food manufacturing assets in 1965 and there is an increasing trend. The 50 largest of 1950 controlled less than 42 percent and, since 1965, asset concentration with the 50 largest has continued to increase to where I estimate that the current 50 largest companies may account for close to 60 percent of total food manufacturing assets.

Concentration of profits and advertising expenditures is even greater than assets and is also increasing. Whereas the 50 largest companies controlled 50 percent of assets in 1964, they accounted for 61 percent of profits and nearly 90 percent of television advertising.

All of the increase in concentration of food manufacturing assets within the 50 largest food manufacturers between 1950 and 1965 was due to mergers. Although some of the merger activity was horizontal in nature, most was conglomerate. This was particularly true of mergers taking place after the early 1950's. The conglomerate activity was primarily the acquisition of companies in related products or in the same product but in different geographic markets. Acquired firms were often large. Many ranked among the largest food manufacturers prior to being acquired. Many were substantial advertisers of well known food product brands. In this regard, it is significant to observe the change in advertising after acquisition. Almost immediately the average amount of advertising expenditure for the acquired brands was doubled, with television advertising showing the greatest increase. Another interesting fact is that acquisition was almost the sole route by which the largest companies entered new industries. FTC detailed product data for the 20 largest food manufacturers showed that nearly 90 percent of the product areas entered by the companies were directly traceable to merger. Others, that could not be definitely traced, were likely due to merger. Only a very small number of the entries into new product areas could be definitely identified as internal expansion. The very low research and development expenditures of the largest food manufacturers are consistent with this finding. Worley found that food manufacturing was the only major industrial group where there was an inverse relationship between size of firm and the number of research and development personnel per 1,000 employees. The picture that emerges from these data and others, such as use of field sales force personnel and advertising intensity, is that large food manufacturers are primarily concerned with exploitation of product areas developed originally by smaller firms. The exploitation by large corporations is mainly based on competition reducing advertising and other forms of product differentiation.

Since the 1960's, merger activity involving food companies has remained very vigorous. The rate of acquisition of larger food manufacturing companies is particularly significant. The Federal Trade Commission's merger series of acquired companies with more than $10 million in assets shows that 111 such companies were acquired in the two decades between 1948 and 1968. In just three years, 1969 through 1971, 46 such companies have been acquired. Food industry mergers, as a share of all mining and manufacturing large mergers, have increased by nearly half. The food industries are facing a major threat to their small and medium size viable firms.

Now I would like to review briefly the importance of monopoly in food retailing. Concentration in grocery retailing is showing a strong upward trend. Just 20 large grocery chains accounted for 40 percent of total grocery store sales in the United States in 1970, according to Census tabulations. This was a one-third increase from the 30 percent controlled by the 20 largest chains in 1954. It is important to note that none of the 20 largest is a national chain. This is important because competition in grocery retailing occurs at the local level. Few consumers consider traveling to another city to purchase groceries. At the city level, concentration in grocery retailing is high and increasing. For the 200-plus metropolitan areas defined by the Census, the four largest corporate grocery chains accounted for an average of 51.1 percent of sales in 1967. In 1954, the 4-chain average was only 45.5 percent. If the Census would tabulate voluntary and cooperative food chains on a consolidated basis rather than by individual store ownership, the average 4-chain percentage would be several points higher.

The national average of all cities hides the fact that in many individual cities, concentration is very high. Washington, D.C., is one of those cities. Here in the Washington metropolitan area, four chains accounted for 70.3 percent of sales in 1967 and private sources indicate that the percentage has increased since 1967.

Major studies of grocery retailing, including those of the staff of the Federal Trade Commission and the National Commission on Food Marketing, have found significant barriers to entry and significant pecuniary advantages of size to the largest established food chains in local markets. The latter are especially important in the areas of newspaper advertising and purchasing. The largest chains also have strategies available to them in building and remodeling stores and in pricing that can discourage entrants. Given these, there is little hope in sight of a quick erosion of existing levels of concentration in grocery retailing or even a reversal of present upward trends.

What is the evidence that oligopoly leads to higher prices? Two types of collusive actions lead to higher than competitive prices. One type is explicit price-fixing; the second is tacit price-fixing.

Explicit price-fixing is the classic collusive arrangement when sellers meet secretly in hotel rooms. This kind of price-fixing still takes place. Some industries are prone to this kind of conspiracy. The high level of concentration in regional markets of the baking and dairy industries enhances the opportunity for firms to get together and fix prices. These two industries have a history of extensive conspiratorial behavior.

The *Bakers of Washington* case, successfully prosecuted by the Federal Trade Commission in the mid-1960's, is an example. During the period of the price-fixing, the leading bakers of the State of Washington conspired among themselves and with the largest food chains in the area, one of which operated its own baking plant, and succeeded in raising the price of bread paid by residents of the State by 15 to 20 percent over a 10-year period extending from the mid-1950's to the mid-1960's. An antitrust investigation was ultimately begun and, upon conviction of the companies involved for price-fixing, prices dropped. The Federal Trade Commission found that the wholesale bakers and the leading retailers in the conspiracy area had met frequently at State trade association meetings and that, by means of agreements or understandings reached at those meetings, had suppressed price competition at both the wholesale and retail levels and established and maintained uniform and noncompetitive prices. Before the conspiracy, Seattle prices were nearly identical to the national average. During the period of the conspiracy, they were between 15 and 20 percent higher. Consumers in the State of Washington paid approximately $30 million more for their bread than they would have paid if local prices had been the same as the national average during the period of the conspiracy. Following the conclusion of this antitrust action, vigorous price competition developed; the Seattle price level ultimately dropped well below the overall national average. It is interesting to note that although the vigorous price competition reduced bakers' profits, its main effect was to increase efficiency by driving many inefficient firms out of the market.

The same Economic Report which analyzed the State of Washington situation analyzed, in depth, the price behavior in five other areas. These areas were chosen for study without regard to any known price behavior. Two of these areas were found to have prices above the national average and trends similar to that found in the *Bakers of Washington* case. In both instances, the Department of Justice brought suits based on the analysis and won victories. In Baltimore, where subsequent price data have been analyzed, the average price of bread appears to have dropped approximately 15 percent. In doing so, an estimated $5 million a year in consumer overcharge which had existed for a ten-year period was eliminated.

The frequency of explicit price-fixing is not well documented since it is done in secrecy. Investigations are initiated only in those instances where pricing patterns strongly suggest collusive behavior or when someone becomes an informer.

The above is an illustration of an explicit price conspiracy. Although I do not intend to minimize the importance of such conspiracies, available data and analysis indicate that tacit price collusion is much more pervasive. Tacit price collusion is the typical conduct of oligopolies. It results from the various forms of price leadership practiced in oligopolistic industries. A large and growing number of statistical studies are demonstrating the existence of a relationship between the dimensions of market structure and profit rates, gross markups and cost-price margins. The relationships are very similar in widely different industrial sectors and in statistical formulations that use different data sets and statistical techniques.

The staff of the Federal Trade Commission has conducted two such analyses that are particularly relevant to the food industries. One develops the relationship between concentration, advertising intensity, and other structural variables, and the level of profits of food manufacturers.

Where 4-firm concentration averaged 40 percent and advertising-to-sales concentration averaged 1 percent, companies earned an average profit rate of 6.3 percent. On the other hand, in industries where 4-firm concentration averaged 70 percent and advertising expenditures averaged 5 percent of sales, there was an average net profit rate of 15.9 percent. Another variable in the analysis (not summarized in table 3) shows that firms holding the dominant positions in the industries enjoy even higher profit rates. In short, this means that the high frequency of moderate and high concentration industries in food manufacturing (table 1) is having a great effect on consumer prices.

We often hear that prices charged by grocery chains cannot be greatly affected by concentration or other structural variables because their profits-to-sales ratios are low. Most food chains do have profits-to-sales in the 2 to 5 percent range before taxes. A look at the evidence, however, shows that prices can be reduced and profits are not driven to negative levels. A study by the staff of the Federal Trade Commission shows that food discounting in Washington, D.C., resulted in a 3 percent reduction in prices and retailers still earned profits. In recent years low-margin retailers have been among the most profitable firms in the food chain business.

There have been wide swings in average gross markups of chains yet industry profits rates have experienced remarkably little year-to-year variation. Between the early 1930's and 1950's average gross margins decreased almost 10 percentage points. This was due mainly to the supermarket revolution. From 1950 to 1965 average markups climbed again to the early 1930's level. This was due mainly to trading stamps, games of chance, more expensive stores, added in-store services, increased advertising, and other nonprice elements of competition. Underlying this shift to nonprice factors as the principal dimension of competition was the outbreak of a major merger movement which eliminated entry of chains into each other's markets as a significant competitive force. In the mid-1960's anti-competitive mergers by large grocery chains were curtailed by an FTC merger policy and there is evidence that competition which had been stopped by the mergers has resumed. Since 1965, gross margins have dropped by more than 1 percentage point. Considering that annual food store sales are over $100 billion, every percentage point decline in gross margins means an additional saving to consumers of $1 billion.

Statement of the Agribusiness Accountability Project Before the Joint Economic Committee

(Presented by Susan DeMarco and Jim Hightower)

President Nixon, intending to characterize himself as the farmer's friend, recently did the verbal equivalent of stepping in a fresh cow pattie. What he did was to say, "farmers never had it so good." As you might imagine, they did not take kindly to that out in the farm country.

Not only was the President's statement bad politics, it was wrong. No one knows that better than farmers. Sure, the farmer's income was up in 1973, but two facts in particular bother farmers about the President's statement. First, farmers neither caused the exorbitant food prices of 1973, nor did they profit most from them—it was food middlemen that continued to take the big bite out of the consumer's food dollar. Second, the President was trying to make political hay out of a temporary price boom that already is fizzling out—1974 does not look all that great to farmers.

MIDDLEMEN NEVER HAD IT SO GOOD

Consider the first question: who profited? There can be no doubt that 1973 was a good year for farm income, especially for grain and livestock farmers. As it turns out, Administration publicists were a bit overzealous in their initial claims for farm income, and they had to revise their early figures downward by $2 billion. And there is considerable doubt that all of that $24 billion in farm income actually ended up on the farm, since a good many corporate processors and marketers of such commodities as eggs and poultry get counted as "farmers." These quibbles aside, however, 1973 was not a bad year to have been a farmer.

But it was not the kind of year that warrants being singled out in a Presidential press conference. Even with the record income levels of 1973, farmers received only 46 cents out of the consumer's food dollar. The rest went to corporate middlemen. And lest you think that every farmer in America is drawing 46 cents every time a consumer lays down a dollar, you ought to know that most farmers never see that kind of ratio. For example, the chicken that you pay $1.50 for, pays the chicken farmer six cents. Department of Agriculture statistics shows that a can of peaches cost consumers 41 cents last year, but the peach farmer got only 7 cents of it. You spent 28 cents for a loaf of white bread, and only 4 cents of it trickled back to the wheat farmer. That can of corn that cost you a quarter returned only 3 cents to the farmer.

At a time of skyrocketing food prices and consumer disgruntlement, the President pointed to farmers, without bothering to mention that food corporations were enjoying even better times. Cattle ranchers are said to have done especially well in 1973, but none did anywhere near as well as such corporate cowboys as Iowa Beef Processors, with a 77% profit increase last year, or Missouri Beef Packers, with a 110% profit increase. And food processors whined all last year about government price controls, but they whined all the way to the bank. For example, the big canners of fruits and vegetables did much better than the farmers who grow the stuff, with such firms as Del Monte taking a 35% profit increase in 1973, Campbell soup up 23% and Castle & Cook up 52%.

PRICES: DOWN ON THE FARM

Food middlemen are the ones who never had it so good, and now they are having it even better. Grocery shoppers undoubtedly are puzzled over the phenomenon of the "disappearing price drop" in our food economy. Since September of 1973, the news media has been reporting each month that the farm value of food has been falling. But, somehow, that price drop on the farm has not made its way into the supermarkets. In fact, farm prices fizzled 16% from August to December of last year, but supermarket prices remained sizzling hot. Even as President Nixon was making his remark in March about the good fortunes of American farmers, the price they were being paid was falling for the sixth straight month, while the price charged to consumers actually was rising! The decrease in farm prices is disappearing directly into middleman bookkeeping. Food firms complained that they took a beating last year because they were having to pay farmers so much at a time they were trying to hold consumer prices down. Nonsense. Not only did they pass all of the farmers' increase right through to the beleaguered consumer, but they attached a sizeable mark-up of their own. The Federal Reserve Bank of Chicago reports that food middlemen increased their take from consumers by 6.5% in 1973. That is an increase exceeded only once (1970) in the last twenty years. And the Department of Agriculture reports that these firms will increase their share in 1974 at a rate that "may be more than double the 1973 increase." What that means is that consumers will pay much more for food this year, and much less of what they pay will go to farmers.

In 1973, the farmer was getting 46¢ of the food dollar. By March of 1974, that already had fallen to 43.6 cents. In April, the price of farm products fell another 5.5%, and it is expected to fall even more during the year. But the retail price of food is hardly keeping pace. The Administration is well-known for its way with words and statistics, but a remark earlier this month by Herbert Stein, chairman of the President's Council of Economic Advisors, is enough to drive both farmers and consumers crazy. He said, "The *declines* in farm product prices are likely to be reflected in much smaller *increases* in retail food prices that occurred in the first quarter of 1974" (emphasis supplied). Only the National Association of Food Chains can appreciate the logic of that.

To a significant degree, this level of profit is the result of monopoly power in the food industry. There are 32,000 food manufacturing firms, but 100 of those make 71% of the profits. Those few firms, powerfully situated between millions of farmers and millions of consumers, are the decisive force in the American food economy. Dr. William Shepherd, a leading authority on market concentration, reports that the food industry falls well within the category of "tight oligopoly," with the average four-firm concentration within the industry being 55%.

In many food lines, shared monopolies exert much greater control. For example, 91% of all breakfast cereal is sold by four firms (Kellogg, General Mills, General Foods and Quaker). Three firms (Dole, Del Monte, and United Brands) sell 85% of all the bananas. Gerbers alone sells 60% of baby food, and Campbell Soup sells 90% of all soup.

COSTS: UP ON THE FARM

The Administration has made a mess of our food economy over the past few years. Now they are allowing monopolistic food middlemen to extract big profits from the wreckage, while publicly drawing attention to the modest and long-overdue profit levels of family farmers. That alone is enough to make even the most reticent farmer swear, but there is another harsh economic reality that is squeezing farmers and causing them to think seriously about the advice of old-time populist leader Mary E. Lease: "Raise less corn and more hell."

That reality is the rise in farm production costs. Not much of what the farmer gets stays in his pockets, for he has a mess of bills to pay. President Nixon missed this fine point of farm finance when he was telling farmers how well off they are. As farmers move through spring plantings they are massively pessimistic. The cost of their production supplies has increased even more dramatically than the fizzling of farm prices. The Department of Agriculture predicts that farmers' expenses in 1974 will be "more than $9 billion above last year.

A corn farmer in Iowa told the *Des Moines Register* of fertilizer prices this year 40% higher than last, of diesel prices doubling since last year, and of corn seed that has gone from $25 a bushel to $37 a bushel. The cost of new machinery has gone out of sight, and repair of old machinery is about as costly—as this corn farmer put it, "You don't need too big a truck to haul away $500 in parts." He is having to shell out this kind of money now, while the price he can expect for his corn already has tumbled this year from $3.25 a bushel to $2.27.

At work here is the other jaw of the corporate vise that is squeezing family farmers. There may be a profit made on the farm in 1974, but there will be much more profit made off the farmer. Here's a sample of profit increases farm supplies already have had in the first quarter of this year:

[Amount in percent]

Firm	1st quarter 1974	
	Profit increase	Sales increase
International Harvester	113	16
Stauffer Chemical	55	31
Occidental Petroleum	716	96
Firestone Tire & Rubber	19	17
Pfizer	33	26

Source: "Business Week," May 11, 1974. "Survey of Corporate Performance: First Quarter 1974." pp. 70–90.

To put these profits into perspective, the average profit increase in all industries in this first quarter was 16%. Farm suppliers might be said to have never had it so good. And again, these profits can be traced to the existence of monopoly power within the industries. For example, Dr. Shepherd reports that the four leading farm machinery firms hold 70% of the relevant market. The Federal Trade Commission staff found that farmers were overcharged $251 million in 1972 because of the existence of monopoly power in the farm machinery industry. The four-firm concentration ratio in the chemical industry is 71%; in petroleum refining, 65%; and in tires, 71%.

The evidence indicates that the Nixon-Butz Administration is pursuing a policy of high-priced food, without adequate protections for farmers and consumers. That policy is allowing farm input corporations to increase their prices without restriction or serious questioning. It is demanding that family farmers increase production and lower their prices, ostensibly to lower retail prices. But it also is allowing processors, marketers and retailers to hold consumer prices up in order to increase their margins and profit levels. And, as the final straw, it is demanding that consumers pay the tab while swallowing the official line that all this is the inexorable workings of a "free market."

Despite the divisive rhetoric that has come out of the Department of Agriculture over the past months, farmers and consumers are not enemies. Even at the height of last year's food crisis, the opinion polls consistently showed broad public support of family farmers, coupled with a distrust of food corporations. Both are well-placed.

The question is whether there will be any relief. Consumers and farmers alike want action. They will not get it from the Department of agriculture. If consumers and farmers ever are to have it good again, they must look to Congress.

It is possible to pursue a food policy that would produce inexpensive food, happy consumers and prosperous farmers. At least we ought to try it. But it is impossible to lower food prices and to raise farm income without dealing directly with the structure of the food economy. President Nixon, in his 1973 farm message, said that it was time to "get the government off the farmer's back." The real problem is to get corporate power off the farmer's back, not to mention out of the consumer's pocket. That means such action as strong anti-trust enforcement among farm suppliers and food middlemen; serious consideration of such protections as the Family Farm Act and collective bargaining for farmers; establishment of an international grains reserve; and, development of a regional marketing system utilizing both farm and consumer cooperatives.

STATEMENT OF DON PAARLBERG, DIRECTOR OF AGRICULTURAL ECONOMICS, USDA

Over the past couple of years, marketing charges and food prices have been increasing rapidly. That the public is highly concerned and insisting on an explanation is indeed understandable. A fairly good idea of what has been happening can be gotten by first looking at the two major components of the price of food—one going to the farmer and the other to marketing agencies. The Economic Research Service develops statistics showing the shares of the retail dollar going to each.

FARM AND MARKET SHARES OF THE CONSUMER'S DOLLAR

Retail costs and farm values are estimated monthly for 65 individual food products included in the basket of foods originating on U.S. farms. This allows derivation of a farm-retail spread which is an estimate of the total gross margin received by marketing firms for assembling, processing, transporting and distributing the products in the market basket. The market basket statistics measure price changes of fixed quantities of food moving through retail food stores. The quantity weights are those obtained in a consumer expenditure survey in the early 1960's for an urban household. The market basket statistics exclude foods sold in away-from-home eating places, fishery products and imported foods.

First let's review the long-term trend in these statistics (figure 1). Between 1952 and 1971, retail prices of U.S. farm foods increased 27 percent, reflecting a 4 percent increase in farm prices and a 46 percent increase in farm-retail spreads. Thus, during this period 94 percent of the rise in retail prices of farm foods was due to the rise in farm-retail spreads. The remaining 6 percent was due to the rise in farm value.

Thus, the long-term rise in the level of food prices was due to persistently and relentlessly rising market margins. Marketing margins have risen nearly every year in the last 20 years.

On the other hand, farm prices have moved up and down and have only recently achieved the level of 1952. Interim years have seen the farmer's share of the consumer's dollar decline from about 50 cents to as little as 37 cents. The farmer's share ranged between 37 and 41 cents for most years during the last decade. This past year it rose significantly averaging 46 cents for the year, up from 40 cents in 1972. The farmer's share reached 52 cents in August of last year, 44 cents in March, and it may now be closer to 42 cents.

As we have observed, changes in farm-retail spreads over time are determined mainly by changes in the accumulation of charges made by agencies moving products from the farmer to the consumer.

Recent changes in market basket statistics immediately before and during economic controls differ dramatically from the long-term trend. Since August 1971, when economic controls were first imposed, about half of the rise in retail prices of farm food was due to a 51 percent rise in the value of raw product equivalents at the farm level. The remaining half was due to a 30 percent rise in the farm-retail spread.

Phase I and Phase II appear to have been instrumental in holding down marketing margins. Phase III and Phase IV were far less effective. In Phase IV spreads widened at an annual rate of 25 percent.

Farm-retail spreads for a market basket of foods from U.S. farms rose 25 percent from August 1973 to March 1974, as marketing firms continued to recover from increased operating costs and the effect of the price freeze last summer. Rising wage rates, energy and material costs, and transportation charges are expected to continue the upward push on marketing margins during the remainder of 1974.

Many economists are forecasting further substantial increases in the general price level this year, at 7 percent or more depending on the impact of the energy crisis and weather. Historically, the trend in the farm-retail price spread for food has tended to parallel rather closely movements in the general price level. This parallel is not surprising since the operating needs of food marketing firms are fairly similar to those of firms in the nonagricultural sector. Because of this relationship and the expected rise in the general price level, farm-retail spreads are expected to increase substantially in 1974. Unless restraint is exercised, the retail cost of market basket foods may not fully reflect any decrease in returns to farmers that may occur.

Much of the price increases for 1973 and 1974 have reflected strong domestic and foreign demand and reduced food supplies. Increasing employment, higher wages, and longer workweeks boosted personal incomes and domestic demand for food. Meanwhile, a number of conditions significantly reduced the amount of food available for consumption. Unfavorable weather conditions reduced harvests of several important fruit and vegetable crops and seriously hampered grain and soybean harvests during the fall of 1972, causing reduced food supplies in the first half of last year.

Seriously adding to this setback, production of livestock commodities declined, largely reflecting reduced profitability of livestock and poultry feeding during much of the year as feed grain and protein meal prices rose sharply. Price ceilings imposed on red meats in late March of 1973 disrupted normal marketing patterns and created uncertainty among producers about expanding output in light of rapidly rising feed costs.

Overall, the farm-retail spread for the market basket of foods averaged 6½ percent higher in 1973 than in 1972, continuing a long-term upward trend. The 1973 increase was slightly less than the record 7½ percent increase that occurred in 1951 and 1970.

COMMODITY HIGHLIGHTS

The farmer's share and marketing margins vary widely for individual products. This is as expected since products differ in the handling and processing methods required. Nonetheless margins for all groups of similar foods have widened since last year (table 3). Spreads for fresh vegetables, which have risen more than the average of all foods over the years, widened 17 percent from the first quarter of last year to the first quarter of this year. Spreads for poultry, usually relatively stable, increased 24 percent. Meat margins, however, registered the largest gain for all commodity groups, averaging 34 percent higher than a year ago.

Beef

There has been much concern recently over the relationship between what farmers get for their cattle and what consumers pay for beef. Fed cattle prices have declined severely since February, but retail prices of beef have been slow in reflecting this decrease. In the short run, farm-retail spreads generally widen when livestock prices are falling and narrow when livestock prices are rising. The livestock price decline left cattle feeders again in a serious loss position, one they had been in most of the time since last September as a result of high prices paid for feeder cattle and feed.

As noted in April 2 testimony before the Subcommittee on Domestic Marketing and Consumer Relations of the House Agricultural Committee, by J. Dawson Ahalt, the Department of Agriculture is concerned over the cattle feeders' financial situation and has taken steps to remove bottlenecks in distribution channels and to improve prices to cattle feeders.

We are also concerned over high prices that consumers have to pay for beef. When the bottom fell out of the cattle market earlier this year, Secretary Butz reacted by urging retailers to bring retail prices down more in line with the cattle and beef markets and thus move the larger supplies of beef into consumption. He also urged retailers to promote beef through special sales programs.

Retail meat prices have declined in both March and April. During the month of March, the average price of Choice grade beef products was down 7.8 cents per pound from February. In April, retail prices were nearly at the level they were when ceiling prices were imposed in March 1973, but the marketing spread was about 8 cents higher per retail pound. The carcass-retail portion of the total spread, mainly charges for retailing, wholesaling, and transportation, accounted for three-fourths of this increase. We believe that retailers have recently reduced their margins and prices. This will encourage stepped up purchases by consumers and get beef moving through the marketing system more normally.

In the first quarter of 1974, fed cattle marketings were down sharply from a year earlier, but larger slaughter of non-fed steers and heifers and cows lifted total slaughter to near last year's level. Cattle feeders intend to market about the same number of cattle this spring as last, but as in the winter, total slaughter will be boosted by more nonfed cattle. In the summer, an increase in all classes is expected with total slaughter exceeding spring levels. Fed cattle prices in early May were near $41 per 100 pounds (Choice grade steers, Omaha). This is down about $5 from a year earlier and nearly $8 below mid-January. Prices are expected to strengthen in early summer before declining in the fall.

Pork

After the violent fluctuations in livestock and meat markets last summer, retail pork prices were relatively steady until the decline in March and April.

The farm-retail spread for pork increased even more rapidly than for beef as hog prices dropped faster than retail prices. Changes at retail normally lag changes on the live market to some extent. However, as with beef, the large magnitude of the farm-retail spread increase was most unusual. The spread for pork was 48 percent higher in March of this year than in March a year earlier. This increase occurred entirely in the wholesale-retail spread, mainly the charges for wholesaling, transportation and retailing. Retail pork prices will probably trend upward during the spring and into summer, following the normal seasonal trend of declining hog slaughter and rising hog prices.

Hog slaughter this spring and summer will run above a year earlier. On March 1 there were more hogs on Corn Belt farms in weight groups that will be marketed in the spring. Weights indicated the bulk of summer supplies will be off slightly, but slaughter is expected to be larger than last summer when supplies were restricted by market disruptions related to high feed costs and price ceilings on meat.

Barrows and gilts at 7 markets averaged $38.40 per 100 pounds during January–March this year, up $2.80 from a year ago. Hog prices are expected to advance from the early May level near $30 into the summer but will not approach last August's record levels. Prices may reach the high $30's by midsummer.

Bread

Unprecedented world demand and reduced supplies resulted in record-high wheat prices last year and early this year. Millers were able to pass on their substantially increased costs for bread-type flour under the pricing provisions of the Economic Stabilization Program. On the other hand, baker and retail prices were constrained until after midyear. From August to March, the farm-retail spread widened about 5.6 cents a loaf, or 27 percent.

The retail price in March averaged 34 cents per one-pound loaf—up 8.6 cents or one-third from a year earlier. This is the largest 12-month increase on record, and equals the total of all increases in bread prices for the prior 19 years.

Until recently, retail bread prices increased steadily, mostly because of widening marketing margins. However, the sharp bread price increase during the last 12 months reflects an increase in both the farm-retail margin and the farm value.

The retail price for a highly manufactured food such as bread generally is heavily influenced by changes in the marketing margins which account for the largest portion of retail price.

Eggs and Poultry

The demand for eggs and poultry was exceptionally strong in 1973 due in part to higher prices and short supplies of beef and pork. Thus, retail and farm prices of eggs, frying chickens, and turkeys rose substantially from 1972.

Producer price increases were accompanied by rising costs of inputs, particularly feed. Feed prices, one of the main cost components in egg production, increased 56 percent over 1972.

Marketing costs also increased but not nearly as much as feed prices. The total farm-to-consumer margin averaged 25.6 cents per dozen on Grade A large eggs, compared with 22.9 cents per dozen in 1972. The retail margin averaged 11 cents per dozen eggs during 1972 compared with 9.1 cents in 1972. The farm-to-retail margin averaged 14.6 cents per dozen in 1973 and 13.8 cents in 1972.

The farm-to-consumer spread for frying chickens averaged 26.9 cents per pound last year compared with 23 cents in 1972. Most of this 17 percent increase occurred in the retail margin which rose from 9.8 cents per pound in 1972 to 14.2 cents in 1973.

Additional information on prices and margins for eggs was presented in testimony by George Rogers on April 30, before the Subcommittee on Domestic Marketing and Consumer Relations by the House Agricultural Committee.

Fruits and vegetables

Marketing costs and margins vary widely for different fruits and vegetables. Major marketing costs for fresh items are the retail store margin, representing slightly over one-third of the retail price, and packing costs, representing 15 percent. For processed items, processing costs represent about half of the retail price, and the retail store margin about 20 percent.

Labor is the largest cost component of the retail store margin for fresh and processed items and of packing costs for fresh items. Containers and packaging materials comprise the largest component of processing costs for processed fruits and vegetables.

Marketing margins for fresh vegetables widened in 1973, continuing a long-term upward trend. Retail prices also increased for all major fresh vegetables. Prices were particularly high in the winter, spring, and early summer, because of short supplies and strong demand. Supplies of onions and potatoes (stored from extremely short crops in the summer and fall of 1972) resulted in extremely high retail prices until new supplies became available in the spring and summer of 1973.

Short supplies and temporarily high lettuce prices were the result of poor weather conditions in California and Arizona. Fresh vegetable prices were moderated some in the late summer and fall as increased supplies became available, but were still above a year earlier.

Farm prices of most vegetables were considerably higher than in 1972. The farmer's share of the retail price of vegetables averaged nearly 36 percent in 1973, up from 32 percent in 1972. The marketing spread increased for most processed fruits and vegetables in 1972/73—in some cases more than the retail price increases.

Higher retail prices for most processed deciduous fruits resulted from smaller supplies. Both the season's pack and carrying were below the previous year. Although supplies of processed citrus products were larger than the year before, retail prices remained stable due to strong demand.

Canned and frozen vegetable supplies were about the same as a year earlier; however, strong demand and brisk movement resulted in higher prices in 1973.

Farm value increased for about two-thirds of the canned and frozen fruits and vegetable items. However, the farmer's share averaged around 19 percent in 1973, about the same as in 1972. While costs of marketing fruits and vegetables increased during 1973 and the first quarter of 1974, increases also occurred in the cost of production. Severe shortages of many farm inputs have resulted in rapidly increasing prices, and costs of most are expected to continue rising. Therefore, production as well as marketing cost increases will create some pressure for higher retail fruit and vegetable prices during coming months.

Two commodities experiencing the most explosive change in price as a result of strong demand and short supplies were dry beans and potatoes. In the first quarter of this year, retail prices for dry beans (navy) averaged 66 cents per pound, up 40 cents from a year earlier. The farm value averaged 42 cents, 32 cents higher than a year ago; and the farm-retail spread was 24 cents, wider by 8 cents. Marketing margins for potatoes widened 24.5 cents in the first quarter of 1974 over a year earlier. Retail prices for potatoes averaged $1.64 for 10 pounds, up 53 cents.

THE MAKEUP OF MARKETING CHARGES

The Department's annual marketing bill statistics serve the purpose of showing the distribution of the consumer's food dollar. (The marketing bill is an estimate of total charges for processing, transporting, wholesaling and retailing foods originating on farms in this country, including foods sold in the form of meals in restaurants and other eating places.)

In 1973 these data show that $83 billion, or about three-fifths of the $134 billion consumer expenditures for farm foods, went to firms for assembling, processing, transporting, and distributing food. Two-fifths went to farmers to cover their expenses and provide a return for their investment, labor and management.

Agency's share of the bill

Among the various marketing agencies, retailing and eating places accounted for about half of the total marketing bill in 1973. Processing accounted for over a third of total costs. Wholesaling, the smallest of the three major functions, accounted for an eighth.

Cost and profits components of the bill

Dismantling the marketing bill into cost and profit components reveals that labor cost is the dominant element followed by packaging and transportation. The breakdown among the components in 1973 was as follows:

	Percent
Labor	48
Packaging	12
Transportation, intercity	8
Corporate profit before taxes	4
Business taxes	4
Interest, repairs, etc	4
Depreciation	4
Rent	3
Advertising	3
Energy cost	3
Other	7
Total	100

Labor.—Direct labor cost for marketing U.S. farm foods amounted to $40.5 billion in 1973. Last year, rising labor costs accounted for 52 percent of the $6 billion increase in the marketing bill. This labor cost does not include the labor engaged in for-hire transportation or in manufacturing of packaging materials used by marketing firms.

Employment in food marketing has gone up only about 15 percent during the past decade in spite of a 20 percent increase in volume of food handled by the marketing system, and an increase in services per unit of product. The farm food marketing system employed 5.6 million persons (full-time equivalent basis) in 1972 compared with 4.7 million in 1962. These workers made up about 7 percent of the U.S. civilian labor force in 1962 and 1972. Employment in public eating places rose more during this period than employment in processing, wholesaling and retailing.

Since 1962, earnings of employees in food marketing establishments have increased about 5.0 percent annually—closely approximating increases in earnings for the nonagricultural sector of the economy. In the last three years rising labor cost has impacted even more severely as hourly earnings have risen 7.3 percent a year. Hourly earnings in February 1974 (latest data available) were 2.9 percent above the December 1973 level, indicating an annual rate of 11.2 percent.

Hourly labor costs of food marketing firms increased 70 percent since 1962. This would have increased unit labor cost and food prices substantially more if output per man-hour had not dampened the effect of the increase in hourly earnings by about a third. The increase in output per man-hour limited the additional labor cost per unit of product marketed to 47 percent.

For all food marketing activities including processing and retailing, the annual increase in labor productivity during 1960–72 was 2.6 percent. The rate is now about 2.2 percent per year.

Much of the growth in labor productivity has resulted from improvements in marketing facilities and equipment. These improvements have been achieved by large expenditures for new plants, warehouses, stores, and other facilities. For example, expenditures by firms manufacturing food and kindred products have almost tripled in the last decade—increasing from $1.06 billion in 1964 to $3.03 billion in 1973.

Rising prices of new plant and equipment have eroded some of the cost saving of substituting capital for labor. From 1962 to 1973, prices of new plant and equipment rose about 3.3 percent per year. Since 1970, the prices paid for new plant and equipment increased around 4.5 percent per year. Also, purchases of new plant and equipment have been made more costly by higher interest rates. Interest rates charged to business have advanced and are now at record levels.

Packaging.—Packaging materials represented the second largest cost for firms marketing farm foods in 1973. They accounted for 12 percent of the marketing bill. Food processors are the large users of packaging materials, using over four-fifths of the total used by all food marketing firms. The value of packaging materials used for farm-raised foods jumped over 8 percent last year, from $9.7 billion to $10.4 billion. Most of this was due to higher prices, with only about 1½ percent of the rise due to increased quantity of packaging materials used. All classes of packaging materials rose in value in 1973 with the exception of textiles.

Until recent years, prices of packaging materials were relatively stable. Now these materials are in short supply and prices are rising sufficiently to place pressure on farm-retail spreads. Tight supplies put two packaging materials particularly in the news in 1973: solid fiber and corrugated shipping boxes . . . and grocery bags. The price of the latter increased 14 percent in 1973. Paper boxes and grocery bags are expected to continue in tight supply this year even though mills are operating much closer to full capacity than usual.

Rail and Truck Transportation.—The cost of shipping food by rail and truck was $6.4 billion in 1973 or about 8 percent of the marketing bill. This does not include intracity truck transportation or water and air transportation. Transportation costs have risen further in the first four months of 1974. For example, railroads have been granted a 3 percent surcharge to cover rising fuel costs and have filed for a 10 percent general rate increase. Regulated truckers have been granted a 6 percent fuel surcharge and exempt truck rates have also risen because of increased fuel costs and a reduced truck supply.

Transportation costs are likely to continue upward in 1974 as a result of high fuel prices and the reduced supply of transportation services due to reduced speed limits and restrictions on fuel. Also, some labor contracts are up for renegotiation in 1974, and truck drivers paid on a mileage basis are negotiating mileage pay increases to offset effects of lower speed limits.

Energy.—Direct energy cost for food marketing firms, excluding transportation, amounted to over $2.5 billion in 1973, accounting for about 3 percent of the marketing bill. The wholesale price index for fuels and power increased 23 percent from 1972 to 1973, the same as the increase between 1962 and 1972. In recent months, energy costs have been leading the rise in the cost of other marketing inputs. The fuel and power index increased at an annual rate of 104 percent during the first quarter of 1974. In all, total goods and services increased at 23 percent annual rate for the first 3 months of 1974. Coupled with increased wages, if the present rates are sustained, total marketing cost for 1974 could rise 17 percent or $14.1 billion. This would bring farm food marketing almost to the $100 billion mark for the first time in history. Hopefully fuel price increases will moderate during the coming year if administrative action, such as restoring Arab oil supplies, stimulating production of new oil, and better utilization of alternative fuels is effective on these fronts.

Corporate Profits.—Higher food prices are sometimes attributed to profits. Total profits have increased over the years as volume of sales has grown. However, corporate profits per sales dollar (before taxes) of retailers, wholesalers, and processors combined now account for about 3 cents, slightly less than a decade ago.

From a decrease over the past two years, profits of food retailers are returning to historical levels. Profits (after taxes) of 15 leading chains increased to 0.9 percent of sales in the fourth quarter of 1973 from 0.5 percent of sales in the third quarter. Data from a few chains indicate profits will be around 1 percent of sales in the first quarter of 1974. The increase in profit rates for the fourth and first quarters is in line with seasonal patterns.

Profits after taxes of corporations processing and manufacturing food and kindred products averaged 2.4 percent in 1973, the same as 1971 and 1972. However, the profit rate was increasing at year's end to 2.7 percent of sales. In contrast, profit of all manufacturing industries increased to 4.7 percent of sales in 1973 as compared to 4.3 percent in 1972. Bakery manufacturers' profit fell to 1.1 in 1973, down from 2.2 percent of sales in 1972. Profits for dairy manufacturers remained unchanged at 2.0 percent of sales. Meat packers' profit increased one-tenth of one percent of sales for a 1973 average of 1.1.

Profit as a percentage of stockholders' equity exhibits the same trends as profit to sales ratios. Food manufacturers' profits averaged 12.8 percent on equity in 1973 compared with 11.3 in 1972.

TOWARD HIGHER PERFORMANCE IN THE FOOD SYSTEM

We all realize that higher food prices are not welcomed—particularly by consumers with low or fixed incomes. Department policies are intended to encourage a food production and marketing system which provides consumers their choice of food at the lowest prices consistent with reasonable returns to farmers and marketers.

Increasing food supplies to meet the growing domestic and export demand will go a long way toward stabilizing food prices. The Department is doing all it can to encourage increased production and more efficient marketing of food. It was announced by the Department that there would be no set-aside requirements and no restrictions on plantings for the 1974 crop program which will allow farmers to greatly increase plantings this year. March 1 planting intentions for 16 crops show a total of 227 million acres, 4 percent (9 million acres) more than planted last year and 14 percent (29 million acres) above 1972 plantings. To further relieve pressure on supplies, relaxation of restrictions on food imports has been implemented.

The energy situation is also being monitored at the county level in an effort to see that agriculture receives adequate supplies of fuel to avoid impairing the production of food. To help increase transportation services for agriculture, Secretary Butz has asked the ICC to make additional railroad cars available to haul fertilizer and other farm supplies. The Secretary is also striving to achieve better performance in the marketing sector. He has been urging food distribution firms to make price adjustments, particularly for meats and breads that will equitably reflect changes at the farm level. But since farm products in general account for only about 40 percent of the cost of food to consumers, achievement of better pricing efficiency relative to these commodities would still leave a broad area for introducing other potential efficiencies.

As pointed out on many occasions by the Secretary and mentioned in the report of the National Commission on Productivity, there are a number of impediments to productivity growth in the food marketing system.

Among the more important of these are: inflexible labor-management practices; unreliable and costly transportation services; outmoded and excessive product handling between the farm and consumer; disregard for possible benefits from container standardization; and, deficiencies in the coordination of the warehousing and transportation functions (although development and adoption of the Universal Product Code has allowed some progress in this area).

Various levels of government can also help in solving some of the problems. There are many possibilities for eliminating contradictions in local, State and Federal regulations that generate marketing inefficiencies. These could be made more uniform and harmonious with the needs of consumers, marketers and agricultural producers.

But to be more specific about everyday faults in the marketing system relating to productivity, I will cite two more or less familiar examples. It has been fairly well established that centralized meat cutting can reduce meat marketing costs substantially. While some firms have adopted this practice, labor-management agreements still stand in the way of the realization of its full potential for the meat marketing sector at large. In the case of fruits and vegetables, a number of studies have demonstrated efficiencies that can be gained from use of standardized containers and pallets. This approach would allow automated handling at all points in the distribution system, improve product quality and permit saving in both time and labor costs. Yet, despite the evidence, this practice is far from receiving universal acceptance and application by the industry.

The Department is disturbed over the continuation of such trouble spots in the food system. We shall continue to monitor developments and conduct research that will help promote better performance in this highly important sector.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries, and he announced that on May 31, 1974, the President had approved and signed the following acts:

S. 775. An Act to amend the Public Health Service Act to provide for the establishment of a National Institute on Aging;

S. 3072. An Act to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for their survivors; and for other purposes; and

S. 3398. An act to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. HUDDLESTON) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975

The PRESIDING OFFICER (Mr. GRAVEL). Under the previous order, the Senate will now resume the consideration of the unfinished business, S. 3000, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

The Senate resumed the consideration of the bill.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, what is the pending business in the Senate?

The PRESIDING OFFICER. The pending business is S. 3000, the Military Procurement bill.

Mr. STENNIS. Mr. President, that is the authorization bill for military procurement for the fiscal year 1975. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. STENNIS Mr. President, in connection therewith quite a number of our professional staff members from the committee worked on different parts of this bill. There may be brief times when we need more than the normal number of assistants on the floor, including minority members of the staff. Also, additional members of the staff need to be present.

Therefore, I ask unanimous consent that the following members of the staff be permitted the privilege of the floor during the deliberations on the bill emphasizing that we will not need all on the floor at the same time:

T. Edward Braswell, Don Lynch, Hy Fine, Ed Kenney, George Foster, Robert Q. Old, Nancy Bearg, Francis J. Sullivan, Clark McFadden, Charles Cromwell.

The PRESIDING OFFICER, Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc, and that the bill as thus amended be regarded, for the purpose of amendment, as original text.

The PRESIDING OFFICER. Is there objection? The Chair hears no objection, and it is so ordered.

Mr. STENNIS. Mr. President, I know that the time is not controlled now but as floor manager of the bill, and concurred in by the Senator from South Carolina (Mr. THURMOND), I want to say that, especially after we have gotten the so-called opening statements disposed of, we will be inclined to want to agree on controlled time for the amendments that have been filed and have been printed. Different Senators and even different committees would be interested in some of these amendments. We are going to take the initiative and notify the chairmen of other committees with respect to those amendments.

In the consideration of the bill in years past the Senator from West Virginia (Mr. ROBERT C. BYRD), aided and assisted by others, has been of enormous value and has saved considerable time for the Senate by working on unanimous-consent agreements. We seek his support now and thank him in advance for his willingness and what we know will be his effectiveness.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. ROBERT C. BYRD. The Senator is gracious, overly charitable, and he can be assured of my help all the way.

Mr. STENNIS. Mr. President, that means that we are off to a good start.

S. 3000

Mr. President, the Senate begins debate on S. 3000, the military procurement authorization bill for fiscal year 1975. The Committee on Armed Services by a vote of 15 to 0 recommends that the bill be passed. That is the vote by which the committee reported the bill. There may be a few items, and I know of one instance already, in which there is some difference of opinion, but we took heart in taking this bill apart and then putting it together and moved it out for the consideration of the Senate, as I have said.

SCOPE

This is the bill, considered by Congress each year, which authorizes major weapons procurement and defense research and development. It also sets active duty and reserve strengths for the military services, authorizes training loads, and addresses various defense policy matters. This year, for the first time, the bill also establishes an end strength ceiling for civilian employees in the Department of Defense.

Mr. President, this year, as for several years, this bill carries with it a great number of policy questions that relate to our foreign policy and a good number that will relate to major parts of our domestic policies, but this year in particular the weaponry and the general preparedness included therein affect, in a very broad and in an in-depth sense, too, the foreign policy of this Nation. That will come out from time to time as various discussions take place, centering around various amendments which relate to particular provisions of the bill.

I think that the bill represents a very adequate and a very fair balance of the requirements to carry out our military posture as well as back up what is now our foreign policy with reference to different parts of the world, and those matters are varied and many and require many defense activities and military activities and military preparedness and military programs.

Also in this bill—and carried in this bill for the last time—is authorization for military aid for the Republic of South Vietnam.

In dollars and cents, the Defense Department requested $23,130,139,000 for major procurement and R. & D. in fiscal 1975, and the Armed Services Committee approved $21,859,712,000. That is a cut of $1,270,427,000 from the request, or about 5.5 percent.

I want to note here that this bill's total, of roughly $21.9 billion, includes $212,300,000 for procurement of items requiring authorization for supply to South Vietnam. As I will explain, the bill authorizes a regular appropriation account for this purpose and items for South Vietnam will no longer be funded as part of regular military appropriations for the U.S. forces. This point is covered in section 701 of the bill and fully explained in the report.

By the way, the report on this bill consists of almost 200 printed pages in fairly small print. I can say by experience that it is one of the most complete and exhaustive reports that we have filed in the Senate in a long time. It is thorough and it is complete, and I know it represents a lot of hard work by a number of talented staff members who have devoted all of their time since January and most of their time since late last summer, when we started finishing up on the bill for the preceding year.

It is a value to any Member of the Senate and it is a value to the public, and everyone will find it is rather complete, and if it is not complete on any point, it points the way to where one can find a complete explanation.

The House which approved its military procurement authorization bill on May 22, approved authorizations totaling $22,642,963,000.

In manpower categories, Mr. President, the Senate Armed Services Committee is recommending a cut of 49,000 from the active duty force planned for the end of fiscal 1975—a reduction of 2 percent. Also recommended is a cut of 44,600 in civilian employees as proposed by the Defense Department—a reduction of about 4 percent.

I expect, Mr. President, that a number of amendments will be offered to this bill, and I will certainly try to see that each is carefully and fully considered. I think this bill is the legislative embodiment of policies which touch the lives of every American, and as always, I want each Senator to have an opportunity to state his views. As I said last week, I think full debate on this bill is a wholesome thing.

One word further with reference to the four percent reduction in civilian employees, as proposed by the Defense Department. A great part of that 4 percent applies to positions that are annually created in the present budget. They are not positions in which somebody already has a job. They are positions that are just on paper. In other words, we just denied this increase in civilian employees to the extent of 44,600, except for a small percentage of that which could be taken care of by attrition, should these figures become law.

DISCUSSION

For my part, Mr. President, I strongly support this bill. I urge the Senate to approve it as a very large but very vital investment in the Nation's future security.

I am sure all of us in the Senate, look to the day when current negotiations will have been successful and we can materially cut our defense forces in the secure knowledge that those who threaten us will cut their forces also. For the present, however, I think we must agree that the time has not come for cutting defense outlays on that basis.

I have never—and I do not now—argue for approval of any weapon system just as a bargaining chip. I do not like that comparison at all.

But I believe we must have forces—now and for the future—to deter a wide range of threats if we are to negotiate successfully. Under present circumstances, I believe we must act here to provide a deterrent force of that sort, and I think this bill will provide it.

The Committee on Armed Services and two subcommittees—on Research and Development and Tactical Air Power—have held extensive hearings on this bill. The printed hearings number about 5,000 pages, and that is a great deal of testimony, Mr. President, but, for illustration, about $9 billion of this bill goes for research and development. That is not all for basic research. The greater part of it is for the cost of development and engineering. These are large sums of moneys, and they should be gone into carefully and fully by knowledgeable people on the staff and on the committee; and that is exactly what we have done in preparing this bill for the Senate's consideration.

I hope that Senators and others will give detailed attention to the report that has been filed by the committee.

I am going to give now a general summary of the bill and of the programs of special interest.

Mr. President, I ask unanimous consent that the table on page 9 of the committee report setting forth programs for the bill in major weapons categories be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF DEFENSE FISCAL YEAR 1975 AUTHORIZATION BILL—SUMMARY BY MAJOR WEAPON CATEGORY—ARMY, NAVY, AIR FORCE AND DEFENSE AGENCIES

[Amount in thousands of dollars]

	Fiscal year 1973 program	Fiscal year 1974 program (appropriated)	Fiscal year 1975 request	House authorized	Senate	
					Change from request	Recommended
Aircraft:						
Army	114, 400	138, 400	339, 500	335, 000	−19, 200	320, 300
Navy and Marine Corps	2, 974, 100	2, 722, 700	2, 960, 600	2, 964, 100	−97, 900	2, 862, 700
Air Force	2, 639, 800	2, 720, 400	3, 496, 600	3, 391, 400	−210, 300	3, 286, 300
Subtotal	5, 728, 300	5, 581, 500	6, 796, 700	6, 690, 500	−327, 400	6, 469, 300
Missiles:						
Army	699, 500	525, 100	459, 200	439, 400	−22, 700	456, 500
Navy	698, 500	574, 800	620, 600	620, 600	+13, 900	634, 500
Marine Corps	22, 000	32, 300	76, 000	76, 000	−1, 900	74, 100
Air Force	1, 686, 400	1, 393, 300	1, 610, 800	1, 610, 800	−38, 400	1, 572, 400
Subtotal	3, 106, 400	2, 525, 500	2, 766, 600	2, 746, 800	−49, 100	2, 717, 500
Naval vessels: Navy	2, 962, 400	3, 468, 100	3, 562, 600	3, 539, 100	−681, 600	2, 881, 000
Tracked combat vehicles:						
Army	198, 900	179, 600	331, 900	321, 200	−38, 600	293, 300
Marine Corps	49, 700	46, 200	80, 100	74, 200	−5, 900	74, 200
Subtotal	248, 600	225, 800	412, 000	395, 400	−44, 500	367, 500
Torpedoes: Navy	196, 400	198, 000	187, 700	187, 700		187, 700
Other weapons:						
Army	43, 900	44, 700	53, 400	55, 700	−7, 400	46, 000
Navy	37, 900	27, 900	25, 600	25, 600	−100	25, 500
Marine Corps	1, 300	700	500	500		500
Subtotal	83, 100	73, 300	79, 500	81, 800	−7, 500	72, 000
Total procurement	12, 325, 200	12, 072, 200	13, 805, 100	13, 641, 300	−1, 110, 100	12, 695, 000
Research, development, test and evaluation:						
Army [1]	1, 884, 550	1, 912, 100	1, 985, 976	1, 878, 397	−110, 733	1, 875, 243
Navy (including Marine Corps) [2]	2, 545, 004	2, 654, 405	3, 264, 503	3, 153, 006	−113, 461	3, 151, 042
Air Force	3, 120, 040	3, 042, 000	3, 518, 860	3, 459, 760	−129, 390	3, 389, 470
Defense agencies	446, 311	457, 900	528, 700	485, 500	−19, 043	509, 657
Test and evaluation, Defens	27, 000	24, 600	27, 000	25, 000		27, 000
Total, R.D.T. & E. [3][4]	8, 022, 905	8, 091, 005	9, 325, 039	9, 001, 663	−372, 627	8, 954, 412
Grand total procurement and R.D.T. & E. [3][4]	20, 348, 105	20, 163, 205	23, 130, 139	22, 642, 963	−1, 482, 727	21, 647, 412

[1] Includes $3,300,000 in fiscal year 1974 current program which is proposed for transfer from procurement.

[2] Includes $23,800,000 in fiscal year 1974 current program which is proposed for transfer from procurement.

[3] Includes special foreign currency program for Navy under R.D.T. & E. appropriation.

[4] Excludes FY 1974 Supplemental Authorization.

Note.—Does not include $212,300,000 in title VII for procurement authorization for South Vietnam.

PROCUREMENT

Mr. STENNIS. Mr. President, the Defense Department requested in round numbers a total of $13.8 billion for major weapons procurement programs. Our committee approved a total of $12.9 billion—a reduction of about $900 million or 6.5 percent.

Here is a summary of some of the major procurement actions:

F–15.—The committee approved a total authorization of $1.076 billion, including R. & D. for 72 of the new Air Force fighter planes.

Mr. President, I had a chance not long ago to visit the testing ground for that plane, the F–15. Anyone would be highly pleased with what he saw and what he heard what has been said about this new plane, which seems to be a real achievement. It is one that is needed and will fill a highly important role, in my opinion. Also in the engineering and testing stages, there will be planes of lesser cost that will possibly be coming in later.

The next item to which I refer is what we call the AWACS. The committee authorized $549.8 million for procurement of 12 E–3A AWACS aircraft, as recommended by the Tactical Airpower Subcommittee. However, the Secretary of Defense will be required to certify that the plane is cost-efficient and that it can perform its mission before a production contract is signed in December. That is a rather important string that is left on this authorization.

The F–111.—The committee added $220.5 million to Air Force requests to buy 12 more F–111's and provide long-lead funds for this aircraft.

A–10/A–7 close air support.—The committee authorized $192.7 million for A–10 aircraft or A–7D aircraft depending on which is judged the winner of the recent flyoff between these two. Also approved was a construction authorization for four additional A–10's transferred from R. & D. accounts. Also approved was an additional $81.4 million R. & D. authorization for use on the A–10 if it wins the flyoff.

Mr. President, that A–10 is a new plane. The A–7 is an older plane, both capable, or thought to be, of supplying close air support for our ground troops. This is a highly important assignment.

We come now to ships. The committee reduced the Navy's $3.6 billion request by nearly $700 million deleting the following vessels from the Navy's shipbuilding program: one of the nuclear attack submarines, which calls for the deletion of $167.5 million; a destroyer tender, calling for a deletion of $116.7 million; completion of funding for the first control ship, calling for a deletion of $142.9 million; four of seven requested patrol frigates, calling for a deletion of $250.5 million.

F–14.—The committee reduced requests for the Navy's F–14 fighter by $22 million to $722.5 million for 50 aircraft since sales of the F–14 to Iran will reduce the plane's cost.

Airlift.—The committee authorized $31 million of $50 million requested to begin a program to stretch the C–141 aircraft to increase its cargo capacity. Also approved was the Air Force request for $15 million to start a wing strengthening program for the C–5A. The committee deleted a $155 million request for use in modifying commercial jumbo jets for emergency use in hauling military cargo.

Those were three items, Mr. President, that related to an increase in the airlift or the cargo carrying capacity. The first one is important in that we initiated a rather extensive program here for C–141 which will be a stretch-out proposition, and increase its cargo capacity.

The $15 million is the beginning of a larger program for wing strengthening for the C–5A which, you might say, is a normal step that you have to take with planes of this size and this capacity in the course of time or in the course of their use.

We did not go into the extensive program of modifying commercial jumbo jets for emergency use in hauling military cargo because we were not convinced that this program had been developed enough to authorize it or, perhaps, was not needed anyway. We were not convinced that it would be satisfactory. Therefore, it was stricken out altogether.

RESEARCH AND DEVELOPMENT

Defense Departments requests for research and development programs totaled $93 billion in round numbers. The committee approved $8.95 billion, trimming some $370 million, or 4 percent.

The Senator from New Hampshire (Mr. McIntyre), who heads the Research and Development Subcommittee, will be discussing these programs in detail. I shall only touch on some of the highlights.

Mr. President, by the way, the Senator from New Hampshire (Mr. McIntyre) and the members of this Research and Development Subcommittee, together with their staff members, have done a remarkable job. They carried on extensive hearings and gave exhaustive and profound consideration to all the major items of this bill that had been included.

I venture to say that this has been the most complete and thorough and extensive hearing with reference to research and development concerning military weapons that any subcommittee or any committee of the Congress has ever held in covering an entire research and development program

Trident.—The Navy's Trident nuclear-powered, missile-firing submarine has been handled by the R. & D. Subcommittee though it now involves both procurement and R. & D. requests. This year, the committee deleted $15 million from funds for development of the Trident I missile and approved a $1.9 billion total of Trident authorizations. As we proceed, it will be possible to reduce the committee bill by $24.8 million since that sum, requested for long-lead procurement, has now been included in the 1974 supplement military procurement authorization bill.

The Trident program authorizes the start of construction of a second and a third Trident submarine during fiscal 1975—plus the procurement of long leadtime items for subsequent submarines.

Mr. President, I want to say a further word about this Trident program for this year. The Trident program in this bill that is now before the Senate represents an adjustment that the committee has made. I have referred to the item that is in the supplemental authorization bill and the supplemental appropriation bill now pending before Congress in the form of a conference report, the authorization bill for which is due to come to the Senate tomorrow. It also includes this $24.8 million, for long-lead-time procurement that we had already put in the pending fiscal year 1975, military bill.

In other words, those bills crossed in the corridors and in the conference rooms of the Capitol; this is a fine illustration of how confusing it is sometimes to have a great many items requested in a supplemental bill. That is certainly true this year for the Department of Defense.

We had an unusually large number of items in the supplemental bill, many of which were denied by Congress, not because they did not have merit but because there was no emergency about them. They did not belong in a fiscal 1974 appropriation or authorization bill. I hope and believe that next year, if there is an attempt to request so much through supplemental bills, our committee will be more severe and in fact very severe on the idea of including these matters that are really not emergencies with supplemental requests, thereby tying them into an old budget year that has either expired or is expiring. These requests mean that we have to have double debates on them here after hearings in committees, and afterward deliberation in conference committees trying to reach an agreement with reference to them both in authorization and supplemental bills.

The Senate just does not have a large enough membership nor enough time to be going over and over these items in two bills each year. As a matter of fact, some items that were denied last November and early December were back in supplemental bills in January; when we got back here 40 or 50 days later, the requests were coming in for the same items.

So, as a matter of self-defense, the Senate is going to have to have an even firmer and stronger policy with reference to holding down these supplemental military procurement authorization bills as well as appropriations, I hope.

The Defense Appropriations Subcommittee, and the Appropriations Committee in the Senate, have been very helpful and very cooperative in handling these matters. The Armed Services Committee has insisted all the way through that matters should not be appropriated for unless they have been expressly authorized. Not all Members of Congress agree with that position, but I think it is a sound one, and it is the one that we should stoutly continue to maintain and really fight for, for the benefit of the Senate, and especially for Members of the Senate who are not members of the Armed Services Committee.

New nuclear missile submarine.—The committee deleted a $16 million R. & D. request for development of a smaller ballistic missile submarine to complement the Trident force. The committee approved this concept but felt approval this year would be premature.

Certainly we can get along without starting it so soon, when we are carrying forward in a very fine way the conversion of our Polaris submarines over to Poseidons, and coming along now with the procurement of the Trident force.

B–1 bomber.—The committee cut $44 million from the $499 million requested for the B–1 bomber. The reduction will limit the approved program to three prototype aircraft and allow flight testing and technical progress before Congress acts further.

Strategic initiatives.—By a 13 to 2 vote the committee approved requests for three programs designed to improve the yield and accuracy of strategic missiles. The programs involve a requested $32 million to improve the accuracy of the Minuteman ICBM, $25 million to increase the yield of Minuteman warheads, and $20 million for developing a maneuvering reentry vehicle—MARV—with terminal guidance for increased accuracy.

Site defense.—The committee accepted the recommendation of its Research and Development Subcommittee and reduced by $50 million the $160 million requested for a follow-on antiballistic missile system. The reduction would reorient the program from prototype demonstration to research and technology.

This is all in the statement of research and development.

MANPOWER

I would like to say, Mr. President, that military manpower—uniformed and civilian—as authorized in this bill does not provoke interest and attract headlines as the costly, sophisticated weapons do. We have reached the point, however, where manpower costs make up the largest part of our military budget—57 percent.

I remember just a few years ago it was less than 37 percent.

The committee tried to keep that trend constantly in focus as it recommended various manpower programs.

Mr. President, the committee made a modest cut to the active military and civilian strengths, which on a full-year basis will permit savings of $1.2 billion per year.

On the military side each service was reduced by 2 percent of 49,000 below the requested number. None of these reductions will come out of combat units. Ways must be found to reduce the enormous overhead in personnel costs which now total about 57 percent of the entire defense budget.

On the civilian side, the committee reduced the authorized number by 4 percent, or 44,600. I would emphasize that three-quarters of these represent spaces or positions to be filled rather than people.

The large turnover of over 200,000 civilians per year will permit this reduction to be made without the necessity of arbitrary layoffs.

ACTIVE DUTY, MILITARY

As I have said, the committee bill cuts the strength of each of the services, requested for the end of fiscal 1975 by 2 percent—a total of 49,000. This is for those in uniform. We are recommending that this cut be effected in certain support activities, including headquarters around the world, and not in combat categories.

The Defense Department requests were for an active duty military strength totaling 2,152,100 on June 30, 1975. The committee recommendation is for 2,103,100 as of that date.

Mr. President, 2 percent is considered a small reduction, but it certainly is enough to count, in view of the fact that we have had heavier reductions for the last several years. The services have been coming around and meeting the end-strength requirements put on them by Congress, and have made certain changes—the Army I am thinking of now, and the Air Force has made some to a degree—making certain changes in headquarters personnel and transferring manpower—not the individuals, but the numbers, into the more direct combat units—the rifle companies in the Army, the artillery companies, and so forth. We went through this very thoroughly, indeed assisted by a highly competent staff member with years of experience, and we are satisfied that this cut can be effected without cutting or impairing the bone and muscle of the services.

We could have, if it had been a meat ax method, saved 5, 6, or 7 percent, but we did not take that approach. We knew exactly what we were doing. We left the final say as to where this would be done to the services because that is where the responsibility belongs, we think. But we did specify in our report the consideration that had been given to certain areas and we expect the services seriously to consider the cuts as finally agreed on in the bill to be applied at least in part—and we expect in large part—to those areas that we pointed out.

Of course I am not being arbitrary about this because the other body must be considered as well as its ideas about the matter. No one body can pass a law. Those considerations, of course, will come when there is a conference on the bill.

I ask unanimous consent to have printed in the RECORD, the table on page 130 of the committee report which details the requests and committee recommendations.

There being no objection, the table was order to be printed in the RECORD, as follows:

ACTIVE DUTY MILITARY PERSONNEL STRENGTH

[End fiscal year 1975 strength in thousands]

	DOD request	Committee recommended	Reduction from request	Percent
Army	785.0	768.3	−16.7	−2
Navy	540.4	527.0	−13.4	−2
Marine Corps	196.4	192.8	−3.6	−2
Air Force	630.3	615.0	−15.3	−2
Total	2,152.1	2,103.1	−49.0	−2

Mr. STENNIS. Senators are well aware of difficulties being encountered by certain of the military services as they fill their ranks on an all-volunteer basis. I urge Members of the Senate to familiarize themselves with the section of our committee report dealing with active duty manpower.

As detailed in our report, the committee recommends approval of the service requests for training and student loads—that is, the average number of officers and enlisted men and women who will be attending formal courses on any given day during the fiscal year.

VOLUNTEER FORCE

A word about the volunteer force: Years ago, we debated in extensio the idea of an All-Volunteer Force. We did not know what it would cost. We did not know how it would work. We did know that we wanted it done. Now we are getting along with it. I was not opposed to that change in the law. Congress worked its will. The President was for it. Many of the military officers at that time were supporting it—some of them might have done so with tongue in cheek a little, but they were supporting it and said it would work. When it became law, I immediately announced that I would support the plan in every way that I could, and I have done that. There is a practical reason. This is the only way we have of getting men and women into the services now, through the volunteer force concept. We have tried to bring the facts to the Senate, in speeches, and in the tables and paragraphs of our reports on this subject matter. Senators will find there a complete analysis of the developments so far.

I have been out in the field quite a bit and visited with the volunteers, some that just got there, some who had been there 6 months, and some who had been there about a year. Some had enlisted for long terms and others for shorter terms. I talked to these men in private, so to speak. I asked for 15 or 20 men to be assembled in a suitable room where I could confer with them on a man-to-man basis with no one else present except these young men. I was there as just another citizen but of course I told them what my responsibilities were here in the Senate with reference to the military. After letting them ask me some questions, they permitted me to ask them questions and I got very revealing answers, some of which were encouraging. I know it has helped me greatly in passing on my duties and responsibilities here.

After going through that experience, I made a statement on the floor here that I thought a volunteer force could be achieved, that the responsibility rested primarily on the commissioned officers and on the noncommissioned officers in the services, and that unless they tried hard, of course, it would not work. But I think it is my duty, and I believe every other Senator's duty, to support that concept. I do not say give them everything they ask for, but be certain we give everything they need.

Frankly, I do not think we can pass a draft act, or a Selective Service Act as we call it, now, because there is not enough sentiment for it in Congress or in the country. I do not think we should do it until this volunteer force concept has been thoroughly tried. We want to see if we can afford the cost and if we can get enough quality men and women—and by quality I mean men and women with the talent, the dedication, the stamina, the character, the integrity, and the will to perform these jobs and perform them under hard and adverse conditions.

The field of electronics alone has opened up a great requirement in the services that was almost unheard of 15 or 20 years ago. It takes a system, it takes effort, and it takes cultivation and reward and incentives to get enough qualified people in this field and weld them into a military unit. You are not going to have a military unit if you do not have some discipline, some incentive, and then reward for military-like conduct and punishment for nonmilitary-type conduct.

This is not a social organization or a sewing club. These are military units, and I think it is just elementary that they must be disciplined and properly trained, and trained to act under adverse conditions—in other words, on rainy days as well as sunny days.

Mr. President, further on this subject, the Secretary of Defense, for fiscal 1975, reported three different annual costs of the All Volunteer Forces. One such reported cost is $734 million, which included increased recruiting costs, new bonus and ROTC scholarship, and improved education, living conditions, and travel entitlement.

The second reported cost was $2.978 billion including addition of the above items, the cost of the November 1971, pay raise for junior officers and enlisted men. That is the cost for 1 year.

The third cost item was $3.677 billion including, in addition to the above items, the cost of barracks improvement and civilianization of the KP and other so-called menial tasks. That is not a repetitive cost. The others are repetitive, on an annual basis.

The Secretary of Defense believes that the $734 million figure is the most realistic estimate of the volunteer force costs, because all the other things should have been done even without a volunteer force. Well, that is an argument. I put it in here because that is a point he makes. I do not think it applies, because the concept of Government that every man owes his country something by way of service does not carry the idea with it that you are trying to attract men by pay. It is true that we should have increased the salaries somewhat, whether we were going to have the Selective Service Act continued or not, and we did have bills the same year.

Last year's committee study of the all-Volunteer Force showed annual costs of $3.135 billion in fiscal 1974 for programs associated with the Volunteer Force. This figure is directly comparable to the $2.978 billion requested by the Secretary of Defense for fiscal 1975.

I am giving these figures because I think that all Senators and the public are entitled to the estimates of the cost of the various items. I have already expressed myself as to the background of the change in the law.

Mr. President, it appears that the annual cost of all the programs that have been specifically identified with the All-Volunteer Force is approximately $3 billion. This includes about $2 billion for a one-time pay raise for junior officers and enlisted men. Some of these enlisted men were given a pay raise above the poverty level when the pay raise was enacted.

We would not save anywhere near the $3 billion to go back to the draft, only about $125 million per year according to one estimate, because the comparability rule would keep military pay up, and there would be a higher turnover and thus higher training costs for the draftee force.

That is partly argumentative, too. I put it in because it represents, part of the views of the Department of Defense; and inasmuch as the subject has been brought up, I thought it should be included at this point.

MILITARY RESERVES

The average strengths of the military reserve forces, as approved by the committee in the pending bill are:

Army: National Guard, 390,000; Reserves, 220,000; Naval Reserve, 36,703; Air Force: National Guard, 93,412; Reserves, 51,319; Coast Guard, 11,700.

These committee authorizations are above budget requests in the case of the Army National Guard, for which 379,848 was requested, the Army Reserves, 215,842 requested, the Naval Reserves, 107,526 requested, and the Air National Guard, 89,128 requested.

The budget requests for these reserve components were compiled months ago when it appeared that recruiting for the reserves would slump in an all-volunteer situation. Recruiting efforts have been successful, however, and the committee feels that the services should take advantage of their reserve resources.

In that spirit, the committee had also approved an amendment, by the Senator from Georgia, Senator Nunn, requiring the use of reserves for expansion of the Air Force airlift mission.

CIVILIAN PERSONNEL

As I have said, the committee is recommending a cut, averaging 4 percent, in the civilian employees of Defense Department components proposed for the end of fiscal 1975. The requests were for 1,027,300 civilian employees. The committee is recommending 982,700—a reduction of 44,600 positions.

I, again stress the word, "positions," Mr. President. It is important to understand that many of these proposed "positions" are not now filled. The reductions recommended will not lose jobs for men and women now employed. The cuts can be accommodated by attrition and by not creating a great number of new positions.

With a view to better manpower management, the committee has approved an amendment, by the Senator from Ohio, Senator Taft, stating the View of Congress that the Defense Department, when it decides between civilian and military manpower for defense jobs, should use the least costly type of manpower consistent with military requirements.

NATO

Also in the manpower field, the committee approved three ATO amendments sponsored by the Senator from Georgia, Senator Nunn, who made a survey trip to Europe at my request, early in the year, and filed a report which has been useful to us. I am sure the Senator will discuss these amendments in detail, and I will not try to do that, but I will say that I approve.

Also, Mr. President, with respect to the amendment about the use of some of the Reserves for expansion of our Air Force airlift missions I am sure will be attacked vigorously, and that is all right. The amendment raises the issue here, as to whether we are ever going to actually use these Reserves. I am referring now especially to the Air Force Reserves, including the Air National Guard. They have outstanding records; they have a great number of experienced and intelligent men. Arguments can be made against the amendment but if we are going to utilize the talents of these people it has to be done through congressional action. I hope this amendment is fully and fairly debated.

Generally, these NATO amendments are designed to enhance the nonnuclear potential of NATO forces in Europe and reduce reliance on nuclear weapons. The amendments would: First, require a 20 percent reduction in U.S. support troops in Europe—about 23,000 positions—over a 2-year period, permitting, but not requiring, corresponding increases in combat forces.

This is not a reduction of combat forces in Western Europe. This is, according to the amendment, a requirement that support troops in Europe be reduced by 20 percent, or 23,000 positions, and that they be given 2 years within which to do it, to make the shift, and they can increase by corresponding number, the numbers in the combat forces.

Second, freeze the number of U.S. nuclear weapons committed to NATO while the Secretary of Defense studies the use of nuclear weapons in Europe, possible stockpile reductions, and plans for a "national and coordinated nuclear posture" for NATO; and

Third, require a study by the Secretary of the costs and loss in effectiveness to NATO forces caused by failure to agree on standard NATO weapons, ammunition, et cetera, and require the Secretary to propose standardization actions in NATO councils.

Those amendments will be fully discussed by the Senator from Georgia and will be fully debated, I am sure, by other Senators.

AID TO VIETNAM—REDUCTION TO $900 MILLION

In consideration of supplemental budget requests, and again in connection with this bill, the committee has looked very carefully at the program, military assistance service funded (MASF). This is the program under which we provided military aid to allies who fought with us in the Indochina war.

This program has, in effect, let our armed services give some of their supplies and equipment over the years to forces of other nations fighting in Indochina.

In recent years we have authorized these amounts by approving a ceiling and permitting the allies to be supplied out of the money that was appropriated to our own U.S. armed services in that area of the world.

At times that has meant the South Vietnamese, the Laotians, the South Koreans, and so forth. The program was designed for providing aid from our own logistics line during a shooting war, and accounting for the aid was secondary in these circumstances.

Now, of course, we are sending aid to one country, South Vietnam. The committee has tried to reshape the MASF program to recognize that fact, and to require fiscal stringency. Summarizing, Mr. President, the committee has:

First, reduced the $1.6 billion request for a ceiling on this Vietnam aid to $900 million—a level the committee considered reasonable for fiscal 1975.

Second, set up a regular, separate appropriation for this assistance—a step which will permit regular accounting procedures and followup including GAO audit.

Third, require that the Secretary of Defense approve all obligations in this account and that obligations be charged when provided.

Fourth, clearly define the valuation procedures for obligations of assistance in this account.

In addition, I have suggested to the Pentagon and White House that a highly competent individual of top reputation be given full authority to take full charge of this program here and in Vietnam.

I believe these changes will improve this program so that it better serves the South Vietnamese, and I think we should be supplying aid to them, in reasonable amounts, in the wake of the withdrawal of our fighting forces. The changes will also help in moving this aid program into the regular military assistance program (MAP) next year—in fiscal 1976.

In other words, there would be strict accountability and line item operations. If our recommendation is followed, this responsibility will not be divided over there between this service and that service and someone else. The administration would place some competent person in charge and hold him responsible all the way down the line, both over there and over here. With that being done we feel it will not take nearly as much money as in the past and that this will be enough.

COMMENT

Mr. President, I want to thank the ranking minority member of the committee, the Senator from South Carolina (Mr. THURMOND), for his unfailing cooperation in the committee's deliberations on this bill. I also want to thank the Senator from Nevada (Mr. CANNON) who has again chaired the Tactical Air Power Subcommittee, and the Senator from New Hampshire (Mr. McINTYRE) who again headed the Research and Development Subcommittee. All of the members of the Committee on Armed Services deserve the thanks of the Senate for their work on this measure.

Mr. President, this is the fifth year that these gentlemen, the Senator from Nevada (Mr. CANNON) and the Senator from New Hampshire (Mr. McINTYRE), have served as heads of these subcommittees, and the subcommittees have virtually the same membership as heretofore and they have done very fine work.

As we move into consideration of amendments, I am sure there will be differences on certain specifics in this bill. I expect that, of course, but I will support the committee's recommendations because I think the committee has reported a good, well balanced, authorization bill.

I think it provides a sound annual installment on the forces we may need to deter aggression—forces which will, at the same time, allow us to negotiate from strength in the several negotiating arenas to which we are committed.

Mr. President, as I said in the beginning, let us never forget the fact that a great deal of the thrust of our foreign policy is contained in this bill, and a great deal of the hardware and the manpower that make that foreign policy effective are contained in the bill.

We should not move into commitments in all parts of the world unless we mean what we say. We cannot go into those commitments and then happily go our way and think everything ought to come out without substantial increases in costs. It costs money and it costs big money. It will continue to cost more and more money for these expensive weapons and the necessary manpower.

The judgment we need to make is: Is the policy to be changed? If it is not changed, we must be certain that the policy is implemented with what we think is necessary to carry it out without money being spent heedlessly or needlessly. That is the spirit in which this bill is presented to the Senate by the committee.

Mr. President, I thank the Chair and I thank the membership. I yield the floor.

Mr. THURMOND. Mr. President, I rise in support of S. 3000, the military procurement authorization bill for the fiscal year 1975. Work on this legislation by the Senate Armed Services Committee was completed May 16 and the report was issued for the membership last week.

The fiscal year 1975 bill as reported by the committee totals $21.8 billion, a net reduction of $1.3 billion from the request of the Defense Department which totaled $23.1 billion. For the information of the Senate, the money approved in this legislation is $783.2 million below the authorization recommended by the House Armed Services Committee. The House bill was approved by that body May 22 without any substantive changes.

Mr. President, the distinguished chairman of the committee, Mr. STENNIS, of Mississippi, has already explained for the Senate in some detail the major elements of this legislation. Therefore, as the ranking minority member, I shall limit my remarks to several key areas which I feel are of significant importance.

PROCUREMENT

In the procurement account the most significant committee actions involve denials in the shipbuilding account. The committee approved only two of the three nuclear attack submarines requested, denied all funds for procurement of the initial sea control ship, approved only three of the requested seven patrol frigates, and denied the request for one destroyer tender.

The reasonings for these actions are covered in the committee report and have been explained in some detail by the chairman.

RESEARCH AND DEVELOPMENT

In the research and development account the committee trimmed the administration request of $9.3 billion to $8.9 billion, a reduction of approximately 4 percent.

One of the more significant actions of the committee included the reduction of $44 million of the $499 million requested for the Air Force B-1 development program. This reduction has the effect of limiting the program to three prototype aircraft to support flight testing as opposed to the administration request for four prototypes.

Also the committee reduced the Army's request of $57.7 million for the heavy lift helicopter program by a sum of $21.2 million. This cut in effect would deny a second prototype for the program as it has only been approved for advanced development at this particular time.

MANPOWER

In the manpower account the committee approved military strength cuts of 49,000 and civilian strength cuts of 44,000 for a total reduction of nearly 100,000 personnel.

Of the 49,000 military personnel reduction the committee has given strong direction that at least 11,000 of these cuts be taken from overseas headquarters and in noncombat units.

While the committee identified areas in which it felt these cuts could be taken, the Defense Department will be free to make the reductions in these or other areas of its own choosing.

In the Reserve strength the committee added about 20,000 personnel because the initial budget request was made at a time when recruiting of personnel was proving to be a problem. Since the budget was presented to the Congress, Reserve recruiting has improved and in particular, the Army Reserve and the Army Guard have made significant advances toward achieving higher levels of manning.

Mr. President, at this time it should be emphasized the committee has requested the Secretary of Defense to provide a detailed breakout and explanation for the proposed reduction of 48,000 from the Army Reserve components. The committee has required that this information be submitted promptly in order that it might be considered when the Reserve strength levels are adjusted to the higher figures approved in the House bill.

FORCES OVERSEAS

This year the committee's interest in reducing military personnel overseas has been strengthened by visits of a number of the members to countries in the North Atlantic Treaty Organization. As a result of these visits the committee has adopted several amendments to the bill which address some of the issues raised on the Senate floor in previous years about our NATO commitments. Briefly, these amendments would mandate a reduction of 20 percent in the number of Army support troops in Europe within the next 2 fiscal years, require a review of tactical nuclear policy in NATO, and a requirement to study standardization programs as they might affect weapon systems within the NATO military forces.

MILITARY AID TO SOUTH VIETNAM

Military aid to South Vietnam was drastically reduced by the committee in that an authorization for appropriation of only $900 million was approved by the committee. This represents a sizable reduction from the $1.6 billion ceiling requested by the administration.

It is my sincere hope, as one member of the committee, that these funds will be sufficient to provide our allies in South Vietnam with the necessary hardware to defend their country. Frankly, the committee may have been wiser to provide a higher ceiling as it would be a serious mistake to provide inadequate support in this country where so much American effort has already been expended.

Mr. President, in closing, it is my view this is a good bill overall and the committee has been very diligent in considering carefully each of the requests. S. 3000 contains many, many reductions of even very small amounts which testify to the committee's efforts to save every dollar possible while at the same time providing a necessary and strong National Defense Establishment.

Mr. President, our able chairman, Senator Stennis, is to be commended for the tremendous work he has performed in bringing this bill to the floor at this early date. Furthermore, all of the members of the committee contributed significantly to this effort, which should make possible approval of the military budget at the beginning of the approaching fiscal year. Especially noteworthy were the efforts of the subcommittee chairmen, Mr. Cannon of Nevada, who chaired the Tactical Air Power Subcommittee, and Mr. McIntyre, who headed the Research and Development Subcommittee.

Also, great credit is due to the staff, majority and minority, for their dedicated work.

As the ranking minority Member, I wish to particularly express my appreciation to Senators Tower, Dominick, Goldwater, Scott, and Taft, all of whom have assisted in a splendid manner throughout consideration of this bill.

Mr. President, it is my hope the Senate will act expeditiously in considering this legislation.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Biden). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TACTICAL AIR POWER

Mr. CANNON. Mr. President, I am pleased today to present the report of the Tactical Air Power Subcommittee on the programs within our area in the fiscal year 1975 Department of Defense authorization bill. I will review the scope of our coverage this year, give a short summary of our recommendations for changes to the budget requests on individual programs, and then discuss aspects of special interest regarding the tactical air power programs of the services.

SCOPE OF THE TAC AIR SUBCOMMITTEE REVIEW

Our membership this year was the same as last, with Senators Symington, Jackson, Nunn, Goldwater, Tower, and Thurmond joining me on the subcommittee. Their help was invaluable again, both in assisting with the hearings and also in helping resolve our recommendations for you on the bill.

Our functional program coverage was the same as a year ago. We reviewed the tactical combat and support airplane programs of the services, the aircraft tactical missiles including air-to-air and air-to-ground missiles, and the air defense SAM and AAA systems of the Army—with the exception of SAM–D which was covered in the R. & D. Subcommittee—and the Navy's shipboard SAM's, surface-to-surface missiles, and guns. There are 45 separate programs covered by us, and although we did review more than 45 separate budget line items in the course of our work, some individual elements could be included together where they are parts of an overall subject. The scope of our dollar coverage was some $5.3 billion in authorizations, $1.1 billion for R. & D., and $4.2 billion in procurement. Broken down by individual service, the subtotals are as follows:

	Aircraft	Missiles	Total
Air Force	$2.50	$0.23	$2.73
Navy	1.47	.69	2.16
Army	.20	.20	.40

The $5.3 billion falls a little short of being one-quarter of the overall total of $23.1 billion in R. & D. and procurement which requires authorization in fiscal year 1975.

Our hearings this year were held in 17 separate sessions. We led off with the Defense Intelligence Agency for an update of Communist bloc force postures and their new developments in the tactical air power area. The transcript of this hearing is not printed, due to its level of security classification. To summarize the information given us in that hearing, the total tactical air force structure of the Warsaw Pact or other Communist bloc countries has not changed significantly in size in the last year, but it is undergoing a vigorous equipment upgrading and modernization effort. The Soviets are building their Mig–21's in large quantities and are exporting many to other Communist bloc countries. In addition, they are adding the new Mig–23 swing-wing Flogger at a good production rate and the very new SU–19 Fencer, a large swing-wing airplane about the size of the F–14 or F–111, now is about ready for volume production. The Soviets are also proceeding with development flight testing of V/STOL airplanes to use on their new aircraft carriers.

Another special hearing of the subcommittee examined the results of the recent Mideast war, with an emphasis on lessons learned from that conflict. We had testimony from the JCS military operational survey team about the tactics and equipment used and the relative losses. That hearing also was highly classified and the transcript will not be published. I can say that most of the U.S. equipment worked well in that war.

A third special hearing took testimony from four Air Force and Navy pilots who had shot down Mig's in Southeast Asia combat. These pilots stressed to us the need for continued emphasis on dogfight training in order to maintain combat skills even in peacetime. They all praised the current training schools, the Navy Topgun School and the Air Force Aggressor Squadron. These schools both operate airplanes that simulate the Mig series, and provide realistic simulations of enemy aircraft and tactics. The Tac Air Subcommittee and the Armed Services Committee continues to support these schools and believes they should be provided with the best threat-simulating aircraft available and also with modern air combat manuevering ranges for training purposes.

Another point which these pilots stressed to us is the great advantage that friendly radar warning and command and control provides during combat in enemy airspace. Over North Vietnam there was a well-organized enemy radar warning and GCI network to vector Migs into tail-on attacks on our fighters and attack airplanes. Our own warning facilities were limited. The Navy operated a Red Crown cruiser in the Tonkin Gulf which tracked Migs which were not beyond the radar horizon, but this coverage suffered the limitations of all ground-based systems in that it could not see over the curve of the earth or behind mountains or other terrain obstructions. The Air Force operated Disco, the old EC–121 radar warning airplanes, which do not have a lookdown capability below the horizon. Often Migs came in from low level, controlled by their own ground-based GCI but out of sight of Red Crown or Disco, and made surprise hit-and-run firing passes, getting their kill and then leaving the fight. These pilots were unanimous in stressing the need for a good warning capability such as will be provided by the AWACS system.

The remainder of our hearings were devoted to the program budget reviews with the services. We started off with each service with an update on their 5-year force structure planning for tactical aid and air defense—as appropriate—

and then followed with individual program reviews. We held these hearings between March 11 and March 29, except for one additional special hearing on the Navy F–14X and VFX fighters, which we had on Thursday, May 2.

FORCE STRUCTURING PROBLEM AREAS

The services operate basic types of tactical aircraft to fulfill three combat functions and five combat support functions. The three types of combat aircraft are air-to-air fighters, all-weather deep strike interdiction bombers, and light attack close air support airplanes. The combat support functions that we look at in the Tac Air reviews include reconnaissance, electronic warfare—jamming—radar warning, tankers, and airlift programs.

To review in brief the most significant impressions regarding individual services' force structure capabilities and problems, first the Air Force 5-year planning is based around the current level of 22 wings, or 1,584 U.E. tactical combat aircraft. The present force mix consists of 14 wings of F–4's, 4 wings of F–111's, 3 wings of A–7D's, and a "notional" wing of F–105 Wild Weasels and 36 air defense fighters—F–4's—in Alaska and Iceland. This force is planned to change as the F–15's replace F–4's and as A–10's replace A–7D's and F–4's in the next 5 years.

The Air Force presently is in excellent condition from a quality standpoint with its three combat airplanes, the F–15 for air-to-air combat, the F–111 all-weather interdiction airplane and the A–7D close air support airplane. Where the committee sees capability deficiencies—in a qualitative rather than quantitative sense—is in the areas of radar warning and control and in electronic warfare—ECM. The AWACS airplane will resolve the former deficiency, and the EF–111 tactical jamming aircraft will take care of the latter one when its development is completed. The committee strongly supports both programs.

One point which should be noted is that the Air Force intends to reduce its close air support force of three wings of A–7D's down to two wings of close air support planes for an interim period of time as A–7D's are phased into the Air National Guard, and then the present plan calls for an increase to four wings of A–10's. When queried as to why a change from three wings of close air support down to two and then up to four, no good answer was provided. Since the threat we face will not decrease in the near term, the committee believes that this decrease in close air support wings in the active force is not warranted and that a minimum of three wings of close air support airplanes should be maintained in the active force.

Another aspect brought out in the force structure review was the delay in modernization of the Air National Guard. This is caused primarily by the slowdown in F–15 procurement dictated by Defense Secretary Schlesinger and also somewhat by a slowed A–10 production plan. Since the Guard is modernized primarily by receiving aircraft retired from the active force, a slowdown in procurement of new aircraft for the active force is reflected directly as a slowdown in phasing aircraft from the active forces to the Guard—and Reserves. As a result, F–100's will be in the Guard in large numbers through fiscal year 1979. At that point they will be at least 22 years old. The primary planes used to modernize the Guard will be A–7D's and F–4's, under present planning. The F–4C model will begin to run out of service life in the early 1980's, so they will provide a short-term solution, unless their life is extended. The committee continues to support modernization of the Guard with modern combat-capable equipment.

The Navy and Marine Corps force structure planning is based on providing a Navy air wing for each aircraft carrier and a Marine air wing for each of the three Marine divisions. The Navy combat aircraft force mix averages roughly 40 percent fighter aircraft and 60 percent attack aircraft, as a carrier typically has two 12-plane fighter squadrons and three 12-plane attack squadrons embarked—two of A–7's and one of A–6's. The Navy's nearer term problem areas with tactical aircraft are with the combat support airplanes, and specifically with tactical carrier airlift and with the future reconnaissance force. The Navy has very few carrier-capable transports—COD airplanes—but is planning a new COD replacement program with R. & D. starting in fiscal year 1975 or fiscal year 1976. Also they described a plan to phase out their RA–5C reconnaissance airplanes and replace them with a pod-mounted system carried on A–7E tactical light attack bombers. This appears to be a highly questionable concept and the committee is recommending deleting the R. & D. funds for this project. Another questionable Navy proposal is to build a dual mission electronic intelligence and anti-submarine warfare airplane, utilizing the present S–3A ASW airplane. This would be a case of having two sets of crews, one for each mission, and letting them take turns in flying the airplanes. The committee recommends rejecting R. & D. funding on this proposal until the Navy decides on a dedicated electronic intelligence airplane.

The Marines face equipment problems with electronic warfare aircraft as their EA–6A's are becoming obsolescent, they desire a V/STOD Harrier follow-on, and they are faced with a fighter replacement problem toward the end of this decade unless new programming plans are developed. The Marines hope to participate in the Navy EA–6B procurement to solve the electronic warfare deficiency, they are hoping for an AV–16 Advanced Harrier development, and are looking to the proposed VFX fighter project to solve their fighter replacement problem in the early 1980's. I will comment in detail on the VFX later in my statement.

The Army has evolved an interim solution to the shortfalls in its missile-equipped attack helicopter force caused by the demise of the Cheyenne project. Starting with this fiscal year, the Army plans to buy additional TOW missile-equipped Cobra gunships to fill-in until the Advance Attack Helicopter—AAH, now in R. & D., is ready for production in 1980. Also the Army has shelved plans for immediate development of the Hellfire laser guided missile for attack helicopters and instead will stay with the TOW.

In the air defense area, the Army plans to go forward with an all-weather replacement for the Chaparral, with the foreign missile candidates—Roland, Rapier, and Crotale—being prime candidates. Testimony this year from Dr. Currie and from Army witnesses stated positively that this was an open competition and was not limited only to the foreign competitors in order to demonstrate cooperation in R. & D. with NATO. The committee will monitor this program closely in order to insure that the most cost-effective all-weather missile candidate is the one procured.

Also, the Army indicated that it is likely they will start a program for a modern and capable AAA gun system for the field forces, which should fill a gap in their air defense mix when such a gun is bought. Antiaircraft guns have demonstrated their effectiveness in Southeast Asia and most recently in the Middle East war, and the Committee supports the Army's renewed interest in this area.

COMMITTEE RECOMMENDATIONS

The committee unanimously accepted the recommendations of the Tac Air Subcommittee, as listed in the four tables attached to my report.

The first category listed includes six programs where there are excess funds in the fiscal year 1975 budget. None of these proposed budget reductions imply a revision to R. & D. or production schedules or to the scope of work, they merely identify funds not needed or deferrals of funding to fiscal year 1976. The total recommended reductions in this list is $57.9 million. The list follows:

CATEGORY I—PROGRAMS WITH EXCESS FUNDING IN 1975

A–7E —$7.5 Funds were available left over from FY 1974 due to congressional cut and were used as long lead procurement for FY 1975.

AH–1J —$5.4 Production schedule slipped and 6 FY 1975 aircraft will be built in FY 1976 delivery period. Defer 6 to next year.

Stinger —$1.5 FY 1974 R. & D. carryover available to fund FY 1975 program.

AH–1Q +$4.5 R. & D. R&D transfer of $4.5 million from procurement at Cobra/TOW —$17.0 Army request. Net reduction of $12.5 million in procurement because 15 of 21 AH–1Qs deferred to FY 1976 funding, due to late delivery of aircraft.

F–15 Gun —$7.5 GAU–7 gun R&D program was terminated, funds no longer needed.

F–14/Phoenix —$23.5 The sale of F–14s to Iran has reduced the price of the F–14 by $22.0 million and the price of Phoenix by $1.5 million.

The second category includes 13 programs where we are recommending a change to or redirection of the program. There is a shortened synopsis of the reasons for the recommendation given in the table, and if additional explanation is desired, there is a complete description given in the main committee report. These 13 programs have a total recommended reduction of $175.9 million. The list follows:

CATEGORY II—PROGRAMS WHERE PROGRAM REVISION IS RECOMMENDED

A-37 —$15.7 Air Force already has sufficient A-37s. Recommend not buying any more, and replace VNAF attrition out of Air Force Guard/Reserve.

A-4M —$58.1 Navy has funds for 24 in FY 1974 Supplemental. Recommend defer FY 1975 request for 24 more to FY 1976 to keep production line open.

CLAW Missile —$3.1 Missile too small, with inadequate warhead for air-to-air combat. Terminate program.

Chaparral R & D —$5.8 R & D on Target Acquisition Aid. Since Shorad will replace Chaparral in early 1980s, expensive improvement items not warranted.

Harpoon —$7.7 Reduce first production lot of missiles from 150 to 100 to prevent too rapid early production.

USAF RPVs —$11.0 Funds to start "interim" multi-mission RPV Multi-mission concept questionable.

A-10 —$12.5 R & D, +$18.9 Procurement. Shifts 4 R & D funded aircraft to procurement. Also restrict funds to USAF close air support program, pending completion of fly-off.

USAF Sidewinder Mods. —$8.1 Request was to modify 2000 "B" to "J" configuration. Only 590 "B" missiles available.

Navy Recce/TASES —$11.0 R & D funds to start development of recce pod and dual mission ASW/elint platform. Both programs are questionable from operational standpoint.

Maverick —$30.3 Funds for long lead for 5000 missiles in FY 1976. Recommend stretch out FY 1975 buy through FY 1976 to prevent excess inventory build-up.

USAF EW PODS. —$22.6 Funds for procurement of ALO-131 in FY 1975 recommended for approval.

USAF EW PODS —$22.6 Funds to modify Marine OV-10 spotter airplanes to night gunship configuration. Marines could use USAF AC-130E gunship, which is being phased out of inventory.

Navy Point Defense R&D —$4.0 R&D request for $9.5 million for Navy Shipboard small defense missile. Funds allowed only for feasibility demonstration.

The third category includes two programs where we believe additional funding, not requested in the budget, is warranted. These are $23.1 million for production of the laser guided Bulldog missile for the Marines, and $220.5 million for production of 12 F-111F's for the Air Force, including $15.0 million in long lead for fiscal year 1976 production. The long lead funds were not added by the House, which only added $205.5 million for the fiscal year 1975 procurement. The list follows:

CATEGORY III—PROGRAMS WHERE ADDITIONAL FUNDING IS RECOMMENDED

Bulldog +$23.1 Bulldog laser missile is developed and ready for production. OSD refuses Marine production request in favor of laser Maverick, which is not yet developed and is more expensive. Recommend 1 year interim buy of 1000 Bulldogs pending availability of laser Maverick

F-111F +$220. 12 F-111Fs for $205.5 million plus $15.0 million in long lead for FY 1976.

Finally, the fourth table lists the programs for which we recommended approval of the budget as requested.

CATEGORY IV.—PROGRAMS RECOMMENDED FOR APPROVAL AS REQUESTED

Model	Quantity	Research and development	Procurement
Air Force aircraft:			
F-15	72	$182.6	$893.4
F-5E/F	28	6.1	91.1
Lightweight fighter/air combat fighter		58.7	0
E-3A AWACS	12	219.7	549.8
F-4E Wild Weasel II	(1)	13.6	13.9
EF-111		36.7	0
Reconnaissance		4.2	0
Navy aircraft:			
A-6E	12	10.4	131.7
EA-6B	6	0	123.1
E-2C	6	0	118.7
V/STOL		24.9	0
Army aircraft: AAH		60.8	0
Air Force missiles:			
Sparrow	300	1.7	43.5
Shrike	300	0	11.3
Pave Strike		49.6	
Navy missiles:			
Sparrow	300	6.0	56.0
Sidewinder	800	.5	16.8
Agile		20.0	
Walleye/ER DL	175	2.5	6.7
Condor	35	10.2	20.0
Shrike	900	0	25.9
Harm		18.1	0
Improved Hawk	230	0	30.5
Standard MR/ER	200	34.1	33.5
Standard missile II		32.2	0
Aegis		67.0	0
Vulcan-Phalanx		32.1	0
Standard active	74	1.3	33.6
Standard ARM	62	.8	8.3
Army missiles:			
Hellfire		15.3	0
Improved Hawk	520	8.5	80.8
Shorad (foreign missile)		35.1	0
AAA guns	(2)	6.5	4.4

[1] Mod.
[2] Mods.

My remarks to follow discuss some of the individual programs where there are recommendations made by the committee for revisions or deletions.

F-15

The F-15 production schedule was revised late last year by Defense Secretary Schlesinger during the fiscal year 1975 budget review process. Instead of having the F-15 production reach a 12 per month rate in fiscal year 1975 and hold at that rate, he instead slowed the production buildup and extended the F-15 program in future years. Instead of completing deliveries in October 1980 as previously scheduled, the F-15 line now is planned to be open through May 1982, requiring 18 months longer to build the programed 729 airplanes.

There is a potentially serious problem with the fiscal year 1975 production plan for the 72 F-15's in the budget. The F-15 production rate for the 62 airplanes ordered last year builds up to a 9 per month rate by June 1976. The 72 F-15's in this year's program then deliver at an average rate of 6 per month, a substantial reduction in the production rate. Hopefully, the letter of offer for F-15's which has been tendered to Iran will be accepted, because that sale would stabilize production at nine per month until the Air Force procurement again reaches that rate. However, if the Iranians decide not to purchase F-15's at this time, it will mean substantial layoffs by the F-15 contractors, followed by rehires several years later. That kind of production planning does not make good sense financially, and I believe that the Defense Department should stabilize the F-15 production rate at nine per month even if the Iranians do not buy the plane. This could be accomplished in the fiscal year 1975 program by shortening the delivery time to 8 months, and then by following with 108 F-15's in fiscal year 1976 versus the 90 presently planned. The committee's report on the bill reflects this recommendation.

AWACS

AWACS is a program for which the subcommittee approved the budget as requested. This program is controversial again this year, due primarily to GAO criticism of the program plan. We reviewed the program very thoroughly in our hearings and I want to take a few moments to explain why we think the Air Force's proposed program schedule is reasonable and should not be revised.

The budget request is for a total of $769.5 million. $219.7 million in R. & D and $549.8 million for 12 production airplanes. It is the third largest Air Force budget program, behind only the F-15 and the Minuteman in total dollar amount.

It also is a program which will provide modernization of a combat support area in which there is a significant lack of capability at this time. The present radar warning and command and control function is performed by the old EC-121 radar airplanes, which have no capability to look down and pick out low flying targets. These EC-121's can be supported by KC-135 radio relay planes and C-130 command post airplanes, as they were in Southeast Asia, but that combined force still falls far short of the capability inherent in the AWACS.

The GAO reviewed the AWACS program at the request of Senator EAGLETON and issued a report in March 1974. The report was not particularly precise as to what its recommendations were with regard to the program, and it contained many inferences that AWACS might not be a viable operational vehicle. The subcommittee called GAO witnesses to testify on the program at the same time that the Air Force was in to present the fiscal year 1974 budget request. In that hearing the GAO witnesses backed off to a large degree from their inferred report position that AWACS might not work in an operational scenario, and instead stated that their primary objection was to the fact that production would be authorized in December 1974 before the production configured radar had been flight tested. They felt this concurrency was unwarranted. The Air Force countered that the prototype radar which has been in flight test for 2 years was representative functionally of the production radar and that the flight testing in 1974 of the systems integration demonstration airplane provides a thorough flight test of a single "thread" of the entire AWACS system components. These tests will remove the technical risk from the program, and the production radar differs from the prototype primarily in that it is a repackaging of the electronic components, not a redesign of how the radar operates.

The GAO also said that the AWACS radar was potentially vulnerable to being jammed by the enemy. The Air Force countered that the GAO's technical consultant's calculations were erroneous about their radar system and neither the consultant or any of the GAO's review team ever visited the AWACS program office before issuing their report on the AWACS project.

In this situation of charges and countercharges, the the committee believes that it would be best if the Secretary of Defense would appoint a group of disinterested radar and ECM technical experts, ones with no parochial service interest in the outcome of their review, to examine the issue of whether the AWACS can or cannot easily be jammed by an enemy. An impartial review of the GAO and Air Force claims on this issue should help to clarify this question. The committee recognizes that if the GAO's contention that the AWACS radar is easy to jam should prove to be correct, then much of the system's operational utility would be lost.

The committee believes that the present radar warning and command and control capability of the Air Force is very deficient, and that the AWACS will provide a major enhancement to our military operations, particularly where surveillance and flight operations into enemy airspace is required. The committee does believe that a careful review of the AWACS program should be made before a full production go-ahead is given by the Secretary of Defense this December, and the committee believes that the Secretary should provide a written certification to the Congress, before production starts, that the AWACS is cost-effective and meets the mission needs and requirements of the Defense Department. The normal DSARC review process now scheduled for December would be expected to answer this type of question, but I believe that the requirement for a certification from the Secretary should serve to answer the critics of the AWACS program as to its operational utility, viability, and cost-effectiveness. Therefore, the committee has added this requirement for certification in the authorization bill.

ATTACK HELICOPTER PROGRAMS

The Army and Marine Corps attack helicopter programs are proceeding well, in the committee's judgment. The Army's Cobra gunship, with the antitank TOW missile installed, definitely needs extra power, and the Army has a project underway to uprate the present Cobra engine from 1400 horsepower, and then to take the transmission components used in the Marine Corps AH-1J Sea Cobra and install them in the Army Cobra. This is a relatively simple and easy aircraft modification and it will provide a great increase in the performance of the Army Cobra.

The OSD had the Army study the possibility of buying the Marine Corps twin engine Sea Cobra attack helicopter instead of more of the single-engine version. The Sea Cobra does have a little more power than the uprated Army version, but the disadvantages to switching to a new model would be that a new logistics support system would have to be established in parallel to the one for the present Army Cobra. This disadvantage far outweighed the benefits of improved performance in the Marine helicopter, and the subcommittee agrees that the proper decision was made by the Army. The committee strongly supports the Army's power-improved Corba as being the best interim solution for its attack helicopter forces until the advanced attack helicopter is available.

The Marines are uprating the performance of their Sea Cobra by increasing the transmission's power rating. They are doing this by using transmission components from the Iranian model of the Huey troop lift helicopter, which will save the Marines a considerable research and development cost. This will give the improved Sea Cobra essentially a 2,000-horsepower system, which should provide the best performing helicopter gunship until the AAH is in production.

As a final comment, the Army's AAH program manager reports that that program is proceeding within his cost and schedule milestones and first flights on both the Bell and Hughes prototypes are due by early next year.

F–111 PRODUCTION TACTICAL STRIKE BOMBER

No funds were requested for F–111 procurement again this year, and the committee added $220.5 million to buy 12 F–111F's. This total includes $15 million specifically for long lead funds for a fiscal year 1976 buy of F–111F's.

There are several points which I want to make regarding the F–111 program. First, the Air Force has a definite operational requirement for the all-weather deep strike tactical bombing capability provided by the four wings of F–111's currently in their tactical force. The F–111's have proven their military worth in combat strikes during Linebacker II operations in Southeast Asia, as testimony showed last year before our subcommittee. The Air Force plans to retain four wings of F–111's in the tactical force indefinitely, subject only to the availability of airplanes to fill out this force.

Now the Air Force also plans to take 42 of the F–111A's out of this combat strike force and modify them to an EF-111 electronic countermeasure jamming configuration. No replacement airplanes will be available to make up for this loss to the tactical bombing wings unless more F–111's are built. The Air Force has indicated that they will have to disband their F–111 combat crew training squadron if the 42 F–111A's are not replaced, and this would be a highly undesirable situation from a training and readiness standpoint.

If F–111F's were bought at a 12-per-year rate, then, at least until a replacement airplane was started in development, it would have the following benefits: First, there would be attrition replacements as airplanes were lost in normal peacetime operations; second, there would be an ongoing production line in the event of future hostilities requiring a rapid increase in F–111 production; third, there would be replacement airplanes for the 42 EF–111's; and fourth, there would be a gradual modernization of the F–111 inventory, as F–111F's replaced earlier versions in the force.

For these reasons, the committee strongly urges the Defense Department to plan for continuing annual F–111 production.

A–10 AND A–7D CLOSE AIR SUPPORT AIRPLANES

The Air Force's budget request was for $93.9 million for R. & D., to support a 10-plane R. & D. program, plus a total of $173.8 million for procurement funds to buy the first 26 production airplanes plus initial spares for the A–10. No funds were requested for A–7D procurement.

The committee recommends $81.4 million for R. & D. for the A–10 in fiscal year 1975, a reduction of $12.5 million and 4 R. & D. airplanes. The reason for this reduction is the same as it was when we first recommended a 6 airplane R. & D. program a year ago, namely that 4 of the 10 airplanes were to be used for operational testing with production-configured airplanes and not for R. & D. tasks. Therefore, we are recommending that the four operational test airplanes be bought with procurement funds. The committee also recommends that the R. & D. funds be authorized only for the A–10 program, and that they be available only if the A–10 wins the flyoff against the A–7D.

In the production account, the committee recommends procurement funds of $192.7 million be authorized for 30 A–10 airplanes, as a result of shifting four airplanes from R. & D. to procurement. The dollar increase is $18.7 million, and the difference from the R. & D. reduction results because R. & D. airplanes are incrementally funded—on a year-by-year expenditure basis—whereas production airplanes are fully funded.

The committee's recommendation on providing production funds for the A–10 airplane in fiscal year 1975 is made contingent on the A–10 winning the flyoff against the A–7D. The committee recommends that these $192.7 million in production funds be authorized for procurement of 30 A–10's or of A–7D's, based on the results of the flyoff between the A–10 and A–7D. I would note that approximately 48 A–7D's could be bought for that amount, according to the Air Force.

BACKGROUND ON THE FLYOFF

The A–7D/A–10 flyoff is being performed at the insistence of the Senate Armed Services Committee. The recommendation for the flyoff dates back to the Special Subcommittee on Close Air Support, which held hearings in October 1971 on close air support and all associated weapons programs. The hearings took testimony from pilots with Southeast Asia combat experience, who stated they flew at high speeds, 450 knots or greater to survive against intense ground fire. Pilots also lauded the highly accurate computer-aided bombing system in the Navy A–7E—twin to the Air Force A–7D—which permitted accurate bombing while staying out of range of the small arms ground fire—higher than 3,500–4,000 feet. The testimony on the A–X program was that that airplane was designed to fly at relatively slow attack speeds, about 300 knots, and it would fly in low for strafing attacks with its 30mm cannon. Also, it would not have the computer-aided bombing system.

Since the A–X design capabilities went directly against the experiences of combat pilots, the Close Air Support Subcommittee recommended that the winning A–X prototype participate in an operational evaluation by combat-experienced pilots to prove out the concept, and that that evaluation include a side-by-side flight comparison or flyoff with the existing close air support airplanes, the A–7D and A–4M. The Subcommittee's report was released in June 1972 and the Armed Services Committee report on the fiscal year 1973 authorization bill, released in July 1972 also made this same recommendation.

The A–X prototypes, the Northrop A–9 and Fairchild A–10, had their own flyoff in late 1972 and the A–10 was selected. The Air Force ignored the committee's flyoff recommendation and instead signed the engineering development contract for the A–10 in March 1973. A cost-effectiveness study was used as justification for not performing the flyoff.

The Tac Air Subcommittee reviewed that study a year ago during the fiscal year 1974 authorization hearings and showed that it contained many highly questionable assumptions heavily biased to favor the A–10 over the A–7D. Testimony also was taken from the A–7D wing commander who was in Southeast Asia combat in 1972 and who said the A–7D had an excellent combat record, using its high speed and accurate bombing system for survivability. As a result of all of the testimony in the hearings, the committee last year rejected a request for long lead production funds for the A–10 in fiscal year 1974 and insisted that the flyoff between the A–7D and A–10 take place.

This year the Tac Air Subcommittee examined carefully the combat operations in the Mideast war. The Israelis' experience showed that their A–4N Skyhawk, with a computer-aided bombing system similar to the A–7D, was more survivable and more accurate than the earlier model Skyhawks. The A–4N could attack at higher speed and sustain that speed while maneuvering to avoid SAMs, while the earlier versions with less power were slower and lost speed rapidly in maneuvers The Israelis' recent combat lessons in a modern SAM/antiaircraft gun environment lends additional weight to earlier Navy and Air Force combat experience on close air support.

The flyoff started on April 15, 1974, and flying was completed by May 9. The flyoff took place at Fort Riley, Kans., with both airplanes making close air support dive bombing and strafing runs against enemy tank columns on the ground. Various bomb loads and weather ceiling conditions were simulated. No live ordnance was dropped in these tests, although ordnance was used by the pilots while checking out in both airplanes.

The final reports are due by June 15. Three reports will be written, a pilots' evaluation by the 4 TAC pilots plus systems analysis reports by the Air Force and D.D.R. & E.'s WSEG.

The committee has required that the Secretary of Defense inform the Congress, through the 4 authorizing and appropriating committees, of the winner of the flyoff 30 days before signing any production contract. This will provide time for congressional review of the results of the flyoff.

AIR FORCE TESTIMONY ON FLYOFF

Air Force testimony on the A–10 program was to the effect that if the A–10 wins the flyoff, it will be bought for close air support but, if the A–7D wins, the Air Force will "reevaluate the force structure" with the implication being that they would not buy A–7D's even if they were the better close air support airplane. I believe that if the Air Force has a valid need for a large number of A–10s for its close air support mission, then that need would not disappear if the A–7D wins the flyoff.

Accordingly, the committee has recommended restricting the procurement funds in the law to the Air Force close air support airplane program, either the A–10 or A–7D based on the results of the flyoff. Whichever is shown to be the better close air support airplane in the flyoff is the one which should be procured.

FUTURE NAVY FIGHTERS: F–14 OR VFX

In discussing this subject, I will quote from the report on the bill:

> A year ago the committee reviewed the F–14 program in great detail because of the fixed price contract problems between the contractor, Grumman, and the Navy. Last year the committee approved in principle the production plan proposed by Deputy Defense Secretary Clements, which was to procure 50 F–14As per year in fiscal years 1974 through 1977. This plan would result in a production program of 334 F–14As for the Navy and Marine Corps, and outfit 12 Navy squadrons and 4 Marine Corps squadrons with the plane.
>
> Also proposed last year was an R&D effort to build prototypes of a striped-down F–14 and a carrier-suitable F–15 to be the candidate fighters for the follow-on to the 334 F–14As. The committee rejected this prototyping proposal due to its high cost and questionable worth. The committee did recommend that the Navy examine the potential of a new and smaller fighter to be the successor to the F–14.
>
> During the past 9 months, the Navy convened a special Fighter Study Group to examine the potential of a "lightweight fighter" type airplane as well as other alternatives to the F–14A. This group, aided by design experts in the Navy and by aircraft industry studies, defined a "VFX" lightweight fighter with excellent combat potential. This airplane would weigh about 30,000 pounds at takeoff, have about 30,000 pounds of engine thrust using any of 3 current engine candidates, and would be armed with Sparrow and Sidewinder missiles and a gun. The Navy Fighter Study recommended soliciting the aircraft industry for detailed design evaluations of such fighter as the next step in its development cycle, to be followed by requests for development proposals if these design evaluations confirmed the potential combat capabilities of the VFX. A major point made by the study group was that this VFX should be optimized as a fighter plane but would have an excellent ground attack capability as well. Potentially, it could replace both F–4s and A–7s on Navy attack carriers in the 1980s.
>
> The VFX was endorsed by the Navy's Air Systems Command and by the Marine Corps, but the CNO and Navy Secretary proposed to the Secretary of Defense an alternate plan to buy 240 F–14Xs, a slightly cheaper F–14 without the Phoenix missile, in the late 1970s and early 1980s. Deputy Secretary Clements rejected this plan and endorsed a start on a VFAX (as the VFX became known in order to emphasize its attack potential). Secretary Clements also pointed out that between 100 and 200 additional F–14s should be planned for between 1978 and 1981, when a VFX first would be ready for production, in order to maintain the Navy and Marine fighter inventory levels.
>
> The committee believes that the Navy was entirely responsive to committee direction of a year ago in forming the Navy Fighter Study. The committee also is impressed with the excellent quality of that study and with the potential which appears inherent in the VFX, defined by that group, to be a less expensive but highly capable air superiority fighter for the 1980s for the Navy and Marines. The committee strongly recommends that the Navy proceed immediately with the next step in this program and solicit the aircraft industry for analyses of the VFX design, *as defined by the Navy Fighter Study*.
>
> The committee does not find it necessary at this time to accept or reject a plan for F–14A procurement in FY 1978 or beyond. The F–14 program will be reviewed each year based on the then current situation. The committee does believe that the VFX program should be started now so that an F–14 complement or replacement will be available at the soonest possible time.

I want to emphasize the point that unless the VFX is started this year, there will be no alternative to buying additional F–14's in the future, as there will be no other fighter in production for the Navy. The question of how many F–14's will have to be procured beyond the 334 presently programed is an issue that will not have to be resolved by this committee until we consider the fiscal year 1978 budget request. In the meantime, I believe it is imperative that we fully and strongly support the VFX project at this early phase of that program.

One question which will be raised about the VFX is whether it will duplicate the Air Force air combat fighter. This is a very valid issue and one which can be resolved during fiscal year 1975, as both programs become better defined. The Air Force air combat fighter will evolve from the present YF–16 and YF–17 prototypes. Whether they can be "Navyized," or made carrier suitable, is a question which the Navy and industry design studies will have to answer during this next year.

F–14 PROGRAM

As a final subject, I will discuss the committee's recommendation on the F–14A program for fiscal year 1975 and also review a contractual problem relating to that program which has surfaced recently with great attendant publicity.

The fiscal year 1975 budget request was for 50 F–14A's for the Navy and Marines at a cost of $709.3 million, plus $11.8 million in the R. & D. account. The committee recommends approval of 50 F–14's, but a reduction of $22 million in funding because the sale of 30 F–14s to Iran has reduced the cost to the Navy by that amount. The Navy's budget was based on buying 50 F–14's at a 4-per-month rate, while the Iranian program results in F–14's being built at a 6-per-month production rate and lowers the Navy's unit cost. Therefore, the committee's recommendation is for a total of $687.3 million for procurement of the planes.

The F–14 production program is proceeding very well. At the end of May 1974, F–14 production was on schedule and 75 airplanes had been delivered by Grumman. The first two operational squadrons are fully manned and will deploy to the Far East on the carrier *Enterprise* this fall. The training squadron and two operational squadrons are flying the F–14's at a very high monthly utilization rate and without major or unusual problems, so the F–14 can truly be said to be in operational status now.

FISCAL YEAR 1974 CONTRACT

Last year, as Senators may recall, the committee recommended in July authorizing only $192.7 million toward the total request for $703 million for 50 F–14A's. This would have provided partial funds to continue the program only through December 1973. The committee took the position that, before the Congress approved full funding, the Navy and Grumman should resolve their differences over the contract price for F–14's in fiscal year 1974. Also, the committee directed that the Navy should settle the remaining contract issues in the old total package F–14 contract which had been closed out by the Secretary of the Navy. The major unresolved issue there was the production schedule for the 134 F–14A's purchased under the old fixed price contract, the one which caused a $200 million loss to Grumman.

Because of this position taken by the committee, the Navy and Grumman last August negotiated a fixed price contract for the 50 F–14's in the fiscal year 1974 request. This contract price was lower than the Navy's budgeted estimate for the F–14, and the Congress was able to reduce the F–14 authorization by $10 million, from $703 million to $693 million. Because of the existence of this fixed price contract for 50 F–14A's, signed by both the Navy and Grumman, I sponsored a floor amendment to the fiscal year 1974 authorization bill which restored full funding to the F–14 program for that year. This amendment was accepted by the Senate, and the F–14 program received full appropriations in January of this year.

The Defense Department and Navy witnesses next testified to our committee on the F–14 program in connection with the normal fiscal year 1975 budget reviews. In that testimony, no mention was made of the fact that Grumman had refused to go ahead and fully execute the fiscal year 1974 contract in January of this year when the appropriations bill was signed. That contract contained several contingency clauses. One was that appropriations had to be provided for the 50 airplanes. Another was that the Navy would continue to guarantee availability of financing. My information is that Grumman told the Navy they believed that the Byrd-Proxmire amendment to the fiscal year 1974 authorization bill raised a legal question on the ability of the Navy to provide such a guarantee to continue advance payments without prior congressional approval.

ADVANCE PAYMENTS

This advance payments situation needs some review and clarification, although the Tac Air Subcommittee covered it in great detail last year during hearings on the F–14. Those hearings revealed that when Grumman exposed its potential losses which eventually ran up to about $200 million, the banks had withdrawn their line of credit from Grumman and refused to make any more operating loans to the company. Since the Government normally only provides progress payments of 80 percent on airplane contracts as planes are being built, the company must pay the remaining 20 percent of its bills out of its own cash or by means of bank loans. As Grumman's losses mounted and the banks withdrew their credit, the company's working capital and ability to finance continuing operations was impaired. In this situation the Navy was requested to provide "advance payments," which amounts to providing 100 percent progress payments on work already done on the airplanes, rather than the normal 80 percent. This situation is completely legal, but does require a special determination by the Secretary of the Navy that it is necessary and required to support the contractor in the interest of national defense. Such a determination had been made, and as the testimony showed last year, Grumman was projected to require up to a maximum of $90 million in advance payments.

The Byrd-Proxmire amendment that was added to the bill last year requires that, on all future contracts subsequent to the enactment of last year's bill, congressional approval must be obtained before advance payments in excess of $25 million can be provided. This amendment was added to the fiscal year 1974 authorization bill after the F–14 fixed price contract had been negotiated between Grumman and the Navy. Grumman apparently took the position that the spirit of the amendment was such that specific congressional approval probably would be required to continue the advanced payments program. Grumman refused to execute the contract to put it in force in January until the Navy could guarantee this assistance would be continued, and the Navy had Grumman proceed with long lead production items for the planes under an amendment to the prior contract—the usual practice—while this latest contract dispute was being resolved.

Now I must point out that the Tac Air Subcommittee had testimony on the F–14A program on March 21 and not one word was mentioned by the Navy witnesses about the fact that the company had refused to go ahead with the fiscal year 1974 contract. I know of no instance when Navy or Defense Department officials were over here to testify on the fiscal year 1975 budget request where they informed any congressional committee of this situation. I would add that I am personally very disappointed that these facts were not brought out in testimony before the Congress, particularly after my efforts last year to support the F–14 on the floor once the fixed price contract had been agreed to by the Navy and Grumman.

DISCOVERY OF CONTRACT PROBLEM

This situation was not discovered by the committee until a staff member noticed that the F–14 contract was still unsigned while he was reviewing a routine Defense Department report on the status of contracts. After a short inquiry into why this was so, I immediately sent a letter to Deputy Secretary Clements requesting written information on this matter. The text of that letter follows:

MAY 29, 1974.

Hon. WILLIAM P. CLEMENTS, Jr.,
Deputy Secretary of Defense,
Washington, D.C.

DEAR MR. SECRETARY: I am writing you to request information on the status of the F–14 program. As you will recall, this fixed price incentive contract was negotiated between Grumman and the Navy in the August 1973 time period and was agreed to and signed by them last September. Based on having this fixed price contract in existence at that point in time, I offered an amendment on the floor of the Senate to the FY 1974 authorization bill, which restored full funding to the F–14 procurement for that fiscal year. That amendment was accepted by the Senate and the F–14 program later received full appropriations.

Now I am informed that that contract has not been executed to put it officially into effect, and that Grumman is proceeding with long lead effort on those 50 F–14's with contractual coverage under an amendment to the prior F–14 contract. It is my understanding that Grumman refused to accept this contract in January 1974 unless the government would provide a guarantee of financing through additional advanced payments on the fiscal year 1974 contract, in addition to the advanced payments already outstanding on the prior F–14's as discussed in our hearings last year.

The so-called "Byrd-Proxmire" amendment to the fiscal year 1974 authorization bill requires that the Congress be notified of all contracts where advance payments in excess of $25 million will be made. This would appear to place a requirement on the Defense Department to notify us about the pending financial assistance to be provided to Grumman. It is my information that this currently is about $42 million, it will reach a maximum of about $125 million by the middle of 1975, and will decline thereafter.

I also am informed that the Navy's most recent analysis of Grumman's likely performance on the fiscal year 1974 F–14A contract indicates that Grumman will come close to producing the planes at target cost and that it is highly unlikely that the company will approach the ceiling price or sustain a loss on that contract.

None of the foregoing information was provided to the committee during hearings on the fiscal year 1975 authorization request, either by Navy or Defense Department witnesses. I believe that this situation regarding the fiscal year 1974 contract and the need for approval of continuing advanced payments should have been brought to the attention of the committee as we considered the F–14A program for the upcoming fiscal year. Accordingly, I would like to be informed in writing of what the precise situation is with respect to the status of the Grumman contract, the projections for advanced payments, and when the Defense Department will be notifying the Congress of the requirement for these advance payments. I would greatly appreciate receiving a reply before the committee takes the authorization bill to the Senate floor next week.

Sincerely,

HOWARD W. CANNON,
Chairman, Tactical Air Power Subcommittee.

SUMMARY OF CONTRACT STATUS

In summary of this situation, my current information is as follows:

First. The fiscal year 1974 contract still has not been fully executed.

Second. Grumman still will require either advanced payments, up to $100 million for the Navy F-14 program and $30 million from the Iranian F-14 program—the Iranian pro-rata share—or bank financing, one or the other.

Third. The Navy projects that Grumman will build the 50 F-14's in the fiscal year 1974 contract at about the target price and will make a profit, not a loss, on that contract. There is no overrun on the fiscal year 1974 program.

Fourth. I was informed this morning in a meeting with the General Counsel of the Department of Defense, and others, that the Department will forward an official request for approval to continue the advance payments to Grumman on the fiscal year 1974 and fiscal year 1975 contracts. The total authority requested will be about $100 million of the U.S. Government's money.

My recommendation to the Senate is that the fiscal year 1975 F-14 program be approved as proposed by the committee. I can assure the Senate that the committee will review carefully the Department's request to continue the advance payments, and probably we will hold hearings on this matter. But the program is going well technically and operationally, and I do not believe it should be held up because of this contracting situation.

In closing, Mr. President, I want to thank the committee members for the very fine help they gave the committee during the year in going through these detailed programs. I also want to thank the staff people for some very excellent staff work.

The staff members who worked on the Tactical Airpower Subcommittee were Charles Cromwell, George Foster, and Robert Old. I want personally to thank each one of them for their fine assistance.

Mr. GOLDWATER. Mr. President, as the ranking minority member of the Tactical Air Power Subcommittee of the Armed Services Committee, I am pleased to be able to speak in support of the recommendations being made to the Senate in this area.

I do not intend to address all of the recommendations since my distinguished colleague and subcommittee chairman, Senator CANNON, has covered that extremely well. I would, however, like to make a few points relative to the work and recommendations of the committee in the tactical airpower area.

Our recommendations, for the most part, cover procurement, but in a few areas research and development programs are involved. In that regard I feel fortunate in that I am also a member of the Research and Development Subcommittee and am able to follow many of these systems through the entire development and procurement process.

Now, turning to the recommendations, I think it is important to point out that our efforts in this area covered some 45 separate budget line items which included 8 for Army, 23 for Navy and 14 for Air Force. By weapons system, our review was directed at 18 aircraft programs and 27 missile and/or gun systems.

Turning to the Air Force, there are four aircraft programs that I believe are especially worthy of comment. They are the F-15, with 72 recommended; the A-10, with 26 recommended; the E-3A AWACS, with 12 recommended and the EF-111A, for which $36.7 million is recommended for continued research and development efforts. This last program is one to develop a tactical electronic jamming version of the F-111A airplane.

This will be the third year of procurement for the F-15 and I can report from having flown the aircraft that it is an absolutely superb aircraft. Hopefully, the unit price on this aircraft can be held fairly constant, so that we can complete the intended buy. This is an aircraft sorely needed by the Air Force to begin replacement of some of our rapidly aging F-4s, and I am only sorry we are not buying them at a faster rate. In the long run it would be much cheaper.

The A-10 is a special case which I think warrants a comment. As those who follow this program know, the flyoff between the A-10 and the A-7 that was directed by the committee has been completed. On that point, I commend the Air Force for carrying out the direction of the committee. We will look forward to the report to see what the flyoff showed as regards the capabilities of the two aircraft. Since, as Senator CANNON has pointed out, the flyoff results are not available, we are recommending that the A-10 funds be approved subject to the final flyoff evaluation.

Possibly one of the least understood aircraft requirements is the E-3A or AWACS. Actually, I am not sure the Air Force initially fully understood what the potential of this aircraft might be, especially in tactical operations. However, if there was a benefit from the Vietnam war, it was what the Air Force learned about the need for command, control and communications in the air battle situation. As those techniques were refined during actual combat operations the lessons learned were incorporated into AWACS. The end result will be a more efficient use of our limited tactical forces because of the availability of constant command and control.

I might explain, Mr. President, that the AWACS is merely a large aircraft, built by Boeing, containing a very large radar antenna, which will give the commander of the area intimate knowledge of what is taking place in all of the airspace within view of the radar. This, I think, is a great innovation.

A great good—if we can say "good"—that came out of Vietnam was the realization that we could use electronics to help us in command decisions. In fact, by the use of electronics on the ground, we could probably eliminate as much as two-thirds of the troop necessities for search and discovery. This can now be done more by electronics than by man.

Turning to the Navy programs, the committee continues to support the F-14A program, although I personally do not believe we can afford more than the planned 334. Consequently, I support the committee's recommendation to proceed with the VFX program, and I am hopeful this research can lead to an aircraft that is both affordable and complementary to the F-14, in addition to being a suitable replacement for the F-4. We are recommending the V/STOL R. & D. programs be approved. However, we recommend that Navy turn the thrust augmented wing development program over to the NASA for flight testing and continued development effort starting in fiscal year 1976. This is because the committee is of the opinion that there is no near term potential for an operational fighter using this technology.

Referring now to the Army programs, I am pleased to report that the advanced attack helicopter program is proceeding in a satisfactory manner. The first flights of the competing prototypes are scheduled for about March of next year, with the winner to be selected in June or July of 1976. As an aside, I recently visited Fort Rucker, the Army's aviation center, and was shown the latest in helicopter battlefield tactics. These tactics are designed to defeat the enemy as well as insure the survivability of the helicopter, and I wish to report to my colleagues that I was very impressed with what I saw. I am not saying that Army has devised a way to make helicopter invulnerable on the battlefield, because that can never be. But what they are working toward is a realistic and sensible tactic that allows the helicopter to use every possible terrain feature to mask its presence. Only the test of battle will tell if they are right, but it seems to me they are taking the hard losses of Vietnam very seriously.

Mr. President, in the interest of time, I will not go over the missile programs, since Senator CANNON has adequately done that. However, I would like to commend Senator CANNON for the splendid job he continues to do as the Tactical Air Power Subcommittee chairman. Congress is most fortunate to have a man of his background that gives him such a great understanding of all these programs. I believe he has flown everything the services have, so he does not make his judgments based on some briefing. Rather he judges these matters based on personal experience and I commend him for that.

Mr. President, it has been interesting to observe in the last few days the concentrated attack being made on this authorization bill, and which will subsequently be made on the appropriations bill, by those groups in this community who are organized to disarm America. This frightens me, because they sometimes present the truth and sometimes half-truths. But I am suggesting that my colleagues listen to the words of the committee, because we have gone over these matters, we have lived with these matters, day after day after day, year after year. Many of us have spent most of our lives in this field and feel that we have some knowledge of it.

It is interesting to note that the only time we hear from some of our colleagues about overruns is when it applies to the military. I think of the Metro system, which far exceeds in percentage the overruns of the military. I think of the Kennedy Center, which far exceeds anything the military has ever experienced in percentage overruns. I think of our welfare system, which has overrun itself every year we have had it.

I might mention that the Judiciary Subcommittee of the House has overrun itself several times. But we hear nothing about that. It is only when we experience overruns in military purchasing and equipment, overruns caused mostly by inflation, inflation which has been caused mostly by the action of these Congresses, that we hear anything about it.

I hope that during the debates that are going to take place in the coming days, perhaps weeks, on this matter, the judgment of the subcommittees and the full Committee on the Armed Services can prevail.

Mr. President, I urge my colleagues to support the recommendations for the tactical air forces as presented.

Mr. CANNON. Mr. President, I thank the Senator from Arizona for his complimentary remarks about me. He, too, has great expertise in this field, has flown most of the aircraft, and has performed an invaluable service to the committee and to the Senate.

I want to associate myself with the remarks of the Senator from Arizona concerning overruns. Much of the overruns we have heard about rise, of course, principally from inflation—one of the major causes. But, in addition, it is due to a reorganizing of the program and in many instances a stretch-out of the program to lower production rates. Every time you stretch out a program, you have inflation continuing for a longer period of time and a higher cost, because of a lowering of the production rate. Everyone knows that if you go on a very high level production rate, you can decrease the costs. But if you are going to stretch out a program over a longer period of time, automatically the costs will go up. That should not be what is commonly called an overrun. It should be segregated, really, and compared actually to what would have been anticipated in that length of time as to a program cost.

I thank the Senator for his very fine remarks.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Mr. President, I ask unanimous consent that during consideration of the pending measure, the military authorization bill, John Rouse, of my staff, be accorded floor privileges.

The PRESIDNG OFFICER. Without objection, it is so ordered.

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Mr. President, I rise in support of the military procurement bill.

Each year the Armed Services Committees of the two Chambers are confronted by the same difficult dilemma: How to provide a strong, ready defense fully adequate for national security without unduly impacting on the economy, adding to inflation, or taking resources away from other priority national needs. Each year the space between the rock and the hard place of defense planning grows smaller as we are obliged to spend more and more to get less and less.

This year the Defense Department produced a record defense budget at a time of exceptionally serious economic problems. Nonetheless, I believe that the present bill as reported by the committee reflects a very effective and searching effort to place our military manpower and procurement programs in a proper national perspective without weakening defense, and to see that our military activities are as efficient and economical as possible. Special credit must go to our distinguished chairman for steering this difficult bill through committee review so promptly and effectively and for his leadership in shaping the Defense Department proposals into a responsible and responsive program from which, as Secretary Schlesinger suggested his Department should do, the committee has beaten "the fat into swords."

I would also like to express my appreciation to Senator THURMOND and other members of the minority on the committee who have done so much in attending meetings and contributing in so many meaningful ways to this end problem.

I would like to speak in particular this afternoon about three amendments to the bill concerning NATO which I proposed and which were adopted unanimously by the committee. I believe these amendments represent a hard-look approach taken by the committee to see that the most effective use is made of our military resources.

The amendments must be considered together as a package designed to build on the beginning made by the Congress last year in adopting the Jackson-Nunn amendment which required our allies to offset the balance-of-payments deficit from our NATO troop deployment.

Together the amendments are intended to add real force to the effort to put our NATO alliance and commitments on a new footing which adequately reflects the economic, political, and military realities of today and not of a generation or decade past. They are intended to strengthen the Alliance, not to weaken it, I am convinced that if the Congress provides the necessary impetus, the U.S. NATO burden can be adjusted equitably, the combat effectiveness of our troops and those of our allies working with us can be markedly improved, and the risks of nuclear war in Europe can be substantially dampened, leaving the Alliance and its defenses stronger and more enduring than at any time in the recent past.

The first of the three NATO amendments deals with the U.S. troops in Europe. It expresses the sense of Congress that the United States has an excessive number of headquarters and support personnel in Europe relative to its combat strength. The amendment directs a 20-percent reduction in the number of Army noncombat troops in Europe over the next 2 fiscal years with at least half of the reduction to be made in fiscal year 1975. This represents a total cut of about 23,000 troops.

The amendment would allow new positions to be added to the combat strength of the Army in Europe, up to the total number of noncombat slots cut. It directs all such transfers into combat units of battalion size or smaller to insure that these increments will be in real fighting strength. The amendment calls for greater effort to obtain increased logistic support by our allies. Finally, it requires the Secretary of Defense to report semiannually to the Congress beginning January 31, 1975, on progress in improving the combat-support ratio in Europe.

The amendment reflects the widely held conviction even within our own services that the "teeth-to-tail" ratio of our European troops is bottom heavy with unneeded support and headquarters personnel. Although the Defense Department claims a ratio of 62 to 38 combat to support troops in our ground forces in Europe, thir figure includes many noncombat positions at division level in the combat total. The committee evaluation puts the figure closer to the reverse, with a ratio of 41 combat to 59 noncombat personnel when all of the various ramifications are considered.

During my visit to NATO Europe earlier this year at the request of the chairman I came to the inescapable conclusion that substantial reductions in our expeditionary force support structure could be made, and that these reductions not only would not impair combat effectiveness but would actually improve our fighting capabilities. This conclusion holds whether or not one subscribes to the short or longer term war scenarios currently under debate.

A percentage cut of 20 percent was decided on as an appropriate total which would require a meaningful force restructuring but without serious dislocations. The reduction is imposed solely on the Army because its European contingent is the largest and the need for revision is most pressing there. It must be recognized that all the services have made strides in streamlining their European forces, but the effort clearly has not gone far or fast enough. The committee report notes that all three services are expected to continue reorganization and reduction of their support elements on a priority basis.

A number of considerations dictated the decision to allow the Army to increase combat positions by a number up to the total of support positions cut. I do not want to initiate a debate now on the problems of unilateral U.S. force cuts, for I suspect we will hear ample debate on that subject when the bill is opened for amendments. But I would like to cite briefly the principal factors which I believe led the committee to conclude that a unilateral reduction would not now be helpful:

First, unilaterally reducing our conventional forces would seriously lower the nuclear threshold in Europe. When the United States had assured strategic nuclear superiority, our tactical nuclear force was an effective deterrent to a conventional Soviet attack. With strategic parity and expanded Soviet tactical nuclear capabilities, this is no longer true. Neither side can now afford the uncertain risks of initiating a nuclear conflict except in extremis. Our tactical weapons remain essential to deter a Soviet tactical nuclear attack, but emphasis must be placed on a strong conventional capability to deter and defend against conventional attack.

Mr. President, I am in no way suggesting that we do away with tactical nuclear weapons, but I believe we should reduce the probability of having to use these weapons defensively at the very outset of any kind of attack.

Second, the MBFR talks would be undermined. This is a joint undertaking with our allies which the United States would be justified in abrogating only under extreme circumstances. Substantial progress is said to have been made since the talks began late last year, and we are told that agreement at least on an initial reciprocal reduction of United States and U.S.S.R. troops is a distinct possibility, even possible this calendar year. I believe that mutual reductions even if limited and imperfect are worth waiting for a little longer.

Third, in adopting the Jackson-Nunn amendment last year Congress made an implied undertaking to maintain our conventional support in NATO if our allies would assume their full share of the U.S. burden. Negotiations within the period contemplated by the amendment are still going on. We are told the outlook is favorable. Whether our allies meet the requirements of the Jackson-Nunn amendment can only be decided once we have the final arrangements and figures before us. For Congress to go back on its own arrangement without awaiting its results would as a minimum defeat the effort now underway to correct the burden sharing imbalance, which this same body just 8 months ago declared to be our primary concern.

The second NATO amendment shares with the first as a major objective the goal of reducing the risk of nuclear war in Europe. The amendment prohibits any increase in the present number of our tactical nuclear warheads in Europe except in face of hostilities. It directs the Secretary of Defense to undertake a study of our tactical nuclear strategy in Europe, to consider specifically possibilities for reducing the numbers and kinds of warheads we have in Europe, and to address development of a coordinated NATO nuclear posture which is consistent with a proper emphasis on conventional forces. The amendment directs the Secretary to report the results of his effort to the two Armed Services Committees by April 1, 1975, and to report semiannually to the two committees beginning September 1, 1974, on the number, types, and purposes of these weapons remaining in Europe.

As I reported to the committee in April, the nuclear threshold in Europe is disturbingly low. In view of nuclear parity we simply can no longer afford to risk any avoidable escalation to nuclear weapons. The 7,000 or so nuclear warheads the United States now has in Europe represent an accumulation of numbers and types over time which bear no clear relation to current requirements. While the perceived weakness of our conventional forces presents the principal danger of nuclear escalation, the number, diversity, dispersal and high alert status of our tactical nuclear force are themselves destabilizing factors.

This amendment will see to it that our tactical nuclear policy and presence in Europe is fully reviewed and properly aired before Congress. If this process should lead to reductions in the number, alert status or dispersal of these weapons, it will not only reduce the possibility of inadvertent escalation to nuclear combat, but also make real savings in funds and personnel possible.

I might add at this point that we have a considerable number of personnel devoted to the tactical nuclear machine in Europe. Anything that would reduce our tactical nuclear presence would mean we would also be able to correspondingly increase our conventional forces, without any additional resources, because of the shift in personnel.

The final part of the committee's NATO package focuses on the need for greater commonality and standardization within NATO in weapons, equipment and support systems. The amendment calls on the Secretary of Defense to assess the costs and loss of combat effectiveness resulting from the failures in NATO to standardize systems. It directs the Secretary to develop proposed standardization actions that would improve effectiveness and economy and to work within NATO to see that standarization planning becomes an integral part of the NATO planning process. The Secretary is directed to report to the Congress semiannually beginning January 31, 1975, on his actions and on the results achieved in NATO.

It would be irresponsible for me to discount the progress that has already been made in standardization within NATO and unwise to minimize the difficulties which stand in the way of common action. But the continuing magnitude of the problem calls for persistent efforts to improve the situation.

It has been estimated recently that 50 percent of the R. & D. funds spent annually by the members of NATO is on duplication. Horror stories abound, all too true, of aircraft that cannot rearm at neighboring fields, of ammunition that cannot fit allied guns, of ships that need their own oilers, and of proliferation of competing weapons systems. Our top military officer in NATO. General Goodpaster, has been quoted as saying that developing a high degree of compatibility and standardization offers the greatest potential for immediate improvement in NATO defense. Failure to standardize has multiplied NATO costs and undercut combat effectiveness. We can no longer afford the luxury of this waste and inefficiency which adds to both the cost and size of the conventional forces needed for NATO defense.

I believe that the three committee amendments on NATO together with the Jackson-Nunn amendment go far toward meeting the principal objectives of those who call for a substantial reordering of the alliance and our participation in it. These goals include:

Adjustment of the U.S. share of the NATO defense burden to equitable levels.

Raising the NATO nuclear threshold so as to avoid unnecessary and unintended recourse to nuclear war; and

Streamlining U.S. forces in NATO to improve the teeth-to-tail ratio and provide more "bang per buck."

Improving combat effectiveness of the alliance and reducing cost and manpower requirements for conventional defense.

I share the deep sense of frustration that I know many of my colleagues feel at the institutional inertia and apparent resistance which have hindered U.S. efforts to rationalize the NATO relationship in recent years. And I deplore with them the state of affairs which seems to find the United States more concerned with the defense of our European allies than they are, and which finds them asking and expecting more of us than they ask of themselves.

But while I share these concerns I do not believe that they lead yet to any call for action to substantially and unilaterally reduce the U.S. NATO presence. Any such measure could not fail to undermine European defense, to jeopardize larger U.S. interests in Europe, to imperil bilateral arms and troop reduction efforts, and to increase the risk that any European conflict would soon become nuclear.

In short any such action would threaten the stability and power balance in Europe which is NATO's great achievement and the future viability of our fundamental policy of forward defense. I cannot believe that any of my colleagues has concluded that a policy of forward defense in Europe is no longer essential to our own national security. The lesson of two world wars is far too recent to be forgotten.

I am hopeful that any American withdrawal from Europe will be the result of MBFR. If this negotiated effort fails then it is essential that we enter into intensive discussions with our allies so that America's long-term commitment is agreed on on a well thought out and rational basis.

Advocates of unilateral U.S. action

would try to extricate us from the problems of NATO without really attempting to solve them. The committee amendments promote serious negotiation and offer the promise of real progress in meeting these problems head-on and directly. This is the kind of approach which to my mind represents a constructive and responsible exercise of congressional leadership in foreign policy and national security affairs.

Mr. President, I yield the floor.

Mr. STENNIS. Mr. President, before the Senator yields the floor I want to commend him very highly on the substance of his remarks, which are based on some highly valuable work that I think the Senator from Georgia has done on items already cranked into the bill. He has described them—I am talking about manpower in Western Europe—as at least being redistributed in such a way that it would strengthen our situation there, in my opinion. I am strongly in favor of these amendments.

The Senator has another amendment he may offer to the bill, as I understand it, and the Senator from Georgia might wish to take that up after the Senator from Texas has had a chance to have the floor; but I commend him highly for the work he has done on this bill and for the remarks he has just made.

Mr. NUNN. I thank the Chairman very much.

Mr. TOWER. Mr. President, one thing we must understand as we consider the military procurement bill is that the military establishment is a tool of diplomacy. It is a vital instrument in the formulation and implementation of foreign policy. It is proper for Congress to exercise some influence over the formulation of foreign policy, but Congress itself cannot formulate or implement foreign policy. Congress is not competent to negotiate with foreign sovereignties. I think it would be irresponsible for us to try to amend this bill in such a way as to seriously impact against the flexibility of the administration in devising foreign policy and trying to make that policy work.

I hope then, this year—and I seem to be echoing some of the sentiments expressed by my friends from Georgia and Mississippi—that there will not be attempts to try to mandate massive overseas troop withdrawals. As we proceed from the premise that it is in our interest to maintain an American presence in Western Europe, then we must at once assume that that presence must be credible, and that our leadership must be as effective as possible, based on the confidence of our allies in our own resolve.

Therefore, unilateral withdrawal of American troops can have some serious and disquieting consequences. So I hope that the Senate will not engage in what I would have to call an act of irresponsibility in unilaterally mandating American troop withdrawals.

The result would be this: Other nations in Europe would lose confidence in the determination of the United States and perhaps feel that we are slipping into a neo-isolationism that would suggest to them, perhaps, that they had better make their own individual and unilateral accommodations with the Soviet Union.

Should we unilaterally significantly reduce the American presence in Western Europe, it would doom mutual balanced force reduction negotiations to absolute and abject failure and would not at all slow the pace of qualitative and quantitative improvement in the military forces of the Warsaw Pact countries.

Beyond that, it would jeopardize and place in hazard the safety and security of the remaining American troops that were left in Western Europe.

If the Senate is going to try to establish foreign policy, it should at least, if it is going to preempt the executive branch of the Government, enunciate a complete and comprehensive foreign policy. We should not leave the remnants of American forces there in an untenable position. So I hope that the Senate will reflect carefully and intelligently on any proposal aimed at bringing about a unilateral American force reduction in Western Europe. I think that would be a disaster at the moment.

I know that the eminent Secretary of State, Dr. Kissinger who, I think, has demonstrated that he is one of the most talented diplomats of all time—some people have sought to compliment him by linking his name with that of Talleyrand, Metternich, Nesselrode, and Castereagh, but the fact is, if they could be aware of all of this today, I am sure they would be flattered to be associated with Dr. Kissinger.

Here is a superb diplomat, a man who sees the world as it is and who perceives his own country's role better than any other man, I think, alive. He warns us against reducing our presence in Western Europe, against reducing our strength, knowing that the only way detente can be successful, the only way the United States can serve as a catalyst in trying to bring about peace between and among the warring nations, is for the United States to maintain a position of unquestioned military strength at least at parity with that of the Soviet Union.

So again I would implore my brethren to think carefully about any attempt, through this bill, to mandate any significant force reduction as part of the American position in Western Europe.

Mr. NUNN. Mr. President, I thank the Senator for his observations. He has hit the nail on the head. I do not suppose there is anyone in the Senate or anyone in the House, that I know of, who is advocating total, 100 percent withdrawal of American troops from NATO. Most of the proposals are in terms of 100,000 or 125,000 troops. The significant point the Senator from Texas alluded to, overlooked in most of the debate here since I came to the Senate, is: What happens to the troops who are left?

There are those who adhere to the idea of the tripwire troop theory. The amendment I proposed in committee, and which is now, a part of the bill, addresses itself to that point. I, too, am frustrated that we do not have as strong a defense as we could have with our military resources.

I should like to ask the Senator for his observations on the fact that if we were committed to the tripwire theory, would it not become inevitable that the prophecies would become self-fulfilling in that if we withdrew 100,000 men from Western Europe we would not have enough conventional forces in the alliance in the American presence but to do anything other than to go immediately to tactical nuclear weapons, in the event there was any kind of altercation?

Mr. TOWER. I concur with the Senator from Georgia. He has made a strong point, which is that the forces now are not tripwire forces. Only this morning General Jones, who has been the Commander of the U.S. Air Force in Europe, said that it was qualitatively certainly as good as if not better than, in air power, the forces opposing us in the Warsaw Pact. So this is not simply a tripwire defense we have in Western Europe but it is a credible defense. If we tried to convince our field commanders in Western Germany that they are simply a tripwire defense, they will take us in extensive debate. We do have a credible force in Western Europe now.

It will endanger the United States. If we made a force not so credible and established a tripwire defense in which our allies would have little or no confidence, the western alliance in terms of the defense of Western Europe would begin to disintegrate.

Mr. NUNN. I agree with your statement about General Jones' observations. I spent 2 days with him in Germany this past February. We not only toured the American Air Force bases but went to several different German bases. The Senator from Georgia is convinced that not only do we have an equal tactical air force for Europe but we are superior in that regard, not only in terms of equipment but I think we are superior also—and perhaps more important—in terms of training of pilots. It is the readiness of our pilots and the German pilots in Europe which exceeds that of the Warsaw Pact countries. Also, I believe that even though we have weaknesses on the ground—we admit those—and although we do not have the number of tanks that the Warsaw Pact has and do not have the number of defenses, the Air Force we have there is a great equalizing factor in terms of the overall conventional balance.

While I would like to see the conventional balance improved with the resources we have, and while I have advocated several amendments we have now adopted in the committee report, I think we would be doing ourselves a great disservice in NATO and in the country to project in any way from the floor of the Senate that we do not have more than a tripwire, because we do have much more than a tripwire.

I believe that one of the things we now have to struggle with, which perhaps is coming back to haunt us, after a period of going through this, is that it is just as dangerous to national security to overemphasize the capability of the enemy and to underestimate our own capability as it is to go in the opposite direction. I think that for a good many years in NATO, because the United States has had a strategic nuclear preponderance of power, we have done exactly that. We have fallen back on the so-called nuclear crutch and have talked ourselves into a position, as an alliance and in this country, of almost conventional inferiority, which is more psychological than real.

When you look at the number of airplanes, when you look at the number of men, when you look at the tactical nuclear weapons, and when you look at other things, I think it is apparent that we really do have much more than a tripwire there.

I would like to see us improve our conventional forces to a great degree, so that the tactical nuclear policy can really become one of resorting to tactical nuclear weapons as soon as necessary but as late as possible. That is the goal of these amendments. I think the committee has taken the initiative in trying to deal with this question and trying to get us off the theory that we are in any way conventionally inferior in NATO.

Mr. TOWER. I agree with the Senator from Georgia that we have to continue to improve our conventional power combat capability.

I recall that it was the late John F. Kennedy who advocated that we have a balanced defense force. I do not use his precise words, but he noted, in effect, that his policy was that if we got into a position of a nuclear standoff, it would be more likely that if a war was fought, it would be fought on conventional terms. Therefore, the conventional deterrent was itself very important.

The conventional deterrent must be credible, and I think its credibility would be subject to considerable question were we to make any kind of significant force reductions in Western Europe other than the kind that the Senator from Georgia has suggested we should make and can make and even improve our capability.

Although there are those who do not advocate that we pull out altogether, if those advocates of partial withdrawal are successful, they may precipitate the very effect, over a long period of time, that could be precipitated in a short period of time should we withdraw altogether.

Mr. NUNN. Those who advocate the tripwire theory now will be assuring by unilateral withdrawal, in effect, that that theory becomes a reality rather than a myth.

Mr. TOWER. The Senator is correct.

Mr. NUNN. We will, in effect, be in a position of having to resort to tactical nuclear weapons almost immediately, if there is any kind of invasion, if America does withdraw unilaterally.

On the other hand, I would like to take a moment to bring to the attention of the Senate the efforts of Secretary Schlesinger in this regard. Many of these efforts have gone unnoticed, except in military circles. For the last 2 years, he has devoted a considerable amount of his time toward, No. 1, improving our conventional forces in Europe, No. 2, toward making our allies realize that the nuclear crutch that has been relied upon by the alliance for so long has to be reexamined in light of strategic parity. No. 3—and I think this is just as important—I believe that Secretary Schlesinger has pointed out in recent months that we do need a comprehensive and total review of our tactical nuclear policy, with the view in mind, in effect, of making our conventional forces our first deterrent.

I think Secretary Schlesinger is taking the initiative. Yet, with all the problems we have in the world and domestically today, much of this initiative has gone unnoticed. I personally know that he has made a deep impression on many people in the alliance. I had occasion recently to meet in this country with the German Defense Minister, Minister Leber. I had a long discussion with him on this subject. I have talked with many German generals and American generals. I think that Secretary Schlesinger is having a definite impact.

It is not an easy job. It is not easy to change a policy that has been evolving over a long period of time. But I do think that we should take note of what he has done and what he is doing; and we should be conscious, as we debate this bill this week, of the forces and changes that are taking place in NATO because of the initiative of Secretary Schlesinger and because of a change in attitude of many of our allies who I feel are slowly but surely realizing that conventional defense and conventional deterrent are not only possible but also absolutely necessary.

Mr. TOWER. I might recall again the statement of General Jones, which was recited here by the distinguished Senator from Georgia, that it is perhaps almost as dangerous to underestimate our own strength as it is to underestimate the enemy's—one from a political standpoint and the other from a military standpoint.

I might note that there has been a sort of psychologically stultifying attitude that Western Europe is hostage to a bombing threat from the Pact countries, when in fact, the Pact countries are just as much hostage to a bombing threat from the West, by virtue of what General Jones describes as our superior tactical air power. That is a point that should not be lost, and I think it is an important point to be made.

I do not think we should engage in actions in the Senate that will send our allies scurrying off to make their independent accommodations with the Soviet Union. That would not be in the national interest of the United States.

Mr. STENNIS. Mr. President, will the Senator from Texas yield?

Mr. TOWER. I yield.

Mr. STENNIS. Mr. President, I did not hear all the remarks of the Senator from Texas, but I think he made some very timely points in the part I did hear.

I walked into the Chamber just in time to hear him use my name, together with the Senator from Georgia, in reference to the troops in Western Europe, and then he said something about the irresponsibility of the Senate. I do not think he intended to include me in that irresponsibility, not as to troops in Western Europe, anyway.

Mr. TOWER. I did not say that the Senate was irresponsible. I said that I hoped that we would be responsible.

Mr. STENNIS. I thank the Senator.

I am glad that this subject came up on the first day of the debate of this bill. I want to point out that I am a very strong believer in the NATO concept. I was in the Senate when it originated. Since I have been chairman of this committee, I have become more and more wedded to it. It has been a great success, as a whole.

However, I am convinced from the evidence that some shifting around and tightening up of our forces over there is in order and would strengthen all we have been doing.

I think the Senator from Georgia has made a fine suggestion that we put in the bill.

I believe that in General Jones—whose nomination as the new Chief of Staff of the Air Force our committee recommended confirming this morning—they have a mighty good chief. General Jones has been over there in Europe for some time now, in command of our Air Force power. I believe that in his new position he will be in a position to continue—and I publicly requested him to do so—to give special attention to the matter of the use of our military power in Western Europe. I believe that he will do that and will continue to be effective in such modifications as may seem necessary to strengthen our forces there. We will have a good, red hot, free swinging debate on this matter while this bill is pending on the floor of the Senate and I think it will be a wholesome thing to have, frankly. We have men who are directly in touch with the situation over there and know more about it than we have had the other times when this matter has been before us. I think it will strengthen our position as a whole to go through this debate. I think when all the facts are in a great majority of the Senate will sustain the idea of our staying there.

Again, I thank the Senator for yielding.

Mr. TOWER. Mr. President, I thank the Senator from Mississippi and I join him in expressing that hope.

I might further say that I think that the kind of constructive provisions that were offered by the Senator from Georgia to the bill have a positive effect. I would hope we would not consider legislation that would take a meat-ax approach and have a deleterious effect in terms of combat capability and the qualitative and quantitative posture of the American forces in Western Europe.

Mr. STENNIS. Mr. President, I think the Senator has stated it well; not a meat-ax approach but a constructive approach is what we need.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CURTIS). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the bill (H.R. 14449) to provide for the mobilization of community development and assistance services and to establish a Community Action Administration in the Department of Health, Education, and Welfare to administer such programs, in which it requests the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

S. 1752. An act prescribing the objectives and functions of the National Commission on Productivity and Work Quality;

H.R. 11223. An act to authorize amendment of contracts relating to the exchange of certain vessels for conversion and operation in unsubsidized service between the West Coast of the United States and the Territory of Guam; and

H.R. 12925. An act to amend the Act to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce.

The PRESIDENT pro tempore subsequently signed the enrolled bills.

HOUSE BILL REFERRED

The bill (H.R. 14449) to provide for the mobilization of community development and assistance services and to establish a Community Action Administration in the Department of Health, Education, and Welfare to administer such programs was read twice by its title and referred to the Committee on Labor and Public Welfare.

QUORUM CALL

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. I ask unanimous consent that during the consideration of S. 3000, Mr. Ed Kenney and Mr. Robert Old, of the staff of the Committee on Armed Services, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. I ask that the Chair recognize the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975

The Senate continued with the consideration of the bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loans, and for other purposes.

AMENDMENT NO. 1368

Mr. PROXMIRE. Mr. President, I call up my amendment No. 1368 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. PROXMIRE's amendment (No. 1368) follows:

At the appropriate place in the bill insert a new section as follows:

SEC. . Section 102 of the National Security Act of 1947, as amended (50 U.S.C. 403), is amended as follows:

(1) Subsection (d) is amended by inserting "foreign" immediately before "intelligence" the first time the latter term appears in such subsection.

(2) Clauses (1) and (2) of subsection (d) are amended by inserting "foreign" immediately before "intelligence" each time the latter term appears in such clauses.

(3) Clause (3) of subsection (d) is amended by inserting "foreign" immediately before "intelligence" the first time the latter term appears in such clause.

(4) Clause (4) of subsection (d) is amended by inserting "relating to foreign intelligence activities" immediately after "of common concern".

(5) Clause (5) of subsection (d) is amended to read as follows:

"(5) to perform such other functions and duties related to foreign intelligence affecting the national security as may be specifically directed from time to time by the Council and reported to the Congress in such manner and in accordance with such procedures as the Congress may establish to insure effective legislative oversight with due recognition of essential security requirements."

(6) Add at the end of such section a new subsection as follows:

"(g) (1) Nothing in this or any other Act shall be construed as authorizing the Central Intelligence Agency to—

"(A) carry out, directly or indirectly, within the United States, either on its own or in cooperation or conjunction with any other department, agency, organization, or individual any police or police-type operation or activity, any law enforcement operation or activity, or any internal security operation or activity;

"(B) provide assistance of any kind, directly or indirectly, to any other department or agency of the Federal Government, to any department or agency of any State or local government, or to any officer or employee of any such department or agency engaged in police or police-type operations or activities, law enforcement operations or activities, or internal security operations or activities within the United States unless such assistance is provided with the prior, specific written approval of the CIA Oversight Subcommittees of the Committees on Appropriations and the Committees on Armed Services of the Senate and the House of Representatives; or

"(C) participate, directly or indirectly, in any illegal activity within the United States.

Mr. PROXMIRE. Mr. President, the amendment before us addresses the question of illegal domestic operations conducted by the Central Intelligence Agency.

Let me make it quite clear that this amendment will not prohibit the CIA from any obligation legally authorized under the 1947 National Security Act or the 1949 CIA Act. It is not an anti-CIA amendment.

What it does do is to provide a strong safeguard against the unauthorized exploitation of the CIA for illegal purposes by political, military, or any other vested interests not consonant with the will of the U.S. Government or the laws of the land.

I have great respect for the CIA. They have provided some of the most reputable analysis of foreign events in the history of the country. Indeed, the CIA Director appeared before the Joint Economic Committee a few weeks ago and did a superb job analyzing the Russian and Chinese economies and the kind of burden which their military efforts have placed upon the countries.

The CIA is unburdened by the biases of producing weapon systems. They owe no allegiances to conflicting and bureaucratic goals. They can be and usually are the single most influential independent voice when it comes to foreign intelligence in Washington.

And the need for clear, timely intelligence is extraordinarily important as we all know.

THE DANGER OF EXPLOITATION

With great power and influence comes the potential of exploitation. I am not talking about a "Seven Days in May" operation which is quite unrealistic. But I do refer to the even more real possibility of using this enormous apparatus for unscrupulous or illegal ends here at home.

Looking at the Watergate crisis I am continually struck by the similarity of the techniques and methods developed for collecting intelligence overseas and conducting what has come to be known as "dirty tricks" and the same techniques used here at home. In a speech last June 4 I spoke of the possible "spillover effects" of foreign intelligence methods being used here at home.

In the intervening 12 months that has come true with a terrifying impact. The techniques we developed for use abroad in "dirty tricks" have been used here at home in our own political process. The intelligence agencies have been compromised by political forces They have been used for domestic illegal purposes.

There can be no denying that we are now living in a world where the unthinkable, the once impossible has become real.

According to the National Security Act of 1947—Public Law 80-253—the CIA shall have no police, subpena, law enforcement powers, or internal security functions. That is a direct quote. No police, subpena, law enforcement powers, or internal security functions.

On the face of it that seems quite clear. Stay out of domestic police-type activities.

POLICE TRAINING

This law notwithstanding, during a 2-year period between 1972 and 1973, about 50 police officers from a total of at least a dozen cities and county police forces have received direct training from the CIA. U.S. policemen received briefings and assistance from the CIA.

The CIA instructed these policemen in clandestine photography, surveillance of individuals, and detection and identification of metal and explosive devices.

When confronted with the evidence the CIA admitted that this had occurred and justified it under the provisions of the Omnibus Crime Control and Safe Streets Act of 1968, title 42, United States Code, section 3701, wherein it is stated that it was the declared policy of Congress "to assist State and local governments in strengthening law enforcement at every level" and that it was the purpose of the law to—

> Encourage research and development directed toward the improvement of law enforcement and the development of new methods for the prevention and reduction of crime and the detection and apprehension of criminals.

By using this loophole in the law the CIA engaged in this domestic police-type activity.

The General Accounting Office found that the CIA activities did not seem to be in violation of the law given the provisions of the Omnibus Crime Control and Safe Streets Act and the authority under the Intergovernmental Cooperation Act of 1968 and if the request were made by the Law Enforcement Assistance Administration. In the case with the police training, the CIA did not follow these stipulations and did not operate under the LEAA. Therefore, it would seem to me that the CIA operated improperly in these cases.

The GAO further stated that aside from these later laws, they had found no authority for the CIA to perform such training.

Mr. President, this is just one example of how even a flat prohibition in congressionally mandated legislation could be corrupted and superseded by some technical loophole in a subsequent law.

This is an extremely dangerous precedent.

If the CIA can justify its training of police officers how long will it be before the CIA or some political force finds other technical interpretations of subsequent law to justify the CIA becoming even more deeply involved in domestic operations. Where would it stop? Who would control it? What extraordinary or illegal powers could be brought to bear?

It is a constantly disturbing and alarming thought.

Mr. President, I ask unanimous consent that the General Accounting Office letter to the CIA on this matter be printed in the Record.

There being no objection, the GAO letter was ordered to be printed in the Record, as follows:

COMPTROLLER GENERAL OF
THE UNITED STATES,
Washington, D.C., May 30, 1973.

Hon. JAMES R. SCHLESINGER,
Director, Central Intelligence Agency.

DEAR MR. SCHLESINGER: The Honorable Edward I. Koch, of the House of Representatives had referred to us for a ruling copies of correspondence with your office and certain material which appeared in the Congressional Record, vol. 118, pt. 3, pp. 2570–71 and vol. 119, pt. 5, pp. 6313–14, which was prompted by an article in the New York Times for December 17, 1972, which stated that fourteen New York policemen had received training from the Central Intelligence Agency (CIA) in September.

Because of an informal contact from your office we suggested that a statement be sent from your office as to exactly what was done and the specific statutory authority relied upon therefor. As a result, we received a letter dated March 16, 1973, from your Deputy General Counsel which enclosed (1) an extract of the Congressional Record for March 5, 1973, *supra*, that contained Congressman Chet Holifield's discussion and report of the inquiry into the matter by the House Committee on Government Operations at the request of Congressman Koch, together with related correspondence and (2) a copy of Congressman Koch's letter of December 28, 1972, to the CIA and a copy of the response of January 29, 1973, signed by your Legislative Counsel. It was stated that it would appear that all the information needed was contained in those enclosures. We were also assured that the CIA does not run a formal institution for training of police officers in the manner of the FBI Academy located at "Fort Belvoir." (The FBI Academy is located at Quantico, Virginia.)

It is noted that the Congressional Record, vol. 119, pt. 5, p. 6314 also includes related remarks of Congressman Lucian N. Nedzi, Chairman of the Special Subcommittee on Intelligence, House Committee on Armed Services, as to the activity of that Subcommittee in the matter, in which he emphasizes that the basic jurisdiction in CIA matters remains with the Armed Services Committee and that the Subcommittee has been diligent in fulfilling its responsibilities. He also stated that he shared the view "that the CIA should refrain from domestic law enforcement activities and that some of the activities described by our colleague Mr. Koch, and the agency itself could have been performed much more appropriately by other agencies."

It appears from the material referred to above that within the last two years less than fifty police officers from a total of about a dozen city and county police forces have received some kind of CIA briefing.

As to the New York police it appears that with the assistance of the Ford Foundation an analysis and evaluation unit was developed within the Intelligence Division of the New York City police department. At the suggestion of a Ford Foundation representative it sought assistance from the CIA as to the best system for analyzing intelligence. Although the CIA's techniques and procedures involve only foreign intelligence they were considered basic and applicable to the needs of the New York police. A 4-day briefing was arranged at which a ground of New York City police was briefed on the theory and technique of analyzing and evaluating foreign intelligence data, the role of the analyst, and the handling and processing of foreign intelligence information.

The briefing was given by a CIA training staff, based upon material used in training the CIA analysts and without any significant added expense. Specific guidance was not given as to how the New York City police system should be set up but the CIA presented its basic approach.

CIA assistance to local law enforcement agencies has been of two types. In the first type of assistance one or two officers received an hour or two of briefing on demonstration of techniques. Police officers from six local or State jurisdictions came to CIA headquarters for this type of assistance. In the second type of assistance, the briefing lasted for 2 or 3 days. Instruction was given in such techniques as record handling, clandestine photography, surveillance of individuals, and detection and identification of metal and explosive devices. Nine metropolitan or county jurisdictions sent officers for this type of instruction. Assistance given was at no cost to the recipients and has been accomplished by making available, insofar as their other duties permit, qualified CIA experts and instructors. Cost to the CIA has been minimal.

It is stated that all briefings have been conducted in response to the requests of the various recipients. It is also stated that the CIA intends to continue to respond to such requests within its competence and authority to the extent possible without interfering with its primary mission.

No provision of that part of National Security Act of 1947, as amended, 50 U.S.C. 403, *et seq.*, which established the Central Intelligence Agency has been cited as authority for the activities undertaken and our examination of that law fails to disclose anything which reasonably could be construed as authorizing such activities. However, in his letter of January 29, 1973, to Congressman Koch, your Legislative Counsel stated that these activities were entirely consistent with the provisions of the Omnibus Crime Control and Safe Streets Act of 1968, 42 U.S.C. 3701, *et seq.* He noted that in 42 U.S.C. 3701 it was the declared policy of the Congress "to assist State and local governments in strengthening law enforcement at every level" and that it was the purpose of that law to "encourage research and development directed toward the improvement of law enforcement and the development of new methods for the prevention and reduction of crime and the detection and apprehension of criminals," 42 U.S.C. 3721. He also noted that in the same law at 42 U.S.C. 3756 Congress authorized the Law Enforcement Assistance Administration to use available services, equipment, personnel, and facilities of the Department of Justice and of "other civilian and military agencies and instrumentalities" of the Federal Government to carry out its function. It should also be noted that the section authorizes such use on a reimbursable basis.

There is nothing in the Omnibus Crime and Safe Streets Act of 1968 which authorizes a Federal agency of its own volition to provide services which it is not otherwise authorized to provide. As previously stated there is nothing in the legislation establishing the CIA which would authorize the activities in question. Neither does it appear that those services, equipment, personnel, and facilities utilized were utilized by the Law Enforcement Assistance Administration or even at its request. As stated by Congressman Holifield in his letter of February 23, 1973, to you and quoted in the Congressional Record for March 5, 1973:

> Since the Law Enforcement Assistance Administration is the agency primarily concerned with such matters, particularly where Federal assistance funds are involved, it would seem that the need for Federal agency assistance to local law enforcement agencies

should be coordinated by that Administration.

In that same letter of February 23, 1973, Congressman Holifield invited attention to the Intergovernmental Cooperation Act of 1968, Pub. L. 90-577, 82 Stat. 1102, approved October 16, 1968, 42 U.S.C. 4201, *et seq.*, as implemented by Budget Circular No. A-97 of August 29, 1969. Among the purposes of title III of that act, as stated in section 301 thereof, is to authorize all departments and agencies of the executive branch of the Federal Government—which do not otherwise have such authority—to provide reimbursable specialized or technical services to State and local governments. Section 302 of the act states that such services shall include only those which the Director of the Office of Management and Budget through rules and regulations determines Federal departments and agencies have a special competence to provide. Budget Circular No. A-97 covers specific services which may be provided under the act and also provides that if a Federal agency receives a request for specialized or technical services which are not specifically covered and which it believes is consistent with the act and which it has a special competence to provide, it should forward such request to the Bureau of the Budget (now Office of Management and Budget) for action. The same procedure is to be followed if there is doubt as to whether the service requested is included within the services specifically covered. Section 304 requires an annual summary report by the agency head to the respective Committees on Government Operations of the Senate and House of Representatives on the scope of the services provided under title III of the act. Possibly future requests for briefings from State or local police agencies could be considered under the provisions of that act and the implementing budget circular.

In the letter of January 29, 1973, to Congressman Koch from your Legislative Counsel it is also stated that the activities in question were not considered to violate the letter or spirit of the provisions of the National Security Act of 1947 which states that "the Agency shall have no police, subpoena, law enforcement powers, or internal-security functions." See 50 U.S.C. 403(d)(3). We do not regard the activities as set out above as being in violation of these provisions, but as previously indicated, we have found no authority for those activities by your agency, unless provided on a reimbursable basis in accordance with the Intergovernmental Cooperation Act of 1968, or at the request of the Law Enforcement Assistance Administration under the provisions of the Omnibus Crime Control and Safe Streets Act of 1968, which was not the case here.

Copies of this letter are being sent to the Members of Congress referred to above.

Sincerely yours,

Elmer B. Staats,

Comptroller General of the United States.

WATERGATE INVESTIGATION

Mr. PROXMIRE. Mr. President, the training of police is not an isolated example of unauthorized or illegal activities being conducted by the CIA in the United States.

An investigation by the House and Senate Armed Services Committees into the role of the CIA in the Watergate incident has shown a number of misuses of CIA authority or resources.

The CIA gave Howard Hunt, a former CIA employee, alias identification gear, disguises, and other technical materials for purposes having nothing to do with the CIA mission.

We all know what purpose these were put to. Howard Hunt used them to contact an individual who was peddling material on the Kennedy family and in the unlawful break into the office of Dr. Fielding in the search for the psychiatric records of Daniel Ellsberg.

They were also used in connection with the Mrs. Dita Beard and the ITT affair. They were used during the actual Watergate break-in attempt.

It was found that the White House had demanded domestic psychiatric profiles on Daniel Ellsberg in 1971 contrary to the National Security Act and CIA practice.

Furthermore, Messrs. Halderman, Ehrlichman, and Dean attempted to deflect the FBI investigation of the Watergate break-in by evoking nonexistent conflicts with the CIA.

I emphasize that these are not my conclusions. These are the conclusions of the House Armed Services Committee ably led by Congressman Lucien Nedzi, chairman of the Intelligence Subcommittee and Chairman Edward Hébert of the full committee.

The committee charged that the CIA had become "unwitting dupes for purely domestic White House staff endeavors."

This conclusion was reached after 12 weeks of inquiry.

Mr. President I ask unanimous consent that conclusions of the study be printed in the Record.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

Statement by Congressman F. Edward Hébert

I believe that the American public should join with me in commending Congressman Lucien N. Nedzi (D.-Mich.), Chairman of the Intelligence Subcommittee of the House Armed Services Committee which conducted a thorough and indepth investigation of the CIA in connection with the Watergate-Ellsberg matters.

Congressman Nedzi, as Chairman, had a free and open hand during the entire course of the inquiry and with the assistance of his Counsel, William H. Hogan, Jr., and the members of the subcommittee, has brought forth what I believe to be a most important document.

Congressman Nedzi conducted the investigation in the tradition of the House Armed Services Committee inquiries, devoid of flamboyance and fanfare. Every individual who had any significant connection with the problem was before the subcommittee under oath and the subcommittee began and finished its inquiry without leaks or disclosures and without prejudice either for or against any person who appeared before the subcommittee.

As Chairman of the House Armed Services Committee, I want to publicly commend Congressman Nedzi and the other members of the subcommittee, William G. Bray (R.-Ind.), Leslie C. Arends (R.-Ill.), Melvin Price (D.-Ill.), O. C. Fisher (D.-Tex.) and Bob Wilson (R.-Calif.), together with Counsel William Hogan, for their objectivity during the hearings and the sound conclusions expressed in the subcommittee report.

Panel Tabs CIA Dupes for White House Staff in Watergate-Ellsberg Report

The CIA had become "unwitting dupes for purely domestic White House Staff endeavors," in connection with the Watergate and Ellsberg matters, House Armed Services Subcommittee charged in an investigative report issued today.

The Special Subcommittee on Intelligence, chaired by Representative Lucien N. Nedzi (D.-Mich.), issued a 23-page report that capped 12 weeks of inquiry into allegations concerning CIA involvement in Watergate and the Ellsburg case.

Among the Subcommittee's major findings:

Alias identification gear, disguises and other technical materials were provided improperly to E. Howard Hunt by the CIA for purposes not in keeping with the CIA's mission.

Although the CIA was not aware of those purposes, it was insufficiently cautious in providing the material.

The material was used in a disguised interview by Hunt to contact an individual who was peddling material on the Kennedy family.

The material was also improperly used in the unlawful break-in into Dr. Fielding's office in connection with the Ellsberg psychiatric records; in connection with Mrs. Dita Beard and the ITT affair; and, finally, at the abortive break-in at the Watergate complex.

The White House demands for domestic-psychiatric profiles on Daniel Ellsberg in 1971 was an abuse of CIA facilities.

Haldeman, Ehrlichman and Dean attempted to deflect the FBI investigation of the Watergate break-in by envoking nonexisting conflicts with CIA operations.

John Dean made amazingly overt attempts to involve the CIA in Watergate.

In dealing with the CIA White House aides avoided former Director Helms and focused their attention on Generals Cushman and Walters for compliance with orders.

Haldeman and Ehrlichman were sources of enormous executive authority in the White House.

The subcommittee recommended legislation to:

a. Prohibit the Director of Central Intelligence from performing actions not included in the National Security Act without the expressed authorization of the President.

b. Tighten the wording of the National Security Act with regard to the protection of intelligence sources and methods by the CIA Director.

c. Prohibit transactions between former CIA employees in the Agency beyond routine administrative matters.

"In testimony we developed," Mr. Nedzi stated, "it became clear that the White House counsel, Mr. John Dean, made what can be characterized as almost unbelievable attempts to involve the CIA in Watergate as a brazen cover for those actually involved.

"There is little doubt that Haldeman and Ehrlichman were running much of the executive branch of the government in domestic matters during the period covered by this report and there is no doubt that the CIA leadership considered them to be speaking with finality for the President."

Chairman Nedzi continued, "even though any danger to Mexican-CIA sources was just not in the cards, White House aides sought to impede the FBI investigation into the Mexican money-laundering caper as another obvious attempt at coverup. For example, Dean contacted Acting FBI Director L. Patrick Gray several times following Watergate in overt attempts to stifle the FBI investigation into the Mexican money-laundering operation."

Chairman Nedzi tabbed as "puzzling and contradictory" the testimony regarding the July 6, 1972 telephone conversation between the President and L. Patrick Gray, Acting Director of the FBI. While the President in his public statement on May 22, 1973 indicated that he called Gray to congratulate him on the successful conclusion of the hijacking incident, it would appear from the record that the Gray call to the President at

San Clemente was returned because Gray expressed concern over apparent White House staff attempts to impede the FBI's role in the Watergate investigation.

Joining Chairman Nedzi in the unanimous approval of the report were subcommittee members F. Edward Hébert (D.-La.), William G. Bray (R.-Ind.), Leslie C. Arends (R.-Ill.), Melvin Price (D.-Ill.), O. C. Fisher (D.-Tex.) and Bob Wilson (R.-Ca.).

Chairman Nedzi indicated that his subcommittee is currently committed to conduct hearings at the earliest possible date on the subcommittee's legislative proposals and other suggested changes in the overall role and operation of the CIA.

Mr. PROXMIRE. Mr. President, what else has the CIA done domestically? The CIA disseminates its foreign intelligence reports to the several agencies concerned with the matters covered in those reports such as the Drug Enforcement Administration, the Immigration and Naturalization Service, the Armed Services, the Customs Service, the Secret Service, and others on a routine basis. As I will explain shortly, this type of routine flow of data will be permitted under this amendment.

In addition to this, however, the CIA provides training to Drug Enforcement Administration personnel in interagency procedures and intelligence coordination practices in overseas missions. They also give the Secret Service training in defensive driving and in explosives and demolition devices related to terrorist activities. Members of the U.S. Intelligence Board are given counteraudio surveillance measure training by the CIA.

The CIA maintains a number of permanent facilities and operations on U.S. soil. Of course, the headquarters is located in Virginia and necessary support functions such as recruitment, training, and security checks are carried out.

American citizens are interviewed on a voluntary basis for their knowledge of foreign intelligence which they will share with their Government.

Operations are conducted to collect foreign intelligence from foreigners temporarily resident in the United States.

Mechanisms, relationships, and facilities are required within the United States to support foreign intelligence operations abroad. Some of this entails dummy corporations and front organizations.

And finally, analysis and research on foreign intelligence matters by CIA staff, contractors, consultants, and various institutions is conducted routinely.

EXPLANATION OF THE AMENDMENT

The amendment I am offering today would amend the National Security Act of 1947.

First, wherever the word "intelligence" appears in that act, the word "foreign" would be placed immediately in front of it.

This will help clarify that the CIA only has authority to operate under these provisions when it applies to foreign intelligence. It would eliminate any temptation to broaden or reinterpret these sections to allow domestic activities not related to foreign intelligence collection.

It is interesting to note that the Director of Central Intelligence supports this revision in the law and, in fact, suggested it himself.

I repeat, the Director of Central Intelligence supports this revision in the law and, in fact, he suggested it himself.

Second, the ambiguous and dangerous clause 5 of subsection (d) of the 1947 act would be modified to read—

> It shall be the duty of the CIA under the direction of the National Security Council to perform such other functions and duties related to foreign intelligence affecting the national security as may be specifically directed from time to time by the Council and reported to the Congress in such manner and in accordance with such procedures as the Congress may establish to insure effective legislative oversight with due recognition of essential security requirements.

Clause 5 of subsection (d) is the most important section in the 1947 act.

Why? Because it gives unlimited latitude to the National Security Council and the CIA to extend and expand upon the 1947 act. This is the clause that often has been called the origin of the "Secret Charter" of the CIA. From this clause flows the National Security Council Intelligence Directives (NSCID's) that spell out the functions and missions of the various intelligence units.

Senators will notice that nowhere in the 1947 act is the CIA given authority to operate covertly overseas. Nowhere in the language is this spelled out. There is nothing about "dirty tricks," nothing about overthrowing governments or sabotage. It all flows from the clause 5 of subsection d.

My amendment does not address these overseas activities. My bill S. 1935 goes to the heart of that matter, and I hope that the committee will hold hearings soon so that the bill can be considered. That is not what is before us today.

In the meantime, however, and recognizing the almost insolvable problems in defining necessary overseas operations in contrast to the type of operation we should not be engaged in, such as overthrowing governments, I have offered this amendment which deals exclusively with domestic affairs.

Under my amendment, clause 5 is expanded and tightened. I give credit to the language of this modification to the distinguished Senator from Mississippi, the chairman of the Armed Services Committee (Mr. STENNIS).

Third, an entirely new section is added to the 1947 act, which explicitly spells out a prohibition against the CIA becoming involved in domestic affairs. This new subsection says that nothing in the 1947 act or any other act would allow the CIA to carry out, directly or indirectly, within the United States, whether on its own or in cooperation with anyone else, any police-type activity or internal security functions.

It would also prohibit providing assistance to any organization or person engaged in police-type activities or internal security functions.

And last, it prohibits the CIA from participating directly or indirectly in any illegal activity within the United States.

A few words of explanation are necessary.

First, what about the normal communications between the CIA and other agencies of Government? Would that be prohibited? The answer is "No." The amendment provides for that by stating that the only exceptions granted must be made in writing by the four oversight subcommittees of Congress.

I would then urge that these exceptions be made public by those committees. I realize that some will say that this is giving too much authority to these small committees. But I have great faith that if these committees alone can authorize exceptions to the rule, they will invoke their authority with great restraint and wariness. After all, if some program backfires, then these committees will also stand responsible. At the present time, no one stands responsible.

It might be asked why must the CIA be prohibted from any illegal activities within the United States? The answer is history. Existing law is no restraint to the CIA. Laws already have been violated in the Watergate case. Laws have been bent in the police-training case. And it can easily be seen that the CIA has great resources for operating covertly here at home and without our knowledge. Therefore, the CIA must be told directly that at no time in the future, and under no conditions, can they break U.S. law, either by self-direction or at the direction of any other party, including the President and Congress.

Mr. President, I think this amendment should be placed in the right perspective. It is offered in order to protect the CIA from abuses coming from the political system. It is intended to isolate and reinforce the Agency in its exclusion mission of colecting foreign intelligence.

It is a guarantee that the CIA will remain aloof from those law enforcement and internal security functions that remain the prerogative of the FBI and domestic law enforcement agencies.

There is no more important heritage to protect than our system of law. When the law is corrupted, we must give it teeth. When it is overlooked or circumvented, we must enforce it with authority. Where it is vague, we must make it explicit.

To do less is to risk our heritage. A vote for this amendment will be a long step in the right direction.

Mr. President, I had an opportunity to discuss this amendment with the distinguished Senator from Mississippi (Mr. STENNIS), the manager of the bill; and it is my understanding that he approves of much of this amendment. In fact, if I modify the amendment, which I am willing to do, I understand that he is willing to accept the amendment as modified.

So I send a modification to the desk, and I ask unanimous consent that the amendment may be modified as indicated.

The PRESIDING OFFICER. The Senator has a right to modify his amendment. It will be so modified.

The modification will be stated.

The modification was read, as follows:

> (A) carry out, directly or indirectly, within the United States, either on its own or in cooperation or conjunction with any other department, agency, organization, or

individual any police or police-type operation or activity, any law enforcement operation or activity, or any internal security operation or activity: *Provided, however,* That nothing in this Act shall be construed to prohibit the Central Intelligence Agency conducting personnel investigations of from (1) protecting its installations, (2) Agency employees and applicants or employees of contractors and others requiring access to sensitive Agency information in carrying out Agency responsibilities, or (3) providing information resulting from foreign intelligence activities to other appropriate departments and agencies.

(B) participate, directly or indirectly, in any illegal activity within the United States.

Mr. PROXMIRE. Mr. President, I yield the floor.

Mr. STENNIS. Mr. President, I have listened to the Senator from Wisconsin, and just for the purpose of quick review, I hold in my hand his amendment No. 1368 to the bill now under consideration, S. 3000.

As I understand, he has modified his amendment so that it will continue to include all that is presently in the original printed copy on page 1 and on page 2 and on page 3, through line 6. Then he adds the words "Provided, however," after the word "activity," and strikes out the remainder of page 3, down through line 19, and renumbers the last paragraph (B), instead of (C), and he includes lines 20 and 21.

Have I correctly outlined the modified amendment?

Mr. PROXMIRE. The Senator has, indeed.

Mr. STENNIS. Mr. President, first I congratulate the Senator for his interest in this subject. He and I have discussed this problem from time to time. It arose last year, when the activities within the domestic field came to my attention.

I came to the Senate soon after the original CIA act was passed, and there was nothing clearer around here, nor anything that sounded louder, than the fact that the CIA act was passed for the purpose of foreign intelligence. I was really shocked and disappointed and considerably aroused when I learned of some of the facts last summer; and even though I was not on Capitol Hill, I made some effort to get a bill started that would cover some of these matters.

We have in this amendment, as the Senator from Wisconsin has pointed out, complete coverage of the matter of domestic intelligence being excluded. Mainly, the Senator has inserted the word "foreign" before the word "intelligence," which closes a loophole and makes clear that we are talking about foreign intelligence only.

I should like to make a further point: The matter of police training, as I understand it, came in through the interpretation of a different law, not the original CIA Act. This amendment, as modified now by the Senator from Wisconsin, prohibits that police activity, and I think correctly so.

We have had a good deal of discussion of this matter, and I have discussed it with the Senator from Texas, who was acting for the minority at that time. I have also discussed it with the Senator from South Carolina, who is the ranking minority member of the committee, and the Senator from Georgia (Mr. Nunn).

I speak for myself, first. I support the amendment of the Senator from Wisconsin. He has stricken from it language I could not agree to. I think every Senator can speak for himself but I do think it would be a valuable amendment. I think it would be helpful to the CIA. I have discussed the matter with Mr. Colby, especially about closing this loophole and putting the word "foreign" before intelligence in the amendment, and it is suitable to him.

If the amendment is accepted by the Senate, and I hope it will be, we will make a conscientious effort to have it carried through. I think that the committee as a whole would have supported the amendment as now modified.

With that thought behind it, I am glad to agree to the amendment so far as I personally am concerned. I would like to hear from the Senator from South Carolina and also the Senator from Texas, with whom I have dealt in connection with this matter.

Mr. THURMOND. Mr. President, as I understand the amendment as now modified, it is about the same amendment as the distinguished chairman of the Committee on Armed Services had introduced and which is now before the Committee on Armed Services. Is that correct?

Mr. STENNIS. The Senator is correct on these points in focus here and included in this amendment. The Senator is correct.

Mr. THURMOND. Since that is the case, I do not think there is any objection in committee that I am aware of. I think the committee as a whole favors the amendment and if the Senator from Mississippi wishes to accept it here rather than to wait until later, it is entirely agreeable with us.

Mr. STENNIS. I am interested in getting results. I believe this is the way to get results. It is timely and it is relevant to the bill, in that our committee is the committee that handles legislation of this kind. I think we have taken a step forward in a field where this legislation is needed and we should accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin (Mr. Proxmire), as modified.

The amendment, as modified, was agreed to.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1370

Mr. PROXMIRE. Mr. President, I call up my amendment No. 1370.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

At the appropriate place in the bill insert a new section as follows:

Sec. —. Notwithstanding any other provision of law, no enlisted member of the Armed Forces of the United States may be assigned to duty or otherwise detailed to duty as an enlisted aide, public quarters steward, airman aide, cook specialist, or food service technician on the personal staff of any officer of the Army, Navy, Marine Corps, Air Force, or Coast Guard (when operating as a service of the Navy).

Mr. PROXMIRE. Mr. President, I am happy to yield to the acting majority leader.

Mr. ROBERT C. BYRD. I thank the distinguished Senator for yielding.

Mr. President, I ask unanimous consent that there be a time limitation on this amendment of 1 hour, the time to be equally divided between Mr. Stennis and Mr. Proxmire, with a time limitation on any amendment to the amendment of 30 minutes, and in accordance with the usual form.

Mr. STENNIS. Equally divided.

Mr. ROBERT C. BYRD. Yes. In accordance with the usual form.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Mr. STENNIS. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I am getting questions and have been for the last hour from Senators on both sides as to whether or not there will be any rollcall votes this afternoon. May I ask the distinguished Senator if it is his intention to ask for the yeas and nays?

Mr. PROXMIRE. Yes, I intend to have a rollcall vote.

Mr. ROBERT C. BYRD. Very well. Both cloakrooms may notify Senators accordingly. I thank the Senator.

Mr. PROXMIRE. Mr. President, the amendment I propose today will correct a longstanding abuse in the U.S. Military Establishment. It will bring to an end a highly questionable practice with overtones of racial prejudice and involuntary servitude.

It will restore traditional American moral and ethical standards. In short, it will eliminate completely the military servant program.

What is the military servant program?

It is the systematic and widespread practice of providing enlisted men for personal and professional use by high ranking generals and admirals.

The enlisted men are called enlisted aides. They are attached to another human being as a personal servant. They are not provided to a command, a unit or a group of officers. They are allotted by the Secretary of Defense to individual officers who live in quarters provided free by the taxpayers. These are called public quarters.

There are 675 such men, enlisted men, serving as servants at the present time. They are in the service of 450 high-ranking officers.

ARE THEY SERVANTS?

I have called these men servants. But are they? Maybe they are professional military men providing a necessary military function?

The best way to judge is by what they

do. According to an extensive investigation by the General Accounting Office, these men prepare food in the officer's home, serve the meals, clean the house, perform the gardening, provide maintenance, bartend for both official and unofficial parties, do the grocery shopping, run errands, chauffeur the officer and family about, maintain uniforms, wash automobiles, and act as the butler.

Does any of this sound familiar? Of course it does. These are servant duties. The GAO concluded that the duties of enlisted aides "are those normally associated with domestic servants."

So much for that argument. They are servants by any definition and there can be no doubt about it.

WHO GETS SERVANTS?

Just who are these privileged officers who get the free use of servants paid for by the taxpayer? Not surprisingly they are the Nation's highest ranking officers.

This year the Secretary of Defense has distributed the 675 servants to 450 generals and admirals. All members of the Joint Chief of Staff have 5 servants each. Five men personally assigned to them to care for their every need. Five human beings receiving wages on the average of between $7,000 and $8,000 a year. This means that each Member of the Joint Chiefs has the personal use of about $40,000 worth of manpower for his personal convenience.

Thirteen other Army generals, 8 admirals, 1 Marine Corps general, and 14 Air Force generals all receive 3 servants each, courtesy of the American taxpayer.

The unfortunate remaining officers of the 450 have to make do with 1 or 2 servants with the exception of Adm. William Mack, Superintendent of the Naval Academy who gets 4 for some reason.

WHERE ARE THE SERVANTS STATIONED?

These servants are attached almost permanently to an individual officer. They go where he goes. They serve where he serves. They are part of the family.

Of the 675 servants, 189 are based in the Washington, D.C. area. That is where most of the brass are, so that is where many of the servants are.

The remainder are scattered around the United States and throughout the world.

We have military servants for our brass in Italy, England, Belgium, Taiwan, Japan, Germany, Korea, Brazil, the Canal Zone, Okinawa, Turkey, Thailand, Guam, Spain, and Holland.

We are supposed to be exporting the best of America—our system of democracy, our standards of justice, our moral leadership. But what we end up exporting is a servant caste system. One must wonder what foreign nationals think of the United States when they see that we provide our military leaders with servants.

Mr. President, I ask unanimous consent that a list of all generals and admirals receiving servants and their place of residence be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ALLOCATION OF ENLISTED AIDES UNDER DOD 675 CEILING TO BE EFFECTIVE JUNE 30, 1974

UNITED STATES ARMY

Grade and name of officer	Position of officer	Projected authorized/assigned enlisted aides as of June 30, 1974
0-11: Bradley, Omar N	General of the Army, Beverly Hills, Calif	3
0-10: Abrams, Creighton W	Chief of Staff, U.S. Army, Washington, D.C	5
0-10: Bennett, Donald V	Commander in Chief, U.S. Army, Pacific	3
0-10: Davison, Michael S	Commander in Chief, U.S. Army Europe/7th Army.	3
0-10: DePuy, William E	Commanding General, U.S. Army Training and Doctrine Command, Fort Monroe, Va.	3
0-10: Goodpaster, Andrew J	Supreme Allied Commander, Europe, and Commander in Chief, U.S. European Command.	3
0-10: Kerwin, Walter T., Jr	Commanding General, U.S. Army Forces Command, Fort McPherson, Ga.	3
0-10: Miley, Henry A., Jr	Commanding General, U.S. Army Materiel Command, Alexandria, Va.	3
0-10: Palmer, Bruce, Jr	Commander in Chief, U.S. Readiness Command, MacDill Air Force Base, Fla.	3
0-10: Rosson, William B	Commander in Chief, U.S. Southern Command, Quarry Heights, Canal Zone.	3
0-10: Stilwell, Richard G	Commanding General, 8th U.S. Army, Korea/Commander in Chief, United Nations Command/Commander, U.S. Forces Korea.	3
0-10: Weyand, Frederick C	Vice Chief of Staff, U.S. Army, Washington, D.C.	3
0-10: Zais, Melvin	Commanding General, Allied Land Forces Southeastern Europe.	3
0-9: Blanchard, George S	Commanding General, VII Corps, U.S. Army Eruope.	2
0-9: Burdett, Allen M., Jr	Commanding General, III Corps and Fort Hood, Fort Hood, Tex.	2
0-9: Collins, Arthur S., Jr	Deputy Commander in Chief, U.S. Army Europe/7th Army.	2
0-9: Cowles, Donald H	Deputy Chief of Staff for Operations, U.S. Army, Washington, D.C.	2
0-9: Davidson, Phillip B., Jr	Deputy Assistant Secretary of Defense (Research and Management), Office of the Assistant Secretary of Defense (Intelligence), Washington, D.C.	2
0-9: Deane, John R., Jr	Chief of Research and Development, U.S. Army, Washington, D.C.	2
0-9: Desobry, William R	Commanding General, V Corps, U.S. Army Europe.	2
0-9: Dolvin, Welborn G	Commanding General, IX Corps/U.S. Army Japan.	2
0-9: Flanagan, Edward M., Jr	Comptroller of the Army, Washington, D.C	2
0-9: Gribble, William C., Jr	Chief of Engineers, U.S. Army, Washington, D.C.	2
0-9: Hollingsworth, James F	Commanding General, I Corps (Republic of Korea/United States) Group, Korea.	2
0-9: Hollis, Harris W	U.S. Representative, Permanent Military Deputies Group, Central Treaty Organization, Turkey.	2
0-9: To be announced	Director of the Army Staff, U.S. Army, Washington, D.C.	2
0-9: Knowles, Richard T	Deputy Commanding General, 8th U.S. Army, Korea.	2
0-9: Knowlton, William A	Superintendent, U.S. Military Academy, West Point, N.Y.	3
0-9: Kornet, Fred, Jr	Deputy Chief of Staff for Logistics, U.S. Army, Washington, D.C.	2
0-9: Leber, Walter P	SAFEGUARD Systems Manager, SAFEGUARD Systems Office, U.S. Army, Arlington, Va.	2
0-9: Lotz, Walter E., Jr	Deputy Director General, North Atlantic Treaty Organization Integrated Communications System Management Agency, Belgium.	2
0-9: Maples, Herron N	The Inspector Genera , U.S. Army, Washington, D.C.	2
0-9: McLaughlin, John D	Commanding General, Theater Army Support Command, Europe.	2
0-9: Norton, John	Chief of Staff, Allied Forces Southern Europe	2
0-9: Penney, Howard W	Director, Defense Mapping Agency, Washington, D.C.	2
0-9: Pepke, Donn R	Deputy Commanding General, U.S. Army Forces Command, Fort McPherson, Ga.	2
0-9: Potts, William E	Deputy Director, Defense Intelligence Agency, Washington, D.C.	2
0-9: Roberts, Elvy B	Commanding General, 6th U.S. Army, Presidio of San Francisco, Calif.	2
0-9: Rogers, Bernard W	Deputy Chief of Staff for Personnel, U.S. Army, Washington, D.C.	2
0-9: Rowney, Edward L	Joint Chiefs of Staff Representative for Strategic Arms Limitation Talks, Organization of the Joint Chiefs of Staff, Washington, D.C.	2
0-9: To be announced	Director, Plans and Policy, J-5, Organization of the Joint Chiefs of Staff, Washington, D.C.	2
0-9: Seitz, Richard J	Commanding General, XVIII Airborne Corps and Fort Bragg, Fort Bragg, N. C.	2
0-9: Seneff, George P., Jr	Commanding General, 5th U.S. Army, Fort Sam Houston, Tex.	2
0-9: Sutherland, James W., Jr	Chief of Staff, U.S. European Command	2
0-9: Taber, Robert C	Deputy Assistant Secretary of Defense (Manpower and Reserve Affairs), Washington, D.C.	2
0-9: Talbott, Orwin C	Deputy Commanding General, U.S. Army Training and Doctrine Command, Fort Monroe, Va.	2
0-9: Taylor, Richard R	The Surgeon General, U.S. Army, Washington, D.C.	2
0-9: Vaughan, Woodrow W	Deputy Commanding General, U.S. Army Materiel Command, Alexandria, Va.	2
0-9: Walker, Glenn D	Commanding General, 1st U.S. Army, Fort George G. Meade, Md.	2
0-9: Walters, Vernon A	Deputy Director, Central Intelligence Agency, Washington, D.C.	2
0-9: Williams, Robert R	Deputy Commander in Chief, and Chief of Staff, U.S. Army Pacific.	2
0-9: Woolwine, Walter J	Commandant, Industrial College of the Armed Forces, Fort Lesley J. McNair, Washington, D.C.	1
0-8: Aaron, Harold R	Assistant Chief of Staff for Intelligence, U.S. Army, Washington, D.C.	2
0-8: Albright, Jack A	Commanding General, U.S. Army Communications Command, Fort Huachuca, Ariz.	1
0-8: Baer, Robert J	Project Manager, XMI Tank System, U.S. Army Tank-Automotive Command, Warren, Mich.	1
0-8: Barfield, Thomas H	Commander, 23d North American Air Defense Command/Continental Air Defense Command Region, Duluth, Minn.	1
0-8: Beatty, George S., Jr	Director, Inter-American Defense College, Fort Lesley J. McNair, Washington, D.C.	1

Grade and name of officer	Position of officer	Projected authorized/assigned enlisted aides as of June 30, 1974
0-8: Bernstein, Robert	Commanding General, Walter Reed Army Medical Center, Washington, D.C.	1
0-8: Berry, Sidney B	Commanding General, 101st Airborne Division (Airmobile) and Fort Campbell, Fort Campbell, Ky.	1
0-8: Blakefield, William H	Deputy Commanding General, 1st U.S. Army and Commanding General, U.S. Army Readiness Region III, Fort George G. Meade, Md.	1
0-8: Brown, Charles P	Commanding General, U.S. Army Test and Evaluation Command, Aberdeen Proving Ground, Md.	1
0-8: Burton, Jonathan R	Commanding General, 3d Armored Division, U.S. Army Europe.	1
0-8: Cantlay, George G	Deputy U.S. Military Representative, North Atlantc Treaty Organization Military Committee, Belgium.	1
0-7: Palmer, William W	Chief, Military Equipment Delivery Team, Cambodia.	1
-8: Cobb, William W	U.S. Commander, Berlin, Germany	1
0-8: Coleman, William S	Commanding General, U.S. Army Readiness Region VI, Fort Knox, Ky.	1
0-7(P): Crawford, Albert B., Jr	Project Manager, Army Tactical Data Systems, Fort Monmouth, N.J.	1
0-8: Cunningham, Hubert S	Chief, Joint U.S. Military Advisory Group, Korea.	1
0-8: Cushman, John H	Commanding General, U.S. Army Combined Arms Center/Commandant, U.S. Army Command and General Staff College, Fort Leavenworth, Kans.	2
0-8: David, Bert A	Commanding General, U.S. Army Base Command, Okinawa.	1
0-8: Davis, Franklin M., Jr	Commandant, U.S. Army War College, Carlisle Barracks, Pa.	2
0-8: Davison, Frederic E	Commanding General, U.S. Army Military District of Washington, Washington, D.C.	1
0-8: Del Mar, Henry R	Commander, Military Traffic Management and Terminal Service, Washington, D.C.	1
0-8: Duquemin, Gordon J	Commanding General, 1st Infantry Division and Fort Riley, Fort Riley, Kans.	1
0-8: Ellis, Vincent H	Commanding General, U.S. Army Missile Command, Redstone Arsenal, Ala.	1
0-8: Emerson, Henry E	Commanding General, 2d Infantry Division, Korea.	1
0-8: Fair, Robert L	Commanding General, 2d Armored Division, Fort Hood, Tex.	1
0-8: Fitzpatrick, Thomas E., Jr	Commanding General, 32d Army Air Defense Command, U.S. Army Europe.	1
0-8: Forrester, Eugene J	Commanding General, U.S. Army Administration Center, Fort Benjamin Harrison, Ind.	1
0-8: Foster, Hugh F., Jr	Commanding General, U.S. Army Electronics Command, Fort Monmouth, N.J.	1
0-8: Fulton, William B	Commanding General, U.S. Army Recruiting Command, Fort Sheridan, Ill.	1
0-8: Fuson, Jack C	Commanding General, U.S. Transportation Center and Commandant, U.S. Army Transportation School, Fort Eustis, Va.	1
0-8: Galloway, James V	Chief, Joint U.S. Military Mission for Aid to Turkey.	1
0-8: Gard, Robert G., Jr	Commanding General, U.S. Army Training Center and Fort Ord, Fort Ord, Calif.	1
0-8: Godding, George A	Commanding General, U.S. Army Security Agency, Arlington, Va.	1
0-8: Graham, Erwin M., Jr	Commanding General, U.S. Army Logistics Center, Fort Lee, Va.	1
0-7(P): Greer, Thomas U	Commanding General, U.S. Army Training Center and Fort Dix, Fort Dix, N.J.	1
0-8: Groves, Richard H	Division Engineer, U.S. Army Engineer Division, North Atlantic, New York, N.Y.	1
0-8: Guthrie, John R	Deputy Chief of Staff, Pacific Command	1
0-8: Hamlet, James F	Commanding General, 4th Infantry Division and Fort Carson,Fort Carson, Colo.	1
0-8: Henion, John Q	Commanding General, 9th Infantry Division and Fort Lewis, Fort Lewis, Wash.	1
0-8: Higgins, Hugh R	Commanding General U.S. Army Troop Support Command, St. Louis, Mo.	1
0-8: Hinrichs, Frank A	Commanding General, U.S. Army Aviation Systems Command, St. Louis, Mo.	1
0-8: Hixon, Robert C	Commanding General, U.S. Army Training Center and Fort Jackson, Fort Jackson, S.C.	1
0-8: Hughes, Carl W	Surgeon, U.S. Army, Pacific, and Commanding General, Tripler Army Medical Center, Hawaii.	1
0-8: To be announced	Surgeon, U.S. Army, Europe and Commanding General, U.S. Army Medical Command, Europe.	1
0-8: Hunt, Ira A., Jr	Deputy Commander, U.S. Support Activities Group, Thailand.	1
0-8: Kendall, Maurice W	Chairman/Army Member, U.S. Delegation, Joint Brazil-United States Military Commission/Commander U.S. Military Group, Brazil.	1
0-8: Kissinger, Harold A	Director, Joint Tactical Communications Office, Fort Monmouth, N.J.	1
0-8: Kraft, William R., Jr	Chief of Staff, U.S. Army, Europe/7th Army	1
0-8: Kroesen, Frederick J., Jr	Commanding General, 82d Airborne Division, Fort Bragg, N.C.	1
0-8: Levan, C. J	Commanding General, U.S. Army Air Defense Center and Commandant, U.S. Army Air Defense School, Fort Bliss, Tex.	1
0-8 Mabry, George L., Jr	Commander, U.S. Army Forces Southern Command, Fort Amador, Canal Zone.	1
0-8: Mackinnon, Robert N	Commanding General, 25th Infanty Division, Hawaii.	1
0-8: Maddox, William J., Jr	Commanding General, U.S. Army Aviation Center, Fort Rucker, Ala.	1
0-8: Marks, Sidney M	Commanding General, U.S. Army, Alaska	1
0-8: Matheson, Salve H	Commanding General, U.S. Army Readiness Region IV, Atlanta, Ga.	1
0-8: McAuliffe, Dennis P	Deputy Commanding General, U.S. Army Combined Arms Combat Development Activity, Fort Leavenworth, Kans.	1
0-8: McDonough, Joseph C	Commanding General, 8th Infantry Division, Division, U.S. Army Europe.	1
0-8: McLeod, William E	Chief of Staff, 8th U.S. Army, Korea	1
0-8: Mellen, Thomas W	Commander, U.S. Military Assistance Command, Thailand.	1
0-8: Milloy, Albert E	Commanding General, U.S. Army Readiness Region IX, and Deputy Commanding General, 6th U.S. Army, Presidio of San Francisco, Calif.	1
0-8: Moore, Harold G	Commanding General, U.S. Army Military Personnel Center, Alexandria, Va.	1
0-8: Murphy, Raymond P	Deputy Commanding General, U.S. Army Air Defense Command, Ent Air Force Base, Colo.	1
0-8: Murray, John E	Defense Attache, Republic of Vietnam	1
0-8: Myer, Charles R	Commanding General, U.S. Army School/Training Center, Fort Gordon, Ga.	1
0-8: Neel, Spurgeon H., Jr	Commanding General, U.S. Army Health Services Command, Fort Sam Houston, Tex.	1
0-8: Noble, Charles C	Division Engineer, U.S. Army Engineer Division, Lower Mississippi Valley, Vicksburg, Miss.	1
0-8: Ott, David E	Commanding General, U.S. Army Field Artillery Center and Commandant, U.S. Army Field Artillery School, Fort Sill, Okla.	1
0-8: Parfitt, Harold R	Commanding General, U.S. Army Engineer Center and Commandant, U.S. Army Engineer School, Fort Belvoir, Va.	1
0-8: Pieklik, Joseph E	Commanding General, U.S. Army Tank-Automotive Command, Warren, Mich.	1
0-8: Powers, Patrick W	Commanding General, U.S. Army Readiness Region II, Fort Dix, N.J.	1
0-8: Raaen, John C., Jr	Commanding General, U.S. Army Armament Command, Rock Island, Ill.	1
0-8: Reseborough, Morgan G	Commanding General, U.S. Army Readiness Region I and Fort Devens, Fort Devens, Mass.	1
0-8: Ryder, Charles W., Jr	Chief, Joint U.S. Military Aid Group to Greece	1
0-8: Heiser, Rolland V	Commanding General, 1st Armored Division, U.S. Army Europe.	1
0-8: Shoemaker, Robert M	Commanding General, 1st Cavalry Division, Fort Hood, Tex.	1
0-8: Sidle, Winant	Commanding General, U.S. Army Readiness Region VII, and Deputy Commanding General, 5th U.S. Army, Fort Sam Houston, Tex.	1
0-8: Singlaub, John K	Commanding General, U.S. Army Readiness Region VIII, Rocky Mountain Arsenal, Colo.	1
0-8: Smith, James C	Commanding General, U.S. Army, Readiness Region V, Fort Sheridan, Ill.	1
0-8: Spragins, Charles E	Commanding General, U.S. Army Training Center and Fort Polk, Fort Polk, La.	1
0-8: Starry, Donn, A	Commanding General, U.S. Army Armor Center and Commandant, U.S. Army Armor School, Fort Knox, Ky.	1
0-7(P): Street, Oliver D., III	Commanding General, 1st Region, U.S. Army Air Defense Command, Stewart Field, N.Y.	1
0-8: Sweeney, Arthur H., Jr	Commanding General, White Sands Missile Range, White Sands, N. Mex.	1
0-8: Tackaberry, Thomas H	Chief of Legislative Liaison, Office of the Secretary of the Army, Washington, D.C.	1
0-8: Tarpley, Thomas M	Commanding General, U.S. Army Infantry Center and Commandant, U.S. Army Infantry School, Fort Benning, Ga.	1
0-8: Van Lydegraf, Dean	Commanding General, U.S. Army Quartermaster Center and Commandant, U.S. Army Quartermaster School, Fort Lee, Va.	1
0-8: Vinson, Wilber H., Jr	Commanding General, U.S. Army Southern European Task Force, Italy.	1
0-8: Vogel, Edward H., Jr	Superintendent, U.S. Army Academy of Health Sciences, Fort Sam Houston, Tex.	1
0-8: Wagstaff, Jack J	Chief, Military Assistance Advisory Group, Germany.	1
0-8: Walker, Sam S	Commanding General, 3d Infantry Division, U.S. Army Europe.	1
0-8: Wier, James A	Commanding General, Fitzsimons Army Medical Center, Denver, Colo.	1
0-8: Wolff, Herbert E	Deputy Director for Signal Intelligence Operations, National Security Agency/Central Security Service, Fort George G. Meade, Md.	1
0-8: Young, Robert P	Commanding General, U.S. Army Training Center and Fort Leonard Wood, Fort Leonard Wood, Mo.	1
0-7: Buckingham, Clay T	Assistant Division Commander, 1st Armored Division, U.S. Army Europe.	1
0-7: Burnell, Bates C	Commanding General, U.S. Army SAFEGUARD Systems Command, Huntsville, Ala.	1
0-7: Escola, Albert R	Commanding General, U.S. Army School/Training Center, Fort McClellan, Ala.	1

ALLOCATION OF ENLISTED AIDES UNDER DOD 675 CEILING TO BE EFFECTIVE JUNE 30, 1974—Continued

UNITED STATES ARMY—Continued

Grade and name of officer	Position of officer	Projected authorized/assigned enlisted aides as of June 30, 1974
O–7: Faul, Lloyd J	Commanding General, U.S. Army Ordnance Center and Commandant, U.S. Army Ordnance School, Aberdeen Proving Ground, Md.	1
O–7: Feir, Philip R	Commandant of Cadets, U.S. Military Academy, West Point, N.Y.	1
O–7: Gatsis, Andrew J	Commanding General, U.S. Army Support Command, Hawaii.	1
O–7: Sadler, Jack R	Chief, Joint U.S. Military Advisory Group, Philippines.	1
O–7: Nutting, Wallace H	Commanding General, 1st Infantry Division (Forward), U.S. Army Europe.	1
O–7: Hardaway, Robert M., III	Commanding General, William Beaumont Army Medical Center, El Paso, Tex.	1
O–7: Healy, Michael D	Commanding General, John F. Kennedy Center for Military Assistance, Fort Bragg, N.C.	1
O–7: Hiestand, Harry H	Commanding General, U.S. Army Intelligence Center and Commandant, U.S. Army Intelligence School, Fort Huachuca, Ariz.	1
O–7: Key, Milton, E	Commanding General, 56th Artillery Brigade, U.S. Army Europe.	1
O–7: Koehler, John J., Jr	Commanding General, 38th Artillery Brigade (Air Defense), Korea.	1
O–7: Krause, Frederick C	Commanding General, 19th Support Group, Korea.	1
O–7: Latham, Willard	Assistant Division Commander, 3d Infantry U.S. Europe.	1
O–7: Meroney, William H., III	Commanding General, Madigan Army Medical Center, Tacoma, Wash.	1
O–7: Metheny, Orvil C	Commander, Western Area, Military Traffic Management and Terminal Service, Oakland Army Base, Calif.	1
O–7: Morton, Richard L	Commander, Eastern Area, Military Traffic Management and Terminal Service, Brooklyn, N.Y.	1
O–7: Mullens, Robert M	Commanding General, 6th Region, U.S. Army Air Defense Command, Fort Baker, Calif.	1
O–7: Munson, James A	Assistant Division Commander, 1st Armored Division, U.S. Army Europe.	1
O–7: Ogden, Dorward W., Jr	Commanding General, U.S. Army Communications System Agency (Provisional), Fort Monmouth, N.J.	1
O–7: Osteen, John L., Jr	Commanding General, U.S. Army Support, Thailand.	1
O–7: Scott, Willard W	Commanding General, V Corps Artillery, U.S. Army Europe.	1
O–7: Redman, Albert, Jr	Commanding General, U.S. Army Communications Command, Continental United States, Fort Ritchie, Md.	1
O–7: Sniffin, Charles R	Assistant Division Commander, 8th Infantry Division, U.S. Army Europe.	1
O–7: Starker, Joseph B	Commanding General, U.S. Army Combat Development Experimentation Command, Fort Ord, Calif.	1
O–7: Stevenson, Robert D	Commanding General, U.S. Army Berlin Brigade, Europe.	1
O–7: To be announced	Assistant Division Commander, 3d Armored Division, U.S. Army, Europe.	1
O–7: Swenson, Richard W	Commanding General, U.S. Army Communications Command, Europe.	1
O–7: Ulatoski, Joseph R	Commander, Joint Casualty Resolution Center, Vietnam.	1
O–7: Weaver, Wilburn C	Commanding General, U.S. Army Communications Command, Pacific.	1
O–7: Woodard, George S., Jr	Commanding General, Letterman Army Medical Center, Presidio of San Francisco, Calif.	1
O–7: Yow, Harold D	Chief, Military Assistance Advisory Group, Ethiopia.	1
O–7: To be announced	Commanding General, 31st Air Defense Brigade, Homestead Air Force Base, Fla.	
O–8: Ochs, Elmer R	Commanding General, U.S. Army Operational Test and Evaluation Agency, Fort Belvoir, Va.	1
O–8: Tobiason, Orville L	Chief of Staff, Allied Land Forces Southeastern Europe.	1
O–8: Hall, Charles M	Director of Operations, J–3, U.S. European Command.	1
O–8: Appel, John G	Director of Logistics, J–4, U.S. European Command.	1
O–8: Patton, George S	Director of Security Assistance, J–7, U.S. European Command.	1
O–8: Lekson, John S	Director of Operations, J–3, U.S. Readiness Command, Macdill AFB, Fla.	1
O–8: McChrystall Herbert J., Jr	Deputy Commanding General, Modern Army Selected Systems Tests, Evaluation and Review, Fort Hood, Tex.	1
O–7: Gregg, Arthur J	Commander, European Exchange Service	1

Notes: (1) A "(P)" following an officer's grade (e.g., O–8 (P)) indicates that the incumbent has been recommended for promotion to the next higher grade. (2) No aides are projected to be in an aide standby or training status.

UNITED STATES NAVY

Grade and name of officer	Position of officer	Projected authorized/assigned enlisted aides as of June 30, 1974
O–10: Moorer, Thomas H	Chairman of Joint Chiefs of Staff, Washington, D.C.	5/5
O–10: Zumwalt, Elmo R., Jr	Chief of Naval Operations, Washington, D.C	5/5
O–10: Cousins, Ralph W	Commander in Chief, Atlantic and U.S. Atlantic Fleet and Supreme Allied Commander, Atlantic, Norfolk, Va.	3/3
O–10: Kidd, Isaac C., Jr	Chief of Naval Material, Washington, D.C	3/3
O–10: Gayler, Noel A. M	Commander in Chief, Pacific, Pearl Harbor, Hawaii.	3/3
O–10: Weisner, Maurice F	Commander in Chief, U.S. Pacific Fleet, Pearl Harbor, Hawaii	3/3
O–10: Holloway, James L. III	Vice Chief of Naval Operations, Washington, D.C.	3/3
O–10: Bagley, Worth H	Commander in Chief, U.S. Naval Forces, Europe, London, United Kingdom.	3/3
O–10: Johnston, Means Jr	Commander in chief, Allied Forces, Southern Europe, Naples, Italy.	3/3
O–9: Mack, William P	Superintendent, U.S. Naval Academy, Annapolis, Md.	4/4
O–9: de Poix, Vincent P	Director, Defense Intelligence Agency, Washington, D.C.	2/2
O–9: Michaelis, Frederick H	Commander, Naval Air Force, U.S. Atlantic Fleet, Norfolk, Va.	2/2
O–9: Wilkinson, Eugene P	Deputy Chief of Naval Operations (submarine warfare) Washington, D.C.	2/2
O–9: King, Jerome H., Jr	Director, J–3, Joint Chiefs of Staff, Washington, D.C.	2/2
O–9: Weinel, John P	Assistant to the Chairman, Joint Chiefs of Staff, Washington, D.C.	2/2
O–9: Peet, Raymond E	Deputy Assistant, Secretary of Defense (security assistance) Washington, D.C.	2/2
O–9: Miller, Gerald E	Deputy Director, Joint Strategic Target Planning Staff, Offutt Air Force Base, Nebr.	2/2
O–9: Minter, Charles S., Jr	Deputy Chairman, NATO Military Committee. Brussels, Belgium.	2/2
O–9: Shear, Harold E	Director, antisubmarine warfare and tactical electromagnetic programs, Washington, D.C.	2/2
O–9: Beshany, Philip A	Commander, U.S.-Taiwan Defense Command, Taipei, Republic of Taiwan.	2/2
O–9: Vannoy, Frank W	Commander, Amphibious Force, U.S. Atlantic Fleet, Norfolk, Va.	2/2
O–9: Cagle, Malcolm W	Chief of Naval Education and Training, Pensacola, Fla.	2/2
O–9: Harlfinger, Frederick J. II	Director, Command Support Programs, Office of Chief of Naval Operations, Washington, D.C.	2/2
O–9: Bagley, David H	Deputy Chief of Naval Operations (manpower) and Chief of Naval Personnel, Washington, D.C.	2/2
O–9: Le Bourgeois, Julien J	Chief of Staff, Supreme Allied Commander, Atlantic, Norfolk, Va.	2/2
O–9: Talley, George C. Jr	Deputy Chief of Naval Operations (plans and policy) Washington, D.C.	2/2
O–9: Long, Robert L. J	Commander, Submarine Force, U.S. Atlantic Fleet, Norfolk, Va.	2/2
O–9: Turner, Stansfield	President, Naval War College, Newport, R.I	3/3
O–9: Plate, Douglas C	Deputy and Chief of Staff, Commander in Chief, Atlantic, and Commander in Chief, U.S. Atlantic Fleet, Norfolk, Va.	2/2
O–9: Houser, William D	Deputy Chief of Naval Operations (Air Warfare) Washington, D.C.	2/2
O–9: Cooper, Damon W	Chief of Naval Reserve, New Orleans, La	2/2
O–9: Salzer, Robert S	Commander, Amphibious Force, U.S. Pacific Fleet, San Diego, Calif.	2/2
O–9· Rapp, William T	Commander, 3d Fleet, Pearl Harbor, Hawaii.	2/2
O–9: Price, Frank H. Jr	Director, Ship Acquisition and Improvement, Office of Chief of Naval Operations, Washington, D.C.	2/2
O–9: Moran, William J	Director, Research, Development, Test and Evaluation, Office of Chief of Naval Operations, Washington. D.C.	2/2
O–9: Finneran, John G	Commander, 2d Fleet, Norfolk, Va	2/2
O–9: Bayne, Marmaduke G	Commandant National War College, Washington, D.C.	2/2
O–9: Wheeler, Kenneth R	Vice Chief of Naval Material, Washington, D.C.	2/2
O–9: Custis, Donald L	Chief, Bureau of Medicine and Surgery, and Surgeon General of the Navy, Washington, D.C.	2/2
O–9: Hayward, Thomas B	Director, Navy Program Planning, Office of of Chief of Naval Operations, Washington, D.C.	2/2
O–9: Baldwin, Robert B	Commander, Naval Air Force, U.S. Pacific Fleet, San Diego, Calif.	2/2
O–9: Murphy, Daniel J	Commander 6th Fleet, Gaeta, Italy	2/2
O–9: Steele, George P., II	Commander, 7th Fleet, Yokosuka, Japan	2/2
O–9: Weschler, Thomas R	Director Logistics, J–4 Joint Chiefs of Staff, Washington, D.C.	2/2
O–9: St. George, William R	Deputy and Chief of Staff to Commander in in Chief, U.S. Pacific Fleet, Pearl Harbor, Hawaii.	2/2
O–9: Perry, Oliver H., Jr	Chairman, Inter-American Defense Board, Washington, D.C.	2/2

Footnote at end of table.

Grade and name of officer	Position of officer	Projected authorized/assigned enlisted aides as of June 30, 1974
0–8: Erly, Robert B	Chief, Military Assistance Advisory Group, Portugal, and Commander, Iberian Atlantic Command, Lisbon, Portugal.	1/1
0–8: Isaman, Roy M	Commander, Naval Air Test Center, Patuxent River, Md.	1/1
0–8: Anderson, Roy G	Commandant, 5th Naval District, Norfolk, Va	1/1
0–8: Charbonnet, Pierre N., Jr	Commander, Fleet Air Mediterranean, Naples, Italy.	1/1
0–8: Burke, Julian T., Jr	Commander, Service Force, U.S. Atlantic Fleet, Norfolk, Va	1/1
0–8: Morrison, George S	Commander, U.S. Naval Forces, Marianas, Guam, Marianas.	1/1
0–8: Woods, Mark W	Commander, Cruiser-Destroyer Force, U.S. Pacific Fleet, San Diego, Calif.	1/1
0–8: Ramage, James D	Commander, Caribbean Sea Frontier, Roosevelt Roads, P.R.	1/1
0–8: Carmody, Martin D	Commandant, 12th Naval District, San Francisco, Calif.	1/1
0–8: Armstrong, Parker B	Commander, Service Force, U.S. Pacific Fleet, Pearl Harbor, Hawaii.	1/1
0–8: Donaldson, James D., Jr	Commander, Fleet Air Western Pacific, Atsugi, Japan.	1/1
0–8: Esch, Arthur G	Commandant, Naval District, Washington, Washington, D.C.	1/1
0–8: Turner, Frederick C	Commander, Carrier Group TWO, Athens, Greece.	1/1
0–8: Pugh, William M., II	Commandant, 3d Naval District, Brooklyn, N.Y.	1/1
0–8: Miller, Ward S	Commander, Naval Base, Los Angeles/Long Beach, Los Angeles, Calif.	1/1
0–8: Ferris, James	Chief of Naval Air Training, Corpus Christi, Tex.	1/1
0–8: Livingston, William H	U.S. Defense Attache, U.S. Naval Attache, and U.S. Naval Attache for Air, United Kingdom, London, United Kingdom.	1/1
0–9: Moorer, Joseph P	Vice Chairman, U.S. Delegation, U.N. Military Staff Committee, New York, N.Y.	2/2
0–8: Riera, Robert E	Commandant, 8th Naval District, New Orleans, La.	1/1
0–8: Freeman, Mason B	Superintendent, Naval Post-Graduate School, Monterey, Calif.	1/1
0–8: Gilkeson, Fillmore B	Commandant, 11th Naval District, San Diego, Calif.	1/1
0–8: Snyder, Edwin K	Chief, Legislative Affairs, Navy Department, Washington, D.C.	2/2
0–8: Nance, James W	Deputy Chief of Staff, Commander in Chief, U.S. European Command, Vaihingen, Germany.	1/1
0–8: Kane, John D. H., Jr	Commandant, 9th Naval District, Great Lakes, Ill.	1/1
0–8: Bass, Thomas E., III	Commandant, 13th Naval District, Seattle, Wash.	1/1
0–8: Tahler, Graham	Commandant, 6th Naval District, Charleston, S.C.	1/1
0–8: Wentworth, Ralph S., Jr	Commander, Cruiser-Destroyer Force, U.S. Atlantic Fleet, Norfolk, Va.	1/1
0–7: Cooley, Samue M., Jr	Commander, Iceland Defense Force, Keflavik, Iceland.	1/1
0–7: Shelton, Doniphan B	Commander, Naval Base, Subic, Subic Bay, Republic of Philippines.	1/1
0–7: Morgan, Henry S., Jr	Commander, U.S. Naval Forces, Korea, Seoul, Korea.	1/1
0–7: McMullen, Frank D., Jr	Commander, Submarine Force, U.S. Pacific Fleet, Pearl Harbor, Hawaii.	1/1
0–7: Rogers, William H	Commander, U.S. Naval Forces, Japan, Yokosuka, Japan.	1/1
0–7: Rectanus, Earl F	Director of Naval Intelligence, Washington, D.C.	2/2
0–7: Coleman, Joseph L	Commandant, 4th Naval District, Philadelphia, Pa.	1/1
0–7: Sackett, Albert M	Chief of Naval Technical Training, Millington, Tenn.	1/1
0–7: Rumble, Richard E	Commandant, 1st Naval District, Boston, Mass.	1/1
0–7: Blount, Robert H	Commander, U.S. Naval Forces, Southern Command; Commandant 15th Naval District, Fort Amador, C.Z	1/1
0–7: Denton, Jeremiah A., Jr	Commandant, Armed Forces, Staff College, Norfolk, Va.	1/1
0–7: Paddock, Richard A	Commandant, 14th Naval District, Pearl Harbor, Hawaii.	1/1
0–7: Hanson, Carl T	Chief, Navy Section, U.S. Military Group Brazil, Rio De Janeiro, Brazil.	1/1
Total		151/151

Notes: (1) Provisions of 10a U.S.C. 7579 vest authority for determination of individual authorizations of public quarters stewards with the Secretary of the Navy, rather than with the Secretary of Defense as may have been implied in Senator Proxmire's letter of Oct. 13, 1973. Accordingly, the Secretary of the Navy may make necessary revisions to the above listing as military reasons may require. (2) Navy has no provision for assignment of public quarters stewards to formal training or for assignment in a stand-by status. No such assignments are reflected in the above listing nor are any such assignments authorized.

UNITED STATES AIR FORCE CEILING—234

Grade and name of officer	Position of officer	Projected authorized/assigned enlisted aides as of June 30, 1974
STRATEGIC AIR COMMAND, OFFUTT AF BASE, NEBR.		
0–10: John C. Meyer	Commander in Chief	3
0–9: James M. Keck	Vice Commander in Chief	2
0–8: Martin G. Colladay	Chief of Staff	1
0–8: Ray B. Sitton	DCS/Operations	1
0–8: Edgar S. Harris, Jr.[1]	Asst DCS/Operations	1
0–8: Andrew B. Anderson, Jr	Dir Operations Plans	1
0–8: Eugene L. Hudson	DCS/Logistics	1
0–8: Harry M. Darmstandler	DCS/Plans	1
0–8: John R. Hinton, Jr.[1]	Inspector General	1
0–8: Billy J. Ellis	DCS/Personnel	1
2 Air Force Barksdale AFB, La.:		
0–9: Richard M. Hoban	Commander	2
0–8: Eugene Q. Steffes, Jr	Vice Commander	1
15 Air Force March AFB, Calif.:		
0–9: William F. Pitts	Commander	2
0–8: Charles F. Minter, Sr	Vice Commander	1
8 Air Force Andersen AFB, Guam:		
0–9: George H. McKee	Commander	2
1 Strat Aerospace Division, Vandenberg AFB, Calif.:		
0–8: John W. Pauly	Commander	1
MILITARY AIRLIFT COMMAND, SCOTT AFB, ILL.		
0–10: Paul K. Carlton	Commander	3
0–9: Jay T. Robbins	Vice Commander	2
0–8: William A. Dietrich	Chief of Staff	1
0–8: Alden G. Glauch	DCS/Operations	1
0–8: Thomas A. Aldrich[1]	DCS/Plans	1
0–8: Warner E. Newby[1]	DCS/Logistics	1
22 Air Force Travis AFB, Calif.:		
0–8: John F. Gonge	Commander	1
0–8: Ralph S. Saunders[1]	Vice Commander	1
21 Air Force McGuire AFB, N.J.:		
0–8: Lester T. Kearney, Jr	Commander	1
AIR TRAINING COMMAND, RANDOLPH AFB, TEX.		
0–9: William V. McBride	Commander	2
0–8: Alton D. Slay	Vice Commander	1
AF Mil Tng Ctr, Lackland AF Base, Tex.:		
0–8: Robert W. Maloy	Commander	1
Keesler Tech Tng Ctr, Keesler AF Base, Miss.:		
0–8: Bryan M. Shotts	Commander	1
Chanute Tech Tng Ctr, Chanute AF Base, Ill.:		
0–8: Frank W. Elliott, Jr	Commander	1
Sheppard Tech Tng Ctr, Sheppard AF Base, Tex.:		
0–8: Robert L. Petit	Commander	1
Lowry Tech Tng Ctr, Lowry AF Base, Colo.:		
0–8: Charles C. Pattillo	Commander	1
AIR FORCE SYSTEMS COMMAND ANDREWS AFB, MD.		
0–10: Samuel C. Phillips	Commander	3
0–9: John B. Hudson	Vice Commander	2
0–8: Vernon R. Turner	Chief of Staff	1
0–8: Robert T. Marsh[1]	DCS/Systems	1
Aeronautical Sys Div (Wright-Patterson AFB, Ohio):		
0–9: James T. Stewart	Commander	2
0–8: Douglas T. Nelson	Vice Commander	1
0–8: Benjamin N. Bellis	Systems Program Director, F–15	1
0–8: Abner B. Martin[1]	Systems Program Director, B–1	1
AF Flight Test Ctr, Edwards AFB, Calif.:		
0–8: Howard M. Lane[1]	Commander	1
AF Spec Wpns Ctr, Kirtland AF Base, N. Mex.:		
0–8: Thomas W. Morgan	Commander	1

Footnote at end of table.

ALLOCATION OF ENLISTED AIDES UNDER DOD 675 CEILING TO BE EFFECTIVE JUNE 30, 1974—Continued

UNITED STATES AIR FORCE CEILING—234—Continued

Grade and name of officer	Position of officer	Projected authorized/assigned enlisted aides as of June 30, 1974
AF Contract Mgmt Div, Kirtland AF Base, N. Mex.:		
O-8: Donald G. Nunn	Commander	1
USAF Space and Missile Test Center, Vandenberg AF Base, Calif.:		
O-8: Jessup D. Lowe	Commander	1
Armament Development and Test Ctr, Eglin AFB, Fla.:		
O-8: Henry B. Kucheman, Jr	Commander	1
Aerospace Medical Division, Brooks AFB, Tex.:		
O-8: George E. Schafer [1]	Commander	1
AF Eastern Test Range Patrick AFB, Fla.:		
O-8: Kenneth R. Chapman	Commander	1
Electronic Systems Div. L. G. Hanscom AFB, Mass.:		
O-8: Albert R. Shiely, Jr	Commander	1
TACTICAL AIR COMMAND, LANGLEY AFB, VA.		
O-10: Robert J. Dixon	Commander	3
O-9: Dale S. Sweat	Vice Commander	2
O-8: James A. Knight, Jr	DCS/Operations	1
USAF Tactical Fighter Weapons Center, Nellis AFB, Nev.:		
O-8: Gordon F. Blood	Commander	1
9 Air Force Shaw AFB, S.C.:		
O-8: James D. Hughes	Commander	1
AIR FORCE LOGISTICS COMMAND, WRIGHT-PATTERSON AF BASE, OHIO		
O-10: Jack J. Cotton	Commander	3
O-9: Edmund F. O'Connor	Vice Commander	2
O-8: George Rhodes	Chief of Staff	1
O-8: Edmund A. Rafalko	DCS/Plans and Operations	1
O-8: James A. Bailey	DCS/Comptroller	1
O-8: Herbert J. Gavin	DCS/Maintenance	1
Sacremento Air Material Area, McClellan AFB, Calif.:		
O-8: George W. McLaughlin	Commander	1
Ogden Air Mat Area Hill, AFB, Utah:		
O-8: Bryce Poe II	Commander	1
San Antonio Air Mat Area, Kelly AFB, Tex.: O-8: William A. Jack.	Commander	1
Warner-Robins Air Material Area, Robins AFB, Ga.: O-8: Robert E. Hails.	Commander	1
PACIFIC AIR FORCES, HICKAM AFB, HAWAII		
O-10: John W. Vogt, Jr	Commander in Chief	3
O-9: Carlos M. Talbott	Vice Commander in Chief	2
O-8: Winton W. Marshall	DCS/Plans	1
O-8: Ralph T. Holland	DCS/Logistics	1
5 Air Force Fuchu AFB, Japan:		
O-9: Robert E. Pursley	Comdr and Comdr U.S. Forces, Japan	2
O-8: Edward P. McNeff	Vice Commander	1
13 Air Force Clark AFB, Philippines:		
O-9	Commander	2
O-8: Leroy J. Manor	Vice Commander	1
Air Force Nakhon Phanom Airport, Thailand:		
O-8: Jack Bellamy	DCS/Operations and Asst Chief of Staff/Operations U.S. Support Activities Group.	1
U.S. AIR FORCES IN EUROPE, RAMSTEIN AB, GERMANY		
O-10: David C. Jones	Commander in Chief	3
O-9: Louis L. Wilson, Jr	Vice Chief	2
O-8: Wilbur L. Creech	DCS/Operations	1
O-8: Edwin W. Robertson II [1]	Inspector General	1
16 Air Force Torrejon AFB, Spain:		
O-8: Salvador E. Felices	Vice Commander	1
3 Air Force RAF, Mildenhall, England:		
O-8: Evan W. Rosencrans	Commander	1
The U.S. Logistics Group (TUSLOG), Ankara, Turkey:		
O-8: Arnold W. Braswell	Commander	1
17 Air Force Sembach Air Base, Germany:		
O-8: John C. Giraudo	Commander	1
AEROSPACE DEFENSE COMMAND, ENT AF BASE, COLO.		
O-9: Royal N. Baker	Vice Commander	2
O-8: Kenneth C. Dempster	DCS/Logistics	1
14 Aerospace Force Ent AFB, Colo.:		
O-8: Otis C. Moore	Commander	1
HEADQUARTERS COMMAND USAF, BOLLING AFB, DISTRICT OF COLUMBIA		
O-8: John L. Locke	Commander	1
USAF ACADEMY, COLORADO SPRINGS, COLO		
O-9: Albert P. Clark	Superintendent	3
AIR FORCE RESERVE, ROBINS AFB, GA.		
O-8: Earl O. Anderson	Vice Commander	1
AIR UNIVERSITY, MAXWELL AFB, ALA		
O-9: Felix M. Rogers	Commander	2
Air War College: O-8: James V. Hartinger.	Commandant	1
AF Institute of Technology, Wright-Patterson AFB, Ohio:		
O-8: Frank J. Simokaitis	Commandant	1
Air Comd and Stf College, Maxwell AFB, Ala.:		
O-8: John P. Flynn [1]	Commandant	1
USAF SECURITY SERVICE, SAN ANTONIO, TEX.		
O-8: Walter T. Galligan	Commander	1
ALASKAN AIR COMMAND, ELMENDORF AFB, ALASKA		
O-8: Charles W. Carson, Jr	Commander	1
USAF SOUTHERN COMMAND ALBROOK AFB, PANAMA		
O-8: Arthur G. Salisbury	Commander	1
OFFICE OF THE SECRETARY OF DEFENSE, WASHINGTON, D.C.		
O-9: Daniel James, Jr	Asst Secretary of Defense (Public Affairs) Prin Deputy.	[illegible]
Defense Nuclear Agency:		
O-9: Warren D. Johnson	Director	2
Defense Supply Agency, Washington, D.C.:		
O-8: Joseph J. Cody, Jr	Deputy Director, Contract Administration Administrative Service.	1
O-8: Donald H. Ross	Assistant Director, Plans, Programs and Systems.	1
O-8: Abraham J. Dreiseszun	Commander, Defense Personnel Support Center, Philadelphia, Pa.	1
National Security Agency, Fort Meade, Md.:		
O-9: Lew Allen, Jr	Director	2
JOINT CHIEFS OF STAFF, WASHINGTON, D.C.		
O-9: Louis T. Seith	Director, Plans and Policy	2
Central Treaty Org (CENTO) Ankara, Turkey:		
O-8: Colin C. Hamilton, Jr	Chief of Staff, Combined Military Planning Staff.	1
North Atlantic Treaty Org (NATO) Brussels, Belgium:		
O-10: Theodore R. Milton	NATO Military Commission (Mil Rep), U.S. Representative.	3
Industrial College of the Armed Forces, Fort McNair, Washington, D.C.:		
O-8: Edward A. McGough III	Dep Commandant	1
ALLIED COMMAND EUROPE		
Shape Hqs Casteau, Belgium:		
O-10: Russell E. Dougherty	Chief of Staff	3
O-8: William W. Wisman	Special Project Officer Static War Hqs	1
O-8: Richard F. Shaefer	Asst Chief of Staff, Operations	1
Allied Forces Southern Europe (AIRSOUTH) Naples, Italy:		
O-9: Joseph G. Wilson	Commander and Comdr, 16 AF	2
O-8: William H. Holt	Chief of Staff	1
6 Allied Tactical AF, Izmir, Turkey:		
O-9: Sanford K. Moats	Commander	2
Allied Forces Cen Europe (AFCENT) Brunsum, Holland:		
O-8: William E. Byran, Jr	Dep C/S Opns and Intel	1
Allied Forces Northern Europe (AF-North) Kolsaas, Norway:		
O-8: Kendall S. Young	Air Deputy	1

Footnote at end of table.

Grade and name of officer	Position of officer	Projected authorized/assigned enlisted aides as of June 30, 1974
EUROPEAN COMMAND, VAIHENGEN, GERMANY		
O-10: George J. Eade	Deputy Commander in Chief	3
O-8: Edward Ratkovich	Director, Intelligence	1
O-8: William R. Hayes	Deputy Director, Logistics	1
O-8: Foster L. Smith	Director, Plans and Policy	1
Military Assistance Advisory Group (MAAG), Rome, Italy:		
O-8: George M. Johnson, Jr	Chief	1
Military Assistance Advisory Group (MAAG), Iran:		
O-8: Devol Brett	Chief	1
JOINT NORTH AMERICAN AIR DEFENSE COMMAND (NARAD) AND CONTINENTAL AIR DEFENSE COMMAND (CONAD) ENT AFB, COLO.		
O-10: Lucius D. Clay, Jr	Commander in Chief and Comdr, Air Defense Command, ADC.	
O-8: John M. McNabb	DCS/Intelligence	1
O-8: James E. Paschall	DCS/Plans and Programs	1
21 NORAD (CONAD) Region Hancock Field N.Y.:		
O-8: Ray M. Robison, Jr	Commander	1
24 NORAD (CONAD) Region Malmstrom AFB, Mont.:		
O-8: Lawrence J. Fleming	Commander	1
25 NORAD (CONAD) Region McChord AFB, Wash.:		
O-8: Jack K. Gamble	Commander	1
PACIFIC COMMAND, PEARL HARBOR, HAWAII		
O-9: William G. Moore, Jr	Chief of Staff	2
O-8: Eugene F. Tighe, Jr	DCS/Intelligence	1
O-8: Lawrence F. Tanberg	Inspector General	1
U.S. Support Activities Group (USSAG) Nakhon Phanom airport, Thailand:		
O-10: Timothy F. O'Keefe	Comdr, USSAG and Comdr, 7 AF	3
UN Command/U.S. Forces, Seoul, Korea:		
O-9: John R. Murphy	Chief of Staff	2
Military Assistance Advisory Group (MAAG) Taipei, Taiwan:		
O-8: Slade Nash	Chief	1
ALASKAN COMMAND, ELMENMENDORF AFB, ALASKA		
O-9: James C. Sherrill	Commander in Chief and Commander Alaskan NORAD RGN.	2
U.S. READINESS COMMAND, MACDILL AFB, FLA.		
O-9: Ernest C. Hardin, Jr	Dep Commander in Chief	2
O-8: Woodard E. Davis, Jr	Director, Plans and Policy	1
U.S. SOUTHERN COMMAND, QUARRY HEIGHTS, PANAMA		
O-8: John B. Henry, Jr	Chief of Staff	1
Miscellaneous:		
O-8: Walter R. Tkach	Surgeon to the President, Washington, D.C	1
CHIEF OF STAFF, USAF, WASHINGTON, D.C.		
O-10: George S. Brown	Chief of Staff, USAF	5
O-10: Richard H. Ellis	Vice Chief of Staff, USAF	3
O-9: Duward L. Crow	Asst Vice Chief of Staff, USAF	2
O-8: Homver I. Lewis	Air Force Reserve Chief and Comdr	1
O-8: Roy M. Terry	Chief of Chaplains	1
Comptroller of the Air Force:		
O-9: Joseph R. DeLuca	Comptroller	2
Asst Compt for Audit and Comdr AF Audit Agency, Norton AFB, Calif.:		
O-8: Henry Simon	Asst Comptroller	1
Inspector General:		
O-9: Gerald W. Johnson	Inspector General	2
Deputy Inspector General, Norton AFB, Calif.:		
O-8: Ernest T. Cragg	Dep IG for Inspection and Safety and Comdr. AF Inspection and Safety Center	1
Surgeon General:		
O-9: Robert A. Patterson	Surgeon General, USAF	2
O-8: Maxwell W. Steel, Jr	Dep. Surg. General	1
Deputy Chief of Staff/Personnel:		
O-9: John W. Roberts	DCS/Personnel	2
O-8: Ray M. Cole	Asst DCS/Personnel	1
AF Military Personnel Center, Randolph AFB, Tex.:		
O-8: Travis R. McNeil	Asst DCS/Personnel for Mil Pers and Comdr, AF Military Personnel Center.	1
Deputy Chief of Staff/Plans and Operations:		
O-8: James E. Hill	Asst DCS/Plans and Operations	1
O-8: Charles I. Bennett, Jr	Dep Director of Plans	1
AF Test and Evaluation Center, Kirtland AFB, N. Mex.:		
O-8: John J. Burns	Commander	1
Deputy Chief of Staff/Programs and Resources:		
O-9: Goerge S. Boylan, Jr	DCS/Programs and Resources	2
O-8: William W. Berg	Asst DCS/Programs and Resources	1
O-8: James A. Hill	Dir of Programs	1
O-8: Maurice R. Reilly	Dir of Civil Engineering	1
Deputy Chief of Staff/Systems and Logistics:		
O-9: William W. Snavely	DCS/Systems and Logistics	2
Deputy Chief of Staff/Research and Development:		
O-9: William J. Evans	DCS/Research and Development	2

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[1] Nominated for promotion to major general on Feb. 6, 1974.

Note: The above allocation leaves 11 enlisted aide authorizations for brigadier generals. The specific O-7 positions will be designated at a later date. There are no enlisted aides on standby or in training. The above list represents general officer positions and incumbents as of Jan. 25, 1974, including known projected reassignments and retirements as of that date. Also included are 11 major general nominees expected to be promoted when confirmed by the Senate. Actual allocations on June 30, 1974, could vary due to retirements, reassignments, promotions or transfers to/from public quarters.

UNITED STATES MARINE CORPS

Grade and name of officer	Position of officer	Projected authorized/assigned enlisted aides as of June 30, 1974
O-10: Cushman, Robert E., Jr	Commandant of the Marine Corps, Washington, D.C.	5
O-10: Anderson, Earl E	Assistant Commandant of the Marine Corps, Washington, D.C.	3
O-9: Robinson, Wallace H., Jr	Director, Defense Supply Agency, Alexandria, Va.	2
O-9: Axtell, George C	Commanding General, Fleet Marine Force, Atlantic, Norfolk, Va.	2
O-9: Keller, Robert P	Commanding General, Marine Corps Development and Education Command, Quantico, Va.	2
O-9: Lahue, Foster C	Chief of Staff, Headquarters Marine Corps, Washington, D.C.	2
O-9: Wilson, Louis H., Jr	Commanding General, Fleet Marine Force, Pacific, Honolulu, Hawaii.	2
O-9: Beckington, Herbert L	Deputy Chief of Staff for Plans and Operations, Headquarters Marine Corps, Washington, D.C.	2
O-8: McLaughlin, John N	Commanding General, 4th Marine Division, Camp Pendleton, Calif.	1
O-8: Fegan, Joseph C., Jr	Commanding General, Marine Corps Recruit Depot, San Diego, Calif.	1
O-8: Brown, Leslie E	Commanding General, Marine Corps Air Station, Cherry Point, N.C.	1
O-8: Miller, Thomas H., Jr	Commanding General, 2d Marine Aircraft Wing, Cherry Point, N.C.	1
O-8: Barrow, Robert H	Commanding General, Marine Corps Recruit Depot, Parris Island, S.C.	1
O-8: Houghton, Kenneth J	Commanding General, 1st Marine Division, Camp Pendleton, Calif.	1
O-8: Bohn, Robert D	Commanding General, Marine Corps Base, Camp Lejeune, N.C.	1
O-8: Jones, James R	Commanding General, Marine Corps Supply Activity, Philadelphia, Pa.	1
O-8: Snowden, Lawrence F	Chief of Staff, U.S. Forces, Japan, Honshu, Japan.	1

ALLOCATION OF ENLISTED AIDES UNDER DOD 675 CEILING TO BE EFFECTIVE JUNE 30, 1974—Continued

UNITED STATES MARINE CORPS—Continued

Grade and name of officer	Position of officer	Projected authorized/assigned enlisted aides as of June 30, 1974
0-7: Taylor, Robert W	Commanding General, 3d Marine Aircraft Wing, El Toro, Calif.	1
0-7: Lanagan, William H., Jr	Commanding General, 2d Marine Division, Camp Lejeune, N.C.	1
0-7: Berge, James H., Jr	Commanding General, 4th Marine Aircraft Wing, Glenview, Ill.	1
0-7: Nichols, Robert L	Commanding General, Marine Corps Base, Camp Pendleton, Calif.	1
0-7: Quinn, William R	Commanding General, Marine Corps Air Station, El Toro, Calif.	1

Note: The Marine Corps will have no public quarters enlisted aides in training or a stand-by status. No such assignments are reflected in the above listing and no such assignments are uthorized.

Mr. PROXMIRE. Mr. President, perhaps my colleagues would be interested in knowing how many servants are located in their States.

It will only take a minute to list them. Alabama has 8, Alaska 4, Arizona 2, California 39, Colorado 17, Kansas 4, Kentucky 3, Louisiana 7, Maryland 21, Massachusetts 3, Michigan 2, Minnesota 1, Mississippi 2, Missouri 2, Montana 1, Nebraska 15, Nevada 1, New Jersey 7, New Mexico 4, New York 11, North Carolina 8, Ohio 15, Oklahoma 1, Pennsylvania 4, Rhode Island 3, South Carolina 4, Tennessee 1, Texas 22, Utah 1, Virginia 50, Washington 4, and the District of Columbia with 189. Any unmentioned States, such as Wisconsin, have none.

Mr. President, I ask unanimous consent that a list of military servants by State be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

OFFICERS AND SERVANTS ASSIGNED

ALABAMA

Felix M. Rogers, 2.
James V. Hartinger, 1.
John P. Flynn, 1.
Vincent H. Ellis, 1.
William J. Maddox, Jr., 1.
Bates C. Burnell, 1.
Albert R. Escola, 1.

ALASKA

Charles W. Carson, Jr., 1.
James C. Sherrill, 2.
Sidney M. Marks, 1.

ARIZONA

Jack A. Albright, 1.
Harry H. Hiestand, 1.

ARKANSAS

None.

CALIFORNIA

William F. Pitts, 2.
Charles F. Minter, Sr., 1.
John W. Pauly, 1.
John F. Gonge, 1.
Ralph S. Saunders, 1.
Howard M. Lane, 1.
Jessup D. Lowe, 1.
George W. McLaughlin, 1.
Henry Simon, 1.
Gerald W. Johnson, 2.
Ernest T. Cragg, 1.
Omar N. Bradley, 3.
Elvy B. Roberts, 2.
Robert G. Gard, Jr., 1.
Albert E. Milloy, 1.
Orvil C. Metheny, 1.
Robert M. Mullens, 1.
Joseph B. Starker, 1.
George S. Woodard, Jr., 1.
Robert S. Salzer, 2.
Robert B. Baldwin, 2.
Mason B. Freeman, 1.
Fillmore B. Gilkeson, 1.
Mark W. Woods, 1.
Martin D. Carmody, 1.
Ward S. Miller, 1.
John N. McLaughlin, 1.
Joseph C. Fegan, Jr., 1.
Kenneth J. Houghton, 1.
Robert W. Taylor, 1.
Robert L. Nichols, 1.
William R. Quinn, 1.

COLORADO

Charles C. Pattillo, 1.
Royal N. Baker, 2.
Kenneth C. Dempster, 1.
Otis C. Moore, 1.
Albert P. Clarke, 3.
Lucius D. Clay, Jr., 3.
John M. McNabb, 1.
James E. Paschall, 1.
James F. Hamlet, 1.
Raymond P. Murphy, 1.
John K. Singlaub, 1.
James A. Wier, 1.

CONNECTICUT

None.

DELAWARE

None.

FLORIDA

Henry B. Kucheman, Jr., 1
Kenneth R. Chapman, 1
Ernest C. Hardin, Jr., 2.
Woodard E. Davis, Jr., 1.
Bruce Palmer, Jr., 3.
John S. Lebson, 1.
Malcolm W. Cagle, 2.

GEORGIA

Robert E. Hails, 1.
Earl O. Anderson, 1.
Walter T. Kerwin, Jr., 3.
Donn R. Pepke, 2.
Salve H. Matheson, 1.
Charles R. Myer, 1.
Thomas M. Tarpley, 1.

HAWAII

John W. Vogt, Jr., 3.
Carlos M. Talbott, 2.
Winton W. Marshall, 1.
Ralph T. Holland, 1.
William G. Moore, Jr., 2.
Eugene F. Tighe, Jr., 1.
Lawrence F. Tanberg, 1.
Carl W. Hughes, 1.
Robert M. MacKinnon, 1.
Andrew J. Gates, 1.
Maurice F. Weisner, 3.
William T. Rapp, 2.
William R. St. George, 2.
Parker B. Armstrong, 1.
Frank O. McMullen, Jr., 1.
Richard A. Paddock, 1.
Louis H. Wilson, Jr., 2.

IDAHO

None.

ILLINOIS

Paul K. Carleton, 3.
Jay T. Robbins, 2.
William A. Dietrick, 1.
Alden G. Glauch, 1.
Thomas A. Aldrick, 1.
Warner E. Newby, 1.
Frank W. Elliott, Jr., 1.
William B. Fulton, 1.
John C. Raaen, Jr., 1.
James C. Smith, 1.
John D. H. Kane, Jr., 1.
James H. Berge, Jr., 1.

INDIANA

Eugene J. Forrester, 1.

IOWA

None.

KANSAS

John H. Cushman, 2.
Gordon J. Duguemin, 1.
Dennis D. McAuliffe, 1.

KENTUCKY

Sidney B. Berry, 1.
William S. Coleman, 1.
Donn A. Starry, 1.

LOUISIANA

Richard M. Hoban, 2.
Eugene A. Steffes, Jr., 1.
Charles E. Sragin, 1.
Damon W. Cooper, 2.
Robert E. Riera, 1.

MAINE

None.

MARYLAND

Samuel C. Phillips, 3.
John B. Hudson, 2.
Vernon R. Turner, 1.
Robert T. Marsh, 1.
Lew Allen, Jr., 2.
Glenn D. Walker, 2.
William H. Blakefield, 1.
Charles P. Brown, 1.
Herbert E. Wolff, 1.
Lloyd J. Faul, 1.
Albert Redman, Jr., 1.
William P. Mack, 4.
Roy M. Isaman, 1.

MASSACHUSETTS

Albert R. Shiely, Jr., 1.
Morgan G. Reseburough, 1.
Richard E. Rumble, 1.

MICHIGAN

Robert J. Baer, 1.
Joseph E. Pieklik, 1.

MINNESOTA

Thomas H. Barfield, 1.

MISSISSIPPI

Bryan M. Shotts, 1.
Charles C. Noble, 1.

MISSOURI

Frank A. Hinrichs, 1.
Robert P. Young, 1.

MONTANA

Lawrence J. Fleming, 1.

NEBRASKA

John C. Mayer, 3.
James M. Keek, 2.
Martin O. Colladay, 1.
Ray B. Sitton, 1.
Edgar S. Harris, Jr., 1.
Andrew B. Anderson, Jr., 1.
Eugene L. Hudson, 1.
Harry M. Darmstandles, 1.
John R. Hinton, Jr., 1.

Billy J. Ellis, 1.
Gerald E. Miller, 2.

NEVADA

Gordon F. Blood, 1.

NEW HAMPSHIRE

None.

NEW JERSEY

Lester T. Kearney, Jr., 1.
Albert B. Crawford, Jr., 1.
Hugh F. Foster, Jr., 1.
Thomas V. Greer, 1.
Harold A. Kissinger, 1.
Patrick W. Powers, 1.
Dorward W. Ogden, Jr., 1.

NEW MEXICO

Thomas W. Morgan, 1.
Donald G. Nunn, 1.
John R. Burns, 1.
Arthur H. Sweeney, Jr., 1.

NEW YORK

Ray M. Robinson, Jr., 1.
William A. Knowlton, 3.
Richard H. Groves, 1.
Oliver D. Street III, 1.
Philip R. Feir, 1.
Richard C. Morton, 1.
Joseph P. Moorer, 2.
William M. Pugh II, 1.

NORTH CAROLINA

Richard J. Seitz, 2.
Frederick J. Kroesen, Jr., 1.
Michael D. Healy, 1.
Leslie E. Brown, 1.
Thomas H. Miller, Jr., 1.
Robert D. Bohn, 1.
William H. Canagan, Jr., 1.

NORTH DAKOTA

None.

OHIO

James T. Stewart, 2.
Douglas T. Nelson, 1.
Benjamin N. Bellis, 1.
Abner B. Martin, 1.
Jack J. Catton, 3.
Edmund F. O'Connor, 2.
George Rhodes, 1.
Edward A. Rafalko, 1.
James A. Bailey, 1.
Herbert J. Gavin, 1.
Frank J. Simokaitis, 1.

OKLAHOMA

David E. Ott, 1.

OREGON

None.

PENNSYLVANIA

Franklin M. Davis, Jr., 2.
Joseph L. Coleman, 1.
James R. Jones, 1.

RHODE ISLAND

Stansfield Turner, 3.

SOUTH CAROLINA

James D. Hughes, 1.
Robert C. Hixon, 1.
Graham Tahles, 1.
Robert H. Barrow, 1.

SOUTH DAKOTA

None.

TENNESSEE

Albert M. Sackett, 1.

TEXAS

Robert W. Maloy, 1.
William V. McBride, 2.
Alton D. Slay, 1.
Robert L. Petit, 1.
George E. Schafer, 1.
William A. Jack, 1.
Walter T. Galligan, 1.
Travis R. McNeil, 1.
Allen M. Burdett, Jr., 2.
George P. Seneff, Jr., 2.
Robert L. Fair, 1.
C. J. Levan, 1.
Spurgeon H. Neel, Jr., 1.
Robert M. Shoemaker, 1.
Winant Sidle, 1.
Edward H. Vogel, Jr., 1.
Robert M. Hardaway III, 1.
Herbert J. McChrystal, Jr., 1.
James Ferris, 1.

UTAH

Bryce Poe II, 1.

VERMONT

None.

VIRGINIA

Robert J. Dixon, 3.
Dale S. Sweat, 2.
James A. McKnight, Jr., 1.
William E. DePuy, 3.
Henry A. Miley, Jr., 3.
Walter P. Leber, 2.
Orwin C. Talbott, 2.
Woodrow W. Vaughan, 2.
Jack C. Fuson, 1.
George A. Godding, 1.
Edwin M. Graham, Jr., 1.
Harold G. Moore, 1.
Harold R. Parfitt, 1.
Dean Van Lydegraf, 1.
Elmer R. Ochs, 1.
Ralph W. Cousins, 3.
Frederick H. Michaelis, 2.
Frank W. Vanroy, 2.
Julien J. LeBourgeois, 2.
Robert L. J. Long, 2.
Douglas C. Plate, 2.
John G. Finnesan, 2.
Roy G. Anderson, 1.
Julian T. Burke, Jr., 1.
Ralph S. Wentworth, Jr., 1.
Jeremiah A. Denton, Jr., 1.
Wallace H. Robinson, Jr., 2.
George C. Axtell, 2.
Robert P. Keller, 2.

WASHINGTON

Jack K. Gamble, 1.
John Q. Henion, 1.
William H. Meroney, III, 1.
Thomas E. Bass, III, 1.

WEST VIRGINIA

None.

WISCONSIN

None.

WYOMING

None.

WASHINGTON, D.C.

John D. Wemel, 2.
Raymond E. Peet, 2.
Harold E. Shear, 2.
Frederick J. Harfinger II, 2.
David H. Bagley, 2.
George C. Talley, Jr., 2.
William D. Houser, 2.
Frank H. Price, Jr., 2.
William J. Moran, 2.
Marmaduke G. Bayne, 2.
Kenneth R. Wheeler, 2.
Donald L. Custis, 2.
Thomas B. Hayward, 2.
Thomas R. Wesehler, 2.
Oliver H. Perry, Jr., 2.
Arthur G. Esel, 1.
Edwin K. Snyder, 2.
Earl F. Reetanus, 2
Robert E. Cushman, Jr., 5.
Earl E. Anderson, 3.
Foster C. Lahue, 2.
Herbert L. Beekington, 2.
Creighton W. Abrams, 5.
Frederick C. Weyand, 3.
Donald H. Cowles, 2.
Phillip B. Davidson, Jr., 2.
John R. Deane, Jr., 2.
Edward M. Glanagan, Jr., 2.
William C. Gribble, Jr., 2.
Fred Kosnet, Jr., 2.
Herron N. Maples, 2.
William W. Potts, 2.
Bernard W. Rogers, 2.
Edward C. Rowney, 2.
Richard R. Taylor, 2.
Vernon A. Walters, 2.
Walter J. Woolwine, 2.
Harold R. Aaron, 1.
George S. Beatty, Jr., 1.
Robert Bernstein, 1.
Frederick E. Davison, 1.
Henry R. DelMar, 1.
Thomas H. Tackaberry, 1.
Thomas H. Moorer, 5.
Elmo R. Zumwalt, Jr., 5.
Isaac C. Kidd, Jr., 3.
James L. Holloway III, 3.
Vincent de Poix, 2.
Eugene P. Wilkinson, 2.
Jerome H. King, Jr., 2.
John L. Locke, 1.
Daniel James, Jr., 2.
Warren D. Johnson, 2.
Joseph J. Cody, Jr., 1.
Donald H. Ross, 1.
Abraham J. Dreiseszun, 1.
Louis T. Seith, 2.
Colin C. Hamilton, Jr., 1.
Theodore R. Milton, 3.
Edward A. McGough III. 1.
Walter R. Tkach, 1.
George S. Brown, 5.
Richard H. Ellis, 3.
Duward L. Crow, 2.
Homer I. Lewis, 1.
Roy M. Terry, 1.
Joseph R. Deluca, 2.
Robert A. Patterson, 2.
Maxwell, W. Steel, Jr., 1.
John W. Roberts, 2.
Ray M. Cole, 1.
James E. Hill, 1.
Charles I. Bennett, Jr., 1.
George S. Boylan, Jr., 2.
William W. Berg, 1.
James A. Hill, 1.
Maurice R. Reilly, 1.
William W. Snavely, 2.
William J. Evans, 2.

BELGIUM

Russell E. Dougherty, 3.
William W. Wisman, 1.
Richard F. Shaefer, 1.
Walter E. Lotz, Jr., 2.
George G. Cantlay, 1.
Charles S. Minter, Jr., 2.

BRAZIL

Maurice W. Kendall, 1.
Carl T. Hanson, 1.

CAMBODIA

William W. Palmer, 1.

ENGLAND

Evan W. Rosencrans, 1.
Worth H. Bagley, 3.
William H. Livingston, 1.

ETHIOPIA

Harold D. Yow, 1.

EUROPE

Arthur J. Gregg, 1.
Andrew J. Goodpastor, 3.
Melvin Zais, 3.
George S. Blanchard, 2.
Arthur S. Collins, 2.
William R. Desobry, 2.
John D. McLaughlin, 2.
John Norton, 2.
Howard W. Penney, 2.
James W. Sutherland, Jr., 2.
Robert C. Taber, 2.
Jonathon R. Burton, 1.
Thomas E. Fitzpatrick, Jr., 1.
William R. Kraft, Jr., 1.
Joseph C. McDonough, 1.
Rolland V. Heiser, 1.
Sam S. Walker, 1.
Clay T. Buckingham, 1.
Wallace H. Nutting, 1.
Milton E. Key, 1.
Willard Latham, 1.
James A. Munson, 1.
Willard W. Scott, 1.
Charles R. Sniffin, 1.
Robert D. Stevenson, 1.
Richard W. Swenson, 1.
Orville L. Tobiason, 1.

EUROPE—continued

Charles M. Hall, 1.
John G. Appel, 1.
George S. Patton, 1.

GERMANY

David C. Jones, 3.
Louis K. Wilson, Jr., 2.
Wilbur L. Creech, 1.
Edwin W. Robertson II, 1.
John C. Giraudo, 1.
George J. Eade, 3.
Edward Ratkovich, 1.
William R. Hayes, 1.
Foster L. Smith, 1.
Michael S. Davidson, 3.
William W. Cobb, 1.
Jack J. Wagstaff, 1.
James W. Nance, 1.

GREECE

Carles W. Ryder, Jr., 1.
Frederick C. Turner, 1.

GUAM

George H. McKee, 2.
George S. Morrison, 1.

HOLLAND

William E. Bryan, Jr., 1.

ICELAND

Samuel M. Cooley, Jr., 1.

IRAN

Devol Brett, 1.

ITALY

Joseph G. Wilson, 2.
William W. Holt, 1.
George M. Johnson, Jr., 1.
Wilber H. Vinson, Jr., 1.
Means Johnston, Jr., 3.
Daniel J. Murphy, 2.
Pierre N. Charbonnet, Jr., 1.

JAPAN

Robert E. Pursley, 2.
Edward P. McNeff, 1.
Welborn G. Dolvin, 2.
George P. Steele II, 2.
James D. Donaldson, Jr., 1.
William H. Rogers, 1.
Lawrence F. Snowden, 1.

KOREA

John R. Murphy, 2.
Richard G. Stilwell, 3.
James F. Hollingsworth, 2.
Richard T. Knowles, 2.
Hubert S. Cunningham, 1.
Henry E. Emerson, 1.
William E. McCleod, 1.
John J. Koehler, Jr., 1.
Frederick C. Krause, 1.
Henry S. Morgan, Jr., 1.

NORWAY

Kendall S. Young, 1.

OKINAWA

Bert A. David, 1.

PACIFIC

Donald V. Bennett, 3.
Robert R. Williams, 2.
John R. Guthrie, 1.
George L. Mabry, Jr., 1.
Wilbur C. Weaver, 1.

PANAMA

Arthur G. Salisbury, 1.
John B. Henry, Jr., 1.
William B. Rosson, 3.
Robert H. Blount, 1.

PUERTO RICO

James D. Ramage, 1.

PHILIPPINES

Leroy J. Manor, 1.
Jack R. Sadler, 1.
Doniphan B. Shelton, 1.

PORTUGAL

Robert B. Erly, 1.

SPAIN

Salvador E. Felices, 1.

TAIWAN

Slade Nash, 1.
Philip A. Beshany, 2.

THAILAND

Jack Bellamy, 1.
Timothy F. O'Keefe, 3.
Ira A. Hunt, Jr., 1.
Thomas W. Mellen, 1.
John L. Osken, Jr., 1.

TURKEY

Arnold W. Braswell, 1.
Sanford K. Moats, 2.
Harris W. Hollis, 2.
James V. Galloway, 1.

VIETNAM

John E. Murray, 1.
Joseph R. Ulatoski, 1.

Mr. PROXMIRE. Mr. President, I also request unanimous consent that a list of U.S. military servants assigned to various foreign countries be printed in the RECORD.

There being no objections, the list was ordered to be printed in the RECORD, as follows:

MILITARY SERVANTS ASSIGNED

Officers:	*Servants*
BELGIUM	
Russell E. Dougherty	3
William W. Wisman	1
Richard F. Shaefer	1
Walter E. Lotz, Jr	2
George G. Cantlay	1
Charles S. Minter, Jr	2
BRAZIL	
Maurice W. Kendall	1
Carl T. Hanson	1
CAMBODIA	
William W. Palmer	1
ENGLAND	
Evan W. Rosencrams	1
Worth H. Bagley	3
William H. Livingston	1
ETHIOPIA	
Harold D. Yow	1
EUROPE	
Arthur J. Gregg	1
Andrew J. Goodpastor	3
Melvin Zais	3
George S. Blanchard	2
Arthur S. Collins	2
William R. Desobry	2
John D. McLaughlin	2
John Norton	2
Howard W. Penney	2
James W. Sutherland, Jr	2
Robert C. Taber	2
Jonathon R. Burton	1
Thomas E. Fitzpatrick, Jr	1
William R. Kraft, Jr	1
Joseph C. McDonough	1
Rolland V. Heiser	1
Sam S. Walker	1
Clay T. Buckingham	1
Wallace H. Nutting	1
Milton E. Key	1
Willard Latham	1
James A. Munson	1
Willard W. Scott	1
Charles R. Sniffin	1
Robert D. Stevenson	1
Richard W. Swenson	1
Orville L. Tobiason	1
Charles M. Hall	1
John G. Appel	1
George S. Patton	1
GERMANY	
David C. Jones	3
Louis K. Wilson, Jr	2
Wilbur L. Creech	1
Edwin W. Robertson II	1
John C. Giraudo	1
George J. Eade	3
Edward Ratkovich	1
William R. Hayes	1
Foster L. Smith	1
Michael S. Davidson	3
William W. Cobb	1
Jack J. Wagstaff	1
James W. Nance	1
GREECE	
Charles W. Ryder, Jr	1
Frederick C. Turner	1
GUAM	
George H. McKee	2
George S. Morrison	1
HOLLAND	
William E. Bryan, Jr	1
ICELAND	
Samuel M. Cooley, Jr	1
IRAN	
Devol Brett	1
ITALY	
Joseph G. Wilson	2
William W. Holt	1
George M. Johnson, Jr	1
Wilber H. Vinson, Jr	1
Means Johnston, Jr	3
Daniel J. Murphy	2
Pierre N. Charbonnet, Jr	1
JAPAN	
Robert E. Pursley	2
Edward P. McNeff	1
Welborn G. Dolvin	2
George P. Steele II	2
James D. Donaldson, Jr	1
William H. Rogers	1
Lawrence F. Snowden	1
KOREA	
John R. Murphy	2
Richard G. Stilwell	3
James F. Hollingsworth	2
Richard T. Knowles	2
Hubert S. Cunningham	1
Henry E. Emerson	1
William E. McCleod	1
John J. Koehler, Jr	1
Frederick C. Krause	1
Henry S. Morgan, Jr	1
NORWAY	
Kendall S. Young	1
OKINAWA	
Bert A. David	1
PACIFIC	
Donald V. Bennett	3
Robert R. Williams	2
John R. Guthrie	1
George L. Mabry, Jr	1
Wilbur C. Weaver	1
PANAMA	
Arthur G. Salisbury	1
John B. Henry, Jr	1
William B. Rosson	3
Robert H. Blount	1
PUERTO RICO	
James D. Ramage	1
PHILLIPINES	
Leroy J. Manor	1
Jack R. Sadler	1
Doniphan B. Shelton	1
PORTUGAL	
Robert B. Erly	1
SPAIN	
Salvador E. Felices	1
TAIWAN	
Slade Nash	1
Philip A. Beshany	2
THAILAND	
Jack Bellamy	1
Timothy F. O'Keefe	3
Ira A. Hunt, Jr	1
Thomas W. Mellen	1
John L. Osken, Jr	1
TURKEY	
Arnold W. Braswell	1
Sanfrod K. Moats	2
Harris W. Hollis	2
James V. Galloway	1

VIETNAM

John E. Murray	1
Joseph R. Ulatoski	1

THE MILITARY SERVANTS PROGRAM

Mr. PROXMIRE. Mr. President, just how did this military servants program come about? Existing legislation does not establish the practice of providing servants to our generals and admirals. It is a custom that has grown out of hand. It is an administrative practice sanctified by time and acceptance.

According to official regulations, enlisted aides are supposed to relieve the officer of minor details which if performed by the officer would be at the expense of his primary duties. The propriety of the duties involved is governed by the purpose they serve rather than the nature of the duties the Pentagon argues.

This regulation means than an officer can claim that any order serves a military purpose and then direct his servant to perform that duty. The decision about whether or not this is a legitimate request is made by the officer. In effect he is asked to check on himself. You can imagine how effective a restraint this is.

Let me give you a recent example. Capt. Paul T. Corrigan, Commander of U.S. Naval Activities, Rota, Spain, had a servant by the name of Seaman Ubina. Seaman Ubina soon found he was also working for the captain's wife and children.

One Sunday the captain's wife told Seaman Ubina, after church services:

"Where have you been young man? I need you at the house right now, quick."

Although this was his day off, Seaman Ubina worked that full day for a private party the family was putting on. He also worked on Saturday that weekend.

Captain Corrigan became unhappy with Seaman Ubina when he dared complain about the working conditions and his required service to the wife and children. Ubina asked to be transferred to other work and this was granted but not without a direct threat from the captain that he would not be able to enjoy a successful or productive career in the Navy.

The good captain followed this up by not letting Ubina take the next promotion examination for which he had studied for 6 months. And there the situation rests.

Now I ask any reasonable man. What chance does Seaman Ubina have against the Commander of U.S. Naval Activities in Rota. None. Not a chance. Not a prayer for justice.

This is why the servant business is so despicable.

It should be noted at this point that almost all the enlisted aides in the Navy are male Filipinos. The GAO found that the proportion was 98 percent.

Why are these Navy positions held by Filipinos? What is the rationale here? I ask my colleagues to provide one for me. The unfortunate truth is that the Navy brass has quietly insisted on Filipinos for these positions. The brass has a racial stereotype that these men are more docile and servant-like than other men. And easier to recruit for such positions.

This is not a pretty picture to describe but that is the truth of the matter. The Navy used Chinese on board ship and in quarters during World War I. Now they use Filipinos.

It is time that these Filipinos be given the opportunities of all other men in the service of our country. No longer should they be subject to ill treatment such as with Seaman Ubina. After all we are dealing with human beings. But too often those in high rank forget that.

JUSTIFICATION FOR HAVING MILITARY SERVANTS

How does the Pentagon justify these military servants? Let us go into each argument and I will demonstrate just how sterile, just how unbelievable they are.

The Pentagon makes the argument that military servants are necessary because generals and admirals have duties affecting the welfare of millions of men and women. They are said to be responsible for billions of dollars in materials and Government funds. Therefore, these men should not be required to take care of their personal laundry, cars, food, and homes.

Mr. President for those who would defend the use of military servants under this justification, I would ask do not Senators and Congressmen have similar responsibilities? Does not the Secretary of Defense or the Secretary of the Air Force, Army or Navy have responsibilities as great? What about the Justices on the Supreme Court?

Do mayors of this Nation's cities have large responsibilities? Do they not look after the welfare of millions and handle billions of dollars in Government funds?

And do they have servants provided to them at the expense of the taxpayers of the land? No, not one.

Perhaps the supporters of the military servant program would be willing to introduce legislation to authorize military servants for all taxpayers who have great responsibilities and handle large sums of money. Why should Senators not have servants?

The Pentagon also states that military servants are needed because these high-ranking officers work long hours.

Now I ask you: Are generals and admirals the only people in this country that work long hours? Do other citizens have to come home from a long day's work and do their own chores? Of course they do.

The brass would also have us believe that they need servants because of all the parties they have to put on. Think of that argument for a moment. Our mighty military machine demands servants because it has so many parties to give. What kind of a defense force do we have on our hands? What war are we preparing to win on the party circuit? Granted, sometimes official entertainment is required, but let that come on a case-by-case basis from a manpower pool of some type. They do not need permanent servants for parties, and if they do, something is drastically wrong with our concept of military preparedness.

The GAO found that generals and admirals want servants because they claim their wives have to attend social and military functions and take part in civic duties and charity work and therefore they cannot do the housework.

What makes military wives so special? Military wives are not the only women in this country that have social obligations and take part in civic and charity work. And yet the other women of America either manage to do their own housework or pay for it out of the family budgets. At the same time their tax dollars go for free servants for the brass. Is that fair?

The most recent argument in favor of military servants is that these unfortunate generals and admirals have the bad luck to be living in free housing. These spacious and sometimes quite elegant quarters need constant upkeep, the Pentagon states now. It is interesting to note that in the GAO questionnaire only 8 percent of the officers made that argument. Apparently it is now being emphasized by the Pentagon regardless of what the questionnaire turned up.

What other reasons have been given justifying military servants? Some generals have said they were bachelors and needed the help because they had no wives. Some said they had to host women's groups. Some said they were the only high-ranking officer in the area. Some said they had to promote good community relations. Imagine that—promoting good community relations by using taxpayers' money for their own private servants.

Well, the list of justifications goes on and on and each succeeding one becomes more ridiculous than the last. The servant program cannot be justified. That is the plain and simple answer.

During the Civil War the servant issue was clearly resolved. Chapter 200, 12 statute 594 provided:

> That whenever an officer of the Army shall employ a soldier as his servant he shall for each and every month during which said soldier shall be employed deduct from his own monthly pay the full amount paid to or expended by the government per month on account of said soldier.

If we had that law on the books today, you can bet that there would be no servant program. There are servants because the Pentagon provides servants free. We should return to the philosophy of the Civil War. Let the generals and admirals have servants if they want them. But make them pay for such service as other Americans have to.

CHANGES IN THE LAST 12 MONTHS

Mr. President, since I first talked on the subject well over a year ago, certain adjustments have been made in the servant program. These adjustments were made over a protesting Pentagon. They were made at the insistence of Congress.

First, the number of military servants was cut from 1,722 down to the present level of 675.

Last year on this very bill, I offered an amendment similar to the one up today which would completely eliminate all military servants. Since the Armed Services Committee had not had a chance to study this issue, a compromise was struck reducing the level to 218. The vote was 73 to 9 in favor of reducing the number of servants to 218. Unfortunately, in conference this number was raised to 675.

One year has gone by and the committee has had a chance to consider the issue. Therefore, I am now proposing that the entire program be eliminated.

Late in 1973 I asked the Secretary of Defense to make plans to phase out the servant program. The Department of Defense replied by saying that they will pursue consideration of all practical and appropriate alternatives within the level of effort authorized by the Congress.

In other words, do not count on the Pentagon to do anything more in this area. It is up to Congress.

In the interim, the Defense Department had issued new guidelines about using military servants. They said that servants no longer will be allowed to baby sit, take care of pets, repair private furnishings, repair motor vehicles or boats, wash and iron family clothes, chauffeur dependents for their personal benefit.

This new regulation is a remarkable admission. Only last year the Pentagon was denying that any of these things happened. Now they have revised the regulations to prohibit those activities that never were to have happened in the first place.

While the new regulations list a number of prohibitions, the list of approved jobs is almost open ended. Servants still are required to assist in all phases of party planning and service. They still tend bar for private parties. They still chauffeur. They still act as butler and receptionist. They still run errands. They still clean house. They still do the laundry. And except for the Marine Corps they still do gardening. In other words, they still are servants. Very little has changed.

And of course, the decision as to whether or not an activity is proper under these regulations continues to remain the discretionary judgment of the officer giving the order.

Mr. President, finally, we must have the strongest military force in the world. We need the best equipment, the best trained troops, the highest morale.

The use of servants only preserves the ancient vestiges of a racist class system and in the process hurts the morale of enlisted men who take pride in being free men fighting for a free country, because, as I pointed out previously, in the Navy, for example, these personnel are almost entirely Filipinos. The Navy has effectively had a policy of having Filipino servants. They consider them more docile and easier to use as servants—a terribly racist consequence.

Some of these enlisted men actually were assigned to their servant duties even though the program is supposed to be voluntary. The GAO has confirmed this illegal detailing.

We could propose new more restrictive legislation as to the use of military servants. We could insist that violators of the regulations be reprimanded. We could demand that only volunteers be required to serve in such positions. We could hope that the problems will recede and that the Pentagon will do a better job in the future.

But all of these alternatives would circumvent the basic issue. This country should not be in the servant business. Generals and admirals are well paid executives. They are no different in many respects from the leading civilian executives in the business world or in Government. They can afford to pay for their own servants if they want them.

They have special out-of-pocket party funds of up to $5,000 a year for meeting the requirements of entertainment. And many bases provide contingency funds for such occasions.

Why then should we allow this disgrace to go on for 1 month longer? It should be stopped. We can do that with a positive vote on this amendment.

Mr. HART. Will the Senator yield for a question?

Mr. PROXMIRE. Yes, I yield.

Mr. HART. I had not anticipated hearing the Senator. Over the weekend I was told that the U.S. Naval Academy has a policy of longstanding, I am sure, of Filipinos serving midshipmen.

If this is true, are we not permitting in at least that branch of the Defense Establishment almost the suggestion from the opening day of the Navy man's career that he can properly expect that kind of servant to be his reward upon the achievement of a certain rank? But, in the meantime, while he is in school we will provide them anyway.

If this practice goes on—I would hope it does not—in other military academies, can we not indicate pretty clearly that is what he can expect when he gets four stars if you treat him that way when he is just carrying books?

Mr. PROXMIRE. The Senator is so right. I could not agree more. I think it is going to be a corrupting influence on the future admirals and leaders of the Navy of this country.

What is more—and I am sure the Senator from Michigan more than, perhaps, any Member of this body is aware—it is really so demeaning to the men themselves who are serving as servants.

The fact that they are Filipinos, the fact that they are a group that is selected for this purpose, makes it much worse than if they simply took rank and file enlisted personnel, bad as that would be, and the demeaning effect on the personality and on the life of these men who serve in this capacity is one that I think we just cannot escape.

Mr. HART. I agree. But let us not get led over a cliff on that. It may be that the Filipinos could not be happier, as we were told certain other groups in this country could not have been happier. But, whether happy or not, let us get rid of this practice.

Mr. PROXMIRE. I agree with the Senator from Michigan. We have a number of letters from enlisted men themselves; we have letters from the GAO confirming that many of them are not happy at all. Many resent this service. They feel imposed upon. They cannot get out of it without having their career in the Navy ruined because they are subjected to the jurisdiction of very high ranking officers.

Mr. President, I reserve the remainder of my time.

Mr. STENNIS. Mr. President, I yield 5 minutes to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I realize that this is a controversial subject and a matter that is greatly misunderstood. I wish to make a few points here which I think might clarify the situation to some extent.

Present law limits the services of enlisted aides to official duties of the respective general or flag ranking officer.

Next, all segments of society have personnel to perform certain supportive functions necessary to various positions. For instance, the Congress has staff members to assist the Members of the Senate and the House in receiving visitors.

High officials of executive agencies have aides to assist in the conduct of their duties. Businessmen and attorneys have aides to assist in various duties. Ambassadors and Foreign Service officers have aides who assist in providing services to visitors, both foreign nationals and American citizens.

I oppose enlisted aides being used for personal matters, but I feel that many of our higher ranking officials, certain three- and four-star generals and admirals, need aides of some description to perform essential duties.

I would ask the question: If enlisted aides are eliminated, then is it planned to eliminate officer aides next?

Three- and four-star generals have served a long time before they attain this rank. They have tremendous responsibilities. They are corps commanders, Army commanders or have several armies under them, and it would not seem inadvisable to allow these people to have an enlisted aide to be of assistance to them, to relieve them of certain duties that they would have to perform themselves.

Mr. President, enlisted aides can usually perform these functions at a lesser cost than civilians or high-ranking military personnel.

It has been suggested that these men in uniform not perform these duties. But I heard an aide say once that the greatest experience he had was being around a four-star general; that he learned more than he would have learned in college; and he performed duties that helped him throughout his career. Merely the association with these people, and in assisting them and relieving them of details in performing functions that the general would have had to do without the aide, was of tremendous benefit to the general and also tremendous benefit to the aide.

Personally, I do not think aides ought to be personal aides, so to speak. But they ought to have official duties. However, they need these people, they need some enlisted aides, and they need officer aides, too.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. STENNIS. Mr. President, I yield 2 additional minutes to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I feel we are getting more for our money in taking some of these details from the shoulders of these 3- and 4-star generals and admirals than if we were to make them do these things themselves.

To my way of thinking, it is a good investment. It is not a matter of working people and degrading people. What better association could they have than an association with these intelligent people who worked their way up the ladder for 30 years; highly educated people, people who make decisions that affect thousands and thousands of people; people who give orders upon which thousands and thousands of troops will march at the giving of those orders.

I think it is important that we be reasonable about this matter and not say that no general and no admiral can have anybody to assist him to perform certain duties which would leave him free to do the big things and make the big decisions and perform the big responsibilities.

Mr. STENNIS. Mr. President, I yield myself 5 minutes.

This is partly a ceremonial function that these men perform as an aide. This comes down from George Washington, the first Commander in Chief of the Continental Army. He had these perquisites, and every succeeding general or admiral in a comparable place or something below that comparable place of George Washington has had those perquisites. They have official duties to perform, they have official entertainment to perform. I am not making excuses for them. You are not going to pollute them, not this easily anyway.

But this is a part of the protocol. I am not very familiar with it. I am not a general, and I have not been around many generals, but I know this is a part of the protocol. It is a part of the perquisites of these higher officers—and, by the way, they are mighty scarce down in Mississippi. We have only two down there. So this is not a local matter with me at all. We have some training bases for the Air Force, Army and Navy; they have a lot of sunshiny days down there. But this is a serious matter, and this amendment just totally knocks all of them out, abolishes them as if it were something evil and sinful, which it is not at all.

This aide service is something which encourages the wives to carry out their part all during these military careers, and they do have an essential part. It encourages them to perform their functions in the hopeful expectation of these promotions coming in time, and that they will have some of the things that go with the promotions.

We can argue here till doomsday about the numbers, but my point is, let us not just abolish an institution. I do not know; I would settle for some number. But I really do not want to see this thing just abolished as if it were a punishment on the military.

By the way, all these men are not friends of mine, but with all the shifting around and everything all of a sudden, we had to have a new chairman of the Joint Chiefs of Staff, and that called for a new Chief of Staff of the Air Force, and I do not know when I have been any more favorably impressed than I have been with the new men who were sent in to fill those highly responsible roles. Their training started away back. One was a nonacademy man, made Chief of Staff of the Air Force.

All their record of attainment, their reasoning—I remember what Senator Carl Hayden told me when I first came to the Senate. He said:

> Spend your first two years learning how to be a Senator.

They have spent all these 20-odd years learning how to be top officers, and I was proud of them and I predict for both outstanding accomplishments.

Now the Senator would come along and jerk the rug out from under them here, and they would not have anything to help them carry on. Every Senator on this floor who has taken part in the debate on this bill has had an aide here with him, if not two or three. Why? We have to have them. That is why they are here. They perform a highly important function. A Senator who tries to do everything himself is not much of a Senator.

We have some abuse of this privilege, but all of our officers, now, are going to have to do all this entertaining and all this protocol and everything else, and if their wives have to do it all, we are going to find a great letdown—a great letdown, a diminution of interest and in the attractiveness of the office.

I just hope the Senate will not adopt this amendment. Let us not kill this thing that does have a meaning—not much to us, maybe, but it certainly means a lot to them.

Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. The Senator from Mississippi has 18 minutes. The Senator from Wisconsin has 15 minutes.

Mr. STENNIS. I yield 9 minutes to the Senator from Georgia.

Mr. NUNN. Mr. President, I do not think I need that much time. I would like to just go back over, briefly, the history of this particular effort by the Senator from Wisconsin, because I think he has made a very diligent effort here, and he has pointed out some flaws in the system as it previously existed.

Until December 1972, there were 1,722 enlisted aides assigned in all services. In May of 1973, the Secretary of Defense reduced the authorization to 1,245, to be effective March 1, 1974.

In consideration of the fiscal year 1974 authorization bill, there was a ceiling established of 1,105 aides. I believe that was in the House Armed Services Committee.

Finally, in the House report accompanied by the authorization bill, a fiscal year 1974 ceiling of 675 was established by Congress. That was the result of a compromise between the House committee number of 1,105 and the bill as passed by the Senate last year, which contained an effective ceiling of 218.

So right now, Mr. President, we have a ceiling of 675. This represents a reduction in an 18-month period, of 61 percent, or 1,047. The amendment that the Senator from Wisconsin has now proposed is not an effort to reduce it further; it is an effort to knock it completely out, down to zero, down to not one single enlisted aide for the Chairman of the Joint Chiefs of Staff who hopefully will be confirmed in the next few days. We had him before the committee today. Not one single aide for the Chief of Staff of the Air Force, not one single aide for the Chief of Naval Operations, and not one single aide for the Chief of Staff of the Army, who is now in the hospital. So this is not an effort to effect a reduction, but an effort to go down to zero. I think that is something the Senate should keep in mind.

One thing the Senator from Wisconsin said, and I would like some clarification on this particular point because it is contradictory to the amendment itself, is that there ought to be some kind of pool, with a certain number of people in it, to perform these duties.

Mr. President, I would like to propose a substitute for the amendment of the Senator from Wisconsin which would provide exactly that. I would like to go back to the language of the Senate compromise last year, which was approved overwhelmingly, and which, by the way, resulted in a dramatic reduction from the House-proposed number of 1,105 down to a compromise in conference of 675.

This amendment in the nature of a substitute which I shall offer after time on the amendment has expired would be the exact amendment passed last year by the Senate by a vote of 73 to 9. I think it would comply with the effort of the amendment of the Senator from Wisconsin to reduce to a great degree the abuse that has obviously taken place, but not seek to go completely down to zero, because there are certain cases, as the Senator from South Carolina and the Senator from Mississippi have enumerated, where enlisted aides are essential and necessary.

I am not defending the present number or the age-old practice, but I am saying, as the Senator from Wisconsin has said, that we need to have some kind of pool here, and this amendment would, in effect, provide for a ceiling of 218. This, as I say, would be in the nature of a substitute for the amendment of the Senator from Wisconsin.

Mr. PROXMIRE Mr. President, will the Senator yield? Maybe we can work something out.

Mr. NUNN. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. Prior to our discussion on the Senate floor, we had an informal discussion, and I told the Senator I was reluctant to modify my amendment in accordance with his suggestion. But I wonder if it would be possible to modify the pending amendment a little to provide that there be a pool out of which these men could be assigned for specific purposes to assist with entertainment functions and that kind of thing.

What concerns me is that these men are assigned to a particular, specific admiral or general, and assigned to him as a man-servant, for 4, or 5, or 6 years, or even more. This seems to me to be what is fundamentally wrong with the system. I see the Senator's objections, and I realize there are heavy entertainment responsibilities, and so forth, but it would seem to me that if we could agree on a pool, we might have quite a different situation than with the present problem of an admiral more or less owning, in effect, an aide.

I might point out also to the distinguished Senator that this aide does not perform the kind of functions our staff assistants do. The admirals have captains, lieutenant commanders, and full lieutenants to do the speech writing, the clerical work, the mail answering, and so forth. That official service to me is fine; no one objects to that. We are talking about washing the dishes, cleaning the house, gardening, chauffeuring, and that type of responsibility.

Mr. NUNN. I think the Senator presents a good argument, and I do not offer any rebuttal to it. I would like to take a look at any kind of modification language the Senator might have, and have an opportunity to study it.

Mr. PROXMIRE. I thank the Senator.

Mr. NUNN. Mr. President, in concluding my brief remarks, perhaps we can get together on some kind of language that would be satisfactory. The substitute that I had planned to offer would cut the overall ceiling down to 218. This would be a reduction, a substantial reduction, from the present number of 675, and I think that it would accomplish the purpose that the Senator from Wisconsin has in mind without necessarily slapping in the face every high-ranking general and admiral that we have in the service today. I would certainly agree to look at any other language the Senator from Wisconsin (Mr. PROXMIRE) might have in mind for that purpose.

At this time, unless someone wants me to yield to them, and I would be glad to do so, otherwise I would like to suggest the absence of a quorum.

Mr. STENNIS. Mr. President, just acting on the spur of the moment here, I commend the Senator from Wisconsin for being willing to do something about this thing, stopping short of cutting it out altogether. The Senator from Georgia, the two of them together, have made a mighty appealing suggestion to me. To give them a chance to go to work on the language, we might have a quorum call here, to be charged to each side, and if they disagree on any language, we could let the matter go over until tomorrow; and if they have not agreed, then we would have 10 minutes to a side and then vote on it.

Mr. HART. Mr. President, will the Senator withhold that request for a moment?

Mr. STENNIS. Mr. President, I yield to the Senator from Michigan such time as he may need to make his proposition.

Mr. HART. If the Senator from Mississippi will temporarily withhold, as I understand it, there are two concerns. One is with respect to the number of Army, Navy, and airmen who will be put into a pool to do certain things for high-ranking officers. That is a numerical problem. The second problem is to make it clear that those functions shall not be assigned to them, such as, for example, cutting grass or washing dishes. That is the second aspect. I hope they attempt to respond to both of them.

The PRESIDING OFFICER (Mr. JOHNSTON). Is there objection to the unanimous-consent request for a call of the quorum?

Mr. STENNIS. Mr. President, I will state it this way, if I may restate it. I ask unanimous consent to suggest the absence of a quorum with the time to be charged to each side.

Mr. GOLDWATER. Mr. President, will the Senator from Mississippi withhold for a moment? I would like to make a few comments while the two Senators are conferring.

Mr. STENNIS. Mr. President, I yield 3 minutes to the Senator from Arizona.

Mr. GOLDWATER. I probably will not take that long.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 3 minutes.

Mr. GOLDWATER. Mr. President, I do not understand the concern of the Senator from Michigan relative to the various tasks to be assigned to enlisted men. While I recognize that the GAO has discovered, whether rightly or wrongly—and I do not have the faith in that office that some of my other colleagues have—that not all the enlisted people volunteer—in fact, I know that they do not—I would like to say that my experience shows most of these jobs are eagerly sought after by enlisted men who like to moonlight—not just moonlight for the extra buck that might be in it, but for the extra good food, the occasional "nip" that can be had on the side, and the chance to serve someone they may have great respect for and want to serve.

I would hate to see language come out that would preclude enlisted men from accepting an offer made by a general officer, an offer that would mean not only a little more prestige in the ranks but also a little more income for him.

I believe that this should be pretty much left up to the enlisted men. While it is probably true that some are assigned, it has been my experience that these jobs are eagerly sought after. So that I would hope we would not make it impossible for an enlisted man who, in effect, wants to moonlight like that, to be able to do so.

These are the only comments I have to make on the amendment.

Mr. PROXMIRE. Mr. President, will the Senator from Arizona yield on my time—and I will yield myself a couple of minutes.

Mr. GOLDWATER. I am happy to do so.

Mr. PROXMIRE. As I understand it, these are not moonlighters in the sense that they get extra money by working for a general or an admiral. I would have no objection to that. That should be encouraged. That is a good way for an enlisted man to pick up some extra money and enables the general or the admiral to get the help that they may need. That is good.

What I object to, and what the amendment is designed to prevent, is the permanent, full-time assignment of an enlisted man to a general or an admiral. Many of these enlisted men serve throughout their naval or military careers working simply as a servant and that is all they do. That is their full-time job.

It is that kind of thing that is wrong especially when they belong to a particular general or a particular admiral and are assigned to them on a permanent basis.

What we are trying to work out is a pool so that when these men are assigned, it will be on a temporary basis and for a particular function. In addition, any time a general or an admiral wants to hire extra assistance, of course he is free to do that with the enlisted personnel. There is nothing in this amendment that would prevent that.

Mr. GOLDWATER. I am glad to have that assurance. However, I should like to ask the Senator one question. What would it do to the Filipinos who now serve the White House and the Naval Academy? This is a full-time job with them although they carry enlisted rank.

Mr. PROXMIRE. The Senator is right. That is another problem. But they would not be assigned by this amendment, because they are not on the permanent staff of a general or an admiral.

Mr. GOLDWATER. That is correct, but they are on the permanent staff of our Commander in Chief.

Mr. PROXMIRE. The Commander in Chief is not covered by this amendment.

Mr. GOLDWATER. I am glad to hear that.

Mr. HART. Mr. President, in fairness to the Senator from Arizona, before he arrived in the Chamber I had expressed some dismay, I guess, that we still do that and provide those facilities. I hope sooner or later that we will fix that.

Mr. STENNIS. Mr. President, I would suggest the absence of a quorum with the understanding that the time will be charged to each side.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator from Mississippi withhold that for a moment. And will the Senator from Wisconsin yield to me?

Mr. PROXMIRE. I yield 3 minutes to the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized for 3 minutes.

Mr. WILLIAM L. SCOTT. Mr. President, I appreciate the Senator's yielding to me. As you know I am a member of the Armed Services Committee and certainly want our Armed Forces to be second to no nation in the world. It is essential that we retain our military strength. However, where fat exists, whether in the military or in one of the executive departments of the Government, we must eliminate that fat. To have unnecessary expenditures in any department of Government, I believe, weakens our defense system.

We have a Defense budget for the coming fiscal year of approximately $87 billion and personnel costs are estimated to increase under that budget from 57 to 58 percent.

I am concerned about the continued increase in the cost of personnel. It seems to be in the national interest to look into every department of Government and see where we can eliminate waste. That should include the Department of Defense.

Mr. President, I believe that the argument made by the distinguished Senator from Wisconsin does have merit. While I would hope that some compromise will be reached on the matter, a compromise that will be carried to the other body by the conference committee and not be weakened in conference, I see no more need for the military to have servants than top officials in the civilian part of the Government.

I would therefore hope that we can eliminate the concept of any Government official having servants at taxpayers expense.

I therefore commend the distinguished Senator for the argument that he has made here. While I hate to disagree with the leadership of my own committee, I am inclined to support the amendment of the Senator from Wisconsin unless some compromise is reached.

Mr. PROXMIRE. Mr. President, I ask unanimous consent—because I understand that with the time limitation, I have to do so in order to modify my amendment—to modify my amendment to add at the end the following clause:

> Except for 218 such enlisted men assigned on a temporary basis by the Secretary of Defense to meet official responsibilities.

What that would do would be to compromise with the suggestion by the distinguished Senator from Georgia (Mr. NUNN) the notion that there would still be 218 men available; but they would not be assigned to specific, particular admirals or generals. They would simply be available to be assigned on a temporary basis to meet official and I stress official responsibilities. That would meet my principal purposes.

The PRESIDING OFFICER. Is there objection to the modification?

Mr. WILLIAM L. SCOTT. Mr. President, reserving the right to object, I wonder if the distinguished chairman of the Committee on Armed Services and the distinguished ranking member might indicate whether they would press for this amendment that is offered by the distinguished Senator from Wisconsin or whether it might be compromised away in the conference between the two bodies.

Mr. STENNIS. I yield myself 1 minute.

Mr. President, the Senate conferees always press, in every way they know how, for the Senate bill as passed, and that includes all amendments—big and small and important—and all amendments are important. There is no question about that. I do not think I could assure the Senator any further.

Mr. WILLIAM L. SCOTT. With that assurance, Mr. President, I withdraw my reservation.

The PRESIDING OFFICER. Is there objection to the modification?

Mr. THURMOND. Mr. President, the distinguished Senator from Mississippi has expressed my view.

The PRESIDING OFFICER. Is there objection to the modification of the amendment? The Chair hears none, and the amendment is so modified.

Mr. PROXMIRE. Mr. President, if the Senator from Mississippi wishes to yield back the remainder of his time, I will yield back the remainder of my time, and we can have a vote on the amendment.

Mr. STENNIS. I yield myself 1 minute.

Mr. President, I think the Senators have worked out not a compromise but a very fine amendment that has some substance, and I am going to support it.

Mr. HART. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield to the Senator from Michigan such time as he may require.

Mr. HART. Mr. President, I inquire of the coauthors of the amendment their concept, their intentions, their definition of "official duty."

We have been talking about the burden of entertainment, much of which is official. But there is also the casual house servant activity that some of these men heretofore have been engaged in, such as cutting the grass.

We know human nature, and it might be that a general would feel that he is going to have friends in tonight and the grass has to be cut this afternoon, and that is pretty official. That is not my notion of the function and the purpose of any man in the military. That gentleman can do what some of us do—hire a man or, as others do, cut the grass himself. If he is faced with big decisions, he has to let the grass wait.

Mr. PROXMIRE. I appreciate the Senator's question. I think the clarification will be of great help in providing for an amendment that means something and is effective.

I would say, for example, that official business and official responsibilities would refer to entertainment at parties which are official parties, to which other officials are invited, not private parties. I would say that chauffeuring would be an official responsibility that would be necessary and proper. But duties such as cleaning the house or doing the laundry or doing gardening or serving at strictly private parties is obviously and clearly not official.

Mr. HART. When the Senator indicated that chauffeuring would be official, he intended to refer to chauffeuring the officer around, not the family.

Mr. PROXMIRE. Exactly. Chauffeuring the officer on his official duties, not chauffeuring anybody else in the family and not chauffeuring the officer for purposes not related to the officer's duties.

Mr. STENNIS. I yield myself 1 minute.

Mr. President, I do not want to see this thing whittled away just by colloquy on the floor of the Senate. We still live in a time when someone has to cut the grass. That may be what is the matter with America now, that too many of us want the other fellow to cut the grass and wash the dishes.

I see the electric dishwashers. All one has to do is to press a button. How is anyone going to help at an official function if we are going to exclude washing the dishes?

I do not think we ought to whittle this away. This language has a meaning. No one has to go into the Army now. They are all volunteers. That is true of the other services.

Mr. PROXMIRE. I agree that if any of these functions are performed at an official affair of any kind, or for such an affair, obviously the Senator is correct. Someone has to serve the drinks and wash the dishes and clean up, serve the food, prepare the food for official functions. All of that would be official. But if this is done simply for the officer and his family, and personal friends, I would say it is not in accordance with the amendments. The officer and his family are free to hire outside help, or they can do it themselves.

It seems to me that this modification meets the only really legitimate requirement that the admiral or the general may have for a servant, because he has extraordinary responsibilities, and under those circumstances the military servant should be authorized to serve.

Mr. NUNN. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. NUNN. It is going to be almost impossible for us to define on the floor of the Senate the precise nature of every detail as to what is official, but I think that the spirit of this dialog certainly should be taken into consideration by the Department of Defense. I would think that, looking at legislative history, the momentum that this particular move has had over the past 2 years, the Secretary of Defense would do well to interpret this strictly, so that it does not become an excuse for one loophole after another.

I refer the Senator from Michigan and the Senator from Wisconsin to a letter from Assistant Secretary of Defense William K. Brehm to Chairman HÉBERT of the House Armed Services Committee. Mr. Brehm indicates in his letter some of the alternatives that have been looked at and says that there is an effort in DOD to go into this.

Rather than trying to define precisely the word "official," we should leave that to the judgment of the DOD and let them consider the dialog that has taken place here and the fact that there is a genuine interest in this matter on the floor of the Senate.

Mr. President, I ask unanimous consent to have printed in the RECORD the letter from Mr. William K. Brehm, Assistant Secretary of Defense for Manpower and Reserve Affairs, dated February 4, 1974, to Chairman HÉBERT.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., February 4, 1974.
Hon. F. EDWARD HÉBERT,
Chairman, Committee on Armed Services, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is to advise you of the current status of the enlisted aide program. Although the Congress has already significantly reduced the aide program by establishing a ceiling of 675 aides, we have reviewed the program to try to identify alternatives that could feasibly reduce further the number of enlisted aides.

In December 1972, there were 1722 enlisted aides assigned in all Services. In May 1973, the Secretary of Defense reduced the authorization to 1245, to be effective March 1, 1974. The HASC, in its consideration of the FY 1974 Authorization Bill, established a ceiling of 1105 aides. Finally, in the Conference Report accompanying the Authorization Bill, a FY 1974 ceiling of 675 was established by the Congress. In sum, the number of enlisted aides is being reduced by 1047 or 61% over an 18-month period. Under the 1105 ceiling established by your Committee, all generals and admirals occupying public quarters would have had at least one enlisted aide. Under the 675 ceiling, it will not be possible to authorize one aide to each general or admiral occupying public quarters.

Our review reaffirmed that the majority of public quarters occupied by general and flag officers are old and large, and assistance is required for their care and upkeep. Also, many general and flag officer representational requirements are such that these officers need assistance. The HASC report on the FY 74 Authorization Bill recognized the validity of both of these requirements. Along with essential external representations, generals and admirals seek to enhance morale and interpersonal communications within the military community by hosting appropriate social gatherings. These functions require assistance in quarters. The basic problem is how best to provide the required assistance. Our review concluded that enlisted aides can best provide this support. Compatibility with military environment, flexibility in work scheduling, and adaptability to varied duties are the more obvious advantages of using enlisted aides. The uncertain availability of qualified personnel on the civilian market and the inherent limitations regarding irregular workloads and knowledge of military customs, protocol and procedures make the use of civilian personnel less advantageous. In arriving at this general conclusion, alternatives for reducing the number of enlisted aides have been considered. These alternatives included: (1) replacement of old and large quarters, (2) use of civilian personnel including Civil Service, and (3) personal hire by generals and admirals through an increased compensation system.

Replacement of the old and large general/flag officer public quarters is not a realistic approach. It would be extremely costly, take considerable time to accomplish, and would not result in an immediate reduction in number of aides. Also, the DoD recognizes that primary efforts should be directed toward providing family housing for families of enlisted personnel and junior officers.

The employment of Civil Service personnel is a possible approach since there is no known legal bar to their employment as aides. Within the level authorized by the Congress, we plan to explore further the practicality of using Civil Service personnel (perhaps wage board employees) in lieu of enlisted aides. In examining this option, we will seek to determine the type of duties that could best be performed by civilian personnel. In addition, consideration will be given to expanded use, as appropriate, of direct-hire or indirect-hire foreign national employees in lieu of military enlisted aides overseas. Should this course of action be determined feasible, we would, of course, seek the prior approval of both the House and Senate Armed Services Committees.

The personal hire of individuals by general/flag officers who would be compensated with a personal money allowance or by reimbursement also has some potential. This would require specific statutory authority. Consideration will be given to requesting such statutory authority when the practicality of using civilians, as discussed above, has been determined.

In summary, general and flag officers in public quarters often need assistance to care for those quarters and to meet representational responsibilities. While there appear to be no reasonable actions that can be taken immediately to reduce the number of enlisted aides beyond the 61% reduction already in progress, there might be other means of reducing enlisted aides that can be implemented in the future. DoD will pursue consideration of all practical and appropriate alternatives within the level of effort authorized by the Congress.

Sincerely,

William K. Brehm.

Mr. PROXMIRE. I think the Senator's suggestion is very reasonable, except that I would not want to leave this completely to the judgment of the DOD, based on past performance, because they did provide regulations that no servants will any longer be allowed to babysit, take care of pets, but they permit them to do laundry and gardening and clean house.

The spirit of the suggestion of the Senator from Georgia, that "official" be construed strictly, would eliminate the kind of functions we have been discussing, unless they are directly connected with an official party or affair.

Mr. NUNN. I do not disagree with that. The Secretary of Defense would have to determine what an official party or affair is. I do believe that the legislative history indicates the Senator's intention in this matter, and it is the Senator from Wisconsin's amendment. I believe that the Secretary has been put on notice that the Senator from Wisconsin expects a rather studious approach to this matter and that frivolous activity is to be cut out.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, if the Senator from Mississippi will yield back the remainder of his time, I will yield back the remainder of my time.

Mr. STENNIS. I yield back the remainder of my time.

Mr. PROXMIRE. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from California (Mr. Cranston), the Senator from Arkansas (Mr. Fulbright), the Senator from Hawaii (Mr. Inouye), the Senator from Montana (Mr. Mansfield), the Senator from New Hampshire (Mr. McIntyre), the Senator from Alabama (Mr. Sparkman), the Senator from California (Mr. Tunney), the Senator from Texas (Mr. Bentsen), the Senator from Idaho (Mr. Church), the Senator from Massachusetts (Mr. Kennedy), the Senator from Missouri (Mr. Symington), the Senator from Maine (Mr. Hathaway), and the Senator from Minnesota (Mr. Mondale) are necessarily absent.

I further announce that the Senator from Utah (Mr. Moss) is absent on official business.

I further announce that, if present and voting, the Senator from New Hampshire (Mr. McIntyre) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Utah (Mr. Bennett), the Senator from Tennessee (Mr. Brock), the Senator from New York (Mr. Buckley), the Senator from New York (Mr. Javits), the Senator from Maryland (Mr. Mathias), and the Senator from Oregon (Mr. Packwood) are necessarily absent.

I further announce that the Senator from Oklahoma (Mr. Bartlett) and the Senator from Oklahoma (Mr. Bellmon) are absent attending a funeral.

The result was announced—yeas 73, nays 4, as follows:

[No. 222 Leg.]

YEAS—73

Abourezk
Aiken
Allen
Bayh
Beall
Bible
Biden
Brooke
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin

Fong
Gravel
Griffin
Gurney
Hart
Hartke
Haskell
Hatfield
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Jackson
Johnston
Long
Magnuson
McClellan
McGee
McGovern
Metcalf
Metzenbaum
Montoya
Muskie

Nelson
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
  William L.
Stafford
Stennis
Stevens
Stevenson
Taft
Talmadge
Thurmond
Tower
Weicker
Williams
Young

NAYS—4

Fannin
Goldwater

Hansen

McClure

NOT VOTING—23

Baker
Bartlett
Bellmon
Bennett
Bentsen
Brock
Buckley
Church

Cranston
Fulbright
Hathaway
Inouye
Javits
Kennedy
Mansfield
Mathias

McIntyre
Mondale
Moss
Packwood
Sparkman
Symington
Tunney

So Mr. Proxmire's amendment No. 1370, as modified, was agreed to.

AMENDMENT NO. 1378

Mr. HUMPHREY. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The second assistant legislative clerk proceeded to read the amendment as follows:

On page 17, between lines 20 and 21, insert a new section as follows:

"Sec. 703. Notwithstanding any other provision of law, no funds appropriated pursuant to this or any other act may be used for the purpose of carrying out research, testing, . . ."

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. There will be order in the Senate.

Mr. HUMPHREY. Mr. President, I will ask the clerk to reread the amendment, because it is an important one.

The second assistant legislative clerk read the amendment, as follows:

On page 17, between lines 20 and 21, insert a new section as follows:

"Sec. 703. Notwithstanding any other provision of law, no funds appropriated pursuant to this or any other act may be used for the purpose of carrying out research, testing, and/or evaluation of poisonous gases, radioactive materials, poisonous chemicals, biological or chemical warfare agents upon dogs."

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, I will take just a few minutes. I am offering this amendment, because there is a hue and cry in this country protesting what the Department of Defense is doing in relation to testing and evaluating poisonous gases, radioactive material, poisonous chemicals, germ warfare agents, and nerve gas on dogs. The military branches are continuing to use dogs extensively in "gas test programs" even though the public and Congress have complained about such research.

Now the U.S. Army, Edgewood Arsenal, Md., is advertising for 450 beagle puppies to be used to test poison gases.

I want to say, jocularly, that I served an administration in which beagle puppies were in the news. I remember when the President was scolded for picking one up by the ears. Here the Pentagon is using them for testing of poisonous gases or other materials.

Now I will be more serious.

An Army spokesman has replied to complaints about the Edgewood Arsenal use of beagle puppies by saying, "The dogs will not be exposed to nerve gas." The issue is not whether the dogs will be used to test war chemicals or not. The issue is the appalling nature of the suffering which the dogs must experience in tests of radioactivity and other "non-weapon" poisonous gases.

Beagles have frequently been used in various kinds of gas tests by the U.S. Army and U.S. Air Force. Just last fall the Air Force advertised their intent to purchase a supply of beagles to test the "effects of fluorocarbons, frezone, me-yl hydrazine, carbon monoxide, and hydrogen cyanide." All of the animals will be tested with these poisonous gases until they have died from the effects of the fumes. Why beagles? The answer given by the Department of Defense is that they are an "inexpensive, purebred animal."

Well, now, I may be a poor witness for this case, because I am prejudiced, but I had a beagle and her name was "Lady," and I am not about ready to serve in the U.S. Senate and let Lady's name be desecrated by the U.S. Army's testing of poisonous gases on beagle dogs.

Furthermore, it is just an outright shame that the Army and the Defense Department continue this kind of inhumane practice. I am the author of the humane slaughter bill in the Congress of the United States, and I remember protests saying they could not have that kind of legislation, that you just could not change what was going on in the slaughterhouse; but we did.

I hope to get the Senate to remind the Army, the Air Force, and other branches of the service that there are better ways of testing gases and radioactive particles than doing it upon dogs that are the pets of millions of children and their families in this country.

The DOD argues that its testing procedure is humane. It says that the dogs are "debarked" before the experiments through "a simple operation in which a small piece of cartilage is removed from their vocal cords." It is not clear whether elminating the dog's ability to bark is for the sake of the dogs or for the sake of the laboratory technicians who have to work with them.

Mr. President, what is it that makes it more humane when you debark a dog? The pain is there, the suffering, and the inhumanity of it all.

The procedure of testing and evaluating poisonous gases may be described as "humane" by DOD, but the results are devastatingly cruel. Mr. President, I ask unanimous consent that at the end of my remarks the scientific description of the behavioral changes, signs of illness, and finally death of beagles used in a test of MEA, a poisonous industrial chemical, be printed in the Record.

There being no objection, the scientific description was ordered to be printed in the Record, as follows:

[From the American Industrial Hygiene Journal, vol. 21, 1960, p. 374]

The Effects of Continuous Exposure to Animals to Ethanolamine Vapor

(By Morris H. Weeks, et al)

"The effects noted in three dogs (Nos. 177, 179 and 180) exposed to 102 ppm MEA for 30 days were quite marked. At this concentration MEA condensed on all surfaces causing the pelt to become wet, matted, and greasy. On the first day of exposure dogs showed immediate discomfort by an uneasy demeanor, scratching the chamber door, looking for rescue, panting, muzzle licking, and vigorous head-shaking. Within a few hours they were salivating and vomiting. They became progressively more restless and quarrelsome, fighting between periods of quiet. Within 24 hours of initiation of exposure all were depressed. Attempts to attract their attention by knocking on the chamber door (normally enough for enthusiastic response) produced no response other than eye shifting. Their apathy and depression progressed to lethargy in 48 hours. Their appetites were immediately affected, improved somewhat after three days, but were not good any time during exposure. Their feces began to soften on the sixth day and this condition progressed to diarrhea by the eighth day, but improved by the eighteenth day.

"Two dogs (Nos. 179, 180) developed moist rales by the middle of the second week. This was associated with a low-grade fever 103–104°), which ran a course of about two weeks. On several occasions dog No. 179 seemed moribund but recovered each time until the 25th day, when death occurred. Leg muscle tremors were noted in the dogs after about seventy hours; these increased variably in severity during the exposure.

"Headshaking by the animals at the beginning of the exposure contributed to hematomas (blood blisters) at the base of the ears and edema (swelling) at the ear margins. Though headshaking stopped after the fourth day, most of the ear margin tissue was necrotic (rotted) at the end of the experiments. The skin around the scrotum and sternum (genital organ and breast) became raw and sensitive about the fourth day of exposure. At these and other points, this condition gradually progressed to ulceration; by the ninth day the ulcers were covered by a thick black eschar (dead tissue). Soothing ointment did not seem to relieve the irritation. The areas of ulceration were (1) body-to-floor contact regions (sternum, scrotum, foot pads), (2) poorly aerated areas (major skin folds over joints, between toes, and under ears), and (3) skin tension areas (around eyes, nose). The feet of the two heavier dogs (Nos. 179 and 180) became so sensitive that they would not voluntarily walk.

Mr. HUMPHREY. Mr. President, when Senators read that, they will be ashamed that they ever permitted this Government to indulge in such things.

Some time back we had a Department of Health, Education, and Welfare which permitted people in Tuskegee to endure the ravages of syphilis simply because they wanted to see what would happen in the name of research. We have stopped that kind of inhumanity, and we are going to stop this one, too.

My amendment will provide the Department of Defense with a clear directive to stop the use of dogs for the testing of radioactive materials, poisonous chemicals and gases, and biological germ warfare agents.

As a matter of fact, we ought not to be testing these agents anyway. We have signed conventions and treaties to do away with most of the products that are used in what we call national security, gases, biological warfare.

How bad can we get? Not only have we signed treaties that eliminate the use of these weapons, but now we continue to test them and use a defenseless animal, an animal that has brought joy and happiness to millions of people. When we talk about dogs, we are not talking about rats and mice; we are talking about household pets.

I do not know how the rest of the Senate feels, but if the Department of Defense is so hard up for research techniques that it has to advertise for 450 beagle puppies to conduct its research, then we had better close down the research.

I do not have anything more to say except that I ask Senators to join me in support of this amendment.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield for a question?

Mr. HUMPHREY. Yes, I yield.

Mr. ROBERT C. BYRD. Would it be possible for us to agree to put this vote over until tomorrow?

Mr. HUMPHREY. Surely.

Mr. ROBERT C. BYRD. A good many Senators on both sides of the aisle had been told there would not be any more rollcall votes today. Had I known that the distinguished Senator desired a rollcall vote, I would have alerted them in a different manner. But for their protection, if we can agree on a time to vote tomorrow, I would be grateful.

Mr. HUMPHREY. May I say to the majority whip that it is perfectly agreeable with me. As a matter of fact, I brought this amendment up at this hour because I know it is not the most basic amendment on the bill, but it is a matter of some concern to me personally. I feel very strongly about it. But I thought we could dispose of it, take care of it as quickly as we could, and then get down to the more substantive provisions of this bill. But tomorrow, if the Senator can arrange a time, I am prepared at any time to vote on the amendment.

Mr. ROBERT C. BYRD. I thank the Senator.

ORDER FOR LIMITATION ON M'GOVERN AMENDMENT

Mr. ROBERT C. BYRD. May I ask the distinguished chairman of the committee and the distinguished ranking Member on the other side of the aisle whether the following agreement is satisfactory with them? I would ask unanimous consent that, if it is agreeable with the Senator from Minnesota and other Senators, there be a time limitation on the amendment by Mr. McGovern, amendment No. 1347, of 45 minutes to the side; that the Senate convene tomorrow at 10 o'clock; that at 10:30 the Senate resume the consideration of the pending bill, at which time the amendment by Mr. McGovern will be before the Senate, and the time on his amendment, totaling 1 hour and a half, will then begin to run; that upon the disposition of the amendment by Mr. McGovern, the third amendment by Mr. Proxmire, No. 1369, be made the pending question, on which there will be a limitation of 3 hours to be equally divided; and that upon the disposition of that amendment, the Senate then resume the consideration of the amendment of the distinguished Senator from Minnesota (Mr. Humphrey).

Mr. HUMPHREY. May I obtain the attention of the majority whip and that of the chairman of the Armed Services Committee, the distinguished Senator from Mississippi (Mr. Stennis).

I asked for the yeas and nays. My interest is not to see whether we would have a number of rollcalls. I am interested in the legislation. I would be perfectly willing to ask that the yeas and nays request be rescinded by showing that we were going to have a favorable vote here. I note that we would have been able to get a favorable vote, and I just wondered how the chairman of the committee felt. How does the chairman of the committee feel about this?

Mr. STENNIS. Mr. President, if I may respond, I have not had any chance—I do not think anyone has had any chance—to look into this matter at all. I feel that there is no alternative offered here. I feel that it ought to be looked into at least so that we can see what the services say about it. I would want time to present their view and, perhaps, the view of others, too.

I do not think here, late today, in view of what has been said, in effect, that we were not going to have any more votes, that we ought to vote on it now.

Mr. HUMPHREY. I was not seeking the yeas and nays.

Mr. STENNIS. I understand that.

Mr. HUMPHREY. May I say to the majority whip that the Senator worked it out the way he wishes. I shall not press for the yeas and nays tonight, but anytime tomorrow, we could do it the first thing in the morning so far as I am concerned.

Mr. ROBERT C. BYRD. May I say to the distinguished Senator that the Senator from South Dakota had been assured his amendment would be the first order of business tomorrow; the Senator from Wisconsin (Mr. Proxmire) had been told that his would follow the disposition of the amendment by the Senator from South Dakota, and it was only for those reasons that I suggest that the Senator from Minnesota's amendment would come up third tomorrow.

Mr. HUMPHREY. That is agreeable to me.

Mr. STENNIS. I have no objection to the amendment of the Senator from Minnesota coming after those other amendments. Fifteen minutes to each side.

Mr. HUMPHREY. Yes.

Mr. ROBERT C. BYRD. I modify my request accordingly, allowing 15 minutes to each side on the amendment of the Senator from Minnesota.

The PRESIDING OFFICER. Is there objection? Without objection, the unanimous-consent request is approved.

Mr. McGOVERN. Mr. President, I call up my amendment 1347.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 7, after line 23, add a new title as follows:

"TITLE VII—ECONOMIC CONVERSION DEMONSTRATION PROJECTS

"Sec. 701. (a) There is hereby established within the Department of Defense an office to be known as the Office of Economic Adjustment (hereinafter in this section referred to as the 'Office'). It shall be the function of the Office to carry out the provisions of this title, under the supervision and control of the Secretary of Defense.

"(b) There shall be at the head of the Office an officer to be known as the Director of the Office of Economic Adjustment (hereinafter in this section referred to as the 'Director'). The Director shall be appointed by the Secretary of Defense.

"Sec. 702. (a) There are authorized to be appropriated during the fiscal year ending June 30, 1975, the sum of $100,000,000 for the purpose of conducting economic conversion demonstration projects under this title.

"(b) Any contractor shall be eligible to participate in an economic conversion demonstration project under this title if such contractor, within the preceding twelve-month period, had in effect one or more contracts or subcontracts providing for the performance of services or the furnishing of materials or equipment for the Department of Defense, the total value of such contracts or subcontracts exceeded $10,000,000, and such contracts or subcontracts were completed, canceled or reduced, without replacement by similar contracts or subcontracts to produce a net reduction equal to more than 25 per centum of the dollar value of the contractor's business with the Department of Defense.

"Sec. 703. (a) Economic conversion demonstration projects under this title shall include the development and implementation by the contractor of a plan for utilizing plant, equipment, and personnel previously utilized in performing defense contracts or subcontracts in one or more of the following enterprises:

"(1) fuel efficient transportation systems, including mass transit and rail transportation systems;

"(2) construction of moderately priced housing; or

"(3) the development of any product or equipment or the sale of any service utilizing a new method or technology that will conserve fuels or other material in short supply or that will increase the feasibility of recycling any material in short supply.

"(b) Priority shall be given under this title to supporting economic demonstration projects that will:

"(1) utilize, to the greatest extent practicable, the existing equipment, facilties, and employees of a contractor;

"(2) have the greatest promise of long-term economic viability;

"(3) utilize or develop technologies that conserve fuel or other materials in short supply;

"(3) utilize or develop technologies that conserve fuel or other materials in short supply;

"(4) pursue unique products, technology, or production methods that are not direct competition with busines that are not eligible for assistance under this title; and

"(5) be located in areas with an unemployment rate of 8 percentum or greater or which are likely to become 8 per centum or greater as a consequence of the curtailment or cancellation of a defense contract.

"Sec. 704. In carrying out the provisions of this title the Director is authorized to:

"(1) make grants to any eligible contractor sufficient to cover up to 50 per centum of the cost of planning any economic conversion demonstration project;

"(2) make or guarantee low-interest, long-term loans for the purpose of assisting any eligible contractor to carry out an economic conversion demonstration project;

"(3) provide technical and managerial assistance to any eligible contractor to assist such contractor to plan or carry out an economic conversion demonstration project; and

"(4) prescribe such terms and conditions on assistance provided under the title as may be necessary to protect the interests of the United States and insure the success of the program authorized by this title.

"Sec. 705. In performing the duties assigned by this title, the Director is authorized to:

"(1) employ on a temporary basis, or contrast with, private firms or individuals with expertise which may be helpful in finding solutions to specific economic adjustment problems;

"(2) secure the assistance of other Federal agencies which administer economic development programs or conduct activities which might utilize the facilities or employ the manpower of contractors eligible for assistance under this title; and

"(3) transfer the authority to use funds provided under this title to the Secretary of Transportation, the Secretary of Housing and Urban Development, or to the head of any other department or agency of the Federal Government which has an operational program that would be useful in the planning and implementation of economic conversion demonstration projects."

On page 8, line 1, strike out "TITLE VII" and insert in lieu thereof "TITLE VIII".

Remember section 701 as section 801.

Mr. ROBERT C. BYRD. Mr. President, there will be no more rollcall votes today.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Wisconsin is temporarily laid aside, and the Senate will proceed to consider the amendment of the Senator from South Dakota.

Mr. McGOVERN. While we have Senators on the floor, I ask for the yeas and nays.

The yeas and nays were ordered.

ORDER FOR RECOGNITION OF SENATOR MONTOYA TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized on tomorrow under the standing order, the distinguished Senator from New Mexico (Mr. MONTOYA) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the recognition of Mr. MONTOYA tomorrow, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RESUMPTION OF THE UNFINISHED BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of routine morning business on tomorrow, the Senate resume the consideration of the unfinished business, S. 3000.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. It may be advisable to get a time limitation, if I may ask the distinguished chairman and ranking minority member of the Committee on Armed Services, on amendments to the amendments by Mr. McGOVERN and Mr. PROXMIRE. Do the Senators agree that we also ought to do that?

Mr. STENNIS. Well, I would say so. Thirty minutes?

Mr. ROBERT C. BYRD. Thirty minutes on each?

Mr. STENNIS. All right.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on any amendments that may be offered to the McGovern amendment and/or the Proxmire amendment, there be a time limitation on such amendments of 30 minutes, to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, according to the orders that have been entered, the Senate will convene tomorrow at the hour of 10 a.m.

After the two leaders or their designees have been recognized under the standing order, the Senator from New Mexico (Mr. MONTOYA) will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each.

At the conclusion of routine morning business, the Senate will resume the consideration of the unfinished business, S. 3000, the military procurement authorization bill. The pending question at that time will be on agreeing to the amendment (No. 1347) of the Senator from South Dakota (Mr. McGOVERN), on which there is a time limitation of 1 hour and 30 minutes; and the yeas and nays have been ordered on that amendment.

On the disposition of the amendment by Mr. McGOVERN, the Senate will take up the amendment (No. 1369) of the Senator from Wisconsin (Mr. PROXMIRE) having to do with an overall budget for intelligence activities. There is a 3-hour time limitation on that amendment, and undoubtedly yea and nay votes will occur thereon.

On the disposition of the amendment by Mr. PROXMIRE, the Senate will resume the consideration of the amendment that has been called up today by the Senator from Minnesota (Mr. HUMPHREY), on which there is a time limitation of 30 minutes. The yeas and nays have been ordered thereon, and therefore the Senate is assured of several rollcall votes on tomorrow. Other amendments will be called up during the day.

ADJOURNMENT TO 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in adjournment until 10 a.m. tomorrow.

The motion was agreed to, and at 5:53 p.m. the Senate adjourned until tomorrow, Tuesday, June 4, 1974, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate June 3, 1974:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Robert R. Elliott, of Virginia, to be General Counsel of the Department of Housing and Urban Development, vice James L. Mitchell, elevated.

INTERSTATE COMMERCE COMMISSION

Robert Coleman Gresham, of Maryland, to be an Interstate Commerce Commissioner for a term of seven years expiring December 31, 1981. (Reappointment)

FEDERAL MARITIME COMMISSION

James V. Day, of Maine, to be a Federal Maritime Commissiner for the term expiring June 30, 1979. (Reappointment)

IN THE AIR FORCE

The following officer to be placed on the Retired List in the grade indicated under the provisions of Section 8962, Title 10 of the United States Code:

To be general

Gen. Jack J. Catton, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

IN THE NAVY

Adm. Thomas H. Moorer, U.S. Navy, for appointment to the grade of admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

IN THE NAVY

The following-named U.S. Air Force cadets to be permanent ensigns in the line or Staff Corps of the Navy, subject to the qualification therefor as provided by law:

Robert R. Hood
Nathan O. Rosenberg

The following-named (Naval Reserve Officers' Training Corps candidates) to be permanent ensigns in the line or Staff Corps of the Navy, subject to the qualification therefor as provided by law:

Michael C. Braunbeck
Jeffrey J. Crews
Richard A. Davis
Charles W. Luck
William M. Richard
James H. Williams, Jr.
Vincent Papadopoli
Robert W. Thompson
Henry B. Tomlin III

William T. Ong (Naval Reserve officer) to be a permanent lieutenant in the Medical Corps of the Navy, subject to the qualification therefor as provided by law.

Harmon R. Joy to be reappointed from the temporary disability retired list as a permanent commander and a temporary captain in the line of the Navy, subject to the qualification therefor as provided by law.

The following-named U.S. Navy officers to be permanent commanders in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law:

Terrell D. Blanton
Donald R. Fowler
Donald J. Jarzynski
Kenneth L. Mayes
Francis W. Wachter

Ashton L. Graybiel, U.S. Navy officer, to be a temporary commander in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law.

Michael W. Oehler, U.S. Naval Reserve for temporary promotion to the grade of lieutenant in the line of the U.S. Navy, subject to the qualification therefor as provided by law.

Henry D. Haynes, U.S. Navy officer, to be a temporary commander in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law.

Francis K. Moll, Jr., ex-commander, U.S. Navy, to be a permanent commander in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law.

Noel C. Wilson, Jr., U.S. Navy officer, to be a temporary commander in the Dental Corps in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law.

William E. Strain, ex-U.S. naval Reserve officer, to be a permanent commander and a temporary captain in the line (merchant marine engineering) in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law.

EXTENSIONS OF REMARKS

FINANCIAL IRRESPONSIBILITY GRANDCHILDRENS' LEGACY

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, June 3, 1974

Mr. HARRY F. BYRD, JR. Mr. President, Congressman SAM STEIGER of Arizona wrote an interesting and enlightening article which appeared in the Arizona Weekly Gazette on April 16, 1974.

Congressman STEIGER correctly described the financial status of the Government as "precarious" and warned that sooner or later the Government will have to learn that you cannot spend what you do not have.

I commend Congressman STEIGER for his article. I note that he quotes with approval Senator BARRY GOLDWATER of Arizona on the subject of the Federal budget, and I want to add that Senator PAUL FANNIN, also of Arizona and my colleague on the Senate Finance Committee, also has long opposed irresponsible Federal spending.

These representatives of the State of Arizona are rendering splendid service in the effort to bring Federal spending under control.

I ask unanimous consent that the text of Congressman STEIGER'S article, "Financial Irresponsibility Grandchildren's Legacy," be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FINANCIAL IRRESPONSIBILITY GRANDCHILDREN'S LEGACY

(By Sam Steiger)

Yesterday at midnight—the 15th of April—when all of us pay or have paid our income taxes presents as good a time as ever to reflect on the precarious financial status of the federal government, recipient of all those hard-earned dollars.

The federal government has yet to accept the simple standard that all of the rest of us are forced to live by: You simply cannot spent what you don't have.

The budget submitted to Congress is a colossal example of just that: Not only "overspend" as an answer to all ills, but "spend more than you've got." Compounding the problem is the bureaucratic answer: "print more money."

The 304 billion dollar budget is not only the biggest in the history of this country, but the 30 billion dollar increase over last year reflects the biggest increase in peacetime history.

While I'm certainly appalled at the size of the figure, I'm even more shocked by some of the things the American taxpayers' money will be spent for.

Fortunately for the taxpayer, I'm not alone. Rep H. R. Gross (R-Iowa) has said, "But even a 10 billion dollar deficit means the nation is doomed to inflation." Sen. Harry Byrd, (Ind-Va.) says, "I submit that federal spending is out of control," and Sen. Barry Goldwater (R-Ariz.) submits, "I say to you very firmly that as a candidate and a senator I cannot live with the budget my president has submitted to Congress."

An enormous amount of this money will be pumped into federal programs allegedly in support of a number of worthy causes. The truth is only an infinitesimal amount of that money will ever reach the people it's supposed to help.

The vast majority will be tied up in the ever-growing bureaucratic structure and the red tape that goes with it, with the taxpayer carrying the crushing burden of waste in government.

We cannot continue to pay our bills with "printing press money" and we certainly cannot raise taxes the only other alternative to get out of the "federal waste maze."

The President apparently has relinquished all visible effort to hold the line on federal spending and social experimentation.

I, for one, will try with more determination than ever to advocate fiscal integrity, which means less taxes, less spending, continual reduction of the size of government, a balanced budget, and paying your own way.

Otherwise, the governmental financial folly of today will be a national debt carried by our grandchildren.

THE MAGNIFICENT MUTT

HON. RAY ROBERTS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. ROBERTS. Mr. Speaker, this past week, I received a copy of the Ladonia News. Featured prominently, was an article written by David Clark about "A Fixture in Ladonia." This particular fixture is a man by the name of Henry Herman "Mutt" Milford.

Now probably no one in either the House of the Senate has ever heard of Mutt Milford—with one notable exception—and most will have never heard of the city of Ladonia.

The one notable exception would be my colleague, Congressman DALE MILFORD, who will proudly point out that H. H. "Mutt" Milford is his uncle and that Ladonia is located 5 miles south of Bug Tussle—where my colleague was born.

Mr. Speaker, I know Mutt Milford. I first learned of him from another Fannin County, Tex., resident who used to "cuss" and discuss Mutt Milford. His name was Sam Rayburn.

Speaker Rayburn was a close personal friend of the Milford clan. His cussin' of "Big Mutt," as he called him, stemmed from affection and admiration—rather than from derision. His discussions reflected the characterizations of an individual that truly cared about his fellowman.

David Clark's article about Mutt Milford, which I will enclose for the RECORD, characterizes the unassuming nature of the people of Fannin County. They work hard, they play hard and they offer their best without bragging or self-glorification. What these people consider to be a "Fixture in Ladonia," can well be a masterpiece in society when viewed in its true perspective.

People in Fannin County know and love "Big Mutt," because of his individual and unpublicized personal efforts to help his fellow man. He has a unique talent of being able to make every human being feel worthy and important.

Young children tag along behind him as if he were the Pied Piper of Hamlin. He makes them feel like adults. The older folks cluster around him like a magnet, because he makes them feel the freedom of children.

Even in the 83d year of this law officer's life, his telephone often rings at all hours of the day and night: A neighbor with a problem, a youngster in trouble, a criminal that wants a fair shake, a panhandler that wants a handout—all calls are answered.

Mutt Milford's greatest contribution to mankind probably consists of his sense of humor. He is a top-notch practical jokester, usually using himself as the butt of the joke. His reflected philosophy has always been: "You can't cry if you are laughing."

My colleague, DALE MILFORD, relates to me a private joke that has been running between him and his uncle for over 20 years. Each Christmas, DALE would mail his uncle Mutt a greeting card simply addressed to: "The Ugliest Man in Texas," Ladonia, Tex. Big Mutt always got his card.

Recently, Congressman MILFORD attended a meeting in Moscow, Russia. While there, DALE mailed a card to his Uncle addressed to: "The Ugliest Man in the World," Ladonia, Tex. On the back side, the message simply said "Congratulations, you are now world famous." Big Mutt got his card.

Mr. Speaker, and my colleagues in the House and Senate, I am going to have to honestly admit that Mutt would have some rough going as a beauty contestant. However, he will stand tall in any lineup of first-class Americans and leading citizens of any community.

While it is true that Henry Herman "Mutt" Milford is a "Fixture in Ladonia," he is also a pillar in this Nation.

Mr. David Clark's article is as follows:

MUTT MILFORD—A FIXTURE IN LADONIA

(By David Clark)

Herman "Mutt Milford" is considered by many local citizens to be a fixture in Ladonia, a blend of the town's past and present.

Mutt, as he prefers to be called, is quite a contrast to most men his age. The 83-year-old constable can be seen making his rounds about town, while most of his friends have long since settled down to a daily routine of dominoes or "42".

Often making his rounds without a gun, Mutt said that a quick call on his radio can summon help from the Sheriff's Department in Bonham, if serious trouble develops. Mutt, who stands about 6'1", said that in his younger days he was 6'4" and weighed more than 200 pounds.

Elvin Fisk, a Ladonia resident, said that Mutt was "the stoutest man I ever saw. He could whip four or five men in friendly wrestling matches on a given Saturday night and I might have been one of them at one time or another." Fisk said that Mutt's nickname came from his great size.

Having spent most of his life in Ladonia, Mutt has served as constable of Precinct 4 in Fannin County for 16 years, and claims that this will be his last term in office. Mutt explained that he was originally appointed to the post by the County Commissioners because he knew most of the people in the area and where they lived. He has been re-elected every since that appointment, but says that he is not quite as physically able to carry out his duties as he once was.

The constable said that he stood on the Ladonia square in 1905 and watched the burning of Happy Jack's gambling equipment. "I was just a boy of 14 then, and this town has seen some changes since those days. Happy Jack ran a bootleg joint and gambling hall, which was illegal, and some folks just got mad and burned his gear."

"I can remember back in the 1920s and 1930s when different gangs of outlaws passed through here pretty often, running from the law or looking for work. I believe Bonnie Parker and Clyde Barrow passed through Ladonia a few times, but I never tangled with them," Mutt said.

"All in all, Ladonia is a peaceful town, with good churches and friendly people," Mutt said. He added, however, that there is not much to offer young people, who graduate from high school and move to larger places in search of good jobs. "If you can find the right job, a small town is by far a city. You can see a special friendliness and a close-knit community," Mutt claimed.

Mutt said that he seldom arrests anyone, but sometimes gives traffic tickets and "generally keep an eye on things." Ladonia has no jail, and the only other law officer is the town's night watchman. Mutt said that there was not much difference in Ladonia's law enforcement problems since the town "went wet" about four years ago.

Glowing with family pride, Mutt explained that his son is a dentist in Honey Grove and that his nephew, Dale Milford, an ex-weatherman for WFAA-TV in Dallas, is a U.S. Congressman.

"I've got no regrets about my life, and I've enjoyed living in Ladonia," Mutt said. He said that over the years he has especially enjoyed his membership in the First Christian Church and the Ladonia Lions Club. "Sports has also been a favorite activity of mine. I coached and played catcher for a championship baseball team at Silver City during the 1930s. It wasn't professional but just for fun," Mutt added.

Listing other working experiences, Mutt said that he drove an oil truck out of Ladonia and Wolfe City, followed pipeline work, and farmed, and noted that he has watched Ladonia's population drop from about 3,500 in the 1940s to 870 now.

Mutt Milford is a part of Ladonia's history, a fixture of the town. He carries his 83 years of life on his shoulders, not as a burden, but seemingly as the shared experience of a long and meaningful life.

A SPENDTHRIFT NATION

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, June 3, 1974

Mr. HARRY F. BYRD, JR. Mr. President, the May 13 edition of the Richmond News Leader included an excellent editorial sounding a warning about "the sad state of Federal finance, particularly the national debt."

The editorial rightly notes that during the last 20 years, the Federal budget has shown only three surpluses. The rest of the time, we have had deficits—and the deficits have grown ever larger.

As the News Leader states, these continued deficits are responsible for a great deal of the inflation which erodes the value of every worker's paycheck.

I ask unanimous consent that the text of the editorial, "A Spendthrift Nation," be printed in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

A SPENDTHRIFT NATION

Senator Harry F. Byrd, Jr., performs a vital public service in continuing to inform the public of the sad state of federal finance, particularly the national debt. The Senator's charts provide a clear picture of the runaway spending mentality that has dominated fiscal policies for the past generation.

In an updated chart that Senator Byrd provided for the *Congressional Record,* figures reveal vividly the whole sorry picture. In the 20 years since 1956, the federal budget has shown surpluses only three times—during the Eisenhower administration. Those surpluses weren't must to brag about—$1.6 billion, $1.7 billion, and $800 million—but at least they were surpluses. After the late President John Kennedy came to office in 1961, the name of the game became deficit spending. Nothing changed during the administration of Lyndon Johnson, and President Nixon understates his annual deficits by disguising them as full employment surpluses.

President Johnson engaged the nation in a war he didn't want to pay for. Had he encouraged Congress to increase taxes to pay for the fighting in Vietnam, an unpopular war would have become more unpopular, especially among the middle class that supported it. In the final three years of the Johnson administration, $48.9 billion was added to the national debt.

President Nixon did nothing to change the reliance on borrowing. In the years between 1970 and 1975, his budget deficits will add $133.5 billion to the national debt, or more than half of the deficits accumulated in the past 20 years. Meanwhile, interest paid on the national debt has continued to soar. In 1956, only * * * went for this purpose; in fiscal 1975, $29.1 billion is earmarked for interest. The amount of the interest alone would have sustained federal government operations for several years prior to World War II.

In the 20 years covered by Senator Byrd's chart, budget deficits total $227.5 billion, and interest costs total $296.4 billion. Unless Senator Byrd and others who share his beliefs about the necessity for balanced budgets can persuade Congress to put some reins on spending, the trend is likely to continue. In the past six years, revenues from individual income taxes have almost doubled, from $69 billion in 1968 to $129 billion in 1975. In the same period, corporate income taxes have increased, from $29 billion to $48 billion. But these rapid increases in revenues are never enough. The 1975 fiscal budget calls for deficit spending of $17.9 billion.

The continued deficits are responsible for much of the spiraling inflation that continues to erode the value of the dollar. The taxpayer pays at least three times for inflationary deficits—once through inflation, then through taxes diverted to debt interest, and then through taxes levied on increases in his salary. The federal government is taxing the inflation it has helped to cause. Many taxpayers this spring found themselves in higher tax brackets that wiped out most of the salary gains they had made in the previous year.

No doubt, in the coming year, the ceiling on the national debt will increase also. It now approaches the $500 billion mark—half a trillion dollars. It may be an amorphous sum to taxpayers accustomed to dealing in mere dollars and cents, but it is a debt that is owned. It is a sad legacy to bequeath to coming generations, for it will have to be repaid. Someday.

VIEW OF VENEZUELA OIL PRICING

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. GUNTER. Mr. Speaker, the view that the U.S. Government must formulate a policy to deal with economically irresponsible price levels for foreign oil appears to be emerging, if slowly and belatedly, among energy officials, at least, though apparently not yet among State Department officials.

Respected Mutual Broadcasting network commentator Robert F. Hurleigh reported signs of this growing awareness in a nationwide broadcast May 24, 1974, by quoting the view of Federal Energy Administrator John C. Sawhill. Mr. Hurleigh further related this recognition to the amendment Mr. Rose of North Carolina, I, and others, will be offering to the U.S. Sugar Act to suspend a quota for Venezuela.

I include at this point in the Record the text of Mr. Hurleigh's broadcast, followed by an expanded report of Mr. Sawhill's views carried in the Washington Post of the same date.

ROBERT F. HURLEIGH SPEAKING FROM THE MUTUAL STUDIOS IN WASHINGTON

The head of the Federal Energy Office has told the top men of the larger oil companies that the Government may be involved in negotiating between the American oil companies and the oil producing countries of the world. The energy chief, John C. Sawhill, says that oil pricing and production negotiations with foreign governments are too important to leave up to the private American companies, and that the government must play a bigger role in these negotiations. Certainly, the Organization of Petroleum Exporting Companies—the OPEC—has been able to establish the price of a barrel of oil at the well head, and make the world accept that price whether it appears fair or not. The increased cost of oil to the industrial nations of the world has played havoc with national budgets, has caused alarm in the emerging nations of Africa and is driving private companies to the wall, as in the case of the Consolidated Edison Company of New York which claims the higher cost of oil is to blame for its disastrous situation. While revenues in the oil producing nations have reached a point that these countries are having to search for areas to invest their skyrocketing revenues, the rest of the world searches for a means to bring the cost of oil down to a realistic level.

The use of government persuasion then, is worthy of discussion, and two members of Congress have presented an idea that may cause one of the oil producing nations to rethink its continuing agitation for increased prices of oil to the United States. Congressman Bill Gunter, Democrat of Florida, has sent a letter to the members of the House, advising them that he intends to offer an amendment to the United States Sugar Act to strike out or to suspend a sugar quota for Venezuela. Congressman Gunter and his colleague Congressman Charles Rose, Democrat of North Carolina, are not at all pleased that Venezuela can press for higher prices for its oil, while taking advantages of trade agreements with the United States under the Sugar Act.

Once again, the American consumer is hit by the strategy of Venezuela and other oil producing companies—which Congressman Gunter calls "economic, political and moral blackmail." And he quotes the celebrated economist Eliot Janeway "that the problem lies in America's refusal to recognize that she is wasting her own resources internationally, instead of bargaining with them." Along with her oil resources, Venezuela is a large sugar producing country—and the United States has usually given Venezuela a sizeable quota at an excellent price. Now, says Mr. Gunter and Mr. Rose, we propose to let the world understand that we intend to give ourselves the same fair shake at the bargaining table which they demand for themselves at our expense. So goes the world today.

FEDERAL ROLE URGED IN OIL IMPORT TALKS

(By Tim O'Brien)

Federal energy chief John C. Sawhill said yesterday that oil pricing and production negotiations with foreign governments are "too important to leave up to" private American companies.

The U.S. government, he said, must play a bigger role in the crucial agreements with the Middle East oil-producing states.

Although Sawhill would not specify the nature or extent of any enlarged federal role, he said the government should at least establish a "framework" within which far-reaching pricing and production negotiations proceed.

He said the time may even have come for the United States to negotiate on a government-to-government basis with producing countries.

The new energy chief said he expects that, by the end of the year, a new federal policy will be enunciated to define the extent to which private American oil companies can make agreements with foreign governments.

Underscoring the point at an early-morning breakfast meeting with reporters, Sawhill said he has asked the heads of some American oil firms to avoid signing long-term contracts with foreign producing states. Long-term agreements, he said, would "lock us in" to buying high-priced foreign oil.

With Middle East crude still selling for more than $11 a barrel. Sawhill said he would prefer that American companies sign short-term contracts, with a duration of perhaps six months.

Asked how the companies responded to his request, Sawhill said with a smile: "They said they'd think about it."

Industry preference for long-term contracts may be tied to the substantial profits American companies reap from high-priced foreign crude. As the price of Middle East oil rose over the past several months, profits also jumped for American oil companies operating overseas.

Between January, 1973, and January, 1974, profit margins on a barrel of typical Saudi Arabian crude jumped from 79 cents to $3.83 for the Arabian American Oil Co.—jointly owned by Exxon, Texaco, Standard of California and Mobil.

On the domestic energy front, Sawhill said he has called on the automobile industry to begin making cars that get better gasoline mileage. Although he said the request now stands on a voluntary basis, he added that "if it doesn't work, we would have to go to compulsory standards."

Meanwhile, Americans still seem to be practicing conservation, as gasoline consumption in a recent four-week period averaged slightly below the same period last year. Sawhill said much of the drop in demand can be attributed to higher prices.

According to the American Automobile Association, the price of both regular and premium gasoline has jumped an average of 8 cents since last January.

Sawhill said he has already scheduled a meeting with officials of Chrysler Corp. to discuss means to stimulate the production of more energy-efficient automobiles. Presently, he said, autos are averaging about 13.5 miles a gallon, and his goal is to increase that to 17 miles per gallon in 1980 and to 19 by 1985.

Achieving the goals, he said, would save about two million barrels of oil a day—equivalent of what the nation will get from the Alaska pipeline.

Sawhill further refined the definition of the administration's "Project Independence," saying it "does not mean zero imports" by 1980 but only that the United States must reduce its dependence on foreign energy sources so that any "future embargo is rendered ineffective."

When it was suggested that "Project Independence" may be a misnomer, Sawhill said, "I didn't invent the label."

Presently, the FEA said, the nation imports about 38 per cent of its oil. If past trends continue, that percentage would jump to a full 50 per cent, but the administration's objective is to bring it down to 20 per cent.

But for the time being, Sawhill said, the country will have to actually step up its oil imports, partly because nuclear development is not proceeding rapidly and because the FEA's goal of increasing coal production by 10 per cent is not being achieved.

The Federal Energy Administration is in the process of developing a blueprint for "Project Independence" and Sawhill said he hopes to deliver it to the President by Nov. 1.

The push for new coal production ran into more trouble yesterday, as about 240 small Appalachian coal mines were cited for failures to install federally required safety equipment.

James M. Day, administrator of the Mining Enforcement and Safety Administration, said the violators will be fined but that the dollar amounts have not yet been determined. The violations were found during government inspections of 540 mines in Kentucky, West Virginia, Alabama, Virginia and Pennsylvania.

Meanwhile, Rep. Dante Fascell (D-Fla.) released a Library of Congress study that, he said, showed U.S. oil imports actually rising "by a considerable amount" in the last quarter of 1973. Fascell said this indicates that the Arab embargo "did not have an immediate impact on U.S. imports."

In addition, Fascell said the report shows that, whatever the reason for the delayed impact of the embargo, "the potential shortages were hastened by a sudden drop in the domestic production of oil in mid-November."

Sawhill said new oil production in the United States is continuing to decline.

ENERGY CONSERVATION

HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. FROEHLICH. Mr. Speaker, we all owe a great deal of thanks to our fellow Americans for their conscientious efforts to conserve energy during the past 7 months. This savings of scarce fuels played a major role in averting the drastic consequences originally predicted when the Arab embargo was imposed last fall.

The roots of our energy problems, however, go back much farther than October of 1973. For years, we have had abundant and relatively inexpensive sources of fuel, which have made the United States the greatest consumer of energy in the world and probably the greatest wastrel of energy, too. While the Arab embargo may rightfully be branded international blackmail, it has demonstrated somewhat painfully the delicate situation our country faces with respect to energy—and it has also demonstrated that signifiant savings can and must be made by all American consumers.

Recent reports that the Nation is returning to its former wasteful habits in using energy are quite disturbing. Certainly, Congress and the administration do not have an admirable track record on important energy legislation, but, perhaps, our largest failure has been the poor results in creating an "energy ethic" in this country. I strongly believe that we must continue to encourage conservation of these precious resources. As the following editorial from Appleton, Wis., Post-Crescent points out, "unless Americans learn to live with shortages so that real conservation of resources becomes almost second nature, we will be unpleasantly surprised once again." I think that is something we should all remember.

The editorial follows:

ENERGY CRISIS FAR FROM OVER

In one of his speeches before a friendly audience President Nixon vowed to take action so that Americans would have self-sufficiency in energy by 1980.

"Political eyewash," said Dr. Philip Abelson, editor of Science magazine. "My guess is that within two years we'll be in worse trouble than at the time of the Arab oil embargo. And if we allow ourselves to drift deeper in dependency for Arab oil we're going to have real, terrible financial problems."

The majority of Americans felt at the time of the obvious gas pinch that the crisis was an artificial one. Either the oil companies were making huge profits—and their financial statements served to augment this suspicion—the Watergate plagued government had mismanaged things, or there was collusion. When the announcement came that the embargo was over, the long lines at service stations disappeared as if by magic long before any more Arab oil reached the United States. The oil crisis did build upon itself to some extent.

The former energy director to President Nixon, David Freeman, warns that the United States "is approaching a more perilous period than it has just been through." We tend to forget that Americans continue to use proportionately a great deal more natural resources than our numbers justify. The highly publicized turning down of thermostats, slower highway speed regulations, and other voluntary moves to cut our energy uses helped. But to a considerable extent they are being forgotten. The winter is over, the gas stations are open, all the legislative hassles about snowmobiles, tourists and even enough gas and oil for farm vehicles have been largely dissipated.

But according to the experts, the problems are still with us and are likely to be well into the future. There is more research into other forms of energy such as solar and nuclear. But unless Americans learn to live with shortages so that real conservation of resources becomes almost second nature, we will be unpleasantly surprised once again. Even now we have become accustomed to the higher prices we must pay for petroleum products and electricity. That indirect regulation will hold back some use of energy but probably not enough.

Former Energy Czar William Simon, a generally hard-nosed, tough-talking administrator, seems to be having his own political aspirations. We'll have enough, he says, if "the American people continue to abide by normal conservation practices and just be a little more thoughtful about the way we utilize energy."

According to the experts who have no political considerations to influence them, it's going to take a great deal more restraint than that.

HALL OF FAME DOES IT AGAIN

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. BURKE of Massachusetts. Mr. Speaker, it is my distinct pleasure to inform my colleagues that on May 11, 1974, our distinguished colleague, Representative Lester L. Wolff, of New York, was highly honored by the International Gaelic Hall of Fame. Mr. Wolff was one of three people to receive recognition, which is given to outstanding individuals of Irish origin, and distinguished people of non-Irish origin who have demonstrated an especially strong interest in the affairs and people of Ireland. The two other honorees this year were the prominent Irishmen, Mr. Sean MacBride and Mr. A. M. Sullivan.

Congressman Wolff's noteworthy efforts to obtain the release of the "Fort Worth Five," and to end the policy of internment without trial in Northern Ireland are merely two of the numerous activities he spearheaded which earned him the great honor of initiation into the Gaelic Hall of Fame. His work on behalf of the civil rights of all people who are victims of injustice and discrimination reinforces his standing as one of the leading spokesmen in the Congress for freedom and equality. Past award winners of this organization have included Mr. Paul O'Dwyer and Hon. Peter Rodino, making this group truly unique.

The Irish Echo recently published an excellent editorial on the awards dinner and the men who were honored, and I would like to insert the editorial in the Record for the attention of my colleagues:

HALL OF FAME DOES IT AGAIN

The very idea of setting up an International Gaelic Hall of Fame causes a sharp intake of breath. How in the world could it be done?

Well, it has been done, and not alone that, it has proved itself by the very elusive virtue of consistency.

In November of 1972 when commenting on the initial selections to the Gaelic Hall of Fame—Paddy Doherty of Derry, Eoin McKiernan of Minnesota, Paul O'Dwyer of New York and Peter Rodino of New Jersey—we said the board of directors of the hall had set themselves a very high standard.

Last week they lived up to that standard by inducting Sean McBride, A. M. Sullivan and Lester Wolff into the hall.

Mr. McBride, currently an Assistant Secretary General of the United Nations and president of Amnesty International, has lived a life of service to his fellowman as a lawyer, legislator, government minister, and international jurist.

Mr. Sullivan, a noted lecturer, essayist and writer, is one of America's finest poets. His ballads touch the heart of all who read them and make all aware of the great contributions of the Irish people to America and to the culture of the world.

Congressman Wolff, elected to the hall as a friend of the Irish as Congressman Rodino was two years ago, had a distinguished career as a broadcaster before becoming a Congressman in 1964. Since then he has served with distinction. He was in the forefront of the fight to release the Fort Worth Five and has been outspoken in his condemnations of the British policy of internment without trial in Northern Ireland.

Neil Sullivan, Bart Dougherty, Michael Delahunty and their colleagues in New Jersey who made the selections have scored again. The hall's induction ceremony at a luncheon in The Manor in West Orange was a credit to all involved.

We'll say it again. By their selections in 1972 and in 1974 the board of the International Gaelic Hall of Fame have set themselves a very high standard—one that we feel sure they will live up to.

EDITH GREEN STILL "MRS. EDUCATION"

HON. WENDELL WYATT

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. WYATT. Mr. Speaker, many a thesaurus of complimentary terms has become dog-eared during the verbal gentility of House proceedings. One drawback to working within these mutual admiration surroundings is the difficult search for that less-hackneyed compliment which reflects the very highest and most sincere degree of admiration for another Member of Congress.

I hold such admiration for Congresswoman Edith Green.

With thesaurus aside, I can tell you that she is a good person, a good friend, and an excellent legislator.

When Edith Green returns to Oregon next year, the Congress is certain to miss her capabilities and the presence of her warm person. I am in the fortunate position of following her in retirement to our home State, and hope to continue to benefit by her association.

With these words, I would like to share with my colleagues the opinion of another fellow admirer which recently appeared in the Oregon newspapers. Mr. Jim Sullivan, executive director of the Oregon Independent Colleges Association, speaks for me and so many others with this brief comment on Mrs. Green's contribution to our Nation's education system:

ANOTHER VIEW—EDITH GREEN STILL "MRS. EDUCATION"

(By Jim Sullivan)

In the recent Oregonian profile of Representative Edith Green a non-admirer was quoted, "I should say at the outset that I dislike the woman intensely. In fact, I hate her. Anything I say is going to be colored by that." Let me be equally frank. I have worked with Mrs. Green over many years and on many issues—and I love her. I am sure my feelings will also color what I say.

As Executive Director of the Oregon Independent Colleges Association since 1969 I have followed all federal higher education legislation; proposed and enacted. When the House took final action on the Higher Education Act of 1972 I spent two months in Washington, D.C. as a special assistant on the subcommittee on higher education. I believe I can speak with some authority from first hand experience both on higher education legislation and Mrs. Green.

Early in her congressional career Mrs. Green earned the title "Mrs. Education." After twenty productive years in Congress she may well have stepped on the toes of many politicians and bureaucrats, but among educators she is still "Mrs. Education."

There are many reasons for this. In the 1960s she was one who kept her head during the student riots. In contrast to what was said in the profile, Mrs. Green did not introduce a bill to cut off federal aid to colleges which failed to prevent disturbances; she knew such legislation would punish the institution rather than the rioters. Instead, her bill would have cut off federal funds to any student or faculty who were convicted of illegal action. That is quite an important difference.

The Higher Education Act of 1972 was one of Mrs. Green's main interests in recent years, but her role in this legislation needs to be clarified. The bill as she introduced it was the result of two years of open hearings where every higher education expert who wanted to be heard, was heard. The Green version of the bill was supported by every higher education association in the country.

The dispute over the bill centered on two issues. Mrs. Green wanted student financial aid more adequately funded so middle income students would receive aid but she wanted the programs administered as they had been with the funds going to the college of the student's choice so the college and the student could develop the best possible aid package. Her opponents wanted the funds channeled through a central federal agency. The final bill contained parts of both versions. It is worth noting, however, that the funds allocated under the Green version have all reached the needy students while the funds allocated under the centralized version are so tied up in federal red tape that $45 million went unspent this year alone—in spite of the obvious need of hundreds of thousands of students.

The second issue concerned institutional aid. Mrs. Green proposed a simple formula that would allocate funds to public and independent institutions alike. Her opponents proposed a complicated formula tied to the assumption that the main purpose of higher education is to aid the poor. The latter version prevailed over Mrs. Green's objections. It has turned out to be so unworkable that not even its proponents have tried to implement it. We have only to look around Oregon to note the closure of Marylhurst, an outstanding independent institution, or the difficulties of such public institutions as Portland State, Southern Oregon College, or Eastern Oregon College, to recognize the impact the loss of these institutional aid funds has had on Oregon higher education.

None of this is to suggest that Mrs. Green is perfect or that those who have disagreed with her were always wrong. It is simply to remind people that Mrs. Green was voting for civil rights long before it became accepted; she was working for women's rights long before it became the "in" thing to do; and she has consistently felt that the taxpayers deserve the maximum return for their tax dollars. It is also to say that, as one who has worked closely with her, I have found Mrs. Green to be an honest, forthright, hard working, and knowledgeable public servant and in today's Watergate world we will all miss such a voice in Washington, D.C.—not the least those of us in higher education.

JEWISH AND MINORITY ORGANIZATIONS JOIN IN CALL FOR HEW ACTION ON DEFUNIS ISSUES

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Ms. ABZUG. Mr. Speaker, the issues surrounding the DeFunis case have been a matter of concern to me for some time. The case and its implications have engendered great comment among civil rights organizations and other organizations and interested parties. It is heartening to me to know that on May 17 the leaders of the three largest Jewish human rights organizations and three major civil rights organizations have jointly signed a letter calling on Health, Education, and Welfare Secretary Caspar W. Weinberger to issues guidelines to clarify issues raised by the DeFunis case. The letter was released by Eleanor Holmes Norton, chairperson of the New York City Commission on Human Rights, who conferred with the leaders, she said, because of "concern voiced in some quarters about the impact of DeFunis on the civil rights coalition of the sixties." Signing the letter were: Benjamin R. Epstein, national director, Anti-Defamation League of B'nai Brith; Bertram H. Gold, executive vice president, American Jewish Committee; Vernon Jordan, executive director, National Urban League, Naomi Levine, executive director, American Jewish Congress; Roy Wilkins executive director, National Association for the Advancement of Colored People; and Cesar Perales, executive director, Puerto Rican Legal Defense Fund.

The letter said that despite varying positions on the De Funis case, the organizations wished to avoid polarization and were in agreement on the goal of "the elimination of all forms of discrimination and the establishment of affirmative actions that will provide equal opportunity within our constitutional framework." They asked Secretary Weinberger to direct the issuance of "nondiscriminatory guidelines clarifying how educational institutions can best develop appropriate tools for special efforts to recruit persons from previously excluded groups."

Commissioner Norton said that the New York City Commission had undertaken this effort because virtually all the major Jewish and minority civil rights organizations are headquartered in New York and, like the commission, are concerned over the view that disagreement on specific issues threatens the civil rights coalition. She said that the commission had noted some areas of disagreement, but that they are "minor indeed, particularly when compared with the continuing large areas of mutual agreement and cooperation." She said that strains in the coalition have been exaggerated and that this view was especially damaging "at a time when political and social problems threaten the gains made by the civil rights movement and when the need for the coalition that achieved these gains is greater than ever."

The full letter follows:

MAY 20, 1974.

Mr. CASPAR W. WEINBERGER,
Secretary of Health, Education, and Welfare, Washington, D.C.

DEAR MR. WEINBERGER: While the undersigned organizations have taken varying positions on the De Funis case, we have, over the years worked closely in support of civil rights and human freedom.

We all recognize that the process of creating affirmative action is not an exact science. It is only in the past few years that the nation has begun the development of procedures for dismantling discrimination.

All of us wish to avoid polarization. We agree that a primary goal for all of us is the elimination of all forms of discrimination and the establishment of affirmative actions and processes that will provide opportunity within our constitutional framework.

Since the issues raised by the De Funis case remain, we believe that an early response from HEW within whose jurisdiction such matters lie is indicated. We are therefore requesting that you direct the issuance of non-discriminatory guidelines clarifying how educational institutions can best develop appropriate tools for special efforts to recruit persons from previously excluded groups.

Very truly yours,

Benjamin R. Epstein, National Director, Anti-Defamation League of B'nai Brith; Bertram H. Gold, Executive Vice President, American Jewish Committee; Vernon Jordan, Executive Director, National Urban League; Naomi Levine, Executive Director, American Jewish Congress; César Perales, Executive Director, Puerto Rican Legal Defense and Educational Fund; Roy Wilkins, Executive Director, NAACP.

THE CASE FOR A FEDERAL OIL AND GAS CORPORATION—NO. 39

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. HARRINGTON. Mr. Speaker, the role Government plays in our economic system has long been a subject of debate among scholars, economists and public officials, and is often raised in any discussion of the proposed Federal Oil and Gas Corporation.

Opponents of the Corporation contend that it would compromise the separation of government and business that is so cherished in the American system.

In truth however, the Federal Oil and Gas Corporation would not represent a step toward nationalization of industries. The Corporation would merely add a competative element to the energy industry and provide the public with a standard with which to evaluate the profit figures released by the major oil companies.

Lee White, Chairman of the Energy Policy Task Force of the Consumer Federation of America, and an acknowledged expert in the energy field, has responded to charges that a Federal Oil and Gas Corporation would be the beginning of the nationalization of the energy industries in testimony before the Senate Commerce Committee.

His rebuttal follows.

Not only is it clear from the language of Senator Stevenson's proposal that this is not the case, it is my view and, so far as I know, the view of every other interested participant in energy policy debates that nationalization of the industry is not a desirable alternative. Certainly it is not a practical political reality. TVA was similarly hailed as the beginning of the end of the private electric utility industry in the 1930's and it, as well as the Bonneville Power Administration, has demonstrated that governmental activity in an energy field need not and has not had the effect of nationalization. Nationalization is an understandable concern of citizens in this country, and I assume that no such step would ever be taken without public awareness and, indeed, without public clamor for it. I do not detect that mood today nor do I foresee if for the future. I think it is a specious argument, and I hope that it will not be used to divert attention from serious discussion of the merits of the Federal Oil and Gas Corporation proposal.

11500 BANANAS ON PIKE'S PEAK

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. HOSMER. Mr. Speaker, the backers of H.R. 11500 like to pretend it is not a bill to wipe out surface coal mining in the guise of regulating it. They say it would merely enact Pennsylvania's progressive surface mining law and allow use of the modified block-cut method of mining and reclamation.

But that is not what Pennsylvania authorities say. Walter N. Heine, associate deputy secretary for mines and land protection, Department of Environmental Resources, Commonwealth of Pennsylvania, sent a letter a month ago to members of the House Interior Committee pointing out how H.R. 11500 would close down the operation of the Mears Coal Co. mine which the Interior Committee said was a model operation.

For example, Mr. Heine says the requirement to restore mined land to original contour is much too restrictive. The House bill forbids any reduction in the highwall by disturbing land above it. It is common practice in Pennsylvania to bevel the highwall to control settling and get a better bond between the highwall and the replaced materials.

H.R. 11500 is not a workable bill. It attempts to legislate in terms of absolutes. The result is that it is absolutely unworkable, like trying to grow bananas on Pike's Peak. It should be junked in favor of a bill that results in effective reclamation without cutting off our fuel supply.

OPEN MEETINGS AMENDMENT

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. GUNTER. Mr. Speaker, I am pleased to note that a total of 47 Members of the House have now cosponsored an amendment proposed by my distinguished colleague, Clarence Brown, of Ohio, and myself, that would make open committee meetings mandatory in the House except in a few narrowly defined instances.

That amendment will be offered whenever the Bolling reorganization plan reaches the floor.

I include at this point the text of a joint release issued last week by myself and Congressman Brown announcing the cosponsorship of 43 Members. Since then, four additional colleagues have added their names—Mr. Peyser, of New York, Mr. McKinney, of Connecticut, Ms. Boggs, of Louisiana, and Mr. Mosher, of Ohio.

The text of the release follows:

Open Meetings Amendment

Washington, D.C.—A wide cross-section of House Members have joined to support an amendment to make House committee and subcommittee meetings more accessible to the public and the news media, the two originators of the move announced today.

Reps. Clarence J. Brown (R-Ohio) and Bill Gunter (D-Fla.) said 43 Members of the House have now co-sponsored their "open committees" amendment, which would bar closed sessions by committees or subcommittees except in narrowly-defined instances involving national security or when open sessions would compromise the public interest or legal rights of individuals.

They will offer the amendment to a House reorganization plan drawn up by a special committee headed by Rep. Richard Bolling (D-Mo.) when the proposal goes to the House floor for action. The reorganization proposal is now tied up in a Democratic Caucus study committee.

"We are especially pleased by the wide cross-section of philosophical and bipartisan support for this needed rules change that would bring more of the public's business out from behind the locked doors on Capitol Hill," Brown and Gunter said in a joint statement.

"With support for our amendment that includes House Members from all segments of the political spectrum—liberal, moderate and conservative—it is apparent that there is a strong desire throughout the House for Congress to open up its most important working sessions to public scrutiny. We believe the desire exists because most Members of Congress are rightly concerned about the low esteem with which much of the public currently views Congress and that this is one improvement that should be made to regain public respect."

Brown and Gunter said many more Members of the House have indicated support of their amendment, but are waiting to see if the Bolling proposal can be broken loose from the Democratic Caucus study committee.

Brown-Gunter "open committee" amendment cosponsors listed below:

Clair W. Burgener, R-Calif., John N. Happy Camp, R-Okla., Caldwell Butler, R-Va., James C. Cleveland, R-N.H., Michael Harrington, D-Mass., Joe Moakley, D-Mass., George O'Brien, R-Ill., Walter E. Powell, R-Ohio, Donald Riegle, Jr., D-Mich., Pat Schroeder, D-Colo., Alan Steelman, R-Texas, Charles Thone, R-Nebr., Lionel Van Deerlin, D-Calif., Gilbert Gude, R-Md., Angelo Roncallo, R-N.Y., and Marvin Esch, R-Mich.

Charles Wilson, D-Texas, Jerome R. Waldie, D-Calif., Pete du Pont, R-Del., David Towell, R-Nev., Tennyson Guyer, R-Ohio, Joel Pritchard, R-Wash., John M. Zwach, R-Minn., James Martin, R-N.C., Shirley Chisholm, D-N.Y., Harold Froehlich, R-Wis., Alphonzo Bell, R-Calif., Robert Tiernan, D-R.I., Herman Badillo, D-N.Y., Don Mitchell, R-N.Y., and Bob Lagomarsino, R-Calif.

Jack Kemp., R-N.Y., Ed Koch, D-N.Y., Bill Lehman, D-Fla., Pete Stark, D-Calif., Sam Young, R-Ill., Bill Frenzel, R-Minn., Ben Gilman, R-N.Y., William Roy, D-Kans., Robert Giaimo, D-Conn., Ron Sarasin, R-Conn., and Lester Wolff, D-N.Y.

REPORT OF A STOCKHOLDER

HON. BEN B. BLACKBURN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. BLACKBURN. Mr. Speaker, Hubert F. Lee, editor of Dixie Business, and stockholder in the Retail Credit Co. of Atlanta, has sent me copy of his article entitled "Report of a Stockholder," I insert it in the Record for the information of my colleagues:

Report From A Stockholder

(By Hubert F. Lee)

Management and directors of Retail Credit Co., source of information for business decisions for 75 years, were applauded by stockholders on their outstanding job by the stockholders in Atlanta.

Retail Credit's policy of promoting from within has helped make it one of the finest companies in the world to work for.

I featured the late Guy Woolford in Dixie Business 40-odd years ago.

So it was like homecoming day at the stockholders annual meeting.

There were Guy Woolford, Jr. and his sister Miss Frances and scores of people who have made the company great.

"Our founders' goal was to help business serve consumers," W. Lee Burge, president, said.

"Today, this is our purpose more than ever."

Burge also announced that beginning June 1, "our normal disclosure procedure will allow consumers to read the reports we have submitted about them."

Previously, consumers have been entitled to oral disclosures of their reports, made in connection with applications for insurance, credit, employment and other consumer benefits.

"When a woman requests a separate credit file set up in her own name, we will be happy to honor her request," Burge announced.

To help a woman in her credit transactions, Burge added, the company is improving its systems so her financial record can be evaluated independent of credit grantors.

"We look forward to a higher revenues and higher earnings for 1974."

Walter C. Hill, Jr. with Eastern Airlines in Miami, son of a former president, along with George Craft, Trust Co. of Ga. and Allen Post, of Hansell, Post, Brandon & Dorsey were elected three year directors.

Re-elected were W. Lee Burge, president, Wilton Looney, pres., Genuine Parts Co., D. E. Rutherford, president of Affiliated Credit Companies, F. J. Brutzman, executive vice president, K. E. Jenkins, Sr. V.P.-operations, Edward D. Smith, chairman First National Corp. and of First National Bank.

President Burge invited stockholders to come an hour early and join me and your other company executives for coffee. Also, . . . to stay for lunch . . . following the meeting.

Cater and Guy Woolford set the pace of friendliness 75 years ago and it is still being carried on.

Six men, all civic leaders, in Atlanta have headed Retail Credit:

1913–1927 Cator Woolford
1927–1932 T. Guy Woolford
1932–1945 Walter C. Hill
1946–1955 James C. Malone
1956–1965 Preston C. Upshaw
1965 W. Lee Burge

For 75 years Retail Credit has been helping businessmen make decisions and take risks, and validated the qualifications of millions for credit, insurance and jobs. Mr. Burge pointed out in Intercom.

NATIONAL PUBLIC RADIO CELEBRATES ITS THIRD ANNIVERSARY

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. BROWN of Ohio. Mr. Speaker, Ohio State Awards from the Institute for Education by Radio-Television Telecommunications Center at the Ohio State University are old and respected in the broadcasting industry, and this year National Public Radio led all the radio networks with three winning entries. On this occasion of National Public Radio's third anniversary, I believe it is in order to recognize the network's solid contribution to public radio stations across the Nation. Certainly the programing service it offers has raised the quality of public radio listening. Programs NPR makes available exclusively to its member stations and a host of programs available to all public radio stations from NPR have served as enriching supplements to public radio programing.

Public radio has long existed in the United States. For almost 50 years, we knew it as "educational" radio, and these noncommercial stations, most connected with universities and colleges, largely served the purpose of training future broadcasters and offering courses on the air. But gradually there were enough efforts toward expansion and community or alternative programing that educational stations became a vital, though small, part of American life. When Congress passed the Public Broadcasting Act of 1967, it recognized the need for assistance to noncommercial radio along with television.

The Corporation for Public Broadcasting funds National Public Radio to operate as a unifying system for noncommercial radio. All the stations remain noncommercial and alternative programing still exists, serving a smaller segment of our society, but meeting an important need. There are still those who jokingly refer to public radio as the hidden medium and claim that radio's problem is its lack of visibility. If that is the case, I am proud to point to the Ohio State Awards as an example of deserved recognition.

The awards highlight some of the types of programing NPR offers its 164 member stations. Two documentaries received awards: "Northern Ireland: Voices from the Precipice" by Josh Darsa, examining onsite the conflict in Northern Ireland through the actual voices of the people who live there; and "Flight 401: The Night that Failsafe Failed" by Jim Russell, a thorough and in-depth study of the fatal airline crash. Barbara Newman received her second Ohio State Award, this time a Special Award, for her series "Movers and Shakers," presenting profiles of power through lively and sensitive interviews with men and women in positions of power.

What this type of programing from NPR means to the people of Ohio is that it can be heard on any of 13 public radio stations in the state affiliated with NPR. And similar programing from NPR can be heard on any of the other 21 Ohio public radio stations outside the system. Indeed, public radio is alive and doing very well in Ohio, with the exception of WCSU(FM) in Wilberforce, recently hit by the tornado but making great efforts to get back on its feet. Ohio public stations receive a variety of programing for their network, but they also contribute programing to the network for national dissemination. This is the unique fact about the National Radio system: It is a two-way interconnection system throughout the United States.

In its beginning just over three years ago, the NPR founders wondered if the people in Ohio had anything to say to the people of Maine, California, or Florida. They decided "yes" and each day on the network's Peabody Award-winning show "All Things Considered" news and features from public stations all over the country are aired in an effort to bring people together with information. This same concept is expanded in "Options," as omnibus program fed three times a week with content as diversified as its sources. Ohio is also the home of two production centers, receiving extra grants from CPB for the production of specialized local programing: WGUC(FM) in Cincinnati is funded for music production and WOSU(AM/FM) in Columbus is a news and public affairs center. Their productions often find their way to the network for national distribution. Consequently, while NPR itself is an authorized production center for public radio, its programing distribution figures reveal that over one-half of the productions made available to public radio stations comes from sources other than NPR, usually other public stations.

I like the idea that someone in Arizona or Alaska or Puerto Rico knows and understands someone in Ohio a little better because a night's news from a local perspective came from Kent or Bowling Green. Or perhaps a speech given in Athens, a conference in Cleveland or a concert from Oxford or Youngstown was shared nationwide.

This is public radio, doing what commercial networks understandably cannot do. I commend the numerous individual public radio stations across the country and National Public Radio for the service they are providing to these United States.

CAPTAIN'S CONCERN SAVES TAXPAYERS MILLIONS OF DOLLARS

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. LEGGETT. Mr. Speaker, I want to relate an example of how time, initiative, and personal concern properly coordinated can save millions of dollars of the taxpayers' money.

Without any appropriate yardstick many times to determine whether cost overruns are due to legitimate, unforseen causes or are simply the result of waste and inefficiency, we in the Congress reluctantly appropriate the necessary money to complete the project.

Most excessive costs are unnecessary and can be avoided if the right people simply do their job. Capt. David Cormany, stationed at McClellan Air Force Base in Sacramento, is one man who does his job well.

Recently, Captain Cormany saved the taxpayers $9.5 million. Through his own initiative, he persuaded authorities at McClellan to delay their order from General Dynamics Corporation for 1,306 new wing tanks of the F–111. General Dynamics wanted $14,080 for each tank; a total cost of $18,388,480 for the American taxpayers.

For 15 months Captain Cormany worked on preparing a precise description of the tank for engineers and investigating to see whether interested manufacturers could in fact meet the contract. In the end, his efforts paid off in a big way.

The company who was finally awarded the contract, Royal Industries of Santa Ana, Calif., agreed to build the tanks for $6,844 each; a total savings to the American public of $9.5 million. Most interesting of all was that General Dynamics, the contractor who originally wanted to build the tanks for $14,080 apiece, found that when faced with competition from other bidders they could manufacture the tanks for the lower price of $10,000 each.

Fascinating, is it not, how a little bit of personal initiative and concern can make such a big difference. I think both the Pentagon as well as the Congress can learn a great deal from Captain Cormany's example.

The following article from the Sacramento Union spells out the story in Government efficiency and economy:

McClellan Captain Saves Taxpayers $9.5 Million

(By Ed Mendel)

Capt. Dave Cormany saved the taxpayers $9.5 million, so they gave him a plaque. He was, after all, just doing his job.

The time came for the Air Force to order 1,306 new wing tanks for the F111. The aircraft manufacturer, General Dynamics, wanted $14,080 for each tank.

On his own initiative, Cormany persuaded the authorities at McClellan Air Force Base to put the order up for bids.

It took eight months of fulltime work to prepare the specifications. It took another seven months to investigate the bidders.

But the tanks finally were ordered at $6,844 each. Cormany also had the satisfaction of seeing General Dynamics, when bids were called, offer to build the tanks for about $10,000 each.

The tanks will be stored as war reserves. They were not used in Southeast Asia, where the common F111 payload was large (about 13½ tons) but the missions were short.

By mounting six of the 600-gallon tanks under the wings, the range of the F111 can be extended by 30 per cent. That, in other words, is enough to lift a full load about two miles off the ground.

"By the time an F111 with a maximum load gets off the ground and climbs to 10,000 feet," said Cormany, "it has burned 3,600 gallons of fuel. It's really pumping it through."

If the wings are pulled back for faster flight, he said, the two outside wing tanks automatically drop off. The other four pivot to keep pointing straight ahead.

To preserve its center of gravity, the aircraft, prompted by automatic sensors, may also shift the fuel between the three compartments in each wing tank—or between the wing tanks and the tanks inside the aircraft wings.

Like the wing that supports them, the tank is a kind of air-foil that provides lift in an air-stream. Made mainly of aluminum with a once-piece fibreglass tail, the tanks weigh about 550 pounds.

Before calling for bids, said Cormany, McClellan had to prepare a precise description of the tank. "Now that's what takes the time," he said. "That's the trick. When you go out on a contract, you have to tell a contractor everything."

After receiving five bids, the Air Force sent teams to the manufacturers to see if they could in fact meet the contract. "These were some of the most exhaustive pre-award surveys the government has done," Cormany said.

The contract was awarded to Royal Industries of Santa Ana. Two of the first tanks built by Royal are being tested now. If they pass, Cormany said, delivery may begin about Sept. 1, continuing through 1975.

For his work, Cormany has received the U.S. Air Force Resources Conservation Award. In his own way, he has also come to grips with the magnitude of his saving.

"I figured it up," he said. "I saved my tax dollars for the next 476 years."

SUPPORT OF ASHLEY AMENDMENT

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. KETCHUM. Mr. Speaker, commitments in my congressional district precluded my attendance in the House on May 30, 1974. Had I been present and voting, I would have cast my vote in support of the Ashley amendment to H.R. 10265, a bill authorizing an audit of the Federal Reserve System by the General Accounting Office. I believe that this amendment recognized the need for congressional oversight of the administration of the Federal Reserve Board and the manner in which its operating funds are spent. At the same time, it insures that the independence of the Federal Reserve System is maintained by prohibiting policy audits which would most probably lead to the System's involvement in passing political pressures.

I am very pleased that the House adopted this constructive amendment.

WOMEN IN SPORTS—PART IV

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. FRASER. Mr. Speaker, today we submit the last in a series of four articles on women in sports. These articles have covered the background of inequality in athletics, legal remedies, and the financial situation, and today's exposes the foolish stereotypes women often face if they excel in sports. A final thanks is due both the authors and the Washington Post for setting forth so completely the facts of discrimination in this area that is central to our lives.

The article follows:

[From the Washington Post, May 15, 1974]

AN "UNFEMININE" STIGMA

(By Nancy Scannell and Bart Barnes)

Excellence in sport has been regarded as an exclusively masculine virtue through nearly all of recorded time.

From the beginning of the Olympic Games in 776 B.C. women were not allowed on the playing fields even as spectators (with the exception of the priestesses of the earth-mother Demeter, hallower of the grounds).

So important were those contests to the Greeks that winners became national heroes, demigods whose praises were sung by musicians and immortalized by poets. Their splendid grace and form are known to us because they were rendered in marble by the greatest sculptors of the time.

The American sports ethic descends directly from that Greek tradition. While our sports are somewhat less savage—the loser of an Olympic wrestling match usually was maimed and often was killed—they are nearly as sexist.

For the most part American women, from girlhood on, have been discouraged if not barred outright from participation in the major sports. If they persist in developing their athletic abilities they commonly are stigmatized as "unfeminine" and "overly aggressive." In a word, mannish.

If and when a story about a woman athlete appears on an American sports page it is as likely to dwell upon her looks as on the quality of her performance.

A recent Associated Press dispatch about tennis player Chris Evert described her game as being "as fresh as her mint-green dress." One can be certain no such smile would occur to a writer seeking to illuminate the ability of her fiance Jimmy Connors, also a noted player.

It is an innocuous example of the difficulty sportswriters—virtually all of whom are men—have in writing straightforwardly about women athletes. Their accounts tend either to patronize or to ridicule.

They simply reflect the prevailing attitudes of our culture, which tends to view athletic competition not so much as games as a dramatic version of the ultimate struggle. "Losing is like death," was the way Redskins' football coach George Allen once put it. He was in tune with the times, old and new.

The Olympics began as a spin-off of combat drill. Skills, strength and endurance needed in war were developed in such contests as javelin throwing, long-distance running and weight lifting.

The warlike origins of many sports is evident from the terminology used in the sports pages. In The Washington Post on the weekend after Thanksgiving last year, for example, North Carolina State "methodically crushed" Wake Forest, Brown "shellacked" Columbia, Maryland "flattened" Tulane and the Capital Bullets "took the Knicks apart."

The Western view of athletics as a vital ingredient in building character and manliness was epitomized by the remark of the Duke of Wellington that "The Battle of Waterloo was won on the playing fields of Eton," and in the tradition of muscular Christianity espoused by New England schoolmaster Endicott Peabody.

Women now are challenging the idea that the benefits of athletic competition lie chiefly in the development of such virtues as manliness.

"What athletics can do for a man, it can do for a woman," says Lee Morrison, president of the Association of Intercollegiate Athletics for Women and womens' athletic director at Madison College in Harrisonburg, Va.

"It can give her the opportunity to cope with success and failure. It can give her the opportunity to enhance her own self-concept, to know more about what she's like as a person."

The presidential Citizens Advisory Council on the Status of Women found that in the United States athletics is "the area where discrimination (against women) is most pervasive and most readily apparent."

In a 1973 study the council said, "Short-changing of girls in physical education and sports deprives them of the opportunity to establish lifetime habits of exercise which lead to a high level of continuing good health in adult life.

"The opportunity for achievement in sports, scholarships and other recognition of ability in sports and for developing a competitive spirit within a framework of team cooperation should be available to girls."

Currently in the final stages of drafting at the Department of Health, Education and Welfare is a set of guidelines barring discrimination on the basis of sex in athletics. The guidelines based on the education amendments of 1972, would deny federal funds to any institution, organization or school system that discriminates against women in sports in the availability of scholarships and coaching or use of facilities and equipment. Federal funds are vital to nearly every American school, public or private.

To many educators and advocates of upgrading athletics for women, the guidelines are seen as the beginning of a trend that will dramatically alter the structure of sports in America.

At its lowest level, the growing assertiveness of women in sports touches the raw nerve of sexual identity and challenges age-old stereotypes of feminity and masculinity.

Diana Okon, named best girl athlete last year at Fairfax County's Madison High, said she was teased about the title so much that she wasn't sure she wanted the honor at all.

"The boys said, 'Show me your muscle. Why don't you try to pick me up?' When I won the award. They think you're a tomboy . . . You can't really feel that proud of something people are always cutting down. You almost wish you weren't getting it."

Pat Hines of Potomac, Md., a swimmer on an athletic scholarship at the University of Miami in Florida, said her mother, like the mothers of many of her teammates, had qualms about her swimming in serious competition.

"Make sure the people know you're feminine," Pat recalls her mother saying.

"I think," the young swimmer added, "all women are afraid their daughters are going to be accused of being something less than a woman . . . (with people) saying she's more like a man."

Over the years the attitude that sports was inappropriate for women has been reinforced by a body of medical opinion, much of it now discredited or challenged.

Testifying in a New Jersey lawsuit on the admission of girls to competition in Little League baseball, league vice president Creighton J. Hale argued that baseball competition would be unsafe for girls.

He based his opinion on, among other things, a study of cadavers of elderly male and female Japanese, which showed that the bones of the females broke more easily than those of the males. From this, Hale concluded that girls between the ages of 8 and 12 would have bones which were more susceptible to fracture than those of boys.

Hale's testimony was disputed by Dr. Joseph Torg, a specialist in pediatric orthopedics and an assistant professor of orthopedic surgery at Temple University. Attempting to extrapolate from data concerning dead bones of adults to conclusions regarding bones of living children, Dr. Torg testified, was the equivalent of trying "to extrapolate a study done on oranges to canteloupes."

Dr. Torg also disputed what Hale had contended was a "substantial body of medical opinion" to the effect that a blow to the female breast—like being hit with a base ball—could cause cancer.

Olympic skier Suzy Chaffee said she had been discouraged from competition at Denver University by the head ski coach who told her "it was bad for the ovaries."

Chaffee chose to ignore that advice and pursued her interest in skiing independently. In 1968, she was chosen captain of the U.S. Women's Olympic ski team.

"There seems to be no reason to restrict the physical activity of women because of the reproductive organs and no need for concern about the later effects of sports competition on pregnancy, labor and later health," said Dr. Thomas E. Shaffer of Columbus, Ohio, a nationally recognized authority on the medical aspects of competitive sports.

Gradually that view is gaining acceptance. Already, at a very small but growing number of colleges, women athletes are pursuing the same rigorous training programs as the men—and, in fact, are being recruited and offered athletic scholarships.

It is the issue of athletic scholarships for women, perhaps more than anything else, that has sparked controversy. It has also proved to be deeply divisive among groups and individuals concerned with upgrading women's roles in sports.

Those opposing scholarships see recruiting and excessive pressures to produce a winning team as inevitable horrors resulting from scholarships.

Those supporting scholarships contend that if they are available for men, basic fairness dictates they be available for women, too.

Phyllis Bailey, women's athletic director at Ohio State, says she basically is not opposed to scholarships for women ". . . if the talent is good enough. Just because a woman's talent happens to be in sports skills, people shouldn't say, 'Too bad for you, sister.' "

"We're very concerned. We want our program to be educationally sound. We don't want to get into buying talent," says Della Durant, director of women's athletics at Penn State University.

"We don't want to get into boxing or a girl into participation on a team for a given length of time. If she comes to this university and sees the many advantages and activities she could participate in, we don't want her to feel she has to participate on a team."

Florida's University of Miami is one school where athletic scholarships are available for women.

Doug Hartman, who coaches the women's swimming team there, has seven swimmers on scholarship for the first time this year.

"The best ones work out with the men," Hartman said. "They go 10,000 yards a day for three hours a day five days a week and then they go out there on Saturday and Sunday afternoons. We offer a kid a chance at swimming and swimming nationally." Hartman's team is ranked No. 2 in the nation.

Olympic swimmer Jenny Bartz is one of the athletes on scholarship at Miami.

"Sure there's pressure with scholarships. Pressure to swim and swim well because of what they're giving you," she said.

At Miami, athletic scholarships for women cover tuition only, $2,500. Over four years, that does not begin to approach the costs of recruiting and supporting a male athlete at any of the big-name sports schools. That can run as high as $30,000, according to Marjorie Blaufarb of the American Association of Health, Physical Education and Recreation.

One reason for the disparity is economics. At the big-name institutions, men's sports are a way of raising money and keeping the alumni happy (and contributing), plus building a national reputation through media exposure. To a lesser extent, men's sports at the college level are frequently a training ground for the pros, where the real money is.

Social attitudes may be changing, but women's sports have not yet reached the point where they can command the media attention and raise the money that men's sports draw.

Just this month, UCLA basketball superstar Bill Walton signed a five-year contract estimated at several million dollars with the Portland Trail Blazers. By contrast, tennis player Billie Jean King became the first woman athlete to break the $100,000 mark in 1971. Last year, Margaret Court surged ahead with winnings of $180,000, the highest ever.

In professional golf, the top-ranking men players usually can expect winnings of more than $100,000 a year. For women, the top figure is about $40,000, although last month's Dinah Shore Winner's Circle tournament, the highest-paying women's golf tourney ever, may change the women's average. Winner Jo Ann Prentice's earnings in that contest were $32,000 of the total purse of $200,000.

Both the Dinah Shore tournament and the tennis matches of Billie Jean King have rereceived nationwide television exposure, an indication at least that women are getting a foot in the media door.

They made progress, too, at the 1972 Munich Olympics, where women's sports events received extensive television coverage. Donna de Varona, a gold medal double winner in swimming in the 1964 Olympics, became the first women to do live television commentary on the Games.

There were other improvements, too, said Fairfax County's Melissa Belote, who brought home three gold medals from Munich. "The girls on the team actually had a better deal than the boys," said the Lee High School junior. "We had only one girl to a room and each of us had our own portable kitchen, which didn't happen for the boys."

Belote's description of the treatment of women athletes in 1972 contracts with de Varona's remembrances of 1964, when the women were treated more like second-class citizens.

De Varona recalled that the women had inferior lodging and ate their meals at coffee shops and hamburger stands while the men stayed at plush hotels and ate steak.

It's unclear precisely where the movement for women's athletics will lead but most predictions are that, over the years, the effects will be profound.

The emergence of the female athlete is a challenge to deeply imbedded values and traditions. It appears certain that some will erode under the pressure.

One possible casualty may be the "win-at-all-costs" mentality that dominates many men's sports. Large-scale participation by women may have the effect of humanizing sports, particularly at the big-time college level.

As things stand now, the pressures to win are intense. "We are at the mercy of winning and losing," said University of Maryland athletic director Jim Kehoe, explaining that he has to compete for the spectator dollar with the Redskins, the Bullets, the Baltimore Orioles and any other sports team or event in the area.

Making a crucial basket against North Carolina or beating Alabama in football will be reflected in cash flow at the gate and in television and radio income, Kehoe said.

So heavy are the pressures at Maryland and elsewhere that many athletes simply give up their scholarship and quit college.

A survey by The Washington Post last fall showed that of 27 athletes recruited on football scholarships in the fall of 1969 only 17 were still at Maryland four years later.

"They promised such a good education when I was being recruited," said Sam Martin, who gave up his scholarship and left in the summer of 1971. They said the emphasis was on studies first and then football.

"But the first day we arrived at school we had a meeting and it was all turned around. He (former coach Roy Lester) said family was first, football second and studies were the least important."

In a research paper on the origin of the "winning is the only thing" mentality of football in particular, Penn State sociologist Allen Sach traced it to the last quarter of the 19th century. This was a period in American history when the "robber barons" were building the giant corporations that dominate the business world.

"For individuals amassing great fortunes in the cutthroat competition of the latter 19th century, sport probably reflected the same acquisitive values that permeated the rest of their lives," Sach said. "Survival of the fittest, fierce competition and an intense desire to win at any cost became the major themes of their work as well as their play."

"The whole system needs to be reevaluated," said Dorothy V. Harris, director of Women in Sport at Penn State's Sport Research Institute.

"It should be our job to see that all human beings who desire to participate in sports have an avenue to pursue it . . . I'm just as concerned about the boy who gets cut from the system as the girls who have almost no opportunity.

"The thing that prostitutes sports is, all the educational values get traded off for the business values and that goes right to collegiate sports and the NCAA," Harris continued. "They're big business so you can't argue educational values because you've already sold, traded them off for business values . . . Those rich old men, buying and selling and wheeling and dealing and they don't care what happens to the individual."

The most significant change to come from the athletic revolution, however, may be one of attitudes. Many women's groups see a parallel in what's going on in sports now with the civil rights movement over the past 20 years.

The Title 9 law barring sex discrimination is word-for-word the law barring discrimination on the basis of race, with the word "sex" substituted for "race." (Title 9, however, applies only to educational institutions.)

It is also worth noting that in the civil rights movement, athletics has been and remains one of the areas where there has been the greatest progress and acceptance for blacks.

Just as the civil rights movement brought dramatic changes in the way blacks perceived themselves and society, many women feel similar results may evolve from the upgrading of women's sports.

"There are few countries where we have encouraged our girls to be as sedentary as we have in the United States," said Phyllis Z. Boring, a Rutgers University professor and a member of the New Jersey Women's Equity Action League. "I don't see where it becomes unfeminine to stay in decent condition."

What Boring and others are looking for is a general social attitude that it is more—not less—feminine for a woman to develop her skills, in sports and everything else, to their fullest potential.

Gradually, grudgingly, that view is becoming accepted.

THE WILLIAMSVILLE PARENTS TEACHERS' PROGRAM FOR HANDICAPPED CHILDREN: A MODEL FOR AMERICAN VOLUNTARISM

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. KEMP. Mr. Speaker, I would like to bring to the attention of my colleagues a volunteer program sponsored by the Williamsville PTA Council Special Education Committee and directed by Mrs. Frances C. Dando to teach handicapped children to swim.

The children are taught by teenagers who volunteer their time to teach basic skills of swimming. The swim program has been so successful that there is a waiting list of children who wish to participate.

All too often such effective community action programs are ignored. It is my belief that now is the time to give them the recognition they are due. For all involved, it is a truly rewarding experience. The children learn not only to swim, but also to have confidence in themselves. For the volunteers, it is a valuable teaching experience and a more essential lesson in caring for the less fortunate in our society. Under the exemplary direction of Mrs. Dando, both the children and the volunteers experience all this and have fun at the same time. It is through these programs that the youth of our Nation can learn self-initiative and responsible citizenship plus help point the way to one of the real strengths of the American spirit—voluntarism. I support their efforts and hope other communities will follow their lead.

The Sunday, May 26 edition of the Buffalo Courier-Express carried a fascinating article written by Louise Leiker which gives us an inside look at what the swim program means to both the teenagers and the handicapped. The article follows:

TEENS TEACH THE HANDICAPPED

(By Louis Leiker)

Sleeping in on Saturday morning has been sworn off by scores of Williamsville teens who prefer swimming pool shivers to snug covers when it comes to teaching 150 handicapped children how to swim.

As the children—some retarded, others with varying learning-perceptual disabilities or physical impediments—learn to float, kick and bob, they're simultaneously opening doors to richer experience. And the youthful volunteers themselves, now halfway through the eight week swim program sponsored by the Williamsville PTA Council Special Education Committee are acquiring a greater understanding of the handicapped.

"We felt the need to help these special children find an area which would help them get into the mainstream of life—and swimming seemed like a good place to start," Mrs. Frances C. Dando, director of the swim program said.

Mrs. Dando, a pert mother of five with cropped blonde hair and limpid hazel eyes, has a retarded 12-year-old daughter who sharpened her swimming skills in the programs experimental run last year.

"We also would like to prepare these children to take the regular summer neighborhood swim classes, she said. "Not only are they learning a skill, the children are also training to enter a heterogeneous society. We see swimming as the great equalizer where handicapped youngsters can mingle with normal children and where normal children can see that the handicapped are not to be feared, but to be loved.

The results of the swim classes have been dramatic. Many handicapped children have gone on to earn the Red Cross beginning swimming certification through the one-to-one or two-to-one instruction. Others have learned enough skills to enter regular swim classes. But, it is the seemingly "small" accomplishment that Mrs. Dando is most proud of.

"One of the most memorable instances was when we couldn't get one scared little boy out of the locker room," she recalled. "He became interested in the volunteer's water-resistant watch worn in the water. So tile-by-tile we edged the boy by the pool and got him into the water by putting the watch around his ankle."

Some of the 125 volunteers are adults and parents of the children. Parents, where possible, are not allowed to observe the swim classes until open house two weeks before the program ends.

"Since we want to use swimming as a common ground between normal children and the handicapped, we try to help the children attain as much independence as possible," Mrs. Dando said. "We ask the parents to drop the kids off at the locker room, where they, for example, learn how to find and use their lockers. Of course, some will not be able to do this.

"But on the whole everyone is given the opportunity to learn, to go away from the program with a greater feeling of confidence and self-esteem."

The program, which now has a waiting list, is open to the handicapped aged 5 to 20, living in Akron, Alden, Amherst, Cheektowaga, Clarence, Depew, Grand Island, Hamburg, Kenmore, Lancaster, Sloan, West Seneca and Williamsville school districts. It is funded through the Amherst Youth Board and the Village of Williamsville, and takes place in these Williamsville school pools: Casey Middle School, in Casey Rd., Heim Middle School in Heim Rd., and Mill Middle School in Mill Rd.

Although not all volunteers have Red Cross lifesaving certification, there are certified life guards and water safety instructors coordinating the program at each pool.

"Sometimes it seems as though the volunteers may be learning more than the children themselves," Mrs. Dando said. "They appear to come to a better understanding of these special children after working with them for awhile.

"One boy told me he had become more patient and more tolerant of others after the program. Even those children taking part in the swim program who are not retarded learn more about this type of handicap."

The young volunteers themselves agree that they've received much for their efforts and that their Saturday mornings are well spent.

"I've learned to practice a lot of patience," Eileen M. Tiebor, 15, a freshman at Williamsville North High School, said. "You can't force these kids to swim. We do one thing at a time. Even if the kid I'm working with learns to kick, or uses his arms or tries to float, we both feel a sense of accomplishment. And the time spent is really no big sacrifice, I enjoy the work."

Her classmate, Deborah Siracuse, 14, added:

"Some kids were told by their parents and friends not to volunteer for the program because the children would attack them or it would be a waste of time trying to teach them something. As the weeks go by, the ignorance of those statements becomes clearer.

"Sometimes success is just getting a kid to put his face underwater. But, through those small miracles, we both get more confident and more is learned."

Another Williamsville North freshman, Joseph H. Streiff, 15, became involved in the program after he realized that "so many people have helped me I thought it was time to help others."

"Swimming is something that definitely should be taught to the handicapped," he said. "It's another accomplishment they can achieve and it's something they can do well."

The swim program is only one of several projects carried out by the Williamsvillle PTA Council Special Education Committee of which Mrs. Dando is chairman.

The committee is dedicated to insuring that special education students receive all educational advantages due to them under state law. It formed last February when parents expressed concern over the negative connotations the word "retarded carries and over incidences where retarded youngsters were called derogatory names.

"Perhaps the hardest thing a retarded youth has to bear is the stigma society places on his condition," Mrs. Dando maintained. "By taking retarded children out of homogeneous environments, we hope to break these stereotyped images. We also hope that other communities will initiate swim programs like ours."

SUGAR ACT FULL OF IMPONDERABLES, LIMIT ACT TO 2 YEARS

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. DINGELL. Mr. Speaker, we have been aware of the dramatic increases in the price of sugar during recent months. There is great controversy surrounding the proposed amendments, the Sugar Act, which are scheduled to be before us on Wednesday, June 5, 1974.

It is clear that there are more imponderables confronting sugar today than ever before. The world market is more chaotic than at any time in its history. Many voices are being heard attempting to pull and haul the United States in various directions concerning the Sugar Act. In view of the extreme uncertainties involved and the overriding importance of insuring that the American consumer receives an assured supply of sugar at the most reasonable possible price it seems to me that tying ourselves to a 5-year act is the wrong solution at this time.

I believe that the correct course—the course best designed to protect the public interest and particularly our consumers—is to enact legislation with a 2-year tenure. This then would enable us to reexamine the act and its impact upon the consumer in a couple of years, and make such adjustments as appear necessary.

To this end it is my intention to introduce an amendment to H.R. 14747 substituting a 2-year duration for the 5 years contained in the bill as reported out by the committee.

A copy of the amendment follows:

AMENDMENT TO H.R. 14747, AS REPORTED OFFERED BY MR. DINGELL

Page 22, line 7, strike out "1979," and insert in lieu thereof "1976,".

Page 22, line 9, strike out "1979" and insert in lieu thereof "1976".

HOW MUCH INFLATION? HOW SERIOUS A RECESSION?

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. HARRINGTON. Mr. Speaker, an article by Hobart Rowan, "How Much Inflation? How Serious a Recession?" appeared in the May 5 Washington Post. In that article, Mr. Rowan takes on the President's recent economic message to Congress, and rather effectively challenges its credibility.

It seems to me that Mr. Rowan's article not only poses the central questions raised by the message, but also highlights the challenge it poses Congress. Are we going to sit back and listen to pretty words, or are we going to assume a role of leadership and do something to solve the very real economic problems afflicting the people of this Nation.

It is my belief that we must resolve ourselves to address those problems.

I insert Mr. Rowan's article in the RECORD at this time, for the information of my colleagues in this context.

The text follows:

HOW MUCH INFLATION? HOW SERIOUS A RECESSION?

President Nixon, according to John Kenneth Galbraith, noted Harvard economist, "is in more trouble for failed economics than failed burglars." In an interview with Parade Magazine, Galbraith said that "no administration can survive" when the inflation rate hits 11.5 per cent, as it did in the first quarter.

Judging by the new White House cover-up of the real problems of the economy, Galbraith may be right.

In a radio address last Saturday, President Nixon assured the nation there are "encouraging signs today that the worst is behind us."

He went on to point out that the chief causes of inflation last year were food and energy prices, over which the administration had little control, and that these price increases had diminished and should cease further. Thus, "the storms are abating," the President said.

The only problem with this analysis is that, at best, it is simplistic and, at worst, dead wrong. The pattern of inflation in 1974 is different from the inflation in 1973, and as Cost of Living Council Chairman John T. Dunlop has indicated, might be more serious.

Just a day after the President delivered his soothing words on Saturday, Federal Reserve Board Chairman Arthur F. Burns told a college commencement that "the gravity of our current inflationary problem can hardly be overestimated." Using grim words very carefully, Burns said that the very future of the nation could be "in jeopardy" if the inflation rate did not recede. And he offered little hope of lower prices.

"The President is right and Burns is wrong," Ron Ziegler told UPI. Ziegler may later have to make the statement inoperative.

The root of the inflation problem that President Nixon failed to mention is that there are counter forces at work this year which more than make up the reduced pressure from oil and food prices (which of course are still very high).

"We are seeing in 1974 the consequences of the 1973 inflation," Dunlop told an audience of business writers a few weeks ago. "The 1973 costs are now going through the (economic) system, into steel, paper, utilities, transportation."

Beyond that, Dunlop pointed out, with the end of wage-price controls, business is not only free to raise profit margins—but many companies have raised prices in anticipation of further higher costs. Moreover, wages—freed of government restraint—will also tend to push prices higher.

Thus, argues Dunlop—and he has made the same presentation in the White House—we are confronted with a "bedrock" inflation in items that make up 69 percent of the Consumer Price Index.

The stage is potentially being set, as Federal Reserve Board Governor Andrew F. Brimmer pointed out over the weekend, for a "cost-push phase of a renewed wage-price spiral similar to that in 1969 and 1970."

So our economic problems are far from being behind us: they lie ahead, and are likely to become more pressing before easing up.

"If 1973's inflation was made abroad (in fuel and other commodities) then 1974 inflation will be made at home," Dunlop says, "and no one thinks that this bedrock inflation is reversible because it is being built into wage rates and profit margins."

Recently, administration and private economists who had expected inflation to turn down this year and be less than 6 per cent during the fourth quarter have come to the conclusion we will be lucky if the rate then is no more than 7½ to 8 per cent. That is also the rate predicted by Treasury Secretary William Simon in an interview with the Washington Post, a forecast that would have been unthinkable a few weeks ago.

Paul H. Earl, an economist with Data Resources, Inc., estimates that the CPI, which swelled to 12.2 per cent in the first quarter, will still be rising at a 9.6 per cent rate in the fourth quarter.

Earl takes into account the end of price controls, especially in health care, construction, auto and processed food industries; continued supply shortages for critical materials like scrap metals, paper and copper; large increases in price of electricity and steel; and higher wage rates. All this outweighs the moderation expectable in petroleum and food prices, as well as the weakening of some spot commodity prices.

Nixon administration economists have consistently underestimated the strength of inflationary pressures in the economy. They misjudged the strength of the world-wide commodities boom when they junked Phase II of the wage-price effort in January, 1973—yet complain there was little they could have done to head off that part of the inflation.

Now, President Nixon talks in syrupy style of "further improvements in the economy" for the rest of the year. The real question is how far inflation will go, and how serious a recession the Federal Reserve Board will be forced to put the nation through in an effort to bring down prices.

WOMEN IN SPORTS

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mrs. MINK. Mr. Speaker, the recruiting of college athletes, the selection of sports, and the call for affirmative action for women's athletics are discussed in the following excerpt from the Project on the Status and Education of Women's article, "What Constitutes Equality for Women in Sports?":

WOMEN IN SPORTS

The practices surrounding recruiting male college athletes have periodically erupted in scandal over the years. There is increasing concern over recruitment practices at present because, according to the *New York Times* (March 10, 1974), they are becoming more like a "frenzied slave market" as more and more athletic departments run in the red. Because of the cost and the pressure, forty-one colleges have dropped football in the past ten years.

The issue of sex discrimination does not rest on whether or not recruiting is desirable. It rests an equality. For example, if an institution feels that recruiting student athletes is not desirable, it may wish either to use the pressure for equity to de-emphasize recruiting for males, or to begin recruiting female athletes with the same intensity that they have been recruiting males.

MEDIA COVERAGE OF SPORTS

In some stadiums, women are not allowed in the press box, with the result that they cannot adequately cover games.

Women at a prestigious western university protested so-called "honey shots" of women spectators at sports events. The women said that they neither wanted nor needed "the defense of their physical attractiveness by (the) sports information director of the media."

Women at a number of institutions have raised the issue that women's athletics have not received sufficient coverage in university publications (press releases, bulletins, newspapers, etc.) or that the public information office of the institution provides services for men's, but not women's athletics. It seems clear that such university-sponsored or funded publications or services are bound by the university's obligation not to discriminate on the basis of sex.

THE SELECTION OF SPORTS AND LEVELS OF COMPETITION

A large midwestern university spent over $2,600,000 on its men's intercollegiate athletic program. There was *no comparable program* for women's intercollegiate athletics. In fact, *no university money whatsoever* was officially spent on women's intercollegiate athletics.

At a formerly all-female college, men compete in five sports (with an annual budget of $4,750), while women have three sports (with a $2,060 budget).

A competitive athletic program of ten includes sports at the varsity, junior varsity, freshman and occasionally the intramural or club level. The level of competition offered is expected to vary according to the skill level of the participants and opportunities for competition. However, because fewer women generally participate in competitive sports, their opportunity for competition at various levels is limited. As part of an "affirmative action" or "remedial action" program concerning women's athletics, an institution might both encourage its own women students to participate in athletics and encourage other institutions to develop competitive sports programs for women, so that the women at a given institution would have greater options for competition.

Some people are recommending that institutions conduct periodic student surveys to determine the sports in which members of each sex would desire to compete, the appropriate levels of competition, and whether teams should be single sex or mixed. They argue that these assessments would provide institutions with guidance concerning the most appropriate way to expand opportunities as women become more involved in competitive athletics. They further argue that these surveys should be conducted yearly (perhaps using data processing cards at registration) so that the athletic opportunities for women students are responsive to changing interest patterns. Opponents of this plan, however, say that such a survey would be difficult and expensive to administer and that it poses a governance problem. They also fear that they would be forced to change the athletic opportunities available for *men* if male students were similarly allowed to play a major role in determining what athletic opportunities were available to them.

THE CALL FOR AFFIRMATIVE ACTION FOR WOMEN'S ATHLETICS

Women's groups are saying that institutions should take affirmative action to overcome the effects of past discrimination in competitive athletics. Already there have been a number of changes in the athletic opportunities available to women in educational institutions. Several states have passed state laws to open up athletic opportunities to women. Others have expanded the opportunities available to women in response to pressure and complaints from civil rights groups and women's groups. In addition, a growing number of institutions are conducting studies to determine the adequacy of the athletic opportunities that are available to women.

Women's groups argue that it is not enough simply to expand the athletic opportunities for women somewhat. They are urging institutions to take affirmative steps to encourage women to avail themselves of the available opportunities for competitive athletics. They stress that institutions should use their facilities and services to the fullest to assure substantial participation by women in competitive athletics.

TRIBUTE TO JOSEPH CARDINAL MINDSZENTY

HON. ROGER H. ZION

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. ZION. Mr. Speaker, I rise to add these few words of tribute to one of the most remarkable men of our times, Joseph Cardinal Mindszenty, who honored us with a brief audience last week.

It was both an honor, and a humbling experience, to be ushered into the presence of this man whose name is symbolic of the fight for freedom throughout the world. His lonely vigil on behalf of all free men has been an emotional experience for Catholic and non-Catholic alike.

An editorial in the most recent edition

of the Catholic Standard, archdiocesan newspaper in the Nation's Capital, best expresses our thoughts on the Cardinal's visit to America:

> His personal visit is a reminder that men of principle can prevail against even the most insidious forms of evil. His presence repudiates those who reject the innate dignity of man and man's right to profess and live his belief in God as well as his right to be free. Few men in history have paid the price of imprisonment in terms of years as has Cardinal Mindszenty. Yet he has not lost heart, nor has he failed to stand firm for his faith and the principles in which he believes.
>
> . . . In a world in which we observe the actions of so many faithless men, Cardinal Mindszenty stands out as a man of faith. A strong-willed man who shares the human failings of the rest of us, he has risen to great heights in his search for perfection. We can all take strength and confidence from what he is and what he has accomplished."

Indeed, the Cardinal's life should bring home to us the realization that freedom understands no limitations of territory or denomination.

PAYROLL BITE ACCEPTANCE IS "WEARING THIN"

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. BURKE of Massachusetts. Mr. Speaker, I believe the time has come again for me to remind the Members of the U.S. Congress about the regressive social security tax being levied upon the American working men and women of this Nation. This regressive tax is causing domestic business untold hardship and is resulting in our working people paying more in social security taxes than they are in income taxes.

I have filed legislation with more than 130 Members of Congress as cosponsors providing for a reduction of this exorbitant tax from 5.85 percent on the employer and employee to 3.9 percent on both, with the remainder of the money to come from general revenues.

The social security trust fund is now carrying many of the burdens formerly paid for by local, county, State, and Federal Government. This is grossly unfair. This burden should be shared in a more equitable way.

The Washington Star-News, in a series of articles, has cxplored this problem in depth. I am submitting for the RECORD today, the first in the series of articles, entitled "Payroll Bite Acceptance Is Wearing Thin," by Duncan Spencer. I hope my colleagues read this article carefully. Perhaps, then, they will understand what I am trying to accomplish.

The article follows:

[From the Washington Star-News, May 30, 1974]

PAYROLL BITE ACCEPTANCE IS "WEARING THIN"

(By Duncan Spencer)

It was when Dick Rung, a 26-year-old architectural assistant, was filling out his income tax form 1040 two months ago that he noticed it. He was paying almost as much Social Security as income tax.

It was a reflection that perhaps crossed millions of harried minded this year as payroll taxes for the Federal Insurance Contributions Act (FICA) reached an historic high. Rung met his calculations resentfully.

"Before that," he said recently, "I paid no attention to Social Security at all. It's just something you accept."

But for him as for many other workers across the country, the attitude of acceptance of Social Security's bite each week is now wearing thin. This year, for the first time, over half of the country's taxpayers paid more for these "retirement benefits" than for income tax.

"Social security is a deception," Rung asserted. He sat in his cool white drafting room at Harry Weese Associates in downtown Washington where he earns $12,000 a year as assistant to a project architect working on Metro.

"There are only two types of people who really benefit from Social Security—the people who got in early and the bureaucracy. You're told you're paying money into an account that's for your own retirement, when in fact, I'm paying for my parents' retirement, and I'll have to depend on a generation yet to come."

Rung's jaundiced view may be inaccurate, at least in part, but his attitude is widespread and growing. It seems that the tax levied in the name of "contributions" to Social Security has crossed a real pain threshold for young workers.

Is Social Security a good investment? Rung thinks not, and there are calculations that would seem to bear him out. Most people have not thought at all about the question. What will they get from the system over their working lives and after retirement?

Social Security officials answer these questions by pointing out there is no private insurance plan on the market that offers a combination of old-age pension, disability insurance, health insurance after retirement, benefits to widows and dependent children.

Created during the Depression's widespread poverty and unemployment, Social Security was not envisioned as an investment program but rather as a system of limited benefits to protect the nation's elderly from problems against which they were essentially defenseless.

Some 10 million people in the United States today are estimated to live on Social Security benefits alone. The average monthly payment is only $183 a month.

The officials also argue that the strength of the system is what Rung dislikes most about it—that it is compulsory, and it is based on an unwritten pact between one generation and the next, with the older generation retiring on part of the income of the younger.

The Social Security Administration bases its predictions for the future on two key assumptions—that wages will outstrip inflation by a small percentage, and that the system itself will remain in the same basic form. Both of these assumptions are subject to challenge. But even under the predictions SSA confidently expects, the system is now uneven and seems likely to become considerably more uneven.

For example, a 22-year-old making the U.S. median wage ($7,681), perhaps a laborer, paid $449 in payroll tax this year. When he retires in 2017, his monthly benefit will be about $2,400 in almost unrecognizably inflated dollars. In constant dollars, about $295. If he's married, the benefit will be 50 percent more.

A 22-year-old making maximum taxable earnings ($13,200) will get a monthly benefit of about $3,000 a month—in constant dollars, about $376.

A low-wage 22-year-old now making $3,200 a year will get about $1,600 a month in 2017, a sum equal to about $197 in today's dollars.

A 40-year-old making median earnings will retire in 1999 at $939 a month, worth about $277 in 1974 dollars.

A 49-year-old making maximum taxable earnings will retire in 1990 at $748 a month, the equivalent of $343 in today's dollars.

A man retiring this year at maximum taxable earnings gets a benefit of $304, while a poorer man, also 65, who is only a minimum wage earner ($3,200), will get $157 a month.

These examples show that it's a great advantage to be married; that benefits have only a slight relationship to the amount paid in; and that, in general, the future benefits for middle-income workers in constant dollars are going to decline in most cases not increase.

There is considerable variation in the benefits paid under the system. People who pay the same amount of payroll tax may get different benefits, depending on whether they are married or not or on the year in which they retire. People who pay in different amounts of payroll tax may end up getting the same amount of benefits.

The system has been weighted throughout its history to benefit the low-wage earner, yet there are those who argue that the poor and unskilled start work younger, and die sooner, and thus get less out of the system.

"You need the money now, not when you're older," grumbled Rung. Retirement is not something he often contemplates. "I'll work until I drop," he said.

Rung's personal financial picture is bright. He earns much more than $7,681—the amount on which the average American worker pays Social Security taxes.

And his wife pulls in another $9,200 as a librarian.

The couple, with no children and no debts, lives in Arlington in a $220-a-month apartment. Their principal possessions are a $2,000 stereo set and $2,000 worth of records, some furniture and a bicycle. They have no car. "It's a matter of economics," he says. They spend about $30 per month on a big dinner in town, and they spent $1,700 on a European vacation last year.

Ironically, the reason the Rungs live this way is because of their fears of the future, related in an oblique way to Social Security.

Rung tries to put 20 percent of his take-home salary into common stocks, in spite of the fact that in the last two years he has been losing ground steadily. The fact is, he simply doesn't have any faith that Social Security will be able to provide for his own retirement, he sees savings being constantly eroded by inflation, and the stock market seems to him the last reasonable hedge.

He may be right. The changes that are coming to the U.S. population due to zero population growth will not greatly affect Rung. He will have passed out of the earnings picture to join the huge group of "baby boom" retirees in time. But inflation, according to the conservative estimates of Social Security actuaries, will just about decimate the U.S. dollar.

Inflation has been going on for a long time, but now, for the first time, the Social Security system is actually pegged to it.

Rung's present wages of $12,000 are close to the present Social Security wage base of $13-200—the amount on which FICA tax is based. As a college graduate with high chances for advancement in his profession, he is likely to earn more than the base for the rest of his career.

But counting on inflation of 3 percent a year (the current rate is 8 percent) and an annual 5 percent rise in wages (below the Cost of Living Council's 5.5 percent guideline), Rung's base wage on which Social Security tax would be computed in his last working year—2012, when he will be 64—would be $84,600.

The $84,000, of course, could be mere play money compared to today's currency. It's exactly the old $13,200 blown up by steady inflation. But the percentage of Social Security tax will march steadily upward, too. By 2013 the payroll tax, SSA estimates, will have risen to the region of 7 percent—and that is a real percentage, not an inflated one.

What do the system's current assumptions mean for the Rungs? Assuming they both retire in 2013, he at age 65 and she at 62, they will have put about $111,000 into the system, according to calculations by SSA's acting chief beneficiary Francisco Bayo.

But this is by no means the true value of their compulsory "contribution" to the system, Bayo concedes.

At a moderate compound interest rate of 6.35 percent, which Bayo named as a reasonable figure, their "contribution" is actually $319,000—the amount their payroll taxes would have earned if invested outside the system.

And the "contribution" should be doubled, since the Rungs' respective employers have paid equal amounts to Social Security over the years. So the total they "gave" to the kitty is really $638,000 plus the sum paid over the years toward Medicare. This would add about 15 percent to the total, but Social Security can't estimate a dollar sum accurately because medical costs are expected to rise abruptly. The approximate total contribution grows to $731,400.

After Rung retires, he still gets no benefit out of his contribution to the system. Since the money is gone—paid out to others—it has earned no interest.

That represents what Social Security experts concede is a loss to him of 6.35 percent a year during his retirement years—in other words, the interest income he would have continued to receive in retirement if he had had the money to invest when he was working.

Here's how it works out in Rung's case:

He is expected to live 13 years after retiring, according to mortality tables supplied by SSA. During that time, he and his wife will receive benefits of $50,400 per year, or $4,200 per month.

Over the 13 years, he and she will be paid $655,200 in benefits. But from that, there should be subtracted the 6.35 percent loss or discount. The sum left to the Rungs is $613,495—their return on a lifetime FICA "contribution" of $731,400.

One of the most persistent criticisms of Social Security now is that it moves across every layer of society with its flat tax of 5.85 percent on the first $13,200 of wages. For the Rungs, it means they are paying about 10 percent of their joint wages, since neither yet earns up to the maximum base.

Most economists put the tax burden on young couples much higher—part of it, they argue, is hidden, because the employer also pays 5.85 percent towards the employe's Social Security.

"The employer couldn't care less," said Prof. Milton Friedman of the University of Chicago, one of the loudest critics of the Social Security system. "The employer's portion of Social Security is wage cost just as wages are." He calls the Social Security Administration's policy of calling the payroll tax a "contribution" and counting only the employe part of the tax burden "absolutely disgraceful and misleading."

Taking into account the employer's tax payment, too, it works out to about 20 percent of the Rung's wages. In their earning lifetime, it will rise to over 30 percent.

In 1972, the Brookings Institution published a study of the payroll tax—before the accelerating factors of fast-paced inflation and declining population were as clearly visible and before the biggest-in-history 20 percent hike in benefits was in force.

"Most taxpayers complain about the income tax, but their wrath is blunted by the general belief that it is a fair tax overall despite some inequities," write Brookings senior fellow John A. Brittain. "There is little visible wrath against the payroll tax because most of those who pay it do not realize how heavy and inequitable its burden actually is."

The study pointed out that the payroll tax is negligible on high incomes, that persons with income only from stocks and bonds are not taxed at all.

Clearly, however, the emphasis in the public's mind on Social Security has not been on its long-range or future problems. Rather, it has been on how good the system is.

One of the apparent reasons Social Security has had such an affirmative look about it is that Congress has never bothered to spell out specific goals or definitions so that potential problems might become more visible.

James Cardwell, the current chief of Social Security, would like Congress to do some long-term planning. But few observers expect it to do so.

And young workers also seem unlikely to do much toward planning about retirement, either. Rung, with his stocks, is an exception. A way around the system does not seem a major worry for most.

AMERICANISM—OUR PRIVILEGE AND OUR STRENGTH

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. STEIGER of Wisconsin. Mr. Speaker, each year the American Legion Auxiliary, department of Wisconsin, sponsors an essay contest on Americanism for students in the State. I am pleased and proud that the winning essay in the grades seven to nine competition was written by a student in the Sixth District, Megham McDonald of Winneconne Middle School.

Meghan wrote a most thought-provoking piece on the subject, "Americanism—Our Privilege and Our Strength." All too often, Americans tend to take for granted the freedom we enjoy here in the United States. But, as Megham says, "Freedom is not 'free' at all. It must be worked for. It is a privilege, not a right."

I commend to your attention this very fine essay:

AMERICANISM—OUR PRIVILEGE AND OUR STRENGTH

For nearly five thousand years men have lived and died taking advantage of their fellowmen. During some periods in history men made a little more progress when they worked together to help each other. When the early cave man joined into simple tribes or clans, they were able to protect themselves, as well as, provide for a happier way of living and sharing. Our great nation was born two hundred years ago by the strength, determination, and willpower of fearless Americans willing to work together and die for the greatest gift of life—Freedom.

When we celebrate the Bi-Centennial in 1976, every living American ought to review the history, struggle, and responsibility of freedom. Americanism is the trademark of a great, free nation. Our willingness to accept and cherish the values of freedom are challenged today by persons who would destroy all we live for. Let's substitute corruption, greed, fraud, hate, and distrust for the American Values of:

Respect for all individuals; Trust; Cooperation; Faith and religion of one's choice; Responsible citizenship; Liberty under law; and Freedoms guaranteed under the constitution.

In our democracy, governed by a free people, you and I have a voice in the building or destroying of the values of Americanism. What will be your choice?

My voice and strength will always be expressed in an effort to build an even greater America. I hope to do my share throughout my lifetime to see the ideals of Americanism spread for the good throughout the world and even accompany men and women as they inhabit the universe.

Privileges build strength. And it takes strength to fight to preserve the privileges we treasure. In a free Nation we receive a great many privileges but we must struggle daily to be worthy of these gifts. We must work hard to keep our freedom. To take this Heritage for granted will be the first step toward losing it. Freedom is not "free" at all. It must be worked for! It is a privilege not a right!

To uphold the standard of Americanism before the world, we must first be worthy Americans. To be a good American is the most important job that will ever confront you in this land of Freedom and Opportunity. Are you willing to do your part in the making, the struggling, the fighting, and the sharing to keep the great ideal of freedom for the next two hundred generations and more? I am!

A HERO FOR OUR TIMES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. CRANE. Mr. Speaker, on February 5, Pope Paul VI removed Josef Cardinal Mindszenty from the jurisdiction he had nominally retained in Vienna, and from his honorary function as his nation's Roman Catholic primate.

The papal decision on formal retirement for the 81-year-old cardinal was, many believed, aimed at improving church-state relations in Hungary.

Cardinal Mindszenty, many seem already to have forgotten, was tried for antistate activities by the Hungarian Government in 1949 and spent more than 22 years in imprisonment and in asylum in the U.S. Mission in Budapest.

At an earlier time, Cardinal Mindszenty opposed to barbarism of the Nazis as they marched across Europe and was imprisoned by the Germans and their Hungarian supporters for his refusal to coexist with Nazism.

Both the Nazis and the Communists found in Cardinal Mindszenty a man whose Christian belief caused him to rebel against all tyranny and all those who would degrade man and enslave him.

For many years Communist officials in Hungary have told the Vatican publicly and privately that Cardinal Mindszenty must resign or be removed as primate before the church could expect to fill all vacancies, or hold religious classes in schools.

Cardinal Mindszenty's removal from his position has been especially tormenting to him since his removal came as the day approached for the announcement of the 25th anniversary, February 8, when he was sentenced to life imprisonment on trumped-up charges by a Hungarian Communist court.

Hundreds of telegrams and phone calls came to the cardinal at his residence in Vienna from eminent Catholics and non-Catholics from throughout the world.

Shortly after the Vatican announcement, Lajos Lederer of the London Observer spoke with Cardinal Mindszenty. He reports:

> The spirit of the Cardinal—despite eight years in Stalinist prisons and 15 years in self-imposed exile in the U.S. Embassy in Budapest—is unbent. He has taken off his gloves and he is determined to spend the rest of his years battling against misguided concessions to Communist rulers from whatever quarter they come . . . Mindszenty is convinced that the political advisers to the Pope have no inkling of the suffering of Catholics in Eastern Europe.

Mr. Lederer also reported that the cardinal was "very grieved and angered about reports that secret negotiations concerning the return of St. Stephen's 1,000-year-old crown—the symbol of Hungarian monarchy—have been resumed in Washington. The crown, which was brought to the West by Hungarian Nazis in 1945 and captured in Bavaria by U.S. troops, is being kept in custody for a 'freely elected Hungarian government' in Fort Knox." It has been suggested that President Nixon, to pave the way for his visit to Moscow, is considering a new request by the Hungarian Communist leaders to return the crown.

Cardinal Mindszenty made it clear that the previous bargain between the Hungarian regime and the Holy See which forced him to leave Hungary just over 2 years ago, under conditions of which he disapproved, has not been carried out. He declares that Hungary's Catholic Church is still not free. The decision to appoint church functionaries still rests with the Communist regime, and the guarantee of freedom of religious teachings and of conscience is not a reality.

When he suffered in Hungary for his belief in God and in the church, many thought him a saint. Now, in an era of good feeling with the Communists, he is an anachronism and many in the church are visibly uncomfortable with him.

Unfortunately, the Communists have not changed. Their brutality and inhumanity are on display for the world to see. The Communists are fighting as hard as before and we should all be thankful that Josef Cardinal Mindszenty stands firm and strong, a monument to man's folly and a point to which men may return with pride when once again our sanity is restored.

During his recent trip to this country, Cardinal Mindszenty said with regard to the policy of détente that—

> I have no hope that any concessions can be had in return (for Western concessions) from the atheist and inhumane governments.

Cardinal Mindszenty is a hero in this age when heroes are all too rare. I take great pleasure in joining my colleagues at this time to pay tribute to him.

NATO TO AID WHITE AFRICA

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. DIGGS. Mr. Speaker, I insert in the RECORD for the thoughtful consideration of my colleagues the following information concerning:

Allegations that NATO members have engaged in secret contingency planning for the defense of southern Africa,

My telegram to the Defense Department requesting its response to these allegations as made in Tad Szulc's column in the Washington Post,

The Department's resulting denial of such charges, and, finally, press clippings indicating that NATO officials have actually admitted the allegations are true.

The information follows:

[From the New York Post, May 10, 1974]

NATO TO AID WHITE AFRICA?

(By Michael J. Berlin)

American and NATO military officials are actively engaged in secret contingency planning that could turn into a commitment to defend the white minority regimes of southern Africa against both internal and external threats, according to a report prepared for the UN's decolonization committee by three American academics.

On the official level, the committment has reached a point where the NATO defense ministers in a communique—issued last June in Brussels, but still classified as secret—authorized the Supreme Allied Commander in the Atlantic region (SACLANT) to plan for contingencies "outside the NATO area."

NOT ENOUGH FORCES

SACLANT, headed by American Admiral Ralph W. Cousins and based in Norfolk, Va., has already begun gathering information on bases that might be required in the southern African area, the needed reconnaissance and communications facilities shipping lanes, traffic density and the "oceanographic situation."

So far, The Post learned from an informant, SACLANT has reached the conclusion that NATO itself does not have sufficient forces to deal with that area. And the corollary to this is that a defense arrangement involving the white minority regimes of southern Africa, South Africa in particular, is required.

Ostensibly, the NATO purpose is to protect the shipping route between the Persian Gulf and Europe, used to transport much of the West's oil, from a potential Soviet-naval threat.

This route, a SACLANT spokesman admitted to The Post in a telephone interview from Norfolk, is an "area of concern" for NATO. But the spokesman insisted that NATO activities remain "bound" to its authorized area—north of the Tropic of Cancer—and he added that "SACLANT has no plans for the air and naval defense of South Africa."

Technically, of course, the denial is accurate. The plans SACLANT is formulating officially involve not the defense of South Africa, but the sea route around its Cape of Good Hope.

But the report prepared for the UN committee says that defense of the sea route would be impossible without "active cooperation, at several levels, with the defense forces of Portugal and South Africa."

The UN report, prepared by Sean Gervasi, a fulltime UN consultant, with the collaboration of Prof. L. W. Bowman of the University of Connecticut and Prof. Ellen Frey-Wouters of CUNY, goes on to make the argument that although the importance of the sea lanes around southern Africa is real "the threat to the Cape route is minimal."

The report says that the real motivation of the NATO planners was hinted at in the NATO Assembly action that set the SACLANT contingency planning in motion—to "relieve the pressure on * * *

The authors of the UN report quote an unnamed NATO official, who was involved in the action that set SACLANT in motion, as saying that the contingency planning was designed to make it possible "to go to the aid of our potential allies in southern Africa if the need should arise."

The debate over protection of sea routes, the UN report says, is a "smokescreen" designed to hide from the public of the Western nations and evolving alliance designed to sustain the rule of a South African government that practices the racist system of apartheid, repugnant to majority public opinion in most NATO nations.

Several Western nations, the U.S. included, have moved quietly and individually in the last few years to bolster the military capacities of the southern African white regimes against internal pressures from "liberation movements," which the West has seen as extensions of Soviet and Chinese influence. The UN report details the flow of American (as well as British and French) military items to the Portuguese colonies, including large quantities of the defoliants the U.S. used with such devastating effect in South Vietnam. •

EXCHANGE DATA

The Post learned that the U.S. and South Africa have already begun informally, through the U.S. Naval Attache there, to exchange intelligence information on Soviet ship movements in the Indian Ocean area.

All this stemmed from a National Security Council decision, coordinated with NATO early in 1970, to bolster positions against Soviet influence all along the shores of the Indian Ocean.

But the current contingency planning undertaken by SACLANT could lead far beyond that—by building an infrastructure of military relationships and a rationale to expand them into direct U.S. military involvement.

The recent Portuguese coup, which leaves the future of the Portuguese territories of Angola and Mozambique—buffers between South Africa and black Africa—very much in doubt, has spotlighted the inherent long-term instability of what had been termed the "white redoubt" of southern Africa.

[From the Washington Post, May 2, 1974]

A "NEW BEGINNING" FOR PORTUGAL

(By Tad Szulc)

Portugal's military coup d'etat of April 25 has produced some of the most encouraging news in quite a few years for the cause of freedom in the world.

At a time when new repressive dictatorships are sprouting elsewhere and the old ones are becoming more frozen, the Portuguese Junta succeeded in overthrowing the world's most durable dictatorship this side of the Soviet Union and, hopefully, setting the peninsular country on the road to democracy for the first time in 46 years.

And while neo-colonialist and "while rule" tendencies were reasserting themselves in much of Africa, the Lisbon Junta's action carried the promise that the long and bloody colonial war in Angola, Mozambique and Portuguese Guinea may finally find a peaceful and rational solution.

Yet, in ejecting the Caetano dictatorship—essentially a combination of extreme rightist politics supported by a cruelly efficient secret police and powerful economic groups drawing their weight from the wealth of the

African colonies—General Antonio de Spinola, the Junta chief, has set in motion new and contradictory forces that still leave much of the future in doubt.

If there is a valid precedent for the Spinola coup, it is General De Gaulle's return to power in 1958, signaling the end of the Algerian war and the start of negotiations with the rebels that led to Algeria's independence. At first sight, there is a certain parallel between the conditions that moved De Gaulle and, 16 years later, Spinola to take national matters in their own hands. Both metropolitan nations were exhausted and embittered by lengthy colonial wars, and internal unrest was growing. Both De Gaulle and Spinola concluded that military victory was impossible and that new answers were required.

But this is where the similarities end.

De Gaulle's basic problem was to win at home (and among Algeria's French *colons*) the acceptance of the inevitability of a peace settlement largely on the Algerians' terms. To be sure, he had to endure for awhile the menace of military counter-coups and the terrorism of the OAS (Secret Army Organization). But he was spared the trauma of transforming a nation from a primitive dictatorship into a reasonably functioning democracy when hatreds and frustrations bottled up for nearly a half-century were surging to the fore. This, of course, is General Spinola's primary task.

Furthermore, De Gaulle's decision to make peace in Algeria was chiefly a French affair. Spinola, on the other hand, has created a situation in which other interests than those of Portugal and the African nationalist guerrillas are involved. What happened in Lisbon on April 25, affects deeply the immediate national security of South Africa and Rhodesia, as their governments perceive it, as well as the whole balance of power in sub-Sahara Africa.

The upheaval in Lisbon is also of concern to the United States and some of its allies in the North Atlantic Treaty Organization. One fear is that the ultimate establishment of unfriendly black regimes in Mozambique and Angola, a distinct possibility in time, may threaten South Africa's stability and endanger the sea lanes around the Cape and to the Indian Ocean. The Soviet Union and China who have long supported the rebels, notably Frelimo in Mozambique, have a stake in the outcome as well. Among the fears is that lack of access to southern Africe may deprive the U.S. and NATO countries of raw materials, ranging from uranium and other strategic metals to gold.

As long as a year ago, when it became obvious that the rebels were gaining in strength in Mozambique, the U.S. and NATO began to draw up secret contingency plans for air and naval defense of South Africa. In June, 1973, NATO's Defense Planning Committee (DPC) instructed SACLANT (Supreme Allied Commander, Atlantic) headquarters in Norfolk, Va., to draw up plans for an allied air-naval task force to stand ready to assist South Africa, should the need arise.

This was part of broader United States strategy, as visualized at the Pentagon, to reinforce positions in the Indian Ocean—from South Africa to the Indian subcontinent—against a Soviet threat in the area. Plans for establishing a naval base at Diego Garcia fit into this pattern. Following a December 1969 National Security Council decision to preserve a "balance" in southern Africa, the United States has been quietly selling Portugal "non-lethal" military end-items such as jeeps, radio systems and spotter planes as well as defoliants. It has trained Portuguese officers in counter-insurgency at the jungle warfare Army school at Ft. Gulick in the Panama Canal Zone and helped in training Portuguese pilots at bases in Western Germany.

In a bilateral arrangement, France has been selling arms to Portugal and South Africa (Britain, too, has been selling weapons to the South Africans during the Tory government). This month, South African and French naval units conducted joint exercises in the area. Rhodesian detachments have been fighting with the Portuguese in Mozambique against the Frelimo.

In the light of the new uncertainties emerging from the Lisbon coup, all parties concerned will inevitably rethink their strategies. Inevitably General Spinola will be the target of powerful international pressures.

But even in terms of direct dealings with the rebel movements, General Spinola faces serious problems.

For one thing, unlike in the Algerian situation, there is no unified rebel leadership in the Portuguese "overseas provinces." Since the 1969 murder of Dr. Eduardo Chivambo Mondlane, the top leader, Frelimo has been run by a politburo group in which Samora Machel, who was 'Mondlane's chief lieutenant, is the only clearly identifiable personality. Very little is known about others, including Frelimo officials in charge of "liberated zones" in Mozambique.

In Angola, the rebels are divided into two groups: the National Front for the Liberation of Angola headed by Holden Roberto, and the Popular Movement for the Liberation of Angola led by Dr. Antonio Neto. A fairly firm leadership, exists in the Portuguese Guinea.

Spinola's problem, therefore, is to establish with whom he should negotiate and who has the power of decision.

The Junta seems to have defused the danger that white settlers in Mozambique and Angola would proclaim "unilateral declarations of independence" on the Rhodesian model to impose white rule.

What General Spinola, therefore, must first do is to ascertain whether his "gradualism" approach—he has called for a federation of the three colonies with metropolitan Portugal—can serve as the basis for subsequent negotiations, possibly leading to a form of independence in which the three provinces would be tied to Portugal in the way in which the African Francophone states are to France.

Spinola has ruled out a ceasefire for the time being, but domestic pressures from the newly emergent democratic parties—from Christian Democrats to the left—may force him to reconsider his stand and try for a De Gaulle formula, if he can find responsible interlocutors in Portuguese Africa.

April 25, 1974 in Portugal marks a significant new beginning for the country and its embattled colonies. But a great deal of flexibility is required of the Junta to find the proper solutions at home—and in Africa.

Telegram of May 6, 1974, From Congressman Charles C. Diggs, to the Department of Defense

Request information that Admiral Bierman, Commandant, South Africa Defense Forces is scheduled to visit us on or about May 5, and that South Africa Foreign Minister was scheduled to visit us on or about May 10. Stop. If confirmed, request complete information re: initiator of invitation nature of visit. List of USG officials and others to be seen any functions or examination of facilities being arranged by USG or private related operations based on government contracts or research. Stop. Further request complete information about any so-called national security discussions between USG and SAG growing out of Portugese coup, prospective opening of Suez Canal, Diago Garcia installation, and on related matters. Stop.

Request information re any dispute at any level of USG re granting of visas to aforementioned, and why operation if any was over ruled.

Finalist comprehensive comments on Tad Szulc column, editorial May 2, Washington Post, re alleged secret US plan for air and naval defense of South Africa.

I am considering hearing on this subject if disclosure of appropriate information is not forthcoming expeditiously.

May 14, 1974, Response by Defense Department to Telegram of May 6, 1974, by Congressman Charles C. Diggs Concerning Allegations in Tad Szulc Editorial in May 2, 1974, Washington Post

There is no truth to the allegation that there was a high level (NSC) decision in 1969 to . . . "preserve a balance in Southern Africa . . ."

Comment on other specific allegations are as follows:

A. Allegation in tenth paragraph of Tad Szulc article:

Part one.—As long as a year ago, when it became obvious that the rebels were gaining in strength in Mozambique, the U.S. and NATO began to draw up secret contingency plans for air and naval defense of South Africa.

Answer: This is not true. The U.S. fully supports the UN arms resolution against the Republic of South Africa, and it supports neither side in the disputes between Portugal and the African nationalist movements in its territories.

Part two.—In June 1973, NATO's defense planning committee (DPC) instructed SECLANT (Supreme Allied Commander, Atlantic) Headquarters in Norfolk, Virginia, to draw up plans for an allied air-naval task force to stand ready to assist South Africa, should the need arise.

Answer: This is not true. There have been no NATO instructions, by the DPC or other NATO authority, to SACLANT or any other NATO command, for any such planning calling for assistance to the Republic of South Africa or any other country in Southern Africa.

B. Allegations in eleventh paragraph of Tad Szulc article:

Part one.—Following a December 1969 (U.S.) National Security Council decision to preserve a quote balance unquote in Southern Africa, the U.S.

Allegation a. Has been quietly selling Portugal quote non-lethal unquote military end-items such as jeeps, radio systems and spotter planes as well as defoliants.

Answer. The USG has not provided or sold defoliants that are applicable for military uses to Portugal. Portugal itself manufactures a wide range of herbicides, including those useable as defoliants .

The USG neither provides nor sells any military equipment to Portugal for deployment or use in Africa. The selective U.S. training and equipment provided or sold to Portugal is strictly for Portugal's NATO responsibilities, and by agreement are precluded from African use. This has been maintained.

Allegation b. It has trained Portuguese officers in counterinsurgency at the jungle warfare army school at Ft. Gulick in the Panama Canal Zone.

Answer. This is not true. There has never been any training of Portuguese military or other personnel at the army jungle warfare school at Fort Gulick, Panama Canal Zone.

Allegation c. And helped in training Portuguese pilots at bases in West Germany.

Answer. Limited U.S. pilot training for Portugal is restricted to support of its NATO missions. It is primarily for technical upgrading of pilot proficiency for the NATO missions and is accomplished wherever the U.S. or other NATO expertise is available in the NATO area.

[From the New York Times, May 20, 1974]

NATO Leak Shows Plan To Protect South Africa

The Nato command in the southern Atlantic (Saclant) received authorization in October 1972 to draft a study of possible operations in the southern African area. The fact was confirmed by a Nato spokesman in Brussels after the leak of a draft working paper to the United Nations decolonization committee.

The initiative for Saclant's authorization, according to the draft report, came after pressure from a British contingent.

The report claims that the authorization to Saclant was given under "smoke screen" motives for protecting the tanker transport routes around the Cape of Good Hope from possible Soviet naval interference. It was, the draft report claimed, an excuse to draw up plans for the protection of the white minority regimes in South Africa in order to secure supplies of minerals, in particular heavy metals, from those areas for Nato member countries.

The draft working report has been drawn up by an American Oxford graduate and former lecturer, Mr. Sean Gervasi, an economist, who is now working as an adviser for the Tanzanian Government. He was assisted by two American professors. The United Nations secretariat have hastened to point out that the draft report was not exactly what the United Nations commission for decolonization had commissioned from Mr. Gervasi.

[From the Manchester Guardian, May 20, 1974]

NATO Row Over Cape Defences

(By Patrick Keatley)

Four NATO Governments—Denmark, Norway, Holland, and Canada—are unhappy about the confidential instruction issued at a ministerial meeting in Brussels in June last year which has led to the preparation of a secret contingency plan for air and naval defences of the sea routes around the southern tip of Africa. The row has come to light as a result of the activities of a Dutch parliamentary committee which has been investigating NATO policies with a view to recommending cuts in defence expenditure.

There was no comment from the Foreign Office last night and in Washington the Defence Department has flatly denied that a contingency plan exists.

However detailed evidence has been compiled in a 275-page report prepared for a UN committee by the American authority on southern African affairs, Dr. Sean Gervasi, who formerly taught at Oxford. He was in Holland last week.

The gist of this study is that the Supreme Allied Commander, Atlantic, Admiral Ralph Cousins of the US Navy, was asked to implement the directive, and that he has ordered his staff to prepare plans on how the NATO forces could protect the sea lanes around the Cape of Good Hope in an emergency.

[From the Sunday Times (London) May 19, 1974]

NATO's Secret Plan for Cape

(By Peter Watson)

Secret plans for the air and naval defence of sea routes around southern Africa have been drawn up by the North Atlantic Treaty Organisation. The Supreme Allied Commander in the Atlantic, US Admiral Ralph W. Cousins, has made the contingency plans at his headquarters in Norfolk, Virginia, on instructions from a classified communique issued by a ministerial meeting of Nato's defence committee held in Brussels last June.

The plans are the first official sign that Nato may be willing to extend its activities beyond the Tropic of Cancer.

The plans, according to the ministerial communique, are to counter the "Soviet maritime threat," particularly to the West's oil from the Persian Gulf. They are supposed to exist on paper only and refer to such things as traffic density in the sea lanes around the Cape, reconnaissance capabilities from local airports, communications facilities in the area and oceanographic details.

Joint manoeuvers are ruled out and no non-Nato governments are to be consulted. "No action is to be implied by the drawing up of the plans," according to the communique.

These moves are disclosed in an as yet unpublished report by an American consultant to the UN Special Committee on Decolonisation. The consultant, Sean Gervasi, an American political economist who has taught at Oxford and the London School of Economics, was commissioned by Salim Saleem, the Tanzanian Ambassador to the UN and chairman of the UN Special Committee in August, to produce a report on Portugal, the Western powers and Southern Africa.

The report was completed in March and Mr. Saleem said in New York yesterday that the report is now being considered by the special committee. They might present it to the full UN Assembly. He said he felt that "some" of the report would have to be published.

However, says Mr. Gervasi in his report, other Nato studies in connection with the plans show that defence of the Cape sea routes is "impossible without the active co-operation at several levels, with the defence forces of Portugal and South Africa."

He says South Africa has the only detailed maps for 3,500 miles of coastline in the area and has been making these available to NATO via the Simonstown agreement with Britain. (The agreement was unilaterally extended by South Africa last week, more bases being made available to Britain.)

South Africa, the US and Britain have been co-ordinating communications equipment in the past few months. The US and South Africa have already begun to exchange information on Soviet ship movements in the Indian Ocean.

Inevitably, says Mr. Gervasi, innovations like the cooperation over counter-insurgency training with the Portuguese raises the question as to whether one of the contingency plans included in Nato's researches is an internal situation threatening to the right regimes in the area.

Last week, the British Foreign Office offered "no comment" on the plans. The Pentagon denied their existence.

A spokesman for Admiral Cousins admitted that the Cape routes were "an area of concern" for Nato but insisted that Nato activities remain bound to the authorised area, north of the Tropic of Cancer.

But Mr. Harry de Vreiss, official spokesman of the Nato in Brussels, conceded that most of Mr. Gervasi's disclosures are correct. When asked why the plans were kept secret, he replied: "It was seen as an internal military affair which should not give rise to misunderstanding."

However, he contributed to that misunderstanding when he added that the conditions under which the Nato forces would be mobilised included not just "war," but "crisis" as well. He would not elaborate on what "crisis" meant.

[From the London Observer, May 19, 1974]

NATO Plans To Protect African Cape Route

(By Andrew Wilson and Sue Masterman;
The Hague, 18 May)

The head of the NATO Press service admitted to The Observer in a telephone call from Brussels yesterday that the NATO Supreme Commander, Atlantic, Admiral Ralph Cousins, had received secret authorization to study possible operations in the Southern African area.

The allegation that SACLANT had been given a secret directive to conduct contingency planning in the area was made in a United Nations commissioned report leaked earlier in the week to Parliamentary circles here. The report says the study is intended to prepare the way for the setting up of a "counter-intervention" force in the area with South African co-operation; but NATO vigorously denies this.

According to the NATO Press chief, authorisation for the study by SACLANT was given in October 1972, because of concern at the possibility that the Soviet Union could interfere with oil supplies for Europe and America round the Cape.

Asked why the existence of the directive had been kept secret, he said: "It is a purely military matter, and thus one we do not normally talk about."

The United Nations report—commissioned for the General Assembly's decolonisation committee, and, until its adoption, still technically a "draft"—has already increased the threat of a crisis in the Dutch Coalition Cabinet, where Socialist members are committed to making defence cuts.

The report was written by three American professors: Sean Gervasi, an economist formerly at Oxford; Lawrence Bowman, of Connecticut University; and Ellen Frey-Wouters, of the City University of New York. It says the directive to SACLANT came as a triumph for a largely British pressure group that had been working on behalf of the white regimes in Southern Africa since the 1960s; and that one of the principal figures was the former Chancellor of the Duchy of Lancaster, Mr. Geoffrey Rippon.

"From 1970 the British Government began to press its allies for an extension of NATO. Members of the Government were aware of the opposition to the idea among their allies. They therefore proceeded to press for various *ad hoc* arrangements. In this, they seem to have had some support from the Nixon Administration. "In the spring of 1972, the supporters of defence co-operation with the white regimes scored their first important success. The Military Committee of the North Atlantic Assembly appointed a sub-committee to examine the "Soviet maritime threat."

The report says the purpose of establishing the committee was to bring the 'threat' to the Cape route into the open; and the appointment as its *rapporteur* of the right-wing British MP Mr. Patrick Wall was part of an attempt to commit NATO to the policies recommended by Mr. Rippon.

It says that in a draft working paper in June 1972 raising the question of 'NATO being outflanked to the south,' Mr. Wall was making a barely-veiled argument for a naval alliance with South Africa. 'It bears repeating that this could not have been accidental. One can only deduce that the results which Mr. Wall produced were those which were intended by those, who secured his appointment.'

According to the report, the draft working paper prepared by Mr Wall's sub-committee had to be toned down, for political reasons, by the NATO Assembly's Military Committee.

After the committee approved the report the discussion continued in the full Assembly in Bonn, with the result that the Assembly approved 'Recommendation 22.' This urged the North Atlantic Council to give SACLANT authority to plan for the protection of the Cape routes.

The UN report says the recommendations caused considerable disquiet in a number of European countries.

It goes on: 'Western Governments have been very sensitive about this and have gone out of their way to deny that anything has actually happened.

'It is now clear that this is not true. The 1972 deliberations of the Assembly . . . were the prelude to an official decision to move towards defence planning with the white regimes. The decision was taken at a Ministerial session in Brussels when the Defence Planning Committee of NATO issued a classified communique in response to Recommendation 22. The communique gave SACLANT authority to plan for contingencies "outside the NATO area."

THE DEMOCRATS SCORN CONGRESSIONAL REFORM

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. STEIGER of Wisconsin. Mr. Speaker, we will never have any transcripts or tapes of the secret Democratic Caucus which by secret vote derailed the Bolling committee's proposals for congressional reform. The participants in that secret vote, however, should have no illusion that the people do not know what those at the meeting were attempting to hide. As the following articles from the Hartford Courant and the San Diego Union testify, the country understands perfectly that Democratic Congressmen proved more sensitive to the egos of powerful committee chairmen, to their own narrowly conceived personal interest and to special interest lobbyists than they did to the urgent need for rational reform of House procedures and committee jurisdictions. In the light of such a performance by the Democratic majority, it is no wonder that, as Benjamin Shore in the San Diego Union points out, "public opinion polls for the last several years have indicated declining public confidence in the ability of the Congress to solve major problems.

The articles follow:

[From the Hartford (Conn.) Courant, May 17, 1974]

The Democrats Scorn Congressional Reform

(By Roscoe Drummond)

WASHINGTON.—The Democratic majority in Congress has just given voters a powerful reason to "turn the rascals out."

In this instance the "rascals" are not Richard Nixon or the "reactionary" Republicans; the rascals are the reactionary Democrats—enough of them to block the first significant congressional reform in a generation.

They don't want reform if they can help it; they don't want to get a more efficient, competent Congress capable of transacting the public business better than it has in the past if the needed changes are going to upset even a little bit the power base from which the omnipotent Democratic committee chairmen have long operated. They talk virtuously about how Congress must reclaim the power which it has squandered so rashly but act pettily and petulantly when it comes to doing it if doing it distributes some of their power elsewhere in Congress.

This, it seems to me, is the only candid judgment which can be pronounced on the decision of the Democratic Caucus in the House of Representatives, binding on the party, neatly tucking under the rug the whole package of congresssional reforms painstakingly prepared by a bipartisan select committee headed by Rep. Richard Bolling (D-Mo.)

This crass stonewalling of congressional reform—needed by Congress, needed by the country—can be justified on no grounds and explained on only one ground; the willingness of powerful Democratic committee chairmen to put their personal political interest ahead of the national interest.

The purpose of the Bolling committee proposals is to enable Congress to do its job of governing more effectively.

They would equalize the work of major standing committees so that the work could go forward more expeditiously.

They would consolidate major policy areas. Example: Congressional responsibility for the environment is now scattered over 17 different committees and subcommittees.

They would abolish proxy voting by which committee chairmen further aggrandize their power.

The changes would vastly reduce wasteful overlapping, make the work of Congress more coherent and increase its ability to oversee the executive branch.

When the Democratic Party caucus was voting 111 to 93 to suffocate these proposals, the chairmen of most of the major committees were shouldering them down. Their theme was: Reform, yes; but not us.

[From the San Diego (Calif.) Union, May 11, 1974]

Congress Reform Is GOP Issue

(By Benjamin Shore)

WASHINGTON.—Congressional Republicans think they now may have a decent campaign issue to use against their Democratic colleagues, many of whom are counting on Watergate to slow down their GOP opposition.

The issue is reform of the Congress, which is solidly under Democratic control. Public opinion polls for the last several years have indicated declining public confidence in the ability of the Congress to solve major problems.

However, given a chance last Thursday to endorse the first modernization since 1946, House Democrats by a secret vote of 111 to 95, decided to shelve the reform proposals which a special committee had been working on for more than a year.

The vote was taken in a closed-door caucus of the Democrats. Republicans, who generally favored the proposals never had a chance to vote on them in an open House session.

Although the Republicans would have preferred to see a streamlining of House procedures and a restructuring of committee jurisdictions, they at least come out with a potential campaign issue.

DEMOCRATS LOOK INSENSITIVE

The Democrats come out looking insensitive to public opinion and blind to the weaknesses in the House machinery which they control.

Furthermore, House Speaker Carl Albert, D-Okla., who a year ago had created the special committee headed by long-time reformer Rep. Richard Bolling, D-Mo., emerges as a leader without majority support. Even though the vote was relatively close, it is viewed as diminishing his power.

Bolling's proposals, carefully drafted after a year of study and open hearings, would have focused primarily on the House committees, abolishing a few, creating a few new ones, but mostly redistributing legislative responsibilities to equalize the work load and thus speed up legislative response to major national issues.

However, many powerful senior congressmen and outside special interests were opposed to changing the status quo.

"The name of the game is power," commented Rep. Thomas P. O'Neill, D-Mass., the majority leader, "and the boys don't want to give it up."

One of the "boys" is Rep. Wilbur Mills, D-Ark., powerful chairman of the Ways and Means Committee, which writes all legislation dealing with taxation. Bolling's committee thought Ways and Means should give up its jurisdiction over international trade, Medicare and revenue sharing. Mills made sure every Democrat in the House knew of his strong opposition.

PLAN FOR SPLIT OPPOSED

The reformers thought the liberal-dominated Education and Labor Committee should be split into two committees. The liberals opposed that suggestion, and they were joined by special interest groups, such as the AFL-CIO, which over the years have built up effective lines of communication with the committee to help shape legislation.

Under the Bolling committee's proposal to reorganize into 15 major committees, each congressman would have been limited to membership on just one. This would have forced 108 congressmen, including 65 Democrats, to give up present committee assignments.

COMPETITION IN THE ENERGY INDUSTRIES

HON. RICHARD W. MALLARY

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. MALLARY. Mr. Speaker, the United States has relied heavily on oil for the production of energy. With decreasing oil supplies, and increasing oil prices, many people have been looking to alternative sources of energy. Most promising sources have appeared to be coal and nuclear power, for which our technology is relatively advanced, and of which we have a large potential supply.

In order to understand the problems posed by coal and nuclear power, Congressmen FISH, FRELINGHUYSEN, HORTON, WHITEHURST, and I have studied competition in the coal and nuclear energy industries, giving special attention to acquisitions by oil companies in these industries.

I include the following:

Competition in the Coal Industry

In 1962, the coal industry consisted of a large number of independent producers:

The fifteen largest firms accounted for less than 41% of U.S. production;

Coal companies owned by large industrial firms controlled less than 10% of U.S. production; and

Only one oil and natural gas company owned a coal-producing subsidiary.

By 1969, production had become increasingly concentrated in the hands of a small number of coal companies owned by large industrial firms, especially oil and gas companies:

The fifteen largest firms accounted for over 53% of production;

Coal companies owned by large industrial firms contributed over 43% of production;

Five oil and gas companies controlled 23% of production; and

Oil companies leased or acquired over 30% of proven domestic coal reserves.

Journalistic commentary and Congressional testimony have warned that the acquisition of coal companies by large oil firms and the trend toward increasing concentration may be undermining the industry's competitive structure. It is alleged that these mergers tend to reduce competition between oil and coal in the electrical utilities and industrial boiler fuel markets. In the future, they argue, oil company control of coal reserves and production may nullify potential competition between synthetic fuels made from coal and increasingly scarce and costly natural gas and petroleum.

Some observers, including the United Mine Workers Journal, offer even more damning allegations. They pointedly suggest that the coal acquisitions by big oil are part of a general strategy which seeks to constrict supply in all branches of the energy industry, to damage vulnerable, non-integrated competitors, and to create artificially high prices.

Indeed, shortages of deliverable coal and price increases have coincided with the recent wave of acquisitions and the trend toward increased concentration. During the 18 months before December, 1970, the average price of coal jumped 60% despite a 5% increase in production. Coal users, especially small electric utilities, reported difficulties in obtaining coal even from contracted suppliers. Coal companies pressed consumers to renegotiate their contracts, forcing them to accept long term contracts and higher prices. At the same time, utilities reported a decrease in the number of bids on new contracts. It was not uncommon for consumers who previously received as many as five bids from coal suppliers to receive as few as one.

Such circumstantial evidence has led some observers to hypothesize that large coal firms, which are not only large producers but also brokers for sales of smaller producers, are using their market power to curtail deliveries and increase prices. Furthermore, this hypothesis suggests that large coal producers and holders of substantial reserves, especially integrated oil companies, are increasing their market power by sitting on vast low-sulfur reserves and tying up existing production in long term contracts. These restrictions on access to raw materials and markets erect barriers to entry and discourage potential competition.

Carl Bagge, President of the National Coal Association, has vigorously rebutted these charges. He argues that, shortages and price increases are the result of government regulations, increased costs, labor problems, uncertainty regarding demand, and legitimate market forces rather than unethical practices.

Strict pollution standards and competition from nuclear energy seemed to presage a decreasing demand for coal, Bagge states, and production was planned accordingly. In fact, demand for coal in the urban northeast did drop as utilities and manufacturers switched to cleaner fuels such as imported residual oil. However, the more general energy shortage has created a nationwide demand for coal which more than offsets these changeovers. Furthermore, nuclear energy is now generating only one-third as much electricity as the AEC had forecast in the mid-1960's. At the same time, new health and safety regulations have added significantly to the cost of deep mining, although Congressional testimony by Dr. Bruce Netschert of National Economics Research Associates indicates that the coal companies' public estimates of these costs are inflated and that, in any case, these costs cannot adequately account for recent price hikes. The big producers' ratio of net income to sales for 1970, the year of the largest price increases, was up 50% or more. A seven-week miners' strike curtailed 1971 production and put additional upward pressure on coal prices.

In short, Bagge's scenario depicts increased prices as the natural and inevitable result of unpredicted increases in demand, unexpected supply problems, and cost increases.

Furthermore, the coal industry argues that the invasion of the oil companies has a coincidental and not a casual relationship to these price and supply problems. Oil companies defend their investment in coal reserves and production as an important future source of raw materials for their oil and gas marketing operations. As natural gas and petroleum become increasingly scarce, coal-based synthetic fuels may supplement or replace conventional sources of energy. Hence, coal acquisitions can be seen as legitimate investments and not necessarily as efforts to constrict supply throughout the energy industry.

In fact, far from curtailing production, oil-owned coal companies are expanding their capacity faster than independents. Occidental's Island Creek company accounts for 12.5% of new capacity in the coal industry; Conoco's Consolidation Coal, 6.8%; Gulf's Pittsburgh and Midway, 2.3%. Overall growth for the four principal oil-owned coal firms is 6.2% annually, compared to 2.6% for the whole industry.

It is argued that the "deep pocket" of the parent company is a great benefit in financing large expansion projects. However, these benefits can be obtained by merging coal companies with large industrials which do not have other energy holdings. For example, Kennecott Copper's newly acquired Peabody Coal Company has been able to finance a large expansion program which accounts for 29.5% of new U.S. capacity. Ironically, most coal expansion is financed not by the parent company's retained earnings but instead by debentures against future profits from long-term contracts. This, in turn, is used as an argument to justify the coal companies' reluctance to sell on the more competitive spot and short-term markets.

Both expanded production and research and development on gasification, liquefaction, and stack scrubbing require large financial resources. The parent company's "deep pocket" would seem to be a virtual necessity for a coal company facing the prospects of huge capital outlays for R and D in light of the distant returns on investment. MIT's Raymond Baddour argues that gasification R and D would be economically unattractive even for the most financially secure investors without the government's participation as a co-contractor. Not surprisingly, independent coal firms have shown no initiative toward gasification R and D, whereas Conoco's Consolidation Coal is financing one of the most promising gasification projects.

In conclusion, it seems clear that the tendency toward increasing concentration in the coal industry has created a situation in which individual firms can exercise considerable control over price and supply, especially in regional markets which may be dominated by a few firms. In 1955 the four largest firms controlled 17.8% of the national market; in 1970 they controlled 30.7%. Although this level of concentration is less than that of the petroleum, natural gas, or nuclear energy industries, it has been sufficient to foster anti-competitive practices such as alleged bidding agreements, pressure for long-term contracts, and contract-breaking and "renegotiation".

These alleged abuses seem to exist independently of acquisitions by oil companies. Independent coal companies seem no less prone to indulge in these practices than oil-owned firms.

With respect to the concentration ratio of the energy industry as a whole, the production of the four largest firms represents 19.0% of the total; the eight largest produce 31.6%. If all oil companies were to immediately divest themselves of their coal and uranium holdings, those figures would be 18.7% and 30.1% respectively. Perhaps with these statistics in mind, the Justice Department decided not to challenge the oil-coal mergers on anti-trust grounds, finding the two industries "not in significant competition" despite the utilities' high degree of convertibility between coal and oil. Furthermore, as presently interpreted, the anti-trust acts cannot be used to prosecute on the grounds that excessive concentration of reserve holdings may limit future competition. Even if it were legally feasible, it remains unclear whether anti-trust actions against coal-owning companies would be beneficial. It seems plausible that abuses within the coal industry would continue despite divestiture, while oil-owned coal firms seem to represent a potential leading force for expansion and R and D in the coal industry.

In devising effective public policy regarding competition in the coal industry, the important question to ask seems to be: what kind of competitive structure will be most likely to yield (1) sufficient long-run supply, (2) rapid development of new coal processing techniques which would overcome environmental limitations of its use, and (3) reasonable price levels?

In light of these criteria, remedies for allegedly artificial short-run shortages and artificially high prices should be compatible with long-run expansion and rapid research and development. Ironically, the demise of the independent coal company and the demise of the spot and short-term markets are, at the same time, anti-competitive trends as well as developments which allegedly facilitate the financing of expanded production. Insofar as this is true, some hard trade-offs will have to be faced.

A special study by the Vanderbilt Law Review of the possibility of anti-trust actions against coal-holding oil firms somewhat reluctantly concludes that "competition alone will not assure the country of an adequate fuel supply."

COMPETITION IN THE NUCLEAR ENERGY INDUSTRY

In his 1973 energy message President Nixon predicted that nuclear energy will generate one-fourth of America's electricity by 1985 and over half by the year 2000.

The nuclear energy industry must meet several challenges if it is to supply these greatly-expanded nuclear power needs at an acceptable price:

Expanded exploration for and development of uranium resources, including technical breakthroughs which would make the extraction of low grade ore economically feasible;

Successful demonstration and, by the 1990's, commercial production of a fast breeder reactor, a development which would yield a thirty-fold increase in the use of nuclear fuel's energy potential;

Advances in cooling system technology which would minimize the effects of thermal pollution and permit the construction of nuclear plants in areas where large amounts of cooling water are not available; and

Expanded fuel-processing facilities and development of more economical uranium enrichment techniques.

These challenges of technical developments and industry expansion would be formidable even in an industry whose vigorously competitive structure provided incentives for full production, maximum efficiency, and constant innovation as a means to maintain or expand the firm's share of a profitable market. In the nuclear energy industry, however, potential threats to vigorous competition may diminish these natural free-market incentives.

The principal threats to competition stem from (1) excessive concentration in the nuclear equipment industry, (2) excessive concentration in the nuclear fuel processing industry, (3) substantial participation of major oil firms in the nuclear industry, especially in mining, milling, and reserve holdings, and (4) an increasing trend toward vertical integration in both the fuel and the equipment sectors.

At present, two firms convert U_3O_8 to UF_6 gas; the AEC holds a monopoly over the enrichment stage, four firms fabricate nuclear fuel from enriched uranium; three firms reprocess fuel; four supply almost all reactor steam supply systems; two supply turbine generators. Economies of scale and the present low-volume market make these levels of concentration inevitable in most segments of the industry. High capital costs, complex technology, cyclical buying, and the credibility problem faced by new entrants in a high risk business create additional barriers to entry that seem unavoidable. The AEC itself has exacerbated this situation by its long-standing policy of awarding its R and D contracts to the most experienced and technically competent firms, thereby further concentrating expertise while passing up the chance to encourage new competition.

Perhaps an increase in sales volume and the stabilization of industry technology will encourage new entries. Ironically, oil companies are the most likely candidates for new entrants into the fuel processing and equipment supply sectors—a mixed blessing from the standpoint of free and vigorous competition in the energy industry as a whole.

Arthur D. Little's still-current 1968 study of the nuclear energy industry suggests that concentration ratios alone are not adequate indicators of the state of competition in the nuclear industry. Industry performance and firm behavior should be the ultimate criteria for evaluating the extent of competition.

The Little study's estimates indicate that profits in most sectors of the nuclear energy industry seem to be high but not excessive in light of the considerable risks. In fact, the two firms which control all conversion of U_3O_8 to UF_6 realized only between 7 and 10% return on investment.

Business Week reports vigorous competition for increased shares of the potentially lucrative reactor market. Although Westinghouse and GE account for almost 80% of steam supply system sales, potentially huge profits have evoked intense competition between these two firms for the breeder reactor demonstration contract. Both have shown interest in cost-cutting innovations such as plant standardization, an indication that traditional competitive incentives seem to be operating despite the oligopolistic industry structure.

In justifying a recent $60 million investment in nuclear operations, a Westinghouse official explained, "Between now and the year 2000, the potential return to Westinghouse, just assuming it maintains its present share (38%) of the nuclear reactor market, could be $300 billion. Facing a future of rapid industry expansion, these firms may assume that corporate interests will best be served by increasing or maintaining the firm's market share in expectation of future profits rather than by using monopoly power to press for supernormal profits now. If this is indeed their assesment, it dovetails well with the public's interest in expanded production and low prices. However, these calculations of corporate interests—and the corporations' benign intentions—may change as the industry matures and market shares become settled.

Even at present there is evidence of some abuse of market power. For example, GE and Westinghouse try to tie turbine purchases to steam supply system purchases. In this way, they use monopoly power in one sector to increase their market share in an unrelated sector.

The Little study equivocates in its assessment of the effects of high concentration. It points out that "the modern corporation must possess at least some degree of control over its respective markets before it will undertake the risky innovational activities that account for the strikingly high rate of industrial progress in the United States. Another study is cited which links moderately high concentration to high rates of innovation. Such considerations may be especially important for the nuclear energy industry, whose prices and supply levels will be determined as much or more by technological advances than by the state of competition.

At the same time, the Little study does not deny the potential ill effects of excessive concentration. However, it argues that anti-trust actions would be a disruptive and counterproductive means to forestall anti-competitive developments. Instead the study suggests that the AEC can use its considerable influence to control industry behavior. Tools available to the AEC include R and D and demonstration project contracts, contracts to operate government owned facilities, government procurement and stockpiling, import/export controls, and plant licensing. In more recent Congressional testimony, the AEC's James Ramey reiterated his preference for these tools, coupled with industry-AEC consultation, as a means to promote competition rather than anti-trust measures.

The uranium mining and milling sector is not so concentrated as the fuel-cycle and nuclear equipment sectors. The four largest firms account for 53% of domestic U_3O_8 production; the eight largest contribute 76%.

Despite these comparatively tolerable concentration ratios, oil company acquisitions of uranium reserves and mining and milling companies has prompted concern regarding the potential of these firms to restrict production in order to maintain artificially high energy prices. The AEC estimates that uranium production must expand from 8,300 tons of U_3O_8 in 1973 to 58,800 tons by 1985 to meet projected demand. Presently, exploration and discovery rates are lagging because demand has fallen below predicted levels. Prices are low and inventories are full, so there is little incentive to increase the rate of exploration. As demand rapidly increases, however, price increases should encourage rapid expansion of exploration, discovery, and production.

By the year 2000, it will be necessary to expand estimated reserves six fold in order to fill projected demand with ore which can be extracted and milled at $8 per pound. Such a rapid rate of expansion would tax even an industry which was responding freely to market incentives. Some observers suggest that the oil companies might not respond to increased demand; instead they may seek to withhold production in order to protect the prices of oil, natural gas, and coal products.

Oil firms control 45% of domestic uranium reserves. Seven companies, three of them major oil firms, control 70% of low cost reserves. Juxtaposing this market power against a six fold increase in demand, it seems possible that the oil firms would be in a position to cause serious shortages.

However, former AEC head Clarence Larson cautions about overestimating the power of any group of companies to curtail production. "With both worldwide and local competition, I can't visualize . . . that a few companies could completely dominate the uranium supplies," he told a House subcommittee. "There is a very extensive world exploration and supply of uranium. Larson said that the AEC could permit gradual import increases in order to supplement domestic production if necessary.

The intentions of the oil companies are not clear. Most speculation regarding the ill effects of the entry of oil firms relates to potential abuses, not present behavior. The present buyers' market offers no opportunity for raising prices by restricting supply. When demand increases, however, those observers who allege that the major oil firms manufactured the current oil shortage foresee a possible recapitulation of that strategy in the uranium industry.

On the other hand, the acquisition of nuclear energy interests by oil firms can be seen as a legitimate entry into a profitable, expanding industry. (Oil firms are logical entrants at the exploration and mining stage because of their geological expertise.) In the long run, fuel production may be viewed as more profitable than restricted production at high prices, especially if non-oil uranium firms followed a vigorous full-production policy.

The increasing trend toward vertical integration in the nuclear energy industry represents still another threat to free competition. Firms with mining and milling interests are acquiring positions in fuel processing. Furthermore, many of these firms are oil companies, e.g., Kerr-McGee, Getty, Gulf, and ARCO.

Steam supply system producers, GE and Westinghouse, are also integrating backwards into components, fuel fabrication, and reprocessing. To cite one example of the anti-competitive effects of such vertical integration, the decision by GE and Westinghouse to begin in-house production of zirconium tubing is jeopardizing the existence of the two independent firms which had supplied GE and Westinghouse as well as the remaining 20% of the reactor market. If the independents are pushed from the market, the GE and Westinghouse may control the zirconium tubing supply of companies which bid against them for reactor contracts.

To summarize, threats to competition in the nuclear energy industry, stemming from acquisitions by big oil, from excessive concentration, or from vertical integration are primarily *potential* threats. Despite high concentration ratios throughout the industry, it is difficult to discover specific present abuses. Firm behavior during the nuclear industry's "take-off" period has not been markedly anti-competitive despite the potential market power of some firms.

As the industry matures, however, competitive strategies may change. Fortunately, the AEC's special position with respect to the nuclear energy industry holds out the hope of using its formal and informal powers to promote competition without resorting to the blunt instrument of anti-trust action.

GIANT HELICOPTER FAILS TEST

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. ASPIN. Mr. Speaker, the Army's controversial giant helicopter—the HLH—has suffered three major test failures in the last 2 months.

These three failures involving the huge helicopter's transmission and engines are new and startling evidence that the HLH program is headed for big costly problems.

I am publicly urging Defense Secretary James R. Schlesinger to personally review the program and believe he should cancel the HLH.

As many of my colleagues may know the Navy is already procuring a similar helicopter that can lift very heavy items such as trucks and the building of the HLH is a foolish and unnecessary duplication.

In 1971, the Congress ordered the Pentagon to build one helicopter instead of two for lifting heavy equipment but the military decided to totally ignore the congressional directive.

The Pentagon has requested $57.7 million in next year's budget to continue the HLH program and provide for the building of second test prototype model of the plane. Thankfully the Senate Armed Services Committee cut the Army's request by $21.2 million eliminating the second prototype and $7.2 million for additional test which are make-work for the prime contractor—Boeing Aircraft.

I have also learned that problems in the testing program will result in a 5-month delay in its completion.

It is also important to note, Mr. Speaker, that Boeing has used $5.5 million of its $6.2 million contingency funds caused by the test program failures.

I hope that Mr. Schlesinger will stop this foolishness before the taxpayers are asked to foot the bill for huge cost overruns on this ill-conceived monstrosity.

COMMUTER RAIL QUESTIONNAIRE RESULTS

HON. STANFORD E. PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. PARRIS. Mr. Speaker, recently I conducted a survey of the residents of three counties of Virginia's eighth Congressional District in an effort to determine the interest in a commuter rail proposal which is curently pending before the Prince William County Board of Supervisors.

The proposal calls for the Southern Railway and the Richmond, Fredericksburg and Potomac Railroad to run daily commuter trains from Manassas and Quantico into Alexandria, Crystal City and L'Enfant Plaza in Washington. The trains would make passenger stops in Woodbridge, Clifton, Manassas Park, Burke and Springfield.

The survey results indicate that more than 6,000 residents of Fairfax, Prince William and Stafford Counties would use commuter rail service if it was available to and from the Washington area on a daily basis. Most of the 3,453 households responding to the mailed questionnaire indicated the interest of more than one rider; 1,197 persons were interested in using the commuter rail service on a daily basis, 1,788 frequently and 3,697 infrequently; 621 persons responding to the questionnaire said they would never use the service if it were available. The most significant ridership interest came from the Woodbridge and Springfield areas, which, I feel, reflects on the large number of Federal employees residing in those areas.

I believe the results of this survey more than justify the continued efforts on the part of concerned citizens and responsible public officials toward obtaining commuter rail services for the residents of the three counties. In my view, the next step is for representatives of Prince William County to present the survey figures to Federal and State officials and to file a formal application for financial assistance with the Department of Transportation.

For my part, I intend to do everything within my power to assist the county in its efforts to get a Department of Transportation capital improvements grant for the proposed project. It has been estimated the commuter rail service would need Federal funds in the neighborhood of $700,000 to make the necessary capital improvements before the service could begin operation.

Following are the survey results in detail:

COMMUTER RAIL QUESTIONNAIRE RESULTS

	Daily	Frequently	Infrequently
Woodbridge to L'Enfant	239	318	618
Woodbridge to Crystal City	101	78	140
Woodbridge to Alexandria	67	124	188
Manassas to L'Enfant	129	333	823
Manasas to Crystal City	33	76	86
Manassas to Alexandria	34	78	110
Clifton to L'Enfant	28	57	75
Clifton to Crystal City	13	17	17
Clifton to Alexandria	0	5	23
Quantico to L'Enfant	21	70	122
Quantico to Crystal City	7	11	25
Quantico to Alexandria	14	21	43
Manassas Park to L'Enfant	32	32	89
Manassas Park to Crystal City	11	9	27
Manassas Park to Alexandria	5	19	25
Burke to L'Enfant	113	90	213
Burke to Crystal City	55	54	65
Burke to Alexandria	3	40	58
Springfield to L'Enfant	212	236	706
Springfield to Crystal City	66	69	151
Springfield to Alexandria	12	51	93
Total riders	1,195	1,788	3,697

Note: Number of never rides, 621; number of questionnaires returned, 3,453.

STATEMENT BEFORE SUBCOMMITTEE NO. 2 ON MILITARY PERSONNEL

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. WON PAT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

MILITARY PERSONNEL

(Statement by Honorable ANTONIO B. WON PAT, Territory of Guam, before Subcommittee No. 2 of the House Armed Services Committee, May 30, 1974)

Mr. Chairman and members of the Committee, I am happy to give my support to legislation which would permit the admission of women to our military academies.

In this day of expanding women's rights, the female members of our society are gradually assuming many duties formerly performed by men, and have proven themselves to be capable and efficient. In all strata of our society and all sectors of our economy, women are filling many positions which have traditionally been the domain of the male sex. Among the areas into which their talents now lead them is the military establishment of our country.

During the past several wars in which the United States was involved, women were a welcome resource to take over many functions so that men could be freed for combat duty. The first women to serve in the military were nurses serving under civilian contract during the Spanish-American War. The first women in the military, other than in the health field, were clerks who served in the Navy during the First World War. Of course, once the war was over, women could no longer be recruited, and the Navy became again an all-male preserve.

The beginning of the Second World War again brought about the need for women in the military services. Congress passed legislation creating the WAC (Women's Army Corps) and the WAVES (Women Accepted for Volunteer Emergency Services). During the war, women proved they could play an important role within the military. As opportunities grew, the number of jobs which women performed increased. By the end of the war, over 265,000 military women had served their country.

It has been said that history repeats itself. In the past, women have been consistently accepted in the military forces only as a last resort. Today, because of the difficulty the Armed Forces are having in filling their quotas for an all-volunteer establishment, it is the women who are filling the ranks of the Army, Navy, Air Force, and Marines. Not only are women true volunteers, but they must meet higher standards for admission than men. They must be high school graduates or have an equivalent education, and are accepted from only three out of four mental groups.

Previously, women in the military worked in two main occupation groups: administration, about 67 percent; and health, about 22 percent. Today, the range of occupations open to women is rapidly expanding, and it is likely that, as a result, more and more women will want to enlist. Women are now doing things such as repairing Air Force planes, operating radios on board ship, taking parachute training, and keep track of foreign satellites.

The number of women in the military services today is 35 percent more than three years ago, and is expected to double by 1978. By Fiscal Year 1975, there are expected to be close to 100,000 women in the Armed Services.

Since women are entering all branches of the military services, and serving with distinction and honor, I feel it is only fitting that they be admitted to the service academies. They have proven that they can perform military duties as well as men, and, in line with our national policy of providing equal opportunities for everyone, they should be permitted to further their careers by obtaining a special education. If they can perform well in the lower echelons, there is no reason why they cannot do well as officers in the highest ranks.

I am proud to say that I have two daughters in the military services. They are both officers and nurses, one in the Air Force and one in the Army. They enjoy their work, and I believe they are doing a good job.

Passage of the important legislation under discussion today will lead to more opportunities for them and all American women.

THE PEOPLE SPEAK ON ABORTION LAWS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. GAYDOS. Mr. Speaker, several years ago I initiated a "home phone poll" to encourage residents of the 20th Congressional District of Pennsylvania to voice their opinions on matters involving the Federal Government. They have responded admirably.

Our latest poll concerned the liberalization of abortion laws and I believe my colleagues will be interested in the results: 1,219—47 percent—opposed any further easing of abortion laws; 1,130—43 percent—favored liberalization and 263—10 percent—had no opinion on the issue.

Participation in the "home phone poll" is strictly voluntary and over the years the people who have taken part in it have provided me with a valuable insight into the feelings of my district on issues such as foreign aid, school busing, prayer in public schools, wage and price controls and national priority programs.

Mr. Speaker, I am extremely proud to represent the people of the 20th District in the Congress of the United States. They have demonstrated time again their love and concern for our Nation and a willingness to take an active part in its Government.

THE GOVERNMENT IS A LOUSY BUSINESSMAN

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. QUIE. Mr. Speaker, many people believe the solution to almost every social problem is the establishment of a government program.

A careful examination of the costs of delivering services to the public by means of Government programs should be conducted.

I am inserting in the Record an article from the Winona Daily News dated May 19, which notes the increase in governmental expenditures and compares the cost of first-class postage with telephone service. It also compares the postal deficit with the taxes paid by the Bell Telephone Co.

I would urge my colleagues to study this editorial and keep it in mind when new Federal programs are proposed.

The editorial follows:

The Government Is a Lousy Businessman

When the economy's in trouble, for one reason or another, we're always turning to the federal government to solve the problem. What did certain members of Congress say when the gasoline and fuel oil crisis hit last winter? Nationalize the oil industry, that's what.

Just how efficient is government? Here the expert comment of David L. Babson, the Boston economist, extracted from an article in Better Investing, publication of the National Association of Investment Clubs:

The extent to which government's share of the economy has mushroomed over the years is shown below:

	Federal, State and local government activity			
	Employment (millions)	Percent of total employment	Expenditures (billions)	Percent of total economy
1973	13.7	16.2	$407	31.6
1967	11.4	15.3	243	30.6
1963	9.2	13.6	167	28.3
1955	6.9	11.1	98	24.5
1947	5.5	9.6	42	18.3
1940	4.2	8.8	18	18.4
1929	3.1	6.4	10	9.8

The public share of employment has been rising almost as fast since 1947 as it did during New Deal days. Now 16.2 percent of all workers (one out of six) are now on public payrolls compared with 6.4 percent (one out of 16) in 1929.

The public sector now accounts for nearly one-third of total economic activity against less than one-tenth in 1929.

In the past four years, total federal expenditures have jumped $78 billion, or nearly two-fifths. The entire rise has been for nondefense activities.

Moreover, Washington is constantly pressing, or being urged, into new fields.

A question that puzzles us is why anyone should think that such spheres of activity can be conducted more effectively under public than private management.

A good illustration of the striking differences in public vs. private management is afforded the two giants of the communications field—the U.S. Postal Service and the Bell Telephone System. The trend in postal rates:

1ST CLASS POSTAGE RATES, 1-OUNCE LETTER

[In cents

	Regular mail	Air mail
1974	10	13
1971	8	11
1968	6	10
1963	5	8
1958	4	7
1957	3	6
1947	3	5
1933	3	6
1932	2	5

In recent years, various public officials have criticized the "inflationary" pricing policies of private business. Yet in 10 years the post office has hiked its rates 65 percent to 100 percent.

Now let's see how prices of the privately operated telephone system have fared. The rates for three-minute toll calls between Boston and other major cities:

Year	Station-to-station toll rates [1] from Boston to—					
	New York		Chicago		San Francisco	
	Day	Night	Day	Night	Day	Night
1974	$0.80	$0.55	$1.15	$0.65	$1.45	$0.85
1967	.75	.55	1.40	.70	1.75	1.00
1963	.75	.55	1.50	1.20	2.25	1.75
1955	.75	.55	1.60	1.30	2.50	2.00
1947	.57	.45	1.65	1.25	2.50	2.00
1939	.80	.50	2.50	1.50	6.75	4.50
1932	1.00	.60	3.25	1.75	9.50	5.75
Percent decline, 1932–74	−20	−8	−65	−63	−85	−85

[1] Excludes Federal excise taxes.

While toll charges have declined substantially, the cost of local telephone service has been up. But the rise since 1932 has been less than half that of the consumer price index and only one-quarter as much as the increase in postal charges for regular mail.

Consumers have fared much better with the privately operated organization than with the publicly run one. This is largely a reflection of increased efficiency or "productivity." Despite some improvement in recent years, the public operation again makes an unfavorable comparison. Over 43 years the postal service has increased the number of pieces of mail handled per employe by 56 percent, but the Bell System takes care of 2.7 times as many conversations per worker as it did then.

Now what effect have these two systems had upon us as taxpayers? The following table shows the postal deficit and the taxes paid by the Bell Telephone Companies, both annually and on a cumulative basis:

[In millions of dollars]

	Deficit of Post Office Dept.		Taxes paid by Bell Cos.	
	Annual	Cumulative from 1932	Annual	Cumulative from 1932
1973	1,390	22,703	4,350	54,454
1966	943	12,843	2,718	30,045
1963	819	10,454	2,246	22,301
1961	826	8,860	1,972	17,952
1958	891	6,832	1,483	12,442
1950	545	2,233	499	4,472
1940	41	687	185	1,090
1935	66	428	94	352

Public operation makes a strikingly poor showing here. We now contribute $1.4 billion a year to make up the postal deficit, or 20 times as much as when the letter rate was only 2 cents.

While the post office has drained off $23 billion from tax revenues since 1932, the Bell companies have paid $54 billion in taxes. And does not include the federal excise taxes paid by Bell customers—$18 billion in 20 years.

Moreover, the Bell companies have millions of stockholders. In the past two decades, these disbursements have created $4 billion of federal income taxes to help finance the postal deficit.

If the government ever gets into the oil business and runs it like the post office, today's gasoline prices will be remembered as wistfully as the 10 percent income tax and the 2-cent stamp.

HUMAN RIGHTS IN CHILE AND BRAZIL

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. FRASER. Mr. Speaker, I would like to place in the Record an article by Anthony Lewis entitled "The Meaning of Torture" and an article by Marvine Howe concerning political prisoners in Brazil. Both appear in the May 30th issue of the New York Times.

Mr. Lewis describes the tragic situation in Chile. Torture has become a pervasive practice of the Government to suppress dissent and punish those who supported the Allende government. Lewis notes that the United States has strongly supported the military government, offered no asylum to Chilean refugees, and said nothing about the murder and savagery which has been practiced.

I share Mr. Lewis' disquiet about our Government's silence and apparent indifference about torture and repression in Chile. The Foreign Affairs Subcommittees on International Organizations and Movements and Inter-American Affairs will be holding a hearing on June 11th to ask the Department of State a broad range of questions concerning U.S. policy toward Chile. We shall be asking the Department, for instance, how it views the relationship between respect for human rights in Chile and the level of U.S. assistance. In fiscal year 1975 the administration is requesting $85 million in bilateral U.S. economic assistance, military assistance, and credit sales. Of that amount, military assistance is $800,000 and military credit sales $20,500,000. In fiscal 1973 Chile received only $3,800,000 in economic assistance; $800,000 in military assistance; and $12,400,000 in military credit sales. Thus, economic assistance will have increased 16 times over these 2 years and military assistance and sales will have increased by more than 50 percent. These figures suggest the extent to which human rights factors are taken into account by the Department in deciding upon the level of U.S. assistance.

The United Nations Commission on Human Rights and the Economic and Social Council have been making modest but serious efforts to bring the force of international public opinion to bear on the situation in Chile. The Commission recently adopted a resolution urging the Government to have greater respect for human rights. The lack of vigor and concern on the part of the United States regarding the UN effort was reflected in a vote taken by the Social Committee of the Economic and Social Council just a few weeks ago. The resolution was a similarly modest resolution urging the Government of Chile to respect human rights. The vote on the resolution was 41 in favor, none against with 2 abstentions. Chile and the United States abstained.

In the plenary session of ECOSOC the resolution was adopted by consensus. The Department explains that the abstention was due to the fact that the U.S. delegation had not expected a vote on the resolution, but rather that it would be adopted by consensus. However, since the question had been discussed for about 2 weeks prior to the vote, the U.S. delegation had ample time to make up its mind on the resolution. Clearly, the U.S. abstention shows a lack of concern for the situation in Chile and a failure to fully support the UN's effort to improve the situation in Chile.

I am also troubled about the continued reports of torture and repression in Brazil such as those reported in the Howe article. The situation in Brazil has received special attention from both the OAS Inter-American Commission on Human Rights and by the United Nations. The Commission has concluded there is a "persuasive presumption that in Brazil serious cases of torture, abuse, and maltreatment have occurred to persons of both sexes while they were deprived of their liberty." In the case of Olavo Hansen, a trade-union leader detained by the Government's political and labor police, the Commission concluded that:

> The circumstances surrounding the death of Olavo Hansen constitute prima facie a very serious case of violation of the right to life.

The Government of Brazil refused to cooperate with the Commission in its requests for information and its request to make an on-site investigation to ascertain the facts.

The Commission's annual report to the 1974 session of the OAS General Assembly presents in detail the cases described above and the failure of the Government of Brazil to cooperate with the Commission. The Assembly did not discuss the Brazil cases or any other case considered by the Commission. By tradition the Assembly does not give any substantive consideration to the Commission's report.

The Subcommittee on International Organizations and Movements recommended in its human rights report that the Assembly should give detailed consideration to the Commission's report. The Assembly should urge States—if not by name, then generally—to respect the Commission's requests and recommendations. Regrettably, at the present time, the United States also remains silent when the Commission's report is discussed. I hope that the Department will reconsider its position.

The Congress in reviewing the administration's request for bilateral assistance to Brazil—including $60,000,000 in military credit sales and $800,000 in military grants—should consider closely the findings of the Inter-American Commission on Human Rights and the innumerable press reports of repression in Brazil.

The material follows:

The Meaning of Torture

(By Anthony Lewis)

Boston, May 29.—The use of torture as a political instrument is an evil beyond justification or compromise, a practice officially condemned by every civilized society. Yet it goes on, in many places around the world, and arousing people's interest in the subject is singularly difficult. Perhaps we find the reality so unbearable that we turn away rather than contemplate it.

Such thoughts are provoked by fresh reports on the savagery practiced by the military junta in Chile. Evidence of torture in Chile has been published by, among many others, Amnesty International, the highly-respected group that favors no ideology except humanity. Amnesty's findings are summarized with telling simplicity in an article by Rose Styron in The New York Review of Books.

Victor Jara, a folk singer, was held with thousands of others in a Santiago sports stadium. He was given a guitar and ordered to play. As he did, the guards broke his fingers, then cut them off. He began to sing, and they beat and then shot him. Several witnesses have described that death. It is a relatively mild example of what Mrs. Styron relates.

Many reports tell of the use of electric shock to make prisoners "confess" to what their captors desire. Sexual assault is a common theme. Mrs. Styron mentions a women's prison, Casa de Mujeres el Buen Pastor, where young girls are sent from prison camps, pregnant, "with their hair pulled out and their nipples and genitals badly burned."

At least one complaint of such treatment has been made officially in the Chilean courts. Mrs. Virginia Ayress complained that her daughter, Luz de las Nieves Ayress, had been beaten, sexually abused, tortured with electric currents and—in a scene right out of "Nineteen Eighty-four"—had rats and spiders put on and into her body. The courts forwarded the complaint to the armed forces.

People are arrested, tortured and summarily killed in Chile for any reason or no reason. Large numbers of doctors have been arrested, some because they did not join in a strike last summer against the leftist Government of Dr. Salvator Allende. Amnesty has an appeal from Chilean doctors saying that 25 of their profession are in prison, held without any charges; another 65 are said to have been shot or died of torture or untreated wounds.

Last month the 28 Roman Catholic bishops of Chile, in an unusual public statement, condemned the practice of torture and arbitrary arrest. The junta routinely denies torture reports or, in the words of its Interior Minister, Gen. Oscar Bonilla, dismisses them as "damaging to the national interest."

But what has all this to do with the United States? Secretary of State Kissinger has told us that this country cannot reform the internal policies of other governments. As a generality that is fair enough. But it is not enough when we have a share of responsibility.

However much the Allende Government contributed to its own downfall, the United States made things worse by cutting essential economic assistance—except to the Chilean military. Since the coup, Washington has given strong support to the military regime. Unlike other Western countries, we have offered no asylum to Chilean refugees. And we have said nothing, officially, about the murder and savagery.

Words would matter in this instance. If the United States spoke out against the torture, if our Embassy in Santiago was active in watching the trials and other visible manifestations of oppression, if more American lawyers joined international legal groups in protesting the junta's lawlessness, if Congress moved to attach conditions to aid, those who rule Chile would almost certainly listen.

But the present Government of the United States shows no concern for human rights. Henry Kissinger and his President were silent for months while their allies in Pakistan slaughtered the Bengalis. Washington has nothing to say about a Greek Government that rules by terror. Or about the Government of South Korea, whose kidnappings and brutalities make Communist regimes look almost decorous by comparison. (For a student to refuse to attend class in South Korea "without plausible reasons" is a crime punishable by death.)

Some of the nastiest governments in the world today were born or grew with American aid. That being the case, the most modest view of our responsibility would require us to say a restraining word to them occasionally. But we say nothing, we hear nothing, we see nothing.

There was a wonderful example the other day—funny if it did not involve so much suffering. The State Department said it knew of no political prisoners in South Vietnam, because Saigon's stated policy "does not permit the arrest of anyone for mere political dissent." Thus the thousands of non-Communists in South Vietnamese jails were made to vanish, the twisted creatures in tiger cages waved away. Thus the idealism that once marked America's place in the world has become indifference in the face of inhumanity.

Five Arrested Men Vanish in Brazil

(By Marvine Howe)

Rio de Janeiro, May 29.—Political prisoners continue to disappear in Brazil despite assurances by the new Government headed by Gen. Ernesto Geisel that it will end abuses by the police.

Lawyers have asked the Government to produce at least five persons who were arrested recently and have disappeared. They are the following:

Fernando Augusto de Santa Cruz Oliveira, a civil servant; Eduardo Collier Jr., a former law student; Luz Ignacio Maranhão, a lawyer and former member of the Rio Grande de Notre state assembly; David Capistrano, a Communist journalist who fought on the republican side in the Spanish Civil War and was a hero of the French Resistance, and his friend José Roman.

The Brazilian Bar Association has raised with the Geisel Government the question of abuses by the security forces, including kidnappings, disappearancies, arrests without warrant and torture.

GOVERNMENT'S POSITION

The Government's spokesman in Congress, Garcia Nego, recently asserted that police violence would no longer be permitted.

"The machinery is not yet completely under control," a source close to General Geisel said, explaining the continuing reports of police abuses.

The security services, in fact, still seem to act with autonomy. A wave of arrests in February and April was said to be due largely to zealous security services attempting to justify their existence with the new Government. Most of the 100 or so people arrested have since been freed.

One of the missing men, 25-year-old Fernando Augusto de Santa Cruz Oliveira disappeared on carnival weekend.

"Fernando had come to Rio with his wife and 2-year-old baby to spend the holiday with the family," Mrs. Marcia de Santa Cruz Freitas, his 23-year-old sister, said in an interview this week.

"He was wearing Bermuda shorts and sandals, and told us he was going to meet an old schoolmate, Eduardo Collier," she went on. "He went out at 4 P.M. and she said he would be back at 6 P.M. but we have never heard from him again."

Mrs. Freitas recounted the family's long search for Fernando. Many other families have made similar searches for political prisoners who have disappeared within the labyrinth of the Brazilian security system.

REPORTS OF ARREST

The family at first did what families everywhere do when one of their members is missing: publish a note in the newspapers reporting the disappearance and check the hospitals, the police stations, the morgue.

There were reports, however, that Fernando had been arrested at Copacabana and taken away in a police car. And the friend, Eduardo Collier, had also disappeared.

The two families spent several weeks going from one security service to another in the Rio de Janeiro area. Finally they were told unofficially that Fernando had been transferred around March 13 from the Barao de Mesquita Prison in Rio to the army's anti-subversion unit at Sao Paulo known as the Department of Order and Intelligence.

"We don't know why Fernando and Eduardo have been arrested or where they are but we are still looking for them and hope for the best," Mrs. Freitas said.

IMPERIALISM IN REVERSE

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. GUNTER. Mr. Speaker, it is perhaps a confirmation of the inability of our own country, among the other large powers, to formulate an effective response to extortionist policies pursued by smaller nations, that the amendment I shall be offering this week to suspend a sugar quota for Venezuela until fair oil prices are restored is regarded by some of our colleagues as such a novel and unthinkable approach.

But I believe we have failed to understand and react effectively to the methods smaller nations have discovered and applied with such zeal in recent years in order to manipulate the so-called superpowers and extract from them concession after concession.

Through the dawning years of the nuclear era, smaller nations discovered that dragging the superpowers into potential confrontations with each other could lead to important concessions of direct benefit to them. The art of manipulating the nuclear powers for the benefit of smaller nations was perfected and today remains a fact of international life which the nuclear powers have yet to come to grips with or find effective international means to avoid.

Now the smaller nations have discovered still another weapon of potentially equal value, the weapon of oil. And there is a similar absence of policy on the part of our country in response to economic manipulation at the hands of the oil producing nations.

Therefore, in connection with the Venezuela amendment to be offered, it is perhaps useful as background to place into the RECORD at this point a thoughtful and important article by Prof. Henry M. Pachter, which appears in the June issue of Harper's magazine and is entitled, "Imperialism in Reverse":

[From Harper's Magazine, June 1974]

IMPERIALISM IN REVERSE

(By Henry M. Pachter)

The habit of imperialism has for so long been associated with the image of Western industrial nations that it came as an alarming surprise last winter when imperialistic fiats were proclaimed by the small and ragged sheikdoms of the Middle East. The Arab oil embargo dispelled a number of romantic illusions, among them the necessary virtue of the so-called "Third World," and it proved that the colonial instinct does not depend on accidents of race or culture. The unhappiness in the West followed both from the magnitude of the extortion and from the summary manner in which the money was demanded. We objected not only to the fact of blackmail but also to the embarrassment of contemplating our own weakness.

Admittedly, this is the Western point of view. What appears to us as a hold-up may look like legitimate and land-office business to nations that have long thought themselves powerless and suddenly discover a weapon of great force. The coordinates of world politics have shifted, and it is possible that we have been witnesses to one of those watersheds in world history which, like Waterloo, close one age and open another.

It is not simply that our dependence on small powers has been rather abruptly and unkindly exposed, nor is it that great industrial nations have been held hostage to obtain diplomatic concessions from a third state; it isn't even the sight of the late President Pompidou abjectly bowing before a Libyan usurper—distressing as these circumstances may have been, the big powers have put up with such inconveniences before. Have we not been blackmailed by generals threatening to buy their weapons from the Russians, by self-styled revolutionaries threatening to nationalize our corporations, by corrupt tyrants threatening to be overthrown unless we rescued them with further concessions? These are the burdens of empire. We know that we will be held responsible for every famine and disaster anywhere in the world, and we have become accustomed to paying conscience money.

In the past thirty years gunboat diplomacy has become impossible, and the big industrial states have become more vulnerable, psychologically and politically, than the small and backward states. This is a lesson that has been repeatedly demonstrated by wars in Korea and Vietnam and by the depredations of kidnapers, bandits, and hijackers. All this we knew, but we were shocked to learn that the power equation between "imperialists" and their poor cousins suddenly had been reversed. The oil embargo revealed a new dimension of imperialism. This was a declaration of political coming of age on the part of the smaller nations possessed of strategic raw materials. Nations that heretofore had been pawns in the chess game of world politics became major pieces, commanding ranks and files on the global board. No longer regarded as dervishes and petty kings, the rulers of these nations became claimants to the councils of international decision. It is not their wealth that has gained them access to these councils, but rather their astute and ruthless use of a monopoly in a peculiar constellation—which might not last and might not recur. Understandably, therefore, they hurry to exploit their unique opportunity before it passes, and so they demand more money, more power, more weapons.

The usual order of events is now being reversed. The new imperialism does not follow the traditional course of long industrial development. Instead it must be financed by windfall profits that can buy the sophisticated weapons of the already-developed West. It used to be thought that it would take unskilled Bedouins at least a generation to learn the technology and discipline of modern warfare. The Yom Kippur war proved that push-button weapons can be used by anybody, and that advanced nations sell weapons not simply for profit but because they need to ingratiate themselves with their former retainers. Oil-exporting countries now demand computers, rockets, atomic reactors, and other instruments which, for the moment, merely enhance their self-respect but may in good time become instruments of power.

DREAMS OF GLORY

Contrary to widespread belief, world politics is not a new interest for underdeveloped nations; nor is it confined to the oil-rich nations. The small, underdeveloped countries have been engaged in more wars during the past twenty-five years than have the bigger powers. It is a myth that low standards of living induce peacefulness. Quite the opposite. Oriental statesmen always have spoken with pride about their ancient empires. India has fought over Kashmir twice with Pakistan, and she also has fought for Goa, Bangladesh, and uninhabited territory in China. Egypt intervened in Yemen and the Congo. Ghana attempted to become the Prussia south of the Sahara when she offered to "police" the Congo. Indonesia subdued West Irian and threatened Brunei. North Vietnamese troops have fought in Laos and Cambodia for twenty years. Nasser imagined himself the new Suleiman and gloried in the memory of Arab kingdoms in Spain. Africans rewrite their history books to celebrate the ancient kingdoms of Mali and Ghana. Léopold Senghor sings of negritude.

Jawaharlal Nehru, on writing *Glimpses of World History* in a British prison, proudly displayed the gruesome sequence of the great Mogul conquerors, and he noted with unmistakable satisfaction that Orientals can be as imperialistic as Europeans. To nations in of self-respect, a past military triumph seems to imply the promise of national renaissance.

All this, of course, contradicts the preferred image of the Third World, the image projected in its propaganda and proclaimed by its partisans in the West. The poor and oppressed not only enjoy our sympathy, but they also appear to be innocent victims of other people's guile. They are presuumed to be peaceful, if only because the attempt to act like big powers would prove futile. The tactical decision of these countries to remain "nonaligned" in the struggle between the Western and Soviet "blocs" has endowed the Third World with the halo of impartiality and selflessness. Nobody bothers to mention that the halo might be made of brass. The mere suggestion of the sacred number three evokes the ideas of synthesis, transcendence, and a better life—exalted hopes which the biblical prophets associated with the meek; their long struggle for independence makes them heroes of mankind's march toward redemption.

Especially in the eyes of those who despair of the decadent, sated West, the hungry billions of the mysterious East appear as a liberating force and a scourge of God. Socialists who have come to doubt the revolutionary virtue of the proletariat now find a new champion in the Third World; alienated Bohemians study anthropology, not so much to understand human nature as to find their own "other." Western blacks in search of "identity" expect the upsurge of dark Africa to liberate their own urban ghettos, where the daily misery seems to be beyond practical help. In brief, the Third World is seen as the avenger of our sins, and the bloody rites that Frantz Fanon and Malcolm X wanted to visit upon us are hailed as the purgation of a revolutionary rebirth.

The irrational core of this flagellant religion reveals itself in the ratings that various leaders receive in the radical press. The backward rulers of Yemen and the unspeakable Amin of Uganda are mentioned favorably, whereas the Shah of Iran, by comparison a modern despot who promotes agrarian reform, is described as a tyrant: his program of education and amelioration receives no credit from the radicals as long as the rhetoric of defiance and intransigence, especially of confrontation with the United States, is missing from his text.

The ideology of revolution evades the the grave problems developing countries should face. It converts every domestic tension into a fight between the "we" and the Western "they"; instead of concrete measures, it proposes a crusade (now called "war of liberation"); and it identifies as the target of action not the real causes of backwardness (illiteracy, superstition, mismanagement, and corruption) but a mythical foreigner: what the Jews were to Hitler, the English to Mussolini, the Americans are to Third World ideologists. To disguise their own schemes, they are prepared to believe in a conspiracy of evil. Sadat, who has shown that he can reason when he needs to, once wrote that it was the aim of the Western nations to humiliate the East, to thwart its aspirations to keep it undeveloped, and to suppress progress. This at a time when U.S. and U.N. agents were swarming over the Middle East in search of governments that would accept development programs.

Another version of the same myth, as old as romantic literature, holds that the West never had any real culture but built one by sucking the blood of colonized nations, and in the process destroyed the web of ancient village society. This charge is of some importance because on it is based the call for "reparations," preferential tariffs, and special endowments.

It is certainly true that modern manufacture ruined the older cottage industries and that craftsmen had to find employment in the factories. As Marx so eloquently described it, the advent of capitalism put the weavers, potters, and candlestick makers out of business. This clearly was true in Europe then. But Marx was mistaken in one little detail about Asia: he believed that capitalism would revolutionize Asiatic society, dissolve the old feudalism, and free the people from their oppressive religion. None of this happened, and the reason it did not happen in India explains her present plight.

Even Nehru admitted that the Mogul empire was in decline when the English arrived. The society labored under a rigid caste structure, and a vicious system of land tenure, tax farmers, and feudal overlords undermined its prosperity. Britain was able to plunder it only because exploitation had been habitual, and 50,000 Britons were able to rule 50 million Indians because the Moguls and other conquerors had ruled and robbed India before. Likewise, the Inca and Aztec empires were rotten when the Spaniards came, and so also the Shirazi, the Kikuyu, and other African kingdoms before the arrival of the Europeans.

The present poverty of underdeveloped countries continues the poverty of the broad masses under previous systems. When the foreigners brought industries into various sites in the country, these usually were isolated oases in a desert of backwardness. The profits were taken out of the country, and neither the colonialists nor the natives cared to create a community of interests. If the price of development has been heavy, however, underdevelopment exacts even higher costs: epidemics, famine, stagnation.

COSTS AND PRICES

The third world ideologists nevertheless construct a historical interpretation that a primer of elementary logic would call a fallacy: countries were poor after the colonialists left; hence, the colonialists wanted it so. This confusion between *after* and *because* is at the bottom of the dispute between the haves and the have-nots. We are not rich because they are poor; we would in fact be richer if they were richer, too. The imperialists first exploited their own nations to maintain their prodigal sons abroad. J. A. Hobson, a British historian of capitalism from whom Lenin drew most of his arguments, called imperialism "the outdoor sport of the ruling class." He showed that colonialism may be profitable for a few monopolists, but that it means a burden on taxpayers in the imperial country, low wages for its workers, higher prices for consumers—in brief, that it does not pay for the colonizing nation.

It is a mistake, therefore, to view the poverty of developing nations as the work of advanced nations. It is an even greater mistake to accept a burden of guilt in return for the supposed wrongdoing. The frictions that exist between the Northern and the Southern Hemispheres (most Third World nations are in the latter) are not metaphysical and moral but economic and therefore capable of definition and solution. They are serious enough. The relations between the financial center and the underdeveloped countries have often been exploitative, and nearly always asymmetrical. Debauched governments have contracted debts that are a burden to their successors; weak governments have been shored up with "loans" that ought to have been recognized frankly as political subsidies. Public utilities, railroads, and manufacturing establishments have been built with foreign capital, and the dividends on these investments still leave the country even though the original cost may have been paid back many times over. Latin America is now receiving less capital from abroad than it is sending back as interest and dividends. This is an unhealthy situation which must lead to inflation and bankruptcy. And aid, it is charged, has often developed facilities to suit the giver rather than the recipient.

Radical spokesmen of the Third World reject foreign aid altogether because they feel that it corrupts their governments, and prevents the people from developing a sense of self-reliance. The radicals also dislike foreign aid for reasons of domestic politics: the distribution of aid is a political plum; it offers opportunities for graft, nepotism, get-rich schemes; it helps the incumbent government by creating jobs, and it may create a middle class that intends to enjoy the fruits of independence rather than to waste them on harebrained crusades. If people are satisfied with their incomes, where then is the revolution? What happens to virtue?

But it is clear that governments that really desire a better life for their nations must come to some kind of accommodation with the West; they need capital and technological assistance. Thus the revolutionary generals of Peru and Bolivia first expropriated foreign corporations, then put advertisements in the Wall Street press to invite new investments. Even Allende was negotiating with a consortium of international banks on means of refinancing Chile's debts, including a roundabout way of paying token compensation for the copper mines. He might have stayed the hand of his murderers had he been able to resist the pressure of extremists who wanted a symbolic confrontation. The Arab kings are in a similar position: having called forth the demon of nationalism, they are now its prisoners. They must support the radical irredentists whom they hate and fear. Nor is peace helped by the Russian strategy of fanning every fire that Western diplomacy is trying to extinguish.

One way out of the dilemma is dramatizing each technical problem and politicizing each economic issue. Every negotiation about a customs tariff is transformed into a confrontation between the worthy poor and the arrogant rich. In this way the governments of the Southern Hemisphere manage to pose as defenders of their peoples against foreign domination; but in order to convincingly mouth the rhetoric of their more revolutionary rivals, they must inject into international relations a note of bitterness not favorable to negotiations.

Here is the difficulty. Since negotiations may not bring total success, the national revolution calls for unilateral acts. The most visible proof of dependence, of course, is the presence of foreign corporations. To nationalize them is not only popular politically; it also means jobs for loyal servants of the ruling party, or actual positions of power which may outlast a change of government. I have indicated that in many instances economic conditions favor nationalization, but in the Third World the most popular motive is political, and I think this is another example of fallacious logic. Unsophisticated students feel that the political will of a nation should be paramount and override all economic considerations. Governments must deal with economic realities, and if these are explained to the politicians by the director of a foreign company, the logic of "after, hence because" leads to the conclusion that it is the foreign character of the influence that stands in the way of political desire. The trend toward nationalization must be welcomed, therefore, not for any ethical reason but because it will permit the nationalists to face their real problems. In the West nationalization is resisted mostly for ideological reasons. We must learn to look at it as a form of bankruptcy.

RICH REVOLUTIONARIES

It has long been recognized that foreign aid—with the awkwardness of giving it and the humiliation of receiving it—could be almost superfluous (except in emergencies and special situations of hardship) if consumers in the advanced countries were to pay more for their coffee and other basic commodities. We remember the days when Roosevelt fought the Depression by raising farm prices, dumping wheat into the ocean, and plowing little pigs under the soil. After World War II, international cartels controlled the markets in wheat, coffee, and cocoa. The sugar quota, too, is a form of cartel; the acreage of cotton and tobacco is rigorously controlled. A copper cartel functions from time to time, and two bloody dictators, Mussolini and Franco, had a monopoly of mercury. On the face of it, there is nothing especially revolutionary about raising and fixing prices.

The circumstances of the oil price rise—its defiant announcement in the wake of the embargo, the swiftness and steepness of the rise, the almost hysterical reaction of the consumers—have given this action a flavor of rebellion. From the point of view of the Arab governments, it undercuts the demagogery of the radicals. It looks dynamic, it is anti-Western, and it seems to be a political act. Oil, customarily regarded as dirty and smelly, suddenly is pure. Politics is shown to dominate economics. The revolution of the poor nations is being led by some of the richest people on earth.

These developments may bring some regrouping to the leadership of the Third World. Some rulers, the new imperialists, may want to accommodate themselves with the old rich to whose club they will now be admitted. But the majority of the underdeveloped countries will remain poor. It has yet to be seen whether the oil-rich countries will contribute any of their wealth to the starving fraternity of the Third World. Kuwait last year received over $2 billion in oil revenues, and yet it offered only $300,000 to assistance programs sponsored by the U.N. Saudi Arabia collected over $4 billion in oil revenues and contributed nothing. The Shah of Iran has promised the World Bank a billion dollars; the ruler of Abu Dhabi will create a development fund of $3 billion, and other Arab producers may be pressed to "invest" in a development bank—where they probably will practice "neocolonialism" on their poorer brothers, who are now called the Fourth World.

To take the heat off himself and other oil-producing countries, President Boumédienne of Algeria called for a Special Session of the United Nations General Assembly, to deal especially with questions of "raw materials." Last April he presented there his most demagogic demands, designed to restore the unity of the developing countries. Ironically, it was the Westerners who pointed out that the price increases worked their greatest injustices in the underdeveloped countries themselves, collectively and individually. The developing nations without oil resources will be required to pay over $15 billion for oil imports in 1974, as opposed to $5.2 billion in 1973, and for lack of fertilizer they may suffer famine. Another paradox was that the "socialist" countries defended the right of each producer to uphold his "sovereign" interest with the capitalist instruments of monopoly, whereas the capitalist countries decried and denounced such "socialist" measures as cartelization of an industry, and defended the right of free access for all to the riches of the earth.

The new imperialism of the oil-rich countries is even more parasitical than the old imperialism. It does not develop new resources but merely redistributes the income from resources already developed. It hides its own selfish designs behind the slogan of "sovereignty," which appeals to the poorest and most oppressed nations still under colonial or semicolonial control. But the really underdeveloped nations do not need more sovereignty; they need more internationalism, more recognition of the interdependence of all nations, more cooperation rather than revolution. They need to open themselves to a restructuring of their social framework which will create investment opportunities.

The old industrial countries began their ascendance with cotton goods and sewing machines; the new countries start with steel mills. The old capitalism started out with rising wage levels; the new dictators begin by buying excessive weapons systems. This is the structure of underdevelopment which breeds underdevelopment.

For the time being, the new imperialists may continue to use their revolutionary rhetoric, but after the raw-materials conference and the other conferences that follow, it will become increasingly impossible for them to pretend that the politics of confrontation will help other underdeveloped countries to emerge from the colonial cocoon. The victories of last winter have had at least one beneficial result: the new nations have gained self-confidence. They need no longer feel that they must humiliate us in order to prove their own worth.

On the other hand, the advanced nations should understand that their developing peers are no longer their wards. They are partners in business, and they should be given the opportunity that they demand: to assume full responsibility for the fate of their own countries and for the management of their international affairs. The established nations have previously admitted to their club nations which had once been underdeveloped—Italy, the Soviet Union, and Japan are examples. There is no reason to deny membership to any newcomer. On principle the international system is open.

But the question is not who shall rule but who shall die. One-third of the earth's population, a billion people in Asia and Africa, may be undernourished, perhaps starving, next year. The boom in raw-materials prices deprives them of oil, fertilizer, and grains. A more equitable distribution of all resources is possible only if all nations help to organize the exchange of goods. President Boumédienne has called for a new order in international relations. If that new order is not to mean simply the old system with new people in the top echelons, then the newly rich countries must abandon their unilateral ultimatums and submit their resources to the kind of international control that they now demand on a national basis. The anarchic planning by multinational corporations and cartels must be replaced, not by an even greater anarchy of national monopolies but by truly international agencies of planning for human needs.

THE WOMEN BEHIND HALE HOUSE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. RANGEL. Mr. Speaker, one of the most significant drug programs going on in New York City takes place at Hale House, a facility which houses the children of addicted mothers and fathers. Clara and Lorraine Hale have committed themselves to saving these children and to assuring them the opportunity to grow and develop.

The following article by Bonnie Johnson in the May, 1974, issue of *Ms.* deals with the remarkable job the Hales are doing.

Like Mother, Like Daughter

Clara Hale, 65, Lorraine Hale, 40, co-founders of Hale House, New York. Everyone at Hale House calls Clara "Mommy Hale," and she loves it. "Everyone" includes the 43 children of drug-addicted parents whom Clara cares for and 20 staff members. The only person who doesn't call Clara "Mommy Hale" is her daughter, Lorraine; she calls her Ms. Hale.

But the Hales' relationship is unique. "Mother and I have always been friends," explains Lorraine. "Maybe that's one of the reasons we can run Hale House together."

Clara Hale agrees. "We've been together a long time and we talk to each other, really talk. We've just reached the point where each of us understands exactly what the other is saying."

Clara's responsibilities as childcare specialist of Hale House include watching over the children, who range in age from four months to eight years, and supervising cooking, cleaning, and laundering needs. Lorraine's duties, as executive director, range from balancing the budget—Hale House operates on a shoestring and is always searching for grants—to hiring the staff. Included on staff is a fully accredited teacher who, in little-red-schoolhouse tradition, teaches first, second, and third grade to the dozen or so school-age children.

Hale House is a four-story Harlem brownstone which, with the help of Borough President Percy Sutton, was renovated for Hale House with Office of Economic Opportunity funds, and rented to the Hales for a nominal fee by the city.

Says Lorraine: "Staffing has been the most difficult task. Getting people who can meet the needs of children is almost an impossibility. People say they want to work here because they love kids. But we've had trouble finding people who like kids, much less love them. And many people still believe in corporal punishment, which is something we forbid at Yale House."

Also forbidden are discussions of drug addiction in front of the children. However, staff meetings center on that subject, since Hale House is one of the few institutions in the country studying the aftereffects of passive addiction. (Children of heroin addicts and methadone addicts are born addicted. Whereas heroin babies go into withdrawal within 24 hours after birth, methadone babies don't react for two or three days. With the aid of medications like phenobarbital and paregoric, all the children can be detoxified within seven days.) Hale House is now trying to find out if there are any long-range effects due to early passive addiction.

The parents of the Hale House children must be enrolled in a drug-rehabilitation program and are required to visit their children at least once a week, though some come more frequently. "We insist on parents visiting," explains Clara, "so that they're not total strangers to their children when it's time for the children to leave."

Although parents can take their children home at any time (there is a flexible five-year limit on a child's stay), parents' visits can be problematic. "I want to cry when a parent comes in high on drugs," says Lorraine. "Then I'll call my mother, because she can say things to the parents that I couldn't get away with. She'll tell them, 'You can't take that baby out; you know you're high. You shouldn't even come here like that.' And they respect her and say, 'I'm sorry, Mommy Hale, you're right.' And they go."

Clara Hale does little to hide her intolerance for addicts. "Those people have had their chance and they've ruined their lives. But that's no reason why these babies should be deprived of their opportunity."

Lorraine does make distinctions among addicts. "The methadone addicts are the ones that really offend me," she says. "They've just substituted one drug for another. They're still irresponsible and often punitive toward their children. On the other hand, a number of parents we see have joined drug-free programs, and they are no longer addicted. They're struggling hard to get it together."

The Hales know what it's like to struggle. Widowed more than 30 years ago, Clara Hale was left with three small children. She was determined to keep the family together. "I refused to go on welfare—I wanted to take care of my kids myself," she recalls. "So for five or six dollars a week for each child, I took care of others' children." She became licensed to care for children in her own home, and unmarried mothers soon started bringing their children to her. While they got their lives back in shape, Clara Hale cared for their children either during the week only, or full time, in cases where even weekend responsibilities proved too much for some mothers who were only teenagers themselves.

Lorraine, however, who has a Ph.D in Child Development, was responsible for putting Hale House on course. Five years ago she saw a young junkie nodding out on a Broadway bench. The baby in her lap was about to fall to the ground when Lorraine approached her. "I'm a very impulsive person," she says, "and

I saw there was a need. So I told her to go see my mother."

That infant was Clara Hale's first heroin baby. Word spread rapidly among the neighborhood's addict population, and within three months Clara Hale was looking after 10, then 15, then 22 heroin babies. "We decided to devote ourselves entirely to these infants," she says. For the first year and a half, Clara was financed entirely by Lorraine, who ultimately got some federal funding.

"There was never any discussion about my doing this work," Lorraine says. "Like everything else between my mother and me, it just happened naturally. How we work out our differences has a lot to do with mutual respect. I remember being aware at an early age of how hard it was for my mother to get by. That made me realize that I didn't want to make those sacrifices for a family of my own. They were too great, and I feel I owe myself something. I love these kids, but I also love getting in my car and going home at night. I feel I have a responsibility to myself to keep a busy social life going and to maintain relationships with adults. And getting my Ph.D. was like having a second full-time job."

Clara and Lorraine would like to see the Hale House concept expanded. "The appalling number of child-abuse cases in the courts today clearly shows the need we have for residential as well as child-care centers," Lorraine says. "It's about time society started providing for the needs of children themselves, not just providing for the needs of parents, with a fallout effect on their offspring."

LEGISLATIVE QUESTIONNAIRE

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. MIZELL. Mr. Speaker, I have just completed the mailing of my 1974 legislative questionnaire to my constituency, and I wanted to share with my colleagues the substance of the questionnaire because I feel the topics covered are both pertinent and salient. I will, of course, apprise the Members of the results once they have been tabulated. I am sure that most of the Members will agree with me that this method of communicating with constituents is invaluable in that it enables us to better understand the needs and desires of the voters and to better serve the interests of those whom we represent.

My questionnaire follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 1974.

DEAR FRIEND: As your Representative in Congress, it is my responsibility to know your views on the important issues today. To assist me I am continuing the tradition I have established since coming to Congress of asking you to complete this questionnaire. I have attempted to include many of the most timely and crucial matters of national concern.

When all responses have been tabulated the percentage results of this district-wide poll will be made public, but your personal opinions will be kept in strict confidence.

If you would like to expand on the views you present in this questionnaire, or if you have a matter of personal concern that involves the federal government, I invite you to contact me at either of the above addresses.

Also, if you are not on the mailing list to receive my monthly newsletter just indicate you would like to be added by checking the box provided near the place for your name on the questionnaire.

To return the questionnaire, detach it along the fold and mail as a postcard. Your signature at the bottom is optional, but to facilitate tabulation I would appreciate it if you could write in your town and zip code.

Most sincerely,

WILMER D. MIZELL.

1974 LEGISLATIVE QUESTIONNAIRE

(Answer Yes or No)

1. On the basis of your knowledge at the present time, do you believe the President should be impeached?

2. In face of the current energy shortage, which of the following do you favor as a possible course of action:

a. Reduce Environmental Protection Agency air quality standards to allow increased burning of coal.

b. Reduce new car emission standards.

c. Legislation to tax excessive profits of the oil companies.

d. Legislation which will permit deep water ports for the purpose of importing oil.

3. Would you favor the diversion of highway trust funds for public mass transit systems?

4. Do you favor Federal legislation which would establish minimum standards for no-fault automobile insurance plans?

5. What action should Congress take in the area of inflation:

a. Re-establish firm wage and price controls across the board.

b. Limit Federal spending.

c. Increase Federal taxes.

d. Balance the Federal budget.

e. Other action.

6. Would you favor increasing the earning limitation for persons receiving social security benefits?

7. Do you favor Congress enacting a national health insurance program to cover catastrophic or prolonged illnesses?

8. Do you believe the tax payers should finance the campaigns of all candidates for Federal office?

9. In 1970 the U.S. Postal Service became an independent agency, and, for all intents and purposes, removed from Federal or Congressional control. How would you rate your postal service? Good, fair, poor.

AMERICAN AID TO SOUTH VIETNAM IS MUCH LARGER THAN RUSSIAN AND CHINESE AID TO NORTH VIETNAM

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. ASPIN. Mr. Speaker, recently our Ambassador to South Vietnam, Graham Martin, told a group of visitors that the United States had to spend more on military aid for South Vietnam because Russia and China were spending so much on North Vietnam. According to Ambassador Martin, this has always been the case. He said:

> Our intention all along was to balance the aid given by the Soviet Union and the People's Republic of China to North Vietnam.

Last week, in response to my request, the Defense Intelligence Agency released their estimates of the amount of military aid the U.S.S.R. and the People's Republic of China have given to North Vietnam. The statistics make it clear that, contrary to administration propaganda, there is only one superpower that has been sinking billions and billions of dollars into Southeast Asia, and that superpower is the United States. They make it clear that while we were pouring in tens and billions of dollars to prop up a succession of government in South Vietnam, the Russians and Chinese were spending peanuts.

In 1973, according to these intelligence estimates supplied by the DIA, the U.S.S.R. gave $175 million in military aid to North Vietnam and the PRC gave $115 million—for a total of $290 million. That same year the United States spent a total of $5.3 billion in Southeast Asia, including direct military funding and MASF. That is 18 times as much as Russia and China spent.

The comparison is equally impressive if you chose to ignore the nearly $3 million the United States spent in 1973 to finance its own military operation in Southeast Asia. In 1973, the United States spent $2.3 billion in military assistance service funding for South Vietnam, which was still a good eight times as much as Russia and China together spent on military aid to North Vietnam.

Even more revealing, perhaps, are the changes that took place in military aid spending by the United States and the two Communist powers from 1972 to 1973. In 1972, total military aid by Russia and China to North Vietnam was $605 million. In 1973 it dropped by more than 50 percent to $290 million. In 1972, U.S. spending on MASF was $1,985 million. In 1973 it actually increased to $2,271 million.

And what about the rest of the money spent during the course of the war, which Ambassador Martin says was only meant to "balance" Russian and Chinese aid?

These statistics, which I must emphasize were supplied by our own Defense Intelligence Agency, show that since 1966 the U.S.S.R. and the People's Republic of China have given North Vietnam $3.65 billion in military aid—$2.57 billion by the U.S.S.R. and $1.8 billion by the People's Republic of China. Over the same period, according to official DOD figures, the United States spent $107.10 billion on the war. In other words, these statistics show that since 1966 the United States has spent 29 times as much for military operations in Southeast Asia as Russia and China together.

I hope these statistics will succeed in putting to rest the tired old excuse that we did what we did in South Vietnam only because the Russians and Chinese were doing it too. In the case of military aid it is quite obvious this has always been an utter lie.

The statistics, showing military aid to Southeast Asia by the United States and the U.S.S.R. and China, follow:

MILITARY AID TO SOUTHEAST ASIA, 1966-73

[All figures in millions of dollars]

	1966	1967	1968	1969	1970	1971	1972	1973
U.S.S.R.	500	675	415	175	90	165	375	175
PRC	110	155	115	140	100	115	230	115
Total	610	830	530	315	190	280	605	290
United States direct military	5,419	17,262	19,065	19,912	15,941	9,925	5,243	2,995
MASF	393	1,155	947	1,632	1,432	1,527	1,985	2,271
Total [2]	5,812	18,417	20,012	21,544	17,373	11,452	7,228	5,266

[1] Totals for the U.S.S.R. and PRC supplied by Defense Intelligence Agency. Represent total military aid to North Vietnam. Virtually all Russian and Chinese military aid to Indochina was channeled through North Vietnam.

[2] United States costs for Southeast Asia from DOD. All figures represent outlays.

NEW POWERPLANTS VERSUS THE ENERGY CRISIS

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. HARRINGTON. Mr. Speaker, the energy crisis triggered new interest in building powerplants to generate the electricity needed to light and heat our homes and run our businesses and industries.

Building new powerplants, however, is always opposed by those in the area of the proposed construction who feel they do not have any power to stop such construction. Residents of potential powerplant areas often point out the side effects of powerplant construction and urge us to find ways to build plants without compromising local environmental, aesthetic, or historical values.

As the New England Power Co. begins to solidify its plans for the Salem, Mass. area, local residents are eloquently fearful of the unattractive aspects of powerplant construction.

One such resident is A. N. Chagnon, and I would like to bring to the Congress attention his letter to the editor of the Salem Evening News:

LET ALL THE PEOPLE DECIDE THE FATE OF WINTER ISLAND

To the Editor:

In the April 3 edition of The Salem Evening News I learned that the proposed matter of the leasing of certain areas of Winter Island to the New England Power Company had developed to the point of arranging a public hearing in the next few weeks.

Since we may not be back at home in Salem in time to attend this contemplated meeting, I shall sincerely appreciate the privilege of expressing my views on this very controversial issue through the medium of this column.

Having had no legal training, I shall refrain from considering this question from that angle, but rather look at it from the viewpoint of a taxpaying citizen who is sincerely interested in the welfare of the city at large. I do, however, venture to state that, according to certain recorded documents, this particular area, as a whole, namely Winter Island, belongs to the city of Salem, not to Ward One, nor to the executive or legislative branches of our city. Therefore it is rightfully owned by the people. The records to which I refer are as follows:

In 1794 the fort on Winter Island was ceded to the United States.

In 1884 so much of the island as remained to the city was ceded by it to the government "for the purpose of locating further works for the defense of our harbour," providing that the property should revert to the city whenever it should cease to be used for defense purposes.

In 1867 the War Department "turned over (not ceded) to the city "for public use" that part of the island not occupied by the fort, until it should be wanted for defense.

In 1869 the city conveyed its interest in the island, subject to the War Department's restrictions, to the Plummer School.

In 1922 an Act of Congress transferred by quitclaim deed the 32 acres, comprising the Fort Pickering reservation and the land occupied by the Plummer Farm School, to be used for a park or other public uses.

December 28, 1928, Salem's Park Department took formal possession of the island and planted some trees.

Although this parcel of land, with its shore and water rights may be under the jurisdiction of the Park Department, it is assumed that it still remans the property of the City of Salem, and not of any separate commission.

It is my firm conviction that this area should not be disposed of by sale, lease, or gift, permanent or temporary, without the common consent of the majority of the citizens.

My family moved to the Juniper Point section of Salem Willows in 1915. I have owned and occupied my present home in this same area since 1920. Also, since 1920, I have, either personally, or by absentee right, cast my ballot in each and every election.

Because of this long record of residence, I believe I am qualified to enter into discussion of this present controversy, or any other question of public concern that may arise in Precinct One of Ward One. May I here emphasize the fact that Winter Island does not belong solely to Ward One, it is the property of all the wards, one through seven, and is, therefore, their responsibility, as is all other publicly owned property, and as such, should be of serious and sincere concern.

I do not believe that the city officials, elected or appointed, no matter how legitimate or broad the scope of their power of office, should have the right to contract for the disposition of lands or property, such as in this present situation, without the consent of the people. But, I do believe that it is their moral obligation to make certain that the entire population shall be given any and all information relative to such transactions as above mentioned.

In 1915 the shore line on Fort Avenue was open from the end of Derby St., at the junction of Block House Sq., to the far end of Cat Cove, and over Winter Island Rd. to the island itself. The only buildings on the fort area of the island were the Plummer Farm School, the lightkeeper's house, and the lighthouse.

The first invasion of this picturesque, natural shoreline was the erection of the oil tanks. Next came the plant of New England Power. Then the takeover by Essex County for the sewage pumping station. And, finally, the transfer of the Smith Pool to the Commonwealth of Massachusetts. Thus has come about the gradual elimination of public ownership of this area, with the result being, the last remaining shore with public access on this east side of Fort Avenue is Winter Island.

When New England Power was negotiating with the mayor and council for a permit to build their gigantic "tinker-toy like" towers to carry the high tension wires across the main artery to the Willows, in close proximity to the private homes, and over through Collins Cove, the citizens of Ward One protested. Oh, yes, we were granted a hearing, but we learned by this experience not to place too much confidence in these hearings. Often, as in this instance, they turn out to be "on-the-face" gesture of courtesy. The residents of Ward One attended, two or more hundred strong. But, before the close of the hearing, to many, it was a foregone conclusion just what the outcome of that session would be. Big business won out, because, we later learned on reliable authority, the majority of the members of the council had reached a decision beforehand.

I distinctly remember two questions that I directed from the floor to the representative of the company. The first: "Is it not possible for these wires to be carried underground over to Collins Cove?" The reply was, "Oh, yes, but it would cost an additional $750,000, and that is out of the question."

My second query was more pointed and personal: "How would you like to have these towers and wires go along beside your own home and across your avenue?" He said, "Well, er, ah, I'll have to admit I wouldn't like it." The wires went up as originally planned.

The next objectionable move by New England Power is in the offing—this one the most alarming of all: the leasing of Winter Island. It has been my conviction for many years that if any issue arises, which shall concern the city at large, there should be hearings held in each and every ward, with the people well informed on the problem which is up for consideration, prior to the session. Salem does not have an auditorium or hall of sufficient size to allow for an "en masse" hearing; furthermore, the time element would not permit all those who might wish to be heard to present their pros and cons. If such problems are of major importance, particularly the disposal of public property, as in this present case, it should be placed upon the ballot. Let the people decide! Let the will of the people prevail!

Winter Island and its shores are an inheritance from our forebears, to be passed on to our children, and the children's children, for generations to come. It is our bounden duty to protect, preserve and defend the rightful claim to this area.

This is not the time nor the place for platitudes, maximums, or charming rhetoric, even if I were capable of rendering, but I am reminded of an undeniable truth which can be learned from a fable which I was taught in early school days. Do you remember the story of the camel that poked his nose into the tent, assuring his master that he only wanted to warm it? Then, little by little, he wangled his way farther in, until finally there was not sufficient room for both him and his master, and the latter had to move out. New England Power may well be looked upon as a giant camel that bit by bit, keeps moving into adjacent area until, it is possible, and not improbable, may in the not too distant future, take over Winter Island in its entirely, and even encroach upon Juniper Point, should they so desire.

There is no absolute assurance that this proposed lease, if given, cannot or will not terminate in final and complete ownership of the island and the shore and water rights by this company.

In such case there would be no reclamation, if it should pass out of the city's control. Is this what we, the people, really want? Other cities and towns value their shorefront property, and to a far greater extent than Salem, have preserved them. A very good example is Marblehead, and the North Shore.

I recently read in the Evening news that New England Power now finds it necessary to postpone construction of this addition for a year or so. If this is true, there's plenty of time for the citizens to be properly notified of all the angles of this considered transaction. Let the majority of the people decide, and not exclusively the mayor and the council.

Heritage is a popular topic these days, and will be for many weeks to come. Great plans are being made for the commemoration of this historic event. What is the true significance of this word Heritage? It is many things to many people. To some it is Chestnut St., with its reflection of early grandeur and substantial evidence of opulence in the homes containing art and architecture, worthy indeed of preservation. Also, there is Washington Sq., and a few other scattered points on Federal St. Not to be forgotten are those of historical interest such as the Custom House, House of Seven Gables, Witch House, Peabody Museum, and Essex Institute, with others of equal importance and value. These have been jealously guarded and spared the influence of ultra-modern renovation. This is right and proper, and, for the same we are most grateful. But the passing on of the original owners and their heirs have in many cases, changed the status of many of these mansions; and too elastic zoning ordinances have permitted the encroachment of business, small and large, which has many times erased the last semblance of any pristine elegance.

These historic buildings could be wiped out by fire, and the inroads of time and the elements. Therefore, this, as a heritage, cannot be passed on with any degree of assured permanence, materially, nor guarantee of perpetual ownership. Our real heritage is something of imperishable quality—a pride of achievement, the building or a town, and finally a city. This in itself is tangible proof of the indomitable spirit of the earliest forebears, who loved these shores and, casting their lots here, working together brought forth a community worthy of preservation and bequeathal to their progeny.

Most important in the tangible sense of this inheritance were Salem's fine harbor and coves and shoreline, all accessible to the public. Beautiful to look upon, and a priceless God-given marine asset. Today, the greater part of this shoreline has been lost through the ownership of private industry, and public access and enjoyment prohibited. Who is responsible, and why? This is a pertinent question for all to ponder.

One hundred years ago, a truly great man, in heartfelt anguish, with gentle admonishment spoke these words:

"That this nation, under God, and shall have a new birth of freedom, and that government of the people, by the people, for the people, shall not perish from the earth."

Let us, one and all, accept our individual responsibility for the preservation of our heritage and keep this one, and all others, complete and inviolate. May we, the people, continue to hold the gavel of authority, and never let it be wielded by a select and privileged few.

A. N. Chagnon.

THE LATE BRUCE TUCKER

HON. GILLIS W. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. LONG of Louisiana. Mr. Speaker, many of us in this Chamber were friends or were acquainted through congressional business with the late Bruce Tucker, a man whose life work was one of service.

Bruce Tucker was one of the true experts in the field of flood control, and he used this knowledge to help bring countless benefits to the citizens of the lower part of the Mississippi River. Mr. Tucker worked for a number of years as administrative assistant to the Honorable Russell B. Long, of Louisiana, before becoming executive vice president of the Lower Mississippi Valley Flood Control Association, a position he also held for many years.

Bruce played a most vital role in countless flood control and navigation projects. The legacies of his life's work in the development of our water resources will truly be with us for many years to come.

I speak here today for many who share with me the good fortune of having been friends with this fine man who passed away last year.

The Honorable John C. Stennis, the distinguished Senator from the State of Mississippi, recently paid tribute to Mr. Tucker in words that tell full well of the works and deeds of this man.

Senator Stennis, who is as keen a judge of men as he is of legislative matters, knew Mr. Tucker both on a friendship and business basis, giving his words of praise to Mr. Tucker both foundation and impetus.

I feel that it is entirely appropriate that I read to you at this time the statement made by Senator Stennis before the Public Works Subcommittee of the Senate Appropriations Committee:

> Thank you very much for being here. Before you gentlemen leave, I just want to say a few words about the late Bruce Tucker. This is the first full meeting of this kind, a hearing on the lower Mississippi Valley, that I have been able to attend since Bruce passed away, and I just want something in the official records here of the way I felt about this fine man. He was a long-time Executive Vice-President of the Lower Mississippi Valley Flood Control Association. He did the same splended job for your Association that he did here on Capitol Hill for a number of years. As you know, he was a fine Christian gentleman. His word was his bond. This is an old saying, but it expresses a lot. And we want to bring that more back into prominence and meaning. His word was his bond.
>
> He was greatly dedicated, I know, to the Lower Mississippi Valley and the tributaries, and problems that you had. It was his function, on behalf of the Levee Districts and the many concerned citizens of the Valley, to coordinate the efforts of those who were dedicated to improved flood protection in the area. He did a magnificent job of this, and the whole region is deeply indebted to him. He knew what had to be done, and how to do it, and year after year he saw that it was accomplished. This Committee respected very highly all of his representations and his fine presentations that he helped you plan and present.
>
> Bruce was a newspaper man when he was young. And then he worked for the Mississippi River Commission. The Army Engineers trained him in flood control work, and as usual they did a good job. He was here on Capitol Hill, as Assistant to the Louisiana Senator when I came here as a new Senator. The Senator he was with passed away within a few months, and Bruce would have—I do not know how many know this—he would have become my Assistant. I just did not know that he would be interested until the day after I had already selected someone else.
>
> He was really a great man, with high standards and strength of character. He did you a fine service, and his Nation an extraordinarily fine service, and blazed a path that we can all well follow. I know how those of you who knew him personally feel. Many have already paid tribute to him at a time when I could not be here, but I am glad to have a chance to say something about him here in the public record.
>
> Bruce was blessed with a fine family. His wonderful wife Emily helped him very greatly over the years, and is admired and respected by all. He has a son, Earl Bruce, Jr., and a daughter, Beth, and I know they are proud of what Bruce accomplished.
>
> I do not know of anyone on Capitol Hill that I have been more favorably impressed with than Bruce Tucker. I mourn his passing, and I honor and cherish his memory.

WHO'S BACKING THE DISARMAMENT LOBBY?

HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. CONLAN. Mr. Speaker, our recent refusal in the House to slash spending necessary to continue development of essential new strategic weapons was a gratifying rebuff to well-financed, well-orchestrated, well-publicized disarmament lobbyists who waged an all-out attack on U.S. defense improvement.

Several far left groups, including one calling itself the Project on Budget Priorities and located at 1620 I Street here in Washington, issued one propaganda volley after another in their attempts to scuttle the B–1 strategic bomber, the Trident missile-firing submarine, and proposed research to improve accuracy of our strategic ballistic missiles.

But our 358-to-37 vote for the weapons bill, sent to the Senate with those programs intact, adequately testifies to the importance given those programs by the American people. Especially at a time when the Soviet Union has surpassed the United States in almost every category of military hardware.

Despite that overwhelming vote, the disarmament lobby is still hard at work to derail the defense bill in the Senate. Some may wonder who is behind this unrelenting campaign. A recent editorial in the Arizona Republic, the largest statewide daily newspaper in my State, poignantly addressed that point. It was written by Pat Murphy, the Republic's editorial pages editor, and I would like to share it with all my colleagues:

[From the Arizona Republic, May 20, 1974]

Man Behind Arms Cut

Except in submarines and aircraft carriers, Soviet Russia has surpassed the United States in every category of military hardware.

It has more men under arms, more nuclear warheads, more missiles, more new long-range bombers, more new interceptor aircraft, more anti-ballistic missile defenses. Its submarine and carrier production soon will equal and surpass the U.S.'s inventory.

The Soviets also have completed agreements for nine new naval and aviation bases in Africa, the Mideast and India to extend its control of vital Indian Ocean sea lanes.

And Russia refuses, in current arms limitations talks, to curtail arms production.

Yet, a new organized effort was launched last week in Washington to arm-twist the congress into further stripping the Pentagon's budget (29 per cent of the total fiscal 1975 budget).

A group calling itself the Project on Budget Priorities faced the elite of the Washington press corps and solemnly said $11 billion (12 per cent) can be cut from the budget, including a carrier for the sensitive Indian Ocean sector, the new Trident submarine and B-1 bomber and whole programs involving new weaponry and strategic defense.

What the Washington press corps failed to ask itself is, who are these apostles of military economy?

In point of fact, most of the Project on Budget Priorities panel were advisors of Sen. George McGovern in his presidential bid, and-or cross-pollinated workers in chic disarmament associations with a long history of naivete in the field of Soviet military intelligence.

The most interesting figure on the 21-member panel which produced the proposed $11 billion Pentagon budget cut is Adam Yarmolinsky, former deputy assistant secretary of defense for international security under President John Kennedy. He was, in truth, the Pentagon's No. 2 man.

Washington insiders called Yarmolinsky the "Uncrowned King of the Pentagon" whose powers were enormous, and whose record was unbelievable.

A former State Department security official and later New York Times foreign correspondent, Frank Kluckhohn, did a study of Yarmolinsky, and found that:

The late FBI director J. Edgar Hoover sent directly to President Kennedy a warning that Yarmolinsky was a security risk, a warning that was shunted aside by Kennedy advisors who had been intimate political workers with Yarmolinsky.

Yarmolinsky's parents, Avrahm Yarmolinsky and Babette Deutsch, were repeatedly cited by congressional and other security groups as workers for Communist front organizations from the early 1930s until the early 1960s.

His parents also published numerous pro-Soviet works through International Publishers in New York City, identified by the House Committee on Un-American Activities as "the official publishing house of the Communist Party."

Yarmolinsky himself was head of the Marxist Club at Harvard.

In the 1930s, Yramolinsky worked for Spanish War Relief, an organization which was formed by the Young Communist League to aid Communist revolutionaries.

In the 1950s, Yarmolinsky was head of the Fund for the Republic, recognized as one of the principal groups attempting to abolish all federal internal security agencies.

In the John Kennedy election campaign, Yarmolinsky served as an advisor, principally in recruiting top members of the President's new administration, among them Robert McNamara and George Ball, in whose law firm Yarmolinsky worked and who later was to become undersecretary of State.

Yarmolinsky wrote a paper debunking concern for domestic subversion as "popular hysteria," and appears to have influenced President Kennedy on March 17, 1961, to lift a government ban on Communist propaganda entering the United States.

With the Yarmolinsky credentials thus at hand, members of the Congress who may be tempted to wildly chop defense spending should pause and consider motives of gadfly panels geared temperamentally against a strong military.

Demonstrably, Soviet Russia is in the catbird's military seat right now, with the U.S. struggling to play catchup ball.

Heeding the Yarmolinsky-type arguments can only widen America's inferior position.

MORE SUPPORT FROM NATION'S MAYORS FOR AN URBAN AFFAIRS COMMITTEE

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. BADILLO. Mr. Speaker, on May 21 I inserted in the RECORD copies of letters from the mayors of Omaha, Honolulu, St. Paul, Rochester, and Norfolk supporting my proposal to establish a standing Committee on Urban Affairs in the House through an amendment to the committee reform bill.

I am pleaced with the growing unanimity among mayors from around the United States as to the need for such a committee and its justification in a Congress legislating the affairs of a nation whose population is nearly 70 percent urban. The latest letters of endorsement from the mayors of Minneapolis, Denver, Hialeah, Louisville, Miami, and San Bernardino speak for themselves, and I include them here in full:

CITY AND COUNTY OF DENVER,
Denver, Colo., May 20, 1974.

Hon. HERMAN BADILLO,
U.S. House of Representatives, Cannon House Office Building, Washington, D.C.

DEAR CONGRESSMAN BADILLO: I have received your letter of May 6 wherein you advise me of your intention to propose the establishment of a standing committee on urban affairs in the U.S. House of Representatives.

My great concern as Mayor of one of the nation's large center cities is that the Congress of the United States realize this nation must realistically address the issues of center city decay and demographic change which has been the result of uncoordinated Federal categorical program funding. As the Mayor of Denver, I have looked forward with great hope to the passage of some form of block grant special revenue sharing which addresses the real problems of the cities of this nation.

As a political realist I am well aware that the attention I feel is necessary to center city problems by the Congress of the United States may be a very distasteful responsibility. However, I do feel that if we are to experience much more in the way of delay we will again face sudden and not too well thought out decision-making in order to handle problems similar to those experienced by large cities in past years. As you know, many of the programs that we are utilizing today, with all of the constraints they operate under, evolved out of the nation's concerns with center city problems only after citizen reaction became so intense and dramatic that it received the public's attention. This, of course, resulted in the myriad Federal programs that we operate with today, allowing little or no flexibility to meet changing requirements at the local level.

I, therefore, would hope that your standing committee on urban affairs, if created, would become a vehicle wherein the interrelationships between center cities and their suburban partners may realistically be addressed. It is my deep concern that the problems of inner cities might become so paramount before proper attention is paid to try to solve the problem that the relationship between center city problems, suburban, and yes, even rural problems pales by comparison.

I wholeheartedly support any effort which will bring about realistic Congressional committee reform in order that Congress may adjust its work to the realities of the times and agree that any additional committee must not avoid dealing with the specific and most pressing problems of our urban areas.

I would like to take this opportunity to thank you for informing me about your proposed amendment. I wish you every success in this endeavor and petition you to do all you can to expeditiously pass a Better Communities Act.

Sincerely yours.

W. H. MCNICHOLS, Jr.,
Mayor.

CITY OF LAKES,
Minneapolis, May 21, 1974.

Hon. HERMAN BADILLO,
Congress of the United States, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN BADILLO: Thank you for the letter explaining your proposal to establish a standing committee on urban affairs in the U.S. House of Representatives.

We in Minneapolis are painfully aware of the failure of the federal government to provide essential aid to the cities, especially during the past few years. We're thankful for Congressmen like you and our own Don Fraser who work tirelessly to force Congress and the Administration to come to grips with urban problems. Your proposal would seem to facilitate this process and I support it.

Sincerely,

ALBERT J. HOFSTEDE,
Mayor of Minneapolis.

CITY OF HIALEAH,
Hialeah, Fla., May 28, 1974.

Hon. HERMAN BADILLO,
House of Representatives, Cannon House Office Building, Washington, D.C.

DEAR MR. REPRESENTATIVE: I am taking the liberty of answering your letter to the late Henry Milander as the new Mayor of Hialeah.

Please accept my endorsement of your proposal to establish a Standing Committee on Urban Affairs in the United States House of Representatives.

Your grasp of urban problems is heartening. Please be assured of our cooperation.

Should you be successful in your endeavors, I do hope that the Committee will be cognizant and cooperative in meeting the problems of not only the large municipalities but also the medium-sized ones such as Hialeah.

By copy of this letter I am asking for the support of Hialeah's two Congressional Representatives, Claude Pepper and William Lehman.

Sincerely,

DALE G. BENNETT, *Mayor.*

LOUISVILLE, KY., *May 29, 1974.*

Hon. HERMAN BADILLO,
U.S. House of Representatives, Cannon Building, Washington, D.C.

DEAR REPRESENTATIVE BADILLO: I am writing to express my support of your proposal to establish a standing Committee on Urban Affairs in the U.S. House of Representatives by offering an amendment to the Bolling Committee reform bill.

I believe that the existence of such a centralized committee with jurisdiction over urban development, housing, environmental protection and similar matters would be most helpful and beneficial to urban officials such as myself.

I have written to Representative Ron Mazzoli of Kentucky to express my support for your proposal. Good luck and best wishes.

Sincerely,
HARVEY I. SLOANE,
Mayor of Louisville.

CITY OF MIAMI,
Miami, Fla., May 29, 1974.

Hon. HERMAN BADILLO,
Member of Congress, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN BADILLO: This will acknowledge receipt of your May 6 letter and its attachment concerning your proposal to establish a standing Committee on Urban Affairs in the U.S. House of Representatives.

I agree wholeheartedly with your statements and you may count on my support.

Sincerely,
MAURICE A. FERRE, *Mayor.*

CITY OF SAN BERNARDINO,
San Bernardino, Calif., May 30, 1974.

Re Standing Committee on Urban Affairs.

Hon. HERMAN BADILLO,
Member of Congress, Cannon Building, Washington, D.C.

DEAR CONGRESSMAN BADILLO: I wish to commend you for your efforts in trying to establish a standing Committee on Urban Affairs. This demonstrates a high degree of sensitivity to the major problems facing our nation.

Please feel free to call on me for any support I might render.

Very truly yours,
W. R. "BOB" HOLCOMB, *Mayor.*

THE ROLE OF NEWS MEDIA IN OPERATION OF GOVERNMENTAL AFFAIRS

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. FISHER. Mr. Speaker, O. R. Strackbein, a renowned authority on news media, has written a second paper on that subject. It is well-worth reading, and is included as a part of my remarks:

PRESS CAMPAIGNS

(By O. R. Strackbein)

In a prior paper this writer reviewed the innocent character of the press at the time when our Constitution was written: the word "innocent" being used in the sense of relative harmlessness regardless of possible malice or intent to injure or to promote.

This innocence was considered in the first half of this paper as explaining the negative character of the First Amendment so far as it relates to the press. Congress was simply enjoined to pass no law abridging the freedom of the press. The provision was adopted in recognition of the unquestionable value of a free press to a democratic society. At the outset it was not a part of the original body of the Constitution but it was made a part of the First Amendment. The main Constitution dealt in detail with the powers of the three branches of our government and the relations between the Federal government and the States, and with foreign powers.

Great care was exercised in spelling out the powers of the three branches of our government as well as the restraints placed on them. This care, it should be noted, provides evidence of the great concern of our Constitution-makers over the abuse of power. The separation of powers, whereby each branch would act as a restrainer on the other branches was established. Those restraints, in the end, came to rest on the electorate because of the limited terms of power extended to the elected officials.

Because the press in those days had limited circulation and a short radius of extension no efforts were made to set forth and define the function of what was the principal instrument of communication. The day of the high-speed press and the printing of hundreds of thousands and even millions of copies of newspapers and magazines, was not foreseen clearly enough to permit the writing of rules that might later become as necessary as those relating to the government itself.

Times do change and technology brings new considerations to bear on new and untested instruments of power. The press, later joined by the electronic media did grow and become instruments of great power. The phenomenon is worthy of both serious inquiry and the utmost concern. It is not something wholly new except in its present titanic dimensions.

From a force that was closely confined and local or at best provincial, it may be asked, how could the press, considering its beginnings and its seemingly innocent dimensions come to possess itself of the influence and power it now exercises? It could with equal wonder be asked, how did the monarchs of history achieve their power initially? There seems to be no better explanation than the fact of it, which was that they simply seized the opportunity of exercising power because the opening was there for anyone who by design and shrewdness and strength and possibly by the urgings of some who would in turn benefit by the assumption, somehow knew just how to move in and bring off the coup. The way for the press in this country, as we haved noted, had been clearly opened by the "no trespass" sign against interference, posted by the Constitution. In time the kings invoked divine right as their source of power. Yet no one had proclaimed at any time that henceforth kings would govern by divine right. It was simply a power play. The press has copied the kings by simply moving into an opening and setting up shop, backed only by a business license. Then our Constitution came along and granted the press a privilege extended to no other element of society, understandably overlooking the principle of eternal vigilance that was its guide in shaping the framework of government.

Thus the press escaped the harness designed, for reasons already noted, for our government. If newspapers went wild or became too cantankerous they could always be answered so long as "reason was left free to combat error"; but to be left to do something without possessions of the means is a hollow freedom.

In time newspapers became accepted as a species of catharsis, and sometimes helped good people root out rascals and other undesirables, as the community mores dictated. Charlatans, crooks, frauds and similar vermin were often exposed, all to the good of society (one hopes), much as the Ku Klux Klan and Vigilantes thought they were doing when in their mind law enforcement failed. The social order came to owe much to the "free" press, a phenomenon that the late President Truman averred he had never encountered.

Unfortunately when monopoly reaches its powerful hand into almost any premises the scene changes. Reason is not then left free to combat error, except at the pleasure of the media. A monopoly in the hands of the Klan or the Vigilantes would hardly be regarded with equanimity by people jealous of self-government.

Oh, there are benevolent monopolists in the form of editors, publishers and broadcasters, just as there have been benevolent monarchs and even dictators; but benevolence in monopolists cannot be had on order nor assured of arrival on the scene when it is needed nor brought back when it is set aside. The same may be said of benevolence in newspaper editors. In any contest on the subject it is worth reflecting, the press easily has the last word.

A publisher or editor usually appears on the mundane scene uninvited. He develops his business just as a bicycle manufacturer or a peanut vendor. He may or may not prosper. The risks are his own. He remains relatively unknown in many instances, unobtrusively behind the scene until one day, should it so turn out by chance or by contrivance, he engages in a campaign (i.e., takes the apple from the tempting hand of Eve) and then engages in another and yet another campaign until he becomes addicted. Very likely he hits the jackpot in the form of excited public attention. He may surface, and surely sees to it, if he has good business sense, that he does surface on the side of the angels even though the path to hypocrisy may lie that way. In time, sometimes nearly a life span, he becomes a community force and has ample opportunity to savor his new power—and it feels good. He is now a duke or a prince in his own right even though never elected or exposed to an electorate, and not removable from his post. He can in fact establish a dynasty without fear of eviction from the outside. He is sought eagerly enough, for he disposes of that highly prized and feared commodity, power—power, moreover, quite silently to make or break, be it persons, movements or causes. He has become a fixture and whom he presumes to serve as a watchdog while also presiding over them as something of a tutor in civic morality and arbiter in almost everything. He need no longer in fact bother to stay on the side of the angels at all times.

Possibly it does not occur to the editor or publisher that when he campaigns he is in that unholy condition known as a conflict of interest: for how can he fill the demands of a campaign, and drive toward the victory it calls for, and at the same time avoid the biased reporting that makes him a bad journalist? The campaigner is inevitably dedicated to one side of an issue. If he is to be consistently and conscientiously fair he loses his effectiveness as a campaigner. If he does wish to win he is drawn by the strongest motivation to compromise journalistic principles. The temptation to conceal his bias waxes.

He has critical writers at his command who may be regarded as independent, but he does not have to keep them forever or promote them, and they know it. They will be able to deliver thrusts of rhetoric of their own, be the blade dipped in venom or in the milk of human kindness. The campaigning columnist or even the newswriter may himself become a Caesar or is so tempted and sometimes finds himself poorly resistant. Knowingly or not he may become a species of alter ego of his employer, but simultaneously prizes his presumed independence as a holy icon; and, by heavens, he believes himself and in himself.

As an embattled columnist he is not unlike the unchained fierce watchdog in a well-fenced enclosure. He can become specifically obnoxious, snarling and abominably bloodthirsty, well knowing that no one can reach him. From this sanctuary he can tear the objects of his disaffection to shreds in quivering and squirming effigy. These cannot reciprocate effectively because (1) they have no newspaper appearing daily to carry their message, and (2) he does, sometimes by the hundreds. Moreover the critic has the First Amendment, as it is currently interpreted, to protect him, not to mention the hydra-headed last word. Moreover, he is well versed in the loopholes of the libel laws.

A part of the theory of such one-sided freedom seems to be that the ugly truths that people in a civilized society would never utter to each other for the sake of decent and neighborly regard, should be given currency under a special dispensation to the press—a view that would have more merit if it partook of real reciprocity. The answer of the press is that the protected watchdog is needed, nasty as it is, because society is too torpid to look out for itself, as if we did not have the police and the courts for discovery and punishment of misdemeanors and felonies. The excuse of the Klan and the Vigilantes was the same: the constituted authorities did not perform their duties.

Now that the media have grown to lusty proportions they are bent on elbowing their way into precincts hitherto reserved to forces of government as provided in the Constitution. They use their power of bombardment to enshrine themselves both as tutelary deities and as avenging angels over officialdom, leaving the citizen or voter on the sidelines to suck his thumb. We might wonder what style of empire the Klan might have built had it enjoyed both the immunity of the press and its unparalleled power of offensive and defensive weaponry. Who could have dislodged the Klan?

The protection extended under the First Amendment opened the way to the expression of the most misanthropic tendencies, if they are present; and this liberation apparently is regarded as a good. Giving rein to those tendencies occasionally might even be good for the news business. There is good reason then why the temptation to blackmail or its threat might be weakly resisted by those holding the power. This might also explain why the elusive favor of potential *enfants terribles* should be sought as discreet insurance or as a valuable asset in the struggling world, by public men, candidates, prospective candidates, promoters of causes and large corporations. A more fertile soil for corruption is not readily to be found. Invitations to free help-yourself events, such as gourmet delights with generous outpourings; trips, games and sundry other diversions and excursions can be turned to good account as seeds of reciprocal future favors. Who needs a critic as an enemy, especially when the latter is a newspaper? Who needs a newsman as an enemy when he could perhaps be cultivated as a friend—a friend of such immeasurable potentials?

The mayhem practiced by protected critics can be explained, aside from its commercial value, perhaps by one or both of the two human psychological tendencies or actualities known as sadism and masochism.

When man is let loose in a fully protected environment, having no need to fear reprisal from any source, no reason to think that he has anything to explain except to the boss, who perhaps likes what his hireling is doing, having possibly set him on his course and pointed him in the desired direction in the first place—when man is thus liberated and freed of inhibition he is capable (do not doubt it) as it was done in San Francisco and elsewhere, of elbowing helpless Chinese pedestrians on the sidewalks out of his way, putting convicts in chain gangs (and not only on the Gulag Archipelago), abusing subordinates by flaunting in their faces overt evidence of exquisite contempt of their feeling and engaging in transparent hypocrisies as proof of invincible upperhandmanship! The critic may thus indeed write as obtrusively and irresponsibly as the balance sheet of his employer's medium may sustain, considering the formidable power of revenge that resides in the protected press.

It goes without saying that newspaper reporters, editors and commentators are generally quite professional in their attitude, and decent as men. The same may, however, also be said of politicians and public officials. Nevertheless the framers of our Constitution well knowing this, did not deem it sufficient protection of the public against the lapses into villainy, fraud, despotic behavior of men in power. They were too well aware of the cargo of aboriginal sin carried under everyman's skin, this side of sainthood, to be lured into a naive and helpless trust of human nature. Therefore they took the elaborate precautions we find in the Constitution.

Since the press was left out of this field of reciprocal restraints, our Constitution-makers left to its own devices a force in human self-government the dimensions of which they could not foresee.

Now the press presumes to be something of an overseer of government in all its departments. The debates over the powers of government proposed in the Constitution were detailed and prolonged. The press received no comparable attention. In view of the high office to which it now aspires and seems intent on filling without popular ratification, is it not time that the press be put through a comparable course of examination?

Assume if you will, how a proposal to dismantle and eliminate the Constitutional precautions applied to government would be received by the public! Answer that question and you will also have the key to the question of press responsibility.

THE HARD ROAD TO WORLD ORDER—V

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. BINGHAM. Mr. Speaker, in the fifth and final part of Prof. Richard Gardner's analysis of the need for, and the difficulties in the way of, achieving world cooperation, he makes several recommendations for U.S. policy that he considers critical for the establishment of a system of world cooperation.

The fifth part of Professor Gardner's article from the April issue of Foreign Affairs follows:

THE HARD ROAD TO WORLD ORDER

V

If the functional approach to world order is to have any kind of chance, there are some obvious things the United States will need to do.

One obvious and pressing need is to take a hard look at the way the American government is organized to cope with the present sweep of multilateral negotiations. Multilateral diplomacy increasingly cuts across the interests of many domestic departments. The effort to resolve foreign policy conflicts between agencies has led during the past decade to excessive concentration of power in the White House. The new practice of having cabinet officers like the Secretary of State and Secretary of the Treasury double as assistants to the President, with responsibility for directing policy in certain areas, offers a new opportunity to coordinate our approach to different multilateral negotiations, achieve consistent solutions to structural problems, involve the necessary disciplines and interest groups in the policy process, and exploit potential "trade-offs" between different negotiating sectors. The mechanism of the National Security Council (NSC) could be used more than it has been to achieve these objectives.

Moreover, for many of the multilateral negotiations discussed earlier, we could establish an interagency task force as a subgroup of the NSC, with a supporting staff in the executive department most directly concerned with the subject matter. The model could be the NSC interagency task force on the law of the sea and the new office established in the State Department for the law of the sea negotiations. It would also be useful for many of the ongoing negotiations to appoint an outstanding professional from within the government or from private life to serve as Ambassador-at-Large to direct the U.S. negotiating team. Regular congressional consultation and private-sector involvement through a working (not ceremonial) public advisory group—as is now the case on the law of the sea—could assure a more open and democratic policy-making process.

It is people, of course, not just boxes on organizational charts, that determine the effectiveness of a nation's policy process. Our ambassadors to the United Nations and other international agencies should be individuals with broad experience and deep substantive knowledge; their staffs should consist of the best talent our country can make available, not only from the foreign service but from the business, academic, professional and scientific communities. We will know we are serious about our "world order business" when we stop using positions in our missions and delegations to international agencies for political payoffs, and start applying the same requirements of excellence here that we apply in negotiations with the Russians and Chinese. Another test of our seriousness will be the extent to which we include in the very top structure of decision-making—in the White House and the key executive departments—persons experienced in and committed to the multilateral approach.

Third, we need to put a new emphasis on world order issues in our bilateral negotiations with former adversaries, nonaligned nations, and old allies. In particular, this would mean using our negotiating leverage to encourage the Russians and Chinese to take a more affirmative position on such matters as the law of the sea, international programs to curb population growth, U.N. peace-keeping and U.N. financing, and the reform of the decision-making and law-making processes along the lines mentioned earlier. This will be a difficult and long-term effort, but there will be a growing number of people in both countries who understand the necessity of tackling such issues in a cooperative and non-dogmatic way; we could strengthen their hand by the right kinds of initiatives. For example, we have created a dozen U.S.-U.S.S.R. bilateral commissions as the result of the summit meetings: we could use the SALT Commission to explore the possibilities of mutual nonintervention by the superpowers in Third-World areas and of limiting the spread of nuclear and conventional arms; we could seek support for global health and population programs in the bilateral health commission; and we could press in the environmental commission for Soviet cooperation in global efforts to curb whaling, protect ocean fisheries, and regulate land-based sources of marine pollution. We could place a similar priority on world order issues in our relations with the European countries and Japan both bilaterally and in regional forums like NATO and OECD. And we could work harder to strike a "world order bargain" with the developing countries—showing more interest in their priorities in order to encourage their support for ours.

Most important of all, we need a more principled approach to the conduct of foreign policy. Instead of citing the U.N. Charter and other sources of international law when it suits our short-term interest and ignoring them when it does not, we would recognize our long-term interest in strengthening the norms and processes of a civilized world community. We would make a greater effort to use our armed force and economic power consistently with multilateral undertakings and with other sources of international law, submitting disputes wherever possible to third-party settlement. We would resort to unilateral action only in very exceptional circumstances where multilateral processes were clearly unavailable, and any unilateral action on our part would be carried out in a manner calculated to promote the restoration of multilateral processes. To be specific, we would abolish the CIA's "dirty tricks" department, avoid the excesses of unilateralism that characterized our Vietnam and Dominican interventions, do more to strengthen multilateral processes in foreign economic policy, and show a really objective concern with human rights questions on a global basis—whether within the borders of former adversaries, neutrals, allies, or in our own society. This does not mean unilateral disarmament or ignoring valid concerns of national security. It does mean recognizing that national security can only be promoted from now on by achieving a better balance between traditional preoccupations with power relationships and emerging requirements of global order.

Implicit in all these recommendations is a redefinition of our foreign policy objectives. We would make it clear that a "structure of peace" cannot be achieved merely by maintaining a precarious balance between five power centers—that it requires strengthened international institutions at the global and regional levels in which all interested nations have a chance to participate. By making "world order business" our central preoccupation we could help rebuild support for our foreign policy at home and abroad by identifying our purposes more closely with those of the rest of mankind. By demonstrating a commitment to constructive internationalism, we could find common ground between generations as well as political parties.

Were we to commit ourselves fully to the multilateral approach, were we to enlist the energies of our Congress and our citizens, were we to exploit to the fullest what leverage we still have with other nations, we might begin, very gradually, to deflect the divisive tendencies of nationalism that are now emerging and to exploit the latent possibilities for strengthening the international system. Some may object that a generation of arduous and possibly futile negotiations on specific functional problems is not a very inspiring prospect to put before a democratic electorate. Let them ponder again the words of Dickens: "It was the age of wisdom, it was the age of foolishness, we had everything before us, we had nothing before us, we were all going direct to Heaven, we were all going direct the other way." We do have to aim in one direction or the other. The road to world order will still be a long and hard one, but since the short cuts do not lead anywhere we have no choice but to take it.

THE 1954 HYDROGEN BOMB TEST STILL TAKING DEVASTATING TOLL

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Ms. ABZUG. Mr. Speaker, the 1954 hydrogen bomb test at Bikini atoll is still taking its devasting toll 20 years later. Today's New York Times carries a disturbing story by its well-known science editor, Walter Sullivan, relating some of the medical complications that have befallen those residents of Rogilap Island who were 125 miles away from the blast site.

The two latest victims will be entering the hospital to have surgery for a thyroid condition that is potentially cancerous. One of these victims was in the womb at the time of the blast.

Mr. Speaker, for the last decade and a half I have been working and organizing for a complete test ban treaty and for nuclear disarmament. If there was any one item that could make us all see the folly of the continued arms race, it is this article.

I now insert the article into the RECORD and commend it to the attention of my colleagues:

[From the New York Times, June 3, 1974]

RADIATION FROM H-TEST IN 1954 STILL TAKING TOLL

(By Walter Sullivan)

On March 1, 1954, a hydrogen bomb exploding at Bikini Atoll cast a cloud of radioactive coral dust that later rained down unexpectedly on islands far downwind as well as on a Japanese fishing boat.

This week two more natives of Rongelap Island, 125 miles from the site of the blast, will be operated on for thyroid abnormalities. One was in his mother's womb at the time of the test explosion.

The surgery will bring to 25, the number of inhabitants of that island who have undergone such treatment during the intervening 20 years. Apart from those conceived but not yet born, there were 89 on the island when the radioactive debris fell there.

THYROID NODULES

Since then one has died of leukemia. Of the 17 who were less than 10 years old at the time, all but two have developed nodules or tumors of the thyroid gland and in two cases the thyroid failed to function entirely and the growth of the children was stunted. Now, because of treatment with artificial thyroid hormones, the children's normal growth has resumed.

In the course of the followup medical program, four operations revealed cancerous tumors of the thyroid, one in a resident of another island, Rongerik, where the exposure to radiation was considerably less.

According to Dr. Robert Conard, head of the medical team that has visited the island periodically over the last 20 years, the Rongerik case may be one of the small number of thyroid tumors that occur naturally.

The results of his most recent visit and the continuing need for surgical treatment were reported by the Friends of Micronesia, an organization based in Berkeley, Calif. Dr. Conrad, reached by telephone at the Brookhaven National Laboratory near Upton, L. I., where he is based, confirmed the report.

ISLANDERS NOW SAFE

Although the atolls of Bikini and Eniwetok, where the nuclear tests took place, are no longer dangerously radioactive, it is still unsafe to eat coconut crabs from the north end of Rongelap. Dr. Conrad said that apparently the crabs eat their shells, thus perpetuating a relatively high level of such substances as strontium 90.

The latter is chemically enough like calcium that it becomes incorporated into shell or bone through the same biological process as calcium does.

The thyroid surgery will be performed at Cleveland Metropolitan General Hospital in Ohio. Dr. Conrad said. A third case uncovered by the screening program, a woman now 45 years old, who moved to the island after the blast, will also be treated surgically.

The woman was part of a "control" group of islanders not exposed to the original fallout who therefore could serve as a basis for estimating the effects of exposure.

Examination of the woman a few weeks ago disclosed thyroid nodules that in a normal population usually prove harmless. While hers do not appear to be cancerous. Dr. Conrad said, they are being removed as a precaution.

HIGH INCIDENCE FOUND

This is the second occurrence of such nodules among members of the control group.

Nearly 28 per cent of those who were exposed to the original radiation have developed nodules or tumors, in contrast to an average incidence of 3 to 4 per cent among Americans, Dr. Conrad said.

In addition, during the first five years after exposure the rate of miscarriages among the Rongelap women was also higher, but it has returned to normal, he said.

Two other groups were accidentally exposed to the radiation: 23 Japanese fishermen, one of whom later died, and 28 American military personnel. The fishermen were aboard a vessel that was less than a hundred miles from the site of the explosion.

The Americans, on Rongerik, 30 miles east of Rongelap, received a dose of only 60 rads (the rad being a unit of radiation exposure), whereas the people on Rongelap sustained 175 rads. Follow-up results on the Americans have apparently not been published.

Because in its chemical function the thyroid gland picks up iodine, the radioactive isotope iodine 131 is suspected as a cause of the thyroid effect. The development of nodules by someone who was in the womb at the time of the explosion could mean that iodine 131 crossed through the placenta. However, Dr. Conrad pointed out that the mother and the unborn child were also exposed to penetrating gamma rays, which could have played a role.

Dr. Conard said that in his two decades of regular visits he has found the islanders to be generally cooperative and that he has come to regard them as friends. However, their experience has affected not only their health, he said, but also their way of life.

The United States gave the islanders $950,000 in 1962 as compensation, but most of the money has been spent. Native industries have reportedly withered, and now the islanders are seeking more money. Dr. Conrad said he hoped that any further compensation would be incorporated into a trust fund for long-term benefit.

Agitation against the medical follow-up program included the assertion that the exposure had been intentional so that the islanders could be used as guinea pigs.

However, Dr. Conrad said an independent medical team consisting of two Japanese, a Briton and an American was appointed by the native legislature—the Congress of Micronesia—and that that step had helped end such contentions.

With both island test sites—Bikini and Eniwetok—now considered fit for habitation, Dr. Conrad said, three families have moved back to Bikini and 40 homes have been built there for the returnees. On Eniwetok the villages will have to be rebuilt before anyone can return, he said.

DISCREPANCIES IN TAX EVASION SENTENCINGS

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. VANIK. Mr. Speaker, for sometime, I have been concerned about the confusing and varied administration of our Nation's tax laws and the conflicts which are created by the diverse routes of judicial appeal which may often be selected by the taxpayer and his counsel.

Under present law, after the taxpayer has exhausted his appeal rights within the IRS bureaucracy, he may carry his case to court. If he chooses not to pay the contested sum, he can go to Tax Court. The Tax Court was originally established in 1942 and consists of 16 judges who serve 15-year terms of office. The Tax Court has national jurisdiction. From it, appeals go to the 11 U.S. circuit courts of appeal. The appeal must be made to the court of the judicial circuit that covers the geographical area where the corporation or individual taxpayer has his principal place of business or residence. Depending on the decision of an area's circuit court and the action—or nonaction—by the Supreme Court, the tax laws of the Nation may vary considerably from court to court and region to region.

There is an alternative judicial appeal route. If a taxpayer pays the proposed deficiency, he may then file for a refund either in a district court or in the Court of Claims.

Obviously, there is a great opportunity for conflicting tax law opinion at any given time. It may be wise to consider a change in the tax judicial structure—which would make the same law apply equally to all citizens and which would prevent tax forum shopping.

Although the Agnew precedent has substantially mutilated the use of fear of prison as a deterrent to tax evasion, there is earlier evidence that cases could be moved to courts of light sentence. The District Court for Northern Alabama, for example, sentenced over 10 times as many tax evaders in the period between fiscal years 1946 and 1973, as the Federal District Courts of Middle and Southern Alabama. In the Northern Alabama District, only 9.5 percent went to prison, while in the Middle and Southern Alabama Districts, nearly 50 percent were imprisoned. There is more than a casual relationship between case volume and light sentence.

There is an incredible variation in the sentencing practices throughout the Nation for tax evasion and related cases. It is incomprehensible that a person in the Western Judicial District of Virginia has about one-seventeenth the chance of serving a prison sentence as a resident of the Western Judicial District of Washington. I would hope, Mr. Speaker, that the Federal Judicial Center or other offices would work for an improved uniformity in the treatment of tax evasion cases.

Following is a letter I recently received on this issue from Internal Revenue Service Commissioner Donald C. Alexander along with a record of sentences and confinements for tax evasion for the period between fiscal years 1946 and 1973:

COMMISSIONER,
INTERNAL REVENUE SERVICE,
Washington, D.C., April 22, 1974.

Hon. CHARLES A. VANIK,
House of Representatives,
Washington, D.C.

DEAR MR. VANIK: Your March 1 inquiry to then Assistant Secretary Morgan, requesting statistical data on indictments and sentencing practices in income tax evasion and related cases, was forwarded to the Service for reply.

We are pleased to enclose the following charts which contain the types of information you requested:

Number of Indictments and Informations in Tax Evasion and Related Cases for each of the Fiscal Years 1964 through Fiscal Year 1973, inclusive.

Sentencing Practices by Judicial Circuits and Districts for the period, Fiscal Year 1946 through Fiscal Year 1973, inclusive.

We would be happy to provide you with any other data needed similar to that contained in the enclosed charts.

With kind regards,
Sincerely,

DONALD C. ALEXANDER.

Enclosures.

INTERNAL REVENUE SERVICE INTELLIGENCE DIVISION

INDICTMENTS AND INFORMATIONS IN TAX EVASION AND RELATED CASES, FISCAL YEARS 1964-73

Fiscal year	Income and miscellaneous cases	Wagering	Total
1964	679	898	1,577
1965	823	1,096	1,919
1966	767	893	1,660
1967	677	665	1,342
1968	652	374	1,026
1969	631	18	649
1970	891	33	924
1971	952	4	956
1972	1,074	11	1,085
1973	1,176	10	1,186
Grand total	8,322	4,002	12,324

SENTENCING PRACTICES BY JUDICIAL CIRCUITS AND DISTRICTS IN TAX EVASION AND RELATED CASES, FISCAL YEARS 1946-73

Circuit and district	Total sentenced	Number imprisoned	Percent to prison
1st circuit	703	355	50.5
Maine	75	29	38.7
Massachusetts	500	274	54.8
New Hampshire	40	16	40.0
Rhode Island	88	36	40.9
2d circuit	2,567	855	33.3
Connecticut	280	126	45.0
New York:			
Northern	322	42	13.0
Eastern	704	249	35.4
Southern	1,021	408	40.9
Western	212	21	9.9
Vermont	28	9	32.1
3d circuit	1,610	483	30.0
Delaware	66	23	34.8
Pennsylvania:			
Eastern	474	137	28.9
Middle	518	161	31.1
Western	236	74	31.4
New Jersey	316	88	27.8
4th circuit	1,331	487	36.6
Maryland	383	228	59.5
North Carolina:			
Eastern	61	8	13.1
Middle	107	40	37.4
Western	145	32	22.1
South Carolina			
Eastern	149	53	35.6
Western	9	3	33.3
Virginia:			
Eastern	243	84	34.6
Western	55	3	5.5
West Virginia:			
Northern	128	23	18.0
Southern	51	13	25.5
5th circuit	2,168	711	32.8
Alabama:			
Northern	200	19	9.5
Middle	18	10	55.6
Southern	12	5	41.7
Florida:			
Northern	25	13	52.0
Middle	91	51	56.0
Southern	413	213	51.6
Georgia:			
Northern	301	40	13.3
Middle	29	8	27.6
Southern	40	8	20.0
Louisiana:			
Eastern	193	66	34.2
Western	51	9	17.6
Mississippi:			
Northern	11	6	54.5
Southern	116	21	18.1
Texas:			
Northern	267	101	37.8
Eastern	58	30	51.7
Southern	112	54	48.2
Western	231	57	24.7
6th circuit	1,533	595	38.8
Kentucky:			
Eastern	26	12	46.2
Western	199	129	64.8
Michigan:			
Eastern	375	74	19.7
Western	46	17	37.0
Ohio:			
Northern	379	136	35.9
Southern	297	96	32.3
Tennessee:			
Eastern	48	33	68.8
Middle	120	62	51.7
Western	43	36	83.7
7th circuit	1,317	653	49.6
Illinois:			
Northern	548	312	56.9
Eastern	65	26	40.0
Southern	208	40	19.2
Indiana:			
Northern	60	42	70.0
Southern	232	138	59.5
Wisconsin:			
Eastern	181	79	43.6
Western	23	16	69.6
8th circuit	1,360	498	36.6
Arkansas:			
Eastern	68	20	29.4
Western	16	4	25.0
Iowa:			
Northern	49	13	26.5
Southern	106	70	66.0
Minnesota	271	73	26.9
Missouri:			
Eastern	281	186	66.2
Western	271	99	36.5
Nebraska	191	18	9.4
North Dakota	63	15	23.8
South Dakota	44	0	0
9th circuit	2,345	1,052	44.9
Alaska	29	11	37.9
Arizona	104	54	51.9
California:			
Northern	367	208	56.7
Southern	508	152	29.9
Central	225	76	33.8
Eastern	301	88	29.2
Hawaii	80	47	58.8
Idaho	79	21	26.6
Montana	69	15	21.7
Nevada	77	25	32.5
Oregon	238	137	57.6
Washington:			
Eastern	71	51	71.8
Western	197	167	84.8
10th circuit	734	309	42.1
Colorado	157	100	63.7
Kansas	188	58	30.9
New Mexico	79	45	57.0

Circuit and district	Total sentenced	Number imprisoned	Percent to prison
Oklahoma:			
Northern	41	19	46.3
Eastern	15	5	33.3
Western	104	16	15.4
Utah	107	51	47.7
Wyoming	43	15	34.9
District of Columbia	32	16	50.0
U.S. total	15,700	6,014	38.3

TONY TURTURICI IS NAMED PUBLIC WORKS MAN OF THE YEAR

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. EDWARDS of California. Mr. Speaker, I would like to pause for a moment to recognize the achievement of Tony Turturici who will receive this year's Public Works Man of the Year award in San Jose this June 13.

Tony Turturici deserves this award as few other public works directors in this country do. Tony first came to work for the city of San Jose in 1951. Since that time he has seen the city grow from a small, somewhat rural community to the thriving metropolitan area that it is today. As always, growth brings problems along with benefits. Tony has been there throughout to try to meet these problems. His many efforts are really too numerous to list, but his participation in water quality control with the task force on clean water for the League of California Cities and with the San Francisco Regional Water Quality Control Board, among numerous other groups, cannot go unmentioned.

Just recently, Tony has helped with the planning of 27 neighborhood parks and sport fields and the Police Athletic League sports complex. He has also been instrumental in planning the new main library in San Jose, along with six branch libraries. Under his guidance, plans have been prepared to improve lighting throughout the city of San Jose, and to improve city street signs.

His efforts in behalf of environmentally sound sewage disposal for the city San Jose cannot be overlooked. In fact, all his many efforts have been directed toward enhancing the San Jose area—toward making it a better and healthier place to live for all its citizens.

How many of us ever give a thought to the tremendous work and dedication that goes into the planning of services that we use every day of our lives—services like proper sewage disposal, readable street signs, efficiently designed fire stations? I am afraid that the answer is that very few of us think about these things. In fact, we do not have to worry about it because a talented and dedicated Public Works Director Tony Turturici has already taken care of the problems.

So, I am delighted that, after all his important efforts over so many years, Tony is being honored this June. It is certainly about time that all of us in San Jose show our appreciation and gratitude for a job well done.

SUBVERSIVE ORGANIZATION LIST TO BE ABOLISHED BY EXECUTIVE ORDER

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. RARICK. Mr. Speaker, the American people will be happy to learn that the Attorney General's list of subversive organizations is to be abolished by Executive order. One does not know if this means: First, our leaders no longer feel that there are individuals and organizations within our country who would overthrow our constitutional system of government; second, the list was detrimental to détente and our new Communist business partners; or and third, whether the Constitution has already been sacked.

I include a related newsclipping at this point:

[From the Washington Star-News, June 2, 1974]

SUBVERSIVES LISTING TO END

(By Margaret Gentry)

President Nixon plans to abolish the attorney general's list of so-called subversive organizations, a product of the 1950s Red scare era, administration sources say.

The White House has drafted an executive order which would do away with the list and Nixon plans to sign it, the sources report.

Atty. Gen. William B. Saxbe recommended the move, after reviving a review of the list initiated by former Atty. Gen. Elliot L. Richardson.

"The list is irrelevant and legally we're in a bind on it," a White House official said. An official of the department's criminal division has called it "absolutely worthless."

In 1947 President Truman ordered the department to maintain a list of "totalitarian, fascist, Communist or subversive" organizations as a tool for screening applicants for government jobs.

Four years later, the Supreme Court ruled no group could be placed on the list without a hearing. Later court decisions blocked the government from refusing to hire an applicant solely because of his membership in one of the questionable group.

The list dropped into obscurity after the Red scare subsided.

Nevertheless, some 300 organizations officially are still labeled subversive. Only about 20 still exist.

The list includes the Communist Party USA, the Ku Klux Klan and such other groups as the National Blue Star Mothers of America and the Committee to Uphold the Bill of Rights.

The militant groups of recent years were never added to the official listing. The FBI and other government agencies have conducted surveillance operations against those groups without formally declaring them subversive. The FBI refuses to disclose its policies and procedures for placing an organization and its members under surveillance.

Nixon tried to revive the list three years ago by instructing the highly paid but unproductive Subversive Activities Control Board to monitor and update it. Congress opposed the move and cut off all funds for the board, which went out of business in 1973.

MIZELL'S NEWSLETTER FOR MAY

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. MIZELL. Mr. Speaker, I have recently sent my constituents a newsletter reporting on legislative topics of interest to them with which the House has dealt during the month of May. Keeping our constituents informed of our actions on their behalf is one of our most important jobs as Members of Congress, and I want to share with my colleagues the substance of my newsletter.

My newsletter for the month of May 1974 follows:

MIZELL NEWS

The House of Representatives has been busy in recent weeks with a variety of legislative issues, and I wanted to take this means to inform you of action taken on matters of interest to you.

BLUE RIDGE

I have received many letters regarding the status of the proposed Blue Ridge Power Project, and I am happy to report that on Tuesday, May 28, the Senate passed by a vote of 49 to 19 a bill similar to the one I introduced in the House, authorizing a study of the New River in North Carolina and Virginia for possible future inclusion in the National Wild and Scenic Rivers System. I am pleased that hearings on my bill have been scheduled for June 3 by the National Parks and Recreation Subcommittee of the House Committee on Interior and Insular Affairs, chaired by Representative Roy A. Taylor of North Carolina. The Senate Interior Committee concluded that the project is of dubious economic value and would destroy valuable recreational, biological and historic resources unnecessarily. I am greatly encouraged by the progress of our efforts to date, and I want to thank the many citizens of the 5th Congressional District for the active interest they have taken in this issue. Along with other North Carolinians whom I have invited, I will be testifying before Representative Taylor's subcommittee and will certainly continue to push for favorable consideration of my bill by the full House as soon as possible.

BUSING

After Senate action on the education bill, I stated that I was disappointed that the Senate version of the measure did not include the House language permitting the reopening of previously decided court cases regarding the forced busing of children to achieve racial balance in our schools. I am in agreement with most Americans and a majority of the citizens of the 5th Congressional District that forced busing is harmful to the educational process and has created administrative chaos in our schools. It is obvious also that the policing of busing undermines public support of our schools. Those of us in the House who oppose busing have introduced an amendment to the Constitution which would settle the issue once and for all, but the amendment process is long and arduous. Thus, we are also working hard to insure that the House instructs its Conferees, who will negotiate with the Senate on the education bill, to insist that the House language is retained in the final bill. Congress has both the authority and the responsibility to end illogical and self-defeating policy before it destroys the best public educational system yet produced by any nation.

HIGHWAYS

Another matter of concern to citizens of the 5th District is the traffic load on some of our Federal highways. Recently I met with North Carolina Secretary of Transportation Bruce Lentz and the North Carolina Congressional Delegation to discuss possible remedies for an inadequately designated and funded Federal-Aid Primary System in the State. As a result of our meeting, the delegation has written U.S. Secretary of Transportation Claude S. Brinegar emphasizing our belief that the 402 miles of highway recommended by the Department under the new Priority Primary Routes program "should represent the absolute minimum of Priority Primary Route mileage allotted to North Carolina." Included in the proposed mileage in North Carolina are the I–40 bypass at Winston-Salem, U.S. 52 between Winston-Salem, U.S. 52 between Winston-Salem and Lexington, and U.S. 311 between Winston-Salem and U.S. 220.

COST OVERRUNS ON ABM'S

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. ASPIN. Mr. Speaker, the Army has juggled its books making it impossible to determine the true cause of nearly $1.3 billion in cost overruns on the Safeguard anti-ballistic-missile system (ABM). I am releasing a General Accounting Office report which outlines the problems in determining the true cause of these overruns.

I believe that the Army has violated Pentagon rules in identifying the cause of costs and may have consciously concealed part of these cost overruns.

A $1.3 billion cost overrun is the difference between the original May 1969 planning estimate for a two-site ABM and a current one-site system near completion in Great Falls, N. Dak. According to GAO the two ABM sites will cost $4.185 billion. Today one ABM site will cost $5.403 billion.

Mr. Speaker, it is impossible to determine the extent of cost overruns on a one-site ABM as the Army claims it never developed a one-site ABM estimate. Only a two-site estimate was developed by the Army in 1969 when the ABM program was first proposed to Congress.

It would be unfair to the Army to take the original cost estimate for two sites or $4.19 billion divided by half $2.09 billion and claim any cost increase above that amount should be labeled a cost overrun. Such a calculation would be too rough and would not properly allocate the cost of research development for the entire ABM.

Army records are apparently incomplete or nonexistent making it impossible for GAO investigators to precisely determine the reason for the cost increases. The ABM program was limited by the SALT I agreement to two sites and subsequently Congress decided to cancel an ABM site planned for construction in the Washington, D.C., area.

Before the signing of the treaty, ABM costs contained in quarterly reports to Congress were based on a four-site system. When the three sites were then canceled the Army continued to include in its cost estimates increases associated with the three sites even though they would never be built. It appears the Army has concocted an accounting scheme devised to deceive Congress and the public on the terribly high cost overruns that have occurred on the Safeguard program.

The Army would like to blame Congress and the signing of the ABM treaty for these cost overruns and have so muddied the waters that it is impossible to completely assess the true dimensions of the Army's foul-up.

WEEKLY ENERGY REPORT EDITOR LISTS WHAT IS WRONG WITH H.R. 11500

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. HOSMER. Mr. Speaker, in concise form the editor of Weekly Energy Report in his June 3 issue lists why the bill H.R. 11500, which would cut the Nation's coal supply by up to one-third, is unacceptable by the administration. Eleven reasons are listed as follows:

INTERIM REQUIREMENTS

The interim compliance requirements of the bill during the period from its enactment until permanent standards are established are considered unworkable. The requirements would prevent opening new mines and bring existing mining to a halt because adequate time is not allowed for specifying interim requirements, says the Administration.

DESIGNATING LANDS UNSUITABLE FOR MINING

The bill appears to create a general presumption that all lands are unsuitable for mining unless the contrary case is justified in accordance with burdensome and time-consuming procedures.

SURFACE SUBSIDENCE OF UNDERGOUND MINING

Rigid and unrealistic requirements for control of surface subsidence could prevent the mining of 17 to 117 million tons of coal in 1975.

EXCLUSION OF SURFACE MINING IN NATIONAL FORESTS

Coal could not be mined in national forest lands even when the best application of multiple use principles demonstrated that such mining was the best use of the lands.

PERFORMANCE CRITERIA

The bill's provision with respect to maintenance of hydrological balance, mining on steep slopes, and returning lands to "approximate original contour" would amount to an outright prohibition of mining in some areas and an adverse impact on production in others (e.g., provisions relating to mountaintop mining, thick seams and spoil on the down slope would result in a production loss of up to 59 million tons in 1975.

SURFACE OWNER PROVISIONS

The bill in effect would provide a new right to surface owners of lands where the Federal Government owns subsurface rights.

PERMIT APPLICATION DATA

Extensive data required by the permit applicant would adversely affect small operators who mined 34 million tons in 1972.

RECLAMATION OF PAST MINED LAND

The bill would result in charges to current consumers of coal for correcting past practices. First priority must be given to reclaiming land associated with current surface mining.

PROGRAM FOR NON-COAL-MINE ENVIRONMENTAL IMPACT CONTROL

Non-coal mine regulations should be included only in conjunction with a full non-coal regulatory program and not be included in coal surface mine legislation.

CITIZEN SUITS

The bill would go beyond the scope of any citizen suit provision presently in other environmental laws; it could subject operators, the Federal Government, and State regulatory authorities to serious risk of undue harrassment. This could result in the frustrating implementation of the Act and prevent the needed increase in coal production.

MINING AND MINERAL RESEARCH CENTERS

The bill would authorize establishment of mining and mineral research centers in a manner which would fragment and undermine current research efforts and priorities. (A bill passed by the 92nd Congress containing similar provisions was vetoed by the President.)

FINANCIAL STATEMENT

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. BRADEMAS. Mr. Speaker, I include at this point in the RECORD a statement of my financial assets and sources of income

The information given follows the form of the official financial disclosure statement required by rule XLIV of the House of Representatives, including both the public and nonpublic portions of the statement.

Mr. Speaker, I also include a complete statement of my securities holdings and their value, some of which are not required to be disclosed in the official statement.

Finally, Mr. Speaker, I also include a statement of Federal and State—Indiana—income taxes paid by me during tax year 1973:

FINANCIAL STATEMENT OF CONGRESSMAN JOHN BRADEMAS

1. Securities Holdings: (Value as of May 20, 1974).

279 shares Mass. Inv. Trust	$2,926.71
25 shares General Motors	1,156.25
50 shares Advanced Ross	156.00
200 shares Sea Containers	3,328.00
50 shares Union Carbide	1,992.00
50 shares Xerox Corp	5,650.00
6000 AT&T 8¾ of 200 bonds	6,067.20

2. Income from professional organizations: None.

3. Income from a single source exceeding $5,000, including salary: None.

4. Capital gains from a single source exceeding $5,000: None.

5. Reimbursement for expenditures from a single source exceeding $1,000: None.

6. Sources of honoraria aggregating $300 or more from a single source (1973): American Institute for Imported Steel; Task Force on Continuing Education (Univ. of Notre Dame); University of Southern California Andrus Center; Brookings Institution; Hood College; Memphis State University; Ball State University; NBC Today Show; American Orthopsychiatric Association; Order of Ahepa, Pennsylvania Chapter; University of Southern California School Superintendents Assn.; National School Boards Assn.; Committee of the States; Amherst College. Total: $8,485.00.

7. Unsecured Indebtedness exceeding $10,000: None.

8. Federal Income Taxes paid, 1973: $8,257.04.

9. Indiana Income Taxes paid, 1973: $1,258.86.

THE NEW ARMY

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. RARICK. Mr. Speaker, if we are to believe the latest announcement, members of the U.S. Army are no longer to be classified as Americans, but rather groups, mostly Asian or Latin in origin broken down into 12 ethnic minority groups, mostly Asian or Latin in origin and "other."

The new official ethnic designation apparently includes Negro, Mexican-American, Puerto Rican, Cuban-American, Spanish-descent, Chinese, Japanese, Korean, Philippino, Asian-American, Caucasian, or "other." Apparently the only problem is those who have mixed parantages, since the Army also reports that those who do not identify with one of the new categories or who refuse to take part in this new program of ethnic proportions may so indicate.

This being so, some may give as their ethnic designation that they are American.

I insert a related newsclipping:

[From the Washington Post, June 1, 1974]

Army Adds to Ethnic Listings

(By Fred S. Hoffman)

Starting today more than 23,000 soldiers will be given a chance to come out from behind ethnic anonymity.

They are men and women whose Army records list them as "Other" rather than Caucasian or Negro.

The Army says it is expanding official ethnic designations to cover 12 groups, mostly Asian or Latin in origin. Also included are American Indians, Eskimos and Aleuts. Officials estimate these groups account for about 3 per cent of the Army's 789,000 men and women.

"For the past several years, everyone in the Army has been pushed, shoved and squeezed into one of three racial groupings—Negro, Caucasian or other," the Army's Command Information Division said in a circular to the field.

". . . This catch-all classification 'other' could hinder the Army's efforts to achieve equal opportunity for these minority groups."

The Army said it needs more detailed ethnic data to check on whether everybody gets a fair break in promotions, assignments, retention and separation.

So unit commanders were instructed to act during June "to properly identify the ethnic group of each soldier, and this will then be entered on the appropriate military personnel rosters."

The new official designations include Mexican-American, Puerto Rican, Cuban-American, Spanish descent, Chinese, Japanese, Korean, Filipino, and Asian-American.

The Army said soldiers who do not identify with one of the new categories, or who refuse to take part, may so indicate on the forms.

The Air Force, Navy and Marines are expected to follow suit by the end of the year.

The new move marks a turnabout from the early 1960s when the Defense Department eradicated all racial and ethnic identifications from military personnel records. At that time, officials said such identifications opened the way to possible discriminaton.

In another development, the Army has come up with a new recruiting theme: "Join the People who've joined the Army."

This approach, the Army said, "will dramatize personal challenge, pride in service and opportunity to grow and get ahead."

To many old soldiers, this is a vast improvement over an original all-volunteer Army recruiting pitch that used to set their teeth on edge: "Today's Army wants to join you."

That slogan was dropped quietly some time ago after complaints from Army professionals that it had too much of a hat-in-hand sound.

THE BOARD OF SELECTMEN OF BROOKLINE, MASS., CONDEMNS ARAB TERRORISTS IN THE MIDDLE EAST

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. DRINAN. Mr. Speaker, I am happy to attach herewith the resolution adopted unanimously by the Board of Selectmen of Brookline, Mass. at their meeting on Monday, May 20, 1974.

This moving and compelling statement describes in a graphic way the fearful situation which the Israelis must confront on a daily basis.

I commend this statement to my colleagues:

Resolution by Brookline, Mass., Board of Selectmen

Whereas, Arab terrorist groups and their affiliates are continuing their attacks on innocent children and adults alike; and

Whereas, said barbarous attacks inevitably invite reprisals; and

Whereas, the most recent barbarous attack on school children at Maalot Moshav in Israel is comparable to a holocaust and has shocked the sensibilities of the civilized world; and

Whereas, Arab terrorists have been operating and continue to operate from bases on the soil of sovereign nation members of the United Nations and are subject to the jurisdiction of those sovereign nation members; and

Whereas, said terrorists have placed their camps either within, or directly next to, refugee camps operated on the sovereign soil of Arab nations and thus invite reprisals on civilians; and

Whereas, sovereign Arab nations have encouraged, subsidized, supported terrorist bases on their soil and have taken no action to eliminate them; and

Whereas, so long as said Arab nations fail to eliminate said terrorist activities and allow numerous incursions to occur on Israeli soil and elsewhere those nations are not fit or capable of being members of a civilized national community or of maintaining their sovereignty,

Now, therefore, be it resolved, That the United States of America

1. Demand that those nations harboring, subsidizing, encouraging or in any way aiding or abetting terrorists forthwith cease said activities.

2. Introduce a resolution in the United Nations for the institution of sanctions against nations harboring, subsidizing, or in any way aiding or abetting terrorists.

3. Withdraw diplomatic recognition of any nation that harbors, subsidizes, encourages or in any way aids or abets terrorists.

4. Refuse, cancel and deny all aid economic, military or moral to any nation that harbors, subsidizes, encourages, or in any way aids or abets terrorists.

5. That a copy of this resolution be forwarded to the President of the United States, the Secretary of State, the members of the Senate of the United States from Massachusetts and the Members of Congress from this Congressional District.

Robert C. Cochrane, Jr.
Sumner Z. Kaplan.
Herbert Abrams.
Eleanor Myerson.
Edward Novakoff.

INDIA INVENTS A SUBSTITUTE FOR EATING

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. BRASCO. Mr. Speaker, very recently India exploded its first atomic device, terming it a "peaceful atomic explosion," whatever that is. Using the logic so unique to them that we have become accustomed to, India promptly announced that it was as vigorously opposed as ever before to military uses of atomic energy.

Most international observers indicated that this new fact would almost immediately exacerbate tensions in that entire area of the world. Pakistan already is exhibiting signs of intense unease. It should also be noted that much of India's nuclear work has been aided by Canada, which, in response to India's action, has announced the suspension and review of such aid programs. It should be noted that Canada supplied the most crucial aid by training India's key nuclear scientists in the sixties. There were taught to build a nuclear reactor and to use it to make plutonium.

I for one have little faith that Trudeau's regime is doing anything more than throwing out a smoke screen because of the hue and cry over India's atomic test. They have been quite selective in making arms and military assistance available. In the name of morality and peace he forbids Canada from shipping any military material to Israel, but he finds nothing wrong in shipping nuclear equipment and material to India. Such is modern morality in the gaudy era of third world independence.

India is completely free of formal treaty restraints, largely because that self-appointed conscience of mankind has refused to sign the landmark 1968 nonproliferation treaty, which was the world's first tentative step toward trying to curb the nuclear beast unchained almost 30 years ago. One other nuclear country which refused to sign the treaty is France, perhaps America's worst enemy. France has been aiding India in planning fast-breeder reactors, which produce more weapons-grade plutonium than they consume.

Some of the other consequences which are inevitable now include the creation of new rivalries. Other nations will now hasten their entry into the nuclear club because of India's example. India's initiative will make it much easier for other nuclear-capable nations to enter the club. In effect, the heat is off them.

It is also a fact that the three nuclear power plants in India have been in part supplied with uranium by our country. We therefore have had a direct hand in bringing India into the nuclear club and these programs should be forthwith discontinued.

Twenty-nine countries have thus far refused to sign the nonproliferation agreement. Next year that treaty would have been up for full review, and observers had hoped that many nonsigners would agree to the treaty. That hope is now gone. The arms limitation agreements being worked on by the United States and Russia are also undermined by India's action.

There is yet another aspect of this situation worthy of mention. For many years now, India has postured and posed as the "spokesman of the Third World," lecturing the rest of the world, particularly the West, on how to behave in international relations. India has emerged as the France of Asia, hating and opposing the United States while demanding aid and understanding from us.

In this manner, we have underwritten most of the policy mistakes of the Indian Government. While India pursued foreign imperialistic adventures of her own, she came to the United States for vast food shipments, technical aid, military aid and foreign policy support.

Meanwhile, she butchered the Assam hill tribesmen, invaded European colonial possessions on the subcontinent, waged aggressive war against several other nations and refused a fair plebescite in Kashmir, which contains an overwhelmingly Moslem population.

Simultaneously, India took a consistently pro-Soviet, anti-American line, taking us to task for virtually every policy we pursued. Further, nothing has changed. Yet we were continuing to pour food and dollars into India, for which we received vilification.

India's foreign policy reeks of hypocrisy, perhaps even more than does that of France. At least we know the French openly hate America, and will sell weapons to any and all who want to kill their neighbors. At least the French do not pretend to be moral. India does. The Congress would do well to bear all this in mind when India makes another mighty pronouncement about nuclear arms and asks us for more foreign aid.

Already certain international organizations, including the United Nations, are wringing their hands about the world food situation. I personally feel that we should aid as many people as possible in the usual manner in which America has shown compassion. However, how in the name of all that is holy can we stand still for the impending Indian aid request in light of this latest and most intolerable nuclear adventure by that country?

For years we have been regaled with tales of horror about Calcutta and other Indian communities, where people lie on the streets in broad daylight, dying of starvation. America, despite the fact that India publicly spits in our face and aids our enemies, has poured out largesse, knowing India will never repay us, in the name of compassion. And India has used our aid to feed her people while she bought weapons, including an entire MIG factory, from Russia, and has used other aid to help in building this atomic bomb she has just exploded. I for one know of too many projects in my congressional district crying out for attention and Federal funding, to pour more money down Mrs. Ghandi's gullet so she may posture in front of her anti-American "third world" friends as head of a nuclear State.

In Brooklyn and Queens we do not need Indian atom bombs. We need housing, mass transit aid, better schools, a national health plan, pollution controls, updated programs for the elderly and increased efforts to rid our streets of thugs. The people of the Nation, I believe, share these feelings and want the Congress to express their thoughts in the form of votes.

The United States has no business underwriting India's nuclear program, even indirectly. No further atomic assistance in the name of peaceful uses of the atom should be made available to that nation. Nor should the United States make available any further aid to India in my form for any reason. If the Russians can sell them weapons, then they also can make available to them the other needs they are coming to America for. The time has come for an end to this outrage.

Perhaps when the awful famines predicted for India arrive, and the people call for bread, Mrs. Ghandi will ask that they eat enriched uranium. That ought to make the poor starving masses of India content with their lot. After all, they are the dying citizens of a nuclear power. Is that not peachy-keen?

FATE OF THE MISSING IN ACTION

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. PICKLE. Mr. Speaker, I very much regret that a tight airline schedule prevented me from registering my vote today in favor of House Concurrent Resolution 271, which expresses the strong concern of Congress about the fate of U.S. servicemen missing in action in the Democratic Republic of North Vietnam.

It was my privilege to sponsor a similar resolution which was also considered by the House Foreign Affairs Committee, and I am quite pleased to see that House Concurrent Resolution 271 was overwhelmingly approved today.

Under the terms of the Paris peace agreement, there is a clear and unambiguous commitment on the part of the Democratic Republic of North Vietnam to fully cooperate in ascertaining the status of each and every U.S. citizen listed as missing.

A thorough and cooperative effort in complying with this commitment must be initiated before any diplomatic or economic relationship can begin between the U.S. and the Democratic Republic of North Vietnam.

Within the contexts of both international law and simple human decency, the justice of the demand entailed in this resolution is evident.

In the future, there exists the possibility that our country and the Democratic Republic of North Vietnam can establish meaningful and peaceful relations.

But these relationships can begin to blossom only when we are as certain as humanely possible as to the fate of all Americans listed as missing in action.

The resolution passed by the House today will serve a useful purpose by expressing the resolve of Congress on the MIA matter. The terms of the Paris agreement must be met, and the people of America must know the fate of her missing sons.

SEGREGATION PERSISTS 20 YEARS AFTER BROWN AGAINST BOARD OF EDUCATION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. RANGEL. Mr. Speaker, as we celebrated the 20th anniversary of the Supreme Court's decision in Brown against Board of Education we were reminded that the great goals enunciated by the Supreme Court in that decision to end segregation in educational facilities are still to be accomplished 20 years after the date of that historic decision.

Among the best analyses of how far we have come and how far we still have to go which were published during the period of commemoration of the Brown decision was two articles in the May 13, 1974, issue of the New York Times which examined the impact of the Brown decision in the North and the South. These articles, which I place in the RECORD for the information of my colleagues, show that we have made great strides in some areas of the South while permitting the North, in many instances, to use more subtle means of resistence to integration to fight the integration directive of the Supreme Court. In some instances, the article points out, schools in Northern cities have become increasingly segregated in 20 years since Brown.

It is my hope that this analysis will provide us with a context in which we can face the problem which is still with us—the provision of equal educational opportunity for all our citizens in an integrated social context which benefits both minority and white communities in our efforts to find ways in which we can live peaceably together.

The articles follow:

SCHOOL INTEGRATION RESISTED IN CITIES OF NORTH

(By William E. Farrell)

In the two decades since the United States Supreme Court's historic ruling against "separate but equal" school systems, public school systems in large Northern cities have largely resisted integration and in numerous instances have grown increasingly segregated.

According to interviews with education specialists and a survey of a number of large cities, the meager—some say "disastrous"—record of the North in creating biracial classrooms results from antipathy to busing for purposes of integration, the complacency and timidity of school boards and other units of government, protracted litigation, the exodus of whites to the suburbs and segregated housing patterns.

Integrationists, citing 20 years that have elapsed since the Supreme Court's historic decision in the case of Brown v. the Board of Education of Topeka, are increasingly disillusioned by the results of voluntary integration plans in cities. More and more, they are seeking relief in the courts.

INNER-CITY CONCENTRATION

None of these developments is new. The United States Commission on Civil Rights long ago documented the concentration of blacks in inner-city schools, even before the accelerated movement of whites to the suburbs in the late nineteen-sixties and early nineteen-seventies.

What is relatively new, however, is the widespread recognition by ordinary politicians, school officials and lower-court judges that so-called de facto segregation—that is, school segregation caused by housing patterns rather than overt political decisions about the placement of pupils—presents what might well be the most painful and ambiguous question facing the nation.

On one side are millions of black children trapped in schools that remain, for the most part, separate but unequal. On the other are millions of white parents who do not regard themselves as racist but who look with evident dismay on the idea of returning their children to the cities and school systems they fled.

The complexity of the question is illustrated by random comments from those most affected:

A black mother in Philadelphia, Mrs. Shirley Waites: "I'm in favor of busing to achieve racial integration. Obviously, you can't achieve it any other way. The schools work on a neighborhood system, and the neighborhoods are segregated. Separate but equal doesn't work [because] the white politicians don't care about black schools."

A black mother in Detroit, Mrs. Doris McCrary: "I don't discuss busing. As far as I'm concerned I've always been against busing. I have built my kids where they have self-confidence in themselves. If you take them out to Grosse Pointe where they would be looked down on, that would do something to their self-image."

A white school superintendent in a suburban blue-collar area near Detroit, Timothy Dyer: "I'm a strong advocate of integration . . . but cross-district busing would be disastrous. I think Brown v. Board was a great decision, but it would be best served if we had neighborhood integration."

A white mother in Pontiac, Mich: "I'd go to jail first. We moved out here to get good schools."

SUPREME COURT APPEAL

Not surprisingly, the question has worked its way, unresolved, to the Supreme Court, which must soon decide whether one of the proposed remedies—the controversial concept of exchanging pupils between suburban and city school systems—is both practical and constitutional.

The notion of urban-suburban cross-district busing for integration purposes was argued recently before the Supreme Court in a case involving Detroit and neighboring suburbs.

There are those involved in civil rights activities who view the eventual outcome of the Detroit case as a possible milestone, ranking it almost as important as the 1954 ruling against "separate but equal" school systems in the South.

Based on figures amassed by the United States Department of Health, Education and Welfare, the school integration record of the South, a region scorned by Northern liberals and others for its bigotry—has long since surpassed that of the North.

According to the H.E.W.'s 1972 figures, the percentage of minority group pupils in schools with enrollments more than half black in 1972 was 53.7 per cent for public schools in the 11 states of the old Confederacy. The figure for Northern public schools was 71.7 per cent and it was 68.2 per cent for the Border states and the District of Columbia.

ADDITIONAL FIGURES

Similarly, the figures for black students in schools with minority populations constituting less than half the enrollment were 46.3 per cent in Southern public schools, 28.3 per cent in Northern public schools and 31.8 per cent in the Border states and the District of Columbia.

In the Detroit case, a Federal Appeals Court last June ordered busing for integration between the city schools and those in neighboring affluent white suburbs in Wayne, Oakland and Macomb Counties.

In a similar case a year ago, involving Richmond and its suburban counties, the Supreme Court split 4 to 4, leaving the issue unresolved. Associate Justice Lewis F. Powell Jr., who once served on the Richmond School Board, abstained in that decision.

"There's a kind of moratorium," said Herbert Hill, national labor director of the National Association for the Advancement of Colored People. "School districts are waiting on the Detroit decision."

"Twenty years later," Mr. Hill said, "instead of what should have been a joyous celebration of progress we're in the middle of the second post-Reconstruction."

"If the court rules against the civil rights movement on this," said Dr. Kenneth B. Clark as he discussed the Detroit case, "I would interpret it as a sort of a dilution of Brown. To that extent it is important."

Dr. Clark, a psychologist and educator, is the only black member of the New York State Board of Regents, the state's highest education policymaking body.

MAJOR PROBLEM IN NORTH

Dr. Clark, whose psychological findings were cited in the 1954 Supreme Court decision outlawing school segregation, said that "the major problem now in the desegregation of the schools is clearly the Northern urban problem. There is no question of this."

He asserted that the major stumbling block to effective integration of Northern schools "is the intransigence of the Northern school boards—their refusal to obey the law."

Southerners, he said, were by and large more "honest and direct" in their resistance to integration while their Northern counterparts "made one policy statement after another" supporting integration while creating "an unmitigated disaster, and worse than that was the flagrant violation of the law in the Brown decision."

Like others involved in resolving racial imbalance in the schools, Dr. Clark felt that the era of voluntary integration efforts was nearing an unsuccessful end.

"I don't think there's any recourse other than the courts now," Dr. Clark said, echoing the sentiments of others who were interviewed.

John Morsell, assistant executive director of the N.A.A.C.P., said the lackluster integration performance in the North resulted primarily from "lack of will, lack of imagination on the part of school authorities."

"We have to get remedy through litigation," he said.

Eugene Mornell, who heads a detailed study on integration for the United States Commission on Civil Rights, was asked why the South moved faster on integration than the North.

He replied that the Federal Government had moved vigorously to enforce the Brown decision in the South but that in the North integration became increasingly a political issue with the vast majority of officeholders, both major and minor, taking an antibusing stand.

Caroline Davis of the Civil Rights Commission staff said that her focus recently has been on trying to achieve integration in smaller Northern communities.

"We really haven't concentrated very much on the very large cities because so little is being done there," aside from "the usual patterns of gerrymandering" of school districts, she said.

"There are so many vested interests," she said, "a school board is damned if it does and damned if it doesn't."

Spot checks of a number of large cities showed the following:

Chicago's public school system is more racially segregated than ever before, according to the Board of Education's annual census published last November. The census showed that for the third year in a row, the percentage of black students increased as did the number of elementary and high schools that are either all black or 95 per cent black.

MORE ALL-BLACK SCHOOLS

Of Chicago's 537 elementary schools, 259 now have black enrollments of 90 per cent or more, while 104 are 90 per cent or more white. The number of all-black elementary schools increased to 144 from 128 in 1972.

"In terms of pupil integration, we can deal with that very quickly," said Mrs. Carey B. Preston, vice president of the Chicago Board of Education, "because the board hasn't done anything about that. The board has never addressed itself to any plan to achieve student integration since I've been on the board," she said. She has held the position since 1968.

In New York City, the Board of Education recently declared in a report to the New York State Board of Regents that its racial integration program was being jeopardized by whites fleeing the city. More than four-fifths of New York's black pupils attend schools with black enrollments of 59 per cent or more. And nearly half attend schools that are virtually all-black.

The report implied that an exchange of city pupils with suburban school districts might be needed to carry out integration.

Dr. Clark, in his role as president of the Metropolitan Applied Research Center, a private organization, responded to the board's report by saying that city education authorities had "fostered the maintenance of racially segregated schools" in New York.

The Cincinnati school board approved a sweeping plan last December for desegregating the city's public schools as one of its final acts before a newly elected board took office.

A month later, the new board members, who were elected on pledges to resist integration, decided "not to implement" their predecessors' plan which, among other things, would have allowed high school students to transfer to other high schools as long as the transfer improved the racial balance.

Similarly, in Pasadena, Calif., where an integration plan has been in effect for several years, a new and conservative board is seeking ways of jettisoning the plan.

APPEAL IN BOSTON

In Boston, where there is a strong pattern of de facto segregation in the schools, a state court ruling requiring racial balance has been appealed by the five-member Boston school board to a higher court as unsuccessful negotiations between the city's elected school board and state education officials over integration enter their ninth fruitless year.

In Los Angeles, a desegregation ruling has been enmeshed in litigation and the case has been pending before the California Court of Appeals for nearly four years.

In St. Louis, a local parents group brought suit in Federal District Court charging the St. Louis Board of Education with maintaining illegal racial segregation in the city's schools.

In Omaha, the Federal Government is charging in court that the Omaha Board of Education is intentionally segregating its schools using "most, if not all" of the methods found illegal by a United States Supreme Court justice in ruling against the Denver school system.

Last June, Supreme Court Justice William Brennan ruled that the Denver school board must prove that it did not deliberately segregate students by race in drawing school boundaries. If it cannot prove that, the decision said, the city must racially balance the entire Denver school system.

And in Topeka, Kan., where the suit brought in the name of 10-year-old Linda Brown resulted in the landmark Supreme Court ruling, the school district is back in court, accused of discriminating against black pupils by assigning them to segregated schools with inferior facilities.

DESEGREGATION OF SOUTHERN SCHOOLS SINCE 1954 PRODUCES CONFUSING PATTERNS OF IMPRESSIVE GAINS, BITTER SETBACKS

(By B. Drummond Ayres, Jr.)

ATLANTA.—On the grass in front of Notasulga High School in east center Alabama, white and black youngsters tumble and laugh together in integrated frolic. Diehard segregationists once burned the main building.

In a corridor of the predominantly black Maggie Walker High School in Richmond, a white teacher orders a black pupil to put out a cigarete and is told to "go to hell."

A mile away at John F. Kennedy High, also predominantly black, the Student Human Relations Council has no problems on its agenda.

In Jackson, Miss., black and white students amble together toward a gym class. Across the street, the autographed visages of Gov. George C. Wallace of Alabama and Prime Minister Ian D. Smith of Rhodesia smile down on the work being done in the offices of the Southern Independent School Association, an organization that represents 400 newly built all-white, private "academies."

Twenty years after the Supreme Court outlawed segregation in the nation's public schools, there is no clear, easily comprehendible picture of what has happened in Dixie, the initial target of the decision.

THE BARE STATISTICS

The bare statistics say that the South's classrooms are the most integrated in the country, with fewer than one of every 10 black youngsters still in all-black schools.

But the figures do not explain why. Nor do they tell what desegregation of classrooms has done to the quality of Southern education, the make-up of Southern society and the distinctivenes of the Southern psyche.

The answers to such questions are best found by going back to places like Notasulga, Richmond and Jackson, more or less typical Southern way stations on the long road to racial equality.

What emerges is a mosaic of a South in which most rural schools are fairly well desegregated, despite a flight by whites to the so-called "seg" academies. On the other hand, many urban systems remain steadfastly segregated and even harder hit by the whites' exodus.

Where desegregation has gone smoothly, the key factors have frequently been strong classrom discipline and the favorable public attitudes of school officials, local politicans and business leaders.

SEPARATE WAYS

No matter how successful the desegregation has been, however, whites and blacks still tend to go their separate ways once out of the classroom and off the playing field. There is minimal mingling in the lunchroom, at the senior prom (if it has not been canceled).

Most integrated schools have begun "tracking" or "ability grouping" their better students into accelerated courses, a procedure that sometimes resegregates whites and blacks.

Where black and white systems have been merged, black principals and teachers have sometimes been demoted or dismissed.

Where discipline is a major desegregation problem, black students often are punished more severely and more frequently than whites.

"Over all, it's a picture that is at once encouraging, discouraging and terribly confusing," says Mel Leventhal of Jackson, a veteran civil rights lawyer for the NAACP Legal Defense and Educational Fund, Inc.

He adds:

FEW FIXED RULES

"What works great in one place sometimes will fail miserably in another—and for no apparent reason. There just aren't many fixed rules and set formulas.

"Jackson has one of the most desegregated public school systems anywhere in the country, North or South. It also has one of the strongest private academy systems.

"Maybe the best thing that you can say about the South today is that it isn't any worse than the North, particularly Northern cities."

Whatever the case, much ground has been covered since the days when troops were called in to complete the integration of Central High School in Little Rock, Ark., and Virginia's Prince Edward County closed its public schools rather than desegregate them.

In the rural South, supposedly the ultimate stronghold of what civil rights workers call the "redneck seg," there is an explanation as to why it is now the national leader in school integration.

In rural counties, blacks and whites often live next to one another, either on farms or in small towns. Thus, it is difficult to justify segregated schools on the basis of housing patterns, the justification that has kept so many Northern and Southern cities segregated.

Rural integration has been accomplished quietly in many areas. But violence has occurred, though it appears to be on the decline.

PEACE AND VIOLENCE

The people in Alabama's Notasulga area, a farming section that is half black and half white, have known peace and violence.

A decade ago, when a Federal judge assigned six blacks to Notasulga High School, whites established an all-white academy. Shortly thereafter, the abandoned public building was burned.

The school was rebuilt, but white pupils did not start trickling back until a handful of influential white leaders, among them Robert Anderson, the school principal, began speaking out in favor of integrated education.

"It was tough going at first," the 31-year-old Mr. Anderson recalls, adding:

"There were four or five of us—several coaches, a former school board member, an insurance man—and we just began to talk to folks and say that the town and the county would never survive if we destroyed public education.

"Some people got mad at us. I got threats. My girl left me. I moved out of town to a safer apartment. But then, slowly, white kids started to come back.

EQUAL TREATMENT

When they did, we made sure that everybody, black and white, got treated the same, punished the same, everything, right down to making cheerleading squads 50-50.

"Things like that are very important, just as important as getting community leaders to back you."

Today, Notasulga High is half white and half black. Bumper stickers in the town's thriving shopping thoroughfare proclaim: "Notasulga's Back."

No one can remember the last racial incident. The school's Parent-Teacher Association has more members than ever. White merchants raise money to send integrated athletic teams on road trips. The whole town turns out for the annual homecoming parade, led by an integrated band.

A black senior, Willie Woods, says:

"When we were first all thrown together, everybody stood around just waiting for trouble. But everybody got treated the same and we soon discovered—sports helped a lot—that we were all pretty much alike."

A PHONY WORLD

A white classmate, Gary James, says:

"The kids down at the other end of the county who still go to those all-black schools and that all-white academy just don't know what life is all about these days. They're living out of it in a phony world."

What of the quality of education now offered at Notasulga?

Mr. Anderson concedes that it is extremely difficult to make comparisons with the past. He notes, however, that today's Notasulga graduates seem to have little trouble finding work or going to college.

"Look," he says, "nobody anywhere can prove anything one way or another. All I know is that my kids, black and white, do O.K. and the blacks no longer are going to school in tarpaper shacks."

The experience in another rural area—Virginia's Prince Edward County—has been less happy. But even there, where whites slightly outnumber blacks, some progress is being made.

The all-white Prince Edward Academy that sprang up in Farmville during the five years the county's public schools were closed is still operating. But its enrollment is 1,100, from a high of almost 1,500 in 1959.

By contrast, the Prince Edward public schools, reopened by the courts in 1964 after the barren years when blacks received mostly home and church instruction, have almost 2,000 students, 200 of them white.

"That doesn't sound like many whites, but consider that five years ago there were only 50 in the public system," says Clarence Penn, the 32-year-old principal of Prince Edward County High School.

"We're going to win this one," he says. "Every year, we get back several dozen more whites. The academy's tuition has shot up to about $700 now, and that's got a lot of white daddies hurting and a lot of white mommies working.

"And the word is out that blacks and whites in the public schools are getting along and learning. Just ask any of our kids."

The story they tell is much the same as that told at Notasulga, except that the white youngsters in the Prince Edward schools, being much in the minority, seem a bit more reticent. For example, few white boys go out for sports and only now are white girls trying out for the cheerleading squad.

WE GET ALONG FINE

"There isn't any interracial dating, and whites and blacks still tend to congregate with their own kind when they eat and the like," says Malcolm Shields, a white senior at Prince Edward High. "But all in all, we get along fine. It's the grown-ups you have to convince."

A black classmate, Fay Scott, says:

"Some diehard segregationists like to mouth around that we're not learning anything. But colleges are recruiting us, including what used to be an all-white teachers' school right in Farmville."

Farmville and surrounding Prince Edward County are undergoing other significant racial changes.

Recently, the local Jaycees named Clarence Penn the "outstanding young educator" and admitted him to membership. Many whites immediately quit the organization. In leaving, they noted that Mr. Penn's presence would cost the Jaycees the food concession at the Prince Edward Academy athletic field.

Still, the academy thrives, offering what even its black detractors concede are quality courses. It is perhaps one of the healthiest of the thousand or more private schools that have been built in the South in the last two decades.

THERE'S A PRICE

"People who want quality education will pay $600 or more per kid if that's the price," says Robert Redd, the academy's principal. He said that his students were the offspring of both millionaire industrialists and tenant farmers.

The full strength of the South's academic movement is difficult to gauge because not even the Federal Government keeps precise records. Schools are constantly opening and closing or losing and gaining accreditation.

One frequently heard estimate is that perhaps one of every 10 white youngsters in the South is in a private school. The movement seems to be growing fastest in Memphis. Churches, especially Baptist, are sponsoring many of the new facilities.

Memphis has been backed into a legal corner by the courts and must desegregate most of its schools. Other cities—Atlanta, Montgomery, New Orleans—are still fighting total desegregation, though room to maneuver is increasingly limited.

FLIGHT TO SUBURBS

The situation in almost every case is much the same as in Northern cities. Fearful whites are steadily fleeing to the suburbs, threatening to set up private schools if the courts tag along and merge suburban and city schools.

Twenty years ago, Atlanta's schools were about 70 per cent white and 30 per cent black. Today, they are 80 per cent black and 20 per cent white.

Part of the whites' flight was due to the desire for a bite of greenery. But no one denies that the color black also played a key role.

Tentatively, pending court approval, a compromise has been struck in the Atlanta situation.

In return for high administrative positions in the school system, blacks have stopped demanding massive busing. Such busing, they concede, would probably drive out most of the remaining whites, along with their much-needed tax base.

Other American cities have sent representatives to Atlanta to study how the compromise has worked out.

MUCH CONFUSION

In Richmond, massive busing—and massive flight by whites—is under way. There is much confusion.

One school, in a neighborhood that is 95 per cent white, draws 95 per cent of its students from a neighborhood across town that is 95 per cent black.

At Maggie Walker High, the predominantly black school where the white teacher ordered the black student to put out the cigarette and was told to "go to hell," walls are covered with graffiti, windows are broken, students mill in hallways during class hours, racial fights break out periodically.

One teacher complains privately:

"It's the lack of discipline, the failure to take the high ground at the start, the failure to be consistent with everybody, black or white.

"Things are so bad that kids come to school without pencils, without paper, without books—and go home the same way. I have to keep a supply of everything and pass is out each day at the start of classes. This isn't education; this is chaos."

A DIFFERENT STORY

But then there is John F. Kennedy High School a mile or so away, where the Student Human Relations Council has nothing on its agenda.

Kennedy is three-fourths black. There has been no serious racial incident on its neat, well-trimmed grounds for several years. Its graduates, black and white, are in colleges and universities all over Virginia and much of the East Coast.

George Jones, the black principal who has been known to shake the shoulders of students, says:

"Leadership and discipline across the board, from my office right down to the classroom level—you have to know when to be out front of a kid, when to walk beside him, when to get behind and push. And you have to be there—all the time.

"One of the things that helped us a lot was good old community leadership. When Linwood Holton was Governor of Virginia, he came over here and enrolled his daughter personally. That showed folks something."

Mr. Holton returned early this year to his home in Roanoke when Mills E. Godwin succeeded him as Governor. But his daughter stayed in Richmond and took up residence with a family friend so that she could complete her schooling at Kennedy.

A GOOD SCHOOL

A white classmate, Katy Jennings, says: "Slowly, ever so slowly, the word is getting around in my neighborhood that J.F.K. is a good school, that you don't have to run to the suburbs, that just because we have some kids who have trouble figuring out how to make change for a quarter, that doesn't mean you can't get in classes that will get you ready for college.

"The problem is convincing parents, who always seem to want to believe the worst."

Believing the worst in Montgomery, Ala., whites fled from one neighborhood so fast that it turned all-black in less than a year. To speed the sale to blacks of the empty houses, real estate dealers included the phrase "Carver area" in each newspaper advertisement.

Carver High School, predominantly black, was the school the whites were fleeing.

Such flight hurts a city economically. They can nibble away at a tax base, as in Atlanta's case, or they can scare away new industry, as in Jackson's case.

PRICE TOO HIGH

Jackson finally decided that the price of continued resistance was too high when a tractor manufacturer said he would move a 2,000-employe plant to the Mississippi capital if it solved its school dispute.

The city went straight to the bargaining table. The bargaining did not solve every problem, however.

Mel Leventhal, the Legal Defense Fund lawyer, says that black pupils and teachers now face a more subtle form of discrimination—"pushout."

"It's the old business of over-disciplining blacks or 'tracking' them into 'ability' groups below their level, all in the hope that they will drop out or stay away," he says.

"Merge a black and white school, and guess which principal ends up as the assistant principal? Have a teacher opening, and guess who gets hired?"

Civil rights workers from Atlanta who recently studied teacher pushout across the South concluded that at least 6,000 black teachers and principals had been dismissed, that "thousands more" had been demoted and that 25,000 whites had been hired to fill jobs that should have gone to blacks.

A similar study of pupil pushout found that while only four of 10 pupils in Little Rock were black, eight of every 10 students suspended were black. In Columbia, S.C., the study discovered that blacks accounted for half the student population but three-fourths of the suspensions.

It is, as Mr. Leventhal says, a "mixed bag" in Dixie these days, 20 years after the Supreme Court outlawed segregation in schools.

Those who would draw both hope and despair from the bag might keep in mind that when a black and white started fighting recently in an Atlanta school, a white was seen holding the black's coat.

IVORY CROCKETT IS BEAUTIFUL

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. MICHEL. Mr. Speaker, earlier this year the whole Nation was thrilled when another of those "impossible to break" sports records fell by the wayside as Hank Aaron smashed Babe Ruth's long standing record of 714 lifetime homeruns.

We all remember the years of speculation that no one could ever run a 4-minute mile, but Roger Bannister did the "impossible" in 1954 when he ran the mile in 3.59.4, and since that time the 4-minute barrier has been broken consistently by a number of runners.

On May 11 of this year, in Knoxville, Tenn., track history was made again as still another "impossible" feat was achieved when Mr. Ivory Crockett, a resident of my home town of Peoria, Ill., ran the 100-yard dash in 9 seconds flat. Actually, one of the four official stop watches clocked him at 8.9 seconds, two were at 9.0, and one at 9.1, thus making the official time, 9.0 seconds.

An editorial appearing in the May 15, 1974, edition of the Peoria Journal Star calls our attention to Mr. Crockett's other outstanding attributes as a human being and certainly his life and his achievements contradict a theory often expressed that there are no heroes in America today and no one that our young people can look up to. I insert the editorial at this point in the RECORD and also ask that my colleagues join me in extending our sincere congratulations to Mr. Crockett for his marvelous feat.

IVORY CROCKETT IS BEAUTIFUL

Ivory Crocket is beautiful.

The Peorian is not only the fastest sprinter on earth but also the living end when it comes to practical philosophy.

Listen to him saying how he broke the world's record in the 100-yard dash last Saturday:

"If you have a goal, you ought to write it down and one day you'll accomplish this goal as long as it's real. That's true whether it's a job or an athletic accomplishment. A goal is what motivates you."

Crockett had taken a piece of paper, written 8.9 on it, and tucked it into the toe of his track shoe last Saturday in Knoxville, Tenn. One of four official stop-watches clocked him at that speed, two read 9.0, and the fourth read 9.1.

The official time was therefore 9 flat, putting Crockett all alone at the pinnacle of the sports world.

On Sunday morning the Journal Star splashed the great news on page one—along with an Associated Press picture of somebody who was supposed to be Ivory Crockett. It wasn't.

But Ivory Crockett is beautiful. He didn't even mention our gaffe when we interviewed him after he came home.

More important is what Crockett did Monday morning. He went to work like the rest of us do. And he made another sale for IBM before noon.

"Just a regular day," said Crockett.

Ivory Crockett is beautiful.

Three months ago we began to realize the beauty of the Tennessee share-cropper's son who became an outstanding sprinter at Southern Illinois University, married Peorian Sylvia Jordan, and walked into IBM and asked for a job.

Sportswriter Stan Hieronymus tried to interview him about foot-racing then, but what came out was something inspiring to kids who might be ready to give up from a man they could believe.

"I flunked out of school almost . . . I had this thing the world owed me something. I was black and poor . . .

"It bothers me to see so many kids throw their lives away. So many kids are smoking dope, dropping drugs . . . I could have been one of them, but here comes a man who says 'You don't have to do that.' "

That man straightened out Ivory Crockett, who went on to say something to us adults:

"Peoria is a beautiful city and has got some beautiful people . . . but people need to get involved—really involved—with kids. That includes me.

"If you can save an individual kid, it's worth a million dollars. They need somebody to look up to that is something in life . . ."

Somebody like Ivory Crockett, who sets a world record on Saturday and is back at work Monday morning.

JOSEPH CARDINAL MINDSZENTY

HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. MINSHALL of Ohio. Mr. Speaker, on May 25 Cleveland was honored by a visit from his Eminence, Joseph Cardinal Mindszenty. Cheers reverberated throughout our city, estimated by some as the second-largest Hungarian city in the world after Budapest, in tribute to this great man, hero to Hungarians everywhere and a symbol of freedom to all. Of the more than 1,000 people who gathered, Cardinal Mindszenty was able to bless 150 persons. However, he has blest us all in his unrelenting stand as Defensor Ecclesiae et Patriae.

His last visit to our city was in 1947, only 2 years before he was so cruelly imprisoned for his outspoken opposition to the communization of Hungary. Fully aware that religious freedom would not survive under the atheistic system of communism, he chose to stay in his country and seek the expulsion of bolshevism. Regretfully, his prediction was realized and epitomized by his imprisonment. The indomitable spirit of the Hungarian people enabled them to rise against their oppressors in 1956, and the freedom fighters liberated Cardinal Mindszenty from captivity. However, their independence was short lived. The Soviets sent tanks right into the heart of Budapest. The Cardinal was able to escape to the safety of the American embassy where he stayed in exile from his beloved countrymen for 15 years. In 1971 he left Budapest for Vienna. Then last February, Pope Paul VI removed him as Roman Catholic primate of Hungary.

The cardinal is now taking his message of freedom to others, and the people of the United States, of whatever heritage, are indeed grateful for his visit. For we who voice our love of freedom do recognize the manifestation of freedom in this remarkable man who has remained true to his convictions. I join the people of Cleveland in wishing that Cardinal Mindszenty may soon return to a Hungary free to choose its own government and religion, for he is truly the "good shepherd."

SUGAR GIVEAWAY

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. PEYSER. Mr. Speaker, I wish to express my opposition to the Sugar Act, H.R. 14747, which is due for consideration on the floor this Wednesday.

In the past year the world price of sugar has increased by over 300 percent. The retail price has also risen sharply, particularly in the Northeast where the price has more than doubled in this year alone.

In spite of the fact that there is a world scarcity of sugar and the price is skyrocketing, the American taxpayer continues to subsidize the sugar grower. Although the bill to amend the Sugar Act, H.R. 14747, which will be on the floor Wednesday, June 5, purports to reduce the subsidy, in fact, the growers will still be receiving $90 million a year. Although the Federal Government under the proposed revision will only be paying $27.5 million, the remaining $62.5 million will be paid by the processors to the growers. The cost I have been assured will be passed directly on to the consumers by way of even higher prices.

For too many years the American taxpayers and consumers have been unjustifiably subsidizing the growers. The sugar legislation is 40 years old and over the course of the years the sugar situation in this country and the world has changed drastically. The legislation has not been correspondingly modified.

Let us disprove a recent newspaper article which indicates that Congress will not be taking action on the sugar bill to benefit consumers. I will be introducing amendments which will eliminate all subsidy payments to sugar growers and also eliminate the cost passthrough to processors. I urge you to support my amendments and to finally provide the consumers with the assurance that their interests are being protected.

The following articles and letters supporting my position are offered for the information of my colleagues:

Department of Agriculture,
Washington, D.C., May 13, 1974.
Hon. Peter A. Peyser,
House of Representatives,

Dear Mr. Peyser: Your proposed amendment to eliminate subsidies under the Sugar Act is consistent with my testimony before the Committee on Agriculture on February 19 when I stated that there has been a rapid trend away from payments as an income for farm commodities. For example, farmers have accepted the termination of "wheat certificate", cotton, and feed grain payments and are finding the marketplace a more satisfactory answer to their growing income needs.

Sincerely,

Earl L. Butz,
Secretary.

Department of Consumer Affairs,
New York, N.Y., May 24, 1974.
Hon. Peter A. Peyser,
U.S. House of Representatives,
Washington, D.C.

Dear Congressman Peyser: On behalf of the consumers of New York City, I urge you to oppose the adoption of H.R. 14747, the Sugar Act Amendments of 1974.

Last summer Congress enacted the Agriculture & Consumer Protection Act, which revised government supports on most crops. Under the new system, farmers are encouraged to increase acreage yield and processors are given needed incentives to improve facilities.

This action should make food prices responsive to free market conditions and hopefully bring down retail prices for the shopper. At the same time, the farmer is protected because the government guarantees that he will be reimbursed for production costs.

Sugar, however, was not included in this reform. The proposed Sugar Act Amendments would continue farm subsidy payments to sugar growers at a time when the domestic price of sugar is higher than it has ever been and almost three times as high as it was one year ago.

Particularly during this time of rapid inflation, Congress must recognize its responsibility to the American consumer to keep food prices down. We urge you to oppose the passage of the Sugar Act Amendments of 1974, and encourage your colleagues to do similarly.

Sincerely,

Elinor Guggenheimer.

[From the Washington Star-News, June 2, 1974]

The Sugar Act: A Sour Dose for Consumers

(By Yale Brozen)

Once again, Congress is getting ready to renew the Sugar Act—almost 40 years after it was first introduced by President Roosevelt as an emergency relief measure for Depression farmers.

Despite recent Department of Agriculture suggestions—since withdrawn—that the program has outlived its purpose and should be abandoned, the House Agriculture Committee has reported out a bill renewing the program which is scheduled to be considered by the House this Tuesday.

Much has been written about certain aspects of the Sugar Act—especially about the highly dubious system which encourages richly paid lobbyists for foreign sugar producing countries to scurry around Capitol Hill trying to win favor—and expanded sugar import quotas—for their client states.

Other weaknesses of the program deserve attention, too. A new study written by University of Chicago Professor D. Gale Johnson for the American Enterprise Institute for Public Policy Research concludes that the sugar program costs the American consuming public an average of $616 million unnecessarily each year and does nothing but support an expensive, non-competitive industry.

For this, the consumer gets nothing but artificially high sugar prices, because the program keeps normally cheaper foreign sugar from freely entering the U.S. market. This not only boosts the price of table sugar, but of a wide variety of food products made with sugar, too.

The small farmer—who was originally supposed to benefit from this legislation—gets little from the program because he has been overwhelmed by large sugar producers. Sixty percent of our domestic sugar is produced by just 16% of this nation's sugar farms; they reap nearly all the benefit from the artificially inflated price of sugar.

Other big beneficiaries of the sugar program are sugar refiners. They have managed to get sugar refining—hardly a farm program—protected along with sugar growing. By imposing strict quotas on imports of refined sugar, the Sugar Act keeps a large slice of the refining pie for the highly inefficient, high-cost domestic refiners. Oddly enough, the Sugar Act not only restricts the importation of refined sugar from foreign countries, but from U.S. territories (Puerto Rico), and the state of Hawaii as well.

The basic structure of the sugar program hasn't changed since 1934. Each year, the secretary of Agriculture determines the amount of sugar needed to fulfill U.S. consumption requirements—about 100 pounds per capita. Fifty-five percent of this is allocated to domestic producers, and the rest to foreign producers in the form of import quotas.

Domestic producers may be required to abide by their "proportionate share," a fixed limit on the acreage they can plant with sugar beets and cane. (However, proportionate shares have not been imposed in any domestic sector of sugar growing—except for mainland cane—since 1966.) In return for abiding by the program, farmers receive "benefit payments" that total about $82 million annually.

More important, to protect high-cost domestic sugar from cheaper foreign sugar, a quota system is used to strictly limit sugar imports.

There were three original objectives of the sugar program: to protect and preserve domestic sugar farming; to limit the domestic expansion of this high-cost industry; and to keep down the cost of sugar to consumers. Only one of these objectives has been achieved—preserving a domestic sugar-growing industry. And achievement of this objective is, on the whole, regrettable. It keeps some U.S. farmland engaged inefficiently in sugar production, when it could be diverted for badly needed crops which are more efficient producers. The result is a net loss all the way around.

Probably the weakest argument advanced for renewing the Sugar Act is the claim that it lowers the price consumers pay for sugar. It is not true.

Advocates of the program are quick to state that in the past year the world market price of sugar has been more than five cents a pound higher than the U.S. price These advocates point out that the U.S. consumer has benefited substantially as a result, since even imported sugar is sold here at the lower U.S. price.

Professor Johnson's study of comparative sugar prices, however, reveals that for two decades the United States has nearly always been paying substantially more for its sugar than the world market price; 1973 was an aberration.

In 1970, for example, the world market price was 3.75 cents a pound while the U.S. price was 6.95 cents. In 1968, the discrepancy was even greater—the world market paid a low 1.98 cents per pound for sugar while the U.S. paid 6.54 cents! In those years the U.S. consumer paid dearly for the sugar program.

The chart below, comparing world market and U.S. sugar prices, shows that in recent years—with the exception of two—the U.S. consumer consistently has paid more for sugar than he would if world prices were allowed to prevail.

If 1973 was an exception to the general pattern, it was largely a short-term reaction to the extraordinarily low price of sugar on the world market in the late 1960s. With prices now at record highs, a swing back to ample supplies can be expected.

In the AEI study, Professor Johnson estimates the cost of the sugar program by calculating the difference between what the consumer pays for sugar under the program and what he would pay if there were no Sugar Act. (i.e., if American consumers could benefit from the generally lower world market price). He computes the difference to be—based on a 10-year average—$616 million annually.

Of this excess, about $418 million flows from consumers directly to American producers (the remainder goes to foreign growers). The amount of money which U.S. farmers actually realize as net added income from this, however, is much smaller. Two-thirds—or about $300 million—goes into the extra costs of growing sugar in this country. Only about $100 million remains as the net added annual income for farmers growing sugar. This means that the program cost the taxpayer four times what it is worth to the American farmer—we are spending four dollars to get back one.

This doesn't seem drastic until one considers what the consequences would be if every government program was run this way.

(Some pro-sugar congressmen frequently state that the sugar program costs us nothing, because it costs the government nothing. The amount of money paid out to farmers in the form of direct benefit payments, they observe, is offset by the revenue collected in the form of tariffs and duties on imported sugar. But they gloss over the fact that the price of maintaining a high-cost domestic sugar industry is passed on to the consumer in the shelf price of sugar.)

With a net annual income benefit of only $100 million, it is not surprising that the sugar program has not made sugar cane and beet farming profitable for small farmers.

An end to our artificial props for sugar would mean that many U.S. farmers would find it more profitable to switch to other crops. The nation then would be in the position of importing most of its sugar from lower-cost foreign producers.

In these days, when memories of the Arab oil embargo are still vivid in American minds, fears of international commodity blackmail get much attention. But agricultural cartels have tried to get higher prices by cutting back on production before, and the strategy inevitably fails. Alternative producers—attracted by the high prices—have too great an incentive to break the shortage.

In the early 1920's, for example, the British passed the Stevenson (Rubber Restriction) Act to cut back the production of rubber in its colony of Malaya. Malaya then supplied most of the world's rubber—and the cut shot the price of rubber up from twenty cents to over a dollar a pound.

The high price, however, stimulated rubber production in other countries. Rubber grows in five year cycles—and five years later, Borneo rubber appeared on the market and brought the price back down between 12 and 14 cents—lower than it had previously been.

Cutbacks in production have also failed with coffee, tin and cocoa cartels. Alternative sources are always found when the price goes up.

The United States can be assured of a wide variety of sugar sources—more than 35 countries now lobby in Congress for sugar import quotas. Many of them—especially Brazil—would increase their sugar production if they could find a market outlet.

Granted, there are some responsible authorities who do not expect sugar supplies to bounce back immediately from the 1973 lows. Their predictions of shortage, even if they were true, would provide no justification for perpetuation of the Sugar Act, however. The Sugar Act is a program to restrict imports, to keep foreign sugar out of our markets. By opening our doors to foreign-grown sugar, and by providing a huge new market to entice new foreign growers into the field, repeal of the Sugar Act could only help to ensure adequate supplies for the American consumer.

This year there has been intensive lobbying on the Hill to keep the Sugar Act, partly because the price of sugar is hitting record heights and world demand seems to be growing steadily.

Rather than seizing on the temporary high price as an excuse to expand and reentrench the sugar program, it is time to reckon with the program's overall implications and recognize its real costs.

The program should be either phased out gradually, or done away with immediately in one step—in either case, with the long-range goal of setting up a liberal trade policy for sugar.

The most acceptable solution would be a transition approach—which gradually abolishes the program, giving farmers and the refining industry time to adjust to new conditions.

In his study, Professor Johnson recommends the following intermediate approach:

Eliminate import quotas, domestic marketing allocations and "proportionate shares."

Establish a target price system for sugar, based on price objectives as established in Section 201 of the Sugar Act of 1948, as amended in 1971.

Make deficiency payments to each sugar beet and sugar cane producer based on the difference between the target price and the actual market price of sugar.

Continue Sugar Act benefit payments for three years, ultimately eliminating them in two equal reductions at the end of five years. The excise tax on sugar should be maintained at 0.5 cents per pound for three years, and then reduced at the same rate as the Sugar Act payments.

During the transition, producers should be permitted to abandon sugar cane and beet production in whole or in part and still continue to receive both deficiency and Sugar Act payments.

This will mean, of course, an end to the subsidy of sugar farming and with it, an end to the market edge of domestic sugar over imported sugar. In the future we would probably import most of our sugar.

As for the "national security" implications of this—even though sugar accounts for 17 percent of our total caloric intake, it is hard to justify it as a national security commodity. If we produced no sugar domestically, most of our supplies would still come from the American continent. Such shipping lanes would not be difficult to protect.

As for the price stability of sugar, Johnsons shows that it is our own restrictive trade policy on sugar—and those like ours in other countries—which bear much responsibility for wild gyrations of the international sugar market.

There will be no easy way to end the sugar program. Over the years, resources have been committed, investment encouraged and expectations heightened that the program will go on forever.

It must be remembered, however, that the sugar subsidy program was originally intended only as a temporary measure. It was meant to relieve the disastrous oversupply situation that existed on farms during the Depression. It was never intended to be a permanent industry subsidy.

Unfortunately, it has gone the way of many government programs labeled "short term" or "experimental"—they are extended and re-extended until they are entrenched and almost impossible to get rid of.

Prolonging the sugar program has made little sense—it has cost the consumer dearly, for few benefits. Current sugar prices may be a tempting incentive to keep the program for a while longer, but in the final analysis they are only one more excuse.

Now that the Sugar Act legislation is up for renewal, the Congress should have the courage to throw it out. It has promised the American people a break from higher food prices for a long time—making a move towards lower sugar prices would be a good start.

U.S. AND WORLD MARKET SUGAR PRICES

Year:	U.S. price	World price
1953	5.43	3.41
1954	5.21	3.26
1955	5.00	3.24
1956	5.10	3.48
1957	5.30	5.16
1958	5.41	3.50
1959	5.35	2.97
1960	5.35	3.14
1961	5.36	2.91
1962	5.56	2.98
1963	7.27	8.50
1964	5.98	5.87
1965	5.80	2.12
1966	6.03	1.86
1967	6.32	1.99
1968	6.54	1.98
1969	6.75	3.37
1970	6.94	3.75
1971	7.39	4.52
1972	7.99	7.43
1973	8.65	9.31

[From the Wall Street Journal, May 17, 1974]

THE BITTER OF THE SWEET: PRICES OF SUGAR AND PRODUCTS USING IT JUMP AS A RESULT OF ARABS' PURCHASES

(By John Valentine)

NEW YORK.—The next time you go to the grocery store and pay much higher prices for everything from a bag of sugar to soda pop to Jell-O, you are being clobbered once again by the Arab nations' new policy of charging more for their oil.

Early this year, the Arab nations took some of their bloated petroleum revenues and began buying raw, unrefined sugar in world markets. Seemingly disregarding price, these countries placed orders for about two-thirds of their estimated 1974 import requirements of about one million tons; in previous years, buying was more selective and spread out over a longer period.

The world sugar price soared to an unheard-of 26.25 cents a pound in February—partly because of extra-strong demand and partly because some sugar-producing nations that were forced to pay record prices for oil simply added the higher costs to the Arabs' sugar bill. Eight months ago the world sugar price was 8.35 cents a pound. The world price has eased only to 23.5 cents a pound because many suppliers say they expect the Arabs to come back and buy more sugar.

REACHING CONSUMER POCKETBOOKS

All this reaches the pocketbooks of U.S. consumers by way of the sugar marketing-quota system, which is intended to assure reasonable prices for consumers and fair returns for domestic producers. The U.S. imports almost half of the sugar it needs every year, and this year the Agriculture Department boosted the import quotas by 500,000 tons to 12.5 million tons in an effort to increase supplies and thus—it was thought—help stem rising prices.

Instead, U.S. buyers were forced into the tight world market to compete with the free-spending Arabs. Regular suppliers were running short and some were selling in the hot world market before meeting their U.S. commitments, trade sources say.

As a result, granulated sugar prices in Northeast supermarkets are now about $1.20 for a five-pound bag, up to from 79 cents in March and 55 cents a year ago. The price could go to $1.50 within the next several weeks, industry sources say, because the domestic raw-sugar price is at a near record of 23.5 cents a pound—versus 10 cents a year ago—and because refining and other costs also are rising.

But it doesn't stop there. A great many food products contain sugar, and price increases for many of them are being posted or are pending. General Foods, for instance, recently raised prices of several of its products as a direct result of higher sugar costs. Its line of Post cereals was boosted by 6% last Monday, an average of three to four cents a box. Its beverage prices were increased an average of 10% to 12%.

And Jell-O prices were increased by 22%, which works out to about a three-cent rise on a three-ounce box. A spokesman for General Foods, which makes Jell-O, says that sales haven't suffered because of the increase. Jell-O and other brands of gelatin desserts contain substantial amounts of sugar.

Moreover, the General Foods spokesman says, "sugar-price increases are only beginning to be felt. As of now we see no end in sight."

The food processors, bakers and candy and beverage makers are paying $28.10 for a 100-pound bag of refined sugar, more than double the $13.55 of a year ago. They say they haven't been able to raise their product prices enough to fully compensate.

"We're still not recovering sugar costs," the General Foods spokesman says.

"We're fighting just to stay in place," agrees Harold S. Mohler, chairman and president of Hershey Foods. "To stay abreast of rising product costs is about all you can expect to achieve these days." Besides sugar, Hershey has to contend with cocoa prices that also have doubled in the past year. In that same period it has raised its product prices by about 40%.

Hershey's standard-size chocolate bar was raised five cents to 15 cents at the beginning of this year; it was 10 cents for two years and five cents for many years before that. The bar size was increased to 1.4 ounces from an average of one ounce, Mr. Mohler says.

"But we are very concerned about raising prices and we don't do it lightly because the (candy) bar is almost like an institution. We will try to hold the 15-cent line, but if costs keep spiraling as they are, there will certainly have to be some consideration of the 20-cent or even 25-cent bar," Mr. Mohler says.

There is more than consideration at Nestle, which has marketed a new 1⅞-ounce bar that is being sold in vending machines for 25 cents. "Reaction has been slow thus far, but the real impact is yet to come," a Nestle executive says—implying that a 25-cent bar won't look very expensive in a few months.

Though it isn't talked about openly, an estimated 5% to 15% of all candy is sold in the U.S. through vending machines. During the past two years most candy-vending machines have been converted to 15-cent prices from 10 cents. Now there is talk of raising all vended candy prices to 20 cents or 25 cents. "I hope it doesn't get off the ground," confides one candy executive, who thinks consumers will resist these higher prices.

FROM RASPBERRY TO APRICOT

He has a point, because consumers aren't resignedly accepting higher and higher prices. Paul Smucker, president of J. M. Smucker Co. of Orville, Ohio, the jelly and preserves maker, says that housewives are switching from higher-priced, fancy types of preserves, such as black raspberry and blueberry, to less expensive kinds, such as apricot and peach. Old standbys such as strawberry and grape continue to sell well, he says, but housewives are buying larger sizes to take advantage of lower per-ounce prices.

Similarly, a spokesman for PepsiCo Inc. says that while the 16-ounce bottle of Pepsi-Cola remains the most popular size, "buyers are reaching up to larger and larger sizes, including the 64-ounce bottle, and they haven't reduced consumption." Pepsi-Cola prices have risen because of higher sugar costs, but the spokesman didn't specify the amount.

Some companies are able to hold off on price increases now because they made marketing and product-ingredient changes some time ago. Peter Paul Inc. of Naugatuck, Conn., for instance, began last September to increase the size of its candy bars, charge higher prices for them and reformulate the chocolate coatings by replacing some of the expansion cocoa butter with vegetable oil. "Reactions to the new coatings have been extremely favorable with respect to flavor, texture and shelf life," an executive says.

The Peter Paul executive thinks that "prices of sugar are expected to remain at current high levels and maybe even go higher during the summer months, which is the season of high consumption for both individuals and industry." But he adds, "we are told we can expect relief later in the year, about September or October."

That's when the sugar harvests start coming in. World sugar production during the 1973–74 crop year is estimated at 81.8 million tons, a 6% rise from last year, while world consumption is predicted at 81.3 million tons, up 4% from last season. This will be the first time in three years that production has outpaced consumption. The Arab nations' buying spree touched off such a sharp price reaction in part because reserve stocks in the past three years have dwindled. At the end of the 1972–73 season on Aug. 31, 1973, world stocks were 15.8 million tons, about a two-month supply.

While reserve stocks increase slightly this season, the supply-demand balance still will be precarious, sugar analysts say. They think next season there will be increased production in Brazil, the Philippines, Australia, and South Africa.

Meanwhile, the European sugar-beet crop, which accounts for 33% of overall world sugar output, is likely to be smaller this year than last because of cold, dry weather. And the U.S. beet crop, which declined last year because of dry weather in the West, is expected to shrink further this year. Many farmers are turning to wheat, corn, cotton, soybeans or potatoes, all of which currently offer better returns than beets. Last year, beet sugar accounted for about half the annual U.S. output of 6.9 million tons.

VENEZUELA AMENDMENT

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. GUNTER. Mr. Speaker, in order to afford timely notice of the amendment I intend to offer to the U.S. Sugar Act to suspend the quota for Venezuela, I am herewith printing the text of the amendment in the RECORD:

Amendment to be offered by Mr. GUNTER: Page 6, line 10, at the end of the computation beginning at line 10, insert the following proviso:

Provided, That notwithstanding any other provision of this Act the quota or any portion thereof for Venezuela shall be suspended and a quantity of sugar equal to the amount of the suspended quota shall be prorated to the other countries listed in this paragraph until such time as the Congress, pursuant to section 202(e), does not disapprove of the restoration of such quota.

IMPLICATIONS OF PRESIDENT'S PROPOSED DRUG ABUSE BUDGET FOR INNER CITY COMMUNITIES

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. RANGEL. Mr. Speaker, the President's proposed drug abuse budget reflects a decrease of nearly $15 million from fiscal 1974 to fiscal 1975. The impact of this decrease in the amount requested for Federal drug abuse programs is analyzed in an article in the present issue of Focus magazine, the publication of the Joint Center for Political Studies and in a recent report issued by the Drug Abuse Council.

The President's fiscal 1975 drug abuse budget means a retreat at a time when we are making significant progress in decreasing the amount of drug addiction independence in our Nation. The significant progress that has been made in recent years has been brought about because of the Federal commitment to provide funding for States and localities, for more effective law enforcement activities, and perhaps most importantly the opening of treatment rehabilitation programs to serve the legion of addicts who before this Federal commitment were not able to find adequate treatment and rehabilitation opportunities. It is clear that for many reasons the drug abuse problem is diminishing particularly in suburban and small town areas.

In inner cities such as the Harlem and East Harlem communities that I represent, however, the problem remains acute. Even though the amount of heroin available on the street because of the Turkish opium poppy ban has decreased, we still have in our community the largest single population of addicts in the United States. I, therefore, regard it as alarming that the Federal Government would begin to decrease its financial support of drug abuse treatment and rehabilitation programs at a time when my community and interested communities throughout the Nation needs continued Federal commitment to providing answers to the illness which saps the vitality of our communities. It is my hope that the Congress, in examining the President's drug abuse budget proposals, will take action to provide the same level of Federal concern and support for these programs as we have provided in the past.

I include in the RECORD an analysis by Mr. Eddie N. Williams, president of the Joint Center for Political Studies of the implications of the President's drug abuse budget.

ANALYSIS

(By Eddie N. Williams)

Budgets make policy and the federal budget is no exception. Consequently, we must view with alarm the policy implications inherent in President Nixon's proposed 1975 budget on drug abuse. The federal budget reflects the debatable notion that the heroin epidemic is over. It asks for fewer dollars, reorders spending priorities, and drapes a smothering "new federalism" shroud over a problem which, unfortunately, affects disproportionately a large number of black and Spanish-speaking Americans.

This budget takes on added significance when one weighs the racial implications in the nation's response to the drug abuse problem. Rep. Charles Rangel (D-N.Y.) sums up the response this way:

"Black leadership had been calling for federal help to combat heroin addiction for more than a decade (since the 1950s) and our appeals were ignored. But when heroin filtered out beyond the ghetto walls to the suburbs and the complexion of the junkies became white, the President declared a national crisis."

There followed a dramatic increase in federal drug abuse expenditures, from $82 million in 1969 to $760 million in 1974.

The result of this "massive" effort is a mixed picture. Some complain about waste, rip-offs, racial genocide, dehumanization. But there also is a positive side: the thousands of individuals helped, increased knowledge about the treatment of opiate dependence, program development, and about how to deal with the drug problem in schools, media, employment, and so on.

Another racist implication of this massive federal response lies in the fact that although the nation may have turned the corner toward solving the drug problem among whites, the problem continues in black and Spanish-speaking communities.

It is in this context that one must review the President's proposed drug abuse budget, which reflects a decrease of nearly $15 million—from $760 million in 1974 to $745 million in 1975. While this drop may seem relatively small, it results in several major changes of emphasis in the federal response to the drug problem. For example:

1. There is a proposed decrease of $54.7 million for treatment and rehabilitation. This means institutional capabilities will suffer at the very time they are ready to make real headway on the drug problem.

2. There is a proposed increase of $10.2 million for programs which will be substantially turned over to the states but which will not be "categorically" designated for drug abuse activities. Consequently, as in revenue sharing, agencies may spend any amount or none of this money on drug abuse.

3. There is a proposed increase of $39.8 million for law enforcement, including jailing of users and imposing other forms of penalties which brand people as criminals. This "get tough" policy is one of the most alarming aspects of the proposed budget.

It is now up to Congress to decide what the federal response ought to be and how much money is to be appropriated. Before making its decision, Congress, through its committee staffs or the newly created Office of Technology Assessment, ought to determine the extent of drug abuse among minorities and the nature of program responses; investigate the absence of minorities in key policy-making positions dealing with drug abuse; assure that the monies actually get into communities where they are needed, and set aside special funds to encourage the development of a cadre of minority group experts—from scholars and researchers to program operators and street leaders—who can move against the drug problem in areas where others seem fearful of treading.

Because this has not been done the accusation of "genocide" has become a politicized response. But those who stand on their lofty podiums and pooh-pooh this accusation, without understanding its genesis or meaning, are equally guilty of playing politics with the lives and welfare of a great many human beings.

MIT STUDIES THE ENERGY CRISIS

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 3, 1974

Mr. HARRINGTON. Mr. Speaker, when the energy crisis became a matter of widespread concern last fall, the Nixon administration offered its Project Independence Plan as a means of insuring that Americans will not depend upon other nations to fulfill their energy needs in the future.

A recent study released by the Massachusetts Institute of Technology maintained that stockpiling oil would be a much cheaper method of achieving energy self-sufficiency. According to the study,

> Self-sufficiency as a form of "insurance" against disruption of price increases will be purchased at a very high cost.

Mr. Speaker, because the energy issue is one of the most pressing concerns before this body, I would like to bring to the attention of the Congress, Victor K. McElheny's New York Times article reporting on the MIT study.

The article follows:

[From the New York Times, May 11, 1974]

U.S. ENERGY PLAN FOUND TOO COSTLY—MIT STUDY RECOMMENDS STOCKPILING RATHER THAN TOTAL SELF-SUFFICIENCY

(By Victor K. McElheny)

If the United States tries to meet all its energy needs from domestic sources by 1980—the goal of the Nixon Administration's Project Independence—the price of all forms of energy could be driven as high as the equivalent of $12 a barrel of oil, according to a group of economists and energy experts at the Massachusetts Institute of Technology.

The group's study of the potential economic impact of the project was made public yesterday at a conference on Management Amid Scarcity in Chicago.

The group said the additional price increases above their calculated 1974 average domestic oil price of $7 a barrel could be as great as the 1973-74 surge in imported oil prices, which they estimated at $4 to $9 a barrel.

The experts recommended that the nation consider a $1-billion-a-year program of stockpiling oil as a cheaper form of "insurance" against future oil embargoes and price increases than total energy self-sufficiency.

The findings of the group, of which oil expert Morris A. Adelman was a member, are to be printed as the entire May issue of Technology Review, a nationally circulated M.I.T. publication.

The study indicated that "prices of $10 to $12 per barrel (oil equivalent) will be necessary to bring forth enough additional supplies of fossil fuels [coal, oil and gas] to satisfy demands in domestic energy markets" by 1980.

"This means that, even if concerted efforts were made to remove the bottlenecks that now exist in these markets (such as Federal price regulation of natural gas), there would have to be yet another round of price increases for consumers as great as that experienced in 1973-74," the group said.

HIGH PRICES SEEN

"In short, self-sufficiency as a form of 'insurance' against disruption or price increase, will be purchased at a very high cost."

Associated with the 10 authors of the study, who are members of the policy study group of M.I.T.'s energy laboratory, were 15 other energy experts at M.I.T. and at Duke, North Carolina State, Pennsylvania State, Harvard, Michigan and Virginia Polytechnic Institute.

Their report recommended against special tariffs to cut down on imports, arguing that oil prices were "high enough to extract present domestic oil and gas reserves with high levels of efficiency."

Also not recommended was the establishment of a "floor" under current energy prices, because prices seem likely to remain high.

Like many others in the energy field, the M.I.T. group recommended relaxation of controls on the wellhead price of natural gas, which averaged 35 cents per 1,000 cubic feet in 1973 and may reach 50 cents for new contracts this year.

If 3 cents were added each year to the new-contract price, the group estimated, supply and demand for natural gas would be in balance in 1980 at 33 trillion cubic feet. * * * continue, it was estimated that demand would total 40 trillion cubic feet and supply only 30 trillion, for a "shortfall" of more than three times the current 3 trillion cubic feet deficit.

Because of environmental problems and difficulties in assembling both miners and mining equipment, the M.I.T. experts doubted that United States coal production would exceed 800 million tons per year in 1980. It runs about 600 million tons now.

Construction problems and technological challenges stand in the way of a large contribution to the nation's energy supply from such synthetic fuels as gas or oil from coal, oil from shale, or methanol from coal, it was estimated.

"It might take a doubling of price to provide enough of an incentive to bring about the large-scale commercial development of synthetic fuels in the near future; and their development is not sufficiently promising of large supplies to justify such high prices for all energy," the report said.

A plan preferred by the experts was the negotiation of special contracts by the Federal Government with synthetic fuel producers to buy specified amounts at a guaranteed price.

SENATE—*Tuesday, June 4, 1974*

The Senate met at 10 a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, in whom we live and move and have our being, we know not what a day may bring. But, whatever it brings, may all who serve in this place be prepared by Thy Holy Spirit to act honestly, wisely, and courageously for the welfare of this Nation and for the rule of righteousness throughout the world.

We pray in the Master's name. Amen.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H.R. 8215) to provide for the suspension of duty on certain copying shoe lathes until the close of June 30, 1976.

The message also announced that the House had agreed to the concurrrent resolution (S. Con. Res. 81) relating to unaccounted for personnel captured, killed, or missing during the Indochina conflict, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed a bill (H.R. 14833) to extend the Renegotiation Act of 1951 for 18 months, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 14833) to extend the Renegotiation Act of 1951 for 18 months, was read twice by its title and referred to the Committee on Finance.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal proceedings of Monday, June 3, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

VACATING OF ORDER FOR SENATOR MONTOYA TO SPEAK TODAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time allocated to the distinguished Senator from New Mexico (Mr. MONTOYA) to speak today, be invalidated.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN ITEMS ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 862 and 863.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF STATUTE OF LIMITATIONS WITH REGARD TO TORT CLAIMS OF CERTAIN INDIVIDUALS AGAINST UNITED STATES

The Senate proceeded to consider the bill (S. 572) to waive the statute of limitations with regard to the tort claims of certain individuals against the United States which had been reported from the Committee on the Judiciary with an amendment on page 1, line 8, after the word "Act", insert a comma and "or their successors,"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the time limitation contained in section 2401(b) of title 28, United States Code, with respect to beginning action on tort claims against the United States shall not apply in the case of any action filed within six months after the date of enactment of this Act by the individuals named in subsection (b) of this Act, *or their successors,* on claims for damages arising out of an explosion, which occurred on December 30, 1970, in the Finley Coal Company mines numbered 15 and 16, located near Hyden, Leslie County, Kentucky. Nothing in this Act shall be construed as an inference of liability on the part of the United States.

(b) The individuals referred to in subsection (a) and the capacity in which they may bring actions pursuant to subsection (a) are:

(1) Nettie Couch, administratrix of the estate of Alonzo Couch, deceased;

(2) Dewey Collins, administrator of the estate of Fred Collins, deceased;

(3) Maultie Couch, administratrix of the estate of Holt Couch, deceased;

(4) Letha Henson, administratrix of the estate of Price Henson, deceased;

(5) Bobbie Bowling, administratrix of the estate of Arnold Sizemore, deceased;

(6) Daisey Couch, administratrix of the estate of Howard Couch, deceased;

(7) Nancy Mae Gray, administratrix of the estate of Lawrence Gray, deceased;

(8) Robert Mitchell, administrator of the estate of Lee Mitchell, deceased; and

(9) Dailey Young, administratrix of the estate of Denver Young, deceased.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MONROE A. LUCAS

The bill (H.R. 6979) for the relief of Monroe A. Lucas was considered, ordered to a third reading, read the third time, and passed.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CHESTER BRIDGE, MISSOURI AND ILLINOIS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 864, S. 3546.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 3546) to extend for 1 year the time for entering into a contract under section 106 of the Water Resources Development Act of 1974.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 106 of the Water Resources Development Act of 1974 (Public Law 93-251) is amended by striking out "June 1, 1974" and inserting in lieu thereof "June 1, 1975".

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, are we in the morning hour?

The ACTING PRESIDENT pro tempore. No. The Chair would state that the Senate is not, at this moment. The minority leader has not yet been recognized.

Mr. HUGH SCOTT. Mr. President, I yield back my time.

TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 5 minutes.

The Senator from Montana.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 4, 1974, he presented to the President of the United States the enrolled bill (S. 1752) prescribing the objectives and functions of the National Commission on Productivity and Work Quality.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. METCALF) laid before the Senate the following letters, which were referred as indicated:

REPORT OF BOARD OF GOVERNORS OF FEDERAL RESERVE SYSTEM

A letter from the Chairman of the Board of Governors, Federal Reserve System, transmitting, pursuant to law, a report of that Board, for the calendar year 1973 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

REPORTS OF BOARDS OF TRUSTEES OF THE FEDERAL HOSPITAL INSURANCE TRUST FUND, THE FEDERAL SUPPLEMENTARY MEDICAL INSURANCE TRUST FUND, AND THE OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE TRUST FUNDS

Letters from the Boards of Trustees of the Federal Hospital Insurance Trust Fund, the Federal Supplementary Medical Insurance Trust Fund, and the Old-Age, Survivors, and Disability Insurance Trust Funds, transmitting, pursuant to law, their various reports for the year 1974 (with accompanying reports). Referred to the Committee on Finance.

SUPPLEMENTAL SUMMARY OF 1975 BUDGET

A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a supplemental summary of the 1975 budget (with accompanying papers). Referred to the Committee on Government Operations.

LIST OF REPORTS OF GENERAL ACCOUNTING OFFICE

A letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, a list of reports of the General Accounting Office, for April, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

REPORT OF COMPTROLLER GENERAL

A letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Status of Selected Major Weapon Systems", Department of Defense, dated May 31, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

PROPOSED MANAGEMENT PROGRAM FOR KING RANGE NATIONAL CONSERVATION AREA

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed management program for the King Range National Conservation Area (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

REPORT OF DIRECTOR OF ADMINISTRATIVE OFFICE OF UNITED STATES COURTS

A letter from the Director, Administrative Office of the United States Courts, transmitting, pursuant to law, a report of that Office, for the fiscal year 1973 (with an accompanying report). Referred to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, a copy of the order suspending deportation in the case of Pablo Manuel Mozo-Roca (with accompanying papers). Referred to the Committee on the Judiciary.

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of several aliens (with accompanying papers). Referred to the Committee on the Judiciary.

REPORT OF SECRETARY OF LABOR RELATING TO EXPERIENCE WITH AND RECOMMENDATIONS FOR GRANT PROGRAMS

A letter from the Secretary of Labor, transmitting, pursuant to law, a report relating to experience with and recommendations for grant programs (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHILES, from the Committee on Government Operations, with an amendment:

S. 3311. A bill to provide for the use of simplified procedures in the procurement of property and services by the Government where the amount involved does not exceed $10,000 (Rept. No. 93-901).

By Mr. CANNON, from the Committee on Rules and Administration, without amendment:

S.J. Res. 123. Joint resolution authorizing the procurement of an oil portrait and marble bust of former Chief Justice Earl Warren (Rept. No. 93-898);

S. Res. 333. Resolution authorizing the printing of additional copies of the committee print entitled "Energy-Related Research and Development" (Rept. No. 93-897); and

H. Con. Res. 415. Concurrent resolution authorizing the printing of summaries of veterans legislation reported in the House and Senate during the Ninety-third Congress (Rept. No. 93-899).

By Mr. TOWER, from the Committee on Armed Services, with amendments:

S. 3423. A bill to provide relief for retired military personnel (Rept. No. 93-900).

By Mr. McINTYRE, from the Committee on Banking, Housing and Urban Affairs, with amendments:

H.R. 11221. An act to provide full deposit insurance for public units and to increase deposit insurance from $20,000 to $50,000 (Rept. No. 93-902).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. LONG, from the Committee on Finance:

Catherine May Bedell, of Washington, to be a member of the U.S. Tariff Commission;

Edward C. Schmults, of Maryland, to be Under Secretary of the Treasury; and

Jack Franklin Bennett, of Connecticut, to be Under Secretary of the Treasury for Monetary Affairs.

(The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

Terrell H. Bell, of Utah, to be Commissioner of Education; and

Bertha S. Adkins, of Maryland, Dorothy Louise Devereux, of Hawaii, Carl Eisdorfer, of Washington, Charles J. Fahey, of New York, John B. Martin, of Maryland, Frank B. Henderson, of Pennsylvania, Frell M. Owl, of North Carolina, Lennie-Marie P. Tolliver, of Oklahoma, Charles J. Turrisi, of Virginia, Nelson Hale Cruikshank, of the District of Columbia, Sharon Masaye Fujii, of Washington, Hobart C. Jackson, of Pennsylvania, Garson Meyer, of New York, and Bernard E. Nash, of Maryland, to be members of the Federal Council on the Aging.

(The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MONTOYA:

S. 3570. A bill to establish a national program for young people between the ages of 18 and 23 for the purpose of encouraging full participation in the political system of the United States and to provide a continuing education in the history and heritage of democracy in the United States. Referred to the Committee on Government Operations.

By Mr. PERCY:

S. 3571. A bill to amend the Internal Revenue Code of 1954 to allow a deferment of income taxes to individuals for certain higher education expenses. Referred to the Committee on Finance.

S. 3572. A bill to amend the Higher Education Act of 1965 to provide that certain loans under that Act cannot be discharged in bankruptcy proceedings for five years, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. METCALF:

S. 3573. A bill for the relief of Anthony LaBarrie. Referred to the Committee on the Judiciary.

By Mr. FANNIN:

S. 3574. A bill to relinquish and disclaim any title to certain lands and to authorize the Secretary of the Interior to convey certain lands situated in Yuma County, Ariz. Referred to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON:

S. 3575. A bill to amend the Fishermen's Protective Act of 1967 in order to authorize the President to prohibit the importation of any products from a country whose nationals are conducting fishing operations in a manner which diminishes the effectiveness of an international fishery conservation program. Referred to the Committee on Commerce.

By Mr. HART:

S. 3576. A bill to authorize the Secretary of Transportation to initiate demonstration projects to improve the quality of repairs to motor vehicles and to reduce the costs of such repairs to the motoring public. Referred to the Committee on Commerce.

By Mr. KENNEDY (for himself and Mr. HATHAWAY):

S. 3577. A bill to amend the Public Health Service Act to provide for assistance for the construction and modernization of health facilities. Referred to the Committee on Labor and Public Welfare.

By Mr. AIKEN:

S. 3578. A bill for the relief of Anita Tomasi. Referred to the Committee on the Judiciary.

By Mr. STEVENS:

S. 3579. A bill requiring the Secretary of Defense to convey certain lands to Nome, Alaska. Referred to the Committee on Armed Services.

By Mr. MAGNUSON (by request):

S. 3580. A bill to amend the Communications Act of 1934, as amended, to declare that the national communications policy of the Congress shall be to encourage, so far as possible, the establishment and maintenance of rates for local telephone service which are within the economic reach of every household; to require rate relief therefor; to require that the Federal Communications Commission prepare statements of economic impact on its actions which may have, or have had, a significant impact on increasing the rates for local telephone service; and for other purposes. Referred to the Committee on Commerce.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MONTOYA:

S. 3570. A bill to establish a national program for young people between the ages of 18 and 23 for the purpose of encouraging full participation in the political system of the United States and to provide a continuing education in the history and heritage of democracy in the United States. Referred to the Committee on Government Operations.

Mr. MONTOYA. Mr. President, I am today introducing legislation which I consider to be of great concern to every American citizen. It is legislation which seeks to protect the American political system by encouraging and assisting young people to participate more fully in that system.

In a democracy it is essential that citizens understand the foundations of their government and believe in the value of their basic law. It is also essential that citizens be willing to participate in the decisionmaking which supports and implements that law.

The preamble to the Constitution of the United States begins with three significant words: "We, the people * * *."

I have often felt that those three words were a key to understanding our most basic assumptions about our form of government, and about ourselves as a free and self-governing people. When those words were first written, the idea that final authority and power should rest in the hands of the people was a strange and revolutionary thought. Our Constitution brought a new concept of government into existence.

Today, the right of the people to control government through the elective process is unquestioned in this body and in the public statements of political leaders. We are quite properly proud of our history of government "of the people, by the people, and for the people."

Yet, today we find many young people who doubt their own ability to effectively control government. They echo the self-doubts and questions of cynical political commentators who report the increasing apathy of a "turned-off" public.

We have seen a tragic loss of confidence in many of our institutions, and among those institutions most seriously being questioned is government itself.

A study recently completed by the University of Michigan Center for Political Studies, under the direction of Dr. Warren E. Miller, measures the loss of trust in government by age groups. On a scale of 100 above and 100 below a "netural" position, the index for young people between the ages of 18 and 24 has fallen from a plus 64 to a minus 19 since 1958. The sharpest decline has come in the years since 1967, with a particularly disastrous drop in 1972 and 1973.

The University of Michigan study also clearly shows that the worst loss of trust occurs in those groups who have the least education, with a 1973 index of minus 34 for those with a grade school education, and a minus 31 for those with a high school education.

Parallel with this reported loss of trust in government is another disturbing trend. Of those eligible to vote in elections in recent years, the percentage who actually do vote has been steadily declining. The following figures, drawn from the Statistical Abstract of the United States, are an example of the kind of decline I find so disturbing:

Percentage of eligible population casting vote in presidential elections:

1960	63.1
1964	61.8
1968	60.7
1972	55.7

It is obvious that if this trend continues—and every study by political scientists predicts that it will—1976 will be the year when less than half of those Americans who are eligible to vote will participate in the electoral process.

What a tragic way for us to celebrate our Bicentennial year.

A third kind of survey was done by the Education Commission of the States as part of their national assessment of education progress. In a report titled "Political Knowledge and Attitudes, Report 03–SS–01," published in December 1973, they revealed a picture of many young people growing up in a democratic republic without understanding its history, its laws, or even the basic freedoms which protect them as individuals. In assessing the political understanding of 17 year olds, the survey discovered a shocking number of these young people who knew very little about the rights guaranteed to them in the Constitution and the first 10 amendments—our Bill of Rights.

Only 21 percent knew they had a constitutional right to freedom of speech, and only 33 percent knew that freedom of religion was guaranteed to them under the first amendment. Although four out of five believed they should have the right to petition government if they found something wrong, only 36 percent recognized that they had a constitutional right to write to a public official to express an opinion.

Less than half the young people tested knew how a Presidential candidate was nominated and elected. Only 41 percent could use a simple ballot in order to vote.

These figures are even more disturbing when they are considered in the light of a recent Yankelovich poll of young people which showed only 40 percent believing that patriotism was an important value—and only 19 percent of those on college campuses who valued patriotism.

Mr. President, I have mentioned these studies because I believe they all indicate various facets of the same problem. We are failing to give young Americans the guidance and experience they need in order to become responsible citizens.

Each generation normally seeks to find a way to pass on to succeeding generations the tools of power. In a nation which promises liberty and justice to all its citizens, and which insures that liberty and justice through law and democratic political action, those tools must include the knowledge of why the system exists and how it works. That means an understanding of the history which created our law, and it means the experience necessary for intelligent and effective participation in the election process.

It is our responsibility to see that new generations of Americans are given those tools.

The legislation I am proposing today is an effort to do just that. It will establish a program through which political leaders, educators, community leaders, and other experienced citizens, can encourage young people to be a part of their own future through political participation.

The legislation proposed establishes a National Youth Political Participation Advisory Commission and National Youth Political Participation Office, with a Director appointed by the President with the advice and consent of the Senate.

The Commission would include the Vice President of the United States, the congressional leaders of both parties, and the national chairmen of both parties. They would establish guidelines within which the Director would coordinate and assist in establishing State youth political participation commissions and programs in the States which elect to participate.

In each participating State the State commission, made up of the Governor, the Lieutenant Governor, political leaders, and educators, will establish specific criteria for a competition in which young people between the ages of 18 and 23 can test themselves in three areas of knowledge and experience: First, political activity, including, but not limited to: voter registration, voter contact to provide candidate or issue information, campaign activities, election day assistance including vote tabulation and reporting procedures; second, political history and heritage research, including, but not limited to: research and the demonstration of an understanding of the Constitution, the Bill of Rights, the American Revolution and the causes which impelled it, the Federalist Papers, and amendments to the Constitution; and third, an analysis of the relationship between current political activities and the history research done by the participant.

Each State would set the specific requirements to be met by young people in its program, although broad areas to be included are specified in order to provide the essential ingredients of political experience at the local level and an understanding of the relevance of our political heritage to our problems today.

I believe no new voter can properly fulfill his responsibilities without understanding the fundamental issues embedded in our Constitution and its amendments. Equally important, it seems to me, is the experience to be gained in actually being a part of the political process. Opportunities to talk to voters about the problems and issues which concern them most, or to operate a phone bank, or to register voters, or to assist in the complex activities of election day all teach one respect for the opinions and good sense of fellow citizens and help one to understand the vitally important activities through which we elect men and women to represent us in government.

The emphasis is thus divided evenly between knowledge of our heritage and experience in our real political world today, with the added requirement of relating one to the other.

Each young voter, aged 19 to 23, would have an opportunity through this program to test himself, during his first 5 years of experience as a voter, and to establish his own basic knowledge of political skills. He would have, for this process, the guidance and help of those leaders in his community, his State, and his Nation, who were best able to encourage and assist him.

At the same time he would be competing with other young people for State and national recognition. The State commissions would be responsible for recognizing every participant who successfully completed the program with an appropriate award for having achieved a specific level of competence. They would also select one young person from each congresional district, or a minimum of four per State, to be honored as having performed the tests with a high degree of excellence.

From among those so honored in each State, the National Director would select two, with the help of the National Advisory Commission, who would be afforded the chance to work in congressional offices during the summers of 1977 and 1979 and would be given a salary and expenses for this period in Washington.

The 104 young people honored on the national level would return to their homes carrying the information and knowledge which would make it possible for them to help other young voters to better understand the system. I would expect that each of them would be a very important link in the ongoing political education of the voters in his State.

This program is not intended to select and train an elite group of our "best" students to work in government themselves, or to run for office—although that may happen in some cases.

This legislation is intended to open the political system to all young voters, making them a part of the ongoing political history of this country. It is designed to give them confidence in themselves and in the government they will help to elect. It is designed to offer opportunity to young people from every part of our society: those who are working, those who are in vocational schools and junior colleges, as well as those in universities.

This is not intended to be a school project, although it certainly is an educational project.

Perhaps the best way I can describe what I would like to see this program be, is to say that it would provide a kind of citizen apprenticeship which would be available to all new voters in the United States. It should combine real adult political experience with a renewed understanding and appreciation of the value of our political heritage.

Like all apprenticeship programs, this one would depend upon the leadership and commitment of those who are most knowledgeable and experienced and upon the willingness and cooperation of those who are learning. That means time and effort expended by busy men and women in both categories. It would not be easy to make this program succeed. The dollar cost of the program would be comparatively low—but the requirement in dedication and effort would be high.

However, we must balance that high cost in time and effort against the threatened change to our system if we do not take some action to protect the future against alienation and apathy. A democratic republic cannot continue to exist without the active and informed involvement of a majority of those who are eligible to vote. Certainly if the people feel shut out and helpless to control or influence government, then government becomes something other than the system designed and planned by our Founding Fathers.

No Member of this body can ignore the mounting evidence of alienation from our most important political institutions. The rejection of our two party system, the cynical dismissal of efforts to draw reluctant voters back into the election process, the clear evidence of disillusionment in too many letters and telegrams and public announcements by ordinary people—all of these things must concern us.

In our approach to specific issues, to legislative solutions to specific problems, and even to our political thinking as expressed in public statements, we Americans can safely be partisan because we work within the framework of a written Constitution and available democratic system. However, in our adherence to basic constitutional principles and to the electoral process through which we fulfill our responsibilities as citizens, we must all speak with one voice.

James Madison said:

> Knowledge will forever govern ignorance. And a people who mean to be their own governors must arm themselves with the power that knowledge gives. A popular government without popular information, or the means of acquiring it, is but a prologue to a farce or a tragedy.

Mr. President, the legislation I am introducing today is meant to provide a program through which young voters in the United States can arm the themselves with that kind of knowledge I hope that my distinguished colleagues on both sides of the aisle will join me in this effort which is aimed at providing the knowledge and experience which I believe we must provide if we are to continue good and representative government for the future.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 3570

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Congressional Youth Political Participation Act."

DECLARATION OF POLICY

SEC. 2. (a) The Congress recognizes that—

(1) in a democracy, each citizen must understand the law, history, and the functioning of the system of government and be well informed of national, state, and local issues;

(2) the responsibilities of citizenship are most easily accepted and carried out by experienced and well informed individuals; and

(3) young people should be encouraged and assisted to learn about the government of the United States and to gain experience by participation in the electoral and political system.

(b) And therefore declares it to be the policy of the United States to provide assistance to young ciitzens in acquiring the experience and knowledge needed for full participation in government within the first five years following their eighteenth birthday.

ESTABLISHMENT OF OFFICE

SEC. 3. (a) There is established in the executive branch of the Government the National Youth Political Participation Office which shall be under the direction of a Director who shall be appointed by the President, by and with the advice and consent of the Senate.

(b) It shall be the function of the Director to establish and operate the National Youth Political Participation Program. In carrying out his function under this section, the Director shall:

(1) consult with the National Youth Political Participation Advisory Commission and adhere to such guidelines for establishing the National Youth Political Participation Program as such Commission may establish;

(2) coordinate and assist the establishment of State Youth Political Participation Programs;

(3) disseminate information to young people, concerning the National Youth Political Participation Program, the goals of such program, and the opportunities provided through participation in such program using all necessary media and educational and other public and private institutions;

(4) select in consultation with the National Youth Political Participation Advisory Commission, from among selected participants in the State Youth Political Participation Programs, two young people from each state to participate in the National Youth Political Participation Program during the summers of 1977 and 1979;

(5) make necessary arrangements to insure that the individuals selected to participate in the National Political Participation Program during the summers of 1977 and 1979 are afforded opportunity for work in congressional offices and to participate in such educational programs as provided by the director; and

(6) provide that each participant of a State Youth Political Participation Program selected to participate in the national program be reimbursed for expenses incurred in traveling to the District of Columbia and returning to his home State and be provided a salary during his summer internship.

(c) In carrying out his functions under this Act the Director is authorized—

(1) to appoint and fix the compensation of such personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title;

(2) to procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals;

(3) to enter into contracts with and make grants to State Youth Political Participation Commissions for the purpose of establishing and operating State Youth Political Participation Programs, except that no grant or contract shall be made for the purpose of paying more than 50 percent of the administrative expenses of any State commission; and

(4) to utilize with or without reimbursement the services and facilities of any department or agency of the Government and each such department or agency is authorized to furnish such services and facilities to the Director upon request of the Director.

(d) The Director shall be compensated at the rate prescribed for level V of the Executive Schedule.

ESTABLISHMENT OF ADVISORY COMMISSION

SEC. 4. (a) There is established the National Youth Political Participation Advisory Commission (hereinafter in this Act referred to as the "Advisory Commission") which shall be composed of 13 members as follows:

(1) the President of the Senate;

(2) the Speaker of the House of Representatives;

(3) the Majority Leader of the Senate;

(4) the Majority Leader of the House of Representatives;

(5) the Minority Leader of the Senate;

(6) the Minority Leader of the House of Representatives;

(7) the Majority Whip of the Senate;

(8) the Majority Whip of the House of Representaties;

(9) the Assistant Minority Leader of the Senate;

(10) the Minority Whip of the House of Representatives;

(11) two individuals appointed by the President, one of whom shall be the Chairman of the Democratic National Committee and one of whom shall be the Chairman of the Republican National Committee; and

(12) the Director of the National Youth Participation Agency.

(b) Seven members of the Advisory Commission shall constitute a quorum.

(c) The President, as soon as possible after the enactment of this Act, shall convene the Advisory Commission at such time and place as he may designate for the Commission's initial meeting.

(d) The Advisory Commission shall develop and recommend criteria for the establishment of a National Youth Political Participation Program. Such criteria shall—

(1) provide for a competition among eligible young people—

(A) in political action activities on the local, state, and national levels, including, but not lmited to, voter registration activities; campaign activities; voter contact activities which provide candidate or issue information; and election day assistance and participation including vote tabulation and reporting procedures;

(B) in political history and heritage research, including but not limited to, research and demonstration of understanding of (i) the history and relevance today of specific provisions of the Constitution of the United States or of any specific amendment thereto, or (ii) the causes and historical development of the American revolution, the American State Papers, or the history of government in the United States;

(C) in analyses of the relationship between political action activities and political history and heritage research as experienced by the participant participating in the State Youth Political Participation Program;

(2) provide that each State participating in the program—

(A) establish or designate a State Political Participation Commission which shall:

(e) be composed of at least the following:

(I) the Governor,

(II) the Lieutenant Governor,

(III) two members appointed by the Governor from among individuals who are experienced secondary or post-secondary school educators in the areas of history or political science,

(IV) the head of each political party in the State with a registration of 10 per centum of the total number of registered voters in such State, and

(V) the national committeemen and women of each political party in the State with a registration of 10 percentum or more of the total number of registered voters in such State;

(B) provide that the State Commission established or designated under subparagraph (A) establish and administer a State Youth Political Participation Program through which such Commission can recognize each participating young person with an appropriate award for having achieved a specific level of performance in the program;

(C) provide that the State Commission choose, from among those who have qualified and met State requirements, one young person from each congressional district in such State (or, in the case of a State having fewer than four such districts, four young persons) who shall be recognized and be appropriately honored by the State Commission;

(D) provide that each individual so recognized under (C) above and who is selected to participate in the National Youth Political Participation Program, be encouraged to participate and to the greatest extent possible encourage the employer of any individual so selected to provide an unpaid leave of absence without loss of any employee rights in order that such individual may participate in such program.

(E) (1) The Advisory Commission or, on the authorization of the Advisory Commission, any subcommittee or members thereof, may, for the purpose of carrying out its functions under this section, hold such hearings, take such testimony, and sit and act at such times and places as the Advisory Commission deems advisable. Any member authorized by the Advisory Commission may administer oaths or affirmations to witnesses appearing before the Advisory Commission or any subcommittee or members thereof.

(2) The Director of the National Youth Political Participation Office shall provide such administrative assistance as may be necessary to enable the Advisory Commission to carry out its functions under this Act.

(F) (1) The members of the Advisory Commission shall serve without additional compensation except that members of the Advisory Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Advisory Commission.

REPORTS AND TERMINATION

SEC. 5. (a) The Advisory Commission shall report to the Director on its activities under this Act and the Director shall, not later than December 31, 1975, and annually thereafter, transmit such report of the Advisory Commission to the Congress and the President, together with his comments and recommendations.

(b) The Advisory Commission shall evaluate the operation of the National Youth Political Participation Program and advise the Director of its findings. The Director shall transmit the final report of the Advisory Commisison to the Congress and the President together with his comments and recommendations thereon not later than December 31, 1979.

(c) The National Youth Political Participation Office and the Advisory Commission shall cease to exist not later than 90 days after the submission of the final report required under subsection (b).

SEC. 6. For purposes of this Act, the term "State" means each of the several States of the Union, the District of Columbia, and the Commonwealth of Puerto Rico.

AUTHORIZATION OF APPROPRIATIONS

SEC. 7. There are authorized to be appropriated for the fiscal years ending June 30, 1975, 1976, 1977, 1978, and 1979 such sums as may be necessary to carry out the provisions of this Act.

POLITICAL KNOWLEDGE AND ATTITUDES

CHAPTER 4—KNOWLEDGE OF THE ELECTORAL PROCESS AND THE ROLE OF POLITICAL PARTIES

In a democracy, it is the citizen's duty to exercise his right to vote and to uphold the electoral process. The electoral process provides for a relatively orderly transition of political power. The exercises in this chapter seek to understand whether Americans know how leaders are chosen for various national, state and local offices in the United States and if they know something about the election process and the role of political parties.

How Presidential Candidates Are Nominated (RKP17)

Thirteen-year-olds, 17-years-olds and young adults also were asked:

The presidential candidate for each major political party is formally nominated by which one of the following?

The choices were (1) the Senate, (2) a national primary, (3) a national convention or (4) the House of Representatives. The answers indicated (Table 50) that a high percentage of Americans in all three age groups were unfamiliar with one of the more basic procedures of political parties in the electoral process.

TABLE 50.—PERCENT OF RESPONDENTS SELECTING EACH CHOICE, EXERCISE RKP17, HOW PRESIDENTIAL CANDIDATES ARE NOMINATED

Choices	Age 13	Age 17	Adult
The Senate	14	5	3
A national primary	17	30	24
A national convention[1]	17	49	60
The House of Representatives	33	12	6
I don't know	20	5	6
No response	0	0	0

[1] Correct response.

By Mr. PERCY:

S. 3571. A bill to amend the Internal Revenue Code of 1954 to allow a deferment of income taxes to individuals for certain higher education expenses. Referred to the Committee on Finance.

S. 3572. A bill to amend the Higher Education Act of 1965 to provide that certain loans under that Act cannot be discharged in bankruptcy proceedings for 5 years, and for other purposes. Referred to the Committee on Labor and Public Welfare.

STUDENT FINANCING OF HIGHER EDUCATION

Mr. PERCY. Mr. President, educating our young is an investment in the very growth and development of our country. While college graduates generally earn more money than those with less education, the benefits extend far beyond either the size of their bank accounts or the returned tax dollars to the Treasury. A Carnegie Higher Education Commission study reported that college graduates are more likely to be happy, healthy, and hopeful than less educated Americans. An investment in higher education is an investment in people, the very best investment we can make for the future of our country.

I feel the Federal Government is doing a commendable job of providing alternative types of financial assistance for all types of post-secondary education. Nearly $2 billion in Federal funds is being spent this year, and for fiscal year 1975, the President has recommended a Federal expenditure of $2.2 billion. Additional billions of dollars are also supplied from State and private sources. There is no doubt in my mind that these expenditures are necessary and worthwhile, for every capable young person desiring a post-secondary education should be provided with the availability of financing for that education.

The Federal Government has a definite responsibility to provide educational financing, but it also has a parallel responsibility to assure that funds for postsecondary education are not misspent. The tax burden on Americans is a considerable one, and the taxpaying public should be certain that their hard-earned dollars are justifiably and effectively utilized.

The two bills I am introducing today reach toward both of these goals—first, to assure all young people desiring postsecondary education the availability of financial assistance, and second, to give American taxpayers better assurance of the cost-effectiveness of Federal revenues spent for student financial assistance.

The first bill, the Higher Education Tax Deferment Act, would allow a deferment of income taxes to individuals for certain postsecondary education expenses. Although government and private funds provide tremendous support to students and institutions, there is a growing need for additional aid, particularly for middle-income families.

When I initially introduced this bill 2½ years ago, the hardship suffered by middle-income families trying to send children to college was already serious. At that time, many constituents had told me that the increasing cost of tuition, the expenses of room and board, and the related fees and charges of a college degree for their children had forced them to take on second jobs or to place second mortgages on their homes. With perhaps a 50-percent increase in college costs since that time, there is no doubt that a much larger number of families are facing critical financial difficulties and that more students are simply unable to complete their schooling. The economic forecasts indicate the situation is likely to get worse.

A recent national survey by the College Entrance Examination Board shows that we can expect another dramatic increase in college costs for next fall. Commuting students at private 2-year colleges will fare the worst, with a 27-percent jump in costs since last year; this increase represents a 79-percent spiral in costs in 4 years. Predictions by the U.S. Office of Education indicate that by 1983, the average cost of 4 years of college may increase by more than 80 percent. A doubling of college costs in less than 20 years is highly probable.

Federal aid to post-secondary education, despite continuing expansion and improvement, is woefully inadequate in view of this tremendous rise in costs. Federal programs presently provide assistance in the form of direct grants, work-study programs, and guaranteed loans to those most in need—students from low-income families. There is often little financial aid available for the student from a lower to middle-income family whose needs are also great.

Under the Federal tax laws, a family of 4 with 1 child in college and a net income of $10,000 a year will generally be required to pay $905 in income tax. From such a family with moderate assets, the College Scholarship Service might expect an annual contribution of $1,322 toward their child's college expenses before he is eligible for assistance, leaving only $7,773 for other taxes and remaining living expenses. A similar family earning $15,000, having $13,235 after Federal tax, could be required to contribute $3,554, more than one-quarter of their remaining income, before the student would be eligible for financial assistance.

Student financial aid officers are all too familiar with the problems of parents whose income should be adequate to finance their children's postsecondary education and who have every intention of doing so, but who simply cannot meet the college bills when they fall due. They are unable to provide the required sums simply because general living expenses and education costs are rising faster than they can keep up with or plan for. While the lower-income families may need complete financing to attain their education goals, middle-income families also require and deserve some help.

While my tax deferment bill is not the final answer to the skyrocketing cost of post-secondary education, it will help middle-income families to meet college expenses as they come up. My bill would allow a taxpayer to defer a part or all of his Federal income taxes while he is paying the expenses of post-secondary education for himself or his dependents.

This measure recognizes the great need not only for academic learning but also for quality career education. Assistance would be available for those who choose to pursue post-secondary training in technically oriented schools, whether public or private, as well as to those in colleges and universities. The bill also recognizes the needs of part-time students, many of whom would be unable to obtain post-secondary education without working.

Under the tax deferment plan, an undergraduate or a graduate student would be eligible for a deferment of as much as $1,500 per academic year. Unlike a tax credit, the amount deferred, like a loan, must be paid back with interest at 7 percent. Repayments would be adjusted according to a taxpayer's income level, amounting to a 20-percent tax surcharge.

The Higher Education Expenses Tax Deferment Act is designed to benefit lower to middle-income families and not those individuals or families who can afford post-secondary education costs. A taxpayer whose Federal income tax liability was $1,500 or less for a year and whose qualified education expenses allowed him the maximum deferment could defer his entire Federal income tax. The maximum tax deferable would decline on a graduated basis as tax liability increased to $2,900. A taxpayer whose tax liability equalled $3,000 or more would not be eligible under this plan. A table showing the maximum tax deferment available for a range of middle-level incomes follows.

The second bill I am introducing today is the higher education insured student loan amendments. Through improvements in the guaranteed student loan (GSL) program, this measure seeks to reduce the default rate on student loans insured by the Federal Government and thus to save the taxpayers more than $70 million annually.

Any loan program must anticipate and tolerate a certain number of defaults. But the GSL program is suffering from an alarming and accelerating increase in defaults. In 4 years from 1966 through 1969, $462,000 was paid for defaulted claims under the GSL program—less than four-hundredths of 1 percent of the total loan volume. In fiscal year 1973, however, $84.3 million was paid in claims—more than 7.5 percent of the total loan volume for the year, and the Federal Government was held responsible for paying the great majority of the claims.

Of the $101 million paid by the Federal Government as of May 1973 for unpaid student loan installments, only $7 million, or 7 percent, was due to the death or disability of the student borrower. The remaining $94 million resulted from defaults or declarations of bankruptcy. As of June 30, 1973, my home State of Illinois alone had witnessed $6 million in defaults and bankruptcies.

There is no doubt that many of those students who do not repay all or some of their educational debts have legitimate grounds for not doing so. It is becoming more and more apparent, however, that increasing numbers of student loans are being defaulted or dissolved through bankruptcy proceedings for reasons caused by problems that might be eliminated.

A recent paper issued by the National Council of Higher Education Loan Programs cites current restrictions on lenders as a leading cause for student defaults. The law now prohibits any lender from executing a note whose first payment due date is earlier than 9 months from the date the student left school and whose schedule of payments is less than 5 years.

These restrictions were designed to protect student borrowers who might otherwise sign contracts 4 years in advance for repayment schedules advantageous to the lending institutions but potentially unmeetable by a young person straight out of school. The restrictions seem to have the opposite effect, however. Students who wish to begin regular repayment immediately after graduation or who wish to pay off their notes in less than a 5-year period are unable to do so, and they must pay greater interest charges than if their loans were repayable in a shorter time. Graduating students who find themselves so restricted are, according to the report, often incredulous and angry and react by defaulting unnecessarily on their loans.

The higher education insured student loan amendments would allow students greater flexibility in setting up repayment schedules with lenders. After completing his education, the student and the lender would be able to agree mutually upon a repayment schedule beginning as soon as desired and requiring as few years to complete as the borrower wishes. A desirable secondary effect of this provision would be to alleviate the annual logjam faced by lending institutions each March when the first payments—under the current 9-month rule—on the vast majority of students loans fall due.

Many students default unnecessarily on their loans in retaliation against the entire loan program because they feel they have been tricked by the "system." Guaranteed student loans are currently available up to a maximum of $2,500 per year per student, but the total sum available throughout the post-secondary education period is only $7,500 per student. A college student borrowing the maximum amount in each of his first 3 years will have used the $7,500 total available before the completion of his education. If an unsuspecting student is not made fully aware of this possibility, he may find himself cut off from the possibility of a loan and may be unable to finish his education.

One of the amendments I introduce today will require the Commissioner of the Office of Education to insure that each student borrower is made fully aware of the terms and conditions of his federally guaranteed student loan. This provision would prevent student borrowers from being sadly surprised by the financial limits on the loans available.

Declarations of bankruptcy by student borrowers are a third major source of lost Federal funds in the GSL program. Most recent graduates have few assets and few, if any, debts aside from their student loans. To growing numbers of young people the temptation to dissolve this debt through bankruptcy is too great to resist. Since the inception of the GSL program in 1966, nearly 3,000 students have declared bankruptcy, forcing the Federal Government to reimburse lenders for nearly $4.5 million. One of the most alarming aspects of this problem is the accelerating number of such claims. For the years 1966 to 1969, the Federal Government paid $40,000 for student loans defaulted through bankruptcy. In 1972, however, the figure—for 1 year alone—was $932,000.

Undoubtedly some of these bankruptcy claims are legitimate. But the majority are not. Many students do not recognize the seriousness of declaring bankruptcy; they do not realize that "bilking" the Federal Government is in actuality "bilking" the taxpayers—their own families and friends. I know personally of instances in which student borrowers have declared bankruptcy not out of necessity but because of irresponsibility. In one instance, a student who declared bankruptcy on a debt of $1,625 went on to a high-paying job in the Illinois State University system; even though his student loan made possible his career, he has shirked his financial responsibility legally and with impunity. One student obtained $6,000 from the Illinois GSL program plus thousands of dollars through other student aid programs. She declared bankruptcy, left Illinois, and found high-paid employment elsewhere. Another borrower declared bankruptcy to dissolve his only debt—the $5,675 he owed for his Illinois guaranteed student loan. He was offered 1 to 2 years without repayment as well as temporary smaller payments; he refused. I find this financial and civic irresponsibility abhorrent, and I am sure my fellow taxpayers share my view.

The bill I am offering today would put an end to nonchalant and unnecessary discharge of guaranteed student loans through bankruptcy. My bill would disallow for the first 5 years after graduation any bankruptcy claims for loans insured under the guaranteed student loan program. Other debts could, of course, be discharged through bankruptcy at any time. If after 5 years the borrower still needed to declare bankruptcy to free himself of his student loan debt, he would be able to do so. Mr. President, I offer these two bills with the hope that post-secondary education will be within the financial reach of more middle-income American families and that the guaranteed student loan program will suffer from substantially fewer defaults.

I ask that a summary of the provisions of the two bills, a table showing the maximum tax deferments available to various income groups, and the text of both bills be included at this point in the Record.

There being no objection, the bills and material were ordered to be printed in the Record, as follows:

S. 3571

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Higher Education Expenses Tax Deferment Act".

Sec. 2. (a) Subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to determination of tax liability) is amended by adding at the end thereof the following part:

"PART VII—DEFERMENT OF TAXES IN CONNECTION WITH HIGHER EDUCATION EXPENSES

"Sec. 59. Deferment of Taxes.

"(a) General Rule.—There shall be allowed to a taxpayer who is an eligible individual a deferment of a portion of the tax imposed by this chapter for a taxable year which is not in excess of the amount of the net qualified higher education expenses paid by him during that year, subject to the limitations of subsection (b).

"(b) Limitations.—

"(1) Maximum amount.—The amount of the tax deferred under subsection (a) shall not exceed in any taxable year, the lower of—

"(A) 75 percent of the net qualified higher education expenses paid by the taxpayer during that taxable year;

"(B) $1,500 per academic year for an undergraduate student (not to exceed a total of $7,500 for any student or not to exceed, when added to any amount deferred on behalf of the same individual as an undergraduate or graduate student, $10,000); or

"(C) the amount of the tax imposed by this chapter for such taxable year, reduced by twice the amount that such amount exceeds the amount of tax deferrable, except for the provisions of this subparagraph, multiplied by the number of students for the payment of whose qualified education expenses a deferment is claimed.

"(2) Minimum amount.—The amount of the tax deferred for any taxable year under subsection (a) shall not be less than 2 percent of the taxpayer's gross income.

"(3) Number of claimants.—Only one taxpayer who is an eligible individual with respect to any student in a taxable year may claim a deferment under subsection (a) with respect to the net qualified higher education expenses of such student. If more than one eligible individual claims a deferment with respect to a particular student for any taxable year, the eligible individual who has the highest priority shall be permitted to claim the deferment. Eligible individuals have priority in the order in which they are listed in subsection (c)(1).

"(c) Definitions.—For purposes of this part—

"(1) Eligible individual.—The term 'eligible individual' means—

"(A) a taxpayer who is eligible to claim a personal exemption deduction for a student at an eligible institution;

"(B) a student at an eligible institution;

"(C) the spouse of such student;

"(D) the parent, step-parent, foster-parent, or guardian of such student;

"(E) the parent, step-parent, foster-parent, or guardian of the spouse of such student.

"(2) Eligible institution.—The term 'eligible institution' means—

"(A) an institution of higher education;

"(B) a vocational school; or

"(C) with respect to students who are nationals of the United States, an educational institution located outside of the United States which is comparable to an eligible institution under subparagraph (A) or (B) of this paragraph and which is approved for purposes of this part by the Secretary or delegate.

"(3) Institution of higher education.—The term 'institution of higher education' means an institution of higher education as defined in section 1201(a) of the Higher Education Act of 1965.

"(4) Vocational school.—The term 'vocational school' means an area vocational education school as defined by section 108(2)(C) and (D) of the Vocational Education Act of 1963.

"(5) Qualified higher education expense.—The term 'qualified higher education expense'—

"(A) means an expense incurred by a student at an eligible institution during the taxable year payment of which is made during such year, including, but not limited to, tuition and fees required for the enrollment and attendance of such student at such institution, other fees attributable to educational activities at such institution, the cost of books, supplies, and living expenses, including room and board (except that living expenses shall not exceed $150 multiplied by the number of months during the taxable year such student was enrolled as a full-time student at such institution); but

"(B) does not include any such expense which, in the case of a student who is a candidate for a baccalaureate or higher degree, is not attributable to courses of instruction for which credit is allowed toward such degree, or, in the case of an individual who is not a candidate for such a degree, which is not attributable to courses of instruction necessary to fulfill requirements for the attainment of the educational, professional, or vocational objective for which he is enrolled in such institution.

"(6) Net qualified higher education expense.—The term 'net qualified higher education expense' means the amount of a student's qualified higher education expenses for a taxable year reduced by the total amount of student financial aid received by such student during that year, including but not limited to, aid received under title IV or IX of the Higher Education Act of 1965 (including loans made or guaranteed under such title IV) or any other Act of Congress or of any State, benefits paid under chapter 31, 34, 35, or 36 of title 38, United States Code, scholarships, grants, and other stipends.

"(7) Full-time student.—The term 'full-time student' means an individual who is enrolled at and attending an eligible institution and who is carrying at least 75 percent of the normal full-time hours of instruction or other activity required by such institution.

"(8) State.—The term 'State' means each of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(d) Terms of Deferment; Repayment.—

"(1) Interest.—Amounts deferred under subsection (a) shall bear interest at the rate prescribed by section 427(b) of the Higher Education Act of 1965 beginning on the day after the last day of the taxable year in which the qualified higher education expenses on which such deferment is based were paid, but shall not be subject to any other interest or penalty until after the date on which payment is due under this subsection.

"(2) Payment schedule.—Amounts deferred under subsection (a) shall be paid, with interest as provided in paragraph (1), in each taxable year subsequent to the taxable year with respect to which any amount was deferred under subsection (a), except in those taxable years with respect to which an additional tax deferment is claimed under such subsection.

"(3) Amount of payment.—The amount of the payment due under this subsection for any taxable year prior to the last taxable year of a taxpayer is an amount equal to 20 percent of the amount of tax imposed by this chapter on such taxpayer for the taxable year until the amount so deferred has been paid, with interest. If the amount remaining unpaid, with interest, in any taxable year is less than such 20 percent, it shall be the amount due for that taxable year. The amount of the payment due under this subsection for the last taxable year of a taxpayer is the aggregate amount, with interest as provided in paragraph (1), of any amounts deferred under subsection (a) and not paid as of the first day of such last taxable year.

"(4) Prepayment.—A taxpayer may pay any amount due under this subsection before the date on which it is due and no additional interest or penalty shall be due on account of such prepayment.

"(5) Suspension of retirement income credits.—The credit provided by section 37 (relating to retirement income) shall not be allowed to any taxpayer who has deferred any amount under subsection (a) until such amount has been paid in full together with any interest due on such amount.

"(e) Regulations.—The Secretary or his delegate shall prescribe any regulations necessary to carry out the provisions of this part."

(b) The table of parts of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to part VI the following:

"Part VII. Deferment of Taxes in Connection With Higher Education Expenses"

Sec. 3. (a) Subchapter B of chapter 65 of subtitle F of the Internal Revenue Code of 1954 (relating to rules of special application with respect to credits and refunds) is amended by adding at the end thereof the following new section:

"Sec. 6428. Deferment of Tax; Refund of Amounts Withheld.

"(a) General Rule.—In the case of a taxpayer who elects to defer a portion of the tax imposed by chapter 1 for any taxable year under the provisions of section 59 (a) (relating to deferment of tax in connection with higher education expenses), the Secretary or his delegate is authorized to refund to such taxpayer an amount of such taxes paid or withheld for such taxable year equal to the amount of the deferment under section 59 (a) for such year reduced by any amount of such taxes not paid by such taxpayer for such taxable year.

"(b) Regulations.—The Secretary or his delegate is authorized to prescribe regulations necessary to carry out the provisions of this section."

"(b) The table of sections for such subchapter is amended by adding at the end thereof the following new item:

"Sec. 6428. Deferment of tax; refund of amounts withheld."

Sec. 4. The amendments made by this Act apply to taxable years beginning after December 31, 1974.

S. 3572

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Higher Education Insured Student Loan Amendments".

Sec. 2. (a) Section 427 (a)(2)(B) of the Higher Education Act of 1965 is amended to read as follows:

"(B) provides for repayment (except as provided in subsection (c)) of the principal amount of the loan in installments over a period of not less than five years (or as otherwise agreed to by the eligible lender and the student after the student ceases to carry at an eligible institution at least one-half of the normal full-time academic work load) nor more than ten years beginning not earlier than nine months (or as otherwise agreed to by the eligible lender and the student after the student ceases to carry at an eligible institution at least one-half of the normal full-time academic work load) nor later than one year after the date on which the student ceases to carry at an eligible institution at least one-half the normal full-time academic work load as determined by the institution, except (i) as provided in clause (C) below, (i) that the period of the loan may not exceed fifteen years from the execution of the note or written agreement evidencing it, and (iii) that the note or other written instrument may contain such provisions relating to repayment in the event of default in the payment of interest or in the payment of the cost of insurance premiums, or other default by the borrower, as may be authorized by regulations of the Commissioner in effect at the time the loan is made,".

(b) Section 428 (b)(1)(D) of such Act is amended to read as follows:

"(D) subject to paragraphs (C) and (K) of this paragraph and except as provided by subsection (e) of this section, provides that repayment of loans shall be in installments over a period of not less than five years (or as otherwise agreed to by the eligible lender and the student after the student ceases to pursue a full-time course of study at an eligible institution) nor more than ten years beginning not earlier than nine months (or as otherwise agreed to by the eligible lender and the student after the student ceases to pursue a full-time course of study at an eligible institution) nor later than one year after the student ceases to pursue a full-time course of study at an eligible institution, except that if the program provides for the insurance of loans for part-time study at eligible institutions the program shall provide that such repayment period shall begin not earlier than nine months (or as otherwise agreed to by the eligible lender and the student after the student ceases to carry at an eligible institution at least one-half the normal full-time academic workload) nor later than one year after the student ceases to carry at an eligible institution at least one-half the normal full-time academic work load as determined by the institution;".

(c) The amendments made by this section shall take effect with respect to loans which are made 30 days after the date of enactment of this Act.

Sec. 3. (a) (1) Title IV of the Higher Education Act of 1965 is amended by inserting immediately after section 498 the following new section:

"Five Year Nondischargeability of Loan Debts

"Sec. 498A. A debt which is a loan made or guaranteed under the authority of this title may be released by a discharge in bankruptcy under the Bankruptcy Act only if such discharge is granted after the five year period (exclusive of any applicable suspension of the repayment period) beginning on the date of commencement of the repayment period of such loan."

(2) Title IV of such Act is further amended by inserting immediately after section 498A the following new section:

"Notice of Terms and Conditions of Loans

"Sec. 498B. The Commissioner shall issue regulations to insure that each student borrower is notified of the terms and conditions associated with loans made or guaranteed under the authority of this title together with the financial responsibility of such student to repay the loan."

(b) The amendment made by paragraph (1) of subsection (a) of this section shall be effective with respect to any proceedings begun under the Bankruptcy Act 30 days after the date of enactment of this Act.

Summary of Two Bills Introduced by Senator Charles Percy

The Higher Education Expenses Tax Deferment Act provides the following:

An undergraduate or graduate student or his family could defer up to $1500 per academic year. The amount deferred would be paid back with 7 percent interest when the student finished school. Repayments would be adjusted according to a taxpayer's income level, amounting to a 20-percent tax surcharge.

Eligible individuals include any taxpayer who claims a student as an exemption, the student himself, the student's spouse, the student's parent, or the student's spouse's parent.

Eligible institutions include colleges, universities, and vocational schools.

Qualified higher education expenses include tuition and fees, costs of books, supplies, and living expenses.

Other forms of student aid must be subtracted from expenses before tax deferments are calculated.

A taxpayer qualified for a maximum deferment and with a federal income tax liability of $1500 or less could defer the entire tax. Taxpayers with liabilities from $1501 to $2999 could defer gradually declining portions of their taxes, with a taxpayer whose liability was $3000 or more ineligible to any tax deferment.

The Higher Education Insured Student Loan Amendments provide the following:

Students would have greater flexibility in setting up repayment schedules with lenders. Current law does not allow a student to begin regular repayment until nine months after termination of his education, nor to agree to a repayment schedule requiring fewer than five years to fulfill. This proposal would allow the lender and the student, after termination of his education, to agree upon a repayment schedule beginning as soon as desired and requiring fewer than five years to complete. These amendments would give student borrowers greater flexibility in repaying their loans without any sacrifice of the protection of their interests already included in the law.

Discharge of such loans through declaration of bankruptcy in the first five years after termination of education would not be allowed.

The Secretary would assure that student borrowers are fully aware of the terms and conditions of Federally-guaranteed student loans.

TAX LIABILITY AND MAXIMUM TAX DEFERMENT, FOR 1 YEAR FOR FAMILY OF 4 WITH 1 COLLEGE STUDENT

Adjusted gross income	Tax liability[1]	Maximum deferment[2]
$7,500	[3]$484	$484
$9,000	744	744
$10,000	905	905
$11,000	1,067	1,067
$12,000	1,228	1,228
$13,000	1,391	1,391
$13,582	1,500	1,500
$14,000	1,578	1,422
$15,000	1,765	1,235
$16,000	1,952	1,048
$17,000	2,139	861
$18,000	2,335	665
$19,000	2,548	452
$20,000	2,760	240
$21,000	2,973	27
$21,129	3,000	0

[1] According to tax provisions of 1974 and assuming deductions equal to 15 percent of adjusted gross income.

[2] According to this formula: $T_d=T_1-2(T_1-D)$, where $T_d=$ maximum tax deferable; $T_1=$Federal income tax liability; $D=$either $1,500 or T_1, whichever is less.

[3] Assuming minimum standard deduction of $1,300 rather than as above.

By Mr. MAGNUSON:

S. 3575. A bill to amend the Fishermen's Protective Act of 1967 in order to authorize the President to prohibit the importation of any products from a country whose nationals are conducting fishing operations in a manner which diminishes the effectiveness of an international fishery conservation program. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, we are confronted today with the specter of the imminent, total collapse of our traditional coastal fisheries. If the trends of the past 15 years are allowed to continue, there may well be no significant remaining commercial or sport fishery on our coasts by the end of this decade. If current trends prevail, we face also the probability that most, perhaps all, of the populations of great whales will have disappeared by the year 1980.

Domestic overfishing has, in certain cases, contributed to the present situation. Pollution of inshore and offshore waters, the damming of migratory routes for anadromous fish, and the inexcusable practices of dredging and siting power plants in critical estuarial nurseries have hastened the onset of disaster. But the overriding peril arises from the fleets of those nations involved in the so-called "fisheries revolution," notably the Soviet Union and Japan. These nations have developed, and have applied without restraint, lethal technologies which no marine resource can indefinitely withstand.

Multilateral and bilateral conventions and agreements designed to protect marine resources have had little effect in curbing the implacable, mechanical voracity of the modern fleets. These conventions have been paralyzed, ignored and flouted by the major fishing nations. The presence of American delegations within these conventions, wringing their hands and pleading, has had little or no effect in saving our coastal and anadromous fish stocks from wholesale destruction.

I should like, if I may, to cite certain cases which illustrate the desperate plight of important fish stocks, and of the great whales, and of American fishermen as well. These tragic situations illustrate equally well the bankruptcy of our policy of relying upon impotent conventions, possessing no enforcement authority, for preservation of invaluable and irreplaceable resources.

Off our east coast, foreign fleets have in a few years blitzed American fisheries which had remained stable for a century. In the North Atlantic in the area regulated under ICNAF, total U.S. landings have declined by 55 percent in a few years, and are continuing to plummet. Within less than a decade following the appearance of Soviet and East European fleets utilizing the notorious "pulse fishing" techniques, the Georges Bank haddock was rendered "commercially extinct." With the haddock went the important and long established Massachusetts-based fishery. Farther north, once enormous stocks of sea herring have been gravely imperiled. While U.S. landings have dropped since 1960, to about 50 percent of the 1950–60 level, foreign landings have increased many fold, since 1960, and now make up more than 90 percent of the total herring landings near our coast. Cod are now also dangerously depleted. It has recently been learned that the Soviets, in contemptuous violation of ICNAF quotas, in 1969, took up to 18,000 metric tons of yellowtail flounder. This contrasts with less than 11,000 tons for the U.S. fleet based in New Bedford. It means that the "commercial extinction" of the flounder, and the collapse of the New Bedford fishery may be imminent.

A press release issued by our Commerce Department following the signing of a new 3-year ICNAF agreement last October held that the agreement provided "new hope for the gravely depleted fishing grounds of the Northeast," and spoke in glowing terms of "restoration of stocks," especially flounder, and of international cooperation. We are now advised that the U.S. delegation, in a desperate attempt to compensate for illegal Soviet fishing, and prevent the total irrecoverable loss of flounder stocks, may propose a 50 percent reduction in the 1974 quota for that species in 1975. Last fall's ICNAF "victory," by the way, provided first year quotas for the Soviets and Eastern bloc countries, which were not even fishing the waters prior to 1960, over three times greater than that conceded our fleet, and accorded the United States and Canada together less than one-quarter of the 923,000 ton catch authorized for 1974.

Off the mid-Atlantic coast, destruction of both sport and commercial fisheries continues apace. The appearance over the last 2 years of an immense new Soviet purse seining fleet threatens the U.S. menhaden fishery. Soviet fleets off Cape Hatteras are making severe and increasing inroads on the important U.S. sport fisheries. The Atlantic bluefin tuna is described by the Sport Fishing Institute as "down the seine," for all practical purposes gone. Neither a bilateral agreement entered into in 1967 with the Soviets, nor an international convention ostensibly designed to conserve Atlantic tuna, has apparently affected the course of destruction.

Across the continent, Soviet fleets have succeeded in halving U.S. catches in the Pacifiic Northwest in less than a decade. The U.S. catch of Pacific perch and arrowtooth flounder was 10,500 tons last year, compared to an average of over 20,000 tons prior to the advent of Soviet fleets in 1965. There are now indications that the decimation of the perch has reached a point where this stock, too, is very close to "commercial extinction." Yet there is no evidence of a slackening of the Soviet effort, and even less evidence that a bilateral agreement called an "Agreement on Certain Fishery Problems in the North Eastern Part of the Pacific Ocean Off the Coast of the United States" has done more than open the way for destruction of these important finfish. Last year for the first time Polish vessels joined the foreign armada.

Off the State of Alaska, the United States-Canadian Bering Sea halibut fishery, painstakingly restored after being overfished prior to World War II, has now been all but totally destroyed by what are called "incidental catches" of Japanese, and to a lesser extent Soviet, trawlers. American and Canadian catch has dropped from 11 million pounds in 1963, to 200,000 in 1973. Yet in 1972, the Japanese alone are estimated to have scooped up 11 million pounds of halibut "incidental" to the taking of groundfish, and many of these halibut were juvenile.

At the same time, it will be necessary to close down the American Bristol Bay sockeye salmon fishery for 1974 because of the effort of the Japanese high seas salmon fleet, comprising some 350 vessels. Indeed there is now considerable doubt if this year's Bristol Bay spawning run—which was once the world's largest—will even be adequate to sustain the stock. In 1973, the Japanese, after having been warned that dramatic declines had occurred in the Bristol Bay runs necessitating decreased fishing in order to save the stock, responded by increasing rather than decreasing effort in areas where these salmon are vulnerable during migration.

As profound as the effect of these disasters has been to Alaska's domestic fishing industry, they may prove of minor concern when compared to what lies ahead. The Bering Sea sustains an enormous marine biomass, including perhaps the most abundant stocks of ground fish found anywhere in the world. The fishing effort which is now being mounted against these stocks, primarily by Japan and the Soviet Union, is on a scale to boggle the imagination. In 1954, the Bering Sea fishery yielded 28 million pounds of fish. Last year 5 billion pounds of fish were taken, 80 percent of this by Japan. The Japanese took 1.2 billion pounds of pollock alone in the eastern Bering Sea, much of it within a comparatively few miles of the U.S. coast.

There are now ominous signs that the scope and the ruthless intensity of this fishing, characterized by massive, random destruction of species making up the feeding base of major commercial stocks, may result in a calamitous collapse of the entire fishery. On the basis of information developed through numerous hearings on the fishing question, I recently stated in an article in the Los Angeles Times that we may soon face "an ecological disaster beyond comprehension."

The recent "spontaneous" decline of the Pribilof fur seal herds, which were previously culled to prevent large population increases, gives us a hint both of how far reaching the effects of such an ecological implosion may be, and how close at hand it may be. There can be little doubt that the fur seal decline is being caused by the unavailability of their customary food—fish.

We have had, since 1952, an agreement called the International Convention for the High Seas Fisheries of the North Pacific Ocean, acceded to by Japan, Canada, and the United States. This agreement was drafted to protect existing United States and Canadian fisheries, especially the salmon and halibut fisheries. It should—according to its terms—have served this function reasonably well. But the Japanese say that these terms are a matter of "interpretation," and now say that they cannot practice restraint because the Soviets and Koreans, who are not parties to the convention, also fish in these areas. Having destroyed the Bering Sea halibut fishery, and gravely damaged the two other United States-Canadian halibut fisheries in the North Pacific, the Japanese last year sold us 21,000 tons of halibut, immature fish, taken by trawlers from the same doomed stocks which can no longer sustain a viable setline fishery.

I should like now to turn to the tragic case of the great whales. The fate of these unique and magnificent mammals has come to symbolize, to vast numbers of people, the ruthless immolation of marine life on the altar of short-term profit. The cause of the conservation of whales has been adopted by the U.S. Government, and the concept of a total moratorium on commercial whaling endorsed by the U.N. Conference on the Human Environment and the U.N. Environmental Secretariat. Conservationists throughout the world continue to clamor for an end to the destruction of the leviathans. In this country and the United Kingdom, influential groups have declared a citizens boycott of Japanese and Soviet products to protest the killing.

On June 23, when the International Whaling Commission meets in London, a determined American delegation, ably led by Dr. Robert White of NOAA, seating conservation leaders from the private sector and supported by a majority of the member nations of the Commission, will strive to ameliorate the plight of the whales. Yet, when the talking is over, and the votes are counted, little will—I fear—have been accomplished. If the Japanese and the Soviets are outvoted, they will simply do as they did last year when the Commission voted in favor of measures to conserve finback, sperm, and minke whales. They will post an "objection," which they are entitled to do under this convention, and go on killing whales.

While whales are unique, there is nothing unique about either the "objection privilege" in the IWC Convention, nor the attitude of the Japanese and Soviet delegations. Both are typical. The large Japanese whaling companies are, in fact, also among that nation's largest fishing companies. These are exactly the companies which are decimating fish stocks off Alaska, and absorbing U.S. fishing enterprises appropriately "softened up" by the loss of these stocks. The owners of these companies who sit in the delegation and dominate Japanese policy at the IWC, are among the same owners who sit in the INPFC delegation and dominate Japanese policy there. Some of these same men even appeared on the Japanese delegation to the Plenipotentiary Conference To Conclude a Convention on Trade in Certain Species of Wildlife to again obstruct the development of an adequate convention.

When dealing with such men, it is absolutely futile to merely "talk a good fight." If our delegations must go to London to the IWC meeting, or to Tokyo for INPFC or to ICNAF armed only with words, their missions are hopeless. We can only prevent the eclipse of domestic American fisheries, and the "commercial extinction" of the great whales, by developing deterrents which cannot be ignored. We must be able to demonstrate to the destructive interests in the one language they will heed—the language of dollars, pounds, yen, and rubles—that it will no longer be to their advantage, short-term or otherwise, to destroy marine resources in which Americans have vital interest.

There are several ways of accomplishing this. One is through S. 1988, which I have introduced, and on which we have conducted extensive hearings. This would establish interim protection until the conclusion of an agreement through Law of the Sea deliberations, by setting up a 200-mile zone of national fisheries control. The passage of the 200-mile bill would provide a powerful bargaining lever for use in negotiating the fate of whales, and far-ranging fish stocks. We could allow limited fishing within our zone of control, in return for proper conservation of open-ocean species in which we have an interest. The Bering Sea pollock fishery alone, which rests within the proposed 200-mile limit, is far more valuable to Japan than the combined total value of the remaining whales, salmon, and other threatened open-ocean fish stocks which we are committed to protect.

There is, however, a more direct approach to achieving bargaining leverage, which first found initial expression in an amendment to the Fisherman's Protective Act of 1966 sponsored in 1969 by the late Representative Thomas Pelly of Washington. The Pelly amendment permits the President, upon the advice of the Secretary of Commerce, to terminate imports of fisheries products from nations whose fishing operations diminish the effectiveness of an international fishery-conservation program.

The threat of economic retaliation under terms of this amendment is credited with having netted an American delegation the one bona fide and measurable "victory" which has accrued to us in multilateral fishery negotiations. In a June 1972, meeting of ICNAF, Norway and Denmark agreed to phase out the taking of Atlantic salmon in the Davis Strait and elsewhere, with a complete ban to become effective in 1975.

However, while Denmark may have preferred to phase out a fishery which totaled only a thousand metric tons a year, and was rapidly declining, rather than lose $10 million annually in fish exports to the United States, we face an entirely different situation with the Soviet Union and Japan. We are dealing now with millions of metric tons annually, rather than a thousand; with men imbued with a ruthless determination to achieve domination of world fisheries who do not hesitate to destroy a stock, or a species, for short-term profit, to force competitors into bankruptcy, or to fill the requirements of some bureaucratic "plan." As scarcities mount, and as the world protein shortage deepens, there is increasingly a sellers market for all marine products. At the same time, with the eclipse of domestic fisheries, our dependence on foreign suppliers for fish has become dangerously complete. We now import over 75 percent of the fish we eat.

While the Pelly amendment opens the way for action, it now applies only to fisheries imports. If it were used in its present form against—let us say—Japan, the impact might prove far more adverse to us than to the Japanese. It is quite probable that the Japanese would find other markets for the exports which we now absorb, while our importers would experience considerable difficulty in finding other sources of supply.

I am, therefore, today introducing a bill to amend the Pelly amendment to the Fisherman's Protective Act of 1966, to permit us to terminate not only fisheries imports, but any and all imports from nations which destroy marine resources. This bill can provide, for the first time, the flexibility and force needed to effectively combat the foreign juggernaut off our shores, and to bring relief for the whales.

We must do something. Every American has a real and vital stake in the preservation of marine resources and the maintenance of our fisheries. There is something genuinely deranged about national priorities which have led us to funnel billions of dollars into often obscure regions many thousands of miles from our coasts, while permitting foreign fleets to obliterate irreplaceable resources, and even destroy American fishing gear, in sight of our shoreline.

Our bill is not subject to the misunderstanding—contrived or otherwise—which attaches to the 200-mile limit approaches. This bill is supported by every major conservation, environmental and animal protection organization in the United States. It is supported by the overwhelming majority of our commercial fishing interests, including certain interests which do not favor S. 1988. It is supported by Governors of States which have opted for S. 1988, and by others, such as Governor Askew, of Florida, who have not.

The American public, if one can assess the national mood from the mounting volume of mail, and from the intense response of citizens groups, from the fact that a citizens boycott against Japan and the Soviet Union is gaining support, are exasperated with the appeasement of foreign rapacity. Most Americans are—as I am—tired of our continued genuflection to outdated penates and protocols, and of shopworn talk about "a spirit of cooperation" while the havoc continues. Most Americans realize, as do most of us in this Chamber, that this tragic destruction of vital resources is occurring in the absence of a really firm American response, and that we can stop it if we will. I submit that it is time to do so.

I ask unanimous consent that the bill in its entirety be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3575

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1978) is amended—

(1) in subsection (a), by striking out "fish" and inserting in lieu thereof "any";

(2) in subsection (b), by striking out "importation of fish products" and inserting in lieu thereof "importation of any products"; and

(3) in subsection (c), (d)(2), and (e)(1) and (5), by striking out "fish" in each case wherever appearing therein.

By Mr. HART:

S. 3576. A bill to authorize the Secretary of Transportation to initiate demonstration projects to improve the quality of repairs to motor vehicles and to reduce the costs of such repairs to the motoring public. Referred to the Committee on Commerce.

Mr. HART. Mr. President, in 1972, Congress enacted Public Law 92–513, the Motor Vehicle Cost Savings and Information Act.

The bill sought several goals, but one of them was to establish auto diagnostic centers. As originally introduced by me, S. 4331 would have had these diagnostic centers predominantly helping consumers with their auto repair problems.

By the time the measure worked its way through Congress, the diagnostic centers were a demonstration project to assist the States in their annual inspection programs. That, indeed, was a step forward.

The Department of Transportation was slow in implementing this section of the law. But as of now, one project is underway and four are out for bids. Basically, these are using existing equipment—off the shelf, as it were.

What is developing are centers, loaded with highly sophisticated—and extremely expensive—equipment which can "almost at a glance" tell if the vehicle being tested meets safety and emission control standards.

If such standards are not met, the car owner will be informed that he must return with the car in a condition which will pass the tests.

So far, so good.

However, what still is needed is the technology in the garages to which the consumer will turn for correction of the problems that will assure that the repairs can be made, correctly and in the least expensive manner possible.

Right now, such technology is not available to the average shop.

Equipment which is being developed—in a rather spotty manner—is extremely high priced and there are still great gaps in needed application of technology.

Worse, developments thus far forecast that small- and medium-sized garages and gas stations will be closed out of the market. Equipment prices are running in the range of five figures—with several such pieces of equipment needed in each shop.

This, I have been assured by those familiar with the technology, need not be the case. It has been demonstrated in one or two cases that the prices for such equipment easily could run only in the hundreds of dollars.

What is needed is more research and, more importantly, an incentive to do the research—especially enough of an incentive to pull into this arena the aerospace companies which could make significant contributions.

Therefore, I am introducing a bill today which would offer Government underwriting for such research. Technology and know-how would be licensed then to interested producers.

Basically, this bill provides that the Department of Transportation shall establish three demonstration projects.

These would be to:

Evaluate motor vehicle inspection, diagnosis and repairs as they may affect energy conservation and to evaluate mechanical repairability and comparative costs.

Do research as to design and to evaluate low cost equipment which can be used by the small automotive repair garages to accurately determine the repairs needed—and that they are done correctly.

Mr. President, there are about 400,000 independent garages and auto repair shops in this country. There are about 30,000 franchised auto dealers.

Without the boost that this legislation would give, it is highly likely that the only shops which will be able to afford the equipment for diagnosis will be the big ones.

This will not only close out the small, independent businessmen, but will leave consumers short-changed with far too few shops to handle their repairs.

In great part, the need for this technology has come from federally mandated safety and emission-control standards. These have added a good deal to the complexity of the cars, making diagnosis of their ills far more difficult.

This legislation, I think, could go a long way toward alleviating these problems.

I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3576

A bill to authorize the Secretary of Transportation to initiate demonstration projects to improve the quality of repairs to motor vehicles and to reduce the costs of such repairs to the motoring public

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) title III of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1961 et seq.) is amended—

(1) by redesignating sections 302–304 as sections 303–305, respectively; and

(2) by inserting immediately below section 301 the following new section:

"SPECIAL DEMONSTRATION PROJECTS

"SEC. 302. (a) (1) The Secretary shall establish a special motor vehicle diagnostic inspection demonstration project to assist in the rapid development and evaluation of advanced inspection, analysis, and diagnostic equipment suitable for use by the States in standardized high volume inspection facilities and to evaluate the repair characteristics of motor vehicles.

"(2) The Secretary shall establish a special research and development project to evaluate motor vehicle inspection, diagnosis and repair as they may affect energy conservation and to evaluate mechanical repairability and comparative costs therefor.

"(3) The Secretary shall establish a special research and development project to design and evaluate low cost equipment which can be used by the small automotive repair garages to accurately determine the repairs needed or required on motor vehicles.

"(b) In carrying out the demonstration projects authorized by this section, the Secretary is authorized—

"(1) to contract for the design and development of low-cost advanced inspection, analysis, and diagnostic equipment;

"(2) to contract for systems design assistance in developing a program to evaluate the repair characteristics of motor vehicles;

"(3) to contract for testing of equipment developed under contract pursuant to paragraph (1);

"(4) to furnish technical design, operation, and evaluation assistance to States;

"(5) to utilize a controlled fleet of motor vehicles for test purposes; and

"(6) to consult with the Administrator of the Environmental Protection Agency.

"(c) The Secretary shall report to the Congress, not later than July 1, 1978, the results of the projects authorized under subsection (a) together with recommendations, if any, for enactment of Federal Motor Vehicle Repairability Standards designed to reduce the unnecessary frustration and costs associated with motor vehicle repairs.

"(d) (1) (A) All research and development funded in whole or part by the Government for projects authorized pursuant to this section shall require as a condition of Federal participation that all information—whether patented or unpatented, in the form of trade secrets, know-how, proprietary information or otherwise—resulting therefrom shall be made available at the earliest possible date to the general public, including, but not limited to, nongovernmental United States interests capable of bringing about further development, utilization, and commercial applications of such results.

(B) All persons performing work under such federally assisted projects shall fully and completely identify such technological information to the Secretary promptly after discovery thereof.

(C) Such resultant technology shall promptly be made available to the public through licensing pursuant to this section, dedication, publication, or otherwise as provided by law.

(2) (A) The United States shall acquire all rights throughout the world to any resultant technology, and shall acquire title to any patents issuing in respect thereof.

(B) The Secretary shall license all patents to which the United States is entitled pursuant to this section to all qualified applicants therefor, on nonexclusive and nondiscriminatory terms and under reasonable conditions.

(3) Whenever the Secretary determines that—

(A) in the carrying out of the projects authorized in this section a right under any United States patent, which is not otherwise reasonably available, is reasonably necessary for such purpose, and

(B) there are no reasonably equivalent methods to accomplish such purpose, or

(C) the unavailability of such right may result in a substantial lessening of competition or tendency to create a monopoly in any line of commerce in any section of the country,

the Secretary shall so certify to a district court of the United States, which shall review the Secretary's determination. If the district court upholds such determination, the court shall issue an order requiring the person who owns such patent, or rights thereunder, to license it on such reasonable and nondiscriminatory terms and conditions as the court, after hearing, may determine. Such certification may be made to the district court for the district in which the person owning the patent resides, does business ,or is found.

(4) The Secretary shall, in determining license terms, duly consider and give weight to the effects of such terms on competition and small business.

SEC. 2. (a) Section 303(b) of such Act (as redesignated by the first section of this Act) is amended—

(1) by inserting in paragraph (1) immediately after "safety" the following: "and energy conservation";

(2) by inserting in paragraph (3) immediately after "of any" the following: "safety, emission, or energy related"; and

(3) by adding at the end of paragraph (4) the following new sentence: "Voluntary reinspection after any repair to increase energy efficiency shall be provided vehicles used in a demonstration project under section 302."

(b) The second sentence of section 304(b) of such Act (as redesignated by the first section of this Act) is amended by striking out the period and inserting in lieu thereof the following: "; except that such assistance shall remain available for inspections carried out before July 1, 1978, in the case of a project authorized by section 302 of this title.".

SEC. 3. Section 305 of such Act (as redesignated by the first section of this Act) is amended—

(1) by inserting "(a)" immediately before the beginning of the text of such section; and

(2) by adding at the end thereof the following new subsection:

"(b) In addition to the amounts authorized to be appropriated under subsection (a), there are authorized to be appropriated to carry out the demonstration projects authorized by section 302 of this title $5,000,000 for the fiscal year ending June 30, 1976; $7,000,000 for the fiscal year ending June 30, 1977; and $8,000,000 for the fiscal year ending June 30, 1978.

By Mr. KENNEDY (for himself and Mr. HATHAWAY):

S. 3577. A bill to amend the Public Health Services Act to provide for assistance for the construction and modernization of health facilities. Referred to the Committee on Labor and Public Welfare.

THE HEALTH FACILITIES ASSISTANCE ACT OF 1974

Mr. KENNEDY. Mr. President, I introduce a bill, the Health Facilities Assistance Act of 1974. This legislation would provide grants, loans, and loan guarantees to public and nonprofit private entities to assist them in constructing facilities for the delivery of outpatient health care services, and to assist public and nonprofit private hospitals in modernizing existing facilities for the delivery of inpatient or outpatient health care services to medically underserved populations.

It would authorize $210 million annually for grants to carry out those purposes for fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977.

In addition, a revolving loan fund will be established to provide loans and loan guarantees for the construction and modernization of health facilities.

This legislation would direct the Secretary of Health, Education, and Welfare to establish a facilities account for each State and to credit each fiscal year to each such account an allotment based upon population, financial need, and the extent of the need for construction and modernization of outpatient facilities, and for modernization of inpatient facilities serving medically underserved populations.

The formula which currently determines allocation of funds among States under title VI of the Public Health Service Act would give way to comprehensive health planning activities at the areawide, State, and national levels, giving the Secretary additional flexibility to allocate funds according to need in a changing health care system.

This legislation would make a number of other technical changes in the existing Hill-Burton program, including an increased emphasis on service by facilities receiving the benefits of Federal programs to people unable to pay for those services.

Mr. President, we are all aware that for more than a quarter of a century the Hill-Burton program has been providing financial assistance to the States for the construction and modernization of health care facilities.

The great success of this program speaks for itself. During the period of its existence Hill-Burton has extended assistance to more than 11,000 projects. These projects have provided 489,000 inpatient beds in hospitals and nursing homes as well as approximately 3,276 other facilities, including 1,340 public health centers, 1,244 ambulatory care centers, 593 rehabilitation facilities, and 43 State health laboratories.

It is no exaggeration to say that without this program, we would have been faced with a calamitous shortage of facilities that would have had serious effects upon the ability of many communities in this country to grow and prosper.

But the needs of America change, and the needs which existed in 1946 are no longer those which exist in 1974. The

Hill-Burton program has done much to alleviate the problems with respect to maldistribution and shortages of inpatient facilities which existed at its inception.

In 1946, America's greatest health need was an adequate number of hospital beds. At that time, while the 8 States with the highest income had 4.0 beds per 1,000 population, there were only 2.5 beds per 1,000 population in the 8 States with the lowest income. Today, this imbalance has been corrected. In 1948, the ratio of existing beds per 1,000 population in the 8 States with the highest per capita income was 3.94, whereas in the 8 States with the lowest per capita income was 2.69. Data for 1971 shows that for the same 8 States with high income the ratio is now 4.08. In contrast with this, 8 States with the lowest income now have 4.34 beds per 1,000 population. This means that low-income States now have more beds per 1,000 population than do high-income States.

Mr. President, I ask unanimous consent that table I be inserted in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

EXISTING GENERAL HOSPITAL BEDS PER 1,000 POPULATION 1948 AND 1971, FOR HIGHEST AND LOWEST PER CAPITA INCOME STATES

	Existing beds per 1,000 population	
	1948	1971
High income:		
1. Connecticut	3.90	3.71
2. New York	4.10	4.24
3. Alaska	5.99	2.32
4. Nevada	5.91	4.26
5. Illinois	3.70	4.73
6. California	3.72	3.62
7. New Jersey	3.95	3.53
8. Massachusetts	4.23	4.76
8 States	3.94	4.08
Low income:		
43. Louisiana[1]	3.43	4.19
44. Kentucky[1]	2.47	4.35
45. Tennessee	2.43	4.64
46. West Virginia	3.67	4.61
47. South Carolina	3.01	4.04
48. Alabama	2.31	4.51
49. Arkansas	2.37	4.05
50. Mississippi	2.13	4.22
8 States	2.69	4.34

[1] Tie.

Note: Ranked by average per capita income 1967–69.

Source: Hill-Burton State Plans.

Mr. KENNEDY. From the foregoing data it seems clear that we have gone a long way toward equalizing the distribution of hospital beds throughout the United States. In fact, in some areas, there is evidence of overbuilding of hospital beds, largely as a result of the activities of private, proprietary hospitals.

NEED FOR OUTPATIENT FACILITIES

However, a great need still exists for the construction of facilities for the delivery of outpatient services. As emphasis in the health care field turns from lengthy, often costly hospital services to services which can be delivered on an outpatient basis, the need for outpatient facilities grows.

It is evident that the ability of the hospital to provide diagnostic, laboratory, and X-ray services to patients other than inpatients has been limited. It is only recently that third-party payment mechanisms have started to pay for outpatient care, and most such care paid for by insurance companies is still related to preadmission workups prior to inpatient care.

There is growing recognition, however, that society's interest would be better served if more insurance programs covered ambulatory care. Many of the pending national health insurance proposals would place much greater emphasis on provision of outpatient services.

State Hill-Burton agencies report an increasing interest on the part of hospitals in encouraging physicans to locate immediately adjacent to them and to utilize laboratory, X-ray, physiotherapy, and other equipment of the hospital.

Moreover, hospitals in metropolitan areas are finding that outpatient departments serve the role of the family physician. Those responsible for encouraging better planning for health care facilities recognize the need for anticipating such a demand on a metropolitan hospital.

For the period covering fiscal year 1971 through the first 6 months of 1974, 45 percent of a total of 851 projects approved under the Hill-Burton program for the construction and modernization of various types of health facilities were for outpatient facilities.

Of new facilities utilizing Hill-Burton assistance constructed from July 1, 1970 through December 31, 1973, 44 percent of the projects and 49 percent of the funds were for outpatient facilities. In fiscal year 1973, 60 percent of the projects and 68 percent of the funds spent went for new outpatient facility construction. In contrast, during fiscal year 1971, only 16 percent of the projects and 16 percent of the funds were for outpatient facilities.

A recent **GAO report** indicates that a definite need for outpatient facilities exists. Moreover, the report goes on to state that:

> HEW headquarters officials stated that the Hill-Burton program had no acceptable method for determining outpatient facility needs.

Likewise, the report states:

> Comprehensive health planning agencies had difficulty developing a method for estimates for outpatient facility needs.

Nonetheless, the report went on to say:

> Despite the lack of data on outpatient facility needs, several State, American Hospital Association, and Department of Health, Education and Welfare officials with whom we discussed this matter felt that outpatient care centers were needed.

Mr. President, it seems clear that while the need for inpatient facilities may have been attenuated since the inception of the Hill-Burton program, substantial needs still exist for the construction of outpatient facilities. This need is generated by an increasing emphasis on replacing expensive and time-consuming in-hospital services with outpatient services wherever possible. Medical societies, medical educators, comprehensive health planning agencies, and Federal insurance programs, as well as legislation such as the HMO Act of 1973, all work toward this end.

THE NEED FOR MODERNIZATION

According to the last available Hill-Burton State plans, more than 167,000 general hospital beds need to be modernized while only 47,000 general hospital beds need to be added; nearly 233,000 long-term care beds need to be modernized and more than 122,000 long-term beds need to be added. Similarly, among public health centers, outpatient facilities, and rehabilitation facilities about 2,800 are in need of modernization while 2,500 need to be added. In dollar terms, there is a $20-billion total backlog in health facilities needs, $13 billion for modernization. Looked at another way, nearly one-half of our country's non-Federal general hospitals and more than one-third of our long-term care facilities have been programed to be modernized or replaced.

According to the recently issued GAO report, depreciation reimbursements from third-party sources provide a revenue source for hospitals, but amounts must be accumulated and set aside if they are to be used as a source of funding for replacing assets. It is more likely, the report states, that funds recovered through reimbursement for depreciation will be used to repay existing loans or to offset operating losses.

The report also says that most institutions in poverty and rural areas generally incur operating losses and lack community backing, which makes it difficult for them to finance construction or modernization without Federal grant funds.

The bill I am introducing today contains authority for the Secretary of the Department of Health, Education, and Welfare to make grants, loans, and loan guarantees to assist in the cost of modernizing facilities in medically underserved areas. One only need walk through any of our municipal hospitals to appreciate the need for such assistance.

SERVING THOSE UNABLE TO PAY

The bill I am introducing today contains an additional requirement, partially dealt with in regulations recently issued by the Department, which requires that each application for funds under the proposed legislation shall set forth reasonable assurance that at all times after the application for assistance is approved, the facility will make a reasonable volume of services available to persons unable to pay.

Since the first Hill-Burton grants were awarded in 1947, over 6,000 grants have been awarded to hospitals, long-term care facilities, outpatient facilities, and rehabilitation facilities. Those facilities committed themselves to give a reasonable volume of free care and to serve all persons in the area.

In a series of lawsuits brought by public interest and legal service attorneys in recent years, the courts have held that the assurances given by these facilities are enforceable contractual commitments. No matter what the fate of the existing Hill-Burton Act is, these assurances to the United States shall continue to exist.

Until the ability to pay is totally eliminated as a criterion of access in our society the "free service" assurance will have to be enforced. A similar requirement regarding the provision of services to those unable to pay for such services for hospitals which seek the benefits of "charitable" status under the Internal Revenue Code has also recently been recognized by a Federal court here in the District of Columbia.

The "community service" requirement was also interpreted in a later decision to require Hill-Burton hospitals not to deny access to medicaid beneficiaries, the practical effect of refusing to participate in the medicaid program.

TECHNICAL ASSISTANCE TO APPLICANTS

In 1970, Congress amended the Hill-Burton Act to give a special priority for poverty areas to build outpatient facilities, permitted up to 90 percent moneys for such areas, and permitted free-standing facilities to apply. The model intended was that which had been so successful under the Office of Health Affairs direction in the Office of Economic Opportunity, that of the Neighborhood Health Centers.

Unfortunately, in many States, construction moneys have not gone to poverty areas. Many States have awarded the moneys elsewhere, because no approved applications have been forthcoming. The technical experts who so successfully developed the health centers under OEO stress the necessity for technical assistance and outreach, and if we want this aspect of the program to work we are going to have to approve the concept and provide the money.

Accordingly, this legislation includes a provision authorizing the Secretary to provide technical assistance to any public or private nonprofit entity which is eligible to apply for assistance under the proposed law.

Mr. President, I believe the time has come to allow localities and States to have a strong, systematic input into expenditure of Federal funds on their behalf. Such input should, of course, be evaluated by the Secretary of the Department of Health, Education, and Welfare within the framework of guidelines he establishes with respect to national health policy. I believe that agencies for health planning at the local and State level are best able to fulfill that function and that existing Hill-Burton agency activities should be coordinated and, if necessary, modified with respect to health planning at the areawide and statewide levels. For that reason, although guidelines have been established for the Secretary to follow in awarding grants, loans, and loan guarantees under this legislation, the proposal does not contain a rigid formula. Areawide and statewide health planning agencies have been given great influence in determining whether funds under this program shall be expended, and if so, how. The Secretary, as always, bears the ultimate responsibility for the determination of funding expenditures.

Mr. President, I believe that the bill I have introduced today is balanced, realistic, and answers demonstrated needs for which the Federal Government certainly has some responsibility. I will certainly do what I can to assure the expeditious consideration of this important legislation by the Subcommittee on Health.

Mr. President, I ask unanimous consent that the full text of this legislation be printed in the Record at the conclusion of my remarks.

In addition, I would like to announce that hearings will be held on this and other measures designed to provide assistance for the construction of health care facilities on June 10, 1974, before the Health Subcommittee.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3577

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Health Facilities Assistance Act of 1974".

Sec. 101. Title VI of the Public Health Service Act (42 U.S.C. 291 et seq.) is amended to read as follows:

"TITLE VI—ASSISTANCE FOR CONSTRUCTION AND MODERNIZATION OF HEALTH FACILITIES

"DECLARATION OF PURPOSE

"Sec. 600. The purpose of this title is to assist in meeting the costs of construction and modernization of such public or other nonprofit health facilities as may be necessary, in conjunction with existing facilities, to furnish adequate health care services to all people.

"GRANTS FOR CONSTRUCTION AND MODERNIZATION OF HEALTH FACILITIES

"Sec. 601. (a) The Secretary is authorized to make grants to any public or private nonprofit entity to assist such entity in meeting the costs of any project for the (1) construction or modernization of a public or other nonprofit outpatient facility or (2) modernization of a public or other nonprofit health facility which will serve a medically underserved population.

"([b]) The amount of any grant made under this section shall be determined by the Secretary, but no such grant shall exceed 75 per centum of the costs of such project except that any grant for a project for the construction or modernization of a facility to be located in an area determined by the Secretary to be an urban or rural poverty area may cover up to 90 per centum of such costs.

"([c]) No grant may be made under subsection (b) to any entity which is receiving payments under a grant under subsection (a).

"LOANS AND LOAN GUARANTEES FOR CONSTRUCTION AND MODERNIZATION OF HEALTH FACILITIES

"Sec. 602. (a) In order to assist public and other nonprofit entities in meeting the costs of projects for the—

"(1) construction or modernization of public or other nonprofit outpatient facilities and

"(2) modernization of public or other nonprofit health facilities which will serve medically underserved populations,

the Secretary is authorized to make loans to such entities for such projects and guarantee to non-Federal lenders payment of principal of and interest on loans made by such lenders to nonprofit private entities for such projects.

"(b) (1) No loan guarantee under this title with respect to any construction or modernization project may apply to so much of the principal amount thereof as, when added to the amount of any grant or loan under this title with respect to such project, exceeds 90 per centum of the cost of such project.

"(2) No loan under this title with respect to any construction or modernization project may be made in an amount which, when added to the amount of any grant under this title with respect to such project, exceeds 90 per centum of the cost of such project.

"(c) The Secretary, with the consent of the Secretary of Housing and Urban Development, shall obtain from the Department of Housing and Urban Development such assistance with respect to the administration of this section as will promote efficiency and economy thereof.

"FACILITIES ACCOUNTS

"Sec. 603. (a) The Secretary shall establish a facilities account for each State and shall for each fiscal year credit to each such account an allotment from the sums appropriated for such year pursuant to section 61 on the basis of the population, the financial need, and the extent of the need for construction and modernization of the facilities referred to in subsections (a) and (b) of section 601, of the respective States.

"(b) The allotment to any State facilities account under subsection (a) for any fiscal year which is less than $800,000 shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the allotment to each of the remaining States' facilities account, but with such adjustments as may be necessary to prevent the allotment to any of such remaining accounts from being thereby reduced to less than that amount.

"(c) Any allotment credited to a facilities account of any State for any fiscal year and remaining unobligated at the end of such year shall remain available for grants, loans, and loan guarantees under this title in such State, for the next two fiscal years (and for such years only) in addition to the allotments credited to the facilities account of such State for such next two fiscal years.

"CONDITIONS FOR APPROVAL OF APPLICATIONS

"Sec. 604. (a) No grant, loan, or loan guarantee for any project may be made under this title unless an application therefore has been submitted to the Secretary and approved by him. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(b) Each application under this section shall set forth—

"(1) a description of the site for such project;

"(2) plans and specifications therefor, in accordance with regulations promulgated under section 608;

"(3) a certification of the total cost of such project and the amount of the grant or loan which is sought under this title or the amount of the loan for which a guarantee is sought under this title;

"(4) reasonable assurance that title to such site is or will be vested in one or more of the entities filing the application or in the entity which is to operate the facility on completion of the project;

"(5) reasonable assurance that adequate financial support (including, in the case of any project for a facility to be located in an area determined by the Secretary to be an urban or rural poverty area, Federal assistance provided directly to such facility or through benefits accorded individuals served at such facility) will be available for the completion of the project and for its maintenance and operation when completed;

"(6) reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of construction or modernization on the project will be paid wages at rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a-5); and the Secretary of Labor shall have with respect to the labor standards specified in this paragraph the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z-15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c);

"(7) in the case of any application for any grant, loan, or loan guarantee for modernization of any facility (except an outpatient facility), reasonable assurance that when the project is completed the facility will serve a population which had been designated as a medically underserved population prior to the modernization of such facility;

"(8) in the case of any application of any nonprofit private entity for any grant, loan, or loan guarantee for construction or modernization of any outpatient facility, reasonable assurance that the services of a general hospital will be available to patients of such facility who are in need of hospital care; and

"(9) reasonable assurance that at all times after such application is approved (A) the facility or portion thereof to be constructed or modernized will be made available to all persons residing or employed in the area served by the facility and (B) there will be made available in the facility or portion thereof to be constructed or modernized a reasonable volume of services to persons unable to pay therefor. The Secretary shall, in determining the reasonableness of the volume of services provided, take into consideration the extent to which compliance is feasible from a financial viewpoint.

"(c) The Secretary may not approve an application for a grant, loan, or loan guarantee under this title to assist in meeting the costs of a project for construction or modernization of any facility which is or will be located in an area under the jurisdiction of a local health planning agency unless (1) such application has been recommended for approval by such local health planning agency, after application of criteria described in regulations promulgated under section 607 (a) and (b), and (2) such project has a higher priority (set by such local health planning agency in accordance with regulations promulgated under section 608(c)) than any other project in such area for which applications are pending before the Secretary for his approval.

"(d) The Secretary shall approve any application submitted in accordance with subsections (a) and (b) for a project for construction or modernization of a health facility in any State if sufficient funds are available from the facilities account of such State and if the Secretary finds—

"(1) that the application contains such reasonable assurances as described in subsection (b);

"(2) that the plans and specifications are in accord with the regulations promulgated under section 608(d);

"(3) that the application meets the requirements of subsection (c); and

"(4) in the case of any direct loan or loan for which a guarantee is sought, that (A) the applicant will be able to make payments of principal and interest thereon when due, and (B) the terms, conditions, maturity, security (if any), and schedule and amounts of repayment with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accordance with regulations and with section 606.

"(e) Amendment of any approved application shall be subject to approval in the same manner as an original application.

"TECHNICAL ASSISTANCE

"SEC. 605. The Secretary is authorized to provide (either through the Department of Health, Education, and Welfare or by contract) all necessary technical and other nonfinancial assistance to any public or private nonprofit entity which is eligible to apply for assistance under this title to assist such entities in developing applications to be submitted to the Secretary under section 604. The Secretary shall make every effort to inform eligible applicants of the availability of assistance under this title.

"GENERAL PROVISIONS RELATING TO LOANS AND LOAN GUARANTEES

"SEC. 606. (a) (1) Any loan to any public entity or nonprofit private entity under the title shall require such entity to pay interest thereon at a rate comparable to the current rate of interest prevailing on the date such loan is made with respect to loans to nonprofit private entities which are guaranteed under this title for modernization or construction of similar facilities in the same or similar areas, minus an amount equal to the lesser of (i) one-half of such current rate of interest and (ii) 4½ per centum per annum.

"(2) (A) The Secretary shall from time to time, but with due regard to the financial interests of the United States, sell loans made under this title either on the private market or to the Federal National Mortgage Association in accordance with section 302 of the Federal National Mortgage Association Charter Act or the Federal Financing Bank.

"(B) Any loan so sold shall be sold for an amount which is equal (or approximately equal) to the amount of the unpaid principal of such loan as of the time of sale.

"(3) (A) The Secretary is authorized to enter into an agreement with the purchaser of any loan sold under this title under which the Secretary agrees—

"(i) to guarantee to such purchaser (and any successor in interest to such purchaser) payments of the principal and interest payable under such loan, and

"(ii) to pay as an interest subsidy to such purchaser (and any successor in interest of such purchaser) amounts which, when added to the amount of interest payable on such loan, are equivalent to a reasonable rate of interest on such loan as determined by the Secretary, after taking into account the range of prevailing interest rates in the private market on similar loans and the risks assumed by the United States.

"(B) Any such agreement—

"(i) may provide that the Secretary shall act as agent of any such purchaser, for the purpose of collecting from the entity to which such loan was made and paying over to such purchaser any payments of principal and interest payable by such entity under such loan;

"(ii) may provide for the repurchase by the Secretary of any such loan on such terms and conditions as may be specified in the agreement;

"(iii) shall provide that, in the event of any default by the entity to which such loan was made in payment of principal or interest due on such loan, the Secretary shall, upon notification to the purchaser (or to the successor in interest of such purchaser), have the option to close out such loan (and any obligations of the Secretary with respect thereto) by paying the purchaser (or his successor in interest) the total amount of outstanding principal and interest due thereon at the time of such notification; and

"(iv) shall provide that, in the event such loan is closed out as provided in subparagraph (iii), or in the event of any other loss incurred by the Secretary by reason of the failure of such entity to make payments of principal or interest on such loan, the secretary shall be subrogated to all rights of such purchaser for recovery of such loss from such entity.

"(4) The Secretary may, for good cause, waive any right of recovery which he has against an entity by reason of the failure of such entity to make payments of principal or interest on a loan made to such entity under this title except that if such loan is sold and guaranteed, any such waiver shall have no effect upon the Secretary's guarantee of timely payment of principal and interest.

"(5) After any loan to an entity under this title has been sold and guaranteed, interest paid on such loan and any interest subsidy paid by the Secretary with respect to such loan which is received by the purchaser thereof (or his successor in interest) shall be included in gross income for the purposes of chapter 1 of the Internal Revenue Code of 1954.

"(6) Amounts received by the Secretary as proceeds from the sale of loans under this section shall be deposited in the loan fund established by section 607, and shall be available to the Secretary for the making of further loans under this title in accordance with the provisions of such section.

"(b) (1) No guarantee under this title of a loan made to any nonprofit private entity shall be approved if the rate of interest payable on such loan exceeds such per centum per annum on the principle obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States.

"(2) (A) Subject to subparagraph (B), in the case of a guarantee under this title of any loan made to a nonprofit private entity, the Secretary shall pay to the holder of such loan and for and on behalf of such entity amounts sufficient to reduce the net effective interest rate otherwise payable on such loan by an amount equal to the lesser of (i) one-half of such interest rate and (ii) 4½ per centum per annum. Each holder of a loan, which is guaranteed under this title shall have a contractual right to receive from the United States interest payments required by the preceding sentence.

"(B) Contracts to make the payments provided for in this subsection shall not carry an aggregate amount greater than such amount as may be provided in appropriations Acts.

"(3) The United States shall be entitled to recover from the applicant for a loan guarantee under this title the amount of any payments made pursuant to such guarantee unless the Secretary for good cause waives such right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

"(4) Guarantees of loans under this title shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this title will be achieved, and to the extent permitted by paragraph (5), any terms and conditions applicable to a loan guarantee under this title may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

"(5) Any guarantee of a loan made by the Secretary pursuant to this title shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, unless such applicant or such person engaged in fraud or misrepresentation in applying for, making, or contracting to make such loan.

"(c) The cumulative total of the principal of the loans outstanding at any time which have been directly made, or with respect to which guarantees have been issued, under this title may not exceed such limitations as may be specified in appropriations Acts.

"LOAN AND LOAN GUARANTEE FUND

"SEC. 607. (a)(1) There is hereby established in the Treasury a loan guarantee and loan fund (hereinafter in this section referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriations Acts, (A) to enable him to make loans under this title, (B) to enable him to discharge his responsibilities under guarantees issued by him under this title, (C) for payment of interest on the loans which are guaranteed under this title, and (D) for repurchase by him of direct loans made under this title which have been sold and guaranteed. There are authorized to be appropriated to the fund from time to time such amounts as may be necessary to provide capital required for the fund. To the extent authorized from time to time in appropriation Acts, there shall be deposited in the fund amounts received by the Secretary as interest payments or repayments of principal on loans and any other moneys, property, or assets derived by him from his operations under this title, including any moneys derived from the sale of assets.

"(2) Of the moneys in the fund, there shall be available to the Secretary for the purpose of making direct loans only such sums as shall have been appropriated for such purpose or sums received by the Secretary from the sale of such loans and authorized in appropriations Acts to be used for such purpose.

"(b) If at any time the moneys in the fund are insufficient to enable the Secretary to discharge his responsibilities under this title, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury, but only in such amounts as may be specified from time to time in appropriation Acts. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds of the sale of any securities issued under the Second Liberty Bond Act, as amended (31 U.S.C. 744), and the purposes for which securities may be issued under that Act, are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from such fund.

"REGULATIONS

"SEC. 608. The Secretary shall by regulation prescribe—

"(a) criteria for determining needs for health facilities for which assistance is available under this title;

"(b) criteria for determining the extent to which existing facilities, for which assistance is available under this title, are in need of modernization;

"(c) the general manner in which each local health planning agency shall determine the priority of projects within the area under its jurisdiction based upon the relative need of various populations and in various subareas within such area lacking adequate facilities of the several types for which assistance is available under this title giving special consideration—

"(1) to projects designed to (A) eliminate or prevent imminent safety hazard as defined by State or local fire, building, or life safety codes or regulations, or (B) avoid noncompliance with State or voluntary licensure or accreditation;

"(2) in the case of projects for modernization of facilities, to facilities serving densely populated areas; and

"(3) in the case of projects for construction or modernization of outpatient facilities, to any outpatient facility that will be located in, and provide services for residents of, an area determined by the Secretary to be a rural or urban poverty area.

"(d) general standards of construction and equipment for facilities of various classes and in various types of locations, for which assistance is available under this title; and

"(e) the means by which each entity which receives or has received financial assistance under this Act shall be required to demonstrate compliance with the assurances required to be made at the time such assistance was received. Such regulations shall require each such entity to submit periodically to the Secretary reports which specify data and information which reasonably support compliance. No entity shall be excused from such requirement.

"PAYMENTS UNDER GRANTS AND LOANS

"SEC. 609. (a) Payments under grants made under this title shall be made by way of reimbursement, and on such terms and conditions and in such installments, as the Secretary may determine.

"(b) In case an amendment to an approved application for any project for construction or modernization of a health facility in any State is approved as provided in section 604 or the estimated cost of any project for construction or modernization of a health facility in any State is revised upward, any additional payment with respect thereto may be made from the facilities account of such State.

"WITHHOLDING OF PAYMENTS AND OTHER ACTIONS

"SEC. 610. (a)(1) Whenever the Secretary, after reasonable notice and opportunity for hearing to any entity receiving assistance under this title finds that with respect to any project—

"(A) there is a failure to comply with any assurance required to be given in an application filed under section 604, or

"(B) there is a failure to carry out plans and specifications approved by the Secretary under section 604,

the Secretary shall forthwith order (i) that no further payments will be made under this title with respect to such project or (ii) that further payments will be withheld, in whole or in part, until there is no longer any failure to comply with or carry out any such assurances, plans, or specifications or, if such compliance or other action is impossible, until such entity repays or arranges for the repayment of Federal moneys to which such entity was not entitled, and shall notify such entity of such order.

"(b)(1) The Secretary is directed, in the administration of this title, to investigate and ascertain, on a periodic basis, with respect to each entity which is receiving or has received financial assistance under this Act for construction or modernization of a health facility, the extent of compliance by such entity with the assurances required to be made at the time such assistance was received.

"(2) If the Secretary finds that any such entity has failed to demonstrate compliance with such assurances, in accordance with regulations promulgated pursuant to section 608(e), the Secretary shall forthwith (A) take action in accordance with subsection (a), or (B) effect compliance by any other means authorized by law: *Provided*, That no action shall be taken pursuant to clause (B) until the Secretary has advised such entity of the failure to comply with such assurances and has determined that compliance cannot be secured by voluntary means.

"(c)(1) Any entity which will be adversely affected by any order of the Secretary pursuant to this section may appeal to the United States court of appeals for the circuit in which such entity is located, by filing a petition with such court within sixty days after such order. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by him for that purpose. The Secretary shall thereupon file in the court the record of the proceedings on which he based his order, as provided in section 2112 of title 28 of the United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Secretary may modify or set aside his order.

"(2) The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(3) The judgment of the court affirming or setting aside, in whole or in part, any order of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28 of the United States Code. The commencement of proceedings under this section shall not, unless so specifically ordered by the court, operate as a stay of the Secretary's order.

"RECOVERY

"SEC. 611. If any facility with respect to which funds have been paid under this title shall, at any time within twenty years after completion of construction or modernization—

"(a) be sold or transferred to any person, agency organization—

"(1) which is not qualified to file an application under this title, or

"(2) which is not approved as a transferee by the Secretary, or

"(b) cease to be a public or other nonprofit facility, unless the Secretary determines in accordance with regulations that there is good cause for releasing the applicant or other owner from this obligation,

the United States shall be entitled to recover from either the transferor or the transferee (or in the case of a facility which has ceased to be public or nonprofit, from the owners thereof) an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the facility is situated) of so much of the facility as constituted an approved project or projects, as the amount of the Federal participation bore to the cost of construction or modernization under such project or projects. Such right shall not constitute a lien upon said facility prior to judgment.

"RECORDS AND AUDITS

"SEC. 612. (a)(1) Each entity receiving Federal assistance under this title shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such entity of the proceeds of such assistance, the total cost of the project in connection with which such assistance is given or used, the amount of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

"(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of such entities which in the opinion of the Secretary or the Comptroller General may be related or pertinent to the assistance referred to in subsection (a).

"(b) Each such entity shall file at least annually with the Secretary a statement which shall be in such form, and contain such information, as the Secretary may require to accurately show—

"(1) The financial operations of the facility constructed or modernized with such assistance, and

"(2) The costs to such facility of providing health services in such facility, and the charges made for such services, during the period with respect to which the statement is filed.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 613. (a) There are authorized to be appropriated for the fiscal year ending June 30, 1975, and for each of the succeeding two fiscal years $210,000,000 for grants under section 601.

"(b) There are authorized to be appropriated for the fiscal year ending June 30, 1975, and for each of the succeeding two fiscal years such sums as may be necessary to make direct loans and guarantee loans under this title.

"(c) Of the sums appropriated for any fiscal year under this section, not less than 60 per centum shall be set aside and obligated in such fiscal year for grants under section 601. Sums set aside in any fiscal year for grants under section 601 but not obligated in such fiscal year for such grants because of lack of applicants shall remain available for obligation under this section in the succeeding fiscal year for grants.

"DEFINITIONS

"SEC. 614. For the purposes of this title—

"(1) The term 'construction' includes construction of new buildings, acquisition of initial equipment (including medical transportation facilities) for buildings constructed with assistance under this title, and acquisition of equipment for any building in any case in which it will help to provide outpatient services not previously provided in the area served through such buildings.

"(2) The term 'modernization' includes the alteration, expansion, major repair (to the extent permitted by the Secretary by regulations), remodeling, replacement, or renovation of existing buildings (including initial equipment thereof), and replacement of obsolete equipment of existing buildings.

"(3) The term 'health facility' means a facility which provides to patients services of licensed physicians and a reasonably full range of diagnostic and treatment services.

"(4) The term 'outpatient facility' means a health facility which offers a reasonably full range of diagnostic and treatment services, which services do not include bed and board.

"(5) The term 'cost' as applied to construction or modernization means the amount found by the Secretary to be necessary for construction and modernization respectively, under a project, except that such term does not include any amount found by the Secretary to be attributable to expansion of the bed capacity of any facility.

"(6) The term 'State' includes the Commonwealth of Puerto Rico, Guam, American Samoa, the Trust Territories of the Pacific Islands, the Virgin Islands, and the District of Columbia.

"(7) The term 'medically underserved population' means the population of an urban or rural area designated by the Secretary as an area with a shortage of health facilities or a population group designated by the Secretary as having a shortage of such facilities.

"(8) The term 'title' when used with reference to a site for a project, means a fee simple or such other estate or interest (including a leasehold on which the rental does not exceed 4 per centum of the value of the land) as the Secretary finds sufficient to assure undisturbed use and possession for the purposes of construction or modernization and operation of the project for a period of (A) not less than twenty years in the case of a grant under this title or (B) the term of repayment of a loan made directly or guaranteed in the case of such loan or guarantee under this title.

"(9) The term 'nonprofit' as applied to any facility means a facility which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

"(10) The Secretary may not determine that an area is an urban or rural poverty area unless—

"(a) such area contains one or more subareas which are characterized as subareas of poverty;

"(b) the population of such subarea or subareas constitutes a substantial portion of the population of such urban or rural area; and

"(c) the grant, in connection with which such determination is made will be used in a manner which will serve the needs of the individuals residing or employed in such subarea or subareas."

By Mr. STEVENS:

S. 3579. A bill requiring the Secretary of Defense to convey certain lands to Nome, Alaska. Referred to the Committee on Armed Services.

Mr. STEVENS. Mr. President, today I am introducing a bill to authorize the Department of the Army to convey a certain 5.45 acres, more or less, of land back to the City of Nome, Alaska, for $1.

This land, located in downtown Nome, Alaska, was originally sold to the U.S. Air Force Alaska Communications Station along with an additional 13.45 acres for $1 during a critical period of World War II build-up in Alaska. This property was sold to the Federal Government by the people of the city for communication purposes.

Subsequently, the Alaska Communications Station gave the citizens of Nome an opportunity to make a bid for this land. Nome's offer of $10,000 was rejected.

In January 1968, the Nome, Alaska, Communications Station was declared excess to the needs of the U.S. Air Force. Following this announcement, roughly 13.41 acres of this land was reported to the General Services Administration for disposal and later sold in 1972 for $16,000. The remaining 5.45 acres were transferred to the Department of the Army in 1973.

When the land initially was sold to the Federal Government, this transaction was made by the people of Nome in the best interest of the Nation and the State of Alaska for the token price of $1. The generosity of the citizens of Nome was deflated a number of years later when the Government sold this same property at a tidy profit of $16,000.

The people of Nome are extremely anxious to have the remaining portions of their original sale, especially the 5.45 acres in the downtown section, returned to them. They are willing to pay their debt and give the dollar back to the Federal Government.

Mr. President, I urge that these 5.45 acres of land, currently under the control of the Department of the Army, should be promptly returned to the people of Nome for the original selling price—$1.

Mr. President, I ask unanimous consent that the text of my bill be printed in the CONGESSSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3579

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Defense shall convey, by deed or other appropriate instrument, all right, title, and interest of the United States in and to lots 4–15 in block 67; lots 6–12 in block 8; and lots 7–12 in black 89, located in Nome, Alaska, to the city of Nome, Alaska, upon the payment of $1 by the city of Nome, Alaska, to the Secretary of Defense.

By Mr. MAGNUSON (by request):

S. 3580. A bill to amend the Communications Act of 1934, as amended, to declare that the national communications policy of the Congress shall be to encourage, so far as possible, the establishment and maintenance of rates for local telephone service which are within the economic reach of every household; to require rate relief therefor; to require that the Federal Communications Commission prepare statements of economic impact on its actions which may have, or have had, a significant impact on increasing the rates for local telephone service; and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I am today introducing a bill at the request of the National Association of Regulatory Utility Commissioners which is designed to accomplish the following:

First. To declare that the national communications policy of the Congress shall be to encourage the universality of home telephone service;

Second. To provide, through the Federal-State Joint Board procedure, an alternative means for affording economic relief to home telephone users—other than changes in jurisdictional separations procedures which shift more telephone plant and expenses under Federal control—by permitting the designation of a certain percentage of the revenue from interstate and foreign calling to be used for reducing the cost of residential telephone exchange service; and

Third. To require the Federal Communications Commission, through the Federal-State Joint Board procedure, to prepare for each of its proposals, policy statements, reports or orders, which may have, or is having, a significant impact on increasing the rates for telephone exchange service, a detailed statement of such impact.

Because of the significance of the issue raised in this legislation, I am submitting for the Record a detailed justification as prepared by the National Association of Regulatory Utility Commissioners.

I ask unanimous consent to have the justification and bill printed at this point in the Record.

There being no objection, the justification and bill were ordered to be printed in the Record, as follows:

JUSTIFICATION FOR THE HOME TELEPHONE ACT

PREFACE

The editions of The Washington Post on March 13, 1974, carried a powerful and thought-provoking story on two elderly sisters and their struggle to stay alive on a combined social security income of $296.30 a month.

Among the many significant points raised by the story was the insistence of the two women on maintaining a telephone in their home despite the many other sacrifices they had to make, and the life-saving role that telephones played when one of them suffered a 3:00 a.m. heart attack.

We believe that the plight of these two sisters is symbolic of that of hundreds of thousands of other Americans across the Nation who are living on low or fixed incomes. If present trends continue, they may no longer be able to afford a telephone in their homes with which to summon fire, police and medical assistance or to maintain a link—no matter how tenuous—with the world around them.

GOALS

As a response to this serious and growing national problem, the National Association of Regulatory Utility Commissioners (NARUC)[1] has drafted the Home Telephone Act to accomplish the following three goals:

(1) To declare that the national communications policy of the Congress shall be to encourage the universality of home telephone service;

(2) To provide, through the Federal-State Joint Board procedure, an alternative means for affording economic relief to home telephone users (other than changes in jurisdictional separations procedures which shift more telephone plant and expenses under Federal control) by permitting the designation of a certain percentage of the revenue from interstate and foreign calling to be used for reducing the cost of residential telephone exchange service; and

(3) To require the Federal Communications Commission, through the Federal-State Joint Board procedure, to prepare for each of its proposals, policy statements, reports or orders, which may have, or is having, a significant impact on increasing the rates for telephone exchcange service, a detailed statement of such impact.

NEEDS

The local and intrastate telephone users, whose rates are regulated by the State agencies, are continuing to suffer a sad and dramatic economic fallout as a result of longstanding indifference to their needs on the part of the Federal Communications Commission in regulating the telephone plant and expenses required for interstate operations.

For example, since January 1, 1969, the FCC has granted an interstate rate reduction in the amount of $237 million (early 1970) and interim interstate rate increases in the amounts of $250 million and $150 million—a net increase of $163 million as applied to the Bell System. In contrast, the State commissions since January 1, 1969, have been forced to grant Bell System companies rate increases of approximately $2.9 billion plus Bell companies now have pending in the States rate increase requests for $.47 billion more.

This shocking state of affairs greatly benefits the small relatively affluent class of interstate users to the immediate detriment of the vast majority of local and intrastate ratepayers. The burden, of course, falls most heavily upon the economically underprivileged—like the two sisters in the *Post* story and others fighting to survive in this age of acute inflation. Under the growing unfairness of this rate structure, more and more people will be deprived of the telephone service which is so important to our way of life today.

This shocking state of affairs is brought about by the continuing strong trend of cost reduction in interstate communications due to technological advances such as coaxial cable, microwave and satellites. These cost efficiencies have offset cost increases to such an extent that interstate rates are 25 percent less overall today than they were in 1940![2] This cost reduction trend will be greatly strengthened in the future by the use of laser beams to transmit long distance calls.

In contrast, there have been no such technological cost savings in local operations where each customer must have a telephone, which is only used on a national average of thirty minutes a day.

The FCC over the years could have prevented the development of this serious economic discrimination by equitably reflecting the cost of the local network in the rates for interstate calling, so that the benefits of technological advances could be shared throughout the telephone system. Such an approach could easily have been justified since the local network is indispensable to obtaining access to the interstate network.

Instead, the FCC has sought to avoid such changes in telephone pricing because it deplores interstate rate increases irrespective of the national need to reduce the cost of local calling. Even when the FCC has been persuaded to afford relief, it has always been too little, too late.

Moreover, the FCC's new policies of competition in interstate communications have greatly intensified the difficulties of obtaining future relief from this discrimination because the common carriers vigorously oppose any increase in interstate costs in the face of growing competition.

The first such policy resulted from adoption by the FCC in 1968 of the *Carterfone Decision*[3] in which it held that "a customer desiring to use an interconnecting device to improve the utility to him of both the telephone system and a private radio system should be able to do so, so long as the interconnection does not adversely affect the telephone company's operations or the telephone system's utility for others." The practical effect of this ruling to permit the liberalized interconnection of customer provided devices is to primarily benefit business users by reducing their communication costs and, further, to increase the profits of unregulated manufacturers of PBX and other communication equipment, both foreign and domestic. Accordingly, the general public will be forced to shoulder a greater economic burden in supporting the public network operated by the regulated common carriers to the extent their revenues are reduced by the conferral of the economic benefits on big users and manufacturers.

As an illustration of the threat of this policy to the economic viability of local exchange service, the NARUC points out that in 1973 the Bell System earned approximately $2.2 billion in local service revenues from PBX and key telephone systems alone—the two primary areas of interconnect competitive activity—which constitute 19 percent of its total local service revenues for 1973. Of this total, approximately $959 million constituted a "subsidy" of Bell System local exchange operations.[4] For the industry as a whole, approximately $1.2 million of 1973 PBX and key system revenues constituted a "subsidy" of local exchange service, which amounts to approximately $18 annually per residential customer or about $1.50 per month.[5] Obviously, therefore, reduction or diversion of this subsidy as a result of competitive penetration would require the telephone industry to make up its losses from the other ratepayers.

The second such policy was promulgated by the FCC in its *Specialized Common Carriers Decision*[6] in 1971, in which it established a policy contemplating extensive competition among existing and new common carriers in the sale of specialized interstate communication services in the rapidly growing field of data transmission. This policy does not take into account the adequacy or inadequacy of existing common carrier service. Accordingly, it represents an abrupt reversal of long-standing FCC interpretation of the requirements of the Communications Act and violates time-proven concepts of public utility regulation.

The certification of new carriers to provide specialized services, where existing carriers adequately serve, will again benefit business users. The economies achieved by these favored few will place a greater economic burden on the millions of small users across the Nation. Rosel Hyde, then Chairman of the FCC, described this kind of regulatory philosophy as being "designed to cost the average American ratepayer money to the immediate benefit of a few with special interests."[7]

Presently, the Bell System obtains 40 to 45 percent of its interstate message telephone service revenue, and 55 to 60 percent of its interstate private line revenue, from markets served, or sought to be served, by specialized common carriers. For 1973, Bell's total interstate message telephone service revenue was $5.719 billion and its interstate private line revenue was $.863 billion. Obviously, the potential for revenue loss is enormous either by Bell reducing its rates in such market to meet the competition or by loss of business to its competition. Once again, other ratepayers will be called upon to make up the difference.

Thus far, the FCC has created and fostered these new concepts of liberalized interconnection and specialized common carriers without determining their economic impact on the vast majority of Americans. How can the FCC engage in rational decisionmaking on such major issues without knowing such impact?

The NARUC has long urged that resolution of the threshold question of whether there will be an adverse economic impact on ordinary telephone subscribers, and if so, the probable extent thereof, is an indispensable predicate for developing sound public policy concerning specialized common carriers and the interconnection of customer-provided telephone station equipment to the public network. Since the urgings of the NARUC met with no substantive response from the FCC, the NARUC Committee on Communications on November 16, 1973, instituted its Investigation into the Economic and Quality of Service Impact on Telephone Service Subscribers Resulting from the Interconnection of Subscriber-Provided Equipment to the Public Switched Telephone Network, and from Competition by the Specialized Common Carriers in the Provision of Telecommunication Services.

The Investigation included four days of public hearings, the submission of over 500

Footnotes at end of article.

pages of testimony and exhibits, and the development of 700 pages of transcript.

The NARUC Committee on May 15, 1974, publicly released its Report on the Investgation, arriving at the following conclusions on economic impact:

"On the basis of its investigation, including independent analyses by its staff, the Committee is convinced that under current regulatory policies, there will be a substantial adverse economic impact on local exchange telephone subscribers resulting from interconnection (principally of private branch exchanges and key telephone systems) and specialized common carrier competition, and further, that the most likely competitive responses by the existing common carriers will serve to exacerbate the nearterm impact to the detriment of the local exchange subscriber.

"Specifically, the Committee estimates that by 1980 the 'cost' of interconnection and specialized common carriers in terms of higher local serice rates will range at a minimum from approximately $600 million to $1.0 billion annually, depending upon the nature and extent of the competitive responses of the existing carriers, and by 1984 this total is expected to reach approximately $1.5 billion to $1.7 billion annually. On a cumulative basis, these costs are estimated to range at a minimum from approximately $2.0 billion to $4.0 billion by 1980, and from approximately $6.7 billion to $9.6 billion by 1984.

"Of these totals, the minimum cost of interconnection is estimated to be approximately $360 million to $740 million annually by 1980, and $900 million to $1.0 billion annually by 1984, with the minimum cost of the specialized common carriers estimated at approximately $270 million annually by 1980 and $670 million annually by 1984. Translated, these costs amount to a minimum of approximately $8 to $13 annually per residential subscriber by 1980, and from approximately $18 to $19 annually per residential subscriber by 1984.

"The Committee further concludes that residential subscribers almost inevitably will be required to bear the cost of these policies, since they are the only class of telephone user which could absorb such costs without an adverse reaction in the competitive services. By 1980, the Committee estimates that a minimum increase of 8 to 13 percent would be required in residential exchange rates to offset the cost of interconnection and specialized common carriers, and by 1984, a minimum increase of 15 to 16 percent would be required. Such increases would be solely due to competition in telecommunications and would be exclusive of normal increases that could be expected from other causes during this period of time.

"With respect to the impact of interconnection within the telephone industry, the minimum cost to the Independent subscribers is estimated to range from approximately $70 million to $160 million annually by 1980, compared to a minimum of approximately $290 million to $580 million annually for Bell System subscribers, and by 1984 the cost is estimated at a minimum of approximately $120 million to $170 million annually for Independent subscribers, compared to a minimum of approximately $800 million to $860 million annually for Bell System subscribers. Because Independent companies generally serve more rural and less densely populated areas of the country, the Committee concludes that interconnection may well have a significant adverse effect on the availability of local telephone service at a reasonable price in these areas of the country.[8]"

REMEDIES PROVIDED BY THE ACT

The foregoing illustrates a type of breakdown in the communications regulatory process which has been occurring under the Communications Act [47 U.S.C., Sec. 151 *et seq.*] and which the proposed Home Telephone Act seeks to remedy.

In part, indifference at the Federal level as to the plight of local exchange ratepayers has been fostered by the erroneous belief that the social policy expressed in Section 1 of the Communications Act, 47 U.S.C., Sec. 151, no longer has relevance to current regulatory decision-making. It is doubtless true that, since telephone service is currently installed in about 94 out of 100 households in the contiguous States, the objective of making telephone service ". . . available, so far as possible, to *all* the people of the United States . . ." [47 U.S.C., Sec. 151. Emphasis added.] has substantially been achieved. Nevertheless, it is clear that ignoring the escalation of local service rates threatens to wipe out a portion of the progress that has been achieved over many years of endeavor, as well as to stop completely any further progress toward the goal of universal telephone service in the United States.

For these reasons, the Home Telephone Act would strengthen the Congressional declaration of purpose in the Communications Act by specifically reaffirming that it is the national communications policy to encourage the establishment and maintenance of rates for telephone exchange service which are within the economic reach of every household in the United States.

In addition, the Home Telephone Act establishes a regular procedure, apart from changes in separations procedures, by which rate relief would be provided to the local exchange ratepayer as needed. One way by which such relief could be granted is to modify current procedures for allocating telephone company plant and expenses between intrastate and interstate operations. However, experience has shown that the FCC is very reluctant to shift costs from intrastate service to interstate service, and when it has been persuaded to make such changes the relief afforded has been too little, too late.

Moreover, the concept of allocating more and more telephone plant and expenses to interstate operations is unsound over the long term because each new allocation diminishes the local control assured by State jurisdiction.

Accordingly, the Home Telephone Act specifies that a Federal-State Joint Board procedure [47 U.S.C., Sec. 410(c)] shall be used to establish a mechanism whereby a portion of the revenues earned by common carriers from interstate services would be credited against the cost of providing residential telephone exchange service. The mechanism provided for herein would supplement rather than supplant separations procedures and would result in the automatic sharing of technological cost efficiencies throughout the telephone system.

Finally, the Home Telephone Act would prevent and correct breakdowns in the communications regulatory process, such has occurred as a result of FCC interconnection and specialized common carrier policies, by requiring the FCC to evaluate in detail any policy or action which may have a significant impact on increasing the rates for telephone exchange service. This requirement would apply to both existing and future such policies or actions.

The purpose to be served by such a requirement is cogently summarized by the *NARUC Report on Interconnection and Specialized Common Carrier Investigation*, which concludes (at 92):

"Had studies similar to the instant investigation been made prior to implementation of the [FCC's interconnection and specialized common carrier policies], no doubt appropriate regulatory strategies would have been devised long ago to ameliorate or vitiate the adverse consequences thereof. *Now, however, regulation must move with particular dispatch to successfully avert the dangers faced.*" (Emphasis added.)

THE FEDERAL-STATE JOINT BOARD: THE GREAT "NON-EVENT" IN FCC DECISION-MAKING

The Congress in 1971 enacted the Federal-State Communications Joint Board Act [47 U.S.C., Sec. 410(c)] to establish a meaningful vehicle for strengthening FCC-State cooperation in solving regulatory problems of joint concern. The Act provided that the convocation of a Joint Board would be mandatory in "any proceeding regarding the jurisdictional separation of common carrier property and expenses between interstate and intrastate operations" and permissive as to "any other matter, relating to common carrier communications of joint Federal-State concern." A Joint Board would be composed of three FCC commissioners and four State commissioners nominated by the NARUC, and would prepare a recommended decision for review and action by the FCC. In addition, the State members of the Joint Board shall sit with the FCC at any oral argument in the proceeding, and the FCC shall afford them an opportunity to participate in its deliberations, but not vote, when it has under consideration the recommended decisions of the Joint Board.

Although the Joint Board procedure does not impair the integrity of FCC decision-making, the FCC has nevertheless consistently avoided any meaningful use of this procedure except in the narrowly mandated area of jurisdictional separations.

The Western Electric Pricing Investigation. The NARUC by letter of January 20, 1972, requested the convocation of a Federal-State Joint Board in the Western Electric Pricing Investigation, FCC Docket No. 19129, pointing out that Western Electric manufactures approximately 75% of all communications equipment sold in the United States and that its prices are reflected in ratemaking by the FCC and State regulatory agencies. 84th NARUC Annual Convention Proceedings, pp. 972–977 (1972).

FCC Chairman Dean Burch by letter of February 23, 1972, to Chairman John O. Pastore of the Subcommittee on Communications of the Senate Committee on Commerce stated that a Joint Board was inappropriate in the Investigation because the FCC determinations therein "will operate only upon interstate rates and services and will have no effect on intrastate rates or revenue requirements." 84th NARUC Annual Convention Proceedings, pp. 977–981 (1972).

This conclusion is fallacious since Western Electric pricing largely determines the intrastate rate base of Bell System operating companies.

The Interconnection Proceeding. The FCC in June 1972 issued a Notice of Inquiry and Proposed Rule Making and created a Federal-State Joint Board[9] to consider and decide issues with respect to the liberalized interconnection of subscriber-provided equipment to the public switched telephone network. FCC Docket No. 19528; 84th NARUC Annual Convention Proceedings, p. 1175 (1972).

Although almost two years have elapsed, the FCC has not yet convened the Joint Board. Worse yet, some of the most important issues in the proceeding, as hereinafter explained, have been siphoned off into other non-Joint Board proceedings.

FCC Interconnection Preemption Decision. The North American Telephone Association (NATA) (a national trade organization of companies engaged in the manufacture, distribution, installation and maintenance of interconnected communications terminal equipment and systems) petitioned the FCC

Footnotes at end of article.

on August 8, 1973, for a declaratory ruling that FCC decisions on interconnection have preempted State regulatory jurisdiction in this area. 85th NARUC Annual Convention Proceedings, pp. 1242–1250 (1973). Instead of placing the NATA petition in the Docket No. 19528 Joint Board Proceeding (which was to consider and decide interconnection issues in their broadest context), the FCC used the petition to institute an expedited non-Joint Board proceeding (Docket No. 19808).

Accordingly, the NARUC by letter of October 11, 1973, requested the FCC to either merge Docket No. 19808 into the Joint Board proceeding in Docket No. 19528, or convene a Joint Board in Docket No. 19808. NARUC Bulletin No. 43–1973, p. 14. However, the FCC declined by telegram of October 29, 1973, stating that "the question involved in Docket 19808 relates exclusively to the scope of this Commission's authority under the Communications Act with respect to interstate and foreign communications services. NARUC Bulletin No. 45–1973, p. 2.

Data Access Arrangement Tariff. The NARUC by letter of June 5, 1973, to FCC Chairman Dean Burch referred to the fact that FCC Administrative Law Judge Frederick W. Denniston had certified to the Commission the question of whether the "need and technical performance characteristics" of a Data Access Arrangement (DAA) should be deemed an issue in a proceeding captioned In the Matter of American Telephone and Telegraph Company—Long Lines Department (AT&T), Revisions of Wide Area Telephone (WATS) Tariff F.C.C. No 259 and Private Line Service (PLS) Tariff F.C.C. No. 260, and the Western Union Telegraph Company (Western Union), Revisions of Tariff F.C.C. No. 254, FCC Docket No. 19419. This proceeding involved tariffs filed by AT&T on the DAA for customer-provided equipment. 85th NARUC Annual Convention Proceedings, p. 1240 (1973).

The NARUC pointed out that "the need and technical performance characteristics" of connecting arrangements for customer-provided equipment was a principal issue before the Joint Board in FCC Docket No. 19528, and that the issues before the Joint Board should not be prejudiced by a prior determination in a separate proceeding. Accordingly, the NARUC requested that such issue in Docket No. 19419 be deferred until the appropriate determinations had been made in Docket No. 19528, or alternatively that Docket No. 19419 be consolidated with Docket No. 19528 to the extent the issues were deemed to overlap. A third possibility suggested by the NARUC was that determination in Docket No. 19419 should be made only after consultation with the Joint Board and without prejudice to subsequent Joint Board decisions.

The FCC did not respond to this letter. The requests contained therein were denied. 85th NARUC Annual Convention Proceedings, pp. 1240–1241 (1971).

The Land Mobile Communications Proceeding. This proceeding basically concerns the manner and extent to which the frequency band 806–960 MHz should be set aside for the development of land mobile communications services. At an advanced stage of the proceeding the Office of Telecommunications Policy (OTP) submitted its views for the record, which included a suggestion that the FCC preempt State regulation of radio common carriers. In its comments on these views filed with the FCC, the NARUC, *inter alia,* urged the FCC to institute a Joint Board proceeding in the event it wished to consider whether a substantially uniform economic regulatory policy concerning radio common carriers would be in the public interest. NARUC Bulletin No. 44–1973, p. 19.

The NARUC's request was ignored by the FCC, which has recently acted to implement the foregoing views of OTP. NARUC Bulletin No. 19–1974, p. 18.

The Economic Impact Investigation. After repeated requests over several years by the NARUC and other parties, the FCC has recently initiated an inquiry in Docket No. 20003 into the economic impact of its interconnection and specialized common carrier policies on ordinary telephone users, as well as other issues deemed to interrelated. NARUC Bulletin No. 16–1974, p. 23. Specifically put in issue in the proceeding, in addition to economic impact, are the procedures for the separation and allocation of plant investment and operating expenses between the interstate and intrastate operations of telephone companies, and the effects of cost-insensitive rate structures, which generally apply to exchange service regulated by the State commissions.

Incredibly, however, the FCC failed to convene a Federal-State Joint Board for the purpose of conducting its inquiry. Moreover, by instituting this inquiry as a separate docket, the FCC has in effect taken the economic issue out of the Joint Board proceeding in Docket No. 19528.

Accordingly, by letter to FCC Chairman Richard E. Wiley dated April 17, 1974, the NARUC pointed out:

"The economic impact of specialized carriers and liberalized interconnection, whatever it is, will fall most heavily on the users whose rates are regulated by the State agencies. Any change in separations procedures will have a direct and pronounced impact on their rate burden, and any consideration by the FCC of usage sensitive pricing is really an evaluation of the efficacy of State ratemaking methodology.

"If the FCC does not plan to use a Joint Board here, does it ever plan to use one, except in the narrow confine of a separations proceeding instituted "pursuant to a notice of proposed rulemaking"? Obviously, the Congress in enacting Section 410(c) intended that it would be used, and we hope very much that the FCC will use it here." (NARUC Bulletin No. 16–1974, p. 26.)

In summary, therefore, despite many opportunities and requests to do so, the FCC has never used the Joint Board procedure since passage of the Federal-State Communications Joint Board Act. In the one instance where a proceeding was actually designated for consideration by a Joint Board, the Joint Board has never been convened and the substantive issue originally in the case has been siphoned off to a non-Joint Board "inquiry." The NARUC believes that it was Congress' intention that the Joint Board would be a used and useful mechanism for effectuating meaningful Federal-State cooperation, rather than an object to be cast in a corner to collect only dust and the bemused attention of legal scholars and regulatory academicians.

FOOTNOTES

[1] The NARUC is a quasi-governmental nonprofit organization founded in 1889. Within its membership are the governmental bodies of the fifty States engaged in the regulation of utilities and carriers. The mission of the NARUC is to improve the quality and effectiveness of public regulation in America. More specifically, the NARUC contains the State officials charged with the duty of regulating communication common carriers within their respective States and, as such, they have the obligation to assure the establishment and maintenance of such communication service and facilities as may be required by the public convenience and necessity, and the furnishing of service at rates that are just and reasonable.

[2] Report of the NARUC Committee on Communications on *An Investigation into the Economic and Quality of Service Impact on Telephone Service Subscribers Resulting from the Interconnection of Subscriber-Provided Equipment to the Public Switched Telephone Network and from Competition by the Specialized Common Carriers in the Provision of Telecommunication Services,* dated May 15, 1974 (hereinafter referred to as *NARUC Report on Interconnection and Specialized Carrier Investigation*), p. 62.

[3] 77 PUR 3d 417, 13 FCC 2d 420, reconsideration denied, 14 FCC 2d 571.

[4] *NARUC Report on Interconnection and Specialized Common Carrier Investigation,* pp. 39–40.

[5] *Id.*

[6] 29 FCC 2d 870, reconsideration denied 31 FCC 2d 1106. This decision has been appealed to the United States Court of Appeals for the Ninth Circuit. *Washington UTC* v. *FCC,* No. 71–2919; and *NARUC* v. *FCC*, No. 72–1198.

[7] *Re Microwave Communications, Inc.*, FCC Docket Nos. 16509–16519, 18 FCC 2d 953, 81 PUR 3d 209, at p. 225 (1969).

[8] See *NARUC Report on Interconnection and Specialized Common Carrier Investigation,* pp. 18–29.

[9] The creation of this Joint Board had been requested by NARUC letter of October 29, 1971. *84th NARUC Annual Convention Proceedings,* pp. 1172–1173.

S. 3580

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. This Act may be cited as the "Home Telephone Act".

SEC. 2. Section 1 of the Communications Act of 1934, as amended (47 U.S.C., Sec. 151), is hereby further amended by inserting "(a)" after "Sec. 1" and by adding at the end a new subsection to read as follows:

(b) It is hereby declared to be the national communications policy of the Congress that the regulation of interstate and foreign communication by wire or radio shall be exercised in such manner as to encourage, so far as possible, the establishment and maintenance of rates for telephone exchange service which are within the economic reach of every household in the United States for the purpose of providing the members thereof with the means of promptly summoning medical assistance and fire and police protection, and participating more fully in the business and social life of their communities. To this end, the Commission shall, through the use of the Federal-State Joint Board prescribed in Section 410(c) of the Act:

(1) Adopt and apply such procedures, formulae or criteria as are appropriate to share the economies of interstate and foreign communication with telephone exchange service users by prescribing rates for interstate and foreign communication users in using telephone exchange plant to be paid to common carriers furnishing same for the purpose of reducing the cost of providing residential telephone exchange service;

(2) Include in every proposal, policy statement, report or order, which may have a significant impact on increasing the rates for telephone exchange service in the future, a detailed statement of such anticipated impact; and

(3) Reevaluate, within two years from the effective date of this Act, each existing policy statement, report or order, whose continuation may have a significant impact on increasing the rates for telephone exchange service in the future, and prepare thereon a detailed statement of such impact, both present and anticipated.

Nothing in this subsection shall impair or diminish the powers of any State commission.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 585

At the request of Mr. COOK, the Senator from Florida (Mr. GURNEY) was added as a cosponsor of S. 585, to amend section 303 of the Communications Act of 1934 to require that radios be capable of receiving both AM and FM broadcasts.

S. 3273

At the request of Mr. Cook, the Senator from Montana (Mr. Metcalf) was added as a cosponsor of S. 3273, to amend the act which created the U.S. Olympic Committee to require such committee to hold public proceedings before it may alter its constitution, to require arbitration of certain amateur athletic disputes, and for other purposes.

SENATE JOINT RESOLUTION 197

At the request of Mr. Goldwater, the Senator from Florida (Mr. Gurney) was added as a cosponsor of Senate Joint Resolution 197, to authorize the designation of the 7-day period beginning June 17, 1974, and ending June 23, 1974, as "National Amateur Radio Week."

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974—AMENDMENTS

AMENDMENT NO. 1380

(Ordered to be printed, and to lie on the table.)

Mr. McINTYRE (for himself and Mr. Brooke) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

AMENDMENT NO. 1381

(Ordered to be printed, and to lie on the table.)

Mr. CHILES. Mr. President, I submit an amendment to Senate bill 3000, and ask unanimous consent that the amendment be printed in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

AMENDMENT NO. 1381

On page 17, between lines 20 and 21, add two new sections, as follows:

Sec. 703. Beginning with the fiscal year ending June 30, 1977, the Secretary of Defense shall submit to the appropriate committees of Congress, together with other information in support of the proposed budget for the Department of Defense, the following information—

(1) budget authority, proposed budget authority, outlays and proposed outlays for each defense mission, including all missions necessary to provide a complete presentation of end-purpose functions and subfunctions being performed to provide for national defense; and

(2) for each defense mission identified pursuant to paragraph (1) above—

(A) a discussion and description of the relationship to and role in executing overall defense policy, strategy, and fulfilling foreign policy commitments:

(B) a discussion and description of current and projected levels of mission capability based on existing and approved inventories of systems and those under development together with equipment and support programs;

(C) a discussion and description of current and projected threats to mission capability and the need for increasing or decreasing the level of mission capability with regard to subparagraph (B) above;

(D) the need, if any, to undertake a new major acquisition program to provide an increase or replacement of mission capability and the goals for such new acquisition programs;

(E) the allocation of budget authority from each authorization account to be used for mission-related activities, such allocation to include, with subdivisions to identify the military departments or defense agencies to which such funds are apportioned—

(i) research, development, test and evaluation for exploratory, advanced, and engineering development, or other activities, to explore alternative systems to meet a specific mission need and for final development of preferred systems chosen to meet a specific need, provided that basic research and exploratory development activities not related to any specific defense mission shall be collectively identified as in support of the defense technology base;

(ii) procurement of systems and equipments for mission inventories; and

(iii) to the extent practicable, related manpower, operations and maintenance, and military construction activities.

Sec. 704. (a) Beginning with the fiscal year ending June 30, 1977, funds authorized to be appropriated to the Department of Defense for research, development, test, and evaluation shall be available for such purposes only when the Secretary of Defense has certified to the Congress that—

(1) the activities are in response to a specific mission need and part of a new major acquisition program to increase or replace mission capability;

(2) the mission need and program goals have been reconciled with overall defense capabilities and resources;

(3) the mission need and program goals have been stated independent of any type of system product;

(4) the programs goals have been based on long-term projections of mission capability and deficiencies and clearly specify the total costs within which new systems are to be bought and used; the level of mission capability to be achieved above that of projected inventories and existing mission forces; and the time period in which the new mission capabiltiy is to be achieved;

(5) the responsibility for responding to a specific mission need has been clearly delegated to military departments and defense agencies so that either:

(A) a single department or agency is responsible for developing alternative systems; or

(B) competition between two or more departments or agencies is formally recognized with each offering and exploring alternative systems;

(6) alternative systems to meet the mission need have been created by—

(A) soliciting industry proposals for new systems with a statement of the mission deficiency; time, cost, and capability goals; and operating constraints, with each offeror free to propose system concept, technical approach, subsystems, and principal design features;

(B) soliciting system proposals from smaller firms that do not own production facilities provided they have:

(i) personnel experienced in major development and production activities; and

(ii) contingent plans for later use of required equipment and facilities;

(7) alternative systems being explored to meet the mission need have been selected by the head of the responsible department or agency concerned from a review of all systems proposed and with the evaluation and advice of a team of experts including members drawn from outside the cognizant military development organizations;

(8) competition between contractors exploring alternative systems to meet the mission need is being maintained by—

(A) limiting contract commitments to annual, fixed-level awards, subject to periodic review of contractors technical progress by the sponsoring military department or defense agency;

(B) assigning representatives of the sponsoring department or agency with relevant operational experience to advise competing contractors as necessary in developing performance and other requirements for each candidate system as tests and trade-offs are made; and

(C) concentrating activities of in-house development organizations, laboratories, and technical and management staffs on monitoring and evaluating contractor competitive development efforts, and participating in those tests critical to determining whether the system candidate should be continued in competition;

(9) he, or his duly authorized representative, has decided to conduct a full system-level competitive demonstration of two or more candidate systems by—

(A) selecting contractors for system demonstration depending on their relative technical progress, remaining uncertainties, and economic constraints;

(B) providing selected contractors with the operational test conditions, mission performance criteria, and lifetime ownership cost factors that will be used in the final system evaluation and selection;

(C) proceeding with final development and initial long-lead production and with commitments to a firm date for operational use after the mission need and program goals have been reaffirmed and competitive demonstration results have proved that the chosen technical approach is sound and definition of a system procurement program is practical.

(b) The requirements of subsection (a) shall not apply to funds authorized to be appropriated for research, development, test, and evaluation when such funds are used for activities to support the technology base not related to any specific defense mission need, but only if such activities are limited to basic and applied research, proof of concept work, or exploratory subsystem development restricted to less than fully designed hardware not identified as part of a system candidate. Support of technology base activities and the new candidate systems that emerge shall be done competitively.

(c) The requirements of subsection (a) (8) and (9) shall not apply if the Secretary of Defense certifies to the Congress that research, development, test, and evaluation activities should be concentrated on a single system candidate without further exploration of competitive offers and that actions have been taken to—

(1) establish a strong centralized program office to take direct technical and management control of the program;

(2) integrate selected technical and management contributions from in-house groups and contractors;

(3) select contractors with proven management, financial, and technical capabilities as related to the problems at hand;

(4) use cost-reimbursement contracts for high technical risk portions of the program; and

(5) estimate program cost within a probable range until the system reaches the final development phase.

(d) Beginning with the fiscal year ending June 30, 1977, funds authorized to be appropriated for procurement for the Department of Defense shall be available for these purposes only when the Secretary of Defense determines that—

(1) the mission need has been reconfirmed and system performance has been validated in an environment that closely approximates the expected operational conditions; or

(2) the costs of system operational test and evaluation prior to production substantially outweigh the benefits in terms of reduced cost growth for correction of system deficiencies and other factors.

AMENDMENT NO. 1382

(Ordered to be printed, and to lie on the table.)

Mr. HUMPHREY submitted an amendment, intended to be proposed by him, to Senate bill 3000, supra.

AMENDMENT NO. 1386

(Ordered to be printed and to lie on the table.)

Mr. JAVITS submitted an amendment, intended to be proposed by him to Senate bill 3000, supra.

AMENDMENT NO. 1387

(Ordered to be printed and to lie on the table.)

Mr. MANSFIELD (for himself, Mr. Metcalf, Mr. Magnuson, Mr. Jackson, Mr. Church, Mr. Hatfield, Mr. Packwood, Mr. McClure, Mr. McGovern, and Mr. Abourezk) submitted an amendment, intended to be proposed by them jointly, to Senate bill 3000, supra.

MORTGAGE CREDIT FOR FINANCING OF HOUSING—AMENDMENT

AMENDMENT NO. 1383

(Ordered to be printed, and to lie on the table.)

Mr. BEALL (for himself and Mr. Mathias) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 3511) to increase the availability of urgently needed mortgage credit for the financing of housing, and for other purposes.

EXEMPTION FROM DUTY CERTAIN REPAIRS ON U.S. VESSELS—AMENDMENTS

AMENDMENTS NOS. 1384 AND 1385

(Ordered to be printed, and to lie on the table.)

Mr. GRAVEL submitted two amendments, intended to be proposed by him, to the bill (H.R. 8217) to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1971.

ANNOUNCEMENT OF HEARINGS ON FOREIGN ASSISTANCE AUTHORIZATION BILL (S. 3394)

Mr. METCALF. Mr. President, on behalf of the acting chairman of the Foreign Relations Committee, Mr. Sparkman, I wish to announce that the committee will begin hearings on S. 3394, the President's request for foreign assistance authorizations, on Friday, June 7 at 10 a.m. in room 4221, Dirksen Senate Office Building, when Secretary of State Kissinger will testify. Secretary of Defense Schlesinger is scheduled to testify on this subject on June 26. Additional hearings will be announced as they are scheduled.

ADDITIONAL STATEMENTS

REPORT ON VIETNAM

Mr. GOLDWATER. Mr. President, in late May my legislative assistant, Mr. Terry Emerson, was invited to spend a week in the Republic of Vietnam as a guest of the Vietnam Council on Foreign Relations. The council is a private association dedicated to promoting complete and accurate information about all aspects of life in South Vietnam.

During his visit, the council arranged for my aide to meet with numerous Cabinet Ministers of the Vietnam Republic, several opposition leaders and writers, and in general, to see and visit anyone and any location throughout South Vietnam which he indicated a desire to meet or inspect.

The schedule which Mr. Emerson requested included 5, 15 to 18-hour workdays of extensive study and travel inspections, ranging from a marine outpost near the 17th parallel in the North to the rich rice growing area of the southern delta.

In view of the great interest of all Americans in the situation in South Vietnam, and, in particular, because of its relevance to the pending consideration of Vietnam-related legislation by the Congress, I have asked Mr. Emerson to prepare a series of reports on the major aspects of his study program for insertion into the Record. I believe Mr. Emerson's observations are objective, and certainly they are as immediate as any information which one can read in the various news media.

In order that this current and detailed firsthand information may be available for study by interested students of Vietnam in Congress, the executive branch, and the general public, I ask unanimous consent that the first of a series of reports by Mr. Emerson regarding the situation in South Vietnam be printed in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

Report on Vietnam—I

(By J. Terry Emerson)

CONFIDENCE IN MRI

"Ammunition. Ammunition is what we need," Lt. General Lam Quang Thi was telling the visiting group of Americans. We were eating a box lunch of Vietnamese chicken and French bread from Hue, sitting in a clearing not more than 800 yards from a company of Communist soldiers.

We were at a Republic of Vietnam outpost on Thach Han River, near the 17th parallel. In Easter of 1972, three divisions of North Vietnamese forces had crossed in the same area during a massive invasion which almost reached the imperial city of Hue, then was repelled.

We would have made a tempting target for a new attack, across the Cease-Fire line which separates the current Northern and Southern forces. Our group consisted of ten Americans, senior staff aides to U.S. Congressman and Senators. The South Vietnam party included our host, General Thi, Commanding General of Republic of Vietnam I Corps, Forward Headquarters, and Brigadier General Bui The Lan, Commander of the lone division of South Vietnamese Marines.

Confidence filled the Republic forces. Confidence the enemy would not attack us, although we were gathered in direct and open eye-shot of the Communist post. Confidence in their ability to defeat the enemy should he mount another major battle. The same determination and dedication to win for their country marked these military leaders as we had noticed in a week of visiting with free Vietnamese forces in three military districts.

Earlier that morning, we had rested briefly at a refugee resettlement village in Quang-Tri Province, about half-a-mile from Communist occupied territory. A narrow river separated us from contested ground. Yet, we sat with the two Generals at the river's edge, in a picnic-type area, enjoying a cool drink after visiting a refugee city and village being constructed by the military for the homeless victims of the 1972 Communist attack.

This was a major role of I Corps—rebuilding. This is why General Thi mentioned ammunition when we asked him what kind of help he needed most from the United States. Ammunition not for killing, but for protection. For making Quang-Tri Province secure for people to rebuild their lives in freedom.

I Corps intends to construct enough homes for 630,000 refugees by the end of this June. Last year there was not one single house standing in Quang Tri; homes are now rising on absolutely desolated lands. Trees, vegetation, buildings, everything had been wiped away from the face of the earth because of the 1972 invasion.

Now, out of the former barrenness, the new city of Quang-Tri is rising and innocent people are returning to decent homes with an opportunity of a happy survival.

Will these people, beautiful school children, dressed in the traditional white gown and black pants, young infants smiling shyly at their doorsteps, farmers working with the soil they love, will all these living faces we saw be given a chance of life as they enjoy it? Or will many of these same people be condemned to the peace of a living tomb, to be buried alive as thousands of their compatriots suffered in the Tet uprising?

Death or misery are the options the Communists offer to those whom they cannot manipulate. Will America condemn the people of South Vietnam to a life of slavery or the loss of all life, or are we willing to make the small financial sacrifice needed for only two or three more years so that the Vietnamese economy and military can truly be made capable of self-sufficiency?

This is the question which the South Vietnamese people are asking themselves in 1974. The way America answers it may determine not only the fate of South Vietnam, but whether Americans of future generations will look at themselves with pride or shame.

THE FUTURE FOR COAL

Mr. HARRY F. BYRD, JR. Mr. President, over the Memorial Day weekend, I visited southwest Virginia, one of my State's proudest and most beautiful sections, part of which lies in one of the great coal-mining regions of America.

I returned from that visit with the conviction that the long-term future of the coal industry is bright.

In view of the shortages of other fossil fuels, and the long research, development and production time schedules associated with the newer energy forms, it is clear that coal demand is bound to be high in the years ahead.

We must bear in mind that 88 percent of the proven fuel reserves of the United States consists of coal—but that coal accounts for only 20 percent of our fuel consumption. Our immense reserves, which could last hundreds of years, must be utilized in the effort to achieve greater self-sufficiency in energy.

This does not mean, however, that there will be an "instant boom" in coal, or that new millions of tons will flow into the energy market in a short period of time.

While our reserves are great, and the need is great also, it will take a little time to solve the problems associated with greatly increased coal production.

For one thing, there is some uncertainty in the coal industry with regard to the future policy of the Government. Delays in the enactment of energy legislation have caused some concern among coal men as to whether or not the Nation's energy policy will include a commitment to development of coal resources.

Moreover, the industry worries that environmental legislation governing the mining and burning of coal may be so restrictive as to make large-scale production increases impractical.

A second reason why shortrun increases in coal production are limited is a shortage of trained workers in the mines. In addition, railroad coal cars are in short supply at times.

A third factor is that large-scale, deep miles require a major investment of capital and time to develop.

Such increases in coal mining as have taken place in recent months, I am told, are primarily the result of small-scale surface mine operations and small drift mines which can be opened easily.

Not only do large-scale mines themselves require capital and time to develop, but so does the technology needed to overcome the environmental problems associated with coal—problems such as destruction of land by the old methods of surface mining, pollution of streams where there is acid runoff, and sulfur emissions from burning coal for power generation.

As we move toward solution of these problems, it is important that we not impose unreasonable restrictions.

In my view, the surface mining bill passed by the Senate last year (S. 425) went too far. Unless modified before final enactment, I fear that it will reduce our supply of available coal and cause unemployment in mining areas such as southwest Virginia.

I do not oppose reasonable restrictions on surface mining. Reclamation of land which has been mined from the surface is essential.

A law along the lines of Virginia's own State statute on surface mining would be acceptable. This law already has shown that surface mining can go forward without major, irreversible damage to the land.

In the long run, there are several areas in which I feel that we must make progress if our coal resources are to play their rightful role in meeting our energy problems.

We must improve our mining techniques, both from the point of view of safety and to protect the environment. Research in these fields, and practical application of the fruits of the research, are essential.

At the same time, we need to find ways to reduce the sulfur content of much of our coal supply. Improvement in the "scrubber" systems which purify stack gases, and development of alternatives to this approach, would be major steps in the right direction.

Finally, there should be a major effort to develop the promise inherent in systems for converting coal into clean-burning oil and gas. Work in this field already is going forward, and it is vital that it continue.

Today coal demand already is running high—well ahead of available supply, in fact—and prices have risen rapidly. Spot market prices are running around $35 a ton, several times the average cost of coal a year ago in Southwest Virginia.

At the same time, mine operators have been faced with skyrocketing production costs. The result is that the margin available for investment in large, new mines and technological improvements has not grown rapidly.

Understandably, the industry does not want to make large-scale investments without reasonable assurance that the necessary capital will not be lost by changes in Government rules—or by abandonment of coal development if the oil-producing States should suddenly make a dramatic price cut.

I am optimistic about the future for coal.

I am sure that the climate will become favorable for coal development, and that technology will lick the difficulties in mining and burning our most plentiful source of energy.

The Roanoke Times, on Sunday, May 26, published an excellent article on coal and its future. It was written by staff writer Ben Beagle. I ask unanimous consent to print it in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Roanoke (Va.) Times, May 26 1974]

Coal Overcoming Black Name

(By Ben Beagle)

Dirges were sung 20 years for the Southwest Virginia and Appalachian coalfields. Now the tune is more of a quickstep, although it is a quickstep which may slow if certain things do, or do not, happen.

Twenty years ago, natural gas and oil were cheaper than coal and then, as concern for the environment became one of the major issues of the last half of the century, coal got a bad name; its burning a menace to clean air, its extraction a menace to the land itself.

But that was before political decision in foreign lands brought on the oil embargo; the energy shortage; lowered thermostats; lines at gasoline stations.

Now, the federal government sees coal, the nation's most plentiful resource, as the answer to the energy crisis. Coal is seen as a political answer to the shortage of fuel. It is seen as a way to make this country independent again in energy so that it will never have to be hat in-hand again for foreign oil.

Demand has gone up, supply is down and the price of coal has exploded upward.

But with all that, coal has still not made it back to the economic majesty it once had in Southwest Virginia and elsewhere in the coalfields.

Although mine operators are said to be getting rich as they did in the old boom day in the mountains, when a host of sad ballads about the troubles of miners was born, coal has not yet taken off on a broad front.

Coal that brought $6 to $7 a ton a year ago, now brings $35, even more. Strip mining operations in Dickenson County doubled during the first quarter of this year compared to last year. They doubled during the time Virginians fretted in long gasoline lines and sometimes shivered with the thermostat at 68.

There is evidence that overnight millionaires are being made again in the coalfields, but as yet these fortunes have been made by small operators in the "spot market."

The large companies, needing millions of dollars in capital for opening new mines, have not moved into the boom yet.

The "spot market," fed by strip mines and by what some people irreverently call "dog holes"—small drift mines which can be opened cheaply and provide a quick return of investment—is now considered to be about 10 per cent of the total market.

The full blossoming of coal again, say many of the experts, will depend on what Congress does in a number of areas.

One of the most important of these actions will be a national energy bill, still sluggish in Watergate Washington, which will commit the country to coal as one of the major ways out of the energy crisis.

The big operators, the experts say, will also wait on congressional action on the environment and on health and safety standards before they commit themselves.

There has also been labor unrest in the coalfields and the demand for labor is great.

It is not rare to hear coal people claim that legislation put coal into a slump and that this legislation has left big operators unbalanced.

These people say that health and safety legislation and the passage of federal environmental laws kicked coal when it already was down.

And they say the large companies will not gamble huge capital outlays until there is some assurance from Congress that they will stand a reasonable chance of getting their investments back.

Right now, most of the big operators are tied up in long-term contracts with utilities and they are not rushing to open huge new deep mines.

Strip mining itself is part of coal's uncertainty and B. V. Cooper, executive director of the Virginia Surface Mining and Reclamation Association, claims that surface mining is doomed if Congress passes the strip mining bill it now has before it.

On the other hand, the energy crisis has not scared off the environmentalists. They are still active and they are still tough.

The legislation has become a paradox.

The surface miners say it will destroy the industry. The ecologists say the bill is not strong enough. Both sides have joined in fighting the proposed legislation.

Dr. J. Richard Lucas, chairman of Virginia Tech's Minerals Engineering Division, says the major companies, coal or oil, are not going to get into exotic methods of mining coal or of making it into other fuels until they are sure of what the government will demand of them or give them in the way of incentive.

Already, there are techniques for gasifying coal, turning it into natural gas. There are techniques, used in World War II by the

Germans, for actually liquefying coal and putting it into auto gas tanks.

Gasification of coal, Lucas says, is much closer economically to reality than liquification of it.

Lucas says major oil companies also fear another political decision—that perhaps the oil nations, now charging high prices for their product, may decide some day to drop their prices, becoming competitive with a United States which was developing its own oil supplies through coal.

This would drop the bottom out, Lucas feels, and billions of dollars invested in coal extraction and in sophisticated refining methods would be endangered.

There is a strong possibility of a strike by the United Mine Workers this fall and wildcat strikes have been spotted all over Appalachia.

It is said that a man willing to work in the mining of coal can now pick his own hours, not working a full week if he chooses. There are reports that companies hire two men for the same job, just to have an extra man in reserve.

The coal is down there in Appalachia and it is worth a lot of money and coal is not faltering any more. How serious the energy crisis becomes, some of the experts say, will determine whether it will get its old crown back.

U.S. SOVEREIGNTY OVER THE CANAL ZONE

Mr. HANSEN. Mr. President, I am one of more than 35 Senators sponsoring a resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama.

At my request, the Maritime Administration of the Department of Commerce has prepared an excellent detailed report entitled "The Panama Canal in U.S. Foreign Trade." There has been considerable speculation that dilution of U.S. sovereignty in the Canal Zone could lead to increased tolls for shipping, or even to closing of the canal, and this report, completed May 15, 1974, estimates "impact of a toll increase and facility closure."

I am hopeful that all of my colleagues who are concerned with the Panama Canal issue about which millions of Americans are concerned will take advantage of the opportunity to secure from the Commerce Department a copy of this report and its current estimates of some of the damage that could be inflicted upon the American people by change in status of the Canal Zone. The report deals only with an "assessment of the primary economic effects." Secondary effects were not addressed by the study and according to the Assistant Secretary for Maritime Affairs Mr. Blackwell:

> The results can be construed as representing short-run estimates which indirect economic response might mitigate somewhat in the long run.

But the report shows, for example, that the annual loss of export revenue and the annual cost to U.S. consumers that may be expected if canal tolls were raised by 50 or 100 or 200 percent would range from on the order of $13 million to $50 million. The present toll is about 90 cents a cargo ton.

Should the canal be closed, for whatever reason following a change in the zone's status, the report warns that the following could be expected:

A 71-percent increase in the average annual consumption of fuel by carriers of U.S. foreign trade;

A 31-day increase in average shipping time;

A $932 million increase in the yearly total delivered price of all exports;

A $583 million increase in the yearly total delivered price of all imports including $78 million for intercoastal deliveries.

According to the report—

> An increase in tolls would increase the transportation costs of U.S. exports and imports that are carried through the canal. These higher costs would be passed on as increased delivered prices of traded commodities. This in turn would increase the demand for exports and increase consumer costs for imports.

The report notes that:

> A closure of the Panama Canal would increase voyage time and therefore increase the delivered prices of commodities that are normally carried through the canal. This price increase would have two components: one attributable to increased transportation costs, the other due to the increased capital cost of in-transit inventory.

Mr. President, this report, while apparently thorough, seeks to project only one aspect of the consequences that could follow a loss or erosion of U.S. control over the Canal Zone.

WORKER ALIENATION IN AN INDUSTRIAL SOCIETY

Mr. ABOUREZK. Mr. President until the recent economic crunch, the concern of the American worker, and of his supporting unions, seemed to be turning more toward self-fulfillment on the job. There was much discussion of the lack of dignity in certain jobs and how indifference was reflected in the final product.

While we may not be able to feasibly return en masse to the handmade product, we certainly can create systems in manufacturing that instill the feelings of pride and self-esteem any worker deserves.

I believe it is important to continue our investigations into the worker alienation found so prevalently in all industrial societies, and to encourage those companies and unions which attempt to find solutions to the problem.

Recently, Tom Wicker presented two articles in the New York Times, concerning the topic of worker alienation. I would suggest that the title of one of those articles—"A Plant Built for Workers"—be a guide for future production systems.

Mr. President, I ask unanimous consent that the two articles by Mr. Wicker be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, May 21, 1974]

A PLANT BUILT FOR WORKERS

(By Tom Wicker)

KALMAR, SWEDEN.—Henry Ford 2d was here one day last week to look over Volvo's new assembly plant. More Ford executives and other American automobile men are on the way, lured not only by reports that Volvo has found a different, perhaps better way to make automobiles but by the possibility that the Swedish firm also may have found a partial antidote to the worker alienation and discontent troubling industrial societies everywhere.

Volvo has at least made a major effort to adapt technology to human beings, rather than subordinating people to the dictates of the assembly line. The first thing that was eliminated in planning for the Kalmar plant, for instance, was the inexorably moving overhead conveyor belt of the usual assembly line; the second was the conventional method-time measurement technique of reducing every assembly-line function to its smallest dimension, so that the individual worker, too, played only the smallest role in producing the finished product.

The obvious consequences of those two decisions alone were to give workers some control over the pace of their work, and a greater share in—hence more responsibilty for—production of each Volvo.

For such purposes, Volvo was willing to add ten per cent—10 million Swedish crowns or about $2.5 million—to what would have been its investment in a conventional plant. The company is confident that it will recover that and more through reduced absenteeism, personnel turnover and worker discontent, with a consequent rise in the quality of the work being done.

Already in production at about half-speed—fifty cars a day are being built against an expected full production next fall of 110 cars a day—the Kalmar plant is a remarkably technological response to the human problems of an advanced industrial society. To replace the overhead conveyor belt, for example, Volvo developed two ingenious forms of "carriers," battery-powered and computer-guided, that creep silently about the factory bearing body assemblies and engine assemblies until at a prearranged point of one each is finally "married" into a full-fledged automobile.

These carriers enable auto bodies to be tilted 90 degrees, thus eliminating the difficult and tiring overhead work common to conveyor belt assembly lines. Since the carriers move separately, workers in different sections of the plant can vary the pace of production almost to suit themselves. These workers are divided into teams of about 15 men and women; each team has responsibility for one production phase—for instance, installing the electrical system, or interior upholstery, or underbody fittings.

As long as the teams meet their production goal—about 13.7 installed systems an hour for the working day, when full production is reached—they can go slow in the morning and faster in the afternoon, or at whatever pace they set for themselves.

Team members, moreover, can choose to form their own mini-assembly line, with each worker doing a different job in sequence on a number of cars; or, when possible, each worker or a group can do the complete installation on one car. The team system permits each worker to learn each job in the team's assigned function, so jobs can be rotated to avoid boredom and to equalize the distribution of good and bad jobs. From pay scales to job assignment, women are equal members of every team.

The plant's odd design—combining four six-sided shapes on one level and three six-sided shapes on a second level—gives each team its own exterior section with ample sunlight and views of the landscaped grounds. Sound buffers hold noise to conversation levels. Teams have their own entrances, locker and coffee-break rooms, and are encouraged to make collective decisions and suggestions about their own production practices and working conditions.

So far, about a thousand cars destined for the American market have been built. Volvo is pleased with both the quality of the cars and the attitudes of the Kalmar work force. But the company concedes that it is far too early to be sure that the Kalmar plant represents either a better way to make autos or an adequate response to worker discontent.

That discontent, after all, is common to industrial societies. It surfaced in America in the Lordstown strike, and European industry is ruefully aware of it. It is by no means entirely economic, and it goes deeper than resistance to outmoded assembly-line techniques. Volvo's new plant is only part of Sweden's recognition that something is badly wrong in industrial society.

[From the New York Times, May 25, 1974]

PEOPLE VERSUS PRODUCTION

(By Tom Wicker)

STOCKHOLM.—For many years, about 70 per cent of the young people taking industrial jobs in Sweden had seven years or less of education. By the early seventies, when the Volvo Company began planning its new automobile assembly plant at Kalmar on Sweden's southeast coast, 70 per cent of young people seeking industrial jobs had ten to twelve years of education, and another 20 per cent had more than that.

This was only one reason—an important one—why Volvo developed a radically new production system at Kalmar, abandoning the most dehumanized assembly-line techniques and seeking to adapt technology to human needs, rather than the other way around. Other reasons include the high absenteeism and personnel turnover that had developed in conventional plants; a growing shortage of people who wanted to work in such plants, particularly in a society that provides generous unemployment benefits; and the new demands of women for equal status in industry as in society in general.

Volvo had discovered that Swedish workers no longer accepted the idea that their generally good wages paid them sufficiently for whatever work industry required. As Inge Janerus, the ombudsman of the Confederation of Trade Unions, puts it, "Wages *and* a good job are now demanded."

That is a change in attitude that is being felt in industrial societies worldwide, not just in Sweden; perhaps because there is such a close working relationship between Government, industry and labor unions here, as well as a traditional regard for human needs, Swedish society appears to be making swifter response than others.

Mr. Janerus defines the "good job" that better-educated workers now demand as one in which "the intellectual and the manual" are not so sharply separated in the factory, so that workers can participate to a much greater degree in developing methods and equipment, planning production, administering the plant, setting and safeguarding their own conditions of work.

By that standard, he is not overly impressed by—although he approves—Volvo's Kalmar plant. Volvo, he believes, has gone to the great length of developing a whole new *technological* system to make what ultimately will be seen as a relatively small improvement in workers' lives and conditions. He thinks companies like Atlas Copco (compressed air), Swedish Tobacco, and Perstop, the big chemical firm, will get better results from less technological innovations designed to provide greater worker self-government and to "press decision-making lower in the system."

Labor and industry efforts of that kind have the enthusiastic backing of Olof Palme, the articulate intellectual who is Premier of Sweden and head of the Social Democratic party. The major task of industrial democracy in the last years of the century, he believes, is to "meet people's needs" not just economically and with material goods but by giving "meaning and dignity" to their work—for their work, he says, will remain the governing factor of most people's lives.

The way to meet that goal while maintaining the production on which modern society depends, Mr. Palme argues, is likely to be found in Sweden and elsewhere in Western Europe. The United States he sees as an "aberration of liberalism" unable to use its great power to solve its own problems and fearful of liberal movements abroad; the Soviet Union he sees as an "aberration of Marxism" equally unable to solve its domestic problems and just as fearful of liberal movements in its own sphere.

The result, Mr. Palme believes, is resources squandered on "going to the moon, Vietnam and Czechoslovakia," while the fundamental task of adapting industrial society to human needs has been "exported" to less powerful nations only recently freed by détente from the polarization of the cold war.

If so, it was a formidable export. What Olof Palme and Inge Janerus and even the Volvo Company really are talking about is the subordination of production and economic expansion to human intellectual and spiritual comfort; yet, all insist on the obvious, too, that production levels have to be maintained, perhaps even increased. If industrial society is not entirely happy with its material goods, it would almost certainly be unhappier without them; and there seems to be little that the underdeveloped nations want more.

Even here in Sweden, Inge Janerus concedes, the response to this conundrum is "just beginning in a few plants." But of course "a few plants" is where the Industrial Revolution began, too.

A BUSINESS VIEW OF THE NATION'S HEALTH CARE NEEDS

Mr. FANNIN. Mr. President, too often when the Government attempts to solve one problem, it creates other more severe problems for the Nation. In recent years, Congress has been negligent in not adequately gauging the economic consequences of new programs.

At the present we are engaged in work on national health legislation. Most certainly we want a system which will provide adequate health care for all citizens. Our problem is deciding how to provide such a system, to deciding how far we can go in providing care, and deciding how we can pay for it.

We must have a health care program that is compatible with America's social and economic tradition. We should keep the firm foundation that we have, and build on it—not tear down the entire structure and impose an alien philosophy. We must have a program that will be feasible under our economic system. That is why I introduced S. 3353, the National Health Standards Act, on April 11. This is a bill that will provide health care without bankrupting our economy or making drastic changes in the American philosophy.

Mr. President, on January 25 of this year, Roger C. Sonnemann gave a speech at the National Leadership Conference of the American Medical Association in Chicago. His talk was entitled, "A Business View of the Nation's Health Care Needs," and was based on his experience as chairman of the Special Committee on the Nation's Health Care Needs, Chamber of Commerce of the United States. This is an excellent presentation, and I ask unanimous consent that this talk be printed in the RECORD for the benefit of my colleagues who are working on this important legislation.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A BUSINESS VIEW OF THE NATION'S HEALTH CARE NEEDS

(An Address by Roger C. Sonnemann, January 25, 1974)

I am most appreciative of this opportunity to present the National Chamber's views on the subject of health care, and in particular, on those issues of major importance to both medicine and business.

As I listened to earlier presentations, I noted the emergence of what I would describe as the central "theme" of this conference. It was stated best by an earlier speaker when he said: "we gotta get together!"

He was referring, of course, to various segments of the medical community; but this same advice also holds true for other communities of interest, including business.

In health care, however, these words could be directed at our two groups. Business and medicine must "get together" if rational solutions to the problems confronting the Nation's health care system are to be found.

In the past, our two great organizations have all-to-often failed to communicate and cooperate with each other. I regret this and I am sure you do also. But rather than try to place the blame for this failure, we would better serve business, medicine and the American public by building a new and stronger bridge between medicine and business. We should have, and we must have, a continuing dialogue on matters of mutual concern. I viewed your invitation to be here as a step in that direction and I hope you'll view my acceptance and presentation as an indication of our willingness to participate.

During the past few years, I have sometimes been questioned about the reasons business, and the National Chamber, are involved in the health care debate. My answer is two-fold.

First, the Nation is faced with a series of complex and interrelated problems that need to be solved if we are going to obtain better health care for the American people. These problems involve rapidly escalating cost, shortages and maldistribution of medical manpower and facilities, lack of access to care by important segments of the population, mismanagement of medical resources, the need for innovation in the organization and delivery of medical care services, and the need for improvements in health education and preventive medicine. Because of the complexity and magnitude of the American health care system, business believes that all segments of our society must accept the challenge and participate in the debate and resolution of the problem.

Second, business views itself as a "purchaser" of health care and as such is concerned with how its dollars are spent. Last year alone business spent over $20 billion on health care. Because of this vast expenditure, business believes that it has a legitimate interest in the organization and delivery of health care in the United States. And, quite frankly, some employers do not believe they are getting their dollar's worth.

Now let me briefly outline the major health care problems, as we see them.

Spiralling medical and hospital costs are of major concern to the business community. We realize that the "causes" for such increases are many and complex and that it is extremely difficult to separate the "real" ones from those which are not quite so real but we believe that effective steps can be taken to contain costs to a more realistic level.

Let me explain some of the major actions which we believe should be taken and which, hopefully, will have a salutary affect on the health care system.

First, we need to increase the supply and improve the distribution of physicians, dentists and other scarce health personnel. The current shortage, and let me emphasize that the facts show there are shortages of physicians and dentists, can be eliminated in part by positive efforts by medical and dental schools to enroll additional students where possible and by shortening their training periods without sacrificing high standards of competence. We realize that some schools have made such changes; we commend them for it and encourage others to follow their example.

With respect to maldistribution, we believe that new approaches and incentives to get doctors into remote and rural areas must be devised and tested. We are aware that the efforts of communities to build clinics and to obtain doctors have not been wholly satisfactory. But we do not believe that such efforts should be halted. We must find a solution to the problems of maldistribution.

The delivery of medical care must be improved. We believe that this can be done through aggressive experimentation and development of a variety of systems. Prepaid group practice plans, and this term includes medical care foundations, is one type of experimental model that should be encouraged.

As you are well aware, the President recently signed an HMO bill which closely resembles legislation supported by the National Chamber. We support such legislation because it should provide an excellent opportunity to experiment with one method for improving the health care delivery system. We insisted on an experimental approach because we felt that there are important questions which must be answered about the operation and practicability of HMOs.

Another area of concern to the business community deals with accountability, responsibility and coordination within the health industry. To date, we believe that the industry's response in this area has been largely inadequate.

Hospitals must exercise a greater degree of responsibility in meeting community health care needs. This can be done by avoiding wasteful duplication of facilities and services and needless expenditure of funds. In addition, they should adopt uniform accounting practices, financial reporting and cost finding systems. And most importantly, prospective reimbursement would offer a strong incentive to promote efficiency and economy in hospital operations.

Physicians must pay greater heed to how they spend their patients money. A recent survery conducted by the President of the AMA found that many physicians are not adequately informed about the costs of the hospital goods and services they routinely order for their patients. The Chamber believes that increased "cost awareness" on the part of physicians is absolutely essential. I want to take this opportunity to commend the American Medical Association for including on their conference agenda a seminar called "The Physician as a Purchasing Agent for his Patient." Knowing the actual costs of services and drugs prescribed or purchased for patients should do much to contain raising medical costs.

The business community is also concerned about the mismanagement of our scarce medical resources. For example, physicians performing duties for which they are over qualified by training and experience should be ended and greater use of paramedical personnel encouraged. Duplication among hospitals of little used facilities, such as open heart surgery units, should also be discontinued.

I could enumerate other concerns but time does not allow a comprehensive review.

Let me now give you some indication of what the National Chamber has been doing in the area of health care and what we expect to be doing in the near future.

Health care has been an issue with the Chamber for many years. Recently, however, our activity has increased significantly.

In 1968, for example, our long-range study group analyzed the major health issues which would affect the Nation during the 1970's and submitted a comprehensive report.

A special committee was appointed in 1970 to take a penetrating look at the country's growing needs and to search for ways to deal with the many complex problems. The membership of this committee, which I presently chair, is representative of both the health industry and business community. Currently, representatives of AMA, AHA, Blue Cross/Blue Shield, other health insurance companies and various organizations vitally interested in the Nation's health care system serve on the committee. Because of this broad range of interests, many of our discussions have been quite active, and even "colorful."

In 1971, the Chamber conducted a nationwide referendum among its membership on the committee's analysis of the issues and problems facing the Nation's health care system and the membership voted overwhelmingly in support of major reform.

In 1972 and '73, the committee examined in great depth various legislative proposals, including the pending national health insurange bills. Although many of the plans contaned worthy provisions, the committee was unable to find a single plan which business could support without qualification.

Because of this, the committee decided that it would be best to prepare a series of recommendations on health care which should be included in any national health insurance program. The committee spent the better part of 1973 developing and approving these recommendations. Last November, the Chamber's Board of Directors gave its "stamp of approval" to the recommendations and directed its staff to prepare a draft "bill" incorporating the recommendations.

Let me explain briefly the reasons why the Chamber put together a draft bill and is willing to work hard for its passage in Congress. Our reasons relate to the prospects for Congressional action, the type of legislation now under consideration, the appraisal of these proposals from the purchasers standpoint (as we view ourselves) and the issue of leadersnip.

First, national health insurance—in some form—seem inevitable. Better than 60 percent of the House of Representatives and more than half of all Senators are sponsoring various national health insurance proposals. Thus, unless some of the Nation's health problems vanish overnight, I think we can expect a new law in the books within the next few years.

Second, the crucial issue facing business, and the National Chamber, is what type of legislation will be passed by Congress. Will it involve a complete, federal takeover of health—a government run insurance program? Or, will Congress build upon our existing systems—using private health insurance in the main—with government assistance where needed?

As the Chamber reviewed the various proposals we found them unsatisfactory for various reasons. Let me mention a couple of them.

Each would mandate a comprehensive health insurance benefit "package" which would represent additional areas of coverage for medium size and small businesses and would increase costs. Many of these plans, for example, propose such things as dental benefits and vision care which are not presently paid for under many group plans.

Because these plans contain unreasonable requirements on benefits, they would be very costly to finance. For example, the cost of the Administration's tentative proposals and the plan recommended by the health insurance industry is estimated at more than $450 per employee a year.

The penalty provisions of these proposals are unsatisfactory; most recommended tax penalities—the loss of business expense deduction for health insurance premiums—as a way of prodding employers to take affirmative action. We think a tax penalty represents poor public policy because it would apply only to those employers with health insurance coverage for their employees, not to those without coverage.

The final factor shaping the Chamber's thinking involves the need for leadership. The business community has been criticized frequently, and unfortunately with some justification, for being against forward looking social legislation. If some national health insurance legislation is inevitable, and we think it is, then the National Chamber should take the lead and support reasonable and realistic legislation.

"Reasonable" and "realistic" are the keystones of the Chamber's recommendations and draft bill. Let me review briefly the Chamber's recommendations on national health insurance legislation.

We are proposing a two-part program. Part I would require all employers to make available a minimum health benefit package to their employees. Part II would provide comparable protection to low-income persons as a replacement for the Federal/State Medicaid program.

With respect to benefits, we are recommending a plan that provides protection against a wide range of hospital and medical care expenses. The "package" would provide protection in 12 areas including payment for hospital care, surgery, medical treatment by a physician, x-ray and laboratory services, drugs and medicines, maternity care and very costly illnesses, the so-called medical catastrophy.

Our plan calls for both deductibles and coinsurance. There is a $100 calendar year deductible for an individual, with a maximum payment of $200 a family. Also, the enrollee would pay 25 percent coinsurance for all covered services in the package up to a maximum personal expenditure of $2,500 a year.

We recognize, of course, that first dollar coverage is prevalent throughout industry—particularly negotiated plans. However, without these deductibles and coinsurance provisions, it would be impossible to cover such a broad range of services at a reasonable price. We would either have to shrink the benefit package considerably or jack up the premium cost to unrealistic levels.

An extremely important provision and one which is unique to our proposal involves what we call "benefit equivalence." Many firms currently provide their employees with a health insurance package which costs more per month per employee than the proposal which we are recommending, but the plan may not be as comprehensive.

We think it is unreasonable to require such employers to change their group plans to reflect every single benefit in the package. We do. however, believe that employers should be required to offer a plan which is equivalent in value, on an actuarially determined basis, to the recommended proposal. This means that claim costs, including administrative expense, of an employer's plan, should be equal to the recommended plan.

An insurance pool would be established to provide coverage for the self-employed and small employers to make the economies of mass purchasing available to them. A second pool would provide coverage for low-income individuals and the Federal Government would pay all or part of the costs of the premiums for the poor and near poor from general revenues.

You will recall that I mentioned earlier that there would have to be some type of penalty to handle situations where an employer fails to provide a standardized health insurance package. We doubt that there will be many such cases, but in those few instances we think the employer should be encouraged to make the plan available through the process of administrative and judicial relief. If an employer willfully and knowingly fails to comply, he would be liable for an amount equal to twice the annual health insurance premium costs, plus he would be required to reimburse the employees for any "out-of-pocket" hospital and medical expenses. We believe this type of penalty is the least objectionable way to secure compliance with mandated minimum standards.

Now let's consider the matter of cost containment. While the deductible and coinsurance provisions may serve to prevent unnecessary utilization, we also think there are several other steps that can be taken to curb spiralling health care costs.

First, all hospital and medical care services should be subject to peer and utilization review, claims review and audit. This should be carried out by physicians to insure that only medically necessary services are provided to both inpatients and outpatients.

The business community is aware of the many concerns your profession has with the new peer and utilization review program—Professional Standards Review Organizations—or, as it is better known, PSRO. Business also has its concerns with this program, but they are of a different nature. For example, some employers view it as an example of the "fox guarding the hen house" with the fox being analogous to the physician and the hen depicting those who pay the bills. Not all businessmen, however, agree with this position but most agree that PSRO activities should be closely monitored by public and private payors to assure that it is effective and to avoid what some might call a "whitewash".

Although we have many concerns with PSRO, we believe its underlying concept of peer and utilization review is here to stay. Consequently, we urge medicine to "seize the challenge" and provide aggressive and positive leadership in planning and implementing this program. It is our belief that medicine cannot afford to let this program "wither on the vine"—let's make it work!

Second, it is our recommendation that hospitals and other institutional providers be reimbursed on the basis of prospective budgets with payments based on agreed rates for fixed periods of time. This should prove superior to our present "cost plus" method of paying for hospital services.

Third, the process of local health planning needs to be strengthened to avoid duplication of facilities and provision of unnecessary services. What we propose here is simple—don't pay the hospital or other health care institution for the costs of added facilities and services unless these capital expenditures have been approved by a local health planning agency.

Finally, let's turn to the matter of financing. The Chamber recommends that any national program should be financed from both private and public sources. Employers, employees and the self-employed should pay the entire cost of the mandatory program through health insurance premiums. Where an employer-employee relationship exists, we feel strongly that the employer should not be required to pay more than 50 percent of the cost of the coverage. What the employer does voluntarily is, of course, his own business. The program for the poor and near-poor—essentially non-working groups—should be financed from the general funds of the Treasury.

The Chamber hopes to have a draft bill and Congressional sponsors firmed up within the next few weeks. We are not so naive as to think that our bill or any other bill for that matter, will be enacted by Congress without change. Nevertheless, we believe that the introduction of a national health insurance bill which can be supported by the entire business community will serve to apprise Congress of the interests of business and our desire to participate in the formulation of a national health program.

As I stated earlier, I hope this presentation will be the beginning of a continuing dialogue between the National Chamber and the American Medical Association. I believe that there is much that we can do *together* in the health care area.

Although our approach to the health care problems is not identical with yours, there are many similarities. For example, we both agree that any change should build upon our existing system, using private enterprise wherever possible. This position is the exact opposite of the Kennedy approach, which would throw the "baby out with the bath water" and build a new all encompassing Federal system. We reject this approach because it would impose an unconscionable tax burden on the American people and place our health care systems in an untenable position from which they may never recover.

To defeat such a proposal one must have an alternative. I believe that the similarities in our two proposals are of adequate sufficiency to allow us to say that we, the National Chamber and the American Medical Association, do have proposals which are far superior to that of organized labor. Because of this "mutuality of interest" in achieving a "reasonable" and "realistic" health care system, I echo the earlier speaker and say "we gotta get together!"

MILITARY ASSISTANCE FOR SOUTH VIETNAM

Mr. ABOUREZK. Mr. President, Congress is now considering, again, its massive military assistance program for South Vietnam—a program which would continue to maintain what one high U.S. official was reported as calling the "client relationship" between the Pentagon and the Saigon military apparatus.

There can be little doubt that by not only arming and equiping that apparatus but also by paying for most of South Vietnam's budget and artificially maintaining its levels of consumption, the United States still refuses to allow the Saigon government to stand or fall on the strength of its support among the Vietnamese people themselves.

The Thieu government remains essentially a creation of American military intervention in Vietnam. For it is kept in power by a military and a paramilitary control apparatus which the South Vietnamese people never desired and would have been unwilling to finance themselves.

The army lives off foreign aid rather than relying on the support of its own people, and any attempt to reorient it economically, socially, and politically away from the present style of organization would almost certainly end in disaster. Moreover, for Thieu to demobilize most of his 1.1 million man army would mean relinquishing a convenient means of political control over them.

Mr. President, two recent issues of Thoi Bao Ga, a publication which deals with many issues which are of deep concern to the people of South Vietnam, have dealt with the issue of U.S. aid to the Saigon Government. The reports offer an excellent insight into this pressing question. I believe that information provided therein offers an excellent opportunity for everyone interested in the question to learn more of the effects of the U.S. aid program in Vietnam.

Mr. President, I ask unanimous consent that the two Thoi Bao Ga reports be printed in the Record.

There being no objection, the reports were ordered to be printed in the Record, as follows:

[From Thoi-Bao Ga, March, 1974]

Begging for Aid

Few countries in the history of the world have had a supra-ministerial agency with the name "Committee to Beg for Aid" or "Committee to Pray for Aid," the literal translations of Saigon's latest inventions, the "Uy Ban Cau Vien." To sit on this committee you must be either a three-star general, a Cabinet member with Washington connections, or a former ambassador to the United States. You would have to be one of Saigon's top "American experts."

Dai Dan Toc, a Saigon daily, reported on February 11, 1974, that Nguyen Tien Hung, Saigon's new High Commissioner of Planning and one of Thieu's most trusted advisers, because of his access to the *Washington Post* and to some American Congressmen through his American wife, had been sent two days earlier on a highly urgent mission "to seek every means possible to beg (*xin*) for more aid money for the Republic of Vietnam." The same paper reported on March 6, 1974, that Saigon sent an officially designated "aid-begging delegation" (*phai doan cau vien*) composed of Deputy Premier Tran Van Don, a retired three-star general, roving Ambassador Bui Diem, former ambassador to Washington, former Economics Minister Pham Kim Ngoc, among others, to Japan, Western Europe, and the United States. In fact, as of this month, nearly half of Saigon's cabinet and a large number of its "American experts" are in the United States generously spending American and Vietnamese taxpayers" money to wine, dine, and womanize supporters and potential supporters of increased American aid to the Thieu regime. A deputy in the Saigon Lower House, Mrs. Kieu Mong Thu, disclosed in a highly censored article in the March 19, 1974 issue of *Dai Dan Toc* that the Thieu regime spent 1.2 billion piasters (over $2 million) on its aid-seeking delegation.

WHY DOES THIEU SCRAMBLE FOR AID?

What are the reasons for this overwhelming emphasis on, and desperate scrambling for, U.S. aid? The Thieu regime and its American supporters argue that it is because of "inflation and price increases" (*New York Times,* March 19, 1974) and a North Vietnamese build-up in South Vietnam for a new offensive (*New York Times,* March 4, 1974). The March 4 article in the *New York Times* quoted "Pentagon sources" as saying that:

"The strength of these forces [North Vietnamese] in the South is now at more than 185,000 men, compared with 140,000 at the time of the cease-fire on January 28, 1973.

". . . North Vietnamese armored strength in the South is estimated at between 500 and 700 tanks, most of them Soviet T–54's, and about 200 armored cars."

While neither the Thieu regime nor its American supporters have provided any documentation for their allegations of a North Vietnamese build-up, there orchestrated effort in getting publicity for their unfounded charges is well timed with debates in the U.S. Congress on the question of aid to the Thieu regime. But while some American reporters and politicians take Thieu's stories uncritically, most knowledgeable Americans and

Vietnamese no matter what their political bent, usually disregard or discredit such adumbrations—and for good reasons. For example, Admiral Thomas H. Moorer, Chairman of the Joint Chief of Staff, while trying to push for more military and economic aid to Saigon before the Congress, stressed that in "his view Hanoi continues to try for political gains in the south rather than any new major offensive" (*Washington Post*, March 19, 1974). Even Ambassador Graham A. Martin, whose gung-ho support for the Thieu regime elicited a *Washington Post* editorial on March 14, 1974,* has had to admit that Hanoi has shelved any plans for a major offensive in the south (*Washington Post*, March 15, 1974). According to the same issue of the *Post*, Ambassador Martin is raving mad at critics of increased military and economic aid to the Thieu regime not because of a possible offensive by the other side but because of fear that Saigon will not be given enough money for an "economic takeoff." A Vietnamese view of Thieu's charges is summarized in an article published in the January 15, 1974 issue of *Nguoi Viet*, a publication of a group of Saigon deputies and senators, Catholic priests, and other leaders in South Vietnam:

"In the past few months the government of the Republic of Vietnam and the government of the United States have incessantly charged North Vietnam with infiltrating a large number of men and weapons into the South. President Thieu, in a speech reeking with the smell of war which he delivered in Can Tho on January 4, 1974, estimated that North Vietnam now has 400,000 soldiers from it regular forces, 600 tanks and 600 SAM missiles in the South. This estimate must be an intentional exaggeration both in order to get the Americans to pay attention to the Vietnam problem and in order to rationalize President Thieu's own hard line. The above estimate should logically have had a disastrous impact in that it should have scared people who are anti-Communist in the South out of their wits. This is because during the general offensives in the spring of 1972, according to the official American estimate, North Vietnam had only 170,000 men and 200 tanks. And yet while the armed forces of the Republic of Vietnam were supported by the Americans, they had to make one hasty "tactical withdrawal" after another! Now with 400,000 troops and 600 tanks, what hope is there [for Saigon's forces] of doing any fighting at all when it is not being supported by American forces anymore? The reason why the armed forces of the Republic of Vietnam have not panicked yet after hearing President Thieu disclose the above statistics is because nobody believes that the above infiltration ever happened."

THIEU FEARS THE PRG

In fact, General Thieu himself during moments of sober analysis has always discounted any military offensive by either the Provisional Revolutionary Government (PRG) of the Democratic Republic of Vietnam (DRV). Rather, what Thieu has been most afraid of is that the Paris agreements should be strictly implemented to allow the PRG a chance to compete politically and economically with his regime.

This feeling was summarized succinctly by Thieu himself last summer in an official interview given to the official organ of his newly-formed Democratic Party. Following is an excerpt of the interview from the English translation in the July 15, 1973 issue of *Viet Nam Report*, a publication of the Vietnam Council on Foreign Relations:

"The Viet Cong are presently trying to turn areas under their control into a state endowed with a government, which they could claim to be the second such institution in the South. They probably also hope that when this government has achieved a degree of international recognition, international opinion will force the two administrations to merge into a coalition government. If that were to happen, they would only agree to a pinkish government of coalition, which then will try to enter negotiation with Hanoi easily.

"It can, thus, be stated that the Viet Cong are doing their best to work in the direction of the formation of a coalition government. To seek fulfillment of this objective, they will resort to political agitation or military pressure or to a campaign combining the two." This is how I see things in the coming years. The Communists will lie low for a time while trying to subvert us from within and sabotage our economic potential. If they should achieve a situation of great political and economic difficulties for us, there is bound to be a coup d'etat probably staged by a group of military commanders bought off by them. From this coup will emerge a pro-Communist administration which will seek to coalesce with the Viet Cong in a unique government for the South. The latter will then enter negotiation with Hanoi as I said earlier.

In other words, President Thieu is saying that if the PRG were allowed to administer the areas under its control as specified by the Paris agreements, then they will not only become so popular as to achieve a degree of international recognition that "international opinion will force the two administrations to merge into a coalition government," but they will also win such tremendous support from the ranks of Thieu's own military commanders that the latter might stage a coup d'etat against the unpopular Thieu regime to "seek to coalesce with the Viet Cong in a unique government for the South." For this reason, General Thieu stated in the same interview that "In the first place, we have to do our best so that the NLF cannot build itself into a state, a second state within the South." To this end, the Thieu regime has carried out indiscriminate bombing and shelling of the areas under PRG control since after the cease-fire was supposed to have gone into effect over a year ago.

THIEU'S MILITARY ATTACKS ON PRG AREAS

The degree of shelling, bombing, strafing, and so on, is indicated by the amount of military supplies given to the Thieu regime on a one-to-one replacement basis. According to Pentagon records cited in the February 16, 1974 issue of the Washington Post, during the first 8 months after the cease-fire, the United States gave Saigon 86,000 bombs, 180,000 tons of artillery shells, grenades, and small arms ammunition, and 112,000 ground-to-air missiles, among other military hardware. The same report also quotes Pentagon officials as having expressed "concern that Saigon was wasting artillery shells by firing blindly into free zones because they knew full well they would get all the replacement supplies from the United States." It should be noted here that according to the terms of the Paris agreements, there is no such thing as "free zones" in South Vietnam where you can fire blindly at any time you want. The Accords clearly specify only two zones of control in South Vietnam, one under the Provisional Revolutionary Government and the other under the control of the Thieu regime. Nevertheless, in mid-February of this year, the New York Times Saigon bureau chief, James Markham, toured PRG areas and found random shelling of civilian areas everywhere he went (New York Times, February 18 and 19, 1974).

General Thieu hopes to achieve at least three things with his military attacks on PRG-controlled areas: 1.) to destroy the socio-economic fabric of these areas; 2.) to force PRG cadres and soldiers away from their social political and economic tasks (i.e., reconstruction activities) and force them to take up arms to defend their own territory; and 3.) to make the areas under PRG control both insecure and unattractive so that the population under Thieu's control will not want, or dare to, go back to their native villages. In short, General Thieu has been trying to sabotage the political and economic potential of the other side, something which he accused them of doing in the quote cited earlier, although he never explained how the other side would do it except by "trying to turn areas under their control into a state endowed with a government." It is thus evident that, given Thieu's basic policy as stated above, the more military and economic aid the United States gives his regime, the more encouragement there is for him to increase his attacks on PRG-controlled areas.

Later on in this article we will show the boomerang effects of Thieu's military attacks on PRG territories on his regime. At this point it should be noted that Thieu has used other means to sabotage the PRG's efforts at reconstruction.

THIEU'S SABOTAGE OF PRG RECONSTRUCTION

One such policy of Thieu's is "economic blockade." We discussed several aspects of this policy in some detail in past issues of this newsletter—the so-called "rice-war" which includes the forced sale of rice to the Thieu regime; the prohibition of the transport of rice from one location to another even within the same village, the milling of rice in the villages, and the storage of rice in homes; and the outright confiscation of peasants' rice whether the amount in the home is found to be in excess of the authorized level or not. In the past issues of our newsletter, we also documented in some detail the widespread hunger, and in many cases outright starvation, in the rural areas as the result of this policy on the part of the Thieu regime. In order to make it impossible for the peasants to mill rice in their villages (which are considered difficult to control by the Thieu regime), Thieu's local authorities in the 16 southwestern provinces destroyed all the axles (*truc*) of the peasants' rice-mills. This was reported in the January 30, 1974 issue of *Dien Tin*, a Saigon daily, by Deputy Doan Van Luong of the Saigon Lower House after extensive trips throughout these provinces. The deputy also testified that the inhabitants of these provinces were so angry and aggravated that many of them have stopped working in the fields, thereby contributing to the increasingly critical shortage of rice. The antagonism between the people and the officials, the deputy said, became all the more serious.

FOOD SUPPLIES A PROBLEM

The military attacks on PRG areas and the "economic blockade," among other things, have created a sharp decrease in food production. According to the January 13, 1974 *Dien Tin*, statistics provided by Saigon's Office of National Development (*Quy Phat Trien*) show that agricultural production has decreased by an average of 20% in the last 3 months of 1973 as compared to the previous months. This figure, of course, refers only to the areas under the control of the Thieu regime. Consequently, despite the intense drive by Saigon's military and civil machines to seize rice from the Mekong delta, rice deliveries to Saigon decreased drastically during the later months of 1973. According to the October–December, 1973 issue of *Vietnam Economic Data*, a publication of the U.S. Agency for International Development, Delta rice deliveries to Saigon decreased from an average of 57,000 metric tons for the period from August to October, 1973, to only 32,000 metric tons for the last two months of that year. Faced with this situation, Agricultural Minister Ton That Trinh announced that although he personally thought that the importation of rice from the United States should stop, in 1974, Saigon was importing 350,000 tons of American rice at $700 per ton, or 40,000 piasters per 100 kilograms (*Dien Tin*, February 7, 1974). Ton That Trinh also announced at the same press conference, however, that Saigon was exporting rice simultaneous with its import of rice from the United States in order to get much needed foreign exchange. Trinh said that during the initial phase, 50,000 metric tons of Vietnamese rice will be exported at a price of $500 per metric ton. Why export Vietnamese rice at a much lower price than the imported American rice, one may ask, especially when the General Office of Foodstuffs (*Tong Cuoc Thuc Pham*) itself is reported in the February 7 issue of *Dien Tin* as having said that Vietnamese rice is much better quality than American rice?

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*"We apparently have here a classic case study of how an ambassador loses influence with the government to which he is accredited."

The answer given by the Department of Agriculture, and cited in the same issue of *Dien Tin*, is that imported American rice is supposed to be for military men and government employees and is therefore subsidized by "the government." This answer seemed so ridiculous to so many Vietnamese that a Saigon columnist, Vuong Huu Bot, in an exasperated mood, ventured his own explanation in the February 10, 1974 issue of *Dai Dan Toc*. He said that since American rice is long-grained, it must add to the sexual potency of male rice-eaters and make their sex organs longer! But ridiculous as the above official explanation may seem, Saigon is being most truthful here. If we think of "the government" as Washington, as Saigon is in the habit of thinking, then everything becomes quite clear. The imported rice is indeed subsidized, not by Saigon but by Washington, through the so-called Food for Peace Program. Under the terms of this program, supplies to Saigon can be resold within the country and the money used for military and other purposes. But goods imported into South Vietnam under the program cannot be exported to other countries. Violation of this term could mean either heavy fines or cancellation of the program, especially if found out by the U.S. Congress. Since Saigon is in critical need of foreign exchange, especially for the purpose of transferring the wealth of Saigon's officials abroad, it is only natural that Saigon should want to export whatever it can get. And it is precisely because of this that most South Vietnamese are greatly angered, especially when most of them are hungry because of the critical food shortages. To illustrate this point, we will cite a few typical comments from the Saigon press:

In the February 1, 1974 issue of Dai Dan Toc, a reporter wrote:

"In the areas of Ky Trong and Ky Phu in Quang Tin province where I travelled, many families have to eat leaves picked from the forest in order to survive. In the areas of Thu Lo and An Cuong in Quang Nam province, in the resettlement areas of Dong Tac, in the villages of Hoa Thanh, Hoa Thinh, Hoa My, and so on, the inhabitants have to eat the bark and the tops of the manoic trees in order to survive. What is more heartrending is the fact that many pregnant women have to eat roots of banana trees in order to save what little rice they have for their young children. This same situation confronts many families in the district of Duc Duc in Quang Nam province. Many families have had to go for three days with whatever greens that are still left on the ground. . ."

On February 19, 1974, Dien Tin reported that in the hamlet of Ma Voi in Phu Yen province, two or three persons died every day because they had to eat snakes, centipedes, leaves, or banana roots. According to the report, doctors at the Phu Yen Health Department confirmed the fact that many people died because "in their hunger they had eaten in a mixed-up [hon tap] manner and had often been poisoned as a result." In other words, while conceding that many people had died, Saigon's health officials were trying to put the blame on the people for not knowing how to eat properly and not on outright starvation. In any case, the report says that the majority of the village population had left for fear of more widespread starvation.

In its February 24, 1974 issue, Dai Dan Toc reported that Deputy Nguyen Ngoc Nghia of the Saigon Lower House said that in the rural areas of Thua Thien province, not a grain of rice was to be found anywhere. In the capital city of Hue, each person could still buy 2.5 kilograms of rice a month, however. The same paper reported in its March 6, 1974 issue that Deputy Tran Ngoc Giao also warned of the extremely critical shortage of food in Thua Thien province. The deputy reported that in the village of Phu Dien, Phu Vang district, the 9,000 inhabitants have had to go down to the sea to find seaweed for their daily meals, that it is the only edible thing that could be found anywhere. The deputy said that anybody who came and witnessed the living conditions of the inhabitants of the area could not hold back his or her tears. The situation was so bad that 140 families had signed up to be resettled in Binh Tuy province, the first time any of the families there wanted to leave their native village. The deputy complained that the government had not done anything to help ease the harsh conditions the people there have had to face.

THIEU SAYS THERE IS ENOUGH RICE—BUT THE PEOPLE CONTINUE TO STARVE!

When asked about the wisdom of exporting rice, especially at such a low price, in the face of undeniable reports of the hunger situation in the country, Thieu's Agricultural Minister gave out a statistic to show that South Vietnam produced more than enough rice for the whole population during 1973 and 1974. Thieu himself stated that the lack of rice had been caused by a "Communist economic offensive" and the Mafia. Their incredible tales embarrassed even some of their own supporters. On February 7, 1974, *Chinh Luan*, long a pro-Saigon and pro-U.S. daily, cited official statements by the Thieu regime extensively and came to the conclusion that "it could not possibly be the case that the present rice shortage has been caused by the loss of rice to the Communists either through robbery or through forced sale by them." On February 10, the same newspaper went on to analyze the situation in very cautious, but nevertheless revealing, manner:

"According to the Department of Agriculture, the total paddy-rice production for the 1973–1974 season is 7.2 million metric tons. The total population of the Republic of Vietnam is 18 million persons. On the average each person consumes 0.5 kilograms a day, which means that in the whole year the total consumption of rice would only be 3.24 million metric tons. There are 7.2 million metric tons of paddy rice milled into 4.68 million metric tons of milled rice (computed according to the conversion rate of 10 parts paddy rice to 6.5 parts milled rice.) This is a figure that the government has issued and it must therefore be correct. If it is not correct, then the government is not the government anymore. . . . According to the statistics there is just too much rice, and therefore logically this should be sufficient reason for export. But the reality dictates that one should export only if one does not leave the people hungry. There should be caution because past experiences still burn hot. Last year the government said that total paddy rice production was 6.5 million metric tons, or 4.2 million metric tons of milled rice. And yet from July to November, the people were dazed by the rice problem and emaciated by hunger. What accounted for this strange situation? The President said that it was because of the Communists and the Mafia. This year the Communists seem to still be around and according to government reports they are also hungry and because of hunger have not been able to stage a second Tet Offensive (again, according to official reports). As for the Mafia, are they still around?"

CITIES IN CRISIS

Whichever scapegoat the Thieu regime may want to find for the disastrous effects of its incessant attacks on the countryside, its "economic blockade," and its export of rice and other Vietnamese foodstuffs, the fact is that the population of South Vietnam is now going through a period of extreme economic deprivation. Deputy Hong Son Dong reported in the February 17, 1974 issue of *Dien Tin* that in recent days incidents of robbery and theft have increased dramatically. He said that the situation has become worse than even during the period of "open warfare" (as opposed to the covert warfare going on at the present time).

The deputy stated that because robbery is so widespread, people have become used to it. What is really significant is that most of the robberies have been committed by military men and army deserters. This is partly because these men have weapons at their disposal and partly because the situation that faces the general population affects military men as well. After all, when a country of 18 million has a regular army of 1.1 million men (not to mention the local forces which number around 4 million), every soldier must have a close relative or member of his immediate family who suffers from the disastrous situation created by the Thieu regime. Here are but a few examples of the widespread armed robbery by Saigon's military men as reported recently in some of Saigon's newspapers:

In its February 7, 1974 edition, *Dien Tin* reported that two military men wearing the insignias of second lieutenants, stabbed a policeman by the name of Nguyen Xuan Minh four times and then disappeared on the policeman's Honda motorcycle. The same newspaper also reported that on February 3, four robbers dressed in army uniforms and armed with guns and grenades, broke into a house in broad daylight (around 10:30 AM) and stole 5 million piasters worth of jewelry and other valuables. In the March 20 issue of *Dien Tin*, there is a report that for weeks there have been repeated armed robberies in broad daylight in the Xom Cui area of Saigon's 8th District. The robbers stole from anyone, rich or poor. The inhabitants of the area repeatedly asked for intervention from the authorities but so far to no avail even though the area of the robberies lies directly behind District Police Headquarters. Presumably the authorities are afraid of retaliation.

CRISES IN THE COUNTRYSIDE

The above are examples in the urban areas around Saigon. The situation in the countryside is much worse. For example, the March 20, 1974 issue of *Dien Tin* reported that according to Deputies Phan Thiep, Le Dinh Duyen and Ly Truong Tran of the Saigon Lower House, in Quang Nam province soldiers and their officers stole crops, cattle, and other foodstuffs from the peasants. The latest example of cattle-rustling was the use of army GMC trucks by a group of army officers and men to carry off 86 cows belonging to the inhabitants of Son Khuong village. The report says that the stealing of the peasants' crops is so serious that corn with only a few kernels on the cob is prematurely picked by the soldiers. The peasants pleaded saying that if their crops were left alone for a period of three months, they would be able to produce more than enough food to feed the province of Quang Nam.

In the same issue there is information about trucks transporting food through the province being robbed at gunpoint by soldiers. In another article, there is a report that in the provinces of Quang Nam, Quang Ngai, and Quang Tin, army unit commanders divided the land of the peasants among their soldiers. A commander in the province of Quang Tin went so far as to put down stakes on the peasants' paddy-fields to divide the land for his subordinates. The situation in the more prosperous provinces of the Delta with regards to soldiers robbing from the peasants is equally bad, as testified to by Miss Kim Hoang in an article published in the March 21, 1974 *Dien Tin*. (Please see a translation of this article in the second section of this newsletter.) The result of all this, of course, is ever decreasing agricultural yields, which in turn produce worse social effects.

Besides the problem of robbery, there have been many incidents of homicide as a result of the desperate economic situation. (Please see the selected translations from the Saigon press.) General Thieu realizes that the present explosive situation might develop into revolts from within the army and the bureaucracy. This is why last summer he said, as quoted earlier, "If they should achieve a situation of great political and economic difficulties for us, there is bound to be a *coup d'etat* probably to be staged by a group of military commanders bought off by them."

THIEU'S BALANCING ACTS

In an attempt to contain this potential outcome, Thieu has performed three balancing acts:

1. The first act is the promise to Saigon soldiers and bureaucrats they would be given a supplementary salary of 500 piasters per family member and not more than 2,000 piasters per family (*Dien Tin*, March 5, 1974). However, as pointed out by the same issue of *Dien Tin*, even if each family were to receive 2,000 piasters—at most 10% of the total salary—this increase would be nothing compared to price increases, often 100% per week, depending on the commodity.

The real and most pressing problem is the lack of agricultural and other production due to Thieu's policy of military confrontation with the PRG, his "economic blockade," his refusal to allow refugees to return to their native villages in the countryside to put the land back into cultivation, and hosts of other problems such as official corruption which we have documented in some detail in past issues of *Thoi Bao Ga*. For this reason, according to the March 5, 1974 *Dien Tin*:

"Many soldiers and government employees have expressed the view that if government wanted to prove itself it should pay them in rice, cooking oil, fuel, cloth, books and notebooks, and so on, and not in cash. This is because the cash that they receive each month is sufficient for only half a month. Soldiers and government employes always have to seek loans, and 9 out of 10 children [of school age] of military families are unable to go to school."

It is estimated that for a student to leave home to study, he or she must spend from 25,000 to 30,000 piasters a month. This is the total salary of an army officer with the rank of field commander (a major, lieutenant colonel or colonel), a bureaucrat with the position of administrative director (*doc su*), or a senior high schol teacher at the highest pay level (*Dien Tin*, February 6, 1974). Another estimate shows that a grade B bureaucrat receives 24,000 piasters a month, including supplemental payments to his wife and four children. His family never dares to buy milk for the children, never dares to eat meat, smoke cigarettes or drink alcohol and yet they have to spend 56,000 piasters a month in order to meet their most basic needs (*Dia Dan Toc*, February 11, 1974). The salary increase promised by the Thieu regime, therefore, does not go very far.

So far we have been talking about people who are lucky enough to be employed and lucky enough to have a pay raise. On February 25, 1974, *Hoa Binh*, another Saigon daily, quoted Deputy Premier Phan Quang Dan as saying that there are from 3 to 4 million unemployed persons. Most of these are refugees now living in the urban areas and forbidden by the Thieu regime from returning to the countryside. Nevertheless, according to the same issue of *Hoa Binh*, a deputy in the Lower House disclosed the day before that the inhabitants of the urban areas had been risking everything to return to the countryside in large numbers. If this were to keep up for the next three months, he said, at least 20% of the urban population would have left for the countryside. *Dien Tin*, in its February 24, 1974 issue, also reported that on February 20, another deputy disclosed that thousands of families in Ho Nai, Tan Hiep, Tan Mai, Gia Dinh, and Cho Lon left for the countryside to find new means of livelihood. The same deputy also stated that if this rate of departure were to continue, then by May, 1974, the population of Saigon itself will be 20% lower.

2. To check this trend and squash any possible attempt at urban demonstrations or revolt, the Thieu regime has resorted to a second balancing act. This involves a new system of population control. According to the March 6, 1974 edition of *Doc Lap*, *Song Than*, and *Chinh Luan*, all pro-Thieu newspapers, General Do Kien Nhieu, the mayor of Saigon, in a press conference on March 5, 1974, declared that from then on all the districts of the capital would be divided into sections of 25 to 30 living units. Each section would be under the direct responsibility of a policeman. The families within the sections were to maintain collective public order.

At the same time, the newspapers report, General Tran Thien Khiem had just signed into law Decree no. 247-a/TT which states:

"In order to maintain and safeguard public order, the government considers it necessary to neutralize those elements considered dangerous to the public order . . . by arresting them and imprisoning them; by trying them before military tribunals if there is sufficient proof of their guilt; or, in the event of lack of such proof or if their trials before the tribunals turn out to ineffective, by transferring them to the Commission of Security which will inflict, depending on the case, either deportation, detention, or solitary confinement."

3. The third balancing act of the Thieu regime has been the attempt to get rid of potential leaders of an urban uprising or of a *coup d'etat*. As far as the army is concerned, the normal practice in the past had been to transfer suspect military commanders from one region to another or from one army unit to another. In the last few months, however, Thieu has used the pretense of an anti-corruption drive to get rid of generals of whom he is suspicious either because they have regional power bases or because they have connections that may pose a personal threat to him. The American press has generally been taken in by this kind of trick, that he is trying to shape up at last by carrying out reforms even within the ranks of its army. Nothing could be further from the truth. Only one general, General Pham Van Dong, was accused of a mild crime of protecting illegal gambling in Saigon (*Dien Tin*, February 16, 1974). General Dong might have been the most convenient scapegoat at that for he had been serving as Minister of the Department of Veterans for sometime. During his term of office, millions of piasters for veterans' benefits were siphoned off, leaving most veterans living in abject poverty and deprivation. However, General Dong was never accused of a crime for to do so would get too close to other generals with whom he had shared the money. Of the dozen or so generals who were fired by Thieu in late February, none was actually accused of any crime or corruption (*Dia Dan Toc*, February 25, 1974). This is not to say that these generals are not corrupt. All Saigon generals are involved in corruption, and the real difference between them is only a matter of degree. But what emerges very clearly from the February firings of the generals is that many of them are related in one way or another. Generals Hoang Xuan Lam, Nguyen Van Vy, Linh Quang Vien and Nugen Van Vy, Linh Quang Vien and Nguyen Van Manh, for example are very good friends, who have expressed some dissatisfaction with Thieu, and who are all very closely related to a general whom Thieu exiled to Washington in a power struggle some years ago.

Perhaps that is more significant, but what has gone by unnoticed by the Western press, has been the firing of field commanders. On February 19, 1974, *Dien Tin* reported that Thieu was firing, or "retiring" to use the exact term, 91 majors and colonels. The paper wrote that Saigon high command said this was only the first phase of firing this year, and that any field-grade officer who was not promoted to a higher rank this year will be "retired." This would especially be the case with those field-grade officers who served for 6 years in the army. This order should not be intrepreted as an attempt by the Thieu regime to demobilize the army. The same report documented the fact that the Thieu regime is training 8,000 new soldiers every month and 12,000 new officers every trimester. What this means is that the field-grade officers are usually the highest officers in direct command of troops. The longer they command their units, the better acquainted with the soldiers they become. This is one reason why *coup d'etal*'s (as the *coup* against Diem in the early 60's) are often led by colonels. General Thieu, a colonel during the *coup* against Diem in 1963, must remember this fact well and the leading role he played in it.

Another significant thing about the dismissed generals and the colonels is that they all come from Saigon and the surrounding areas. If a *coup* were to be made, it should first be started by army units close to Saigon. Otherwise, troop movements would be detected well in advance, allowing more than enough time for counter-measures. Again, Thieu must remember this fact very well since he was commander of the 5th division stationed at Bien Hoa, less than 15 miles from the heart of Saigon.

AMERICAN MONEY KEEPS THIEU IN POWER

To be able to carry out all his balancing acts as described above with any hope of success, General Thieu needs money. To pay his huge police force of 125,000 men to carry out repression and population control, he needs money. To keep his huge 1.1 million man army in check as well as to assure that they are loyal, he needs money. But where can he find the funds he needs? Who will finance his regime when, in an attempt to make it difficult for the PRG to carry out reconstruction for fear that they might eventually become so popular that his own supporters may turn on him, he has destroyed much of the countryside and has in the process driven agricultural production down to a level causing near starvation for a large segment of the population? The answer is the United States government. American aid, increased American aid, is financing the Thieu regime. But why military aid and economic aid? Why not economic aid alone? There are several reasons for this. First of all, not all military aid is just for weapons and ammunition. According to the official statistics quoted by the March 3, 1974 *New York Times*, the total cost of the weapons and munitions given to Saigon during the first year after the signing of the peace agreements was put at $284.7 million, or roughly 75% of the cost level for 1972. The rest of the military aid money is supposed to go for feeding and providing for the Saigon army, as well as for lining the pockets of officials. Secondly, Thieu is extremely afraid of demobilizing the army and releasing all that human energy for the task of reconstruction since many soldiers would return to their native villages (many of these under the control of the PRG), leading to the strengthening of the PRG-controlled areas. However, in maintaining his army Thieu has to provide for the soldiers, and, therefore, urgently needs increasing U.S. aid. But to woo American aid, especially military aid, Thieu has to persuade his American supporters that he is being threatened militarily or that his economic weakness would lead eventually to a "Communist take-over." To this end, Thieu has had to keep his army busy attacking PRG areas, inviting a military response. Hence the vicious circle turns out to be a downward spiral for Thieu, for the more he continues to attack the areas under the control of the PRG to prove to his American supporters that he still needs American aid to win the war, the more problems he creates for himself economically, socially, and politically. A Vietnamese columnist, Chu Thao, wrote the following in the January 7, 1974 issue of *Dien Tin:*

"The reality of history has shown us that it is impossible to conduct a war while trying to develop economically. If you wish to restore production in order to improve the living standard of the people, the first thing you must do is to stop the war. While the war is still going on, there will still be mourning, hunger, and suffering. This is the price we have to pay for war. Don't nourish the hope of economic development while the war is still going on. The problem, therefore, is still the search for peace. The search for peace after a year of ceasefire! The path to peace is the only escape route from death, hunger, suffering and mourning."

Another columnist, Professor Huynh Van Tong, wrote in the March 6, 1974 issue of Dien Tin that:

". . . all realistic programs aimed at feeding and clothing the people must demand one precondition, and that is the restoration of peace. And the restoration of peace can only be accomplished by a correct implementation of the Paris Peace agreements."

But as long as the United States government continues to give military and economic aid to Thieu, as long as Thieu can depend on the United States for more than 85% of his regime's budget, there is no incentive for Thieu to make peace with the Vietnamese people. Thieu must be made to realize by cutting off all aid to his regime that he must rely on the Vietnamese people for his survival, otherwise the United States will have to support him for an indefinite future without any hope of ever making him able to stand on his own feet.

And by relying on the Vietnamese people, that should mean *all* Vietnamese, including the PRG. There are many reasons for this. First of all, politically, the Paris Peace agreements demand national reconconciliation and concord allowing for free political competition without violence. Secondly, South Vietnam will never be able to get back on its feet again with a double economy, with Saigon developing independently of the rural areas under the control of the PRG. And thirdly, there is no guarantee that continued attacks on PRG areas won't invite an appropriate response that could flare into a bigger war. Should this happen, it would not only be costly to the Vietnamese people in terms of life and property; the United States will also be faced with the disastrous prospect of either reintervening in some way to save Thieu or losing face for abandoning him when the going gets rough.

Judging from the present situation, military attacks by Thieu on the countryside, even without provoking the PRG into increased military responses, will more than likely create increased social, economic and political problems for the Thieu regime. In the not-too-distant future these problems will materialize in the form of militant demonstrations, boycotts, strikes, and so on, in spite of Thieu's large police force and his new population control program. In fact, repression of the urban opposition will incite revolts within the ranks of the army because most of the officers come from the urban middle-class and the people repressed are either immediate family members or close relatives. What then will the U.S. government response be?

In the next few months, during debates on continued or increased aid to Saigon, one should take into account the overall implications of continued aid to the Thieu regime.

The short-term discussion of the fine points of whether the transfer of this or that type of weapon is legal or illegal under the terms of the replacement provision is important only in a larger context. It should be kept in mind that U.S. military aid to Thieu is wholly illegal. The Paris Accords specifically forbid military aid to any party in South Vietnam. Article 14 of the agreements states that "The acceptance of military aid by South Vietnam in the future shall come under the authority of the government set up after the general elections in South Vietnam provided in Article 9(b)."

Lastly, if anyone insists that a cut in military aid to Thieu would invite a Communist military take-over, let him or her be reminded of the present situation in Laos where a political accommodation is working out rather well!

[From Tho-Bao Ga, April, 1974]

TAKE-OFF OR RIP-OFF

On March 26, 1974, *Dien Tin,* a Saigon daily, quoted official sources as saying that the Thieu regime was sending many delegations of legislators, officials of the executive branch, and private individuals abroad to seek foreign aid. Three of the more important delegations to be sent at the beginning of April were to be led by former Foreign Minister Tran Chanh Thanh, former Deputy Premier Nguyen Xuan Oanh, and former National Treasury Governor Nguyen Huu Hanh. *Dien Tin* continued: "The sources explained that all diplomatic efforts of the government will be centered on the fight over economic aid in the United States during the period in which the American Congress will discuss the problem of aid to the Republic of Vietnam."

The importance of the aid-seeking mission is not only indicated by the fact that Vietnamese with any connections in the United States are sent on the delegations but also by the fact that Saigon has spent a huge amount of money in wooing aid. Deputy Kieu Mong Thu had disclosed in the March 19, 1974 issue of *Dien Tin,* that 1.2 billion piasters (over $2 million) has been spent on the aid-seeking delegations. This is compared to the 5 million piasters (or less than $10,000) that Saigon's Department of Social Welfare plans to spend as relief to help the inhabitants of the central provinces who are now threatened with famine (*Dien Tin,* March 27, 1974). In fact, there is reason to believe that the actual amount spent for the purpose of lobbying for aid in the United States is much higher than the 1.2 billion piasters reported by Deputy Kieu Mong Thu. For example, for the U.S. fiscal year 1974 Saigon is spending $20 million, or 15%, of the so-called "Humanitarian Assistance" fund in the United States itself (*Senate Hearings before the Committee on Appropriations,* FY 1974, Part 2, page 1056). This is an increase of $15.5 million over Saigon's last year spending from the same fund (ibid., page 1054). Since the "Humanitarian Assistance" fund is "untied procurement," that is it is not tied to any project, there is room for suspicion that some of this increased spending might have been used in lobbying for aid to the Thieu regime.

Why this desperate effort at wooing American aid? Hoang Duc Nha, Thieu's Minister of Information and a most trusted adviser of Thieu's has been drumming up allegations of North Vietnamese infiltration and has been warning of an offensive by Hanoi if aid from the United States were not to be increased or continued (*New York Times,* March 31, 1974). In the last issue of this newsletter, we showed in some detail how the opposite is true, that is, how continued aid to Thieu would only encourage him to continue with his present policy of military confrontation. Let's be reminded, however, that other high Saigon and American officials generally discount the possibility of an offensive by North Vietnam or the PRG. U.S. Ambassador to the Philippines and former Kissinger aide at the Paris Peace Talks, William Sullivan, was quoted in the March 28, 1974 issue of *Dai Dan Toc* as saying that he did not believe that North Vietnam would conduct an offensive in the South in the coming years. General Tran Van Don, Saigon's Deputy Premier in charge of planning and development, declared in a press conference at Orly airport in France that "As far as the military situation is concerned, I don't believe that the Communists will initiate a general offensive at this time. There will be some small attacks, but there is nothing to worry about" (*quoted in Dai Don Toc,* March 26, 1974). Nevertheless, the Nixon administration has requested an 80% increase in military and economic aid for the Thieu regime for FY 1975. This amounts to $1.5 billion in military aid and $789 million in economic aid. Added to this is $283 million under the Food for Peace program.

AID TO "TAKE-OFF"

Another argument used by the Thieu regime and the Nixon administration for increased aid to Saigon is to, as Ambassador Graham Martin has termed, induce an "economic take-off." In order to achieve this "take-off," Hoang Duc Nha explained to a gathering of diplomats and goverment officials on March 30, 1974, "South Vietnam would need some $700 million in economic aid from the United States each year until 1980, at which point it could get along with $80 to $90 million" (*New York Times,* March 31, 1974).

In a January, 1974, report entitled "Current Economic Position and Prospects of the Republic of Vietnam," the International Bank for Reconstruction and Development (World Bank) disagreed. Assuming that the problem of security is immediately restored and assuming that the "high" forecast "that the growth of exports will progressively rise from 20 percent to 30 percent a year between 1975 and 1980 and other exchange receipts will rise 10 percent to 15 percent a year over the same period," the Bank says that "net aid required in 1980 would still be on the order of $770 million a year or about $100 million higher than seems probable for 1974" (pages 33–34). Net aid means total aid minus exports.

Of course the World Bank is projecting here a dream-world, for no country in the real world has ever achieved such incredible growth. But perhaps what is more mind-boggling is the fact that the Bank assumes that either the "high" forecast of export growths or the "low" forecast (which is given as a "rise from 15 to 20 percent") could come about with Saigon having an economy totally separate and independent of the PRG-controlled areas, maintaining the present gigantic armed forces and bureaucracy, and with refugees wallowing in the squalor of the urban areas because they have been prohibited from going back to PRG-controlled and "contested" areas.

In the last issue of *Thoi Bao Ga,* we documented the fact that no nationally-based economy is possible in South Vietnam without dependence on the PRG-controlled areas. We also pointed out that the maintenance of the gigantic Saigon army and bureaucracy as well as the huge refugee population in the urban areas have had adverse effects on the prospect of economic development and postwar reconstruction. But, of course, what the Saigon regime and the World Bank have in mind is not a nationally-based economy but a foreign-based one. They hope that with continued American aid for an indefinite period in the future they can turn the part of South Vietnam under the control of the Saigon regime into a way-station for servicing foreign corporate interests, a colony where labor and natural resources such as timber and sea-products can be cheaply exploited. American aid, therefore, is a subsidy for foreign investments; and the gigantic army, bureaucracy, and unemployed refugee population are pools from which cheap labor is drawn. The natural resources exploited and the finished products made by cheap labor can in turn be exported to bring in enormous profits for the investors.

There can be no doubt why the World Bank talks optimistically of a "low" forecast in which the growth of exports will rise from 20 to 30 percent during the next 6 years. After all, this is an "export economy" to be paid for by the American taxpayers at the level of about $700 million in "economic aid" alone for at least another decade. In short, there won't be any real "take-off," only a very real rip-off. And the losers are the American people and the Vietnamese people.

In what follows we will give some examples of the way the Thieu regime takes advantage of the Vietnamese people and how American aid has made this possible. We will also show that if the present trend continues, there is a strong likelihood that the dream world the World Bank and the Thieu regime are projecting will shatter, not like a bubble but like a bomb.

LAND USURPATION

First of all, in stressing export the Thieu regime has allowed its high officials to drive the peasants off of their land even in the areas under the control of the Saigon regime, to steal peasants' crops, and to chop down trees for timber. We have documented this fantastic upsurge of land usurpation in past issues of this newsletter, but in recent days the situation has become worse and the use of violence by the officials has increased.

One example is the situation in Long Khanh province as reported in the February 4, 1974 issue of *Dien Tin*. Six thousand hectares of virgin land in the La Nga forest had been given to 600 families of refugees that the government had resettled under its "Virgin Land Development and Hamlet Construction Program." The refugees began building their settlements and turning the once rocky land into paddyfields. However, gangs of thugs hired by powerful officials were sent to the settlements to destroy the refugees' camps, steal their farming equipment, and cut down the trees in the resettlement with power saws and bulldozers until large patches of the forest were completely flattened. Finally, when the peasants voiced their concern to the authorities, their camps were shot at and an old woman was killed. Phan Quang Dan, the present Deputy Premier in charge of Resettlement and Land Development, had known about the cases of violence against the inhabitants of the area for a long time before the actual killing of the woman and had sent a telegram asking the provincial chief to protect the people. But that was as far as he went. In fact, after the death of the woman and waves of demonstrations, the government refused to do anything at all about the whole affair. So, according to the April 2, 1974 issue of *Dai Dan Toc*, the local authorities continued to beat the people, log their timber, toss teargas grenades into the camps, burn down their homes, and even take their men away after having beaten them up. (Please see the two translations on this issue later in this newsletter.)

The usurpation of the land in the La Nga region, which is expressly for the purpose of logging timber for export, is a typical case concerning the usurpation of relatively newly cultivated land owned by the people. The logging has been carried out with such speed that much of the once dense forests in many provinces have been largely denuded.

Besides the logging on usurped land, Saigon officials have also allowed "Legal" logging on public land. According to the March 15, 1974 *Dai Dan Toc*, 85% of the "legal" contractors are close relatives of high officials in the Department of Forest Inspection and do not have to pay any taxes to the government for logging the forests. Although the taxes for logging permits are small, the amount of trees felled has been so high that it is estimated, according to the same report, that last year the regime lost 70 to 100 billion piasters in taxes. This amount is equal to 2 to 3 times the entire budget for education for 1974 (*Dai Dan Toc*, November 20, 1973)!

According to the Saigon Lower House sources cited in the March 24, 1974 issue of *Dien Tin*, this frantic logging has caused widespread flooding in the highland and central provinces which in turn has destroyed much of the crops and property of the population in those areas. The article continues:

"In recent days many directors of the provincial forest inspection offices have been forced to issue logging permits to a number of people who specialize in exporting timber.

"In many provinces, government inspectors, if they themselves are not conniving with regional authorities in logging timber for private benefit, are powerless in the face of the loss of precious timber in the forests as the result of heavy-handed methods of the regional authorities.

"Very recently, a provincial chief ordered his henchmen to liquidate a director of forest-inspection because he dared to oppose the provincial chief's disastrous practice of taking his own soldiers into the forests to chop down trees and gather it in the most unsparing way. . ."

HUNGER AND STARVATION IN CENTRAL AND HIGHLAND PROVINCES

The combined effect of the usurpation of land for logging and the usurpation of thousands of hectares of cultivated land and the stealing of crops and other agricultural products has been the further impoverishment of the rural population and hunger and starvation in many central and highland provinces (*Dai Dan Toc*, March 14–18, 1974). In its March 29, 1974 issue, for example, *Dien Tin* reported:

"According to the reports of Caritas, the province of Thua Thien has 777,771 persons and of these people 40% have enough rice for two meals a day, 30% have a meal of rice and a meal of rice gruel, and the remaining 30% can only have one daily meal of gruel mixed with roots and greens.

"Many deputies from the provinces of Thua Thien, Quang Nam, Quang Ngai, and Quang Tin have disclosed cases of people who have to eat wild greens, banana roots, cacti, and so on, and many people have become sick or died as a result. . .

"The important thing that must be honestly recognized is that famine is not threatening a number of central provinces alone. . ."

When the hunger situation in the central provinces and the various reasons for it (one of which is Saigon's export of rice and other foodstuffs) were brought to the attention of the Saigon government, the Director of the Office of Foodstuffs Tran Quang Minh retorted that there was more than enough rice in the central provinces and that the only problem was that the prices were somewhat high and some people just could not afford to buy rice (*Dien Tin*, March 29, 1974; *Dai Dan Toc*, April 2, 1974). Thieu himself was reported as having blamed the people for not responding to his call for increased production, implying that the people were responsible for the hunger situation facing them (*Dien Tin*, March 28, 1974). Having said this, Thieu exhorted the people to be "self-reliant" (in other words, don't expect help from the government) and tighten their belts. The people could help themselves, said Thieu, and help increase production by raising 3 pigs, 10 chickens, a brood of ducks, etc., per family. Other members of the Thieu's cabinet have held public conferences to tell the people that the reason for their present predicament is their ignorance of birth control methods. This kind of official talk in the face of serious food shortages, caused by official bungling, corruption, and so on, led Saigon newspapers to carry repeated editorials using daring words. *Dien Tin*, for example, wrote on March 3, 1974: "Even if there were birth control, the poor working people will continue to be poor as long as the present economic system still remains a system for servicing a powerful minority."

PADDYFIELDS TO PLANTATIONS

Another aspect of the "export economy" of the Thieu regime is that commodities are exported only if they are in demand by foreign markets, if they can be produced cheaply, or if they can be stolen with little effort. Therefore, Saigon officials and landlords, who own a very large percentage of the paddyfields, have turned many of them into banana and other fruit plantations while others simply have not cultivated their paddyfields. There are several reasons for this. First of all, countries like Japan are demanding bananas and other fruits. Secondly, rice cultivation requires more labor and more capital investment, making it costlier and more difficult to compete with countries like the United States and Burma on the international market. Added to this is the recent "energy crisis" which pushed the price of gas and fertilizer up so that rice cultivation is not as profitable anymore. For these and other reasons, according to the report of the Office of Development, agricultural production decreased by 20% during the last three months of 1973 as compared to the previous months (*Dien Tin, January* 13, 1974). Since peasants normally cultivate their land for survival and not for profit, even under adverse conditions they would still continue to cultivate their land. But according to the February 24, 1974 *Dai Dan Toc*, a number of deputies in the Saigon Lower House disclosed that in the Delta provinces 20% of the paddyfields growing "miracle rice" have been left fallow because the peasants simply could not afford to buy fertilizer which, according to the same article, cost 8,000 piasters per 50 kilograms at the official price and was to be increased to 10,000 piasters the following month.

"Miracle rice" needs an abnormally large amount of fertilizer as compared to regular varieties of Vietnamese rice. Although no one knows exactly how much fertilizer should be applied to a certain hectare of land, simply because the Saigon government has never done any research on the subject, the officially recommended amount per hectare is given as 50 kilograms (*Dien Tin*, January 12, 1974). In addition, because of the rent of power plows and the cost of gas, a peasant has to spend at least 10,000 piasters to have each hectare of paddyland plowed (*Dai Dan Toc*, January 28, 1974). This is not to mention other production costs such as irrigation, planting, reaping, insect control and so on. Under optimal conditions, a hectare produces about 2.5 to 3 metric tons of paddy rice.

The peasants have to sell rice at the official price of only about 2,000 piasters per *gia* or about 5,000 piasters per hundred kilograms. Again, this is not to mention the fact that most of the peasants are tenant farmers or sharecroppers who have to pay about 30% of their crops in rent. As a result, there is virtually nothing left for them and their families. The reason why the peasants have to spend so much money on fertilizer and on power plows rentals is because most of the water buffaloes in the country have been killed by bombing or shelling, for fun and for meat by American soldiers and Saigon soldiers, or intentionally for meat by landlords so that they could force fertilizer and power plows on the peasants. Even as early as November 26, 1970, *Tin Sang*, a Catholic daily in Saigon, had reported that over 200,000 water buffaloes had been killed and that in the relatively prosperous province of Can Tho in the Mekong delta, there were only about 1,000 water buffaloes, or only a few in each village. At the present time, although many rich peasants own power plows, most of the power plows are left unused because of the shortage as well as the cost of gas (*Dien Tin*, January 15, 1974).

USURY WIDESPREAD

The effects of all the above are further contributions to the poverty of the population. This in turn makes usury the most profitable way for the rich and the powerful to make money. As a result, according to the February 22, 1974 issue of *Dien Tin*, "the two most developed economic sectors are pawning and the cheap sale of household goods in order to get money to buy rice." According to the same article, the interest rate at pawnshops is 20% a month. Since usury is the most profitable way to make money, rich people do not see why they should invest in agriculture and industry and receive a much lower return. As a result, according to the official report of the Office of Development, cited in the March 27, 1974 *Dien Tin*, during the months of January and February, 1974, agricultural and industrial production decreased by about 40 to 50% as compared to the average for the same months in 1973. The food processing sector decreased by 60 to 70%.

The Saigon regime, of course, blames the whole thing on the "energy crisis." What is even worse is that the regime's Agricultural Development Bank, instead of lending the billions of piasters earmarked for agricultural production to the peasants, lent billions of piasters at very low interest rates to powerful officials and businessmen (*Dai Dan Toc*, January 9, 1974). Presumably these sums are in turn lent to the peasants and others at exorbitant interest rates! In its March 22–23, 1974 issue, *Dien Tin* reported that the Nationalist Party deputies in the Lower House had disclosed figures indicating fantastic corruption at the Saigon National Bank. The preliminary investigation shows that in 1973 about 3 billion piasters were spent on luxuries for bank officials alone. On April 5, 1974, *Dien Tin* and *Dai Dan Toc* reported that on April 4, 9 Saigon daily newspapers had been confiscated because they published a report on the activities of a Saigon bank!

PEOPLE EVICTED FROM FOREIGN-OWNED LANDS

Another aspect of Saigon's foreign-oriented economy is that it requires the regime to protect the interests of foreigners vis-a-vis the interests of its own people. A recent example of this is the passage of Decree 487 BTP/VP which in effect allows landlords and real estate owners to evict people who live on their land at any time without having to obtain permission from the Department of Civil Laws. According to the March 17, 1974 *Dien Tin*, from 70 to 80% of the privately owned land in the Saigon-Giadinh area belongs to foreigners—French, Chinese, and Indian. The new decree has created such an upsurge in evictions by the landlords in the urban areas that, according to the same issue of *Dien Tin*, many people have become so angry they burnt down their own houses and killed themselves. According to the February 19, 1974 issue of *Chinh Luan*, Frenchmen who left in 1954 are now coming back to claim their land, land which Vietnamese have cultivated and on which people have built houses. The article reported that "Frenchmen have spread the word that they will take back the houses and the land in the cities of Da Nang, Hue, Nhatrang, Qui Nhon and many other cities including Saigon itself." All this happens at a time when there are about 3 to 4 million people who are unemployed (*Hoa Binh*, February 25, 1974).

The economic situation in the cities has become so serious that 40% of the student population has dropped out of school for lack of money and becuase of hunger. Many students have become so hungry that they have fainted in class, while others go begging for any kind of job at all that would allow them something to eat (*Dien Tin*, March 26–27, 1974; *Dai Dan Toc*, March 27, 1974). What are these children to do? Where are they going to go if their families are evicted from their homes? No one in the Saigon regime has given much thought to this problem. The problem is how to please the foreigners and to make Saigon look attractive enough for foreign investors and tourists. One of the most energetic programs carried out by the Saigon government at the present time is the program to "beautify the cities."

Evicting Vietnamese tenants from land owned by foreign and Vietnamese landlords would serve both goals: the foreign investors would be pleased and the urban shacks would be replaced by hotels and offices for foreigns firms.

It is most evident then, that for the sake of "post-war reconstruction," "growth of exports," and other such programs, the Vietnamese people have had to be sacrificed. But these people are not pieces of earth which can be pounded and stepped on and molded into any form whatsoever. They too have feelings. After all, this is what the whole war has been about. The present "development" direction of the Thieu regime cannot but force the people into violent reactions at some point. But of course all that is taken care of. For the urban areas, the Saigon regime has created a new system of population control. In the words of a Saigon reporter:

"The city government just announced that the Capitol City will be divided into sections in order to control the population. Each section will be composed of a certain number of families to be supervised by a policeman who will provide security and keep track of the financial situation, the supply situation, the corruption situation—everything . . . Each person will not be free to eat, to sleep, and so on, according to his or her own liking and his or her own living conditions. Rather, from now on you must be careful because there are policemen snooping around ready to interfere in your private life although you have never broken any law or have never had any connection with the Communists."

As for the rural population, the situation is easier to deal with. After, all, there is a regular army of 1.1 million men armed with the latest American weapons. Then, according to the news release from Saigon's Defense Ministry, cited in the April 5, 1974 issue of *Dien Tin*, over 1 million so-called Self-Defense Forces have undergone "iron-training" in order to replace the Regional Forces which will be incorporated into the regular armed forces. Revolt anyone? The wrath of American weapons will come down on you!

What guarantee is there that the soldiers themselves won't revolt? After all, they too are directly affected by this situation. In a country of 18 million people, and army of 1.1 million regular forces and 4 million regional and local forces, every soldier is related to someone who is suffering because of Thieu's policies. Again, this situation is taken care of as long as there is continued American military support. Generals, colonels, and other potential *coup* leaders could be removed periodically. Army units could be used against one another or moved from one area to another. And if any section of the army revolts, you can always say that the Communists have overrun them and then you could bring in air power to wipe them out.

So far, thanks to U.S. miliary and economic aid and thanks to "post-war reconstruction" and "economic development" plans of foreign corporations and the foreign banks, the Thieu regime has managed to progress a decade beyond the present. It is now 1984 in Saigon.

REMINGTON DISPLAY HONORS DR. HAROLD McCRACKEN

Mr. HANSEN. Mr. President, the largest collection of the work of the renowned western documentary artist Frederic Remington is on display this year at the Buffalo Bill Historical Center at Cody, Wyo.

I know that many of my colleagues are admirers, as are most of the people of the United States, of the great works of Remington, and the exhibition at Cody provides a signal opportunity for close examination of the greatest collection of his works ever assembled.

The exhibition is in honor of the retirement of the center's director, the distinguished Dr. Harold McCracken. Dr. McCracken is known internationally, and is as highly regarded in his field as Remington was in his.

At ceremonies June 15 and 16, Dr. McCracken will retire from his seat as director of both the Buffalo Bill Center and the Whitney Art Gallery, and will assume the title director emeritus.

In addition to the Whitney Gallery, the Buffalo Bill Museum and the Remington display, the center also has a Plains Indian Museum—and the assemblage has the reputation for being the most complete collection of western art and memorabilia in the world. The Remington exhibit includes more than 100 pieces of the artist's work that is on loan for the occasion, in addition to the extensive Remington collection that is permanently on display at the center. One of the more famous of the paintings on loan for the special exhibition of Remington paintings and sculpture is the "Cavalry Charge on the Southern Plains," from the Metropolitan Museum of Art in New York.

Mr. President, I have great personal admiration for Dr. McCracken, and ask unanimous consent that a brief outline of his life career be printed in the RECORD for the benefit of those who may be unaware of his many accomplishments. The passage is from the May 23 edition of the Villager, and reads as follows:

DR. HAROLD McCRACKEN

Dr. McCracken, well-known author and widely-recognized authority on Western art, will observe his 80th birthday on Aug. 31. Other highlights of 1974 for him will include the publication of his 32nd book and his 50th wedding anniversary.

Born in 1894 in Colorado Springs, Colo., McCracken spent his boyhood on a small

Idaho ranch along the Snake River. When he was 18 he was working on the Canadian National Railroad and running a small trading post on the upper North Thompson River in British Columbia.

In 1916, McCracken led his first scientific expedition to Alaska for Ohio State University. The expedition, which lasted two years, resulted in a magnificent group of natural history specimens, including six giant Alaska brown bears.

Following service in World War I, McCracken made three more expeditions to Alaska. A long career of adventure followed, including expeditions from Arctic Siberia to the swamps of Cuba and the South Pacific. He also became a pioneer of motion picture documentation and began to write and lecture on his adventures.

"Iglaome," McCracken's first book, was published in 1930. This book, and more than a dozen of his subsequent books, were about his Alaskan experiences.

Today, Dr. McCracken is an acknowledged authority in a variety of fields. He is an Honorary Life Member of the Explorers Club, a Fellow of the American Geographical Society, and a Fellow Founder and Life Member of the Pacific Geographical Society. He has received three honorary doctorates from Hope College, the University of Alaska and Colorado State University.

"Frederick Remington: Artist of the Old West," published in 1947, launched still another career for Dr. McCracken. Since then, he has published nearly a dozen books and as many articles on Western Art. The life and work of Remington has always held a special fascination for McCracken, and he is, today, internationally recognized as "The" authority on the work of the documentary artist.

McCracken was the first director of the Whitney Gallery of Western Art when it opened in 1959. He has taken particular pride in the gallery's acqusition of the Frederic Remington Studio Collection.

TAX CUT FOR LOWER INCOME BRACKETS ADVOCATED

Mr. HUMPHREY. Mr. President, in a recent interview on the state of the economy and what to do about it, Dr. Leon Keyserling, former chairman of the President's Council of Economic Advisers, called for a tax cut for lower and middle-income families.

I am very pleased to report support for a tax cut, of the type proposed by several other Senators and I, from this noted economist.

Dr. Keyserling observes that many of the Nation's current economic problems are the result of an inadequate volume of business. The cure, he believes, is to get more money into the hands of the Nation's lower- and middle-income families.

One way to get money into the hands of these people, Keyserling states, is through a tax reduction for them—"for which there is still plenty of room." I fully agree with Dr. Keyserling that this "could be recouped by closing some of the loopholes."

Mr. President, the Keyserling proposals are exactly what our people and our economy need today. That is we must have relief from some of the crushing burden of inflation for most of our families, and a stimulus to the sagging American economy. The combination of tax cut and tax reform advocated by Dr. Keyserling is precisely what I have advocated for several months. I am convinced that it would help pull our economy out of its recession by providing a "shot in the arm" to consumer spending.

Mr. President, I ask unanimous consent that Robert Donovan's interview with Dr. Leon Keyserling, published June 2 in the St. Paul Sunday Pioneer Press, be printed in the Record.

There being no objection, the interview was ordered to be printed in the Record, as follows:

[From the St. Paul Pioneer Press,
June 2, 1974]

Tax Cuts in Lower Brackets Advocated

(By Robert Donovan)

Washington.—The way to ease our economic woes is to get more money into the hands of lower-and middle-class consumers, in the view of Leon H. Keyserling, president of the Conference on Economic Progess and a former chairman of the President's Council on Economic Advisers.

Among the ways this can be done, he believes, is to cut taxes in the lower and middle-income brackets or greatly to increase government spending on programs designed to improve the quality of American life or to reduce interest rates drastically.

"The energy thing is a hoax," Keyserling said in a recent interview. "I don't mean there isn't an energy shortage, but I do mean that most of the difficulties which are attributed to the energy shortage and by way of excuse for paralysis of action existed long before the energy shortage.

"In other words the problems arising out of recessions, low economic growth and poverty and income maldistribution didn't start with the so-called energy crisis. The energy crisis, fairly measured, is only a very small part of the difficulty.

"For the most part the problem is not due to the actions the Arabs have taken on oil. Because of the thinking of our scarcity school of economics and because of a lack of long-term planning, the problem is due mostly to our serious shortages of plans, serious shortages of pipeline and so forth. We have had blackouts and dimouts in all the big cities, and we have had pleas to curtail the use of power for many years now.

"We knew we were having shortages, but we were not developing our resources to the requirements of a healthy and growing economy."

Keyserling has long been one of the country's most outspoken liberal economists. A graduate of Columbia University and Harvard Law School, he came to Washington with the New Dealers in the early thirties. When the Council of Economic Advisers was created by law in 1947 President Truman appointed him as one of the three original members. In 1950 he became the council's second chairman.

He had a good deal of influence not only on the economics, but on the politics of the Truman administration. He was an exponent of economic growth, arguing that economists should concentrate not on slicing the economic pie, but on enlarging it. To this day he is carrying on his fight against what he calls the scarcity school of economics, which he believes, aggravates inflation by restrictive measures intended to cure it.

Tight money and exorbitant interest rates, he holds, have kept down the annual rate of economic growth, which has made it all the more difficult to distribute wealth fairly.

"The whole problem today," Keyserling said, "is distributional. The main way to cure the profit shortages and the investment shortage is to increase the volume of business. That would come by getting more spending power, by getting more income into the hands of the middle- and lower-income consumers and more public spending for necessary priority programs. I mean programs for education, health, slum clearance and housing, antipollution and mass transportation.

"How do you get the money in their hands? Well, you can do it in several ways.

"One is tax reduction for those people—for which there is still plenty of room. This could be recouped by closing some of the loopholes and even by raising some of the rates at the top, which were reduced too much. My taxes were reduced too much.

"I am not talking about robbing Peter to pay Paul. I am not saying that by putting more into the hands of these people that it would be taken from others in the same amount."

In other words, in his view, if the growth rate were raised, everybody would be better off, rich and poor.

"Another important way of getting more money into the hands of middle- and lower-income consumers," Keyserling said, "would be a drastic change in the whole monetary policy of the Federal Reserve System to do something about these fantastically high interest rates.

"If you compare them today with where they were—and should have remained—as of, say, 1953, the difference represented by the higher interest payments is about $100 billion a year.

"What is happening to that $100 billion? The easiest way to express it is that it is being transferred from those who borrow to those who lend. That is obvious. Who borrows and for what? The average American family—and not the poor families—borrow to buy the car to go to work, they borrow to pay for their homes and for consumer durables, they borrow to educate their children.

"The fantastically high interest rate policy is deliberately transferring $100 billion a year now from those whose incomes should be increased to those who incomes don't need to be increased. Who's getting the money? The banks, financial institutions and others who are very substantially engaged in lending money."

The higher rates, he said, are also costing the government $9 billion a year more than it would have had to pay for interest, if the rates had remained where they were 20 years ago. The $9 billion plus $40 billion that Keyserling believes the government is losing annually on "tax give-aways" would be sufficient, he said, to carry on adequate public programs.

"If you undertook a national income support program, which even Nixon at one time advocated," he said, "the amount of money required annually to lift all poor families out of the poverty cellar is only between $11 billion and $13 billion.

"The policies which have distributed income in the wrong directions, creating social injustices, are not just a matter of being unfair. They have also raised havoc with the economy. Because of the declining rate of the Gross National Product we are in a recession now. And this is a big one, and it is going to get worse before it gets better.

"It is just because we have neglected these moral and human considerations that we have done such a poor job in purely economic terms. In other words, if we made the American economy moral, it would be a far, far healthier economy."

NORTHWESTERN RAILROAD'S EMPLOYEE OWNERSHIP PLAN

Mr. PERCY. Mr. President, a former member of my staff, John McClaughry, has written a most perceptive article on the Northwestern Railroad's employee ownership plan, which has just been printed in the spring issue of Business & Society Review.

The article details the development of

the employee ownership plan, how it has helped the railroad remain a viable entity, and the very beneficial effect it has had on the spirit and motivation of the employees. In short, this experiment makes a strong case for this type of employee ownership plan.

Mr. President, I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From Business & Society Review,
No. 9, spring, 1974]

Employee Ownership: A New Way To Run a Railroad

(By John McClaughry)

(Editor's note.—John McClaughry, a contributing editor to *Business and Society Review*, recently founded the Institute for Liberty and Community in Concord, Vermont. His long-term research involves expanded ownership of property.)

A funny thing happened to the president of the C&NW Railroad during his tour of Milwaukee's Butler yards this year. A prim, gray-haired secretary caught him by the arm in the yard office and whispered, "Say—how're we doing with our stock?"

That kind of happening would be most unusual on other railroads, but bulky, forty-six-year-old Larry Provo is getting used to it. For in June of 1972 his Chicago and North Western railroad became America's only completely employee-owned major railroad, and probably America's largest employee-owned corporation as well.

The Northwestern, founded in 1836, was the first of the great Illinois-based railroads. By 1900 it boasted 9,000 miles of track and over 1,200 great steam locomotives. By the Fifties, however, the railroad was in deep financial trouble. Competition from airlines and trucks had cut into its revenues. Management was dispirited. Bankruptcy seemed inevitable.

Then came Ben W. Heineman. He made the Chicago commuter service the finest in the nation and put the railroad in the black. He added two profitable chemical companies, and formed a holding company—Northwest Industries. In 1968 Heineman bought a conglomerate, Philadelphia & Reading, then yielding about $350 million annual revenues from such components as Fruit of the Loom underwear and Lone Star Steel Co. And in doing so he found out something: a railroad is not a very good thing to build a conglomerate empire around. The railroad contributed $400 million in debt and very little in profits to the Northwest Industries account books. It was easier to make money in manufacturing. In addition, the ICC was claiming jurisdiction over conglomerates that included a railroad. This made investment banks shy away from the whole enterprise.

So in 1969 Northwest Industries decided to dump the Northwestern. Since Heineman had been having merger talks with the Milwaukee road, he offered to sell them the railroad, but Milwaukee wasn't interested. Also among those not interested in such a sale were the top management of the Northwestern Railroad. Their reason was simple—they didn't want to be swallowed up in the Milwaukee's management structure—and they dared to think that they could run a railroad profitably themselves. So North Western president Larry Provo, who had come in with Heineman in 1956 as a twenty-nine-year-old CPA, decided to make Heineman an offer. And a deal emerged.

A NEW COMPANY EMERGES

First, Northwest Industries wrote down the book value of the railroad from $800 million to about $400 million, giving the holding company a nice tax shelter. The newly formed North Western Employees Transportation Corp. (later renamed the Chicago and North Western Transportation Co.) agree to assume the railroad debt and to pay Northwest Industries $19 million in twenty-year notes. The holding company kept the two chemical companies and agreed to guarantee $9 million of the railroad's debt resulting from joint obligations for facilities shared with other railroads. The new company pledged not to diversify and not to pay dividends for five years.

Provo proposed to sell up to 300,000 shares of new stock to railroad employees. Provo was no visionary about this. Railroading was in his blood, and he had watched with scarcely disguised discomfort as the railroad was in ill repute as a member of the conglomerate. He firmly believed that a railroad should be run by railroad men who own a major stake in their railroad, and who are determined to make money by running a first-class railroad. The horrible example of the diversified Penn Central's slide into bankruptcy was on his mind. "We should run a railroad," says Provo, "and not create a company beholden to Wall Street."

To stay out of the clutches of investment bankers, and yet come up with enough working capital to make the railroad a success, pointed to only one strategy—accumulating capital from as many employees as could be interested in the deal. The staff of the ICC, with jurisdiction over the transfer, was nervous about this plan. Its Bureau of Enforcement found lots of reasons why the scheme wouldn't work, even predicting bankruptcy. The ICC staff, accustomed to regulating railroads owned by large investors and corporations, saw grievous consequences if it put its stamp of approval on the kind of transaction customarily regulated by the SEC—the sale of stock to potentially unsophisticated investors. Still smarting over the Penn Central fiasco, the staff held back its approval.

But gradually the ICC came around. Strong letters of support came from Sen. Philip Hart of Michigan, chairman of the Senate Antitrust and Monopoly Subcommittee; Sen. Vance Hartke of Indiana, chairman of the Senate's Surface Transportation Subcommittee; Charles Percy, senior Senator from Illinois; and crusty Wright Patman of Texas, the powerful chairman of the House Banking and Currency Committee, who had long waged war with banks and insurance companies over their meddling in railroad management. Three influential labor leaders, headed by the Railway Clerks' C. L. Dennis, told the ICC that employee ownership would increase motivation, morale, and benefits to the workers. And Robert Brooker, former chairman of Marcor, who had had long and favorable experience with profit sharing at Marcor and Sears Roebuck, lent his prestige and influence to the railroad's case.

In his 1971 findings on the C&NW proposal, ICC examiner Edward J. Reidy, after noting some pitfalls of employee ownership, gave a remarkable endorsement of its advantages. Said Reidy:

"In some particulars the rail industry seems uniquely suited to employee ownership. Considerable railroad work is performed by teams or units without supervision. Necessarily the attitude and motivation of these individual workers become important characteristics of the work product. Properly motivated, as an owner could be, the employee is discouraged from wasting time or goods, and is encouraged to discover savings or improvements which could be made by the railroad. The employee-investor would tend to voice strong support for management decisions patterned to promote improvements on the rail fleet and properties, for he would want his railroad to be the 'best' railroad. To some extent an ownership plan could encourage thrift, in that money which might otherwise be spent would be invested by the individual in stock. With respect to labor-management relations, the attainment of susbtantial employee-shareholder participation should have an irenic impact, resulting in greater harmony in this troublesome area. Very possibly employee-investors might become more civic-minded as they are made keenly aware of the obvious relationship existing between community development and adequate transportation, for employee-owners of NETCO are also citizens of many communities in the 11 States this carrier serves. Although it is not possible to quantify the benefits accruable from employee ownership, the examiner is convinced that as long as the road is profitable, the benefits are not illusory, but real. Briefly, as an employee-investor, the shareholders should gain a fuller appreciation of the importance of maintaining his railroad within a sound transportation system; by intensifying worker pride and incentive, such ownership ought to increase efficiency and productivity; and finally, ownership of the railroad by its employees will enable those who participate in the betterment of the carrier to derive whatever benefits their efforts achieve."

SALE IS APPROVED

On April 28, 1972 the ICC gave its approval to the sale. On May 5 the prospectus appeared, and for twenty days C&NW employees, plus certain labor union leaders, had a chance to buy stock in their own railroad. Provo, Dennis, and Vice-President Richard M. Freeman bought the maximum $100,000 in stock; Brooker, now a director of the new company, bought nearly as much. When the sales were added up, 1,000 of the 13,000 active eligible C&NW employees had purchased 72,825 of the 300,000 available shares at $50 each, raising an equity capital of $3.6 million.

The stock sale, however, later brought criticism of the management—when earnings produced offers of up to $500 a share! Critics charged that the whole transfer had been a deal to enrich top-level personnel. The ICC was persuaded to go along through enthusiasm for giving the ordinary blue-collar worker a capital stake in the business—but only 400 of the more than 12,000 blue-collar employees actually invested. The management and the union leaders like Dennis, said the critics, had deliberately failed to explain to the workers the advantages of buying in at the initial offering.

The criticism fails to understand the securities laws to which the railroad is subject. The railroad needed working capital to start. It could not rely on multimillion dollar investments from Wall Street, because it was determined to stay free from outside control. If it offered a payroll deduction plan at the beginning, it would fail to accumulate the working capital needed at the inception. It had to ask for the biggest chunks of money its employees could advance—a $500 minimum investment.

But on the other hand, it could not aggressively sell its stock to its employees: the laws forbid any effort by management to push the stock, and the ICC did not want to be criticized later for collaborating in the possible impoverishment of thouasnds of unwary railroad workers.

The company sent the offering prospectus to every employee. Like all prospectuses, it emphasized the speculative nature of the investment. It required considerable expertise to unravel the detailed financial tables. Ordinary working men who had had no occasion to deal with the intricacies of corporate tax laws could hardly be expected to understand, for example, that when Northwest Industries wrote down the book value of the railroad by $400 million, that automatically produced a $9 million pretax reduction in the charge, against earnings, for depreciation. This resulted in a $427,000 addition to earnings every month. Said one suburban commuter conductor a year later, "If I had understood about the writeoff at the time, I would have bought all the stock I could have got my hands on."

A GOOD REPORT SO FAR

The company did the best it could to acquaint employees with the offer, within the strictures imposed by law. A battery of knowledgeable officers manned phones at the main office to explain the prospectus to potential owners. Almost inevitably, callers listened dutifully to a detailed explanation of the pro forma balance sheet and the tax considerations, and then asked, "Look—is this a good deal for me or not?" To that question, the company was forbidden to reply. As a later survey revealed, only 17 percent of the railroad's employees ever had owned corporate stock at any time in their lives, and only 10 percent owned any at the time of the offer. Six hundred of the 1,000 new shareholders, not surprisingly, were management personnel. In the year following the stock sale, the C&NW has made money—lots of it. At the end of its first seven months, it reported pretax earnings of $16.5 million. Since large tax offsets are available, this rate of earnings promises to return nearly $400 per year to the holder of each $50 share. For this reason, offers of up to $500 per share have been reported, but few are selling. The company has offered employees a second chance to buy in early 1974, following a 60-for-1 stock split. This time there was a payroll deduction plan.

There is no assurance, of course, that the Northwestern will remain so profitable. The massive Soviet grain sales of 1972 caused a profit bulge that may not be repeated. Abandoning 2,000 or more miles of little used feeder track would cut operating costs and permit reconstruction of main line trackage. But new environmental laws are complicating abandonment and have produced a lawsuit at the Northwestern's ore loading docks in Escanaba, Mich. Competition from the subsidized Chicago Transit Authority will doubtless cut into the thin profits of the suburban commuter service, unless a regional transportation authority is created.

And some of the theoretical benefits of an employee-owned concern have yet to be experienced, due to the relatively low number of employee-owners outside the executive offices. With only 400 blue-collar shareholders spread over 10,719 miles of line, it is doubtful whether employee ownership will yield anticipated productivity gains or political opposition to the overtaxing of railroad property by local jurisdictions. Union leaders say they will strike the Northwestern just as readily as any other railroad, employee-owned or not.

But it cannot be doubted that there is a new spirit at the Northwestern. The fact that top management and 600 officers own a major stake in the railroad, and are dedicated to making it strong and profitable, has filtered down to the section hands. Track is being modernized; trains are running faster; employee training has been stepped up; management has been visibly invigorated. When Provo visited the Clinton, Iowa, shops last August, over 1,200 employees and their families truned out to express to him their faith in their railroad. Its future may be well worth watching.

COUNTERFORCE STRATEGY

Mr. MUSKIE. Mr. President, for many years the declared strategic doctrine of the United States has been deterrence—a policy which seeks to persuade a potential aggressor not to initiate nuclear war by confronting him with the certainty of unacceptable destruction in return. It has been generally assumed that such a policy is most effective when our retaliatory forces are targeted against the civilian population and industrial centers of the adversary.

During this same period, our strategic nuclear forces have developed the capacity to fulfill other roles. For over 10 years we have had, in addition to the deterrent forces, weapons capable of destroying military targets or capable of damaging our adversary's missile reserves so that they could not be used against us. With progress in technology—such as MIRV, improved command control and retargeting systems, smaller warhead size and the like—the ability of our forces to perform these secondary functions has advanced to a very sophisticated level, while we still maintain an overwhelming deterrent capability.

In recent months, Secretary Schlesinger has initiated a national debate on the question of whether the United States can improve the character of its deterrent by improving and stressing what have heretofore been deemphasized as the secondary characteristics of our nuclear forces. He has proposed, among other things, changes in the structure of our forces, further improvements in their accuracy and destructive capacity, and shifts in our declaratory policy.

This week, as the Senate considers the military procurement bill, we will consider these proposed changes in our strategic thinking—the necessity for them, their costs, and their likely effects. During the debate, I am hopeful that the Senate will not lose sight of the primary purpose of our nuclear forces—to deter aggressors from initiating hostilities.

In this regard, I believe we must do everything possible to enhance the survivability of our deterrent forces and to lessen tensions with such potential aggressors. I have serious doubts whether Secretary Schlesinger's proposed changes in our strategic forces will help achieve these goals. Improvements in the accuracy and yield of our land-based missiles and the development of a terminal guidance MARV program at this time may well lead to an escalation of the arms race with the Soviets taking countermeasures which could increase the threat to our land-based forces and heighten tensions between the world's two major nuclear powers.

Within the last 24 hours, two articles have been written about Secretary Schlesinger's proposed changes in our strategic doctrine that make this argument most persuasively. One of these articles, "Increasing the Nuclear Danger," was written by Senator McIntyre and appeared in this morning's Washington Post. The other article, "New Strangelove Scenario," was written by Richard Wilson and appeared in yesterday's Washington Star. During the last several months, Senator McIntyre, as chairman of the Armed Services Subcommittee on Military Research and Development, has played a constructive role within committee analyzing and questioning the wisdom of Secretary Schlesinger's proposed counterforce measures and will undoubtedly make a major contribution to the discussion of these measures on the floor.

Mr. President, I ask unanimous consent that both of these articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Post, June 4, 1974]

Increasing the Nuclear Danger—Our Threat to Soviet ICBMs Might Motivate Them To Strike First in a Period of International Tension

(By Thomas J. McIntyre)

(This week, or possibly next, the Senate will be voting on an amendment to the military procurement bill, drawn up by Sen. Thomas McIntyre of New Hampshire and designed to eliminate funds for three new nuclear weapons programs the Senator considers to be dangerous. The following is an adaptation of remarks Sen. McIntyre made on the subject, which were printed by the Senate Armed Services Committee.)

Buried in the obscure details of the military procurement bill's Research and Development section are three programs which, if approved, would drastically and dangerously alter our national strategic policy.

These programs would greatly increase the accuracy of our Minuteman III landbased intercontinental ballistic missiles, double their yield, and develop a terminally guided MARV (maneuverable re-entry vehicle) which would give our submarine-launched ballistic missiles, as well as our Minutemen, nearly perfect accuracy. The net effect of these programs would be to give us the ability to destroy large numbers of Soviet missiles in their hardened silos.

I have opposed these counterforce programs in the Armed Services Committee and will continue to do so on the floor of the Senate for the following reasons:

(1) These counterforce programs will put a hair trigger on nuclear war. The stable nuclear peace that the world has enjoyed in recent years has been secured by the confidence each side has had in the survivability of its retaliatory force—even after an all-out attack. This stability would be undermined by greater counterforce capabilities on either side.

Our threat to Soviet ICBM's might motivate them to strike first in a period of international tension. These programs would, therefore, produce an international wild-west filled with the fears and dangers of a nuclear "fast gun."

(2) Whatever the Soviet threat to our Minuteman, these counterforce programs would do nothing to meet that threat. Our real choice is not between strength and weakness but choosing a kind of strength that will meet the threat. And no matter how accurate or powerful our Minuteman may become, these improvements would not make them one iota less vulnerable to any projected Soviet threat against them. In fact they would make them less secure since they might draw Soviet fire.

The effective counter to any projected threat to our Minutemen from Soviet MIRVed heavy missiles are programs that will insure the survivability of our own deterrent. This is our critical Research and Development task in strategic arms.

The Military R&D Subcommittee, which I chair, therefore recommended support of all Department of Defense requests, even some questionable ones, which will insure the survivability of our strategic forces. R&D programs in this bill would give us a number of alternative ways to deny the Soviets any real counterforce advantage—by mobile deployment of our ICBM's in the air or on the ground; defending our ICBM's with a special missile defense; or augmenting our strategic force through alternative systems such as the air launch cruise missile.

The continuation of the R&D arms race is unattractive no matter what route we choose. But R&D programs dedicated to survivability do meet the threat and they do not add to nuclear instability.

(3) There is no military requirement for these counterforce programs. The R&D subcommittee I chair held searching hearings into our strategic requirements.

The Defense Department's witnesses assured us that we can now confidently destroy all Soviet civilian targets, all soft military targets, and a number of hard military targets. The only thing we cannot do is confidently destroy a large number of very hard military targets (hardened silos) efficiently. Such an increased counterforce capability is not necessary to our deterrent even as defined by the new flexible response doctrine.

(4) These programs don't give us the kind of strength we need to succeed at the Strategic Arms Limitation Talks. These counterforce programs will give the Soviets a military reason to go ahead with their MIRV deployment and will, therefore, work against our key goal at SALT—a Soviet acceptance of a verifiable agreement to restrict deployment of their new MIRVed heavy missiles

Moreover, since these programs will require the Soviets to further harden their silos, their earth moving and construction will complicate any independent verification by obscuring detection of MIRVed deployment or other modernization they might do at the same time.

Our imposing, dynamic Trident program *plus* our continued development of B–1, *plus* continued modernization and improvement of our Minutemen, *plus* our active retention of the option of MIRVing additional Minutemen, *plus* our R&D of Mobile ICBM's, *plus* our R&D of missile site defense, *plus* our continued MIRV conversion of our submarine fleet, *plus* R&D on sub- and air-launched cruise missiles, will insure that our military position at SALT II will be a powerful incentive for the Soviets to come to a serious and secure agreement.

But most important, concentrated support of those R&D programs which would enhance the survivability of our deterrent speaks with unmistakable clarity and force to the Soviets that we will never let them put a subsantial part of our strategic force at risk. We, thereby, give them the most compelling motive to restrain their destabilizing MIRV technologies and come to a secure agreement at SALT. If they refuse, we will have technologically prepared ourselves to take whatever practical steps are necessary to assure the survivability of our deterrent.

[From the Washington Star, June 3, 1974]

NEW STRANGELOVE SCENARIO

(By Richard Wilson)

People don't like to think about or talk about The Bomb but perhaps their attention can be drawn back to it by some quite audacious policies which are under discussion in the Nixon administration.

Think first about this one point: the Defense Department wishes to develop crisis plans for the relocation of many millions from 250 critical target areas to appropriate host areas as far out of harm's way as possible. Defense Secretary James Schlesinger is quite sanguine about this, noting the vast population movements in and out of Manhattan every day.

Emphasis also is returning to fall-out shelters after the nationwide scare of a few years ago and the census surveys showing that running to the basement would be no good.

It clearly can be seen that high authority is trying to lead public thinking back to the theoretical plausibility of a nuclear attack on this country under certain circumstances. There is hellish and involuted logic involved as there is in all things nuclear.

If the Soviet Union can be made to believe that the United States has developed a plan for limited nuclear attack on military targets, one way to persuade them of this policy change would be preparations to suffer the probable consequences of doing so. Thus we get people ready for mass relocation and running to the fall-out shelters (which is what the Russians do also) to give credibility to the proposition that we might use nuclear weapons in some degree, and that will help to deter Russian gambles.

The common wisdom up to now is that any use of nuclear weapons will mean the whole shebang and the planet will be done with as a livable abode.

But Dr. Schlesinger and those associated with him have a different Strangelove scenario: The credibility of our use of weapons against military targets with pinpoint precision will make it all the less likely that adventures will be undertaken by our adversaries, nuclear or otherwise.

Bluff or not, the policy is going forward and will undoubtedly be very expensive in the end. The planning for mass relocation and surveys of fall-out shelters will cost relatively little, but such things upset congressmen who do not wish to comprehend nuclear celestial mechanics.

Making missiles pinpoint accurate will cost a great deal and the whole retargeting process won't be cheap but we have the technology to do it. It is estimated that as a starter, $250 million can increase accuracy, focus on military targets and put into effect Dr. Schlesinger's new strategy. Theoretically, this backs up Dr. Henry Kissinger in his dealings with the Russians, but Kissinger seems to be a little nervous about the whole thing and there are recurrent reports of his differences with the Schlesinger doctrine.

It is probably a difference in emphasis more than anything else but actually the cost will mount up to the billions in due time which may make it appear that nuclear agreement with the Russians is not a budget saver.

Dr. Schlesinger is not too well understood, as may be suggested by Vice President Gerald R. Ford's stated inclination to replace him if Ford ever becomes president because he thinks Schlesinger's congressional relations are not good.

The rebuttal to Dr. Schlesinger is that his limited nuclear war doctrine will not reduce the threat of nuclear war but make it more likely because when the Russians comprehend what we are doing they will prepare countermeasures. The never-ending spiral of terror would thus continue. If the results were well thought out in advance there would, of course, never be a nuclear war, but it takes only a little reading of history to appreciate that such logic does not apply and statesmen make bad mistakes.

Sometimes, when Congress is relieved of its overwhelming preoccupation with impeaching Nixon, it will get around to examing anew what is likely to happen to the human race at this juncture in changing nuclear policy.

CAPITAL PUNISHMENT FOR CERTAIN SERIOUS CRIMES

Mr. BARTLETT. Mr. President, the abduction and ransom of Walt Helmerich, of Tulsa, brings home to Oklahomans the near anarchy condition which exists around our country. Mr. Helmerich's kidnaping is only the latest in a series of such violent crimes which have recently occurred.

I am thankful, and Mr. Helmerich is quite fortunate, that he was unharmed.

This offense once again points up the need for the reinstitution of capital punishment for certain serious crimes such as murder, hijacking, and kidnaping.

History has proved that this ultimate punishment is a deterrent to crimes such as kidnaping. After the kidnaping of Charles Lindberg's child in the 1930's, the death penalty was expanded to include such crimes. Immediately, the number of such terrible offenses was dramatically reduced.

I am sure the FBI will be relentless in pursuing the persons who perpetrated this offense. However, prevention is necessary as well as apprehension to reduce the likelihood of future attempts to abduct a hostage for a ransom.

I have cosponsored legislation to reintroduce capital punishment on the Federal level. I urge the Senate Judiciary Committee to begin serious consideration of this legislation.

PURCHASING POWER OF DOLLAR CUT IN HALF IN LAST 25 YEARS

Mr. HUMPHREY. Mr. President, the average consumer has been caught in what is aptly called a two-way squeeze—rising prices combined with a higher tax burden together they mean that in 1974 a family must earn double what it did in 1949 to maintain the same living standard. A study by the prestigious Conference Board of New York shows that a family which earned $5,000 in 1949 must earn $10,750 today to maintain its 1949 standard of living.

During this time period prices at the consumer level have doubled, and personal and social security taxes have increased 300 percent—in 1949, the family with a $5,000 income paid $344 in taxes and had a disposable income of $4,656; in 1974, the family with the same disposable income of $4,656 had a higher nominal income of $10,750 but higher prices ate away over $4,000 of that income and the tax burden increased to $1,627.

As disappointing and frustrating as these figures seem, the average worker suffered a particularly sharp decline in purchasing power during the past year. From April 1973 to April 1974, the average worker with three dependents suffered a decline of 5.6 percent in his real spendable earnings. If real earnings continue to decline at this rate, purchasing power will fall much more in the next 25 years than it did since 1949.

Mr. President, I ask unanimous consent that the article, which appeared in the Miami Herald describing the conference board study be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DOUBLE INCOME NEEDED FOR 1949 PURCHASE POWER

A family of four today must earn more than twice the income of a similar family a generation ago to equal its purchasing power.

Today's family must make nearly $11,000 to equal the buying power of a family with

$5,000 income in 1949, according to a study by The Conference Board, an independent business research firm in New York.

Inflation, higher federal income taxes and increased Social Security contributions are blamed for what the board called "the two-way squeeze" in its Road Maps of Industry, No. 1735.

The study did not take into consideration state or local incomes taxes, which cut deeper into the average family's buying power.

Twenty-five years ago, a $5,000-a-year family had $4,656 to spend after taxes. In 1974, a same-sized family needs $10,750 to match this buying power, the study found.

Rising prices have siphoned off $4,467. Federal income and Social Security taxes eat up $1,627 from a family's income of $10,750, it noted.

Four-person families with incomes of $10,000 in 1949 today would need $21,080 to maintain the same standard of living.

The board's study also noted that total personal income advanced 10.3 per cent last year, the largest increase in more than 20 years. However, this gain was pared to 4.5 per cent after taxes and price adjustments.

This rise still is considered faster than the long-term average of 2.7 per cent since 1949, the study said.

This year, the taxable earnings base for Social Security has been raised by $2,400, to $13,200, increasing the tax to a maximum of $772 per employe to finance an 11 per cent increase in benefits paid out this year.

Last year, the board noted, individual income taxes accounted for 22.8 per cent of total personal earnings. The Tax Foundation estimated the average American worked until May 1 this year to earn enough to pay his taxes.

Here is a table showing 1974 income needed to equal 1949 buying power.

	1949 gross income—				
	$1,500	$3,000	$5,000	$10,000	$25,000
Less: Incoma and social security taxes	$15	$63	$344	$1,112	$4,410
Equals: Income after taxes	1,485	2,937	4,656	8,888	20,950
Equivalent 1974 gross income	3,089	6,480	10,750	21,080	54,307
Less: Income and social security taxes	170	725	1,627	3,666	13,953
Less: Lost purchasing power	1,425	2,818	4,467	8,526	19,750
Equals: Income after taxes in 1949 dollars	1,485	2,937	4,656	8,888	20,590

MARYLAND'S PIONEERING APPROACH

Mr. BEALL. Mr. President, during the hearings the Health Subcommittee conducted on S. 2994, the National Health Planning and Development Act, testimony was received from Mr. Alvin M. Powers, chairman, Maryland Health Services Cost Review Commission.

Because of the unique approach taken by the State of Maryland, I believe that his testimony will be of interest to my colleagues in the country.

Mr. Powers is also director of the Bon Secours Hospital in Baltimore. I ask unanimous consent that his testimony describing Maryland's pioneering approach be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT OF ALVIN M. POWERS REGARDING "THE NATIONAL HEALTH PLANNING AND DEVELOPMENT ACT"

MARCH 26, 1974.

Mr. Chairman, members of the Committee; My name is Alvin Powers. I am Chairman of Maryland's Health Services Cost Review Commission and Director of Bon Secours Hospital, Baltimore, Maryland. I appreciate the opportunity to testify today on S. 2994, the "National Health Planning and Development Act of 1974."

I would like to begin by emphasizing that I support the testimony of Governor Noel, of Rhode Island, in requesting greater flexibility at the State level in responding to the particular problems associated with the health care industry.

The main portion of my testimony, Mr. Chairman, details the controls existent in Maryland.

The Health Services Cost Review Commission was established in 1971. The Commission was given specific responsibilities and certain powers to achieve those responsibilities.

The Commission regulates hospitals.

The Commission's first responsibility was public disclosure of the financial position of the institutions. This responsibility began the day the Commission was appointed (July 1, 1971).

The second main area of responsibility between costs, services, and charges. The Commission must certify that total costs are reasonably related to total services offered; that aggregate rates are set in reasonable relationship to aggregate costs; and that rates are set equitably without undue discrimination. These responsibilities begin July 1, 1974 for hospitals and July 1, 1975 for related institutions.

The Commission has certain powers to meet these responsibilities. We can collect accounting records (we have subpoena power) and hold public hearings. We developed a uniform accounting and reporting system for related institutions. The institutions, by law, had to adopt the appropriate system at the start of their fiscal year beginning on or after April 1, 1973. This power is important for both meaningful disclosure and to assure that costs, rates, and services provided are reasonably related. We can require full or partial audit and verification by independent CPAs.

A key power for today's discussion is rate review which, in effect, makes the covered institutions public utilities in the State of Maryland.

The Commission consists of seven persons appointed by the Governor for staggered four year terms. Our law requires that four of the seven members "shall be persons who have no connection with the management or policy of any hospitals or related institutions". Further, our regulations, which call for subcommittees of three, require at least two of those to be chosen from the "unconnected" members. Further, "no action of the Commission shall be effective unless at least four (4) of its members concur therein." (Section J). This means that even if the three "connected" persons found themselves in the majority at a Commission meeting, they could not make any effective changes without some "unconnected" support.

My next topic, Mr. Chairman, is that of our relationships with other regulatory groups in the State.

While there need be no direct administrative liaison with the licensing agency or with the P.S.R.O., very close liaison must exist with the Insurance Commisisoner or whatever body regulates Health Insurance. Close liaison with the Insurance Department is assured by having one of the two Deputy Insurance Commissioners as a member of the Health Services Cost Review Commission.

We have close coordination with the Maryland Comprehnesive Health Planning Agency. CHP has the certificate-of-need legislation. We are separate agencies, both in the Department of Health and Mental Hygiene.

Maryland has had CHP for five years, certificate-of-need legislation covering hospitals for three years and nursing homes for one year. The Health Services Cost Review Commission, under an agreement with the CHP "a" and "b" agencies, performs financial feasibility reviews of all major proposals.

Mr. Chairman, the Commission is currently developing its rate setting methodology. We have received a grant from the Bureau of Health Insurance, Department of Health Education and Welfare under Section 222 of Public Law 92–603, to develop a prototype model for rate setting at the state level.

The Commission will be setting prospective rates. The Commission's regulations require each hospital submit, one month prior to the start of its fiscal year, a budget for the next fiscal year and a report based upon nine months of actual data and a three month forecast for the current year.

The Commission has the responsibility to see that costs are related to level of service. The uniform accounting and reporting system provides for uniform definitions of overhead functions such as housekeeping, dietary, etc., and requires the reporting of a uniform statistic for each function. This will allow us to identify those hospitals which have excessive costs in a particular service. The Commission can disallow costs as excessive and require management audits of overly high cost hospital functions.

Additionally, we have divided the hospital, where relevant, into three parts, patient care centers (obstretrics, recovery room, etc.), auxiliary, or business like, enterprises (gift shops, rental of physicians' offices, etc.) and other institutional services (nursing education, medical research, etc.). After overhead costs are allocated between these we can then step down costs to the various patient care centers and compare the cost per unit of service of the patient care centers. We have chosen standard output measures for the patient care centers. For most centers we have mandated that "relative value units" will be maintained Again, the Commission can disallow some expenses as excessive and call for management audits of particularly expensive centers.

Certain aspects of the rate level are important. The budget review will assure that rates are based upon reasonable costs at effective utilization levels. No longer will hospitals be reimbursed for all costs they experience in "allowable cost" areas. Reasonable costs will be required. Rates will be set by dividing these reasonable costs by target occupancy levels; not by achieved occupancy. Pressure will be put on hospitals to close unneeded facilities. Maryland's CHP, with its grandfather clause, cannot initiate a request to eliminate existing services. The Commission will place financial pressure on hospitals to work with CHP and among themselves to achieve regionalization of underutilized departments.

The rate structure being developed by the Commission eliminates the long standing practice of subsidizing losing areas, notably obstetrical and related services, with profits in radiology, pathology, pharmacy, etc.

In addition, Maryland has an active P.S.R.O. system. The medical society foundation has a contract with the State under which the Maryland Admissions Review Program (MARP) is currently performing the P.S.R.O. function on all Medicaid patients. MARP is also negotiating with the Health Insurance Council and Blue Cross for expansion beyond Medicaid patients.

In summary, Mr. Chairman, Maryland is performing almost all the functions specified under S. 2994. Comprehensive Health Planning has planning responsibilities and certification-of-need responsibilities; the Health Services Cost Review Commission has prospective rate review responsibilities, uniform accounting and reporting responsibilities and requirements for annual auditing and verification; and the Insurance Commissioner has regulation responsibilities of commercial and non-commercial insurance carriers.

Close liaison does not require that all parts of regulation—including plan development and licensing—be put in one agency. Close liaison exists in Maryland.

In conclusion, Mr. Chairman, many unsolved issues exist on how to apply the utility regulation model to hospitals and nursing homes. The model offers potential solutions to major problems if handled correctly. I do not believe all states should adopt this approach until it has been given a chance to prove itself. We in Maryland invite careful government scrutiny at all levels and close federal involvement as we apply this model.

Dr. Harold A. Cohen, the executive director of the Commission, and I would be happy to answer any questions you might have.

JIM FARLEY RECEIVES COVETED LAETARE MEDAL

Mr. WILLIAMS. Mr. President, recently, at a dinner in New York City, Notre Dame University presented its highly coveted Laetare Medal to James A. Farley.

Those of us who have had the rare privilege of knowing Jim Farley over the years would, I am sure, unanimously applaud his selection for this honor. Jim, who celebrated his 86th birthday last week, has been a fixture on the American political scene for more than four decades. He has been a political leader in every good sense of the term, and has certainly left a significant imprint upon the history of the momentous events in which he has been a participant.

Mr. President, the award of the Laetare Medal to Jim Farley was chronicled in fine newspaper columns by Ernest Cuneo and by Bob Considine. I ask unanimous consent that these columns, together with a description of the Medal, be printed in the Record at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Paterson Morning News (N.J.), May 29, 1974]

Another Award for Big Jim

(By Ernest Cuneo)

Washington.—Notre Dame's intellectual first team, every bit as fit and quick as its football varsity, took the field the other night at the Starlight Roof of the Waldorf to award the Hon. James A. Farley the Laetare Medal, the University of Notre Dame's highest accolade.

Since it is a toss up as to which is the more famous, James A. Farley or the University of Notre Dame, it was more or less like an exchange of honors between Harvard and Yale.

Appropriately enough, those two sportswriters and fans, Ed Sullivan and Bob Considine, were on hand to record the momentous proceedings.

The name of James A. Farley is, of course, as familiar in the world of sports as it is in politics and international business.

For all practical purposes, the New York Yankees would no more start the game without Big Jim in his first base box than they would without a first baseman, both are necessary fixtures of the club.

Big Jim is the loyalist of Yankee fans, but to append the word "loyal" to Farley is a redundancy. Loyalty, happily enough, begets loyalty, and it detracts not in the least from the glory of the Notre Dame award that thousands of the Hon. James A.'s friends reacted with the observation, "It's about time!"

Actually, it was about time, because the melted snows of the Great Blizzard of 1888 were still tumbling to the sea when James A. was born that May day in the lovely little Hudson River community of Grassy Point. Jim's father was the captain of a Hudson River schooner, which carried the area's chief products, bricks, to the great metropolis downstream.

One morning, Farley's dad was kicked by the family horse as he was hitching him to the carriage. Two mornings later, the 10-year-old lad looked out the window and saw a hearse in front of the house and from then on his widowed mother took charge of her very young children.

James A. Farley recalled the other night of how his mother had told him never to take an alcoholic drink and that he never had. He was roundly cheered for this and, since the University of Notre Dame had thoughtfully provided three excellent wines, Bob Considine, and I, whose mothers had executed no such pledge, were happy to keep the team batting average by taking slugs of all three.

Actually, Farley and that immediate Hudson River locale are something of a cross-section of dynamic America. Some 60 miles upstream at Hyde Park, a wealthy squire's son, Franklin D. Roosevelt, was playing with his pony.

A few miles west, an athletic child, W. Averell Harriman was cavorting about his railroad-financer father's near one million acres. Across the Hudson, was the vast private domain of John D. Rockefeller, Pocantico Hills. All three of these wealthy families, the Roosevelts, the Harrimans and the Rockefellers, were to produce governors of New York state.

James A. Farley, however, has the distinction of being the only one who turned down the Governor's Mansion, though Franklin D. Roosevelt as President, all but begged him to make the easy run for it.

Jim couldn't; he had a growing family to educate and he felt that was his first duty. The one-time powerful postmaster general was interrupted with thunderous applause when he stated that he left public office in 1940 owning $100,000. One could not help but feel sorry for our country that its present state is such that Farley's statement was regarded as evidence for continued faith in the Republic.

[From the Union City Dispatch (N.J.), May 25, 1974]

On the Line

(By Bob Considine)

James A. Farley, 1974 winner of Notre Dame's treasured Laetare Medal, enthralled his audience at the Waldorf with an account of his life in politics and his 35 post-political years with Coca-Cola. It was a feat of total recall, a remarkable summation of the times, lives, triumphs and disasters of a vast tapestry of Americana. It's a pity that his response to the conferring upon him by Father Theodore Hesburgh of the award, which dates back to 1883, could not be heard by history scholars across the land.

Big Jim, perhaps the last honest politician, breathed life into the images of Presidents, Popes, kings, king-makers, dictators, tycoons and common folk he met along the way. He thanked the long-gone constituents (Farley will be 86 "and holding" as he says in this space age, on May 30) who launched him on his political career by electing him town clerk of Stony Point, N.Y., in 1912. And he especially thanked a man who moved him into the big leagues of politics, Jimmy Walker.

He told of a meeting he had with Walker in Paris during Walker's troubles with New York's imperious Judge Samuel Seabury. A New York Times correspondent asked the two to pose. Walker, perhaps the most photographed politician of that time, demurred. He didn't think it would be a good thing for Farley, by then on his way to making Franklin Delano Roosevelt the President of the United States. Farley said nonsense, and the picture was taken. It appeared on the front page of the Times. Seabury had some harsh things to say about Farley for consorting with a man who had fled the country, and when he returned by ship Farley was questioned about the Seabury blast by reporters who had "gone down the Bay." One of them, Jim recalled the other night, was Jimmy Duffy of the N.Y. Telegram.

"I knew Jimmy well," Farley reminisced at the Waldorf. "He was the dean of that crowd. So I said to him, 'Jimmy, it's apparent that Judge Seabury doesn't know what it means to have a friend'."

University of Notre Dame, Department of Information Services,

March 24, 1974.

The Laetare Medal

("The Laetare Medal has been worn only by men and women whose genius has ennobled the arts and sciences, illustrated the ideals of the Church, and enriched the heritage of humanity."—Excerpt from Laetare Medal citation presented to General William Starks Rosecrans in 1896.)

These are the exacting criteria employed by the University of Notre Dame in awarding its Laetare Medal each year. Established in 1883, the medal was restricted to lay persons until 1968, when it was announced that henceforth priests and religious would also be eligible. Over the years the Laetare Medal has been presented to 74 men and 19 women—soldiers and statesmen, artists and industralists, diplomats and philanthropists, educators and scientists.

The Laetare Medal is the American counterpart of the "Golden Rose," a papal honor antedating the eleventh century. The name of the recipient is announced each year on Laetare Sunday, the fourth Sunday of Lent and an occasion of joy in the liturgy of the Church. The presentation of the medal is normally part of the University's commencement exercises in May.

The idea of the Laetare Medal was conceived in 1883 by Professor James Edwards. His proposal met with the immediate approval of Rev. Edward F. Sorin, C.S.C., founder and first president of Notre Dame, and the Rev. Thomas E. Walsh, C.S.C., then president of the University. Through the years the recipients of the Laetare Medal have been selected by an award committee headed by the president of Notre Dame.

Generally regarded as the most significant annual award conferred upon Catholics in the United States, the Laetare Medal consists of a solid gold disc suspended from a gold bar bearing the inscription, "Laetare Medal." Inscribed in a border around the disc are the words, "Magna est veritas et prevalebit" (Truth is might and will prevail). The center design of the medal and the inscription on the reverse side are fashioned according to the profession of the recipient.

LAETARE MEDALISTS

1883, John Gilmary Shea, historian.
1884, Patrick Charles Keeley, architect.
1885, Eliza Allen Starr, art critic.
1886, General John Newton, engineer.
1887, Edward Preuss, publicist.
1888, Patrick V. Hickey, founder and editor of the Catholic Review.
1889, Anna Hansen Dorsey, novelist.
1890, William J. Onahan, organizer of the American Catholic Congress.
1891, Daniel Dougherty, orator.
1892, Henry F. Brownson, philosopher and author.
1893, Patrick Donohue, founder of the Boston Pilot.
1894, Augustine Daly, theatrical producer.
1895, Mary A. Sadler, novelist.
1896, General William Starke Rosecrans, soldier.
1897, Thomas Addis Emmet, physician.
1898, Timothy Edward Howard, jurist.
1899, Mary Gwendolin Caldwell, philanthropist.
1900, John A. Creighton, philanthropist.
1901, William Bourke Cochran, orator.
1902, John Benjamin Murphy, surgeon.
1903, Charles Jerome Bonaparte, lawyer.
1904, Richard C. Kerens, diplomat.
1905, Thomas B. Fitzpatrick, philanthropist.
1906, Francis J. Quinlan, physician.
1907, Katherine Eleanor Conway, journalist and author.
1908, James C. Monaghan, economist.
1909, Frances Tiernan (Christian Reid), novelist.
1910, Maurice Francis Egan, author and diplomat.
1911, Agnes Repplier, author.
1912, Thomas M. Mulry, philanthropist.
1913, Charles B. Herberman, editor-in-chief of the Catholic Encyclopedia.
1914, Edward Douglas White, Jurist and Chief Justice of the United States Supreme Court.
1915, Mary V. Merrick, philanthropist.
1916, James Joseph Walsh, physician and author.
1917, William Sheperd Benson, admiral and chief of naval operations.
1918, Joseph Scott, lawyer.
1919, George L. Duval, philanthropist.
1920, Lawrence Francis Flick, physician.
1921, Elizabeth Nourse, artist.
1922, Charles Patrick Neill, economist.
1923, Walter George Smith, lawyer.
1924, Charles D. Maginnis, architect.
1925, Albert Francis Zahm, scientist.
1926, Edward Nash Hurley, businessman.
1927, Margaret Anglin, actress.
1928, John Johnson Spaulding, lawyer.
1929, Alfred Emmanuel Smith, statesman.
1930, Frederick Philip Kenkel, publicist.
1931, James J. Phelan, businessman.
1932, Stephen J. Maher, physician.
1933, John McCormack, artist.
1934, Genevieve Garvan Brady, philanthropist.
1935, Francis Hamilton Spearman, novelist.
1935, Richard Reid, lawyer and journalist.
1937, Jeremiah Denis M. Ford, scholar.
1938, Irvin William Abell, surgeon.
1939, Josephine Van Dyke Brounson, catechist.
1940, General Jugh Aloysius Drum, soldier.
1941, William Thomas Walsh, journalist and author.
1942, Helen Constance White, author and teacher.
1943, Thomas Francis Woodlock, editor.
1944, Anne O'Hare McCormick, journalist.
1945, G. Howland Shaw, diplomat.
1946, Carlton J. H. Hayes, historian and diplomat.
1947, William G. Bruce, publisher and civic leader.
1948, Frank C. Walker, Postmaster General and civic leader.
1949, Irene Dunne, actress.
1950, General Joseph L. Collins, soldier.
1951, John Henry Phelan, philanthropist.
1952, Thomas E. Murray, member, U.S. Atomic Energy Commission.
1953, I. A. O'Shaughnessy, philanthropist.
1954, Jefferson Caffery, diplomat.
1955, George Meany, labor leader.
1956, General Alfred M. Gruenther, soldier.
1957, Clare Boothe Luce, diplomat.
1958, Frank M. Folsom, industralist.
1959, Robert D. Murphy, diplomat.
1960, George N. Shuster, educator.
1961, John F. Kennedy, President of the United States.
1962, Francis J. Braceland, M.D., psychiatrist.
1963, Admiral George W. Anderson, Jr., chief of naval operations.
1964, Phyllis McGinley, poet.
1965, Frederick D. Rossini, scientist.
1966, Mr. and Mrs. Patrick F. Crowley, founders of The Christian Family Movement.
1967, J. Peter Grace, industralist.
1968, Robert Sargent Shriver, diplomat.
1969, William J. Brennan, Jr., jurist and Associate Justice of the Supreme Court of the United States.
1970, Dr. William B. Walsh, physician, project HOPE originator.
1971, Walter Kerr, drama critic, and Jean Kerr, author.
1972, Dorothy Day, founder of the Catholic Worker Movement, journalist and author.
1973, Rev. John A. O'Brien, author.
1974, James A. Farley, business executive and former Postmaster General.

PROBLEMS OF THE PHILIPPINES

Mr. ABOUREZK. Mr. President, with strong U.S. support, the Philippines has been converted from Asia's oldest and proudest democracy into a dictatorship. For the last 16 months, President Ferdinand Marcos has ruled under martial law. Meanwhile, U.S. economic and military aid to this regime has inched upward.

Many Americans have reacted with horror. A group of 114 prominant U.S. educators and clergymen who know the Philippines well have appealed jointly to Marcos to restore constitutional democracy. But in both Manila and Washington, their pleas have been ignored.

The United States, which has planted democracy in the Philippines, has avoided official comment on the drastic change under Marcos. But while there is not a word of Washington rhetoric on the situation, U.S. aid has increased. Economic aid rose from $77.6 million in 1972 to $87.5 million in 1973. Military aid rose from $14 million to $15.7 million in the same time period.

According to many recent reports, U.S. Special Forces are cooperating with the Philippine army, although its accent is on "civic action"—developmental work in the countryside.

It is clear that the heavy dose of U.S. assistance to the Marcos regime has contributed heavily to sustaining the Philippine military before martial law. In fact, through this outright military welfare system, Marcos is building an even larger military apparatus than ever before.

Again, this year, the Congress is being asked to appropriate an even greater amount of funds to support the military of the Philippines. Yet, there is little question that the regime is using its military muscle to enforce some of the most repressive and inhumane policies found anywhere in the world on its own people.

Mr. President, the time has come to stop this oppressive support of the Marcos regime, for without that support, there can be little question that the present Philippine Government would fall. It simply cannot stand on the support of its own people.

Recently, Mr. Benedict J. Kerkvliet, a professor of political science at the University of Hawaii and currently a fellow at the Woodrow Wilson International Center for Scholars here in Washington, testified before the Subcommittee on Foreign Operations. Having read his statement, I believe that Mr. Kerkvliet offers a tremendous insight into the problems which the people of the Philippines have faced under the Marcos regime. In addition, he poses a strong argument for the termination of U.S. military assistance to that government—as long as the despotic rule under President Marco continues.

Mr. President, I ask unanimous consent that the statement of Professor Kerkvliet be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TESTIMONY BY BENEDICT J. KERKVLIET

Mr. Chairman and Members of the Subcommittee: I am Benedict J. Kerkvliet, a professor of political science at the University of Hawaii and currently, for 1973–74, a Fellow at the Woodrow Wilson International Center for Scholars here in Washington. I am speaking today on behalf of myself and an organization of concerned Filipinos and Americans called Friends of the Filipino People (FFP).

We have been following closely events in the Philippines since President Ferdinand Marcos imposed martial law and curtailed all civil liberties in that country. I, for example, lived in the Philippines from March 1969 through November 1970 while doing research on peasant movements there, especially the Huk rebellion (1946–1954). And since then I have studied political developments in the Philippines and other countries in Southeast Asia, partly in connection with my teaching and my own research. My studies and those of others in the Friends of the Filipino People and organizations with similar interests have caused us to be alarmed at trends in the Philippines. We fear increased repression and violence under the present martial law regime. And we fear that the United States will continue to contribute directly to this repression. We want the United States government to show to the world this year that it will no longer continue to support military dictatorships. We want the United States to end all military and military-related assistance to the Marcos regime, the newest dictatorship in Southeast Asia. If the Administration of President Richard Nixon fails to stop this aid, then we want at least the 93rd Congress of the United

States to refuse to appropriate any more money to the martial law regime in the Philippines.

The basis for this position is the following argument. First, the martial law regime in the Philippines is a repressive one. Repression and abusive government practices have been major themes in the country's politics during the last one and one-half years. They far exceed whatever shortcomings the country had prior to martial law. Second, repression and abuses have provoked Filipinos from many different backgrounds and political orientations to resist, often rebel. Rebellion is more extensive than before martial law. Third, the response of the Philippine government, in turn, has been more repression and further militarization of the government and the entire society. Fourth, this military apparatus, including the country's enlarged armed forces and modernized national police, is heavily dependent upon the United States. Whether or not Congress has approved, the United States government is perpetuating this dictatorship and its repressive policies. This not only makes a farce of our democratic principles and heritage, but it could easily drag the United States into another "Vietnam" type of war in Southeast Asia. That prospect scares me to death, and I should think that it would millions of other Americans and Filipinos, too.

POLITICAL REPRESSION IN THE PHILIPPINES

Since September 1972, the Republic of the Philippines has been under martial law. This country, which once was widely known as America's "showcase of democracy" and one of the few countries in the Third World to have any semblance of democracy, has become a dictatorship. The dictator is Ferdinand E. Marcos, who is both President and Prime Minister of the Republic.

The laws of the land under martial law are the Presidential Decrees, Letters of Instructions, and General Orders that only President Marcos or his own ministers can issue. He has proclaimed over 440 Presidential Decrees so far. He has destroyed the legislative and judicial branches of government, silenced the press, ordered the arrests of thousands, and mobilized the military.

One of President Marcos's first acts after declaring martial law was to dismiss the Philippine Senate and House of Representatives. He banned all political parties and cancelled all elections, including his own. His second, and final, term as President should have ended December 1973. He arrested prominent Senators and several delegates to the Constitutional Convention, which was then in session. These persons had been Marcos's political enemies and outspoken critics of the militaristic tendencies of the Marcos administration prior to martial law.

He also destroyed the previously independent judicial branch. General Order No. 3, which Marcos issued the first day of martial law, disrobes the court by excluding all acts, decrees, and other orders of Marcos or his representatives from judicial scrutiny. Also excluded are criminal cases involving such issues as "national security," the fundamental laws of the State," and "public order." [1] He added four members to the Supreme Court, appointing persons known to be loyal to him. Then, as a journalist recently wrote, "to seal the collapse of the old independent judiciary, President Marcos not only squeezed resignation letters from all judges down to the Court of First Instance level (presided over by district judges); he also made sure the nine carry-over Supreme Court justices took new oaths of office under his Constitution." [2] The President has also formed "military tribunals," one or more for each military region of the country, to try both civilian and military cases involving "crimes" against the government.

The Marcos government was not content with simply cancelling all elections. It has wanted to give the appearance of free choice, especially for the benefit of the outside world. It has called, therefore, two referendums: one to approve a new Constitution, which allowed Marcos to stay in power indefinitely, and the other to approve the programs of the "New Society." For these referendums, the Marcos regime created "Citizen Assemblies" throughout the country. People had to vote in public, frequently in the presence of armed police, and with government officials coaching them on the "correct" ballots. As the highly respected Bishop Francisco F. Claver wrote recently:

"Probably the single most resented aspect of martial law (and this is true among the privileged as well as the underprivileged classes) is the loss of freedom of choice at the polls. The past two referendums have been unparalleled farces, a fact that is not lost on even the regime's staunchest supporters. For a people used to turning out of office unpopular administrations in the past through the instrumentality of the free ballot, having to vote according to 'suggested answers' is the ultimate indignity. The people feel the insult deeply, but they also realize they are not going to achieve anything in open demand for their rights." [3]

The New Society prohibits the civil liberties of the "old society." As one recent study concluded, ". . . there is no freedom of the press, no freedom of speech, no freedom of assembly, no freedom from arbitrary arrest, and no guarantee of a fair trial." [4] Where there were 15 or 20 daily newspapers before martial law, there are only three now—all of them strictly controlled by the government, and one of them with close ties to President Marcos. The number of radio and television stations has similarly declined. All media must abide by the government's rules of censorship. These rules prohibit any criticism, let alone any dissent, of government policies and the President himself. "The media report virtually nothing but praise for the Marcos administration," wrote one scholar.[5] A correspondent remarked, as others have, "Manila's press after martial law counts among the dullest and most obedient in the world." [6]

Media people must adhere to government censorship lest they lose their licenses, be imprisoned, or both. Since martial law, the government has imprisoned numerous journalists, publishers, and broadcasters. At least one of them has been tried on charges of "subversion," and sentenced to several years of hard labor. Under martial law, "subversive literature" is, as Maryknoll priests told a *Washington Post* correspondent last November, "any article even mildly critical of the regime—even articles from magazines such as *Time* or *Newsweek* . . . ." [7] The government has banned from the country at least nine issues of *Time*, for example, because they had stories containing criticism of Marcos's policies.[8]

The government has outlawed strikes, political organizations, and unauthorized political meetings. "Strikes are a luxury we cannot afford in the 'New Society'," said Alejandro Melchor, the Executive Secretary to Marcos.[9] The regime has also dissolved labor courts and imposed compulsory arbitration in order to suppress labor and peasant unrest that had been common prior to martial law. Peasants, who comprise nearly 75% of the population, can only form associations that have the government's approval. In most localities the government has outlawed chapters of the two largest peasant organizations prior to martial law, the MASAKA (*Malayang Samahang Magsasaka*, or Free Farmers Union), and the FFF (Federation of Free Farmers).

Fear and force are principal means the government uses to get compliance and obedience. Both the censored Manila newspapers and the foreign press report numerous police raids and mass arrests. During the first three months of martial law, the Philippine Constabulary (PC) stated that 8,261 persons had been arrested. After one year of martial law, the government admitted that it had arrested or, in the government's language, "detained" 11,697 persons.[10] The figure must be far above that now because arrests and police raids have continued unabated in the eight months since last September. A common practice of the specially trained "Metrocom" (Metropolitan Command) police attached to the Philippine Constabulary is to surround an entire neighborhood, usually at night, force everybody out of their homes, and arrest people who look suspicious. These are called "zona" raids, named after the similar methods of the military during the Japanese occupation in World War II. In recent months, the police have focused especially on intellectuals and clergy. In December, for example, the PC raided the Baguio City branch of the University of the Philippines and arrested 150 professors and students. The PC released some of them a short time later, but they took the others to a PC prison or "detention center" for interrogation and imprisonment. Among the prominent persons recently arrested are Dr. Nemesio Prudente, former president of the Philippine College of Commerce in Manila; Attorney Charito Planas, a critic of martial law and a former delegate to the Constitutional Convention; and Lorenzo Tañada, Jr., a media executive and son of former Senator Tañada who has been a lawyer for several of those people arrested during martial law.[11] As for the clergy, the government has raided convents, church schools, church universities, and private homes in order to arrest ministers, priests, and nuns. At least 22 priests and nuns had been "detained" as of November 1973, according to a *New York Times* report.[12] By now the number is larger because the government, angry with those in the Catholic Church who continue to criticize the military for its abuses and martial law in general, has quickened its drive against the clergy despite military assurances earlier that arbitrary arrest of Catholic clergy would stop.[13]

Frequently, people arrested are never charged with a crime. People suffer, as priests in one Philippine province recently protested, "arbitrary arrests and acts of harassment on [grounds of] mere suspicion of so-called subversive activities." [14] Others, such as Baldomero T. Olivera, a former press secretary to a late Philippine President, are arrested for "rumor mongering," a punishable crime according to Presidential Decree No. 90.[15] "Anyone who utters any criticism automatically becomes an enemy of the State," reported Professor John M. Swomley, Jr., after returning from a visit to political prisoners in Manila.[16] Still others are accused of specific crimes, including "subversion," but languish in prison for months without trial. From time to time, the government releases "detainees," after they agree to endorse the New Society and to report regularly to assigned police and military officers. Others, however, have been in prison for months. Senators Jose Diokno and Benigno Aquino, Jr., for instance, have been in prison since the first day of martial law. They still have not yet been formally charged. Their only offense seems to be that they were strong critics and threatening political opponents of Marcos prior to martial law.

Inside the prisons, government authorities often abuse the prisoners. A peasant whom the PC arrested, for example, fought the guards at the "detention camp." The guards, in turn, electrocuted his penis. He had

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fought the guards in the first place because the reason he had been arrested was because he had tried to get the landlord to follow the rules of Marcos' land reform program.[17] A former prisoner wrote that many of those people arrested for subversive activity never make it to prison; "often as not, they are killed at the time of their capture by ambitious military men anxious to report 'battle' victories." Those who escape murder "are taken to secret apartments and at times to military camps where they are squeezed for information through the use of a wide range of crude to sophisticated torture techniques."[18] In mid 1973, 27 priests reported in a joint letter that they had documentary proof of men who had been "killed in jail even before their guilt could be investigated and established."[19] A pastoral letter of Sulu and Mindanao priests read to hundreds of congregations on Easter Sunday 1974 protested, "That some detainees, according to a growing number of reports, have been subjected to torture in violation of the United Nations Declaration of Human Rights, yet there are no signs that steps are being taken to correct this."[20] A study in November 1973, based on a survey of key informants throughout the Philippines, found that, "There are frequent reports of physical torture from all regions of the country. The families and relatives of prisoners are [also] kept under surveillance.[21]

Outside the prison, too, military officers and other government authorities abuse civilians and continue practices of corruption and favoritism. In the provinces, people report that military authorities get away with everything from murder to stealing funds from relief projects to siphoning gas from civilian trucks into their own vehicles.[22] A study of all regions in the country found, for example:

"In the cities of Central Luzon, the 1st PC Zone Command protects gambling and houses of prostitution. In Cebu and Eastern Visayas, the 3rd PC Zone Command protects smuggling and vice, which are reported to be much worse now than before martial law. From Zamboanga del Norte, there are many reports of crimes committed by the military against defenseless Muslim civilians. In Mindoro, the PC are accused of land grabbing from the Mangyans (a tribal group)."

The study concluded that instead of controlling the abuses of local politicians, who are by and large the same people as before martial law:

"The military in most of the eleven regions of the country are . . . party to the abuses. There is a marriage of convenience from which both military and politicians profit. The ordinary people are the ones who suffer. There is no one to defend their rights. No one to whom they can appeal their grievances. They are intimidated, fearful. They have no recourse from either the abuses of the military or the politicians, and abuses are common."[23]

A lawyer for recent refugees from heavy fighting in Sulu province said, "The efforts of the President to establish his New Society by martial law have failed because despite the various decrees, . . . the people are still suffering from want, fear, corruption, and iniquitous treatment from the people who have been charged with carrying out his presidential orders."[24]

Since martial law began, the Marcos regime has increased its budget for propaganda from 3 million pesos to 68 million pesos ($10 million) in order to sell the New Society both at home and abroad.[25] But appearance of reform is not enough, not when repression is so harsh and the "reforms" themselves so empty. As a *Wall Street Journal* reporter wrote a year ago, "Despite a few promising indications, his [Marcos's] 'New Society' remains more a matter of public relations than of profound reforms. Its momentum, moreover, seems to be sagging."[26] Land reform, for example, which Marcos has said repeatedly should be the only gauge of success or failure for the New Society, has so far been a failure. And it shows every likelihood of continuing to be so because it excludes most tenant farmers, while those who are affected will probably end up as poor as they were before martial law.[27] Corruption continues, even at the highest levels of government. The major difference is that corrupt military officers have replaced some of the corrupt politicians.[28] The widely advertised claim that "crime in the streets" is wiped out appears to have been only a temporary reality. Even the government censored press reports more stories of crime now than it did a year ago. Last October, the Department of Defense admitted to a delegation of Catholic bishops that crime rate was on the rise and was fast approaching pre-martial law proportions.[29]

Those who have benefited from martial law include the foreign investors, particularly large American, Japanese, and multinational corporations.[30] Other beneficiaries include Filipino political and economic elites. Talk about redistribution of wealth and undermining the wealthy families notwithstanding, the martial law regime has not posed a threat to the elite as a whole. Only a few of the oligarchal families have lost some wealth and political clout. They did because they were political enemies of Marcos, who took his revenge once he had acquired so much power by virtue of martial law. Marcos and his family have benefited, too. Reputed to have been the wealthiest man in Southeast Asia before martial law, Marcos must be one of the wealthiest men in Asia now. He is also, in effect, President for life—or for as long as he can hang on to the position.

GROWING RESISTANCE AND REBELLION

Social, economic, and political conditions in the Philippines were bad before martial law. Since then, they have become in several respects even worse. But now Filipinos have far fewer legal options in order to express their discontent. The result, almost inevitably, has been increased illegal actions, resistance, and even armed rebellion. The authorities characterize the people who do these things as "subversives," "communists," and "Maoists." If there is any truth at all to this, it accounts for only a small number of people. It is the government—its repressive policies and bad economics—that is provoking people to resist and to rebel.

Take wage laborers, for example. Inflation exceeded 30 percent last year and it is still climbing; unemployment is increasing; employers lay off workers in violation of their contracts; and corporation executives connive with government officials to ignore minimum wage and other labor laws. The result is that workers want the right to strike. But the government continues to refuse. Some workers have publicly protested and gone on strike, anyway, risking imprisonment or even death.[31] The PC and local police have arrested many of the workers' leaders.

Squatter families, who compose one-fourth to one-third of Manila's population, have been organizing for years in order to protect themselves against forced eviction and government abuses. Now, under martial law, the evictions have been stepped up in order to make way for the regime's "beautification projects," yet the squatters can no longer demonstrate or hold rallies. But because the situation had become so serious late last year, several hundred people dared to march toward the President's palace to protest "the government's violation of an agreement that no squatters would be ejected beyond the six-meter distance from the Manila Bay shoreline." The PC's Metrocom police confronted the squatters, forced them to disperse, and arrested several leaders. The next week, the Metrocom raided the homes of those in the squatters' "ZOTO" organization and arrested more leaders.[32]

Presidential Decree No. 33 prohibits the "printing, possession, distribution, and circulation" of leaflets, handbills, papers, graffiti, or any other materials that might "incite" people or criticize the government.[33] Despite this decree and the prison sentence it carries, "underground" papers and leaflets continue to appear in increasing numbers. Many university people who were active in numerous nationalist organizations prior to martial law have now resorted to secret meetings and surreptitious methods in order to collect information and publish news that never gets into the government censored press. They do this despite the fact that police and the PC arrest and imprison people for these "subversive" and "communistic" activities.

Meanwhile, there is considerable evidence that the number of groups prepared to fight in armed rebellion is increasing. One group, called the Filipino Freedom Fighters, pleaded with Marcos in a publically circulated letter last September to lift martial law. When his term of office under the pre-martial law Constitution expired at the end of 1973, the Freedom Fighters stated that Marcos, in their view, was no longer the legitimate president and warned that force may be necessary in order to oust him. The Freedom Fighters reportedly include lawyers, professors, students, some libertarian-minded wealthy families, and even some disgruntled officers in the Philippine military.

In the countryside prior to martial law, organized rebellion was confined mainly to the small New People's Army in parts of the Cagayan Valley and Muslim rebels in parts of Mindanao. But since martial law, organized resistance and rebellion have appeared in most regions of the country. Reports from the Manila and foreign press show armed groups have clashed with the Philippine military in several provinces in the following regions: Ilocos, Cagayan Valley, Central Luzon, Southern Luzon, Biscol, Western Visayas, Eastern Visayas, Mindanao, and Sulu—virtually every part of the country. The province of Pampanga in Central Luzon, for example, had a clash last October for the first time in over four years between "insurgents" and the PC.[34] Armed rebels are also appearing again in other areas, such as Bulacan and Nueva Ecija, where the peasant-based Huk rebellion had been strong in the 1940s and 1950s.[35] The island of Panay in Western Visayas has become, according to another report, "a veritable powder keg," with 200 or more well armed rebels scattered across the three provinces there. The rebels reportedly have considerable village support.[36] Many students from universities in Manila and other cities have gone underground to join peasants in armed rebellion in different parts of the country. Prior to martial law, these students and peasants had been active in student political organizations and peasant associations. Martial law has banned these groups. A study last Fall noted, for example, that many of the approximately 100 armed rebels in Davao Oriental and Davao del Norte (in Mindanao) were young people who had been active in the "Khi Rho" before.[37] The Khi Rho was a Catholic youth group that worked especially with peasant associations. Another report tells of four rebels whom the PC recently killed. One had been the secretary-general of the SDK, which was a legitimate student political organization prior to martial law. Another had been the editor of the University of the Philippines student newspaper. Two more had been "campus activists."[38] Several priests and nuns, too, have joined armed peasant groups to prepare for armed rebellion.[39] Although the number of rebels may still be

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small and the degree of cooperation among these various groups may be weak, the rebels seem to be growing in strength—and even in cooperation. Reports recently have said that the various underground groups within the "Christians for National Liberation" are making a "united front" with other underground groups and the so-called "Maoist" New People's Army.[40]

The New People's Army, too, seems to be larger now than it was when Marcos declared martial law in September 1972. A news report on a province in the Bicol region said, for example, "No more than a communist toehold before the imposition of martial law, this southern tip of Luzon has developed in the 16 months since September 1972 into what appears to be a solid spreading base of the . . . New People's Army. The NPA has taken hold of Sorsogon because it is rooted in the community. Its leaders here are former student activists, born here, . . . and former Marcos political opponents led by a former local mayor." [41] The Philippine army has said that the number of "Communist regulars" has increased during martial law from 1,710 to 2,266.[42]

Although the government characterizes most of these rebels and other "subversives" as "communists" and "Maoists," this is not a fair description, as I have tried to indicate here. A few may be communists, such as some of those in the New People's Army. But most people are doing things that the government considers illegal, including armed rebellion, first, in order to protect themselves against repression, and second, to work for improved conditions in their country. Most of these Filipinos would prefer legitimate channels of criticism, dissent, and protest, but martial law has closed those off.

The situation reminds me very much of the conditions in which the large peasant movement in Central Luzon in the 1940s became a strong peasant rebellion that lasted until the mid 1950s. This was the Huk rebellion. Peasants had not wanted to take up guns to fight for economic justice and against the police and landlords' violent practices. But because of officially sanctioned repression beginning in 1945 and 1946, peasants had to fight back. They were forced to rebel. The government and US authorities at that time, too, called the Huks a "communist" rebellion. But it was not.[43] One would think that government officials would have learned better over the years since then.

The largest and strongest rebellion during martial law thus far has been the Muslim movement in Mindanao and Sulu, the southern extreme of the Philippines. The Marcos regime has been terribly anxious to portray the Muslim rebels as "Maoists." It is in the Marcos regime's interests to do this, first, in order to keep Muslim countries, upon whom the Philippines depends for most of its oil, from accusing the Philippine government of waging a genocidal war on Muslim brothers. Second, the Marcos government knows that the United States government is more likely to help in the counter-insurgency if the insurgents are "communists" and "Maoists."

But the Muslim rebellion is far more complicated than communist subversion. "The . . . charge—that the rebels are 'Muslim Maoists' . . . remains the best illustration, among many, of the Manila [government] failure to see itself, or the problem, as Muslims see it," wrote Harvey Stockwin, a close observer of the situation. "The rebels are no nearer reconciling Maoism to Islam than are, for example, Sabah's Tun Mustapha or Libya's Colonel Moammer Kadaffi." [44] The first complication is that there are several Muslim rebel groups, not just one. They do not want exactly the same thing and they are not under one unified leadership. Second, the current rebellion among Filipino Muslims is part of a long history of trouble between this minority group and the central government in Manila—whether under the Spanish, Americans, or Philippine Republic—and the Christian Filipino majority. The issues go way back: Muslim identity, landownership, and independence or at least an automonous Muslim state.[45]

Although fighting between Muslim rebels and the Philippine military occurred off and on during the 1960s, it was martial law that pushed an even larger number of Muslims into full-scale rebellion. One important reason was the increased presence of the Philippine military itself. The military's reputation is extremely bad among Muslims, and as the military started to exercise its new power under martial law, it easily angered these people. A second important reason was the government's demand that all citizens turn over their weapons to the military. Because Muslims have so frequently had to resort to weapons to protect themselves from the encroachments of Christian Filipinos and the central government, this demand was tantamount to surrendering their only means of self-defense. This was all the more so in a martial law situation since other legitimate grievance channels were blocked. From the earliest months of martial law until now, the rebellion has been gaining momentum among people in several provinces in Mindanao and in the province of Sulu. According to numerous reports, the rebels controlled much of Sulu. In January and February, the government decided it could no longer tolerate this and launched a series of heavy attacks.

MILITARY FORCE AND MILITARIZATION

On several occasions last year, the Philippine military used airpower, naval bombardment, and heavy assaults against Muslim rebel positions in Mindanao and Sulu. A few months ago, in February 1974, the government put their full might behind a sustained attack on Muslim rebels, numbering between 400 and 2,000, who had moved from the countryside to take control of the Muslim city of Jolo in Sulu province. It had been a city of 150,000 people. Afterwards, according to a Manila newspaper, it had only 20,000 people.[46] The city was in ruins, said a *New Yorks Times* reporter; "it was acres of charred rubble and blasted concrete, from which bodies were still being recovered . . . more than a week after the Philippine armed forces finally took Jolo back from the Muslim insurgents." [47] Another reporter said that Jolo was 90 percent destroyed.[48] Between 1,000 and 2,000 people were killed.[49] The government's air force had bombarded and napalmed the city, its navy had bombarded it with heavy artillery, and its army had fielded 5,000 heavily armed soldiers. This was, in Philippine military language, "a mailed fist approach" to end the rebellion. After the battle, the Marcos regime's Secretary of Defense, Juan Ponce Enrile, reflected on the method: "We should have taught these people a lesson a long time ago. We have been too easy on them. They must be forced to give up this foolish idea of dismembering a portion of our country." [50] One Muslim rebel told a foreign correspondent, "The [Philippine] army's aim is genocide, to wipe out all Moros [Muslims] and take our homeland. Why? Because Sulu is rich. Oil in the sea, crops, prestige for President Marcos's Manila Government. But Sulu [and] the greater islands of Mindanao and Palawan are Muslim lands, and we will die to keep them." [51]

Since the large battle in February, the Philippine military has continued what it calls "sanitizing operations" against Muslims beyond the ruins of Jolo.[52] Several thousand Filipino refugees, both Muslim and Christian, try to find shelter and food in Zamboanga, Cotabato, Basilan, and other places. The Prime Minister of Malaysia recently reported that in his country alone, on the island of Sabah, there were 22,000 Filipino Muslim refugees.[53] But reputable observers say that rather than bringing the war to a halt, the government's military methods have strengthened the Muslim rebellion. As one foreign correspondent wrote recently about Jolo's destruction, "First, and last, it has increased the polarization between Christian and Muslim in the Southern Philippines. . . . Some of the younger [Muslims] inevitably feel that joining up with the rebels is the only way out. There are numerous swirling cross-currents, eddying all the more because of Jolo. They add up to vicious, gathering, circles of fear and suspicion, hatred and violence." [54]

Other Government military attacks similar to the one on Jolo have occurred during martial law. In October 1972, for example, a military commander in Northern Luzon forced 50,000 Filipinos to move just as they were preparing to harvest their rice crops. The commander said he wanted to "sanitize" the area with a "big military operation." It was an area where the New People's Army was strong. "Everyone who remains in the area is NPA," General Tranquilino Paranis is reported to have said as he prepared the attack. Martial law, he added, had helped to persuade local government officials to cooperate with this military method.[55]

I fear that government attacks like this, the one in Jolo, and other repressive methods will continue in many parts of the Philippines as the government continues to militarize and resort to large scale violence in order to rule.

A major theme in Philippine politics under martial law has been militarization. Previously, the military played only minor roles. Now it has the center of the stage. In terms of size, for example, the military numbered between 60,000 and 65,000 when Marcos declared martial law in September 1972. By late 1973, government news report said that the Philippine military was about 80,000. By May 1974, the number was 100,000. The Marcos regime plans that by mid 1975 the military will number 256,00.[56] Some of the new recruits will be volunteers, but the majority will be draftees. For the first time in the Republic's history, it will have a national draft.

Military expenditures, too, are way above previous amounts, and they continue to rise. Although the regime's budget has been secret, one report said that, "a number of economists . . . believe that military expenditures are far more substantial than the level authorized in the pre-martial law budget." [57] These military expenditures were a major cause for last year's record deficit of 1.2 billion pesos ($150 million).[58]

Under martial law President Marcos has given this growing military organization increased powers in nearly every aspect of government. Several provinces have had Philippine Constabulary and Philippine Army colonels and generals for governors. In most regions, military officers are in charge of the important Regional Offices for Development, which supervise, among other things, public works and parts of the land reform program. Marcos has also made military officers responsible for the management of the Manila Electric company, a steel mill, and other companies that the regime took from rival political families after martial law. And there are the new military tribunals mentioned earlier that try civilians accused of certain crimes against the state.

In addition to the military itself, there is the national police system. The National Police Commission, which was established a few years ago, is now making steady progress in bringing all of the country's 1,500 police departments under one integrated police system. The chief of the National Police Commission is the Secretary of Defense, Juan

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Ponce Enrile. As the police departments are integrated, the Philippine Constabulary will take control and supervise all police functions.[59] In this way the integrated national police forces will come under the Philippine armed forces. Accomplishments of this integration program thus far include, for example, unification of all police forces in metropolitan Manila, centralized data banks and communication systems for police work throughout the country, and training schools for all policemen and police chiefs. The Marcos regime has also released special funds to raise the salaries and add fringe benefits for policemen throughout the country.[60] This comes at a time when wages for most Filipino workers have been declining.

Another important part of militarization is the government's efforts to watch or, as government reports say, "monitor" people. One part of this is the expanding role of several security, investigation, and spy agencies. In addition to enhancing the role of the National Bureau of Investigation (NBI) and the National Intelligence Coordinating Agency (NICA), the regime has created related organizations, such as the Civil Intelligence and Security Agency (CISA). The job assigned to CISA is to gather intelligence information on students, teachers, professors, and non-academic personnel at schools and campuses across the country.[61] Another method to keep track of people is the compulsory registration system that the regime has begun. This system requires, according to Presidential Decree 278 issued in August 1973, that, ". . . all citizens of the republic . . . shall be assigned a reference number and issued a national reference card . . . Citizens or nationals of foreign countries resident in the Philippines shall likewise be assigned" a card to serve as "the official identification of the person to whom it is issued."[62] These numbers and the registration information, together with the centralized computer system that will store the data, will help the government to track down criminals, subversives, critics, and complement its other surveillance methods.

AMERICAN SUPPORT

When President Marcos declared martial law, the US Embassy in Manila and the State Department in Washington had "no comment." Since then US diplomatic officials have avoided a categorical endorsement of martial law in the Philippines. But by its actions, the United States does support President Marcos' regime and apparently it plans to continue to do so.

For example, when the Philippine Constabulary and other police forces arrested thousands of civil libertarians, prominent Senators, and other critics of Marcos' government during those first weeks of martial law, the United States Navy's Naval Command helped. It provided information to the Philippine police that led to the arrest of Filipinos and Americans who had been providing legal services to American GIs there.[63] More significantly, US military and economic assistance has continued—even increased. Aid under the Military Assistance Program (MAP), which had been going down since the mid 1960s, is now going up again. MAP aid increased from $14 million in FY 1972 to $15.7 million in FY 1973, and to $18.9 million in FY 1974. President Nixon's Administration this year is asking for $17.9 million for FY 1975. On several occasions, US Ambassador to the Philippines William H. Sullivan has assured the Philippines that US assistance will continue. To the Marcos government and its supporters, this assistance, which exceeds $100 million per year, constitutes both support and approval of marital law. For instance, a report in a government censored newspaper said when the US Senate voted last year for more assistance that, "In effect, the Senate action in committee constituted an unmistakable approval of the New Society being established in the Philippines by President Marcos."[64] Another government censored newspaper said in its editorial, "In the case of the Philippines . . . the US Senate action constitutes an unmistakable approval of the new order. It was held in US circles that affairs here are our own concern and that there are no indications that martial law has endangered democracy in the Philippines."[65]

What is so disturbing is that aid from the United States has been the main source of money, materiel, and technical assistance for the buildup of the military apparatus in the Philippines over the years. Now, US economic and military aid have borne fruit—a dictatorship that relies increasingly on its military, which in turn relies heavily on more aid from the United States. It is hardly the kind of legacy that one would expect the oldest democracy in the world would like to leave.

The modernized police forces, including the Philippine Constabulary's infamous Metrocom, has raided hundreds of homes, arrested thousands of Filipinos, interrogated them, and collected dossiers on suspected "subversives" during martial law. This police system is, in large measure, the result of US AID's "Internal Security Program." So far the program has spent nearly $3.5 million of US taxpayers money. According to the Executive Branch last year, AID is reviewing the program "for possible increase in funding."[66] The program, according to AID, has achieved most of its original objectives. The Philippines now has facilities to train 4,000 policemen per year; it can give advanced training to some of these police—including training at such US counter-insurgency centers as Fort Bragg and the John F. Kennedy School for Special Warfare; 35 of the planned 55 police communications networks have been installed; and Philippine municipalities have developed a coordinated records system.[67] Put into other terms, the program can take credit for such achievements as the ID card system now under way; the arrest of over 12,000 persons held in new "detention centers," and 1,500 modernized police departments in which many policemen have the latest American riot guns, walkie-talkies, and patrol car computer consoles.

US AID continues to help the Marcos regime train and equip its police forces and integrate them under the command of Philippine Constabulary. Last year, Secretary of Defense Enrile thanked "our friends from the United States Agency for International Development" for their assistance for police training when he spoke to a graduating class of the new Police Commission Academy.[68] Just recently US AID gave the police department in Angeles City, Pampanga, 10 new motorcycles with radios (previously the department only had 2) and 15 jeeps with two-way radios.[69] US assistance for "narcotics control," too, seems to be helping the Marcos regime build a police state. The Philippine Constabulary's Anti-Narcotics Unit, which receives US aid, is known to arrest suspected critics and "subversives" in Manila. In at least one instance, the arrested person, a young Filipino named Liliosa Hilao, died while detained at the Anti-Narcotic's Unit's building at Camp Crame (the PG headquarters in Quezon City). According to Lilosa Hilao's relatives, the PC officers who arrested her molested her at her home, then tortured her to death at Camp Crame.[70] For FY 1975 the Nixon Administration has requested $250,00 for "Narcotics Control."

Turning to US assistance designated specifically for the Philippine military, it seems doubtful that without US aid, the Philippine military could have developed to where it is now or continue to expand in the years ahead. According to the US General Accounting Office in 1972, "During fiscal years 1964 through 1971, 55 percent of the US military grant aid was used to cover the Philippine Armed Forces' operating costs, and the percentage has been growing during recent years." The GAO found that US assistance paid for 72 percent of the Philippine military's operating costs in FY 1969, 78 percent of its operating costs in FY 1970, and over 82 percent of its operating costs in FY 1971. US assistance is also the Philippine military's major supplier of weapons and materiel. As the GAO reported in 1972, "With minor exceptions, the United States has provided all major items of military equipment and most of the training received by the Philippine Armed Forces."[71] In 1969 General George B. Pickett, then Chief JUSMAG-Philippines, graphically illustrated this dependence when he told the Senate that all the Philippine military's ammunition comes from the United States.[72] In addition to ammunition, weapons, planes, and other strictly military equipment, the Philippine military, according to General Robert H. Warren, has depended upon the US Military Assistance Program since the 1960s for such consumables as the following: batteries, clothing and individual equipment, medical supplies and equipment, industrial supplies and materiel, and general supplies and support equipment.[73] In FY 1973, the United States gave over $41 million to the Philippines in MAP money, training, and defense property transfers. In that same year, the Philippine military purchased from the US only $187,000 worth of military equipment.[74]

In addition to US military assistance funds, the Philippine military has used funds from "Food for Peace" or Public Law 480 (Section 104) to buy essential military equipment and construct its bases. General Warren reported to the Senate, for example, that by 1969 the Philippine military has used over $9 million from these funds to complete projects such as "naval facilities," "air force facilities," "three aircraft control and warning sites," a "Long Lines Communication System."[75]

The principal justifications over the years for US assistance to the Philippine military have been to protect American bases and business interests and to help the Philippine government fight "communism" and "insurgency." Just last year, for example, Admiral Thomas H. Moorer, chairman of the Joint Chiefs of Staff, told Congress during hearings on US military assistance:

"Economic growth of the Philippines . . . has been slow and is still insufficient to permit the country to meet its full military requirements. This is particularly true in the face of the current insurgency. The people of the Philippines require assistance to modernize their armed forces and their constabulary. The security assistance material program amounting to $19.3 million and $3 million FMS credit are designed to provide mobility, firepower, and communications—the three basic elements required to combat insurgency forces."[76]

It was because of the "insurgency problem" in the Philippines last year that the Nixon Administration asked for more US military and military-related assistance to the Philippines for FY 1974.

During martial law, the Philippine military and police have continued to rely almost exclusively on weapons, materiel, and other US assistance in order to suppress growing dissent and rebellion. In order to combat insurgency, Admiral Moorer said, the United States supplied the Philippines in 1973–74 with "helicopters and transport aircraft, machine guns, recoilless rifles, and other weapons, together with long-range communication equipment."[77] The Pentagon said last year that in order to help Marcos regime "cope with the current situation," the US military has been "moving up the delivery dates of some of the equipment

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Footnotes at end of article.

most urgently needed by the Philippines Armed Forces—such as, M–16 rifles and UH–1H helicopters. . . . In addition we are . . . providing the Philippines C–123K aircraft to help provide greater inter-island mobility"[78]

Since the rebellion in Mindanao and Sulu has been the strongest one this past year, the importance of American weapons systems has been particularly noticeable in fighting there. When the Philippine armed forces bombed and attacked the city of Jolo in February for example, they used howitzers, .50-cal. machine guns, F–86 Sabre jets, C–47 gunships, armed helicopters, and naval batteries—all supplied by the United States.[79] The Philippine Air Force not only dropped US supplied bombs and fired US supplied machine guns, but they also dropped US supplied napalm. In other battles, too, according to a Filipino consul in Honolulu, the Philippine armed forces has used napalm.[80]

Surplus supplies from Vietnam, which were supposed to be used for peaceful purposes, and at least some US economic aid also went last year to the Marcos regime's counter-insurgency efforts. *A New York Times* correspondent reported that during heavy fighting against Muslim rebels in 1973, the Philippine military used "crates of supplies, some adorned with the red, white, and blue handshaking label of the United States Agency for International Development."[81] Last October, an American official in Manila admitted that the Philippine air force had misused some planes that the United States had given to it from Vietnam surplus. Rather than using the planes for development projects, the air force mounted machine guns on them to battle Muslim rebels and to ferry troops between the islands.[82]

In addition to US money and supplies, there are indications that American military personnel are also involved in helping the Marcos regime to suppress rebellions. If so, it would not be the first time that American troops have assisted the Philippine armed forces in counter-insurgency. In 1969, for example, the Philippine Constabulary asked the US Air Force at Clark Air Force Base to give helicopter support for a PC raid on "Huk insurgents," to do aerial photography inconnection with counter-insurgency, and to provide transportation and communication services to Filipino officers directing counter-insurgency operations.[83]

One example of US military personnel directly involved with the Philippine military's operations is the assistance General Louis H. Wilson, commander of the United States Fleet Marine Force Pacific, has given. According to a Manila newspaper, Marcos awarded General Wilson the Philippine Legion of Honor "for his work in developing the Philippine Marine brigade. . . . He added immeasurably to the development, expansion and enhancement of the capability of the marines [in the Philippines] to perform their role in the New Society." Among other things, General Wilson led US Marines on joint exercises "with the Filipino marines without cost to the Philippine government to keep the marines abreast of developments in amphibian warfare."[84] In this context, it is important to remember that Filipino marines and "amphibian warfare" have been important during the campaigns against Muslin rebels, whose strongholds exist on several southern islands.

Another example of US military personnel helping the Marcos government with military and counter-insurgency is the work of US Army Green Berets. Over the last two years, the Green Berets have done "civic action" in many provinces. Some provinces are known to have rebel groups, such as the provinces of Iloilo and Capiz in the Visayas region, Zamables, Baataan, and Pampanga in Central Luzon, and Nueva Vizcaya and Isabela in Northern Luzon. The Philippine government and US military admit that the Green Berets are there; they say their purpose is to help build schools, distribute medicines, dig wells, and other "civic action" projects. American officials have added that the Green Berets are also in the Philippines for "training exercises."[85] Both American and Filipino officials deny that the Green Berets give military support to the Philippine government. But the underlying purpose of these Green Beret exercises appears to be counter-insurgency. Major J. Brunner, a Green Beret spokesman, told one reporter, "The Special Forces achieved a tainted image through Vietnam, as spies, killers, bayonet baddies. We're trying to change that image." By conducting civic action with Filipino soldiers, he said, "you can build up the image of respectability of the host country's forces, and another Vietnam can be avoided." But a Filipino priest and other Filipinos interpreted the Green Berets' presence slightly differently. The priest told the correspondent, the Americans are "getting smart. They're getting to know the terrain where the resistance is operating, trying to poison the water before the guerrillas get to swim in it."[86] A study by several Filipino clergy last November said that for one area. "The presence of US military personnel directing the anti-dissident campaign on Panay has been confirmed by very reliable sources."[87] The Green Berets were on Panay.

There are several other disturbing reports. One is a newspaper's story from Manila last November that a United States Air Force helicopter crashed in a village of Nueva Vizcaya, a province in Northern Luzon.[88] The immediate question, of course, is why was the helicopter flying over that area? That province reportedly has had some rebellion. Another report comes from a person who works in the Marcos government. He claims that he saw a film, taken by Filipinos working with a government agency, that shows uniformed American soldiers with Filipino soldiers fighting in Mindanao and Sulu a few months ago. A related report comes from an American Air Force officer who, until recently, was stationed at Clark Air Force Base in the Philippines. He claims that it is widely known at Clark that American pilots flew American planes in bombing missions over Mindanao last year.

CONCLUSION AND RECOMMENDATION

Democracy and civil liberties are dead in the Philippines. The Marcos regime is a dictatorship. Resistance and rebellion, as a consequence of worsening conditions and political repression, are growing. And the Philippines is developing into a military state. These things are clear from what has happened since martial law.

It is also clear that the United States, through its military and military-related assistance, has contributed immensely to sustaining the Philippine military before martial law. Today it continues to help the Marcos regime build an even larger military apparatus. If Congress appropriates more of the American taxpayers' money to give military or military-related assistance to the Philippines for FY 1975, that money, too, will further support the dictatorship.

For this reason, the Friends of the Filipino People (FFP) and I recommend that Congress appropriate no military or military-related assistance for the Philippines. This year is an excellent opportunity for the United States Congress to draw the line. It can say now, before the situation in the Philippines becomes worse, that it will no longer be party to the growth of another anti-democratic regime.

We further recommend that Congress conduct a thorough investigation to find out exactly what American military or para-military personnel have done or are doing in the Philippines. I have presented evidence that American military personnel seem to be helping the Marcos government's counter-insurgency efforts. I have also reported what I have been told, but have not been able to verify positively, that American personnel in fact are directly involved in counter-insurgency. This situation is reminiscent of the 1950s and 1960s when there were many hints and unconfirmed reports that the US government was directly involved in counter-insurgency in Vietnam. Today we have similar hints and reports about the Philippines. And there are other similarities that seem ominous: Civic action missions, which the US government tried earlier in Vietnam, have reappeared in the Philippines. The Philippines' national police system is an outgrowth of AID's internal security program in Vietnam. And William H. Sullivan, an architect of the US government's Vietnam policy in the 1960s and the ambassador to Laos who coordinated the bombing of that country, is now the US ambassador to the Philippines.

This time, hopefully, Congress and all other Americans will learn the truth of the matter before it is too late—before an American President presents a *fait accompli* and says Congress must appropriate much larger amounts to support "our boys" or "our commitments" in the Philippines.

Thank you very much, Mr. Chairman and members of the Subcommittee.

FOOTNOTES

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[4] David A. Rosenberg, "Freedom vs. Responsibility: Changes in the Philippine Press Since Martial Law," (paper presented to the Annual Meeting of the Association of Asian Studies, Boston, Massachusetts, 1–3 April 1974), p. 42.

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[7] H. D. S. Greenway, "Church, Philippines Collide," *Washington Post*, 20 November 1973.

[8] *Philippine Times* (Chicago), 31 March 1974, p. 5.

[9] Charles F. Thomson, "Philippine Dictatorship Helps American Firms," *Philadelphia Evening Bulletin*, 22 January 1974.

[10] *Philippine Times* (Chicago), 15 November 1973, p. 1ff.; and Celso Banaag, "Treatment of Political Detainees in the New Society," *Philippine Times*, 30 November 1973, p. 5ff. Banaag is a pseudonym for a person who was one of those "detained" in Marcos's prisons.

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[12] *New York Times*, 28 November 1973, p. 5.

[13] See the following reports, for example, in the *Philippine Times* (Chicago); 15 November 1973, p. 1ff.; 15 December 1973, p. 1ff.; and 15 April 1974, p. 1ff.

[14] *Philippine Times* (Chicago), 28 February 1974, p. 11.

[15] *Philippine Times* (Chicago), 31 March 1974, p. 1ff.; Presidential Decree No. 90, 6 January 1973, *The First 107 Presidential Decrees: Book One*, p. 289.

[16] Nadine W. Scott, "Marcos' Regime Examined," *Honolulu Star-Bulletin*, 7 November 1973, p. F–3.

[17] Bernard Wideman, "The New Society at Home," *Far Eastern Economic Review*, 31 December 1973, p. 18.

[18] Banaag, "Treatment of Political Detain-

ees in the New Society," 30 November 1973, p. 5ff.

[19] "Philippine Drama," *Commonweal*, 1 June 1973, p. 298.

[20] "A Plea from the Pulpit," *Far Eastern Economic Review*, 22 April 1974, p. 23.

[21] Major Religious Superiors, "Summary of a National Survey," 26 November 1973, p. 12.

[22] *Honolulu Star-Bulletin*, 18 January 1974, reprinted in *Pahayag* (Honolulu), January 1974, p. 12; *Philippine Times* (Chicago), 15 January 1974, p. 8, 28 February 1974, p. 11; and Eduardo dela Cruz, "Military Abuses Denounced," *Philippine Times*, 30 April 1974, p. 11.

[23] Major Religious Superiors, "Summary of a National Survey," 26 November 1973, p. 9–10.

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[30] The Corporate Information Center of the National Council of Churches of Christ in the USA, *The Philippines: American Corporations, Martial Law, and Underdevelopment* (New York: IDOC/North America, November 1973); and Robert B. Stauffer, "Philippine Martial Law: The Political Economy of Refeudalization," (paper presented to the Annual Meeting of the Association of Asian Studies, Boston, Massachusetts, 1–3 April 1974.

[31] *Pahayag* (Honolulu), 5 December 1973, p. 5–6; Major Religious Superiors, "Summary of a National Survey," 26 November 1973, p. 5–8; *Philippine Times* (Chicago), 15 April 1974, p. 1ff.

[32] *Philippine Times* (Chicago), 30 November 1973, p. 1ff., and 15 December 1974, p. 1ff.

[33] Presidential Decree No. 33, 28 October 1972, in *The First 107 Presidential Decrees: Book One*, p. 90.

[34] *Bulletin Today* (Manila), 20 October 1973, p. 1ff.

[35] *Philippine Times* (Chicago), 15 November 1973, p. 9; Mark Gayn, "The New Huks in Luzon Provinces," *Toronto Star*, reprinted in *Philippine Times* 31 March 1974, p. 11.

[36] *Philippine Times* (Chicago), 30 November 1973, p. 9.

[37] Major Religious Superiors, "Summary of a National Survey," 26 November 1973, p. 11.

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[44] Harvey Stockwin, "A State of Violent Suspense," *Far Eastern Economic Review*, 18 March 1974, p. 27.

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[46] *Bulletin Today* (Manila), 5 April 1974, p. 24.

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[48] Sydney H. Schanberg, "An Impossible Conflict in Philippines," *St. Louis Post-Dispatch*, 28 March 1974, p. 3C.

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[51] Quoted in Osborne, "The Men Who Defy Marcos," p. 15.

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[61] *Pahayag* (Honolulu), December 1973, p. 4.

[62] Quoted in Harvey Stockwin, "The Importance of Ethnic Origins," *Far Eastern Economic Review*, 6 May 1974, p. 2.

[63] *New York Times*, 21 October 1973, p. 2.

[64] *Bulletin Today* (Manila), 3 October 1973, p. 1 ff.

[65] Editorial, "Seeing True Picture," *Times Journal* (International Weekly Edition, Manila), 10 October 1973, p. 4.

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[67] U.S. Department of State, Agency for International Development, *AID FY1974 Submission to Congress, Asia Book*, April 1973, p. 144; AID Office of Public Safety, The Philippines, "Memorandum," March 1972; "Philippines: Among Friends," *Far Eastern Economic Review*, 5 August 1972, p. 13; and Geoffrey Arlin, "Philippines: The Organizers," *Far Eastern Economic Review*, 2 July 1974, p. 16, 20–21.

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[75] U.S., Congress, Senate, Committee on Foreign Relations, *Hearings, Part I*, 91st Cong,. 1st sess., 1969, p. 249.

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[79] *Chicago Tribune*, 17 February 1974; Lelyveld, "Battle Leaves Philippine Town in Ruins," 23 February 1974, p. 1ff.; Schanberg, "An Impossible Conflict in the Philippines," 28 March 1974, p. 3C.

[80] For reports of the Philippine armed forces dropping napalm during the battle in Jolo, see *Philippine Times* (Chicago), 28 February 1974, p. 1ff. In 1973, Consul Honorio T. Cagampan, speaking at a symposium on the University of Hawaii campus, said that the Philippine military had been using napalm against insurgents." See *Ka Leo O Hawaii* (University of Hawaii), 15 February 1973, p. 2.

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[85] See, for example, the following: Robert Whymant, "Whitewash on the Green Berets," *The Manchester Guardian*, 11 September 1973, reprinted in *Pahayag* (Honolulu), September 1973, p. 1ff; *New York Times*, 31 December 1973, p. 3; *Bulletin Today* (Manila), 12 March 1973, p. 28, and 26 May 1973, p. 5; and *Times Journal* (International Weekly Edition, Manila), 21 December 1973, p. 2.

[86] Whymant, "Whitewash on the Green Berets," 11 September 1973.

[87] Major Religious Superiors, "Summary of a National Survey," 26 November 1973, p. 11.

[88] *Bulletin Today* (Manila), 7 November 1973, p. 24.

FREE ENTERPRISE AND THE FREE MARKET SYSTEM

Mr. FANNIN. Mr. President, America is blessed with the greatest problem-solving mechanism in the world.

It is not the Federal Government.

It is the free enterprise and free market system.

If we will only let free enterprise work, we can solve most of the problems facing America today.

The Arizona Republic last Wednesday ran an excellent editorial pointing out the fallacy of trying to solve all our problems through Government bureaucracy.

I ask unanimous consent to have this editorial printed in the RECORD:

There being no objection, the editorial

was ordered to be printed in the RECORD, as follows:

[From the Arizona Republic, May 29, 1974]

ENOUGH IS ENOUGH!

Reputable physicians long ago learned how to handle the anxious hypochondriac with imagined ailments. A placebo of innocuous and meaningless compounds is put together to provide gratification at little or no cost.

What a pity the same technique has not been applied by the healers in Washington when social hypochondriacs come running to the great Potomac trough looking for surcease to their peculiar economic and political maladies.

But, no. Congress instead enlarges the size of sprawling agencies, bureaus, departments, commissions and studies; throws in tens of millions of dollars as a cure, and then adds yet more bureaucracy when the first treatment fails.

An intellectually inert American public still has not reacted with shock, dismay, resentment or hostility to this ripoff (imagine what the consumer would do if private business failed to deliver promised services at such cost). Instead, the public goes back for more.

The sheer size and power of government has become awesome. One out of every five working Americans (14 million) are on a government payroll. Fifty per cent of all federal income taxes are needed to support the salaries and fringe benefits of federal employes.

Not even the government in Washington has an accurate roster of the standing federal departments, agencies, commissions and advisory groups formed at taxpayer expenses.

And the rules, regulations and guidelines written and enforced by nonelected civil servants have become so ubiquitous and pervasive that large and small businessmen calculate that as much as 15 per cent of their operating costs arise from government-required bookkeeping and administrative programs.

But a revolt of sorts is in the making, starting from the top. It is neither Democratic nor Republican, liberal nor conservative. Its genesis lies in an expanded awareness among leaders close to America's overburdening bureaucracy that government is on the verge of strangling the essence of social and economic freedom for everyone.

Earlier this year, the Cost of Living Council's original chairman, Dr. C. Jackson Grayson, delivered a manifesto which predicted that the remnant of America's free enterprise system would be wiped out in 20 years. Government would finally be in control entirely.

Last month, University of Rochester Prof. Henry G. Manne testified before the Senate subcommittee on antitrust and monopoly with a warning of further government controls and regulations.

"The solution to inefficiencies created by government controls cannot lie in still more controls," Manne testified. "The politically responsible task ahead for Congress is to dismantle our existing regulatory monster before it strangles us."

Now comes Arthur F. Burns, chairman of the Federal Reserve Board, the economy's chief supplier of money.

Burns said that excessive government spending, which has caused higher rates of inflation, threatens to cause "a significant decline of economic and political freedom for the American people."

The statistical measurements weigh in favor of the warnings. A recent finding by General Electric's economic research group predicts that American business needs to find $4.5 trillion in the next 12 years to meet its capital needs—three times more than it needed in the past 12 years.

Government single-handedly has aided and abetted the crisis. The federal budget has increased 50 per cent in the last five years, the debt limit has been raised $100 billion and congressional proposals for fiscal 1975–77 already are over $800 billion.

November will be a test for the American voter. It will be the time to choose congressmen whose programs and philosophy reflect more and more bureaucracy and thus more economic oppression for the American public.

Or, it will be a time for sending congressmen to Washington who will stand up and say, in behalf of every American, that enough is enough.

WEATHER PLAYS HAVOC WITH FOOD ESTIMATES

Mr. HUMPHREY. Mr. President, I wish to call the attention of my colleagues to an outstanding article, "Droughts May Spread in Big Climatic Shift, Some Studies Indicate," in the May 30 issue of the Wall Street Journal.

We have been discovering new information on how the world's weather is changing and how precarious this makes predicting world food production and world food supplies.

The administration's optimism—that all will automatically turn out all right—is not prudent and flies in the face of this information.

I have repeatedly warned that we need to take this key variable into account in our crop forecasting. Above all, we need a food reserve program to prevent disaster if droughts do take place.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, May 30, 1974]

DROUGHTS MAY SPREAD IN BIG CLIMATIC SHIFT, SOME STUDIES INDICATE—COOLING EARTH COULD REDUCE WORLD'S FOOD PRODUCTION; ARE SUNSPOTS A FACTOR?—THE CLUE OF STICKY WICKETS

(By Barry Kramer)

Sexy locusts in north Africa, sticky wickets in England and ice fields in the Arctic wouldn't seem to have much to do with drought blistering the lands bordering the southern Sahara in Africa and, to a lesser extent, northwest India.

But they do. And they and a host of other apparent or obscure clues are coming under close scrutiny of scientists seeking to unravel the mysteries of droughts—what causes them and how to forecast their duration. So far, the evidence is scant, and the conclusions drawn from it are highly theoretical and speculative. But there are indications that the droughts appear to be part of a massive climatic shift that doesn't bode well for mankind. For one thing, there is the possibility that the droughts could last for decades and could spread.

Through history, droughts periodically have denied man the sustaining rains for his crops and livestock. Occasionally, they have been long and dry enough to severely disrupt and even destroy civilizations. Before man, geological records show that droughts swept large land areas, raising great clouds of dust into the atmosphere and depositing them thousands of miles away. (Even today, dust blown from the African drought area is blocking some sunshine in the Caribbean and thus affecting the weather there.)

There is hardly an area of the U.S. that hasn't had drought at one time or another; currently, west Texas and south Florida are bone-dry. Serious droughts have occurred regularly about every two decades in the Great Plains and the Midwest. The last one was about 20 years ago in the mid-1950s, and the one before that caused the Dust Bowl of the mid-1930s. The U.S. is due for another such massive drought in the mid-1970s, proponents of the 20-year-cycle theory warn.

FAVORABLE RUN OF WEATHER?

Despite the horrors of the Dust Bowl and other droughts, preliminary evidence indicates that so far in the 20th Century, the world may have experienced one of the most favorable runs of weather in its history. But many experts fear that weather patterns are reverting to "more normal." For one thing, in the past three decades the earth has been gradually cooling. The drop in average temperature is barely perceptible but may be enough to cause significant changes in weather.

The implications are staggering. Cooler temperatures could begin to shorten the growing seasons, thus affecting the crop yields in the world's grain belts, encompassing the U.S., Canada, Australia and Argentina. Moreover, crop varieties and farming methods based on the good weather of the past 70 years may fail under changed conditions to provide the food needed to feed the world's growing population.

Small wonder, then, that on land, at sea and in space, a small army of scientists and others are measuring ocean currents and temperatures, tracking the changes in the cyclonic winds that sweep from west to east around the globe, mapping the changing polar snow cover and monitoring hundreds of other weather variables hoping to determine whether changes from past weather patterns are temporary or long-lived.

Some key observations about the current drought were first made in 1970 by Derek Winstanley, who then was with the Anti-Locust Research Centre in London. Seeking to learn what caused the large swarms of desert locusts in north Africa the year before, Mr. Winstanley concluded that unusually heavy rains had enabled prolonged breeding by the locusts, resulting in a population explosion of the crop destroying insects.

PUSHING THE MONSOONS SOUTH

He noted that the heavy rains came from moist air that normally dumps precipitation in the northern Mediterranean. But the moist air had been pushed hundreds of miles south by the prevailing circumpolar air currents that push across Europe, which themselves had shifted southward. In turn, the even hotter and more moist airflows called monsoons that boil up from the equator also were pushed south of their previous paths along a broad line from Mauritania on Africa's west coast, across Africa and the Indian Ocean into northwest India—the exact areas of the current drought.

Air patterns in the northern hemisphere are controlled to a large extent by great masses of cold air that come spinning out of the Arctic. As the earth has cooled in the past 30 years, the cold-air mass surrounding the North Pole has expanded, as has the snow-and-ice cover in the Arctic. The cold-air masses have been breaking into the circumpolar air currents with increasing frequency.

"The shift, in all likelihood, has produced a significant change in the hemispheric heat balance," conclude George and Helena Kukla of the Lamont-Doherty Geological Observatory at Columbia University.

The Kuklas note that the expanding Artic ice exacerbates the heat imbalance. The atmosphere is heated primarily by sunlight absorbed as heat by the earth. Vegetation absorbs more than 80% of the light and oceans absorb more than 90%, but snow and ice absorb only about 20%, reflecting the rest back into space. This represents a "deficit in the earth's energy balance," the Kuklas say. In addition, the expanded ice pack almost completely cuts off warming of the air by the ocean, they note.

The changes in the Artic and in the weather may be due to the sunspot cycle, some observers believe. Every 11 years, the number of relatively "cool" areas on the sun's surface (which appear as dark spots when viewed through a light filter) reaches a maximum. At such times the sun is in its most turbulent state. Solar storms throw large clouds of particles into space, some of which reach the earth.

J. W. King, a scientist at the Radio and Space Research Station in England, contends that the energetic solar particles interact with the earth's atmosphere at northern latitudes, changing upper-air pressures and thus altering weather patterns throughout the hemisphere. He asserts that the evidence linking sunspots to weather trends is "very strong."

He cites a study showing that the growing season in northern England between 1916 and 1969 tended to be longest about one year after the sunspot cycle reached its peaks. He says that another study shows the most severe winters in the northeastern U.S. and north-central Europe corresponded to high and low extremes of the sunspot cycle.

A third study showed that English cricket batsmen tend to hit 3,000 runs in a single season—a relatively rare event—more often in years of sunspot maximum. Because the wicket (the part of a cricket field on which the ball is thrown and bounced to the batsmen) would tend to be sticky (wet) during the rainy weather, the conclusion is that summers of sunspot maximums would tend to have lots of dry, sunny weather. Also, fewer games would be canceled during sunny weather, so more runs would be scored in such a season.

THE TROUBLE WITH DUST

In the U.S., some observers think that sunspots are related to the drought cycle in the Great Plains. But the droughts don't occur exactly every 20 years; the interval has varied from 17 years to 25 years. There also is considerable scientific debate around the world about sunspots and their effects, so the link—if any—between sunspots and weather isn't well accepted.

Another theory is that more pollution in the air is contributing to changing weather patterns. A leading advocate, Reid A. Bryson, director of the Institute for Environmental Studies at the University of Wisconsin, contends that greater volcanic activity in recent years has increased the amount of dust in the air; this filters the sun's rays and account for much of the cooling trend, he says. Man, too, adds to the dust from smokestacks in industralized areas and from slash-and-burn farming in underdeveloped lands, he says. Additional man-generated dust is stirred up when drought strikes mariginal lands that are overfarmed, as in the African Sahel.

Mr. Bryson contends that man also is throwing a lot of carbon dioxide into the atmosphere by burning fossil fuels such as coal and petroleum; the carbon dioxide content of the atmosphere has increased by more than 10% since 1850, some studies estimate. That's confusing, because carbon dioxide absorbs heat from the sun, resulting in a warming, "greenhouse" effect. At one point scientists thought the extra carbon dioxide might eventually heat the earth enough to melt the polar ice caps—a theory that lost favor quickly when the cooling trend was observed.

"THE CLIMATE IS CHANGING"

But Mr. Bryson thinks the heating effect of carbon dioxide is disturbing the temperature gradient between the ground and the upper atmosphere and between the equator and the North Pole so that "normal" air circulation is disturbed. He says this might explain the southward shift of the weather patterns of the northern hemisphere and the disappearance of the monsoons in the present drought areas.

"The evidence is now abundantly clear that the climate of the earth is changing . . . in a direction that is not promising," he told two Senate committees earlier this year. He warned that if his analysis is correct, the monsoons on which great areas of the world depend for survival "probably won't return regularly in this century."

Other respected scientists think that Mr. Bryson's analysis isn't correct. For example, J. Murray Mitchell Jr., an expert on climatic variation with the National Oceanic and Atmospheric Administration (NOAA), an agency in the U.S. Commerce Department, asserts that natural fluctuations account for most of the world's temperature changes in recent decades. Carbon dioxide may become a problem in future years if it isn't controlled, he says, but he contends that more active volcanoes, not man, have generated the increased dust that is an important factor in the post-1940s cooling.

NOAA scientists estimate that atmospheric dust of all kinds keeps the earth's atmosphere 1.3 degrees Centigrade cooler than if there weren't any dust. They also estimate that 88.5% of the dust currently is produced by natural processes such as volcanoes. But they calculate that man-made pollutants may equal natural dust within 23 years.

ANOTHER ICE AGE?

The heating and cooling trends in this century are minor compared with temperature changes in previous periods of the earth's history. For at least the past one million years, great glaciers periodically have swept out from the poles and covered large areas of the globe. Scientists now know that those past ice ages lasted longer than the periods between them. The last two intervals between ice ages lasted 1,000 years—almost the exact time that has elapsed since the last glaciers covered much of what now are North America and large parts of Europe and Asia.

No one knows whether the present cooling trend is the beginning of another ice age. A 1972 conference at Brown University concluded that "the natural end of our present warm epoch is undoubtedly near. . . . Global cooling and related rapid changes in environmental substantially exceeding the fluctuations . . . in historic times must be expected within the next few millennia or even centuries." The scientists noted that in the past ice ages in some instances have developed within only a few hundred years of a warm period.

The glaciers aren't likely to begin flowing south tomorrow, but the earth's cooling trend and droughts have vastly increased scientific sensitivity to meteorological matters. For instance, NOAA has established a small network of widely separated observatories around the world. These are equipped to detect minute changes in the atmosphere that are thought to be most closely linked with long-term climatic changes—such as solar radiation, atmospheric turbidity, carbon dioxide concentrations and dozens of other weather elements.

WEEKLY DROUGHT MAPS

In Leningrad, Soviet and U.S. scientists will meet next month to discuss joint studies of why climate changes, including the effects of man-made pollution. Elsewhere, U.S. satellites are keeping a watch on the African drought areas. And the U.S. National Weather Service recently began including maps showing drought areas in most of the world's grain-producing areas in its weekly bulletin of weather and crop conditions.

World grain stocks have been dwindling for several years, reaching their lowest point last year as a result of drought in Russia and other factors. World population has reached a point that even in the best of weather circumstances, the world can produce only about 10% more grain than it consumes, experts say.

A drought in one or more of the major grain-producing nations could create a shortage that results in starvation in food-short countries. The fact that there are any grain reserves at all is due only to the favorable weather of the past few growing seasons in the U.S., according to research meteorologist James D. McQuigg of the University of Missouri. He notes that U.S. grain varieties need abundant water and extended growing seasons for maximum production. Long-term changes to drier, cooler weather could have serious economic consequences, he says.

The National Weather Service's drought maps should give an early warning of any interruption in grain production, experts say. In the U.S., there isn't any sign yet of the 20-year drought in the Great Plains despite a few dry spots. But, says Donald L. Gilman, chief of the service's Long Range Prediction Group, droughts sometimes don't begin until midsummer.

THE PROBLEM OF THE SMALL BUSINESS COMMUNITY

Mr. BEALL. Mr. President, in these times of economic instability and turmoil, it is often the small business community which suffers the initial and most severe repercussions. The proposed 24th annual report of the Senate Select Small Business Committee, of which I am a member, notes that the small business community "is most sensitive to the economic barometer—gaining more than the average in upswings and being hit first and hardest in downturns." Thus it is especially satisfying to acknowledge the success of a small businessman despite the dour implications of the present economic conditions.

Such a man is Charles H. Harmon, of Salisbury, Md. Just over 4 years ago, Mr. Harmon was suffering through the demise of a small dairy and hamburger stand. Seeking the funds to finance a franchise in a restaurant chain, Mr. Harmon turned to the SBA for assistance. With the aid of an SBA loan, and a healthy measure of hard work and determination, Mr. Harmon was on his way.

Four years later and now owning two fast food franchises, Mr. Harmon has been named the Maryland Small Businessman of the Year. This tribute accrues not only to the benefit of the honoree, but also to the SBA and the entire business community. The success of men such as Charles H. Harmon is an inspiration to all of us, and I ask unanimous consent that an article from the Salisbury Sunday Times be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Salisbury (Md.) Sunday Times, May 26, 1974]

A MAN WHO COULD MAKE IT HAPPEN

Maryland's "Small Businessman-of-the Year" is a Salisbury man—a man with drive, desire, determination and ability to make it all happen.

That's how Charles H. Harmon was described in testimonials at a luncheon in his honor here Friday. The tribute came from state Small Business Administration officials, Congressman Robert E. Bauman (R-Md. 1st), local businessmen, and people from the nationwide McDonald restaurant chain.

Mr. Harmon is one of the few black franchisers in the nationwide chain. With support from local banks working with the Small Business Administration, he has in four years opened two restaurants, one here and one in Cambridge.

"He's a successful businessman," said John H. Fox, supervising loan officer of the SBA at Baltimore.

Mr. Fox said that when Mr. Harmon sought loans to obtain his first franchise here, following the failure of a small dairy and hamburg place at Lake and Isabella Sts., the situation looked bleak.

Unable to obtain bank participation in Baltimore, that requirement was finally filled here by the Maryland National Bank. "That bank and the SBA had faith in Charlie," Mr. Fox said. "We knew he had the capability and drive to make it fly."

Congressman Bauman presented the certificate of recognition to Mr. Harmon and noted that he had that "extra something" small businessmen need. "Mr. Harmon had to go a little bit harder because he was black," he added.

"You're what America is all about," Rep. Bauman said, presenting the certificate.

Mayor Elmer F. Ruark paid tribute to the businessman and called him "one of Salisbury's outstanding citizens. You have my congratulations and best wishes."

Gerald J. Lang, Baltimore, district director of the Maryland SBA, said he was pleased to have Mr. Harmon singled out for this honor.

"He started with nothing," he said. "He knew the full responsibility was his, to go 16 to 18 hours a day, if necessary." He added a note that small businessmen such as Mr. Harmon are the backbone of communities across the country.

William C. Jameson, Washington, from the Inter-Racial Council of Business Operations, joined in the tributes. He had assisted in putting the "total package" together when Mr. Harmon was trying to raise money for the franchise. He also noted that Mr. Harmon just a few days ago had won another award—"Client-of-the-Year" from the ICBO.

From the McDonald's chain, there was L. C. Aaronson, Baltimore, a regional official who said: "McDonalds' is just as proud as Charlie is." And, Robert W. Cook, director of the Greater Salisbury Committee, said he was proud that the committee had been able to assist Mr. Harmon "early in the game."

And Mrs. Betty Miles, head of the Dept. of Business Economics at University of Maryland, Eastern Shore, declared she knew him from much earlier days around Snow Hill and Newark, where he was born. "He's always been a businessman," she said.

Mr. Harmon smiled throughout, but didn't have much to say beyond saying, "I really appreciate it. Everyone of you has helped me."

Ray Laneman, with SBA out of Baltimore said the initial agency backed loan of $169,000 would have been impossible without local bank participation. The Salisbury restaurant was established with that loan. A subsequent loan for about the same amount was made available later for the Cambridge franchise.

The award is presented to the small business person in recognition of his contributions to the small business community. It exemplifies the imagination, initiative, independence and integrity of the American small businessman.

PISCATAWAY PARK

Mr. BEALL. Mr. President, I today testified before the Senate Interior Subcommittee on Parks and Recreation with respect to legislation, H.R. 4861, designed to acquire certain lands in the Piscataway Park area of Maryland. In that testimony, I expressed my support for these efforts to preserve and protect the view from Mount Vernon, and I ask unanimous consent that my full statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR J. GLENN BEALL, JUNE 4, 1974

Mr. Chairman, first let me thank you and the Interior Committee for the opportunity to testify on H.R. 4861, legislation designed to acquire certain land in the Piscataway Park area of Prince George's and Charles Counties in my State of Maryland. I am pleased that this subcommittee has taken the time to hold hearings on this pressing legislation, and I hope that you will shortly report this measure favorably to the Senate, where I hope it will receive prompt attention.

Mr. Chairman, I endorse H.R. 4861 as a much-needed step to protect and preserve one of our Nation's most historic areas. In 1961, as you know, Congress passed legislation designed to protect the scenic view from Mount Vernon by establishing a new unit of the National Capital Park System known as Piscataway Park. Now we must complete that effort, before this invaluable parkland is significantly damaged.

I would like to particularly pay tribute today to the citizens of the Piscataway area, who have throughout the years safeguarded this land and the historic view that it represents. Dedicated individuals and organizations have done much to defend this land against unwanted encroachment, and I believe the Federal Government, and all of us who are deeply interested in historic preservation, must recognize them for their continued fine work.

Now, the Federal Government must step in and assume responsibility for this parkland. The bicentennial is fast approaching, and Mount Vernon will no doubt be a major attraction to the millions of Americans and foreign visitors who will stream to this shrine. Let us make sure that they will see essentially what George Washington saw 200 years ago, and not a continuation of the "urban sprawl," nor a Disneyland-like amusement extravaganza.

Additionally, Mr. Chairman, Piscataway Park represents a unique recreational site in its own right. Millions of our citizens live within a short drive of this area, and I am confident they will find a properly developed Piscataway Park to be a valued haven.

Thus, I am convinced that the approach envisioned by H.R. 4861 is the proper direction in which to move. The legislation would grant to the Federal Government various tracts of land encompassed in the preservation area. These tracts include the Marshall Hall Amusement Park and two adjacent tracts controlled by the Marshall Hall operators along the Potomac shoreline, presently zoned commercial. Other parcels include undeveloped lands over which scenic easements have been voluntarily conveyed, and two smaller tracts not covered by scenic easements, one containing the present Marshall Hall marina adjacent to Fort Washington.

Costs for the legislation are estimated to be in the neighborhood of $5,000,000. However, the longer we delay, the larger these costs will grow. The Congress in passing the 1961 act has already commited itself to the preservation of the Mount Vernon view. Now let us complete that job.

On a personal note, Mr. Chairman, the culmination of the preservation efforts as symbolized by this bill will serve as a fitting tribute to my late friend and former colleague in the House of Representatives, John P. Saylor. Congressman Saylor was particularly interested in the protection of the Potomac River area, and this bill, which he authored, will significantly guard this majestic river from abuse.

Thus, I urge the committee to act favorably on this legislation. It is a good bill and one which will protect the sweeping panorama of Mount Vernon for all our citizens.

TRIBUTE TO AMBASSADOR EBERLE

Mr. FANNIN. Mr. President, I would like to call to the attention of my colleagues the recent accomplishments of Ambassador Eberle and to thank him and his fine staff for their contributions to international trade.

Last Friday, President Nixon announced that his able Special Trade Representative, Ambassador Eberle and representatives from the European Community have settled a long standing trade dispute.

The settlement ended 20 months of difficult negotiations over whether the expansion of the European Economic Community damaged U.S. exports and how and to what extent the EEC should compensate this country.

Mr. President, I have been following these negotiations closely and have from time to time been critical of our trade negotiators. With the successful conclusion in these negotiations, I would like to salute Ambassador Eberle and his staff for their outstanding efforts.

Mr. President, the settlement of the issue paves the way for the Finance Committee to promptly complete work on the Trade Reform Act which will enable us to begin a major round of international trade negotiations

I ask unanimous consent that the text of the statements by President Nixon and Ambassador Eberle be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY THE PRESIDENT

MAY 31, 1974.

I am pleased to announce this morning that trade negotiators from the United States and the European Community, meeting in Brussels, have agreed on a formula for reducing Community import duties on a significant number and volume of American exports. These reductions are in compensation for changes which occurred when the European Community was enlarged to include Great Britain, Ireland and Denmark.

The resolution of this important issue, following long and arduous negotiations over a period of several months, represents a major step toward improved Atlantic relationships. It also helps to clear the way for prompt Senate action on the Trade Reform Act.

For their efforts in negotiating this agreement, Sir Christopher Soames, Vice President of the European Community Commission, and Ambassador William D. Eberle, the U.S. Special Representative for Trade Negotiations, both deserve the thanks of the entire Atlantic Community.

It is the hope of the United States that the spirit which prevailed during these negotiations will continue in the months and years ahead as we seek to resolve other important and sensitive issues.

Office of the Special Representative for Trade Negotiations,
Executive Office of the President,
Washington, D.C., May 31, 1974.

Approval by the European Community (EC) of a formula for resolving long-standing U.S.-EC negotiations over compensatory Common Market import tariff reductions on a significant number and volume of U.S. agricultural and industrial exports was "warmly welcomed and accepted" today by Ambassador William D. Eberle, the President's Special Representative for Trade Negotiations.

The EC import duty cuts on U.S. exports were negotiated and agreed to under provisions of the General Agreement on Tariffs and Trade. GATT Article XXIV:6 requires customs unions to negotiate tariff compensation to supplier nations when individual national import duties of member states are raised in adjustment to a common external tariff schedule (CXT). Such was the case as a result of the United Kingdom, Ireland and Denmark joining the European Community.

Ambassador Eberle hailed the EC approval of the settlement formula, announced in Brussels, as "an important indication, at a particularly critical point in current international economic relations that potentially disruptive commercial disputes between nations can be resolved under multilateral rules, with the necessary mutual patience, good faith, and political will."

"I agree with the EC Commission," Eberle said, "that this resolution of a difficult and sensitive issue moves us much closer to starting the new round of multilateral, reciprocal trade negotiations, which are more urgent now than ever before because of serious strains on the international trading system."

"The resolution of the XXIV:6 talks also significantly opens the way for progress on our Trade Reform Act, now pending in the Senate, which is a sine qua non to the new multilateral round," Eberle said.

The XXIV:6 formula approved by the EC involves duty reductions on U.S. exports of tobacco, oranges and grapefruits, kraft paper, photographic film, non-agricultural tractors, excavating machinery, diesel and marine engines and outboard motors, engine additives, measuring instruments, pumps, plywood and other items.

Estimates are that the value of U.S. exports to the EC of the items on which new concessions have been made by the EC in these negotiations will be in the range of three quarters to one billion dollars. These concessions are additional to other tariff improvements which automatically follow from adjustments in the British, Irish and Danish tariff scheduling as they adopt the Community's common tariff.

The formula approved by the EC today does not include compensation claimed by the U.S. for cereal grain export coverage. The U.S. has reserved its rights under GATT to continue negotiations on this issue, and the U.S. and the EC have jointly agreed to "continue discussions with a view to seeking through international negotiations, agreed solutions to the problems arising in the field of international trade in cereals."

Eberle also pointed out that resolution of the XXIV:6 issue represents a mutually beneficial breakthrough in U.S. economic relations, and should substantially improve the atmosphere of overall relations.

THE MARITIME LEGACY OF THE UNITED STATES

Mr. MAGNUSON. Mr. President, Dr. Edward Wenk, Jr., director of the program in social management of technology at the University of Washington recently contributed a "Guest Editorial" to the Everett Herald on Saturday, May 11, 1974. Prior to joining the faculty of the University of Washington, Dr. Wenk was the Executive Director of the cabinet level National Council on Marine Resources and Engineering Development. He is an extremely knowledgeable observer of science policy and marine affairs. I believe his remarks merit my colleagues attention.

I ask unanimous consent that Dr. Wenk's article be printed in its entirety in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Editorial by Edward Wenk, Jr.

Although bounded by seas, nurtured and sustained by a global web of maritime activities, this nation has demonstrated repeated neglect of its maritime legacy. Yet, the oceans will play an unprecedented role in our future. The sea will be strained to extract fish and protein for a growing and hungry world population. The seabed will be scratched and drilled for metals and oil to meet materials and energy demands. Shipping will outpace all other transport modes. More people will seek natural marine surroundings as a playground or a sanctuary from urban frustrations. With the seas touching shorelines of over 100 nations, international awakening could lead to a new era of cooperation or of Neanderthal territorialism and strife.

Historically, it was the U.S. Congress that first appreciated these trends. With initiatives of Senator Warren G. Magnuson in 1966, Congress enacted the Marine Resources and Engineering Development Act to correct our unsteady commitment. The president was assigned a leadership role, and from 1966 to 1970, two incumbents energetically implemented that responsibility.

Since then, indifference, expediency and loss in maritime vision have returned. For the third time in 15 years, Congress is again probing our stake in the sea, barriers to progress and new solutions. They will have to ask such questions as:

Whether shoreline management legislation is proving effective in assuring stewardship of the marine environment and increasing public access (only four per cent of Washington's coastline is publicly controlled);

Whether government has sufficient data on seabed oil and gas before it leases huge tracts of common property to industry;

Whether such fuel should be explored, then banked for future generations rather than exploited in haste;

Whether risks of spillage from supertankers can be reduced by mandatory traffic control (Such as escort of unmaneuverable vessels in restricted waters by tugs traveling at no more than five knots);

How to conserve stocks of fish by international agreement (not solved by a 200-mile territorial limit);

How to increase productivity of the American fishing industry (that remained constant while agriculture improved five per cent annually);

How to extract low cost protein from unharvested fish species, as a hedge against worldwide famine.

An explanation for wavering national policy is that nobody lives in our maritime 51st state; and the fish don't vote.

With our lives so conspicuously affected by the sea, citizens and not just special interests must examine these issues and voice their preferences.

REPRESENTATIVE MARTHA GRIFFITHS

Mr. GRIFFIN. Mr. President, throughout her many years of public service, Representative Martha Griffiths, of Michigan, has been her own person. She has spoken out forthrightly on the issues and, while her views sometimes have been controversial, she has always earned respect for her keen mind, her forceful personality and her fierce integrity.

Recently, Martha Griffiths announced her intention to leave Capitol Hill at the end of the 93d Congress when she will complete 20 years of dedicated, distinguished service. Her departure will mean a great loss, not only for the constituents whom she has so ably represented, but also for her colleagues in the Congress.

Mr. President, I ask that an article about Congresswoman Griffiths, published June 2 in the Washington (D.C.) Star-News, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record as follows:

Representative Martha Griffiths

(By Isabelle Shelton)

Congress should not abolish the seniority system for choosing committee chairmen, because elections would result in chairmanships "being bought by the greatest lobbying influence."

At best, electing chairmen would result in "prejudiced log-rolling" for the posts—and "no woman or black would ever make the chairmanship of a committee."

So said Rep. Martha Griffiths, D-Mich., who is voluntarily leaving Congress at the end of this term after 20 years service. She expressed these and other opinions about Congress in a recent, little noticed speech to the University of Missouri Alumni Association here.

But while she does not want to scrap the seniority system, Mrs. Griffiths would modify it. Making the assumption that most people come to Congress when they are about 40, she would permit them to acquire seniority for 13 terms or 26 years.

At the end of that period or when the legislator reaches 65, whichever comes first, she would have him (or her) start over, in effect, without any seniority. "He would have to be assigned (a committee) by the Committees as if he were a freshman," Mrs. Griffiths suggested.

Her first experience, as a new member of Congress, brought her to these conclusions, she said.

She was put on a committee "where the chairman was so blind and so deaf that he could neither see nor hear a freshman who wanted to ask a question. His staff or the ranking member had to advise him. He was a fine old man, but he should have left Congress 20 years before," she said.

The Michigan congresswoman voiced some other controversial opinions:

"Those people who have staked their careers on perfect voting records are leaning upon very weak reeds indeed and the public is being vastly misled as to the meaning of this. What purpose does it serve to be the 535th vote on the Woodsy Owl bill, when you were not present that morning in committee to be the deciding vote on an environmental bill?

"In other words, the member coming out with a good voting attendance record may

at the same time have a darn poor record of participation in the committee where the votes really count."

More time should be allotted for members of Congress "to go back into their districts and through America and the world to determine how the laws they have made work."

Defending the lawmakers against charges of "junketing," Mrs. Griffiths said: "I have never been on a trip abroad with a chairman who didn't insist that we work all day and **half the night.**

"I frequently have felt that the criticisms related to junketing have come from members of our own foreign embassies who are living way above their heads and who object to Congress criticizing their work."

"Everything called reform is not necessarily reform. . . . In the last effort by the Bolling Committee to reorganize Congress, it hardly makes good sense to separate the unemployment tax from the benefits. The tax controls the benefits, yet the Bolling report would have separated them."

It also "Does not make good sense to put energy and environment into the same committee," she argued. "Just a modest amount of native American horse sense tells you that the energy people would control the committee and that, despite Exxon's belated commercials, energy has shown little inclination to consider the environment."

"I think it is significant that the (Bolling reform package) originally had wiped out the only committee whose chairmanship was held by a woman." (Merchant Marine and Fisheries headed by Rep. Leonor Sullivan, D-Mo.).

"The real reform Congress needs is a reform in its method of obtaining information. . . . I cannot emphasize this strongly enough. The truth is that in a great part of the making of the law we are actually relying upon the memories of individual Congressmen," because adequate records have not been kept.

SMALL BUSINESS WASHINGTON REPRESENTATION

Mr. NELSON. Mr. President, the week of May 19 was Small Business Week.

From Wisconsin, New England, Pennsylvania, and Ohio small businessmen and women came to Washington that week to tell us what they were thinking. Their enlightening and comprehensive presentation of their views and recommendations should have presented us all with the opportunity to sit down and examine our commitment to the tenacious courage of the American entrepreneur.

Independent small businesses, whether they employ 5 or 500 employees, are being seriously affected today by discriminatory tax laws, Government policies, and monopolistic practices by giant corporations.

Those giant corporations are often very large, indeed.

General Motors, for example, has nearly as many employees—and twice as many shareholders—as there are people in the city of Milwaukee.

What is more, during the energy crisis, many Americans learned for the first time about a handful of oil companies whose enormous power enabled them, in effect, to determine U.S. foreign policy.

But small business still makes up 97 percent of the 12.5 million business enterprises in America, accounting for 44 percent of all jobs and 37 percent of the gross national product.

The problem is, those businesses—especially in manufacturing—are being gobbled up by larger firms at a disturbing rate. In 1948 only 223 independent mining and manufacturing companies were bought out by other firms. But in 1960 more than 2,300 were acquired.

By 1970 only 102 companies—those with $1 billion or more in assets—controlled 48 percent of all manufacturing assets in the United States and earned 53 percent of all manufacturing profits. The 200 largest manufacturing corporations held well over 60 percent of all manufacturing assets.

It is easy to see the tremendous disadvantage faced by the independent entrepreneur in his struggle to survive. Yet it is enormously important that he does survive and flourish because he is the best check we have got against dangerous concentration of economic power.

Many of the concerns raised by the small businessmen and women thus deserve our careful consideration in the turbulent months that lie ahead.

Many of them are concerns I have been promoting for a number of years.

I have been advocating legislation, for example, to ease the highly discriminatory tax burden on small business, to reduce paperwork required of small businessmen by the government, to make available low interest loans for spending connected with the energy crisis and pollution control, and to curb discriminatory and noncompetitive practices by corporate giants.

We should pay close attention to these concerns and others expressed by the fine people who came to Washington during Small Business Week, including concerns about procurement, research and development, minority enterprise and reform of the Small Business Administration.

For we should have learned by now, from our great independent tradition, that problems solved by individual ingenuity at the human level are far more likely to be solved with the honor and dignity America now demands.

Mr. President, I congratulate the small-business men and women who came to Washington last week from Wisconsin, New England, Pennsylvania, and Ohio. At long last they are giving small businessmen and women the voice they need in the Halls of Congress.

It is my hope that we will heed that voice.

I ask unanimous consent that the text of the presentation of the small business groups be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SMALL BUSINESS WASHINGTON PRESENTATION, 1974

BACKGROUND

Nearly three decades ago, the Small Business Washington Presentation began under the auspices of the Smaller Business Association of New England (SBANE). A year ago, we were joined by the Independent Association of Wisconsin (IBA-W) and the Smaller Manufacturers Council (SMC), of Pittsburgh, Pa. The increasing scope of the grass roots small business movement, started by our associations, is furthered this year by participation of the Council of Smaller Enterprises (COSE), Cleveland, Ohio.

Twenty-one years ago, the Congress first consolidated its concern for small business into the Small Business Act. Many programs have evolved over that period; some successful and others of dubious value. Never in that twenty-one years, have we stepped back and asked—what if?

We have, this year, stepped back and looked with a critical eye at the programs that comprise our government's response to the unique needs of small business. We come to make specific proposals to enhance the economic posture of small business, to open the doors of opportunity to all and to encourage the further development of the American free enterprise system.

Small business has always received a warm welcome on Capitol Hill. The Presentation's purpose is to translate this cordial reception into action, by articulating the concerns and problems of small business to our national lawmakers. We thank the Senate and House Small Business Committees and staffs for making it possible for the four organizations to give this presentation.

INTRODUCTION

Our 1974 Washington Presentation focuses on two principal subjects: The Small Business Administration and the Bible/Evins Tax Simplification and Reform Act. Under the heading of "Whither Small Business Assistance?"—we wish to highlight these critical needs of our Nation's small business community.

The Small Business Administration was chosen as a timely concern, by our four organizations, because 1974 observes the agency's 21st year of existence. It seems particularly appropriate to examine the accomplishments and shortcomings of the past two decades.

In order to achieve maximum participation by our four grassroots organizations' membership, a comprehensive questionnaire on the SBA was developed and distributed. In addition, a separate study of small businesses and New England banks was sponsored by SBANE at Suffolk University, Boston. The results were remarkably similar and pointed out the major weakness that has plagued the agency since its inception.

The first oversight hearings held on the SBA in 1954, pointed out a lack of knowledge among the small business community as to the programs offered by the agency. That same lack exists today! On the basis of our study, we contend that over 90% of the businesses in the U.S. do not know what the agency offers. The small business executive is not an easy target for public information specialists. New and innovative techniques are needed that will bring attention to, and stir interest in programs of the SBA.

Since last year's Presentation, the experience of the small business community during the energy crisis personifies the adage that we live in a changing world. The ultimate effects of this crisis on small business are still uncertain. Historian Arnold Toynbee has predicted that the free enterprise system would disappear, due to the eventual depletion of the earth's irreplacable natural resources. In these and other crises, small business needs an advocate in government. This often repeated phrase has not been implemented within the SBA. It must, if small business is to survive and grow.

We look upon the role of the Small Business Administration, in a position of continuing expansion, to actively pursue and eliminate continuing threats to the free enterprise system. This year's Washington Presentation is a positive and constructive attempt to make the agency a more viable force and build a healthier economy through a competitive business system that transcends the interest of small business and incorporates the best interests of the general public.

Let us examine some of the specifics.

ADVOCACY

The interests and needs of small business are diffused across the range of economic endeavor and the far flung corners of our nation. Not unlike the similarly diffused American consumer, small business needs an advocate in the complex halls of government. Advocacy for small business is a concept often repeated by the Congress and all too little acted upon. The impetus for these actions must not only come from the Congress in hearing reports, but also must be supported by people, money and a clearly enunciated mandate to the Executive Branch.

Small business continues to need an advocate in the Congress. Only through independent House and Senate committees, with broad ranging powers, can small business be preserved.

Role of the small business advocate

Small business needs an advocate in the complex halls of government. Embodied in the word advocate is a multi-faceted function and a singular theme of vigorous, creative, inquiring leadership in defining the needs and implementing programs for small business. In the past, we have looked to SBA to assume the role of advocate. The future value of the SBA hangs upon its adoption of the vigorous advocacy role *now!* Advocacy is a state of mind—backed up with programs and people. It is our proposal that the SBA role as the small business advocate include: Ombudsman, Class Representative, Economic Research and Initiator of new programs.

Advocate as ombudsman

The maze of our government bureaucracy is so confusing and frightening to the smaller businessman, that he will avoid contact with it whenever possible. A survey of our combined memberships shows this to be true with many agencies. However, the growing scope of regulations are such that he can no longer afford avoidance. To obtain assistance in the form of information, direction and/or representation, the smaller businessman often relies on his Congressman—thereby creating a continual increase in demands on his office.

We believe that it was the intent of Congress to relieve some of this demand when it established the Small Business Act which gives the SBA broad powers to aid the small businessman. We recommend that a position of Ombudsman be established in each regional and district SBA office, reporting to the director. The person who fills this position should be familiar with the functions and programs of all government agencies and should be able to represent the small businessman before these agencies.

The Small Business Act states, "it is the declared policy of the Congress that the Government should aid, counsel, assist and protect, insofar as possible, the interests of small business concerns in order to preserve free competitive enterprise." Implementation of the "Ombudsman Program" would be an enactment of that policy, however, the mandate must be clear.

Advocate as legal counsel

Presently, the activities of the SBA as advocate involve reviewing the Congressional Record, the Federal Register and other government publications to determine areas of interest to the small business community. The General Counsel's office may submit briefs to regulatory agencies on behalf of the small business, or appear at Congressional hearings to comment on new laws which affect small business. This concept falls short of our concept of advocacy.

Vigorous, creative, diligent advocacy by the General Counsel implies pursuit of class problems affecting small business. These problems are well known to us, in procurement, in regulatory agencies, and in taxation.

The major challenge of the Chief Counsel for Advocacy under the present SBA structure would be to limit cases to those which, when well publicized, would create public awareness of the importance of small business. Adequate publicity would also enhance the stature of the SBA both within the government and the world of the American small businessman it serves.

We do not propose that SBA provide legal assistance toward individual issues, of narrow scope. We do recognize, however, the need to balance bureaucratic reluctance with purposeful advocacy. To ensure action we propose that an advisory board of small businessmen be placed in a reviewing position, to determine the significance of the issue. This board, much like a Grand Jury, should be empowered to direct SBA General Counsel to undertake the issue; whether in the courts, before a regulatory body or the General Accounting Office.

Legal advocacy must be more aggressive in challenging established government boards and commissions where decisions are rendered at odds with small business needs. A continuous monitoring of pending legislation as it affects small business must be maintained and implemented by testimony and communication with interested small business adherents who could reinforce the SBA position.

Advocate research

The diffused nature of small business limits its ability to prepare and present broad ranging analysis of the economic, regulatory and management needs of itself. The administrative focus of the SBA limits its ability to perform this critical function.

In the past year our nation has addressed the need to fill a vacuum of talented, independent researchers focused on critical problems. This need has been filled, in many cases, by an independent not-for-profit organization created by the government. We believe such an entity is needed to supplement SBA.

We propose the organization of the Small Business Research Institute, a not-for-profit, chartered to undertake research into the economic, regulatory and management needs of small business. We propose it be governed by a Board of Trustees appointed one-third each by the Administrator of the SBA, and two Select Committees on Small Business.

The SBRI should be funded for a minimum three-year period, at an annual level of $5 million. During its initial year, it should be charged with conducting several critical studies, addressing:

The impact of tax simplification on the SBA loan program.

Development of industry models of business size measures. Only by retaining an independent body of talent, removed from the bureaucracy, on a continuing basis—can creativity return to the arena.

Advocate as initiator

Historically, the SBA has ignored legislative and executive instruction to act as an advocate. Since the original SBA act provides for advocacy, it is a moot point to ask if new legislation can effectively compel SBA to perform in this area where it has previously failed, despite repeated restatements of the intention of the law.

There is reason to suggest an inconsistency exists in the executive branch, which has on several occasions directed the SBA to assume an advocacy role, while at the same time, restricted its activities to preserve administration prerogatives. SBA activity with the legislative and judicial branches and with the general public, is restricted by the need for prior submission of testimony and statements for OMB approval. SBA initiative opportunities range across the concerns of all executive agencies. This is not a classical function and must not be restricted, if small business is to have a true advocate.

When Congress declared that SBA should be an "independent agent" it meant independence from both legislative and judicial branches and independence within the executive branch. But, because this is not the case today, the "chicken vs. egg" dilemma is generated regarding procedure of effective implementation of the advocacy role.

During the past few administrations, the SBA has become staffed, budgeted and activated as a socio-economic agency—serving in the fields of special banking, high risk venture capital, disaster relief, and the disadvantaged. The overwhelming prominence of this position has left little hope for advocacy of other SBA functions. However, if the Congress will restate its will, show its determination, and cause the SBA to be responsive, we believe that many accomplishments can be anticipated for the improvement of the small business segment of the economy. Ultimately, initiative advocacy can have far reaching impact on other SBA functions.

The initiating advocate can propose new legislation to advance the position and activity of the small business in the economy. From its broad national base, the SBA can influence the business community by developing statistical information indicating effectiveness of existing laws, requirements of new laws, and even the degree to which SBA activity is achieving its objectives.

In the field of management assistance the SBA should initiate educational programs to develop better embryo businesses, to instill good management thinking in existing businesses, and to direct distressed enterprises towards solutions through good management. All of this could serve to decrease the number of small business loans requested and loan failures. Ultimately, this could return SBA loan activity to that of offering seed money to new companies or rapidly expanding companies, rather than "bail-out" money which so often seems to be the case in today's activity.

Advocate—Accountability

We belive that the SBA Advisory Council is an underutilized and sometimes non-representative body, that should be redirected. The Advisory Council could, and should be: a Board of Directors of the District SBA offices, an advisory group to small businessmen in the different regions, and problem-solving consultants to the Regional SBA Director.

To be effective, the Advisory Council must represent a diversity of small business types. This diversity is not achieved today. As a step toward representation, we propose that the Governors of the respective states be permitted to nominate the Advisory Council members in their state.

The Advisory Council in each district office should be required to submit an independent appraisal of needs and results, on an annual basis, directly to the Regional Director. In a similar manner, the Regional Advisory Council should be required to directly report to the SBA Administrator.

Only through direct accountability to the user of these services, can we hope to achieve responsible change on a continuing basis.

Advocate public relations

In a survey on the usage of SBA by our combined membership, the returns expressed the absolute fact that the SBA is not being utilized by the existing small businessman. Of the returns received, over 90% did not use, did not know about, and could not relate to the SBA programs. The few that have used the SBA have been dissatisfied and generally have waited a long time for action from SBA. The consensus is that SBA was much too cumbersome to solve their problems or to assist them in a reasonable time frame.

We suggest that SBA develop an Associate Office, similar to the Department of Commerce, whereby business associations are assigned supporting roles in disseminating SBA information. In addition, as part of the communications package, the SBA should publish a weekly small business loan index report in a paper like the Wall Street Journal. The report would show what regional small businesses loans were made and what funds were still available. This would elucidate the uncertainty of the availability of SBA loans. Another way to disseminate this information would be to place an insert in the Quarterly 941 Payroll Tax Form currently sent to small business companies.

Advocacy outlook

All these goals can be reached if priorities are established and adhered to. However, because the SBA has been passive, its authority and directives are neither accepted nor implemented. Conditions such as high personnel turnover, the ubiquitous presence of OMB, and the failure of Congress to take a determined stand regarding SBA advocacy, contribute to the misunderstanding of SBA's role in the economic sphere by its own personnel. If the original intent and objective of SBA is to be realized, these conditions must be reversed—hopefully with initiative from Congress.

Future objectives are to use the advocacy role of SBA to advance and monitor progress of the small business community. But, the immediate problem is to remove administrative roadblocks via legislative action of the Congress. We ask that the Small Business Committees of the Senate and House as well as the Small Business Sub-Committees initiate legislation to ensure implementation of the original Small Business Act's objectives.

This could be accomplished in the following ways:

Establishing a scheduled program to allocate an increasing percentage of the SBA budget to the advocacy role function;

Further defining the advocacy role of SBA;

Underscoring SBA's existence as an independent agency;

Authorizing expenditures for the Small Business Research Institute.

Finally, Congress should require that the "State of Small Business Annual Report" required by legislation in 1973 at the initiation of Senator Kennedy, include a specific report on the advocacy action during the year as well as specifics of surveys (conducted by SBA with other agencies) to determine their inter-agency action in support of small business interests.

TAXATION

Small business needs tax simplification and tax reform *now* in order to preserve the human resources of the small business community. Delayed action here is just as bad as no action at all. We urge the immediate passage of the Bible/Evins Small Business Tax Simplification and Reform Act, S. 1098/H.R. 5222.

Despite the philosophical intent of the surtax exemption, small business pays a higher effective tax rate. Testimony before the Senate Ways and Means Committee shows the effective Federal tax rate of differing size companies to be:

Over 50% for manufacturers up to $50 million in assets;

44.3% for manufacturers with $250 million to $1 billion in assets;

35.2% for manufacturing corporations with over $1 billion in assets; and

24.4% for the largest 100 U.S. corporations.

It is clear that the philosophy does not translate into action!

Because of inflation, increased labor, construction and wholesale cost, together with decreased purchasing power of the dollar, small business must have a graduated tax, merely to retain what they have lost in the past thirty-five years. Small business is fighting for its existence—and losing many battles.

The lack of sufficient capital is one of the greatest roadblocks facing small business today. Small business needs to retain more of its own cold, hard cash to develop the muscle and the power to withstand competition to keep abreast of new methods and techniques, to diversify, to research and pioneer, to train and develop young aggressive talents, to survive during slow periods and to grow, to prosper and to flourish.

Most small companies are unable to receive adequate capital by public offerings of securities such as stocks or bonds, nor can they borrow money from banks and investment companies like large corporations can. It is only by the retention of its own earnings that small business can compete and grow, consequently providing jobs and paying taxes.

The Bible/Evins bill is a *must* for independent business. The culmination of six years of intensive study, consultation and hearings is the most meaningful small business bill to be introduced in 15 years. This bill provides for: permanent government and small business advisory machinery for simplifying tax laws and forms; a small business tax analyst in the treasury department; lower tax rates for smaller business (particularly new business); promotion of growth of new and small firms by liberalizing first-year depreciation, and increasing permissible accumulations of earnings; erasing the need for raising capital by providing more equitable treatment for possible losses through loans or stock purchases, and allowing tax benefits for the floating of securities issues; a ten year carryover of small business operating losses; an increase in permissible accumulated earnings; making "sub-chapter S" closely held corporations more flexible and less dangerous to use; additional flexibility in affairs of partnerships; encouragement of the continued independence of family firms by making it easier to pay estate taxes based on family interests over a ten year period.

Once again, we urge the immediate passage of the Bible/Evins Small Business Tax Simplification and Reform Act, S.1098/H.R. 5222.

PROCUREMENT

Historically, small business has been discriminated against in the procurement of government contracts. While the SBA has tried, with limited success, to promote the cause of small business, many hurdles still remain in the path of small firms competing for government contracts.

The Federal Government spends over $55 billion on goods and services annually. The manner in which this spending is handled has a major impact on the development of small business. We do not seek undue advantage, simply an equal opportunity. We recommend the following steps to promote small business procurement:

1. Requiring the Administrator to involve Section 8(a) whenever an agency of the government is not providing small business a fair proportion.
2. Authorize SBA to issue Certificates of Competency in all five areas in which a small business can be refused a contract.
3. Insure that fair proportion of total purchases be extended to grants and assistance programs.
4. Extend the coverage of included programs to grants.

Need for changing the Small Business Act

The June 1973 hearing before the Permanent Select Committee on Small Business (published as "The Position of Small Business in Procurements for Federally Supported Programs") provides testimony that although the amounts of the grants and indirect funds (which may run as high as $40 billion) continue to grow through matching programs and revenue sharing, there is no clear mandate in the Act to assure equal opportunity for small business in the expenditure of these funds.

Small business

Section 2(a) of the Small Business Act refers to a "fair proportion of purchases and contracts . . . etc." but the Act neither defines nor provides authority to the Small Business Administrator to specify to other agencies what a "fair proportion" is and what criteria determine it. We recommend that the Small Business Administration be given this authority. And, because of the ambiguity of the *definition* of a small business concern (in Section 3 of the Act), we feel that empowering the Small Business Administrator with the ultimate responsibility for the definition of "small business" will be another positive step towards procurement implementation.

Certificates of competency

In 1968, the chairman of the Subcommittee on Government Procurement and Economic Concentration of the House Small Business Committee introduced a bill to strengthen the Certificate of Competency program of the SBA by amendment to ". . . strengthen the COC program, carry out the original intent of the Congress, and provide increased economy in Government procurement." This is still a valid issue!

Presently, the SBA can issue Certificates of Competency in only the first two of the five areas in which small business arbitrarily can be refused a contract (*i.e.*, financial credit and capacity). The other three areas of refusal are integrity, perseverance and tenacity. Seven years ago, it was a surprise to the Small Business Committee to learn that small businesses were refused contracts because of the latter three points—without any requirement for the matter to be brought to the attention of SBA. This continuing practice not only circumvents the purpose of the original law, but also thwarts the effectiveness of the program.

As Congressman James C. Corman, Chairman of the Procurement Subcommittee in 1968, explained: "The strange result is that if the contracting officer rejects the low bid because he believes that the small firm does not possess the capacity and credit to perform the contract, the contracting officer must refer the issue for final determination by SBA; if, however, the contracting officer rejects the low bid because he believes that the small firm lacks integrity or the tenacity and perseverance, he need not, and does not, refer the matter to SBA."

It is imperative that in addition to being able to issue Certificates of Competency in all five areas, that the SBA also be able to establish an appeal procedure which would act as a liaison between the contracting officer, the purchaser and the small business.

Procurement clout

Section 8(a) of the Act gives the Administration one of its greatest powers, *i.e.*, the power to enter into contracts with other departments of the government, whenever it determines such action is necessary; and to arrange for the performance of such contracts by small business concerns. However, the words "whenever it determines such action is necessary" need to be clarified by statute, with language relating to Section 2, which spells out the small business policy of Congress.

Specifically, the Administrator should be required to invoke Section 8(a) whenever an agency of the government is not providing small business a fair proportion of the total purchases, contracts, grants or assistance funds, and whenever such action is required to maintain and strengthen the overall economy of the nation. In order to implement this transformation of the SBA into an active, rather than an advisory agency, these words must be added to Section 8(b)(4): "and to direct such officers to insure that small business concerns get a fair proportion of the total purchases and contracts or subcontracts and that they benefit from a fair share of the total sales of government property, and to take such action as may be necessary in the event of non-compliance, included but not limited to the invocation of the powers vested in the Administrator by section 8(a) of the act."

Subcontracting

Section 8(b) (6) of the Act makes it a duty of and empowers the Administration to: ". . . take action to encourage the letting of subcontracts by prime contractors to small business concerns at prices and on conditions and terms which are fair and reasonable." A truly beneficial service under this Section would be provided by SBA if it were empowered, or chose to, enforce "fair and reasonable terms," and were willing to arbitrate or intervene upon determination that prices requested of, and terms and conditions imposed on small business concerns were *not* fair and reasonable.

Section 8(d) (1) of the Act requires cooperation of the Small Business Administrator, the Secretary of Defense and the Administrator of General Services in developing a small business subcontracting program. This section should be broadened in two respects. First, other procuring departments and agencies of the government such as NASA, the Department of Transportation, the Department of HEW, the Atomic Energy Commission, the Environmental Protection Agency, the Agency for International Development, the Department of Agriculture, HUD, LEAA, etc., should be included. Second, such programs should be required to apply not only to subcontracting but also to prime contracts.

Research and development

Section 9 of the Act specifies the policy of Congress to assist small business in obtaining the benefits of research and development conducted at government expense. The Administrator is authorized to assist small business concerns to obtain government contracts for research and development in Section 9(b) (1).

The words "contracts and grants" should replace the word "contract" in this section. And, so that the Administrator will have the resources to execute this Congressional mandate, the section should also refer back to the powers vested in the Administrator by virtue of Section 8(a).

Procurement alert

Section 8(e) of the Act makes it a duty of and empowers the Secretary of Commerce to publish notices of proposed government procurement actions in "Commerce Business Daily" immediately after the necessity for such procurements is established.

This section was intended to provide small business with an opportunity to prepare for the published bid. However, in many cases, preparation for a bid (especially in research and development) requires direct conversations with the cognizant professional personnel in the buying agency. Ironically, the publication of a proposed procurement is used by many agencies as the occasion for stopping further conversations with the prospective bidders. Consequently, a small business which first learns of a proposed procurement from the Commerce Business Daily is already too late for informed bidding, and thus does not benefit directly from the publication of proposed procurements.

In this situation, the notice in Commerce Business Daily, which occurs after all the big companies have done their talking to the procuring agency, precludes small companies from seeking procurement information and acts to the disadvantage of small business.

We suggest that Section 8(e) be modified by appending at the end, a sentence to read:

"The publication of such notices is intended to provide small business concerns with advance information about proposed procurement actions and will not be used as a mechanism for precluding small business concerns from obtaining further information about the required supplies or services."

We further note that a lone agency within the U.S. Air Force has published the name and telephone number of the project engineer, for R & D announcements in the Commerce Business Daily. This was of immeasurable value to the small R & D contractor, searching for "the right guy" with whom to discuss his idea. Despite its value to small business and the Air Force, the practice has stopped because the CBD wanted to save printing costs. Surely there is an imbalanced perspective here, for measuring cost and benefits.

Financial assistance

In the area of financial assistance, there is an apparent void between SBA programs and the perceived needs of the small business community. Undoubtedly, as our member survey indicates, there is a lack of communication between the SBA selling its programs and small business voicing its needs. In that second area, we hope to contribute herein.

Small business needs access to capital. Beyond that generated from its own earnings, is an often need for debt and equity capital that cannot be raised in the public markets. Small business is also vulnerable to the profit squeeze resulting from chaotic interest rate markets.

Current SBA loan programs were conceived in different times. The direct loan program is essentially non-existent at this point—leaving the banking community to deal with a guarantee program that does not produce competitive returns.

It is, we feel, time to clean the legislative books and restate policy and goals. We propose that the direct loan program be eliminated from existing legislation in order to remove the current confusion surrounding its availability.

We propose the amendment of the Small Business Act to restructure and revise SBA Financial Assistance Programs. Financial Assistance is a package of services, that can be coordinated by SBA. That package should include:

Loan guarantees for both long term and revolving short term debt. The loan limit of the current program has been eroded by inflation. It should be increased to $500K, as proposed in S.333, Within the loan guarantee program, SBA should be encouraged to experiment with variable guarantees, ranging from 50-100%. While we recognize the pitfalls of 100% guarantees, we also observe the critical need to inject capital into the areas of our economy toward social goals. The guarantee of loans, with increased reliance upon the banking community for administration should be the major focus of SBA dollar programs.

Lease guarantees becomes increasingly more important to small business, as the nature of the real estate development changes. To aid, in providing liquidity to small business, this program should be extended to include leasehold improvements.

Bond guarantees remain essential to small contractors and service companies. The authorization for bond guarantees should be broadly expanded to encompass transportation carriers, equipment suppliers and any small business facing obstacles in bonding its performance.

Advance payment guarantees. Government contractors facing questions of capacity and credit are eligible under the Certificate of Competency Program. Often where credit is questioned, the SBA is able to effect a loan guarantee, thereby solving the problem. Undoubtedly, the increased borrowing costs were never considered by the small businessman in preparing his bid. ASPR and FPR recognize this by providing for advance payments, however, contracting officers are reluctant to use it. We propose that the SBA be empowederd to request advance payments, on behalf of a COC firm, and guarantee them. This effectively ties together two sections of procurement law, helping the small businessman and putting teeth in SBA programs.

Small business prime borrowing rate cannot fluctuate as rapidly as the big business prime, without adversely affecting firms. This was recognized by the Committee on Interest and Dividends, when they created a two-tier prime. With the phase-out of economic controls, small business cannot afford to lose this protection against roller-coaster changes in interest rates. We propose that the existence of a small business prime rate, with a ceiling of 8% be enacted through the Small Business Act.

A small business loan index is a step toward informing the businessman of the availability of loan guarantees. We propose that the SBA publish, in national business publications, an index of loan guarantee activity during the preceding week. An illustration of that report is shown below:

SBA Region I

Loan guarantees, $2,600,000.
Fiscal year funds available, $62,000,000.
Rate, 8½-9%.

SBA Region II

Zero.

As part of "getting the message out" it is simple and yet effective.

Disaster loan program—a distraction. The disaster loan program currently under the auspices of SBA should be placed either in HUD or FHA. Too much valuable SBA staff time and money is being removed from regional field offices to take care of the disaster loan program. For instance in Cleveland, only two of 38 staff people remained in the district office between the months of June through August, because the rest were transferred to Toledo for temporary assistance in disaster matters. This creates large voids in loan officer, management assistance and other SBA programs. Therefore, it is necessary to place all disaster funds—with the exception of small business disaster funds—under the jurisdiction of other federal agencies. In that remaining area, we applaud the recognition of federal closing impacts on small business, as contained in the amendment passed last year and introduced by Senator Pell. The impact of the federal government, as a buyer, on individual small businesses is significant. This amendment alleviates some of the traumatic effect of base closings and buys time for the entrepreneurial spirit and Yankee ingenuity.

At the same time, we observe efforts to provide disaster loans in businesses affected by naturally occurring events. The absence of sunshine or snow, in the resort industries is a factor in setting rate and achieving desired profit margins. These businesses should not be considered disaster loan candidates if precipitation deviates from norms in a given year—lest we head for economy, based upon a "guaranteed annual profit."

Surplus and Government owned equipment represents a significant and usually inaccessible resource to small business. We propose that the SBA establish a program to ensure the availability of government surplus equipment to small business. This must take the form of 1) informing small business of its availability, 2) ensuring small lot sizes (through breakouts or set-asides) and 3) providing, where necessary, bid guarantees.

A wealth of production and R & D equipments, owned by the government are in the hands of big business—effectively in perpetuity. We propose that the SBA undertake a study of this area, to identify the utility of these equipments to small business.

MANAGEMENT ASSISTANCE

As in the area of financial assistance, a void exists here. The survey of our memberships has shown that successful small businessmen do not know what SBA Management Assistance Programs are and have not used them. Clearly, the "selling job" directed by the Congress as early as 1954, is still needed.

Section 8(b)(1) of the Small Business Tax Simplification and Reform Act would empower the SBA Administrator: "... to provide technical and managerial aids to small business concerns by advising and counseling on matters in connection with government procurement and property disposal and on policies, principles of good management, including, but not limited to, cost accounting, methods of financing, business insurance, accident control, wage incentives, and methods of engineering . . . by maintaining a clearinghouse for information, concerning the managing, financing, and operation of small business enterprises, by disseminating such information, and by such other activities as are deemed appropriate by the Administration."

The rationale for these additions is the desperate need of small business to have a source of assistance in the complex world of government regulation. In the area of income tax preparation, the Internal Revenue Service provides assistance to the taxpayers in the interpretation of regulations and filling out forms. A parallel service by SBA to small business contractors with respect to regulations would be of immense assistance.

SBI funding

To strengthen the management assistance program, more funds should be funneled to expand SBA's new Small Business Institute Program which utilizes colleges, students and professors in general management assistance areas and working teams of students and professors solving small business programs. Funds or grants should be funneled through SBA to trade and professional organizations set up to deal with management problems of small business. SBI is a new program in the SBA management assistance area that could be a great help to small businessmen.

Combine SCORE and ACE

In order for both agencies to have an equal amount of case review work, both SCORE and ACE should be combined into one program. Both programs should be omitted from the current "Action" program so that they can be directed by the SBA Office. Not only should all out-of-pocket expenses for both organizations be reimbursed, but also a recognition program should be initiated to highlight their activities. SCORE volunteers should be categorized into the disciplines in which they were trained, so that if a businessman has a specific problem, he will be sent to someone with specific expertise in that area.

MINORITY ENTERPRISE

The response to federal programs addressing minority enterprise development, has been less than satisfactory. The inequities extant in our society, when these programs began some six years ago, are little reduced. We feel that this is significantly due to foci on statistical "bean counting" centralization in the Washington bureaucracy, and diffusion of responsibilities through multiple agencies.

We believe that it is the responsibility of this nation to provide equal avenues of opportunity to participate in the economy of our country. Where these avenues have been blocked for decades, we must bend to open the door, to correct past inequities.

The fact is Black and Spanish-speaking people comprise 17% of the U.S. population. Yet, these minorities have only less than 4% of the nation's business and generate less than 7/10th's of 1% of the nation's gross business receipts. There were in 1972, approximately 250,000 small minority businesses in existence yet they own less than 3/10th's of 1% of the country's gross business assets.

The trend in assisting minority business ownerships has been in establishing retailing, distributing, franchising and service industries. In 1971, 72% of the SBA minority loans were for these types of firms. It would seem more desirable, from a long range point of view to place greater emphasis on establishing more stable types of firms such as those in manufacturing that would present a more solid promise of success in terms of growth and employment.

Minority enterprise development contains the same needs as any business—entrepreneurial people, a market, a product and capital. Opening the door and insuring successful results is far more dependent upon people than simple bean counting.

Developing skills and assisting people on a continuing basis is not effectively done from within the federal agency. The recent practice of competitively contracting, from each SBA region, for limited management assistance services, is fragmented and discontinuous. We propose that a pilot program be conducted, under the auspices of the Small Business Research Institute, establishing a business development program in one SBA region. This consulting capability should be funded at $1 million in the first year. All cases assigned to it shall be evaluated by its director to determine needed consulting resources, and recommended back to the SBA regional director. If approved by him, the case should be undertaken. If disagreement exists, the issue should then be resolved by the Advisory Council.

This approach puts the needed level of resources to work and reduces token management assistance which is futile. It is based on the belief that one must, in developing viable techniques for minority enterprise, learn to walk before running.

The implementation of minority programs within the SBA has often been interpreted by the non-minority community to be at their expense. When the SBA first geared up to provide minority assistance programs personnel were transferred from existing procurement and management assistance specialties to work exclusively in minority programs, thus depleting the overall effectiveness of the agency. In other cases when the 8(a) program was implemented, many non-minority firms felt that contracts were being taken from non-minority firms and instituted for minority-owned businesses. We believe, at this point, that many of those problems have been solved.

SUMMARY

Twenty years from now gross national product will have doubled—at least—if we can still extrapolate from the recent past. We know some other things about the future: the size of the labor force, based on the number of today's babies; the expected rise in personal income through annual hikes in productivity; the costs to the firm and indirectly to the purchasing public of consumerism and ecological concern. We also know that the large corporation will be still larger, except where anti-trust laws break up a small number of firms or where an industry defines its role too narrowly and misses the signals of change.

But we do not know what American small business will be like in twenty years. It has none of the protections that accrue to size or to widespread managerial talent. And, we submit, whatever America's wealth in another twenty years, it will be a poorer America if the small business community has not enlarged its role in and usefulness to this society.

It is because small business, somewhat like the consumer, is in totality a clear entity, in fact, a major institution in America, but in its single units not a potent or organized force, that we submit the above modest proposals as a means by which the federal government can use its authority to protect and even to encourage this very American and very deserving part of the U.S. economic fabric.

TRIBUTE TO COACH FINZEL, OF FROSTBURG, MD.

Mr. BEALL. Mr. President, the coach of the local high school of my hometown, Frostburg, Md., recently announced that he will retire at the end of this school year.

Coach Edward "Ebbie" Finzel will culminate a most successful teaching and coaching career and his departure will end an athletic era at Beall High School.

During his 39-year career, he coached baseball, soccer, basketball, track, and tennis and served as physical education director of the high school. He has been a most successful coach. For example, his tennis teams compiled an overall record of 62 wins and 1 loss. This included a winning streak of 55 consecutive games. Coach Finzel, however, will not and would not want to be remembered solely for his many victories on the various athletic fields. For Coach Finzel regarded the molding of character as important as the building of winning teams. In his teaching and by personal example, he instilled in his students and athletes qualities—commitment to excellence, sportsmanship, integrity—which transcended their brief athletic careers and served them well in subsequent careers in life.

One of the great philosophers of our time, Linus from the comic strip Peanuts, said "There is no heavier burden than having a great potential." This points out the responsibility that we have to our young people. Coach Finzel recognizes our special responsibility to our youth and has challenged them to reach their potential.

Mr. President, it is because of dedication of individuals like Mr. Finzel and others across the country that I have the greatest confidence that this Nation will overcome its present difficulties.

I ask unanimous consent that the article from the Cumberland News be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BEALL ATHLETIC ERA COMES TO CLOSE; VETERAN COACH SERVED 39 YEARS AT FROSTBURG

(By Dale Flanagan)

At the conclusion of the 1974 school year, Beall High School will be losing one of its most loyal Mountaineers.

Edward "Ebbie" Finzel has announced his retirement, and his departure from the Frostburg based school will climax a 39 year career of athletic involvement at Beall.

Finzel publicly announced his retirement decision at the Beall High Athletic booster Awards Dinner held Thursday night at Frostburg State College's Lane Center.

The long term coach informed the Beall High student body about his decision at the school's award assembly held yesterday.

Finzel had been Beall's athletic director for the last three years, but before that he had served as a coach for the Mountaineers in basketball, baseball, tennis, soccer and track.

A life-long bachelor, Finzel himself was a graduate of Beall and was born and raised in Frostburg. He received his bachelor's degree from Penn State, acquired a masters from Columbia and later did other graduate work at UCLA and the University of Maryland.

SOCCER ALL-AMERICAN

A participant in soccer, basketball and track during high school, the Mountaineer mentor concentrated exclusively on soccer in college and won All-American honors.

At Penn State, Finzel was a member of the Nittany Lions' national championship squad, which in 1934 became the first American collegiate soccer team to engage European squads. The international competition was played in Scotland. As Beall's athletic director, Finzel saw the wide sports variety of the school as a major success of the Mountaineer's physical education program.

"Beall has the most varied athletic program in Allegany County and one of the most outstanding in the state," he said.

"Current educational systems are varying their academic programs. Now there are vocational, college oriented and commercial programs. Athletics and physical education also has to have that type of variety ... to meet the individual needs of the kids.

"Every child is entitled to a chance to play."

COACHING RECORD

Athletic teams under Finzel's direction compiled approximately 750 victories. But the most impressive win skein came in tennis.

His tennis squads compiled an over all record of 62-1, with the success string including a chain of 55 consecutive wins. Finzel coached tennis squads won three district championships and six WMI titles.

His soccer teams collected two state titles and nine district marks, while his baseball students collected six WMI crowns.

In basketball, Finzel led the Mountaineer cagers to two Potomac Valley (PVC) crowns, three district titles and in 1949 one state cage championship.

Under Finzel the Beall court teams went to the state basketball finals twice with the 1966 team being the last squad to make the trip.

MEMORABLE EXPERIENCE

The Beall athletic director also attributed to basketball his most memorable coaching experience.

In 1961 the Beall cagers had captured the District I basketball crown, and the title came at a time when there was no neutral court ruling for post season tournaments.

Beall traveled to play undefeated Hagerstown on Hagerstown's home court and were taking in the town the night before the game.

"We were set upon by hoodlums," declared Finzel. "My best player's hand was cut, and it took several stitches.

"But the next night we defeated Hagerstown anyway and went on to the state tournament at College Park."

PERSONAL MODELS

Finzel selected the late Bill Jeffrey (former varsity soccer coach at Penn State) as the man who exerted a great influence on his life.

He named Penn State's Hugo Bezdek as the motivating force which drew him to State College, Pa. and the health and physical education field.

Bezek gained notoriety as the manager of the Pittsburgh Pirates and as a grid mentor competing in the Rose Bowl.

Naming current sports personalities as worthwhile heroes, Finzel selected John Wooden (the basketball magician of UCLA) and Penn State grid coach Joe Paterno as two top picks.

Finzel began at Beall High in 1935 at the time when the Depression was gripping the country.

"Frostburg had always been my home . . . and jobs were hard to find anywhere," Finzel stated. "When the job opened at Beall I jumped at the chance.

"I had tried to find work anywhere . . . including an Indian reservation in Arizona."

CURRENT OUTLOOK

Referring to the high school athletic outlook today, the former Beall coach noted the wide range of recreation today as limiting sports involvement.

"There are so many more things for kids to do today than there were years ago," he remarked.

"High school sports aren't the only outlet anymore. Perhaps that has led to somewhat of a decrease in dedication to athletics . . . in the overall view."

Finzel lives in Frostburg with his sister Ms. Grace Bittner, who is also a retired teacher.

Perhaps now there will be time to rest and reflect in that home. As sports accomplishments and intense involvement with athletics comes to a close for a long time Mountaineer.

SEA GRANT PROGRAMS ARE COST EFFECTIVE

Mr. MAGNUSON. Mr. President, on its editorial page, the Washington Star-News recently reported on U.S. Navy tests of a new removal system which blasts barnacles from the hulls of destroyers while at anchor, resulting in savings of time and dollars. I was delighted to read the editorial, because it calls to mind that in late 1971, Brad Meyers, of Controlled Dynamics Corp., a small Seattle, Wash., company, hit upon the idea of removing barnacles by affixing a small explosive mesh along the hull of a ship to blast marine growth from the sides. Todd Shipyards, impressed with Brad Meyers' innovative idea, awarded him a contract to clean the sides and bottoms of the S.S. *President Monroe.* In initial experiments, there was minimal glass breakage aboard the ship, causing the insurance companies to become concerned. Brad Meyers knew he had to have additional research performed. He appealed to the University of Washington and, with the assistance of two engineers from the University of Washington sea-grant program, at a minimum investment, additional research was conducted. With the aid of specially designed instruments, the shock level range for efficient cleaning of a hull was determined. By keeping the explosive blasts within this range, cleaning could be accomplished without any resultant damage to the ship structure. A naval tug was successfully cleaned using this method.

Still a later revision was made which is known as the sequential sea mesh system. A controlled amount of energy is released around the ship, giving rise to a pressure wave which strikes the marine growth. The hull is swept clear leaving the paint system underneath undamaged. The sequential system initially utilizes a small blast to scare away marine life. The successive charges keep fish from the area until the project is completed.

Mr. President, I believe this editorial is a tribute to all of those who participated in this cost-effective program and in that spirit, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THOSE BLASTED BARNACLES

Probably nothing has so impeded man's return to the sea as the lowly barnacle, that confounded little crustacean which, along with thousands of its fellows, sticks to the bottom of a boat with all the stubborn tenacity of chewing gum to a shoe. Described as "one of the major groups of fouling organisms on hulls of ships in the open sea," barnacles occupy more space in the Encyclopaedia Britannica than Lucrezia Borgia, boll weevils, beer, bamboo or the Beatitudes.

That shows how tough they are.

Well, the Navy finally thinks it has found a cheap way to ditch these little hitchhikers which can slow a destroyer's forward speed by as much as three or four knots:

Bomb them.

It's done with nets equipped with small explosives and hung along the hulls, and if it works—tests on two destroyers this past winter ran into several problems—it should knock off the barnacles without peeling the paint. To clean a destroyer the old way meant putting her in drydock, sandblasting the hull and then painting her again—at a cost of 95,000 clams. The new system, once it's working, should cost less than $5,000 and take only a day.

We ought to greet this development with 20-gun salutes, but we can't help feeling a little sad. It tips the balance of power in what had been an old and close relationship—a constant reminder to man that he couldn't expect to go off gallivanting without the small attachments that life invariably sends along.

WHERE ARE THE 70,000 POLITICAL PRISONERS HELD BY THE COMMUNISTS IN SOUTH VIETNAM?

Mr. GOLDWATER. Mr. President, my legislative assistant, Mr. Terry Emerson, has just returned from a 1-week study tour throughout South Vietnam. One of the many issues he investigated was the accusation of political prisoners allegedly being held by the Republic of Vietnam.

Far from finding any verification of this charge, Mr. Emerson discovered irrefutable evidence that the charges of upwards of 200,000 "political prisoners" being detained by the South Vietnamese are the preposterous inventions of intentional propagandists or the emotional exaggerations of confirmed ideologists.

The true untold story about political prisoners in South Vietnam is hidden on the Communist side. Of some 70,582 South Vietnamese civilians abducted by the Communists, only 637 have been released. Where are the others? What international inspections are being made of the conditions in which these captured civilians are living, if they are still alive?

These are among the questions raised by Mr. Emerson in the second of a series of reports on Vietnam which I have asked him to write for me. Because Mr. Emerson's study is an up-to-date report on a much discussed issue, which I would like to share with my colleagues, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT FROM VIETNAM

(By J. Terry Emerson)

POLITICAL PRISONERS

There are not over 33,000 civilian prisoners of all types in the Republic of Vietnam. There are no remaining prisoner-of-war camps.

Charges of up to 200,000 "political" prisoners in South Vietnam are sheer fabrication—totally false, unproven hysteria, or intentional lies.

On May 30, we visited Con Son Island, home of the so-called "tiger cages." A now-defunct magazine had portrayed these isolation cells as underground pits, inhuman cages allegedly suffocating the spirit of civilian opponents of the government.

Actually, a photographer would have to strain his ingenuity in order to distort the conditions he was viewing. Taken in dark hours, from one flight above the true ground level, aimed into the center of the cell, away from the windows, waiting for the right mood of somberness by the prisoner, a journalist could have created a picture designed to shock.

But he would have had to have mounted a stairway nine to ten feet above the prison floor and to have ignored the ample window ventilation openings of the cell. He must also have stood close to the inside walled corners of the cell so as to avoid showing its true dimensions of almost five feet in width and eleven feet in depth.

Our study group easily moved ten people into the cell without nearly filling it. It was used and large enough for two or three persons, unlike the real isolation cells of the Communists. The Communist cells for South Vietnamese soldiers are oven-shaped structures, six feet long, three feet wide, and two and one-half feet high, made out of cement. Where cement block is not available, the North Vietnamese substitute bamboo, making an enclosure so small the isolated prisoner must crouch, never having enough room for standing or even stretching out.

The original Con Son isolation cells are no longer in use. The 5,400 civilian prisoners on Con Son Island are now in compounds, lines of cells surrounding large central yards lush with trees and plant life. The two South Vietnamese compounds we saw were far more attractive physically than one American-designed detention facility we visited.

The prisoners of Con Son Island engage in an active existence. Far from the mainland, this locale of tourist-quality scenery is virtually escape proof, though one prisoner at least has succeeded in fleeing it by boat.

Nevertheless, nearly all prisoners are trusted to move about daily outside their cells. Some illiterates attend reading classes; some work in the industry area, shaping handsome walking sticks or fashioning shell decorations which are sold for their own earnings they are allowed to keep.

Other prisoners engage in farming, planting and caring for the produce of seeds they are given by the government. Still others are permitted to fish, one boat leaving shore regularly with prisoners aboard to set nets.

These are not political prisoners, incarcerated because of making expressions of opposition to the government. Two-thirds of the prisoners on Con Son Island are civilians who have committed normal civilian crimes for which offenders are jailed in civilized societies around the globe. Another one-third of the prisoners are military persons who have committed civilian-type crimes.

Are there "political" prisoners held elsewhere in South Vietnam? Certainly, if a terrorist shells a village schoolhouse to intimidate local residents, and is apprehended, he is subjected to the civil processes and will be detained. But this is not a "political" prisoner, even if the marauder happens to be a VC.

The U.S. Embassy has canvassed the entire country-wide system of prisons, jails, and other detention facilities. The Red Cross has made over 195 visits to Republic of Vietnam prisoner installations. American penal specialists trained in such things have searched throughout the South Vietnamese detention system without finding shackles or other signs of cruelty.

Two American Embassy surveys of jails, detention centers, and prisons in South Vietnam prove beyond any reasonable doubt that the total of all civilian detainees of all types is about 35,000, close to the current South Vietnamese figure of 33,000.

Anti-Government activist Father Chan Tin charges there were 202,000 "political" prisoners allegedly held by the Republic of Vietnam. His statistic has been inserted into the Congressional Record as gospel.

This figure, however, exceeds by over a hundred fifty thousand the total capacity of all prisons and detention units in the entire Republic of Vietnam, including informal village lock-up stations. Even if the occupancy of these facilities did exceed their capacity in certain instances, it is impossible that the total number of prisoners could begin to approach 200,000, let alone the much higher total that must be projected as being imprisoned since Father Chan Tin's figure did not include what even he would recognize as offenders sentenced for common crimes. Significantly, one of our group who requested it was freely permitted to visit with Father Chan Tin and his recorded conversations should do much to dispell the falsity and unfounded exaggeration of most of Father Chan Tin's claims.

Using exhaustive methods of canvassing, the U.S. Embassy at Saigon has documented the total prisoner and detainee population being held in national prisons, provincial prisons, interrogation centers, and local lock-up stations as a *maximum* of 35,139. This statistic is backed up by the personal knowledge of American Public Safety Advisors who had been on the spot and is a figure that can be accepted as reliable.

This report can not end without a brief discussion of the South Vietnamese penal system. For unlike the persons under Communist rule, the citizens governed by the Republic of Vietnam enjoy an extensive program of political rights, including a true public trial and defense.

Once convicted and sentenced, a prisoner is ordinarily allowed outside in the open, some seven hours each day. As I observed at Con Son, prisoners in South Vietnam may farm, do craft work, or attend normal educational classes. Inmates are permitted to write letters regularly, receive gifts, and have a weekly visit from their relatives, except for at least four times a year at Con Son Island, which is far from the mainland.

In contrast, the objective observer should ask what is the treatment of Communist-held prisoners—the true political prisoners of Vietnam. How many Red Cross observers or outside inspectors have been allowed a thorough study inside Communist jails and prisons?

In twenty years, the Communists have kidnapped more than 70,000 South Vietnamese civilians. The names, addresses, and personal data about these individuals are identified in a book openly available for inspection. What is their plight today?

What efforts to relieve the human suffering of these documented victims of political terror are being made by the same groups who parrot unproven fabrications about the Republic of Vietnam?

How many of these captured 70,000 have been massacred? Or are being held in real concentration camps? Or are being forced to slave labor?

The true story of political prisoners is not to be found in the prison or detention system of South Vietnam. The real evidence of brutality is buried under the soil held by Communist soldiers or hidden from all impartial inspection by the secrecy of the Communist system.

SENATOR RANDOLPH URGES ADMINISTRATION ACTION ON AIR TRANSPORTATION OF HANDICAPPED PERSONS

Mr. RANDOLPH. Mr. President, on May 15, 1974, a young woman, who is employed by the Civil Service Commission to promote the hiring of the handicapped, was refused service by two airlines because she is unable to walk and—according to those airlines—would be unable to leave the plane herself if a crash should occur. Ironically, the young woman has flown on both the airlines involved and never had this trouble until 2 weeks ago.

I have received a letter concerning a similar problem. Jack Smith, public information director at the National Institute for the Deaf, was refused passage on a flight from Boston to Columbus, Ohio. Mr. Smith is also paraplegic and travels a lot because of his job. Although he had a confirmed reservation on the flight, he was told that his inability to walk would be "inimical to Mr. Smith's personal safety and to that of his fellow passengers, should an emergency arise." I contacted Alexander P. Butterfield, Administrator of the Federal Aviation Administration, and he replied that such incidents should not be condoned.

These incidents and others like them spotlight the completely unregulated situation which exists regarding transportation for handicapped citizens on airlines. Stephen Green of the Washington Post, who has written an excellent series of articles on this incident and the problems behind it, has quoted an FAA spokesman as saying:

> Each airline has its own rules, which often differ from carrier to carrier and often differ in different cities for the same carrier.

I am concerned that this situation has been permitted to continue. In 1971, the Paralyzed Veterans of America submitted to the Civil Aeronautics Board an excellent statement on the right of the handicapped traveler to air transportation; the guidelines and recommendations contained in that statement were both sensible and appropriate. The CAB, however, took the position that it did not have the expertise to proceed on this issue and deferred to the Federal Aviation Administration.

Approximately 1 year ago, soon after becoming chairman of the Subcommittee on the Handicapped, I became aware that certain airlines were becoming more restrictive in their attitudes and policies toward transporting physically disabled persons.

In a statement in the Senate last June, I announced that I had contacted the Air Transport Association of America to check on specific incidents of discrimination and wrote the CAB to urge immediate action. It was gratifying to know that the FAA had just issued an advance notice of proposed rulemaking and that later it scheduled several hearings around the Nation on this matter. Although I was unable to personally attend the hearing held here in Washington on October 18 because of my commitment as a member of the U.S. Delegation to the North Atlantic Assembly in Ankara, Turkey, I submitted a statement. It was certainly my hope and expectation then that regulations would be promulgated soon after the hearings were concluded.

Over 7 months have passed since that time. I have been in contact with the FAA during those months requesting information on the status of the regulations. My impression has been that the regulations had, in fact, been drafted for some time but were being held up by bureaucratic redtape. The situation changed only approximately 1 month ago, and I am informed that the proposed regulations will probably be published in the Federal Register in June and will take effect within 1 or 2 months.

Now, it is too late to prevent the wrongful, embarrassing incident reported recently—or to prevent others which have happened. However, Mr. President, the FAA can act now to promulgate adequate regulations and establish a national policy to insure the right of the handicapped citizen to air travel. A clear set of guidelines—which cannot possibly be misinterpreted—is needed.

Mr. President, on yesterday I conferred personally with FAA Associate Administrator William Fleener on this vital issue.

Administrator Fleener is intensely aware of the need for FAA to promulgate regulations on standards for air travel by handicapped persons. He informed me that the notice of proposed rulemaking should be published by Friday, June 14. I am gratified that FAA has established what appears to be a firm "target date," and I strongly urge that this schedule be met.

Mr. President, I ask unanimous consent that the series of articles by Stephen Green in the Washington Post and the Post editorial of June 1 be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 22, 1974]

TWO AIRLINES DENY SEAT TO PARAPLEGIC

(By Stephen Green)

Patricia Thoben, a paraplegic since birth, has flown from Washington to dozens of cities around the nation to promote the hiring of the handicapped for the U.S. Civil Service Commission.

So last week she had no reason to expect difficulty in getting a flight to Philadelphia where she was to give a speech.

But, Miss Thoben recalled yesterday, both Allegheny and Eastern Airlines refused on May 15 to let her board their planes, contending she would be unable to leave the plane herself if a crash should occur.

"I was hurt, angry and humiliated," said Miss Thoben, "I found this unbelievable. It's a denial of my right to life, liberty and the pursuit of happiness."

Protests to the airlines by Miss Thoben, a federal employee for 13 years, got nowhere so she called the office of her congressman, Rep. Joel T. Broyhill (R-Va.).

Broyhill wrote Federal Aviation Administrator Alexander P. Butterfield, calling the situation "a gross inequity."

"In this day and age when every effort is being made to encourage the integration of the handicapped into the norm of society, I find it impossible to believe that such a regulation exists. If it does indeed, every effort should be made to have it promptly stricken from the books. I hope you will be able to help me respond to Ms. Thoben. I am, quite frankly, embarrassed," Broyhill wrote.

A spokesman for the Federal Aviation Administration said the agency is considering adopting regulations for transportation of the handicapped. Now, he said, each airline has its own rules, which "often differ from carrier to carrier and often differ in different cities for the same carrier."

Frances Sisk, a public relations assistant for Eastern, first said that it was up to the captain of each plane whether someone in a wheelchair, such as Miss Thoben uses, is allowed to board. Later, Miss Sisk said that Eastern permits persons in wheelchairs to board planes only if accompanied by someone else or if in possession of a physician's note say they can care for themselves.

Jack King, an Allegheny spokesman, said the plane for which Miss Thoben had a reservation had only one passenger attendant who could not devote sufficient attention to her.

Later, however, King said the airline has no rule forbidding the carrying of a handicapped passenger. "Somebody goofed," he said.

"I've flown Eastern and Allegheny before without any problem," said Miss Thoben, a GS 13 who earns more than $20,000 a year in her job of encouraging the hiring of the handicapped.

She said her arms are normal, although she has never had the use of her legs while she uses a wheel chair, she said, "I drive a car and do my own housework."

As for the argument that she could not remove herself in case of a crash, she said, "I'm capable of crawling if in danger."

After being refused permission to board the Allegheny flight at National Airport, she said she went to the Eastern counter and purchased a ticket for a flight that was to leave from Dulles International Airport.

At Dulles, she checked her luggage and headed toward the boarding gate "when I was paged and told I couldn't fly," she said.

Miss Sisk acknowledged that Eastern sold Miss Thoben a ticket. However, Miss Sisk said the ticket agent wrote on the ticket that Miss Thoben might not get permission to board the plane.

"It was a very arbitrary decision. It never happened to me before. I've been flying for 23 years," said Miss Thoben.

[From the Washington Post, May 23, 1974]

FAA DRAFTS RULE TO AID HANDICAPPED

(By Stephen Green)

The staff of the Federal Aviation Administration has drafted regulations that would require airlines to transport handicapped persons, including paraplegics.

The draft regulations now are under study by FAA lawyers, The Washington Post learned yesterday.

Airlines have been refusing to let some handicapped persons board planes, even after they have purchased tickets, according to staff members of the Senate Subcommittee on the Handicapped.

In an incident last week, a U.S. Civil Service Commission employee who has flown around the country to promote the hiring of the handicapped was denied permission to board flights at National and Dulles International Airports by Eastern and Allegheny Airlines. Patricia Thoben, a paraplegic who must use a wheelchair, was told she would be unable to leave the plane by herself if a crash should occur.

An FAA spokesman said Tuesday that each airline has its own rules governing transportation of the handicapped and said the rules are often applied differently in different cities.

Yesterday, the FAA spokesman confirmed that the agency staff has drafted rules that would force the airlines to fly the handicapped. He said the rules could be formally proposed in the Federal Register in late June and take effect 60 days later.

Miss Thoben yesterday said an Allegheny Airlines official had called and apologized to her. But, she said, "as far as I'm concerned that doesn't mean much until something is really done about this." Miss Thoben had said she was "humiliated" by the incident.

Sen. Jennings Randolph (D-W. Va.), chairman of the Senate Subcommittee on the handicapped, has complained to the FAA on behalf of another handicapped person who can't walk, Jack Smith, public information director of the National Institute for the Deaf at the Rochester Institute of Technology.

Smith, who uses a wheelchair, was refused transportation on a Trans World Airline flight from Boston to Columbus, Ohio, on Oct. 25.

Smith, in a letter to Randolph, said a TWA representative told him: "The crew will not accept you. If the plane burns there is no way they could help you first. They don't want to have to explain your charred body."

"That's a cop-out," said Smith. "It puts me in the role of a third-class citizen. It's one of the most prejudiced and discriminating things I've ever experienced," added Smith, who had a confirmed reservation for the flight.

TWA, in a statement, called the incident "regrettable" but said "final judgment must be left to one individual, the captain, who is in full unequivocal command of the aircraft."

In October, 1971, the Civil Aeronautics Board decided to consider adopting regulations covering the transportation of the handicapped. But the board later decided that it was a safety matter under the jurisdiction of the FAA.

On May 30, of last year, FAA issued advance notice of its intent to hold hearings on the subject. Six hearings were held in September and October.

Last month, Randolph wrote Federal Aviation Administrator Alexander P. Butterfield to express "my genuine and deep concern that the issue of standards to insure safe travel without undue harassment for handicapped individuals has not yet been resolved."

A spokesman for the Airline Pilots Association, which represents pilots and flight attendants, said the organization recognizes that handicapped persons have a right to fly but added that safety must be considered.

The spokesman said there have been "crashes when the elderly and handicapped slow down evacuation."

But a spokesman for the National Safety Transportation Board said his agency had no information of such incidents.

[From the Washington Post, May 24, 1974]

CITY AND STATE: PARAPLEGICS AIR RULE CLARIFIED

(By Stephen Green)

Airlines have used federal legislation designed to prevent the hijacking of planes to stop handicapped persons from flying, the Washington Post learned yesterday.

The Federal Aviation Administration confirmed the practice, the latest revelation in the controversy over the rights of the handicapped to use air transportation.

Rep. Joel T. Broyhill (R-Va.)—who Tuesday revealed that a paraplegic who often has flown around the country for the U.S. Civil Service Commission, was denied passage by two airlines—said the use of the antihijacking law is a "bureaucratic alibi and excuse."

The law, passed by Congress in 1962, states that transportation may be refused on a plane to a passenger "when in the opinion of the air carrier such transportation would or might be inimical to safety of flight."

Some handicapped persons refused flight passage have been told that they would be in the way of an orderly evacuation in case of a crash.

Harry Erman, chief of the FAA air carrier standards division, acknowledged the law had been used by airlines to prevent the handicapped from flying. There was no estimate on how often it had been used.

Erman said that the captain of an airplane has a right to determine if a passenger constitutes a danger.

Patricia Thoben, the Civil Service Commission employee denied transportation last week by Allegheny and Eastern Airlines, was told she would be unable to leave the plane by herself if a crash should occur.

The FAA staff has drafted regulations that would force the airlines to fly handicapped persons, including paraplegics. The proposed regulations are still under final review, Erman said yesterday.

Sen. Jennings Randolph (D-W. Va.), chairman of the Senate Subcommittee on the Handicapped, said yesterday he is "deeply concerned" over the "recent incidents." He said he has been pressing the FAA since June of last year to come up with regulations giving the handicapped the right to fly.

AIR TRAVEL BY THE HANDICAPPED

Patricia Thoben of Arlington likes to keep on the move. She has a car, a household to run and a career position with the Civil Service Commission that entails travel to dozens of cities around the nation for speaking engagements. But on May 15, when she was due to appear in Philadelphia, two airlines that could have flown her there decided that they didn't want her aboard. Allegheny Airlines, with whom Miss Thoben had a reservation, denied her a ticket at National Airport; then as she was about to board an Eastern Airlines flight out of Dulles, she was paged and told she could not take the flight.

The problem, according to the airlines' representatives, is that Miss Thoben is a paraplegic who would be unable to leave a plane herself if a crash should occur. Miss Thoben was "hurt, angry and humiliated"—for this was the first time in 23 years of flying that she had been treated in this manner.

Unfortunately, Miss Thoben's experience was not the first case in which handicapped people have been denied passage on regular commercial flights. Moreover, the explanations and excuses offered by airlines follow no particular pattern. Sometimes, a would-be passenger in a wheelchair is told that he or she would be in the way of an orderly evacuation; or that any handicapped passenger must be accompanied by someone else (at full fare, to be sure); or that the flight crew is not large enough to devote sufficient attention to a handicapped passenger in the event of emergency.

These and other incidents have been relayed by handicapped people to various members of Congress over the years. Indeed, last year, when the Federal Aviation Administration issued advance notice of its intent to hold hearings on the subject, Sen. Charles H. Percy (R-Ill.) met on several occasions with handicapped complainants, and later voiced strong concern to the agency about the right of the handicapped to travel by air.

Sen. Jennings Randolph (D-W. Va.), chairman of the Senate Subcommittee on the Handicapped, also has complained to the FAA repeatedly. In Miss Thoben's case, she contacted her congressman, Rep. Joel T. Broyhill (R-Va.), who has rightly called on the FAA to move on the matter. In a letter to FAA administrator Alexander P. Butterfield, Mr. Broyhill noted that regulations against air travel by the handicapped have no place "in this day and age, when every effort is being made to encourage the integration of the handicapped into the norm of society . . ."

An FAA spokesman says the agency's staff has drafted rules that would force the airlines to fly the handicapped—but the regulations are still under final review. Certainly a year is long enough for the agency to have come up with some sensible solutions, consistent with safety, to end the cruel and haphazard discrimination suffered at airports by the nation's handicapped.

INSURERS SUPPORTING PASSIVE RESTRAINTS

Mr. MAGNUSON. Mr. President, the National Transportation Safety Board recently reported that 56,600 Americans died on the Nation's highways in 1973. While this level is percent less than the previous year, it appears to be due to lower highway speed limits and decreased vehicle usage due to the fuel shortage. The efforts of the Federal Government in mandating a more crashworthy vehicle must continue—the annual loss of over 56,000 Americans on the highway is unacceptable.

As one who has monitored the motor vehicle safety program since its inception, I have become increasingly more convinced that the key to substantial reductions in highway carnage is an effective restraint system. Lap and shoulder harnesses, which are installed in most motor vehicles are effective in preventing injuries, but most motorists refuse to wear this. Despite vigorous public education campaigns and a bothersome array of buzzers, lights and interlocks, our efforts at increasing seat belt usage have not succeeded.

The agency responsible for implementing the Motor Vehicle Safety Act—the National Highway Traffic Safety Administration—has been talking about passive restraints for well over 5 years now. A passive system is one whereby the occupant is restrained in the vehicle without any affirmative action on his part. The advantage of the passive system is that, unlike seat belts, they require no change in human behavior—a motorist will automatically be protected in the vehicle. In addition, a passive system such as an airbag does not burden the motorist with a mass of spaghetti-like webbing which he must untangle before he can activate the belt system.

The NHTSA is now considering a proposed motor vehicle safety standard which would require the installation of a passive restraint system in all motor vehicles manufactured after the fall of 1976. Support for this proposal has been particularly vigorous from the insurance industry. While Allstate Insurance has always been a public advocate of the airbag system, many other underwriters are now publicly endorsing the proposed standard. I ask unanimous consent that an article which appeared in the May 23, 1974 issue of Status Report published by the Insurance Institute for Highway Safety be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INSURERS SUPPORTING PASSIVE RESTRAINTS

The Department of Transportation is receiving strong support from the insurance industry for proposals to require passive restraints—such as air bags—for front seat occupants in 1977 model cars.

Nine insurance companies and two insurance industry trade associations have urged DOT to stand firm with its proposal.

The proposal has been endorsed by Allstate, Fireman's Fund American, Farmers Insurance Group, Lumbermans, Nationwide, Prudential, Safeco, State Farm Mutual, and The Statesman Group. The American Insurance Association and the American Mutual Insurance Alliance, industry trade associations representing more than 200 American insurance companies, have also submitted comments praising the standard.

The Department of Transportation has granted extra time to comment on its proposed standard (Docket 74-14). The department will consider comments it receives by June 3, 1974. (Rulemaking and comment procedures are detailed on page 3.)

AMERICAN INSURANCE ASSOCIATION

". . . lap and shoulder belts do not provide the best universal crash protection that can be practicably achieved with available technology. Research by the Insurance Institute for Highway Safety indicates that nearly half of the drivers in 1974 vehicles were not using any seat belts, despite the interlock system. There is also reason to believe that manufaturers would have little if any technological difficulty in meeting the requirements of the proposed standards."

AMERICAN MUTUAL INSURANCE ALLIANCE

"Our Research Committee has reviewed the proposed standard and has concluded that it establishes a reasonable and achievable standard of performance for occupant safety for the 1977 car models. . . . The time has come to mandate the use of passive restraints. Crash tests and field experience indicate that passive systems offer the best potential for preventing crash deaths and injuries, mainly because large numbers of drivers fail to wear their lap and shoulder belts, even in cars equipped with the new interlock systems."

ALLSTATE

A long-time proponent of air bags, Allstate, which has operated more than 450 airbag equipped cars over the past two years, told DOT that, in its view, "passive restraints are essential." Donald L. Shaffer, the company's vice president, secretary and general counsel, wrote in a letter that "the present available systems are reliable and their installation must be mandatory in order to achieve the automation necessary to make the cost reasonable and available at an affordable price to the average car buyer. We further believe that the air cushion systems have a far superior injury protection potential to other restraint systems, as well as a much greater life saving potential in higher speed crashes."

Schaffer pointed out that DOT's proposal would give auto makers 28 months to ready air bags for installation. He noted that E. M. Cole, president of General Motors, has told DOT that his company needs in the neighborhood of 15–18 months in order to automate air bag production and installation.

Schaffer said, "If other manufacturers allege difficulties in meeting this deadline, it is because they have done little or nothing to provide air cushions on even an optional basis during the many years since litigation commenced on the original standard 208. If they have to play 'catch-up' then sobeit, for the public interest requires a decision and the issue is too important to permit further delay."

STATE FARM MUTUAL

"We concur in NHTSA's judgment that passive restraint systems provide the best universal occupant crash protection that can be practicably achieved with today's technology. . . ."

"One factor of critical importance is the usage rate of [active] restraint devices. . . . In marked contrast to these low usage rates, the proposed passive restraint system promises a usage rate of virtually 100 per cent. This universal usage rate should afford crash protection to many more vehicle occupants than are now protected, without the annoyance and inconvenience of buzzers, lights, and the interlock system, which devices are apparently being widely ignored or defeated."

PRUDENTIAL

Donald S. MacNaughton, chairman and chief executive officer of Prudential Insurance Co. of America and Prudential Property and Casualty Insurance Co. has told DOT that those companies "fully support the proposed rule. . . . As a life and health insurer, the Prudential Insurance Co. is vitally interested in reducing deaths and injuries from motor vehicle crashes. These crashes account for more deaths among our policyholders under age forty than any other single cause. As an automobile insurer, Prudential Property and Casualty Insurance Co. has an obvious interest in reducing the losses and suffering caused by automobile crashes."

It is "our judgment," MacNaughton wrote, "that the proposed standards would reduce the rate of serious injury in motor vehicle crashes far below the level that could be achieved through current active restraint standards for safety belts.

"The phrasing of the proposed rule in terms of 'passive restraints' rather than specific techniques is particularly important. Although air bags are the only well developed mechanism for meeting the standard in the proposed rule by Aug. 31, 1976, development of other, more advanced techniques should be encouraged. The importance of 'passive' protection in public health—i.e., of protection requiring no action by the people involved—is a well established principle. We prefer to purify water supplies rather than to require people to boil their water. In many large buildings, sprinkler systems are frequently required by regulation rather than relying on fire extinguishers. The same principle should apply, wherever feasible, to motor vehicle crashes," MacNaughton said.

Raising many of the same points made by associations, Allstate, Prudential and State Farm, additional comments included:

SAFECO

"There are no doubt improvements in technology that lie ahead which will make protection of auto drivers and passengers more efficient. But the passive restraint systems presently available will save many many lives and prevent thousands of serious injuries while other devices are being explored."

THE STATESMAN GROUP

"The crash films which have been developed regarding air bags, in our opinion, offer conclusive evidence that this system is the only practical method available to achieve the results desired for the protection of automobile occupants."

FIREMAN'S FUND

Fireman's Fund feels that this laudable step in the public interest will serve effectively to help minimize the amount of serious injuries on our nation's highways."

FARMER'S INSURANCE GROUP

"We have been impressed with the reliability and effectiveness of air cushion systems as demonstrated in the several real-world crashes that have occurred since the various test fleets were put into operation."

LUMBERMAN'S

"The impressive life saving and injury preventing record of cushions now in use leaves little doubt that the mandating of this or another equally effective passive restraint system will greatly reduce deaths and serious injury on our roadways."

NATIONWIDE

"Although we at Nationwide had hoped for an earlier effective date for this requirement, we do understand the technical problems which prompted delay until Sept. 1, 1976. Fortunately too, this will allow ample lead time for compliance. . . . Nationwide is convinced that the air bag is an automobile safety idea whose time has come. Further delay is not justified by facts nor public interest."

MULTIPLE-USE CONCEPT OF PUBLIC LANDS

Mr. HATFIELD. Mr. President, recently Senator CLIFFORD HANSEN of Wyoming received a letter from one of my constituents, Mr. Dewey Wilson of Medford, Oreg. Mr. Wilson participated in a mock Senate proceeding held in a classroom at the University of Oregon, and had the distinction of serving as Senator HANSEN in the mock session.

Mr. Wilson—Senator HANSEN—successfully introduced legislation calling for the production of beef and lamb upon lands leased from the U.S. Government. This legislation is an excellent example of the multiple-use concept of public lands. Mr. Wilson, through his power of persuasion, was able to get several Senators representing nonpublic land States to cosponsor this legislation. It is gratifying to see that Mr. Wilson portrays many of the fine leadership qualities all of us have seen in the junior Senator from Wyoming.

Mr. President, I asked for unanimous consent that a copy of Mr. Wilson's letter to Senator HANSEN, as well as a copy of this legislation, be printed in the RECORD in order to serve as a tribute to Senator HANSEN and in recognition of the fine work by Mr. Wilson at the University of Oregon.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MEDFORD, OREG.,
May 31, 1974.

Senator HANSEN,
U.S. Senate Office Building,
Washington, D.C.

DEAR SIR: With the amount of mail that you receive I doubt you will remember me. My name is Dewey Wilson. You and/or your office helped me out considerably by sending me the materials that I needed to adequately learn my role in our class, Senate Simulation. As I told you before, the class took place here at the University of Oregon. My role was to simulate you.

The intent of this letter is to thank you for your help, and show you the result of some of my work, and get your opinion on it. Your comments will go in an open file that will be used as an instructional aid for future students.

The bill enclosed represents springs work. I, with the help of Sen. Fannin, successfully got this bill through committee (Interior). We added the names of the senators on the back of the bill to get floor support. The senators were at first against the bill but after a couple of weeks consented to being co-sponsors. Thank you for your time and consideration.

Yours truly,
MR. DEWEY WILSON.

P.S. after studying you I have learned to admire you, and respect you as a senator.

MOCK LEGISLATION

A bill to amend the Internal Revenue Code to encourage the production of beef and lamb upon lands leased from the United States of America.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Internal Revenue Code relating to direct tax offsets for individuals and corporations is amended by adding after section 188.0 thereof the following new section 189.0, which states:

Deduction or tax credit, paid to local governments upon United States leased lands from taxes paid to the United States of America.

Every person, firm or coporation who shall lease grazing lands from the United States or any agency thereof, for the production of meat and by-products of such animals for consumption within the United States and its territories, shall at their election be entitled to deduct from the income tax due the United States, under terms of said code as a direct offset and credit against said tax.

(A) Fifty percent up to $10,000 of all real property taxes paid to any State or any government subdivision thereof, on account of such State or any government subdivision thereof, assessing and levying from the United States or agency thereof. For the production of such animals for meat and byproducts of such animals for use in the United States and its territories.

(B) Such deductions and credit shall apply to the taxes due, arising out of the income produced during the year which such lease was enforced and such real property tax collected.

(C) The tax credit herein provided may be deducted from the tax due only to the extent there are such taxes due and may be carried forward as an offset against income taxes due for the subsequent three years only. In no event shall this credit or offset result in any amount being due from the United States to the taxpayer.

(D) Any person who shall violate any of the terms or provisions of this section pertaining to the uses beyond the boundaries of the United States or its territories of the meat or byproducts of any such animals produced on such leased lands, shall be subject to a fine of not more than $5,000 or imprisonment of not more than one year, or both, if it is established that he knowingly did so. If such knowledge is not established but, in fact, such uses occur outside the United States or its territories, then he shall forfeit such tax credit together with the usual interest and penalties thereon, otherwise provided in this Code.

LIST OF MOCK COSPONSORS

Senator Percy, Mondale, McGee, Curtis, Tunney, Haskell, Magnuson, McGovern, Ribicoff, and Bartlett.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, some have argued that school busing, birth control, lynchings, police action with respect to the Black Panthers, and the incidents at My Lai constitute genocide and that, therefore, the Genocide Convention would seriously interfere with our system of domestic laws. The convention, in artitle II, defines genocide to include "the intent to destroy, in whole or in part, a national, ethnical, racial or religious group, as such." The Foreign Relations Committee has recommended that this be understood to mean the intent to destroy one of these groups by the acts specified in article II in such a manner as to affect a substantial part of the group concerned. Such an understanding with its stiff intent requirement would not include action leveled at members of a race or religion which was unaccompanied by the intent to destroy the entire group. As Dean Rusk stated in 1950:

> This convention does not aim at the violent expression of prejudice which is directed against individual members of groups.

Mr. President, the act of genocide as defined in article II of the convention and understood by the Foreign Relations Committee must be the concern of the community of nations and not merely that of domestic laws of nations. This was dramatically demonstrated by the atrocities that took place in World War II where the intent to destroy the entire group would most certainly have been found. I urge the Senate to ratify the convention.

THE ENERGY ENIGMA

Mr. HANSEN. Mr. President, there are obviously a good many Members of this body who still do not understand the energy problem in the United States or in the world.

The various legislative proposals to do away with the oil and gas depletion allowance and eliminate other tax incentives reminds me of the story of the old gentleman in the hospital whose doctors were uncertain of the causes of his illness.

He asked his grandson to follow them from the room and attempt to overhear their prognosis.

The boy returned shortly and reported to his grandfather that the doctors said they did not know what was wrong with him but they would find out when they did the autopsy.

And that is just what would be accomplished by the hundreds of bills and amendments to other bills now pending in both the Senate and the other body which deal with some form of punitive action aimed at the petroleum industry.

I recently entered in the RECORD a number of letters and telegrams as concrete examples of what is already being accomplished by higher prices in bringing on new supplies of domestic oil and gas.

The punitive and even vindictive legislation apparently aimed at the major oil companies if enacted will surely reverse the gains already made in domestic exploration and development and in increased recovery of oil that would and will be left in the ground but for the higher prices allowed for newly discovered and stripper well oil.

I hope other Senators have received the same letters that I have from some of the many independent oil producers around the Nation who account for more than two-thirds of all domestic exploration and drilling for oil and gas.

As one of them said:

> As an individual we U.S. producers have been talking, preaching and warning Congress and the people of this impending crisis for many years. We have tried without much success to get Congress to do all in its power to prevent the United States from becoming dependent on foreign oil.

So have a number of us in Congress, Mr. President, but nobody was listening.

Another letter from Robert E. Thomas, president of MAPCO, Inc., an independent company with growing oil, gas, and coal production pointed out that their capital investments in the first quarter of this year were double their earnings. Their oil production in the quarter increased 360 percent and coal production by 45 percent.

Mr. Thomas pointed out that MAPCO's capital expenditures for the first quarter were $17,632,000 more than twice MAPCO's earnings in the quarter.

Further, MAPCO's tax accruals for the quarter almost doubled despite the much-criticized so-called tax loopholes available to the petroleum industry.

Thomas warned that the proposed punitive taxation will only slow down the drive for energy self-sufficiency in America and maximize the dangers of energy blackmail from abroad.

"The Congress cannot have its cake and eat it too," Thomas warned.

But Congress seems determined to have its pound of flesh from an industry whose earnings have been lean for a long time, particularly the independents whose ranks have thinned by half in the last 20 years.

In a speech in Cincinnati, Mr. Thomas expressed his feelings about the terrible situation the oilman faces in Washington.

Mr. President, I ask unanimous consent that a press release of that speech be printed in the RECORD and also the text of the letter to which I referred earlier from an independent oilman, J. P. Coleman, of Wichita Falls, Tex.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Press Release, Tulsa, Okla., May 21, 1974]

MAPCO CHAIRMAN DENOUNCES "ENERGY INDEPENDENCE" PROGRAM—BIDS CONGRESS AND COURTS UNSHACKLE ENERGY INDUSTRY

Robert E. Thomas, Chairman of MAPCO Inc., today termed the Federal Government's program for "energy independence by 1980" a "joke."

"Only in Washington where words often substitute for action and wasted dollars substitute for deeds could such a slogan represent a serious objective," Mr. Thomas said.

The chief executive of MAPCO, an integrated energy company, declared that oil industry executives, living in a real world, "know such a program cannot possibly be accomplished in six years. The money cost of such a program totals several hundred billion dollars.

"Where will it come from? The customers, of course. The higher earnings considered so obscene by some politicians have become absolutely essential to getting the job done. Without them the job cannot be done."

Mr. Thomas made his remarks in the morning in Cincinnati at the Biennial Seminar of the Cincinnati Industrial Advertisers Club and in the evening at dinner in Tulsa before the National Association of Accountants.

Describing the climate in Washington in regard to energy as "nothing short of vicious with hundreds of bills before Congress dealing with some form of punitive action directed at the industry," Mr. Thomas said "no thought is given to the fact that the industry is earning a lower rate of return—even today—than the average of all U.S. manufacturing companies. No thought is given to the fact that all oil companies are today spending far more than current earnings in an attempt to produce more energy."

Mr. Thomas also took aim at the proposal to create a Government-owned oil company "for the purpose—supposedly—of proving how greedy America's oil and gas producers really are. To my knowledge, Government in business has never set any records for efficiency or accomplishment. An outstanding example is the Post Office."

Noting that the Postal deficit from 1932 to date totals almost $23 billion while rates have been soaring and service has been deteriorating, he suggested that the "print media—many of whom have been so vocal about the obscene profits of the energy industry and so vocal about the virtues of the ecologists—may have been the big winners and may have banked a big part of the $23 billion."

MAPCO's chairman said that a recent issue of a newsweekly weighed seven ounces. "Mailed under bulk rates, the cost is 6.1 cents per each three ounces so that the total cost is 18.3 cents. Were that issue mailed by you and me, the cost would be 70 cents. I suggest to you that here is a significant Government subsidy beside which the issue of oil company depletion pales into insignificance. Further, I would hazard the guess that many publications such as The New York Times, The Washington Post and Time and Newsweek, might see a sharp drop in their circulation and profits if prices had to be raised sharply to provide the real cost of the mail service so vital to their operations.

"And frankly, I don't believe the TV industry pays a penny for its use of our airwaves," Mr. Thomas continued. "The oil industry has paid our government billions of dollars for their right to drill on Government lands and in offshore waters and pays a royalty to the Government to boot. And all the oil companies get is abuse and more abuse."

Mr. Thomas urged his audience to "beware of politicians pushing a Government-owned oil company . . . or you may see gasoline in your lifetime at $3 to $4 a gallon."

MAPCO's chairman called for speedy, essential action in two areas to solve the "energy enigma."

"There must be a climate of encouragement and incentive for energy companies to get the job done," he said. "A vendetta of vindictive, punitive action will only slow the progress of energy companies in doing the job and incidentally maximize the opportunities for energy blackmail from our good friends abroad.

"Somehow, Congress and the Courts must be gotten back on the track. Legislation directed at high sulphur coal and strip mining must take into consideration that too strict a law will turn out half the lights in America. The Courts must climb down from their ivory towers and hand down decisions that make sense rather than horrendous delay," he said.

Mr. Thomas also declared that "conservation of energy must be a way of life for every American."

He described the alternative as a "multibillion dollar bureaucratic Federal Government agency charged with forceful conservation."

MAPCO's chairman said the nation has the facts, the technology and the expertise to solve its "energy enigma." If it is to be solved, he concluded, the Congress, backed by a "vocal" American people, must refrain from "vindictive action" and maintain a favorable climate which will restore some degree of sanity to the legislative and judicial approach to our energy enigma."

MAPCO is an integrated energy and pollution control company operating the nation's largest liquefied petroleum gas (LPG) common carrier pipeline system and the world's first anhydrous ammonia pipeline. The company also produces and markets oil, gas, gas liquids, coal, liquid plant foods and aero-biology systems for water pollution control.

McCARTY AND COLEMAN,
OIL PRODUCERS,
Wichita Falls, Tex., May 20, 1974.

Senator CLIFFORD P. HANSEN,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: A great many people are confused about the energy situation here and abroad so that it is not unlikely that all members of Congress are trying to figure out how to cope with it. I am an "independent" small producer of oil and gas and have been in that business for over 50 years.

As a member of the Independent Petroleum Association of America and as an individual we U.S. producers have been talking, preaching and warning the Congress and the people of this impending crisis for many years. We have tried without much success to get the Congress to do all in its power to prevent the United States from becoming dependent on foreign oil.

Now that Congress has been "shook up" by the culmination of our warnings, it is now casting about, and really flailing about, to do something. The first effort was to find a scapegoat and naturally some in the Congress seized on the major international oil companies. However Congress is on the wrong track. If the major international companies can be faulted for anything they are guilty only of bringing the world dirt cheap oil for over 20 years. These companies in the past have set the price of Mid East oil so low that the domestic independent producers could not compete. Over the last ten years more than half of them dropped out. All data proves this. The major companies set the low prices because they could do so with a world excess of oil. The Arabs were powerless to demand reasonable prices, until, due to a multitude of causes, they found themselves in a position to retaliate, and this they did with a vengeance. The resulting circumstances are that the world consumption of oil and gas has been rising at such a high rate that even the major companies are unable to generate enough capital to increase the supply. The Congress added to the problem by setting suicidally low prices for gas, with the result that search for gas was almost abandoned. All industries and consumers of energy turned to the ridiculously low cost gas with result that for a while gas replaced about 35% of the energy demand. We independents warned of this situation over 15 years ago.

Now that Congress has awakened to the results of these forces it is tinkering with our system in such a way that the condition for the U.S. can only get worse if this thinking persists. The only way to become self sufficient is for Congress to see to it that the incentives which provide the capital necessary to become self sufficient in the U.S. are left alone. The only course for Congress to pursue is to see to it that the oil industry, large and small can generate enough profits to provide the capital necessary to do the job that the future requires. Any program that takes away from the industry the capital generated through profits is suicidal. Congress should be looking for means to pump money *into* the industry instead of taking it away. No other course will do the job. You must remove all hindrance to this effort. The major companies have already proved that they have kept the price of oil very low as long as they controlled the price. The Arabs, Venezuelans and Canadians now control the price. We independents have been fighting the majors for many years trying to get a reasonable price for crude oil, so that we could find more oil in the U.S. Neither the majors nor Congress would listen. If we had had $5.00 crude and fifty cent gas for the last ten years we would not now be in the fix we are in. We would not now be dependent on foreign oil. The present situation can be remedied but it will take time and money. I implore you to listen to the facts as I have set them out. Those in Congress bent on punishing the oil industry thru such legislation as the Oil and Gas Energy Tax Act of 1974 will certainly doom any chance for self sufficiency in the future.

Studies by the U.S. Geological Survey show that there is far more oil and gas yet to be discovered than we have found to date, more than half of it onshore.

Sincerely yours,

J. P. COLEMAN,
Petroleum Engineer and Oil Producer.

RETURN VETERANS DAY OBSERVANCE TO NOVEMBER 11

Mr. ALLEN. Mr. President, at the Senate Judiciary Committee Subcommittee on Holidays and Celebrations chaired by the distinguished senior Senator from Nebraska (Mr. HRUSKA) on June 3, 1974, one of the most impressive witnesses to testify was Hon. T. B. Dean of Gadsden, Ala.

Mr. Dean is an outstanding American, a true patriot, and an eloquent spokesman for American veterans of all wars.

He is a former Alabama State Commander of the VFW, active in its Voice of Democracy program, a leading supporter of an outstanding Loyalty Day program in our hometown of Gadsden, and a friend, benefactor, and booster of the cause of our veterans and their widows, orphans, and parents.

I ask unanimous consent that a copy of his testimony before the subcommittee be printed in the RECORD at this point along with a copy of my testimony, the testimony of Francis W. Stover, director, National Legislative Service, VFW, a letter from John T. Golden, State commander, Department of Alabama, VFW, and a joint letter from Max A. Wilder, commander, Department of Alabama, the American Legion, and Mrs. Allen McCray, Department of Alabama, president, American Legion, Ladies Auxiliary.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF THOMAS B. DEAN OF GADSEN, ALA., WITH RESPECT TO RETURNING VETERANS DAY TO NOVEMBER 11, WASHINGTON, D.C., JUNE 3, 1974

Mr. Chairman and members of the subcommittee: First, I would like to deeply thank you, Mr. Chairman, for the honor and privilege of presenting some views concerning the issue which you and your subcommittee are addressing today. It is such an occurrance as this which permits a citizen to testify before a branch of his government that indicates that our form of government will continue to be the best in the world.

My name is Thomas B. Dean. I live in Gadsen, Alabama. Senator Jim Allen is my United States Senator and with justifiable pride, I feel he is the best. I have been active in veterans' affairs in the local community, state and on the national level for more than a quarter of a century. I am presently the chairman of the Veterans of Foreign Wars of the U.S. voice of democracy contest and have been involved with the Birmingham, Alabama, regional observance of Veterans Day for many years.

It is to the subject of Veterans Day that I would like to address my comments. It is my belief and the Veterans of Alabama, who it is my honor to represent, who believe that there are very few days which have much meaning in our great country. I believe that their number may be counted on the fingers of one hand. I also believe that they are immovable days—days which must be celebrated on the same date each year to continue to have meaning attached to them. I cannot conceive of these days being moved solely to provide a long three-day weekend to provide for a period of revelry and vacation rather than a day of remembrance and reflection.

These days, which I believe to be worthy of celebration on their historical date rather than be connected to a weekend, are days which have the most meaning for all Americans. They are, Christmas, the date of the birth of Jesus Christ; the Fourth of July, the date of the birth of our Nation; New Years' Day, the start of a new calendar; Memorial Day, the day to honor the men who died for the freedom we all enjoy; and, Veterans Day, the date selected to commemorate the end of World War I and now honoring the Nation's living who served her in the time of need.

The latter two days have lost much of their true significance for most Americans. Memorial Day had been observed on May 30th ever since it was established in 1868. That means for a century the American people honored their dead on that one, special date only to have it altered by Congress.

However, it is to Veterans Day which I would like to focus. The beginnings of this date are still known to living Americans. Most all of us here and around the Nation can remember pausing at the eleventh minute of the eleventh hour of the eleventh of November to remember those who fought to bring the enemy to her knees in the first of America's international or world wars. Many were hurt when the decision was made to broaden the meaning of that day to include all living veterans, but as the country had undertaken more global involvements the veterans of that first great war understood. They, generally, supported the expansion of the commemoration of service to include all veterans.

Mr. Chairman, please notice that I did not say holiday or date of celebration. I said commemoration. For I believe that the Nation must commemorate the service of her veterans. It is no more a three day vacation at the beach or mountains as is Christmas, the founding of our country or the date we remember our fallen. I believe we can commemorate the start of our New Year on the first Monday in January easier than we can Veterans Day on a Monday in October or November. I firmly believe that we must return to the historic past to bring this country back to the stability she needs so badly now.

Mr. Chairman, I wish to make the observation that we may be heading toward local disasters if the Congress does not change Veterans Day to November 11. At present, 40 States have not adopted the date to commemorate Veterans Day as given in the act to provide for uniform annual observances of certain legal public holidays on Mondays, commonly called the holiday act of 1968. This means that in 40 States mothers and fathers are off on one day while their children who go to State schools are free on another. State employees are on vacation on a different day than Federal workers. Are banks open or closed? What meaning has a day such as this? How can we hope to instill in our young ones any sense of history? Or even adult responsibility if we adults have such ludicrous happenings as this. Why, the Chicago and Illinois celebration, if I can call it one, of this past Memorial Day was the butt of jokes on nationwide TV and was carried by a wire-service.

May I close by humbly proposing that you keep Veterans Day a day unto itself. That you let the Nation commemorate the service of her veterans. Move Thanksgiving to a weekend holiday if you must, but restore Veterans Day to November 11. Let both the country's veterans and those who did not heed the calling of the Nation pause during one day which is dedicted to their honor rather a day which is primarily set to "get away from it all." We owe nothing more than honor to those who served. Let us give them that honor.

Thank you.

Testimony of Senator James B. Allen—June 3, 1974, Before Holidays Subcommittee of Senate Judiciary Committee in Support of S. 2901, To Return Veterans Day Observance to November 11

Mr. Chairman, I deeply appreciate the opportunity to apepar before you this morning to speak in behalf of S. 2901, a bill I introduced in the Senate earlier this year to restore the annual observance of Veterans Day to its original and rightful date of November 11.

As we know, Veterans Day commemorates the courage and patriotism of all the brave men and women who have served in the armed services of the United States. This patriotic holiday was unofficially established fifty-five years ago—in 1919—by President Woodrow Wilson. In the year 1926, November 11 was officially designated "Armistice Day" and in 1938 Congress enacted legislation making it a national holiday. In 1954 the Congress gave the day its broader designation of "Veterans Day" to include veterans of World War II and all other wars.

Actually, Veterans Day had its genesis in Birmingham, Alabama in 1947. Thus, when the Nation observed its first Veterans Day in 1954, it was Birmingham's 7th observance. Credit for establishing Birmingham's magnificient Veteran's Day observance which is now a two-day affair belongs to Mr. Raymond Weeks and the late Talbot Ellis.

In 1968 the 90th Congress enacted the so-called "Monday Holiday Law" (P.L. 90–363) which, among other things, created four new three-day weekends in addition to the longstanding Labor Day week-end. One of the new three-day week-ends established by Public Law 90–363 resulted in shifting the Veterans Day observance from its traditional and rightful date of November 11 to the fourth Monday in October. While I was not a member of the Congress of the United States at the time the Monday Holiday Law was passed, I am informed that none of the major veterans organizations had an opportunity to fully testify on this legislation in either Chamber of the Congress, nor were they aware that somewhere along the line the measure had been amended to change the Veterans Day observance until after the hearings were completed and the bill had been favorably reported by the House Judiciary Committee.

Given the opportunity, I am quite confident that all of the major veterans organizations would have testified against changing the observance of Veterans Day from November 11 to the fourth Monday in October. The presence of high-ranking spokesmen in this hearing room today from our great veterans organizations gives credence to the observation I have just made.

Mr. Chairman, it should be pointed out that the "Monday Holiday Law" affects only Federal employees and residents of the District of Columbia. The several states are not required to observe the same holidays as the Federal government, but they generally do.

To me it is most significant that observance of Veterans Day on the fourth Monday in October—which commenced at the Federal level only three years ago—has proven to be so distasteful and unpopular throughout our nation that thirty-one of the States have specifically enacted legislation to return to November 11 as the date for honoring our veterans. I should like to add that similar legislation will be passed in my home state of Alabama when the State Legislature next meets unless the 93rd Congress enacts a bill similar to S. 2901. In addition, two states, namely, Mississippi and Oklahoma, never changed their laws to conform to Public Law 90–369 in this respect.

Mr. Chairman, I think that it is well past the time for the people of this nation to return to old-fashioned patriotism. President Abraham Lincoln once said that if our nation ever fails, it will be from within rather than from without.

As we know, Communism is an idea which bores from within. Our invincible defense against Communism is keeping alive and strong the mighty spirit of Democracy. We must guard this spirit against apathy, complacency and moral decay.

By returning the Veterans Day observance to its traditional and rightful date of November 11, I feel that we will have made an important start toward rekindling an understanding of the ideals, principles and institutions that made America the bright beacon of Democracy.

With the Bicentennial of our nation but two years ahead, this is a most opportune time for the Congress to bolster confidence of the people in our representative form of government.

Certainly no other single group of our citizens are more deserving in this honor than our Nation's veterans, who have fought so gallantly in at least five major wars this century. These veterans know that our great American heritage, founded upon freedom, has never been and never will be free of pain, free of struggle and free of individual and collective effort. The least we can do is respect their wishes and return the observance of Veterans Day to November 11.

I respectfully urge approval of S. 2901 and I thank you again for permitting me to be with you today.

STATEMENT

(By Francis W. Stover, Director, National Legislative Service, Veterans of Foreign Wars of the United States)

Mr. Chairman and Members of the subcommittee: Thank you for the privilege of presenting the position of the Veterans of Foreign Wars on the bills before you which propose to restore Veterans Day to November 11 as a national holiday.

A Priority Legislative Goal of the Veterans of Foreign Wars since the passage of the Monday Holiday Act has been to shift Veterans Day back to November 11. Our position is found in V.F.W. National Resolution No. 127 which was unanimously approved by the delegates representing more than 1.8 million members at our National Convention in New Orleans last August, which reads as follows:

V.F.W. RESOLUTION NO. 127—RESTORE VETERANS DAY TO NOVEMBER 11

"Whereas, fighting in World War I ended at 11:00 a.m. on the 11th day, the 11th month in 1918 (November 11, 1918). Two years later, France and England chose November 11th, then known universally as Armistice Day," as the time for placing an "unknown soldier" of that war, in each of the Nations' highest places of honor. On November 11th in 1921, an American soldier whose name was "known only to God" was buried at Arlington National Cemetery; and

"Whereas, in the year 1926, Armistice Day was made the official name for paying tribute to our World War I veterans for their dedication in serving our country in time of battle, and obtaining peace on November 11, 1918. Twelve years later in 1938, another Congressional resolutional made the November 11th date a national holiday and observance; and

"Whereas, two years after this national holiday was proclaimed, World War II broke out in Europe and shattered our country's dreams. On June 1, 1954, Congress, acting on a proposal by Representative Edwin K. Rees of Kansas, changed Armistice Day to Veterans Day; President Dwight D. Eisenhower signed this bill on November 11, 1954 to keep the historic date of November 11th a memorial tribute; and

"Whereas, the 90th Congress of the United States passed legislation in 1968 to change the historic observance of Veterans Day to the fourth Monday of each October. The President of the United States signed this public law #90–363 into law on June 28, 1968. This new date causes many of the nation's Veterans to still recognize November 11th, with some that recognize the new date of October, and still many carry out their patriotic duty and recognize both dates; now, therefore

"Be it resolved, by the 74th National Convention of the Veterans of Foreign Wars of the United States, that we reaffirm our position to restore Veterans Day back to November 11th."

Adopted at the 74th National Convention of the Veterans of Foreign Wars of the United States held in New Orleans, Louisiana, August 17 through 24, 1973.

Subsequently, our Commander-in-Chief, Ray Soden, has put his stamp of approval on the restoration of Veterans Day to November 11 as a Priority Legislative Goal for the year 1974.

Mr. Chairman, it was anticipated that the designation of Veterans Day as the fourth Monday in October as a national holiday would be followed by the states around the country. During the last four years, just the opposite has occurred. Forty states have passed legislation, since the Monday Holiday Act of 1968, calling for these states to celebrate Veterans Day on November 11. It will be recalled that two states never did change their Veterans Day laws, so there are a total of 42 states who do not follow the example set by the Congress in the observance of Veterans Day.

The fact that forty-two states have not followed the Federal example regarding Veterans Day would appear to be substantial evidence that the Congress has made a mistake in this regard. This action, taken separately by each state, is sufficient justification to favorably consider one of the bills before you and for its ultimate approval by the Congress.

As V.F.W. Resolution No. 127 indicates, the date of November 11 was formerly known as "Armistice Day." This date is determined by the cease-fire which was agreed to between Germany and the Allied Nations, thus bringing the First World War to an end. It has been argued that November 11 has special significance to the veteran of World War I only. It is this erroneous presumption, which led to the conclusion, in approving the Monday Holiday Act, that Veterans Day was to commemorate veterans of all wars and, therefore, could be observed on any day of the year.

However, a glance back at our history indicates that Armistice Day has significance for all veterans. November 11th is a day set aside in the history of this Nation which has come to symbolize the sacrifice in the national interest by those who have served in the Armed Forces during wartime.

Today, there are more than 29 million veterans. About half of these veterans served in World War II. Most of these 14 million World War II veterans grew up in the days just prior to World War II. They recall quite vividly the many celebrations in honor of all veterans of previous wars, especially, the veterans of World War I, which were an integral part of American culture. In those days, both the Spanish American War and Civil War veterans also participated in Veterans Day ceremonies on November 11, which day they adopted as their Veterans Day.

Subsequent to World War II—until 1971, Veterans Day still continued to be celebrated on November 11. Thus, the approximately 5 million Korean veterans and many of the more than 7 million Vietnam veterans are identified with November 11 as the day set aside to honor their service in the Armed Forces.

To say it another way, there is no other single day in the year that has more significance to veterans of all wars than November 11. There is no comparable ending date for World War II, Korea, or Vietnam. It is doubtful if there ever again will be a day signifying so much to so many as does November 11th.

Mr. Chairman, the celebration of Veterans Day as a national holiday for Federal employees and as a state holiday for the citizens of the several states has produced much confusion to say the least. In the interest of harmony and uniformity, the Congress should rectify this situation by returning Veterans Day to November 11. From all over the country, we hear of problems created regarding the celebration of Veterans Day because of the conflict of Federal and state laws with respect to this date.

As the name implies, Veterans Day is a day set aside to commemorate those citizens who served in our Armed Forces during a period of peril. For this reason, it is hoped that this Subcommittee and the Congress will take into consideration that the veterans of this Nation want this day changed back to November 11.

Notwithstanding the desires of commercial and business interests, the foremost consideration should be 'What is the position of the veterans organizations on this issue?' For it is the veterans organizations, as you know, who provide the leadership and conduct the ceremonies and hold the parades and otherwise keep alive for succeeding generations the contribution made by veterans in preserving freedom throughout the world.

The Monday Holiday Act went into effect on January 1, 1971. The celebration of Veterans Day on the fourth Monday has taken something out of the patriotic life of America. Since 1971, Veterans Day has become a day for the pursuit of pleasure and profit-making, and our heritage has greatly suffered thereby.

November 11 has been observed since 1918 as a tribute to all veterans, a day to honor those who fought in defense of freedom and to carry out the highest ideals of our American heritage. Celebrating Veterans Day on the fourth Monday of October has proved to be a disaster so far as the Veterans of Foreign Wars is concerned. November 11 is the date which embraces the meaning of the sacrifice in the national interest made by our citizen soldiers in time of war. No other date will suffice for this purpose.

Most of the states have already acted. Now is the time for Congress to do likewise. V.F.W. strongly urges this Subcommittee to favorably consider one of the proposals before you—to restore Veterans Day to its former status as a great National Holiday on November 11.

Thank you.

THE AMERICAN LEGION,
Montgomery, Ala., May 23, 1974.
Hon. JAMES B. ALLEN,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: The American Legion, Department of Alabama, and its American Legion Ladies Auxiliary wish to again speak out in behalf of Senate Bill 2901 asking for the redesignation of November 11th as Veterans Day.

A majority of the states in support of National Convention Mandates for the past five years has now passed state legislative bills restoring Veterans Day to November 11th in their respective states.

Alabama now has prepared a legislative bill, prepared by Past Department Commander Raymond Weeks and a member of the House of Representatives, which would restore Veterans Day in Alabama to November 11th. Alabamians were very instrumental in the passage of legislation which designated November 11th as Veterans Day in commemoration of veterans of all wars. Alabama has, for many years, conducted a National Veterans Day Program in Birmingham, Alabama, on November 11th, this program being second to none within the nation, until the passage of Public Law 90-363, the so-called Holiday Bill.

We respectfully request your support and that of all your colleagues in both the House and Senate in the enactment of Senate Bill S2901 which will restore Veterans Day to its meaningful date on the calendar of November 11th.

Sincerely,

MAX A. WILDER,
Department Commander.
Mrs. ALLENE MCCRAY,
Department President.

VETERANS OF FOREIGN WARS,
Montgomery, Ala., May 23, 1974.
Hon. JAMES B. ALLEN,
U.S. Senator,
Washington, D.C.

DEAR SENATOR ALLEN: On behalf of the 22,250 members of the State of Alabama, Veterans of Foreign Wars of the United States, let me thank you for your efforts to have Veterans Day returned to November 11th through your bill #S2901.

The members of our organization voted unanimously at our last convention to support such legislation and a resolution was forwarded to the National Convention in support of the change.

To our Veterans, the fourth Monday in October has no significance, but the 11th day of the 11th month, what ever day of the month it falls on is the true Veterans Day, and we would like to see it recognized as such.

Again let me thank you for yours efforts to this end.

Sincerely,

JOHN T. GOLDEN,
State Commander.

BUSINESS FIRMS ON NATIONAL HEALTH INSURANCE

Mr. HANSEN. Mr. President, business has an important stake in national health insurance. Whatever legislation comes from this Congress will affect the payroll expenses of thousands of employers and businessmen. Surely we would want to take a hard look at their recommendations and views. In the interest of providing such material for the study of my colleagues, I ask unanimous consent to have a survey of a representative sample of the Nation's business firms printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HANSEN. I note that the survey was done in 1972, and that the administration's bill has changed since then, as have several other bills. However, the survey is principally one of the concepts and principles embodied in the bills, and therefore, is equally applicable today. I also note, that the Medicredit bill, although represented in the survey as requiring compulsory participation by employers, is not compulsory, but voluntary for everyone. The bill does offer a tax incentive, however, to employers offering coverage to their employees. They are able to use part of the amount spent on health insurance premiums as a tax deduction.

The survey also points out that of the four bills—administration, Medicredit, Health Security, Health Insurance Industry proposal—22.4 percent of polled businesses supports Medicredit; 4.9 percent support Health Security; 19.9 percent are for the administration bill; and 32.9 percent like the health insurance industry plan. It is evident that business firms desire to minimize Federal involvement in a national health insurance plan through payroll taxes, bureaucratic administration, and compulsion.

The survey follows:

EXHIBIT 1

NATIONAL CHAMBER SURVEY ON HEALTH INSURANCE AND NATIONAL HEALTH INSURANCE LEGISLATION

The 93rd Congress will probably approve some kind of national health insurance program. Some of the legislative proposals, if enacted, would have far-reaching effects on company-sponsored health insurance programs and business costs. For example, legislation sponsored by organized labor—the Health Security Act—would cost employers about $30 billion a year in payroll taxes.

Because of the far-reaching effects of this legislation, the National Chamber surveyed a select group of its business members in early 1972 for facts and opinions.[1] The purpose was twofold: (1) to obtain information about the extent and scope of existing health insurance coverage, its cost and financing; and (2) to determine the potential impact of national health insurance legislation on employers and company-sponsored health plans.

Business views were obtained on these legislative proposals: the American Medical Association's "Medicredit" plan (H.R. 4960 and S. 987); the AFL-CIO/UAW's Health Security Act (H.R. 22 and S. 3); the Administration's National Health Insurance Partnership Act (H.R. 7741 and S. 1623); and the health insurance industry's National Healthcare Act (H.R. 4349 and S. 1490).

Following is a summary of the major findings. Results from the entire survey follow the summary.

EXTENT OF HEALTH INSURANCE PROTECTION

Most employers provide or make available health insurance protection for their employees. According to the survey, 95 percent of the companies provide this type of benefit for their employees. As compared to the total population, a much higher proportion of employees have health insurance protection. In 1969, for example, about four-fifths of the population under age 65 had some form of private health insurance. All the firms without health insurance protection would be classified as "small business." Most had fewer than 25 employees on the payroll.

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[1] The health insurance survey was sent to a 10 percent *random* sample of the National Chamber's business members. About 20 percent of the firms responded to the questionnaire.

The kinds of health services covered under company-sponsored plans and the percentage of companies providing such benefits are:

Covered service	*Percent of companies*
In-patient hospital care	98.6
Nursing home or extended care	39.3
Surgical services	98.4
In-hospital physician care	97.8
Physician services at his office	60.3
Diagnostic X-ray and laboratory services	90.4
Dental care	20.3

EMPLOYEE COST-SHARING

Employees share part of the costs of medical services—through initial deductible amounts and co-payments—in many company-sponsored health insurance plans. For example, in connection with in-patient hospital care, 20 percent of the plans impose an initial deductible before benefits are payable, and 28 percent of the plans require the employee to bear some costs through co-payments. Many of the plans also require employee cost-sharing for the six other health care services listed above.

PROTECTION AGAINST CATASTROPHIC MEDICAL EXPENSES

Most company health insurance plans provide protection against the large expenses involved in a serious illness—the so-called catastrophic illness—to both hourly and salaried employees. About 95 percent of the companies provide major-medical expense protection as a supplement to, rather than a substitute for, a basic hospital and medical plan.

The survey results show that most of the employer-sponsored plans do not provide enough coverage to protect an employee and his family against an extremely expensive illness—say, one involving about $50,000 of hospital and related medical bills. About 85 percent of the companies provide less than $50,000 in maximum lifetime protection. Nearly 14 percent of the firms provide $50,000 or more in major-medical expense protection.

PERCENT OF HEALTH INSURANCE COSTS PAID BY BUSINESS

The Administration's national health insurance proposal would require employers to pay 65 percent of total health insurance costs initially, with an increase to 75 percent thereafter.

The survey results show that 66 percent of the companies pay 65 percent or more of total health insurance costs. In 48 percent of the firms, the employer pays from 95 to 100 percent of the cost.

Based on the survey results, it seems clear that many employers will have to absorb significant cost increases for health insurance if either the Administration's plan or the health insurance industry's proposal becomes law. In more than 50 percent of the company-sponsored plans, the average cost per employee is less than $300 a year. The Administration plan and the health insurance industry's proposal would cost an estimated $390 and $450 a year respectively. Only 25 percent of the companies have average employee health insurance costs of $400 or more a year.

BENEFIT EXPANSION AND INFLATION

Since 1965 more than 75 percent of the companies liberalized their health insurance benefit plans. Inflation—not bigger and better benefits—was the most important factor in driving up the cost of health insurance plans. For example, 37 percent of the firms felt that less than one-third of their cost increases were attributable to benefit improvements with the remainder caused by skyrocketing hospital and medical care prices.

EFFECT OF LEGISLATION NOT UNDERSTOOD

Many companies do not understand how proposed legislation will affect existing health insurance plans. For example, 54 percent of the firms expressed the view that their company-sponsored plan provided benefits "equal to or greater than" the "benefit package" proposed by the health insurance industry (H.R. 4349 and S. 1490).

This evaluation is probably incorrect because most company-sponsored health plans cost less than proposed legislation. In 71 percent of the firms the average per employee cost of company-sponsored plans was under $400 a year as compared to an estimated cost of $450 a year for H.R. 4349 and S. 1490.

EMPLOYERS OBJECT TO COMPULSION

While most employers favor extending basic health benefits (including ambulatory and out-patient care) to their employees, they object to coercion by government. For example, only 6.5 percent of the firms felt that they should be required to provide coverage through a mandatory approach as proposed by the Administration (H.R. 7741 and S. 1623), or through some "tax penalty" as advocated in the AMA "Medicredit" bill (H.R. 4960 and S. 987) or the health insurance industry plan (H.R. 4349 and S. 1490).

The vast majority of companies felt that the best way to broaden health insurance coverage was to encourage employers to do so through a tax incentive.

TAX IMPACT OF LABOR'S HEALTH LEGISLATION

Organized labor's Health Security Act (H.R. 22–S. 3) would be partially financed by a 3.5 percent tax levied on an employer's *total* payroll. As a result, payroll taxes on *all* employers, small, medium-size and large, would be substantially increased. The average increase in payroll taxes would range from $3,568 for firms with less than 25 employees to over $4 million for companies with 2,500 or more employees.

EMPLOYER PREFERENCE FOR NATIONAL HEALTH INSURANCE LEGISLATION

While some type of national health insurance legislation is likely to be approved in the 93d Congress, employers are not particularly enthusiastic about the four major alternatives available. None of the plans was ranked "number 1" by a majority of the employers polled. The first choice of about one-third of the firms would be the health insurance industry proposal. About 22 percent of the firms would pick the AMA's "Medicredit" proposal as their first preference, and 20 percent of them would select the Administration's plan. The AFL–CIO/UAW bill (H.R. 22 and S. 3) was at the bottom of the heap, with fewer than 5 percent of the employers selecting it as "number 1." It should be noted that a substantial number of employers did not express an opinion on the survey question. The "no response" ranged from 30 percent on the health insurance proposal to 37 percent on the AFL–CIO/UAW bill.

BUSINESS VIEWS ABOUT PRIVATE HEALTH INSURANCE FIRMS

Most business firms are pleased with the service they receive from health insurance carriers or Blue Cross-Blue Shield plans. For example, 85 percent of the companies said the services was "very good" or "good."

Results of National Chamber Questionnaire and Opinion Poll on Health Insurance and National Health Insurance Legislation*

(Answers in percent)

A. (01). My company employs people in: (1) one state 72.2; (2) more than one state 26.7.

B. (02–03). My company's major employment is located in the State of ____________.

C. (04). The major share of our business is: (please check one)

(1) 3.3 Agriculture.
(2) 11.5 Construction.
(3) 0.9 Mining.
(4) 32.3 Manufacturing.
(5) 2.5 Transportation.
(6) 3.1 Communications and Utilities.
(7) 8.0 Wholesale Trade.
(8) 9.5 Retail Trade.
(9) 16.0 Finance, Insurance, Real Estate.
(10) 8.8 Services.
(*) 3.6 Other.

D. (05). The total employment of my company is: (please check one)

(1) 25.5 under 25.
(2) 18.4 25–49.
(3) 17.8 50–99.
(4) 23.5 100–499.
(5) 5.0 500–999.
(6) 4.4 1000–2499.
(7) 5.4 2500 or more.

E.(06). Does your company now provide or make available health care insurance protection for your employees? (i.e. benefits to pay for one or more types of medical expense. Do not count disability income benefits or accident-only benefits.)

(1) 95.0 Yes.
(2) 4.9 No.

F.(07–08). Is your health care insurance plan negotiated through collective bargaining?

(07) Hourly employees (1) 26.1 Yes; (2) 68.5 No.

(08) Salaried employees (1) 4.5 Yes; (2) 94.3 No.

G.(09–15). If your company has health care insurance for employees, which of the following health care services are provided: (please check ALL applicable)

(09) 98.6 In-patient hospital care.

(10) 39.3 Nursing home or extended care benefits.

(11) 98.4 Surgical services.

(12) 97.8 In-hospital physicians' care.

(13) 60.3 Physicians' services at his office.

(14) 90.4 Diagnostic x-ray and laboratory services.

(15) 20.3 Dental care; (1) 9.7 Full coverage; (2) 90.3 Partial coverage.

H.(16–29). If your company has health care insurance, are copayments by employees required or an initial deductible imposed before the benefits are payable? (please check Yes or No for each service)

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*Data based on 10 percent random sample of business members polled during January 1972. In many instances, the responses do not add up to 100 percent because companies did not answer a question.

[In percent]

		Copayment required	
		Yes (1)	No (2)
In-patient hospital care	(16)	28.1	56.9
Nursing home or extended care	(17)	39.6	64.8
Surgical services	(18)	29.3	55.4
In-hospital physicians' care	(19)	29.6	53.8
Physician's services at his office	(20)	45.2	43.2
Diagnostic X-ray, laboratory services	(21)	29.7	55.1
Dental care	(22)	37.0	67.5

		Initial deductible imposed	
		Yes (1)	No (2)
In-patient hospital care	(23)	19.8	53.5
Nursing home or extended care	(24)	34.2	55.7
Surgical services	(25)	19.4	52.9
In-hospital physician's care	(26)	22.5	49.1
Physician's services at his office	(27)	50.7	34.7
Diagnostic X-ray, laboratory services	(28)	25.9	48.0
Dental care	(29)	39.0	57.1

I. (30–31). Does your plan provide major expense protection (catastrophic coverage)?

(30) Hourly employees (1) 73.9 Yes; (2) 16.3 No.

(31) Salaried employees (1) 87.6 Yes; (2) 10.1 No.

J. (32). If you answered "yes" to question I(30–31), is the major medical expense protection supplementary to a basic hospital-medical plan or as a substitute plan?

(1) 94.9 Supplementary.

(2) 5.0 Substitute plan.

K. (33). If your plan provides major medical expense benefits, what is the maximum lifetime amount of protection provided? (please check one)

(1) 6.8 less than $10,000.

(2) 39.2 $10,000 but less than $20,000.

(3) 32.3 $20,000 but less than $30,000.

(4) 7.1 $30,000 but less than $50,000.

(5) 10.2 $50,000 but less than $100,000.

(6) 3.5 $100,000 or more.

L. (34). The Administration proposal would require employers to pay 65% of total health care insurance costs from July 1, 1973 to December 31, 1975, with an increase to 75% thereafter. What proportion of total health insurance costs does your firm now pay? (please check one)

(1) 48.3 95 to 100 percent.

(2) 9.5 less than 95 percent at least 75 percent.

(3) 8.0 less than 75 percent but at least 65 percent.

(4) 18.1 less than 65 percent at least 50 percent.

(5) 7.6 less than 50 percent but at least 25 percent.

(6) 4.3 employee pays all.

M. (35–77). If your firm finances all or part of the cost of employee health insurance, what was the total health care cost and how much did your company pay in 1965, in 1970? Also indicate the percentage increase for each. (answer ALL)

Not tabulated; insufficient number of responses to provide meaningful data.

N.(78). Are the 1970 benefits the same as the 1965 benefits?

(1) 11.9 Yes; (2) 77.7 No.

O.(79). If you answered "no" to question N(78), approximately how much of the percentage increase in total costs (1970 over 1965) is due to increase in benefits? (please check one)

(1) 36.9 less than ⅓rd.

(2) 36.6 ⅓ but less than ⅔rds.

(3) 15.9 more than ⅔rds.

P.(80). The Administration estimates the costs of its proposal at $390 per married employee per year, with the employer paying $253 through 1975 and $292 in 1976. The health insurance industry estimates the cost per employee of its plan would be $450 a year initially and gradually increase to $1,100 per employee in 1979. What is your company's average annual cost per employee of its present health care insurance plan? (please check one)

(1) 7.4 $100 or less.

(2) 22.4 $100–$199.

(3) 21.3 $200–$299.

(4) 19.5 $300–$399.

(5) 12.5 $400–499.

(6) 12.5 $500 or more.

Q.(81–83). Under the "Medicredit" bill, the Administration plan, and the health insurance industry proposal the federal government would be empowered to require employers to have a health insurance benefits package that meets the standards specified in these bills. In your opinion does your present health insurance plan provide benefits equal to, less than, or greater than the standards specified in these bills? (please check applicable boxes)

[In percent]

Bill	Benefit package— Equal to	Less than	Greater than
(81) "Medicredit"	(1) 21.3	(2) 13.7	(3) 53.0
(82) Administration plan	(1) 20.3	(2) 20.2	(3) 46.5
(83) Health insurance industry plan	(1) 20.6	(2) 33.5	(3) 33.9

R.(84). Do you think employers should make available to their employees a basic health benefits package, including ambulatory and out-patient care?

(1) 60.5 percent Yes.

(2) 20.9 percent No.

(3) 14.0 percent No opinion.

S. (85) Both the AMA and health insurance industry proposals would impose a "tax penalty" on employers if they fail to have health insurance plans that meet federal benefit standards. Employers would only be able to deduct 50% (instead of the present 100%) of their health insurance premiums as a business expense for federal income tax purposes. The Administration plan would use the threat of fines ($1,000 per employee) and employee lawsuits to obtain employer compliance. Do you think that employers should be required by government to provide health insurance coverage or should employers be encouraged to do so through some kind of tax incentive?

(1) 6.5 percent Required to provide coverage.

(2) 81.9 percent Enouraged to provide coverage.

(3) 7.0 percent No opinion.

T. (86–97). The AFL-CIO/UAW plan is partially financed by a 3.5% tax on an employer's total payroll. If this bill were passed, with taxes effective in 1974, how much would your company's payroll taxes be increased above the amounts now required under existing law to finance the Social Security program? (assume 1974 payroll equals current payroll)

Average increase in payroll taxes

Size of firm:	
Under 25 employees	$3,568
25–49 employees	11,425
50–99 employees	20,842
100–499 employees	58,956
500–999 employees	195,050
1000–2499 employees	435,463
2500 or more employees	4,018,135

U. (98–101). Congress may approve some kind of national health insurance legislation during 1972. If you had to choose between the four bills shown below, how would you rank them in order of preference (1 to 4)?

[In percent]

	1	2	3	4	No response
(98) "Medicredit"	22.4	13.8	23.7	6.3	33.9
(99) AFL-CIO/UAW bill	4.9	1.6	3.8	52.6	37.2
(100) Administration plan	19.9	27.8	16.4	1.6	34.3
(101) Health Insurance industry proposal	32.9	18.0	17.0	2.1	29.9

V. (102). What is your opinion of the service provided by your health insurance carrier of Blue Cross-Blue Shield? (please check one)

(Answers in percent)

(1) 53.7 very good.

(2) 31.7 good.

(3) 9.8 average.

(4) 0.7 poor.

(5) 0.4 very poor.

MILEAGE AND PER DIEM ALLOWANCES—CORRECTIONS

Mr. METCALF. Mr. President, on April 10, I introduced S. 3341, a bill to increase the mileage and per diem to be paid to Federal employees traveling on official business. As part of my introductory remarks, I included a study of the estimated cost of operating a standard-size automobile. Due to mechanical limitations, the charts from the study were printed in the April 11 edition of the Congressional Record. Unfortunately, several typographical errors appeared in the printed tables. Mr. President, I ask unanimous consent that the corrected tables be printed in the Record, and that the permanent Record be corrected to reflect the necessary changes.

There being no objection, the tables were ordered to be printed in the Record, as follows:

TABLE 1.—ESTIMATED COST OF OPERATING A STANDARD SIZE 1972 MODEL AUTOMOBILE [1]

[Total costs in dollars, costs per mile in cents]

Item	1st year (14,500 mi) Total cost	1st year Cost per mile	2d year (13,000 mi) Total cost	2d year Cost per mile	3d year (11,500 mi) Total cost	3d year Cost per mile	4th year (10,000 mi) Total cost	4th year Cost per mile	5th year (9,900 mi) Total cost	5th year Cost per mile
Costs excluding taxes:										
Depreciation	1,226.00	8.46	900.00	6.92	675.00	5.87	500.00	5.00	376.00	3.80
Repairs and maintenance	81.84	.56	115.37	.89	242.65	2.11	296.09	2.96	275.54	2.78
Replacement tires	17.90	.12	16.05	.12	23.72	.21	44.40	.44	43.95	.44
Accessories	3.21	.02	3.08	.02	2.96	.02	2.83	.03	2.82	.03
Gasoline	286.75	1.98	257.16	1.98	227.58	1.98	197.72	1.98	195.83	1.98
Oil	11.25	.08	11.25	.09	12.00	.10	12.00	.12	12.75	.13
Insurance [2]	164.00	1.13	156.00	1.20	156.00	1.36	147.00	1.47	147.00	1.49
Garaging, parking, tolls, etc	208.36	1.44	199.22	1.53	190.08	1.65	180.94	1.81	180.33	1.82
Total	1,999.31	13.79	1,658.13	12.75	1,529.99	13.30	1,380.98	13.81	1,234.22	12.47

TABLE 1.—ESTIMATED COST OF OPERATING A STANDARD SIZE 1972 MODEL AUTOMOBILE[1]—Continued

[Total costs in dollars, costs per mile in cents]

Item	1st year (14,500 mi)		2d year (13,000 mi)		3d year (11,500 mi)		4th year (10,000 mi)		5th year (9,900 mi)	
	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile
Taxes and fees:										
State:										
Gasoline	74.62	0.51	66.92	0.52	59.22	0.52	51.45	0.51	50.96	0.52
Registration	30.00	.21	30.00	.23	30.00	.26	30.00	.30	30.00	.30
Titling	177.15	1.22	—	—	—	—	—	—	—	—
Subtotal	281.77	1.94	96.92	.75	89.22	.78	81.45	.81	80.96	.82
Federal:										
Gasoline	42.64	.30	38.24	.30	33.84	.29	29.40	.30	29.12	.30
Oil[3]	.22	—	.22	—	.24	—	.24	—	.26	—
Tires	1.38	.01	1.24	.01	1.82	.02	3.42	.03	3.39	.03
Subtotal	44.24	.31	39.70	.31	35.90	.31	33.06	.33	32.77	.33
Total taxes	326.01	2.25	136.62	1.06	125.12	1.09	114.51	1.14	113.73	1.15
Total of all costs	2,325.32	16.04	1,794.75	13.81	1,655.11	14.39	1,495.49	14.95	1,347.95	13.62

TABLE 1.—ESTIMATED COST OF OPERATING A STANDARD SIZE 1972 MODEL AUTOMOBILE[1]

Item	6th year (9,900 mi)		7th year (9,500 mi)		8th year (8,500 mi)		9th year (7,500 mi)		10th year (5,700 mi)		Totals and averages for 10 years (100,000 mi)	
	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile
Costs excluding taxes:												
Depreciation	259.00	2.61	189.00	1.99	121.00	1.42	85.00	1.13	48.00	0.84	4,379.00	4.38
Repairs and maintenance	292.54	2.95	397.56	4.19	171.82	2.02	244.33	3.26	29.17	.51	2,146.91	2.14
Replacement tires	45.44	.46	50.69	.53	62.79	.74	52.80	.70	42.11	.74	399.85	.40
Accessories	8.57	.09	8.30	.09	7.65	.09	6.97	.09	5.79	.10	52.18	.05
Gasoline	195.83	1.98	188.03	1.98	168.13	1.98	148.22	1.98	112.71	1.98	1,977.96	1.98
Oil	13.50	.14	13.50	.14	13.50	.16	12.00	.16	6.75	.12	118.50	.12
Insurance[2]	116.00	1.17	116.00	1.22	116.00	1.37	116.00	1.55	116.00	2.04	1,350.00	1.35
Garaging, parking, tolls, etc	180.33	1.82	177.89	1.87	171.80	2.02	165.71	2.21	154.74	2.71	1,809.40	1.81
Total	1,111.21	11.22	1,140.97	12.01	832.69	9.80	831.03	11.08	515.27	9.04	12,233.80	12.23
Taxes and fees:												
State:												
Gasoline	50.96	.52	48.93	.51	43.75	.52	38.57	.52	29.33	.51	514.71	.51
Registration	30.00	.30	30.00	.32	30.00	.35	30.00	.40	30.00	.53	300.00	.30
Titling	—	—	—	—	—	—	—	—	—	—	177.15	.18
Subtotal	80.96	.82	78.93	.83	73.75	.87	68.57	.92	59.33	1.04	991.86	.99
Federal:												
Gasoline	29.12	.29	27.96	.30	25.00	.29	22.04	.29	16.76	.29	294.12	.30
Oil	.27	—	.27	—	.27	—	.24	—	.14	—	2.37	—
Tires	3.50	.04	3.90	.04	4.84	.06	4.07	.06	3.24	.06	30.80	.03
Subtotal	32.89	.33	32.13	.34	30.11	.35	26.35	.35	20.14	.35	327.29	.33
Total taxes	113.85	1.15	111.06	1.17	103.86	1.22	94.92	1.27	79.47	1.39	1,319.15	1.32
Total of all costs	1,225.06	12.37	1,252.03	13.18	936.55	11.02	925.95	12.35	594.74	10..43	13,552.95	13.55

[1] This estimates covers the total costs of a fully equipped, medium priced, standard size, 4-door sedan, purchased for $4,379, operated 100,000 miles over a 10-yr period, then scrapped. Baltimore area prices considered to be in the middle range, were used.

[2] Previous editions of this study used insurance rates designated for Baltimore City. The rates shown above are for the Baltimore suburbs, and consequently are less than the rates presented in the previous study. If the Baltimore City rates had been used in this study, the insurance costs would have been higher. (For example, the 1st year would have been $232).

[3] Where costs per mile were computed to be less than 1/20 cent, a dash (—) appears in the column.

TABLE 2.—ESTIMATED COST OF OPERATING A COMPACT SIZE 1972 MODEL AUTOMOBILE[1]

[Total costs in dollars, costs per mile in cents]

Item	1st year (14,500 mi)		2d year (13,000 mi)		3d year (11,500 mi)		4th year (10,000 mi)		5th year (9,900 mi)	
	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile
Costs excluding taxes:										
Depreciation	674.00	4.65	519.00	3.99	394.00	3.42	305.00	3.05	243.00	2.46
Repairs and maintenance	79.41	.55	107.14	.83	170.61	1.48	218.90	2.19	240.27	2.43
Replacement tires	15.30	.11	13.71	.11	12.13	.11	34.27	.34	33.93	.34
Accessories	3.21	.02	3.08	.02	2.96	.03	2.83	.03	2.82	.03
Gasoline	244.25	1.68	218.97	1.69	193.68	1.69	168.39	1.68	166.78	1.68
Oil	10.50	.07	10.50	.08	11.25	.10	11.25	.11	12.75	.13
Insurance	155.00	1.07	147.00	1.13	147.00	1.28	140.00	1.40	140.00	1.41
Garaging, parking, tolls, etc	208.36	1.44	199.22	1.53	190.08	1.65	180.94	1.81	180.33	1.82
Total	1,390.03	9.59	1,218.62	9.38	1,121.71	9.76	1,061.58	10.61	1,019.88	10.30
Taxes and fees:										
State:										
Gasoline	63.56	.44	56.98	.44	50.40	.44	43.82	.44	43.40	.44
Registration	20.00	.14	20.00	.15	20.00	.17	20.00	.20	20.00	.20
Titling	109.86	.75	—	—	—	—	—	—	—	—
Subtotal	193.42	1.33	76.98	.59	70.40	.61	63.82	.64	63.40	.64

Footnotes at end of table.

TABLE 2.—ESTIMATED COST OF OPERATING A COMPACT SIZE 1972 MODEL AUTOMOBILE[1]—Continued

[Total cost in dollars, costs per mile in cents]

Item	1st year (14,500 mi)		2d year (13,000 mi)		3d year (11,500 mi)		4th year (10,000 mi)		5th year (9,900 mi)	
	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile
Federal:										
Gasoline	36.32	0.25	32.56	0.25	28.80	0.25	25.04	0.25	24.80	0.25
Oil[2]	.21	—	.21	—	.22	—	.22	—	.26	—
Tires	1.17	.01	1.05	.01	.92	.01	2.61	.03	2.59	.03
Subtotal	37.70	.26	33.82	.26	29.94	.26	27.87	.28	27.65	.28
Total taxes	231.12	1.59	110.80	.85	100.34	.87	91.69	.92	91.05	.92
Total of all costs	1,621.15	11.18	1,329.42	10.23	1,222.05	10.63	1,153.27	11.53	1,110.93	11.22

TABLE 2.—ESTIMATED COST OF OPERATING A COMPACT SIZE 1972 MODEL AUTOMOBILE[1]

Item	6th year (9,900 mi)		7th year (9,500 mi)		8th year (8,500 mi)		9th year (7,500 mi)		10th year (5,700 mi)		Totals and averages for 10 years (100,000 mi)	
	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile
Costs excluding taxes:												
Depreciation	194.00	1.96	152.00	1.60	103.00	1.21	73.00	0.97	39.00	0.68	2,696.00	2.70
Repairs and maintenance	268.81	2.72	412.04	4.34	177.27	2.09	78.95	1.05	31.10	.55	1,784.50	1.79
Replacement tires	38.45	.39	36.89	.39	61.53	.72	54.29	.73	41.27	.72	341.77	.34
Accessories	8.57	.09	8.30	.09	7.65	.09	6.97	.09	5.79	.10	52.18	.05
Gasoline	166.78	1.68	160.06	1.69	143.11	1.69	126.43	1.69	96.03	1.68	1,684.48	1.68
Oil	12.75	.13	12.75	.13	12.75	.15	12.00	.16	6.75	.12	113.25	.11
Insurance	114.00	1.15	114.00	1.20	114.00	1.34	114.00	1.52	114.00	2.00	1,299.00	1.30
Garaging, parking, tolls, etc	180.33	1.82	177.89	1.87	171.80	2.02	165.71	2.21	154.74	2.72	1,809.40	1.81
Total	983.69	9.94	1,073.93	11.31	791.11	9.31	631.35	8.42	488.68	8.57	9,780.58	9.78
Taxes and fees:												
State:												
Gasoline	43.40	.44	41.65	.44	37.24	.44	32.90	.44	24.99	.44	438.34	.44
Registration	20.00	.20	20.00	.21	20.00	.23	20.00	.26	20.00	.35	200.00	.20
Titling	—	—	—	—	—	—	—	—	—	—	109.86	.11
Subtotal	63.40	.64	61.65	.65	57.24	.67	52.90	.70	44.99	.79	748.20	.75
Federal:												
Gasoline	24.80	.25	23.80	.25	21.28	.25	18.80	.25	14.28	.25	250.49	.25
Oil[2]	.26	—	.26	—	.26	—	.24	—	.13	—	2.27	—
Tires	2.93	.03	2.81	.03	4.69	.06	4.15	.06	3.15	.06	26.07	.03
Subtotal	27.99	.28	26.87	.28	26.23	.31	23.19	.31	17.56	.31	278.82	.28
Total taxes	91.39	.92	88.52	.93	83.47	.98	76.09	1.01	62.55	1.10	1,027.02	1.03
Total of all costs	1,075.08	10.86	1,162.45	12.24	874.58	10.29	707.44	9.43	551.23	9.67	10,807.60	10.81

[1] This estimate covers the total costs of a medium priced, compact size, 2-door sedan, purchased for $2,696, operated 100,000 mi over a 10-yr period, then scrapped. Baltimore area prices, considered to be in the middle range, were used.

[2] Where costs per mile were computed to be less than 1/20 cent, a dash (—) appears in the column

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EXECUTIVE PAY ADJUSTMENTS

Mr. McGEE. Mr. President, the General Accounting Office, earlier this year, prepared an information paper containing data and observations on the need for an executive pay adjustment in the Federal Establishment.

Back in March, of course, the Senate chose to disregard the GAO's statement that, "The recommendations in the President's fiscal year 1975 budget should be accepted."

Instead, those recommendations were disagreed to, even though the three-step adjustment plan then before us would not have achieved the objective of matching cost-of-living increases which had occurred since 1969, when the level of executive pay was last adjusted. And, I would remind Senators, that the 1969 recommendation itself was trimmed, and thus fell short of providing catchup raises as of that time. The situation in terms of real income and ultimate retirement benefits for affected employees is, of course, worsening. Action is called for still to bring Federal salaries at the higher reaches of responsibility in line with the general economy and to provide some proper salary distinction among the various levels of Government executives.

The General Accounting Office also stated, that, "Effective long-term reforms appear essential to prevent recurrence of these problems."

The Committee on Post Office and Civil Service is addressing itself to these reforms as well. Today, Mr. President, I ask unanimous consent that the initial portion of the GAO paper which I have alluded to be printed in the RECORD to assist Senators in reviewing the problems which still exist relative to the compensation of key Federal officials and employees in all three branches of Government.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

INFORMATION AND OBSERVATIONS ON NEED FOR EXECUTIVE PAY ADJUSTMENT

(Prepared in response to requests from a number of Members of Congress.)

The information we have developed on the need for Executive Pay adjustment is summarized below and is discussed in detail in the remaining sections of this paper.

The quadrennial procedure for adjusting the pay of officials in the executive, legislative, and judicial branches, as provided by the Salary Act of 1967, is failing to achieve its objective. The salaries of these officials have not increased in 5 years (since March 1969). The President's current salary recommendations fall far short of matching the cost of living increases since 1969.

Supergrade employees and senior employees of other pay systems are losing significant comparability salary increases and retirement benefits because the salary rate of Executive Level V has placed a $36,000 ceiling on these pay systems since January 1971. The salary distinction among supergrade employees has become virtually meaningless, and this condition will progressively penetrate into lower pay grades unless the ceiling salary rate is increased.

The recommendations in the President's fiscal year 1975 budget should be accepted. Effective long-term reforms appear essential to prevent recurrence of these problems.

THE QUADRENNIAL PROCEDURE IS FAILING TO ACHIEVE ITS OBJECTIVE

The report of the Commission on Executive, Legislative, and Judicial Salaries, dated June 30, 1973, states that the compensation of these top officials "is subject to adjustment in March of every fourth year with the budget submitted by the President to the Congress."

The report acknowledges that this normal

4-year expectancy has already been extended to 5 years, during which time "executive compensation in industry and among State, and local governments will have advanced approximately 30 percent." However, in the interest of moderation, the Commission proposed to the President that Executive Level salaries be increased only to the extent that the cost of living has risen since the last adjustment in 1969—25 percent.

The President's recommendation, submitted to the Congress on February 4, 1974, proposes to meet this accumulated cost-of-living deficit by three annual salary increases of 7.5 percent each.[1]

This three-stage adjustment plan will not achieve the objective recommended by the Commission. Moreover, the increases recommended by the President will not restore the loss in purchasing power of the salaries established in March 1969.

The following chart assumes the CPI increases at the same average rate for the past 4 years (6 percent), and illustrates (1) what has and will happen to the purchasing power of the 1969 salaries through January 1978 (the approximate date of the next Presidential recommendation) and (2) the effect, if accepted by the Congress, of the President's recommended increases.

Assuming the projected trends in the private economy occur, the purchasing power of the Executive salaries will lag about 11 percent behind by January 1976 and by January 1978 the gap will be about 18 percent.

Aside from the loss in purchasing power; the salary lag between Federal officials and their counterparts in the non-Federal sector has been greater.

In this connection, the latest Commission's report cited that the previous Commission's salary recommendations were not fully adopted. Thus, the March 1969 raise did not provide catch-up in such salaries. The previous Commission's report, dated December 1968, recommended substantial salary increases in the Executive Schedule which would provide salary differentials between the various levels more commensurate with their relative responsibilities. The recommended increases were regarded as a catch-up, and were also expected to establish a more reasonable relationship with 1968 values. However, the President substantially reduced the salaries recommended.

Level	Salaries			
	1968 actual	1969 commission's recommendations	1969 rate established	Shortfall
I	$35,000	$60,000	$60,000	
II	30,000	50,000	42,500	$7,500
III	29,500	46,000	40,000	6,000
IV	28,750	43,000	38,000	5,000
V	28,000	40,000	36,000	4,000

The following table illustrates the fact that the three proposed 7.5 percent pay increases will make only a small reduction in the lag which has developed in the past 5 years between pay raises of Federal and non-Federal executives. We have used the Commission's estimates—namely, that the 5-year lag is 30 percent, and that it will grow at 5.5 percent each year in the next 2 years, and at 5 percent in each of the following 2 years.

[In percent]

Date	Proposed increase	Remaining lag after increase	Additional lag estimated to occur in next year	Cumulative lag
1969–1974				30.0
March 1974	7.5	22.5	5.5	28.0
January 1975	7.5	20.5	5.5	26.0
January 1976	7.5	18.5	5.0	23.5

Hence, assuming that the three raises take effect, the actual improvement is very small. By the time the next Quadrennial Commission reviews the problem, the lag in Federal executive salary raises will be only 6.5 percent less than it is today.

The responsibilities of officials in Executive Levels I–V equal or exceed those of their counterparts in the private sector, while their compensation is substantially less. For example, the Chief Forester of the United States, Level V with a salary of $36,000 will be responsible for expenditures in fiscal year 1975 of almost three-fourths of a billion dollars. According to data reported by the American Management Association, the top executives of private companies of similar size earn salaries of $150,000 or more, plus bonuses and other benefits. This wide disparity between Federal and private sector compensation of key executives has long existed.

THE VIETNAM VETERANS

Mr. MATHIAS. Mr. President, in the next 2 weeks, a major focus of attention in this Chamber will be on the plight of today's Vietnam-era veterans, as the Senate considers comprehensive legislation for veterans educational assistance which I understand will be reported out of the Senate Committee on Veterans Affairs shortly.

I am especially pleased that the bill which the committee has announced it will recommend to the Senate includes a number of key provisions which I have long advocated be enacted into law. Several of these have been adapted from legislation I co-authored, S. 2789, and which was introduced last December, with my colleagues Senator McGovern, Senator Dole, and Senator Inouye. These include:

A new program of direct tuition assistance which is essential if we are to equalize the vast differences in tuition costs from State to State and within each State;

A substantial increase in monthly subsistence payments to keep pace with the soaring cost of living;

A 2-year extension of eligibility to allow more than 300,000 veterans to pursue their education beyond this June; and

An additional 9 months of entitlement to allow veterans up to five academic years of education instead of the present 4-year limit.

All of these provisions are of critical importance in our continuing effort to provide the Vietnam-era veteran with anything approaching a decent opportunity for education and training. The committee, under the able leadership of Chairman Hartke, is to be commended for agreeing upon such far-reaching legislation.

I am particularly gratified that the committee has unanimously agreed to accept the principle of providing direct tuition grants—a proposal whose adoption seemed quite remote when I first introduced it as legislation 3 years ago, but which has already been endorsed by 38 Senate cosponsors since we introduced S. 2789 last December.

The Vietnam-era veteran of today, Mr. President, faces grave difficulties in returning and readjusting to civilian life. For in addition to the disclocation which accompanies any such change in one's life, he also faces a contracting job market and accelerating costs of education and training which pose enormous obstacles to his reintegration into the mainstream of the life of the Nation. We would do grave injustice to these young men and women who risked life and limb in service to their Nation if we were to forget their sacrifices, now that our involvement in the war we asked them to fight has come to an end.

In this connection, Mr. President, I recommend to the attention of my colleagues a most thoughtful column by James Reston, entitled "The Forgotten Veterans," which appeared in the New York Times on June 2, 1974. I ask unanimous consent that Mr. Reston's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Forgotten Veterans

(By James Reston)

In his Memorial Day speech at the Arlington National Cemetery, Vice President Ford asked that the American people remember not only the men who lost their lives in past wars, but the men who survived, often crippled in body or spirit.

For a time there was genuine concern in the country for our prisoners of war in North Vietnam, for the missing in action, and for the returning veterans whose lives were deranged by physical wounds or dope or broken homes.

But once the POW's were home, the campaign to employ the veterans lagged, the battle scenes disappeared from the nightly TV news shows, and new issues dominated the American mind—inflation, the Watergate scandals and the possible impeachment and conviction of President Nixon.

What Vice President Ford was saying on that lovely but melancholy hillside between the Lincoln Memorial and the Robert E. Lee mansion was that the act of remembrance for the living veterans was very hard and that many veterans, while home and "free," were really still "prisoners of war" in one way or another, crippled, broken and forgotten.

It was a kindly reminder, generally ignored, but the human wreckage of wars, the living casualties, as well as the Vietnam dissenters and deserters in Canada and Sweden, are all part of the tragedy.

The Veterans Administration here in Washington keeps the official facts. It has to pay the bills and keep track of the veterans, their widows and children. Every day is Memorial Day for them, and their figures are startling.

In all of America's wars, from the War of Independence through Vietnam, almost 44 million Americans were involved, and at the first of this year, 29,170,000 veterans of these wars were still alive.

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[1] Except for Cabinet Secretaries and the Chief Justice and Associate Justices of the Supreme Court who would receive one 7.5 percent increase effective January 1975.

The hangover of wars is easy to forget. For example, from the Spanish-American War (1898–1902) there were still 1,624 living veterans last Jan. 1, and the Veterans Administration was still paying out compensation and pension benefits to them and to 28,487 widows of that conflict.

The record of the First World War: 4,744,000 participants; 1,128,000 living veterans. World War II: 16,535,000 participants, 13,857,000 living veterans; veterans still receiving Government compensation 1,875,011.

The Korean war: almost 300,000 still on the compensation or pension rolls. And the Vietnam war: participants, 9,188,000; deaths in combat, 46,000; deaths from other causes, 51,000; living veterans, 6,826,000; veterans on Government compensation, 377,135; widows, 32,531; children 81,142.

All told, the Veterans Administration is still carrying on its pension and compensation rolls 3,266,722 veterans, 1,179,527 widows, 987, 803 children of veterans and 192,536 parents of veterans.

The last veteran of the Civil War lived until Dec. 19, 1959, aged 117. The Government did not finish its payments to the dependents of the War of 1812 until March 12, 1946, and of the Revolutionary War until April 25, 1911.

Vice President Ford was trying on Memorial Day to revive interest in the jobs-for-veterans program. Unemployment among the veterans of the Vietnam war is still much higher than the national average. This is particularly true of Negro veterans, and the incidence of crime among the veterans is also higher than the norm for nonveterans of the same age.

This is scarcely surprising in a country that drafted its men into an unpopular war, taught them the techniques of guerrilla combat and then brought many of them home unable to work or unable to find jobs.

So in this sense the American role in the Vietnam war is not over. Steady, patient attention is being given to the drug addicts of the Vietnam conflict, but the unemployment and crime figures are alarming.

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries, and he announced that on June 1, 1974, the President had approved and signed the following act:

S. 2835. An Act to rename the first Civilian Conservation Corps Center located near Franklin, North Carolina, and the Cross Timber National Grasslands in Texas in honor of former President Lyndon B. Johnson.

REPORT ON COASTAL ZONE MANAGEMENT—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. CLARK) laid before the Senate a message from the President of the United States which, with the accompanying report, was referred to the Committee on Commerce. The message is as follows:

To the Congress of the United States:

I am transmitting the first annual report on the management and conservation of our coastal resources, as required by the Coastal Zone Management Act of 1972. This report covers fiscal year 1973, a year of study and organization preparatory to the financial implementation of the act in fiscal year 1974.

In the spirit of the New Federalism, this program constitutes a partnership between the States and the Federal government. It will seek to solve what some have described as the dilemma of conservation versus development in the ecologically fragile coastal zone area of our country. Together with the Congress we recognize this dilemma, but neither branch of Government believes conservation and development are mutually exclusive. We must permit neither development nor conservation to become completely dominant. By systematically weighing the benefits and the costs of proposed actions, we can provide for both conservation and progress.

Together with the land use legislation now pending in the Congress, the Coastal Zone Act would provide our Nation with complete geographic coverage for this important State-Federal planning partnership. We look to land use and coastal zone plans to assist us in preserving our natural heritage and in permitting orderly development of our resources for the common good. This is especially important in the coastal areas where most of our population is concentrated, where many of our recreational and employment opportunities are centered, and where many forces compete for our resources.

Significant groundwork has been laid in planning for implementation of the Coastal Zone Act. As a result, I believe we are able to look forward to rapid progress as the Federal government begins this important task in partnership with State governments.

RICHARD NIXON.

THE WHITE HOUSE, *June 4, 1974.*

REPORT ON ADMINISTRATION OF THE RADIATION CONTROL FOR HEALTH AND SAFETY ACT OF 1968—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. CLARK) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Labor and Public Welfare. The message is as follows:

To the Congress of the United States:

I transmit herewith the 1973 annual report on the administration of the Radiation Control for Health and Safety Act of 1968 (Public Law 90–602), as prepared by the Secretary of Health, Education, and Welfare.

RICHARD NIXON.

THE WHITE HOUSE, *June 4, 1974.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. CLARK) laid before the Senate messages from the President of the United States submitting nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the unfinished business, S. 3000, which will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

The ACTING PRESIDENT pro tempore. The pending question is on agreeing to the amendment of the Senator from South Dakota (Mr. MCGOVERN), No. 1347. Time for debate on this amendment shall be limited to one and a half hours, to be equally divided between and controlled by the mover of such amendment and the manager of the bill, with 30 minutes on any amendment in the second degree.

Who yields time?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be charged against either side.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, what is the pending business?

The ACTING PRESIDENT pro tempore. The pending business is amendment No. 1347 of the Senator from South Dakota. Time on the amendment is an hour and a half, equally divided between the Senator from South Dakota and the manager of the bill.

Mr. McGOVERN. Mr. President, I yield myself 20 minutes.

The ACTING PRESIDENT pro tempore. The Senator is recognized for 20 minutes.

Mr. McGOVERN. Mr. President, this amendment, as suggested by the title, is to authorize economic conversion demonstration projects, to test the extent to which the skills and facilities employed in military production can be transferred to priority production in the civilian sector. The amendment relates to a matter that I have been interested in now for more than 11 years of service in the Senate and it is one more attempt to provide the machinery under which we can begin to make some commonsense moves to convert excessive facilities and personnel in the military field to constructive civilian enterprises.

The amendment formally creates and assigns specific authority to an agency which already exists—the Office of Economic Adjustment in the Department of Defense. Beyond responsibilities already assigned by the Secretary of Defense, the Office would have initial control over up to $100 million, to be used to share the cost of developing economic conversion plans for individual defense contractors, to make or guarantee loans for implementing those plans, and to provide managerial and technical help to contractors seeking to convert to civilian enterprise. If it would help to carry out the purposes of the amendment the Office is also authorized to delegate the use of funds to other Federal agencies such as the Department of Transportation or the Department of Housing and Urban Development.

The amendment is written to concentrate primarily on those cases in which the completion of or cutback in a given military contract or subcontract will have a substantial impact on the local economy.

Almost every Member of the Senate and the House of Representatives has gone through the experience of seeing a contract for military purposes either terminated or cut back, a military installation moved, or something of that kind. The purpose of this amendment is to give those engaged in the production of war materiel the opportunity to convert both the physical facilities, the plant, and also the manpower, to other purposes, so that we do not plan our defense establishment on the basis of what might protect a given community against a cutback, but we plan our defense needs on the basis of what is needed for the defense of the country, and then utilize supplies and material in excess of those needs for other worthwhile nonmilitary purposes.

To be eligible, a contractor would have to have contracts or subcontracts of $10 million or more with the Department of Defense, and have suffered a net reduction of at least 25 percent of the total amount within the previous 12 months.

It is obvious that these figures are set arbitrarily, but they leave room for assistance, ranging from large to relatively small operations, so that variety could be tested.

Aside from the requirement that demonstration projects be in specific kinds of enterprise which I will discuss later, the amendment calls for giving priority to projects that would—

First, employ to the greatest possible extent the existing equipment, facilities and employees of the contractor;

Second, show promise of long-term economic viability;

Third, concentrate on methods of conserving fuels and other materials in short supply;

Fourth, pursue products and technology that are not in direct competition with other businesses; and

Fifth, be located in areas with unemployment rates of 8 percent or more.

While I would expect that they would tend to look into other areas of government business, there is no public sector limitation in the amendment. The projects should avoid unfair competition with established businesses. But it would be possible to assist conversion projects that would lead to production exclusively for the private sector.

Since a number of questions have been raised on this point, I want to clarify the difference between this proposal and the amendment I discussed—but did not bring to a vote—in connection with the military procurement authorization bill last year.

The heart of that amendment was a requirement that all defense contractors above a certain size had to undertake economic conversion planning as a condition of fulfilling their contracts with the Pentagon. I could understand the objections that were raised. Certainly all arms firms are not going to convert to civilian enterprise. Most will never face the question. We are unlikely to see any drastic reductions in arms spending, and the vast majority of these companies can continue to rely on arms spending for the foreseeable future. In those cases the conversion planning requirement would have simply created more work and more government forms to fill out for no apparent purpose.

By contrast, the pending amendment is voluntary. It would provide technical help and limited financial assistance in cases where contractors choose to take up the slack in their military business by shifting toward civilian markets.

There is no compulsion to do so, but it is an offer to assist them to move in that direction. And it does not attempt to be all-inclusive—it is a proposal to explore, rather than to operate.

The goal of this legislation is one I have been trying to address for more than a decade—to find ways to reemploy in the civilian sector workers and productive facilities that become excess to the legitimate requirements of defense.

Perhaps 1974 is the year. At least in 1974 we should be able to look at economic conversion from a new perspective.

In the past I have stressed Federal initiatives in this area as a way to prevent the personal and community economic trouble that comes when military contracts are completed or phased out. And certainly we have had heavy doses of that trouble.

In the years since the 1968 employment peak in aerospace, it has clearly become a "boom and bust" industry, with hundreds of thousands of highly skilled workers idled, dozens of plants emptied, and scores of communities depressed for intolerable periods of time.

In 1971, for example, a study by the National Society of Professional Engineers reported that some 92,000 engineers, scientists, and technicians were employed. Between the 1967 boom year and 1972, California alone lost 156,000 aerospace jobs. Nationwide the drop was over 600,000.

Further, a 1971 survey by the Battelle Memorial Institute found that the impact of unemployment on aerospace and defense workers was severe indeed—that the average worker was jobless for more than 7 months, and that 32 percent of all displaced aerospace workers, and 47 percent of those over 50 years old, had not been able to find jobs of any kind.

It has been my view that the Government which fostered the economic dependence of this industry has an obligation to help out in leaner times. And I have frankly also seen economic conversion legislation as a means of making our decisions on military posture more rational. Every Member of Congress understands the pressure to support an arms program that involves money going into his State or district. I think we should do what we can to lessen those pressures, to at least approach the ideal of deciding what bases to maintain and what weapons to buy solely on the basis of legitimate military need.

Those arguments still apply. But in 1974 I think we also ought to think of economic conversion as an opportunity—as a chance to speed the solution of domestic problems that are now so obvious that no one any longer ignores them. And instead of converting to the unknown, we can talk about conversion to real markets that are growing at an accelerating rate.

The pending amendment is a modest step in that direction.

This amendment is directed toward top priority needs in the civilian sector. It authorizes economic conversion demonstration projects in three general areas: First, the development and production of fuel-efficient transportation systems, including railroads and mass transit; second, the construction of moderately priced housing, and third, the development of technology, equipment, products, or services that would conserve or permit the recycling of fuels and other scarce materials.

These requirements need no lengthy documentation.

The continuing crisis in fuels has had a devastating impact on our economy, and it is one that is still building. Realistic economists suggest that the inflation caused directly by higher fuel prices is only a forerunner to more serious inflation later on, when the higher cost of energy will show up more dramatically in almost everything we buy. And now we find that we are running short of dozens of other critical materials.

I might just say, parenthetically, that when I was home recently it amazed me that we are running into short supplies in this country of materials that we used to take for granted. I talked to one hardware merchant who had nails on order since the first of January without being able to be supplied with that order. I am talking about ordinary nails used in construction or in our homes and businesses.

There are critical shortages of such old-line items as baling wire, binding twine, machinery parts, farmers waiting for months for a piece of machinery to repair a tractor or farm implement. All across the country we are beginning to see that these materials are in limited supply. This amendment is directed toward encouraging industries that are no longer needed at full capacity to produce military goods to begin moving into high priority fields where critical shortages are developing.

Meanwhile, the supply of decent housing is too short, and prices are too high, yet housing construction starts are falling far behind the need—a 1.35 million annual unit level, compared to 2.36 million in 1972.

Our national rail transportation system—among the most fuel efficient methods of moving people and goods—is in a near shambles. It needs massive investments in new equipment, in repaired roadbeds and track, and in improved management techniques.

Here again, the rail lines in my State, the rail beds, have fallen into such disrepair, because of shortages of operating capital, I suppose, that we do not have an efficient transportation system to move vital supplies of grain and other farm produce. The trains crawl through my State at 10 or 15 miles an hour because of the poor condition of the roadbed. If they went any faster, they would be derailed. As a matter of fact, the tracks in one area were so bad a few weeks ago that we had a train that fell off the tracks while it was standing still.

And our urban areas, ranging from several of the Nation's largest cities to medium sized towns, are in desperate need of funds for the construction and operation of convenient, efficient mass transit systems, including both rail systems and buses.

These needs are not particularly new. But what is new is a near universal recognition that we can no longer postpone an effective response. And that is coupled with a new recognition of how dependent we all are on real answers.

For example, modern mass transit in the cities is now an issue that concerns the people of my State of South Dakota, not because we are likely to build any subways, but because the gas guzzled by those thousands of cars on the Los Angeles freeway system is gas that we cannot have work the soil, plant the seeds and harvest the crops.

Low cost housing is an issue not only because a disproportionate share of substandard homes are in rural areas, but also because it takes more fuel to heat a dilapidated house anywhere in the land.

Despite concerns about inflation, and notwithstanding the priority placed on heavy arms outlays, the Nixon administration has begun to support more money in these areas.

Energy research and development has risen from $672.2 million in fiscal 1973 to a recommended $1,810.5 million. If we leave out unusually high 1973 expenditures for coal miners' benefits, money for direct Federal operations in the energy field has also increased substantially. Related outlays for pollution abatement and control will be some two and one-half times more next year under the administration's budget than they were last year. And Congress may well authorize greater sums than the administration has asked.

We are also placing more money into transportation. Congress has moved on legislation to rescue the railroads of the Northeast, and before long I am confident we will take similar action on a nationwide scale. Since 1970, Federal outlays for urban mass transportation have grown by 560 percent, notably through the $3.1 billion authorized in the Urban Mass Transportation Assistance Act of 1970 and the added $3 billion provided by the Federal Aid Highway Act of 1973 The administration's unified transportation assistance program submitted in February of this year calls for $16 billion for urban transportation over a 6-year period, and there are several more ambitious proposals pending.

Thus far the administration has not placed a similar priority on housing. But Congress is in the process of approving a comprehensive new housing program. The combination of a gravely depressed housing industry and rising unemployment convinces me that if there is any economic sense at the other end of Pennsylvania Avenue we will see the backlogged contract authority used and more Executive branch support for added housing funds.

So even an administration that can be fairly characterized as tight-fisted on the domestic front is being shocked into more aggressive action in these priority areas. And if there is a compromise with the congressional view, it will have to be toward still more sizable programs.

As I have worked on economic conversion over the years I have become convinced that the budget itself, and projections on where Federal money is going to be a few years hence, will have more influence than any other step we might take on the willingness of arms contractors to plan and gear up for nonmilitary business.

We could write any number of new programs providing carrots for contractors who undertake conversion planning and sticks for those who do not. But they will not mean much if we cannot demonstrate that there really will be markets for freshly converted industries. At the same time I have been told by top officials of major arms contractors that they have no special preference for military production, and that they would not hesitate at all to transfer to such areas as housing and transportation if they knew the money would be there.

Now I think we can provide that assurance. These civilian markets are growing and the growth will continue. At least in the priority areas addressed by my amendment, the problem a few years hence will likely be not one of too little funding but one of too few plants, too few skilled workers and technicians, and too few ways to use productively the money we are finally willing to provide.

Regardless of how Secretary Schlesinger explains it, I think it is clear that the fiscal 1975 military spending program involves an attempt to stimulate the economy by pouring more money into arms.

Sometime ago one of the leading defense contractors told me that if there was market for mass transit cars or for rail line improvement, they would welcome an opportunity to move into that field, but there is no market unless we are willing to provide some of the same kinds of Government contracts for these programs that we provide for arms.

This amendment is a modest effort to experiment—that is all, to experiment—with some modest size improvement grants or loans to see if we can use some of this excess military production capacity for other purposes.

In sum, I suggest that economic conversion is now good business from the standpoint of the arms suppliers. Having experienced the roller coaster of dependence on the Pentagon, I would expect them to welcome the chance to move into these areas of certain growth. And if we can encourage them to maximize their potential for a speedy transition, then that will be good business for the American people as well.

The merit of action along the lines I proposed is reinforced by the general condition of the American economy—by the persistence of ruinous inflation, accompanied by the worsening threat of recession—the near certainty at the very least of a growth recession in which economic expansion will be too slow to account for the expanding work force.

Mr. President, I realize there is some confusion as to what the Secretary actually said on this subject. He seemed to have told the Armed Services Committee in the other body some weeks ago that several billion dollars had been placed in the military budget request in order to stimulate the economy and to head off the possibility of a deepening recession. More recently he had tended to back away from that statement.

When we are told that détente with the Soviet Union and with China is proceeding—when we have one limited strategic arms control agreement with the Soviet Union and we supposedly attempting in good faith to reach another—when we have ended at least our direct role in Vietnam and are supposedly drawing back from our military intervention there and even from the world policeman's role, then there is just no other plausible way to account for a dramatic escalation of some $13 billion in Pentagon spending unless one sees at least a portion of that statement as an effort to use the defense budget not so much for defense but to provide a stimulus to the economy.

Mr. President, if that thesis has, in fact, any validity, if he argues military spending to head off a deepening recession, military make-work is precisely the wrong prescription. In the first place, more arms spending for that purpose inevitably means more inflation.

That is true in part because military spending devours many of the resources that are in short supply. It further aggravates the same shortages that the administration blames for the inflation we already have.

More significantly, arms spending creates demand in the economy—through wages and salaries for workers and profits for industry—without creating any offsetting supply that anyone can buy. Nobody is in the market, no consumers are in the market, for a submarine or for a nuclear carrier; yet the production of those things pumps money into the economy for which there is no supply to soak up the additional purchasing power. So the wages of workers on the Trident submarine, for example, and the profits of the companies involved will not be used to buy submarines but will simply bid up the price of goods and services that can be bought and sold on the open market, and that means more inflation.

Beyond this, added military spending continues to detract funds from both public and private enterprise that can help abate inflationary pressures and improve the health of the economy over the longer term. Mass transit and rail transportation are two of any number of compelling current examples. They will help reduce the quantity of fuel needed to move people back and forth to work and goods back and forth to market, and thus reduce inflationary trends in energy. They conserve our scarce energy supply, and in so doing combat inflation.

Mr. President, I think we need to consider that the last thing we want to deal with if we are concerned about jobs is to invest more heavily in defense-related purposes, because those industries are, for the most part, not labor-intensive.

Consider, for example, the B-1 bomber. We are told by the prime contractor that this project provides some 25,000 jobs. But a similar investment in the construction of housing would quadruple the number of jobs for workers who are now unemployed. Almost any kind of public spending, including housing, transit, construction, and many others would create more jobs dollar for dollar than these low-labor intensive projects associated with sophisticated weapons systems.

The pending amendment, it is important to understand, would not cancel or curtail any arms contract. It does not take a dime away from any military program. What it does attempt to do is to provide a means for smoothing the transition for those communities and the workers in those industries that may suffer cutbacks or suffer the failure of completion of military contracts.

The premise of my amendment is that decision of the kind that we are going to be called upon to make with regard to the defense needs of this country represent real opportunities not only for the country as a whole but also for the workers, the companies, and the communities that may be directly involved.

The distinguished Senator from Arkansas (Mr. McCLELLAN) has set a target of reducing total arms spending in fiscal 1975 by at least $3.5 billion on the administration's budget. That in itself highlights the need to absorb those reductions that will mean job losses and other severe blows to the communities affected by having in hand an instrument of the kind this amendment presents to provide new opportunities for employment and useful investment.

Certainly there are questions about the extent to which skills and facilities from the arms sector can be applied to civilian work. That is why I am recommending proceeding on a pilot basis, using demonstration projects, giving the administrators of the program wide discretion to fashion the right mix of technical, financial, and managerial help. I am convinced there is enough potential to warrant a serious test.

If the alternative is the prospect of idleness in any case—or even indefinite reliance on such unhappy contingencies as continuing failures in arms control talks—then the workers and contractors clearly have nothing to lose in this amendment.

But I think they can gain stable employment in secure enterprises. And besides jobs, they can gain along with everyone else, as consumers of the improved public services their work will provide, and as a members of a national economy which we are at least beginning to repair.

Certainly we should at least find out if it can be done.

I urge adoption of amendment numbered 1347.

Mr. President, I reserve the balance of my time.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. STENNIS. Mr. President, I yield 10 minutes and more, if he wishes, to the Senator from South Carolina.

The ACTING PRESIDENT pro tempore. The Senator from South Carolina is recognized for 10 minutes.

Mr. THURMOND. Mr. President, I rise in opposition to the McGovern amendment which would add $100 million to this bill and only supplement the work of many agencies within and without the Defense Department.

While the purposes of this amendment are certainly admirable, it appears that there are already sufficient agencies to assist communities which suffer from military or defense related economic problems.

For instance, there is in the Department of Defense a group to help in situations of this kind. This administration, as in the past, is committed to bringing the resources of the Federal Government to bear on the alleviation of economic difficulties caused by necessary defense realinements.

This work is implemented through the President's Inter-Agency Economic Adjustment Committee under the chairmanship of the Secretary of Defense. The Committee also enlists the support of State and local governments and the private sector. Requests for economic adjustment assistance on behalf of impacted communities go to the Chairman, Inter-Agency Economic Adjustment Committee, Office of the Secretary of Defense.

Mr. President, at present we also have numerous programs to help the unemployed, to provide loans to economically depressed companies, or to help communities meet sudden economic adjustments.

It would appear that any new programs in this area if any are necessary, should be located and managed by the Department of Labor, the Department of Commerce, or other agencies already doing this type work.

Mr. President, if additional funds are needed in the economic readjustment areas then it would seem that these funds should be channeled through existing programs. Why should we create another bureaucracy when the money available to current agencies could be increased and channeled through already existing personnel and procedures?

Mr. President, this amendment is rather far reaching. While such a program may be necessary, it would seem to me that such consideration should be undertaken through the regular committee process in which witnesses could be heard. In this way if there is a requirement for legislation in addition to what is already on the books it could be more carefully conceived and would have the benefit of a careful construction, which is a part of our legislative process.

An example of this point is the criterion of the bill relating to the requirement that those eligible would be companies whose contract cancellations produce a net reduction equal to more than 25 percent of the dollar value of the contractor's business with the Department of Defense. It fails to recognize that many extremely large companies do receive contracts of over $10,000,000 yet Government business would conceivably be less than 25 percent of their total business. Nevertheless, the cutback at a single plant due to reduced DOD expenditures could produce extreme economic impact in certain local areas.

For these reasons and others I have already cited, it appears that while the motives of the author of this amendment are certainly well taken, any consideration of a program of this magnitude should be undertaken in a more deliberate fashion.

Therefore, Mr. President, it is my hope the Senate will reject this amendment and possibly the author would wish to offer it as a separate bill for referral to the proper committee, if he wishes to pursue it further.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. McGOVERN. Mr. President, I yield myself 5 minutes.

I just want to comment briefly on what the Senator from South Carolina said when he argued the case that there are existing agencies that have the capacity to do what this amendment calls for in the way of providing assistance to industries that are willing to seek to convert their facilities to civilian production.

The problem with that argument is that there is no agency that is adequately funded for this purpose. The Senator has said we do not need to create a new office, and I agree with that. We have the Office of Economic Adjustment in the Department of Defense, which has some mission already to assist communities that are hit by the cancellation, cutback, or completion of a defense contract; but that Office lacks the funding to really offer meaningful assistance to an industry in carrying out the process of conversion.

I think indirectly the Senator makes one of the arguments that is most compelling for this amendment, which is that it does not seek to create a new bureaucracy, a new office within the Defense Department or anywhere else, but to utilize personnel and an office that is already functioning in the Department of Defense, but one which has been starved for funding while other parts of the military budget have been growing steadily.

As I have said here earlier, we are being asked this year to pass judgment on military authorizations that are some $13 billion above and beyond what we acted on last year. We are approaching military outlays of nearly $100 billion a year. So, when we talk about a tiny percentage of that total, an outlay of $100 million which is designed to help these industries produce some of the things that are in critically short supply, such as public transportation facilities, improved rail systems, moderate-priced housing, the development of alternative sources of fuel, or methods of recycling fuel and other short materials, it seems to me this is an investment that will return dividends many times the amount of the modest figure suggested in this amendment.

If I could find anywhere in the U.S. Government a central office or any one person who has any responsibility and even minimum funding for assisting these companies that may have the capability of producing something other than arms, at a time when there are changes and shifts occurring in our defense, obviously I would not be offering this amendment simply to create another office. The amendment does not create another office; it simply provides enough funding so that we can get some projects under way to do some experiments and attempt some pilot programs on a modest basis, to see if there is not some way that we can make more constructive use of the investments we have made in plans for the training of workers in other skills that may otherwise be idle.

There is not anything in this country that is more wasteful than idle labor power, particularly people who are skilled, experienced, and trained and who cannot find a job. I cannot think of any greater waste of resources than that. It is worse than wasting money; it is worse than wasting materials; it is wasting the most precious thing we have, which is the production power of the workers in this country.

Here is an amendment that is designed to provide an intelligent, commonsense way of utilizing some of those workers, some of the facilities, and some of the plant capacity no longer needed for military purposes.

Let me stress again, this amendment does not require any cut back in arms spending, although I happen to think that is desirable. What it does offer is a means of dealing with those cutbacks once they occur, and an effort to encourage our defense contractors to begin planning toward that day with some modest public support.

Mr. President, I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. STENNIS. Mr. President, I yield 5 minutes, or more if he wishes, to the Senator from Texas.

Mr. TOWER. Mr. President, the problems facing communities adversely affected by defense realinements are indeed, very serious and complex. I believe they warrant careful consideration by the appropriate committees of the Senate. Such consideration would assure thoughtful evaluation of all feasible measures that would help minimize the local economic impact of defense realinement actions.

I am convinced that the present measure will not be helpful in the most serious situations. Last year the Department of Defense announced realinement actions in more than 275 communities. According to a report submitted to the Congress last July by the President's Economic Adjustment Committee, 28 communities, including Boston, Mass., San Francisco, Calif., Topeka, Kans., and Laredo, Tex., were severely impacted by defense base closures and personnel cutbacks. The proposed amendment would not be of assistance in these situations.

In addition, I am advised that over the past 13 years the Defense Office of Economic Adjustment Committee has been requested to assist more than 200 communities. In some 90 percent of these cases the impact resulted from base closures or cutbacks in defense personnel rather than from cutbacks in defense contractor facilities.

While I agree that individuals and communities can be seriously affected by defense contract cutbacks, I believe that any measure we consider should address the full range of defense impact situations, that is, base closures, personnel, cutbacks, as well as contract cutbacks.

In short, I think that this would simply create an unneeded bureaucracy within the Department of Defense at a time when we are really strapped to get the biggest bang for the buck out of our defense dollar at a time of escalating costs which are forcing us into higher military spending, albeit maintaining ever decreasing percentages of the national budget.

The fact is, we can buy less hardware for our defense dollar than we could a few years ago. I think that we should not burden the Defense Department with additional overhead by creating another bureaucracy of the kind suggested by this amendment within the Department of Defense.

I would urge the Senate to reject the amendment.

The PRESIDING OFFICER (Mr. ABOUREZK). Who yields time?

Mr. STENNIS. Mr. President, I yield myself 8 minutes.

The PRESIDING OFFICER. The Senator is recognized for 8 minutes.

Mr. STENNIS. Mr. President, to those Senators now in the Chamber I invite special attention to the amendment. First, I want to commend the Senator from South Dakota for his vigilance, his ever-present consciousness of the problems of this kind, and his endeavors to do something about them.

But, as an amendment to this bill, I am very much of the opinion that we should not make the amendment a part of it. I think, with all due deference to everyone, we have got to consider the major bills, far-reaching as they are, with a view to what their primary purpose is. A majority of the Senate then tries to hold the bills to that primary purpose. This is a military procurement bill to authorize so-called military hardware from ships to missiles, to submarines to airplanes, and all kinds of weaponry. It also covers the question of personnel both uniformed and civilian.

This bill contains more than $21 billion in authorizations for fiscal year 1975. It is a weapons bill primarily and although I would not want to go into all the ramifications and problems that this amendment presents, it presents a problem. I agree with the Senator from South Dakota that I do not believe in military made-work. This is made-work, putting the Defense Department in this business. It is not their business. They are in business merely to provide for the security of the country, to provide the military power and the wherewithal to meet emergencies and to fight the battles, if they become necessary, which we hope and pray will not become necessary. But if we are going to use the Department of Defense as a relief agency or a made-work agency, we will destroy the purpose for which we are spending all these billions of dollars.

I want to say this now, and I shall repeat it later today when more Senators are in the Chamber: We have worked on this military procurement bill diligently, day and night, to get the hearings completed, the bill put together, and to get it to the floor and then, after reasonable debate——

Mr. President, may we have order in the Senate? There is no reason why I should have to raise my voice to make myself heard with so few Senators in the Chamber. Will the Chair please see that we have quiet in the Chamber?

The PRESIDING OFFICER. The Senate will please be in order.

The Senator from Mississippi may proceed.

Mr. STENNIS. I thank the Chair. Mr. President, we want to move the bill along after debate, and I believe in debate. There will be a conference with the House there, and we can have a roundtable discussion and adjustment of the differences, and then come back to the Senate and House floors to pave the way for the appropriations bill. That has been the plea of the leadership, majority and minority—and they are right about it. We have taken a strong stand in the Appropriations Committee that the Appropriations Committee should wait for the authorizations and we were backed up fully by the chairman of the valued Appropriations Committee. But that throws the burden back on us in the Senate, to move the authorization bills to final conclusion so that the Appropriations Committee can act and bring them to the floor.

If we load the pending bill down with amendments, with amendments that are not relevant or have reference to extraneous matters—and I am not saying that the Senator's amendment is not relevant, because it has a connection here—but I hope that the Senate will strip it down and keep the bill down to its fundamentals so that it can pass as an authorization bill, as an instrument of operation for this session.

When we go to conference with this

bill, we want to have hearings on any facts to establish what the problem is, and probably the answers or the solutions to what they may be.

We have a request here for $100 million worth of authorization to venture out into this field, and we will not get to first base with those House conferees. I might as well be frank about that. They will not accept an innovation like this, with this much money, without knowing more of the facts—and I do not think the Senate should do it, either. But whatever the Senate votes, it will be our duty to try to get sustained in the conference, and that is what we will certainly try to do. But, with our eyes wide open, I do not believe the Senate will intentionally vote for this amendment.

Let me say a word about the base closings. I have had them happen in Mississippi—and all the other troubles that go with installations of this kind. By the way, people ask me to recommend them for a job on a military base and I tell them each time, that when they go to look for such a job they must do so with the realization that things may change overnight, that weapons may change and policies may change.

The PRESIDING OFFICER. The 7 minutes of the Senator from Mississippi have expired.

Mr. STENNIS. I thank the Chair. Mr. President, I yield myself 3 additional minutes.

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 3 additional minutes.

Mr. STENNIS. Mr. President, an Air Force base in Mississippi was closed about 10 years ago, over my protest and the protest of many people down there. But the people owned the land and they built it into one of the finest industrial parks we have in the State—one of the best in the South, as a matter of fact. Those people down there would not think about going back to the situation they had before they built that industrial park.

I was in one of the great Western States a few years ago, where defense contracts had been canceled. We held a conference there with the people and one of the local citizens took me to one side and said:

> Listen, you have not had any complaints from those of us who live here. We westerners stand on our own feet. We do not want a lot of relief coming in here just because defense contracts were stopped. It is the contractors who are stirring up all this fuss and writing all those letters to Washington.

Mr. President, I believe that is one of the finest expressions of good old rugged Americanism that I have heard in a long time.

So, Mr. President, back to what I started out with, while I am in sympathy with the problem, I think the Department of Defense is doing a rather good job of trying to alleviate the economic hardship with reference to changes and the problems brought about by the changes.

I have before me one of their directives describing the problem. It states:

> This directive establishes policy guidance, assigns organizational responsibilities, and provides procedures for carrying out an economic adjustment program to minimize the economic impact on communities resulting from change in defense programs.

That is primarily the program that is going on now and I think they do a pretty good job.

The Senator has the idea that these guidance programs are experimental. If something like that has to be done, I really do not think the Department of Defense is the one to carry it out. We have just said that we do not believe in this make-work for the military. But if the small business loans and all the other things we have with which to evaluate conditions, misfortunes, and changes, are not enough, then some committee that is primarily engaged in meeting these problems and conditions of this kind should hold extensive hearings, with a staff that is versed in these subject matters, and recommend a new policy. I do not think it is going to help the cause to stick it on this bill, even if it should survive in conference. I do not believe that the Appropriations Committees will appropriate money for such a program.

I say again that I compliment the Senator from South Dakota for his fine attitude toward the problem. But I am firmly convinced that this is not the place or the time.

Mr. McGOVERN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 17 minutes remaining.

Mr. McGOVERN. I yield myself 5 minutes.

Mr. President, this is as good a time as any for me to commend the Senator from Mississippi (Mr. STENNIS), the chairman of the committee, for the thoughtful and constructive and conscientious effort he always brings to these defense matters. We may have some differences from time to time on what the overall size of the military budget ought to be or as to a particular weapons system, but I have never doubted his commitment to coming up with a sound and carefully reasoned program. I appreciate what he has to say about the good faith in which this amendment is offered. I do want to make two or three comments about the points the Senator has raised.

First, he has properly identified the Office of Economic Adjustment as one that is seeking to ease the problem of communities that have suffered the loss of a defense installation. I think it is fair to say that most of the work of that office is associated with communities that have lost a military base rather than a contract with a private contractor.

In any event, to whatever extent that office has responsibility for doing the job for which this amendment provides, it is a fact that it is already located in the Department of Defense.

So when the distinguished Senator from Mississippi argues on the one hand that the Office of Economic Adjustment is doing a good service in assisting the transition away from military outlays to civilian purposes, but that we should not consider this amendment because it proposes to locate that function in the Department of Defense, I think he may be arguing at cross purposes. The office is located in the Department of Defense already. We are not creating a new office here. We are simply recognizing that to do an effective job, that office has to have at least some minimum funding to assist these private industries that may lose a contract or have it cut back or curtailed.

The amendment is drafted in such a way not simply to make work on those things we do not need. It is not simply a matter of keeping people working, producing things that the country does not require; but, rather, it spells out three very high priority areas where the funds must be invested—in the development of an efficient transportation system, to conserve fuel, or in the construction of moderately priced housing, or in the recycling of scarce materials that are in short supply. I think that all those are useful and constructive purposes.

The Senator from Mississippi has contended that this measure has no place in a defense bill, that we are dealing here with considerations of national defense or economic considerations rather than jobs. I agree that that ought to be the primary purpose of our deliberation on this bill—to correctly assess what is the defense requirement of the country, and then to vote the funds that are needed to carry out that mission. But I am quite confident that the Senator from Mississippi and every other Senator in this body knows that when we debate these matters, we are under pressure; we are under economic pressure from our constituents, from business organizations, from labor organizations, from the chamber of commerce, and from various other groups who are ready to come down here in full force and lobby against any change in the defense outlays that might affect that particular community.

I have not been here as long as some of the other Senators in the Chamber, but I have been here long enough to see that force operating, to see how powerful those lobbies are. Frankly, I understand that.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. McGOVERN. I yield myself 2 additional minutes.

We cannot blame a person whose economic livelihood is at stake. We cannot blame a worker whose job is at stake from doing what he can, through his elected representative, to see that he is protected. It is a perfectly understandable, logical human reaction. When they see some question being debated on the floor of the Senate that affects their jobs or affects their community, they are going to respond, as perhaps we would in a similar circumstance, by doing what they can to head off that decision.

That is why I think this measure does belong in the defense bill. When we are trying to make intelligent judgments about what the defense requirements of the Nation are, that cannot be subjected to the kind of pressures that relate not to defense matters but to jobs and economic investment.

But if we can hold out an alternative, if we can say to some of these defense suppliers, the workers, and the communities involved, "Here is a beginning effort to assist you in producing something that the country needs, that is not going to cost you your job, is not going to cost you the plants in your community, but may put those facilities and that manpower to an even more constructive use," the worker is going to feel better, the community is going to feel better, we are going to be making a more patriotic judgment, and we are going to be making defense judgments on a more rational basis.

So I respectfully argue that this amendment, designed to help us make these judgments on a sound basis, does belong in the proposed legislation.

I am very hopeful that the amendment will be adopted.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, I am glad to yield to the Senator from South Carolina such time as he may require, if he has additional remarks.

Mr. THURMOND. Mr. President, I have nothing further to say, except this: This amendment will create a new bureaucracy.

We already have an agency to accomplish the very thing that the Senator wants to accomplish. Furthermore, the title of the present agency is an Interagency which indicates a broader base than just one agency alone as one bureaucracy in the Department of Defense. So I think the present setup is more significant in terminology and can accomplish anything that an expanded agency would accomplish.

I hope the amendment is defeated.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, does anyone desire time on the amendment? If not, I will take just a few minutes. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. STENNIS. Mr. President, I have no particular new matter to bring up. I do not want to discount the Senate conferees and their ability to get a matter adopted in conference, but with the far-reaching effect of this amendment, without any hearings to point out the problem and the possible solutions—to keep going all the way across the board, as broadly as it does—I think we would have a very small chance of getting this amendment agreed to in conference. If we had hearings that would develop all the facts or nearly all the facts, and would weigh the possible solutions so as to give a choice to Members of the House and the Senate, that would be an altogether different matter.

Mr. President, to illustrate how far-reaching this proposal is, I wish to read section 703 on page 2:

> "SEC. 703. (a) Economic conversion demonstration projects under this title shall include the development and implementation by the contractor of a plan for utilizing plant, equipment, and personnel previously utilized in performing defense contracts or subcontracts in one or more of the following enterprises:
>
> "(1) fuel efficient transportation systems, including mass transit and rail transportation systems;
>
> "(2) construction of moderately priced housing; or
>
> "(3) the development of any product or equipment or the sale of any service utilizing a new method or technology that will conserve fuels or other materials in short supply or that will increase the feasibility of recycling any material in short supply.

Turning now to page 4 of the proposal, I read from line 7:

> "SEC. 704. In carrying out the provisions of this title the Director is authorized to:
>
> "(1) make grants to any eligible contractor sufficient to cover up to 50 per centum of the cost of planning any economic conversion demonstration project;
>
> "(2) make or guarantee low-interest, long-term loans for the purpose of assisting any eligible contractor to carry out an economic conversion demonstration project;
>
> "(3) provide technical and managerial assistance to any eligible contractor to assist such contractor to plan or carry out an economic conversion demonstration project; and
>
> "(4) prescribe such terms and conditions on assistance provided under the title as may be necessary to protect the interests of the United States and insure the success of the program authorized by this title.

Mr. President, I will not read further, but it shows a broad, wide-sweeping and across-the-board authorization to put this agency into most any kind of business. To really develop the merits of this kind of policy, and find a solution, would require one of the broadest hearings imaginable, with a great deal of expertise, and an opportunity for businessmen, technicians, contractors, and other groups to testify.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. STENNIS. Mr. President, yes, and I yield myself an additional 3 minutes.

Mr. McGOVERN. Mr. President, I just want to make sure that in my explanation of the amendment the Senator understood that this is purely a voluntary measure. When he talks about it involving the Government in the affairs of industry on a broad basis, there is nothing in this measure that makes it compulsory. No contractor has to participate, no community has to participate. It simply provides that when a contractor has suffered a 25-percent loss in his business as a consequence of some change we have made in the defense budget, or because the contract is expiring or has been canceled—he is eligible for a grant of up to 50 percent of the cost of converting that plant, those workers, those facilities to some useful purpose that the country needs. It spells out the three areas of housing, transportation, and recycling of material in short supply.

While the Senator makes a proper point that the amendment could be far-reaching, I wish to stress that it is voluntary. There is no compulsion to it as far as any private industry is concerned.

Mr. STENNIS. I thank the Senator very much. That is a good explanation of the principle involved.

I do not think the Department of Defense should be in the business of making low-interest loans to business when we already have all of these other agencies in that program.

I wish to point out that this is not just a matter to cover the removal or closing of a base. The Department of Defense has that problem on its hands all the time and I have had it happen in my State. I have been on the committee a long time and I think they have gotten it down now to where they do a pretty good job. They are effective, they are helpful, and they do what they can to relieve the situation on the homefront, so to speak, and to minimize the economic impact on the communities that result when these changes are brought about.

There never will be a perfect way to meet the situations in the activities of the military that do necessarily involve a lot of change. I think everyone is warned of that prospect when he goes into it, and I know many of these contracts have clauses to compensate the contractor if anything is canceled.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. STENNIS. Mr. President, I yield the floor.

Mr. McGOVERN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 10 minutes remaining.

Mr. McGOVERN. Mr. President, I yield such time as he may desire to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I must say at the outset that my agony of several years ago with regard to some of the matters that are sought to be cured by this amendment is more or less history. The damage in my State has been done; whether or not we will ever recoup from it is a very, very serious question. There were rumors in the country, and particularly within my own area, that certain changes were going to be made with reference to military establishments throughout the country. There was going to be a reduction, there was going to be a transfer. So what did they do to Rhode Island, Rhode Island that is traditionally a naval State? We suffered more than 50 percent of the entire cuts that took place throughout the entire country, and we have less than 1 percent of the entire population of the country.

Eighty-five percent of the naval installations in Rhode Island were removed—not because they took the destroyers and put them in moth balls, but they took the destroyers and put them in other parts of the country where they did not have housing and did not have accommodations for the personnel or for the families of the personnel. A serious question arose to whether they were saving any money at all. The result was that it affected about 20,000 jobs in my State. We have not recovered from it yet.

The Senator who has offered this amendment has been talking about reconversion from war to peace for a long, long time, and apparently we have never come to grips with this serious problem. There are certain establishments in various States that, if they were closed down tomorrow, would result in that community becoming an economic desert.

I am not saying this amendment is going to cure our problems, but I think if the Senate passed this amendment and brought it to the attention of the

House conferees, even if it did not survive the conference, we would be at least pinpointing something that needs to be emphasized in this day and age, because one day we will have to convert from war to peace, prayerfully and hopefully. The big question is, How do we do it?

Do we just sit back and say, "Well, we will just wait and see what the Government is going to do about it"?

With reference to the Rhode Island situation, we tried to go down and see the President for a long time and we could not do it. We were told the day before the order came out cutting our installations. Only the day before did we know it. I tried to find out from Mr. Kissinger. I tried to find out from Melvin Laird. I tried to find out from Admiral Zumwalt. I tried to find out from the President. None of them told us what was going to happen to Rhode Island. We never knew of it until the axe came down and chopped off our economic head. I say that is disgraceful. I repeat, we are not over the agony yet.

Mr. President, I am very amenable to this amendment for the reasons I have stated. I realize this is not the complete answer. I realize it may not survive the conference. But surely the Senate ought to express its sentiment.

It is not going to affect my State a great deal. It may affect one or two plants. Perhaps we can reconvert them without Federal help. But the time has come when we have to think about these things in advance, and not, after the fact, get up on the floor and propose to extend unemployment compensation, and have a silly retraining-for-jobs program, without knowing what jobs they are going to give these people after they are trained. This is something that has to be done in advance.

I would hope such a proposal would receive serious consideration. I can say this as one who has depended on the Pentagon and the Defense Department. I am one who has not always agreed with the Senator from South Dakota (Mr. McGovern) with reference to some of the cuts he wanted to make in defense. I have been on the side of the Senator from Mississippi (Mr. Stennis) and the Senator from South Carolina (Mr. Thurmond) more than I have been on the side of the Senator from South Dakota, but this proposal ought to be given serious consideration, and I am going to vote for it.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, I yield myself 1 minute.

I appreciate very much the problem Rhode Island had at a time when I was not active. I read about it in the newspapers, and it had my interest, and I remember the vigor with which the Senator from Rhode Island and his colleague opposed it. They did everything anyone could do to try to alleviate that situation. But with all deference to my friends, I do not believe such an amendment on this bill is a solution to the problem. I think, legislative-wise, it would be better to take the route that all far-reaching legislation should take. I think, a full development of all the facts to give the Congress a choice among alternatives, if it has alternatives before it, is the best way to do it.

I hope we can keep this bill a military authorization bill, as I explained before, and get it into law as soon as we can, and pave the way for appropriations. I know that if the authorization committees do not meet those time demands, our work is going to be brushed aside.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. STENNIS. I yield myself 1 additional minute.

And the appropriations will be made whether there is an authorization or not, and we will be helpless to do anything about it.

I think we do render a service—I am sure my colleagues agree—through these authorization bills.

So let us keep it what it is to begin with—an authorization bill for military hardware and manpower for the ensuing year.

Mr. President, I yield the floor. I will yield anytime any Senator wishes. Otherwise I am willing to yield back the time.

The PRESIDING OFFICER. The Senator from Mississippi has 12 minutes remaining. The Senator from South Dakota has 5 minutes remaining.

Mr. THURMOND. Mr. President, so far as we are concerned on this side, we are willing to yield back our time if the Senator from South Dakota is so willing.

Mr. McGOVERN. Mr. President, under those circumstances, I am willing to yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendments numbered 1347 by the Senator from South Dakota (Mr. McGovern). The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from California (Mr. Cranston), the Senator from Arkansas (Mr. Fulbright), the Senator from Michigan (Mr. Hart), the Senator from Indiana (Mr. Hartke), the Senator from Maine (Mr. Hathaway), the Senator from Kentucky (Mr. Huddleston), the Senator from Hawaii (Mr. Inouye), the Senator from Massachusetts (Mr. Kennedy), the Senator from Wyoming (Mr. McGee), the Senator from Utah (Mr. Moss), the Senator from Alabama (Mr. Sparkman), and the Senator from California (Mr. Tunney) are necessarily absent.

I also announce that the Senator from Missouri (Mr. Symington) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Tennessee (Mr. Brock), the Senator from New York (Mr. Javits), the Senator from Oregon (Mr. Packwood), and the Senator from Delaware (Mr. Roth) are necessarily absent

The result was announced—yeas 27, nays 55, as follows:

[No. 223 Leg.]

YEAS—27

Abourezk
Bayh
Biden
Brooke
Church
Clark
Gravel
Hatfield
Hughes
Humphrey
Jackson
Long
Magnuson
Mansfield
Mathias
McGovern
McIntyre
Metcalf
Mondale
Montoya
Muskie
Nelson
Pastore
Pell
Ribicoff
Schweiker
Williams

NAYS—55

Aiken
Allen
Baker
Bartlett
Beall
Bennett
Bentsen
Bible
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Haskell
Helms
Hollings
Hruska
Johnston
McClellan
McClure
Metzenbaum
Nunn
Pearson
Percy
Proxmire
Randolph
Scott, Hugh
Scott, William L.
Stafford
Stennis
Stevens
Stevenson
Taft
Talmadge
Thurmond
Tower
Weicker
Young

NOT VOTING—18

Bellmon
Brock
Cranston
Fulbright
Hart
Hartke
Hathaway
Huddleston
Inouye
Javits
Kennedy
McGee
Moss
Packwood
Roth
Sparkman
Symington
Tunney

So Mr. McGovern's amendment (No. 1347) was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1369

The PRESIDING OFFICER (Mr. Abourezk). Under the previous order, the Senate will now proceed to the consideration of the amendment (No. 1369) offered by the Senator from Wisconsin (Mr. Proxmire), which the clerk will state.

The assistant legislative clerk read as follows:

> At the appropriate place in the bill insert a new section as follows:
>
> Sec. —. On or before March 1 each year the Director of Central Intelligence shall submit an unclassified written report to the Congress disclosing the total amount of funds requested in the budget, transmitted to the Congress pursuant to section 201 of the Budget and Accounting Act of 1921 (31 U.S.C. 11), for the national intelligence program for the next succeeding fiscal year.

The PRESIDING OFFICER. The time for debate on this amendment shall be limited to 3 hours, to be equally divided between and controlled by the mover of the amendment and the manager of the bill, with 30 minutes on any amendment in the second degree.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, before I yield to the distinguished Senator from Mississippi, which I shall do in a moment, I would like to call the attention of the Senate, while some Senators are still on the floor, to the fact that what this amendment does is provide a part of what has been requested by Senators Scott and Mansfield of Senator McClellan when they wrote him last November, and what, in my judgment, Senator McClellan said then he would like to do if he can. I shall just read that letter, and then leave the matter in the hands of the Senator from Mississippi.

This is the letter dated November 15, 1973, signed by the majority and minority leaders:

> As Co-chairmen of the Senate Select Committee on Secret and Confidential Documents, we wish to call your attention to one of the major recommendations which our Committee made with respect to the operations of the various intelligence agencies. Specifically, it was agreed that the Senate should be provided with the over-all sums requested for each agency. We believe that the release of this limited information will be useful to the Senate in maintaining the necessary support for our intelligence operations.
>
> We do wish to reiterate that the Committee did not recommend the disclosure of any particular intelligence activity or any other such detailed matters, which continue to remain, and properly so, under your jurisdiction.

I have talked with the majority leader this morning, and he said it was his construction that that would mean the overall figure would be made available publicly. The response of Senator McClellan dated November 20, was as follows:

> Dear Senator: I have your letter of November 15 and want you to know that I intend to comply, as fully as possible, with the recommendation of the Senate Select Committee on Secret and Confidential Documents to provide the Senate with the over-all sums requested for each of the various intelligence agencies.

Mr. President, the purpose of the amendment which I am offering now is to provide that the overall figure for the intelligence community as a whole, not broken down but the overall figure, would be made available, so that the taxpayers of this country would have some idea of how much, how many billions of dollars—and it is billions of dollars—are going for intelligence efforts by our Government.

Now, Mr. President, I yield to the Senator from Mississippi—

Mr. STENNIS. On my time.

Mr. PROXMIRE. Yes. I yield to the Senator from Mississippi.

Mr. STENNIS. I thank the Senator. I take 2 minutes of my time first to emphasize to Senators present the overwhelming importance of this amendment and the far-reaching effect it would have if passed and enacted into law.

When we disclose—and I speak as one who, for years, has had to take care of a lot of keeping up with this problem—and it is no fun—if we disclose the amount of money spent on this effort, which includes the CIA, then we give to our adversaries all over the world, present and future, a true index as to what our activities are. There are deductions that can be made from our figures which could lead them along the path of information which would be priceless to them to know.

True, we are an open society and, so far, we have been able to carry on an intelligence program effectively which has been worth to us billions and billions and billions of dollars in savings. But, if we are going to abandon the idea of keeping these figures from being disclosed, then, in my humble opinion, we might as well abolish the agency. It would be like saying, in effect, that we do not want this secret intelligence after all, that we do not need it, and that we will abandon it.

We will pay an awful price for that.

I am familiar with the CIA budget. I can satisfy most any Senator in the cloakroom, talking to him some about this, but I will publicly say that it is a clean budget and they have justified many times over the expenditure of the money.

Mr. PROXMIRE. Mr. President, I thank the distinguished Senator from Mississippi.

Mr. President, how much does the United States spend each year on the intelligence budget? Except for a small handful of Senators and Congressmen, nobody knows, at least in this country.

My amendment would end this ignorance and allow the Congress to reassert its fiscal control over the largest budget currently unavailable to public or congressional scrutiny.

The amendment requires that on or before March 1 each year the Director of Central Intelligence shall submit an unclassified written report to the Congress disclosing the total amount of funds requested in the budget for the national intelligence program for the next succeeding fiscal year.

It is as simple as that. Each year the Director of Central Intelligence adds up the combined budgets of the intelligence community and supplies that figure to Congress in an unclassified form.

No longer would we be operating in darkness. For the first time we would have hard budgetary facts. Granted, it would only be one figure each year, but that is enough to tell us the relative size of that budget.

At present, we do not know if the national intelligence program budget is $1 billion of $10 billion. We do not know if it went up 200 percent this year, or went down 10 percent. We simply do not know and the consequence of our ignorance is twofold.

First, the intelligence community escapes effective congressional control.

Second, Congress is systematically deceived as to the size of other civilian budgets.

How does that come about?

It comes about because the intelligence budgets, particularly the CIA, are hidden in other budgets that pass through the legislative process. There is intelligence money in this bill before us today.

I don't know how much. Only the Oversight Committee members know that. There are funds in other budgets. It is quite possible that even some of the chairmen of these subcommittees do not know that their budgets contain intelligence funds.

The authority for this sleight of hand resides in the Central Intelligence Act of 1949, section 6 (50 USC 403f).

Section 6 states that the CIA is authorized to transfer to and receive from other Government agencies any money approved by the Bureau of the Budget authorized under the National Security Act of 1947.

According to the Office of Management and Budget, the transfer of funds to CIA under section 6 of the CIA Act is accomplished by the issuance of Treasury documents routinely used for the transfer of funds from one Government agency to another. The amount and timing of these transfers are approved by OMB.

The funds approved for transfer to CIA by OMB are limited to amounts notified to OMB by the chairmen of the Senate and House Appropriations Committees. The specific appropriations accounts from which the funds will be transferred are also determined by this process. Obligations after the transfer are further controlled by OMB through the apportionment process.

In other words, only two men in the entire Congress of the United States control the process by which the CIA is funded.

Mr. President, I ask unanimous consent that my correspondence with Roy L. Ash, Director of OMB be printed in the Record. There is an error in Mr. Ash's reply that should be noted. Where the letter refers to section 5, it should read section 6.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. PROXMIRE. As chairman of the HUD, Space, Science, Veterans Appropriations Subcommittee, I became interested in whether or not there were intelligence funds in my $21 billion budget. I checked with OMB and was told that except for possible Economy Act transactions, no funds have been transferred to the CIA from any of the agencies falling under the jurisdiction of the HUD, Space, Science, Veterans and Independent Agencies Subcommittee. I urge other subcommittee and committee chairmen to make the same inquiries.

THE SECURITY ISSUE

This sleight of hand aside, the major question each of us has to answer before voting on this amendment is "Will the public release of this aggregate budget in any way compromise our national security?" If it can be shown that it will not, then this amendment should be passed.

I intend to show that it will not compromise our security, in any way.

First, let us apply a little common sense to the problem of security. Would anyone charge that the Senate Armed Services Committee is endangering our national security by publishing the total amount of the Defense budget? Would anyone claim that the Secretary of Defense and the Joint Chiefs of Staff have violated security when they testify before Congress in open session and when they peak across the country and use the total amount of the defense budget in public?

Of course not. That would be utterly ridiculous. The total amount of the budget is not a security problem.

But we go much further than that. We lay out that budget in great detail. We break it down by component and by function. We then talk about each individual weapon. When will it be ready? How much will it cost? What does it look like in a technical sense?

Of course, this detailed information is valuable to the U.S.S.R. But long ago, a decision was made that in our open society it was better to know the facts and ride herd on the Defense Department than to accept the intangible fear of enemy knowledge.

In fact, many American strategists have argued that the size of the U.S. military budget and the characteristics of our overwhelming nuclear force should be made public in order to reinforce the psychology of deterrence. The enemy will not be deterred unless he truly believes the United States has these weapons.

The same goes for the intelligence budget. It is a form of deterrence for the potential adversary to know that we will continue to spend sizeable funds for intelligence. They will be less inclined to spring some surprise.

Of course it should be quickly said that the only figure we would be releasing is the single number representing the combined intelligence budget. Not a breakdown. Just the overall figure.

Now just what would this tell our adversaries? They would not know if it all went to the CIA, or DIA. Whether the NSA spent most of the money, or the Air Force.

How about yearly fluctuations? Say for example, that the budget went up 10 percent in 1 year. What would they conclude? That manpower was more expensive? That the CIA was spending more for Laos? That the DIA had bought a new computer division? That NSA was hiring more people? They would know nothing.

Listen to what former CIA Director James R. Schlesinger told Senator HARRY F. BYRD, JR., during his confirmation hearings for Secretary of Defense:

> I think it (speaking of releasing selected intelligence budget data) might be an acceptable procedure, Senator, to indicate the total figure of the national intelligence programs. I would not personally advocate it, but it may be an acceptable procedure . . . There is the feeling that it might be wise to give the gross figure. I have come to share that feeling at least in this time frame, but that does not say that is not a possibility.

Senator BYRD specifically asked:

> There would be no security reasons why it should not be done?

Dr. Schlesinger replied:

> For the gross figure, I think that the security concerns are minimal. The component figures, I would be more concerned about but for the gross national intelligence program figures I think we could live with that on a security basis, yes.

Remember that this was the Director of Central Intelligence testifying, the man who then was the CIA Director. He is now the Secretary of Defense. This is exactly what the amendment before the Senate provides.

When the same question was put to William E. Colby during his confirmation hearings to be Director of Central Intelligence, he replied:

> I would propose to leave that question, Mr. Chairman, in the hands of the Congress to decide . . . We are not going to run the kind of intelligence service that other countries run. We are going to run one in the American society, and the American constitutional structure, and I can see that there may be a requirement to expose to the American people a great deal more than might be convenient from the narrow intelligence point of view.

Mr. Colby's two points should be kept in mind. First, he left it up to Congress. Second, he said we have to run our intelligence agencies in a democratic environment. Both of these points argue for supporting this amendment.

After he was confirmed, Mr. Colby started having a change of heart. It is interesting to note how opinions change during and after confirmation hearings.

Now Mr. Colby argues against releasing even the aggregate total of the intelligence community budget.

During the confirmation, he said,

> I would favor a greater degree of exposure of what we are doing (p. 18).

Now he says he does not think it would be a good idea.

Mr. Colby further explained why he opposes such a course of action. Quoting from a February 22, letter, Mr. Colby says:

> I am still concerned that public disclosure of total intelligence figures on an annual basis would lead to pressures for further public explanation of the programs for which monies were appropriated.

That is the real reason for not releasing the budget. It will allow Congress to start doing its job. Questions will be asked. There will be pressure on the oversight committees to very closely review that budget and justify it thoroughly, so that they in turn could come back to Congress and say we are getting our money's worth.

There is something very healthy about responding to public pressure—even for the intelligence community.

The question must be asked of every person who says that the release of this total budget will endanger national security. How will it do so? Why did Secretary Schlesinger say it would not? Give some examples, hypothetical if desired of how such disclosure would work against us. How is the total intelligence budget figure different from the total military budget? Is it more important than a $100 billion defense budget? Are the Armed Services Committees violating security by reviewing the Defense budget in public?

These questions need answering by those that support continued secrecy of the intelligence budget.

I hope answers are forthcoming.

Mr. President, this amendment is the most restrained attempt to introduce fiscal integrity to the intelligence community. It is written to take into consideration the possibility of security problems. It only calls for the release of the total figure.

It is time we found out just how large that budget is. It will not impinge on security considerations.

It is a long overdue step toward reasserting the right of Congress to inquire into the money it appropriates. We have operated in the dark too long.

I invite attention, Mr. President, to the fact that the Senate Select Committee on Secret and Confidential Documents, the cochairmen of which were the majority leader and the minority leader, Senators MANSFIELD and HUGH SCOTT, made the recommendation which is embodied in the amendment I am presenting to the Senate today and on which we will vote a little later.

I hope that the Members of the Senate will recognize that this is a matter that has been studied by the select committee; that they did make this recommendation; that the present Secretary of Defense, who was formerly Director, and the present CIA Director, when his nomination was being confirmed—both at the time of the confirmation of their nominations—indicated that the damage, if any, would be minimal and that they saw strong arguments in favor of releasing the total figure. They could live with that, provided there was no breakdown of the components.

Mr. President, I reserve the remainder of my time, and I yield the floor.

EXHIBIT 1

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, D.C., April 8, 1974.

Hon. ROY M. ASH,
Director, Office of Management and Budget, Washington, D.C.

DEAR MR. ASH: Under the authority of the 1949 Central Intelligence Agency Act, the CIA is authorized to transfer funds to and receive funds from other Government agencies subject to the approval of your office. This authority is granted without regard to other provisions of law.

Would you please provide answers to the following questions dealing with this practice.

1. Is there any other authority for this transfer or receipt of funds other than in the 1949 CIA Act, Section 6? If so, where?
2. As Chairman of the HUD, Space, Science, Veterans and Independent Agencies Subcommittee of the Senate Appropriations Committee, I request you to make known to me if any of the funds appropriated under my jurisdiction have been transferred to or expended by or on behalf of the CIA?
3. Will you please describe the process by which funds are transferred from one appropriation account to use by the CIA?
4. What members of Congress are made aware of this practice in terms of the actual flow of funds?
5. What restrictions are placed on this transfer or expenditure of funds?
6. Why cannot the CIA budget be funded in a single appropriations bill?

I would appreciate an early answer to these questions since hearings are currently in progress.

Sincerely,

WILLIAM PROXMIRE,
U.S. Senator.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., April 29, 1974.

Hon. WILLIAM PROXMIRE,
Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR SENATOR PROXMIRE: This responds to your letter of April 8, 1974, in which you pose several questions regarding the funding of the Central Intelligence Agency.

As you know, extraordinary measures have been taken by both the Congress and the executive branch to protect the sensitive foreign intelligence operations in which the CIA engages. With respect to the budget, information relating to CIA's funding has been classified by the Director of Central Intelligence in order to assure that this sensitive information might not be made available to any foreign government. Nevertheless, the Office of Management and Budget exercises its responsibility to review CIA funding in the same detail that it reviews the budget requests of any other executive branch agency. The specific amounts of the agency's approved appropriation request and the identification of the appropriation estimates in the President's annual Budget, within which these amounts are included, are formally provided by the Director of OMB to the Chairmen of the Senate and House Appropriations Committees; similarly, the Director is informed by them of the determination of the CIA budget, and OMB approval of the transfer of funds to CIA is based upon this decision.

Within the limits of this arrangement made necessary by security requirements, I wish to respond fully to the questions raised in your letter.

1. The authority under which OMB approves the transfer of funds to CIA for its approved budget is Section 5 of the CIA Act of 1949 (50 USC 403f). To our knowledge, no other authority is now or ever has been used by OMB for this purpose. As in the case of other executive agencies, CIA receives other funds under provisions of the so-called Economy Act (31 USC 686), which permits the purchase of supplies or services by one agency from another when it is more economical to do so. The magnitude of these transactions is reported to the appropriate committees and to OMB, but no formal OMB approval is required.

2. Except for possible Economy Act transactions, no funds have been transferred to the CIA from any of the agencies falling under the jurisdiction of the HUD, Space, Science, Veterans and Independent Agencies Subcommittee of the Senate Appropriations Committee.

3. The transfer of funds to CIA under Section 5 of the CIA Act is accomplished by the issuance of Treasury documents routinely used for the transfer of funds from one government agency to another. The amount and timing of these transfers, pursuant to that Act, are approved by OMB.

4. Information concerning the transfer of these funds to CIA is available to members of the Senate and House Armed Services and Appropriations Subcommittees concerned with CIA matters.

5. Under established procedures, funds approved by OMB for transfer to CIA are limited to amounts notified to OMB by the Chairmen of the Senate and House Appropriations Committees. The specific appropriation accounts from which the funds will be transferred are also determined by this process. Obligations by CIA, subsequent to the transfer, are further controlled by OMB through the apportionment process.

6. The funding of CIA through a single publicly identifiable appropriation could result in the disclosure of information detrimental to the agency's sensitive foreign intelligence operations, as I understand the Director of Central Intelligence has indicated to members of the Congress on several occasions.

I trust that the above information is responsive to your needs.

Sincerely,

ROY L. ASH,
Director.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. THURMOND. The time to be equally divided between both sides.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. PASTORE. Mr. President, will the Senator yield me 5 or 10 minutes?

Mr. STENNIS. I yield 10 minutes to the Senator.

Mr. PASTORE. Mr. President, what I have to say will not take 10 minutes.

I must recognize the sincerity and the motive—I might say the noble motive—on the part of the sponsors of this amendment and what they are trying to accomplish. As a matter of fact, I do not think any matter has disturbed Members who are charged with this responsibility more than this matter, with respect to the ramifications and the complexities that are involved in this kind of situation.

I would pray for the day in this world when nations could live as neighbors, when people could live as brothers, when we would not have to have an atomic bomb or a missile or a nuclear submarine, that we could live in peace and tranquility, and that we would not even need a Central Intelligence Agency.

But the world is not made that way. The history within my lifetime has proved pretty much that unless a nation is on its guard, as we had to be in 1962 at the time of the Cuban crisis, it could lose its birthright.

Now, what are we talking about here? We are talking about the Central Intelligence Agency. I have been connected with the Joint Committee on Atomic Energy almost as long as I have been in the Senate. Day in and day out we sit behind closed doors in a room that has been debugged because of what is told, what is given to the committee, and what is listened to. Only the members of that committee are privy to what goes on, except, of course, that the courtesy is rendered on a need-to-know basis to Members of Congress if they make a request that they need to know. The same goes for the Central Intelligence Agency. I daresay if any Senator really wants to know how much we spend for intelligence, he could find out. But then they would have to reveal what they spend it for. They might not be able to publish the information, and why should they? What would it accomplish?

I do not know the men and women up in that Press Gallery. For all I know, there may be a newspaperman there from Moscow. We live in a free society, and what we say on the floor of the Senate goes all over the world. It is a public record. That is the way we live. We are an open society. If we tell the Russians what they have to know, will they tell us what they have? I will eat anyone's hat on the Capitol steps if that happens.

Do Senators know what Khrushchev said when he came here and met with Mr. Dulles, of the Central Intelligence Agency, for the first time? He said, "You know, your country and my country could save a lot of money if we could get together." Do Senators know what he meant by that? He meant by that that they are spying on us and we have to spy on them. That can be said publicly, because that is what this is all about. We have to know what they are doing, so we can know what we have to do in order to guarantee the security of our own country.

So we cannot come out here and tell the whole world, "We spent $1 billion or $2 billion for the Central Intelligence Agency." What does that mean to anyone else, except that perhaps some people think they are spending too much. And the minute the question is asked where they are spending it we are in serious trouble.

So what happens to your children and my children, Mr President? What happens to you when you go home tonight? What happens tomorrow? What happens to the security of our country? Can we afford to tell them? Oh yes, I would like to tell the public everything it is possible to tell them. I believe in that. I have been in public life continually for 40 years. I believe in the right of the public to know. But I certainly would not come to the floor of the Senate and tell you, Mr. President, how to put together an atom bomb. I would not tell you that. I would not tell you how far our nuclear subs are able to travel; I would not tell you how we can detect an enemy sub; and I would not tell you how they might detect ours. I would not tell you that. Why would I not tell you that? I would not tell you that because the minute I told you that I would jeopardize the future of your children.

I do not relish the responsibility on this ad hoc committee. I happen to be on it. We sit there for hours and hours, day in and day out. It is not a pleasant job, but it is a job that was assigned to me and I have to do it. If anyone wants my job on that particular committee I will give it to him tomorrow. But it has been assigned to me and I have to do it.

I repeat again that I realize the motive behind this measure. I think a lot of people are a little disturbed over some things that CIA has done. That needs to be investigated, and that is our job, and we are doing it every day.

But as the Senator from Minnesota has said on this floor a hundred times: Please do not throw out the baby with the bath water. That is the point. In our attempt to catch that one mouse, are we going to burn down the barn? We cannot and must not burn down the barn. So we come out here and say, "This is the amount of money we are spending." Very well; after it has been said, then what? Someone else says, "You are spending too much." In order to prove that too much is not being spent, statements have to be made as to where it is being spent, what we are doing. The big question is, Can we afford to tell them what we are doing?

I have been in many committee meetings—the Joint Committee on Atomic Energy, the Committee on Appropriations, and on the ad hoc committee to which I referred—where they show us the evidence they have. But they do not disclose how they spend money to provide this information. Once the Russians, or even the Chinese Communists find out our national security can be damaged. And it is just to satisfy a little bit of an emotional rebellion that is justified on the grounds that an agency has made some mistakes. Can we throw away the security of the country? That is what it means to me.

I have sat down with the Senator from Wisconsin (Mr. PROXMIRE), the Senator from California (Mr. CRANSTON), to find a solution, and I have sat down with Mr. Colby, who is a great American. He said, "Please do not do this. If you want to make my job easier, please do not do this." I cannot sit there after that admonition and exhortation and turn around and say, "Mr. Colby, I do not believe what you have to say." If I believed that for 1 minute, I would say, "You ought to give up your job."

I know the CIA got mixed up in Vietnam. Many got mixed up in Vietnam. I condemned it.

Do not forget, I was Governor of my State when the bomb fell on Hiroshima on August 6, 1945. A few days after that a second atomic bomb fell on Nagasaki. Frankly, I have not slept so well since then thinking about the horror that can be visited upon mankind if this thing ever lets go. I would hope that the CIA is not a provocative agency but a protective agency; that it is there to protect American security and the American people. The minute we disbelieve that we should do away with it entirely.

I repeat again that as long as we live in this kind of a world, where tomorrow we do not know where we will be, where the Russians now are trying to achieve parity with us; where we have been told categorically, without any question of doubt, that what they are doing is because they do not want to suffer the humiliation of Cuba again—that is what this is all about, and that is why they are coming along, hell bent for election, augmenting their military strength.

Look at the deal we made on SALT I. They can have over 60 missile firing nuclear subs; we have only a little more than 40 of this type of submarine. They have about 1,700 land-based missiles; we have slightly over 1,000.

When anyone stands up and says to me, "Oh, they are not going so fast," that person is not going to the briefings. One does not find that information on the floor of the Senate. He has to go to the secret briefings. There one sees the statistics, the facts. I can tell Senators that after they have done so they will be frightened as to what could happen to this world if one act of madness lets this thing go off.

And so I say to my distinguished colleague from Wisconsin, and all those who agree with him, I sympathize with his feeling. I realize the fact that the CIA has done some things wrong—perhaps too many things wrong—but let us correct it. Let us put the brakes on. Let us admonish the committee that is in charge to do its job. But in the name of truth, in the name of protecting this Nation against an assault, in the name of protecting the American people and their future, let us rely on the special committees that do their job, and if any Member of the Senate really wants to find out what the total amount is, I think in private he should be told.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. HUMPHREY. Mr. President, I rise to commend the Senator from Rhode Island and to associate myself fully with his comments. The Senator pointed out very properly that the Central Intelligence Agency has in the past engaged in activities that have been looked upon by certain Members of the Congress as undesirable; but I want to make it clear that every one of those activities had been ordered by a President. The Central Intelligence Agency does not just engage in activities for the love of work. I know that the Central Intelligence Agency, during the Kennedy years and the Johnson years, was engaged in activities in Laos——

The PRESIDING OFFICER. The time of the Senator from Rhode Island has expired.

Mr. THURMOND. Mr. President, I yield such time as the Senator may require.

Mr. PASTORE. Five more minutes.

Mr. HUMPHREY. There were Members of Congress who knew full well what we were doing, but at the time we thought we were doing the right thing. Hindsight is so marvelous, is it not? We see so much better after the fact.

Mr. President, the Central Intelligence Agency is possibly the most important agency in this Government. By and large, it is made up of people who are competent, able, and who have served this country well and faithfully. To be sure, there are times when it has engaged in activities, as we have said, that are looked upon with suspicion; but I think it would be folly for us to publicize all of its activities, to publicize the amounts it receives, particularly when there are ways and means within this body and within the other body of Congress to supervise it and to keep a check rein upon it.

The Soviet Union does not tell us what they spend in intelligence, or even in subversion, and they are not about ready to. The only way we have any chance of knowing what they are doing is through agencies like the Central Intelligence Agency—not alone, but that agency is, without a doubt, the prime instrument of this Government for the gathering of intelligence.

I was visiting earlier here with our distinguished friend and colleague from Washington—and I know this to be a fact, of course—and discussed the fact that there is only one person in the British Government who knows who the director of intelligence is and to whom that director reports—just one, and that is the Prime Minister. In most countries that is the case. In the Republic of France and in the Federal Republic of Germany it is the case.

Presently we are on a binge in this country about every aspect of government. Everything is suspect. Well, Mr. President, you have got to call a halt to something. You cannot just start to dismantle the structure because of the transgressions, or alleged transgressions, of a few.

I think that the Senator from Rhode Island stated it so succinctly and so effectively that all I can do is just add my amen to it; but I had the privilege of serving on the National Security Council, and I want to tell my colleagues that the Central Intelligence Agency was the most accurate and effective instrument of Government for that council. Its reports were most accurate, and had we followed the advice of the Central Intelligence Agency in many areas, we would have been better off, but at least it was there.

I know the Senator from Wisconsin is going to say he is not going to interfere with them, and that is true, but the figure will be out there, and right away there will be some of my political persuasion, who are labeled "liberals," who are going to say, "Well, look at how much money they are spending on spying. Look at how much money they are spending on gathering information which is unnecessary. Look at what they are going to do on counterfore activities or clandestine military activities."

If the Congress does not want it to engage in clandestine activities, all it has to do is legislate it—they will obey the law. But the trouble around here is that we like to put the blame on a lot of other people when we do not have the guts to legislate what we ought to be legislating.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield

Mr. PASTORE. Talking about the amendment, it sounds so harmless to say, "All we want is the overall figure."

When we discussed this with Mr. Colby and asked him, "What is wrong with the overall figure?" he told us, "There is a lot wrong with it, because if you choose to cut the figure down at some time, privately and secretly, and I have to live with it, nobody knows what is done, but if you do it publicly, then the Russians and the Chinese Communist will know we are doing less, and that might let them become more audacious. They might think we are letting our guard down. It will have repercussions."

This came from the lips of an expert in the area, and it makes sense.

If I thought giving the overall figure would be the answer to our problems, I would go along with it, because, after all, it could be argued, "Well, we are not giving the details," but, as the expert said, if we give the overall figure, what does it mean? If anybody thinks we are spending too much, he will want to know where we are spending it. If we are spending too little, he will want to know what we are doing. These are not matters that we can discuss before the public for the public.

It does not make any difference to me personally. I am interested in my family. I am interested in my grandchildren. I want them to live in a safe country. I do not want them to live in an unsafe country. Other than that, I do not relish the job; I am not trying to keep this away from the American people. I am concerned and interested because that is the only way we can behave in a crazy world, and it is a crazy world.

Mr. HUMPHREY. And it is going to continue that way for some time, regrettably.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. JACKSON. And what if the following year the CIA found it necessary to ask for more money? Then we would have the same problem. They would want to know what they are engaged in now that they were not engaged in in the past. We could not allow the publication of the figures without that sticking out like a sore thumb.

Mr. PASTORE. You cannot win.

Mr. JACKSON. You cannot win either way.

Mr. HUMPHREY. It is a no-win proposition.

Mr. JACKSON. I commend the Senator from Minnesota and the Senator from Rhode Island.

Mr. PROXMIRE. Mr. President, as long as the Senator from Rhode Island and the Senator from Minnesota have the floor, I would like to ask them some questions.

Mr. PASTORE. I yield.

Mr. PROXMIRE. I ask the Senator if it is not true that the amendment does not require the revealing of information or any figure about the CIA, but simply the total national intelligence overall figure, including the CIA, the DIA, the Army and Navy Intelligence, all together. It is not an anti-CIA amendment. What this amendment would do is tell us whether we are spending $1 billion, $5 billion, $10 billion. It would give us some notion of how important this is in terms of resources and would mean we could have some attention given to these agencies, attention we do not have now.

The fact is, as the Senator from Missouri (Mr. SYMINGTON) said, that in 1970 the CIA oversight committee of the Senate Armed Services Committee met twice. In 1971 there were no meetings. In 1972 it met once. When it does meet, what does it accomplish? It does not keep a record. No staff is present. Only Senators are present. We know that without a staff or a transcript, a hearing like that cannot be very useful.

When we have some knowledge of what this amount is, whether it is $6 billion, $7 billion, or $10 billion, we have some interest or pressure on this. Not being on the oversight committee, one would be entitled to ask about it, so one would be inclined to be better informed. It seems to me we will function far better. That is all the amendment is intended to do.

Mr. PASTORE. When the Senator says there is no record kept, that is true, but there is an obvious reason for that. The staff is there. The Senators are there. We sit there for hours, listening, and we have a very minute scrutiny of the items that are presented.

Is the Senator telling me that if the entire figure is revealed, at some time he would not get up on the floor of the Senate and ask how much higher or lower the figures are for this year as compared to last year? Knowing the Senator from Wisconsin, he would be the first in the Senate to do so.

Mr. PROXMIRE. Would that not be good? What would be wrong with that?

Mr. PASTORE. The Senator can reveal what he knows.

Mr. PROXMIRE. I do not have to reveal it. I can ask about it.

Mr. PASTORE. What am I supposed to do? I cannot tell the Senator; so the Senator goes out and says, "Senator PASTORE would not tell me."

Mr. PROXMIRE. No. But the Senator from Rhode Island and other Senators know about it.

Mr. PASTORE. The Senator can find it out privately, but he does not want to find it out privately. He wants to tell the world about it.

Mr. PROXMIRE. I think the world ought to know the overall figures.

Mr. PASTORE. Does the Senator mean Russia should know?

Mr. PROXMIRE. Right.

Mr. PASTORE. My goodness, I quit.

Mr. HUMPHREY. Would the Senator say that it would have been in our national interest in World War II if Franklin Delano Roosevelt had published how much money was invested in the atomic bomb?

Mr. PROXMIRE. Of course not. My amendment would not require it.

Mr. HUMPHREY. I realize whenever we get into any element that is called secrecy here it is suspect. We are dealing with national security, and one has got to trust somebody. We have a way at least of checking here a little bit, and that check is with the ad hoc committee. If that committee does not meet often enough, I suggest we submit an amendment requiring the committee to meet monthly or to meet quarterly for whatever time is necessary. That is what we need to do.

I happen to believe that we need a Joint Committee on National Security in Congress, that is going to have general supervision of the CIA, consisting of the top people of Congress, just as we have a National Security Council.

I proposed it repeatedly. I proposed a Joint Committee on National Security, in which the Members of the Senate and the House of Representatives would have particular responsibility in the field of national security.

But my point is, and I think the Senator from Rhode Island is so right, the minute we publicize all these intelligence figures, the inevitable followthrough is a debate in this body as to what it is for, it will be in every journal and every tabloid. It will be all over. It will not serve the public interest.

If we could get the Soviet Union and the Chinese to walk to the altar with the rest of us, confess our sins, live a pure life, and pledge ourselves to peace and love, then I would let them know everything about what was going on. But, frankly, they will not do it.

I believe in détente. No Senator has worked harder for arms control; no Senator has worked for more open committees. But there is a point where we have to stop, at least in my judgment.

I know the Senator can make a brilliant argument and a moving, emotional argument, that we ought to have all these figures right out in the open, and if we can have assurance that is all we are going to do, that is all it would lead to. Even that would be a risk, but perhaps one that we could take.

But just as surely as we are in this body today debating whether or not we ought to have a release of the figure, next year it will be whether it is too big or too little, and then it will be what is in it. Then when we start to say what is in it, we are going to have to expose exactly what we have been doing in order to gain information; for example, years ago as to where the Soviet Union was building its nuclear subs and the kind of nuclear subs they were. I saw that material in 1965—how far they were along, what their scientific progress was. I do not think it would serve the public interest for all of that information to have been laid out. It would have destroyed our intelligence gathering completely.

I wonder how many Senators realize the unbelievable torture that a number of our Central Intelligence agents go through in order to get information that is vital to the Nation's national security.

It is because I feel this strongly that I make this statement, although it runs counter to much of my so-called ideological philosophy. One advantage I have had—and I am not going to be a partisan around the Senate when it comes to national security—is to sit on the other end of the line. I am here to tell the Senate, that if we start to tinker with the intelligence services of this country, we do it at our peril.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. HUMPHREY. Yes, I yield.

Mr. PROXMIRE. Could not the same argument the Senator is making be made with much more force with respect to our Defense budget? We debate on the floor of the Senate, we have open public hearings, we publish a great deal about our missiles, about our submarines, about our most advanced and complex planes. This does give great information to the Soviet Union. I am not asking about anything of that nature with respect to intelligence. This would not even reveal how much we provide for the CIA.

All I am saying is that the taxpayer is entitled to know how much of the billions of dollars he contributes in taxes goes for intelligence operations overall. Then he can, through his Representatives, determine to some extent whether we spend any kind of effort and interest and concern with whether or not that money is wisely spent. That is all the amendment does.

Mr. HUMPHREY. I think I understand fully the Senator's honorable, legitimate purpose. I really am not opposed to that legitimate purpose. The problem is it is sort of like loose string on a ball of twine, so to speak, that starts to unravel. Now, indeed, we tell the whole world about practically everything we are doing. As Gunnar Myrdal, the great Swedish sociologist, once said about the United States:

> If you really want to find out what is wrong in America, you don't have to do research; just ask anybody and he will give you a full hour's dissertation.

Mr. PROXMIRE. We have a pretty good system.

Mr. HUMPHREY. Do not misunderstand me.

Mr. PROXMIRE. It works well. It is open and free.

Mr. HUMPHREY. I think this openness is our strength. I think a society has to have that openness. But I think there are some things in family life that are private, that do not aid a good family if one starts exposing it all.

I think there are some things, may I say, in public life called national security, particularly when it comes to intelligence gathering. It is a nasty business, and the Senator knows it and I know it, and, of course, it makes good headlines, it makes good stories; it makes good fiction; it makes good TV. But there is a point, I think, where we have to ask ourselves, "Do I dare go this far," and that is all the Senator from Minnesota is doing.

I really do not intend to get so involved in this debate, but I feel a very deep obligation about this. I think that I owe it to this body to at least tell what my experience has been, even though I had no direct responsibility. I only served as Vice President, but I happen to believe that this agency is so important that we ought to make sure within the confines of Congress that we know what it is doing, and set up the instruments and men we can trust.

We trust one another in this body on the basis of censorship of each other. One thing I plead for in the Senate is more trust rather than our running to get the headlines. More love, more affection in this body; that is what this country really needs today.

What I worry about is that somehow or other we feel we cannot trust each other here. I happen to think—and I use one Senator, the Senator from Rhode Island—who is as much interested in cutting the defense budget as the Senator from Minnesota. I want to see that budget reasonable, and I want to see it trimmed. By the way, the committee did cut it. It cut it so much that some of us who thought we were going to cut it feel that they beat us to it.

It is my judgment that we have got to trust somebody. I think what we are doing here is trusting somebody.

Mr. McCLELLAN. I might say that at the same time we cut the defense budget, we also cut this budget more than we did the defense budget. I will just say that much for the record.

Mr. HUMPHREY. There we are. I believe we have to have some place in this body where there are some of most delicate things involved where we can put our trust. When we find that trust has been violated, we can remove people from those positions.

I do not believe I have any more to add and be redundant. I have participated in this debate because I feel we have got to be very, very careful. I welcome the initiative of the Senator from Wisconsin, because it gives us a chance to really explore what we are doing.

Mr. PROXMIRE. Mr. President, I yield the Senator from Iowa such time as he may require.

Mr. STENNIS. Before he does that, will the Senator yield to me to ask how much time we have remaining, those in opposition to the amendment?

Mr. PROXMIRE. I yield.

The PRESIDING OFFICER. Those in opposition have 54 minutes remaining.

Mr. STENNIS. Fifty-four minutes; what about the proponents?

The PRESIDING OFFICER. The proponents of the amendment have 72 minutes remaining.

Mr. PROXMIRE. Mr. President, I yield the Senator from Iowa such time as he may require.

Mr. HUGHES. I thank the distinguished Senator from Wisconsin.

Mr. President, the distinguished Senator from Minnesota has six guests waiting in the dining room. He has assured me he is not walking out on my dissertation here today. I assure him that he is free to go. I value his friendship and integrity beyond anything he could possibly know.

The debate I have listened to so far seems to carry an implication that this amendment is a threat to the internal workings of the CIA and the intelligence gathering community of America around the world, and thereby a threat to the security of the United States of America.

The amendment is very simple, Mr. President. It would list publicly the ceiling or the total amounts of money spent in the intelligence gathering community.

One of the greatest threats to any country, and particularly a country that has great military strength, is not from the outside or from its foreign enemies, it is from the inside, from secrecy and interior deterioration. The greatest threat of all is when we begin to lose control and not know what is happening, and when we begin to give large sums of money to mechanizations and machines that have no bureaucratic control over them.

The Senator says, trust. Yes, we trust and we love. But we know from reading history that governments have destroyed themselves when they no longer had knowledge of what was happening, and when the interior started breaking down.

I am not half as concerned, in today's world, about the future of America based on exterior threat as I am about what is happening inside this country and what can happen inside this country unless we are completely open, with every ounce of communications we can have with the people of this country. If thereby there is some little risk to the world, with the risks we are already living with, I say it is not too high a price to pay.

What is the role of the CIA? As far as I know, I know nothing. I am a member of the Armed Services Committee, and I know nothing. I could get such information, as the Senator from Minnesota has said, given to me privately. It would be given. But as far as I know, there is no Member of the Senate, no Member of Congress, and no member of the administration, including the President of the United States, who knows precisely and exactly what the CIA is doing in every incident.

We do know they are involved, as the Senator from Minnesota has said, in a nasty business. They are involved in a nasty business in a lot of areas of the world, and that nasty business is supposedly directed at protecting the freedom of the people of this country and our friends in the free world. But no one has the certainty to know precisely what everyone is doing, or even where they are doing it from time to time.

But that is not what we are asking for today. Not at all. All of this debate that I have been listening to, though relevant to the overall intelligence community, which is certainly involved in the security and freedom of the people of the free world, not just in our country but that of the people of other countries, has no relationship to the risk involved in giving the people of this country a glimpse of light in telling them what the total cost is involved in the intelligence activities of this country throughout the world. We do not know that amount, but we do know it is in the billions of dollars.

I listened to the chairman of the Senate Appropriations Committee say he did not even want to know, because he was afraid he might talk in his sleep sometime and thereby disclose it to someone. He made that statement on the floor of the Senate.

Mr. President, we are asking just for a thread of light into what may be not only our greatest source of security, but has the potential to be our greatest threat, without the observation and light and without the security that we ourselves as publicly elected officials can place upon those who have the capacity together with the restraint—and if there is any evidence that we have applied, as elected officials, the responsibility of restraint I am unaware of it. I am not saying there are misdeeds or there are wrongs. I am saying none of us know whether we are right or wrong. If we know, I would like to know it is and how much he knows, even an individual Senator, if he is asked far enough ahead, to know what groundwork is being laid for the capacity to draw the threads of the armaments of this country into entanglements.

We have wrestled for years with the problem of the CIA. We do not know. We are uninformed. The oversight that is done apparently is not carried out either mechanically or intelligently. We have not had the capacity or responsibility to know even when we were given information whether it was right or wrong, or what was happening.

Mr. President, one of the great Senators of our time has been the distinguished Senator from Minnesota. He is, as he called himself, a liberal, who has said, "Let us show the public everything, let us give them all the information."

I respect his debate today in saying the public should not have this information, that it is a threat to our security. But, Mr. President, I leave this thought with the Members of the Senate: The greatest threat to the security of this Nation is the secrecy that we ourselves place on these events. It will be from the inside, not from the outside.

We talk about the numbers of missiles, we talk about the numbers of warheads, we talk about the numbers of submarines, we talk about the numbers of airplanes, and all of these things; but when each can destroy the Earth, then how much is enough?

The threat will come from losing control on the inside. If maintaining that control requires an ounce of risk, then I think we should be prepared to take that ounce of risk in at least letting us see publicly and the people see publicly whether we are spending $3 billion, $7 billion, or $90 billion, and how we are concealing it and hiding it, and if we are protecting ourselves from the inside as well as from the outside.

I think that ounce of risk, if it exists, is worth taking, and I thank the distinguished Senator from Wisconsin for yielding.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HUGHES. I yield.

Mr. HUMPHREY. Mr. President, I respect this good man the Senator from Iowa, who is one of the great men of the Senate, a great spirit and a great inspiration to me, and I really regret that on occasions like this one has to disagree with a friend so dear and precious, but I want to say to the Senator that while this argument is moving and I think filled with much truth, we can control any possibility of secrecy or of coverup by establishing within the instruments of the Congress the necessary machinery for the supervision of the Central Intelligence Agency.

We have executive sessions in this Congress. We have them in the Foreign Relations Committee and we have them in the Armed Services Committee, and we do not permit those executive sessions to become public. Maybe that is a mistake. But I, over long years of service here, have felt that some of these sessions are necessary.

I feel there is a tendency to try to make too much secret and too much executive. This is why I have proposed that we have a joint committee on national security of the House of Representatives and the Senate. We have an ad hoc committee on this matter of the intelligence operations of our Government, and on that ad hoc committee serve some of the finest Members of this body. I know what good men they are. I am confident that they are as concerned about the security of this country inside and outside as any of us. I find them philosophically the kind of Senators who would be able to cross-examine anyone. And while I cannot help but agree with the Senator from Iowa that one of our great threats is from within, particularly from the moral erosion that is taking place in our society, not only now but over the years, I do not underestimate the threat from without.

Furthermore, good intelligence permits us to do a better job in terms of our national security expenditures and operations, not necessarily increasing them but reducing them, and I believe I heard today from the chairman of the Committee on Appropriations that the funds for intelligence operations have been reduced.

I happen to believe that we have the power in Congress to set up whatever kind of method or supervisory system we need so that we do not let the executive branch run rampant. But, under our system, we put a great deal of trust and faith in the President. I know that this is a difficult time to discuss that, because of the events of recent months, but I do say to you, Mr. President, that we have a man in that high office, the President of the United States, who has the prime responsibility for these requirements of intelligence and national security and if we do not have the right man there, then it is our fault, because we elected him.

We can establish all kinds of systems, elections, and campaign reform, and say that we do a better job, but I happen to believe that we should proceed with great caution when it comes to this business of, really, opening up and exposing, because I think of what would be the inevitable result of our intelligence operations.

Mr. President, I regret to have to say this, because I would like very much from my own political point of view to say to the contrary, but from the point of view of my conscience, I speak as did the Senator from Iowa. Is it not a wonderful thing in this body that two of us can believe so differently and can be as sincere in our point of view?

I greatly respect the Senator from Iowa, and if his point of view prevails, I think it will prevail in large measure because of our great respect for him.

Mr. HUGHES. I thank the distinguished Senator from Minnesota. I am ready, willing, and I hope able to join him, and I hope the chairmen of all of the committees, to find out what they are doing. This would be the appropriate moment, the time, and the day to find out. Let us make sure, instead of an ad hoc oversight or a minimum oversight, that there is some sort of bearing and adequate responsibility on that oversight and in carrying it out. Although we do not have enough time, I agree that an occasional session here is useful so that the youngest and the newest Members can get available information in relation to these activities so that they would know something about them.

Again, I say that this is no risk compared to the risk of darkness. A little bit of light at this moment might help us all in the years to follow.

Mr. PROXMIRE. I want to commend the distinguished Senator from Iowa (Mr. HUGHES). He has hit the target exacly on this issue. The greatest danger we face is from within, I agree. We have seen what has happened to the intelligence community. But I want to tell the Senator from Iowa that I tried to get the most practical and limiting amendment that I could get. I discussed the amendment recommended by the majority and minority leaders, written to the chairman of the Appropriations Committee, and it was agreed, after a study by the Senate Select Committee on Secret and Confidential Documents, that the Senate should be provided with all of the information requested for intelligence. They believed that the release of this limited information would be useful to the Senate in maintaining the necessary support for intelligence operations. All I do is provide the overall figures. The committee consists of Senators MANSFIELD, PASTORE, HUGHES, CLARK, GRAVEL, JAVITS, HATFIELD, GURNEY, and COOK. Their report recommended this procedure. That is all. It certainly does not go so far as breaking it down as to what the CIA and the DIA spend. The leaders concluded that if we get this overall information, we will be in a better position to discharge our duties and responsibilities to the people.

Mr. President, I reserve the remainder of my time and I yield the floor.

Mr. STENNIS. Mr. President, I yield 8 minutes to the Senator from Arkansas (Mr. MCCLELLAN).

The PRESIDING OFFICER (Mr. HASKELL). The Senator from Arkansas is recognized for 8 minutes.

Mr. McCLELLAN. Mr. President, I am reluctant to speak on this issue, because of the position I occupy as chairman of the Appropriations Subcommittee on Intelligence Operations. By reason of that position as chairman of that subcommittee, I have the duty of oversight over the CIA.

I am reluctant to speak on these matters because—I do not relish nor do I cherish nor do I take pride in the fact—that I may have access to information that I cannot share with my colleagues. I would wish it were practical. I wish it were a proper thing to do—to disclose every bit of information that I have been able to obtain from time to time respecting the activities of the CIA, what it does, its methods of procuring information, how it spends its money, and the results that it achieves. I would prefer to do that. The subcommittees who have this responsibility are ad hoc committees of the Appropriations Committees and the Armed Services Committees of both the Senate and House. We are instrumentalities of the Senate, of the Congress, and so created where we are serving as your agent, as your tool, to achieve the supervision that is possible and necessary. We are charged with the responsibility to see that this work is carried on, and to recommend the proper appropriations therefor.

If these subcommittees—and there are 22 members on them. Ten are from the Senate—five are from the Appropriations Committee and five are from the Armed Services Committee, who are privy to this information that is withheld for security reasons from the public. The committee members are:

INTELLIGENCE SUBCOMMITTEES

Senate Appropriations: McClellan, Stennis, Pastore, Young, and Hruska.

Senate Armed Services: Stennis, Symington, Jackson, Thurmond, and Dominick.

Mr. President, there are 12 members of the Armed Services Committee and the Appropriations Committee of the House of Representatives. The House Committee members are:

House Appropriations: Mahon, Whitten, Sikes, Minshall, and Cederberg.

House Armed Services: Nedzi, Hébert, Price, Fisher, Bray, Arends, and Bob Wilson.

Mr. President, as I have pointed out, we are servants of this body and of the House. If it is desired that this matter be not handled this way, the Senate should recommend a change in the law and a joint supervisory committee be created. I will support it. I will welcome it. I do not care.

But, let us bear in mind that if we are to have a security intelligence agency, we cannot have it with national publicity on what it does, how it does it, and how much it spends here, or how much it spends there.

I was intrigued by the statement of the Senator from Wisconsin when he said, "Let us end this ignorance."

All right. How much is ignorance?

First, the total amount. You want to end that ignorance? That is when you intend to put the camel's nose under the tent. That is the beginning. That is the wedge. You say you do not want to know all the details on how the money is spent. But if you get the overall figures of $1 billion or half a billion dollars or $5 billion, or whatever, then how are you going to know, how can you evaluate, how can you judge or make an intelligent judgment on whether that is too much or too little, whether it is being expended wisely or unwisely, except when you can get the details?

How? You cannot know. And if you receive these figures and if you end this ignorance as to the total amount, next, you will want to end the ignorance as to the different agencies and how it is spent, and through whom it is spent. Next, you will want to end the ignorance on what it is spent for. Next, you want to end the ignorance of how that intelligence is procured. There is no end to it. We take a choice. If you vote this way, the Senate takes the responsibility. It is no embarrassment to me or to any other member of this committee. If this is the way the Senate wants to do it, that is its responsibility.

The national security of this country also is the Senate's responsibility. If this is the way the Senate wants to do it, very well. But let me say this: By ending the ignorance that the Senator speaks of, that can be pursued logically to the point that this will not be the end of it. It will go on from here.

"Ignorance" is a harsh word. We have to be ignorant of many things in Government. If Government is going to function in the area of national security, we cannot be informed at all times about everything that is going on. We often inform our enemies of too much—and they can take advantage of it.

If you are going to end all their alleged ignorance, you are going to end national security. Where do we stop? If you do not like the ad hoc committees, do what the distinguished Senator from Minnesota has suggested: Create another committee in which you will have confidence. Create another committee; name the people you will trust to oversee.

The PRESIDING OFFICER. The Senator's 8 minutes have expired.

Mr. STENNIS. I yield the Senator 1 additional minute.

Mr. McCLELLAN. Mr. President, this has been a burden to me. I have had Senators in good conscience, in good faith—dedicated, loyal, patriotic Americans—come to me and seek this information. I would like to give it to them. But I am torn between the personal desire to make them acquainted with everything I know—everything I have seen and heard in these hearings—and the duty to help maintain and preserve our national security. A security that will be effective and can be useful and can serve to protect the welfare of our country. I have to make that choice.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. McCLELLAN. I will yield, but first I should like to make one other comment.

I think I can go this far. For the past 5 years, we have held extensive hearings on these requests for appropriations. It has been more than adequate supervision with respect to expenditures; I can say that. It has been on the conservative side, I may say to the Senator, without any reservation whatever.

The PRESIDING OFFICER. The Senator's additional time has expired.

Mr. STENNIS. I yield the Senator 1 additional minute.

Mr. McCLELLAN. We cut the national defense budget. We cut this more percentagewise.

The issue can simply be stated. Do we want to publicly disclose these figures? Or do we want some other change, some other committee to try to perform these functions? I am willing to abide by the decision of the Senate.

Mr. PROXMIRE. Mr. President, will the Senator yield on my time?

Mr. McCLELLAN. I yield.

Mr. PROXMIRE. I yield myself 2 minutes, Mr. President, to ask the distinguished Senator from Arkansas a question.

On November 15, the majority and minority leaders wrote the Senator from Arkansas, asking that he release all overall intelligence information of the kind called for in the amendment. The response of the distinguished Senator from Arkansas, on November 20, is as follows:

> I have your letter of November 15 and want you to know that I intend to comply, as fully as possible, with the recommendation of the Senate Select Committee on Secret and Confidential Documents to provide the Senate with the over-all sums requested for each of the various intelligence agencies.

What was the intention of the Senator from Arkansas? Is his intention the same now, or has he changed his mind?

Mr. McCLELLAN. It was my intention and it would be my intention now, to release those figures if it would not jeopardize our national security. I do not want to withhold them. I would like to give the Senator everything I know. But this is not my responsibility. I am not the committee. I would have no right to come here and spread these matters on the floor of the Senate without the approval of the committee.

Mr. PROXMIRE. The Senator is absolutely right.

Mr. McCLELLAN. It would not be right for me to do that. But I wish it were possible and consistent with the best interests of our country to disclose these figures on the front pages of the press, on television and radio, so that everybody would know. I believe, however, that the Senator agrees with me that that would be a bad mistake. I think it is a mistake to start the public disclosing of these matters. If you do not like the setup, change the setup, but we must protect our national security.

Mr. PROXMIRE. I say to the Senator from Arkansas that I wholeheartedly agree that the Senator is absolutely right to come and ask for the Senate's decision on this.

As I understand the Senator's response, at one time he thought that he could release this if the Senate would approve; but he has had second thoughts on it, and now he feels that it might not serve the interests of the country to disclose this information at the present time.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. McCLELLAN. We had Mr. Colby in and discussed this matter. I asked Mr. Colby to come down, and I asked the Senator from Wisconsin and the Senator from California to come in and interrogate him and visit with him about these things. I have done everything I possibly can to try to find an answer to this problem. But I do not know the answer. We either have to do it or not do it.

Mr. PROXMIRE. I thank the Senator.

Mr. President, I should like to make one other statement.

The Senator from Arkansas has argued, as do other Senators, that the release of this information, the overall total information, is going to be of some value to the Soviet Union, but of no value to us. That does not make any sense at all to me. It may or may not be of any value to the Soviet Union. Frankly, I think it will be of none. There is no way the Soviet Union can interpret whether our overall figure indicates what we are doing within our intelligence committee. Suppose we decrease the amount we are spending. That may mean that our satellites are more effective. That may mean we have found methods that are more efficient in gathering intelligence than relying on manpower. If we increase the amount we are spending, it may mean the reverse. It may not mean that we are making a greater intelligence effort.

What this does is to alert the Senate of the United States—it alerts Members of Congress—so that they, in turn, can get the information they should have if they feel that a disproportionate amount is being devoted to the intelligence community—as to whether they feel it is too much or too little.

As the letter from Senator Hugh Scott and Senator Mansfield pointed out, the purpose of this is to maintain the necessary support for our intelligence operations, not to tear them down. Not to diminish our effort, but so that we can reinforce it and do so wisely and intelligently.

One more point. With all the debate we have heard—and I challenge the distinguished Senators who have yet to speak in opposition to the amendment—I have not heard one, single, solitary, real, hypothetical, or imaginary example of how any damage is going to be done to the United States of America. How is this information going to be used against us? I have heard nothing on that score. I have heard generalizations as to what might happen if we were to release information not called for by this amendment. That does not make any sense. Because we provide the overall total figure for intelligence does not mean we are going to tell anything about the CIA.

My point is that if this amendment is wrong, the burden of proof certainly is on those who would say it is wrong; because what we are doing is simply providing the taxpayers what they are entitled to know, information on where their money goes. If we are not going to disclose this, the burden of proof certainly should be on the side of those who say we should insist on secrecy and not provide disclosure.

So I say that proof has been lacking and I see no examples at all of any damage this could do.

Mr. President, I reserve the remainder of my time.

Mr. STENNIS. Mr. President, how much time remains in opposition to the amendment?

The PRESIDING OFFICER. The opposition has 45 minutes remaining.

Mr. STENNIS. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. STENNIS. Mr. President, I have said in this Chamber before and I repeat now that it is not fun being on this committee that looks into the money that goes into intelligence. I say that after years of service on the Committee on Armed Services and the last 5 years as chairman of that committee.

This idea of not having had any surveillance and Congress having failed to go into it, those statements are just unfounded because they are made on facts that have been told to some Senators that are not correct.

I do not like to go into this matter but in the formative days men like former Senator Russell of Georgia, former Senator Ellender of Louisiana, and former Senator Smith of Maine were Members of this body, and they were some of the personalities involved. I have served with them, as has the Senator from North Dakota (Mr. YOUNG), who is still serving. Also the Senator from Arkansas (Mr. MCCLELLAN) is here. He already has spoken.

It is a mistake to say that the Committee on Armed Services in the year 1970–71 held no meetings on this matter. Every item in the CIA budget in those years was gone over by members of the committee and the capable staff members, and checked in and checked out.

I remember that in January of 1973 we had a full briefing before the full committee by the CIA, and the budget committee on the CIA had meetings, and we have had meetings this year, in 1974, that went over the budget; and we had briefings by the CIA direct to our full committee.

But going back over the years, every year this matter has been scrupulously gone into because of the special nature and because we had this extraordinary responsibility. I remember asking Deputy Secretary of Defense Packard when he was here 3 years ago to look into this matter from his viewpoint, and he did that.

Now, we are talking about a good many different groups that are connected with the intelligence effort. The Senator from Wisconsin asked for something specific.

To start with, the Soviets know almost everything about everything we are doing by merely going to the bookstore or to the newsstand. They get all of that laid out before them, almost everything; and we get nothing. Wo do not know anything much about what they are doing. That is what makes it necessary for us to have such a vast intelligence-gathering activity which is worldwide. We have to carry a great deal of the load, the majority of the load for the free world. I am talking about the money load. But we do not have anything to start with. The Soviets have everything, almost.

If they are given this new information then certain deductions could be made about how much of the budget is going for these different activities and the first thing we know calculations are made and they come pretty close to being correct as to how much is spent by the military, how much is spent in the civilian area, how much is spent on satellites, and how much is spent by the CIA itself and where. Following a series of deductions and inferences based on all the information they already have from us, from the newspapers, and from the newsstands, they will be able to make fairly good calculations.

Specifically I wish to point out one matter. Senators remember the incident of the U–2 having been shot down. Remember that landing that was made. We later had that gentleman before our committee. President Eisenhower was President then. He said:

> I am to blame if any blame is to be attached.

That U–2 venture saved our Treasury billions and billions of dollars, in my judgment, and I am familiar with the facts. If we had not been carrying on an activity such as that we would have been totally in the dark with respect to what we knew about the extensive missile work, the silos that they had, and a great many other things that could be named. There is a specific illustration.

Some might say, "Go on and develop what is happening now." I cannot do that; I cannot go on. That is one of the things that can be brought out. I have talked to Senators in the cloakroom and largely have satisfied them with respect to the matters we have talked about, with respect to these programs, and this money, and how we hold back the actual dollar amounts for reasons I have already given, and other reasons that could be given. I know this has been a good debate and I have never seen a debate where I was so certain no single speaker was speaking for any agency.

This argument today is not prompted by the CIA. I have not mentioned this matter to the CIA. I do not have one scintilla of line about them, or a telephone call, a meeting, or anything else. Those of us who have been in touch with the problem have a feeling about it. As the Senator from Arkansas said, we are not speaking for a committee, or a department, a director, an employee, or anything else. This is a problem concerning our national security that has jammed us right to the question of national survival. That is why we stand here year after year standing firm on this position. It may sound apologetic, but it is not apologetic. It goes as far as it can to explain to the membership and to the American people the problem we are up against, and how this problem is handled; and, as much as we can, the reason for handling it that way—at the same time showing the proper respect for every Member of this body and for the taxpayer who contributes as much as one thin dime to the cause involved.

Now, what about the CIA itself. The Senator from Wisconsin has offered a valuable amendment with respect to the basic CIA law, and it has been accepted. I commend him highly for the amendment. We had a bill I had introduced in my committee. We have not yet had a chance to have hearings on that bill. There are some of its provisions that I am delighted to see added as a part of this bill. They are relevant and will be helpful.

For many years I, along with other Senators, have gone over every single major item in the CIA budget.

On my responsibility to my colleagues, they in CIA keep a clean house. They have had a conservative operation dollarwise and have accounted for the money in a splendid way. That has been true without exception. There has been no great spillage of money or great extravagances, and not one bit of scandal or odor of any kind.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. STENNIS. I yield myself 2 more minutes.

In connection with the expenditure of that intelligence money. There are other agencies involved, as we all know. The military services have already been mentioned. The Defense Department itself has a certain intelligence agency attached to it.

So when I say these matters have been gone over, I mean all of it, but our Armed Services Committee is the so-called parent committee of this direct CIA money. I am not here to praise anyone, but I tell you, Mr. President, that moneywise for years and years the CIA has been conservatively operated and has had a firm hand and a clean house and a clean record with reference to the handling of the taxpayers' money.

I hope that in a moment of frustration—and I do not blame any Senator for being frustrated about this—this system is not overturned here on the floor of the Senate on an amendment which, if it becomes law and is carried out, would, as its practical effect, virtually destroy 80 to 90 percent of the effectiveness of much of our most important work in the field of intelligence.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. STENNIS. I yield myself 1 minute more.

I oppose the amendment because it would give our adversary, now and in the future, the working tools, a blueprint, to a degree, of our activities that have already proved to be so valuable and are proving themselves more valuable, in a way, as each year comes and goes.

So I hope the Senate will not only defeat this amendment but, with all due deference to my friend, do so by a large vote. I will be glad to be relieved of my responsibilities in this field if the Senate wants to adopt a new system.

I yield to the Senator from South Carolina.

Mr. President, how many minutes do we have left?

The PRESIDING OFFICER. The Senator has 30 minutes left.

Mr. STENNIS. I yield 12 minutes to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise in opposition to the amendment by the senior Senator from Wisconsin. The proposal has the lure of simplicity, but consequences that run deep, and against our Nation's fundamental interests. It contains the promise of informing the public while preserving the essential security of our foreign intelligence capabilities. In fact, I believe it would serve both interests poorly.

A constant in the needs of sovereign nations is to possess intelligence about the intentions and capabilities of adversaries. General Washington wrote one of his intelligence chiefs, Col. Elias Dayton:

> The necessity of procuring good intelligence is apparent and need not be further urged—all that remains for me to add, is, that you keep the whole matter as secret as possible. For upon Secrecy, Success depends in most Enterprizes of the kind, and for want of it, they are generally defeated, however well planned and promising a favorable issue.

That was the statement of our first Commander in Chief, the first President.

The tragic experience of Pearl Harbor taught us a number of painful lessons. In the 1947 National Security Act the Congress took a giant step toward assuring that executive action or inaction in the international field would be based upon the best information available. Insofar as it is possible for the Congress to direct the executive branch in the conduct of essentially an executive responsibility, the National Security Act of 1947 provided the authority needed for an effective foreign intelligence establishment.

The CIA Act of 1949 provided additional administrative authority for CIA and provided for its funding. The funding of CIA was particularly important from the point of view of Congress since it establishes the second of the two principal relationships between an executive branch agency and the Congress—legislation and appropriations.

I believe that our Nation is unique in the attention its legislature has given to specifying and circumscribing the activities of the agency designated to perform its foreign intelligence mission. In the process of working out legislation for CIA, it was necessary to somewhat change the procedures followed in the case of the more normal Federal agency. This was particularly true in connection with provisions concerning the authorization and appropriation of funds.

Public revelation in these areas would alert potential adversaries to programs, needs, and accomplishments. This knowledge could be used against our Nation's interest to offset the value of intelligence collected or to neutralize the sources and methods used.

The 1949 CIA Act permits the allocation of sums for the CIA to carry out its activities without publicly revealing the secret purpose to which such funds may be put.

Mr. President, I ask unanimous consent that section 6 of that act be printed at this point in my remarks.

There being no objection, the section was ordered to be printed in the RECORD, as follows:

> SEC. 6. In the interests of the security of the foreign intelligence activities of the United States and in order further to implement the proviso of section 403(d)(3) of this title that the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure, the Agency shall be exempted from the provisions of section 654 of Title 5, and the provisions of any other law which require the publication or disclosure of the organization, functions, names, official titles, salaries, or numbers of personnel employed by the Agency: Provided, That in furtherance of this section, the Director of the Bureau of the Budget shall make no reports to the Congress in connection with the Agency under section 947(b) of Title 5.

Mr. THURMOND. Mr. President, as a matter of fact, the arrangements worked out are completely responsive to the major elements of the Federal budgetary systems. Changes from the norm are designed to provide a reasonably controlled environment so as to protect and preserve the sources and methods which necessarily must be resorted to in collecting foreign intelligence.

As a matter of fact, I know that the budget of CIA is scrutinized with great care.

Similar procedures have been used over the years to fund other governmental activities of an extremely sensitive nature when the public interest would not be served through the use of more common explicit procedures. Examples of this include the Manhattan project for the development of the atomic bomb and the development of the U–2 airplane.

On May 10, 1960, following the loss of the U–2 over the Soviet Union, the chairman of the House Appropriations Committee, Clarence Cannon, explained that:

> The plane was on an espionage mission authorized and supported by money provided under an appropriation recommended by the House Committee on Appropriations and passed by the Congress.
>
> Although the Members of the House have not generally been informed on the subject, the mission was one of a series and part of an established program with which the subcommittee in charge of the appropriation was familiar, and of which it had been fully apprised during this and previous sessions.
>
> * * * * *
>
> The appropriation and the activity had been approved and recommended by the Bureau of the Budget and, like all military expenditures and operations, was under the aegis of the Commander in Chief of the Armed Forces of the United States, for whom all members of the subcommittee have the highest regard and in whose military capacity they have the utmost confidence.
>
> The question immediately arises as to the authority of the subcommittee to recommend an appropriation for such purposes, and especially the failure of the subcommittee to divulge to the House and the country the justifications warranting the expenditure and all details connected with the item at the time it was under consideration on the floor.
>
> The answer of the subcommittee is—absolute and unavoidable military necessity, fundamental nationial defense.
>
> * * * * *
>
> This appropriation, and its purpose, is justified by honored and established precedent. This subcommittee, including the same personnel with the exception of two members who have since died, was the same committee which for something like 3 years provided in the annual appropriation bills a sum which finally totaled more than $2 billion for the original atomic bomb. Session after session the money was provided, and the subcommittee visited Oak Ridge where the work was in progress without any Member of the House with the exception of the Speaker of the House being aware of this tremendous project or the expenditure of the money. According to the testimony of all military authorities that bomb ended the war and saved the lives of not less than half a million men who would have had to be sacrificed in the conquest of Japan. No one has ever said that the subcommittee was not justified in expending an amount that eventually aggregated more than the assessed valuation of some of the States of the Union for that purpose.
>
> * * * * *
>
> And now the most gratifying feature of the entire incident.
>
> The world has always recognized the remarkable success of our form of government. It has been the wonder and admiration of mankind. But they have said that it was at a great disadvantage in a war with an authoritarian dictatorship.
>
> We have here demonstrated conclusively that free men confronted by the most ruthless and criminal despotism can under the Constitution of the United States protect this Nation and preserve world civilization.

The CIA is held tightly accountable within the executive and legislative bodies. There may be disagreement as to whom the Members should be or more particularly what committee they should be from in the Congress, but I think such disagreements can only be resolved on the basis of giving priority to the special constitutional roles of the Congress—the appropriation of funds—the enactment of legislation—and the oversight of legislation already enacted. It is difficult to perceive how enlarging a somewhat small group into a somewhat large group would assure that these congressional responsibilities are being fulfilled. Clearly information on the activities of the CIA should not be displayed in a public arena. To do so would defeat our national interest.

Mr. President, I simply want to say that four committees of Congress now receive this information—the Armed Services Committee of the Senate, the Appropriations Committee of the Senate, the Armed Services Committee of the House, the Appropriations Committee of the House. So there is nothing hidden. It is disclosed. It is not disclosed to just anybody. If any particular Senator wants this information, he can get it from these committees on a classified basis.

It should be classified. This information should not be made public. Those who passed a law of Congress in 1949, I think, were very far-sighted when they provided that such information would not be made public.

I do not know of any objection that has been made to the way these four committees have handled this information. So far as I know, the four committees in Congress have done a good job handling this information.

If we reveal this information to the public generally it will simply aid our enemies. We cannot get around that. There is no doubt about it. It will reveal the size of our activities that the CIA is engaged in. It will reveal not only the size but also the trends, because some year it may go up, some year it may go down. Then that will indicate to our enemies what we are doing. It will indicate whether we are increasing our intelligence activiites; whether we are reducing our intelligence activities. Then the effort will be made to know where, in what country.

Another thing: In dealing with foreign nations this could be a sensitive matter. Our relations could be affected because if we make this information available then there is going to be the desire on the part of somebody to know how much of it is being spent in this country, how much is being spent in that country. This is a sensitive question that might bring about some ill will in our foreign relations.

No country in the world reveals this information to the public. Why should we do it in the United States? Why should we tell our enemies the size of our expenditures in collecting information which we need to preserve this form of government and protect the people of the United States?

This would be an opening wedge for intelligence details. Once the total amount is revealed there will be the strenuous effort to collect the details. There will be a strenuous effort to collect the sources of information, the methods of collecting information, who is engaged in this, and how they go about it.

Further, I know of no clamor from the public. If the Senator from Wisconsin knows of any clamor from the public to divulge figures here that will hurt our country and help the enemy, I do not know about it.

Mr. President, I may say, further, that it has been referred to here that Dr. Schlesinger does not seem to object to the amendment, and that Mr. Colby does not object to it. I believe the Senator from Wisconsin made some such statement. At any rate, during the course of the hearing on his nomination to be Secretary of Defense, Dr. Schlesinger did make the statement, but the Senator from Wisconsin did not give the entire statement. I want to give some of the rest of it.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. THURMOND. These are his words.

Mr. STENNIS. Mr. President, I am virtually out of time, but I yield 1 minute to the Senator from South Carolina.

Mr. THURMOND. Dr. Schlesinger stated:

> I would lean against it. But I think that it could be done. The problem that you get into, you see, as you well know, Senator, is that it would be just a free floating figure, unsupported and unsupportable in public, with nobody except the members of the Oversight Committees or members of the Armed Services Committee and Appropriation Committees who would know the details. Those are circumstances which under certain conditions would elicit the strong tendency for a flat 10 percent, 20 percent, 50 percent, 100 percent, cut in intelligence activities because there is an identifiable target with no broad understanding of what the components are and it is that aspect that I think concerns me.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. THURMOND. I may say in closing that we do have an open society.

Mr. STENNIS. I yield one-half minute to the Senator to conclude.

Mr. THURMOND. We do have an open society, but there are some things that have to be kept secret, and this is one of those things.

Mr. STENNIS. Mr. President, I yield to the Senator from Arizona for 2 minutes.

Mr. GOLDWATER. I thank the Senator.

I want to express my deep concern about this amendment. I think it is extremely dangerous, and it should be defeated.

It is dangerous because it starts a precedent. It is a precedent that I do not know exists any place else in the world, and I do not know that it even exists in this country.

If this amendment is voted on favorably today, we can rest assured that within a year or two, the demand will be made to break the figures down so that we will know where every cent is going.

In military operations there is nothing that approaches intelligence. The estimate of the situation that is made by every man in any battle he has ever engaged in is headed by intelligence of the enemy forces. If the enemy knows what we know about their forces, then this intelligence becomes valueless.

Mr. President, I see no need for this amendment. Any Senator can attend briefings by the CIA if he is cleared for top secret. Any Senator can get the figures that we are talking about by asking for them. If we make them public I think we are asking for trouble.

We have had imposed on us an almost impossible task of espionage with respect to the Soviet Union, while they have a very easy time of it in the United States. I do not want to make that any easier.

I hope that the Senate will say "no" to this very ill-advised amendment.

Mr. STENNIS. Mr. President, I yield 3 minutes to the Senator from Nevada.

Mr. CANNON. I thank the chairman for yielding to me.

I must say that I am in complete accord with the statement just made by Senator GOLDWATER. I cannot think of anything more unwise or anything that could possibly be more harmful to our Government than to let this amendment be agreed to, providing for full and free information to people from whom we would like to keep that information.

I certainly am in favor of full disclosure on matters that ought to be of public interest and ought to be disclosed to the public. I have supported that concept continuously over the years. But I think that disclosure of the intelligence budget would, over the years, by virtue of the trends that were discovered, and which that would disclose, would certainly provide valuable assistance to our adversaries.

I think that if we were to provide that type of information, then we might just as well discontinue the type of activities that we are trying to continue to keep this country informed of for the benefit of the people who reside here.

I hope that the Senate will defeat this amendment overwhelmingly.

I thank the distinguished Senator for yielding.

Mr. STENNIS. Mr. President, I yield 4 minutes to the Senator from Washington.

Mr. JACKSON. Mr. President, I do not feel that this proposal really meets our national interest. It is true that a foreign intelligence service like the CIA must operate more openly in our society than any other similar service in any other democracy in the world. Let us look at the facts:

Last year the new Director of Central Intelligence, William Colby, appeared before the Senate Armed Services Committee and gave extensive testimony in public. I know of no other democratic society in which this would occur.

It has been mentioned here earlier, Mr. President, that the head of MI–6, which is British Intelligence, is known only to the Prime Minister of Great Britain. That is how close they keep that information.

The functions and responsibilities of the Central Intelligence Agency are fully prescribed in statute. I know of no other democratic society in which this has been done.

Finally, the appropriations for CIA are subject to a process which intimately involves four committees of the Congress who are aware of and approve the details of its programs.

The proposal before us is designed to contribute to a more informed public. But how can the public be really informed unless the details of CIA's programs are also spelled out? Yet, if we did so, I can guarantee that we will be providing what is necessary for our potential adversaries to neutralize the methods which we must use in order to obtain information about closed societies.

The paradox of the situation is reflected in the fact that recently some journalists were jailed in Sweden—certainly not a closed society—for merely mentioning that Sweden has an intelligence service.

In summary, our foreign intelligence service arises out of an act of Congress and all of its activities are closely scrutinized by a number of representative members of both the Senate and the House of Representatives. This is how we have resolved the balance between the needs of an open society and the needs for a secret foreign intelligence service. I certainly do not think that this is the time to unbalance the situation as I am confident enactment of the proposed amendment would do.

Mr. STENNIS. Mr. President, I thank the Senator. I am sorry I do not have more time, but I am glad to yield a minute to the Senator from Virginia.

Mr. WILLIAM L. SCOTT. Mr. President, I merely want to join with my colleagues on the Armed Services Committee in opposing this amendment. We are all proud of the open society of which we are a part, but there is a time when we must keep some of our intelligence secret, and I would urge my colleagues, in the interest of the country, to defeat this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, how much time does the opposition have remaining? I might have misunderstood the Chair.

The PRESIDING OFFICER. The opposition has 9 minutes. The proponents have 54.

Mr. STENNIS. Mr. President, I yield 3 minutes to the Senator from North Dakota.

Mr. YOUNG. Mr. President, I rise to oppose the amendment.

I see no objection to every Member of the Senate knowing exactly how much money is spent for intelligence, and Senators can get that information now if they want it. It cannot be made public though. But as one who has served for many years on this five-member Subcommittee on Intelligence Appropriations and Oversight I can see great danger in having to publicize the amount of money that can be spent for intelligence purposes.

Let me give a good example. During World War II, President Roosevelt spent some $4.5 billion, as nearly as I am able to ascertain, to develop the atomic bomb. That was probably the best kept secret this country ever had. It was a good thing it was, because the Germans had the know-how, and if they had known we were developing an atomic bomb, they could probably have developed one before us. I understand only five or six Members of Congress knew of that development. Even Vice President Truman did not know it until he became President. If the bomb had not worked, President Roosevelt might have been subject to impeachment for spending so much money without being authorized to do so.

Also, during World War II, a German named Richard Sorge became a Russian Communist spy. He found out from Japan that they had no intention of attacking Russia, but were going to move south, and as a result, the Russians were able to remove their crack troops from the Far East and win the war against Germany.

Our problem with the removing of the Russian missiles from Cuba posed a real critical situation. What was not generally known at that time was that a high ranking Russian G.R.U. intelligence agent named Oleg Penkovsky had turned against the Communists, and he was supplying information, quite accurate as it turned out, as to how far the Russians would go. If anyone wants to read something interesting on intelligence operations. The Penkovsky Papers is the most interesting book on the subject I have ever read.

I know there is great interest in the public knowing everything possible, but I think there are some things that should be kept secret for our own security.

Mr. STENNIS. That is a fine statement.

Mr. PROXMIRE. Mr. President, since this is my amendment, I prefer that the opposition make whatever statements they want to make. I intend to speak only another minute or so, and then I shall yield back the remainder of my time, which is 54 minutes.

Mr. STENNIS. Mr. President, if the Senator will conclude in 1 minute, I will yield back the rest of my time right now, and that will conclude the debate.

Mr. PROXMIRE. Mr. President, with all deference to my colleagues, I think this amendment has been very badly misinterpreted. It would not give away any secrets or expose any of the secret workings of the CIA. All it would do is provide one overall figure, of what our intelligence operations in total cost.

There has been not one example during the debate of how this figure could do us any damage; not one. How it would help the Russians is beyond me. If they inquire as to what the figure means, obviously they get no answer. But Members of the Senate or the House of Representatives, on the basis of this figure, could inquire if the total is increasing or decreasing, or determine whether they think it is too big or too small. I point out that it might very well be too small.

Finally, Mr. President, this proposal is not based on something that came from my mind, by any means. This is based on the recommendation of a bipartisan committee of Democrats and Republicans, headed by the majority leader and the minority leader, who recommended that the release of this limited information will be useful to the Senate in maintaining the necessary support of our intelligence operations.

I just cannot understand how Members of the Senate could be afraid of a little knowledge of a little information on the basis of which inquiry could privately be made, so we could see whether or not these enormous sums are being spent wisely. Now we do not know whether it is $1 billion, $5 billion, $10 billion, or what it is. We do not know whether the amount is going up or down. It has been indicated by the chairman of the Appropriations Committee that the amount has been fairly stable, and perhaps has declined in the last year or so. This is very useful to know. It seems to me that we have a right to know how much is involved and a duty to know, and a duty to act on the information.

Mr. President, I am prepared to yield back the remainder of my time, if the opposition is prepared to yield back its time.

Mr. STENNIS. Mr. President, I am glad to yield back the remainder of my time.

Mr. PROXMIRE. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. Haskell). All remaining time having been yielded back, the question is on agreeing to the amendment (No. 1369) of the Senator from Wisconsin (Mr. Proxmire).

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from California (Mr. Cranston), the Senator from Arkansas (Mr. Fulbright), the Senator from Indiana (Mr. Hartke), the Senator from Kentucky (Mr. Huddleston), the Senator from Hawaii (Mr. Inouye), the Senator from Massachusetts (Mr. Kennedy), the Senator from Utah (Mr. Moss), the Senator from Alabama (Mr. Sparkman), and the Senator from California (Mr. Tunney) are necessarily absent.

I also announce that the Senator from Missouri (Mr. Symington) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon) and the Senator from Oregon (Mr. Packwood) are necessarily absent.

The result was announced—yeas 33, nays 55, as follows:

[No. 224 Leg.]

YEAS—33

Abourezk
Baker
Bayh
Case
Church
Clark
Cook
Eagleton
Gravel
Hart
Haskell
Hatfield
Hathaway
Hughes
Javits
Magnuson
Mansfield
Mathias
McGovern
Metcalf
Metzenbaum
Mondale
Muskie
Nelson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Stafford
Stevenson
Weicker
Williams

NAYS—55

Aiken
Allen
Bartlett
Beall
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Helms
Hollings
Hruska
Humphrey
Jackson
Johnston
Long
McClellan
McClure
McGee
McIntyre
Montoya
Nunn
Pastore
Pearson
Percy
Roth
Scott, Hugh
Scott,
  William L.
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Young

NOT VOTING—12

Bellmon
Cranston
Fulbright
Hartke
Huddleston
Inouye
Kennedy
Moss
Packwood
Sparkman
Symington
Tunney

So Mr. Proxmire's amendment (No. 1369) was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. McINTYRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1378

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of amendment No. 1378, by the distinguished Senator from Minnesota (Mr. HUMPHREY), which the clerk will report.

The second assistant legislative clerk proceeded to read the amendment.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

> On page 17, between lines 20 and 21, insert a new section as follows:
>
> SEC. 703. Notwithstanding any other provision of law, no funds appropriated pursuant to this or any other Act may be used for the purpose of carrying out research, testing, and/or evaluation of poisonous gases, radioactive materials, poisonous chemicals, biological, or chemical warfare agents upon dogs.

The PRESIDING OFFICER. Time for debate on this amendment shall be limited to 30 minutes, to be equally divided between and controlled by the mover of the amendment and the manager of the bill.

Mr. HUMPHREY. I yield myself such time as I may need.

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats or retire to the cloakroom for their conversations. The Senator will not proceed until the Senate is in order.

Mr. HUMPHREY. Mr. President, I discussed this amendment yesterday. I want to be sure that the Department of Defense and its related departments or agencies do not engage in the use of dogs for carrying out research, testing, and evaluation of poisonous gases, radioactive materials, poisonous chemicals, biological or chemical warfare agents. That is the whole purpose of this amendment.

The PRESIDING OFFICER. The Senate is not in order. The Senator from Minnesota is entitled to be heard. The Chair asks the indulgence of Senators.

Mr. HUMPHREY. Mr. President, because I want to make sure that this amendment is specific and is directed toward the Department of Defense, as it relates to the use of dogs in the testing of poisonous gases, radioactive materials, poisonous chemicals, and biological or germ warfare agents. I want to change my amendment very simply, by making sure that it applies directly to this act. Therefore, on line 2 I would say:

> No funds appropriated pursuant to this Act may be used for the purpose of carrying out research, testing . . .

I so modify the amendment.

The PRESIDING OFFICER. The Chair advises the Senator that inasmuch as the yeas and nays have been ordered, unanimous consent is required.

Mr. HUMPHREY. I ask unanimous consent.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The modified amendment is as follows:

> On page 17, between lines 20 and 21, insert a new section as follows:
>
> SEC. 703. Notwithstanding any other provision of law, no funds appropriated pursuant to this Act may be used for the purpose of carrying out research, testing, and/or evaluation of poisonous gases, radioactive materials, poisonous chemicals, biological, or chemical warfare agents upon dogs.

Mr. HUMPHREY. Mr. President, the purpose of that is for clarity. We are not trying in this proposal to move in on the National Science Foundation, in its normal research work, or the Department of Health, Education, and Welfare.

I wonder what the arguments are against this particular proposal. The arguments are, of course, that if the Humphrey amendment, known as the beagle amendment, passes, it will restrict research, and it will complicate the problems of the Department of Defense on ascertaining how much, for example, an individual or man can take in a submarine; how much bad air; how much polluted air.

Mr. President, I say all of that is not relevant because if the Department of Defense wants to make tests as to the effect of poisonous gases, radioactive materials, poisonous chemicals, biological, or germ warfare agents, there are plenty of other animals they could use such as rates and mice.

I do not believe any Member of this body wants to see the Department of Defense advertise, as it has recently, for 450 beagle puppies for the purpose of testing poisonous gases, radioactive materials, poisonous chemicals, biological or germ warfare agents.

I, for one, am trying to save the Department of Defense from a little more bad publicity. I hope they were mistaken in that original advertisement. This amendment really is the result of conversations I have had with the distinguished Senator from Washington (Mr. MAGNUSON), who long has been interested in this kind of legislation. The Senator from Washington was not on the floor yesterday when I proposed this amendment, so I ask unanimous consent that his name be added as a principal cosponsor of the amendment, along with the Senator from Kansas (Mr. DOLE), and the Senator from West Virginia (Mr. RANDOLPH).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. These Senators all have given serious consideration to this proposal.

Mr. President, the amendment before us addresses the question of the cruel testing by the Department of Defense of poisonous gases, germ warfare agents, nerve gas, biological warfare agents, poisonous chemicals, and radioactive materials on dogs.

As I pointed out to my colleagues late yesterday afternoon upon introduction of this amendment, the military branches have been insensitive to the hue and cry in this country against their continued use of dogs in test gas programs. The DOD has used dogs extensively and currently is using dogs in the evaluation of the toxicity and disabling nature of poisonous gas. The DOD needs some direction in its use of dogs in an experimentation program. My amendment gives it that direction. It prohibits the use of dogs in all such deadly and cruel experimentation.

Mr. President, I find the poison gas experiments by the DOD on dogs—on man's best friend—reprehensible.

It is one thing to do legitimate medical research on rats and rabbits, but it is quite another thing to use dogs, to use beagle puppies, in the testing of poisonous nerve gas and radioactive material and other deadly agents of warfare.

I want to remind my colleagues in the Senate of the moving words of Senator George G. Vest, who served in the Senate in the late 1800's to 1903:

> The one absolutely unselfish friend that man can have in this selfish world, the one that never deserts him, the one that never proves ungrateful or treacherous, is his dog . . . He will kiss the hand that has no food to offer. . . . When all other friends desert, he remains.

I introduce this amendment not only to protect our dogs, which are so close to our hearts, but also with earnest concern for the provisions of the Geneva Protocol of 1925 which prohibits the use of asphyxiating, poisonous, or other gases, in war, and the use of bacteriological methods of warfare.

I am the author of Senate Resolution 48 which calls for the Senate to support a broad interpretation of the Geneva protocol. In so doing my resolution recommends that the United States be willing, on the basis of reciprocity, to refrain from the use in war of all toxic chemical weapons whether directed against man, animals, or plants.

The amendment which we are considering today is in the context of my concern that we prohibit the development and use of all chemical and biological weapons whether directed against man or man's best friend.

The DOD currently is testing poisonous gases on beagles and it will continue to do so unless we prohibit such a heartless practice.

Senators have been calling the Department of Defense, editors have been writing editorials, doctors have been protesting, but the Department of Defense just goes willy-nilly on its way with its deadly research on dogs.

As I indicated earlier, the U.S. Army's Edgewood Arsenal in Maryland currently is advertising for 450 beagle puppies to be used to test poisonous chemicals and gases. We must stop the appalling suffering which the dogs must experience in these DOD experiments.

If my colleagues were able to read the scientific description of some of these experiments from the American Hygiene Journal, which appeared in the RECORD yesterday, I am sure they will want to stop these devastatingly cruel experiments by supporting my amendment. I urge its adoption.

Mr. President, before anything further is said about it, there is not one bit of necessary research that would be inhibited by this amendment. Not one bit of research has to be done on dogs in connection with poisonous gases, radioactive materials, poisonous chemicals.

biological, or germ warfare agents that could not be done on rodents.

I suggest the Department of Defense take greater interest in rats and leave the dogs alone. I am confident that this Senate is overwhelmingly going to approve the amendment which may on its face seem to be an amendment which is small and inconsequential. But let me warn the Senate that millions of people in America are fed up with this kind of insensitive action on the part of researchers in the Department of Defense. I speak for those millions of people. If we do not agree to this amendment, the mail service will be behind one month delivering the protests coming to this body.

Mr. McINTYRE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. McINTYRE. Mr. President, I ask that the Senator add my name as a cosponsor.

Mr. HUMPHREY. I thank the Senator. I ask unanimous consent that the Senator's name be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. I would be glad to add the names of other Senators who wish to join in sponsoring the amendment. There will be a rollcall vote.

Mr. RANDOLPH. Mr. President, will the distinguished Senator from Minnesota, my able colleague, yield?

Mr. HUMPHREY. I yield.

Mr. RANDOLPH. Mr. President, the presentation of the Senator from Minnesota (Mr. HUMPHREY) is factual and it is a privilege to join with him as a cosponsor. This amendment has been presented on its merits.

It is my belief that better methods can certainly be found for experimentation by the Department of Defense in dangerous research projects. I realize that adequate safeguards must be developed to insure the health of military personnel in their occupational environment. However inflicting pain and punishment on animals must be discontinued.

I understand the public outrage over the use of beagle dogs and other types of animals for research. Those who have had dogs as pets realize the happiness that they provide to children and families as household pets and even protectors. As a young boy, two of my favorite companions were my loyal pet dogs. No matter how bad the day and its problems are, a dog seems to understand.

The sentiment and compassion of former Senator George Vest of Missouri are well known and should remind us this afternoon to recognize the friendship of dogs. More emphasis must be directed toward preventing suffering of animals in research. Through public service groups and organizations animals are now receiving more protection and attention and this amendment will significantly strengthen that effort. It will help insure that Government also meets its obligation in this area.

This proposal, Mr. President, is a good one and I hope it will be approved by the Senate.

Mr. HUMPHREY. I thank the Senator. It is not only this concern that I express, but not long ago I rose to protest what happened to a group of black men in Tuskegee when medical research caused them to suffer the ravages of syphilis when they could have been cured. The Government should set a good example. When people do not set a good example and violate humane principles, we should straighten them out.

Mr. STENNIS. Mr. President, I yield myself 1 minute. I wish to yield to the Senator from South Carolina who has a matter that he wishes to present. I understand he has been in conference with the Senator from Minnesota.

I yield to the Senator from South Carolina for 5 minutes.

Mr. THURMOND. Mr. President, as far as we are concerned we are willing to take the amendment to conference. I have conferred with the distinguished Senator from Minnesota. The only concern we have is that we do not want to handicap any research that might help human beings. By the time we go to conference I think a fair study can be made of the matter because I think everyone is sympathetic toward dogs. No one wants to see any dog harmed unless it is absolutely essential to protect human life.

We are willing to take the amendment to conference.

Mr. HUMPHREY. Mr. President, I appreciate those words. I want to make it very clear that one of the reasons I want a rollcall is that I have been taken to conference before. I have been taken to the mountain. I did not quite get to Heaven, but I have been taken to the mountain. Now I am on steady ground. I have quit running for these big offices. I have quit going to conferences. I know we will go to conference on this amendment, but I want a rollcall vote rather than just be told it will be taken to conference. I have hit a few sliders in my day, but this is a home run. I want to be sure we touch all the bases. I want to ask for the yeas and nays.

I will yield back the remainder of my time.

Mr. STENNIS. Mr. President, I wanted to say a word, but first I will let the Senator ask for the yeas and nays.

Mr. HUMPHREY. They have already been ordered.

Mr. STENNIS. I am glad to yield to the Senator from Wyoming 3 minutes.

Mr. HANSEN. Mr. President, I do not think I could fairly be categorized as a person insensitive to the need for compassion for every living creature. I happen to be a rancher. I have spent most of my life working around animals, and I know something about their needs, what hunger does to them, what cold does to them, and everything else; but I must say that I was on Livestock, Research and Marketing Advisory Committee to the Secretary of Agriculture and while I was on that committee we visited Oak Ridge, Tenn., where some experiments were being carried on with animals to test what effect radiation had on those animals and what might be done with respect to adequate use of modern drugs and treatment in order to minimize the effect that oftentimes follow exposure to radiation.

I fully appreciate the compassion that prompts the distinguished Senator from Minnesota to speak out as he has, but I must say that I think we have to be realistic in this day and age if we are to learn how—and I hope we will never have to face the problem—to decide what to do in case some of our population, or people anywhere, are subject to poison gases, or whatever. I cannot think it makes good sense on behalf of this Government to say categorically that it will be denied the use of animals for experimental purposes in undertaking to evaluate the impact of some of the modern implements of war.

For those reasons, I am going to have to vote against this amendment.

I wanted to say a word because I appreciate my good friend's sentiments, and I suspect I will be only one of a very small number not to support the amendment; but I think the concern of humanity has to be overriding, and for those reasons I will vote against the amendment. I thank the Senator for yielding.

Mr. STENNIS. Mr. President, I yield myself 5 minutes.

I was getting ready to thank and compliment the Senator from Minnesota for a very fine speech he made on a preceding amendment here, and I am going to go ahead and do that, anyway, although I want to remind him and the rest of my colleagues that this is a military procurement bill concerning billions of dollars for missiles, submarines, ships, and manpower to carry that program forward. We do not want to let it be used as a kind of handrack or dog rack, or anything of that kind. I think I know something about it. I am not going to quote what the Senator said about a dog and what the Senator from West Virginia said with reference to Senator Vest, but I know the seriousness of the Senator from Minnesota and the seriousness of this matter, too.

I know the yeas and nays have been ordered, and it is all right, but it is rather serious to me that we call nearly 100 Senators away from their business to come in and vote on amendments that are noncontroversial and that have already been accepted, as announced by the Senator from South Carolina here.

We are going to try to have other amendments ready on the bill after this vote, and also we are ready to get agreements on any we can for tomorrow or for Thursday. I know our leaders are working on that matter.

I have the Senator from New Hampshire in mind here. I have asked him to be prepared on a special speech, and I want a chance to hear his speech this afternoon.

If Senators will excuse those rambling remarks, which are for the benefit of Senators who may be interested, I now, under those circumstances, yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, if the Senator will yield to me on the matter of a rollcall, as I said yesterday, I was prepared to go without it, but a number of our colleagues have asked that we have it, and I think it is only fair that I should keep my word on it.

Mr. STENNIS. I take no exception to it. I make the general observation that I think we have to mend our ways on some of these rollcalls.

Mr. DOLE. Mr. President, I would like to associate myself with the remarks of my friend from Minnesota, Mr. HUMPHREY, who has introduced an amendment to the military procurement bill that would bar experimentation on beagles. I am pleased to be a cosponsor of that amendment.

PREVIOUS ACTION TAKEN

Last December, I wrote to John L. McLucas, Secretary of the Air Force, to protest experiments using beagle dogs to test environmental pollutants at Wright-Patterson Air Force Base in Ohio. I considered these experiments conducted on mute victims to be cruel and inhumane. I was assured at that time that it was not the policy of the U.S. armed services to conduct experiments that would cause needless suffering and torture of these domestic animals.

I now understand that the Edgewood Arsenal Research Center has advertised for 450 beagle puppies to be used in experiments with toxic materials used in chemical and biological warfare. I have been informed that the research center has used 446 beagles for these tests since July 1, 1973. Those dogs that do not die during the painful experiments are killed later for autopsies to study the effects of the gases. In many cases these animals are debarked so they cannot emit so much as a whimper during these experiments.

CONGRESSIONAL MEASURE NEEDED

At present there are no laws to protect dogs in laboratories. No regulations at all as to what can be done to them, no requirements that they be handled humanely—only suggested guidelines. It is obvious to me that it will take more than the public outcry to halt these experiments and provide for the humane treatment of these domestic animals.

It is the public policy in this Nation to prevent inhumane treatment of both domestic and wild animals as evidenced by the excellent and often thankless work of the SPCA and various humane societies. The Congress itself has taken a stand on the treatment of wild horses and has set stiff anticruelty regulations on trapping practices. The taxpayers resent their tax dollars being used to finance these experiments where no safeguards have been provided to insure that the methods used are painless, or that more humane, alternative procedures could not achieve the same research results.

I believe it is time for the Congress to help stop this barbaric cruelty. In addition to cosponsoring Senator HUMPHREY'S amendment, I earlier introduced similar legislation that would prohibit the departments and agencies of the Federal Government from using dogs in these experiments, causing needless suffering and inhumane treatment of these domestic animals.

I would hope that the Congress will respond swiftly to this problem, and will act to put an end to these practices which are so abhorrent to the American people.

Mr. McINTYRE. Mr. President, I must compliment my distinguished friend and colleague, the Senator from Minnesota, who has exhibited his admirable humanitarian spirit by introducing an amendment to prohibit the use of dogs for experimental purposes involving their exposure to poisonous gases, radioactive materials, poisonous chemicals, and biological or chemical warfare agents. By taking the lead on this matter Senator HUMPHREY will be recognized as a leader of humane causes.

I am surprised that the Department of Defense opposes this amendment. But then again, there are many other activities of the Department which also surprise me.

Concern for this testing process was first brought to my attention by many active members of New Hampshire's Humane Society. Since that time I have repeatedly expressed my concern for these dogs to Secretary McLucas and was surprised to read recently that this testing process is being extended.

I find it hard to believe that if testing of these materials is necessary, no alternative method of testing can be employed. This matter has caused an unprecedented swell of correspondence from humane societies across the country.

Dogs have won a place in almost everyone's heart and rightly so. As a watchdog this animal protects our lives, our children, and our property when we cannot be there; as an aide dogs serve our men-in-blue patrolling the dark and lonely alleys of our cities; or snffing out narcotics for our customs agents; as a friend and companion the hunting dog enhances our leisure time. I can think of few crueler ways to utilize the talents of this valuable member of the animal kingdom than has the Department of Defense.

There are many actions brought against our animal population which are cruel and unfair. In the past I have supported legislation aimed at correcting some of these abuses.

Therefore, I wish to join with my good friend from Minnesota in strongly recommending adoption of his amendment.

Mr. STENNIS. While I am not going to vote for the amendment on the military procurement bill, I have nothing further to say, and I yield back my time.

Mr. HUMPHREY. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Minnesota.

The yeas and nays have been ordered, and the clerk will call the roll——

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO CONVENE AT 10 A.M. ON WEDNESDAY, THURSDAY, AND FRIDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, tomorrow, and Thursday, it stand in adjournment until the hour of 10 a.m., respectively, on Wednesday, Thursday, and Friday.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO CALL UP MANSFIELD AMENDMENT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the close of business tomorrow, the distinguished majority leader may be recognized to call up his troop withdrawal amendment and that it be made the pending business for Thursday.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, the requests I am about to propound have been cleared with the distinguished manager of the bill (Mr. STENNIS), the distinguished ranking minority member of the committee (Mr. THURMOND), the distinguished assistant Republican leader (Mr. GRIFFIN), and other Senators.

Mr. President, I ask unanimous consent that on Thursday there be a time limitation on the bill of 3 hours; that all amendments dealing with troop withdrawals and/or troop reductions be in order for Thursday only; that there be a time limitation on the Mansfield amendment of 3 hours, to be equally divided between Mr. MANSFIELD and Mr. STENNIS; that there be a time limitation on any amendment to that amendment of 30 minutes, with a time limitation on any debatable motion thereto or appeal of 30 minutes, to be equally divided and controlled in accordance with the usual form; that there be a time limitation on any other amendment to the bill, dealing with troop withdrawals or troop reductions, of 1 hour, to be equally divided in accordance with the usual form, with a limitation on amendments to such amendment of 30 minutes, and the same with reference to debatable motions and appeals; and that the division of time and the control of time be in accordance with the usual form; with the understanding that Senators in control of the time for debate on the bill may yield therefrom to any Senator on any amendment, debatable motion, or appeal.

Mr. McINTYRE. Mr. President, may I ask the majority whip a question?

Mr. ROBERT C. BYRD. Yes.

Mr. McINTYRE. There is nothing suggested in your unanimous-consent agreement which would prevent calling up my amendment, along with that of Senator BROOKE, on counterforce, which we would like to offer this week or sometime next week?

Mr. ROBERT C. BYRD. No. This request, if granted, would not prevent amendments dealing with other subjects from being called up on Thursday. It would, however, require all amendments dealing with troop withdrawals and troop reductions to be called up on Thursday.

Mr. GRIFFIN. Reserving the right to object, the Senator's very last sentence clears up a point which was not too clear, because the majority whip said the troop withdrawal amendments would be called up, in order, on Thursday; but it is further understood that all troops withdrawal and troop reduction amendments would be called up on Thursday.

Mr. ROBERT C. BYRD. They would be required. In other words, they would not be eligible on any other day.

Mr. HUMPHREY. Mr. President, will the Senator yield? That means we will definitely vote on all troop withdrawal amendments on Thursday, whatever the hour.

Mr. ROBERT C. BYRD. Yes. They will be disposed of on Thursday.

Mr. HUMPHREY. Mr. President, will the Senator yield for one other question?

Mr. ROBERT C. BYRD. Yes.

Mr. HUMPHREY. Do I understand that on Friday we will not be on the Defense authorization bill?

Mr. ROBERT C. BYRD. Oh, yes, we will still be on the Defense authorization bill if it has not been disposed of on Thursday, as it will probably not be. But it would mean that no troop withdrawal amendments or troop reduction amendments would be in order on Friday or thereafter.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. GRIFFIN. Reserving the right to object, it is my understanding that on the Mansfield amendment there would be a time limit of 40 minutes instead of 30 minutes.

Mr. ROBERT C. BYRD. The Senator is correct. I modify my request accordingly, Mr. President. We had first talked in terms of 30 minutes. I think the chairman suggested 40 minutes. It will be 40 minutes.

Mr. STENNIS. Mr. President, reserving the right to object, and I do not intend to object, but to be certain we understand each other on troop withdrawal or troop reduction amendments, the substance is they will be eligible on Thursday of this week and at no other time.

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. STENNIS. Also, if there is time, other amendments on other subjects can be called up and disposed of, but only if there is time to take care of them and also to take care of the amendments on troop reductions.

Mr. ROBERT C. BYRD. The Senator is correct; with the further understanding that there would be no time limitation on other amendments unless such agreements were entered into subsequent to this moment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, if I may have 1 additional minute, I ask unanimous consent that on the amendment dealing with the B-1 bomber, to be proposed by the distinguished Senator from South Dakota (Mr. McGovern), there be a limitation thereon of 3 hours, to be equally divided between Mr. McGovern and Mr. Stennis, with a limitation on any amendment thereto of 30 minutes, to be equally divided in accordance with the usual form, with a time limitation on any debatable motion or appeal, of 20 minutes, to be divided in accordance with the usual form; and that the amendment by Mr. McGovern be laid down at the close of business today.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. I thank all Senators.

Mr. McINTYRE. Mr. President, may I ask the majority whip whether he cleared that with the senior Senator from South Dakota (Mr. McGovern)?

Mr. ROBERT C. BYRD. Yes.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975

The Senate continued with the consideration of the bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procuremnet of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

The PRESIDING OFFICER. The question is agreeing to the amendment of the Senator from Minnesota (Mr. Humphrey). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from California (Mr. Cranston), the Senator from Arkansas (Mr. Fulbright), the Senator from Kentucky (Mr. Huddleston), the Senator from Hawaii (Mr. Inouye), the Senator from Massachusetts (Mr. Kennedy), the Senator from Utah (Mr. Moss), the Senator from Alabama (Mr. Sparkman), the Senator from California (Mr. Tunney), and the Senator from Indiana (Mr. Hartke) are necessarily absent.

I also announce that the Senator from Missouri (Mr. Symington) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), and the Senator from Oregon (Mr. Packwood) are necessarily absent.

The result was announced—yeas 76, nays 12, as follows:

[No. 225 Leg.]

YEAS—76

Abourezk
Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Dole
Domenici
Dominick
Eagleton
Fannin
Fong
Goldwater
Gravel
Griffin
Gurney
Haskell
Hatfield
Hathaway
Helms
Hollings
Hughes
Humphrey
Jackson
Javits
Johnston
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Talmadge
Thurmond
Weicker
Williams
Young

NAYS—12

Bennett
Curtis
Eastland
Ervin
Hansen
Hart
Hruska
McClure
Scott,
  William L.
Stennis
Taft
Tower

NOT VOTING—12

Bellmon
Cranston
Fulbright
Hartke
Huddleston
Inouye
Kennedy
Moss
Packwood
Sparkman
Symington
Tunney

So Mr. Humphrey's amendment (No. 1378, as modified) was agreed to.

Mr. HUMPHREY. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STENNIS. Mr. President, before we take up the next amendment, there is a certain matter pending here that the Senator from New York (Mr. Buckley) and the Senator from Nevada (Mr. Cannon) want a 3-minute colloquy on, and I ask unanimous consent that they be allowed——

Mr. ROBERT C. BYRD. Without prejudice to the Senator from Delaware (Mr. Biden) who has already been recognized.

Mr. STENNIS. I understand—yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, I thank the distinguished Senator from Delaware and the committee chairman for their accommodation. I am anxious to clarify one item in the bill and address my question to the Senator from Nevada (Mr. Cannon).

On lines 17 to 20 on page 2 of S. 3000, funding for the A-10 or the A-7D aircraft is made conditional on the winner of a fly off competition between such aircraft.

I call attention to the language which states:

> . . . provided no objection is interposed by any of the four authorizing or appropriation committees having jurisdiction over such procurement, . . .

Is it not a proper understanding of that clause, that Congress does not intend this procedure be used either to impose undue delay in providing the procurement funds or to circumvent the results of a flyoff between the two aircraft?

Mr. CANNON. Mr. President, the answer to that question is "Yes," I say to my colleague from New York. It is not our intent to delay procurement in any way. We hope, as a matter of fact, that they will proceed expeditiously in resolving the winner and announcing the results. But we feel that the appropriate committees of Congress should be notified what action is proposed to be taken, in the event there was any desire to review or modify that in any way. So there is no intent to delay the program. We realized the time constraints regarding the flyoff that we on the committee were confronted with and, therefore, we did write the amount of the funds into the bill but put in the language so that they could proceed in either direction.

Mr. BUCKLEY. I thank my friend from Nevada very much for this clarification; and also my colleague from Delaware (Mr. BIDEN) for his accommodation.

Mr. BIDEN. Mr. President, I ask unanimous consent that a member of my staff, Dale Lewis, be permitted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1282

Mr. BIDEN. Mr. President, I call up my amendment, No. 1282. and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> On page 8, between lines 15 and 16, insert a new section as follows:
>
> SEC. 702 (a) The Congress declares that it is not a proper function of the Department of Defense, in determining the amount of the budget for that department for any fiscal year, to make allowances for amounts needed to help stimulate or otherwise effect a change in the domestic economy. No funds authorized to be appropriated to the Department of Defense by this or any other Act may be expended for the purpose of stimulating or otherwise affecting a change in the domestic economy unless the expenditure of such funds for such purpose is specifically authorized by law enacted after the date of enactment of this Act.
>
> (b) The Secretary of Defense shall submit a written report to the Congress within thirty days after the date of enactment of this Act indicating the specific amounts, if any, requested or included in the budget of the Department of Defense for the fiscal year ending June 30, 1975, which were requested or included for the primary purpose of stimulating or otherwise effecting a change in the domestic economy.

Mr. ROBERT C. BYRD. Mr. President, will the Senator from Delaware be agreeable to a time limitation of 30 minutes to be equally divided between Senator STENNIS and the Senator from Delaware?

Mr. BIDEN. I have no objection.

Mr. ROBERT C. BYRD. Mr. President, then I so request it and ask unanimous consent that it be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. Mr. President, I do not anticipate taking the full 30 minutes, but I would like to take this opportunity to thank the distinguished Senator from Mississippi, the rest of the Armed Services Committee and its staff for doing such a comprehensive and responsible job in regard to reporting the Defense Department's authorization request for fiscal year 1975.

In view of the overwhelming nature of the Defense Department's annual requests and the speed with which the committee conducted hearings that were quite thorough and then marked up the bill for consideration by the full Senate, I think that the distinguished Senator accomplished an even more formidable and noteworthy job. I should like to make one last remark before beginning discussion of the amendment that I have introduced to the Defense Department's authorization for fiscal year in 1975.

I should like to express for myself and my colleagues our sentiment for the healthy return to your responsibilities here in the Senate, Senator STENNIS.

At this time, I should like to open for discussion my amendment to this defense request.

This amendment is divided into two sections.

The first section declares the will of Congress that the Defense Department may not during any fiscal year adjust its budget to help stimulate or effect a change in the domestic economy.

Funds would be expressly prohibited from such use.

Second, this amendment requires the Secretary of Defense to submit a written report to the Congress within 30 days of enactment of the fiscal year 1975 Department of Defense budget authorization appropriation specifying and delineating amounts, if any, included for the primary purpose of stimulating or effecting a change in the domestic economy.

Some might ask why such an amendment is necessary.

I offer it to my distinguished colleagues for consideration in response to certain statements that Secretary of Defense Schlesinger made, during hearings on February 29, 1974, before the House Appropriations Defense Subcommittee, and also to newsmen following these hearings.

Although there seems to be some contradictions in various statements that he made, the gist of Secretary Schlesinger's remarks indicate that there is an element of economic stimulation in the Defense Department fiscal year 1975 budget request.

I should like to quote from parts of Secretary Schlesinger's testimony.

This may be found in part I, page 336 of the Defense Department hearings before the House Defense Appropriations Subcommittee.

Secretary Schlesinger said:

> It (FY 1975 Budget Request) only provides economic stimulus in the sense that Mr. Mahon addressed the subject, that is, the defense budget might have shrunk in real purchasing power were it not for the employment situation.

Secretary Schlesinger also said:

> But I believe it was recognized late in calendar year 1973 that there may be an easing of the economy and some growth in unemployment, and that as a consequence of that, the total figure for budget outlays could be relaxed.

A little later in the testimony, Secretary Schlesinger said:

> If there had not been this perception of an easing economic environment, I believe our outlays might have been a billion or a billion and a half dollars less in (fiscal year) 1975.

Interestingly enough, there was a followup to the Secretary's remarks.

In the Washington Post, on May 22, 1974, in a story by Michael Getler, the following points were made.

Schlesinger sought to correct his own earlier indications that as much as $6 billion extra may have been allowed to remain in the defense budget by the White House to pump up the domestic economy.

He said about $1.5 billion in actual spending was retained equal to perhaps $2 to $3 billion in obligational authority.

At this time, I would like to assure you, Mr. President, that my argument does not rest on the fact that extra money was added to the budget late in the budget cycle or even that money was in there that might ordinarily have been cut out if our country had been enjoying normal economic times, but rather that somehow, some of the budget contains money that can be construed from the Secretary of Defenses' testimony as pump priming or employment growth oriented.

My contention is that the defense budget is an inappropriate place to cushion, prime or stimulate the domestic economy.

I, along with the distinguished chairman, can only support—and I do not mean to imply that he uncategorically supports this—appropriations that respond to the needs of our national defense and security.

I think that all of my fellow colleagues would agree that in debating this proposed budget request we should not consider amounts included to help cushion our slumping economy against rising unemployment.

I raise this question, because when we put this issue in its proper perspective, one must ask, why use defense spending rather than increased spending in the civilian sector of the Federal budget to stimulate or aid the economy?

I would argue that other departments of the Federal Government might better help decrease unemployment by producing more jobs and increasing the output of goods and services than the Defense Department.

I should like to share some statistics with you, Mr. President, compiled by the U.S. Department of Labor, in the Bureau of Labor Statistics, bulletin No. 1733, 1972, table 9 that show that $1 billion spent on defense generates 75,812 jobs, while the same amount spent at the State and local level would create 80,041 jobs if spent on healthcare and 104,019 jobs if spent on education.

Money spent in the civilian sector has a greater potential to have a multiplier effect by creating more jobs.

Basically, I am making two propositions.

First, economic stimulants should be aimed at meeting domestic needs.

The object of the annual defense budget is to insure national security.

I contend that funding might better be increased for public service jobs, summer youth programs, housing and mass transit where such funds could be targeted on critical areas of need and unemployment.

Second, pumping money into defense spending has an inflationary effect, because goods and services are not produced that are needed by the ordinary consumer or other Government agencies.

I offer this amendment from a position of concern about the present and continuing status of our domestic economy which concerns us all.

Before voting on my amendment, I would like to suggest a few minor technical changes.

On page 1, line 1, substitute "Section 703," in lieu of "section 702."

On the same page, on line 3, insert "request" following the word "budget."

On line 4, page 1, substitute the word "designed" for the word "needed."

I ask that the amendment be so modified; and if I need unanimous consent to do so, I request it.

The **PRESIDING OFFICER**. The amendment will be so modified.

The modified amendment is as follows:

> On page 9, after line 2, insert a new section as follows:
>
> Sec. 703. (a) The Congress declares that it is not a proper function of the Department of Defense, in determining the amount of the budget request for that department for any fiscal year, to make allowances for amounts designed to help stimulate or otherwise effect a change in the domestic economy. No funds authorized to be appropriated to the Department of Defense by this or any other Act may be expended for the purpose of stimulating or otherwise affecting a change in the domestic economy unless the expenditure of such funds for such purpose is specifically authorized by law enacted after the date of enactment of this Act.
>
> (b) The Secretary of Defense shall submit a written report to the Congress within thirty days after the date of enactment of this Act indicating the specific amounts, if any, requested or included in the budget of the Department of Defense for the fiscal year ending June 30, 1975, which were requested or included for the primary purpose of stimulating or otherwise effecting a change in the domestic economy.

Mr. **BIDEN**. In addition, I invite the attention of my colleagues to an article that appeared in today's Baltimore Morning Sun, and I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The $5 Billion Target Set for Cuts; White House Hopes To Trim 1975 Budget

(By Art Pine)

Washington.—The Nixon administration tentatively has set a target of $5 billion for its planned federal spending cutbacks for fiscal 1975, officials disclosed yesterday.

Policy-makers cautioned that final plans have not been worked out yet, but said the $5 billion figure is being viewed as "a good working target." Fiscal 1975 begins July 1.

The administration is hoping to trim outlays substantially in fiscal 1975 as part of its effort to slow inflation. Strategists are trying to tighten spending policy gradually in fiscal 1976.

Planners said they still have not decided where cutbacks will be made, but indicated paring would be timed to fall in the first half of the fiscal year to have some impact on the economy by January or February.

PROGRAMS UNKNOWN

There traditionally is a lag of six to nine months between a policy change and a visible effect on the economy. Impact by January would mean rapid results.

There were no precise indications which programs would be cut. Policy-makers said they still are at the beginning planning stages and have not decided on specific cutbacks.

However, officials asserted the cutbacks would be made in relatively small amounts across the board, with no single program suffering a major setback.

Planners said at least some "trimming" probably would be done by deferring some outlays originally scheduled for fiscal 1975 until the following fiscal year—a maneuver that trims the fiscal 1975 deficit, but adds to fiscal 1976.

In any case, officials asserted there would be no major presidential impoundment of funds, as was done by the White House to reduce outlays in fiscal 1973—apparently in part because President Nixon has less political clout now.

SOME ROOM

Strategists conceded that any White House refusal to spend sums appropriated by Congress probably would run into serious opposition. "We're not talking about actions that would not be sustainable," one said.

Apart from deferring or accelerating some expenditures, the administration has some room to make spending cuts, mostly by paring new urban development outlays and cutting construction projects and some operating costs.

Budget analysts outside government were skeptical whether the White House would be able to make enough lasting cuts to trim outlays by the $5 billion target. However, most conceded it was at least a possibility.

In discussing their cutback plans, administration planners said the fiscal 1975 cuts would be designed to do two things: to provide symbolic evidence the government was battling inflation and to serve as a steppingstone for 1976.

To approach a balanced budget in fiscal 1976, the administration must begin trimming outlays now, planners noted. "In that sense," one said, "we must make actual reductions in fiscal 1975, not just deferrals."

Revised budget figures published Friday point to projected outlays of $305.4 billion for fiscal 1975, with receipts estimated at $294 billion, resulting in an expected $11.4 billion deficit.

THE $6.4 BILLION DEFICIT

If the current target were carried out, officials said, cutbacks would trim outlays to $300 billion, resulting in a $6.4 billion deficit, assuming that revenues came in as projected.

The $5 billion target involves projections at an annual rate. If cutbacks were concentrated in the first half of the fiscal year, this means reductions would be sharper early in the year and would taper by year-end.

Mr. **BIDEN**. The thrust of the article discloses that administration officials yesterday set a target of $5 billion for its planned Federal spending cutbacks for fiscal year 1975.

I bring this to the attention of Senators, because it is consistent with the spirit of my amendment—to slow inflation and insure a balanced budget.

Mr. President, on the desk of each Senator is a very brief five-point summary of my amendment and what it is intended to do.

I should like to emphasize to the chairman, as I am sure he already knows, and the ranking minority member of the committee that this amendment does not set a ceiling. It is not intended specifically to cut the budget. It is intended to state a policy that the place to prime the economy is not in the Defense Department. It is not appropriate. If there is money that would not ordinarily be expended for defense, it should not be left to the discretion of the Department of Defense to make such an expenditure in order to stimulate the economy.

I yield to the Senator from Mississippi.

Mr. **STENNIS**. I yield myself 5 minutes, and I should like to question the author of the amendment for a minute.

I address this question to the Senator from Delaware. As I understand the amendment, first, it expresses the thought and the attitude of Congress that amounts put into the budget for the Department of Defense to stimulate or otherwise affect a change in the economy would not be a proper function of the Department of Defense.

Mr. **BIDEN**. That is correct. That is the objective.

Mr. **STENNIS**. I agree wholeheartedly with the sentiment of the Senator from Delaware. I said this morning, before I knew that his amendment was going to be called up, that I did not think the Department of Defense should ever be used in a make-work program or to stimulate the economy solely, that its function is to see to the security of the United States and to have the military strength apparent, so that it will deter others, and that we will be prepared if we have to go to war. I am in sympathy with the sentiments in the first provision.

I come now to line 2, page 2, of the Senator's amendment:

> No funds authorized to be appropriated to the Department of Defense by this or any other Act may be expended for the purpose of stimulating or otherwise affecting a change in the domestic economy unless the expenditure of such funds for such purpose is specifically authorized by law enacted after the date of enactment of this Act.

Of course, the Senator recognizes that this language allows for the fact that expenditures by the Department of Defense in a community will stimulate and thereby affect the economy of the area. That is recognized by the distinguished Senator, I assume.

Mr. **BIDEN**. Yes, it is. It is not my intention to affect that.

Mr. **STENNIS**. The ordinary expenditures, even the extraordinary expenditures, if they were for a military purpose, would not be affected by the Senator's amendment.

Mr. **BIDEN**. That is the intention of the Senator from Delaware.

Mr. **STENNIS**. Mr. President, in view of the amendment and the Senator's explanation of it, which has been excellent, it certainly would be worthwhile to have the amendment as a part of the law; and I hope that our conferees will agree to it.

I hope we will not have to have a rollcall vote, if everyone here is going to agree to the amendment.

I yield to the Senator from Texas.

Mr. TOWER. I thank the chairman. I believe he asked the question that I would have asked to clarify the intent.

The fact is that defense spending is an economic stimulus in various areas of the country. This is not intended to deny that expenditure, so long as it is a legitimately needed military expenditure.

Mr. BIDEN. That is the key—so long as it is a legitimate defense need.

My concern, about the testimony of Secretary Schlesinger—and I may have read more into it than was intended—was that there were situations in which the Defense Department was considering expending moneys primarily to affect the economy, which would have a secondary effect on defense. Were they just considering it from a defense posture, they would not have expended those moneys.

Mr. TOWER. Of course, various sections of the country are interested in having defense contracts, for the reason that they are an economic stimulus. As a matter of fact, I believe that former Secretary Packard estimated that $1 billion in defense expenditures resulted in 100,000 jobs. Obviously, then, it is a matter of great attractiveness to the various areas of the country.

I do appreciate the clarification of the Senator from Delaware.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter from Mr. Schlesinger to Representative HÉBERT, the chairman of the Armed Services Committee of the House. I think it clarifies his statement, which in effect says that he did not intend to convey the impression that the priority reason for some requests was for an economic stimulus.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, D.C., May 21, 1974.

Hon. F. EDWARD HÉBERT,
Chairman, House Armed Services Committee, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Some confusion seems to have arisen regarding the possible impact of domestic economic considerations on the formulation of the FY 75 Defense program. I am writing to amplify the record of my response to Chairman Mahon's question on this point when I appeared before the Appropriations Committee on 28 February 1974.

As you know, our Defense program is based on a five-year planning cycle. The program now before the Congress represents a real reduction from the Five-Year Defense Plan current at the time this budget was submitted. This reduction resulted from the recognition of the realities bearing on formulation of the Federal Budget. Any such budget necessarily balances revenue against competing demands for these revenues, and takes account of the impact that the resulting total budget may have on the national economy. Needless to say, I believe that the entire Defense request resulting from this process is wholly justified on its merits and is essential to the maintenance of our national security.

During the course of the formulation of the FY 75 budget there was a time when it appeared that the Defense outlays might be reduced even further below the Five-Year Defense Plan by perhaps as much as $1-1½ billion; that would have been a very unwise decision in my judgment. This possibility was considered in the course of studying various alternatives—a normal budgetary procedure for assessing the impact of total Federal spending on the national economy. It was concluded that such a reduction would seriously impair our national defense capability, and subsequent study resulted in the budget that is now before you.

The most serious misunderstanding regarding the formulation of the FY 75 program arises from the association of an $85 billion outlay figure with the requested TOA of $91.3 billion. In mentioning a figure of $85 billion before Chairman Mahon's Committee, I was referring to outlays, not TOA. The illogical association of $85 billion with the $91.3 billion has led some observers to the erroneous conclusion that $6.3 billion was added to the program in order to stimulate the national economy. Such a conclusion is presumably based on ignorance of the simplest budgetary fundamentals according to which a change of $1 billion in outlays would be associated with changed obligational authority of perhaps $1.5 billion, and this would apply to the entire defense appropriation, including O&M, military personnel, etc., as well as the procurement bill. Distortion of this issue interferes with serious and constructive consideration of the Defense budget request.

Fiscal policy is regularly and properly adjusted to macroeconomic conditions in accordance with the Murray Act, so as best to maintain employment, out-put, and income. This is a normal budgetary procedure that takes place in December when the final assessment of outlays and prospective revenues is made. This is not only consistent with law but is responsible fiscal policy. I do hope that there will be no retrogression in the attempt intelligently to formulate fiscal policy simply because such formulation has the effect of enhancing the national security.

It is my considered judgment that this FY 75 Defense budget is certainly no greater than—and may indeed be less than—that which is necessary to maintain our national security establishment at a level required by the current world situation. There are specific categories in which I might have wished to see larger authorizations and appropriations, but, taking into account all the considerations which bear upon our budget formulation, it is in my view an austere, but prudent, budget for the present time and circumstances.

JAMES R. SCHLESINGER.

Mr. TOWER. Mr. President, I concur with the chairman that this amendment should be accepted.

The Department of Defense feels that the amendment is not necessary and is redundant, but has no objection to it; therefore, I have none. I am willing to let it go by voice vote.

Mr. STENNIS. Mr. President, in view of the developments here, if the Senator is willing to yield back the remainder of his time and is willing to let us dispose of this amendment by voice, I am willing to do so.

Mr. BIDEN. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. STENNIS. Mr. President, are there any other amendments to be offered at this time? Otherwise, since we are not under controlled time, I would like the Chair to recognize the Senator from New Hampshire for 35 minutes, and I hope he can finish his speech in that time.

Mr. McINTYRE. I thank the distinguished chairman.

Mr. President, I would like to speak briefly in support of the fiscal year 1975 military procurement authorization bill, S. 3000, with amendment, as reported by the Armed Services Committee. Following that, I will discuss in detail that portion of the bill which is the specific responsibility of the Subcommittee on Research and Development, which it is my privilege to chair.

This has been a most difficult year for the committee for several reasons. First, the amount of time available to review the details of the programs covered by the bill, to conduct the formal hearings necessary to obtain essential testimony upon which to base committee considerations, and to reach the conclusions reflected in the committee recommendations, was sharply curtailed. By comparison, the report on last year's bill was made on September 6, 1973, more than 3 months later than this year.

Second, the committee was faced with a serious dilemma. With the single exception of fiscal year 1973, which was higher only because it included an amendment for Southeast Asia and SALT I related requirements, the request for fiscal year 1975 is the highest during the past 10 years. Of course inflation accounts for much of this, but one would expect that in the first year following our withdrawal of forces in Southeast Asia, Defense procurement spending would decline. Moreover, with the President's pronouncement involving détente with the Soviets, the improvement of relations with Communist China, with mutual balanced force reduction and SALT II negotiations underway, and finally with a real hope for lasting peace in the Middle East, I find it very difficult to accept the need for continued astronomical levels of defense spending.

It was this basic concern as well as my conviction that embarking on the major new strategic initiatives to increase the yield and accuracy of our strategic ballistic missile force was not essential to the survivability of our future deterrent capability and would be highly destabilizing in its effect on the Soviets, that led me to my unsuccessful efforts to persuade the committee to deny $77 million requested for three such programs. I would not belabor this issue now, but I intend to introduce an amendment to address the use of these funds during the debate on the bill.

I would like to emphasize one point, Mr. President, and the record will bear me out. I am totally dedicated to a military defense strong enough to deter any threat to our national security wherever and whenever it may occur, and this includes the full accommodation of our treaty obligations to our allies. However, the issue clearly goes beyond this point of responsibility and basically falls into the category of excessive defense spending. It is because of my sober regard for the vital defense of the Nation, both present and future, and the serious responsibility which this committee bears in this matter that moved me to recommend a strong and adequate research and development program and to support the committee in its recommendations on all other parts of the bill. In fact, in the R. & D. program, while recommending denial of the three strategic initiatives, I was persuaded to recommend full support of such other new strategic initiatives as a mobile intercontinental ballistic missile, increasing the number of Minuteman reentry vehicles carried in a single warhead, and both the Air Force and Navy strategic cruise missiles. These all represent a substantial augmentation in our strategic offensive capability as well as strengthening our bargaining position in SALT II.

But an overriding and perplexing question which weighs heavily on my mind, as it must on the minds of my colleagues, is can we be the world leader in peace if our economy is falling apart? Are we undermining the daily needs of our people by diverting too much of energies and resources to Defense? What is the proper balance? Unfortunately, Mr. President, I believe that there just is no easy answer to these questions. We in the Senate must devise the elusive formula and prescribe what the country needs. And the committee has done a commendable job in its action on the pending bill. For instance in gross dollars alone, the committee reduced the $23.1 billion request by $1.3 billion, or 5.5 percent. The committee reduced active duty military strength by 2 percent and civilian strength by 4 percent. Military Assistance Service Funds were reduced by $287 million, the proposed modification of the Civil Reserve Air Fleet costing $155 million was denied, as well as $677 million for construction of an attack submarine, the sea control ship, four patrol frigates and a destroyer tender.

While these are substantial cuts, the $21.6 billion remaining will, in my opinion, be adequate for the necessary replacement and modernization of our military equipment.

Mr. President, turning now to the research and development portion of the bill, it has been my privilege for the sixth consecutive year to serve as chairman of the Subcommittee on Research and Development of the Armed Services Committee.

Serving with me on the subcommittee have been the senior Senator from Virginia (Mr. HARRY BYRD, JR.), the senior Senator from Iowa (Mr. HUGHES), the senior Senator from Colorado (Mr. DOMINICK), and the junior Senator from Arizona (Mr. GOLDWATER). The work of the subcommittee was greatly enhanced by the collective breadth and depth of knowledge and experience of its members concerning military requirements, equipment, and research and development.

In my 6 years as chairman of the subcommittee, I have acquired a keen awareness of the importance of a strong technology base and the manner in which it evolves into the advanced military equipment that insures our qualitative superiority in future years. The whole world of research and development is best described as one of change. The challenge is to be sensitive not only to technical change but equally to changing requirements as they are dictated by the dynamics of geopolitical developments and relationships. A recent case in point is the Middle East War which spotlighted deficiencies in our arms as well as the need to revise certain concepts and tactics.

The genius and dedication of our scientists and technicians both in industry and in government continues to amaze me and fill me with pride. Not that I am proud of their ability to fashion better weapons of destruction, but rather that they insure the future safety of people. And it is also satisfying to observe the transfer and application of many of these inventions to the betterment and welfare of our citizens. I need only mention the widespread uses of lasers in our medical field as well as in our commercial manufacturing processes, and the profound impact that computers have had on our everyday lives, as graphic illustrations of what initially evolved from military research and development. Still, I must emphasize that this of itself does not justify high levels of defense spending.

At the risk of rehashing old issues, Mr. President, I must point out that the problems of cost overruns, oversophistication of design, unrealistic performance requirements, so-called gold plating, unwarranted duplication, and excessive redundancy all remain with us still. However, the criticisms of these by this committee and the Senate as a whole are being heard. And I am encouraged by the sensitivity of the new team of defense managers to these ills, and the constructive steps which they already are taking to correct them. But we cannot and will not relax our vigilance. Within our capabilities we will continue to probe and prod and in the process stimulate defense program managers to exercise prudent judgment on a widening scale in the hope that more general improvement will be accomplished.

Military research and development, like all research and development is a mixture of success and failure. This is to be expected and it is generally accepted. However, the real problem is to recognize failure early in the game and to take positive corrective action or to terminate unpromising work without delay. Only in this way can the flow of dollars and efforts be turned off or diverted to other essential needs. Here again, the quality and effectiveness of defense management is put to the test, and congressional vigilance must remain constant. And above all we must all strive for high quality at affordable cost.

With keen awareness of these varied and conflicting considerations, the subcommittee conducted a detailed examination of the major programs and issues involved in the authorization request for research and development. Considerations included the respective merits of each program as measured against the need, the technical feasibility, costs, and alternative programs. The recommendations to the full committee, and in turn to the Senate, reflected this overriding objectivity in arriving at a research and development program adequate to the needs of the United States.

The subcommittee devoted some 35 sessions and 91 hours to hearings of Defense officials, who included the Director of Defense and Air Force Assistant Secretaries for Research and Development, the Military Department Deputy Chief for Research and Development, and the Director of the Defense Advanced Research Projects Agency.

The subcommittee also cross-examined numerous program managers responsible for the major weapon systems that account for the largest dollar amounts requested. This was supplemented by extensive discussions with defense representatives by the committee staff who also conducted numerous field trips to military installations and contractors' plants to obtain firsthand and current information on major programs. This was literally a backbreaking effort within the constraints of time.

I would be remiss, Mr. President, if I did not at this time express my admiration and appreciation for the herculean task accomplished by the entire committee staff. And I must give special recognition to those staff members who concentrated on the research and development program. These include Mr. Hyman Fine, Mr. Robert Old, and Mr. George Foster of the committee staff. In addition, a major contribution was made by Mr. Charles Stevenson, legislative assistant to Senator HUGHES, and in the strategic area by my own assistant, Mr. Larry Smith.

This year, the B-1 advanced strategic bomber consumed more subcommittee attention than any other single program. In fact, the Secretary of the Air Force and the Commander of the Strategic Air Command also appeared and testified in support of this program. The review also covered the total request for $1.9 billion for the Trident submarine launched strategic weapon system, and included not only the research and development appropriation, but the ship construction and weapons procurement appropriations involved in the bill.

Special attention was directed to the review of the Army SAM-D air defense missile system in deference to my good friend, the junior Senator from Indiana. In fact, a member of his staff was invited to attend the subcommittee hearings and submitted a series of questions which have been answered for the record.

The Tactical Air Power Subcommittee, under the able chairmanship of my good friend from Nevada (Mr. CANNON) held separate hearings on those research and development programs involving the tactical air mission. I understand that his statement covers these items.

Mr. President, in summary, the fiscal year 1975 authorization request for the research, development, test, and evaluation appropriation totals $9,325,039,000 and is the largest amount ever requested. The committee recommends authorization of $8,952,412,000, which is $372,627,000, or 3.9 percent, less than the amount requested. It is $49,251,000 less than the amount authorized by the House.

The committee did not act on the House bill because it was received too late for committee consideration. It should be noted that while the committee reductions were specifically applied to individual programs, the House reduction of $323.4 million included $45.2 million for Defense agencies to be applied on the basis of priorities within each agency.

The committee reduction of $372.6 million reflects decreases of $377.1 million which are partially offset by a single increase of $4.5 million for development of the Army Cobra/TOW helicopter system. This increase represents simply a transfer from the procurement to the R.D.T. & E. account. The committee recommendation is $1.1 billion more than the amount authorized and $1.2 billion more than the amount appropriated for fiscal year 1974. These increases are apparent, rather than real, because $515 million represents the cost of inflation and $225 million the value of items transferred from other accounts into R.D.T. & E.

The real increase requested is the balance of $494 million. Applying the committee recommendation reduces this to $121.4 million which represents a real increase of only 1.5 percent over the amount authorized and appropriated for the current fiscal year.

The bill, as recommended by the committee, will provide for support of the following major research and development programs:

The amount of $741 million to continue development of the Trident submarine-launched ballistic missile system;

The amount of $455 million to continue engineering development of the three prototype aircraft B–1 advanced strategic bomber;

The amount of $219.7 million for continued engineering development of the Air Force airborne warning and control system, AWACS;

The amount of $182.6 million for continued development of the Air Force F–15A air superiority fighter; and, finally,

The amount of $123.9 million for continued development of Minuteman improvements.

Major reductions made by the committee include:

The amount of $50 million in the Army Site Defense of Minuteman prototype demonstration program;

The amount of $44 million in the Air Force B–1 bomber program;

The amount of $21.2 million in the Army Heavy Lift Helicopter prototype development program;

The amount of $16 million in denying initiation of the Navy improved strategic nuclear ballistic missile submarine system, the SSBN–X; and also

The amount of $91.6 million representing funds determined to be excess to requirements because of program slippage, unrealistic schedules, or denial of the fiscal year 1974 readiness supplemental.

Mr. President, it gives me a measure of satisfaction to report the turnabout in the Trident program. It is rather ironic that the program proposed for fiscal year 1975 is essentially the same program which I tried so hard to establish last year by floor amendment. That effort came within barely several votes of passing.

My proposal to restore the submarine building rate to the original Navy plan of two per year instead of the proposed three per year has been adopted by the Navy.

My proposal to backfit the Poseidon submarine with the Trident C–4 missile beginning in 1979 to provide a substantial increase in our strategic capability, instead of remaining as an option for possible use in the early 1980's, has also been adopted.

It is rather unfortunate that the extensive lobbying efforts by the Navy last year were permitted to persuade some of my colleagues to set aside the sound logic of my arguments.

Last year, as we were considering this Trident program, we could look back to the year 1972, when we were discussing the 1973 fiscal year budget. Due to a serious illness on my part, the chairman of the Armed Services Committee asked the distinguished Senator from Texas (Mr. BENTSEN) to take over and to take a hard look at what was then being proposed for the first time, the Trident program.

At this time I would like to yield to the distinguished Senator from Texas, who, because of the wonderful work which he did, allowed me to pick up the pieces and to make the recommendations which I make this year.

So I yield now to the Senator from Texas.

Mr. BENTSEN. Mr. President, I thank the distinguished Senator from New Hampshire. I know of the long hours and labor that the Senator has expended and spent in working on the R. & D. Although it is an expert staff, it is a small staff, and it faces a most unequal task when confronted with the vast number of Pentagon representatives.

Mr. President, one of the most promising developments of the recent Defense Department budget proposed to Congress is the decision by the Department to decelerate the Trident submarine program.

For 2 years now the Senate has debated the future course of this program and for 2 years a narrow majority of Senators supported the acceleration of Trident which has now been abandoned by the Navy.

I believe a brief review of this controversy can tell us much about both the nature of defense planning and the role of congressional consideration in shaping those plans. Such a review can tell us a great deal about both the capacity of officials at the Department of Defense to err and the capacity of the Congress to set them straight when they do err.

For the Trident debate marks a distinct departure from a time in the past when the Department of Defense was thought to have all the expertise and when many Members of Congress thought of the Defense budget only in terms of contracts and bases for their own constituencies. The Trident debate marks a juncture where the Congress will become more of a partner in the details of defense planning—rather than being a mere automatic clearinghouse for defense spending.

The Trident dispute has its genesis in a decision by the Department of Defense in January of 1972 to speed up the Trident submarine program by 2 to 3 years and to provide for the deployment of the Trident I missile in 1977 to our Polaris fleet.

This Navy decision increased the Trident request for fiscal year 1973 by over $500 million and sparked a debate in the Congress which eventually led to two major Senate floor battles and finally to a decision by the Department of Defense this year to revert to a more reasonable construction schedule.

In 1972 and 1973 the Navy testified to the Congress that the Trident could not wait for the orderly development schedule proposed in its earlier budgets. The Navy claimed that the condition of our "aging" Poseidon/Polaris fleet and the advances of the Soviet Union in submarine and antisubmarine technology made it imperative that we put as many Tridents to sea in the shortest time possible.

This year, however, Secretary of Defense Schlesinger, in his posture statement, makes a strong case against the pell-mell construction program sought by the Navy in 1972 and I believe his words are worth quoting:

> While failures encountered in the Poseidon operational tests have no direct relation to the Trident missile program, they do remind us once again of the monetary risks involved in moving rapidly into large-scale production of any new major weapon system. Operational testing, of course, cannot commence until the system has actually been operationally deployed. But by holding initial production to a reasonably low rate, we can reduce the costs of correcting those inevitable deficiencies which are not discovered until the system is operationally tested. This is particularly true in the case of such technically advanced and costly weapon systems as the Trident submarine.
>
> Accordingly, after starting the first Trident submarine in fiscal year 1974, we now propose to build the nine remaining Trident submarines discussed here last year at a rate of 2 a year—instead of 3 a year—beginning in fiscal year 1975. In addition, we currently plan to procure sufficient Trident I missiles to backfit 10 Poseidon submarines.

I congratulate Secretary Schlesinger on the cogency of his argument and I can only say that I wish we had had his help earlier in this dispute.

I hope the Senate will indulge me for just a minute but I would also like to quote from a speech I made in 1972 which reflected the position of the sponsors of my amendment.

> I am not opposed to the Trident System. But I am opposed to rushing precipitously into a long-range commitment before the facts are in. We do not have the facts on the *Trident* submarine. Design is not completed. We do not have adequate information on which to base a responsive decision. Surely the experience we have had in the recent past with high cost overruns on defense contracts is enough to warn us to put on the brakes before responding to the "full speed ahead" order. We have accepted the principle of "fly before buy" in aircraft procurement. Isn't it commonsense to adopt a "try before you buy" policy for billion-dollar submarines?

The parallel between our arguments then and the official position of the Department of Defense today are just too striking for me to allow them to go unnoted.

I sat on the Research and Development Subcommittee which studied the Trident proposal and heard the Navy case for the acceleration of Trident. I believe it might be valuable to reexamine some of the Navy arguments that led to the decision by the Congress to accelerate the Trident program and to see how those arguments stack up against the recommendations made by the Research and Development Subcommittee. Then we should look at the decision made by the Defense Department this year to follow the recommendation made by the Research and Development Subcommittee and to restructure the Trident program.

In 1972 the Navy argued that our polaris/poseidon fleet was beginning to show its age and that the growth of the Soviet A.S.W. threat made it necessary to accelerate the construction of the new Trident submarine. In addition, the Navy sought to step up the delivery schedule for the new Trident missile so that it could be available for our poseidon fleet in 1977 than the original date of 1979.

The Research and Development Subcommittee spent weeks considering these arguments, sifting through the volumes of testimony and finally arriving at the decision that the acceleration of the submarine construction schedule was neither necessary nor feasible. It was unnecessary because the Polaris/Poseidon fleet gave every indication of being effective into the 1980's and it was unfeasible because of the problems of concurrency that arise in any weapon program when one rushes from design to construction in too short a time.

In addition, the subcommittee felt that not enough consideration had been given possible alternatives to an all Trident force.

In 1972, the subcommittee submitted its proposal for returning the Trident construction program to its original schedule. This schedule proposed by the subcommittee would have allowed for the delivery of the first Trident submarine in 1981 and would have reduced from three to two the number to be delivered each year of construction. The subcommittee proposal would not have affected the early delivery date for the Trident missile. The full Armed Services Committee split on a tie vote and at that point the quiet process of official testimony and reasoned consideration ended and the Pentagon lobbying began.

In 1972, I offered, with a number of cosponsors, an amendment on the floor which would carry out the Trident recommendation made by the Research and Development Subcommittee. Judging from the response of the Pentagon, one would have thought that the effectiveness of our whole deterrent force hung in the balance despite the fact that the recommendation we were making had been their very own position less than 6 months before.

I have not seen so many admirals and Pentagon officials on the Hill since the last pay raise bill was being considered. The Pentagon had a command post right off the Senate floor and for every point raised by the authors of the amendment there was always a new Navy position or response issued to fit the debate. I think I know how Custer must have felt at Little Big Horn, the indians just kept coming.

The net result of all this activity in 1972 was a close vote in the Senate that affirmed the request for an accelerated Trident program. This same process was repeated in 1973 when the able chairman of the Research and Development Subcommittee, Senator McIntyre, carried an amendment to the floor which would have decelerated Trident and returned the program to a more orderly schedule. That amendment also failed on a close vote.

I certainly do not question any other Senator's judgment in this regard, but I do believe we must consider the context of the debate in which those judgments were formed and how they might have affected the outcome on Trident.

The authors of the Trident amendments, both in 1972 and 1973, argued for a more orderly program and for the consideration of possible alternatives to the Navy request.

We argued that the United States had time to do the job right and that the acceleration proposed by the Navy was the surest way imaginable to distort this important stategic weapon system. Furthermore, those of us who argued for an orderly development of Trident had serious questions about whether the United States should place so many of its allowable missiles under the SALT agreements into so few submarine platforms.

On the floor we were told by the Navy that our questions were interesting but that they had already been answered in the form of the Trident. We were told that the Trident design was final, but that the number of missile tubes remained inflexible. We were told that the Polaris/Poseidon were aging and needed to be replaced and that Trident was the Navy candidate to do the job. We were told that the builders of Navy submarine faced no problem in meeting an accelerated schedule and that we should trust Navy planners and not question their judgment.

The culmination of the debates in 1972 and 1973 were close Senate votes in favor of acceleration of Trident by the Senate.

The request for fiscal year 1975 by the Defense Department, however, with minor exceptions, represents a complete agreement, with the recommendations that the Research and Development Subcommittee made in 1972 and 1973.

I want to commend the planners of the Defense Department for what I believe is a forthright and commendable policy change. I also urge the Members of the Senate to take a close look at the history of this program and to see if there are lessons here which can be applied to other defense programs as well.

Specifically, I would ask Members of the Senate to reflect on the judgments that the Research and Development Subcommittee made in this case, and to have more faith in the ability of the Congress to deal with complex defense issues.

Indeed, Mr. President, we in the Congress must call the shots when we feel that the Pentagon is wrong.

To borrow a phrase from Madison Avenue—you gotta believe. The Congress has to believe in the ability of its own Members and staffs to disagree with the defense experts and to be right when the evidence supports us.

Quite frankly, I believe that too much of the Trident debate consisted of authoritarian Pentagon arguments that assumed the Navy experts had all the facts and that the best course for the Senate was to defer and not take a chance on the judgment of its own experts. There can be no partnership in defense planning between the Congress and the Defense Department when one of the partners is willing to let the other do all his thinking for him.

The existence of a partnership implies a certain balance and accommodation between opposing points of view. The outcome of the Trident debate represents a balanced partnership between the Congress and the Pentagon. It opens a middle ground between those in the Congress who would blindly follow every Pentagon request, no matter what its faults, and those who instinctively oppose any such request, no matter what its merits.

I am proud to have been a part of that exercise. I believe the debate on the Trident has strengthened an important weapons system and has helped revitalize the faculty of Congress to make policy in the area of national defense. We have contributed to the country's defense by pursuing our convictions on how that defense can best be achieved. That is a satisfying result and it is a satisfaction that I hope other Members will increasingly share.

I congratulate the distinguished Senator from New Hampshire (Mr. McIntyre) for the major role that he has played in working with the Secretary of Defense to bring this about. I think the Senator has saved the taxpayers a great deal of money and performed a great public service.

Mr. McINTYRE. Mr. President, I want to keep the record straight. In 1972, after I returned from Johns Hopkins, having had a little siesta in order to recover from surgery, I had missed a great deal of the work which had been done by the distinguished Senator from Texas (Mr. Bentsen). Consequently I want to remind him I believe I voted against his amendment in our executive session. I can only say that when I took up the cudgels the following year, after he lost the bout in 1972, I was able to pick up where the Senator left off, and I could see the instructive manner in which he approached the whole program. I was able to embrace it, and to present it to the Senate in as good a fashion as, I think, it could have been done because the lobbying that was going on by our good friends in the Navy at that time was beyond description.

The Senator will remember how excited we became one time when they indicated the Communists were lobbying the Halls of the Senate.

Mr. BENTSEN. I do not recall exactly how many submarine bases had been promised to be built on each coast by the time the Trident debate was through, but I do recall that it was quite a number.

Mr. McINTYRE. The Senator might be interested in knowing, too, that while I join him in expressing our keen appreciation to the Secretary of Defense for his bringing this program to a much more advantageous and intelligent way of doing this R. & D. program, he should be aware that a certain amount of vacillation is going on there in the submarine field. We in the R. & D. area this year have denied—have really denied temporarily—a request by the Navy to start a new, smaller submarine originally called the Narwhal because of the type of propulsion system it involves, but is known now as the SSBNX.

This is a $16 million startup program. I have written to the Secretary of Defense, because of what seemed to be all sizes and shapes of submarines, as to just what direction they really intend to go.

One argument that we did not use last year has come to the fore. At Electric Boat—perhaps the distinguished Senator from Rhode Island will remember, as he fought this amendment of mine—they are jammed to their eyebrows with submarine work. They could not possibly have kept up with the program that the Navy and the Secretary of Defense wanted the previous year.

I think what I want to say most of all is how much I respect the leadership of the able Senator who, as a Member of the Senate, opened my eyes in 1972.

I only wish he had never left the Armed Services Committee. We need men like him on that committee.

Mr. BENTSEN. I thank the distinguished Senator, and I look forward to his continued cooperation and that of the distinguished Senator from Mississippi, chairman of the Armed Services Committee who sets a tremendous example of leadership that we all try to follow. I enjoyed serving with both of them on the Armed Services Committee.

Mr. McINTYRE. I may say, too, Mr. President, that one thing we need on the floor of the Senate, insofar as these weapons systems are concerned, is more vigilance. We need to stop the business of taking everything that the military say, that that is going to be it. We have got to be tougher-minded.

Mr. President, I shall bring my remarks to a close by commenting on a few other matters I wish to discuss.

I am apprehensive about the excessive number of major new programs proposed for fiscal year 1975. If these are all permitted to progress through development and ultimately into production, we will not be able to afford the multiplying cost. This was a major consideration in my unsuccessful attempt to persuade the committee to deny $77 million for the three new strategic initiatives.

The committee shares my concern about the broader implications of a large number of new programs, and expresses its view on page 84 of the committee report which reads as follows:

> . . . there is always the problem that such programs, once they are begun, tend to acquire a momentum and cloak of permanency which is very difficult to undo.

For instance, give me one brigadier general and two Congressmen, and it is surprising how difficult it is to bring that particular R. & D. program to a close.

The report continues, in its reference to the new strategic initiatives, with the following statement which I strongly endorse:

> The Department must be conscious of this risk and be prepared, if international tensions ease and if SALT II is successful, to turn off those programs which prove to be unnecessary.

The tendency to start major new research and development programs therefore requires a strong measure of control by the Department of Defense, and, if that fails, by the Congress. In fact, this applies in a broader sense to the entire research and development program.

In an atmosphere of growing competition for money within the overall Defense budget, the practical answer lies more perhaps in the exercise of greater foresight and better judgment in the selection of the most critical and most urgent development programs to propose each year. This also will insure more favorable consideration by the Congress.

Before concluding, Mr. President, I would like to address an area which I consider to be of great importance, and which I have spoken to in the past. This involves the opportunity for closer cooperation with our allies in military research and development

The former Director of Defense Research and Engineering consistently and repeatedly, in appearances before the committees of the Congress and in public forums, has stressed the importance of such cooperation. A major reason is the unwarranted duplication and overlap which he estimated as about $1 billion each year. Largely due to his initiative, and now being strongly supported by his successor, substantial efforts in the direction of cooperation are beginning to pay off. The NATO patrol hydrofoil missile ship is one example of such a successful joint venture which is of benefit to labor and industry in the United States now and will also benefit the Federal Republic of Germany and Italy.

However, while I am working toward an expansion of such arrangements, I am concerned about a related aspect of our international commerce. I mentioned this in my statement in support of last year's bill, but it bears repeating. U.S. industry is expanding its efforts to export technology to the Soviets and the Eastern European nations. There is a danger that if this is not very closely and carefully controlled, we may be handing over to these potential enemies the high technology that can be turned against us in a military sense. Such things as integrated circuits, advanced computers, and even production knowhow can backfire on the United States. Not only can our potential enemies apply these technologies sooner, but those skilled scientists and engineers who otherwise would have to work on these items become available to solve other technical problems sooner.

And this would also have the effect of threatening our commercial leadership in the world, but at a later time. We should restrain our industries in their willingness to trade near-term profits at the risk of long-term inferior trade positions.

I again call upon all parties in the Government who have an interest or responsibility in this matter to give it their most urgent and serious attention. This is the time to close ranks and take positive actions to bring the situation under control. I will continue to press toward this objective.

So in conclusion, Mr. President, let me state my conviction that the selective reductions recommended by the committee will still provide the level of research and development required to maintain our technical lead where we already have it. Moreover, if our Defense managers are efficient and prudent in the accomplishment of their tasks, we should be able to recover the lead in important technical areas where we have fallen behind. The ability of the Department of Defense to insure the timely and necessary introduction of advanced weapons into our operating forces is, in my opinion, less dependent on the total amount of money provided than it is on sound judgment in the selection of weapon systems to be developed and on the efficiency of the Department of Defense.

Mr. STENNIS. Mr. President, if the Senator will yield to me, I want to especially commend him and thank him as well for the excellent work he has done as chairman of this subcommittee for this year; and that includes recognition of the fact that he had some excellent help from his fellow members of the subcommittee as well as the staff members.

The Senator from New Hampshire is a 12 months a year Senator, and he works on this bill, the research and development part of it, for 12 months every year.

I want to point out again for the record something not generally realized: There is almost $9 billion in the research title of this bill—that much for research and development alone—and the Senator from New Hampshire and his subcommittee staff have actually gone through, taken the bill apart, examined all the major parts of it as well as many of the minor parts, and then put it back together. They have a judgment here in their report, an actual judgment made by our fellow Members on all of these major items, that is of unestimable value. It is more minute than the Secretaries of the services could possibly have a chance to make, with all of their other duties, and it gives us a layman's estimate also of the value and necessity of the programs.

I have been here at times when the research and development part of a bill, nothing like as great as it is now, was not gone into anything like as much as it is now. So I have an opportunity to evaluate the Senator's services on the subcommittee, and I value them very highly indeed. I commend him again, and I thank him, too, for the fine work he has done here year after year.

Mr. McINTYRE. I thank my chairman.

Mr. President, before I yield, I ask unanimous consent that Larry Smith and Robert Span, of my staff, be accorded the privilege of the floor during the consideration of S. 3000 and any votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMINICK. Mr. President, as the ranking minority member of the Research and Development Subcommittee of the Armed Services Committee, I am pleased to support the recommendations of the committee, as presented by Senator McINTYRE, the distinguished Research and Development Subcommittee chairman.

Senator McINTYRE has made a very comprehensive presentation of the Research and Development recommendations and I do not intend to go over all of the same programs. Rather I plan to make a few general observations on the Department of Defense's research and development programs and policies, as I see them, and then I will comment on a few specific programs.

First, I think it is significant to note that from the Department of Defense through each of the services the R. & D. key personnel were newly on board at the beginning of this budget year. In spite of that, I felt this was one of the best presented budgets of some time. Dr. Malcom Currie, in a very minimum of time, has developed a fine understanding and appreciation of the many ramifications of his position. And I like the fact that he is not locked in on every program. He has taken the attitude that none are sacred and it was refreshing to see the SAM–D program and even the surface effect ship program, one that I think has great potential, slowed down to make sure the technology was in hand a little better. The service Secretaries are to be commended also for the aggressive way they have moved out with their programs and with the meaningful cooperation each has established with D.D.R. & E. I feel our committee has a very good relationship with this entire R. & D. team.

Each year we invariably ask the question about the ratio of basic research to the rest of the R. & D. effort. I am not sure that anyone really knows what that ratio should be but I do have the feeling Dr. Currie has a good handle on this particular area. Consequently, I do not believe we need be overly concerned in this area about the Soviets catching us with our technological pants down. I might say that the Department knows it has the support of the committee in this area.

A few years back David Packard instituted his "fly before buy" and competitive prototype policy which is still in effect. Actually, we are really just beginning to see the results of this policy since it has taken this long to produce the hardware. The A–10 was probably the first major program where a selection was made from between two competing prototypes and that seemed to work out very well. The Army's advanced attack helicopter program is proceeding under this policy with selection of a winning prototype scheduled for next year. Army was also going to make a selection between two armored scout vehicles but other considerations changed that particular plan. I bring this subject up because I am not personally convinced we need to build two different models of everything before it can be decided which is better. We obviously do not build two competing Trident submarines, or two competing aircraft carriers or two competing B–1's prior to making a contractor selection. But we do apply this policy at a lower point somewhere on the cost scale. Where exactly, I am not sure, but it should be pointed out it can be unnecessarily expensive when a little commonsense as to which system would be better would work just as well. So it seems to me DOD needs to examine this policy very closely and that it should be used very judiciously.

Mr. President, turning now to the funding, the $8.9 billion recommended is about 41 percent of the committee's total $21.8 billion recommendation. The $8.9 billion represents a $372.6 million or 3.9 percent reduction from the amount requested. Although the total R. & D. dollar amount is greater this year than last, when inflation and a pay supplemental is included, the real program totals for the fiscal year 1974 and fiscal year 1975 are practically the same.

Mr. President, if we have one major problem in reviewing the annual R. & D. request it is trying to keep track of such a large number of programs. Because of time constraints we really only review the big programs. For example, this year the committee held hearings on 37 major programs for which $3 billion is recommended. But still that represents only about one-third of the total amount recommended. About two-thirds, then, of the almost $9 billion being recommended is for literally hundreds of smaller in dollar amounts but, nevertheless, important programs. When I am asked what we are getting for our R. & D. dollar I can point to the major programs, but I must stress those smaller programs are often every bit as important.

Now, the committee took some actions this year I am pleased with and I believe it demonstrates the committee operates with independence and does not mirror the position of the Department of Defense.

Last year, my colleagues may recall, there was a close vote in the committee on the Trident submarine program. Some of us felt this was not a legitimate requirement to accelerate the Trident program as well as building these new submarines at a three-per-year rate. This year the Department of Defense proposed a two-per-year construction rate and is now planning to backfit the Poseidon fleet with the C–4 missile when it becomes available. This option was one suggested by the committee, but at the time it was not accepted by the Department of Defense.

Because of the way the Trident program is proceeding, the committee did not feel it was necessary at this time to begin work on another type SSBN. The committee, therefore, denied the funds requested for the SSBN–X, as being premature. However, it does support the concept of such a submarine as a less expensive replacement for the Poseidon fleet or as a substitute for Trident beyond the scheduled 10.

Referring now to the site defense program, last year the request was for $170 million. Our committee recommended $100 million, and $110 million was eventually appropriated. This year the request is for $160 million and our recommendation is $110 million. The committee's major concern, which I believe bears emphasis, is that there does not appear to be a requirement to proceed with a full prototype demonstration which would require the expenditure of $600 million between now and 1978. The committee is of the belief that our intentions about site defense will be quite clear to the Soviets by keeping the level of effort at about $100 million per year until the technology is in hand. If, for some unlikely reason it appears the ABM treaty may be abrogated, then we can do whatever is required to get site defense on line. In the meantime, I believe we would better serve our own interests by concentrating our effort and our limited resources on our other capabilities.

Mr. President, the last program I wish to mention is the B–1. We are recommending a reduction of $44 million from the Air Force request and this is primarily because the committee is not convinced it is absolutely necessary to begin a fourth research and development aircraft this year. Let me stress that we looked at this program in great detail and while from a straight business point of view it makes sense to start aircraft No. 4, from a congressional responsibility point of view, it does not. Our recommendation to deny aircraft No. 4 this year and to continue support of the three aircraft program is designed to keep our investment prior to a production decision to a minimum. This is in keeping with our understanding of the program as presented by the Air Force over the past 3½ years. If aircraft No. 1 has a successful and ongoing flight program next year when the committee reviews the program, I am sure this will have a significant impact on our considerations and recommendations. It is my judgment we can still attain those weapon systems essential to our national security, even though the rate of procurement may be somewhat less than desired by the Pentagon.

Mr. President, I wish to commend my distinguished Research and Development Subcommittee chairman and friend from New Hampshire. He has this year, as he has in the past, done a truly remarkable job in reviewing these programs and presenting the recommendations to the full committee and to the Senate. I know there are pending amendments that would reduce some of these programs further, but we believe they are at the right level so we will oppose any further cuts. I think our recommendations are sound and that the level of research and development funding recomended will insure we do not fall behind our potential adversaries. I urge suport of the recommendations as presented.

UNANIMOUS-CONSENT REQUEST

Mr. ABOUREZK subsequently said: Mr. President, I ask unanimous consent that it be in order for me to lay before the Senate an amendment at this time to S. 3000 so that it may be considered as the pending business tomorrow morning.

The PRESIDING OFFICER. Is there objection? Without objection——

Mr. COTTON. Mr. President, reserving the right to object, how much time do I have left on the bill and how much time does the Senator from Michigan have left?

The PRESIDING OFFICER. The Chair is advised that the Senator has about 25 minutes on the bill.

Mr. COTTON. I yield such time as the Senator needs. How much time does the Senator need? Three or four minutes?

Mr. ABOUREZK. One minute.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, will the Senator repeat his request?

Mr. ABOUREZK. I ask unanimous consent that it be in order that I may lay before the Senate an amendment to S. 3000 so that it may be the pending business tomorrow when this bill is taken up.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, under the order previously entered, the Senator from South Dakota (Mr. McGOVERN) will lay an amendment before the Senate at the close of business today. I would ask the Senator to modify his request in the following manner: that the McGovern amendment be temporarily laid aside tomorrow morning until the disposition of an amendment of Mr. ABOUREZK (No. 1372).

Mr. GRIFFIN. Mr. President, reserving the right to object, I really do not know what this is all about. Is this an amendment that has been cleared with the manager and the ranking Republican member of the committee?

Mr. ROBERT C. BYRD. Mr. President, if the Senator will allow me to proceed, may I say to the distinguished Republican whip that both Mr. THURMOND and Mr. STENNIS have agreed to a limitation of 1 hour on each of three amendments which will be proposed by Mr. ABOUREZK, amendments numbered 1372, 1373, and 1374. I have not as yet proposed that request. The Senator from South Dakota is at the moment proposing that his amendment No. 1372 be laid before the Senate at the close of business today, and, of course, it would be the pending question when the Senate resumed consideration of the unfinished business tomorrow.

Mr. GRIFFIN. I assume that is all right. There is no time limit.

Mr. ROBERT C. BYRD. I would like to ask for a time limitation, which has been cleared with Mr. THURMOND and Mr. STENNIS, on each of three amendments.

Mr. GRIFFIN. I think that would be all right. I wonder if the distinguished majority whip would give me a few minutes to make a call.

Mr. ABOUREZK. On the time limit or on the amendment itself?

Mr. GRIFFIN. On both.

Mr. ABOUREZK. Mr. President, I withhold the request.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, it appears that it is not possible to get other amendments to the pending military procurement authorization bill called up today. Consequently, with the approval of the distinguished manager of the bill (Mr. STENNIS), the ranking minority member (Mr. THURMOND), and the distinguished Senator from Texas (Mr. TOWER), I ask unanimous consent that this bill be set aside for the remainder of the day, and that the Senate proceed to the consideration of Calendar No. 833, S. 2846.

The PRESIDING OFFICER. Is there objection?

Mr. JAVITS. Mr. President, reserving the right to object, and I shall not object, I just want to ask the Senator, is there any intention of getting unanimous consent to limit the time on amendments to this bill? I say that because I have an amendment which Senator TOWER and I have agreed we will bring up tomorrow.

Mr. ROBERT C. BYRD. At the moment there is no proposal that I know of——

Mr. JAVITS. The Senator, I hope, will advise me.

Mr. ROBERT C. BYRD. Surely. Yes. As I understand it, the Senator would be agreeable to a time limitation on his amendment?

Mr. JAVITS. I do not want to say that now. I just want to be advised.

Mr. ROBERT C. BYRD. Very well. The Senator will be advised.

Mr. JAVITS. I thank the Senator from West Virginia.

The PRESIDING OFFICER. Without objection, the pending bill will be temporarily laid aside.

EMERGENCY CHLORINE ALLOCATION ACT OF 1974

The PRESIDING OFFICER. Without objection, the Senate will proceed to consider S. 2846, which will be stated by title.

The assistant legislative clerk read as follows:

S. 2846, to protect the flow of interstate commerce from unreasonable damage to the environmental health by assuring an adequate supply of chlorine and other chemicals and substances which are necessary for safe drinking water and for waste water treatment.

Accordingly, the Senate proceeded to consider the bill which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "Emergency Chlorine Allocation Act of 1974".

DECLARATION OF POLICY

SEC. 2. (a) FINDINGS.—The Congress finds and declares that—

(1) There is a shortage at present of available supplies of chlorine for treating drinking water and waste water and for other purposes necessary to protect the public health.

(2) As a consequence, many municipalities and other persons may be forced to terminate chlorination.

(3) Since chlorine is a chemical that is essential to making water safe for drinking, bathing, and for the treatment of waste water, the termination of chlorination for any public water supply in the Nation would endanger the public health.

(b) PURPOSE.—It is therefore declared to be the purpose of the Congress in this Act to establish a procedure for the diversion of such amounts of chlorine in commerce as are necessary to insure treatment of drinking water needed to protect the public health and for the diversion of such other amounts from nonessential purposes to those necessary to protect the public health.

DEFINITIONS

SEC. 3. As used in this Act—

(1) "Adequate supply" means such supply of chlorine in such quantity and form and under such conditions as is necessary to meet Federally approved drinking water and water pollution standards and otherwise as is necessary to protect the public health.

(2) The Secretary, as soon as practicable, but not later than 15 days after a determination of need made by the Administrator in accordance with paragraph (2) of subsection 5(b) of this Act, shall take such action as is necessary to assure that the amount of chlorine needed to assure an adequate supply (as specified in such determination by the Administrator) is allocated to the applicant for such determination, including, if necessary, issuance of a priority order directing delivery of such chlorine. Such chlorine shall not be taken from chlorine presently used for the treatment of drinking water. Any such priority order shall be issued only after a proposed priority order has been published in the Federal Register and interested persons have been given an opportunity to submit written data, views, or arguments to the Secretary in accordance with section 553 of title 5, United States Code. The Secretary may afford an opportunity for oral presentation of such data, views, or arguments.

(3) Such priority order shall be directed to applicable persons in accordance with subsection (b) of this section. Any such person shall accept and perform contracts or orders in accordance with such priority order in preference to any other contracts or orders.

(4) There shall be available as a defense to any action brought for breach of contract in a Federal or State court arising out of delay or failure to provide, sell, or offer for sale or exchange chlorine subject to an order issued under this section that such delay or failure was caused solely by compliance with such order.

(b) APPLICABILITY.—(1) No order issued under this section shall require the provision of chlorine by any person who historically has produced, distributed, or repackaged chlorine solely for his own use.

(2) Orders issued under this section shall be apportioned fairly and equitably among producers, distributors, or repackagers. In making such apportionment for chlorine, the Secretary shall consider the geographical relationship between producers, distributors, repackagers, and customers; established commercial relationships between producers, distributors, repackagers, and customers; the amount of chlorine historically supplied by each producer for purposes necessary to protect the public health; each producer's pro rata share of the total national annual production of chlorine; and other relevant factors.

DETERMINATION OF SHORTAGE

SEC. 5. (a) REQUEST.—(1) Any person who lacks an adequate supply of chlorine for the treatment of drinking water may request the Administrator to make a determination of need for timely submission to the Secretary for the issuance of a priority order pursuant to section 4 of this Act. Such request shall be published in the Federal Register.

(2) Any person who lacks an adequate supply of chlorine for any purpose necessary to protect the public health, except for the treatment of drinking water, may request the Administrator to make a deter-

mination of need which shall include (i) a finding that such person making a request pursuant to this paragraph lacks an adequate supply of chlorine and (ii) a finding of the amount of chlorine needed to assure an adequate supply. Such request shall be published in the Federal Register and shall be in such form and be submitted in such manner together with such material and other information as the Administrator may prescribe, and shall include the names and business addresses of all persons whom the applicant believes would be able to provide, in whole or in part, the amount needed to assure an adequate supply.

(b) DETERMINATION.—(1) The Administrator either shall make a prompt determination of need with respect to any request received pursuant to paragraph (1) of subsection (a) of this section and shall forward a copy thereof in a timely manner to the Secretary together with any pertinent data accompanying such request, or shall promptly decide against such determination.

(2) The Administrator shall, as soon as practicable, but not later than 15 days after receipt of any request submitted pursuant to paragraph (2) of subsection (a) of this section, either make a determination of need with respect to such request or decide against making such determination. Such determination or decision shall be made only after interested persons have been given an opportunity to submit written data, views, or arguments to the Administrator in accordance with section 553 of title 5, United States Code. The Administrator may afford an opportunity for oral presentation of such data, views, or arguments. If the Administrator makes a determination of need, he shall forward such determination of need to the Secretary together with the findings specified in paragraph (2) of subsection (a) of this section, the names of the person or persons from whom supplies of chlorine have been sought, and the stated reasons for the inability of such persons to provide an adequate supply.

USE OF EXISTING FACILITIES

SEC. 6. (a) In carrying out the provisions of this Act, the Secretary and the Administrator shall use, to the extent practicable, existing facilities, services, and personnel of the Department of Commerce, and the Environmental Protection Agency, respectively.

(b) The Secretary or the Administrator, with the consent of the head of any other agency of the United States, may utilize such officers and employees of such agency as he deems necessary to assist him in carrying out the purposes of this Act.

MAINTENANCE OF RECORDS AND INSPECTIONS

SEC. 7. (a) Every person who is subject to an order or regulation under this Act shall establish and maintain such records, make such reports, conduct such monitoring, and provide such information as the Secretary or the Administrator may reasonably require by regulations to assist him in determining whether such person has acted or is acting in compliance with this Act.

(b) The Secretary or the Administrator, or their duly designated representatives, upon presenting appropriate credentials and a written notice to any person subject to an order or regulation issued under this Act, is authorized to enter, at reasonable times, any establishment or facility or other property of such person in order to determine whether such person has acted or is acting in compliance with this Act, including for this purpose, inspection, at reasonable times, of records, files, papers, processes, controls, and facilities, which are relevant to the administration of this Act.

(c) Whoever fails or refuses to comply with any requirement under subsection (a) of this section or to allow the Secretary or the Administrator or their representatives to enter and conduct any inspection authorized by subsection (b) of this section shall, upon conviction, be fined not more than $5,000.

REGULATIONS AND ASSIGNMENT OF PERSONNEL

SEC. 8. (a) The Secretary and the Administrator are authorized to prescribe such rules and regulations as are necessary or appropriate to carry out their functions under this Act.

(b) Upon the request of a State or interstate agency, the Secretary or the Administrator may assign personnel to such State or interstate agency for the purposes of carrying out the provisions of this Act.

ENFORCEMENT OF PRIORITY ORDERS

SEC. 9. Any person who fails to comply with any order issued pursuant to this Act shall be subject to a civil penalty of not more than $5,000 for each day of failure to comply. If he willfully fails to comply with any order issued under this Act he shall be guilty of a criminal violation and shall, upon conviction, be fined not more than $10,000 for each day of failure to comply, or be imprisoned for not more than 1 year, or both. The Secretary or the Administrator or, at the request of either, the Attorney General, may bring an action in an appropriate district court of the United States for equitable relief to redress a violation of any order issued pursuant to this Act. The district courts of the United States shall have jurisdiction to grant such relief as is necessary or appropriate for violations under this Act, including manadatory or prohibitive injunctive relief.

RELATIONSHIP TO ANTITRUST LAWS

SEC. 10. Nothing in this Act shall be deemed to convey to any person immunity from civil or criminal liability, or to create defenses to actions, under the antitrust laws. As used in this section, the term "antitrust laws" includes—

(1) the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890 (15 U.S.C. 1 et seq.) as amended;

(2) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12 et seq.), as amended;

(3) the Federal Trade Commission Act (15 U.S.C. 41 et seq.), as amended;

(4) sections 73 and 74 of the Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes", approved August 27, 1894 (15 U.S.C. 8 and 9), as amended; and

(5) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

TERMINATION DATE

SEC. 11. The provisions of this Act shall terminate on December 31, 1975.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 12. There are authorized to be appropriated for carrying out the provisions of this Act such sums as are necessary, not to exceed $150,000 for the fiscal year ending June 30, 1974; not to exceed $500,000 for the fiscal year ending June 30, 1975; and not to exceed $300,000 for the fiscal year ending June 30, 1976.

Mr. ROBERT C. BYRD. Mr. President, would the Chair kindly state, for the information of the Senate, the details of the agreement in relation to the bill which the Senate is now considering?

The PRESIDING OFFICER (Mr. HELMS). One hour on the bill, to be divided between the leaders or their designees; 30 minutes on each amendment in the first degree; 20 minutes on each amendment in the second degree, debatable motion or appeal; with the agreement to be in the uusal form.

Mr. ROBERT C. BYRD. I thank the Chair very much.

Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HART. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Mr. President, I yield myself 1 minute to ask unanimous consent that the committee amendment in the nature of a substitute be agreed to and that, as agreed to, it be considered as original text for purposes of further amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Mr. President, this legislation establishes a temporary mechanism to assure that an adequate supply of chlorine will be available to meet public health needs, including the essential need for chlorine to treat our Nation's drinking water and waste water. The purpose of the bill is to prevent the possibility of a public health disaster that could occur if a municipal or public water system is unable to obtain an adequate supply of chlorine. Without chlorination of our water, outbreaks of diseases such as hepatitis and typhoid fever are likely.

From June 1973 to January 1974, 74 municipalities reported to the Environmental Protection Agency that they had experienced extreme difficulties in obtaining an adequate supply of chlorine for water treatment or were completely out of chlorine for a few days. More recently, the EPA has received reports from Colorado and Maine of untreated water due to the chlorine shortage. In addition, a repackaging company in Maryland, which supplies drinking water facilities, closed down for a week in May because of insufficient chlorine. As these problems indicate, as well as comments by the administration during and subsequent to the hearings on this bill, standby allocation authority for chlorine is needed to avoid a health crisis.

The mechanism proposed by this bill can be explained briefly. It gives standby authority to the Commerce Department to allocate chlorine on a case-by-case basis for the next 19 months of anticipated "tight" supply. The bill provides that an authorized applicant—in most cases a municipality—would apply to the Environmental Protection Agency for a prompt determination of need for chlorine. The Secretary of Commerce would then be required to issue a priority order requiring the provision of chlorine to any applicant EPA determines is lacking an adequate supply of chlorine.

The proposed legislation is an "emergency" bill because the shortage of chlorine for public health purposes is expected to be most severe this summer. The shortage is predicted to be over by the end of 1975, at which time the authorization under this legislation will cease.

Mr. President, I hope that the Senate

will pass this bill. I reserve the remainder of my time.

AMENDMENT NO. 1367

Mr. COTTON. Mr. President, I call up my amendment No. 1367 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. COTTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with because I can explain it very quickly. It is not complicated.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD.

The text of the amendment is as follows:

On page 19, strike lines 22 through 25, and on page 20 strike lines 1 and 2 and insert in lieu thereof the following:

(4) "Purpose necessary to protect the public health" means the use of chlorine in treating drinking water and waste water, and for food processing which is determined to be essential for the protection of the health of the general public by the Administractor, in consultation with the Secretary of Health, Education, and Welfare.

Mr. COTTON. Mr. President, this is a simple bill. There is no dispute as to its merit or its need. The entire Committee on Commerce, I am sure, commends the distinguished Senator from Michigan (Mr. HART) for introducing it.

A temporary shortage of chlorine for treating drinking water and waste water did develop in several communities. And, although it may not be a complicated matter to manufacture chlorine gas, it does take time to get needed manufacturing plants on line to maintain a balance between supply and demand.

This bill is only to tide over a present emergency. Its provisions terminate on December 31, 1975. By that time, it should not be a difficult matter to have an ample supply of chlorine for all purposes. However, there is not an ample supply now, and for the coming summer months.

As the Senator from Michigan has so well stated, I believe that 74 cities in the country have found difficulty in obtaining chlorine to purify their drinking water and to protect the health of their citizens. Pending this emergency, it is the contention of the Senator from New Hampshire that the first priority should go strictly to the most necessary fields requiring protection.

The bill, with the committee amendments, provides that the purposes for which chlorine may be assigned by the Administrator of EPA means "any use of chlorine including, but not limited to, use in treating drinking water and waste water and in food processing, which is determined to be essential for the protection of public health by the Administrator, in consultation with the Secretary of Health, Education, and Welfare." However, it does not preclude these officials from making a determination and an allocation of chlorine for other purposes, subject to an administrative determination.

Mr. President, the amendment I have just offered is a relatively simple one. This is the same amendment which appears in my Additional Views in the Committee Report (No. 93–861), accompanying the bill.

What the pending amendment accomplishes is to provide a substitute definition for the terms "Purpose necessary to protect the public health," which appears in subsection 3(4) on page 19 of the bill. As presently defined in S. 2846:

"Purpose necessary to protect the public health" means *any use of chlorine including, but not limited to,* use in treating drinking water and waste water and in food processing, *which is determined to be essential for the protection of public health, by the Administrator in consultation with the Secretary of Health, Education, and Welfare.* (Emphasis supplied)

In other words, as presently written, this definition provides a relatively broad scope to include "any use of chlorine," subject to the stated determination by the Administrator of the Environmental Protection Agency—EPA.

What my amendment would accomplish would be to insure priorities for the use of chlorine for three compelling needs: first, in treating drinking water; second, in treating waste water; third, for food processing which is determined to be essential for the protection of the health of the general public by the Administrator of EPA.

This amendment is in keeping with the declared Congressional policy of S. 2846, as introduced, which was to require priority dispersal of chlorine for the treatment of safe drinking and waste water.

Unfortunately, this limited scope was broadened considerably in committee so as to include "any use," subject only to administrative determination.

Mr. President, allocation of specific materials or commodities by the Federal Government is, at best, an inefficient device necessary to meet a clear and compelling public need; at worst, it is a probable disruptive influence in the marketplace which may only prove to be counter-productive by compounding shortages and other market dislocations.

I fully support S. 2846 to provide the necessary authority to meet compelling public health needs and to avoid any potential major health hazards arising from a shortage of chlorine. But, Mr. President, I believe that any such legislation should be so limited as to be aimed at this limited target, rather than potential "shotgun approach" now provided for in the pending bill. For example, certainly the treatment of drinking water and waste water and for food processing are high on the priority to meet this need. But, under S. 2846 "any person," including the owner of a swimming pool at a private residence, or for that matter at some plush country club, is eligible to apply for a determination and allocation of chlorine. I therefore submit, Mr. President, that the prospect of Government allocation action entering into such an area demonstrates clearly just how far S. 2846 now strays from its original mark of compelling public health needs.

Mr. President, some will say that my fear is ill-founded, since the provisions of S. 2846 terminate on December 31, 1975, and that since it is applicable only for approximately 1½ years, little displacement will occur in the marketplace. I disagree. On the contrary, the very fact that S. 2846 is essentially a temporary measure only makes my argument more compelling that its scope should be limited so as to target in on those users of chlorine which have a clear and compelling need in the interest of protecting the public health.

In other words, if this bill is necessary at all, its need is only temporary since, by its very terms, it will expire at the end of 1975. Therefore, the bill should authorize the allocation of chlorine only until the supply is enlarged, and becomes more sufficient so that all municipal needs can be met.

As the supply becomes sufficient, of course, it will be available to swimming pools and other uses. There is no reason why within several months there should not be an adequate amount of chlorine. The evidence seems to indicate it was more or less through oversight that this temporary shortage occurred.

This bill is just a safeguard. My amendment simply provides allocation first to satisfy the needs for drinking water, then waste water, and then for food processing. Then, as the supply increases, of course, it can be supplied to swimming pools and all kinds of other purposes. Certainly, by the end of 1975, there is every reason to believe that an ample supply of chlorine should be available for all purposes.

Frankly, I cannot see why my dear friend and distinguished colleague from Michigan (Mr. HART) believes my amendment would defeat the purpose of the bill. On the contrary, I think it adds to the effectiveness of the bill. I rather hope he will accept the amendment and that we can pass the bill with the amendment. But, if he does not, I think this amendment is necessary.

Mr. HART. Mr. President, I yield myself such time as may be needed to reply.

The PRESIDING OFFICER. The Senator is recognized.

Mr. HART. Mr. President, the Senator from New Hampshire is absolutely correct in suggesting that the difference between the language reported by the committee and the language he proposes by his amendment is slight. I am ready to acknowledge that the probable effect in practice would also be slight.

As reported by the committee, the proposed bill would assure priority treatment for all uses of chlorine necessary to protect the public health. The primary focus of the bill is on chlorine used in the treatment of drinking water. However, numerous other limited, but essential, public health uses of chlorine exist: medical uses and chlorine for public swimming pools. Chlorine for these purposes would not be taken from chlorine used in the treatment of drinking water. The question for the Congress is whether priority should be given to these public health needs for chlorine over industrial needs for chlorine. Only approximately 5 percent of all the chlorine produced in the Nation is used for the combined public health purposes covered by this legislation. It is not asking a great sacrifice that during the short period of limited supply these essential needs are met.

There is a possibility that in the period between now and the end of 1975, given the shortage we anticipate for chlorine, some medical use or other public health purpose, not related to treating water or use in food processing, might require the allocation of this short supply commodity. This, I think, is really the only difference between the committee bill and the amendment proposed by the Senator from New Hampshire.

The opportunity to allocate chlorine for these other public health purposes should be reserved. Such an allocation would be subject to the approval of the Administrator of the Environmental Protection Agency and the Secretary of Health, Education, and Welfare and would be for some, admittedly unanticipated at the moment, medical need, medical use, or other public health use.

Unless we retain the language of the committee bill it would appear to me there would not be the authority in the Administrator and the Secretary of Commerce to make a needed allocation of chlorine for these other essential public health purposes. The Cotton amendment would only allow the Secretary and the Administrator to respond to an emergency appeal in the event that there is an inadequate supply of chlorine for the treatment of water or for food processing.

Therefore, I believe the committee properly phrased the language. For that reason I doubt I would be authorized by the committee and I would not be comfortable myself in accepting the amendment.

Mr. COTTON. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. COTTON. Mr. President, the wording of my amendment and the purpose of my amendment does not preclude the use of chlorine for other purposes. It simply insures that first priority be given to allocation for these three purposes, which constitute a compelling public health need.

To be frank, I am not sure this bill is as pressingly necessary as it was 2 weeks ago. I sat in my living room about 3 nights ago and saw a television commercial with people swimming in a swimming pool. The announcer said to be sure the water in the swimming pool is pure, blue, and healthy. Then, there was a picture of a can of chlorine to buy. So it is being advertised in television commercials.

However, if there does exist a need for chlorine to treat drinking water, then I think it should get first priority; then, it should go for wastewater which runs to the sewers and which is extremely dangerous to health; and then, food processing. Many of the 74 cities which experienced outages probably have already taken care of their needs. I question whether, under the wording of this amendment, any compelling public health needs could not promptly be taken care of. And, it is to meet just such compelling needs that I introduced the pending amendment, rather than leave it to some vague administrative determination at some future date.

My good friend, the Senator from Michigan (Mr. Hart), admits that the present language in the bill is to meet some "unanticipated" need. I would observe that only last week the leadership introduced a bill, S. 3523, to establish a temporary National Commission on Supplies and Shortages, which is to report on such matters to the President and to the Congress by December 31, 1974. The need the Senator talks about is something unanticipated, but it is something this proposed Commission will be looking into.

All this amendment does is to take this bill, which is a good bill, and for which I commend the Senator from Michigan, and see to it that it is pointed directly to the three essential needs. These needs are to be taken care of first, and then the marketplace takes care of the balance.

Obviously, there should be enough chlorine within several months to take care of everybody's swimming pool, be it country clubs or private.

Mr. President, in view of the fact that the distinguished Senator cannot accept my amendment, I want to ask for the yeas and nays.

I suggest the absence of a quorum and ask unanimous consent that it not be charged to the time of either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. COTTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. COTTON. I yield back my time.

Mr. HART. I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from New Hampshire. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Florida (Mr. Chiles), the Senator from California (Mr. Cranston), the Senator from North Carolina (Mr. Ervin), the Senator from Arkansas (Mr. Fulbright), the Senator from Indiana (Mr. Hartke), the Senator from Maine (Mr. Hathaway), the Senator from Kentucky (Mr. Huddleston), the Senator from Hawaii (Mr. Inouye), the Senator from Wyoming (Mr. McGee), the Senator from New Hampshire (Mr. McIntyre), the Senator from Utah (Mr. Moss), the Senator from Connecticut (Mr. Ribicoff), the Senator from Alabama (Mr. Sparkman) and the Senator from California (Mr. Tunney) are necessarily absent.

I also announce that the Senator from Missouri (Mr. Symington) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Massachusetts (Mr. Brooke), the Senator from Oregon (Mr. Packwood), and the Senator from North Dakota (Mr. Young) are necessarily absent.

The result was announced—yeas 43, nays 38, as follows:

[No. 226 Leg.]

YEAS—43

Aiken
Allen
Baker
Bartlett
Beall
Bennett
Brock
Buckley
Byrd, Harry F., Jr.
Case
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Goldwater
Griffin
Gurney
Hansen
Hatfield
Helms
Hollings
Hruska
Javits
Mathias
McClellan
McClure
Pearson
Percy
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Stennis
Stevens
Taft
Thurmond
Tower
Weicker

NAYS—38

Abourezk
Bayh
Bentsen
Bible
Biden
Burdick
Byrd, Robert C.
Cannon
Church
Clark
Eagleton
Fong
Gravel
Hart
Haskell
Hughes
Humphrey
Jackson
Johnston
Kennedy
Long
Magnuson
Mansfield
McGovern
Metcalf
Metzenbaum
Mondale
Montoya
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Stevenson
Talmadge
Williams

NOT VOTING—19

Bellmon
Brooke
Chiles
Cranston
Ervin
Fulbright
Hartke
Hathaway
Huddleston
Inouye
McGee
McIntyre
Moss
Packwood
Ribicoff
Sparkman
Symington
Tunney
Young

So Mr. Cotton's amendment (No. 1357) was agreed to.

Mr. COTTON. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. BROCK. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The amendment, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time the question is, Shall the bill pass?

The bill (S. 2846) was passed, as follows:

S. 2846

An act to protect the flow of interstate commerce from unreasonable damage to the environmental health by assuring an adequate supply of chlorine which is necessary for safe drinking water and for other public health purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Chlorine Allocation Act of 1974".

DECLARATION OF POLICY

Sec. 2. (a) Findings.—The Congress finds and declares that—

(1) There is a shortage at present of avail-

able supplies of chlorine for treating drinking water and waste water and for other purposes necessary to protect the public health.

(2) As a consequence, many municipalities and other persons may be forced to terminate chlorination.

(3) Since chlorine is a chemical that is essential to making water safe for drinking, bathing, and for the treatment of waste water, the termination of chlorination for any public water supply in the Nation would endanger the public health.

(b) PURPOSE.—It is therefore declared to be the purpose of the Congress in this Act to establish a procedure for the diversion of such amounts of chlorine in commerce as are necessary to insure treatment of drinking water needed to protect the public health and for the diversion of such other amounts from nonessential purposes to those necessary to protect the public health.

DEFINITIONS

SEC. 3. As used in this Act—

(1) "Adequate supply" means such supply of chlorine in such quantity and form and under such conditions as is necessary to meet Federally approved drinking water and water pollution standards and otherwise as is necessary to protect the public health.

(2) "Administrator" means the Administrator of the Environmental Protection Agency.

(3) "Person" includes a State or political subdivision thereof, and a public water supplier.

(4) "Purpose necessary to protect the public health" means the use of chlorine in treating drinking water and waste water, and for food processing which is determined to be essential for the protection of the health of the general public by the Administrator, in consultation with the Secretary of Health, Education, and Welfare.

(5) "Secretary" means the Secretary of Commerce.

(6) "Waste water" means any discharge from sewage treatment plants into the natural waters of the United States.

PRIORITY ORDERS

SEC. 4. (a) ISSUANCE.—(1) The Secretary, as promptly as possible after receipt of a determination of need made by the Administrator in accordance with paragraph (1) of subsection 5(b) of this Act, shall issue a priority order directing that the amount of chlorine needed to assure an adequate supply for the treatment of drinking water (as specified in the determination by the Administrator) be allocated to the applicant for such determination.

(2) The Secretary, as soon as practicable, but not later than 15 days after a determination of need made by the Administrator in accordance with paragraph (2) of subsection 5(b) of this Act, shall take such action as is necessary to assure that the amount of chlorine needed to assure an adequate supply (as specified in such determination by the Administrator) is allocated to the applicant of such determination, including, if necessary, issuance of a priority order directing delivery of such chlorine. Such chlorine shall not be taken from chlorine presently used for the treatment of drinking water. Any such priority order shall be issued only after a proposed priority order has been published in the Federal Register and interested persons have been given an opportunity to submit written data, views, or arguments to the Secretary in accordance with section 553 of title 5, United States Code. The Secretary may afford an opportunity for oral presentation of such data, views, or arguments.

(3) Such priority order shall be directed to applicable persons in accordance with subsection (b) of this section. Any such person shall accept and perform contracts or orders in accordance with such priority order in preference to any other contracts or orders.

(4) There shall be available as a defense to any action brought for breach of contract in a Federal or State court arising out of delay or failure to provide, sell, or offer for sale or exchange chlorine subject to an order issued under this section that such delay or failure was caused solely by compliance with such order.

(b) APPLICABILITY.—(1) No order issued under this section shall require the provision of chlorine by any person who historically has produced, distributed, or repackaged chlorine solely for his own use.

(2) Orders issued under this section shall be apportioned fairly and equitably among producers, distributors, or repackagers. In making such apportionment for chlorine, the Secretary shall consider the geographical relationship between producers, distributors, repackagers and customers; established commercial relationships between producers, distributors, repackagers, and customers; the amount of chlorine historically supplied by each producer for purposes necessary to protect the public health; each producer's pro rata share of the total national annual production of chlorine; and other relevant factors.

DETERMINATION OF SHORTAGE

SEC. 5 (a) REQUEST.—(1) Any person who lacks an adequate supply of chlorine for the treatment of drinking water may request the Administrator to make a determination of need for timely submission to the Secretary for the issuance of a priority order pursuant to section 4 of this Act. Such request shall be published in the Federal Register.

(2) Any person who lacks an adequate supply of chlorine for any purpose necessary to protect the public health, except for the treatment of drinking water, may request the Administrator to make a determination of need which shall include (i) a finding that such person making a request pursuant to this paragraph lacks an adequate supply of chlorine and (ii) a finding of the amount of chlorine needed to assure an adequate supply. Such request shall be published in the Federal Register and shall be in such form and be submitted in such manner together with such material and other information as the Administrator may prescribe, and shall include the names and business addresses of all persons whom the applicant believes would be able to provide, in whole or in part, the amount needed to assure an adequate supply.

(b) DETERMINATION.—(1) The Administrator either shall make a prompt determination of need with respect to any request received pursuant to paragraph (1) of subsection (a) of this section and shall forward a copy thereof in a timely manner to the Secretary together with any pertinent data accompanying such request, or shall promptly decide against such determination.

(2) The Administrator shall, as soon as practicable, but not later than 15 days after receipt of any request submitted pursuant to paragraph (2) of subsection (a) of this section, either make a determination of need with respect to such request or decide against making such determination. Such determination or decision shall be made only after interested persons have been given an opportunity to submit written data, views, or arguments to the Administrator in accordance with section 553 of title 5, United States Code. The Administrator may afford an opportunity for oral presentation of such data, views, or arguments. If the Administrator makes a determination of need, he shall forward such determination of need to the Secretary together with the findings specified in paragraph (2) of subsection (a) of this section, the names of the person or persons from whom supplies of chlorine have been sought, and the stated reasons for the inability of such persons to provide an adequate supply.

USE OF EXISTING FACILITIES

SEC. 6. (a) In carrying out the provisions of this Act, the Secretary and the Administrator shall use, to the extent practicable, existing facilities, services and personnel of the Department of Commerce, and the Environmental Protection Agency, respectively.

(b) The Secretary or the Administrator, with the consent of the head of any other agency of the United States, may utilize such officers and employees of such agency as he deems necessary to assist him in carrying out the purposes of this Act.

MAINTENANCE OF RECORDS AND INSPECTIONS

SEC. 7. (a) Every person who is subject to an order or regulation under this Act shall establish and maintain such records, make such reports, conduct such monitoring, and provide such information as the Secretary or the Administrator may reasonably require by regulations to assist him in determining whether such person has acted or is acting in compliance with this Act.

(b) The Secretary or the Administrator, or their duly designated representatives, upon presenting appropriate credentials and a written notice to any person subject to an order or regulation issued under this Act, is authorized to enter, at reasonable times, any establishment or facility or other property of such person in order to determine whether such person has acted or is acting in compliance with this Act, including for this purpose, inspection, at reasonable times, of records, files, papers, processes, controls, and facilities, which are relevant to the administration of this Act.

(c) Whoever fails or refuses to comply with any requirement under subsection (a) of this section or to allow the Secretary or the Administrator or their representatives to enter and conduct any inspection authorized by subsection (b) of this section shall, upon conviction, be fined not more than $5,000.

REGULATIONS AND ASSIGNMENT OF PERSONNEL

SEC. 8. (a) The Secretary and the Administrator are authorized to prescribe such rules and regulations as are necessary or appropriate to carry out their functions under this Act.

(b) Upon the request of a State or interstate agency, the Secretary or the Administrator may assign personnel to such State or interstate agency for the purposes of carrying out the provisions of this Act.

ENFORCEMENT OF PRIORITY ORDERS

SEC. 9. Any person who fails to comply with any order issued pursuant to this Act shall be subject to a civil penalty of not more than $5,000 for each day of failure to comply. If he willfully fails to comply with any order issued under this Act he shall be guilty of a criminal violation and shall, upon conviction, be fined not more than $10,000 for each day of failure to comply, or be imprisoned for not more than 1 year, or both. The Secretary or the Administrator or, at the request of either, the Attorney General, may bring an action in an appropriate district court of the United States for equitable relief to redress a violation of any order issued pursuant to this Act. The district courts of the United States shall have jurisdiction to grant such relief as is necessary or appropriate for violations under this Act, including mandatory or prohibitive injunctive relief.

RELATIONSHIP TO ANTITRUST LAWS

SEC. 10. Nothing in this Act shall be deemed to convey to any person immunity from civil or criminal liability, or to create defenses to actions, under the antitrust laws. As used in this section, the term "antitrust laws" includes—

(1) the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890 (15 U.S.C. 1 et seq.) as amended;

(2) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12 et seq.), as amended;

(3) the Federal Trade Commission Act (15 U.S.C. 41 et seq.), as amended;

(4) sections 73 and 74 of the Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes", approved August 27, 1894 (15 U.S.C. 8 and 9), as amended; and

(5) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

TERMINATION DATE

SEC. 11. The provisions of this Act shall terminate on December 31, 1975.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 12. There are authorized to be appropriated for carrying out the provisions of this Act such sums as are necessary, not to exceed $150,000 for the fiscal year ending June 30, 1974; not to exceed $500,000 for the fiscal year ending June 30, 1975; and not to exceed $300,000 for the fiscal year ending June 30, 1976.

The title was amended, so as to read: "A bill to protect the flow of interstate commerce from unreasonable damage to the environmental health by assuring an adequate supply of chlorine which is necessary for safe drinking water and for other public health purposes."

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 3373) relating to the sale and distribution of the Congressional Record.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 11864) to provide for the early commercial demonstration of the technology of solar heating by the National Aeronautics and Space Administration and the Department of Housing and Urban Development, in cooperation with the National Bureau of Standards, the National Science Foundation, the General Services Administration, and other Federal agencies, and for the early development and commercial demonstration of technology for combined solar heating and cooling; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Teague, Mr. McCormack, Mr. Fuqua, Mr. Symington, Mr. Mosher, Mr. Goldwater, and Mr. Wydler were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 12565) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons and research, development, test and evaluation for the Armed Forces, and to authorize construction at certain installations, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14013) making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 1, 11, 16, 26, 27, 28, 31, 41, 42, 45, 53, 54, 55, 66, 70 through 78 inclusive, 80, 91, 92, 106, 112, 123, 124, 125, 126, and 127 to the bill, and concurred therein; and that the House receded from its disagreement to the amendments of the Senate numbered 3, 15, 18, 19, 20, 29, 33, 48, 49, 60, 69, 87, 163, and 169 to the bill, and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate.

TRANSACTION OF ADDITIONAL ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a period for the transaction of additional morning business with statements therein limited to 5 minutes.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, for the information of the Senate, there will be no more rollcall votes today.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITION OF COSPONSOR OF AN AMENDMENT TO S. 2665

Mr. DOMINICK. Mr. President, the other day, Senators McClure, Domenici, Goldwater, and myself proposed an amendment (No. 1358), which was accepted by the distinguished Senator from Minnesota (Mr. Humphrey) to the IDA bill; namely, to permit ownership of gold by September 1 of this year.

The distinguished Senator from South Dakota (Mr. McGovern) was not in the Chamber when the colloquy occurred but he has informed me since that he would like to have been a cosponsor of that amendment.

I, therefore, ask unanimous consent that the name of the Senator from South Dakota (Mr. McGovern) may be added as a cosponsor of the amendment insofar as the permanent Record is concerned.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR CONSIDERATION TOMORROW OF CONFERENCE REPORT ON THE SUPPLEMENTAL APPROPRIATION BILL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of routine morning business on tomorrow, the Senate proceed to the consideration of the conference report on the supplemental appropriation bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR CONSIDERATION TOMORROW OF S. 3000, DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the conference report on the supplemental appropriation bill tomorrow, the Senate resume consideration of the unfinished business, S. 3000.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, there be a period for the transaction of routine morning business, of not to exceed 15 minutes, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that morning business be closed.

The PRESIDING OFFICER. Without objection, morning business is closed.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H.R. 8215) to provide for the suspension of duty on certain copying shoe lathes until the close of June 30, 1976.

The enrolled bill was subsequently signed by the President pro tempore.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975

The Senate continued with the consideration of the bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent—and this request has been cleared with the distinguished manager of the bill and the distinguished ranking minority member—that on two amendments by the distinguished Senator from South Dakota (Mr. ABOUREZK), Nos. 1373 and 1374, there be a time limitation on each of 1 hour; that on amendment No. 1372 by Senator ABOUREZK, there be a time limitation of 90 minutes, with time on each of these amendments to be divided in accordance with the usual form; and that there be a time limitation on amendments to amendments of 30 minutes, to be equally divided in accordance with the usual form.

Mr. STENNIS. Mr. President, reserving the right to object—and I hope that I shall not have to object—that would be entirely all right with me, provided we not take up the Abourezk amendment with reference to South Vietnam—I believe that number is 1372—first, but after the B–1.

Mr. ROBERT C. BYRD. There is no thought of calling it up first.

Mr. ABOUREZK. Mr. President, reserving the right to object, is that being made a part of the order?

Mr. ROBERT C. BYRD. No; Senator STENNIS does not object to the time agreement. He just does not want amendment No. 1372 to be laid before the Senate first, as first consideration for tomorrow.

Mr. ABOUREZK. What I am asking the Chair is, is that condition being made a part of the agreement?

The PRESIDING OFFICER. The Chair would state that the Senator from West Virginia has not asked that that be made a part of the agreement, as the Chair understands it.

Mr. ROBERT C. BYRD. Mr. President, under the previous order, the amendment by the distinguished Senator from South Dakota (Mr. McGOVERN) will be laid before the Senate tonight. So I am just asking for a time limitation on each of the three amendments of the distinguished Senator from South Dakota (Mr. ABOUREZK).

Mr. ABOUREZK. That is all right with me. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Pursuant to the previous order, the Chair lays before the Senate amendment No. 1346 of the Senator from South Dakota (Mr. McGOVERN), which the clerk will state.

The legislative clerk proceeded to read the amendment.

The amendment is as follows:

AMENDMENT NO. 1346

On page 3, line 13, strike out the semicolon and insert in lieu thereof a comma and the following: "of which not more than $200,000,000 shall be available for research, development, testing, and evaluation in connection with the B–1 bomber aircraft program;".

On page 3, between lines 16 and 17, insert a new section as follows:

"SEC. 202. (a) The Secretary of Defense shall provide for an independent and comprehensive cost-effectiveness study, on a force level basis, of the manned bomber mission of the Air Force. Such study shall include, but shall not be limited to, a consideration of the following alternatives, taking into consideration both nuclear and conventional warfare roles of such alternatives:

"(1) the B–1 aircraft;

"(2) the existing B–52/FB–111 combination aircraft with appropriate modifications to extend the operational life and strategic utility of the B–52G and the B–52H series aircraft;

"(2) the FB–111 aircraft with modifications to provide greater range and increased payload capacity;

"(4) a modified version of the B–52;

"(5) the M–X or other aircraft-ballistic missile combinations designed not to penetrate enemy airspace or terminal defenses but to perform exclusively as a standoff aircraft; and

"(6) the complete reliance (no manned strategic bomber) on the modernization of sea-launched ballistic missiles and intercontinental ballistic missiles, within the constraints of negotiated limitations on strategic arms, to provide insurance equivalent to what the manned bomber would provide against any degradation of existing sea-launched ballistic missiles and intercontinental ballistic missiles.

"(b) With respect to the nonnuclear missions of the Air Force, the study provided for in subsection (a) of this section shall also include a cost-effectiveness comparison of the B–1 aircraft with currently available tactical aircraft and with tactical aircraft scheduled to become operational within the same time frame as the B–1 aircraft.

"(c) Both before and during the study the assumptions and methodology used in the study to measure the cost-effectiveness of strategic bomber options, including the plausibility and practicality of all missions assigned to manned strategic bombers, shall be available for review by the Committees on Armed Services and the Committees on Appropriations of the United States House of Representatives and the United States Senate.

"(d) The professional analysts selected by the Secretary of Defense to conduct the study provided for in this section shall be selected solely on the basis of their ability to carry out effectively and impartially the cost-effectiveness study required to be conducted by this section. Not more than one-half of the total number of the analysts selected by the Secretary may be composed of (1) current employees of or persons employed by the Department of Defense within a period of three years prior to the beginning of the study, and (2) persons employed or formerly employed by any business entity who have worked on Department of Defense projects at any time within a period of three years preceding the date of their selection by the Secretary of Defense to help conduct the study required under this section.

"(e) The Secretary of Defense shall initiate the study required by this section at the earliest practicable date and shall submit the results of such study to the Committees on Armed Services of the Senate and the House of Representatives not more than twelve months after the date of enactment of this Act.

"(f) The expenses incurred in conducting the study required by this section shall be paid for out of funds made available under section 201 of this Act for the B–1 bomber aircraft program.".

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at the hour of 10:30 a.m. tomorrow. After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business of not to exceed 15 minutes with statements limited therein to 5 minutes. At the conclusion of routine morning business, the Senate will proceed to the consideration of the conference report on the supplemental appropriation bill. At the moment I know of no problems in connection with that conference report. However, as Senators are well aware, yea-and-nay votes can be requested without prior notice and, of course, could happen in this instance. The distinguished chairman of the Committee on Appropriations (Mr. McCLELLAN) tells me he knows of no controversy in connection with the conference report.

Upon the disposition of the conference report, the Senate will resume the consideration of the unfinished business, S. 3000, at which time the pending question will be on the adoption of amendment No. 1346 by Mr. McGOVERN, on which there is a time limitation of 3 hours.

Other yea-and-nay votes will occur on tomorrow with respect to amendments to the bill (S. 3000). I would anticipate that it will be a busy day with several rollcall votes occurring during the day.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO 10:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate. I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 10:30 a.m. tomorrow.

The motion was agreed to; and at 5:24 p.m. the Senate adjourned until tomorrow, Wednesday, June 5, 1974, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 4, 1974:

IN THE AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be general

Lt. Gen. William V. McBride, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be general

Lt. Gen. Louis L. Wilson, Jr., [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. John W. Pauly, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Bryce Poe, II, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

IN THE MARINE CORPS

The following-named (Navy enlisted scientific education program) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Barbee, Forest L.
Hayes, Daniel P.

HOUSE OF REPRESENTATIVES—*Tuesday, June 4, 1974*

The House met at 12 o'clock noon.

Rev. John F. Warren, National Church of God, Washington, D.C., offered the following prayer:

O mighty God, be the auditor of all the business transactions of this House. Keep each Member honest to the *n*th degree. Help each servant maintain the sensitivity necessary to serve. Give each heart vigor that willingly accomplishes the task. Give each Member energy to keep busy doing the work of the people. Give each one grace to call on You for a refreshing supply of life.

All-seeing and all-knowing God, You see through the coverup we make for our failings and sins. Give us the moral courage to stand or fall on our own accomplishments.

Help us to rely upon the righteousness which is to be had in Christ. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On May 28, 1974:

H.R. 5621. An act to amend title 10, United States Code, to provide for the presentation of a flag of the United States for deceased members of the Ready Reserve and for deceased members of the Reserve who die after completing 20 years of service, but before becoming entitled to retired pay.

On May 31, 1974:

H.R. 12670. An act to amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crew member duties, and for other purposes.

On June 1, 1974:

H.R. 6541. An act to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of South Carolina;

H.R. 6542. An act to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of South Carolina;

H.R. 7087. An act to authorize the Secretary of the Interior to sell reserved mineral interests of the United States in certain land in Missouri to Grace F. Sisler, the record owner of the surface thereof;

H.R. 10284. An act to authorize the Secretary of the Interior to sell certain rights in the State of Florida;

H.R. 10942. An act to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), as amended, to extend and adapt its provisions to the Convention between the United States and the Government of Japan for the protection of migratory birds and birds in danger of extinction and their environment, concluded at the city of Tokyo, March 4, 1972; and

H.R. 12920. An act to authorize appropriations to carry out the Peace Corps Act, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 206. Joint resolution authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy one citizen of the Kingdom of Laos.

PRIVATE CALENDAR

The SPEAKER. This is the day for the call of the Private Calendar. The Clerk will call the first individual bill on the Private Calendar.

MRS. ROSE THOMAS

The Clerk called the bill (H.R. 2535) for the relief of Mrs. Rose Thomas.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

COL. JOHN SHERMAN

The Clerk called the bill (H.R. 2633) for the relief of Col. John H. Sherman.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ESTATE OF THE LATE RICHARD BURTON, SFC, U.S. ARMY (RETIRED)

The Clerk called the bill (H.R. 3533) for the relief of the estate of the late Richard Burton, SFC, U.S. Army (retired).

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MR. AND MRS. JOHN F. FUENTES

The Clerk called the bill (H.R. 2508) for the relief of Mr. and Mrs. John F. Fuentes.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MURRAY SWARTZ

The Clerk called the bill (H.R. 6411) for the relief of Murray Swartz.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

ESTELLE M. FASS

The Clerk called the resolution (H. Res. 362) to refer the bill (H.R. 7209) for the relief of Estelle M. Fass to the Chief Commissioner of the Court of Claims.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

RITA SWANN

The Clerk called the bill (H.R. 1342) for the relief of Rita Swann.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

LEONARD ALFRED BROWNRIGG

The Clerk called the bill (H.R. 2629) for the relief of Leonard Alfred Brownrigg.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

FAUSTINO MURGIA-MELENDREZ

The Clerk called the bill (H.R. 7535) for the relief of Faustino Murgia-Melendrez.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

ROMEO LANCIN

The Clerk called the bill (H.R. 4172) for the relief of Romeo Lancin.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

AUTHORIZING THE SECRETARY OF THE INTERIOR TO SELL RESERVED PHOSPHATE INTERESTS OF THE UNITED STATES

The Clerk called the bill (H.R. 10626) to authorize the Secretary of the Interior to sell reserved phosphate interests of the United States in certain lands in Florida to John Carter and Martha B. Carter.

There being no objection, the Clerk read the bill, as follows:

H.R. 10626

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized and directed to convey, sell, and quitclaim to John Carter and Martha B. Carter of Lake Wales, Florida, all phosphate interests now owned by the United States in and to the hereinafter described lands located in Polk County, Florida: The northwest quarter of the southwest quarter of section thirty-three in township thirty south of range twenty-seven east of the the Tallahassee meridian Florida, containing thirty-nine acres and ninety-hundredths of an acre.

SEC. 2 In the event that the Secretary of the Interior determines that the lands described in the first section are not prospectively valuable for phosphate, he shall convey the reserved phosphate interests to John Carter and Martha B. Carter upon the payment of a sum of $200 to reimburse the United States for the administrative costs of the conveyance; otherwise, the phosphate interests shall be sold to John Carter and Martha B. Carter upon the payment of a sum equal to $200 plus the fair market value of the phosphate interests as determined by the Secretary after taking into consideration such appraisals as he deems necessary. No conveyance shall be made unless such payment is made within one year after the Secretary notifies John Carter and Martha B. Carter of the total amount to be paid.

SEC. 3. Proceeds from the sale made hereunder shall be covered into the Treasury of the United States as miscellaneous receipts.

With the following committee amendment:

Page 2, lines 3 through 19, strike out the present text and insert in lieu thereof the following:

SEC. 2. The Secretary shall require the deposit of a sum of money which he deems sufficient to cover estimated administrative costs of this Act. If a conveyance is not made pursuant to this Act, and the administrative costs exceed the deposit, the Secretary shall bill the applicant for the outstanding amount, but if the amount of the deposit exceeds the actual administrative costs, the Secretary shall refund the excess.

SEC. 3. No conveyance shall be made unless application for conveyance is filed with the Secretary within six months of the date of approval of this Act and unless within the time specified by him payment is made to the Secretary of (1) administrative costs of the conveyance and (2) the fair market value of the interests to be conveyed. The amount of the payment required shall be the difference between the amount deposited and the full amount required to be paid under this section. If the amount deposited exceeds the full amount required to be paid, the applicant shall be given a credit or refund for the excess.

SEC. 4. The term "administrative costs" as used in this Act includes, but is not limited to, all costs of (1) conducting an exploratory program to determine the character of the phosphate deposits in the land, (2) evaluating the data obtained under the exploratory program to determine the fair market value of the mineral rights to be conveyed, and (3) preparing and issuing the instrument of conveyance.

SEC. 5. Moneys paid to the Secretary for administrative costs shall be paid to the agency which rendered the service, and deposited to the appropriation then current. Moneys paid for the minerals or mineral interests conveyed shall be deposited into the general fund of the Treasury as miscellaneous receipts.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GABRIEL EDGAR BUCHOWIECKI

The Clerk called the bill (H.R. 3190) for the relief of Gabriel Edgar Buchowiecki.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

LEONOR LOPEZ

The Clerk called the Senate bill (S. 280) for the relief of Leonor Lopez.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ESTATE OF PETER BOSCAS, DECEASED

The Clerk called the bill (H.R. 2637) for the relief of the estate of Peter Boscas, deceased.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MARCOS ROJOS RODRIGUEZ

The Clerk called the Senate bill (S. 724) for the relief of Marcos Rojos Rodriguez.

The Clerk read the Senate bill, as follows:

S. 724

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Marcos Rojos Rodriguez of San Antonio, Texas, the sum of $15,000, in full satisfaction of all claims of the said Marcos Rojos Rodriguez against the United States for compensation for permanent personal injuries suffered by him as the result of the accidental explosion of a Mark I bomb fuse (Barlow type) which was found by Marcos Rojos Rodriguez, on May 28, 1925, in a potato field north of and adjacent to Kelly Field, Texas: *Provided,* That no part of the amount appropriated in this bill in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of service rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this bill shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6: Strike "$15,000" and insert "$10,000".

The committee amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This ends the call of the Private Calendar.

WELCOME TO PASTOR JOHN F. WARREN

(Mrs. HOLT asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. HOLT. Mr. Speaker, I am pleased to welcome Pastor John F. Warren, the senior minister of the National Church of God in Washington, who opened our session today with his thoughtful prayer.

Mr. Warren is a constituent of mine, living in Hillcrest Heights, and has served as missionary pastor in the Bahama Islands. In his 4 years of service to the National Church of God, he and his wonderful family have earned the great respect and the deep affection of his congregation and his community.

Mr. Warren is currently a member of the State board of counselors for the Church of God, and is also an active member of the State Evangelism Commission. It is a great pleasure to have Pastor Warren and his family with us today.

PERMISSION FOR COMMITTEE ON DISTRICT OF COLUMBIA TO FILE REPORT ON H.R. 15074, CAMPAIGN FINANCING BILL

Mr. STUCKEY. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until midnight tonight to file a report on H.R. 15074, the campaign financing bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

JUDGE JIM LAWLESS MURDERED BY LETTER BOMB

Mr. McCORMACK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCORMACK. Mr. Speaker, yesterday a friend of mine, Judge Jim Lawless of the Superior Court of Benton and Franklin Counties of Washington State was murdered in his office by a letter bomb.

The tragedy of the loss of this kind man, and his wisdom, counsel, and justice to the thousands of people he served is overshadowed by the enormity of this crime and the cowardice of his murderer.

Our society is not sick today, but there are apparently some sick individuals who think that such crimes as murder by letter bomb can somehow be justified.

I say they cannot under any circumstance.

Public servants such as Jim Lawless absolutely must be protected from acts of violence if our country is to survive.

The death of Judge Jim Lawless is our loss, partially because the murder of public officials constitutes the destruction of our freedoms. It is democracy's loss. Such crimes must stop.

I mourn the death of my friend and extend my deepest sympathy to his family, but I mourn also for a society in which such crimes occur.

CREATIVE JOURNALISM

(Mr. DEVINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEVINE. Mr. Speaker, when we talk about "creative journalism" CBS's Dan Rather tried to outdo himself in his WTOP "First Line Report," Wednesday, May 29. In speaking of Dr. Kissinger's Middle East negotiations, he rather gratuitously offered:

> But Kissinger's assignment was to help the President fight off impeachment by reaching a disengagement agreement with Israel and Syria and Kissinger it now appears will be finally bringing back the good news.

If anyone has doubted the charges of slanted, biased newscasting this is a prime example. What evidence does Mr. Rather, or anyone else, have that the President's assignment to Dr. Kissinger to put out the flames of the most explosive situation in the world was actually "to help the President fight off impeachment."

COMMITTEE REORGANIZATION

(Mr. ANDERSON of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON of Illinois. Mr. Speaker, I rise to reiterate my support for the Bolling-Martin committee reorganization proposal in a very particular sense. As my colleagues will recall, one controversial feature of that plan is the transfer of jurisdiction over campaign finance from the House Administration Committee to the Committee on Standards of Official Conduct.

I must observe that despite what I understand to be the best efforts of the chairman, Mr. HAYS, the members of that committee have signalled very clearly that they do not wish to retain election reform jurisdiction, that they are not really interested in this vital subject and would be pleased to see the responsibility transferred to others.

On six different occasions during the last 2 weeks the majority of the committee has voted—by absence of a quorum—to relinquish jurisdiction.

On May 22, 15 Members showed up but the meeting was canceled within one-half hour because attendance had dropped to 10—4 short of a quorum.

On the next day a scheduled markup was canceled—again for lack of a quorum.

On May 29, only 10 of the committee's 26 members appeared so the markup was once more postponed.

The next day, May 30, attendance was down to nine and again no business could be conducted.

On Monday of this week, June 3, 11 Members appeared for an afternoon markup session—three short of a quorum.

And now I have been informed that the committee did not even assemble this morning because a telephone check indicated that the chairman would be forced to preside over a nearly empty committee room. In addition, I have been informed that the meeting rescheduled for the afternoon has just been cancelled.

Mr. Speaker, in light of this performance is it any wonder that the committee has covered only 8 pages of the 30-page bill, despite more than a dozen meetings since March 26?

Given the unprecedent crisis of confidence in the country today, and the overwhelming public support for campaign reform, there is only one word for the sorry record I have just recited—scandalous.

CAMPAIGN FINANCE REFORM

(Mr. FRENZEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, campaign finance reform is the single most positive response that Congress can make to the Watergate scandal. However, the House Administration Committee, which is presently considering campaign finance legislation, has been unable to make or keep a quorum to conduct business for six straight meetings.

On May 22, 15 out of 26 committee members were present, but the meeting had to be cancelled after only about half an hour because 7 of those members present left. On May 29, only 10 members were present, on May 30, only 9, and on June 3, only 11. Meetings on May 23 and June 4 were cancelled beforehand because an insufficient number of members said they would attend.

The present situation is intolerable. The election bill is of top priority, but we cannot make a quorum.

Members have chosen to go to other legislative business. For example, six members of the committee are also on the Education and Labor Committee which is presently involved in the important ESEA and pension reform conference. Five members are on the Banking and Currency Committee which is presently considering the housing and community development bill. Three members are on the Interstate and Foreign Commerce Committee which is acting on the biomedical research, health manpower, health planning and development, and clean water bills. Three members are part of the Judiciary Committee's impeachment investigation.

The committee's failure to muster a quorum six times is a powerful argument for the single committee proposal of the Bolling committee report—the bipartisan effort to reform the committee structure that was so ignominously scuttled in the secrecy of the Democratic caucus.

The chairman of the committee, who has often in the past been criticized for dilatory tactics, has not been to blame. He has diligently scheduled meetings whenever it appeared that the committee might be able to get a quorum. The leadership of the House must find a way to break the impasse. We cannot let ourselves be shackled by the lack of a quorum. There must be a solution, and we have to find it. And the solution cannot cut short deliberation or debate.

Mr. Speaker, public confidence in Congress has reached an all-time low. We must do everything possible to assure that election reform legislation is given expeditious but complete consideration. The public will not ask how difficult our problems were. It will only ask whether we produced good well-considered legislation.

ANNUAL REPORT ON THE MANAGEMENT AND CONSERVATION OF COASTAL RESOURCES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Merchant Marine and Fisheries:

To the Congress of the United States:

I am transmitting the first annual report on the management and conservation of our coastal resources, as required by the Coastal Zone Management Act of 1972. This report covers fiscal year 1973, a year of study and organization preparatory to the financial implementation of the act in fiscal year 1974.

In the spirit of the New Federalism, this program constitutes a partnership between the States and the Federal Government. It will seek to solve what some have described as the dilemma of conservation versus development in the ecologically fragile coastal zone area of our country. Together with the Congress we recognize this dilemma, but neither branch of Government believes conservation and development are mutually exclusive. We must permit neither development nor conservation to become completely dominant. By systematically weighing the benefits and the costs of proposed actions, we can provide for both conservation and progress.

Together with the land use legislation now pending in the Congress, the Coastal Zone Act would provide our Nation with complete geographic coverage for this important State-Federal planning partnership. We look to land use and coastal zone plans to assist us in preserving our natural heritage and in permitting orderly development of our resources for the common good. This is especially important in the coastal areas where most of our population is concentrated, where many of our recreational and employment opportunities are centered, and where many forces compete for our resources.

Significant groundwork has been laid in planning for implementation of the Coastal Zone Act. As a result, I believe we are able to look forward to rapid progress as the Federal Government begins this important task in partnership with State governments.

RICHARD NIXON.

THE WHITE HOUSE, *June 4, 1974.*

ANNUAL REPORT ON ADMINISTRATION OF RADIATION CONTROL FOR HEALTH AND SAFETY ACT OF 1968—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-316)

The SPEAKER laid before the House the following message from the President of the United States; which was read and together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered to be printed:

To the Congress of the United States:

I transmit herewith the 1973 annual report on the administration of the Radiation Control for Health and Safety Act of 1968 (Public Law 90-602), as prepared by the Secretary of Health, Education, and Welfare.

RICHARD NIXON.

THE WHITE HOUSE, *June 4, 1974.*

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement.

Pursuant to the provisions of clause 3 (b) of rule XXVII, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

After all motions to suspend the rules have been entertained and debated, and after those motions to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

CALL OF THE HOUSE

Mr. MYERS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 263]

Anderson, Calif.
Badillo
Bell
Biester
Bingham
Blatnik
Bowen
Brasco
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burton
Carey, N.Y.
Chisholm
Clausen, Don H.
Cochran
Conyers
Coughlin
Culver
Daniels, Dominick V.
Danielson
Dellums
Dickinson
Diggs
Dorn
Drinan
Foley
Ford
Fraser
Gray
Gubser
Gude
Hanna
Hansen, Wash.
Hawkins
Hébert
Hinshaw
Holifield
Howard
Huber
Hutchinson
Jarman
Jones, Tenn.
Kyros
Landgrebe
McCloskey
McKinney
McSpadden
Macdonald
Martin, Nebr.
Mazzoli
Meeds
Metcalfe
Murphy, N.Y.
Pike
Podell
Price, Tex.
Rees
Reid
Rooney, N.Y.
Rousselot
Roybal
Runnels
Ryan
Stanton, James V.
Stark
Stubblefield
Talcott
Teague
Thompson, N.J.
Udall
Van Deerlin
Vander Jagt
Waldie
Ware
Whalen
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wylie
Young, Tex.
Zwach

The SPEAKER. On this rollcall 349 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

WHITE HOUSE CONFERENCE ON LIBRARY AND INFORMATION SERVICES

Mr. BRADEMAS. Mr. Speaker, I move to suspend the rules and pass the Senate joint resolution (S.J. Res. 40) to authorize and request the President to call a White House Conference on Library and Information Services in 1976, as amended.

The Clerk read as follows:

S.J. RES. 40

Whereas access to information and ideas is indispensable to the development of human potential, the advancement of civilization, and the continuance of enlightened self-government; and

Whereas the preservation and the dissemination of information and ideas are the primary purpose and function of libraries and information centers; and

Whereas the growth and augmentation of the Nation's libraries and information centers are essential if all Americans are to have reasonable access to adequate services of libraries and information centers; and

Whereas new achievements in technology offer a potential for enabling libraries and information centers to serve the public more fully, expeditiously, and economically; and

Whereas maximum realization of the potential inherent in the use of advanced technology by libraries and information centers requires cooperation through planning for, and coordination of, the services of libraries and information centers; and

Whereas the National Commission on Libraries and Information Science is developing plans for meeting national needs for library and information services and for coordinating activities to meet those needs; and

Whereas productive recommendations for expanding access to libraries and information services will require public understanding and support as well as that of public and private libraries and information centers: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the President of the United States is authorized to call a White House Conference on Library and Information Services in 1977.

(b)(1) The purpose of the White House Conference on Library and Information Services (hereinafter referred to as the "Conference") shall be to develop recommendations for the further improvement of the Nation's libraries and information centers and their use by the public, in accordance with the policies set forth in the preamble to this joint resolution.

(2) The Conference shall be composed of, and bring together—

(A) representatives of local, statewide, regional, and national institutions, agencies, organizations, and associations which provide library and information services to the public;

(B) representatives of educational institutions, agencies, organizations, and associations (including professional and scholarly associations for the advancement of education and research);

(C) persons with special knowledge of, and special competence in, technology as it may be used for the improvement of library and information services; and

(D) representatives of Federal, State, and local governments, professional and lay people, and other members of the general public.

(c)(1) The Conference shall be planned and conducted under the direction of the National Commission on Libraries and Information Science (hereinafter referred to as the "Commission").

(2) In administering this joint resolution, the Commission shall—

(A) when appropriate, request the cooperation and assistance of other Federal departments and agencies in order to carry out its responsibilities;

(B) make technical and financial assistance (by grant, contract, or otherwise) available to the States to enable them to organize and conduct conferences and other meetings in order to prepare for the Conference; and

(C) prepare and make available background materials for the use of delegates to the Conference and associated State conferences, and prepare and distribute such reports of the Conference and associated State conferences as may be appropriate.

(3) (A) Each Federal department and agency is authorized and directed to cooperate with, and provide assistance to, the Commission upon its request under clause (A) of paragraph (2); and, for that purpose, each Federal department and agency is authorized to provide personnel to the Commission. The Commission shall be deemed to be a part of any executive or military department of which a request is made under clause (A) of paragraph (2).

(B) The Librarian of Congress is authorized to detail personnel to the Commission, upon request, to enable the Commission to carry out its functions under this joint resolution.

(4) In carrying out the provisions of this joint resolution, the Commission is authorized to engage such personnel as may be necessary, without regard for the provisions of title 5, United States Code, governing appointments to the competitive civil service, and without regard for chapter 51, and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(5) The Commission is authorized to publish and distribute for the Conference the reports authorized under this joint resolution.

(6) Members of the Conference may, while away from their homes or regular places of business and attending the Conference, be allowed trevel expenses, including per diem in lieu of subsistence, as may be allowed under section 5703 of title 5, United States Code, for persons serving without pay. Such expenses may be paid by way of advances, reimbursement, or in installments as the Commission may determine.

(d) A final report of the Conference, containing such findings and recommendations as may be made by the Conference, shall be submitted to the President not later than one hundred and twenty days following the close of the Conference, which final report shall be made public and, within ninety days after the receipt by the President, transmitted to the Congress together with a statement of the President containing the President's recommendations with respect to such report.

(e) (1) There is hereby established a twenty-eight member advisory committee of the Conference composed of (A) at least three members of the Commission designated by the Chairman thereof; (B) five persons designated by the Speaker of the House of Representatives with no more than three being members of the House of Representatives; (C) five persons designated by the President pro tempore of the Senate with no more than three being members of the Senate; and (D) not more than fifteen persons appointed by the President. Such advisory committee shall assist and advise the Commission in planning and conducting the Conference. The Chairman of the Commission shall serve as Chairman of the Conference.

(2) The Chairman of the Commission is authorized, in his discretion, to establish, prescribe functions for, and appoint members to, such advisory and technical committees as may be necessary to assist and advise the Conference in carrying out its functions.

(3) Members of any committee established under this subsection who are not regular full-time officers or employees of the United States shall, while attending to the business of the Conference, be entitled to receive compensation therefor at a rate fixed by the President but not exceeding the rate of pay specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime. Such members may, while away from their homes or regular places of business, be allowed travel expenses, including per diem in lieu of subsistence, as may be authorized under section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(f) The Commission shall have authority to accept, on behalf of the Conference, in the name of the United States, grants, gifts, or bequests of money for immediate disbursement by the Commission in furtherance of the Conference. Such grants, gifts, or bequests offered the Commission, shall be paid by the donor or his representative to the Treasurer of the United States, whose receipts shall be their acquittance. The Treasurer of the United States shall enter such grants, gifts, and bequests in a special account to the credit of the Commission for the purposes of this joint resolution.

(g) For the purpose of this joint resolution, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(h) There are authorized to be appropriated without fiscal year limitations such sums, but not to exceed $10,000,000, as may be necessary to carry out this joint resolution. Such sums shall remain available for obligation until expended.

Amend the title so as to read: "Joint resolution to authorize and request the President to call a White House Conference on Library and Information Services in 1977.".

The SPEAKER. Is a second demanded?

Mr. QUIE. Mr. Speaker, I demand a second.

Mr. GROSS. Mr. Speaker, I would ask if the gentleman from Minnesota is opposed to the Senate joint resolution?

The SPEAKER. Is the gentleman from Minnesota opposed to the Senate joint resolution?

Mr. QUIE. No, I am not opposed to the Senate joint resolution.

Mr. GROSS. Mr. Speaker, I am opposed to the Senate joint resolution, and I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Indiana (Mr. BRADEMAS) will be recognized for 20 minutes, and the gentleman from Iowa (Mr. GROSS) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Indiana.

Mr. BRADEMAS. Mr. Speaker, I rise to urge my colleagues to give their full support to the measure before us this afternoon, Senate Joint Resolution 40, as amended, a measure to authorize a White House Conference on Library and Information Services in 1977.

At the outset, Mr. Speaker, I want to pay tribute to the gentleman from Kentucky, the distinguished chairman of the Committee on Education and Labor (Mr. PERKINS), and to the gentleman from Minnesota, the distinguished ranking minority member of the committee (Mr. QUIE), and the gentleman from New York (Mr. PEYSER) for their assistance in seeing this measure through the committee.

PURPOSE OF THE LEGISLATION

Mr. Speaker, Senate Joint Resolution 40, as amended, authorizes a White House Conference on Library and Information Services to be called in 1977. The Conference will include representatives of local, State, regional, and national institutions concerned with library and information services; public officials; and members of the general public.

The National Commission on Libraries and Information Science is charged with planning and conducting the Conference, and the Commission will be assisted in its work by a 28-member advisory committee made up of three members of the National Commission on Libraries and Information Science, five persons designated by the President pro tempore of the Senate, five persons designated by the Speaker of the House, and not more than 15 persons appointed by the President of the United States.

The Committee on Education and Labor has supported this conference because our society is now facing what has been called an "explosion" of knowledge and information, and a consequent growth in printed and other materials.

In light of this geometric growth of library and information materials, the commitee believes it essential that a national conference on library and information services be called to discuss the future needs of users and providers of library and information services.

Such a conference can do much to develop principles and methods of cooperation among the States, and between the States and the Federal Government with a view toward improving the coordination and effectiveness of library services at local, State, and Federal levels.

BIPARTISAN SUPPORT

Mr. Speaker, let me call to the attention of my colleagues the bipartisan support enjoyed by Senate Joint Resolution 40. A similar measure calling for a White House Conference on Library and Information Services (H.J. Res. 737) was introduced by our distinguished Vice President, Mr. FORD, then minority leader of the House. As chairman of the Select Subcommittee on Education, I sponsored House Joint Resolution 766, calling for the White House Conference; and our colleague from West Virginia, the Honorable KEN HECHLER, introduced still another such measure, House Joint Resolution 302.

SUPPORTING TESTIMONY

Testimony and communications received by the Select Education Subcommittee presented the case for enactment of the resolution in convincing terms. The president of the American Library Society, John B. Harlan, from my own Third District of Indiana, stated that—

> Libraries and information centers are not only a precious tool for the individual in filling his or her educational, occupational, and recreational needs and desires but are also the foundation of our freedom and democracy and the foundation of future civilizations.

The White House Conference on Library and Information Services, Mr. Harlan went on to say—

> Seems to me to be the most logical way in which to attain the long-range planning

necessary for effective strengthening and expansion of these treasured national resources.

Testimony from Dr. Jean E. Lowrie, president of the American Library Association, told us that—

> The public forum a White House Conference provides would enable a knowledgeable body of citizens to focus national attention on the fiscal problems of libraries.

Dr. Frederick Burkhardt, Chairman of the National Commission on Libraries and Information Science, which would direct the planning and conduct of the White House Conference, testified that—

> The Commission . . . favors this conference because it will reinforce and strengthen the work being undertaken by the National Commission . . . and because a White House Conference will draw the attention of the American public to their libraries in a positive and productive way.

The Librarian of Congress, Dr. L. Quincy Mumford, told us that—

> A conference in Washington which would reflect all aspects of librarianship—school, public, state, academic, special, Federal, and computer technology—would have a . . . meritorious effect on the future of library and information services in this country.
>
> Dr. Mumford added that "The time has come, I believe, for consideration and discussion of what has been achieved in years of phenomenal growth and of what needs to be achieved in the future."

OTHER SUPPORT

In addition to these and other distinguished witnesses who testified before the subcommittee, a number of organizations submitted statements for the record. Among those endorsing enactment of the resolution were spokesmen for the Association of Research Libraries, the American Association of University Professors, the National Audiovisual Association, the Association of Educational and Communications Technology, the Urban Library Trustee Association, the American Foundation for the Blind, and many other groups with a direct interest in high quality library and information services.

Mr. Speaker, I believe we can all agree with these distinguished experts that as our Nation prepares for its third century of advance and development, we need a wide-ranging, broad review of library and information services and their users. Such a review can be developed in a White House Conference.

Let me address, Mr. Speaker, some of the specific topics the Conference can be expected to take up.

DEPOSITORY LIBRARY SYSTEM

On the basis of my service on the Joint Committee on Printing, I would hope that the White House Conference would give attention to the future of the depository library system.

Witnesses at our subcommittee hearings on the resolution testified about the importance of the depository library system "not only for business and industry, for the scientist and sociologist, the scholar and the student, but for countless others who find Government publications increasingly useful, even indispensable in their diverse activities."

We were told as well of the need to modernize the depository library system so that it can function effectively in making Government publications available to all Americans through their local libraries.

Careful examination of the strengths and weaknesses of depository libraries is therefore required as a basis for future development of the depository system.

The White House Conference on Library and Information Services and the State conferences beforehand will provide a unique opportunity for the people to examine in depth the extent to which the depository library system can effectively serve the public.

ARCHIVES

The role of libraries as archival institutions—in general and with special reference to Federal activities—is also worthy of the attention of the White House Conference on Library and Information Services. I was pleased, therefore, to hear Dr. James B. Rhoads, the Archivist of the United States, tell the subcommittee:

> Any consideration of the issues of information science should include the problems of archival agencies and manuscript repositories. Like libraries and informatioin centers, they too provide basic information and educational services.

NEW ERA OF TECHNOLOGY

Mr. Speaker, the record of the subcommittee hearings makes clear that, in the judgment of the authoritative witnesses, we are on the threshold of a new era in library and information services. For example, television is having a significant impact on library service today should therefore also be discussed during the State conferences, as well as during the White House Conference.

The best services that are being offered today in a few libraries should be available to many. For instance, in my own State of Indiana, the Monroe County Library in Bloomington is participating with the Public Broadcasting Service's Public Television Library in a videocassette "Watchbook" program which offers library patrons viewing facilities for more than 150 programs on a variety of topics.

The Public Television Library assumed the cost of providing the Monore County Library with a videocassette player, television receiver, and a specially designed viewing carrel, and assumed the cost of cassette dubbing. Since the inception of the project in July 1973, library patron usage have averaged 50 videocassettes weekly.

WTIU in Bloomington has also participated in the program, adding some of its community-oriented productions to the collection.

Hoosiers who have "watched" books in the library are enthusiastic about he program. A student described it as "the most progressive, beneficial service I have ever seen a library offer." A factory worker noted that "videocassette players allow freedom of choice."

This is only one example, Mr. Speaker, of what new technologies can mean for library and information services, and I think we can agree that all Americans should have access to such technology and not just a privileged few. The White House Conference and the State conferences beforehand will enable many Americans to learn more about the new kinds of library and information service that television and other technology makes possible.

NEW LINKAGES

Libraries have always worked together in this country, formally or informally. They have exchanged materials for the benefit of their respective patrons. Some have agreed to serve certain users, while others specialize in other types of service. Now technological developments are making possible interconnections of many kinds between and among libraries and information centers. The Federal programs that assist libraries have been helping many of them realize the potential for greater cooperation inherent in the new technology.

As we have been told many times, part of the basic rationale for Federal assistance to libraries is that they can be interlinked for mutual benefit and better service to all Americans. Librarians are not thinking in terms of one national library system, nor do they seek any master plan or blueprint to which all libraries will have to conform. But they do want more extensive interrelationships and linkages of many kinds, and we in Congress should look favorably on these developments, for they can help equalize provision of library services in various parts of the country and to various groups within our society.

Under the Library Services and Construction Act, the States are working toward better coordination of the libraries within their borders. No matter how well the individual State plans for coordination are drawn, however, they inevitably impinge upon and have certain implications for the plans of other nearby States.

Moreover, there is a national interest here that must also be considered. The needs of libraries for personnel of all kinds, for example, cannot be appraised soundly except from a national viewpoint because every State does not have a graduate school of librarianship. This is one example of the reason the National Commission on Libraries and Information Science is seeking to determine the national needs for library and information services.

The work of the NCLIS, however, like the process of State planning that is now going on, will not be complete nor will it be fully effective until it is rounded out with the reaction and response of the general public as well as of the professional librarians and information scientists and those who determine policies for libraries and information centers. That response can be obtained through the White House Conference.

Accordingly, Mr. Speaker, I strongly urge approval of this legislation.

Mr. PERKINS. Mr. Speaker, will the distinguished gentleman from Indiana yield?

Mr. BRADEMAS. I will be glad to yield to the distinguished chairman of the full committee, the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Speaker, initially I want to compliment the distinguished chairman of our Select Subcommittee on Education and members of the subcommittee from both sides of the aisle for their continuing efforts to expand and strengthen library and information services for our citizens.

The resolution before us today is another important and significant library bill which has been developed and perfected by the subcommittee under the able and competent leadership of its chairman, JOHN BRADEMAS. I am confident that it is a resolution which every Member of the House will be able to support.

Mr. Speaker, Senate Joint Resolution 40, as amended, requests and authorizes the President to convene a White House Conference on Library and Information Services in 1977. Ten million dollars is authorized to plan and conduct the White House Conference and to assist the States and Territories in the planning and conduct of their own conferences in advance of the White House Conference.

The resolution was favorably reported by the Committee on Education and Labor on May 24 by voice vote. It enjoyed bipartisan cosponsorship, as well as bipartisan support in the subcommittee and full committee.

While much remains to be done, the library programs the Congress has enacted over the years have had a tremendous impact on the lives of Americans all across the country.

We began aiding the development of public libraries in 1956 with enactment of the Library Services Act. Originally limited to rural libraries and to support for services only, this statute was through the years—extended and broadened and properly retitled as the Library Services and Construction Act.

We began aiding the development of school libraries with passage of the National Defense Education Act in 1958. Title III of the act permitted many schools to add instructional media centers, and title XI of the act supported short-term and regular session institutes attended by many school librarians to improve their professional skills.

We began aiding college and university libraries with the passage of the Higher Education Facilities Act in 1963, which authorized construction grants for libraries in institutions of higher education. Then the Elementary and Secondary Education Act of 1965 authorized substantial assistance for school libraries, and the Higher Education Act, also enacted in 1965, authorized grants for acquisition of materials by college and university libraries. Other provisions of the act supported research and demonstration projects and graduate training in librarianship and information science.

We have enacted the Medical Library Assistance Act. We have also made it possible for libraries to participate in programs under the Appalachian Regional Development Act, the Older Americans Act, the National Foundation on the Arts and Humanities Act, the Adult Education Act, and many other measures. In 1970 we established the National Commission on Libraries and Information Science, a permanent body of citizens responsible for a continuing appraisal of the problems and future potential of libraries of all kinds, and in all parts of the Nation, and for recommendations of solutions to those problems and ways of realizing those potentials.

As I have indicated, Americans across the country have benefited from these library programs we have enacted over the years. May I briefly cite examples from my own State of Kentucky which illustrate the successes and accomplishments which are occurring.

The State Department of Libraries in Frankfort which is responsible for library development throughout Kentucky has received letters from many, many Kentuckians expressing enthusiasm and gratitude for their local libraries.

"This Library is one of the most important places in our community for all ages," one Kentucky resident wrote of his local public library. "What would we do without the knowledge and entertainment it provides?"

"The Bookmobile is our main source of receiving books in our area," another wrote. "We are located about 20 miles in the country from the Public Library. The Bookmobile brings to many elderly people who could not go to town, the enjoyment of reading."

"The Library represents the cultural center of our community and through it we are exposed to art and other forms of culture so desperately needed," remarked a rural resident of Kentucky. "I like the library program because, like I say, I'm a widow and I don't get a chance to get out of here very often," wrote another. "The bookmobile brings a little sunshine in my life," she went on to say.

The schoolchildren, too, are enthusiastic. "My two sisters and I find many books which help us in our schoolwork and we all love to read, especially during vacations; with the bookmobile we always have plenty to read." And a mother commented, "The Library has really broadened my child's mind and this to me is what a preschooler needs today."

Mr. Speaker, the Library Services and Construction Act requires each State to carry on a statewide process of assessing the needs for library services in all of its communities. In the course of its planning, each State is also required to rank its unmet needs for library services in the order of their relative priority so that those needs can be met in an equitable and systematic manner.

The State library agencies are responsive to the opinions of the people of their respective States, the users of their libraries. The National Commission on Libraries and Information Science is also concerned about the views of the public as well as the professionals who staff and manage libraries and information centers. There is a need now for the findings of these agencies at the State and national levels to be reviewed by outstanding citizens. There is a need for members of the general public to reach a consensus of opinion regarding the recommendations of the State Library planning bodies and those of the National Commission.

This would be the job of the White House Conference on Library and Information Services and of the State conferences that would precede it. We need to hear the voice of the people after groups of representative citizens have considered the future of their libraries in a careful and comprehensive way.

In 1976, two Federal programs important to libraries will expire: The Library Services and Construction Act, and the State and Local Fiscal Assistance Act. The Library Services and Construction Act has been a highly successful program which assists the States in the improvement of library services for all their people. It is my impression, however, that the State and Local Fiscal Assistance Act has not been of much help to libraries, although in that enactment we declared public libraries to be one of several "priority expenditure" categories eligible for general revenue sharing funds available to local governments. We will want to know the views of the public regarding the impact of both of these programs on local library service.

Next year the Higher Education Act is scheduled to expire. We will need to know the views of the informed and interested public regarding the effects of the library provisions of that act, and the sooner we can begin to hear from the States, the better. This may be said, too, of the library provisions of the Elementary and Secondary Education Act which we recently amended in H.R. 69. Mr. Speaker, I much prefer the original Senate Resolution calling for the Conference in 1976 rather than in 1977 as provided in the amended resolution before us. It is important that we get to these issues as soon as possible.

Our committee and its subcommittees have, of course, had the benefit of many witnesses who have testified regarding the library legislation within our jurisdiction. We have received numerous communications from others, library trustees as well as professional librarians, educators and others.

However, I for one believe we should solicit a broader spectrum of views and as soon as possible. I share the views of librarians across the country that 1976 would be the preferred year for the Conference. I would also like to hear from people with a greater diversity of backgrounds and callings. I believe the Congress will debate the issues with greater assurance and vote with more confidence that we are expressing the will of the people once we have the reports of the White House Conference before us.

Mr. Speaker, I urge enactment of Senate Joint Resolution 40 as amended.

Mr. BRADEMAS. Mr. Speaker, I thank the gentleman from Kentucky for his remarks.

Mr. Speaker, I now yield such time as he may consume to the gentleman from New York (Mr. PEYSER), a member of the subcommittee.

Mr. PEYSER. Mr. Speaker, I simply would like to say at this time that I urge the Members of the House to support this piece of legislation. The chairman of our subcommittee, the gentleman from Indiana (Mr. BRADEMAS), has really led in the development of this legislation. I think it is a bill that has the support of the libraries all over this country. There is a real need for this program. A real opportunity will be presented to the librarians and other educators and people involved in this type of conference. I hope that we see a very strong vote of support for this Senate joint resolution.

Mr. GROSS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first of all let me say

that I am not at all impressed by the statement of the gentleman from Indiana (Mr. BRADEMAS) that the Vice President supports this resolution. I am impressed by the fact that this administration claims that it is trying to stop inflation. I am impressed by the fact that Dr. Arthur Burns, Chairman of the Federal Reserve Board, is appealing in every way that he knows how, calling upon Congress, calling upon those who have anything to do with the financial affairs of this Government, to cut down on spending in order to stop inflation.

What does this resolution do? It provides not $100,000, not $500,000 but $10 million for a White House Conference on Libraries—$10 million! At the rate of $500,000 each, this would be the cost of constructing 20 libraries in this country.

I am amazed that any committee of Congress would come here today asking for $10 million simply to stage a White House Conference on Libraries. How in the name of the Lord can anyone spend $10 million on a White House Conference? I wish somebody would tell me. I cannot conceive of a conference that would drain the taxpayers of $10 million and the report accompanying this resolution offers no justification.

The administration is opposed to this resolution, according to the Secretary of Health, Education, and Welfare. That department says it is duplicative, that it is not needed, but apparently there is no opposition to the resolution, and I cannot understand why. How can anyone even consider committing the government to this expenditure, and cowardly loading it as more debt on the backs of our children and their children. Every one of the Members knows in his or her heart that the Federal debt of nearly $500 billion, almost a half trillion dollars, will never be retired by orderly means by our children or their children. Let us practice a little sanity here today. Let us defeat this resolution.

I am not opposed to libraries or the so-called science of information, not at all, but this goes far beyond any reason.

I see the Chairman of the committee sitting in the front row. I wish he would get up and justify to the House the expenditure of $10 million for this purpose, when we are in the financial condition in this country that we are today, with runaway inflation, with an indication that some of the financial institutions of this country are beginning to come apart at the seams.

I also want to call attention to paragraph 4 of subsection (c), which appears on page 10 of the resolution, and I invite Members to turn their attention to that provision. This language authorizes the National Commission on Libraries and Information Science to employ such personnel as may be considered necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, without regard to the provisions of title 5 relating to classification of positions, and without regard to the provisions of title 5 regarding general schedule pay rates.

The Committee on Post Office and Civil Service has primary jurisdiction over all matters relating to the appointment, classification, and compensation of Federal employees. The standards, controls, and limitations relating to these matters are set out very specifically in title 5 of the United States Code. Our committee feels that any exceptions to such statutory standards and controls should be granted only when fully justified before our committee. In the present case of this joint resolution, we have had no opportunity whatever to consider whether there is any justification—any justification—for exempting employees of this Commission from the statutory provisions governing appointments in the competitive service, classification, and pay.

I say again that under the language of this joint resolution there is no limit to the compensation that could be paid to any employee appointed under paragraph 4. This language does not provide for any control whatsoever by the Civil Service Commission over the number of individuals to be compensated even at supergrade rates, and furthermore, does not permit the Civil Service Commission to determine whether or not the duties of these positions justify the occupants receiving the rate of pay attached to a supergrade position, or for that matter to the pay of a level 1 in the executive branch of Government. It can be anything.

Mr. Speaker, the language contained in paragraph 4 of this joint resolution is unwarranted, it is damaging to the competitive civil service system, and I regret there is no way under the parliamentary circumstances to strike it out, but I say to the Members that this is another excellent reason why we should vote against this resolution and tell the House Labor and Education Committee that if it wants a White House conference it should come back here with a reasonable request and with this employment provision stricken out. In the meantime they should come to the Post Office and Civil Service Committee and provide justification, if there is any, for the hiring of unlimited numbers of people at absolutely unlimited salaries.

I repeat that I still cannot believe a committee of the Congress would bring out this kind of resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. BRADEMAS. Mr. Speaker, I would like to make a comment or two with regard to the observations made by the gentleman from Iowa.

I would simply reiterate what I said earlier, which may not have been clearly understood, that on September 19, 1973, when he was then a Member of the House of Representatives the present Vice President of the United States introduced a resolution (H.J. Res. 734) providing for a White House Conference on Libraries and Information Services.

Mr Speaker, with respect to the point made by the gentleman from Iowa with regard to the provisions contained in the resolution for the employment of personnel outside the Civil Service, as every Member of this body knows this is not an unusual and this is not a radical and this is not an uncustomary procedure with respect to temporary short-run conferences of the kind contemplated to be authorized by this joint resolution.

We are all familiar in this body with the work of the White House Conferences on Youth, on Children, on Aging, and on Nutrition.

I think most fair-minded observers would agree that all of those conferences made very significant contributions to public understanding of the problems associated with those particular conferences.

It ought also to be made clear, of course, Mr. Speaker, that this measure must go before the Committee on Appropriations in order to make possible the moneys for carrying out the purpose of the resolution and that the language of the resolution does not provide for an appropriation of $10 million, but rather provides for the authorization of appropriations for such sums as may be necessary to carry out the purpose of the conference, but with a limitation of $10 million.

Finally, I would say, Mr. Speaker, that the purpose of the exception to which the gentleman from Iowa made reference that would make possible the employment of personnel outside the Civil Service is not unusual, either, in that it makes possible the employment for short periods of persons who may be expert or knowledgeable in this particular field.

Mr. Speaker, I yield to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Speaker, because of the bipartisan nature of the measure before us, we are using the suspension calendar to bring Senate Joint Resolution 40 to the attention of the Members. It authorizes and requests the President to call a White House Conference on Library and Information Services in 1977.

The Conference will be planned and conducted by the Commission on Libraries and Information Services. The Commission was established in 1970 to make plans and recommendations affecting the Nation's libraries and information centers, has a wealth of knowledge accumulated in this area, and seems to be the proper agent for coordinating plans for the national conference.

Regional and State conferences will be set up in each State, at a rough cost of around $55,000, I am told, and the thrust of this effort will be to bring together all the expertise available in the field to draft the State's plans for the 1977 participation in the conference in Washington.

The conference will be composed of—

Representatives of local, statewide, regional, and national institutions, agencies, organizations, and associations which provide library and information services to the public;

Representatives of educational institutions, agencies, organizations, and associations—including professional and scholarly associations for the advancement of education and research;

Persons with special knowledge of, and special competence in, technology as it may be used for the improvement of library and information services; and

Representatives of Federal, State, and local governments, professional and lay people, and other members of the general public.

We are in an era of exploding technology, exploding information and exploding demand for the benefits of same by the general public. This will be a focus of the conference, not only within the States, but in the national conference in 1977.

I am told that libraries, generally, have not made use of the sophisticated methods of computerization for many reasons, including funding. The future storing and retrieval of information is in this direction.

The National Library of Medicine and its computer bank is a good case in point of what the wave of the future can be for the libraries if they acquire the expertise and the means to hook into for instance the vast library resources of the Federal system. I can foresee the day when such computerized systems can become available in cities and towns—when doctors, lawyers, and the other disciplines hook into the network of knowledge and, in the fraction of the time now taken—if taken at all now—expert knowledge is instantly made available.

If there is criticism I have heard about libraries—the universities of the common man—it is that they do not go out enough into the community and draw into their doors those who most need their help; that those who use libraries most are those who already know how to use them. This conference provides the potential for a cross-fertilization of ideas from those States and localities who are doing an imaginative job of outreach, to those who need the stimulation and assistance to do the same, and to prepare them to use the new technology to make library resources more available.

The Commission will have 120 days to submit final plans to the President, and will cost not more than $10 million. There are anticipated to be 2,800 conferees. The departments of Government will offer personnel and technical assistance to the Commission, and such technical assistance will, in turn, be made available to the States in planning.

There will be an advisory committee set up to aid the Commission:

First. Three designated by the Chairman of the Commission.

Second. Five designated by the Speaker of the House, no more than three being Members of the House.

Third. Five designated by the President pro tempore of the Senate, no more than three being Members of the Senate; and

Fourth. Not more than 15 appointed by the President.

Mr. Speaker, it is the position of the administration to oppose Senate Joint Resolution 40, and I submit for the RECORD at this point a copy of the Honorable Caspar Weinberger's letter to Chairman CARL PERKINS of the Committee on Education and Labor.

Mr. Speaker, in conclusion I should like to express the hope that the President not veto this measure and allow the plans to go forward for the conference in 1977. Dr. Frederick Burkhardt, Chairman of the National Commission on Libraries and Information Sciences told the Select Subcommittee on Education that he did not believe his Commission duplicated work which will be done by the national conference, and he further said that the small number of staff and budget prevented the Commission from carrying out the charge to his Commission to develop and make comprehensive plans on the needs of the libraries, as well as plans for the future. He felt that the White House Conference was a way to do this and to draw attention to the needs of the libraries for assistance.

The letter referred to follows:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
OFFICE OF THE SECRETARY,
Washington, D.C., December 4, 1973.

Hon. CARL D. PERKINS,
Chairman, Committee on Education and Labor, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This letter is in response to your recent request for a report on H.J. Res. 766 and H.J. Res. 734, two bills "To authorize and request the President to call a White House Conference on Library and Information Sciences in 1976." The bills are similar with the exception of one item noted below.

The purpose of the Conference would be to develop recommendations for the improvement of libraries and information centers. The conference would be composed of librarians, information specialists, educators, relevant technologists, and representatives of the general public. (H.J. Res. 766 would also include representatives of Federal, State and local governments.)

Planning and direction of the Conference would be carried out by the National Commission of Libraries and Information Science with cooperation and assistance from all Federal departments. The Commission would make technical and financial assistance available to the States for preparatory meetings and conferences and prepare background material for the use of delegates on the Federal and State levels.

Within 120 days of the close of the Conference, a report would be submitted to the President and the Congress. Ninety days later, the President would be required to submit to Congress a statement of recommendations regarding the report.

A 28 member advisory committee would be appointed by the President to assist the National Commission in planning and conducting the Conference.

Both bills would authorize such sums as may be necessary to carry out the terms of the resolution.

In certain circumstances, a White House Conference may serve to fill a need for the exposure and examination of critical and neglected problems of national concern. However, we do not believe there is any need for a White House Conference in an area where existing forums are providing an adequate opportunity for the identification and discussion of issues and ideas.

We recognize that there are important issues in the field of libraries and information science. Access to information is necessary for an enlightened technological society. The dissemination of information is an area where we must always seek improvements.

However, we do not believe that the White House Conference on Libraries and Information Sciences, as proposed in H.J. Res. 766 and H.J. Res. 734, is justifiable.

To the best of our knowledge, there is no evidence of critical unresolved issues in libraries and information science that cannot be handled through the existing channels of communications in the field, i.e., professional associations, meetings of civic groups, and governmental and legislative processes on all levels. Further the activities described in both bills to be conducted by the proposed Conference would duplicate the responsibilities of the National Commission on Libraries and Information Science.

Secondly, we think that a White House Conference solely on the subject of libraries and information science would be too narrowly focused, both in terms of the prestige of such a conference and in terms of the considerable public expenditures necessary for such a conference. This is not to diminish the importance of libraries and information science but it does indicate that we believe that these subjects should be examined as a part of the broader issue of education.

We therefore oppose the enactment of H. J. Res. 766 and H.J. Res. 734, as not being needed.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

CASPAR W. WEINBERGER,
Secretary.

COST

In accordance with Rule 13, the Committee estimates that the cost of S.J. Res. 40 will not exceed $10,000,000.

COMMITTEE ACTION

H.J. Res. 734 was introduced on September 19, 1973 by Congressman Gerald R. Ford of Michigan.

On October 11, 1973, a similar resolution, H.J. Res. 766, was introduced by Mr. Brademas, Chairman of the Select Education Subcommittee.

S.J. Res. 40 passed the Senate on November 16, 1973 and was referred to the Select Subcommittee on Education. Hearings were held on this measure on November 29, 1973.

The Select Subcommittee on Education by a voice vote reported S.J. Res. 40 as amended.

On May 14, the full Committee on Education and Labor ordered reported S.J. Res. 40 as amended by voice vote.

SECTION-BY-SECTION ANALYSIS OF SENATE JOINT RESOLUTION 40, AS REPORTED BY THE COMMITTEE ON EDUCATION AND LABOR

The Preamble. The preamble to the joint resolution set forth in the material preceding the resolving clause, contains seven clauses which declare the reasons for enacting the joint resolution.

The first clause of the preamble states that access to information and ideas is indispensable to the development of human potential, the advancement of civilization, and the continuance of enlightened self-government.

The second clause of the preamble states that the primary purpose and function of libraries and information centers is the preservation and dissemination of information and ideas.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, I want to indicate my support for the resolution and hope it can be adopted and that the White House Conference on Library and Information Services can get off the ground. It is needed.

Mr. BRADEMAS. Mr. Speaker, I reserve the balance of my time.

Mr. GROSS. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. QUILLEN).

Mr. QUILLEN. Mr. Speaker, I rise in support of the bill which would authorize and request the President to call a White House Conference on Library and Information Services (S.J. Res. 40). Not mentioned in the title of the bill but equally important are the provisions that the final national Conference be preceded by State conferences which would assess the needs and problems of libraries in each of the States, based on sound knowledge of the facts of their individual situations. These State conferences will undoubtedly come up with recommendations for action by State and local governments as well as recommendations for action by the Federal Government. Thus the final White House Conference would not be an isolated, one-shot event but the culmination of nationwide comprehensive review of the library situation.

We very much need such a review of library problems, and I speak of all types of libraries—school libraries, public libraries, college and university libraries, and specialized libraries—all of which are becoming more closely interrelated in sharing their resources to provide better service to their respective clienteles. Costs of library materials and library services are affected by inflation, as are all public service activities—and in addition, in the case of libraries, there is the added factor of the tremendous rate of growth in the amount of knowledge and information which must be selected, organized, and made available. Technology may provide some answers to these problems, as may local, regional, and national cooperative systems. These possibilities, as well as others, require a new assessment of the existing factual situation as a basis for sound recommendations for the future. It has now been almost 10 years since the national inventory of library needs was conducted cooperatively by the U.S. Office of Education and the American Library Association. We need a new inventory of this type, both national and State-by-State in order that the State conferences and the national Conference may be productive.

Fortunately, as I understand it, the National Center for Educational Statistics in the U.S. Office of Education is beginning this year a new Federal-State system of collecting national library statistics for the principal types of libraries. This Library General Information Survey (LIBGIS) will for the first time make the same information available, both on a National basis and on a State basis. The LIBGIS results can be made available for the State conferences and form the basis for a new national inventory of library needs. I am encouraged also by the initiative of the chairman, the gentleman from Kentucky, and the ranking member, the gentleman from Minnesota, of the House Education and Labor Committee in pressing the bill (H.R. 13991) to improve and expedite the collection and dissemination of educational and library statistics. This initiative should be helpful in facilitating the participation of the U.S. Office of Education in providing much of the statistical and factual data required for sound consideration of library problems in the State and national conferences

Mr. Speaker, this is an important bill. It has my full support. To be effective, however, it must be followed up promptly by providing the necessary appropriations to carry it out and to enable the States to begin organizing for the State conferences a year or two in advance of the projected date for the national Conference.

Mr. GROSS. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, in response to the gentleman from Indiana (Mr. BRADEMAS) and his allusion to the fact that there is still the Committee on Appropriations, I wonder why this committee, the Committee on Labor and Education, put $10 million in the bill if they did not want $10 million?

Can the gentleman tell me why he would put that figure in the bill? Is he inviting the Committee on Appropriations to cut that figure and to what figure does he want to cut it?

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. BRADEMAS. Mr. Speaker, it was the judgment of the committee that that was a sensible ceiling to put on the authorizing figure and, as my friend from Iowa knows, grateful as I am for his rhetorical question, this is a procedure that has been customary in this body for many years.

Mr. GROSS. I do not know what the gentleman means by that. Does he mean to put a high asking price on the bill? I still do not know on what figure the gentleman wants to settle.

The gentleman has indulged in the tired old argument that well, this is just a figure we put in the bill; the Committee on Appropriations will take care of it.

The gentleman is asking Members of the House to vote $10 million in this bill for a White House Conference on Library and Information Services. I have yet to hear any kind of an explanation on the floor of the House as to why it should cost any part of $10 million for a conference of this kind.

The SPEAKER The time of the gentleman from Iowa has expired.

Mr. GROSS. Mr. Speaker, I yield myself 1 additional minute.

Mr. SKUBITZ. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Mr. Speaker, I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Speaker, does the administration favor action on this legislation?

Mr. GROSS. Mr. Speaker, I said that the administration is opposed to this legislation. I say that it is completely unjustified and totally unnecessary.

Mr. BRADEMAS. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, it is true that the administration is opposed to the legislation. It is true that the gentleman from Iowa (Mr. GROSS) is opposed to the legislation. It is also true that librarians all over this country are strongly in support of the legislation. It is true that members of the Committee on Education and Labor, both Republicans and Democrats, are in strong support of the legislation.

Mr. Speaker, I would invite the Members of the House to choose for themselves.

Mr. PEYSER. Mr. Speaker, will the gentleman yield?

Mr. BRADEMAS. Mr. Speaker, I yield to the gentleman from New York.

Mr. PEYSER. Mr. Speaker, I would simply like to inquire of the gentleman from Indiana, as I understand the bill, one of the items that I believe we include in this is an allocation to each State in order that they can conduct a conference within the State in preparation for this White House Conference. I believe that we are authorizing every State up to $55,000 for this Conference within the State. Is that correct?

Mr. BRADEMAS. No, I think the gentleman is not correct. The observation of the gentleman would be correct if he were to appreciate that the figure to which he has made reference is an estimate of the amount of money to be made available, but is not a mandatory allocation.

Mr. PEYSER. In other words, is it not conceivable that at least $2 million or $2½ million might be spent by the States throughout this country in order to organize for this White House Conference?

What I am simply saying is that this is a key part of the expenditure so that we can have a fruitful meeting at that time.

Mr. BRADEMAS. The gentleman is exactly right. The amount of money contained in the bill with respect to the authorizing figure is based on the experience, the actual practical experience with other White House conferences, so that the money figures is not pulled from out of the sky.

Mr. PEYSER. Mr. Speaker, I thank the gentleman.

Mr. GROSS. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I am at a loss to understand why the several States of this Union do not stage their own conferences on libraries; why they do not expend their own money. I do not know of a single State treasury that is as bankrupt as the Federal Treasury is today.

Moreover, I am not surprised that the librarians are for this bill, but what about the taxpayers of this country? I wish we could submit this to a vote of the people; the spending of $10 million figure for a White House Conference on Libraries. I do not think there would be any doubt as to the outcome. It would be about 90 to 10 or even less, perhaps 95 to 5, against this kind of wild spending.

Mr. MELCHER. Mr. Speaker, I support passage of Senate Joint Resolution 40, a bill to authorize a White House Conference on Library and Information Services. This bill will make it possible for States to hold prior conferences involving local citizens to evaluate library services and funding on local, State, and National levels in order to plan for the improvement of library services to all citizens.

A White House conference preceded by State conferences would provide an excellent base for determining priorities in providing quality services to all citizens. In this day of instant communication, such a conference would consider the effects of technological communications innovations on society. The conference would help provide a focus for efficient planning for the effective use of this technology. The conference would help develop recommendations for the improvement of services and facilities, perhaps leading toward an integrated national network of library and information services.

Mrs. HOLT. Mr. Speaker, I would like to take this opportunity to comment on Senate Joint Resolution 40, the White House Conference on Library and Information Sciences.

I cannot believe that the $10 million ceiling authorized by this legislation could not be better spent. In fact, that figure could well add over 1 million books to our Nation's libraries—or provide critically needed additional facilities. I concur with Secretary Weinberger's statement that there are sufficient existing forums for discussions of mutual concern and the generation of future programs. I also agree that there appears to be, in the legislation before us, a duplication of responsibility between the new Advisory Committee for the Conference, and the well-established and effective National Commission on Libraries and Information Sciencies.

I am in great sympathy with adequate funding and responsible legislation directed toward strengthening our Nation's libraries system, but this measure would dissipate moneys which I would like to see directed toward more positive results and more tangible projects. The $55,000 suggested as a figure for implementation of technical and financial assistance to the States in preparation for the Conference, means over $2 million spent just to get organized. Let us use that money for additional library materials for the handicapped. Let us use some of this State and Federal taxpayer money for assistance to medical libraries—that appropriation last year amounted to $2 million less than the Conference would cost. There are 1,000 worthwhile projects which have suffered from appropriation cuts—and $10 million would have meant a great deal to any one of them.

Congress simply must face up to its role as the financial watchdog for the Nation, and stop this continual erosion of our dwindling resources.

Mr. Speaker, I urge my colleagues to join me in defeating Senate Joint Resolution 40.

Mr. LEHMAN. Mr. Speaker, I support Senate Joint Resolution 40 as amended, calling for a White House Conference on Library and Information Services. As former chairman of the Dade County School Board, I am well aware of the importance of good libraries to quality education. "School libraries are dependent upon the school they serve for their funds," the National Commission on Libraries and Information Science points out in its 1972–73 annual report. "A wealthy school district can afford an inspired library program. A poor district may have no library program at all." Witnesses from all parts of the country appearing before the National Commission have recommended that the Commission give added support to school libraries and make them viable throughout all school systems. The Commission states:

> Adequate funding of the school library appears to evolve in part from the value placed on libraries by the superintendent of schools. His (or her) priorities for supporting (nonclassroom) services determine the attitude toward libraries and the share of the funds they receive. Educating the chief school officer to the value of the library in the educational process thus becomes an important task in many communities.

Many new and innovative programs are under way in the schools in my own district of Florida. School libraries, for example, are working hard to build up collections of books and audiovisual materials in career education. Not just the traditional professions, such as teaching, law or medicine, but many other types of work are being featured—how to be a carpenter or an electrician, for example, or what kinds of jobs are done in an airport other than those of pilot or stewardess.

Retired persons, too, have an important role in schools in my district, particularly in the area of tutoring students who need practice in reading. On a 1-to-1 basis, retired persons meet with students who may be slow learners and listen while the students read to them. This gives the student some special attention, a chance to improve their reading skills, and it gives the retired persons an opportunity to make a useful and much-needed contribution to society.

The White House Conference, and perhaps even more, the conferences Senate Joint Resolution 40 authorizes for each of the States before the White House Conference, will provide an opportunity for parents and teachers, school administrators, board members and students a chance to plan for the improvement of their school libraries, including cooperative arrangements with public, college and other libraries so that all elementary and secondary school students have access to whatever information they need.

To conclude, Mr. Speaker, libraries of all kinds provide many needed services in my district, throughout the State of Florida, and indeed throughout the Nation. I wholeheartedly support Senate Joint Resolution 40.

Mr. BRADEMAS. Mr. Speaker, I have no further requests for time.

Mr. GROSS. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from Indiana (Mr. BRADEMAS) that the House suspend the rules and pass the Senate joint resolution (S.J. Res. 40) as amended.

The question was taken.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to clause 3 of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BRADEMAS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 264]

Addabbo
Anderson, Calif.
Anderson, Ill.
Badillo
Beard
Bell
Biester
Bingham
Bowen
Brasco
Brown, Calif.
Brown, Mich.
Burke, Calif.
Burke, Fla.
Burton
Carey, N.Y.
Casey, Tex.
Cederberg
Clausen, Don H.
Clay
Cochran
Cohen
Conyers
Coughlin
Culver
Daniels, Dominick V.
Danielson
Dellums
Dickinson
Diggs
Dingell
Dorn
Drinan
Eckhardt
Edwards, Ala.
Erlenborn
Ford
Fraser
Frelinghuysen
Frey
Gray
Griffiths
Gubser
Gude
Hanna
Hansen, Wash.
Harsha
Hawkins
Hébert
Heckler, Mass.
Helstoski
Hinshaw
Hogan
Holifield
Holtzman
Horton
Howard
Huber
Hutchinson
Jones, Tenn.
Kuykendall
Kyros
Landgrebe
McCloskey
McKinney
McSpadden
Macdonald
Martin, Nebr.
Mathis, Ga.
Mazzoli
Meeds
Melcher
Metcalfe
Mitchell, Md.
Nichols
Pike
Podell
Powell, Ohio
Price, Tex.
Rees
Reid
Rooney, N.Y.
Rousselot
Roybal
Runnels
Ruth
Ryan
Smith, N.Y.
Stark
Stubblefield
Talcott
Thompson, N.J.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Waldie
Ware
Whalen
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.

The SPEAKER. On this rollcall 328 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

GENERAL LEAVE

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Senate Joint Resolution 40, as amended, just considered by the House.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 11864, SOLAR HEATING AND COOLING DEMONSTRATION ACT OF 1974

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11864) providing for the early commercial demonstration of the technology of solar heating by the National Aeronautics and Space Administration and the Department of Housing and Urban Development, in cooperation with the National Bureau of Standards, the National Science Foundation, the General Services Administration, and other Federal agencies, and for the early development and commercial demonstration of technology for combined solar heating and cooling, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon on the disagreeing votes of the two Houses.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. TEAGUE, MCCORMACK, FUQUA, SYMINGTON, MOSHER, GOLDWATER, and WYDLER.

CONFERENCE REPORT ON H.R. 13998, NATIONAL AERONAUTICS AND SPACE ADMINISTRATION APPROPRIATIONS

Mr. TEAGUE submitted the following conference report and statement on the bill (H.R. 13998) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and development program, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 93–1078)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13998) to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate insert the following:

That there is hereby authorized to be appropriated to the National Aeronautics and Space Administration:

(a) For "Research and development," for the following programs:

(1) Space Shuttle, $805,000,000;

(2) Space flight operations, $313,300,000.

(3) Advanced missions, $1,500,000;

(4) Physics and astronomy, $140,515,000;

(5) Lunar and planetary exploration, $266,000,000;

(6) Launch vehicle procurement, $143,500,000;

(7) Space applications, $196,300,000, of which $2,000,000 is designated for research on Short Term Weather Phenomena; and $1,000,000 is designated for research on ground propulsion systems;

(8) Aeronautical research and technology, $171,500,000;

(9) Space and nuclear research and technology, $79,700,000, of which $1,000,000 is designated for research on hydrogen production and utilization systems;

(10) Tracking and data acquisition, $250,000,000;

(11) Technology utilization, $5,500,000;

(b) For "Construction of facilities," including land acquisition, as follows:

(1) Addition to flight and guidance simulation laboratory, Ames Research Center, $3,660,000;

(2) Rehabilitation and modification of science and applications laboratories, Goddard Space Flight Center, $890,000;

(3) Modifications for fire protection and safety, Goddard Space Flight Center, $1,220,000;

(4) Acquisition of land, Jet Propulsion Laboratory, $150,000;

(5) Addition to systems development laboratory, Jet Propulsion Laboratory, $4,880,000;

(6) Addition for integrated systems testing facility, Jet Propulsion Laboratory, $3,790,000;

(7) Modification of water supply system, Lyndon B. Johnson Space Center, $935,000;

(8) Modification of 6,000 pounds per square inch air storage system, Langley Research Center, $515,000;

(9) Rehabilitation of 16-foot transonic wind tunnel, Langley Research Center, $2,990,000;

(10) Modification of propulsion systems laboratory, Lewis Research Center, $2,580,000;

(11) Modification of rocket engine test facility, Lewis Research Center, $660,000;

(12) Construction of X-ray telescope facility, Marshall Space Flight Center, $4,060,000;

(13) Modification of beach protection system, Wallops Station, $1,370,000;

(14) Construction of infrared telescope facility, Mauna Kea, Hawaii, $6,040,000;

(15) Modifications for fire protection and safety at various tracking and data stations, $1,430,000;

(16) Space Shuttle facilities at various locations as follows:

(A) Construction of Orbiter landing facilities, John F. Kennedy Space Center, $15,880,000;

(B) Construction of Orbiter processing facility, John F. Kennedy Space Center, $13,380,000;

(C) Modifications to launch complex 39, John F. Kennedy Space Center, $37,690,000;

(D) Modifications for dynamic test facilities, Marshall Space Flight Center, and National Aeronautics and Space Administration Industrial Plant, Downey, California, $3,920,000;

(E) Construction of Orbiter horizontal flight test facilities, Flight Research Center, $3,940,000;

(F) Modifications for crew training facilities, Lyndon B. Johnson Space Center, $420,000;

(G) Modification of the vibration and acoustic test facility, Lyndon B. Johnson Space Center, $410,000;

(H) Construction of materials test facility, White Sands Test Facility, $790,000;

(I) Modifications for solid rocket booster structural test facilities, Marshall Space Flight Center, $2,590,000;

(17) Rehabilitation and modification of facilities at various locations, not in excess of $500,000 per project, $14,900,000;

(18) Minor construction of new facilities and additions to existing facilities at various locations not in excess of $250,000 per project, $4,500,000;

(19) Facility planning and design not otherwise provided for, $10,900,000.

(c) For "Research and program management," $749,624,000, and such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

(d) Notwithstanding the provisions of subsection 1(g), appropriations for "Research and development" may be used (1) for any items of a capital nature (other than acquisition of land) which may be required at locations other than installations of the Administration for the performance of research and development contracts, and (2) for grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities, and title to such facilities shall be vested in the United States unless the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to insure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for "Research and development" pursuant to this Act may be used in accordance with this subsection for the construction of any major facility, the estimated cost of which, including collateral equipment, exceeds $250,000, unless the Administrator or his designee has notified the Speaker of the House of Representatives and the President of the Senate and the Committee on Science and Astronautics of the House of Representatives and the Committee on Aeronautical and Space Sciences of the Senate of the nature, location, and estimated cost of such facility.

(e) When so specified in an appropriation Act, (1) any amount appropriated for "Research and development" or for "Construction of facilities" may remain available without fiscal year limitation, and (2) maintenance and operation of facilities, and support services contracts may be entered into under the "Research and program management" appropriation for periods not in excess of twelve months beginning at any time during the fiscal year.

(f) Appropriations made pursuant to subsection 1(c) may be used, but not to exceed $35,000, for scientific consultations or extraordinary expenses upon the approval or authority of the Administrator and his determination shall be final and conclusive upon the accounting officers of the Government.

(g) Of the funds appropriated pursuant to subsections 1(a) and 1(c), not in excess of $10,000 for each project, including collateral equipment, may be used for construction of new facilities and additions to existing facilities, and not in excess of $25,000 for each project, including collateral equipment, may be used for rehabilitation or modification of facilities: *Provided*, That of the funds appropriated pursuant to subsection 1(a), not in excess of $250,000 for each project, including collateral equipment, may be used for any of the foregoing for unforeseen programmatic needs.

(h) The authorization for the appropriation to the National Aeronautics and Space Administration of $10,900,000, which amount represents that part of the authorization provided for in section 1(b)(12)(I) of the National Aeronautics and Space Administration Authorization Act, 1974, for which appropriations have not been made, shall expire on the date of the enactment of this Act.

SEC. 2. Authorization is hereby granted whereby any of the amounts prescribed in paragraphs (1) through (18), inclusive, of subsection 1(b) may, in the discretion of the Administrator or his designee, be varied upward 10 per centum to meet unusual cost variations, but the total cost of all work authorized under such paragraphs shall not exceed the total of the amounts specified in such paragraphs.

SEC. 3. Not to exceed one-half of 1 per centum of the funds appropriated pursuant to subsection 1(a) hereof may be transferred to the "Construction of facilities" appropriation, and, when so transferred, together with $10,000,000 of the funds appropriated pursuant to subsection 1(b) hereof (other than funds appropriated pursuant to paragraph (19) of such subsection) shall be available for expenditure to construct, expand, or modify laboratories and other installations at any location (including locations specified in subsection 1(b), if (1) the Administrator determines such action to be necessary because of changes in the national program of aeronautical and space activities or new scientific or engineering developments, and (2) he determines that deferral of such action until the enactment of the next Authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities. The funds so made available may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No portion of such sums may be obligated for expenditure or expended to construct, expand, or modify laboratories and other installations unless (A) a period of thirty days has passed after the Administrator or his designee has transmitted to the Speaker of the House of Representatives and to the President of the Senate and to the Committee on Science and Astronautics of the House of Representatives and to the Committee on Aeronautical and Space Sciences of the Senate a written report containing a full and complete statement concerning (1) the nature of such construction, expansion, or modification, (2) the cost thereof including the cost of any real estate action pertaining thereto, and (3) the reason why such construction, expansion, or modification is necessary in the national interest, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

Sec. 4. Notwithstanding any other provision of this Act—

(1) no amount appropriated pursuant to this Act may be used for any program deleted by the Congress from requests as originally made to either the House Committee on Science and Astronautics or the Senate Committee on Aeronautical and Space Sciences,

(2) no amount appropriated pursuant to this Act may be used for any program in excess of the amount actually authorized for that particular program by sections 1(a) and 1(c), and

(3) no amount appropriated pursuant to this Act may be used for any program which has not been presented to or requested of either such committee,

unless (A) a period of thirty days has passed after the receipt by the Speaker of the House of Representatives and the President of the Senate and each such committee of notice given by the Administrator or his designee containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

Sec. 5. It is the sense of the Congress that it is in the national interest that consideration be given to geographical distribution of Federal research funds whenever feasible, and that the National Aeronautics and Space Administration should explore ways and means of distributing its research and development funds whenever feasible.

Sec. 6. Section 203(b)(9) of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2473(b)(9)), is amended to read as follows:

"(9) to obtain services as authorized by section 3109 of title 5, United States Code, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18;".

Sec. 7. The National Aeronautics and Space Administration is authorized, when so provided in an appropriation Act, to enter into a contract for tracking and data relay satellite services. Such services shall be furnished to the National Aeronautics and Space Administration in accordance with applicable authorization and appropriation Acts. The Government shall incur no costs under such contract prior to the furnishing of such services except that the contract may provide for the payment for contingent liability of the Government which may accrue in the event the Government should decide for its convenience to terminate the contract before the end of the period of the contract. Title to any facilities which may be required in the performance of the contract and constructed on Government-owned land shall vest in the United States upon the termination of the contract. The Administrator shall in January of each year report to the Committee on Science and Astronautics and the Committee on Appropriations of the House of Representatives and the Committee on Aeronautical and Space Sciences and the Committee on Appropriations of the Senate the projected aggregate contingent liability of the Government under termination provisions of any contract authorized in this section through the next fiscal year. The authority of the National Aeronautics and Space Administration to enter into and to maintain the contract authorized hereunder shall remain in effect as long as provision therefor is included in Acts authorizing appropriations to the National Aeronautics and Space Administration for subsequent fiscal years.

Sec. 8 This Act may be cited as the "National Aeronautics and Space Administration Authorization Act, 1975."

And the Senate agree to the same.

Olin E. Teague,
Ken Hechler,
Don Fuqua,
J. W. Symington,
C. A. Mosher,
Alphonzo Bell,
John W. Wydler,
Managers on the Part of the House.

Frank E. Moss,
John C. Stennis,
Howard W. Cannon,
Barry Goldwater,
Carl T. Curtis,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13998) to authorize appropriations to the National Aeronautics and Space Administration for FY 1975 for research and development, construction of facilities, and research and program management submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The NASA request for Fiscal Year 1975 totaled $3,247,129,000. The House authorized $3,259,084,000, and the Senate amendment authorized $3,267,220,000. The committee of conference agrees to a total authorization of $3,266,929,000, as follows:

CONGRESSIONAL ADJUSTMENTS TO NASA FISCAL YEAR 1975 BUDGET REQUEST

	Budget request	House	Senate	Committee of conference
Research and development:				
Space Shuttle	$800,000,000	$820,000,000	$800,000,000	$805,000,000
Space flight operations	323,300,000	308,300,000	318,300,000	313,300,000
Advanced missions	1,500,000	1,500,000	1,500,000	1,500,000
Physics and astronomy	140,515,000	140,515,000	140,515,000	140,515,000
Lunar and planetary exploration	266,000,000	266,000,000	264,000,000	260,000,000
Launch vehicle procurement	140,500,000	140,500,000	143,500,000	143,500,000
Space applications	177,500,000	179,500,000	200,500,000	196,300,000
Aeronautical research and technology	166,400,000	170,655,000	171,500,000	171,500,000
Space and nuclear research and technology	74,800,000	80,500,000	74,800,000	79,700,000
Tracking and data acquisition	250,000,000	250,000,000	250,000,000	250,000,000
Technology utilization	5,500,000	5,500,000	5,500,000	5,500,000
Total	2,346,015,000	2,362,970,000	2,370,115,000	2,372,815,000
Construction of facilities	151,490,000	146,460,000	147,490,000	144,490,000
Research and program management	749,624,000	749,624,000	749,624,000	749,624,000
Grand total	3,247,129,000	3,259,084,000	3,267,229,000	3,266,929,000

The points in disagreement and the conference resolution of them are as follows:

1. The House authorized $820,000,000 for the Space Shuttle program, adding $20,000,000 to the NASA request.

The Senate authorized $800,000,000.

The Conference substitute authorizes $805,000,000.

The Conference agreement recognizes that funds have been utilized from the program management reserve to solve the unanticipated technical difficulties encountered in the preparation of the Santa Susana test facilities to support Space Shuttle main engine component and subsystem development testing.

2. The House authorized $308,300,000 for the Space Flight Operations program.

The Senate authorized $318,300,000.

The Conference substitute authorizes $313,300,000 for this program.

The Conference substitute is a reduction of $10,000,000 from the NASA request and both Houses were in agreement that $5,000,000 of this reduction is to be made against the Apollo-Soyuz Test Project. The Committee of Conference agrees that the additional $5,000,000 reduction in the NASA request contained in the Conference substitute is to be taken from Development, Test and Mission Operations authorization provided, however, none of the reduction is to be applied against the supporting activities at the Mississippi Test Facility.

3. The House approved $266,000,000, the NASA request, for the Lunar and Planetary Exploration program.

The Senate authorized $264,000,000.

The Committee of Conference adopts the House position authorizing $266,000,000 for this program.

4. The House authorized $140,500,000 for the Launch Vehicle Procurement program, the amount of the NASA request.

The Senate authorized $143,500,000 for this program, an increase of $3,000,000 to initiate procurement of the Delta launch vehicle to be used to launch the ERTS–C spacecraft.

The Committee of Conference adopts the Senate position.

5. NASA requested $177,500,000 for the Space Applications program. The House authorized $179,500,000, an increase of $2,000,000, and specifically designated in the bill that $2,000,000 of the authorized funds are to be used for research on short-term weather phenomena, $2,000,000 for research on hydrogen production and utilization systems, and $1,000,000 for research on ground propulsion systems.

The Senate authorized $200,500,000, adding $23,000,000 to the request—$13,000,000 to initiate the ERTS–C spacecraft, $6,000,000 for additional energy research, $2,000,000 for research on short-term weather phenomena, and $2,000,000 for ERTS data processing activities.

The Conference substitute authorizes $196,300,000 for this program and designates $2,000,000 for research on short-term weather phenomena and $1,000,000 for research on ground propulsion systems.

The Committee of Conference agrees that NASA should initiate promptly the ERTS–C spacecraft project and should apply added resources to its energy research and development activities including the solar satellite power station study.

6. NASA requested $166,400,000 for Aeronautical Research and Technology.

The House authorized $170,655,000, an increase of $4,255,000 for additional effort in selected areas of aeronautical research.

The Senate authorized $171,500,000, an increase of $5,100,000 in the NASA request, with generally similar objectives to those of the House.

The Conference substitute adopts the Senate position.

7. The House authorized $80,500,000 for the Space and Nuclear Research and Technology program, increasing the NASA re-

quest $5,700,000 for coal and other energy-related research.

The Senate authorized $74,800,000, the amount of the NASA request.

The Conference substitute authorizes $79,700,000, designating $1,000,000 for research on hydrogen production and utilization systems.

The Conferees agree that $3,900,000 of the additional authorization is to be applied to coal-related research.

8. The House authorized $10,040,000 for an optimized infrared telescope facility to be constructed at Mauna Kea, Hawaii.

The Senate authorized $6,040,000 for this facility as requested by NASA.

The Conference substitute adopts the Senate position.

9. NASA requested $42,690,000 for modifications to Launch Complex 39, John F. Kennedy Space Center, to accommodate the Space Shuttle.

The House authorized $35,690,000 for this project, a reduction of $7,000,000.

The Senate authorized $42,690,000.

The Conference substitute authorizes $37,690,000.

10. The House authorized $3,940,000 for the construction of orbiter horizontal flight test facilities at the Flight Research Center, an increase of $2,000,000 above the NASA request to provide a capability for long-term aeronautical research.

The Senate authorized $1,940,000 for this facility.

The Conference substitute adopts the House position.

11. The House authorized a lump sum amount of $77,020,000 for Item 16, Section 1(b) for the several projects authorized for the Space Shuttle program.

The Senate authorized each individual Shuttle project with a specified amount therefor in lieu of a lump sum total for all projects.

The Conference substitute adopts the Senate position.

12. The House inserted Section 1(h) in the bill rescinding $10,900,000 of FY 1974 authorization for the construction of Orbiter landing facilities at the John F. Kennedy Space Center.

The Senate did not include a comparable provision in its action on this bill.

The Committee of Conference adopts the House position.

13. The Committee of Conference adopts the House position opposing the NASA proposal to place the Plum Brook Station in a standby mode and considers that every effort should be made to maintain this facility in a minimum operating condition so as to continue to provide support for NASA and other associated research activities for at least one year.

Olin E. Teague,
Ken Hechler,
Don Fuqua,
J. W. Symington,
C. A. Mosher,
Alphonzo Bell,
John W. Wydler,
Managers on the Part of the House.
Frank E. Moss,
John C. Stennis,
Howard W. Cannon,
Barry Goldwater,
Carl T. Curtis,
Managers on the Part of the Senate.

SALE AND DISTRIBUTION OF THE CONGRESSIONAL RECORD

Mr. BRADEMAS. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 3373) relating to the sale and distribution of the Congressional Record.

The Clerk read as follows:

S. 3373

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 910 of title 44, United States Code, is amended to read as follows:

"§ 910. Congressional Record: subscriptions; sale of current, individual numbers, and bound sets; postage rate

"(a) Under the direction of the Joint Committee, the Public Printer may sell—

"(1) subscriptions to the daily Record; and

"(2) current, individual numbers, and bound sets of the Congressional Record.

"(b) The price of a subscription to the daily Record and of current, individual numbers, and bound sets shall be determined by the Public Printer based upon the cost of printing and distribution. Any such price shall be paid in advance. The money from any such sale shall be paid into the Treasury and accounted for in the Public Printer's annual report to Congress.

"(c) The Congressional Record shall be entitled to be mailed at the same rates of postage at which any newspaper or other periodical publication, with a legitimate list of paid subscribers, is entitled to be mailed.".

(b) Section 906 of such title 44 is amended—

(1) by striking out of the section caption the last semicolon and "subscriptions"; and

(2) by striking out the last full paragraph thereof.

(c) The analysis of chapter 9 of such title 44, immediately preceding section 901, is amended—

(1) by striking out of item 906 the last semicolon and "subscription"; and

(2) by striking out item 910 and inserting in lieu thereof the following:

"910. Congressional Record: subscriptions; sale of current, individual numbers, and bound sets; postage rate.".

The SPEAKER. Is a second demanded?

Mr. GROSS. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Indiana (Mr. Brademas) will be recognized for 20 minutes, and the gentleman from Iowa (Mr. Gross) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from Indiana (Mr. Brademas).

Mr. BRADEMAS. Mr. Speaker, a similar bill, H.R. 14282, was introduced by the gentleman from Ohio (Mr. Wayne L. Hays), the chairman of the Joint Committee on Printing, and the chairman of the Committee on House Administration.

The purpose of this legislation, Mr Speaker, is to provide that the Congressional Record be entitled to be mailed at the same postage rate at which any newspaper or any other periodical publication with a list of paid subscribers is entitled to be mailed.

The effect of this bill, Mr. Speaker, is to save the Government Printing Office some $8 million a year in postal rates for mailing the Congressional Record.

Mr. Speaker, this legislation is intended to resolve a disagreement between the Government Printing Office and the U.S. Postal Service regarding the authority to establish postal rates for the Congressional Record.

Allow me to explain, Mr. Speaker: Before the creation of the Postal Service, Congress reimbursed the Government Printing Office for the cost it daily incurred for mailing the Record of between 8 and 9 cents per copy, or approximately the second-class newspaper rate. However, after the U.S. Postal Service assumed control of mail distribution it notified the Government Printing Office that it would thereafter be required to pay the first-class postal rate for the Congressional Record.

The Joint Committee on Printing which has jurisdiction over the production and distribution of the Congressional Record, directed the U.S. Postal Service to comply with the committee rules and regulations regarding the distribution of the Congressional Record. The Joint Committee on Printing promptly applied for second-class handling of the Record.

The U.S. Postal Service maintained, however, that according to its regulations, only newspapers and periodicals whose circulation includes a majority of paid subscribers could qualify for second-class treatment, and rejected the application

Since less than half the copies of the Record were sent to paid subscribers, the Postal Service concluded that the Record was not eligible for second-class treatment.

Mr. Speaker, although the Congressional Record is similar to many publications in the commercial sector which are mailed at second-class rates, the Record does not meet the "paid-subscriber" requirement, because, by law, thousands of copies of the Record must be distributed free of charge. These free subscriptions include copies for the various Federal agencies, the libraries of Federal courts, and copies designated by Members of Congress for individuals and institutions within their constituencies.

Mr. Speaker, at the present time the Congressional Record is mailed at first-class postal rates at a cost of $1.25 per copy. The total cost of the postage for a single subscription is, therefore, $265 per year.

The bill under consideration, S. 3373, would qualify the Record for the second-class newspaper rate, which would bring the cost of mailing to approximately 9 cents a copy, and $35.63 annually for a single subscription.

Mr. Speaker, since approximately 35,000 subscriptions of the Record are mailed each year, this bill would result in a total saving to the Government Printing Office of over $8 million.

Mr. Speaker, the effect of this bill would provide that the GPO pay the postage rate appropriate to the delivery treatment that the Record is now receiving. For, according to the Public Printer, although the Record is being charged first-class postage rates, it is being given second-class delivery treatment.

Mr. Speaker, it may be argued by some that this bill would not save any money in that it would simply shift the expense from the Government Printing Office appropriation to the appropriations for the U.S. Postal Service. However, according to the officials at the U.S. Postal Service, the cost estimates which I have provided today reflected the full cost of second-class handling of the Record. There cannot be, therefore, any further costs attributable to the second-class delivery of the RECORD which could justify additional appropriations.

Mr. Speaker, S. 3373 simply provides for a just and reasonable price for the delivery of the RECORD, one which would assure the timely delivery of this essential document, and one which would assure that the costs properly attributable to second-class handling of the RECORD will be met.

Mr. Speaker, I urge my colleagues to give this measure their full support and vote to suspend the rules and pass the bill, which has already been approved by the other body.

Mr. HANLEY. Mr. Speaker, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from New York.

Mr. HANLEY. I thank the gentleman for yielding.

Is it the intent of the committee that the publication would go second-class mail in concert with the phase-in rate, as all second-class mail will go?

Mr. BRADEMAS. There is no requirement with respect to the phase-in rate, I may say to the gentleman from New York, since the RECORD would be mailed at the full second-class newspaper rate, which officials at the Postal Service advise me is the full cost of second-class handling of the RECORD.

Mr. HANLEY. I thank the gentleman.

Mr. BRADEMAS. Mr. Speaker, I reserve the balance of my time.

Mr. GROSS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am not opposed to this bill. However, I do not believe it will do what the sponsors think it will do by way of saving $6 million, but it is a better bookkeeping transaction.

The new Postal Corporation, quasi-corporation, is already elbow deep in the taxpayers' pockets, although it was organized on the assumption that it would be self-sustaining, more efficient. I remember all of the wonderful kudos that were tossed out here on the House floor when the Postal Corporation, so-called, was put through the House. But they are already in the Federal Treasury clear up to the elbows, and I have no doubt that if they make a case that the postage charge for carriage of the CONGRESSIONAL RECORD is not sufficient, that they will come right in, and Congress will roll over and play dead, as they are now doing, and give them more revenue right out of the back door of the Treasury.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I am glad to yield to the gentleman from Ohio.

Mr. HAYS. Mr. Speaker, the point of this bill and the reason it is here is because it is in my judgment an attempt by the Post Office Department to rip off the Congress. There is no reason why the CONGRESSIONAL RECORD should be treated differently from a magazine for example or any other kind of printing of that sort. They hung their ruling on a technicality. That is what it amounts to because certain copies of the RECORD are sent to certain bureaus and organizations free of charge. They are just trying to rip off the House of Representatives and the Senate to force us to take some of the money appropriated to us and turn it over to them so they can continue their wasteful practices of $150,000 office renovations for the top brass and contracts for Mr. Klassen's friends at the rate of $20,000 to $40,000 a year for no discernible work whatever.

If there is any subject around here that needs an investigation and if there is anybody maybe that ought to be indicted it seems to me it would be some of the people in that organization who are engaged in what I consider to be fraud of the first order.

Mr. GROSS. Mr. Speaker, the gentleman has stated the proposition more clearly than I could and that is the reason why I support the legislation, but I hope the gentleman from Ohio will join some of the rest of us in trying to stop this new Postal Corporation from coming to Congress for ever more and more money. This year we will appropriate some $2 billion, if we accede to the requests they have made and that is more than Congress appropriated in any year heretofore to the old Post Office Department.

Mr. HAYS. Mr. Speaker, will the gentleman yield further?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. HAYS. The gentleman well knows that the gentleman from Ohio as well as the gentleman from Iowa voted against the creation of this monstrosity.

Mr. GROSS. Yes, that is certainly correct.

Mr. HAYS. And as far as I am concerned I would not vote to give them 2 cents let alone $2 million; I do not care what happens to them, because we would be better off if we would return the mail to the Pony Express.

Mr. BIAGGI. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. BIAGGI. Mr. Speaker, I rise in support of the bill and I think I concur with the gentleman from Ohio and the gentleman from Iowa in connection with their appraisal of the present Corporation. I recall when it was first proposed, but I am certain if the corporate structure had been offered by itself it would have been defeated, but by whatever legislative legerdemain we were boxed in at the time the postal employees had their salary increase coupled with the corporate proposal.

In the light of what has been said today and in the light of bitter experience it would appear to me we should be talking in terms of restoring the postal service to its former status. If there ever was a rip off, as we colloquially express ourselves, this is the greatest.

And whether we approve the service, the service is being deteriorated and the people in the name of reform are being deluded into espousing the corporate aspect of postal reform. I would suggest that the leaders and Members think in terms of dismantling the Corporation and bringing it back where it was, saving the taxpayers' money and having more and better service and making the employees a great deal happier.

Mr. GROSS. Mr. Speaker, I thank the gentleman for his observations.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr GROSS. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Speaker, I thank the gentleman for yielding. I merely want to say that the minority on the committee have no objection to the bill. Their feeling on the bill is about the same as that expressed by the distinguished gentleman from Iowa, that it is a proper way to handle mailing the CONGRESSIONAL RECORD, and it will, in fact, save the Congress money. We hope it will save the country some money too, but there is some question on that latter point.

Mr. GROSS. Mr. Speaker, I have no further requests for time.

Mr. BRADEMAS. Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the Committee on House Administration, the gentleman from Ohio (Mr. HAYS).

Mr. HAYS. Mr. Speaker, I am not going to consume more than a minute or so. I was not kidding when I talked about returning to the Pony Express, because prior to the Postal Corporation it used to be that one could get mail from here to my district, the nearest part of which is 300 miles from Washington, sometimes overnight; but certainly in a day. Now it is taking from 5 to 7 days.

The Pony Express used to take mail from St. Joseph, Mo., to San Francisco, in 5 days; so when I say let us return to the Pony Express, I am talking about saving time and getting the mail there quicker.

Mr. BRADEMAS. Mr. Speaker, I yield to the gentleman from Ohio (Mr. GUYER).

Mr. GUYER. Mr. Speaker, I would like to add a word that would be realistic, that is to pay all postal employees by mail. They might get all the mail delivered on time.

The SPEAKER. The question is on the motion offered by the gentleman from Indiana (Mr. BRADEMAS) that the House suspend the rules and pass the Senate bill S. 3373.

The question was taken.

Mr. ASHBROOK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to clause 3 of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

CALL OF THE HOUSE

Mr. ASHBROOK. Mr. Speaker, I reinstate the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BRADEMAS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 265]

Anderson, Calif.
Badillo
Bell
Biester
Bingham
Bowen
Brasco
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burton
Carey, N.Y.
Cederberg
Chisholm
Clausen, Don H.
Cochran
Conyers
Coughlin
Culver

Daniels,
  Dominick V.
Danielson
Davis, Ga.
Dellums
Dickinson
Diggs
Dorn
Drinan
Eckhardt
Esch
Fisher
Fraser
Frelinghuysen
Gettys
Gray
Gubser
Gude
Hanna
Hansen, Wash
Harsha
Hawkins
Hébert
Helstoski
Hinshaw
Hogan
Holifield
Holtzman
Horton
Howard
Huber
Hutchinson
Jones, Tenn.
Kyros
Landgrebe
Landrum
Lehman
McCloskey
McSpadden
Macdonald
Mathis, Ga.
Mazzoli
Meeds
Melcher
Metcalfe
Mitchell, Md.
Pike
Podell
Price, Tex.
Quillen
Rangel
Reid
Rooney, N.Y.
Rousselot
Roybal
Runnels
Ryan
Scherle
Stark
Steele
Stokes
Stubblefield
Talcott
Teague
Thompson, N.J.
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Waldie
Ware
Whalen
Widnall
Wiggins
Wilson, Bob
Wilson,
  Charles H.,
  Calif.
Wilson,
  Charles, Tex.

The SPEAKER. On this rollcall 337 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MARITIME ADMINISTRATION AUTHORIZATION—FISCAL YEAR 1975

Mr. CLARK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13296) to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce.

The Clerk read as follows:

H.R. 13296

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated without fiscal year limitation as the Appropriation Act may provide for the use of the Department of Commerce, for the fiscal year 1975, as follows:

(a) acquisition, construction, or reconstruction of vessels and construction-differential subsidy and cost of national defense features incident to the construction, reconstruction, or reconditioning of ships, $275,000,000;

(b) payment of obligations incurred for ship operating-differential subsidy, $242,800,000;

(c) expenses necessary for research and development activities $27,900,000.

(d) reserve fleet expenses, $3,742,000;

(e) maritime training at the Merchant Marine Academy at Kings Point, New York, $10,518,000; and

(f) financial assistance to State Marine Schools, $2,973,000.

SEC. 2. In addition to the amounts authorized by section 1 of this Act, there are authorized to be appropriated for fiscal year 1975 such additional supplemental amounts for the activities for which appropriations are authorized under section 1 of this Act as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

The SPEAKER. Is a second demanded?

Mr. GROVER. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. CLARK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to urge passage of H.R. 13296, a bill to authorize appropriations for fiscal year 1975 for certain maritime programs of the Department of Commerce in the total amount of $562,900,000—to be apportioned as follows:

Construction subsidy—$275 million.

Operating subsidy—$242,800,000.

Research and development—$27,900,000.

National Defense Reserve Fleet—$3,742,000.

Federal Merchant Marine Academy—$10,518,000.

State marine schools—$2,973,000.

As you know, construction subsidy is based on the difference between United States and foreign shipbuilding costs, and paid to U.S. shipyards so that our vessels can compete in international trade. The construction subsidy request of $275 million will permit the Maritime Administration to contract for nine ships in fiscal year 1975, as part of the new maritime program provided by the Merchant Marine Act of 1970.

I am pleased to be able to inform the House that this continues to be a very successful program. Contracts have been let for 52 ships of 4.7 million deadweight tons and the conversion of 19 ships. All these contracts have come within the declining construction subsidy rates provided by that act. The Merchant Marine Act of 1970 generally provides for the reduction of subsidy from 45 percent in 1971, until 35 percent is reached in 1976. In 1975, the construction subsidy rate will decline from 39 to 37 percent.

The next element in the authorization request is for operating subsidy that is generally based on the difference between United States and comparable foreign operating costs, and paid so that U.S.-flag operators can provide essential shipping services. The authorization request of $242,800,000 for this activity in fiscal year 1975 would be used for the operation of U.S.-flag passenger, cargo, and bulk vessels in our foreign commerce.

I am pleased to be able to inform the House that not all U.S.-flag vessels require operating subsidy. A number of capital intensive vessels, such as containerships, are operated without subsidy in our foreign trade by operators such as Sea-Land. More significantly, 19 vessels that were formerly operated under subsidy by U.S. Lines and American Export Lines, now compete in our foreign trade without such Government assistance.

The Research and Development authorization request of $27,900,000 would be used by the Maritime Administration to increase the productivity of the American shipping and shipbuilding industries in order to improve the competitive position of the U.S.-flag merchant marine. Priority will be given projects with near-term benefits. Industry participation and cost sharing will be expanded. With the sky-rocketing cost of fuel oil, I am pleased to note that the largest single elements of the research and development program concerns the development of competitive nuclear ships.

The authorization request of $3,742,000 for the National Defense Reserve Fleet would be used by the Maritime Administration to continue to maintain ships under preservation to supplement the active fleet in times of war or national emergency and 294 merchant ships would be retained for national defense purposes.

The last two authorization requests concern maritime training. Section 1(e) of the bill would authorize $10,518,000 for the continued operation of the Merchant Marine Academy at Kings Point, N.Y. Section 1(f) would authorize $2,973,000 for Government aid to the State marine schools. In this regard, an Ad Hoc Committee on Maritime Education and Training, of the Merchant Marine and Fisheries Committee, is in the process of making a comprehensive evaluation of all of our Nation's maritime schools. This study should be completed during the later part of this session of the Congress.

Section 2 of H.R. 13296 is basically a technical amendment to avoid having to amend the fiscal year 1975 authorization request if supplemental appropriations for fiscal year 1975 are required for the remuneration of Maritime Administration employees at the National Defense Reserve Fleet and the Federal Merchant Marine Academy. An identical provision was in the authorization act for fiscal year 1974.

Mr. Speaker, the annual authorization request of the Maritime Administration is the most important piece of legislation to come before the Merchant Marine and Fisheries Committee each year. Every item has been carefully reviewed. After full and careful consideration of the entire record, H.R. 13296 was reported unanimously, and I am unaware of any opposition to it.

I strongly urge the House to support this very vital piece of legislation.

Mr. Speaker, I yield such time to the distinguished chairman of the Merchant Marine and Fisheries Committee as she may consume.

Mrs. SULLIVAN. Mr. Speaker, I rise to join the distinguished chairman of the Merchant Marine Subcommittee in urging the support of the House for H.R. 13296, the authorization of appropriations for the Maritime Administration for fiscal year 1975.

The subcommittee chairman has gone into some detail with respect to the various elements of H.R. 13296 and I am sure there are Members on both sides of the aisle who would like to speak in support of this worthwhile bill, so I will be brief. I would like to say that I am in full support of H.R. 13296, which is the funding for various programs for the Maritime Administration.

This bill is necessary because it provides funds for the construction and operating subsidy programs, for research and development, and for such items as the National Defense Reserve Fleet and the maritime schools. If we wish to keep the American flag on the high seas, then it is necessary to support this bill and provide the necessary funds for the Maritime Administration to carry on its programs.

It is common knowledge that the Russians have advanced greatly in the maritime area and in their naval fleets. At the same time that Russian commercial and military fleets have been increasing, the U.S. maritime and military capacity has been deteriorating. This is not to say, however, that the picture is completely black, because we do have the most modern and efficient liner fleet in the world and we have been making strides in the last several years to increase our bulk carrier fleet and our bulk carriage capacity. Recently, the House passed H.R. 8193, which would provide that a certain percentage of petroleum imported into the United States be carried in U.S.-flag vessels. This piece of legislation should give more impetus to the construction of U.S. bulk carriers, which is an area of the U.S.-flag fleet which has been neglected for years and which is now receiving proper attention. This latter piece of legislation should be helpful as a supplement to the landmark Merchant Marine Act of 1970, which provided a new maritime program for the revitalization of the U.S.-flag merchant fleet. In the last several years, we have been constructing new tonnage under that program. The total amount set out in H.R. 13296, is $562,900,000 and I do not think this is too high a price to pay to keep U.S.-flag merchant vessels on the oceans of the world.

Of the total figure set out above, $275 million is requested for construction-differential subsidy. The Maritime Administration plans to contract for nine ships under the fiscal year 1975 building program: Three VLCC's, and six liquefied natural gas carriers (LNG's).

It is noted that all of these vessels are so-called energy carrying vessels, which is what our requirements are at the present time. I would like to point out at this time that the Merchant Marine Act of 1970 set forth guidelines for the gradual reduction of the construction-differential subsidy level to 35 percent in fiscal year 1976, and thereafter. In fiscal year 1975, the CDS level will be reduced from 39 percent to 37 percent. When the Merchant Marine Act of 1970 was enacted, the CDS level was 50 percent, so there has been a dramatic reduction in the percentage of subsidies paid for the construction of vessels in U.S. shipyards. I am pleased to report that the shipyards have been able to meet the percentage reductions outlined in the 1970 act. I would like to note that subsidy rates of LNG carriers are as low as 16.5 percent. This, of course, is due to the high cost of constructing the same type of vessel in foreign yards. It does appear that the gap between ship construction in U.S. and foreign shipyards is narrowing.

H.R. 13296 provides $242,800,000 for ship operating subsidies for fiscal year 1975. This operating subsidy will be allocated to passenger vessels, combination cargo and passenger vessels, general cargo vessels, and bulk carriers. I would like to point out that there are no funds authorized in this bill to subsidize the carriage of grain purchases by the Soviet Union in U.S.-flag vessels.

With respect to the funding in this bill which relates to the Federal Maritime Academy at Kings Point and the six State maritime schools, I would like to point out that the committee has a special ad hoc committee making a study of these maritime academies. It is true that the expenditures for these schools are not great but a number of Members have expressed concern that the taxpayer receive full value for his investment in these schools. There are a number of hard questions which must be asked concerning Federal funding of these maritime schools and it is hoped that the ad hoc committee studying the maritime academy situation will come up with a report that can assure us that the taxpayer is indeed receiving reasonable value for his investment in these maritime academies. It is hoped that this study will be completed this year.

I can assure the Members of the House that all the provisions of this bill were given ample hearing and careful study and that the maritime industry supports this legislation which was reported unanimously out of committee after full and careful consideration of the entire record.

I strongly urge the Members of the House to support H.R. 13296.

Mr. GROVER. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. MOSHER).

Mr. MOSHER. Mr. Speaker, I join my colleagues on the Merchant Marine Committee in supporting H.R. 13296 authorizing appropriations for the Maritime Administration. Marad is a very necessary and worthwhile program in the Nation's interest.

However, there is one weakness in Marad which greatly concerns me, and although it does not relate directly to this particular bill. I take this opportunity to comment upon the failure of the Maritime Administration to establish a regional office for the Great Lakes.

As my colleagues will recall, the Merchant Marine Act of 1970 placed the Great Lakes on the same footing as the other seacoasts with respect to administration of our various maritime aid programs. A number of these programs, particularly the tax deferral provisions of section 607 of the act, have been imminently successful in the Great Lakes.

There is a strong feeling among Great Lakes' shippers, however, that the unique aspects of Great Lakes transportation are not fully recognized here in Washington, and that it would be very valid and helpful to have a regional Marad office for the Great Lakes.

A regional office need not be located physically on the Great Lakes; it could be situated here in Washington. But it certainly should be staffed with people who are experienced and knowledgeable in Great Lakes shipping, and who have line authority with respect to the various programs as they relate to the Great Lakes.

In discussing this matter with the Assistant Secretary for Maritime Affairs, Mr. Blackwell, during the hearings on this bill, he replied that there was no need for a Great Lakes regional office, for the simple reason that his own door is always open, and that Great Lakes matters do receive his personal attention. In effect, he said that the Great Lakes received better treatment than they would if a separate office were established.

I am fully aware, of course, of Mr. Blackwell's very valuable work on behalf of Great Lakes shipping, but I also am aware that he will not remain the head of the Maritime Administration forever. I do not believe we can assume that the door of the Maritime Administrator always will be open to the Great Lakes.

Again, therefore, I take this opportunity to urge that the strong desire of our people in the Great Lakes area for the establishment of a regional office be considered by Mr. Blackwell, and I hope that the Committee on Merchant Marine and Fisheries will review this matter at the earliest opportunity.

Mr. GROVER. Mr. Speaker, I yield such time as he may consume to the gentleman from Alabama (Mr. EDWARDS).

Mr. EDWARDS of Alabama. Mr. Speaker, I rise in favor of H.R. 13296, the Maritime Administration Authorization bill. The Maritime Administration performs an invaluable service to our country by administering programs to aid in the development, promotion, and operation of the U.S. Merchant Marine. It administers subsidy programs which assist greatly in the construction, reconstruction, and reconditioning of ships.

Mar Ad helps industry generate increased business for U.S. ships, and conducts programs to develop ports, facilities, and intermodal transportation systems. It conducts research and develops activities which in turn improve the efficiency and economy of the merchant marine, and it operates the U.S. Merchant Marine Academy, the main fountainhead of merchant marine officers and specialists.

I think a word should be said for the steadfast support which President Nixon has given the merchant marine. He has spoken eloquently of the need to make our merchant marine the most modern and efficient in the world by the end of this decade, and he has backed his words with action.

The merchant marine makes a definite contribution to the area around Mobile, Ala., in my district, and to the entire Nation's economy and security. Making the merchant marine a more viable contributor to the Nation is something which I have worked toward for the 10 years I have served in the Congress. We must continue our shipbuilding and rebuilding programs to provide the merchant marine with the means to perform its important tasks. I urge passage of H.R. 13296 so that the work of the Maritime Administration and the merchant marine can proceed.

Mr. GROVER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the distinguished chairman of the Merchant Marine Subcommittee (Mr. CLARK) has carefully described the provisions of H.R. 13296, authorizing appropriations for the Maritime Administration for fiscal year 1975, and I will not attempt to duplicate his statement. I believe it is sufficient to state that this authorization bill reflects the continuing commitment of the administration and the Congress to the rebuilding of the American merchant marine pursuant to the Merchant Marine Act of 1970.

The principal thrust of the 1970 act was toward the creation of a bulk carrier capability under the U.S. flag. Just recently we passed and sent to the other body the Energy Transportation Security Act of 1974, legislation designed to require that a percentage of U.S. oil imports be carried on U.S.-flag tankers. As I indicated in my remarks in support of that legislation, the Merchant Marine Act of 1970 and the Energy Transportation Security Act have complementary provisions to insure that the United States will become independent of foreign shipping in the carriage of its essential energy imports. The legislation we are now considering provides the seed money, if you will, to insure the construction of vessels which will give the United States this necessary degree of independence. At the subsidy rates prevailing in fiscal year 1975 of from 16½ percent to 37 percent, the construction funds authorized in this legislation will support almost a billion dollars worth of ship construction in U.S. yards, and many thousands of man-hours of employment not only in the shipyards themselves but in the steel industry and all the related industries that contribute to the building of a ship.

The operating subsidies provided for in this legislation will provide a minimum of support for liner companies operating on essential trade routes and bulk carriers in various worldwide services. While great strides have been made with respect to the construction of technologically advanced liner vessels, such as container and barge-carrying ships, the liner companies of the U.S. merchant marine are beset by a number of competitive problems which have seriously undermined their financial stability. The technological revolution which swept the liner trades in the 1960's made this a capital-intensive industry. The liner industry is no longer in truth a shipping industry but has become an integrated land-sea transportation industry, where terminal facilities, containers and trucks are as important elements in the business as the ships themselves.

The purchase of modern container and LASH ships has seriously strained the resources of our liner companies. A number of them have become subsidiaries of major conglomerate organizations in order to secure the great amounts of money required to pay for the ships, containers, and other facilities essential to a modern liner service.

While the technological revolution in shipping began in the United States, it quickly expanded to Europe and Japan and the major shipping nations of the world have now fully equalized whatever competitive edge the U.S. merchant marine may have enjoyed during the late 1960's. Both the North Atlantic and the trans-Pacific trades, our principal trade routes, are heavily over-tonnaged and will remain so for years to come under current projections of trade growth. In this highly competitive international environment, the American carrier with a substantially higher cost structure is at a distinct disadvantage. Subsidy is a mixed blessng. It imposes rigidity, and in return for money to meet the higher U.S. costs, the carrier must forego the flexibility which its foreign competitor enjoys. At the same time, the U.S. system of shipping regulation imposes constraints upon U.S.-flag carriers of which the foreign competition is largely free.

This year under the auspices of the United Nations a so-called code of conduct for liner conferences has been promulgated and is open for ratification. During the negotiations over this code in Geneva, the U.S. delegation sought international approval of our system of open steamship conferences and free competition for trade. These concepts, which we have adhered to in the U.S. foreign trade since enactment of the Shipping Act of 1916, were resoundingly defeated by the international community during the code of conference practice deliberations. Apparently, what the rest of the world wants is free, open competition in the U.S. foreign trade and closed cartels in all other trades. The effect of this is that the Japanese and European carriers, and now most recently the Russians, are able to come into the U.S. trades at will and skim off the most lucrative cargo while effectively denying to U.S. carriers any opportunity to engage in foreign-to-foreign trades. This highly discriminatory system must end.

We are today authorizing almost $250 million for operating subsidies mostly for U.S.-liner vessels. It makes no sense to spend this kind of money, on the one hand, and then on the other hand permit foreign shipping interests to undercut our fleet in our own trades.

Understandably, the Maritime Administration has concentrated attention on the tanker shipbuilding program during the past 4 years. It is time, however, to take a serious look at the problems that beset our liner industry. Responsibility for this is divided between the Federal Maritime Commission, which administers our regulatory statutes, the Maritime Administration, Justice Department and the State Department. Unfortunately, none of these agencies has exercised any leadership in tackling the problems of our liner industry. The time is growing short, and I urge these agencies to undertake a thorough review of our promotional and regulatory policies with respect to liner shipping with a view toward developing a system of shipping subsidy that will not place our carriers on a straitjacket, and a system of regulation which will recognize the realities of international trade in this decade. Undoubtedly, such a review, to be meaningful, must involve fundamental statutory changes. I know that the Committee on Merchant Marine and Fisheries is prepared to consider seriously the highly discriminatory climate in which the U.S.-liner fleet must operate today. We are, however, a legislative body, and the administrative agencies which have the basic expertise in this field must come forward and present at least the broad outlines of a program which will permit the U.S.-liner fleet to compete effectively with those of other nations with whom we trade.

Mr. Speaker, as I said at the outset, this bill represents a continuing commitment to the rebuilding of the American merchant marine which we should support wholeheartedly, and I urge all of my colleagues to support its passage.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. GROVER. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I should like to ask someone conversant with this subject why a bill authorizing more than a half billion dollars is brought here under suspension of the rules, which means that no amendments can be offered? I am not necessarily opposed to the bill, but how does a Member of the House, who is not a member of the committee, have the opportunity to work his or her will upon a bill of this magnitude when it is brought in here under suspension of the rules?

Mr. CLARK. Mr. Speaker, if the gentleman will yield, there was no opposition to this bill in any way, shape, or form in our committee, and we felt that since there was no opposition in the committee on both sides of the aisle that there would be no problem with this bill at all.

It is a bill that is needed very badly in the shipping industry.

Mr. GROSS. That is a lovely statement in behalf of the members of the committee, most of which, if not all of whom have maritime interests, that they are all satisfied with the bill. But what about the poor devil who is not a member of the committee who might have some disagreement with the bill? Does the gentleman from Pennsylvania think that it is good practice to bring authorization bills of this dimension to the House floor under suspension of the rules?

Mr. CLARK. If the gentleman will yield further, this is an annual authorization bill, and there has not been any opposition to it in the committee.

Mr. GROSS. I would hope we would have annual authorizations of this kind, but that still does not explain why this bill, involving more than a half billion dollars, comes to the floor under a suspension of the rules so that the other House Members are prohibited from offering amendments. We must either vote it up or down.

For instance, I do not know whether the squash courts at the Merchant Marine Academy are justified or not. Perhaps the gentleman from Pennsylvania does.

Also I do not know whether the new facilities for visiting football teams, as well as the home team at the Academy, are justified or not. I do know that I cannot offer an amendment to strike any of it out.

But, Mr. Speaker, I still have no answer to the question of why these authorization bills are brought in under a suspension of the rules involving the amounts of money that they do.

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. GROVER. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. Mr. Speaker, I would like to say that there could be very little opposition to the subsidies because the average person on the floor would not know and would not be able to know other than possibly offering to cut the subsidies, which could have no meaning. The committee has to study this with the maritime industry, and they come up with the subsidies for operation and for building of ships.

But there are questions to be asked about the maritime academies. I should like to say to the gentleman from Iowa that with respect to the funding of the bill relating to the maritime academies at King Point and the six State maritime schools, the committee has a special ad hoc committee in being right now studying the costs and all of the details of all of these schools, and the amount of money that Congress appropriates to help them. I hope that we can have this study completed by this year so that we can have a better understanding of where this money goes and how it is spent.

Mr. GROSS. I should hope that somebody would be making a study of the cost, because it is my understanding that it costs a great deal more in the service academies for the training of future officers for the merchant marine than it does in private schools.

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield further?

Mr. GROVER. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. I thank the gentleman for yielding.

This is one reason that we formed this ad hoc committee this year, to make this study and come back, because we do think the costs are high, and we want to know why and if this would continue.

Mr. CLARK. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. DOWNING).

Mr. DOWNING. Mr. Speaker, I join the distinguished chairman of the Merchant Marine and Fisheries Committee and the chairman of the Merchant Marine Subcommittee in strong support of H.R. 13296, a bill to authorize appropriations for certain Maritime programs of the Department of Commerce.

Passage of this bill is absolutely necessary to the concerted effort inaugurated in 1970 to restore this Nation to the rank of a first-rate maritime power. The bill provides $275 million for so-called construction subsidy. These funds would generally be used to make up the difference between United States and foreign shipbuilding costs for the 1975 building program, and would be paid directly to American shipyards.

When the Merchant Marine Act of 1970 was enacted, the construction-subsidy rate was as high as 55 percent. In other words, when the subsidized vessel was constructed, the Government paid most of the cost. I am pleased to inform my colleagues that pursuant to that act this is no longer the case. All construction subsidy contracts have come within the declining scale provided by the Merchant Marine Act of 1970. The construction subsidy rate is scheduled to decline to a record low of 37 percent in fiscal year 1975. In addition, subsidy rates for liquefied natural gas carriers have been as low as 16.5 percent.

Since enactment of the 1970 act, the Maritime Administration has contracted for the construction of 52 new vessels and the conversion of 19 vessels.

The amount requested for construction subsidy for fiscal year 1975 is the same as in fiscal year 1974. The Merchant Marine and Fisheries Committee concluded that these funds are the minimum required to carry on the building program mandated by the Merchant Marine Act of 1970.

Mr. Speaker, I strongly urge the House to support H.R. 13296, so that our efforts to provide for the essential needs of the United States in the area of ocean transportation may be continued.

Mr. VANIK. Mr. Speaker, I am concerned that we have not thoroughly assessed the maritime authorization for fiscal year 1975. With inflation reaching the double figure level, soaring interest rates, and a $13 billion deficit we should be looking for means of cutting back. The maritime authorization of $562.9 million for 1975 would seem to be one area where such a cutback could occur. The present bill maintains the same figure of $275 million for ship construction subsidy that was authorized for fiscal 1974—which is projected to generate approximately $976 million in shipyard orders. This quite possibly could put an unnecessary burden on an already overburdened steel industry and is certain to contribute to inflation.

While I generally do not argue the importance of Government subsidization of the maritime industry, I do feel that under the present economic conditions we must cut back. A reduction in this authorization affords an opportunity to make needed savings.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania (Mr. CLARK) that the House suspend the rules and pass the bill H.R. 13296.

The question was taken; and—two-thirds having voted in favor thereof—the rules were suspended and the bill was passed. A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CLARK. Mr. Speaker, I ask unanimous consent that all Members who wish to do so may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 13296, just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

MARINER VESSELS TRADED INTO NATIONAL DEFENSE RESERVE FLEET

Mr. CLARK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12427) to amend section 510 of the Merchant Marine Act, 1936, as amended.

The Clerk read as follows:

H.R. 12427

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection 510(i) of the Merchant Marine Act, 1936 (46 U.S.C. 1160 (i)) is amended to read as follows:

"(i) The Secretary of Commerce is authorized, within two years after enactment of this subsection, to acquire mariner class vessels constructed under title VII of the Merchant Marine Act, 1936, and legislation in Public Law 911, Eighty-first Congress, in exchange for obsolete vessels in the National Defense Reserve Fleet that are scheduled for scrapping. For purposes of this subsection, the traded-in and traded-out vessels shall be valued at the higher of their scrap value in domestic or foreign markets as of the date of the exchange: *Provided,* That any exchange transactions the value assigned to the traded-in and traded-out vessels will be determined on the same basis. The value of the traded out vessel[s] shall be as nearly as possible equal to the value of the traded-in vessel[s] plus the fair value of the cost of towing the traded-out vesssel[s] to the place of scrapping. To the extent the value of the traded-out vessel[s] exceeds the value of the traded-in vessel[s] plus the fair value of the cost of towing, the owner of the traded-in vessel[s] shall pay the excess to the Secretary of Commerce in cash at the time of the exchange. *This excess shall be deposited into the Vessel Operations Revolving Fund and all costs incident to the lay-up of vessels acquired under this Act may be paid from balances in the Fund.* No payments shall be made by the Secretary of Commerce to the owner of any traded-in vessel[s] in connection with any exchange under this subsection. Notwithstanding the provisions of sections 9 and 37 of the Shipping Act, 1961, vessels traded out under this subsection may be scrapped in approved foreign markets. The provision of this subsection (i) as it read prior to this amendment shall govern all transactions made thereunder prior to this amendment.".

The SPEAKER. Is a second demanded?

Mr. GROVER. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. CLARK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 12427, a bill to upgrade our National Defense Reserve Fleet of merchant vessels that are used to augment sealift capacity in times of war and national emergency.

The age and condition of the World War II-built vessels in this fleet has been a source of grave concern for some time now. In short, the further utility of these vessels is questionable.

It is clear that as these old vessels in the National Defense Reserve Fleet are scrapped, they must be replaced by more modern vessels that can efficiently transport military requirements, such as the Vietnam sealift. It is also clear that the increasing sophistication of vessels in our merchant marine have made some Mariner vessels surplus to the owner's needs.

These Mariners were constructed for national defense purposes in the 1950's and would be ideal for the National Defense Reserve Fleet. Indeed, the Maritime Administration recently purchased one Mariner for layup.

Rather than see these surplus Mariners scrapped, the bill would generally authorize them to be exchanged for wornout vessels in the National Defense Reserve Fleet that would be scrapped instead. H.R. 12427, as reported, provides the mechanism whereby the traded-in and traded-out vessels could be determined on the same scrap basis, provides for funding the cost of laying up the traded-in Mariner, and other procedural aspects of the transaction.

The Merchant Marine and Fisheries Committee is in complete agreement with the position of the Department of Defense that the opportunity afforded by H.R. 12427 to rejuvenate our National Defense Fleet by the acquisition of relatively modern cargo ships must not be lost. The reported bill provides for a most efficient method of accomplishing this objective.

The bill was reported, unanimously, and I am unaware of any opposition to it.

I strongly urge the House to support H.R. 12427.

Mr. Speaker, I yield now such time as she may consume to the distinguished chairwoman of the Committee on Merchant Marine and Fisheries, the gentlewoman from Missouri (Mrs. SULLIVAN).

Mrs. SULLIVAN. Mr. Speaker, the chairman of the Merchant Marine Subcommittee of the House Merchant Marine and Fisheries Committee, the Honorable FRANK M. CLARK, has set out the details of this bill. As chairman of the full committee, I would like to add my full support to what I consider to be a very worthwhile piece of legislation. I do not know of any opposition to this bill and I think the reason is, that the bill would benefit all parties involved. It is not often when we can say this about legislation, but I think this is a bill in which no one has any complaint, and everyone benefits. As the chairman of the subcommittee has stated, this bill would provide for trading in a so-called Mariner vessel to be kept in the National Defense Reserve Fleet, for two rusting hulks which would be taken out for scrapping.

The so-called Mariner vessels which would be traded in under the bill were built for national defense purposes. Thirty-five Mariners were built by the Government and they were 20-knot vessels of 13,400 deadweight tons. They were by far the most efficient and productive dry cargo vessels built anywhere up to that time. Five of these vessels were turned over to the Navy and the remaining 30 were sold to private operators. There are now 26 Mariners remaining which would be eligible for trade-in to the National Defense Reserve Fleet under this legislation.

As the Members know, the Secretary of Commerce has the responsibility to provide merchant shipping during times of national emergency. One of the most available and larger sources of merchant shipping available to the Secretary during a national emergency are the vessels which are laid up in the National Defense Reserve Fleet. Many of the vessels in this fleet, unfortunately, date back to the 1943–45 period. By relative standards, they are slow, have a small carrying capacity, and are generally nonproductive, aside from the fact that they are rapidly becoming nothing but rust buckets. Previously, break bulk ships were available from both the scheduled liner service—both subsidized and unsubsidized—and so-called tramp, or unscheduled shipping. The tramp fleet, once a large source of contingency surge capability, now numbers only about a dozen. Since the tramp fleet is no longer available to turn to, the National Defense Reserve Fleet is more important than ever. Remaining in the National Defense Reserve Fleet are 130 obsolete Victory ships, built during World War II, that served well in the recent crises in Korea and Vietnam. However, age and condition require their scrapping in the very near future. For the reasons mentioned above, the opportunity afforded by this legislation to pump some productive, efficient, useful vessels into the National Defense Reserve Fleet must not be lost.

The Department of Defense witness testified that the Mariner vessels which would be traded in under this legislation are better suited to DOD use in wartime because of their high speed, large cargo stowage areas, and supporting cargo handling capability.

We cannot tell how many Mariners might be traded in to be put in the Reserve Fleet in the next 2 years for the scrap hulks which would be traded out. We would hope that all 26 eligible Mariners might end up in the National Defense Reserve Fleet, but if even half this number are traded in in the next 2 years, it will be a great shot in the arm for the National Defense Reserve Fleet. This bill would help the few remaining commercial operators who have Mariners which are no longer useful because of the shift in technology to container and barge vessels so that the Mariners would not be a drain in lay-up costs. On the other hand, the Government will profit by getting the rust buckets out of the Reserve Fleet and getting some newer, more productive, efficient vessels into that fleet.

As I mentioned in the beginning, obviously no one opposes this bill which was reported unanimously out of committee. It is indeed a meritorious piece of legislation and I urge the Members to support H.R. 12427.

Mr. GROVER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I strongly endorse H.R. 12427, a bill to permit the trade-in of Mariner class vessels into the National Defense Reserve Fleet in exchange for ships that are scheduled for scrapping. Following World War II, the many Liberty and Victory ships which had made it possible to support our troops in Europe and Asia were placed in National Defense Reserve Fleet anchorages at strategic coastal locations. At a modest cost to cover initial mothballing and continual preservation against the effects of salt water, the United States was assured of adequate numbers of merchant ships to support national defense needs during an emergency. It was not long before such an emergency occurred, and in 1950 with the outbreak of the Korean conflict, hundreds of vessels were placed back in active service and operated by commercial steamship operators for the account of the Federal Government.

Again with the acceleration of the hostilities in Vietnam, the National Defense Reserve Fleet proved to be indispensable. These ships are now, however, worn out. Only a handful of vessels remaining in the National Defense Reserve Fleet could be reactivated and placed into service without many months of refurbishing. For all practical purposes, today we have no National Defense Reserve Fleet that can be tapped to provide an immediate increase in sealift capability of any significance. The majority of ships in the Reserve Fleet are there awaiting scrapping and are kept only to avoid a sudden glut on the scrap market.

For the purpose of augmenting sealift capability during the emergency, the Department of Defense requires vessels which do not depend upon sophisticated shoreside loading and unloading facilities; in other words, conventional so-called break bulk freighters which load and discharge their cargoes with booms and tackle. The ships, of course, must be in first-class condition requiring a minimum of work in order to be made ready for sea. The Mariner class vessels built for the Federal Government during the early 1950's meet these requirements in every respect. They are relatively fast ships capable of 20 knots, almost double the speed of the typical freighter of World War II vintage. Twenty-four of these ships are owned by U.S.-flag steamship companies. Most of these operators have upgraded their fleets to take advantage of the technological revolution that has swept the maritime industry during the past decade. The majority of Mariner vessels in service today, therefore, are obsolete from a technological standpoint so far as commercial shipping is concerned. It is likely that in the absence of legislation such as H.R. 12427, most of these vessels will be scrapped.

In order to gain these ships for the National Defense Reserve Fleet at a nominal cost to the Federal Government, this bill permits the Secretary of Commerce to accept Mariners for trade-in to the Reserve Fleet in exchange for ships of equal scrap value that are scheduled for scrapping. The commercial operator trading in Mariners will be permitted to scrap the traded-out tonnage either in the United States or abroad. The bill requires an equal exchange of scrap value. In no event may the Federal Government pay the commercial operator should the value of the tonnage traded out of the Reserve Fleet exceed the value of Mariners traded in. However, should the value of Mariners traded in be less than the value of scrap tonnage traded out, the commercial operator must pay the difference to the Federal Government. Any such excess payment would be credited to the Vessels Operations Revolving Fund, which is maintained by the Secretary of Commerce, and under the committee amendment to the bill the layup costs for Mariners acquired under this act may be paid for from the fund. It is estimated that these layup costs will average $200,000 per Mariner. While it is unlikely that all of the Mariners will be traded in, since there are still commercial trades where the traditional break-bulk type vessel is usable, I hope that the majority of them will be traded in, thereby providing us a nucleus of modern dry cargo ships for emergency use. The bill is strongly supported by the Department of Defense, and I urge its passage.

Mr. DOWNING. Mr. Speaker, I rise in strong support of H.R. 12427, a bill that would provide a most efficient method to upgrade the vessels in the National Defense Reserve Fleet, by acquiring relatively modern Mariner vessels in exchange for wornout vessels in that fleet scheduled for scrapping.

The bill is straightforward, and let me give you an example of a typical transaction.

The owner of a Mariner worth $1 million in a Far East scrap yard would trade in his vessel in exchange for two old Victory ships worth $600,000 each, for a total value of $1.2 million. Of this

$1.2 million, the owner of the traded-in Mariner would pay $50,000 into the Vessel Operations Revolving Fund, and bring the two traded-out vessels to the Far East for scrapping at a towing cost to him of $150,000. The Government would preserve and lay up the trade-in Mariner at a cost of $200,000 from the Vessel Operations Revolving Fund. The fund now has a balance of about $16 million.

In this way, the National Defense Reserve Fleet would acquire an efficient vessel to augment sealift capacity in times of war and national emergency. When you consider that the Maritime Administration recently purchased a Mariner vessel for layup in the National Defense Reserve Fleet at a cost of $3.5 million, the merits of the bill are readily apparent.

Mr. Speaker, I strongly urge the House to support H.R. 12427.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania (Mr. CLARK) that the House suspend the rules and pass the bill H.R. 12427, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CLARK. Mr. Speaker, I ask unanimous consent that all Members who wish to do so may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 12427) just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

COAST GUARD AUTHORIZATION FOR FISCAL YEAR 1975

Mr. MURPHY of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13595) to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes, as amended.

The Clerk read as follows:

H.R. 13595

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated for fiscal year 1975 for the use of the Coast Guard as follows:

VESSELS

For procurement, renovation, and increasing the capability of vessels, $22,676,000.

A. Procurement:

(1) One one-hundred-and-sixty-foot inland construction tender;

(2) small boat replacement program; and

(3) design of vessels.

B. Renovation and increasing capability:

(1) renovate and improve buoy tenders;

(2) re-engine and renovate coastal buoy tenders;

(3) modernize and improve cutter, buoy tender, and icebreaker communications equipment;

(4) abate pollution by oily waste from Coast Guard vessels; and

(5) abate pollution by nonoily waste from Coast Guard vessels.

AIRCRAFT

For procurement of eight replacement fixed-wing medium-range search aircraft, $17,793,000.

CONSTRUCTION

For the establishment or development of installations and facilities by acquisition, construction, conversion, extension, or installation of permanent or temporary public works, including the preparation of sites and furnishing of appurtenances, utilities, and equipment for the following, $74,731,000:

(1) St. Petersburg, Florida: Establish a new consolidated aviation facility.

(2) Arcata, California: Construct air station, phase II.

(3) Sitka, Alaska: Construct new air station.

(4) Woods Hole, Massachusetts: Construct small boat maintenance facility at Coast Guard base.

(5) New London, Connecticut: Renovate and expand cadet galley and dining facilities at Coast Guard Academy.

(6) Curtis Bay, Maryland: Renew steam system at Coast Guard yard, phase II.

(7) Yorktown, Virginia: Construct classroom building at Reserve training center.

(8) Portsmouth, Virginia: Construct new Coast Guard base, phase III.

(9) Virginia Beach, Virginia: Replace Little Creek Station waterfront facilities.

(10) Rodanthe, North Carolina: Improve Oregon Inlet Station.

(11) Port Canaveral, Florida: Replace Port Canaveral Station (leased property).

(12) Miami, Florida: Renovate Miami Air Station.

(13) Port Aransas, Texas: Rebuild Port Aransas Station.

(14) Traverse City, Michigan: Rebuild air station.

(15) Keokuk, Iowa: Construct depot building.

(16) Seattle, Washington: Relocate Coast Guard units to piers 36/37, phase I (leased property).

(17) Alaska, various locations: Establish VHF-FM distress communications system.

(18) Kodiak, Alaska: Renovate and consolidate Coast Guard base, phase II.

(19) Valdez, Alaska: Establish vessel traffic system and port safety station.

(20) Various locations: Improve radio navigation system of Pacific coastal region.

(21) New York, New York: Complete vessel traffic system, phase I (part II).

(22) Various locations: Waterways aids to navigation projects.

(23) Various locations: Lighthouse automation and modernization program (LAMP).

(24) Various locations: Mediterranean loran C equipment replacement.

(25) Various locations; Public family quarters.

(26) Various locations: Advance planning, survey, design, and architectural services; project administration costs; acquire sites in connection with projects not otherwise authorized by law.

SEC. 2. For fiscal year 1975, the Coast Guard is authorized an end strength for active duty personnel of thirty-seven thousand seven hundred and forty-eight; except that the ceiling shall not include members of the Ready Reserve called to active duty under the provisions of Public Law 92–479.

SEC. 3. For fiscal year 1975, military training student loads for the Coast Guard are authorized as follows:

(1) recruit and special training, four thousand and eighty man-years;

(2) flight training, eighty-five man-years;

(3) professional training in military and civilian institutions, three hundred and seventy-five man-years; and

(4) officer acquisition training, one thousand one hundred and sixty man-years.

SEC. 4. For use of the Coast Guard for payment to bridge owners for the cost of alterations of railroad bridges and public highway bridges to permit free navigation of navigable waters of the United States, $6,800,000 is hereby authorized.

SEC. 5. Section 657 of title 14, United States Code, is amended—

(a) by deleting from the catchline the semicolon and the words following "children";

(b) by designating the existing section as subsection (b); and

(c) by inserting a new subsection (a) as follows:

"(a) Except as otherwise authorized by the Act of September 30, 1950 (20 U.S.C. 236–244), the Secretary may provide, out of funds appropriated to or for the use of the Coast Guard, for the primary and secondary schooling of dependents of Coast Guard personnel stationed outside the continental United States at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools, if any, available in the locality are unable to provide adequately for the education of those dependents.".

Mr. GROVER. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. MURPHY of New York. Mr. Speaker, I yield myself such time as I may consume. As a matter of record, I say now that the chairman and, indeed, all of the members of the Coast Guard Subcommittee and the full committee, have continually worked and supported our efforts to give the Coast Guard a greater capability to save lives, prevent oil pollution, protect the interests of U.S. fishermen, and to provide the best in domestic and international navigational aids among its many worthwhile missions.

The 33 percent increase in funds represented by this legislation in just 1 year is progress, but I feel that the Coast Guard will need even more in the future to do the important job it has to do.

Some of the items in the 1975 budget are of great significance in protecting our territorial waters against raids from foreign fishing fleets, the installation of navigation aids to protect the west coast from oil pollution when the crude oil begins to flow down from Alaska, replacing important navigational equipment needed by our naval forces and the Department of Defense, and modernizing the Coast Guard's search and rescue fleet.

These items include:

Initial procurement of 8 of a proposed fleet of 41 modern and more powerful medium-range surveillance aircraft for offshore patrols;

Two controversial long-range navigational programs, one of which has been the subject of governmental vacillation for the past 6 years;

Sizable increases in moneys for research and development for antipollution equipment;

Construction of a vessel traffic system at Valdez, Alaska, and continuation of work on the vessel traffic system already begun in New York/Long Island Sound; and the

SAR boat replacement program.

AIRCRAFT

This bill authorizes $17,793,000 for the procurement of 8 medium-range fixed-wing surveillance aircraft.

The aircraft are the first replacements for the Coast Guard's fleet of HU-16E amphibious aircraft, all of which are reaching the point of total operational and engineering obsolescence. The Coast Guard had originally indicated its intention to purchase the Rockwell International Sabre jet 75-A as the replacement aircraft. During the hearings, the subcommittee made lengthy inquiries into this intended purchase. Those inquiries have resulted in the Coast Guard's decision to change its procurement process from one of sole-source to a two-step competitive bid process.

The subcommittee intends to exercise continuing oversight of this procurement to insure that the competitive process is conducted in strict accordance with the principles of the Federal procurement regulations. The change to a competitive bid process will not significantly delay the purchase of these needed replacement aircraft since the Coast Guard advises that the purchase contracts are expected to be let during fiscal year 1975.

Mr. Speaker, I cannot stress too strongly the need for these MRS aircraft. They are a must item if the Coast Guard is to keep up with its search and rescue missions and its activities in the areas of marine environmental protection, enforcement of laws and treaties, marine science activities and aids to navigation.

AIDS TO NAVIGATION—POLLUTION ABATEMENT

The increase in navigational aids and antipollution moneys is imperative.

Changes will occur in the volume of shipping and the related hazards to the environment over the next decade that stagger the imagination. Crude oil import by 1978—assuming a relative return to normalcy—will double what it was a year ago.

Bulk shipments of liquefied natural gas and other highly hazardous materials and exotic chemicals will increase. Regular arrivals in greater and greater quantities can be expected.

Deepwater terminals and offshore superports will appear to handle the jumbo tankers and special vessels that are being built to accommodate the volume needed.

This means that sealane approaches to the U.S. ports will be near the saturation point; and this means an even greater risk of collision or grounding.

Other factors that will cause potential danger include highspeed coastal container fleets that are joining the mass of other coastal traffic which now crisscross the approach routes.

Offshore exploration, fishing and oil drilling involve even more traffic and obstructions.

And creating an alarming risk for this country, and the men of the Coast Guard, are the new mammoth oil tankers. They are difficult to maneuver, and they take 7 miles to stop. More ominous, they have spill potential of up to 10 times that of present tankers.

Faced with this situation, it was considered an absolute must that we select a navigation system of the necessary accuracy and reliability to permit these sea-going giants to keep from sideswiping one another or running aground. The Coast Guard argued that the only reasonable way to minimize catastrophic accidents was a reliable navigation system with a quarter to one-half mile accuracy. The Coast Guard felt the best device that could provide this cost effectively was the Loran-C system.

After hearing all of the evidence from every facet of the navigation aid community and the responsible Federal agencies, the committee was fully satisfied that the Coast Guard's choice of Loran-C was sound and appropriate. Therefore, the committee authorized the funding of an improved radio navigation system for the Pacific coastal confluence zone. The committee, in so authorizing, expressed the strong belief that Loran-C is the only system suitable. Further, it is the desire of the committee that should any other system be selected, a full report be made to the committee prior to the expenditure of any of the funds authorized by this act.

The Coast Guard Subcommittee and the full Merchant Marine Committee debated the loran-C issue at length last year and authorized similar moneys for the Mediterranean and west coast CCR. The Office of Management and Budget was against the selection of this system, and the funds were not appropriated. However, this year, OMB agreed that loran-C is the preferred radio navigational aid and now supports the committee position.

VESSEL TRAFFIC CONTROL SYSTEMS

Public Law 93-153 authorized the trans-Alaska oil pipeline. A section of that act established a requirement for a vessel traffic control system for Prince William Sound and Valdez, Alaska. This bill, therefore, authorizes funds for the Coast Guard to meet that requirement. The project will provide for an integrated traffic system for the Port of Valdez, Valdez Arm and Narrows including a manned vessel traffic center.

AIDS TO NAVIGATION AMENDMENT, NEW YORK, N.Y.—VESSEL TRAFFIC SYSTEM

During last year's authorization hearings, the Coast Guard stated there was no traffic system called for under the Ports and Waterways Safety Act of 1972 in New York at that time. Corps of Engineers statistics cited 350,465 vessel transits of New York Harbor in 1971. Coast Guard casualty data for 1971 cited 34 collisions and 21 groundings. The New York Port Authority estimated that in 1970, every fourth vessel entering was a tanker.

The VTS project authorized by the committee was a phasing approach to providing an integrated traffic system using VHF-FM communications, improved aids to navigation, limited electronic surveillance, and a manned traffic center for coordination of traffic movements on the waterways around New York. The traffic center is to be located on Govenors Island, N.Y., and the service will be available 24 hours a day.

This year the Coast Guard requested $1,100,000 to complete the New York Vessel Traffic System, phase I, part II. The money was approved by the Department of Transportation but eliminated by OMB.

Testimony before the commitee indicated an urgent need for a vessel traffic system in New York Harbor. Of all the ports in the United States, according to a Coast Guard study, the Port of New York ranked No. 1 in all negative categories such as collisions, rammings, groundings, pollution from oil and other spills, deaths and injuries due to ship accidents, et cetera.

The committee unanimously voted to authorize an additional $1,100,000 to the construction request of the Coast Guard to complete phase I, part II of the New York Vessel Traffic System begun last year.

The money requested by the Coast Guard and approved by the Department of Transportation was for the purchase and installation of radar equipment for two radar sites. Under the Ports and Waterways Safety Act of 1972, the Secretary of Transportation was given the mandate of installing traffic systems to make our ports and waterways safer. New York, because of its congestion and the fact that it is a high hazard area, was one of the ports selected to install such a system.

The moneys we authorized in fiscal year 1974—$4,200,000—as part of the system incorporated two radar sites but without the actual radar equipment. The radar sites are now ready to accept the equipment, and this amendment provides for the purchase and installation of those radars including data links back to the command system which will complete phase I of the system.

SCHOOLING OF COAST GUARD DEPENDENTS OUTSIDE THE UNITED STATES

This committee amendment will add a new section to the bill to amend section 657 of title 14, United States Code. The amendment authorizes the expenditure of funds, out of money appropriated for the use of the Coast Guard, for the primary and secondary schooling of dependents of Coast Guard personnel stationed outside the continental United States, whenever schools in the locality are unable to provide adequately for the education of those dependents.

This identical provision was considered by the Merchant Marine and Fisheries Committee and favorably reported on September 13, 1973 (H. Rept. 93-509), as part of the Coast Guard omnibus bill, H.R. 9293. The House passed H.R. 9293, including this provision, on September 18, 1973. The Senate Commerce Committee, in its consideration of H.R. 9293 as passed by the House, deleted the provision amending section 657 of title 14. It stated in its report on the bill (S. Rept. 93-770), that the amendment should more properly be included in the Coast Guard's authorization bill for fiscal year 1975. The amendment of the committee is responsive to that statement.

Mr. Speaker, this authorization bill makes the picture much brighter for the Coast Guard than last year. It is testimony to the efforts of the Merchant Marine Committee to improve this vital service and I urge members to support it.

In view of the expiration of their terms of service and their retirement from the Coast Guard, the committee in its report took the opportunity to commend Adm. Chester R. Bender, commandant, and Vice Adm. Thomas R. Sargent III, vice commandant, for their contributions to the Coast Guard over the last 4 years and, indeed, their entire careers.

It is fitting to say that under their leadership, the Coast Guard has excelled in all areas, with a particular emphasis on signifianct breakthroughs and activities in the fields of environmental protection and marine safety.

For my own part, Admiral Bender and Admiral Sargent have been of immeasurable assistance to me during my chairmanship of the Coast Guard Subcommittee.

Admiral Bender has had the distinction of leading the Coast Guard during what I consider its most important period in history, a period of change and greatly increased responsibilities.

Admiral Bender successfully phased out Coast Guard participation in the Vietnam conflict. In the process, to help South Vietnam maintain its independence, the Coast Guard trained Vietnamese crews to operate 30 cutters which were transferred to that small nation and are now a vital part of its defense.

Here at home, under Admiral Bender and Admiral Sargent, the Coast Guard assumed new missions associated with environmental protection duties authorized by the Federal Water Pollution Control Act. An entirely new organizational element was created, the Office of Marine Environment and Systems, to meet the challenge of protecting our marine environment.

Admiral Bender provided valuable assistance to me in the drafting of key legislation related to marine safety, protection of the environment, and the improvement of the Coast Guard itself.

A major issue which we have faced together, was to decide on the urgently needed new navigation system for the west coast confluence region.

Under the Commandant's leadership, and through the persuasive arguments of the Coast Guard, the Department of Transportation, and eventually the administration, has decided to choose the Loran–C system for the important job of providing guidance to our ships and oil tankers off the west coast. This is a subject of familiarity to Admiral Sargent, who distinguished himself as the commander of "Operation Tight Rein," the Coast Guard operation setting up the vital Loran–C stations in Thailand and Vietnam. For this he was awarded the legion of merit.

Under Admiral Bender and Admiral Sargent, the High Seas Oil Intervention Treaty was implemented by the United States. This is a law which will greatly assist nations in the case of a major collision or grounding off our coast. The Coast Guard will now be able to take whatever action it deems necessary to prevent catastrophic spills and major oil pollution to our coastlines.

Another law which went into effect under Admiral Bender is what we have called "the Women in the Coast Guard bill." The law allows for the full integration of women into the Coast Guard Reserve. It allows females to both train and serve on active and inactive duty as an integral and equal part of the Coast Guard team.

Admiral Bender and Admiral Sargent led the Coast Guard in their assignment to represent the United States in an historical International Oil Pollution Treaty Convention. As the alternate chairman of the U.S. delegation, the commandant led the United States in participating in this convention, which will eventually result in the cleanup of our oceans and the prevention of pollution from oil tankers and other ships in future decades.

I wish to congratulate Admiral Bender and Admiral Sargent for distinguishing themselves with such admirable careers.

It is with pride that we on the committee applaud their accomplishments, and with sadness that we see them leave their careers with the Coast Guard.

I wish them happiness in their retirement, and good health to enjoy the many pursuits they have postponed for so many years while serving their country so well.

They are both men of the highest integrity.

They exemplify dedication and loyalty to the United States of America.

And, above all, they are both gentlemen.

The Congress, the country, and surely their colleagues will miss them.

Mr. GROVER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I concur with the remarks of my colleague from New York (Mr. MURPHY). The authorization for rescue aircraft, capital improvements, navigational aids, shore side improvements and facilities in this bill are entirely justified by the increasing duties of the Coast Guard in their policing of oil pollution and their new duties of harbor vessel traffic control, and in the anticipated broad fishery controls which may come about, hopefully, in the near future.

I believe indeed right, and justifiable the expenditures authorized in this legislation.

Mr. RUPPE. Mr. Speaker, will the gentleman yield?

Mr. GROVER. Mr. Speaker, I yield to the gentleman from Michigan.

Mr. RUPPE. Mr. Speaker, I rise in support of H.R. 13595, a bill to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and other expenditures that are essential to the performance of the statutory responsibilities of the Coast Guard.

The authorization bill for fiscal year 1975 continues an effort begun last year to modernize the Coast Guard's fleet of smaller vessels, including buoy tenders and inshore rescue boats. The replacement program for large ocean-going high-endurance cutters has been virtually completed. With this legislation, the Coast Guard will begin the procurement of fixed-wing medium range search and rescue aircraft to replace its fleet of overage amphibians. As the committee report indicates, the Coast Guard has now determined to seek competitive bids for these aircraft rather than pursue the single-source procurement which was decided upon prior to the submission of this legislation.

The bulk of the funds authorized in this bill will be used for the upgrading of a variety of shore facilities at sites throughout the United States, and for the continued modernization and expansion of various navigational systems, including the vessel traffic control system for Valdez, Alaska, and the beginning of the Loran C program for the west coast coastal confluence region. These systems will, of course, greatly reduce the risk of collision or grounding in conjunction with the movement of oil from Alaska upon completion of the trans-Alaska pipeline.

The two amendments adopted by the committee are entirely justified. The first authorized completion of phase I of the New York Harbor Area Vessel Traffic Control System. The second amendment authorizes the Coast Guard to provide schooling for dependent children in areas where it is determined by the Secretary of Transportation that schools are not available or are unable to provide adequately for the education of dependent children of coastguardsmen. This latter amendment was originally passed by the House as a provision of the Coast Guard omnibus bill, H.R. 9293, but was deleted by the other body on the basis that it was more appropriate to this authorization bill. The need for the provision is self-evident. Coast Guard personnel are stationed in remote areas outside the continental United States. The authority granted here simply tracts the authority of the Secretary of Defense with regard to military dependents.

While as noted in the committee report, the budget for fiscal year 1975 represents a significant increase over last year, the general trend of Coast Guard funding for the past 5 years has not reflected the growth in responsibilities given our maritime law-enforcement agency. In almost every session of the Congress, we have enacted legislation which has expanded to some degree the Coast Guard's role in environmental protection, maritime safety, or enforcement of essentially criminal statutes.

Within the next few days, we will be considering legislation to authorize the construction of deepwater ports in the high seas off the coasts of the United States. The enactment of that much-needed legislation will again expand the role of the Coast Guard. It will be required to establish and patrol safety zones and to regulate the movement of very large tankers in the vicinity of these deepwater port facilities.

Other legislation which appears to be gaining momentum in the House calls for the establishment of a 200-mile interim fisheries zone pending the outcome of the ongoing Law of the Sea Conference. Should this legislation become law within the year, or as a result of the Law of the Sea Conference in 2 to 3 years, our fisheries jurisdiction will inevitably be substantially expanded.

Very little is being done today to anticipate the shift from a 12-mile zone to one in the vicinity of 200 miles. The establishment of the 200-mile fishery zone will mean that Coast Guard aircraft will be able to patrol effectively only a fraction of the time that they are now able to patrol on a flight that requires them to only go out 12 miles from shore before beginning their surveillance. Likewise, when foreign vessels are discovered fishing illegally within this expanded zone of jurisdiction, the response time for a Coast Guard cutter to intercept a foreign fishing vessel will be greatly extended. A 200-mile fishing zone around the United States and Alaska will bring many thousands of square miles of ocean within U.S. regulatory jurisdiction.

A fishery zone that is not effectively patroled will be violated. There is every indication today that, when foreign fishing vessel masters believe they can enter our 12-mile zone due to a relaxation of surveillance, they will do so, particularly at night. The Coast Guard's fleet of ships and aircraft, current and projected over the next 5 years, is simply inadequate to this task. If the Coast Guard is to effectively patrol an expanded fisheries zone, it will be compelled to curtail other essential activities. Something will have to give.

The administration in the Law of the Sea Conference is supporting the so-called species approach, which insofar as coastal fisheries are concerned is tantamount to a 200-mile zone. It is difficult to understand, therefore, why the Office of Management and Budget has failed to grasp the discrepancy between the U.S. policy on the Law of the Sea and its policy with respect to Coast Guard funding. This failure will result in our inability to enforce that policy should it be adopted in the Law of the Sea Conference.

I hope that the increase in this year's budget and authorization marks a departure from the past, and that we will begin to rapidly build up the Coast Guard's capability to carry out all its responsibilities to the fullest, including the certain expansion of our fisheries jurisdiction.

Mr. GROVER. Mr. Speaker, I yield such time as he may consume to the gentleman from Alaska (Mr. YOUNG).

Mr. YOUNG of Alaska. Mr. Speaker, I rise in strong support of H.R. 13595, and I wish to associate myself with the remarks of my colleagues and of the chairman of the committee.

I can truthfully say that this legislation is truly hallmark legislation. This is important legislation, concerning the Coast Guard and the need for a strong surveillance group in order to protect our fisheries and also to provide the necessary navigational requirements for the importation of oils from Alaska to the South 48, oils coming through the Valdez area.

Mr. Speaker, I wish to point out that this is a very, very important piece of legislation, which is especially needed in Alaska and, of course, across the other coastal States.

Mr. MURPHY of New York. Mr. Speaker, I yield such time as she may consume to the chairman of the full committee, the gentlewoman from Missouri (Mrs. SULLIVAN).

Mrs. SULLIVAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to urge Members to support H.R. 13595, the Coast Guard authorization bill for fiscal year 1975, which would authorize appropriations for the procurement of vessels and aircraft and the construction of shore and offshore installations. This bill also authorizes appropriations for bridge alterations and for an end-year strength for active-duty personnel for the Coast Guard.

The House Merchant Marine and Fisheries Committee increased the original amount of the bill of $120,900,000 by $1,100,000 to a total of $122,000,000. The total authorization in the bill for acquisition, construction and improvements—A. C. & I.—is broken down as follows:

First, $22,676,000—for procurement, renovation and increasing the capability of vessels.

Second, $17,793,000—for procurement of eight replacement fixed-wing medium-range search aircraft.

Third, $74,731,000—for development and establishment of Coast Guard installations and facilities.

Fourth, $6,800,000—for the cost of bridge alterations.

Fifth, $37,748—for end-year strength for active-duty personnel for fiscal year 1975.

Mr. Speaker, the original Coast Guard fiscal year 1975 preview estimate was in a total of $182,351,000. The Department's request to OMB totaled $140,000,000, and the final total in the President's budget was $114,100,000, not including the bridge monies in the amount of $6,800,000, as provided under the Truman Hobbs Act. The committee amendment raised the total to $122,000,000—a scant 1-percent increase.

I would point out, as I did last year, Mr. Speaker, that I share the concerns of the other members of the House Merchant Marine and Fisheries Committee over the rather paltry sums that have been provided to the Coast Guard, year after year, by the administration. Again, as in the past, the original request of the Coast Guard was drastically cut this time by $42 million by the Department of Transportation, and $26 million by the Office of Management and Budget.

I have known the leadership of the Coast Guard for many years, and I feel that they do not engage in the usual agency puffery normally associated with budgets submitted to Congress or to their own departments, for that matter.

I should think everyone knows that by now.

If they indicated a need for $182 million, I am sure that need was more than adequately justified. To trim budgets may be prudent in many cases, but I think the Coast Guard is the exception to the rule. By now, everyone in this body is aware of the increased responsibilities given to the Coast Guard by the Congress.

When we consider the Federal Water Pollution Control Act and the Ports and Waters Safety Act of 1972 alone, we must realize the scope of the new missions that have been given to this service. The increases in private boating and the incursions in our offshore waters by foreign fishing fleets, international drug runners, illegal aliens, and the increase in pollution potential severely strain a service already pushed to its limits. Add to this the possibility of extending our offshore limits in the years immediately ahead, and it is easy to see that this service will have to at least double its capabilities by 1980.

I would refer more specifically to one major area of Coast Guard activity, and that is the field of pollution control in U.S. rivers and harbors, in our coastal waters, and indeed in the oceans of the world. The Coast Guard has taken the lead in developing the most stringent pollution control standards in the history of the maritime world.

Since last year, it has made giant steps forward in bringing the international maritime community through its work with the International Maritime Consultative Organization to a point where action may be taken that will result in clean oceans by the early 1980s. The basis for this program, however, lies in a strict enforcement scheme, and the U.S. Coast Guard will be charged to a great extent with carrying out that enforcement policy. And so it is that this authorization bill for the first time in many years calls for an increased end-year strength for active duty personnel. The bulk of this increase in personnel will be utilized in pollution control efforts.

I take this opportunity to commend the chairman of the House Merchant Marine Coast Guard and Navigation Subcommittee, JOHN M. MURPHY, who, since he became chairman, has for the last 2 years aggressively and assiduously dug into the details of the Coast Guard authorization legislation.

Last year, under his leadership, the committee discovered plans to close down important radio-navigational aids for the Nation's airlines and merchant fleets far in advance of the time needed for those industries to change over to new systems.

That decision was immediately reversed by the Department of Transportation.

Congressman MURPHY then uncovered the indecision that existed in certain areas of the administration relative to the selection of a national navigational aid for the west coast and for the replacement of important radio aids to the Nation's defense needs in the Mediterranean area of the world.

His work has resulted this year in forthright steps being taken by the administration in these areas; including the selection of a much-needed radio-navigation system for the coastal confluence region of the west coast. This will have great benefits to the United States when the oil tankers with Alaskan crude oil begin to ply the waters between Alaska and the west coast of the United States.

Mammoth ships carrying millions of barrels of crude oil will be passing in narrow sea lanes and crisscrossing the close-in Pacific area and converging on U.S. ports. But they will be kept at a safe distance from each other by the long-range navigational system that was finally approved by the administration—much to the credit of the Coast Guard Subcommittee.

In this year's authorization bill, nearly

$18 million was authorized for the initial purchase of much-needed medium range search aircraft. Again, aggressive committee investigations led by Chairman MURPHY found that the Coast Guard and the Department of Transportation had utilized a so-called sole-source procurement. The result eliminated from consideration many other candidate aircraft which might have proven better for the Coast Guard's needs, and constituted a saving to the American taxpayer. As a result of his energetic investigation of this situation, the Coast Guard has now recommended that the purchase of these aircraft be opened to a two-step competitive bid process, which, in my judgment, better meets the conditions of fair play and the intent of the Federal procurement regulations.

For handling of the above matters, I would personally like to thank the chairman of the Coast Guard Committee for his intense interest in the work of the subcommittee and in the success he has had thus far in calling to the attention of the Congress and to the administration the needs of the Coast Guard. I am sure that his continuing efforts over the past year have been in part responsible for the 38-percent increase in funds requested by the administration.

Surely the $23 million for the Loran-C programs fall into this category.

I have highlighted only a few of the many important areas covered by this Coast Guard authorization bill.

The chairman of the Coast Guard Subcommittee (Mr. MURPHY) and my colleagues will discuss in greater detail some of the other equally important provisions. I merely wanted to point out that the role of the Coast Guard in the 1970s has become a matter of increasing awareness in the Congress and on the part of the American public.

Needless to say, in order to discharge its varied and challenging duties, the Coast Guard must have the necessary equipment and the kind of emoluments necessary to attract the competent young people needed to carry out these duties. This has become especially so in the draft free environment. I am convinced that this bill, while representing an increase over last year's authorization of a significant amount, still represents the minimum amount of funds needed by the Coast Guard. I urge Members to approve its adoption.

There are majority and minority members of our Merchant Marine and Fisheries Committee present, who will now speak in behalf of this bill.

Mr. MURPHY of New York. Mr. Speaker, I thank the chairman for her gracious remarks concerning my efforts as chairman of the Coast Guard Subcommittee. In turn, I would point out that Mr. SULLIVAN's active support of my work and that of the subcommittee has played a great role in any success we have had in trying to make the Coast Guard an ever better service and in trying to obtain for it the modern equipment and the necessary legislative tools to help it perform better.

Mr. GROSS. Will the gentleman yield?

Mr. MURPHY of New York. I am happy to yield to the gentleman.

Mr. GROSS. Could the gentleman tell me how much, if anything, was appropriated to the Coast Guard in the supplemental appropriation bill of last year?

Mr. MURPHY of New York. Except for retired pay supplements there was nothing in the supplemental for the Coast Guard last year related to A.C. & I.

Mr. GROSS. I note an item of $6 million for housing to construct 106 units, which seems to figure out to about $56,000 per unit. Is it customary to expend that amount of money on individual units of housing?

Mr. MURPHY of New York. I think the gentleman would find they are not all individual units of housing. Many are multiunit housing projects.

Mr. GROSS. They would be on Coast Guard property, I assume.

Mr. MURPHY of New York. Yes; some would be on Government property. One of the problems the Coast Guard has is that it is forced into very primitive and remote areas where the local market cannot supply housing. It is just not available and, therefore, we must construct housing for the Coast Guard families in these areas and in a few cases land must be purchased. That is the type of think we are speaking of.

Mr. GROSS. Houses built on federally owned land at a cost of $50,000 plus per unit seems to me to be rather high, but perhaps I am behind the times.

Mr. MURPHY of New York. Well, the cost of housing, as we are all well aware, is very high on a national norm, but when you have to take materials in to Kodiak, Alaska——

Mr. GROSS. Is that where this housing is to be constructed?

Mr. MURPHY of New York. This housing is virtually to be constructed on a worldwide basis. I will give the gentleman the justification as outlined to the Coast Guard Committee during our hearings:

REASON FOR REQUEST AND PHYSICAL DESCRIPTION OF EXISTING FACILITY

In 1972, a survey indicated that 4,187 of 18,696 married Coast Guardsmen were inadequately housed. DOD adequacy standards, which include distance from duty station and cost, as well as the character of the adjacent community, were used in evaluating survey data. The primary thrust of the housing program continues to be the provision of adequate quarters for enlisted personnel and junior officers. Consonant with DOD provisions, and subject to OMB restriction on size and configuration, not more than one set of quarters for flag officers will be programmed in any given year.

NARRATIVE DESCRIPTION OF REPLACEMENT FACILITY

There will be approximately 106 additional units of housing at various locations. The final selection of sites and exact number of units subject to progress in land acquisition, market conditions, in some cases, status of DOD projects and availability of excess housing from other agencies. Where feasible, joint construction with other Government agencies and renovation of acquired excess housing has been and will continue to be undertaken in order to reduce costs.

Mr. GROSS. But these are not all that type of units. They are not all to be built in high-cost areas. Is that not true?

Mr. MURPHY of New York. The Coast Guard would not build most of them in high-cost areas. However, some would be in remote areas.

Mr. GROSS. Taking into account that site acquisition costs are nonexistent this would mean it would be in the neighborhood of $60,000 per unit and more in some areas.

Mr. MURPHY of New York. As I have just read, there are certain land acquisition costs involved but I can assure my colleague from many years of active duty with the Department of Defense that the quarters we provide for our officers and our enlisted men are not luxury quarters by any standards.

Mrs. HOLT. Mr. Speaker, I would like to take this opportunity to express my support for H.R. 13595, the Coast Guard authorization measure now before us.

I would also like to commend the Committee on Merchant Marine and Fisheries for the concern which they have expressed in the increased and vital role of our Nation's Coast Guard. Their growing responsibilities in maritime safety and environmental protection programs make it absolutely essential that our Coast Guard receives appropriations commensurate with the task which they face.

The authorization which we are considering today will permit additional modernization of older Coast Guard ships and improvement of present navigational systems and vessels. I am pleased to note that the budget, quite properly, reflects a significant increase over fiscal 1974 levels. As the volume of shipping increases, and we are assured that it will, so does the danger of additional pollution of our coastal waters. As vessels increase in size and number, we face the likelihood of serious maritime accidents. As more and more Americans take to our oceans and bays in small boats, the necessity for additional Coast Guard resources, both in personnel and in equipment, becomes apparent.

I trust that there will be a continuing awareness on our part that the Coast Guard receives the congressional support and concern it needs to maintain and improve its essential services to the Nation.

Mr. Speaker, I urge my colleagues to join me in support of H.R. 13595.

The SPEAKER. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill H.R. 13595, as amended.

Mr. HOSMER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The question was taken.

Mr. HOSMER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Pursuant to clause 3 of rule XXVII, and the prior announcement made by the Chair, further proceedings on this motion will be postponed.

Does the gentleman from California withdraw his point of order that a quorum is not present?

Mr. HOSMER. Mr. Speaker, I do.

GENERAL LEAVE

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent that all Members who wish to do so may have

5 legislative days in which to revise and extend their remarks on the bill just under consideration, H.R. 13595.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

LAND AND WATER CONSERVATION ACT AMENDMENTS

Mr. TAYLOR of North Carolina. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 2844) to amend the Land and Water Conservation Fund Act, as amended, to provide for collection of special recreation use fees at additional campgrounds, and for other purposes, as amended.

The Clerk read as follows:

S. 2844

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Land and Water Conservation Fund Act of 1965 (78 Stat. 897), as amended (16 U.S.C. 4601–6a), is further amended as follows:

(a) The heading of the section is revised to read:

"ADMISSION AND USE FEES; ESTABLISHMENT AND REGULATIONS".

(b) The second sentence of section 4(a) is amended to read: "No admission fees of any kind shall be charged or imposed for entrance into any other federally owned areas which are operated and maintained by a Federal agency and used for outdoor recreation purposes."

(c) Subsection (a)(1) is revised to read:

"(1) For admission into any such designated area, an annual admission permit (to be known as the Golden Eagle Passport) shall be available, for a fee of not more than $10. The permittee and any person accompanying him in a single, private, noncommercial vehicle, or alternatively, the permittee and his spouse, children, and parents accompanying him where entry to the area is by any means other than private, noncommercial vehicle, shall be entitled to general admission into any area designated pursuant to this subsection. The annual permit shall be valid during the calendar year for which the annual fee is paid. The annual permit shall not authorize any uses for which additional fees are charged pursuant to subsections (b) and (c) of this section. The annual permit shall be nontransferable and the unlawful use thereof shall be punishable in accordance with regulations established pursuant to subsection (e). The annual permit shall be available for purchase at any such designated area."

(d) Subsection (a)(2) is revised by deleting in the first sentence "or who enter such an area by means other than by private, noncommercial vehicle".

(e) Subsection (a)(4) is amended by revising the first two sentences to read: "The Secretary of the Interior and the Secretary of Agriculture shall establish procedures providing for the issuance of a lifetime admission permit (to be known as the 'Golden Age Passport') to any citizen of, or person domiciled in, the United States sixty-two years of age or older applying for such permit. Such permit shall be nontransferable, shall be issued without charge, and shall entitle the permittee and any person accompanying him in a single, private, noncommercial vehicle, or alternatively, the permittee and his spouse and children accompanying him where entry to the area is by any means other than private, noncommercial vehicle, to general admission into any area designated pursuant to this subsection."

(f) In subsection (b) the first paragraph is revised to read:

"(b) RECREATION USE FEES.—Each Federal agency developing, administering, providing or furnishing at Federal expense, specialized outdoor recreation sites, facilities, equipment, or services shall, in accordance with this subsection and subsection (d) of this section, provide for the collection of daily recreation use fees at the place of use or any reasonably convenient location: *Provided,* That in no event shall there be a charge by any such agency for the use, either singly or in any combination, of drinking water, wayside exhibits, roads, overlook sites, visitors' centers, scenic drives, toilet facilities, picnic tables, or boat ramps: *Provided, however,* That a fee shall be charged for boat launching facilities only where specialized facilities or services such as mechanical or hydraulic boat lifts or facilities are provided: *And provided further,* That in no event shall there be a charge for the use of any campground not having the following—tent or trailer spaces, drinking water, access road, refuse containers, toilet facilities, personal collection of the fee by an employee or agent of the Federal agency operating the facility, reasonable visitor protection, and simple devices for containing a campfire (where campfires are permitted). At each lake or reservoir under the jurisdiction of the Corps of Engineers, United States Army, where camping is permitted, such agency shall provide at least one primitive campground, containing designated campsites, sanitary facilities, and vehicular access, where no charge shall be imposed. Any Golden Age passport permittee shall be entitled upon presentation of such permit to utilize such special recreation facilities at a rate of 50 per centum of the established use fee."

(g) In subsection (b) paragraph "(1)" is deleted; the paragraph designation "2" is redesignated as subsection "(c) RECREATION PERMITS.—"; and subsequent subsections are redesignated accordingly.

(h) In new subsection (d) the second sentence is revised to read: "Clear notice that a fee has been established pursuant to this section shall be prominently posted at each area and at appropriate locations therein and shall be included in publications distributed at such areas."

(i) In new subsection (e) the first sentence is revised to read: "In accordance with the provisions of this section, the heads of appropriate departments and agencies may prescribe rules and regulations for areas under their administration for the collection of any fee established pursuant to this section."

(j) In new subsection (f) the first sentence is revised to read as follows:

"(f) Except as otherwise provided by law or as may be required by lawful contracts entered into prior to September 3, 1964, providing that revenues collected at particular Federal areas shall be credited to specific purposes, all fees which are collected by any Federal agency shall be covered into a special account in the Treasury of the United States to be administered in conjunction with, but separate from, the revenues in the Land and Water Conservation Fund: *Provided,* That the head of any Federal agency, under such terms and conditions as he deems appropriate, may contract with any public or private entity to provide visitor reservation services; and any such contract may provide that the contractor shall be permitted to deduct a commission to be fixed by the agency head from the amount charged the public for providing such services and to remit the net proceeds therefrom to the contracting agency."

SEC. 2. Section 6(e)(1) of title I of the Land and Water Conservation Fund Act of 1965 (78 Stat 897), as amended (16 U.S.C. 4601), is further amended by adding at the end thereof the following:

"Whenever a State provides that the owner of a single-family residence may, at his option, elect to retain a right of use and occupancy for not less than six months from the date of acquisition of such residence and such owner elects to retain such a right, such owner shall be deemed to have waived any benefits under sections 203, 204, 205, and 206 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894) and for the purposes of those sections such owner shall not be considered a displaced person as defined in section 101(6) of that Act.".

SEC. 3. Section 9 of the Land and Water Conservation Fund Act of 1965 (78 Stat. 897), as amended (16 U.S.C. 4601–10a), is further amended by deleting in the first sentence "section 6(a)(1)" and substituting "section 7(a)(1)".

The SPEAKER. Is a second demanded?

Mr. SKUBITZ. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered ordered.

There was no objection.

The SPEAKER. The gentleman from North Carolina (Mr. TAYLOR) will be recognized for 20 minutes, and the gentleman from Kansas Mr. SKUBITZ) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from North Carolina (Mr. TAYLOR).

Mr. TAYLOR of North Carolina. Mr. Speaker, S. 2844, as amended, and recommended by the Committee on Interior and Insular Affairs, attempts to resolve once and for all the controversy over the collection of admission, camping, and other fees at various federally operated outdoor recreation areas throughout the country. While all of the questions addressed by this bill are not limited to this issue, that is the principle issue which it confronts.

OBJECTIVE OF AND NEED FOR S. 2844

As approved by the other body and recommended by the committee, this legislation makes absolutely no change with respect to admission fees. Under existing laws, admission fees may only be collected at designated units of the national park system and at national recreation areas under the jurisdiction of the U.S. Forest Service. No entrance or admission fees are authorized to be collected at any lake or reservoir operated by the Corps of Army Engineers. Likewise, nothing in this bill will permit the collection of fees for access to any such lake or reservoir.

What S. 2844 does attempt to do is to establish reasonable guidelines for charges for other facilities and services provided for the enjoyment and convenience of visitors at federally operated outdoor recreation areas. It does not require or permit charges to be imposed for facilities which are essential to public health and safety or for facilities which are needed in order to properly maintain and preserve the natural and recreational values of a particular area. The bill specifically provides that no charges may be imposed for:

Drinking water or toilet facilities;

Wayside exhibits, roads, scenic drives, or visitor centers, picnic tables; or

Nonmechanical boat launching ramps.

Now, Mr. Speaker, most people seem to agree that a reasonable fee should be collected for the use of campsites provided by agencies of the Federal Government.

First. Because there is a considerable Federal expense for the development, operation and maintenance of individual campsites provided for the benefit and exclusive use of a particular person or group of persons.

Second. Because providing such facilities free of charge places a significant competitive burden on comparable State, local, and private facilities for which charges must be imposed in order to meet the cost of providing those campgrounds.

Third. Because nearly all of the moneys collected are to be reinvested in better facilities and outdoor recreation programs for the benefit of the visiting public.

Of course, the committee recognizes that there should be no charge for primitive campgrounds as long as they provide only the minimum facilities outlined in the bill. As amended by the committee, the bill specifies that no charges may be imposed for the use of a campsite unless it includes all of the following facilities and services:

Designated tent or trailer spaces,
Drinking water;
Access roads;
Refuse containers;
Toilet facilities;
Campfire facilities;
Reasonable visitor protection; and
Personal fee collection by an employee or agent (including reservation services) of the Federal agency involved.

I hasten to add, Mr. Speaker, that the committee amended S. 2844 to require that at least one free, primitive campground should be provided at each lake or reservoir where campgrounds are provided and operated by the Corps of Army Engineers.

EFFECT OF S. 2844 ON PUBLIC LAW 93-81

Last year, when the House considered legislation on this subject, it considered a bill reported by the Public Works Committee which would have affected only recreation facilities at Corps of Army Engineers projects. After the bill was approved by the House, it was rewritten by the other body and ultimately enacted. The result was to virtually eliminate campground fees at all areas regardless of the Federal agency involved. This will cause a loss of revenues totaling more than $12 million annually which would be used by the collecting agencies to enhance their outdoor recreation programs. It is also causing a considerable competitive hardship for public and private entities which are providing public campgrounds for which they must impose a charge.

While S. 2844 will preserve the concept of requiring certain minimum facilities to be provided before a charge may be imposed, its requirements are less rigid than Public Law 93-81 and will permit fees to be collected at numerous campgrounds where fees may not otherwise be imposed. Unless S. 2844 or comparable legislation is enacted, the collection of camping fees at most federally operated campgrounds will not be possible.

CONCLUSION AND RECOMMENDATION

Mr. Speaker, this legislation is the product of 2 days of public hearings by the Subcommittee on National Parks and Recreation. It was carefully considered by the Committee on Interior and Insular Affairs. During those deliberations, the gentleman from Oklahoma (Mr. JONES) sponsored several constructive amendments which were adopted by the committee. This legislation, as recommended, constitutes a reasonable and fair effort to satisfy a difficult problem. It is my pleasure to recommend its approval by the Members of the House of Representatives.

Mr. HAMMERSCHMIDT. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of North Carolina. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. I thank the gentleman for yielding.

As chief sponsor of the legislation H.R. 6717, which became Public Law 93-81, after it had been amended by the Senate substantially, I would appreciate the opportunity to pose a question to the distinguished chairman of the National Parks and Recreation Subcommittee.

As initially introduced and prior to a considerable amending process by committees of both bodies of Congress, my legislation at that time sought to protect the continued free access by citizens to federally administered recreation areas, specifically including the following: Access to or use of water areas, undeveloped or lightly developed shoreland, picnic grounds, overlook sites, scenic drives, or nonmechanical boat-launching ramps. This, basically, is the policy set forth pursuant to section 210 of the Flood Control Act of 1968.

My question is this: If enacted, would S. 2844 as it has now been amended by the House, carry out such a purpose to make sure that if an American taxpayer is charged for using federally owned and operated recreation sites he would receive a quid pro quo, or value received for that dollar he has paid for access?

Mr. TAYLOR of North Carolina. I can state to the gentleman, as I just pointed out in my statement, there will be no charge imposed for many of the facilities which are needed at public recreation areas. There is to be no charge whatsoever for ordinary daytime facilities. Free access to all public waters would be continued. There can be no charge for driving on scenic drives or roads. Emphasis is being put on the exclusive use of a facility in which the Government has a substantial investment. The No. 1 example would be a developed campground. A mechanical or hydraulic boat-launching facility would also be subject to charge.

Some of the language in the bill is very similar to section 210 of the Flood Control Act, which the gentleman referred to.

The SPEAKER. The time of the gentelman has expired.

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield myself 1 additional minute.

Mr. HAMMERSCHMIDT. Mr. Speaker, will the gentleman yield further?

Mr. TAYLOR of North Carolina. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. I thank the gentleman for yielding.

Just to make legislative history, I wonder if S. 2844, if enacted, would uphold the congressional precedents in the Flood Control Acts for the past several years, in fact, since 1944, which reaffirm the principle of free access to inland public waters?

Mr. TAYLOR of North Carolina. The gentleman from Arkansas is correct. There would be free access to all inland public waters.

Mr. HAMMERSCHMIDT. Mr. Speaker, I congratulate the distinguished chairman of the subcommittee, the gentleman from North Carolina (Mr. TAYLOR) as well as the ranking minority member, the gentleman from Kansas (Mr. SKUBITZ).

Mr. Speaker, I support this legislation.

Mr. JOHNSON of California. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of North Carolina. I yield to the gentleman from California.

Mr. JOHNSON of California. Mr. Speaker, I would like to ask the chairman of our Subcommittee on National Parks and Recreation, the gentleman from North Carolina (Mr. TAYLOR), a question in regard to the personal collection of fees. I would point out that the requirement that there be a "personal collection of fees" does not mean that there has to be an "eye-to-eye" transaction. If the fees are collected through the reservation system, by mail, for example, that would satisfy the requirement. Likewise, in more remote areas, "personal collection" would be satisfied by a roving ranger who would see to it that uniform collection would be assured.

I wonder if the gentleman could give me clarification on that, as to whether that is correct.

Mr. TAYLOR of North Carolina. I think the gentleman's statements are correct. The act will be complied with if the fees are to be collected through the reservation system as the gentleman mentioned. I think they would be complied with in the larger campgrounds if the fees are collected as people are entering. In the more remote areas, the roving or traveling employees could come around from time to time to see that the collection of fees is uniform, that would be sufficient compliance. We want everyone to be treated alike at a particular campground even where a roving employee collects the fees.

Mr. JOHNSON of California. This works well in our operation of our State park system in California and I hope it would be adequate in the national park system.

Mr. TAYLOR of North Carolina. I thank the gentleman from California.

Mr. JONES of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of North Carolina. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Speaker, I compliment the gentleman with whom we worked to get the arrangements to take care of the problems raised by the gentleman from Arkansas. This is a very good bill with which all of us can live. I wholeheartedly support the bill and recommend its passage.

Mr. TAYLOR of North Carolina. I thank the gentleman and I compliment the gentleman from Oklahoma for his constructive contributions during our consideration of the bill in the committee.

Mr. SKUBITZ. Mr. Speaker, I lend my support to the legislation before us, S.

2844, a bill amending the Land and Water Conservation Fund Act, with a principal provision reinstating the system of user fee charges for campgrounds and other specially developed facilities.

Earlier practice under the Land and Water Conservation Fund law involved the collection of user fees by the various Federal agencies which operated developed campgrounds. Last year, an amendment of this law was enacted which specified in detail what types of developed facilities must be provided if campground user fees are to be charged. So detailed and specific was this list that almost no Federal campgrounds met the rigid new standard. Consequently, campground user fee charges were almost totally disbanded over night by the Federal agencies.

This has proven to be most unfortunate, and it is this principal problem which the bill before us is designed to correct. As a result of the current inability to charge fees, total revenue loss to the Federal agencies is estimated at over $12 million a year. The most important aspect of this situation is that the current law permits these revenues to be appropriated to the collecting agencies for use in furthering outdoor recreation programs, much of which has been used to support campground operations. Hence, restoration of fee charges would help in some measure to finance the upkeep and improvement of the campgrounds from which the fees are collected. The agencies testified that most of the camping public has become accustomed to and supportive of the nominal user fees which have come to be charged for campgrounds. There apparently has been some exception to this ready acceptance of fee charges at some Corps of Engineers facilities, however, and this bill provides a minor exception, and provision of some free campsites in that instance.

Mr. Speaker, it is also important to note that the reinstitution of campground user fee charges restores some important indirect assistance to the private campground operator, whose complementary campground developments have provided a much needed and welcome relief for the overdemand pressures which have mounted on the all-to-few Federal facilities. Like any business operation, private campground operators must charge their customers in order to stay in business. With free public campgrounds nearby, the private operator is often the last place campers seek, and the overdemand pressure is unwelcomingly strong on the Federal sites as well as deflating to the private campground business. This bill before us, by reinstituting nominal Federal campground user fee charges, will assist both Federal and private campground operations.

One further point, Federal witnesses testified that vandalism in campground areas seems to be much reduced under the fee charge system than is the case for free campgrounds. I guess that people psychologically feel that they are under more obligation to care for a purchased commodity, than they do for free goods.

Mr. Speaker, there are other more minor modifications of the existing law which are made by the bill before us, but many are technical and perfecting in nature; the reinstitution of campground user fees is the heart of the bill.

I think this legislation is deserving of the support of the Members of this body. The Senate-passed bill is substantially identical to this House version. The law is urgently needed so that the program can get underway for the upcoming camping season, and I urge my colleagues to join with me in favor of passing the bill.

Mr. HOSMER. Mr. Speaker, will the gentleman yield?

Mr. SKUBITZ. I yield to the gentleman from California.

Mr. HOSMER. Mr. Speaker, I want to express my support of S. 2844. This bill is designed to correct some overkill action by the Congress last year when we undertook to delineate in too great detail, the criteria which Federal campgrounds must meet in order for user fees to be charged.

Among other items, we specified that showers must be available in reasonable proximity to the campsites. Perhaps our subconscious was showing that we felt camping was becoming an all too dirty sport or pastime. At any rate, there are today very few Federal campgrounds which provide such luxury—and I am not sure that they should.

Consequently, the law passed last year, virtually wiped out the campground user fee business for most Federal campgrounds—almost completely so for national park and national forest campgrounds. This means an annual revenue loss of over $12 million, and since this income is usually reinvested in campground operation and maintenance, and related outdoor recreation enhancement measures by its availability for appropriation to the collecting agencies, most of the camping public does not seem to object to the nominal user fee charges.

Mr. Speaker, I urge my colleagues to vote in favor of this bill so that we can restore the system of user fee charges which has worked so successfully in the past.

Mr. VANIK. Mr. Speaker, S. 2844, amendment to the land and water conservation fund, is before us for consideration today. I urge all my colleagues to vote in favor of this provision which would serve to remove inadequacies in the present administration of the land and water conservation fund.

Mr. Speaker, the land and water conservation fund is an important, though small, source of Federal moneys that has played a valuable part in preserving unspoiled pieces of America for the use and recreation of its people. The land and water conservation fund does not require Federal Treasury moneys, but is instead funded with moneys returned from sales and rentals and royalties generated by private use and consumption of the public's lands and resources.

It is an important concept. Our colleague from Ohio (Mr. SEIBERLING) has introduced legislation, H.R. 13952, to increase the size of the fund through contributions from oil and gas leases on public lands. As Representative SEIBERLING has said, the land and water conservation fund presents an opportunity to "convert a natural resource that is being depleted—the oil lease or coal sale, et cetera—into a natural resource that will not be depleted"—the park or preserve or recreation area, et cetera—and which can be enjoyed as a fair return for the sale of the public's resources.

The fund is not an outright Federal gift, but instead is matched by the States or local municipalities so that, cooperatively, the purchase of parklands or streams and lakes can be accomplished.

Although this has proven to be an effective stimulus to local self-help, the small amount of money budgeted for the fund has proven to be much too little. This year only $71 million has been budgeted by the National Park Service for the fund—a paltry amount when compared to the $400 million required to fund all the projects currently authorized by Congress. When a single park can cost $30 to $40 million, $71 million clearly is not enough.

The idea of putting "parks where the people are," as President Nixon pledged to do, has been aided by the land and water conservation fund. Previously, American parks, and particularly national parks, were often so remote and inaccessible that they served next to no one. The fund has enabled urban areas to preserve lands threatened with development so that city dwellers and suburbanites can enjoy parks and recreation facilities without having to drive 2 or more days to reach them. This is perhaps the greatest potential of the fund—providing land and natural areas within reasonable distances of all Americans—no matter where they live.

But if the budget level for the fund is not increased significantly, lands suitable for "parks for the people" will be gobbled up by developers and speculators before they can be preserved.

The land and water conservation fund has helped admirably with the initial steps toward creation of a Cuyahoga Valley National Historical Park and Recreation Area in a relatively untouched river valley between Cleveland and Akron, Ohio. The State of Ohio, matching money from the fund, has purchased several thousand acres of property in this beautiful valley area. These lands will be added to the parklands proposed to H.R. 7077, a bill I have sponsored with Congressman SEIBERLING and Congressman REGULA, along with 45 other House Members. This bill would create the national park through the procedures of the National Park Service.

Although the fund primarily serves the cause of relatively small parks, it is unfortunately not suited to large parks where the State-Federal purchasing arrangement tends to lead to a protracted incremental acquisition schedule. In a park of 20,000 acres, like the proposed Cuyahoga Valley National Park, such an extended timetable can lead to enormous rises in costs since inflation and land speculation are given time to affect land prices. It is for that reason that H.R. 7077 was introduced—to guarantee a relatively speedy and efficient purchase of parklands that saves all levels of Government money while quickly preserving lands that otherwise are threatened with inevitable urban encroachment. For example, it is estimated that a purchase of a 20,000-acre Cuyahoga Valley park by the fund arrangement could take up to 20 years, thus allowing prices to nearly double. This would result in each purchasing party—State and Federal—paying alone what it would cost the National Park Service, by itself, today.

Mr. HAMMERSCHMIDT. Mr. Speaker, I want to commend the Committee on Interior and Insular Affairs for its work in reporting to the House S. 2844, as amended. I am aware of the revenue problems which have been generated by the strict interpretation of Public Law 93–81, particularly in curtailing severely the number of campsites for which user fees may be charged by Federal agencies.

It was the intent of Congress to limit use fee authority to facilities which involved substantial Federal investment and regular maintenance, while safeguarding for taxpayer enjoyment use of those facilities which virtually all visitors might reasonably expect to utilize—such as roads, trails, overlooks, visitor centers, wayside exhibits or picnic areas.

Due primarily to campground fee criteria spelled out in Public Law 93–81, the scope of which was broadened by Senate action to include not only Corps of Engineers facilities but all National Park Service and Forest Service sites as well, the total revenue loss has been estimated in the neighborhood of $12 million per year. The language of S. 2844, as amended, redefines the list of permissible use fee and overnight camping charges to establish a more reasonable "fee test," while seeking to continue the restriction of authority to collect fees to specialized sites, facilities, equipment, or services.

S. 2844, as amended, through establishment of a more balanced fee system on Federal recreation lands, should rectify a revenue loss which is decreasing funds available in the land and water conservation fund. This fund relates directly to the amount of money available for the future operation and maintenance of Federal recreation areas.

The House committee has added to the Senate-passed language in S. 2844 a requirement that the Corps of Engineers provide at least one "primitive" campsite for which no charge may be imposed at each lake or reservoir where it operates other campgrounds. In so doing, the existence of some free camping grounds is guaranteed to the taxpayer.

S. 2844 as amended would also effect constructive changes in the Golden Eagle Passport program to clarify ambiguities in the existing law and would insure that the Golden Age Passport serves as a lifetime, rather than annual, permit for our Nation's senior citizens.

In my judgment, this legislation offers a sound basis for the Federal recreation fee system, one which will be equitable for the taxpayer and Federal Government alike; and one which will protect the long-term interests of both in the maintenance and continued development of recreation areas. I urge my colleagues to support the bill.

As chief sponsor of the legislation (H.R. 6717) which became Public Law 93–81, I would appreciate the opportunity to pose a question to the distinguished chairman of the National Parks and Recreation Subcommittee.

As initially introduced and prior to a considerable amending process by committees of both bodies of Congress, my legislation sought to protect the continued free access by citizens to federally administered recreation areas, specifically including the following: Access to or use of water areas, undeveloped or lightly developed shoreland, picnic grounds, overlook sites, scenic drives, or nonmechanical boat launching ramps. This, basically, is the policy set forth pursuant to section 210 of the Flood Control Act of 1968.

If enacted, would S. 2844 carry out such a purpose to make sure that if an American taxpayer is charged for using federally owned and operated recreation sites he receives a quid pro quo? And would S. 2844, if enacted, uphold the congressional precedents in the Flood Control Acts of several past years (since 1944) which reaffirm the principle of free access to inland public waters?

The SPEAKER. The question is on the motion offered by the gentleman from North Carolina (Mr. TAYLOR) that the House suspend the rules and pass the Senate bill (S. 2844) to amend the Land and Water Conservation Fund Act, as amended, to provide for collection of special recreation-use fees at additional campgrounds, and for other purposes, as amended.

Mr. HOSMER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. Pursuant to clause 3 of rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill (S. 2844) just considered.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 3, rule XXVII, the Chair will now put the question on each motion, on which further proceedings were postponed, in the order in which that motion was entertained.

Votes will be taken in the following order:

S.J. Res. 40 (de novo).
S. 3373 (de novo).
H.R. 13595 (de novo).
S. 2844, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

WHITE HOUSE CONFERENCE ON LIBRARY AND INFORMATION SCIENCES

The unfinished business is the question of suspending the rules and passing the Senate joint resolution (S.J. Res. 40), as amended.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. The question is on the motion offered by the gentleman from Indiana (Mr. BRADEMAS) that the suspend the rules and pass the Senate joint resolution (S.J. Res. 40), as amended.

The question was taken.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 223, nays 147, not voting 63, as follows:

[Roll No. 266]

YEAS—223

Abdnor
Abzug
Adams
Addabbo
Andrews, N.C.
Andrews, N. Dak.
Ashley
Aspin
Bafalis
Barrett
Bergland
Bevill
Blatnik
Boggs
Boland
Bolling
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Buchanan
Burke, Mass.
Butler
Carney, Ohio
Carter
Cederberg
Chamberlain
Chisholm
Clay
Cleveland
Cohen
Collins, Ill.
Conable
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Daniel, Dan
Davis, Ga.
de la Garza
Dellenback
Denholm
Dent
Derwinski
Dingell
Donohue
Drinan
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Flood
Flowers
Foley
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Gaydos
Gettys
Giaimo
Gibbons
Ginn
Gonzalez
Grasso
Gray
Green, Pa.
Griffiths
Grover
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hillis
Holifield
Holtzman
Horton
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Kluczynski
Koch
Landrum
Leggett
Lehman
Long, La.
Long, Md.
Luken
McCollister
McCormack
McDade
McFall
McKinney
Madden
Mann
Mathias, Calif.
Mathis, Ga.
Matsunaga
Melcher
Mezvinsky
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nichols
Nix
O'Hara
O'Neill
Owens
Passman
Patten
Pepper
Perkins
Peyser
Pickle
Powell, Ohio
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Randall
Rangel
Rees
Regula
Reuss
Riegle
Rinaldo
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Ruppe
St Germain
Sandman
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Sikes
Sisk
Slack
Smith, Iowa
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Symington
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Vander Veen
Vanik
Vigorito
Walsh
Wright
Yatron
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zwach

NAYS—147

Alexander
Annunzio
Archer
Arends
Armstrong
Ashbrook
Baker
Bauman
Beard
Bennett
Biaggi
Blackburn
Bowen
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burleson, Tex.
Burlison, Mo.
Byron
Camp
Casey, Tex.
Chappell
Clancy
Clark
Clawson, Del
Collier
Collins, Tex.
Conlan
Crane
Daniel, Robert W., Jr.
Davis, S.C.
Davis, Wis.
Delaney
Dennis
Devine
Downing
Dulski
Duncan
Edwards, Ala.
Erlenborn
Evins, Tenn.
Fisher
Flynt
Fuqua
Gilman
Goldwater
Goodling
Green, Oreg.
Gross
Gubser
Haley
Harsha
Hastings
Hays
Hébert
Henderson
Hicks
Hogan
Holt
Hosmer
Hudnut
Hungate
Hunt
Ichord
Jarman
Johnson, Colo.
Kemp
Ketchum
King
Kuykendall
Lagomarsino
Latta
Lent
Litton
Lott
Lujan
McClory
McEwen
McKay
Madigan
Mahon
Mallary
Maraziti
Martin, Nebr.
Martin, N.C.
Mayne
Michel
Milford
Miller
Minshall, Ohio
Mizell
Montgomery
Moorhead, Calif.
Nelsen
Obey
O'Brien
Parris
Patman
Pettis
Pike
Railsback
Rarick
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncallo, N.Y.
Roy
Ruth
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Skubitz
Smith, N.Y.
Snyder
Spence
Steelman
Steiger, Ariz.
Sullivan
Symms
Taylor, Mo.
Teague
Ullman
Veysey
Waggonner
Wampler
Ware
Whitehurst
Whitten
Williams
Winn
Wolff
Wyatt
Wydler
Wylie
Wyman
Yates
Young, Alaska
Young, Fla.
Young, S.C.
Zion

NOT VOTING—63

Anderson, Calif.
Anderson, Ill.
Badillo
Bell
Biester
Bingham
Brasco
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burton
Carey, N.Y.
Clausen, Don H.
Cochran
Culver
Daniels, Dominick V.
Danielson
Dellums
Dickinson
Diggs
Dorn
Ford
Fraser
Gude
Hanna
Hawkins
Hinshaw
Howard
Huber
Hutchinson
Jones, Tenn.
Kyros
Landgrebe
McCloskey
McSpadden
Macdonald
Mazzoli
Meeds
Metcalfe
Moakley
Poage
Podell
Price, Tex.
Reid
Rooney, N.Y.
Rousselot
Roybal
Runnels
Ryan
Stark
Stubblefield
Talcott
Thompson, N.J.
Van Deerlin
Vander Jagt
Waldie
Whalen
White
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.

So (two-thirds not having voted in favor thereof) the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Biester and Mr. Gude for, with Mr. Price of Texas against.

Mr. Whalen and Mr. Widnall for, with Mr. Rousselot against.

Mr. Thompson of New Jersey and Mr. Dominick V. Daniels for, with Mr. Runnels against.

Until further notice:

Mr. Brasco with Mr. Moakley.

Mr. Rooney of New York with Mr. Ryan.

Mr. Charles H. Wilson of California with Mr. McSpadden.

Mr. Macdonald with Mr. Roybal.

Mr. Kyros with Mr. White.

Mr. Diggs with Mr. Culver.

Mr. Howard with Mr. Hawkins.

Mr. Badillo with Mr. Waldie.

Mr. Anderson of California with Mr. Dickinson.

Mrs. Burke of California with Mr. Carey of New York.

Mr. Brown of California with Mr. Reid.

Mr. Hanna with Mr. Vander Jagt.

Mr. Ford with Mr. Anderson of Illinois.

Mr. Jones of Tennessee with Mr. Cochran.

Mr. Stubblefield with Mr. Bell.

Mr. Van Deerlin with Mr. Huber.

Mr. Stark with Mr. Hutchinson.

Mr. Dellums with Mr. Bingham.

Mr. Burton with Mr. Landgrebe.

Mr. Danielson with Mr. Talcott.

Mr. Dorn with Mr. Burke of Florida.

Mr. Fraser with Mr. Bob Wilson.

Mr. Mazzoli with Mr. Don H. Clausen.

Mr. Metcalfe with Mr. Meeds.

Mr. Podell with Mr. McCloskey.

Mr. Charles Wilson of Texas with Mr. Wiggins.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 3(b)(3), rule XXVII, the Chair announces he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all the additional motions to suspend the rule on which the Chair has postponed further proceedings.

SALE AND DISTRIBUTION OF THE CONGRESSIONAL RECORD

The SPEAKER. The unfinished business is the question of suspending the rules and passing the Senate bill (S. 3373).

The Clerk read the title of the Senate bill.

The SPEAKER. The question is on the motion offered by the gentleman from Indiana (Mr. BRADEMAS) that the House suspend the rules and pass the Senate bill, S. 3373.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

COAST GUARD AUTHORIZATION FOR FISCAL YEAR 1975

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill (H.R. 13595), as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from New York (Mr. MURPHY) that the House suspend the rules and pass the bill, H.R. 13595, as amended.

The question was taken.

Mr. FRENZEL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 365, nays, 0, not voting 68, as follows:

[Roll No. 267]

YEAS—365

Abdnor
Abzug
Adams
Addabbo
Alexander
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Armstrong
Ashbrook
Ashley
Aspin
Bafalis
Baker
Barrett
Bauman
Beard
Bennett
Bergland
Bevill
Biaggi
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clawson, Del
Clay
Cleveland
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Devine
Dingell
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Hudnut
Hungate
Hunt
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, Md.
Lott
Lujan
Luken
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Melcher
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Ruppe
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Walsh

Wampler
Ware
White
Whitehurst
Williams
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—0

NOT VOTING—68

Anderson, Calif.
Anderson, Ill.
Archer
Badillo
Bell
Biester
Bingham
Brasco
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burton
Carey, N.Y.
Cederberg
Clausen, Don H.
Cochran
Culver
Daniels, Dominick V.
Danielson
Dellums
Dickinson
Diggs
Dorn
Fraser
Gude
Hanna
Hawkins
Hays
Hinshaw
Howard
Huber
Hutchinson
Jones, Ala.
Jones, Tenn.
Kuykendall
Kyros
Landgrebe
Long, La.
McCloskey
McSpadden
Macdonald
Mazzoli
Meeds
Metcalfe
Moakley
Podell
Price, Tex.
Reid
Rooney, N.Y.
Rousselot
Roybal
Runnels
Ryan
Stark
Steed
Stubblefield
Talcott
Thompson, N.J.
Van Deerlin
Vander Jagt
Waldie
Whalen
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Thompson of New Jersey with Mr. Charles H. Wilson of California.

Mr. Rooney of New York with Mr. Whitten.

Mr. Brasco with Mr. Anderson of California.

Mr. Burton with Mr. Bingham.

Mr. Carey of New York with Mr. McSpadden.

Mr. Macdonald with Mr. Burke of Florida.

Mr. Dominick V. Daniels with Mr. Anderson of Illinois.

Mr. Dellums with Mr. Fraser.

Mr. Diggs with Mr. Reid.

Mr. Hanna with Mr. Dickinson.

Mr. Jones of Tennessee with Mr. Bell.

Mr. Mazzoli with Mr. Don H. Clausen.

Mr. Badillo with Mr. Dorn.

Mr. Hawkins with Mr. Meeds.

Mr. Podell with Mr. Biester.

Mr. Culver with Mr. Hinshaw.

Mr. Metcalfe with Mr. Roybal.

Mr. Ryan with Mr. Huber.

Mr. Brown of California with Mr. Hutchinson.

Mr. Stark with Mr. Landgrebe.

Mr. Howard with Mr. Cochran.

Mr. Van Deerlin with Mr. Price of Texas.

Mr. Burke of California with Mr. Moakley.

Mr. Stubblefield with Mr. McCloskey.

Mr. Waldie with Mr. Runnels.

Mr. Danielson with Mr. Kyros.

Mr. Vander Jagt with Mr. Rousselot.

Mr. Whalen with Mr. Talcott.

Mr. Widnall with Mr. Wiggins.

Mr. Bob Wilson with Mr. Charles Wilson of Texas.

Mr. Cederberg with Mr. Archer.

Mr. Gude with Mr. Jones of Alabama.

Mr. Harris with Mr. Kuykendall.

Mr. Steed with Mr. Long of Louisiana.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

LAND AND WATER CONSERVATION ACT AMENDMENTS

The SPEAKER. The unfinished business is the vote on the motion offered by the gentleman from North Carolina (Mr. TAYLOR) to suspend the rules and pass the Senate bill, S. 2844, as amended, on which the yeas and nays are ordered.

The Clerk read the title of the Senate bill.

The question was taken; and there were—yeas 355, nays 10, not voting 68, as follows:

[Roll No. 268]

YEAS—355

Abdnor
Abzug
Adams
Addabbo
Alexander
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Aspin
Bafalis
Baker
Barrett
Bauman
Beard
Bennett
Bergland
Biaggi
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Mass.
Burlison, Mo.
Butler
Byron
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clawson, Del
Clay
Cleveland
Cohen
Collier
Collins, Ill.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Devine
Dingell
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harrington
Harsha
Hastings
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Hudnut
Hungate
Hunt
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Melcher
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Rangel
Rarick
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Ruppe
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Williams
Wolff
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—10

Bevill
Burleson, Tex.
Camp
Collins, Tex.
Gonzalez
Johnson, Pa.
Randall
Roberts
Roy
Wright

NOT VOTING—68

Anderson, Calif.
Anderson, Ill.
Arends
Ashley
Badillo
Bell
Biester
Bingham
Brasco
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burton
Carey, N.Y.
Clausen, Don H.
Cochran
Culver
Daniels, Dominick V.
Danielson
Dellums
Dickinson
Diggs
Dorn
Findley
Fraser
Gray
Gude
Hanna
Hansen, Wash.
Hawkins
Hinshaw
Howard
Huber
Hutchinson
Jones, Tenn.
Kyros
Landgrebe
McCloskey
McSpadden
Macdonald
Mazzoli
Meeds
Metcalfe
Moakley
Peyser
Podell
Price, Tex.
Reid
Rooney, N.Y.
Rousselot
Roybal
Runnels
Ryan
Stark
Stubblefield
Talcott
Thompson, N.J.
Van Deerlin
Vander Jagt
Waldie
Whalen
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn

So (two-thirds having voted in favor thereof), the rules were suspended, and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Thompson of New Jersey with Mr. Charles H. Wilson of California.

Mr. Rooney of New York with Mr. Whitten.

Mr. Brasco with Mr. Anderson of California.

Mr. Burton with Mr. Bingham.

Mr. Carey of New York with Mr. McSpadden.

Mr. Macdonald with Mr. Burke of Florida.

Mr. Dominick V. Daniels with Mr. Anderson of Illinois.

Mr. Dellums with Mr. Fraser.

Mr. Diggs with Mr. Reid.

Mr. Hanna with Mr. Dickinson.

Mr. Jones of Tennessee with Mr. Bell.

Mr. Mazzoli with Mr. Don H. Clausen.

Mr. Badillo with Mr. Dorn.

Mr. Hawkins with Mr. Meeds.

Mr. Podell with Mr. Biester.

Mr. Culver with Mr. Hinshaw.

Mr. Metcalfe with Mr. Roybal.

Mr. Ryan with Mr. Huber.

Mr. Brown of California with Mr. Hutchinson.

Mr. Stark with Mr. Landgrebe.

Mr. Howard with Mr. Cochran.

Mr. Van Deerlin with Mr. Price of Texas.

Mrs. Burke of California with Mr. Moakley.

Mr. Stubblefield with Mr. McCloskey.

Mr. Waldie with Mr. Runnels.

Mr. Danielson with Mr. Kyros.

Mr. Vander Jagt with Mr. Rousselot.

Mr. Whalen with Mr. Talcott.

Mr. Widnall with Mr. Wiggins.
Mr. Bob Wilson with Mr. Charles Wilson of Texas.
Mr. Arends with Mr. Ashley.
Mr. Gude with Mr. Findley.
Mr. Gray with Mrs. Hansen of Washington.
Mr. Peyser with Mr. Winn.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill S. 3373, sale and distribution of the CONGRESSIONAL RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

CONFERENCE REPORT ON H.R. 12565, DEPARTMENT OF DEFENSE SUPPLEMENTAL AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 1974

Mr. HÉBERT. Mr. Speaker, I call up the conference report on the bill (H.R. 12565) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons and research, development, test, and evaluation for the Armed Forces, and to authorize construction at certain installations, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of May 24, 1974.)

Mr. HÉBERT (during the reading). Mr. Speaker, in view of the fact that the conference report (Report 93-1064) has been printed and available to the Members since Saturday, May 25, 1974, and is also available in the CONGRESSIONAL RECORD of May 28, page 16545, I ask unanimous consent to dispense with further reading of the statement of the managers.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. HÉBERT. Mr. Speaker, I rise in support of the conference action on H.R. 12565, the Department of Defense authorization for supplemental appropriations for fiscal year 1974, and urge the concurrence of the House in the conference report.

By way of explanation of the conference action, I will briefly review the request made by the Department and the action ultimately recommended in this conference report.

The administration's fiscal year 1974 supplemental request requiring authorization for appropriations for the Department of Defense requested new authorizations of $1,257,455,000. The amount approved by the House on April 4, 1974, was $1,142,049,000. The amount approved by the Senate on May 6, 1974, was $415,474,000 in the form of a total authorization for appropriations plus an additional transfer authority of $155.8 million under which incremental defense costs related to the Middle East War would be funded from the $2.2 billion provided as "emergency security assistance for Israel" already provided.

The net difference between the two bills was $726,575,000. The resolution of differences by the House and Senate conference results in a new total of $769,049,000. Therefore, the new total in the bill is $373,000,000 less than the House figure of $1,142,049,000, and $353,575,000 higher than the Senate figure of $415,474,000.

Details concerning the conference action have been made available to the Members, both in the CONGRESSIONAL RECORD and in the printed copies of the report, available as House document No. 93-1064. However, I will briefly review the major actions taken by the conferees as reflected in the conference report.

The military assistance service funded—MASF—program for South Vietnam was a matter in conference as a result of a Senate amendment which would have prohibited the utilization of any unobligated funds available in the military asistance service funded program for South Vietnam after the date of enactment of the bill. The section was included by the Senate to hold the Department of Defense to the previously approved $1,126 billion ceiling for military aid to South Vietnam for fiscal year 1974, and to prevent the obligation of $266 million which would have been available if the reported obligations for fiscal year 1974 had been subject to adjustment.

The House/Senate conferees agreed that no accounting change would be permitted to the Department involving the $266 million in question and emphasized, in the conference report, their agreement that the accounting procedures observed by the Department in respect to the utilization of fiscal year 1974 MASF funds would remain unchanged.

Stated another way, the conferees clearly stipulated that the statutory ceiling of $1.126 billion enacted in the fiscal year 1974 appropriation remains unaltered and shall not be circumvented by an accounting adjustment.

The conferees also agreed to defer action for military construction at Diego Garcia until the matter can be reviewed by the Senate in connection with the Department's fiscal year 1975 military construction request.

The conferees agreed that this action would be without prejudice to the merits of the departmental request. One of the basic objections of the Senate was the inclusion of this request in a supplemental bill.

The conferees also agreed to delete a Senate provision which would have required the transfer of military assistance program—MAP—funds in the amount of $155.8 million to military procurement accounts to defray the increased costs of new equipment to be procured by the departments as a result of the transfer of military equipment to Israel.

The House conferees pointed out that the new equipment procured by the departments to replace equipment transferred to Israel was in almost every instance, qualitatively superior to that transferred to Israel and justified the additional expenditure of departmental funds. However, the conferees pointed out that this action taken by them should not be construed as establishing a policy for the future whereby the Department of Defense appropriation accounts were to absorb the incremental costs of transactions involving grants or sales of equipment to other countries.

SUMMARY

As I had previously indicated, the new total of the bill as agreed upon by your conferees is $769,049,000. This figure is $373 million less than the figure in the House bill, and $353,575,000 more than the authorization originally passed by the Senate.

The conference report, therefore, represents a reasonable compromise of the two bodies and I recommend its approval.

Mr. BRAY. Mr. Speaker, I rise in support of the conference report and urge its unanimous approval by the House.

The conferees met on May 20 and May 22 to resolve these differences so as to enable the Appropriations Committees of both the House and Senate to go forward with their final mark-up of the Department's supplemental appropriation for fiscal year 1974.

I will not attempt to review the individual actions taken by the conferees since they are thoroughly explained in both the conference report and have been reviewed by our chairman (Mr. HÉBERT).

As in every conference, there is give and take. We did not get all we wanted; nor did the Senate get all they wanted. However, reasonable men can arrive at a compromise, and that compromise is reflected in this conference report.

I urge its unanimous approval.

Mr. HÉBERT. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

Mr. SCHERLE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. THONE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER.** The Chair will count. One hundred ninety-three Members are present, not a quorum.

The Sergeant at Arms will notify absent members.

The vote was taken by electronic device, and there were—yeas 354, nays 14, not voting 65, as follows:

[Roll No. 269]

YEAS—354

Abdnor
Adams
Addabbo
Alexander
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Bafalis
Baker
Bauman
Beard
Bennett
Bergland
Bevill
Biaggi
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clawson, Del
Cleveland
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Devine
Dingell
Donohue
Downing
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Hastings
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Horton
Hosmer
Hudnut
Hungate
Hunt
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Melcher
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rarick
Rees
Regula
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Ruppe
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Williams
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—14

Abzug
Clay
Conyers
Drinan
Edwards, Calif.
Harrington
Helstoski
Holtzman
Kastenmeier
Mitchell, Md.
Rangel
Riegle
Schroeder
Stokes

NOT VOTING—65

Anderson, Calif.
Anderson, Ill.
Badillo
Barrett
Bell
Biester
Bingham
Brasco
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burton
Byron
Carey, N.Y.
Clausen, Don H.
Cochran
Culver
Daniels, Dominick V.
Danielson
Dellums
Dickinson
Diggs
Dorn
Fraser
Gude
Hanna
Hawkins
Hinshaw
Howard
Huber
Hutchinson
Jones, Tenn.
Kuykendall
Kyros
Landgrebe
McCloskey
McSpadden
Macdonald
Mazzoli
Meeds
Metcalfe
Moakley
Mollohan
Patman
Podell
Price, Tex.
Reid
Rooney, N.Y.
Rousselot
Roybal
Runnels
Ryan
Stark
Stubblefield
Talcott
Thompson, N.J.
Van Deerlin
Vander Jagt
Waldie
Whalen
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Thompson of New Jersey for, with Mr. Stark against.

Mr. Dominick V. Daniels for, with Mr. Roybal against.

Mr. Kyros for, with Mr. Dellums against.

Mr. Howard for, with Mr. Bingham against.

Mr. Byron for, with Mr. Badillo against.

Mr. Brasco for, with Mr. Diggs against.

Mr. Podell for, with Mr. Waldie against.

Until further notice:

Mr. Rooney of New York with Mr. Reid.

Mr. Barrett with Mr. Runnels.

Mr. Hawkins with Mr. Fraser.

Mr. Brown of California with Mr. Patman.

Mr. Carey of New York with Mr. Dorn.

Mr. Stubblefield with Mr. Talcott.

Mr. Van Deerlin with Mr. Kuykendall.

Mr. Charles H. Wilson of California with Mr. Hutchinson.

Mr. Meeds with Mr. Metcalfe.

Mr. Moakley with Mr. Anderson of Illinois.

Mr. Mollohan with Mr. Cochran.

Mr. Jones of Tennessee with Mr. Bell.

Mrs. Burke of California with Mr. Culver.

Mr. Anderson of California with Mr. Dickinson.

Mr. Burton with Mr. Biester.

Mr. Danielson with Mr. Gude.

Mr. Macdonald with Mr. Burke of Florida.

Mr Mazzoli with Mr. Hinshaw.

Mr. Ryan with Mr. Huber.

Mr. McSpadden with Mr. Don H. Clausen.

Mr. Rousselot with Mr. Landgrebe.

Mr. Vander Jagt with Mr. McCloskey.

Mr. Whalen with Mr. Price of Texas.

Mr. Bob Wilson with Mr. Wiggins.

Mr Widnall with Mr. Charles Wilson of Texas.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 14013, SUPPLEMENTAL APPROPRIATIONS, 1974

Mr. **MAHON.** Mr. Speaker, I call up the conference report on the bill (H.R. 14013) making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The **SPEAKER.** Is there objection to the request of the gentleman from Texas?

Mr. **GUBSER.** Mr. Speaker, reserving the right to object, I make a point of order against the conference report.

The **SPEAKER.** The Chair will hear the gentleman.

POINT OF ORDER

Mr. **GUBSER.** Mr. Speaker, I make a point of order against consideration of this conference report at this time for the reason that it contains appropriations which were authorized in the conference report which we just voted upon a few moments ago and which is on legislation that has not been signed into law by the President, and, therefore, this conference report will effectively make appropriations which are not authorized in law.

Mr. **MAHON.** Mr. Speaker, may I be heard on the point of order?

The **SPEAKER.** The Chair will hear the gentleman.

Mr. **MAHON.** Mr. Speaker, we have considered in the House the second supplemental appropriation bill, and the items that are contained in this conference report were included in the bill as it passed the House.

We received a rule from the Committee on Rules making it possible for the Defense appropriations to be considered in the supplemental appropriation bill. The rule was adopted; it was agreed to by the Committee on Rules, and it was agreed to by the House.

Therefore, I do not believe the point of order is valid.

Mr. **GUBSER.** Mr. Speaker, may I be heard further on the point of order?

The **SPEAKER.** The Chair will hear the gentleman.

Mr. GUBSER. Mr. Speaker, we are all familiar with section 138, title X, of the United States Code. It states as follows:

> No funds may be appropriated for any fiscal year to or for the use of any armed force or obligated or expended for (1) procurement of aircraft,

And so on—and I shall delete the next few sentences.

> unless funds therefor have been specifically authorized by law.

I am informed it is not possible to make a point of order against an amendment which is brought back in disagreement with the Senate. I am also informed it is not possible to make a point of order against a situation where the conference report accepted a figure which was lower than that passed by the Senate.

But I point out that amendment No. 17 is a situation where the conference report agrees upon a figure for procurement which is in excess of the Senate figure.

I would like to point out further, Mr. Speaker, that I recognize full well that there are people who can suffer if this point of order is sustained because of the fact that there are wages and salaries involved in this bill. It is not my desire to deny these people the right to be paid, but it is my desire to make the point that we are gradually eroding the legislative process here in the House so that authorizations by the authorizing committees are coming to mean less and less and less and less. I think we either ought to abolish the authorizing committees or we ought to see to it that we certainly pass the authorizations and they are enacted into law before we pass the appropriations.

Mr. Speaker, so that no one may be denied his salary, I ask unanimous consent to withdraw my point of order.

The SPEAKER. The gentleman from California withdraws his point of order.

Is there objection to the request of gentleman from Texas that the statement be read in lieu of the report?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of May 29, 1974.)

The SPEAKER. The gentleman from Texas is recognized.

Mr. MAHON. Mr. Speaker, the conference report before us provides $9.3 billion in new budget authority. This is a reduction of $1.8 billion below the budget request and $489 million above the House bill but $344 million below the Senate bill.

Mr. Speaker, on the fiscal year 1974 second supplemental bill there were 169 Senate amendments that the House conferees had to resolve.

The major changes in the conference report over the House bill consist of an indefinite appropriation of $530 million for court ordered retroactive pay increases which the House did not consider. In other words, the Committee on Appropriations had no discretion in the matter; it had to provide this additional pay as ruled by the court. The cost of this is estimated to be $530 million.

There is an additional amount in the conference report of $50 million for food stamps, $32 million for disaster relief, $20 million for flood control, $12 million for emergency food and medical services, and $29 million for railroad interim operating assistance.

For manpower administration the conference report provides $2.2 billion, which is $217 million above the House figure. The conference total includes $620 million for public service employment instead of $500 million as proposed by the House and $305 million for summer youth employment programs instead of $208 million as proposed by the House.

The conference report also provides $12 million for the Follow Through program and $8 million for the bilingual education program.

A budget rescission of $1.2 billion for grants to States for public assistance was made in view of the overestimate of the administration. This was acceptable.

Now, with respect to defense, a short time ago upon the motion of the distinguished chairman of the Committee on Armed Services, Mr. Hébert, the House approved the authorization bill for the military procurement portion of this appropriation.

The conference report before you is in consonance with the authorization conference report. We were careful, wherever possible, not to provide for the funding programs that had not been authorized. We do not believe that the Committee on Appropriations should provide the funding for programs which have not been authorized.

We did have a rule waiving points of order, to make it possible to consider the appropriation bill in the House for the military part of this legislation for which authorization had not been enacted. At that time the authorization bill had passed the House and passed the other body, but it had not beeen settled in conference.

Mr. HÉBERT. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I am pleased to yield to the distinguished chairman of the Committee on Armed Services, the gentleman from Louisiana (Mr. Hébert).

Mr. HÉBERT. Mr. Speaker, I thank the gentleman for yielding to me.

The reason I asked the gentleman to yield is merely to reemphasize what the gentleman has stated on his own volition, and that is to be positive that in the reconstruction of the appropriations after the conference of the authorizing committees, the Committee on Appropriations met again and deleted the appropriation that was not authorized in the compromise of the authorizing body. Is that correct?

Mr. MAHON. I thank the gentleman from Louisiana for his remarks.

There were some differences in the House version of the authorization bill, and the Senate version of the authorization bill. And in a tentative agreement, not a final agreement, in the conference between the House and the Senate on the pending appropriation bill we agreed on certain differences.

After the authorization conference report was finally agreed to by the conference committees of the Committees on Armed Services of the House and the Senate, it developed that certain modifications had to be made in certain details in the appropriation bill.

As the gentleman from Louisiana points out, adjustments were made, and they were for the most part not highly significant, to make sure that wherever possible no money is provided in the appropriation bill which has not been previously authorized or agreed to in the conference report which was adopted just a few moments ago by the House.

I thank the distinguished gentleman from Louisiana, and I should say further that the Committee on Armed Services and the Committee on Appropriations have worked together for the defense and security of this Nation for many years. We have great respect for the members on the Committee on Armed Services and great respect for the staff of the Committee on Armed Services. I think it is in the interest of our Nation that we work together for the defense and the security of the United States. I commend the distinguished gentleman from Louisiana (Mr. Hébert) for his statesmanlike approach to this problem.

Mr. HÉBERT. Mr. Speaker, I thank the gentleman from Texas, and I assure the gentleman of the cooperation of the Committee on Armed Services.

Mr. GROSS. Mr. Speaker, would the gentleman yield?

Mr. MAHON. I yield to the distinguished gentleman from Iowa.

Mr. GROSS. The conference report is almost $490 million more than the bill as approved by the House. Can the gentleman from Texas very briefly state what constitutes the additional $490 million?

Mr. MAHON. The committee, in accordance with a court decision and a budget estimate submitted by the Executive, recommended that certain retroactive pay payments be made to employees of the Government. This one item alone causes the conference agreement to be over the House version of the bill. This is an estimated indefinite appropriation of $530 million.

Then there was $50 million added in the Senate for food stamps.

Then there was $32 million additional for disaster relief, $20 million for flood control resulting from more recent developments with respect to damage from disasters, $12 million for emergency food and medical services, and $29 million for railroad interim operating assistance.

Then in manpower, the conference report provides $2.2 billion, which is $217 million above the House bill.

That is where one of the big increases was made. The report totals include $620 million for public service employment. As the gentleman knows, there is a lot of concern about unemployment, and there was a considerable increase in public service employment. The House figure was a half billion dollars; the Senate figure was $620 million. Also there were $305 million for summer youth employment programs instead of $208 million as proposed by the House. These are some of the major increases over the House bill.

Of course, there were certain decreases made in the Senate version of the bill and the conference agreement is some $489 million over the House bill. The largest increase however, as I indicated earlier, was the $530 million for retroactive pay costs associated with the court decision.

Mr. LEGGETT. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the distinguished gentleman from California.

Mr. LEGGETT. I thank the gentleman for yielding.

As I understand this supplemental coming along now on the 4th day of June, the funds in this supplemental must be obligated by the end of the fiscal year; is that correct?

Mr. MAHON. No. The funds in this bill do not necessarily have to be obligated by the end of the fiscal year. Certain funds would have to be, but some of the funds in this bill would not have to be obligated by the end of this fiscal year.

Mr. LEGGETT. If the gentleman will yield further, let me ask this: In the military procurement area of defense, where I am interested, the Department of Defense made a request of some $1,007,000,000 here 3 or 4 months ago in their supplemental request. Our House Committee on Armed Services approved $999.3 million, and now in the authorization in the conference report just completed by the chairman of the Committee on Armed Services, there was approved $655 million. As I calculated the items in this bill, we have some $424.9 million so we have a $200 million difference, $225 million, in the procurement account alone between the bill that we just passed and this bill. It affects items like Air Force airplanes, where the Air Force requested $445 million worth of line items. We approved substantially that amount in our committee. The gentleman's bill would approve $107.7 million for the Air Force aircraft.

My question is: What have we approved in that request for $107.7 million? Does the gentleman know what the line items requested by the Air Force are that are approved or in this conference report? Can we just give discretion to the Department of Defense to pick out of the $107 million of the authorization in the conference report what they choose to fund?

Mr. MAHON. In the various paragraphs of the bill we provide funds for certain programs, and it is true that some reductions were made below the budget requests. They all are line items, and the Department of Defense will have no difficulty in interpreting the action of the conference.

Mr. LEGGETT. If the gentleman would further yield, on page 10 of his report I will refer to amendment No. 18 reported in technical disagreement:

> The managers on the part of the House will offer a motion to appropriate $107,700,000 instead of $294,000,000 as proposed by the House—

Which was the last time they had a shot at this—

> and $244,400,000 as proposed by the Senate.

Then in the balance of the gentleman's paragraph in that section he does not give any inkling as to where that $190 million is going to come from in the item. I am wondering if he has another report maybe that spells this out.

Mr. MAHON. The House report, the Senate report, and the conference report together, I think, make it abundantly clear as to the intent of the Congress with respect to the military items.

Mr. LEGGETT. I should hope that the record could in some way be embellished so that we could get some kind of lead as to exactly what we are appropriating here, because, very frankly, I am in the dark and I am sure that a great number of other Members are in the dark on this.

Mr. MAHON. I will be glad to insert in the Record specific details with respect to all of these items so that there will be no doubt about what the action will be:

AMENDMENT NO. 18

Aircraft Procurement, Air Force	Request	Authorization conference report	Appropriation conference report
A-7D flight simulator	$5,000,000	0	0
F-111F flight simulator	8,100,000	0	0
C-130H aircraft	30,000,000	$30,000,000	$30,000,000
Aircraft modifications:			
B-52	8,800,000	8,000,000	8,000,000
FB-111	3,800,000	1,800,000	1,800,000
A-7	1,000,000	500,000	500,000
FIRF-4	42,600,000	38,700,000	10,800,000
F-106	200,000	0	0
F-111	19,100,000	16,500,000	2,000,000
C-5A	8,700,000	7,800,000	2,000,000
C-135	600,000	0	0
C-141	42,600,000	31,000,000	0
CRAF	18,500,000	0	0
Aircraft spares and repair parts	153,500,000	37,300,000	37,300,000
Common ground equipment	1,500,000	1,500,000	600,000
Other production charges	101,000,000	14,700,000	14,700,000
Total	445,000,000	187,800,000	107,700,000

Mr. LEGGETT. I thank the gentleman very much.

Mr. DAN DANIEL. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Virginia.

Mr. DAN DANIEL. My Speaker, I wonder if the gentleman from Pennsylvania (Mr. Flood) will take the floor in order that I may propound a question?

Mr. MAHON. I yield to the gentleman from Pennsylvania.

Mr. DAN DANIEL. Mr. Speaker, referring to amendments 38 to 43, was it the intent of the conferees to provide for the employment services $41 million of the $81 million being considered for the overall program?

Mr. FLOOD. Yes, that is correct, $41 million.

Mr. DAN DANIEL. Mr. Speaker, I wonder if I could ask the gentleman on the other side, the gentleman from Illinois (Mr. Michel) if that is his understanding?

Mr. MAHON. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, I refer the gentleman specifically to language in the report in which we discuss this subject, and there will be later on in the proceedings a motion to recede and concur with Senate amendments that would take care of the matter the gentleman is interested in.

Mr. DAN DANIEL. I thank the gentleman very much, and I thank the gentleman for yielding.

Mr. CEDERBERG. Mr. Speaker, the gentleman from Teaxs has adequately explained the conference report and I find no reason to repeat him.

Mr. Speaker, I have no further request for time.

Mr. MAHON. Mr. Speaker, I have one further observation and that is with respect to the action of Congress on the budget for fiscal year 1974.

Overall, for fiscal 1974 the Congress has considered budget requests for appropriation bill items totalling about $182.5 billion. In its action on such appropriation bills, the House has reduced requests for new budget—obligational—authority by about $5.1 billion. Senate action on the appropriation bills thus far has resulted in decreases amounting to about $4.1 billion in budget authority. In final actions in connection with these appropriaton bills, the Congress has reduced requests by an amount aggregating some $5.1 billion. However, in nonappropriation bills—that is, legislative measures otherwise—the Congress has taken action or inaction which has the net effect of increasing new budget—obligational—authority by some $5.5 billion for the fiscal year 1974.

Mr. Speaker, your House conferees did, in my opinion, a good job, and I urge adoption of the conference report.

Mr. Speaker, under leave to revise and extend my remarks and include extraneous material, I insert at this time certain tables on budget estimates and House, Senate, and conference action on items in the bill and also a more detailed explanation of the defense items in the conference report:

SUMMARY TABLE BY CHAPTERS AND TITLES

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS RECOMMENDED

Chapter No.	Department or activity	Budget estimates	House bill	Senate bill	Conference action	Conference Action Compared with—		
						Budget estimates	House bill	Senate bill
	TITLE I—GENERAL SUPPLEMENTALS							
I	Agriculture—Environmental and consumer protection;							
	New budget (obligational) authority	$575,650,000	$560,230,000	$616,641,000	$613,891,000	+$38,241,000	+$53,661,000	−$2,750,000
	By transfer	(15,000,000)				(−15,000,000)		
II	Defense:							
	New budget (obligational) authority	3,412,741,000	2,327,412,000	2,330,112,000	2,139,312,000	−1,273,429,000	−188,100,000	−190,800,000
III	District of Columbia:							
	Federal funds: New budget (obligational) authority	2,550,000		2,550,000		−2,550,000		−2,550,000
	District of Columbia funds: New (obligational) authority	(12,134,400)	(12,092,400)	(12,134,400)	(12,134,400)		(+42,000)	
IV	Foreign operations:							
	New budget (obligational) authority	54,000,000	49,000,000	15,250,000	49,250,000	−4,750,000	+250,000	+34,000,000
V	Housing and Urban Development, Space, Science, and Veterans:							
	New budget (obligational) authority	460,974,000	179,345,000	279,345,000	211,945,000	−249,029,000	+32,600,000	−67,400,000
VI	Interior and related agencies:							
	New budget (obligational) authority	162,955,000	159,749,000	159,899,000	159,849,000	−3,106,000	+100,000	−50,000
VII	Labor, and Health, Education, and Welfare:							
	New budget (obligational) authority	1,285,335,000	1,289,202,000	1,423,440,000	1,354,206,000	+68,871,000	+65,004,000	−69,234,000
	By transfer			(226,340,000)				(−226,340,000)
	Trust funds limitation	(111,766,000)	(111,766,000)	(107,766,000)	(107,766,000)	(−4,000,000)	(−4,000,000)	
VIII	Legislative branch: New Budget (obligational) authority:							
	1974	5,900,805	2,516,500	5,941,355	5,941,355	+40,550	+3,424,855	
	1973	300,000	300,000			−300,000	−300,000	
	Total	6,200,805	2,816,500	5,941,355	5,941,355	−259,450	+3,124,855	
(IX)	Military construction:							
	New Budget (obligational) authority	29,000,000	29,000,000			−29,000,000	−29,000,000	
IX	Public works:							
	New budget (obligational) authority	107,700,000	87,000,000	107,000,000	107,000,000	−700,000	+20,000,000	
X	State, Justice, Commerce, and Judiciary:							
	New budget (obligational) authority	50,556,000	38,938,000	47,874,000	42,493,000	−8,063,000	+3,555,000	−5,381,000
	By transfer	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)			
	Liquidation of Contract Authority	(23,000,000)	(23,000,000)	(23,000,000)	(23,000,000)			
XI	Transportation:							
	New budget (obligational) authority	176,782,000	99,754,000	163,984,000	139,340,000	−37,442,000	+39,586,000	−24,644,000
	By transfer		(7,500,000)	(8,218,000)	(8,218,000)	(+8,218,000)	(+718,000)	
XII	Treasury, Postal Service, and General Government:							
	New budget (obligational) authority	604,357,000	568,964,000	562,478,000	582,478,000	−21,879,000	+13,514,000	+20,000,000
XIII	Claims and judgments:							
	New budget (obligational) authority	20,977,448	20,977,448	20,977,448	20,977,448			
	Total, title I—General Supplementals:							
	New budget (obligational) authority:							
	1974	6,949,478,253	5,412,087,948	5,735,491,803	5,426,682,803	−1,522,795,450	+14,594,855	−308,809,000
	1973	300,000	300,000			−300,000	−300,000	
	Total	6,949,778,253	5,412,387,948	5,735,491,803	5,426,682,803	−1,523,095,450	+14,294,855	−308,809,000
	By transfer	(20,000,000)	(12,500,000)	(239,558,000)	(13,218,000)	(−6,782,000)	(+718,000)	(−226,340,000)
	Increase in limitation	(111,766,000)	(111,766,000)	(107,766,000)	(107,766,000)	(−4,000,000)	(−4,000,000)	
	Liquidation of contract authority	(23,000,000)	(23,000,000)	(23,000,000)	(23,000,000)			
	District of Columbia funds (NOA)	(12,134,400)	(12,092,400)	(12,134,400)	(12,134,400)		(+42,000)	
	TITLE II AND III—INCREASED PAY COSTS							
	Title II, regular increased pay costs:							
	New budget (obligational) authority	3,620,751,824	3,399,274,095	3,380,443,595	3,344,791,595	−275,960,229	−54,482,500	−35,652,000
	By transfer	(62,963,600)	(56,397,800)	(55,560,800)	(55,560,800)	(−7,402,800)	(−837,000)	
	Increase in limitation	(19,602,000)	(15,021,000)	(15,373,000)	(15,373,000)	(−4,229,000)	(+352,000)	
	Liquidation of contract authority	(6,000,000)	(5,500,000)	(5,500,000)	(5,500,000)	(−500,000)		
	Title III, fiscal year 1973 retroactive pay costs	[1] 530,000,000		[1] 530,000,000	[1] 530,000,000		+530,000,000	
	New budget (obligational) authority, Titles II & III:							
	Definite	3,620,751,824	3,399,274,095	3,380,443,595	3,344,791,595	−275,960,229	−54,482,500	−35,652,000
	Indefinite	[1] 530,000,000		[1] 530,000,000	[1] 530,000,000		+530,000,000	
	Total	4,150,751,824	3,399,274,095	3,910,443,595	3,874,791,595	−275,960,229	+475,517,500	−35,652,000
	By transfer	(62,963,600)	(56,397,800)	(55,560,800)	(55,560,800)	(−7,402,800)	(−837,000)	
	Increase in limitation	(19,602,000)	(15,021,000)	(15,373,000)	(15,373,000)	(−4,229,000)	(−837,000)	
	Liquidation of contract authority	(6,000,000)	(5,500,000)	(5,500,000)	(5,500,000)	(−500,000)		
	Grand total—Titles I, II, III:							
	New budget (obligational) authority:							
	1974:							
	Definite	10,570,230,077	8,811,362,043	9,115,935,398	8,771,474,398	−1,798,755,679	−39,887,645	−344,461,000
	Indefinite	[1] 530,000,000		[1] 530,000,000	[1] 530,000,000		+530,000,000	
	Total, 1974	11,100,230,077	8,811,362,043	9,645,935,398	9,301,474,398	−1,798,755,679	+490,112,355	−344,461,000
	Total, 1973	300,000	300,000			−300,000	−300,000	
	Grand total	11,100,530,077	8,811,662,043	9,645,935,398	9,301,474,398	−1,799,055,679	+489,812,355	−344,461,000
	By transfer	(82,963,600)	(68,897,800)	(295,118,800)	(68,778,800)	(−14,184,800)	(−119,000)	(−226,340,000)
	Increase in limitation	(131,368,000)	(126,787,000)	(123,139,000)	(123,139,000)	(−822,900)	(−364,800)	
	Liquidation of Contract Authority	(29,000,000)	(28,500,000)	(28,500,000)	(28,500,000)	(−500,000)		

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[1] An indefinite appropriation title III.

SECOND SUPPLEMENTAL, FISCAL YEAR 1974– COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL

Department or activity	Budget estimates	House bill	Senate bill	Conference action	Conference action compared with		
					Budget estimate	House bill	Senate bill
TITLE I—DEFENSE ITEMS							
CHAPTER II—DEPARTMENT OF DEFENSE—MILITARY							
Military personnel							
Military personnel, Army	$40, 200, 000	$40, 200, 000	$40, 200, 000	$40, 200, 000			
Military personnel, Navy	26, 500, 000	20, 300, 000	16, 000, 000	16, 000, 000	−$10, 500, 000	−$4, 300, 000	
Military personnel, Marine Corps	8, 100, 000	8, 100, 000	8, 100, 000	8, 100, 000			
Military personnel, Air Force	53, 300, 000	50, 800, 000	50, 800, 000	50, 800, 000	−2, 500, 000		
Reserve personnel, Army	600, 000				−600, 000		
Reserve personnel, Air Force	200, 000				−200, 000		
Retired military personnel							
Retired pay, Defense	468, 800, 000	468, 800, 000	468, 800, 000	468, 800, 000			
Operation and maintenance							
Operation and maintenance, Army	209, 040, 000	116, 147, 000	116, 147, 000	116, 147, 000	−92, 893, 000		
Operation and maintenance, Navy	359, 600, 000	242, 475, 000	341, 675, 000	309, 175, 000	−50, 425, 000	+66, 700, 000	−$32, 500, 000
Operation and maintenance, Marine Corps	16, 800, 000	13, 400, 000	13, 400, 000	13, 400, 000	−3, 400, 000		
Operation and maintenance, Air Force	291, 850, 000	224, 650, 000	261, 350, 000	251, 350, 000	−40, 500, 000	+26, 700, 000	−10, 000, 000
Operation and maintenance, Defense agencies	830, 000	830, 000	830, 000	830, 000			
Operation and maintenance, Navy Reserve	30, 000, 000	17, 700, 000	21, 000, 000	21, 000, 000	−9, 000, 000	+3, 300, 000	
Operation and maintenance, Marine Corps Reserve	30, 000	30, 000	30, 000	30, 000			
Operation and maintenance, Air Force Reserve	7, 000, 000	7, 000, 000	9, 500, 000	9, 500, 000	+2, 500, 000	+2, 500, 000	
Operation and maintenance, Army National Guard	3, 210, 000	780, 000	780, 000	780, 000	−2, 430, 000		
Operation and maintenance, Air National Guard	16, 000, 000	14, 000, 000	22, 300, 000	22, 300, 000	+6, 300, 000	+8, 300, 000	
Procurement							
Aircraft procurement, Army	22, 000, 000	16, 000, 000	16, 000, 000	16, 000, 000	−6, 000, 000		
Missile procurement, Army	84, 400, 000	76, 600, 000	76, 600, 000	76, 600, 000	−7, 800, 000		
Procurement of weapons and tracked combat vehicles, Army	121, 800, 000	71, 100, 000	58, 600, 000	71, 100, 000	−50, 700, 000		+12, 500, 000
Procurement of ammunition, Army	268, 000, 000	200, 000, 000	150, 000, 000	150, 000, 000	−118, 000, 000	−50, 000, 000	
Other procurement, Army	56, 700, 000	45, 500, 000	35, 500, 000	35, 500, 000	−21, 200, 000	−10, 000, 000	
Aircraft procurement, Navy	219, 200, 000	153, 700, 000	113, 000, 000	95, 000, 000	−124, 200, 000	−58, 700, 000	−18, 000, 000
Weapons procurement, Navy	28, 600, 000				−28, 600, 000		
Shipbuilding and conversion, Navy	24, 800, 000		24, 800, 000	24, 800, 000		+24, 800, 000	
Other procurement, Navy	224, 200, 000	108, 300, 000	93, 300, 000	100, 800, 000	−123, 400, 000	−7, 500, 000	+7, 500, 000
Procurement, Marine Corps	40, 700, 000	33, 800, 000	33, 800, 000	33, 800, 000	−6, 900, 000		
Aircraft procurement, Air Force	445, 000, 000	294, 000, 000	244, 400, 000	107, 700, 000	−337, 300, 000	−186, 300, 000	−136, 700, 000
Missile procurement, Air Force	39, 000, 000		27, 000, 000	11, 400, 000	−27, 600, 000	+11, 400, 000	−15, 600, 000
Other procurement, Air Force	197, 700, 000	97, 400, 000	86, 200, 000	82, 400, 000	−115, 300, 000	−15, 000, 000	−3, 800, 000
Research, development, test, and evaluation							
Research, development, test, and evaluation, Army	19, 145, 000				−19, 145, 000		
Research, development, test, and evaluation, Navy	29, 300, 000				−29, 300, 000		
Research, development, test, and evaluation, Air Force	54, 300, 000	5, 800, 000		5, 800, 000	−48, 500, 000		+5, 800, 000
Research, development, test, and evaluation, Defense agencies	5, 836, 000				−5, 836, 000		
Total, chapter II: New budget (obligational) authority	3, 412, 741, 000	2, 327, 412, 000	2, 330, 112, 000	2, 139, 312, 000	−1, 273, 429, 000	−188, 100, 000	−190, 800, 000
TITLE II– INCREASED PAY COSTS– DEFENSE							
DEPARTMENT OF DEFENSE– MILITARY							
Military personnel							
Military personnel, Army	611, 650, 000	595, 850, 000	585, 850, 000	585, 850, 000	−25, 800, 000	−10, 000, 000	
Military personnel, Navy	432, 150, 000	384, 650, 000	308, 650, 000	308, 650, 000	−123, 500, 000	−76, 000, 000	
Military personnel, Marine Corps	121, 434, 000	113, 834, 000	113, 834, 000	113, 834, 000	−7, 600, 000		
Military personnel, Air Force	571, 250, 000	564, 950, 000	564, 950, 000	564, 950, 000	−6, 300, 000		
Reserve personnel, Army	41, 092, 000	36, 092, 000	23, 092, 000	23, 092, 000	−18, 000, 000	−13, 000, 000	
Reserve personnel, Navy	13, 897, 000	11, 197, 000	11, 197, 000	11, 197, 000	−2, 700, 000		
Reserve personnel, Marine Corps	3, 827, 000	1, 527, 000	2, 827, 000	1, 527, 000	−2, 300, 000		−1, 300, 000
Reserve personnel, Air Force	9, 885, 000	6, 885, 000	6, 885, 000	6, 885, 000	−3, 000, 000		
National Guard personnel, Army	51, 600, 000	51, 600, 000	69, 600, 000	69, 600, 000	+18, 000, 000	+18, 000, 000	
National Guard personnel, Air Force	14, 583, 000	7, 583, 000	14, 583, 000	7, 583, 000	−7, 000, 000		−7, 000, 000
Operation and maintenance							
Operation and maintenance, Army	274, 160, 000	260, 400, 000	260, 400, 000	260, 400, 000	−13, 760, 000		
Operation and maintenance, Navy	201, 500, 000	191, 000, 000	191, 000, 000	191, 000, 000	−10, 500, 000		
Operation and maintenance, Marine Corps	14, 200, 000	13, 500, 000	13, 500, 000	13, 500, 000	−700, 000		
Operation and maintenance, Air Force	163, 150, 000	155, 000, 000	155, 000, 000	155, 000, 000	−8, 150, 000		
Operation and maintenance, Defense Agencies	92, 750, 000	88, 000, 000	88, 000, 000	88, 000, 000	−4, 750, 000		
Operation and maintenance, Army Reserve	10, 790, 000	10, 200, 000	10, 200, 000	10, 200, 000	−590, 000		
Operation and maintenance, Navy Reserve	3, 500, 000	3, 300, 000	3, 300, 000	3, 300, 000	−200, 000		
Operation and maintenance, Marine Corps Reserve	50, 000	48, 000	48, 000	48, 000	−2, 000		
Operation and maintenance, Air Force Reserve	8, 120, 000	7, 700, 000	7, 700, 000	7, 700, 000	−420, 000		
Operation and maintenance, Army National Guard	21, 870, 000	20, 800, 000	20, 800, 000	20, 800, 000	−1, 070, 000		
Operation and maintenance, Air National Guard	17, 250, 000	16, 375, 000	16, 375, 000	16, 375, 000	−875, 000		
National Board for the Promotion of Rifle Practice, Army	11, 000	10, 000	10, 000	10, 000	−1, 000		
Court of Military Appeals, Defense	53, 000	50, 000	50, 000	50, 000	−3, 000		
Research, development, test, and evaluation							
Research, development, test, and evaluation, Army	35, 898, 000	17, 930, 000	35, 898, 000	26, 914, 000	−8, 984, 000	+8, 984, 000	−8, 984, 000
Research, development, test, and evaluation, Navy	38, 528, 000	19, 243, 000	38, 528, 000	28, 885, 000	−9, 643, 000	+9, 642, 000	−9, 643, 000
Research, development, test, and evaluation, Air Force	29, 466, 000	14, 721, 000	29, 466, 000	22, 093, 000	−7, 373, 000	+7, 372, 000	−7, 373, 000
Research, development, test, and evaluation, Defense Agencies	5, 016, 000	2, 506, 000	5, 016, 000	3, 761, 000	−1, 255, 000	+1, 255, 000	−1, 255, 000
Total, Department of Defense—Military new budget (obligational) authority	2, 787, 680, 000	2, 594, 951, 000	2, 576, 759, 000	2, 541, 204, 000	−246, 476, 000	−53, 747, 000	−35, 555, 000
Total, titles I and II, Department of Defense	6, 200, 421, 000	4, 922, 363, 000	4, 906, 871, 000	4, 680, 516, 000	−1, 519, 905, 000	−241, 847, 000	−226, 355, 000

Mr. MICHEL. Mr. Speaker, it is not my intention to prolong these proceedings but I believe I am the only member of the conference committee who did not sign the conference report, and will probably vote against the adoption of the conference report, simply because there are some very big, significant increases over and above the budget for admittedly some popular programs for some, but I just want to register my own grave concern here for the manner in which we are blithely going along our way exceeding the budget time after time, day after day and where it will all end only Heaven knows.

In several of the items for which I am somewhat responsible as a member of the HEW Appropriation Subcommittee, this conference report comes back to you $120 million over the budget in the Comprehensive Employment Training Act. We are $250 million over the budget in the emergency employment program.

We are several million over the budget for summer youth employment, but I think the small increase here can very well be justified.

In a closely related program, there is $17 million in his bill for the summer youth recreation and transportation program. The conference report includes additional funds for the prevention of lead-based paint poisoning, for bilingual education and for the Follow Through program.

While there are a host of other items we could discuss at length, Mr. Speaker, I shall not take the time, but let me conclude mentioning that we have $4.5 million to fund the Child Abuse Prevention and Treatment Act and $12.5 million for emergency food and medical services, bringing that program up to $25 million for this fiscal year.

Mr. Speaker, this is a whopping big appropriations bill, $9.3 billion, which is the largest supplemental I can recall all during my 18 years' service here in the House. As I said at the very beginning, I am very concerned about these big increases over the budget and what it all means when we add them up and close the books at the end of the fiscal year.

Mr. RARICK. Mr. Speaker, having examined the conference report accompanying H.R. 14013, making supplemental appropriations, I was very pleased to note that under amendment No. 31 the managers on the part of the House will offer a motion to recede and concur in the Senate amendment which provides that $6,213,000 for insect and disease control under the heading "Forest Protection and Utilization, Forest Land Management" which remain available until expended. Certainly this Senate amendment is necessary to assist our Forest Service people in continuing their nonending battle against insect and disease control of our forests.

However, despite the many favorable actions by the conferees I find under amendment No. 162 that the House conferees deleted "language proposed by the Senate which would have prohibited the Export-Import Bank from obligating or expending any funds available under its operating authority until the President made individual Presidential determinations on each transaction which has been committed or will be committed in Poland, Romania, Yugoslavia, and the U.S.S.R."

I further understand that the managers express hope that new legislation regarding extension of the Export-Import Bank beyond June 30, 1974, would address the matter of establishing strict guidelines for national interest determinations with regard to the conduct of Export-Import Bank business with various Communist countries.

However, the inference is that support for the conference report deleting this prohibition is support for the President's action in granting Export-Import Bank credits at 6 percent to Communist countries, including Russia. I can only assume that there are funds in the supplemental appropriation bill to perform such controversial loans and, while I support many features of the report, I find I must cast my people's vote "no" because of the Export-Import Bank loan activities.

Mr. BAUMAN. Mr. Speaker, I am pleased to note that on page 20 of the supplemental appropriations conference report the conferees have addressed themselves to the recurring reports that the Department of Transportation may be attempting to force abandonment of certain rail lines in the Northeast as a condition for the railroads receiving cash assistance under the terms of the Regional Railroad Reorganization Act of 1973—Public Law 93-236.

This reported policy is of serious concern to me and to the citizens of the First District of Maryland where the Penn Central has been repeatedly attempting to cut off existing rail service. The curtailing of rail service, as the conferees note in their report, is contrary to section 213(a) of the act, and I hope that the Secretary of Transportation will take note of the conferees position on this matter.

As a further explanation of the grave concern that I and many other Members have regarding DOT's actions in this area, I include at this point in my remarks a copy of a letter written by A. Grey Staples, Jr., public counsel of the Interstate Commerce Commission to Senator CLIFFORD CASE of New Jersey as well as a letter I have written to Secretary Brinegar.

The letters follow:

INTERSTATE COMMERCE COMMISSION,
Washington, D.C., May 3, 1974.

Hon. CLIFFORD CASE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CASE: You have requested the opinion of the Rail Services Planning Office on certain matters pertaining to the Regional Rail Reorganization Act of 1973 ("Act"). Your inquiry pertains to: (1) the existing procedures for abandonment of rail lines by railroads in reorganization under Section 304(f) of the Act before the effective date of the "final system plan" and (2) the authority of the Secretary of the Department of Transportation to condition the payment of emergency assistance funds to a railroad in bankruptcy under Section 213 of the Act, upon the railroads' undertaking the abandonment of certain lines.

Section 304(f) of the Act requires railroads in reorganization desiring discontinuance of service or abandonment of any line after the date of enactment of the Act to do so in accordance with the provisions of the Act "unless it is authorized to do so by the Association and unless no affected State or local or regional transportation authority reasonably opposes such action."

We interpret this section to allow the continuance of abandonment proceedings before the Interstate Commerce Commission and state regulatory agencies subject to the veto of the Association and state, local or regional transportation authorities until the effective date of the "final system plan." At that time, such matters will be treated under the procedures found in Section 304(a), (b) and (c).

Some have suggested that this provision grants the Association the exclusive authority in addition to those powers granted to it in Section 202, to permit bankrupt railroads to discontinue service within the region prior to the adoption of the final system plan. Such an interpretation implies that Congress intended to abrogate all existing procedural safeguards and standards with respect to railroad abandonment and give the Association the plenary power to make such determinations with no definition of standards or procedures, save for the reasonable opposition of certain transportation authorities. No private part, shipper or passenger would be given any right to be heard or to present evidence.

We find the more logical interpretation of the provision of the Act, based on the context of the Act and its legislative history, to be a simple modification of existing Interstate Commerce Commission and state regulatory agency procedures that give organizations concerned with reorganization planning the opportunity to stop any abandonment that would conflict with their ultimate designs for railroad operation.

Therefore, under our interpretation of the Act, no railroad in reorganization may abandon any line or service prior to the implementation of the final system plan unless: (1) the line or service has been approved for abandonment under normal ICC abandonment procedures; (2) the Association has authorized such abandonment; and (3) no State, local or regional transportation authority has expressed a reasonable opposition to the abandonment.

With respect to the emergency assistance funds authorized by Section 213 of the Act, these funds are intended to keep the railroads in reorganization operating until the implementation of the final system plan. The Secretary of the Department of Transportation is authorized to make such payments "upon such reasonable terms and conditions" as he might establish as long as the recipients agree to maintain service "at a level no less than that in effect on the date of enactment" of the Act.

The Secretary can and should insure the proper use and accounting of such funds by establishing terms and conditions on their payment. This provision does not, however, contemplate the Secretary's using the funds to enforce compliance by the recipient with the Secretary's preconceived notions of an appropriate railroad system. Indeed, for the Secretary to request abandonment as a *quid pro quo* for the payment of emergency assistance funds contradicts Congress' expressed intention in the last phrase of Section 213(a) that the recipient maintain services existing on the date of enactment of the Act.

We believe that the above interpretations of the Act comport with Congressional intent and adequately protect the public interest prior to the adoption of the "final system plan." Please rest assured that the Public Counsel's Office will take appropriate measures to assure that these interpretations are adequately represented throughout the rail reorganization process.

Very truly yours,
A. GREY STAPLES, Jr.,
Public Counsel.

WASHINGTON, D.C., *June 4, 1974.*

Hon. CLAUDE S. BRINEGAR,
Secretary, U.S. Department of Transportation, Washington, D.C.

DEAR SECRETARY BRINEGAR: I am writing because of my concern over the question of the Department of Transportation's position on track abandonment in exchange for federal rail subsidies. I have read the letter which Mr. A. Grey Staples of the I.C.C. wrote to Senator Clifford Case on this matter. He confidently stated that the Department of Transportation has not, and is not about to make any deals with bankrupt railroads for abandonment of track in exchange for subsidies. Unfortunately, Mr. Staples was speaking for the I.C.C. and not for the Secretary of Transportation.

The fear of abandonments in my district is a real one which results from the actions of the Penn Central Railroad. It is currently instituting slow-downs and reductions in service to the Delmarva Peninsula area of Maryland. This fear has been allowed to grow, because the U.S. Department of Transportation has failed to take a hard line on such current reductions of service.

I believe that it is absolutely necessary for you to affirm the position taken by the I.C.C. in its letter of May 3, 1974 to Senator Case. Furthermore, I request that you take immediate steps to end the Penn Central's curtailment of freight service to the Delmarva area and require the Penn Central to restore the service recently cut from the schedule. This is in keeping with the intent and letter of the recently passed Northeast Railroad Act which forbids such abandonments.

I have enclosed for your review a copy of a letter from the Salisbury, Maryland area Chamber of Commerce, which lists the service that has been terminated, and expresses the doubt the people have about both the government and the Penn Central Railroad's position on the issue of track abandonment.

If you have any questions regarding these matters, or if you would like to discuss them in more detail, please don't hesitate to call on me. I hope I may have a quick response to this letter in view of the urgency of the situation in my district.

Faithfully yours,

Robert E. Bauman,
Member of Congress.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I rise to clarify certain issues raised in Senate Report 93–814, which accompanied H.R. 14013—Second Supplemental Appropriation bill, 1974—as reported by the Senate Committee on Appropriations, and to clearly point out that there is nothing in the House bill, nothing in the Senate bill, and nothing in the conference report—and hence nothing in the law—to prohibit or delay establishment, under contract with U.S. commercial air carriers, of a worldwide air shuttle system for the transportation of all official overseas travelers as unanimously recommended in House Report 93–599.

The jurisdiction of the House and Senate Committees on Appropriations is quite clear. They have authority over the "Appropriation of the revenue for the support of the Government." However, while the Appropriation Committees have authority to report appropriations, "the power to report legislation relating thereto belongs to other committees." Yet, within Senate Report 93–814, on pages 113 and 114 under the heading "Proposed International Air Shuttle," we have an attempt by certain members of the other body to legislate through a report no less. Had they attempted to place restrictive language, such as contained in the Senate report, in the Senate version of H.R. 14013, the language undoubtedly would have been stricken from the bill during committee or floor action on the bill under Senate rule XVI which reads as follows:

STANDING RULES OF THE SENATE

RULE XVI: AMENDMENTS TO APPROPRIATION BILLS

* * * * *

2. The Committee on Appropriations shall not report an appropriation bill containing amendments proposing new or general legislation or any restriction on the expenditure of the funds appropriated which proposes a limitation not authorized by law if such restriction is to take effect or cease to be effective upon the happening of a contingency, and if an appropriation bill is reported to the Senate containing amendments proposing new or general legislation or any such restriction, a point of order may be made against the bill, and if the point is sustained, the bill shall be recommitted to the Committee on Appropriations.

Mr. Speaker, any attempted "backdoor" legislation through Senate Report 93–814 is clearly an intrusion into the jurisdiction of the Committees on Government Operations and other House and Senate committees. It is clear that the Committee on Government Operations, on which I serve as chairman of its Foreign Operations and Government Information Subcommittee, has jurisdiction over studying the operation of Government activities at all levels with a view to determining its economy and efficiency and also has legislative jurisdiction over the Federal Property and Administrative Services Act of 1949.

Under the Federal Property and Administrative Services Act of 1949, the General Services Administrator is specifically assigned the statutory authority to prescribe policies and methods of procurement of transportation services for all executive agencies of Government. The Administrator also has the statutory right to actually procure such services for the use of the executive agencies and to delegate and authorize successive redelegations of authorities vested in him by the act to the head of any other Federal agency.

The economy and efficiency of overseas transportation of Government officials and their dependents traveling on official business has been carefully studied during the past 3 years by the Foreign Operations and Government Information Subcommittee, the General Service Administration, the Department of Defense, and the major using agencies. The members of the House Committee on Government Operations—by unanimous vote—concluded in House Report 93–599 that, under the existing legislative authority contained in the Federal Property and Administrative Services Act of 1949, the air transportation system used by the Department of Defense for the past 14 years—whereby military and civilian employees of DOD and their dependents traveling on official travel orders, are transported in plane load groups by U.S. commercial air carriers under contracts with the Government—should be expanded to include all of the Government's official travelers. The General Services Administrator completely concurred in this view and, on November 7, 1973, delegated authority to the Secretary of Defense to initiate and operate a "charter system to accommodate civil agency international traffic." DOD's Military Airlift Command was quick to respond—detailed operating procedures were developed by January 1974. However, before the expanded DOD airlift system could be put into operation, orders were issued by the Executive Office of the President to withhold implementation of the planned expansion of the DOD airlift system pending further advice from the Executive Office.

Mr. Speaker, detailed comparisons of total costs involved in transporting official travelers to points in northern Europe by use of regularly scheduled services and by use of plane load charters—under contracts with U.S. commercial air carriers—clearly show potential savings for the American taxpayer of some $5 million yearly. Expansion of the system to a worldwide operation would undoubtedly result in savings of some $20 to $30 million per year—each and every year.

In conclusion, Mr. Speaker, there are no real legal problems involved in the proposed expansion of the DOD airlift system to include all Government travelers; DOD has fully worked out the operating details; the expanded DOD airlift system would have no relevant impact on our balance of payments; and the potential savings are very real.

It should be clearly understood that there is nothing in the second supplemental appropriation bill, 1974, as finally passed by both the House and Senate, to preclude the executive branch from moving forward on the proposed international air shuttle.

The cost comparison referred to follows:

ILLUSTRATIVE COST COMPARISON, SCHEDULED AIR SERVICE VERSUS CHARTERED AIR SHUTTLE SERVICE
EUROPEAN AREA ONLY[1]

	Routing-Washington, D.C.				Transportation costs per passenger[2]			1972 traffic[3]			Additional indirect costs			
To	Frequency	Departure	Arrival	Flight number	Category Z	Economy class	Shuttle	Category Z	Civil	Transportation costs	Per diem[4]	Productive time[5]	Revenue loss[6]	Net savings
London:														
Scheduled	Daily	2100 IAD	0900 LHR	PA 106	$157	$295.00		6,817	919	$1,341,374				
Shuttle	Sunday, Tuesday, Thursday.	1700 IAD	0730 LGW	Shuttle			$79.00		7,736	611,144				
Cost reduction										730,230	$11,604	0	0	$718,626

Footnote at end of table.

	Routing–Washington, D.C.				Transportation costs per passenger[2]			1972 traffic[3]			Additional indirect costs			
To	Frequency	Departure	Arrival	Flight number	Category Z	Economy class	Shuttle	Category Z	Civil	Transportation costs	Per diem[4]	Productive time[5]	Revenue loss[6]	Net savings
Dublin:														
Scheduled	Daily	1917 DCA	2049 JFK	NA 70	[7] $197	$268.00		21	45	$16,782				
		2145 JFK	0900 SNN	TW 876										
		0950 SNN	1025 DUB	EI 104		13.00								
Shuttle	Sunday, Tuesday, Thursday.	1700 IAD	0730 LGW	Shuttle			$79.00		66	7,933				
		LGW	LHR	Ground traffic			1.20							
		0935 LHR	1040 DUB	EI 153			40.00							
Cost reduction										8,849	$99	0	$8776	$7,974
Paris:														
Scheduled	Daily	1930 IAD	0810 PRF	TW 890	[7] 202	311.00		1,024	1,044	531,532				
Shuttle	Sunday, Tuesday, Thursday.	1700 IAD	0730 LCW	Shuttle			79.00		2,068	256,432				
		0800 LGW	0850 LBG	BR 882			45.00							
Cost reduction										275,100	−9,823	0	28,188	256,735
Brussels:														
Scheduled	Daily	0700 BAL	0750 JFK	AL 558	165	311.00		2,910	373	596,153				
		1000 JFK	2335 BRU	PA 100										
Shuttle	Sunday, Tuesday, Thursday.	1700 IAD	0730 LGW	Shuttle			79.00		3,283	434,013				
		LGW	LHR	Grd. Trf			1.20							
		0935 LHR	1030 BRU	SN 602			52.00							
Cost reduction.										162,140	−15,595	−$114,905	104,793	187,847
Amsterdam:														
Scheduled	Daily	2100 IAD	9000 LHR	PA 106	164	311.00		1,209	227	268,873				
		1025 LHR	1125 AMS	PA 56										
Shuttle	Sunday, Tuesday, Thursday.	1700 IAD	0730 LGW	Shuttle			79.00		1,436	185,531				
		LGW	LHR	Grd. Trf			1.20							
		1025 LHR	1125 AMS	PA 56			49.00							
Cost reduction.										83,342	2,154	0	1,034	80,154
Copenhagen:														
Scheduled	Daily	2100 IAD	0900 LHR	PA 106	234	333.00		251	95	90,369				
		1045 LHR	1230 CPH	PA 54										
Shuttle	Sunday, Tuesday, Thursday.	1700 IAD	0730 LGW	Shuttle			79.00		346	68,923				
		LGW	LHR	Grd. Trf			1.20							
		1045 LHR	1230 CPH	PA 54			119.00							
Cost reduction.										21,446	519	0	249	20,678
Oslo:														
Scheduled	Daily, except Tuesday.	1655 DCA	1750 JFK	NA 451	234	333.00		446	81	131,337				
	Sunday, Wednesday, Friday.	1940 JFK	0945 OSL	PA 76										
	Monday, Thursday, Saturday.	1940 JFK	1125 OSL	PA 76										
Shuttle	Sunday, Tuesday, Thursday.	1700 IAD	0730 LGW	Shuttle			79.00		527	129,958				
		Rest stop		Ground traffic.			2.60							
	Tuesday, Thursday, Saturday.	1045 LHR	1230 CPH	PA 54			119.00							
		1420 CPH	1520 OSL	SK 602			46.00							
Cost reduction.										1,379	18,840	18,445	15,367	−51,273
Stockholm:														
Scheduled	Tuesday, Friday.	1655 DCA	1750 JFK	NA 451		357.00			159	56,763				
	Tuesday	1940 JFK	1015 ARN	PA 76										
	Friday	1940 JFK	1130 ARN	PA 76										
Shuttle	Sunday, Tuesday, Thursday.	1700 IAD	0730 LGW	Shuttle			79.00		159	42,930				
		Rest stop		Ground traffic.			2.60							
	Tuesday, Thursday, Saturday.	1045 LHR	1230 CPH	PA 54			119.00							
		1420 CPH	1530 ARN	SK 558			46.00							
Cost reduction.										13,833	5,684	5,565	4,636	−2,052
Helsinki:														
Scheduled	Tuesday, Friday.	1655 DCA	1750 JFK	NA 451		357.00			55	22,303				
	Tuesday	1940 JFK	1015 ARN	PA 76										
	Friday	1940 JFK	1130 ARN	PA 76										
		Rest stop		Ground traffic		5.50								
	Wednesday, Saturday.	0710 ARN	0900 HEL	SK 730		43.00								
Shuttle	Sunday, Tuesday, Thursday.	1700 IAD	0730 LGW	Shuttle			79.00		55	15,433				
		Rest stop		Ground traffic			2.60							
	Tuesday, Thursday, Saturday.	1045 LHR	1230 CPH	PA 54			119.00							
		1440 CPH	1755 HEL	AY 814			80.00							
Cost reduction.										6,870	−159	0	1,307	5,742

ILLUSTRATIVE COST COMPARISON, SCHEDULED AIR SERVICE VERSUS CHARTERED AIR SHUTTLE SERVICE—Continued

EUROPEAN AREA ONLY—Continued

	Routing–Washington, D.C.				Transportation costs per passenger [2]			1972 traffic [3]			Additional indirect costs			
To	Frequency	Departure	Arrival	Flight number	Category Z	Economy class	Shuttle	Category Z	Civil	Transportation costs	Per diem [4]	Productive time [5]	Revenue loss [6]	Net savings
Frankfurt:														
Scheduled	Daily	1830 IAD	0735 FRA	TW 734	$172	$333.00		9,446	973	$1,948,721				
Shuttle	Sunday, Tuesday, Thursday.	1700 IAD	1130 FRA	Shuttle			$87.00		10,419	906,453				
Cost reduction.										1,042,268	−$49,491	0	0	$1,091,759
Luxembourg:														
Scheduled	Daily	1830 IAD	0735 FRA	TW 734		333.00			18	6,480				
		0925 FRA	1010 LUX	LG 302		27.00								
Shuttle	Sunday, Tuesday, Thursday.	1700 IAD	1130 FRA	Shuttle			87.00		18	2,052				
		1230 FRA	1320 LUX	LG 306			27.00							
Cost reduction.										4,428	−58	0	0	4,486
Geneva:														
Scheduled	Daily	1655 DC	1750 JFK	NA 451	172	333.00		66	513	182,181				
		1930 JFK	0925 GVA	TW 832										
Shuttle	Sunday, Tuesday Thursday.	1700 IAD	1130 FRA	Shuttle			87.00		579	79,323				
		Rest stop		Grd Trf			1.00							
		0930 FRA	1030 GVA	LH 240			49.00							
Cost reduction										102,858	21,567	$20,265	$17,370	43,656
Prague:														
Scheduled	Sunday, Thursday.	2100 IAD	0900 LHR	PA 106		350.00			55	19,250				
		1200 LHR	1335 PRG	1PA 102										
Shuttle	do	1700 IAD	0730 LGW	Shuttle			79.00		55	10,846				
		LGW	LHR	Grd. Trf			1.20							
		1020 LHR	1335 PRG	PA 102										
		1020 LHR	1335 PRG	PA 102			117.00							
Cost reduction										8,404	82	0	40	8,282
Warsaw:														
Scheduled	Wednesday	2100 IAD	0900 LHR	PA 106		367.00			202	75,952				
		1020 LHR	1410 WAW	PA 102										
Shuttle	Sunday, Tuesday Thursday.	1700 IAD	1130 FRA	Shuttle			87.00		202	35,148				
		Rest stop		G d. Trf			1.00							
	Tuesday Thursday Saturday.	0850 FRA	1020 WAW	PA 46			86.00							
Cost reduction										40,804	8,484	0	121	32,199
Moscow:														
Scheduled	Sunday	2100IAD	0900 LHR	PA 106		455.00			337	154,211				
		Rest stop		Ground traffic.		2.60								
	Tuesday	1020 LHR	1555 SVO	PA 102										
Shuttle	Sunday	1700 IAD	0730 LGW	Shuttle			79.00		337	111,412				
		Rest stop		Ground traffic.			2.60							
	Tuesday	1020 LHR	1555 SVO	PA 102			249.00							
Cost reduction										42,799	505	0	0	42,294
Vienna:														
Scheduled	Daily	1430 IAD	1545 JFK	BN 104		363.00			211	76,593				
		1800 JFK	0855 VIE	PA 92										
Shuttle	Sunday, Tuesday, Thursday.	1700 IAD	1130 FRA	Shuttle			87.00		211	30,595				
		1240 FRA	1355 VIE	LH 252			58.00							
Cost reduction										45,998	−686	7,385	7,343	31,956
Budapest:														
Scheduled	Tuesday, Saturday.	2100 IAD	0900 LHR	PA 106		399.00			72	28,728				
		1020 LHR	1410 BUD	PA 102										
Shuttle	Tuesday	1700 IAD	0730 LGW	Shuttle			79.00		72	16,070				
		LGW	LHR	Ground traffic.			1.20							
		1020 LHR	1410 BUD	PA 102			143.00							
Cost reduction										12,658	108	0	52	12,498
Belgrade:														
Scheduled	Monday, Wednesday.	1430 IAD	1545 JFK	BN 104		399.00			495	197,505				
		1800 JFK	0945 BEG	PA 44										
Shuttle	Thursday	1700 IAD	0730 LGW	Shuttle			79.00		495	118,107				
		Rest stop		Grd. Trf			2.60							
	Saturday	1020 LHR	1425 BEG	PA 102			157.00							
Cost reduction.										79,398	17,696	17,325	772	43,605

Routing–Washington, D.C.					Transportation costs per passenger [2]			1972 traffic [3]			Additional indirect costs			
To	Frequency	Departure	Arrival	Flight number	Category Z	Economy class	Shuttle	Category Z	Civil	Transportation costs	Per diem [4]	Productive time [5]	Revenue loss [6]	Net savings
Bucharest:														
Scheduled	Friday	2100 IAD 1020 LHR	0900 LHR 1710 OTP	PA 106 PA 102		$446.00			73	$32,558				
Shuttle	Sunday, Tuesday, Thursday.	1700 IAD	0900 LGW	Shuttle			$79.00		73	20,966				
		LGW 1020 LHR	LHR 1710 OTP	Grd. Trf PA 102			1.20 207.00							
Cost reduction.										11,592	$109	0	$53	$11,430
Total, scheduled service.										5,777,665				
Total, shuttle service.										3,083,269				
Total cost reduction, 1 way.										2,694,396	11,619	—$45,920	182,101	2,546,596
Total cost reduction, round trip.										5,388,792				5,093,192

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[1] Source: Official airline guide—January 1974 edition Pan Am and TWA advance summer schedules. Shuttle service schedule from GSA.

[2] Category Z from CAB Tariff No. 207—effective Jan. 15, 1974. Economy class service: Official airline guide—January 1974 edition—YL times 5 months plus Y times 4 months plus YH times 3 months plus 7 percent (4–1/74 increase) divided by 12.

[3] Hearings before a Subcommittee of the Committee on Government Operations, House of Representatives, May 23, 1973, Appendix J., p. 57.

[4] Source: Department of State, per diem supplements No. 115 and 116, effective Apr. 14, 1974. Overstated to the extent that certain dependents do not receive full per diem.

[5] Substantially overstated, State Department officials estimate that two-thirds of the Government's "Permanent change of station" travelers are dependents who naturally do not receive salary payments. Salary rate used—$70 per day—is neither accepted nor rejected as truly representative but is used to be compatible with the rate used in Pan Am's presentation.

[6] Theoretical view advanced by Pan American officials which is neither accepted nor rejected but included solely to make this presentation compatible with Pan Am's presentation. Amounts shown equal 60 percent of additional expenditures on foreign carriers.

[7] No direct category Z service. Routing via London then foreign flag to destination.

PER DIEM COMPUTATIONS

Destination	Scheduled	Shuttle
London	¼ at 25	¼ at 25.
	½ at 6	¾ at 6.
Dublin	¼ at 25	¼ at 25.
	½ at 6	¾ at 6.
Paris	½ at 25	¼ at 25.
	½ at 6	¾ at 6.
Brussels	½ at 25	¼ at 25.
	½ at 6	¾ at 6.
Amsterdam	¼ at 25	¼ at 25.
	½ at 6	¾ at 6.
Copenhagen	¼ at 25	¼ at 25.
	½ at 6	¾ at 6.
Oslo	½ at 25	¼ at 25.
	½ at 6	¾ at 6.
		1 at 39.
		¼ at 6.
Stockholm	½ at 25	¼ at 25.
	½ at 6	¾ at 6.
		1 at 39.
		¼ at 6.
Helsinki	½ at 25	¼ at 25.
	½ at 6	¾ at 6.
	1 at 39	1 at 39.
		¼ at 6.
Frankfurt	½ at 25	¼ at 25.
	½ at 6	¾ at 6.
Luxembourg	½ at 25	¼ at 25.
	½ at 6	1 at 6.
Geneva	½ at 25	¼ at 25.
	½ at 6	¾ at 6.
		1 at 42.
Prague	¼ at 25	¼ at 25.
	¾ at 6	1 at 6.
Warsaw	¼ at 25	¼ at 25.
	¾ at 6	¾ at 6.
		1 at 42.
Moscow	¼ at 25	¼ at 25.
	½ at 6	¾ at 6.
	1 at 39	1 at 39.
	¼ at 6	¼ at 6.
Vienna	½ at 25	¼ at 25.
	½ at 6	1 at 6.
Budapest	¼ at 25	¼ at 25.
	¾ at 6	1 at 6.
Belgrade	½ at 25	¼ at 25.
	½ at 6	¾ at 6.
		1 at 39.
		¼ at 6.
Bucharest	¼ at 25	¼ at 25.
	¾ at 6	1 at 6.

Mr. MAHON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken and the Speaker announced that the ayes appeared to have it.

Mr. STEIGER of Wisconsin. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 339, nays 27, not voting 67, as follows:

[Roll No. 270]

YEAS—339

Abzug
Adams
Addabbo
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Armstrong
Aspin
Baker
Bauman
Bennett
Bergland
Bevill
Biaggi
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clawson, Del
Clay
Cleveland
Cohen
Collier
Collins, Ill.
Conable
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Foley
Ford
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Hudnut
Hungate
Hunt
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Melcher
Mezvinsky
Milford
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Ruppe
Ruth
St Germain
Sarasin
Sarbanes
Scherle
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.

Traxler
Treen
Udall
Ullman
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Williams
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—27

Archer
Ashbrook
Bafalis
Beard
Blackburn
Collins, Tex.
Conlan
Crane
Devine
Edwards, Calif.
Flynt
Goodling
Gross
Grover
Ichord
Martin, N.C.
Michel
Miller
Mizell
Rarick
Satterfield
Schneebeli
Schroeder
Shuster
Steiger, Ariz.
Symms
Young, Fla.

NOT VOTING—67

Abdnor
Anderson, Calif.
Ashley
Badillo
Barrett
Bell
Biester
Bingham
Brasco
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burton
Carey, N.Y.
Clausen, Don H.
Cochran
Culver
Daniels, Dominick V.
Danielson
Dellums
Dickinson
Diggs
Dingell
Dorn
Fraser
Gude
Hanna
Hawkins
Henderson
Hinshaw
Howard
Huber
Hutchinson
Kyros
Landgrebe
McCloskey
McSpadden
Macdonald
Mazzoli
Meeds
Metcalfe
Moakley
Mollohan
Parris
Podell
Price, Tex.
Reid
Rhodes
Rooney, N.Y.
Rousselot
Roybal
Runnels
Ryan
Sandman
Stark
Stubblefield
Talcott
Thompson, N.J.
Van Deerlin
Vander Jagt
Waldie
Whalen
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Thompson of New Jersey with Mr. McSpadden.

Mr. Dominick V. Daniels with Mr. Dorn.

Mr. Barrett with Mr. Moakley.

Mr. Brasco with Mr. Brown of California.

Mr. Hawkins with Mr. Dingell.

Mr. Kyros with Mr. Bell.

Mr. Carey of New York with Mr. Rousselot.

Mr. Diggs with Mr. Waldie.

Mr. Burton with Mr. Biester.

Mr. Stubblefield with Mr. Huber.

Mr. Ryan with Mr. Burke of Florida.

Mr. Howard with Mr. Gude.

Mr. Macdonald with Mr. Don H. Clausen.

Mr. Metcalfe with Mr. Reid.

Mr. Dellums with Mr. Podell.

Mr. Culver with Mr. Cochran.

Mr. Roybal with Mr. Landgrebe.

Mr. Stark with Mr. Parris.

Mr. Van Deerlin with Mr. Dickinson.

Mr. Charles H. Wilson of California with Mr. Hutchinson.

Mr. Mollohan with Mr. Hinshaw.

Mrs. Burke of California with Mr. Ashley.

Mr. Anderson of California with Mr. Price of Texas.

Mr. Fraser with Mr. McCloskey.

Mr. Hanna with Mr. Sandman.

Mr. Henderson with Mr. Talcott.

Mr. Mazzoli with Mr. Vander Jagt.

Mr. Meeds with Mr. Whalen.

Mr. Danielson with Mr. Charles Wilson of Texas.

Mr. Badillo with Mr. Wiggins.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: on Page 2, line 8, insert: "*Provided*, That the Animal and Plant Health Inspection Service is authorized to establish and operate an English language school at Tuxtla Gutierrez, Chiapas, Mexico, or to contract therefor without regard to the provisions of Revised Statutes, section 3648, as amended (31 U.S.C. 529), for children of employees of the Animal and Plant Health Inspection Service engaged in the Mexican-American Screwworm Program."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 1 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 3: On page 3, line 7, strikeout "$20,000,000" and insert "and to implement the provisions of section 5 of Public Law 93–251, $26,161,000,".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 3 and concur therein with an amendment, as follows: In lieu of the sum stricken and the matter inserted by said amendment insert: "and to implement the provisions of section 5 of Public Law 93–251, $23,661,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 11: On page 5, line 17, insert: "*Provided*, That not less than ninety-two flying units shall be maintained during fiscal year 1974."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 11 and concur therein.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 15: On page 6, line 24, strike out "$153,700,000" and insert: "$113,000,000,".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 15 and concur therein with an amendment, as follows: In lieu of the sum proposed, insert "$95,000,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 16: On page 7, line 1, insert:

SHIPBUILDING AND CONVERSION, NAVY

For an additional amount for "Shipbuilding and Conversion, Navy", $24,800,000, to remain available for obligation until June 30, 1978.

The motion was agreed to.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 16 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 18: On page 7, line 20, strike out "$294,000,000" and insert "$244,400,000,".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 18 and concur therein with an amendment, as follows: In lieu of the sum proposed, insert "$107,700,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 19: On page 7, line 22, insert:

MISSILE PROCUREMENT, AIR FORCE

For an additional amount for "Missile Procurement, Air Force", $27,000,000, to remain available for obligation until June 30, 1976.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 19 and concur therein with an amendment, as follows: In lieu of the sum proposed, insert: "$11,400,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 20: On page 8, line 3, strike out "$97,400,000" and insert "$86,200,000,".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 20 and concur therein with an amendment, as follows: In lieu of the sum proposed, insert: "$82,400,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 26: On page 10, line 15 insert:

DISASTER RELIEF ASSISTANCE

Public Law 93–240 is amended as follows, at title IV, section entitled Disaster Relief Assistance, by striking "Sahel region" and inserting in lieu thereof the words "drought-stricken nations" and by striking the colon and inserting the words "to remain available until expended:".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 26 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 27: On page 11, line 1, insert:

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount to enable the Secretary of State to increase the contribution of the United States to the International Committee of the Red Cross, $250,000: *Provided*, That the funds appropriated in this paragraph shall be available only upon enactment into law of authorizing legislation.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 27 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 28: On page 11, line 13, insert "to remain available until expended."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 28 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 29: on page 12, line 1, insert:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

FEDERAL DISASTER ASSISTANCE ADMINISTRATION

DISASTER RELIEF

For an additional amount to carry out the functions of the Department of Housing and Urban Development under the Disaster Relief Act of 1970 (Public Law 91-606, as amended, and Reorganization Plan No. 1 of 1973), authorizing assistance to States and local governments in major disasters, $100,000,000, to remain available until expended: *Provided*, That not to exceed 2 per centum of the foregoing amount shall be available for administrative expenses.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 29 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

FUNDS APPROPRIATED TO THE PRESIDENT

FEDERAL DISASTER ASSISTANCE ADMINISTRATION

DISASTER RELIEF

For an additional amount to carry out the functions of the Department of Housing and Urban Development under the Disaster Relief Act of 1970 (Public Law 91-606, as amended, and Reorganization Plan No. 1 of 1973), authorizing assistance to States and local governments in major disasters, $32,600,000, to remain available until expended: *Provided*, That not to exceed 3 per centum of the foregoing amount shall be available for administrative expenses.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 31: On page 14, after line 6, insert: ", of which $6,213,000 for insect and disease control shall remain available until expended."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 31 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 33: On page 14, line 19, insert:

OFFICE OF EDUCATION

INDIAN EDUCATION

Notwithstanding any regulation of the Office of Education, Department of Health, Education, and Welfare, amounts for part A and part C appropriated under this head in the Department of the Interior and Related Agencies Appropriations Act, 1974, shall remain available for allocation as provided by law in response to applications received on or before May 30, 1974.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 33 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

OFFICE OF EDUCATION

INDIAN EDUCATION

Notwithstanding any regulation of the Office of Education, Department of Health, Education, and Welfare, amounts for part A appropriated under this head in the Department of the Interior and Related Agencies Appropriations Act, 1974, shall remain available for allocation as provided by law to local educational agencies in Alaska in response to applications received on or before May 30, 1974.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 41: Page 17, line 6, insert: "changes in a State law".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 41 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 42: Page 17, line 8, insert: "or increased salary costs resulting from State salary compensation plans embracing employees of the State generally over those upon which the State's basic grant was based,".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 42 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 45: Page 18, line 12, insert: "*Provided further*, That funds previously appropriated for training programs as authorized by the Emergency Medical Services Systems Act of 1973 shall remain available until September 30, 1974.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 45 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 48: Page 19, line 10, insert:

ELEMENTARY AND SECONDARY EDUCATION

For an additional amount for "Elementary and secondary education", $40,000,000, to be derived only by transfer from funds appropriated by Public Law 93-192 which were authorized by the enacting clause of said Act to be withheld from obligation and expenditure, of which $20,000,000 shall be for grants pursuant to Title VII of the Elementary and Secondary Education Act to remain available until December 31, 1974, and $20,000,000 shall be for carrying out section 222 (a)(2) of the Economic Opportunity Act of 1964.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 48 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

ELEMENTARY AND SECONDARY EDUCATION

For an additional amount for "Elementary and secondary education", $20,000,000, of which $8,000,000 shall be for grants pursuant to title VII of the Elementary and Secondary Education Act to remain available until December 31, 1974, and $12,000,000 shall be for carrying out section 222(a)(2) of the Economic Opportunity Act of 1964.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 49: Page 19, line 20, insert:

HIGHER EDUCATION

For an additional amount for "Higher education", for carrying out section 705 of the Higher Education Act, $400,000, to remain available through June 30, 1975, and to be derived only by transfer from funds appropriated by Public Law 93-192 which were authorized by the enacting clause of said Act to be withheld from obligation and expenditure.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 49 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

HIGHER EDUCATION

For carrying out section 705(a)(2)(c) of the Higher Education Act without regard to other provisions of said Act, $250,000, to remain available through June 30, 1975.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 53: Page 20, line 16, insert: ": *Provided*, That $2,000,000 of the $269,400,000 is appropriated by Public Law 93-25 for title IV, part E of the Higher Education Act of 1965, shall be available until June 30, 1974, for carrying out section 207 of the National Defense Education Act".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 53 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 54: Page 20, line 20, insert: ": *Provided further*, That any amounts appropriated for basic opportunity grants for the fiscal year ending June 30, 1973, in excess of the amounts required to meet the payment schedule announced for the academic year 1973-1974, shall remain available for payments under the payment schedule announced for the academic year 1974-1975".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 54 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 55: Page 21, line 1, insert: ": *Provided further*, That funds appropriated by Public Law 93-192 for grants to States for State student incentives shall remain available until June 30, 1975, as authorized by section 415 A(b)(3) of the Higher Education Act."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 55 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 60: Page 21, line 18, insert: ", of which $2,000,000 to remain available until expended shall be for facilities construction as authorized by section 301."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 60 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "$1,000,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 66: Page 23, line 1, insert: ", to remain available until December 31, 1974."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 66 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 69, page 23, line 15, insert:

OFFICE OF ECONOMIC OPPORTUNITY

ECONOMIC OPPORTUNITY PROGRAM

For an additional amount for "Economic Opportunity Program", $19,500,000, of which $12,500,000 shall be for the Emergency Food and Medical Services program as authorized by section 222(a)(5) of the Economic Opportunity Act of 1964 and $7,000,000, to remain available until September 30, 1974, shall be available for the Legal Services program as authorized by section 222(a)(3) of the Economic Opportunity Act of 1964.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 69 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

OFFICE OF ECONOMIC OPPORTUNITY

ECONOMIC OPPORTUNITY PROGRAM

For an additional amount for "Economic Opportunity Program", $12,500,000 for the Emergency Food and Medical Services program as authorized by section 222(a)(5) of the Economic Opportunity Act of 1964.

The motion was agreed to.

Mr. MAHON. Mr. Speaker, before the Clerk reports the next amendment in disagreement, inasmuch as amendments Nos. 70 through 78 relate solely to housekeeping operations of the other body in which, by practice, the House concurs without intervention, I ask unanimous consent that Senate amendments Nos. 70 through 78, inclusive, be considered as read, printed in the RECORD, and considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, reserving the right to object—

Mr. Speaker, we are drawing close to the end of consideration of the second supplemental appropriation or, better stated, deficiency appropriation bill for the fiscal year 1974. I am hopeful we will have no further deficiency appropriation bills for fiscal year 1974, or will we, I would ask the distinguished chairman, the gentleman from Texas (Mr. MAHON?)

Mr. MAHON. I hope not.

Mr. GROSS. So we go through this process year after year, although it was never designed that the Congress would fall into this procedure of having two and sometimes three deficiency appropriation bills in a fiscal year.

What we are seeing here now makes some of the committees of the Congress look pretty good. In other words, instead of stating in the regular appropriation bills the money that in many cases those who were in charge of the appropriation knew would be required, the amount is held down and the House is sold on the siren song that it has held down spending. Then come these deficiency appropriation bills, and the original claims to economy and fiscal sanity go up in smoke.

It was never contemplated that it would ever develop into this kind of a situation whereby Congress would completely ignore the Antideficiency Act which provides in a broad way that there would be deficiency appropriations only for protection of life, limb, or property.

I am not surprised that the people of this country, slowly catching up with the manipulations of Congress, including deficiency appropriation bills, rates Congress at 21 percent in the scale of respected institutions.

I had hoped to live to see the day when we would have a deficiency appropriation bill in Congress only as the result of a disaster, or an overwhelming emergency crisis. But here we are. This, I hope, will be the last deficiency appropriation bill that I will see as a Member of Congress, and I hope that the Congresses of the future—at least, the House of Representatives—will do everything within its power to put a stop to the deficiency appropriation business.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Of course I yield to the gentleman.

Mr. MAHON. I share the gentleman's lack of zest for deficiency and supplemental appropriations, but it may be said that much of the money in this bill, almost $4 billion, is for increased Pay Act costs resulting from actions of Congress and, to some extent, the actions of courts. This is more or less uncontrollable. It has been the practice for years not to provide funds for the pay increases until late in the fiscal year because it is always hoped that the departments can absorb some of these increased costs.

Also, I think it should be pointed out that in the manpower field, where some $2.2 billion is involved, we did not have an authorization when the regular bill was ready last year. The Committee on Appropriations was powerless so the manpower items were deferred. There was no secret about it. After the authorizing legislation was available, we put the money in this bill.

Mr. GROSS. With every respect for my friend, the gentleman from Texas, the distinguished chairman of the Committee on Appropriations, I am sure that excuses for deficiency appropriation bills can be conjured up in season and out, month by month, year after year, but that still does not change the fact that we ought not to be indulging ourselves and the people in luxury of deficiency appropriations two or three times per year.

Mr. MAHON. Mr. Speaker, will the gentleman yield further?

Mr. GROSS. I yield to the gentleman from Texas.

Mr. MAHON. I thank the gentleman for his warning and for his concern. I share the view that I hope the time will come when we will have no deficiency or supplemental appropriations. I wish we could get away from this practice, but it is impossible to do it under the circumstances.

When the Congress passes an authorization bill for some worthy project such as emergency health care, or some such things, they want an appropriation the next day instead of the next Congress. So we are confronted with a very difficult situation.

Mr. GROSS. Of course, I must say to my friend, the gentleman from Texas, that the Committee on Appropriations does not always wait for authorization bills. It has been appropriating increasingly in recent years without any authorization whatsoever, although the committee knows that that is not proper legislative procedure according to the rules of the House.

Mr. MAHON. Will the gentleman yield further?

Mr. GROSS. I yield to the gentleman from Texas.

Mr. MAHON. I thank the gentleman for yielding.

The gentleman is a watchdog and one of the most able Members I have observed in my 40 years in Congress. He has done a good job watching the situation. A point of order always would lie when appropriations are offered that are not backed up by authorizations.

Mr. GROSS. Yes, except in the event—and the Committee on Appropriations has resorted to this practice quite frequently in recent years—of going through the Committee on Rules and obtaining rules waiving points of order.

Mr. MAHON. That is right, doing it not for any other purpose but to enable our system to operate, because we have to wait and wait and wait. For example, on the authorization bill for the defense items in the bill before us for this fiscal year which ends June 30, the request was sent up by the President the first of February. Finally the authorization was approved—today, the fourth day of June. We just did the best we could with a difficult situation.

I would say further to my good friend that, generally speaking, the Committee on Appropriations waits until an authorization bill has passed the House before we seek a rule waiving points of order against the lack of authorization.

Our system will collapse unless we can find a way to pass the necessary legislation, and sometimes the authorizations just do not come in a timely fashion. We want to do everything we reasonably can to make our system work.

Mr. GROSS. Mr. Speaker, I have no desire to prolong this. Simply let me say to the gentleman that there is enough blame to go around to a lot of places with respect to the procedure the House indulges itself and which all too often makes a mockery of orderly legislative procedure.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The Clerk will report Senate amendments Nos. 70 through 78 in disagreement.

The Clerk read as follows:

Senate amendments Nos. 70 through 78, beginning on page 24, line 3, insert:

(70) SENATE

(71) SALARIES, OFFICERS AND EMPLOYEES

(72) OFFICE OF THE SECRETARY

For an additional amount for "Office of the Secretary", $13,965: *Provided,* That effective May 1, 1974, the Secretary may appoint and fix the compensation of an auditor, Public Records Office, at not to exceed $14,535 per annum; a secretary, Public Records Office, at not to exceed $11,970 per annum; a clerk, Public Records Office, at not to exceed $10,830 per annum; five technical assistants, Public Records Office, at not to exceed $11,685 per annum each in lieu of three technical assistants, Public Records Office, at not to exceed such rate; a messenger, stationery room, at not to exceed $10,545 per annum; four messengers, stationery room, at not to exceed $9,690 per annum each in lieu of three messengers, stationery room, at not to exceed such rate; and the Secretary may fix the per annum compensation of the Assistant Keeper of Stationery at not to exceed $21,660 in lieu of $19,665, and the per annum compensation of the chief clerk, stationery room, at not to exceed $15,390 in lieu of $14,535.

(73) OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

For an additional amount for "Office of Sergeant at Arms and Doorkeeper", $5,890: *Provided,* That effective May 1, 1974, the Sergeant at Arms may appoint and fix the compensation of a composer at not to exceed $13,110 per annum and two composer technicians at not to exceed $11,115 per annum each.

(74) CONTINGENT EXPENSES OF THE SENATE

(75) INQUIRIES AND INVESTIGATIONS

For an additional amount for "Inquiries and Investigations", $2,000,000.

(76) MISCELLANEOUS ITEMS

For an additional amount of "Miscellaneous Items", $1,205,000.

Senate amendments Nos. 77 and 78, beginning on page 26, line 10, insert:

(77) SENATE OFFICE BUILDINGS

For an additional amount for "Senate Office Buildings", $200,000, to remain available until expended: *Provided,* That any buildings in Square 724 in the District of Columbia, acquired under authority of Public Law 92–607, occupied by the Senate, shall be subject to the provisions of the Act of June 8, 1942 (40 U.S.C. 174 (c) and (d)) and the Act of July 31, 1946, as amended (40 U.S.C. 193a–193m, 212a, and 212b).

(78) ACQUISITION OF PROPERTY AS A SITE FOR PARKING FACILITIES FOR THE UNITED STATES SENATE

The fifth proviso under this head in the Supplemental Appropriations Act, 1973 (86 Stat. 1511), is amended by inserting after the words "purposes or" and before the words "to lease" a comma and the following language: "without regard to section 3617 of the Revised Statutes, as amended (31 U.S.C. 484) and section 3709, of the Revised Statutes, as amended (41 U.S.C. 5 and 6a–1),".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendments of the Senate numbered 70 through 78 inclusive, and concur therein.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 80: On page 28, line 12, insert:

ADMINISTRATIVE PROVISION

Funds available to the Library of Congress may be expended to provide additional parking facilities for Library of Congress employees in an area or areas in the District of Columbia outside the limits of the Library of Congress grounds, and to provide for transportation of such employees to and from such area or areas of the Library of Congress grounds without regard to the limitations imposed by 31 U.S.C. 638a(c)(2).

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 80 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 87: On page 30, line 21, insert:

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for "Contributions to international organizations", $2,287,000.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 87 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment insert the following: "$1,200,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 91: On page 32, above line 1, insert: "*Provided,* That this appropriation shall be available only upon the enactment into law of authorizing legislation."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 31 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 92: On page 33, line 3, insert:

THE JUDICIARY

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

REPRESENTATION BY COURT-APPOINTED COUNSEL AND OPERATION OF DEFENDER ORGANIZATIONS

For an additional amount for "Representation by Court-Appointed Counsel and Operations of Defender Organizations", to be available for the compensation and reimbursement of expenses of attorneys appointed by judges of the District of Columbia Court of Appeals or by judges of the Superior Court of the District of Columbia, $2,000,000, of which not to exceed $800,000 shall be available for the liquidation of obligations incurred in the prior year.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 92 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 106: On page 39, line 6, insert: "*Provided*, That funds appropriated to the United States Secret Service shall be available to provide protection to the immediate family of the Vice President of the United States."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 106 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 112: On page 41, line 2, insert:

SENATE

"Salaries, officers and employees", $1,000,000;

"Office of the Legislative Counsel of the Senate", $21,365;

CONTINGENT EXPENSES OF THE SENATE

"Senate policy committees", $45,330;

"Inquiries and investigations", $1,067,975;

"Folding documents", $6,635;

"Miscellaneous items", $1,545;

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 112 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment numbered 123: On page 49, line 12, insert: ", to remain available until expended;".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 123 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 124: On page 49, line 20, insert: ", to remain available until expended;".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 124 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 125: On page 50, to line 4, insert: ", to remain available until expended,".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 125 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 126: On page 50, line 10, insert: (126), "to remain available until expended;".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 126 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment is disagreement.

The Clerk read as follows:

Senate amendment No. 127: Page 50, line 12, insert: (127), "to remain available until expended;".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 127 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 163: On page 70, line 13, insert:

TITLE III—FISCAL YEAR 1973 RETROACTIVE PAY COSTS

SEC. 301. For costs in the fiscal year 1973 arising out of pay increases granted by or pursuant to the Federal Pay Comparability Act of 1970 and the Act of December 16, 1967 (81 Stat. 649), for any branch of the Federal Government or the munipical government of the District of Columbia, to be available immediately, such amounts as may be necessary, to be determined as hereinafter provided in this title, but no appropriation, fund, limitation, or authorization may be increased pursuant to the provisions of this title in an amount in excess of the cost of such appropriation, fund, limitation, or authorization related to increased compensation pursuant to such statutes.

SEC. 302. Whenever any officer referred to in section 303 of this title shall determine that he has exhausted the possibilities of meeting the cost of pay increases, first, through the use of the unobligated balances of the fiscal year 1973 appropriations, funds, limitations, or authorizations properly chargeable with the costs in fiscal year 1973, which are hereby restored and made available for this purpose, and secondly, through the use of the corresponding appropriations, funds, limitations, or authorizations for the fiscal year 1974, he shall certify the additional amount required to meet such costs for each appropriation, fund, limitation, or authorization under his administrative control, and the amounts so certified shall be added to the pertinent appropriation, fund, limitation, or authorization for the fiscal year 1974: *Provided*, That any certification made under the authority of this section by an officer in or under the executive branch of the Federal Government shall be valid only when approved by the Director of the Office of Management and Budget.

SEC. 303. For the purposes of the certifications authorized by section 302 of this title, the following officers shall be deemed to have administrative control of appropriations, funds, limitations, or authorizations available within their respective organization units—

(a) The legislative branch:

The Clerk of the House;

The Secretary of the Senate;

The Librarian of Congress;

The Architect of the Capitol;

The Public Printer;

The Comptroller General of the United States;

The Chief Judge of the United States Tax Court;

The chairman of any commission in or under the legislative branch.

(b) For the Judiciary:

The Administrative Officer of the United States Courts;

The Marshal of the Supreme Court.

(c) For the executive branch:

The head of each department, agency, or corporation in or under the executive branch.

(d) For the municipal government of the District of Columbia:

The Commissioner of the District of Columbia;

SEC. 304. Obligations or expenditures incurred for pay increases and related costs pursuant to this title, shall not be regarded or reported as violations of section 3679 of the Revised Statutes, as amended (31 U.S.C. 665).

SEC. 305. (a) Amounts made available by this title shall be derived from the same source as the appropriation, fund, limitation, or authorization to which such amounts are added.

(b) Appropriations made pursuant to this title shall be recorded on the books of the Government as of June 30, 1974: *Provided*, That no appropriation made by this title shall be warranted after August 15, 1974.

(c) A complete report of the appropriations made by or pursuant to this title shall be made not later than September 15, 1974, by the officers described in section 303 to the Director of the Office of Management and Budget, who shall compile and transmit to the Congress a consolidated report not later than October 15, 1974.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 163 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

TITLE III—FISCAL YEAR 1973 RETROACTIVE PAY COSTS

SEC. 301. For costs arising from the fiscal year 1973 pay increases granted by or pursuant to the Federal Pay Comparability Act of 1970 and the Act of December 16, 1967 (81 Stat. 649), for any branch of the Federal Government or the municipal government of the District of Columbia, to be available immediately, such amounts as may be necessary, to be determined as hereinafter provided in this title, but no appropriation, fund, limitation, or authorization may be increased pursuant to the provisions of this title in an amount in excess of the cost to such appropriation, fund, limitation, or authorization related to increased compensation pursuant to such statutes.

SEC. 302. Whenever any officer referred to in section 303 of this title shall determine that he has exhausted the possibilities of meeting the cost of pay increases, first, through the use of the unobligated balances of the fiscal year 1973 appropriations, funds, limitations, or authorizations properly chargeable with the costs in fiscal year 1973, which are hereby restored and made available for this purpose, and, secondly, through the use of the corresponding appropriations, funds, limitations, or authorizations for the fiscal year 1974, he shall certify the additional amount required to meet such costs for each appropriation, fund, limitation, or authorization under his administrative control, and with respect to retired pay he shall certify the additional amount required for the fiscal year 1974 costs resulting from such pay increases in fiscal year 1973, and the amounts so certified shall be added to the pertinent appropriation, fund, limitation, or authorization for the fiscal year 1974: *Provided,* That any certification made under the authority of this section by an officer in or under the executive branch of the Federal Government shall be valid only when approved by the Director of the Office of Management and Budget.

SEC. 303. For the purposes of the certifications authorized by section 302 of this title, the following officers shall be deemed to have administrative control of appropriations, funds, limitations, or authorizations available within their respective organization units—

(a) The legislative branch:

The Clerk of the House;

The Secretary of the Senate;

The Librarian of Congress;

The Architect of the Capitol;

The Public Printer;

The Comptroller General of the United States;

The Chief Judge of the United States Tax Court;

The chairman of any commission in or under the legislative branch.

(b) For the Judiciary:

The Administrative Officer of the United States Courts;

The Marshal of the Supreme Court.

(c) For the executive branch:

The head of each department, agency, or corporation in or under the executive branch.

(d) For the municipal government of the District of Columbia:

The Commissioner of the District of Columbia.

SEC. 304. Obligations or expenditures incurred for pay increases and related costs pursuant to this title, shall not be regarded or reported as violations of section 3679 of the Revised Statutes, as amended (31 U.S.C. 665).

SEC. 305. (a) Amounts made available by this title shall be derived from the same source as the appropriation, fund, limitation, or authorization to which such amounts are added.

(b) Appropriations made pursuant to this title shall be recorded on the books of the Government as of June 30, 1974: *Provided,* That no appropriation made by this title shall be warranted after August 15, 1974.

(c) A complete report of the appropriations made by or pursuant to this title shall be made not later than September 15, 1974, by the officers described in section 303 to the Director of the Office of Management and Budget, who shall compile and transmit to the Congress a consolidated report not later than October 15, 1974.

SEC. 306. With respect to the application of Executive Order Numbered 11691 of December 15, 1972, as amended by Executive Order Numbered 11777 of April 12, 1974, relating to the change from January 1, 1973, to October 1, 1972, as the effective date for certain adjustments of rates of pay of certain statutory pay systems, the Clerk of the House of Representatives, in the administration of and in accordance with section 5 of the Federal Pay Comparability Act of 1970 (84 Stat. 1952–53; Public Law 91–656), with respect to each employee or former employee who was on the employment rolls of the House for any period occurring on or after October 1, 1972, and ending at the close of December 31, 1972, whose pay was disbursed in such period by the Clerk of the House, may make adjustments in the rate of pay of such employee or former employee for such period who was then on the employment rolls of the House, if, in the determination of the Clerk, the pay fixing authority governing the adjustment of pay under such Executive Order Numbered 11691, as in effect on January 1, 1973, has changed.

Mr. MAHON (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read, and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The motion was agreed to.

The SPEAKER. The Clerk will report the last amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 169: Page 74, line 14, strike out "305." and insert "405.".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 169 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

SEC. 405. None of the funds herein appropriated may be obligated or expended to finance directly or indirectly combat activities by United States military forces in or over or from off the shores of North Vietnam, South Vietnam, Laos, or Cambodia.

SEC. 406. Appropriations and authority provided in this Act shall be available from June 1, 1974, and all obligations incurred in anticipation of the appropriations and authority provided in this Act are hereby ratified and confirmed if otherwise in accordance with the provisions of this Act.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SALT II AGREEMENT

(Mr. DICKINSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DICKINSON. Mr. Speaker, it was just over 2 years ago that President Nixon sat down in Moscow beside Leonid Brezhnev for the signing of the interim agreement between the United States and the Soviet Union for the limitation of strategic offensive weapons, better known as the SALT agreement. It was, indeed, a commendable occasion on the part of President Nixon because it was the first time that any U.S. President had ever been able to negotiate anything of any consequence with the Russians.

On June 12, 1972, the President referred the agreement to the Congress for its consideration, and after extensive debate in both House and Senate a joint resolution was signed into law on September 30, 1972. Three days later President Nixon and Soviet Foreign Minister Andrei Gromyko finalized approval of the agreement in a ceremony at the White House.

That event led to the so-called détente, during which the world's two strongest nations have come closer than ever before to resolving some of the differences which separate them. But the military confrontation between the United States and the Soviet Union persists, and it appears, in retrospect, that some of the provisions of that agreement were not in the best interests of the United States.

The administration is now in the process of trying to negotiate another SALT agreement: One which would serve to broaden the provisions of SALT I, and the President is scheduled to travel to Moscow again later this month. One item on the agenda will be the signing of SALT II, if such a compromise is achieved by the negotiators prior to that time. I, for one, commend the President for his effort to establish common ground for negotiation between the United States and the U.S.S.R.

But in the last few weeks a handful of Senators and Congressmen from both sides of the aisle have tried their best to cloud the President's effort. They have used the shallow argument that the President's position has been weakened by the Watergate affair. They believe that he may enter into an agreement not in the best interests of the United States. They think that he should call off the trip. In short, they have said that the President should not conduct foreign policy and, in so doing, they have conducted foreign policy themselves. The one sure way to avoid any progress is to take their advice and to cancel the trip.

The Constitution gives the President the sole right to enter into treaties with foreign nations and it gives the Congress the responsibility to ratify them or to reject them if it finds cause. So, let it be.

A President knows that a treaty will be thoroughly scrutinized by the Congress prior to ratification. This alone provides incentive for a President, especially one whose party is in the minority in Congress, to present only a treaty or agreement which encompasses and protects the security interests of the United States or none at all.

So leave him alone. Get off his back. Members of the legislative branch have no right to interfere in the operation of the executive branch. Give the President the due process which he so rightly deserves. Every Member of this Congress should be hoping that the President will return from Moscow with an agreement. I know that every responsible Member is hoping exactly that. After all, it just may be a good agreement. And, if it is not, the Congress still has the last word.

KISSINGER'S ACHIEVEMENTS

(Mr. BLACKBURN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BLACKBURN. Mr. Speaker, I join those in our country in congratulating the Secretary of State, Mr. Kissinger, on achieving peace in the Middle East; however, I do continue to raise questions about the nature of the détente that he has achieved with the Soviet Union.

Accordingly, I am inserting in the Record today articles from the Washington Post and the New York Times which point out that the Soviets are deploying a new series of missiles, while at the same time they have stepped up the harassment of people seeking to enter the U.S. Embassy in Moscow.

The question remains in my mind, when does the United States start getting some advantage out of détente? We might further ask when does the good will being generated within the Soviet Union toward the United States begin influencing Soviet actions rather than words?

The two articles follow:

[From the Washington Post, June 3, 1974]

Soviet Deployment of A-Missiles Seen

(By Michael Getler)

It now seems clear, in the view of senior U.S. officials, that the Soviet Union is intent on deploying "significant numbers" of three new long-range, nuclear-tipped missiles now being flight-tested.

It is this assessment that is largely responsible for widespread pessimism within several government agencies about the prospects for putting any major restraints on the continuing nuclear arms race this year.

There is still a possibility, informed sources report, that a new interim agreement that would limit, for the first time, deployment of MIRV-type multiple-warhead missiles can be arranged in principle at the Moscow summit meeting which begins June 27. The maze of technical details would be worked out in the following months.

It is also understood that the Soviet Union has "agreed in principle" to some possible disparity in the number of these missiles allowed each side.

But the critical question of how big a disparity is acceptable has not been negotiated.

U.S. officials acknowledge that even if such an accord can be reached, the level of permissible MIRV-missile deployment will appear so high that it is virtually certain to trigger criticism that the agreement failed to slow the momentum of the Soviet buildup and this is both dangerous and "cosmetic."

A MIRV agreement would be linked to another agreement to extend for two or three more years the overall interim accord on offensive nuclear weapons that was signed in Moscow in May, 1972, and was to have expired five years later in 1977.

This, too, is the subject of controversy within the government.

Some officials believe that extending the interim agreement until 1979 or 1980 would reinforce a Soviet view that the numerical advantages it was granted on a temporary basis in May, 1972, in the total number of land and submarine-based missiles allowed, should form the basis for a permanent limitation on missile numbers still to be negotiated.

Administration officials concede that at best, the type of new limitations being discussed would be "marginal" in terms of real restraints on the arms race, and then only in the very long term.

But if some Soviet concessions are granted, they feel that a new agreement even at high levels may be defensible, and if so, then it is better than no agreement.

The MIRV agreement would probably run for as long as the extended interim agreement, or possibly longer. But it would be subject to review and thus not permanent.

If there is no dual arrangement on MIRV and extending the interim accord, then indications are that Soviet party chief Leonid I. Brezhnev and President Nixon will issue new expressions of intent to have both strategic arms negotiating teams press ahead to reach a permanent agreement on offensive weaponry by the original 1977 expiration date of the initial accord.

Thus, it appears that no matter what happens at the summit, none of the many new nuclear weapons projects now under development by both countries will be affected. Nor will the deployment of any of these new weapons be affected, at least for several years, if then.

The odds on reaching a MIRV agreement in June are currently rated as less than 50–50.

In part this is because of the technical complexity of the issue, the short period of time left before the summit, and the absence of Secretary of State Henry A. Kissinger for the past month.

In addition, there is a school of thought, said to exist among some members of the U.S. delegation to the SALT negotiations, that the Soviets generally interpret the flow of events and attitudes including the balance of military power, as going their way and thus see no need to bend much at the arms talks.

Others contend that Brezhnev, like Nixon, is committed to detente and the continuance of SALT. The extension of the interim agreement allows him to retain the numerical advantages for a longer period, perhaps giving him time to ease pressure from the Soviet rocket force commanders who wield considerable clout in the Soviet bureaucracy.

Still others argue that while Brezhnev may be committed to detente, he has thus far been able to keep all his options open by pursuing the arms race as well, and until the United States really pressures him, he will not slow down the parallel effort.

Kissinger's return Thursday from the Middle East and his apparent ability to wangle agreements could change things. "Intellectually, I'd say there is not enough time," one senior official said. "But Kissinger might pull it off."

Under the May, 1972, interim agreement, the United States basically was allowed the 1,054 land-based ICBMs it now has plus the 41 Polaris and Poseidon submarines that each carry 16 missiles.

The Soviets were allowed the 1,618 land-based ICBMs they had deployed or under construction, plus up to 62 missile subs if they retired roughly 210 of their oldest ICBMs.

The May, 1972, SALT agreement also included a permanent treaty limiting rival antiballistic missile (ABM) systems, which are defensive weapons.

However, the United States, in a unilateral declaration, stressed that unless permanent accords are also reached on offensive weapons, it might withdraw from the ABM treaty if it felt its supreme interests were threatened.

Thus, failure to eventually reach some permanent agreements on offensive weapons could in effect reopen the arms race full-scale, including defensive missile systems.

(The Washington Post reported on Saturday that an American mission of experts has been sent, unannounced, to the Soviet Union to prepare for a potential limited ban on underground nuclear test firings that could be signed at the Moscow summit conference.

(U.S. officials said that the delegation, now in Moscow, would participate in "exploratory technical talks" on what is known as a partial, or "threshold" underground test ban. If no new SALT agreement is reached in time for the Moscow summit meeting, or if there is only a generalized accord in principle on SALT II, the "threshold" test ban could serve as the central nuclear weapons accomplishment at the summit, even though its effect on the nuclear arms race would be limited.)

The numerical edge granted the Soviets under the 1972 agreements, was viewed as a temporary offset to the greater accuracy of American missiles, the overseas bases for U.S. submarines, and the fact that the U.S. was far ahead in the MIRV technology of putting several warheads on a single missile and guiding each to a separate target.

MIRV stands for multiple independently targetable reentry vehicle, and its development and deployment remain at the heart of the arms race.

The United States already has 410 MIRVed Minuteman and 352 Poseidon missiles deployed out of a planned force of 1,046 MIRVed missiles.

The Russian missiles are all of the single-warhead variety.

But the Soviets are now testing four new replacement missiles with MIRV, and three of them are bigger than existing U.S. missiles—though not yet as accurate. Thus, conceivably the U.S.S.R. could outpace the U.S. arsenal in years to come and possibly threaten to knock out all or most of the U.S. Minuteman missiles in a surprise attack.

Whether the Soviets can achieve the required accuracy and reliability to actually pose such a threat is debatable. But the administration is concerned should it even be "perceived" that Soviet nuclear forces are more powerful than those of the United States.

Because of the indications that the Russians won't settle for less than a roughly equal deployment of MIRV launchers, sources say the levels of an agreement could run close to 1,000 missiles each.

Defense Secretary James R. Schlesinger has argued that because the new Soviet replacement missiles are so much bigger than U.S. versions, a deal ought to be based heavily on "throw-weight"—which reflects the amount of warheads and explosive power a missile can hurl at an opponent—rather than just on numbers of missiles.

The Soviets have balked at this. But the apparent willingness of the Russians to accept fewer number of MIRVed missiles than the United States might be a partial acknowledgement of this argument.

Among other concessions the United States reportedly is seeking is an increase in the number of allowable U.S. missile-firing submarines, and Soviet agreement to limit deployment of their largest new missile, the SS–18.

If the United States can achieve these types of agreements, and keep the overall level of Soviet MIRV deployment below that which the United States estimates the Soviet Union could deploy over the next five or six years, then some officials at least think such a pact would be justifiable.

Others contend that the overall levels being discussed probably amount to what the Soviets planned to deploy anyway.

A MIRV agreement at the 1,000-missile level could cause some U.S. reductions as well, especially since the Navy's new Trident MIRV-firing submarine would join the fleet before the end of an extended agreement. This would force retirement of other MIRV missiles rather than the non-MIRVed Polaris subs as previously planned.

The SS-18 is the potential replacement for the large Soviet SS-9 missile. It could carry as many as five relatively large MIRVed warheads, according to U.S. estimates, and thus has long been the weapon of principal concern if deployed in large numbers. There are currently 288 SS-9s and 25 new silos for the SS-18.

The missile has been tested roughly 12 to 15 times, sources say, but only about six of these reportedly have been with MIRVs. The others carried single warheads. This has led to some speculation that the Soviet Union may be willing to limit deployment of the SS-18 to a single-warhead version.

Weapons specialists estimate that it takes about 20 MIRV flight tests to produce high confidence that the system works. Therefore, an agreement to restrain a MIRVed SS-18 deployment could probably be monitored by U.S. test-watchers.

There is also a probability the United States would press to limit the SS-18 deployment to the 25 new silos as replacement for a relative number of older SS–9s.

Restrictions on the S–18 would ease somewhat the threat to Minuteman. But another Soviet missile, the SS-19, though smaller, also has impressed U.S. specialists.

The SS-19 can carry up to six smaller but still powerful MIRVs. But this missile does not yet appear accurate enough to knock out silos. The SS-19, and a similar missile known as the SS-17, have both been flight-tested almost 20 times now. Experts here believe both will be ready for deployment by the end of the year.

The SS-18 is expected to take a little longer.

While the Soviet missile-firing submarine fleet is expanding, sources say the Russians are still far behind the United States in developing and deploying sub-launched MIRV missiles.

This explains, they believe, why the Soviets have declined to accept U.S. proposals to put limits on the number of land-based versus sea-based MIRVs.

The Soviets, it is explained, really have no choice at this point but to deploy their MIRVs on land-based ICBMs. Thus, they reject efforts to split the total.

There is concern that the Soviets will use the interim period to solve their submarine missile problems so as to be in a position to push heavily in that area if no permanent agreement is arrived at when the interim accord expires.

A new MIRV agreement could also raise problems of verification for the United States.

Most officials believe the large SS–18 deployments could be monitored by U.S. satellites.

Similarly, the new SS–19—which is expected to account for the widest deployment—uses normal launch methods. This missile's difference from the SS–11 that it will replace is considered by most specialists to be sufficient to permit satellites to account for necessary silo modifications.

The SS–17, which is also viewed as a replacement for a smaller part of the 1000-missile SS–11 force, could cause some problems since that missile uses the so-called "cold launch" or "pop-up" technique which enables it to fit more conveniently into the older silos.

This technique pops the missile out of the silo before its rocket engines ignite, saving room in the silo that normally is needed for exhaust gasses to escape.

[From the New York Times, June 1, 1974]

HARASSMENT REPORTED AT U.S. EMBASSY IN MOSCOW

(By Hedrick Smith)

Moscow, May 31.—Soviet policemen have reportedly tightened controls and stepped up harassment around the American Embassy, intercepting and sometimes holding and interrogating Soviet citizens, Americans and even diplomats trying to enter the embassy.

"There are virtually daily incidents, daily drag-aways," complained one American Embassy official. "This crude treatment is hardly in keeping with the spirit of détente. We consider these denials of access as violations of the Soviet-American consular convention."

Today, gray-uniformed militia guards stopped Arnold Ozolins, an American seaman who came here in 1960 and was forced to take out a Soviet passport as a condition of visiting his elderly mother in Riga.

Mr. Ozolins's wife and family live in Maspeth, Queens and he has been trying in vain to get back to them in America for years. He was stopped and interrogated for about 15 minutes today about entering the embassy, although consular officials consider him an American citizen entitled to free access.

"HELP ME! HELP ME!"

Yesterday, Soviet guards physically blocked Alexander Brenner, scientific counselor of the West German Embassy, when he was going to obtain an American visa. Guards held him while questioning him about whom he was going to see and why. They would not release him until he produced documents showing that he was a diplomat. On Memorial Day, a Rumanian diplomat was turned away by Soviet guards.

Two weeks ago, embassy officers had to go to the rescue of Dean C. Hoxsey, an American Communist, who was being dragged away by four militia men, as he was shouting, "help me! help me! I am an American." After living here since 1957, Mr. Hoxsey said he wanted to return to the United States.

Scores of other cases have not come to light, but Soviet citizens have told American journalists and embassy officials that they have been blocked and forcibly taken away for long interrogations at booths and in cellars of houses within a block of the embassy, some right around the corner.

In many of these cases, Soviet citizens and embassy officials say, the people involved had written invitations from the American consulate inviting them to come to the embassy on consular matters, such as getting in touch with relatives in America, seeking lost relatives, applying for visas or inquiring about possible American citizenship.

In the Soviet Union, such invitations are necessary for access to almost any apartment building where foreigners live or to almost any embassy compound. Without them, Soviet citizens are routinely turned back by guards. Even with them, Soviet citizens report, they are turned back.

"The guards told me I must be crazy trying to go into the American Embassy," one young Russian remarked. "They accused me of picking up my invitation card off the street. They took it away from me and warned me never to try to go back to the embassy again. They told me that if I tried to contact the embassy again, they would take away my permission to live in Moscow and move me out to Siberia or somewhere."

On some occasions, American diplomats have gone to the Soviet interrogation booths near the embassy to try to gain release of Soviet citizens seized at the embassy entrance. The Soviet militia respond by refusing to permit them entry to the interrogation rooms or any contact with the Soviet citizens, and routinely deny seizure of anyone with embassy business.

"But in some cases we have known in advance who was coming and exactly what time," said one American officer, "and later, we have gotten confirmation that they were intercepted, taken away and interrogated."

The confirmation has come from Soviet citizens who have denied Soviet warnings and who have, after braving the pressures and harassment, managed to gain access to the consulate.

Repeated protests and complaints to the Soviet Foreign Ministry by the embassy, on the basis of the Soviet-American consular convention signed 10 years ago, have been to no avail. The Soviet Foreign Ministry has steadfastly said there is no interference with access to the embassy for those with legitimate business there.

The problem has evidently been aggravated by détente, diplomats believe, because Soviet citizens sometimes assume that with better political and diplomatic relations they can approach the American Embassy more freely.

The Soviet authorities have evidently felt unrestrained in handling the issue with tight, round-the-clock police surveillance and checks at the embassy because neither the White House, Secretary of State Kissinger nor Congress has shown much interest on this issue.

THE MENACE OF INFLATION

(Mr. PEPPER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEPPER. Mr. Speaker, on May 26, Dr. Arthur F. Burns, chairman of the Board of Governors of the Federal Reserve System, speaking at the commencement exercises at Illinois College at Jacksonville, Ill., commented among other things on the subject of inflation the following statement:

> The gravity of our current inflationary problem can hardly be over-estimated. Except for a brief period at the end of World War II, prices in the United States have of late been rising faster than in any other peacetime period of our history. If past experience is any guide, the future of our country is in jeopardy.

Mr. Speaker, that is no propagandist on the stump. That is one of the most responsible leaders of the economy of the United States.

What concerns me, Mr. Speaker, is whether we are taking adequate measures to meet the menace of inflation, which Dr. Burns says put in jeopardy the very future of our country. I think that subject imperatively commands the attention of our Congress. I hope we shall rise to the challenge of this menace and be able to tell our constituents back home, who are so gravely concerned about this prospect, that we are trying to do something effectively to curb it.

Mr. Speaker, I include the complete address of Dr. Burns following my remarks here in the body of the RECORD:

The Menace of Inflation

(By Arthur F. Burns)

It is a pleasure to be with you today here in the heartland of America. As graduates of this College, you are launching your careers at a challenging but troubled time. Confidence in established institutions, particularly in our government, is at a low ebb. And hopes for the future of our economy have been shaken by the debilitating effects of inflation on the nation's businesses, workers, and consumers.

Inflation is not a new problem for the United States, nor is it confined to our country. Inflationary forces are now rampant in every major industrial nation of the world. Inflation is raging also in the less developed countries, and apparently in socialist countries as well as in those that practice free enterprise.

The gravity of our current inflationary problem can hardly be overestimated. Except for a brief period at the end of World War II, prices in the United States have of late been rising faster than in any other peacetime period of our history. If past experience is any guide, the future of our country is in jeopardy. No country that I know of has been able to maintain widespread economic prosperity once inflation got out of hand. And the unhappy consequences are by no means solely of an economic character. If long continued, inflation at anything like the preset rate would threaten the very foundations of our society.

I want to discuss briefly with you today the sources of our inflationary problem, the havoc being wrought in the economy, and the steps that must be taken to regain general price stability and thus strengthen confidence in our nation's future.

A large part of the recent upsurge in prices has been due to special factors. In most years, economic trends of individual nations tend to diverge. But during 1973 a business cycle boom occurred simultaneously in the United States and in every other major industrial country. With production rising rapidly across the world, prices of labor, materials, and finished products were bid up everywhere.

To make matters worse, disappointing crop harvests in a number of countries in 1972 forced a sharp run-up in the prices of food last year. The manipulation of petroleum supplies and prices by oil-exporting countries gave another dramatic push to the general price level last autumn and early this year. The influence of these factors is still being felt in consumer markets.

Recently, our price level has also reacted strongly to the removal of wage and price controls—a painful, but essential adjustment in the return to free markets.

These special factors, however, do not account for all of our inflation. For many years, our economy and that of other nations has had a serious underlying bias toward inflation which has simply been magnified by the special influences that I have mentioned.

Ironically, the roots of that bias lie chiefly in the rising aspirations of people everywhere. We are a nation in a hurry for more and more of what we consider the good things of life. I do not question that yearning. Properly directed, it can be a powerful force for human betterment. Difficulties arise, however, when people in general seek to reach their goals by means of short cuts; and that is what has happened.

Of late, individuals have come to depend less and less on their own initiative, and more on government, to achieve their economic objectives. The public nowadays expects the government to maintain prosperous economic conditions, to limit such declines in employment as may occasionally occur, to ease the burden of job loss or illness or retirement, to sustain the incomes of farmers, homebuilders, and so on. These are laudable objectives, and we and other nations have moved a considerable distance toward their realization. Unfortunately, in the process of doing so, governmental budgets have gotten out of control, wages and prices have become less responsive to the discipline of market forces, and inflation has emerged as the most dangerous economic ailment of our time.

The awesome imbalance of the Federal budget is probably the contributory factor to inflation that you have heard the most about. In the past five years, total Federal expenditures have increased about 50 per cent. In that time span, the cumulative budget deficit of the Federal government, including government-sponsored enterprises, has totaled more than $100 billion. In financing this deficit, and also in meeting huge demands for credit by businesses and consumers, tremendous pressures have been placed on our credit mechanisms and the supply of money has grown at a rate inconsistent with price stability.

I am sure that each of you in this graduating class is aware of some of the troublesome consequences of inflation. The prices of virtually everything you buy have been rising and are still going up. For the typical American worker, the increase in weekly earnings during the past year, while sizable in dollars, has been wiped out by inflation. In fact, the real weekly take-home pay of the average worker is now below what it was a year ago. Moreover, the real value of accumulated savings deposits has also declined, and the pressure of rising prices on family budgets has led to a worrisome increase in delinquency rates on home mortgages and consumer loans.

Many consumers have responded to these developments by postponing or cancelling plans for buying homes, autos, and other big-ticket items. Sales of new autos began to decline in the spring of 1973, and so too did sales of furniture and appliances, mobile homes, and newly built dwellings. The weakness in consumer markets, largely engendered by inflation, slowed our economic growth rate last year some months before the effects of the oil shortage began to be felt.

Actually, the sales of some of our nation's leading business firms have been on the wane for a year or more. Their costs, meanwhile, have continued to soar with increasing wage rates and sharply rising prices of materials.

The effect on business profits was ignored for a time because accountants typically reckon the value of inventories—and also the value of machinery and equipment used up in production—at original cost, rather than at current inflated prices. These accounting practices create an illusory element in profits—an element that is not available for distribution to stockholders in view of the need to replace inventories, plant, and equipment at appreciably higher prices. Worse still, the illusory part of profits is subject to the income tax, thus aggravating the deterioration in profits. This result is especially unfortunate because of the shortage of industrial capacity that now exists in key sectors of our economy—particularly in the basic materials area.

By early this year, a confrontation with economic reality could no longer be put off. Major business corporations found that the volume of investible funds generated internally was not increasing fast enough to finance the rising costs of new plant and equipment, or of the materials and supplies needed to rebuild inventories. Businesses began to scramble for borrowed funds at commercial banks and in the public markets for money and capital. Our financial markets have therefore come under severe strain. Interest rates have risen sharply; savings flows have been diverted from mortgage lending institutions; security dealers have experienced losses; prices of common stocks have declined; the liquidity of some enterprises has been called into question; and tensions of a financial nature have spilled over into international markets.

Concerned as we all are about the economic consequences of inflation, there is even greater reason for concern about the impact on our social and political institutions. We must not risk the social stresses that persistent inflation breeds. Because of its capricious effects on the income and wealth of a nation's families and businesses, inflation inevitably causes disillusionment and discontent. It robs millions of citizens who in their desire to be self-reliant have set aside funds for the education of their children or their own retirement, and it hits many of the poor and elderly especially hard.

In recent weeks, governments have fallen in several major countries, in part because the citizens of those countries had lost confidence in the ability of their leaders to cope with the problem of inflation. Among our own people, the distortions and injustices wrought by inflation have contributed materially to distrust of government officials and of government policies, and even to some loss of confidence in our free enterprise system. Discontent bred by inflation can provoke profoundly disturbing social and political change, as the history of other nations teaches. I do not believe I exaggerate in saying that the ultimate consequence of inflation could well be a significant decline of economic and political freedom for the American people.

There are those who believe that the struggle to curb inflation will not succeed and who conclude that it would be better to adjust to inflation rather than to fight it. On this view, contractual payments of all sorts—wages, salaries, social security benefits, interest on bank loans and deposits, and so on—should be written with escalator clauses so as to minimize the distortions and injustices that inflation normally causes.

This is a well-meaning proposal, but it is neither sound nor practical. For one thing, there are hundreds of billions of dollars of outstanding contracts—on mortgages, public and private bonds, insurance policies, and the like—that as a practical matter could not be renegotiated. Even with regard to new undertakings, the obstacles to achieving satisfactory escalator arrangements in our free and complex economy, where people differ so much in financial sophistication, seem insuperable. More important still, by making it easier for many people to live with inflation, escalator arrangements would gravely weaken the discipline that is needed to conduct business and government affairs prudently and efficiently. Universal escalation, I am therefore convinced, is an illusory and dangerous quest. The responsible course is to fight inflation with all the energy we can muster and with all the weapons at our command.

One essential ingredient in this struggle is continued resistance to swift growth in money and credit. The Federal Reserve System, I assure you, is firmly committed to this task. We intend to encourage sufficient growth in supplies of money and credit to finance orderly economic expansion. But we are not going to be a willing party to the accommodation of rampant inflation.

As this year's experience has again indicated, a serious effort to moderate the growth of money and credit during a period of burgeoning credit demand results in higher interest rates—particularly on short-term loans. Troublesome though this rise in interest rates may be, it must for a time be tolerated. For, if monetary policy sought to prevent a rise in interest rates when credit demands were booming, money and credit would expand explosively, with devastating effects on the price level. Any such policy would in the end be futile, even as far as as interest rates are concerned, because these rates would soon reflect the rise in the price level and therefore go up all the more. We must not let that happen.

But I cannot emphasize too strongly that monetary policy alone cannot solve our stubborn inflationary problem. We must work simultaneously at lessening the powerful underlying bias toward inflation that stems from excessive total demands on our limited resources. This means, among other things, that the Federal budget has to be handled more responsibly than it has been in the past.

Incredible though it may seem, the Congress has been operating over the years without any semblance of a rational budget plan. The committees that consider spending operate independently of the committees that consider taxes, and appropriations themselves are treated in more than a dozen different bills annually. All of this means that the Federal budget never really gets considered as a whole—a fact which helps explain why it is so often in deficit.

Fortunately, after many years of advocacy by concerned citizens and legislators, this glaring deficiency in the Congressional budget process is about to be remedied. Bills that would integrate spending and taxing decisions have passed both the House and the Senate. This is a most encouraging development, and we may confidently expect final action soon by the Congress on this landmark legislation.

Procedural changes, however, will mean little unless the political will exists to exploit the changes fully. And this can happen only if the American people understand better the nature of the inflation we have been experiencing and demand appropriate action by their elected representatives.

As you leave this hall today, I urge you to give continuing thought and study to the problem of inflation. If it persists, it will affect your personal lives profoundly. Where possible, I urge you to assume a leadership role in getting people everywhere interested in understanding inflation and in doing something about it. In the great "town hall" tradition of America, much can be accomplished if people organize themselves—in their offices, trade unions, factories, social clubs, and churches—to probe beneath the superficial explanations of inflation that are the gossip of everyday life. Productivity councils in local communities and enterprises, established for the purpose of improving efficiency and cutting costs, can be directly helpful in restraining inflation.

While I am on the subject of what individuals can do to be helpful, let me note the need for rediscovery of the art of careful budgeting of family expenditures. In some of our businesses, price competition has atrophied as a mode of economic behavior, in part because many of our families no longer exercise much discipline in their spending. We have become a nation of impulse shoppers, of gadget buyers. We give less thought than we would to choosing among the thousands of commodities and services available in our markets. And many of us no longer practice comparative price shopping—not even for big-ticket items. Careful spending habits are not only in the best interest of every family; they could contribute powerfully to a new emphasis on price competition in consumer markets.

I do not expect that the path back to reasonable price stability can be traveled quickly. Indeed, our government will need to take numerous steps to reduce the inflationary bias of our economy besides those I have emphasized. The forces of competition in labor and product markets need to be strengthened—perhaps by establishing wage and price review boards to minimize abuses of economic power, certainly through more vigorous enforcement of the anti-trust laws, besides elimination of barriers to entry in skilled occupations, reduction of barriers to imports from abroad, and modification of minimum wage laws to improve job opportunities for teenagers. Impediments to increased production that still remain in farming, construction work, and other industries need to be removed. And greater incentives should be provided for enlarging our capacity to produce industrial materials, energy, and other products in short supply.

But if inflation cannot be ended quickly, neither can it be eliminated without cost. Some industries will inevitably operate for a time at lower rates of production than they would prefer. Government cannot—and should not—try to compensate fully for all such occurrences. Such a policy would involve negating with one hand what was being attempted with the other.

But government does have a proper ameliorative role to play in areas, such as housing, where the incidence of credit restraint has been disproportionately heavy. The special burden that has fallen on homebuilding should be lightened, as is the intent of the housing aids which the Administration recently announced. And my personal judgment is that it would be advisable, too, for government to be prepared, if need be, to expand the roster of public-service jobs. This particular means of easing especially troublesome situations of unemployment will not add permanently to governmental costs. And in any event, it would conflict much less with basic anti-inflation objectives than would the conventional alternative of general monetary or fiscal stimulus. A cut in personal income taxes, for instance, would serve to perpetuate budget deficits. Not only that, it might prove of little aid to the particular industries or localities that are now experiencing economic difficulty. Much the same would be true of a monetary policy that permitted rapid growth of money and credit. There is no justification for such fateful steps at this time.

In concluding, I would simply repeat my central message: there is no easy way out of the inflationary morass into which we have allowed ourselves to sink through negligence and imperfect vision. But I am confident that we will succeed if the American people become more alert to the challenge. I hope that the members of this graduating class will join with other citizens across the country in a great national crusade to put an end to inflation and restore the conditions essential to a stable prosperity—a prosperity whose benefits can be enjoyed by all our people. This objective is within our means and is essential to our nation's future.

WHITE HOUSE CONFERENCE ON LIBRARY AND INFORMATION SERVICES

(Mr. EVANS of Colorado asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. EVANS of Colorado. Mr. Speaker, I rise in support of Senate Joint Resolution 40 as amended, authorizing a White House Conference on Library and Information Services, and urge its immediate adoption.

In addition to authorizing the White House Conference in 1977, Senate Joint Resolution 40 provides for conferences beforehand in each of the States and territories. These State conferences are particularly important, for they will allow people on the local level to get together, look at their local libraries, and plan for the improvement of local, regional, and statewide library and information service. This would then be done on a national basis at the White House Conference. The conferences, too, would allow a reexamination of the local, State, and Federal roles in the provision of library service.

Public libraries, elementary and secondary school libraries, college, university, and research libraries, as well as the specialized libraries of industry, Government, hospitals and institutions must all be examined by the public, so that their services can be better designed to meet the needs of all Americans and better coordinated to reach all.

In my own State of Colorado, for example, the libraries are organized into regional library systems designated by the Colorado State Library. Both the Plains and Peaks system which serves a population of some 250,000 with headquarters in Colorado Springs, and the Arkansas Valley system serving over 230,000 persons, with headquarters in Pueblo, provide library service to the people in my district. The two systems include between them 34 public libraries, 69 school districts, 4 State-supported institutions, and 5 college and universities. All of these libraries must work together if they are to adequately meet the diverse library and information needs of Colorado residents. The State conferences, authorized by Senate Joint Resolution 40, will enable the people of Colorado and all the other States to take a new look at their various kinds of libraries and to develop plans for their coordination and improvement, so that equalization of library resources for all citizens can be achieved.

One of the areas I hope will receive considerable attention during the White House conference and the State conferences is the depository library system administered by the U.S. Government Printing Office. The sharp increases in the price of Government publications recently instituted by the Government Printing Office has forced many libraries to begin cutting back on the number of Government publications they are able to purchase from the Government Printing Office. This makes all the more important the depository library system which enables a few designated libraries to receive single copies of Government publications free of charge, so they can be made available to all who may need them.

Describing the effect of the recent steep price increases of government documents, the Denver Public Library has reported it will be required to cut back on the purchase of duplicate copies of government publications it supplies to 18 branch libraries. This in turn, the library notes, will hamper the branch libraries' reference service and restrict access to a large segment of the public. Government publications now provided the branches of Denver Public Library, which are likely candidates for elimination because of the price increases, include such basic documents as the "U.S. Government Organization Manual", "Congressional Directory", "City and County Data Book", 'Your Federal Income Tax." Of course, the main library will continue to stock such publications, but those residents of Denver dependent upon the branch libraries will have to go to the main library or wait for the material to be delivered from the main library to their branch.

The White House Conference on Library and Information Services will call attention to the resources and services available through the Nation's depository libraries, and I would hope, as well, that plans for improvement and extension of the system can be developed so that all Americans will have ready access to U.S. Government publications.

As the chairman of the Select Subcommittee on Education, my colleague from Indiana (Mr. JOHN BRADEMAS), noted during hearings on the resolution, the White House Conference on Library and Information Services, and the preceding State conferences, can help stimulate a national debate about the value of libraries and information resources in our society, and they will help, too, define the appropriate roles of local, State, and Federal governments in the support of these precious national resources. I concur in that statement, and urge adoption of Senate Joint Resolution 40.

FINANCIAL DISCLOSURE STATEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. ROBERT W. DANIEL, JR.) is recognized for 5 minutes.

Mr. ROBERT W. DANIEL, JR. Mr. Speaker, for the second year, I would like to take this opportunity to insert into the CONGRESSIONAL RECORD part A of my financial disclosure statement.

Although this statement is kept on file with the House Committee on Standards and Conduct, it is not published.

I feel that residents of my district should not have to come to Washington to see this report. I feel, therefore, that the report should appropriately be published in the RECORD.

Today there seems to be a growing public distrust of government and government officials. I hope that making my statement public will in some way contribute to the restoration of faith in our government.

In December of 1972 I placed all my stockholdings in a "blind trust," thus relinquishing all control over their management. The trustee can buy and sell stocks without my knowledge.

The appearance this year of investments not listed in last year's statement results from either action by the trust managers or the growth of investment value to the point where disclosure is required.

I believe the remainder of the following report is self-explanatory:

PART A—U.S. HOUSE OF REPRESENTATIVES (WHITE FORM: MEMBERS ONLY)

STATEMENT OF CERTAIN FINANCIAL INTERESTS AND ASSOCIATIONS AS OF DATE OF FILING AND CERTAIN OTHER FINANCIAL DATA COVERING CALENDAR YEAR 1973—FILING REQUIRED BY APRIL 30, 1974, COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

Name: Robert W. Daniel, Jr., District; Fourth. State: Virginia.

The interest of a spouse or any other party, *if constructively controlled* by the person reporting, shall be considered to be the same as the interest of the person reporting.

1. List the name, instrument of ownership, and any position of management held in any business entity doing a substantial business with the Federal Government or subject to Federal regulatory agencies in which the ownership *is in excess of $5,000 fair market value as of the date of filing* or from which income of *$1,000 or more* was derived during the preceding calendar year. Do not list any time or demand deposit in a financial institution or any debt instrument to any equity instrument.

BUSINESS ENTITY, INSTRUMENT OF OWNERSHIP, AND POSITION OF MANAGEMENT

Brandon Plantation, Proprietorship, Proprietor.

Continental Corporation, Common, None.

Va. Real Estate Investment Trust, Common, None.

General Motors Corp., Common, None.

Union Carbide, Common, None.

Continental Can Co., Common, None.

General Electric Co., Common, None.

Square D Company, Common, None.

National Distillers and Chemical Company, Common, None.

Rockwell International, Common, None.

Kennecott Copper Corporation, Common, None.

Exxon Corporation, Common, None.

Mobil Oil Corporation, Common, None.

Shell Canada Ltd., Class A Common, None.

Shell Oil Company, Common, None.

Standard Oil California, Common, None.

Texaco Incorporated, Common, None.

R. J. Reynolds Industries, Common, None.

Virginia Electric & Power Co., Common, None.

Consolidated Natural Gas Company, Common, None.

American Tel & Tel Company, Common, None.

Chessie System Incorporated, Common, None.

RF & P Railroad, Div. obligations, None.

Southern Railway, Common, None.

International Tel & Tel, Common, None.

Azelia Properties Company III, Limited Partnership, None.

All of the common stocks listed in Part A, Item 1, are held in a blind trust by the First and Merchants National Bank, Richmond, Virginia, as trustee and manager. The trust was established on December 22, 1972.

2. List the name, address and type of practice of any *professional* organization in which the person reporting, or his spouse, is an officer, director, or partner, or serves in any advisory capacity, from which income of $1,000 or more was derived during the preceding calendar year: None.

3. List the source of each of the following items received during the preceding calendar year:

(a) Any income from a *single* source for services rendered (other than from the U.S. Government) exceeding $5,000 and not reported in section 2 above: None.

(b) Any capital gain from a single source exceeding $5,000, other than from the sale of a residence occupied by the person reporting. (As reportable to IRS). Brandon Plantation: sale of breeding stock.

(c) Reimbursement for expenditures (other than from the U.S. Government) exceeding $1,000 in each instance: None.

(d) Sources of honoraria *aggregating* $300 or more from a single source. (*Name the original source, not a speakers' bureau.*) None.

4. List each creditor to whom the person reporting was indebted for a period of 90 consecutive days or more in the preceding calendar year in an aggregate amount in excess of $10,000 *excluding* any indebtedness specifically secured by the pledge of assets of the person reporting of appropriate value.

First & Merchants National Bank, Richmond, Virginia

Southside Virginia Production Credit Association.

Campaign Moneys are not to be taken into account in this report.

FATHER JACQUES MARQUETTE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. RUPPE) is recognized for 5 minutes.

Mr. RUPPE. Mr. Speaker, as those who have studied early North American history know, Father Jacques Marquette was a French Jesuit missionary who explored much of the Mississippi River and many of the northern bodies of water in what is today the United States.

He established a mission to St. Ignace on the north shore of the Straits of Mackinac, now part of the Upper Peninsula of Michigan. This mission became a center of study and religion in the area.

Subsequently, he and his fellow traveler, Louis Jolliet, were the first white men on the upper Mississippi River and ventured almost as far as the mouth of the Arkansas. On their return journey, they traveled to Chicago, up to the Illinois River, along Lake Michigan, and to Green Bay.

On one of his explorations, Father Marquette died in 1675 near what is today Ludington, Mich. He was buried there, but later a group of Indians brought his remains to St. Ignace where they were placed in the missionary chapel. This burned in 1706, but the gravesite was discovered in 1877, and a marker was placed in 1882.

In 1965, the Congress enacted Public Law 89–187 which established a tercentenary commission to honor Father Marquette and to investigate the suitability of establishing a national monument or memorial to commemorate the historical events associated with his life. The Commission chose St. Ignace, Mich., as a fitting site for this memorial.

It is proper that we erect a national monument to this great missionary and explorer whose wanderings provided man with much of his early knowledge of this land. It is also proper that this memorial be constructed in St. Ignace, Mich., where he is interred. In this light, I am today introducing legislation which, upon enactment, will authorize the Secretary of the Interior to enter into an agreement with the Governor of Michigan for the design, construction, and operation of a memorial. The Secretary is authorized to give assistance to the State in terms of technical advice and funds, up to $500,000, for the land acquisition and development to promote public understanding and appreciation of the significant role played by Father Marquette to the history of this country.

This memorial is long overdue. Father Jacques Marquette contributed much to our history. We should properly recognize that contribution.

Thank you.

ERNEST PETINAUD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. STOKES) is recognized for 5 minutes.

Mr. STOKES. Mr. Speaker, I was out of the city when Ernest Petinaud, maitre d'hotel of the House of Representatives, retired. I did not, therefore, get a chance to join my distinguished colleagues in the House when they spoke on the floor in tribute to America's most distinguished maitre d'hotel. Ernest Petinaud is one of the few individuals I know who have become a legend in his own lifetime. Few men achieve this statute in life.

I am sure that every Member of Congress has his own favorite story about Ernie which he will always remember. I know that I will always remember how he loved to chide Dan Butler, a candidate for City Council in Washington, D.C., for losing his race because he put his campaign signs in trees. Ernie made a hilarious anecdote of Danny's campaign by admonishing him that "birds don't vote", that "you don't put campaign posters up in trees if you want to get elected." Ernie had a way of making hilarious incidents of this kind double me over in laughter. Dan Butler, to whom he often told this particular anecdote always thought it funnier every time Ernie retold it.

I also shall never forget how Ernie painstakingly made a Congressman's constituents feel so welcome in the House of Representatives' dining room. Many of my constituents are proud, both of the House of Representatives' menu they took home as a souvenir, and the personal autograph they received from this famous maitre d'hotel. Often my constituents will show me their autographed menu with pride.

Ernie made many friends for Congress around the Nation in his own unique, inimitable way. We will miss him here, in the Congress, and we count ourselves as being fortunate in that he cares enough about us to come every now and then to share with us both an anecdote and a fond remembrance of a sincere friend.

THE BUREAU OF RECLAMATION—IS IT WORKING FOR OR AGAINST THE AMERICAN FAMILY FARMER?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, this Thursday, the House of Representatives will be considering the fiscal year 1975 appropriation for the Bureau of Reclamation. Included in the Bureau's appropriation is $12,355,000 for continuation of the Garrison diversion unit in North Dakota. The committee has provided the Bureau with $1.8 million more for this project than was originally requested in the President's budget. The Bureau estimates that an additional $276 million will be needed to complete the Garrison project.

The Garrison diversion unit project is highly questionable. The Council on Environmental Quality and the Environmental Protection Agency have pointed out that it will create serious ecological damage. Other bureaus of the Department of the Interior have pointed out serious problems in the project. The General Accounting Office is investigating the project. In a preliminary report to the Government Operations Committee's Subcommittee on Conservation and Natural Resources, the GAO has reported serious cost overruns—overruns which the Bureau has failed to report to the Congress. In addition, the project will almost certainly degrade the quality of water flowing into Canada—a clear violation of the Canadian-American Boundary Waters Treaty of 1909. As a result, the Canadian government has lodged very strong protests with the State Department—and the State Department has expressed its concern to the Department of the Interior.

But perhaps the ultimate insult of the Garrison project is the fact that it will hurt the very people it was originally designed to aid. The types of problems created by the Garrison project are well described by a group called United Family Farmers, Inc. This is an organization of small farmers organized in South Dakota to oppose the Oahe irrigation project—a Bureau project estimated to cost a third of a billion dollars. It is similar in many ways to the Garrison project—and it is somewhat dependent on the Garrison project and the environmental problems being created by Garrison.

I would like to quote at this point from portions of the United Family Farmers statement on the Oahe irrigation project:

> Our members are farmers and know our land and the water beneath it. The project being proposed did not describe a project that, in our practical experience, could be a success here. What would be the effect of this project on the family farm-based social system? This system of community is something for which we all care deeply, but what we read led us to believe that our system of moderate-sized farms might not survive in the capital-intensive agricultural community that the Bureau wanted to create.
>
> What about our rich wildlife? What about the diverse James River? What would happen to those of us whose land lay in the path of the proposed reservoirs and canals? These questions and many others were not satisfactorily answered by the Bureau.
>
> * * * * *
>
> On its face, the Oahe Project would apparently, complement this by creating and additional 500 family farms. But such hopes are simply not based in truth and experience. Dr. Paul S. Taylor, Professor Emeritus of Economics at the University of California in Berkeley has made a lifelong study of the social and economic effects of reclamation developments, and is considered the premier authority in the field. Dr. Taylor informed us that where reclamation projects are built they do not support the family farm system but instead almost universally tend to cause centralization of land ownership in the hands of the very few, reduce the number of landowners, increase the percentage of indigent persons in surrounding communities, and cause the general dissolution of existing social systems.
>
> In addition, with centralized ownership, farming methods are intensified greatly, in comparison with the relative harmony that exists between the family farm and the natural environment.
>
> The Reclamation Law does require that irrigation water cannot be delivered to persons holding more than 160 acres of land, and that the excess lands must be sold at pre-project prices. While this law is supposed to protect and promote the family farm, in fact it has been universally unenforced by the Bureau and there exists no reason in fact or experience to believe that the Bureau intends to enforce the law in the case of Oahe.

The United Family Farmers make an excellent point concerning the confusion surrounding the Garrison Diversion Unit—and the way it could adversely affect waterways to the South:

> The Garrison Diversion Unit, another water resource project of the Pick-Sloan Program in North Dakota is to pour polluted irrigation return flows into rivers leading into Canada. The Canadian Government has objected to this plan, and have requested that the project be halted. The U.S. State Department has become concerned that our country may stand in violation of the 1909 Boundary Waters Treaty, if the Garrison Project is completed. The Bureau of Reclamation has suggested that return flows from the Garrison which were originally planned to be diverted to Canadian bound rivers may now be diverted to the James River. This would considerably compound the dilemma downstream of the James River and the Oahe Unit. At any rate the whole situation appears to be uninvestigated, unplanned, and unresolved.
>
> In addition to the Canadian objection, the Garrison Diversion Project, upon which construction began 5 years ago, has become a public controversy taken up by many citizens of North Dakota, the Council on Environmental Quality, the Environmental Protection Agency, members of the United States Congress and the General Accounting Office. Although construction on the Oahe Project has not begun, the similarities of the history and planning between Garrison Diversion and Oahe lead many to anticipate a repeat of the controversy in South Dakota as a result of similar unresolved social, economic and environmental problems that have become apparent in North Dakota.

The salinity problems which can be created in the North Plains States are well described in the following passage:

> Because of these soil characteristics the land in the irrigation area cannot carry off on its own the irrigation water. If no artificial drains were built to carry off the water, the irrigation lands would become a salt lake. To avoid this the Bureau proposes to build underground drains, buried at a depth of nine feet and spaced at average intervals of 620 feet.

While speaking of the Oahe project, the United Family Farmers describe one of the main problems involved in the Garrison diversion unit—understatement, indeed, almost willful misstatement of true costs:

> Generally speaking, the Bureau of Reclamation has a history of understating the costs of its projects, relying upon a tolerant Congress to provide the supplemental approriations necessary to rescue projects from bankruptcy.

One of the most shocking aspects of the Garrison and Oahe projects is that instead of creating hydroelectric power—like many Bureau projects—the projects are net consumers of energy—and may require increased use of fossil fuel plants in North and South Dakota:

> At a time of great energy shortage in this nation this project will compel the region to forego a substantial source of hydroelectric power and replace it with fossil fuel plants.

It is estimated that Garrison will consume 499 million kilowatt-hours of generating ability while Oahe will consume 272 million kilowatt-hours. It is unconscionable to permit such energy waste during this period of long-range energy shortages.

The question naturally arises, Why does the Bureau proceed with these projects? It is not to help the farmers. Following is a statement by UFF as to the economic havoc which projects such as Garrison and Oahe will create for the small farmer:

> The taxpayers are to pay for the project and the farmers are expected to make it workable. The fact that the per acre cost for irrigation development on each of 190,000 acres of already productive land will amount to $1,647, and at the same time project facilities will require 100,000 acres of productive land is distasteful to many voters who expect better efficiency of public subsidized agriculture production. The environmental impact statement indicates that an already established farmer will require a minimum initial investment of $50,000 to begin irrigation in the project. Whereas the average net farm income of South Dakota farmers is something less than $10,000, the investment for irrigation is beyond the financial limits of most farmers of the area.
>
> It is submitted that the Oahe Irrigation Project is not wanted by the very people it is meant to benefit—the farmers of central South Dakota. Support for the project is found among bankers, chambers of commerce, equipment sales businesses and the like. Not farmers.

Mr. Speaker, is it time that the Congress and OMB review the need and wisdom of the Bureau's projects.

VENEZUELA INSULT TO CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. ROSE), is recognized for 5 minutes.

Mr. ROSE. Mr. Speaker, I feel I must call the attention of the House to an unfortunate statement directed against a distinguished and able Member of this House by a supposedly responsible business leader of Venezuela.

A translation of a foreign wire service dispatch carried in Spanish has only now come to my attention, and though I have been unable to determine whether it was picked up and carried at all in our country, it has nevertheless appeared in other parts of the world.

The wire service story reports the response of a leader of the Venezuelan business community to the amendment which I have joined in supporting along with my distinguished colleague, Mr. GUNTER, of Florida, to insist on fair oil prices.

In short, the dispatch quotes a Mr. Reinaldo Cervini, president of the Venezuelan Nationalist Business Organization, as saying in part, and I quote:

> It is regrettable that bastard voices such as that of North American Senator Bill Gunter are trying to impede relations between the peoples through intimidation and threats to the sovereignty and self-determination of the nations.

I trust, hope and believe, Mr. Speaker, that though it is the apparent policy of the State Department to allow Venezuela and other oil producing nations to walk all over American consumers without protest, that our supineness has not yet reached the point where representatives of the interests of foreign governments may routinely and casually refer to distinguished Members of this Congress in public statements in such a contemptuous manner.

It is unfortunate that Mr. Cervini fails to recognize that Congressman GUNTER, far from being a "bastard voice," is a distinguished Member of the House Agriculture Committee. Furthermore, it is proper and, indeed, a responsibility of a U.S. Congressman to speak out on these matters, particularly when public policy on foreign sugar quotas so directly affects the lives of every American.

And I would further suggest that the attitude in general of Venezuela toward the rights of American consumers be kept in mind by our colleagues at the time that Mr. GUNTER offers his amendment to suspend the sugar quota of Venezuela until such time as that country returns to responsible economic policies toward our country with respect to the price of oil.

I include the text of the translated dispatch at this point, Mr. Speaker, to be printed in the body of the RECORD:

(Translation (Spanish))

BASTARD VOICES ARE THE ONES WHO ARE ACCUSING VENEZUELA OF BLACKMAIL

CARACAS. May 24.—It is regrettable that bastard voices such as that of North American Senator Bill Gunter are trying to impede relations between the peoples through intimidation and threats to the sovereignty and self-determination of the nations, the president of the pro-Venezuelan, Venezuelan Nationalist Business Organization stated today in Caracas.

Reinaldo Cervini, president of that entity, with these words replied to the statements made day before yesterday in the United States by Senator Bill Gunter according to which Venezuela is practicing economic blackmail in fixing its petroleum prices.

Those statements are really surprising not so much because of their bastard and cynical content, but because of the ignorance and absolute disdain toward the countries of the third world and their vexation-filled history, Cervini maintains.

Venezuela, just like the rest of the Latin American countries, has a past replete with abuses committed by some governments of that country (U.S.) that I almost venture to assure that they are deeds unknown by the great majority of the North American people, whose most earnest expressions are represented by the spoils of Mexico that offered occasion for the expansion of the United States. The unjust appropriation of the Panama Canal and the unbridled penetration by private enterprises into Central America and in other nations possessing important mining and petroleum deposits. I emphasize (that the) bastard voices are . . .

(Two)

The President of Pro-Venezuela added that this economic hegemony exercised for so many years on Latin American territory was the main source for developing an aggressive policy of not only economic blackmail, but also political blackmail, which is what Congressman Bill Gunter is endeavoring to keep. But one mustn't forget that this stage of extortion forged a resentment which is today being expressed in a strong desire for emancipation and inevitable nationalism, Cervini emphasized.

Finally, I want to state that it is regrettable that bastard voices such as that of Bill Gunter are trying to impede relations between peoples through intimidation and the threat against the sovereignty and self-determination of the nations.

In official circles there were no comments, for the moment. Aside from this, this isn't the first time the United States Congressman has made statements more or less similar. At their time, they didn't have any official response either.

BLESSED SACRAMENT SCHOOL PRIZE-WINNING ESSAYS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. DAVIS) is recognized for 10 minutes

Mr. DAVIS of South Carolina. Mr. Speaker, I would like to call to the attention of my colleagues a set of prize-winning essays by students of the Blessed Sacrament School in Charleston, S.C. Three young people, two 14 and one 13, have written on the topic of "Freedom of Religion." I think they have captured the essence of the spirit of youth today and kindled the fire of hope for tomorrow. To lean upon an old cliché—today's youth are tomorrow's leaders. Nothing could be closer to the truth. I present these essays in the firm belief that the future of America is headed toward good hands. After reading them, I am sure you will agree:

FREEDOM OF RELIGION

(First place: David Nelson, Age 14, Mount Pleasant, S.C.)

This is what I think about Freedom of Religion. It is one of America's most cherished freedoms. To preserve this priceless possession vigilance is essential. Laxity on our part could result in generations of young people growing up unfamiliar with the firm moral foundations upon which our country was founded and upon which it rests. The present era is full of the "now" generation. Yet our nation is what it is because of what it has been together with what man wants to make it.

It is important, therefore not only that our youth, but our older generation as well, remain aware of the principles that have made the United States unique. Important in this context are the words of the great Quaker William Penn:

"Unless we are governed by God we will be ruled by Tyrants."

The men and women who built America have been motivated by spiritual zeal that continues to influence the character and purpose of our life today. At the same time they assured its citizens the right to worship as they chose. To safeguard this right the Constitution was amended in this respect to read, "Congress shall make no law respecting an establishment of Religion or prohibiting the free exercise thereof" . . . (First Amendment to the Constitution).

Perhaps the essential genius of America and its profoundest philosophy is enunciated best by the French historian and statesman Alexis de Tocqueville who observed this in *Democracy in America:*

"Not until I went into the churches of America and heard her pulpits flame with righteousness did I understand the secret of her genius and power. America is great because America is good . . . and if America ever will cease to be good . . . America will cease to be great."

What Tocqueville is trying to tell us is the reason America is great. She is great because her ministers, regardless of creed or color, have the right to preach about God and morality and the people have the right to worship in the churches of their choice. This right is denied to the people of the communist dominated countries. Many people down through the ages have fought and died for this freedom.

This freedom of religion is one of our greatest possessions today. It is up to us the "now" generation to cherish and preserve it, and to hand it down to the future generation.

One Freedom Under God

Second place: James Frappier, Age 14, Charleston, S.C.

Now as the conqueror comes,
They, the true-hearted came;
Not with the roll of stirring drums and the trumpets that sing of fame;
Not as the flying come,
In silence and in fear;
They shook the depths of the desert's gloom with their lofty hymns of cheer.
What sought they thus afar?
Bright jewels of the mine?
The wealth of seas? The spoils of war?
They sought a faith's pure shrine.
Ay, call it the holy ground, the soil where first they trod!
They left unstained where they found
Freedom to worship God!!

—Felicia Dorothea Hemans.

In addressing the reader, first let me tell you that the United States Constitution guarantees the American people freedom of religion.

Yes, this poem by Dorothea Hemans explains to us the one and true reason why men went through great lengths, and sometimes even sacrificed their lives to win the freedom to worship in tho way each individual saw fit.

The poem also explained to us that religious freedom is definitely not a new idea! Since the dawn of creation, there has been worship which is generally described in the Book of Genesis that man thanked and adored some head image or God as the Supreme Being.

And, because of this, there was also much persecution of the religious throughout history. We find this true of instances such as the Jews in Egypt and the Catholics in England. Even in the early part of our country's history, Catholics in England who moved from there to America where they were persecuted in most, if not all, of the newly established colonies in the United States. Yes, even the colony of Maryland, which has been justly called one of the true Catholic settlements throughout our country's history, has its days of persecution.

Yes, freedom of religion is definitely not to be known as the new conquest of a tenacious people, but rather, something that has been fought for throughout the entire course of world history.

With the signing of the Constitution, the freedom for worthy citizens of all ages, creeds, and colors to worship as they please was granted to every United States countryman, and most of us still hold this freedom dear even today.

However, those of us who do treasure this freedom must respect the responsibilities and obligations that come with every other freedom. So, in general, let us live up to our duties and sacrifices to God, and the religious freedom will be ours to cherish forever.

From the First Amendment to the U.S. Constitution: Freedom of Religion

(Third place: Karen Grisillo, age 13, Sullivan's Island, S.C.)

The freedom to choose one's own religion is truly an important freedom. Today, we are under no obligation to have the same religious beliefs as someone else has. It's not like it was ages ago, when the ruler was of a certain religion, everyone would have to believe in that same religion also. We are not persecuted for our religion, as this was one of the main reasons the Pilgrims escaped to America—to be free from religious persecution. Neither are we thrown to the lions as Daniel was, when he professed his belief in Yahweh.

Today, we have the right to choose our own religion without a feeling of regret or suffering later for it.

There are many different freedoms; freedom to choose our own school, our own clothes, and so on. But, to choose our own religion should have more importance and more meaning than any other freedom.

The world itself—religion covers a lot of territory. What does religion mean to us? Does it mean, simply attending church for an hour on Sunday? Or does it mean loving and believing in God as we believe in others and ourselves? If we only go to Church because we have to, there is no feeling of love or respect involved, so we may as well stay home. We should go to Church to get a better understanding of God in the Gospel readings and all the other parts of the Mass. When we make our profession of Faith in the Creed, "I believe in God . . ." we should say it with love and be proud to say it like we mean it.

There is sometimes prejudice among the different religions. For example, a parent might say, "I don't want my child to play with the child down the street—he's Jewish." That attitude is just as bad as racial prejudice. We should know that there is diversity among religions.

The generation gap, too, is connected with religion. For instance, the Bibles of our parents may have had black covers on them—stating *The Holy Bible*. The bibles of the younger generation today have blue denim covers with such titles as *Christ Is Here*, and *The Way*. The older folks may be used to the traditional approaches to worship and are satisfied with it. They do not wish for a change—that's their choice. The new bibles are not published to torment the older generation but, rather to reach the young in a new way. It is not a gimmick. It's just an idea to try and let the young practice their religion in a way that is meaningful and suitable to them.

The denim covered bibles, no doubt will attract the attention of the young, and the result will be that they will study the bible and find religion hopefully playing an important part of their everyday lives.

I do not think it is at all right for the young to criticize the old, especially for the way they are accustomed to the traditional Mass. That is a privilege that cannot be taken away from them. But, neither do I think the older generation should feel that the person who comes to Church with the long hair and greasy jeans should not be allowed into the Church in that manner. At least he is coming! Isn't that what really counts?

In conclusion let the older people have their way of the Celebration of the Eucharist with the songs of "ancient" years that have been sung over and over again. The younger generation is ready for a change. And, because of the First Amendment this country permits each individual to practice the form and type of religion he chooses. It may well be that the young feel the need for a change from the traditional structures of religion. Maybe there is a message that God is trying to transmit to us; Share, Love, and Compromise!

INTERNATIONAL DEVELOPMENT ASSOCIATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. Hamilton) is recognized for 10 minutes.

Mr. HAMILTON. Mr. Speaker, I am pleased that the Senate has recently passed, by a more than 2-to-1 margin its version of the bill to fund the U.S. contribution to the International Development Association—IDA. I was most disappointed that the House voted on January 23, 1974, to kill its version of the funding bill, H.R. 11354, and I hope the House will reconsider its unfortunate vote in the near future.

This bill would fund the $1.5 billion U.S. contribution to the fourth replenishment of IDA's financial resources, and there are several compelling reasons why it should be passed. If the bill is allowed to die, the United States as well as potential recipients of IDA loans will all be the losers.

While I regretted the initial defeat of H.R. 11354, I was pleased that this action at least served to mobilize support for the bill. Former Treasury Secretary Shultz had indicated his intentions to make every effort to reverse the defeat and reconfirm our commitment to IDA, and I hope Secretary Simon will continue this effort. Shultz and Secretary Kissinger, in an unusual joint statement, had earlier called the defeat "a major setback to our efforts of cooperation and to the ability of the United States to provide leadership in a world where there is an increasing tendency for nations to believe that their best interest lies in going it alone."

World Bank President Robert McNamara, whose responsibilities include Bank-affiliate IDA, was even more outspoken, calling the vote an "unmitigated disaster for hundreds of millions of people in the poorest nations of the world."

Expressions of support for the funding of IDA have also been voiced by such divergent groups as the National Rural Electric Cooperative Association, the Catholic Conference of Bishops, the YWCA, the United Auto Workers, and the League of Women Voters. People around the country are evidently concerned about the House action, and rightly so.

WHAT IS IDA?

To clear up any uncertainty about who is helped by the International Development Association, it should be noted that this organization—created in 1960, largely at the initiative of Congress, as a member of the World Bank Group—acts as a primary channel through which to direct long-term, interest-free loans—

not grants—to the most destitute of the world's countries. One criterion for loan recipients is a per capita annual income of $375 or less, and more than 70 percent of the loans have gone to the poorest of the poor, the 28 "have-not" nations with a total population of more than 1 million and a per capita annual income of $130 or less. This income figure is less than 3 percent of the estimated 1972 U.S. per capita annual income of $4,480.

While the terms of IDA loans are quite concessionary—50-year maturity period, 10-year grace period, no interest charge but an annual service charge of three-fourths of 1 percent—they are structured in this way, because the credits are concentrated in low-income countries with serious debt service problems where concessionary assistance is essential if economic growth is to occur. Projects to be funded are subjected to rigorous economic evaluation and selection by expert World Bank staff; thus, the funds are not open-ended but must be linked to specific, concrete program operations. Many of the projects are in the human resources sector and are designed to increase agricultural production, improve educational systems, and control population growth in the recipient countries. Other types of projects deal with small-scale industry, urbanization, and tourism.

For instance, in fiscal 1973, IDA's efforts included these loans, which are representative of the entire range of its operations: $9.5 million to Afghanistan for a livestock project involving development of 1,200 sheep farms; $7.5 million to Bangladesh for reestablishment of a modern rice and wheat seeds industry; $13.5 million to Indonesia for preparation, testing, production and free distribution of 138 million textbooks for primary school pupils; $6.6 million to Lebanon to help finance construction of 66 schools and teacher training institutes; $4 million to Mauritius for the establishment of an industrial park near the capital; and $5 million to Malaysia for a project to extend family planning and health services to rural areas.

Projects like these are urgently needed for recipients' development in "normal" times, but the activities of IDA have become even more critical in the current crisis conditions of drought in the Sahel Zone of Africa, a threefold rise in the price of imported grain threatening grain imports in India, Pakistan, and Bangladesh, and a fourfold jump in the price of Arab oil which means that the poor countries will have to either divert funds—not IDA funds, which cannot be diverted—from other areas to pay for the fuel or reduce fuel consumed for development projects. In conditions like these, IDA assistance can make the difference between survival and starvation.

Failure of the Congress to pass H.R. 11354 does not merely mean that IDA will limp along without U.S. funds. It means IDA will come to a grinding halt. Resources currently available to IDA are expected to be fully committed by the end of this fiscal year, June 30, 1974. The fourth replenishment of these resources, the U.S. contribution to which is contained in the bill, cannot become legally effective without U.S. participation. Under IDA procedures, no member country contribution shall become payable until 80 percent of the contributions have been pledged. This in effect means that, since the U.S. share of the contributions comes to 33 percent of the total, any IDA replenishment is effectively stalled until legislative approval for IDA funds is reached in the United States.

WHAT IDA IS NOT: BILATERAL FOREIGN AID

It is important to point out, Mr. Speaker, that the IDA replenishment bill does not represent the bilateral type of foreign aid legislation that has been subject to increasing criticism in recent years. On the contrary, it is an excellent example of an international burden sharing arrangement. In fact, it was precisely the complaint about inadequate burden sharing in foreign assistance that prompted the creation of the International Development Association 14 years ago, with 25 major donor states.

Moreover, the U.S. share of the burden has been declining with each successive replenishment of IDA's finances, as the following figures show:

1. Initial subscription: U.S. share—43 percent.
2. First replenishment: U.S. share—43 percent.
3. Second replenishment: U.S. share—40 percent.
4. Third replenishment: U.S. share—39 percent.
5. Fourth replenishment (H.R. 11354): U.S. share—33 percent.

We are now at the point where the other 24 donors put in $2 for every $1 the United States contributes. That strikes me as burdensharing at its best, and it has come about, because of actions like the tripling of the Japanese quota and a doubling of the West German quota.

Our contribution is declining in absolute terms, as well as in relative terms. By dividing our payments over 4 years, as IDA arrangements permit us to, instead of over the usual 3, our annual installment will be cut from the current $384 to $375 million.

REASONS FOR SUPPORTING REPLENISHMENT

I was pleased to note the results of a recent survey by the respected Overseas Development Council in which 68 percent of the respondents supported the principle of providing assistance to the poor countries. Even when faced with budgetary choices, nearly one out of every two Americans polled favored maintaining or increasing the allocation for foreign economic assistance.

Moreover, the survey showed Americans prefer programs aimed not at gaining short-term political advantage, but at alleviating such basic human problems as hunger and malnutrition, disease, and illiteracy.

These are exactly the kind of problems that IDA is designed to deal with. I was quite heartened to learn of this survey, because it shows that congressional support for IDA would be consistent with public opinion. When my colleagues in the House reconsider the IDA funding bill, which I hope they will, they should keep this public support for foreign economic assistance in mind.

MORAL REASONS

There are other reasons, of course, for supporting IDA funding and alining ourselves with the developing world, not the least of which is the moral reason. The United States, as the richest nation on Earth, has a moral obligation to be the world leader in providing economic assistance to those nations less fortunate than ours. In brief, we cannot live on a island of affluence in a sea of poverty. We seek to treat the problems of our own poor through income redistribution, health care delivery, and education, and we must be commited to these same issues abroad. The obligation to alleviate suffering exceeds any obstacles of race, creed, or nationality.

Granted that we have a multiplicity of problems here at home; we should still lend a helping hand to those poor nations willing to help themselves. Failure to do so, especially at a time when our share of the IDA lending burden is declining substantially, would severely tarnish our position of international leadership, and reflect a gross insensitivity to the plight of the great majority of the world's population. Moreover, we cannot expect other nations to carry their share of the burden if the richest member nation, the United States, refuses to do its part.

In sum, we should not give vent to our own economic frustrations by inflicting further suffering on impoverished foreign peoples.

POLITICAL REASONS

There are political and diplomatic reasons, as well, for supporting funding of IDA. Institutions such as IDA form a part of an international system of cooperation, with agreed-upon rules of economic behavior between nations, which, as former Secretary Shultz has pointed out, the United States is trying to improve and strengthen. From the viewpoint of foreign relations, IDA and other international financial institutions are an important part of the system that has developed since World War II to handle multilateral economic issues on a cooperative basis. The key here is cooperation. If the developing countries should come to feel that the United States is not doing its fair share in the financing of development projects, they could decide not to cooperate with us on any of a number of fronts. As Fred Bergsten has pointed out:

> The developing countries could drive up our prices of raw materials through cartelization and hence further exacerbate inflation, or even deny us those materials. They could take over our investments, or at least sharply increase their take—and reduce ours—from both existing and new investments. They could deny us markets. They could block changes which we seek in the international monetary and trading rules and institutions.

In short, the United States would be wise to help the developing countries meet their needs and thereby preempt taking actions that would have an adverse effect on our own progress. It is very much in our own national interest to maintain an atmosphere, as well as a system, of international economic cooperation. Support for IDA is an important way of doing so.

ECONOMIC REASONS

Congressional support for IDA makes economic good sense too, and this is perhaps the most important reason for the reconsideration and passage of H.R. 11354.

The world economy is not a one-way street; development assistance brings mutual benefits to industrialized and less developed nations alike. The fact is that our own welfare and progress are linked with the economic realities of the rest of the world. The developing world is important to the United States, not just politically, but economically as well.

How important? Our failure to support IDA could undermine reliable and vitally needed supplies of raw materials, energy, and minerals which our own economy will require for the future. The United States already depends on imports for over half its supply of 6 of the 13 basic raw materials, and Interior Department projections indicate that the number will rise to 9 out of 13 a decade from now. Less developed countries presently supply us with 99 percent of our imports of natural rubber, 79 percent of our imports of copper ore, 98 percent of our bauxite imports, and 62 percent of our oil imports.

Figures like these represent the culmination of a long-term trend: the United States changed from a net exporter of raw materials to a net importer of them back in the 1920's, and our dependence on foreign sources has been growing ever since.

Just as the LDC's are a market for the United States, we are a market for them. Our exports to the developing countries amounted to $14.6 billion in 1972, or about 30 percent of our total exports. These exports prevented our trade deficit from being worse than it was that year: our trade balance with the LDC's was in the black, though our overall trade deficit was $6 billion. They also helped to support the more than 5 million American jobs that are export oriented.

According to a recent study prepared by the Congressional Research Service at the request of the House Foreign Affairs Committee, U.S. participation in multilateral lending institutions is also balance of payments. The study reveals that, while total U.S. contributions to the World Bank and regional development banks since their inception have been $6.9 billion, the banks' payments to the United States for procurement, administrative expenses, interest on borrowed funds, and considerable investments in this country have totaled $9.6 billion, resulting in a $2.7 billion surplus. In the case of the IDA, its procurements in the United States through fiscal 1973 have amounted to $426 million.

IDA's budgetary impact is slight because of the manner in which IDA disbursements are made. As the distinguished floor manager of the bill, Congressman Gonzalez, pointed out during debate, while we are being asked to contribute $1.5 billion over a 4-year period, the budgetary impact will be spread out over a period of 10 years or more, with virtually no impact in the early years. This is because when IDA makes a commitment, it draws down its resources only as required to make progress payments on the projects being financed. The rest is kept in the U.S. Treasury. We only make the full authorization and appropriation, because it is required to make IDA commitments legal and binding. In other words, under the terms of the fourth replenishment we would have to appropriate $375 million in fiscal 1976, but that money would not necessarily be expended for several years; it would just be made available for IDA projects as needed.

CONCLUSION

The United States can easily afford to participate in the fourth replenishment of IDA's resources. Our annual IDA contributions now represent only three one-hundreths of 1 percent of our gross national product, and only one-tenth of 1 percent of our budget.

The question is, can we afford not to participate? I think not. Through IDA, the United States is in a strong position to influence developing countries to become more productive, more self reliant and less dependent on bilateral assistance. IDA offers a unique opportunity for us to improve our relationship with the third world—a group of nations that is very important to our continued economic growth.

In sum, support for H.R. 11354 is in our national interest and I urge my colleagues to give this bill favorable consideration whenever it reaches the floor again.

VOLUNTARY PUBLIC OPINION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Murphy) is recognized for 15 minutes.

Mr. MURPHY of Illinois. Mr. Speaker, I believe the mailing of questionnaires by Congressmen serves a dual purpose. Receiving the questionnaire makes the constituent aware the Congressman is soliciting his views. Tabulating the responses permits Members of Congress to keep their finger on the public pulse.

Many Congressmen are seriously interested in knowing what constituents think but fear they lack the background in statistical analysis to do an adequate job of sampling. The cost of hiring professional pollsters is often prohibitive.

Formulating the questions is an important part of the operation. The bias of the person asking the question must not be obvious and the questions must be concise and direct. Polling the district, moreover, can be a time-consuming and tedious venture. A considerable number of offices rely on interns to compile the results since the regular office staff simply lacks the time to assimilate all the data.

I am today introducing the Voluntary Public Opinion Act to assist Members in conducting public opinion polls and guarantee that the information gathered in polling is used rather than discarded or ignored. If constituents back home take the time and effort to complete questionnaires, the results should not simply be published in the Congressional Record and forgotten.

The Voluntary Public Opinion Act creates an Office of Congressional Polling to provide the expertise to do a professional job. The office staff will offer suggestions as to the wording of questions, the distribution of questionnaires and the tabulation of responses. The emphasis will be on statistically correct analysis.

The Voluntary Public Opinion Act authorizes the Speaker to appoint an office director with expertise in polling techniques. The office staff will submit quarterly reports to Congress summarizing the results of constituent polls. The office will then make these results available to the general public. Lobby groups, professional associations, and educational institutions will have access to current data on electorate moods and will therefore be better equipped to respond to the pressing needs of the people.

Passage of the Voluntary Public Opinion Act will add new dimensions to constituent polling. Although geographical differences preclude asking identical questions in all districts, certain questions are generally used by all. Comparisons of answers by district, State, and region are then endless.

The Office of Congressional Polling will provide the means to compare responses by people in San Francisco and Chicago and Boston but, more importantly, we can begin to analyze the reasons behind the different approaches.

Watergate has had a devastating effect on the confidence of the American people in their elected representatives. The low esteem reserved for Members of Congress comes as no surprise to any of us. Our goal should be to restore trust by listening to constituent opinion about priorities and then passing legislation to reorder the priorities. We must prove that responding to a questionnaire is not an exercise in futility, but a first step in tackling the many problems constituents face.

I view the Voluntary Public Opinion Act as a vehicle for this renewed confidence in Government officials. I enclose a complete text of the bill for your analysis:

H.R. 15178

To establish an office for the House of Representatives to assist Members of the House of Representatives in conducting public opinion polls

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Office of Congressional Polling Act".

Sec. 2. There is established in the House of Representatives an Office of Congressional Polling (hereinafter in this Act referred to as the "Office").

Sec. 3. The Office shall—

(1) conduct research into the drafting of public opinion questionnaires and methods of tabulating and analyzing the responses to such questionnaires; and

(2) provide technical assistance to any Member of the House of Representatives to assist in the planning and conducting of public opinion polls within his district.

Sec. 4. (a) The Office shall be headed by a Director who shall be appointed by the Speaker of the House of Representatives without regard to political affiliation and solely on the basis of fitness to perform the duties of the position.

(b) The Director shall be paid at a per annum gross rate equal to the rate of basic pay, as in effect from time to time, for level V of the Executive Schedule under section 6316 of title 5, United States Code.

SEC. 5. The Director shall, in accordance with policies and procedures approved by the Speaker, appoint and fix the pay of such personnel as may be necessary to carry out the functions of this Office at respective rates not more than the maximum rate of basic pay then currently paid under the General Schedule of section 5332 of title 5, United States Code. Any such appointment shall be made without regard to political affiliation and solely on the basis of fitness to perform the duties of the position.

SEC. 6. The Office shall make available to the public upon request and at cost of reproduction and mailing, all information developed from the research under section 3 of this Act and the results of the public opinion polls conducted by Members of the House of Representatives with the assistance of the Office.

SEC. 7. The Office shall submit to the House of Representatives quarterly reports which summarize the results of the public opinion polls conducted by Members of the House of Representatives with the assistance of the Office.

REDEDICATION OF THE FIELD MUSEUM OF NATURAL HISTORY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois (Mrs. COLLINS) is recognized for 10 minutes.

Mrs. COLLINS of Illinois. Mr. Speaker, Tuesday, June 25, 1974, marks a stirring event in the history of Chicago. On that day the people of Chicago and the Nation will give special recognition to one of Illinois' most ambitious and zealous partnerships of public and private support for scientific and cultural advancement. On that day, its 80th anniversary, the Field Museum will be rededicated; and attention will be focused upon the first major renovation of its present 53-year-old permanent facility.

On June 2, 1894, the Field Museum of Natural History opened to the public for the first time. Its first home was in Jackson Park, Chicago, in what had been the Palace of Fine Arts of the 1893 World's Columbian Exposition. In 1920, Field Museum collections were moved to its present site in Chicago's Grant Park.

Today, that houses one of the world's greatest collections—more than 13 million specimens—of natural history and ethnographic objects. Since 1921, this vast collection has held the attention of more than 66 million people. During 1973 alone, it was estimated that more than 1.1 million persons, including my son and I, visited Field Museum.

I am proud of the fact that the Field Museum not only continues its objectives of collection, education and exhibition, but stresses the underlying importance of basic research—the results of which have contributed to its ever-increasing role as an educator as it disseminates knowledge through its hundreds of exhibits and its special educational programs for scientific study and public utilization.

THE NEED FOR LAND USE LEGISLATION NOW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. UDALL) is recognized for 10 minutes.

Mr. UDALL. Mr. Speaker, I would like to bring to the Members' attention an editorial from the New York Times of June 3, 1974, concerning the Land Use Planning Act (H.R. 10294). Entitled "The Bill of the Year," this editorial highlights the importance of this legislation to the country and the need to enact it this year. The editorial follows:

BILL OF THE YEAR

> The House of Representatives is about to consider a bill that for the long view takes precedence over any other environmental legislation on the calendar. We refer to the land-use planning bill which the Administration's Congressional lieutenants unsuccessfully tried to smother in the Rules Committee.
>
> Contrary to the flood of propaganda generated in good part by the United States Chamber of Commerce, this bill—which is practically the same as one already passed by the Senate—does not call for or even remotely suggest national planning for the use of the country's remaining empty land. Far from taking power away from the states, it would encourage them to take back a power they surrendered to their local communities back in the 1920's and 1930's, when zoning first came extensively into practice.
>
> Local zoning controls were a reasonable and generally beneficial innovation when communities faced the need to prevent incompatible uses of the land. But it has become all too clear since then that they leave a huge and fatal gap in responsibility for land-use decisions that have statewide or regional impact. Local regulation alone can never deal adequately with such broad issues as the location of power plants, airports and highways. Nor on the preservation of farmland, the prevention of settlements on flood plains or the building of large housing developments beyond town or city limits but close to streams they can poison or marshland they can destroy.
>
> These and many other vitally important decisions belong to the states and can only be fruitfully made if they bring to them a high degree of coherence and foresight. Some states have adopted this comprehensive approach. Others have not. The bill now pending in the House would encourage all states to do so—with funds to be provided for the kind of far-sighted planning that is desperately needed if wooded areas are not to vanish, if new towns are not to be sadly misplaced, if the building of power and industrial plants is not to be endlessly delayed by last-minute community objections, if open land is not to give way to mindless sprawls linked by highways lined with neon-lighted motels and quick-food stands.
>
> Neither the House bill nor its Senate counterpart goes far enough. States would be at liberty to establish their own criteria or to ignore the program altogether if they chose. Unfortunately, no sanctions are provided. Nevertheless, the legislation would establish a national interest in the way the states dispose of the nation's ultimate resource—the land. It would strongly stimulate the trend—already noticeable—to substitute conscious development for haphazard proliferation, to preserve from irreversible decay a country inherently magnificent and, over a diminishing part of its area, still in its prime.

Mr. Speaker, the Land Use Planning Act of 1974 places major responsibility for the coordination of land use planning and management with State governments. It also requires that local governments play a major role in the overall land use process and program, but leaves the exact mix of responsibilities among State governments, regional planning commissions, county governments, local and municipal governments up to those various parties to decide.

Many States have established independent efforts to deal with land use problems and are looking to the Federal Government for guidance and help. Speedy approval of Federal land use legislation destined to provide financial and technical assistance to States could go a long way toward assuring that a level of consistency is developed among the various statewide programs.

More than a score of States have considered legislation to deal with mounting land use problems and pressures. Although most are anxious to begin coping with these issues in an effective way, they are waiting for a lead from Congress—some indication of what Federal support may be available and how States may qualify for that support. Some States now have comprehensive statewide land use legislation pending; others are working on critical areas legislation.

A number of States—Hawaii, Maryland, Oregon, Vermont, Utah, and Florida—already have faced urgent land use problems and have not been able to wait for congressional action. They have enacted legislation to answer their needs, hoping it will be compatible with whatever Federal legislation is finally developed. Art Ristau, director of State planning in Vermont, stated:

> The Land Use Planning Act would immeasurably assist us in Vermont, in our current efforts to formulate a statewide land use plan. Vermont's program is similar to the strategy contemplated by the Federal legislation. Federal financial assistance and guidance will give a considerable boost to the Vermont endeavor.

As States search for ways to deal with growth and land use problems, they seek examples—some form of background framework—that can point the way to development of compatible State and local programs. States also need the assurance that sufficient human and financial resources will be available to carry out land use programs as they are developed.

H.R. 10294 will provide a guide to States in the development of their land use programs and will make available—through grant-in-aid funds and technical assistance provisions—the resources States will need to assure that policy is transformed into action.

Federal legislative provisions—along with the guidelines, rules, and regulations—are intended to provide a minimum framework that States may use, with great flexibility, to deal with their unique problems. One provision, for example, suggests methods that State and local governments might use—on a State-by-State basis—to determine the portion of the mix of planning and management tasks each will assume in a new partnership of decisionmaking responsibility.

States with a strong tradition of home rule for local governments are expected to maintain that posture, while responsibilities in other States will be more widely shared. This legislation makes it clear that each State will decide its own procedures for developing a planning process. Federal funds are often applied to single purpose programs at the

State level, such as mass transit, air pollution and housing, without any central coordination for the integrated solution of these issues. More than $40 billion in funds from more than 120 different Federal programs are distributed to States each year. These programs often conflict with one another—highways planned and built with Federal funds, for example, lead to creation of additional air pollution that other Federal funds are trying to eliminate.

Development of land use planning legislation would provide the coordinative effort required to tie those loose ends of single-purpose planning together. Under the provisions of the proposed Federal legislation, funds would be made available for establishment of State and local planning organizations, establishment of data and information systems, creation of training programs for personnel from State and local governments, development of comprehensive planning processes and programs and establishment of mechanisms to assure greater public involvement in land use decisionmaking.

Local and State planning difficulties become more severe as this lack of coordination and adequate funding continues. Heavy constraints are placed upon public and private development in the absence of a more orderly planning process in many communities. Capital investment decisions by industry are often delayed in the face of uncertainties and conflicts surrounding community growth and citizen reaction. Capital improvement plans are more readily made in those communities where a mechanism of management for planning decisions is functionally effective now.

The Land Use Planning Act will provide more than direction and funding to the States. It will help coordinate and focus the technical resources of Federal agency programs to assist the States where they request it. The legislation provides for a system which will make Federal data and information more readily available to State and local governments. Earth resource information from the Geological Survey of the U.S. Department of the Interior, soil and land use data from the U.S. Department of Agriculture and economic data from the U.S. Department of Commerce can be put together in a way that will be useful to individual States and of significant value in interstate planning situations.

Federal legislation also would require the Federal Government to "get its house in order" by making Federal programs more consistent with the provisions and requirements of State land use plans. Federal management actions on public lands and the funding of federally supported projects and programs on private lands also would have to be consistent with one another. These consistency requirements would give States a stronger voice in Federal activities impacting Federal and non-Federal lands.

State and local governments will better serve their many constituencies, once the direction, funding, technical assistance, and Federal consistency they so desperately need is received.

If States are forced to move ahead without Federal legislation, the incompatible, inefficient and chaotic land use patterns are certain to magnify their adverse impact on the Nation.

RETIREMENT OF REPRESENTATIVE JOHN J. ROONEY OF NEW YORK

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ROONEY) is recognized for 10 minutes.

Mr. **ROONEY** of New York. Mr. Speaker, this coming Thursday I will have served 30 years in this distinguished body. I regret that I have to take this means at this time to advise all of my colleagues and longtime friends of a sad and painful decision I have been forced to reach. It is with sorrow and considerable heartache that I yield to the admonitions of my doctors and the pleas of my family not to be a candidate for reelection this year. I have been hospitalized six times since March 19, 1973.

I came to Washington as a freshman Member in the 2d session of the 78th Congress, fully determined to devote my complete energies and my full time to serving my constituents in Brooklyn's 14th Congressional District and the citizens of my country. I am proud to say that this determination has remained steadfast through each consecutive session of Congress to the present.

I hope, Mr. Speaker, that I may be forgiven if I speak with considerable pride in calling brief attention to the legislation in which I was fortunate in being able to play a significant role, both in its enactment and in its subsequent implementation with funds. Such legislative items include improvements in law and order and the control of crime; social security, medicare, and expanded welfare care; national defense measures; job and housing benefits; veterans' benefits; immigration and refugee help; and many other kindred measures, such as the approval of funds for hospitals and schools here and abroad.

I am indeed grateful for the rich experiences I have gained in this body. I have been permitted to make firm and lasting friendships with a host of leaders who, too, dedicated themselves to serve a grateful Nation.

I feel honored to have been allowed to play a personal role in more than a score of historic events that range from official inspection of the Western and Italian fronts in Europe in the winter of 1944, being an official observer at the first Bikini atom bomb test and later at the Japanese peace conference in San Francisco to more recent events that include the birth of the Commonwealth of Puerto Rico and the admission to the Union of the States of Alaska and Hawaii.

My longtime tenure as chairman of the subcommittee of the House Appropriations Committee which deals with the funding requests of the Departments of State, Justice, and Commerce, the Federal judiciary and related agencies gave me the opportunity to enjoy close working relationships and the friendship of the Secretaries of State who have served six Presidents, as have I. I am grateful, too, for my close relations with distinguished members of the judiciary and Departments of Justice and Commerce officials.

I shall always treasure the experiences gained from the committee work which took me abroad where I was privileged to meet with Kings, with prime ministers, and with heads of State and other officials whose names have been and are today prominent in world affairs. I am grateful, too, for the cooperation and courtesies extended to me by so many of our Ambassadors and members of our Foreign Service at our posts abroad.

I find it extremely difficult to adequately express my appreciation to you, Mr. Speaker, and to my many dear colleagues on both sides of the aisle for the many courtesies and assistance extended to me.

I wish to convey my deep gratitude to my constituents and to my faithful political friends of the 14th Congressional District for manifesting their trust in me by electing and reelecting me to 16 consecutive terms.

My warmest thanks go to the dedicated members of my staff not only in Washington but in my Brooklyn office.

I am grateful, too, to my many friends from all walks of life who faithfully helped me to carry out the duties and responsibilities of my work as a Member of Congress.

I want my many real friends from the press, radio, and television, who conscientiously and forthrightly reported the truth and undistorted facts, to know how grateful I am to them.

To my friends from labor's ranks, to Government workers, and to spiritual leaders from all religious faiths, I say thank you from the bottom of my heart.

Having made the decision not to be a candidate for relection this year, I find myself already possessed of a feeling of uncertainty and loss. I am unable to visualize a day-by-day existence devoid of the responsibilities and associations which have been my life the past 30 years. I confess that I have ignored leisure time pursuits and I have had little time to develop hobbies. My whole life has been wrapped up in the office to which I have been elected.

I sincerely trust that when my term expires, I can still be of service to my many warm friends and respected colleagues in this body. Until the day of my departure, health permitting, I shall do my utmost to carry on in the same manner known to most of you.

To you all I extend my warmest wishes for a full measure of health, happiness and success. This is not "Goodby" or "Farewell" but merely "So long, see you again."

AMENDMENT TO H.R. 10701, HIGH SEAS OIL PORT ACT

(Mrs. **SULLIVAN** asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. **SULLIVAN**. Mr. Speaker, later this week the House is scheduled to consider House Resolution 1139, which provides for the consideration of H.R. 10701, to provide for construction and operation of certain port facilities.

House Resolution 1139, granting a rule

to a bill reported by the Committee on Public Works, was the result of consideration of offshore port facilities in three committees of the House. As reported, the rule, in my opinion, is completely unfair to the House Merchant Marine and Fisheries Committee, in that the language of our bill is made in order as a substitute amendment only if the so-called Jones amendment is rejected. Under the circumstances, the House would be foreclosed under the rule from debating the two proposals on their respective merits.

In order to insure that the Members of the House will have the opportunity to consider an alternative to the Public Works bill outside the straitjacket imposed by the rule, it is my intention to propose an amendment, in the nature of a substitute, to the Jones amendment. The amendment, in the nature of a substitute, which I propose contains most of the features of the Merchant Marine and Fisheries Committee bill and its consideration will enable Members of the House to consider this important legislation in a rational manner. For the information of Members, the language of my proposed amendment is as follows:

That this Act may be cited as the "High Seas Oil Port Act".

DECLARATION OF POLICY

SEC. 2. (a) FINDINGS.—The Congress finds—

(1) that the Nation's energy requirements will continue to increase for the foreseeable future and that energy demands will increasingly exceed available domestic sources of energy supply;

(2) that technological, economic, and environmental factors which will directly affect other potential sources of energy supply may dictate that the increased energy demand be met, for at least the near future, largely by the utilization of oil as the source of energy supply and that a substantial part of the needed oil must be imported from foreign sources;

(3) that the economic use of resources, the necessity for improving the national balance-of-payments position, the interest in transportation efficiency, and the maintenance of a competitive position in world trade demand the utilization of increasingly larger vessels to transport the needed quantities of foreign oil;

(4) that the physical limitations of present ports and port facilities in the United States render them incapable of accommodating the larger tankers that will be needed, and that it is not feasible, either economically or environmentally, to deepen the port waters and expand the port facilities to the extent required for the needed accommodation;

(5) that, as an alternative solution, the use of smaller tankers which can be accommodated in the port areas of the United States would result in substantially increased port congestion and would constitute a massive threat, from environmental and safety viewpoints, from the increased vessel traffic and the expanded oil transfer activities;

(6) that the construction of a significant number of high seas oil ports, located in areas where existing water depths will permit the accommodation of the deep draft vessels needed, will be both economically advantageous and environmentally sound;

(7) that the licensing of such ports as to location, construction standards, and operational regulations is a matter primarily of national interest, and that the shoreside impact of such ports is a matter of both national and local interest; and

(8) that the construction and operation of high seas oil ports, in accordance with the provisions of this Act, in waters superjacent to the Continental Shelf of the United States would be a reasonable use of the high seas and would be consistent with recognized principles of international law.

(b) PURPOSES.—The Congress declares that the purposes of this Act are—

(1) to authorize the Secretary of the Interior to grant to eligible applicants licenses for the construction of high seas oil ports;

(2) to authorize the Secretary of the Department in which the Coast Guard is operating to issue necessary and reasonable regulations for the operation of high seas ports;

(3) to minimize any adverse impact on the marine environment which may result from the construction or operation of high seas oil ports; and

(4) to insure that all reasonable precautions are taken to protect the national interests of the United States in the construction and operation of high seas oil ports and to protect the national and local interests involved in the impact of such construction and operation on adjacent coastal States.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(a) "High seas oil port" or "oil port" means, in a structural sense, any complex, consisting of a permanently sited structure or structures, located in, or subjacent to, the offshore coastal waters of the United States, operated as a means for the unloading and further handling of petroleum or petroleum products for transshipment to the United States. The term includes all necessary components, such as vessel mooring facilities, storage facilities, cargo hose systems, pumping stations, operational platforms, pipelines, and their associated equipment and appurtenances. The term also includes any pipeline segment, lying in or subjacent to the territorial sea of the United States, designed to connect a component of the oil port to facilities located landward of the base line from which the territorial sea is measured. In a geographical sense, a high seas oil port shall consist of a circular zone, the center of which is the port reference point, and the diameter of which is not less than two, and not more than four nautical miles.

(b) "Offshore coastal waters of the United States" means the high seas, outside the territorial sea, superjacent to the Continental Shelf of the United States, as the latter term is delineated by the provisions of article 1 of the Convention on the Continental Shelf (15 U.S.T. 471; TIAS 5578).

(c) "United States" or "State" includes the several States, the District of Columbia, the territories and possessions of the United States, and the Commonwealth of Puerto Rico.

(d) "Coastal State" means any State in, or bordering on, the Atlantic, Pacific, or Arctic Ocean, or Gulf of Mexico.

(e) "Adjacent coastal State" means, as to a high seas oil port (either existing or proposed), a coastal State any point of which lies within ten miles of the high seas oil port, as that term is used in either a structural or geographical sense.

(f) "Port reference point" means a point designated by the Secretary of the Interior and defined by coordinates of latitude and longitude, located as nearly as possible at the center of activity of a high seas oil port.

(g) "Person" includes private individuals, associations, corporations or other entities, and any officer, employee, agent, department, agency, or instrumentality of the Federal Government, of any State or local unit of government, or of any foreign government.

(h) "Eligible applicant" means any citizen, or group of citizens, of the United States, any private corporation, or other private entity, created pursuant to the laws of the United States or of any State, or any public authority created, pursuant to Federal or State law, for the purpose of constructing and operating a high seas oil port. To qualify as an eligible applicant, any such private corporation or other private entity must have as its president or other chief executive officer and as its chairman of the board of directors, or holder of a similar office, a citizen of the United States and may have no more of its directors who are not citizens of the United States than constitute a minority of the number required for a quorum necessary to conduct the business of the board.

(i) "Marine environment" means the offshore coastal waters of the United States; the coastal waters of a State, containing a measurable quantity or percentage of seawater, including, but not limited to, bays, sounds, lagoons bayous, salt ponds, and estuaries; the living and nonliving resources of all such waters; and the economic, recreational, and esthetic values of those waters and their resources.

ACTIVITIES PROHIBITED

SEC. 4. (a) Except as specifically authorized by the laws of the United States (including the provisions of this Act), or pursuant to an authorized Federal program, no person may construct, maintain, or operate a high seas oil port or any other fixed structure in the offshore coastal waters of the United States.

(b) A high seas oil port, licensed pursuant to the provisions of this Act, may not be utilized—

(1) for the unloading of commodities or materials transported from the United States, other than materials to be used in the construction, maintenance, or operation of the high seas oil port, or to be used as ship supplies, including bunkering, for vessels utilizing the high seas oil port.

(2) for the transshipment of commodities or materials, to the United States, other than petroleum or petroleum products,

(3) except in cases where the Secretary of the Interior otherwise by rule provides, for the transshipment of petroleum or petroleum products, destined for locations outside the United States,

(4) for the transportation of minerals, including oil and gas, which have been extracted from the subsoil or seabed of the Continental Shelf of the United States, in the coastal area in which the high seas oil port is located, nor

(5) by carriers of petroleum or petroleum products, unless such carriers are equipped with collision avoidance radar systems which meet or exceed such systems as are required by the United States Maritime Administration of vessels built with the assistance of United States Government subsidies.

TITLE I—CONSTRUCTION OF HIGH SEAS OIL PORTS

DEFINITION

SEC. 101. For the purposes of this title, the term "Secretary" means, except where its usage specifically indicates otherwise, the Secretary of the Interior.

LICENSE TO CONSTRUCT

SEC. 102. (a) GENERAL.—Pursuant to the provisions of this title, the Secretary may issue to any eligible applicant a license to construct a high seas oil port, if the Secretary, after consultation with other appropriate Federal agencies and departments, first determines—

(1) that the applicant is financially responsible and has demonstrated the ability to comply with applicable laws, regulations, and license conditions;

(2) that operations under the license will

not adversely affect competition or result in restraint of trade;

(3) that the construction and operation of the high seas oil port will not pose an unreasonable threat to the integrity of the marine environment in which it is to be located, and that all reasonable precautions will be taken to minimize any adverse impact, actual or potential, on the marine environment, including the marine environment of any adjacent coastal State;

(4) that the high seas oil port will not unreasonably interfere with international navigation or other reasonable uses of the high seas, as defined by any treaty or convention to which the United States is signatory, or by customary international law;

(5) that the issuance of a license does not conflict otherwise with the international obligations of the United States;

(6) that the issuance of a license will not be contrary to the national security interests of the United States;

(7) that the location of a high seas oil port in the area for which the license is issued is in the national interest and will meet national needs, or regional needs, or both; and

(8) that the overall benefits resulting from the construction and operation of a high seas oil port will be greater than any potential adverse impact on existing nearby ports.

(b) TERMS OF LICENSE.—Any license issued under the provisions of this title shall be for a term of five years and may be extended for such additional period of time as the Secretary finds is reasonably necessary for the completion of construction. Such license shall be converted into a license to operate the oil port in accordance with the provisions of title II of this Act.

(c) TRANSFER OF LICENSE.—Upon the application of a licensee, the Secretary may transfer a license issued under this title when he determine that the proposed transferee qualifies as an eligible applicant and otherwise meets the requirements of this title.

(d) LICENSE CONDITIONS.—(1) The Secretary is authorized to include in any license issued, or transferred, under this title, any reasonable conditions which he finds necessary to carry out the purposes of this Act. Such conditions shall include, but need not be limited to—

(A) such construction schedule requirements as the Secretary finds necessary to assure prompt and effective implementation of the license by the licensee;

(B) such fees as the Secretary may prescribe as reimbursement to the United States for administrative and other costs incurred in processing the application for, and in monitoring the construction of, the high seas oil port;

(C) such fees as the Secretary may prescribe as the fair market rental value of the subsoil and seabed subjacent to the high seas oil port, including the fair market rental value of the right-of-way necessary for the pipeline segment lying outside the seaward boundaries of any State as that term is defined in the Submerged Lands Act (67 Stat. 29; 43 U.S.C. 1301–1315);

(D) such measures as the Secretary may prescribe to prevent or minimize any adverse impact of the construction on the marine environment, including the marine environment of any adjacent coastal State;

(E) such requirements as the Secretary may find necessary to insure that, during the period of the license, the licensee shall continue to meet the qualifications required of an eligible applicant;

(F) such requirements as the Secretary may find necessary in order to insure nondiscriminatory access to the oil port at reasonable rates; and

(G) such bonding requirements or other assurances as the Secretary may find necessary in order to insure that, upon the revocation or surrender of a license, the licensee will remove from the seabed and subsoil all components of the high seas oil port: *Provide,* That in the case of components lying in the subsoil below the seabed, the Secretary is authorized to waive the removal requirements if he finds that such removal is not otherwise necessary and that the remaining components do not constitute any threat to navigation or to the environment: *Provided further,* That, at the request of the licensee, the Secretary is authorized to waive the removal requirement as to any components which he determines may be utilized in connection with the transportation of oil, natural gas, or other minerals, pursuant to a lease granted under the provisions of the Outer Continental Shelf Lands Act (67 Stat. 462), after which waiver the utilization of such components shall be governed by the terms of the Outer Continental Shelf Lands Act.

(2) Prior to including any license condition which is designed to continue to be applicable after the license to construct is converted to a license to operate, pursuant to title II of this Act, the Secretary shall consult with, and give full consideration to the views of, the Secretary of the Department in which the Coast Guard is operating.

ENVIRONMENTAL CONSIDERATIONS

SEC. 103. (a) CRITERIA.—Prior to the issuance of a license under section 102 of this title, the Secretary, after consultation with other appropriate Federal agencies and departments, shall establish and apply, and may from time to time revise, criteria for evaluating the potential impact of the construction or operation of the proposed high seas oil port on the marine environment, including the marine environment of any adjacent coastal State. Such criteria shall include, but are not limited to—

(1) effects on aquatic plants and animals;

(2) effects on ocean currents or wave patterns, and on nearby shorelines or beaches, including bays and estuaries and other features of the coastal zone of any affected coastal State;

(3) effects on other uses of the high seas area, such as navigation, fishing, aquaculture, and scientific research;

(4) effects on other uses of the subjacent seabed and subsoil such as exploitation of resources and the laying of cables and pipelines;

(5) the dangers to any components of the oil port which might be occasioned by waves, winds, and other natural phenomena, and the steps which can be taken to protect against such dangers;

(6) effects on esthetic and recreational values;

(7) effects of land-based developments which are related to port development;

(8) effects on public health and welfare; and

(9) such other considerations as the Secretary finds reasonably necessary to fully evaluate the impact of any high seas oil port.

(b) ENVIRONMENTAL IMPACT STATEMENT.—In connection with the grant or denial of an application for a license under this title, the action of the Secretary will constitute a major Federal action in the sense of section 102(2)(C) of the National Environmental Policy Act of 1969 (83 Stat. 852), and the requirements of that Act will be applied accordingly.

LICENSING PROCEDURES

SEC. 104. (a) GENERAL.—The Secretary is authorized to issue reasonable rules and regulations prescribing procedures governing the application for and the issuance of licenses pursuant to this title. Such rules and regulations shall be issued in accordance with section 553 of title 5, United States Code, without regard to subsection (a) thereof. Such rules and regulations shall contain a mechanism for full consultation and cooperation with all other interested Federal agencies and departments and with any affected adjacent coastal State, and for the consideration of the views of any interested members of the general public.

(b) LICENSE APPLICATION.—Each application shall contain such financial, technical, and other information as the Secretary may find neecssary to evaluate the application. Such information shall include, but is not limited to—

(1) the specific location of the proposed high seas oil port including all components thereof;

(2) the type and design of facilities;

(3) where construction in phases is intended, the detailed descriptions of each phase, including the specific components thereof;

(4) the financial and technical capabilities of the applicant to construct and operate the oil port;

(5) the qualifications of the applicant to hold a license under this title, including, in the case of a private corporation or other private entity, necessary information relating to the citizenship of its officers and directors;

(6) an agreement that there will be no material change from the submitted plans without prior approval in writing from the Secretary;

(7) an agreement that the licensee, upon acceptance of the license, will comply with all conditions attached thereto; and

(8) an agreement that the licensee, upon termination of the license, pursuant to the provisions of this Act, will remove all components of the oil port from the seabed and subsoil, in accordance with the license conditions included pursuant to subsection 102 (d) hereof.

(c) PUBLIC ACCESS TO INFORMATION.—(1) Copies of any communications, documents, reports, or information received or sent by any applicant shall be made available to the public upon identificable request, and at reasonable cost, unless such information may not be publicly released under the terms of paragraph (2) of this section.

(2) The Secretary shall not disclose information obtained by him under this section which concerns or relates to a trade secret referred to in section 1905 of title 18, United States Code, except that such information—

(A) shall be disclosed,

(i) upon request, on a confidential basis, to a committee of Congress having jurisdiction over the subject matter to which the information relates, and

(ii) in any judicial proceedings under a court order formulated to preserve the confidentiality of such information without impairing the proceedings; and

(B) may be disclosed,

(i) upon request, on a confidential basis, to another Federal department or agency, and

(ii) to the public in order to protect public health and safety after notice and opportunity for comment in writing, or for discussion in closed session within fifteen days, by the party from which the information was obtained (if the delay resulting from such notice and opportunity for comment or discussion would not be detrimental to the public health and safety).

(3) Nothing contained in this subsection shall be construed to require the release of any information described by subsection (b) of section 552 of title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

(d) AGENCY CONSULTATION.—(1) Notwithstanding any other provision of law, an application filed with the Secretary for a license under this title shall constitute an application for all Federal authorizations required for construction of a high seas oil port. The Secretary will furnish a copy of the application to all other Federal departments or agencies which would otherwise have permit authority over any aspect of the proposed construction and shall insure that the application contains all the information which would have otherwise been required by those agencies.

(2) Upon receipt of its copy of the application, each department or agency involved shall review the information contained therein and, based upon legal considerations within its area of responsibility, recommend to the Secretary the approval or disapproval of the application. In any case in which a department or agency recommends disapproval, it shall set out in detail the manner in which the application does not comply with any law or regulation within its area of responsibility and shall notify the Secretary how the application may be amended so as to bring it into compliance with the law or regulation involved. The failure of any department or agency to forward its recommendation to the Secretary within sixty days after receiving a copy of the application shall be conclusively presumed as a recommendation by that department or agency that the application be approved.

(e) COORDINATION WITH ADJACENT COASTAL STATES.—(1) Prior to issuing a license under this title, the Secretary shall consult with, and give full consideration to the views of, the responsible officials of any adjacent coastal State.

(2) When an adjacent coastal State has an existing State program controlling, or other legislative requirements related to, land or water uses, upon which the construction of a high seas oil port will have a direct impact, the applicant shall include, in his application to the Secretary, a certification that in the applicant's best judgment the issuance of the license applied for would be consistent with applicable State requirements. At the same time, the applicant shall furnish to the appropriate State officials a copy of the certification, with all necessary information and data. After completion of its established procedures for the consideration of such matters, the State involved shall, at the earliest practicable time, notify the Secretary that the State concurs with, or disagrees with, the applicant's certification, and in case of disagreement, the State shall specify the manner in which the certification is in error. The State shall also indicate how the application may be brought into compliance with State requirements, if such compliance is possible. In the event that the State fails to furnish the required notification of concurrence or disagreement, within six months after receipt of its copy of the applicant's certification, the State's concurrence with the certification shall be conclusively presumed. The Secretary may not grant a license under this title until the State has concurred with the application or until, by its failure to act, the State's concurrence is conclusively presumed.

(3) In addition to following the procedures outlined in paragraph (2) thereof, the Secretary shall also take into account the views of appropriate officials of any State which will be indirectly affected by the issuance of a license under this title, to the extent that the overall project will have a secondary impact on that State because of needs related to the addition or expansion of supporting landside facilities or the furnishing of expanded services.

(f) NOTICES, HEARINGS, AND REVIEW.—(1) Within thirty days after receipt of an application filed under subsection (b) hereof, and prior to granting any license, the Secretary shall publish in the Federal Register a notice containing a summary of the application and information as to where the application and supporting data required by subsection (b) may be examined, allowing interested persons at least sixty days for the submission of written data, views, or arguments relevant to the grant of the license, with or without opportunity for oral presentation. Such notice shall also be furnished to the Governor of each adjacent coastal State, and the Secretary shall utilize such additional methods as he deems reasonable to inform interested persons and groups about the proceeding and to invite comments therefrom. Each such publication shall provide for a hearing or hearings which shall take place in the adjacent coastal State. After the completion of all hearings, the presiding officer shall submit to the Secretary a report of his findings and recommendations, and the participants in the hearings shall have an opportunity to comment thereon.

(2) The Secretary's decision granting or denying the license shall be in writing and shall be made within one hundred and twenty days following the conclusion of all hearings. The decision shall include a discussion of the issues raised in the proceeding and his conclusions thereon and findings on the issues of fact considered at any hearing. The decision shall be accompanied by the environmental impact statement as required by section 102(2)(C) of the National Environmental Policy Act of 1969.

(3) Judicial review of the Secretary's decision shall be in accordance with sections 701–706 of title 5, United States Code. A person shall be deemed to be aggrieved by agency action within the meaning of this Act if he—

(A) has participated in the administrative proceedings before the Secretary (or if he did not so participate, he can show that his failure to do so was caused by the Secretary's failure to provide the notice required by this subsection) and

(B) is adversely affected by the agency action or asserts an interest and speaks knowingly for the environmental values asserted to be involved in the suit.

SUSPENSION OR REVOCATION OF LICENSE TO CONSTRUCT

SEC. 105. (a) Whenever a licensee, holding a license to construct, fails to comply with any applicable provision of this title or any applicable rule, regulation, restriction, or condition issued or imposed by the Secretary under the authority of this title, the Attorney General, at the request of the Secretary, may file an appropriate action in the United States district court nearest to the location of the high seas oil port to be constructed or in the district in which the licensee resides or may be found, to—

(1) suspend operations under the license; or

(2) if such failure is knowing and continues for a period of thirty days after the Secretary mails notification of such failure by registered letter to the licensee at his record post office address, revoke such license.

(b) When the licensee's failure to comply, in the judgment of the Secretary, creates a serious threat to the environment, the Secretary, in lieu of the action authorized under subsection (a), may suspend operations under the license forthwith and notify the licensee accordingly. Such suspension shall constitute final agency action for the purposes of section 704 of title 5, United States Code.

CERTIFICATION OF COMPLETION OF CONSTRUCTION

SEC. 106. (a) Upon completion of construction of a high seas oil port, the licensee shall notify the Secretary of such completion and of his readiness to commence operation of the oil port. Upon receipt of such notification, the Secretary shall cause an inspection to be made to assure himself that the licensee has completed construction in accordance with the license including the conditions specified by the Secretary under section 102 of this title. If necessary, the Secretary may require such corrective measures as may be necessary to bring the construction into conformance with the provisions of this title.

(b) When the license to construct authorizes construction in designated phases, the licensee may notify the Secretary of the completion of a designated phase, and, upon the request of the licensee, the Secretary shall invoke the procedures of subsection (a) hereof, as if the construction had been fully completed. Subsequent phase completions shall be similarly treated.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 107. There are authorized to be appropriated for fiscal year 1974 and for each of the two succeeding fiscal years such sums not exceeding $500,000 for any fiscal year, for the administration of this title, and for succeeding fiscal years only such sums as may be specifically authorized by law.

TITLE II—OPERATION OF HIGH SEAS OIL PORTS

DEFINITION

SEC. 201. For the purposes of this title, the term "Secretary" means, except where its usage specifically indicates otherwise, the Secretary of the department in which the Coast Guard is operating.

LICENSE TO OPERATE

SEC. 202. (a) GENERAL.—Upon receipt of the certification of the Secretary of the Interior, as required by section 106 of title I of this Act and subject to the provisions of subsection (b) hereof, the Secretary shall convert the license to construct a high seas oil port to a license to operate the oil port.

(b) DURATION AND RENEWAL OF LICENSE.—Each license converted, or renewed, pursuant to this title shall be limited to a reasonable term in light of all circumstances concerning the project, but in no event for a term of more than thirty years. In determining the duration of the license, as converted or as renewed, the Secretary shall, among other things, take into consideration the cost of the facility, its useful life, and any public purpose it serves. Upon the expiration of any licensing period, and on application of the licensee, the Secretary shall renew any such license: *Provided*, That at the time of the renewal, the high seas oil port is in commercial operation, is operating in accordance with the public interest, and the licensee is otherwise in compliance with the conditions of the licensee, with the requirements of this title and the regulations issued pursuant thereto, and with such other provisions of law as are applicable.

RULES AND REGULATIONS

SEC. 203. (a) GENERAL.—The Secretary is authorized to issue reasonable rules and regulations prescribing procedures under which the high seas oil ports shall be operated. Such rules and regulations shall be issued in accordance with section 553 of title 5, United States Code, without regard to the limitations of subsection (a) thereof. They shall include, but not be limited to port operations, vessel movements, pilotage requirements, maximum vessel drafts, designation and marking of anchorage areas, facility maintenance, personnel health and safety measures, and the provision of all equipment necessary to prevent or minimize pollution of the marine environment, to clean up any pollutants which may be discharged, and to otherwise prevent or minimize any adverse impact from the operation of the oil port.

(b) LIGHTS AND OTHER WARNING DEVICES AND SAFETY EQUIPMENT.—The Secretary may issue and enforce such reasonable regulations with respect to lights and other warning devices, safety equipment, and other matters relating to the promotion of safety of life and property on high seas oil ports or on the waters adjacent thereto as he may deem necessary.

(c) Protection of Navigation.—The Secretary may mark for the protection of navigation any component of high seas oil port whenever the licensee has failed suitably to mark the same in accordance with regulations issued hereunder, and the licensee shall pay the cost thereof.

(d) Safety Zones.—Subject to recognized principles of international law, the Secretary, after consultation with the Secretary of State, the Secretary of Defense, and the Secretary of the Interior, shall designate a safety zone, surrounding any high seas oil port licensed under this Act, every point in the perimeter of which lies not less than two, and not more than ten, nautical miles from the port reference point. No other installations, structures, or uses incompatible with the operation of the high seas oil port will be permitted within the safety zone. The Secretary shall issue necessary rules and regulations relating to permitted activities within such zone. In promulgating such rules, the Secretary shall consult with the Secretary of State to insure that the rules are consistent with the international obligations of the United States.

(e) Special Regulations for Safety of Navigation.—In addition to any other regulations, the Secretary, after consultation with the Secretary of the Interior, is authorized to establish a safety zone in the manner described in subsection (d) hereof, and to issue reasonable rules and regulations relating thereto, to be effective during the construction of a high seas oil port for the purpose of protecting navigation in the vicinity of the construction.

APPLICABLE LAWS

Sec. 204. (a) General.—High seas oil ports licensed under this Act do not possess the status of islands and have no territorial seas of their own. Except as specifically provided otherwise in this section, the Constitution and the laws and treaties of the United States shall apply to such high seas oil ports in accordance with their location on the high seas.

(b) State Laws.—State taxation laws shall not apply to any high seas oil port or to any component thereof located outside the tax jurisdiction of the State. In other respects, and to the extent that they are not inconsistent with the provisions of this Act or the regulations issued pursuant thereto, or with other Federal laws and regulations now in effect or hereafter adopted, the civil and criminal laws of the State nearest to the high seas oil port, now in effect or hereafter adopted, are declared to be the law of the United States for the high seas oil port.

(c) Navigable Waters of the United States.—For the purposes of title I of the Ports and Waterways Safety Act of 1972 (86 Stat. 424; 33 U.S.C. 1221–1227); of titles 52 and 53 of the Revised Statutes of the United States, and of Acts amendatory and supplementary thereto, including, but not limited to, sections 4472 and 4417a thereof, as amended (46 U.S.C. 170, 391a); of title II of the Act of June 15, 1917 (40 Stat. 220), as amended (50 U.S.C. 191–194); and of sections 311 and 312 of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1321–1322), high seas oil ports, licensed under this Act, shall be deemed to be located within the navigable waters of the United States.

(d) Port or Place Within the United States.—For the purposes of the International Voyage Load Line Act of 1973 (87 Stat. 418); of the Coastwise Load Line Act, 1935 (49 Stat. 891), as amended (46 U.S.C. 88–88i); of section 4370 of the Revised Statutes of the United States, as amended (46 U.S.C. 316); of section 8 of the Act of June 19, 1886 (24 Stat. 81; 46 U.S.C. 289); of section 27 of the Act of June 5, 1920 (41 Stat. 998) as amended (46 U.S.C. 883); and of title I of the Marine Protection, Research, and Sanctuaries Act of 1972 (86 Stat. 1052; 33 U.S.C. 1401–1421), high seas oil ports, licensed under this Act, shall be deemed to be ports or places within the United States.

(e) Transportation Between States: Common Carrier.—For the purposes of chapter 39 of title 18, United States Code (18 U.S.C. 831–837), and part 1 of the Interstate Commerce Act (24 Stat. 379), as amended (49 U.S.C. 1–27), movement of petroleum or petroleum products by a pipeline component of a high seas oil port, licensed under this Act, from outside, to within, the territorial jurisdiction of any coastal State shall be deemed to be transportation or commerce from one State to another State, and the licensee shall be deemed to be a common carrier for all purposes of regulation by the Interstate Commerce Commission and by the Secretary of Transportation.

(f) Compensation for Injury.—With respect to disability or death of an employee resulting from any injury occurring in connection with the construction, maintenance, or operations of, a high seas oil port, compensation shall be payable under the provisions of the Longshoremen's and Harbor Workers' Compensation Act (44 Stat. 1424) as amended (33 U.S.C. 901–950). For the purposes of applying that Act to high seas oil ports—

(1) the term "employee" does not include a master or a crewmember of any vessel, or an officer or employee of the United States or any agency thereof, or of any State, or foreign government, or of any political subdivision;

(2) employment in the construction, maintenance, or operation of a high seas oil port shall be deemed to be "maritime employment"; and

(3) high seas oil ports shall be deemed to be located in the navigable waters of the United States.

(g) Labor Disputes.—For the purposes of the National Labor Relations Act (61 Stat. 136), as amended (29 U.S.C. 151–168), any unfair labor practices, as defined in that Act, occurring upon a high seas oil port, shall be deemed to have occurred within the nearest judicial district located in the coastal State nearest to the location of the oil port.

(h) Special Maritime and Territorial Jurisdiction.—For the purposes of section 7 of title 18, United States Code, high seas oil ports, licensed under this Act, shall be deemed to be within the special maritime and territorial jurisdiction of the United States.

(i) Customs Laws.—The custom laws of the United States shall not apply to any high seas oil port licensed under this Act, but all foreign articles to be used in the construction of any such high seas oil port, including any component thereof, shall first be made subject to a consumption entry in the United States and all applicable duties and taxes, which would be imposed upon or by reason of their importation if they were imported for consumption in the United States, shall be paid thereon in accordance with the laws applicable to merchandise imported into the customs territory of the United States.

FOREIGN-FLAG VESSELS

Sec. 205. Except in a situation involving force majeure, a licensee of a high seas oil port may not permit a vessel, registered in or flying the flag of a foreign state, to call at, or otherwise utilize, a high seas oil port licensed under this Act unless (a) the foreign-flag state involved, by specific agreement, or otherwise, has agreed to recognize the jurisdiction of the United States over the vessel and its personnel, in accordance with the provisions of this Act, while the vessel is at the high seas oil port, and (b) the vessel owner, or bareboat charterer, has designated an agent in the United States for the service of process in the case of any claim or legal proceeding resulting from the activities of the vessel or its personnel while at the high seas oil port.

INTERNATIONAL COOPERATION

Sec. 206. The Secretary of State, in consultation with the Secretary, shall seek effective international action and cooperation in support of the policy of this Act and may, for this purpose, formulate, present, or support specific proposals in the United Nations and other competent international organizations for the development of appropriate international rules and regulations relative to the construction and operation of high seas oil ports, with particular regard for measures to promote the safety of navigation in the vicinity thereof.

OFFICIAL ACCESS

Sec. 207. All United States officials, including those officials responsible for the implementation and enforcement of United States laws applicable to a high seas oil port, shall at all times be afforded reasonable access to a high seas oil port licensed under this Act for the purpose of enforcing laws under their jurisdiction or otherwise carrying out their responsibilities.

PENALTIES

Sec. 208. (a) Any person who violates any provision of this title or any rule or regulation issued pursuant to section 203 hereof shall be liable to a civil penalty of $10,000 for each day during which the violation continues. The penalty shall be assessed by the Secretary, who, in determining the amount of the penalty, shall consider the gravity of the violation, any prior violation, and the demonstrated good faith of the person charged in attempting to achieve rapid compliance after notification of the violation. No penalty may be assessed until the person charged shall have been given notice of the violation involved and an opportunity for a hearing. For good cause shown, the Secretary may remit or mitigate any penalty assessed. Upon failure of the person charged to pay an assessed penalty, the Secretary may request the Attorney General to commence an action in the appropriate district court of the United States for collection of the penalty, without regard to the amount involved, together with such other relief as may be appropriate.

(b) In addition to any other penalty, any person who willfully and knowingly violates any provision of this title, or any rule or regulation issued pursuant to section 203 hereof, shall be punished by a fine of not more than $25,000 for each day during which such offense occurs.

(c) Any vessel, except a public vessel engaged in noncommercial activities, used in a violation of this title or of any rule or regulation issued pursuant to section 203 hereof, shall be liable in rem for any civil penalty assessed or criminal fine imposed and may be proceeded against in any district court of the United States having jurisdiction thereof; but no vessel shall be liable unless it shall appear that one or more of the owners, or bareboat charterers, was at the time of the violation, a consenting party or privy to such violation.

SUSPENSION OR REVOCATION OF LICENSE

Sec. 209. (a) Whenever a licensee, holding a license to operate, fails to comply with any applicable provision of this title or any applicable rule, regulation, restriction, or license condition issued or imposed under the authority of this Act, or fails to operate the high seas oil port consistent with the policy of this Act, by denying reasonable access or otherwise unreasonably restricting the amount of petroleum or petroleum products received at the oil port or transshipped to the United States, the Attorney General, at the request of the Secretary, may file an appropriate action in the United States district court nearest to the location of the high seas oil port or in the district in which the licensee resides or may be found, to—

(1) suspend operations under the license; or

(2) if such failure is knowing and continues for a period of thirty days after the Secretary mails notification of such failure by registered letter to the license at his record post office address, revoke such license.

(b) When the licensee's failure to comply, in the judgment of the Secretary, creates a serious threat to the environment, the Secretary, in lieu of the action authorized under subsection (a), may suspend operations under the license forthwith. Such suspensions shall constitute final agency action for the purposes of section 706 of title 5, United States Code.

(c) In any case in which a license is revoked under subsection (a) hereof, the Secretary, in lieu of requiring or permitting the licensee to remove any of the components of the high seas oil port, may—

(1) order forfeited the posted bond or, in the absence of a bond, collect payment of a sum of money representing the other assurances given under section 102(d)(1)(G),

(2) take custody of the high seas oil port, and

(3) transfer the license to any other eligible applicant, with payment from the new licensee for the value of the high seas oil port, such value to be determined by the Secretary and such payment thereafter to be transferred by the Secretary to the former licensee.

(d) In any case in which a license is suspended under subsection (a) or subsection (b) hereof, the Secretary, after assuring himself that the basis for the suspension has been removed and that future operations will be conducted in accordance with applicable provisions of this title and with applicable rules, regulations, restrictions, and license conditions, may lift the suspension and reinstitute the license.

AUTHORITY FOR RESEARCH ACTIVITIES

SEC. 210. (a) The Secretary in cooperation with other Federal agencies of the Government, or not, as may be in the national interest, shall—

(1) engage in such research, studies, experiments, and demonstrations as he deems appropriate with respect to (A) the removal from waters of oil spilled incident to high seas oil ports operations, and (B) the prevention and control of such spills; and

(2) publish from time to time the results of such activities.

(b) In carrying out this section, the Secretary may enter into contracts with, or make grants to, public or private agencies and organizations and individuals.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 211. (a) There are authorized to be appropriated for fiscal year 1976 and for each of the three succeeding fiscal years such sums, not exceeding $2,500,000 for any fiscal year, for the administration of this title (other than section 210 hereof), and for succeeding fiscal years only such sums as may be specifically authorized by law.

(b) There are authorized to be appropriated $10,000,000 for each of the fiscal years 1975, 1976, and 1977, to carry out the purposes of section 210 of this title.

GOVERNMENTAL RESPONSE TO THE ENERGY CHALLENGE

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, earlier today, my colleague, Congressman CHET HOLIFIELD, addressed the 42d Annual Convention of the Edison Electric Institute in New York. In light of his long term, broad, and unprecedented experience in the development of energy and in governmental reorganization, his comments warrant the special attention of the Members of this body. His statement includes an excellent summary of proposed energy reorganization legislation now before the Congress. I highly commend his statement to all Members and ask that it be printed in this RECORD for the convenience of all.

The statement follows:

GOVERNMENTAL RESPONSE TO THE ENERGY CHALLENGE

(Remarks by Congressman CHET HOLIFIELD)

I am pleased to participate in this 42nd annual convention of the Edison Electric Institute.

You have asked me to discuss recent activities of the Federal Government in responding to the energy challenge, with particular attention to the organizational aspects.

When serious national problems emerge, or a national crisis develops which calls for concerted Government action, planners and policy-makers begin to talk about *policy, organization,* and *resources*. From the congressional standpoint, this requires concerted action by three sets of legislative committees:

Policies are determined by the legislative authorizing committees having jurisdiction in the subject matter.

Organizations are prescribed by the Committees on Government Operations, which have specialized jurisdiction in creating or modifying organizations.

Resources, that is, funds, are provided by the Committees on Appropriations.

Using these broad categories, I will briefly review recent developments in Government relating to energy.

ENERGY POLICIES

In the policy area, the Government has been caught with its plans down. The oil embargo found a nation unprepared. Uncertainties, delays, lacks of information, and failure of leadership has been shown. The fact that the President is entangled in the Watergate affair makes things that much worse, and the public distrust of Government spills over to the Congress.

Crystallization of policy issues in the Congress is difficult, even in the best of times, since many regional, economic, social, and political interests are represented. Also, energy is one of those concepts which reaches into practically every committee's jurisdiction, whether it be foreign affairs, national defense, taxation, atomic energy, space exploration, public lands public works, water resources, agriculture, commerce, Government organization, small business—or what have you.

So far, there has been more sound and fury than hard policy being hammered on the legislative anvil. The output is not impressive. We have an Alaska Pipeline Act, which the President wanted very much: an Emergency Petroleum Allocation Act, which the President said he did not want; and a few energy conservation measures, such as year-round daylight saving time and the 55-mile-per-hour speed limit on highways.

A comprehensive bill for emergency energy authority, including rationing, was passed after long and bitter controversy about price rollbacks and other issues, but it failed to survive a Presidential veto. A small piece of that omnibus legislation, directed to temporary relaxation of air quality standards, was passed as a separate bill and is now in conference between the House and Senate. Rationing and rollback appear to be dead issues.

The Administration never wanted rationing of fuels and energy, and the Congress has not explicitly authorized it. There is, however, a contingency plan for rationing which would require 17,000 persons to administer at a cost of $1.5 billion or more a year. (For $1.5 billion we can build nuclear generating capacity to produce the equivalent of 50 million barrels of oil each year or 1.5 billion barrels over the lifetimes of the plants.)

Without waiting for congressional authorization, the Federal Energy Office spent $12 million for a three-month supply of ration coupons (4.8 billion coupons). Somebody discovered that the coupons will work in a dollar-bill change machine. The FEO claims that the coupons are still good because they would be worth more than a dollar in the open market.

The big oil companies, which have been showing big profits in their income statements, are not very popular these days. The public suspects that the shortages were largely contrived. The Committee on Ways and Means is developing tax legislation which will bite more deeply into oil company profits. This week, the Committee on Rules will consider whether to break a long-standing precedent which bars floor amendments for tax bills. If floor amendments are permitted, we may anticipate that the tax bite on the oil companies will be even deeper. The main target, of course, is ending the oil depletion allowance.

Committess of the Congress are busy as bees, debating energy policy and developing pet projects. If a bill has an energy tag, and is not too controversial, it can get passed. For example, the House and Senate have passed different versions of a bill to authorize demonstration projects in solar heating and cooling. Solar energy has great appeal to those who dream of safe, clean, inexhaustible energy supplies. In Government planning, however, even dreams need priorities.

The more ardent environmentalists want to leapfrog into the next century. Nuclear power and coal, the energy resources with the greatest potential for the years ahead, they regard as too dangerous and dirty. They want to harness the sun and the wind and the ocean tides, to mobilize the hydrogen atom and the laser beam. Is this a burning faith in science or a romantic escape from reality?

Jonathan Swift, in one of his stories about Gulliver's travels, more than 200 years ago, told about Gulliver's visit to a laboratory where scientists were hard at work on far-out projects. Let me read a brief passage describing a project in solar energy:

"The first man I saw was a meagre aspect with sooty hands and face, his hair and beard long, ragged and singed in several places. His clothes, shirt, and skin were all of the same colour. He had been eight years upon a project for extracting sunbeams out of cucumbers, which were to be put into vials hermetically sealed, and let out to warm the air in raw inclement summers. He told me he did not doubt in eight years more he should be able to supply the Governor's gardens with sunshine at a reasonable rate; but he complained that his stock was low, and entreated me to give him something as an encouragement to ingenuity, especially since this had been a very dear season for cucumbers. . . ."

Well, this is a very dear season for cucumbers, and we had better look for more promising sources of energy. Cucumber dreams will not solve the hard problems of the day. Energy legislation requested by the President, but not yet cleared by the Congress, illustrates the diversity of hard problems: De-regulation of natural gas from new wells; standards for strip mining of coal; licensing the construction and operation of deep water ports beyond the three-mile limit; speeding up the process of site approval for nuclear power plants, electric utilities, and petroleum refineries; stretching of deadlines for meeting secondary air quality standards in some areas.

In sum, energy policy is a composite of Administration requests and legislative initiatives in varying stages of progress or stalemate. Senator Henry M. Jackson has been trying to wrap it all up for the longer-term in legislation which would declare a ten-year goal of national self-sufficiency in energy and require research and development strategies stretching to the end of the century and beyond. His bill, S. 1283, passed the Senate last fall, and is now before the House Committee on Interior and Insular Affairs, where all sorts of strange ideas are being added in committee mark-up. Some of them, in my opinion, would restrict rather than advance energy research and development, and I hope they will be screened out before this bill becomes law.

Let me say this about national self-sufficiency. As a policy, it has obvious appeal. The President calls it Project Independence and talks of a six- to ten-year realization. The facts and the prospects do not justify that kind of optimism.

Technologies do not advance that quickly, materials are not that readily available, investment funds are not that readily forthcoming, and the public is not yet prepared for the personal self-denial and social disciplines connected with the drastic conservation measures which would be required. I surmise that the year 2000 is a more realistic goal for Project Indpendence than 1980.

ENERGY FUNDING

No one has put a price-tag on Project Independence because there is no settled timeframe for its realization and no blueprint for milestone performance. How much should the Federal Government be spending? How much should industry be investing? Last year, Senator Jackson talked about a $20 billion ten-year program of Government-sponsored energy developments. President Nixon talked about a $10 billion five-year program. They were agreed on one point—that the spending rate for energy R & D should be $2 billion a year, roughly a doubling of the present rate. Such expenditures by Government will not move us very quickly toward Project Independence.

Required investments by the private sector in exploration, development, production and distribution of energy supplies are estimated in the tens and hundreds of *billion dollars*, depending on the timeframe. Mr. Roy Ash, Director of the Office of Management and Budget, says that private industry will have to invest more than $200 billion in the next five years to get the energy from our resources to industry and the consumers. I have no doubt that the investment will be massive, but will they be sufficient, timely sustained? Will they flow to the right places? Where is the policy, where is the direction, to insure that Government and industry, working together, can develop energy supplies that are environmentally acceptable and adequate to sustain our economic growth?

General policy statements written into law do not help us much in setting priorities and making the hard choices—where the money should be spent for optimum effect. As far as Government is concerned, the budget makers are the policy makers. That is to say, we make policy on a year-to-year basis through the budget and funding process.

I might note, in this connection, an interesting move by the House Committee on Appropriations. It combined the energy research and development appropriations for eight departments, agencies, bureaus, offices, and commissions into a single appropriation bill for fiscal year 1975. This bill passed the House on April 30 and is awaiting action in the Senate. The bill appropriated just over $2.2 billion for energy R & D.

This consolidated bill required concurrent hearings by six Appropriations subcommittees. It demonstrates the capacity of the Congress to adjust its appropriations process for unified action in special situations. Getting the Appropriations subcommittees to act in concert is not easy, but it is easier than getting the various legislative committees to act together on a common problem. There is a move in the House of Representatives to revise the whole committee system, and to reassign jurisdictional responsibilities in an effort to improve legislative policy-making. Recommendations to this effect have been made by a Select Committee, chaired by Representative Richard Bolling of Missouri. One recommendation is to scatter energy affairs in several committees. Such a move would be contrary to the principle of consolidation of energy matters. It would also give to new committees, which have had little or no background of effort in the energy development field, unfamiliar tasks to perform. Under the plan, environmentalists and energy-seekers would be placed in direct confrontation, possibly resulting in a stalemate or other interesting results.

Of even greater concern—to me, at least—is that the energy recommendations in the Bolling bill, if carried out, would dry up the Joint Committee on Atomic Energy by taking away a large part of its jurisdiction. In my view, a sounder approach would be to reconstitute the Joint Committee as a broad-based Joint Committee on Energy, to parallel the Energy Research and Development Administration—which brings me to the organizational aspects.

ENERGY ORGANIZATIONS

Four organizational issues are in the forefront:

(1) What kind of organization is needed for dealing with short-range and emergency energy problems?

(2) What kind of organization is needed for long-range energy R & D?

(3) Should there be a policy-making and coordinating mechanism above the action agencies, to tie together the many facets of the energy problem? And,

(4) Do we need new organizations in the regulatory aspects of energy?

Federal Energy Administration

The answer to the first question, at least for the next two years, is given by Public Law 93-275, which created the Federal Energy Administration. The law makes FEA an independent agency in the Executive Branch to draw plans and direct programs pertaining to energy conservation, production, distribution, and use. The emphasis here is on near term measures and existing technologies.

The Act transferred to FEA the functions of the Department of the Interior relating to the following offices: Petroleum Allocation, Energy Conservation, Energy Data and Analysis, and Oil and Gas. Also transferred to FEA were all the energy functions of the chairman and certain other officers and components of the Cost of Living Council. The authority to control petroleum prices remains in effect until February 28, 1975. The FEA itself will have a two-year tenure, terminating, according to the law, on June 30, 1976.

The legislation creating the FEA, reported by my committee, was to be the organizational counterpart of the comprehensive energy legislation—the Staggers bill—reported by the Committee on Interstate and Foreign Committee. Since that legislation was vetoed, as I noted earlier, FEA remains an organization with less operational authority than originally contemplated. It does have important powers to allocate fuels, control energy prices, gather information, and work with State and local governments on energy problems.

Whether the FEA Act is extended two years hence, depends on how well it performs and on what are the perceived organizational needs at that time. We wrote a requirement into the Act that six months before its expiration, the President will submit to the Congress a report recommending the agency's disposition or continuance. Also, the President is asked to recommend how the Government should be more broadly organized for the management of energy and natural resources policies, and programs. The latter recommendation was written into the law at the behest of a senator who wanted to preserve the option for a Department of Energy and Natural Resources.

President Nixon favored—and still favors—a department which combines energy and natural resource functions. Although I am certain that the Department of the Interior could be reorganized with great advantage, I am opposed to energy functions being swallowed up in a big departmental bureaucracy. These functions need visibility and attention by the Government and the public. They need the spotlight of national concern.

To get action, it appeared to me, an action agency was needed. To create a conglomerate department, in which energy was linked with many other controversial issues such as those involving the public lands, the Forest Service, and the civil works of the Army Corps of Engineers, would be a long and uncertain effort. The consequence is that the departmental proposal is on the shelf and an Energy Research and Development Administration (ERDA) is in the making.

Energy Research and Development Administration

The ERDA bill, reported from my committee, passed the House in December of last year and will shortly come before the Senate. Although there are some issues still to be resolved, the thrust of the bill is to create a broad-based agency for energy research, building upon the laboratory complexes and facilities of the Atomic Energy Commission. ERDA would encompass the present development and operational activities of the AEC and energy R & D functions transferred from certain other agencies, including (from the Department of the Interior) the Office of Coal Research and the Energy Research Centers of the Bureau of Mines.

ERDA will have a broad charter for energy research and development. It will be charged with responsibility to explore and develop all possible energy sources and utilization technologies, including solar, tidal, wind, hydrogen, geothermal, and nuclear. It will vigorously pursue all promising primary energy sources and techniques for use. Its scope will embrace extraction, conversion, storage, transmission and utilization technologies. ERDA will also assume, and continue to conduct AEC's production and enrichment functions as well as AEC's nuclear responsibilities in regard to military and naval affairs and foreign nuclear agreements.

ERDA thus becomes the central agency for research and development in all forms of energy. When established it will be the agency making the hard choices and allocating the resources for the major Government-sponsored programs in energy research and development.

Let me add here that we need this legislation—and soon! There is in our national laboratories a wealth of talent and resources waiting to go to work on energy problems. They have no firm policy direction. Agencies with R & D potentials are guarding their chips, waiting to see what happens. The hiatus in our national effort is devastating—and I will cite but two of many examples:

(1) The priority breeder program is being delayed unduly by administrative caution and procrastination. Thousands of scientists and facilities worth billions of dollars are not doing what they could to provide energy solutions.

(2) A complement of scientists at the Oak Ridge National Laboratory is ready to help in chemistry projects to upgrade coal as a fuel. But funds authorized and appropriated for this purpose are being held up by bureaucratic maneuvering for positions and blockages in the cross-agency flow of funds.

With the ERDA organization, headed by an expert, dynamic Administrator, we could put a stop to this sinful waste of critical talent and resources. We could overcome the hiatus and put steam into the energy drive.

Of course, we must have the same kind of Presidential leadership that we had in the space program, or confusion will continue to defeat our objectives.

The Administrator of the new agency will have great responsibilities to set priorities and get things moving. He will need your help and advice. So let us get ERDA established and the best person in the country to run it.

Energy Policy Council

The fact that we will have two new action agencies in the energy field, building on established functions and resources, has caused some people to worry about interfacing. They ask: Should we not have a broader policy council on top of the action agencies, coordinating their policies and relating such policies to others which may bear upon the whole energy field?

Answers to this question take several forms. One is an independent Council on Energy Policy in the Executive Office of the President, proposed by Senator Hollings. Legislation to this effect has passed the Senate no less than three times, either separately or as an attachment to other bills. It is now, I understand, included in the Senate Committee mark-up of the ERDA bill. Also included is an interdepartmental council comprising heads of designated departments and agencies. This would be, in effect, an interagency group to coordinate energy matters, an approach apparently favored by Senator Jackson.

What part of these recommendations for a policy council will survive, depends on what the Senate does on the floor and what is decided in conference. I hope we will know the answers within the next few weeks.

Regulatory aspects

In the meantime, an interagency study group chaired by William O. Doub, a member of the Atomic Energy Commission, has submitted its report "Federal Energy Regulation: An Organizational Study." This group was formed at President Nixon's request "to determine the best way to organize all energy-related regulatory activities of the Government." The main recommendation of the Doub report is the establishment of a National Energy Council, to provide policy guidance on national energy objectives to all Federal agencies, including energy regulatory agencies.

The National Energy Council, as conceived in the Doub report, would not be restricted to regulatory matters, but would have the whole energy field within its ambit for formulating national energy objectives, providing overall guidance, resolving differences in policy among agencies, and monitoring agency performance on a continuing basis. This is a task of a very large order, and the proposal raises some interesting questions, such as the extent to which the independent regulatory agencies should get policy guidance from a component in the President's executive office. The Doub report calls not only for broad policy direction at the top but for integration or, at least, better coordination of such functions as licensing energy plants and projects. It is clear that we need to devise ways and means of cutting through red tape and cutting down on the time needed to license nuclear and other utility plants. One-stop service seems to be the aim of the Doub report—devoutly to be wished, but difficult to achieve.

Regulation in the nuclear field is getting the most public attention right now. The ERDA bill provides that the licensing and regulatory functions of the AEC will be separately administered by a renamed Commission. The House-passed bill calls it the Nuclear Energy Commission; the bill reported by the Senate Committee on Government Operations calls it the Nuclear Safety and Licensing Commission.

Senator Ribicoff, chairman of the subcommittee handling the Senate bill, is greatly concerned about safety in nuclear energy. He proposes—and the Senate committee bill provides—that the Commission be composed of three components covering: nuclear reactor safety, nuclear safety research, and nuclear materials security. The Senate Committee also adopted a proposal by Senator Ervin which would make the Commission bipartisan, in line with the composition of most regulatory commissions.

There are other proposals, too many to mention here, which have been run into the Senate Committee bill. Senator Kennedy said he intends to offer an amendment which would, among other things, require that the AEC pay the legal costs of intervenors in a regulatory hearing or review process. It seems that there is no end of ideas to bog down energy development.

You can see from this necessarily brief and selective review that the state of energy, in its organization, policy, and regulatory aspects, is still unsettled, but some decisions are being made. FEA is about to be established, ERDA is on the way, some kind of policy council probably will come along with it, and the President undoubtedly will continue to voice his recommendation for a Department of Energy and Natural Resources.

This is certain—it is easier to identify the problems than to find solutions. The solutions, nonetheless, had better be found. We all know that our growth and progress, our high standard of living, our national security and well-being, have been made possible by abundant supplies of energy. We know that our consumption of energy, no matter how prudently managed, will continue to increase more rapidly than our present ability to supply it in environmentally-acceptable forms.

So we must get on with the energy tasks, both short-range and long-range. The challenge is formidable. We must begin to mount the most comprehensive, coordinated, and intelligent program within our capabilities, and these capabilities will have to be stretched and strained as never before in time of peace.

The challenge comes to industry as well as to Government. Both must work together—and work well—if this nation is to survive and prosper. The war on poverty—to cite one of our national objectives—will mean nothing if the war on energy shortage is lost. All that we strive to do, so that our children will have a better life, comes to naught without energy. Energy is our most serious problem, and it will be with us for a long time.

LEAVE OF ABSENCE

By unanimous consent (at the request of Mrs. GRIFFITHS) leave of absence was granted to the following Member:

Mr. DIGGS, for today, tomorrow, and Thursday.

Mr. THOMPSON of New Jersey (at the request of Mr. O'NEILL), for today, on account of offiical business.

Mr. HOWARD (at the request of Mr. O'NEILL), for this week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SPENCE) to revise and extend their remarks and include extraneous material:)

Mr. ROBERT W. DANIEL, JR., for 5 minutes, today.

Mr. RUPPE, for 5 minutes, today.

Mr. YOUNG of Illinois, for 3 minutes, today.

(The following Members (at the request of Mr. BRECKINRIDGE) to revice and extend their remarks and include extraneous material:)

Mr. STOKES, for 5 minutes, today.

Mr. VANIK, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. ROSE, for 5 minutes, today.

Mr. DAVIS of South Carolina, for 10 minutes, today.

Mr. ROONEY of New York, for 10 minutes, today.

Mr. HAMILTON, for 10 minutes, today.

Mr. MURPHY of Illinois, for 15 minutes, today.

Mr. FORD, for 10 minutes, today.

Mrs. COLLINS of Illinois, for 10 minutes, today.

Mr. UDALL, for 10 minutes, today.

Ms. ABZUG, for 15 minutes, today.

Mr. CHAPPELL, for 30 minutes, June 5.

Mr. BADILLO, for 15 minutes, June 5.

Mr. MOAKLEY, for 30 minutes, June 5.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. PATMAN and to include extraneous matter.

(The following Members (at the request of Mr. SPENCE) and to include extraneous material:)

Mr. COUGHLIN.

Mr. HANRAHAN in two instances.

Mr. PEYSER in six instances.

Mr. NELSEN.

Mr. SANDMAN.

Mr. MCCLORY.

Mr. GUBSER.

Mr. DERWINSKI in three instances.

Mr. STEIGER of Wisconsin.

Mr. THOMSON of Wisconsin.

Mr. BAKER in two instances.

Mr. Hosmer in three instances.
Mr. Veysey in two instances.
Mr. Snyder in two instances.
Mr. Wyman in two instances.
Mr. Ashbrook in two instances.
Mr. Quie.
Mr. Gilman in two instances.
Mr. Froehlich in two instances.
Mrs. Heckler of Massachusetts.
Mr. Brown of Michigan.
Mr. Esch.
Mr. Rinaldo in five instances.

(The following Members (at the request of Mr. Breckinridge) and to include extraneous material:)

Mr. Gonzalez in three instances.
Mr. Rarick in three instances.
Mr. Vanik in two instances.
Mr. Conyers in 10 instances.
Mr. Brademas in six instances.
Mr. Eilberg in 10 instances.
Mr. Carey of New York in two instances.
Mr. Brown of California in 10 instances.
Mr. Dingell in two instances.
Mr. Harrington in 10 instances.
Mr. Ford in three instances.
Mr. Anderson of California in five instances.
Mr. Helstoski in 10 instances.
Mr. Pickle in 10 instances.
Mr. Bennett.
Mr. Dellums in five instances.
Mrs. Grasso in 10 instances.
Mr. Nedzi.
Mr. Kyros in three instances.
Mr. Jones of Oklahoma.
Mr. Burke of Massachusetts.
Mr. Alexander in 10 instances.
Mr. Edwards of California.

ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 8215. An act to provide for the suspension of duty on certain copying shoe lathes until the close of June 30, 1976.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 8215. An act to provide for the suspension of duty on certain copying shoe lathes until the close of June 30, 1976, and for other purposes;

H.R. 11223. An act to authorize amendment of contracts relating to the exchange of certain vessels for conversion and operation in unsubsidized service between the west coast of the United States and the territory of Guam; and

H.R. 12925. An act to amend the act to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce.

ADJOURNMENT

Mr. BRECKINRIDGE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 58 minutes p.m.) the House adjourned until tomorrow, Wednesday, June 5, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2412. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting the quarterly report on the export expansion facility program for the period ended March 31, 1974, pursuant to Public Law 90-390; to the Committee on Banking and Currency.

2413. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on the proposed use during fiscal year 1975 of construction of facilities funds appropriation to NASA for fiscal years 1968 and 1971 to provide for the rehabilitation and modification of facilities and for minor construction of new facilities, pursuant to section 3 of the NASA Authorization Act, 1968 and 1971 (Public Laws 90-67 and 91-303), respectively; to the Committee on Science and Astronautics.

2414. A letter from the Secretary of Health, Education, and Welfare, transmitting the fourth annual report on services to AFDC families, pursuant to section 402(c) of the Social Security Act, as amended [42 U.S.C. 602(c)]; to the Committee on Ways and Means.

RECEIVED FROM THE COMPTROLLER GENERAL

2415. A letter from the Acting Comptroller General of the United States, transmitting a report on the benefits and drawbacks of participating in international cooperative research and development programs; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TEAGUE: Committee of Conference. Conference report on H.R. 13998 (Rept. No. 93-1078). Ordered to be printed.

Mr. HÉBERT: Committee on Armed Services. S.J. Res. 202. Joint resolution designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of service of the incumbent Chief of Naval Operations; with amendment (Rept. No. 93-1079). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIGGS: Committee on the District of Columbia. H.R. 15074. A bill to regulate certain political campaign finance practices in the District of Columbia, and for other purposes; with amendment (Rept. No. 93-1080). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. ABZUG (for herself, Mr. Addabbo, Mr. Anderson of California, Mr. Brasco, Mrs. Burke of California, Mrs. Chisholm, Mr. Clay, Mrs. Collins of Illinois, Mr. Conyers, Mr. Dellums, Mr. Eilberg, Mr. Harrington, Mr. Hawkins, Mr. Hechler of West Virginia, Mr. Koch, Mr. Macdonald, Mr. Melcher, Mr. Metcalfe, Mr. Mitchell of Maryland, Mr. Podell, Mr. Price of Illinois, Mr. Rosenthal, Mr. Sarbanes, Mr. Seiberling, and Mr. Stark):

H.R. 15156. A bill to amend title XVI of the Social Security Act to provide for emergency assistance grants to recipients of supplemental security income benefits, to authorize cost-of-living increases in such benefits and in State supplementary payments, to prevent reductions in such benefits because of social security benefit increases, to provide reimbursement to States for home relief payments to disabled applicants prior to determination of their disability, to permit payment of such benefits directly to drug addicts and alcoholics (without a third-party payee) in certain cases, to continue on a permanent basis the provision making supplemental security income recipients eligible for food stamps, and for other purposes; to the Committee on Ways and Means.

By Ms. ABZUG (for herself, Mr. Studds, Mr. Tiernan, Mr. Stokes, Mr. Waldie, and Mr. Young of Georgia):

H.R. 15157. A bill to amend title XVI of the Social Security Act to provide for emergency assistance grants to recipients of supplemental security income benefits, to authorize cost-of-living increases in such benefits and in State supplementary payments, to prevent reductions in such benefits because of social security benefit increases, to provide reimbursement to States for home relief payments to disabled applicants prior to determination of their disability, to permit payment of such benefits directly to drug addicts and alcoholics (without a third-party payee) in certain cases, to continue on a permanent basis the provision-making supplemental security income recipients eligible for food stamps, and for other purposes; to the Committee on Ways and Means.

By Mr. BAKER:

H.R. 15158. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. BRASCO:

H.R. 15159. A bill to authorize assistance for the resettlement of refugees from the Union of Soviet Socialist Republics; to the Committee on Foreign Affairs.

By Mr. BROYHILL of North Carolina:

H.R. 15160. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the amount of certain cancellations of indebtedness under student loan programs; to the Committee on Ways and Means.

By Mr. BYRON:

H.R. 15161. A bill to amend the Internal Revenue Code of 1954 to increase the rate of the tax imposed on tax preferences from 10 percent to 14 percent, to reduce the amount of tax preferences exempt from such tax, and to treat interest on certain governmental obligations as an item of tax preference; to the Committee on Ways and Means.

By Mr. CHAPPELL:

H.R. 15162. A bill to amend chapter 2 of the Internal Revenue Code of 1954 to provide that an election to be exempt from coverage under the old-age, survivors, and disability insurance program, made by a minister, a member of a religious order, or a Christian Science practitioner, may be revoked; to the Committee on Ways and Means.

By Mr. COHEN (for himself, Mr. Dellenback, Mr. Sikes, Mr. Riegle, Mr. Bennett, Mr. Pritchard, Mr. Studds, Mr. Harrington, Mr. Won Pat, Mr. Tiernan, Mr. Yatron, Mr.

Conte, Mr. Kemp, Mr. Roe, and Mr. Meeds):

H.R. 15163. A bill to establish a Marine Fisheries Conservation Fund; to the Committee on Merchant Marine and Fisheries.

By Mr. CRONIN:

H.R. 15164. A bill to amend section 214 of the Internal Revenue Code of 1954 to provide a deduction for dependent care expenses for married taxpayers who are employed part time, or who are students, and for other purposes; to the Committee on Ways and Means.

By Mr. DIGGS (for himself, Mr. Mitchell of Maryland, Mr. Badillo, Mr. Burton, Mrs. Chisholm, Mr. Clay, Mrs. Collins of Illinois, Mr. Cotter, Mr. Dellums, Mr. Drinan, Mr. Fraser, Mr. Hawkins, Ms. Jordan, Mr. Metcalfe, Mr. Nix, Mr. Rangel, and Mr. Rodino):

H.R. 15165. A bill to amend the Sugar Act of 1948 to terminate the quota for South Africa; to the Committee on Agriculture.

By Mr. DUNCAN:

H.R. 15166. A bill to amend the Internal Revenue Code of 1954 to provide an exemption from income taxation for housing corporations, condominium housing associations, and certain homeowners' associations and to tax the unrelated business income of such organizations; to the Committee on Ways and Means.

By Mr. GOLDWATER (for himself and Mr. Robert W. Daniel, Jr.):

H.R. 15167. A bill to amend the Hobby Protection Act to include reproductions of antique firearms; to the Committee on Interstate and Foreign Commerce.

By Mr. GRAY (for himself, Mr. Montgomery, Mr. Cochran, Mr. Bowen, and Mr. Lott):

H.R. 15168. A bill to name a post office, courthouse and Federal office building in Oxford, Miss., the "Jamie L. Whitten Federal Building"; to the Committee on Public Works.

By Mr. GUNTER:

H.R. 15169. A bill to amend the Internal Revenue Code of 1954 to provide that certain interest forefited by reason of premature cancellation of certain savings deposits shall not be included in gross income, and for other purposes; to the Committee on Ways and Means.

By Mr. HANRAHAN:

H.R. 15170. A bill to conserve energy and save lives by extending indefinitely the 55 miles per hour speed limit on the Nation's highways; to the Committee on Public Works.

By Mr. HASTINGS:

H.R. 15171. A bill to amend the Small Business Act to provide low-interest loans to small businesses and homeowners whose real property located adjacent to any of the Great Lakes is damaged or destroyed as the result of erosion caused by the lake, and to provide grants to owners of public facilities and private nonprofit facilities whose real property located adajcent to any of the Great Lakes is damaged or destroyed as the result of erosion caused by the lake; to the Committee on Banking and Currency.

By Mr. HAYS:

H.R. 15172. A bill to authorize the Secretary of State to prescribe the fee for execution of an application for a passport and to continue to transfer to the U.S. Postal Service the execution fee for each application accepted by that Service; to the Committee on Foreign Affairs.

By Mr. KASTENMEIER (for himself, Mr. Edwards of California, Mr. Railsback, and Mr. Steiger of Arizona):

H.R. 15173. A bill to extend for 1 year the authority of the National Commission for the Review of Federal and State Laws on Wiretapping and Electronic Surveillance, and for other purposes; to the Committee on the Judiciary.

By Mr. LEHMAN (for himself, Mrs. Boggs, Mr. Edwards of California, Mr. Fascell, Mr. Fauntroy, Mr. Froehlich, Mr. Hawkins, Ms. Holtzman, Mr. Huber, Mr. Matsunaga, Mr. Parris, Mr. Sarbanes, Mr. Won Pat, and Mr. Young of Georgia):

H.R. 15174. A bill to amend the Internal Revenue Code of 1954 to provide an exemption from income taxation for cooperative housing corporations and condominium housing associations; to the Committee on Ways and Means.

By Mr. LUJAN:

H.R. 15175. A bill to amend title 5, United States Code, with respect to the retirement of certain law enforcement and firefighter personnel, and for other purposes; to the Committee on Post Office and Civil Service.

By Mrs. MINK (for herself and Mr. Luken):

H.R. 15176. A bill to amend the Mineral Lands Leasing Act to provide for a more efficient and equitable method for the exploration for and development of oil shale resources on Federal lands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MOORHEAD of Pennsylvania:

H.R. 15177. A bill to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training; to the Committee on Interstate and Foreign Commerce.

By Mr. MURPHY of Illinois:

H.R. 15178. A bill to establish an office for the House of Representatives to assist Members of the House of Representatives in conducting public opinion polls; to the Committee on House Administration.

By Mr. O'BRIEN:

H.R. 15179. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. PATTEN:

H.R. 15180. A bill to amend the Manpower Development and Training Act (Public Law 87-415, as amended) to require prenotification to affected employees and communities of dislocation of business concerns, to provide assistance (including retraining) to employees who suffer employment loss through the dislocation of business concerns, to business concerns threatened with dislocation, and to affected communities, to prevent Federal support for unjustified dislocation, and for other purposes; to the Committee on Education and Labor.

H.R. 15181. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the labels on all foods to disclose each of their ingredients; to the Committee on Interstate and Foreign Commerce.

By Mr. QUIE (for himself, Mr. Frenzel, Mr. Heinz, Mr. Riegle, and Mr. Young of Florida):

H.R. 15182. A bill to encourage and assist States and localities to develop, demonstrate, and evaluate means of improving the utilization and effectiveness of human services through integrated planning, management, and delivery of those services in order to achieve the objectives of personal independence and individual and family economic self-sufficiency; to the Committee on Education and Labor.

By Mr. QUILLEN:

H.R. 15183. A bill to amend title II of the Social Security Act to provide for the computation of benefits thereunder on the basis of the worker's 3 years of highest earnings; to the Committee on Ways and Means.

By Mr. ROONEY of Pennsylvania:

H.R. 15184. A bill, emergency authorization for community development and housing programs; to the Committee on Banking and Currency.

By Mr. RUPPE:

H.R. 15185. A bill to provide for establishment of the Father Marquette National Memorial in St. Ignace, Mich., and for other purposes; to the Committee on Interior and Insular Affairs.

Br. Mr. STEELMAN (for himself, Mr. Fraser, Mr. Steele, Mr. O'Brien, and Mr. Wolff):

H.R. 15186. A bill to amend the Public Health Service Act to provide for the making of grants to assist in the establishment and initial operation of agencies and expanding the services available in existing agencies which will provide home health services, and to provide grants to public and private agencies to train professional and paraprofessional personnel to provide home health services; to the Committee on Interstate and Foreign Commerce.

By Mr. STEIGER of Wisconsin (for himself, Mr. Robison of New York, and Mr. Railsback):

H.R. 15187. A bill to confer U.S. citizenship on certain Vietnamese children and to provide for the adoption of such children by American families; to the Committee on the Judiciary.

By Mr. VEYSEY:

H.R. 15188. A bill to amend title 38, United States Code, to extend the maximum education benefits for chapter 35 trainees to 48 months; to the Committee on Veterans' Affairs.

By Mr. VIGORITO:

H.R. 15189. A bill to direct the Secretary of the Treasury to determine if bounties, grants, or export subsidies are paid by foreign countries with respect to dairy products imported into the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. WHITE:

H.R. 15190. A bill to authorize the Secretary of Agriculture to cooperate with the governments of Central America and Mexico in order to control outbreaks of plant pests and diseases when necessary to protect the agriculture of the United States, and for other purposes; to the Committee on Agriculture.

By Mr. WHITE (for himself, Mr. Boland, Mr. Mollohan, Mr. Cohen, Mr. Hanna, Mr. Preyer, Mr. Duncan, Mr. Podell, Mr. Mann, Mr. Stark, Mrs. Boggs, Mr. Long of Maryland, Mr. Fisher, Ms. Schroeder, Mr. Frenzel, Mr. Hicks, Mrs. Collins of Illinois, Mr. Riegle, Mrs. Chisholm, and Mr. Drinan):

H.R. 15191. A bill to amend title 10 of the United States Code in order to permit the partial attachment of retired or retainer pay to satisfy judicially decreed child support contributions; to the Committee on Armed Services.

By Mr. WHITE (for himself, Mr. Fisher, Mr. Teague, Mr. Collins of Texas, Mr. Milford, Mr. Poage, and Mr. Patman):

H.R. 15192. A bill to amend section 1152(a) of the Social Security Act to provide that any State with a statewide Professional Standards Review Organization shall be established as one area for which a Professional Standards Review Organization may be designated, if such State requests; to the Committee on Ways and Means.

By Ms. ABZUG (for herself, Mr. Addabbo, Mr. Badillo, Mr. Biaggi, Mr. Brasco, Mr. Carey of New York, Ms. Chisholm, Mr. Delaney, Mr. Dulski, Mr. Fish, Mr. Gilman, Mr. Hastings, Ms. Holtzman, Mr. Horton, Mr. Koch, Mr. Lent, Mr. Mitchell of New York, Mr. Murphy of New York, Mr. Peyser, and Mr. Pike):

H.J. Res. 1045. Joint resolution designating October 10, 1974, as "The 90th Commemorative of Eleanor Roosevelt's Birth"; to the Committee on the Judiciary.

By Ms. ABZUG (for herself, Mr. PODELL, Mr. RANGEL, Mr. REID, Mr. ROBISON of New York, Mr. RONCALLO of New York, Mr. ROSENTHAL, Mr. SMITH of New York, Mr. STRATTON, and Mr. WOLFF):

H.J. Res. 1046. Joint resolution designating October 10, 1974 as "The 90th Commemorative of Eleanor Roosevelt's Birth"; to the Committee on the Judiciary.

By Mr. ICHORD (for himself, Mr. WOLFF, Mr. FRENZEL, and Mr. THONE):

H.J. Res. 1047. Joint resolution requiring the President to submit to Congress a report concerning importations of minerals which are critical to the needs of U.S. industry; to the Committee on Ways and Means.

By Mr. BROTZMAN (for himself, Mr. GOLDWATER, Mr. TALCOTT, Mr. BOB WILSON, Mr. BURGENER, Mr. KETCHUM, Mr. WON PAT, Mr. MAYNE, Mrs. HOLT, Mr. FRENZEL, Mr. ZWACH, Mr. MONTGOMERY, Mr. THONE, Mr. CLEVELAND, Mr. HUNT, Mr. FISH, Mr. KEMP, Mr. MITCHELL of New York, Mr. GILMAN, Mr. CLANCY, Mr. MOORHEAD of Pennsylvania, Mr. MANN, and Mr. PARRIS):

H. Con. Res. 513. Concurrent resolution to call on the American people to diligently continue their energy conservation measures in the postembargo period; to the Committee on Interstate and Foreign Commerce.

By Mrs. GRASSO (for herself and Mrs. HECKLER of Massachusetts):

H. Con. Res. 514. Concurrent resolution expressing the sense of the Congress with respect to the price of refined petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. PRITCHARD (for himself, Mr. HICKS, Mr. MCCLOSKEY, Mr. STUDDS, Mr. YOUNG of Alaska, Mr. MEEDS, Mr. MCCORMACK, Mrs. HANSEN of Washington, Mr. ADAMS, Mr. FOLEY, Mr. KYROS, and Mr. COHEN): ·

H. Con. Res. 515. Concurrent resolution expressing the sense of the Congress with respect to the banning of high seas netting for salmon; to the Committee on Merchant Marine and Fisheries.

By Mr. WOLFF (for himself, Mr. RANGEL, Mr. RODINO, Mr. BENITEZ, Mr. BLATNIK, Mr. BROYHILL of Virginia, Mr. CARNEY of Ohio, Mr. COTTER, Mr. CRANE, Mr. DINGELL, Mr. ESCH, Mr. FULTON, Mr. GONZALEZ, Mr. HUNGATE, Mr. KING, Mr. MCKAY, Mr. MILLER, Mr. MIZELL, Mr. PERKINS, Mr. QUIE, Mr. RHODES, Mr. ROBERTS, Mr. ROSTENKOWSKI, Mr. ROY, and Mr. ST GERMAIN):

H. Con. Res. 516. Concurrent resolution for negotiations on the Turkish opium ban; to the Committee on Foreign Affairs.

By Mr. STUCKEY:

H. Res. 1159. Resolution providing for a date certain by which time the Committee on the Judiciary shall report on its investigation of the grounds for impeachment of the President; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

492. The SPEAKER presented a memorial of the Legislature of the State of Michigan, relative to the drought in West Africa; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. HICKS introduced a bill (H.R. 15193) for the relief of Mrs. Keith Gordon, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

440. By the SPEAKER: Petition of Cape Coral Retired Citizens, Inc., Cape Coral, Fla., relative to the Federal Flood Disaster Protection Act of 1973; to the Committee on Banking and Currency.

441. Also, petition of the City Council, Toledo, Ohio, relative to community action programs; to the Committee on Education and Labor.

442. Also, petition of the Common Council, Madison, Wis., relative to community action programs; to the Committee on Education and Labor.

EXTENSIONS OF REMARKS

E. RICHARD LOWE AND ROBERT W. INGERSON: 1974 GLEN "POP" WARNER HALL OF FAME INDUCTEES

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. KEMP. Mr. Speaker, I had the privilege of speaking to the 1974 banquet of the Springville Griffith Institute Glen "Pop" Warner Hall of Fame recently. I am proud of the fact that the greatest football coach of all time, Glen "Pop" Warner, grew to manhood in Springville in my district. "Pop" graduated from Griffith Institute in 1889. After graduation from Cornell University's College of Law, he married a Springville girl, Tibb Lorraine Smith.

"Pop's" participation and leadership in football led to his accepting a position as coach at the University of Georgia. He later won fame as coach at Cornell, Iowa State, Carlisle Indian School, University of Pittsburgh, Stanford University, and at San Jose State College. During 45 years of coaching, his teams won an alltime great of 305 games, a better record than any other coach. "Pop" had creative genius in coaching football and invented more practical equipment than any other coach.

The Warner Museum on Main Street has long paid silent homage to the memory of "Pop" Warner. Tonight we are proud to pay a living tribute to the grand old man of football by honoring two outstanding athletes; two men we believe "Pop" would have been proud to have on his team. It is planned to select worthy athletes on an annual basis to have as a living tribute to "Pop" Warner, our grand old man.

From his spirit has come the "Pop" Warner Hall of Fame. This year Richard Lowe, and Robert W. Ingerson were inducted into the "Pop" Warner Hall of Fame. They are outstanding men in our community and are real examples for young men and women to emulate in every aspect of their lives. At this point I quote from the program:

E. RICHARD LOWE

Dick attended Griffith Institute during the war years. When their basketball coach left for the Army, Dick assumed the position of player-coach. In those years, equipment and travel fare (train or trolley) was furnished by the team members themselves. They played teams as far south as Bradford, Pa. and as far north as N. Tonowanda. During these days of center jump basketball, Dick had two games with over 50 points—54 in one, and 56 in another. He also played on the championship team against Depew, then a Buffalo pro-team. The win was Springville's greatest achievement.

After high school graduation, Dick played town team basketball and baseball. In 1922 he went to Delevan to coach the newly-organized basketball team there.

The next few decades found Dick promoting sports facilities for our school and community. Through his efforts, the baseball athletic field was acquired as well as the high school practice field. He himself was an avid golfer and tennis player, and these sports, along with baseball occupied much of his time for many years. His interest in golf led to the construction of Springville's nine-hole Country Club that eventually led to the fine 18 hole facility we have today. In addition, he promoted tennis and personally would prepare the courts for match play.

Dick Lowe and his wife Catherine had four children, Margaret, Bill, Norton and Richard. Following some 54 years with the Springville Journal starting in 1921, Dick received the NYS Press Association Service Award for his over 50 years in newspaper work.

ROBERT W. INGERSON

Robert W. Ingerson, a coach and Physical Education teacher at G.I. for 28 years has been selected as a member of the "Hall of Fame."

After his graduation from Chautauqua Central School in 1934, where he was outstanding on the varsity basketball and baseball teams, Bob attended the Joe Strippi Baseball School in Florida. It was here that he played with the Washington Senators and New York Yankees farm clubs.

In 1937 he was offered an athletic scholarship by Ithaca College. He lettered in Varsity football (4 years), baseball (4 years), basketball (3 years) and track (1 year). After graduation in 1941 in physical education, he taught and coached at Andover, N.Y. While at Andover, he played semi-pro basketball with the Cuba Reds and in 1943 he signed a football contract with the Washington Redskins. It was at this time he chose to marry his wife Marie instead of the bumps of the pros.

Springville was fortunate to have Bob Ingerson accept a teacher-coach position in 1946. His ability to produce champions began immediately and in 1947 the Griffith Institute Year Book was dedicated to Bob.

RECORDS

1946–47: Southern Erie Co. Basketball Champions.

1947–48: Southern Erie Co. Basketball Champions.

1950–51: Southern Erie Co. Basketball Champions.

1954: Football Co-Champs, Div. II, Undefeated in league play.

1955: Football Champions, Div. III, Undefeated in league play.

1956: Football Champions, Div. III, Undefeated in league play.

1957: Football Champions, Div. III, 23 straight league wins.

1958: Football Champions, Div. III.

Also, during these busy years, Bob received his M.S. from Alfred U. in 1951. He has been an active official in the Western N.Y. Football Assn. for 22 years, along with being an active member of the town basketball and baseball teams. He was recently awarded the Directors' Service Award by the ECIC Directors' Assn. for his 33 years of service to youth.

It was a privilege for me to participate in the awards ceremony along with my good friends, Joe DeLamielleure, Karl Kluckhohn, Connie McGillicuddy, Carl McNally, Walt Nadzik, Dick Offenheimer, and Richard Scesniak. Carl McNally and Karl Kluckhohn are past enshrinees in the Hall of Fame. At this point Mr. Speaker, I include the names of the students athletes honored at Griffith Institute. My congratulations to all.

SENIOR VARSITY ATHLETES

Gwen Engler, Rachael Feltz, Ramona Gonzales, Cindy Hemmerling, Beth Ireland, Kelly Kita, Margaret Moritz, Jill Ottney, Candace Raiber, Sonja Rothfuss, and Bonnie Smith.

Jerome Adams, Michael Arbore, James Bailey, Gary Bartkowski, Eric Baye, Paul Brown, Trevor Coward, Bryce Day, James Fancher, Kevin Fornes, George Gasper.

Charles Goodrich, Ronald Haberer, Jon Hebdon, Gerald Hess, Bruce Knight, Timothy Littlefield, William Luksic, Daniel Mangan, Roger Manning, Robert Metzger, Richard Monroe, Thomas Nason.

Gregory Ott, Dana Paquin, James Parsons, David Ploetz, Patrick Salzler, Charles Seitter, Michael Smith, Joseph Schnellman, Scott Szymanski, David Widdowfield, and Keith Warner.

AWARDS

GIRLS BASKETBALL

Julia Garver, MIP.
Pam Lerminiaux, MVP.

ECIC Girls "A" League, All-Star Team, Div 2

Pam Lerminiaux.

FOOTBALL

Division 8 Champs, undefeated two years.
Eric Baye, Lineman of the year.
Kevin Fornes, Back of the year.
Scott Szymanski, MIP.

All federation, division 8 all stars

Eric Baye, Kevin Fornes, Ron Haberer, Kevin Rothenberg, and James Bailey.

All State teams

Eric Baye, 1st Team.
Bruce Knight, 2nd Team.
Kevin Fornes, 3rd Team.
James Bailey, 3rd Team.

Who's Who in national high school athletics

Eric Baye.

CROSS COUNTRY

David McCall, MIP.
Gregory Ott, MVP.

SWIMMING

Richard Angelo, MIP.
Thomas Davis, MVP.
Robert Metzger, MVP.
Thomas Davis, Rotary Academic Achievement Award.

BASKETBALL

Bruce Knight, MIP.
Kevin Fornes, MVP.
Robert Smolinski, Lions Club Academic Achievement Award.

Division III, ECIC all-stars

Kevin Fornes, 1st Team.
Robert Smolinski, 2nd Team.

LEE'S FULL CITIZENSHIP, BETTER LATE THAN NEVER

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 4, 1974

Mr. HARRY F. BYRD, JR. Mr. President, because of unfortunate circumstances, Gen. Robert E. Lee, one of our great leaders of American history, died without receiving full restoration of his citizenship rights.

In an excellent editorial, the Alexandria Gazette on May 17, called for approval of legislation now pending which would posthumously restore General Lee's full citizenship rights.

I ask unanimous consent that the text of the article, "Lee's Full Citizenship, Better Late Than Never," be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LEE'S FULL CITIZENSHIP, BETTER LATE THAN NEVER

General Robert E. Lee, one of the most outstanding men ever produced by America, died without regaining the U.S. citizenship he lost when he took command of the Confederate Army during the War Between the States. Sen. Harry F. Byrd Jr., I-Va., has introduced a resolution to restore posthumously full citizenship rights to Lee. The Congress should not adjourn this session without acting favorably on the resolution.

Shortly after the war ended, Lee requested that his full citizenship rights be restored. General Ulysses Grant approved the request and forwarded it to Washington. It was rejected at that time because Lee had failed to sign an oath of allegiance to the United States. Several months later, Lee took the oath at Lexington, where he had assumed the presidency of Washington College, later to become Washington and Lee University. The oath was forwarded to Washington, but somehow was misplaced. No action was ever taken on Lee's request and he died in 1870, still without full citizenship.

Byrd says he sponsored the resolution because General Lee had desired to regain his citizenship and apparently went to great lengths to do so before his death.

The oath, Byrd notes, was found only a few years ago among the State Department records of the National Archives.

Byrd sees a good possibility of the resolution passing if it gets out of the Senate Judiciary Committee. One snag could develop if Sen. Philip A. Hart, D-Mich., attempts to amend the resolution to grant amnesty to young men who fled the country to avoid Vietnam service.

Hart contends that if Congress is to restore full civil rights to the man who led rebellious armies against the U.S. in the War Between the States, it should do the same for persons who refused to fight on either side in Vietnam. Hart should abandon this position and take up his fight for amnesty for Vietnam draft evaders on some other front. Lee's case deserves to be considered on its own merit, and not lumped with a current issue which still bitterly divides the public.

AN APPEAL FOR PEACE IN NORTHERN IRELAND

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. RINALDO. Mr. Speaker, the recent incidents of terrorism and violence heighten the sense of tragedy in Northern Ireland. Once again, the Government of Great Britain has imposed direct rule in an attempt to quell mounting civil unrest. As a result, full enactment of the greatly hailed Sunningdale agreement seems more remote than ever. Yet, for the sake of humanity, the situation cannot be allowed to deteriorate further with more senseless violence and murder.

The strife between the Protestant majority and the Catholic minority continues unabated as witnessed by the recent strike called by the Ulster Workers Council. Enforced by militant Protestants, this general strike effectively paralyzed Ulster and thereby reversed the positive movement toward civil peace. In response, more British reinforcements were sent to the Province to patrol the streets and take control of strategic fuel distribution points. Such extreme measures as the strike resulted in partial success for the Protestants with the collapse of the coalition government.

The executive had been heralded, at its formation 5 months ago, as the political organ that would open the way for a new era of cooperation and compromise between the Protestants and the Catholics. While this power-sharing concession to the Catholic minority has accordingly been eliminated, the Ulster Workers Council ended the strike without the assurance from London of new elections, a main objective. The Protestants still hope to regain seats lost to Catholics through the previous election.

On the other side, the political reforms designed to give the Catholics greater representations have not led to a decrease in terrorist activities. Instead, the death toll continues to mount. The people of Northern Ireland exist in a state of virtual terror. The indiscriminate bombings have taken the lives of many innocent women and children. This continuation of senseless killings only exacerbates an already embittered situation. And, there is no end in sight.

While neither side can be held entirely at fault, these counterproductive acts cannot be condoned. The war cries of extremism must not drown out the voices of moderation. The resort to force as a political instrument can lead only to further instability. The sooner a sound political agreement can be reached, the sooner an end can be put to the violence that has wracked this Province for the past 5 years. However, majority rule cannot be at the expense of the minority.

Such a settlement requires both a willingness to compromise and a willingness to support its effectuation. Both sides should lay down their arms and take up the cause of peace. Too much blood has already been shed. The continual resort to violence is deplorable. While the future of this troubled Province remains clouded, we can hope that oppressive civil strife will soon give way to enduring civil peace.

TRIBUTE TO DR. MERLE DIETZ

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. ANDERSON of California. Mr. Speaker, on June 8, 1974, the Los Angeles Harbor College faculty will honor Dr. Merle Dietz upon his retirement from the position of dean of instruction after 37 years of teaching.

Dr. Dietz started his chemistry teaching career in 1937 in Lansford, N. Dak. He came to California in 1941, and taught in Manhattan Beach, and later at Jefferson High School in Los Angeles and North American Aviation prior to joining the faculty of Harbor College in 1953.

Merle Dietz was born in North Dakota in 1914 of hard-working pioneer stock. He received his bachelor of science degree from Minot State Teachers College, his masters degree in education from the University of Southern California, and his doctor of education degree from Oregon State University. While working on his doctorate, Merle received two grants from the National Science Foundation.

Dr. Dietz's abilities and hard work have not been limited to the classroom and college administration. He has been an active member of the California Teachers Association, president of the Harbor College Faculty Association, president of the Los Angeles Community College Administrators Association, and leader of numerous committees and study groups.

In addition, Dr. Dietz and his lovely wife of 36 years, Patricia Fitzgerald, have dedicated themselves to raising 11 children who have attained an outstanding number of bachelor and masters degrees from various colleges. The children are: Mary Pat Surmeier, Margaret Ann Egan, Monica Eulalia Myrtle, Alice Elaine Myrtle, Kathleen Marie Sylvia, Judith Louise, James Walter, Ann Elizabeth Fleck, John Walter, Patrick Merle, and Theresa Christine.

Dr. Dietz's philosophy of education was best expressed by himself recently when he said:

> The higher purpose of a college education is to develop the rational, humane aspects of our lives; to possibly discover things that no one has discovered before; to think beyond the immediate needs of the day; and to tackle some of the problems of mankind like poverty, corruption, pollution and disease.

Mr. Speaker, I am particularly pleased to bring this fine career to the attention of my colleagues and the Nation. Dr. Merle Dietz may well serve as an inspiration to students, faculty, and administrators to listen to one another; respond to the challenges of today's world; and work with their fellow men and women to help guarantee that the future of mankind will remain bright with promise.

RETAIN HOUSE COMMITTEE ON INTERNAL SECURITY AS STANDING COMMITTEE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. ASHBROOK. Mr. Speaker, the National Executive Committee of the American Legion passed a resolution at its May meeting in Indianapolis, Ind., whereby it called for the retention of the House Committee on Internal Security as a standing committee in the House of Representatives. The Legion's NEC action supplements its convention resolution of August 1972, a copy of which appeared in the CONGRESSIONAL RECORD of March 21, 1974, page 7832.

I am pleased to include in the RECORD today its latest resolution and in so doing call to the attention of those Members of the House, who feel that HISC's role and that of the FBI are mutually exclusive in the field of security and whose efforts are therefore duplicative, paragraphs No. 2 and No. 3 of the resolution.

Second, I wish to insert in the RECORD, a radio broadcast of March 12, concerning HISC, by the "Washington Report of the Air," a production of the American Security Council—ASC—which is a nonprofit, research, and educational association that deals with issues affecting the Nation's security. The ASC, which comes highly endorsed by at least three former American Presidents and is held in very high esteem by authorities in the security field is founded on the principle that national security is every citizens' responsibility and that Americans must rise above partisan differences to work together in the interest of our Nation's security.

The Communist challenge to peace and freedom, declared John Fisher, ASC's affable and articulate president, can be met if Republicans and Democrats, liberals and conservatives, labor and business work together. ASC's notable success testifies to the workability of Mr. Fisher's concepts. The two documents follow:

THE AMERICAN LEGION, NATIONAL EXECUTIVE COMMITTEE MEETINGS, MAY 1–2, 1974

Resolution No. 43.

Commission: Americanism.

Subject: Retain House Committee on Internal Security as standing Committee in House of Representatives.

Whereas, For many years, The American Legion has supported the House Committee on Internal Security, formerly known as the House Committee on Un-American Activities, and requested that Congress appropriate sufficient funds for it to continue and expand its work in the important function of guarding the internal security of the United States; and

Whereas, While the Federal Bureau of Investigation does a splendid job, its work must be performed in a confidential manner and it does not possess a legislative mandate to provide recommendations to the Congress for legislation to strengthen law enforcement, engender respect for the law and prescribe penalties for those guilty of vicious and infamous crimes which destroy American lives and emasculate the Government of the United States; and

Whereas, This obligation rests solely with the Congress of the United States and is vested in the House Committee on Internal Security and the Subcommittee on Internal Security of the Senate Judiciary Committee; and

Whereas, It has been recommended by the House Select Committee on Committees that the Committee on Internal Security be abolished and its jurisdiction transferred to the Committee on Government Operations which would mean the demise of the Committee on Internal Security as a standing Committee of the House; Now, therefore, be it

Resolved, by the National Executive Committee of The American Legion in regular meeting assembled in Indianapolis, Indiana, on May 1–2, 1974, that The American Legion does oppose this recommendation and urges the continuation of the Committee on Internal Security as a standing Committee of the U.S. House of Representatives.

THE AMERICAN SECURITY COUNCIL BY WASHINGTON REPORT OF THE AIR

In Congress last week, public hearings began into the nature and dimensions of terrorism—terrorism that is now being increasingly employed by violent revolutionaries in the United States and elsewhere. The hearings were conducted by the House Committee on Internal Security under the chairmanship of Representative Richard H. Ichord, Democrat of Missouri. The witnesses included psychiatrists, law enforcement and government officials and others with special expertise in dealing with terrorism in all of its manifestations and in analyzing the terrorist mentality.

All Americans certainly will agree with Ichord's warning that terrorist tactics, both abroad and most recently in the U.S. itself, pose a serious threat to our security—both as a nation and as individual citizens. The Committee, says Ichord, is particularly interested in developing the extent to which terrorist groups give direct or peripheral support to the world Communist objectives through their espousal of Marxist-Leninist-Maoist revolutionary concepts. Despite the clear and present danger of terrorism and despite the obvious need for Congressional action, critics of the House Committee on Internal Security have begun a new drive to abolish the Committee.

Each year, as regular as clock work, the Communists and other groups and individuals who would like to see our government fail have attempted to kill the committee. We can thank our lucky stars that sc far they have failed. The present House Committee on Internal Security and its predecessor have withstood these attacks due to the fact that a majority in the House have always realized the great necessity for this Committee to continue its work. Its accomplishments have been many. It has delved into the devious machinations of subversive organizations and brought to light information that has been used by law enforcement officials all over the country.

Now, however, a new tactic is being tried to get rid of the Committee. The Bolling Committee [1] set up to reorganize the House, has formally decided that the Ichord Committee functions should be transferred to the Judiciary Committee.[2] However, no provision has been made to transfer the Committee staff or files. A full Committee with a full staff is still desperately needed. There is much work to be done. For instance, the

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[1] The Select Committee on Committees.

[2] The revised recommendation of the Select Committee, to which HISC members also object, is to transfer HISC to the Government Operations Committee.

Committee is authorized: "to make investigations from time to time of the extent, character, and objectives within the U.S. of organizations and groups, whether of foreign origin, their members, agents, and affiliates, which seek to establish or assist in the establishment of a totalitarian dictatorship within the United States, or to overthrow, alter, or assist in the overthrow or alteration of, the form of government of the United States by force, violence, treachery, espionage, sabotage, insurrection, and other unlawful means." We submit it would be dangerous at this time to stop this work. We call upon all loyal Americans to support the continuance of the House Committee of Internal Security.

STATES AFFECTED BY VENEZUELA PRICE GOUGING POLICIES ON OIL

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. GUNTER. Mr. Speaker, though my own State of Florida is particularly victimized by Venezuelan oil pricing policies, it should be realized that many areas of the country now experiencing extreme hardships resulting from fourfold oil price increases can trace this hardship directly to the price of Venezuelan oil.

When Mr. Rose, of North Carolina, and I offer our amendment this week to suspend Venezuela's sugar quota until such time as fair oil prices are restored, our colleagues will, I hope, recognize the direct impact of Venezuelan pricing policies on their own constituents and consumers.

According to figures published in January of this year and available from the Bureau of Mines, 19 States are dependent on Venezuelan oil at the prevailing prices.

They include the two most populous States in the Nation with close to 40 million people, California and New York.

New England, the mid-Atlantic States and the South depend on Venezuelan oil, including the States of Maine, Massachusetts, New Hampshire, Rhode Island, Connecticut, New York, New Jersey, Delaware, Pennsylvania, Maryland, the District of Columbia, Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, and Louisiana.

Farthest west, Hawaii is dependent on Venezuelan oil.

In my own State of Florida, Mr. Speaker, some 36 counties served by Florida Power & Light are dependent on Venezuelan oil, including the entire east coast except for Jacksonville—which is nevertheless also dependent on Venezuelan oil—and a large portion of the lower western coast. The area includes all of the major communities of the east coast below Jacksonville, including the Miami area. On the west coast, it includes such communities as Sarasota, Arcadia, Bradenton, Fort Myers, Naples, Punta Gorda, Venice, Englewood, Labelle, Palmetto, Manatee.

Separately, Florida Power Co. serves the major communities of St. Petersburg, Largo, Tarpon Springs, Port Richey, Brooksville, Inverness, Opa-loca, Perry, Madison, Port St. Joe, Crawfordsville, Clearwater, Dunedin, Safety Harbor, New Port Richey, Crystal River, Winter Park, DeLand, Monticello, Jasper, and Apalachicola.

In Jacksonville, the Jacksonville Electric Authority is dependent upon Venezuelan oil.

Approximately 60 percent of all low sulphur oil used by Florida Power & Light comes from Venezuela. From January 1973 to April 1974, Mr. Speaker, the cost to electric utility consumers has increased by over $6.50 per 100 kilowatt hours, a direct reflection of the increase to Florida Power & Light of the price of Venezuelan oil from $3.84 per barrel in January 1973 to $11.64 per barrel in April of this year.

Unfortunately, these massive increases borne by average consumers do not reflect the extent of the continuing price impact, for Florida Power & Light has been able to avoid passing on some costs due to the fact they had leftover reserves for a time. But now these reserves are nearly all depleted. The cost to the consumers is therefore going to increase again.

The story is much the same all over the country in those States dependent upon Venezuelan oil, Mr. Speaker, and no doubt my colleagues from those areas are more fully informed and better equipped than am I to discuss the impact in their own districts and on their own constituents.

But it should be clear that the serious problem is of such dimensions as to be national in scope and to call for an adequate and clear response by the Congress.

I am therefore hopeful that Members whose constituents are currently being victimized by Venezuelan price gouging on oil will join in support of the amendment to suspend Venezuela's sugar quota.

I am pleased to note the amendment does have the support of some of our most respected colleagues in the House, and at this point in the Record would like to call attention to the support voiced by Mr. Rosenthal, of New York; Mr. Sisk, of California; Mr. Whitehurst, of Virginia; Mr. Vanik, of Ohio; and Mr. Bennett and Mr. Lehman, both of Florida, in addition to Mr. Rose and myself.

The text of their statement in the form of a dear colleague letter sent May 31, 1974, follows:

May 31, 1974.

Dear Colleague: We wish to call your attention to an amendment to be offered when the U.S. Sugar Act reaches the Floor by Mr. Gunter, of Florida, and Mr. Rose, of North Carolina, to suspend the sugar quota of Venezuela until such time as that country gives evidence of returning to economically responsible conduct in the pricing of oil.

The undersigned Members support that amendment and urge its favorable consideration by our Colleague.

The intent of the amendment is not primarily punitive. We also recognize and applaud the great strides forward taken by the people of Venezuela toward full democracy in recent years—and we appreciate the rightful spirit of nationalistic pride that has emerged in that country.

At the same time, the economic forces unleashed by the pricing policies on oil adopted by Venezuela so imperil the economic health and stability not only of our country but, in concert with the policies of the OPEC nations generally, the equilibrium of the world economy, that they can no longer be ignored. The year-long victimization of American consumers literally must end. We join in believing that it is time to send a message to the oil producing nations of the world that the Congress is no longer able to remain silent in the face of continued economic extortion, but is prepared if forced to and if necessary to take strong and effective economic action to protect the economic health of our own people.

We believe this amendment is a mild, measured and responsible warning—but that the message hopefully will be clear. We urge your support when the amendment is called upon on the Floor. The text of the amendment is attached.

Sincerely,

B. F. Sisk.
Charles A. Vanik.
Charles E. Bennett.
Benjamin S. Rosenthal.
G. William Whitehurst.
William Lehman.

EXTENDING VETERANS EDUCATION BENEFIT ELIGIBILITY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. GILMAN. Mr. Speaker, now that the President has signed emergency legislation providing for a 30-day extension of veterans education benefits, we must not be complacent—we must immediately seek the passage of a comprehensive measure increasing financial assistance to our veterans, extending for a full 2 years veterans educational benefits.

The onus is presently on the Senate. While the House passed H.R. 12628, a bill providing a 13.6 percent increase in veterans education benefits with a 2-year extension on February 19, 1974, the Senate has failed to act on their version of a comprehensive education benefits measure.

I have contacted Senator Hartke, chairman of the Senate Veterans' Affairs Committee urging his committee to promptly report out such a bill for full Senate consideration. To this date, that committee has not acted.

Mr. Speaker, this issue has now resolved itself into a matter of critical timing. With only a 27-day authority remaining from the emergency legislation, the matter has yet to be considered by the other body. Subsequent to passage by that body, this bill will have to be deliberated by the House and Senate conferees. This does not leave any time to waste.

Mr. Speaker, it is unbelievable to me that we have waited so long for passage of this legislation. This sort of tardiness fosters administrative mishandlings. How can the Veterans' Administration be prepared to effectively administer the time extension or to handle the payments of increased benefits, if we do not give them the time necessary to plan for implementation? More importantly, how can our veterans, to whom we owe so much, make their decisions concerning their schooling if they are not notified of the availability of these programs in advance?

The present situation is extremely distressing and calls for immediate legislative attention. Accordingly, I urge my colleagues to join in seeking passage of the long overdue comprehensive veterans education benefits measure by calling upon the Senate Veterans' Affairs Committee for prompt action in reporting this bill to the full Senate.

CHILDREN'S DAY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. RANGEL. Mr. Speaker, the young people of today will shape the destiny of the United States. It is they who will determine whether this Nation will pursue policies committed to human needs. It is they who will remember the Watergate era and guarantee that the evil manipulations of government we have witnessed will not recur.

Our children have a right to expect a government responsive to their needs—to freedom from poverty and hunger, to decent housing and quality education, to equal opportunity.

Under the leadership of Dr. Benjamin Watkins, the mayor of Harlem, my Harlem community annually salutes the important role of children. This year, the annual Children's Day celebration will take place on Sunday, June 9, at Mt. Morris Park. It is a day dedicated to fun and to appreciation of our children.

I have introduced a joint resolution to make the second Sunday in June an annual Children's Day. I am including my bill at this point in the CONGRESSIONAL RECORD.

HOUSE JOINT RESOLUTION 604

Joint resolution designating the second Sunday in June of each year as "Children's Day"

Whereas our children are the future of the world; and

Whereas our children have a right to quality education, decent housing, comprehensive health care, freedom from hunger, freedom from poverty, freedom from discrimination, and a world at peace; and

Whereas our children are entitled to every opportunity to develop their full potential: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the second Sunday in June of each year is designated as "Children's Day" and the President is authorized and requested to issue annually a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities to renew our commitment to guarantee our children a better life.

AMERICANS OPPOSE FORCED BUSING, SAYS CLAYTON FRITCHEY

HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. SNYDER. Mr. Speaker, the nationally known columnist, Clayton Fritchey, recently discussed the political ramifications of the issue of compulsory, court-ordered busing of schoolchildren to achieve racial balance.

He said that Americans overwhelmingly oppose busing, and that more and more black citizens seek other solutions.

I think it is vital that my colleagues in the House of Representatives be aware of the figures Mr. Fritchey cited. He stated:

> Only 9 per cent of blacks and 4 per cent of whites favor such busing.

Many in Congress, like myself, have continually pointed out that the American people realize the stupidity, as well as the injustice, of forcing both black and white children to ride for miles to attend schools outside of their own neighborhoods.

Many like myself have introduced legislation that once and for all would put an end to this dictatorship of the Federal courts over parents and children.

It is about time that the U.S. Congress acted on such legislation. Mr. Fritchey's column from the Louisville Times of May 31 should, I trust, encourage my colleagues to take this action at the earliest opportunity:

DEMOCRATS WANT BUSING ISSUE PUT ON BACK BURNER—DON'T WANT NIXON GIVEN CHANCE TO EXPLOIT IT, HOPE HIGH COURT CAN DEVISE COMPROMISE FORMULA

(By Clayton Fritchey)

WASHINGTON.—If there is one issue nearly all Democratic politicians long to get rid of, it is school busing for racial balance. Nobody knows this better than President Nixon, who is a master at keeping it alive.

The President is sending up signals that he will veto the $24 billion Senate educational bill because it is not as adamant against busing as the House bill, which he favors. A veto would send the legislation back to Capitol Hill for another round of inflamatory debate and further agitation of this divisive issue.

Except for "forced" busing, the Democrats are pretty well rid of the emotional issues that Mr. Nixon exploited so effectively in 1972, especially the AMA issues—amnesty, marijuana, abortion. Time is eroding the first two, and the Supreme Court has to a large degree taken the heat off the politicians by outlawing antiabortion statutes.

The Democratic and Republican liberals can hardly be blamed for hoping that the Supreme Court in the next week or two will also defuse the busing issue when it rules on the now famous Detroit school case. The case involves a lower court order compelling the busing of suburban white children to black schools in the core of the city as part of a metropolitan desegregation plan.

A growing number of civil-rights supporters would not be too disappointed if the high court found a compromise formula that would ameliorate the passions that have been aroused by the issue. Part of their concern is that a continuing all-out fight over the uncertain benefits of extreme busing may provoke a backlash that would seriously endanger racial progress on other major fronts, such as employment, housing and politics.

The black community itself seems to have little enthusiasm for the kind of solution typified by the Detroit case. The Gallup Poll finds that a majority of Americans still favor public school integration, but few—black or white—believe that busing pupils from one school district to another is the best way to do it. Only 9 per cent of blacks and 4 per cent of whites favor such busing.

When the National Black Political Convention was held in Gary, Ind., it passed a resolution condemning busing that is based on the "false notion that black children are unable to learn unless they are in the same setting as white children." Instead, it said, "blacks should be given controls of schools in Negro areas, and more money should be spent there to achieve quality education."

Suiting action to the words, the Atlanta branch of the National Association for the Advancement of Colored People supported a minimal classroom integration plan in return for a pledge giving blacks substantial control over school administration in Georgia's largest city. The national office of the NAACP disapproved of the action, but later its general council reported there was a movement under way in other cities to adopt the Atlanta formula.

Rep. Shirley Chisholm, D-N.Y., a prominent member of the Congressional Black Caucus, says parents of children in community-controlled schools tell her that their offspring are learning to read better, are developing a better attitude toward school and have teachers—mostly black and Puerto Rican—who are "concerned and committed to educating their children."

Another leading member of the Black Caucus, Rep. Louis Stokes, D-Ohio, said only a few days ago that "busing is not a real issue." At most, he declared, "it is one of the tools of desegregation. Politicians have brought the issue to the front because it is an emotional issue."

One of the nation's most liberal mayors, Boston's Kevin White is now saying, "I am for integration, and I am against forced busing. And they are not mutually exclusive."

The Democrats feel that if the busing issue can be put on a back burner, their electoral chances this fall and in the 1976 presidential race will be greatly enhanced. Their aim, of course, is to concentrate attention on Watergate and the need for restoring morality in government.

SUGAR QUOTA UNFILLED

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. GUNTER. Mr. Speaker, in recent days several of us have engaged in an active debate on the subject of Venezuela's sugar quota. The pros and cons of our foreign policy have been examined as have the oil policies of our neighbor to the south.

I hasten to remind my colleagues that one major fact has been ignored. The foreign sugar quota is based on the domestic need which growers in this country cannot provide. Thus it is important that those nations receiving a quota are dependable suppliers.

Last year, Venezuela's quota was approximately 68,000 short tons of which they supplied approximately 32,000 short tons to the United States or less than 50 percent of their quota. Later in the year, due to increased sugar needs in this country, we issued a first-come-first-served request for additional sugar. Venezuela failed to respond.

In determining this year's quota, the Agriculture Committee used last year's figures and adjusted them upward to reflect an increased importation of sugar. Another adjustment was made to reward countries who responded to our secondary request for sugar unlike Venezuela.

Under this formula, Venezuela's quota should have been at most 44,637 short tons. But the committee upped this figure to 63,540 short tons. The rationale for this was that Venezuela's production was down due to a drought. The quota of the West Indies was also adjusted upward for this reason. This sort of thinking did not consider the fact that Venezuela had enough sugar to sell to other countries while not meeting our quota.

If the quotas allowed under the Sugar Act are to "reward our friends," then the quota allowed by the committee is not logical. Venezuela has been a poor supplier of sugar and is certainly not a nation the consumers of this country can look to for filling their needs.

RHODESIAN CHROME

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. DIGGS. Mr. Speaker, I would like to submit for the thoughtful attention of my colleagues the text of a statement which I submitted to Subcommittee No. 3 of the House Armed Services Committee on May 21. The text of the statement follows:

Although Mr. Henry Ford is an acknowledged foe of the reimposition of sanctions against Southern Rhodesia, he has recently, in a letter to me, indicated that the U.S. national stockpile does contain sufficient supplies of chrome and high-carbon ferrochrome to meet U.S. needs. Since the allegation that Rhodesian chrome and ferrochrome are of vital importance to the United States is often made by those opposed to sanctions against Rhodesia, it is especially pertinent that the following excerpt from Mr. Ford's letter to me of May 1, 1974 be made a part of the record.

"Ford and its suppliers need to be assured that sufficient quantities of high-carbon ferrochrome will be available in the United States. One way of assuring adequate supply for the years immediately ahead, should the Rhodesian embargo be reimposed, would be for Congress to pass legislation that would release the national stockpile of chromite and ferrochrome. Last October, in hearings in Washington on the Rhodesian chrome issue, a State Department representative stated that there is an excess supply in the national stockpile of 390,000 tons of high-carbon ferrochrome and about 3 million tons of metallurgical grade chromite, from which high-carbon ferrochrome is produced. Release of the Federal stockpile is not, of course, a long-term solution to the problem but it is an action that we believe Congress should consider in conjunction with its interest in a reimposition of the embargo on Rhodesia."

Additionally, it should be noted that, prior to the lifting of sanctions against Rhodesia, U.S. ferrochrome needs were being fully met by our domestic industry, and other countries such as Finland, West Germany, Japan and South Africa. Importation of Rhodesian ferrochrome threatens the jobs of U.S. ferrochrome workers. Although this risk is temporarily obscured by the current boom in the stainless steel industry and the resulting demand for ferrochrome, American workers may lose jobs in light of future predictions of a recession with a concomitant lessened demand for stainless steel.

LOOKING OUTWARD

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. TEAGUE. Mr. Speaker, Mr. Robert Hotz, editor of Aviation Week and Space Technology in an editorial of that publication May 20, 1974, reviews the contributions of our national space program over the past several years. His brief but significant editorial is definitive. It outlines accurately the importance of our space program not only in providing new knowledge, but also in providing practical benefits. I commend this thoughtful article to the reading of my colleagues and the general public:

LOOKING OUTWARD

Mankind has already benefited enormously from the series of satellites that look down on his revolving planet earth from the unique vantage point of orbital space. It is becoming increasingly obvious that space offers the best viewpoint from which man can discover, catalogue, assess and manage the finite resources of earth. It is also the only viewpoint from which he can observe and forecast the dynamic processes its motion entails. Space technology is returning a dividend on the investments in these earth orbiting satellite systems in high multiples of the total cost of all space programs to date.

Meanwhile, another type of satellite is giving man his first clear look outward into the far reaches of the solar system and providing another type of perspective on his planet's relation to the entire galaxy. These planetary probes, beginning with the early Pioneers and Mariners of the early 1960s, have extended man's feel for the solar system in spectacular fashion about 600 million mi. to the fringes of Mercury and Jupiter. Combined with man's first explorations of the lunar surface in Apollo and the more perceptive observations of the sun during Skylab, this effort is beginning to fashion a new and growing understanding of the creation and evolution of the solar system and—most important—where the planet earth fits into these dynamics.

The early Pioneers and Mariners were relatively simple spacecraft, stretching fingers as far as possible on flybys into space, taking basic measurements and fairly fuzzy pictures. They were able to transmit only 33 bits of information per second back to earth receivers. It was not until Mariner 9 became the first spacecraft to go into orbit around another planet that clearer details emerged. The 6,876 pictures it took mapped most of Mars' surface and transmitted the dynamic appearance back to earth-bound scientists. Mariner 10, whose spectacular performance and photography from Venus and Mercury have been detailed in previous issues of this magazine, is still on orbital station in deep space preparing for another pass at Mercury next September. Its transmission rate was 117,600 bits of information per second, making possible the return to earth of such detailed pictures of Mercury from about 92 million mi. away.

These deep-space explorers have been the product of a relatively small group of companies that have specialized in building equipment for this type of spacecraft and that orbit around the perceptive program management of Cal Tech's Jet Propulsion Laboratory. They include:

Boeing, Hughes, Motorola, TRW Systems, Electro-Optical Div. of Xerox, Texas Instruments, Hi-Shear Corp. and Sperry Rand.

The growing accumulation of planetary data, particularly from Pioneer 10 and Mariner 10, has upset much of the standard textbook concepts of the planets and has emphasized the vital importance of the detailed study of lunar rocks to provide a key to unlock the secrets of the planetary chain. The data messages coming back from planetary probes portray a continuously dynamic solar system in a dynamic universe.

This is in contrast to the concept of a dead moon, dead meteorites and the early fast flyby that implied a dead Mars. The Apollo explorations developed a new picture of the moon with a peculiar active life of its own and forced a new look at meteorites as a part of another dynamic mosaic instead of cold blobs of primordial matter.

Mariner 9's photos brought Mars back to active life. Combined with the Mercury surface pictures viewed through the perspective of Apollo results, they are generating a new theory of planetary formation that could have very practical imports for earth. All the planets that have been explored by spacecraft have some key elements in common—a division into the counterparts of earth's ocean basin lowlands and continental highlands.

Current data from the planetary spacecraft indicate that Mercury, earth, the moon, Mars and probably Venus are all in different stages of evolution into continents and ocean topography. The question now confronting the planetary scientists is whether they formed this way originally or whether they first formed from common matter and grew into different bodies for environmental reasons. The answer to this question may reveal whether the formation of ores and other raw materials that feed an industrial society is a dynamic continuing process with detectable surface characteristics or whether planets are limited to what was formed in one geologic era. Another question that may be answered by planetary studies is where earth is now and where it is going in this planetary process of evolution.

Pioneer 10, with its first probe to the outer limits of the sun's influence, is another watershed in scientific knowledge, not only of the solar system but also its interrelation to galactic space and the basic nature of energy. It has already unveiled a number of unexpected phenomena including survivability in the asteroid belt and the reactions between Jupiter's magnetic sheath and solar winds.

Man's look outward into the universe is just beginning. But his long-held theories have been rudely challenged by spacecraft facts and his curiosity permanently piqued.

Just as the early lunar probes of Ranger, Surveyor and Orbiter did the first mapping of the moon in preparation for the more detailed landing exploration by men, so the Mariners and Pioneers are now charting the planetary paths of deep space for the manned spaceships that will inevitably follow. Probably not before the next century but certainly sooner than anybody now thinks.

SOCIAL SECURITY

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. BURKE of Massachusetts. Mr. Speaker, the Washington Star-News has been running an excellent series of articles on social security. Yesterday, I submitted for the RECORD, the first article entitled, "Payroll Bite Acceptance is Wearing Thin." Today I would like to call my colleagues' attention to the second article entitled "Will Inflation Outstrip Ability To Pay?"

These articles clearly indicate the need for congressional review of the present financing of the system and the burden it places on low- and middle-income taxpayers.

The article follows:

WILL INFLATION OUTSTRIP ABILITY TO PAY?

(By Ned Scharff)

Beginning in 2010—less than 40 years from now—the babies born in the post-World War II boom will reach retirement age. All of a sudden, the number of people living on pensions will have gone from 29 million to 45 million—an increase of 55 percent.

And the gap between older and younger generations will be widest in the pocketbook

The younger will be forced to support their elders, as they have done under Social Security since 1937. But at that future date, the price of support may be out of all proportion to the ability of workers to pay.

That is the way the Social Security system is beginning to look to its apparently growing number of critics. It takes only a little assumption—that today's inflation is likely to continue, more or less—to convince the critics that a crisis is on the way.

If it comes, they say, it will be an actuarial crisis, a financial crisis, and, most of all, a human crisis. Social Security will have become a monster—devouring wages as never before, and possibly killing workers' initiative.

These are some of the consequences foreseen:

Caring for the nation's aged and disabled, now a $67.7 billion undertaking, could in the early years of the 21st century outstrip also-rising defense as the single largest item in the federal budget.

It could even herald the ultimate Welfare State as the worker is taxed to the limit to pay for public benefits, for his elders. With more senior citizens and relatively fewer workers (the ratio of workers to retirees will have fallen from 3.2 to 2.2 by 2030), society would take large amounts from the young in order to fulfill promises to the old.

Barring a sudden change in population trends, the sheer numbers of elderly people in the coming century almost surely would transform America from a youth culture to one of geriatric dominance.

Easy credit and free spending—now characteristic of the nation's youth-oriented ways—could become privileges enjoyed primarily by senior citizens no longer responsible for making a living. Such privileges are not subsidized by the current level of benefits.

The grim predictions of the system's critics may reflect elements of exaggeration and overextended trend lines but do represent increasing concern that Social Security, lumbering into the future, will seriously disrupt the financial and social bases of American society.

Part of the forlorn outlook is due to a simple reality of politics: It is very popular—well-nigh irresistible—to increase Social Security benefits, time after time.

Sen. Barry Goldwater found out just how popular an ever-growing pension system was during his 1964 presidential campaign. Citing what he considered to be abuses in Social Security, he warned that the system was "in danger of collapsing." Remark was used against him over and over, effectively.

Another Republican, Nebraska's Sen. Carl T. Curtis, estimates that he lost 10 percent of the vote in his state two years ago by arguing that a 20 percent hike in benefits, the largest in Social Security history, was too much for the system to bear.

In past years, Congress has managed Social Security in a way that has pleased nearly everyone—declaring frequent benefit increases without any sharp increase in taxes.

At the same time, the Social Security tax remained partly disguised. Since employers pay half of it without any notation on the workers' check stub, increases in the tax appear to be only half as large as they really are.

Since 1937, the real tax burden has risen from 2 percent of the workers first $3,000 in earnings to 11.7 percent of the worker's first $13,200.

Still, until 1972, Congress was able to declare frequent benefit raises without comparable tax increases by using an overly conservative accounting method which assumed that a man's wages would remain the same throughout his career.

Of course, wages did rise, and so did Social Security tax revenues. Congress simply disposed of the surpluses by increasing benefits. The tax schedule was recalculated and Congress began saving up surpluses for the next big increases.

By changing accounting methods to assume rising wages, Congress was able to declare the whopping 20 percent benefits increase in 1972, capping a five-year period in which benefits rose 60 percent.

But the change to the more realistic accounting procedure, also assured that any future benefit increases would necessitate immediate tax hikes. That guaranteed that future benefit hikes would generate more oppositon from taxpayers.

Even if no more benefit increases were approved in the next 40 years except for automatic cost-of-living increases, taxes would have to rise dramatically to meet the population shift.

For example, William G., 22, is a clerical employe earning $7,681 a year. Last year, G. and his employer paid a combined Social Security tax of $898, or 11.7 percent of G.'s earnings. In the year 2010, if G.'s earnings have increased only with inflation, his tax will have to be increased to about $998 in 1974 dollars, or 13 percent of earnings.

And if G. still were working 20 years later, his tax would have to be raised to 16.8 percent of earnings, or $1,270 in 1974 dollars.

That would be the average tax rate for workers in the future if Congress did no more than guarantee old people benefits similar to those they get under Social Security now. But in the view of some there is a serious gap already between benefits and those envisioned by the program's founders.

Created during the Depression, the program was designed originally to provide small benefits to protect the elderly amide widespread poverty and unemployment. For all the increases in benefits, the original view—that the elderly should neither get rich from the program nor be allowed to starve without it—has essentially been maintained.

There are approximately 20 million people over 65 in the United States, and half of them are estimated to be living on Social Security alone. Their average monthly check is only $181.

Whether in its present state or in its potential future state, the system of Social Security has developed increasingly harsh critics. They focus heavily upon the highly conservative economic notions used by Congress two years ago in enacting otherwise sweeping changes in the system.

Most importantly, Congress chose to assume that for the next 75 years, inflation would average only 3 percent a year—an assumption which seems doubtful in light of last year's 8 percent inflation and this year's 14 percent.

Inflation simply means the rate at which the cost of living rises. In figuring its tax and benefit tables for the long term, the Social Security Administration by order of Congress assumed the cost of living would rise 3 percent a year, while wages continued to rise 5 percent a year.

In other words, workers' wages would be a net 2 percent greater than their added costs of getting by each year.

That is central to the idea, long nurtured by Social Security supporters, that each generation will be able to afford still more generous support for its old people.

Viewed that way, Social Security is not a way of buying insurance for one's own old age. Rather, it is a simple income transfer plan—from the younger to the older.

But, the spiraling inflation of the past two years suggests that all the income needed to pay the benefits might not be there to be transferred in the future. To put it in economic language, "productivity" as a base for future Social Security is apparently not rising as fast as it once did.

And if that base continues to grow ever more slowly, Social Security could develop serious income deficiencies even before the "baby boom" workers go into retirement.

The retirees of the "baby boom" era will have the most dramatic numerical impact on the program, but the phenomenon of extraordinarily large numbers of survivors should drop off just as dramatically when the "zero growth" individuals reach retirement age.

Defenders of the system, such as Social Security Commissioner James B. Cardwell, argue that Social Security could never get so deficient that it alone would bankrupt the country.

"If you reach that point," said Cardwell, ". . . the whole system will have collapsed. If this population cannot sustain itself, other parts of the system will be badly damaged. I don't think this generation can or should go into the future believing this could happen."

Conservative economist Milton Friedman does not feel that way about it. He and other critics charge that Social Security, while it is not the only burden on the economy, is one of the heaviest.

"If I were in Social Security, I'd say it could never bankrupt the country, too," said Friedman. "I'd say it's a simple income transfer program that does not use up any real resources, that simply redistributes the money.

"The fact is, though, that it already has had a significant effect. Already the faction of workers between 65 and 70 has been virtually eliminated because of the program's disincentive effect, but that effect can be felt in every age group."

But Cardwell and Friedman agree on the dangers which lie ahead for Social Security as America turns into an aging society. Cardwell calls the population phenomenon "the big question of the moment." Friedman calls it "a time bomb."

A long-overdue Social Security trustees report, now scheduled for publication in late June or early July, will take 1970 Census data into account for the first time.

Social security actuaries long have known about the existence of the baby boom, but what they have not known is that those babies, now married and in the workforce, are not bearing children at the usual rate. For the time being at least, the country has fallen below the point of zero population growth. That simply means there will be fewer workers in future generations to pay future Social Security taxes to support those then on pensions. However, following the passing of the "boom" survivors, the fewer "no growth" retirees will need less workers to maintain their support.

Last year's report, also late, contained a single critical indicator of Social Security's financial strength—it was a percentage showing how far the tax schedule was out of kilter with the system's projected expenses.

Last year's deficit, which did not take new population factors into account, was 0.38 percent—well within the 0.5 percent margin of error permitted by Congress.

This year's deficit will be close to 3 percent—many times larger than any SSA deficit in history—according to chief actuary Francisco Bayo.

The report will not lead to any cutoff of the 33 million monthly checks that Social Security mails to the nation's elderly and disabled. Nor will it halt the automatic increases in taxes and benefits brought by inflation.

What the report will indicate, though, is that in the next few decades, taxes must soar to keep Social Security going.

H.R. 14449

HON. VICTOR V. VEYSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. VEYSEY. Mr. Speaker, during the week of May 27 through June 3 I was in California on official business. Had I been here I would have voted as follows:

Wednesday: Community Services Act, H.R. 14449:

Quie amendment to place control of the Community Action Administration under control of the Secretary of HEW, rollcall 248, "yea."

Kemp amendment to decentralize the program, rollcall 249, "yea."

Froehlich amendment on payment for abortions, rollcall 250, "yea."

Final passage of H.R. 14449, rollcall 251, "yea."

Hopi-Navajo Land Partition, H.R. 10377:

Meeds amendment in the nature of a substitute, rollcall 252, "nay."

Final passage of H.R. 10377, rollcall 253, "yea."

Thursday: Federal Reserve Board audits, H.R. 10265:

House Resolution 822, rules providing for consideration of the Federal Reserve Board audit legislation, rollcall 255, "yea."

Ashley amendment to limit the audit to administrative expenses only, rollcall 256, "yea."

Final passage of H.R. 10265, rollcall 257, "yea."

Nonprofit hospitals, H.R. 13678:

Quie amendment on NLRB ceding its jurisdiction to certain States, rollcall 258, "yea."

Erlenborn amendment requiring a 60-day "colling-off" period, rollcall 259, "yea."

Final passage of H.R. 13678, rollcall 260, "yea."

Monday, June 3:

Renegotiation Act extension, H.R. 14833, rollcall 262, "yea."

Expressing the sense of the Congress concerning MIA's in Southeast Asia, House Concurrent Resolution 271, rollcall 261, "yea."

TWO GIRLS HONORED FOR HEROISM

HON. CHARLES W. SANDMAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. SANDMAN. Mr. Speaker, on May 23, 1974, two of my younger constituents, Mary Jane Green and Kristin Ann Allen, both age 13, were honored by the Fraternal Order of Police, Lodge No. 5, of Long Beach Island, for acts of courage and quick thinking in connection with an aircraft accident which occurred on February 24, 1974, at Mount Snow, Vt.

Miss Green, of Surf City, and Miss Allen, of Brant Beach received personal letters of congratulations from President Nixon, and in his address to some 200 guests at the dinner the Honorable John J. Seltzer, for many years an active judge on Long Beach Island, and a highly respected citizen of that area, paid special tribute to these two young ladies.

Because Judge Seltzer's remarks contain much wisdom and food for thought, I believe it particularly appropriate for me to share them with my colleagues.

Mr. Speaker, I insert this excellent address into the RECORD at this point.

ADDRESS OF JUDGE JOHN J. SELTZER

I believe it to be particularly appropriate that the Fraternal Order of Police have sponsored this public testimony of praise and thanksgiving to our Guests of Honor. As an Associate Member I am honored that I have been given a part in the program.

As a Prosecuting Attorney; a Special Deputy Attorney General in criminal matters; as a defense attorney representing persons charged with offenses against the Law—this type of service in our Courts for more than 50 years and finally for the past several years as a Judge of Municipal Courts I have been in close contact with the Police and I believe I know their problems. The generous approach to the so called Civil Rights of persons involved in offenses against the law with the resulting limitations placed upon our Police by our Courts are well known to me and to the Law Enforcement Officers. As such Officers they, in their work, even at the risk of their own safety meticulously live up to the letter of the law as the Courts from the United States Supreme Court throughout the whole field of Federal and State Courts have pronounced and defined Civil Rights and limitations upon the conduct of Police in the performance of their duties.

I have said it is particularly appropriate that the F.O.P. should sponsor this gathering of our citizens and I will now tell you why.

Over the past 20 years, approximately, the Police have watched and carefully noted the changes in the way of life of our people. The old-fashioned virtue of common courtesy or concern for the welfare of others is fast becoming a lost art. It makes little, if any, difference what is the sex; the national background in ancestry; the background in religious training; the age of people; the financial status; the mode or style of dress or other physical characteristics. The growing inclination is "I have my rights—Heaven help you in your claim to civil rights".

In driving automobiles upon our highways one is shocked if he is shown courteous consideration for his safety. The other driver must have his right of way no matter how much danger he presents for the people. If you, as a courteous driver, don't give way you will be cursed if you are not injured or your car damaged. We must expect that the other driver is that type of person and drive our vehicle defensively.

How about the poor pedestrian who tries to cross the road. Of course the pedestrian, by law, has the right of way, but what driver cares about this. Speed laws are not honored or respected and the Law Enforcement Officer must risk his safety driving at high speed to catch the offender, and when he does catch up with the offender he must take verbal abuse with the appearance of an apologetic smile.

There was a day when we did not have to protect our possessions with super-locks. It was understood by most people that we have civil rights to possess and enjoy our valuables and property. A woman, unattended, could walk the sidewalks without fear of being insulted and physically abused. She had such a civil right. What about now—even in the daylight?

The Law enforcement officer knows that the States case against the offender will be thrown out of court if the officer did not advise the offender fully and understandably of his civil rights. But what about the civil rights of the victim of the offense?

I could go on and on with examples of change in the way of life but I think I have already made my point. Let me sum up by having you know the Police pretty much have to approach a law offender by saying "Please, Mister, will you let me arrest you?"

Getting back to the sponsorship of this meeting—"What a moral lift for a Policeman is the discovery of persons who still possess the virtue of conern for the safety of others and these guests of honor are indeed such persons."

Let me briefly outline our understanding of their courage and concern.

On February 24 Mr. Richard V. Allen; his son Michael, age 14; his daughter Kristin age 11; and Mary Jane Green, a friend, age 12, left the Manahawkin Airport in Mr. Allen's Beachcraft plane for a ski trip to Vermont. Mr. Allen, an experienced pilot, was in control of the plane; his son Michael was in the co-pilot seat, and the two girls were in the rear passenger seat. As the plane reached Mt. Snow Airport, landing permission was granted.

The plane touched down on the runway when a heavy cross wind lifted the plane off its landing course and Mr. Allen gunned the motor to put the plane airborne to again properly approach the landing strip. The verticle stabilizer struck some trees and the plane was caused to flip over and crash to the ground upside down. The engine was thrown free of the plane and though there was plenty of gasoline in the tanks fortunately there was no fire.

All persons aboard were caught in the wreckage. Mary Jane Green's feet were caught and finally she managed to get her feet out of her boots and free herself. She helped Kristin to become free, and both girls were able to get out of the plane. The girls saw another plane approaching the air-strip and from its flight figured the direction to go for help. Mary Jane, in her unclad feet with pain, walked the distance of close to a half-mile to the airstrip. Kristin stayed with her Father and Brother attempting to free them and to stop the flow of blood. She stopped the bleeding and brought them to consciousness by the use of snow packed upon the affected areas.

When help arrived after much time was used up freeing the Mr. Allen and his son—time necessarily used because power tools might spark and ignite the gasoline—all four were taken to the hospital at Bennington, Vermont where they were treated for a fairly long stay at the hospital and their injuries finally repaired.

The Girl Scout training of these girls gave them the know how, but their concern for others was of their own making. Personal pain and discomfort were secondary to the desire to help the others and this concern undoubtedly saved the lives of Mr. Allen and Michael. Were it not for the tramping by Mary Jane through deep snow following the direction set by the second plane and her willingness to endure her personal pain it might have been too late when the plane was finally located. Were it not for Kristin's treatment for her father and brother, though she was in great pain from her injuries, it might have been too late.

Thank God there are still people such as Kristin and Mary Jane. They deserve the highest honors humans can bestow, and their example of courage and concern for the welfare of others should be a guide light for all of us to follow.

I suggest we stand for a moment of tribute to both of them and we ring out our applause for them to hear.

CONSUMER EFFECTS OF THE SUGAR BILL

HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. BAKER. Mr. Speaker, this week the House will debate and act on the amendments to the Sugar Act, H.R. 14747. The basic purpose of the Sugar Act is said to be to guarantee a steady supply of sugar to American consumers. U.S. sugar producers are not able to supply more than about 55 percent of U.S. demand. Foreign sugar producers are guaranteed a certain price level so U.S. producers will be able to meet a percentage of U.S. requirements without being subjected to world market fluctuations.

Generally U.S. prices average higher than world prices. This has been true except in 1963 and 1973.

The whole problem I have with this bill is it does not accomplish its basic objective—to provide consumers with a good, reasonably priced supply of sugar. In this time of economic uncertainty we must become more sensitive to the demands of consumers. Under this bill, the American consumer has not fared well. He is stuck for 5 years with a "price objective" that is pointed in one direction, up. This occurs because the objective is tied to the parity index and the wholesale price index.

I urge my colleagues to support the Mathis amendment.

We must support a revision of the consumer provisions of this bill so markets for sugar can go down as well as up; so a futures market can function freely; and so people who eat sugar, as well as those who grow, process, work on or import it can have fair consideration in this legislation.

WHO DOES THE DRILLING?

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mrs. SCHROEDER. Mr. Speaker, the energy shortage has brought the energy industry under close congressional examination. That scrutiny, however, has not highlighted one aspect of the industry as well as it could: The fact is that the energy industry is a dichotomy.

While most of our attention is on the major oil and gas companies—the international integrated giants—this country also houses many smaller independent oil and gas producers. These operators, some 10,000 strong, are the people who actually find most of the new oil and gas reserves within the confines of the United States. They are the ones who have for many years been carrying on their own "Project Independence," while the majors are off overseas looking for better tax benefits and higher profits.

The publication, Energy Information, has some very interesting information which I would like to insert in the RECORD for the benefit of my colleagues:

NEW STUDY SHOWS "SMALL" COMPANIES DRILL MORE THAN 80 PERCENT OF U.S. WELLS

An operator-of-record survey of 1972 drilling in the United States shows that the larger companies in the petroleum industry were operators on only 17.50 per cent of United States drilling in 1972.

Smaller companies were operators of record on 82.50 per cent of all 1972 wells.

These figures emerged at the completion of a study by Petroleum Information of all domestic drilling during 1972. Earlier this year . . . on June 6 . . . Energy Information published operator of record analysis of about 60 per cent of domestic drilling. The study has been extended to cover the areas not included in the earlier study, notably most of Texas, Louisiana and the southeastern United States.

Operators were classified according to their inclusion in the Chase Manhattan Bank's 30 company group of "larger operators." Members of this group accounted for 17.50 per cent of drilling. All others accounted for 82.50 per cent.

Figures for the entire United States did not differ materially from the partial study completed in June. While some of the areas not then surveyed are prone to deep drilling and would be expected to show a preponderance of large company activity, there has been a steady growth in activity by companies not members of the Chase Group. In addition, inclusion of several active, shallow areas tended to weigh statistics in the direction of smaller operators.

However, it should be noted that in terms of footage drilled, the Chase Manhattan Group accounted for 22.39 per cent while all other operators accounted for 77.61 per cent. This points up the involvement of the larger companies in the deeper drilling in many parts of the country. Such involvement, of course, reduces the number of wells completed in a given period of time.

Nevertheless, the extent of dominance of domestic drilling by operators of record not members of the Chase Manhattan Group is, perhaps, surprising.

A substantial portion of the funding of companies not members of the Chase Group was attracted from non-oil-related sources. The statistics of drilling point up the importance of incentives as a means of attracting the capital responsible for so large a portion of total domestic drilling.

The study shows that the smaller companies drilled more discoveries of both oil and gas and for more dry holes than members of the Chase Group.

But, there was surprisingly little difference in exploratory success ratios between the two groups. The Chase Group risked exploratory failure 1,000 times. The result was 272 productive wells, or a record of 27.2 per cent success. All other companies drilled 8,024 exploratory wells, completed 1,972 as producers, for a success ratio of 24.57 per cent.

The larger companies widened the comparative margin of success when it came to development wells. This may reflect a substantial amount of lease control on the part of this group and the justified tendency to reserve for internal development locations of obviously lower risk.

The Chase Group successfully completed 3,328 development wells of a total of 3,833 drilled. The success ratio is 87.08 per cent. All other companies drilled 14,758 development wells, completed 72.70 per cent, or 10,730 wells, as producers.

The statistics are set out below. Totals include drilling offshore Louisiana and Texas. The Chase Manhattan Group accounted for 398 of 628 wells drilled off Louisiana. Others completed 230. Of 40 wells drilled offshore Texas, the Chase Group completed 23, other companies, 17.

WOMEN IN THE "NEW ARMY"—AN INTERVIEW WITH BRIG. GEN. MILDRED C. BAILEY, WOMEN'S ARMY CORPS

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. RARICK. Mr. Speaker, recently I interviewed the Director of the Women's Army Corps, Brig. Gen. Mildred C Bailey, on my weekly televised report to my constituents. I include a transcript of that interview:

RARICK. The composition and role of the United States Army is changing. One of the modifications made since we went to the "voluntary army" concept has been an expanding role for women in the Army.

Women have long played a significant part in our country's military history. They have participated to some degree in every war we have ever fought, and in this period of peace time, women are becoming even more vital to the mission of the Army.

With us today is the Director of all the women in the Army, Brigadier General Mildred C. Bailey, Director of the Women's Army Corps. General Bailey is a native of North Carolina and has served in intelligence staff positions in the United States and in Europe. She is the second Women's Army Corps officer to be promoted to Brigadier General and the fourth to attain that grade in the Armed Forces.

General Bailey, it is an honor to have you as our guest.

I realize that women are playing an ever increasing role in the Army. How many women are in the Army now, and what plans are there for increasing that number?

General BAILEY. Our current strength is approximately 24,000 women. For comparison purposes, this is almost double what it was two years ago. Our current plans call for a minimum of 50,000 women in the Army by calendar year 1979.

RARICK. And what would that be percentwise?

General BAILEY. We are not really talking about percentages today. Our plans are founded on the number of women the Army needs to accomplish its mission. As we see it now, by 1979, we must have a minimum of 50,000. How far we go beyond that will depend upon the Army's needs. We know there are many more than 50,000 jobs that women can hold in the Army, and we're going to recruit the number of qualified women the Army needs.

RARICK. General, are you experiencing any difficulty in attracting young women who are qualified to enter the Army today?

General BAILEY. We're having a great deal of success with our women's recruitment programs. I think we have finally turned around some attitudes toward the idea of the appropriateness of women in the Armed Forces. It took us many, many years to do this. Today, I think the results of our efforts are reflected in the increasing number of young women who consider the Armed Forces a viable career alternative. We are tremendously pleased with our success in recruiting today.

RARICK. Well, since I'm certain there will be some women who are looking at this show, can you tell us what job positions are available today in the Army for women that were not available to women, let's say five years ago?

General BAILEY. Well, within the past 18 months we have almost quadrupled the number of jobs that are open to women in the Army. In past years it was a common attitude that we had to restrict women to the so-called traditional jobs such as clerical duties or nursing. In war-time emergency we did the non-traditional because it was necessary. But in peacetime the average American and member of the military really did not accept the idea of a woman serving in a career area outside the realm of the traditional areas. Now, however, there is a different climate in our society, and we in the Army, of course, are a reflection of what is happening in civilian society. So now women are performing in jobs that we knew they could do all along. It was only our sensitivity to public opinion which barred us from these jobs in the past. Today's Army leaders are able to say to young women that, with the exception of a direct combat role, you can do anything you want to do in the Army. If you want to be an automatic data processor, if you want to be in food service, if you want to be a clerk typist, if you want to be an electronics specialist, if you want to be a parachute rigger, it is your personal choice. 444 of the 482 jobs in the Army today are open to women.

RARICK. You said that this would exclude combat operations. Does this mean service with a combat arm engaged in front line activity?

General BAILEY. What it really means is that women do not serve in what we refer to as "category one units." These are units whose mission is to seize and hold ground, whose mission is to have face-to-face contact with the enemy and are located in the forward battle area. This is the only type unit in which our women cannot serve. We serve in all types of support units. Our policies do not mean that our women will not serve in potentially dangerous areas. They will in the future and they have in the past. But at this time, we do not plan to put them in the direct combat role.

RARICK. In other words, this would mean that for the present at least, you are excluding women from the infantry, combat engineers, chemical warfare plan?

General BAILEY. We'll only exclude them in certain military occupational specialties. Women can serve with infantry units at division and brigade level, but there are restrictions on where they serve and on the types of duty they perform within the unit. In other words, she may be a supply specialist for an infantry unit in a particular location, but she could not be an infantry rifleman.

RARICK. Well, let me ask you this. Are there any provisions where women will be commanding, women officers, will be commanding units of men or of mixed men and women?

General BAILEY. Yes, indeed. This has been possible for the past year. Until a year ago, we had an Army policy which prohibited women from commanding anyone but other women. But we're in an enlightened era now, I'm happy to say. Presently, women can command any type of unit except a combat unit. We do have women in this type of assignment now.

RARICK. Well, I think back to my days in the infantry and wouldn't it have been a wonderful thing to have a nice looking first sergeant blow the whistle for the men and tell them to "fall out" in the morning.

General BAILEY. The philosophy in today's Army is basically that people should take care of people. We want our integrated staffs, men and women, to be addressing the needs of the Army and the needs of men and women. We don't want total separation any longer. That, of course, does not mean that we will not continue to provide privacy in Army housing. We will recognize the fact that while many of the things concerning men and women are the same, there are many others that are parallel, but not necessarily the same. Further, we realize that men have needs that women don't have, and that women have needs that men don't have. So, we're going to address the needs of people and do our job on an integrated basis of professionals serving and sharing the responsibility for national defense.

RARICK. And of course, we're talking about segregated barracks.

General BAILEY. Oh yes, indeed. We will provide complete privacy in housing between men and women in the Army.

RARICK. And at present, we are talking about women who are volunteers—as opposed to the concept of drafting women into the service and forcing them into these slots?

General BAILEY. Yes. Our women have always been volunteers.

RARICK. With the new phase we're having in volunteer Army now, are women officers now being considered for advanced training, say at schools such as Fort Leavenworth or the Army War College?

General BAILEY. Yes, they are. We have always participated to a very limited degree, in the Armed Forces Staff College and also the Command and General Staff College of the Army. But, it was not until 1968 that our women could participate in what we call the Senior Service Schools, the Army War College and so forth. Our participation began in 1968 on a very limited basis. We were provided a very small quota each year. As of this year, however, we are competing with our male counterparts. The people who are best qualified, regardless of sex, will be the ones attending these colleges.

RARICK. Does this also include West Point?

General BAILEY. At this time, the Army does not have plans to put women in the military academy. The rationale for this is that the primary mission of West Point is to train men as combat leaders to assume tactical responsibilities and positions. And inasmuch as women do not serve this role within the Army, the spaces that they would be utilizing at our academy would better serve the Army's mission by having men in those spaces.

RARICK. Well, that certainly makes sense. If we're not going to place them in combat, why train them at West Point in the combat role? Now, General, I'm sure that there will be other questions asked that you will have to combat such as, does the spouse of a woman in the military today, her husband, receive the same benefits as, let's say the wife of a man in the military?

General BAILEY. Since 14 May 1973, yes, sir. Prior to then, no. Our marital status was completely ignored by law. At the current time, all of the benefits, entitlements and privileges for a woman in the Army are exactly the same as for her male counterpart. The only exceptions are the combat role and the combat enlistment options. Everything else is exactly the same.

RARICK. Well, I know now that today we are having women in ROTC programs on our various college campuses. Are these young women participating in ROTC also eligible for scholarships?

General BAILEY. Oh, they are. The ROTC program is one of my very favorite subjects. I'm so tremenodusly pleased at our participation in this program. We didn't begin this participation until 1972. The first year, 1972, the Army limited this to ten schools. For this school year, 1973, we opened it to any of the 290 schools in which we have Army ROTC. And our women are participating in 260 of these schools. And this year, for the upcoming 1974 school year, 50 women have received four-year scholarships. And I'm happy to report four of them are from the state of Louisiana.

RARICK. And I would imagine that several of these are probably from LSU. . . .

General BAILEY. Yes.

RARICK. . . . which, of course, is in the Congressional District that I represent.

General Bailey, do you command all of the women in the Army?

General BAILEY. I don't really command anyone. My role by law and by policy is that of director. As such, I'm an advisor to the Chief of Staff and the Secretary of Army on all matters concerning members of the Women's Army Corps including recruiting, clothing, training, utilization, housing, and welfare and morale. So, I don't command anyone. I'm simply an advisor.

RARICK. I see. Well, what can you tell all our people about the future of women in the Army? Is this opening up a whole new era and opportunity for patriotic women to serve their country?

General BAILEY. It is indeed. These are historic times for us as women within the Army. First of all, there will be many more of us—a much larger number of women in a smaller Army. Secondly, we will be serving in a wide array of jobs—the interchangeable jobs. These jobs can be performed by males or females or simply by soldiers. Thirdly, we will serve in a variety of assignments. The culmination of these changes is that our women will have an even greater opportunity to contribute to the Army's mission of national defense. Equal opportunity is important to women in the Army, but it is likewise important to the Army. The Army recognizes women as a valuable resource.

RARICK. This is especially so, I'm sure, under the new volunteer Army's concept. I'm sure that our viewers are aware that if we recognize that if we need an Army, we can either fill the vacancies by volunteers or the other means, by drafting. And of course, the draft is a very unpopular concept today. So, I certainly want to commend you and the various women who serve with you and under you, for your great role in behalf of our country.

General BAILEY. Thank you.

RARICK. Our guest today has been General Mildred Bailey.

THE 28TH ANNIVERSARY OF ITALIAN INDEPENDENCE DAY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. BIAGGI. Mr. Speaker, on Sunday, June 2, I joined with millions of my fellow Italo-Americans in the 28th annual celebration of the Day of the Republic, a day which signifies the establishment of the present-day Italian nation. It is a time when we take note of the great strides which Italy has made since the end of World War II and her overall contributions to the freedom and security of the Western European Community.

At the end of World War II the Allied nations of Europe were facing a most uncertain future. The conflict had caused millions of deaths and great amounts of destruction to these nations. Italy was especially hard hit by World War II, and her once proud nation had been reduced to ruins. Yet the debacle of World War II had one positive effect, it brought the Italian people to important realization that their monarch/Fascist form of government had to be replaced.

On June 2, 1946, the monarchy was abolished and Italy held her first elections in 20 years. Soon thereafter the wheels of democracy began to grind once again, first with the election of a constituent assembly, and finally culminating with the adoption of the Italian Constitution in 1947.

Under the effects of democracy the nation of Italy began to rebuild and shortly became a thriving and prosperous nation. Since 1948, the dominant political force in Italy has been the Christian Democratic Party, who were largely responsible for the tremendous economic growth registered in Italy in the 1950's and 1960's. Some of the more important steps undertaken included a massive land reform program, which allowed the Italian economy to prosper with both agriculture and industry providing the necessary ingredients.

Italy did not shirk from its responsibilities to the overall security of western Europe. Italy became one of the original members of the North Atlantic Treaty Organization in 1949, and has remained one of its most important members. In addition, she led the effort which resulted in the creation of the economically powerful European Common Market. Finally, Italy, seeing her role as a responsible international power as well, joined the United Nations in 1955.

Italy's quarter century as a republic, although tumultuous at times, has been a model for the rest of Western Europe. The strong freedom-loving spirit of the Italian people has oftentimes been the guiding light behind her growth and overall success as a free nation.

I would like to pay a special tribute to two of Italy's foremost diplomatic representatives, in the United States, their distinguished Ambassador, Mr. Equidio Ortona, and her consul general in New York, Dr. Vieri Traxler. These men over the years have emerged as two of the most respected members of the diplomatic corps and have been largely responsible for the close ties between the United States and Italy. Their efforts have benefited not only the Italo-American community in the United States, but the overall free world community. In an era when we find our diplomatic ties becoming strained with our other European allies, we can still look to Italy for the same unyielding friendship which has existed throughout her 28 years as a Republic, and to this we owe a debt of gratitude to both Ambassador Ortona and Dr. Traxler. Italy could have no better men representing them than these two exemplary men.

Mr. Speaker, as we celebrate this important day in the annals of world history, let us renew and strengthen our ties with the great people of Italy. Let us also pay tribute to the outstanding contributions of the Italo-American community to this Nation.

As Western Europe endures its most trying period since the end of World War II, let us never forget our commitment to keeping these nations secure and free. Western Europe is looking to us for leadership and guidance. We cannot shrink from this challenge, for unless we are equal to it, the future of democracy in Italy as well as all of Western Europe could be in serious jeopardy.

"AN AVOIDABLE INSTITUTIONAL CRISIS," BY WILLIAM J. GREGOR, GRADUATE STUDENT IN POLITICAL SCIENCE, YALE UNIVERSITY

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. HANRAHAN. Mr. Speaker, the House of Representatives is becoming closer and closer to conducting an impeachment of the President. The violation of subpena powers by the President has warranted extreme concern by the House Judiciary Committee. Mr. William J. Gregor, presently a graduate student at Yale University, but a resident of Evergreen Park, Ill., has written an article supporting the President's right to refuse a subpena. For the benefit of my colleagues, I wish to insert Mr. Gregor's article:

AN AVOIDABLE INSTITUTIONAL CRISIS

(By William J. Gregor)

As emotions run high and the Judiciary Committee of the House of Representatives prepares to subpoena the President for evidence in regard to its impeachment investigation, it is prudent to pause and consider some of the Constitutional issues which are inherently bound to the President's response. This is particularly important because some of the members of the House of Representatives feel that failure to comply with the subpoena constitutes a crime in itself justifying impeachment.

The conventional wisdom concerning the subpoena powers of the House Judiciary Committee with regard to impeachment is that it has complete authority to obtain any and all material which it deems necessary for its investigation. This position is usually supported by reference to the Constitution's provision that the House of Representatives "shall have the sole Power of Impeachment". Additionally, if one adopts the opinion of Mr. Doar and Father Drinan that the President may be removed for major political offenses, then there is no limit to the scope of the investigation and the type of material which can be sought. This position, however, implicitly equates the actions of the Judiciary Committee with the actual act of impeachment. A committee investigating charges against the President after all need not bring a Bill of Impeachment to the floor of Congress. This, in fact, was the case in February 1868 when an attempt to impeach President Andrew Johnson was tabled in a House committee.

The danger of a broad concept of impeachable offenses and subpoena powers with respect to the Office of the President is that it is vague and unrestricted. The concept of a political offense is itself vague, but when it is also recognized that no rules of evidence or specified elements of proof exist for such violations, the scope of any proposed investigation becomes limitless. If it is next recognized that the charges brought against the President need never result in a Bill of Impeachment, the setting is created for the establishment of a standing legislative committee with license to investigate, or rather rummage, through the entire collection of executive documents. From the perspective of the President therefore, the presentation to the House Judiciary Committee of documents not related to specific criminal charges undermines all executive confidentiality and violates the separation of powers inherent in the Constitution.

In the opinion of Representative Waldie, the President cannot lawfully refuse the subpoena of the Judiciary Committee, and hence, would be in contempt of Congress should he choose to do so. Congressman Waldie further contends that such an offense constitutes grounds for the immediate impeachment of the President. Yet, such action would raise two important Constitutional issues. If the subpoena requests evidence regarding political offenses, and the Constitution provides for removal of the President only in cases of criminal violations, the subpoena has no legal force. Hence, the power of the House Judiciary Committee's subpoena rests upon the authoritative interpretation of the Constitution.

The suggestion that rejection of the subpoena constitutes immediate grounds for impeachment creates a second Constitutional issue. Authoritative interpretation of the Constitution is beyond the powers of both the President and the Congress, and rests solely within the jurisdiction of the United States Supreme Court. An immediate drive to impeach and try the President would result in the Senate having to consider the President's defense that the subpoena was in violation of the Constitution. Yet, the Senate does not possess the power to interpret the Constitution. A similar situation occurred when President Andrew Johnson was impeached. President Johnson asserted that he violated the Tenure of Office Act in order to raise the question of its constitutionality within the federal courts. His efforts to obtain a judicial opinion were, however, thwarted and he was tried by the Senate. It is nevertheless interesting that the acquittal of President Johnson did not nullify the Tenure of Office Act. The law remained in effect for several years until the Supreme Court reviewed the law and found it to be unconstitutional. Thus, by the margin of only one vote, the Senate of the United States in 1868 failed to remove a President from office for violation of an unconstitutional law.

The Constitution created three separate branches of government, each with its own appropriate powers. Institutional crises occur only when the established division of powers are ignored. Chief Justice Salmon P. Chase who presided over the trial of Andrew Johnson remarked that if a President observes that an act of Congress encroaches upon his constitutionally assigned powers, he is obligated to violate that act in order to bring the issue before the courts. Similarly, in the dispute between the Congress and the President over the scope of Congress' impeachment power resolution of the conflict is a function of the Supreme Court. In order therefore, to avoid an extreme institutional crisis the Judiciary Committee of the House of Representatives should either restrict its request for evidence to data pertaining to specific criminal charges or allow sufficient time for the courts to review the constitutional issues before moving to impeach the President for contempt of Congress. Any attempt to impeach and try the President for contempt of Congress without receipt of an opinion by the Supreme Court places the Senate in the position of interpreting the Constitution, and therefore, subverts the separation of powers inherent in the organization of the United States government.

Critics of President Nixon have asserted that he has violated the tenets of the Constitution and has assumed powers beyond the scope of his office. Perhaps too the Presidency has been aggrandized as an institution at the expense of the legislative branch of the government. Nevertheless, the Presidency as an institution was created by the Constitution and enjoys certain rights and powers. If it is the intention of the Congress to restore the balance of powers it cannot do so by arrogantly ignoring the constitutional dispute over the nature of impeachable offenses and the role the Supreme Court should play in its resolution. To deny the President the right to raise the issue of the House Judiciary Committee's subpoena power before the courts by a hasty impeachment and trial based upon the charge of contempt of Congress, would do great injury to the Constitution which the Congress seeks to defend. The lawyers of the House Judiciary Committee may feel that their subpoena power is unlimited. Louis Harris in a poll may have determined that 54% of the public agree. Yet, the Constitution places the resolution of the conflict within the jurisdiction of the Supreme Court, and the House of Representatives would do well to restrain its zeal and allow it to remain there.

THE NATIONAL RESOURCE INFORMATION ACT

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. HARRINGTON. Mr. Speaker, it seems to me that, as a nation, we are rushing blindly into the future. Dangers face us in the form of acute potential shortages in food, fuel, and minerals, aggravated by population growth and rising affluence. The energy crisis, for example, dramatizes the systematic failure on the part of the Federal Government to catalog the availability of natural resources and to undertake coordinated and long-range planning.

Last week, Mr. Speaker, I introduced legislation to establish a National Resource Information System as a means of grappling with these problems. The system would monitor supply, reserves and consumption patterns, and forecast potential shortages. A planning agency, the Bureau of Resource Information, would substitute central machinery for the current plethora of agencies that deal with natural resources.

The United States has been the greatest, and perhaps the most profligate, user of world resources. It may be time to recognize that we must curtail our consumption habits so that resources may be distributed worldwide in a more equitable fashion. In North America the per capita consumption of grain is approaching 1 ton per year, while in poor countries the average consumption is only 400 pounds per year, and many starve or suffer from malnutrition. The average U.S. citizen ate 55 pounds of beef in 1940—in 1972 average consumption doubled to 117 pounds. Agricultural resources required to support an average North American are nearly five times those of the average Indian, Nigerian, or Colombian.

Prospects for the future are troubling, according to many experts. Arable lands have almost reached full producing capacity, and expected technological advances, such as those promised by the "green revolution" have proved disappointing. Many areas of the world are experiencing a depletion of their food producing capacity. The supply of table grade fish is near the maximum level, and in some areas is actually decreasing. Meanwhile, Mr. Speaker, world population will double within 35 years. As population and affluence grow, competition for the dwindling food supply will increase. The repercussions are already being felt. Political controversy surrounds the Russian wheat deal, as well as the administration's decision last June to impose unilateral export restrictions on soybeans and foodstuffs. Great Britain and Iceland are in serious disagreement over the large fishery resources off the coast of Iceland, and the activity of Russion trawlers off the east coast has so alarmed American fishermen that Congress is now considering the extension of territorial fishing limits to 200 miles.

Lester Brown, in "Foreign Policy," describes the impacts of such developments:

> The result has been declining food reserves, skyrocketing food prices, food rationing in three of the world's most populous countries, intense international competition for exportable food supplies, and export controls on major foodstuffs by the world's principal food supplier.

While many countries depend on the United States for grains, we in turn depend on many of the same countries for essential minerals. The recent oil boycott could be the opening round in a series of raw material shortages and squeezes for the United States. We depend on foreign sources for 35 percent of our petroleum products. In the absence of foreknowledge and a national resource policy, the recent disruption of foreign supplies caused considerable economic and social upset. We depend upon foreign sources for 100 percent of our chromium, 100 percent of our tin, 92 percent of our nickel, 100 percent of our cobalt, 56 percent of our tungsten, and 50 percent of our zinc.

The need for a national planning capacity is underlined by the recent emergence of cartels modeled on OPEC, the Organization of Petroleum Exporting Countries, which spearheaded the boycott and price hikes involving Arab oil. For example, the seven nations which produce the bulk of the world's bauxite met in April to consider the formation of a "bauxite club"—a development of potentially serious consequences to the United States, which imports 84 percent of bauxite.

It may be a cliché to say that we spend too much time reacting to day-to-day crisis, and not enough time considering the possible shape of the future. Yet there exists no single Federal agency to inventory our national and worldwide resources. The Arab embargo has had a sobering effect, but we remain unprepared as we await the next natural or artificially induced resource shortage to emerge.

The Bureau of Resource Information, called for in the legislation, would conduct extensive studies and review existing information on such matters as the resource supply system, consumption patterns, statistical and accounting methods and problems, price and cost factors affecting energy, technological and environmental factors, and capital requirements of public and private institutions responsible for natural resources.

The bureau would include a "public library," a "confidential" library, and a "secret" library. The bill creates standards for classifying material in the appropriate library so as to safeguard proprietary information and matters legitimately relating to national security.

A crucial provision in the act would require natural resource companies and major companies in commerce to file verified annual reports concerning their international operations, and natural resources and mineral reserves under their control. Congressional efforts, for example, to extract information on potential and actual reserves controlled by the oil companies have met with delay at every turn. By requiring major companies to report annually on their control over natural resources, we could take a major step toward bringing essential information under our purview.

In the past, we have had to deal with resource problems on a "crisis-to-crisis" basis, operating out of a rear view mirror. It is my hope that this legislation will help us to change these circumstances.

Mr. Speaker, at this point I would like to introduce into the Record a summary of the legislation:

Digest of S. 3209, the "National Resource Information Act"

National Resource Information Act—States purposes to provide for improved resource information within a National Resource Information System, for inventories of natural resources in the public lands, for regular reporting of information by significant corporations in natural resource industries, and to provide information that will aid in improved policy making, conservation, science, environmental protection, competition and regulation. Defines terms.

TITLE I: BUREAU OF RESOURCE INFORMATION

Establishes a Bureau of Resource Information ("the Bureau") within the Department of Commerce, headed by a Director of Resource Information ("the Director") appointed by the President by and with the advice and consent of the Senate. The Bureau is to build, operate, maintain and improve the National Resource Information System. The Bureau is to establish consultation, coordination and exchange arrangements with other departments and agencies of government, and private institutions, which have libraries of natural resource information. The Bureau is also to conduct extensive studies and reviews of the state of information on such subjects as the institutional structure of the resource supply system, consumption patterns, statistical and accounting methods and problems in natural resource information, price and cost factors affecting energy, technological and environmental factors, and capital requirements of public and private institutions responsible for natural resources. The Bureau is also to report monthly, quarterly and annually on specified classes of natural resource information.

TITLE II: NATIONAL RESOURCE INFORMATION SYSTEM

Establishes a National Resource Information System ("the System") to be operated and maintained by the Bureau. Establishes the System in three components: a public library, a confidential library, and a secret library. Provides that the System shall use other available libraries of resource information, use modern, including microform and electronic, methods; have its information on natural resource industries organized by establishments, companies, Standard Industrial Classifications, geographical locations and other referents; and have capacity to receive and answer questions of fact concerning, and compare sources of, natural resource information. Provides for unlimited public use of the public library of the System, at fees generally sufficient to cover costs of such use; but provides for waiver or reduction of fees in certain cases of public-interest use. Provides for access to the confidential library by Federal Government officials, for official use only. Establishes the secret library as repository for information that may be used only for statistical purposes in anonymous aggregates. Establishes priorities for entry of information into the System. Establishes standards for placement of natural resource information in the public, the confidential, or the secret library. Defines and limits national security and reasonable competitive equities as reasons for placement of information in the confidential or secret library. Provides for removal of information more than 25 years old from the confidential or secret library to the public library. Provides for hearings in cases of dispute or placement of information in a particular library of the System, and for placement of information in question in the secret library pending resolution of the dispute. Provides penalties for unauthorized disclosures and thefts of information from the System, and for failure to provide required information for the System. Authorizes Secretary of Commerce or the Director to obtain from an affiliate of a company, or an organization of which it is a member, any information which they are empowered by this Act to obtain directly from the company, provided the company is notified. Gives Secretary of Commerce and Director power to inspect records and subpoena documents in certain cases. Confers jurisdiction on U.S. District Courts to enforce such subpoenas.

TITLE III: NATURAL RESOURCES INVENTORIES AND INSPECTIONS BY THE DEPARTMENT OF THE INTERIOR

Directs Secretary of the Interior to compile and maintain, on annual basis, an inventory of natural resources in public lands of the U.S., including the Outer Continental Shelf. Provides that the inventories may be based on estimates, supplemented as feasible by onsite geological and engineering inspections by departmental personnel. Provides that the first inventory is to be completed within 18 months and reported to Congress within 20 months of effective date of this title. Provides that copies of all such annual reports and inventories shall be given to the Director for the System's public library. Provides that, on request of the Director, the Secretary of the Interior shall make onsite physical inspections of mineral reserves and resources reported in private lands. Contains directions for the contents of reports by the Secretary of the Interior.

TITLE IV: INFORMATION ON NATURAL RESOURCES

Provides that substantial natural resource companies are to file verified annual reports with the Director on the mineral reserves and natural resources they control. Contains directions on the contents of such reports. Provides for promulgation by the Director of forms for the making of such reports and also of the reports required by title V of this Act.

Provides for clearance of such forms by Office of Management and Budget within seven months after the effective date of this title. Provides that such forms shall be mailed by the Director to reporting companies within 11 months of effective date of this title and be returned by companies to the Director within 60 days after receipt. Provides for single rather than dual reports by companies which are both substantial natural resource companies and major natural resource companies, as defined in Act. Provides that information obtained by Director on report forms required by this title and title V shall be placed in the public, confidential, or secret library of the System, as provided elsewhere in this Act.

TITLE V: INFORMATION ON NATURAL RESOURCE INDUSTRIES

Requires major companies in commerce to file verified annual reports, on an establishment basis, on their operations worldwide, provides for the making of such reports in two parts, one being for the public library of the System and the other for the confidential or secret library. Contains directions for the contents of such reports, including information on shipments by Standard Industrial Classification, total business receipts, and in certain cases profit information. Authorizes the Director to require such reports more often than annually in certain cases, and to require from major natural resource companies lists describing all mandatory and voluntary reports they file elsewhere, containing natural resource information.

TITLE VI: GENERAL ACCOUNTING OFFICE OVERSIGHT

Provides that Comptroller General of the U.S., upon his own initiative or by direction of Congres, shall review and evaluate procedures of the Bureau. Review may include issues arising under claims that certain natural resource information required by the Bureau under this Act is proprietary or involves the national security and therefore is entitled to be kept secret. Directs Comptroller General to report to Congress at least annually on such reviews of the Bureau; but provides that such report may be by endorsement of or addendum to the Bureau's own annual report.

TITLE VII: CONFORMANCE OF AND WITH OTHER STATUTES

Provides that the Director may excuse a company from providing natural resource information required by this Act, if the company waives confidential status of the same information as previously provided by it to the Census Bureau and protected by the Census Code, 13 U.S.C. 9. Amends the "Freedom of Information Act," 5 U.S.C. 552, to provide that clauses (4) and (9) of subsection (b), pertaining to corporate and geological information, shall be construed consistently with policy of this Natural Resource Information Act. Amends Federal Reports Act of 1942, 44 U.S.C. 3504, 3506, 3508 and 3509, to make it consistent with policy and purposes of this Act.

TITLE VIII: MISCELLANEOUS

Contains usual separability section and blanket authorization of appropriations. Establishes effective date as date of enactment, except titles IV and V, which are made effective on first day of third full calendar month after date of enactment.

THOMSON STANDS UP FOR DAIRYMEN

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. THOMSON of Wisconsin. Mr. Speaker, Federal dairy policies must be changed to help domestic dairy producers rather than discriminate against them. All that our dairy producers need is an even break—they are more efficient than any in the world except New Zealand. But milk prices are falling and domestic production is in steady decline. And Federal dairy policy is directly to blame.

For over 15 years I have stood in this body directing the Members' attention to the problems of foreign dairy imports. Never before has the situation been so serious as now. During 1973, foreign dairy imports doubled. And for the first 3 months of this year, imports of foreign dairy products rose an alarming 365 percent.

I have suggested a vastly superior overall dairy strategy, a program that would result in a better return to American dairy producers, a higher-quality and lower-priced consumer product, with less need for taxpayer supports. And, these gains at home can be accomplished without erecting nontariff barriers to foreign trade which invite retaliation by our foreign agricultural trading partners. A copy of my article in the September 1973 edition of Dairymen's Digest capsulizes the overall dairy strategy I have suggested.

Last fall I predicted what would happen if large quantities of subsidized imports kept entering the United States. I said the farm price of milk would drop drastically with little relief to the consumer; those price drops would force thousands of dairymen out of the market; the result would be shortages of dairy products and the vacuum would be filled by more subsidized imports. I am afraid my prediction may be coming true.

Let me briefly summarize what I have done and what I believe the Federal Government ought to do.

First, I have written in protest to President Nixon urging a reversal of administration policies on imports and a raise in the dairy price support level to achieve 90 percent of parity. A copy of my letter is appended. Just yesterday I met with Secretary Earl Butz and Assistant Secretary Clayton Yeutter and others to discuss problems of the dairy industry.

Second, I have introduced legislation, H.R. 13372, to restrict the President's power in declaring "emergencies" during which import quotas can be suspended. This legislation also requires the collection of countervailing duties on subsidized imports to neutralize subsidies paid by foreign governments.

Third, I have testified before subcommittees of both the Appropriations and the Agriculture Committees urging upgrading of the Federal import inspection program to protect against the import of contaminated dairy products. I have indicated my support for virtually any bill requiring foreign producers to clean up and suggested what I feel is the most effective means of achieving that important objective. Copies of my testimony are appended.

American dairymen are among the most efficient and valuable contributors in our entire economy. They are not asking for handouts. They are hardly even asking for a helping hand. All they really need is an end to a policy which keeps pushing them down. Whether they represent rural or urban constituencies, Members of the House of Representatives should give careful consideration to the legitimate needs of our dairy producers. And soon.

The material follows:

[Reprinted from Dairymen's Digest, September 1973]

DAIRYING IN A FREE WORLD ECONOMY

(By Congressman VERNON THOMSON)

If you're an American dairy producer and have heard of the Flanigan Report, you're worried. That's only natural since this set of recommendations presented to the President's advisor for international economic policy suggests sacrificing American dairy interests in order to secure expanded foreign markets for wheat and feedgrains. But, the Flanigan Report may not be as terrifying as it seems.

Written prior to the Russian wheat deal, the meat boycott, and the limitation on soybean exports, the Report was based on a series of conditions totally different from today. New agricultural markets such as the Soviet Union have opened to the United States which only recently could not have been anticipated. These new customers, plus traditional ones, may be able to absorb most all of the surplus we can produce. While communist nations should not be considered reliable and guaranteed markets, these new conditions ought to make it unnecessary for American negotiators to rush into a trade off of our dairy interests without receiving concessions directly benefiting our dairymen.

Although the Flanigan Report itself may now be a dead issue, the free trade recommendations of the Report will continue to be of interest to American producers.

Free trade is not necessarily adverse to the best interests of American dairymen. In fact, there is good reason to believe our producers can operate quite effectively if trade barriers are removed. The Report frightens dairymen, however, because it forecasts a $1 billion increase in dairy imports by 1980. But, in reaching this figure, the Report seems to make two basic assumptions, both of which can and should be changed, and both of which are responsible for the conclusion that free trade would damage American dairymen.

The two deficiencies in the Flanigan analysis are: 1) that foreign dairy imports are not presumed to be required to meet the same health standards as required of domestic products, and; 2) that totally free trade in dairy products was not contemplated.

There can be no justification for allowing unrestricted international trade of dairy products if those imported into this country are not required to meet the same high health standards which we require of our producers. Anyone who has ever had an opportunity to visit a European dairy farm or cheese factory can testify to the vast differences in sanitary requirements. This is a real problem area.

Earlier this year, for example, I was investigating a charge that imported "Monterey" cheese had been mislabeled. When pressed, the manufacturer contended that he was *unaware* that he had actually produced "American type" cheese and not Monterey. Certainly, the incident calls into question European quality control standards.

Another situation came to my attention when a cheese factory in my District found its product contaminated by a pesticide. The factory naturally had to dispose of the questionable cheese. While it was eventually converted into soap, initial contacts were made with European buyers who planned to use the cheese for human consumption—and no question was raised objecting to its import on health grounds.

Over the past several years, Food and Drug Administration statistics show that between 8 and 24% of all inspected cheese import shipments are rejected as unfit. Three-fourth of the rejects came from the European Economic Community (EEC) countries, most from contamination with benzene hexachloride, a pesticide used to control barn flies.

European producers would certainly incur large additional costs in making a product which could meet American health standards, costs which would vastly reduce their ability to compete in the domestic American market. Our dairymen know how much these costs add to their overhead without adding one more ounce of milk.

The second assumption is equally serious. The Flanigan Report must not have assumed free trade in dairy products. Rather, the authors seem to assume that the EEC will continue its export subsidy program, although probably at a reduced rate, retaining some tariff mechanism. Since the EEC raised its target price for milk to about $6.75 cwt. in May and this approximates the current market price, there is little reason for American producers, who are receiving about $6 cwt. to be worried about European competition, *if that competition is not receiving government export subsidies*. Substantiating this conclusion are the encouraging production per cow statistics published recenty in *Hoard's Dairyman* showing the superior efficiency of American dairy production. It is unlikely that the reduced feed costs which would result from expanded American feedgrains sales in Europe would sufficiently lower the costs of European dairy producers so they could undersell American producers in the U.S.

A key factor to be considered here is the impact of dairy exports from New Zealand, unquestionably the world's most efficient dairy producer. Though her production represents only five percent of the free world's supply (and her capacity to expand regrettably unknown to the USDA), New Zealand is by far the world's biggest exporter of dairy products. Where those products are marketed is crucial to American dairy interests. Fortunately, with the European retail price of butter exceeding a dollar a pound, for example it would seem that New Zealand would find far greater potential returns from selling in Europe, *unless prevented by some tariff barrier*.

As a result, American dairymen can compete a truly *free* world market. When we add the requirement that all dairy products meet equivalent health standards, the American dairy industry is in an excellent position.

MAY 16, 1974.

Hon. RICHARD M. NIXON,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: Let me be plain. Your dairy policies are having disastrous consequences for our domestic dairy industry and are a political embarrassment to those in the Congress who have regularly supported your legislative program.

The flood of imported cheese, butter and non-fat dry milk, abetted by your declarations of "emergencies" to suspend dairy import quotas, has finally had its desired result of lowering consumer dairy prices. For several weeks, the prices of butter and cheese have declined substantially, and the price of non-fat dry milk is now receding as well. Manufacturing milk prices realized by our dairy farmers have fallen and steep declines in the future are expected.

Dairy farmers who had raised only perfunctory opposition to your establishment of the price support level for the 1974–75 marketing year at the minimum required by law because the market price was strong, are now becoming bitter and disillusioned by falling receipts coupled with dramatic increases in their production costs. The fact that this is the direct result of Administration dairy policies has not escaped these dairy farmers.

Two things must be done, and quickly. First, imports must be curbed to 1972 levels. Imports doubled in 1973 and, for the first quarter of 1974, are running 365 percent ahead of the same period a year ago. Second, the price support level for milk must be readjusted to 90 percent of parity to protect farmers against economic disaster.

I am sure you realize that milk production in this country has declined in each of the past 18 months. Yet, American dairymen are more efficient than the European producers who are being encouraged to "dump" their milk in this country by your policy of suspending import quotas. It is a fact that, without subsidies, European producers could not compete with American dairymen. Free trade in dairy products would be enough to protect our dairy interests, but this would require discouragement of foreign subsidies through collection of countervailing duties to nullify the subsidies—a policy which your Administration has refused to follow. If we destroy the domestic dairy industry, we cannot depend for the future on the continued largest of European governments in subsidizing your program of lower consumer dairy prices in this country. If our domestic production weakens sufficiently, they may conclude that a market for their product would exist at higher, unsubsidized prices—and, what is worse, they might be right. In that case, both American dairymen and consumers would have been victimized by a short-term consumer relief policy.

I urge you to seriously reconsider the present situation within the dairy industry and take the steps I have suggested—cut dairy imports and establish a price support level at 90 percent of parity. Such moves at this time would yield great economic gains.

With every good wish, I am

Sincerely yours,

VERNON W. THOMSON.

STATEMENT OF HON. VERNON W. THOMSON OF WISCONSIN TO THE SUBCOMMITTEE ON AGRICULTURE-ENVIRONMENTAL AND CONSUMER PROTECTION, APRIL 25, 1974

Mr. Chairman, the American consumer and the American dairy producer are both being asked to take unacceptably high risks under our present program of dairy import inspections. I appreciate this opportunity to appear before you today to request that this committee recommend an additional $2.2 million to the budget request of the Food and Drug Administration's Food Sanitation Control Program. Approval of this increase would allow the FDA to employ 180 additional inspectors for the purpose of examining the growing volume of imported dairy products, principally cheese, dry milk, and butter.

Consumers have a vital stake in the efficiency and the quality of these inspections. Sanitation standards in most of the European countries which export dairy products to the United States are far below those in this country. The housewife needs to know that the cheese she buys in her local grocery store is a quality product whether it is of domestic or foreign production.

At present, the FDA inspects only about ten percent of the incoming dairy products, inadequate protection to assure a high quality product. Experience has shown that of the lots inspected by the FDA, between eight and twenty-four percent are rejected as unfit for human consumption with an average of twelve percent over the past eight years.

The reason why so many of the imports fail to meet the basic health and sanitation standards required of American products is that, in this country, the Department of Agriculture and the FDA, working principally through state government agencies, carries out a rigorous program of inspection from the dairy farm to the processor and again at the end product stage. No such program is found in most foreign countries. The consumer should not have to accept the risk that the cheese he buys is contaminated with insecticides, pesticides, dead rodents, rodent filth, or bacteria that could produce food poisoning. The FDA and the USDA have restricted the use of dry milk from five European countries because of the danger of hoof-and-mouth disease being transmitted to cattle in this country.

The inadequate level of FDA inspections is also unfair to American dairy producers. Dairymen in this country are the most efficient in the world with the notable exception of New Zealand producers. Our domestic producers, however, are asked to absorb expensive, nonproductive costs in their operation to asure consumer quality for their product. They have done so voluntarily and most thoroughly. But their foreign competitors are not asked to take such precautions in the preliminary steps of producing cheese, dry milk, and butter. They are not asked to have hot water in their barns, to maintain sanitary standards at the farm level. Their processing operations need not maintain the same safeguards as we insist upon in this country. They only have to satisfy the final test: can it pass the FDA port-of-entry inspection? For ninety percent of the products the unfortunate answer is: we do not know, they are not now inspected. Thus the spotty level of the present inspection program works to the detriment of both consumer and domestic producer.

This was a serious problem in 1972 and earlier. But in 1973, the problem assumed a new and serious dimension which shows every sign of continuing into the future. During calendar 1973, imports of foreign dairy products into this country doubled, under the direction of proclamations that an "emergency" required the further imports. Not only has four hundred million pounds of additional cheese, dry milk, and butter been imported in the last fifteen months, but the surplus stocks presently held in European countries assure that those nations will be trying to negotiate entry into this country for even more of these products in the future. The doubling of dairy imports has, of course, hurt the domestic dairy industry, but it has also placed a tremendous new burden on the fixed number of FDA inspectors who are asked to assure our consumers that this flood of imports satisfies American health and sanitation standards.

My request for $2.2 million for the FDA's Food Sanitation Control program would provide for an additional 180 inspectors. It is estimated that one to two percent of the time of the 991 inspectors presently working on this program is required to inspect the ten percent of dairy products that are inspected. With the increasing volume of imports, maintaining the number of positions at 993 as recommended by the Administration would force an effective reduction in this program which is already falling short of meeting its responsibilities to the American consumer. I propose a ten-fold increase in the staff time assigned to dairy inspections which would provide for full inspection of the imports at the 1973 level. This would raise the total program appropriation from $26,413,000 to $28,613,000 for FY 1975.

There is an alternative to this action and it will be the subject of hearings in the Agriculture Committee in mid-May. That would be to set up an entirely new program, probably operated by the USDA, which would employ inspectors who would visit the processing factories and the dairy farms in the foreign countries before they would be allowed to send their product into the United States. You can imagine the way this program would be received in these countries. They would feel as if we were erecting formidable nontariff barriers to keep out their imports. And, given the facts of the situation, the impact would be just that. It would require a fantastic outlay for capital improvements in the European dairy industry for it to match our production standards. And the cost to the government of operating inspection teams abroad would be far more costly than simply beefing up our inspections at the port-of-entry which these countries presently accept.

The cheapest insurance for the American consumer that the dairy product he or she buys at the retail level is healthful and of uniform high quality is for adoption of an additional appropriation for the strengthening of the dairy import inspection program of the Food and Drug Administration. I urge you to make provision for this protection for our consumers by appropriating $28,613,000 for the Food Sanitation Control Program operated by the FDA. Thank you.

STATEMENT OF HON. VERNON W. THOMSON TO THE HOUSE SUBCOMMITTEE ON DAIRY AND POULTRY, MAY 14, 1974

Mr. Chairman, I appreciate the opportunity to appear before this subcommittee to present my views on H.R. 9419 and the general question of imported dairy product health standards. You are to be congratulated for scheduling this hearing. Many of us have been concerned over the matter for a considerable period, and we now have an opportunity to discuss and take action on a reasonable solution.

The health and sanitation level of imported dairy products is a problem for producers and consumers alike. For the producer, the problem is one of competition. Rigid State and Federal laws force the American dairy industry to invest large sums in nonproductive facilities to ensure the quality of milk and milk products. This investment is an overhead cost which must eventually be absorbed by the consumer in the form of higher prices. Foreign dairy products imported into the United States have rarely been subject to similar health regulation. As a result, foreign producers have been able to hold down overhead costs and compete unfairly with their American counterparts.

The consumer's problem rests with the lack of a guaranteed wholesome product. In the grocery store, the consumer assumes no qualitative difference exists between the foreign and domestic item. He merely trusts that someone has established reasonable health regulations and inspection procedures, even though this is not true.

The Food and Drug Administration (FDA) is charged with inspecting imported dairy products. Over the past eight years an average of 12% of the FDA inspected lots have been rejected as unfit for human consumption. The causes of rejection varied, but pesticide residue, e.g., benzine hexachloride, is the most prevalent. But the FDA only inspects about 10% of all imported dairy products. That means for every one lot of adulterated product caught, over ten find their way to American markets. Assuming the average contamination rate and the average number of lots inspected, approximately 8½ million pounds of adulterated foreign dairy products reached the American public in 1973.

I think the latter statistic alone should prove the seriousness of the situation. The question is what to do about it.

H.R. 9419 creates an ideal situation in the United States with respect to imports of dairy products. Since the American Secretary of Health, Education, and Welfare is to draft standards applicable to any foreign source, we have assurances health standards will be at least equivalent to ours. The bill further guarantees the standards will be enforced through a series of certificates accompanying each lot, augmented by FDA spot checks. Any imported dairy product not having fulfilled these requirements would be rejected.

If we could enact the concept embodied in H.R. 9419 and if it could be succesfully implemented, no one would be more pleased than I. But we must recognize that H.R. 9419 grates on emotional national sensibilities that just invite retaliation.

I would suggest instead that the problem be attacked in a far more realistic manner, one that may grate somewhat on national sensibilities but which would be effective and yet not invite retaliation. Let's simply inspect every lot of dairy products imported into the United States.

Since the U.S. inspects one of every ten lots or less and since the average rejection rate is 12%, only 1.2% of the total lots imported are being rejected. That is no incentive for the foreign producer to install expensive equipment necessary to raise health standards. It is cheaper for him to accept the occasional loss. But inspect every lot and have 12% rejected, and then the foreign producer is faced with a different situation. The incentive is changed to one encouraging clean up. In other words, the purposes of H.R. 9419 are achieved without creating the difficulties.

I testified on April 25 before Chairman Whitten's subcommittee requesting an additional $2.2 million to hire the needed number of inspectors. That be as it may, I would encourage this subcommittee to produce legislation requiring the FDA inspection of every lot. Whether the revenues to finance such an expanded inspection program should be taken from the Treasury as I have suggested to Chairman Whitten or generated through a system of inspection fees, is a matter you would need to determine.

Mr. Chairman, I strongly support action to protect the American dairy industry and the American consumer from unsanitary imported dairy products. Hopefully, my ideas will prove helpful.

TIMES HERALD TO COMMEMORATE 175TH ANNIVERSARY

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. COUGHLIN. Mr. Speaker, I am pleased to note that one of the oldest daily newspapers in the United States—the Times Herald, of Norristown, Pa.—will be marking its 175th anniversary on Saturday, June 15, 1974.

The Times Herald is published at the county seat of Montgomery County in the 13th Congressional District.

As America's 13th oldest daily newspaper, the Times Herald has grown from its first few devoted readers in 1799 to a family and community newspaper of almost 36,000 daily readers. It is a newspaper that has flourished through times good and bad for the Nation, and has published through natural disasters such as severe flooding of its plant.

The Times Herald has lived through every American President since George Washington. The Nation's first President is honored each day on the Times Herald editorial page where its credo states:

> Conducted under the true principles laid down to us by the political saviour of his country, the immortal Washington.

David Sower founded the Times Herald in 1799 as the Norristown Gazette. A year later the name was changed to the Norristown Herald. Sower's son, Charles, purchased the newspaper in 1801. His brother, David, Jr., became owner in 1816 and sold it again in 1834 to John Hodgson.

The newspaper had its fourth owner in 1837 when Robert Iredell of the Norristown Free Press bought control. A half-interest was transferred in 1843 to William Butler, of West Chester.

Morgan R. Wills became a Herald partner in 1864 and the Norristown Republican was consolidated with the Herald and Free Press with Howard J. Jenkins entering the firm. Mr. Jenkins retired in 1866.

Three years later, the firm of Wills and Iredell was dissolved and Mr. Wills purchased the Daily Herald as sole proprietor. He remained in active management until his death in 1908.

The Herald was bought from the Wills estate by the late Ralph Beaver Strassburger in 1921. Mr. Strassburger purchased the Norristown Times the following year. The two newspapers were merged with the title of the Norristown Times Herald. Mr. Strassburger's widow guides the newspaper today.

The Times Herald, of course, has recorded the events and personalities that have made history through the years. With its coverage of international and national events, the newspaper still has retained its emphasis on hometown reporting. This blend of coverage is what its readers have come to expect of the Times Herald.

The newspaper, in serving its readers throughout the Central Montgomery County area, attempts to fulfill the prophecy of the late Joseph Pulitzer who said:

> Our Republic and its press will rise or fall together. An able, disinterested, public-spirited press, with trained intelligence to know right and courage to do it, can preserve that public virtue without popular government is a sham and a mockery.

I am proud to salute the Times Herald and hope that it will continue, through the decades, to follow the standard set by Mr. Pulitzer.

WE MUST EXPAND THE USE OF COAL

HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. NELSEN. Mr. Speaker, we are now headed into the warm summer months and in the not too distant future we will probably be hearing predictions of power brown outs. Worse yet, some parts of the country are almost certain to experience actual shortages of power. As we move toward our goal of independence from imported energy sources we must turn to the most abundant resource we have in this country—coal.

The New York Times business section recently carried a front page article on the use of coal and it follows my remarks for the interest of all Members. There are a few points in the article I would like to stress. For instance, Otto Eckstein, a Harvard economist, expressed a fear that Project Independence is already forgotten. He said:

> The United States cannot let itself go back to dependence on imports. There is real danger that there will be no Project Independence.

Mr. Speaker, the Congress and the administration cannot let that happen.

A utility spokesman quoted says that a 3 month burn of coal rather than oil saved them $1 million. I do not have to point out to my colleagues that the saving will be passed on to the consumer. Some of the other savings figures cited are equally interesting.

Last, but far from least, Ralph E. Bailey, president of the Consolidation Coal Co. estimated that our coal reserves are "sufficient for over 600 years at current levels of consumption."

Mr. Speaker, in our efforts to stimulate the use of this abundant resource we should provide for more research into better methods for the clean burning of coal by powerplants and industrial facilities which produce their own energy. Another area we must examine more carefully involves plant location in less congested areas of higher air quality. This most interesting article follows:

[From the New York Times, May 26, 1974]

UTILITIES AND ENVIRONMENTALISTS CLASH ON COAL

(By Gene Smith)

The coal industry states flatly: "We've got plenty of coal to burn." Electric utilities agree that if they could burn coal consumers' bills would be lower. Environmentalists insist that rigid air quality standards cannot be postponed.

That, perhaps overly simplified, is the situation facing the nation as it heads into summer and the threat of possible power shortages and even blackouts.

Last winter, in the wake of the petroleum embargo by Middle Eastern nations, many utilities (particularly in the Northeast) made determined efforts to convert power plants back to coal. Most had been changed from coal to oil in the nineteen-sixties because of higher transportation costs for coal and the adoption of state air quality standards.

Today, many plants that were successfully reconverted to coal have been forced once again to burn oil, which is much more expensive than oil and is reflected in higher bills for customers.

Most persons connected with the utility business agree that, between now and the end of the century, the key to power generation lies in a combination of coal-fired and nuclear plants.

Paul W. McCracken, the economist, told leaders of the steel industry here last week that he does not expect this nation to run out of fossil fuels by the end of this century, as has been predicted by some observers. Neither does he foresee any "profound revolution in our lifestyles" because of the continuing energy crunch.

Dr. McCracken told the steelmakers that we must shorten the time it takes to get nuclear power plants into operation and that we must learn to use our energy supplies much more efficiently.

However, speaking to the same group, Dr. Otto Eskstein, the Harvard economist, said he feared that interest in the nation's "Project Independence" for energy self-sufficiency is "dying very fast." He added:

"The United States cannot let itself go back to dependence on imports. There is real danger that there will be no Project Independence."

It is for reasons like these that the American Electric Power Company is sponsoring a series of advertisements built around the theme that we have more coal than the Arab nations have oil, so "let's dig it!"

Donald C. Cook, chairman of the giant seven-state American Electric Power system, has long defended his operating companies' use of coal despite protests by environmentalists and some regulatory authorities. The company is second only to the Tennessee Valley authority in its use of coal.

Mr. Cook described coal as "the absolutely essential key for generating a major part of the electric energy the nation requires." Later, but not before the nineteen-nineties, he believes that the breeder reactor, which produces more fuel than it consumes, will take over some of the power production load, to be followed in the next century by solar energy and fusion.

A recent box score on all orders for fossil-fueled boilers, prepared by Clark, Dodge & Co.'s investment research service, noted that the shift from gas and oil-fired boilers, which began last year, was continuing. It listed only one new order out of 27 placed in the first quarter for a non-coal unit.

Clark, Dodge said: "The shift back to coal is important to the manufacturers, since a coal plant can generate 50 to 100 per cent more revenue for them than an oil- or gas-fired plant."

There are only four domestic manufacturers of such equipment: Combustion Engineering, Inc., the Babcock & Wilcox Company, the Foster Wheeler Corporation and the Riley Company.

Since last winter's mad rush for permission to burn coal, however, many utilities in the Northeast have been forced by environmental requirements to go back to the more costly oil as their boiler fuel.

The New England Electric System offers a case in point. Last January it converted three units at Salem Harbor, Mass., with total capacity of 310,000 kilowatts to coal. On April 3 it asked for an extension beyond the May 15 deadline. On May 14, after a public hearing, the Massachusetts Public Health Council voted to discontinue its permission for coal-burning. The units were reconverted to oil the next night.

But on May 16 the Environmental Protection Agency gave New England Electric approval to convert its Brayton Point Unit 3, a 675,000-killowatt unit, to coal, which it is doing right now. The utility expects to burn coal there at least through the end of this year.

In addition, a hearing is now scheduled for June 4 with the Massachusetts Department of Public Health for permission to convert the two other units at Brayton Point to coal.

Meanwhile, New England Electric has 120,000 tons of coal in storage at Salem Harbor and 500,00 tons at Brayton Point. Most of its coal comes under contracts from West Virginia and Kentucky, plus "a small portion imported from Poland."

A utility spokesman said the price of coal is high, but "at $1.50 per million British thermal units it's a lot cheaper than oil at $12 a barrel."

The spokesman added: "The three-month burn at Salem Harbor is estimated to have saved us more than $1-million in our fuel costs over oil, and we didn't violate Federal standards for sulphur or particulates at ground level."

Northeast Utiliites, New England's largest electric power producer, was permitted to burn coal during the winter in two units at its Middletown, Conn., plant and one at Mount Tom, in Holyoke, Mass. But, it could not get permission for its West Springfield, Mass., plant and was allowed to burn coal at Montville, Conn., only if its fuel-oil supply fell below 25 days.

It didn't, but the utility has recently been granted permission to burn up the 41,000 tons of coal it has on the ground at Montville if it cannot sell it. The utility received similar permission to get rid of supplies it accumulated at Mount Tom and West Springfield "under ideal air quality standards."

In New York the Consolidated Edison Company sought permission last fall to burn coal (at its Ravenswood and Arthur Kill plants) and oil with a higher sulphur content than was allowed under local regulations. After a series of hearings at state and city levels it was given the go-ahead for one unit at Arthur Kill, on Staten Island.

By the time Con Edison secured coal, converted the boiler and repaired the turbine, it was March 22. The permission ended on March 31.

Con Edison burned 11,021 tons of coal in that period at a cost of $295,000. The company estimated that generating the same amount of electricity from residual oil would have required 46,908 barrels at a cost of $745,000.

A spokesman for Con Edison said last Thursday: "Coal is still a lot cheaper than oil. We estimate that if we could burn coal at Ravenswood and Arthur Kill we could save between $75-million and $100-million on our annual fuel bills. And this saving would be passed on to our customers automatically."

He noted that the utility had under review the matter of whether to re-apply for permission to burn coal next winter.

The coal industry looks upon expansion as a real bonanza. Ralph E. Bailey, president of the Consolidation Coal Company, predicted that demand for steam coal for utilities could increase by "more than 60 percent between 1973 and 1980" and that this would include only present coal users, new coal-fired generating units under construction or announced and near-term conversion of oil-fired units to coal.

Mr. Bailey estimated the nation's coal reserves as "sufficient for over 600 years at current levels of consumption."

But H. Stuart Harrison, speaking at last week's meeting of the American Iron and Steel Institute, said he did not think the coal industry could meet the Administration's goal of 2 billion tons of coal to be produced in 1985. This would be an increase of almost 1.5 billion tons over the present annual output.

Mr. Harrison estimated it would be more like a 900-million ton gain in 1980, assuming permission is granted for strip mining, particularly in the West.

The nation's railroads are also anxiously awaiting coal expansion. The nation's largest railroad, the Burlington Northern, revised upward last December its coal traffic forecasts for 1974 from expected revenues of $103.4-million to $115-million based entirely on long-term contracts between electric power companies and coal producers.

The railroad's economists now expect coal transportation revenues of $135-million to $140-million in 1975, "with a better-than-even chance the dollar volume of traffic in 1976 will be closer to $200-million than the $174-million forecast earlier."

They conclude that the upward spiral of coal transportation for Burlington Northern will reach "at least $330-million in 1982, with a good chance the figure could go higher."

CONSUMERISM: CON GAME OR PROTECTION RACKET?

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. LANDGREBE. Mr. Speaker, for several years this House has been concerned with the alleged plight of the consumer, a victim of merciless merchants, marauding manufacturers, and menacing merchandise, and has passed, in the name of protecting the consumer from his exploiter, the producer, a number of laws, the most recent of which is the Consumer Protection Agency. Not only are these laws ineffective in protecting the consumer, as the Consumer Product Safety Commission has demonstrated in regard to spray adhesives, but they are also contributing to the harassment of producers and thereby endangering the well-being of consumers. It is free people, acting responsibly in a free market, that have created the plethora of goods and services we have come to take for granted in this country. The well-being of consumers has never been better served than in our capitalist society in which a businessman must satisfy his customers. The kind of Government-regulated society that the "consumerists" desire can only result in the consumers being forced to accept whatever the Government thinks they ought to have; witness Red China or the Soviet Union. It is in these societies, where the consumer has lost the right to choose what he shall buy because the producer has lost the right to choose what he shall produce, that the plight of the consumer is most serious. This must be the consequence of consumerism, for it is the essence of that movement that the desires of the consumers are replaced by the desires of the bureaucrats.

Recently National Review published an article on consumerism that is important enough to bring to the attention of my colleagues, for it graphically illustrates the meaning of the consumerist movement as a movement to abolish free enterprise. I insert the article in the RECORD at this point:

CONSUMERISM AND ONE SMALL BUSINESS

(By Lowell F. Jones)

In 1971, after 52 years of lawful existence in the city of my birth, I was sent to prison. I had been convicted of mail fraud. But I was in fact the victim of a recent crusade politicians are finding lucrative; consumer protectionism. As Dr. Roger Klein, economist for Argus Research Corporation, put it, "being in favor of consumer safety and more information is sort of like being in favor of God, motherhood, and apple pie. According to the consumer advocate, the consumer is a poor slob beset by shoddy and unsafe products, worthless warranties, hidden loan charges, flammable fabrics, beefless beef stroganoff, and chickenless chicken soup." Los Angeles businessman Tyler Macdonald says, "I think we are part of a lynch mob society. All you have to do is get up and accuse someone of something. Consumerism is a shortcut to political power." As something of a lynchee myself, I can testify to the truth of Mr. Macdonald's words.

In my home state—Minnesota—consumerism has become a powerful political springboard and is recognized as such by those who played a major part in my story, chief among them Attorney General Warren Spannaus, who, wrote the *Minneapolis Star*, "has no intention of giving up the consumer protection operation which . . . gives the attorney general's office considerable publicity and visibility." I have had occasions to deal with Mr. Spannaus myself.

When this story starts I was running a card business, which employed 127 persons in four cities during its busy season and had thousands of customers all over the country. We made contact with our customers by mail. The average order was $10, and an account turning in over $100 a year was a very good customer indeed. So we handled literally tens of thousands of orders annually, and our promotional mailings ran into the millions. The one-time customer was our most deadly expense. Unless we could get repeat business, we couldn't make a profit. The secret of the second sale—and the third and the fourth—is consumer satisfaction. So it was in our own interest to be our own "consumer protector." It was our future that was at stake in keeping customers happy. And we weren't amateurs: we'd been at it 21 years, in the same office building, in the city where my family lived for nearly a century. Hardly a fly by night operation.

We'd had tough years as well as good ones. But our long term business record included the acquisition of several sinking competitors, all of which we had converted into viable enterprises. There was never the slightest hint of fraud in our quarter century of dealing directly with tens of thousands of unseen customers.

In November 1970, the Democrat-Farmer-Labor Party swept out an entrenched Republican administration in Minnesota. The new attorney general, Warren Spannaus, took office January 4, 1971.

The next day, January 5, he got the signature of one of my customers on an eight page affidavit, which charged that an $11.58 credit coupon sent to us on November 23 had not been redeemed six weeks later.

On January 28, my lawyer and I accepted Attorney General Spannaus' invitation to bring our books and records for a discussion of our order fulfillment procedures. We had no idea of any sort of impending litigation.

During a four hour conference we answered every question fully and accurately. We gave permission for the photocopying of vast quantities of corporate records. We pointed out that 263 customer complaints then on hand in the Attorney General's office amounted to about one half of 1 percent of the 40,000 orders we had received during the last half of 1970. There was some discussion of some of the language on our order blank, and we were asked to "stop all mailing until you hear from us." We agreed and did so. We also offered to comply voluntarily with any statutes the Attorney General felt we might be inadvertently violating. At no time were we told that court action was imminent.

By February 1, four days after our meeting, the Attorney General had prepared a 47 page summons, complaint, order to show cause, and restraining order against us. He got it signed two days later, February 3, by a district court judge—without notice to us and without a hearing. This document charged, among other things, that I had "converted . . . currency, money orders, and/or personal checks, and retained the proceeds thereof . . ." for my personal use. When we finally got to court no effort was made to prove this charge.

The judge's order directed us to cease business and to turn over all our assets (including money on hand and whatever cash came in) to a receiver selected by the Attorney General. I had been in business for 21 years, and now, by court order, all my business assets were confiscated, and my only recourse was to go to court and try to prove I was *not* guilty.

It was worth pausing here to size up the situation as of February 3. Who were the winners and who were the losers as the Attorney General left the judge's chambers with his court order?

If indeed we were hurting the innocent, unprotected consumer, we had ceased doing so when we voluntarily stopped our mailing. The state did not accuse us, later in court, of mailing at the time the secret order was signed; nor did it charge us with violating our voluntary pledge. Whatever money had already come in we had, as is the regular procedure, sent to vendors for merchandise to fill consumer orders, so this cash was not available for refund.

When the Attorney General's men entered our premises the first thing they did was to fire all our employees, including those in the warehouse who were at that very moment filling and packing orders for shipment. They smashed open our locked metal file cabinets with a sledgehammer and changed the locks on our doors. I was out of town at one of our branch offices and didn't hear of this until that evening, when I got the news by phone.

All of this was done in the name of consumerism—but what did the consumer get out of it? The Attorney General's wrecking crew shipped no orders. They replied to none of the correspondence awaiting processing in our office. They made no refunds. Nor did they use our confiscated checking account to buy merchandise for the consumers they were allegedly protecting.

Most of our employees didn't get paid for the time they worked prior to their summary firing. They were simply, and very abruptly, rendered jobless. But the consumer advocates got quite a lot: 101 column inches of local newspaper space, plus TV, radio, and out-of-town newspaper coverage. Five- and six-column headlines proclaimed the effectiveness of the new state regime. One such story quoted the Attorney General's office as saying I had "collected $400,000 in advance payments . . . and it is assumed he [Lowell Jones] has left the state."

Nearly four months later, after a long and costly trial, we won a court order turning the business back to us, giving us the right to continue using the mails, and rejecting the demand that our corporate charters be revoked. When we walked into our plant that day, we found the same customer orders that had been packed, sealed, and labeled four months before, still sitting on their skid waiting to be shipped out. The same inventory sat on the same warehouse shelves—ready to go to those consumers who were being "protected." All 9,663 unfilled orders were still just where we had left them, 5,163 of them having come in during the days immediately before the government's takeover.

What wasn't the same was the bank account: except for a few minor expenditures, all our money had gone to pay the receiver selected by the Attorney General. We got none of it back.

Despite the court order directing that all books and records be restored to us, the Attorney General's receiver held back some items. When questioned, he replied, "Oh, I probably dumped them." We took him to court and won a judgment against him for converting to his own use funds he had reported to the court as paid out for employee payroll.

By August, we had raised some new capital, shipped out 2,116 of the old orders that had lain dormant while the consumerists were in control, and paid most of our long-suffering employees.

On Thursday, August 19, we dropped 25,000 pieces of mail into the post office in an effort to get into business again. Two days later, a four-column headline in the local newspaper proclaimed: "Attorney General reports" that our firm was "selling again." Why should the Attorney General "report" our resumption of our business? According to his spokesman, he was "not advising persons that they should not invest; he simply wishes to advise consumers that the new offering is being made by the same individual who was involved with litigation with the state of Minnesota regarding similar mailings earlier this year." Put a little differently, he was trying to accomplish in the newspapers what he couldn't accomplish in court. Moreover, his spokesman, in the same story, quoted accurately the number of pieces we had mailed and part of their printed content.

The Attorney General's office had been so busy harassing us that it had never got around to doing anything to see that those 9,663 orders still unfilled in our office were processed, a strange way surely to go about consumer protection. But just as we were putting our own pieces back together (having survived the assaults of the state and the local press), the federal bureaucracy got into the act. In December I found myself in court again, this time pleading not guilty—unsuccessfully—to a charge of mail fraud. We had issued checks before the state's abrupt seizure of our assets, intending to cover them with funds in our bank account and in our incoming mail bags—like the housewife who writes checks on the weekend and puts money in the bank Monday morning to cover them. But when our assets were suddenly confiscated, we were held responsible for the checks that bounced as a result.

So, on May 1, 1972 our little business closed its doors again while I went to prison for a "short" term of nine months. I was paroled at Thanksgiving, and set out to take care of those 9,663 unfilled customer orders. I now had no court-imposed restrictions on either my occupation or my use of the mails. Within 60 days of my return from prison, we had put together a little capital, lined up a few suppliers who had known us a long time and trusted us, and shipped out—at last—$3000 worth of prepaid orders that had been sitting around.

In January 1973, I applied to top-level executives in the local postal service, telling them of my plans and asking whether our company's bulk mailing permit—a necessity in our business—was still in good standing. They assured me that it was, and that I could use the mails just like anyone else. I paid the annual fees for 1973.

Then in February we were told—without notice or explanation—that the permit we had paid for was canceled. No refund was offered. We were instructed to write Darwin E. Sharp at the Postal Service in Washington; we sent him a courteous inquiry and received neither acknowledgment nor reply to our questions. Here again is the familiar pattern of official arrogance: confiscate first, without consultation, warning, or due process, then let the poor citizen struggle to retrieve what he's lost—via an expensve court system that can delay justice, or what's left of it, for years.

We finally did get action in Washington with the help of Senator Walter Mondale and Congressman Donald Fraser; now we are struggling to get the local Postal Service to comply with Washington's edict. But even if our company finally receives some measure of belated justice, the larger question remains: will unseen bureaucrats be authorized to find firms guilty—without a hearing or a trial—of intent to defraud the consumer? Our guilt, if you can so label it, was that in certain cases there were delays in shipping. But consider the following cases:

Detroit's automakers in the first nine months of 1972 recalled more cars than they built.

Kool cigarettes took six to eight weeks to deliver a $129 gazebo.

The publishers of 108 consumer magazines need from 15 to 166 days to service new subscriptions. A recent *Advertising Age* survey shows 25 to 50 days is the norm.

George Hormel & Co. had its salami banned—to great public fanfare—by Connecticut's Consumer Protection Commissioner. The ban was lifted—without fanfare—after laboratory tests were made. (Is it too much to ask that the lab tests be made *before* calling city desk?)

Columbia Record Club hadn't shipped by September its $5.98 country and western albums to some customers who paid by mail in April.

There are some mighty prominent names here (I might have mentioned the IRS, which routinely takes ten weeks to send refunds)—not like my little company, which you've probably never heard of. But our customer service history was just as good as many of these—better than most, in fact. Yet an ambitious attorney general was able to get a secret court order generating what his office later admitted was a test case, designed to establish a precedent for future corporate charter revocations in consumerism cases.

But who is to say when imperfect customer service is the symptom of fraudulent intent, without a full and fair inquiry? The Ralph Naders, both in and outside government, have fostered the idea that businessmen's motives are per se suspect, and that to attack business is to serve the consumer. The idea is finding great favor among politicians.

It assumes that everything a business plans must work out successfully. Business has its Edsels, just as government has its cranberries and its phosphate detergents. When a company's plans go haywire occasionally, does that make the businessman a criminal? Some of Henry J. Kaiser's World War II Victory ships broke in two, but nobody charged him with evil intent.

Business school libraries are full of case histories of sick companies that became well, to the lasting benefit of consumers, employees, and owners. As Professor George Stigler recently wrote, "We are now going through a new period of salvation by public reform. . . . It is of regulation that the consumer must beware."

And Mary Bennett Peterson, in *The Regulated Consumer*, sums it up: "Rapidly expanding government control is inherently uneconomic as well as—ironically—anti-consumer. It restricts the consumer's right of free choice in the marketplace, imposes added production costs that price goods out of his reach, or denies him the use of natural resources. Free enterprise is the consumer's best servant. But it is being smothered by interventionistic regulation of industry, which ultimately means regulation of the consumer."

Besides: who will regulate our regulators?

WOMEN IN SPORTS

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mrs. MINK. Mr. Speaker, many of us are concerned that women in our society receive the best kind of education that it is possible to have. Furthermore there are many who are also concerned that women, as participants as well as employees in athletic activities connected with educational institutions, are granted the same kind of access to equal opportunity in these programs that their male counterparts currently possess. This is an issue that is of current topical interest and I am submitting a portion of an article by the Project on the Status and Education of Women entitled "What Constitutes Equality for Women In Sport?" which bears on this subject:

"SEPARATE-BUT-EQUAL" ADMINISTRATIVE STRUCTURES IN ATHLETIC AND PHYSICAL EDUCATION DEPARTMENTS, AND GOVERNING ASSOCIATIONS

At a large midwestern football power the men's sports programs are controlled by the athletic department while the women's programs are under the auspices of the physical education department.

At a western state university the women's athletic department is an administrative subsection of the men's department.

Men's intercollegiate athletics are governed by the National Collegiate Athletic Association while women's intercollegiate athletics are governed by the rules of the Association for Intercollegiate Athletics for Women (which is a division of the Division for Girls and Women's Sports of the American Association for Health, Physical Education and Recreation). The rules of these two organizations vary considerably.

Federal policy does not mandate specific administrative structures for athletics; it is rightfully the prerogative of an institution to establish its own mechanisms for implementing its philosophy concerning sport. What the government does require, however, is the philosophy concerning sport be applied equally for women and men and that the implementing mechanisms not have a discriminatory impact on one sex or the other.

The main structural problem in sports and athletics revolves around the "separate-but-equal" question. It is not uncommon for an institution to have distinct departments or divisions for women's and men's competitive and non-competitive athletics—or to have a department for men's athletics only (with women's athletics handled by the women's physical education department). Also in general women's and men's competitive athletics are governed by different associations with different rules, regulations and policies.

The pros and cons of "separate-but-equal" administrative governing structures are complex. There are sincere debates concerning whether the principle of equal opportunity would best be served by having one single integrated structure for both sexes, or by separate structures for each sex. Proponents for separate structures argue that merging them would mean that women would lose whatever control they now have over women's sports. They argue that merger would mean "submerger" (i.e., that men would more completely dominate the nature of sport for women, while women would still have no control over men's sports). Advocates of integratng the two structures argue that combining the two structures would give women's athletics a welcome boost and would force institutions to promote women, as well as men, to positions of responsibility. Still others argue that, while there is no justification for separate structures regarding non-competitive programs, single sex structures and governing associations should be permitted for *competitive* athletics to the extent that single sex competitive athletics are permitted. Many of the arguments concerning "separate-but-equal single sex teams can be applied to this situation as well.

In many instances women have had little influence in the policymaking level even in their own programs because they are sparsely represented (if they are represented at all) on boards of directors, athletic councils and other decisionmaking bodies. Some women in physical education say that the meager role they play in making decisions concerning women in sport has a discriminatory impact that outweighs that of unequal salaries and discriminatory promotion policies.

Some institutions have been reticent to challenge policies or practices mandated by athletic conferences or association, even though they have a discriminatory impact on women. Although athletic conferences and associations are not *directly* prohibited from discrimination under Title IX, institutions cannot rely on conference regulations as an excuse or rationale for discriminatory practices in their athletic and sports programs. Institutions *must* provide non discriminatory programs regardless of conference rules and regulations. For example, the differential association or conference requirements for each sex concerning eligibility for financial aid or for participation in intercollegiate sports do not absolve the institution from the obligation to treat the sexes equally.

Many educators and women are fearful that institutions might automatically follow the practices of the male associations and conferences when they adopt uniform standards and policies to cover both sexes. They urge institutions to use this opportunity for re-evaluation to ensure that new uniform policies are indeed nondiscriminatory and are in line with the educational philosophy of the college.

WHAT CONSTITUTES EQUALITY FOR WOMEN EMPLOYEES IN SPORT?

The legal basis for providing equal employment opportunities for women in sport is well established. Federal laws and policy forbid educational institutions from discriminating against employees on the basis of sex in hiring, upgrading, salaries, fringe benefits, training or all other conditions of employment. Institutions which violate these statutes and regulations face losing federal monies, having federal funds delayed, being debarred from receiving federal monies in the future, and possible court action.

Discrimination against women physical educators and coaches has, perhaps more obviously than any other employment discrimination, a dual impact. In addition to discrimination against the woman employee, the woman student suffers as well because many physical activities have traditionally been segregated by sex in the past. For example, sex discrimination in employment in sport often means that women students are denied the benefits of adequate coaching, instruction, and other athletic opportunities.

The following examples of employment discrimination are not intended to be exhaustive. Instead, they are intended to illustrate some of the unique ways in which employment discrimination against women in sport occurs.

Hiring

A woman who had worked for several years in the women's physical education department applied for an opening on the men's athletic staff. Though qualified for the job, she was not even considered. Instead, a recent male graduate was hired.

In the past many physical education and athletic programs have followed a policy of hiring only women to teach or coach women and only men to teach or coach men. It is becoming increasingly clear that there is no legal justification for this policy. Of course, the right of privacy of both employees and students would be protected (i.e., women and men would not be required to use the same bathroom or locker room facilities at the same time). The lack of these facilities could not be used as a justification for excluding one sex or the other.

Length of appointments

The men in the athletic department are given 12 month appointments, while the women can only negotiate 9 month contracts.

While an institution might have legitimate nondiscriminatory reasons for negotiating contracts of different lengths with different employees, offering different conditions or options on the basis of sex would undoubtedly be judged illegal.

Salaries and compensation

A woman was paid half of what a male was paid to officiate *in the same game*.

At a major midwestern university the men's athletic director is paid $10,000 more than the women's athletic director, even though they perform essentially the same work.

Coaches at a state university in the south are paid to coach the men's teams. The coaches for the women's teams are not paid to coach; they are paid as physical education instructors only, and coach (without compensation *in addition to* their full-time teaching responsibilities.

The women's basketball coach at a small New Jersey state college is paid considerably less than her male counterpart.

The male coaches, but not the female coaches, receive extra duty pay and/or "release time" to coach.

All of these examples are variations on the same theme: women are paid less to coach or teach women than men are to coach or teach men.

The law mandates equal pay for equal work (which is generally defined in terms of the skill, effort and responsibility involved). Judging equal pay is a relatively simple matter when evaluating two people officiating at the same game and performing the same tasks. Similarly, it is not difficult to compare a female and male tennis coach (who perform the same functions for the female and male teams, respectively). It is somewhat more difficult to compare an individual male *football* coach to an individual woman *tennis* coach, however. It is not clear whether the government enforcement agencies will make such comparisons. However, if male coaches as a group are consistently paid at a higher rate than women coaches as a group, the question of a pattern of discrimination arises.

Opportunities for advancement, promotion and tenure

Preference for the position of athletic director was given to candidates who had risen through the ranks of the football coaching staff—a career ladder from which women were excluded.

The women's athletic director is an associate professor, while her male counterpart is a full professor.

Many women charge that they are shut out of opportunity for advancement in the althetic hierarchy before they even get started. For example, it is a common practice to require candidates for the position of athletic director to have experience coaching football (or to give preference to those candidates who have this experience). Women, however, have been excluded from football coaching jobs. Such a promotional or hiring pattern might be judged illegal, unless the institution could prove that women had not been excluded from these positions in the past. This practice might also be challenged on the basis of whether or not experience in coaching football is essential to performing the duties of an athletic director. In no event, however, could qualified women be denied on the basis of sex the opportunity to be members of the football staff in the future.

In addition, many women have a lower rank than their similarly qualified male counterparts who do essentially the same work. One would expect this sort of inequity to be resolved as a part of the campus affirmative action plan.

Availability of support services and benefits

While the women's athletic director is aided by one student assistant for 15 hours a week and has about 200 square feet of work space, the male athletic director has an assistant, a civil service bookkeeper, a business manager, five secretaries and a suite of offices.

Lack of sufficient support services can perpetuate discrimination against women in sport. For example, athletic programs and student interest in these programs do not develop partly because of inadequate support services. At the same time, the small size of the program and lack of student interest are used to justify the continued inadequate support services. It is clear that the mandate for equal athletic opportunity calls for breaking this cycle by providing sufficient services so that the sport program for women might develop.

Also, the principle of nondiscrimination applies to opportunities for research, opportunities to attend conferences and professional meetings, etc.

There is no simple answer to the question, "What constitutes equality for women in sport?" The issues are complex and many of the problems are not easily resolved. There is a strong mandate from Federal law, administrators, physical educators, women athletes and women's groups, however, for constructive change. Equity demands that women be given a "sporting chance."

RAYMOND AND VINCENT PISCITELLI: NEW YORK STATE SMALL BUSINESSMEN OF THE YEAR

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. KEMP. Mr. Speaker, I want to pay tribute to Raymond and Vincent Piscitelli for the recognition accorded them by Gov. Malcolm Wilson and the U.S. Small Business Administration as New York State's Small Businessmen of the Year for 1974. Their success and that of their enterprise—the Aakron Rule Corp.—stands as a fitting reminder to all those engaged in the world of commerce and business in the United States, that tireless dedication and hard work can reap financial rewards for those willing to make the effort. Their success and the economic prosperity brought to their employees has served not only those immediately involved with the company, but indeed all of western New York. Through the continuing efforts of the Piscitelli brothers, and others like them, I am certain that western New York will once again be returned to economic well-being.

The 1974 selection was made for the following reasons:

First. The steady growth and expansion of the company is demonstrated by the annual sales which rose from less than $150,000 in 1967 to $800,000 in 1973;

Second. The firm has been innovative in developing a new method of teaching the measuring system to children and in anticipating the country's change to the metric system by producing a complete line of rulers showing both the metric and English systems;

Third. Aakron is an equal opportunity employer, which provides an on-the-job training program, with the New York State Department of Labor, for underskilled workers and a profit sharing plan for all employees. This year the company developed a special apprenticeship course for a Vietnam veteran;

Fourth. The firm has shown the ability to compete successfully, not only with the country's two other major ruler manufacturers, but also with an aggressive foreign market; and

Fifth. The company has spent a considerable amount of time and money on insuring job safety and proper antipollution controls.

Aakron Rule employs 47 people, manufactures wood rules, yardsticks, metersticks and other wood specialties. Raymond Piscitelli, 34, formed the company in 1967 with his brother, Vincent, 36.

THE BEGINNINGS

When Aakron Rule Corp. purchased the assets of Shaw Wood Specialties, 28 Cedar Street, Akron, N.Y., the Shan Wood Specialties' $62,000 loan from Small Business Administration was in danger of becoming a permanent liability.

SBA allowed Aakron Rule Corp. to assume the $40,000 balance of the loan plus an $8,500 note from Liberty National Bank. The move proved to be excellent as Aakron Rule Corp. increased sales 147.9 percent and showed a profit of $6,400 at the end of the first fiscal year. This was accomplished with no signficant increase in clientele, but through new and efficient management techniques.

Improved safety brought lower fire and compensation insurance rates; repair of old equipment saved electricity; improved methods of manufacturing and material handling added to the efficiency of the operation.

Both brothers and their wives worked shifts to keep the machinery going day and night and this established the company's potential to compete for Government contracts.

THE COMPANY GROWTH

Continued growth in 1968 was made possible by issuance of a certificate of competency for $156,100, a second loan from Small Business Administration, and by securing a General Services Administration contract. The young company's quality and delivery was declared excellent when Aakron Rule Corp. was placed on "quality assurance" by General Services Administration.

Of noteworthy importance is the fact that prices on annual bids of General Services Administration office ruler contracts, by the only two existing manufacturers, were climbing year after year. Since Aakron Rule Corp. entered the field, it has saved General Services Administration approximately $150,000 to $200,000.

By the end of that year sales leaped to $212,000 with $11,500 profit. This was an increase of 220 percent over 1966 sales. Payroll increased to $69,400 as compared to Shaw Wood Specialties $46,400 payroll for 1966. A force of 12 part- and full-time workers increased to 25 full-time employees.

In 1969, after investment in new equipment and personnel training, Aakron Rule Corp., entered the school and office ruler field, selling to school boards of education throughout the country. Sales increased to $289,300 and payroll rose to $94,800.

By the end of 1970, Aakron Rule Corp. announced sales of $310,000 while their payroll rose to $110,000. In just a few short years, Aakron Rule Corp. took an all but bankrupt company and increased the sales 320 percent. All this was accomplished while American Rule and Block, Mansfield Rule, and Lucas Rule were finding it impossible to compete.

The growth continued through 1971 with yearend sales of $310,800. The number of employees increased by about 14½ percent.

In 1972 the upward trend continued at a rate of about 66 percent with annual sales at $510,900. Payroll increased to $157,900, leaving a profit of $21,000.

With the help of a third Small Business Administration loan, construction of a new $200,000 factory was completed in October 1972. A one-floor operation has greatly increased efficiently, improved working conditions, and insured the safety of personnel.

Year 1973 finds Aakron Rule Corp. in its new Small Business Administration financed manufacturing facility. The new facility has created a new image for Aakron Rule Corp. and sales soared to $800,000, another 60 percent increase in 1 year.

LOCAL EFFECT

The success of Aakron Rule Corp. has very definitely made its impact on the community. The village is enjoying the benefits of a taxpaying company which generates, by retail purchases and payroll payments, about $250,000 local business annually. Suppliers have also benefited from this growth. The lumber usage rose from 5,000 feet of basswood per month to almost 100,000 feet of maple, beech, and basswood, and steel needs for metal edges grew from 6,000 pounds to 60,000 pounds per year. Many industries and services which are connected with Aakron Rule Corp. have also shared in its prosperity. In addition, the company's move to a new home paved the way for the removal of an old building that was an eyesore and fire hazard.

THE NATIONAL EFFECT

Probably Aakron Rule Corp.'s biggest accomplishment has been its ability to research and produce a ruler to compete with Japanese products imported. In 1972, Aakron Rule Corp. confirmed orders for approximately 348,000 dozen rulers, heretofore, a Japanese market. In addition, Aakron Rule Corp. has taken part of the ruler market from England and now exports to Canada, Mexico, and South America.

Because of this extraordinary feat, President Richard Nixon saw fit on September 15, 1971, to issue Raymond L. Piscitelli, president of Aakron Rule Corp., a "Certificate of Appreciation" for his support of the "national program to bring about a new prosperity."

It is a distinct privilege to bring the Piscitellis to the attention of my colleagues and to pay tribute to them for their outstanding accomplishments, both personally and professionally. Their success stands as an example of the success of the American capitalist system.

BITTER SWEET COMMODITY

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. PEYSER. Mr. Speaker, I feel very strongly that H.R. 14747, the sugar act should be defeated. This legislation is not in the best interests of the consumer or the taxpayer. I cannot see why we should continue to subsidize sugar growers while sugar prices continue to skyrocket. As long as the sugar act is allowed to survvie the price of sugar will continue to increase.

I offer for the information of my colleagues some letters and statements on the sugar program by consumer groups and a professor at the University of Chicago who has studied the sugar program:

CONSUMER ACTION
FOR IMPROVED FOOD AND DRUGS,
Washington, D.C., June 4, 1974.

Hon. PETER A. PEYSER,
Longworth Office Building,
Washington, D.C.

DEAR MR. PEYSER: This letter is in response to your letter of May 31st, 1974, requesting our views on the Sugar Act and on how it effects consumers.

Consumer Action for Improved Food and Drugs opposes the passage of H.R. 14747, the Sugar Act of 1974. The prospective cost of the Bill to the American consumer is estimated at over $500 million a year. This bill assures that the price of sugar United States consumers will pay in the next 5 years will at least meet a "price objective"—a price which under the current system—follows the consumer price index progressively higher. This creates a situation which in tight world supply, the price is apt uncontrollably to exceed the objective, while in ample supply situations the price will be kept up to objective levels.

We oppose the following provisions of H.R. 14747—(1) inflationary price objectives; (2) the continued use of direct payments to the growers even while the price of raw sugar doubles the price objective; (3) the maintenance of arbitrary quotas for foreign and domestic market shares; and (4) the continuation of the ban on importation of refined sugar; and (5) the extension of all or any part of the Act for a period as long as 5 years.

The Act maintains a complex set of quotas for both foreign and domestic producing areas. What is of major concern to us is that this has the effect of artificially diverting land in the United States from other crops which may be nutritionally more important, such as wheat and soy into the production of cane or sugar beets. At this time in our history there is constant talk of impending food shortages that will affect the world—it seems imperative that the government seek to provide legislation that would ensure, not only high yield crops that can be economically grown, but crops with the highest nutritional value.

The way the price objective system is structured, the United States consumer might end up paying more for sugar when world prices go up, but cannot pay less when world prices go down. To the extent that sugar is an important commodity in the American food supply, any price objective system employed should follow lower world prices, with lower United States price objectives. Room should be allowed for fluctuations around such "price objectives", both up and down to allow for competition and efficient futures markets.

This bill extends this protection scheme for 5 years at a time when current world sugar shortages permit us to end this system with no immediate discomfort to sugar producers, while allowing sugar to find its place through the competitive workings of the food marketing system.

We believe that by voting for the repeal of H.R. 14747, you would be voting for the American Consumer, (without causing any harm to the American producer) who could only benefit from a competitive sugar market, as world supplies increase.

We thank you for your interest in our views.

Sincerely,

JAMES S. TURNER,
CATHY SULZBERGER,
Co-Directors.

NATIONAL CONSUMERS CONGRESS,
Washington, D.C.

Time and time again consumers are told that they are going to have to pay higher prices and do with short supplies because the world needs our food. At the same time, rather than reforming a forty-year old program of producer protection and consumer abuse, this Act extends and amplifies that system. The cost to the American consumer is an estimated $500 million a year. How can we expect regained confidence in our system of government when we see this kind of legislation coming from our representatives. We have been warned about a shortage in sugar. We have been warned about skyrocketing sugar prices; and we have been warned about the ripple effect of those prices on a wide range of other food produce. It doesn't have to be. We can't take much more of a squeeze on our food budgets. H.R. 14747 should be defeated and existing sugar control legislation should be allowed to expire. We are opposed to: the maintenance of arbitrary quotas for foreign and domestic market shares. We are opposed to inflationary "price objectives" with a narrow "corridor" providing a floor but no ceiling on returns to domestic growers. We are opposed to the continued use of direct payments to growers even while the price of raw sugar doubles the price objective. We are opposed to continuation of the ban on importation of refined sugar; and We are opposed to the extension of all or any part of the Act for a period as long as five years.

I have here a further explanation of our opposition to the Act which is available to the press:

STATEMENT BY D. GALE JOHNSON, ELIAKIM HASTINGS MOORE, DISTINGUISHED SERVICE PROFESSOR OF ECONOMICS, AND CHAIRMAN, DEPARTMENT OF ECONOMICS, THE UNIVERSITY OF CHICAGO, JUNE 4, 1974

SUMMARY OF FINDINGS

The production, distribution and pricing of sugar is highly regulated in almost all countries. The U.S. sugar program is in no way unique. Most of the industrial countries protect their own sugar production and produce a large fraction, if not all, of their domestic consumption requirements. It may be that two-fifths of the world's sugar production is in the wrong places because sugar production has been encouraged under high cost conditions. The United States might be said to have a relatively liberal trade policy for sugar since we import approximately 45 percent of our consumption. But this is only by comparison with policies that are even more disruptive to international specialization and trade than ours.

More than half of the sugar that moves in international trade is within the framework of special preferential arrangements, principally the U.S. sugar program with its assigned sugar quotas, the British Commonwealth Sugar Agreement, and the arrangements between the Soviet Union and Cuba. Low-cost producers of sugar, such as Brazil and Mexico, have little opportunity to expand their production beyond the amounts required for domestic consumption and sales to the preferential markets since the price of raw sugar on the world market has been both low and highly variable.

There are enormous differences in the prices that farmers receive for the production of sugar cane and beets. As of 1970 farmers in Brazil and Mexico received about a third as much as farmers in the United States and Western Europe.

An important and apparently intended effect of the U.S. sugar program has been the protection of sugar refining. While it may appear that the sugar program is a farm program, it is also a highly protective program for sugar refining. The sugar quotas are even more stringent against refined sugar than raw sugar. Currently only 68,000 tons of total sugar imports of more than 5 million tons can be imported as refined or direct-consumption sugar. Further, the legislation regulates and restricts the amount of refined sugar that can be brought to the continent from Hawaii and Puerto Rico.

There are no clear guidelines for establishing import quotas or quotas for domestic areas. There are no rational grounds for choosing between sugar from Brazil or Ireland or Australia. As a result the quotas must be assigned by a political process that is dependent, to at least some degree, upon the use of paid lobbyists by foreign governments and active courting of senators and congressmen by domestic groups.

It is estimated that the annual cost of the sugar program to consumers and taxpayers is in the general range of $500 million to $728 million. This is an estimate for long run conditions in terms of 1972 levels of U.S. sugar prices and consumption. Based on a middle estimate of $614 million of cost, approximately a third of the gross transfer goes to foreign quota holders and the remainder to the domestic sugar producers.

The net income transfers—the increases in net income of the producers of sugar—are much smaller than the gross transfers. For domestic producers the net income transfers are estimated to be about $100 million annually or approximately a quarter of gross transfers. The net income increases to foreign quota holders are relatively small with the main beneficiaries being the countries that purchase a large part of their sugar in the world market. The two largest such purchasers are Japan and Canada.

The distribution of the gross benefits among farmers is very unequal. Out of a total of 21,000 farms that produce sugar in the United States, 224 farms produce at least a third of the sugar. There are 65 farms that produce approximately a fourth of all sugar and receive a sixth of the payments made through the sugar program.

It is concluded that the current sugar program should be replaced because the cost is much greater than benefits to producers and because it is inconsistent with a liberal trade policy. The long run sugar program should be one consistent with liberalization of trade, with moderate tariffs of approximately 10 percent on raw and refined sugar. Price supports should be provided at a level consistent with the expected world price of sugar. Any difference between the support price and actual market price of sugar cane beets should be met by a deficiency payment.

Two approaches are suggested for moving to the long-run sugar program. One is for a transition program in which the import quotas and domestic marketing allocations would be abolished and a target price established. The difference between the target price and the actual market price would be met by a deficiency payment for a level of output no greater than the average output for the past three years. The Sugar Act payments would be phased out over a five-year period. To ease their adjustment to the long-run program, producers should be permitted to abandon cane and beet production in whole or in part and continue to receive the payments they would be entitled to if they had produced as much as during the three years before the transition period.

The second approach is to move at once to the long-run program and compensate fully all the losses that would be incurred by farmers, workers, and processors. It is estimated that the cost of such compensation would be no more than the costs to consumers and taxpayers of continuing the present sugar program for four years.

Many supporters of the Sugar Act are now giving the U.S. sugar program credit for the recent and current lower price of sugar in the United States than in the world market. Such credit is not deserved. The Sugar Act, and similar programs in other countries that control sugar markets, is to a considerable degree responsible for the recent high world price for sugar. We are now suffering the consequences of the very low prices of sugar in the world market in 1966 through 1968, prices that were so low that sugar production was discouraged in the low cost producing regions. While part of the recent high world sugar prices can be attributed to the same factors responsible for the large increases in farm product prices generally, namely general inflation and poor crops in 1972, much of the more than ten-fold increase in world market prices from 1966–68 to late 1973 and early 1974 has been the result of the restrictive nature of the Sugar Act and similar arrangements elsewhere.

The control of sugar production, imports and prices means that most of the variations in world supply and demand are forced upon the world market. On the average, only about an eighth of the world's consumption passes through that market. Thus it is not surprising that prices vary enormously over time. What is surprising is that one of the serious adverse consequences of the U.S. sugar program—its contribution to instability of prices in the world market—is now claimed as a benefit of the program because at this time world prices have gone to unreasonably high levels.

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM,
Philadelphia, Pa., May 31, 1974.

POSITION ON H.R. 14747, SUGAR ACT AMENDMENTS OF 1974

The Women's International League for Peace and Freedom opposes programs which grant subsidies—taxpayers' money—and other special guarantees to private commercial interests. One example of this type of program is the Sugar Act, which costs the American consumer over $500 million a year. H.R. 14747 extends and amplifies this forty-year-old program of producer protection and consumer abuse. Therefore we oppose passage of this bill.

In advocating that H.R. 14747 be defeated, and existing sugar control legislation expire, we are opposed to: (1) the maintenance of arbitrary quotas for foreign and domestic market shares; (2) inflationary "price objectives" with a narrow "corridor" providing a floor but no ceiling on returns to domestic growers; (3) the continued use of direct payments to growers even while the price of raw sugar doubles the price objective; (4) continuation of the ban on importation of refined sugar; and (5) the extension of all or any part of the Act for a period as long as five years. The reasons for our opposition are explained below.

The Act maintains a complex set of quotas for both foreign and domestic producing areas; a system which capriciously allocates portions of the U.S. demand among producing areas based on their output during the previous year. Foreign producers must petition the Congress for their share of the market. In a costly spectacle doing no credit to the producers or Congress, foreign countries and U.S. private groups seek from the public's representatives assured access to enhanced U.S. prices and guaranteed shares of U.S. consumers' dollars.

When supplies are short and prices are high, producers need no such guarantees. When supplies are ample and prices low foreign producers are limited in the amount which they can sell to U.S. citizens. In addition to raising consumer prices, this has the effect of diverting land in the United States from other crops, such as soy or wheat, into production of cane or sugar beets when the actual economic and nutritional yield would be greater in non-sugar crops. In a world constantly clamoring for more food, the Congress has an obligation to insure that U.S. farmers produce those crops which they most efficiently grow. The quota system should be ended; either immediately or by an assured phasing out.

The bill's "price objective" is guaranteed to rise with the domestic cost of living, even if foreign producers have lower costs and could thus contribute to moderating our continued domestic inflation. The Secretary of Agriculture is required to keep prices no more than 4% below the price objective, but has no obligation to respond immediately when prices exceed an upward boundary above the price objective. In fact he may not be able to hold prices to the objective when worldly supply is short. Thus the United States consumers would pay more for sugar when world prices go up, but cannot pay less for sugar when world prices go down. The price objective system imposes unfair burdens on the consumer and should be abolished.

The bill would remove the $.53 per hundredweight excise tax on domestically manufactured sugar but raise the "price objective" by $.49 per hundredweight and thus pass on the bonus to the grower. Thus the Treasury loses $.53 per hundredweight on domestically refined sugar, but the private grower gets $.49 per hundredweight more. In addition, sugar producers continue to get extra payments directly from the U.S. Treasury.

Elimination of excise taxes should inure to the benefit of the American household, not sugar producers. In addition, any payment to sugar producers should be rapidly phased out, if not immediately terminated. Current high world prices provide producers all the cushioning they need or should have.

The bill extends the protection scheme for five years at the precise time when world market conditions permit us to end the system with no immediate dislocation to either domestic or foreign sugar producers. Even a bill with phased out controls should operate for no more than one year.

The entire protection system, designed forty years ago, no longer serves a useful function. It now costs consumers over $500 million annually and involves Congress in a most unseemly division of the public purse among competing private and foreign interests. Current world sugar shortages permit us to end this system with no immediate discomfort to sugar producers. If the present system were ended, U.S. consumers could benefit from a competitive sugar market when world supplies increase.

For the foregoing reasons, the Women's International League for Peace and Freedom, United States Section, strongly urges rejection of H.R. 14747.

NATIONAL CONSUMERS LEAGUE,
Washington, D.C., June 3, 1974.

DEAR CONGRESSMAN: On behalf of the National Consumers League, the nation's pioneer consumer organization, I would like to urge you to oppose passage of H.R.. 14747, the Sugar Act of 1974. This bill will strengthen the sugar lobby at the expense of the consumer interest.

We believe it is necessary that H.R. 14747 be defeated, and existing control legislation expire, for the following reasons:

(1) Th. Act, which maintains a complex set of arbitrary quotas for both foreign and domestic producing areas, is a costly mechanism. Foreign producers must petition Congress for their share of the market. Thus consumer prices rise in times when supplies are ample and prices should instead fall.

Furthermore, this quota system diverts land in the United States from other crops, such as soy or wheat, into production of cane or sugar beets, when the actual economic and nutritional benefits would be higher in non-sugar crops.

(2) The bill's "price objective" is created to rise with the domestic cost of living, even if foreign producers have lower costs and could thus contribute to lowering our domestic inflation. There is a requirement that the Secretary of Agriculture keep a "floor" under prices, but there is no ceiling on returns to domestic growers. Thus the American consumer would pay more for sugar when world prices go up, but cannot pay less for sugar when world prices go down. This is a blatant act against the free competition that is supposed to characterize our American marketplace.

(3) We are opposed to the continued use of direct payments to growers at this time, when sugar prices have hit an all-time high. The bill would remove the $.53 per hundredweight excise tax on domestically manufactured sugar, but raise the "price objective" by $.49 per hundredweight, thus passing on the bonus to the grower.

This producer protection mechanism, designed to meet the needs of a market 40 years ago, no longer serves a useful function. We therefore urge you strongly to vote against this measure.

Sincerely,

ALICE SHABECOFF,
Executive Director

FEARS OF THE CONSUMER PROTECTION AGENCY

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. ALEXANDER. Mr. Speaker, fears of a Consumer Protection Agency are frequently expressed by businessmen who have been told that Ralph Nader will now have the tools he needs to disjoint the American manufacturer. Congressmen FRANK HORTON's reply to the editor of the Wall Street Journal, June 3, 1974, puts the House position in proper perspective. I commend his letter for the consideration of interested citizens:

REPRESENTATIVE FRANK HORTON REPLIES

Editor, The Wall Street Journal:

I was greatly dismayed to find The Wall Street Journal, in a recent editorial ("Mr. Nader's New Year's Wish," Apr. 10) printing the misrepresentations being circulated about the Consumer Protection Agency legislation. This bill was not drawn to Mr. Nader's specifications, as evidenced by the lengthy laundry list of changes he wants in the bill. Your mention of the exemption of labor negotiations as being done as a favor to Mr. Meany is wrong too, as in fact it was proposed by business because it is in their interest. Finally, I am deeply distressed about your willingness to support only a "cute little office" for consumers, because it represents an obsolete view that consumerism equals anti-business. The vast majority of businessmen I know certainly do not hold that view.

The CPA bill (H.R. 13163), which recently passed the House by more than a three to one vote, was carefully developed after the widest possible discussions with the administration and with business, consumer and professional groups. There is ample evidence that consumer interests are not being properly represented. The resources spent by business in arguing their cases far outweigh those spent by consumer groups. The purpose of the Consumer Protection Agency is to correct this imbalance by providing effective and responsible representation for consumer interests.

The CPA is given approximately the same rights and restrictions applicable to business representatives. Like the Chamber of Commerce and NAM, the CPA will present to governmental decision-makers the facts of importance to the people it represents. The bill does not add to or detract from any agency's responsibility to execute its functions and provide procedural fairness to all persons.

Another misrepresentation is that the CPA would have interrogatory and subpoena authority. In fact, all the House bill says is that the CPA is "authorized to propose" the issuance of interrogatories to those few agencies that already have such authority.

The principal effect of the CPA, I believe, will be to improve government decision-making affecting business and consumers. Whatever incidental costs and delays might occur, they will be far outweighed by the benefits.

OBJECTIONS TO VENEZUELA AMENDMENT

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. GUNTER. Mr. Speaker, objections have been raised by some colleagues to the amendment I plan to offer suspending the U.S. sugar quota of Venezuela. The objections include a variety of grounds. In the interest of promoting enlightened debate, perhaps it is well to comment briefly on some of these objections at this time.

Among them, perhaps the most recurring reservation expressed is one I personally find the most distressing. For it proceeds from the assumption that the United States is, in the final analysis, powerless to protect the most minimally basic and vital economic interests of our own people.

The argument is, in effect, that we must depend on Venezuela for a large share of our oil imports, but that that country's share of the sugar quotas is minuscule in terms of their overall economy.

Therefore, so the argument goes, adoption of my amendment would hardly constitute a credible threat that would cause Venezuela to lower its oil prices.

On the other hand, it is argued, the amendment might so offend the sensibilities of Venezuela that its response would be to increase prices still further or, at the extreme, reduce or cut off all oil exports to the United States.

This objection is distressing for several good reasons.

It is distressing, first of all because of the position of self-proclaimed U.S. economic impotence in the world which this argument proclaims.

More disturbing, this attitude promises a continuation of the present dismal absence of policy, whereby the United States cringes and cowers before mighty Venezuela, fearful of whispering any complaint or undertaking any action that might be interpreted by that country as displeasing to its sensibilities, and which presumably might then result in awesome retaliation of majestic dimensions against the helpless United States, become too pitiful and weak to cope with it except by instant capitulation on Venezuela's economic terms.

Modern history, interestingly enough, has taught the major nuclear superpowers of the world, including the United States, to observe a prudent and decent respect for the nuclear capabilities of each other. Yet, that respect for the nuclear facts of life has never prevented the United States from disagreeing frequently and openly through strong and effective action with other superpowers in pursuit of its most basic national rights and interests where required.

But apparently we are to believe that Venezuela possesses a fearful and awesome weapon of greater dimensions than even nuclear weapons, so much so that we dare not disagree with that country, nor take action to protect our own consumers from a grotesquely exorbitant level of price gouging, nor indeed even utter a feeble verbal protest out loud in public.

When a veteran representative of the State Department tip-toed softly into my office last week, Mr. Speaker, it was all I could do to get him to speak above a whisper. He seemed to keep looking back over his shoulder. When I was finally able to persuade the man to speak up and say whatever it was he had come to say, he seemed to be expressing a vague but all-pervasive fear that Members of Congress might actually get up and say something out loud about the extortion against American consumers by price-gouging foreign oil producers.

The fact of the matter is, Mr. Speaker, that even given the formidable oil reserves supplied to us by Venezuela and constituting an economic weapon of some dimension, it is still not yet necessary in my judgment to send the Chairman of the Joint Chiefs of Staff down to Caracas to hand over his sword in surrender to the Venezuelan Minister of Mines and Hydrocarbons.

For the reality of the matter is that Venezuela depends on the United States for a good deal more than access to a stable sugar market in those years when the domestic price exceeds the world price.

The United States, as just one example, furnishes over 95 per cent of the wheat imported by Venezuela.

As economic writer Hobart Rowen recently noted, if the United States priced wheat the way Venezuela and the other OPEC countries price oil, we could demand and get $20 a bushel.

There is, moreover, no shortage of demand for U.S. wheat in the world or of countries eager to buy it should the message I propose to send Venezuela about oil prices still remain unclear to them.

The United States has had no desire to exploit the world need for wheat by charging whatever the traffic would bear.

But neither can the United States continue to permit the havoc caused to our own economy and the hardships inflicted on our own consumers, particularly those on small fixed incomes, as a result of further Venezuelan price gouging on oil.

The second distressing point about these particular objections to use of the sugar quota, in effect, to send a message to Caracas and to all the OPEC nations, is that the objections miss the basic point, nature, and tenor of the amendment.

The amendment proposed represents a clear and timely warning by the Congress. Yet it also represents a mild, restrained, responsible warning. The effect in actual economic terms for Venezuela will, in fact, be minuscule. The point is precisely that it is intended to be.

It is the purpose of the amendment at this time to send a message—not to indulge in massive economic retaliation against our Latin American neighbor or to send threats of substantial gravity indeed.

But I believe the message will be clear. Behind it stand all of the massive and awesome economic resources and might of the United States.

Should Venezuela be so displeased that the Congress has grown tired of the brutal economic victimization of our own citizens at the hands of the oil producing nations that we are moved to respond even in this mild, measured fashion, and should Venezuela choose in turn to create still graver economic havoc for U.S. consumers, then I think it is quite clear that the United States would have no alternative but to bring the total weight of its full economic power to bear as leverage at the bargaining table in order to finally put an already well overdue end to this world economic chaos brought about by unscrupulous and irresponsible price gouging on oil, and to restore the basic equilibrium on which the economic health of all nations of the world vitally depends.

I do not want to have to see those kind of economic weapons brought to bear.

But it is time for a return to a sane level of oil prices that the rest of the world, not excluding the third world nations, can minimally live with. And we will not see a return to such conditions so long as the U.S. State Department and others, persist in entertaining the notion that the United States is too frail and weak to act, and dare not offend its mighty Latin American neighbor for fear that any displeasure caused it might result in the economic crushing of our poor, weak, defenseless country.

It is difficult, Mr. Speaker, in any event, to conceive of what might be much more crushing than the level of prices charged average consumers today as a result of extortionist price gouging on oil and the massive economic hardships and dislocation that have resulted.

It was expressed in one form by the following letter from a retired constituent in Florida which arrived in the mail 2 days ago. It reads:

> Dear Mr. Gunter: You're probably tired of these complaints. But my electric bill cost added for fuel is more than the raise I got on social security. You see, I am disabled 7 years now. My last electric bill—1291 kwh. Fuel adj: $15.62. Total: $42.77. This is more than ⅓ oil additions. I know it is not costing this much more additional oil cost. They said (another) increase is due. So see about the cost of living increase to social security. This is a lot more than the increase we got. Please see if you can do something.

Mr. Speaker, the impact of these increased fuel costs is confirmed by the very able—and very worried and concerned—president of Florida Power Corp., Mr. Andrew H. Hines, Jr., who states:

> For the first four months of this year our stockholders have absorbed $16 million in unrecovered fuel costs . . . Since our earnings have deteriorated drastically, we have been de-rated by both Moody and Standard & Poor's, Investment Rating Agencies. This thumbnail picture generally reflects the financial plight of electric utilities, nationwide, and especially those electric utilities heavily dependent upon residual fuel oil as a boiler fuel. The major effect of this financial crisis can be directly related to the increase in oil prices. * * * From the standpoint of the customer, our May bills currently include a fuel adjustment for the average customer of $12.10. This contrasts with only $3.45 last December. Because of existing prices, the figure will reach $13.30 in June, and this new increase will tend to move it further in the following months.

In sum, Mr. Speaker, the objections or reservations expressed to the Venezuela amendment offer no alternatives to deal with the present intolerable situation, nor do they promise the formulation of any policy by the United States in the future for dealing with this situation.

Yet the present situation simply cannot continue.

I reiterate my belief that it is time to send a message to Caracas and the other OPEC countries. My amendment offers a timely and restrained and wholly appropriate means of doing so, and I urge the broadest possible support.

JAPAN SENDS US A MESSAGE

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. GAYDOS. Mr. Speaker, an article in the May 27 issue of Industry Week magazine carries the obituary of Japan's 10-year economic miracle and an ominous message for U.S. manufacturers.

The article states Japan has revised its average annual growth of the gross national product from the 9.3-percent forecast last year to between 2.5 and 4 percent for fiscal 1974. Japanese economists see the slower economic growth continuing for a number of years to come. The high cost of fuel to feed Japan's hungry industrial machine is blamed for the cutback. But, Japan has a simple solution to the problem. It will export, export, and export.

> We are going to pay for the higher cost of crude oil through greater exports. Japanese firms are going to export until destination countries become angry. Am I joking? No, I am being honest.

Those are not my words, although I have warned many times from the floor that no major industrial nation in the world is concerned about the effects its exports have on any economy save that of their own nation. That is not a politically inspired prediction because I happen to represent an area that was hard hit by foreign imports during the past decade.

That ominous warning came from Mr. Shiro Sakuma, executive director of Komatsu Ltd., a leading Japanese machinery manufacturer. He foresees Japan launching an export push that will include automobiles, fertilizers, construction machinery, steel and, I want to emphasize this last item, "all kinds of plants."

Our domestic production industries can expect another import tidal wave like that which battered them in the 1960's. Congress can expect to hear the outcry if the wave flattens our mills and plants and washes the employees out of the mainstream of the Nation's working force.

Mr. Speaker, the handwriting is on the wall and you don't have to be Japanese to read it.

POSSIBLE INCLUSION OF NEW RIVER INTO NATIONAL WILD AND SCENIC RIVERS SYSTEM

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. MIZELL. Mr. Speaker, yesterday the House Interior Subcommittee on Parks and Recreation held hearings on my bill, H.R. 11120, to amend the Wild and Scenic Rivers Act of 1968 to authorize a study by the U.S. Department of the Interior of the New River in North Carolina and Virginia for possible future inclusion in the National Wild and Scenic Rivers System. Because of the importance of this measure to my constituents, I wish to share the substance of my testimony before the subcommittee with my colleagues.

TESTIMONY OF THE HONORABLE WILMER D. MIZELL OF NORTH CAROLINA BEFORE THE HOUSE INTERIOR SUBCOMMITTEE ON PARKS AND RECREATION IN SUPPORT OF H.R. 11120 TO AMEND THE WILD AND SCENIC RIVERS ACT OF 1968 IN REGARD TO THE NEW RIVER ON JUNE 3, 1974

Mr. Chairman, and members of the committee, I want first of all to thank you for scheduling hearings a second time on legislation I have introduced to have the New River in North Carolina and Virginia studied for possible inclusion in the National Wild and Scenic Rivers System.

At the first hearing on this bill, conducted by the committee last October, I presented testimony outlining the historical, environmental and social values of the New River and its environs, which I believe are much more than sufficient to merit the protection of the Wild and Scenic Rivers Act.

Rather than take the committee's time today in a restatement of that testimony, I request that it be made a part of the current hearing record so that the committee members may reacquaint themselves with the nature of the river itself.

In my brief statement today, Mr. Chairman, I would like to bring the committee up to date on some important developments regarding this matter which have occurred since I last appeared before you. I would also like to clarify some of the statements that have been made in opposition to this legislation.

First of all, the committee will recall that the Department of Interior's staff position on this bill last October was to let the FPC make its decision on licensing the Blue Ridge Power project, proposed for construction on the New River, before this legislation was approved.

But on April 4, 1974, Secretary of the Interior Rogers C. B. Morton overruled that staff recommendation on the grounds that the essential purpose of the Wild and Scenic Rivers Act is to provide a means of protection for selected rivers in this country which merit protection and preservation. Secretary Mortion said at that time: "I am not convinced at this time, without benefit of further study, that it would be in the best interest of sound resource management to forego 40,000 acres of land and 70 miles of heretofore free-flowing river for the sake of pumped storage peaking capacity which exceeds projected demand."

At this time I would like to insert a letter from Secretary Morton stating the department's position at the end of my testimony.

Another important recent development in the history of this bill was the passage of similar legislation in the United States Senate on Tuesday of last week on a vote of 49 to 19.

Again the argument made by those opposed to the bill was that the Federal Power Commission should be allowed to work its will regardless of the potential consequence to the river and the people who live on its banks.

The Senate rejected this argument overwhelmingly on the same grounds that Secretary Morton cited in his endorsement of this bill—that the Congress has a higher obligation to the people and to history than it does to the bureaucrats of the FPC.

The Congress is not the servant of any government agency—indeed, no government agency would exist without the consent of the Congress. We have delegated to them important responsibilities, but we have responsibilities of our own, and one of them is to insure that the people's will will be done in this case as in all others.

The will of the people of the New River Valley is that this ancient and beautiful river should be protected and preserved, not damned and despoiled by a power project that will be obsolete before it is built.

A few weeks ago several of us pleaded with the FPC to hear oral arguments on this matter that is so crucial to the way of life of thousands of people. Our petition, Mr. Chairman, was flatly denied.

Since 1965, there has been much misinformation given out by those who are in favor of the Blue Ridge project. Those people affected by the project have rightly become confused because of this. For the benefit of the committee, I would like to present some facts which are of utmost importance and which will put this in perspective.

It has been implied in recent months that the opposition to this project has subsided. However, I understand testimony will be given today which will indicate that a great majority of those residing in the affected area does not favor or approve of ths proposed project.

Further, it should be noted that the local government elected by the people in each of these counties has time and time again expressed their opposition to the Blue Ridge project.

Statements have also been made to the effect that the New River has been studied to death. This is mainly in reference to the Kanawha River basin study, published by the Corps of Engineers in June, 1971. The fact of the matter is the section of the New River the committee is now considering was not studied in detail at all by the Corps.

The Federal Power Commission has not made itself available to hear testimony in the affected area. Just one public hearing in the area has been held and it was scheduled in Beckley, West Virginia, some 144 miles from the project area. This made it nearly impossible for local citizen participation due to the difficulty in travel and location.

It is also important to note that the committee is considering only a section of the New River. The approximate mileage of the river to be studied is 185 miles. 140 miles of this river is in North Carolina and 40 miles in Virginia. Because of the nature of the river and its many bends, the area in Virginia—as the crow flies—is around 20 miles.

And so, many of the New River Valley residents are with us here today to petition this committee for the fairness and the similar justice they have been denied by the FPC. They will speak their own minds, from their own hearts, but their collective voices will say clearly to this commitee that this legislation should be passed and that the New River should be permanently preserved.

U.S. Department of the Interior,
Washington, D.C., April 4, 1974.
Hon. Wilmer Mizell,
U.S. House of Representatives,
Washington, D.C.

Dear Representative Mizell: I am, of course, aware that you have sponsored legislation to designate a segment of the New River, North Carolina and Virginia, as a potential component of the National Wild and Scenic Rivers System. Because of your commitment to protection of the New River, I know you will be interested in recent developments which prompt the Department now to recommend enactment of a companion bill pending before the Senate Committee of Interior and Insular Affairs.

It is apparent that the citizens of North Carolina are deeply concerned about the New River, and anxious that a study be made to determine whether any or all of that River might be designated as a component of the National Wild and Scenic Rivers System. In addition to the strong interest expressed by you, Senator Helms and Senator Ervin, Governor Holshouser and the State legislature have agreed that the New River be protected. Because of this intense interest, I had recommended to Governor Holshouser that he proceed, in cooperation with the State legislature, if necessary, to develop an application for designation of the New River as a component of the National System in accordance with Section 2(a)(ii) of the Wild and Scenic Rivers Act. Notwithstanding the Governor's agreement to proceed in this manner, it now appears that this option has been foreclosed by the imminence of a decision to license the Blue Ridge Project.

The development of adequate energy supplies, is, in my judgment, a critical national priority; but I believe that we must weigh carefully the environmental impacts of such development. I am not convinced at this time, without benefit of further study, that it would be in the best interest of sound resource management to forego 40,000 acres of land and 70 miles of heretofore free-flowing river for the sake of pumped storage peaking capacity which exceeds projected demand.

Accordingly, the Department has today recommended enactment of S. 2439, the companion to your bill, with suggested amendments which would limit the periods of study to two years from the date of enactment and which would extend the scope of the study to include that reach of the New River lying within West Virginia. I have taken the liberty of sending a copy of this letter to Chairman Haley with hope that the House Committee on Interior anad Insular Affairs may act favorably on H.R. 11120 with amendments as suggested to the Senate Committee.

An early recommendation following such study of the New River, should it be authorized, would assure proper consideration of the River's potential as a component of the National System without delaying unduly the Blue Ridge license proceeding which began in 1965.

Sincerely yours,
Rogers C. B. Morton,
Secretary of the Interior.

Testimony of the Honorable Wilmer D. Mizell of North Carolina Before the House Interior Subcommittee on Parks and Recreation Regarding Amendments to the Wild and Scenic Rivers Act of 1968, on October 30, 1973

Mr. Chairman, and Members of this distinguished committee, I would first like to express my appreciation to you for allowing me to appear before you this morning, and to recommend for study inclusion in the Wild and Scenic Rivers System of an ancient and beautiful and quite unique treasure of water.

I am speaking of the New River, which is believed to be the second oldest river in the world, second only to Egypt's Nile. Geologists tell us the New has been flowing for more than one hundred million years.

From its source near Blowing Rock, North Carolina, the South Fork of the New River joins the North Fork, which tumbles down from the Tennessee State Line, near Sparta, North Carolina.

The river flows north into Virginia, where it twists and turns through six southwestern counties before heading northwest into West Virginia. The south-to-north course of the river is most unusual, giving the river the appearance of flowing upstream. And perhaps even more miraculous, the reach of the river I am proposing for inclusion in the Wild and Scenic Rivers System is almost pollution-free, the only such major river in the eastern half of the United States.

Well inside West Virginia, the New and the Gauley River merge to form the Kanawha, which continues in a northwesterly direction to the Ohio River and finally to the Mississippi.

PREHISTORIC BEGINNINGS

The New is the only remaining segment of the much greater prehistoric Teays River, which originated in the ancestral Appalachian Mountains of North Carolina and travelled 1,000 miles through Virginia, West Virginia, Ohio, Indiana and Illinois. It then turned south to empty into an arm of the Gulf of Mexico, which in ancient times extended as far north as Illinois.

During the last ice age, the glaciers moved south, covering the lower half of the Teays—from Ohio down river. The rest of the river was stopped short, backing up to form a long narrow lake in Ohio and West Virginia.

When the glaciers receded, the lake gradually drained, but the Teays never resumed its course. The glaciers had forever altered the flow of the Teays when its streaming meltwaters met with the overflow from other streams and forged a new path through the land.

The downstream portion of the Kanawha was lowered to flow into a brand new river system—the Ohio, and a previously minor tributary became the mighty Mississippi River. Only the New River portion of the Teays survived intact.

A LAND OF RARE BEAUTY

Those same glaciers that changed the course of the Teays, but stopped before reaching the New, are also credited with the extraordinary combination of northern and southern vegetation in the area.

The geological theory is that the area was close enough to the glaciers to maintain the northern evergreens and pines, yet far enough away to retain the flowering bushes and trees of the south.

Botanists have described the area as the most unique—in terms of variety—of any in the world.

In addition to several rare plants that grow on the banks of the New River, the names of which I would not attempt to pronounce, there is a considerable number of fish and wildlife species that are considered to be endangered and quite rare.

And in addition, much of the land in this area is extremely fertile and remarkably scenic, with lush forests, rolling meadows and handsome and ancient mountains nearby.

Mr. Chairman, I am not a geologist, and I am not a botanist, and the technical information I have just provided to the committee was prepared to a large extent by the Izaak Walton League of America and by the North Carolina Department of Natural and Economic Resource.

But anyone whose eyes have seen the stretch of the river and its environs which I am proposing for inclusion in the Wild and Scenic Rivers System would agree with me that this area provides a classic definition of nature's beauty.

A TREASURE OF HUMANITY

In addition to these rare and beautiful species of plants and wildlife which inhabit the area, there is another rare and quite endangered group for whom the New River banks have been "home" for generations.

It is a group called "people"—people who live, and whose ancestors have lived, close to the land, people who have deep roots in the land, people who live in the same houses their ancestors built generations ago, people who see the neon and concrete jungle which we call "civilization" as something they would just as soon live without, people I am privileged to represent in the Congress of the United States.

These people's ancestors were among the earliest settlers of the original American frontier. The names found on ancient gravestones in the cemeteries there are the same names in the telephone books today. These people have worked and fought for a way of life that is close to ideal, and they want to keep it so.

THE NEW RIVER MEETS REQUIREMENTS OF THE ACT

Mr. Chairman, I have carefully studied the requirements for inclusion of rivers in the Wild and Scenic Rivers System.

Among the three categories of inclusion—wild rivers, scenic rivers and recreational rivers—the New fits best, in fact, fits perfectly, in the "recreational" category.

The act states that recreational rivers:

Are "readily accessible by road or railroad;

"May have some development along their shoreline;" and

May have "undergone some impoundment or diversion in the past."

The classification criteria provided by the Departments of Interior and Agriculture in

February, 1970, clearly would admit the New River to the protective province of the wild and scenic rivers system.

The Wild and Scenic Rivers Act declares that "certain selected rivers of the Nation which, with their immediate environments, possess outstandingly remarkable scenic, recreational, geologic, fish and wildlife, historic, cultural or other similar values, shall be preserved in free-flowing condition, and that they and their immediate environments shall be protected for the benefit and enjoyment of present and future generations."

Mr. Chairman, those words might have easily been written exclusively with the New River in mind. Doubtless there are other rivers in the Nation that deserve the protection of this act by virtue of one or more of the criteria set forth here, but none can match the New for its surpassing quality in all of these categories.

There can be no controversy and no doubt that the upper reach of the New River belongs not only to the Nation but to the ages.

I have introduced legislation, H.R. 11120, to have that reach of the river included in the Wild and Scenic Rivers System. I urge this committee to act favorably and promptly on this proposal, and to take the necessary steps toward the permanent preservation and protection of the New River.

THE NATIONAL CENTER FOR HOUSING MANAGEMENT

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. RANGEL. Mr. Speaker, too often, very admirable governmental programs fail because those charged with their implementation are not qualified to carry them out. The National Center for Housing Management is doing something about this. It has developed a training curriculum for housing managers. It has, in addition, analyzed the strengths and limits of minority owned housing management firms.

This is the rare and valuable type of information service which can spell the difference between success and failure for Government projects. The following article, from the February/March issue of the Urban Coalition's "Network," blueprints the operation of NCHM. I would hope that this type of service will become the rule rather than the exception in Federal programs.

The article follows:

NCHM PROVIDES HOUSING LEADERSHIP

Providing leadership at the national level in helping meet the nation's housing management and training needs is the National Center for Housing Management, Inc., headed by Samuel J. Simmons, member of the NUC Housing, Urban Growth and Transportation Task Force.

Established as a quasi-public organization, the center is governed by a board of directors representing the major private and public interests in the housing field. It provides services for federal and state governments, for local housing authorities and for national housing associations.

The Center developed a training curriculum with managers from public, private-subsidized, and conventional housing developments which covers maintenance, security, administration and human relations in a flexible format. The training program is designed to teach managers the basic skills of housing management with an emphasis on problem-solving using case study technique supplemented by a thorough *Housing Manager's Resource Book*.

Various systems for licensing and certification of individuals and management organizations have been documented and recommended to the Department of Housing and Urban Development (HUD) for accrediting the over 3,000 management entities with which HUD does business.

The Center has developed a directory of 600 tenant management and 500 minority-owned housing management firms which analyzes the strengths and limitations of these firms and sets forth a plan for providing assistance at the federal, state or local government levels.

The Task Force on Improving the Operation of Federally Insured or Financed Housing Programs published an eighteen-hundred page *Report* which analyzes the most important federal housing programs, describing the processing and reporting requirements relating to each program, and recommending action to modify and strengthen the programs.

The Directory of All Federally-Assisted Multifamily Housing Developments in the United States, a complete listing of more than 5,000 federally-assisted housing developments in the nation, is being compiled by the Center.

A rapidly growing Housing Management Information Unit contains over 2,800 volumes, 200 serials, various near-print documents and audio-visual materials, allowing the Center to perform in the areas of education and training, research and demonstration, and providing technical assistance, and dissemination of information.

APPLETON POLICE ATTACK BICYCLE THEFT

HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. FROEHLICH. Mr. Speaker, the FBI Law Enforcement Bulletin has established a solid reputation for publishing valuable and timely articles on law enforcement.

The June issue carries an especially interesting article about bicycle theft and the intelligent response to this problem developed by the Appleton, Wis., Police Department.

Lt. Robert H. Frailing, the author of the article, correctly notes that:

> Bicycle theft by itself is probably not a great crime when compared to rape, murder, or bank robbery; but to the many children who are the victims of this crime, it is a very traumatic event.

Lieutenant Frailing observes that a bicycle theft often results in the first contact between a youngster and the police and "the police are given an opportunity to develop a favorable impression among a most important segment of our population—youth."

I commend this article to newspaper editors as well as local police officials who are interested in making inroads into the growing phenomenon of bicycle theft.

BICYCLE THEFT—A SERIOUS CRIME

(By Lt. Robert H. Frailing)

A small boy walked into the police station and tearfully reported to the desk sergeant that someone had just stolen his new 10-speed bicycle. This was a bicycle that he had purchased with money he had worked for and saved for 3 years.

This is a story that has been told numerous times in many police stations across America. Bicycle theft by itself is probably not a great crime when compared to rape, murder, or bank robbery; but to the many children who are the victims of this crime, it is a very traumatic event. And, we know how impressionable youth tend to be. This is often their first contact with the police. We could and should be of some constructive help, not only because theft is a crime but because the police are given an opportunity to develop a favorable impression among a most important segment of our population—youth.

The crime of bicycle theft is becoming a more serious problem each year for the police. When one considers the monetary value of this type of theft, it is indeed a serious problem. It is no longer possible to buy a new bicycle for $25 or $30, as the average price of a 10-speed bicycle is about $125, and even the regular 1-speed bike is valued at $50 or $60. When you consider the dollar value of 513 bicycles, which is the average number of reported thefts per year in the city of Appleton, Wis., during the last 4 years, one can see that it is a problem well worthy of effort. A check with one insurance agent revealed that his company paid more than $600 in claims during the year 1972 for losses that he alone submitted.

How does one cope with this type of theft?

This was a question that was asked many times by the administration of the Appleton Police Department. The question was brought before a staff meeting to try to find the solution. Each day the question was unanswered, the number of thefts grew. Bikes were being taken from garages and porches, and even a stout chain did not seem to protect children from the theft of their bicycles.

A THREE-PART ANSWER

Our department, like most police departments, does not have enough officers to put one at each park, swimming pool or playground in the city, which are the greatest trouble areas, to say nothing about the bicycle racks at schools and on the streets in the downtown area.

After much discussion about the bicycle theft problem, the staff concluded that a three-part program might help to bring this crime under control. The three parts of this program, publicity, education, and enforcement, are discussed below.

Publicity. Initially there was a need to inform the residents of our city about the seriousness of the bicycle theft problem. A staff writer for a local newspaper wrote an indepth story about the problem, showing how we hoped to bring it under control. As the result of this story, the public began to take an interest in the bicycle theft problem. They began calling the police station asking how they could help and making reports on bikes found in unusual places with no apparent owners near them.

Education. The Appleton Police Department's Traffic Division came up with an effective educational program for the school system. They gave an officer the task of going to all of the schools in the city and talking to all of the children about bicycle safety and the importance of registering their bicycles with the police department so they would have proof of ownership and a way to identify owners of recovered bicycles. In addition, the school children were also instructed on the importance of locking their bikes when not in use to protect them from theft.

Part of this problem was solved by making it easier for bicycle owners to register their bikes. In the past all bicycle owners had to bring their bikes to the police station where they would be checked for safe operation, then registered. This proved to be a very large task for the police department and a great inconvenience to the owners. Common complaints included that it took so much time and it wasn't safe for small children to bring their bikes downtown.

The Appleton Fire Department got into the act when a meeting was held with the fire chief who, after he understood the size of our problem, agreed to give us a hand. The fire department and the Traffic Division worked out a plan to register bicycles at each of the four neighborhood fire stations. Bicycle owners can now go to their neighborhood fire station where their bikes are checked for safety and registered. This makes it much safer for small children and is a great saving of time and worry to their parents. The fire department has set up a time schedule when firefighters are available to register bikes. Another obvious advantage is a great saving in time to the police department which no longer has the sole task of registering the many thousands of bicycles.

Enforcement. The biggest task of all proved to be effective enforcement. Once again the staff called upon the Traffic Division to come up with an effective enforcement program. They felt that this job could be handled best if it was assigned to one officer who would be responsible for coordinating all bike theft complaints, investigations, and followups of them, including court dispositions.

The original task appeared to be to find the one officer who would be interested in taking on this job and who would be able to work without step-by-step direction. Officer William Steward was picked for the job and began by compiling a list of all bicycle complaints, listing them by serial number and complaint number on a bicycle hot sheet, which was given to all of the police officers, bicycle repair shops, and junior high schools, as well as police departments in the surrounding area. A system of monitoring bicycle racks at the junior high schools was instituted, wherein all bikes were checked for serial numbers and then checked against the hot sheet. Stolen bicycles began to show up. Each time a "hot" bike was found at a school, the area was closely monitored by Officer Steward or one of the other patrolmen. Ten stolen bicycles were recovered by this system.

The juvenile officer started to assist Officer Steward, who was beginning to catch more bike thieves than he had time to process. Before long the enthusiasm of Officer Steward caught on, and officers who had been passing bicycles without question began checking them for serial numbers when they saw them on the street.

Two hundred and twenty-seven bikes were recovered by the police department in a recent 5-month period, many more than ever had been recovered before. Eighty-five percent of the bicycles were the more expensive 10-speed bikes.

With the help of the Fox Valley Technical Institute, the Appleton Police Department's Identification Bureau was able to restore serial numbers chemically which had been filed off by the thieves. When the serial numbers were restored, they were photographed as the chemical reproduction is only visible for a short period of time. These photos were presented as evidence in court and found to be acceptable evidence of identity.

There have been 15 convictions on bike theft charges, most of which were for the theft of more than one bicycle. Children who were involved in the theft of only one bike and had good records were reprimanded and released upon payment in restitution for the damage done to the bikes, or in some cases, upon replacement of the stolen bike with one of similar value.

The number of bicycles recovered does not include 57 bicycles recovered in Appleton for other cities in our area and as far away as Shawano, which is 43 miles from Appleton. It also does not include 20 bikes stolen by a theft ring of three boys who, like professional auto thieves, were changing the appearance of the bikes and selling them for profit. This complaint was cleared by the Juvenile Section under the Detective Division.

The Appleton Police Department still has 55 bicycles and two very large piles of parts which were recovered from people who admitted their theft, but there is no court action pending because we cannot identify the equipment with theft complaints registered with our department.

Officer Steward and the Detective Division also uncovered quite a number of other types of theft and instances of drug abuse as the result of these bicycle investigations.

CONCLUSION

Like bicycle sales, the theft of bicycles is becoming a big business. Bikes are being stolen in one city and sold in other cities for profit. It has also been found that false stolen bicycle reports have been filed in attempts to defraud insurance companies.

The city of Appleton Police Department registered 17,000 bicycles in 1972, and we expect to register 20,000 by the end of 1974. All 3-, 5-, and 10-speed bikes stolen in Fox Valley are now entered in computerized telecommunications networks, and they can be identified very quickly if they have been registered and a stolen complaint made out. We also have a complete list of all bicycle serial numbers on the Lawrence University campus as many are stolen from that area.

This year we will try to educate the people as to the importance of bicycle registration, stressing that they will not be able to get licenses for their bikes unless they have proof of ownership, such as a registration slip or a sales slip from a dealer in the case of a new bicycle.

Vigorous investigation of bicycle thefts has proved to be a productive accomplishment and a positive image builder for the police among youth.

STETSON DEBATE HONORS

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. CHAPPELL. Mr. Speaker, one of the finest debate teams in the Nation visited me here in Washington recently. I speak of the Statson University squad.

Competing in 816 rounds of debate across the country, these debaters won 510 debates and lost 306 for a squad average of 63 percent. They traveled through 20 States and won individual recognition in debate, as well as in forensics events such as extemporaneous speaking, impromptu, oral interpretation of poetry, interpretation of prose, persuasive speaking, expository speaking, and duet acting. Winning team members and speakers included: Bobbie McClanahan, Mike Duduit, Clay Henderson, Mark Collins, Bobbi Rowe, Deborah Stokes, Charles McCool, Sandy Blankenburg, Marcia Timmel, and Silvia Starr.

Out of over 900 schools with forensics programs, Stetson ranked No. 5 for the 4-year period, 1970–74. For the 1973–74 year, out of the same number of schools with forensics programs, they are ranked No. 3.

Mr. Speaker, it is with great pleasure that I share with my colleagues the debate and forensics record of Stetson. It indicates great knowledge of the issues, good training, and young citizens who are surely to be the future leaders of this Nation.

WOMAN OF THE YEAR

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. HANRAHAN. Mr. Speaker, Mrs. Verneeta Gowens, Women's editor for Star-Tribune Publications in Harvey, Ill., was recently named "Woman of the Year" by the Illinois Woman's Press Association. I wish to extend my congratulations to Verneeta for her outstanding achievements in the press field. I would like to insert the following article about Mrs. Gowens for the interest of my colleagues:

NAME VERNEETA "WOMAN OF THE YEAR"

Verneeta Gowens was named "Woman of the Year" by the Illinois Woman's Press association (IWPA) Friday night in Chicago.

Mrs. Gowens, Woman's editor for Star-Tribune Publications in Harvey, was honored by over 100 professional colleagues at the annual IWPA Mate E. Palmer awards banquet held in the Gibraltar room of the Prudential building.

Verneeta's award was the highlight of the evening, but she and five other women journalists from Star-Tribune Publications added "frosting" to the "company's cake" by collecting 21 other individual writing and editing awards.

It was Ms. Smith's first entry into journalistic competition and she won five awards with seven entries.

Mrs. Marlene Cook, entertainment editor and columnist, won second place awards for an editorial she wrote on a Quad-City blood drive and for a feature page she produced on the "Sweet Adelines," a woman's group that specializes in barbershop singing.

Two IWPA members from the Tinley Park editorial offices of Star-Tribune Publications won seven awards at the banquet, including three first place honors.

Barbara Hipsman won five awards. She received the top prize for the best news story for an article entitled: "Probe Indicates Orland Officials Violated Statutes." She also won first place honors for a page edited by a woman, but not a woman's page. Ms. Hipsman won a second place award for a feature story; a third for an editorial; and, a third for a special article on Phase IV.

Her office colleague, Heather Marks, won first place for page make-up and second place for editing a woman's news page.

Verneeta and two other employees from the Harvey editorial staff of Star-Tribune Publications, Cathy Smith and Marlene Cook, won a combined total of 10 of 21 awards received by company employees.

In addition to being named "Woman of the Year," Verneeta won first place for editing a woman's page; second place for a critic's review; and, third place for page make-up. Then, Monday of this week, it was learned that she also won third place honors for editing a woman's page in the National Woman's Press association competition.

Cathy Smith and Marlene Cook followed Mrs. Gowens to the awards table many times during the banquet.

Cathy, editor of the Star-Tribune serving South Holland, Dolton and Thornton, won five awards, including a first place certificate for an editorial she wrote about Thornton Community college. She also won: a second place ribbon for editing a page that is not a woman's page; and, three third place awards, two for special articles in the fields of education and sports writing and one for a news story on homeowner's complaints in South Holland.

Harriet P. Marcus, who works in the Park Forest office of Star-Tribune Publications, won four awards, including a first place honor for her personal column entitled, "Harriet—Woman Alive!" Her column also won first place honors in national competition.

Ms. Marcus won second place awards in the categories of "critic's review" and "interview" and an honorable mention for a feature story.

Star-Tribune women writers and editors swept a number of categories in the competition. They won first, second and third in the news story division; first and second in editing woman's pages; first, second and third in editorial writing; and, first, second and third in page make-up.

EMPHASIZE THE POSITIVE

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. WYMAN. Mr. Speaker, there is so much that is good—even great—about America. It is a shame the media does not emphasize it more.

Most young people are trying. They are sincere. They are dedicated. They want to see their country a better place because they have been a part of it. They want to learn and know how to make this possible.

The same is true for senior citizens. They want and need a useful role in their seniority. We should make it possible for them as well.

Of interest in this connection is another stellar advertisement from the Warner & Swasey Co. of Cleveland, Ohio, appearing in this week's U.S. News & World Report. I commend its message to America to the thoughtful consideration of all readers of the RECORD:

STRIKE UP THE BAND

Sensationalism, they say, sells more magazines, newspapers, TV shows than good cheer—but we think it's time the country got the facts instead of all the fright.

The media never show us the miles of pleasant homes owned by workmen; they concentrate on the slums.

They never mention our 85,000,000 jobs (still the best in the world)—they concentrate on what unemployment there is.

You never see pictures nor articles about the 400,000 and more young volunteers who man classes and clinics, working to cure drug addiction and trying to prevent youthful crime.

When have you seen an article about our thousands of hospitals and clinics to cure malnutrition and disease, or the hundreds of thousands of dedicated men and women who staff them?

The media never mention their own profits but hold up their hands in self-righteous horror at those of oil companies, never mentioning the billions necessary to build enough refineries to meet the oil crisis.

This used to be a happy country, full of reasonably happy people. But we've been fed trouble and sadness so long that that's all we can see or hear.

There's more music in Amreica than discord!

NIXON'S NONBUDGET FOR LIBRARIES

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. FORD. Mr. Speaker, recently I was pleased to receive a letter from Mr. Dale Pretzer, Deputy State Librarian of Michigan. Mr. Pretzer told me of the new library services made available to Michigan residents from grants furnished out of fiscal year 1973 impounded moneys. These grants were authorized under the Library Services and Construction Act—LSCA. This letter immediately brought to mind the sad state of affairs in which our libraries will find themselves when they begin to feel the impact of the Nixon nonbudget for libraries in the year ahead.

Two libraries in my own congressional district received grants from the impounded funds which, because of Nixon's antilibrary stance, they will not be able to expect in the future.

The Wayne County Federated Library System received $53,000 to administer a training program for volunteers involved with special services for the blind and physically handicapped. The Romulus Public Library was allocated $2,900 to fund a library service for shut-ins. These grants come under title I of the LSCA. This title allocates funds directly to States to help them provide services to rural residents, the physically disadvantaged and other groups who would otherwise be unable to fully enjoy the benefits of the public library.

Under title III of the act, more than $110,000 was allocated to various university and local public libraries to construct systems to forward effective interlibrary cooperation. These systems are designed to make the information in one library available to users of other libraries within Michigan. Not only does this prevent duplication of effort, but multiplies many times the amount of material available at any local branch library.

The public library is, for both young and old, a vital part of an ongoing process of informal education. It is a public trust. Unfortunately, the Nixon administration, in the interests of "economy" and "efficiency," has seen fit to undercut that trust.

President Nixon, in his fiscal year 1975 budget request for the Library Services and Construction Act, reduced funds for title I—grants to States—by almost 50 percent. He requested zero funding for title III—interlibrary cooperation. Title II provides funds for public library construction and title IV for older readers' services. Not one red cent was requested for either of these. Training programs for which Congress appropriated $2.85 million and research programs which received more than $1.45 million were also buried with zero budget requests.

In January of this year, the President told Congress that the Federal Government has a "responsible role" to play in the maintenance of public libraries. In light of the administration budget requests, this statement was clearly no more than lip service to the idea of a strong public library system. Several months ago, Mr. Nixon announced a new administration push in this field and a forthcoming Library Partnership Act. Congress has not yet received this proposal, and as far as I know, it is nonexistent. Once again, the actions of this administration speak louder than its words.

Once again, it appears that the Nixon administration has done another hatchet job on a program that benefits all the American people.

MARIHUANA AND THE ATOM BOMB

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. BENNETT. Mr. Speaker, I recently read in the Florida Times Union an editorial that I am sure every parent of a teenager in this country would like for his or her children to read. It is not easy for a newspaper or a politician to say the hard facts to an audience that may not want to hear what the facts are. When a newspaper such as the Florida Times Union renders a public service such as this editorial does I think it should be recognized. Such a service by this newspaper is consistent with its significant past and its even more significant future. The editorial reads:

MARIHUANA AND THE ATOM BOMB

The horrors of possible genetic mutations resulting from atomic fallout have been widely accepted and rightly so.

At the same time, marijuana has been pushed in many quarters as a pleasant relaxant that should be legalized.

What do the two things have in common?

Plenty, if the testimony of Dr. Hardin B. Jones, a professor of medical physics and physiology at the University of California, is to be believed.

Dr. Jones told the Internal Security subcommittee of the United States Senate:

"As an expert in human radiation effects . . . chromosome damage . . . even in those who use cannabis (marijuana) 'moderately,' is roughly the same type and degree of damage as in persons surviving atom bombing with a heavy level of radiation exposure—approximately 150 roentgens. The implications are the same."

We don't know whether Dr. Jones is a conservative or a liberal in his political views and it should not matter. Scientific research, not ideologies, should be the determinant as to whether marijuana is harmless or dangerous.

Unfortunately, much of the debate so far has been ideological rather than scientific.

That is a ridiculous situation but ridiculous situations are commonplace these days.

The push to make marijuana socially and legally acceptable has come from some very high places and some of these voices have told many people, mostly young people, exactly what they want to hear.

This is true to the extent that evidence indicates that enough marijuana or hashish for five billion "joints" entered the United States last year.

What kind of responsibility do the marijuana "pushers"—both those who sell and those who advocate its use—bear if Dr. Jones or Dr. Olav Braenden, director of the United Nations Narcotic Laboratory in Geneva, Switzerland, are right?

Dr. Braenden's report indicates from research that "canabis accumulates in the brains and gonads in the manner of DDT, that it produces fetal deformities in animals, in addition to abortions and stillbirths in a manner that resembles the damage done by thalidomide . . .

"That it results in breakage and serious damage to human chromosomes, and that it seriously reduces the body's ability to produce DNA, a critical component of all cells, including reproductive cells . . ."

If this is true, what will be the effect of marijuana on a generation yet unborn? How can it be justified on any moral, social or ethical basis?

Public outcry, based on much thinner evidence than is piling up against marijuana has relegated several substances or products into a virtual leper colony status.

Unless the scientific testimony can be refuted by believable scientific research, the case against marijuana calls for a verdict of guilty and a change in the climate of thought that regards it as merely a pleasant relaxant.

Such a change in attitude is needed to counter what Dr. Jones describes as efforts to use marijuana at a moderate level or legalize it. These efforts, he says, "have prevented sensible acts to reduce use of this drug . . . we find no 'safe' level of cannabis."

His testimony won't make a popular man on campus and it is more believable for this reason. He is risking the treatment accorded others who have debunked some of the modern myths that have become dogma in some academic circles.

What a frightening prospect to have all the radiation monitoring equipment and worldwide efforts to curb atomic fallout only to have the same effects from the already epidemic use of marijuana.

BISHOP CONDEMNS TERRORISTS

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. WOLFF. Mr. Speaker, responsible and deeply concerned individuals across the country and throughout the world continue to speak out against the barbaric terrorist attack which took the lives of more than 20 Israeli schoolchildren and injured many more in the village of Maalot. Indeed, the world community should and must condemn, not only this latest atrocity, but what has become a long list of terrorist assaults that have taken or jeopardized the lives of hundreds of innocent people. Only by taking the strongest stand against these so-called "guerilla" attacks and any nation which harbors terrorists will we rid ourselves of this brutal menace.

I would like to share with my colleagues the remarks of the Most Reverend Walter P. Kellenberg, Bishop of the Rockville Centre Diocese, condemning the Maalot incident and other terrorist attacks. Bishop Kellenberg was joined in speaking out against these atrocities by the Reverend George P. Graham, chairman of the Catholic-Jewish Committee of the Diocesan Ecumenism Commission, and by the president of the American Jewish Committee, Mr. Elmer Winter. His Holiness Pope Paul has also deplored the Maalot attack and the seizure of innocent children and the terrorism which outrages decent human instinct.

I would like to include in the RECORD an article which appeared in the Long Island Catholic regarding these expressions of deepest sympathy and concern. The article follows:

BISHOP CONDEMNS TERRORISTS

ROCKVILLE CENTRE.—Bishop Kellenberg deplored and condemned the terrorist attack which took the lives of more than 20 Israeli school children and injured many more in the village of Maalot.

"With His Holiness Pope Paul VI, I extend deep sympathy to the parents and relatives of the murdered and injured," the bishop said.

He pointed out that "in little over a month's time the State of Israel has twice suffered enormously costly terrorist attacks."

"Our consciences," said Bishop Kellenberg, are indeed outraged by these merciless crimes."

Turning the Israeli reprisal, the bishop noted that "although the initiators must bear the greater blame, we may never condone retaliatory attacks." Relatives and friends of the innocent who have died in Lebanon also deserve our profound sympathy, the bishop continued.

Bishop Kellenberg called for "Middle Eastern governments to rid themselves of terrorists who operate from within their borders" and urged that "peace negotiations not be delayed but rather more intensely pursued and the Arab-Israeli conflict brought to an end."

The Rev. George P. Graham, diocesan officials and chairman of the Catholic-Jewish Committee of the Diocesan Ecumenism Commission said:

"The massacre of Israeli school children by Arab terrorists should call forth the moral indignation of the civilized world. The attack is also to be deplored as an attempt to sabotage the negotiations for peace between Israel and Syria. Much of the blame for the attack must rest with the United Nations as a result of its unfair and one-sided condemnation of Israel for its retaliation after the last terrorist attack. This is not to deny that Israel's retaliatory attacks are also wrong, however much their provocation. It is to say very plainly however that the United Nations must take firm measures to condemn all terrorism by anyone, no matter what the alleged justification. The Security Council cannot allow freewheeling private groups to prevent international agreements aimed at achieving peace."

The action by Arab guerrillas in Maalot was called a "massacre without pity" and a "subhuman crime" by the Vatican daily newspaper, L'Osservatore Romano.

Shortly before the Israeli army assault on the schoolhouse Pope Paul VI expressed his sorrow over the incident and his concern for the fate of the schoolchildren.

The Vatican daily deplored the "barbarous reappearance" of using innocent persons "to pay the price of ideological terrorism." The paper added: "We weep with the parents and the families of those who were attacked while we pray to God to invoke a peace that embraces the innocent and the guilty, both of which have been brought to death by a mad, destructive vision."

Pope Paul deplored the seizure of "innocent children" as "repugnant to our consciences and to mankind." After reports came of reprisal raids by Israeli jets, Vatican Radio said reciprocal respect, dialogue and the speedy signing of a peace treaty constituted the only way of overcoming the "logic of violence" which brought a spiral of attacks and reprisals. He also sent a message to Lebanon expressing sorrow for victims of the Israeli reprisal raids, Vatican Radio reported.

The Arab terrorist attack in Maalot prompted condemnations by officials of the American Jewish Committee (AJC), which began its 68th annual meeting in New York the day after the attack.

During the opening session, Elmer Winter, president of the AJC, condemned the Maalot attack and criticisms of Israel's past raids in retaliation for previous terrorist attacks.

"This barbarous act exposes the hypocrisy of much of the so-called civilized world as expressed last month in the United Nations' Security Council voted to condemn Israel for retaliatory action within Lebanon while refusing to disapprove the outrageous Kiryat Shmono massacre," Mr. Winter stated.

In an apparent reference to Secretary of State Henry Kissinger's attempts to bring about peace in the Middle East, Winter said that these peace initiatives now hang in the balance.

"We must not let these peace moves fail now," he stated. "If we do, we acknowledge that the terrorist act at Maalot, aimed apparently at thwarting these peace moves, did, indeed, succeed."

Mr. Winter called for four concrete steps:

The United Nations, with the U.S. taking the lead, should condemn the attack on Maalot.

The Arabs, to prove they really desire peace, should also condemn the attack and see to it that terrorists are not permitted a seat at the proposed Middle East peace talks in Geneva.

Kissinger should redouble his already exhausting attempts to bring, about a stable peace.

The Lebanese should be made to understand that by granting haven to terrorists they are also engaging in terrorism.

DON RUMSFELD

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. STEIGER of Wisconsin. Mr. Speaker, I would like to draw the attention of the Members of the House to the following article from the Chicago Sun Times on one of our friends and former colleagues, Don Rumsfeld. Former Representative of Illinois' 13th Congressional District, he is now U.S. Ambassador to the North Atlantic Treaty Organization. As the Sun Times points out in its report on Don's first year, and as we in the House had every reason to expect, his performance there is of the same high caliber he demonstrated in this chamber. The descriptions of him as "highly intelligent," "hard working," "has good judgment," and "articulate" match the man we came to know here in the House, as do the comments on his "tendency to be blunt" and his "charming wife." I know that my colleagues join me in expressing my pleasure at his success in this key post and in wishing him good luck in the hard negotiating coming up in the months ahead.

[From Chicago Sun-Times, Mar. 17, 1974]

RUMSFELD'S BLUNTNESS PROVES NO HANDICAP IN NATO POST

(By Richard Neff)

BRUSSELS.—Chicagoan Donald Rumsfeld, former representative from the 13th Congressional District, recently completed his first year as U.S. ambassador to the North Atlantic Treaty Organization.

It is one of the most delicate jobs in American overseas diplomacy. Yet he took it with no experience—either in diplomacy or in Europe. How is he doing?

The most favorable assessment comes from NATO Sec. Gen. Joseph Luns, the former long-time Dutch foreign minister and one of Europe's most prestigious diplomats. Luns says flatly: "Rumsfeld enjoys a high reputation among his colleagues here. . . . He is highly intelligent and has quickly grasped what NATO is all about. He's hard-working and has good judgment. He's articulate, with an engaging personality and a charming wife. We're glad to have him here."

When Rumsfeld took up his duties on Feb. 26 last year, many people weren't so sure. He was young (41). He would be dealing with Europe's elite career ambassadors, usually men 10 or 20 years his senior. Unlike most U.S. ambassadors who manage relations with just one nation to which they are assigned, Rumsfeld would be handling 14 nations all at once. (The 14 Atlantic allies plus the United States are all housed under one roof at NATO headquarters here.)

True, he had served four terms in Congress and four years in the jobs in the Nixon administration. But, asked one NATO diplomat, "can he really transfer his all-American personality and the rough-and-tumble tactics of Washington across an ocean to deal with so many different, complex nationalities?"

The consensus here is that Rumsfeld has largely succeeded. The main criticism concerns his tendency to be blunt. Europeans in general, diplomats in particular, tend to make their points so gracefully that you don't know when they're being rude. Thus people here have often winced when Rumsfeld brought the sharp, direct thrusts of congressional-type debating to the NATO council table. His staff aides defend him, saying "it was time for tough talk in NATO"—on defense burden sharing, on dealing with the Russians in the Middle East, on the future of the Alliance.

There are three reasons for the ambassador's general success here, NATO observers feel:

(1) His personal warmth and an increasingly sure grasp of NATO problems have tended to overcome dislike of his bluntness.

(2) He has won the support of his staff—almost 100 top-quality career Foreign Service officers and military men.

(3) He has good, regular communication with President Nixon and Sec. of State Henry A. Kissinger.

Said one NATO official: "We know that Rumsfeld is heard in Washington by the only people who make any difference."

In turn, the ambassador's influence back in the American capital has boosted the morale of the U.S.-NATO delegation that he directs here. One delegation member said, "When Rumsfeld is in town, the presence of the White House, and of Kissinger, is very close."

This has not always been the case. Morale had languished in the U.S. team here when President Nixon left the NATO ambassadorial post unfilled for nine months in 1971—an unprecedented vacuum for the leading nation in the Alliance.

When former U.S. Treasury Sec. David Kennedy, another Chicagoan, was finally sent here, he never was able to establish influential lines to the peak of power in Washington. "We all felt 'farmed out' over here—as if Washington didn't care what we said or did," said one American.

But things have changed under Rumsfeld. During an informal talk with the ambassador in front of an open fire in his home recently, I asked him about his relationship to Kissinger.

"I know the secretary pretty well," he answered. "After all, we met almost every morning for four years at White House morning staff meetings. We have a good working relationship, and I'm comfortable in it. . . . Kissinger has devoted much of his career to the study of security problems, and that's what I'm dealing with here at NATO. . . ."

When I arrived at the Rumsfeld home in the Avenue des Verts Chasseurs here, his wife, Joyce, greeted me graciously and then left us alone with Otto (the dog), Sam (the cat) and international politics. During the next hour or so, we have visits from Valerie, 17, who was homecoming queen at the Brussels-American School last fall; Marcy, 13, who is enrolled in a Belgian school and is studying—in French—Latin, math and Flemish, and 6-year-old Nicholas, who showed me his increasing mastery at standing on his head. Nicholas is also in a Belgian school and is doing all his studies in French.

Rumsfeld is clearly glad to be away from Watergate Washington.

There have been rumor-flurries several times here that he was headed back to D.C. For example, a crowd of Brussels journalists quickly assembled on his front lawn one night a few months ago when reports circulated that he would be named Mr. Nixon's vice president.

Nothing came of the rumors of course, and the ambassador told me, "I like it here, and I plan to stay for a period. . . . This is an important time for the U.S. in NATO." Observers here believe he felt that the present period is a bad growing season for aspiring Republicans back in the United States.

Rumsfeld and his wife shun much of the social side of Brussels diplomacy. Unlike most Europeans he likes short meals, and he also prefers direct office-type contact with other delegations. He often works at home in the evening, bringing papers with him from NATO. The U.S. delegation smilingly endures "the yellow peril"—a stream of questions, reminders and directives that emerges on special yellow paper from the envoy's office.

NATO is an extraordinary institution—little understood publicly but representing "the cornerstone of U.S. foreign policy," as Mr. Nixon and Kissinger have often said. Because NATO's first task is collective defense, the U.S. ambassador's job involves more military and security issues than any other overseas diplomatic post.

However, NATO is also a Peacemaker. It is the diplomatic instrument with which the 15 allied nations co-ordinate their policies of detente with the Soviet bloc.

STATISTICS BURIED UNDER MOUNTAIN OF PAPERWORK

HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. BAKER. Mr. Speaker, I am pleased that hearings have been scheduled on H.R. 12181, a bill to ease the Federal paperwork burden on the small businessman and professional. As a cosponsor of this bill I am very much aware of the alarming rate of increase in Federal record keeping. Now I am told the Federal Trade Commission plans to require the 500 largest manufacturers to file regular breakdowns of sales, costs and profits for each line of business. Aside from the added burden of work, this can only add untold amounts to the cost of manufactured items at the retail level. The Congress should take action to prevent this added danger to the taxpayer.

Along another line, an interesting question is raised by the columnist James J. Kilpatrick in his column published by the Washington Star-News on May 31. Mr. Kilpatrick discusses the responsibility of the Census Bureau. Admittedly, it is doing a great deal in the matter of gathering statistics. The question is, is it doing too much? According to Kilpatrick, the Bureau demands data from the business community. Some 2.5 million companies are required to fill out one or more of the 268 business forms now in use. Another 3 million companies are sampled. I believe it is time to call a halt. Many of these questions could reveal business secrets. They could also be regarded as an invasion of privacy. I insert the Kilpatrick article in the RECORD at this point:

[From the Washington Star-News, May 31, 1974]

FOUNTAINS OF STATISTICS

(By James J. Kilpatrick)

The reporter who spends a couple of hours talking with Vincent P. Barabba, director of the Bureau of the Census, is likely to come away from the interview with mixed impressions. The reporter may find himself simultaneously impressed, overwhelmed, and still skeptical.

The bureau manifestly is doing a great deal. The question is, is it doing too much?

The question arises with some frequency in an age of computers and data processing equipment. The machines are quite simply marvelous. They are vast, accommodating cows: Properly fed, they can be milked for tons of information. Their multiple stomachs can digest incredible cuds, and transform raw fodder into facts.

Barabba and his associates are especially enchanted these days with a new science of computer graphics. Using techniques that did not even exist a few years ago, they can plot onto maps a bewildering array of statistical material.

On the morning I trooped down to Southeast Washington for a visit, Barabba was modestly showing off some sample maps of census tracts in the city of Des Moines. At a glance it was possible to tell how many children, old folks, poor people, rich people, or college graduates live within a given area. How many bathtubs in Boston? Before long Barabba may have them mapped out, block by block.

A large part of the bureau's work is concerned with the gathering of economic statistics. In recent years, a number of businessmen, especially small businessmen, have complained bitterly of the time-consuming demands imposed upon them. Life has become one durned questionnaire after another.

Sen. Thomas McIntyre of New Hampshire has taken up their fight against the paperwork pollution. Though the senator does not put it so bluntly, he plainly feels that much of this paperwork is useless. He doubts that the information is worth the trouble and the expense required to collect it.

Barabba quite naturally takes an opposing view. He observes, reasonably, that the more information decisionmakers have to work with, the more likely they are to make wise decisions. This applies in both the public and the private sectors.

The city council thinking of expanding the gas works wants to know (and not merely guess) how many prospective customers may be found in a given area. The businessman thinking of launching a new restaurant is more likely to succeed, and less likely to go broke, if he knows exactly how many competitors he has to cope with.

To provide these and 10 billion other answers, the bureau regularly demands data from the business community. Some 2.5 million companies are required to fill out one or more of the 268 business forms now in use. Another 3 million companies are sampled.

Meanwhile, these same companies are feeding forms and information to Social Security, the Internal Revenue Service, and other agencies.

As Sen. McIntyre has remarked, many businessmen cannot tend to their business because of the incessant forms. The senator cherishes a conviction that only the largest companies engage in any significant mining of the mountains of data that result.

Barabba believes the senator and other critics are mistaken, but he is agreeable to one more questionnaire to find out. The bureau is now embarking on a massive study of its own output. If the study indicates that some statistical nuggets are more trouble than they're worth, some reporting forms may be abolished.

A skeptical reporter notes that in the past three years, the bureau has abolished only five forms while it was devising 25 new ones. But hope springs eternal: Perhaps the study will turn up ways in which the bureau can make its data more useful and more quickly comprehensible.

The dazzling proliferation of social, economic, and old-fashioned demographic statistics is a far cry from the mere "enumeration of free persons" which the Constitution requires of the government every 10 years.

How much is too much? I don't know, but Sen. McIntyre probably is on the right track when he complains that business and government alike are drowning in a sea of figures—in an ocean of statistical milk that cannot be understood, digested, or put to profitable use.

RESETTLING THE REFUGEES

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. BRASCO. Mr. Speaker, since the late 1960's, a unique effort has been mounted to secure the right of emigration from the Soviet Union of significant numbers of people who have been suppressed and discriminated against by that regime. Many of these dissidents are Jews, who, singled out by the government for discrimination, have confronted the might of the Soviet state for the right to practice their ancient faith.

In the beginning, their distress was largely ignored by the powers-that-be. Only a few took up the cudgels for their rights and aspirations. At first only the young here, joined by a handful of sympathizers, spoke out for the rights of these people. Gradually the chorus of protest swelled, until today America is largely aware of and sympathetic to their plight.

Rarely has our Nation taken such a noble stand on behalf of human freedom as in the case of these people. Large interests, including major American corporations seeking to profit from Soviet trade, have shown a willingness, singular in its callous devotion to profit, to sell these people out. They have formed organizations and elicited political support, seeking to conceal their drive for dollars in the cloak of East-West détente. Some organizations and individuals, taken in by such propaganda, have lent their names and efforts to these endeavors. All of them have failed because of the Nation's devotion to the ideals of human freedom and personal liberty.

The main instrument of leverage upon the Kremlin has been denial of most-favored-nation status to the Soviet Union by our country. The Mills-Vanik and Jackson amendments have prevented a massive betrayal of human hopes. Slowly, grudgingly, a trickle of Russian dissidents have been allowed to leave that nation by its government, always under the goad of these pieces of legislation. Some 30,000 to 40,000 of these people have been allowed to leave on an annual basis, although this year, the figures have been considerably lower, all the more reason for our continued vigilance and insistence upon no compromise of their hopes.

The Soviet Union has allowed these people to leave with little but the clothes on their backs. Most of the people leaving are Jews, and the overwhelming majority of them are migrating to the Promised Land—Israel. That tiny democracy, beset on all sides by Soviet-backed and Soviet-armed Arab regimes, has trained all of its resources to accommodate and resettle these refugees, happy to offer them haven and refuge. But the costs to Israel are staggering in terms of dollars. And it has been to our country that all concerned have looked in order to obtain assistance in resettling these people.

Over the past few years the Congress has heeded these calls for help, offering financial aid to the Government of Israel as it settles these people. This year the need is desperate, particularly in light of the renewed financial strains imposed upon Israel by the October war. Israel's people are carrying the heaviest tax load per capita of any state in the world, and there is little indication that it will lessen. Yet the need of the immigrants is tangible and cannot be postponed.

Our Nation has never turned its back upon such a need by a driven, persecuted people. Just as we have responded in the past, so we should and can offer an affirmative response today. I am therefore introducing a measure which would allow the Secretary of State to authorize the sum of $50 million for resettlement of Jewish refugees from Russia in Israel. I know that this concept enjoys widespread support among other Members of the Congress, as well as among the mass of Americans. It is the very least we can do.

Israel remains our only tried and trusted friend in that entire area of the world. Saudi Arabia showed her friendship by the oil embargo against this country. Egypt has turned upon us in the past and undoubtedly will do so again, should the gain from such a policy appeal to that nation's leaders. So we have a geopolitical as well as a humanitarian interest in strengthening that state.

Most important of all is the human rights aspect of this situation. It is one thing to aid them in leaving Russia. It is another to insure that they will not be cast out into the world, unaided and ignored, as happened in the late 1930's and mid-1940's with so many Jewish refugees. One cannot help but remember with sorrow and shame the sad tale of these pitiful remnants of Europe's Jews, who were turned away from so many places by so many callous governments. Today, we can rewrite that sorry chapter, or at least alleviate the pain of its memory by doing what is right by their descendents.

SELLING THE AMERICAN SYSTEM OF FREE ENTERPRISE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. CRANE. Mr. Speaker, despite the fact that the American system of free enterprise has made ours the most prosperous country in the world, many Americans remain defensive about it.

Within our own country there are those who would substitute the bureaucratic management of Government for the free choices of American consumers in the open marketplace. Such individuals have failed to understand that capitalism is, in simple terms, democracy applied to economics. What is produced in a free society is what consumers wish to purchase. They vote with their dollars for the products they desire.

As we witness the failure of Socialist economies to provide their citizens with such basic commodities as food and shelter it remains a source of wonder that many in our own country continue to deprecate the very system which permits us to feed not only ourselves but much of the rest of the world.

One American who has set himself the task of selling the world the merits of our free enterprise system is Vern I. McCarthy, Jr., the president of Vulcan Containers, Inc., of Chicago.

Speaking on the "Manion Forum" radio program, Mr. McCarthy stated that—

> I have been privileged to visit a number of foreign countries, and after many conversations with staffs of our embassies, with local businessmen, I found that one product . . . that we have failed successfully to market is our economic system. . . . I feel that many other countries in the world badly need, desperately need, to know what the magic is of what we call "the American way."

Mr. McCarthy expresses the view that—

> Too few of them (businessmen) are doing anything to question where their tax money is going, how it is being spent by various government agencies that receive the proceeds of taxation. We have controllers and there are

transportation experts, all sorts of expertise are brought into businesses to search every corner for curtailment of expenses, and yet, there again, this largest expense (taxation) is frequently overlooked.

At a time when American business is under attack, when government is exercising more control over it than ever before, and is taxing an increasing share of its profit, it is good to see businessmen such as Vern McCarthy taking the offensive—speaking on behalf of free enterprise and questioning the policies of Government officials in Washington.

I wish to share with my colleagues the conversation between Vern I. McCarthy and Dean Clarence Manion on the "Manion Forum" radio program, and insert it into the Record at this time:

Selling the "American Way"—Businessman Applies Marketing Techniques To Promote Our Free Economic System

Dean Manion. Vern I. McCarthy, Jr., a most personable, energetic and imaginative young man, is President of what he calls a 52-year-old, third-generation company, Vulcan Containers, Inc. Vulcan Containers is located in the Chicago suburb of Hillside. It is a very successful business enterprise, which indicates that President Vern McCarthy certainly knows how to manage his company and sell its products. But, personally, I have never caught him doing it. It seems to me that he is forever and eagerly selling something else.

Mr. McCarthy is here with me now to explain to you, and to me, just how he manages to popularize and market things that appear to be far-removed from Vulcan Containers. Mr. McCarthy, welcome to the Manion Forum.

Mr. McCarthy. Thank you, Dean Manion, it's a great pleasure for me to be invited to share good ideas with you and your listeners.

Dean Manion. We are delighted to have you here. Now, by way of rationalizing this somewhat facetious introduction, let me say that I am looking at your recent article in the *American Paint Journal*. Your title is "Let's Sell The World on The American Way." Now, isn't that a pretty ambitious program for the President of Vulcan Containers?

Mr. McCarthy. It certainly is, and I think it bears explanation. I have been privileged to visit a number of foreign countries, and after many conversations with staffs of our embassies, with local businessmen, I found that one product, if you will, that we have failed successfully to market is our economic system. Our economic system, in my opinion, is what has given me the privilege of succeeding my father and grandfather in operating a successful family business, and unless we preserve this economic system, our future is certainly limited.

I feel that many other countries in the world badly need, desperately need, to know what the magic is of what we call "the American way." Having the opportunity to express these ideas in a business trade journal, I hope that many men who are exploring overseas markets and traveling overseas will be more effective ambassadors of our own economic system.

Dean Manion. I take it that you approach the selling of the American way, the American private enterprise system, in very much the same way that you would approach the selling of containers, or soap, or razor blades. Am I right or wrong about that?

Mr. McCarthy. Absolutely correct. I reduce government, public affairs, our economic system, to the basic marketing level. I think that whether you are selling a product or a service or an idea, and certainly our economic system is a conglomerate of ideas, it is possible to reduce it to that same basic level and employ some of the same techniques.

Dean Manion. What are some of the items in the inventory of the American way that you feature when you are doing this selling job?

Mr. McCarthy. For example, I might be speaking to a fellow-businessman, who I sense is not at all concerned about his government. He is rather apathetic come election time. He is not aware of the candidates or the issues. I challenge him by suggesting that in his business, the largest expense in that business is one that we call taxes.

I suggest that perhaps he is not being as vigilant about the direction of this expense, in other words, the corporate dollars that he is entrusted with, as he is about other basic expenses of his business—such as raw materials, transportation and the myriad of other costs that are part of the total package that comes out of the gross before you end up with a net.

Dean Manion. Usually every business has a transportation man, a salesman, a controller, and a purchasing agent, among others. How many of these businesses that you talk about have somebody who is trying to do something about the ever-increasing cost of taxes?

Mr. McCarthy. Unfortunately, not too many. I think that most businessmen spend a lot of their own personal time and employ people to show them how to accommodate their business to this major expense, but too few of them are doing anything to question where their tax money is going, how it is being spent by various government agencies that receive the proceeds of taxation.

We have controllers and, as you say, there are transportation experts, all forms of expertise are brought into businesses to search every corner for curtailment of expenses, and yet, there again, this largest expense is frequently overlooked.

Dean Manion. Well, I can subscribe to that. You begin to open up some vistas for me, too. In my own profession—the legal profession—I have observed that lawyers today are concerned merely with the construction of the tax regulations, to see how their client can accommodate himself to it with the least tax payment by him, but it never occurs to any lawyer that I know to challenge the validity of the regulation itself, or to question the validity of the governmental purpose for which the taxes collected are going to be spent.

Mr. McCarthy. Exactly.

OUTDATED PROGRAMS PROPAGATE

Dean Manion. So I think then that the tax man you are looking for is not just an accountant who can shave off the amounts due by making all of the allowable deductions, etc., your tax man would aim at the more fundamental aspect of the subject; where and how the collected tax money is spent by the Government. Am I right?

Mr. McCarthy. Correct. I think you stated it very clearly.

The concern that I have—and it is shared by other businessmen, larger companies, small companies, and family stores—is that there are various tools at hand that have been created by many responsible people that will enlighten the businessman or his employees, or those within his influence, to know more about their government; to know more about how expenditures are made, so that he may be aware of the facts, because truth is certainly on our side.

For instance, when there is a constantly decreasing number of farmers in this country and at the same time we have more and more employees in the Department of Agriculture, I think this should cause many responsible people to ask why and to ask who are those people who are propagating this constant growth of government. Even though the original need and the original basis might have been extremely valid, when it is gone from the scene and yet continues to absorb dollars year after year, something must be wrong.

Dean Manion. Mr. McCarthy, you pride yourself on being the president of a third-generation company. Now, I observe that you have a fine young son, and I am sure that you indulge the hope that he may eventually succeed you as President and Director of Vulcan Containers. Has it occurred to you that if taxes continue to increase, and if inflation continues to burgeon, and if the centralization of government continues to grow and tighten its controls while the private enterprise sector shrinks and shrinks, then Vulcan Containers may not enjoy the luxury of a fourth-generation proprietorship? Does that prospect concern you?

Mr. McCarthy. This gives me a great deal of concern. I think this is probably a major motivating factor, going back to your original statement, about why I devote what is in some people's eyes, perhaps, an inordinate amount of time to being concerned about the affairs of government, or being concerned about preserving our economic environment that allows us to be here to speak freely and to be heard. And at the same time, consider the fantastic things we do in space and engineering and medicine in this free environment.

I am greatly concerned about the present epidemic of small businesses giving up. I have spoken to a number of businessmen who have sold their family businesses, even when they have sons to follow them. I find, after some probing, that many of them conclude that it's a basic economic decision. It is not that they are tired or that they have no one to follow them, it's the plan economics based on the realities of the impending inheritance tax and the continued intrusion of monopolistic unions.

I don't believe that the top union men are concerned about the economic survival of such a company's employees or of the firms that employ them. When you start a small business today, you must have an experienced expert at your side to guide you through a maze of taxes and regulations. All these roadblocks, in my opinion, make it more difficult to start a business or to continue a small or medium-sized family business. This is making it ever more and more difficult to maintain the entrepreneurship which I feel is the basis of our country.

Dean Manion. Then apparently you are not reconciled to a commonly accepted theory that all business in the future is going to be big and that small companies will have to merge with larger companies in order to keep from just being liquidated, period?

Mr. McCarthy. No, I fight very vigorously for the preservation of small business, and I attempt, through articles that I have the opportunity to write, to encourage more independent businessmen to get into the fight, the fight to preserve the free business system—to offer more opportunities for individuals to start their own business or their store; to do all these things that have brought us to the success that we have here and all over the world.

Dean Manion. Mr. McCarthy, I think I see now what you are trying to sell and why you want to sell it. Tell us what success you are having and what method you employ in marketing this product.

PROVIDE ANSWERS TO PARTICULAR PROBLEMS

Mr. McCarthy. Well, Dean Manion, I have recognized the privilege that I have had—to operate a business, to be a member of many business organizations, to associate with a wide variety of people throughout the world. I feel that this is an area where I can personally be useful in extending my ideas—be they good or bad.

In this way maybe I can take the stone out of someone's shoe, so to speak, someone who is frustrated by a particular concern in his local community or with his government, by leading him towards a possible solution.

There does exist in our country many publications and organizatons dealing with such concerns. I try to tell these people where they can find the particular answer to the particular problem that concerns them.

Dean Manion. There is, of course, a great wealth of informative publications and materials concerning particular economic problems and theories—about freedom, about taxes, about government. Many people do not know about these resources of information. You try, as you say, to act as a catalyst, to direct the proper thing to the person who is interested in the particular problem at the particular time.

Mr. McCarthy. That's correct. It's amazing when one takes the time to investigate, how many people of good will in all corners of our country have, at different times, been concerned about such problems as establishing a church in a new subdivision, or who have come together to form a group to explore particular ideas or perhaps to offer a new solution to some social or economic problem. Often their findings are not widely circulated. The amount of such material that is available is fantastic. The problem, here again, is marketing.

I think this is where we started our conversation—how to market these fine ideas and these responsible organizations to more and more people, to help people solve their own personal concerns and frustrations and problems.

Dean Manion. You told me before we went on the air that some of your competitors in the marketing of ideas had stimulated you into action. Is it true that the left-wingers, the Communists and others, operate this way, too? Don't they avail themselves of every opportunity to sell their side?

Mr. McCarthy. I feel this way. In investigating this in my own way, and in attempting to weigh the success of marketing ideas with products, I found that those who would socialize our country have, for many, many years, been able to make their product acceptable and to have it placed in areas of influence, whether it be the information media, schools, certain religious institutions, movies or what not.

They have been very successful in getting their ideas incorporated into the script, as it were, so that the multiplier effect is that we are all so accustomed to hearing these ideas, reading them and seeing them on the television or in the movies, that we begin to generally accept these left-wing ideas as the existing standard.

Dean Manion. Thank you, Mr. Vern McCarthy. I readily see now the close relationship between Vulcan Containers and the American Way, which you have long been so diligent in selling and advocating. I certainly hope that among our listeners there are other businessmen, children of businessmen, employees of businessmen, who, in their own and in the general American interest will go and do likewise.

Mr. McCarthy. Thank you very much, Dean Manion.

PASTOR BRANCH'S 10TH ANNIVERSARY

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. STOKES. Mr. Speaker, I would like to bring to the attention of my colleagues one of Cleveland's most distinguished ministers and civic leaders, the Reverend Emanuel S. Branch. The pastor of the Antioch Baptist Church, Reverend Branch will be honored at a 10th anniversary celebration June 8, 1974, at the Cleveland Plaza.

He is an outstanding theologian and has made many contributions in the area of civic affairs. Accordingly, I submit for consideration of the Members of Congress a recent article which reviews his outstanding career:

Pastor Branch's 10th Anniversary

Rev. Emanuel S. Branch, Jr., pastor of the Antioch Baptist Church, 8869 Cedar Avenue, will be honored on the Tenth Anniversary of his pastorate with a luncheon at the Cleveland Plaza, Saturday June 8th at 12 Noon.

The anniversary address will be delivered by the distinguished minister and educator, Dr. Samuel D. Proctor.

Dr. Proctor, widely known in religious and educational circles, is senior minister at the renowned Abyssinian Baptist Church, New York City and is Professor of Education, Graduate School of Education (Martin Luther King Memorial Choir), Rutgers University, New Brunswick, New Jersey.

Pastor Branch is Antioch's ninth pastor following a short stay by Rev. Kelley Miller Smith who returned to the first Baptist Church in Nashville, Tennessee. Rev. Branch actually took over a flock that had been ministered by the late Rev. Wade Hampton McKinney for 34 years. He led the flock from an old brick building on East 24 and Central Avenue—from a membership of 750 to 3000—from lowly recognition in the American Baptist Convention to holding some of the highest offices in the organization.

Rev. Branch is a native of Hartford, Connecticut and holds a bachelor of Arts Degree from Yale where he also received his Master of Divinity Degree.

His years in military service included a period in the Philippines and some time in Korea.

Before coming to Cleveland Rev. Branch pastored at the First Baptist Church of Milford, Connecticut and also at the Union Baptist Church in Hartford, Connecticut. In Hartford he was active in many boards and was honored with a listing in "Who's Who", Vol. 5.

In 1961 he came to Cleveland to join the staff of the Council of Churches of Greater Cleveland, formerly the Cleveland Area Church Foundation. As the Assistant to the Executive Director he was delegated to the directing; radio and television, the community relations department; and the spiritual life department.

In June 1964 Rev. Branch was called to the historic Antioch Baptist Church. Here he ministers to the needs of the 2700 members. He is often called upon for counsel. With pride he has watched the Antioch Credit Union grow with assets nearly $800,000. The building of a Credit Union Building came about since he became pastor of the church.

Some of the happiest moments of his life were being honored to speak at Talladega College, Talladega, Alabama 1966, Fisk University, Nashville, Tennessee, 1970; Atlanta University, Marchouse College, Spelman College, Atlanta, Georgia 1971 and recently he was the honored official representative of the American Baptist Churches in the U.S.A. to the 150th Anniversary Celebrations of Baptist Work in Haiti.

His activities in the community are many and varied but he keeps abreast with city, state and national politics and is a fighter for civil rights.

Under Rev. Branch seed money was given by the church for two housing units. Currently he is co-chairman of the Board for Antioch Apartment Inc. a committee to direct the erection of 171 units for Senior Citizen Building on the old Bolton School site, East 89 and Carnegie at a cost of $3,200,000. This is being sponsored jointly by the Antioch Baptist Church, the Cleveland Board of Education, The Cleveland Clinic Foundation and the University Inc.

Co-chairmen of the luncheon are Mitchell Toney and Mrs. Selmer E. Prewitt. The public is invited.

ADEQUATE NUTRITION AND BASIC HYGIENE ACT

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. BROWN of California. Mr. Speaker, several months ago I met with representatives from an organization called Coalition for Economic Survival. They presented me with a petition that contained 4,000 signers requesting that I introduce legislation to help recipients of food stamps. Over the past few months we have worked on a bill that meets their needs. Last week I introduced H.R. 15088 which amends the Food Stamp Act of 1964 in the following ways:

First. Extends the food stamp program to cover items used for personal hygiene, that is, toilet paper, soap for personal use, laundry aids, toothpaste, et cetera.

Second. Creates coupons representing denominations of less than 50 cents that will be distributed by approved food stores in order to eliminate the use of non-transferable change slips.

Third. Requires that monthly food stamps allotments be based on the U.S. Department of Agriculture's moderate cost food plan and that no household be required to spend more than 20 percent of its income as its purchase requirement for food stamps.

Fourth. Allow issuance of food stamps to an elderly or disabled person regardless of whether he has cooking facilities. My office can make available on a loan basis a copy of a nutrious menu plan for an individual without cooking facilities.

Fifth. Requires a quarterly updating of the food stamp allotments and use of the most recent quarters statistics in computing the allotment updates so that the benefits can keep pace with our record rate of inflation.

Sixth. Changes the name of the Food Stamp Act of 1964 to the "Adequate Nutrition and Basic Hygiene Act."

The changes proposed by this legislation are far reaching and create a comprehensive program that will insure adequate nutrition for all Americans. This is a worthy goal and I hope my colleagues will support this legislation. The text of H.R. 15088 follows:

H.R. 15088

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Food Stamp Act of 1964 (7 U.S.C. 2011) is amended to read as follows:

"DECLARATION OF POLICY

"Sec. 2. It is hereby declared to be the policy of Congress, in order to promote the general welfare, that the Nation's abundance of food should be utilized cooperatively by the States, the Federal Government, local governmental units, and other agencies to safeguard the health and well-being of the Nation's population and raise levels of nutrition and personal hygiene among low-income households. The Congress finds that the limited food and basic preventive health item purchasing power of low-income households contributes to hunger, tooth decay, contagion of disease, and malnutrition among members of such households. The Congress further finds that increased utilization of food and basic health items in establishing and maintaining adequate national levels of nutrition and personal hygiene will promote the distribution in a beneficial manner of our agricultural abundances and will strengthen our agricultural economy, as well as result in a more orderly marketing and distribution of food and basic health items. To alleviate such hunger, malnutrition, and ill health, a food and basic hygiene stamp program is herein authorized which will permit low-income households to purchase a nutritionally adequate diet and provide basic health items through normal channels of trade and without undue stigma and personal discomfort. Administration procedures should encourage utilization of the program and should not entail degrading application procedures, residence requirements of any kind, or procedures such as change slips to return to the store where items were purchased, or other stigma-producing procedures."

SEC. 2 Section 3(b) of the Food Stamp Act of 1964 (7 U.S.C. 2012(b)) is amended by inserting immediately before the period at the end thereof the following: "and soap and other personal washing aids, laundry aids, toothpaste and other dental aids, toilet paper and other kitchen and bathroom paper products, and other personal hygiene items".

SEC. 3. Section 6 of the Food Stamp Act of 1964 (7 U.S.C. 2015) is amended by inserting at the end thereof the following new subsection:

"(d) Coupons representing denominations of less than fifty cents shall be printed and distributed to retail foodstores which have been approved for participation in the food stamp program in order to eliminate the use of non-transferable change slips by such stores.".

SEC. 4. (a)(1) Section 7(a) of the Food Stamp Act of 1964 (7 U.S.C. 2016(a)) is amended by adding at the end thereof the following: "In determining the amount necessary to purchase a nutritionally adequate diet for any household, the Secretary shall take into consideration such relevant factors as he deems appropriate but may not consider the availability or expected availability of appropriations to carry out this Act. In no event shall the amount determined by the secretary to be necessary to purchase a nutritionally adequate diet for any household be less than the amount which the Agricultural Research Service of the United States Department of Agriculture determines to be necessary to permit a household of comparable size to purchase the kinds and amounts of food specified in the middle cost food plan described by such Servcie and published in the 'Family Economics Review'.".

(2) Section 7(a) is further amended by striking out "semiannually" and inserting in lieu thereof "every three months".

(b) The first sentence of section 7(b) of the Food Stamp Act of 1964 (7 U.S.C. 2016 (b)) is amended by striking out "30 per centum" and inserting in lieu thereof "20 per centum".

SEC. 5. Section 10(h) of the Food Stamp Act of 1964 (7 U.S.C. 2019(h)) is amended by adding at the end thereof the following: "Subject to such terms and conditions as may be prescribed by the Secretary in the regulations issued pursuant to this Act, an elderly or disabled person may use coupons issued to him to purchase food for home consumption regardless of whether he has cooking facilities.".

SEC. 6. The first section of the Food Stamp Act of 1964 is amended by striking out "Food Stamp Act of 1964" and inserting in lieu thereof "Adequate Nutrition and Basic Hygiene Act".

THE AMERICAN HOUSING REVOLUTION

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. HARRINGTON. Mr. Speaker, a casual visit to any American city will be enough to demonstrate that our Nation is undergoing a revolution in housing.

The traditional concept of a private home surrounded by lawn and hedges is being undermined by the economic realities of the 1970's. The first evidence in this adjustment to the financial climate was the proliferation of mobile homes; the second clue is the dramatic rise in condominiums.

There has, however, been an increase in the possibility of economic and physical pitfalls which has accompanied the dramatic increase in condominium purchase. The young, middle-income couple, who can no longer afford a small home, is increasingly looking to the condominium—and they are finding that there are several ways to run afoul.

I would like to bring to the attention of the Congress a recent article by Thomas W. Lippman in the Washington Post which discusses the rise in condominium purchase and the problems that owners have faced.

Mr. Lippman's article follows:

PITFALLS FACE THE CONDOMINIUM BUYER

(By Thomas W. Lippman)

The purchase and operation of a condominium dwelling can be a confusing, dismaying process that brings unpleasant surprises, disillusionment and financial setbacks.

From the time the prospective buyer is confronted by the salesman's glossy brochures or the bulky book of "condominium documents" filled with legal language, he is treading a hazardous path.

He may find after purchase that his monthly payment is greater than he was told it would be, or that a recreational facility promised by the developer was never built, or that the bylaws of his project won't permit him to play his trombone, or that the cosmetic renovation of an old building failed to deal with a balky boiler, to the repair of which he must now contribute. And if he doesn't like what he bought, he cannot just move out—he is the owner.

In the Washington area, the condominium industry has avoided the outright scandals that have beset it in other communities. Many buyers interviewed at random in the preparation of these articles said they were satisfied with their homes and had gotten pretty much what they expected.

But even those who have the most to gain from the condominium boom, the people who build and sell them for a living, acknowledge freely that consumer ignorance and developer inexperience with a new form of housing have created a wide variety of problems.

Builders, realtors, lawyers and independent housing experts stressed the need for consumer caution, for the prospective buyer to know whom he is dealing with and what he is getting himself into. They also said that the average buyer may need his own professional assistance in evaluating the condominium where he is contemplating a purchase, because the whole procedure is vastly more complex than buying a single-family home.

A condominium study committee that reported on the issue to the Virginia General Assembly found a consensus that "a higher degree of consumer protection will be of great benefit, not only to the buyers of condominium units but also to developers, realtors and lending institutions. Without adequate purchaser protection, the unscrupulous practices of a few can create a negative image affecting the whole condominium concept. That has been the unfortunate experience of a few of our sister states."

"When you buy one," said John Donovan, a condominium salesman for a Chevy Chase realty firm, "you're putting in a lot of money and you need to know what you're doing."

"I don't know of any one case where the sales force made large-scale misrepresentations or there was any large-scale fraud," said Devin J. Doolan, a Montgomery County legislator who as a lawyer has represented both developers and purchasers of condominiums. "If you added up all the problems I've had, they wouldn't make a hell of a story." But for any one individual, he said, to whom the purchase of a home represents his biggest single expenditure, the small problems he encounters can affect his entire investment.

Doolan represented a group of buyers of condominiums at a development called Sumner Court in Bethesda. Unwilling to accept the developer's assurances that a promised swimming pool would be built, they persuaded him to create a $30,000 escrow account as a guarantee. The pool still has not been built, but the buyers' investment is at least protected by the existence of that fund.

This episode shows why there was general agreement among all those interviewed on their advice to a condominium buyer:

Check the reputation of the developer and the credentials of his partners before signing anything, and then take none of his assurances at face value. There are pitfalls built into the whole concept of condominiums as they never were in single-family houses or rental apartments.

The ownership of a single apartment in a high-rise building and of a share of the parking lot and recreation facilities around it, for example, creates a kind of interdependence with one's neighbors and reliance on the judgments of others that can be troublesome.

The basic advantages of condominium living are generally undisputed: ownership of property, tax deductions, relative freedom from maintenance, buildup of equity, and access to communal facilities that would be too expensive for the individual home owner, like swimming pools or tennis courts.

Making sure any particular project will deliver on these promises is another matter. Realtors, industry spokesmen, lawyers and consumer advisers agreed on a long list of points a buyer should examine especially if he is buying an apartment in a multifamily building rather than a townhouse.

A condominum buyer acquires title to his own apartment and to a share of whatever adjacent ground and facilities the developer chooses to include in the deal. These may or may not include the recreational areas, laundry rooms and parking garage—it is not unusual for the developer to retain title to these and lease them out to the owners of the apartments and the buyer should find out beforehand what he is getting. At one expensive building in Washington, it costs an extra $3,000 to buy a parking space.

The buyer also gets a complex set of papers that determine how the project is going to be run—papers that are drawn up by the developer, his financing agent and his lawyer, and which can contain dozens of surprises couched in the impenetrable legal language of deeds and contracts.

At the Coronado apartments in Adelphi, for example, the sales contract contained a provision that the buyer give back to the developer an irrevocable proxy to cast his vote in the condominium's governing body for three years. That means the developer, not the owners, decides who gets the management contract and what the bylaws will be.

The bylaws in turn control—sometimes in very restrictive ways—what the owner of an individual apartment can do with it and what he cannot. At Sumner Court in Bethesda, for example, they forbid the operation of a washing machine or dryer. At Town Square Towers in Southwest Washington, they prohibit putting melon rinds or onion skin into the garbage disposals. The bylaws also determine the condominium's policy on such issues as pets, noise, and trash disposal, and on more important matters such as whom an owner can rent his unit to and under what circumstances, or what happens if some units are damaged by fire.

"Some of these regimes are downright dictatorial. You can't even sneeze without permission," said Richard Arkin, president of the owners' association at Autumn Walk condominium near Olney.

In theory the bylaws can be amended by a vote of the owners, but in fact the developer usually retains control of his project for at least the first several years, either by the proxy system or some other provision of the sales contract. Either way, the individual buyer is bound by the bylaws and needs to understand them beforehand to make sure sure he can live with them after he buys.

Although condominium ownership is promoted as the equivalent of home ownership, there are other ways in which the freedom of living in a single-family home is curtailed in a condominium. Some are obvious: an apartment cannot be expanded by adding a room; loud music late at night would disturb the neighbors. But some are less obvious and could affect the buyer's finances:

For example, if a commonly held area of a project, such as the roof, needs repairs, the individual owner of an apartment cannot save money by doing it himself, or by calling in his brother-in-law to do the job cheaply, as the owner of a single-family house might.

Nor can he simply postpone the job—it is the owner's association, or the developer, who makes these decisions and if they cost more money than the association has on hand they can result in assessments against the owners. Furthermore, the very process by which these decisions are made—the meetings and decision—involves the time and energy that may be in short supply for an owner with a busy schedule.

Repair problems are potentially the most troublesome, experts say, in an old building that is being converted from rental to ownership. Many old buildings, especially in the District, have the advantages of old-fashioned hardwood floors, high ceilings and big rooms. But they also have old pipes, old roofs, old heating systems and old elevators—conditions that may or may not be rectified during the renovation work that precedes the sale of the units.

"You can't go around and kick the tires on a highrise building," says Del. Ira Lechner of Arlington, who steered Virginia's new condominium control law to passage in the General Assemby. "You can't do the kind of inspection you do on an individual house to know what repairs to anticipate."

Some conversions seem to work better than others. At 4100 Cathedral Ave. NW in Washington, a luxury building with some apartments costing more than $100,000, the thorniest problem confronting the owners at a recent meeting was whether to turn off the outside fountain as an energy conservation measure, according to an owner who said the building is "beautifully run."

At the giant Fairlington South project in Arlington, residents say they are struggling with chronically flooded basements that apparently resulted from the conversion work. At the Coronado in Adelphi, the owners commissioned their own engineers' report after they had bought and learned of defects in many of the buildings' vital systems.

A recent study by Nancy Jane Cohen of the Washington Center for Metropolitan Studies said that "some inspectors hired by prospective buyers have insisted that most rehabilitation is cosmetic, and that costly maintenance will be inevitable on many buildings in the near future. They cite plumbing, bad roofs, and crumbling bricks as the main problem with older condominiums."

The report also referred to what it described as "elusive engineering and structural reports. While developers claim that adequate information on the condition of the buildings is always made available, some buyers dispute that contention. Many may not know enough to ask for the information, or to understand the technical data if offered."

Legislation already enacted in Virginia and pending in the Maryland suburbs would require that prospective condominium purcnasers be provided with full engineering reports and estimates of the useful life of appliances and equipment.

The financing arrangements are usually considered one of the most persuasive selling points for condominiums.

Instead of rent, which an occupant can pay indefinitely at ever-rising rates and have nothing at the end, the condominium dweller buys his apartment, often at modest prices and low down payment. Like any other home buyer, he deducts his real estate taxes and his mortgage interest payments from his taxable income. He protects himself against inflation by stabilizing his monthly mortgage payment, and he builds equity in his property by paying off his loan as the value increases.

In addition to his mortgage and interest, the buyer of a condominium pays a monthly fee, ranging from about $15 to more than $100, that covers the maintenance of commonly held property, security services, cleaning the swimming pool and other expenses of the building. This is not tax deductible and will increase if the costs of these services go up over the years. The resident may give up swimming, but he still has to pay his share of keeping the pool ready.

Condominium experts warn that sales personnel sometimes underestimate this monthly fee, or the figure for anticipated real estate taxes.

Frank Morris, a young lawyer who is on the board of directors of a converted project in Arlington, said that "if you had done any shopping around you would have known that the estimate here was a bit low. For my two-bedroom unit it just went up $19 a month. I would generally say as a caveat that the fee is 20 per cent higher than stated."

The report of the Washington Center for Metropolitan Studies said that "inaccurate maintenance estimates at the time of purchase, known as 'low balling' in the trade, mean an unrealistic beginning. One town house complex in Montgomery County began with a $16 maintenance fee, now tripled. This usually means no reserve for contingencies has been included."

For the buyer who has budgeted his purchase to the last dollar, an unexpected rise in the monthly fee could cause family hardship. "We raised our fee $3 a month," said Arkin of Autumn Walk, "and you would have thought it was $300 to hear the squawking."

Analysts familiar with condominium financing warn that other aspects of the financing arrangements must also be questioned before purchase.

Persons whose income is high enough to afford a low-priced condominium but not high enough to warrant itemized deductions on their income tax returns, for example, may not gain the tax advantages they are promised. Syndicated money-management columnist Sylvia Porter recently warned condominium shoppers to make an independent inquiry into the estimated real estate taxes as well as the monthly maintenance fee.

Here are sample financing plans for one-bedroom apartments as given in the promotional materials for two condominium developments.

At Grosvenor Park, a high-rise conversion on Rockville Pike near the Beltway; purchase price, $37,100; down payment of 5 percent, $1,900; mortgage of $35,200 at 8 per cent interest for 30 years; monthly payment $258.29; real estate taxes, $64 a month; condominium costs including utilities, $114.50 a month. Added to that is the premium that the buyer pays to an insurance company for insuring that part of the mortgage over 80 percent of the purchase price.

The total required monthly outlay, including the insurance premium, comes to about $450 but sales literature gives an estimated "net monthly cost" after tax deductions, for a person in the 30 percent tax bracket, of $347.78. Financial experts caution against calculating a family's monthly budget on the basis of the lower figure, because it is actually the higher amount that must be paid out each month and the tax savings come back only once a year.

At Watergate at Landmarks, a lavish project of four high-rise buildings and extensive recreation facilities under construction near the Landmark Shopping Center in Alexandria: purchase price, $34,400; down payment, 10 per cent, $3,440; mortgage of $30,960 at 8½ percent for 30 years, monthly payment $238; estimated real estate taxes $57 a month; condominium fee including utilities and all recreational facilities except indoor tennis, $70, for a total monthly payment of $365. The interest rate on the mortgage is a guess—it will be at the prevailing rate at time of settlement, more than a year from now.

The sales brochure estimates tax savings from this package for a person in the 30 percent income tax bracket at $102 a month and "appreciation" at a 5 percent annual rate, or $143 a month, to arrive at a "net real cost of ownership" of $120 a month.

Whether condominium apartments do in fact appreciate in value, and if so at what rate, is a matter of disagreement in the industry. Bruce Steele, a housing analyst for the Metropolitan Council of Governments, calls it the "great unknown" of the condominium business.

In the first place, the developer who sells the apartments originally can offer his buyers assurances of mortgages at the prevailing rate, because before he puts his development on the market he obtains a commitment from a lender to make those mortgages available.

Officials in the savings and loan business, the chief source of home mortgages, say that in periods of tight money, as at present, it may be very difficult for the would-be buyer of an individual resale unit to obtain financing. Whatever the paper value of the seller's unit, he cannot turn it into cash if his prospective buyer cannot obtain a mortgage.

Another potential problem is the resale of a unit in a project that has not been a big success, where the original developer still has units on the market with lower prices and assured financing. This has happened at Wilson Bridge, a well-kept, nicely landscaped but slow-selling project in Oxon Hill. "We want to sell, but it doesn't look like we're going to make any money because the developer still has plenty of units for sale at his price," a young woman there said.

G. V. (Mike) Brenneman, president of Brenneman Associaties, a real estate firm that deals in resales of condominiums, said that the seller of a condominium is in a "slightly less advantageous position" than the seller of a single-family home because it is more difficult for his prospective buyers to obtain financing.

Other than that, he said, "we feel there is no reason, assuming that the condominium is a good one, to doubt that appreciation should be pretty much the same as single family units. We have figures to show that some have been astounding—generally the higher price units and those that are close in are the most successful. I tend to draw a line of demarcation at the Beltway."

Two other potential sources of financial difficulty for the prospective buyer are a delay by the developer in going to settlement and a recent ruling by the Internal Revenue Service that the condominium owners' associations are not tax-exempt.

Housing industry sources say that most lending institutions will not actually put up the money for the buyers in a project to take title to their units until a fixed percentage of the units—usually half or more—have been contracted for sale.

This can mean a lapse between the time the first purchasers put up their deposits, and perhaps even move in on a rental basis, and the time they can begin building up equity and claiming tax deductions. Until a purchaser obtains his mortgage and goes to settlement with the developer, he is not the owner of the unit.

As for the IRS ruling, its potential impact was described by the Community Associations Institute in a recent statement as "a severe blow to the future growth and development of such organizations."

IRS ruled, in effect that if the owners' association takes in more money than it spends, perhaps in an attempt to build up a contingency fund for unexpected repairs, surplus of income over expenditures is subject to income taxes. According to a recent article in the housing industry trade journal "House and Home," this "could cost residents of condominiums and planned unit developments millions of dollars in extra assessments for maintenance of their common areas."

The new Virginia condominium control law, which take effect July 1, and similar but less comprehensive measures now being considered by the county councils in Prince George's and Montgomery, put emphasis on full disclosure to buyers of a condominium's real economic picture, and limit the time during which developers can continue to run their projects. Except in Prince George's the bills also require builders' warranties on structures and appliances. But none of the condominiums now on the market is covered by these laws.

CONGRESSMAN REUSS REBUTS NIXON ECONOMY: OFFERS POSITIVE PROGRAM

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. SEIBERLING. Mr. Speaker, on May 25, President Nixon sent to Congress a report from his Council of Economic Advisers on the state of the economy and policies for dealing with some of these problems.

The message was long on soothing rhetoric and short on positive programs to deal with the economic crisis.

Last Saturday, on CBS radio, our distinguished colleague from Wisconsin (Mr. Reuss) had an opportunity to present some thoughts on this subject from the Democratic side of the aisle.

Congressman Reuss called for "a new social contract between the Government and the majority of citizens" under which the "Government would pledge to see that there are enough jobs, improved purchasing power, and fair redistribution of the tax burden." The programs suggested by Congressman Reuss are practical and feasible. They are not a panacea for all our economic woes. But together, they represent an aggressive and positive response to the economic crisis. Many of these proposals are now moving through the legislative process under Democratic initiative.

The American people are obviously fed up with this administration's handling of the economy. In a Harris poll released yesterday, 82 percent of those questioned gave President Nixon negative marks on the "way he has handled the economy." Only 20 percent of those responding said they felt that the administration's economic policies are "doing more good than harm."

As Congressman Reuss put it on Saturday:

> President Nixon, as his speech and economic report show, seems unable or unwilling to exercise leadership. Yet democratic leadership is what the nation hungers for.

Clearly, any leadership in the economic area must come from the Congress. And Congressman Reuss' agenda for action represents the best opportunity I have seen for meaningful congressional action. I hope that all Members will seriously consider the proposals set forth in Mr. Reuss' speech and that Congress will act on them with dispatch.

The text of Congressman Reuss' speech follows:

SPEECH BY CONGRESSMAN HENRY S. REUSS

Good afternoon. Many of you heard President Nixon's radio address last Saturday on the state of the economy.

The President and his Economic Advisors told us that inflation is tapering off and that "the worst is behind us". They point to the recent easing of food and fuel prices as proof that inflation generally is on the wane. This interpretation conveniently allows them to avoid responsibility for a positive program to control inflation in 1974.

Federal Reserve Chairman Arthur Burns does not share this rosy view. "The gravity of our current inflationary problem can hardly be overestimated," he said last Sunday, the day after Mr. Nixon's speech. "If past experience is any guide, the future of our country is in jeopardy."

While food and fuel price rises are slackening, prices of other commodities are rising at increasing rates. Recently non-food and non-energy prices have been rising at an annual rate of more than 10 percent.

The President and his advisors also assert that large wage increases and over-rapid expansion of the economy are the "two main dangers" at present. They counsel moderation to workers, tight money and a tight budget, regardless of the cost of such policies in terms of higher unemployment, skyrocketing interest rates, and a crisis in homebuilding and consumer buying.

And finally, Mr. Nixon accepts with equanimity the prospect of "some increases in unemployment". The Council predicted, more specifically, that these increases might amount to 5½ to 6 percent joblessness, but could suggest no way to prevent it.

Essentially, the Administration just has nothing new to offer but the same tired old tools—fiscal and monetary restraint, Restraint is necessary, but cannot, unadorned, pass for a positive policy.

We Democrats reject this passive attitude towards an economic crisis which is undermining the expectations and quality of life of millions of average-income Americans—at least two-thirds of a nation.

There's already a political crisis in this country, stemming from Watergate and related scandals. Poll after poll shows profound disaffection among our citizens. To allow the economic situation to deteriorate still further is the surest way to extremism and disaster.

We've witnessed throughout the entire Nixon Administration, and even more profoundly during the last fifteen months, a rip-off of the vast majority of American families who try to make a go of it on incomes of $15,000 a year or less.

During the twenty years before Mr. Nixon became President, the share of America's income going to low- and middle-income families rose significantly. Beginning in 1969, however, the trend reversed. Under Nixon Administration economic policies, the rich indeed got richer, relatively speaking, and the poor got poorer, representing a transfer of more than $10 billion a year from the bottom three-fifths of our nation's families to the top one-fifth.

In the words of Speaker Carl Albert, for the average working man the Nixon Administration has been truly calamitous. When Mr. Nixon took office, the unemployment rate was 3.3 percent and the inflation rate less than 4 percent. Five years later, the number of persons unemployed has almost doubled, from 2.8 million to 4.5 million. Inflation during the first three months of this year was at an annual rate of almost 13 percent. As a result, the average worker's real spendable weekly income has fallen more than 7 percent since October, 1972, and is actually lower today than it was when Mr. Nixon took office.

Thus labor has a valid claim to significant wage increases.

Quite understandably, workers increasingly believe that the government simply will not protect their interests. How can workers get their just due without fueling the fires of inflation?

No one is suggesting that the answer is easy, but there are some positive things we can do. We can fight for a new social contract between the government and the majority of citizens. The government would pledge to see that there are enough jobs, improved purchasing power, and fair redistribution of the tax burden. Workers, to the extent that this commitment is honored, would be justified in accepting more moderate wage increases.

Such a social contract would address the following problems:

A. *Jobs*. The present unemployment rate of 5 percent—even more the projected 6 percent—is way above any definition of full employment. Conveniently attributing the high rate to the energy crisis, Mr. Nixon has no recommendations on how to combat it.

Why not fight unemployment by simply making jobs through expanded public service employment? This would be the fastest and cheapest way. Although Mr. Nixon has frowned on public service jobs as "dead-end", Congressional Democrats are now moving toward such programs.

Are these in fact "dead-end jobs", as Mr. Nixon says? Emphatically, no. Public service employment will focus on the environment, health care, education, public safety. We have found that these are the least costly, least inflationary, and least energy-consuming jobs. The cost of a public service employment program could easily be recouped by cutting an equivalent amount of waste from the Nixon budget, especially in military expenditures. With 4.5 million men and women unemployed, what on earth are we waiting for?

B. *Prices.* While unemployment hurts millions of families, inflation eats away at all of us. One searches in vain in Mr. Nixon's speech for an equitable and effective program to fight the malignancy of inflation. Instead, he relies throughout on forecasts, expectations, hopes, studies, and voluntarism to justify his optimism that the worst is behind us.

The time has come for a major new policy initiative. Measures must be taken directly to expand the supplies of basic commodities in order to stabilize or even reduce prices, regardless of the pain caused to special interests. We need to increase the supply of scarce materials and to eliminate future inflationary shortages.

But, ironically, the Administration has frequently done just the opposite.

Remember the beef shortage? It wasn't all an accident. For months and months, during 1972 and 1973, the Department of Agriculture, despite the growing beef shortage, refused to let cattlemen graze their livestock on the 60 million acres set aside from production under the farm price-support program. As a result, fewer cattle came to market, and the price of beef jumped. Although this policy has since been changed under pressure from Congress, the change came too late to help our hard-pressed consumers.

Again, in early 1973, the Secretary of Agriculture sent out a bulletin to the turkey growers of this country, advising them to keep turkey production down in order to keep prices up. And up indeed they went—so much so that last Christmas, a turkey cost almost double what it had a year before.

Or take oil. We can't blame the energy crisis entirely on the Arabs. It's been obvious for years that the U.S., with its growing energy demand, faced eventual shortages of crude and refined oil. The President's own Cabinet Task Force warned him of this in 1970, and advised that the oil import quotas should be abolished. The President refused to take this obvious step. Had he done so, we would today have a stockpile of oil to help cushion fuel shortages.

The Administration is to this day restricting domestic supply of scarce commodities by giving huge export subsidies.

For example—the Commodity Credit Corporation, despite the Russian wheat fiasco of 1972, continues to lend to foreign countries so that they can buy American wheat, soybeans and other commodities at discount prices.

Another example is a recent Export-Import Bank guaranteed $48 million 7–10 year loan at 6 percent interest to Germany to purchase wide-bodied U.S. commercial planes, of which we have a near-monopoly. Since West Germany is full of reserves, and the mark is very sound, Germany should obviously have bought them for cash. These wasted credit dollars could better have been spent on housing right here in America. Furthermore, why should the American taxpayer make loans to a wealthy German at subsidized interest rates?

The Internal Revenue Service's DISC program, created back in 1971 when we were still laboring under fixed exchange rates, gives a tax break to American companies to induce them to expand exports. But frequently these exports are scarce items like lumber, plywood, or scrap, thus adding to domestic inflation.

These policies are clearly ill-advised and contribute heavily to the current double-digit inflation. The Democratic Congress is moving to reverse this restrictionism, thusly keeping prices down.

C. *Taxes.* We will do the best we can against unemployment and high prices, but the struggle will be a long one. An unfair tax burden, on the other hand, is clearly within our power to rectify *now.*

To make taxes fairer, we need tax relief and tax reform, both of which President Nixon has long opposed. In his recent radio address, he called tax reduction "the gravest danger to the economy today". He condemned "the notion that a large tax cut can be given to the vast majority of the American people and that [sic] the money made up by taxes on a few people who are rich, or corporations."

But a tax reduction specifically for low- and middle-income taxpayers, financed by loophole-plugging tax reform to avoid unwanted fiscal stimulus, is an essential part of a new social contract.

There are three reasons to work for tax relief and reform *now.*

The first reason is simple fairness. The tax system is supposed to be progressive, but the total tax burden, federal, state, and local, falls quite differently. The rich do *not* pay a much greater percent of their income in taxes than do modest-income families. Tax changes are needed to restore progressivity.

The second reason is the need for a partial cost-of-living adjustment. Unemployment, inflation, and rising payroll taxes since 1968 have undermined the economic status of modest-income people. Tax relief is necessary to redress these special hardships.

The third, and related, reason is the need to avoid a serious cost-push inflation due to large wage increases. Tax relief means more money in the worker's pocket. Sure tax relief can help persuade the average wage-earner, left way behind by spiralling prices, to moderate his demands for a wage increase.

These are the elements of a new social contract—jobs, improved purchasing power, and a fairer tax redistribution. President Nixon, as his speech and economic report show, seems unable or unwilling to exercise leadership. Yet democratic leadership is what the nation hungers for.

NORTHERN IRELAND CONTINUES A TROUBLED LAND

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. BIAGGI. Mr. Speaker, the swift moving chain of events in Northern Ireland triggered by last week's massive general strike, threatens the future of this troubled nation as never before. The strike called by the ultra-militant Protestant Ulster Workers Council was responsible for the fall of the coalition government, formed only 5 months ago, and forced Britain to take over direct rule of Northern Ireland. All of these actions were the result of this act of economic and political terrorism perpetrated by those elements in Northern Ireland whose sole objective remains anarchy.

The fall of the coalition government headed by Prime Minister Brian Faulkner was a particularly tragic blow to the cause of conciliation in this faction-ridden British province. When this government was formed in January, high hopes were in the hearts of the citizens of Northern Ireland, because this represented a bold experiment in the cause of cooperation between the warring Catholic and Protestant factions in this nation. Besides the important power-sharing arrangements which assured the minority rights of Catholics, the agreement included an even more controversial plan for an All-Ireland Council to explore areas of collaboration between Dublin and Belfast.

Yet the lofty goals and high aspiration which accompanies the advent of this new governmental arrangement were shattered by the ruthless efforts of the Ulster Workers Council. It pointed out with stark clarity that a small band or extremists and anarchists can still be responsible for preventing the reasonable resolution of the problems which have divided Northern Ireland for centuries.

The people of Northern Ireland have once again been denied the right of self-determination. These people who have been yearning for freedom now face the prospects of continued unrest and violence. The British Government although at fault for failure to deal decisively with the strike took the only viable approach available to them, and imposed direct rule over northern Ireland. However, it is my hope that this will only be a temporary action and free elections can again occur.

Mr. Speaker, Northern Ireland may be entering her darkest hours yet. Their government has fallen, mob rule has prevailed, and she is closer now to all-out civil war than ever before. The sectarian violence which has been responsible for the deaths of over 1,000 men, women, and children shows no sign of ending. Peace remains but an elusive dream. Efforts must be made to promote peace and the unification of Northern Ireland, and it is the hope of all people of the world that these efforts will be successful.

MR. JOHN A. PARIMUCHA, JR., OF YOUNGSTOWN, OHIO, WRITES OF THE LEGACY AND AMERICAN HERITAGE OF THE CARPATHO-RUSSIAN PEOPLE AND THE RUSSIAN ORTHODOX CHURCH IN AMERICA

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. CARNEY of Ohio. Mr. Speaker, recently I received several letters from Mr. John A. Parimucha, Jr., who is a constituent of mine and an authority on the legacy and the American heritage of the Carpatho-Russian people and the Russian Orthodox Church.

At the request of Mr. Parimucha, I am inserting his informative letters in the RECORD. The letters written by Mr. Parimucha follow:

THE NORTHWESTERN MUTUAL LIFE INSURANCE CO.,
Milwaukee, Wis., May 14, 1974.

Hon. CHARLES J. CARNEY,
U.S. House of Representatives,
Washington, D.C.

DEAR CHUCK: Please insert these Official Historical Documentations into the Congressional Record and also get them to your fellow constituents immediately—to give them time to act promptly upon our request.

Respectfully Yours,
John Parimucha, Jr.,
Historian.

The Northwestern Mutual Life
Insurance, Co.,
Milwaukee, Wis., May 14, 1974.
Hon. Charles J. Carney,
U.S. House of Representatives,
Washington, D.C.

Dear Chuck: President Franklin D. Roosevelt, on September 17, 1937, honored American Native Son's of Our Russian Fore-fathers, with a Historical Constitutional Proclamation upon the 150th Anniversary of the United States Constitution.

Respectfully Yours,
John Parimucha, Jr.

The Northwestern Mutual Life
Insurance Co.,
Milwaukee, Wisc., May 14, 1974.
Hon. Charles J. Carney,
U.S. House of Representatives,
Washington, D.C.

Dear Chuck: Please refer to your letter of January 7, 1974, I have rewritten my letters to the President, and to your fellow constituents, Bella Abzug and John P. Murtha.

We are now ready to accept a Formal Military Presentation of the "Betsy Ross Flag" and the Presidents "Historical Proclamation," Flag Day June 14, 1974.

The Pentagon should designate a Brigadier General to represent the White House. Refer to October 18, 1867, Brigadier General L. H. Rousseau United States Army-Ceremony the transfer of Alaska to the United States by Imperial Russia.

We are involved Historically in this Nations National History through our Forefathers.

We highly desire the presence of Major Bernard M. Martin, on active duty, in the United States Army to participate in this ceremony, Major Martin is an Instructor in Military Mathematics at West Point Military Academy.

The Major's address is 4200 Barrett Drive, Stewart Terrace, Newberg, New York, 12550, (He is up for promotion to the rank of a Lieutenant Colonel.) Major Martin is the brother of John R. Martin, D.D., whose Diocese is the American Carpatho-Russian Orthodox Greek Catholic Diocese of the United States of America (since 1938, self-governing by Official Decree, Doc. 1379, of the Ecumenical Patriarch of Constantinople, Benjamin I, September 18, 1938.)

Respectfully Yours,
John Parimucha, Jr.,
Historian—Russian America—1728–1741–1867.

The Northwestern Mutual Life
Insurance Co.,
Milwaukee, Wisc., May 14, 1974.
Hon. Charles J. Carney,
U.S. House of Representatives,
Washington, D.C.

Dear Chuck: Ancient Scythians—are Fore-fathers of Carpatno-Russian people. The Cyrillic Alphabet was created out of the Native tongue of the Carpatho-Russian people, 882 A.D.

By 1848 Ivan Veniaminov a Russian Orthodox missionary had mastered the Aleut-Fox Language, he created an Alphabet for the Aleutian Natives, wrote their dictionary's, grammar books, and also translated Cyrillic Alphabet books into their Native Language.

Respectfully Yours,
John Parimucha, Jr.,
Historian.

The Northwestern Mutual Life
Insurance Co.,
Milwaukee, Wis., May 14, 1974.
Hon. Charles J. Carney,
U.S. House of Representatives,
Washington, D.C.

Dear Chuck: In addition to the Three Historical Congregations seeking the First National Flag flown in the United States, their Diocese have called it to my attention that they too wish to be honored in the same way, they are as follows:

The American Carpatho-Russian Orthodox Greek Catholic Diocese of the United States of America (Self-governing by Official Decree, Doc. 1379, of the Ecumenical Patriarch of Constantinople, Benjamin I, September 18, 1938.) 312 Garfield Street, Johnstown, Penna., 15906.

Orthodox Church in America Diocese (since 1970 Autocephalous) 59 E. Second Street, New York, 10003.

If an original "Frst National Stars and Stripes Flag" (1777) is not available for each Diocese, and the flag is at rest in the Smithsonian Institute's National Museum, then we shall graciously accept, with honor and in deep loyalty, a Facsimile of the above flag from the President and the People of the United States.

The Diocese desire a Historical Presidential Proclamation, as our Congressman, Please urge the President to Honor their request.

Respectfully Yours,
John Parimucha, Jr.

The Northwestern Mutual Life
Insurance Co.,
Milwaukee, Wis., May 14, 1974.
Hon. Charles J. Carney,
U.S. House of Representatives,
Washington, D.C.

Dear Chuck: Our Fore-fathers discovered Mainland of Alaska, July 16, 1741 and Deomede Islands, August 16, 1728. Our Legacy is Alaska, Fort Ross California, Oahu, and Kauai Islands in Hawaii.

The following Congregations were Honored by Ohio's 109th General Assembly in Commemoration of their 178th Anniversary, since Russian Missionaries came to America, September 24th, 1793.

St. Michael's Carpatho-Russian Orthodox Greek Catholic Church, 125 Street Street, Youngstown, Ohio 44509.

St. John the Baptist Russian Orthodox Church, 305 Struthers, Liberty Road, Campbell, Ohio 44405.

Nativity of Christ Russian Orthodox Catholic Church, 727 Miller Avenue, Youngstown, Ohio 44502.

The Carpatho-Russians and their "Cyrillic Alphabet" (882 A.D.) are also known as "White Russians," or "Greater Russians (988 A.D.) who came to the United States by way of Russian America."

On behalf of Our American Heritage Mr. Carney we would appreciate it deeply, if you would urge the President to Honor us with the First National Stars and Stripes Flag, the "Betsy Ross" of 1777, and also issue us a Historical Proclamation, since our Fore-fathers are a part of this Nation's National History!

Each of the above Congregations wishes to have its own, Betsy Ross Flag, and its own Presidential Proclamation.

If an original "Betsy Ross Flag" is not available, and it is at rest in the Smithsonian Institute's National Museum, then we shall graciously with Honor and in Deep Loyalty accept a Facsimile of the above flag, from the President and the People of the United States of America.

Respectfully Yours,
John Parimucha, Jr.

The Northwestern Mutual Life
Insurance Co.,
Milwaukee, Wis., May 14, 1974.
Hon. Charles J. Carney,
U.S. House of Representatives,
Washington, D.C.

Dear Chuck: The following Eastern Orthodox Laity Organizations, are seeking the "First National Stars and Stripes Flag" of 1777, from the President of the United States.

Our Legacy is Fort Archangel Alaska and Fort Ross California, 1728, 1741, 1867, including the Islands cf Oahu and Kawai in Hawaii.

Eastern Orthodox Women's Society, and Eastern Orthodox Men's Society, National Headquarters are in Youngstown, Ohio 44501, P.O. Box 295.

Each Society wishes to have its own individual "First National Flag."

If an original "First National Flag" is not available for each Society, and the flag is at rest, in the Smithsonian Institute's National Museum, then we shall graciously accept with Honor and in Deep Loyalty, a Facsimile of the above flag, from the President and the People of the United States.

Mr. Carney as our Congressman, Please urge the President to Honor us with a Historical Presidential Proclamation, confirming our Legacy and American Heritage left to us by our Fore-fathers.

Respectfully Yours,
John Parimucha, Jr.

The Northwestern Mutual Life
Insurance Co.,
Milwaukee, Wis., May 14, 1974.
Hon. Richard M. Nixon,
President of the United States,
Washington, D.C.

Dear Mr. President: On behalf of our American Heritage Mr. President, our Membership would deeply appreciate it, if you would Honor them with the First National Flag "Betsy Ross" of the United States.

Our Fore-fathers came to America in 1728, 1741, 1867. Our Legacy is Fort Archangel Alaska, Fort Ross California, Oahu and Kauai Islands in Hawaii.

Eastern Orthodox Women's Society, and Eastern Orthodox Men's Society, National Headquarters are in Youngstown, Ohio 44501, P.O. Box 295.

Each of the above Society's wishes to have its own individual "First National Stars and Stripes Flag." also Historical Presidential Proclamation.

If the above official flag is unavailable and it is at rest in the Smithsonian Institute's National Museum, then with the authority vested in me through my office as membership chairman of the Eastern Orthodox Men's Society, we shall graciously with Honor and Deep Loyalty accept a Facsimile of the above flag, from the President and the People of the United States.

Our Constitution and By-Laws were entered into the Congressional Record, April 26, 1972.

Respectfully Yours,
John Parimucha, Jr.,
Membership Chairman.

The Northwestern Mutual Life
Insurance Co.,
Milwaukee, Wis., May 14, 1974.
Hon. Richard M. Nixon,
President of the United States,
Washington, D.C.

Dear Mr. President: Our Fore-fathers came to America in 1728, 1741, 1867. Our Legacy is Fort Archangel Alaska, Fort Ross California, Oahu, and Kauai Island in Hawaii.

The following Congregations were Honored by Ohio's 109th General Assembly in Commemoration of their 178th Anniversary, since Russian Missionaries came to America, September 24th, 1793.

St. Michael's Carpatho-Russian Orthodox Greek Catholic Church, 125 Steel Street, Youngstown, Ohio 44509.

St. John the Baptist Russian Orthodox Church, 305 Struthers, Liberty Road, Campbell, Ohio 44405.

Nativity of Christ Russian Orthodox Catholic Church, 727 Miller Avenue, Youngstown, Ohio 44502.

The Carpatho-Russian and their "Cyrillic Alphabet" 882 A.D., also known as "White Russians," and "Greater Russians," 988 A.D., who came to the United States by-way of Russian America.

On behalf of Our American Heritage Mr. President, we would appreciate it deeply, if you would Honor us with the First National Stars and Stripes Flag, the "Betsy Ross" of 1777.

Each of the above Congregations wishes to have its own, "Betsy Ross Flag." also Historical Presidential Proclamation.

If an original "Betsy Ross Flag" is not available, and it is at rest in the Smithsonian Institute's National Museum, then we shall graciously with Honor and in Deep Loyalty accept a Facsimile of the above flag, from the President and the People of the United States of America.

Respectfully Yours,
JOHN PARIMUCHA, JR.

THE NORTHWESTERN MUTUAL LIFE
INSURANCE CO.,
Milwaukee, Wis., May 14, 1974.

Hon. RICHARD M. NIXON,
President of the United States,
Washington, D.C.

DEAR MR. PRESIDENT: On behalf of Our American Heritage, the following Dioceses would deeply appreciate it if you would honor them with the "First National Flag—1777." Our Fore-fathers came to America in 1728, 1741, 1867. Our Legacy is Fort Archangel, Sitka Alaska, Fort Ross California, and Hawaii.

The American Carpatho-Russian Orthodox Greek Catholic Diocese of the United States of America (Self-governing by Official Decree, Doc. 1379, of the Ecumenical Patriarch of Constantinople, Benjamin I, September 18, 1938.) 312 Garfield Street, Johnstown, Penna., 15906.

Orthodox Church in America Diocese (since 1970 Autocephalous) 59 E. Second Street, New York, New York 10003.

The Carpatho-Russians and their "Cyrillic Alphabet" (882 A.D.) also known as White Russians or Greater Russians (988 A.D.) came to the United States by-way of Russian America.

Some 300 Imperial Russia's subjects chose to remain permanently in Alaska they were Priests, husbands and wives, their children and bachelors—after October 18, 1867. They became American Nationals.

Each of the above Diocese wishes to have its own "First Stars and Stripes National Flag." The Dioceses are also seeking a Historical Presidential Proclamation. If the above flag is at rest in the Smithsonian Institute's National Museum, and it is unavailable then with authority vested in me by the Ruling Bishops as representatives of their people, Mr. President, we will accept a Facsimile of the above flag most graciously with Honor and Deep Loyalty.

Respectfully Yours,
JOHN PARIMUCHA, JR.,
Historian.

THE NORTHWESTERN MUTUAL LIFE
INSURANCE CO.,
Milwaukee, Wis., May 14, 1974.

Hon. RICHARD M. NIXON,
President of the United States,
Washington, D.C.

DEAR MR. PRESIDENT: Listed here is the historical roster of the names of our Carpatho-Russian Forefathers, also known as White Russians or Great Russians, and others, who served under Captain-commander Vitus Johannes Bering, on his expedition to America, into the North and Northwest of the Pacific Ocean's Arctic Region 1724–1741.

Chief Commanding Officer Vitus Johannes Bering, in command of the ship St. Peter, with seventy-seven crew members.

Co-Captain Alexi Chirikof, in command of the ship St. Paul, with seventy-five crew members.

Co-Captain Martin Spanberg, in command of the ship St. Gabriel, with sixty-one crew members.

Lieutenants—Dmitri Laptief, Yegor Endogurof, William Walton, Peter Lassenius, Mikhail Pavlof, Stephan Malygin, Alexi Skuratof, Ivan Sukotin, Hariton Laptief, Ivan Chikhachef, Dmitri Ovtzin, Stepan Muravief.

Midshipman—Alexei Schelting.

Mates—Sven Waxel, Vassili Promchishchef, Mikhail Plunting, Andreian Eselberg, Lev Kazimerof, Ivan Kashelef, Fedor Minin, Sofron Knitrof, Abram Dementief.

Second Mates—Ivan Verschagin, Ivan Yelagin, Matvei Petrof, Dmitri Sterlegof, Semen Cheliuskin, Vassili Rtishchef, Vassili Andreief, Cavril Rudnef, Peter Paziakof, Marko Golovin, Ivan Biref, Kharlam Yushin, Moissei Yurlof, Andrei Shiganof.

Marines—Vassili Perenago, Joann Synd, Andreian Yurlef.

Naval Cadets—Mikhail Scherbinin, Vasil Kmetevski, Ossin Glazof, Emilian Rodichef, Andrei Velikopolski, Fedor Kanishchef, Sergei Spiridof, Sergei Sunkef.

Commissaries—Agafon Choglokof, Fedor Kolychef, Stepan Ivashenin, Ivan Lagunof.

Navigators—Ivan Belui, Mikhail Vesikof.

Assistant Navigators—Dmitri Korostlef, Nikita Khotianitzof.

Boatswains—Neils Jansen, Sidor Savelief.

Boatswain's Mate—Fedor Kozlof.

Assistant Surgeons—Ivan Stubin, William Beresen, Peter Brauner, Sim Gren, Thomas Vinzendorf, Henrich Schaffer, Elias Gunther, Kiril Shemchushuykof Mortiz Armenus, Andreas Heer, Ivan Paxin, Henrich Hebel, Mikhail Brant, Matthias Betge, Johann Lau.

Boat Builders—Andrei Kozmin, William Butzovski, Henrich Hovins, Caspar Feich.

Academicians—Gerhard Muller, Johann Gmelin, Louis Croyere, Professor Johann Fischer.

Adjunct—George Wilheim Steller.

Students—Stepan Krashennikof, Fedor Ploof, Luka Ivanof, Alexei Tretiakof, Alexi Gorlonof.

Instrument Maker—Stepan Ovsiannikof.

Painter—Johann Berknan.

Draughtsman—Johann Lursenino.

Translator—Ilia Yakhoutof.

Surveyors—Andrei Krassilnikof, Nikifor Chekin, Moissei Oushakof, Alexander Ivanof, Peter Skobeltzin, Dmitri Baskakof, Ivan Svistunof, Vassili Shetilof, Vassili Selifontor, Ivan Kindiarof, Vassili Somof, Mikhail Gvozdef.

Assistant Surveyors—Mikhail Vuikhodzef, Fedor Prianishnikof, Alexei Maksheief, Ivan Shavrigin.

Assayer—Simou Gardebol.

Mineralogists—Dmitri Odintzof, Friedrich Weidel, Elias Schehl, Zakar Mefvedef, Agapius Leskin, Ivan Samoilef.

Commander Bering discovered the Mainland of Aleiska, July 16, 1741, and the Deomede Islands, August 16, 1728. Co-captain Alexei Chirikof discovered Kodiak Island, July 15, 1741. Co-captain Martin Spangler discovered a new route to Japan in 1729. Bering died in Alaska December 8, and was buried on December 9, 1741. Lieutenant Sofron Knitrof named the Island (grave) after the commander. The Commander entered Imperial Russia's Navy at age 24, and died as a Russian Subject at age 64.

Respectfully yours,
JOHN PARIMUCHA, JR.

THE NORTHWESTERN MUTUAL LIFE
INSURANCE CO.,
Milwaukee, Wis., May 14, 1974.

Hon. RICHARD M. NIXON,
President of the United States,
Washington, D.C.

DEAR MR. PRESIDENT: This is a Historical Roster of Imperial Russia's Noble Rulers, in Russian America for the Territory of Alaska 1790–1867.

Gregory Shelikov founded the first permanent colony of Settlers in Russian America at Three Saints Bay, in Kodiak, 1784.

Alexander Andreavich Baranoff 1790–January 11, 1818.

Leonti Andreavich Hagemeister, January 11, 1818 to October 24, 1818.

Semenn Ivanovich Yanovski, October 24, 1818 to September 15, 1820.

Matxei Ivanovich Muravief, September 15, 1820 to October 14, 1825.

Peter Egorovich Christiakof, October 14, 1825 to June 1, 1830.

Baron Ferdinand Von Wrangel, June 1, 1830 to October 29, 1835.

Ivan Antonovich Kupreonof, October 29, 1835 to May 25, 1840.

Adolf Karlovich Etolin, May 25, 1840 to July 9, 1845.

Micheel Dmitrievich Tebenkof, July 9, 1845 to October 15, 1850.

Nikolai Yakovlevich Rosenberg, October 14, 1850 to March 31, 1853.

Alexander Illich Rudakof, March 31, 1835 to April 22, 1854.

Stepan Vasili Voevodski, April 22, 1854 to June 22, 1859.

Prince Dmitri Maksoutoff, December 2, 1863 to October 1867.

In 1867 Imperial Russia's Archduke ordered the sale of Alaska to the United States. Representing Russia was her Ambassador Baron Edourd Von de Stoeckal. Representing the United States was William H. Seward, Secretary of the Interior.

The purchase and sale agreement was reached on March 30, 1867 and a formal military transfer ceremony between the two nations was held October 18, 1867.

Representing Russia was Army Captain Alexei Pestchouroff who lowered Russia's flag for the last time. Representing the United States was Brigadier General L. H. Rousseau who raised the United States flag at Sitka, Alaska followed by a 21-gun salute. Those Russians who stayed in Alaska at the request of the United States Army automatically became American Nationals. Those who left the United States became foreigners.

Respectfully yours,
JOHN PARIMUCHA, JR.,
Historian.

THE NORTHWESTERN MUTUAL LIFE
INSURANCE CO.,
Milwaukee, Wis., May 14, 1974.

Hon. JOHN P. MURTHA,
U.S. Congressman,
Washington, D.C.

DEAR SIR: Our Fore-fathers came to Russian America in 1728, 1741, 1867. Our Legacy is Fort Archangel Alaska, Fort Ross California, Farrollan Islands, Oahu, Kauai, Lisianski Island and Honolulu, Hawaii, 1799.

Three of our Congregations were Honored by Ohio's 109th General Assembly through a Resolution Honoring them on their 178th Anniversary since their Missionary's arrived in America, September 24, 1793.

We are now seeking the "First Stars and Stripes Flag" the Betsy Ross of 1777, from the People and the President of the United States, and a Historical Presidential Proclamation, from the President through our Congressman, Hon. Charles J. Carney, 19th District of Ohio.

Would we offend you sir, if we extended this same Honor to our Diocese in your Congressional District? We are referring to the American Carpatho-Russian Orthodox Greek Catholic Diocese of America of the United

States (Self-governing by Official Degree, Doc. 1379, of the Ecumenical Patriarch of Constantinople, Benjamin I, September 18, 1938.) 312 Garfield Street, Johnstown, Penna., 15906.

Please, represent these people in the White House obtaining for them the "First National Flag" and a Historical Presidential Proclamation, on their behalf to confirm their Legacy and American Heritage.

Respectfully Yours,
JOHN PARIMUCHA, JR.,
Historian.

THE NORTHWESTERN MUTUAL LIFE
INSURANCE CO.,
Milwaukee, Wis., May 14, 1974.

Hon. BELLA S. ABZUG,
Congresswoman, New York State,
Washington, D.C.

DEAR MADAM: Our Fore-fathers came to America in 1728, 1741, 1867. Our Legacy is Fort Archangel Alaska, Fort Ross California, Oahu and Kauai Islands in Hawaii.

Three of Our Congregations were Honored by Ohio's 109th General Assembly through a Resolution Honoring them on their 178th Anniversary since our Russian Missionary's arrived in America September 24, 1793.

We are now seeking the First Stars and Stripes Flag the "Betsy Ross," from the People and the President of the United States, and a historical Proclamation, from the President of the United States through our Congressman, Hon. Charles J. Carney 19th District of Ohio.

Would we offend you madam if we extended this same Honor to the Russian People of the Orthodox Church in America Diocese (since 1970 Autocephalous) in your Congressional District? Her Headquarters are at 59 E. Second Street New York, New York, 10003.

On March 29, 1867, when Russia sold Alaska to the United States, the United States Government through our Ambassador drew up a "Proviso" that the Russian Orthodox Church remain in America.

Please, represent her people in the White House obtaining for them the "Betsy Ross Flag" of 1777, and Historical Proclamation, on behalf of these people to confirm their Legacy and American Heritage.

Respectfully Yours,
JOHN PARIMUCHA, JR.,
Historian.

THE NORTHWESTERN MUTUAL LIFE
INSURANCE CO.,
Milwaukee, Wis., May 14, 1974.

VERNE L. BOWERS,
Major General, USA,
The Adjutant General,
Pentagon, Washington, D.C.

DEAR SIR: This is in reference to a Formal Military Presentation of this nations "First National Stars and Stripes Flag—1777."

The President is pre-occupied with domestic and international problems, he is unable to be with us for this Very Special Occasion, it is for this reason we have requested the United States Army to represent the White House and the American People.

Our Children are confident, the President, the People, the United States Army, will carry out our request, and their wishes!

We chose June 14, 1974, on behalf of our children who will still be in School, College, High Schools and Grade Schools. This will give them an opportunity to participate in the ceremony. They have been waiting for four years to accept the "Betsy Ross Flag" from the President. They are eager to shake hands with George Washington's soldiers, "Old Guard."

We are definitely a part of this nations National History. We have had occasion to speak to United States Army Reserve Commissioned Officers, and we have been informed that a high ranking officer must represent the President in a Flag Ceremony.

If the Pentagon wishes it can designate an officer within our immediate area to represent the President. However, this doesn't excuse Major Benard M. Martin, his presence is a must!

Respectfully Yours,
JOHN PARIMUCHA, Jr.,
Historian.

THE NORTHWESTERN MUTUAL LIFE
INSURANCE CO.,
Milwaukee, Wis., May 14, 1974.

Lt. Col. CHARLES P. PRATNER IV,
Department of the Army,
Pentagon, Washington, D.C.

DEAR SIR: This is in reference to a Formal Military Presentation of this nations "First National Stars and Stripes Flag—1777."

The President is pre-occupied with domestic and international problems, he is unable to be with us for this Very Special Occasion, it is for this reason we have requested the United States Army to represent the White House and the American People.

Our Children are confident, the President, the People, the United States Army, will carry out our request, and their wishes!

We chose June 14, 1974, on behalf of our children who will still be in School, College, High Schools and Grade Schools. This will give them an opportunity to participate in the ceremony. They have been waiting for four years to accept the "Betsy Ross Flag" from the President. They are eager to shake hands with George Washington's soldiers, "Old Guard."

We are definitely a part of this nations National History. We have had occasion to speak to United States Army Reserve Commissioned Officers, and we have been informed that a high ranking officer must represent the President in a Flag Ceremony.

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Respectfully Yours,
JOHN PARIMUCHA, Jr.,
Historian.

THE BURDENED FAMILY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. RANGEL. Mr. Speaker, the problem of child abuse and neglect is one that disturbs us all. We are lucky to have in the Congress a man whose work as chairman of the Senate Subcommittee on Children and Youth has shown the way to a more compassionate and sensitive view of this problem. I place in the CONGRESSIONAL RECORD an article by Senator WALTER F. MONDALE in the present issue of Trial magazine entitled "The Burdened Family":

THE BURDENED FAMILY

(By Senator WALTER F. MONDALE)

"The most deadly of all possible sins is the mutilation of a child's spirit."

This quotation from the eminent psychologist, Erik Erikson, is one I cite often. It is a good way of reminding myself of the complexity and seriousness of the task I have assumed in urging the creation, and then being appointed chairman, of the Senate Subcommittee on Children and Youth.

Before this subcommittee was created in 1971 there was no focus in the Congress for the special interests of children and youth. We had subcommittees on education and health, and special committees looking out for the interests of the elderly and of veterans and workers.

Then—as now—anyone concerned about the general well-being of children had to lobby a series of congressional committees. In the Senate alone, the Agriculture, Committee has jurisdiction over nutrition programs; the Finance Committee over aid to dependent children; the Labor and Public Welfare Committee over education; the Armed Services Committee over programs for children of military personnel. And, of course, there's the Appropriations Committee, which plays a major role in determining whether any program created by these other committees receives the funds needed to be effective.

It was my years of service on a variety of these committees dealing with human needs that prompted me to propose creation of a Subcommittee on Children and Youth.

Before and since the Subcommittee was established, I have probably devoted more of my time in the Senate to the problems of children than to any other area. I have visited migrant labor camps, Indian reservations, urban slums, and depressed rural areas. I have learned that there are many subtle ways to mutilate the spirit of a child—by depriving him or her of adequate nutrition, or health care, or of a good education.

In the last year or so I have had a particularly harsh education about the most overt and frightening kind of abuse of children—in which an adult, apparently willfully, does physical harm to an innocent child. My subcommittee spent several months receiving testimony and investigating the problem of child abuse. We held hearings in Washington, Denver, New York, and Los Angeles. We heard from doctors, social workers, lay therapists, psychologists, psychiatrists and abusing parents.

The subcommittee was told that each year at least 60,000 children are reported to have been abused in this country. This widespread abuse occurs despite the existence of laws which make it a crime, and despite laws in 50 states which require the reporting of abuse or suspected abuse. In the past ten years, every state has either passed or updated child abuse reporting laws. Details of the laws differ. Some require physician reports, others place the obligation on social workers or nurses or a wide range of other groups. In some states the report is made to the social service agencies and in others to police authorities.

One reason that these many laws do not work, the subcommittee found, is that resources often are not made available for protection of the child or rehabilitation of his family.

We learned, however, that there is a bright side to this question. Everywhere we went, we found dedicated, concerned people who were giving freely of their time and energy to try to identify child abuse victims and prevent further abuse by working with their families. In Denver and New York and St. Paul, multi-disciplinary child abuse teams have made great strides in identification and treatment, and are working on solutions to the more elusive problem of prevention. When a child whose injuries suggest abuse is brought to the attention of one of these teams, a thorough investigation is made. If abuse is determined to be the cause of the injury, then team members meet with the family and develop a plan for treating both the child and parents.

In about 10 per cent of child abuse cases, the child must be permanently removed from the home. But in the Denver program 90 per cent of the children are returned safely to their homes within 8 or 9 months of the incident. During the child's absence, the parents undergo extensive therapy and receive other assistance in coping with family problems.

These multi-disciplinary teams are one of the encouraging signs which helped to shape the "Child Abuse Prevention and Treatment Act" which I introduced in the Senate, and which was enacted on January 31.

The main thrust of the new law is to support demonstration programs to prevent, identify, and treat child abuse. A wide variety of agencies, institutions, or individuals may apply for funding. These might include hospitals, police or welfare departments, courts, parent organizations and universities.

A portion of the funds appropriated each year under this law will be reserved for technical assistance to state governments in improving their child abuse programs.

Another major section of the law requires the Department of Health, Education, and Welfare to establish a Center on Child Abuse and Neglect to compile and disseminate research and program information about the problem.

Our experience with the problem of child abuse is one of several which helped to stimulate a new, much broader approach to the Subcommittee's work in coming months.

The longer I work on specific problems, the more convinced I am that we need to step back and take a look at the conditions and health of American families as a whole.

We found that most child abuse occurs in a family setting. We have learned that the most heartbreaking aspect of crib death is its effect on members of the family. In working for day care, it has become clear that parents must play a key role if programs are to be effective.

I think the Congress should begin to listen to families. In the years I served on the Senate committee concerned with housing, I don't recall ever hearing testimony from a grandmother who resented being moved into an aged ghetto far from her grandchildren; or from a mother of four trying to serve her family in a small, ill-designed public housing unit.

We are beginning to listen to families in a series of hearings before the subcommittee. We're finding that most families in this country are strong and healthy, but that there are warning signals which we cannot ignore:

Teenage alcoholism and drug abuse are growing problems;

Suicide is now the second leading cause of death for young Americans between ages 15 and 24;

Experts now predict that one out of every 9 youngsters will have been to juvenile court by age 18.

These symptoms strike families from every background. As one witness told us: "These may be the problems of prosperity—where the cocktail hour replaces the family hour."

I think it is also significant, and widely overlooked, that nearly one out of every six children is growing up in a single parent home. In addition, 50 percent of mothers are now working. We need to think about the implications of facts like these for our government policies. I do not want government running our families, but it is my feeling that in many cases, government policies are placing destructive burdens on families.

Government often interferes with families and undermines their ability to do what they want and need. Our tax policy is an example. Some witnesses urged the subcommittee to propose a family allowance of the type provided in many Western democracies. We already have what could be called a family allowance. It is hidden in our income tax system and called the personal exemption. It allows you to deduct $750 from your adjusted gross income. The problem is that the exemption helps most those who need it least. This exemption provides up to $525 in tax relief for families making over $200,000; but only about $150 for individuals in the average American family. I have already introduced legislation to alleviate this situation.

We need to examine other governmental policies in terms of the pressure they place on families. For example, our public housing and urban renewal policies have too often destroyed neighborhoods and communities and even families. The transfer policies of our armed forces and our foreign service often bring hardships to families and children.

My subcommittee will continue its hearings in coming months and will try to identify policies that are hurting families. In order to prevent and stop some of these policies, I will introduce legislation requiring a "family impact statement" on existing and proposed government programs. The bill will be modeled in part after the environmental impact statement. The effect of a government policy on the family may not be the only criterion for a decision by Congress or an Executive agency, but it should be considered along with other factors.

Other measures in the package of family legislation I intend to introduce will include a revised version of the day care bill vetoed by President Nixon in 1971; expansion and improvement of our public service job program and minimum wage legislation; and measure designed to encourage business and labor to experiment more widely with flexible work hours.

As the subcommittee's hearings and investigations progress, we will try to formulate other legislation to deal with the problems raised.

I believe it is important to use the legislative process and the democratic process to search for answers to the problems of children and their families; and to admit our mistakes and try to remedy them. How we approach this task can have great implications, because to some extent we in public life set a moral tone for the nation and its families.

In testimony at a hearing by our subcommittee the psychiatrist, Robert Coles said it all:

"We would do well to think about the sensitivity and responsiveness of children to all kinds of widespread and blatant and cynical corruption, of an extraordinary and perhaps new kind that has not only affected this Government but has also affected American families.

"When those children and those parents who rear them can fall back on nothing but the kind of pervasive hypocrisy and two-faced preaching that on one hand exhort law and on the other hand demonstrate lawlessness and corruption . . . then I say the American family is as jeopardized as it possibly can be.

"So the Federal government cannot only do something about attempting to give working people and would be working people of this country a better deal, but it can in very fundamental ways show by its own integrity a whole generation of families what it really does mean to be an American."

QUESTIONNAIRE

HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. SNYDER. Mr. Speaker, the results of my recent questionnaire quite adequately demonstrate the views of Kentuckians living in the Fourth District which I represent.

With about 90,000 questionnaires mailed out, some 19,000 folks responded. I trust their opinions will be of interest to my colleagues. They are expressed on the same current issues that confront every segment of the American people from coast to coast.

Not surprisingly, inflation is considered the problem of greatest concern by most people. Less than half as many thought corruption in government was our most serious problem. Trailing far behind these concerns, were bias in the news media, energy, and high taxes.

Mr. Speaker, it should be of great concern to all of us in Congress, that all three branches of the Federal Government are rated in my district in the same low esteem recent national polls have reported.

The results of the questionnaire are as follows:

GENE SNYDER ASKS WHAT DO YOU THINK?

	Yes	No	No response
1. On the front of this newsletter I have expressed my complete opposition to the forced busing of our schoolchildren. Do you agree with my efforts to prohibit busing by any legislative means possible?	94.6	3.5	9.6
2. Do you favor the State Department's move to give away the Panama Canal?	4.6	87.5	7.9
3. Do you believe the energy crisis is contrived?	68.8	23.3	7.9
4. Do you think that environmental laws, such as auto emission controls, should be eased temporarily as one means of conserving gasoline?	60.6	35.0	4.4
5. Do you think that Congress has been too preoccupied with the "Watergate affair" and related matters?	75.9	22.2	1.9

	Good	Fair	Poor	No response
7. How do you rate the following:				
President	30.4	29.3	36.7	3.6
Supreme Court	7.3	36.1	50.7	5.9
House of Representatives	14.4	52.6	24.9	8.1
Senate	14.0	46.2	32.1	7.7

	1	2	3	4	5	No response
8. What do you think are the most serious problems facing our country today? (Please rate 1, 2, 3, 4, and 5):						
Energy	7.5	20.4	24.2	26.6	13.3	8.0
Inflation/high prices	49.3	27.1	11.4	4.8	1.6	5.8
Corruption in Government	23.6	19.8	19.1	16.2	13.5	7.8
High taxes	5.3	16.3	27.6	30.3	11.7	8.8
Bias in the news media	9.4	8.8	9.6	12.4	49.1	10.7

DR. MARVIN STARK'S MOBILE DENTAL CLINICS GO ABROAD

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. GUBSER. Mr. Speaker, for many years I have had the honor of knowing and representing in Congress a remarkable man who has exploited his talents as a dentist and as an ambassador of goodwill in a most remarkable manner.

His name is Dr. Marvin Stark, professor of operative dentistry and oral biology at the University of California School of Dentistry. On June 1, 1970, I submitted for publication in the CONGRESSIONAL RECORD an article describing Dr. Stark's successful provision of dental care to underprivileged California children in rolling clinics fashioned out of converted buses.

It is not surprising to learn that Dr. Stark was not satisfied with establishing his mobile clinics as an ongoing program just in California. Over the years, as a result of persistent effort, Dr. Stark has traveled with his dental buses to Mexico, Israel and Greece. Soon needy children in Yugoslavia and Kenya will benefit from the friendly drills of Dr. Stark, his colleagues, and students—all of whom donate their time, and pay their own transportation expenses.

An article prepared for the California Today section of the San Jose Mercury by Mary Gottschalk captures the warmth and understanding of Dr. Stark's program. The article follows, and I believe this further progress report on Dr. Stark's efforts demonstrates the tremendous potential for concrete social progress when one or two individuals persist in their vision of helping others:

DR. MARVIN STARK'S MOBILE DENTAL CLINICS

(By Mary Gottschalk)

One of the most difficult things in the world to do is to try and help people—you're immediately suspect.

But if helping people is what you want to do and your motives and intentions are honest, untinged with a personal gain or greed—then you find a way. Dr. Marvin M. Stark, a Los Altos dentist is one of those people who finds a way.

Dr. Stark very much believes that the future of the world depends on the welfare and happiness of children. In his own way, with the help of faculty colleagues and students at the University of California, San Francisco, Dr. Stark has been eliminating needless pain in children in California and overseas for several years.

Dr. Stark's way is with a bus—a mobile dental clinic complete with four treatment chairs, the latest equipment for providing complete dental treatment, an auxiliary unit for x-ray equipment and a laboratory. Since 1968 mobile clinics have been traveling the dusty trails of the migrant farm workers, stopping wherever they did to give aid to their children. In 1971 the program was expanded overseas to Israel and then to Greece the following summer. This year it will expand even more to Yugoslavia and Kenya.

A Child's visit to one of the mobile clinics is frequently also his first visit to a dentist. The friendly attitude on the part of the dental students soon allays any apprehension on the part of the children. The mobile clinic operates in each area for several days. The first day a dentist, interpreter and several assistants visit the location to orientate the children and their parents. A puppet show on dental hygiene is followed by the distribution of toothpaste, brushes and mouthwash. The mobile clinic is explained and the people are told it will be coming the following day.

When the bus arrives the children are all examined and given prophylaxis and flouride treatment. Treatments are scheduled based on priorities determined from the examinations and x-rays. If the children require additional treatment, further appointments are made. Many of the dentists participating do not speak the various languages so an interpreter explains such things as Novocain is "a medicine to make your tooth and lip go to sleep. It will go away in a couple of hours."

The story of the mobile clinics is a remarkable one in many ways. It dates back to 1965 when Drs. Stark, Ronald Nicholson, Kenneth Soelberg and Robert Weiss, professors of dentistry at the University of California Medical Center in San Francisco, found themselves with a house trailer left over from a UC dental project. They gave the trailer back to UC along with the concept of converting it into a dental clinic to treat children in Head Start schools and institutions for the handicapped.

The house trailer was a success and the idea for a mobile clinic in the form of a large bus to provide sorely needed service to the children of migrant farm laborers seemed to be the next step. The buses in California are under the sponsorship of UC and funds for their operation come from the State of California's Bureau of Community Services and Migrant Education. In its first five years of operation alone, the clinic buses, which now number three, treated upwards of 15,000 children in the agricultural valleys of California. It is an on-going program that this summer will be in Ventura, the Woodland-Davis area, and areas such as Salinas, Soledad and San Joaquin.

With such a successful program underway in California why not just sit back—why branch out? Dr. Stark sees it as a "natural offshoot" of the United States program. But more than that, it is a "20th century covered wagon" filled with pioneers who want to earn friends for their country. In Dr. Stark's own words, "There is no better way of making friends with people than by healing their children."

The first overseas bus, in 1971, went to Israel. It was a project that involved more than a year of preparatory work, not the least of which was raising the $100,000 it took to purchase and outfit the first bus and to ship it to Israel.

The money did not come from any government sources or corporations—it was money donated by individuals who share in Dr. Stark's vision of the mobile clinic and what it could accomplish. Dr. Nicholson, a friend and faculty colleague for many years, gives the credit for the bus—the concept and the reality—to Dr. Stark.

Along with the charisma necessary to raise large sums of money, Dr. Stark has unbounded determination to see a project of this magnitude through to its fruition. He is also a man of vision. He recently found a helicopter pilot and now he is on the lookout for a helicopter to outfit as a clinic and visit remote areas that are inaccessible to motor vehicles. Some people might think "good luck," but with Dr. Stark nothing is an impossibility.

The overseas experiences are not easy to describe. Different things stand out in the minds of each participant. Gladys Stark, Dr. Stark's wife, perhaps best expresses the emotion and impressions of those who have experienced the trip first hand.

"The challenge at first was an adventure into a new land, culture, language and people. There were many unknowns—would we be able to communicate? Where would we live (especially in a country where people wait years for a tiny apartment)? Could we adjust to new customs, new foods, extreme hot temperatures? Could we be of service? Would a war-torn people appreciate or realize we were trying to help in a new and different way by bringing dental care and education? All of these uncertainties made our first trip a very precarious one.

"Nevertheless we went and in spite of innumerable obstacles, we saw, we did, we accomplished a great deal and came home with many impressions. One in particular was our tremendous admiration for the courage and industriousness of the pioneering Israelies who but a few years ago took this impossible desert wasteland, interspersed with malaria swamplands, and transformed it into beautiful, green, fertile farmlands capable of producing the finest crops in the world.

"Another overwhelming impression was the lilliputian, tiny size of the country. As one drives the length of Israel, which can be done in six to eight hours, on either side of the road Arab lands are visible. Looking at a map the many Arab countries with their huge expanses of vast uninhabited territories which they may never use is quite apparent. However their determination to have these few square miles of land, Israel, is an obsession.

"The rewards were many. We were able to communicate. English is the second language taught in the schools. The diverse cultural backgrounds of the people exposed us to a fascinating mix of customs and languages. Besides Hebrew, we heard French, Russian, Italian, German, Polish, Spanish, Arabic and Yiddish. We were able to start a worthwhile dental health program. The needs were great. Institutions for the handicapped and retarded, kibbutzim, Druze and Arab villages, deprived sectors of Tel Aviv and Jerusalem overflowed with children in need of dental care and education.

"Often the days were long and arduous, the heat unrelenting. Still the rewards predominate. We found friends everywhere—not only because of what we were doing directly, but also because we were a group who came so far specifically to give unselfishly. At first the American dental group was suspect. What were our motives? Later as the word spread through the kibbutzim and villages, the doors opened widely and they remain open today with letters arriving daily requesting our speedy return."

For Dr. Bill Moore, who went to Israel the second year in 1972, the memories include treating a small boy one morning who had arrived at the clinic on his horse. The child spoke only Hebrew so communication was non-verbal. At the lunch break Dr. Moore noticed the boy beckoning him to come out. He did and the boy gave him a ride on his horse to show his appreciation.

Other participants recall their invitation to a Yemenite wedding. The wedding had over a year of preparation in it and the invitation to attend was extended to the entire group of 60 participating in the dental care program.

Dr. Weiss had some apprehensions about his family which included a six-month old baby. There are no such things as disposable diapers in Israel, so the family filled their suitcases with them. They found their hosts very concerned about their comfort and welfare.

For Santa Clara dentist Dr. George Mednick, the mobile clinic experience changed his life. While participating in the Israel program the first three summers, Dr. Mednick met his wife Tamar, an Israeli living in a kibbutz. He was further influenced by the program to become a children's specialist. In addition to his private practice, Dr. Mednick is also a part-time instructor at the UC Medical Center.

The mobile clinics are staffed by American students and dental instructors for only five weeks of the year, in late summer. To make sure they do not sit idle at other times, they are affiliated with institutions such as universities or municipalities. While they are there, the American group shares their methodology and skills with the dentists of the host countries. Those countries then operate it the rest of the year and it becomes a lasting goodwill project.

The students come from across the United States, not only from California. Participants have included students from Kentucky, Maryland, Michigan, Texas and Ohio. The host countries provide room and board and tender loving care to the participants, but no salary. Each person is responsible for raising the $1,000 it will cost them in transportation costs overseas.

The project is an expensive one, but the money involved is carefully spent. Drs. Stark and Soelberg, as well as volunteer students, spend many of their weekends at the J. W. Cross Co. in Mountain View working on the buses. Owners Dr. James Cross and Gordon Nelson allow them to store the buses there. Dr. Soelberg is the chief designer of the interiors and a minimum of 2,000 man hours goes into the outfitting of each bus. Bud Heintz and Bob Farry of University Electric in Santa Clara and Hank Heckman of Floorcraft Co. in San Jose have donated much of their time and skills in aiding the project as well.

Even now, buses are being worked on, supplies are being wrapped for shipping and money is being sought. There are still many long hours of preparation work left, to be followed by long hours of service in a foreign land. But as Gladys Stark has said, "I along with our extended family can say as Virgil's Aeneas: 'Many of these things I saw, and some of them I was.' "

PRESERVE MEMORIAL DAY AS MONDAY HOLIDAY

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. McCLORY. Mr. Speaker, substantial confusion has been created in the State of Illinois as a result of recent action by the Illinois General Assembly in discarding the last Monday in May for the observance of Memorial Day and the restoration of the calendar date of May 30 for statewide purposes.

It is not my intent to question in any way the right or prerogative of the Illinois General Assembly to designate such holidays as it may see fit and to establish the time when they shall be observed by State employees and in State offices. On the other hand, it would seem important to consider the interests of all of the citizens of the State in such action as the general assembly may see fit to take.

Mr. Speaker, the origin of Memorial Day is said to have occurred in Carbondale, Ill., when the community designated April 29, 1866, as a day on which the inhabitants should engage in an all-day observance, including a parade, speeches, and prayers and decorating of graves of some 20 Union soldiers. In this connection it should be noted further that Memorial Day was referred to originally as Decoration Day—or a day for decorating the graves of those who had died on the field of battle.

Mr. Speaker, the first observance of May 30 as Decoration Day occurred in 1868 when Gen. John A. Logan, the first commander in chief of the Grand Army of the Republic, chose May 30 as a significant anniversary for the reason that all over the country there might be flowers in bloom that could be used for decorating the graves.

Mr. Speaker, other sections of the country have observed April 25, April 26, and June 9 as Decoration Day or Memorial Day—with the general intent and purpose that during the spring there were flowers available for decorating the graves of those soldiers who had given their lives.

Mr. Speaker, in designating the last Monday in May as Memorial Day, the Congress of the United States has fulfilled the objectives of General Logan as well as all others who have supported a day of the year for special ceremonies in honor of those who have given their lives that the people of our Nation might remain free and independent.

Mr. Speaker, the designation of Memorial Day and other national observances on appropriate Mondays of the year are based upon the soundest logic, including the convenience, welfare, and even the safety of our citizens. It has been demonstrated that Monday holidays result in fewer deaths on our highways than when the single-day holiday occurs in the middle of the week. The opportunities to prepare for appropriate Memorial Day ceremonies—the chance for families to be joined together for this significant observation, the opportunities to visit loved ones in the hospitals and elsewhere are elements which contribute to the logic of the last Monday in May as the most appropriate time for observing Memorial Day.

Mr. Speaker, although I was not able to attend more than a few of the Memorial Day ceremonies this year in my 13th Congressional District, I should report that I was greatly impressed by the Memorial Day observance in Grayslake, Ill. The parade in which the veterans' groups participated and in which many schoolchildren and other citizens were on hand was a most fitting and appropriate observance. In the course of the ceremonies at the Grayslake Veterans Park, I delivered brief remarks which I am attaching at the conclusion of this statement. Certainly, no one could suggest that there was any less respect, patriotism, or public support expressed in the community on Memorial Day observances which occurred on Monday, May 27, this year—than in any May 30 ceremonies in the years prior to 1971, when the Federal law took effect which established the last Monday in May as our national Memorial Day.

Mr. Speaker, I would also like to include at the end of my remarks an excellent editorial issued by WBBM Radio of Chicago, which points out the many disadvantages of the State of Illinois' failure to comply with the Monday Holiday Act, and urges the State legislature to reassess its hasty action in redesignating May 30 as the official Memorial Day of Illinois:

MEMORIAL DAY—1974

Memorial Day—whenever it is celebrated—or observed—is truly a day for remembering—for memorializing—and for immortalizing—all of those who have made the Supreme sacrifice in behalf of human freedom—and of political independence.

The first Memorial Day observed I believe—in 1867—was an arbitrary date selected by General J. Logan—who was then head of the Grand Army of the Republic. And so the honored dead of the Northern Forces were remembered on that date for many years thereafter.

Those who died on the side of the Confederacy were remembered on Jefferson Davis' birthday—which I believe was June 6th.

Today, of course, we honor the dead of all the wars—from North and South—East and West. And it is not so much the day—or the date upon which we honor them—but that we remember them—for what they did—and what they gave . . . that we—the living—might be—and remain—free.

In supporting, as I did a few years ago the observance of Memorial Day on a Monday—the last Monday of May—I realized that Memorial Day would not always fall on May 30th. But I knew that just as Thanksgiving, Easter, Good Friday and Labor Day fall on days of the week, in lieu of calendar dates, so Memorial Day would have its own special place on our calendar. Little did I realize that we would be establishing not one—but at least two Memorial Days, and that from now on we would have a choice of which one to observe, or that we could keep both Memorial Days.

We can remember the great heritage which those who died fought to preserve. We can remember that, even in these days of political crisis, we have the firm framework of our Constitution upon which to rely in helping us out of this great dilemma. And the answer to our problems lies there—and not with self-will or narrow views of political partisans who would circumvent the constitutional prerogatives and restraints in order to gain political advantage.

In the Constitutional Convention in Philadelphia in 1787—when it appeared that the efforts of the delegates were being frustrated by controversy and confrontation, Benjamin Franklin proposed that the sessions should be opened each day—by prayer. The move did not succeed—partly because the Convention delegates did not have funds sufficient to pay a chaplain.

But the move seemed to help move the Convention towards its successful conclusion.

Just a few weeks ago when we began our awesome inquiry into the impeachment allegations against our President, I recalled the incident of Dr. Franklin—and I invited the prayers of all for the spiritual guidance and support which our present hearings require.

I have been particularly grateful to the many individuals who have come to me and volunteered that they were working with me—through prayer—to a just and fair resolution of our task.

What seems to emerge from this whole impeachment inquiry is not simply the charges of wrongdoing—or even the misdeeds of those who assaulted our system through the episode known as "Watergate."

What appears to me is that we have a great and strong Nation—undergirded by a Constitution which provides remedies for even the most offensive conduct. The constitutional provisions are there. They must be applied judiciously—and we must abide by the outcome of our actions.

The Memorial Day established by General Logan followed a long and bloody war, in which the threat to our Constitution was not the institution of slavery—but the principle of an inseparable union of states—which could tolerate no secession if the Union was to survive.

Survive it did—and survive it will—in 1974—just as it did 100 years ago.

Let us remember. Let us pause. Let us pray. And let us rededicate ourselves to the cause of human freedom so that those who have died—will not have died—in vain.

[Editorial of WBBM Radio]

MEMORIAL DAZE

What does Illinois have in common with the rest of the nation on Memorial Day? Nothing. A big, flat nothing.

That's because Americans across the country are celebrating Memorial Day this Monday—while Illinois is celebrating it next Thursday.

You see, some years ago, Congress decided to have this historic holiday fall on Monday so American families could enjoy a three-day weekend. Not so our esteemed state legislators. They decreed that May 30 and only May 30 would be Memorial Day. If it fell on a Monday, so be it.

Well, the result of their declaration is fouling up the works. State employees, some firms and school children will be off on Thursday. Federal employees, a good number of companies and many household heads will take Monday off. Which means that not much business will be accomplished all week and fathers won't be able to spend a long weekend with their kids—and visa-versa. In other words, the congressional act to unite families for a few days is defeated.

I don't know why our Illinois politicians want to be out-of-step with reality or the nation. Maybe it's a habit they can't break. The problem is their stubborness is messing up a lot of people. Which is why we advise them to get back on the track and have Memorial Day fall on a Monday—just like the rest of the country.

NOBEL PRIZE SCIENTIST OPPOSES BAN ON FETAL RESEARCH

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Ms. ABZUG. Mr. Speaker, the latest of many distinguished biologists, physicians and medical researchers to point out the harmful effects that restrictions on fetal research will have on the health sciences is Dr. John F. Enders of Children's Hospital Medical Center, Boston.

Dr. Enders received the Nobel Prize for the development of techniques for growing viruses in human embryonal tissues, leading ultimately to the development, among other things, of vaccines against polio.

As Dr. Douglas Damrosch, director of the Associated Medical Schools of New York and New Jersey, pointed out in a recent letter to me, had it not been for the research of Dr. Enders—

> The Congress and State Legislatures would likely still be debating appropriation bills for more and better rehabilitation centers for those paralyzed by polio.

In a letter to the New England Journal of Medicine, May 23, 1974, Dr. Enders comments on some of the medical discoveries yet to be made—and that may never be made if prohibitive legislation continues to be passed.

The letters follow:

THE ASSOCIATED MEDICAL SCHOOLS
OF NEW YORK AND NEW JERSEY,
New York, N.Y., May 23, 1974.

Hon. BELLA S. ABZUG,
Member U.S. House of Representatives, New York, N.Y.

DEAR MS. ABZUG: You will, I am sure, be interested in the enclosed excerpt from the New England Journal of Medicine. The author, Dr. John Enders, received the Nobel Prize for the development of techniques for growing viruses in human embryonal tissues, leading ultimately to the development, among other things, of vaccines against poliomyelitis. Had it not been for this work, the Congress and State Legislatures would likely still be debating appropriation bills for more and better rehabilitation centers for those paralyzed by polio.

Dr. Enders, with succinct clarity points out some of the things yet to be done—and will of necessity be left undone if prohibitive legislation continues to be passed.

Again, thank you for your help.

Sincerely,

DOUGLAS S. DAMROSCH, M.D.,
Director.

BOSTON, MASS.,
May 23, 1974.

FETAL EXPERIMENTATION

To the Editor: Most physicians and biomedical scientists will agree, I believe, that the legal prohibition of the investigative use of embryonic and fetal tissues derived from dead human embryos or fetuses, as proposed in House Bill No. 3122 of the Commonwealth of Massachusetts, will gravely retard the advancement of medical knowledge in many areas. Examples of such areas are: (1) the further understanding of the causes and development of means for the prevention of fetal abnormalities, (2) the alterations in cellular mechanisms underlying transformation of normal human cells to cancer cells and the immunologic factors involved in resistance to cancer, and (3) the development of vaccines not now available against viral and other infectious micro-organisms such as varicella virus, cytomegalovirus and the agents of hepatitis and mycoplasma. Regarding the last mentioned area of investigation, it should be realized that the development of the prophylactics now generally employed in the prevention of poliomyeltis, measles and German measles stemmed from the result of original studies with human embryonic tissues.

From the ethical standpoint, I am convinced that the use by competent investigators of tissue derived from the aborted fetus, whether the tissue becomes available through natural or artificial means (so long as the latter are legally applied), differs in no moral or social aspect from the use of tissue obtained from persons who die postnatally. It is of the greatest importance for legislator and all others concerned with that matter to keep clearly in mind the fundamental distinction between the question of the use of fetal tissues, once abortion has occurred, and the question of the specific conditions under which abortion may properly be induced.

In the light of this distinction and because of its inhibitory effect on the advance of medical science, the proposal to ban the use of tissue from the dead fetus appears to me neither humane nor rational. Therefore, I earnestly hope that the proposal will be rejected by those whose responsibility it is to promote and enact wise and beneficient laws.

JOHN F. ENDERS, Ph.D.,
Children's Hospital Medical Center.

AMERICANISM—OUR PRIVILEGE AND OUR STRENGTH

HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. FROEHLICH. Mr. Speaker, Steve Weber, a ninth grade student at Wilson Junior High School in Appleton, Wis. recently won the American Legion Auxiliary's Americanism contest for his essay entitled "Americanism—Our Privilege and Our Strength." Each year this contest is sponsored in communities throughout Wisconsin to teach and encourage the values which have made our country great.

I have not had the privilege to read the many fine essays which were submitted this year by students from Wisconsin's Eighth Congressional District, but if Steve's essay is any indication of the feeling our young people have for America, I have no doubts about the future success of our country and its people.

As Steve points out, despite the problems and frustrations we have faced as a nation:

> We have remained strong, prosperous, and united because our people believe in and practice Americanism.

I commend this excellent essay to the attention of my colleagues:

[From the Appleton-Neenah-Menasha (Wis.), Post-Crescent, May 29, 1974]

STUDENT'S ESSAY SEES AMERICANISM AS "OUR PRIVILEGE, OUR STRENGTH"

(EDITOR'S NOTE.—The following essay was the winner this year in the American Legion Auxiliary's Americanism contest. The author and winner of $50 in U.S. Savings Bonds is Steve Weber, ninth grade student at Wilson Junior High School. Americanism—Our Privilege and Our Strength.)

We Americans are extremely fortunate to live in a country which gives its citizens more freedoms, privileges, and responsibilities than any other nation in the world. We have the freedom to speak out even against the government if necessary. We may worship as we please, and our news sources enjoy wide latitude in reporting on any topic or issue that will not endanger the wellbeing of our country.

We are also at liberty to gather together peaceably to express our views. We are guaranteed a fair trial by jury; nor may our homes be searched without just cause and only after a warrant has been issued. We can live and work wherever we wish, and we are free to leave and re-enter our country with relative ease.

We enjoy and benefit from these hallowed freedoms because the foresighted founders of this nation devised a Constitution which protected Americans from the pattern of overly powerful and centralized governments which beset England and the European dynasties. Having experienced little autonomy, these people fled to America to seek sanctuary and to govern their own lives without fear of retribution.

We live in a country where each person's individual rights represent the finest safeguard against oppression in the world. Why, then, is there so much antipathy, so much ill will against America. Why is alienation so popular with the rest of the world?

It took two hundred years to build and nurture the most generous, the most selfless nation ever known. After World War II we gave billions of dollars in aid to restore foreign countries. We have assisted all nations in coping with earthquakes, floods, and other catastrophes, never requesting payment. Yet when our own Mississippi Valley and the East coast were flooded and when earthquakes shook California, we received no bounty from our rich allies in Europe and Japan. Communist countries have not honored their treaties with us; still they have accumulated astronomical debts to us.

Nevertheless, we have remained strong, prosperous, and united because our people believe in and practice Americanism. We think and act and pray as one when crises arise, sending aid to the areas of disaster. We respond to the summons with readiness and courage rather than fear and dread.

Our country can exist as a free Republic only as long as the people feel and demonstrate strength and an inner will to uphold the ideals of America and the privilege of being an American. We must continue to cling firmly to the rock of faith upon which our country was founded by loyal men with a simple, abiding love for freedom.

HAVIV SCHIEBER STILL FIGHTING DEPORTATION

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. ASHBROOK. Mr. Speaker, on several occasions I have called attention to the case of Haviv Schieber, a 63-year-old Jewish resident of the United States for the past 15 years who now faces deportation for overstaying his visit in 1959. It has been pointed out that several Senators have sought to keep Mr. Schieber in the country, along with numerous supporters in New York City who are familiar with his work among minority workers who were employed in his housing rehabilitation business. On May 13, in the CONGRESSIONAL RECORD, I commented on the questionable handling of the case by the Immigration people. Everything considered, the merits of the case, in my opinion, justify providing a permanent home in the United States for one who has certainly led an exemplary life while in this country.

On May 27 Mr. Schieber was interviewed by Fulton Lewis III, whose regular radio broadcasts are carried by 450 stations of the Mutual Broadcasting System. On May 31 the New York Post ran a second story on the plight of Mr. Schieber.

I insert the Lewis interview and the New York Post story in the RECORD at this point.

[From the New York Post, May 31, 1974]

U.S. ORDERS ISRAELI OUT IN 2 WEEKS

U.S. immigration officials have given a 63-year-old native of Poland who is a citizen of Israel two more weeks to leave the country voluntarily or else be deported back to Israel.

Haviv Scheiber, a longtime critic of Israel who has been fighting Justice Dept. efforts to send him back there for more than a decade, must leave the U.S. by June 14, Maurice Kiley, acting district director of the U.S. Immigration and Nationalization Service said yesterday.

"We consider 15 days a reasonable time to make applications for travel documents to another country," Kiley said.

FEARS MURDER

Scheiber had previously been ordered to leave the country by yesterday. But the additional two weeks were granted to him because it was only yesterday that the House Judiciary Committee refused to consider a bill submited by him which would have allowed him to stay in the U.S.

He was released from the Federal House of Detention on West St. last week after spending four months in prison hoping for a Supreme Court reversal of his deportation orders. The reversal never came, but a Board of Immigration Appeals ruling gave him the chance to leave the U.S. voluntarily.

The board said that Scheiber could go to any country that would accept him.

Scheiber, who came here in 1959 and whose visa expired in 1961, claims he is being persecuted for his political beliefs and that he would be killed if he went back.

While in Israel, he was arrested 18 times for various anti-government activities.

Immigration officials deny that there are any political overtones involved in the deportation proceedings.

"The reason this man is being deported," Kiley has said, "is simply that he overstayed his visit."

FULTON LEWIS RADIO BROADCAST

(NOTE.—The following is the text of a broadcast by Fulton Lewis III on Memorial Day, May 27, 1974, over the 450 stations of the Mutual Broadcasting System, scattered throughout the United States, including WOR in New York City. The subject is the campaign to deport Haviv Schieber, who has resided in the United States for 15 years.)

A Memorial Day story which, I think, you will find shocking. I'm Fulton Lewis in the Mutual System's studios in Washington, D.C. My commentary after this . . . (Commercial.)

Today, Memorial Day, is more than just a holiday; it is a day which has been set aside for us to pay tribute to the brave men and women who have sacrificed their lives to keep us free, to preserve America, to maintain our safety in a world in which safety and security has, unfortunately, all too often been threatened by hostile forces.

For those who have sought and received refuge here in America, this day I imagine has a special meaning. They must have a special appreciation of the supreme gift which has been given by Americans on the battlefields of the world, because they have tasted the bitter alternative to our way of life—the totalitarianism—brutality, torture and denial of the freedom which we regard almost too casually.

It is for those guests of America that Emma Lazarus wrote the words now inscribed on the base of the Statue of Liberty: "Give me your tired, your poor, your huddled masses yearning to breathe free . . . the wretched refuse of your teeming shore. . . . Send these, the homeless, tempest-tost to me—I lift my lamp beside the Golden Door."

Well, Haviv Schieber read those words when he arrived in New York City 15 years ago, and they did have a very special meaning to him. During the late 1930s, he—a Polish Jew—had emigrated to what was then called Palestine in order to work to help others of his religion to escape the brutal tyranny of Adolf Hitler. After the war, things didn't change much in Poland. The uniforms may have been different, but the persecution was now coming from the Soviet communists, not the Nazis, and Haviv Schieber worked equally hard to get Jews to Palestine then.

What disturbed him increasingly was that after the state of Israel was established, its policy toward the Palestinians was not that much different from the policy that the Germans and later the Soviets had had toward the people of Poland. This injustice Haviv Schieber fought with the same determination and the same vigor, until finally, under heavy pressure from Israeli officials, he came to the United States in March of 1959.

You would think, perhaps, that the story would end there. In most cases, it probably would have. Mr. Schieber, being a refugee seeking asylum in this country, and possessing skills in contracting which were badly needed, he would have received a "sixth preference visa" based on the Polish immigration quota, and would eventually have qualified for full citizenship.

But bitter politics have entered into this situation. Resentments over his criticism of Israel have built to the point where he has not only been denied permanent residency, but he now faces a deportation fight. On May 1, just a few weeks ago, when deportation was imminent, Haviv Schieber slashed his arm—not as a suicide attempt but in an apparently—eventually successful—effort to draw attention to his plight.

Two days later, he was taken from New York's Bellevue Hospital, bound in a leather straitjacket, en route to Kennedy airport for what seemed this time to be certain deportation.

But Haviv Schieber was saved by a last-minute court action. A third deportation effort is now pending.

The third deportation effort is now being undertaken by immigration officials, but that effort is now being stayed until the House Judiciary Subcommittee on Immigration, Citizenship and International Law weighs new evidence in Schieber's case. That panel is going to vote within the next few days on a motion to *un*table a 1969 private bill, thus allowing new legislation to be introduced by Senator James Buckley of New York and by Senator Jesse Helms of North Carolina that would allow the merits of Haviv Schieber's case to be reviewed on its equities.

If that bill is approved by the subcommittee, the chances are that Haviv Schieber will *not* be deported. If the bill is not approved, then it seems likely that Mr. Schieber is going to be sent out of the United States to an uncertain fate.

Mr. Schieber, how long has this fight been going on?

SCHIEBER. This fight is going on for 15 years. This sword of deportation is facing me every few years. What I went through these 15 years and what I went through especially in the last four months when I was imprisoned in jail with common criminals, but I had no—nothing against the people in charge of this jail. After this jailing, I love America more than I loved before. [His voice breaking] I want to stay here . . . I want to stay here [sobbing] I want to stay here and I beg you help me. This is only what I can say in this tragic moment of my life.

I always help people and I am not seeking any help from anybody, but only in this occasion. Help me to stay in my beloved United States!

LEWIS. Mr. Schieber, there has been tremendous emotion, and I know there has been tremendous pressure for many, many years in this case. Your record, I know, while you have been in this country has been outstanding. I know that during the subcommittee's hearings there were questions asked of the immigration officials as to whether you had any police records or anything more on your record and the answer they gave was no, not any more on your record locally in New York or anywhere else in the country or federally.

I know also that you have been commended for your work in building and remodeling low income housing in New York. You have been commended by people like the former mayor of New York, John Lindsey. So your record of service in this country during your fifteen years here, I might say, has been outstanding.

SCHIEBER. I want to add that my record was—is—not only clear [clean] in the United States. My record was clean in Poland when—till I finished high school—this means 19 years old. My record was clean in Palestine when the British were [there]—and my record was clean even in Israel—what they are using as moral turpitude for my activities in the political field has to do with some kind of demonstrations. Like opening a post office or giving a roof to newcomers, in a most cheapest and a most quick way. They translate this with false witnesses as a crime that had no legs and had no arms [no foundation].

My record—I never was a criminal. I am not a criminal, and never will be a criminal. In what occasions I will not be: I will not steal bread when I will be hungry. I will not go to a hotel when I will not be able to pay. And I will not use charity for medical help when I will not be able to pay.

I was always a giver and not a taker. I have a little business what is prosperous, and I was taken away from this business. I want to go back, and my coming back to this business is employment for people who cannot usually find work from employment offices or other places. I am helping, and I am asking in this tragic moment [his voice breaks] your help—

LEWIS. Mr. Schieber, let me—You have raised a couple of questions here, and of course these are the points that have been raised against you by those who are trying to get you out of the United States. It has been charged that when you were in Israel, you were guilty of moral turpitude because, as you have noted, of some demonstrations that you participated in, in Israel, against Israeli authorities. One of these, as I recall, was when you were mayor of a town in Israel—what was the town?

SCHIEBER. Beersheba. I was elected the first mayor. We had no communications and no transportation—nearly—with the other parts of the country. This was just after the war—1949—and we especially were hurt with lack of mail and post communications. So we made a demonstration, made a kind of a little post box, and used a few tiles to raise this box over the street level, and we made a contact with a bus that was coming once in a day, and for this they accused me of stealing tiles.

Later, I was commended by the judge, and to "liquidate" this terrible crime, I was told by the police to say, guilty. I said, guilty. I didn't want to be dragged from court to court. So the judge commended me, and I paid this little penalty, which is equal to a dollar or a dollar fifty, in our present money.

LEWIS. But it was a protest against the lack of postal service in Beersheba, of which you were mayor?

SCHIEBER. Absolutely! Not more! The other big crime for which they are accusing me was using promissory notes, or something like this. And de facto, I came out the first who said it is necessary to finish the uncompleted structures which the Arabs left behind them in the cities. And this to use for quick housing for the newcomers. And I said that when the Jewish Agency and the Israeli government has budgets of $25,000 for each family, we can for a few hundred dollars accomplish rooms especially for elderly people who want to—need to—live near big centers.

And I did this. I took legally a place, and we established a party there—the Democratic Party, and the Anti-Communist League of Israel—and together with 20 families, we built the little rooms. And they participated by giving promissory notes, what I made a discount, while later they supposed to pay, but I pay. But nevertheless, the police framed me, and made from this a fraud. I was sentenced for three months "out of jail" [on parole], but nonetheless they kept me in jail until after a few weeks they released me.

This is the second big crime. The other that they mention has something to do with the political situation that they established.

LEWIS. My point is that all of these things were forms of political protest. They were not crimes against property. They were not crimes against other human beings. They were ways that you had chosen to dramatize a particular political grievance.

SCHIEBER. Absolutely correct! I had first of all three ex-citizens of Israel—well-known—testify, and they delivered papers to the immigration authorities about my character, and about the so-called crimes, that I never was known as a criminal, and known as an honest man. And above this I have in my bag here another document by the ex-chief of police of Tel Aviv. He was chief at Tel Aviv until 1949, and he is testifying under oath in the Israeli court that he knows me for 30 years and he knows me only as an honest man, and that all the troubles that I had were connected only with political activities.

LEWIS. Mr. Guest—Haviv Schieber—whose fate now rests in the hands of the House Judiciary subcommittee on immigration and citizenship. I'll have more for you now in just a moment. (Commercial.)

LEWIS. Throughout this week as the trial goes on of Haviv Schieber in the House subcommittee on immigration and citizenship, I will keep you posted on exactly what developments take place. It seems to me that this person who has led an outstanding existence, particularly here in the United States, faces an injustice which is a grave and serious embarrassment to all decent Americans.

From the Mutual studios in Washington; I am Fulton Lewis, and that's the top of the news as it looks from here.

ANALYSIS OF H.R. 14747

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. PEYSER. Mr. Speaker, Government payments to growers amount to approximately $90 million under the present Sugar Act. H.R. 14747 proposes payments of approximately $27.5 million beginning July 1, 1975. The rationale for Government payments appears to be twofold. First, to assure a fair and reasonable profit for domestic growers, and second, to assure that growers comply with the labor and wage provisions of the act.

First. At the present time, the U.S. domestic price of sugar is about 24 cents a pound. This price is almost three times higher than the price at this time last year, and is double the USDA price objective of 11¾ cents a pound. USDA officials claim that domestic growers are receiving returns from the marketplace which preclude the need for future Government payments as an income supplement.

Under H.R. 14747 growers will receive greater financial benefits. This is true for both small and large producers, but more so for the latter. Our enclosed sample case shows that a grower who produces 100,000 tons of sugar would receive $777,050 under the present act and $989,400 under H.R. 14747, an increase of $212,350. In this case, the $9,400 maximum Government payment allowed in H.R. 14747 is only a minor portion of the grower's net return.

If Government payments were eliminated, small producers would suffer a loss in income, even with the 49 cents a pound increase in the price objective. However, large growers, 45,000 tons or more, would receive a higher return from the price objective. An overriding consideration remains, when the domestic price of sugar is high enough to assure a profitable return to growers, should Government payments be eliminated?

Second. Proponents of the Government payment provision of the Sugar Act argue that payments assure compliance by producers with labor and wage provision of the act. They contend that growers who receive Government payments would not want to lose this income supplement by failing to comply with the labor provisions.

H.R. 14747 establishes a $9,400 maximum Government payment per farm. Under the current act, $1.8 million was paid to one producer in 1972. This discrepancy could lead to a reluctance by growers to comply with the labor and wage provisions of the act. To protect against this possibility, H.R. 14747 includes a provision whereby workers "may recover in a civil suit any balance due them if the withholding of the producer's payment—does not make up the entire underpayment" of any wage due. In other words, workers may file a civil suit to protect their interests. The question arises, should the Government pay growers to obey the law when workers might otherwise be protected through civil action?

II. COSTS AND BENEFITS UNDER H.R. 14747

Growers.—Producers of sugar beets and sugar cane would gain substantial benefits under the changes outlined in H.R. 14747. As shown in our sample case, the 49-cent-a-pound increase in the price objective and the reduced Government payment schedule would greatly increase the return of large producers.

Processors.[1]—Processors must absorb the increase in the price objective in order to make the 49-cent-a-pound payment to the growers. However, the elimination of the excise tax of 53 cents a pound would negate the increase in price objective. Therefore, processors appear to suffer no financial loss or gain in H.R. 14747.

Consumers.—Because the processor's total price is negligible, consumers would pay the same price as under the present act.

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[1] It is my feeling that the elimination of the excise tax should not be replaced by passing on the increase in the price objective. Although this will not increase the cost to processors or consumers, the elimination of the excise tax should have resulted in a decrease in the cost to processors and consumers.

U.S. Government.—The Treasury appears to be the big loser since revenue collected through the excise tax, $114.8 million in 1974, would be lost. Of course, Government payments would be reduced from around $90 million to $27.5 million, but the net loss in Government revenue would still amount to $50 million or more. It should be noted that the reduction in Government payments is a benefit to the taxpayer.

Foreign exporters.—Foreign suppliers appear to be the biggest recipients under the proposed House bill. With the elimination of the excise tax, foreign exporters would receive the same price as domestic producers minus the duty—.625 cent a pound. The elimination of the excise tax would increase foreign exporter returns by about $10 a ton.

RECOMMENDATIONS

First. Elimination of all Government subsidy payments to sugar growers.

Second. Elimination of section 213 which is the cost pass-through provision.

Third. Shortening the duration of the bill from 5 to 3 years.

	Payment per pound	Payment per ton	Maximum payment
Present payment scale (tons):			
0 to 850	0.80	$16.00	$5,600
350 to 700	.75	15.00	5,250
700 to 1,000	.70	14.00	4,200
1,000 to 1,500	.60	12.00	6,000
1,500 to 3,000	.55	11.00	16,500
3,000 to 6,000	.525	10.50	31,500
6,000 to 12,000	.50	10.00	60,000
12,000 to 30,000	.475	9.50	228,000
More than 30,000	.30	6.00	
Total			357,050
H.R. 14747 payment scale (tons):			
0 to 350	.35	7.00	2,450
350 to 700	.25	5.00	1,750
700 to 1,000	.20	4.00	1,200
1,000 to 1,500	.10	2.00	1,000
1,500 to 3,000	.05	1.00	1,500
3,000 to 6,000	.025	.50	1,500
6,000 and above	0	0	0
Total			9,400

Grower who produces 100,000 tons would receive:

Under present system:	
30,000 tons	$357,050
70,000 tons	420,000
Total	777,050

Under H.R. 47474:	
6,000 tons	$9,400
10,000 tons at $9.80 ton (because $980,000 of increase in price objective)[1]	989,400
Net gain	212,350

[1] This is not govt. payment. It is the amount grower receives from the increase in price objective.

Calculations:

1. Present payment scale range is from 80¢—30¢ per pound.

2. Payment for first 30,000 pounds is computed to be $357,050.

3. Payment for remaining 70,000 tons (at 30¢ per pound for each pound over 30,000) is $420,000.

4. Therefore under present system, a grower who produces 100,000 pounds of sugar would receive $777,050.

5. Under H.R. 47474, maximum subsidy is $9,400.

6. The increase in the price objective would bring $9.80 per ton.

7. At 100,000 the farmer would receive $980,000.

8. Adding $9,400 to $980,000 brings a total of $989,400.

RAW SUGAR QUOTATIONS, NEW YORK COFFEE & SUGAR EXCHANGE—SUMMARY FOR MAY 17, 1974

[Contract No. (D., bulk, duty, pd.) lots 692]

	Today				Previous closings		
	Open	High	Low	Close	Yesterday	Week ago	Month ago
July 1974	23.70b	24.25	23.90	24.00b	23.55/90	22.25b	18.20b
September 1974	20.01b	21.20	20.20	21.00b	20.25a	19.25b	16.45b
November 1974	18.28b	19.00	18.40	19.00b	18.40n	18.00b	

COMPARISON OF SUGAR ACT PRICE OBJECTIVE AND SPOT PRICE

Price objective, latest 2 mo, average (cents)	11.74
Spot price, last 7 consecutive market day average (cents)	23.00
Percent spot price is of price objective	195.91

	Today				Previous closings		
	Open	High	Low	Close	Yesterday	Week ago	Month ago
[Contract No. 11 (world lots 25.74]							
July 1974	24.20	25.50	23.75	25.15/23.75	24.00/58	25.00/24.85	20.69b
September 1974	22.30	22.55	22.00	22.25/22.00	22.65/60	23.10/22.95	18.58
October 1974	21.40	21.45	20.90	21.05/10	21.60	21.95/90	17.39b
January 1975		20.00	20.00	19.27n	19.65b	19.93n	15.59n
March 1975	18.50	18.70	18.25	18.30/25	18.95	19.20/15	15.05/07
May 1975	17.00	17.15	16.60	16.90/85	17.43	17.70b	14.20
July 1975	15.50	16.05	15.20	15.43n	16.00	16.20b	13.00
September 1975	13.95b	14.20	13.84	14.00/13.90	14.55	14.60b	12.05/00
October 1975	13.31b	13.70	13.15	13.40/35	13.60	14.01b	

PRICE QUOTATIONS

	May 17	May 16	Week previous to date shown	Month previous to date shown
Raw sugar:				
No. 10 bulk, duty pd, United States	24.00	23.25	22.50	19.53
No. 11 World	24.50	23.50	25.25	22.00
C.i.f., United Kingdom, London	(1)	(1)	27.32	24.64
Refined sugar:				
Cane (Northeast)	25.85	25.85	25.85	20.90
Cane (Chicago-West)	25.30	25.30	15.30	20.50
Beet (Chicago-West)	25.30	25.30	25.30	19.70
Beet (Pacific coast)	25.10	25.10	25.10	

[1] Not available.

Sugar Act payments, 20 largest payments, 1972 program year

U.S. Sugar Corp., Clewiston, Fla.	$1,386,178.66
Hawaiian Commercial & Sugar Co., Puunene, Maui, Hawaii	1,283,645.80
Gulf & Western Food Products, P.O. Box 86, South Bay, Fla	949,909.67
Oahu Sugar Co., Ltd., Waipahu, Oahu, Hawaii	738,606.93
Talisman Sugar Co., P.O. Box 814, Belle Glade, Fla	705,525.33
Hilo Coast Processing Co., Hilo, Hawaii	665,071.26
Waialua Sugar Co., Inc., Waialua, Oahu, Hawaii	556,392.27
The Lihue Plantation Co., Ltd., Lihue, Kauai, Hawaii	526,025.71
Pioneer Mill Co., Ltd., Lahaina, Maui, Hawaii	452,314.57
The South Coast Corp., 1420 Carondelet Bldg., New Orleans, La	449,789.00
Kekaha Sugar Co. Ltd., Kekaha, Kauai, Hawaii	448,650.68
Puna Sugar Co., Ltd., Keaau, Hawaii	411,804.59
Laupahoehoe Sugar Co., Papaaloa, Hawaii	380,425.52
Kohala Corp., Hawi, Hawaii	355,586.10
Grove Farm Co., Inc., Puhi, Kauai, Hawaii	346,965.80
Honokaa Sugar Co., Haina, Hawaii	346,561.99
New Hope Sugar Co., Pahokee, Fla	344,354.73
Hawaiian Agricultural Co., Pahala, Hawaii	328,073.49
A. Duda & Sons, Inc., Belle Glade, Fla	314,444.83
McBryde Sugar Co., Ltd., Eleele, Kauai, Hawaii	310,796.17

FROM FAME TO DISGRACE—HOW A RUSSIAN AUTHOR FELL

HON. LUCIEN N. NEDZI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. NEDZI. Mr. Speaker, yet another sad and revealing story has come out of the Soviet Union. Again, it involves the humiliation of a noted writer.

But the anti-intellectual and oppressive behavior of the Soviet regime in the case of author Viktor Nekrasov does not disgrace him, it disgraces the regime.

Under leave to extend my remarks in the RECORD, Paul Wohl's account in the Christian Science Monitor of June 4 is set forth below:

FROM FAME TO DISGRACE—HOW A RUSSIAN AUTHOR FELL

(By Paul Wohl)

Last week the Soviet Union's most popular wartime author, Viktor Nekrasov, was thrown out of the Cinema Workers Union.

His removal was another in the string of amazing events which have taken him from the pinacle of popularity following World War II to his present state as an unemployable non-person. It is expected that he will soon be dismissed from the Writer's Union and possibly expelled from the country.

Mr. Nekrasov's most popular work came out in 1946—"In the Trenches of Stalingrad" which was publicized in 120 editions and in more than 30 countries.

FAVORABLE START

One of the book's distinctive features was that the author, himself a front-line soldier, mentioned Stalin only twice. Later he wrote a popular novel about Russia's "lost generation" and many short stories and scenarios, all of which gave his career a favorable start.

But under former Premier Nikita S. Krushchev, Mr. Nekasov got himself into hot water through a series of travel articles called "On Both Sides of the Atlantic." He pictured the West in too favorable a light, claimed the impetuous Mr. Krushchev. "Where do you write about the hovels of the poor, about unemployment and breadlines?" he asked at the time.

Later in 1969 Mr. Nekrasov found himself in real trouble when he signed a collective letter protesting the arbitrary arrest of the Ukrainian journalist and writer Vyacheslav Chornovil.

NAZI MASSACRE RECALLED

To make matters worse, he wrote a scenario of the Nazi massacre of Jews at Babi Yar and spoke on the 25th anniversary on the massacre before a group of relatives of the victims, dissenters and Jews in front of the inconspicuous stone which marks the spot of the crime.

In 1972, after serving for 30 years as a Communist Party member, he was expelled from its ranks. The set type of a book, which was to appear shortly, was destroyed, production of his film on Kiev was stopped and his name deleted from an anthology of writings about World War II.

After more than two years of interrogations, the author of Russia's most successful war novel found himself unemployed and unemployable, reduced to a small old-age pension.

In an article called "This is Russia," published on Feb. 7 in the Italian weekly L'Espreso, Mr. Nekrasov described how nine men made a 42-hour search of his home beginning on January 17 of this year.

In contrast to Stalin's day, in line with what Mr. Nekrasov called the KGB's "new style," the investigators were proper, apologizing when they took photographs from the wall, demanding permission before they examined his private correspondence.

There were no beatings, but a woman friend was subjected to a humiliating body search when she happened by during the search.

Seven bags were stuffed full of manuscripts, books, magazines, letters, photos, a typewriter, two knives, and taken away. Later, part of the confiscated objects were returned, including the knives, "perhaps because the investigators had convinced themselves that the author did not intend to murder anyone," Mr. Nekrasov surmised.

MANUSCRIPTS CONFISCATED

"But my manuscripts, not yet copied on the typewriter, are still (with the police) under examination."

More interrogations followed the search "to find literature of an anti-Soviet and slanderous character," as he was told.

Among the papers which the investigators did not touch was a speech by Vyacheslav Molotov of October, 1939, in which he discussed the concept of aggression and concluded that it was not right to wage war against the Nazis, because nazism was an idea and to wage war against an idea was absurd and criminal.

Mr. Nekrasov wondered what the investigators' attitude would have been, had they found among his papers the speeches of Beria—who later became the first scapegoat for Stalin's crimes.

FEW INTERROGATED

"I can assert without error," he wrote, that the archives of many writers who hold important positions and do not have to undergo interrogations contain much more "slanderous literature" than my archives.

Toward the end of the article the author sadly remembers his friends who have left the country and the many Russians who have had to flee after the revolution—the artist Chagal, the composer Stravinsky, the aircraft designer Sikorsky and the writer Nabokov.

"What remains?" he asks, "KGB agents write no books nor do they paint pictures or compose symphonies."

ON WHICH SIDE

During his interrogations Mr. Nekrasov was frequently summoned to choose "on which side of the barricade" he stood. He comments:

"On barricades I have not fought, but I did fight in shallow trenches for my country, for the people and for a little boy called Vitya whom I had not yet seen. I dreamed that Vitya would become a musician, a poet, or simply a man. But I did not fight so that the boy, once he had grown up, would come to my house with a search warrant in his hand to rummage through my papers, subject my visitors to body searches, and give me lessons of patriotism as he understands it."

SBA HONORS HENNESSY AS MAN OF THE YEAR

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. QUIE. Mr. Speaker, it was an honor to be a part of the award ceremonies held recently in Minneapolis honoring Thomas R. Hennessy of Camera Art, Inc., Lewiston, Minn., as this year's recipient of the Minnesota Small Businessman of the Year Award.

An examination of the record compiled shows he truly deserved this award for outstanding company leadership, financial contributions, and personal participation in the affairs of his company and community.

Small businesses like Camera Art have been the mainspring of American life and society. In examining the credentials that follow, I was impressed with the rate of growth and the pride which this firm has in its products.

BUSINESS

In 1955, Thomas R. "Bob" Hennessy began working for Camera Art as a part-time accountant while attending Winona State College at Winona, Minn. Camera Art, now a Lewiston-based company that processes color pictures for several hundred small businessmen photographers and also photographs over a million students in 2,500 schools throughout the Midwest, then was a small and floundering firm.

Incorporated at Rochester, Minn., in March 1955, the originators moved the business to Lewiston when a group of local businessmen raised several thousand dollars in cash to establish the village's first commercial/industrial firm. After 6 months, the cash was depleted, as was a $10,000 note from a Lewiston bank. After all of Camera Art's originators left, two local businessmen, cosigners on the note, asked Hennessy to drop his studies and assume control of the firm.

Hennessy agreed and, with local support behind him, he took to the road, calling on schools and signing contracts for the next season's photography. Then he set about to learn every phase of the company's business, from snapping camera shutters to printing pictures, to retouching negatives.

Soon the business began to show promise, and local investors who had thought their investment had been lost provided more money to sustain first-year losses. With Hennessy's energy and management, with community backing and support, the business began to grow, slowly but steadily. Each year, another full-time person was added to the staff, and many Lewiston area housewives began working on a seasonal, hourly basis.

Today, the company is showing a dramatic growth rate with sales increasing at a rate of about 25 percent per year. And each year company profits grow at a pace matching sales. For the fiscal year ending December 1973, the company will earn $300,000—after taxes—on $4,000,000 in sales. This rate of growth is at a much faster pace than is the photographic industry as a whole.

Much of the company's success is believed due to Hennessy's insistence on the highest standard of quality with unmatched service. Putting his accounting background to use, Hennessy has established one of the most sophisticated cost accounting systems in the photo processing industry. His firm is the leader in establishing product prices based on known costs rather than merely following competitive pricing levels. The company consistently maintains a good profit-to-sales ratio. In fact, Camera Art's success over the past few years recently has attracted the attention of a number of acquisition-minded national companies.

The firm, under Hennessy's management, is highly regarded in both the school photography and the professional color finishing industries. In financial surveys made by Eastman Kodak Co., Camera Art ranks high in the percentile of efficiently operating finishers. In addition, it is recognized for the many innovations that it has pioneered to increase color processing efficiency. Camera Art holds a patent on an automatic film feed system for printing color negatives. It employs both an electronics engineer and an industrial engineer with a complete machine shop in order to keep pace with the industry's rapidly changing technology.

In recent years, Hennessy has assembled an outstanding management team consisting of two division managers, a vice president of sales, a plant manager, a manager of research and development, and a controller.

With his accounting background, Hennessy provides the financial leadership. He frequently seeks outside counsel, and retains a tax certified public accountant, an attorney, and a bank president. His ability to listen to advice, to apply sound suggestions to his own business, and to make decisions with the help of his executive staff, contribute much to the company's success.

Camera Art has a unique advisory committee comprised of 35 of the top supervisory staff. Such participatory decision-making on the part of staff and management explains in part why the loyalty and esprit de corps of the employees is well above the average.

COMMUNITY

Hennessy, through Camera Art, has been a vital factor in Lewiston's growth over recent years. The village's population has grown nearly 25 percent over the decade with homebuilding activity reported still up at present.

When housing became critically short several years ago, Hennessy, responding to a request from the village council, invested his own capital in developing a 55-site mobile home court. Many of the occupants are young Camera Art employees and their families. Much of the activity in older home sales are now with the company's 350 employees—as is new home construction.

In addition, while serving as president of the Lewiston Businessmen's Association, Hennessy spearheaded a drive to obtain low-income housing for the community. He was instrumental in obtaining a $105,000 Federal loan to build an eight-apartment complex. Hennessy still remains as chairman of the board of Lewiston Manor, Inc., a nonprofit organization. The organization just received another Federal loan to build an eight-car garage for the apartments.

The village of Lewiston has prospered and grown along with Camera Art. For a small village of 1,000, Lewiston is remarkable in that it has all modern paved streets with curb, gutter, and sidewalks. A new water tower and village well were added a year ago and the community has installed a new sewer system. A new high school was completed recently and the district has passed a $1.2 millon bond issue to construct a new elementary school. The village has a swimming pool, parks, and excellent recreational facilities.

Many of the company's executives are active in Village Council, Village Planning Commission, Businessmen's Association, Activity Group, the Jaycees, Lion's Club, church groups, and other organizations committed to working for the betterment of the local community as well as for regional and national objectives.

Hennessy's involvement in civic, professional, and cultural groups is a broad one. He is president of the American Association of School Photographers, a member of the Professional Photographers Association of America, a member of the Professional Color Lab Association, and a member of the Minnesota State Professional Photographers.

He has been a member of the Lewiston Activity Group, the Jaycees, Winona Redmen Club, and served on the advisory board to the Lewiston School District. Hennessy is a member of the board of governors of the Winona Country Club. He has been a member of the Lewiston Legion Club since his release from active military service in 1954.

The people of Lewiston respect Hennessy for his many contributions to the community. On both a business and social level, the company has done much to enrich the area's quality-of-life standard. Each year some 200 to 300 photographers are attracted to Lewiston to attend a company-sponsored seminar designed to upgrade their photographic and business skills. Camera Art sponsors a Christmas dinner for all employees and their guests plus a picnic in the summer. Camera Art sets the example and leadership for social functions at the recently built Cady Golf and Recreation Center within the village. Both Hennessy and his wife head different committees at this club.

Hennessy served with the U.S. Army in the Korean theater of operations from December 1952 to July 1954. He rose to the rank of battalion sergeant major with the 26th AAA AW Battalion of the 24th Infantry Division. Upon release from active military duty, he received a direct commission in the U.S. Army Reserve where he attained the rank of first lieutenant with the 419th Military Government Company, based in Winona. While on active duty, Hennessy received one Battle Star and several other service awards, including the Commendation Ribbon for Meritorious Service.

SOVIET OIL DEAL A DRY HOLE FOR UNITED STATES?

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. ASHBROOK. Mr. Speaker, during the past few months, Americans have been flooded with assertions about the great benefits of trade with the Soviet Union. Many times the asserted benefits are described as important products the United States will someday receive in return.

An exponent of this view is the U.S. taxpayer-subsidized Export-Import Bank. In recently extending a $180 million low-interest loan to help finance a Soviet fertilizer complex, for example, the Export-Import Bank claimed the United States would get much-needed ammonia and urea fertilizers in return. Likewise in considering a credit application to finance oil and gas exploration in Eastern Siberia, the prospect was held out of future oil and gas shipments to help alleviate America's energy shortage.

The advantages cited by the Export-Import Bank, however, are far more illusory than real. The extremely tenuous nature of these predicted benefits is illustrated by the recent statement of Soviet Oil Minister Valentin D. Shashin.

According to the May 28 edition of the Washington Star-News, Mr. Shashin told a group of American newsmen that the Soviet Union has "no agreements for participation in exploration with anybody, anywhere, in respect to either oil or gas deposits, and I think there will not be any . . . We are not asking for help from anyone. We have enough resources. We are managing by ourselves."

Where this leaves American hopes of receiving Soviet oil and gas reserves is unclear. Despite the claims of avid supporters of expanded United States-Soviet trade, Soviet oil wells may well prove dry holes for the United States.

Following is the text of the Star-News article:

NO OIL DEALS, MOSCOW HINTS

The Soviet Union has signaled both the West and Japan that their dreams of sharing in development of Siberia's vast oil resources may remain just dreams. Soviet Oil Minister Valentin D. Shashin told a group of American newsmen in Moscow today that the Soviet Union has "no agreements for participation in exploration with anybody, anywhere, in respect to either oil or gas deposits, and I think there will not be any." He specifically ruled out major oil sales to Japan, but refused to discuss two huge proposed deals with American firms for natural gas. "We're not asking for help from anyone. We have enough resources. We're managing by ourselves," Shashin said. Where that leaves Occidental Petroleum's preliminary agreement to buy Siberian natural gas, or three Texas firms' hopes to do the same, or Japan's dream for a trans-Siberian pipeline, is anybody's guess.

REPLY TO "URGENT" COLLEAGUES

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. GUNTER. Mr. Speaker, there appeared sometime yesterday afternoon a "Dear Colleague" letter marked "Urgent" circulated with some haste and concern to Members of the House, and which attempted to persuade recepients that the Venezuela sugar suspension quota to be offered by Mr. ROSE of North Carolina and myself ought to be defeated.

It is not clear to me why the Members circulating it felt our modest proposal expressing the concern of U.S. consumers victimized by Venezuelan oil pricing policies should be the subject of such urgent concern.

However, I submit at this point in the RECORD my own reply to that letter, also marked "Urgent."

The text follows:

URGENT

JUNE 4, 1974.

DEAR COLLEAGUE: The following is in response to the statement opposing efforts to suspend the Venezuelan sugar quota circulated on an *urgent* basis by six Colleagues. The amendment I and Mr. Rose will be offering to suspend the quota has the support of six of my other colleagues, Mr. Rosenthal, Mr. Sisk, Mr. Vanik, Mr. Whitehurst, Mr. Bennett and Mr. Lehman. I believe the following facts fully answer the reservations expressed in the *urgent* statement being circulated:

Venezuela *did* increase oil shipments to the U.S. during the last quarter of 1973 and at the height of the Arab boycott by 40 per cent—but only by extracting exhorbitant prices designed to take full advantage of our temporary weakness. Those prices increased from under $3 a barrel in January 1973 to a present average posted price of $14.08. Among OPEC countries, Venezuela has agitated for increased prices, and early this year announced it would require payment of royalties by diverting 100,000 barrels rather than accepting cash in payment.

Opponents argue the amendment would be of such minor economic force it could not conceivably lead to an oil price rollback. Yet it is precisely intended that we do not at this time assert massive economic retaliation—but to express our concern in Congress in clear, symbolic form, by sending a message, a message backed by the full economic weight and resources of the United States. In 1973, the U.S. supplied Venezuela with $1 billion of American goods, including 95 per cent of its imports of wheat.

The argument that Venezuela oil prices only reflect prevailing worldwide oil prices, and that they should not therefore be subject to sanction, ignores the fact an oil cartel Venezuela has helped form and lead artificially hiked oil prices four-fold, devoid of an economically responsible rationale, unnecessarily, and with grave impact on not only the U.S. but the poorest Third World nations. A unilateral rollback by Venezuela, contrary to the opponent's arguments, would alter the price of 27 per cent of U.S. oil imports, regardless of its impact on world price structure.

Venezuela's "responsible and businesslike" behaviour toward U.S. business investment is not exemplified in accelerated expropriations recently announced; nor continued agitation for exorbitant and extortionist oil prices; nor by the wholesale victimization of U.S. consumers, many on small fixed incomes, in 19 states representing New England, the Mid-Atlantic region, the Southeast, and California and Hawaii.

Opponents who feel passage of the amendment would be interpreted as "highly discriminatory, unfriendly and unjustified" action singling out Venezuela presumably approve of current oil pricing policies of Venezuela working such hardship on tens of millions of Americans.

The "broad and complex" foreign policy issue mentioned has become "broad and complex" in the context in which the U.S. for three years has formulated no policy to protect basic, minimum economic rights and interests of the American people, and in the absence of any evidence the State Department or any other body contemplates any response. Indeed, the essential argument of the opponents is that there is nothing that can be done, no policy which can be devised, no effective action to be taken, and that the U.S. must remain powerless to protect our own consumers—all in the name of delicate foreign relations, which seem to better serve the interests of Venezuela than the United States.

The argument that the U.S. ought not to act "unilaterally" in an effort to force down oil prices does not explain why it was "unilaterally" right for the OPEC oil cartel to increase oil prices to its world customers four-fold within a year's time with no economic justification and wreaking havoc with the world economy in the meantime.

Nor does it explain why the "unilateral" effect oil prices charged by Venezuela is having on average U.S. consumers in 19 States should not be dealt with by taking "unilateral" action to place the Congress on record in support of the minimum vital economic rights and interests of U.S. citizens.

The opponents state: "Enactment of this amendment would only serve to create concern among all other U.S. trading partners."

That is precisely what it is intended to do and hopefully will do!

Far from being "contrary to the best domestic and foreign policy interests of the United States," the amendment and action proposed will signal a clear end to the long period in which those interests have clearly been unobserved and ill-served by the present, continuing absence of any policy or formulation of effective response. The State Department is unable to provide even meager assurances polices will in the foreseeable future be formulated to serve "the best domestic and foreign policy interests of the United States."

Colleagues who feel present policies adequately serve the best interests of their constituents may wish to consult with them. My constituents in Florida, including elderly and disabled on small fixed incomes, view increases in utility bills greater than the social security increase this House recently voted, and cannot find the same merit to the present absence of policy, nor find belief that the best domestic and foreign policy interests of the American people are in fact being served at all.

It is time to send a message to Caracas.

Sincerely,

BILL GUNTER,
Member of Congress.

GOLDFINGER WARNS AGAINST CHANGE IN CONSUMER PRICE INDEX

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. FORD. Mr. Speaker, in April, the Commissioner of Labor Statistics suddenly announced the administration's plan to change the base on which the Consumer Price Index is now computed. Organized labor's top economist, Mr. Nathaniel Goldfinger, recently warned that the projected conceptual change would have a direct and chaotic effect on 5 million workers whose wages are tied directly to the CPI. Several million others would be indirectly hit because the index is a factor in contract negotiations and collective bargaining.

The present Consumer Price Index, operating since World War I, is based on the buying patterns of the average American. The Nixon plan is to add the high salaried self-employed professional, executive, and others equally unrepresentative of the national norm as far as purchasing power is concerned. This radical change would distort the picture of the cost of living facing the American worker. If the new formula had been in effect over the last 3 years it is highly probable that the rate of inflation would have been substantially understated.

Modernizing the Consumer Price Index is a laudable object but any update done must not change the basic concept of the index, which is exactly what the projected administration plan would do.

I join with Mr. Goldfinger in the view that should Nixon continue his campaign for a new CPI, it would raise serious questions as to whether or not the administration is not seeking to hide from America the real state of the economy. Juggling statistics is one way of withholding information we are not going to let Mr. Nixon get away with.

At this point I insert into the RECORD this text of a panel discussion on this topic between Dr. Goldfinger and several noted labor correspondents. This was held Tuesday, May 7, 1974, by the Mutual Broadcasting System.

The text follows:

Nixon Push To Revamp Consumer Price Index

Guest: Nathaniel Goldfinger, director of AFL–CIO's Department of Research.

Reporters: Tom Joyce, labor correspondent for Newsweek magazine. Donald Finley, labor correspondent for United Press International.

Moderator: Charlie Hughes.

Mutual Announcer. The following time is presented as a public service by this station and the Mutual Broadcasting System.

Hughes. Labor News Conference. Welcome to another edition of Labor News Conference, a public affairs program brought to you by the AFL–CIO. Labor News Conference brings together leading AFL–CIO representatives and ranking members of the press. Today's guest is Nathaniel Goldfinger, director of the AFL–CIO's Department of Research.

The labor movement has branded outrageous the Administration's plan to scrap the Consumer Price Index that has underpinned sound and stable labor-management relations and collective bargaining for more than 60 years. If that move succeeds, millions of workers whose wages are tied to the CPI directly by union contract or by practice will suffer serious adverse effects. Here to question Mr. Goldfinger about the proposed CPI changes, why they have been advanced and the effect of the plan if it succeeds, are Tom Joyce, labor correspondent for Newsweek magazine, and Donald Finley, labor correspondent for United Press International. Your moderator, Charlie Hughes.

And now, Mr. Joyce, I believe you have the first question?

Joyce. Mr. Goldfinger, the Bureau of Labor Statistics says it is simply changing the Consumer Price Index. It is your contention that it is scraping the Index. Could you explain what you mean by that?

Goldfinger. Well, Mr. Joyce, we have examined this issue in great detail.

The Commissioner of Labor Statistics, on April 5, suddenly announced he was moving to so change the Consumer Price Index as to really destroy it.

Now, if you change the whole concept of the Index, and you change the group of people involved in the surveys on which the Index is based, and you change the retail outlets where people buy food and other goods—if you make all of those kinds of changes and the other kinds of changes that the Bureau of Statistics is now moving ahead on—you then would have an altogether different Index.

We insist—and there are many members of the Senate of the United States and the House of Representatives who agree with us on this—that what the Bureau of Labor Statistics is now doing is destroying the Consumer Price Index—with its essential historical continuity going back some 60 years—and attempting to create a new Index, with which neither they, nor we, nor anybody else has any experience.

Joyce. How will this affect the average working man in this country?

Goldfinger. Oh, it will have devastating effects, Mr. Joyce—it would create confusion and chaos.

For example, more than five million working people now have their wages tied directly to changes in the Consumer Price Index under the terms of collective bargaining contracts with employers. In addition, the wages of millions of other workers are related to the Consumer Price Index indirectly, as a factor in negotiations and collective bargaining with employers.

And beyond all of that, the incomes of millions of other Americans—retired people and civil service employees—are either directly or indirectly tied to changes in the Consumer Price Index.

For the Bureau of Labor Statistics to suddenly shift from this tried and established Index, with 60 years of experience behind it—where everybody has an idea of what the Consumer Price Index is—to move from that Index to an altogether new Index—a new concept, a new measurement—would be devastating. How could anybody expect unions to negotiate long-term agreements—including wage escalator clauses—based upon a totally new Index.

We don't know what the Index would measure; we don't know what the Index changes would be; it's like buying a pig in a poke.

Management is up against the same problem.

The Commissioner of Labor Statistics, Mr. Julius Shiskin, admitted to a Senate subcommittee—a public hearing—that he did not know how this Index would move.

All of this is bound to create chaos; unions would have to re-examine the wage-escalation clause; management would have to re-examine the wage escalator clauses.

Both unions and managements would have to re-examine the entire issue of long-term collective bargaining contracts.

The kind of change the Bureau of Labor Statistics is now engaged in is bound to create chaos in labor-management relations.

Finley. Mr. Goldfinger, you seem to be objecting to the suddenness and uncertainty of this. Is there any possibility, in your view, that the CPI can be improved, if it is done in a carefully planned way and unions can then adjust their contract clauses to the new CPI?

Goldfinger. Mr. Finley, we have never objected to the Bureau of Labor Statistics updating and modernizing the Consumer Price Index—this has been regular procedure every ten years.

Organized labor has supported the Bureau of Labor Statistics in its efforts to update and modernize the Index.

Findley. They are proposing to broaden it, rather than just update it. Is that your objection?

Goldfinger. That is the issue, Mr. Finley. What they are proposing and moving ahead to do now is not simply to update and modernize the Index, they are bringing into the Consumer Price Index—into the basic concept—not simply urban wage-earners and clerical workers, but also the self-employed professionals, the executives and the high-salaried people, as well as urban workers and clerical workers—and the unemployed and retired.

As a result of this, the basic concept of the Consumer Price Index is now being destroyed.

Let me add one more thing.

When the Consumer Price Index was first established during WW I, it was based upon the previous experience of the Bureau of Labor Statistics, running back to about 1905. The Index was based upon the buying patterns and the prices of goods and services that were bought by urban wage-earners and clerical workers. It had the basic concept of attempting to develop an approximation of the prices paid by real people, real families, based upon a survey of the buying patterns and the prices paid by urban wage-earners and clericals, who are a fairly homogenous group—and a large portion of the population about—55% or so of the urban population and something like 45% or so of the total population of the country.

Suddenly, the Bureau of Labor Statistics wants to add all kinds of other groups to this Index and, we insist, destroy the historical continuity—the whole meaning of the Index—and also destroy the idea that this Index is an approximation of what people buy and the prices they pay for goods and services—real people, real families—not some statistical abstraction.

Joyce. Mr. Goldfinger, I'm not sure I understand how the inclusion of high-salaried people would affect the reflection of prices of, say potatoes or appliances.

Goldfinger. Well, it would be along the following lines, Mr. Joyce.

Urban wage-earners and clerical workers—that is, low- and middle-income families and individuals—spend a certain portion of their income on food. High-salaried people—executives, supervisors, professionals, the upper-income groups generally—spend a much smaller portion of their income on food.

Now, to follow through on that issue, if this new Index has been in existence over the past three years, we of organized labor are convinced that it would have understated—perhaps substantially understated—the rate of inflation.

Joyce. In these times of ever-rising prices, isn't there a danger in making any kind of change in the CPI, in that it could be interpreted as juggling figures?

Goldfinger. Yes—I certainly think so—and we of organized labor think so.

We have warned the Bureau of Labor Statistics that if they persist in implementing their radical revision of the Index and creating a completely new Index, their action will again raise questions about what the Nixon Administration is trying to do to key economic statistics.

Are they trying to break the thermometer in a period of raging inflation, because they don't want people to know how fast prices are moving up?

There are great dangers—and not only to labor-management relations.

There are great dangers to the credibility of government statistics involved here.

Finley. Mr. Goldfinger, the BLS has had something of a reputation in the past of being a semi-independent agency, at least, and nonpolitical. What do you think is the reason for them wanting to change the CPI? Is it just the statisticians getting together and deciding they can improve the statistics, or, is it politics? What's behind it?

Goldfinger. Frankly, Mr. Finley, I don't know the answer to that question—I don't know whether or not there is a political ploy here, with an attempt to manipulate the statistics.

But, I think it is fairly clear that some government statisticians and some academic statisticians are interested in creating a new abstract Index, which would be a kind of academic exercise.

There seems to be no concern—or very little concern—about the practical effect of this.

Once again, if you look back at the Consumer Price Index, you find that all through the history of the Bureau of Labor Statistics—running all the way back into the early 1900's—that's what they were trying to create from the beginning under the leadership of the first Commissioner of Labor Statistics, Dr. Carroll D. Wright—they were trying to create a Consumer Price Index for urban wage-earners and clerical workers; they were attempting to assist working people and employers in labor-management relations; they were attempting to measure price changes as they effect urban wage-earners and clerical workers.

Finley. Mr. Goldfinger, is there any indication that anyone aside from the BLS and the Administration wants to make these changes?

Goldfinger. I know of no pressure on the Bureau of Labor Statistics to make these changes at this point.

Back about 16 years ago, an academic committee was set up by the National Bureau of Economic Research, an independent group located in New York. The committee was headed up by Professor George Stigler of the University of Chicago.

This group of academicians came up, at that time, with a large number of suggestions for changes in the Consumer Price Index, including a change along the lines that the Bureau of Labor Statistics is now moving to put into effect.

At that time, the Bureau of Labor Statistics rejected the main thrust of the Stigler committee's report. Furthermore, in its rejection, the Bureau of Labor Statistics stated that "The committee," referring to the Stigler committee, "has not distinguished adequately between government statistics produced for use in public and private economic decision-making, and a university research project." That is a quote from the Bureau of Labor Statistics comments back in 1960.

Now, one of the issues today is that the Consumer Price Index is not an abstract set of statistics; it is one of the key sets of economic data provided by the U.S. government to the American people—to labor and management, and to the Congress of the United States—for practical purposes, such as labor-management relations.

We are not dealing with a research project in a classroom—this is not an academic exercise.

JOYCE. Mr. Goldfinger, is it your position that the gross national product deflater fills the larger bill, while the CPI should fill a much narrower bill?

GOLDFINGER. Yes, Mr. Joyce, that is exactly what we of the AFL-CIO stated to the Senate subcommittee hearings several weeks ago.

There is a price deflater for the gross national product; there are various components to the deflater that is produced by the U.S. Department of Commerce. And it is appropriate for the Department of Commerce to produce that kind of deflater for their purposes.

But the Consumer Price Index has some very practical uses, such as in labor-management negotiations and in the determination of what people—actual wage-earners and clerical workers pay for the things they buy.

FINLEY. Mr. Goldfinger, what is organized labor—the AFL-CIO specifically—going to do to try to head off this change in the CPI?

GOLDFINGER. Well, Mr. Finley, we are flatly opposed to the destruction of the Consumer Price Index with its 60-odd years of essential historical continuity and public acceptance.

FINLEY. Does Congress have to approve it?

GOLDFINGER. Well, the Congress would be asked by the Bureau of Labor Statistics for appropriations for their new Index.

Furthermore, Senator Proximire (D) of Wisconsin has introduced a bill which provides that "Notwithstanding the compilation or publication of any other Index, the Secretary of Labor through the Bureau of Labor Statistics, shall continue to compile and publish a Consumer Price Index measuring the changes in consumer prices of goods and services, which is based upon prices paid by urban wage-earners and clerical workers."

That is our approach.

HUGHES. Thank you, gentlemen. Today's Labor News Conference guest was Nathaniel Goldfinger, director of the AFL-CIO's Department of Research. Representing the press were Donald Finley of United Press International and Tom Joyce of Newsweek magazine. This is Charlie Hughes, inviting you to listen again next week. Labor News Conference is a public affairs production of the AFL-CIO, produced in cooperation with the Mutual Broadcasting System.

MUTUAL ANNOUNCER. The preceding program time was presented as a public service by this station and the Mutual Broadcasting System. The opinions expressed are solely those of the participants.

STATE DEPARTMENT FAILS TO PROTECT U.S. CONSUMERS

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. GUNTER. Mr. Speaker, because of its relevance to the debate regarding the amendment to be offered by Mr. ROSE and myself to suspend the Venezuelan sugar quota until rational oil pricing policies are restored, I reprint herewith in the RECORD the text of a press release issued this week concerning the failure of the State Department to adequately protect the interests of U.S. consumers.

The text follows:

GUNTER CHARGES STATE DEPARTMENT FAILS TO PROTECT INTERESTS OF U.S. CONSUMERS

WASHINGTON, D.C.—Congressman Bill Gunter charged today that the U.S. State Department "has been all but useless in representing the interests of average American consumers and businessmen from the effects of price gouging on oil by foreign countries, including Venezuela."

The State Department, Gunter said, "is showing more concern and solicitude for the welfare of huge multinational oil conglomerates doing business in Venezuela than it has been able to summon on behalf of the average American faced with skyrocketing fuel bills."

Gunter plans to offer an amendment to the U.S. Sugar Act when it reaches the House Floor this week that would suspend Venezuela's sugar quota until that country lowers its present prices for oil.

In a statement issued from his Washington office, Congressman Gunter said, "This is not the first time that there have been disturbing indications that whoever the U.S. State Department may be representing in its international dealings with other countries, it is not the average consumer."

Gunter noted that when the single largest U.S. independent supplier of crude oil to independent U.S. refiners was swallowed up over Justice Department protests by the huge Burmah Oil Co. Ltd., of London, a U.S. State Department official contacted the Justice Department to express the interest of the British Government in the merger.

The U.S. Justice Department's antitrust division is still investigating the possibility Burmah's acquisition of the independent U.S. firm, formerly Signal Oil & Gas Co., is in violation of U.S. antitrust laws, Gunter noted.

Congressman Gunter and U.S. Sen. Floyd Haskell (D-Colo.), chairman of the Senate subcommittee on integrated oil operations, tried unsuccessfully to halt the merger before it went through. The merger was subsequently the subject of Senate hearings in which Gunter participated.

"Meanwhile," Gunter continued, "Burmah Oil Ltd. has taken over Signal's interest in the North Sea oil fields, and again the Senate Department has sat idly by doing nothing while Great Britain moves to assert ownership of all the oil in the North Sea, oil discovered and developed under the management of an independent U.S. firm—Signal Oil and Gas."

Gunter charged the State Department "has been unable in three years to come up with an idea for dealing with the outrageous economic extortion practiced against American consumers by the Arab and other oil producing nations of the Mideast, and by Venezuela, one of the founders of the Organization of Petroleum Exporting Countries (OPEC).

"Nor is there any indication the State Department will be able to come up with any ideas anytime in the next three years."

While Venezuela has increased its oil prices to the U.S. fourfold in the past year, Gunter said, the State Department "appears to be devoting its exclusive attention to helping multinational oil conglomerates faced with nationalization get the best financial settlement for themselves possible—and no attention at all to the average citizens of Florida and other States forced to pay exhorbitant fuel bills.

"The multinational conglomerates, with their 800 per cent increase in profits, can probably take care of themselves, since collectively they are larger than the entire U.S. State Department. The average U.S. oil consumer, unfortunately, seems to have no one going to bat for him with the foreign oil producing nations."

Gunter said the State Department has indicated to him that it opposes his amendment to suspend Venezuela's sugar quota. because of "very delicate negotiations" between the U.S. and Venezuela.

"The Vietnam War dragged on 10 years while we were told not to take action in Congress for fear of upsetting very delicate negotiations," Gunter noted. "Will it take 10 years to get Venezuelan oil prices back down to a fair and sane level as the result of similar arguments?"

PHILIPPINE-UNITED STATES PACT TO EXPIRE, TRADING PATTERNS SEEN ALTERED

HON. PETER N. KYROS

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. KYROS. Mr. Speaker, the United States has maintained a bilateral treaty with the Republic of the Philippines since that country was granted independence on July 4, 1946. The current agreement, signed in 1955, will expire on July 3 of this year. It is my understanding that negotiations on a successor treaty to the so-called Laurel-Langley Agreement, will begin shortly.

In light of the these discussions, I would like to draw attention to an article by David B. Dlouhy, published in Foreign Agriculture, an official publication of the Department of Agriculture's Foreign Agricultural Service. Mr. Dlouhy's article highlights some of the restrictions encountered by U.S. agriculture in trading with the Philippines, restrictions which have had a significant impact on U.S. farmers and consumers.

Given the importance of sugar in United States-Philippine relations and the forthcoming House consideration of H.R. 14747, this information should be of benefit to all those interested in future United States-Philippine relations and the content of any new treaty.

[From Foreign Agriculture, May 20, 1974]

PHILIPPINE-UNITED STATES PACT TO EXPIRE, TRADING PATTERNS SEEN ALTERED

(By David B. Dlouhy, Trade Negotiations Division, Foreign Agricultural Service)

The Philippines, leading supplier of sugar and coconut oil to the United States, is rapidly diversifying both import suppliers and export markets for agricultural products. As a result, the United States is losing its predominant market share, and Japan last year emerged as the country's No. 1 trading partner.

Underlying the trade shift is a preference for regional trade, that is, with other countries in the Pacific area. Also significant, however, has been the gradual phasing out of reciprocal trade preferences with the United States, initiated under the Trade Agreement of 1946 and continued through the Trade Revision Agreement of 1955—widely known as the Laurel-Langley Agreement—which is due to expire on July 3, 1974.

The United States has maintained a special relationship with the Philippines since the islands were granted independence on July 4, 1946. At that time, certain economic incentives were thought to be necessary to aid the growth and transition of the Philippine economy from its colonial status to a new position as a developing independent economy. Although expiration of the Laurel-Langley Agreement will not erase that special relationship, it will signal a new phase in U.S.-Philippine relations.

Negotiations on a proposed successor Treaty of Amity and Economic Relations are scheduled to begin in early June. These negotiations will afford both countries an opportunity to review developments, particularly regarding the status of land owned by American citizens that was acquired during Laurel-Langely and preceding agreements and the future shape of U.S.-Philippine trade.

During the 20 years that the Laurel-Langley Agreement has been in effect, agricultural trade between the United States and the Philippines has become increasingly imbalanced. In 1973, two-way trade left the United States with a deficit of $249 million. That year, U.S. exports amounted to $418 million, of which $117 was in agricultural products, according to U.S. trade statistics. This imbalance resulted in part from import restrictions imposed by the Philippines, which have affected exports of certain important U.S. agricultural commodities.

The U.S. share of Philippine farm imports was 53 percent in 1973, compared with 45 percent in 1972, and 54 percent in 1970.

In 1973, total Philippine farm imports expanded in value by 21 percent over 1973 levels. The U.S. share rose, largely because of higher costs for grain imports. But agricultural imports comprise only about 15 percent of all Philippine imports and are less than a third of the value of the country's agricultural exports. In the future, the source and volume of all Philippine imports are likely to depend on the availability of bilateral credit and long-term repayment facilities.

Total U.S. imports from the Philippines amounted to $666 million in 1973 with farm products accounting for 69 percent or $465 million, an increase of 37 percent over the 1972 total of $339 million. Thus, the Philippines remained the leading non-Western Hemisphere supplier of agricultural commodities to the United States, with the majority of trade consisting of sugar, coconut oil, copra, dessicated coconut, canned pineapple, tobacco, and abaca.

Of the five major commodities imported by the United States, only sugar and coconut oil showed an increase in volume, despite the large value increase in trade. Sugar imports climbed from 1.18 million tons in 1972 to 1.453 million in 1973. The value of U.S. sugar imports from the Philippines rose from $204.8 million in 1972 to $274.5 million in 1973.

Higher prices for dessicated coconut, coconut oil, copra, and pineapple—most important next to sugar—boosted the value of imports, but only coconut oil was imported in larger quantities. U.S. imports of abaca were slightly higher in 1973, while tobacco imports declined somewhat.

One important feature of the expiring Laurel-Langley Agreement is a system of bilateral tariff preferences. These have been adjusted upward periodically to reach the level of each country's most-favored-nation (MFN) rates. In 1973, the preferential tariffs, as well as quotes on U.S. imports of Philippine sugar, tobacco, cigars, abaca, and coconut oil resulted in a saving of $9.3 million, the difference between the preferential and MFN rates. On January 1, 1974, however, these tariff preferences reached 100 percent of respective MFN rates for most products traded between the two nations.

Transitional duties will remain in effect between January 1 and July 3, 1974, for U.S. imports of Philippine sugar, tobacco, and coconut oil. At present, the duty on sugar, cigars, pineapples, and tobacco is 100 percent of the Cuban preferential rate. But on July 4, 1974, all Philippine imports will be subject to 100 percent of the U.S. MFN rate.

The Laurel-Langley Agreement sets U.S. import quotas for Philippine sugar, abaca cordage, coconut oil, tobacco and cigars. The forthcoming expiration of the Agreement has given rise to a number of important questions concerning these commodities.

SUGAR

Virtually all sugar exported by the Philippines is imported by the United States. Over the period 1968–73, annual receipts from exported sugar have averaged about $200 million, or some 20 percent of the value of total Philippine exports.

In 1955, under the Laurel-Langley Agreement, the United States granted the Philippines a base sugar quota of 980,000 short tons annually, raw value basis. The quota has subsequently been revised upward and currently is about 1.6 million short tons. This includes an adjusted base quota of 1.1 million short tons, plus a 30 percent share of the deficit in domestic and foreign production.

Probably one of the most important effects of the Agreement's termination will be removal of the Philippines' minimum guaranteed sugar quota. After July 1, the absolute quota could be reduced below the base 980,000 short tons, if the U.S. Congress so desires.

The Agreement's expiration is one of several factors that could affect the future of Philippine sugar trade. In 1974, the U.S. Sugar Act, the International Sugar Agreement, and the Commonwealth Sugar Agreement are all slated for renewal.

ABACA

Over 82 percent of all raw abaca, a hard vegetable fiber, is cultivated in the Philippines; none is grown in the United States. Raw abaca is used in the manufacture of cordage products and specialty papers such as coffee fibers, tea bags, vacuum cleaner bags, and packaging products.

The Philippines is attempting to discourage exports of raw abaca for manufacture of cordage. Exports of raw abaca are subject to a 4-percent export tax and a differential duty over exports of manufactured cordage.

As part of a proposed new trading arrangement, the Philippine Government has expressed support for quota-free—but not necessarily duty-free—cordage exports to the United States. Currently, this change is scheduled to be implemented automatically when the Agreement expires.

But the Philippines may be unable, at least in the short run, to increase exports of raw or finished abaca. Fuel shortages, which have hampered harvesting, and the rising emphasis on cultivating banana instead of abaca have decreased the availability of raw abaca.

In addition, competition from synthetic cordage for the rope market and from producers for raw abaca have pushed up costs and cut supplies. U.S. domestic sales of abaca cordage have declined over the past 5 years, owing to a falloff in domestic consumption.

Nevertheless, exports to the United States from the Philippines have remained remarkably stable in the last 5 years. The United States has imported about 19,000 long tons of Philippine raw abaca in each of the last 5 years, except for 1971, when hurricane damage reduced the import volume to 16,000 long tons.

Under the annual 6-million-pound quota, U.S. imports of abaca cordage were 6 million in 1973. All items imported under the quota are finished cordage products, except for yarn, which is a semimanufacture used to process finished cordage. Yarn represents only a minor portion of total imports subject to the quota.

U.S. production of abaca rope—over 3/16-inch diameter—declined from 41.5 million pounds in 1968 to 24 million pounds in 1973. During the same period, domestic consumption of all hard fiber rope—including abaca, sisal, and henequen—fell from 65 million pounds to 52.2 million pounds. Imports of cordage from all sources now account for about 93 percent of the U.S. cordage market, as opposed to 15 percent in 1950.

COCONUT OIL

The United States is the world's largest importer of coconut oil. The Philippines is the largest producer and supplier, with about 75 percent of Philippine coconut oil exports going to the United States. Traditionally, the Philippines is virtually the sole U.S. supplier of coconut oil.

Under the provisions of the Laurel-Langley Agreement, the Philippines was granted a declining, annual tariff-free quota and a preferential duty. From January 1 to July 3, 1974, all Philippine oil will enter the United States at the preferential rate of 1 cent per pound, while oil from all other sources enters at 3 cents per pound.

When the Agreement expires, oil from all sources, including the Philippines, will enter at the 1-cent-per-pound rate of duty.

The Philippines has indicated a renewed interest in abolition of the U.S. duty on coconut oil. The European Community (EC) recently acceded to Philippine requests for reduction of the 5-percent EC duty on inedible coconut oil. The resulting 50 percent decrease is, however, only a movement toward near-equivalency with the United States.

Expiration of the Agreement will likely have little effect on U.S. imports of Philippine coconut oil, but U.S. copra crushers and agricultural groups have favored retaining the duty. This is partly an effort to obtain equal treatment for U.S. agricultural exports and related interests in the Philippines.

Historically, the domestic crushing capacity of the Philippines has been below the level of copra production, necessitating exports. With expansion of copra crushing capacity, a further decline in exports is anticipated. Coconut oil exports, however, are expected to increase, as is pressure for further duty reductions in major markets.

The Philippines shipped 620 million pounds of oil in 1973 in excess of their tariff-free quota of 89 million pounds. U.S. imports of Philippine coconut oil, both within and over the quota, amounted to $93.8 million in 1973, out of total coconut oil imports of $94 million.

While 86 percent of coconut oil imports were subject to the U.S. duty in 1973, compared with 47 percent in 1966, imports in 1973 increased by 6 percent. Nonetheless, reduction or removal of the 1-cent-per-pound U.S. duty would improve the long-term competitive position of coconut oil.

In an effort to restrict raw exports, consolidate crushing activities, and increase tariff revenue, the Philippine Government has attempted to restrict copra exports through taxes or export bans.

As a result of this and other economic considerations, the last remaining U.S. copra crusher terminated operations as of April 30, 1974.

TOBACCO

Expiration of duty-free quotas and preferential tariffs will likely have little effect on U.S. imports of Philippine tobacco and cigars, since these items are competitively priced in relation to other supply sources.

Since the Agreement was initiated, U.S. imports of Philippines scrap have increased substantially. In 1973, 1.3 million pounds of scrap entered at the preferential rate of 12.6 cents per pound. Little of the Philippines duty-free quota has been utilized by filler in unstemmed form.

After July 1, 1974, application of the MFN duty—which will rise from 3.5 cents a pound to 16.1 cents—will increase the cost of Philippine tobacco in scrap form by 22 percent.

However, this is not expected to restrict U.S. imports of scrap.

U.S. imports of Philippine cigars have steadily declined since the implementation of the Agreement. In 1973, imports were only 26 percent of the allowable quota. Loss of tariff preferences may hasten the downward trend in cigar imports—particularly of those costing 15 cents or less, which constitute the bulk of Philippine exports. Rising U.S. imports of Philippine scrap cigar filler have been reflected by a decline in U.S. production of cigar filler tobaccos.

U.S. tobacco exports to the Philippines have been substantially affected by Philippine import restrictions. For each pound of leaf imported by Philippine manufacturers, 4 pounds of domestic leaf must be purchased from the stocks of the Philippine Virginia Tobacco Administration. This requirement, plus high import duties and other import restrictions, has hampered U.S. exports of tobacco to the Philippines.

AN ADVERTISEMENT FOR TAX AVOIDANCE MUST BE TURNED INTO ADVERTISEMENT FOR CLOSING TAX LOOPHOLES

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. VANIK. Mr. Speaker, I would like to enter into the RECORD at this point an advertisement sent to company executives explaining a tax avoidance service. I believe that any fairminded person who reads this advertisement will agree that it is really an advertisement on the need for tax reform.

The name of the promoter is being withheld. I do not want to encourage his business, since I believe that the Congress—if not this Congress then the next—is going to close a good many of the tax gimmicks he describes.

Portions of the advertisement entitled "A New Report for Executives Who Can't Afford the Tax Consequences of a Big Salary," follow:

A NEW REPORT FOR EXECUTIVES WHO CAN'T AFFORD THE TAX CONSEQUENCES OF A BIG SALARY

DEAR SIR: Today, few people judge their business success by salary alone.

They know that under our present tax setup it isn't tax-wise to draw all the money you can in the form of salary.

Instead, most successful businessmen have found the Tax Law allows them other ways to get money from their companies—with little or not tax. This shelters their incomes from the high tax brackets.

This strategy gives them far more after-tax money with no loss in deductions for the company.

There are many ways to do this. But 10 of them are extraordinary—they stand out as the best. They are 100% legal . . . amount to big money . . . and are readily available to most every company owner and executive.

They are fully explained in the Research Institute's new Report—"10 Ways to Draw Tax-Sheltered Money From the Company":

1. It tells you how your company can deposit money to your credit tax-free (100% deductible by the company). You pay no tax on this money (including the interest) until you withdraw it—and then this interest can be long-term Capital Gains, averaging about one-half the usual tax. Even deposits to your account get special treatment resulting in a fraction of the usual tax.

2. It tells how to determine your best taxwise salary—and when the company can supplement it with business meals, lodging, club membership, recreation, other expenses that add up to a tidy sum.

3. It explains when you can get tax-free cash from the company, without running the risk of having it considered a taxable dividend. This method can be a life-saver for the man who has substantial cash "locked in" the company.

4. It reveals how executives can make "private arrangements" with their companies to guarantee them a good sum of money when they retire—or slow down. Since this money comes when the executive is in a lower tax bracket, he keeps a great deal more of it.

5. It tells you how the Tax Law enables executives, for the first time, to remain in a lower tax bracket even when their incomes jump dramatically from bonuses, dividends, or other sources.

6. It explains how accident and health insurance even a large life insurance policy) can be tax-free to you, deductible by the company.

7. It tells you the one kind of life insurance the company can buy for you, so as to by-pass the Tax Law's $50,000 ceiling on tax-free life insurance. This kind of policy is tax-free to the executive, regardless of size, and deductible by the company.

8. It tells how the latest Tax Law treats stock options—and explains how you can still get Capital Gains breaks on old options—how to handle new options for maximum tax breaks—and why closely-held corporations need no longer fear tax trouble when they issue options.

9. It reveals what other executives in your own and related fields draw in the form of salaries—and the other forms of compensation they benefit from.

10. It shows how to combine a vacation with business and get travel expenses paid by the company, tax-free to you.

This report can help put any executive or company owner thousands of dollars ahead, each year, while saving money for his company.

A special section in the Report shows executives and owners of non-incorporated firms how they, too may enjoy similar benefits—without paying any corporate tax, whatever. The ways to qualify for this tax break are spelled out in the Report.

The Report is offered without charge to introduce you to the regular weekly—on business and taxes—the leading source of business and tax advice in this country.

These are the weekly which help over 30,000 executives lift part of the tax load off their backs.

OIL DEPLETION AND THE INDEPENDENT OIL PRODUCER

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. JONES of Oklahoma. Mr. Speaker, in the immediate future, increasing our domestic production of crude oil will be our only way to move toward energy self-sufficiency while maintaining control over the natural resource. As this Congress approaches consideration of tax legislation, I urge you to remember the drastic impact it would have on our independent producers.

The independents drilled over 85 percent of the inland exploratory wells in 1973. These are the people on whom we must depend if we want to have an adequate supply of crude oil. As a nation, we simply cannot afford the consequences of this legislation. These producers are confronting a serious shortage of investment capital, and this legislation would only make that search all the more difficult.

Last week, a group of independent oil producers from Tulsa, the Oil Capital of the World, came to Washington. They had a tale to tell, and they told it to Members of Congress and to the working press at the Press Club.

Mr. Speaker, at this point, I include in the RECORD a paper prepared by one of these independents, Mr. T. A. Manhart of Tulsa. Tom Manhart is a geophysicist and an independent oil producer, and is one of the most knowledgeable individuals I know in this crucial area.

Mr. Manhart's paper follows:

SUMMARY: DEPLETION AND THE INDEPENDENT OIL PRODUCER

(A paper prepared by T. A. Manhart, Tulsa, Okla.)

Oil or gas in the ground is capital. Oil and gas being produced is part capital and part income. Depletion is the legal equivalent of the capital being produced. All extractive industries have depletion allowances. Because oil and gas exploration are very high risk activities, the depletion allowance was pegged higher than other extractive industries as a means of capital preservation and production capacity replacement. Presently the depletion allowance applies to production only and can never amount to more than 50% of the income from a producing property. Since oil and gas prices have been held down over the years, while taxes and associated costs of doing business have gone up, it was necessary for the industry to obtain outside capital to finance its exploration and producing activities. Oil exploration is relatively unattractive to unsophisticated investors. The elimination of the percentage depletion allowance will make it even more unattractive. That part of the required capital for exploration and producing activities which could not be raised through normal investment channels is represented by borrowings. The problem then is to determine where the investment capital will come from. Actually, the depletion allowance acts as a subsidy to the consumer who will otherwise be faced with higher prices as the only alternative of generating the cash flow necessary for individuals and companies to stay in the exploration and producing business.

The oil depletion allowance in the income tax laws was deemed a satisfactory settlement of a perplexing tax problem when it was passed by the Congress in 1926.

Over the years, some elements who couldn't see its value as an incentive for petroleum exploration and a capital preserving measure sometimes questioned it as a "tax loophole" for the industry—not because the principle of depletion wasn't sound, but because the 27½ per cent rate set for petroleum was much higher than that for other minerals. Historical experience indicated a depletion rate between 25% and 30% was equitable. The 27½ per cent was a compromise figure between the two Houses of Congress at that time.

In recent years, depletion has become more of an emotional issue. Millions of taxpayers, who don't understand it, look upon the provision as a "gift" to the oil industry, forgetting that all the other extractive industries—gold, iron, coal, limesone, clay, sand, to name several, have depletion allowances too.

OIL AS CAPITAL

Oil in the ground is an oil company's or an oilman's capital. Its value can be estimated. Money can be borrowed against it. It can be sold. It is a capital asset. The company or the man has invested money in it the same as a merchant invests in his stock of goods or a farmer invests in his seed.

It is a recognized fact that for income tax purposes, capital itself is not taxed; only the income from capital. The depletion of a stock of merchandise is easily measured. On the other hand, an oilman can only estimate how much his stock of oil and/or gas has been depleted.

As for the other extractive industries, the probable extent of an ore deposit, for example, can be delineated by surveyors and engineers almost from the time it is discovered. Therefore, its rate of annual depletion also can be determined.

Another factor is the risk of discovery. While core drilling, relatively inexpensive, can locate a mineral deposit, oil and/or gas is found and its magnitude measured only by drilling wells. Because of this costly risk, the rate of oil/gas depletion was set higher than in the other industries.

Emotionalism against the high depletion rate for petroleum ran so high in recent years that in the Tax Reform Act of 1969, the rate was trimmed by Congress from 27½ per cent to 22 per cent. (Many persons familiar with the industry thought that in view of inflated costs, instead of being lowered it actually should have been raised.) Even with the old rates the industry found it necessary to raise money from outside the industry by borrowings and equity sales in order to have sufficient operating capital.

DEDUCTION LIMITED BY INCOME

But what many members of the Congress refuse to recognize, and the general public scarcely knows at all, is that in no case can the amount of tax deduction be more than 50 per cent of the net income from a given property. This effectively lowers the actual rate in thousands of cases to less than the 22 per cent.

The general public does not know, either, that depletion applies only to the production of oil and gas. Profit from other phases of the oil business, such as transportation, refining, marketing of the products, is taxed at the regulation corporation rate.

It follows, therefore, that the "little man," the independent producer who historically has found most of the oil and who doesn't engage in these other segments of the business, will be the worst hurt if action is taken to disrupt the workings of depletion.

DEPLETION VS. TAXATION

The theory of capital preservation and of encouraging exploration and production through the depletion allowance proved to be very effective until expanding tax rates changed the option of the producer. In spite of the depletion provision, in recent years many of the independent producers have found it convenient and profitable to sell their production rather than continue producing it.

The lack of increase in crude oil prices between 1957 and 1972 and the dramatic increase in all associated costs materially affected the discovery rate and value of new crude oil and gas due to capital generation being insufficient to develop the new oil and gas required to meet projected demand. Independent producer sale of oil reserves allows future investment decisions to be made from a position of liquidity, with more options as to where the after-tax funds are employed.

DEPLETION ALLOWANCE REWARDS EFFICIENCY

From a formal point of view, the depletion allowance is that part of oil or gas income from a property which can be considered to be a return of capital and thus be taken with no tax charges. An election exists whether cost depletion is taken, i.e., a percentage of the total value of the property taken each year proportional to the life of the property, or percentage depletion (statutory depletion) now 22 per cent as previously stated, of the income from an oil or gas property, *providing* this sum did not exceed 50 per cent of the net income from the property involved, or, 50 per cent of the net would be allowed if it was less than percentage depletion allowance. This system rewards the efficient operator and has served the industry and the consumer well.

In recent years percentage depletion has been an important capital *preserving* mechanism. If it is reduced or eliminated, that cash attributable to the depletion allowance is lost and taxes are collected on the *capital* as well as the *income*. For the industry to continue to risk its capital in seeking new reserves, it must be allowed to retain sufficient capital from current production income to replace and expand the reserves under today's conditions and today's prices.

A WAY OF REPLACING RESERVES

Straight cost depletion, which is based on the costs and conditions of several years ago taken over the life of the reserves, is not sufficient to allow replacement of reserves and production capacity under today's inflated prices and more difficult and expensive exploration conditions.

Sufficient tax-free depletion must be allowed for the replacement of the reserves or the furnishing of production capacity from other sources, or the consumer's supply will be in jeopardy.

In practice the percentage depletion allowance acts as a subsidy to the consumer. Its elimination can only result in a product price increase to recover the cash flow thus lost. The government would take the equivalent of the depletion allowance in taxes, and the consumer would be charged a sufficient amount to place the producer in the same cash position after taxes if the search for new supply is to go on.

WHERE DOES CAPITAL COME FROM?

Searching for petroleum is a highly capital-intensive business. For many years nearly all oil companies, large and small, have been forced to turn to outside sources for capital because price structures were such that it was not generated internally.

At the same time the industry's tax load in relation to its net income has more than tripled. Against this background, outside capital has found the industry less attractive.

Where the independent producer is a corporation subject to corporate tax, the elimination of the depletion allowance reduces the cash flow from current producing operations and thus reduces the capital available for re-investment. It is comparable to taxing rents without an allowance for depreciation.

If the independent is an individual, the removal of depletion is more devastating than in the case of the corporate independent producer. In this case his proceeds from oil sales are subject to the steeply graduated personal income tax rates, with no provision to maintain the capital portion of the sale income. An individual, under such conditions, cannot afford to produce a depleting asset and pay such taxes. He sells out.

LESS REVENUES MEAN LESS TAXES

The programming of a small producer's exploration effort is dependent nearly entirely on his current financial position. He cannot accumulate and pay the cost of maintaining large amounts of exploration acreage, exploration services, and programmed drilling operations.

Thus, any legislation which would require immediate reinvestment of any portion of his income in exploration during a fixed period of time, such as a calendar year, could very well be a marked handicap. Further, when faced with a choice of paying taxes on oil income or reinvesting an equivalent amount in exploration activity, it is nearly certain that the choice would be made to reinvest in additional exploration activity despite the quality of the prospects available. It is truly an inefficient and costly way to look for new reserves.

The oil industry, and most of all the American consumer, needs both the large company and the small independent. As said previously, it is the independent who finds most of the oil, but it's the very nature of the business that it must be the large company which buys and refines the oil. The large company also has the enormously expensive transportation and refining facilities.

Let either segment be suppressed by high taxes and insufficient revenues for capital generation, and inevitably it will be the consumer who suffers from the shortages and additional costs.

Mr. Speaker, I would also like to include in the RECORD, an account of the Tulsa delegation's visit to Washington, as reported in the Oil Daily, May 31, 1974:

Tulsa Delegation Tells It Like It Is

(By Tony Lo Proto)

WASHINGTON.—They came from Tulsa to the capital, not to lobby, but to explain. There were five of them at a hastily called breakfast with little preparation, but an awful lot to say.

Bob Parker, President of Parker Drilling Co. ("We drill for anybody from Gulf to Joe Jones"), led the session off with an announcement that "the boom is on" explaining there "is not a single drilling rig idle around the world."

Parker, who claims that 93% of the drilling being done today in the United States is being done by independents, said that his company alone has discovered significant reserves in the last few months.

When pressed, Parker would say that on behalf of other companies, his company had drilled and discovered more than 2 million barrels per day of new oil in non-Arab countries around the world.

"I can't tell you where, but when the announcements are made, you'll see some new countries joining the older oil producing nations."

"Increased supply and independence from Arab sources are the keys to solving the energy crisis," he said.

T. A. Manhart, a small independent producer and consulting geophysicist from Tulsa argued that if Congress isn't careful, it may "kill the goose that laid the golden eggs."

"The depletion allowance," Manhart said, "is either right in principle or it is wrong in principle. Oil in the ground is our capital and the United States does not tax capital. If it's right for the coal in the ground (which gets a 10% depletion allowance) then it is right for the oil in the ground."

Manhart explained that any tampering with the depletion allowance would affect the independent oilman much more than it would the majors.

"The small Independent depends very heavily on the depletion allowance, no matter what the price of oil is," he said, pointing out that an independent hardly ever uses his own money and must borrow to finance operations.

"One major has gone on record as saying that it is willing to give up the depletion allowance only if price controls are removed," he said, noting that the independent would still have to seek funds for his operations.

"The deregulation of natural gas will double the supply of natural gas in the United States," said Bob Parker, and no one disagreed with him.

Using the same figure in a different context, Parker said that the elimination of the depletion allowance would put drilling activity in the lower 48 by 50%.

Charles Earlougher of Earlougher Engineering, Tulsa, said that Congress was too impatient when it charged the incentives given to stripper well production and the removal of price restrictions on new oil were not working.

"Of course the incentives aren't working," Earlougher said. "They haven't had time to work. It will take at least 26–90 weeks to get increased oil production from these incentives."

Earlougher said that 1974 production from stripper wells alone would be about 700,000 b/d, as opposed to the 1.1 billion b/d in 1972 when stripper wells were averaging 3 barrels per well.

The overall attitude of Congress was one of indecision, the delegation felt, creating an uncertain economic climate for the independent oilman.

SOUL CITY BUILDS FOR A NEW SOCIETY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. RANGEL. Mr. Speaker, new towns are not a new concept; neither, certainly, is integration. However, the two notions have rarely been blended as well as they are in the Soul City project in North Carolina.

Being built in an impoverished black area, Soul City is designed to attract industry as well as residents from all economic classes. The following article, appearing in the February/March issue of the Urban Coalition's Network, outlines the physical and social planning which has brought this project to fruition. I hope that the Soul City plan will serve as a model for new town design in the future.

The article follows:

Soul City, N.C., To Provide New, Multiracial Alternative

Soul City, North Carolina, a planned, multi-racial community, represents a new alternative to the overcrowded urban centers of America.

On June 30, 1972, the Department of Housing and Urban Development and the Governor of North Carolina jointly announced a Federal pledge to guarantee up to $14 million for the development of Soul City—a free standing community. It was the first rural town to receive a commitment of Federal assistance, and the first in which the principal sponsor will be Black owned enterprise.

Soul City is being built in the heart of the impoverished black belt of North Carolina, 50 miles northeast of the Raleigh-Durham area. Warren County, the site for the new city, has suffered severly from a decline in agricultural production and a declining population. The average family income of those who remain is less than $2,500 per year.

"If we are talking about solving the problems of minorities who go to the cities and fight the problems of race, then you have to start at the roots of the problems," Floyd B. McKissick said, speaking of his conceptualized alternative city.

"This free-standing new community is proposed for a 5,180 acre site strategically located to provide access to wide ranging consumer and industrial markets through a network of interstate and other major highways and a trunkline railroad system. It is linked directly with three major economic areas: The Industrial Piedmont; the Coastal Plains; and the Mid Atlantic Northeast Megalopolis.

"The idea is to build a town that would attract not only new residents but also industry that would serve to train sharecroppers and agricultural workers in a variety of skills." Leading urban planners and city planning departments from MIT and other universities have assisted in developing the concept and plans for Soul City based on "people—rather than real estate".

The Soul City Foundation, a nonprofit organization composed of area residents, has responsibility for all social planning and extends from the development of new jobs to programs for cultural enrichment. Its goal is to "develop solutions before the problems occur". Specific projects have been planned to implement the various needs of the city, and some are operational.

A Cultural Arts Council has been formed to promote self-awareness, and to form bridges that will span differences between cultures.

Healthco, Inc. funded by a grant from the Office of Economic Opportunity, (OEO) will provide health services to the residents of Vance, the Warren Counties as well as to the new residents of Soul City. The emphasis of the program is on the maintenance of health. To meet their goals, Healthco will provide health education, disease prevention, medical care, and dental care "at no cost barriers to the patients" and will be coordinated to the needs of individual patients and their families.

Soul City's Learning Lab, an education component, was funded in July, 1973 to compensate for past cultural and educational disadvantages of minority and low-income white youth. The target population for intensive instruction and enrichment programs is 100 junior high school students who are presently failing to achieve their full academic potential.

The Soul City Sanitary District was formed in May, 1973 to be a unit of local government, voter controlled, with functions similar to those of a municipality or county. The Sanitary District has the power to proceed with water, sewage, garbage disposal, and fire prevention facilities and can levy taxes, and issue bonds to suppot its activities.

The Soul City Investment Corporation, founded in May, 1971 is developing interim housing for the Soul City project. It has acquired nine mobile units and has plans for purchasing 10 more.

Groundbreaking ceremonies took place on November 9, 1973, to mark the first building approved for construction, Soul Tech I, which is designed to house a complete range of industrial and managerial facilities. It will provide 40,000 square feet of manufacturing and processing space, plus 12,000 square feet of office space.

Initial capital for Soul City is being supplied by F. B. McKissick Enterprises, founded in 1968 by Floyd B. McKissick, a former constitutional lawyer and former national director of the Congress of Racial Equality (CORE).

Soul City expects to house 44,000 residents in 12,096 homes over a 30 year period. Residential development will include townhouses, apartments, garden apartments, single family detached homes, and a medium rise apartments grouped near commercial, educational and recreational facilities and linked by bicycle and pedestrian pathways separate from the internal road network.

FIRST DISTRICT ATHLETE CAPTURES STATE DECATHLON CHAMPIONSHIP

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 4, 1974

Mr. ALEXANDER. Mr. Speaker, I wish to take this opportunity to commend to my colleagues the athletic excellence of Augusta, Ark. resident Larry Lawrence who was recently crowned the new Arkansas track and field king.

Larry took the second-day lead in the State's decathlon after the first event, compiled an overwhelming margin in the next two events, and strolled away with the State's top track and field prize.

Larry, who thinks of himself as an unknown among sports figures in Arkansas, certainly got his message over to the public. Amassing 7,327 points during the 2-day meet, Lawrence captured the decathlon in his first competition.

I take great pride in saluting the accomplishments of this fine young athlete.

SENATE—*Wednesday, June 5, 1974*

The Senate met at 10:30 a.m., and was called to order by Hon. ROBERT DOLE, a Senator from the State of Kansas.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Our father's God and our God, as again we turn to waiting tasks, we pray that our day may be illuminated by Thy pervading presence. May the trust of our dear ones, the confidence of those who believe in us, the spur of conscience to do our best, and the commanding call of goodness lift our efforts above our feeble humanity. In our tormented and troubled times guide us to the truth. May we seek no glory but the supreme satisfaction of rendering to the Nation and to the world our utmost service, untarnished by base thoughts or self-interest. Anoint us with Thy spirit and keep us by Thy grace for we need Thee every hour. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 5, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. ROBERT DOLE, a Senator from the State of Kansas, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. DOLE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, June 4, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN ITEMS ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar Nos. 865, 867, 870, 871, and 872.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Clerk will state the first bill by title.

AMENDMENT OF ANADROMOUS FISH CONSERVATION ACT

The Senate proceeded to consider the bill (H.R. 11295) to amend the Anadromous Fish Conservation Act in order to extend the authorization for appropriations to carry out such act, and for other purposes, which had been reported from the Committee on Commerce with an amendment on page 2, after line 3, insert a new section, as follows:

SEC. 3. Subsection (a) of the first section of Anadromous Fish Conservation Act (16 U.S.C. 757a(a)) is amended by striking out "shall not exceed 50 per centum" and inserting in lieu thereof "shall not exceed 75 per centum".

(b) Subsection (c) of the first section of the Anadromous Fish Conservation Act (16 U.S.C. 757a(c)) is amended by striking out "60 per centum" and inserting in lieu thereof "80 per centum".

(c) Subsection (a) of section 4 of the Anadromous Fish Conservation Act (16 U.S.C. 757d(a)) is amended by striking out "$10,000,000" and inserting in lieu thereof "$20,000,000".

Mr. STEVENS. Mr. President, we are considering today H.R. 11295, legislation which will authorize a 5-year extension of the Anadromous Fish Conservation Act, and which, as amended by the Commerce Committee, will increase the authorization and Federal share of costs under the act.

Since its enactment in 1965, the Anadromous Fish Conservation Act has effectively contributed to the conservation, development, and enhancement of such species as Pacific and Atlantic salmon, steelhead, shad, striped bass, searun cutthroat, and Dolly Varden trout—fish which originate in freshwater, then migrate to saltwater where they live a large portion of their lives, then return to the freshwaters of their origin to spawn and regenerate their kind. These fish and certain migratory species of the Great Lakes, covered by this act, constitute a priceless national resource providing generous portions of protein for our tables and countess hours of recreation for sports fishermen. Moreover, commercial fishing and processing of these species account for thousands of jobs in widespread areas of our Nation.

It is crucial to the spawning of these fish that the streams and pools where they originate be clean and healthy. Their far-ranging migratory nature exposes them to numerous hazards—pollution, blockage by dams, weather extremes, and unmanaged foreign fishing efforts. Delay or prevention of a spawning run can eliminate the entire population and future generations of that run. The Anadromous Fish Conservation Act was created through recognition that these fish are a resource of national significance and that the many costly steps which can be taken for their protection should not fall totally on the shoulders of the already financially overburdened States.

Since fiscal year 1967, the first year of funding under this act, 29 States have matched, dollar for dollar, over $16 million in Federal investment in the anadromous fish program. The Department of the Interior, in considering the value of commercial and sports fishing activities relative to anadromous fish, estimates there has been over $300 million in return to the States generated by this program. The 321 projects funded thus far include such endeavors as hatchery and rearing pond construction and modification, installation of fish ladders and screens at hydroelectric damsites, reclamation of spawning lakes and streams, and research.

Effective as the program has been, there is a need for its enlargement if we are to more fully realize the productivity potential of our rivers and streams. This need is compounded by increased losses of anadromous fish because of the development of our rivers for other purposes. Also, as I touched upon before, our anadromous fish are falling victim to uncontrolled foreign fishing operations—a situation beyond the control of our States and placing them in desperate need for increased financial assistance. A prime example of this is the present condition of Alaska's Bristol Bay red salmon fishery, once the largest in the world, now at such a serious state of depletion that domestic fishermen this year must stay off their grounds to hopefully effect a recovery of the spawning stock.

The bill which we are considering would permit the Federal Government to pay up to 75 percent of the project costs, as compared with 50 percent under the present program. In cases where States administer programs jointly, this legislation would allow an 80-percent Federal share as compared with the present 60 percent. Finally, the bill increases the annual authorization from $10 million to $20 million for 5 fiscal years.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

BRIDGEPORT INDIAN COLONY, MONO COUNTY, CALIF.

The bill (S. 283) to declare that the United States holds in trust for the Bridgeport Indian Colony certain lands in Mono County, Calif., was considered, ordered to be engrosed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all of the right, title, and interest of the United States in the following described public domain land located in Mono County, California, are hereby declared to be held by the United States in trust for the Bridgeport Indian Colony:

The southeast quarter of the northeast quarter of section 28, township 5 north, range 25 east, Mount Diablo base and meridian, Mono County, California, containing forty acres more or less.

Provided further, That said parcel shall be subject to the easement to the Bridgeport Public Utility District for a sewer main.

ENERGY-RELATED RESEARCH AND DEVELOPMENT

The resolution (S. Res. 333) authorizing the printing of additional copies of the committee print entitled "Energy-Related Research and Development," was considered and agreed to, as follows:

Resolved, That there be printed for the use of the Committee on Aeronautical and Space Sciences two thousand one hundred additional copies of its committee print of the current session entitled "Energy-Related Research and Development".

PROCUREMENT OF OIL PORTRAIT AND MARBLE BUST OF FORMER CHIEF JUSTICE EARL WARREN

The resolution (S.J. Res. 123) authorizing the procurement of an oil portrait and marble bust of former Chief Justice Earl Warren, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Marshal of the Supreme Court of the United States, subject to the direction and approval of the Chief Justice of the United States, is authorized and directed to procure an oil portrait and a marble bust, including pedestal, of the former Chief Justice Earl Warren and to cause them to be placed in the United States Supreme Court Building.

(b) There is authorized to be appropriated $25,000 to carry out the purposes of this joint resolution.

PRINTING OF SUMMARIES OF VETERANS' LEGISLATION

The concurrent resolution (H. Con. Res. 415) authorizing the printing of summaries of veterans' legislation reported in the House and Senate during the 93d Congress, was considered and agreed to.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER (Mr. METZENBAUM). Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, because of the fact that the distinguished chairman of the Appropriations Committee has a meeting pending at this time, I will withhold my other requests, but I ask that I be recognized when the distinguished Senator from Arkansas is through with his work.

The PRESIDING OFFICER. Without objection, it is so ordered.

SECOND SUPPLEMENTAL APPROPRIATIONS, 1974—CONFERENCE REPORT

Mr. McCLELLAN. Mr. President, I submit a report of the committee of conference on H.R. 14013, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14013) making supplement appropriation for the fiscal year ending June 30, 1974, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of May 29, 1974, at pages 16732–33).

Mr. McCLELLAN. Mr. President, the conference agreement on the second supplemental appropriations bill for the fiscal year 1974 (H.R. 14013) which is now before the Senate, includes appropriations in the amount of $9,301,474,398 in new budget obligational authority.

The Senate conferees took into the conference a bill which provided appropriations of $9,645,935,398 in new budget obligational authority. The House bill contained $8,811,662,043 in new budget obligational authority. The revised budget estimates totaled $11,100,530,077.

Thus, the pending measure is $1,799,055,679 under the budget estimates, $344,461,000 under the total sum passed by the Senate and $489,812,355 more than the amount passed by the House.

Included in the final amount agreed upon is the $530 million estimated cost of the fiscal year 1973 retroactive pay increase, arising from a recent decision of the U.S. court of appeals; provision for which was recommended to the Senate in Senate Document 93–72 and included in the Senate-passed bill. The exact effect on new obligational authority is not known at this time inasmuch as an indefinite appropriation is provided.

Of the total $9,301,474,398 recommended in this report, $3,874,791,595 is to finance increased pay and related costs.

The conference agreement also recommends transfers between appropriations totaling $68,778,800 in lieu of providing new budget authority in these amounts. The amount provided in transfer authority is $14,184,800 less than the amount requested, $226,340,000 less than the amount provided by the Senate and $119,000 less than the House bill provided.

Mr. President, rather than detail each item in the conference report, I will briefly summarize the major changes between the Senate and House versions agreed upon by the conferees contained in title I, the general supplementals section.

Chapter I, Agriculture, Environmental and Consumer Protection, provides new budget authority of $613,891,000, which is $2,750,000 less than the amount provided by the Senate, $53,661,000 more than provided in the House bill and $38,241,000 more than the original budget estimate.

Chapter II of the bill includes funds for the Department of Defense, exclusive of increased pay costs which are in titles II and III. The supplemental request was for $3,412,741,000; the House allowed $2,327,412,000, while the Senate voted $2,330,112,000. The conference agreement provides for new budget authority of $2,139,312,000—a reduction of $1,273,429,000 under the budget request, $188,100,000 below the House allowance and $190,300,000 under the amount provided by the Senate.

The Senate bill included a provision making those items funded in the bill which require authorization contingent upon the enactment of authorizing legislation. The Armed Services conferees filed a report on the supplemental defense authorization bill prior to a final agreement by the Appropriations conferees. Those items not authorized by the authorization conference agreement were deleted by the Appropriations conference and the Senate contingency language, now being moot, was dropped.

The conference agreement provides no funds for military construction on the Island of Diego Garcia because they were not authorized. Thus, the matter is deferred until the military construction bill for fiscal year 1975 is considered. As the authorization includes $24.8 million for long lead time items for Trident submarines II and III, the conference agreement includes these funds.

In chapter III, the District of Columbia, the conferees deleted the full budget request of $2,550,000 in new budget authority.

In chapter IV, for Foreign Operations, the conferees agreed to $49,250,000, which represents an increase of $250,000 over the House bill and $34,000,000 over the Senate bill.

In chapter V, Housing and Urban Development, Space, Science and Veterans, the conferees agreed upon an appropriation of $211,945,000 which is $32,600,000 over the House version and a reduction of $67,400,000 below the Senate bill. This is $249,029,000 below the budget request.

For the Interior Department and related agencies, chapter VI of the bill, the conferees settled upon $159,849,000. This is a reduction of $3,106,000 below the budget request; an increase of $100,000 over the House bill and a decrease of $50,000 below the Senate version.

In chapter VII, Labor and Health, Education, and Welfare, the conferees recommend items totaling $1,354,206,000, which represents an increase of $68,871,000 over the budget request and $65,004,000 over the House bill, and a reduction of $69,234,000 below the Senate version. The conferees deleted $226,340,000 in transfer authority from the bill.

In chapter VIII, the legislative branch, the conferees agreed to the full Senate appropriation of $5,941,355 which is a reduction of $259,450 below the budget request and an increase of $3,124,855 over the House bill.

In chapter IX, Public Works-AEC, the conferees agreed to the full Senate appropriation of $107 million in new budget authority. This is a decrease of $700,000 from the budget estimates, and an increase of $20 million over the House bill.

In chapter X, the Departments of State, Justice, Commerce, the judiciary and related agencies, the conferees agreed to a total of $42,493,000 in new budget authority. This sum is $8,063,000 below the budget estimates of $50,556,000 and $3,555,000 above the House allowance and a reduction of $5,381,000 below the Senate bill.

In chapter XI, the Department of Transportation and related agencies, the conferees recommend appropriations totaling $139,340,000. This represents an increase of $39,586,000 over the House allowance, a reduction below the budget requests of $37,442,000 and a reduction of $24,644,000 below the Senate bill.

In chapter XII, for Treasury, Postal Service, and General Government, the conferees recommend supplemental appropriations totaling $582,478,000. The amount recommended is $13,514,000 over the House allowance, $21,879,000 below the budget, and $20 million over the Senate bill.

I have endeavored to briefly summarize the main items that appear in this report pending before us. I ask unanimous consent to have printed in the RECORD a tabulation which shows the amounts of the budget estimates, the amounts in the House- and Senate-passed bills, and the amounts agreed to in conference for each item.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

2D SUPPLEMENTAL APPROPRIATIONS, 1974—H.R. 14013 SUMMARY

Chapter No.	Department or activity	Budget estimate	Recommended in House bill	Amount recommended by Senate	Conference agreement
	TITLE I—GENERAL SUPPLEMENTALS				
I	Agriculture—Environmental and Consumer Protection:				
	New budget (obligational) authority	$575, 650, 000	$560, 230, 000	$616, 641, 000	$613, 891, 000
	By transfer	(15, 000, 000)			
II	Defense: New budget (obligational) authority	3, 412, 741, 000	2, 327, 412, 000	2, 330, 112, 000	2, 139, 312, 000
III	District of Columbia:				
	Federal funds: New budget (obligational) authority	2, 550, 000		2, 550, 000	
	District of Columbia funds: New budget (obligational) authority	(12, 134, 400)	(12, 092, 400)	(12, 134, 400)	(12, 134, 400)
IV	Foreign Operations: New budget (obligational) authority	54, 000, 000	49, 000, 000	15, 250, 000	49, 250, 000
V	Housing and Urban Development, Space, Science, and Veterans: New budget (obligational) authority	460, 974, 000	179, 345, 000	279, 345, 000	211, 945, 000
VI	Interior and related agencies: New budget (obligational) authority	162, 955, 000	159, 749, 000	159, 899, 000	159, 849, 000
VII	Labor, and Health, Education, and Welfare:				
	New budget (obligational) authority	1, 285, 335, 000	1, 289, 202, 000	1, 423, 440, 000	1, 354, 206, 000
	By transfer			(226, 340, 000)	
	Trust funds limitation	(111, 766, 000)	(111, 766, 000)	(107, 766, 000)	(107, 766, 000)
VIII	Legislative branch:				
	New budget (obligational) authority:				
	1974	5, 900, 805	2, 516, 500	5, 941, 355	5, 941, 355
	1973	300, 000	300, 000		
	Total	6, 200, 805	2, 816, 500	5, 941, 355	5, 941, 355
(IX)	Military Construction: New budget (obligational) authority	29, 000, 000	29, 000, 000		
IX	Public Works: New budget (obligational) authority	107, 700, 000	87, 000, 000	107, 000, 000	107, 000, 000
X	State, Justice, Commerce, and Judiciary:				
	New budget (obligational) authority	50, 556, 000	38, 938, 000	47, 874, 000	42, 493, 000
	By transfer	(5, 000, 000)	(5, 000, 000)	(5, 000, 000)	(5, 000, 000)
	Liquidation of contract authority	(23, 000, 000)	(23, 000, 000)	(23, 000, 000)	(23, 000, 000)
XI	Transportation: New budget (obligational) authority	176, 782, 000	99, 754, 000	163, 984, 000	139, 340, 000
	By transfer		(7, 500, 000)	(8, 218, 000)	(8, 218, 000)
XII	Treasury, Postal Service, and General Government:				
	New budget (obligational) authority	604, 357, 000	568, 964, 000	562, 478, 000	582, 478, 000
XIII	Claims and judgments: New budget (obligational) authority	20, 977, 448	20, 977, 448	20, 977, 448	20, 977, 448
	Total, title I—General Supplementals:				
	New budget (obligational) authority:				
	1974	6, 949, 478, 253	5, 412, 087, 948	5, 735, 491, 803	5, 426, 682, 803
	1973	300, 000	300, 000		
	Total	6, 949, 778, 253	5, 412, 387, 948	5, 735, 491, 803	5, 426, 682, 803)
	By transfer	(20, 000, 000)	(12, 500, 000)	(239, 558, 000)	(13, 218, 000)
	Increase in limitation	(111, 766, 000)	(111, 766, 000)	(107, 766, 000)	(107, 766, 000)
	Liquidation of contract authority	(23, 000, 000)	(23, 000, 000)	(23, 000, 000)	(23, 000, 000)
	District of Columbia Funds (NOA)	(12, 134, 400)	(12, 092, 400)	(12, 134, 400)	(12, 134, 400)

Footnotes at end of table.

2D SUPPLEMENTAL APPROPRIATIONS, 1974—H.R. 14013 SUMMARY—Continued

Chapter No.	Department or activity	Budget estimate	Recommended in House bill	Amount recommended by Senate	Conference agreement
	TITLE II AND III—INCREASED PAY COSTS				
	Title II, Regular Increased Pay Costs:				
	New budget (obligational) authority	$3,620,751,824	$3,399,274,095	$3,380,443,595	$3,344,791,595
	By transfer	(62,963,600)	(56,397,800)	(55,560,800)	(55,560,800
	Increase in limitation	(19,602,000)	(15,021,000)	(15,373,000)	(15,373,000)
	Liquidation of contract authority	(6,000,000)	(5,500,000)	(5,500,000)	(5,500,000)
	Title III, Fiscal Year 1973 Retroactive Increased Pay Costs (Indefinite)	[1]530,000,000		[1]530,000,000	[1]530,000,000
	Total, titles II and III, pay costs:				
	New Budget (obligational) authority:				
	Definite	3,620,751,824	3,399,274,095	3,380,443,595	3,344,791,595
	Indefinite	[1]530,000,000		[1]530,000,000	530,000,000
	Total	4,150,751,824	3,399,274,095	3,910,443,595	3,874,791,595
	By transfer	(62,963,600)	(56,397,800)	(55,560,800)	(55,560,800)
	Increase in limitation	(19,602,000)	(15,021,000)	(15,373,000)	(15,373,000)
	Liquidation of contract authority	(6,000,000)	(5,500,000)	(5,500,000)	(5,500,000)
	RECAPITULATION—TITLES I, II AND III				
	Total new budget (obligational) authority:				
	1974:				
	Definite	10,570,230,077	8,811,362,043	9,115,935,398	8,771,474,398
	Indefinite	530,000,000		[1]530,000,000	[1]530,000,000
	Total, 1974	11,100,230,077	8,811,362,043	9,645,935,398	[1]9,301,474,398
	1973	300,000	300,000		
	Grand total	11,100,530,077	8,811,662,043	9,645,935,398	9,301,474,398
	By transfer	(82,963,600)	(68,897,800)	(295,118,800)	(68,778,800)
	Increase in limitation	(131,368,000)	(126,787,000)	(123,139,000	(123,139,000)
	Liquidation of contract authority	(29,000,000)	(28,500,000)	(28,500,000)	(28,500,000)

[1] Approximate estimate of cost for the three months fiscal year 1973 retroactive pay increases. Fiscal year 1973 unobligated balances are restored to agencies for use to help meet the added costs and fiscal year 1974 available balances will likewise be used to meet the additional costs. Therefore, it is expected that some of the costs will be absorbed. Thus, the aggregate additional appropriation under this provision should be actually less than the $530,000,000. (S. Doc. 93-72)

2D SUPPLEMENTAL APPROPRIATIONS, 1974—H.R. 14013 SUMMARY—Continued

H. Doc. No.	Department or activity	Budget estimate	Recommended in House bill	Amount recommended by Senate	Conference agreement
	CHAPTER I				
	AGRICULTURAL, ENVIRONMENTAL AND CONSUMER PROTECTION PROGRAMS				
	Department of Agriculture				
	Science and Education				
93-236	Animal and Plant Health Inspection Services	$3,730,000	$3,730,000	$3,730,000	$3,730,000
93-266	Agriculture Marketing Service (section 32 funds)	(15,000,000)			
	Rural Development Programs				
93-266	Rural Development Service	170,000			
	Soil Conservation Service				
	Watershed and flood prevention operations		20,000,000	26,161,000	23,661,000
	Consumer Programs				
	Independent Agencies				
93-227	Federal Trade Commission	250,000		250,000	
	Department of Agriculture				
	Food and Nutrition Service				
93-266	Child nutrition programs	71,500,000	86,500,000	86,500,000	86,500,000
93-266	Food stamp program	500,000,000	450,000,000	500,000,000	500,000,000
	Section 32 funds	(15,000,000)			
	Total, chapter I new budget (obligational) authority	575,650,000	560,230,000	616,641,000	613,891,000
	CHAPTER II				
	DEPARTMENT OF DEFENSE—MILITARY				
	Military Personnel				
93-266	Military personnel, Army	40,200,000	40,200,000	40,200,000	40,200,000
	Military personnel, Navy	26,500,000	20,300,000	16,000,000	16,000,000
	Military personnel, Marine Corps	8,100,000	8,100,000	8,100,000	8,100,000
	Military personnel, Air Force	53,300,000	50,800,000	50,800,000	50,800,000
	Reserve personnel, Army	600,000			
	Reserve personnel, Air Force	200,000			
	Total, military personnel	128,900,000	119,400,000	115,100,000	115,100,000
	Retired Military Personnel				
93-266	Retired pay, Defense	468,800,000	468,800,000	468,800,000	468,800,000

H. Doc. No.	Department or activity	Budget estimate	Recommended in House bill	Amount recommended by Senate	Conference agreement
	Operation and Maintenance				
93-266	Operation and maintenance, Army	$209,040,000	$116,147,000	$116,147,000	$116,147,000
	Operation and maintenance, Navy	359,600,000	242,475,000	341,675,000	309,175,000
	Operation and maintenance, Marine Corps	16,800,000	13,400,000	13,400,000	13,400,000
	Operation and maintenance, Air Force	291,850,000	224,650,000	261,350,000	251,350,000
	Operation and maintenance, Defense agencies	830,000	830,000	830,000	830,000
	Operation and maintenance, Navy Reserve	30,000,000	17,700,000	21,000,000	21,000,000
	Operation and maintenance, Marine Corps Reserve	30,000	30,000	30,000	30,000
	Operation and maintenance, Air Force Reserve	7,000,000	7,000,000	9,500,000	9,500,000
	Operation and maintenance, Army National Guard	3,210,000	780,000	780,000	780,000
	Operation and maintenance, Air National Guard	16,000,000	14,000,000	22,300,000	22,300,000
	Total, operation and maintenance	934,360,000	637,012,000	787,012,000	744,512,000
	Procurement				
93-266	Aircraft procurement, Army	22,000,000	16,000,000	16,000,000	16,000,000
	Missile procurement, Army	84,400,000	76,600,000	76,600,000	76,600,000
	Procurement of weapons and tracked combat vehicles, Army	121,800,000	71,100,000	58,600,000	71,100,000
	Procurement of ammunition, Army	268,000,000	200,000,000	150,000,000	150,000,000
	Other procurement, Army	56,700,000	45,500,000	35,500,000	35,500,000
	Aircraft procurement, Navy	219,200,000	153,700,000	113,000,000	95,000,000
	Weapons procurement, Navy	28,600,000			
	Shipbuilding and conversion, Navy	24,800,000		24,800,000	24,800,000
	Other procurement, Navy	224,200,000	108,300,000	93,300,000	100,800,000
	Procurement, Marine Corps	40,700,000	33,800,000	33,800,000	33,800,000
	Aircraft procurement, Air Force	445,000,000	294,000,000	244,400,000	107,700,000
	Missile procurement, Air Force	39,000,000		27,000,000	11,400,000
	Other procurement, Air Force	197,700,000	97,400,000	86,200,000	82,400,000
	Total, procurement	1,772,100,000	1,096,400,000	959,200,000	805,100,000
	Research, Development, Test, and Evaluation				
93-266	Research, development, test, and evaluation, Army	19,145,000			
	Research, development, test, and evaluation, Navy	29,300,000			
	Research, development, test, and evaluation, Air Force	54,300,000	5,800,000		5,800,000
	Research, development, test, and evaluation, Defense agencies	5,836,000			
	Total, research, development, test and evaluation	108,581,000	5,800,000		5,800,000
	Total, chapter II: New budget (obligational) authority	3,412,741,000	2,327,412,000	2,330,112,000	2,139,312,000
	CHAPTER III				
	DISTRICT OF COLUMBIA				
	Federal Funds				
93-266	Federal payment to the District of Columbia	2,550,000		2,550,000	
	District of Columbia Funds				
	Operating Expenses				
S. Doc. 93-75	General operating expenses	5,901,000	5,859,000	5,901,000	5,901,000
93-75	Public safety	2,434,000	2,434,000	2,434,000	2,434,000
S. Doc 93-75	Settlement of claims and suits	222,000	222,000	222,000	222,000
	Total, operating expenses	8,557,000	8,515,000	8,557,000	8,557,000
	Capital Outlay				
S. Doc. 93-75	Capital outlay	3,577,400	3,577,400	3,577,400	3,577,400
	Grand total, District of Columbia funds	12,134,400	12,092,400	12,134,400	12,134,400
	Total, new budget (obligational) authority (Federal funds)	2,550,000		2,550,000	
	CHAPTER IV				
	FOREIGN OPERATIONS				
	Funds Appropriated to the President				
	Indochina Postwar Reconstruction Assistance				
	Indochina postwar reconstruction assistance	54,000,000	49,000,000	15,000,000	49,000,000
	Department of State				
	Migration and refugee assistance			250,000	250,000
	Total, chapter IV, new budget (obligational) authority	54,000,000	49,000,000	15,250,000	49,250,000
	CHAPTER V				
	INDEPENDENT AGENCIES				
	Veterans' Administration				
93-266	Compensation and pensions	137,800,000	137,800,000	137,800,000	137,800,000
93-266	Medical care	39,535,000	39,535,000	39,535,000	39,535,000
	Total, Veterans' Administration	177,335,000	177,335,000	177,335,000	177,335,000
	Selective Service System				
93-266	Salaries and expenses	2,010,000	2,010,000	2,010,000	2,010,000
	Department of Housing and Urban Development				
93-266	Federal Housing Administration	(91,968,000)			
93-266	National flood insurance fund	2,832,000			
93-266	Special assistance functions fund	278,797,000			

Footnotes at end of table.

2D SUPPLEMENTAL APPROPRIATIONS, 1974—H.R. 14013 SUMMARY—Continued

H. Doc. No.	Department or activity	Budget estimate	Recommended in House bill	Amount recommended by Senate	Conference agreement
	CHAPTER V—Continued				
	INDEPENDENT AGENCIES—Continued				
	Funds Appropriated to the President				
	Federal Disaster Assistance Administration				
	Disaster relief			$100,000,000	$32,600,000
	Total, Department of Housing and Urban Development	$281,629,000		100,000,000	32,600,000
	Total, chapter V: New budget (obligational) authority	460,974,000	$179,345,000	279,345,000	211,945,000
	CHAPTER VI				
	DEPARTMENT OF THE INTERIOR				
	Bureau of Land Management				
93-266	Management of lands and resources	21,000,000	19,300,000	19,300,000	19,300,000
	Bureau of Sport Fisheries and Wildlife				
93-235	Resource management	450,000	300,000	450,000	400,000
93-235	Construction and anadromous fish	1,992,000			
	Total, Bureau of Sport Fisheries and Wildlife	2,442,000	300,000	450,000	400,000
	Office of Oil and Gas				
93-266	Salaries and expenses	18,000,000	18,000,000	18,000,000	18,000,000
	Bureau of Indian Affairs				
93-266	Resources management	3,000,000	3,000,000	3,000,000	3,000,000
93-266	Revolving fund for loans	900,000	900,000	900,000	900,000
	Total, Bureau of Indian Affairs	3,900,000	3,900,000	3,900,000	3,900,000
	Territorial Affairs				
93-235	Trust Territory of the Pacific Islands	1,514,000	1,500,000	1,500,000	1,500,000
	Total, Department of the Interior	46,856,000	43,000,000	43,150,000	43,100,000
	RELATED AGENCIES				
	DEPARTMENT OF AGRICULTURE				
	Forest Service				
93-236	Forest protection and utilization	97,133,000	97,133,000	97,133,000	97,133,000
93-266	Construction and land acquisition		650,000	650,000	650,000
	Total, Forest Service	97,133,000	97,783,000	97,783,000	97,783,000
	DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE				
	Health Services and Mental Health Administration				
93-266	Indian health services	6,591,000	6,591,000	6,591,000	6,591,000
	AMERICAN REVOLUTION BICENTENNIAL ADMINISTRATION				
93-266	Salaries and expenses	12,375,000	12,375,000	12,375,000	12,375,000
	Total, related agencies	116,099,000	116,749,000	116,749,000	116,749,000
	Total, chapter VI: new budget (obligational) authority	162,955,000	159,749,000	159,899,000	159,849,000
	CHAPTER VII				
	DEPARTMENT OF LABOR				
	Manpower Administration				
93-266	Program administration	71,762,000	71,762,000	71,762,000	71,762,000
	Trust fund transfer	(26,766,000)	(26,766,000)	(26,766,000)	(26,766,000)
93-266	Comprehensive manpower assistance	1,798,584,000	2,048,584,000	2,546,584,000	2,265,584,000
	Community service employment for older Americans			10,000,000	
93-244	Limitation on grants to States for unemployment insurance and employment services	(85,000,000)	(85,000,000)	(81,000,000)	(81,000,000)
	Total, Department of Labor	1,870,346,000	2,120,346,000	2,628,346,000	2,337,346,000
	DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE				
	Health Services and Mental Health Administration				
93-266	Health services delivery (by transfer)	65,000,000	60,700,000	(60,700,000)	60,700,000
	Preventive health services (by transfer)			(7,000,000)	3,500,000
	National Institutes of Health				
	National Cancer Institute (by transfer)			(9,500,000)	
	Office of Education				
	Elementary and secondary education (by transfer)			(40,000,000)	20,000,000
	Higher education (by transfer)			(400,000)	250,000
93-266	Salaries and expense (by transfer)	3,449,000	1,725,000	(394,000)	394,000
93-266	Student Loan Insurance Fund (by transfer)	30,785,000	30,785,000	(30,785,000)	30,785,000
	National Institute of Education				
93-266	National Institute of Education	25,000,000			

H. Doc. No.	Department or activity	Budget estimate	Recommended in House bill	Amount recommended by Senate	Conference agreemen
	Social and Rehabilitation Service				
[1] 93-69	Grants to States for public assistance (proposed rescission)	−$783,000,000	−$1,000,000,000	−$1,225,000,000	−$1,188,000,000
[1] 93-76	Social and rehabilitation services (by transfer)	20,000,000	20,000,000	(22,000,000)	21,000,000
	Social Security Administration				
93-266	Special benefits for disabled coal miners (by transfer)	44,311,000	44,311,000	(44,311,000)	44,311,000
	Special Institutions				
93-266	Model Secondary School for the Deaf (by transfer)	50,000			
93-266	Gallaudet College (by transfer)	438,000	438,000	(438,000)	438,000
93-266	Howard University (by transfer)	3,362,000	3,362,000	(3,362,000)	3,362,000
	Office of Child Development				
--------	Child development (by transfer)		4,500,000	(4,500,000)	4,500,000
	Office of the Secretary				
93-266	Departmental management (by transfer)	5,000,000	2,950,000	(2,950,000)	2,950,000
	Total, Department of Health, Education, and Welfare	−585,605,000	−831,229,000	−1,225,000,000	−995,810,000
	Total by transfer			(226,340,000)	
	RELATED AGENCIES				
93-266	Federal Mediation and Conciliation Service	594,000	85,000	594,000	170,000
--------	Office of Economic Opportunity			19,500,000	12,500,000
	Total, related agencies	594,000	85,000	20,094,000	12,670,000
	Total: Chapter VII				
	New budget (obligational) authority	1,285,335,000	1,289,202,000	1,423,440,000	1,354,206,000
	By transfer			(226,340,000)	
	Trust funds limitation	(85,000,000)	(85,000,000)	(81,000,000)	(81,000,000)
	CHAPTER VIII				
	SENATE				
	Salaries, Officers and Employees				
S. 93-73	Office of the Secretary	15,915		13,965	13,965
S. 93-77	Office of Sergeant at Arms and Doorkeeper	5,890		5,890	5,890
	Total, salaries, officers and employees	21,805		19,855	19,855
	Contingent Expenses of the Senate				
S. 93-73	Expenses of inquiries and investigations	2,000,000		2,000,000	2,000,000
S. 93-73	Miscellaneous items	1,205,000		1,205,000	1,205,000
	Total, Senate	3,226,805		3,224,855	3,224,855
	HOUSE OF REPRESENTATIVES				
	Payments to Widows and Heirs of Deceased Members of Congress				
--------	Gratuity, deceased Member		42,500	42,500	42,500
	Contingent Expenses of the House				
H. 93-266	Telegraph and telephone	1,500,000	1,500,000	1,500,000	1,500,000
H. I93-266	Stationery (revolving fund)	439,000	439,000	439,000	439,000
	Total, House of Representatives	1,939,000	1,981,500	1,981,500	1,981,500
	JOINT ITEMS				
	Contingent Expenses of the House				
S. 93-66	Joint Committee on Internal Revenue Taxation	25,000	25,000	25,000	25,000
	ARCHITECT OF THE CAPITOL				
S. 93-73	Senate Office Buildings	200,000		200,000	200,000
	LIBRARY OF CONGRESS				
	Fiscal year 1973:				
S. 93-66	Distribution of catalog cards, salaries and expenses	300,000	300,000		
	Fiscal year 1974:				
S. 93-66	Library of Congress, salaries and expenses	184,800	184,800	184,800	184,800
S. 93-66	Copyright Office, salaries and expenses	24,700	24,700	24,700	24,700
S. 93-66	Distribution of Catalog Cards, salaries and expenses	259,900	259,900	259,900	259,900
S. 93-66	Books for the Blind and Physically Handicapped, salaries and expenses	40,600	40,600	40,600	40,600
	Total, 1974	510,000	510,000	510,000	510,000
	Total, 1973 and 1974, Library of Congress	810,000	810,000	510,000	510,000
	Total, chapter VIII: New budget (obligational) authority	6,200,805	2,816,500	5,941,355	5,941,355

Footnotes at end of table.

2D SUPPLEMENTAL APPROPRIATIONS, 1974—H.R. 14013 SUMMARY—Continued

H. Doc. No	Department or activity	Budget estimate	Recommended in House bill	Amount recommended by Senate	Conference agreement
	CHAPTER IX				
	MILITARY CONSTRUCTION				
93-266	Military Construction, Navy	$29,000,000	$29,000,000		
	Total, Chapter IX: ew budget (obligational) authority	29,000,000	29,000,000		
	CHAPTER IX				
	DEPARTMENT OF DEFENSE—CIVIL				
	Department of the Army				
	Corps of Engineers—Civil				
S. Doc. 93-67	Flood control, Mississippi River and tributaries	100,000,000	80,000,000	$100,000,000	$100,000,000
	DEPARTMENT OF THE INTERIOR				
	Bureau of Reclamation				
H. Doc. 93-235	Operation and maintenance	7,700,000	7,000,000	7,000,000	7,000,000
	Total, chapter IX; New budget (obligational) authority	107,700,000	87,000,000	107,000,000	107,000,000
	CHAPTER X				
	DEPARTMENT OF STATE				
	Administration of Foreign Affairs				
93-266	Salaries and expenses	7,000,000	6,000,000	6,500,000	6,250,000
93-666	Acquisition, operation, and maintenance of buildings abroad	1,196,000	1,000,000	1,000,000	1,000,000
93-666	Acquisition, operation, and maintenance of buildings abroad (special foreign currency program)	324,000	324,000	324,000	324,000
93-666	Payment to foreign service retirement and disability fund	17,563,000	17,563,000	17,563,000	17,563,000
	Total, Administration fo Foreign Affairs	26,083,000	24,887,000	25,387,000	25,137,000
	International Organizations and Conferences				
93-266	Contributions to international organizations	2,287,000		2,287,000	1,200,000
	Educational Exchange				
93-666	Center for cultural and technical interchange between East and West	269,000	200,000	269,000	225,000
	Total, Department of State	28,639,000	25,087,000	27,943,000	26,562,000
	DEPARTMENT OF JUSTICE				
93-228	Salaries and expenses, Antitrust Division	761,000	761,000	761,000	761,000
93-228	Fees and expenses of witnesses	600,000	600,000	600,000	600,000
	Total, Department of Justice	1,361,000	1,361,000	1,361,000	1,361,000
	DEPARTMENT OF COMMERCE				
	General Administration				
93-266	Salaries and expenses	85,000	75,000	75,000	75,000
	Regional Action Planning Commissions				
93-266	Regional Development Programs	Language	Language	Language	Language
	National Oceanic and Atmospheric Administration				
93-266	Administration of Pribilof Islands	336,000	250,000	330,000	330,000
93-234	Fishermen's Guarantee Fund	40,000	40,000	40,000	40,000
93-234	Offshore Shrimp Fisheries Fund	325,000	325,000	325,000	325,000
	Total, National Oceanic and Atmospheric Administration	701,000	615,000	695,000	695,000
	National Bureau of Fire Prevention				
93-266	Operations, Research and Administration	4,000,000		4,000,000	
	Maritime Administration				
93-266	Operating-Differential Subsidies (liquidation of contract authority)	(23,000,000)	(23,000,000)	(23,000,000)	(23,000,000)
	Total, Department of Commerce	4,786,000	690,000	4,770,000	770,000
	THE JUDICIARY				
	Court of Appeals, District Courts and other Judicial Services				
S. Doc. 93-78	Representation by court-appointed counsel and operation of defender organizations	2,000,000		2,000,000	2,000,000
	Total, The Judiciary	2,000,000		2,000,000	2,000,000
	RELATED AGENCIES				
	INTERNATIONAL RADIO BROADCASTING				
93-266	International Radio Broadcasting Activities	4,970,000	4,500,000	4,500,000	4,500,000
	DEPARTMENT OF THE TREASURY				
	Bureau of Accounts				
93-266	Fishermen's Protective Fund	2,500,000	1,000,000	1,000,000	1,000,000
	SMALL BUSINESS ADMINISTRATION				
93-266	Salaries and expenses: Transfer from revolving fund	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000

H. Doc. No.	Department or activity	Budget estimate	Recommended in House bill	Amount recommended by Senate	Conference agreement
	UNITED STATES INFORMATION AGENCY				
93-266	Special International Exhibitions	$6,300,000	$6,300,000	$6,300,000	$6,300,000
	Total, Related Agencies	13,770,000	11,800,000	11,800,000	11,800,000
	Total, chapter X, New budget (obligational) Authority	50,556,000	38,938,000	47,874,000	42,493,000
	By transfer	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
	Appropriations to liquidate contract authorizations	(23,000,000)	(23,00,000)	(23,000,000)	(23,000,000)
	CHAPTER XI				
	DEPARTMENT OF TRANSPORTATION				
	Office of the Secretary				
93-266	Salaries and expenses	9,500,000	4,000,000	9,500,000	7,000,000
93-266	Interim operating assistance	50,000,000	10,800,000	50,000,000	39,800,000
93-266	Transportation planning, research, and development	3,500,000	3,170,000	3,000,000	3,000,000
	Coast Guard				
93-266	Retired pay	6,098,000	5,750,000	5,750,000	5,750,000
	Federal Highway Administration				
93-266	Inter-American Highway	3,000,000	2,000,000		56,000
	Railroad Highway Crossings Demonstration projects		(1,500,000)	(2,218,000)	(2,218,000)
	National Highway Traffic Safety Administration				
93-266	Traffic and highway safety	1,000,000	800,000	800,000	800,000
	Federal Railroad Administration				
93-266	Railroad research	1,000,000	(1,000,000)	(1,000,000)	(1,000,000)
93-266	High-speed ground transportation research and development	5,000,000	(5,000,000)	(5,000,000)	(5,000,000)
93-266	Grants to the National Railroad Passenger Corporation	52,000,000	41,300,000	56,000,000	47,000,000
	Total, Department of Transportation	131,098,000	67,820,000	125,050,000	103,406,000
	By transfer		(7,500,000)	(8,218,000)	(8,218,000)
	RELATED AGENCIES				
	CIVIL AERONAUTICS BOARD				
93-233	Payment to air carriers	6,834,000	6,834,000	6,834,000	6,834,000
	INTERSTATE COMMERCE COMMISSION				
93-266	Salaries and expenses	5,150,000	3,500,000	3,500,000	3,500,000
	UNITED STATES RAILWAY ASSOCIATION				
93-266	Administrative expenses	20,000,000	8,000,000	15,000,000	12,000,000
	WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY				
93-266	Federal contribution	13,700,000	13,600,000	13,600,000	13,600,000
	Total, related agencies	45,684,000	31,934,000	38,934,000	35,934,000
	Total, chapter XI, new budget (obligational) authority	176,782,000	99,754,000	163,984,000	139,340,000
	By transfer		(7,500,000)	(8,218,000)	(8,218,000)
	CHAPTER XII				
	TREASURY DEPARTMENT				
	Bureau of Accounts				
93-232	Salaries and expenses	10,778,000	10,778,000	10,778,000	10,778,000
	Bureau of the Public Debt				
93-266	Administering the Public Debt	2,250,000	2,250,000	2,000,000	2,000,000
	Internal Revenue Service				
93-232	Accounts, Collection and Taxpayer Service	17,442,000	17,442,000	17,000,000	17,000,000
	Secret Service				
93-232 93-666	Salaries and expenses	3,225,000	2,900,000	2,700,000	2,700,000
	Total, Treasury Department	33,695,000	33,370,000	32,478,000	32,478,000
	U.S. POSTAL SERVICE				
93-266	Payment to the Postal Service Fund	236,018,000	230,000,000	200,000,000	220,000,000
	TEMPORARY COMMISSIONS				
	NATIONAL COMMISSION ON PRODUCTIVITY				
93-666	Salaries and expenses	2,500,000			
	INDEPENDENT AGENCIES				
	CIVIL SERVICE COMMISSION				
93-266	Government Payment for Annuitants, Employees Health Benefits	13,165,000	13,165,000	13,000,000	13,000,000
S. 93-74	Government Payment for Annuitants, Employees Health Benefits	25,200,000		25,000,000	25,000,000
93-266	Payment to Civil Service Retirement and Disability Fund	292,429,000	292,429,000	292,000,000	292,000,000
	Total, Civil Service Commission	330,794,000	305,594,000	330,000,000	330,000,000
	GENERAL SERVICES ADMINISTRATION				
S. 93-70	Property Management and Disposal Service	1,350,000			
S. 93-70	Administrative Operations Fund	(50,000)			
	Total, General Services Administration	1,350,000			
	Total, Independent Agencies	332,144,000	305,594,000	330,000,000	330,000,000
	Total, Chapter XII, new budget (obligational) authority	604,357,000	568,964,000	562,478,000	582,478,000

Footnotes at end of table.

TITLE II—INCREASED PAY COSTS

Agency and item (1)	Supplemental estimate H. Doc. 93-266 (2)	Recommended in House bill (3)	Amount recommended by Senate (4)	Conference agreement (5)
LEGISLATIVE BRANCH				
SENATE				
Salaries, Officers and Employees	$4,390,179		$1,000,000	$1,000,000
Office of the Legislative Counsel	21,365		21,365	21,365
Contingent Expenses of the Senate:				
Senate policy committees	45,330		45,330	45,330
Inquiries and investigations	1,067,975		1,067,975	1,067,975
Folding documents	6,635		6,635	6,635
Miscellaneous items	1,545		1,545	1,545
Total, contingent expenses of the Senate	1,121,485		1,121,485	1,121,485
Total, Senate: New budget (obligational) authority	5,533,029		2,142,850	2,142,850
HOUSE OF REPRESENTATIVES				
Salaries, Offices and Employees				
Office of the Speaker	18,920	$18,920	18,920	18,920
Office of the Parliamentarian	12,275	12,275	12,275	12,275
Compilation of precedents of the House of Representatives	1,680	1,680	1,680	1,680
Office of the Clerk	[1] 274,910	274,910	274,910	274,910
Office of the Sergeant at Arms	512,965	387,965	387,965	387,965
Office of the Doorkeeper	164,930	64,930	64,930	64,930
Office of the Postmaster	53,360	53,360	53,360	53,360
Committee employees (standing roll)	441,400	100,000	100,000	100,000
Special and minority employees:				
6 minority employees	5,620	5,620	5,620	5,620
House Democratic Steering Committee	1,515	1,515	1,515	1,515
House Republican Conference	1,515	1,515	1,515	1,515
Office of the majority floor leader	10,225	10,225	10,225	10,225
Office of the minority floor leader	8,740	8,740	8,740	8,740
Office of the majority whip	7,230	7,230	7,230	7,230
Office of the minority whip	7,230	7,230	7,230	7,230
2 printing clerks for majority and minority caucus rooms	2,175	2,175	2,175	2,175
Technical assistant, Office of the Attending Physician	1,960	1,960	1,960	1,960
Official reporters of debates	15,165	15,165	15,165	15,165
Official reporters to committees	15,755	15,755	15,755	15,755
Committee on Appropriations (investigations)	12,865	12,865	12,865	12,865
Office of the Legislative Counsel	37,825	37,825	37,825	37,825
Members' clerk hire	5,715,500	4,715,500	4,715,500	4,715,500
Government contributions	487,460	487,460	487,460	487,460
Special and select committees	744,990	744,990	744,990	744,990
Leadership automobiles:				
Speaker	1,395	1,395	1,395	1,395
Majority leader	1,395	1,395	1,395	1,395
Minority leader	1,395	1,395	1,395	1,395
Total, House of Representatives: New budget (obligational) authority	8,560,395	6,993,995	6,993,995	6,993,995
JOINT ITEMS				
Joint Committee on Reduction of Federal Expenditure	6,360	6,360	6,360	6,360
Joint Economic Committee	57,390	57,390	57,390	57,390
Joint Economic Committee—Subcommittee on Fiscal Policy	15,505	15,505	15,505	15,505
Joint Committee on Atomic Energy	26,650	26,650		
Joint Committee on Printing	19,080	19,080	19,080	19,080
Joint Committee on Internal Revenue Taxation	58,460	58,460	58,460	58,460
Joint Committee on Defense Production	12,125	12,125	12,125	12,125
Joint Committee on Congressional Operations	43,290	43,290	43,290	43,290
Capitol Guide Service, salaries and expenses	23,540	23,540	23,540	23,540
Total, joint items: New budget (obligational) authority	262,400	262,400	235,750	235,750
ARCHITECT OF THE CAPITOL				
Office of the Architect of the Capitol				
Salaries	62,000	62,000	62,000	62,000
Capitol Buildings and Grounds				
Capitol buildings	110,000	110,000	110,000	110,000
Capitol grounds	24,000	24,000	24,000	24,000
Senate office buildings	281,500		281,500	281,500
Senate garage	2,800		2,800	2,800
House office buildings	371,600	371,600	371,600	371,600
Capitol powerplant: Operation	15,000	15,000	15,000	15,000
Library Buildings and Grounds				
Structural and mechanical care	37,000	37,000	37,000	37,000
Total, Architect of the Capitol: New budget (obligational) authority	903,900	619,600	903,900	903,900
BOTANIC GARDEN				
Salaries and expenses	24,500	24,500	24,500	24,500
LIBRARY OF CONGRESS[1]				
Salaries and expenses	2,660,000	2,660,000	2,660,000	2,660,000
Copyright Office				
Salaries and expenses	369,000	319,000	269,000	269,000
Congressional Research Service				
Salaries and expenses	735,000	564,000	464,000	464,000
Distribution of Catalog Cards				
Salaries and expenses	483,000	483,000	483,000	483,000
Books for the Blind and Physically Handicapped				
Salaries and expenses	89,000	89,000	49,000	49,000
Revision of Annotated Constitution				
Salaries and expenses	2,900	2,900	2,900	2,900

Agency and item (1)	Supplemental estimate H. Doc. 93-266 (2)	Recommended in House bill (3)	Amount recommended by Senate (4)	Conference agreement (5)
Revision of Hinds' and Cannon's Precedents				
Salaries and expenses	$11,400	$11,400	$11,400	$11,400
Total, Library of Congress: New budget (obligational) authority	4,350,300	4,129,300	3,939,300	3,939,300
GOVERNMENT PRINTING OFFICE				
Office of Superintendent of Documents				
Salaries and expenses	508,000	400,000	400,000	400,000
GENERAL ACCOUNTING OFFICE				
Salaries and expenses	6,850,000	5,600,000	5,600,000	5,600,000
Total, Legislative Branch (excluding Tax Court)	26,992,524	18,029,795	20,240,295	20,240,295
U.S. TAX COURT				
Salaries and expenses	58,000	58,000	58,000	58,000
Total, Legislative Branch New budget (obligational) authority	27,050,524	18,087,795	20,298,295	20,298,295
THE JUDICIARY				
Supreme Court of the United States				
Salaries	233,000	190,000	190,000	190,000
Automobile for the Chief Justice	1,000	1,000	1,000	1,000
Care of the building and grounds	16,300	16,300	16,300	16,300
Court of Customs and Patent Appeals				
Salaries and expenses	32,000			
Custom Court				
Salaries and expenses	158,000	83,000	83,000	83,000
Court of Claims				
Salaries and expenses	88,000	40,000	40,000	40,000
Court of Appeals, District Courts, and Other Judicial Services				
Salaries of supporting personnel	7,248,000	6,550,000	6,550,000	6,550,000
Representation by court-appointed counsel and operation of defender organizations	175,000	175,000	175,000	175,000
Administrative Office of the U.S. Courts	302,000	302,000	302,000	302,000
Salaries and expenses of U.S. Magistrates	243,000			
Expenses of referees	855,000	640,000	640,000	640,000
Federal Judicial Center				
Salaries and expenses	73,000	73,000	73,000	73,000
Total, the Judiciary: New budget (obligational) authority	9,424,300	8,070,300	8,070,300	8,070,300
EXECUTIVE OFFICE OF THE PRESIDENT				
The White House Office				
Salaries and expenses	668,000	668,000	650,000	650,000
Executive Residence				
Operating expenses	63,000	63,000	63,000	63,000
Council of Economic Advisers				
Salaries and expenses	38,000	38,000	38,000	38,000
Special Assistance to the President				
Salaries and expenses	17,000	17,000	17,000	17,000
Council on International Economic Policy				
Salaries and expenses	26,000	26,000	26,000	26,000
Office of Management and Budget				
Salaries and expenses	1,000,000	1,000,000	900,000	900,000
Office of Telecommunications Policy				
Salaries and expenses	56,000	56,000	56,000	56,000
Special Representative for Trade Negotiations				
Salaries and expenses	19,000	19,000	19,000	19,000
Total, Executive Office of the President: New budget (obligational) authority	1,887,000	1,887,000	1,769,000	1,769,000
FUNDS APPROPRIATED TO THE PRESIDENT				
Economic Stabilization Activities				
Salaries and expenses	4,660,000	3,495,000	3,395,000	3,395,000
FOREIGN ASSISTANCE				
Economic Assistance				
Food and nutrition, development assistance (by transfer)	(2,350,000)	( )	( )	( )
Administrative expense (by transfer)	(1,382,000)	( )	( )	( )
Administrative and other expenses (by transfer)	(119,000)	(119,000)	(119,000)	(199,000)
Total, funds appropriated to the President:				
New budget (obligational) authority	4,660,000	3,495,000	3,395,000	3,395,000
By transfer	(3,851,000)	(119,000)	(119,000)	(119,000)
DEPARTMENT OF AGRICULTURE				
Office of the Secretary	683,000	683,000	683,000	683,000
Office of the Inspector General	989,000	989,000	989,000	989,000
(By transfer)	(284,000)	(284,000)	(284,000)	(284,000)
Office of the General Counsel	572,000	572,000	572,000	572,000
Office of Management Services	308,000	308,000	308,000	308,000
Agricultural Research Service	12,353,000	12,353,000	12,353,000	12,353,000
Animal and Plant Health Inspection Service	17,651,000	17,651,000	17,651,000	17,651,000
Cooperative State Research Service (by transfer)	(148,000)	(148,000)	(148,000)	(148,000)
Extension Service (by transfer)	(308,000)	(308,000)	(308,000)	(308,000)
National Agricultural Library (by transfer)	(242,000)	(242,000)	(242,000)	(242,000)
Statistical Reporting Service (by transfer)	(1,357,000)	(1,357,000)	(1,357,000)	(1,357,000)

Footnotes at end of table.

TITLE II—INCREASED PAY COSTS—Continued

Agency and item (1)	Supplemental estimate H. Doc. 93-266 (2)	Recommended in House bill (3)	Amount recommended by Senate (4)	Conference agreement (5)
DEPARTMENT OF AGRICULTURE—Continued				
Economic Research Service	$1,307,000	$1,307,000	$1,307,000	$1,307,000
Commodity Exchange Authority (by transfer)	(214,000)	(214,000)	(214,000)	(214,000)
Packers and Stockyards Administration	276,000	276,000	276,000	276,000
Farmers Cooperative Service	141,000	141,000	141,000	141,000
Foreign Agricultural Service	881,000	881,000	881,000	881,000
Federal Crop Insurance Corporation:				
Administrative and operating expense (by transfer)	(1,008,000)	(1,008,000)	(1,008,000)	(1,008,000)
Rural Development Service	28,000	28,000	28,000	28,000
Rural Electrification Administration: Salaries and expenses	769,000	769,000	769,000	769,000
Farmers Home Administration: Salaries and expenses	8,350,000	8,350,000	8,350,000	8,350,000
Soil Conservation Service: Conservation operations	5,457,000	5,457,000	5,457,000	5,457,000
Agricultural Marketing Service:				
Marketing services (by transfer)	(2,222,000)	(2,222,000)	(2,222,000)	(2,222,000)
Funds for increasing markets, income, and supply (increase in limitation)	(232,000)	(232,000)	(232,000)	(232,000)
Forest Service:				
Forest protection and utilization:				
Forest land management	13,467,000	13,400,000	13,400,000	13,400,000
Forest research	3,431,000	3,400,000	3,400,000	3,400,000
State and private forestry cooperation	262,000	262,000	262,000	262,000
Total, Forest Protection and Utilization	17,160,000	17,062,000	17,062,000	17,062,000
Forest Service:				
Forest roads and trails (liquidation of contract authority)	(6,000,000)	(5,500,000)	(5,500,000)	(5,500,000)
Total, Department of Agriculture:				
New budget (obligational) authority	66,925,000	66,827,000	66,827,000	66,827,000
By transfer	(5,783,000)	(5,783,000)	(5,783,000)	(5,783,000)
Increase in limitation	(232,000)	(232,000)	(232,000)	(232,000)
Liquidation of contract authority	(6,000,000)	(5,500,000)	(5,500,000)	(5,500,000)
DEPARTMENT OF COMMERCE				
General Administration				
Salaries and expenses	559,000	550,000	550,000	550,000
Administration of economic development assistance programs	1,143,000	1,100,000	1,100,000	1,100,000
Social and Economic Statistics Administration				
Salaries and expenses	2,773,000	2,700,000	2,700,000	2,700,000
Periodic censuses and programs	1,310,000	1,300,000	1,300,000	1,300,000
Domestic and International Business Administration				
Salaries and expenses	2,664,000	2,600,000	2,600,000	2,600,000
Foreign Direct Investment Regulation				
Salaries and expenses	121,000	100,000	100,000	100,000
Minority Business Enterprise				
Minority business development	493,000	450,000	450,000	450,000
U.S. Travel Service				
Salaries and expenses	147,000	100,000	100,000	100,000
National Oceanic and Atmospheric Administration				
Operations, research, and facilities	15,268,000	15,072,000	15,072,000	15,072,000
(By transfer)	(2,178,000)	(2,178,000)	(2,178,000)	(2,178,000)
Administration of Pribilof Islands	155,000	155,000	155,000	155,000
Science and Technology				
Scientific and technical research and services	7,637,000	7,350,000	7,350,000	7,350,000
Maritime Administration				
Operations and training	1,880,000	1,800,000	1,800,000	1,800,000
Total, Department of Commerce:				
New budget (obligational) authority	34,150,000	33,277,000	33,277,000	33,277,000
By transfer	(2,178,000)	(2,178,000)	(2,178,000)	(2,178,000)
DEPARTMENT OF DEFENSE—MILITARY				
Military Personnel				
Military personnel, Army	611,650,000	595,850,000	585,850,000	585,850,000
Military personnel, Navy	432,150,000	384,650,000	308,650,000	308,650,000
Military personnel, Marine Corps	121,434,000	113,834,000	113,834,000	113,834,000
Military personnel, Air Force	571,250,000	564,950,000	564,950,000	564,950,000
Reserve personnel, Army	41,092,000	36,092,000	23,092,000	23,092,000
Reserve personnel, Navy	13,897,000	11,197,000	11,197,000	11,197,000
Reserve personnel, Marine Corps	3,827,000	1,527,000	2,827,000	1,527,000
Reserve personnel, Air Force	9,885,000	6,885,000	6,885,000	6,885,000
National Guard personnel, Army	51,600,000	51,600,000	69,600,000	69,600,000
National Guard personnel, Air Force	14,583,000	7,583,000	14,583,000	7,583,000
Operation and Maintenance				
Operation and maintenance, Army	274,160,000	260,400,000	260,400,000	260,400,000
Operation and maintenance, Navy	201,500,000	191,000,000	191,000,000	191,000,000
Operation and maintenance, Marine Corps	14,200,000	13,500,000	13,500,000	13,500,000
Operation and maintenance, Air Force	163,150,000	155,000,000	155,000,000	155,000,000
Operation and maintenance, Defense agencies	92,750,000	88,000,000	88,000,000	88,000,000
Operation and maintenance, Army Reserve	10,790,000	10,200,000	10,200,000	10,200,000
Operation and maintenance, Navy Reserve	3,500,000	3,300,000	3,300,000	3,300,000
Operation and maintenance, Marine Corps Reserve	50,000	48,000	48,000	48,000
Operation and maintenance, Air Force Reserve	8,120,000	7,700,000	7,700,000	7,700,000
Operation and maintenance, Army National Guard	21,870,000	20,800,000	20,800,000	20,800,000
Operation and maintenance, Air National Guard	17,250,000	16,375,000	16,375,000	16,375,000
National Board for the Promotion of Rifle Practice, Army	11,000	10,000	10,000	10,000
Court of Military Appeals, Defense	53,000	50,000	50,000	50,000

Agency and item (1)	Supplemental estimate H. Doc. 93-266 (2)	Recommended in House bill (3)	Amount recommended by Senate (4)	Conference agreement (5)
Research, Development, Test and Evaluation				
Research, development, test, and evaluation, Army	$35,898,000	$17,930,000	$35,898,000	$26,914,000
Research, development, test, and evaulation, Navy	38,528,000	19,243,000	38,528,000	28,885,000
Research, development, test, and evaluation, Air Force	29,466,000	14,721.000	29,466,000	22,093,000
Research, development, test, and evaluation, Defense agencies	5,016,000	2,506,000	5,016,000	3,761,000
Subtotal, Dept. of Defense, excluding military construction	2,787,680,000	2,594,951,000	2,576,759,000	2,541,204,000
MILITARY CONSTRUCTION				
Family Housing				
Family housing, Defense	3,866,000	3,866,000	3,866,000	3,866,000
(Increase in limitation)	(3,866,000)	(3,866,000)	(3,866,000)	(3,866,000)
Total, Department of Defense—Military:				
New Budget (obligational) authority	2,791,546,000	2,598,817,000	2,580,625,000	2,545,070,000
Increase in limitation	(3,866,000)	(3,866,000)	(3,866,000)	(3,866,000)
DEPARTMENT OF DEFENSE—CIVIL				
Department of the Army				
Corps of Engineers—Civil: General expenses	2,325,000	2,300,000	2,200,000	2,200,000
U.S. Soldiers' and Airmen's Home				
Operation and maintenance	516,000	516,000	516,000	516,000
THE PANAMA CANAL				
Canal Zone Government: Operating expenses	1,097,000	1,000,000	1,097,000	1,000,000
Panama Canal Company: Limitation on general and administrative expenses (increase in limitation)	(1,294,000)	(942,000)	(1,294,000)	(1,294,000
Total, Department of Defense—Civil:				
New budget (obligational) authority	3,938,000	3,816,000	3,813,000	3,716,000
Increase in limitation	(1,294,000)	(942,000)	(1,294,000)	(1,294,000)
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE				
Food and Drug Administration				
Salaries and expenses (by transfer)	(5,370,000)	(5,370,000)	(5,370,000)	(5,370,000)
Health Services and Mental Health Administration				
Saint Elizabeths Hospital (by transfer)	(3,784,000)	(3,784,000)	(3,784,000)	(3,784,000)
Health services delivery (by transfer)	(2,470,000)	(2,470,000)	(2,470,000)	(2,470,000)
Preventive health services (by transfer)	(1,789,000)	(1,789,000)	(1,789,000)	(1,789,000)
National health statistics (by transfer)	(1,024,000)	(1,024,000)	(1,024,000)	(1,024,000)
Office of the Administrator (by transfer)	(945,000)	(945,000)	(945,000)	(945,000)
Indian health services (by transfer)	(9,410,000)	(9,410,000)	(9,410,000)	(9,410,000)
National Institutes of Health				
John E. Fogarty International Center for Advanced Study in the Health Sciences (by transfer)	(17,000)	(----------)	(----------)	(----------)
National Library of Medicine (by transfer)	(458,000)	(458,000)	(458,000)	(458,000)
Office of the Director (by transfer)	(903,000)	(903,000)	(903,000)	(903,000)
Education Division				
Office of the Assistant Secretary for Education: Salaries and expenses, Assistant Secretary for Education (by transfer)	(124,000)	(124,000)	(124,000)	(124,000)
Office of Education: Salaries and expenses (by transfer)	(4,073,000)	(2,000,000)	(1,500,000)	(1,500,000)
National Institute of Education (by transfer)	(700,000)	(700,000)	(700,000)	(700,000)
Social Security Administration				
Social Security Administration: Special benefits for disabled coal miners (by transfer)	(1,746,000)	(1,746,000)	(1,746,000)	(1,746,000)
Office of the Secretary				
Office for Civil Rights (by transfer)	(1,302,000)	(1,302,000)	(1,302,000)	(1,302,000)
Office of Consumer Affairs (by transfer)	(82,000)	(82,000)	(82,000)	(82,000)
Departmental management (by transfer)	(5,096,000)	(5,096,000)	(5,096,000)	(5,096,000)
Total, Department of Health, Education, and Welfare: By transfer	(39,293,000)	(37,203,000)	(36,703,000)	(36,703,000)
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Housing Production and Mortgage Credit				
Salaries and expenses, Housing production and mortgage credit programs	140,000	126,000	126,000	126,000
Limitation on administrative and nonadministrative expenses, Federal Housing Administration:				
Administrative expenses (increase in limitation)	(400,000)	(365,000)	(365,000)	(365,000)
Nonadministrative expenses (increase in limitation)	(4,945,000)	(945,000)	(945,000)	(945,000)
Limitation on administrative expenses, Government National Mortgage Association (increase in limitation)	(24,000)	(22,000)	(22,000)	(22,000)
Housing Management				
Salaries and expenses, Housing management programs	689,000	621,000	621,000	621,000
Community Planning and Management				
Salaries and expenses, Community planning and management programs	250,000	225,000	225,000	225,000
Community Development				
Salaries and expenses, Community development programs	656,000	591,000	591,000	591,000
Research and Technology				
Research and technology: (Increase in limitation on administrative expenses)	(121,000)	(109,000)	(109,000)	(109,000)
Fair Housing and Equal Opportunity				
Fair housing and equal opportunity	256,000	231,000	231,000	231,000

Footnotes at end of table.

TITLE II—INCREASED PAY COSTS—Continued

Agency and item (1)	Supplemental estimate H. Doc. 93-266 (2)	Recommended in House bill (3)	Amount recommended by Senate (4)	Conference agreement (5)
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—Continued				
Departmental Management				
General departmental management	$132,000	$119,000	$119,000	$119,000
Salaries and expenses, Office of general counsel	97,000	87,000	87,000	87,000
Salaries and expenses, Office of Inspector general	193,000	174,000	174,000	174,000
Administration and staff services	211,000	190,000	190,000	190,000
Regional management and services	493,000	444,000	444,000	444,000
Total, Department of Housing and Urban Development:				
New budget (obligational) authority	3,117,000	2,808,000	2,808,000	2,808,000
Increase in limitation	(5,490,000)	(1,441,000)	(1,441,000)	(1,441,000)
DEPARTMENT OF THE INTERIOR				
Bureau of Land Management				
Management of lands and resources	5,000,000	5,000,000	5,000,000	5,000,000
Bureau of Indian Affairs				
Education and welfare services	10,450,000	10,400,000	10,400,000	10,400,000
Resources management	4,504,000	4,500,000	4,500,000	4,500,000
General administrative expenses	384,000	350,000	350,000	350,000
Total, Bureau of Indian Affairs	15,338,000	15,250,000	15,250,000	15,250,000
Bureau of Outdoor Recreation				
Salaries and expenses	332,000	300,000	300,000	300,000
Land and water conservation (increase in limitation)	(378,000)	(350,000)	(350,000)	(350,000)
Geological Survey				
Surveys, investigations, and research	9,520,000	9,500,000	9,500,000	9,500,000
Bureau of Mines				
Mines and minerals	7,752,000	7,746,000	6,746,000	6,746,000
Bureau of Sport Fisheries and Wildlife				
Resource management	5,277,000	5,250,000	5,250,000	5,250,000
National Park Service				
Operation of the National Park System	10,743,000	10,700,030	10,700,000	10,700,000
Preservation of historic properties	283,000	283,000	283,000	283,000
Total, National Park Service	11,026,000	10,983,000	10,983,000	10,983,000
Office of Water Resources Research				
Salaries and expenses			80,000	80,000
Bureau of Reclamation				
General Administrative expenses	775,000	1,200,000	1,200,000	1,200,000
(By transfer)	(460,000)	(----------)	(----------)	(----------)
Bonneville Power Administration				
Operation and maintenance	1,893,000	1,833,000	1,833,000	1,833,000
Southwestern Power Administration				
Operation and maintenance	67,000	67,000	67,000	67,000
Office of the Solicitor				
Salaries and expenses	595,000	590,000	590,000	590,000
Office of the Secretary				
Salaries and expenses	1,100,000	1,070,000	1,070,000	1,070,000
Departmental operations	350,000	340,000	340,000	340,000
Total, Office of the Secretary	1,450,000	1,410,000	1,410,000	1,410,000
Total, Department of the Interior:				
New budget (obligational) authority	59,025,000	59,129,000	58,209,000	58,209,000
By transfer	(460,000)	(----------)	(----------)	(----------)
Increase in limitation	(378,000)	(350,000)	(350,000)	(350,000)
DEPARTMENT OF JUSTICE				
Legal Activities and General Administration				
Salaries and expenses, general administration	953,000	900,000	900,000	900,000
Salaries and expenses, general legal activities	3,476,000	3,250,000	3,250,000	3,250,000
Salaries and expenses, Antitrust Division	1,010,000	1,010,000	1,010,000	1,010,000
Salaries and expenses, U.S. attorneys and marshals	6,795,000	6,650,000	6,650,000	6,650,000
Salaries and expenses, Community Relations Service	233,000	233,000	233,000	233,000
Federal Bureau of Investigation				
Salaries and expenses	25,788,000	25,788,000	25,788,000	25,788,000
Immigration and Naturalization Service				
Salaries and expenses	10,406,000	10,406,000	10,406,000	10,406,000
Federal Prison System				
Salaries and expenses, Bureau of Prisons	8,103,000	8,103,000	8,103,000	8,103,000
Federal Prison Industries, Incorporated: Federal Prison Industries Fund: Vocational training and administrative expenses (increase in limitation)	(429,000)	(429,000)	(429,000)	(429,000)
Law Enforcement Assistance Administration				
Salaries and expenses	612,000			
Drug Enforcement Administration				
Salaries and expenses	5,434,000	5,434,000	5,434,000	5,434,000
Total, Department of Justice:				
New budget (obligational) authority	62,810,000	61,774,000	61,774,000	61,774,000
Increase in limitation	(429,000)	(429,000)	(429,000)	(429,000)

Agency and item (1)	Supplemental estimate H .Doc. 93-266 (2)	Recommended in House bill (3)	Amount recommended by Senate (4)	Conference agreement (5)
DEPARTMENT OF LABOR				
Labor-Management Services Administration				
Salaries and expenses	$975,000	$898,000	$898,000	$898,000
Employment Standards Administration				
Salaries and expenses	2,218,000	2,218,000	2,218,000	2,218,000
Bureau of Labor Statistics				
Salaries and expenses	2,465,000	1,235,000	1,235,000	1,235,000
Departmental Management				
Salaries and expenses	1,694,000	1,249,000	1,249,000	1,249,000
Total, Department of Labor: New budget (obligational) authority	7,352,000	5,600,000	5,600,000	5,600,000
DEPARTMENT OF STATE				
Administration of Foreign Affairs				
Salaries and expenses	13,130,000	13,130,000	13,130,000	13,130,000
Acquisition, operation, and maintenance of buildings abroad	185,000	185,000	185,000	185,000
International Organizations and Conferences				
Missions to international organizations	226,000	226,000	226,000	226,000
International trade negotiations	44,000	44,000	44,000	44,000
International Commissions				
International Boundary and Water Commission, United States and Mexico: Salaries and expenses	311,000	311,000	311,000	311,000
American sections, international commissions	53,000	53,000	53,000	53,000
International fisheries commissions	58,000	58,000	58,000	58,000
Educational Exchange				
Mutual educational and cultural exchange activities	787,000	787,000	787,000	787,000
Other				
Migration and refugee assistance	52,000	25,000	25,000	25,000
Total, Department of State: New budget (obligational) authority	14,846,000	14,819,000	14,819,000	14,819,000
DEPARTMENT OF TRANSPORTATION				
Office of the Secretary				
Salaries and expenses	1,325,000			
Coast Guard				
Operating expenses	39,841,000	39,500,000	39,500,000	39,500,000
Acquisition, construction, and improvements	557,000			
Reserve training	1,770,000	1,770,000	1,770,000	1,770,000
Research, development, test, and evaluation	158,000			
Federal Aviation Administration				
Operations	83,510,000	82,000,000	82,000,000	82,000,000
Operation of maintenance, National Capital Airports	342,000	342,000	342,000	342,000
Federal Highway Administration				
Salaries and expenses	373,000	300,000	300,000	300,000
(By transfer)	(6,271,000)	(5,000,000)	(5,000,000)	(5,000,000)
Highway beautification	67,000			
Highway-related safety grants, salaries and expenses (by transfer)	(27,000)	( )	( )	
National Highway Traffic Safety Administration				
Traffic and highway safety	1,311,000			
(By transfer)	( )	(1,000,000)	(1,000,000)	(1,000,000)
Federal Railroad Administration				
Office of the Administrator, Salaries and expenses	200,000			
(By transfer)	( )	(200,000)	(200,000)	(200,000)
Railroad safety			337,000	337,000
(By transfer)	(633,800)	(448,000)	(111,000)	(111,000)
St. Lawrence Seaway Development Corporation				
Administrative expenses (increase in limitation)	(26,000)	(26,000)	(26,000)	(26,000)
National Transportation Safety Board				
Salaries and expenses	300,000	280,000	280,000	280,000
Total, Department of Transportation: New budget (obligational) authority	129,754,000	124,192,000	124,529,000	124,529,000
By transfer	(6,931,800)	(6,648,000)	(6,311,000)	(6,311,000)
Increase in limitation	(26,000)	(26,000)	(26,000)	(26,000)
DEPARTMENT OF THE TREASURY				
Office of the Secretary				
Salaries and expenses	1,153,000	950,000	950,000	950,000
Federal Law Enforcement Training Center				
Salaries and expenses	55,000	55,000	50,000	50,000
Bureau of Accounts				
Salaries and expenses	1,390,000	1,390,000	1,300,000	1,300,000
Bureau of Alcohol, Tobacco, and Firearms				
Salaries and expenses	5,448,000	5,448,000	5,448,000	5,448,000
Bureau of Customs				
Salaries and expenses	16,048,000	15,850,000	15,500,000	15,500,000

Footnotes at end of table.

TITLE II—INCREASED PAY COSTS—Continued

Agency and item (1)	Supplemental estimate H. Doc. 93-266 (2)	Recommended in House bill (3)	Amount recommended by Senate (4)	Conference agreement (5)
DEPARTMENT OF THE TREASURY—Continued				
Bureau of the Mint				
Salaries and expenses	$2,015,000	$1,915,000	$1,915,000	$1,915,000
Bureau of the Public Debt				
Administering the public debt	1,880,000	1,880,000	1,880,000	1,880,000
Internal Revenue Service				
Salaries and expenses	2,450,000	2,450,000	2,400,000	2,400,000
Accounts, collection, and taxpayer service	36,523,000	36,523,000	36,000,000	36,000,000
Compliance	46,504,000	44,500,000	44,000,000	44,000,000
Office of the Treasurer				
Salaries and expenses	815,000	815,000	800,000	800,000
United States Secret Service				
Salaries and expenses	3,350,000	3,350,000	3,350,000	3,350,000
Total, Department of the Treasury: New budget (obligational) authority	117,631,000	115,126,000	113,593,000	113,593,000
INDEPENDENT AGENCIES				
ATOMIC ENERGY COMMISSION				
Operating expenses	11,644,000	11,400,000	11,200,000	11,200,000
Total, Atomic Energy Commission: New budget (obligational) authority	11,644,000	11,400,000	11,200,000	11,200,000
ENVIRONMENTAL PROTECTION AGENCY				
Research and development	1,200,000	1,200,000	1,200,000	1,200,000
Abatement and control	2,300,000	2,300,000	2,300,000	2,300,000
Enforcement	1,000,000	1,000,000	1,000,000	1,000,000
Agency and regional management	1,100,000	1,100,000	1,100,000	1,100,000
Total, Environmental Protection Agency: New budget (obligational) authority	5,600,000	5,600,000	5,600,000	5,600,000
GENERAL SERVICES ADMINISTRATION				
Real Property Activities: Operating expenses, Public Building Service	11,558,000	11,250,000	11,250,000	11,250,000
Personel Property Activiities: Operating expenses, Federal Supply Service	6,123,000	5,950,000	5,950,000	5,950,000
Records activities: Operating expenses, National Archives and Records Service	2,353,000	850,000	850,000	850,000
Records declassification	85,000	85,000	85,000	85,000
Automated Data and Telecommunications Service: Operating expenses	503,000	500,000	500,000	500,000
Property management and disposal activities: Operating expenses, Property Management and Disposal Service	1,732,000	1,732,000	1,700,000	1,700,000
General activities: Salaries and expenses, Office of Administrator	202,000	200,000	200,000	200,000
Consumer Information Center	30,000	30,000	30,000	30,000
Indian tribal claims	93,000	90,000	90,000	90,000
Administrative operations fund (increase in limitation)	(2,957,000)	(2,957,000)	(2,957,000)	(2,957,000)
Emergency preparedness:				
Salaries and expenses	350,000	350,000	250,000	250,000
Defense mobilization functions of Federal agencies	269,000	260,000	260,000	260,000
Total, General Services Adminstration:				
New budget (obligational) authority	23,298,000	21,297,000	21,165,000	21,165,000
Increase in limitation	(2,957,000)	(2,957,000)	(2,957,000)	(2,957,000)
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION				
Research and program management	37,786,000	37,600,000	37,600,000	37,600,000
Total, National Aeronautics and Space Administration: New budget (obligational) authority	37,786,000	37,600,000	37,600,000	37,600,000
VETERANS' ADMINISTRATION				
Medical care	143,377,000	143,377,000	143,377,000	143,377,000
Medical administration and miscellaneous operating expenses	1,463,000	1,463,000	1,463,000	1,463,000
General operating expenses	22,023,000	21,623,000	21,623,000	21,623,000
Construction, minor projects	315,000	315,000	315,000	315,000
Total, Veterans' Administration: New budget (obligational) authority	167,178,000	166,778,000	166,778,000	166,778,000
OTHER INDEPENDENT AGENCIES				
Action: Operating expenses, domestic programs	899,000	899,000	899,000	899,000
International programs, Peace Corps	1,275,000	1,000,000	1,000,000	1,000,000
American Battle Monuments Commission: Salaries and expenses	353,000	300,000	300,000	300,000
Arms Control and Disarmament Agency	330,000	330,000	330,000	330,000
Civil Aeronautics Board: Salaries and expenses	791,000	770,000	770,000	770,000
Civil Service Commission:				
Salaries and expenses	4,780,000	4,780,000	4,700,000	4,700,000
Transfers from trust funds to Salaries and expenses (by transfer)	(1,016,800)	(1,016,800)	(1,016,800)	(1,016,800)
Federal Labor Relations Council: Salaries and expenses	57,000	57,000	57,000	57,000
Commission of Fine Arts: Salaries and expenses	10,000	10,000	10,000	10,000
Commission on Civil Rights: Salaries and expenses	300,000	250,000	250,000	250,000
Equal Employment Opportunity Commission: Salaries and expenses	1,400,000	1,400,000	1,400,000	1,400,000
Farm Credit Administration (increase in limitation)	(126,000)	(126,000)	(126,000)	(126,000)
Federal Communications Commission: Salaries and expenses	1,395,000	295,000	295,000	295,000
Federal Home Loan Bank Board:				
Administrative expenses (increase in limitation)	(500,000)	(450,000)	(450,000)	(450,000)
Nonadministrative expenses (increase in limitation)	(476,000)	(430,000)	(430,000)	(430,000)
Federal Savings and Loan Insurance Coproration: Limitation on administrative expenses (increase in limitaton)	(15,000)	(----------------)	(----------------)	(----------------)
Federal Maritime Commission: Salaries and expenses	426,000	385,000	385,000	385,000
Federal Mediation and Conciliation Service: Salaries and expenses	770,000	770,000	770,000	770,000
Federal Power Commission: Salaries and expenses	1,696,000	1,600,000	1,500,000	1,500,000
Federal Trade Commission: Salaries and expenses	1,896,000	1,896,000	1,896,000	1,896,000
Foreign Claims Settlement Commission: Salaries and expenses	42,000	42,000	42,000	42,000

Agency and item (1)	Supplemental estimate H. Doc. 93–266 (2)	Recommended in House bill (3)	Amount recommended by Senate (4)	Conference agreement (5)
Historical and Memorial Commissions: American Revolution Bicentennial Administration: Salaries and expenses	149,000	130,000	130,000	130,000
Indian Claims Commission: Salaries and expenses	78,000	78,000	78,000	78,000
Intergovernmental agencies: Advisory Commission on Intergovernmental Relations: Salaries and expenses	70,000	70,000	70,000	70,000
Interstate Commerce Commission: Salaries and expenses	2,600,000	2,340,000	2,340,000	2,340,000
National Capital Planning Commission: Salaries and expenses	111,000	100,000	100,000	100,000
National Council on Indian Opportunity: Salaries and expenses	14,000	7,000	7,000	7,000
National Labor Relations Board: Salaries and expenses	1,007,000	1,007,000	1,007,000	1,007,000
National Mediation Board: Salaries and expenses	63,000	63,000	63,000	63,000
National Science Foundation: Salaries and expenses	1,860,000	1,860,000	1,860,000	1,860,000
(Increase in limitation on program development and management)	(1,860,000)	(1,860,000)	(1,860,000)	(1,860,000)
Railroad Retirement Board: Limitation on salaries and expenses (increase in limitation)	($1,387,000)	($1,387,000)	($1,387,000)	($1,387,000)
Renegotiation Board: Salaries and expenses	115,000	115,000	115,000	115,000
Securities and Exchange Commission: Salaries and expenses	2,427,000	2,200,000	2,200,000	2,200,000
Selective Service System: Salaries and expenses	4,250,000	4,250,000	4,250,000	4,250,000
Small Business Administration:				
Salaries and expenses	850,000	850,000	850,000	850,000
(By transfer)	(3,450,000)	(3,450,000)	(3,450,000)	(3,450,000)
Smithsonian Institution: Salaries and expenses	3,203,000	3,150,000	3,150,000	3,150,000
National Gallery of Art: Salaries and expenses	370,000	370,000	370,000	370,000
Tariff Commission: Salaries and expenses	343,000	300,000	300,000	300,000
U.S. Information Agency:				
Salaries and expenses	7,062,000	7,062,000	7,062,000	7,062,000
Special international exhibitions	138,000	138,000	138,000	138,000
Total, other independent agencies:				
New budget (obligational) authority	41,130,000	38,874,000	38,694,000	38,694,000
(By transfer)	(4,466,800)	(4,466,800)	(4,466,800)	(4,466,800)
(Increase in limitation)	(4,364,000)	(4,253,000)	(4,253,000)	(4,253,000)
DISTRICT OF COLUMBIA [2]				
District of Columbia funds:				
General operating expenses	(1,437,000)	(1,437,000	(1,437,000)	(1,437,000)
Public safety	(1,398,000)	(1,398,000)	(1,398,000)	(1,398,000)
Education	(1,261,000)	(1,261,000)	(1,261,000)	(1,261,000)
Recreation	(240,000)	(240,000)	(240,000)	(240,000)
Human resources	(2,737,000)	(2,737,000)	(2,737,000)	(2,737,000)
Highways and traffic	(394,000)	(394,000)	(394,000)	(394,000)
Environmental services	(1,191,000)	(1,191,000)	(1,191,000)	(1,191,000)
Total, District of Columbia: New budget (obligational) authority, District of Columbia funds	(8,658,000)	(8,658,000)	(8,658,000)	(8,658,000)
ANNEXED BUDGETS				
EXPORT-IMPORT BANK OF THE UNITED STATES				
Limitation on administrative expenses (increase in limitation)	(566,000)	(525,000)	(525,000)	(525,000)
Total, annexed budgets: (increase in limitation)	(566,000)	(525,000)	(525,000)	(525,000)
Total, title II:				
New budget (obligational) authority	3,620,751,824	3,399,274,095	3,380,443,595	3,344,791,595
By transfer	(62,963,600)	(56,397,800)	(55,560,800)	(55,560,800)
Increase in limitation	(19,602,000)	(15,021,000)	(15,373,000)	(15,373,000)
Liquidation of contract authority	(6,000,000)	(5,500,000)	(5,500,000)	(5,500,000)

[1] Includes $75,745 in S. Doc. 93–66.

[2] Estimates contained in S. Doc. 93–75.

Mr. McCLELLAN. Mr. President, I yield to the distinguished Senator from North Dakota.

Mr. YOUNG. Mr. President, I agree with the distinguished chairman of the Appropriations Committee. All the differences have been resolved unanimously I see no need, really, for further discussion, in view of the explanation that the Senator has made for the record. I am sure there is no opposition.

Mr. MAGNUSON. Mr. President, I shall make only a few brief remarks.

The total appropriations allowed in conference for chapter VII of the fiscal year 1974 supplemental appropriations bill for the Department of Labor and Health, Education, and Welfare and related agencies is $1,354,206,000. This sum is $68,871,000 above the budget estimates, $69,234,000 under the total sum recommended by the Senate, and $65,004,000 above the amount allowed by the House.

Mr. President, I ask unanimous consent to place in the RECORD a table showing all the comparative figures.

The PRESIDING OFFICER. Without objection, it is so orderd.

(See exhibit 1.)

Mr. MAGNUSON. Mr. President, as usual this was a difficult conference. All the Senate conferees worked hard to provide as much of the Senate increases for chapter VII of this bill as were possible—and in the areas of greatest need.

We are just as disappointed as some Members that we could not do better in providing a larger sum in some areas. I am particularly disappointed that we were not able to provide more money for public service employment and summer youth programs, part-time job opportunities for older Americans, and certain educational programs such as Follow Through and bilingual education. And yet, I think we can point with some pride to the improvements in the bill resulting from Senate action—more jobs, more educational opportunities, and more money for emergency food and nutrition services—that demonstrate to the American people that the Members of this body have compassion and are concerned over the welfare of their fellow citizens.

PUBLIC SERVICE EMPLOYMENT PROGRAM

In recognition of the spiraling inflation and high unemployment in the economy, as well as concern for the special unemployment problems of the tornado-devastated areas of the Midwest and the special unemployment problems of veterans attempting to pursue their education under the GI bill, the Senate had included a substantial increase for public service employment over the budget request and the House allowance. As the Members may recall, the President's budget recommended a billion dollar cut in this program—a decrease from $1.25 billion to $250 million. The budget would have also completely wiped out the old Emergency Employment Act program. The conference agreement, while falling short of the Senate proposal, will provide a significant improvement over the budget request. The conferees have agreed to $620 million for public service jobs. This includes $250 million to keep the on-going Emergency Employment Act program in existence and also includes $370 million to initiate the new new public service job provisions of the Comprehensive Employment and Training Act, which the Members voted on only a couple of months ago. The amount for public service jobs agreed to in conference will provide useful employment for more than 88,500 Americans, including work at hospitals, day-care centers, education and recreation programs, and disaster cleanup efforts.

Mr. President, I want to again stress the importance of this public jobs program. We are talking about a program that means much more than just giving people work. Of course, that is the major goal of the program but, more importantly, it provides the self-esteem, the confidence, and the respect that comes from hard work. These are the intangible benefits.

SUMMER YOUTH PROGRAMS

In the area of summer youth programs, both the President's budget request and the House allowance failed to take into account the recently enacted minimum wage legislation. Nor did the budget request or the House allowance provide specifically for recreation and transportation activities. The net effect of these proposals would have been to slash almost 200 million job opportunities from the level of summer youth jobs provided by the Congress last year. The conference agreement—while not providing as much as the Senate proposal—does provide more than 732,000 job opportunities, at the new $2-per-hour minimum wage, which is 154,000 more job opportunities than the amount the House allowance would have provided. The conference agreement includes $17 million specifically for recreation and transportation activities. While this is not as much as some would have liked, it is a considerable improvement over the budget request and the House allowance.

Unfortunately, the House was adamant in its opposition to the Senate proposal for an additional $10 million to support 4,000 jobs for the elderly. Although these citizens are the hardest hit by the unemployment situation, the Department of Labor has failed to release the $10 million appropriated for this purpose last fall in the first 1974 supplemental. This action—or lack of it—by the Department of Labor is very disappointing to me, personally, and apparently is reflective of the attitude of benign neglect taken by the Department of Labor toward our elderly citizens. This attitude treats growing old as a sacrifice. It forsakes our senior citizens in order to comply with some arbitrary budget controls cooked up downtown.

STATE EMPLOYMENT SECURITY AGENCIES

I am pleased that the conferees agreed with the amount recommended by the Senate for State employment security agencies, providing sufficient funds to prevent further staff layoff and the imminent closing of dozens of local employment offices. The conference action made the entire $81 million available through June 30, 1975.

RESCISSION OF $1.2 BILLION IN SURPLUS WELFARE APPROPRIATIONS

The conferees agreed upon a rescission of $1,188,000,000 in surplus welfare appropriations. As the Members know, the committee was the first to uncover this surplus back in April when HEW was reluctant to open its books to us. As the Members may recall, once the committee identified that there was, in fact, a surplus, the administration, in a lame attempt to take credit for the surplus, rushed a rescission proposal in the amount of $783 million up to the Hill. As the conferees have subsequently established, the rescission figure proposed by the administration was off the mark by some $400 million. I am hopeful that the Department will not repeat these mistakes during the processing of the fiscal year 1975 Labor-HEW bill. Rather, we could all benefit if the Department will be candid in its testimony and work cooperatively with the committee to establish the accuracy of the estimates for welfare. I should emphasize that this rescission will in no way affect services or benefits to those who are eligible. The rescission represents surplus appropriations that will not be used. The money is just sitting downtown, and the conferees have, in effect, withdrawn these surplus funds and put them into public service jobs for people who want and are able to work.

INCREASED EDUCATIONAL OPPORTUNITIES

With respect to education programs, the conferees have included $20 million to continue the Follow Through program for another year and to provide additional funds for bilingual education programs. Neither the budget request nor the House allowance provided for either of these items. In the case of Follow Through, the Congress was presented with a budget plan that made little sense. Here is a program that serves 81,000 children—HEW admits it is a success—but they want to eliminate it. The conferees are also informed that the administration is formulating a budget amendment in the bilingual education area in order to assist States and localities to carry out the recent mandates of the courts in this area. I am encouraged to know that the administration is developing this proposal, and I would hope that the request will soon be transmitted to the Congress. Inasmuch as the House has already concluded its hearings, and the Senate is nearing the close of its hearings, an amendment to the fiscal year 1975 budget is already late and may completely miss the House action on the fiscal year 1975 Labor-HEW appropriations bill.

OTHER ITEMS OF INTEREST

Mr. President, as the Members may recall, the committee report on the fiscal year 1974 second supplemental appropriations bill raised concern with the manner in which the Department of Health, Education, and Welfare has been administering the withholding provision included in the regular fiscal year 1974 Labor-HEW Appropriations Act. I must advise the Members that so far, the Secretary of HEW has not responded satisfactorily to the concerns raised in that report. I have again written to the Secretary outlining the committee's position and requesting that the Secretary work with the General Accounting Office to identify any funds withheld in excess of the 5-percent withholding provision and to release any funds so identified, as provided in the Public Law. Here again I should reiterate that in the execution of the 5-percent withholding provision, the public law is controlling. The table in the conference report is an important guideline; however, the table, as important as it is, is not a part of the public law. For this reason, it could be viewed differently by others, including the courts. On the other hand, I wish to report to the Members that some progress is being made with regard to the committee's concerns on multiyear funding, which the committee, in its report, described as a new form of impoundment.

The Secretary has indicated that all multiyear funding will cease as of the date of the issuance of our Senate report on May 3, in which we specifically raised our concern about this matter. Although we have made some progress with the Secretary on this matter, I am concerned that this did occur; and plan to see that it does not occur again. I am encouraged, however, with the Secretary's willingness to face up to this issue once it was called to his attention by the committee. I suppose it is possible that the Secretary was ill advised by his staff regarding the longstanding practices and procedures on reprogramings that were reiterated and reemphasized by former Congressman Melvin Laird when he was ranking minority member on the House Labor-HEW Appropriations Subcommittee.

As the Secretary and his staff should know, the longstanding practice of seeking congressional consent for the use of appropriated funds in a way different from which these funds were justified before the Congress is not a partisan or political issue. Rather, it is reflective of the separation of powers and the mutual respect for the prerogatives of one branch for the other. It is in this spirit of mutual respect and honest compromise that I hope that we can continue to fulfill our oversight responsibilities and resolve our differences with the Secretary.

I am delighted that the conferees agreed to provide an additional $12.5 million for the food and nutrition component of the emergency food and medical services program administered by the Office of Economic Opportunity.

The 22-percent food inflation rate during the past year had threatened a severe cutback in vital food and nutrition services to the needy—especially the elderly.

Let me reiterate in the strongest possible terms the Congress desire to see this program strengthened and supported.

CONCLUSION

Mr. President, in closing let me state that I thought that chapter VII of the Senate bill was a good one. The conference report before you today provides for an amount that should prove very helpful. The amounts provided for some items are not entirely to my satisfaction. However, in the main, there will be adequate funds to meet necessary supplemental expenses for the Department of Labor and Health, Education, and Welfare and the related agencies for fiscal year 1974—and we will be coming back soon with the fiscal year 1975 Labor-HEW bill to see if more can be done.

EXHIBIT I

CONFERENCE AGREEMENT ON SECOND SUPPLEMENTAL BILL (H.R. 14013)—CHAPTER VII: DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE AND RELATED AGENCIES

Department or activity	Budget estimate	House bill	Senate bill	Conference agreement	Conference agreement compared with— Budget	Conference agreement compared with— House bill	Conference agreement compared with— Senate bill
DEPARTMENT OF LABOR							
Program Administration	$71,762,000	$71,762,000	$71,762,000	$71,762,000			
Comprehensive Manpower Assistance:							
Ongoing manpower programs	1,340,000,000	1,340,000,000	1,340,000,000	1,340,000,000			
Existing public employment program		250,000,000	412,500,000	250,000,000	+$250,000,000		−$162,500,000
New public employment program	250,000,000	250,000,000	412,500,000	370,000,000	+120,000,000	−$120,000,000	−42,500,000
Summer youth jobs	208,584,000	208,584,000	364,584,000	288,584,000	+80,000,000	+80,000,000	−76,000,000
Summer youth recreation and transportation			17,000,000	17,000,000	+17,000,000	+17,000,000	
Total	1,798,584,000	2,048,584,000	2,546,584,000	2,265,584,000	+467,000,000	+217,000,000	−281,000,000
Community Service Employment for Older Americans			10,000,000				−10,000,000
Limitation on Grants to States for Unemployment Insurance and Employment Services	(85,000,000)	(85,000,000)	(81,000,000)	(81,000,000)	(−4,000,000)	(−4,000,000)	
Total, Department of Labor	1,870,346,000	2,120,346,000	2,628,346,000	2,337,346,000	+467,000,000	+217,000,000	−291,000,000
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE							
Health Services Delivery: Health maintenance organizations	65,000,000	60,700,000	[1] (60,700,000)	60,700,000	−4,300,000		+60,700,000
Preventive Health Services:							
Lead-based paint program			[1] (5,000,000)	2,500,000	+2,500,000	+2,500,000	+2,500,000
Arctic health center			[1] (2,000,000)	1,000,000	+1,000,000	+1,000,000	+1,000,000
National Cancer Institute			[1] (9,500,000)	Report Language			
Elementary and Secondary Education:							
Follow Through			[1] (20,000,000)	12,000,000	+12,000,000	+12,000,000	+12,000,000
Bilingual education			[1] (20,000,000)	8,000,000	+8,000,000	+8,000,000	+8,000,000
Higher Education: Continuing education centers			[1] (400,000)	250,000	+250,000	+250,000	+250,000
Salaries and Expenses, Office of Education	3,449,000	1,725,000	[1] (394,000)	394,000	−3,055,000	−1,331,000	+394,000
Student Loan Insurance Fund	30,785,000	30,785,000	[1] (30,785,000)	30,785,000			+30,785,000
National Institute of Education	25,000,000				−25,000,000		
Grants to States for Public Assistance (Rescission)	−783,000,000	−1,000,000,000	−1,225,000,000	−1,188,000,000	−405,000,000	−188,000,000	+37,000,000
Social and Rehabilitation Services	20,000,000	20,000,000	[1] (22,000,000)	21,000,000	+1,000,000	+1,000,000	+21,000,000
Special Benefits for Disabled Coal Miners	44,311,000	44,311,000	[1] (44,311,000)	44,311,000			+44,311,000
Special Institutions:							
Model Secondary School/Deaf	50,000				−50,000		
Gallaudet College	438,000	438,000	[1] (438,000)	438,000			+438,000
Howard University	3,362,000	3,362,000	[1] (3,362,000)	3,362,000			+3,362,000
Office of Child Development: Child abuse program		4,500,000	[1] (4,500,000)	4,500,000	+4,500,000		+4,500,000
Office of the Secretary	5,000,000	2,950,000	[1] (2,950,000)	2,950,000	−2,050,000		+2,950,000
Total, Department of Health, Education, and Welfare	−585,605,000	−831,229,000	−1,225,000	−995,810,000	−410,205,000	−164,581,000	+229,190,000)
Total by transfer			[1] (226,340,000)				[1] (−226,340,000
RELATED AGENCIES							
Federal Mediation and Conciliation Service	594,000	85,000	594,000	170,000	−424,000	+85,000	−424,000
Office of Economic Opportunity:							
Emergency food and medical services			12,500,000	12,500,000	+12,500,000	+12,500,000	
Legal services			7,000,000	Report Language			−7,000,000
Total, Office of Economic Opportunity			19,500,000	12,500,000	+12,500,000	+12,500,000	−7,000,000
Grand total, ch. VII	1,285,335,000	1,289,202,000	1,423,440,000	1,354,206,000	+68,871,000	+65,004,000	−69,234,000
By transfer			[1] (226,340,000)	( )	( )	( )	[1] (−226,340,000)
Trust fund limitation	[1] (85,000,000)	[1] (85,000,000)	[1] (81,000,000)	[1] (81,000,000)	[1] (−4,000,000)	[1] (−4,000,000)	

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[1] By transfer.

Mr. BAYH. Mr. President, I would like to make a few brief remarks.

I wish to thank the distinguished chairman of our committee (Mr. McClellan), and the ranking minority member (Mr. Young), and the conferees, for the fine work they have done on the second supplemental appropriations bill. I wish to reserve special thanks for the chairman of the Labor-HEW Subcommittee (Mr. Magnuson), and the ranking minority member of that subcommittee, (Mr. Cotton) for their very fine efforts in negotiating the Senate position with the House on the very important chapter VII of the second supplemental. This is the chapter that deals with human needs.

As Chairman Magnuson has indicated, he is disappointed that we were not able to provide more money for public service employment, summer youth programs, and some of the other programs. Nevertheless, I think we can all share some pride in pointing to the improvements in the bill resulting from Senate action.

SURPLUS WELFARE COSTS CUT $1.2 BILLION

I am pleased with the conferees' action in agreeing upon a rescission or cut of $1,188,000,000 in surplus welfare appropriations. As the Members know, the Appropriations Committee was the first to uncover this surplus back in April. Even then, HEW was reluctant to open its books to us and refused to engage in candid and frank discussion about this surplus. It seems ironic to me that the same people who would have Congress cut back funds in health and education were conspicuously silent when it came to admitting to a surplus in the welfare program. At the request of Senator Magnuson, I chaired hearings on this welfare surplus, and I would like to offer some advice to the officials downtown.

I believe they made two mistakes in the handling of this situation: First of all, they were not candid in revealing the existence of a surplus as soon as it was discovered. They tried to cover it up. This was their first mistake. Secondly, once we were able to uncover the fact that the surplus existed, the Department and the administration rushed up to Capitol Hill with a proposal to rescind or cut the welfare budget by $783 million. This figure was some $400 million off the mark. I think this was their second mistake—the submission of a figure that again proved to be wrong. These actions by the administration do nothing to increase congressional or public confidence in the Department.

PUBLIC SERVICE EMPLOYMENT

I also wish to express my thanks to my fellow conferees for the action of the conference in agreeing to an amount of $620 million for public service jobs. These jobs can be used by veterans on a part-time basis while they are pursuing an education under the GI bill. Young Vietnam veterans presently face a 10 percent unemployment rate, and in many cases, find it difficult to secure the part-time employment needed to augment GI benefits. The funds provided by the conferees for public service jobs should prove very helpful in assisting these veterans to take advantage of higher education opportunities at some of the excellent public and private institutions of higher learning in Indiana and elsewhere.

These public service jobs can also be used to help clean up the areas of Indiana and other Midwest States which were hard hit by the recent tornadoes. The Department of Labor has indicated that they plan to comply with the language of the Senate Report, which suggested that the Department of Labor should mount a crash program of disaster clean-up in the tornado-stricken areas under the public service employment program.

As the Members may recall, the President's budget for fiscal year 1974 proposed a $1 billion cut in this program—despite the high level of unemployment in the economy. What we have done is take some of the money we have saved in the welfare cut and simply put it back into providing useful public service jobs for people who want to and are able to work. The $370 million increase over the President's budget request provided by the conferees in the public service jobs program will provide a more realistic level of 88,500 jobs for the unemployed compared to the administration's request for only 35,700 jobs. I believe this is a wise investment of the taxpayers' dollar since it costs less to provide jobs than it does to force people on welfare. This program provides the self-esteem, the confidence, and the respect that comes from hard work. I believe most people want to work, but in this time of high unemployment, I believe the Congress has an obligation to help create the job opportunities in areas of highest need where the private sector cannot fill the need.

DISASTER RELIEF

Mr. President, I am also very pleased that the conferees agreed to provide an additional $32.6 million for disaster relief in chapter V of the bill. This amount, together with a higher than anticipated carryover of $88.6 million, will provide the full $121.2 million currently estimated to be needed for all 131 presently declared disasters. This includes recent tornadoes that devastated Indiana and the other Midwest States. I am pleased that the conferees have also indicated that the Congress stands ready to provide any additional funds that are necessary for disaster relief when the funding requests are considered for fiscal year 1975. I am hopeful that the citizens who have suffered so much in these disasters will be encouraged by these efforts of Congress and will feel that their Government and their fellow citizens are pulling for them.

FIVE PERCENT WITHHOLDING PROVISION

Mr. President, as the Members may recall, the committee report on the Second Fiscal Year 1974 Supplemental Appropriations bill indicated that committee's concern with the manner in which HEW has been administering the withholding provision included in the regular fiscal year 1974 Labor-HEW Appropriations Act. I am just as disappointed as the other Members that this issue had to be raised in the report.

I am even more concerned by Senator MAGNUSON's report to the Senate that the Secretary has not yet responded satisfactorily to the concerns raised in that report. Because I was one of those who recommended many of the increases in medical research that were eventually adopted by the committee and the Congress in the regular 1974 Labor-HEW bill, I am very disappointed that the Department is not scrupulously following the language of the public law. The law indicates that no appropriation or activity, program, or project with an appropriation, could be reduced by more than 5 percent. The definition of appropriation, activity, program, or project is not unclear. These terms are used time and time again by the President in his budget request, by the Department in their testimony before the Appropriations Committee, and in the justifications submitted to the committee. I am still hopeful, however, that the Secretary of HEW will come into compliance with the public law by the close of the fiscal year and that court action will not be necessary in this case as it has in some 30 other instances where HEW has misread the intent of public law.

MULTIYEAR FUNDING

Mr. President, I am encouraged by the report made by the distinguished chairman of the Labor-HEW Appropriations Subcommittee with regard to the committee's concerns on multiyear funding. According to the chairman's report, the Secretary has indicated that most multiyear funding will cease as of the date of the issuance of our Senate report on May 3. Although this is progress, it does not seem to me that the Department should have gone ahead with multi-year funding without the explicit consent of Congress. To do otherwise, it seems to me, is to show utter disregard for long-standing reprograming practices and results in destroying the appropriations process and reinstituting illegal impoundments.

In any case, I am encouraged by the report of the chairman on this matter.

CONCLUSION

Mr. President, again let me state my thanks to my fellow conferees, to the chairman of the full committee, and to the chairman of the Labor-HEW Subcommittee. These men, as did all the conferees, worked very hard to provide the improvements over the President's budget and the House allowance.

I am not completely satisfied with the amounts provided for a number of the items; however, there are substantial improvements over the President's budget and the House allowance, especially in the area of public service jobs, summer youth programs, the Follow Through program, and some of the other areas.

Mr. JAVITS. Mr. President, I support the conference report on H.R. 14013, the Second Supplemental Appropriations bill.

I am particularly pleased that the conference retained substantial amounts of a number of items which I and others had originally requested relating to programs under the Comprehensive Employment and Training Act of 1973.

First, for the summer youth job program, under sections 3 and 304 of CETA, the committee bill would provide $288,584,000. Together with the $91,416,000 in carried over funds, this would provide 732,197 9-week opportunities for economically disadvantaged youth 14 to 21 years of age, at the new minimum wage.

The Senate bill had provided $364.5 million as an addition to the $91.4 million for the provision of 878,616 slots. The House, following the administration's request, had provided $208.6, which in addition to the $91.4, would have provided an aggregate of 578,032 jobs.

The conference agreement amount is 379,286 short of the 1,111,483 slots documented as the minimum that could be effectively used this summer by the National League of Cities—U.S. Conference of Mayors, which I had originally requested in testimony before the HEW-Labor Appropriations Subcommittee on March 26. I was joined by 25 of my colleagues in requesting these funds and funds for recreation and transportation, as I shall note, including Senators ABOUREZK, BAYH, BEALL, BROOKE, BURDICK, CASE, CLARK, CRANSTON, GRAVEL, HART, HASKELL, HATHAWAY, HUMPHREY, KENNEDY, MATHIAS, MCGOVERN, MONDALE, MOSS, MUSKIE, NELSON, RIBICOFF, STAFFORD, TAFT, TUNNEY, and WILLIAMS.

But the funds in the conference bill, together with carried over funds, will make it possible to maintain a program at the basic level of last summer in terms of full 9-week slots; last summer, 753,749 opportunities were provided but, because the program started late, many of the opportunities were for a period of less than 9 weeks.

Second, for the summer youth recreation and transportation programs, the conference bill provides $17 million, which is the level of the Senate bill.

The administration had made no request for these purposes and the House had not included any funds at all for these activities.

This, too, will make possible the maintenance of programs at approximately last year's levels, when $16.7 million was available.

Third, for public service jobs, the conference agreements provides $620 million for 88,571 jobs. This consists of $370 million under title II of CETA for areas having 6 percent or greater unemployment and $250 million under section 3, the transition provision of the Comprehensive Employment and Training Act, which will be allocated generally throughout the country as under the Emergency Employment Act.

The Senate bill had included $825 million for 117,857 jobs and the House had included $500 million for 71,428 jobs. These were increases over the administration's request for $250 million which would have provided 35,714 positions.

The Senate action came about as a result of requests made by Senators Kennedy, Cranston, Nelson, Mondale, Percy, Hart, Bayh, and myself.

I regret that the conference did not retain the Senate provision which I had originally requested for $7 million for the legal services program to permit maintenance of the program in transition to the new Legal Services Corporation under H.R. 7824, the Legal Services Corporation Act of 1974.

However, we expect shortly action on that conference report in the Senate which has already passed the House and are urging that the President sign the bill at the earliest moment.

Accordingly, when that bill becomes law, I hope that the Committee on Appropriations will join with us in promptly seeking funds for the program by continuing resolution or regular appropriation.

Mr. President, I am very pleased with the actions of the conference committee and I wish to express my special gratitude to the chairman of the Senate committee, Senator McClellan, to the chairman of the Senate Subcommittee on Labor-HEW Appropriations, Senator Magnuson, to Senators Case and Brooke, members of that committee, and members of the conference who were instrumental in respect to the inclusion of these elements in the Senate bill and in their retention in the conference.

Mr. President, I ask unanimous consent that there be printed in the Record letters to the President, dated March 28, 1974, April 19, 1974, and April 23, 1974, regarding the summer youth job and recreation situation, in which I was joined by a number of my colleagues.

There being no objection, the letters were ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., April 23, 1974.

Dear Mr. President: We wrote you on March 28, 1974, urging that the Administration submit a new revised budgetary request for fiscal year 1974 for this summer's youth job program and related transportation and recreation activities.

We are writing again in order to revise our request in light of the provisions of the Fair Labor Standards Act Amendments of 1974, which you signed into law on April 8, 1974; under the new law, the new minimum wage of $2.00 per hour will be applicable to the summer youth job program in lieu of the previous wage of $1.60 per hour which was utilized in determining the aggregate amount of our original request.

Our request now consists of an aggregate of $586,506,386, as follows:

First, $556,295,082 for the summer youth job program conducted under sections 3(c) and 304 of the Comprehensive Employment and Training Act of 1973 to provide (together with $91,416,000 in carried over funds which the Administration plans to use for these purposes) an aggregate of 1,111,483 ten-week opportunities for poor youth ages 14 to 21, each opportunity providing 26 hours of employment each week at the new minimum wage of $2.00 per hour.

We note that even the $300.0 million level planned by the Administration (consisting of $208.6 million in supplemental funds and the $91.4 million in carried over funds) would not now provide the 709,200 nine-week opportunities originally indicated. To maintain 709,200 opportunities, approximately the level of last year, will require under the new minimum wage law, an additional $68.0 million in supplemental funds.

We consider a ten-week program, as originally designed, preferable to a nine-week program so that youth will have meaningful activities for the greater part of the summer months and will be able to increase their overall earnings, which they use to return to school, or to otherwise supplement the family income; the program was cut to nine-weeks in recent years, principally because of delays in funds actually becoming available, a prospect which can be avoided by early action this year.

We note, however, for your information, that to provide the 1,111,483 opportunities as nine-week opportunities, would require an aggregate of $481,523,974 in new funds.

Second, $26,284,082 for recreational support under the Economic Opportunity Act of 1974 and the Manpower Development and Training Act of 1962, authorities which do not expire until June 30. In fiscal year 1973, $15,000,000 was made available. The Administration has not requested any funds for this purpose for fiscal year 1974.

Third, $3,927,222 for transportation under the new Act, as also authorized under previous authorities. In fiscal year 1973, $1,700,000 was made available. The Administration has not requested any funds for this purpose for this fiscal year.

These revised requests are documented on a city-by-city basis—including the fifty largest cities and other areas—in the enclosed letter dated April 19, 1974 and attachments to Senator Javits from the National League of Cities-U.S. Conference of Mayors.

As we indicated in our previous letter, we believe that the unemployment situation among youth—with unemployment levels of 30 to 40 percent in some areas—further aggravated by the energy crisis, makes necessary increases above the amount requested for jobs, as well as the provision of basic amounts in related transportation and recreation activities.

We note that under the Administration's plans for this fiscal year, the States and cities will not have sufficient general resources for manpower training and public service employment, to which to look for satisfaction of these additional needs. The Administration's revised plans, under the new Comprehensive Employment and Training Act of 1973 of $1.3 billion for training and work experience (exclusive of the $300.0 million planned for summer jobs) and the $250.0 million for public service employment would provide $800 million less than the $2.38 billion appropriated for those elements in fiscal year 1973 under the previous authorities.

Furthermore, the private sector will not be able to take up the slack. The National Alliance of Businessmen, which provided 253,000 opportunities last summer, has set a goal of only 200,000 for this summer, in appreciation of difficulties in placement which will arise from the energy crisis and the projected economic situation generally.

In fact, the Department of Labor estimates that the "target group" for the program for this summer will include 3.4 million poor youth—over four times the number covered under the Administration's plans. Even our request, which is based on the number which the cities could "effectively use", would meet the needs of less than ⅓ of those who could benefit.

Accordingly, in order to permit early and meaningful planning of an adequate program, at the local level, we would appreciate any consideration given to these requests in connection with H.R. 14013, the Second Supplemental Appropriations bill now under consideration in the Senate.

Sincerely,

Jacob K. Javits, Robert T. Stafford, Gaylord Nelson, Mike Gravel, Frank E. Moss, George McGovern, John V. Tunney, James Abourezk, Dick Clark, Robert Taft, Jr., Quentin N. Burdick, Walter F. Mondale, Edward W. Brooke, Clifford P. Case, Abraham Ribicoff, Hubert H. Humphrey, William D. Hathaway, Philip A. Hart, Floyd K. Haskell, Alan Cranston, Harrison A. Williams.

National League of Cities,
U.S. Conference of Mayors,
April 19, 1974.

Hon. Jacob K. Javits,
U.S. Senate,
Russell Senate Office Building,
Washington, D.C.

Dear Senator Javits: As in the past several years, we have again surveyed the nation's cities to determine the needs for the youth programs for the approaching summer.

On the basis of our survey:

First, surveys of summer jobs in cities show a need of 669,305 slots for a total of 1,111,483. This would require an aggregate federal fund of $647,711,082, or $347,711,082 above the Administration's request.

Second, with respect to recreation estimates, the cities estimated their needs for this summer total $26,284,082.

Third, with respect to transportation, $3.9 million is needed.

As you well know, the recreation and transportation components of the summer youth programs are essential to provide disadvantaged youngsters with constructive activity during the summer months. These figures reflect the enactment of the Fair Labor Standards Act amendments of 1974. We enclose a chart that is the basis of these requests.

We emphasize that these are amounts which could be effectively utilized this summer, and these amounts are still far short of the total number of youths that could benefit from these efforts.

We would appreciate your assistance in assuring adequate funding for the summer jobs program as well as inclusion of funds for a recreation support and transportation program in the FY 74 Supplemental.

Sincerely,
John J. Gunther,
Executive Director,
U.S. Conference of Mayors.

Allen E. Pritchard, Jr.,
Executive Vice President,
National League of Cities.

SUMMER YOUTH EMPLOYMENT

City	Population	Slots				Dollars[2]
		1973 need	1973 actual[1]		1974 need	1974 need
Region I: Boston	641,000	6,400	5,901	(5,311)	13,000	$7,605,000
Region II:						
Buffalo	463,000	6,834	1,931	(1,738)	6,834	3,454,177
Newark	382,000	14,563	5,771	(5,194)	14,563	8,519,355
New York	7,868,000	77,500	56,380	(50,742)	77,500	39,171,600
Rochester	296,000	4,650	1,316	(1,184)	4,650	2,350,296
Region III:						
Baltimore	906,000	9,420	9,000	(8,100)	9,420	5,510,700
Norfolk	308,000	3,500	2,110	(1,899)	4,200	2,457,000
Philadelphia	1,949,000	15,000	3,000	(2,700)	15,000	8,775,000
Pittsburgh	520,000	9,265	4,000	(3,600)	9,265	5,420,025
Washington, D.C.	757,000	20,000	14,000	(12,600)	20,000	11,700,000
Region IV:						
Atlanta	497,000	5,388	2,361	(2,125)	5,388	3,151,980
Birmingham	301,000	2,774	1,100	(990)	2,774	1,622,790
Jacksonville	529,000	2,500	2,258	(2,032)	2,500	1,462,500
Louisville	361,000	3,500	3,706	(3,335)	3,706	2,168,010
Memphis	624,000	2,394	2,400	(2,160)	2,400	1,404,000
Miami	335,000	8,226	960	(864)	8,226	4,812,210
Nashville	448,000	2,000	2,343	(2,109)	2,343	1,370,655
Tampa	278,000	6,515	865	(779)	6,515	3,811,275
Region V:						
Chicago	3,367,000	40,000	41,758	(37,582)	45,000	26,325,000
Cincinnati	452,000	5,000	3,100	(2,790)	5,000	2,925,000
Cleveland	751,000	12,500	13,423	(12,081)	14,000	8,190,000
Columbus	540,000	1,800	1,316	(1,184)	2,500	1,462,500
Detroit	1,511,000	25,000	17,251	(15,526)	25,000	14,625,000
Indianapolis	745,000	3,000	2,100	(1,890)	3,000	1,755,000
Milwaukee	717,000	3,379	3,713	(3,342)	3,713	2,172,105
Minneapolis	434,000	3,080	1,850	(1,665)	3,500	2,047,500
St. Paul	310,000	1,300	1,519	(1,367)	2,062	1,206,270
Toledo	384,000	1,400	985	(887)	1,400	819,000
Region VI:						
Dallas	944,000	2,280	1,531	(1,378)	2,280	1,333,800
El Paso	322,000	4,672	1,336	(1,202)	4,672	2,733,120
Fort Worth	393,000	1,507	1,331	(1,196)	1,507	881,595
Houston	1,233,000	5,664	3,325	(2,993)	5,664	3,313,440
New Orleans	593,000	5,000	3,337	(3,003)	5,000	2,925,000
Oklahoma City	366,000	1,530	2,400	(2,160)	2,400	1,404,000
San Antonio	654,000	6,000	3,750	(3,375)	6,000	3,510,000
Tulsa	332,000	1,011	1,149	(1,034)	1,300	7,605,000
Region VII:						
Kansas City, Mo	507,000	4,000	3,588	(3,232)	4,000	2,340,000
Omaha	347,000	1,670	1,500	(1,350)	1,670	976,950
St. Louis	622,000	9,000	8,841	(7,957)	10,000	5,850,000
Region VIII: Denver	515,000	2,100	2,845	(2,561)	2,850	1,667,250
Region IX:						
Honolulu	325,000	2,800	1,075	(967)	2,800	1,638,000
Long Beach	358,000	432	1,050	(945)	1,200	662,688
Los Angeles	2,813,000	27,491	8,484	(7,636)	27,491	15,181,629
Oakland	362,000	5,850	1,820	(1,638)	5,850	3,230,604
Phoenix	582,000	17,000	3,700	(3,330)	17,000	9,945,000
San Diego	697,000	5,500	3,321	(2,989)	5,500	3,037,320
San Francisco	716,000	8,000	5,569	(5,012)	8,000	4,417,920
San Jose	446,000	3,535	1,883	(1,659)	3,535	1,952,168
Region X:						
Portland	382,000	5,000	2,400	(2,160)	5,000	2,925,000
Seattle	581,000	5,000	1,700	(1,530)	5,000	2,925,000
SAMPLING OF CITIES OTHER THAN 50 LARGEST						
Hartford, Conn	158,017	3,000	2,254	(2,029)	3,000	$1,755,000
Providence, R.I	179,213	1,250	1,200	(1,080)	1,440	842,400
Albany, N.Y	114,873	600	582	(524)	800	404,352
New Bedford, Mass	101,777	850	851	(766)	1,301	761,085
Paterson, N.J	144,824	1,500	1,112	(1,001)	1,500	887,500
Syracuse, N.Y	197,208	1,500	1,123	(1,011)	1,500	758,160
Trenton, N.J	104,638	1,000	709	(638)	2,150	1,257,775
Yonkers, N.Y	204,370	458	330	(297)	660	333,590
Charleston, W. Va	71,505	300	177	(159)	470	274,950
Alexandria, Va	110,938	400	169	(152)	400	234,000
Charleston, S.C	66,945	1,000	1,083	(975)	1,900	1,111,500
Columbus, Ga	154,168	2,000	1,507	(1,356)	2,000	1,170,000
Montgomery, Ala	133,386	570	566	(509)	600	351,000
Ann Arbor, Mich	99,797	250	580	(522)	600	351,000
Dayton, Ohio	243,601	2,500	1,820	(1,630)	4,000	2,340,000
Duluth, Minn	100,578	600	502	(452)	700	409,500
Madison, Wis	173,258	1,000	806	(725)	1,000	585,000
Youngstown, Ohio	139,788	2,500	2,253	(2,028)	2,500	1,462,500
Baton Rouge, La	165,963	250	1,255	(1,130)	1,880	1,099,800
Corpus Christi, Tex	204,525	1,500	1,304	(1,174)	1,600	936,000
Springfield, Mo	120,096	500	994	(895)	1,000	585,000
Colorado Springs, Colo	135,060	550	530	(477)	630	368,550
Salt Lake City, Utah	175,885	1,120	1,120	(1,008)	1,200	702,000
Anaheim, Calif	166,701	150	209	(188)	540	298,210
Fresno, Calif	165,972	2,500	2,175	(1,958)	3,638	2,009,049
San Bernardino, Calif	104,251	850	850	(765)	1,100	607,464
Santa Ana, Calif	156,601	2,800,	594	(535)	2,800	1,546,272
Stockton, Calif	107,644	2,000	2,366	(2,129)	2,500	1,380,600
Tucson, Ariz	262,933	2,500	2,378	(2,140)	3,000	1,755,000
50 largest total		421,930	272,352	(244,003)	442,178	256,749,432
Balance of cities		597,061	481,785	(433,640)	669,305	390,961,650
Total		1,018,991	754,137	(677,723)	1,111,483	647,711,082

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[1] All figures in the above chart represent 10-week slots except the 1st col. under 1973 actual which are 9-week slots.

[2] Dollar figures represent 10-week, 26 hours a slot at $2 an hour except where State law is higher.

SUMMER RECREATION SUPPORT PROGRAM (RSP)

City	1973 need	1973 actual	1974 need
Region I:			
Boston	$350,000	$130,006	$350,000
Region II:			
Buffalo	125,000	118,710	150,000
Newark	200,000	100,000	203,500
New York	2,934,000	2,362,000	2,934,000
Rochester	136,000	68,000	150,000
Region III:			
Baltimore	335,000	300,010	335,000
Norfolk	201,500	132,000	201,500
Philadelphia	100,000	532,000	532,000
Pittsburgh	200,000	158,520	200,000
Washington, D.C	364,000	245,000	364,000
Region IV:			
Atlanta	180,000	143,000	180,000
Birmingham	170,000	120,000	170,000
Jacksonville	250,000	150,000	250,000
Louisville	130,000	96,000	130,000
Memphis	305,000	264,000	305,000
Miami	192,000	149,931	192,000
Nashville	200,000	149,770	200,000
Tampa	175,000	100,069	175,000
Region V:			
Chicago	2,100,000	1,179,460	2,100,000
Cincinnati	175,000	135,000	175,000
Cleveland	380,000	230,000	670,490
Columbus	211,000	132,000	211,000
Detroit	897,000	399,000	897,000
Indianapolis	260,000	200,000	300,000
Milwaukee	160,000	144,000	200,000
Minneapolis	130,000	63,000	130,000
St. Paul	58,000	36,000	58,000
Toledo	120,000	84,000	120,000
Region VI:			
Dallas	$285,000	$228,000	$300,000
El Paso	250,000	194,000	250,000
Fort Worth	175,000	108,000	175,000
Houston	440,000	350,000	440,000
New Orleans	500,000	288,000	500,000
Oklahoma City	500,000	106,800	500,000
San Antonio	200,000	324,000	500,000
Tulsa	170,000	92,000	174,395
Region VII:			
Kansas City, Mo	200,000	118,000	200,000
Omaha	96,000	61,000	96,000
St. Louis	405,000	254,000	408,000
Region VIII:			
Denver	170,000	126,400	170,000
Region IX:			
Honolulu	140,000	70,000	140,000
Long Beach	125,000	72,000	125,000
Los Angeles	650,000	602,000	1,000,000
Oakland	125,000	104,000	168,000
Phoenix	228,000	144,000	288,000
San Diego	825,000	164,000	825,000
San Francisco	250,000	180,000	250,000
San Jose	100,000	85,000	100,000
Region X:			
Portland	135,000	89,000	135,000
Seattle	129,000	89,000	129,000
50 largest total	18,096,500	11,770,676	18,756,885
Balance of cities	6,850,080	3,229,324	7,528,197
Total	24,946,580	15,000,000	26,284,082

SUMMER YOUTH TRANSPORTATION PROGRAM (SYTP)

City	1973 need	1973 actual	1974 need
Region I:			
Boston	$20,000	$10,700	$30,000
Region II:			
Buffalo	13,000	7,500	15,000
Newark	69,300	23,437	69,300
New York	500,000	149,130	500,000
Rochester	15,000	7,500	15,000
Region III:			
Baltimore	35,000	21,100	35,000
Norfolk	25,600	7,500	25,600
Philadelphia	100,000	24,360	100,000
Pittsburgh	22,000	12,650	22,000
Washington, D.C	100,000	22,960	100,000
Region IV:			
Atlanta	30,000	12,080	30,000
Birmingham	24,000	13,790	24,000
Jacksonville	14,000	6,300	14,000
Louisville	12,500	7,500	12,500
Memphis	18,000	11,860	18,000
Miami	23,000	12,000	23,000
Nashville	12,000	7,000	12,000
Tampa	0	7,500	0
Region V:			
Chicago	70,000	42,240	80,000
Cincinnati	15,000	7,920	15,000
Cleveland	35,000	19,310	35,000
Columbus	17,000	8,640	17,000
Detroit	75,500	36,560	75,500
Indianapolis	15,000	8,480	25,000
Milwaukee	66,192	47,280	70,000
Minneapolis	75,000	12,380	75,000
St. Paul	12,500	7,500	12,500
Toledo	20,000	7,990	20,000
Region VI:			
Dallas	$23,990	$19,340	$23,990
El Paso	77,800	38,900	77,800
Fort Worth	175,000	8,130	175,000
Houston	0	25,060	27,566
New Orleans	25,000	14,790	26,250
Oklahoma City	25,000	14,000	25,000
San Antonio	26,570	14,570	26,570
Tulsa	20,000	7,500	20,000
Region VII:			
Kansas City, Mo	50,000	13,970	50,000
Omaha	16,000	13,500	16,000
St. Louis	43,500	25,790	43,500
Region VIII:			
Denver	29,000	18,320	36,640
Region IX:			
Honolulu	15,000	7,500	15,000
Long Beach	16,000	7,500	16,000
Los Angeles	164,000	82,870	164,000
Oakland	28,000	15,000	28,000
Phoenix	25,000	11,740	25,000
San Diego	30,000	14,360	30,000
San Francisco	25,000	11,920	25,000
San Jose	9,000	7,500	9,000
Region X:			
Portland	25,000	8,580	25,000
Seattle	32,100	19,060	32,100
50 largest total	2,155,552	963,067	2,342,816
Balance of cities	1,527,879	737,933	1,584,406
Total	3,683,431	1,700,000	3,927,222

U.S. SENATE,
Washington, D.C., March 28, 1974.

Hon. RICHARD M. NIXON,
President,
White House,
Washington, D.C.

DEAR MR. PRESIDENT: We are very pleased with the Administration's plans to provide the basic amount of $300 million for approximately 709,200 nine-week opportunities for this summer's youth job program basically at the levels provided last year under the Neighborhood Youth Corps summer job effort.

However, we believe that the unemployment situation among youth—with unemployment levels of 30 to 40 percent in some areas—further aggravated by the energy crisis, makes necessary increases above the amount requested for jobs, as well as the provision of basic amounts in related recreation and transportation activities.

Accordingly, we urge you to submit a new revised budgetary request for fiscal year 1974 for an aggregate of $550,385,526, or $250,385,526 above your present request, for the summer youth job program and related activities.

Our request consists of the following elements:

$520,174,222 for the summer youth job program conducted under sections 3(c) and 304 of the Comprehensive Employment and Training Act of 1973 to provide an aggregate of 1,111,483 ten-week opportunities for poor youth ages 14 to 21, each opportunity providing 26 hours of employment each week.

The Administration's revised budget request of $300 million consists of $208.6 million in new budget authority to be added to $91.4 million in carried over funds, as indicated, for an aggregate of $300 million, the levels maintained last year. In fact, a total of $319,000,000 was available last year, but delays in the commencement of the effort made it impossible to use effectively the additional $19,000,000.

$26,284,082 for recreational support under the Economic Opportunity Act of 1964 and the Manpower Development and Training Act of 1962, authorities which do not expire until June 30. In fiscal year 1973, $15,000,000 was made available. The Administration has not requested any funds for this purpose for this fiscal year.

$3,927,222 for transportation under the new Act, as also authorized under previous authorities. In fiscal year 1973, $1,700,000 was made available. The Administration has not requested any funds for this purpose for fiscal year 1974.

These requests are documented on a city-by-city basis—including the fifty largest cities and other areas—in the enclosed letter dated March 1, 1974, and attachments to Senator Javits from the National League of Cities-U.S. Conference of Mayors.

It should be noted that under the Administration's plans for this fiscal year, the States and cities will not have sufficient general resources for manpower training and public service employment, to which to look for satisfaction of these additional needs. The Administration's revised budgetary request under the new Comprehensive Employment and Training Act of 1973 of $1.3 billion for training and work experience (exclusive of the $300.0 million planned for summer jobs) and the $250.0 million for public service employment would provide $800 million less than the $2.38 billion appropriated for those elements in fiscal year 1973 under the previous authorities.

Furthermore, the private sector will not be able to take up the slack. The National Alliance of Businessmen, which provided 253,000 opportunities last summer, has set a goal of only 200,000 for this summer, in appreciation of difficulties in placement which will arise from the energy crisis and the projected economic situation generally.

In fact, the Department of Labor estimates that the "target group" for the program for this summer will include 3.4 million poor youth—over four times the number covered under the Administration's request. Even our request, which is based on the number which the cities could "effectively use", would meet the needs of less than ⅓ of those who could benefit.

We consider a ten-week program, as originally designed, preferable to a nine-week program so that youth will have meaningful activities for the greater part of the summer months and will be able to increase their overall earnings, which they use to return to school, or to otherwise supplement the family income; the program was cut to nine-weeks in recent years, principally because of delays in funds actually becoming available, a prospect which can be avoided by early action this year.

Accordingly, in order to permit early and meaningful planning of an adequate program at the local level, we urge you to submit a new revised budgetary request responsive to the needs we have outlined and in time for consideration in connection with the Second Supplemental Appropriations bill, now before the Congress.

Very truly yours,

Jacob K. Javits, Alan Cranston, Hubert H. Humphrey, Philip A. Hart, Birch Bayh, Edward W. Brooke, Clifford P. Case, William D. Hathaway, Robert Taft, Jr.

John V. Tunney, George McGovern, Mike Gravel, Gaylord Nelson, Robert T. Stafford, Floyd K. Haskell, J. Glenn Beall, Jr., Quentin N. Burdick, Dick Clark, Edward M. Kennedy.

Walter F. Mondale, Abraham Ribicoff, James Abourezk, Edmund S. Muskie, Harrison A. Williams, Charles McC. Mathias, Jr., Frank E. Moss.

Mr. KENNEDY. Mr. President, I rise to express both support and concern for the conference agreement on the Second Supplemental Appropriations bill for fiscal year 1974.

While I support the measure, I have mixed feelings about the actions taken by the conference in several areas.

First, I am pleased that some $620,000 in additional public service employment funds are included in the bill. However, I want to add that the Senate had approved a total of $825,000 for this purpose. I had introduced an amendment with numerous cosponsors increasing the Senate nationwide public service employment program to the level appropriated 2 years, the equivalent of a $1.25 billion a year level.

I believe that with the continuing level of high unemployment and the predictions of even higher levels in the months ahead justifies a substantial increase over the administration $250 million request. I am pleased that the conference has maintained the additional $250 million for use under section 5 and has accepted an increase to $370 million for public service jobs under title II of CETA. I am hopeful that in the fiscal year 1975 appropriations measure, additional funds can be added to the nationwide program.

Despite the President's endless optimistic predictions of economic prosperity around the corner, his own economic advisers are stating bluntly that unemployment is expected to rise even above its current 5 percent mark.

I believe that public service employment at least at the $1.25 billion level is necessary immediately with increases beyond that if unemployment rises at all.

It makes no sense to try to shut off inflation by forcing more men and women out of work. Any measures that are taken to halt inflation which cause unemployment should be cushioned by public service employment.

Second, with regard to the Older Workers Community Service Employment program, title IX of the Older Americans Comprehensive Services of 1973, I want to commend the conference for the strong language endorsing the continuation of the national contracts as the primary sponsors for these programs. This language is specific and it is combined with a direction to the Department of Labor to obligate immediately the $10 million appropriated earlier in the year. This is a direct declaration to the Secretary that his proposal to fold this program into the prime sponsorship network of the Comprehensive Employment and Training Act of 1973 is not acceptable.

However, the conference rejected the entire $10 million of additional appropriations which the Senate had included. I had testified in favor of both the additional $10 million and the directive language. I believe at a time when the older workers are feeling a disproportionate share of the pressure not only of inflation but of unemployment as well, the extra $10 million could have been effectively used.

I am hopeful that the Appropriations Committee will examine the matter with far greater receptivity during the regular fiscal year 1975 appropriations process.

Third, I would express my belief that the $8 million approved for additional bilingual education support under title VII is a valuable additional benefit to meet the needs of the limited English-speaking, but the $20 million approved by the Senate was thoroughly justified and, I believe, vitally needed. I hope again that additional funds will be strongly considered by the committee in the 1975 appropriations measures.

Finally, I believe that the compromise level of funding for the summer youth employment programs, while below the $381 million level approved by the Senate which I supported, will mean nearly 50 percent more jobs than originally proposed by the House in its consideration of this program. I believe that this program can be expanded even further in the coming fiscal year appropriations action.

In all of these areas, I believe that the conference action, while a major step forward over the administration requests, represents less than ideal levels of fundings for programs which have great merit. I am hopeful that additional resources will be made available for all of them in the coming year.

DISSENTING VIEWS ON THE SECOND SUPPLEMENTAL APPROPRIATIONS CONFERENCE COMMITTEE REPORT

Mr. SCHWEIKER. Mr. President, I would like to explain my disagreement regarding the conference committee's rejection of the Export-Import Bank limitation adopted by the Senate.

This provision would have required the Eximbank to obey existing law as construed by the Comptroller General, by submitting to Congress a Presidential national interest determination for every Communist country transaction. I accept the necessity for compromise in conference. But I reject the notion that the conference committee can properly license the Export-Import Bank to operate contrary to existing law, against the will of the Senate, by dropping an amendment requiring compliance, without adequate comment or explanation. This is no routine conference action; by rejecting the Senate provision of the Export-Import Bank, the Appropriations Conference Committee has ignored a basic statutory requirement in the Export-Import Bank Act of 1945.

I originally introduced this amendment in the Senate, because I believed Congress had a duty to support the ruling of the Comptroller General and existing law. I believed Congress had a duty to refute the executive branch viewpoint, expressed by the Attorney General, that congressional inaction can reverse the meaning of clear statutory language and legitimize a Government agency acting contrary to law. And I believed the Congress had a duty to the American people, to make it clear that the U.S. Government will not subsidize Siberian energy exploration against our national interest.

I still believe Congress has these duties, and I believe the conference committee action is in complete disregard of these duties. I believe this conference committee action could clear the way for a Russian energy deal, and I wish to go on record as remaining adamantly opposed to such a deal.

For these reasons, I respectfully disassociate myself with the action of the conference committee regarding the Export-Import Bank.

Mr. McCLELLAN. Mr. President, I move that the conference report be agreed to.

The motion was agreed to.

Mr. McCLELLAN. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives with reference to certain amendments which are in disagreement.

The **PRESIDING OFFICER** laid before the Senate the following message from the House:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 3 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum stricken and the matter inserted by said amendment, insert: and to implement the provisions of section 5 of Public Law 93-251, $23,661,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 15 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum proposed, insert: $95,000,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 18 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum proposed, insert: $107,700,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 19 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum proposed, insert: $11,400,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 20 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum proposed, insert: $82,400,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 29 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

FUNDS APPROPRIATED TO THE PRESIDENT

FEDERAL DISASTER ASSISTANCE ADMINISTRATION

DISASTER RELIEF

For an additional amount to carry out the functions of the Department of Housing and Urban Development under the Disaster Relief Act of 1970 Public Law 91-606, as amended, and Reorganization Plan No. 1 of 1973), authorizing assistance to States and local governments in major disasters, $32,600,000, to remain available until expended: *Provided,* That not to exceed 3 per centum of the foregoing amount shall be available for administrative expenses.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 33 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

OFFICE OF EDUCATION

INDIAN EDUCATION

Notwithstanding any regulation of the Office of Education, Department of Health, Education, and Welfare, amounts for part A appropriated under this head in the Department of the Interior and Related Agencies Appropriations Act, 1974, shall remain available for allocation as provided by law to local educational agencies in Alaska in response to applications received on or before May 30, 1974.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 48 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

ELEMENTARY AND SECONDARY EDUCATION

For an additional amount for "Elementary and secondary education", $20,000,000, of which $8,000,000 shall be for grants pursuant to Title VII of the Elementary and Secondary Education Act to remain available until December 31, 1974, and $12,000,000 shall be for carrying out section 222(a)(2) of the Economic Opportunity Act of 1964.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 49 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

HIGHER EDUCATION

For carrying out section 705(a)(2)(c) of the Higher Education Act without regard to other provisions of said Act, $250,000, to remain available through June 30, 1975.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 60 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum named in said amendment, insert: $1,000,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 69 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

OFFICE OF ECONOMIC OPPORTUNITY

ECONOMIC OPPORTUNITY PROGRAM

For an additional amount for "Economic Opportunity Program", $12,500,000 for the Emergency Food and Medical Services program as authorized by section 222(a)(5) of the Economic Opportunity Act of 1964.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 87 to the aforesaid bill, and concur therein within an amendment as follows:

In lieu of the sum proposed by said amendment, insert: $1,200,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 163 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

TITLE III

FISCAL YEAR 1973 RETROACTIVE PAY COSTS

SEC. 301. For costs arising from the fiscal year 1973 pay increases granted by or pursuant to the Federal Pay Comparability Act of 1970 and the Act of December 16, 1967 (81 Stat. 649), for any branch of the Federal Government or the municipal government of the District of Columbia, to be available immediately, such amounts as may be necessary, to be determined as hereinafter provided in this title, but no appropriation, fund, limitation, or authorization may be increased pursuant to the provisions of this title in an amount in excess of the cost to such appropriation, fund, limitation, or authorization related to increased compensation pursuant to such statutes.

SEC. 302. Whenever any officer referred to in section 303 of this title shall determine that he has exhausted the possibilities of meeting the cost of pay increases, first, through the use of the unobligated balances of the fiscal year 1973 appropriations, funds, limitations, or authorizations properly chargeable with the costs in fiscal year 1973, which are hereby restored and made available for this purpose, and, secondly, through the use of the corresponding appropriations, funds, limitations, or authorizations for the fiscal year 1974, he shall certify the additional amount required to meet such costs for each appropriation, fund, limitations, or authorization under his administrative control, and with respect to retired pay he shall certify the additional amount required for the fiscal year 1974 costs resulting from such pay increases in fiscal year 1973, and the amounts so certified shall be added to the pertinent appropriation, fund, limitation, or authorization for the fiscal year 1975: ***Provided,*** That any certification made under the authority of this section by an officer in or under the executive branch of the Federal Government shall be valid only when approved by the Director of the Office of Management and Budget.

SEC. 303. For the purposes of the certifications authorized by section 302 of this title, the following officers shall be deemed to have administrative control of appropriations, funds, limitations, or authorizations available within their respective organization units—

(a) The legislative branch:

The Clerk of the House;

The Secretary of the Senate;

The Librarian of Congress;

The Architect of the Capitol;

The Public Printer;

The Comptroller General of the United States;

The Chief Judge of the United States Tax Court;

The chairman of any commission in or under the legislative branch.

(b) For the Judiciary:

The Administrative Officer of the United States Courts;

The Marshal of the Supreme Court.

(c) For the executive branch:

The head of each department, agency, or corporation in or under the executive branch.

(d) For the municipal government of the District of Columbia:

The Commissioner of the District of Columbia.

SEC. 304. Obligations or expenditures incurred for pay increases and related costs pursuant to this title, shall not be regarded or reported as violations of section 3679 of the Revised Statutes, as amended (31 U.S.C. 665.)

SEC. 305. (a) Amounts made available by this title shall be derived from the same source as the appropriation, fund, limitation, or authorization to which such amounts are added.

(b) Appropriations made pursuant to this title shall be recorded on the books of the Government as of June 30, 1974: Provided, That no appropriation made by this title shall be warranted after August 15, 1974.

(c) A complete report of the appropriations made by or pursuant to this title shall be made not later than September 15, 1974, by the officers described in section 303 to the Director of the Office of Management and Budget, who shall compile and transmit to the Congress a consolidated report not later than October 15, 1974.

SEC. 306. With respect to the application of Executive Order Numbered 11691 of December 15, 1972, as amended by Executive Order Numbered 11777 of April 12, 1974, relating to the change from January 1, 1973, to October 1, 1972, as the effective date for certain adjustments of rates of pay of certain statutory pay systems, the Clerk of the House of Representatives, in the administration of and in accordance with section 5 of the Federal Pay Comparability Act of 1970 (84 Stat. 1952-53; Public Law 91-656), with respect to each employee or former employee who was on the employment rolls of the House for any period occurring on or after October 1, 1972, and ending at the close of December 31, 1972, whose pay was disbursed in such period by the Clerk of the House, may make adjustments in the rate of pay of such employee or former employee for such period who was then on the employment rolls of the House, if, in the determination of the Clerk, the pay fixing authority governing the adjustment of pay under such Executive Order Numbered 11691, as if effect on January 1, 1973, has changed.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 169 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

SEC. 405. None of the funds herein appropriated may be obligated or expended to finance directly or indirectly combat activities by United States military forces in or over or from off the shores of North Vietnam, South Vietnam, Laos, or Cambodia.

SEC. 406. Appropriations and authority provided in this Act shall be available from June 1, 1974, and all obligations incurred in anticipation of the appropriations and authority provided in this Act are hereby ratified and confirmed if otherwise in accordance with the provisions of this Act.

Mr. McCLELLAN. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 3, 15, 18, 19, 20, 29, 33, 48, 49, 60, 69, 87, 163, and 169.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask to be recognized outside the morning hour order, under the usual procedure, and I ask unanimous consent that the Senate go into executive session to consider nominations on the Calendar beginning with Calendar No. 154.

There being no objection, the Senate proceeded to consider executive business.

DEPARTMENT OF DEFENSE

The PRESIDING OFFICER. The clerk will state the first nomination.

The second assistant legislative clerk read the nomination of Gen. George S. Brown, U.S. Air Force, to be Chairman of the Joint Chiefs of Staff.

The PRESIDING OFFICER. Without objection, the nomination will be considered and confirmed.

U.S. AIR FORCE

The second assistant legislative clerk read the nomination of Gen. David C. Jones, U.S. Air Force, to be Chief of Staff, U.S. Air Force.

The PRESIDING OFFICER. Without objection, the nomination will be considered and confirmed.

DEPARTMENT OF THE TREASURY

The second assistant legislative clerk proceeded to read sundry nominations in the Department of the Treasury.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that those nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GOLDWATER. Is the name of Mr. Middendorf to be Secretary of the Navy on the list?

Mr. MANSFIELD. It is on the list, but there is a "hold' on it.

Mr. GOLDWATER. I wonder if we could dissolve that "hold." The Navy has been without a leader for a considerable period of time.

Mr. MANSFIELD. May I say to the distinguished Senator from Arizona that the Senator from Montana is not the Senator who put a "hold' on it. Another Senator has; I do not know who it is, but it is a courtesy we accord to any Senator for a reasonable time.

Mr. GOLDWATER. I appreciate that. Would it be possible for me to learn the name—not publicly—but learn the name?

Mr. MANSFIELD. I do not know. I would have to say, publicly and privately. But if I find out I will contact the Senator from Arizona.

Mr. HUGH SCOTT. Mr. President, if the Senator would yield, I believe that, without breaking any confidence, I may have inadvertently obtained information as to who the Senator is. I am going to suggest to the distinguished Senator from Arizona that he at least talk to this Senator, because I believe the Senator simply wants to be heard on the matter first, and I hope we can expedite it.

I agree with the Senator from Arizona that the Navy is without anyone at the helm, and it is important that we move as soon as we can.

U.S. TARIFF COMMISSION

The assistant legislative clerk proceeded to read the nomination of Catherine May Bedell, of Washington, to be a member of the U.S. Tariff Commission for the term expiring June 16, 1980.

The PRESIDING OFFICER. Without objection, the nomination is considered and agreed to.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The assistant legislative clerk proceeded to read the nomination of Terrell H. Bell, of Utah, to be Commissioner of Education.

The PRESIDING OFFICER. Without objection the nomination is considered and agreed to.

THE FEDERAL COUNCIL ON THE AGING

The assistant legislative clerk proceeded to read sundry nominations on the Federal Council on the Aging.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that those nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and agreed to en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of the legislative business.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask that there be a period for the transaction of routine morning business, with a time limitation of not to exceed 3 minutes therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMENCEMENT ADDRESS OF SENATOR MANSFIELD AT MONTANA COLLEGE OF MINERAL SCIENCE AND TECHNOLOGY: A GREAT SCHOOL

Mr. MANSFIELD. Mr. President, on Sunday last, the distinguished Republican leader had the privilege and the opportunity to give the commencement address at Randolph Macon College, a school which he attended as an undergraduate and from which he graduated before going on to the University of Virginia and other schools.

Coincidentally, on that same day, I had the opportunity and the privilege to give the commencement address at Montana College of Mineral Science and Technology in Butte, Mont., a school which I attended and for which I have a great affection, because it gave me a start in life, which all people need at certain times.

It was a day of memories; it was a day of sadness, and a day of joy, a day of remembrance and even, perhaps, a day of forgetting.

The Montana College of Mineral Science and Technology which, until 1965, was known as the Montana School of Mines, is one of the six institutions comprising the Montana university system.

It was founded, legislation was passed, in 1893, 5 years after Montana became a State. The actual construction of the first building was begun in 1896, and the college opened its doors on September 11, 1900, and graduated its first class in June 1903.

The State bureau of mines and geology, was added to the college as a research department in 1919.

In the past decade, the college has expanded its traditional offerings in various phases of mineral engineering to include degree programs in environmental engineering, mathematics, chemistry, history, and English.

Since its founding, the Montana School of Mines, now known as the Montana College of Mineral Science and Technology, has had a worldwide reputation for the excellence of its curriculum, especially in the fields of mining, metallurgy, mineralogy, geology, petroleum engineering, and the like.

It has expanded from a school of about 130 students, when I attended it, to around 800 today. It is the best mining school in the world, without exception. It has a reputation which can only be compared with that of Frieberg in Germany, and that was prior to the Second World War.

Its graduates are in demand, and they cover the Nation and the world. Its students come from all over the globe.

It is an especially outstanding institution, in my opinion, and has meant much to the Butte-Anaconda, western Montana area, and has meant a great deal to the State and the Nation.

I wish it well. I hope it continues to grow and expand.

I want to emphasize that basically it is a mining school, and I hope that its emphasis will remain in that particular area.

Mr. President, I ask unanimous consent that the program for that day and the commencement address which I made be incorporated in the RECORD.

There being no objection, the program and the commencement address were ordered to be printed in the RECORD, as follows:

SEVENTY-FOURTH COMMENCEMENT—MONTANA COLLEGE OF MINERAL SCIENCE AND TECHNOLOGY, BUTTE, MONT.

(Fox Theatre, June 2, 1974, 3:30 p.m.)

PROGRAM OF COMMENCEMENT EXERCISES

Processional—Montana Tech String Ensemble, Rick Hartwig, Director.

(The audience is requested to stand for the Processional and remain standing through the Invocation and the playing of the national anthem.)

Invocation—Reverend Edward W. Newman, Immaculate Conception Church.

"Star Spangled Banner"—String Ensemble.

Introduction of Guests—President Fred W. DeMoney.

"Commentary: 1974"—Senator Michael J. Mansfield.

Conferring of Degrees—President Fred W. DeMoney.

Conferring of Degree of Doctor of Letters, Honoris Causa, on Walter Todd Scott, Professor Emeritus—Presentation of Professor Scott by Dean Kenneth McLeod.

Conferring of Degree of Doctor of Engineering, Honoris Causa, on Senator Michael J. Mansfield—Presentation of Senator Mansfield by Vice-President Donald McGlashen.

Presentation of Honor Award for High Scholarship—President Fred W. DeMoney.

Benediction—Reverend Oliver L. Jones, Gold Hill Lutheran Church.

(The audience is requested to remain standing for the Recessional)

Recessional—String Ensemble.

A reception for the graduates, their parents, and their friends will be held in the Student Union building following the Commencement Exercises.

CANDIDATES FOR DEGREES

Degrees in course

Associate of Arts

James Coryel Axelson, Butte, Montana.
Maskin Milovan Bigovich, Butte, Montana.
Michael David Boston, Butte, Montana.
Nicholette Ellyn Breyer, Butte, Montana.
John Robert Burke, Butte, Montana.
Rose Mary Carollo, Butte, Montana.
Richard Douglas Daniels, Butte, Montana.
Jumana A. ElSharif, Lebanon.
Colleen Marie Fischer, Butte, Montana.
Barbara Joann Hayes, Butte, Montana.
Thomas Kenneth Hohn, Townsend, Montana.
Carol Anne Miller, Butte, Montana.
Otis Nelson Mohn, Whitesburg, Kentucky.
Charles Henry O'Donnell, Anaconda, Montana.
Billie Jean Peterson, Gregson, Montana.
Dale David Rawlings, Butte, Montana.
Sheila Kay Rivers, Anaconda, Montana.
Karen Anne Seymour, Ramsay, Montana.
Joseph Frederick Sommers, Anaconda, Montana.
Robert James Turk, Butte, Montana.
Joseph Frederick Sommers, Anaconda,

Associate of Science

Kimberly Adele Bawden, Butte, Montana.
Kathleen Ann Dillon, Butte, Montana.
Abdul Fattah A. ElSharif, Lebanon.
Shirlee L. Kaighn, Butte, Montana.
Keith B. Jensen, Wolf Point, Montana.
Stanley W. D. Lawrence, Missoula, Montana.
Julie Bossard LeFever, Butte, Montana.
Colleen Marie McGee, Butte, Montana.
Rebecca Jane McGee, Butte, Montana.
Cindy Lou Osmanson, Butte, Montana.
Linda Marie Storm, Butte, Montana.
Reginald Lee Thereault, Butte, Montana.
James Richard Vennes, Malta, Montana.
John Larry Vuicich, Anaconda, Montana.

Associate of Science/Engineering

Andrew Morgan Chadwick, Lewistown, Montana.
Loren, George Hoekema, Laurel, Montana.
James Lawrence Nelson, Drummond, Montana.
Brian Charles Sayre, Great Falls, Montana.
Robert Joseph Smollack, Anaconda, Montana.
Momo J. Vezele, Fisebu, Liberia.

Bachelor of Science in Chemistry

Rhonda Elaine Farrow Jacobson (with high honor), Butte, Montana.

Bachelor of Science in Engineering Science

Robert Dean Bentley, Butte, Montana.
Joel Bruce Knutson, Butte, Montana.
Larry Alvin Olson, Butte, Montana.
Donald James Shea, Butte, Montana.
James Bennett Smitham, Jr., Butte, Montana.
Robert Joseph Smollack, Anaconda, Montana.

Bachelor of Arts in English

John R. Beatty, Anaconda, Montana.
Rose Mary Carollo (with high honor), Butte, Montana.
Sylvia Frances Carollo, Butte, Montana.
Charlene A. Davis (with high honor), Butte, Montana.
Clara Parko Haft (with high honor), Butte, Montana.
Lillian Elizabeth McCauley (with high honor), Butte, Montana.
Grace M. Orgain (with honor), Butte, Montana.
Phyllis Adell Stout (with high honor), Butte, Montana.
William John Suydam, Butte, Montana.

Bachelor of Science in Environmental Engineering

Mark Alan Bossard, Anaconda, Montana.
Phillip Maurice DeDycker, Butte, Montana.
Harry Nick Obstar, Great Falls, Montana.
Darrell Robert Scharf (with high honor), Butte, Montana.
Ray Wallace Springer, Sunburst, Montana.

Bachelor of Science in Geological Engineering

Thomas Allen Behling (with honor), Darby, Montana.
Steve John Czehura, Butte, Montana.
Melvin LeRoy Granberg, Butte, Montana.
Wendell Eyre Johnson, Anaconda, Montana.
Brian Joseph Lunty, Edmonton, Alta., Canada.
Robert John Pederson, Billings, Montana.

Bachelor of Science in Geophysical Engineering

John Byron Aultmann, Jr. (with high honor), Butte, Montana.
Carole Cecelia Collier Speake (with honor), Butte, Montana.
Richard Conrad West (with high honor), Charlotte, North Carolina.

Bachelor of Arts in History

Elissa Kay Clark, Butte, Montana.
John Patrick Foley, Butte, Montana.
Keith B. Jensen, Wolf Point, Montana.
Stanley George Mayra (with honor), Butte, Montana.
Charles Wayne McDaniel, Butte, Montana.
Wayne Michael O'Brien, Butte, Montana.
James Robert Person, South Gate, California.
Agnes Mary Seymour (with high honor) Butte, Montana.
Doreen B. Williams, Walkerville, Montana.

Bachelor of Science in Mathematics

Glenn Dale Laitinen, Butte, Montana.
Bruce Carlyle Rowe, Butte, Montana.
Wendy Lee Swanson (with high honor), Butte, Montana.
John Larry Vuicich (with honor), Anaconda, Montana.
Thomas J. Walsh, Butte, Montana.

Bachelor of Science in Metallurgical Engineering

Joseph Frederick Sommers, Anaconda, Montana.
Mehrdad Nonahal Tehrani, Tehran, Iran.

Bachelor of Science in Mineral Dressing Engineering

Steven Wallis Banning, Butte, Montana.
Kurt Alan Forgaard (with high honor), Salmo, B.C., Canada.
Jon Nicholas Hoyrup, Dillon, Montana.
Donald Edward McCarthy, Butte, Montana.
Robert Dale Osmanson, Butte, Montana.
Joseph Frederick Sommers, Anaconda, Montana.

Bachelor of Science in Mining Engineering

Thomas Allen Behling (with honor), Darby, Montana.
William Robert Hansen, Glasgow, Montana.
Dean J. Honey, Butte, Montana.
John Edward Howard, Philipsburg, Montana.
Curtis Allan Johnson, Glendive, Montana.
Scott William Lorber (with honor), Butte, Montana.
Donald Ernest Moe, Missoula, Montana.
Charles Justice Speake, Jr., Victor, Montana.
Jerry Lee Stacey, Butte, Montana.

Bachelor of Science in Petroleum Engineering

Gary Ernest Aho (with honor), Butte, Montana.
Kenneth Bernard Allen, Cochrane, Alta., Canada.
W. Joris Brinkerhoff, Denver, Colorado.
Roy L. Brown, Billings, Montana.
Lawrence Edward Brumit, III, Butte, Montana.
Albert John Ciallella, Anaconda, Montana.
Ali T. Dabbagh, Mecca, Saudi Arabia.
Stephen Alfred Davies, Butte, Montana.
Thomas Kenneth Hohn, Townsend, Montana.
David John Loran, Butte, Montana.
Craig Nicholas Madeen (with high honor), Butte, Montana.
David Margolin, Browne Station, New Jersey.
Otis Nelson Mohn, Whitesburg, Kentucky.
Eric Howard Olsen, Butte, Montana.
Richard Lee Paynter, Butte, Montana.
Ralph Dale Tronstad (with high honor), Fort Shaw, Montana.

Master of Science in Engineering Science

Gary Wayne Mannix, Butte, Montana.

Master of Science in Geophysical Engineering

Ming-Ju Jan, Taiwan, Republic of China

Master of Science in Metallurgical Engineering

John Robert Knoepke, Butte, Montana.

Master of Science in Mineral Dressing Engineering

Kent, Joseph McGrew, Sacramento, California.
Reginald Ohab, Guyana, South America.
David Harry Rust, Whitehall, Montana.

Professional degrees

Engineering Science Engineer (honoris causa)

Terrence Kirkland, Alexandria, Virginia.

Geological Engineer (honoris causa)

Andrew Corry, Alexandria, Virginia.

Mineral Dressing Engineer (honoris causa)

Frank Antonioli, Butte, Montana.
Truxton Fisher, Butte, Montana.

Mining Engineer (honoris causa)

Petrus J. Du Toit, Tucson, Arizona.
Rayworth F. Howe, Butte, Montana.

Honorary degrees

Doctor of Engineering (honoris causa)

Michael Joseph Mansfield, Washington, D.C.

Doctor of Letters (honoris causa)

Walter Todd Scott, Butte, Montana.

The Montana College of Mineral Science and Technology (until 1965 the Montana School of Mines) is one of six institutions comprising the Montana University System.

Although the necessary legislation was passed in 1893, the actual construction of the first building was not begun until 1896. The college opened its doors on September 11, 1900, and graduated its first class in June 1903.

The Bureau of Mines and Geology was added to the college as a research department in 1919.

In the past decade, the college has expanded its traditional offerings in various phases of mineral engineering to include degree programs in environmental engineering, mathematics, chemistry, English, and history.

Since its founding, the college has gained a world-wide reputation for its excellent graduates, who have contributed significantly to the mineral industries. Moreover, the college has offered broad educational opportunities to the people of Butte and surrounding areas.

COMMENTARY—1974

(Remarks of Senator MIKE MANSFIELD (D., Montana))

Commencement, in medieval times, meant a beginning. Today is a day of joy and relief to this class, sadness to your parents, and, to some of us, remembrances. To be with you, today, brings a flood of memories. My life and work have been closely aligned with this Institution and this part of the State. The Butte-Anaconda region has given me enormous support and encouragement over the years. I can never repay the people of this area nor the people of Montana for their trust and faith down through the decades.

Butte is the place where I worked in the mines for nine years as a mucker, a miner and an assistant mining engineer. Butte is the place where I met the girl, a teacher at Butte High School, who became my wife, my sustenance and my support down through the years. Without her and this institution I would not be standing before you today; without her and this institution I would not be what I am today. You can understand, I'm sure, why my first two loves were my wife and this school.

Butte is the place of the old School of Mines, where at the insistence of my wife-to-be, I applied for admission. At that point, I was already approaching twenty-five and I had not gone to high school. In fact, I had not even completed eight grades. The then President of the School of Mines, Dr. George Craven, was understanding but dubious. He told me that the only way I could be admitted was as a special student. To become a regular student, he said, I would have to make up my high school entrance credits. I completed the school year, 1927–28, while working in the mines at night. At the end of that year, I had passed the required subjects, most of them just barely. The teachers were generous and took a personal interest in what to them must have been something of an educational oddity. With me, they had to conduct, not a "Head start," but a kind of "Late start" program.

Among the professors who taught me, guided me, and counseled me, was a man from Harvard by the name of Walter T. Scott, Professor of English. I cannot begin to express how honored I am to be on the same platform with Professor Scott.

He meant much to me as a student and friend as he has meant much to this school through the years. He has done a great deal for education in this State and community and he is receiving, today, the kind of recognition he richly deserves and which is long overdue.

Also, on the platform today, is another long-time friend from Butte, a man with whom I served on the faculty as the University of Montana, Ambassador Andrew Corry, who is also being honored by his old school.

I am also honored by being on the platform with Terrence Kirkland, who is receiving the Professional Degree of Engineering Science Engineer, Frank Antonioli and Truxton Fisher, who are receving the Professional Degree of Mineral Dressing Engineer, and Petrus J. Du Toit and Rayworth F. Howe (posthumously), who are receiving the Professional Degree of Mining Engineer.

When I enrolled in Montana Tech, the entire student body was only about 130. In the same year, girls were admitted for the first time. The girls in that first class numbered somewhere between twenty-five and thirty. They came almost entirely from Butte High School, Girls Central and Anaconda High and were looked upon as either a distraction or an inspiration. In either case, this school, along with the State, was in the vanguard in according full legal recognition to women as equal persons.

In the 1920's and 30's, the Departments of Mining, Metallurgy, Mineralogy, Petroleum Engineering and Geology were the basic components in which degrees were awarded at the School of Mines. It was considered the outstanding educational center of its kind in the world. Only Freiburg, in Germany, was considered comparable. Today, Montana Tech continues to enjoy that reputation and it is eminently deserved. The standards have been maintained even as the scope of the educational program here has been extended to take in a Liberal Arts calendar. A studies program in Liberal Arts and other changes have had the effect of increasing the size of the student body many times over. So far as I can see, however, there has not been any diluting of the quality of the educational experience. On the contrary, it has been enriched greatly since the days when I was a student. May I suggest to the Regents on this platform that they keep this in mind as the school goes on to greater heights.

I would anticipate an even larger enrollment and a greater scope of intellectual pursuits at Montana Tech in the years ahead. That can be all to the good. I would only hope that in the process of growing this school will never lose what to me, as a somewhat bewildered and uncertain student, meant so much at an earlier time. That was the sense of personal concern which was communicated by the members of the faculty and administration. You mattered to them and they mattered to you.

I would hope, too, that this school will keep, as it has always had, a unique core of excellence associated with the mineral sciences because Montana is deeply involved in that aspect of the nation's well being. Montanans have exploited hard rock minerals and others have come here to exploit them throughout the history of the State. I choose the word "exploit" advisedly. The history of mining in this State is not one of unalloyed contribution to the welfare of the people of Montana. Its advantages have been interlaced with a great deal of human misery and suffering, callousness and corruption.

It is important to remember that, it seems to me, especially at this time when there is underway a dramatic shift of national attention to the vast deposits of low sulfur coal in the Great Plains. Many people would like us to believe that this close-to-the-surface coal is the easy answer to the nation's energy problems. I do not go along with glib thinking of that kind. There are questions—many questions—to be asked and answered. Who, for example, profits by the exploitation of that coal? Do the people of this State gain if an energy shortage is exchanged for a shortage of clean air and clean water? In the long run, do the people of the nation gain thereby? Yet, that may be in store unless we move cautiously in exploiting these coal reserves.

Eastern Montana with its vast plains, rolling hills, and badlands, has a tradition of agriculture and livestock production. People who live there are wary of the massive disruption which is associated with crash surface mining. They have valid reason to be concerned and I share their concern. As yet, there is insufficient indication that the huge coal companies and out-of-state utilities have any deep interest in confronting the problems that their presence creates for local areas.

To be sure, there are gains to be derived from the exploitation of the coal reserves. The income and public revenues associated with mineral developments of great magnitude are very tempting. So, too, are the high prices offered for leases.

But, the other concerns I have noted are not to be ignored. They are of great significance to the people of the State and, in particular, to the generation of young people represented in this graduating class and those who will come after them.

Living Americans do not hold the land, the rivers, the sky, the air and the hills of Montana as an absolute right. The nation's natural treasures are ours to use, not to abuse. They are a trust to be maintained for future generations. In the assertion of our own rights, we cannot ignore the rights of those who will come after us.

So, insofar as I am concerned, the question of coal-stripping will be approached carefully—very carefully—and cautiously—very cautiously. In concert with the other members of the Montana Congressional delegation, it is my intention to use every avenue of the Federal government which is open to us to see that such is the case.

The development of the coal resources does not have to be ruled out if it can be done safely. In this connection, Montana Tech and other units of the Montana University System can be especially useful. They can devise, continuously, new and better ways in which coal can be extracted and utilized effectively without devastating the land and polluting the waterways. That is the only way these resources can be developed if they are to benefit Montana and the nation not only today but in all the days of the future. There is no need, in my judgment, to turn the State into a scarred and twisted wasteland in a frantic search for cheap fuel for the nation. Nor will it be.

The oil crisis last winter which precipitated this search was a kind of handwriting on the wall. Repeated and well-founded scientific and other expert warnings of an impending shortage were ignored for many years. Oil yields declined at home even as the nation became more and more dependent on petroleum. Alternatives were ignored. Research was neglected. Wasteful consumption continued. Then came the Arab boycott.

The great metropolitan areas of the nation were thrown into near panic when the king pin of the nation's economic and social structure was jarred. Almost overnight the Federal government went from do little to do everything. In a sudden determination to assure self-sufficiency, a massive financial and technical assault was launched in the field of energy. Dozens of agencies and offices plunged into the search. No matter that the problem was a long time in brewing and would be a long time in passing. No matter that crash Federal programs in other moments of crises have invariably proved wasteful and often misdirected. The only answer of which we were capable at that point was to pull out all the stops. It was not a very reasoned approach but it was about the only way, as a government, we were able to react at all.

That is why, it seems to me, it is high time to look beyond the immediate question of energy. We need to consider closely the way in which our entire national economic life has come to be organized and the role which government plays therein. We need to think deeply about the economic structure of the nation not just as it is today but as it is likely to be five or ten years hence.

Not only in energy but in many other facets of our economy there have also occurred haphazard and wasteful usages, unwise development and random and uncoordinated government intervention. That there is a sudden fixation of federal attention on oil, natural gas, and other fuels is understandable. But what about nickel, tin, iron, copper and bauxite? Where will we get the supplies of these and other essential resources in the years ahead? What about food? Indeed, what of the exhaustibility of clean air and pure water?

Four years ago, the Interior Department said we depended preponderantly on foreign countries to supply us with thirteen basic minerals. Today, there are at least forty minerals on the same list. They include, bauxite-aluminum, tin, lead, nickel and chromium. What happens if the countries from which we get those basic minerals should decide to cut us off? I think we can withstand a cartel such as the one which recently threatened to raise the export price of bananas from Central America—but what of other commodities? We have already seen, for example, how foreign sources can affect our economy deeply by withholding petroleum in which we ourselves have great resources. What of basic commodities in which we have little or none?

What, for example, of bauxite? Over 80 percent of the bauxite used in the production of aluminum is imported. Aluminum pervades our society. Gas-saving engines are built from it. The building trades are voracious consumers. Food packaging is dependent on it. A myriad of other industries are affected by its availability. With time, perhaps, we could step-up domestic bauxite production in the form of aluminum clays to be found in Georgia, Idaho and Montana. But aluminum refining requires massive amounts of electricity, and we already have a shortage of power.

Chromium is another essential element which goes into a great many products. We are 100 percent dependent on imports of chromium even though we have low grade chrome in the Absarokees in southern Montana. Most of the imports presently come from the Soviet Union. Yet, there are still delays in putting trade with that nation, as well as with the Peoples Republic of China, on an equal footing with other nations. The administration has requested legislation to that end and I am frank to acknowledge that it is in the Congress where the question has become snarled in extraneous issues. Sooner or later, however, we must face up to the need to enlarge to the fullest possible extent foreign supply sources for many commodities.

The problems of a complex economy such as we have in this nation go well beyond metals and minerals. In 1973, the nation experienced the biggest boost in the cost of groceries in over twenty-five years. Any relationship between ultimate retail prices and the prices paid to the farmer is minimal at best. The price of beef on the hoof, for example, has dropped very sharply in recent months as this State knows only too well, but a similar drop in retail prices is scarcely discernible. Prices of cotton, wool and synthetic fibers have risen 93 percent. The inflation was 10½ percent from March of 1973 to March of 1974; 14½ percent for the first three months of this year. If we are going to have a chance to minimize difficulties such as these, it is going to be necessary to re-examine and readjust the government apparatus which exists in one way or another for dealing with them.

At last report, more than fifty Federal agencies and administrations were collecting and compiling data on the subject of materials-supply. The total continues to increase with the growing interest in environmental safeguards, product safety and similar questions. A great deal of information is available so that is not the critical point. Nor is it that government intervention and controls are inadequate; in some respects, they are excessive.

The root of the difficulty, as I see it, is how to employ more effectively the intellectual, technical, scientific and other resources which we have available in this nation for confronting the needs of the economy. It is, largely, how to convert what is already known into what can be done but is not being done. In the end, it is a matter of using our heads, of coordinating and applying pertinent knowledge in a rational manner.

This approach need not mean more government intervention in the private economy. The fact is that the government is already intervening up to its ears and has been doing so for decades. That is not going to change. The question is whether the intervention is going to be coordinated for nationally acceptable ends or pursued in a way that is so disjointed and infuriating as to tax the confidence of the people in the fundamental political and governmental institutions of the nation.

What is needed, in short, and what is lacking in the role of the Federal government, to date, has been a kind of central alarm system, an early-warning system, with regard to trends in the nation's economy. May I add that an effort is now being made to design that kind of instrument. When I was asked by my Senate colleagues and the networks, last February, to speak to the nation for the Congressional majority as a supplement to the President's State of the Union message, I put the problem in these words:

"The need is to take a careful look not only at the flashing of the single danger signal (of the energy shortage) but at the whole integrated switchboard of our national existence. It is not enough, for example, for the Federal government to spend tens of millions of dollars in a rescue operation to keep the bankrupt Penn Central Railroad on the tracks. We need to know where an action of that kind fits into a national rail policy; where that policy, in turn, fits into a total transportation pattern; where that pattern, in turn, fits into the over-all requirements of the nation, today, and for the next decade or more."

In short, we need to think ahead in order to make hard political choices between what is more important to the nation and what is less, between what is enduring and what is transitory. That is the full scale by which government intervention in the nation's economy, when it must take place, should be measured. Unless we begin to use that scale, the right hand of government will tend more and more to undo or do over what the left hand has just done.

Shortly after my statement was made last February, Senator Hugh Scott, the Republican Leader, joined me in recognizing this need and, together, we sought the cooperation of the Leadership of the House of Representatives and the President. It was forthcoming. For several weeks, thereafter, the Leaders of both parties in both Houses of Congress gathered in my office, together with the Secretary of the Treasury and several other key economic officials of the Administration in a series of unprecedented meetings to consider this question.

A short time ago, this all-government group was able to reach unanimous accord on how to pursue this matter. As we see it, there is a need for tripartite cooperation on the part of the Congress, the Executive Branch and Americans drawn from outside of government to work together in a national commission which will—

First, act as the central focal and refining point for the ever-accumulating mountain of information which is available on the structure and operation of the nation's economy;

Second, to sort out this vast array of information with the aid of such wisdom and skills that the nation can muster from all relevant sources in order to perceive and forecast with reasonable accuracy what the fundamental economic needs and problems of the nation are likely to be a few years hence;

And, finally, on that basis, to make recommendations to the Congress and the President which can be translated into coordinated and effective government action in meeting those needs and problems. In that fashion, perhaps, crises like that of petroleum, which would otherwise burst in on us one after another, can be mitigated or prevented.

There is now under consideration in the Congress, legislation which has the unanimous support of the two party leadership in both Houses of Congress and of the Executive Branch. If passed, it will permit the taking of the next steps in fashioning a new coordinated approach to the nation's gathering economic needs and problems.

It may seem strange to you that the Executive Branch and the Legislative Branch and the two parties can cooperate at the present time in this fashion. How can there be cooperation there when there is a virtual confrontation on the question of Watergate and related matters? Is not the Congress at this very moment considering the impeachment of the President? Have there not been calls from individual members of Congress of both parties for the resignation of the President? The answer is, yes, it is a time of virtual confrontation over the Watergate affair. Yes, the Congress or, at this point, the House of Representatives, is considering impeachment. Yes, individual members of both parties have called for resignation.

But confrontation in the one instance cannot be allowed to preclude cooperation in others when cooperation is essential to the nation. Nor has it done so. The fact is that there has been cooperation with the Executive Branch not only in regard to the economic question which I have just discussed but also in other matters. Just recently, for example, I returned from discussions with the new President of France, discussions which were pursued with the full knowledge and concurrence of the President. Repeatedly, the Secretary of State, speaking and acting as he does, on behalf of the President of the United States, has had expressions and actions of support from the Senate and the House of Representatives. Not too long ago, I was with the Secretary in Mexico City at a meeting of American Foreign Ministers for precisely that reason.

So I would like to emphasize that the impeachment proceeding which is a Constitutional obligation of the most solemn kind, has not and will not impair the functioning of the Congress in its regular legislative business. Least of all will it stand in the way of cooperation with the Executive Branch in the field of foreign policy. The President knows that there is a large area of agreement in foreign relations between the two Branches and the two parties. So, too, does the Congress. And so, too, may I add do foreign governments.

To be sure, the time is not a happy one either for the President or for the Congress. But the contentment of the elected and appointed incumbents is not what the Constitution is all about. What matters is not the convenience of the men and women in government—those of us who are here today and gone tomorrow—what matters is the validity and durability of the federal institutions and their continued capacity to meet the needs of the people of the nation.

It is obvious that the confidence of the people in these institutions has been badly shaken by the events and revelations of the past year and a half. We can't escape the reality, however, that Watergate and related matters was not a bad dream. It did happen. It cannot and will not be ignored. It cannot be swept out of sight. There are no shortcuts out of the situation. For Congress to drop the matter, even if it were possible, would provide no answer. For the President to resign, even if he were so inclined, would not provide an answer. A satisfactory answer, in my judgment, can be found only in the Constitution and in the processes provided therein. These are the processes which are now being pursued in a most responsible fashion in the Courts and in the Congress. They will continue to be pursued until the matter is resolved.

It is a trying time for this nation and especially for the young among us. It is not easy to face up to shortcomings in institutions which we have come to regard with a respect bordering on reverence. It is a time for patience and restraint. It is a time for understanding of your government, of the Congress and the Presidency. With that understanding, we can and will carry on during this period of difficulty. Above all, it is a time to remember that "the price of liberty is eternal vigilance."

Our political processes, in the end, will be purified and strengthened by this ordeal. Watergate will pass and we will endure because there is a great deal that is right in this nation. There is a strong, decent, industrious and compassionate people. There is a bountiful land. There is intelligence, inventiveness and vitality. There must be forthcoming the leadership to put these attributes to use for the benefit of all. That is the responsibility of those who serve in government, in the Presidency, in the Congress and in the military and civilian services. This nation deserves more than a decent present. This nation deserves and it will have a decent future in freedom. And this, you may be certain, is what this nation will achieve.

Mr. HUGH SCOTT. I thank the distinguished majority leader for his references to me. He is not only a graduate of a famous school but he himself is, I am sure, one of the most famous and celebrated and honored alumni of that institution. Such a school, so celebrated for its expertise and its ability to train technologists in the art of mining and related subjects, certainly struck gold in this eminent graduate, the distinguished majority leader. So I do extend to him my congratulations that he was able to go back to his alma mater for this commencement week, as I was happy to go back to my first alma mater at the same time.

My alma mater is a little Methodist college founded in 1830. This week I saw a particularly abrasive and rather vicious article about me by a highly inaccurate and rather reprehensible journalist of the lowest order. I suppose the biggest mistake in the article was its author, but his arrival on the scene was something with which I had nothing to do. That we can attribute to his parents.

I was amused, however, that he referred to my little Methodist college, dominated almost entirely by divinity students, submerged under the miasma of prohibition, a college where no alcohol was ever seen except in the chemistry laboratory, and that not for imbibing, as a "mint julep college."

The writer also reveals a sort of reverse bigotry with invidious reference to me as a WASP, as a Protestant, of which, of course, I am proud, but I have no use for bigots of any race, creed, or color, and I would like to excoriate him a bit for that as well, because we Protestants are a minority in some places and a majority in others, and are as proud of our traditions as the Catholics—who outnumber me in my own family, by the way—or members of the Jewish faith, Moslems, or anyone else.

I have undertaken to deliver myself of this little hortatory effort because I honor the journalistic profession, and the vast majority of them are faithful scribes and honorable people. But every now and then you meet some dishonorable little squirt, and he gets paid for it.

I suppose he earned his 30 pieces of whatever it was. Let him go on his way, finding whatever consolation he can. I will say this: Had he read his article aloud to me before he left the office, I am not certain whether he would have left on two feet or four.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Republican leader can take consolation in the fact that he graduated with honors. He was second in his class, which I think would be the equivalent of——

Mr. HUGH SCOTT. Avis. Avis rather than Hertz.

Mr. ROBERT C. BYRD. Having graduated second in the class would be the equivalent, I suppose, of graduating magna cum laude. In my case, I graduated not summa cum laude, not magna cum laude, but "Thank the Lordie."

Mr. HUGH SCOTT. Well, I congratulate the Senator in the fact that we are now both here.

The PRESIDING OFFICER (Mr. METZENBAUM). Is the Senator from Pennsylvania going to try harder?

Mr. HUGH SCOTT. The Senator from Pennsylvania will continue to try harder. He will be as trying as he knows how to be.

STATEMENT BY SENATOR MANSFIELD AT JOINT HOUSE-SENATE DEMOCRATIC LEADERSHIP MEETING

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be inserted in the RECORD at this point an opening statement which I made to the monthly meeting of the Joint House-Senate Democratic Leadership; a memorandum prepared by Beth Shotwell for the distinguished assistant majority leader and myself; and a statement of the joint Democratic leadership, Senator MANSFIELD, Senator ROBERT C. BYRD, Speaker ALBERT, Congressman O'NEILL, and Congressman MCFALL, issued at the conclusion of our meeting this morning which was attended by the chief of the Democratic Mayors' Conference, the Honorable Henry Maier of Milwaukee.

There being no objection, the opening statement, the memorandum and joint statement were ordered to be printed in the RECORD, as follows:

OPENING STATEMENT

On behalf of the Joint House-Senate Democratic Leadership, I welcome Mayor Henry Maier of Milwaukee, who is the Chairman of the Democratic Mayors' Conference.

This is the first time the Democratic Mayors have been represented at these monthly Democratic breakfast meetings.

Robert Strauss, Chairman of the Democratic National Committee has met with us on several occasions this year and Governor Wendell Ford of Kentucky, Chairman of the Democratic Governors' Conference, attended our last breakfast. We regret their absence today while they are attending the National Governors' Conference meeting in Seattle.

At our last meeting, we commented that Watergate seemed to obscure the many accomplishments of the Congress. It is increasingly evident that the investigations of wrongdoings have not slowed Congress. As the House Judiciary Committee is bringing a careful and deliberate investigation to a close and the Senate Select Committee on Presidential Campaign Activities is formulating recommendations for Congressional action, Congress is moving ahead on regular business.

As an indication of Congressional activity, I would point out that over twice as many bills have been enacted this year than at this time last year. In a moment, I shall call on Senator Byrd for further comment on the legislative program.

First, I would like to say that we appreciate the input and cooperation of the local officials represented by Mayor Maier. We look forward to a concerted national Democratic effort to meet the nation's needs. We shall meet those needs notwithstanding our determination to deal with the grave constitutional questions posed by Watergate and related matters.

U.S. SENATE,
DEMOCRATIC POLICY COMMITTEE,
June 4, 1974.

To Senators MANSFIELD and ROBERT C. BYRD.
From Beth Shotwell.
Subject Comparison of Senate progress in 1973 and 1974.

1. As of yesterday, the Senate has passed 248 measures, including private bills; as of June 3, 1973, the Senate has passed 218 measures.

2. As of yesterday, there have been a total of 78 measures enacted this year (58 public and 20 private bills), compared with a total of 36 enacted as of June 3, 1973. A more detailed comparison as of June 3 follows:

	1973	*1974*
Days in session	74	71
Hours in session	352:09	421:19
Total measures passed	218	248
Public laws	36	58
Private laws	0	20
Treaties	5	2
Record votes	157	214

3. The list of bills which have passed the Senate this Congress which await House action are as follows:

1. Campaign Reform (S. 3044 and S. 372).
2. Compensation for Victims of Crime.
3. Comprehensive Housing Programs.
4. Energy Conservation.
5. Energy Research and Development.
6. Indian Self Determination.
7. Land Use Planning.
8. Mandatory Death Penalty.
9. No-Fault Auto Insurance.
10. Postal Rate Adjustment.
11. Safe Drinking Water.
12. State/USIA Authorization.
13. Strip Mining Controls.
14. Veterans Drug and Alcohol Treatment.
15. Eastern Wilderness.

4. The following bills are in House-Senate conference:

Aircraft Piracy Prevention.
Asst. Sec. for Indian Affairs—House conferees not yet named.
Bio-Medical Research.
Congressional Budget Reform.
Defense Supplemental Authorization—House will consider conference report today.
Diabetes Mellitus Research.
Energy Supply—Clean Air.
Federal Impoundment Control.
Fire Prevention and Control.
Legal Service Corporation—House has adopted conference report.
NASA Authorization—Senate adopted conference report on 5/30.
National Cancer Program Authorization.
Nonprofit Hospital Employees—Senate conferees not yet named.
OPIC—House conferees not yet named.
Pension Reform.
Supplemental Appropriations, 1974—Conference report filed.
School Lunch Program.
Toxic Substances Control.
Urban Mass Transit.
Welfare Reform.

5. The following have passed both Houses but are not yet in conference or have not yet had their differences resolved:

Arms Control and Disarmament Authorization.
Civil Service Retirement Annuities, S. 628.
Elementary and Secondary Education.
Foreign Disaster Assistance.
National Science Foundation Authorization.
Solar Heating and Cooling.

Joint Statement of Democratic Congressional Leadership

(Present at meeting: Senator Mansfield, Senator Robert C. Byrd, Speaker Albert, Congressman O'Neill, Congressman McFall)

In our monthly Democratic Congressional Leadership meeting this morning we were joined by Mayor Henry Maier of Milwaukee, who is Chairman of the Democratic Mayors' Conference. This is the first time the Democratic Mayors have been represented at this meeting, and we think this opens Congress to increased communication with the cities of the nation. Gov. Wendell Ford of Kentucky, Chairman of the Democratic Governors' Conference, and Chairman Robert Strauss of the Democratic National Committee have met with us in the past, but could not be here this morning because they are attending the National Governors' Conference in Seattle.

At our leadership meeting of May 14 we commented that Watergate seemed to obscure the many acomplishments of the Congress. It is increasingly evident that the investigations of wrongdoings have not slowed Congress. As the House Judiciary Committee is bringing a careful and deliberate investigation to a close and the Senate Select Committee on Presidential Campaign Activities is formulating recommendations for Congressional action, Congress is moving ahead on regular business. At the present time, the pension rights bill is in conference; the Senate has approved the $2 billion appropriation for energy programs; the bill to create a consumer protection agency has passed the House and is on the Senate calendar; both Houses have passed legislation to improve and expand elementary and secondary educational programs and the measure will be considered in conference soon; the bill to improve veterans' education benefits is now Public Law 93-293; both Houses have voted for budget reform and that bill is now in conference; progress is being made on a windfall profits tax and the national health insurance bills in the House, and the Senate has passed campaign reform legislation.

Since convening in January the Congress has worked very hard to discharge its legislative responsibilties. As a measure of Congressional activity, I would point out that almost twice as many bills have been enacted this year than at this time last year.

Mayor Maier has discussed with us a number of national problems, particularly as regards the plight of the cities in relationship to economic development, housing and revenue sharing. We appreciate the input and cooperation of the local officials he represents in giving effect to a concerted national Democratic effort to meet the nation's needs. We shall do our best to meet those needs notwithstanding our determination to deal with the grave constitutional questions posed by Watergate and related matters.

THE NEWLY ELECTED PRESIDENT OF FRANCE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be inserted in the Record at this point the inaugural address of Valery Giscard d'Estaing, President of the French Republic, at the Elysee Palace on May 27, 1974; also main excerpts from the statement by Valery Giscard d'Estaing, President of the French Republic, read to Parliament on May 30, 1974; also a news story from the New York Times of Tuesday, June 4, entitled "Giscard Brings a More Relaxed Style to the Presidency"; and an editorial from the Baltimore Sun under date of June 3, 1974. I ask unanimous consent that they all be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Inaugural Address by Valery Giscard d'Estaing, President of the French Republic, at the Elysee Palace, May 27, 1974

This day marks the beginning of a new era of French policy. Not only, Mr. President (of the Constitutional Council), because of the proclamation of the results which you have just made, a proclamation the honor of which I fully recognize in my respect for France and her long history; not only because of the 13,396,203 men and women who have placed their trust in me by choosing me to become the 20th president of the French Republic; but because of all the votes that were cast on May 19, 1974. According to the rules of democracy they are equal votes regardless of whether they came from women or men, young or not-so-young, workers or nonworkers, each of whom showed in his own way and according to his own preferences his desire for change.

My first greeting as President of the Republic is extended to those in this contest who aspired to hold this office and who were fully capable of holding it; I refer in particular to François Mitterrand and Jacques Chaban-Delmas.

It has fallen to me to bring about the change but I will not be doing it alone. While I intend to assume the role of President in full and accept in this respect the responsibilities that such a position implies, the action to be taken will fully associate the government, in its initiatives, with Parliament, in its control and rights.

I shall not be leading alone, however, because I am listening to and still hearing the voices of the French people who have called for change loudly and clearly. We will make this change with the people and for the people, according to their number and diversity. And we will do it especially with the young who carry gaiety and the future like a torch.

Mr. President, ladies and gentlemen, now is the moment to open the book of time at a dazzling white page. Together as one great people united in fraternity let us begin the new era of French policy.

Main Excerpts From the Statement by Valery Giscard D'Estaing, President of the French Republic, Read to Parliament, May 30, 1974

The Premier will explain to you next week the prospects for governmental action. He intends, with my agreement, to ask you to vote on a program.

France will maintain the independence of her policy; in other words she will do what is necessary to make, in complete freedom, the decisions that are required to protect her interests and show her determination to contribute to equilibrium and peace in the world. She will actively participate in the solidarity of the new world. She will do this in Europe by lending her initiatives to help in the indispensable maintenance of what has been built and also in the rapid graduated organization of European union; she will do this in the world by everywhere seeking cooperation, whether with the United States on an equal footing, or with the Soviet Union and the socialist countries through stepping up especially her economic relations with them, or with China, which embodies many of the question marks of the human race, or with the developing countries, which include our brothers the independent and sovereign French-speaking states with which we shall continue to develop friendly, trusting ties on an equal footing, and which also include the poorest countries in the world.

France will reaffirm and emphasize the liberal mission of her diplomacy. . . . She will refrain from any arms sales that would run counter to the implementation of this mission.

The conduct of foreign policy presupposes a return within the shortest time possible to the equilibrium in the balance of trade that was upset by the increased cost of energy and imported raw materials.

At home, we must put up a vigorous fight against inflation and at the same time pursue our economic growth and boldly tackle the transformation of French society. This does not just mean payment for labor performed but genuine participation on an equitable basis in the profits accruing from expansion.

French society needs to be more equal—both in the opportunities for our young people and in the discrepancies that exist between the social benefits of various categories of working people. Our society needs to be more equitable in the fate of those whose situation falls below the national average—I am referring to the elderly . . . for whom we must make an exceptional effort.

Our society must make it easier for every individual to achieve personal fulfillment in terms of his own aptitudes and preferences. Hence the fundamental role of a completely democratic education, adapted to the individual needs of each person. Hence the vital importance of continuing education.

Lastly our society must demonstrate greater fraternity, greater openness and greater tolerance. I ask you not to see this wish as a vestige, albeit a legitimate one, of the presidential campaign but rather as the hope that the France of Diderot, Michelet, Waldeck-Rousseau and Léon Blum will present a friendly aspect in the difficult times we live in.

It is well known that I favor the possibility of an alternation of power. . . . The opposition must be capable of playing its role and exercising its responsibilities. There has been talk of a statute for the opposition. It is probably more a matter of practices which concern the parliamentary assemblies, the interflow of information and also the exercise of my own responsibilities.

The presidents of the parliamentary assemblies will, I am sure, be able to propose the necessary initiatives. Specific regulations will have to be established regarding information. As far as my responsibilities are concerned, I will inform the leaders of the opposition of the determining factors in some of the major government decisions, in particular those dealing with foreign affairs. . . .

If we are to bolster the democratic way of life in our country, I think there are three decisions that are urgent, and there are also two initiatives that might be taken. The decision to lower the voting age; the reexamination, at a time when no one could see personal motivations in this, of the regulations governing candidacies in presidential elections; and the determination of the conditions whereby the members of the government can regain their seats in Parliament when they leave the government.

The initiatives could involve broadening the powers of the Constitutional Council, in particular by the recognition of a de jure right to be seized of a matter. . . . They could also entail an improvement in the manner in which Parliament exercises control and is kept informed; should the National Assembly so decide, it could reorganize its rules so as to reserve one hour each Wednesday at the start of the afternoon session, for questions on current issues to be asked by the majority and the opposition, each having equal time, according to a procedure to be defined. . . .

France wants to change. . . . It is with you that this change must be made, because you represent the country and because the country elected you just one year ago. So it is with you that I hope to lead the country.

Giscard Brings a More Relaxed Style to the Presidency

(By Clyde H. Farnsworth)

Paris, June 3—In his first week in office, President Valéry Giscard d'Estaing has acted to demystify the presidency, set France on a more liberal course and consolidate his power by moving friends into key positions.

There is a new relaxed French White House. The French White House. The protocol and majesty, so heavily accented during 16 years of Gaullist rule are now being as heavily de-emphasized.

The new President is already referred to as "Valéry." Georges Pompidou, his predecessor, was never known as "Georges." Gen. Charles De Gaulle was never "Charles," although he was sometimes called Le Grand Charles.

The changes in style began from the moment President Giscard d'Estaing took office May 27. He walked to the Elysée for the inauguration and wore a business suit instead of the traditional tails. Another innovation was the schoolchildren brought from a working-class suburb of Paris to watch the ceremonies.

His fondness for walking, instead of driving, on the auto-clogged streets of Paris showed up on several other occasions.

As part of the investiture ceremonies he walked part of the way up the Champs-Elysées to lay a wreath at the Arc de Triumphe on the tomb of the unknown soldier.

MORE IS INVOLVED

Last Wednesday, after a television address to the nation, he was seen slipping out of a rear exit of the Elysée Palace for a night promenade with a single aide.

And last Friday, after a dinner with the West German Chancellor, Helmut Schmidt, he walked his guest the block from the Elysée to the Bristol, where the German delegation was staying, to bid him good night. Amazed French policemen were at pains to prevent the pair from being run over.

"You will be surprised by the changes I will bring," President Giscard d'Estaing told the nation a few days after the election.

The new style involves more than a limbering of the limbs and the minimization of protocol.

At his first Cabinet meeting President Giscard d'Estaing ordered the suppression of wiretapping, except by the narcotics and counterespionage departments, where specific surveillance rules will be formulated and applied. The archives of taped conversations are to be destroyed.

President Giscard d'Estaing also promised more journalistic freedom, declaring, "I shall order no impounding of any newspapers even if they attack me personally," and said that France must develop more broadly as an asylum for intellectual and political refugees.

Further stressing liberalism are the constitutional reforms now being drawn up that will put the whole Cabinet on the firing line for questions in the National Assembly, once a week, and give individuals greater protection against infringement of personal liberties.

But despite these and other innovations, there is nothing to indicate that the new President will not rule forcefully.

By appointing close friends to high office he has moved to set up a solid base for personal power. The Premier, Jacques Chirac; the Interior Minister, Michael Poniatowski, and the Finance Minister, Jean Pierre Fourcade, are close associates of the President and technocrats with similar backgrounds.

All four are alumni of the élite school for rising technocrats, the National School of Administrating and form something like the Harvard braintrust around President Kennedy.

Mr. Poniatowski, a cousin of the President's wife, Anne-Aymone, and a 1946 classmate at the administration school, was a partner in creating the Independent Republican party, which became an ally, and at the same time a critic, of the Gaullist party in the National Assembly.

Although conservatively oriented, the Independent Republicans believed that Gaullism was focused too much on the past and too little concerned with civil liberties.

Mr. Poniatowski was a Minister of Health under the Gaullists, and campaign manager in the bid for the presidency. Mr. Chirac and Mr. Fourcade worked with Mr. Giscard d'Estaing in the Finance Ministry during part of the 11 years, off and on, that he served as the Minister.

[From the Baltimore Sun, June 3, 1974]

France Is a Liberal Country

Valery Giscard d'Estaing's first action as third president of France's Fifth Republic was a welcome deflation of that bloated office. He walked to his inauguration. He invited members of the National Assembly to sit when he addressed them. He announced that publications would no longer be seized for insulting the president or the presidency. Though commanding a comparative handful of National Assembly members in his own Independent Republican party, he nonetheless proposed enhancing the parliamentary branch of government, which the late President de Gaulle had reduced to impotence, at his own expense. This extends to promised consultations with opposition leaders on foreign policy, a sensible idea in any country.

For one who served so long in de Gaulle's cabinet, Mr. Giscard d'Estaing has revealed himself, safely after election, as more a reformer than might have been expected. Though his premier, Jacques Chirac, is a Gaullist, only five of the 16 cabinet ministers are. Two are from Mr. Giscard d'Estaing's own party. Two of them, notably, are the rival leaders of the parliamentary center, Jean Lecanuet and Jean-Jacques Servan-Schreiber. The president who won a polarized election of left against right is using his rightist victory to give power to the moderates, which is a fair reading of what the electorate really wanted.

"France is a liberal country," the president declared in promising an end to government snooping on oppositionists, to bugging, to seizures of publications and to restrictions on the activities of political exiles in France. It would be truer to say that France's liberal instincts were never successfully repressed. Most Frenchmen are bound to welcome Mr. Giscard d'Estaing's initiative, though they may hold their applause until the results are evident. If President Giscard d'Estaing follows through on his promise, France will become a more liberal country, than it recently has been. If he is creating opposition to his first policies, ironically it is among hardcore Gaullists in the National Assembly, to whom he appears to wish to give more power than de Gaulle ever did.

THE CHECKBOOK APPROACH TO DIPLOMACY

Mr. GOLDWATER. Mr. President, Secretary of State Kissinger has told Congress that as beginners it will take $100 million to sort of put Syria back together and placate her feelings. Now $100 million is not by modern congressional standards a lot of money, but I suggest that this could just be "openers."

Are we going to try to solve the problems of the world by continuing to dole out money as we have been doing for the past 25 years, I might say without much success, or are we going to try to solve the problems of the world by keeping America strong economically, financially, militarily, and, I suggest, morally? At a time when the American dollar is in the worst shape it has ever been, when the American economy is in trouble, when the whole concept of free enterprise is being attacked at home as well as abroad, when we are told that our priorities are all out of line, when inflation is running at an alltime high, when the purchasing power of the dollar is on a toboggan, how can anyone suggest that for "openers" we hand out $100 million to a country we have never attacked, never been particularly friendly to, and whose aid we have never particularly sought.

I think it is time for long, thoughtful discussion on this approach to the solution of the world's problems, an approach, I might say, that has failed ever since we have started it, with the exception of a few European countries.

ORDER FOR ADJOURNMENT FROM FRIDAY UNTIL 11 A.M. ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Friday, it stand in adjournment until 11 o'clock a.m. on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCLELLAN, from the Committee on Appropriations, with amendments:

H.R. 14434. An act making appropriations for energy research and development activities of certain departments, independent executive agencies, bureaus, offices, and commissions for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 93-903).

By Mr. MAGNUSON, from the Committee on Commerce, with amendments:

S. 3523. A bill to establish a Temporary National Commission on Supplies and Shortages (Rept. No. 93-904), together with additional and supplemental views.

Mr. MAGNUSON. Mr. President, today I submit a report from the Committee on Commerce on S. 3523, the National Commission on Supplies and Shortages Act of 1974. The bill was introduced by Senator MANSFIELD and was developed by the joint leaders of the Congress and by the administration. Prior to its introduction, 3 days of joint hearings were held by the Commerce and Government Operations Committees to consider related legislation (S. 2966, amendments Nos. 1069 and 1195 thereto, and S. 3209). At those hearings all witnesses other than the administration criticized the processes which now exist for handling shortages. The sentiment expressed by the members of both committees at the hearings was that a new institutional mandate or agency was needed to monitor resource and product shortages. Given this background and a 2-week referral on S. 3523, the Commerce Committee unanimously reports S. 3523 with amendments.

The distinguished leader from Montana is to be commended for initiating the meetings with administration officials which led to the introduction of S. 3523. The legislation recognizes the urgent need for a reporting mechanism on the supply of essential resources and products. The purpose of S. 3523 is to establish a National Commission on Supplies and Shortages which will be required to report to the President and the Congress on the existence or possibility or shortages of resources and commodities and on institutional adjustments for examining and predicting shortages.

The energy crisis dramatized the lack of information and lack of planning with respect to the supply of an essential resource. Resource experts have warned repeatedly about a possible crisis of energy, and they continue to warn about the coming crises of other vital resources. The United States is increasingly dependent upon foreign sources for a variety of basic materials, as well as energy. Industrial consumer nations are scrambling for basic natural resources from producing nations. This dependence, coupled with the energy crisis, inflation, and numerous other shortages of materials and commodities have generated concern and recognition by Members of Congress that decisionmakers must be better prepared for a future materials crisis.

The lack of preparation to meet the energy crisis was not so much due to a lack of statistics, as it was to a failure of the institutional structure of Government to provide a mechanism for coordinating the statistics and presenting the issue forcefully to key decisionmakers in the executive branch and Congress. A similar lack of coordination and official awareness exists regarding information on other essential resources and products. Although a wealth of information is currently available on resources and industrial supplies, it is scattered among more than 50 agencies of the Federal Government. The existing structure of these agencies does not adequately identify future trouble spots or shortages in the economy. Information is not systematically coordinated, analyzed, or disseminated in a manner which considers all relevant factors contributing to a resource or product shortage. No one agency is responsible and accountable for current and future appraisals of the status of resources.

World population growth complicates and broadens the problem to include one of world scarcity, as well as one of national scarcity. In addition, the governments of producing countries are playing a more active role and are trying to increase their profits by considering the creation of international organizations modeled after the Oil Petroleum Exporting Countries—OPEC. Copper, bauxite, coffee, and bananas are examples of products where this is being attempted. In the case of bauxite, unilateral restrictions by Jamaica are being contemplated.

Legislation has been introduced in the Jamaican Parliament to increase by some 700 percent the revenues currently paid by the aluminum producing industry. The industry's proposal for a 300-percent increase was rejected. The impact of such a price increase by Jamaica could significantly increase the price paid by American consumers for aluminum, because Jamaica supplies the majority of bauxite—from which aluminum is produced—used in this country. This price increase would disrupt the aluminum industry, but also would affect the economy of my home State, because of the many aluminum plants in Washington.

The proposed bill would help the Nation and help Government decisionmakers to better prepare for such economic disruptions and possible shortages of essential resources. S. 3523 establishes an independent national Commission to report to the President and the Congress on the existence or possibility of shortages of any natural resources, raw agriculture commodities, materials, or manufactured products and to report on institutional adjustments for examining and predicting shortages.

The Commission would be comprised of 13 members, each serving for a 3-year term or shorter period of time if the Commission terminates. Five members would be chosen from private life, four from Congress, and four senior officials from the executive branch of Government. The Commission would be required to report on December 31, 1974, and at least every 6 months for the next 3 years on, first, the existence or possibility of shortages or market adversities; second, ways to increase materials in short supply or to correct the adversities; third, existing Government policies affecting the supply of resources; fourth, the means for coordinating information on shortages; and fifth, institutional adjustments for handling shortages.

The Commission members chosen from private life would be entitled to compensation on a per diem basis, while the other members, representing the Government, would serve without additional compensation.

The President in consultation with the congressional majority and minority leaders would be required to designate a Chairman and Vice Chairman of the Commission and the Commission, through its Chairman would appoint an Executive Direcor of the Commission.

It is my hope that the Senate will pass this important legislation as soon as possible.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

Betty Southard Murphy, of Virginia, to be Administrator of the Wage and Hour Division, Department of Labor.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BENNETT:

S. 3581. A bill to amend the Internal Revenue Code of 1954 with respect to the collection of income tax at source on amounts awarded in State-conducted lotteries. Referred to the Committee on Finance.

By Mr. RIBICOFF:

S. 3582. A bill to amend Public Law 93-233 to extend for an additional 12 months (until July 1, 1975) the eligibility of supplemental security income recipients for food stamps. Referred to the Committee on Finance.

By Mr. ABOUREZK:

S. 3583. A bill cited as the "Petroleum Price Rollback and Control Act of 1974." Referred to the Committee on Interior and Insular Affairs.

By Mr. JAVITS (by request):

S. 3584. A bill to amend titles VII and VIII of the Public Health Service Act, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. KENNEDY (for himself, Mr. JAVITS, Mr. MAGNUSON, Mr. RANDOLPH, Mr. PELL, Mr. HATHAWAY, and Mr. CLARK):

S. 3585. A bill to amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health and allied health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes; and

S. 3586. A bill to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training. Referred to the Committee on Labor and Public Welfare.

By Mr. TOWER (for himself and Mr. BENTSEN):

S. 3587. A bill for the relief of Clara K. Finch. Referred to the Committee on the Judiciary.

By Mr. MONDALE (for himself and Mr. HUMPHREY):

S. 3588. A bill to amend the Social Security Act to prevent State supplementation benefits from being reduced on account of increases in the level of benefits payable under the supplemental security income program, to prevent certain individuals from losing medicaid eligibility, because of increases in social security benefits or supplemental security income benefits, and for other purposes. Referred to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BENNETT:

S. 3581. A bill to amend the Internal Revenue Code of 1954 with respect to the collection of income tax at source on amounts awarded in State-conducted lotteries. Referred to the Committee on Finance.

Mr. BENNETT. Mr. President, I am introducing today on behalf of the Treasury Department a bill to amend the Internal Revenue Code of 1954 to facilitate the collection of income taxes from the increasing number of winners in State-sponsored lotteries. There are presently eight States—Connecticut, Massachusetts, Maryland, Michigan, Pennsylvania, New Hampshire, New Jersey, and New York—operating Statewide lotteries, with several others considering enactment of legislation authorizing lottery operations. This bill is designed to help lottery winners pay appropriate taxes on their winnings, insuring more complete compliance with the Internal Revenue Code.

Section 6041 of the Internal Revenue Code requires information reporting on lottery winnings of $600 or more. Although an Internal Revenue Service study based on a sampling of these information documents has indicated a relatively high rate of compliance in the reporting of lottery winnings, 85 percent of the winners reported their gains on timely filed income tax returns, the residual noncompliance is sufficient to warrant concern. Moreover, there is reason to believe that compliance is much lower for winners of less than $600 with respect to whom information returns are not required under present law.

Apart from the compliance problem there is the payment problem that arises because many winners are unsophisticated in tax matters and thus fail to provide for timely payment of Federal income tax on their winnings. In many cases winners spend their lottery proceeds before the tax return filing date and consequently find that they are unable to pay the tax on their winnings when their taxes are due. Withholding at the source would alleviate payment problems for such taxpayers and would also reduce the incidence of delinquent account activity in the Internal Revenue Services' Collection Division.

Accordingly, I am submitting this bill amending section 3402 of the Code which would require States conducting lotteries to withhold tax from amounts paid to individuals as prizes in connection with such lotteries.

For purposes of withholding and related administrative provisions, the bill treats payments of State lottery winnings as if they were payments of wages by an employer to an employee. However, withholding is applied at a flat rate of 20 percent on gross payments and is subject to a de minimis floor of $100. Under the bill the normal withholding exemptions are inapplicable to withholding. In lieu of a form W-4 a winner is required to furnish to the payer a statement showing the name, address, and taxpayer identification number of each person entitled to share in the payment. The bill applies to payments made after December 31, 1974.

Compliance with these provisions will depend in large measure upon the cooperation of the States rather than upon sanctions for failure to comply. The States will have to file forms W-2 with respect to payments and amounts withheld. However, the States are presently providing the Service with information returns, and it is unlikely that this additional requirement will place an undue burden upon them.

By Mr. RIBICOFF:

S. 3582. A bill to amend Public Law 93-233 to extend for an additional 12 months (until July 1, 1975) the eligibility of supplemental security income recipients for food stamps. Referred to the Committee on Finance.

FOOD STAMPS FOR AGED, BLIND AND DISABLED

Mr. RIBICOFF. Mr. President, today I am introducing legislation to allow recipients of aid to the aged, blind, and disabled to continue to receive food stamps. Unless action is taken on this legislation, thousands of Connecticut's needy and millions of people throughout America will lose their entitlement to food stamps on July 1, 1974.

Recipients of supplemental security income—SSI—aid to the aged, blind and disabled presently receive an SSI payment plus food stamps.

Under present law their food stamp eligibility will end on July 1, 1974 if their SSI income today is greater than what they received in December of 1973 through welfare plus food stamps.

In Connecticut this means that up to 15,000 aged, blind and disabled will lose their food stamp eligibility on July 1, 1974.

In December of last year Congress suspended until July 1, 1974 the food stamp cutoff. My proposal would suspend that cutoff for one additional year.

A 1-year moratorium will give Congress an opportunity to rework the complicated provisions of the law. At the same time it will assure that no aged, blind or disabled person loses his or her food stamp eligibility because of a legal technicality.

The sad fact is that even today SSI plus food stamps provides only a meager subsistence for the neediest. It would be a cruel hoax in these inflationary times to deprive these people of the food stamp portion of their income.

I am pleased that similar legislation was introduced in the House of Representatives by Congressman JAMES CORMAN and was approved by the Ways and Means Committee on June 4, 1974.

By Mr. ABOUREZK:

S. 3583. A bill cited as the "Petroleum Price Rollback and Control Act of 1974." Referred to the Committee on Interior and Insular Affairs.

CRUDE OIL PRICE ROLLBACK

Mr. ABOUREZK. Mr. President, this bill would rollback the price of a barrel of domestically produced crude oil to the level which existed on May 15, 1973. While I do not know if costs for producing new oil have increased, this bill would allow the President to increase the price of crude oil, if producers can demonstrate legitimate increased costs of production.

Many voices have contributed to the current debate over the price of crude oil. Small producers claim they need the current $10.50 price for so-called new oil as an incentive to explore. Spokesmen for the Federal Energy Office parrot that same claim. In short, the oil industry and the Nixon administration are defending high prices and large profits on the basis that revenue generated in this way will encourage the increased production of crude oil which will somehow bring prices down. Not only are these claims patently false, they are also being used to justify the confiscation of the earnings of millions of decent, hardworking, patriotic American citizens by the Nation's largest oil and energy companies.

The major oil companies and the administration deceptively argue that the price of oil should be determined by the mechanism of the free market. Yet, there is no free market in oil. There are only the self-serving claims of the major oil companies that competition exists because there are 10,000 small producers. Just because there are 10,000 producers, however, does not mean that there is workable competition within the oil industry.

On July 12, 1973 the staff of the Federal Trade Commission published the results of its investigation of the petroleum industry. Among its revealing conclusions were the following:

> In the many levels in which they interrelate, the majors demonstrate *a clear preference for avoiding competition* through mutual cooperation and the use of exclusionary practices. Together they dictate a common price for raw materials and seek to stabilize price for refined product. Their common conduct with respect to pipelines and *their tendency to bypass the market mechanism* through the use of exchange and processing arrangements, has been clearly exclusionary. These exclusionary practices are directed at a common target—the independent sector of the industry. In sum, *the majors continually engage in common courses of action for their common benefit.*

And in the Federal Trade Commission's February 22, 1974 complaint against Exxon, Texaco, Gulf, Mobil, Standard Oil of California, Shell, and Atlantic Richfield, the FTC argued that these eight companies "are heavily concentrated in crude oil production and as a result exert substantial control over the price and supply of crude oil." The complaint goes on to state that these eight companies—

> as the dominant purchasers of crude oil, post the price at which crude oil changes hands. Their power to set and maintain the price derives from their concentration in crude oil production, their control of crude oil pipelines and their control over international crude oil. Moreover, they have bolstered their power to control the price of crude oil by their exploitation of state and federal legislation, particularly state prorationing laws and the oil import quota, which assist them in restricting the quantity of crude oil produced to a level with the posted price.

The FTC complaint further alleges that the companies in question own approximately half of the crude oil production in the relevant market. They also produce a substantial part of this oil in "various combinations with each other."

> But ownership of production does not give a true picture of (the companies') control over the supply of oil. This control is substantially augmented by their ownership—largely joint ownership—of the system by which crude oil is transported from the producing field to the refining areas. *Control of this system is tantamount to control over crude production itself.*

This FTC complaint is neither frivolous nor unsubstantiated as industry advocates argue. The FTC complaint contains mountains of documentation covering over 20 years of anticompetitive and monopolistic practices by the largest eight major petroleum companies.

Advocates for higher prices, defenders of what Senator JACKSON has called obscene profits and spokesmen for the major oil companies have never effectively disputed the factual substance of the above analysis. Instead, through name calling, innuendo, and unsubstantiated characterizations, these spokesmen have attempted to discredit the source of this analysis.

For too many years this Government has been manipulated by the economic interests of the major oil companies. In fact, the petroleum industry is so dependent on this Government for its profitability, growth and expansion that one well known and highly respected economist, Dr. Walter Adams, recently testified before the Special Subcommittee on Integrated Oil Operations that—

> The petroleum industry is a government-sanctioned, government-supported, government-subsidized cartel—reinforced by a honeycomb of private restraints which systematically stifle and suppress competition. The industry is truly a "state within a state," a sovereign unto itself. It is not subject to effective regulation by the government. It is not subservient to the marketplace. It is under no compulsion to promote the public interest.

This Congress, however, is under a compulsion to serve the public interest. And one way to perform that duty is to roll back the price of domestically produced crude oil.

Many of my Senate colleagues have criticized any effort to roll back the price of domestically produced crude oil to May 15, because they believe a higher price is necessary to provide the so-called independent producers with incentives to drill for more oil. This line of reasoning is not only illogical since it ignores totally the anticompetitive, oligopolistic structure of the oil industry, it is also unwise, since it plays directly into the hands of those very companies who have been holding a veritable gun to the heads of the American people.

It is now painfully obvious, especially to millions of Americans who have suffered from what amounts to a massive extortion campaign, that those who have benefited from the higher prices of domestically produced crude oil are predominantly the top 25 major producers. The first quarter profit figures for these large vertically integrated companies reveal that a substantial proportion of these outrageous profits were earned as a direct result of the Nixon administration's unjustified price increases on crude oil.

It is important to note a statement in the April 1, 1973, issue of Forbes magazine. In an article entitled Exxon Corp., it was revealed that—

> The most profitable crude oil of all comes from the lower 48 states of the U.S., where, thanks to lower taxes and higher selling prices, it is possible to net *$1.50 to $2 per barrel.* Exxon still is the biggest producer of U.S. crude at around 1 million barrels per day. The U.S. accounts for about 18% of Exxon's daily production of 6 million barrels, but *more than a third of its total profits.*

In April, 1973 crude oil prices were roughly $3.60 a barrel in the United States. In other words, all the price increases since then allowed by the Nixon administration have been nothing but clear profit. And the repeated refrain of administrators like former Governor Love, of Cost of Living Council Chairman John Dunlop, of Treasury Secretary Simon and others has been that these price increases are necessary to increase U.S. production. These men along with other industry spokesmen have pointed to the increase in drilling statistics as the justification for their actions.

The American Petroleum Institute has repeatedly pointed to these statistics. What the API does not reveal, however, is a breakdown of these statistics. Many of the wells currently being drilled are not really new wells at all. There are consistent charges that many wells are being drilled adjacent to existing wells in order to take advantage of the loophole permitted increased prices for so-called new oil or oil drilled from new wells.

Another indication that these statistics are spurious is the FEO's analysis of how much new, old, and stripper well oil this country is producing. For 1973, 71 percent of the oil produced in the United States was considered old, 13 percent stripper, 10 percent new and 6 percent released. Yet, even though 16 percent of domestic production, 1,456,000 barrels per day, was new and released oil, there was no increase in total production. In point of fact, there was a decline of over 200,000 barrels per day compared to the previous year. For the first 3 months of 1974 the percentages for new and released oil have increased, but there also has been no increase in production. According to the production statistics of the API, the 4-week average ending May 4, 1973, amounted to 9,346,000 barrels per day compared with the 4-week average ending May 3, 1974, amounting to $9,032,000 barrels per day, a decline of 314,000 barrels per day.

Thus, the Nixon administration's allowance of arbitrary and confiscatory increases in the price of domestically produced crude oil have not resulted in increased oil production, but only in increased profits to the major oil companies. Many people are concerned with the small producers, who are claiming that without these price increases they will go down the drain.

It is the major companies who control most of the reserves and production of crude oil and natural gas in the United States. As of 1970, according to the FTC staff report, the top 20 companies controlled 94 percent of the Nation's crude oil reserves. In 1969, according to the same report, the top 20 companies controlled over 70 percent of crude oil production. The so-called independent producers may explore and discover most of the crude oil, but they certainly don't own or control it.

Thus, to suggest that it is the independent producer who will benefit the most or who will provide the necessary additions to our crude oil reserves is both naive and unreasonable. The solution to the problem of increasing the Nation's crude oil supply is not to appease the private greed of the major oil companies and the small producers who defend them, but it is to enforce the existing antitrust laws and to legislate real competition in the industry.

While it will no doubt take time before Congress or the courts can break the stranglehold in the oil industry, Congress must try to protect consumers from exploitation by the major energy companies. Therefore, a measure to roll back the price of crude oil would perform just that function.

The major oil companies, of course, are totally opposed to any rollback of prices. They even go so far as to attempt to blackmail the American people. For example, in a May 2 full page ad, the cost of which by the way was deducted from their taxes, Gulf Oil Corp. states:

> There is simply no way to roll back crude oil prices without rolling back crude oil production.

In other words, if Congress decides that it is in the public interest to roll back prices to levels which would return profits to producers to anywhere from $1.50 to $2 a barrel, then the major oil companies would cease exploration and withhold production, just as they have been doing.

While this is certainly one way in which prices can be determined, it certainly is not the free market way. Only oligopolists or monopolists are in the economic position to set prices and withhold supply. For, if there were a real free market, no one company or no small group of companies would have the power to determine either prices or supply.

In conclusion, since it is unlikely that we will see the Nixon administration take affirmative antitrust action against the major oil companies and since it is also unlikely that this Congress will act to break up this anticompetitive oligopoly, the least the Senate and House can do to protect the American people from exploitation by the major oil companies is to roll back prices to the level that existed on May 15, 1973, and to require legitimate cost justification before any price increase is granted by the President.

I ask unanimous consent that the text of my bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Petroleum Price Rollback and Control Act of 1974."

(a) Section 4 of the Emergency Petroleum Allocation Act of 1973 is further amended by adding at the end of such section the following new subsection:

"(j) (1) No later than 30 days after the date of enactment of this subsection, the President shall exercise his authority under this Act and the Economic Stabilization Act of 1970, as amended, to stabilize the price of domestic crude petroleum as follows:

"(A) The price of domestic crude petroleum produced from any property shall be stabilized at levels not to exceed levels prevailing on May 15, 1973, in accordance with orders and regulations prescribed under the Economic Stabilization Act of 1970, as amended; except that the President shall order the price for any such petroleum to increase by the actual amount of increased costs of production occurring after May 15, 1973. Such orders shall (1) state procedures, (2) give adequate and sufficient public notice of any price exceptions, and (3) disallow any profit margins on any crude oil which is greater than the applicable such margin on May 15, 1973.

"(2) For the purposes of this subsection:

"(A) The term 'domestic crude petroleum' means crude petroleum produced in any of the several States, or the District of Columbia, or on the Outer Continental Shelf lands as defined in the Outer Continental Shelf Lands Act (43 U.S.C. 1331).

"(B) The term 'property' means the right which arises from a lease or from a fee interest to produce domestic crude petroleum.

"(3) Regulations under this subsection—

"(A) shall apply to any sale of crude petroleum after the date of enactment of this subsection and to any sale before such date pursuant to which the buyer first obtains the right to take possession of such petroleum after such date.

By Mr. JAVITS (by request):

S. 3584. A bill to amend titles VII and VIII of the Public Health Service Act, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. JAVITS. Mr. President, I introduce by request, on behalf of the administration, a bill entitled the Comprehensive Health Manpower Act of 1974. I do this today so that the administration bill may have parallel consideration with the bills on the same subject I join in introducing today.

I am deeply concerned that the bill sets in motion a departure from existing law's capitation grant program. The Health Manpower Act of 1971 and the Nurse Training Act of 1971 for the first time used a "capitation" approach of providing assistance to health profession schools whereby schools were to receive institutional support based on student enrollment—as an appropriate Federal undertaking to provide a stable source of financial support for medical, dental, nursing, and other health profession schools. At the same time I am also deeply concerned because this bill—proposed by the administration—fails to confront realistically—as does our Health Profession Education Assistance Act of 1974 and the Nurse Training Act of 1974, bills I joined in developing and introduced today with Senator Kennedy—the overriding medical manpower problems of shortages and geographic and specialty maldistribution, problems which adversely impact upon the well-being and health of millions of Americans.

I believe the administration bill translates into legislation the health manpower themes of the Office of Management and Budget but fails to meet the health needs of the American people.

I am not convinced that where there are $352,300,000 in HEW approved and unfunded construction grant applications for schools of the health professions, that we should propose the repeal of construction grant authority. Rather than encourage through Federal grants, interest subsidies and guaranteed loans the construction of desperately needed medical, dental, nursing, and other health profession schools the bill fails to continue the grant or interest subsidy authority. It merely authorizes a severely limited and redirected loan guarantee program and one which is not applicable to schools of pharmacy and public health.

Such action may be consistent with an Office of Management and Budget budgetary philosophy of zero budget requests over recent years, it is not consistent with congressional priorities. Only last fiscal year the Senate-passed appropriations bill provided $120 million for construction grant assistance.

I am not convinced we should sharply reduce capitation amounts for medical, osteopathic, and dental schools—to $1,500 per student from the currently authorized basic capitation amount of $2,850. If one reflects that the $4,000 captation award for graduates; over 3 years phase down to practically zero for schools of optometry, podiatry—$400, $300, and $200 per student for fiscal years 1975, 1976, and 1977 respectively, from the currently authorized basic capitation amount of $800—and for veterinary medicine—$900, $600, and $300 per student for fiscal years 1975, 1976, and 1977 respectively from the currently authorized basic capitation amount of $1,750; and wipe out all capitation support at schools of nursing and pharmacy. This is particularly tragic when pursuant to section 205 of the Comprehensive Health Manpower Act of 1971, Public Law 92–157, Congress has before it the recently completed costs of education in the health professions study by the Institute of Medicine of the National Academy of Science which endorses a policy that health professional schools be regarded as a national resource requiring Federal support and recommends that the Federal Government use net education expenditures as a basis for establishing rates of capitation payments to health professional schools.

If one chooses to use the capitation amount of 33⅓ percent of the average net education expenditures pursuant to such study for purposes of comparison it would provide capitation support for each student enrolled, as follows:

Medicine	$3,250
Osteopathy	2,300
Dentistry	2,450
Optometry	1,050
Pharmacy	1,000
Podiatry	1,650
Veterinary Medicine	1,850
Nursing (per student equivalent):	
Baccalaureate	800
Associate	550
Diploma	500

Experience suggests that the capitation grant program has improved the financial viability of many health profession educational institutions, for example, financial distress grants, received by one-half of the Nation's more than 100 medical schools—which necessitated Senate passage of my Emergency Medical and Dental Schools Assistance Act of 1969, (S. 3150)—has been reduced to only six medical schools receiving such support. That is a substantial drop.

Such action may be consistent with an Office of Management and Budget budgetary philosophy. It is not consistent with congressional priorities. Only last fiscal year the Senate passed appropriations bill provided $225,777,000 for capitation grant authority to schools of medicine, osteopathy, dentistry, optometry, pharmacy, podiatry, veterinary medicine, and nursing.

I am convinced that where there is an actual shortage of, for example, 30,000 physicians, based on the emperical data, exclusive of the Department of Health, Education, and Welfare's unconscionable reliance upon noncitizen foreign medical graduates—FMG's—to provide medical manpower, Congress should make every appropriate effort to increase our Nation's medical schools capacity to increase enrollment and train qualified Americans to become physicians. My views with respect to the FMG issue are set forth in my January 17 and April 10, 1974 letters to Secretary Weinberger. I ask unanimous consent that they be printed at this point in the Record, along with his response.

There being no objection, the material was ordered to be printed in the Record, as follows:

January 17, 1974.

Hon. Caspar Weinberger,
Secretary, Department of Health, Education, and Welfare, Washington, D.C.

Dear Mr. Secretary: As the Committee on Labor and Public Welfare, of which I am ranking minority member, considers the development and extension of medical and other health profession student and institutional educational support legislation, I believe it would be most helpful if the Committee could have the statistical data and analyses upon which representatives of the Department of Health, Education, and Welfare have relied for their published statements to the effect that America's physician shortage will soon be eliminated.

I understand that this statement is based upon the assumption that our country will continue to rely upon the utilization of FMG's (Foreign Medical Graduates) rather than educating and training the requisite numbers of qualified Americans to achieve the goal of eliminating the physician shortage without the "brain-drain" on countries which ought not to be submitted to it. I believe it would be contrary to our nation's ethics to follow such a procedure. I can find no reasonable intellectual or philosophical rationale for this nation to support the "brain-drain"—take desperately needed medical manpower from underdeveloped, impoverished or nations less fortunate than ours to meet our own needs for physicians.

Therefore, any evidentiary presentation of data should be explicit as to the extent the physician shortage is eliminated or reduced by the continued practice of utilizing FMG's to provide America's health care, particularly where it extends beyond the scope of educational training to enable them under appropriate conditions to become qualified physicians.

With best wishes,

Sincerely,

Jacob K. Javits.

April 10, 1974.

Hon. Caspar Weinberger,
Secretary, Department of Health, Education, and Welfare, Washington, D.C.

Dear Cap: On January 17th I wrote you requesting statistical data and analyses upon which it has been alleged that America's physician shortage will soon be eliminated.

My letter, a copy of which is enclosed, made clear that the data should be explicit as to the extent the physician shortage is relieved by utilizing Foreign Medical Graduates.

As you know, I find it almost degrading for our nation to take desperately needed medical manpower from developing nations with desperate health and economic problems to meet our nation's physician shortage. Moreover, I believe that so long as foreign medical graduates are used to alleviate our medical manpower shortage, our nation will continue to be dependent on this source and that this is improper and deplorable.

The Committee on Labor and Public Welfare, will soon be considering legislation for the extension of medical and other health profession student and institutional educational support legislation and it is urgent that we have this information which was requested more than two months ago.

With best wishes,

Sincerely,

Jacob K. Javits.

The Secretary of Health, Education,
and Welfare,
Washington, D.C. April 15, 1974.

Hon. Jacob K. Javits,
U.S. Senate,
Washington, D.C.

Dear Senator Javits: This is in further response to your letter of January 17 requesting information regarding the projected supply of physicians and, in particular, the future influx of graduates for foreign medical schools.

As you know, the current output capacity (enrollment) of health professional schools has increased significantly over the past decade (e.g., first-year places in U.S. medical schools increased by 65 percent). The rate of those entering the field is much greater than the rate of those leaving due to death or retirement and, as a result, we can expect by 1985, 50 percent more M.D.'s, 40 percent more dentists, and 60 percent more registered nurses than in 1970.

The statements we have made about supply adequacy are predicated upon the assumption that there will be a large increase in the supply of U.S. trained physicians. Our position is not necessarily dependent upon a continued reliance upon FMG's. If the increase in M.D. manpower contributed by foreign medical graduates were to fall to zero by 1975 and stay there, the total supply of M.D.'s in the United States would be about 460,000 in 1985. This compares to about 323,000 for 1970 and represents a change in the physician population ratio from 158/100,000 to 192/100,000.

We do not feel that it is realistic to assume that the influx of FMG's can be entirely eliminated unless the Congress were to do away with the exchange program and to deny access to an immigrant because he happens to be a physician. In developing physician supply projections we used rather conservative assumption regarding the flow of FMG's because we did not want to depend upon future increases and because we feel that it is entirely possible that State governments and accrediting bodies may strengthen education and licensure requirements. Our projections for 1985 indicate that the total supply of physicians will range between 495,000 and 520,000. These estimates are based upon the assumption that the net annual increase to total supply attributed to FMG's will range between 3,500 and 5,500 per year. This range represents between 50 percent and 80 percent of the number that were probably added during 1972.

In evaluating the ability to meet future requirements, it is also important to take into consideration changes that are likely to occur in provider productivity because increases in productivity can reduce aggregate requirements. Our conclusion regarding supply adequacy is based upon the assumption that increases in provider productivity will range between 0 and 2 per cent. Many people feel this is a conservative assumption. Experience with physician extenders indicates that provider productivity can be increased by as much as 50 percent. Our requirements estimates are not predicated on such large increases. Nevertheless, we feel that investments in new types of manpower are particularly efficient when one considers the very high cost of medical education.

Obviously there are many different schools of thought on the FMG issue. I personally do not believe that as a matter of policy the Federal government should deny access to an individual because he happens to be a physician. Much of our progress in the past was made possible because this country was able to provide employment opportunities for skilled individuals. The medical sector in particular has benefited from many fine practitioners and researchers that immigrated during the last two decades. I might point out that many of our Nobel prize winners in medicine are foreign medical graduates.

In your letter you stated that the United States is perpetuating a "brain-drain" from the underdeveloped countries. It is unfortunately true that some FMG's would be providing health care services to needy persons in their own countries were they not allowed in the U.S. We are trying to help underdeveloped countries deal with this problem by giving them, under our Cultural Exchange Program, the option of specifying that certain specialties represent a shortage category of manpower. This being the case, a medical exchange student who entered the U.S. after June, 1972, must generally return to his country of origin for a period of two years before he can usually apply for permanent immigration status.

Also, many FMG's would leave their home country even if we barred them from practicing here. There are many strong "push factors" that encourage an individual to leave an underdeveloped country. For example, many underdeveloped nations are unable to provide the financing or technical backup necessary for the full utilization or support of a medical practice. As a result physicians in major cities such as Bangkok and Manila are under-employed. These and numerous other factors specifically related to the socioeconomic characteristics of underdevelopment exert a strong influence over an individual's decision to emigrate. From the FMG's perspective, the industrialized world, particularly Western Europe, the United States, Australia, etc., provides an excellent opportunity for education and employment. If the U.S. were to shut its doors to FMG's, the push factors would not change and the FMG would go elsewhere.

The continued flow of FMG's into the United States has concerned authorities in the medical profession because of the possibility that the services provided by certain FMG's may be inferior relative to the services provided by American trained physicians. I am particularly concerned about this potential problem because the Department has an intrinsic responsibility to assure quality medical care to the citizens to whom the Department has provided access. FMG's should be required to meet the rigorous standards required of Americans.

We are actively considering the policy implications which surround the FMG issue. For example, various private organizations have recently recommended the development and implementation of a new qualifying examination to be required of both FMG's and USMG's for entry into graduate medical education. We are seriously evaluating this proposal and will support it if worthwhile.

Please be assured that the issues you have raised in your letter are of serious concern to us.

Sincerely,

Cap, *Secretary.*

Mr. JAVITS. Mr. President, I am not convinced that we can overcome geographic maldistribution of health professionals by relying solely upon a strengthened scholarship program for the National Service Corps—although I commend this effort in the bill and Senator Kennedy and I have adopted this concept, fathered by Senator Magnuson, as one facet of our all-out attack on the problem in our bill—and would agree with discontinuing reliance upon loan forgiveness as an irrational approach to the problem. I ask unanimous consent that the conclusions of the May 24, 1974, report to the Congress by the Comptroller General be printed in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

Chapter 7.—Conclusions, Recommendations, HEW Comments and Our Evaluation, and Matters for Consideration by the Congress

Although the Congress apparently initiated HPSAP as part of an overall program to increase the output of the Nation's health professions schools, it has had no significant impact on this goal.

Secondary goals apparently intended by the Congress for HPSAP were:

To improve the quality of health professions students by increasing the number of applicants,

To induce health professionals to practice in geographic areas having shortages of their skills, and

To increase the proportion of health professions graduates who come from low-income families.

HPSAP does not appear to have had a significant impact on the quality of health professions students or on their choices of locations for practice. Although the program has undoubtedly increased the ability of students from low-income families to pursue health professions careers, its impact in this area could be greatly improved.

The program was to have been directed to students in "need" or "exceptional financial need." Ambiguities and imprecision in need determinations by the schools have resulted in a large portion of the aid going to students from middle income or upper income families who may have been able to complete medical or dental school without it. Also, the lack of coordination between the various sources of aid to health professions students—including Federal sources—has resulted in disproportionate or duplicate awards of aid to some students.

The lack of definitive criteria for distinguishing "need" from "exceptional financial need" has caused inconsistent and sometimes inequitable scholarship awards.

Statements by school officials and students suggest that HPSAP goals could be served just as well if the scholarship portion was eliminated and its funds added to the loan portion. Also, questions have been raised about the basic equity and need for subsidizing—through scholarships and interest rates lower than those available to the Government—medical and dental students because they have a very high earning potential upon graduation.

HEW needs to improve its monitoring of the schools' administration of HPSAP to insure compliance with program instructions.

RECOMMENDATIONS TO THE SECRETARY OF HEW

We recommend that the Secretary of HEW direct the Administrator of the Health Resources Administration to:

Establish uniform criteria to be used by participating schools in determining student need. Such criteria should outline the types of costs which may be considered necessary and the resources which should be considered.

Develop regulations and criteria for determining how scholarship funds are to be awarded to students.

Develop, to the extent feasible, methods for insuring the consideration and coordination of all available sources of aid, specially Federal sources, in meeting students' needs.

Establish procedures to insure that participating schools make students fully aware of loan repayment and cancellation provisions before they graduate.

Encourage participating schools to establish good internal controls, improve operating records, and develop aggressive and thorough collection procedures.

Closely monitor the operation of the program at participating schools to insure full compliance with program regulations, instructions, and guidelines.

NEW COMMENTS AND OUR EVALUATION

HEW concurred (see app. 1) with our recommendations for improving HPSAP's administration and effectiveness and agreed that HPSAP has not had a significant impact on influencing medical and dental graduates to practice in shortage areas. HEW generally disagreed with our views on the impact HPSAP has had on increasing the output of medical and dental schools and improving the quality of medical and dental students.

In commenting on our recommendations, HEW stated that:

Guidelines would be reviewed and revised to require all institutions to use definitive and uniform criteria for determining financial need and would indicate specifically what items can and cannot be considered for determining individual need.

Regulations and operating criteria would be amended to specify how scholarship funds are to be awarded and the criteria would establish the minimum level of need that will determine eligibility of students to receive loans and scholarships.

Operating procedures and guidelines would be amended to require each student recipient to make a declaration of need quarterly and to specify all financial resources.

Schools would be required to audit each student's need quarterly to document any change in the need certification and to terminate aid when need does not warrant continuation.

An attempt would be made to make student aid officers in the schools aware of all Federal funds made available to students.

Each school would be required to conduct an exit interview with each student participating in HPSAP and document that the student is aware of the loan repayment and cancellation provisions.

Regulations and guidelines would be amended and revised to mandate that schools establish and follow effective operating procedures, including fiscal and management controls, aggressive and thorough collection procedures, and the maintenance of appropriate records.

HEW stated that our report clearly documents that some schools have abused the freedom of action provided in regulations and guidelines. HEW also stated that, in addition to improving the regulations and guidelines, it will be necessary to more aggressively monitor the programs in the schools. HEW stated that it has depended too heavily on the schools to use good management procedures in administering HPSAP and that the number of personnel available to monitor HPSAP has been inadequate.

HEW also stated that (1) additional monitoring of the schools will be shared between headquarters and regional offices, (2) the collection procedures in all health professions schools will continue to be studied, (3) new guidelines will be issued to schools requiring them to safeguard all program assets and to execute all notes properly, and (4) all schools will be required to keep promissory notes and other critical documents in fire safes and locked files.

These actions, if properly implemented, will correct many of the problems identified during our review.

HEW stated that the quantity and quality of medical and dental students have increased since enactment of the HPSAP legislation and congressional objectives appear to have been met. HEW also stated that it was convinced that HPSAP had helped to attain these objectives but that it was impossible to measure the extent it has done so because it is part of a multifaceted program to increase and improve the health professions manpower pool.

We recognize that conclusive evidence supporting the impact of HPSAP on increasing the quantity and quality of students accepted by medical and dental schools since HPSAP began is not available. However, based primarily on discussions with school officials and the answers to the questionnaires that were sent to medical and dental students, it does not appear that HPSAP has been a significant factor in these increases. As stated in chapter 4, officials at the schools we reviewed attributed the increases in the number of applicants and the quality of these applicants to factors other than HPSAP. They pointed out that medicine and dentistry were enjoying great popularity because they are humanitarian professions and provide opportunity for high earnings and security.

Officials at most of the schools reviewed also believed that the demand for admissions exceeded the capacity of the schools to such an extent that HPSAP had no impact on the number of graduates the schools could produce. Faculty, classrooms, and space limited enrollment at each school. Increases in enrollment that did occur did not result from the increased applicants but from new construction or expansion of facilities—a part of the multifaceted program other than HPSAP. Most of the schools stated that full enrollment could easily be attained without HPSAP.

The schools also indicated that the number of medical and dental students that currently withdraw for financial reasons was virtually as low as before HPSAP. In addition, the vast majority of students that received HPSAP loans or scholarships in school year 1972–73 did not find out about HPSAP until after they had enrolled.

Therefore, it is our view that HPSAP has not had a significant impact on increasing the number and the quality of medical and dental graduates in the United States.

MATTERS FOR CONSIDERATION BY THE CONGRESS

The appropriation authority (Public Law 92–157) for loans and scholarships to health professions students expires June 30, 1974. Recognizing the minimal impact of HPSAP on the original congressional goals and the availability of other Federal and national aid programs for health professions students, the Congress should consider whether the goals can better be accomplished through other existing programs. These include Federal assistance in constructing teaching facilities, federally insured loans, and the Shortage Area Scholarship Program.

If the program is continued, the Congress should consider:

Whether its goals could be served as well if the scholarship funds were added to loan funds and the scholarships eliminated. This may be warranted in view of the difficulties experienced in equitable distributions of scholarship funds and the excellent potential of all medical and dental students to repay loans upon graduation.

The necessity of continuing to provide loans at interest rates lower than those available to the Government in view of the very high earning potential of medical and dental school graduates.

Whether the goal of increasing the number of health professions students from low-income families could be better served if HPSAP were directed to a specifically defined income group.

The need for providing overall coordination of the various Federal programs providing aid to health professions students.

Mr. JAVITS. Mr. President, I believe all the American people are entitled to have health care services—their tax dollar supports 50 percent of the cost of medical schools operations—and it is clear, based upon the evidence that only one avenue is available to achieve this objective—service by all graduates in designated shortage areas upon the completion of their education. As I said, their education was in great measure paid for by the American taxpayer and the taxpayers entitled—if only for a brief 2-year period—to be assured that the health professionals will be there, wherever it is, to provide health care.

I am not convinced, having carefully reviewed the testimony of all the administration witnesses during the course of the hearings of the House Subcommittee on Public Health—in regard to the administration bill I introduce on request today and other related measures—that the decision to withdraw capitation support for nursing schools is because we have overcome the serious shortage and maldistribution of nurses. My data indicates there is a shortage of 500,000 full-time practicing registered nurses.

Once again, such action was consistent with an Office of Management and Budget budgetary philosophy of zero budget requests over recent years. It is not consistent with congressional priorities. Only last year the Senate-passed appropriation bill provided $38.5 million for capitation support for schools of nursing.

Moreover, this Office of Management

and Budget philosophy was reflected as far back as 1971. At that time—when I introduced the Nursing Education Act of 1971—I expressed to the administration my grave concern about the lack of separate nurse training funding authorities and the need for a balanced program of support to nursing schools and nursing students. Even then the administration—for the same fiscal Office of Management and Budget philosophy—refused to support the nurse training philosophy expressed in my bill and cosponsored by all the Republican members of the Senate Committee on Labor and Public Welfare. Fortunately the philosophy expressed in my bill was in great measure adopted and became Public Law 92-158.

Having set forth my deep concerns about the administration bill I believe it is appropriate that I also point out some of its good features. However, I am not convinced that such standing alone—without the provisions in the bills developed and introduced today by Senator KENNEDY and I—adequately respond to our Nations health care needs.

I support the bill's national priority incentive awards provision which would seek to increase the number of health professionals who enter critical health shortage specialities by providing: First, an award to each school of medicine and osteopathy an amount equal to $2,000 for each of its graduates who enters a residency in the practice of family medicine; and second, grants to pay part of the cost of planning, developing, and operating for an initial period—not to exceed 3 years—programs of graduate or specialized education or training in family medicine, pediatrics, internal medicine, and other health care shortage fields.

Unfortunately the administration hearing testimony—previously cited—with respect to these efforts raises serious concerns about budget requests to accomplish the worthwhile objectives of this provision.

The administration's continuation and consolidation for the special project grants for health professions and the health professions health manpower education initiative awards authority is commendable.

I commend the concept of the administration bill which provides special assistance to the disadvantaged, for training in the health care field, by authorizing the payment to eligible individuals of stipends, with allowances for travel and for dependents, for post-secondary education or training required to qualify the individual for admission to a school providing health training, or to assist a person in undergoing the training. However, its limitations on assistance with respect to nursing, pharmacy, and public health administration are, I believe, inappropriate. Moreover, as previously indicated in other provisions of the bill, there are limitations on the future funding of health professions and nursing student loan funds to the amounts required to continue loans to students previously assisted from the funds, and no provision for such future assistance.

The rhetoric regarding the need for such service to overcome specialty maldistribution is clear throughout HEW's letter of transmittal of their bill. Unfortunately, the appropriate means—which I believe is called for in the bills Senator KENNEDY and I introduced today—was either not found or taken by their measure.

In conclusion, any National Health Insurance scheme is doomed to failure unless it provides the necessary support for a massive expansion of medical, dental, nursing and other health manpower.

I ask unanimous consent that the full text of the Department of Health, Education, and Welfare letter of transmittal and bill be printed in the RECORD.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 3584

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; REFERENCES TO ACT

SECTION 1. (a) This Act may be cited as the "Comprehensive Health Manpower Act of 1974".

(b) Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a title, part, section or other provision, the reference shall be considered to be made to a little, part, section or other provision of the Public Health Service Act.

TITLE I—LOAN GUARANTEES FOR CONSTRUCTION FOR REPLACEMENT OR REMODELING OF TEACHING FACILITIES

SEC. 101. (a) (1) Section 729 (including the caption thereof) is amended to read as follows:

"LOAN GUARANTEES

"SEC. 729. (a) To assist eligible nonprofit private entities to carry out approved projects for the construction of teaching facilities of private nonprofit schools of medicine, osteopathy, dentistry, veterinary medicine, optometry, or podiatry, other than the construction of new buildings or the expansion of existing buildings, the Secretary may, during the period beginning July 1, 1974, and ending with the close of June 30, 1977, guarantee (in accordance with this section and subject to subsection (f)) to any non-Federal lender that makes a loan to an eligible entity, for that project, payment when due of the principal of and interest on that loan. The Secretary may make commitments, on behalf of the United States, to make those loan guarantees prior to the making of the loans."

(2) Section 729(b) is repealed. This repealer shall not be construed to impair the obligation of the Secretary to pay any amount that the Secretary has agreed to pay, under that section, with respect to any loan made under section 729 prior to the enactment of this Act.

(3) There is added after section 729(a) a new section 729(b) to read as follows:

"(b) A nonprofit private entity shall be eligible to receive a loan guaranteed under subsection (a) if the entity meets the requirements (as determined under regulations of the Secretary) of section 721, 722, and 723, insofar as they are applicable to nonprofit private entities, except that in lieu of any requirement of section 721(c) respecting the maintenance or increase of student enrollment, an application for a loan guarantee under this section shall contain or be supported by reasonable assurances that the teaching facility with regard to which the loan guarantee is obtained will maintain a first-year enrollment of full-time students after the completion of the construction, and for each of the next nine school years, that is not less than that enrollment during the fiscal year ending June 30, 1973. For purposes of the application of sections 721, 722, and 723 to this section, the term 'grant', as used in sections 721, 722, and 723 is deemed to mean 'grant by the Secretary of a loan guarantee under section 729'."

(4) Section 729(c) is amended by striking out "or interest subsidy payment" in the first and second sentence.

(5) Section 729(e) is amended (A) by striking out "interest subsidy payments authorized by this section" each time it appears and inserting in lieu thereof "interest subsidy payments for which an agreement was entered into under this section prior to its amendment by the Comprehensive Health Manpower Act of 1974"; and (B) by inserting before the period after "1974" the following: ", and for each succeeding fiscal year such sums as may be necessary to make interest subsidy payments for which an agreement was entered into under this section prior to its amendment by the Comprehensive Health Manpower Act of 1974".'

(6) Section 729(f) is amended (A) by striking out "(1)" after "(f)", and (B) by striking out paragraph (2).

(b) (1) Section 809(a) (including the caption thereof) is amended to read as follows:

"LOAN GUARANTEES

"SEC. 809. (a) In order to assist nonprofit private schools of nursing to carry out construction projects for training facilities, other than the construction of new buildings or the expansion of existing buildings, the Secretary may, during the period beginning July 1, 1974, and ending with the close of June 30, 1977, guarantee (in accordance with this section and subject to subsection (f)) to non-Federal lenders making loans to such schools, for such construction projects, payment when due of the principal of and interest on any loan for that construction. The Secretary may make commitments, on behalf of the United States, to make those loan guarantees prior to the making of the loans."

(2) Section 809(b) is repealed. This repealer shall not be construed to impair the obligation of the Secretary to pay any amount that the Secretary has agreed to pay, under that section, with respect to any loan made under section 729 prior to the enactment of this Act.

(3) There is added after section 809(a) a new section 809(b) to read as follows:

"(b) A nonprofit private school of nursing shall be eligible to receive a loan guaranteed under subsection (a) if it meets the requirements (as determined under regulations of the Secretary) of sections 802, 803, and 804, insofar as they are applicable to nonprofit private schools of nursing, except that in lieu of any requirement of section 802(b) respecting the maintenance or increase of student enrollment, an application for a loan guarantee under this section shall contain or be supported by reasonable assurances that the applicant with respect to which a loan is guaranteed under this section will maintain a first-year enrollment of full-time students after the completion of the construction, and for each of the next nine school years, that is not less than that enrollment during the fiscal year ending June 30, 1973. For purposes of the application of sections 802, 803, and 804 to this section, the term 'grant', as used in sections 802, 803, and 804 is deemed to mean 'grant by the Secretary of a loan guarantee under section 809'."

(4) Section 809(c) is amended by striking out "or interest subsidy payment" in the first and second sentence.

(5) Section 809(e) is amended (A) by striking out "interest subsidy payments authorized by this section" each time it appears and inserting in lieu thereof "interest subsidy paymentss for which an agreement was entered into under this section prior to its amendment by the Comprehensive Health Manpower Act of 1974"; and (B) by inserting before the period after "1974" the fol-

lowing: ", and for each succeeding fiscal year such sums as may be necessary to make interest subsidy payments for which an agreement was entered into under this section prior to its amendment by the Comprehensive Health Manpower Act of 1974".

(6) Section 809(f) is amended (A) by striking out "(1)" after "(f)", and (B) by striking out paragraph (2).

TITLE II—CAPITATION GRANTS, START-UP ASSISTANCE, AND NATIONAL PRIORITY INCENTIVE AWARDS

CAPITATION AMENDMENTS

SEC. 201. (a) Section 770 is amended to read as follows:

"SEC. 770. (a) GRANT COMPUTATION.—The Secretary shall make annual grants to schools of medicine, osteopathy, dentistry, optometry, podiatry, and veterinary medicine for the support of the education programs of those schools. The amount of the annual grant to each school with an approved application shall be computed as follows:

"(1)(A) Each school of medicine, osteopathy, and dentistry shall receive for the fiscal year ending June 30, 1975, 1976, and 1977, $1,500, $1,250, and $1,000, respectively for such years, for each full-time student enrolled in each of those years, in the medical or dental training program of the school.

"(B) In the case of a school that conducts a training program designed to permit the student to complete, within six years after completing secondary school, the requirements for the degree of doctor of medicine, osteopathy, or dentistry the medical or dental training program of the school, within the meaning of subparagraph (A), shall be deemed to be the last three years of the school's training program.

"(2) Each school of optometry and podiatry shall receive for the fiscal year ending June 30, 1975, 1976, and 1977, $400, $300, and $200, respectively for those years, for each full-time student enrolled in the school in each of those years.

"(3) Each school of veterinary medicine shall receive for the fiscal year ending June 30, 1975, 1976, and 1977, $900, $600, and $300, respectively for those years, for each full-time student enrolled in the school in each of those years.

"(b) APPORTIONMENT OF APPROPRIATIONS.—If the total of the grants to be made under subsection (a) for any fiscal year—

"(1) to schools of medicine, osteopathy, and dentistry with approved applications exceeds the amounts appropriated under subsection (f)(1) for the grants, or

"(2) to schools of optometry, podiatry, and veterinary medicine with approved applications exceeds the amounts appropriated under subsection (f)(2) for the grants,

the amount of the grant for that fiscal year to each school under subsection (a) shall be an amount that bears the same ratio to the amount determined for the school for that fiscal year as the total of the amounts appropriated for that year under subsection (f)(1 or (f)(2), as the case may be, bears to the amount required to make grants in accordance with subsection (a) to each school referred to in clause (1) or (2), as the case may be.

"(c) MAINTENANCE OF EFFORT.—The Secretary shall not make a grant under this section to any school for a fiscal year beginning after June 30, 1974, unless the application therefor contains or is supported by reasonable assurances satisfactory to the Secretary that in the school year that ends during, or with the close of, that fiscal year, the school will maintain a first-year enrollment of full-time students that will be not less than the school's first-year full-time enrollment for the school year ending during, or with the close of, the fiscal year ending June 30, 1974. For purposes of this subsection, a student enrolled in the first year of the last three years of the training program of a school described in subsection (a)(1)(B), or a student enrolled in the first of the two years of the medical training program of a two-year school of medicine, shall be considered a first-year student.

"(d) ENROLLMENT DETERMINATIONS.—

"(1) For purposes of this part and part F, regulations of the Secretary shall include provisions relating to determination of the number of students enrolled in a school, or in a particular year-class in a school, or entering residencies in the practice of family medicine, as the case may be, on the basis of estimates or on such other basis as he deems appropriate.

"(2) For purposes of this part and part F, the term 'full-time student' means a student pursuing a full-time course of study leading to a degree of doctor of medicine, doctor of osteopathy, doctor of dentistry (or its equivalent), doctor of optometry (or its equivalent), doctor of podiatry (or its equivalent), or doctor of veterinary medicine (or its equivalent).

"(e) APPLICATIONS FOR NEW SCHOOLS.—In the case of a new school of medicine, osteopathy, dentistry, optometry, podiatry, or veterinary medicine that applies for a grant under this section in the fiscal year preceding the fiscal year in which it will admit its first class, the enrollment for purposes of subsection (a) shall be the number of first-year full-time students that the Secretary determines, on the basis of assurances provided by the school, will be enrolled in the school, in the fiscal year after the fiscal year in which the grant is made.

"(f) AUTHORIZATION OF APPROPRIATIONS.—

"(1) There are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1975, and each of the next two fiscal years for grants under this section to schools of medicine, osteopathy, and dentistry.

"(2) There are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1975, and each of the next two fiscal years for grants under this section to schools of optometry, podiatry, and veterinary medicine."

(b) Section 775(b) is amended by striking out "pharmacy,".

START-UP ASSISTANCE AMENDMENTS

SEC. 202. (a) Section 771(a)(1) is amended by inserting before the period at the end of the first sentence thereof the following: "; except that for any fiscal year beginning after June 30, 1974, no grant may be made under this subsection except to a new school that has received a grant under this subsection for the preceding fiscal year".

(b) Section 771(a)(6) is amended in the first sentence by inserting before the period at the end thereof the following: ", and such sums as may be necessary for each of the next three fiscal years".

NATIONAL PRIORITY INCENTIVE AWARDS

SEC. 203. (a) Sections 775 and 776 are redesignated sections 776 and 777, respectively, and there is added after section 774 the following new section:

"NATIONAL PRIORITY INCENTIVE AWARDS

"SEC. 77b. (a) FAMILY PRACTICE RESIDENCY GRANTS.—To each school of medicine and osteopathy eligible, in a fiscal year, for a grant under section 770, the Secretary shall make a grant, from the sums appropriated under section 770(f)(1) for that fiscal year, of $2,000 for each individual (i) who entered, in the preceding fiscal year, the first year of a residency in the practice of family medicine approved by the Council on Medical Education of the American Medical Association; and (ii) who, during the school year ending in that or the preceding fiscal year, received from the school a degree of doctor of medicine or doctor of osteopathy.

"(b) GRADUATE TRAINING IN SHORTAGE SPECIALTIES.—

"(1) In order to enable the Secretary to award grants to public or nonprofit private entities providing graduate or specialized education or training in the provision of health care (including education or training in systems or methods of health care delivery), there are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1975, and each of the next two fiscal years.

"(2) Grants under this subsection may be awarded to an entity to plan, develop, and, as provided by paragraph (3), pay part of the cost to operate or participate in, for an initial period, a new or expanded program of education or training (accredited, certified, or approved by such professional bodies, and in such manner, as the Secretary may deem appropriate) in family medicine, pediatrics, internal medicine, or such other specialties for the delivery of health care services as the Secretary may determine to lack practitioners sufficient to serve a national need, including augmentation of stipends of individual participants in any such program who plan to specialize or work in the field in which they are to receive training under the program.

"(3) A grant under paragraph (2) for payment of part of the cost, for a fiscal year, to operate or (insofar as it may require the payment of operational costs) participate in a new or expanded program may be awarded only to an entity that has provided assurances satisfactory to the Secretary that there are sufficient non-Federal funds to pay the remainder of that cost for that fiscal year; that for each year a grant is awarded for such operation of or participation in a new or expanded program, the proportion of non-Federal funds employed in the operation of, or participation in, that program shall be increased over the preceding fiscal year; and, if the award is for the operation of a program, that there is a reasonable prospect that the program (or the program as expanded) will be continued, without Federal financial assistance, after eligibility for assistance under this subsection has terminated. The Secretary may not award grants under this subsection for defraying more than the first three years of the costs of operating or participating in any new or expanded program."

(b) Section 776 (as redesignated by this section) is amended (1) by striking out "or 773" each time it appears and inserting in lieu thereof "773, or 775(a)", and (2) by (A) striking out "and" at the end of subsection (d)(2), (B) redesignating subsection (d)(3) as subsection (d)(4), and (C) inserting a new subsection (d)(3) to read as follows:

(3) contains, in the case of an application for a grant under section 775(a), a description of the activities to be undertaken by the applicant to assist and encourage its students to enter the practice of family medicine, and a certification by the applicant that it will use its best efforts to increase the number of its students applying for residencies in, and entering the practice of, family medicine; and".

(c) Section 770, as amended by this Act, is further amended (1) by adding before ", or" at the end of subsection (b)(1) the following: "(after reduction of the amounts appropriated by the total grants to be made under section 775)"; (2) by adding at the end of subsection (b) the following new sentence: "If the total of the grants to be made under section 775 for any fiscal year to schools of medicine or osteopathy with approved applications exceeds the total of the amounts appropriated under subsection (f)(1) for the fiscal year, the amount of the grant for that fiscal year to each such school shall be reduced proportionately."; and (3) by adding "and section 775" after "this section" in subsection (f)(1).

TITLE III—SPECIAL PROJECTS, HEALTH MANPOWER EDUCATION INITIATIVE AWARDS, AND FINANCIAL DISTRESS GRANTS

CONSOLIDATION OF SPECIAL PROJECT AUTHORITIES

SEC. 301. (a) (1) Section 772(a) is amended in the matter preceding clause (1) by striking out "and podiatry" and inserting in lieu thereof "podiatry, nursing, and public health, and any training center for allied health professions".

(2) Section 772(a) is further amended (A) by striking out "on" at the end of clause (13); (B) by striking out the period at the end of clause (14) and inserting "; or" in lieu thereof; and (C) by adding after clause (14) the following new clauses:

"(15) assist in—

"(A) mergers between hospital training programs or between hospital training programs and academic institutions, or

"(B) other cooperative arrangements among hospitals and academic institutions, leading to the establishment of nurse training programs; or

"(16) provide appropriate retraining opportunities for nurses who (after periods of professional inactivity) desire again actively to engage in the nursing profession."

(3) Section 772(a) (3) is amended by inserting "nurse practitioners," before "physicians' assistants".

(4) Sections 772(a) (4) and 772(a) (5) are amended by striking out "in such health professions" and inserting in lieu thereof "or training in health care".

(5) Section 772(a) (6) is amended by striking out "in such health professions".

(6) Section 772(a) (8) is amended by striking out "and podiatry of," and inserting in lieu thereof "podiatry, nursing, and public health, and any training center for allied health professions of,".

(7) Section 772(a) (9) is amended by inserting "or training centers" after "such schools".

(b) Section 724 is amended by adding at the end thereof the following new paragraphs:

"(7) The term 'school of nursing' means a school of nursing as defined by section 843.

"(8) The term 'training center for allied health professions' means a training center for allied health professions as defined by section 795."

CONSOLIDATION OF SPECIAL PROJECT AND EDUCATION INITIATIVE AWARD APPROPRIATIONS AUTHORIZATIONS

SEC. 302. (a) Section 777 (as redesignated by section 203 of this Act) is redesignated section 778, and there is added after section 776 a new section to read as follows:

"APPROPRIATIONS AUTHORIZED FOR SECTIONS 772 AND 774

"SEC. 777. There are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1975, and each of the next two fiscal years for the purpose of making payments under sections 772 and 774."

(b) Sections 772 (d) and (774(e) are repealed.

EXTENSION OF FINANCIAL DISTRESS GRANT PROGRAM; INELIGIBILITY OF SCHOOLS OF PHARMACY; AMOUNT OF GRANT; TECHNICAL ASSISTANCE

SEC. 303. (a) Section 773(a) is amended (1) by striking out "and" before "$10,000,000", and (2) by inserting "and such sums as may be necessary for each of the next three fiscal years," after "1974,".

(b) Sections 773(b) and 773(d) are amended by striking out "pharmacy,".

(c) Section 773(b) is further amended by adding at the end thereof the following new sentence: "In the case of a school that has received a grant in the immediately preceding fiscal year, the sums of amounts granted to that school under this section for any fiscal year may not exceed 75 per centum of the sum of amounts granted to that school under this section for that immediately preceding fiscal year."

(d) Section 773(c) is amended by adding at the end thereof the following new sentence: "The Secretary may provide, to any school of medicine, osteopathy, dentistry, optometry, podiatry, or veterinary medicine which is in serious financial straits to meet its costs of operation or which has a special need for financial assistance to meet accreditation requirements, technical assistance to enable the school to conduct a comprehensive cost analysis study of its operations, to identify operational inefficiencies, or to develop or carry out appropriate operational or financial reforms."

TITLE IV—STUDENT ASSISTANCE

PREADMISSION AND FOLLOWUP ASSISTANCE TO THE DISADVANTAGED

SEC. 401. Section 774(b) is amended—

(1) in clause (2) (A) by inserting after "assisting them" the following "(including the payment to them of such pertinent stipends, with allowances for travel and for dependents, as the Secretary deems appropriate)"; and

(2) by striking out the matter following clause (2) (C).

SCHOLARSHIPS FOR SERVICE

SEC. 402. (a) Section 225(a) is amended by striking out "other units of the Service" and inserting in lieu thereof "such other uniformed or civilian Federal health service as the Secretary may determine is appropriate, and to promote the more adequate provision of medical care for persons who reside in areas determined by the Secretary, under section 329(b) (1), to have critical health manpower shortages".

(b) Section 225(b) (4) is amended to read as follows:

"(4) agree in writing to serve, as prescribed by subsection (e) of this section, (A) as a civilian member of the National Health Service Corps or in such other uniformed or civilian Federal health service as the Secretary may determine is appropriate; or (B) in an area determined by the Secretary, under section 329(b) (1), to have a critical health manpower shortage".

(c) Section 225(b) (3) is amended to read as follows:

"(3) except in the case of an applicant who enters into an agreement under clause (4) (B), be selected for civilian service in the National Health Service Corps or in such other uniformed or civilian Federal health service as the Secretary may determine is appropriate; and".

(d) Section 225(e) is amended (1) by amending the first clause of the first sentence to read "In accordance with his agreement under subsection (b) (4), a person participating in the program shall be obligated following completion of academic training to serve as a civilian member of the National Health Service Corps or in such other uniformed or civilian Federal health service as the Secretary may determine is appropriate, or in an area determined by the Secretary, under section 329(b) (1), to have a critical health manpower shortage,"; (2) by striking out the second sentence; and (3) by amending the last sentence by inserting "Federal health" before the word "facility", by placing a period after the word "facility", and by striking out "of the Service or other facility of the National Health Service Corps."

(e) Section 225(f) (1) is amended by striking out "an active duty service obligation" and inserting "a service obligation" in lieu thereof.

(f) Section 225(i) is amended to read as follows:

"(i) There are authorized to be appropriated such sums as may be necessary to carry out the program."

FEDERAL CAPITAL CONTRIBUTIONS TO STUDENT LOAN FUNDS; DIRECT LOAN INTEREST RATE MADE EQUIVALENT TO INSURED LOAN INTEREST RATE; AND CLARIFYING CHANGE

SEC. 403. (a) Sections 743, 794D(e), and 826 are each amended by striking out "1977" each time it appears and inserting in lieu thereof "1980".

(b) Sections 741(e), 794D(b) (2) (E), 823 (b) (5) are each amended by striking out "3 per centum" and inserting "7 per centum" in lieu thereof.

(c) Section 741(f) (1) is amended by adding at the end thereof the following sentence: "In the case of any individual who, on or after November 18, 1971, meets the requirements of subparagraphs (A) and (B) and who practices his profession as described by subparagraph (C) by virtue of his employment as a member of the National Health Service Corps, the individual shall be deemed to have entered into the agreement required by subparagraph (C) with respect to that practice."

TITLE V—EFFECTIVE DATE

SEC. 501. This Act is effective with respect to appropriations for fiscal years beginning after June 30, 1974, except for section 403(c) which is deemed to have become effective on November 18, 1971.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., May 20, 1974.

Hon. GERALD FORD,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is enclosed for the consideration of the Congress a draft bill "To amend titles VII and VIII of the Public Health Service Act, and for other purposes." The bill, when enacted, would be cited as the "Comprehensive Health Manpower Act of 1974".

The draft bill is intended to translate into legislation the health manpower themes of the President's budget for fiscal year 1975.

"Measures undertaken since 1969 have assured a major increase in the number of graduates of U.S. health professions schools. Since 1965, first-year medical school enrollments have grown from 8,854 to 13,726, a 55% increase. As in other fields of higher education, emphasis will be placed on aiding students rather than institutions, and on reducing unnecessary Federal subsidies. Students in the health professions, who can anticipate high earnings, generally are able to finance a greater share of their educational costs. Federally guaranteed private loans are available, and proposed legislation will increase their usefulness to students in the health professions by raising ceilings on loans. In addition, legislation has been requested for a scholarship program which will both assist students and help meet Federal requirements for health professionals. Scholarships will be provided in return for a commitment to a period of public service. A new program of fellowships will provide postgraduate research training support. General purpose support to institutions will be phased out gradually as Federal assistance shifts toward providing financial assistance to individual students. In 1975, Federal outlays for training health manpower are estimated at $796 million." (At pp. 119–120.)

CONSTRUCTION OF HEALTH TEACHING FACILITIES

Projections of the current volume of health professions graduates against expected population increases persuade us that existing facilities, if maintained, are sufficient to meet foreseeable future need. For example, in 1970 there were some 323,200 practicing physicians in the United States, or 159 physicians per 100,000 population. If the number of first-year training places existing at the end of 1972 are maintained without change through 1990, and we may assume a constant net addition of foreign medical graduates approximating the net increment during the mid-1960's, about 3,800 a year, the number of practicing physicians in the United States will grow to at least 435,000 in 1980—about 192 per 100,000 population, and 554,000 in 1990, or about 221 per 100,000.

If there is sufficient public and private support to allow for a post-1978 growth in output capacity of 1.3 percent for medical schools and 0.6 percent for osteopathic schools, and a net addition of 5,200 foreign medical graduates per year (a level approximating recent levels) we would estimate the number of physicians in 1990 per 100,000 population to arrive at 237. We are aware of no studies that suggest that a projected increase of this size—almost 40 percent, and probably nearly 50 percent, more physicians per 100,000 population within sixteen years—would be insufficient, if apparently distributed geographically and by specialty (concerns addressed by aspects of our proposal discussed below) to meet prospective national requirements for medical care.

Accordingly, the draft bill would change the focus of the current health professions teaching facilities, and nurse training facilities, construction programs. Rather than continuing to encourage, through the making of Federal grants, the multiplication of teaching facilities, we would instead concentrate resources on encouraging existing facilities to maintain and improve their adequacy.

The bill would accomplish this (1) by allowing the expiration of the construction grant programs of part B of title VII of the Public Health Service Act and of title VIII; and (2) by amending the provisions that now make Federal guarantees available for loans for the construction of health professions and nursing teaching facilities, to instead provide assistance limited to the replacement or remodeling of facilities. Loan guarantees for the construction of new buildings (except as replacements for old buildings) or the expansion of existing buildings, would no longer be available. In addition, consistent with the philosophy expressed in the President's budget of aiding students rather than institutions, we would no longer offer to subsidize interest payments on new guaranteed loans under the program.

Loan guarantees would no longer be available under the program for schools of pharmacy and public health, because the replacement or remodeling of these facilities does not serve a significant national need. The draft bill also omits the long unfunded authorization for appropriations for the construction of health research facilities.

CAPITATION AWARDS

In the Comprehensive Health Manpower Training Act of 1971, the establishment of a capitation grant program reflected a judgment by both the Congress and the Administration that "first dollar" funding of health manpower education was an appropriate and needed mechanism of Federal support. Experience to date suggests that the capitation grant program has achieved certain of its original objectives, in that the financial viability of many of these educational institutions has improved, and in that some portion of the enrollment increases experienced would probably not have come about in the absence of the expansion requirements in the capitation grant law.

Despite these positive aspects, which the Administration recognizes, an analysis of the capitation program and consideration of future trends reveal serious flaws in the capitation grant concept. These defects call into question the appropriateness and desirability of the capitation mechanism as the Federal Government's primary tool for the support of health manpower education. Chief among the deficiencies are that the capitation program:

Due to its inherently rigid allocation formula, resulted in comparative windfalls for certain schools and shortfalls for other schools—that is to say, the funds were not targeted based on an assessment of need for such support;

The incremental enrollment increases that may have resulted from the program proved to be very costly;

The amounts authorized and appropriated for the program were arbitrary and unrelated to any concept of actual educational costs;

The costs of this program would only be expected to continue to increase, with the schools and the students becoming increasingly and undesirably dependent upon the continued flow of Federal subsidies for the health manpower educational process; and

Reasonable alternative sources of funding support for the health education process are available in lieu of Federal across-the-board, formula-type institutional subsidies.

In this regard, we would emphasize that capitation support must be viewed, at least in part, as a means of subsidizing health professions students indirectly through institutions. In conjunction with other assistance to health professions schools, Federal capitation grants enable a student to pay a tuition that commonly defrays less than 30 percent of a school's costs of training him. Nevertheless, health professionals, particularly physicians and dentists, have high earnings. The annual rate of return on the total costs of a basic medical and dental education has been estimated to be over 20 percent, a rate that is two to three times the rate of return for graduate education generally.

In view of these earnings, health professions students can and should be called upon to pick up a larger share of their educational costs. The Federal Government should not call upon the general public, through tax revenues, to subsidize the training of individuals who are themselves able to bear the real costs of their training and who, because of that training, will quickly recoup those costs from members of the public in the form of compensation for their professional services.

Accordingly, we propose to extend capitation for most health professions schools for an additional three years, but modified as follows:

1. The statutory capitation amounts for schools of medicine, osteopathy, and dentistry, now $2,500 for each student in each of the first three years of training and $4,000 for each student in a graduating class, would be set at $1,500 per enrolled student (without regard to year-class) for fiscal year 1975, $1,250 per student for fiscal year 1976, and $1,000 per student for fiscal year 1977. This compares to an average actual capitation level, under the 1974 appropriation for this activity, of about $2,000 per student.

2. Schools of veterinary medicine, for which capitation is now set at $1,750, would be set at $900, $600, and $300, for the fiscal years 1975, 1976, and 1977, respectively. Again, this compares with the actual 1974 appropriations level of about $1,325 per student.

3. Schools of optometry and podiatry, for which capitation is now set at $800 per student, would be set at $400, $300, and $200, for fiscal years 1975, 1976, and 1977, respectively. The actual 1974 appropriation for these disciplines averaged about $625 per student.

4. Because the draft bill would not impose any enrollment increase requirements on the school (merely requiring that the schools maintain their 1974 level of first-year enrollment), the capitation for "enrollment bonus students" (*i.e.*, students in year-classes meeting certain enrollment increase requirements) would be dropped.

5. Capitation of undergraduate training—*i.e.*, the training provided by schools of pharmacy and nursing—as well as general assistance, under section 309(c) of the Public Health Service Act, to schools of public health, would be allowed to expire.

6. The current program of grants for small medical, osteopathic, and dental schools—essentially a one-time bonus of $50,000—and the capitation for three-year schools of medicine ($2,500 for each student enrolled in a fiscal year, plus $6,000 for each student graduating in that year) would be repealed.

STARTUP ASSISTANCE

The current program of start-up assistance would be phased out by limiting it to schools that have received a start-up grant for fiscal year 1974.

NATIONAL PRIORITY INCENTIVE AWARDS

The draft bill would establish a new program of National Priority Incentive Awards to increase the number of health professionals who enter critical health shortage specialties. The program would have two principal features:

1. It would award to each school of medicine and osteopathy an amount equal to $2,000 for each of its graduates who enters a residency in the practice of family medicine. As a condition of receiving this award, a school would be required to use its best efforts to increase the number of its graduates who enter such practice.

2. It would award grants to pay part of the cost of planning, developing, and operating for an initial period (not to exceed three years), programs of graduate or specialized education or training in family medicine, pediatrics, internal medicine, and other health care shortage fields. The grants could include amounts intended to augment the compensation otherwise payable to an individual in consideration of his participation in a program.

CONSOLIDATION OF SPECIAL PROJECT AUTHORITIES

The existing health manpower special projects authority would be amended in order to embrace assistance now authorized under comparable special project authority contained in the nursing, allied health, and public health professions portions of the Public Health Service Act. Those latter authorities would be allowed to expire.

CONSOLIDATION OF SPECIAL PROJECT AND HMEIA APPROPRIATIONS AUTHORIZATIONS

The authorizations of appropriations for the special project grants for the health professions and the health professions Health Manpower Education Initiative Awards would be consolidated in a single provision. That provision would extend both programs for three years.

FINANCIAL DISTRESS

The health professions financial distress grant program would be extended for three years, but would be amended to terminate the eligibility for financial distress grants of schools of pharmacy. The bill would also limit the financial distress grant to any school for a fiscal year to 75 percent of the financial distress grant awarded for the preceding fiscal year. This limitation is intended to make clear that amounts awarded under the financial distress provisions of the law are not intended as an increase of the general educational support that a school receives under the previously-described capitation provisions, but are truly amounts awarded on a short-term basis to meet an extreme and unusual exigency.

PRE-ADMISSION AND FOLLOW-UP ASSISTANCE TO THE DISADVANTAGED

The draft bill would amend the existing program of special assistance to the disadvantaged, for training in the health care field, by authorizing the payment to eligible individuals of stipends, with allowances for travel and for dependents, for post-secondary education or training required to qualify the individual for admission to a school providing health training, or to assist a person in undergoing that training.

The Department proposes to administer this authority as follows:

1. It would restrict the assistance to study in preparation for, or leading to, a first professional degree in the health care field. That is, stipends would not be provided in connection with training, such as in nursing or pharmacy, at the undergraduate level.

2. It would limit assistance to fields that prepare the individual to provide health care. Stipends would not be provided, for example, for the study of public health administration.

3. As previously discussed, persons who enter most health care fields enjoy a high income potential. As their professional education progresses they are increasingly able to command loans for the completion of their education. Indeed, to facilitate the availability of these loans the Administration has recently proposed a substantial increase in the cumulative total of educational loans that such students may carry under the student loan insurance program established by title IV–B of the Higher Education Act of 1965. Accordingly, stipends awarded for professional study (as distinct from pre-admission assistance) under the amended health professions program of special assistance to the disadvantaged will be limited to the first year of training.

SCHOLARSHIPS FOR SERVICE

We believe that the Public Health and National Health Service Corps Scholarship Training Program offers the potential not only of assuring an adequate future supply of health professionals to meet essential Federal health care delivery responsibilities, but also of truly opening the door to a health professions education to sizable numbers of deserving students. For these reasons, the President's 1975 Budget contemplates not only full funding for this Program, but a substantial expansion of the Program beyond its present $3 million authorization level, for a total of $22.5 million in 1975.

Funding of the Program at that level would provide full support for in excess of 2,000 health professions students, and would accompany the phasing out of the traditional scholarship programs operated by the Bureau of Health Resources Development in the Health Resources Administration. The basic philosophy reflected in this disposition of resources is that the public is ordinarily entitled to public services, or service meeting a public need, from those individuals who are beneficiaries of special scholarship assistance while receiving their health professions degrees. The traditional scholarship programs—which do not require such service—are inconsistent with that principle.

We propose to broaden and strengthen the program, consistent with these views, as follows:

1. We would extend the Program indefinitely, and authorize appropriations for it of such sums as may be necessary.

2. We would provide the Secretary with clear and unambiguous authority to assign participants in the Program to *any* civilian or uniformed Federal health service. The National Health Service Corps and other health service delivery programs of this Department would doubtless be the primary users of the Program participants, and perhaps in the short run would be the sole users. At some future time, however, the Secretary might determine that certain of the participants could more appropriately serve elsewhere in the Department, or even in other Federal agencies (*e.g.*, the Veterans' Administration) or State or local governmental units. It would be preferable to not have to appoint individuals to the Commissioned Corps of the Public Health Service in order to do this, but rather to be able to assign them directly to other health service duties.

3. Finally, we believe there should be room within the Program to assist individuals who wish to remain in the private sector, but who are prepared to practice a health profession in a geographic area of critical health manpower shortage. These individuals would not be employed by the Federal Government but would undertake to serve in shortage areas, as determined by the Secretary, for the same period of service to which other individuals assisted under the Program are obligated to serve the Federal Government; that is, one year of service for each year of scholarship assistance.

HEALTH PROFESSIONS AND NURSING STUDENT LOAN PROGRAMS

The draft bill would also limit further Federal capital contributions to health professions and nursing student loan funds to the amounts required to continue loans to students previously assisted from the funds. However, the funds would remain available, for the next three years, for the schools to make new student loans from amounts revolving back into the student loan funds; and for continuation loans.

The bill would also raise the interest rate on these loans from three to seven percent (the same maximum rate of interest now prescribed under the student loan insurance program contained in the Higher Education Act of 1965).

We believe that enactment of this legislation would be an important step toward assuring an adequate future supply of health professionals, both for meeting the general needs of the public and meeting essential Federal health care responsibilities. It would remedy the problem of unnecessary public subsidization of the education of individuals preparing to enter highly paid health care occupations. Nevertheless, it would significantly improve the possibility of a health professions education for large numbers of students. We urge the Congress to give the measure its prompt and favorable consideration.

We are advised by the Office of Management and Budget that enactment of this draft bill would be in accord with the program of the President.

Sincerely,

Caspar W. Weinberger,
Secretary.

By Mr. KENNEDY (for himself, Mr. Javits, Mr. Magnuson, Mr. Randolph, Mr. Pell, Mr. Hathaway, and Mr. Clark):

S. 3585. A bill to amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health and allied health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes; and

S. 3586. A bill to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training. Referred to the Committee on Labor and Public Welfare.

HEALTH MANPOWER BILLS

Mr. KENNEDY. Mr. President, today I have the pleasure of introducing two far-reaching health manpower proposals—the Health Professions Educational Assistance Act of 1974 and the Nurse Training Act of 1974. I am delighted that these two bills are cosponsored by my friends and colleagues Senators Javits, Magnuson, Randolph, Pell, Hathaway, and Clark. Their suggestions and assistance have been instrumental in shaping the legislation.

Mr. President, I ask unanimous consent that the complete text of these two bills be printed in the Record at the conclusion of my remarks. Estimated that the country had a national shortage of 50,000 physicians, and predicted that shortages would continue until at least 1975 or later. Hansen, in a study published in Inquiry in 1970, analyzed six major physician manpower projections made between 1959 and 1967. He showed that the six projections for 1975 ranged from a surplus of 21,700 physicians to a deficit of 65,000.

Last month during hearings before the House Interstate and Foreign Commerce Committee, Dr. Charles C. Edwards, Assistant Secretary for Health, estimated that by 1980 the Nation's supply of physician manpower would be adequate to meet projected requirements. He also indicated that if increases in enrollments in health professions schools over the past 5 years continue unabated, we might even have a surplus.

As one can see, experts have analyzed the scope of health manpower shortages for years, and have not always agreed. Although few agree on statistics, almost everyone concerned agrees that the Nation is experiencing real health manpower problems—problems which have existed for decades, which will demand difficult and innovative solutions and which, if not solved, are likely to have considerable adverse impact on any national health insurance program enacted.

For the past 30 years experts have outlined the health manpower problem in terms of aggregate supply. Reliable data were not available on which to base an accurate judgment regarding health manpower needs in terms of populations served, demands for care, and the availability and accessibility of health services. If one focuses on health manpower shortages in terms of the availability of health care to various segments of the populations, then the reality of the problems becomes readily apparent and can be summed up as follows:

First. Physicians are geographically maldistributed nationwide;

Second. We have too many physician specialists and not enough primary care physicians; and

Third. As a nation, we are increasingly relying on the graduates of foreign medical schools to provide our health care and the variable and differential ways in which foreign medical graduates are licensed has produced a dual class system of health care in the Nation.

Mr. President, there has been a constant evolutionary expansion in the support the Federal Government has made available to the schools which educate the Nation's health manpower. At the conclusion of my remarks, I ask unanimous consent that there be included in the Record a full historical description of the scope and nature of Federal support for health manpower.

Now, Mr. President, the time has come to take the next logical and inevitable steps to deal with a set of manpower problems which continue to undermine the health of the American people. Specifically, I am referring to the problems of geographic maldistribution of health professionals, specialty and subspecialty maldistribution of physicians, and the Nation's growing reliance upon foreign medical graduates who are too frequently licensed to practice their profession when they are not adequately qualified.

Mr. President, with the ever-increasing contribution that taxpayers are called upon to make to continue to support this Nation's health professions schools, the public has a right to expect that these schools will do all that they can to alleviate these problems. The bill I am introducing today will give them the tools to do that job.

Mr. President, I reject the notion that this Nation magically has enough health professionals, though it may have enough of certain kinds of health professionals. Given the administration's track record of performance since the enactment of the 1971 Health Manpower Act, I cannot accept the notion that the time has come for the Federal Government to phase out its support for these institutions and their students. Such a policy, especially on the eve of the enactment of national health insurance, is irresponsible.

I also reject the notion that the Nation's health professional schools, which appropriately consider themselves a national resource have made their best effort in dealing with the problems of maldistribution, postgraduate physician training, and reliance upon foreign medical graduates. The fact of the matter is that a special project grant here or there will no longer suffice. Equally irrelevant is an agreement to study the problem. There is a wealth of well-documented studies which demonstrate the nature and magnitude of these problems and which, I believe, make it evident that these problems must be dealt with by the National Government in cooperation with the Nation's educational institutions, health professional associations, and State licensing bodies.

Finally, Mr. President, I reject the notion that the Congress must make "an either/or choice" between essentially unfettered institutional support and no institutional support whatsoever. I hope that those whose advice and counsel has been so valuable to my committee in the past will not attempt to force the committee to make such a choice.

This is because the bill that I am introducing today charts a middle course by continuing institutional support as the principal mechanism toward achieving financial stability along with a series of programs and requirements which will go a long way toward the alleviation of these health manpower problems which affect the entire Nation.

Hearings have been scheduled on this legislation and related matters for June 24, 25, and 26, 1974. In addition, I understand that my friend and colleague, Senator RANDOLPH, will chair a day of Health Subcommittee hearings on S. 667, the Radiation Health and Safety Act of 1973, which he has authored. Persons interested in testifying before the subcommittee should contact Mr. Lee Goldman, subcommittee staff director, at 225–7675.

Before going on now, Mr. President, to describe my bill in greater detail, I simply want to make it clear that I intend to expedite the passage of this legislation and its companion bill, the Nurse Training Act of 1974. I expect this legislation to be considered in the Senate in July.

GEOGRAPHIC MALDISTRIBUTION

Mr. President, physicians are disproportionately located in the Northwestern and Western regions of the Nation. These regions have per capita ratios of active physicians which are significantly above those in the South and North Central States.

For every 100,000 persons in South Dakota, there are only 71 physicians providing patient care. In other words, each physician in South Dakota serves nearly 1,200 people. There are 75 physicians per 100,000 in Mississippi, or 1,340 persons for each active physician. In contrast, the ratio for New York State is 198 physicians per 100,000 population, or only 500 persons per physician. California has a rate of 166 per 100,000, or 1 physician per every 600 persons. Each of those ratios reflects a significant deviation from the national average of 128 physicians in patient care per 100,000 population, or 1 physician for every 781 persons. More important, however, the geographical pattern indicated by these ratios reflects the continued movement of physicians to States and regions which have large urban populations. In a recent study by de Vise, the changing supply of physicians in California, Illinois, New York, and Ohio, the author put it this way:

> Doctors can exercise considerable latitude when choosing a location because they operate in a seller's market. In addition to a penchant for large and affluent communities, doctors show a preference for regions with a reputation for good climate and cultural amenities. Attractions of this nature explain why New York City, New England, and the west coast have physicians population ratios two to three times higher than those or less well-endowed regions.

The study also indicates that doctors are more readily attracted to certain urban regions in particular. In other words, physicians are more likely to practice in large urban areas on the west coast and in New York.

In the 300 metropolitan areas across the Nation, the physician-population ratio is more than twice that of nonmetropolitan areas. The metropolitan areas contain 73 percent of the population, 74 percent of the hospital beds, 86 percent of the doctors, and 93 percent of all hospital-based physicians. In 1972, the ratio of physicians per 1,000 population in metropolitan areas was 1.84, more than twice the 0.82 ratio for nonmetropolitan areas.

During the past 12 years, the gap between the physician supply in metropolitan communities and nonmetropolitan communities has widened. Between 1960 and 1972, the physician-population ratio grew by 30 percent in metropolitan areas, but by only 9 percent in nonmetropolitan areas.

Physicians are not only maldistributed between urban and rural regions, States, and areas. The maldistribution exists between innercity and suburban areas as well. Dewey, in his recent study of the Chicago metropolitan area, where the doctors have gone, clearly shows the growing trend of physicians to locate in suburban areas. Between 1950 and 1970, the city of Chicago lost over 2,000 private practitioners—a 35-percent decrease. The suburbs meanwhile, gained nearly 1,900 doctors—an increase of over 130 percent. In 1950, 4 out of 5 doctors' offices in the Chicago SMSA were located in the city. By 1970, that ratio had fallen to 1 out of 2.

SPECIALTY MALDISTRIBUTION

In addition to geographic maldistribution, physicians are maldistributed by specialty. During the past two decades, the proportion of physicians who practice medical and surgical specialties has increased rapidly. In 1949, 50 percent of the Nation's physicians were in general practice. In 1970, that percentage had decreased to 21.8. Correspondingly, physicians in medical specialties increased from 11.2 percent in 1949 to 25.3 in 1970. During that same period, the percentage of physicians in surgical specialties increased from 17.1 percent to 27.2 percent.

Between 1964 and 1967, the pool of potential family physicians decreased from 56.8 to 53.2 per 100,000 population. Between 1968 and 1972, the number of physicians in general practice continued to decrease by 8 percent, 43 States showed a decrease in the number of family practitioners. Alaska lost 15 percent of its family physicians during this period. Rhode Island lost 16 percent. Only seven States enjoyed an increase in the number of physicians in general practice during these years.

In a recent study concerning the need for primary care physicians, Schonfeld and others estimate that the Nation requires 133 primary care physicians per 100,000 population. However, the Nation has only about half that many. The authors put it this way:

> . . . It appears that primary medical care of good quality requires the services of about 133 physicians per 100,000 persons of all ages in the population . . .
>
> It is now evident that the number of physicians estimated to have been available to furnish primary medical care has been about one-half the number required to furnish medical care according to physicians' standards on the content of good care. Obviously, with a shortage of this magnitude in the supply of physicians for primary care not all who require such care can receive it. What now occurs is that some people receive no primary care, some receive only part of the needed care, and only some fraction of the population receives all necessary primary care indicated by current clinical standards and judgments."

While the proportion of physicians in general practice has steadily declined in past years, the proportion of surgical specialists has steadily increased. Stevens put it this way in her study, "Trends in Medical Specialization in the United States":

> In 1931 only 10 percent of physicians practiced in fields characterized as surgical specialties . . . the proportion had risen to 26 percent in 1960, to over 30 percent in 1968. In short, nearly one out of every three physicians in the United States is in a field which involves surgery: A number of general practitioners are doing some surgery as well. This increase promises, moreover, to continue. Of all American graduates in first year resident and fellowship programs in 1968, over 40 percent were in surgical specialties.

Bunker in his study of surgical manpower indicated that the number of surgeons in the United States has a direct effect on the number of surgical operations performed. He found that proportionately there are more than twice as many surgeons in the United States as in England and Wales, and proportionately more operations are performed in acute, short-stay U.S. hospitals than in England and Wales.

Specialists, more so than family physicians, are unevenly distributed geographically. Despite nationwide decreases in the number of physicians in general practice, these physicians tend to be more evenly distributed throughout the United States. This is not the case for specialists, however.

In Alaska, for example, there is approximately 1 internist for every 15,903 persons. In California, the ratio is 1 per 3,566. Mississippi has 1 general surgeon for every 10,710 population. New York has 1 per 4,856. South Dakota has 1 pediatrician per 39,192 population. Rhode Island has 1 per 9,791. Wyoming has 1 ob-gyn specialist for every 23,744 persons. Masssachusetts has 1 for every 10,878 persons.

FOREIGN MEDICAL GRADUATES

The problems of geographic and specialty maldistribution are seriously aggravated by the Nation's continued and increasing reliance on graduates of foreign medical schools, or FMG's. In 1972, one-fifth of all active physicians in the United States were FMG's. More than one-third of all interns, residents, and other physician trainees in hospitals were fmg's. No less than 46 percent—almost half—of physicians newly licensed to practice in 1972 were foreign medical graduates.

Between 1962 and 1972, almost 89,000 fmg's were admitted to the United States. During that same period, U.S. medical schools graduated about 87,000 medical students—some 2,000 fewer than the number of FMG's admitted. The number of FMG's admitted annually to the United States with immigrant status grew remarkably between 1962 and 1972—from 1,297 to 7,143. In 1962, U.S. medical schools graduated 24 percent more physicians than were admitted from foreign nations. Ten years later, 20 percent more foreign physicians were entering the United States than were graduated from U.S. medical schools.

One of the most serious related problems is the large number of unlicensed FMG's practicing in State hospitals. Torrey and Taylor clearly point this out in their recent article in the American Journal of Psychiatry.

> One of the largest groups of foreign-trained doctors in American psychiatry rarely shows up on official statistics. These are the unlicensed doctors who practice in State hospitals using temporary permits issued by a State and valid only for State institutions. All but seven States have loopholes in their licensing laws that allow such temporary licensing. The permits are renewable yearly for an unlimited number of years. In New York and Ohio, 40 percent of the physicians in the State mental hospitals are unlicensed. In West Virginia, it is over 90 percent. If 40 percent is a representative average for the United States, there would be approximately 3,100 unlicensed foreign doctors staffing the State mental facilities in this country. One AMA spokesman estimated that the number is more like 7,500.

The number of FMG's entering the United States each year is growing, not leveling or tapering off. Some experts estimate that in the near future FMG's will constitute approximately one-third of all physicians practicing in the United States. This is an intolerable situation which must be considered carefully. As all of us are aware, less than half the number of individuals applying to U.S. medical schools are accepted for enrollment.

In the 1972–73 academic year, only 38 percent of those applying were admitted. Increasing numbers of U.S. citizens rejected by U.S. medical schools are turning to foreign medical schools. An estimated 6,000 U.S. citizens are now studying medicine abroad.

In order to be accepted into U.S. residency training programs, an FMG must successfully complete examinations administered by the educational council for foreign medical graduates. These screening examinations are offered abroad and in the United States. Each year, for the past 3 years, more than 30,000 FMG's have taken the ECFMG examination. Evaluations of the test results show that, initially, three out of five candidates do not receive a passing score. Many take the exam more than once before passing. Statistics show that FMG's from more developed countries—such as the United Kingdom, Australia, and Sweden—do far better than those candidates from less developed countries—such as India, Iran, and the Philippines. Candidates from the United Kingdom had a pass rate of 94 percent on the ECFMG exam in 1972. Candidates from Iran had a pass rate of 25 percent. As most of you know, the greatest number of FMG's in the United States graduated from medical schools in Iran, the Philippines, and India. For example, one out of four Thai physicians is now in the United States.

All States require physicians to complete medical school and pass a certifying examination in order to be licensed. In the absence of a single, nationwide examination, two major licensing examinations are given. One is the certifying examination of the National Board of Medical Examiners. The other is the examination developed by the Federation of State Medical Boards, known as the FLEX examination.

Currently, all but three State medical boards accept successful completion of parts I, II, and III of the national boards as a prerequisite for licensure. All but two States in 1973 used the FLEX exam as their own State licensing examination.

The vast majority of U.S. medical graduates takes the national boards. Most FMG's take the FLEX examination. Studies indicate that between 1968 and 1972, 50 percent of the FMG's taking the FLEX exam failed. The U.S. medical graduate failure rate was much smaller—about 15 percent or less. According to Lowin and Cohodes, in their recent study of FMG's in the United States:

> The 50 percent failure rate for FMG's on the FLEX examination is perhaps even more disturbing than the 60 percent failure rate on the ECFMG exam, since most of those taking the FLEX have (1) passed the ECFMG and (2) have then received between one and three years of residency training in the States. These data suggest that the ECFMG exam has little validity, and that years of graduate training here are not sufficient to overcome the earlier handicaps of poor undergraduate medical education and cultural differences.

The Association of American Medical Colleges, in a recent task force report on FMG's, clearly recognized the serious problems surrounding the certification and licensure of FMG's in the United States. The task force declared:

> In reality, there is no examination available for measuring professional competence. Hence we are faced with dual standards for admission and are condoning the evolution of a dual system of graduate medical education. Currently a little over one-half of the physicians entering the American system are products of accredited United States medical schools, while the balance for the most part represents products of unaccredited education systems. This double standard results in wide disparity in the quality of physicians admitted to deliver care in the United States. It undermines the process of quality medical education in this country and ultimately poses a threat to the quality of care delivered to the people.

Mr. President, the legislation which I have introduced today is much more than a reauthorization and extension of expiring health manpower legislation. It is specifically designed to deal with the critical problems of geographic maldistribution of health professions, maldistribution of physician specialists, our increasing reliance on foreign medical graduates, and the dual standards for certification and licensing of physicians. The programs contained in the bill would continue the basic intent of the health manpower legislation authorized for the past 10 years. Further, it would build on the strengths of existing law and at the same time would effect significant changes in the health professions educational system and the health care delivery system nationwide. The primary responsibility for solving these problems will rest with the undergraduate and graduate health professions education institutions.

This legislation would continue the basic programs of financial assistance authorized in previous law, with some major modifications. But in return, the educational institutions which benefit most must do even more to meet their national responsibilities. In the past 10 years they have strived to meet their responsibilities. Enrollments and graduations at medical schools have increased substantially. Now the educational institutions have a greater task ahead. Through their coordinated efforts, the efforts of the various public agencies involved—both Federal and State—and the efforts of the individual practitioners, I believe that the Nation's critical health manpower problems can be alleviated. The dependence of these institutions upon public funds requires no less.

Title I of the Health Professions Educational Assistance Act of 1974 is for the most part technical. Its provisions renumber, consolidate, and rearrange already existing provisions in title VII of the Public Health Service Act which authorizes Federal assistance to schools of the health professions. The major provision of title I of this bill expands the membership of the National Advisory Council on Health Professions Education to include representatives of all the health professions schools assisted under title VII of the Public Health Service Act. A revised advanced funding provision is also included.

Title II extends and slightly revises existing provisions in title VII of the Public Health Service Act. These provisions authorize grants, loan guarantees, and interest subsidies for the construction of teaching facilities for the training of physicians, dentists, pharmacists, optometrists, podiatrists, veterinarians, and public health personnel. Existing law authorizes a Federal share of 80 percent of the costs of construction for all but public health facilities, for which a 75 percent Federal share is authorized. The new bill authorizes 80 percent for all professions. The bill authorizes $100 million for fiscal year 1975: $125 million for fiscal year 1976: and $150 million for fiscal year 1977 and each of the next 2 fiscal years for the construction grant program. It authorizes $2 million for fiscal year 1975: $2.5 million for fiscal year 1976; and $3 million for fiscal year 1977 and each of the next 2 fiscal years for loan guarantees and interest subsidies.

Title III of the new bill significantly revises the student assistance programs authorized under section 329 and title VII of the Public Health Service Act. First, students pursuing a graduate degree in public health would become eligible to apply for health professions student loans under the new bill. The advanced traineeship program for students of public health would be repealed.

Second, the maximum amount of a health professions student loan, under the new bill, would be increased to equal a health professions student's tuition plus $2,500 per year. Existing law authorizes a maximum student loan of $3,500. Authorizations for the health professions student loan fund are $60 million for each fiscal year 1975 through 1979.

Third, the health professions student loan forgiveness program in existing law would be amended to require the Secretary to forgive or cancel all loans for profesional educational expenses at the rate of 50 percent for the first year and 50 percent for the second year of service in a health manpower shortage area. In existing law, the Secretary can forgive only 85 percent of all professional educational loans at the rate of 30 percent for the first year, 30 percent for the second year, and 25 percent for the third year of service in a shortage area. The new bill, in addition, makes students pursuing graduate degrees in public health eligible for the loan forgiveness program.

Fourth, and most important, the new bill would obligate each individual who receives any student loan under title VII to serve at least 2 years in an area or institution designated by the Secretary of Health, Education, and Welfare as having a shortage of health manpower. The individual could serve the obligated period in a shortage area as designated by the Secretary, or he or she could serve as a member of the National Health Service Corps. For individuals not serving in the corps, the obligated period of service would begin 6 months after the individual is licensed to practice. Deferments of the obligation period would be permitted only for a period of time required to completed primary care residency training. Individuals who fail to serve the obligated period would be required to pay damages which would equal about twice the original value of the student assistance received.

Fifth, the program of loans and scholarships for U.S. citizens studying medicine in foreign medical schools would be retained and students receiving such assistance would be subject to the same requirements for obligated service in health manpower shortage areas as U.S. medical students receiving title VII student assistance.

Sixth, the program of health professions student scholarships and the physician shortage area scholarship program would be repealed, to be replaced by an amended Public Health and National Health Service Corps scholarship training program. The program would be identical to the program contained in S. 3181 which I introduced on March 13, 1974, along with my friends and colleagues Senators MAGNUSON, JAVITS, RANDOLPH, PELL, HATHAWAY, and CLARK. At the conclusion of my remarks, I will submit a summary of S. 3181 for the RECORD, which I ask to be included in the RECORD.

Seventh, the amendments to the National Health Service Corps also contained in S. 3181 are incorporated into title III of the new health manpower bill.

Title IV of the bill revises and extends the existing programs of capitation and special project grants to health professions schools and the program of assistance to area health education centers. First, the program of capitation grants to health professions schools is significantly changed under the new bill. For the first time, schools of public health will be eligible for these grants. Capitation grants are grants to health professions schools which are awarded on the basis of the number of students enrolled. Each grant, under the new bill, will equal one-third of the net educational costs of training a student multiplied by the number of full-time students enrolled in the school.

The formula for determining net educational costs was derived from the recently released Institute of Medicine of the National Academy of Sciences study on the costs of educating health professions students. Capitation grants for schools of public health, physician extenders, and expanded duty dental auxiliaries, were not subjects of the Institute of Medicine study. Schools of medicine, osteopathy, and dentistry will receive a capitation grant based on the number of full-time students enrolled and on the number of physician extenders or expanded duty dental auxiliaries enrolled. Schools of public health, veterinary medicine, optometry, podiatry, and pharmacy will receive a capitation grant based on the number of full-time students enrolled. Total authorizations for the capitation grant program are $292,273,250 for fiscal year 1975: $304,626,000 for fiscal year 1976; and $316,747,350 for fiscal year 1977 and each of the next 2 fiscal years.

Although the changes made to the capitation grant formulas are significant, the most important amendment made by the new bill to the existing program is the following requirement: The new bill would prohibit the Secretary from making any capitation grant after June 30, 1974, to any school receiving capitation support under the bill unless the school assures the Secretary that each student accepted for enrollment agrees to serve in the National Health Service Corps or in a medically underserved area as a private practitioner. If there are more individuals obligated to serve in a year than there are medically underserved areas for that profession, the Secretary will employ a random selection method in order to determine which such individuals shall perform obligated service. Individuals not in the Corps would be required to serve within 6 months after being licensed to practice. Each person would be obligated to serve 2 years. Deferment of service would be allowed only for a period required to complete primary care residency training. Individuals who fail to serve the obligated period would be required to pay damages equal to about twice the amount of the funds received by the school under the capitation grant program for that student.

In addition to the requirement I just described, in order to receive capitation support every health professions school must maintain existing enrollment levels and maintain the amounts of non-Federal funds expended at existing levels.

Also, schools of medicine, osteopathy, and dentistry must either, first, increase their enrollment by 10 percent if class size is 100 or less, or by 5 percent or 10 students, whichever is greater, if class size is over 100, or second, admit in the first school year after the fiscal year in which the grant is made, at least 25 full-time students for training as physicians extenders or expanded duty dental auxiliaries and increase the enrollment of these students by 25 percent in the following year. Schools of public health, veterinary medicine, optometry, podiatry, and pharmacy must increase their enrollment by 10 percent if class size is 100 or less, or by 5 percent or 10 students, whichever is greater, if class size is over 100.

If a health professions school fails to comply with these requirements, the Secretary, after a hearing, can withhold any further payment of the grant and require that the school pay back the funds already received.

The program of special project grants and contracts is left essentially the same as in existing law. Only two significant changes are made. Schools of public health would become eligible to receive such grants and contracts, and a new purpose would be added to the list of purposes for which grants and contracts could be awarded. Grants would be authorized for projects to assist schools of medicine, osteopathy, and dentistry to plan, develop, and implement a nutrition education curriculum. Authorizations for the special projects program are $100 million for each fiscal year 1975 through 1979.

The new bill extends the program of startup assistance for new schools of medicine, osteopathy, and dentistry. It authorizes $11 million for each fiscal year 1975 through 1979. The program of financial distress grants to health professions school would be repealed.

The program of assistance to area health education centers would be revised and extended. The major revision would require all new area health education centers receiving assistance under this section to do each of the following:

First. Encourage the establishment or maintenance of programs to alleviate shortages of health personnel through training or retraining;

Second. Provide training programs leading to more efficient utilization of health personnel;

Third. Initiate new types and patterns or improve existing patterns of training, retraining, continuing education, and advanced training of personnel; and

Fourth. Encourage new or more effective approaches to the organization and delivery of health services through the use of the team approach.

Currently, in existing law, an area health education center may choose only one of the purposes I have described as a project. Authorizations for area health education centers are $75 million for each fiscal year 1975 through 1979.

Title V of the new bill extends, without revision, one provision of existing law which authorizes grants to hospitals to develop training programs in family medicine and to provide financial assistance to students and physicians who participate in family medicine programs. Authorizations for the family medicine grant program are $40 million for each fiscal year 1975 through 1979.

In addition, two programs are repealed. They are: grants for computer technology health care demonstration programs and grants for training, traineeships, and fellowships for health professions teaching personnel.

One new program is added by title V. This program would authorize grants to medical and osteopathic schools to train U.S. citizens who transfer from foreign medical schools to a U.S. medical school. These grants would be for the costs of identifying educational deficiencies of such students and specialized training designed to prepare such students for the successful completion of licensure examinations. Authorizations for the new program are $5 million for fiscal year 1975; $10 million for fiscal year 1976; $15 million for fiscal year 1977 and each of the next 2 fiscal years.

Title VI substantially revises the programs contained in title VII of the Public Health Service Act for allied health training have never been widely used, and appropriations have constituted only about one-third of authorizations. Some programs have never been funded. Existing law includes authorizations for construction grants, basic improvement grants, special improvement grants, special project grants, advanced traineeships, a program to identify financially and culturally deprived individuals with a potential for education and training in the allied health professions, and three programs for scholarships, loans, and work-study.

The new legislation proposed for allied health professions training would do the following: First, it would provide a definition of the term, "allied health personnel." Second, it would authorize a new program of allied health special project grants for States, as well as for schools and representatives of the allied health professions. Authorizations for this allied health special projects grant program are $40 million for fiscal year 1975; $45 million for fiscal year 1976; and $50 million for fiscal year 1977 and the next 2 fiscal years.

Third, the new bill would rewrite the old advanced traineeship program for professional allied health personnel and would authorize appropriations of $7.5 million for fiscal year 1975; $9 million for fiscal year 1976; and $10.5 million for fiscal year 1977 and the next 2 fiscal years.

Fourth, the section in existing law which authorizes the identification of—and assistance to—financially, culturally, or educationally deprived persons who have a potential to become allied health personnel is rewritten and extended. The new section authorizes $1 million for fiscal year 1975; $1.5 million for fiscal year 1976; and $2 million for fiscal year 1977 and the next 2 fiscal years.

Fifth, a new section is added to the allied health training provisions which would require the compilation and dissemination of statistics on allied health personnel and submission to the Senate Labor and Public Welfare Committee and the House Interstate and Foreign Commerce Committee of an annual report on these statistics.

Title VII of the new legislation is certainly one of the most important and innovative titles in the bill. It authorizes a new program which would alleviate to a great extent the maldistribution of physicians in the United States. Essentially, the program would certify a limited number and an appropriate balance of postgraduate physician training programs. The program would be administered by the Secretary, according to the recommendations of a newly established National Council on Postgraduate Physician Training and 10 regional councils on postgraduate physician training throughout the Nation. Each council would consist of 19 members who would be representative of physician and nonphysician personnel. The Secretary, according to the recommendations of the national council, would set the total number of internship and residency positions to be certified nationwide in the following year.

That total number could not exceed 110 percent of the total number of medical and osteopathic degrees granted in that year. The Secretary would divide the total number of positions to be certified among the various recognized physician specialties and subspecialties and would distribute the certified positions among the 10 regions. The Secretary would then assign the certified positions distributed to each region—according to the recommendations of each regional council—among the training institutions operating within the region. The Secretary would insure that no certified position went to any institution which maintained any uncertified positions.

Four important features are a part of the certification program, as follows: First, the bill provides for the number of postgraduate trainee positions to be limited to 110 percent of the number of graduates of U.S. medical and osteopathic schools in any year, insuring a limited and appropriate balance of postgraduate training positions in the various medical specialty and subspecialty areas, nationwide and regionally. It would have the net effect of limiting to 10 percent the postgraduate training positions for graduates of foreign medical schools who now make up one-third of the physicians in postgraduate training positions.

Second, the bill would also authorize the Secretary to compensate institutions which are forced to decrease their number of postgraduate physician training positions because of the 110-percent limit. The institution, however, must have a plan to replace the physician trainees lost with nonphysician manpower.

Third, the Secretary will be required to make grants of up to $100,000 to develop new additional training positions in specialties, and in geographic areas, if the national and regional councils feel such additional positions are needed. Under this provision, special priority will be given to postgraduate training programs in primary care and positions in underserved regions.

Fourth, the new bill authorizes an extensive study to determine the desired balance of physicians in the various medical and surgical specialties and subspecialties.

Title VIII of the bill requires the Secretary, in consultation with appropriate professional organizations, to develop and establish national standards for the licensure of all physicians and dentists who wish to practice in the United States. Using the national standards developed under the authority of this program, the Secretary is directed to prepare a national examination to initially license physicians and dentists and subsequent reexaminations to renew licenses which would be given at least every 6 years. The national standards for licensure and the national licensure examination must be developed within 2 years after the enactment of this legislation.

Once the standards and examination are developed and established, the Secretary is required to review their appropriateness at least every 2 years and revise them if necessary.

According to the provisions of this new national licensure program, individual States would be encouraged to establish their own licensure programs, which must, however, be in accordance with the national standards. A State program would be deemed to be in accordance with the national program if it met or exceeded al. of the national standards and complied with the requirements of the national program.

The new national licensure program would establish reciprocal licensure relationships between States which comply with the national standards for licensure of physicians and dentists. Therefore, a physician or dentist licensed to practice in one State which complies with the national standards would be deemed qualified for licensure in any other State meeting the national standards. If a State has a licensure program which exceeds the national standards, the physician or dentist would be qualified for licensure in that State if he complies with the additional requirements imposed by the State program.

The bill prohibits States from establishing any requirement for the licensure of physicians and dentists which, first, would be inconsistent with national standards or second, would require that the individual applying for the license reside in the State for a certain period of time.

All physicians and dentists educated in accredited medical or dental schools—whether in the United States or in a foreign nation—are eligible for licensure in a State. However, graduates of foreign schools must be able to demonstrate written and oral proficiency in the English language.

The bill also prohibits a State from renewing the license of any physician or dentist who is obligated, under the provisions of this legislation, to provide health service in a medically underserved area or as a member of the National Health Service Corps, unless that physician or dentist has fulfilled his obligation, as certified by the Secretary.

In addition, a State would be prohibited from renewing the license of any physician who received his postgraduate training, after July 1, 1977, in an uncertified postgraduate training program.

I ask unanimous consent to include the following bibliography at this point in the RECORD.

There being no objection, the bibliography was ordered to be printed in the RECORD, as follows:

[SUMMARY OF S. 3181]

CHANGES IN THE NHSC MADE BY THE NATIONAL HEALTH SERVICE CORPS AMENDMENTS OF 1974

1. Changes the definition of a "medically underserved area" to conform to the definition of a "medically underserved population" used in the HMO Act of 1973. Clarifies the present legislative intent that the Secretary is to publish a list of all of the underserved populations in the United States by requiring a report to Congress by September 1, 1974, on the criteria used in designating medically underserved populations, and the publication of such a list by January 1, 1975. Provides a new mechanism by which representatives of populations which are not designated by the Secretary as underserved may apply to him for such designation, and lists the indicators of the availability of health services which should be considered when reviewing such applications. Sec. 329(b)(1), (b)(2), and section 1(b).

2. Clarifies the existing requirements for applying for the assignment of NHSC personnel to make it clear that a community seeking such assignment must make application to the Secretary, and specifying that, in communities with several medical or dental societies, the approval of any one of these societies will be sufficient for the approval of an application. Section 329(c)(1)(A).

3. Adds a new requirement that the Secretary may approve applications for NHSC personnel for periods which do not exceed four years, and that, if a community desires assignment of NHSC personnel for more than four years, it must reapply to the Secretary at the end of the original four-year assistance period. Requires the Secretary in considering applications for continued assistance for a community to apply the criteria necessary for the original approval of an application and, in addition, to evaluate the community's continued need for NHSC personnel, the use of personnel assigned to date, the growth of the practice of the assigned personnel, the community's support for the assignment, the community's continued efforts to secure its own health manpower, and the quality of the management of the NHSC practice. Section 329(c)(2).

4. Adds a new requirement that the Secretary, in assigning Corps personnel to communities, make an effort to match the characteristics of the personnel (and their spouses) and the communities to which they may be assigned in such a way as to maximize the likelihood that the personnel will remain in the community after the completion of their assignment and leaving the NHSC. Further requires the Secretary to review the assignment of each Corps assignee and the situation in the community to which he is assigned for the purpose of determining the appropriateness of extending his assignment. Section 329(c)(4).

5. Makes new authority available to the Secretary to make grants, not in excess of $25,000, to medically underserved populations to be used for the purpose of establishing medical practices for NHSC personnel. This provision is written to repay to the Federal government the amounts of such grants using revenues generated by the practice. Section 329(d)(3) and (e)(1)(G).

6. Provides authority to the Secretary to sell to NHSC communities at fair market value any equipment in his ownership which has been used by NHSC assignees in providing health services, Sec. 329(d)(4).

7. Clarifies the financial arrangement that the Secretary and communities receiving NHSC personnel must enter into. Provides that a community must:

(1) charge patients seen for health services received,

(2) make reasonable efforts to collect the amounts of such charges, and

(3) pay to the United States the lesser of either:

(a) the amount collected under (2) or

(b) the pay and allowances of the NHSC personnel plus the amounts of any start-up grants provided to the community (suitably pro-rated over the period of NHSC assignment).

These provisions have the effect of assuring that NHSC communities will be responsible for payment to the Federal government of the reasonable costs incurred by it in the operation of the program, but, that in the event the practice generates additional revenues, these additional revenues may be retained by the community for its use in improving or expanding the practice, or recruiting its own health manpower. The ability of the community to retain some funds is intended to provide the community with a significant incentive for the efficient and effective collection of charges billed to patients. Sec. 329(e)(1).

8. Requires the Secretary, under regulations which he prescribes, to adjust the monthly pay of physicians and dentists serving in the NHSC so that their pay will be competitive with that of physicians and dentists in established practices with equivalent training. This provision constitutes, in effect, a pay bonus and is modeled after physicians and dentists serving in the Armed Forces. It will be limited to an amount, not to exceed $1,000 per month, which is intended to make service in the NHSC attractive on a financial basis for young physicians. Further, the pay bonus would be available in its full amount only during the first three years in which an individual served in the NHSC. Subsequently his salary would be held constant so that as the practice grows it will become financially wise for the NHSC personnel to leave the Corps and enter private practice in the community in which they are assigned. Sec. 329(f)(4).

9. Adds new requirements to the existing requirements for an annual report to the Congress that the report indicate the number of patients visits recorded in the previous year by the NHSC, the results of evaluations conducted by the NHSC, and the amounts charged, collected, and paid to the Federal government by NHSC communities. Sec. 329(g).

10. Renames the existing national advisory council as the National Advisory Council on the NHSC, requires membership on the Council from communities served and NHSC personnel assigned, and gives the Council the authority to review and approve program regulations. Sec. 329(h).

11. Provides the Secretary authority to seek appropriations for the NHSC a year in advance so that stable budget planning will be possible in order to facilitate long-range recruitments of physicians and dentists for the Corps. This is important because most physicians and dentists make their career plans as much as a year in advance and therefore the Corps must know as much as a year in advance how many physicians its appropriations bill will support. Sec. 329(1)(2).

12. Requires the Secretary of HEW to conduct or contract for studies of methods of assigning personnel in the NHSC with the purpose of identifying the characteristics of health manpower who are likely to remain in practice in medically underserved populations, the characteristics of areas which have been able to retain health manpower, the appropriate conditions for the assignment of independent nurse practitioners and physicians' assistants in medically underserved populations, and the effect of primary care residency training in such populations on the health care provided and the decisions of the residents respecting areas in which to locate their practice. Sec. 1(b)(2).

13. Amends the NHSC scholarship program to follow the provisions of the military health manpower scholarship program respecting monthly payments to participants and support by the Secretary for the costs borne by institutions who increase their enrollment in order to accept participants in the scholarship program. Sec. 225(c)(1)(A) and (c)(2).

14. Provides that the payments under the scholarship program for individual living expenses may be adjusted by the Secretary in proportion to any inflation in living costs. Sec. 225(c)(1)(B).

15. Clarifies the legislative specification that individuals completing the scholarship program be available first for service in the NHSC or Indian Health Service, second, if no positions are available in the above, for service in the Federal Health Programs Service, and, third, if no positions are available in any of the above, for any service deemed appropriate by the Secretary. Sec. 225(d)(2).

16. Provides a penalty provision similar to the one contained in H.R. 7724, the Biomedical Research Training legislation, which would require individuals who fail to perform obligated service to pay back their scholarship and related Federal contributions to their education at twice their original value. This provision is responsive to the experience of existing, primarily state, loan and scholarship training programs which have been that

without such penalty a substantial portion of the participants will repay the dollar value of their scholarship rather than perform the obligated service. Sec. 225(e)(1).

17. Authorizes appropriations for the NHSC as follows:

	Million
Fiscal year 1975	$30
Fiscal year 1976	35
Fiscal year 1977	40
Total	105

Authorizes appropriations for the NHSC scholarship program as follows:

	Million
Fiscal year 1975	$20
Fiscal year 1976	25
Fiscal year 1977	30
Total	75

HISTORY OF FEDERAL ASSISTANCE TO HEALTH PROFESSIONS SCHOOLS

On June 30, 1974, the various authorities in the Comprehensive Health Manpower Training Act of 1971 for federal assistance to health professions education are to expire. Congressional action will be required to extend or modify those authorities. The Comprehensive Health Manpower Training Act authorizes three broad categories of federal assistance: institutional support, student assistance, and construction assistance. The following is a brief description of the assistance available in each of these categories, as well as in a number of related areas.

Institutional support: The basic program of institutional support is a capitation grant based on the number of students and graduates, with bonuses for three-year M.D. programs, for training of physicians' assistants, and for enrollment increases above a mandatory increase required to qualify for capitation support. Additional institutional support is provided through $50,000 base grants to small schools, through start-up assistance to new schools, through conversion assistance to basic science schools wishing to become degree-granting institutions, through special project grants and through financial distress grants.

Student assistance: Student assistance is provided through loans and scholarships of up to $3,500 per year for students studying either in the United States or abroad. Loan forgiveness provisions apply to students agreeing to practice in underserved areas. A special scholarship program, paying up to $5,000 per year, is available to students agreeing to practice in underserved areas.

Construction assistance: Grants-in-aid of up to 80 percent are available to public or nonprofit private schools. For nonprofit private schools assistance is also available through loan guarantees and interest subsidies (with or without guaranteed loans).

Other programs: The Comprehensive Health Manpower Training Act also authorizes a number of other programs related to medical education. They include: (1) Health Manpower Education Initiative Awards (HMEIAs) for improving through grants or contracts with public or nonprofit private entities the distribution, supply, quality, utilization and efficiency of health personnel and the health services delivery system; (2) a program of grants to hospitals for training, traineeships and fellowships in family medicine; (3) a program of formula grants to schools or unaffiliated hospitals for support of the educational costs of graduate training for physicians and dentists in primary care or other designated shortage areas: (4) a program of grants to schools for training, traineeships and fellowships for health professions personnel; and (5) a program of grants to public or nonprofit private entities for computer technology health care demonstration programs.

In this Memorandum, the various federal health professions education assistance programs have been divided among five categories: institutional support, student assistance, construction assistance, other programs and advisory councils. Within each category, the legislative history of its expansion and development is traced chronologically. The various assistance programs have been affected by the following Acts:

Health Professions Educational Assistance Act of 1963 (PL 88-129), contained the original legislation and authorized the HPEA program for three years through fiscal 1966.

Nurse Training Act of 1964 (PL 88-581), removed nurses and nurses' training from the HPEA program.

Amendments to the Public Health Service Act, 1964 (PL 88-654), included optometrists and schools of optometry in the student loan program.

Health Professions Educational Assistance Amendments of 1965 (PL 89-290), extended HPEA authorities for three additional years through fiscal 1969, increased construction authorizations, modified the student loan program, and created two new forms of aid, educational improvement grants, and scholarships.

Veterinary Medical Education Act of 1966 (PL 89-709), included veterinarians and schools of veterinary medicine in the HPEA construction and student loan programs.

Allied Health Professions Personnel Training Act of 1966 (PL 89-751), modified the student assistance program by adding a revolving-fund-based student loan fund.

Partnership for Health Amendments of 1967 (PL 90-174), altered the composition of the National Advisory Council on Education for Health Professions.

Health Manpower Act of 1968 (PL 90-490), extended the HPEA authorities for an additional two years through fiscal 1971, and amended the construction assistance, student loan, student scholarship, and institutional support programs.

Amendments to the Public Health Service Act, 1970 (PL 91-515), prohibited members of the National Advisory Council on Education for Health Professions and the National Advisory Council on Health Professions Educational Assistance from receiving compensation.

Health Training Improvement Act of 1970 (PL 91-519), amended the formula for determining institutional grants to new HPEA schools.

Amendments to the Public Health Service Act, 1971 (PL 92-52), extended the authority for the student loan and student scholarship programs through fiscal 1972.

Comprehensive Health Manpower Training Act of 1971 (PL 92-157), extended the HPEA authorities for an additional three years through fiscal 1974, amended the construction assistance, student loan, student scholarship, and institutional support programs, and created several new programs of support including health manpower education initiative awards.

Emergency Health Personnel Act Amendments of 1972 (PL 92-585), amended the student loan forgiveness provisions.

INSTITUTIONAL SUPPORT

Health Professions Educational Assistance Amendments of 1965 (PL 89-290)

Authorized appropriations of $20,000,000 for fiscal 1966, $40,000,000 for fiscal 1967, $60,000,000 for fiscal 1968, and $80,000,000 for fiscal 1969 for basic and special improvement grants to schools of medicine, dentistry, osteopathy, optometry, and podiatry.

Authorized the Surgeon General to award basic improvement grants to schools of medicine, dentistry, osteopathy, optometry, or podiatry. Limited the grants per school for fiscal 1966 to $12,500 plus $250 times the number of full time students and for fiscal years 1967 through 1969 to $25,000 plus $500 times the number of full time students.

Prohibited grants to a school unless its application contained reasonable assurances that, during the period for which it would receive grants, the first-year enrollment of full time students at the school would exceed the highest first-year enrollment for any of the school years during the period July 1, 1960 through July 1, 1965 by the greater of 2½ percent or five students. Stipulated that this requirement shall be in addition to the enrollment increase requirement for construction assistance under this Act.

Permitted the Surgeon General to waive the enrollment increase requirement for basic improvement grants if he determined, after consultation with the National Advisory Council on Medical, Dental, Optometric, and Podiatric Education, that the requirement would so crowd the school's physical facilities as to impair the quality of training.

Authorized the Surgeon General to make special improvement grants from the appropriated sums not used for basic improvement grants to schools of medicine, dentistry, osteopathy, optometry, or podiatry. Required that only those schools which have approved basic improvement grant applications are eligible for special improvement grants.

Stipulated that no special improvement grants may be awarded unless recommended by the National Advisory Council on Medical, Dental, Optometric, and Podiatric Education. Required that special improvement grants be used only for providing for or the maintenance of accreditation or for the school's specialized functions.

Limited special improvement grants per school to $100,000 for fiscal 1966, $200,000 for fiscal 1967, $300,000 for fiscal 1968, and $40,000 for fiscal 1969.

Limited eligibility for basic improvement and special improvement grants to public or non-profit schools of medicine, dentistry, osteopathy, optometry, or podiatry that are accredited or provide reasonable assurances of accreditation. Required consultation when awarding grants with the National Advisory Council on Medical, Dental, Optometric, and Podiatric Education.

Specified that grants may be approved only if the applications: meet the eligibility standards; guarantee that during the fiscal year in which a grant is sought, the school's expenditure of non-federal funds (excluding funds for construction) will be at least equal to the average amount spent during the previous three years; contain additional information deemed necessary by the Surgeon General; and provide for fiscal control, accounting procedures, reports and access to records to assure proper disbursement of and accounting for federal funds.

Required the Surgeon General when awarding special improvement grants to take into consideration a school's financial need, the effectiveness of the school's plan for achieving the purposes of the grant, and the contribution to an equitable geographic distribution of schools offering high quality training of physicians, dentists, optometrists.

Health Manpower Act of 1968 (PL 90-490)

Authorized appropriations of $117,000,000 for fiscal 1970 and $168,000,000 for fiscal 1971 for institutional grants (previously basic improvement grants) and special project grants (previously special improvement grants). Authorized the Secretary to allocate the appropriated sums between institutional grants and special project grants unless they are specifically allocated by this Act or annual appropriations acts.

Extended to schools of pharmacy and veterinary medicine eligibility for institutional and special project grants.

Altered the existing allotment formula for institutional grants by awarding to each eligible school $25,000 and distributing the remainder to the schools as follows: 75 percent of the remainder allocated according to a school's relative full time enrollment and its relative increase in full time enrollment over the average full time enrollment for the previous five years, with the number of increased students counted twice; and 25 percent of the remainder allocated according to a school's relative number of graduates. Stipulated that schools, when calculating their relative increase in full time enrollment, exclude a number equal to the enrollment increase requirement for institutional grants. Specified that for fiscal years 1970 and 1971 no school could receive a grant smaller than one it received in fiscal 1969.

Altered the enrollment increase requirement for institutional grants by requiring reasonable assurances that the first-year, full time enrollment for the school year after the fiscal year in which the grant was made and for each succeeding school year in which a grant is made will exceed the average full time first-year enrollments of the two school years having the largest enrollments between July 1, 1963 and June 30, 1968 by the greater of 2½ percent or five students. Authorized the Secretary to waive this requirement if he determines, after consultation with the National Advisory Council on Health Professions Educational Assistance (previously the National Advisory Council on Medical, Dental, Optometric, and Podiatric Education), that, because of limitations in physical facilities, the school's quality of training would be lowered.

Stipulated that an institutional grant to a school could not exceed in any fiscal year the school's teaching expenditures from non-federal sources (excluding expenditures of a nonrecurring nature) during the previous year. Exempted from this provision schools which have over the previous year added a particular year-class and Howard University.

Amended the special project grant provisions so that the specific purposes of the grants would be: to plan, develop, or establish new programs or modifications of existing programs of education in the respective health professions; to effect significant improvements in the curriculums of the respective health professions schools; to conduct research in the various fields related to education in the respective health professions; to develop training for new levels or types of health professional personnel; to assist any school which is in serious financial straits to meet the cost of operation; to assist any school which has a special need for financial assistance to meet the accreditation requirements; to meet the cost of planning and designing experimental teaching facilities; or to otherwise strengthen, improve, or expand programs to train personnel in the respective health professions or to help increase the supply of adequately trained personnel in the health professions.

Repealed the requirement that schools have an approved application for an institutional grant in order to be eligible for a special project grant. Removed all limitations on the amount per year of special project grants to schools.

Health Training Improvement Act of 1970 (PL 91–519)

Stipulated that, in the case of new schools of medicine, dentistry, osteopathy, pharmacy, optometry, veterinary medicine, or podiatry which apply for institutional grants in the fiscal year preceding the fiscal year in which they will admit their first class, the Secretary will determine the enrollment figures to be used for allocating institutional grants. Specified that the enrollment figures should be based on the school's assurances of the number of full time students who will be enrolled in the school in the fiscal year after the fiscal year in which the grant is made. Specified that this provision is only effective for sums appropriated for institutional grants after fiscal 1970.

Required that sums appropriated after the enactment of this Act for fiscal 1971 for special project grants to assist schools in serious financial trouble to meet their operating costs remain available through fiscal 1972.

Declared that the Congress found the Nation's economy, welfare, and security to be adversely affected by the acute financial crisis threatening the medical and dental schools. Stipulated that the Secretary shall determine the need for emergency financial assistance to medical and dental schools and report that to the Congress on or before June 30, 1971.

Comprehensive Health Manpower Training Act of 1971 (PL 92–157)

Amended the PHS Act to provide capitation, special project, start-up conversion, and financial distress grants.

Capitation grants—Authorized appropriations for capitation grants: for fiscal 1972 $200,000,000 for schools of medicine, dentistry, and osteopathy and $34,000,000 for schools of optometry, pharmacy, podiatry, and veterinary medicine; for fiscal 1973 $213,000,000 for schools of medicine, dentistry, and osteopathy and $37,00,000 for schools of optometry, pharmacy, podiatry, and veterinary medicine; and for fiscal 1974 $238,000,000 for schools of medicine, dentistry, and osteopathy and $41,000,000 for schools of optometry, podiatry, pharmacy, and veterinary medicine.

Established the formula for distributing capitation grants to schools of medicine (other than two-year schools of medicine), dentistry, and osteopathy to be: $2,500 for each first-, second- and third-year student; $1,000 for each enrollment bonus student; $1,000 for each student training full time as a physician's assistant or dental therapist; $4,000 for each graduate completing studies in more than three years; and $6,000 for each graduate completing studies in three years or less.

Established the formula for distributing capitation grants to two-year schools of medicine to be: $2,500 for each full time student; and $1,000 for each student training full time as a physician's assistant.

Established the capitation grant formula for schools of veterinary medicine to be: $1,750 for each full time student; and $700 for each enrollment bonus student.

Established the capitation grant formula for schools of pharmacy, optometry, and podiatry to be: $800 for each full time student; and $320 for each enrollment bonus student.

Required the pro-rating of grants if approved applications exceed appropriations. Limited the enrollment bonus student grant to $150,000 per class.

Created a base grant of $50,000 for a maximum of two years for schools of medicine, dentistry, and osteopathy which have received their first capitation grant after fiscal 1971 and have a first-year class of 50 or less.

Defined an enrollment bonus student to be a full time student in a first-year class which attains certain prescribed enrollment standards. Provided that an enrollment bonus student shall be considered as one in each succeeding year of his enrollment.

Established the following enrollment standards for bonus enrollment students: for the 1971–1972 school year, the fall 1971 first-year class must exceed the fall 1970 first-year class by the greater of five percent or five students and the school must provide assurances that succeeding first-year classes will not be less than the fall 1971 enrollment plus either 10 percent of the fall 1970 first-year enrollment if the 1970 enrollment was under 100 or the greater of five percent or 10 students if the class was more than 100; and for school years after the 1971–1972 school year, for a school without a previous enrollment bonus student grant, the first-year class must not be less than the required enrollment (10 percent over first-year enrollment in fall 1970 if such enrollment was under 100 or the greater of five percent or 10 students over first-year enrollment in fall 1970 if such enrollment was over 100) plus the greater of five percent of such enrollment or five students, and for a school that has previously qualified for an enrollment bonus student grant, the first-year class must not be less than the assured enrollment plus the greater of five percent of such enrollment or five students. Required that all schools applying for enrollment student bonus grants after the 1971–1972 school year provide assurances that succeeding first-year classes will not be less than the enrollment required to qualify for an enrollment bonus student grant.

Stipulated that in the case of a new HPEA school which applies for a capitation grant in the fiscal year preceding the fiscal year in which it will admit its first class, the enrollment for the purposes of determining the size of the capitation grant and eligibility for a base grant shall be the number of full time students which the Secretary determines, on the basis of assurances provided by the school, will be enrolled in the school, in the fiscal year after the fiscal year in which the grant is made.

Required that the Secretary not make a capitation grant to any school after fiscal 1971 unless the application for the grant contained assurances that: the first-year full time enrollment during the first year after the grant is made and for each succeeding year in which a grant is made, will exceed the enrollment of the fall 1970 class by 10 percent if that enrollment was less than 100 or by the greater of five percent or 10 students if the enrollment was greater than 100 (specified that these requirements shall be in addition to the enrollment increase requirements for HPEA construction grants); and the applicant must spend (other than on construction) during the fiscal year in which the grant is sought, an amount from non-federal sources at least equal to the previous three-year non-federal spending average. Authorized the Secretary to waive the enrollment increase requirement for capitation grants if he determines after consultation with the National Advisory Council on Health Professions Education, that because of limited physical facilities or other relevant factors the required increase would lower the training quality.

Required the Secretary, in cases where the enrollment increase exceeded the minimum requirements, to satisfy himself, after consultation with the appropriate accreditation body, that the expanded program will meet accreditation standards.

Required schools which are applying for their initial capitation grants under this Act to submit with their grant application a plan to carry out during the next two-school-year period at least three of the following projects: to improve the curriculum, including efforts to shorten the degree program; to develop interdisciplinary training among schools of medicine, dentistry, osteopathy, optometry, podiatry, pharmacy, veterinary medicine, nursing, public health, and allied health, including training for the use of the team approach; to develop training programs for new roles, types, and levels of health personnel; to modify existing health professions educational programs, including projects for the teaching of the organization, provision, financing, or evaluation of health care; to assist in increasing the supply of health personnel; to increase training in schools of medicine, osteopathy, and dentistry in clinical pharmacology, drug abuse control, and the science of nutrition; to increase training in pharmacy schools in clinical pharmacy, clinical pharmacology, and drug abuse control; to stimulate minority enrollment; and to train primary health care professionals, with particular emphasis on programs of family medicine.

Permitted the Secretary to make, in connection with these projects, on-site inspections of any school and require information or data from any school. Required the Secretary to report to the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House about these projects by January 1, 1973 and September 1, 1974.

Special project grants—Authorized the Secretary to award special project grants to assist schools of medicine, dentistry, osteopathy, veterinary medicine, optometry, pharmacy, and podiatry to: effect significant curriculum improvements, with an emphasis on programs for training in family medicine; develop interdisciplinary training among HPEA schools plus schools of nursing, allied health, public health, including training in the team approach; develop training programs for new roles, types, and levels of health personnel; develop new or modify existing health professions educational programs, including projects for the teaching of the organization, delivery, financing, or evaluation of health care; research, develop, or demonstrate advances in the various fields related to education in the health professions; improve geographic and specialty group distribution of health professions; increase training in clinical pharmacology, alcoholism, drug abuse control, and the science of human nutrition; encourage enrollment in HPEA schools of students likely to practice in health professions shortage areas; encourage minority enrollment; plan experimental teaching programs and facilities; provide traineeships under a preceptor in family practice, pediatrics, internal medicine, or any other Secretary-designated field; utilize health personnel more efficiently through the use of computer technology; and encourage more effective approaches to the organization and delivery of health services through the team approach and the use of computer technology.

Authorized the Secretary to enter into contracts with public or private health educational entities to carry out any special project grant.

Authorized the Secretary to issue grants and enter in contracts for: information-gathering for; planning, development, demonstration, and establishment of; and alteration or renovation of any existing facility for; any special grant project.

Authorized appropriations of $118,000,000 for fiscal 1972, $138,000,000 for fiscal 1973, and $156,000,000 for fiscal 1974 for special project grants. Required that funds appropriated for fiscal 1972 shall remain available for obligation through September 30, 1972.

Start-up grants—Authorized the Secretary to issue start-up grants to new schools of medicine, dentistry, and osteopathy which begin instruction after the enactment of the start-up assistance grant section of the PHS Act.

Defined a new school as one which is in the year before its first students are enrolled, in the year its first students are enrolled, and in the next two years.

Limited grants to $10,000 per anticipated student in the year preceding the first year of operation, $7,500 per full time student in the first year of operation, $5,000 per full time student in the second year of operation, and $2,500 per full time student in the third year of operation. Required a minimum initial enrollment of 23 to qualify for a start-up assistance grant.

Stipulated that applications providing assurances that use of existing facilities (including federal medical and dental facilities) will accelerate the opening date are to be given priority.

Authorized appropriations of $10,000,000 for each of fiscal years 1972, 1973, and 1974 for start-up assistance grants.

Conversion grants—Authorized the Secretary to make special assistance grants to public or non-profit two-year schools of basic medical science which desire to become accredited degree-granting schools of medicine. Required assurances that the school will be affiliated with an accredited hospital.

Limited grants to $50,000 times the number of third-year students initially enrolled in the school. Prohibited a school from receiving more than one such grant.

Specified that applications for conversion grants were to be submitted before fiscal 1975 and that the school must enroll third-year students not later than the school year beginning in fiscal 1975.

Financial distress grants—Authorized the Secretary to issue financial distress grants to schools of medicine, dentistry, osteopathy, veterinary medicine, optometry, pharmacy, or podiatry to meet the operating costs of schools in serious financial condition or to aid schools having special financial need to meet accreditation requirements.

Authorized appropriations of $20,000,000 for fiscal 1972, $15,000,000 for fiscal 1973, and $10,000,000 for fiscal 1974 for financial distress grants. Stipulated that appropriated sums under this authorization which are not expended may be used for special project grants. Required that sums appropriated for fiscal 1972 remain available for obligation through September 30, 1972.

Required schools which receive financial distress grants to agree to: disclose any financial information deemed necessary by the Secretary to determine the sources or cause of the school's financial distress; conduct a comprehensive cost analysis study; and carry out appropriate financial and operation reforms.

Schools must provide assurances in their financial distress grant applications that they will spend (other than on construction) during the fiscal year in which the grant is sought, an amount from non-federal sources at least equal to the previous three year non-federal spending average. Provided that the Secretary after consultation with the National Advisory Council on Health Professions Education may waive the non-federal spending requirement.

General provisions.— Limited eligibility for capitation, special project, start-up, conversion and financial distress grants to public or non-profit HPEA schools which are accredited or can offer reasonable assurances of accreditation. Required that the Secretary consult with the National Advisory Council on Health Professions Education on all grant applications.

Required that capitation, start-up assistance, special project, conversion and financial distress grants can be awarded only if the application: is approved by the Secretary after his determination that the application meets the applicable eligibility requirements for each specific grant; contains all additional information the Secretary requires for each particular grant; and provides for fiscal-control and accounting procedures and access to records to assure proper disbursement of and accounting for federal funds.

STUDENT ASSISTANCE

HEALTH PROFESSIONS EDUCATIONAL ASSISTANCE ACT OF 1953 (PL 88-129)

Loans—Authorized the Secretary of HEW to enter into agreements for the establishment and operation of student loan funds with public or non-profit, accredited schools of medicine, osteopathy, or dentistry. Specified that each agreement shall provide for the establishment of a student loan fund by the school; finance the student loan fund with capital contributions from both the federal government and the school; require the school to contribute at least one-ninth of the total capital contributions; limit loans to full-time, degree-seeking students of medicine, osteopathy, and dentistry; prohibit a student from receiving loans under both the Health Professions Educational Assistance Act of 1963 and the National Defense Education Act of 1958; and contain provisions to protect the financial interests of the United States.

Limited loans from the loan fund to a maximum of $2,000 per student per academic year. Required the repayment of loans to begin three years after the end of full-time study with a maximum 10-year repayment period. Allowed a maximum three-year extension to the 10-year repayment period for active duty in the Armed Forces or service in the Peace Corps. Established the interest rate on student loans at the greater of three percent a year or the going federal interest rate at the time the loan is made.

Authorized appropriations to the Secretary for federal capital contributions to student loan funds of $5,100,000 for fiscal 1964, $10,200,000 for fiscal 1965, and $15,400,000 for fiscal 1966. Authorized appropriation for fiscal years 1967, 1968, and 1969 of the sums necessary to enable students who have received HPEA loans for any academic year ending before July 1, 1966, to continue or complete their education.

Authorized the Secretary to loan to schools the money needed to meet their share of the capital contributions to the student loan funds.

AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT, 1964 (PL 88-654)

Loans—Extended to qualified schools of optometry and students of optometry the provisions relating to the student loan programs as found in the HPEA Act.

HEALTH PROFESSIONS EDUCATIONAL ASSISTANCE AMENDMENTS OF 1965 (PL 89-290)

Loans—Authorized appropriations to the Secretary for federal capital contributions to student loan funds of $25,000,000 in each of fiscal years 1967, 1968, and 1969. Further authorized appropriations for fiscal years 1970, 1971, and 1972 of the sums necessary to enable students who have received loans under the HPEA Act for any academic year ending before July 1, 1969, to continue or complete their education.

Extended the provisions of the student loan fund program to schools of pharmacy and podiatry.

Increased from $2,000 to $2,500 the maximum amount of a loan to a student for an academic year.

Established a loan forgiveness program of 10 percent per year of practice, with a 50 percent maximum cancellation, for students of medicine, dentistry, optometry, and osteopathy with HPEA student loans who practice in doctor shortage areas.

Authorized appropriations of $1,500,000 for loans to schools to help the schools finance their capital contributions to the student loan fund.

Established that the interest rate which a student pays for an initial HPEA loan shall apply to any subsequent loans under the Act during the student's course of study.

Scholarships—Authorized a scholarship program from fiscal 1966 through fiscal 1969 based on grants from the Surgeon General to public or non-profit, accredited schools of medicine, osteopathy, dentistry, optometry, podiatry, or pharmacy.

Limited the total scholarship grants to any school to $2,000 times one-tenth the number of full-time: first-year students in fiscal 1966; first- and second-year students in fiscal 1967; first-, second-, and third-year students in fiscal 1968; and total students in fiscal 1969. Provided for fiscal years 1970, 1971, and 1972 the necessary grants to enable schools to continue scholarship awards to students who received scholarship from grant awarded to the schools before fiscal 1970.

Restricted eligibility for HPEA scholarships to students from low income families who could not pursue their studies without scholarship assistance. Required that scholarships from grants under this Act be offered only to individuals who: have been accepted as full-time first-year students; are enrolled and in good standing as full-time students; or, in the case of funds appropriated for fiscal years 1970, 1971, and 1972, are enrolled and in good standing as full-time students who have received HPEA scholarships prior to fiscal 1970.

Stipulated that scholarships could cover tuition, fees, books, equipment, and living expenses. Limited scholarships to $2,500 per year per student.

Required that all scholarship grants to schools be made after consultation with the National Advisory Council on Medical, Dental, Optometric, and Podiatric Education.

VETERINARY MEDICAL EDUCATION ACT OF 1966 (PL 89–709)

Loans—Extended the provisions of the HPEA student loan fund program, except loan forgiveness, to qualified schools and students of veterinary medicine.

Authorized appropriations to the Secretary for federal capital contributions to student loan funds for veterinary students of $500,000 for fiscal 1967, $1,000,000 for fiscal 1968, and $1,500,000 for fiscal 1969.

ALLIED HEALTH PROFESSIONS PERSONNEL TRAINING ACT OF 1966 (PL 89–751)

Loans—Extended the loan forgiveness program to physicians, dentists, and optometrists who practice in a rural area with low family income. Authorized loan forgiveness of HEPA student loans to those qualified under this provision of 15 percent a year, with the Secretary authorized to cancel an additional 50 percent of the loan.

Created an alternative means, in addition to federal capital contributions, of financing student loan fund programs by substituting provisions authorizing the establishment of a revolving loan fund for former authorization of federal loans to cover the schools' share of the capital contributions to student loan funds.

Authorized for fiscal years 1967 and 1968 the Secretary of HEW to make loans from the revolving fund to any public or nonprofit, accredited school of medicine, osteopathy, dentistry, pharmacy, podiatry, optometry, or veterinary medicine to provide the capital needed for student loan funds. Stipulated that: loans to students from revolving-fund-financed student loan funds be governed by the same loan provisions as loans to students from capital-contribution-financed student loan funds; schools be prohibited from borrowing from the revolving loan fund to pay their required share of the capital contributions to student loan funds; and loans to schools from the revolving fund be exempted from the one-ninth school contribution required for federal capital contributions.

Provided that: loans to schools from the revolving fund be consistent, as the Secretary deems necessary, with the loan agreement provisions which govern federal capital contributions to schools and the loan funds which the contributions finance; the Secretary may specify, to assure the achievement of the revolving-fund-based loan program, the source (revenues or other assets or security) from which the school's obligation on a loan is to be repaid; and the Secretary shall determine the interest rate on loans to schools from the revolving fund based on probable losses and the going rate on comparable U.S. obligations.

Required the Secretary to reimburse the schools which borrow from the revolving fund for the following: 90 percent of the school's loss on defaulted loans; the difference between the interest the school pays to the revolving fund for a loan and the interest the school receives from loans to students financed with the revolving fund loan; the collection costs of the student loan program; and the principal canceled under the loan forgiveness provisions. Authorized appropriations without fiscal year limitation of the sums necessary for these requirements.

Limited the fiscal-year loan total from the revolving fund to the lesser of limitations specified in appropriation measures or the difference between $35,000,000 and the amount of federal capital contributions paid to student loan fund programs for that year.

Authorized the creation of a revolving fund to be located within the Treasury and available to the Secretary without fiscal year limitation. Specified that all sums appropriated after fiscal 1976 for HPEA student loan programs shall be available for payment into the revolving fund or for making federal capital contributions to student loan funds.

Provided that the revolving loan fund consist of appropriations paid into the fund, all interest payments and repayments of principal on loans made from the fund, and any other moneys, property, or assets derived from the operation of the fund. Listed expenditures from the fund to include all loans, expenses other than normal administrative, and operational costs of the Secretary. Authorized appropriations of $10,000,000 for fiscal 1967 to the revolving fund.

Authorized the Secretary, at the request of any school, to convert a federal-capital-contribution-based student loan program to a revolving-fund-based student loan program.

HEALTH MANPOWER ACT OF 1968 (PL 90–490)

Loans—Authorized appropriations for both fiscal 1970 and fiscal 1971 of $35,000,000 for student loans. Further authorized appropriations for fiscal years 1972, 1973, and 1974 of the sums necessary to enable students who have received loans for any academic year ending before July 1, 1971, to continue or complete their education.

Required that the repayment of loans begin one year after the end of full-time study (the previous grace period was three years).

Specified that the interest rate for all loans from the student loan fund be established at three percent.

Established a five-year extension to the 10 year repayment period for advanced professional training, including internships and residencies (continued the loan repayment deferral of up to three years for service in the Armed Forces and the Peace Corps). Stipulated that schools may require student loan repayments to be not less than $15 per month and that schools may assess penalty charges for late repayments of loans or failures to follow proper loan procedures.

Increased by $10,000,000 from $35 million to $45 million, a factor in determining the maximum fiscal-year total of loans made from the revolving fund.

Permitted a school to transfer to its HPEA scholarship fund up to 20 percent, or more if the Secretary approves, of its federal capital contributions for any fiscal year to its student loan fund.

Extended the Secretary's authority to make loans from the revolving fund from fiscal 1969 to fiscal 1971.

Scholarships—Extended to veterinary schools and students of veterinary medicine the provisions of the scholarship program.

Authorized for fiscal years 1970 and 1971 the extension of the existing scholarship program. Provided for fiscal years 1972, 1973 and 1974 the necessary grants to enable schools to continue scholarship awards to students who received scholarships from grants issued to the schools before fiscal 1972.

Amended the eligibility requirements for scholarship awards by stipulating that students be of exceptional financial need instead of the previous requirement that they be from low income families.

Permitted a school to transfer to its capital-contribution-based student loan fund up to 20 percent, or more if the Secretary approves, of its scholarship grants for any fiscal year.

AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT, 1971 (PL 92–52)

Loans—Authorized appropriations for fiscal 1972 of $35,000,000 for student loans. Authorized to be appropriated such sums as necessary for fiscal years 1973, 1974, and 1975 to enable students who have received loans for any academic year ending before July 1, 1972, to continue or complete their education.

Extended the Secretary's authority through fiscal 1972 to make loans from the revolving fund.

Scholarships—Extended the existing scholarship program through fiscal 1972. Authorized for fiscal years 1973, 1974, and 1975 the necessary grants to enable schools to continue scholarship awards to students who received scholarships from grants issued to the schools before fiscal 1972.

COMPREHENSIVE HEALTH MANPOWER TRAINING ACT OF 1971 (PL 92–157)

Loans—Authorized appropriations of $55,000,000 and $60,000,000 for fiscal years 1973 and 1974 and increased the authorized appropriation for fiscal 1972 from $35,000,000 to $50,000,000. Substituted authorization to appropriate for fiscal years 1975, 1976, and 1977 the necessary sums to enable students who have received HPEA loans for any academic year ending before July 1, 1974, to continue or complete their education for the former provision that authorized the necessary funds for fiscal years 1973, 1974, and 1975.

Increased from $2,500 to $3,500 the loan ceiling per student for an academic year. Provided indefinite extensions of the 10-year repayment period, by repealing the five-year extension limit, for persons engaged in advanced professional training. Retained the existing three-year extension for service in the Armed Services or Peace Corps.

Extended the eligibility for loan forgiveness to include students of veterinary medicine, pharmacy, and podiatry (previously covered students of medicine, osteopathy, optometry, and dentistry.)

Amended the loan forgiveness provisions to provide to eligible health professionals who agree to practice for at least two years in a doctor shortage area with the following benefits: cancellation at the rate of 30 percent a year for the first two years and 25 percent for the third year of any outstanding educational loan (includes loans not issued under the HPEA Act); and payment under the authority of the Secretary, on or before the due date, of up to 85 percent of any educational loan that matures within the three-year period that an eligible health professional practices in a doctor shortage area. Eliminated the loan forgiveness provisions pertaining to health professionals serving in a rural area with low family income.

Provided for full forgiveness of any educational loan to students in both exceptionally needy circumstances and from low income or disadvantaged families who have stopped and failed to complete studies leading to their first professional degree and have not resumed or cannot be expected to resume their studies within two years of their previous termination. Extended eligibility to students of medicine, optometry, dentistry, veterinary medicine, osteopathy, pharmacy, or podiatry.

Authorized the Secretary to make loans to U.S. citizens studying full time in schools of medicine located outside the U.S. Required that loans to students studying in foreign medical schools be issued under the same conditions and terms, to the extent feasible, as loans to medical students in the U.S.

Limited eligibility for foreign medical school loans to students who: have applied to a U.S. medical school, have met the school's admission requirements, and have not been admitted because the number of qualified applicants exceeded the number of openings in the school, and have not been accepted by any other U.S. medical school; or have, after completing the third year in a foreign medical school, passed an examination used to determine qualifications for transfer to a U.S. medical school, have applied for admission to a U.S. medical school, and have not been accepted.

Authorized appropriations for this program of $1,750,000 each year for fiscal 1972, 1973, and 1974.

Scholarships—Amended the formula for appropriating and allocating scholarship grants to schools as follows: for fiscal 1972 the grant to each school shall equal $3,000 times one-tenth the number of full-time students; for fiscal years 1973 and 1974 the grant to each school shall equal the greater of $3,000 times the number of full-time students from low income backgrounds or $3,000 times one-tenth the number of full time students.

Authorized appropriations for fiscal years 1975, 1976, and 1977 of the sums necessary to enable schools to continue scholarship awards to students who received scholarships from grants issued to the school before fiscal 1975.

Increased from $2,500 to $3,500 the maximum scholarship award to a student per year.

Authorized the Secretary to make scholarship grants to U.S. citizens studying in foreign medical schools. Stipulated that eligible students must be of exceptional financial need and must agree to practice medicine in the U.S. for a five-year period. Limited eligibility for foreign medical school scholarships to students who: have applied to a U.S. medical school, have met the school's admission requirements, and have not been admitted because the number of qualified applicants exceeded the number of openings in the school, and have not been accepted by any other U.S. medical school; or have, after completing the third year in a foreign medical school, passed an examination used to determine qualifications for transfer to a U.S. medical school, have applied for admission to a U.S. medical school, and have not been accepted.

Limited foreign scholarships to a maximum $3,500 a year per student and stipulated that scholarships may cover tuition, fees, books, equipment, and living costs. Specified that scholarships grants shall be made only after consultation with the National Advisory Council on Health Professions Education.

Authorized appropriations of $150,000 for each of fiscal years 1972, 1973, and 1974 for scholarship grants to U.S. students in foreign medical schools. Further authorized appropriations for fiscal years 1975, 1976, and 1977 of the necessary sums to enable the Secretary to continue scholarship grants to foreign medical students who have received scholarship grants from funds made available to the Secretary before fiscal 1975.

Authorized the Secretary to make scholarship grants to medical students who agree to engage in primary care practice after their professional training in a physician shortage area or in an area that assures a substantial portion of their practice will consist of migratory agricultural workers or their families.

Authorized appropriations for the physician shortage scholarship grant program of $2,500,000 for fiscal year 1972, $3,000,000 for fiscal year 1973, and $3,500,000 for fiscal 1974. Authorized appropriations for fiscal years 1975, 1976, and 1977 of the necessary sums to continue scholarship grants under this program to eligible students who have received grants under this program prior to fiscal 1975.

Required the Secretary, when awarding the grants, to accord priority to the applicants as follows: (1) applicants from low-income backgrounds who reside in physician shortage areas and agree to practice there after their professional training; (2) applicants who reside in physician shortage areas and agree to practice there after their professional training; (3) applicants from low income backgrounds; and (4) all other applicants.

Limited scholarship grants under this program to a maximum $5,000 per student per year. Required from students one year of practice in an area with a physician shortage or a substantial number of migratory workers for each year of scholarship aid. Provided that students receiving scholarship grants for four years will be required to practice for only three years in the specified areas if they serve all their internship and residency in a physician shortage area or an area with a substantial number of migratory workers.

EMERGENCY HEALTH PERSONNEL ACT AMENDMENTS OF 1972 (PL 92–585)

Loans—Added, as a condition for receiving loan forgiveness payments, that eligible individuals may enter into an agreement with the Secretary to practice their profession as a member of the National Health Service Corps in a health manpower shortage area for at least two years.

CONSTRUCTION ASSISTANCE

HEALTH PROFESSIONS EDUCATIONAL ASSISTANCE ACT OF 1963 (PL 88–129)

Authorized appropriations of $175,000,000 over a three-year period from fiscal 1964 through fiscal 1966. Distributed the $175,000,000 as follows: $105,000,000 to assist in the construction of new teaching facilities for the training of physicians, osteopaths, pharmacists, optometrists, podiatrists, nurses, or professional public health personnel; $35,000,000 to assist in the construction of new teaching facilities for the training of dentists; $35,000,000 to replace or rehabilitate existing teaching facilities for the training of physicians, pharmacists, optometrists, podiatrists, nurses, professional public health personnel, or dentists.

Stipulated that, to be eligible for a construction grant, an applicant must be a public or non-profit school of medicine, dentistry, osteopathy, pharmacy, optometry, podiatry, nursing, or public health and be accredited or, in the case of new school, give reasonable assurance that it will be accredited by a body recognized by the Commissioner of Education. Extended eligibility for a construction grant to any hospital affiliated with a school of medicine or osteopathy whose application is filed by a public or nonprofit agency which is qualified to do so under section 631 of the Public Health Service Act.

Limited grants for the construction of a hospital facility (as defined by section 625 of the PHS Act) to that portion of the project which the Surgeon General determines is necessary to meet the training needs of a new or expanded school or to prevent the curtailment of enrollment or quality of training in a school with renovated or rehabilitated facilities.

Required that grants for construction may be awarded only after the Surgeon General has approved them upon his determination that: the applicant has met all the requirements for eligibility; the facility will be used for at least 10 years for the purpose for which it was constructed; sufficient funds will be available to meet the non-federal share of construction; sufficient funds will be available to assure effective use of the facility; the first-year enrollment in an expanded medical, dentistry, osteopathy, pharmacy, optometry, podiatry, or public health school during each of the first 10 years after the completion of construction will exceed the highest first-year enrollment at the school during any of the five years preceding the application by the greater of at least five percent, or by five students.

Limited grants from authorized funds to aid in the construction of new schools of medicine, dentistry, osteopathy, pharmacy, optometry, podiatry, nursing, or public health or the expansion of the training capacity of existing facilities and to aid in the rehabilitation or replacement of the above schools' facilities to prevent enrollment curtailment or training quality impairment.

Required that an application for aid to construct a hospital or diagnostic or treatment center had been previously submitted under the Hill-Burton hospital construction program and denied because of lack of priority and state funds.

Required that all applications for construction assistance guarantee minimum standards in construction and equipment in accordance with regulations and that the construction workers be paid as high as the prevailing wage rate in the locality as determined by the Davis-Bacon Act.

Required that the Surgeon General along with the National Advisory Council on Education for Health Professions consider the geographical distribution of facilities and availability of facilities and health personnel; and consider the relationship of the applicant to a state, regional, or other interstate planning agency.

Limited the federal grants to payment generally of 50 percent of the construction costs but permitted payment of 66⅔ percent of the construction costs in major expansions of training facilities and 75 percent of the construction costs in the case of public health facilities.

Stipulated that the federal government was entitled to recover funds within 10 years of the completion of a facility if: the applicant or other owner of the facility ceases to be a public or non-profit school; the applicant or other owner of an affiliated hospital ceases to be a public or nonprofit agency qualified to file an application under section 631 of the PHS Act; the facility ceases to be used for purposes for which it was constructed; or the facility is used for religious instruction or as a place of religious worship.

Denied the federal government authority to exercise any direction, supervision, or control over the personnel, curriculum, or administration of any institution which receives aid.

Directed the Surgeon General to prescribe general regulations and authorized him to provide technical assistance and consultative services to state or interstate planning agencies for relieving shortages of training capacity in the fields of medicine, dentistry, osteopathy, pharmacy, optometry, podiatry, nursing and public health.

NURSE TRAINING ACT OF 1964 (PL 88–581)

Excluded, beginning in fiscal 1966, nurses and nurses' training from consideration under the Health Professions Educational Assistance Act of 1963.

HEALTH PROFESSIONS EDUCATIONAL ASSISTANCE AMENDMENTS OF 1965 (PL 89–290)

Extended for three years, from fiscal 1967 through fiscal 1969, the existing programs of aid in the construction of new teaching facilities and the replacement or rehabilitation of existing facilities for the training of physicians, osteopaths, dentists, pharmacists, optometrists, podiatrists, and professional public health personnel. Authorized to be appropriated for three fiscal years for construction $480,000,000. Required that sums appropriated remain available until expended.

VETERINARY MEDICAL EDUCATION ACT OF 1966 (PL 89–709)

Included veterinarians and veterinarians' training in the construction assistance program of the Health Professions Educational Assistance Act. Provided no additional authorization of appropriations.

HEALTH MANPOWER ACT OF 1968 (PL 90–490)

Extended for two years, fiscal 1970 and fiscal 1971, the existing program of construction assistance and authorized $170,000,000 to be appropriated for construction in fiscal 1970 and $225,000,000 in fiscal 1971. Stipulated that the funds appropriated must remain available for obligation for two fiscal years.

Permitted the maximum federal share of construction costs to rise to 66⅔ percent when special circumstances, determined by the Secretary of HEW, require a larger percentage of federal funds to achieve the purpose of the construction program. For all other cases, the federal share of construction costs remained at their previous percentage levels.

Increased to 20 years the period of time in which the federal government can recover funds from grant recipients who fail to fulfill their responsibilities under the Act.

Permitted schools to apply for a grant under the Act for the construction of a multipurpose facility on the condition that the facility's primary purpose is teaching, even though other purposes may include research or a medical library. Permitted schools to include in the construction project space for continuing or advanced education.

COMPREHENSIVE HEALTH MANPOWER TRAINING ACT OF 1971 (PL 92–157)

Extended for three years from fiscal 1972 through fiscal 1974, the existing programs of construction assistance and authorized appropriations of $225,000,000 in fiscal 1972, $250,000,000 in fiscal 1973, and $275,000,000 in fiscal 1974. Repealed the existing two year availability of appropriated funds.

Extended to outpatient facilities the same privileges and eligibility requirements that exist for affiliated hospitals under the Act. Extended the eligibility for construction grants to hospitals and outpatient facilities affiliated with schools of dentistry (previously only those facilities affiliated with schools of medicine and osteopathy were eligible).

Increased the maximum federal share of construction costs to 70 percent; but allowed 80 percent in unusual circumstances such as a school in a doctor shortage area, and 80 percent for a new school or major expansion.

Expanded the definition of construction to include the acquisition of existing buildings but not the land on which they stand and the definition of teaching facilities to provide aid for interim facilities.

Initiated a loan guarantee program for private, non-profit health professions schools with the following: provides loan guarantees which may apply up to 90 percent of the loan and three percent interest subsidies; authorizes appropriations for interest payments of $8,000,000 for fiscal 1972, $16,000,000 for fiscal 1973, and $24,000,000 for fiscal 1974; generally prohibits loan guarantees whenever a loan guaranteed and a grant issued under the Act exceed 90 percent of the construction cost of a project; and prohibits loan guarantees and interest subsidies whenever such guarantees and subsidies would cause the cumulative total of guaranteed, subsidized loans to exceed obligated grant funds in the same fiscal year, unless obligated grant funds equal appropriations.

Required that applications for grants to aid in the construction of new schools of medicine, osteopathy, or dentistry be given special consideration if they contain assurances that the use of existing facilities (including federal medical or dental facilities) will accelerate the school's opening.

Required review by state and area health planning agencies of projects which include the provision of health services.

Exempted schools from the enrollment increase required for a construction grant if the school has a waiver because of inadequate physical facilities from the enrollment increase required for an institutional support grant and provides assurances that first year enrollment in each of the first 10 years after completion of construction will match the enrollment increase required for an institutional support grant.

OTHER PROGRAMS

HEALTH MANPOWER ACT OF 1968 (P.L. 90-490)

HPEA report—Required the Secretary, in consultation with the National Advisory Council on Health Professions Educational Assistance and the National Advisory Council on Education for Health Professions, to submit to the President and Congress before July 1, 1970, a report on the administration of the HPEA Act construction, student loan, institutional support, and scholarship grant sections of the PHS Act, including an appraisal of the adequacy of these programs to meet the long term needs for health professionals and recommendations of the Secretary as a result of these appraisals.

COMPREHENSIVE HEALTH MANPOWER TRAINING ACT OF 1971 (PL 92–157)

Computer technology grants—Authorized $5,000,000 for fiscal 1972, $10,000,000 for fiscal 1973, and $15,000,000 for fiscal 1974 for grants by the Secretary to public or non-profit schools, agencies, organization, institutions, or combinations; to plan and develop free-standing or university-based computer labs for the processing of biomedical information; and to research, through computer technology, the functions performed by physicians to determine which functions could be performed by other property trained personnel.

Family medicine traineeships—Authorized appropriations of $25,000,000 for fiscal 1972, $35,000,000 for fiscal 1973, and $40,000,000 for fiscal 1974 for grants by the Secretary to public or non-profit private hospitals for: professional training programs in the family medicine field for medical students, interns, residents, and practicing physicians; traineeships and fellowships for participants in the family medicine training program who plan to enter into that practice area; and other approved training programs in family medicine.

HMEIAs—Established health manpower education initiative awards. Authorized the Secretary to make grants to public or non-profit private health or educational entities and to enter into contracts with private or public health or educational entities for projects: to establish or maintain programs to alleviate shortages of health personnel in designated areas; to provide training programs to utilize health personnel more efficiently; to initiate or improve training of health personnel including teachers, administrators, specialists, and paraprofessionals; to emphasize the team approach to health services delivery; and to assist state, local, or regional groups to carry out the purpose of the projects.

Provided that the Secretary may also make grants and contracts for: information gathering for; planning, development, demonstration, establishment, or maintenance of; or the alteration and renovation of existing facilities for, any health manpower education initiative award project.

Authorized the Secretary to make grants to public or non-profit private health or educational entities to meet the costs of special projects to: encourage enrollment of students likely to practice in a health professions shortage area in HPEA Act, public health, or other health training schools; to encourage enrollment of individuals who are financially and otherwise disadvantaged because of socioeconomic factors in a HPEA Act school or, if not qualified, in the appropriate post-graduate program needed to qualify for an HPEA school; to publicize existing sources of financial aid; and to establish programs to facilitate the enrollment, pursuit, and completion of studies of minority students in HPEA Act schools. Stipulated that of the sums appropriated in a fiscal year for health manpower initiative awards not more than 15 percent or less than $5,000,000 could be used to meet the costs of special projects. Specified further that of the sums available to meet the costs of special projects not more than 50 percent could be used for the health professional shortage project or 50 percent for the remaining projects.

Required that each grant made by the Secretary to public or non-profit private health or educational entities or each contract entered into by the Secretary with public or non-profit private health or educational entities for projects must be coordinated with the appropriate regional medical program. Provided that the Secretary shall determine the amount of each health manpower education initiative award grant.

Authorized appropriations of $45,000,000 for fiscal 1972, $90,000,000 for fiscal 1973, and $135,000,000 for fiscal 1974 for health manpower education initiative awards. Specified that the sums appropriated for fiscal 1972 shall remain available for obligation through September 30, 1972.

HPEA report—Required the Secretary to prepare a report on the administration of the HPEA sections of the PHS Act. Stipulated that the report include: an estimate of increases in the number of people entering health professions before the enactment of the HPEA sections; an estimate of increases as a consequence of the enactment of the HPEA sections; an estimate of the relationship between the number of practitioners in the health professions and the public need; and an appraisal of the HPEA sections, including the amendments added by this Act, to meet the long term national health professional needs. Required the final report to be submitted to Congress by June 30, 1974.

Health facilities construction cost report—Required the Comptroller General to conduct a study of health facilities construction costs including the possibility of cost reduction through innovative techniques, new materials, and the possible waiver of unnecessarily costly federal standards. Specified that the report was to be completed and submitted to Congress one year after the enactment of this Act.

Health professions education cost report—Required the Secretary to arrange a study to determine the national average annual per student education costs of HPEA Act and nursing schools. Required the final report to be completed by January 1, 1974, and submitted to the appropriate Congressional committees. Specified that the report include recommendations concerning how the federal government can utilize educational cost per student data to determine the amount of capitation grants to each HPEA Act school. Authorized the Secretary to request the National Academy of Sciences to conduct the study.

Primary care graduate training—Authorized the Secretary to make annual grants to public or non-profit schools of medicine, osteopathy, or dentistry and to unaffiliated hospitals to support the educational costs of the first three years of full time approved graduate training programs in primary health of any other Secretary-designated health care field in which there is a physician, dentist or osteopath shortage. Authorized appropriations of $7.500,000 for fiscal 1973, and $15,000,000 for fiscal 1974 for graduate primary-care training grants.

Limited grants to any school or hospital for a fiscal year to $3,000 for each physician, dentist, or osteopath enrolled in a graduate primary care training program. Provided for the pro-rating of grants when approved applications exceed appropriations. Specified that, for the purpose of determining the amount of the grant award, only first-year graduate trainees be counted in fiscal 1973 and first- and second-year trainees in fiscal 1974.

Provided that grants for graduate primary care training can be awarded only if the application: is approved by the Secretary upon his determination that the applicant meets the eligibility requirements; contains a specific program which the applicant will undertake to encourage dentists, physicians, and osteopaths to enroll in a graduate training program in primary health care or other Secretary-designated health care field in which there is a physician, dentist or osteopath shortage; contains assurances that the applicant will increase the number of graduate training positions in these areas; provides for fiscal control, accounting procedures, and access to records as the Secretary may require to assure the proper explanation of how the grant will be applied to meet the costs of the graduate training program; and contains any additional information which the Secretary may require.

Required the Secretary to: consult with the National Advisory Council on Health Professions Education before approving a grant application; define the areas, in consultation with the Council, included in the primary health care field and designate any other health care areas in which there is a physician, dentist, or osteopath shortage; and set annual, mandatory increases in the number of graduate trainees which must be met as a condition of the graduate training grant.

Sex discrimination—Specified that all applications for grants, loan guarantees, and interest subsidies by HPEA Act schools or public or allied health training centers must contain assurances satisfactory to the Secretary that the school or training center will not discriminate according to sex in its admissions policies. Prohibited the Secretary from entering into a contract with an HPEA Act school or public or allied health training center unless they furnish assurances satisfactory to the Secretary that they will not discriminate on the basis of sex in their admission policies.

Teaching traineeships—Authorized the Secretary to make grants to public or nonprofit HPEA Act schools for the training of, and traineeships and fellowships for the advanced training of, teaching personnel in the HPEA Act health fields. Authorized appropriations of $10,000,000 for fiscal 1972, $15,000,000 for fiscal year 1973, and $20,000,000 for fiscal 1974 for these grants. Required that a minimum of 75 percent of each grant had to be used for traineeships and fellowships.

HEALTH PROFESSIONS EDUCATIONAL ASSISTANCE ACT OF 1963 (PUBLIC LAW 88-129)

Established the National Advisory Council on Education for Health Professions which consisted of the Surgeon General and the Commissioner of Education as ex officio members and 16 members. Required that four members of the Council be from the general public and that 12 be from among leading authorities in the higher education fields with eight of the 12 particularly concerned with training in medicine, dentistry, osteopathy, pharmacy, optometry, podiatry, nursing, and public health.

Required the Council to advise the Surgeon General in preparation of general regulations and the review of applications.

Permitted members of the Council to receive compensation at the rate of up to $100 a day while serving at the request of the Surgeon General.

NURSE TRAINING ACT OF 1964 (PUBLIC LAW 88-581)

Removed the nursing profession from participation on the National Advisory Council on Education for Health Professions.

HEALTH PROFESSIONS EDUCATIONAL ASSISTANCE AMENDMENTS OF 1965 (PUBLIC LAW 89-290)

Established the National Advisory Council on Medical, Dental, Optometric, and Podiatric Education. Stipulated that the Council shall consist of the Surgeon General as chairman and 12 members appointed by the Surgeon General without regard to civil service rules and for specified, staggered terms. Required that Council members be selected from the leading authorities in the fields of medical, dental, optometric, and podiatric education, except that three members must be selected from the general public.

Specified that the Council should advise the Surgeon General in the preparation of regulations and review of applications in the areas of institutional support and scholarship grants.

Permitted members of the Council to receive compensation at the rate of up to $100 a day while serving at the request of the Surgeon General.

VETERINARY MEDICAL EDUCATION ACT OF 1966 (PUBLIC LAW 89-709)

Expanded the National Advisory Council on Education for Health Professions to include the veterinary profession. Increased the membership of the Council from 16 to 17 and required nine, instead of eight, members to be particularly concerned with training in the field of medicine, dentistry, osteopathy, pharmacy, podiatry, veterinary medicine, or public health.

PARTNERSHIP FOR HEALTH AMENDMENTS OF 1967 (PUBLIC LAW 90-174)

Increased from 12 to 13 the number of members on the National Advisory Council on Education for Health Professions who must be selected from among the leading authorities in the fields of higher education.

HEALTH MANPOWER ACT OF 1968 (PUBLIC LAW 90-490)

Changed the name of the National Advisory Council on Medical, Dental, Optometric, and Podiatric Education to the National Advisory Council on Health Professions Educational Assistance. Expanded the Council from 12 to 14 members and permitted the pharmacy and veterinary medicine professions to participate on the Council.

AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT, 1970 (PUBLIC LAW 91-515)

Repealed the provision permitting members of the National Advisory Council on Education for Health Professions and the National Advisory Council on Health Professions Educational Assistance to receive compensation.

COMPREHENSIVE HEALTH MANPOWER TRAINING ACT OF 1971 (PUBLIC LAW 92-157)

Consolidated the functions of the National Advisory Council on Education for Health Professions and the National Advisory Council on Health Professions Educational Assistance into the National Advisory Council on Health Professions Education.

Specified Council membership to include the Secretary as chairman and 20 members appointed by the Secretary. Required four members to be from the general public and two members to be full time students in HPEA Act schools.

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Mr. KENNEDY. Mr. President, I ask unanimous consent to include the texts of the bills at this point.

There being no objection, the bills were ordered to be printed in the Record, as follows:

S. 3585

A bill to amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health and allied health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; REFERENCE TO ACT

Section 1. (a) This Act may be cited as the "Health Professions Educational Assistance Act of 1974".

(b) Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

TITLE I—GENERAL PROVISIONS

Sec. 101. (a) Sections 701 through 711 are repealed.

(b) Sections 724, 725, 799, and 799A are transferred to part A of title VII and are redesignated as sections 701, 702, 703, and 704, respectively.

(c) Section 701 (as so redesignated) is amended—

(1) by striking out "As used in this part and parts C, E, and F—" and inserting in lieu thereof "For purposes of this title:"; and

(2) by inserting "or an equivalent degree" after "degree in public health" in paragraph (4).

(d) Section 702 (as so redesignated) is amended by (1) striking out "twenty" in subsection (a) and inserting in lieu thereof "twenty-two;" (2) striking out the second sentence of paragraph (a) and inserting in lieu thereof the following: "The appointed members of the Council shall include (1) eight representatives of the health professions schools assisted under programs authorized by this title, including one each from the schools of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, podiatry, and public health, (2) eight full-time students enrolled in such health professions schools, including one each from the schools of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, podiatry, and public health, and (3) four members of the general public", and (3) striking out "parts A and G" in subsections (b) and (c) and inserting in lieu thereof "part G".

(e) Section 703 (as so redesignated) is amended to read as follows:

"ADVANCE FUNDING

"Sec. 703. An appropriation under an authorization of appropriations for grants or contracts under this title for any fiscal year may be made at any time before that fiscal year and may be included in an Act making an appropriation under such authorization for another fiscal year; but no funds may be made available from any appropriation under such authorization for obligation for such grants or contracts before the fiscal year for which such appropriation is authorized.".

(f) Section 704 (as so redesignated) is amended by adding at the end thereof the following: "In the case of a school of medicine which—

"(1) on the date of the enactment of this sentence is in the process of changing its status as an institution which admits only female students to that of an institution which admits students without regard to their sex, and

"(2) change is being carried out in accordance with a plan approved by the Secretary,

the provisions of the preceding sentences of this section shall apply only with respect to a grant, contract loan guarantee, or interest subsidy to, or for the benefit of such a school for a fiscal year beginning after June 30, 1979.".

(g) Part A of title VII is amended by adding at the end thereof the following new section:

"DELEGATION

"Sec. 705. The Secretary may delegate the authority to administer any program authorized by this title to the administration of a central office or offices in the Department of Health, Education, and Welfare, but such authority shall not be further delegated to any officer in any regional office or offices."

(h) If, within twenty years (or ten years in the case of a facility constructed with funds paid under part A as in effect before the date of the enactment of the Health Professions Educational Assistance Act of 1974) after completion of the construction of any facility for which funds have been paid under such part A (as so in effect) or under part D (as in effect before July 1, 1967)—

(1) the applicant for such funds or other owner of such facility shall cease to be a public or nonprofit private entity, or

(2) such facility shall cease to be used for the purposes for which such funds for its construction were provided, unless the Secretary determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from the obligation to do so,

the United States shall be entitled to recover from the applicant or other owner of the facility the amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated) of the facility, as the amount of the Federal participation bore to the cost of construction of such facility.

(i) The heading for part A of title VII is amended to read as follows:

"Part A—General Provisions".

(j) The heading for part H of title VII is repealed.

TITLE II—ASSISTANCE FOR CONSTRUCTION OF TEACHING FACILITIES

Sec. 201. Section 720 is amended to read as follows:

"GRANT AUTHORITY; AUTHORIZATIONS OF APPROPRIATIONS

"Sec. 720. (a) The Secretary may make grants to assist in the construction of teaching facilities for the training of physicians, dentists, pharmacists, optometrists, podiatrists, veterinarians, and professional public health personnel.

"(b) There are authorized to be appropriated $275,000,000 for the fiscal year ending June 30, 1974, $100,000,000 for the fiscal year ending June 30, 1975, $125,000,000 for the fiscal year ending June 30, 1976, and $150,000,000 for the fiscal year ending June 30, 1977, and for each of the two succeeding fiscal years, for grants under this part.".

Sec. 202. (a) (1) Subsection (a) of section 722 is amended to read as follows:

"(a) The amount of any grant under this part for construction of a project shall be such amount as the Secretary determines to be appropriate after obtaining advice of the Council, except that no grant for any project may exceed 80 per centum of the necessary costs of construction, as determined by the Secretary, of such project."

(2) The amendment made by paragraph (1) shall take effect with respect to grants made under part B of title VII of the Public Health Service Act from appropriations under section 720 of such Act for fiscal years beginning after June 30, 1974.

(b) Subsection (d) of section 722 is amended by striking out "(within the meaning of part A of this title)".

Sec. 203. (a) Subsections (a) and (b) of section 729 are each amended by striking out "1974" and inserting in lieu thereof "1979".

(b) The second sentence of section 729(e) is amended by striking out "and $24,000,000 in the fiscal year ending June 30, 1974" and inserting in lieu thereof the following: "$24,000,000 in the fiscal year ending June 30, 1974, $2,000,000 for the fiscal year ending June 30, 1975, $2,500,000 for the fiscal year ending June 30, 1976, and $3,000,000 for the fiscal year ending June 30, 1977, and for each of the two succeeding fiscal years.".

Sec. 204. (a) Section 721(c) is amended—

(1) by striking out "section 770(f) of this Act" in paragraph (2) and inserting in lieu thereof "section 771";

(2) by striking out paragraph (5) and redesignating paragraphs (6) and (7) as paragraphs (5) and (6), respectively;

(3) by striking out "and" at the end of paragraph (5) (as so redesignated), by striking out the period at the end of paragraph (6) (as so redesignated) and inserting in lieu thereof "; and", and by inserting after paragraph (6) the following:

"(7) the application contains or is supported by adequate assurance that any laborer or mechanic employed by a contractor or subcontractors in the performance of work on the construction of the facility will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a—276a–5, known as the Davis-Bacon Act).

The Secretary of Labor shall have with respect to the labor standards specified in paragraph (7) the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.S. 276c).",

(4) by striking out "section 725" in the last sentence of such subsection and inserting in lieu thereof "section 702", and

(5) by adding at the end thereof the following: "The Secretary shall not approve any application under this part unless such application has been recommended for approval by the Council."

(b) Sections 726, 727, 728, and 729 are redesignated as sections 724, 725, 726, and 727, respectively.

TITLE III—STUDENT ASSISTANCE; NATIONAL HEALTH SERVICE CORPS

Sec. 301. (a) Section 740 is amended (1) by striking out "or veterinary medicine" in subsection (a) and inserting in lieu thereof ", veterinary medicine, or public health," (2) by striking "or doctor of veterinary medicine or an equivalent degree" in paragraph (4) and inserting in lieu thereof "doctor of veterinary medicine or an equivalent degree, or graduate degree in public health or an equivalent degree," (3) by striking out "and" at the end of paragraph (4), (4) by redesignating paragraph (5) as paragraph (6), and (5) by inserting after paragraph (4) the following new paragraph:

"(5) provide that the school shall advise, in writing, each applicant for a loan from the student loan fund of the provisions of section 741 under which outstanding loans from the student loan fund may be paid (in whole or in part) by the Secretary; and".

(b) Section 741 is amended—

(1) by amending subsection (a) to read as follows:

"(a) Loans from a student loan fund established under an agreement under section 740 may not exceed for any student for any academic year (or its equivalent) an amount equal to the sum of—

"(1) the cost of tuition for such year at the school for which such fund was established, and

"(2) $2,500."

(2) by striking out "or doctor of veterinary medicine" in subsection (b) and inserting in lieu thereof "doctor of veterinary medicine or an equivalent degree, or graduate degree in public health",

(3) by adding at the end of subsection (b) the following: "No loan shall be made under this section to any individual unless such individual agrees in writing to practice his profession in accordance with section 771(b),

(4) by (A) striking out "Such" in subsection (c) and inserting in lieu thereof "(1) Except as provided in paragraph (2), such" and (B) inserting at the end of such subsection the following new paragraph:

"(2) If, in the case of any individual who agrees in writing to practice his profession in accordance with section 771(b) and who is selected by the Secretary to provide service under such section, such individual fails either to begin his service obligation or to complete such service obligation in accordance with such section he shall be liable for the payment of an amount determined in accordance with the formula—

in which 'A' is the amount which such individual shall pay; 'ψ' is the sum of the amount of any loan or loans paid to such individual under this section and the interest on such amount; 't' is the total number of months in such individual's period of obligated service; and 's' is the number of months of such period served by him in accordance with such section. Such amount shall, within the one-year period beginning on the date such amount becomes due, be paid by such individual. Such amount shall be in addition to any amount which such individual is obligated to pay under section 771(b).

(5) by striking out "or veterinary medicine" in subsection (c) and inserting in lieu thereof "veterinary medicine or public health",

(6) by striking out "or doctor of podiatry" in subsection (f) and inserting in lieu thereof "doctor of podiatry or an equivalent degree, or graduate degree in public health",

(7) by striking out "or podiatry" in subsection (f) and each place such phrase occurs in subsection (l) and inserting in lieu thereof "podiatry, or public health",

(8) by striking "30 per centum" each place it occurs insubsection (f)(2) and inserting in lieu thereof "50 per centum",

(9) by striking paragraph (C) of subsection (f)(2),

(10) by amending subsection (f)(1)(C) to read as follows:

"(C) who agrees in writing to practice his profession in accordance with section 771(b),", and

(11) by striking out "with the Secretary" in subsection (f)(2)(A).

(c) Subsection (a) of section 742 is amended to read as follows:

"(a) For the purpose of making Federal capital contributions into the student loan funds of schools which have established such funds under an agreement under section 740, there are authorized to be appropriated $60,000,000 for the fiscal year ending June 30, 1974, and for each of the five succeeding fiscal years. For the fiscal year ending June 30, 1980, and each of the two succeeding fiscal years there are authorized to be appropriated such sums as may be necessary to enable students who have received a loan under this part for any academic year ending before July 1, 1979, to continue or complete their education."

(d) Section 743 is amended by striking out '1977" each place it occurs and inserting in lieu thereof "1982".

(e)(1) Section 744 is repealed.

(2) The health professions education fund created within the Treasury by section 744 (d)(1) of the Public Health Service Act shall remain available to the Secretary of Health, Education, and Welfare for the purpose of meeting his responsibilities respecting participations in obligations acquired under section 744 of such Act. The Secretary shall continue to deposit in such fund all amounts received by him as interest payments or repayments of principal on loans under such section 744. If at any time the Secretary determines the moneys in the fund exceed the present and any reasonable prospective future requirements of such fund, such excess may be transferred to the general fund of the Treasury.

(3) Section 742(b) is amended (1) by striking out ", and for loans pursuant to section 744" in paragraph (1); and (2) by striking out "(whether as Federal capital contributions or as loans to schools under section 744)" in paragraph (3).

(f)(1) Section 746 is repealed.

(2) Section 740 is amended (A) by striking out "of Health, Education, and Welfare" in subsection (a); and (B) by striking out ", except as provided in section 746," in paragraphs (2) and (3) of subsection (b).

(g)(1) Section 747(c) is amended by adding at the end thereof the following:

"(3)(A) No loan under this subpart shall be made to any individual unless such individual agrees in writing to practice his profession in accordance with section 771(b).

(2) Section 747(d) is amended by striking out "two" and inserting in lieu thereof "seven".

Sec. 302. (a) Subparts I and III of part F of title VII are repealed.

(b) The Secretary of Health, Education, and Welfare may, during the period beginning July 1, 1974, and ending June 30, 1979, make grants to public and nonprofit private schools of medicine, osteopathy, dentistry, optometry, podiatry, pharmacy, and veterinary medicine to enable such schools to continue making payments under scholarship awards to students who initially received such awards out of grants made to the schools under part F of title VII of the Public Health Service Act for fiscal years ending before July 1, 1974.

Sec. 303. (a) Section 329 is amended to read as follows:

"NATIONAL HEALTH SERVICES CORPS

"Sec. 329. (a) There is established, within the Service, the National Health Service Corps (hereinafter in this section referred to as the 'Corps') which shall consist of those officers of the Regular and Reserve Corps of the Service and such other personnel as the Secretary may designate and which shall be utilized by the Secretary under this section to improve the delivery of health services to medically undeserved populations.

"(b)(1) The Secretary shall designate the medically underserved populations in the States. For purposes of this section, a medically underserved population is the population of an urban or rural area (which does not have to conform to the geographical boundaries of a political subdivision and which should be a rational area for the delivery of health services) which the Secretary determines has a critical shortage of health professions personnel or a population group determined by the Secretary to have such a shortage; and the term 'State' includes Guam, American Samoa, and the Trust Territory of the Pacific Islands. In designating medically underserved populations, the Secretary shall take into account (A) the recommendations of the entities responsible for the development of the plans referred to in section 314(b) which cover all or any part of the areas in which populations under consideration for designation reside, and (B) in the case of any such area for which no such entity is responsible for developing such a plan, the recommendations of the agency of the State (or States) in which such area is located which administers or supervises the administration of a State plan approved under section 314(a).

"(2) Any person may apply to the Secretary (in such manner as he may prescribe) for the designation of a population as a medically underserved population. In considering an application under this paragraph, the Secretary shall take into account the following in addition to criteria utilized by him in making a designation under paragraph (1):

"(A) Ratios of available health professions personnel to the population for which the application is made.

"(B) Indicators of the population's access to health services.

"(C) Indicators of health status of the population.

"(D) Indicators of such population's need and demand for health services.

"(E) Relative levels of reimbursement under titles XXIII and XIV of the Social Security Act with respect to such population.

"(3) The Secretary shall (A) provide assistance to persons seeking assignment of Corps personnel to provide under this section health services for medically underserved populations, (B) conduct such information programs (including the provision of information regarding the National Health Service Corps to appropriate State and local agencies and to the public) in areas in which such populations reside as may be necessary to inform the public and private health entities serving those areas of the assistance available to such populations by virtue of their designation under this section as medically underserved, and (C) provide technical (including management) assistant to such persons (especially appropriate State and local agencies in order to improve the capacity of such medically underserved populations to secure health services from health professions personnel in addition to that provided by Corps personnel.

"(c) (1) (A) The Secretary may assign personnel of the Corps to provide, under regulations prescribed by the Secretary, health services for a medically underserved population if—

"(i) the State health agency of each State in which such population is located or the local public health agency or any other public or nonprofit private health entity serving such population makes application to the Secretary for such assignment, and

"(ii) the (I) local government of the area in which such population resides, and (II) any State and district medical or dental society for such area or any other appropriate health society (as the case may be), for such area certify to the Secretary that such assignment Corps personnel is needed for such population.

"(B) The Secretary may not approve an application under paragraph (1) (A) (i) for an assignment unless the applicant agrees to enter into an arrangement with the Secretary in accordance with subsection (e) (1) and has afforded—

"(i) the entity responsible for the development of the plans referred to in section 314(b) which covers all or any part of the area in which the population for which the application is submitted resides, and

"(ii) if there is a part of such area for which no such entity is responsible for developing such plans, the agency of the State in which such part is located which administers or supervises the administration of a State plan approved under section 314(a),

an opportunity to review the application and submit its comments to the Secretary respecting the need for and proposed use of health professions personnel requested in the application, the Secretary shall take into consideration the need of the population for which the application was submitted for the health services which may be provided under this section; the willingness of the population and the appropriate governmental agencies or health entities serving it to assist and cooperate with the Corps in providing effective health services to the population; and recommendations from medical, dental, or other health professional societies or from medical personnel serving the population.

"(C) If with respect to any proposed assignment of Corps personnel for a medically underserved population the requirements of clauses (i) and (ii) of subparagraph (A) are met except for the certification by a State and district medical or dental society or by any other appropriate health society required by clause (ii) (II) and if the Secretary finds from all the facts presented that such certification has clearly been arbitrarily and capriciously withheld, the Secretary may, after consultation with appropriate medical, dental, or other health professional societies, waive the application of the certification requirement to such proposed assignment.

"(2) (A) In approving an application submitted under paragraph (1) for the assignment of Corps personnel to provide health services for a medically underserved population, the Secretary may approve the assignment of Corps personnel for such population during a period (referred to in this paragraph as the 'assistance period') which may not exceed four years from the date of the first assignment of Corps personnel for such population after the date of the approval of the application. No assignment of individual Corps personnel may be made for a period ending after the expiration of the applicable approved assistance period.

"(B) Upon expiration of an approved assistance period for a medically underserved population, no new assignment of Corps personnel may be made for such population unless an application is submitted in accordance with paragraph (1) for such assignment. The Secretary may not approve such an application unless—

"(i) the application and certification requirements of paragraph (1) are met;

"(ii) the Secretary has conducted an evaluation of the continued need for health professions personnel of the population for which the application is submitted, of the utilization of the manpower by such population, growth of the health care practice of the Corps personnel assigned for such population, and of community support for the assignment; and

"(iii) the Secretary has determined that such population has made continued efforts to secure its own health professions personnel, that there has been sound fiscal management of the health care practice of the Corps personnel assigned for such population, including efficient collection of fee-for-service, third-party, and other funds available to such population, and that there has been appropriate and efficient utilization of such Corps personnel.

"(3) Corps personnel shall be assigned to provide health services for a medically underserved population on the basis of the extent of the population's need for health services and without regard to the ability of the members of the population to pay for health services.

"(4) The Secretary may assign to serve any medically underserved population, such as Corps personnel from among one or more of the various professions (including physicians, dentists, nurses, veterinarians, optometrists, podiatrists, pharmacists, public health personnel, and allied health personnel) as he determines to be essential to meet the needs of such population.

"(5) In making an assignment of Corps personnel the Secretary shall seek to match characteristics of the assignee (and his spouse (if any)) and of the population to which such assignee may be assigned in order to increase the likelihood of the assignee remaining to serve the population upon completion of his assignment period. The Secretary shall, before the expiration of the last nine months of the assignment period of a member of the Corps, review such member's assignment and the situation in the area to which he was assigned for the purpose of determining the advisability of extending the period of such member's assignment.

"(6) The Secretary shall provide technical assistance to all medically underserved populations to which are not assigned Corps personnel to assist in the recruitment of health professions personnel. The Secretary shall also give such populations current information respecting public and private programs which may assist in securing health professions personnel for them.

"(d) (1) In providing health services for a medically underserved population under this section, Corps personnel shall utilize the techniques, facilities, and organizational forms most appropriate for the area in which the population resides and shall, to the maximum extent feasible, provide such services (A) to all members of the population regardless of their ability to pay for the services, and (B) in connection with (i) direct health services programs carried out by the Service; (ii) any direct health services program carried out in whole or in part with Federal financial assistance; or (iii) any other health services activity which is in furtherance of the purposes of this section.

"(2) (A) Notwithstanding any other provision of law, the Secretary (i) shall, to the extent feasible, make such arrangements as he determines necessary to enable Corps personnel in providing health services for a medically underserved population to utilize the health facilities of the areas in which the population resides, and (ii) shall make such arrangements as he determines are necessary for the use of equipment and supplies of the Service and for the lease or acquisition of other equipment and supplies, and may secure the temporary services of nurses and allied health professionals.

"(B) If such area is being served (as determined under regulations of the Secretary) by a hospital or other health care delivery facility of the Service, the Secretary shall, in addition to such other arrangements as the Secretary may make under subparagraph (A), arrange for the utilization of such hospital or facility by Corps personnel in providing health services for the population, but only to the extent that such utilization will not impair the delivery of health services and treatment through such hospital or facility to persons who are entitled to health services and treatment through such hospital or facility. If there are no health facilities in or serving such area, the Secretary may arrange to have Corps personnel provide health services in the nearest health facilities of the Service or the Secretary may lease or otherwise provide facilities in such area for the provision of health services.

"(3) The Secretary may make one grant to any applicant with an approved application under subsection (c) to assist it in meeting the costs of establishing medical practice management systems for Corps personnel, acquiring equipment for their use in providing health services, and establishing appropriate continuing education programs and opportunities for them. No grant may be made under this paragraph unless an application is submitted therefor and approved by the Secretary. The amount of any grant shall be determined by the Secretary, except that no grant may be made for more than $25,000.

"(4) Upon the expiration of the assignment of Corps personnel to provide health services for a medically underserved population, the Secretary (notwithstanding any other provision of law) may sell to the entity which submitted the last application approved under subsection (c) for the assignment of Corps personnel for such population equipment of the United States utilized by such personnel in providing health services. Sales made under this paragraph shall be made for the fair market value of the equipment sold (as determined by the Secretary).

"(e) (1) The Secretary shall require as a condition to the approval of an application under subsection (c) that the entity which submitted the application enter into an appropriate arrangement with the Secretary under which—

"(A) the entity shall be responsible for charging in accordance with paragraph (2) for health services by the Corps personnel to be assigned;

"(B) the entity shall take such action as may be reasonable for the collection of payments for such health services, including if a Federal agency, an agency of a State or local government, or other third party would be responsible for all or part of the cost of such health services if it had not been provided by Corps personnel under this section, the collection, on a fee-for-service or other basis, from such agency or third party the portion of such cost for which it would be so responsible (and in determining the amount of such cost which such agency or third party would be responsible, the health services provided by Corps personnel shall be considered as being provided by private practitioners); and

"(C) the entity shall be entitled to retain any amount collected by the entity in accordance with subparagraph (B).

The amount collected by an entity in accordance with subparagraph (B) which the entity is entitled to retain under subparagraph (C) shall be used by the entity to expand or improve the provision of health services to the population for which the entity submitted an application under subsection (c) or to recruit and retain health prosessions personnel to provide health services for such population.

"(2) Any person who receives health services provided by Corps personnel under this section shall be charged for such services on a fee-for-service or other basis at a rate approved by the Secretary, pursuant to regulations, to recover the value of such services; except that if such person is determined under regulations of the Secretary to be unable to pay such charge, the Secretary shall provide for the furnishing of such services at a reduced rate or without charge.

"(f)(1) The Secretary shall conduct, at medical and nursing schools and other schools of the health professions and entities which provide training and education for the allied health professions, recruiting programs for the Corps. Such programs shall include the wide dissemination of written information on the Corps and visits to such schools by personnel of the Corps.

"(2) The Secretary may reimburse applicants for positions in the Corps for actual expenses incurred in traveling to and from their place of residence to an area in which they would be assigned for the purpose of evaluating such area with regard to being assigned in such area. The Secretary shall not reimburse an applicant for more than one such trip.

"(3) Commissioned officers and other personnel of the Corps assigned to provide health services for medically underserved populations shall not be included in determining whether any limitation on the number of personnel which may be employed by the Department of Health, Education, and Welfare has been exceeded.

"(4) The Secretary shall, under regulations prescribed by him, adjust the monthly rate of pay of each physician and dentist member of the Corps who is directly engaged in the delivery of health services to a medically underserved population as follows:

"(A) During the first thirty-six months in which such a member is so engaged in the delivery of health services, his monthly rate of pay shall be increased by an amount (not to exceed $1,000) which when added to the member's regular monthly rate of pay and allowances will provide a monthly income competitive with the average monthly income from an established practice of a member of such member's profession with equivalent training.

"(B) During the period beginning upon the expiration of the thirty-six months referred to in subparagraph (A) and ending with the month in which the member's regular monthly rate of pay and allowances is equal to or exceeds the monthly income he received for the last of such thirty-six months, the member shall receive in addition to his regular rate of pay and allowances an amount which when added to such regular rate equals the monthly income he received for such last month.

In the case of a member of the Corps who is directly engaged in the provision of health services to a medically underserved population in accordance with a service obligation incurred under section 750, the provision of this paragraph shall apply to such member upon satisfactory completion of such service obligation and the first thirty-six months of his being so engaged in the delivery of health care shall, for purposes of this paragraph, be deemed to begin upon such satisfactory completion.

"(g) The Secretary shall report to Congress no later than May 15 of each year—

"(1) the number and identity of all medically underserved populations in each of the States in the calendar year preceding the year in which the report is made and the number of medically underserved populations which the Secretary estimates will be designated under subsection (b) in the calendar year in which the report is made;

"(2) the number of applications filed in such preceding calendar year for assignment of Corps personnel under this section and the action taken on each such application;

"(3) the number and types of Corps personnel assigned in such preceding year to provide health services for medically underserved populations, the number and types of additional Corps personnel which the Secretary estimates will be assigned to provide such services in the calendar year in which the report is submitted, and the need (if any) for additional personnel for the Corps;

"(4) the recruitment efforts engaged in for the Corps in such preceding year, including the programs carried out under subsection (f)(1) and the number of qualified persons who applied for service in the Corps in each professional category;

"(5) the total number of patients seen and patient visits recorded during such preceding year in each area where Corps personnel were assigned;

"(6) the number of health professions personnel electing to remain after termination of their service in the Corps to provide health services to medically underserved populations and the number of such personnel who do not make such election and the reasons for their departure;

"(7) the results of evaluations made under subsection (c)(2)(B)(ii), and determinations made under subsection (c)(2)(B)(iii), during such preceding year; and

"(8) the amount (A) charged during such preceding year for health services by Corps personnel, (B) collected in such year by entities in accordance with arrangements under subsection (e)(1), and (C) paid to the Secretary in such year under such arrangements. "(h)(1) There is established a council to be known as the National Advisory Council on the National Health Service Corps (hereinafter in this section referred to as the 'Council'). The Council shall be composed of thirteen members appointed by the Secretary as follows:

"(A) Four members shall be appointed from the general public to represent the consumers of health care, at least two of whom shall be members of a medically underserved population for which Corps personnel are providing health services under this section.

"(B) Three members shall be appointed from the medical, dental, and other health professions and health teaching professions.

"(C) Three members shall be appointed from State health or health planning agencies.

"(D) Three members shall be appointed from the Service, at least two of whom shall be members of the Corps directly engaged in the provision of health services for a medically underserved population.

The Council shall consult with, advise, and make recommendations to, the Secretary with respect to his responsibilities in carrying out this section, and shall review and approve regulations promulgated by the Secretary under this section and section 750.

"(2) Members of the Council shall be appointed for a term of three years and shall not be removed, except for cause. Members may be reappointed to the Council.

"(3) Appointed members of the Council, while attending meetings or conferences thereof or otherwise serving on the business of the Council shall be entitled to receive for each day (including traveltime) in which they are so serving the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule, and while so serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 (b) of title 5 of the United States Code for persons in the Government service employed intermittently.

"(i) To carry out the purposes of this section, there are authorized to be appropriated $25,000,000 for the fiscal year ending June 30, 1974; $30,000,000 for the fiscal year ending June 30, 1975; $35,000,000 for the fiscal year ending June 30, 1976; and $40,000,000 for the fiscal year ending June 30, 1977 and for each of the two succeeding fiscal years.

(b)(1) The Secretary of Health, Education, and Welfare shall report to Congress (1) not later than September 1, 1974, the criteria used by him in designating medically underserved populations for purposes of section 329 of the Public Health Service Act, and (2) not later than January 1, 1975, the identity and number of medically underserved populations in each State meeting such criteria.

(2) The Secretary of Health, Education, and Welfare shall conduct or contract for studies of methods of assigning under section 329 of the Public Health Service Act, National Health Service Corps personnel to medically underserved populations and of providing health care to such populations. Such studies shall be for the purpose of identifying (A) the characteristics of health professions personnel who are more likely to remain in practice in areas in which medically underserved populations are located, (B) the characteristics of areas which have been able to retain health professions personnel, (C) the appropriate conditions for assignment of independent nurse practitioners and physician attenders in areas in which medically underserved populations are located, and (D) the effect that primary care residency training in such areas has on the health care provided in such areas and on the decisions of physicians who received such training respecting the areas in which to locate their practice.

(3) The Secretary of Health, Education, and Welfare shall (A) conduct or contract for the conduct of studies to determine factors responsible for the lack of adequate numbers of health professions personnel in medically underserved areas, (B) maintain continuous surveillance of the health status of such population, and (C) on the basis of information obtained under subparagraphs (A) and (B), develop adequate health professions personnel resource development programs applicable to such populations.

(c) The amendment made by subsection (a) which changed the name of the advisory council established under section 329 of the Public Health Service Act shall not be construed as requiring the establishment of a new advisory council under that section; and the amendment made by such subsection with respect to the composition of such advisory council shall apply with respect to appointments made to the advisory council after the date of the enactment of this Act.

SEC. 304. (a) Section 225 is transferred to part C of title VII, redesignated as section 750, and amended to read as follows:

"PUBLIC HEALTH AND NATIONAL HEALTH PROGRAM CORPS SCHOLARSHIP TRAINING PROGRAM

"SEC. 750. (a) The Secretary shall establish the Public Health and National Health Service Corps Scholarship Training Program (hereinafter in this section referred to as the 'program') to obtain trained health profession personnel (including physicians, dentists, nurses, veternarians, optometrists, podiatrists, pharmacists, public health personnel, and allied health personnel for the National Health Service Corps or other units of the Service.

"(b) To be eligible for acceptance in the program, an applicant for the program must—

"(1) be accepted for enrollment, or be enrolled, as a full-time student in an accredited (as determined by the Secretary) educational institution in a State which provides a course of study approved by the Secretary leading to a degree, doctor of medicine, a degree of doctor of osteopathy, a degree of doctor of dentistry or an equivalent degree, a degree of bachelor of science in pharmacy or an equivalent degree, a degree of doctor of optometry or an equivalent degree, a degree of doctor of podiatry or an equivalent degree, a degree of doctor of veterinary medicine or an equivalent degree, a graduate degree in public health or an equivalent degree, a degree of bachelor of arts in nursing, a degree of bachelor of science in nursing, a degree of bachelor of nursing or an equivalent degree, a graduate degree in nursing, an associate degree in nursing, or an equivalent degree, or any other course of study approved by the Secretary for the training of nurses or allied health personnel;

"(2) be eligible for, or hold, an appointment as a commissioned officer in the Regular or Reserve Corps of the Service or be eligible for selection for civilian service in the Service; and

"(3) agree in writing to serve, as prescribed by subsection (d) of this section, in the Commissioned Corps of the Service or as a civilian member of the Service.

To remain in the program an individual must pursue at such an institution such an approved course of study and maintain an acceptable level of academic standing in it.

"(c)(1)(A) Each participant in the program shall receive a scholarship for each approved academic year of training, not to exceed four years. A participant's scholarship shall consist of (i) an amount equal to the basic pay and allowances of a commissioned officer on active duty in pay grade O–1 with less than two years of service, and (ii) payment of the tuition expenses of the participant and all other educational expenses incurred by the participant, including fees, books, and laboratory expenses.

"(B) The Secretary may contract with an institution in which participants are enrolled for the payment to the institution of the tuition and other educational expenses of such participants. Payment to such institution may be made without regard to section 3648 of the Revised Statutes (31 U.S.C. 529).

"(2) When the Secretary determines that an institution has increased its total enrollment for the sole purpose of accepting members of the program, he may provide under a contract with such an institution for additional payments to cover the portion of the increased costs of the additional enrollment which are not covered by the institution's normal tuition and fees.

"(d)(1) Each participant in the program shall provide service as prescribed by paragraph (2) for a period of time (hereinafter in this section referred to as a 'period of obligated service') prescribed by the Secretary which may not be less than one year of such service for each academic year of training received under the program. A period of obligated service of any individual shall commence within six months after the date upon which such individual is licensed to practice his profession and such service shall continue without substantial interruption until such service is completed, except that for persons licensed to practice medicine or dentistry the commencement of a period of obligated service may be deferred by the Secretary for the period of time required to complete residency training if the National Health Service Crops approves such deferment. Periods of residency training shall not be creditable in satisfying a service obligation under this subsection.

"(2)(A) Except as provided in subparagraphs (B) and (C), an individual obligated to provide service on account of his participation in the program shall provide such service for the period of obligated service applicable to him as a member of the National Health Service Corps or the Indian Health Service.

"(B) If there are no positions available in the National Health Service Corps or the Indian Health Service at the time an individual is required by the Secretary to begin his period of obligated service, such individual shall serve in the clinical practice of his profession for such period as a member of the Federal Health Programs Service.

"(C) If there are no positions available in the National Health Service Corps, Indian Health Service, or the Federal Health Programs Service at the time an individual is required by the Secretary to begin his period of obligated service and neither the Corps nor any Service has a need at such time for a member of the profession for which such individual was trained, such individual shall serve for such period as a member of the Public Health Service in such units of the Department as the Secretary may prescribe.

"(e)(1) If, for any reason, a person fails to either begin his service obligation under this section in accordance with subsection (d) or to complete such service obligation, he shall be in default of the agreement entered into under this section and the United States shall be entitled to recover from such individual an amount determined in accordance with the formula

$$A=2\phi(t-s/t)$$

in which "A" is the amount the United States is entitled to recover; ϕ is the sum of the amount paid under this section to or on behalf of such person and the interest on such amount which would be payable if at the time it was paid it was a loan bearing interest at the maximum legal prevailing rate; "t" is the total number of months in such person's service obligation; and "s" is the number of months of such obligation served by him in accordance with subsection (d). Any amount which the United States is entitled to recover under this paragraph shall, within the three-year period beginning on the date the United States becomes entitled to recover such amount, be paid to the United States.

"(2) When a person undergoing training in the program is academically dismissed or voluntarily terminates academic training or fails to obtain a license to practice his profession he shall be liable for repayment to the United States for an amount equal to the scholarship which he received under the program.

"(3) The Secretary shall by regulation provide for the waiver or suspension of any obligation of any individual under this section whenever compliance by such individual is impossible or would involve extreme hardship to such individual and if enforcement of such obligation with respect to any individual would be against equity and good conscience.

"(g) Notwithstanding any other provision of law, persons undergoing academic training under the program shall not be counted against any employment ceiling affecting the Department of Health, Education, and Welfare.

"(h) The Secretary shall issue regulations for the implementation of this section.

"(i) To carry out the program, there is authorized to be appropriated $3,000,000 for the fiscal year ending June 30, 1974, $20,000,000 for the fiscal year ending June 30, 1975, $25,000,000 for the fiscal year ending June 30, 1976, and $30,000,000 for the fiscal year ending June 30, 1977, and for each of the two succeeding fiscal years."

(b) Part C of title VII is amended by inserting immediately before section 750 the following title:

"Subpart III—Public Health and National Health Service Corps Scholarship Training Program"

Sec. 305. (a) Subpart II and section 785 of part F of title VII are transferred to part C and redesignated subpart IV and section 751, respectively.

(b) Subsection (b) of section 751 (as so redesignated) is amended (1) by striking out "to practice medicine in the United States for a period of five years." and inserting in lieu thereof "in accordance with subsection (d)(3)." and (2) by striking out the second sentence of such subsection.

(c) Subsection (d) of section 751 (as so redesignated) is amended by adding at the end thereof the following:

"(3)(A) No scholarship grant under this subpart shall be made to any individual unless such individual agrees in writing to practice his profession in accordance with section 771(b).

(d) Subsection (e) of section 751 (as so redesignated) is amended (1) by striking out "1972" and inserting in lieu thereof "1975" (2) by striking out "two" in paragraph (1) and inserting in lieu thereof "four" (3) by striking out "1975" and inserting in lieu thereof "1980" and (4) by striking out "1974" and inserting in lieu thereof "1979".

Sec. 306. The heading of part C of title VII is amended to read as follows:

"Part C—Student Assistance".

TITLE IV—GRANTS FOR HEALTH PROFESSIONS SCHOOLS

Sec. 401. (a) Subsection (a) of section 770 is amended to read as follows:

"(a) Grant Computation. The Secretary shall make annual grants to schools of medicine, osteopathy, public health, dentistry, veterinary medicine, optometry, pharmacy, and podiatry for the support of the education programs of such schools. The amount of the annual grant to each such school with an approved application shall be computed for each fiscal year as follows:

"(1) Each school of medicine shall receive—

"(A) $3,250 for each full-time student enrolled in such school in such year; and

"(B) $1,000 for each student who is enrolled in such year on a full-time basis in a program of such school for the training of physician extenders (as defined by regulations of the Secretary).

"(2) Each school of dentistry shall receive—

"(A) $2,475 for each full-time student enrolled in such school in such year; and

"(B) $1,000 for each student who is enrolled in such year on a full-time basis in a program of such school for the training of expanded duty dental auxiliaries (as defined by regulations of the Secretary).

"(3) Each school of osteopathy shall receive—

"(A) $2,350 for each full-time student enrolled in such school in such year; and

"(B) $1,000 for each student who is enrolled in such year on a full-time basis in a program of such school for the training of physician extenders.

"(4) Each school of public health shall receive $2,000 for each full-time student enrolled in such school in such year.

"(5) Each school of veterinary medicine shall receive $1,850 for each full-time student enrolled in such school in such year.

"(6) Each school of optometry shall receive $1,050 for each full-time student enrolled in such school in such year.

"(7) Each school of pharmacy (other than a school of pharmacy with a course of study of more than four years) shall receive $1,025 for each full-time student enrolled in such school in such year. Each school of pharmacy with a course of study of more than four years shall receive $1,025 for each full-time student enrolled in the last four years of such school. For purposes of section 771, a student enrolled in the first year of the last four years of such school shall be considered a first-year student.

"(8) Each school of podiatry shall receive $1,650 for each full-time student enrolled in such school in such year.".

(b) Subsection (c) of section 770 is amended to read as follows:

"(c) Apportionment of Appropriations.—If the total of the grants to be made in accordance with subsections (a) and (b) for any fiscal year to schools of medicine, osteopathy, public health, dentistry, veterinary medicine, optometry, pharmacy, or podiatry with approved applications exceeds the amounts appropriated under subsection (f) for such grants, the amount of the grant for that fiscal year to a school which may not because of such excess receive for that fiscal year the amount determined for it under such subsections shall be an amount which bears the same ratio to the amount so determined for it as the total of the amounts appropriated for that year under subsection (f) for grants to such schools bears to the amount required to make grants in accordance with subsections (a) and (b) to such schools.".

(c) (1) Subsections (d), (e), (f), and (g) of section 770 are repealed.

(2) Subsection (h) of section 770 is (A) redesignated as subsection (d), and (B) is amended to read as follows:

"(d) Enrollment and Graduation Determinations.—

"(1) For purposes of this section and sections 771 and 772, regulations of the Secretary shall include provisions relating to determining the number of students enrolled in a school or in a particular year-class in a school, or the number of graduates, on the basis of estimates, on the basis of the number of students who in an earlier year were enrolled in a school or in a particular year-class or who were graduates, or on such other basis as he deems appropriate for making such determination, and shall include methods of making such determination when a school or a year-class was not in existence in an earlier year at a school.

"(2) For purposes of this section and sections 771 and 772, the term 'full-time students' (whether such term is used by itself or in connection with a particular year-class) means students pursuing a full-time course of study leading to a degree of doctor of medicine, doctor of dentistry, or an equivalent degree, doctor of osteopathy, bachelor of science in pharmacy or an equivalent degree, doctor of optometry or an equivalent degree, doctor of veterinary medicine or an equivalent degree, or doctor of podiatry or an equivalent degree or to a graduate degree in public health or an equivalent degree.".

(3) Subsection (i) of section 770 is (1) amended by inserting ", public health" after "osteopathy", and (2) redesignated as subsection (e).

(4) Subsection (j) of section 770 is redesignated as subsection (f) and is amended to read as follows

"(f) Authorizations of Appropriations.—

"(1) There are authorized to be appropriated $176,00,000 for the fiscal year ending June 30, 1975, $182,000,000 for the fiscal year ending June 30, 1976, and $188,000,000 for the fiscal year ending June 30, 1977, and for each of the two succeeding fiscal years, for payments under grnats under this section to schools of medicine based on the number of full-time students enrolled in such schools.

"(2) There are authorized to be appropriated $7,559,000 for the fiscal year ending June 30, 1975, $8,531,000 for the fiscal year ending June 30, 1976, and $9,483,000 for the fiscal year ending June 30, 1977, and for each of the two succeeding fiscal years, for payments under grants under this section to schools of osteopathy based on the number of full-time students enrolled in such schools.

"(3) There are authorized to be appropriated $2,000,000 for the fiscal year ending June 30, 1975, $3,000,000 for the fiscal year ending June 30, 1976, and $4.000,000 for the fiscal year ending June 30, 1977 and for each of the two succeeding fiscal years, for payments under grants under this section to schools of medicine and osteopathy based on the number of students enrolled in programs of such schools for the training of physician extenders.

'(4) (A) There are authorized to be appropriated $2,000,000 for the fiscal year ending June 30, 1975, $3,000,000 for the fiscal year ending June 30, 1976, and $4,000,000 for the fiscal year ending June 30, 1977 and for each of the two succeeding fiscal years, for payments under grants under this section to schools of dentistry based on the number of students enrolled in programs of such schools for the training of expanded duty dental auxiliaries.

"(B) There are authorized to be appropriated $49,500,000 for the fiscal year ending June 30, 1975. $50,800,000 for the fiscal year ending June 30, 1976, and $52,000,000 for the fiscal year ending June 30, 1977 and for each of the two succeeding fiscal years, for payments under grants under this section to schools of dentistry based on the number of full-time students enrolled in such school.

"(5) There are authorized to be appropriated $11,000,000 for the fiscal year ending June 30, 1975, $12,000,000 for the fiscal year ending June 30, 1976, and $13,000,000 for the fiscal year ending June 30, 1977, and for each of the two succeeding fiscal years, for payments under grants under this section to schools of public health.

"(6) There are authorized to be appropriated $11,729,000 for the fiscal year ending June 30, 1975, $12,395,000 for the fiscal year ending June 30, 1976, and $12,950,000 for the first year ending June 30, 1977 and for each of the two succeeding fiscal years, for payments under grants under this section to schools of veterinary medicine.

"(7) There are authorized to be appropriated $3,832,500 for the fiscal year ending June 30, 1975, $3,958,500 for the fiscal year ending June 30, 1976, and $4,207,850 for the fiscal year ending June 30, 1977 and for each of the two succeeding fiscal years, for payments under grants under this section to schools of optometry.

"(8) There are authorized to be appropriated $25,625,000 for the fiscal year ending June 30, 1975, $25,625,000 for the fiscal year ending June 30, 1976, and $25,625,000 for the fiscal year ending June 30, 1977 and for each of the two succeeding fiscal years, for payments under grants under this section to schools of pharmacy.

"(9) There are authorized to be appropriated $3,027,750 for the fiscal year ending June 30, 1975, $3,316,500 for the fiscal year ending June 30, 1976, and $3,481,500 for the fiscal year ending June 30, 1977 and for each of the two succeeding fiscal years, for payments under grants under this section to schools of podiatry.

"(10) No funds appropriated under any provision of this Act (other than this subsection) may be used to make grants under this section."

(d) The heading for part E of title VII is amended to read as follows:

"Part E—Grants and Contracts To Improve the Quality of Schools of Medicine, Osteopathy, Public Health, Dentistry, Veterinary Medicine, Optometry, Pharmacy, and Podiatry".

Sec. 402. Part E of title VII is amended (1) by redesignating sections 771 and 772 as sections 772 and 773 respectively, and (2) by adding after section 770 the following new section:

"ELIGIBILITY FOR CAPITATION GRANTS

"Sec. 771. (a) In General.—The Secretary shall not make a grant under section 770 to any school in a fiscal year beginning after June 30, 1974, unless the aplication for such grant contains or is supported by reasonable assurances satisfactory to the Secretary that—

"(1) the enrollment of full-time students in such school and—

"(A) in the case of a school of medicine or osteopathy, the enrollment of students on a full-time basis in a program of such school for the training of physician extenders, and

"(B) in the case of a school of dentistry, the enrollment of students on a full-time basis in a program of such school for the training of expanded duty dental auxiliaries, in the school year beginning after the beginning of the fiscal year in which such grant is made will not be less than the enrollment of such students in such school in the preceding school year; and

"(2) the applicant will expend in carrying out its functions as a school of medicine, osteopathy, public health, dentistry, veterinary medicine, optometry, pharmacy, or podiatry, as the case may be, during the fiscal year for which such grant is sought, an amount of funds (other than funds for construction as determined by the Secretary) from non-Federal sources which is at least as great as the average amount of funds expended by such applicant for such purpose (excluding expenditures of a nonrecurring nature) in the three years immediately preceding the fiscal year for which such grant is sought.

"(b) (1) The Secretary shall not make a grant under section 770 to any school in a fiscal year beginning after June 30, 1974, unless the application for such grant contains or is supported by reasonable assurances satisfactory to the Secretary that for the first school year beginning after such grant is made and for each school year thereafter during which such a grant is made such school shall require that each individual accepted for admission, as a condition of, and prior to, such admission, agree in writing to practice his profession (as a member of the National Health Service Corps or otherwise) in accordance with paragraph (2).

"(2) (A) Each individual shall be obligated to provide health services for a period of two years (hereinafter referred to as 'period of obligated service'). The period of obligated service shall be spent providing health services—

"(i) to a population designated under section 329 (b) as a medically underserved population, or

"(ii) in an area or at an institution designated by the Secretary to have a shortage of and need for individuals trained in his profession.

"(B) A period of obligated service of any individual shall commence within six months after the date upon which such individual is licensed to practice his profession and such service shall continue without substantial interruption until such service is completed, except that in the case of individuals who are licensed to practice medicine the commencement of such period of obligated service may be deferred for the period of time required to complete primary care residency training if such training is in family practice, internal medicine, pediatrics, or obstetrics and gynecology. Periods of residency training shall not be creditable in satisfying a service obligation under this subsection.

"(C) (i) The Secretary shall, for each year, establish the number of individuals in each profession needed to provide health services under this subsection for the populations and in the areas and institutions described in subparagraph (A) and shall select for service under this subsection such number of individuals in each profession from among all of the individuals in such profession who are obligated to begin their service obligation in such year. The selection of such individuals for service shall be made in an impartial and random manner, under such regulations as the Secretary shall prescribe.

"(ii) The Secretary shall assign those individuals selected in accordance with this subparagraph, to provide services for populations and in areas and institutions described in subparagraph (A). In making such assignments the Secretary shall apply the provisions of section 329(c) and (d), to the extent that they are consistent with the provisions of this subsection.

"(D) If, for any reason, an individual who is obligated to provide service under this subsection, and who has been selected by the Secretary under subparagraph (C), to provide such service, fails either to begin his service obligation or to complete such service obligation in accordance with this subsection the United States shall be entitled to recover from such individual an amount determined in accordance with the formula—

$$A=2\varnothing(t—s/t)$$

in which 'A' is the amount the United States is entitled to recover; $\varnothing$ is the sum of the amount paid under section 770 to a school on the basis of the enrollment in such school of such individual and the interest on such amount which would be payable if at the time it was paid it was a loan bearing interest at the maximum legal prevailing rate; 't' is the total number of months in such individual's period of obligated service; and 's' is the number of months of such period served by him in accordance with this subsection. Any amount which the United States is entitled to recover shall, within the one-year period beginning on the date the United States becomes entitled to recover such amount, be paid by such individual to the United States.

"(3) The Secretary shall by regulation provide for the waiver or suspension of any obligation of any individual under this subsection whenever compliance by such individual is impossible or would involve extreme hardship to such individual and if enforcement of such obligation with respect to any individual would be against equity and good conscience.

"(4) When any individual undergoing training in any school subject to the provisions of this subsection is academically dismissed or voluntarily terminates academic training, or fails to obtain a license to practice his profession he shall not be obligated to provide service under this subsection unless he, at some subsequent date, completes such training and obtains a license to practice his profession.

"(c) Schools of Medicine and Osteopathy.—The Secretary shall not make a grant under section 770 to any school of medicine or osteopathy in a fiscal year beginning after June 30, 1974, unless the application for such grant contains or is supported by reasonable assurances satisfactory to the Secretary that—

"(1) for the first school year beginning after the close of the fiscal year in which such grant is made and for each school year thereafter during which such a grant is made the first-year enrollment of full-time students in such school will exceed the number of such students enrolled in the school year beginning during the fiscal year ending June 30, 1974—

"(A) by 10 per centum of such number if such number was not more than one hundred, or

"(B) by 5 per centum of such number, or ten students, whichever is greater, if such number was more than one hundred; or

"(2) for the first school year beginning after the close of the fiscal year in which such grant is made and in each school year thereafter in which such a grant is made the number of students enrolled on a full-time basis in a program of such school for the training of physician extenders will not be less than twenty-five and for the second school year beginning after the close of the fiscal year in which such a grant is first made the number of students enrolled on a full-time basis in a program of such school for the training of physician extenders will exceed the number of such students so enrolled in the preceding school year by 25 per centum.

"(d) Schools of Dentistry.—The Secretary shall not make a grant under section 770 to any school of dentistry in a fiscal year beginning after June 30, 1974, unless the application for such grant contains or is supported by reasonable assurances satisfactory to the Secretary that—

"(1) for the first school year beginning after the close of the fiscal year in which such grant is made and for each school year thereafter during which such a grant is made the first-year enrollment of full-time students in such school will exceed the number of such students enrolled in the school year beginning during the fiscal year ending June 30, 1974—

"(A) by 10 per centum of such number if such number was not more than one hundred, or

"(B) by 5 per centum of such number, or ten students, whichever is greater, if such number was more than one hundred; or

"(2) for the first school year beginning after the close of the fiscal year in which such grant is made and in each school year thereafter in which such a grant is made the number of students enrolled on a full-time basis in a program of such school for the training of expanded duty dental auxiliaries will be not less than twenty-five and for the second school year beginning after the close of the fiscal year in which such grant is first made the number of students enrolled on a full-time basis in a program of such school for the training of expanded duty dental auxiliaries will exceed the number of such students so enrolled in the preceding school year by 25 per centum.

"(e) Schools of Public Health.—The Secretary shall not make a grant under section 770 to any school of public health in a fiscal year beginning after June 30, 1974, unless the application for such grant contains or is supported by reasonble assurances satisfactory to the Secretary that—

"(1) for the first school year beginning after the close of the fiscal year in which such grant is made and for each school year thereafter during which such a grant is made the first-year enrollment of full-time students in such school will exceed the number of such students enrolled in the school year beginning during the fiscal year ending June 30, 1974—

"(A) by 10 per centum of such number if such number was not more than one hundred, or

"(B) by 5 per centum of such number, or ten students, whichever is greater, if such number was more than one hundred.

"(f) Schools of Veterinary Medicine, Optometry, Pharmacy, and Podiatry.—The Secretary shall not make a grant under section 770 to any school of veterinary medicine, optometry, pharmacy, or podiatry in a fiscal year beginning after June 30, 1974, unless the application for such grant contains or is supported by reasonable assurances satisfactory to the Secretary that—

"(1) for the first school year beginning after the close of the fiscal year in which such grant is made and for each school year thereafter during which such a grant is made the first-year enrollment of full-time students in such school will exceed the number of such students enrolled in the school year beginning during the fiscal year ending June 30, 1974—

"(A) by 10 per centum of such number if such number was not more than one hundred, or

"(B) by 5 per centum of such number, or ten students, whichever is greater, if such number was more than one hundred.

"(g) The Secretary shall waive (in whole or in part) requirements of subsection (c), (d), (e), or (f) as they apply to any school upon written notification by the appropriate accreditation body or bodies (as defined in section 721(b)(1)), that if such school complies with the assurances required by such subsection it will be unable to meet the accreditation standards of such body or bodies.

"(h) Whenever the Secretary, after reasonable notice and opportunity for hearing, finds that any school receiving assistance under section 770 has failed to comply with any assurances required to be given under this section, the Secretary shall forthwith order (A) that no further grants will be made to such school under section 770, or (B) that further grants will be withheld, in whole or in part, until such school repays Federal moneys to which such school was not entitled because of such failure, and shall notify such school of such order.

"(i)(1) Any school which has been adversely affected by any order of the Secretary pursuant to this section may appeal to the United States court of appeals for the circuit in which such school is located, by filing a petition with such court within sixty days after such order. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by him for that purpose. The Secretary shall thereupon file in the court the record of the proceedings on which he based his order, as provided in section 2112 of title 28 of the United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the order of the Secretary or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Secretary may modify or set aside his order.

"(2) The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(3) The judgment of the court affirming or setting aside, in whole or in part, any order of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28 of the United States Code. The commencement of proceedings under this section shall not, unless so specifically ordered by the court, operate as a stay of the Secretary's order.".

Sec. 403. (a) Subsection (a) of section 773 (as so redesignated) is amended—

(1) by striking out "and podiatry" in subsection (a) each place it occurs and inserting in lieu thereof ", podiatry and public health".

(2) by amending paragraph (1) to read as follows:

"(1) effect significant improvements in the curricula of any such schools;."

(3) by striking out "physicians' assistants" in paragraph (3) and inserting in lieu thereof "physician extenders, expanded duty dental auxiliaries".

(4) by striking out "(B) providing increased emphasis on, and training and research in the science of human nutrition and the application of such science to health" in paragraph (7) and inserting in lieu thereof "(B) providing increased emphasis on the ethical, social, legal, and moral implications of advances in biomedical research and technology with respect to the effects of such advances of individuals and society."

(5) by amending paragraph (6) to read as follows:

"(6) assist schools of medicine, osteopathy, and dentistry to plan, develop, and implement a program of nutrition education within their curricula.".

(b) Subsection (d) of section 773 (as so redesignated is amended to read as follows:

"(d) There are authorized to be appropriated $156,000,000 for the fiscal year ending June 30, 1974 and $100,000,000 for the fiscal year ending June 30, 1975 and for each of the four succeeding fiscal years, for the purposes of making payments pursuant to grants and contracts under this section.".

SEC. 404. (a) Section 772(a)(6) (as so redesignated) is amended to read as follows:

"(6) There are authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1974, and $11,000,000 for the fiscal year ending June 30, 1975 and for each of the four succeeding fiscal years, for payments under grants under this subsection. Sums appropriated under this paragraph shall remain available until expended."

(b) Section 772(b)(2) (as so redesignated) is amended (1) by striking out "1974" and inserting in lieu thereof "1979", and (2) by striking out "1975" and inserting in lieu thereof "1980".

SEC. 405. Section 773 is repealed.

SEC. 406. (a) Section 774 is amended to read as follows:

"AREA HEALTH EDUCATION CENTERS

"SEC. 774. (a) For the purpose of improving the distribution, supply, quality, utilization, and efficiency of health professional personnel and the health services delivery system, and encouraging the regionalization of educational responsibilities, the Secretary may make grants to public or nonprofit private educational entities, and may enter into contracts with public or private educational entities, for new projects—

"(1) to encourage the establishment or maintenance of programs to alleviate shortages of health professional personnel in order to improve the delivery of health services to medically underserved populations, designated under section 329(b), through training or retraining of health professional personnel in community hospitals and other facilities serving such populations or to otherwise improve the distribution of health professional personnel by area or by specialty group;

"(2) to provide training programs leading to more efficient utilization of health professional personnel;

"(3) to initiate new types and patterns or improve existing patterns of training, retraining, continuing education, and advanced training of health professional personnel, including practitioners of family medicine, general internal medicine, and general pediatrics, teachers, administrators, specialists, and allied health personnel (particularly physician extenders, expanded duty dental auxiliaries, and nurse practitioners);

"(4) to encourage new or more effective approaches to the organization and delivery of health services, reflecting the needs of all health professions, through training individuals in the use of the team approach to delivery of health services; and

"(5) to assist State, local, or other regional arrangements among schools and related organizations and institutions to carry out the purposes of this subsection.

"(b)(1) No grant may be made or contract entered into under this section unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information as the Secretary shall by regulation prescribe. The Secretary shall not approve or disapprove any application for a grant or contract under this section except after consultation with the National Advisory Council on Health Professions Education (established by section 702). The Secretary shall not approve any such application unless such application has been recommended for approval by such council.

"(2) The amount of any grant under this section shall be determined by the Secretary. Payments under grants under this section may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary.

"(3) Contracts may be entered into under this section without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(c) There are authorized to be appropriated $75,000,000 for the fiscal year ending June 30, 1975, and for each of the four succeeding fiscal years, for payments under grants and contracts under this section."

(b) For the fiscal year ending June 30, 1975, and for each of the next three fiscal years there are authorized to be appropriated such sums as may be necessary to continue payments under contracts entered into under section 774 of the Public Health Service Act (as in effect before the date of the enactment of this Act) for area health education centers. Such payments may only be made from such sums for the periods and the amounts specified in such contracts.

SEC. 407. Section 775 is amended—

(1) by striking out "770, 771, 772, or 773" each place it occurs and inserting in lieu thereof "770, 772, or 773";

(2) by inserting ", public health" after "dentistry" in subsection (b);

(3) by striking out "this part" in subsection (c) and inserting in lieu thereof "section 770, 772, or 773";

(4) by striking out "725)." in subsection (c) and inserting in lieu thereof "702). The Secretary shall not approve any such application unless such application has been recommended for approval by such Council."

(5) by striking out "770, 771, or 773" in subsection (d)(1) and inserting in lieu thereof "770, 771, or 772"; and

(6) by amending subsection (d)(3) to read as follows:

"(3) provides for such fiscal control and accounting procedures and reports, including the use of such standard procedures for the recording and reporting of financial information as the Secretary may prescribe, and access to the records of the applicant, as the Secretary may require to assure proper disbursement of and accounting for Federal funds paid to the applicant under the grant and to enable the Secretary to determine the costs to the applicant of its program for the education or training of students."

SEC. 408. Sections 306 and 309 are repealed.

TITLE V—ASSISTANCE FOR SPECIALIZED TRAINING

SEC. 501. (a) Section 767 (entitled "Grants for Training, Traineeships, and Fellowships in Family Medicine") is transferred to part F of title VII and redesignated as section 781.

(b) Section 781 (as so redesignated) is amended (1) by striking out "and" after "1973,", and (2) by inserting after "1974," the following: $40,000,000 for the fiscal year ending June 30, 1975 and for each of the four succeeding fiscal years.".

SEC. 502. Section 769A (entitled "Grants for Computer Technology Health Care Demonstration Programs") is repealed.

SEC. 503. Part F of ttile VII is amended by adding after section 781 the following new section:

"EDUCATION OF RETURNING UNITED STATES STUDENTS FROM FOREIGN MEDICAL SCHOOLS

"SEC. 782. (a) The Secretary may make grants to schools of medicine and osteopathy to—

"(1) plan, develop, and initially operate new programs, or

"(2) substantially expand existing programs,

to train United States citizens who have transferred from medical schools in foreign countries and who have enrolled in such schools as full-time students with advanced standing. The costs for which a grant under this subsection may be made may include the costs of identifying deficiencies in the foreign medical school education of such students, the development of materials and methodology for correcting such deficiencies, and specialized training designed to prepare such students for successful completion of licensure examinations. A grant under this subsection may only be made for costs of such programs for one school year. No school may receive more than three grants under this subsection.

"(b) Any school of medicine or osteopathy which receives a grant under subsection (a) for the fiscal year ending June 30, 1975, shall submit to the Secretary before January 1, 1976, a report on the deficiencies (if any) identified by the school in the foreign medical school education of the students trained by such school under the program for which such grant was made. The Secretary shall compile the reports submitted under the preceding sentence, and before July 1, 1976, submit to the Congress his analysis and evaluation of the information contained in such reports.

"(c) There are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1975, $10,000,000 for the fiscal year ending June 30, 1976, and $15,000,000 for the fiscal year ending June 30, 1977 and for each of the two succeeding fiscal years, for payments under grants under subsection (a)."

SEC. 504. (a) Section 769B is transferred to part F of title VII, inserted after section 782, and redesignated section 783.

(b) Section 783 (as so redesignated) is amended (1) by striking out "under sections 767, 769, and 769A" each place it occurs and inserting in lieu thereof "under this part", and (2) by striking out "under sections 767 and 769A" in subsection (b) and inserting in lieu thereof "under this part".

SEC. 505. (a) Section 768 (entitled "GRANTS FOR SUPPORT OF POSTGRADUATE TRAINING PROGRAMS FOR PHYSICIANS AND DENTISTS") is transferred to part F of title VII, inserted after section 783, and redesignated section 784.

(b) Section 784 (as so redesignated) is amended by (1) inserting immediately after "1974" in subsection (a) "and for each of the five succeeding fiscal years", and (2) inserting before the semicolon in subsection (c)(3)(A) "and shall not approve any such application unless such application has been recommended for approval by such Council".

SEC. 506. Section 769 (entitled "GRANTS FOR TRAINING, TRAINEESHIPS, AND FELLOWSHIPS FOR HEALTH PROFESSIONS TEACHING PERSONNEL") are repealed.

SEC. 507. The heading for part F of title VII is amended to read as follows:

"PART F—ASSISTANCE FOR SPECIALIZED TRAINING"

TITLE VI—ALLIED HEALTH PERSONNEL

SEC. 601. (a) Part G of title VII is amended to read as follows:

"PART G—TRAINING PROGRAMS FOR ALLIED HEALTH PERSONNEL

"DEFINITIONS

"SEC. 785. For purposes of this subpart, the term 'allied health personnel' means individuals with training and responsibilities for (1) supporting, complementing, or supplementing the professional functions of physicians, dentists, and other health professionals in the delivery of health care to patients, or (2) assisting environmental personnel in environmental health control activities.

"PROJECT GRANTS AND CONTRACTS

"SEC. 786. (a) The Secretary may make grants and enter into contracts to assist eligible entities in meeting the costs of planning, study, development, demonstration, and evaluation projects undertaken with respect to one or more of the following:

"(1) Methods of coordination and management of education and training at various levels for allied health personnel within and among educational institutions and their clinical affiliates.

"(2) Methods and techniques for State and regional coordination and monitoring or education and training for allied health personnel.

"(3) Programs, methods, and curricula (including model curricula) for training various types of allied health personnel.

"(4) Programs, or means of adapting existing programs, for training as allied health personnel special groups such as returning veterans, the socioeconomical disadvantaged, and persons reentering any of the allied health fields.

"(5) New types of roles and uses for allied health personnel.

"(6) In coordination with the Secretary's program under section 1123 of the Social Security Act, methods of establishing, and determining compliance with, proficiency requirements for allied health personnel, including techniques for appropriate recognition (through equivalency and proficiency testing or otherwise) of previously acquired training or experience.

"(7) Methods of recruitment and retaining of allied health personnel.

"(8) Meaningful career ladders and programs of advancement for practicing allied health personnel.

"(b)(1) No grant may be made or contract entered into under subsection (a) unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(2) For purposes of subsection (a), the term 'eligible entities' means those entities which have had an application approved under paragraph (1) and which are—

"(A) schools, universities, or other educational entities which provide for allied health personnel education and training meeting such standards as the Secretary may by regulation prescribe,

"(B) States, political subdivisions of States, or regional and other public bodies representing States or political subdivisions of States or both, or

"(C) any entity which has a working arrangement (meeting such requirements as the Secretary may by regulation prescribe) with an entity described in subparagraph (A).

"(3) Contracts may be entered into under subsection (a) without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(4) The amount of any grant under subsection (a) shall be determined by the Secretary. Payments under such grants may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary.

"(c) For the purpose of making payments under grants and contracts under subsection (a), there are authorized to be appropriated $40,000,000 for the fiscal year ending June 30, 1975, $45,000,000 for the fiscal year ending June 30, 1976, and $50,000,000 for the fiscal year ending June 30 1977, and for each of the two succeeding fiscal years.

"TRAINEESHIPS FOR ADVANCED TRAINING OF ALLIED HEALTH PERSONNEL

"SEC. 787. (a) The Secretary may make grants to public and nonprofit private entities for traineeships provided by such entities for the training of allied health personnel to teach in training programs for such personnel or to serve in administrative or supervisory positions.

"(b)(1) No grant may be made under subsection (a) unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(2) Payments under such grants (A) shall be limited to such amounts as the Secretary finds necessary to cover the cost of tuition and fees of, and stipends and allowances (including travel and subsistence expenses and dependency allowances) for, the trainees; and (B) may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary.

"(c) For the purposes of making payments under grants under subsection (a), there are authorized to be appropriated $7,500,000 for the fiscal year ending June 30, 1975, $9,000,000 for the fiscal year ending June 30, 1976, and $10,500,000 for the fiscal year ending June 30, 1977 and for each of the two succeeding fiscal years.

"GRANTS AND CONTRACTS TO ENCOURAGE FULL UTILIZATION OF EDUCATIONAL TALENT FOR ALLIED HEALTH PERSONNEL TRAINING

"SEC. 788. (a) The Secretary may make grants to and enter into contracts with State and local educational agencies and other public or nonprofit private entities—

"(1) to (A) identify individuals of financial, educational, or other need who have a potential to become allied health personnel, including individuals who are veterans of the Armed Forces with military training or experience similar to that of allied health personnel, and (B) encourage and assist, whenever appropriate, the individuals described in clause (A) to (i) complete secondary school, (ii) undertake such postsecondary training as may be required to qualify them to undertake allied health personnel training, and (iii) undertake postsecondary allied health personnel training; and

"(2) to publicize existing sources of financial aid available to individuals undertaking allied health personnel training.

"(b)(1) No grant may be made or contract entered into under subsection (a) unless an application therefor has been submitted to and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(2) Contracts may be entered into under subsection (a) without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(3) The amount of any grant under subsection (a) shall be determined by the Secretary. Payments under such grants may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary.

"(c) For payments under grants and contracts under subsection (a) there are authorized to be appropriated $1,000,000 for the fiscal year ending June 30, 1975, $1,500,000 for the fiscal year ending June 30, 1976, and $2,000,000 for the fiscal year ending June 30, 1977 and for each of the two succeeding fiscal years.

"STATISTICAL AND ANNUAL REPORT

"SEC. 789. (a) The Secretary shall continuously develop, publish, and disseminate on a nationwide basis statistics and other information respecting allied health personnel, including—

"(1) detailed descriptions of the various types of such personnel and the activities in which such personnel are engaged,

"(2) the current and anticipated needs for the various types of such health personnel, and

"(3) the number, employment, geographic locations, salaries, and surpluses and shortages of such personnel, the educational and licensure and certification requirements for the various types of such personnel, and the cost of training such personnel.

"(b) The Secretary shall submit annually to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate a report on—

"(1) the statistics and other information developed pursuant to subsection (a); and

"(2) the activities conducted under this subpart, including an evaluation of such activities.

Such report shall contain such recommendations for legislation as the Secretary determines is needed to improve the programs authorized under this subpart. The Office of Management and Budget may review such report before its submission to Congress, but the Office may not revise the report or delay its submission beyond the date prescribed for its submission and may submit to Congress its comments respecting such report. The first report under this subsection shall be submitted not later than September 1, 1975."

(b)(1) Section 704 (as so redesignated) is amended (1) by striking out "any training center for allied health personnel" and inserting in lieu thereof "any entity for the training of allied health personnel", and (2) by striking out "or training center" each place it occurs and inserting in lieu thereof "or entity".

(2) Section 314(c) is repealed.

QUALITY ASSURANCES RESPECTING EDUCATION AND TRAINING OF ALLIED HEALTH PERSONNEL

SEC. 602. The Secretary of Health, Education, and Welfare shall within one year of the date of the enactment of this Act (1) submit to the Congress a report which identifies and describes each of the programs which he administers under which the costs of programs of education and training for allied health personnel (as defined in section 785 of the Public Health Service Act) are directly or indirectly paid (in whole or in part); and (2) take such action as may be necessary to require that such assistance is provided only those programs which meet such quality standards as the Secretary may by regulation prescribe.

ALLIED HEALTH PERSONNEL STUDY

SEC. 603. (a)(1) The Secretary of Health, Education, and Welfare shall, in accordance with paragraph (2), arrange for the conduct of studies—

(A) to identify the various types of allied health personnel and the activities in which such personnel are engaged and the various training programs currently offered for allied health personnel;

(B) to establish classifications of allied health personnel on the basis of their activities, responsibilities, and training;

(C) using appropriate methodologies, to determine the cost of educating and training allied health personnel in each classification; and

(D) to identify the classifications in which there are a critical shortage of such personnel and the training programs which should be assisted to meet that shortage.

(2)(A) The Secretary shall request the National Academy of Sciences to conduct such studies under an arrangement under which the actual expenses incurred by such Academy in conducting such studies will be paid by the Secretary. If the National Academy of Sciences is willing to do so, the Secretary shall enter into such an arrangement with such Academy for the conduct of such studies.

(B) If the National Academy of Sciences is unwilling to conduct one or more such studies under such an arrangement, then the Secretary shall enter into a similar arrangement with other appropriate non-profit private groups or associations under which such groups or associations will conduct such studies and prepare and submit the reports thereon as provided in subsection (b).

(b) The studies required by subsection (a) shall be completed within the two-year period beginning on the date of the enactment of this Act; and a report on the results of such study shall be submitted by the Secretary to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate before the expiration of such period.

(c) Within six months after the date prescribed for the completion of the studies under subsection (a), the Secretary of Health, Education, and Welfare shall transmit to Congress such recommendations for legislation as he determines is necessary to provide appropriate support for the training programs referred to in subsection (a)(1)(D).

TITLE VII—POSTGRADUATE PHYSICIAN TRAINING

SEC. 701. Title VII is amended by adding at the end thereof the following new part:

"PART H—POSTGRADUATE PHYSICIAN TRAINING

"SEC. 790. (a) There is established in the Public Health Service the National Council on Postgraduate Physician Training (hereinafter in this title referred to as the 'National Council').

"(b) The National Council shall consist of twenty-two members. The Director of the National Institutes of Health, the Chief Medical Director of the Veterans Administration, and the Assistant Secretary for Health and Environment of the Department of Defense shall be ex offiio members of the Council. The remaining members shall be appointed by the Secretary of Health, Education, and Welfare (hereinafter in this title referred to as the 'Secretary') without regard to the provisions of title 5 of the United States Code relating to appointments in the competitive service from persons who are not officers or employees of the United States Government as follows:

"(1) Eleven members shall be appointed from among doctors of medicine and osteopathy. Of the eleven:

"(A) six shall be representative of and shall themselves be practicing physicians associated with specialty and subspecialty physician (including osteopathic) organizations, including one each from the specialties or subspecialties of family practice, internal medicine, pediatrics, obstetrics and gynecology, surgery, and psychiatry;

"(B) two shall be representative of and shall themselves be physicians associated with hospitals which maintain postgraduate physician training programs;

"(C) two shall be representative of and shall themselves be associated with schools of medicine or osteopathy or university health science centers; and

"(D) one shall be representative of and shall himself be a physician participating in a program of postgraduate physician training.

"(2) Four members shall be appointed from among individuals who are health professionals other than physicians. Of the four:

"(A) two shall be representative of and shall themselves be individuals associated with hospitals which maintain postgraduate physician training programs;

"(B) one shall be representative of and shall himself be a health planner or public health administrator;

(C) one shall be a nurse or other allied health professional.

"(3) One member shall be appointed from among individuals who are students in schools of medicine and osteopathy and shall be representative of such individuals.

"(4) Three members shall be appointed from and shall be representative of the general public. The Secretary shall not appoint under this paragraph any individual who has any significant financial interest in the provision of health care services or in entities engaged in the provision of such services or in producing or supplying drugs or other articles for individuals and entities engaged in the provision of such services.
The members of the National Council shall select a chairman from among their own number.

"(c) Each appointed member of the National Council shall hold office for a term of four years, except that—

"(1) any member appointed to fill a vacancy prior to the expiration of the term for which his predecessor was appointed shall hold office for the remainder of such term, and

"(2) the terms of office of the members first taking office shall expire, as designated by the Secretary at the time of appointment, five at the end of the first year, five at the end of the second year, and five at the end of the third year, and four at the end of the fourth year, after the date of appointment.
No member shall be eligible to serve continuously for more than two terms.

"(d) Members of the National Council, while attending meetings or conferences thereof, or otherwise serving on business of the National Council, shall be entitled to receive compensation at rates fixed by the Secretary, but not exceeding for any day (including traveltime) the daily equivalent of the effective rate for grade GS-18 of the General Schedule, and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5 of the United States Code for persons in the Government service employed intermittently.

"SEC. 791. (a) Upon appointment (which shall be within six months after the date of enactment of this title) and prior to July 1, 1976, the National Council shall conduct studies and other activities relevant to the various matters relating to the postgraduate training of physicians specifically including the following:

"(1) The commissioning and supervision of the investigation of physician specialty distribution in the United States and its possessions as prescribed by section 793A.

"(2) The development of collaborative working relationships with each physician specialty organization to determine and assist its individual activities with respect to the number and location of practitioners within each specialty.

"(3) An assessment of the need for financial support for the postgraduate training of physicians, especially in primary care specialties.

"(4) An assessment of the service needs of hospitals and other health institutions, the role of postgraduate physician trainees in meeting such needs, and alternate means of meeting such needs.

"(5) An assessment of the educational component of postgraduate training programs for physicians.

"(6) The assessment of the impact of foreign medical graduates on the present and future health care in the United States and foreign nations.

"(b) After July 1, 1976, the National Council shall perform the duties described in section 794 and carry out such other activities as may be incidental to the performance of such duties.

"(c)(1) The Council may appoint and fix the pay of such staff personnel as it deems desirable. Such personnel shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

"(2) The Council may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule.

"SEC. 792. (a) For each of the Department of Health, Education, and Welfare regions there is established a Regional Council on Postgraduate Physician Training (hereinafter referred to in this title as the 'regional council'). Each regional council shall consist of twenty-two members. Three of the members shall be appointed upon the recommendations of the ex officio members of the National Council. The remaining members shall be appointed by the Secretary without regard to the provisions of title 5 of the United States Code relating to the appointments in the competitive service from persons who are not officers or employees of the United States Government as follows:

"(1) Eleven shall be appointed from among doctors of medicine and osteopathy. Of the eleven:

"(A) six shall be representative of and shall themselves be practicing physicians including one each from the specialties or subspecialties of family practice, internal medicine, pediatrics, obstetrics and gynecology, surgery, and psychiatry;

"(B) two shall be representative of and shall themselves be physicians associated with hospitals which maintain postgraduate physician training programs;

"(C) two shall be representative of and shall themselves be physicians associated with schools of medicine or osteopathy or university health science centers; and

"(D) one shall be representative of and shall himself be a physician participating in a program of postgraduate physician training.

"(2) four members shall be appointed from among individuals who are health professionals other than physicians. Of the four:

"(A) two shall be representative of and shall themselves be individuals associated with hospitals which maintain postgraduate physician training programs;

"(B) one shall be representative of and shall himself be a planner or public health administrator; and

"(C) one shall be representative of and shall himself be a nurse or other allied health professional.

"(3) One member shall be appointed from among individuals who are students in schools of medicine and osteopathy and shall be representative of such individuals.

"(4) Three members shall be appointed from the general public. The Secretary shall not appoint under this paragraph any individual who has any significant financial interest in the provision of health care services or in entities engaged in the provision of such services or in producing or supplying drugs or other articles for individuals and entities engaged in the provision of such services.
The members of each regional council shall select a chairman from among their own number.

"(b) Each member of a regional council appointed pursuant to paragraph (1), (2), (3), or (4) shall hold office for a term of four years, except that—

"(1) any member appointed to fill a vacancy prior to the expiration of the term for which his predecessor was appointed shall hold office for the remainder of such term, and

"(2) the terms of office of the members first taking office shall expire, as designated by the Secretary at the time of appointment, five at the end of the first year, five at the end of the second year, five at the end of the third year, and four at the end of the fourth year, after the date of appointment.
No member shall be eligible to serve continuously for more than two terms.

"(c) Members of a regional council, while attending meetings on business thereof, or otherwise serving on business of such regional council, shall be entitled to receive compensation at the rates fixed by the Secretary, but not exceeding for any day (including traveltime) the daily equivalent of the effective rate for grade GS–18 of the General Schedule, and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5 of the United States Code for persons in the Government service employed intermittently.

"(d) All members of a regional council shall be residents of, and employed in the region served by such regional council.

"SEC. 793. (a) Upon appointment (which shall be within six months after the date of enactment of this title), and prior to July 1, 1976, each regional council shall conduct studies and other activities relevant to the various matters related to the postgraduate training of physicians within the region served by such regional council, specifically including the following:

"(1) A survey of the institutions providing postgraduate training of physicians within the region, including an analysis of the types of training currently provided, as well as the types of training that might be provided by such institutions.

"(2) An assessment of the service needs of hospitals and other health institutions within the region, including an assessment of the role that postgraduate physician trainees play in meeting such needs and alternative means of meeting such needs.

"(3) An assessment of the educational component of the postgraduate training programs for physicians conducted within the region.

"(4) An assessment of the status of the financial support of the postgraduate training of physicians within the region, especially of primary care training programs.

"(5) Development of collaborative working relationships with State and local health planning programs and State departments of health operating within the region.

"(b) After July 1, 1976, each regional council shall perform the duties described in section 795 and carry out such other activities as may be incidental to the performance of such duties.

"(C)(1) Each regional council may appoint and fix the pay of such staff personnel as it deems desirable. Such personnel shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

"(2) Each regional council may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule.

"SEC. 794. (a) On July 1, 1976, and not later than July 1 of each year thereafter, the Secretary shall, in accordance with the recommendations of the National Council, conduct a certification program as follows:

"(1) Establish the total number of postgraduate physician training positions to be certified for the year beginning on the next following July 1. Such certified positions shall not exceed 110 per centum of the number of doctor of medicine and doctor of osteopathy degrees expected to be granted in the intervening year in the United States.

"(2) Assign the total number of certified positions so established, to the various categories of specialty and subspecialty practice of medicine recognized within the United States. In assigning positions to the various categories of specialty and subspecialty practice of medicine, the Secretary and the National Council shall take into consideration the findings of the study conducted pursuant to section 798A.

"(3) Assign from the certified positions so established in each physician specialty and subspecialty certified positions to each of the ten regions.

"(b) The Secretary, upon the recommendation of the National Council shall on October 1, 1976, and October 1 of each subsequent year directly certify positions in entities, and associations of such entities, which directly provide postgraduate training of physicians in those physician specialties and subspecialties in which sufficient numbers of physicians are not needed nationally to permit a proper distribution of such positions to the regions. Such positions shall not, in any year of the program, exceed 10 per centum of the total number of certified positions for such year. On or before August 1, 1976, and August 1 of each subsequent year the Secretary shall inform the respective regional councils of all positions proposed to be directly certified within such region. No position may be directly certified by the Secretary, if the respective regional council disapproves such position within thirty days of notification by the Secretary of such proposed certification.

"(c) The Secretary shall not certify any position under this section unless such position has been recommended for certification by the National Council.

"SEC. 795. (a) The Secretary shall, upon the recommendation of each regional council, not later than October 1, 1976, and October 1 of each subsequent year, certify postgraduate training positions in entities and asosciations of such entities, which directly provide such training within the region served by such regional council. In certifying such positions, the Secretary shall not certify any position—

"(1) in any physician specialty or subspecialty in excess of the number of certified positions in such medical specialty or subspecialty assigned to the region under section 794(a)(3);

"(2) in any entity or association of such entities which has, or will have, in the aggregate, fewer than ——— such certified positions;

"(3) in any entity which maintains any postgraduate physician training position, or any association of entities in which any participating entity maintains any such position, which is not certified under this title as a graduate training position for physicians; or

"(4) which is not a part of, at a minimum, an integrated three-year postgraduate physician training program.

"(b) In certifying positions, the Secretary and each regional council shall—

"(1) to the extent feasible, insure that the certified positions are equitably distributed geographically within the region served by the regional council; and

"(2) insure that the educational component of each training program meets acceptable standards as determined by the Secretary in consultation with appropriate professional organizations.

"(c) The Secretary shall not certify any position under this section unless such position has been recommended for certification by the appropriate regional council.

"SEC. 796. In carrying out the provisions of sections 791(a)(5), 793(a)(3) and 795(b)(2) relating to the educational component of postgraduate physician training, the National Council and each regional council shall coordinate its activities with the appropriate professional and other organizations concerned with graduate medical education.

"SEC. 797. (a) The Secretary shall make grants to, and contract with, entities which directly provide, or associations of such entities which directly provide, or have the capacity to directly provide, postgraduate training of physicians and which are certified to the Secretary by the National Council and the appropriate regional council as likely to receive an increased number of certified postgraduate positions subsequent to July 1, 1977, to allow such entities to develop new, and expand existing, postgraduate physician training programs.

"(b) In the awarding of grants, the Secretary shall give special priority to (1) programs of primary care residency training and (2) programs, especially programs described in clause (1), conducted by entities which serve medically underserved populations, as designated under section 329(b).

"(c) No entity may receive—

"(1) a grant or contract for more than $100,000 for the establishment, or the expansion of an existing program in the training of physicians in any particular specialty or subspecialty area, in any fiscal year.

"(2) a grant or contract for more than two consecutive years for the establishment, or the expansion of an existing program, for the training of physicians in any particular specialty or subspecialty area.

"(d) For each of the fiscal years ending June 30, 1975, June 30, 1976, June 30, 1977, June 30, 1978, and June 30, 1979, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

"SEC. 798. (a) The Secretary shall make grants to entities which—

"(1) directly provided postgraduate training of physicians on July 1, 1977; and

"(2) because of the operation of this part, are able to obtain a decreased number of postgraduate physician trainees following July 1, 1977; and

"(3) have a plan to utilize such funds to initiate the provision of services, previously provided by physicians in postgraduate training, by other health professionals and personnel, especially nurse clinicians.

The Secretary shall pay to such entities $10,000 for each individual position decrease in the first year following such decrease and $5,000 for each position decrease in the second year following such decrease.

"(b) For each of the fiscal years ending June 30, 1978, June 30, 1979, and June 30, 1980, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

"SEC. 798A. (a) The Secretary shall, within ninety days of the appointment of the National Council, contract, with the approval of the National Council as provided in subsection (b), for the conduct of a study to:

"(1) Analyze the current distribution of physicians by specialty. The geographical distribution of medical and osteopathic physicians by specialty and subspeciality and by geographic area shall be determined. Physician specialities and subspecialities shall be defined in a manner consistent with recognized categories; geographic areas shall be defined as a reasonable medical trade area for each speciality or subspeciality; special attention shall be given to determining the percent of time physicians in each specialty and subspeciality spend in primary care activities.

"(2) Project the expected distribution of physicians by speciality and subspeciality by geographic area in the years 1980, 1985, and 1990. Such projection shall be based on current trends in physicians speciality training and choice of practice sites, the activities of various specialty boards and other organizations, and the retirement-death rate of physicians by speciality and subspeciality.

"(3) Examine and critically evaluate the various methodologies for estimating the optimal distribution of physicians by speciality and subspeciality by geographic area. Methodologies examined and evaluated shall include methodologies utilized by foreign countries.

"(4) Develop a reliable and appropriate methodology to establish the optimal distribution of physicians by speciality and subspeciality by geographic area. Utilizing such methodology, projections shall be made for the optimal number of physicians by specialty and subspecialty by geographic area for the years 1980, 1985, and 1990.

"(b) The National Council shall approve the organization selected by the Secretary to conduct the study required by subsection (a). Such organization shall—

"(1) have a national reputation for objectivity in the conduct of studies for the Federal Government;

"(2) have the capability to readily marshal the widest possible range of expertise and advice relevant to the conduct of such studies;

"(3) have a membership and competent staff which have backgrounds in government, the health sciences, and the social sciences;

"(4) have a history of interest and activity in health policy issues related to such studies; and

"(5) have extensive existing contracts with interested public and private agencies and organizations.

"(c) An interim report providing a plan for the study required by subsection (a) shall be submitted by the organization conducting the study to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate by January 31, 1975; and a final report giving the results of the study shall be submitted by such organization to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate by January 31, 1976.

"(d) There is authorized to be appropriated $10,000,000, which shall be available without fiscal year limitations, for the conduct of the study required by subsection (a)."

TITLE VIII—NATIONAL LICENSURE OF PHYSICIANS AND DENTISTS

Sec. 801. Title VII is amended by adding at the end thereof the following new part:

"Part I—National Licensure of Physicians and Dentists

"Sec. 799. As used in this title the term—

"(1) 'physician' means a doctor of medicine or a doctor of osteopathy.

"(2) 'dentist' means a doctor of dentistry.

"(3) 'State agency' means the department, commission, board, or other agency of a State which is charged by the law of that State with the administration of laws and regulations regarding licensure of physicians and dentists.

"NATIONAL STANDARDS FOR LICENSURE OF PHYSICIANS AND DENTISTS

"Sec. 779A. (a)(1) Within two years of the date of enactment of this title the Secretary shall, in consultation with appropriate professional organizations, and in cooperation with any recognized national professional testing organization or organizations, develop and establish national standards for the licensure of physicians and dentists and prepare appropriate examinations for the initial licensure and subsequent renewal of such licensure (which shall be required periodically, but at least once every six years). Such standards shall include satisfactory performance, as defined by the Secretary, on an initial examination and reexaminations and compliance with such other requirements as are determined to be appropriate for the evaluation of competence to practice medicine or dentistry.

"(b) The Secretary shall periodically, but not less often than once every two years review the national standards (including the examinations) established pursuant to subsection (a) and shall, in a manner consistent with such subsection, revise such standards as appropriate to assure that such standards are adequate for evaluation of competence to practice medicine and dentistry.

"(c) Prior to the establishment or revision of the national standards, pursuant to this section, the Secretary shall publish a notice in the Federal Register and afford all interested parties a reasonable opportunity to present their views by oral and written submissions. The final action of the Secretary in establishing and revising the national standards shall be subject to judicial review in accordance with section 799C(e)(3).

"STATE PROGRAMS FOR LICENSURE IN ACCORDANCE WITH THIS TITLE

"Sec. 799C. (a)(1) By the completion of the first general session of the State legislature which commences after the date on which the Secretary establishes national standards pursuant to section 799A(a), a State may establish a program for licensure of physicians and dentists in accordance with this title.

"(2) A State licensure program is in accordance with this title if it meets or exceeds all of the national standards and complies with the provisions of sections 799D and 799E. A State program 'meets' the national standards if the substance of the State program requirements is the same as or the equivalent of the corresponding requirements of the national standards. A State licensure program 'exceeds' the national standards if it includes requirements which are the same as or equivalent to the corresponding requirements of the national standards, and imposes additional requirements which are not inconsistent with the national standards.

"(b) Upon the establishment of a program, pursuant to subsection (a) in any State, the State agency shall promptly submit to the Secretary a certified copy of such program, together with all relevant information which is requested by the Secretary. Within ninety days after the Secretary receives a copy of a State licensure program established under subsection (a), the Secretary shall make a determination whether such State has established a licensure program in accordance with this title. Unless the Secretary determines pursuant to this section, that a State licensure program is not in accordance with this title, the program shall go into effect in such State on the date designated in the program. In no event shall such State program go into effect less than nine months or more than twelve months after the date of its establishment.

"(c) The Secretary shall periodically, but not less often than once every three years, review each State licensure program, which has been determined under subsection (b) to be in accordance with this title to determine whether such program is still in accordance with this title. To facilitate such review each State agency shall submit to the Secretary periodically all relevant information which is requested by the Secretary. The Secretary shall report to the President and Congress simultaneously on July 1 of each year on the results of such reviews, including any recommendations for legislation.

"(d)(1) If, by the completion of the first general session of the State legislature which commences after the date on which the Secretary established national standards pursuant to section 799A(a), a State has not established a licensure program in accordance with this title (as determined by the Secretary under subsection (b)) the national standards established by the Secretary pursuant to section 799A(a) and the provisions of sections 799D and 799E shall become applicable in such State. The national standards shall go into effect in such State on the first day of the ninth month after such standards become applicable or on a date designated by the Secretary, whichever is earlier.

"(2) If, after the national standards are applicable or in effect in a State, the Secretary, upon petition, makes a determination, pursuant to subsection (b), that such State has established a licensure program in accordance with this title, such State licensure program shall go into effect and the national standards shall cease to be applicable or in effect on a date to be designated by the Secretary.

"(3) If, after a State licensure program in accordance with this title is in effect in a State, the Secretary makes a determination, pursuant to subsection (c), that such State licensure program is no longer in accordance with this title, then such program shall cease to be in effect on a date to be designated by the Secretary, and on that date the national standards and the provisions of sections 799D and 799E shall go into effect in such State.

"(e)(1) Before making any determination under this section, the Secretary shall publish a notice in the Federal Register and afford the State and all interested parties a reasonable opportunity to present their views by oral and written submission.

"(2) The Secretary shall notify in writing the Governor of the affected State of any determinations made under this section and shall publish these determinations with reasons therefor in the Federal Register.

"(3) Any determinations made by the Secretary under this section shall be subject to judicial review in accordance with chapter 7 of title 5 of the United States Code, in the United States court of appeals for the circuit in which is located the State whose plan is the subject of such determination or in the United States Court of Appeals for the District of Columbia Circuit. Any such review shall be instituted within sixty days from the date on which the determination made by the Secretary is published in the Federal Register.

"NATIONAL LICENSURE

"Sec. 799D. A physician or dentist licensed to practice his profession in any State shall be deemed to be qualified for licensure in any other State in which the national standards are in effect or which has a licensure program which meets the national standards. In the case of any State which has a licensure program which exceeds the national standards such a physician or dentist shall be deemed to be qualified for licensure in that State upon compliance with the additional requirements imposed by the licensure program of such State.

"STATE LICENSURE REQUIREMENTS

"Sec. 799E. (a) No State shall establish any requirement for licensure of physicians or dentists which requires that the individual applying for licensure reside in such State for a designated period of time as a condition prior to such licensure.

"(b) Each State shall apply the requirements of its licensure program equally to all individuals who apply to be licensed in such State whether they have received an education in medicine or dentistry in the United States or in a foreign nation except that those individuals who have received an education in a foreign nation shall be required to demonstrate written and spoken proficiency in the English language.

"(c) In the case of any physician or dentist obligated to provide health services in accordance with sections 741(f), 747(c), 750(d), 751(d), or 770(b)(2) and selected by the Secretary to provide such service, no State shall review a license previously given to such physician or dentist except upon certification by the Secretary that such physician or dentist has fulfilled such obligation in accordance with the requirements of such section.

"(d) No State shall renew a license previously given to any physician if such physician has received postgraduate training by filling a postgraduate training program position in any institution unless such position had been certified in accordance with part H at the time he received such training, except that this subsection shall not apply to any individual who completes his postgraduate training prior to July 1, 1977.

"(e) The requirements of this part with respect to licensure shall not apply to any physician or dentist in any State who has been given a license to practice his profession in such State prior to the date upon which the provisions of this part take effect in such State, except that any such physician or dentist shall, after the provisions of this part take effect in such State, be required to comply with the requirements of the national standards or of the licensure program of such State respecting renewal of licenses.".

S. 3586

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; REFERENCE TO ACT

SECTION 1. (a) This Act may be cited as the "Nurse Training Act of 1974".

(b) Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

EXTENSION OF CONSTRUCTION GRANTS

SEC. 2. (a) Section 801 is amended by striking out "and" after "1973,"; and by inserting before the period a comma and the following: $45,000,000 for the fiscal year ending June 30, 1975 and for each of the four succeeding fiscal years.

(b) Section 802(b) is amended by adding at the end thereof: "The Secretary shall not approve any application under this part unless such application has been recommended for approval by the council."

(c) Section 802(c)(1)(A) is amended (1) by inserting "(i)" after "proposed facilities", and (2) by inserting before the semicolon ", or (ii) in expanding the capacity of the school to provide graduate training".

(d) Subsection (a) of section 803 is amended to read as follows: "(a) The amount of any grant for a construction project under this part shall be such amount as the Secretary determines to be appropriate after obtaining advice of the Council, except that no grant for any project may exceed 80 per centum of the necessary costs of construction, as determined by the Secretary, of such project."

EXTENSION OF SPECIAL PROJECT GRANTS AND CONTRACTS AND FINANCIAL DISTRESS GRANTS

SEC. 3. (a) Section 805 is amended to read as follows:

"SPECIAL PROJECT GRANTS AND CONTRACTS

"SEC. 805. (a) The Sceretary may make grants to public and other non-profit private schools of nursing and other public or non-profit private entities, and enter into contracts with any public or private entity, to meet the costs of special projects to—

"(1) assist in—

"(A) mergers between hospital training programs or between hospital training programs and academic institutions, or

"(B) other cooperative arrangements among hospitals and academic institutions, leading to the establishment of nurse training programs;

"(2) develop training programs, and train, for new roles, types, or levels of nursing personnel, including programs for the training of pediatric nurse practitioners or other types of nurse practitioners;

"(3) plan, develop, or establish new programs, significant improvements in curriculums, or modifications of existing programs of nursing education;

"(4) increase educational opportunities for disadvantaged students;

"(5) provide continuing education for nurses; or

"(6) provide appropriate retraining opportunities for nurses who (after periods of professional inactivity) desire again actively to engage in the nursing profession.

Contracts may be entered into under this subsection without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(b) The Secretary may, with the advice of the National Advisory Council on Nurse Training, provide assistance to the heads of other departments and agencies of the Government to encourage and assist in the utilization of medical facilities under their jurisdiction for nurse training programs.

"(c) For payments under grants and contracts under this section there are authorized to be appropriated $35,000,000 for the fiscal year ending June 30, 1975 and for each of the four succeeding fiscal years.

(b) Sections 808 and 810 are repealed.

(c) Section 807 is amended—

(1) by striking out "805, 806, or 810" in subsection (a) and inserting in lieu thereof "805 or 806";

(2) by striking out "805, 806, or 810" in the matter in subsection (c) preceding paragraph (1) and inserting in lieu thereof "805 or 806";

(3) by striking out "or 810" in subsection (c)(1); and

(4) by striking out "agency, organization, or institution" in subsection (c)(1) and inserting in lieu thereof "entity".

EXTENSION AND REVISION OF CAPITATION GRANTS

SEC. 4. (a) Section 806(a) is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) Each collegiate school of nursing shall receive $800 for each full-time student enrolled in such school in such year.

"(2) Each associate degree school of nursing shall receive $550 for each full-time student enrolled in such school in such year.

"(3) Each diploma school of nursing shall receive $500 for each full-time student enrolled in such school in such year.

"(4) In addition to the amount received by each school of nursing under paragraph (1), (2), or (3), each such school which has a program for the training of nurse midwives, family health nurses, pediatric nurse practitioners, or similar nurse practitioners, shall receive $250 for each full-time student enrolled in such school in such year."

(b) Sections (c), (d), and (f) of section 806 are repealed.

(c) Subsection (e) of section 806 is redesignated as subsection (c) and amended—

(1) by striking out "July 1, 1966, through June 30, 1971," and inserting in lieu thereof "July 1, 1969, through June 30, 1974.".

(2) by adding at the end thereof the following new paragraph:

"(3) The Secretary shall waive (in whole or in part) the requirements of this subsection as they apply to any school upon written notification by the appropriate accreditation body or bodies, that if such school complies with the assurances required by such subsection it will be unable to meet the accreditation standards of such body or bodies."

(d) Section 806 is amended by adding after subsection (c) (as so redesignated) the following new subsctions:

"(d)(1) The Secretary shall not make a grant under this section to any school in a fiscal year beginning after June 30, 1974, unless the application for such grant contains or is supported by reasonable assurances satisfactory to the Secretary that for the first school year beginning after such grant is made and for each school year thereafter during which such a grant is made such school shall require that each individual accepted for admission, as a condition of, and prior to, such admission, agree in writing to practice his profession (as a member of the National Health Service Corps or otherwise) in accordance with paragraph (2).

"(2)(A) Each individual shall be obligated to provide health services for a period of two years (hereinafter referred to as 'period of obligated service'). The period of obligated service shall be spent providing health services—

"(i) to a population designated under section 329 (b) as a medically underserved population, or

"(ii) in an area or at an institution designated by the Secretary to have a shortage of and need for individuals trained in his profession.

"(B) A period of obligated service of any individual shall commence within six months after the date upon which such individual is licensed to practice his profession and such service shall continue without substantial interruption until such service is completed.

"(C)(i) The Secretary shall, for each year, establish the number of individuals needed to provide health services under this subsection for the populations and in the areas and institutions described in subparagraph (A) and shall select for service under this subsection such number of individuals from among all of the individuals who are obligated to begin their service obligation in such year. The selection of such individuals for service shall be made in impartial and random manner, under such regulations as the Secretary shall prescribe.

"(ii) The Secretary shall assign those individuals selected in accordance with this subparagraph to provide services for populations and in areas and institutions described in subparagraph (A). In making such assignments the Secretary shall apply the provisions of section 329(c) and (d), to the extent that they are consistent with the provisions of this subsection.

"(D) If, for any reason, an individual who is obligated to provide service under this subsection, and who has been selected by the Secretary under subparagraph (C) to provide such service, fails either to begin his service obligation or to complete such service obligation in accordance with this subsection, the United States shall be entitled to recover from such individual an amount determined in accordance with the formula—

$$A=2\phi\left(\frac{t-s}{t}\right)$$

in which "A" is the amount the United States is entitled to recover; ϕ is the sum of the amount paid under this section to a school on the basis of the enrollment in such school of such individual and the interest on such amount which would be payable if at the time it was paid it was a loan bearing interest at the maximum legal prevailing rate; "t" is the total number of months in such individual's period of obligated service; and "s" is the number of months of such period served by him in accordance with this subsection. Any amount which the United States is entitled to recover shall, within the one-year period beginning on the date the United States becomes entitled to recover such amount, be paid by such individual to the United States.

"(3) The Secretary shall by regulation provide for the waiver or suspension of any obligation of any individual under this subsection whenever compliance by such individual is impossible or would involve extreme hardship to such individual and if enforcement of such obligation with respect to any individual would be against equity and good conscience.

"(4) When any individual undergoing training in any school subject to the provisions of this subsection is academically dismissed or voluntarily terminates academic training or fails to obtain a license to practice his profession he shall not be obligated to provide service under this subsection unless he, at some susbequent date, completes such training and obtains a license to practice his profession.

"(e) Whenever the Secretary, after reasonable notice and opportunity for hearing, finds that any school receiving assistance under this section has failed to comply with any assurances required to be given under this section, the Secretary shall forthwith order (A) that no further grants will be made to such school under this section, or (B) that further grants will be withheld, in whole or in part, until such school repays Federal moneys to which such school was not entitled because of such failure, and shall notify such school of such order.

"(f)(1) Any school which has been adversely affected by any order of the Secretary pursuant to this section may appeal to the United States court of appeals for the circuit in which such school is located, by filing a petition with such court within sixty days after such order. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by him for that purpose. The Secretary shall thereupon file in the court the record of the proceedings on which he based his order, as provided in section 2112 of title 28 of the United States Code. Upon the filing of such petition, the Court shall have jurisdiction to affirm the order of the Secretary or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Secretary may modify or set aside his order.

"(2) The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(3) The judgment of the court affirming or setting aside, in whole or in part, any order of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28 of the United States Code. The commencement of proceedings under this section shall not, unless so specifically ordered by the court, operate as a stay of the Secretary's order.

(e) Section 806(i)(1) is amended by striking out "and" after "1973," and by inserting before "for grants" the following: "$13[illegible],800,000 for the fiscal year ending June 30, 1975, $140,750,000 for the fiscal year ending June 30, 1976, $147,500,000 for the fiscal year ending June 30, 1977 $153,600,000 for the fiscal year ending June 30, 1978, and $160,000,000 for the fiscal year ending June 30, 1979,".

EXTENSION OF PLAN GUARANTEES AND INTEREST SUBSIDIES FOR CONSTRUCTION PROJECTS

SEC. 5. (a) Subsections (a) and (b) of section 809 are each amended by striking out "1974" and inserting in lieu thereof "1979".

(b) Subsection (e) of such section is amended by striking out "and" after "1973," and by inserting after "1974" a comma and the following: "$4,000,000 for the fiscal year ending June 30, 1975 and for each of the four succeeding fiscal years."

EXTENSION OF TRAINEESHIPS

SEC. 6. Section 821(a) is amended by inserting after "next fiscal year," the following: "$24,000,000 for the fiscal year ending June 30, 1976, and for each of the three succeeding fiscal years.".

EXTENSION OF STUDENT LOAN PROGRAM

SEC. 7. (a) Section 822(b)(4) is amended by striking out "1974" and inserting in lieu thereof "1970".

(b) Section 823(b) is amended—

(1) by adding at the end of paragraph (1) the following new paragraph (2):

"(2) such a loan may be made only to a student who agrees in writing to practice his profession in accordance with section 806(d);

(2) by redesignating paragraphs (2), (3), (4), (5), (6), and (7) as paragraphs (3), (4), (5), (6), (7), and (8) respectively.

(3) by inserting "(including training to be a nurse anesthetist)" after "professional training in nursing" in paragraph (3)(B) (as so redesignated).

(4) by amending paragraph (3) (as so redesignated) by inserting before the semicolon at the end thereof the following: ", except that in the case of any student who agrees in writing to practice his profession in accordance with section 806(d) and who is selected by the Secretary to provide service under such section, if such student fails either to begin his service obligation or to complete such service obligation in accordance with such section he shall be liable for the payment of an amount determined in accordance with the formula—

$$A=2\phi\left(\frac{t-s}{t}\right)$$

in which "A" is the amount which such student shall pay; "ϕ" is the sum of the amount of any loan or loans paid to such student under this section and the interest on such amount; "t" is the total number of months in such student's period of obligated service; and "s" is the number of months of such period served by him in accordance with such section. Such amount shall, within the one-year period beginning on the date such amount becomes due, be paid by such student. Such amount shall be in addition to any amount which such student is obligated to pay under section 806(d).

(c) Section 823(h)(1)(C) is amended to read as follows:

"(C) who agrees in writing to practice his profession in accordance with section 806(d)."

(d) Section 823(h)(2) is amended—

(1) by striking "30 per centum" each place it occurs and inserting in lieu thereof "50 per centum" and

(2) by striking out paragraph (C).

(e) Effective July 1, 1974, section 824 is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS FOR STUDENT LOAN FUNDS

"SEC. 824. There are authorized to be appropriated for allotments under section 825 to schools of nursing for Federal capital contributions to their student loan funds established under section 822, $35,000,000 for the fiscal year ending June 30, 1975, $40,000,000 for the fiscal year ending June 30, 1976, and $50,000,000 for the fiscal year ending June 30, 1977, and for each of the two succeeding fiscal years. For the fiscal year ending June 30, 1980, and for each of the two succeeding fiscal years there are authorized to be appropriated such sums as may be necessary to enable students who have received a loan for any academic year ending before July 1, 1979, to continue or complete their education.".

(f) Section 826 is amended by striking out "1977" each place it occurs and inserting in lieu thereof "1982".

(g)(1) Section 827 is repealed.

(2) The nurse training fund created within the Treasury by section 827(d)(1) of the Public Health Service Act shall remain available to the Secretary of Health, Education, and Welfare for the purpose of meeting his responsibilities respecting participations in obligations acquired under section 827 of such Act. The Secretary shall continue to deposit in such fund all amounts received by him as interest payments or repayments of principal on loans under such section 827. If at any time the Secretary determines the moneys in the fund exceed the present and any reasonable prospective future requirements of such fund, such excess may be transferred to the general fund of the Treasury.

REPEAL OF SCHOLARSHIP PROGRAM

SEC. 8. Effective July 1, 1974, sections 829, 860, and 861 are repealed.

ADVISORY COUNCIL MEMBERSHIP AN APPROVAL OF APPLICATION

SEC. 9. (a) The second sentence of section 841(a)(1) is amended to read as follows: "The appointed members of the Council shall include (A) seven representatives of nursing schools (including at least one from a collegiate school of nursing, one from an associate degree school of nursing, and one from a diploma school of nursing) and other institutions and organizations which provide nursing services, (B) seven full-time students enrolled in such nursing schools, and (C) five members of the general public.".

(b) Section 807(b) is amended by adding at the end thereof: "The Secretary shall not approve any such application unless such application has been recommended for approval by such council."

DELEGATION

SEC. 10. Part C of title VIII is amended by adding at the end thereof the following new section:

"DELEGATION

"SEC. 846. The Secretary may delegate the authority to administer any programs authorized by this title to the administrator of a central office or offices in the Department of Health, Education, and Welfare, but such authority shall not be further delegated to any officer in any regional office or offices."

EXTENSION OF PROGRAM TO ENCOURAGE FULL UTILIZATION OF EDUCATIONAL TALENT FOR NURSING

SEC. 11. Section 868(b) is amended by striking out "and" after "1973;" and by inserting before the period a semicolon and "$6,500,000 for the fiscal year ending June 30, 1975, and for each of the four succeeding fiscal years".

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 12. (a)(1) Section 802 is amended—

(A) by striking out "section 806(e) of this Act" in subsection (b)(2) and inserting in lieu thereof "section 806(c)";

(B) by striking out "(hereinafter in this part referred to as the 'Council')" in the first sentence following paragraph (5) of subsection (b); and

(C) by striking out "(e)" each place it occurs in the last sentence following such paragraph and inserting in lieu thereof "(c)".

(2) Section 806(a) is amended by striking out "Council" and inserting in lieu thereof "National Advisory Council on Nurse Training";

(3) Section 806(g) is amended by striking out "part and part D" each place it occurs and inserting in lieu thereof "title".

(b) Sections 822(a), 823(b), 823(c), 825(b)(2), and 826(a)(1) are each amended by striking out "of Health, Education, and Welfare".

(c) Section 822(b)(2)(B) is amended by striking out "under this part" and inserting in lieu thereof "from allotments under section 825".

(d)(1) Section 825 is amended—

(A) by striking out "(whether as Federal capital contributions or as loans to schools under section 827)" in subsection (a); and

(B) by striking out ", and for loans pursuant to section 827," in subsection (b)(1).

(2) Section 826(b) is amended by striking out "(other than so much of such fund as relates to payments from the revolving fund established by section 827(d))".

(3) Section 828 is amended by striking out "or loans".

(e) Section 830 is—

(1) transferred to section 823 and inserted after subsection (i) of such section; and

(2) is amended by striking out "Sec. 830 (a)" and inserting in lieu thereof "(j)".

(f) Section 841 is amended (1) by striking out subsection (b); (2) by striking out "(a) (1)" and inserting in lieu thereof "(a)"; and (3) by striking out "(2)" and inserting in lieu thereof "(b)".

(g)(1) The matter preceding paragraph (1) of section 868(a) is amended by striking out "not to exceed $100,000 per year per contract (without regard to section 3709 of the Revised Statutes (41 U.S.C. (5))".

(2) Section 868(a) is amended by inserting after and below paragraph (3) the following:

"The amount of any grant or contract under this subsection shall be determined by the Secretary, except that the amount of any contract in any fiscal year may not exceed $100,000. Contracts may be entered into under this subsection without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5)."

(h) Section 869 is repealed.

(i)(1) Section 828 is redesignated as section 827.

(2) Section 822(b) is amended by striking out "section 829" each place it occurs.

(j)(1) Part D of title VIII is inserted after part B of such title and redesignated as part C; and section 868 is redesignated as section 841.

(2) The heading for part C (as so redesignated) is amended to read as follows: "Assistance To Encourage Full Utilization of Educational Talent for Nursing".

Mr. JAVITS. Mr. President, the bills I introduce today with Senator KENNEDY—the Health Professions Educational Assistance Act of 1974 and the Nurse Training Act of 1974—respond to the serious problems of shortages and geographic and specialty maldistribution of physicians, dentists, nurses, and other health professionals which affects the well-being of millions of Americans.

HEALTH PROFESSIONALS EDUCATIONAL ASSISTANCE ACT OF 1974

I believe it is our responsibility to assure public accountability for the large sums of taxpayer dollars which are uniquely spent for the education of health professionals through capitation support to their schools and thus indirectly on their behalf. Our bill will assure that this financial support will begin to achieve the goal of providing at least minimal health resources to areas of our country which presently are drastically underserved.

The bill Senator KENNEDY and I developed and introduced provides a 5-year extension of existing health profession education assistance legislation, with some major changes, and at approximately reduced annual authorization level of $884 million as compared to existing law $1.1 billion. Our measure recognizes that the need to take decisive remedial action to correct the shortage and maldistribution of health manpower, which affects the well-being of millions of Americans, is an idea whose time has come.

I am very concerned that our country continues to rely upon the utilization of noncitizen foreign medical graduates, many drawn from where they are needed now at their home countries—FMG's—rather than educating and training the requisite numbers of qualified Americans to achieve the goal of eliminating the physician shortage. I can find no reasonable, intellectual, or philosophical rationale for this Nation to take from less-fortunate underdeveloped nations their desperately needed medical manpower to meet our national needs for physicians. My concern and views on this matter have been regularly expressed to Secretary Weinberger, and I have stated:

> As you know, I find it almost degrading for our nation to take desperately needed medical manpower from developing nations with desperate health and economic problems to meet our nation's physician shortage. Moreover, I believe that so long as foreign medical graduates are used to alleviate our medical manpower shortage, our nation will continue to be dependent on this source and that this is improper and deplorable.

With respect to the serious problem of medical, dental, nursing, and other health profession maldistribution: for example where there are 140 counties in America without any doctor—our bill addresses this issue by insuring that there will be a return on the Federal dollars spent for health professionals' education. The bill requires those health professional schools which voluntarily accept Federal capitation support to contract with their student whereby after graduation and licensure the student agrees to serve in his profession for 2 years in a medically underserved area. These geographic areas would be designated by the Secretary. Provision is made to enable a State to determine its need for health professionals to serve in medically underserved areas within that State, on a priority basis and to the maximum extent feasible "matchup" student with appropriate underserved area. In addition, when and if there is more health manpower than required for such underserved areas, there is provision for a "lottery" system of random selection. Those who do not provide service would thus have their service requirement waived. Also, there could be a waiver by the Secretary if dictated by equity and good conscience.

I believe we should insure stable financial support for national resource institutions through capitation grants, However, this support cannot remain unfettered when there is no evidence the institutions have redressed specialty or geographic maldistribution.

The mandatory service proposed by the bill is an essential response to the documented failure of loan forgiveness provisions to achieve the goal of providing service in underserved areas, evidenced by the May 24, 1974, Comptroller General's report to the Congress on the subject.

The bill is also designed to set in place Federal uniform minimum licensure requirements—in great measure those examinations by the National Board of Medical Examiners now in effect on a national basis—determined by the Secretary in consultation with appropriate professional groups. The establishment of uniform minimum licensing requirements would require each State to be responsible that its own licensure standards will at a minimum meet the Federal requirements. However, the Federal standards will require oral and written comprehension of the English language—a provision which addresses the FMG problem—and prohibit residency requirements for licensure. Also, there is provision for recertification, adopting the once-every-6-year recertification concept of the presently in existence family practice of medicine physician professional specialty. Its only other requirement is that there can be no recertification unless obligated service has been provided or waived, and for the specialist that he or she have completed such specialty in an approved residency training program.

The establishment of an approved residency training program will be the direct result of professional organization consultation and recommendations to the Secretary.

The recently released study entitled "Foreign Trained Physicians and American Medicine," undertaken at the suggestion of the Department of Health, Education, and Welfare, described the extent of the problem as follows:

> One of every six physicians now practicing in the United States is a graduate of a medical school outside the United States and Canada. If Canadian graduates are also included, the proportion of foreign medical graduates in the United States rises to almost one-fifth. Altogether there are more than 63,000 foreign trained physicians in the United States.

In addition the study shows:

> The majority of foreign medical graduates in internship and residency positions in this country—whatever their initial intentions—elect to remain in the United States. Thus, this country is the recipient of substantial "reverse foreign aid." The United States is reaping the rewards of investments made by other countries in the education of physicians, and those countries are suffering a long-term loss of physician services.

The problem for New York is further complicated, for as the report states:

> The uneven geographical distribution of foreign trained physicians should also be stressed. About one-fourth of all foreign trained physicians (10,999 of 45,816) in the United States are in New York City. . . Taking the state of New York as a whole, foreign medical graduates represented about 19 percent of all physicians in 1959; the proportion has risen steadily, until now about 36 percent of physicians in the state are graduates of foreign schools.

Also:

> For sheer numbers of foreign trained residents, New York leads all other states, as it does in the number of foreign trained physicians as a whole.

It is the goal of this bill, not only to deal with the shortage of health personnel, but to assure that those citizens who have little or no access to health resources, yet are contributing their tax dollars to professionals' education, will receive for their Federal investment the necessary health care benefits.

NURSE TRAINING ACT OF 1974

If we are to fulfill the goal of providing quality health care to the American people, we need a balanced program of support to nursing schools and nursing students. Unless we act decisively we will not have enough nurses to meet the growing demands essential for quality health care.

Accordingly we developed and are introducing this separate bill for nursing which is similar to the Health Professionals Educational Assistance Act of 1974.

Health care systems cannot operate—let alone expand and improve, which inevitably must happen with the advent of national health insurance—unless the supply of such key well-prepared human resources is increased. It is well recognized that a critical shortage exists in all categories of health personnel. But the situation is particularly grave in the category of nursing personnel.

There are an estimated 778,000 registered nurses in practice in the United States today, with 226,000 of these working part time. According to the Health Resources Administration of the Department of Health, Education, and Welfare, the projected need for next year, 1975, is 1 million nurses. This projection—a shortage of approximately 500,000 full time practicing registered nurses—is without reference to the need which will result from a national health insurance program.

Quality health care is a right for all Americans and this bill seeks to recognize the crucial role played by nursing personnel to make that right a reality.

Mr. MAGNUSON. Mr. President, I am pleased to join today with the distinguished chairman of the Health Subcommittee, Mr. Kennedy, and with the Senator from New York (Mr. Javits) in introducing legislation to extend and expand the National Health Service Corps.

As the author of the legislation that created the NHSC, I am extremely pleased with the success it has enjoyed thus far in bringing quality health care into communities that traditionally have not had such care available. Today, there are over 400 corpsmen serving in over 170 communities—communities which otherwise would still be without proper health care services. In my own State of Washington there are now 10 NHSC assignees working in 7 communities and later this year that number should increase to 11 communities. From my visits in many of those areas, I know what a fine and dedicated job these health professionals are doing. Consequently, I look forward to an expanded NHSC which can provide similarly dedicated and hard-working health professionals for many more of the 5,000 U.S. communities that still lack sufficient health personnel. The legislation being introduced today, which will extend the Corps for another 5 years, will go far toward making that possible. Also, I believe the new—and very positive—attitude which the administration has recently shown toward the NHSC should be of measureable assistance in that regard. During testimony before the Senate Health Subcommittee on April 30, Assistant Secretary for Health Edwards said:

> Considering such factors as the loss of the physician draft and the difficulties associated with establishing new programs, we believe the NHSC has made reasonable progress in its first years of operation. We have, in the last several months, focused more attention on the Corps and brought about a beneficial redirection and strengthening of the program. The accomplishments I have cited as examples provide us with sufficient encouragement to wholeheartedly endorse the continuation of this program for three years. The Corps has now proven that it is an effective mechanism for assisting communities critically short of health manpower to establish and sustain appropriate health practices.

The NHSC represents the first major step taken by the Federal Government to directly confront the critical problems posed by the maldistribution of health-care personnel. It is fitting, then, that the legislation introduced today to extend the NHSC also proposes a further tool for dealing with the maldistribution problem. Specifically, the bill proposes to require physicians and other health professionals who receive so much of their education at Federal expense to serve 2 years in health manpower shortages areas—either in private practice or as part of the NHSC. Mr. President, while I am not wedded to such a mandatory approach, I do believe it is essential that this and any other possible approaches to solving the maldistribution problem that may be proposed during hearings on this bill be thoroughly scrutinized.

This legislation also proposes new approaches to the problems of health manpower certification. Here again, I believe these are approaches which must be considered carefully and which, hopefully, will also stimulate experts in the field to bring further suggestions before the Congress for consideration.

Finally, Mr. President, as chairman of the Health Appropriations Subcommittee, I would point out that the authorizations contained in this bill total some $4.5 billion over 5 years and note that the actual levels of funding will, of course, have to be determined within the context of other demands on the health-care dollars.

By Mr. MONDALE (for himself and Mr. Humphrey):

S. 3588. A bill to amend the Social Security Act to prevent State supplementation benefits from being reduced on account of increases in the level of benefits payable under the supplemental security income program, to prevent certain individuals from losing medicaid eligibility, because of increases in social security benefits or supplemental security income benefits, and for other purposes. Referred to the Committee on Finance.

Mr. MONDALE. Mr. President, we all know that senior citizens are among the hardest hit in a time of inflation. Inflation is certainly a tremendous problem for all families, but those living on fixed incomes must suffer more than most.

This message was brought home to me with new intensity recently by a rally of thousands of senior citizens in Minneapolis. I and other members of the Minnesota congressional delegation were invited to attend the rally, which was sponsored by the Metropolitan Senior Federation. At the rally, senior citizens vividly described how inflation and social security increases are eating away their already meager incomes:

One resident of a high rise apartment building for the elderly told us that she lost 25 percent of her last social security increase time to a rent increase.

The widow of a World War I veteran told us that when social security went up January 1, she lost more than $12 a month from her pension. She said:

> I guess we're out of sight and out of mind.

A World War II veteran told us that his pension is "being chipped away at—and if the chipping continues, there won't be any pension left."

The basic problem is that when social security goes up, senior citizens often fail to qualify for or else lose part of other necessary benefits, such as public housing and food stamps.

At this point I request unanimous consent to print in the Record a document describing the effect of this year's 11 percent social security increase on senior citizens in Minnesota. This document was prepared by the Metropolitan Senior Federation.

There being no objection, the document was ordered to be printed in the Record, as follows:

The 11-Percent Social Insecurity Increase: You May Never See It

What is the new social security increase on paper?

On paper, seniors on social security are receiving the following across-the-board increases:

April, 1974: 7% temporary increase.

July, 1974: 4% additional increase, making an 11% total permanent increase (U.S. Public Law 93–627)

Will all seniors receive this 11% increase?

No. There are basically six categories of seniors in Minnesota who will never see the entire 11% increase:

Seniors receiving food stamps.

Seniors in public housing.

Seniors on World War I pensions.

Seniors receiving or eligibile for SSI.

Seniors receiving non-service disabled veterans pensions.

Seniors using Minnesota rent or property tax credit.

How many seniors does this involve?

An estimated two hundred eighty-two thousand seniors in Minnesota. Of these, approximately ninety-eight thousand federal as well as state benefits.

Why do these seniors lose out on their 11% increase?

Basically because the other benefits which seniors receive are closely tied to their income, which includes social security payments. With the 11% increase, these other benefits will be reduced or cut off. The following is a breakdown for what happened in each category:

1. Food stamps: Affects approximately 10,000 seniors in Minnesota. The amount of food stamps a person can get per dollar is tied directly to income; when social security goes up, then the cost of food stamps increases. These regulations are established by the U.S. Department of Agriculture. Maximum monthly loss from 11% increase: $28. (U.S. Code, Title 7, Chap. 51)

2. Public housing: Affects approximately

10,000 seniors in Minnesota. Rent for public housing is set at 25% of adjusted gross income (about 10% less than total gross), as regulated by HUD, Thus, about one-fourth of the new 11% increase is automatically lost to increase rent. Maximum monthly loss from 11% increase: $20. (U.S. Code, Title 12, Chap. 13, s. 11)

3. World War I pensions: Affects 21,922 seniors in Minnesota.

The amount of WWI pensions is tied to other income, including social security. Then social security goes up, the pension goes down according to a set formula. Further, when a senior goes above the cutoff point of $2600/yr., he or she loses *all* of the pension. Maximum monthly loss from 11% increase: $43. (U.S. Public Law 93–177)

4. SSI: Affects up to $56,000 seniors in Minnesota.

SSI guarantees a minimum income. But for seniors who presently receive social security payments under that minimum there will be no increase at all; every dollar gained under social security is lost under SSI. Maximum monthly loss from 11% increase: $16. (U.S. Public Law 93–627)

5. Non-service disabled veterans pensions: Number of Minnesotans affected unknown.

This pension program provides a pension for veterans disabled while out of the service. The maximum income allowable for a single pensioner is $2600 per year. When seniors gain in social security, they lose some of these pension benefits. Further, a social security increase which would push a senior over $2600 per year would result in a loss of total income. (U.S. Public Law 92–198)

6. Minnesota Rent and Property Tax Credit for Seniors: Affects 282,000 seniors in Minnesota.

Seniors with an income below $6000 per year can deduct part of their rent or property tax from their Minnesota income tax. But this too is tied to income, and since the schedule is in steps with sharp drops in the credit allowed as income increases, most seniors will lose 7% to 30% of their social security increase. Maximum monthly less from 11% increase: $120. (Minn statute 290, Article XVI)

Overall effect of increase: Some 282,000 seniors in Minnesota will not receive a full 11% increase in income this year. Some will get a couple of dollars less than 11% each month. Some will only get half the increase. And some seniors will have a smaller net income after the increase than before.

What is needed: Federal legislation to either raise federal benefits at the same rate as social security, or to ban any loss of federal benefits due to social security increases.

State legislation to raise the rent credit scale at the same rate as social security, and perhaps to also eliminate the sharp drops in the rent credit scale for seniors.

Mr. MONDALE. As my colleagues know, the sad thing is that we have been through all this before. In 1972 I introduced and the Senate passed legislation that would have prevented the elderly from losing benefits when social security is increased. Unfortunately, no comparable provision was approved by the House, and the measure was deleted in conference committee.

Today I and Senator Humphrey and Representatives Don Fraser and Joseph Karth in the House, are introducing legislation that we hope will get at this problem for once and for all.

Since the last "pass-through" was approved by the Senate, we have created a new guaranteed income program, supplemental security income—aid to the aged, blind, and disabled. The problems of implementing that program and the transition from the former aid to the aged program have caused great confusion among many senior citizens in Minnesota.

Senator Humphrey and I and others have already introduced an amendment which would assure that Federal SSI payments go up automatically when social security goes up. The bill we are introducing today would also require States to raise their contributions to SSI enough so that no one loses any benefits when social security payments increase and would provide for Federal payment of 50 percent of any increased costs to the States.

This bill will also assure that the elderly do not lose other essential benefits—food stamps, medicaid, public housing, and veterans pensions—when their income rises due to a social security increase.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3588

A bill to amend the Social Security Act to prevent State supplementation benefits from being reduced on account of increases in the level of benefits payable under the Supplemental Security Income Program, to prevent certain individuals from losing Medicaid eligibility because of increases in social security benefits or supplemental security income benefits, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title XVI of the Social Security Act is amended by adding immediately after section 1616 the following new section:

"OPERATION OF STATE SUPPLEMENTATION PROGRAMS

"Sec. 1617. (a) In order for any State (other than the Commonwealth of Puerto Rico, Guam, or the Virgin Islands) which has in effect a program of supplementation payments described in section 1616(a) to be eligible for payments pursuant to title XIX, with respect to expenditures for any calendar quarter which begins—

"(1) in the case of a State which on the date of enactment of this section has in effect such a program, more than 60 days after the date of enactment of this section, and

"(2) in the case of a State which on the date of enactment of this section does not have in effect such a program, after the calendar quarter in which supplementation payments are first made under such program,

such State must have in effect an agreement with the Secretary whereby the State will—

"(3) continue to operate such program,

"(4) maintain, under such program, a level of benefits which is not lower than the level of benefits under the program for the first month that the program was in effect, or (if later) January 1, 1974, increased by—

"(A) in the case of a State that has in effect such a program on the date of the enactment of this section, the aggregate amount of the increases which have occurred in the level of supplemental security income benefits payable under this title (as determined under regulations of the Secretary) since the date of enactment of this title, and

"(B) in the case of a State which does not have in effect such a program on the date of the enactment of this section, the aggregate amount of the increases which have occurred in the level of supplemental security income benefits payable under this title (as determined under regulations of the Secretary) since the first month with respect to which payments are made under the program.

"(b) (1) If any State has in effect an agreement under subsection (a), the Secretary shall (in accordance with paragraph (2)) pay to the State an amount equal to one-half of the additional expenditures (exclusive of costs of administration) incurred during any period for which the agreement is in effect, in making benefit payments under the program to which the agreement relates, solely by reason of the meeting, by such State, of the requirement imposed by subsection (a) (5).

"(2) Any amount to which a State is entitled under paragraph (1) shall be paid to such State at such times and in such installments as may be agreed upon between the Secretary and such State; except that, in the case of a State which has an agreement entered into under subsection (b), any such amount shall be payable at the same time as that provided by such agreement for payments due thereunder, with appropriate setoffs being made.

"(3) Expenditures with respect to which a State is entitled to a payment under paragraph (1) shall not, for purposes of section 401 of the Social Security Amendments of 1972, be considered to be payments made under an agreement entered into under section 1616."

Sec. 2. (a) Section 212(a) (3) (C) (i) of Public Law 93–66 is amended by inserting "(except that, there shall not be counted so much of any such benefit for any month as is attributable to any increase made in the level of supplemental security income benefits after the date of enactment of such title XVI)" immediately after "Social Security Act".

(b) Section 212(c) (2) of Public Law 93–66 is amended by striking out "Supplementary" and inserting in lieu thereof "Subject to paragraph (3), supplementary".

(c) Section 212 (c) of Public Law 93–66 is amended by adding at the end thereof the following new paragraph:

"(3) (A) If any State has in effect an agreement under subsection (a), the Secretary shall (in accordance with subparagraph (B)) pay to the State an amount equal to one-half of the additional expenditures (exclusive of costs of administration) incurred during any period for which the agreement is in effect, in making benefit payments pursuant to the agreement, solely by reason of the meeting, by such State, of the requirement imposed by the matter in parentheses contained in subsection (a) (3) (C) (i).

"(B) Any amount to which a State is entitled under subparagraph (A) shall be paid to such State at such times and in such installments as may be agreed upon between the Secretary and such State; except that, in the case of a State which has an agreement entered into under subsection (b), any such amount shall be payable at the same time as that provided by such agreement for payments due thereunder, with appropriate setoffs being made.

"(C) Expenditures with respect to which a State is entitled to a payment under subparagraph (A) shall not, for purposes of section 401 of the Social Security Amendments of 1972, be considered to be payments made under an agreement entered into under section 1616 of the Social Security Act."

(d) The amendments made by the preceding provisions of this section shall be applicable in the case of State supplementary payments made pursuant to an agreement entered into (or which is deemed to have been entered into) under section 212 of Public Law 93–66 for or with respect to calendar months which begin more than 60 days after the date of enactment of this Act.

Sec. 3. (a) Title XIX of the Social Security Act is amended by adding at the end thereof the following new section:

"DISREGARDING OF CERTAIN INCOME IN DETERMINING ELIGIBILITY FOR BENEFITS

"SEC. 1911. (a) In addition to other requirements imposed by law as a condition of approval of a State plan under this title, there is hereby imposed (and each State plan approved under this title shall be deemed to contain) the requirement that—

"(1) in determining, for purposes of establishing eligibility for benefits under the State plan, the income of any individual who is entitled to monthly insurance benefits under title II, there shall be disregarded an amount of the income of such individual derived from such benefits equal to the aggregate of the increases in the level of social security benefits which have occurred since the first month (in a continuous period of months) for which such individual was entitled to such benefits, or, if later, the month of February 1974, and

"(2) if such plan does not confer eligibility for benefits upon all recipients of supplemental security income benefits (payable under title XVI) and all recipients of State supplementation payments (as described in section 1616 (a)), in determining, for purposes of establishing eligibility for benefits under the State plan, the income of any individual who receives any such benefit or payment, there shall be disregarded from any income of such recipient an amount equal to the aggregate of the increases in the level of supplemental security income benefits which have occurred since title XVI was first enacted.

"(b) The provisions of subsection (a) shall be applicable with respect to determinations of eligibility for benefits under a State plan approved under this title with respect to periods which begin on or after the first day of the first calendar month which commences more than 60 days after the date of enactment of this section."

SEC. 4. (a) Subsection (g) of section 415 of title 38, United States Code, is amended by adding at the end thereof the following new paragraph:

"(4) In determining the annual income of any individual who is entitled to monthly benefits under the insurance program established under title II of the Social Security Act, the Administrator, before applying paragraph (1)(G) of this subsection shall disregard any part of such benefits which results from (and would not be payable but for) the increase in benefits under such program provided by section 201 of Public Law 93-66 (as amended by the first section of Public Law 93-233) or section 2 of Public Law 93-233, or any subsequent cost-of-living increase in such benefits occurring pursuant to section 215(i) of the Social Security Act."

(b) Section 503 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) In determining the annual income of any individual who is entitled to monthly benefits under the insurance program established under title II of the Social Security Act, the Administrator, before applying subsection (a)(6) of this section, shall disregard any part of such benefits which results from (and would not be payable but for) the increase in benefits under such program provided by section 201 of Public Law 93-66 (as amended by the first section of Public Law 93-233) or section 2 of Public Law 93-233, or any subsequent cost-of-living increase in such benefits occurring pursuant to section 215(i) of the Social Security Act."

(c) In determining the annual income of any person for purposes of determining the continued eligibility of that person for, and the amount of, pension payable under the first sentence of section 9(b) of the Veterans' Pension Act of 1959, the Administrator of Veterans' Affairs shall disregard, if that person is entitled to monthly benefits under the insurance program established under title II of the Social Security Act, any part of such benefits which results from (and would not be payable but for) the increase in benefits under such program provided by section 201 of Public Law 93-66 (as amended by the first section of Public Law 93-233) or section 2 of Public Law 93-233, or any subsequent cost-of-living increase in such benefits occurring pursuant to section 215(i) of the Social Security Act.

SEC. 5. Notwithstanding any other provision of law in the case of any individual who is entitled for any month after February 1974 to a monthly benefit under the insurance program established by title II of the Social Security Act, any part of such monthly benefit which results from (and would not be payable but for) the increase in benefits under such program provided by section 201 of Public Law 93-66 (as amended by the first section of Public Law 93-233) or section 2 of Public Law 93-233, or which results from (and would not be payable but for) any cost-of-living increase in such benefits subsequently occurring pursuant to section 215(i) of the Social Security Act, shall not be considered as income or resources or otherwise taken into account for purposes of determining, for any month after the month in which this Act is enacted, the eligibility of such individual or the family of such individual or the household in which such individual lives for participation in the food stamp program under the Food Stamp Act of 1964 or for admission to or occupancy of low-rent public housing under the United States Housing Act of 1937, for subsidized mortgages or rentals under title II of the National Housing Act.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1665

At the request of Mr. GRAVEL, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of S. 1665, the airlines mutual aid agreement bill.

S. 2050

At the request of Mr. JAVITS, the Senator from California (Mr. CRANSTON), the Senator from Colorado (Mr. DOMINICK), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from New Hampshire (Mr. MCINTYRE), and the Senator from Minnesota (Mr. MONDALE) were added as cosponsors of S. 2050, the Domestic Enterprise Bank Act.

S. 3130

At the request of Mr. RIBICOFF, the Senator from Connecticut (Mr. WEICKER) was added as a cosponsor of S. 3130, the Shepaug River Act of 1974.

S. 3234

At the request of Mr. HUMPHREY, the Senator from New Mexico (Mr. MONTOYA) and the Senator from Pennsylvania (Mr. SCHWEIKER) were added as cosponsors of S. 3234, a bill to authorize a vigorous Federal program of research and development to assure the utilization of solar energy as a major source for our national energy needs, to provide for the development of suitable incentives for rapid commercial use of solar technology and to establish an Office of Solar Energy Research in the U.S. Government.

S. 3280

At the request of Mr. KENNEDY, the Senator from Kansas (Mr. PEARSON) and the Senator from Utah (Mr. MOSS) were added as a cosponsor of S. 3280, the Health Services Act of 1974.

S. 3339

At the request of Mr. HUMPHREY, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 3339, a bill to amend the program of supplemental security income for the aged, blind, and disabled—established by title XVI of the Social Security Act—to provide for cost-of-living increases in the benefits provided thereunder.

S. 3443

At the request of Mr. MONDALE, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of S. 3443, the Petroleum Moratorium Act of 1974.

S. 3556

At the request of Mr. PERCY, the Senator from Connecticut (Mr. RIBICOFF) was added as a cosponsor of S. 3556, the Highway Energy Conservation and Safety Act of 1974.

SENATE JOINT RESOLUTION 173

At the request of Mr. DOMINICK, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of Senate Joint Resolution 173, to authorize and request the President of the United States to appoint a National Commission for the Control of Epilepsy and its Consequences.

CHANGE OF REFERENCE

Mr. COOK. Mr. President, I ask unanimous consent that the Committee on Finance be discharged from further consideration of the bill (S. 3488) for the relief of William T. Owens, and that the bill be referred to the Committee on the Judiciary.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE CONCURRENT RESOLUTION 88—SUBMISSION OF A CONCURRENT RESOLUTION RELATIVE TO NATIONAL ECONOMIC EMERGENCY

(Referred to the Committee on Banking, Housing, and Urban Affairs.)

Mr. NELSON. Mr. President, with increasing frequency and severity, the symptoms of our Nation's ailing economy have revealed themselves to us. Inflation for the first quarter of 1974 is at a staggering annual rate of 11.5 percent. Real output of our economy decreased at an annual rate of 6.3 percent, the largest quarterly drop in production since the recession of 1958. Unemployment throughout the first quarter exceeded an unacceptably high 5 percent, and there is every expectation that it will rise substantially, later this year.

The warning signals have become danger signals; the problems have become emergencies. Even the most prudent and respected financial journals have said bluntly in their headlines that the economy is in a crisis. Arthur Burns, Chairman of the Federal Reserve Board, has stated that if the present inflation continues it would "threaten the very foundation of our society."

I would only add to Dr. Burns' statement that this crisis goes beyond our own borders and threatens the economic stability of every market in the world and the well-being of every nation.

These problems did not come into being overnight. I am aware of no simple explanation for any one of them. Yet it is clear to me that certain policies, or lack of policies, are at least partly responsible for our current situation.

We have mismanaged and wasted our most critical natural resources—everything from food to petroleum to metals to fertilizer—and failed to plan for a time when these resources would be in short supply. We have permitted giant corporations and monopolistic industries to make decisions which serve themselves but disserve society. We needlessly pour tens of billions of dollars, this year nearly a hundred billion dollars, into areas which are supposed to provide for our national defense, but actually contribute to an inflated military budget, to an unfavorable balance of trade, and ultimately to a situation of runaway inflation. For no reason that I can understand, we continue to tolerate tax laws, which act like a backwards Robin-Hood: they steal from the poor and give to the rich.

All of these, in my opinion, have contributed to the economic problems facing our Nation and its citizens, and I have introduced or sponsored legislation which addresses itself to each of these misconceived policies.

But now we face a crisis, an emergency, which requires something more.

Every foreign government and every branch of our own Government shares the responsibility for attempting to understand and reverse these disturbing trends of inflation, unemployment, and recession. Congress should not be in the position of having failed to explore all possible courses of action. For us, therefore, an immediate question is what the Congress can do.

It is possible that there are no legislative solutions to these problems, but I believe we must make a good faith effort to see if there are. I believe that we must attempt to act together to lead our Nation at this critical time.

It is in this spirit and with these goals that I propose, on behalf of Senators Hart, Humphrey, and Javits, a concurrent resolution which would:

First, express the resolve of Congress to act affirmatively and meaningfully against this Nation's economic ills.

Second, establish a procedure whereby Congress could attempt, systematically and scientifically, to understand and begin to solve the problems of inflation, recession and unemployment. The gist of it is to bring economists and other experts, representative of a broad spectrum of political points of view and philosophies, together and ask them to do something unusual. They will not be asked simply to testify on inflation and recession, but instead to see where they can agree on proposed legislative solutions.

These experts, comprising an "Advisory Board," would transmit their recommendations to the Joint Economic Committee who, in turn, would draft legislation and provide these legislative recommendations to the majority and minority leaders of both Houses of Congress. The leadership then would attempt to insure that these legislative recommendations are considered by all the relevant committees and that any legislation is speedily reported to both Houses of Congress.

The Advisory Board would be composed of leading economists, businessmen and other experts in such areas as fiscal, monetary, manpower, trade, and natural resources policy. Of course, the resolution accommodates situations where the experts cannot agree and situations where they recommend further congressional study in particular areas.

The resolution would provide the JEC and its staff with the resources to carry out these duties and to continue to study these critical questions. In addition, the JEC would implement any specific recommendations for further study made by the assembled group of experts.

There have been a multiplicity of different proposals and suggested courses of action to remedy our economic ills. The objective here is to attempt to find, where possible, a consensus on such proposed remedies among experts of differing points of view, and to permit Congress to benefit from any such consensus.

Mr. President, this is a means for Congress to take an important initiative in a time of national crisis. By itself it recommends no substantive changes in economic policy but creates a climate whereby Congress can receive such substantive recommendations and know that they reflect the views of a consensus of experts.

Mr. President, I ask unanimous consent that this concurrent resolution be printed in the Record at the close of my remarks.

There being no objection, the concurrent resolution ordered to be printed in the Record, as follows:

S. Con. Res. 88

Whereas, the nation is suffering from the effects of severe inflation; and

Whereas, the nation is suffering from the effects of unacceptable unemployment; and

Whereas, the nation is being exposed to the danger of acute economic recession; and

Whereas, such inflation, unemployment and recession threaten the stability of the nation's economy and the welfare of all its citizens; and

Whereas, such inflation, unemployment and recession are related to and symptomatic of a number of other present and potential ills facing the nation; and

Whereas, any attempt to reduce such inflation, unemployment, recession and other related economic ills, or to ease the effects thereof, necessary involves a great number of different and important policy questions, including without limitation, questions of fiscal policy, monetary policy, taxation, labor and manpower, foreign trade, military spending, trade regulation, protection of competition, and allocation and conservation of food, energy and other critical resources; and

Whereas, emergency action by Congress is required, and because of the diversity of issues raised, it is necessary for Congress to act expeditiously and coordinate action among its various committees and subcommittees; and

Whereas, experts have testified before various congressional committees with respect to such inflation, unemployment and recession and to related economic problems, but have never been brought together in a forum provided by Congress to attempt to develop recommended legislation which would reduce such economic ills, or ease the effects thereof.

Now, therefore, be it *resolved* that:

1. Congress hereby declares that an emergency situation exists with respect to the problems of inflation, unemployment and the danger of recession, and resolves to attempt to reform existing policies and establish new policies that will reduce inflation, unemployment and recession, as well as other economic ills, or ease the effects thereof.

2. Congress hereby charges the Joint Economic Committee ("JEC"), with the assistance of the Advisory Board described hereinbelow, with the duties of

(a) assessing the state of the economy and determining the principal causes of the current inflation, unemployment and recession; and

(b) to the maximum extent possible, drafting legislative recommendations and other recommendations to reduce inflation, unemployment and recession, both now and in the future, and reporting such recommendations to the Majority and Minority leaders of both Houses of Congress; and

(c) determining what longer-range studies are necessary to improve Congress' understanding of and ability to deal with the problems of inflation, unemployment and recession and other major economic ills; and

(d) reviewing and making recommendations with respect to the process by which both Congress and the Executive formulate and execute economic policy.

3. The JEC shall appoint an Advisory Board ("the Board") composed of not less than 20 nor more than 30 economists, businessmen and other experts in such areas, as fiscal policy, monetary policy, taxation, labor and manpower, foreign trade, military spending, trade regulation, protection of competition, and allocation and conservation of food, energy and other critical resources, and

4. The members of the Board shall be representative of divergent political points of view and economic philosophy; and

5. The Board shall, according to rules and procedures established by the JEC, make legislative recommendations and other recommendations for consideration by the JEC in performing its duties under this Concurrent Resolution, and where the Board cannot agree it shall, according to these rules and procedures, provide the JEC with alternative legislative and other recommendations.

6. Congress hereby charges the Majority and Minority leaders of the Senate and House of Representatives with the duties of

A. Receiving any legislative recommendations made by the JEC pursuant to this Concurrent Resolution, and

B. Attempting to establish procedures which would ensure that such legislative recommendations are referred for committee consideration in a manner which would

(1) expedite, to the greatest extent possible, such committee consideration and reporting of such proposed legislation to the Senate and House of Representatives, and

(2) permit, to the greatest extent possible, participation in such committee consideration of Senators and Congressmen familiar with legislation in the areas of fiscal policy, monetary policy, taxation, labor and manpower, foreign trade, military spending, trade regulation, protection of competition, and allocation and conservation of critical resources; and

7. The JEC and its staff shall continue to study, and to make legislative recommendations and other recommendations addressed to, the ills besetting the nation's economy, and, particularly, to carry on any

study proposals recommended by the Advisory Board.

8. Congress shall provide the JEC and its staff with the resources to carry out its duties under this Concurrent Resolution

CONGRESS MUST PROVIDE LEADERSHIP ON NATION'S ECONOMIC PROBLEMS

Mr. HUMPHREY. Mr. President, the unique and serious nature of our Nation's current economic ills, coupled with an apparent inability for a distracted administration to develop effective remedies to them, requires that Congress take the initiative in leading the American people out of the present frightening economic maze.

Never before in our history have the American people been harassed and our policymakers confounded by simultaneous high inflation, high unemployment, and economic recession. In fact, traditional economic theory has always held that this combination was impossible.

Yet, in the first quarter of this year our people confronted—

A rate of inflation that soared at an annual rate of 11.5 percent;

A recessionary drop in national output of 6.3 percent, at an annual rate, the largest single quarter drop since the recession of 1958; and

An unacceptably high 5-percent rate of unemployment, and the projection of a 6-percent rate by the end of the year.

The seriousness of our economic problems was recently underscored by Dr. Arthur Burns, the distinguished Chairman of the Federal Reserve Board. He warned that, if the present rate of inflation continues, "it would threaten the very foundation of our society."

Mr. President, the concurrent resolution that Senator Nelson and I have introduced with Senators Hart and Javits today, will provide the congressional focus needed to develop solutions to our Nation's economic problems.

This resolution does the following:

It expresses the firm intent of Congress to act positively and effectively to reduce the Nation's economic problems;

It requires the Joint Economic Committee to assemble a group of leading economists, businessmen, and other experts, who will prepare specific legislative proposals for coping with inflation, recession, and unemployment; and

It directs the Joint Economic Committee to report its legislative recommendations to the House and Senate leadership for prompt consideration by the appropriate committees.

In essence, this resolution proclaims that our current economic crisis requires extraordinary congressional action, establishes a mechanism for carrying out such action, and pledges the full support of the leadership in both Chambers of Congress to this approach to dealing with our Nation's economic woes.

Mr. President, I believe that this resolution deserves the support of every Member of Congress. The people need to know that while their Government may not have all the answers to their economic problems, that it is making the extraordinary effort at finding them that the seriousness of these problems demands.

I hope that we will move quickly to pass this important resolution.

SENATE RESOLUTION 334—SUBMISSION OF A RESOLUTION TO REFER S. 3587 TO THE U.S. COURT OF CLAIMS

(Referred to the Committee on the Judiciary.)

Mr. TOWER (for himself and Mr. Bentsen) submitted the following resolution:

S. Res. 334

A resolution to refer the bill (S. 3587) entitled "A bill for the relief of Carla K. Finch" to the Chief Commissioner of the United States Court of Claims for a report thereon

Resolved, That bill (S. 3587) entitled "A bill for the relief of Carla K. Finch", now pending in the Senate, together with all the accompanying papers, is referred to the Chief Commissioner of the United States Court of Claims; and the Chief Commissioner shall proceed with such bill in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, and report thereon to the Senate, at the earliest practical date, giving such findings of fact and conclusions thereon as will be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States, or as a gratuity, and the amount, if any, legally or equitably due from the United States to the claimant.

EXEMPTION FROM DUTY CERTAIN REPAIRS ON U.S. VESSELS—AMENDMENT

AMENDMENT NO. 1388

(Ordered to be printed, and to lie on the table.)

"TAX ON TAX" AMENDMENT

Mr. COOK. Mr. President, this amendment to H.R. 8217 which I offer today for Senator Baker, Senator Burdick, and myself, was originally introduced by Senator Baker and me as S. 3240. The following Senators are cosponsors of this amendment: the Senator from South Dakota (Mr. McGovern), the Senator from Wyoming (Mr. McGee), the Senator from North Dakota (Mr. Young), the Senator from Tennessee (Mr. Brock), the Senator from New Mexico (Mr. Domenici), the Senator from Minnesota (Mr. Humphrey), the Senator from Nebraska (Mr. Hruska), the Senator from Texas (Mr. Tower), the Senator from Maine (Mr. Hathaway), the Senator from North Carolina (Mr. Helms), the Senator from Kentucky (Mr. Huddleston), and the Senator from Hawaii (Mr. Inouye).

I ask unanimous consent that the text of the amendment I submit today and the remarks I made on the introduction of S. 3240 on March 26, 1974, be inserted in the Record.

There being no objection, the amendment and remarks were ordered to be printed in the Record, as follows:

On page 10, strike everything after line 12, and insert in lieu thereof the following:

(h) Tax on Telephone Bills.—

(1) Section 4253 of the Internal Revenue Code of 1954 (relating to exemptions to the tax imposed on communication services) is amended by inserting at the end thereof the following new subsection:

"(i) State and Local Taxes.—No tax shall be imposed under section 4251 on so much of any amount paid for services as is properly attributable to any tax imposed on the amount paid for services, or otherwise imposed on the providing of such services, by a State, or any political subdivision thereof, or the District of Columbia.".

(2) The amendments made by this Act shall apply to taxable years beginning after December 31, 1973.

Remarks by Senator Cook on March 26, 1974:

Mr. COOK. Mr. President, on behalf of myself and Senator Baker I am pleased to introduce a bill which will amend the Internal Revenue Code of 1954 to provide that the tax on the amounts paid for communications services shall not apply to the amount of the State and local taxes paid for such services. The purpose of this legislation is to stop the Internal Revenue Service from levying a "tax on a tax." At the present time, IRS is requiring the telephone companies of 17 States and the District of Columbia to compute Federal tax on the total of the State sales tax plus the cost of local and long distance services. However, almost every State with a sales tax could eventually be affected.

For example, if your phone bill was $25 and the State sales tax 5 percent, your Federal tax would be figured on $26.25, rather than just $25. While the individual saving is small, we estimate it would save the constituents of the 17 States about $17 million a year.

The States in which the ruling is currently being enforced and the annual tax amounts which would be saved under my proposal are:

Alabama	$700,000
Florida	4,000,000
Illinois	4,000,000
Iowa	500,000
Kansas	400,000
Kentucky	800,000
Maine	300,000
Minnesota	900,000
Mississippi	525,000
Missouri	1,000,000
Nebraska	250,000
New Mexico	260,000
North Dakota	125,000
Pennsylvania	2,000,000
South Carolina	200,000
South Dakota	150,000
Tennessee	1,000,000

By way of background it should be noted that in 1970, Congress voted to gradually eliminate the 10 percent Federal excise tax on communication services by reducing it by 1 percent a year over 10 years. Perhaps in anticipation of the lost revenue, the Internal Revenue Service issued a ruling in 1969 (69–151) which required telephone companies in four States to begin collecting the Federal excise tax on not only the cost of telephone services, but the amount of State or local sales tax as well. The IRS was in effect requiring a "tax on a tax." As a basis for the ruling, the tax-collecting agency of the Federal Government cited section 4253 of the Internal Revenue Code of 1954—a statute which had been on the books since 1932.

Citizens of many States became subject to the "tax on a tax" in July 1973 after an IRS ruling. The excise tax must be collected in this manner, the Government said, because various State laws allowed the State gross receipts tax on the telephone company to be passed on to the consumer. If the State law levied the sales tax directly on the consumer the Federal tax would only be levied on the cost of services. The Federal Government was drawing a mighty fine line—and citizens of many States were on the wrong side.

By December of 1973 the IRS had forced companies in 17 States to begin collecting the extra revenues which could amount to $17 million a year, and the IRS is continuing its audits in every State or locality where a sales tax could eventually be involved.

This bill, in effect, has been introduced today, in order to halt the ever-encroaching process whereby the ultimate consumer is or possibly would be further economically burdened by compounding services and taxes with still yet more taxes.

DEVELOPMENT OF A FAIR WORLD ECONOMIC SYSTEM—AMENDMENTS

AMENDMENT NO. 1389

(Ordered to be printed, and referred to the Committee on Finance.)

DENIAL OF TAX CREDITS TO U.S. FIRMS OPERATING IN NAMIBIA

Mr. MONDALE. Mr. President, I am submitting several amendments to the Trade Reform Act of 1973. The proposed amendments are intended to deny tax credits to American firms operating in territories that are deemed to be, by both the United Nations and the International Court of Justice, under illegal occupation. Therefore, these amendments express American concern over countries where basic human rights are still outrageously flouted and majority rule denied.

My amendments most specifically address themselves to the tragic situation in Namibia, an arid, mineral-rich country located in the southwestern corner of Africa. Namibia suffers a unique international wrong in the unlawful perpetuation of South African rule. This is compounded by the introduction into Namibia of the apartheid system and of the whole apparatus of arbitrary South African police laws and political trials.

It is 8 years since the general assembly, after other remedies had been exhausted, declared the South African mandate, dating from 1918, at an end, and with it, South Africa's right to govern the territory. It is 3 years since the International Court of Justice's advisory opinion concurring with the United Nations ruling. Yet South Africa remains in defiance of the United Nations.

The United States has continually supported the actions of the United Nations and of the World Court. To date, American action has been, first, to officially discourage investment in Namibia by U.S. nationals, second, to deny Export-Import Bank credit guarantees, third, to deny U.S. Government assistance in protection of any U.S. investment there, and fourth, to encourage other nations to follow suit. However, we allow tax credits, for taxes paid to the South African Government, on American investments in Namibia. We, in effect, allow tax credits to a government in places where we do not recognize their authority.

In 1972, 27 U.S. Senators and Representatives wrote a letter to the Secretary of the Treasury expressing concern over the inconsistency between international law and U.S. policy on the one hand, and the Treasury Department's allowance of credit against U.S. tax due to taxes paid by U.S. companies to South Africa on income earned, in Namibia, on the other. In a letter dated May 4, 1973, the Secretary of the Treasury, Mr. Shultz, replied to that letter, saying:

> We have concluded that the existing tax credit legislation does not provide discretion to deny the tax credit to United States taxpayers, even though the occupation of the area by South Africa has been determined to be illegal under international law.

I believe that Secretary Shultz' reply was an invitation to the Congress to amend the Internal Revenue Code to disallow the foreign tax credit to U.S. investors in Namibia who are paying taxes to the illegal South African occupiers. Today, we should set the record straight and bring the tax laws into line with U.S. policy, and in total compliance with our international obligations.

There are important U.S. interests at stake in my amendments. Other nations of Africa, strategically important, are seriously concerned over Namibia. Their decisions on major economic and political questions may be affected by our actions on this issue. For example, Nigeria, a country whose government is a vigorous critic of South Africa's illegal administration of Namibia, supplies the United States 24 percent of its non-Arab oil imports. Moreover, one of the greatest potential areas for oil exploration in the world is in the offshore area of the western bulge of Africa. All of the countries in this area are strongly opposed to South Africa's presence in Namibia. Such strategic factors, together with diplomatic and humanitarian considerations compel our attention and our action on the Namibian issue.

Change is coming in Southern Africa. With the recent events in Portugal and in the Portuguese colonies, we must not delay in making it clear where the United States stands. This is the purpose of these amendments. I, therefore, believe that they deserve the support of the Congress and of the Government of the United States, for they are in keeping with our policies, our basic values, and our national interests.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT 1974—AMENDMENTS

AMENDMENT NO. 1390

(Ordered to be printed, and to lie on the table.)

Mr. BAYH submitted an amendment, intended to be proposed by him, to the bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

AMENDMENT NO. 1391

(Ordered to be printed, and to lie on the table.)

Mr. MATHIAS (for himself and Mr. MONDALE) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 3000, supra.

AMENDMENT NO. 1392

(Ordered to be printed, and to lie on the table.)

Mr. MANSFIELD submitted an amendment, intended to be proposed by him, to Senate bill 3000, supra.

AMENDMENTS NOS. 1393 AND 1394

(Ordered to be printed, and to lie on the table.)

Mr. METZENBAUM (for himself, Mr. PROXMIRE, and Mr. COOK) submitted two amendments, intended to be proposed by them, jointly, to Senate bill 3000, supra.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 1326

At the request of Mr. RIBICOFF, the Senator from Illinois (Mr. STEVENSON), the Senator from Massachusetts (Mr. BROOKE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Wisconsin (Mr. NELSON), the Senator from California (Mr. TUNNEY), the Senator from Wisconsin (Mr. PROXMIRE), the Senator from Iowa (Mr. HUGHES), and the Senator from Utah (Mr. MOSS) were added as cosponsors of Amendment No. 1326 to repeal the oil depletion allowance, intended to be offered to the bill (H.R. 8217) to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1972.

AMENDMENT NO. 1350

At the request of Mr. BAYH, the Senator from South Dakota (Mr. ABOUREZK), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Wisconsin (Mr. NELSON), and the Senator from Nevada (Mr. CANNON) were added as cosponsors of Amendment No. 1350, intended to be offered to H.R. 8217, supra.

AMENDMENT NO. 1363

At the request of Mr. BAYH, the Senator from Nevada (Mr. CANNON), the Senator from South Dakota (Mr. ABOUREZK), the Senator from New Hampshire (Mr. MCINTYRE), and the Senator from Wisconsin (Mr. NELSON) were added as cosponsors of amendment No. 1363, intended to be proposed to H.R. 14832 to extend the temporary ceiling on the public debt.

AMENDMENT NO. 1380

At the request of Mr. MCINTYRE, the Senator from Michigan (Mr. HART), the Senator from Maine (Mr. MUSKIE), the Senator from Oregon (Mr. HATFIELD), the Senator from California (Mr. CRANSTON), the Senator from Iowa (Mr. HUGHES), the Senator from Iowa (Mr. CLARK), the Senator from South Dakota (Mr. ABOUREZK), the Senator from Minnesota (Mr. MONDALE), the Senator from Maine (Mr. HATHAWAY), and the Senator from Montana (Mr. MANSFIELD) were added as cosponsors of amendment No. 1380, intended to be proposed to the bill (S. 3000) the Defense Procurement Authorization Act.

NEW BOOK ON PRIVACY AND SCHOOL RECORDS

Mr. BUCKLEY. Mr. President, the relationship of citizens and government in a free society has always been of deep concern to me. With the growth of computer technology and of our institutions, one freedom that faces increasing jeopardy is the individual's right of privacy against the unwarranted intrusions of government, however well meaning they may be.

Therefore, I am pleased to note that a major step to help safeguard this right has been taken by a private organization, the National Committee for Citizens in Education, 410 Wilde Lake Village Green, Columbia, Md. 21044, through its publication of the book "Children, Parents, and School Records."

Attacks on the right of privacy are particularly pernicious when they involve the Nation's children. The records maintained by public schools have tended to become catch-alls of personal and often erroneous information, not just on children but on their parents. In the great majority of school districts, parents are denied the opportunity to review these records and to correct or challenge them when necessary. Worse, these same records tend to spring open to the casual requests or curiosities of numerous public agencies and private businesses.

At the Federal level, the major weapon we have to correct such local abuses is through the denial of funds; this I have attempted to do through amendments, which were accepted, to the elementary and secondary education bill, recently passed by the Senate.

But fundamental reform must spring from citizens themselves in their States and communities. With the publication of "Children, Parents, and School Records," citizens now have a significant new means of making these reforms a reality.

The 312-page book includes a comprehensive examination of laws, regulations and the opinions of attorneys general of the 50 States and the District of Columbia. Far more important, it includes a guide that for the first time informs citizens of their rights in any State, that tells them each step they must take to gain access to their own children's records and to safeguard them against the prying eyes of others. I recommend it to all those who are interested in restoring and preserving the rights of privacy in our society.

NOTICE OF HEARINGS ON BILLS TO CODIFY, REVISE, AND REFORM THE FEDERAL CRIMINAL LAWS

Mr. McCLELLAN. Mr. President, I wish to announce for the information of the Members and the public that the Subcommittee on Criminal Laws and Procedures of the Committee on the Judiciary will resume its hearings on S. 1 and S. 1400, bills to codify, revise, and reform the Federal criminal laws.

Hearings are scheduled for June 12, 13, 17, and 18, 1974, and will begin each day at 10 a.m., in room 2228, Dirksen Senate Office Building.

During this series of hearings we will be receiving testimony on provisions relating to offenses against the person, property, public order; provisions relating to public duty; corporate offenses; and general codification.

Additional information on the hearings is available from the staff in room 2204, Dirksen Senate Office Building, telephone 202-225-3281.

NOTICE OF HEARING ON A NOMINATION

Mr. JACKSON. Mr. President, on May 30 I announced to the Members of the Senate and other interested parties that on June 7, 1974, the Committee on Interior and Insular Affairs will hold an open hearing on the nomination of Dr. John C. Sawhill to be Administrator of the Federal Energy Administration.

In that announcement, Mr. President, I neglected to mention that the members of the National Fuels and Energy Policy Study are also invited to attend this hearing, and I would like to take this opportunity to urge them to do so. These members were notified by mail on Tuesday, June 4.

The hearing will begin at 10 a.m. and will be held in room 3110 of the Dirksen Senate Office Building.

Persons wishing to testify or submit statements for the hearing record should so advise the staff of the Senate Interior Committee.

ADDITIONAL STATEMENTS

SENATOR MIKE MANSFIELD

Mr. PERCY. Mr. President, all of us in the Senate know what a decent and honest man Senator MIKE MANSFIELD is. His calm and steady leadership has set a challenging example for his fellow Senators on both sides of the aisle. He has a nobility of spirit and bearing that shall mark him as one of the greatest men ever to have been in the U.S. Senate.

Senator MANSFIELD never seeks or wants personal publicity, but I feel that widespread public awareness of his crucial role in the working of this body can only reflect well on those of us who serve with him. I was, therefore, heartened to read James Reston's May 15 column, "The Influence of Integrity," which captures well MIKE MANSFIELD's quiet dignity and distinction of character. I ask unanimous consent that it be printed in the RECORD at this time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE INFLUENCE OF INTEGRITY

(By James Reston)

Sen. Mike Mansfield of Montana is a reminder that there are still a lot of steady, decent folk around here watching the store. Everybody in Washington is not crazy; it just seems that way.

Room S-208 in the Capitol Building, Mike's hideaway, is as plain and calm as a country lawyer's office. The door is always open. Inside, no fancy elegant people or heroic portraits of the majority leader. Some old amiable cartoons, and a big picture of Jack Kennedy throwing out the first pitch on opening day, with Mike in the background, as usual. An atmosphere of cheerful and relaxed efficiency, coffee perking on the shelf and cookies on the table.

Mike is sad but not pessimistic about the present mess in Washington. He thinks it is wrong to press President Nixon to resign, but he understands why the Republican leader in the Senate, Hugh Scott of Pennsylvania, condemned Nixon's private Watergate conversations, and why the House Republican leader John Rhodes suggests that resignation has to be considered. Mike tries to understand everybody's problems.

But pressuring the President to resign, he insists would be unfair, evading rather than resolving the moral and legal issues. Give the President not only the presumption of innocence, he says, but every opportunity to have his lawyers in the House and Senate to argue his case, to crossexamine witnesses, and to appear on the floor of the House and Senate, if he chooses, to defend himself personally.

Let the system work, says Mike. It is not only the President, but the Congress and the Constitution that are on trial. But—and here he is very tough—let it work all the way—not halfway.

Mansfield has a sense of pity about human folly and is very generous about the personal aspects of this tragedy—and he sees it not in partisan terms. He is beyond all personal ambition now, even beyond his own party's battles.

So there must be something right about a system that puts a decent man like Mansfield at the head of a party, and something consoling in the thought that people in the House and the Senate, worried about what to do in this crisis, come to Room S-208 to talk out their anxieties, and seek Mike's quiet counsel.

Mansfield, if I hear him right, is looking beyond the present turmoil here. He is afraid that the nation would be deeply divided for a long time if President Nixon were forced to resign by political or newspaper pressure.

He thinks the whole Watergate scandal could have been avoided if the President had been open and trusted the system, and had wondered about what was right or wrong and had said "yes" or "no" at the right time. But he is not worrying about the past now. The Constitution, the courts, the House and Senate must decide and nothing else.

Put it all to test, he says, and bring the people into it. He wants televised hearings in the House and Senate. He wants not merely the evidence the President wants to give, but the best evidence, including the tapes, and if necessary, he wants them played, when relevant, in the chambers of the Congress and on radio and television.

There are many arguments against this procedure, argued in this space before, but Mansfield thinks we've had enough secrecy, and enough deception.

This simple approach carries great weight here, for the importance of Mansfield is that his colleagues in both parties and in both houses believe in him. They watch him in S-208 and on the floor of the Senate, arguing for the thing he thinks is right, even if this means opposing his own party.

He may be right or wrong on this procedure, but he has the influence of integrity, and in the end, that may be what the controversy is all about.

TRADE AGREEMENTS

Mr. KENNEDY. Mr. President, last Friday, President Nixon announced a major trade agreement between the United States and the European Community, ending nearly a year and a half of hard bargaining. This was the agreement by the Community to reduce certain tariffs, as compensation for the loss of U.S. exports to Europe in specific areas following the entry of Britain, Ireland, and Denmark into the Community last year.

Under the rules of the General Agreement on Tariffs and Trade (article XXIV: 6), customs unions must negotiate tariff compensation for supplier nations when individual national import duties of member states are raised to a common external tariff. The European Community has now taken this step with regard to U.S. exports of tobacco, oranges and grapefruit, kraft paper, photographic film, nonagricultural tractors, excavating machinery, diesel and marine engines and outboard motors, engine additives, measuring instruments, pumps, plywood, and other items. The total value of the tariff concessions will be nearly $1 billion a year—a significant gain for American businessmen, farmers, and workers. At the same time, the United States has reserved its position with regard to the export of cereals. Clearly, Ambassador Eberle and his able staff have done an excellent job in promoting U.S. commercial interests.

However, this agreement represents far more than export sales, profits, and jobs. It is even more significant as an indicator of cooperation across the Atlantic. For nearly 18 months—indeed, right up to the 11th hour—these negotiations had been difficult, and sometimes even painful. They threatened to impede other negotiations and understandings between the United States and the Community. And they were often viewed as a source of division and discord, especially during a time of rapid change in political and economic relations.

The most important facts, therefore, are that the negotiations are over, and that an agreement has been reached at all. The discord and misunderstanding appear to have been put behind. And there is renewed hope for other negotiations, not only in the field of trade, but also in the whole panoply of Atlantic relations. Credit must go in particular to the European Community leaders who recognized that progress on this issue was important in order to preserve and promote the climate needed for adjusting and improving relations in other areas. The process has also shown that trade negotiations can succeed, even in these difficult times of understanding the shifting currents of trading patterns, and of coping with the impact of radical change in the worldwide trade of food and fuel.

It is, however, still too early to say that we in the United States have "turned the corner" on restoring good relations across the Atlantic. The next round of multilateral trade negotiations—even the passage of a trade bill by Congress—still lie ahead. So does effective reform of the world monetary system, and significant progress on energy cooperation, as promised—but so far not delivered—by the Washington Energy Conference in February. And the U.S. administration has yet to abandon its damaging ambivalence about supporting the European Community.

Yet there is now more reason for hope than there was a few months ago. By most accounts the Western allies have maintained a high level of cooperation at the talks on mutual and balanced force reductions—though these talks have yet to reach truly difficult areas. The issue of European funding of the balance-of-payments costs of U.S. troops stationed on the continent has been successfully resolved. And in recent weeks, there has also been a useful shift in European attitudes toward cooperation with the United States—a shift that can be sustained if we are sensitive to European needs, as well.

Thus, Mr. President, I welcome the agreement on the so-called "24–6" problem that has nagged at the negotiators—and thoughtful observers—for so many months. And I urge the administration to pay careful attention to the statesmanlike position adopted by the European Community in acceding to our demands. If we can now, at long last, revive our interest in—and attention for—Atlantic problems, then we can make great strides very quickly. For there is no magic in having good relations between our country and Europe: it is largely a matter of devoting the time and the effort to ties of friendship, without expecting these ties to substitute for the step-by-step resolution of those differences that inevitably arise.

For too long, this administration has ignored this simple lesson. Hopefully, with success on "24–6", it will begin again to see the opportunities—as well as the compelling needs—that exist in our relations with the nations of Western Europe.

THE CRISIS OF THE CONTEMPORARY PRESIDENCY

Mr. MONDALE. Mr. President, this past Saturday I had the pleasure of addressing a regional convocation of the Center for the Study of Democratic Institutions in Los Angeles. The subject of my address was "The Crisis of the Contemporary Presidency."

I ask unanimous consent that the text of this address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD. as follows:

THE CRISIS OF THE CONTEMPORARY PRESIDENCY

(By Senator WALTER F. MONDALE)

Almost 500 years ago, Machiavelli described the qualities which would make a ruler an effective and wise leader. Such a person, he wrote, would choose wise men to give him advice and would give these advisors a mandate to speak the truth to him.

He would behave so that each advisor sees that "the more freely he speaks, the more he will be acceptable."

But above all, he said, a ruler would be a great asker, and a patient hearer of the truth about those things of which he has inquired; indeed, if he finds that anyone has scruples in telling him the truth he should be angry."

Even for a Machiavelli, seeking out and valuing the truth was essential to produce wise leadership.

For the past month, millions of Americans have been reading the most astounding set of political documents ever to emanate from the Presidential office and wondering if the President sought the truth in dealing with Watergate or attempted to hide from its consequences.

They have been asking the hard questions about this President which have implications both for the immediate future, and for the Office of the Presidency for decades to come.

For we will have missed the lessons of the White House transcripts if we concentrate exclusively on the guilt or innocence of Richard Nixon. The essential message which these shocking documents reveal is the desperate need for effective checks and balances to make the office of the Presidency strong, yet open and legal.

The dangers we face are clear. The usurpation of power which the transcripts reveal violates the most passionately held principles of the framers of the Constitution. As the great novelist Herman Melville noted almost a hundred years ago:

"If there are any three things opposed to the genius of the American Constitution, they are these: irresponsibility in a judge, unlimited discretionary authority in an executive, and the union of an irresponsible judge and an unlimited executive in one person."

We now realize the dangers of that union. We now know that our liberty can be lost if we do not protect the constitutional balance which is vital to our democracy. Without changes in some of the most important institutions in our government, we may not see Presidents who view themselves, as President James Polk once stated, simply as "citizens who have been chosen by the people to manage the government for a limited time."

The importance of these institutional changes cannot be underestimated. They must deal with key problems causing the dangerous imbalance of power among the branches of our government: the increasing trend toward lack of accountability in the execution of our foreign policy; the failure of the Congress to assert its responsibilities in controlling the power of the purse and in oversight of the Executive branch; and the need for structural reforms in the legislative branch to restore Congress' ability to compete effectively in the public arena with a powerful Presidency.

First, in the area of foreign affairs, we have enacted a war powers statute which is designed to restrain any President from committing American manpower in wars which the people, through the Congress, have not sanctioned.

And we are working in the Congress to ensure that the Constitutional power of the Senate to confirm treaties entered into by the President is not circumvented by the use of executive agreements.

Second, Congress is beginning to make progress in securing more firmly our constitutionally mandated power over the purse. Both the Senate and the House have passed legislation to control unlimited impoundment of appropriated funds by any President, which over 30 courts have declared to be illegal.

And we must pay much closer attention to an often overlooked item in the massive Federal budget—the appropriation for the Executive Office of the President.

During the Nixon Presidency, a strategy of closed decisionmaking developed. Its principal thrust was to push key decisions into bodies such as the Office of Management and Budget and the National Security Council—bodies wholly within the White House, whose officers were not subject to confirmation by the Senate—in order to bring all major policy decisions into the White House and hide behind exaggerated concepts of executive privilege and national security.

Congress cooperated with this strategy by not resisting the creation of OMB and the Domestic Council, and by largely agreeing to requests for funds for these bodies. In fact, it was the accumulation of funds for a large White House staff which was the key to the success of this scheme.

Perhaps the most egregious example of this trend has been the Domestic Council, whose members are not confirmable by the Senate and whose loyalties are only to the President.

Under the leadership of John Ehrlichman, it constituted a private government, removed from any dialogue with or accountability to state or local officials, the Congress or the Cabinet officers.

To prevent this from continuing, we must reduce the Presidential staff budget, not to cripple a President's ability to make decisions, but to force more decisions into the Cabinet.

By reaffirming the importance of the Cabinet officers, who must withstand Congressional scrutiny, and who must constantly deal with state and local government officials and representatives of various interest groups, we can do much to help assure greater accountability and openness in decision-making.

Third, we need legislation to re-establish the oversight and investigatory responsibility of the legislative branch without which a runaway Executive Branch cannot be prevented.

In order to break through government secrecy, we must strengthen the Freedom of Information Act and attempt, through the courts and the legislative process, to attack the overly broad use of national security and executive privilege as a means to keep vital decisions away from public scrutiny.

We also desperately need legislation to curb the illegal use by any President of the most sensitive agencies of the government—the FBI, the CIA, the IRS, and the Department of Justice. These are vital parts of our government, which have generally performed well. But they are also instrumentalities of great potential danger to our constitutional liberties, and their power must be exercised responsibly.

And we should seriously consider institution of a televised question and report period, during which key Executive Branch officials would be requested to come to the Senate and answer important policy questions before the Senate and the nation.

Finally, there is need for structural reforms within the Congress. We need more staff, adequate computer technology and a greater capability to deal with the mass of information constantly developed by Executive Branch agencies.

And it is crucial that we end the virtual Presidential monopoly on the use of television and radio. This means providing legislatively for a right of reply by the Congress to Presidential use of the broadcast media, or, at the very least, a Congressional "instant analysis" of Presidential addresses.

It also means lengthening the license period of broadcast stations and the terms of FCC members. We have seen attempts by the White House to intimidate the media through use of the license renewal procedure, and we must insulate the media from this pressure, while at the same time attempting to ensure that this will not lead to unresponsiveness by broadcasters to community needs.

We have known for years that these types of reforms are important if we are to ensure the survival of our constitutional system of checks and balances. And yet perhaps only the Nixon Presidency and the horrors of Watergate have given us the determination to press quickly for their enactment.

Without these changes, it is unlikely that the trend toward an ever-increasing lack of accountability in the Presidency will be reversed.

Without these reforms, Congress will have difficulty limiting the Executive Branch to those powers rightfully conferred in it by our Constitution.

We now realize how difficult the maintenance of our constitutional balance has become as the power of the Presidency has grown.

And much of the excessive growth in the power of the Presidency has resulted from an expansion of Presidential power in foreign affairs beyond the point of retaining accountability to our other governmental institutions. As Arthur Schlesinger, Jr. has aptly noted, "The imperial Presidency was essentially the creation of foreign policy."

In fact, the constitutional framework did not envision the flight from accountability in the handling of foreign affairs which modern day Presidents have embraced. The Congress was given important power in sanctioning American involvement beyond our borders and in approving treaties entered into by our government.

In recent years, however, both of these Constitutional safeguards have lost much of their meaning. The treaty has largely been replaced by the executive agreement to avoid Senate ratification—as the means for implementing key foreign policy decisions. And the Constitutional restraints on the Presidential war-making power have been flaunted by Presidents of both political parties, leading to the loss of thosuands of American lives in a war which the people, through the Congress, did not fully sanction.

But the implications of a Presidency removed from the restraints of shared power go beyond the arena of foreign policy itself.

For the Nixon Presidency and Watergate have clearly revealed the temptation to apply the imperial style of foreign policy to the domestic arena. They have shown the ability to use exaggerated concepts of national security and executive privilege to avoid Constitutionally mandated accountability in domestic affairs. And they have revealed the profound danger to our liberty which these trends present.

The style of foreign policy making has many advantages for a President seeking to avoid true accountability. The sweep and drama of diplomatic initiatives, the need for only limited consultation, the tendency to rally behind Presidents in international efforts during time of crisis, and the frequent absence of powerful domestic interest groups enable a President to maintain secrecy and avoid real power-sharing.

In his recent interview with columnist James J. Kilpatrick, President Nixon clearly indicated his conception without secrecy. "It is impossible . . . And it is particularly impossible when you are dealing not with your friends, but with your adversaries."

Certainly, any President has a legitimate need for secrecy in his most sensitive diplomatic ventures. Nor do we wish to deny any President the right to conduct an effective foreign policy.

But the danger of the Nixon Presidency, has been to borrow the style of secrecy, the use of national security, and the psychology of negotiating with the enemy from the foreign policy arena and use it in the area of domestic affairs.

Ironically, at the same time that the President stated he was conducting his foreign policy to establish dialogues and ease the tensions of the Cold War abroad, he was invoking the national security rationale of the Cold War at home to stifle dissent and undertake highly questionable activity domestically.

National security was used to eliminate any dialogue on issues and policy, and replace it with unquestioning obedience.

And just as the style of foreign policy has infected the Presidency with its arrogance, so have many of the techniques of foreign espionage been used to distort the domestic political process.

Some of those involved in Watergate came to it by way of the foreign intelligence community. Indeed, the CIA came periously close to involvement in domestic subversion, and the rationale of national security became the overlay for illegal activity.

In short, the techniques of dealing with our worst enemies abroad became the means for subverting the law at home. This tendency continues today in the President's handling of the House impeachment inquiry, and in his dealings with the Special Prosecutor and the courts.

The American people do not want to be negotiated with; they want to be represented. They do not want to be dealt with as adversaries, but as an electorate to which any President is responsible.

There is no excuse for treating the House Judiciary Committee as if it were a Communist superpower. There is no justification for dealing with the Special Prosecutor's office as if it were a foreign enemy.

In the Nixon Presidency, the style of Presidential policy-making in the area of foreign affairs has, too often, become the style for dealing with the American people. This cannot be allowed to continue if we are to preserve a vigorous Constitutional system.

The American people have shown that they will not accept this style of governance. Neither the firing of Archibald Cox nor the limited and incomplete disclosure of Watergate-related transcripts was accepted by the American people. They expected and demanded more—more accountability to the Congress, and more respect for the constitutional balance of power.

The central lesson which the isolated Presidency of Richard Nixon should teach us is that we must open up the conduct of both foreign and domestic policy to public scrutiny, and never again allow secrecy and subversion to dominate any President's dealings with the American people.

As the late Stewart Alsop stated, the tactics of the 1972 Nixon campaign were the tactics, not of politics, but of war. If our democracy is to survive, we can never allow those tactics to be used again.

For the accountability on which our democracy rests can thrive only through an active, honest relationship and dialogue between the President, the Congress, and the people.

It needs the constant test of political reality—the clash of opinions in full view of the American public, which should mark effective political give-and-take in a democracy.

And this type of reality is only achieved through the interplay among strongly willed participants in the course of open and honest debate on vital issues.

Without reforms to increase accountability, the isolation of the Presidency—so effectively outlined by George Reedy—can only worsen.

This would be tragic for the maintenance of a healthy American democracy. It would increasingly turn the office of the Presidency into what Arthur Schlesinger, Jr., has termed the "plebiscitary President," in which the political checks and balances which the framers envisioned are bypassed in favor of a quadrennial popularity contest with no effective restraints on Presidential actions during his four-year term.

The danger is a real one. We have already seen it in operation in the Presidency of Richard Nixon. And I fear that it is becoming increasingly likely as a result of another important tendency of the modern-day Presidency—the personalization of the Presidential office and its removal from partisan restraints.

The Presidency of Richard Nixon has carried the separation of President from party to its ultimate conclusion. The 1972 campaign marked the victory of a President who chose to isolate himself from his party and run on his foreign policy record.

The rather bitter statement of former GOP chairman Bob Dole illustrates best what happened in the most recent Presidential election. When asked last year if the Republican Party has been involved in Watergate, Dole replied that not only was the party not involved in Watergate, but that in 1972 it was not involved in the nomination, the convention, the campaign, the election or the inauguration of Richard Nixon.

The split of party from President had been totally achieved. The dangers of such a split have now become obvious. A Presidency out of touch with party politics is a Presidency which feels no accountability to the men and women who are close to the realitv of political life.

Such a Presidency owes no obligation to those in American politics who must of necessity stay involved with the problems and concerns of the American people.

Indeed, such a Presidency has cut one more link in maintaining the sense of perspective which is vital for the effective functioning of the Presidential office.

This has been the style of the Nixon Presidency. As John Gardner has noted, he has "created a curious and unprecedented one-way communication with the American people. He can reach us but we can't reach him. We can see him but he can't hear us. He is always with us but there is no dialogue."

And yet the actions of this President should not come as a surprise.

As David Halberstam has effectively shown in *The Best and the Brightest,* Presidents Kennedy and Johnson often went outside the party for their advice and their talent. Indeed they often tried to neutralize the party and make it ineffective, a weakened instrument incapable of challenging the Presidential will.

Understandably, there is a natural tendency of any President to dominate and even bypass the party and make it incapable of offering serious challenge to his policies.

Perhaps because of this, in part, there seemed to be no mechanism during the 1960s within the Democratic party short of an all-out challenge in party Presidential primaries to convey to the President the unhappiness of much of the party with his Vietnam policies. The struggles within the party for bringing bad news to the President—for informing him of the need for fundamental changes in his policy—were simply not present.

So it is with Richard Nixon.

When President Nixon summarily fired Archibald Cox, when he failed to comply with the subpoenas of the House Judiciary Committee, the dangers of a Presidency without party ties were clearly highlighted.

These were actions taken without consultation with party leaders; indeed, they seemed to defy the considered judgment of many within the Republican party. Had the President felt any obligation to his party, he might have followed a different course, and thereby avoided the ordeal in which we now seem irrevocably entangled.

Both the Johnson and the Nixon experiences highlight the crucial importance of establishing party structures independent of and insulated from incumbent Presidents. When a party is in power, that party must be able to debate and discuss issues and inform its President when there is widespread dissatisfaction with the policies being pursued.

And when a party is out of power, it must be able to keep alive a mechanism to provide coherent opposition to the President within a spirit of constructive dialogue.

Obviously, we do not want Presidents who are shackled by every whim and desire of their political party. But we urgently need Presidents who are responsive to party leadership and who are open to party views on the most important issues facing the nation.

Without this party accountability, Presidents will increasingly become less accountable to the people at large, and less amenable to criticism from within their own party.

Yet there are powerful forces working against the reassertion of real accountability to the party or the Congress. In an age of television communications, a President can and does go over the heads of his party and the Congress to discuss those issues on which he wishes to claim popular support.

There are clearly limits to what we can realistically expect to achieve through any structural reform. And while I believe that strengthening the party is absolutely imperative, I don't pretend to have all the answers to this extremely difficult problem.

But we must try. There are broad goals toward which we can work—many of which are now being discussed and debated by both the Democratic and Republican parties.

First, within the Congress, the role of the party caucuses can be strengthened, to provide a more coherent legislative voice on the many issues on which party consensus is possible.

Second, we need strong party staff capabilities—the development of an ongoing professional party staff which can serve through different administrations. This capability will aid in establishing a continuity of party administration which can serve as a stabilizing influence and an increasingly strong nucleus for establishing accountability to the party.

In this, as in other areas relating to the party, we should look carefully at those aspects of the Parliamentary system which can be creatively adapted to the American experience. There are those within the Democratic party who wish to move in this direction, and we should thoroughly explore the available options in this area.

Third, if we are to have this type of established party apparatus, we are going to have to pay for it. I therefore believe that we should consider a modest set-aside from the dollar check-off system to defray part of the cost of ongoing party operations.

The parties should not become totally dependent on Federal funds, but an infusion of Federal money would enable our parties to devote more time to the crucial tasks of encouraging party participation and discussing positions on issues, rather than the debilitating search for funds with which to operate.

Fourth, both parties should reaffirm the importance of the Presidential nominating conventions in the life of the party. Indeed, there should be a mutual understanding between a nominee and the party that with the Presidential nomination also go responsibilities to the party. And the party should use the opportunity of the nominating convention to attempt—to the extent possible—to provide strong direction to the Presidential nominee of the party.

For the same reasons, while retaining and reforming our system of state primaries, we should avoid institution of a single national nominating primary, which would only further separate President from party and lessen still more the accountability of the candidate to his party.

It is also clear that the 25th amendment has conferred an enormous additional power on the President—the power to name his own possible successor. We should therefore seriously consider requiring that in addition to Congressional ratification of a Vice-Presidential selection, the President's party be given an important role in the initial selection process—a procedure whose viability was demonstrated in 1972 in the selection of Sargent Shriver.

Finally, and most importantly, we must continue the efforts to increase participation in the party process at the grass-roots level. For no matter how effective the institutional reforms, increasing Presidential accountability to the party membership will be only as successful as the parties are in attracting that membership. And only by holding forth the prospect of meaningful participation will the parties develop greater citizen involvement.

We in the Democratic party are currently grappling with many of these issues. Most of them are controversial, but their discussion can be most helpful in reviving the role of the party as another important institution in government restraining the exercise of unaccountable power by a President.

Indeed, all of the efforts to reform our most important governmental institutions, to increase accountability of the Presidency to the Congress and the people, and to strengthen our party structures are directed toward one end: keeping the Presidency strong, while increasing its accountability to the people, and assuring its operation within the Constitution.

We need a strong Presidency to lead this nation. Yet national leadership can be effective only when there is mutual respect between the President, the Congress, the Courts, and the people.

Reforms can encourage this respect, and help restore the checks and balances of our Constitutional system. But the President of the United States will continue to be the most powerful elected leader in the world. And the character of the American Presidency will continue to depend above all on the American people and the kind of person they choose to elect to that office.

Jerry Voorhees and Helen Gahagan Douglas were not surprised by the Presidency of Richard Nixon, and we should not be either.

In 1932, Franklin Roosevelt stated that:

"The President is not merely an administrative office. That is the least part of it . . . It is preeminently a place of moral leadership. All our great Presidents were leaders of thought at times when certain historic ideas in the life of the nation had to be clarified."

We are in such a time now, and the Presidency must be directed at providing national leadership.

I believe, along with Harry Truman, that "there is far more good than evil in men and that it is the business of government to make the good prevail."

I am convinced that the Presidency must become the platform from which the central issues facing our nation are discussed. The problems of justice and inequality, of morality and honesty in government, of economic growth and the domination of large and impersonal institutions over American life must be confronted.

And most importantly, the role of the President as the voice for the powerless in our society must be reasserted with a new sense of commitment.

We now know that in an age of large and depersonalized institutions, powerlessness is not only the burden of the poor and the minorities. It is also the lot of working men and women who are angered and confused by the decline of moral values and the inability of government to respond to their needs.

These issues of race and poverty, of alienation in the midst of affluence, of disintegration of the concepts of political honesty and morality, are difficult ones to face, much less to solve. But unless our Presidents confront these issues squarely, there is little hope for making the Presidential office vital and for moving toward the solution to the domestic problems we face.

Our Presidents must be willing to risk their popularity in providing leadership on issues of crucial domestic importance, even though—or precisely because—they are open to public scrutiny and debate in their resolution.

And coupled with a commitment to seek responsible change must be an equally strong commitment to openness in the process by which that change is brought about.

George Washington vowed to keep open "the avenues to useful information from the many," lest he risk becoming "more dependent on that of the few."

It is precisely this concern for openness which must become the theme of the Presidency as we begin our third century of democracy.

In short, we need Presidents who can ask questions without being ashamed; who can develop solutions without being isolated; and who can provide leadership without being dictatorial.

The American people have seen the dangers of the politics of paranoia and vengeance. They have read the President telling John Dean in late 1972 that while he had not used the FBI or the Justice Department to harass political enemies thus far, things are going to change now."

They now appreciate in agonizing detail the peril of allowing government to be run with a siege mentality which views openness and accountability as objects of fear, and which believes that its principal goal is the destruction of its political enemies.

The American people have clearly seen that the Presidency is far too important an office to be occupied by individuals who view vengeance, rather than compassion; retribution, rather than restoration; as their paths to political glory.

And most importantly, the American people now realize that we do not need messiahs who will not answer questions to lead our nation, but rather leaders to bring forth the qualities of compassion and justice which the American people have always possessed.

Benjamin V. Cohen, one of the principal architects of the New Deal, has said that "the most important quality and test of the Presidency is its ability to arouse and enlist the energies, the loyalties, and, if need be, the sacrifices of the people. The ultimate role of the President is to give inspiration and outlet to the tremendous forces for good at large in this great nation."

We need a strong Presidency to provide enlightened, compassionate leadership. But without openness and accountability to the law, this strength can lead to the ultimate destruction of the Presidential office.

For it is openness which ultimately creates strength for the office of the Presidency, and candor which breeds respect for the head of our government.

The American people have seen the Constitutional, political and moral issues which the Presidency of Richard Nixon has raised, and they are demanding a restoration of Constitutional principles in our Presidency.

In the end, this may be our greatest hope. For no institutional change can ever succeed unless the American people want and expect a balanced and thriving democracy.

As the great jurist Learned Hand noted thirty years ago:

"Liberty lies in the hearts of men and women; when it dies there, no constitution, no law, no court can save it; no constitution, no law, no court can even do much to help it. While it lies there, it needs no constitution, no law, no court to save it."

LEGAL SERVICES

Mr. THURMOND. Mr. President. I recently received a copy of a letter to Mr. Howard Phillips from Mr. Welch Morrisette, president of the Richland County Bar Association, Columbia, S. C.

In this letter, Mr. Morrisette recounts the difficulties encountered by the Richland County Bar Association as sponsor of the Columbia Legal Service Agency.

Mr. President, the Richland County Bar Association is the largest local bar association in the State of South Carolina, and its members include some of the ablest attorneys in this country. Their opinion on the subject of Legal Services should be given very careful attention. Accordingly, I ask unanimous consent that this letter be printed in the RECORD at the conclusion of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

RICHLAND COUNTY BAR ASSOCIATION,
Columbia, S. C., May 30, 1974.

Mr. HOWARD PHILLIPS,
Public Monitor,
Capitol Hill, Washington, D.C.

DEAR MR. PHILLIPS: I have your letter dated May 23, 1974, enclosing excerpts from the CONGRESSIONAL RECORD of May 20, 1974. These excerpts contain an analysis of portions of the proposed statute creating the Legal Services Corporation which has been passed by the House of Representatives and the plan reported out by a Conference Committee. The House Plan seems much more desirable.

The Richland County Bar Association is the largest bar association in the State of South Carolina and has been the sponsor for the Legal Aid Agency here. For years the Bar Association has been unable to control the direction, the philosophy, the policies or the conduct of the staff at the Legal Service Agency we sponsor. The lawyers who have been employed for the most part have been activists, who were more interested in promoting social changes than in providing legal representation to poor people. The director has absolutely defied us in employment practices and in the management of the Agency. We, as members of the Bar Association, feel the need for representation for poor people. We feel, however, that the Legal Aid Service Agency should be run as a law office and not as a missionary station.

Five of the six members of the Richland County Bar Association who have served on the Board of Directors of the Legal Aid Service Agency have resigned because of the ineffectiveness of their efforts and their complete frustration and their disagreement with the management. This has caused the Executive Committee of our Bar Association to direct me to inform the Regional Office of the Office of Economic Opportunity in Atlanta that we do not intend to fill those vacancies unless a director responsible to us was appointed. The by-laws of the local agency provide that the director be appointed by the Board on recommendation of the Executive Committee of the County Bar Association. The Government has informed us that the local director will resign if we will continue to sponsor the agency, but we cannot appoint or designate the director and any bylaws which provide for such would be ineffective. We have also been told that even if the Bar Association withdraws its support, the Government will find another sponsoring group and continue the operation.

Our dilemma is this. We can withdraw our sponsorship and have the agency totally managed by people who want to change the law rather than provide protection within it or we can continue to lend dignity to the agency by sponsorship without effective control. My opinion is that our Bar Association is going to withdraw its support and direct me as President not to fill the vacancies existing on the Board.

I am sending a copy of this letter to our two United States Senators and to our six Congressmen. If any further hearings are held, this Bar Association will send an informed representative to present our views and our experiences here. I have not studied in detail the bill as recommended by the Joint Conference Committee, but it looks like Congress is going to create a new agency to harass taxpayers and property owners more than to establish law offices to represent poor people who indeed need representation.

Sincerely,
N. WELCH MORRISETTE, Jr.

NEW SENATE OFFICE BUILDING EXTENSION

Mr. BAKER. Mr. President, today I chaired a Public Works Committee hearing to consider the design of the extension to the Dirksen Senate Office Building. Members of the Public Works Committee and the Senate Office Building Commission heard architects, architectural critics and a representative of Capitol Hill residents discuss the building and its setting. The hearing was valuable and the testimony reassuring in that there appears to be general agreement that the overall design is commendable.

As part of the presentation by the Architect of the Capitol, scale models of the proposal and numerous sketches and diagrams were displayed around the Public Works Committee hearing room. These representations were both helpful and interesting and will remain on display through the end of next week. After that time they will be available in the office of the Architect of the Capitol, Mr. George M. White, who will be glad to review the plans with any Members.

Fifty senatorial offices will be housed in the new building, so a significant portion of the Members of this body will have intimate contact with the extension.

I urge every Senator to stop by the hearing room, room 4200, to assess the design for himself.

THE SAM-D, 1 YEAR LATER

Mr. BAYH. Mr. President, 1 year ago I proposed an amendment to the fiscal year 1974 Department of Defense authorization bill to terminate continued research and development on the Army's SAM-D missile program. I did so because I was convinced that its excessive cost, its technical uncertainties, and its lack of clearly justified mission all combined to render it a grossly ineffective expenditure of our defense resources. The Senate did not agree with my arguments, and my amendment was defeated by a vote of 34 to 56.

I would like to review for the Senate what has happened to this program during the past year. I might note at the outset that the extraordinary cost increases which we had seen previously in this program continued unabated over the past year. The program cost grew by over $400 million, from a total of $4.48 billion when I offered my amendment last year, to a total cost estimated at $4.899 billion in December, 1973. This raised the ocst of one fire section of the SAM-D from $28 million, to $31.4 million, almost 4 times the original estimates.

Despite these huge cost overruns, perhaps the most important new factor affecting the SAM-D since last year's vote lies in the experience we gained as a result of the October, 1973 war in the Middle East. As far as air defense is concerned, both Syria and Egypt demonstrated a highly effective air defense capability using the variety of weapons provided by their Soviet suppliers. They succeeded in taking a quite considerable toll of Israeli aircraft. But Israel eventually achieved dominant air superiority because the Arab MIG's were simply no match for the more advanced and better piloted Israeli planes and because the Israelis used fairly effective electronic countermeasures provided them by the United States.

The initial success of the Arabs' ground-based air defense systems can be traced directly to the great diversity and quantity of the weapons they possessed and their high degree of mobility. Included in their arsenal was a 23-millimeter, radar-controlled, quad-mounted cannon, and the SA-2, the SA-3, the

SA-6, and the SA-7 surface-to-air SAM systems. Both the Egyptians and the Syrians had quantities of each of these weapons numbering in the hundreds, and even thousands. The crucial advantage that the Arab air defense forces did enjoy in the earlier stages of the conflict was in quantity, and not technological sophistication.

The lesson we should learn is that in allocating the finite amount of money we have to spend on air defense, we should tailor our priority choices toward producing relatively low cost, forward area and highly mobile air defense weapons in numbers which are large enough to provide adquate protection for our forces. This is precisely the opposite of where we are heading with the SAM-D for which each fire section is so expensive that we will not be able to afford enough fire sections to provide the coverage needed.

Another significant event to directly affect the SAM-D program in the last 12 months at least in part grew out of our Middle East experience. Secretary Schlesinger very quickly recognized that what we had seen in the Middle East should cause us to hesitate and to examine carefully the assumptions on which our long-range planning for modernization of our air defense forces are based. Accordingly, on January 10, 1974 the Secretary directed that a major change be made in the R. & D. schedule of the SAM-D in order to substantially lessen the concurrency of the program. Second, the Secretary further delayed any decision on SAM-D production or deployment. As a result the fiscal year 1975 budget request for the SAM-D program was reduced from $166 million to $111 million, with similar reductions planned for fiscal year 1976.

As I said to Secretary Schlesinger at the time and as I repeat now, his action in this regard was not only prudent and timely, but perhaps more importantly, it showed his willingness to devote his personal attention to the detailed and highly-conflicting arguments that surround any controversial weapons program of this sort and to make the tough decisions required. Secretary Schlesinger's actions last January essentially had the effect of placing the SAM-D in a "holding pattern." More of its unproven technology would be tested before any production or deployment decisions were made, but significant funds would continue to be spent to keep the SAM-D option open, with $58 million to be spent this year for engineering development of the first tactical components.

As of January, the decision to delay the program while more tests were conducted, while leaving the option to go ahead on SAM-D still open, was the proper one. It provided the time necessary to re-examine the SAM-D in the light of changed conditions. This brings me to still another event of importance to the SAM-D which has occurred since it was last subject to debate in this chamber, an event which I believe provides the basis for an intelligent and well-thought out decision by the Congress to terminate the program.

In the months following Senate action on this bill last year, I discussed the SAM-D program on several occasions with Secretary Schlesinger and the General Counsel of the Department of Defense, Martin Hoffman. I also had discussions with the distinguished Senator from New Hampshire, (Mr. McIntyre) and the distinguished Senator from Arkansas, (Mr. McClellan). There was general agreement among this group that it was important that a new cost-effectiveness analysis be conducted on the SAM-D and that the Congress, and through it, the General Accounting Office, be consulted as to its outlines. Accordingly, at my request, the Senate Appropriations Committee in its full report on the fiscal year 1974 defense appropriations, directed that such a study be conducted, to be completed by March 31, 1974. Responsibility for conducting this study was then assigned by the Secretary to the Assistant Secretary for Program Analysis and Evaluation, Leonard Sullivan, Jr. Secretary Sullivan in turn divided the study into two parts.

A so-called "court grain" analysis to address the following question: "What is the preferred mix of aid defense components to meet the mid 1980's threat, based on cost and operational effectiveness considerations?" Second, a "fine grain" analysis to answer the question: "Given the need for a medium to high altitude air defense system, what is the preferred component among SAM-D, Improved Hawk, and their variants, based on cost and operational effectiveness considerations?" Responsibility for the "fine grain" analysis was then assigned to the Army, while Secretary Sullivan's own staff conducted the "coarse grain" study.

A large amount of manpower was put into producing these studies which were completed in what must be close to record time. When they were delivered to the Congress on April 15, 1974, the package was 6 inches thick. The results were disappointing in one major sense—not because the studies were inadequate, for if one delved into the hundreds of pages the answers were clearly there. Rather it was disappointing because the Defense Department officials who were charged with the responsibility of summarizing the results of the study for the Congress succumbed to the understandable, but nevertheless deplorable temptation to try to please all interested parties. These summaries simply reiterated Secretary Schlesinger's January decision to put the SAM-D in a holding pattern while more testing was done, rather than acknowledging that the backup studies which lay behind these summaries provided unmistakable evidence that the SAM-D and its variants could not be cost justified, even assuming completely successful tests of the technology.

Fortunately in this case, the General Accounting Office was performing the function for which it was designed and was, at the request of myself and Senator McIntyre, monitoring the Defense Department's progress on the new study. They were not so reluctant to draw the appropriate conclusions from the cost analysis. In a letter to Secretary Sullivan from the Director of the Procurement and Systems Acquisition Division of GAO, Mr. R. W. Gutmann, after citing several specifics, he concluded with the following two paragraphs:

> Cost-effectiveness of the SAM-D or its variants apparently cannot be proven based on realistic assumptions (many of them treated in the study's excursion charts. It would appear that even if the SAM-D technology works and even if the threat materializes the SAM-D (with currently envisioned cost and effectiveness) will probably not be necessary if F-15s are available.
>
> The January 10, redirection (of the program) recommended by the Deputy Secretary of Defense points to capability and cost decisions not predictable at this time. When some confident answers are provided, the time may arrive when the air defense environment is clearer and ground-based defense needs can be better visualized. Due consideration can then be given to defining a HIMAD.

This, then, Mr. President is, in brief, the history of the SAM-D program over the past year—the experience of a modern ground war, a prudent action by the Secretary of Defense, and a new examination of the cost effectiveness of SAM-D. These events when taken together provide a stronger and more well thought-out case against putting our limited resources into the SAM-D program than was the case last year. After considering the matter, however, I have decided to withhold offering an amendment on the pending bill for two reasons. First, on June 6 the Secretary will convene the first high-level review panel on the SAM-D to be held this year. After discussing this matter with the Secretary, I am hopeful that much of the information developed in the cost-effectiveness study will be implemented in the DSARC decision. Second, since the cost-effectiveness study which I believe forms the basis for termination of the SAM-D program was conducted at the request of the Appropriations Committee, I believe it would be appropriate for its conclusions to be discussed by that Committee before being presented to the Senate.

I would like to conclude, Mr. President, by voicing my appreciation for the cooperation provided to me and my staff over the past year in our work on this system by the distinguished Senator from New Hampshire (Mr. McIntyre) and his counsel, Mr. Fine, and the distinguished Senator from Arkansas (Mr. McClellan) and his counsel, Mr. Tom Gunn, as well as the continuing responsiveness of the Secretary of Defense.

SOVIET ATTITUDES WITH REGARD TO JEWISH EMIGRATION

Mr. HUGH SCOTT. Mr. President, in my report of April 29 to the Senate on my recent trip to the U.S.S.R. and my private 2-hour talk with Secretary General Brezhnev on April 26, I made mention of the present Soviet attitudes with regard to Jewish emigration. I furnished the Senate an abbreviated paraphrase of that discussion both orally and in my longer, written report of the Dartmouth Conference dated May 21, 1974.

During the visit of the Soviet parliamentarian group from May 20-23, several Senators joined me in further lively pursuit of the question of Soviet emigration policies. At a final luncheon, which I cohosted with the distinguished majority leader, we asked the Soviet parliamentary delegation to give us a summary of their thoughts on the subject, in reply to these inquiries. They have prepared a report with figures and definitive statements which the Soviet parliamentarians submit as the current status of emigration for Soviet Jews.

I ask unanimous consent that their report to us as their hosts be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

SOVIET JEWS, THEIR STATUS AND EMIGRATION

(Summary of the views presented by the members of the Soviet parliamentary delegation during their discussions with the members of Congress)

The Soviet parliamentarians consistently pointed out that there is no discrimination of **Jewish population in the Soviet Union at all.**

As of January 1970 there were 2,151,000 Jews in the USSR. For overwhelming majority of Soviet Jews there is no such a problem as the search for motherland. The Jews **are taking part in building communism as well as other citizens of our country and cannot imagine their future apart from socialism. Hundreds of thousands of Soviet Jews are members of the Communist Party of the Soviet Union. 90% of young men and** women of Jewish nationality at the age of 14 to 28 are members of the Young Communist League.

There is no discrimination of the Jews in the Soviet Union either in the field of education, in getting a profession, in state governing bodies, in promotion to higher position, or in exercising the right to free worship. It can be proved by the following figures. 35% of entire Jewish population of the country have higher and secondary specialized education. Per thousand of those of Jewish nationality there are six times more persons with a higher education than among Russians, eight times more than among Ukrainians and many times more than among other nationalities.

The Jews constitute 4.5% of the entire scientific personnel with higher education engaged in national economy, more than 6% of the total number of scientists including 8.2% of all candidates of science and 14% of all doctors of science. Jews constitute 3.4% of medical profession, 5.2% in the field of arts and 6.9% of those who are engaged in literature and mass media. For all that it must be taken into consideration that Jews account for only 0.9% of the USSR population.

For their contribution to the development of various fields of science, culture, art and literature a great number of persons of Jewish nationality have been conferred highest honorary titles and awards of the Soviet Union. For instance 121 Jews are Lenin Prize winners (that is about 11% of the total number of prize-winners), 1463 Jews are State Prize winners (about 13%). Nearly 340 thousand of Jews have been awarded Soviet orders and medals.

Newspaper "Birobidjaner Stern", magazine' "Sovetisch Heimland" are published in Yiddish in the USSR. Books by Jewish authors are printed in large editions in this country. The anthology of modern Jewish prose published not so long ago was highly appraised not only in our country but abroad as well. Besides, the books by those authors, who write in Yiddish are translated and published in the numerous languages of the peoples of the USSR, including Russian. For example in recent years the total circulation of such publications exceeded 40 million copies.

To meet the needs of the believers there are nearly one hundred synagogues in the USSR. The Moscow Central Synagogue has a theological school (the Yeshiva) training rabbis, shohets, etc. The Jewish religious calendar is published by the Moscow Central Synagogue every year, prayer books are published periodically. Synagogues have their own poultry slaughter pens, kosher meat shops, matzoh bakeries.

There has never been any mass desire to leave the USSR for Israel and there is no such desire nowadays. Altogether during the post-war period (from 1945 till April 1974) 98.2 thousand people left the USSR for Israel In 1973 33.5 thousand persons left the country and 7.5 thousand—during the first four months of 1974. As of May 1 there were 1,964 applications to leave under consideration of Soviet authorities. At the same time recently a substantial decline of such applications can be noted. If before the October war last year the number of applications averaged 2.5 thousand every month, now the number of applications has fallen down more than two times (1.372—in January, 1974, 1.555—in Feburary, 1.917—in March, 1.407—in April).

It is necessary to note, that taking into account the interests of state security of the USSR, Soviet authorities restrict certain categories of those who want to emigrate to Israel. These restrictions are applied to persons who have special military training, or work in defense industry or to those engaged in activities, connected with the state interests.

Soviet authorities also take into account the consent of other members of a family who have the right for care and financial support of those, who want to leave the USSR. All actions of the Soviet authorities in this area are in full accordance with the Soviet legislation and international law, in particular with the provisions of the International pact on human and political rights. But the number of applications from persons to whom existing in the USSR limitations are applied is quite small and it is proved by the fact that more than 95% of those who apply to leave for Israel get the permission.

It is worth noting that more often the people of Jewish nationality who asked the permission to leave for Israel and who received such permissions, now don't want to use them. For example in 1973 1.112 persons didn't use the permission given to them and 402 persons officially refused to leave at all. Hundreds of former Soviet citizens who left at one time for Israel are applying to Soviet authorities for permission to come back to the USSR. Only in 1973 there were more than a thousand of such applications. Taking into account the concrete circumstances Soviet appropriate authorities give such permission in some cases. In particular in 1972–1974 permissions to return to the Soviet Union were given to some persons who fled from Israel and who after that had to stay in Vienna for a long time.

The members of the Soviet parliamentary delegation emphasized that all those who wish to emigrate from the Soviet Union have already got and are still getting such an opportunity with the few exceptions mentioned above.

WHO WANTS THE CPA?

Mr. FANNIN. Mr. President, I am concerned about the logic behind our considering the Consumer Protection Agency as proposed in S. 707. Who is it that is asking for another sprawling bureaucracy?

In making decisions as elected representatives, we are all supposed to take the lead from the people of our States. I do not get much mail from home saying there is a need for such an agency. My constituents do not write and ask me to create another board, bureau, commission—much less an agency to oversee the actions of other agencies.

But they do write to complain about the high cost of Government and to object to the loss of freedom, extra work and expense caused by the Government agencies. The people of my State are tired of expensive, handholding Government bureaucracies, and they rightly do not understand why the Members of Congress seem to think they need them.

Allow me to quote from an interview of HEW Secretary Caspar W. Weinberger as it appeared in Barron's magazine:

> There is a curious belief growing up that consumers are some group apart and that there are some specially anointed people who are the only ones who can speak for them. Neither you nor I can speak for consumers, they feel, unless we belong to the required organizations . . . well, I don't believe it. We are all consumers. We are all equally important because we all have an equal interest.
>
> Consumers are mistakenly viewed—and so treated in the pending legislation—as a homogeneous group of individuals all with the same motivations, desires, needs, et cetera. Starting from such an erroneous assumption is bound to lead to erroneous conclusions. The interest of consumers is identical to the public interest, for the general public and the consumers are all one and the same. And unless I am mistaken the regulatory agencies we have set up over the past 70 years were designed to protect the public interest.
>
> In a democracy, consumer needs and desires come to bear upon government through the elective process. It is therefore, the responsibility of the Congress to translate the divergent needs and desires of the people—consumers—into consensus programs and courses of action.
>
> If executive agencies fail to follow the intent of Congress, the responsibility then comes back to the legislative body to clarify or make its instruction specific. To propose a Consumer Protection Agency is an admission that the executive agencies have failed to follow the intent of Congress and rather than meeting our responsibility we are pushing it off to another level of government. Why should the Congress seek to abrogate its responsibility to the electorate in the area of consumer affairs through legislative fiat, such as that contained in the proposed bill? Surely the transfer of power to the executive branch, due to congressional default, has reached dangerous proportions already. The tide needs to be turned in the opposite direction.

Mr. President, this is good, logical thinking on Secretary Weinberger's part. The tide needs to be—it must be—turned in the opposite direction.

I do not understand why some of my colleagues seem to think that the Members of the House of Representatives and the Senate are incapable of representing the consumer. We have better and more regular contact with consumers than nonelected bureaucrats. We have adequate input into Federal agencies which were established to "protect the consumer" and have the power to pull them into line if it is determined that they are not doing an adequate job. We have no business pushing this "robbing Peter to pay Paul" agency onto the American public.

Why do we need this muddying of the waters? In these times, why are we even considering further alienating our constituents toward government with a deceptively named agency to oversee other agencies? The people from my State are not stupid, Mr. President. They will want to know why the current Federal agencies require another Federal agency. Do I tell them that their elected representatives cannot do their jobs, that we do not have the oversight powers to make certain the current agencies are doing their jobs?

S. 707 is defective from the start. It is based on the assumption that a single agency can act as an advocate for "consumers" as a class. As Secretary Weinberger pointed out, the fact is that there are as many consumers as there are citizens, and their interests are as diverse as one can imagine. It is folly to think that any one Federal agency could possibly represent them all.

Since it is impossible to represent the diverse interests of all consumers, it will inevitably develop that the CPA will represent some consumers while other consumers will be left unrepresented. By establishing a mechanism for the determination of the consumer interest, the CPA will provide a perfect outlet, and a multimillion dollar yearly budget, for the lobbying activities groups, such as those promoted by Ralph Nader, which speak in the behalf of special interests. Consumers whose interests differ from those of the dominant consumer lobby of the moment will be left unrepresented, and their tax dollars will be spent to support the opposing position.

The cost of such a new agency—which, of course, must be borne by the "protected consumer"—is not something that can be overlooked either. Big Government spending is rightly said to be a key reason for inflation, and people know that the Government is responsible in other ways for the increased prices of goods and services, too.

Part of the added costs reflected in higher prices is the man-hour costs imposed on business to fill out Federal forms. In recent years, the increase in the paperwork requirements has been staggering. We have created the Cost of Living Council, Price Commission, Pay Board, Occupational Safety and Health Administration, Environmental Protection Agency, Consumer Product Safety Commission, the Federal Energy Office, and on ad nauseam with prices increasing to pay for their reporting requirements.

In 1973 alone, new Federal report forms numbered over 2,500. The Office of Management and Budget estimated that these forms would require over 72 million man-hours for business to answer. And this figure does not even include the time required to complete the forms previously required of business in the name of "consumer protection."

The costs of responding to all of these forms do not disappear. They are passed on, eventually, to the consumer. It would seem to me that those who are truly interested in helping the consumer would be doing something to reduce the Federal paperwork burden and thus prices rather than trying to push through unheeded legislation that will add fuel to the fires of inflation. The taxpayer, disguised in this bill as the consumer, will have to pay and it will not take him long to figure out that he has been conned out of his money once again by the Federal Government.

The question is, What will the consumer get from the Consumer Protection Agency? Will it with its apple pie and motherhood name do anything toward solving the day-to-day consumer problems: the overcharges for unneeded automotive repairs; the prepaid merchandise that never arrives; the dishonest used car salesman; the unhonored guarantee? No, it will not.

The consumer agency as it is now proposed will have no immediate impact on any of these day-to-day consumer problems. Rather it will be involved in very complex and lengthy Federal administrative proceedings and court appeals involving such things as antitrust cases, rate settings, drug approvals and a plethora of other complicated matters which may take months or even years to resolve.

Mr. President, I believe that passage of S. 707 would be a grave injustice to the intelligence of the Federal agencies, the American businessman, our constituents and ourselves—all of us are consumers who want something worthwhile for our time and money. In the jargon of the day, the CPA would be a gigantic "ripoff."

GERMAN MARSHALL FUND OF THE UNITED STATES: A MEMORIAL TO THE MARSHALL PLAN

Mr. HUMPHREY. Mr. President, on June 5, 1972, the 25th anniversary of the Marshall plan, the Federal Republic of Germany honored the occasion with an act of extraordinary generosity. On behalf of all four political parties and with the unanimous consent of the Parliament, former Chancellor Willy Brandt announced a gift "in expression of special gratitude for the American decision in 1947" which made possible the formation of the German Marshall Fund of the United States: A Memorial to the Marshall Plan. The fund is a U.S. private foundation located in Washington. It is dedicated primarily to improving international understanding and resolution of "the common problems of industrial societies."

The Federal Republic undertook to support the fund by providing 150 million deutschmarks—about $60 million at current exchange rates—in 15 annual installments of 10 million marks, starting in June of 1972. Arrangements with the American board of trustees stipulate that "the German Marshall Fund will administer its proceeds without any influence by German authorities."

The terms of the gift are broad and magnanimous. They authorize support for many kinds of activities relating to the common problems of industrial societies everywhere and without special preference for United States-German projects.

A fine board of trustees, listed below, was formed under the chairmanship of Dean Harvey Brooks of the division of engineering and applied physics at Harvard University and president of the American Academy of Arts and Sciences. In March of last year, Benjamin H. Read, former first director of the Woodrow Wilson International Center for Scholars, 1969–73, and Executive Secretary of the State Department, 1963–69, was chosen as fund president.

The statements of initial programs and summaries of projects of the fund, which began operations in January of 1974, are described in the material I am placing in the Congressional Record at this time. They indicate a most promising start for an organization whose charter and antecedents afford it unique opportunities to accomplish much needed international services.

Mr. President, I ask unanimous consent to have the material printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

The German Marshall Fund of the United States: A Memorial to the Marshall Plan Purposes, Programs, Resources and Guidelines Projects

(The central purpose of the German Marshall Fund of the United States is to contribute to the better understanding and resolution of significant, contemporary or emerging common problems of industrial societies—internally and in their relations with each other and with developing societies—by facilitating and supporting sustained working relationships, studies, cooperation and contacts by and between persons with shared interests and responsibilities in the United States, Europe and elsewhere.)

I. PURPOSES

The basic theme of the German Marshall Fund was chosen to commemorate the essential achievement of the Marshall Plan for which it is best remembered a quarter century later: unprecedented international cooperation in meeting the most pressing needs of the time. Thus, the statement of policy adopted by the Board of Trustees declares:

In planning programs for the 1970's and 1980's, of course, the Fund faced substantially different needs and opportunities than existed in the early post-war period.

In post-war Europe, economic reconstruction and growth were prerequisites for other political, social and security objectives. Massive Marshall Plan resources and technology supporting multiple European initiatives helped recovery through sustained cooperation between Europe and America. Economic dependence on the United States was supplanted long ago by relationships of equality and by competition in trade, production and technology.

Complex issues have come to the fore. Record economic growth and technological advancement have produced uneven progress. Unempolyment and poverty remain in even the most affluent societies. The gap in material conditions between industrialized and developing areas has widened inexorably. Worldwide growth and concentrations of population have aggravated both material and social problems. It has become increasingly difficult for either markets or governments to deal adequately with such interrelated issues as land use, resource shortages, transportation, housing, education, urban services, environment, crime and the administration of justice, and associated social strains and inequities.

Many of these problems are increasingly similar from one society to another as are their consequences and remedies. But public and private institutions and individuals in different countries know little about the experiences of others and seldom share the quest for common solutions.

Within the limits of its resources, the German Marshall Fund of the United States will foster various cooperative efforts to address common problems. U.S. and European issues or persons will figure in all work sponsored by the Fund. Appropriate East European as well as West European participation will be welcome. Moreover, the participation of persons in other societies with shared or common problems will * * *.

II. PROGRAMS

Common problems

To fulfill the commitment to give highest priority to work on "the common problems of industrial societies," the trustees have decided that programs in this area will claim a majority of the resources and efforts of the foundation.

Two considerations explain the Board's decision: first, the increasing similarities and interrelationships of certain problems of industrial and other societies; and second, the apparent inadequacies of existing mechanisms to foster systematic, comparative and joint efforts to resolve common problems.

Industrial societies have much to learn from each other. Particularly in the realm of problems normally considered "domestic," the experience of other societies is often little known. Existing literature and media of communication seldom record the successes and failures of other societies. The Fund will try to promote the better understanding and resolution of such problems by supporting comparative analysis, the dissemination of practical information, the transfer of leadership capabilities, and working contacts between individuals with similar responsibilities in different societies.

Other common problems can be addressed only through the coordinated actions by two or more states. Chancellor Brandt has aptly described the increasing interdependence of industrial states as "a moral, a cultural, an economic, and a political reality." More and more state actions have major impacts beyond their borders. National decisions about scarce resources, trade, taxes, environmental standards, monetary and fiscal matters, tourism, capital and labor flows, often produce immediate consequences in other countries and regions. Many of these interrelationships are only beginning to be understood. All too frequently such problems are ignored or addressed only casually, occasionally or unilaterally without adequate attention to the mutual and conflict interests of other societies.

Cooperation in resolving both kinds of common problems requires support for new forms of institutional and personal relations. Much is accomplished through the existing intergovernmental, governmental and private machinery of international affairs. But most official machinery is designed to deal only with short range national goals. Even the most excellent private organizations have considerable difficulties in gaining the cooperations of competing or potentially competitive organizations. Many private contacts are limited to specific professions or occupations. Academic and professional systems often penalize individual efforts beyond the province of a single discipline. Yet, many basic problems will yield, if at all, only to coordinated efforts by groups embracing diverse national perspectives and multiple professions and disciplines.

The direct sponsorship or cosponsorship of persons forming *ad hoc* international and interdisciplinary task forces, projects and workshops will be a major part of the Fund's common problems programs.

Diverse "common problems" will be designated for priority attention from time to time by the Board, and the search for new approaches to foster international cooperation in the resolution of such problems will continue throughout the life of the Fund.

International relations

The German Marshall Fund will also provide modest support for work on problems of international relations that pertain to the common interests of American, European, and other societies.

Here the initial emphasis will be on facilitating closer relationships among highly qualified international affairs institutions, practitioners, and experts; on giving such persons new international perspectives; and on extending traditional research on diplomatic, military, and security affairs to include economic and social analysis of the impact of certain common problems on international relations.

European/American comparative studies

The need for new forms of cooperation between Americans and Europeans on problems confronting their societies is strikingly evident in teaching and research. In the United States, the study of Europe in the social sciences and humanities has experienced a long-term decline since World War II. Traditional courses on European subjects have attracted less interest and support. Research on Europe has been limited and seldom dealt with cooperative international approaches to common problems. In Europe, despite some resurgence of interest in American history and literature, curricula and research incorporating contemporary United States experiences are strikingly rare.

The trustees have decided to use limited Fund resources to encourage selected European and American comparative studies of industrial societies. Emphasis will be placed on post-graduate and graduate training and research. The Fund will stress projects involving sustained contacts between European and American scholars and relating to other Fund-sponsored activities on the common problems of industrial societies. Whenever feasible, existing programs will be used for initial screening of projects and applications. Support will be concentrated on persons or groups whose teaching or research will have widest potential importance for others.

III. RESOURCES AND GUIDELINES

To give the then trustees of the German Marshall Fund a meaningful choice as to whether to continue operations beyond the assured 15-year period of support, the Fund will build up its operations over a two or three year period. Subject to annual Board of Trustees review, the Fund's budget authorizes obligations of 30% of the second ten million DM installment during the installment year (June 1, 1973–May 31, 1974); 50% of the 1974–75 installment; 75% of the 1975–76 installment; and 100% of all subsequent installments, with investment of set aside and unexpended sums, looking towards a residual fund in mid–1988 of $10–25 million.

The Board has adopted several budget and operation guidelines based on the resource and program objectives described above.

The Fund intends to explore, or to have potential grantees explore, the cosponsorship of proposed projects, studies, and other activities with other foundations and institutions in the U.S. and elsewhere. It will search for appropriate ways to use Fund resources to stimulate the use of other public and private resources for similar purposes. It will give special consideration to activities that serve the foundation's objectives and have a reasonable chance of becoming self-supporting or attracting other resources. The Fund will not provide permanent endowment support for other institutions.

Although the Fund will support work involving issues of science and technology, it will emphasize political, economic, social and institutional questions. It will try to disseminate findings in diverse media and languages among public as well as specialized groups.

The Fund will make every effort to coordinate its work with the work of others and to avoid issues addressed adequately elsewhere. It will not sponsor work on short-run, ephemeral or tactical questions where there is insufficient time to address the problems covered in a systematic or timely manner. Finally, although it aspires to promote work on subjects of interest to governments and to international organizations which they are unwilling or unable to consider, the Fund will not undertake government contract research nor will it support, directly or indirectly, classified work.

IV. SUMMARIES OF PROJECTS

A. Common problems programs

1. *Communications*

a. *International Public Television Coordinator.* The GMF is funding for a two-year period starting April 1 the appointment of Fred M. Cohen as international program coordinator in the Public Broadcasting Service in Washington. With support arrangements in other capitals financed by the Fund and the counsel of an International Advisory Committee now being formed, the International Coordinator is responsible for systematizing information about certain non-U.S. programs and alternative access arrangements and for encouraging the exchange, coproduction, production, and use in the U.S. and elsewhere of television materials of potential comparative interest on common problems of industrial societies and possible live dialogues between regions on major international relations issues. ($160,000)

b. *European Television Journalists.* The Fund will enable three outstanding younger European television journalists to participate in the established programs of the Nieman Foundation for Journalism at Harvard University during 1974 and 1975. ($33,000)

2. Environment

Former EPA Administrator William D. Ruckelshaus assisted by Robert L. Sansom, an environmental expert, have undertaken a six–twelve month consultant contract with GMF to plan, develop and evaluate the feasibility of creating a major international private environmental trust fund to stimulate and coordinate corporate and foundation environmental philanthropy in close and effective coordination with the new United Nations Environmental Program (UNEP) and other regional and transnational environmental activities. Messrs. Ruckelshaus and Sansom have completed visits with UNEP in Nairobi and with key environmental experts in three European capitals, and they are initiating further contacts with key figures in industries, governments and international organizations.

3. Labor-management

A United Auto Workers-Harman International Industries (auto parts) labor-management team and outside experts included as members of a project on Technology, Work and Character in Bolivar, Tennessee, will be enabled to take a work/study trip in September to Norway and Sweden to examine industrial experiences in Scandinavia at Volvo and elsewhere, in reorganizing industrial and service sector work environments and to record the visits in writing and possibly film. ($26,500)

4. Land Use

William K. Reilly, lawyer, urban planner and president of the Conservation Foundation, will direct a 30-month international comparative land use project to analyze certain land use policies, laws and practices of 8–10 other countries, including Australia, Canada, England, France, Germany, Israel, Japan, Mexico, Netherlands, and Norway.

U.S. project participants and host country expert advisers will guide a staff of law, urban planning, and other professional school graduates already chosen who will carry out research in the countries studied for a year or more. John Banta, an attorney, is the full-time project coordinator. Books, articles and films will be produced. GMF grant $500,000; CF contribution $125,000.

5. Population

The GMF will assist the United Nations to provide representatives from major print and electronic media assigned to cover the U.N. first World Population Conference in Bucharest next August with the opportunity to explore with leading world experts the relationships between population and other closely related basic common problems of industrial and developing societies at a two-day "Encounter" preceding the Conference. ($15,000)

6. Resource Recovery

A GMF grant of $50,000 will enable the National Center for Resource Recovery to seek ways of transferring its advanced technological and organizational capacities in the field of solid waste management and resource recovery to interested groups in one or two other major industrial countries, probably Germany and Japan.

7. Urban Affairs

a. *Existing Urban Communications.* A grant of $20,000 to Stanford University Graduate School of Business is making it possible for former NYC Deputy Mayor Edward K. Hamilton to direct three graduate students for five months (a) to "map" existing substantive international communications links of top political and managerial leaders of 4 U.S. cities (Atlanta, New York, Tacoma and San Francisco) and 4 non-U.S. cities (Copenhagen, Hamburg, London and Osaka) with impressive innovative records in providing key urban services, and (b) to recommend methods of strengthening such communications in the future.

b. *U.S. Urban Liaison Office in Europe.* The Fund has committed $115,000 over the next two years to create a liaison office at the International Union of Local Authorities in The Hague focused on innovative developments in major European urban areas. This office will be headed by a former U.S. city official with substantial urban and international experiences to be chosen on a national competitive basis. The liaison officer selected will provide information to mayors, city managers, and other U.S. urban officials and to the principal state, county and municipal associations and their publications on the experience of European cities in confronting problems similar to those faced by U.S. cities. The office will also seek to establish specific working contacts between urban officials in the U.S. and Europe.

c. *Boston-Grenoble and Other City Exchanges.* The Marshall Fund will support the efforts of a French non-profit association of elected municipal officials and urban specialists, GEVRAM, to develop a series of exchanges between U.S., French and other European city experts and practitioners. The first stage of the program will involve a four-month exchange of officials between Boston, Massachusetts, and Grenoble, France, who will examine experiences in decentralization of urban government and delivery of halls" program. ($37,500)

B. International affairs program

1. Inflation

The German Marshall Fund and the Brookings Institution will cosponsor and share equally the $107,500 costs of a major new study of accelerating international inflation. Papers will be commissioned by leading economists and other experts in the United States, the Federal Republic of Germany, U.K., Sweden, France, Japan, and Brazil to look at the causes and transmission mechanisms of "double-digit inflation" which now afflicts almost all industrial societies for the first time in the post-World War II period. A conference of the experts involved will be held in November of 1974 at the Brookings Institution, which will coordinate the studies, discussions and resulting publications as the first stage of a more extended two-three year Brookings project on worldwide inflation.

2. Soviet East-West policies project

During the next 15 months the Fund will assist Professor Marshall D. Shulman, Director of the Russian Institute at Columbia University, to visit Moscow and other capitals and to encourage collaborative analysis by West European and Japanese diplomats, businessmen and scholars of Soviet perceptions of basic international political and economic trends since 1969 and resulting Soviet policy evolution.

3. Food Reserves Policies

The Fund has made it possible for the Brookings Institution to sponsor a six-month study of alternative world food reserve arrangements by Carroll Brunthaver, an agricultural economist and former government official. Mr. Brunthaver, who began his work on February 1, is assisted by an Advisory Committee of government, academic and other agricultural experts. The effort is intended to be a contribution to preparations for the World Food Congress scheduled for November of 1974. GMF $25,000; Brookings $5,000.

4. International Energy Alternatives

Professor Carroll L. Wilson of the Sloan School of Management in association with the M.I.T. Energy Laboratory will organize with GMF support an international workshop (October 2–12, 1974) at the New Seabury (Mass.) Conference Center, involving 30 business, government, and academic leaders as well as staff aides and experts from more than a dozen large consumer, oil exporting, and developing countries. The workshop, the first in a series of five to be held in America, Europe and Asia during the next two years, will focus on long-term, alternative energy options and strategies, particularly the potential reductions in demand which could result from widespread application of known technology.

5. European Communities and Atlantic Activities

a. *European Communities/U.S. Exchanges.* The Fund will share with the Commission of the European Communities the costs of four exchanges of U.S. and Common Market experts. In seriatim six-week visits in Washington and Brussels experts working in complementary policy areas (e.g.: food reserves counter-inflation efforts, land use, environment, employment) in the U.S. and Europe would be given an opportunity to learn how problems of common interest are viewed and handled in the other capital. American participation, which began in 1973 with exchanges in the energy and banking fields, will be established by a committee headed by J. Robert Schaetzel, former U.S. Ambassador to the European Communities, and administered by the Eisenhower Exchange Fellowships, Inc. of Philadelphia. ($18,000)

b. *Mid-Atlantic Clubs.* The Mid-Atlantic Clubs in New York, Paris, Washington, Brussels, London, and San Francisco, with others to be formed in Germany, which meet to discuss transatlantic affairs, will be assisted during the next three years by the Fund with a $15,000 grant to support a modest central secretariat in Europe to improve coordination of speaker programs and communications between the clubs.

c. *Standing Conference on Atlantic Organizations.* The Standing Conference on Atlantic Organizations, which links two dozen private, non-profit, public interest groups in the U.S. and Europe concerned with Atlantic affairs will receive support of $30,000 to help support a bimonthly newsletter and other activities during the next three years.

C. European/American comparative studies

1. Council for European Studies

The GMF approved a grant of $25,000 to the CES, an inter-university consortium of 27 U.S. universities with graduate programs in European studies with offices at the University of Pittsburgh, to support dissemination of the Council's publications in Europe, to assist in the administration of Fund language and other programs, and to encourage research in areas of prime interest to the Fund.

2. Language Improvement Experimental Program

The Fund is supporting ($15,000) an intensive two-month experimental language improvement program in cooperation with the German Academic Exchange Program in Berlin next summer for 20 American social scientists. The program, administered by the CES, will be directed by Bruce Fraser, linguist, of Boston University.

3. Support for European Scholars

(a) The GMF will obligate $65,000 in 1974 and $100,000 in 1974–75 to permit increased European participation in existing and future U.S. research and teaching programs on common problems; (b) The Fund will also provide $30,000 in 1974 and $30,000 in 1974–75 to support extended research in the U.S. by younger European university faculty members to acquire U.S. research and training experience to teach comparative courses encompassing contemporary American developments or to draw on the latter in their writings.

4. Marshall Fund Common Problems Fellowship Program

The Fund has established a Marshall Fund Common Problems Fellowship Program which will provide fellowship for a few outstanding U.S. scholars each year whose work might contribute "to the better understanding of a resolution of significant contemporary or emerging common problems of industrial societies, particularly their social, political and economic dimensions." Full-time work on developed projects will be expected during the periods of appointment which can vary from a few months to a year or more in duration. Announcements of the program will be disseminated during the summer; applications will be due by October 31; and awards will be made in December. ($125,000)

SPECIAL AWARD

In recognition of its status as a "Memorial to the Marshall Plan," the Fund has approved a grant of $120,000 over the next three years to the *George C. Marshall Research Foundation* to assist General Marshall's official biographer, Dr. Forrest C. Pogue, in the research and preparation of the portions of the biographies covering Marshall's role in post-World War II European developments and the origins and operations of the Marshall Plan.

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ATTACKS ON SCOTT POOR JOURNALISM, EDITOR SAYS

Mr. HELMS. Mr. President, every Senator—Democrat or Republican, liberal or conservative—expects to be pilloried from time to time by the major news media which happen to be opposed to him politically or philosophically, or both. There is nothing new about this—and, really, I know of no Senator who does not believe in the Truman axiom about the heat and the kitchen. If you can't stand the heat, don't go in.

Moreover, most of us deserve criticism. Certainly I do, because I am keenly aware that I am not impossible of error. And, actually, I enjoy a spirited debate with the liberal big-city editors of my State who control every major newspaper in North Carolina except one. The only problem I have encountered has been in persuading them at least to make a stab at getting their facts straight. But they are nice fellows personally and, generally speaking, we have been able to agree to disagree agreeably. In any case, their criticism is not fatal.

My greatest concern—as one whose career has for the most part been in the news business—is the manner in which objectivity in the news so often falls by the wayside. In its place has come something that is called (in polite society, at least) "advocacy journalism." So many big-city editors, being ultraliberal politically, naturally want an ultra-liberal government. They are appalled when a conservative is elected to the Senate. They are aghast when a conservative runs for the Presidency, as in 1964. It is a matter of record that Senator GOLDWATER was abused by the major media in the most outrageously unethical fashion in history. That was a sample of this "advocacy journalism" as practiced by the ultraliberal editors and commentators.

When they get cranked up, Mr. President, it is tough even to attempt self-defense. Facts do not matter. They dream up all sorts of charges, innuendoes, epithets, and rumors. A look at the "coverage" of the Goldwater Presidential campaign is highly instructive in that regard.

These editors are not really interested in facts, and they absolutely are not interested in objectivity. They portray candidates and public officials whom they do not like as "dumb," or as a "disgrace," or as "crooks." But the candidates and public whom these editors and commentators favor? Oh, they are portrayed as pure as the driven snow. A politician with the morals of an alley cat is the beneficiary of loving treatment; he is described as having "charisma." Curiously, nothing but the most flattering photographs of these favored politicians appear in the press and on television. A thousand self-appointed press agents make sure that he comes through to the public as glamorous and wise and compassionate. All he needs to do is be an ultraliberal, and, presto, he is supplied an instant image of charm and discretion.

I do not know about other States, but in my State, the people are wising up, Mr. President. This "advocacy journalism" business is destroying public respect for the major news media. And I have seen repeated polls indicating that this is true all over the country. So this particular kind of "heat from the kitchen" is not all that bad. The polls indicate that among their readers and viewers, the ultraliberal editors and commentators, rate even lower, in terms of public respect, than does the Congress of the United States. And that, Mr. President, is going some.

But all that aside, Mr. President, Mr. Herman J. Obermayer, editor and publisher of the Northern Virginia Sun, sent me a copy of a column he wrote the other day. It was headed, "Attack on Scott Poor Journalism." It referred to a petty little article that appeared in the Washington Post recently about Senator BILL SCOTT of Virginia. The pettiness of the newspaper article was exceeded by an irresponsible outfit financed, I am told, which delights in using anonymous sources and "surveys" to attack Senators and Congressmen with whom it disagrees.

Mr. Obermayer's column speaks eloquently for itself in emphasizing the irresponsibility of those concerned in this little episode of outright meanness. I think the column ought to be instructive to everyone who has a sense of respect for fairness and objectivity.

I realize, of course, that by calling attention to this episode, I am inviting similar treatment from the Nader crowd, Common Cause, and editors who practice irresponsibility. That suits me just fine. We will handle what comes, as it comes. Who knows? They may be contriving, right now, another anonymous "poll" to attack another conservative Senator or Congressman.

In any case, Mr. President, I ask unanimous consent that Mr. Obermayer's column, to which I referred earlier, be printed in the RECORD at the conclusion of my remarks. Senators should be mindful that this is one newsman assessing the irresponsibility of another.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

ATTACKS ON SCOTT POOR JOURNALISM

It's difficult to criticize in print professional peers you respect, particularly when their record of public service is distinguished. But the Washington Post's current campaign to create doubts about conservative Sen. Bill Scott's mental competence is an outrage.

The facts are:

In a telephone poll Senatorial staffers voted Scott "least bright" senator.

With wire service dispatches, page one articles in metropolitan dailies and magazine cover stories, the press made a big deal out of a canvass of 75 legislative assistants.

Last Friday the Post headlined a page one story about Scott's reaction, "Scott Denies He's Dumbest."

Earlier this year the Capital Hill News Service, a Nader financed reporting organization, surveyed Senatorial legislative assistants as to which of their bosses they thought was most and least "bright," "effective" and "hard working." Thirty-nine senators were named in the "least bright" category, with Scott receiving 14 of 61 votes. While eight senators received three or more votes, the pollsters did not disclose who placed second and third.

POLL WAS UNFAIR

A poll of a small number of Senate employes about their bosses is not much more significant than a high school vote on a prom queen or the most-likely-to-succeed. Most legislative assistants only know well a few senators, and as a group they are not qualified to make comparative judgments about the 100 members of the Senate.

The hoopla and publicity given the "least bright" selection appears to be part of a campaign to downgrade Scott with a charge to which he cannot respond. When the press lambastes him for specific votes he can—and usually does—explain his side of the issue. But there is no effective reply to the charge of being "dumb." Maybe it can be laughed off in social conversation, but it can't be laughed off a metropolitan newspaper's front page.

The political mud slingers know that when Scott runs for reelection in 1978 his opponents will distribute reprints of last Friday's Post article. And very few people—regardless of party—feel easy voting for a man described as "dumb" on page one of a respected newspaper.

"DIRTY TRICKS" NEWSPAPERING

This is "dirty tricks" newspapering. It is calculated to start rumors and whispering campaigns. And it's not very different than Donald Segretti planting unprovable rumors about the sex habits of Senators Humphrey and Jackson.

I can think of at least five headlines which would have been fairer than the Post's. "Scott Challenges Survey," "Staffer Poll Distorted: Scott Considering Libel Suit," "Poll Publicity Angers Scott," or "Senator Hits Press" would have all been better. And it's naive to conclude that the Post's "dumbest" headline was the result of an oversight or professional incompetence.

Both Scott and the Post know that were he to sue them for libel, he would be on trial, not they. He would have to prove that he was brighter than some other member of the Senate, and this would give the Post days and days of headlines about his intellect and competence.

Newspapers have immense power, and the Post has very recently demonstrated its capacity to use its influence creatively in the public interest. But protection of the First Amendment and a fine record do not give it the right to ride roughshod over individuals—regardless of how much it dislikes or disagrees with them.

Every journalism student recognizes Do-You-Still-Beat-Your-Wife headlines as cheap shots. And "dirty tricks" by adolescent-minded, political hacks are fare less offensive, than by high-minded newspaper editors.

A NEEDLESS CONFUSION ABOUT THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, there has been some confusion about whether article III(c) of the Genocide Convention, which designates "direct and public incitement to commit genocide" as a punishable act, would usurp the freedom of speech guaranteed by our first amendment. Such confusion is totally unnecessary. The Supreme Court has enunciated what speech is protected by the first amendment and what is not protected in *Brandenburg* v. *Ohio*, 395 U.S. 444,447 (1969):

> * * * the constitutional guarantees of free speech and free press do not permit a State to forbid or proscribe advocacy of the use of force of the law violation except where such advocacy is directed to inciting or producing imminent lawless action and is likely to incite or produce such action.

While this recent enunciation of the first amendment in this area somewhat modified earlier decisions of the Court which protected mere advocacy but now calls for concrete forceable action by adding a probability of success criterion to the requirement that the call be for concrete action, the provision in question in the Genocide Convention easily meets the Brandenburg test since actual incitement to commit genocide, not mere likelihood of incitement, is required.

Mr. President, too much time has been wasted by objections such as this one which are both without substance and incidental to the issues of the Genocide Convention. Let us move forward and ratify the convention.

STRATEGIC RESERVES

Mr. HRUSKA. Mr. President, in the June 2 edition of the New York Times there appeared an article by Under Secretary of Agriculture J. Phil Campbell which sets forth most accurately the arguments against the creation of "strategic reserves." The article also expresses quite well the feelings that I and many American farmers share on the advantages of an open market free of economic controls and price supports.

The matter of strategic reserves has once again come to the forefront with predictions by the American Bakers Association in January that bread may reach $1 a loaf by late spring because of the shortage of wheat. The fact is there was never a shortage and there is not now.

Enacting a grain reserve as a device for bolstering farm prices is simply an effort to postpone price adjustments. It would also operate at the whim of whatever administration came along, and that would be bad. It was not too many years ago when Orville Freeman was Secretary of Agriculture that he decided to dump upon the open market the Commodity Credit Corporation stocks of surplus grains. Any farmer will recall what that did to his income for that year and for following years.

We have an obligation to insure enough of a stockpile of grain to protect our domestic economy, and a humanitarian reason for coming to the assistance of underdeveloped nations or disaster-ridden areas. But, this cannot be done at the expense of the American farmer.

Mr. President, I commend the New York Times article by Mr. Campbell on grain and fiber reserves to my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BEHIND THAT $1 LOAF OF BREAD

(By J. Phil Campbell)

WASHINGTON.—There is a clamor in some quarters for the Government to once again stockpile food and fiber under the name of a "strategic reserve." The supposition is that the reserve would be used to meet humanitarian needs around the world and any shortages here at home. These laudable motives, however, are not the only pressures to build up Government-held supplies of food and fiber.

For instance, the American Bakers Association in January began a nationwide publicity campaign to scare consumers into thinking we had a wheat shortage that might lead to a one dollar loaf of bread. The association urged immediate export controls on wheat for at least six months. "If the restrictions are not imposed immediately, a bread shortage seems likely and many housewives could well be paying a dollar a loaf by late spring."

The scare was unwarranted from the beginning. Secretary of Agriculture Earl Butz responded that there was plenty of wheat out in the country; all the bakers had to do was go out and buy it. Events have proved him to be correct. No export controls were put on. Here it is late spring and there's no dollar bread. Flour costs less now than then. The market found that there was plenty of wheat. We always produce about two-thirds more wheat than we use domestically.

Actually, the bakers wanted the Government to stockpile wheat reserves in the United States to carry the bakers' inventory and lower their costs. There is similar pressure today behind the clamor to build up "strategic reserves" of food and fiber.

Some grain dealers, food processors and textile manufacturers find it more comfortable for the Government to store their inventory at taxpayers' expense. Some foreign countries find it convenient when storehouses of United States farm products go beyond "humanitarian needs" and spill over into cheaper imports. And some foreign governments that have not come to grips successfully with their long-range agricultural production problems also feel more comfortable knowing that our stockpiles can bail them out periodically.

There are also some politicians and theoreticians here at home who believe that the Government should run agriculture. That's their basic philosophy. Besides, when farmers depend on the Government, politicians can gather votes by manipulating support levels, and theoreticians can keep busy studying the system and giving advice "for the public good." Even the bureaucratic machinery that busies itself with the complex of Government farm programs dealing with farm surpluses has a vested interest in building up Government stocks.

Whatever the best system might be for dealing with world hunger, it certainly should be international in its financial support, and it certainly should not be based on big stocks of food and fiber in the United States. We have had ample experience with farm surpluses in this country.

Government-held farm surpluses were a millstone around the necks of farmers, consumers and the taxpaying public for years. An elaborate system of acreage allotments, quotas, land measurements, set-asides, direct payments, storage payments and subsidies grew up around Government-held grain and fiber reserves. These regulations kept farmers in a straitjacket, impoverishing those who clung to small allotments and causing larger farmers to fight to keep a system that protected their larger allotments—which under such regulations are their "right to produce."

Farm programs turned into welfare programs that doled out a few dollars to the deserving but that poured embarrassingly large payments into the hands of the big farmers. The programs ignored sound economics of farm production and marketing, leading to inefficient, high-cost farm-production patterns. This froze in inefficiencies and froze out new farmers. Meanwhile, consumers and taxpayers paid not only in outright higher tax costs but immeasurably more in inefficiencies in food production and marketing.

All of this happened because well-meaning people thought that a strategic reserve—or "ever-normal granary"—could be built up, maintained and cleanly set aside to respond to shortages or emergencies. It did not work out that way despite good intentions. The political temptations to convert a reserve program into a surplus program, are just too great.

The market system is much more efficient and effective in maintaining normal reserves. The market system can do this more cheaply than Government reserves. The self-correcting mechanism of the market also prevents the perpetuating of huge, depressing surpluses.

The country will be far better off if farmers, processors and the market handle the food and fiber reserves as in other businesses. Processors can buy ahead on long-term contracts. And importing nations can carry larger reserves to protect their needs.

WORLD FOOD SITUATION

Mr. KENNEDY. Mr. President, the Food and Agricultural Organization of the United Nations—FAO—recently completed a preliminary assessment of the world food situation in preparation for the forthcoming World Food Conference to be held in Rome this November.

The report contains unsettling news for both food importing and food exporting nations alike. The FAO estimates that "the vast majority of developing countries face a total cereals gap of 85 million tons annually by 1985"—which, the report states, can only be filled by major adjustments of production and stockholding policies.

In view of disturbing reports eminating from the Soviet Union regarding that nation's wheat harvest and the current congressional debate over U.S. agricultural policy to meet these inevitable world food demands, I would like to draw the Senate's attention to the FAO report as well as to several newspaper articles appearing in the Christian Science Monitor and the Baltimore Sun. According to the Baltimore Sun, the United Nations has estimated that as many as 800 million people are suffering from malnutrition—an alarming statistic especially in view of the Christian Science Monitor's reporting of the Soviet grain harvest and current U.S. indecision over establishing a food reserve.

Mr. President, I ask unanimous concent that the text of the FAO report and related newspaper articles be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Preliminary* Assessment of World Food Situation Made in Preparation for U.N. World Food Conference

Rome, June 2.—Projection of present growth rates for population, food production and demand would leave the vast majority of developing countries with a total cereals "gap" of 85 million tons annually by 1985. This would be just under 10 percent of their needs but about three times as large as their average imports in 1969–72 and probably far more than they could afford to import.

And, if the conjuncture of unfavourable circumstances of 1972 generally bad harvests and crop failure in major producing areas—were to recur, the total import demand in developing countries might increase beyond 100 million tons. Only major adjustments of production and stock holding policies would permit world agriculture to fill such a demand.

These are among the major conclusions of a "Preliminary Assessment of the World Food Situation Present and Future" drafted for the second session of the Preparatory Committee of the United Nations World Food Conference which will meet in Geneva, June 4–8, and, as ultimately modified, for the conference itself in Rome, November 5–16.

The assessment, prepared for the Conference secretariat largely by the Food and Agriculture Organization (FAO) with contributions from other international organizations, was made on the basis of certain assumptions concerning growth of population and gross national product and excluding any major changes in governments' policies or relative prices. Other contributors include the World Bank (IBRD), the UN Conference on Trade and Development (UNCT AD), the International Labour Organisation (ILO), the World Health Organization (WHO), UNICEF and the World Meteorological Organization (WMO).

Mr. Sayed Ahmed Marei, Secretary-General of the World Food Conference, noted in a preface that the preliminary assessment "will be revised and amplified by further analysis based on more recent data as well as in the light of the comments made by the delegates at the second session of the Preparatory Committee."

FOOD DEMAND PROJECTIONS

On the basis of the assumptions made, world food demand in the seventies and eighties is calculated to grow at a rate of 2.5 percent per annum, of which 2.0 percent represents population increase and 0.5 percent increased purchasing power.

This, however, masks differences between country groups, the document states. Thus in the developed countries taken as a group the growth rate of demand is projected at 1.6 percent per annum, but in the developing market economy countries at 3.7 percent in terms of farm value. It also masks differences among developing countries. Thus, despite the rapid rate of demand growth, there would still be in 1985 some 34 countries with a combined population of 700 million in which average per capita food energy intake would fall short of nutritional requirements.

As regards cereals, which provide the bulk of man's food, the world demand is projected to rise from about 1,200 million tons in 1970 to about 1,700 million tons in 1985. Much of the increase would occur in the developing countries where cereals demand would rise from about 600 million tons in 1970 to 900 million tons in 1985. The demand for cereals in the developed countries in the same period would increase from about 620 million tons to 780 million tons.

FOOD SUPPLY TRENDS

"On the supply side," the document states, "the basis for making projections is of necessity less sure, the only readily available evidence consisting of historical trends which can be extrapolated, subject to a variety of assumptions and limitations. The period 1961–63 to 1973 was chosen after much consideration, as being the most relevant for extrapolations. The results give a production growth rate per annum between 1969–71 and 1985 of 2.4 percent for developed market economy countries, 2.6 percent for developing countries, and 3.5 percent for eastern Europe and the U.S.S.R."

Although for the world as a whole food supplies would be in approximate balance with demand, according to the calculations made, the situation would be extremely difficult for most groups of developing countries. The possible world balance hides the contrast between the developed countries, which can expand production much faster than demand, and the developing countries, with demand expanding much faster than the trend in production.

FLUCTUATING OUTPUT AND STOCKS

"All this relates merely to trends," the document notes, "but there is also the important question of what fluctuations in production above and below the trend are to be anticipated. One consideration is the weather which, as noted earlier, may vary substantially from year to year in individual countries but which only rarely puts on a uniformly bad performance over nearly all of the earth's surface as it did in 1972. Whatever is the answer to this question, there is undeniably a strong case for a new strategy in respect of food stocks."

There is a second consideration, besides weather, in anticipating fluctuations in world market demand, the document asserts.

"In former times when a country, as a result of bad weather or natural disaster had a bad harvest," it notes, "it tended to tackle the problem by tightening in its belt as much as it could internally; many people went hungry and in extreme circumstances many died, and cattle were slaughtered. Today, when crops fail, the governments turn to the world community to replenish their supplies, either on commercial or food aid terms. This practice must be expected to continue."

The document concludes that, while the amplitude of weather fluctuations may not have changed in comparison with previous decades, the amplitude of the fluctuations in demand on the world market has very significantly increased. With rising production, it adds, even the same percentage change means an increasingly large volume in absolute terms.

THEORETICAL IMPORT BILL

As an example of the import bill most developing countries would face if the projected cereals "gap" materialized, the document notes that an import of 80–90 million tons of cereals costing, say, at the 1973/74 average price of US$200 per ton, would involve an expenditure of US$16,000 to US$18,000 million a year. And, it adds, they would need imports of other foods besides cereals.

"It is clear that under the existing trade arrangements," the document asserts, "the majority of cereals importing developing countries will not be able to finance such heavy imports. In that situation, the only alternative would be a deliberate restriction of consumption in these countries by rationing or other means and this would depress their whole economies. That is why it is so important also to assess the extent to which these gloomy trends could be altered by engineering a faster expansion of agricultural output in the developing countries."

PRODUCTION POTENTIALITIES

The preliminary assessment finds that "without doubt an enormous reservoir of production potentialities—physical, biological and human—remains untapped." These will be analyzed in the final assessment and only some illustrative indications are given in the present paper.

For example in the tropical regions of Latin America, vast areas of land suitable for agriculture could be brought into cultivation. In Africa a campaign to eliminate tse-tse fly would release an area larger than the total agricultural area of the United States and would make possible the production of 1.5 million tons of meat per annum.

In most developing countries there is scope for increasing per hectare yields two-fold or three-fold above their present level. This would require harnessing the large quantities of rain water which at present go to waste and using existing irrigation water more rationally. It would presuppose much greater use of chemical fertilizers and the wider adoption of high-yielding varieties of cereals where some new and important developments are currently in the pipeline. At the same time yields of meat and milk could rise enormously through eliminating low-grade livestock and developing superior breeds.

Before assessing the magnitude of the food problem in the future—in much more detail than has been summarized here—the paper describes the present food situation and dimensions and causes of hunger and malnutrition. In the concluding portion of the document some of the main policy implications arising from the assessment are discussed briefly.

"It is proposed to amplify these further and present them with proposals for national and international action for consideration at the third session of the Preparatory Committee," Mr. Marei states. "In this context, the deliberations and conclusions of the Special Session of the UN General Assembly on Raw Materials and Development (April 9–May 2, 1974), in so far as they are relevant to the objectives of the World Food Conference, will also be taken into account."

PRESENT CRISIS

"The beginnings of the present world food crisis," the paper recalls, "go back to 1972 when the output of cereals (wheat, coarse grains and rice) in the world declined for the first time in more than 20 years and by a large amount— 33 million tons. World production of cereals, presently totalling about 1,200 million tons, had to increase on an average by about 25 million tons each year to meet the rising world demand. The sudden drop in the 1972 production created, therefore, a heavy deficit at a time when the North American countries were engaged in supply-management programmes to bring down their large surpluses. Also, this was the first time in recent decades that adverse weather affected production in several sub-continents simultaneously—U.S.S.R., China, India, Australia, Sahelian Africa and South-East Asia. Unlike in previous years of shortfall in production, the U.S.S.R. did not attempt to tide over the crisis by tightening its belt, but entered the world market to make purchases of grain on an unprecedentedly large scale."

The result was a drop in the wheat stocks of the main wheat exporting countries from 49 million tons in 1971/72 to 29 million tons in 1972/73 with the expectation of their sink-

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*Note.—It must be stressed that this release is based upon a *preliminary* assessment of the present and future world food situation which is subject to revision. Nevertheless, it was felt that the assessment contained sufficient firm information to provide the media with useful background on the food crisis with which the United Nations World Food Conference will deal in Rome November 5–16.

ing even lower this year. Stocks in many importing countries were also sharply reduced. Rice reserves were virtually exhausted. History records more acute shortages in individual countries but it is doubtful whether such a critical food situation has ever been so worldwide.

"Although the 1973 harvests were reasonably good," the paper says, "the increase in production in the market economy countries was insufficient to prevent a further fall in exporter stocks. Production recovered in most developing countries, with the main exception of the Sahelian zone countries where a major international emergency operation was necessary to avert widespread starvation."

"If, as expected, the 1974 harvests are good, in some countries beating all records," the paper summarizes, "then stocks can be partly replenished, but it will take more than one good season to bring them back to safe levels. At the same time, a shortfall in some areas cannot be ruled out. In such a case, an equitable distribution of available export supplies might become a matter of great concern. Thus, the world's food situation has suddenly become exposed to an uncertainty of unacceptable proportion."

World cereal prices rose steeply in 1972 and reached even higher levels in 1973. With dwindling food reserves, the document notes, food aid programmes were cut and developing countries with food deficits faced, and still face, the very difficult problem of having to finance a higher food import bill.

"Food prices have gone up sharply all over the world," it adds, "and have hit particularly hard the poorer sections in the developing countries."

A major factor in the price increase has been the demand for grains and other sources of concentrated livestock feed, such as soyabeans and fish, generated by the growing demand for livestock products.

"Thus there has been something of a chain reaction in the prices of many agricultural products," the paper notes. "Demand for meat has been rising very rapidly as a result of increasing per caput incomes in the developed countries, and a sharp increase in meat prices already began in 1970. In Japan, for example, per caput meat consumption increased by almost 50 percent between 1969 and 1972. In the developing countries per caput consumption of cereals in 1970 averaged about 170 kg., almost all of which was consumed directly. In such countries as Canada and the United States, however, total annual cereal consumption is around one ton (1,000 kg.) per caput, of which only about 70 kg. are consumed directly."

World use of grains for livestock feed rose by 6.3 percent a year between 1961–63 and 1969–71, the document adds. The high-income countries as a whole, with about 30 percent of the population, accounted for 54 percent of the total consumption of cereals for all uses in 1970. The 374 million tons of grain used annually for livestock feed in these countries in 1969–71 is greater than the total human consumption of cereals in China and India together.

FERTILIZERS AND ENERGY

The food crisis was exacerbated in 1973 by serious fertilizer and energy problems, the document notes. A cyclical production shortfall has characterized the fertilizer market since the end of 1972 and led to not only high prices but even physical shortages. The rise in petroleum prices in late 1973, the paper said, not only increased the cost of fuel in agriculture, but in many cases has led to shortage and high prices of feed stocks for fertilizer manufacture. In particular, the developing countries which "have been making commendable progress in the expansion of fertilizer use are faced with the serious problem of fertilizer shortage at a time when they need it most."

MALNUTRITION

"In addition to the accumulating problems of food production," the document points out, "there is the equally vital issue of the nutritional adequacy of available supplies within countries and the extent of under- or malnutrition.

"Scientists differ on how to define malnutrition, but taking a conservative view of the definition currently in use it would appear that out of 97 developing countries, 61 had a deficit in food energy supplies in 1970. In the Far East, Near East and Africa, 20 to 25 percent of the population is estimated to suffer from significant undernutrition.

"Altogether in the developing world (excluding the Asian centrally planned economies for which insufficient information is available) malnutrition affects some 400 million people; a less conservative definition might double the figure."

The document declares that this is not just a "cold statistic." Instead, "it describes the daily physical privation of fellow human beings, adversely affecting health and physical growth and seriously reducing the capacity of children to learn and adults to work. This is a conservative statistic; as such it brooks no complacency."

Under-or malnutrition is strongly correlated with poverty, the paper states. In such widely dispersed countries as Brazil, India and Tunisia, it adds, the 20 percent of the population with lowest income has half the per caput energy intake of the top 10 percent.

POLICY IMPLICATIONS

In discussing briefly and in a preliminary and general way some policy implications arising from the assessment, the paper asserts that the 1972–74 crisis has turned the searchlight onto the central problem needing attention, namely, how to expand food production more rapidly in the developing countries.

"This requires investment on a massive scale to harness the enormous physical resources available," the document declares, "develop new technology, organizations and services. Many of the governments of these countries may need to consider how to rearrange their investment programmes in order to allocate larger shares to agricultural development and their nutritional programmes to reach the hungry. But, however great efforts they exert, a significant part of the financing may have to be provided by developed countries, either directly or through the international financial institutions. What should be the next steps in these directions requires urgent consideration."

These massive investments in agricultural expansion will take time to bear fruit. Meanwhile many developing countries will be facing an acute problem of financing their food imports. Here a substantial expansion of food aid could make a contribution as well as the concessional transfer of agricultural inputs. More generally the developing countries can be helped to earn more foreign exchange by the developed countries offering greater market access to exports from the developing countries.

A final policy implication concerns the fluctuations in harvests caused by the instability of the weather which occasionally may affect many parts of the world simultaneously. Here the major contribution should come from the creation and maintenance of national food reserves, an issue which is currently under discussion in FAO and will be a major topic at the Conference.

[From the Baltimore Sun, June 4, 1974]

U.N. WARNS OF FAMINE—REPORTS FOURTH OF WORLD MAY BE UNDERFED

ROME.—As many as 800 million people, almost a quarter of the world's population, may be suffering from malnutrition, a United Nations report said yesterday.

The report, background material for a world food conference here in November, urged "a worldwide effort to bring about a better balance between growing world demand and supply."

It called for faster expansion of agricultural output in developing countries, massive investment to harness physical resources, substantial expansion of food aid and creation of national food reserves.

The report is the second time in a month that a United Nations agency has cited the possiiblity of worldwide famine.

On May 13, Henry R. Labouisse, the executive director of the United Nations Children's Fund, warned that the threat of severe malnutrition or even starvation faces 400 to 500 million children in poorer countries.

BAD 1972 HARVEST

Tracing the present food crisis, especially acute in Africa, back to the "disastrous" harvests of 1972, the report said: "History records more acute shortages in individual countries, but it is doubtful whether such a critical food situation has ever been so worldwide."

It said good harvests expected this year could partly replenish depleted stocks of staple cereals, but cautioned: "It will take more than one good season to bring them back to safe levels. At the same time, a shortfall in some areas cannot be ruled out."

The report underlined an increasing disparity between supply and demand in poorer countries.

It estimated cereal demand in nonindustrialized nations would rise from 600 million tons in 1970 to 900 million in 1985, leaving almost 10 percent of total cereal needs in 1985 to be filled by imports.

But even present import levels, the report said, "in present trade conditions and at present price levels cannot be maintained for long without adverse consequences on their development programs."

Turning to malnutrition, the report said "conservative" estimates set the figure of "significantly undernourished" in poorer countries at 400 million.

"A less conservative definition might double the figure," it said. "Moreover, within families it is the children and women who receive the lesser share of what food is available in order to maintain the wage earner's capacity to work."

The report said possible solutions to the food problem would be examined in depth in a subsequent paper.

It noted, however, that "an enormous reservoir of production potentialities—physical, biological and human—remains untapped."

"Many millions of acres of land suitable for farming remain unused, especially in Latin America and Africa," it said.

[From the Christian Science Monitor, June 5, 1974]

GRAIN BANK CALLED HUNGER ANSWER—U.S. FARMERS RELUCTANT, BUT MORAL PRESSURES BUILD

(By Harry B. Ellis)

WASHINGTON.—"The United States—the Saudi Arabia of grains—can make or break" a new plan to create a world grain bank without which, its backers believe, millions may starve.

Thus a senior World Bank official defined a quiet but intense debate in Washington on whether the U.S. will back the Food and Agriculture Organization's urgent plea to create the reserve.

At a world food conference to be held in Rome this November, A. H. Boerma, director general of the FAO will call on the world to devote perhaps 15 percent of its annual grain production to a global food bank.

The U.S., as the world's greatest grain producer and the only nation with enough export capacity to feed Asia's hungry millions, will decide the fate of Dr. Boerma's proposal, experts agree.

American grain farmers generally oppose the creation of a grain bank, charging that it would tend to depress prices. The U.S. Department of Agriculture, under Earl L. Butz, tends to side with the farmers.

Lately, however, the moral responsibility of the U.S. to help feed a hungry world is an argument more strongly heard.

Experts describe the world's present food situation, with global grain stocks down to about 27 days of consumption, as a crisis of the first magnitude, with developing countries steadily slipping backward in the struggle to feed themselves.

"Each year," said a key World Bank official, "the world's grain production must increase 3 percent, to feed an additional 40 million people."

"In 1973," he went on, "because of poor crops, grain production dropped by 3 percent, or 40 million tons below expectations. The gap had to be made up from U.S., Canadian, and other reserve stocks."

Those stocks, says Dr. Boerma, now are so dangerously low that crop failure this year in a single major grain-producing area "would cause a widespread food shortage."

The world, explained a World Bank source, produces about 1.2 billion tons of grain yearly. The four largest producers are the U.S. (239 million tons), the U.S.S.R. (200 million tons), China (168 million tons), and India (105 million tons).

"Eight million Americans," said the World Bank official, "grow 239 tons of grain." He paused. "It takes 364 million Indians to grow their 105 million tons."

EVERYONE WORKS

This enormous productive superiority of American farmers also overshadows the Soviet Union's performance, where 77 million persons labor to produce 200 million tons of grain, and even more the experience of China, where 514 million peasants harvest 168 million tons.

In India and China, in other words, almost everyone works at producing food—and still these huge Asian nations must import grain.

By 1985, according to an FAO report just released, there will be an 85-million-ton annual gap between the food that is grown and what is needed. In such a case, clearly, countries with the most money will get the food.

They will, that is, unless nations set up a global food bank and agree to parcel it out in some fashion to the needy.

This throws the spotlight back on the U.S. debate over what role the U.S. should play this November in Rome.

"What really disturbed world markets last year," remarked a World Bank official, "was the Soviet Union importation of 20 million tons of grain."

CATTLE VERSUS PEOPLE

This grain was not primarily to feed people, but to fatten cattle, for Kremlin leaders have pledged to raise more meat for their people.

Many experts now say that affluent nations—the U.S., Japan, Western European countries, and some Eastern European societies—will have to cut back on meat consumption, or millions of Asians and Africans may starve.

In the short term, analysts say, a way must be devised to build up depleted world grain reserves against the possibility of a poor crop year.

Over the long term, the World Bank and other agencies must make a concerted effort—through encouraging land reform, and by teaching better fertilizing, growing, and marketing techniques—to increase the output per acre of millions of peasant farmers around the world.

CROP TROUBLE MAY FORCE SOVIETS TO IMPORT AGAIN

(By Paul Wohl)

This year's Soviet grain crop is in trouble. Much of the winter wheat has perished, and only extensive and speedy spring sowing will enable the Soviets to reach their goal of a 205 million ton grain harvest.

The problems are many. In southern Siberia the snow cover in the middle of May was the highest in history. Along the lower Volga River and in the Urals cold weather and heavy rains hindered spring sowing. It was the same for central Russia and the northern half of Kazakhstan.

Other parts of the country were hit by drought. One-third of the normally productive Ukraine reported dust storms as early as the middle of March.

The government newspaper Izvestia on May 23 complained of "capricious and complicated spring weather."

Labor gangs have been mobilized all over the country to speed up spring sowing. Factory workers have been ordered from their jobs and out into the fields to help.

FLUCTUATIONS COMBATTED

Harvests are uneven from year to year in the Soviet Union. Last year's exceptionally good grain harvest was reportedly 222 million tons. But just the year before the total dropped to 168 million tons.

Soviet farm policy is trying to minimize these fluctuations. Farming will spread into Russia's non-black earth regions in the northeast where yields are smaller but the weather is more predictable.

The Soviets hope to prevent a repetition of the 1972 crop disaster which forced them to import more than a billion dollars worth of grain.

The bleak outlook for winter wheat is serious because winter wheat accounts for 40 percent of the wheat harvest. And wheat accounts for 90 percent of the entire cereals group.

The oats and barley harvest also is threatened. Aleksander I. Baranov, director of the National Scientific Research Institute of Grain Economy, said on May 16 that the growth of weeds in the oats and barley fields may cause a smaller harvest.

Corn this year which former Premier Nikita S. Khrushchev introduced between 1960 and 1963 may save the grain harvest. On April 5, Silski Visti, a Ukrainian farm journal, advised sowing corn as an "insurance corp."

CORN TO THE RESCUE

"When winter wheat prospects appear to be unsatisfactory, it is possible to correct the total yield by sowing corn," the article said.

The spring wheat sowing campaign also may correct the unfavorable picture. Last year at the beginning of the campaign, grain prospects looked poor, too. According to the latest report, the weather seems to have cleared up.

In addition, preparations for the crop have improved. The havest decree published on May 10 disclosed important new departures of policy:

Centralized control of grain procurement is designed to prevent farms from trying to make higher profits through interfarm or kolkhoz market sales instead of delivering the grain at the established price to the procurement centers.

Storage facilities within the procurement system will be decentralized. The state bank is set to grant the farms additional long-term credits to build drying facilities, cover threshing floors, grain elevators, and storage places for grain from the 1974 harvest. (Last year about 20 million tons of grain were lost because of insufficient storage space.)

"HARVEST RECRUITS"

The new policy of letting the farms build their own storage and threshing units was suggested in April in the Economic Gazette by Minister of Procurements Grigory S. Zolotukhin.

Control over farm consumption of agricultural products will be increased, and a new system of stimulating the labor productivity of "harvest recruits" from the industrial sector has been introduced.

Whether these measures will enable the Kremlin to keep up with the astronomical rate of increase in the consumption of grain in both the U.S.S.R. and Eastern Europe is a moot question.

Net grain consumption in 1970–71 in the Soviet Union and Eastern Europe was more than 45 percent above the 1960–61 average. Harvest prospects in Eastern Europe are poor this year. On April 21, Radio Warsaw reported that drought in Poland had lasted well over one month. Ceteka, the Czechoslovak news agency, reported that the drought this year was the worst in almost a hundred years.

This means that the Soviet Union this year may have to export even more grain than usual to Eastern Europe at a time when its own harvest is likely to be less abundant than in 1973.

Under these circumstances, it is possible that Moscow once again may have to turn to the world market where grain prices are so much higher than last year.

TAX ON PRIVATE FOUNDATIONS

Mr. DOMINICK. Mr. President, on May 14, my very distinguished colleague from Oklahoma, DEWEY BARTLETT, presented before the Senate Finance Committee a statement in favor of reducing the foundation tax from 4 to 1 percent. This tax was originally imposed to cover the cost of auditing the foundation operations, but in fact, has resulted in creating seven handicaps on a number of very good undertakings and with his usual flair, initiative, and brains, Senator BARTLETT presented the problem in admirable form and suggested a realistic solution.

Since I believe in his approach, I think the readers of the RECORD should have a chance to read it in detail. I ask unanimous consent that his statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. DEWEY F. BARTLETT

Mr. Chairman, I appreciate very much the opportunity to appear before the Subcommittee on Private Foundations to present my views concerning the 4 percent excise tax on the income of private foundations. I appear before the Committee because I have introduced S. 1135, a bill to reduce that tax from 4 to 1 percent of net investment income.

You, Mr. Chairman, and the other members of the Subcommittee, are of course familiar with the history of section 4940 of the Internal Revenue Code which imposes the tax that my bill would lower. However for purposes of the record let me review that history briefly. Prior to passage of the Tax Reform Act of 1969, the investment income of private foundations qualifying as exempt organizations was not subject to tax. Many exempt organizations were taxed on their unrelated business income, but this tax did not apply to ordinary investment income.

During consideration of the Tax Reform Act by the Committee on Ways and Means, some members voiced the suggestion that private foundations ought to bear some of the burden of the general cost of government, including providing the funds necessary for more vigorous enforcement of the tax laws relating to exempt organizations. The Committee on Ways and Means responded to these views and imposed a general income tax equal to 7½ percent of the investment income of private foundations.

However, the Senate Committee on Finance concluded that it was inappropriate to levy a general revenue tax on private foundations even though it was appropriate to assess private foundations an audit fee to provide the funds needed by the Internal Revenue Code provisions relating to private foundations and other exempt organizations. The measure recommended by the Committee as ultimately passed by the Senate would have imposed on private foundations an audit fee measured by a percentage of the fair market value of the investment assets held by a foundation.

The Conference Committee on the Tax Reform Act took the middle ground between these two conflicting philosophical views and section 4940, as enacted into law, provided that an excise tax measured by net income would be imposed on private foundations. The current rate of tax, Mr. Chairman, is 4 percent. Experience has shown that this figure produces revenues which is far in excess of what the Treasury needs to audit the activities of *all* exempt organizations, let alone what it needs to audit just private foundations.

It is because this tax on foundation income has become a general revenue producing measure that I introduced S. 1135 to lower the tax to 1 perecnt of net investment income, thereby bringing the amount collected into line with the amount that is needed by the Treasury to fund its audit activities. It is my understanding that a tax imposed at the rate of 1 percent of net investment income would produce funds sufficient for this purpose. If this figure is not correct, I would suggest that Treasury be requested to inform the Subcommittee as to what precise level of tax would produce the amount that legitimately is needed for compliance activities by the Internal Revenue Service.

Mr. Chairman, I think it is appropriate to provide for the record a statement of the reasons why I believe passage of S. 1135 is not merely desirable but necessary, and is necessary immediately. Initially, I cannot agree in principle with the philosophy that private foundations ought to provide part of the general revenue of our government. But even putting that point aside, the tax as it currently operates is not justified. It is essential to recognize that the 4 percent tax currently imposed is *not* a tax on private foundations. The tax is a tax on those operating charitable and educational organizations which depend upon private foundations for support.

That this is so may be demonstrated easily by reference to other provisions of the laws governing foundations. Section 4942 of the Internal Revenue Code requires a private foundation to distribute annually a minimum amount for the active conduct of charitable activities. The figure to be distributed each year is derived through the application of rather complicated provisions and it is not necessary to review them in detail at this time. What is critical is a recognition of the fact that the tax on investment income is subtracted from the amount that a private foundation must otherwise distribute each year under section 4942. Thus, the incidence of the tax on investment income is borne dollar for dollar by the charitable and educational organizations that otherwise would have received the monies that are now being applied to pay the tax.

I find this to be a terribly unfortunate situation. Let me cite but one of many examples from my own State of Oklahoma to illustrate the reason for my concern. St. Francis Hospital in Tulsa is one of the leading hospitals and medical research institutions in the United States and it has been generously supported from its very inception by a private foundation located in Tulsa. The fact that St. Francis has such a substantial level of private support has enabled it to provide the citizens of Tulsa with some of the most sophisticated and advanced medical facilities in the world. In addition, the medical community resident at St. Francis is of the highest academic and professional level, and has contributed in great measure over the years to the better health of all Americans through research and other activities. Since 1970, when the 4 percent tax became effective, hundreds of thousands of dollars have been diverted from the work of this hospital into the general revenues of the United States. I feel strongly that this diversion is not justified.

Viewed as a general revenue measure, the tax on investment income of private foundations raises an insignificant sum of money for the government, but it takes from active charitable pursuits money that in many cases is critical to the continued existence of many charities, and might have enabled other charities to make even greater contributions to society. Who can tell what might have been done with several additional hundreds of thousands of dollars at St. Francis Hospital in the way of providing new and better medical facilities, or perhaps even in contributing through research to the elimination of significant diseases.

One need not look only at hospitals to understand why I introduced my bill. All around the country many small private colleges that have contributed greatly to our society are being forced to close through lack of support. These examples are specific but they are by no means unique.

I am also concerned Mr. Chairman with the fact that the imposition of a tax on the investment income of private foundations for the purpose of increasing the general revenues is a marked departure from the centuries old tradition in this country of encouraging private support of charitable activity. Although the government has properly undertaken many worthwhile activities in the social and educational fields, I must say that it is my firm conviction that private philanthropy is essential to our country, and that absent private philanthropy many worthwhile institutions will not be able to function and many worthwhile projects will have to be abandoned.

I believe, Mr. Chairman, that the time for action has arrived. Prior to your scheduling these hearings there have been three Congressional hearings since 1969 concerning private foundations. You, Mr. Chairman, held hearings on October 1 and October 2, 1973. The Committee on Ways and Means and the Subcommittee on Domestic Finance of the House Committee on Banking and Currency each held hearings in April of 1973. At each hearing a number of witnesses urged that the tax imposed by section 4940 should at least be reduced to a level consonant with Internal Revenue Service audit costs. Thus, Mr. Chairman, it is my opinion that a record of opposition to the collection of more than is necessary to audit exempt organizations has been made in every available forum and legislation is justified. Indeed, I believe that I am correct in saying that, from 1969 on, the Treasury has never favored a tax which would produce revenues greater than that necessary to fund a vigorous enforcement program.

I view S. 1135 as a necessary first step to achieve equity. I should point out Mr. Chairman that all this bill does is to bring the level of the tax down to the amounts needed by the Internal Revenue Service to fund its audit activities of exempt organizations. In a sense this bill may be viewed as but a necessary and desirable interim measure. It leaves many questions unanswered that are properly subject to continuing discussion and debate. For example: I question whether a tax on foundation income is the best way of collecting an audit fee. Similarly, many have asked whether private foundations ought to be taxed even to provide for their own audit activities, and if they should, whether the amounts collected ought not be earmarked for this specific purpose.

These questions and others Mr. Chairman, while a fit subject of debate for the future, are not raised by my bill and do not have to be resolved now. The only purpose of my bill is to return to the original philosophy that prompted the Senate of the United States to provide what is described as an audit fee or a supervisory fee.

Mr. Chairman, the Congress in 1968 acted properly and decisively to eliminate the abuses alleged to exist in the foundation field. Comprehensive statutes now regulate the relationship between a private foundation and those who donate to it, prevent unreasonable accumulations of income or imprudent investments, assure that funds are distributed for active charitable purposes, and prevent the granting of money to individuals for improper purposes. Having done this, Mr. Chairman, there is no reason further to deplete the funds available for charities that are in such dire need of support. The audit fee collected from private foundations should, at most, be no more than is sufficient to provide for the supervision of exempt organizations by the Internal Revenue Service.

Mr. Chairman I appreciate the opportunity of appearing before your Subcommittee and I hope that the Subcommittee will see fit to act favorably on S. 1135.

COLD TURKEY

Mr. BUCKLEY. Mr. President, I recently came across an address by Dennis Dunn, the Republican county chairman for King County, Washington, which packs as much economic good sense into a few pages as I have seen.. If any of our colleagues has any question as to what causes inflation, or as to the Congress' direct responsibility for our current economic problems, I recommend that they take the time to read it. I ask unanimous consent that Mr. Dunn's address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Cold Turkey

(By Dennis Dunn)

"The greatest problems our country will face in the decade of the seventies will be those of inflation and depression. It is conceivable that depression can be avoided for another 5 or 10 years, but it will only be avoided by pursuing governmental policies which will necessarily produce raging inflation. And should raging inflation ever become runaway inflation, depression far different . . . and far worse than the great depression of the thirties . . . will paralyze America."

To make that statement in mid-1974 is perhaps about as profound as saying the Huskies had a bad year in 1973. But that statement was made more than 3 years ago in a series of essays I wrote and sent out to the Republican Precinct Committeemen of King County on the subject of inflation and the U.S. economy.

In April of 1971, my predictions on the course of our economy appeared to be somewhat pessimistic . . . perhaps too ominous and too threatening. How I wish I had been wrong! As I re-read those essays today, I see that events are already bearing out those predictions. We are no longer at the threshold of raging inflation . . . we are completely inside the door. You don't need an economist or anyone else to remind you that your savings are evaporating and your dollar is buying less and less each day. All you need is a grocery receipt. I am not here to tell you what you surely already know.

Nor am I here to wrap a shroud around the American economy and extend an invitation for you to join in the wake.

We are not dead yet.

But, we are living in difficult times, with even more difficulties lying ahead.

I am here to offer my suggestions as to how we can overcome those difficulties, and I submit that the obvious first step to solving any problem is to understand the problem. With understanding, the medicine for the cure won't go down any easier, but at least one becomes more willing to swallow it.

"Inflation," you may have heard it said, "wouldn't be so bad if prices just didn't keep rising." One wonder if the statement is made in jest or in seriousness. For rising prices are clearly a result of inflation, not a cause.

The fact remains, however, that if you wish to teach your children the value of a dollar, you'd better be quick about it: if it's not already too late. For what has happened is that, between 1940 and 1974, in my lifetime, the dollar has lost three-quarters of its purchasing power. Nearly half of that loss has occurred during the past ten years. In the past three years, the annual rate of inflation rose from 5 percent in 1971, to 9 percent in 1973, to 14 percent for the first quarter of 1974. And, despite the hopeful predictions out of Washington, D.C., I think it is safe to say the situation is going to get worse . . . not better. Even if you assume that inflation will level off at a steady rate of 14 percent (a risky assumption, believe me, for the longer view), do you realize the present dollar will lose half its purchasing power in just four years and seven months?

"So what?" Some people have asked me. "Why does inflation really matter if wages go up as fast as prices?" I must admit, you hear that question less frequently today than in 1971 when I was writing my first essay on the subject. Nevertheless, even if wages were rising as fast as prices, there are still several very good answers to that question. First, inflation must be thought of as a hidden tax . . . a tax which strikes hardest at those who can least afford to pay it: the poor, the elderly, or the wage-earner who barely makes ends meet and doesn't have the capital with which to hedge against the ravages of inflation.

Inflation is especially cruel to those who are past their active earning years, and who must live entirely on savings, pensions, or fixed incomes. Ask yourself—why is it retired people today find their social security pensions totally inadequate to live on? Those pensions certainly would be adequate if the dollars they are receiving could buy nowadays what they could have bought in the years when they were initially earned.

The second major reason inflation really matters, in spite of climbing wages, is that it destroys the incentive to save. What good does it do to put your surplus dollar earnings into a savings bank at 6 percent interest when inflation destroys the value of those dollars by 9 percent or by 14 percent?

Inflation discourages thrift and encourages debt. It encourages living for the here and now, rather than planning for the future and tomorrow. After all, who does not incur debt today and pay it off with cheaper and cheaper dollars? Alas, for millions of Americans (not just the Federal Government) debt, or living beyond one's means, has become a way of life.

And yet, there are very few perils in life as dangerous as debt. I'm afraid most contemporary Americans would simply laugh at Ben Franklin's admonishment, "rather go to bed supperless than rise in debt." Thomas Fuller called debt the worst poverty . . . Raloph Waldo Emerson said that a man in debt is so far a slave. And Wendell Phillips described debt as "the fatal disease of Republics . . . the first thing and the mightiest to undermine governments and corrupt people."

Of course, not all the philosophers and past national leaders have condemned debt. Franklin D. Roosevelt said . . . and I quote . . . "Our national debt, after all, is an internal debt, owed not only by the nation, but to the nation. If our children have to pay the interest, they will pay that interest to themselves."

What unmitigated gall! Or is demagoguery not a better word?

We are the children he spoke of. And our children and their children will forever be paying that internal and eternal debt which he dismissed so lightly.

Thomas Jefferson warned us nearly 200 years ago that public debt is the greatest of dangers. In his words . . . "We must make our choice between economy and liberty, or profusion and debt." If, said Jefferson, "we can prevent the government from wasting the labors of the people under the pretense of caring for them, they will be happy."

As much as anything else, it has been the virtue of thrift, the propensity of Americans to save, to spend a little less each year than they earn, which over the last two centuries has produced such a prosperous economy and such a remarkable standard of living. I say this because, without money in savings, few American businesses would have ever gotten off the ground. In order to provide more jobs, businesses must be able to build and expand; in order to build and expand, they must be able to borrow funds that someone else has been willing to part with on a temporary basis. Destroy the incentive to save, and you destroy the wellspring of American productivity. Unfortunately, U.S. inflation has already all but destroyed our incentive to save.

The third basic reason inflation really does matter . . . even if wages manage to keep pace with soaring prices . . . is that once inflation passes the nominal stage, meaningful economic planning becomes all but impossible. Not only can a person no longer feel secure in the knowledge of a properly planned retirement, but even short-term planning becomes difficult. The value of the dollar should be a yardstick for measuring the value of everything else. Can you imagine the havoc that would be brought to the world of science and technology if engineers and scientists had to cope with constantly shrinking units of measurement such as the inch or the centimeter? Similarly, a steadily shrinking monetary unit of measurement brings chaos to an economy, distorts financial judgments, and frequently leads people to take on commitments they really cannot afford, despite their recent pay-raises. How many people are there in the U.S. today who, in a moment of exultation following some healthy boost in pay, have gone out and contracted for 36 monthly payments on a camper, a boat, or a swimming pool, and (long before those contracts were paid off) have ended up, of necessity, staying home and eating canned beans for dinner alongside their swimming pools?

To understand inflation, we must understand money. And money is a most basic form of property. It is minted human energy, and, as such, is an extension of yourself and your very life. Every dollar you earn represents a portion of your life—so many heartbeats out of the total number you are destined to enjoy. Once earned, there are only two things you can do with a dollar . . . spend it or save it. These two choices reflect the dual function that money has always served.

First . . . it is a medium of exchange which allows you to convert your labor into the means of sustaining yourself. Secondly, money is a store of value which you may choose to reserve for consumption at a later date, hoping of course, that it will still buy as much when you need it as it could have bought when you originally earned it.

Inflation is what destroys your store of value when a government dilutes the medium of exchange through excessive creation of money and credit. When government officials flood the economy with unearned, irredeemable paper money, they are actually destroying your property rights and mine. Remember that money is a most basic form of property, and that the right to property is the right to own and dispose of the fruits of your labor.

The extent to which this destruction of property rights has taken place here in America during the past several decades is hard to believe even for those who have lived through it all. Since 1939, due to the subtle process of inflation, the loss to savers has been nearly 700 billion dollars worth of purchasing power. That staggering figure represents a transfer of wealth from the private sector to the public sector . . . or, in other words, from the productive elements of society to the non-productive elements.

I have already mentioned the devastating impact of inflation upon the elderly. But what of the young? Consider the American who starts his first steady job at the age of 18. If the dollar inflates at an annual rate of ONLY 6 percent, he will see prices double before he reaches the age of 30. They will double for the third time in his life before he reaches 54. By the time he reaches retirement age of 65, he will have to pay 16 times as much for any item he wishes to purchase as he would have paid when he began his working life at 18. If he lives to the age of 78, prices will be 32 times higher. During his lifetime, the dollar will have shrunk to a mere 3 cents. And that's at only 6 percent annual inflation.

Unfortunately, our annual inflation rate is much much higher than 6 percent, and climbing.

Remember Joe Louis? He ended his ring career in poverty despite the millions of low tax dollars he earned. Louis was a great fighter but a lousy golfer. Unhappily for him, too many of his golfing partners were not only more proficient on the fairways, but unscrupulous as well. A one-dollar-a-hole bet, doubled each time a hole was lost, didn't seem like much money to Joe, but at the end of 18 holes, Louis would owe his golfing companion 131 thousand dollars.

Inflation works much the same way. Germany's Mark depreciated 100% between 1914 and 1918. It took two Marks to buy what one would buy four years earlier. Five years later, run-away inflation had made the Mark totally worthless. In late 1923, the Germans paid off their war debts with 320 billion marks . . . which by that time had been reduced to a value of 8 cents in U.S. dollars.

320 billion Marks could pay off the German war reparations in 1923, but 320 billion Marks would not buy a single loaf of German bread.

Here in our own country in the year 1974, a 35-year-old man earning 20 thousand dollars a year will need two-and-one-half million dollars a year by the time he retires . . . if things don't get worse. This assumes an annual inflation rate of no greater than 14 percent. Viewed in that light, Social Security becomes a cruel hoax, does it not?

Such are the consequences of inflation.

Yet before a problem can be solved, we need to know more than the consequences. In order to complete our understanding, we must also fully appreciate the cause of the problem.

When seeking out the causes of inflation, it's important to differentiate between primary causes and secondary causes. There is really only one primary cause of inflation, and that is government expansion of a nation's supply of money and credit. All other causes are merely corollary, made possible only by the willingness of government officials . . . usually for political reasons . . . to allow a country to live beyond its means.

How often have you heard a conservative blame inflation on Big Labor's demands for higher wages? Or how often have you heard a liberal blame inflation on the high prices charged by Big Business?

Both of those accusations are manifestly false. It is not possible for wages and prices to cause inflation, for the simple reason that business cannot pay higher wages or charge higher prices unless the money supply is increased. When there is more money available to the marketplace, there is obviously more demand for goods and services—which is what causes prices to rise. Rising prices then put more pressure behind the drive for higher wages, which in turn usually get passed on to the consumer in the form of still higher prices—but only if those higher prices can be sustained, and production sold, as a result of the constantly expanding money supply. The circle is a vicious one. Without an increase in the money supply, successful union wage hikes would necessarily result in unemployment and lower production. Otherwise the companies involved would simply be priced out of business by their increased costs, without being able to increase their prices.

Once the whirlpool of inflation is begun, the politicians cannot stop their artificial stimulation of the economy without being accused of causing unemployment and depression. So, what does the typical political leader do?

He is not going to blame himself.

He cannot blame Labor.

So he blames Big Business.

Between the news media, our educational system, and politicians, profit is rapidly becoming a four-letter word and alien to contemporary American principles. The fact is, however, that profit has nothing to do with the cause of inflation, and, without our free enterprise system would have folded long ago. It is precisely the opportunity for profit, combined with the principle of free competition, which together are responsible for the unprecedented prosperity of America. Yet to hear the news media interpretation of profits, they sound like a gigantic public rip-off.

Actually, when you take a look at our educational system it's not the least bit surprising that newsmen, as well as most Americans, are un-acquainted with the role of profit and the free enterprise system. We constantly hear about shortcomings in our schools in the areas of reading and mathematics. But how often do we hear about the nearly complete ignorance our students have of American history? The public school system has miserably failed us, not only in the 3 R's—but also in imparting to our students any real understanding of their precious national heritage: of the thinking of Adams, Jefferson, Hamilton and Madison—to name only a few. Our children haven't even received a nodding acquaintance with the genius of Adam Smith and the free market system. Is it any wonder we have rampant inflation today when the general population of the country is blind to what makes the economics of a free nation work? Perhaps if we and our children had been given the education we've so richly paid for, we wouldn't be facing the prospect of economic chaos ahead.

History tells us that governments have never been able to devise more than three basic ways of financing their operations and expenditures. The first is taxation . . . direct and indirect. The second is borrowing, usually resorted to only after the level of taxation becomes objectionable. The third is increasing the quantity of money and credit . . . which is a polite way of saying inflation.

Our national "public" debt today stands at 475 billion dollars. That means that during the last 50 years . . . and mostly the last 30 . . . the Federal Government has spent roughly 400 billion dollars more than it was able to collect in taxes. Now, how in the world does the government spend money that doesn't exist? Let me tell you . . . easily! It simply creates it out of thin air by issuing notes to the banking system. The face value of the notes is credited to the government's account, and the notes are then added to the so-called "public" debt.

The single most important thing to understand here is that this newly created money is unearned: it represents no investment of human time or energy, and therefore can assume true value or purchasing power only by "borrowing" purchasing power from money already in circulation. The "kicker," of course, is that the "borrowed" purchasing power can never be paid back. The only true-value, non-inflationary money that any government has to spend is money received in taxes, or legitimately borrowed out of the people's earnings. When government decides to spend more than it has thus received, that extra, unearned money takes on value only by reducing the value of all money, savings, pensions, annuities, and insurance. That's what inflation is all about.

We hear about inflation in other countries . . . particularly South America. Inflation seems to be a way of life for those nations . . . and yet, so is abject poverty for the vast majority of their citizens. Thus far, our own people have been spared most of the hardship which other peoples, over the centuries, have simply taken for granted.

But where are we now in America, as we approach the 200th anniversary of the birth of the Republic?

The figures and percentages change from day to day, and from one economist to the next. But this much is certain! For the first time since 1947, the United States is experiencing a double-digit inflation rate. As for length and severity, the current U.S. inflation has already become the worst since World War I.

Well, as I said at the beginning of my speech, you don't need an economist, a politician, or anyone else to tell you that your dollar is buying less and less, faster and faster.

Now that we have covered at some length both the consequences and the causes of inflation, that leaves just one thing to consider . . . the cure. Solving the problem. There is no easy answer. If there were, it wouldn't be such a devastating problem.

But there are solutions . . . and there are alternatives. The one which our present leaders in Congress will most likely take is to do nothing to curb inflation, but instead continue to feed it by increasing the deficit spending, and therefore as well the dosage of fiat paper money needed to pay for that deficit spending. This can only postpone the inevitable, resulting ultimately in our self-destruction.

The other alternative, which, on the surface, would appear to be the hard route, is to go "cold turkey."

The incredible economic dilemma our nation finds itself in is precisely analogous to a person who has become hooked on drugs. First, he plays around a little with grass, works his way in deeper, and finally gets hooked on the hard stuff. Withdrawal is then extremely painful . . . but the only choice is either to go "cold turkey," or to continue to increase the dosage all the way to premature and certain death.

As a nation, we are already hooked on the "drugs" of printing-press money, deficit spending, and virtually limitless credit expansion. Make no mistake about it, withdrawal from our inflationary economy will be very painful. However, we have no other choice except ultimate chaos and disaster.

As historian Arnold Toynbee has pointed out, of 21 notable civilizations, 19 perished Not from External conquest, but rather from Internal disintegration.

In a metaphorical sense, we are all suffering from a severe case of the measles, with the red blotches prominently visible on all our faces. It was never my intention to point this out, tell you that it's caused by a virus, and then sit down, saying we'll all suffer and die together. There is a vaccine. Painful though the shot may be, we really have no other choice for economic survival but to withdraw from the causes of inflation. What is this medicine I speak of? Certainly it is not Wage and Price Controls! Our recent experience with "Phases" I though IV should have taught us that lesson once and for all. Economic controls cannot possibly cure inflation in the long run because they are aimed at the private sector of the economy, whereas it's the public sector . . . government . . . which is causing the problem in the first place through excessive money creation. Obviously, economic stability cannot be sustained without economic discipline. Primarily self-discipline, by government itself.

You can be sure that most of our political leaders understand this. And if they don't, they are not only incompetent, but stupid. What they are Not sure about is that We understand it.

And because they are not sure, they are unwilling to take the vaccine of economic discipline, which means simply returning, step-by-step, to a sound dollar and a healthy economy. These steps would require first of all, restoring to Americans their right to own gold. Secondly, it means renewing the ties between our paper dollar . . . now rapidly becoming worthless . . . and gold. Thirdly, it would necessitate putting an end to any further deficit spending at the federal level; and fourthly, it would require an Act of Congress, or a Constitutional Amendment, stabilizing our nation's supply of money and credit.

There are other ways of backing a paper currency besides gold, but gold is probably the best standard to use for supporting a monetary system because it has the unique distinction of being the ONLY exchange commodity universally accepted in all civilized nations since the beginnings of recorded history. And it has never once been refused by any country in payment for debt.

The enemies of gold are fond of claiming that it is an archiac institution which has out-lived its usefulness as a monetary standard.

If that be so, then why do we have laws in this country preventing individuals from owning, buying or selling the barbaric metal? And why does our Federal treasury refuse to sell gold today to anybody at any price?

The enemies of gold often claim that there simply isn't enough gold to go around to support the needs of expanded world trade. The fallacy in this line of thinking becomes clear when we ask ourselves the question, "Would there be enough Cadillacs to go around today if they were still selling at 1934 prices?" Once a truly free market in gold is established, supply and demand will regulate the price, and any quantity of gold will, in the process, become sufficient to undergird all of the free world's currencies. This is the only way to have real economic discipline.

I am convinced that the survival of our free nation with its free institutions will depend largely on the continued productivity of our economy. And the continued productivity of our economy depends chiefly on the integrity of the Dollar. I might add that the integrity of the Dollar depends on the integrity of our political leaders. It's easy to see how much integrity there has been in that arena for the past 40 years.

Fortunately, there are some recent encouraging signs. The most significant one comes from our new Secretary of the Treasury, William Simon, who has been publicly advocating the right of Americans to own gold. Another encouraging signal is a message being sent to Washington by an ever-increasing segment of the American people. They're saying, in effect, we know good money from bad. And they're sending the message by converting Federal Reserve notes . . . paper dollars . . . into silver and gold coins. Ask any coin dealer where the volume of his business has been the last several years. Certainly not in rare coins! But rather, very simply, in real money: in gold and silver coins—the kind of money our paper dollars used to be convertible into. Forty years ago, a U.S. 20 dollar gold piece circulated and traded for 20 dollars' worth of merchandise. Today you must pay 300 paper dollars for any common-date $20 gold piece. If you want to buy a 1964 silver Kennedy half-dollar, mintage 433 million coins, it will cost you nearly two bucks today. Truly, I think that tells the sad story as eloquently as anything can, and it also points the way toward a return to monetary sanity. The crux of the matter can be stated very simply. When citizens have a choice between hard money and depreciating paper, their government—unless it wishes to risk seeing its "legal tender" notes repudiated—has no choice but to act to preserve the integrity of the medium of exchange.

The job of restoring sanity to our economic and monetary policies will be completed when a majority of Americans understand that ALL our freedoms depend on economic freedom, and when they start insisting that their elected representatives guard that freedom.

Americans are only human, and we have made many mistakes in the past. However, our mistakes as a nation have been more than offset by our right decisions. I am indeed hopeful, now that the economic blunders of the past 40 years are becoming more clearly defined and more widely understood, that the right decisions will be made in the trying months which lie ahead.

HOUSEHOLD GOODS CARRIERS

Mr. MONDALE. Mr. President, I am sponsoring S. 3334, a bill designed to improve service provided by household goods carriers and to allow the consumer to make an informed choice when choosing a moving company. That bill is cosponsored by Senators Cranston, Dominick, Hughes, Humphrey, Javits, and Ribicoff.

In brief, the bill would require moving companies to submit pertinent information on their performance in such areas as timeliness, damage, under- and over-estimation, and claims settlement to the Interstate Commerce Commission quarterly. The ICC would compile this data in a readable and understandable form. The 20 largest moving companies, those with 48-State authority, which account for 80 percent of the moving business would be required to give the consumer comparative data with respect to this performance. Other companies would be required to give the consumer information on their own performance.

The bill should serve two important purposes: First, the consumer will be able to make an informed, intelligent choice of a moving company. On the basis of comparative data, he will choose the company with the best record. Second, and most importantly, when the records of the moving companies are exposed to public view, they should improve markedly.

An editorial in the Minneapolis Tribune of June 4, 1974, discusses the need for this bill and concludes that the reforms embodied in S. 3334 "don't give the consumer anything more than information, are mild, and, it seems to us, not unreasonable." While there may be a need for more drastic and far-reaching reform, S. 3334 represents an important first step on the road to improvement in the performance of moving companies. I am hopeful that the Congress will enact it into law.

I ask unanimous consent that the editorial from the Minneapolis Tribune of June 4, 1974, entitled "Moving Days and Problems" be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Moving Days and Problems

Moving season is here again—the school-vacation days when many people change residences—and the experience is a trying one for many families. In addition to the chore of moving, there is likely to be the stress of changing jobs, schools, friends and environment. Thus any difficulty encountered in the transportation of household goods by moving-van companies—lost or damaged furniture, underestimated charges, delays, delivery mixups and problems on claims—can be particularly upsetting.

Moving companies are trying harder, as their ads indicate, to make it easier on the customer, and competition among them, along with government regulations, has helped reduce problems. But according to a Christian Science Monitor report, there are problems with the carriers in an estimated 20 to 25 percent of moves. Consumers Union said problems it reported in the 1960's, still exist "to an alarming degree," and a member of the Interstate Commerce Commission said the situation is at "a crisis stage."

Starting next year, the ICC will require annual reports from carriers on the percentage of on-time and late deliveries, variations from estimates on costs and data on damage claims. The information must be available to consumers, who also will receive questionnaires to send to the ICC to check on the accuracy of the companies' figures. Sen. Mondale wants to go further than that. He has introduced a bill requiring carriers to submit reports covering a wider range of information, to submit actual numbers instead of percentages and to send in the reports four times a year. It would also require the 20 largest carriers to give to customers information not only on their own companies, but comparisons with the other 19 companies' figures.

Moving companies might well object to all the extra paper work involved, and, as Charles Coon, president of the American Movers Conference, said, the figures might be subject to misinterpretation. Coon also commented that he isn't sure all that information would help the consumer, and he asserted that the remedies don't get at the problem. But if they don't, perhaps some of the Department of Transportation's proposals would deal more directly with the trouble: The department wants moving companies to pay penalties for failure to meet delivery times and for the customer not to have to pay more than 10 percent above the mover's original estimate. By comparison, Mondale's proposals, which don't give the consumer anything more than information, are mild and, it seems to us, not unreasonable.

A BILL TO SAVE LIVES AND ENERGY

Mr. PERCY. Mr. President, on Thursday, May 30, 1974, I was joined by my colleagues Senator Randolph, Senator Stafford, and Senator Weicker in introducing S. 3556, the Highway Energy Conservation and Safety Act of 1974. Our bill would conserve energy and save lives by extending indefinitely the 55 miles per hour speed limit on the Nation's highways. The text of S. 3556 was not printed in the Congressional Record on May 30, and I ask unanimous consent that it be printed now in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3556

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Highway Energy Conservation and Safety Act of 1974".

Sec. 2. (a) Chapter 1 of title 23 of the United States Code, relating to highways, is amended by inserting at the end thereof a new section as follows:

"§ 154. National maximum speed limit

"(a) The Secretary of Transportation shall not approve any project under section 106 in any State which has (1) a maximum speed limit on any public highway within its jurisdiction in excess of 55 miles per hour, and (2) a speed limit for all types of motor vehicles other than 55 miles per hour on any portion of any public highway within its jurisdiction of four or more traffic lanes, the opposing lanes of which are physically separated by means other than striping, which portion of highway had a speed limit for all types of motor vehicles of 55 miles, or more, per hours on November 1, 1973, and (3) a speed limit on any other portion of a public highway within its jurisdiction which is not uniformly applicable to all types of motor vehicles using such portion of highway, if on November 1, 1973, such portion of highway had a speed limit which was uniformly applicable to all types of motor vehicles using it. A lower speed limit may be established—for any vehicle operating under a special permit because of any weight or dimension of such special permit because of any weight or dimension of such vehicle, including any load thereon. Clauses (2) and (3) of this subsection shall not apply to any portion of a highway during such time that the condition of the highway, weather, an accident, or other condition creates a temporary hazard to the safety of traffic on such portion of a highway.

"(b) As used in this section the term 'motor vehicle' means any vehicle driven or drawn by mechanical power manufactured primarily for use on public highways, except any vehicle operated exclusively on a rail or rails.

"(c) Notwithstanding the provisions of section 120 sums apportioned to any State under section 104 shall be available to pay the entire cost of any modification of the signing of the Federal-aid highways for which such sums are apportioned within such State due to a reduction in speed limits to conserve fuel if such change in signing occurs or has occurred after November 1, 1973.

"(d) The requirements of this section shall be deemed complied with by administrative action lawfully taken by the Governor or other appropriate State official that complies with this section."

(b) The analysis of such chapter 1 is amended by inserting at the end thereof the following:

"154. National maximum speed limit.".

Sec. 3. Section 2 of the Emergency Highway Energy Conservation Act is repealed.

OVERSEAS TROOP DEPLOYMENT

Mr. NUNN. Mr. President, tomorrow we are scheduled to debate the important question of American overseas troop deployments. I share the hope expressed earlier by Senator Stennis that we will have a full, frank, and informed exchange on this crucial issue.

To assist in that endeavor, I ask unanimous consent to print in the Record editorials published this week by the New York Times and Washington Post which discuss troop withdrawals, particularly as they relate to Europe. Both editorials conclude, in the words of the Times—

> That the effort to force substantial withdrawal of American troops from Europe and other areas overseas is the wrong battle in the wrong place at the wrong time.

I urge my colleagues to review these useful comments in anticipation of tomorrow's discussion.

There being no objection, the editorials were ordered to be printed in the Record, as follows

[From the New York Times, June 5, 1974]

U.S. Troops in Europe

Senator Mike Mansfield's renewed effort to force substantial withdrawal of American troops from Europe and other areas is the wrong battle in the wrong place at the wrong time.

The Senate floor is the wrong place for this decision to be taken because the issue is now under negotiation in Vienna between the NATO and Warsaw Pact powers in an effort to bring about Soviet as well as American troop cutbacks. There are now 460,000 Soviet ground troops on the central front in Europe, compared with 193,000 Americans. Warsaw Pact troops outnumber NATO's ground forces in this area 925,000 to 770,000.

An over-all NATO-Warsaw Pact reduction to 700,000 on each side, as proposed by the West—with the bulk of the Western reduction to be taken in American forces—would assure stability as well as the reduction in defense spending desired in both East and West. But unilateral American withdrawals now would clearly be destabilizing. They would lower the nuclear threshold, forcing earlier use of atomic weapons in a conflict. They could lead to the nuclearization or the "Finlandization" of West Europe—or both.

This is the wrong time as well for the Mansfield amendment. West Europe's political stability and economic health are shakier today than at any time since the Marshall Plan days more than two decades ago. Governments have fallen in Britain, West Germany, France and Italy in recent months. The new leaders may do better than the old, but that is not yet certain. The Common Market is stalled. Relations with the United States have been badly strained. A major effort by Washington is needed to pull the Atlantic community back together again before disintegration goes further. Unilateral weakening of West Europe's security would frustrate this effort before it could begin.

Above all, Senator Mansfield's long struggle, extending over eight years, is the wrong battle for the majority leader and his supporters to be waging at all. The battle to bring back American troops from Europe, an area where American interests are truly vital, was spurred initially by American balance-of-payments deficits and Europe's surpluses. The oil price increase and other factors have reversed the situation. American payments are in surplus, while most of West Europe is headed toward a disastrous deficit. West Germany, which is also in surplus, is offsetting the dollar costs of American forces there.

The extraordinary notion has been propounded that the presence of American troops abroad brings about American involvement in war. But there were no American troops in Europe before World War I or World War II—or in Korea before the involvement there. On the contrary, the presence of American troops in Europe since World War II has helped provide an almost unprecedented 29 consecutive years of European peace. Their withdrawal would be a step into the unknown.

Senator Mansfield's latest argument is that the troops withdrawn from Europe and Asia could be demobilized, reducing the defense budget by $1 billion a year. But United States armed forces already are half-a-million fewer than pre-Vietnam and 1.2 million fewer than those the Soviet Union maintains. There are ways in which defense spending can and should be reduced. But shotgun legislation aimed at American military manpower overseas would be the worst way now to go about that task.

[From the Washington Post, June 3, 1974]

A Steady Course for Europe

This is a bad time for the Senate to heed the annual call of Sen. Mike Mansfield (D-Mont.) to legislate a large unilateral cut in the 300,000-man American force in Europe. With the Mideast mercifully receding as an issue in separating the Atlantic nations, it would be unwise to subject NATO to a harsh new blow affecting not only the quality of Atlantic relations but the security of the Alliance. Then, East-West talks on reducing forces in East and West Europe are proceeding in Vienna. For the United States alone to pull the plug on West Europe, even as the talks have proven to be an effective vehicle for Allied consultation and joint East-West exploration of the complex issues involved, would be, we believe, little short of desertion. Moreover, Mr. Nixon is about to go to Moscow: he is enough in the soup for reasons of his own making to make eminently unwise a move further reducing the general authority he brings to the summit.

The European allies can, indeed, be vexing critters. All too often they fail to act on what would seem to be their own self-interest in making it easier for the United States to remain a faithful ally—although recently, it should be noted, the Germans have taken major steps in one sensitive area, offsetting the dollars lost by the United States in keeping its troops in Germany. The question, however, is whether the United States can afford to indulge the fatigue and irritation which Europeans sometimes induce. We believe the answer is, no. The Atlantic relationship remains this country's fundamental overseas tie, strengthened by links of culture and tradition. But it is sustainable only by constant attention to Europe's welfare and independence. Europe came out of World War II devastated and unable thereafter to care adequately for itself in the big-power world. This is at once Europe's burden and our own. It makes it all the more necessary for the United States, in such a critical matter as the presence of military forces, to act in concert with Europe and not by itself.

Sen. Mansfield quite properly believes that the level of our forces in Europe ought to reflect the improvements in political relations which travel under the general name of detente. Detente can proceed, however, only if Europeans have the confidence which those forces impart. There is nothing magical militarily about a given level of forces, but there is something "magical" politically: the current level has come to represent the steadiness of the American guarantee. It is psychological, but psychology, after all, is central to politics.

Soviet-American detente, as the Europeans well know, is still in an early and tentative state. Europeans can also see that the SALT talks, which compose the basic framework of their security, are in a particularly tentative state. The economic uncertainties bred by world inflation add to European anxieties. In such circumstances, it is really quite wrong to look at the U.S. troop level in Europe as though it were the only card in play. In the absence of a decision to demobilize any troops brought home, morever, a strong case can be made for leaving them in Europe, where they do double duty, political as well as military.

The House turned down a Mansfield-type amendment the other day by a substantial margin. We hope the Senate will do the same. This is a good time to tell the world we are seeking a steady course—and to tell ourselves.

SPORTS PROVISION OF COPYRIGHT REVISION BILL, S. 1361

Mr. HUGH SCOTT. Mr. President, in the last several weeks I have placed in the Record the comments of Bowie K. Kuhn, the commissioner of baseball, and Pete Rozelle, the commissioner of the National Football League, which outline their viewpoints on the sports provision of the copyright revision bill, S. 1361.

Today I would like to insert materials forwarded to me by Don V. Ruck, vice president of the National Hockey League, that reflect an alternative approach to the sports section of S. 1361.

I commend Mr. Ruck's memorandum to each Senator's attention. I ask unanimous consent for it to be printed in the Record.

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

Copyright Bill (S. 1361): The Sports-Cable Provision (§ 111(c)(2)(C)

The provision now contained in the copyright bill dealing with the rights of cable television to show sporting events has come under considerable—and often unwarranted—criticism from the cable industry. Professional sports leagues do not wish to deprive unnecessarily sports fans from being able to watch professional sports, nor do the leagues wish to generally deprive cable television from retransmitting these events. In fact, the sports leagues welcome increased exposure of their respective sports, provided this exposure does not have a harmful effect upon the teams.

PROPOSED ALTERNATIVE TO SECTION 111(C)(2)(C)

In a sincere effort to accommodate the cable industry and its viewers, the National Hockey League and other professional sports support an alternative to the provision as it now stands. Under this alternative CATV could retransmit under a compulsory license all sporting events except under the following circumstances:

(1) Retransmitting the same sport into a 75-mile radius around the home site of the major league team.

(2) Retransmitting the same sport into a 20-mile radius around the home site of a

minor league team on the day that such team is playing at home.

(3) Retransmitting the same sport into an approximate 35-mile radius around a broadcasting station on the same day such station is broadcasting a sporting event under a local or regional network.

Even these restrictions would not apply to:

(1) nationally distributed broadcasts, unless prohibited to all television in the home team market.

(2) all cable systems established on or before March 31, 1972 (the date of the FCC rule making with respect to cable transmissions).

In the opinion of sports, this alternative proposal answers all major objections which have been advanced by cable television interests. The proposal greatly expands CATV's right to import distant signals and television markets across the country. The absolute terms of the provision in the present bill are eliminated.

WHAT VIEWERS WOULD BE LIMITED?

The only cable viewers who would be limited in their access to CATV retransmissions of sporting events are those who live in and around large cities with major league teams (which cities are serviced by at least the three major TV networks) and, to a lesser extent, those viewers who live in and around smaller cities which have a minor league professional sporting team, if that team is playing at home or in and around cities which receive games under a regional or local network on the same day such games are on the air. In other words, the vast majority of the areas of the country would in no way be affected. Even in those affected minor league and local areas, only a small amount of TV time is limited.

The restrictions on CATV in and around major and minor league cities are even further diluted, since nearly three thousand cable systems would be allowed to continue their operations in the present form under the "grandfather" provision of the alternative.

WHY PROTECT MAJOR AND MINOR LEAGUE TEAMS?

At first glance, it may be difficult to understand why major league teams need total protection from cable television transmissions when the home team is not playing at home. However, when the issue is more closely analyzed, the answer is apparent. A major league team or league sells the rights to televise its games to a TV broadcaster. The sale price of these contract rights is dependent upon the number of viewers which will watch the programs—in other words, the TV ratings. If an over-the-air broadcast station televises games of a team once or twice a week and cable television imports other games of the same team, or games of other teams, or more popular games, market saturation results. This will necessarily have a significant impact upon the value of the over-the-air TV broadcasts, thus, the price which a team or league will get for the over-the-air TV broadcast will be lower. In addition, an overabundance of a sport on TV reduces public interest in going to home games. In short, the protection is necessary to protect TV contracts and sports interests from unintended and unwarranted overexposure.

In the case of some professional sports, the minor leagues play a vital role in the overall system of the sport. If CATV were allowed to freely bring major league games into a city at the same time that the minor league team is playing at home, it would greatly injure the home town team. The only limitation placed on cable under the proposed alternative is against games of the same sport being brought in on the day of a home game.

There is another significant point which should be emphasized. Under the bill, CATV always has the right to negotiate a contract with the team or league involved if CATV is otherwise limited from showing the event. It is shortsighted to think that professional sports will ignore this important source of revenue in those cases where they feel that it will not otherwise be harmful to the sport.

Having to negotiate in some cases merely puts CATV in the same position as over-the-air television broadcasters. It is easy to overlook the fact, when dealing with this complicated issue, that broadcast television must reach an agreement with a team or a league in order to be able to broadcast the sport. It is a well-recognized principle of law that rights are vested in the one responsible for putting on the show. CATV is obtaining rights under the present bill that broadcast stations do not have.

DON'T THE ROYALTIES COMPENSATE FOR LOSSES?

It can be argued that the royalty fees that would be paid by CATV would make up any losses from TV contracts and gate receipts. The compulsory licensing fee will not eliminate the injury to the property right holder (as it does in most copyright cases). If the Philadelphia Flyers' games are brought into Washington, it is the Flyers who will be compensated rather than the injured party, the Washington Capitals. Either the Flyers and the Capitals, or the League, must work out a payment schedule—thereby running a very definite anti-trust risk.

WHY NOT REFER THE MATTER TO THE FCC?

It has been suggested by some that this issue should be delegated to the FCC. Obviously, this is one of the easiest approaches for the Judiciary Committee to take under the circumstances. However, while professional sports has the greatest respect for the FCC and its able membership, Congress should squarely face the issue. The issue is far too important for the future of over-the-air TV broadcasting, CATV, professional sports, and many other concerned parties to be left hanging. Administrations and the membership of the FCC will change from time to time. With each change there will be pressure to also change the regulations with respect to cable transmissions. Therefore, Congress should give certainty to the future of the parties involved by acting now and not by delegating it to a Federal agency.

CONCLUSION

The leagues have made many concessions in the alternative now being proposed. Nonetheless, they are willing to do so in order to solve this most difficult, complex question. Millions of Americans derive great pleasure and enjoyment from the events staged by professional sporting teams. Yet, these teams are all operated on a very financially delicate balance. Most operate at a deficit. The minimum protection contained in the alternative proposal will at least insure that the public will continue to be able to enjoy professional sports—and, at the same time, allow CATV to give their viewers a full program of sporting events.

ECONOMIC DISENGAGEMENT FROM VIETNAM

Mr. KENNEDY. Mr. President, I would like to draw to the attention of all Senators an incisive and important article published today in the New York Times by our distinguished colleague from Minnesota, Senator HUMPHREY, on the question of our Nation's continuing and massive aid expenditures in Vietnam.

The Congress will soon vote on various bills that may authorize up to $3.67 billion in economic and military aid to South Vietnam this fiscal year. Yet, as Senator HUMPHREY writes, we "are asked to vote for these large sums without being told when this large-scale spending will be phased down or terminated."

The point emphasized by Senator HUMPHREY that our aid dollars do too little in directly rebuilding or rehabilitating the ravages of war in Vietnam, is fully confirmed in the findings of the study mission report issued in January by the Subcommittee on Refugees, which I serve as chairman. The thinking of a wartime bureaucracy, preoccupied with weapons delivery and how to maximize American influence and presence, still dominates our policies and programs in Vietnam—despite the new conditions, the ceasefire agreements, and the first opportunity we have had in over a decade to change the character and level of our continuing involvement.

Our true remaining obligations in Indochina are today less with governments and armies, than with people—the millions of war victims who cry out for peace and relief. It is time for the Congress to act to make these obligations our budget priorities as well.

Mr. President, I commend Senator HUMPHREY for his excellent statement, and I ask unanimous consent that the text of his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 5, 1974]

ECONOMIC DISENGAGEMENT FROM VIETNAM

(By Hubert H. Humphrey)

WASHINGTON.—The signing of the Paris peace agreement in January, 1973, marked the official termination of direct American combat involvement in Vietnam. Since then, the United States Government has committed approximately $2.3 billion in economic and military assistance to Vietnam.

It is clear that the Nixon Administration has failed to develop any rational plan for economic disengagement from Vietnam. In the absence of such a plan, the Congress is faced in fiscal 1975, which begins July 1, with Administration requests for military assistance to South Vietnam totaling $1.6 billion and economic assistance of nearly $750 million.

The House has cut the military-spending ceiling back to $1.126 billion—the same level as that for the current fiscal year—and the Senate Armed Services Committee has recommended $900 million.

These spending requests both distort our aid priorities in other places around the globe and go beyond our proper obligation to assist in the rebuilding of a war-shattered Indochina.

The question to be faced by the Administration and the Congress is whether our economic and military aid helps South Vietnam come to grips with its political, economic and military problems.

The money may buy some time. But it will not buy peace. Nor will it solve Vietnam's raging inflation, balance-of-payments problems and other grievous economic ills. In fact, our billions will not assure South Vietnam military victory in its struggle with the Vietcong and the North Vietnamese in the absence of a political settlement.

Members of Congress are asked to vote for these large sums without being told when this large-scale spending will be phased down or terminated. There seems to be no plan for long-time economic recovery and rehabilitation. But I, and many other members of Congress, will find it difficult to support the Administration's economic-aid proposal for Indochina in fiscal 1975 until a specific plan is developed for economic rehabilitation and development—a plan that gives us a timetable for ending our economic assistance and some idea of the total cost.

The fact is that American aid dollars flowing to Vietnam, though officially committed to "postwar reconstruction," do little in directly rebuilding and rehabilitating that country.

Of the more than $300 million provided to Vietnam this fiscal year in the category of Indochina postwar reconstruction, over $200 million went to a commercial import program that provided Saigon with commodities to keep the economy afloat. At least a third—if not more—of the local currency generated by this import program went for military purposes rather than development.

Although a healthy Vietnamese economy is surely a key ingredient of postwar recovery and political stability, the American people should realize that the vast majority of their aid is going for general economic support—the purchase of supplies and commodities—and is not directly alleviating human suffering or rebuilding industries, homes, schools, hospitals or improving agriculture.

In a similar fashion, $250 million in American food aid to South Vietnam in fiscal 1974, under the terms of our Food for Peace program, was resold by the Government to its people and the local currency generated was used for military purposes. This type of transaction shows that American aid priorities in Vietnam are overwhelming military.

In 1973, 42 per cent of the entire Vietnamese military budget was provided through local currencies generated by sales under the Food for Peace law and the American commodity-import program. Statistics for fiscal year 1974 show that nearly 45 per cent of our total Food for Peace program goes to Indochina. It is not sound policy to have nearly half of our much-diminished food-aid supply committed solely to this one region while other areas of the world are experiencing widespread famine.

In a similar fashion, our foreign-economic-assistance program to Africa, Asia and Latin America is being cut annually while assistance to Vietnam grows. Our foreign aid dollars would be much better used to increase food production and help eradicate abysmal poverty and disease in the poorest countries. This is what the Congress and the country want.

I know that the American people would support humanitarian assistance to the people of Indochina who have suffered through years of war. We have a moral obligation to help. But the peacetime reconstruction of Vietnam and Cambodia is a world apart from the general economic support we now provide to governments locked in unending political and military struggles with insurgent forces.

I am not unmindful of the guerrilla warfare and open attacks of the Vietcong and the North Vietnamese. We assured South Vietnam in the agreements that lost weapons would be replaced on a one-to-one basis. But these agreements also committed all parties to a political settlement. This part of the agreement seems to be getting too little attention.

I am not proposing that we abandon these nations. But I am proposing that our Government give Congress and the people a plan of action—a program with priorities defined, goals to be attained and a timetable for accomplishment. Until the United States develops a rational plan for economic disengagement from Indochina, much of our aid will only delay the inevitable political settlements that must be negotiated if true economic development is to occur.

WORLD HUNGER ACTION COALITION

Mr. PERCY. Mr. President, earlier this year I predicted that by June the energy crisis would be overshadowed by the food crisis. A continuing series about world hunger on the NBC "Nightly News" and the recent CBS "Reports" program on the dimensions and consequences of worldwide food shortages regret fully indicate the degree to which my prediction has come true.

Scarcely a day goes by without publication of another front-page newspaper story or a lead story in a major magazine about the threat of famine on a massive scale in some part of the world. In addition, the Food and Agriculture Organization this week issued a report estimating a food gap of 85 million metric tons between supply and demand by 1985.

All of this underscores the importance of the U.N.-sponsored World Food Conference scheduled for November. The second meeting of the preparatory committee for the Conference is presently taking place in Geneva. I hope it will be possible for the World Food Conference to forge effective new international programs to promote increased food production and to meet the immediate problem of widespread hunger and malnutrition.

As one of the countries principally responsible for the convening of this conference, the United States must be prepared with specific proposals to deal with the questions of food aid, food reserves, and food production. Under the able direction of Ambassador Edwin C. Martin, a special assistant to Secretary of State Kissinger and coordinator for U.S. participation in the World Food Conference, work is now well underway to develop policies for the conference.

Mr. President, I want to take this opportunity to call the attention of my colleagues to the World Hunger Action Coalition. The distinguished Governor of Pennsylvania, Milton Shapp, and I have the privilege of serving as co-chairmen of a bipartisan advisory commission of elected public officials to the World Hunger Action Coalition.

The World Hunger Action Coalition has been formed by several private organizations which focus on problems of international development or conduct programs to feed the hungry and help develop economies abroad. The coalition's purpose is to stimulate public concern about the problem of hunger and to contribute as much as possible to the success of the World Food Conference. This includes promoting vigorous public debate about alternative ways of solving complex problems for which no easy or simple solutions exist.

All coalition members agree that something must be done about this pressing problem and that the Conference represents the very best possible forum for something to be done. Agreement also exists on the proposition that the success of the conference depends to a great extent on what the United States is prepared to suggest with respect to food aid, food reserves, and food production.

Governor Shapp and I, together with Ambassador Martin and Herbert J. Waters, chairman of the coalition, announced last week the designation of September 22 and 29 as the "National Week of Concern for World Hunger." A nationwide petition drive, organized by the coalition will culminate during this week and hopefully stimulate related activities in many communities.

Mr. President, I ask unanimous consent that the working document of the World Hunger Action Coalition and other materials describing the coalition and its advisory commission be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WORKING DOCUMENT OF THE WORLD HUNGER ACTION COALITION

THE COALITION

The World Hunger Action Coalition is a group of Americans drawn together by their concern about ameliorating world hunger.

STATEMENT OF PRINCIPLES

The world is confronted by a food crisis of an unprecedented and long-term character which presents a moral as well as an economic challenge to the U.S. The increasingly widespread shortage of food is aggravated by rapidly escalating prices for fertilizer, petroleum and food itself, which threaten to curtail what is available to hungry people even further. The gap between the well-fed and the underfed is widening; there are more hungry people in the world now than ever in the past. This situation demands immediate reserves.

Since the developed countries, such as the United States, are better off both economically and technologically, and since the consumption patterns stemming from our affluence contribute significantly to the pressure on limited world food supplies, we must take primary responsibility for relieving present and guarding against future scarcity, even to the point of limiting our own escalating standards of living.

In seeking to discharge this responsibility, we must recognize (a) that the right to eat is fundamental to human life, (b) that our own hungry people are an integral part of the world problem, and (c) that any program designed to relieve world hunger must protect the farmer's right to a fair return on his investment and labor as well as the rights of consumers. While assistance to the hungry in the form of food is imperative, food aid is not a substitute for development assistance, especially at the level of the individual villager and farmer.

The Coalition, alarmed at an apparent isolationist trend in the U.S., believes that the developed nations cannot afford, either morally or otherwise, to enlarge the gap between themselves and the less developed countries or to alienate further the poor in their own countries. Cognizant of the fact that we all share a global interdependence and that the resources of the world are finite, we encourage steps, both immediate and long-range, to alleviate the world food problem and the underdeveloped condition of which it is a symptom.

Just as we in the United States once made our farm surpluses available to the needy in the days of abundance, we must now reaffirm that commitment in a time of scarcity. While not neglecting domestic needs, we believe the U.S. should carry out a deliberate and conscious policy of creating food reserves that will help sustain hungry people abroad in the face of the vagaries of weather, crop and price fluctuations, and natural and human disasters.

GOALS

To attack world hunger immediately by stimulating public interest in and action toward (a) sharply increasing food aid through both private and public channels, (b) building up the U.S. component of a worldwide food reserve, and (c) insuring that the U.S. delegation to the World Food Conference in

Rome advocates a policy of sharing national food resources with the hungry.

TARGET: WORLD FOOD CONFERENCE

The World Food Conference, called by the United Nations for Rome in November, 1974, offers an opportunity to plan cooperative action toward minimum world food security, including food aid, disaster relief, and other measures, and to reemphasize the essential link between general economic development and the provision of an adequate diet for all. The success of the Conference will depend on how effectively governments cooperate and, in particular, whether they are willing to turn a proposal already accepted in principle—i.e., the world food reserve—into an effective system of food security.

Moreover, we see the World Food Conference not only as a forum for repairing the more immediate damage done to the most vulnerable of the poor countries by the recent sharp price rises in energy and food, but more importantly as an opportunity to relate these short-term measures to the more basic continuing development problems of alleviating poverty and accelerating social and economic progress toward equitable distribution of the planet's finite resources. It should thus be the occasion to discuss and design a global program that would move far beyond food.

All governments must play a great part in this. The U.S. Government, however, now lacks a formal national policy on world food needs. Therefore, in implementing its stated goal to influence the U.S. delegation and through it the World Food Conference, the Coalition intends:

1. To become a national voice in the formation in the U.S. of a world food policy along the lines described above.
2. To help the American people understand the reality and the severity of the world food crisis.
3. To stimulate public participation in an immediate effort to increase food aid and build up a food reserve.
4. To stress the need to view hunger in the broader context of development, whose ultimate goal is to enhance the quality of human life.
5. To mobilize grassroots support for development assistance to less developed countries.
6. To advocate a policy in the U.S. of greater concrete concern for the poor in America, particularly in areas related to food and nutrition.
7. To insure implementation after the World Food Conference of the policies we hope to see adopted there.

The agenda now envisioned for the World Food Conference—the launching of a world food reserve system, stepped-up food aid, and a worldwide effort to increase food production in the developing countries—seems to us to offer the possibility of moving beyond a rather narrow focus on food to a thorough discussion of the much broader development questions, of which food is a single but most important aspect. The Conference will not be a culmination, but a beginning of concerted solutions to the moral and economic problem of a world increasingly divided between the very rich and the very poor, between the satiated and the hungry. The matter is one of justice and equity.

PRESS RELEASE—AFFHF

Establishment of a World Hunger Action Coalition was announced today by Herbert J. Waters, President of the American Freedom from Hunger Foundation.

Waters, Washington international food consultant and former Assistant Administrator of AID in charge of the War on Hunger program in the 1960's, said the coalition includes "church groups, private voluntary agencies operating overseas, development-related organizations, farm and cooperative groups, food-oriented business groups, and concerned citizens who feel that the American people must be given greater access to information about the upcoming World Food Conference, the issues involved in it, and the immediate action possibilities relating to them."

"We share a common concern about hunger wherever it exists, at home or abroad; it has no geographic boundaries" emphasized Waters, who has been chosen chairman of the Coalition. He revealed groups primarily involved in domestic hunger concerns were being asked to join the coalition to broaden its scope.

In its working document, the Coalition states "that the world is confronted by a food crisis of an unprecedented and long-term character, which presents a moral, as well as an economic challenge to the U.S." The Coalition's target is the World Food Conference to be held under U.N. auspices in Rome from November 5–16. It maintains regular contact with Ambassador Edwin M. Martin, Coordinator of the U.S. Delegation to this ministerial level conference, which has been scheduled as a result of strong interest expressed by the Conference of Non-Aligned Nations in Algiers last September and by Secretary of State Kissinger in his address to the United Nations General Assembly later that month.

The Coalition includes representatives of CARE, Catholic Relief Services, Church World Service (including CROP), the National Farmers Union, the Overseas Development Council, Church Women United, the YWCA, the American Council of Voluntary Agencies for Foreign Service, the National Council of Churches Crusade against Hunger, Lutheran World Relief, Bread for the World, the Student Advisory Committee on International Affairs, the American Friends Service Committee, Protein Cereal Products International and the World Relief Commission, as well as the American Freedom from Hunger Foundation, which is serving as headquarters.

The non-governmental Coalition will have an Advisory Commission composed of concerned public officials at national, state, and municipal levels. Governor Milton Shapp of Pennsylvania, whose Secretary of Agriculture, James B. McHale, has already been stimulating citizen interest in these matters, has agreed to be Co-Chairman of the Commission.

The Coalition hopes to broaden its roster to include farm producers, leaders of consumer groups, trade unions, groups acting on domestic hunger and poverty, the university community, civic organizations, and interested individuals. It wishes to get the issue of hunger onto the agenda of various national groups, to provide information materials and packets for conferences, meetings, and workshops on this question to stimulate the American public to make immediate contributions to additional food aid to meet the immediate crisis and to a longer-range world food sharing system and to influence the membership and positions of the American delegation to the World Food Conference.

While the Coalition recognizes that the food problem is simply a phase of the long-term development process, it is focusing its attention on this matter because of the short-term, basic threat it represents. Waters emphasized, however, that the Coalition itself does not intend to compete with existing organizations or to raise funds for other than program and administrative costs. It will terminate its activities after the World Food Conference. He expects the American Freedom from Hunger Foundation to carry forward the momentum generated by the Coalition.

CONCERNED OFFICIALS FORMING ADVISORY GROUP

Governor Milton Shapp of Pennsylvania and Senator Charles H. Percy of Illinois have accepted invitations to become co-chairmen of a bipartisan Advisory Commission to the non-governmental World Hunger Action Coalition, it was announced today by Herbert J. Waters, Coalition chairman and President of the American Freedom from Hunger Foundation.

Emphasizing the growing public and private concern over world food problems, the new WHAC Advisory Commission will be composed of Senators, Representatives, Governors, Mayors, and other elected public officials "who share our concern and our objectives of mobilizing public support" for action to alleviate hunger "wherever it exists," Waters declared.

Both Governor Shapp and Senator Percy have previously exemplified public leadership interest in focusing attention on food and hunger problems.

Senator Percy is ranking Republican member of the Senate's Select Committee on Nutrition and Human Needs and has strongly supported the U.S. asserting a leadership role in the coming UN-sponsored World Food Conference to be held in Rome in November.

Governor Shapp sponsored a major seminar of public and private groups in Pennsylvania last December, the National Conference on Food Policy, aimed at crystallizing national policies geared to coming international problems.

It was among participants in the Hershey food policy conference in Pennsylvania that the new World Hunger Action Coalition was developed, the sponsoring group asking the American Freedom from Hunger Foundation to bring together private individuals and groups sharing a common concern about ameliorating world hunger. Because the Coalition is made up of private organizations and individuals, it invited "concerned elected officials" to assist in its efforts by becoming members of the Advisory Commission to be headed by Governor Shapp and Senator Percy. Their selection reflects the Coalition's desire to show that human problems threatened by the world food situation are a bipartisan concern and should receive attention at local, state, and national governmental levels, as well as at international levels such as the United Nations.

The founding group of the Coalition, representing church groups, private voluntary related organizations, farm and cooperative groups, food-oriented business groups, and individual concerned citizens, are seeking the support and affiliation of more than 200 organizations, as well as individuals, throughout the United States in mobilizing public attention to hunger problems, focusing on the U.S. participation in the World Food Conference.

COST OF LIVING INCREASES HIT THE ELDERLY

Mr. HUMPHREY. Mr. President, the recent inflation has worked incredible hardship on our elderly citizens. It is true that social security payments and some pensions have been raised in response to higher consumer prices. But for most of our senior citizens prices are rising much faster than the overall Consumer Price Index. A large proportion of their budget goes for food. In the last year food prices rose more than 16 percent while the CPI for all items went up 10 percent.

An article which appeared in the Wall Street Journal on June 3, 1974, chronicles the life of a retired couple who have to live on $5,600 a year. As a result of price increases in the last few years, the couple no longer can afford most meat products and must purchase day-old bread and damaged fruits and vegetables.

As the Congress prepares to consider a general tax cut, we should give particular attention to the plight of the elderly. I heartily endorse Senator Huddleston's amendment to H.R. 8217, of which I am a cosponsor, which would increase the retirement credit available to retired taxpayers by a cost-of-living adjustment.

Most of the elderly are not looking for a handout. They have worked hard to earn the pensions and social security which they hoped would provide a comfortable income for their retirement years. Senator Huddleston's proposal would provide some relief to the many retired taxpayers who see the prices they pay rising much faster than the income they receive.

Mr. President, I ask unanimous consent that the Wall Street Journal article by Ray Harris, Jr., be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Cost of Living—With $5,684 a Year, Retired Couple's Life Is Test of Endurance: Henry and Gertrude Harff, Beset By Rising Prices, Survive By Being Frugal; 10-Cent Books and a $4 Coat

(By Roy J. Harris, Jr.)

McKeesport, Pa.—Reflecting on the 23 years that he spent as a pipe fitter's helper at U.S. Steel Corp.'s Duquesne Works, Henry Harff matter-of-factly says the experience tested the limits of his endurance.

"It was hard and it was hot and you sweated until you were soaking wet from head to foot," recalls Mr. Harff, who is 72 years old and has been retired for seven years now. If his assignment happened to be repairing the pipes under a massive open-hearth furnace, he says, "you couldn't hardly stay long enough to fit the wrench. You had to get out because you couldn't breathe. In the open, you could have done the job in an hour. But in that hell it was a different thing."

There was danger, too: "If that furnace would break, you'd be a puff of smoke."

The danger and the discomfort of the Duquesne open hearths (all of which have since been replaced by more modern equipment) are just distant, if distinct, memories for Henry Harff. But his endurance is still being tested. Now, he and his 70-year-old wife, Gertrude, like millions of other Americans living on retirement incomes, are laboring hard to keep inflation from destroying their pride, if not their very lives. As Mr. Harff puts it: "You have to keep alert to keep alive."

MAKING ENDS MEET

So far, the Harffs have been able to make ends meet and keep destitution from the doorstep of the yellow and green bungalow built 33 years ago by Mr. Harff in this industrial town a few miles up the Monongahela River from Pittsburgh. Indeed, because the couple receive a monthly pension check of $132 in addition to their $341.70 monthly Social Security payment—a total of $5,684.40 a year—they are more fortunate than those couples who are 65 and older and who live on Social Security alone. (There are currently two million couples aged 65 and over who are receiving Social Security payments. Of this total, 80% receive no additional pension benefits—although they may have income from other sources.)

Henry Harff, however, doesn't view himself as fortunate at all. Rather, he sees himself as the victim of a cruel joke, the irony lying in his current monetary plight after a lifetime of, as he puts it, "going through the mill." Looking back, he says, "If I had it all to do over again, this little 130-pounder wouldn't have gone hunting all the hard work I did. I worked like a jackass all my life."

If Mr. Harff isn't filled with pride about the fruits of his labor, he and Mrs. Harff nevertheless are proud when they consider that they have managed to survive without going into debt. "I'm clean and respected in the community," Mr. Harff says. "I owe no man anything."

INDEPENDENT SPIRIT

The Harff's almost puritanical concern with cleanliness, respect and financial independence is evident after only a few minutes in their house, which stands at the foot of an eroded hill on the outskirts of McKeesport, just across the Monongahela from the Duquesne works. The bungalow's Spartan kitchen and living room are spotless. And conversation with a recent visitor quickly turns to a worrisome subject: the cost of living.

"It seems the older you get, the more you're punished for being old," Mr. Harff muses. "If you find a retiree older than I am, you'll find a beggar."

In their early retirement years, the Harffs countered the shock of losing their $550-a-month working income by restricting—and finally eliminating—such pleasantries as travel and occasional restaurant eating. They also soon discovered that they were unable to save any money at all on their first monthly retirement benefits, which amounted to about $185 in Social Security and $115 in private pension benefits.

KEEPING UP

From 1966 through 1973, the government's consumer price index jumped 36.9%. The Harffs' income, like that of numerous retired Americans, rose at more than twice that rate, largely due to Social Security increases. Mr. Harff's private pension, however, climbed by only 10%. And because their Social Security benefits were so small to begin with, the Harffs' income, even with the increases, is still only slightly more than the median annual income for elderly couples, last figured in 1972 by the Bureau of Labor Statistics at $5,513.

Mr. Harff and his wife have adopted a routine of cashing the pension check, which comes on the 28th of each month, and then combining it with the cash from the Social Security check, which arrives on the 3rd. From this modest kitty, they make their payments and hope to be even by the next time the 28th rolls around.

Since they own their house outright, the Harffs have no rent or mortgage payments to worry about. And while Mr. Harff says that there are school-district, borough and county property taxes totaling "several hundred dollars" a year to be paid, he adds that the couple's chief source of concern is the price of food.

Henry Harff considers fresh fruits and vegetables a necessity for good health. He was therefore elated when a friendly market manager recently offered to sell him spotted apples, bruised tomatoes and other damaged but edible items at a discount. A recent jump in the price of tomatoes to 59 cents a pound—more than double the 25 cents a pound Mr. Harff remembers paying only a few years ago—forced him to look for the special deal, he says.

Some food items have been completely eliminated from the Harffs' shopping list. These include two of Mr. Harff's favorite meats—ham and pork chops. When center-cut chops reached $1.39 a pound last year, he says, the couple started to buy link sausage as a substitute. When that product also climbed to $1.39 a pound, they switched to fattier rolled sausage at 79 cents a pound. The Harffs also buy only day-old bakery items now, since the price of bread jumped to 56 cents for a big loaf, up from 25 cents 18 months ago. The day-old variety sells for half price.

A typical midday meal in the Harff household consists of Braunschweiger sandwiches and a canned vegetable, the latter usually purchased at a discount with the aid of newspaper coupons that are kept stacked under a centerpiece of the kitchen table. Their granddaughter, Trudy Vandervort, visiting with her son, David, observes that "If I ate as much as they did, I'd starve." Gertrude Harff, however, serenely assures her that "we're used to this."

The Harffs' economizing has also involved clothing, and their purchases in this area are currently contingent upon what bargains can be found at a local flea market. Last year, they bought a winter coat for Mrs. Harff for $4, but Mr. Harff points out that the total cost was actually somewhat higher because some alterations were needed. (Even so, Mrs. Vandervort is impressed. "I can't find bargains like that," she tells her grandmother. "They must feel sorry for you.")

Occasionally, the Harffs drive to a nearby shopping center, but it isn't always to shop. "They go up to Zayre's and just watch the people," Mrs. Vandervort says. And even their people-watching isn't a free pleasure, as Mr. Harff reminds his granddaughter, since gasoline now is 56 cents a gallon. Accordingly, Mr. Harff normally only uses his 1966 Chevrolet for short drives to pickup a newspaper or a few grocery items.

Among Mr. Harff's other activities are such physical activities as cutting his own lawn and doing his own gardening, both of which he sees as investments in fitness as well as thrift measures. Both he and his wife enjoy reading and like to have the house filled with books, many of which they purchase for a dime each at a local flea market. And Mr. Harff also sees to it that he gets to attend 10 wrestling matches a year in Pittsburgh—a little luxury (a ticket costs $2.50), but one that he isn't inclined to forgo.

HOW MUCH DOES IT COST?

Almost everything the Harffs do is seen in terms of the money it costs, and this extends to such seemingly inexpensive pursuits as watching over the birds that frequent the couple's backyard. "You know it costs money to feed them," Mr. Harff declares, and with pencil and paper he arrives at a $4-a-month estimate for bread and seed.

This attention to financial detail doesn't extend to all areas of the Harff's expenditures. As a general rule, they simply accept the fact that their total outflow equals their total income. Mr. Harff, however, can cite such specifics as the $480 a year that goes for medicine to treat such infirmities as Mrs. Harff's circulatory problems. The specter of even larger medical expenses— such as a hospital stay that might not be completely covered by insurance—hangs over the couple as a major worry, albeit one they prefer not to ponder too much. (The Harffs are covered by Medicare and Blue Cross insurance, the latter tied into the steelworkers' union retirement system. Together, the two kinds of insurance are supposed to pay full medical costs, but Mr. Harff complains that once when he smashed his finger he had to pay $15 of the $35 bill from the doctor.

To take their minds off any morbid speculation about the future, the Harffs have a major source of present enjoyment: their family. Indeed, it is readily apparent that their daughter, three grandchildren and two great-grandchildren add a measure of vicarious youth and an abundance of happiness to the elderly couple's days—so much so that all thoughts of budgeting seem to disappear when the youngsters come to call. "If this woman finds out the grandchildren don't have shoes, she'll take money and buy shoes," Mr. Harff says of his wife. And any visit from a family member is likely to prompt a token gift, such as some rhubarb from the yard, some soap powder, or perhaps an item that the Harffs purchased on sale. The great-grandchildren rarely leave the Harffs' house without a few coins clutched in their fists.

"When you've got children, you love them," Mrs. Harff explains. "But when you've got grandchildren, you lose your mind."

A BIT OF RELIEF

The Harffs' financial situation will improve to some extent in July, when a Social Security increase will go into effect, and again in August 1975 when Mr. Harff's monthly pension will be boosted by $26.40 (the result of a recent labor contract addendum affecting past retirees). But even so, he is skeptical about whether he will be able to do more than keep up with the price of food, taxes and other costs.

Today, Mr. Harff wishes that he had had more years of service with U.S. Steel, which would have brought him a heftier pension, or that he had thought more about saving money for his retirement. He sighs when he talks about a friend of his, recently retired steelworker who is receiving far higher benefits from a newer contract and was therefore able to take a vacation trip to Hawaii. "It didn't cost a million," Mr. Harff says, "but it cost quite a bit."

If he and his wife could afford a trip, Henry Harff says, they would go to Europe so that he could visit a cousin in Germany and she could see Holland. If they could save $10 or $20 a week, he muses, they might go. But then he returns to reality: "I can't even dream about that," he says, noting that in seven years they haven't saved a dime.

THE REALITIES OF POLICE WORK

Mr. BUCKLEY. Mr. President, too often there is a gap between the understanding of the problems of law and order as they are seen by the police and by academicians. Usually—and unfortunately—that gap is allowed to widen until there is misunderstanding and, often, animosity between the two groups. Policemen feel professors of criminology depend too heavily on theory; professors criticize police for not adhering to ideals of law enforcement.

I was gratified, therefore, to come across an excellent and most informative article written by a professor who, in order to discover for himself the realities of crime in the streets, actually became a policeman. The article originally appeared in the FBI Law Enforcement Bulletin, March 1974, and was reprinted in Human Events, March 23, 1974. Mr. President, I request unanimous consent that the full text of the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A PROFESSOR'S "STREET LESSONS"

(By Dr. George L. Kirkham)

As policemen have come under increasing criticism by various individuals and groups in our society in recent years. I cannot help but wonder how many times they have clenched their teeth and wished they could expose their critics to only a few of the harsh realities which their jobs involves.

Persons such as myself, members of the academic community, have traditionally been quick to find fault with the police. From isolated incidents reported in the various news media, we have fashioned for ourselves a stereotyped image of the police officer which conveniently conforms to our notions of what he is.

We see the brutal cop, the racist cop, the grafting cop, the discourteous cop. What we do not see, however, is the image of thousands of dedicated men and women struggling against almost impossible odds to preserve our society and everything in it which we cherish.

For some years, first as a student and later as a professor of criminology, I found myself troubled by the fact that most of us who write books and articles on the police have never been policemen ourselves. I began to be bothered increasingly by many of my students who were former policemen. Time and again, they would respond to my frequently critical lectures on the police with the argument that I could not possibly understand what a police officer has to endure in modern society until I had been one myself.

Under the weight of this frustration, and my personal conviction that knowledge has an applied as well as a theoretical dimension, I decided to take up this challenge: I would become a policeman myself as a means of establishing once and for all the accuracy of what I and other criminologists had been saying about the police for so long.

UNLIKELY CANDIDATE

Suffice it to say that my announced intention to become a uniformed patrolman was at first met with fairly widespread disbelief on the part of family, friends and colleagues alike. At 31, with a family and an established career as a criminologist, I was surely an unlikely candidate for the position of police recruit. The very idea, it was suggested to me, was outrageous and absurd. I was told that no police administrator in his right mind would allow a representative of the academic world to enter his organization. It had never been done and could not be done. . . .

This skepticism was, however, soon to be overcome. One of my better criminology students at the time was a young police officer on educational leave from the Jacksonville, Fla., Sheriff's Office. Upon learning of my desire to become a police officer in order to better understand the problems of policemen, he urged me to contact Sheriff Dale Carson and Undersheriff D. K. Brown of his department with my proposal.

I had earlier heard other police officers describe the consolidated 800-man force of Jacksonville Duval County, as one of the most progressive departments in the country. I learned that Sheriff Carson and Undersheriff Brown, two former FBI agents, had won considerable respect in the law enforcement profession as enlightened and innovative administrators.

The size and composition of Jacksonville, as well as its nearness to my university and home, made it appear to be an ideal location for what I wished to do.

Numbering just over one-half-million residents, Jacksonville impressed me as being the kind of large and rapidly growing American city which inevitably experiences the major social problems of our time: crime and delinquency, racial unrest, poverty and mental illness.

A seaport and industrial center, Jacksonville offered a diversity of urban suburban and even rural populations in its vast land area, I took particular note of the fact that it contained a fairly typical inner-city slum section and black ghetto, both of which were in the process of being transformed through a massive program of urban redevelopment. This latter feature was especially important to me insofar as I wanted to personally experience the stresses and strains of today's city policemen. It was, after all, he who had traditionally been the subject of such intense interest and criticism on the part of social scientists such as myself.

Much to my surprise, both Sheriff Carson and Undersheriff Brown were not only supportive but enthusiastic as well over my proposal to become a city patrolman.

I made it clear to them at the outset that I did not wish to function as an observer or reserve officer, but rather wanted to become a fully sworn and full-time member of their department for a period of between four and six months. I further stated that I hope to spend most of this period working as a uniformed patrolman in those inner-city beats most characterized by violence, poverty, social unrest and high crime rates. They agreed to this, with the understanding that I would first have to meet the same requirements as any other police candidate.

TOUGH STANDARDS

I would, for example, have to submit to a thorough character investigation, a physical examination, and would have to meet the same training standards applied to all other Florida police officers. Since I was to be unpaid, I would be exempted from department civil service requirements. . . .

For four months, four hours each evening and five nights a week, I attended the Tallahassee area police academy, along with 35 younger classmates. As a balding intellectual, I at first stood out as an oddity in the class of young men destined to become local enforcement officers. With the passage of time, however, they came to accept me and I them. We joked, drank coffee, and struggled through serious examinations and lessons together. At first known only as "the professor," the men later nicknamed me "Doc" over my good-natured protests.

As the days stretched into weeks and the weeks into months, I took the lengthy notes on the interviewing of witnesses at crime scenes, investigated imaginary traffic accidents, and lifted fingerprints. Some nights I went home after hours of physical defense training with my uniformly younger and stronger peers with tired muscles, bruises, and the feeling that I should have my head examined for undertaking such a rugged project.

As someone who had never fired a handgun, I quickly grew accustomed to the noise of 35 revolvers firing at the cardboard silhouettes which our minds transformed into real assailants at the sound of the range whistle.

I learned how to properly make car stops, approach a front door or darkened building, question suspects, and a thousand other things that every modern police officer must know. After what seemed an eternity, graduation from the academy finally came, and with it what was to become the most difficult but rewarding educational experience of my life: I became a policeman. . . .

A BURST BUBBLE

As I write this, I have completed over 100 tours of duty as a patrolman. Although still a rookier officer, so much has happened in the short space of six months that I will never again be either the same man or the same scientist on that first day.

While it is hard to even begin to describe within a brief article the many changes which have occurred within me during this time, I would like to share with fellow policemen and colleagues in the academic community a few of what I regard as the more important of what I will call my "street lessons."

I had always personally been of the opinion that police officers greatly exaggerate the amount of verbal disrespect and physical abuse to which they are subjected in the line of duty. During my first few hours as a street officer, I lived blissfully in a magic bubble which was soon to burst.

As a college professor, I had grown accustomed to being treated with uniform respect and deference by those I encountered. I somehow naively assumed that this same quality of respect would carry over into my new role as a policeman.

I was, after all, a representative of the law, identifiable to all by the badge and uniform I wore as someone dedicated to the protection of society. Surely that fact would entitle me to a measure of respect and cooperation—or so I thought. I quickly found that my badge and uniform, rather than serving to shield me from such things as disrespect and violence, only acted as a magnet which drew me toward many individuals who hated what I represented.

I had discounted on my first evening the warning of a veteran sergeant who, after hearing that I was about to begin work as a patrolman, shook his head and cautioned, "You'd better watch yourself out there, Professor! It gets pretty rough sometimes!" I was soon to find out what he meant.

FIRST ENCOUNTER

Several hours into my first evening on the streets, my partner and I were dispatched to a bar in the downtown area to handle a disturbance complaint. Inside, we encountered a large and boisterous drunk who was arguing with the bartender and loudly refusing to leave. As someone with considerable experience as a correctional counselor and mental health worker, I hastened to take charge of the situation.

"Excuse me, sir," I smiled pleasantly at the drunk, "but I wonder if I could ask you to step outside and talk with me for just a minute?" The man stared at me through bloodshot eyes in disbelief for a second, raising one hand to scratch the stubble of several days growth of beard. Then suddenly, without warning, it happened. He swung at me, luckily missing my face and striking me on the right shoulder.

I couldn't believe it. What on earth had I done to provoke such a reaction? Before I could recover from my startled condition, he swung again—this time tearing my whistle from a shoulder epaulet. After a brief struggle, we had the still shouting, cursing man locked in the back of our cruiser. I stood there, breathing heavily with my hair in my eyes as I surveyed the damage to my new uniform and looked in bewilderment at my partner, who only smiled and clapped me affectionately on the back.

"Something is very wrong," I remember thinking to myself in the front seat as we headed for the jail. I had used the same kind of gentle, rapport-building approach with countless offenders in prison and probation settings. It had always worked so well there. What was so different about being a policeman? In the days and weeks which followed, I was to learn the answer to this question the hard way.

As a university professor, I had always sought to convey to students the idea that it is a mistake to exercise authority, to make decisions for other people, or rely upon orders and commands to accomplish something. As a police officer myself, I was forced time and again to do just that.

For the first time in my life, I encountered individuals who interpreted kindness as weakness, as an invitation to disrespect or violence. I encountered men, women and children who, in fear, desperation, or excitement, looked to the person behind my blue uniform and shield for guidance, control and direction. As someone who had always condemned the exercise of authority, the acceptance of myself as an unavoidable symbol of authority came as a bitter lesson.

I found that there was a world of difference between encountering individuals, as I had, in mental health or correctional settings and facing them as the patrolman must: when they are violent, hysterical, desperate.

When I put the uniform of a police officer on, I lose the luxury of sitting in an air-conditioned office with my pipe and books, calmly discussing with a rapist or armed robber the past problems which had led him into trouble with the law. Such offenders had seemed so innocent, so harmless in the sterile setting of prison. The often terrible crimes which they had committed were long since past, reduced like their victims to so many printed words on a page.

Now, as a police officer, I began to encounter the offender for the first time as a very real menace to my personal safety and the security of our society. The felon was no longer a harmless figure sitting in blue denims across my prison desk, a "victim" of society to be treated with compassion and leniency. He became an armed robber fleeing from the scene of a crime, a crazed maniac threatening his family with a gun, someone who might become my killer crouched behind the wheel of a car on a dark street.

Like crime itself, fear quickly ceased to be an impersonal and abstract thing. It became something which I regularly experienced. It was a tightness in my stomach as I approached a warehouse where something had tripped a silent alarm. I could taste it as a dryness in my mouth as we raced with blue lights and siren toward the site of a "Signal Zero" (armed and dangerous) call. For the first time in my life, I came to know—as every policeman knows—the true meaning of fear. Through shift after shift it stalked me, making my palms cold and sweaty, and pushing the adrenalin through my veins.

I recall particularly a dramatic lesson in the meaning of fear which took place shortly after I joined the force.

My partner and I were on routine patrol one Saturday evening in a deteriorated area of cheap bars and pool halls when we observed a young male double-parked in the middle of the street. I pulled alongside and asked him in a civil manner to either park or drive on, whereupon he began loudly cursing us and shouting that we couldn't make him go anywhere. An angry crowd began to gather as we got out of our patrol car and approached the man, who was by this time shouting that we were harassing him and calling to bystanders for assistance.

NEVER BACK DOWN

As a criminology professor, some months earlier I would have urged that the police officer who was now myself simply leave the car double-parked and move on rather than risk an incident. As a policeman, however, I had come to realize that an officer can never back down from his responsibility to enforce the law.

Whatever the risk to himself, every police officer understands that his ability to back up the lawful authority which he represents is the only thing which stands between civilization and the jungle of lawlessness.

The man continued to curse us and adamantly refused to move his car. As we placed him under arrest and attempted to move him to our cruiser, an unidentified male and female rushed from the crowd which was steadily enlarging and sought to free him. In the ensuing struggle, a hysterical female unsnapped and tried to grab my service revolver, and the now angry mob began to converge on us.

Suddenly, I was no longer an "ivory-tower" scholar watching typical police "overreaction" to a street incident—but I was part of it and fighting to remain alive and uninjured. I remember the sickening sensation of cold terror which filled my insides as I struggled to reach our car radio. I simultaneously put out a distress call and pressed the hidden electric release button on our shotgun rack as my partner sought to maintain his grip on the prisoner and hold the crowd at bay with his revolver.

How harshly I would have judged the officer who now grabbed the shotgun only a few months before. I rounded the rear of our cruiser with the weapon and shouted at the mob to move back.

The memory flashed through my mind that I had always argued that policemen should not be allowed to carry shotguns because of their "offensive" character and the potential damage to community relations as a result of their display.

How readily as a criminology professor I would have condemned the officer who was now myself, trembling with fear and anxiety and menacing an "unarmed" assembly with an "offensive" weapon. But circumstance had dramatically changed by perspective, for now it was *my* life and safety that were in danger, *my* wife and child who might be mourning. Not "a policeman" or Patrolman Smith—but *me*, George Kirkham!

I felt accordingly bitter when I saw the individual who had provoked this near riot back on the streets the next night, laughing as though our charge of "resisting arrest with violence" was a big joke. Like my partner, I found myself angry and frustrated shortly afterward when this same individual was allowed to plead guilty to a reduced charge of "breach of peace."

As someone who had always been greatly concerned about the rights of offenders, I now began to consider for the first time the rights of police officers.

As a police officer, I felt that my efforts to protect society and maintain my personal safety were menaced by many of the very court decisions and lenient parole board actions I had always been eager to defend.

An educated man, I could not answer the questions of my fellow officers as to why those who kill and maim policemen, men who are involved in no less honorable an activity than holding our society together, should so often be subjected to minor penalties. I grew weary of carefully following difficult legal restrictions, while thugs and hoodlums consistently twisted the law to their own advantage.

VICTIMS' RIGHTS

I remember standing in the street one evening and reading a heroin "pusher" his rights, only to have him convulse with laughter halfway through and finish reciting them, word for word, from memory. He had been given his "rights" under the law, but what about the rights of those who were the victims of people like himself? For the first time, questions such as these began to bother me.

As a corrections worker and someone raised in a comfortable middle-class home, I had always been insulated from the kind of human misery and tragedy which become part of the policeman's everyday life. Now, the often terrible sights, sounds and smells of my job began to haunt me hours after I had taken the blue uniform and badge off.

* * * * *

I began to become watchful of who and what was around me as things began to acquire a new meaning: an open door, someone loitering on a dark corner, a rear license plate covered with dirt. My personality began to change slowly, according to my family, friends and colleagues as my career as a policeman progressed. Once quick to drop critical barbs about policemen to intellectual friends, I now became extremely sensitive about such remarks—and several times became engaged in heated arguments over them.

As a police officer myself, I found that society demands too much of its policemen: not only are they expected to enforce the law, but to be curbside psychiatrists, marriage counselors, social workers, and even ministers and doctors. I found that a good street officer combines in his daily work splinters of each of these complex professions and many more. Certainly it is unreasonable for us to ask so much of the men in blue; yet we must, for there is simply no one else to whom we can turn for help in the kind of crises and problems policemen deal with. No one else wants to counsel a family with problems at 3 a.m. on Sunday; no one else wants to enter a darkened building after a burglary; no one else wants to confront a robber or madman with a gun. No one else wants to stare poverty, mental illness and human tragedy in the face day after day, to pick up the pieces of shattered lives.

As a policeman myself, I have often asked myself the questions: "Why does a man become a cop?" "What makes him stay with it?" Surely it's not the disrespect, the legal restrictions which make the job increasingly rough, the long hours and low pay, or the risk of being killed or injured trying to protect people who often don't seem to care.

The only answer to this question I have been able to arrive at is one based on my own limited experience as a policeman. Night after night, I came home and took off the badge and blue uniform with a sense of satisfaction and contribution to society that I have never known in any other job. Somehow that feeling seemed to make everything—the disrespect, the danger, the boredom—worthwhile.

For too long now, we in America's colleges and universities have conveyed to young men and women the subtle message that there is somehow something wrong with "being a cop." It's time for that to stop.

This point was forcibly brought home to me one evening not long ago. I had just completed a day shift and had to rush back to the university with no chance to change out of uniform for a late afternoon class. As I rushed into my office to pick up my lecture notes, my secretary's jaw dropped at the sight of the uniform.

"Why, Dr. Kirkham, you're not going to go to class looking like *that*, are you?" I felt momentarily embarrassed, and then struck by the realization that I would not feel the need to apologize if I appeared before my students with long hair or a beard. Free love advocates and hate-monger revolutionaries do not apologize for their group memberships, so why should someone whose appearance symbolizes a commitment to serve and protect society?

"Why not," I replied with a slight smile. "I'm proud to be a cop!" I picked up my notes and went on to class.

Let me conclude this article by saying that I would hope that other educators might take the trouble to observe firsthand some of the policeman's problems before being so quick to condemn and pass judgment on the thin blue line.

We are all familiar with the old expression which urges us to refrain from judging the worth of another man's actions until we have walked at least a mile in his shoes. To be sure, I have not walked that mile as a rookie patrolman with barely six months' experience. But I have at least tried the shoes on and taken a few difficult steps in them.

Those few steps have given me a profoundly new understanding and appreciation of our police, and have left me with the humbling realization that possession of a Ph. D. does not give a man a corner on knowledge, or place him in a lofty position where he cannot take lessons from those less educated than himself.

SENATOR MONTOYA ADDRESSES BILINGUAL EDUCATION CONFERENCE

Mr. CRANSTON. Mr. President, Senator Joseph M. Montoya is one of the Congress foremost advocates of bilingual/bicultural education and an acknowledged expert in the field.

On May 15, Senator Montoya addressed the International Conference on Bilingual-Bicultural Education in New York City, and delivered one of the most comprehensive assessments of bilingual-bicultural education I have seen. I ask unanimous consent that Senator Montoya's remarks, on "Meeting the Total Educational Need," be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Joseph M. Montoya

It is always good to have the opportunity to meet with friends—and those of you here today are old friends, special friends. Some of you were in San Antonio when I spoke to the Civil Rights Commission recently. Some of you were in Albuquerque when I addressed the National Institute on Bilingual Bicultural Education. Some of you were in Washington last year to testify before the Education Committee on the need for more and better federal support for bilingual programs and teacher training.

All of you belong to a very special group—a group of which I am proud to be a member. We are people who believe in the value of education, but beyond that, we are people who understand the value and importance of language and culture to education.

That sounds like a paradox—it is hard to see how anyone who claims to be a teacher or an educator would not understand the basic importance of language to education. How can anyone teach if he cannot communicate? How can a child learn if he cannot understand?

But those of us who have tried to explain the value and the need for bilingual education know that there are teachers and educators all over this nation who do not understand that very basic need for understanding. They have never accepted the clear and obvious fact that the language-minority children of America are shut out of education in most schools because their teachers do not understand them and cannot communicate with them.

It was necessary for the Supreme Court to point out in its historic decision last year that "students who do not understand English are effectively foreclosed from any meaningful education." That seems obvious—yet we know that only a small group of teachers and men and women in government had recognized that very simple fact until recently.

We know that for millions of children the words "school" and "education" are a charade, a trap, and a false and cruel pretense. Calling a building a "school" does not make it a place of education. Calling what happens to a Puerto Rican child or a Mexican-American child or a Chinese child in that school building an "equal chance at learning" does not make it either an equal chance *or* learning.

For these minority language children those words are a myth. The theory that in a free country all children receive a free public school education is a myth—these are myths which many teachers and many educators and many taxpayers hate to give up. We Americans have always been proud of the education system, and it is hard to face up to our failure or the depth of our neglect of any of our own children.

That is what makes this group so very special. You are representative of those who have faced the truth about education for minority children in America, and have tried to do something about it. You have had the courage to break through the myths to the truths.

It is because of you, and men and women like you, that we have uncovered the facts, developed the statistical base, and begun to understand the economic and sociologic impact of language and cultural differences in our society.

It is because of you that we have begun to develop the bilingual bicultural demonstration programs which will someday open education to our minorities.

It is because of you that we are *ready* to begin the real fight for equality of opportunity at every level of education and in every place in the nation.

We all know the story of the little boy who, all alone, was honest enough to point out that the Emperor had no clothes, when all the other members of the Court and the populace were willing to accept the myth of the Emperor's new suit. Well, you are like that little boy—you have honestly reported the non-existence of education for a great many American children. But you have done more than that—you have begun to manufacture a *real* suit of clothes to replace the non-existent mythical suit everyone else pretended to admire.

That is what makes you and other education groups like this one special and important in 1974.

I can report some very happy facts to you today about what we have accomplished for bilingual education in this year in Washington. Many of you have been a part of that action—you have worked through the offices of every member of Congress to encourage better support and greater support for bilingual education programs. The amount of money which the federal government will spend this year for bilingual projects will be almost doubled, I believe.

In the Senate we have appropriated $60 million, instead of the $35 million requested in the President's budget message—and the Senate is about to pass the Education Amendments of 1974, including the new bilingual education legislation which Senator Kennedy, Senator Cranston and I submitted last year. This legislation will establish a Bureau of Bilingual Education, new and expanded goals for the federal program, and authorize a great deal more money. It provides for a national assessment and report to the President and the Congress on need and on progress being made. It provides that 50 percent of all money over $35 million will be spent on teacher training. It provides for special funding for research and development of texts, teaching materials, new ways of teaching. It provides $40 million for bilingual vocational education and it makes bilingual education a part of adult education programs and library assistance programs.

All of these new federal proposals will now have to be subjected to the examination and approval of members of the Conference Committee, and will need the support of members of the House of Representatives as well as the Senate. It will be necessary for you to continue to keep members of Congress informed about your interest and involvement in this legislation if it is to finally become law. I believe that it *will* become law within a few months.

Not only the federal government, but state governments and local governments are moving now on bilingual education. Eight states now provide state money and provide state programs. Three more states have laws concerning bilingual education. Several state legislatures are now considering new mandatory programs.

The Census Bureau and the Departments of Education and Labor and Commerce have all begun to provide statistics to substantiate our worst suspicions about the economic problems, resulting from the educational limitations of Spanish surnamed Americans. They are our second largest minority, and the one whose language and cultural differences are the most common problem for educators. The United States is the fifth largest Spanish-speaking nation in this hemisphere—and in January of this year the corrected census reported ten and a half million Spanish-speaking—a jump of nearly a million over 1972's figures.

The Civil Rights Commission has now completed its five year study about the educational handicaps of the Mexican American child in our five southwestern states. Their report, and the statistical and professional analysis on which it is based, will help to break down the barriers to understanding, as it is read by more and more teachers throughout the country.

Most important of all, the Supreme Court decision has now mandated change, and demanded recognition by states of the children within their borders who speak and think in one language and are asked to learn in another. Institutional resistance to change, both in government and in the schools, is crumbling. An astounding body of knowledge has been developed in the last seven years, and the pressures are building everywhere for progress.

All of these accomplishments should make you very proud and very excited—and gratified that you are in the forefront of a dramatic education revolution. It is hard to resist the feeling that now—at last—we are almost ready to declare a victory over the inequality and educational crippling which have destroyed so many children.

But—I think we must recognize that even though many professionals—professionals in both education and government—are now ready to *see* the terrible truth about our record in teaching minority-language children, and are now recognizing the need to change school policy and government funding policy, we are not yet quite ready to declare a victory over ignorance.

We, in our special group, know something else even more important today. We *know* that in the United States there *are* no teachers for most minority-language children—no teachers trained to communicate through language and culture, and no teacher training institutions to prepare those teachers in most states. The two year colleges and Community colleges where most minority students go to school, if they stay in the educational system, are not equipped themselves to teach bilingually, and are certainly not ready to provide teachers-training programs.

Dr. Charles Leyba of California has done a survey on teacher needs for the bilingual programs currently being funded by federal money. In a survey of 106 school districts which had some bilingual program, he discovered a need for 35,117 bilingual teachers—but less than 10,000 who actually were bilingual classes in these schools, less than ⅔ of the teachers were bilingual—and these were our best programs, the ones selected for federal funding!

Unless we find a way to begin to provide teachers and other qualified education personnel for these minority children, we are not going to win our battle against inequality, no matter what other success we may have.

With teachers who can communicate and are trained to teach in two languages, we can succeed, if we are willing to provide the funding and the effort.

Without teachers, we will fail—no matter how great our will, or how open our pocketbook.

That is why I am going to take a few minutes to talk about postsecondary education problems for minorities—and the overall under-representation of minority teaching personnel throughout our school systems. I believe that we must change the imbalance throughout the teaching profession before we can begin to provide the very specially trained teachers we need for bilingual education programs.

The National Education Association has reported that minority teachers are under-represented in all our schools—but that under-representation for the Spanish-surnamed minority is most severe. The average pupil-teacher ratio in the United States is 1 to 22—but it is 1 to 107 for the Spanish-speaking. We would need 85,000 more teachers from Spanish-speaking minority groups if we were to correct the situation.

The under-representation for teachers is duplicated, of course, in all professional areas. Part of this is the result of poor elementary and secondary education. The vicious circle of bad or neglected education in the beginning grades inevitably results in fewer and fewer students at each progressively higher grade. It finally ends with statistics like those reported by HEW in 1970—only 2 percent of the college students in the country are Spanish-speaking. In order to equalize their representation, the number of Mexican-Americans in colleges throughout the country should increase by 189 percent, the number of Puerto Ricans should increase by 88 percent, the number of Indian students by 350 percent. Figures like that represent real tragedy, and tragedy which will be compounded in the next generation unless we change existing education patterns.

The College Entrance Examination Board reports that part of the reason for those figures is economic, part of it is culture discrimination, and part of it is simply the need for more community and junior colleges in the places where minorities live. All those things are true, and increase the complexity of our problems in trying to equalize education opportunities at any level.

Students from poor and minority families don't go to college as often, don't go to college as soon, don't go away to school, and don't stay to graduate.

Beyond all those considerations there is one other I think we must consider. Despite our pride in our school systems, the honest truth is that we do not provide the kind of federal government help to schools that we could, and we provide a lower percentage each year. In 1968 and 1969 federal aid to education accounted for a percent of total education cost. By 1972 that percentage was down to six percent.

Yet there are more than eleven million Americans aged 25 to 34 who failed to graduate from high school. The cost to *them* will be more than $237 billion in their lifetimes. The cost to the government will be more than $71 billion in taxes not earned. Yet it would have cost only $40 billion to educate them properly. Each dollar invested in their education would have returned six dollars in gross national product and nearly two dollars in tax revenue to states and the national government.

Our percentage commitment for education is smaller than that of any other modern nation. There are many ways to illustrate this fact, but perhaps the most dramatic is to say that for each citizen we spend $400 for military expenditures—and $12 for elementary and secondary education.

As a nation that is our shame and our tragedy.

For legislators and educators that illustrates our most basic problem—and the problem we must solve before we can really go ahead with this or any other special education program.

If we can find a way to increase support for education generally, then we can find support for our colleges—support they need so desperately this year.

If we can support our colleges more fully and more fairly, then we can begin to educate our minority college students more equitably.

If we can educate minority college students in the numbers they *should* be educated—then we can begin to provide the minority teaching staffs which our elementary and secondary schools need so desperately.

If we once establish the pool of minority teachers in our total school system, and particularly in our colleges, then we will be ready to train the bilingual-bicultural education teachers we need for the very special programs you are discussing in this conference—and which both you and I know are so important for minority children everywhere.

That's a pryramid of effort which sounds almost too difficult—yet I believe it is the next step we must take in providing for bilingual education.

We must not become intoxicated with our own expectations of success for bilingual education. We must understand the depth of the problem, and the relationship of this special education problem to all our education needs as a nation.

All children in America need our support for total education, and equal opportunity in our schools. We must commit ourselves to the long, tough job of providing that total education, not only to the minority children who need bilingual education, but to every child.

Because we understood those relationships and realities, this group is better able than most to face the truth. That truth is that we cannot fully educate any child unless we are committed to fully educate *every* child.

We have not won yet. But I know that we will win—and this group today will have been an important part of our victory.

DR. MALCOM MOOS ON PRESIDENT DWIGHT D. EISENHOWER

Mr. PERCY. Mr. President, through the last years of the 1950's I had the great pleasure of working with Dr. Malcolm Moos, now president of the University of Minnesota, but at that time principal speechwriter and assistant to the President, Dwight D. Eisenhower. President Eisenhower held Malcolm Moos in the highest regard and they worked intimately and closely on the major issues facing the Nation at that time.

I found most interesting an article that appeared last Sunday in the Minneapolis Tribune by Sam Newlund, a Minneapolis Tribune staff writer, in which he discussed some of the more interesting aspects of events that occurred in the later years of the Eisenhower administration. This included the U-2 incident during which time from 1958 to 1961, Malcolm Moos served as an Administrative Assistant to the President.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Minneapolis Tribune, June 2, 1974]

Moos Recalls White House Under Eisenhower

(By Sam Newlund)

Fourteen years ago last month, presidential speech-writer Malcolm Moos—now the outgoing president of the University of Minnesota—was assigned a chore that gave him a ghastly feeling.

His job, Moos recalled last week, was to draft a speech in which President Dwight D. Eisenhower would claim no prior knowledge of the U-2 spy flight that resulted in the shooting down of an American pilot over the Soviet Union on May 1, 1960.

Both Moos and Eisenhower knew better. The president, Moos said, angrily rejected the speech and ordered a new one written. Moos said he felt "terrible—really ghastly" about writing the original.

The anecdote emerged during a wide-ranging interview in Moos's Morrill Hall office. Moos was asked to compare the atmosphere in the Eisenhower White House with that revealed by the Watergate transcripts under President Nixon.

At the time of the incident Moos recounted, Eisenhower had just returned from a tumultuous Paris summit conference where Soviet Premier Nikita Khrushchev engaged in an angry harangue about the spy plane. The conference ended in failure.

In Washington, Moos said, he had been told by "People from the State Department" and by members of the White House staff to draft a presidential speech "following traditional lines—that a head of state cannot acknowledge that he knows about spying or surveillance."

Moos met the president's plane as it arrived from Paris. Eisenhower read the speech as they rode from the airport, Moos said, then angrily tossed it on the floor of the car.

"He said, 'You don't expect me to read that speech, do you, Malcolm?' And I said, 'No, Mr. President,' 'Well,' he said, 'all right, let's draft another one, and let's get going on it.' "

Moos, who leaves the university presidency this month, was in a good position to observe behavior in the Eisenhower White House. He was administrative assistant to the president, then White House special assistant, serving in the Executive Mansion from 1958 to 1961.

"If I had problems," Moos said, "even on difficult days—where his calendar was just tremendous, and they were always pretty bad—sometimes I'd just go over to the mansion when he came back from lunch, and walk back with him. On other days I'd wait until he was going out to play golf and ride out in the car with him."

Although there are no exact parallels to Watergate, Moos was clearly contrasting Eisenhower's handling of the U-2 incident and the Sherman Adams fiasco, with Mr. Nixon's "keep-the-lid-on-the-bottle" attitude disclosed by the Watergate transcripts.

Adams, Eisenhower's trusted chief assistant, resigned under fire in 1958 when it was disclosed that he accepted expensive gifts from Bernard Goldfine, millionaire industrialist.

It was like "cutting off his right arm," Moos said, when Eisenhower insisted that Adams quit. But Moos recalled that it was done "quickly, decisively—and it was rough."

On the U-2 incident, Moos reported a conversation with the President which he said "hasn't been unveiled before." It concerned the moment when some officials—Moos said he didn't know who—came to the President to get his signature authorizing the U-2 flight over the Soviet Union.

Moos said Eisenhower told him: "I told these people that some day the President of the United States was going to be seriously embarrassed and put in a serious compromised position . . . I remember signing the order, saying we're really going to get the President of the United States in trouble on this thing."

Asked if he himself knew in advance about the U-2 flight, Moos paused and said:

"No, I did not know about that operation. No, I didn't. As a matter of fact, only the President knew. He's the only one that can authorize those flights. It had to be a written order, and the problem there is that the meteorological conditions are such that you can only do that kind of flight a couple of days in maybe 60 days."

When Eisenhower rejected Moos's first-draft speech on his return from Paris, the President told him, according to Moos:

"Look, this is exactly what Khrushchev and the Communists want to really say is the state of affairs in the United States. That I don't know what's going on, that I'm a pawn of the capitalists here, and that I'm an infirm man here who really doesn't know what's going on in his own administration and government . . . Let's level and do (another) draft of the talk."

In the dramatic televised speech that Eisenhower finally made, he admitted that the U-2 flights were made with his approval and that the government had issued "what is known in intelligence circles as a 'covering statement'."

"The remarkable thing about this man (Eisenhower)", Moos said, "is that he rejected it right out of hand—the minute he saw what they were asking him to do. He said, 'I won't have anything to do with that' . . . And on the Sherman Adams thing, a lot of people thought he could ride that one out . . . but Ike made this judgment and that was it . . . So he didn't let events overtake him and sink deeper and deeper."

Were White House offices bugged in those days?

"I don't think anybody ever thought or had the smidgen of an idea that we were bugged," Moos replied. "As you know, the telephone lines are pretty carefully monitored to your home and things like that.

"Not monitored in terms of anybody listening in. Only security kind of things, so that people can't tap them when you're likely to be called by the president of the United States at your home, as I was frequently . . . I never lived in Washington. I commuted by train every day (from Baltimore). Except if the president wanted to see me at 7:30 in the morning or something I'd stay overnight."

Eisenhower, Moos recalled, "was incorrigibly human. It was the marvelous thing about him. It would be utterly unthinkable of Ike to have a tape. . . . or have some staff assistant taking notes (during a conversation)."

Presidential profanity in Eisenhower years was minimal, according to Moos, compared with the "expletive deleted" tone revealed by the Watergate transcripts.

"Ike could let out a curse word now and then," Moos said, "but I never heard him use a four-letter word—never—or say anything coarse or crude."

Moos described an incident in Mr. Nixon's 1960 presidential campaign when Eisenhower might have sworn in exasperation. Mr. Nixon, then vice president, was losing ground in some populous states, and until then the president had campaigned little in his behalf in order to avoid upstaging him.

Moos told the story this way:

"Toward the end of the campaign, Ike's friends came and said, 'Dick's going to lose. He's in terrible trouble in Illinois, Ohio, and Pennsylvania. And finally Eisenhower had a little luncheon in the mansion. Len Hall (Republican national chairman) was there, Jim Haggerty (presidential press secretary), and the vice president, who looked terribly haggard, terribly tired, very depressed.

"And Eisenhower asked me to come to it. He said, "Well, Dick, I hear you're in trouble in Illinois and Ohio. Now, Malcolm's here. And I'll go anyplace you want me to go if I can help. But tell me where you want me to go' . . .

"And I'll never forget it," Moos went on. "The president got very annoyed eventually. Nixon kept saying, well, he promised to go to Alaska and Hawaii because he promised to campaign in all 50 states.

"And finally Ike lost his temper. He said, 'Well, look, if I thought Rommel was going to be where we landed at Omaha Beach, I wouldn't go there. You're talking about three electoral votes in Alaska and Hawaii and you're in trouble in Illinois, Ohio and Pennsylvania."

The meeting, Moos recalled, "was a disaster because all Mr. Nixon would say was, "I promised to go to 50 states and I'm going to 50 states." (he lost the election to John F. Kennedy.)

How did Eisenhower express his annoyance? "I think that might have been one of those "god-damns," Moos said, laughing.

Did Moos see much of the Vice President Nixon during his White House stay?

"No," Moos said. "He was very guarded in those days, and to get through his staff was difficult. He's been a loner." Moos continued:

"Ike would say, 'Go to see Dick. See what he thinks about this.' And it wasn't easy . . . He ringed himself with a staff, so it was difficult to get to him."

That problem, Moos added, "is inherent, almost in the office of the vice presidency. It's a kind of coffin."

But Moos described vice president Nixon as "very effective" in cabinet meetings. He had a way, he said, of "bringing together a kind of consensus and orchestrating different judgments and opinions and doing this very well. . . From 1957 on he did work very hard to push civil rights legislation in cabinet meetings against some very stubborn kind of opposition from some of the cabinet."

Eisenhower, Moos said, appeared to have "genuine respect for Richard Nixon, but I don't think he regarded him as an intimate friend. They weren't close socially or friendship-wise in those years in the White House."

Moos guessed that men like William Rogers, Mr. Nixon's former secretary of state, Robert Finch, his ex-secretary of health, education and welfare, and Herbert Klein, former communications director, were close Nixon friends.

A THRIVING EXAMPLE OF AN "HMO"

Mr. CRANSTON. Mr. President, recently the New York Times magazine of April 24, 1974, published an article by Sheila K. Johnson describing the history of the first "HMO"—health maintenance organization—its early experience as a prepaid health care program, and its growth into the current Kaiser Foundation Health Plan. The idea began in 1933 when Dr. Sidney Garfield successfully brought medical care to a construction project in the Mojave Desert through a program supported by a very nominal per capita prepayment. These funds enabled him to operate four small field hospitals which followed the workers across the desert and provided them the care they needed on location without the necessity for them to journey across the desert to Los Angeles.

In 1938, Henry Kaiser invited Dr. Garfield to repeat his successful experiment by creating a medical facility for Kaiser employees then building Grand Coulee Dam in eastern Washington State. Again, the program was successful, and in the World War II years, the same concept was brought successfully to Kaiser shipyards in Richmond, Calif., and in Portland, Oreg., and to the Kaiser steel mill in Fontana, Calif.

Today the Kaiser Foundation Health Plan has some 2.65 million members, served by 2,595 doctors, 23 hospitals, and 58 clinics.

Mr. President, Sheila Johnson's article describes the evolution of this system, its strengths as well as its weaknesses.

With the enactment of Public Law 93-222, the Health Maintenance Organization Act of 1973, support will be provided to many communities throughout the country for the development of HMO's. I believe the story this article tells will be of considerable value to the many health professionals and concerned citizens in the Nation who are contemplating the establishment of an HMO in their community.

Mr. President, I ask unanimous consent that Ms. Johnson's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Health Maintenance: It Works

(By Sheila K. Johnson)

In the Depression year of 1933, having just finished his surgeon's residency in southern California, Dr. Sidney Garfield decided to look for work in the middle of the Mojave Desert, near a large construction project where some 5,000 men were digging a canal to bring water from the Colorado River to Los Angeles. "I went out there as a fee-for-service doctor, but I soon discovered that I couldn't make a living that way, particularly since the insurance companies were taking all of the on-the-job accident cases to hospitals in Los Angeles." So he persuaded the insurance companies to prepay him 5 cents a day per worker for industrial medical care, and then he talked the construction firms into offering the workers a voluntary 5-cents-a-day payroll deduction for general medical services. These per capita funds enabled him to hire four other doctors and to operate four small field hospitals which followed the workers across the desert.

"In 1938, just as that job was coming to an end, I heard that Henry J. Kaiser was moving construction workers into eastern Washington State to complete Grand Coulee Dam. Kaiser invited me to create a medical facility for his workers similar to the one I had run for the Mojave project, except that the men would be living at a single site and would be bringing their families." This time the plan cost 7 cents a day for each worker and his wife, and an additional 25 cents a week for each child. As in Garfield's first venture, the plan proved to be solvent, medically efficient, and popular with its clientele.

In early 1941, as Grand Coulee was nearing completion, it became clear that Kaiser would soon be heavily involved in wartime shipbuilding, particularly at Kaiser's shipyards in Richmond, Calif., and in the Portland, Ore., area, and at the Kaiser steel mill in Fontana, southern California. Once again, Garfield was asked by Kaiser to organize medical care for this huge influx of workers, who at one time during the war numbered 200,000. (A small creek in the Santa Cruz Mountains where, in 1939, Henry Kaiser had built his first cement plant was called Permanente, and Mrs. Kaiser suggested that the hospitals and clinics for the wartime workers also be called Permanente. Today, the health plan is formally known as the Kaiser Foundation Health Plan, but informally, many individuals still refer to it as Kaiser-Permanente.)

When the war ended and the shipyards were closed, it looked for a time as if Kaiser's hospitals and clinics would close along with them. But many of the former shipyard employees chose to remain on the West Coast and look for other kinds of work, and they wanted Kaiser to continue to make his health plan available to them. Unions, particularly Harry Bridges's longshoremen, also urged Kaiser not to abandon the plan, but instead to open it to the general public. Although this was done, the plan grew only slowly during the late nineteen-forties, and not until the early nineteen-fifties did membership figures begin to surpass wartime totals. In part, this initially slow growth reflected the fact that the plan abided by the medical etiquette of not advertising its services, but it also had to overcome a good deal of consumer skepticism and entrenched medical hostility. Some early members wondered, for example, whether Kaiser's doctors had medical degrees—a not altogether illogical question, since most county medical associations systematically refused membership to Kaiser's doctors until the nineteen-sixties. (The doctors were ostracized not because they lacked the proper qualifications, but because the medical associations were, and often still are, violently opposed to what they call "contract medicine.") By the end of 1973, however, Kaiser-Permanente had some 2.65 million members, served by 2,595 doctors, 23 hospitals, and 58 clinics. The plan had also spread into six different regions—northern California, southern California, Oregon, Hawaii, Colorado and Ohio—although California, with 84 per cent of the membership, continues to be the major center of activity.

As it has evolved Keyser-Permanente is the prototype of the health maintenance organization, or H.M.O., a medical plan in which a group of doctors provides both outpatient and hospital care for members who join the plan for a fixed prepaid annual fee. The idea is currently being hailed by officials of the Nixon Administration as a way to reduce skyrocketing medical costs. Late last year, Congress passed and the President signed a bill that would make it easier to establish H.M.O.'s around the country. Dr. Garfield is often called the founding father and chief theoretician of the H.M.O.

(Dr. Garfield, who is now 67, is semi-retired but still passionately involved with the health plan he helped found. He often consults with other groups wanting to start H.M.O.'s of their own, and his office is littered with floor plans for hospitals and clinics that Kaiser has on the drawing boards for its own expanding operations. "Hospital design is a sort of hobby of mine," Garfield explains modestly.)

He has had a hand in the layout of nearly every hospital built by the Kaiser plan and is responsible for such innovations as a double-corridor plan wherein an outer corridor gives visitors access to hospital rooms and can be used by patients as a walking and solarium area, while an inner corridor is used by the hospital staff. He also designed a rooming-in arrangement for Kaiser's maternity wards that permits new mothers to have their infants by their sides in drawerlike bassinets that can be pushed through the wall into the hospital's nursery when the mother is tired.

Actually, the distinctive feature of the H.M.O. is not prepayment, since other forms of medical insurance involve this element, but the fact that the money for medical care goes directly to the doctors. According to Dr. Cecil Cutting, the current Executive Director of Kaiser's northern California medical centers, "When payment is made directly to the medical program, the physician accepts the responsibility not only for episodes of injury or illness, but for continuing care and for preventive measures and health maintenance for those persons in the community who choose to be members of the program." It is also argued that a group health plan like Kaiser-Permanente is much more efficient for the patient—all of whose medical needs (pharmacy, X-ray, hospital, doctor's office, physical therapy) are met at a single site—and more economical, since expensive facilities and equipment need not be endlessly duplicated.

Under the Kaiser plan, doctors are organized separately into regional medical groups. These medical groups do their own hiring and firing and organize their own staffs. "No one has ever told me how to practice medicine," one Permanente doctor claims heatedly. Annual budgets for the hospitals and medical groups are worked out in consultation with the doctors, with basic costs figured on a capitation basis—that is, on the number of members enrolled in a given area. Doctors are paid a regular salary out of these funds—ranging from about $25,000 for a starting doctor to $100,000 for very senior men or hard-to-get specialists such as neurosurgeons and orthopedic surgeons. The average doctor's salary is around $45,000 a year. However, in addition to their basic salaries, doctors who have worked for Permanente for two or three years and who have been invited to become "partners" in their medical groups receive incentive pay. This pay consists of half of what the group has managed to save out of its annual budget (the other half is retained by the health plan for capital improvements and debt retirement).

In the well-established California groups, incentive payments have ranged, in recent years, from $7,000 to $9,000 per partner. "I could earn more money in private practice if I did the same amount of work I do now," one surgeon estimated, "but in private practice I probably wouldn't have the same volume of work." Another non-Kaiser, physician estimated that internists and pediatricians—among the lowest-paid and hardest-working of all doctors—may earn more working for Kaiser than they would in private practice, and certainly their hours are less rigorous.

Kaiser's method of reimbursing its doctors is one of the features often credited with reducing medical costs. Because doctors' salaries and incentive payments come out of a budget based on the number of people enrolled in the plan, doctors in effect save money if they can keep their patients well. By contrast, under Blue Cross-Blue Shield plans and Medicare, private doctors are reimbursed for specific services rendered to the patient, and it is argued that this has caused doctors to increase their services needlessly. Most health insurance plans also cover hospital expenses to a greater extent than visits to a doctor's office, leading doctors to admit people to hospitals for routine tests or simple surgical procedures that could just as easily be performed on an out-patient basis. In Kaiser-Permanente, on the other hand, there is no incentive to use expensive hospital facilities when less expensive out-patient care will do. As a result, Kaiser-Permanente has racked up some astonishing statistics: It operates with a ratio of 100 physicians per 100,000 members, whereas the national average in 1970 was 155 physicians per 100,000 population; hospital days per 1,000 members ranged from 510 in 1966 to 480 in 1970, whereas individuals covered by Blue Cross-Blue Shield insurance or by the Federal Employees Health Benefits Program have consistently had more than 90 hospital days per 1,000 members; hysterectomies and appendectomies are only about half as frequent, and tonsillectomies a quarter as frequent as among Blue Cross-Blue Shield members.

Because of its gradual development, the health plan's present organizational structure was not worked out until the nineteen-fifties. Before that, Garfield had simply functioned as a subcontractor for Henry J. Kaiser, although the hospitals that Kaiser had built had been incorporated as nonprofit entities. Today the apex of the organizational pyramid is the Kaiser Foundation Health Plan, a nonprofit corporation that enrolls health-plan members and contracts to provide for their medical care. The chairman of the board is Henry J. Kaiser's son, Edgar F. Kaiser, who is also chairman of the board of Kaiser Industries, one of the country's largest corporations (aluminum, steel, cement, heavy construction) with annual sales of about $1.8-billion and assets of about $2.8-billion. Nine of the health plan's 17 directors are either officers of the health plan or of a Kaiser subsidiary. One result of this interlocking directorship is that Kaiser-Permanente has not the difficulties that most H.M.O.'s have in financing start-up costs and capital improvements. The health plan has never accepted Government funds (except in the form of research grants); instead Kaiser Industries has helped to underwrite many loans and the Henry J. Kaiser Family Foundation has provided no-interest loans as well as outright grants for new facilities. (Interestingly enough, present-day criticism of Kaiser-Permanente no longer comes from the far right, which used to regard it as socialized medicine, but from the far left, which accuses it of being a tool of big business. Ramparts magazine recently attacked the health plan for not having consumers on its board and for not allowing the community "to determine the structure and content of its health services.")

Approximately 87 per cent of the health plan's members join through an employer or a union, and of these, 97 per cent belong to group plans where all or part of their monthly fees are paid for them. Of the 13 per cent who join Kaiser-Permanente as individuals, many do so because they change jobs and their new employers do not offer the plan, or because they retire. The Kaiser-Permanente membership thus consists primarily of employed blue-collar and white-collar workers and their families—75 per cent of the families in the southern California region had a 1970 income of $7,000 or more, and 45 per cent had incomes of $10,000 or more—and the lowest income groups, which tend to have the most severe medical problems, are not included. The health plan's membership is also somewhat younger than the national average: Only 4.5 per cent of the members are over 65, compared to 9.9 per cent of the 1970 United States population.

The health plan's organizers are aware of this population bias and have sought out situations in which they could test the plan's effectiveness with other groups. In Hawaii, they provide health care for sugar plantation workers on rural Oahu and Maui, and in Portland, Ore., 1,500 indigent families (a total of approximately 7,000 people) were enrolled in Kaiser-Permanente under an Office of Economic Opportunity grant. So far, the statistics seem to indicate that these groups make no greater over-all use of Kaiser's facilities than does the general membership, although there are some interesting differences in the types of illnesses for which care is sought. (Because it is sometimes argued that the poor do not make optimum use of medical facilities even when these are freely available, almost half of the O.E.O. money was used for "outreach" efforts—a baby-sitting service, minibus transportation to the clinic, case-finding, and follow-ups to make sure people understand the doctor's instructions.)

Kaiser has also made heroic efforts to retain those of its members who become eligible for Medicare, although this has not been easy, given Medicare's system of remuneration based on fee-for-service. Notes one Kaiser Health Plan officer drily, "[The] administrative requirements have been unduly costly in time, money and resources. They have made no contribution to the provision of health services, and they have interfered with some of the basic operational advantages of our plan." Despite these technical difficulties, Kaiser appears to be saving the Government money: In 1969, hospital days for persons over 65 in Kaiser's northern California region were slightly more than half of what they were for persons over 65 in the nation as a whole.

Some have charged that the Kaiser plan's claims of efficiency actually mean that its physicians are cutting corners and offering substandard care in order to line their pockets, but such charges seem to have no basis in fact. Private doctors around the San Francisco Bay area are unanimous in their praise for Kaiser's doctors and for the standards of care in their clinics and hospitals. In 1967, the National Advisory Commission on Health Manpower made a "medical audit" of Kaiser and concluded that "the caliber of Medical Group physicians, particularly the physicians-in-chief, was uniformly impressive" and that "the quality of care provided by Kaiser is equivalent to, if not superior, to that available in most communities." Eighty-five per cent of Kaiser's physicians are certified or qualified for their specialty boards, and about 20 per cent have clinical teaching appointments in medical schools.

Kaiser's doctors are somewhat younger than the national average, but this is probably because a great deal of hiring was done in the last decade, when the health plan was expanding rapidly. There is also a higher percentage of women doctors working for Kaiser than exists in the nation as a whole. It may be that women doctors are drawn to Kaiser because they know they can expect regular working hours, with fewer evening and weekend duties; but it is also likely that women encounter greater difficulties than men in setting up a private practice, while Kaiser does not discriminate against them.

A typical example of a Kaiser physician is Dr. Davis Baltz, who has been with the health plan for 20 years and is now chief of surgery at its Vallejo hospital. Baltz, who is 49, did his residency in a private hospital before being drafted during the Korean war. He spent four years as a surgeon in Army hospitals. "Between my residency and the Army, I had a chance to see both private and group practice. I liked Army medicine. The only thing I didn't like was moving around from place to place all the time. As for private medicine, there's so much time wasted—doctors driving around from hospital to hospital to see their patients, hunting for places to park. And so much politicking goes on in private hospitals over which doctors will get their patients admitted and which doctors get time in the operating room. At Kaiser, doctors cooperate in working out schedules because we're not competing against each other."

Baltz is sensitive to charges that Kaiser doctors "undertreat" or "underoperate" compared with private physicians. "It's simply that the style of prepaid group practice is different. A private surgeon sees someone who may or may not have appendicitis and he can't afford to take a chance. If that appendix bursts the following day, he will be at fault. It could have a serious impact on his career. So he plays it unnecessarily safe and removes the appendix. In Kaiser, we can afford to keep the patient under observation and wait to see how the situation develops."

As an example of how a group can save money for itself and its patients, Baltz describes the solution the Vallejo group worked out when vasectomies, which used to be an elective procedure not covered by the health plan, were made a health benefit. "Overnight we had 300 or 400 men calling in to say they wanted vasectomies. First of all, it put enormous pressure on our urology staff—seeing all these people and explaining the operation to them, to make sure they knew what was involved—and second of all, it put enormous pressure on our operating room facilities. Our group of physicians had made a policy decision that they wanted to do this operation in the operating room, even though many private physicians do it in their offices. To solve these problems, we began by setting up a lecture, held on Saturday mornings, to which we invite anyone who wants a vasectomy, plus all the wives, who have to sign the papers O.K.-ing the operation. We serve coffee, show slides, and of course a lot of joking goes on among the couples. But the important thing is that in two hours a physician can explain the operation, answer questions and deal with the paperwork of 20 or more men—something that would otherwise take him at least five times as long. Then the men who want vasectomies are placed on a list, and they are told that whenever there is some time available in the operating room they will be called on short notice. If they can't make it when they are called, they are not taken off the list but simply called again at the next opportunity. Amazingly enough, most of them come in the first time we call them—sometimes on only an hour's notice. So when we have a sudden cancellation of a gall-bladder operation, I can just tell the secretary 'Get me five vasectomies.' That way the operating room stays busy, the doctors—who are there anyway—stay busy, and the patients are happy. It's also one way Kaiser keeps down costs."

But are all of Kaiser's patients happy? That question can start a heated argument at almost any dinner party where two or more Kaiser members are gathered. The statistics would seem to indicate that most of Kaiser's members are satisfied with the health care they are receiving. Shortly after Kaiser went public in 1945, it made a rule that it would take on no employe group unless that group were offered at least one alternative health plan and unless there were one annual "open enrollment" period when employes could switch from one health plan to another. In this way, it hoped to avoid serving a disgruntled minortiy who had no other choice, and it also provided itself with a ready-made indicator of consumer satisfaction.

Certainly, most Kaiser members are fully satisfied with the financial aspects of the plan. An independent survey in southern California found that 65 per cent of Kaiser's members were very satisfied, and only 9 per cent were dissatisfied, whereas among Blue Cross members, 28 per cent were very satisfied and 35 per cent were dissatisfied with their financial coverage. Although Kaiser negotiates separately with every employe group it covers, even its less comprehensive plans are far more extensive than other kinds of health insurance; multiphasic examinations are covered and cost $1; maternity care is either completely covered or costs $60; there is no "deductible" feature before the plan's benefits start; there is no limit on the number of hospital days per year for which an individual is covered nor is there any sort of 80–20 splitting of costs. Kaiser's insurance premiums are also competitive. For example, a University of California employe must pay $49.30 per month for coverage for himself and two or more dependents under Blue Cross; Kaiser's plan for a similar-sized family would cost him $42.63.

Some Kaiser members are less enthusiastic about the way in which the medical plan actually works. Members are encouraged to choose one of Kaiser's doctors as their "regular physician" and to "build a relationship with him," but getting an appointment with a specific doctor for a nonemergency matter usually means a six-weeks' wait. Anyone with an urgent problem is referred to the emergency ward or to one of the "drop-in" clinics. The drop-in clinics are staffed by regular Kaiser doctors who draw this service on a rotating basis, but here—since patients come in without an appointment—one is seldom lucky enough to see one's regular doctor, and there is often a long line producing a wait of several hours. Because of the frustrations involved in either trying to get a regular appointment or visiting a drop-in clinic, many Kaiser members develop their own techniques for getting around the system. "I wouldn't dream of going to the drop-in pediatric clinic," one woman told me firmly; "it's a waste of time. If my kid gets sick, I just call up my regular pediatrician and insist that he work me in." Most doctors at

Kaiser have a certain amount of flexibility in their schedules and try to accommodate such insistent patients, but many of them disapprove of the practice. "Sure, some people get wise and can get to see ayone they want, any time they want," says Davis Baltz. "But if everyone did that, the system would simply break down."

When the system is working well, it can be highly efficient. A patient may be seen by his regular doctor or by a drop-in clinic physician (or he may simply have come in for a multiphasic physical exam), but if there is something seriously wrong with him, he can be admitted to the hospital at once (where a different doctor will take over his case) or he can be referred to one of Kaiser's *specialists* for further diagnosis and treatment. In rare cases, Kaiser will provide its members with treatment at centers outside its own facilities. Last year, for example, all four children of David Costello, a teamster whose family is enrolled in Kaiser's health plan, had open-heart surgery performed by Dr. Norman Shumway at Stanford Medical Center, Kaiser's northern California medical group does not have an open-heart surgery team because they consider it a needless expense so long as Dr. Shumway is located in the Bay Area; instead, they pick up the tab for such operations.

Being referred to and treated by the right Kaiser doctor for a difficult problem can, however, be a frustrating experience. Writes one member: "Twelve years ago our son developed a brain problem. His case was shunted about, finally to San Francisco, for almost a year. No relief until finally we gave up on Kaiser. Went to a doctor in the Palo Alto area (where we live) whose diagnosis was prompt, and the control and care of the problem effective; at three times the annual cost of Kaiser. The son of friends had a congenital eye fault. His mother spoke firmly, rising to shouts and a few screams. It took a long time but she finally got to the Kaiser inner sanctum in Oakland where was hid the doctor.

This account also raises the issue of how many Kaiser members, whether out of frustration or to save time, use doctors outside the medical plan without the plan's authorized referral. Some surveys indicate that perhaps as much as 10 percent of the members' hospital care and 15 percent of their office visits take place outside the Kaiser system—in this case meaning, of course, that members pay out-of-pocket for these expenses.

However, most of the complaints against Kaiser do not come from members with serious ailments but from people with ordinary problems. A woman complains, "One day I phoned Gynecology for an appointment. I was on the phone for three hours, 9 A.M. to 12. Besides having them answer the phone and say, 'Please hold on,' I was shifted back and forth." Another woman who went to Gynecology Emergency to have a minor yeast infection treated says she waited for three hours and then "you get one minute with a harried doctor who barely has the time to ask you what's wrong, much less tell you how to prevent recurring yeast infections."

None of these complaints come as news to Kaiser's doctors or administrators, many of whom have devoted a great deal of time and ingenuity to improving the health care delivery system. In 1961, Dr. Morris Collen, who joined Kaiser in 1942 and who served as Physician-in-Chief first in Oakland and then in San Francisco, set up the Department of Medical Methods to develop computer applications that would expedite medical care. Dr. Collen took a degree in electrical engineering before he became a doctor and is widely credited with devising and introducing "automated multiphasic screening" at Kaiser. "Dr. Garfield had always conceived of our health plan as a form of preventive medicine, and so checkups were available to members right from the start. But the increasing number of requests for checkups took up an enormous amount of the doctors' time and cost a lot per patient, leaving very little time and money for the treatment of the truly ill. So in 1951, we set up a multiphasic screening unit. This is basically a systems approach to checkups and it involved repackaging a series of tests so they could be administered by trained nurses and paramedical personnel. At the time we began this at Kaiser, it was novel in the practice of medicine, although it was not novel in the field of public health—mobile chest X-ray units are an example. Then in 1964 we brought in the computer, and we coined the phrase 'automated multiphasic screening.'

This does not just mean that all the tests are processed automatically and the results stored in the computer: The computer is also programed with advice rules, so that if a test's results show some abnormality, the computer calls for further tests before the patient ever sees a doctor.

The multiphasic unit in Oakland is housed in the basement of the small building where Dr. Collen and Dr. Barfield do their cogitating. About 180 patients a day can be sent through the system like rats through a maze: blood pressure, chest X-ray, electrocardiogram, blood chemistry, uranalysis, eyesight and hearing tests, the Pap smear and a mammogram for women, a medical history (how many cups of coffee a day, how many cigarettes, how many alcoholic drinks), and even some questions borrowed from the Minnesota Multiphasic Personality Inventory. (This last test, Dr. Collen admits, has not been too successful: "We'd like to be able to screen people for psychosomatic and psychosocial problems, but so far the number of cases we've spotted is so small that we suspect the instrument is not very good.")

As of 1970, the results of some 300,000 multiphasic exams had been stored in the computer, providing not only a large population for epidemiological research but also a time series for any given individual. For example, careful study of these time series has convinced Dr. Collen that "there is nothing sacred about the yearly checkup. If a man in his twenties feels well, he probably is well, Of course, anyone—regardless of his age—should come in for a multiphasic or for an ordinary checkup if he has symptoms. But our studies show that there is a clear advantage to getting an annual checkup for men under the age of 45. After that age, there are enough changes occurring so that an annual checkup is important; and perhaps after the age of 60 he should get a check-up every nine months, and after the age of 70, every six months." In terms of epidemiological research, the multiphasic data have already been used to study such things as the incidence of breast cancer, the incidence of stroke in Japanese-Americans, the effects of oral contraceptives and the characteristics of smokers and nonsmokers.

At the present time, it is only the multiphasic data that is stored in the computer; patients at Kaiser also have ordinary records of their ills, medications and operations that are kept in manila folders. (One advantage of group practice is that no matter who treats the patient—his regular physician, a specialist or a doctor on the emergency ward—this same record will be available.) However, Dr. Collen is convinced that within five to 10 years, large systems such as Kaiser will be computerizing everything, In 1968, H.E.W. provided a grant for setting up a pilot project in "computerized medical data" at Kaiser's San Francisco hospital. Doctors were taught to enter their diagnosis for each office visit on special forms, and the data was then entered into the patients' computerized records. On-line typewriter terminals were installed in the San Francisco out patient pharmacies so that all prescriptions could also be entered into the patients' records. A system of visual display terminals responsive to light pens was even developed enabling nurses to chart and doctors to enter medical orders for their hospitalized patients directly into the computer. The whole elaborate pilot project was recently dismantled when the Government grant ran out and it proved too expensive for Kaiser to continue on its own. But computer hardware is getting cheaper, even as manpower costs are rising, so that in the long run Dr. Collen may very well be right.

Dr. Sidney Garfield has also become fascinated by the computer and its potential, but his approach is somewhat different. "I used to think that the automated multiphasic was a useful way to siphon off all people who wanted routine health checks, but now I've come to realize that this should be the method of entry into our system, even for people who think they are sick." But what about mothers whose babies merely have the sniffles or adults who have sprained a muscle or broken a leg? Will they also be sent through the multiphasic? "No, we are developing another new system to take care of acute minor conditions. The patient will come to the emergency or drop-in clinics, as he does now, but he will first be seen by a specially trained nurse who will fill out a protocol." Such protocols are, in essence, check sheets on which the patient's symptoms, his temperature, and other relevant facts are entered. Eventually, the patient does see a doctor if it turns out that he needs one, but for an ordinary cold or a sprain, he might very well just be treated by a nurse.

The problem with all of these plans to streamline the delivery of medical care is that the average individual is not as likely to be as unemotional about repairs to his body as he is, say, about repairs on his car. Erving Goffmann once noted laconically in an article comparing doctors and repairmen that the body is highly "cathected," or valued, in our society; "individuals are uneasy about giving their bodies up to the rational-empirical ministrations of others, and hence need their 'confidence' in the server continuously shored up by bedside assurances." Dr. Garfield argues that this pattern is changing: "At Kaiser, approximately 60 per cent of our patients do not ask for a specific doctor; they simply place their faith in the system. In many situations, patients are also completely satisfied with a well-trained nurse practitioner—for example in the multiphasic or in the well-baby clinic."

Garfield points to other professionals—notably dentists—who have made good use of assistants in rationalizing their own workloads. "Or take pilots. When I first began to fly commercially, you went out to the airport and the pilot would sell you a ticket. Then you would climb into the airplane and sit either right beside or behind him. Today no one expects to see the pilot—let alone find him behind the ticket counter—yet we have confidence that he will get us where we are going. The same will soon be true of doctors: They may not be taking medical histories or blood pressure any more, but they will still be doing what they are trained to do best."

Neither Dr. Garfield, nor anyone else at Kaiser-Permanente, envisions a future in which all medical care will be delivered by health maintenance organizations: In general, they favor a pluralistic environment in which various approaches (including the private physician) can compete. Nor is it necessary that all H.M.O.'s be patterned exactly after Kaiser-Permanente. New York's Health Insurance Plan (HIP) has often been called an H.M.O. without walls because until recently, state laws prohibited it from owning and operating its own hospitals and clinics. Last year's Health Maintenance Organization bill overrode all such state restrictions that have hampered the creation of H.M.O.'s in the past. It was also designed to encourage more H.M.O.'s by making it mandatory for employers above a certain size to offer an H.M.O. plan to their employees *if such a plan exists in their area*. Given such an incentive, and seed-money or low-interest loans from the Government, many doctors will undoubtedly be drawn toward the H.M.O. approach to health care. And when they are, it is likely that they will be turning to the long experience of Kaiser-Permanente for guidance.

INTERGOVERNMENTAL COMMITTEE FOR EUROPEAN MIGRATION

Mr. KENNEDY. Mr. President, I would like to call to the attention of Senators and other readers of the Record the latest annual report of the Intergovernmental Committee for European Migration—ICEM. For more than 20 years this Geneva-based humanitarian organization has been one of the main forums for international action in the field of national migration and refugee resettlement. Over the years, more than 2 million persons—most of them refugees—have been assisted by ICEM in establishing new homes and finding new hope. Some 350,000 of these people have been resettled in the United States in cooperation with the private voluntary agencies.

Although the bulk of the refugees resettled by ICEM have come from Eastern Europe, in recent years the international organization has become increasingly involved in other refugee problems as well. In close collaboration with the United Nations High Commissioner for Refugees—UNHCR, ICEM has made important contributions in the repatriation of refugees from the Sudan and in the resettlement of Cuban refugees in Spain, of Chinese refugees in Hong Kong, of Asian refugees from Uganda, and the recent refugees from Chile. ICEM has also assisted the UNHCR and the International Committee of the Red Cross—ICRC—in the recent exchange of populations between Bangladesh and Pakistan, and has cooperated with the United Nations Disaster Relief Office—UNDRO—in Geneva in the transportation of relief supplies to victims of natural disaster in the Sahel countries, the Middle East, Pakistan and Nepal.

ICEM and its director, Mr. John F. Thomas, not only deserve high tribute for a remarkable record of humanitarian service; but they also deserve the continued support of our own Government and others, in the ongoing efforts to be of help in people problems around the globe.

Mr. President, I commend to Senators ICEM's latest annual report, and ask unanimous consent that it be printed in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

1973—Review of Achievements

A CHALLENGE FOR THE FUTURE

During the year 1973 ICEM moved nearly 78,000 migrants to new homelands. The majority were refugees who, in many continents, appealed to the international community to be resettled elsewhere.

In spite of the tight budgetary situation due to monetary fluctuations and mounting inflation, ICEM was able to carry out all its operations while at the same time new responsibilities were being placed on its shoulders.

The high level of economic activity in Europe continued to affect the volume of emigration. In the year under review fewer European nationals expressed the desire to settle overseas, while traditional immigration countries such as Australia, Canada, New Zealand and South Africa imposed more restrictive selection criteria for the intake of Europeans. This decline in national emigration through ICEM was accentuated by the decision of the Australian Government to withdraw from membership of the Committee.

Refugee migration, however, has not diminished. On the contrary, regrettably, the number of refugees continued to increase and new refugee situations often called for immediate action in which ICEM played an important role. An upward trend of approximately 30% since 1970 in ICEM's refugee operations, now carried out in practically all parts of the world, is partly due to ICEM's participation in emergency programmes, at the request of Governments or international agencies responsible for this humanitarian work. While continuing its assistance to refugees from Uganda, ICEM undertook a refugee programme in Chile in close collaboration with the United Nations High Commissioner for Refugees and the International Committee of the Red Cross. Under this programme persons requiring resettlement assistance were accepted by many different countries of the West and of the East; ICEM, as a non-political international agency, was able to move them all without restriction. This exemplifies the constant need for ICEM's international operational machinery which is capable of handling crash programmes at any time and in any part of the world without interference or disturbance of its "traditional" operations.

Ten years ago the Latin American member countries urged ICEM to make special efforts to provide them with qualified manpower in order to fill crucial gaps impeding the development of their economy. As a result, the Selective Migration Programme was created in 1964 for the purpose of bringing to Latin America those migrants possessing the skills and experience essential to its progress. During the past decade ICEM, with the approval of its European members, has recruited as a pragmatic form of development assistance some 13,000 qualified workers, 30% of whom were university professors, teachers and instructors. By definition the Programme can only satisfy urgent needs, but it has proved over the years, as many Latin American Governments have repeatedly confirmed, to be an indispensable tool for the social, economic and cultural advancement of their countries, not merely by the direct contribution of the migrant himself, but also by the knowledge and skills he is able to impart to the national workers.

ICEM reached another milestone in its history when it moved its two millionth migrant. Migration, however, is not merely a question of boarding people on ships or airplanes and transporting them to new destinations.

The migration phenomenon comprises many other elements which continuously demand careful study and analysis. ICEM cooperates regularly with other international bodies such as the International Labour Office, the Council of Europe, the Organization for Economic Co-operation and Development and the Organization of American States, in studying various aspects of migration, which may have a direct bearing on the well-being of migrants in their new countries.

An exchange of views on the integration and adaptation of migrants will take place during the ICEM seminar in May 1974 to which many Governments will contribute either by sharing their own experience or making available experts in this field. The findings of this seminar should prove valuable to Governments in connection with the formulation of their migration policies.

It will be recalled that ICEM, at the request of its Council, in 1972 carried out an inquiry which served as a basis for a study on national policies and trends of European migration. In the light of that study the Council of Europe adopted its Resolution No. 550, in which ICEM is invited to consider *inter alia* the establishment, in conjunction with the Council of Europe, of medium and long-term forecasts on migration within Europe, covering also the non-European emigration countries in the Mediterranean basin. The resolution also called for the creation, in consultation with the other internation organizations concerned, of an information centre on European and particularly overseas migration. The growing employment problems in many of the industrialized countries should make it of great assistance for Governments to have soundly based estimates of the volume, direction and trends of European migratory currents, thus enabling them to achieve more balanced and rational migration. ICEM, in collaboration with other international organizations, could certainly provide this service.

As long as the world is confronted with employment problems and manpower needs, play its role in population movements. The United Nations has designated the year 1974 as World Population Year, during which, it is anticipated, constructive plans will be developed for a better distribution of people and manpower in the world.

Since its inception ICEM has been contributing to the realization of this objective and will continue to do so for the betterment of people and countries.

John F. Thomas,
Director of ICEM.

ICEM's Humanitarian Programmes

ONE MILLION REFUGEES

On 23 May 1973 ICEM moved its millionth refugee. This was a 60-year old former professor of literature and writer who had become blind and who suffered from partial paralysis and tubercolosis. Last year he sought asylum with his wife in Italy where they lived until the *Entraide Ouvrière Suisse* arranged for them to be admitted in Switzerland.

During a short ceremony at Geneva Cointrin airport, Mr. John F. Thomas, Director of ICEM, welcomed this handicapped refugee: "as a symbol of the one million refugees ICEM is proud to have assisted in their migrations during the past 21 years. The important task of attaining international solidarity has been made possible through the generosity of ICEM Member Governments and the devotion of intenational Voluntary Agencies who jointly made efforts to achieve this humanitarian goal and in particular the generosity of Switzerland, your new home country . . .".

REFUGEES UNDER NORMAL PROGRAMMES

In spite of a certain detente between East and West refugees continued to arrive in large numbers in Western Europe. As in previous years the majority found temporary refuge in the traditional countries: Austria, Italy and the Federal Republic of Germany before they were moved to new homelands. However, for some groups of refugees the waiting period, regrettably, had to be much longer than in earlier years as some overseas immigration countries could not accept them immediately due mainly to economic reasons. Also some European countries, which in former years selected refugees in Austria and Italy, were now unable to help these countries in reducing the number of this type of asylum seekers. One of the reasons was that they had accepted large numbers of refugees from Uganda and Chile to whom they felt they should give priority. It must be mentioned that despite those problems, the countries of first asylum did not hesitate either to admit refugees from those two countries.

The delay in resettlement naturally caused much concern in the countries of first asylum and particularly to the voluntary agencies. Subsequently requests for a more liberal approach and more rapid processing were made to the governments of the main immigration countries. The United States of America quickly reacted by instituting special measures so that certain groups of refugees could depart to that country with greater speed.

It will be remembered that in the fall of 1971 public attention was called to the granting of exit visas to Jews in the Soviet Union. Whereas in 1972 some 31,500 Jewish refugees were moved to Israel, the number who was assisted, increased to 33,237 persons in 1973. Movements to Israel were particularly heavy in the last few months of 1973 and were not affected by the reopening of the hostilities in the Middle East.

The USSR also granted exit visas for countries other than Israel in a larger number than in former years; many of these refugees belonged to ethnic and religious groups of non-Jewish origin.

Thanks to the close collaboration among ICEM, the United Nations High Commissioner for Refugees, the United States Refugee Programme and the Voluntary Agencies, it was possible to resettle 50,000 refugees from Eastern Europe, the Middle East and North Africa.

CUBAN REFUGEES

Another large group of ICEM assisted refugees are the Cubans from Spain. The influx of Cuban refugees into Spain in 1971 and in 1972 was around 12,000 persons per year, while only 2,689 arrived in 1973. This decrease would seem to indicate that the date of 31 May 1970 decreed by the Cuban Government following which no more applications for exit permits were accepted, had started to take effect.

For the first time, since 1961 departures from Spain exceeded arrivals. Under ICEM auspices 9,158 Cubans were resettled mainly in the United States with smaller groups going to Australia and to the Latin American countries. Nevertheless, at the end of 1973 there were still some 20,000 Cuban refugees in Spain waiting for resettlement. This accumulation of refugees has been a matter of growing concern during recent years. Protracted periods of waiting might have easily undermined the morale of the refugees, as only limited absorption possibilities were available in the asylum country. Fortunately the United States Government decided in late October to make special facilities for these refugees to enter the United States. As a result, a crash programme was initiated by December which allowed ICEM to increase its movements to 1000 refugees that month. Processing will be accelerated in 1974 in an endeavour to reduce as fully as possible the large number of Cubans who found first asylum in Spain.

ASIANS FROM UGANDA

In the Autumn of 1972 President Amin of Uganda ordered the expulsion of all Asians with exception of those with Ugandan citizenship. The largest number of Asians affected by that decree were those with British passports, who were all accepted by the United Kingdom. However a number of expellees of undetermined nationality (stateless) found themselves to be in a rather precarious situation as they could neither obtain exit permits nor be admitted to countries of asylum without special arrangements being made on their behalf. In close collaboration with the United Nations and the International Committee of the Red Cross, ICEM arranged for the evacuation of 4,640 persons to temporary transit centres in Austria, Belgium, Itay, Malta and Spain, while 206 Asians directly were resettled in Switzerland and Denmark. Before the end of 1972 ICEM succeeded in moving 1,966 persons from the asylum centres to final destinations.

During 1973, thanks to the continuous efforts of UNHCR, Voluntary Agencies and ICEM, the last stage of the Uganda operation was reached and by the 31 of December there were only 100 refugees not yet resettled.

The stateless Asians from Uganda found new homes in 24 countries of the world. The majority of them were resettled in the United States of America (1,614), Canada (736) and the United Kingdom (530). Smaller groups were admitted in Sweden (341), the Netherlands (259), Austria (225), Switzerland (222), Belgium (165) and Norway (164); the remainder were accepted by various countries in Latin America, Oceania, the Emirates in the Persian Gulf and Africa.

Special mention should be made of the generous gesture of the Government of Denmark who offered resettlement opportunities to 100 handicapped Asians. Also other countries relaxed their criteria for the admission of sick and aged persons thus enabling the resettlement of those people for whom it is normally difficult to find a new home country.

The special circumstances in which the Asian refugees had to leave Uganda resulted in many families becoming separated and it is estimated that some 1,500 are still dispersed over several countries in the world. During the year it proved possible to reunite 228 Asians with their families. It is hoped that in 1974 a final solution will be found for the remainder of that problem.

The Uganda operation once again demonstrated the inestimable value of an international mechanism capable of carrying out the migration of uprooted persons on an emergency basis. Thanks to the continuous work of the international community a human crisis which could have reached international dimensions, could be averted.

SPECIAL PROGRAMME FROM CHILE

Following the visit of the Deputy Director of ICEM to Chile shortly after the change of government in September 1973, the Minister for Foreign Affairs requested ICEM to make available its services to the newly established National Committee for Aid to Refugees in arranging the departure of foreign refugees from that country.

In resopnse to that appeal, a Sub-Committee for Resettlement was set up under the chairmanship of the ICEM representatives in Chile. ICEM was in the fortunate position of having had an office in Santiago de Chile for twenty years and it was not too difficult to establish a structure to handle the new emergency situation. In close co-operation with the Office of the U.N. High Commissioner for Refugees and representatives of the International Committee of the Red Cross, the Chilean Programme started early in October. Within a week the first transport of foreign refugees took place.

In the meantime the UNHCR made a world-wide appeal for resettlement of these non-Chileans. Many countries responded to that request and accepted certain groups, which enabled ICEM to move more than 1,000 persons to 32 different countries before the end of the year. Chilean nationals who for political reasons had sought refuge in foreign embassies were not the concern of either the National Committee for Aid to Refugees or of UNHCR, but the Chilean Government authorized ICEM also to arrange for their departure. During the last three months of the year ICEM moved some 1,250 Chilean nationals to various countries.

Although normally the movement of some 2,250 persons represent only a very small percentage of the overall ICEM operations, there were several aspects in the Chilean programme which made it more complex than other operations. For example, the persons for whom emigration assistance had to be arranged, were dispersed in many localities such as the various emergency centres established by the National Committee for Aid to Refugees, the Stadium and almost all embassies of the Governments represented in Chile. This created certain problems for both visa and embarkation processing.

Another factor was the very limited validity of the safe conduct certificates which required the departure of the person concerned as soon as the document had been issued. This made charter arrangements and the movement of large groups hardly possible. ICEM was therefore very appreciative of the positive response of all major airlines operating from Santiago to its request for the granting of special fares for these individual movements, thereby assuring minimum expenditure from international funds.

The programme will continue in 1974 and at this point it can be estimated that at least another 1,000 resettlement opportunities for foreign refugees will be needed before the problem of the still remaining non-Chileans will be solved. Any estimate of the number of Chilean nationals who will be leaving in 1974 is difficult to give, but at the end of the year it was reported that there were still between 600 and 800 persons in foreign embassies in Santiago.

HANDICAPPED REFUGEES

Over the years it has become clear that the problem of handicapped refugees is a continuous one. Although all efforts possible are made through the UNHCR/ICEM Special Resettlement Dossier Programme to find new homelands for people with health and social problems, who cannot be accepted under the normal immigration criteria, other handicapped refugees continue to arrive for whom a satisfactory solution has to be found. In spite of the encouraging results achieved in the resettlement of handicapped during the year, additional placement opportunities are required in order to avoid forcing these unfortunate people to remain for long periods of time in refugee centres before being given the chance to integrate again in the community. This prompted the U.N. High Commissioner for Refugees to launch the "Ten or More Plan" during the 1973 meeting of its Executive Committee. Both the Director of ICEM and the Chief Medical Officer, responsible for the operation "handicapped refugees" supported wholeheartedly this humanitarian plan.

As during previous years the majority of the less seriously handicapped refugees were accepted by overseas countries such as Australia, Canada, New Zealand and the U.S.A. In total nearly 2,000 persons (handicapped and their families) could be resettled; 168 of them were seriously handicapped and moved under special schemes.

Very few refugees of European origin arrived in Hong Kong during the year and only six of them needed to be placed in European countries under the handicapped programme.

It was only natural that in view of the very special problems of Asians expelled from Uganda priority had to be given to the handicapped belonging to that group. During

1973 the interviewing and examination of a number of handicapped Asians which had started in the fall of 1972, was continued in the transit centres in Austria and Italy. Some of those refugees could fortunately be reunited with their family members in Canada, the United Kingdom and the United States. Others were accepted by traditional European receiving countries such as Belgium, the Netherlands, the Scandinavian countries and Switzerland. In this respect Denmark made a remarkable contribution by receiving some of the most difficult handicapped refugees ever accepted by any country. Only a very small group was not yet resettled at the end of the year, but for some of these handicapped Asians a solution of the problem was in sight.

OTHER REFUGEES

ICEM's transportation arrangements, in addition, facilitated the resettlement of 3,300 non-European refugees in 1973. Most of the movements were arranged by the ICEM Office in Hong Kong mainly for refugees from South-East Asian countries.

There were also 97 Tibetan and African refugees who were resettled in European countries and Canada. The former group was moved on a fully reimbursable basis to Switzerland at the request of the Swiss Government while the movement of those from Africa was arranged on behalf of UNHCR.

Thanks to contributions made available specifically for that purpose, ICEM was able, in collaboration with the Voluntary Agencies, to establish a special loan fund for refugees from outside Europe. This fund made it possible to assist some very needy cases who had been waiting for their emigration in very difficult circumstances for many years.

Here again the competence of ICEM's international mechanism comes to the fore permitting it to deal with refugees in widely dispersed areas.

CO-OPERATION IN CRITICAL SITUATIONS

Co-operation with UNHCR. The 1971 war of secession on the Indian Sub-continent, which led to the independence of Bangladesh, left some 200,000 people as prisoners of war, internees, refugess, or just as "displaced persons" in countries in which they were either not considered desirable or which they did not regard as their homelands. After frequently interrupted diplomatic negotiations, the governments concerned finally agreed, in summer 1973, on an exchange of these unfortunate people. The execution of this huge programme was entrusted to the United Nations High Commissioner for Refugees and the International Committee of the Red Cross. The United Nations High Commissioner for Refugees in turn requested ICEM to make its technical know-how on transport matters available by negotiating and concluding, on its behalf, aircraft charter agreements.

An initial small scale "pilot" operation was performed in mid-July 1973 when four one-way charter flights carried a total of 444 people from Karachi to Dacca.

A second larger and more important operation commenced towards the end of August when 10,000 to 15,000 persons had to be moved within a very short period of time. ICEM invited 15 companies to submit their bids for this humanitarian airbridge which finally was entrusted to ARIANA Afghan airlines. This company performed 94 charter flights moving a total of 13,337 persons within a period of four weeks. The successful completion of this operation was followed by other repatriation programmes in which ARIANA, the British charter airlines Donaldson International Airways, ALIA, the Royal Jordanian Airlines and KLM, the Royal Dutch Airlines took part. By the end of 1973 some 73,000 persons had been repatriated, the operation is still continuing but at a reduced pace. However it is hoped that movements can be accelerated after the close of the Pan-Islamic conference which is scheduled to convene in Pakistan during mid-February 1974.

Technical transportation assistance was also given to the United High Commissioner for Refugees in relation to the repatriation of thousands of *Southern Sudanese* refugees who had sought asylum in neighbouring countries.

ICEM's main task was to make aircraft charter agreements in order to carry out flights between Khartoum, Juba and other South towns for transporting the food and material necessary to permit a smooth settlement of the repatriates. Furthermore charter flights had to be contracted for the repatriation of over 3,000 handicapped refugees and their families, including lepers, who had found a temporary asylum in the Central African Republic. Finally ICEM was involved in the air transportation of supplies (mostly medicine or medical apparatus) from Europe to the Sudan, for which special facilities *inter alia* on scheduled cargo aircraft could be obtained.

When the South Sudan operation was successfully completed, the UNHCR Senior Adviser on Special projects expressed his appreciation of ICEM's assistance and in particularly of the secondment of its experienced staff, "which made it possible for UNHCR to overcome tremendous and unprecedented difficulties in terms of transportation techniques. The South Sudan operation will undoubtedly stand as yet another significant example of close and fruitful co-operation between ICEM and UNHCR".

Co-operation with UNDRO. At the request of the United Nations Disaster Relief Office (UNDRO) in Geneva, an ICEM official was seconded on an ad hoc basis to assist that office in obtaining the necessary cargo space free of charge or at special rates and to arrange for the transportation of urgently needed supplies for the relief of the victims of natural disaster in the Sahel countries, the Middle East, Pakistan and Nepal.

MOVEMENTS OF NATIONAL MIGRANTS AND OTHER CATEGORIES

EUROPEAN NATIONALS

During 1973 ICEM moved 9,601 national migrants to overseas countries. This relatively low number is due to several factors. Firstly, the enlargement of the European Economic Community from six to nine members and the still-continuing expansion of the European economy was associated with a further increase in intra-European migration. Secondly, late in 1972 and early in 1973 some overseas immigration countries announced that their economic situation obliged them to be more restrictive in their immigration criteria. This inevitably dissuaded many potential migrants to proceed with their emigration plans. Thirdly, the Australian Government decided to carry out its assisted passage movements of European nationals without ICEM's collaboration.

The majority of the national migrants assisted by ICEM (7,390 persons) resettled in traditional immigration countries such as Australia, Canada, New Zealand, South Africa and the United States, with the greatest number coming from Germany, Greece, Italy and Malta. 2,192 Europeans found new opportunities in Latin America, for a main part under the special programmes designed to assist the socio-economic development of that continent.

Of the total moved, about 400 migrants who were not qualified for government assisted programmes, were enabled to join their relatives overseas thanks to arrangements between ICEM and the Voluntary Agencies.

A renewed interest in migration from Europe manifested itself during the last month of the year, at which time an increased level of applications was reported by most immigration countries. This trend may well be ascribed to growing employment problems in Europe, mainly due to the energy crisis and consequently the somewhat bleaker outlook for the future of further economic expansion.

VOLUNTEERS

In the course of several years ICEM assisted the United Nations Volunteers Programme (UNV), international voluntary agencies and some governmental agencies by arranging the transport of volunteers and development aid workers recruited by those organizations to participate in development projects in various parts of the world. The advantages to the organizations are, firstly, economic as the workers benefit from the special rates available to ICEM, and secondly, it frees them from making travel arrangements, for which they are normally not equipped. During 1973, almost 300 volunteers and development aid workers were moved to 35 different countries, mainly in Africa and Asia.

ICEM renders similar service to the ILO International Centre for Advanced Technical and Vocational Training in Italy by arranging the transport of the students to and from the Centre in Turin. During the year 577 students were moved, which brings the total number of persons assisted since the agreement was signed with ILO in 1967 to 3,676. The savings in transportation costs have been very substantial for the ILO Centre and have enabled it to increase considerably the number of scholarships.

HOW THEY WERE MOVED

Whereas in the past the principal means of transport of migrants was by sea, the trend towards air movements has accelerated in the last ten years so that the latter mode of travel in 1970 accounted already for nearly 70% and in 1973 for 95% of all transport.

Although a small number of migrants still indicated a preference for sea travel, for instance to Latin America, South Africa and Australia, it was the exception to North America, where in 1973 less than two out of each thousand persons chose to be transported by ship. This change in travel pattern is also due to the fact that the number of vessels servicing regular lines has diminished considerably as shipping companies started already some years ago to take ships out of routine services in order to operate cruises, which are more lucrative. Furthermore the strong competition of air companies and the preference shown by the public for air travel has been of considerable influence on ICEM's movements.

In past years a large proportion of the air movements of migrants were carried out by charter flights, while in addition transport took place on scheduled services for which ICEM had obtained reduced fares. As a consequence of the increasing capacity of the aircraft (jumbo jet) ICEM undertook successful negotiations for group flights on scheduled services from Europe to the United States and Canada to allow for more frequent departures which proved of advantage to the migrants.

For these groups flights from the main departure points in Europe conditions could be obtained competitive with charter prices. Charter flights were still operated to serve those countries where such arrangements could not yet be made or where the volume of movements exceeded the possibilities of the air companies on scheduled services.

SPECIAL SERVICES

Language training, a service which, since 1952, ICEM has provided for well over 200,000 national and refugee migrants, has been given increasingly general recognition in recent years as one of the most important factors in the preparation of migrants for life in their new homelands. These premovement language training programmes, conducted by ICEM in Austria, Belgium, Germany, Greece, Italy, Spain, Turkey and the Lebanon in 1973, provided courses for more than 8,000 migrants. Though the great majority of these migrants, destined for movement to overseas countries, required instruction in English, classes in Spanish for refugees intending to resettle in Latin America were also provided.

The special programme of vocational and language training carried out at the Alimos Women's Training Centre in Athens, continued to operate throughout the year. The Alimos Centre, unique in this field, was built and equipped several years ago by the Greek Government and handed over to ICEM for use in the preparation of young single Greek women for emigration to Australia. It has the capacity to house and train nearly 450 migrants yearly in a range of vocational and domestic science subjects as well as English language. Due, however, to changes in migration policy during 1973, the numbers coming forward dropped markedly and only 89 trainees were enrolled. There are good hopes now, however, that operation at a much higher level will resume in 1974.

1973 saw the beginning of a new venture in the field of ICEM language training with two experimental language courses in German designed for Italians intending to go to Germany as guest-workers. One of these courses was conducted at the request and with the financial support of the Council of Europe, the other with the financial and technical cooperation of the Italian and German Governments. Both courses produced excellent results and, with the anticipated support of both Governments concerned, it is now planned to organize many more courses of this kind in Italy during 1974.

TEN YEARS OF SELECTIVE MIGRATION TO LATIN AMERICA

Within ten years ICEM recruited, selected, moved and placed in Latin America 12,811 selected migrants, including 514 university professors and 3,628 teachers of other grades and instructors.

Though at first sight, these figures may seem small, the result of selective migration should be evaluated in qualitative terms. In addition, it has been calculated by specialists that the capital investment required for the training of a middle-level technician averages some US $20,000. In other words, the capital which the Selective Migration Programme has provided for Latin America in the form of human resources can be estimated at 260 million dollars. A highly qualified worker moreover has a "multiplier effect" on the production process of which he is part; in other words, his presence is very frequently a determining factor in the creation of new jobs.

The Selective Migration procedure is rather like an iceberg: what is seen is only a small part of the whole. The implementation of the various programmes requires a series of operations which, in themselves are complex and which call for a considerable effort. The increased requirements of the Latin American countries as regard level of skill makes it necessary to refine the recruitment machinery in order to find the most suitable candidates for essential functions in Latin America. In order to move 1,000 persons the European missions of ICEM must interview not less than 10,000.

PROGRESS NEEDS TECHNOLOGY

High level human resources play a dominant role in the development process of many countries in the world and in particular of Latin America. Progress today needs technology and technology needs a reservoir of highly qualified workers to expand the economy and consequently to raise the standard of living. Latin America, in spite of its huge population is struggling with a shortage of highly skilled manpower which hampers the full exploitation of its rich natural resources.

How, basically, can this shortage of skilled and professional manpower be overcome? By promoting and developing education. But according to some UNESCO studies, the educational structures of Latin America cannot yet fully provide the manpower that is vitally needed. Professor Harbison of Princeton University has stated that the development of human resources must be viewed as a whole, and that it would be a mistake not to supplement education with other means that are more effective in the short term. The Latin American countries have immediate needs which, if left uncovered, impede development. The immigration of high level human resources is one immediate solution to this problem.

In the early 1960's, the Latin American Member Governments drew the attention of ICEM to this need for the importation of technology in the form of skilled manpower. Ten years ago, in 1964, on an experimental basis, 467 persons were moved by this process and in the same year the Director of ICEM submitted to the Council his conclusions on the results of the experiment and asked its approval for the establishment of a Selective Migration Programme.

SELECTIVE MIGRATION

The principal feature of selective migration lies in the fact that a migrant is selected both for his occupational qualifications and for his personal background and human qualities; it also means that his ability and experience are tested for a specific job and that, consequently he can start being productive as soon as he arrives in the country of his choice.

At the Council session in May 1965, a resolution was adopted requesting the Director to take the necessary steps to ensure that two meetings were held—one of the Latin American countries of ICEM, and a similar one of the European Member countries—with a view to launching the Selective Migration Programme. The Latin American Governments met in Montevideo in August 1965 and decided to request the Director of ICEM to intensify his efforts to increase the flow of selected migrants to Latin America. That Montevideo meeting was of great significance, since it was the first time that the Latin American countries adopted a common attitude to problems of migration.

In October of the same year, the representatives of the European Member Governments met in Madrid and, having considered the conclusions arrived at in Montevideo, decided to give their support to the Selective Migration Programme by permitting and facilitating the recruitment and selection in their respective countries of those qualified workers necessary for the economic, social and cultural development of the Latin American countries.

Thus, through the Montevideo and Madrid meetings, the Selective Migration Programme was officially born, and its target was the movement of 500 technicians in 1966, a figure which was to be steadily increased during the following years.

The Programme is operated through the ICEM offices in Latin America and in Western European countries.

The responsibility of the Office in Latin America is to analyze in collaboration with the competent authorities of the country concerned, the national labour market and to determine the requirements for qualified manpower which cannot be covered from the country's own manpower resources. Secondly, it consists in the receipts, placement and assistance of selected workers on their arrival in the country.

In *Europe* ICEM, in co-operation with the governments concerned, tries to meet the professional requirements and employment conditions received from Latin America. The work of the various ICEM offices is to recruit and to select suitable candidates, to counsel them concerning working and living conditions in the country of their choice, and to carry out all the formalities of documentation and transport.

ICEM's Latin American Programmes consist for a main part of the Selective Migration Programme, whose characteristics will be described hereunder. In addition to this Programme ICEM is carrying out a *Family Reunion Programme* for the transfer of family members sponsored by migrants already in Latin America as well as *Special* and *Experimental Programmes* which have the objective of assisting the Latin American countries in developing migration plans and in creating the premises for the recruitment in Europe of teachers and project leaders.

Selective Migration includes the following programmes which in ICEM terminology are called: Permanent Manpower Programme and Pre-placed Manpower Programmes.

The difference between the Permanent and Pre-placed Manpower Programmes is fundamental; it is based primarily on the way in which manpower needs are determined. In the case of the Permanent Manpower Programme requirements are established on the basis of lists of occupations prepared in collaboration with the Ministries of Labour, for which the country has a continuous demand.

Minimum salaries are fixed for the different professions, which ICEM guarantees. The candidates moved are not only received and helped by ICEM on arrival; ICEM covers their basic needs for accommodation and maintenance until they are placed in a job. And if, on placement, their salary is less than the guaranteed minimum, ICEM covers the difference during the first two years after their initial placement.

Certain variants exist within the Permanent Manpower Programme. One of these consists in the training courses organized with a view to providing additional technical and practical training to potential migrants, thus improving their level of qualifications. Such courses are organized at the Casa de America in Vigo. The Spanish Government meets all the costs and has placed the use of the Centre also at the disposal of Latin American trainees desiring to upgrade their skills.

The Pre-placed Manpower Programmes presuppose the existence of a specific job to which the candidate is assigned.

A vacancy notice is sent to the European offices and one or more candidates are selected on the basis of the specifications of that notice. The European offices draw up the curriculum vitae of the selected candidates, which are submitted to the interested universities, public institutions or private enterprises so that they can take a decision. Priority is more and more given to vacancies connected with Government planning.

The programme of sponsored manpower is a variety of pre-placement. A firm or other entity gives ICEM the name of a European candidate with whose professional and personal data it is familiar. In such case ICEM arranges for the counselling, processing and transport of the candidate.

To facilitate the operation of the Selective Migration Programme, ICEM has created two types of incentives: the Adjustment Fund and the Integration Assistance.

The Adjustment Fund originates from the Montevideo meeting at which its establishment was proposed. Its essential purpose is to compensate, at least in part, the difference between the initial salaries paid in Latin America and those which candidates enjoy in European countries. In addition, the Fund serves in certain cases to provide dependent allowances, installation grants and other benefits. Integration Assistance is designed to facilitate the initial phase of the immigrant's life in his new country. One form of this assistance is a medical and accident insurance for the migrant and his wife for one year. It protects him during the period between his arrival and the time when he becomes eligible for benefit under the national social security scheme.

In this context mention should also be made of the question of language which, being a major problem for immigrants from the north of Europe, has received ICEM's special attention. Migrants are provided with handbooks and records in Spanish or Portuguese, in order to ensure that when they arrive in the country of their destination, they will have some knowledge of the language spoken there. In Brazil, and more particularly in São Paulo, where the existence of groups of a certain size justifies this, a modern language laboratory applying the new audio-visual system of instruction has been established. Language training facilities exist also in Argentina.

SPECIAL AND EXPERIMENTAL PROGRAMMES

As already mentioned the Selective Migration Programme is supplemented by Special and Experimental Programmes, amongst which are agricultural and artisan projects.

The agricultural programmes call for the collaboration of ICEM in recruiting and selecting European farmers who have their own capital and are going to be integrated in agricultural projects in Latin America, where they will disseminate their knowledge and cultivation techniques. The running of such programmes requires the existence of an organized project with the necessary infrastructure and the provision of credit facilities. ICEM is collaborating on projects of this kind with several Latin American countries among which Argentina, Brazil and Paraguay.

In order to give interested European farmers the possibility to analyze agricultural opportunities in Argentina, ICEM has reached an agreement with the Argentinian Directorate for Migration, and with the National Institute for the Development of the Inferior Valley of Rio Negro, IDEVI.

This agreement considers the organization of special orientation courses for European agriculturists in Argentina of a duration of two to three weeks, during which participants are given detailed information on agricultural structures, commercialization of products and conditions of participation in national development projects. A first experimental course was organized in February 1973 with the participation of a group of 12 Swiss farmers, who had the opportunity to visit the Rio Negro area.

The purpose of the artisan programmes is to assist the Latin American Governments in preparing projects of artisan training and of expansion of handicraft.

Such initial and very important co-operation is followed by recruitment in Europe of artisan instructors of project leaders within the framework of ICEM selective migration. Thousands of Latin American artisans have benefiited from this programme of ICEM.

IMPACT OF SELECTIVE MIGRATION

Selective Migration has become within one decade the cornerstone of ICEM activities in Latin America. It is significant that the percentage of professionals with academic or equivalent qualifications, among the total number of selected workers moved under the Programme is on the increase.

For example the impact of university graduates and its contribution on the formation of a future professional élite may best be illustrated by the following statement of the University of Costa Rica.

The great number of qualified professionals proposed by ICEM for our Universities has allowed us to know the availability of human resources in Europe and to establish plans for development activities. The assistance of ICEM has been of inestimable value and we do hope that this will continue in the future. We do not exaggerate in saying that a good part of our success depends on ICEM's collaboration.

Selective migration has helped and continues to help to overcome technological limitations and develop certain sectors of industry and agriculture. It provides the essential human resources without which no development is possible. The progress in technology is for a main part dependent on the transfer of European qualified workers injecting their skills and knowledge in the growing economies.

It is of vital importance, as was confirmed by the Chamber of Industry of Ambato and Guayaquil of Ecuador, that we incorporate in the local industry well trained and qualified technicians to advise and to help in the realization of plans and programmes. Many industries have benefited from the Selective Migration Programme, thanks to which, they have obtained new technological methods and a higher production. The progress of the economy requires a transfer on a large scale of advanced technology as well as human and cultural contribution of people from Europe.

INTERNATIONAL COOPERATION AT THE OPERATIONAL LEVEL

An increasingly successful process of consultation and practical collaboration with various international organizations with regard to ICEM activities took place during the year 1973.

Early in January, the Director of ICEM, met UN Secretaray-General, Mr. Kurt Waldheim, and Under-Secretary-General for Political and General Assembly Affairs, Mr. Bradford Morse, in New York. The Director left with the Secretary-General a memorandum suggesting specific areas in which ICEM could co-operate or intensify its cooperation with the UN and its Specialized Agencies. The Secretary-General gave his personal support to these proposals which referred, *inter alia*, to continued close collaboration in solving international humanitarian and social problems, increased participation of ICEM in the Population Commission's activities, attendance of sessions of the UN Economic and Social Council as well as practical collaboration with such other UN offices of recent creation as the UN Disaster Relief Office (UNDRO) and the UN Volunteers Programme (UNV).

Co-operation between the Office of the UN High Commissioner for Refugees and ICEM was further strengthened, particularly with regard to the implementation of emergency programmes. In addition technical co-operation was given to that Office in its efforts to resolve critical population situations (see pages 12-13).

In March, the Director met with the Director-General of the International Labour Office (ILO) to clarify areas of mutual interest to ILO and ICEM in connexion with research and programme activities in the field of labour migration to which the ILO is giving renewed attention.

As a result, an informal working committee was established which subsequently met twice in order to review the separate activities and to discuss concrete proposals for co-operation between the two organizations.

Talks with the Director-General and senior officials of the Food and Agriculture Organization of the United Nations (FAO) led to an exchange of letters between FAO and ICEM which outlines specific areas of co-operation. A joint project was successfully carried out during the year to study, at the request of the Government of Chile, the possibilities for the development of quinoa as a milk substitute. A FAO expert undertook a survey in question under arrangements worked out by the two organizations. Other projects of co-operation in Latin America are being examined by the local representatives of both organizations.

Co-operation with the Organization of American States (OAS) was intensified. At the request of OAS, ICEM provided support and collaboration in a survey of labour migration movements and factors determining migration policy in the countries of the Andean Pact. An ICEM expert advised on the planning of the survey and ICEM representatives in the countries concerned assisted OAS officials in its implementation.

Furthermore ICEM was invited by the Minister of Labour of Venezuela to participate in a meeting of six Ministers of Labour of the Andean Group. ICEM contributed to the preparation of a multilateral agreement on migration, which provides *inter alia* for the establishment of migration offices within the Ministries of Labour and for the possibility that the existing services of ICEM in Latin America might be used for the exchange of manpower, in particular of skilled workers, among the six Andean countries.

In July the Consultative Assembly of the Council of Europe passed Resolution No. 550 concerning ICEM activities in which it invites the Committee to consider the implementation of the following projects:

(a) the drawing up of a selective intercontinental migration plan between Europe and developing countries, with specific reference to the agricultural sector;

(b) the establishment, in conjunction with the Council of Europe, of medium and long-term forecasts on migration within Europe and covering also the non-European emigration countries in the Mediterranean basin;

(c) the creation, in consultation with the other international organizations concerned, of an information centre on European and particularly overseas migration and on the possibilities for work and reception in the countries concerned.

The Resolution also invites European governments which are Members of ICEM and the Council of Europe to give political, moral and financial support to the Committee, so that it may intensify its humanitarian activities recognizing that they frequently have economic consequences.

The implementation of these projects was under active consideration at the end of the year. Project (b) may involve not only the Council of Europe but other organizations as well, such as the European Economic Community (EEC), the Organization for Economic Co-operation and Development (OECD) and the International Labour Office (ILO). Additional collaboration with the Council of Europe was undertaken in connexion with the setting up as an experiment of several language training courses for Italian workers going abroad. Plans have also been drawn for similar courses to be given in Turkey.

Contacts were maintained during the year with the OECD and the EEC especially for the purposes of consultation and exchange of information on matters affecting European migration.

A representative of ICEM addressed the United Nations Economic and Social Council (ECOSOC) at its Fifty-fifth Session held in Geneva from 3 July to 2 August 1973. He referred to some of the organization's activities in connexion with assistance in case of natural disaster and emergency situations as well as in relation to basic development aid programmes such as that of the U.N. Development Programme (UNDP) and pledged ICEM's continued co-operation with the United Nations in these areas.

Another outstanding example of international co-operation was ICEM's participation at the request of the Government of Nicaragua, in a preliminary survey carried out in conjunction with the UN Industrial Development Organization (UNIDO) and the UNCTAD–GATT International Trade Centre. The survey's aim was to determine the technical co-operation needs, including skilled manpower requirements, with a view to drawing up a final project of assistance for the modernization and improvement of production and marketing and subsequently the promotion of exports.

This survey was successfully carried out in November 1973 by the experts designated by the three organizations and their findings and recommendations have been submitted to the Government.

STUDY AND RESEARCH

Following up on the proposals agreed upon by Member Governments for "Future activities of ICEM" and which were discussed at the 1972 Session of the Council, the study and research of various aspects of the migration phenomenon was intensified by ICEM and by ICEM in co-operation with other interested international organizations.

This has been done with the primary aim of strengthening current operational programmes and of preparing the ground for other programmes in response to new migratory trends and additional needs for international assistance.

ICEM Seminar on Adaptation and Integration of Permanent Immigrants. During the 35th Session of the Council in December 1972 it was suggested that ICEM should prepare a blueprint for research into questions related to the integration of permanent immigrants. The research might be considered at a seminar ICEM might organize in Co-operation with interested Member Governments.

At a preparatory meeting convened in Geneva in May 1973, it was decided to organize such seminar in Geneva from 29–31 May 1974 and a small preparatory committee was set up composed of the following countries: Argentina, Belgium, Ecuador, Israel, Norway and the United States of America. The preparatory committee agreed that the Seminar should concentrate on the following subjects: information, orientation and counselling, language training, vocational training and educational adaptation.

Five Governments have each agreed to make available an expert to prepare in consultation with ICEM a basic study; other governments are submitting papers on specific items based on their national experiences. Some other international organizations will also contribute papers reflecting their research and/or activities in relation to the subjects under discussion.

It is hoped that the findings of this Seminar may lead to some practical action at national and international level with a view to solving some of the problems connected with the adaptation and integration of permanent immigrants.

Seminar on Demographic Research in relation to International Migration. Following recommendations made by the U.N. Population Division, ICEM collaborated in the preparation of an international migration Seminar which will be organized by the Committee for international Co-ordination of National Research in Demography (CICRED) in Buenos Aires early in 1974. ICEM will contribute with a study on spontaneous migration, assisted migration and international co-operation; it will also present an analysis of international migration trends. The results of this seminar will be brought forward at the World Population Conference of the United Nations to be held in Bucharest in August 1974.

ICEM was also represented at the 1973 CICRED Seminar on Demographic Research in relation to Population Growth Targets which was held in Port of Spain (Trinidad).

Meetings of the United Nations Population Commission. ICEM participated in two meetings of the UN Population Commission which were held in March and November 1973. Both sessions were geared mainly to planning and reviewing work connected with the World Population Year 1974 and in preparing for the World Population Conference.

Since international migration is a subject which will be discussed at the World Population Conference, ICEM has stressed the increasing need and possibilities for more orderly channelling and organizing of migration. Human and social problems may be eased and economic development promoted by these means as far as world population movements are concerned.

Close contacts were maintained in connexion with activities related to the celebration of the World Population Year in 1974 with the United Nations Population Division and the UN Fund for Population Activities.

Working Group on Health Aspects of Labour Migration in Algiers. The meeting of this working group was organized by the World Health Organization (WHO) in November 1973 to consider important factors deriving from the migration process, such as the general health of migrants before departure and health conditions during transportation. ICEM was invited to report on its extensive operational experience, particularly in the post World War II period when health problems were even more pressing.

It was recognized that special health problems were involved in spontaneous migration of persons from the Mediterranean Basin.

The ICEM representative proposed and a survey on health questions connected with spontaneous migration might be carried out by following up a selected group of migrants going to Europe until their final return home.

Seminar on Refugee Resettlement and Placement in Addis Ababa. ICEM was invited to take part in this seminar which was organized from 26 November–2 December 1973 by the Organization of African Unity (OAU) in collaboration with the Bureau of Placement and Education for African Refugees (BPEAR). Apart from the main discussions on education, training, employment, legal problems and social counselling, questions of a more efficient organizational structure were the central points of discussion.

The ICEM representative outlined ICEM's work and results obtained, especially in connexion with refugee assistance and the placement of selected migrants and mentioned as possible areas of co-operation: the temporary attachment to ICEM of OAU officials to acquaint themselves with operational procedures, the exchange of information on migration research; and further assistance which ICEM could provide in emergency situations.

ICEM INFORMS

ICEM regularly informs its Member Governments, international, governmental and non-governmental agencies, as well as various institutions interested in the migration phenomenon, on its activities and achievements.

PUBLICATIONS

The publication *Review of Achievements 1972* was distributed in English, French and Spanish in order to provide general information on various aspects of ICEM's work. A revised and up-to-date edition of *ICEM in Facts* in English, French and Spanish was also issued giving an outline of ICEM's structure, financing, activities, special programmes and co-operation with other international organizations. A special booklet was published on ICEM's Latin American Programmes in which a description is given of the assistance to the Latin American member countries with regard to the provision of highly qualified workers.

In the quarterly *International Migration* various problems of a more scientific nature in connexion with international migratory movements were analysed by various well-known authors in the demographic and sociological field. Illustrated feature stories on the practical results of ICEM operations appear in the magazine *People for Progress*, issued in English/Spanish and English/French.

INFORMATION FOR MIGRANTS

As regards migrant information on Latin America, special emphasis has been given to producing material particularly useful to highly skilled candidates considering employment possibilities in that continent.

The ICEM series now includes booklets and fact sheets on Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Dominican Republic, Guatemala, Honduras, Nicaragua, Panama, Paraguay, Peru and Uruguay, while a booklet on Venezuela is in preparation.

In addition, ICEM issued for several countries special pamphlets with a concise description of labour rules and the social security system.

This material is constantly under revision in order to ensure that candidates receive accurate information, which is essential in connexion with the implementation of their migration plans.

NEWS BULLETIN

One issue of the information bulletin *News of ICEM* was published during the year 1973 and was devoted to the Ugandan Asians emergency operation.

PRESS, RADIO, TELEVISION

Special emphasis was placed on relations with the mass communication media to keep public opinion informed of the main current and special activities of the organization. Three topics attracted the attention of the press, radio and television, namely the resettlement of Ugandan Asians who found themselves in a transit country in Europe from where they subsequently emigrated to a country of permanent asylum; the emigration of Jews from USSR, and the emergency operation undertaken to evacuate from Chile foreign refugees under the mandate of UNHCR and Chilean nationals who had received temporary asylum in various embassies in Santiago.

A total of 16 press releases were issued by the Headquarters Press Information Services and distributed to public information media. Liaison was maintained in Geneva with the representatives of the world press, and the Chief of the Press Information Services participated in weekly briefings organized at the office of the United Nations in Geneva. As in previous years, several interviews of the Director, the Deputy Director and senior ICEM officials were broadcast by European radio stations. Additionally, assistance and facilities were granted to journalists wishing to witness ICEM's operations and to report on them in leading European newspapers. Particular interest was also shown by the press, radio and television on the arrival in Geneva of ICEM's one millionth refugee.

The promotion of the Selective Migration Programme was the subject of newspaper articles, mainly European migrant success stories, the publication of which was arranged by Headquarters Press Information Services in co-operation with selected journalists. For example, a special correspondent of the "Osservatore Romano" published feature articles in the Italian press on ICEM activities in Brazil.

Simultaneously the ICEM Public Information Officer in Latin America organized information campaigns in various countries of Central and South America to call the attention of industrialists and employers to the opportunities offered by ICEM to obtain the European highly skilled personnel required to foster the economic and social development of their countries.

Co-operation was maintained with the Press and Information Services of the member governments and the international organizations, in particular on the occasion of a session held in Geneva by the Council of Europe, Population and Refugee Commission.

During the year a total of approximately 500 articles dealing with ICEM operations appeared in 122 newspapers of 36 countries.

STRUCTURE AND ADMINISTRATION OF ICEM

All Member Governments are represented in the Council, whose function as the supreme body of ICEM is to determine the policies of the organization, review its financing and operational programmes and give directives for future activities. In 1973 one session took place, from 3 to 5 December, under the chairmanship of Mr. Augusto Lognani (Uruguay).

The major problem affecting the financing of ICEM during the year was the fluctuating values of the major European currencies vis-a-vis the U.S. dollars, and which had its inevitable adverse effect upon the Administrative and Operational Budgets which are dollar-denominated. Members of the Council noted however with satisfaction the efforts of the Director to reduce costs and at the same time to maintain the operational efficiency of the organization, in this respect it was the view of many delegations that ICEM, despite all the vicissitudes it is undergoing today, continues to be an indispensable international instrument for rendering services to national migrants and refugees.

Many delegates mentioned the efficient participation of ICEM in recent humanitarian emergency programmes which made it necessary to give immediate emigration assistance to refugees. The delegate of Switzerland, commending ICEM's role in providing assistance to Asians expelled from Uganda and refugees from Chile, and I know of no other organization which has the same skill and experience as ICEM in dealing with the (refugee) problem.

Representatives of Latin American countries expressed not only their support of the programmes of selective migration, but their desire that they be expanded. Although they were fully aware of the overemployment situation in Europe, the transfer of qualified workers from Europe to Latin America would be of inestimable value for the expansion of their economy. The representative of Colombia noted that ICEM is also contributing its great experience to the solution of the many problems raised by the migration of workers from one Latin American country to another.

Delegates expressed regret at the withdrawal from membership of Australia, effective 31 December 1973, which will have a considerable influence to both the Administrative and Operational Budgets. In order to mitigate the loss of the Australian contribution the Director of ICEM will be obliged to review the organization of the Administration.

The Council established a working group composed of ten Governments to undertake a review early in 1974 of the scale of contributions to the administrative and operational parts of the Budget and to prepare recommendations for consideration by the Executive Committee and Council.

The re-admittance of Venezuela as a full member was welcomed while the Council granted observer status to the International Council on Social Welfare (ICSW).

The Executive Committee met twice during the year—in May, when it convened in special session at the invitation of the Council to review matters normally coming within the Council's competence—and in November, when its primary task was to prepare the work of the Council.

The Sub-Committee on Budget and Finance, composed of 5 Member Governments, and the Sub-Committee on the Co-ordination of Transport held detailed discussions on matters falling within their term of reference.

MEMBER GOVERNMENTS, OBSERVER GOVERNMENTS AND INTERNATIONAL GOVERNMENTAL AND NONGOVERNMENTAL ORGANIZATIONS ATTENDING THE ICEM COUNCIL MEETINGS (1973)

Member governments

Argentina, Australia, Austria, Belgium, Bolivia, Brazil, Chile, Colombia, Costa Rica, Denmark, and Dominican Republic.

Ecuador, El Salvador, Germany, Federal Republic of, Greece, Honduras, Israel, Italy, Luxembourg, Malta, Netherlands, and Nicaragua.

Norway, Panama, Paraguay, Peru, South Africa, Spain, Switzerland, United States of America, Uruguay, and Venezuela.

Observer governments

Cyprus, Guatemala, Holy See, Japan, Portugal, San Marino, Sovereign Order of Malta, and Turkey.

International governmental organizations

United Nations.
International Labour Organization.
Food and Agriculture Organization of the United Nations.
United Nations Educational, Scientific and Cultural Organization.
World Health Organization.
International Bank for Reconstruction and Development.
Inter-Governmental Maritime Consultative Organization.
Council of Europe.
Organisation for Economic Co-operation and Development.
Commission of the European Communities.
Organization of American States.
Inter-American Development Bank.
International Secretariat for Volunteer Service as well as the United Nations High Commissioner for Refugees and the Special Representative of the Council of Europe for National Refugees and Overpopulation.

International nongovernmental organizations:

International Confederation of Free Trade Unions.
International Council on Social Welfare.
International Organization of Employers.
World Confederation of Labour.
International Council of Voluntary Agencies.
Commission of the Churches on International Affairs.
Swiss Aid Abroad.
CARE Inc.
Catholic Relief Services.
International Catholic Migration Commission.
International Labour Assistance.
International Rescue Committee.
International Social Service.
League of Red Cross Societies.
Lutheran World Federation.
Tolstoy Foundation Inc.
United HIAS Service.
United Ukranian American Relief Committee.
World Council of Churches.
International Committee of the Red Cross.

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ICEM IN STATISTICS

NATIONAL MIGRANTS AND REFUGEES MOVED TO RECEIVING COUNTRIES FROM 1952–73

		Immigration countries (excluding Latin America)								
	Grand total	Total	Australia	Canada	Israel	New Zealand	South Africa	United States	Other overseas	Europe
Total migration	2,002,200	1,654,950	627,358	205,088	312,269	19,193	65,148	348,544	8,615	68,735
National migration	957,043	641,099	428,685	98,927	1,473	16,357	54,243	33,873	7,541	
Refugee migration	1,045,157	1,013,851	198,673	106,161	310,796	2,836	10,905	314,671	1,074	68,735

		Immigration countries (Latin America)											
	Grand Total	Total	Argentina	Bolivia	Brazil	Chile	Colombia	Ecuador	Paraguay	Peru	Uruguay	Venezuela	Central America, Panama and the Caribbean
Total migration	2,002,200	347,250	120,463	1,152	113,156	9,186	7,393	1,147	1,017	2,473	14,111	73,550	3,602
National migration	957,043	315,944	116,484	726	95,595	6,399	6,457	1,034	583	2,280	13,652	70,159	2,575
Refugee migration	1,045,157	31,306	3,979	426	17,561	2,787	936	113	434	193	459	3,391	1,027

NATIONAL MIGRATION BY SENDING AND RECEIVING COUNTRY

		Immigration countries (excluding Latin America)							
Countries of origin	Grand total	Total	Australia	Canada	Israel	New Zealand	South Africa	United States	Other overseas
Austria	36,953	35,586	22,087	5,914	204	361	5,684	1,105	231
Belgium	9,737	7,686	3,414	84	14	36	3,945	138	55
Germany	125,204	121,612	68,660	35,215	148	219	10,557	6,697	116
Greece	140,461	132,320	113,954	5,773	165	626	8,557	2,582	663
Italy	320,404	113,308	62,026	31,582	462	15	12,068	3,066	4,089
Malta	56,045	56,028	51,495	3,057		72		1,404	
Netherlands	140,636	137,547	88,690	737	115	15,013	13,414	17,909	1,669
Spain	101,904	13,632	11,941	1,139	11	6	3	328	204
Others	25,699	23,380	6,418	15,426	354	9	15	644	514
Total national migration	957,043	641,099	428,685	98,927	1,473	16,357	54,243	33,873	7,541

NATIONAL MIGRATION BY SENDING AND RECEIVING COUNTRY

		Immigration countries (Latin America)											
Countries of Origin	Grand total	Total	Argentina	Bolivia	Brazil	Chile	Colombia	Ecuador	Paraguay	Peru	Uruguay	Venezuela	Central America, Panama and the Caribbean
Austria	36,953	1,367	61	76	1,014	40	64	2	5	8		63	34
Belgium	9,737	2,051	121	44	1,012	195	193	52	44	98	9	157	126
Germany	125,204	3,592	152	50	1,921	634	198	71	13	132	55	294	72
Greece	140,461	8,141	828		6,996	50	33				62	161	11
Italy	320,404	207,096	95,815	55	56,134	2,771	1,971	217	112	546	7,060	41,849	566
Malta	56,045	17			13	2				2			
Netherlands	140,636	3,089	107	5	2,785	70	44	3	2	12	10	17	34
Spain	101,904	88,272	19,045	482	24,969	2,425	3,596	542	386	1,234	6,437	27,566	1,590
Others	25,699	2,319	355	14	751	212	358	147	21	248	19	52	142
Total national migration	957,043	315,944	116,484	726	95,595	6,399	6,457	1,034	583	2,280	13,652	70,159	2,575

REFUGEE MIGRATION BY SENDING AND RECEIVING COUNTRY

		Immigration countries (excluding Latin America)								
Countries of departure and status of refugees therein	Grand total	Total	Australia	Canada	Israel	New Zealand	South Africa	USA	Other overseas	Europe
Austria	327,495	322,406	70,330	39,821	107,152	1,265	4,373	65,618	124	33,723
Asylum	221,165	216,098	69,901	39,580	2,085	1,262	4,368	65,113	124	33,665
Transit	106,330	106,308	429	241	105,067	3	5	505		58
Belgium	13,190	13,038	674	3,021	900	16	140	8,260	19	8
Asylum	11,628	11,477	674	2,466	184	16	140	7,975	14	8
Transit	1,562	1,561		555	716			285	5	

Countries of departure and status of refugees therein	Grand total	Immigration countries (excluding Latin America)								
		Total	Australia	Canada	Israel	New Zealand	South Africa	USA	Other overseas	Europe
France	89,836	88,099	3,507	8,674	56,007	29	46	19,570	18	248
Asylum	34,023	32,415	3,368	5,560	4,668	29	46	18,701	17	26
Transit	55,813	55,684	139	3,114	51,339			869	1	222
Germany	159,659	155,552	35,270	25,654	363	302	3,799	88,344	89	1,731
Asylum	158,779	154,692	34,924	25,363	338	302	3,796	88,196	89	1,684
Transit	880	860	346	291	25		3	148		47
Greece	34,921	33,625	3,773	1,065	19,093	239	796	6,892	16	1,751
Asylum	15,405	14,114	3,589	1,049	77	237	750	6,651	16	1,745
Transit	19,516	19,511	184	16	19,016	2	46	241		6
Italy	246,223	236,424	64,317	14,269	97,987	375	394	47,227	61	11,794
Asylum	102,901	96,724	23,927	12,991	2,447	236	361	45,959	58	10,715
Transit	143,322	139,700	40,390	1,278	95,510	139	33	1,268	3	1,079
Netherlands	2,015	1,941	426	1,044	65	36	31	339		
Asylum	1,040	967	405	141	57	24	31	309		
Transit	975	974	21	903	8	12		30		
Spain	44,397	43,437	299	111	14		2	42,982	17	12
Asylum	44,333	43,373	299	66	2		2	42,975	17	12
Transit	64	64		45	12			7		
Other European countries	52,312	51,766	3,530	7,396	25,018	109	90	9,962	56	5,605
Asylum	31,154	30,609	3,490	6,568	5,486	109	89	9,207	56	5,604
Transit	21,158	21,157	40	828	19,532		1	755		1
Moved from points outside Europe	32,824	32,337	6,552	3,965	3,665	77	1,228	10,297	56	6,497
Far East Progr	21,513	15,243	9,957	311	532	236	6	586	429	3,186
Non-European refugees	13,798	13,593	14	61		76		12,741	85	616
Special operation for Asians ex Uganda	4,665	4,618	20	764		76		1,853	103	1,802
Special program from Chile	2,309	1,772	4	5					1	1,762
Total refugee migration	1,045,157	1,013,851	198,673	106,161	310,796	2,836	10,905	314,671	1,074	68,735

REFUGEE MIGRATION BY SENDING AND RECEIVING COUNTRY

Countries of departure and status of refugees therein	Grand total	Immigration Countries (Latin America)											
		Total	Argentina	Bolivia	Brazil	Chile	Colombia	Ecuador	Paraguay	Peru	Uruguay	Venezuela	Central America, Panama and the Caribbean
Austria	327,495	5,089	1,189	5	2,199	443	240	1	15	9	77	867	44
Asylum	221,165	5,067	1,188	5	2,183	443	237	1	15	7	77	867	44
Transit	106,330	22	1		16		3			2			
Belgium	13,190	152	17		103	9	9		1		3	9	1
Asylum	11,628	151	16		103	9	9		1		3	9	1
Tranist	1,562	1	1										
France	89,836	1,737	233	37	877	179	14		15	3	121	209	49
Asylum	34,023	1,608	221	34	778	175	14		15	3	110	209	49
Tranist	55,813	129	12	3	99	4					11		
Germany	159,659	4,107	290	109	2,246	510	78	31	151	66	104	486	36
Asylum	158,779	4,087	288	109	2,236	506	75	31	151	66	104	486	35
Transit	880	20	2		10	4	3						1
Greece	34,921	1,296	178	1	1,003	31	17				2	64	
Asylum	15,405	1,291	178	1	998	31	17				2	64	
Transit	19,516	5			5								
Italy	246,223	9,799	1,383	102	5,460	1,141	512	26	61	33	121	926	34
Asylum	102,901	6,177	473	86	3,283	997	377	26	59	25	76	756	19
Transit	143,322	3,622	910	16	2,177	144	135		2	8	45	170	15
Netherlands	2,015	74	18	10	28	2					10		6
Asylum	1,040	73	18	10	27	2					10		6
Transit	975	1			1								
Spain	44,397	960	18		43		29	12	3	3	1	449	402
Asylum	44,333	960	18		43		29	12	3	3	1	449	402
Transit	64												
Other European countries	52,312	546	270	7	133	32	2	4	10	2	13	68	5
Asylum	31,154	545	270	7	132	32	2	4	10	2	13	68	5
Transit	21,158	1			1								
Moved from points outside Europe	32,824	487	31		232	8	9					171	36
Far East Progr	21,513	6,270	280	102	5,080	432	15	16	178	37	7	121	11
Non-European refugees	13,798	205	32		131		1			29		5	7
Special operation for Asians ex Uganda	4,665	47	14		26		7						
Special program from Chile	2,309	537	26	53			3	23		11		24	396
Total refugee migration	1,045,157	31,306	3,979	426	17,561	2,787	936	113	434	193	459	3,391	1,027

10 YEARS OF SELECTIVE MIGRATION TO LATIN AMERICA

Occupational classification	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	Total
Professional occupations	128	211	317	376	648	615	696	778	844	734	5,347
University teachers	32	29	25	42	63	27	39	84	91	82	514
Other teachers and instructors	90	161	275	307	494	504	565	441	421	370	3,628
Engineers and other professional occupations	6	21	17	27	91	84	92	253	332	282	1,205
Subprofessional occupations	70	120	191	348	637	784	536	394	428	307	3,815
Engineering technicians	23	41	115	220	386	420	251	113	136	118	1,823
Draughtsmen	5	12	5	16	48	69	27	33	31	32	278
Other subprofessional occupations	42	67	71	112	203	295	258	248	261	157	1,714
Highly skilled and skilled workers	269	196	193	294	510	479	355	483	526	344	3,649
Farmers, fishermen	128	69	52	65	51	36	31	42	16	17	507
Textile, leather product workers	9	13	13	33	25	49	28	20	22	14	226
Metal, electrical workers	95	84	85	132	255	215	129	221	221	111	1,548
Woodworkers	13	8	13	10	18	22	19	20	28	12	163
Other workers	24	22	30	54	161	157	148	180	239	190	1,205
Total	467	527	701	1,018	1,795	1,878	1,587	1,655	1,798	1,385	12,811

UNITED STATES VERSUS SOVIET TECHNOLOGY

Mr. PROXMIRE. Mr. President, I commend to the Senate the recent issue of the Defense Monitor published by the Center for Defense Information. This particular subject comes at an extremely propitious time.

The May issue deals with the subject of U.S. strategic momentum.

All too often we hear about Soviet successes in the missile field. We are told how strong the U.S.S.R. is becoming, how inexorable their programs are.

The truth is weapons programs in both countries have a momentum of their own.

That makes it imperative that we judge very closely which power really is ahead in the arms race. Are we ahead or are the Soviets ahead? Or does it make any difference at this point of overkill?

Many answers to these questions flow from the latest Defense Monitor. Of particular interest will be the section dealing with strategic weapons milestones. That shows that the United States first deployed carrier based aircraft with nuclear weapons in 1950. The Soviet Union has yet to do so.

The United States first deployed forward based aircraft with nuclear weapons in the early 1950's. The U.S.S.R. cannot do so due to geographical limitations.

The United States first tried out the submarine cruise missile concept in 1954 or 18 years before the U.S.S.R. went to this idea. By that time we had decided it was not a very good idea after all.

The United States deployed its first nuclear powered strategic submarine in 1960, 8 years before the U.S.S.R. We used the reliable solid propellants for missiles starting in 1962 while the U.S.S.R. did not begin until 1968.

Our synchronous orbit satellites were deployed in 1963. It took the U.S.S.R. until 1974.

There are many such examples of U.S. technical excellence. We must keep technology in the proper perspective. We are the most advanced nation in the world technologically. The Soviets will not easily catch up with us.

While we must continue to progress and make improvements, we must also resist the temptation to believe that the U.S.S.R. will catch up and surpass us in every field as many in the military would have us believe. Technology does not always serve political purposes.

Mr. President, I commend this analysis to the Members of the Senate at this time of review of the defense budget.

Mr. President I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. STRATEGIC MOMENTUM

DEFENSE MONITOR IN BRIEF

"It is not helpful to us to talk ourselves into a state of mind in which we are strategically inferior." *Henry Kissinger, April 26, 1974, Secretary of State.*

"While the Soviet buildup has been worrisome, as [former Deputy Defense Secretary] David Packard has observed, 'we ourselves have not exactly been standing still.' From the AEC's standpoint I can only concur in that observation. In connection with the MIRVing program, for example, the AEC production matrix is now producing nuclear weapons at a rate six to seven times that at the start of the Nixon Administration." *James Schlesinger, September 22, 1972, Then head of the Atomic Energy Commission, Now Secretary of Defense.*

"If one looks not at launchers, but at deliverable warheads, the gap between the United States and the Soviet Union has increased during the period of the interim [SALT] agreement, and will continue to increase during the whole period of the interim agreement. And one is hit by warheads—not by launchers." *Henry Kissinger, April 26, 1974, Secretary of State.*

"I for one get weary and skeptical of the uncritical litany which somehow judges our technology in the worst possible light and theirs in the best . . . Let's not forget or discount the quality of our own military technology, a technology that has been richly funded and represents the premier product of American engineering, scientific and industrial talent. Their subs are *not* as quiet; Their missiles *not* as accurate; Their warheads *not* as efficient; Their computers *not* as advanced; Their ASW *not* as effective; Their sub-launched missiles are *not* MIRVed; Their bombers are *not* truly intercontinental." *Senator Thomas McIntyre, May 1, 1974, Chairman, Senate Armed Services Subcommittee on Military Research and Development.*

NEW UNITED STATES AND SOVIET STRATEGIC MISSILES AND NUCLEAR WEAPONS SINCE 1970

Fiscal year	United States		Soviet Union	
	Missiles	Nuclear weapons	Missiles	Nuclear weapons
ICBM's:				
1971	100	300	40	40
1972	100	300	0	0
1973	100	300	20	60(MRV)
1974	90	270	20	60(MRV)
Total	390	1,170	80	160
SLBM's:				
1971	112	1,120	112	112
1972	96	960	108	108
1973	96	960	120	120
1974	64	640	72	72
Total	368	3,680	412	412
Grand total.	758	4,850	492	572

Note: During this period since 1970 the United States has also deployed about 1,000 SRAM missiles on its strategic bombers The Soviets have deployed no new bomber-carried missiles..

STRATEGIC WEAPONS MILESTONES

	United States	Soviet Union
Atom bomb	1945	1949.
Intercontinental strategic bomber	1948	1954-55.
Carrier-based aircraft with nuclear weapons	1950	Not to date.
Hydrogen bomb test	1952	1953.
Forward land-based aircraft with nuclear weapons	Early 1950's	Not to date.
Submarine cruise missile	1954 (no longer operational).	1962.
ICBM test	1958	1957.
Low-penetration bomber	1959	Not to date.
Nuclear-powered strategic submarine (16 tubes and long-range missiles).	1960	1968.
Forward land-based missiles	1959–60 (no longer operational).	Not to date (Cuba 1962 failed).
Supersonic bomber	1960	Not to date.
Heavy ICBM	1960	1960.
High speed reentry missiles (high ballistic coefficients for accuracy).	Early 1960's	Not to date (tests 1973).
Forward bases for strategic submarines	1961	Not to date.
On-board computers in missiles	1960	Not to date (tests 1973).
Solid propellant ICBM's	1962 (1,000 in 1974).	1968 (60 in 1974).
Synchronous orbit satellites (for good early warning capability).	1963	1974.
MRV testing	1963	1968.
Penetration aids in missiles (chaff, decoys, etc.)	1964	Not to date.
MRV missiles operational	1964	1973.
Testing of ICBM MIRV	1968	1973.
Testing of SLBM MIRV	1968	Not to date.
ICBM MIRV operational	1970	Do.
SLBM MIRV operational	1971	Do.
Operational ABM system	Not to date (1975 planned.)	1968–69?

STRATEGIC COMPARISONS

Perceptions of relative military capability are perhaps as important as actual relative military capabilities between the United States and the Soviet Union, says Defense Secretary Schlesinger. Paradoxically, however, it is representatives of the Defense Department who are most eloquent in exaggerating the Soviet threat and in running down and belittling U.S. strategic capabilities. The Center for Defense Information has prepared a list of strategic comparisons between the U.S. and the U.S.S.R. which indicates important U.S. advantages. These are all areas of real U.S. strength but which the Defense Department often overlooks or fails to highlight in its efforts to sell the American people and the U.S. Congress on buying new weapons systems by creating doubts about U.S. power.

Nuclear weapons

1. The U.S. has three times as many strategic nuclear weapons as the Soviet Union (7940 versus 2600). In 1971 the U.S. had 4700; the Soviets had 2100. The U.S. lead has increased since the SALT I agreements in 1972.

2. The U.S. is producing new strategic nuclear weapons at a rate of about 4 per day; the Soviets at a rate of probably less than 1 per day.

3. All new U.S. strategic missiles deployed since 1970 have been MIRVed. Continued U.S. MIRV deployments will mean that the U.S. lead will continue to grow at least through 1977.

4. The U.S. is superior to the Soviet Union in nuclear weapons technology. Our weapons are more efficient; we get more explosive power (bang) for the size and weight. This fact makes "throw weight" calculations almost meaningless.

MIRV

5. The U.S. has more than 750 operational MIRVed missiles; the Soviets do not have any. They have just begun to test the complex MIRV technology.

6. The U.S., having mastered and deployed MIRV, is moving to MaRV (maneuverable nuclear warheads) and other new advances in strategic weaponry.

ICBMs

7. The U.S. has fewer land-based missiles (1054 versus 1575) but Admiral Moorer, Chairman of the Joint Chiefs of Staff, estimates that over the next few years the number of Soviet ICBMs will decline toward 1400 as about 200 odd Soviet ICBMs are retired.

Soviet practice in the past has been to hang on to old missiles; U.S. practice has been to trade in the old missiles for better ones.

8. The U.S. has 1000 modern solid-propellant ICBMs with penetration aids and on-board computers. The Soviets have only 60 solid propellant missiles and no operational missiles with penetration aids and on-board computers.

9. U.S. missiles are much more accurate than Soviet missiles; we can destroy all kinds of targets, including Soviet missiles, with smaller weapons. U.S. advantages in accuracy will probably be retained for a long period because of the very advanced technology required to improve accuracy, particularly below about a quarter of a mile CEP.

Strategic submarines

10. The U.S. has 41 submarines that carry 16 missiles each; the Soviets have only 33 submarines that carry 16 missiles each. The U.S. has 24 submarines with MIRVed missiles; the Soviets have none. The Soviets usually have far fewer submarines actually on-station.

11. U.S. strategic submarines are quieter and less vulnerable to anti-submarine warfare than are Soviet submarines. U.S. under water technology for protecting its submarines and finding Soviet submarines is much superior to Soviet technology.

12. The U.S. has forward deployed bases for its submarines (in Scotland, Spain and Guam). The Soviets have no forward bases for submarines.

13. U.S. allies Britain and France have strategic submarines. The Soviet Union has no allies with strategic weapons.

14. The U.S. has submarine detection networks such as SOSUS for locating Soviet submarines; the Soviet Union has no such network and is at a severe geographic disadvantage for establishing such networks.

Bombers

15. The U.S. has almost four times as many strategic bombers as the Soviet Union (496 versus 140) and is testing a new model. the B–1. In fact, it is possible that none of the alleged Soviet strategic bombers have been configured as strategic bombers for the past 5 to 10 years.

ABM

16. When the U.S. ABM site in North Dakota is completed in about a year the U.S. will probably have more antiballistic missiles than the Soviet Union. U.S. ABM technology is far advanced over the Soviet Union.

Forward based systems

17. The U.S. has about 650 aircraft in Europe and Asia and on aircraft carriers that can deliver nuclear weapons on the Soviet Union (and China). The Soviet Union has no such "4th strategic force" for threatening the United States.

Equivalent megatonnage

18. The Defense Department makes much of the Soviet lead in megatonnage. The Soviet Union has in 1974 more than a 2 to 1 advantage in "raw megatons." However, when measured in equivalent megatons, which takes account of the fact that much of the explosive energy of very large weapons is wasted, the U.S. has about 4,100 equivalent megatons in its strategic forces versus about 4,300 equivalent megatons in the Soviet strategic forces.

U.S. STRATEGIC MOMENTUM: ASTONISHING BREADTH AND DEPTH

Contrary to impressions created by the Defense Department, the U.S. has not dropped out of the strategic arms race. The U.S. has not reached a technological plateau in searching for new ways to spend billions on strategic weapons. On the contrary, the U.S. is rushing forward into new realms of strategic weaponry that apparently far outstrip current Soviet efforts. In recent years, particularly since SALT I in 1972, the U.S. has been deploying new strategic weapons at a pace far in excess of that of the Soviet Union. The future holds more of the same if the DOD momentum continues. Programs that are proposed in the fiscal 1975 defense budget add up to an extraordinary variety of continuing and new strategic innovations that include the following:

1. Continued installation of MIRVed Minuteman III ICBMs to reach 550 missiles and 1650 nuclear warheads by mid-1975.

2. Continued deployment of MIRVed Poseidon submarine-launched missiles to reach 31 submarines, 496 missiles, and 4960 nuclear warheads by 1977.

3. Preparation for installing up to 1,000 MIRVed Minuteman III missiles.

4. Improving the accuracy and reliability of U.S. missiles through extensive and sophisticated testing programs.

5. Improvements in the existing guidance system for Minuteman III to increase its accuracy and hard-target kill capability.

6. Development of terminal guidance maneuverable reentry vehicles (MaRV) for Minuteman III and other missiles to achieve extremely precise delivery of nuclear weapons with almost no margin of error, could mean U.S. knock out capability against all Soviet fixed strategic systems.

7. Development of an entirely new strategic system, the air-launched cruise missile.

8. Development of an entirely new strategic system, the submarine-launched cruise missile.

9. Development of an entirely new strategic system, the land-mobile ICBM.

10. Development of an entirely new strategic system, the air-mobile ICBM.

11. Development of a new large throw weight ICBM to fit in Minuteman silo.

12. A new high-yield warhead for the Minuteman III and other advances in packing more explosive power into small packages (improved yield to weight ratios). These and other advances in miniaturizing make conventional conceptions of missile throw weight measurement almost meaningless.

13. Testing of Minuteman missiles from operational sites in order, among other objectives, to explore the possible multiple launch capability for Minuteman launchers. Exploration also of "cold launch" or "pop-up" launch techniques for attaining refire capability. This "MIRVing" of missile launchers would severely complicate efforts to control strategic weapons deployments through SALT.

14. Development of more than 3 MIRVs (possibly up to 10 warheads) for the Minuteman III missile.

15. Improvements in rocket motor technology to increase the amount of missile throw weight per pound of propellant (increased propulsion efficiency). This advancement also renders alleged Soviet throw weight "advantages" almost meaningless.

16. Improved Poseidon missiles (exact nature of improvements is classified but probably includes better accuracy and throw weight).

17. Continued deployment of the SRAM missile on U.S. strategic bombers to have 1140 operational by the mid-1970s. The SRAM missile significantly increases the capability of U.S. strategic bombers to attack Soviet military targets.

18. Development of an entirely new strategic bomber, the B–1.

19. Development of an entirely new strategic submarine, the Trident.

20. Procurement of the Trident I missile for 10 Poseidon submarines.

21. Development of an efficient counterforce SLBM, the Trident missile.

22. Improved guidance systems for SLBMs to increase their accuracy.

23. Development of an entirely new strategic submarine that will be smaller than Trident, the SSBN–X, using a Narwhal-type propulsion plant.

24. Increased emphasis on civil defense, including plans for rapid evacuation of U.S. cities and "high risk" areas in case of crisis. This will make it possible for U.S. leaders to more "credibly" threaten the use of nuclear weapons.

25. An operational ABM system in North Dakota by mid-1975.

26. Development of new ABM systems, including Site Defense, light area defense systems, maneuverable ABMs, and ABMs using lasers. Under SALT restrictions the U.S. is permitted to do anything except actually begin to deploy new operational systems beyond a total of 200 launchers.

27. A vast array of sophisticated ASW systems for locating and being able to destroy Soviet strategic submarines. These include sensor systems at points where Soviet submarines must transit, satellite sensors, and the Captor mine for bottling up Soviet submarines in or near their homeports.

28. Development of new strategic tanker armed with cruise missiles

CENTER'S ANALYSIS OF U.S. STRATEGIC COUNTERFORCE PLANS AND CAPABILITIES

Defense Secretary Schlesinger says he wants the U.S. to follow a new strategic policy that emphasizes being prepared to destroy Soviet military targets and carrying out "limited" nuclear exchanges. Schlesinger apparently believes that an enhanced U.S. capability and willingness to use nuclear weapons will increase deterrence and lessen the possibility of all out nuclear war with the Soviets. The new defense budget contains about $250 million for programs that are supposed to improve the "credibility" of U.S. strategic forces through greater flexibility, selectivity, and counterforce capability. As the Defense Department, the Congress and defense contractors become more committed to such programs, their cost will run into many billions of dollars over the next few years.

The Center for Defense Information has examined the best available unclassified information and come to the following conclusions about Secretary Schlesinger's efforts to change U.S. strategic orientations:

Tinkering with U.S. strategic doctrine can lead to confusion and doubts on the part of both friends and adversaries as to the consistency and reliability of current U.S. policy. It is particularly dangerous to use confusing debates about strategic policy as a means of putting pressure on the Soviet Union in the SALT talks. It is also dangerous to attempt to make it seem that in fact the U.S. would in the future be more likely to use its strategic nuclear weapons on behalf of allies and friends. Public emphasis on this might lead to adventuristic risk taking on the part of some.

The new strategic programs to increase the "hard-target kill" capability of U.S. missiles through improved accuracy and warhead yield are both unneeded and potentially destabilizing for the strategic balance. Secretary Schlesinger has admitted that in terms of targeting doctrine shifts and improved flexibility and options, improvements in accuracy and hard-target kill capability are not needed.

U.S. military options have always included the targeting of Soviet military forces. The capability to destroy a wide variety of military targets has existed for some years. The only capability that the U.S. has not yet developed is the capability to destroy all or a very large number of Soviet ICBM's. An emergent U.S. capability to launch a knock out strike against all Soviet fixed land-based strategic systems should be nipped in the bud.

Existing missile accuracies and numbers of strategic weapons available to be used with selectivity and flexibility are already sufficient for all purposes of deterrence. The U.S. already has a sufficient counterforce capability.

Projections of future Soviet counterforce capabilities around 1980 and later are very speculative and probably weak grounds for U.S. force planning. The Soviets are most unlikely to fulfill the worst-case projections of Secretary Schlesinger about MIRVing of of more than 1,000 of highly accurate new large missiles. Such projections probably have been made for diplomatic and political purposes, in order to pressure the Soviets at SALT and sell Congress on new U.S. weapons, and should not be taken seriously. Schlesinger himself has already disowned the exaggerations made by former Defense Secretary Laird in 1969 about the Soviet SS-9 and Soviet first strike capability.

Further additions to U.S. counterforce capability will only raise fears that the U.S. deliberately seeks a disarming first-strike capability against the Soviet Union. However groundless such fears might be to the "objective" observer, the obvious lesson of past military planning and political reaction is that significant fears and doubts will be raised about U.S. strategic intentions. In time of crisis the possibility that either side will use nuclear weapons would be increased because of fears that the other would strike first.

Modifications of U.S. strategic policy toward destruction of Soviet military forces will make it more difficult to achieve reductions in Soviet and U.S. strategic weapons in the SALT II talks. Secretary Schlesinger's efforts to pressure the Russians into accepting an agreement on DoD's terms by threatening a vast escalation of U.S. strategic programs and a major counterforce capability may already have harmed the progress of the SALT talks.

Rather than engaging in a competition over who can destroy more targets, the U.S. and the Soviet Union should negotiate reductions in vulnerable weapons and reach agreements to preserve the invulnerability of sea-based forces. At a minimum, the U.S. should cease expanding its strategic forces under the guise of a new policy of "flexibility" and counterforce.

THROUGH THE LOOKING GLASS: "GOOD" U.S. WEAPONS VERSUS "BAD" SOVIET WEAPONS

Our ABM is stabilizing.

Our MIRV does not stimulate the arms race.

Our accuracy improvements improve selectivity and flexibility.

Our forward based nuclear systems (in Europe and Asia) are necessary.

Our policy of attacking military targets is a moral improvement in strategic policy.

Our ASW activities are not threatening.

Soviet ABM is destabilizing.

Soviet MIRV threatens first strike.

Soviet accuracy improvements threaten U.S. deterrent.

Soviet forward leased nuclear systems (e.g. Cuba 1962), threaten world peace.

Soviet policy of attacking military targets indicates first strike intentions.

Soviet ASW activities cause great alarm and need for Trident.

U.S. MAKING EXTENSIVE EFFORTS TO IMPROVE MISSILE ACCURACY

Studying and measuring density of the air

"Because density of the air has a great influence over the inaccuracies of a reentry vehicle. By these tests we hope to get some standard patterns so we might even be able to forecast density in target areas under hot war conditions, thus by using this data improve the accuracies of our ICBMs." Major General P. T. Cooper, Air Force Systems Command. 1971.

Geophysical motion studies

"Sophisticated testing of advanced inertial subsystems for the evaluation of geophysical and environmental effects in order to reduce missile CEP . . . Initiate a geophysical motion study of an entire operational guidance system at a missile site in support of missile circular error probability (CEP) reductions." Air Force environment R&D Program. 1972.

Extra-galactic radio sources

"A series of very long baseline interferometry experiments have been conducted using extra-galactic radio sources as a means of determining the distance between sites several thousand miles apart. . . . This achievement should have an immediate impact on improvement of the earth-centered world geodectic system serving the requirements of the ballistic missile systems, and aerospace defense." Advanced Research Projects Agency. 1973.

Precise Geodetic Locations and Gravity Data

"Defense Mapping Agency provides all the precise geodetic locations and gravity data required to build the missile trajectories for U.S. strategic missile systems. . . . Missile systems are provided precise launch positions, target positions and the variation in the pull of gravity on the missile from the time they leave the launch silo until they arrive at the target. This data is provided for strategic missiles such as Minuteman, Polaris, and Poseidon." Lieutenant General H. W. Penney, Director Defense Mapping Agency. 1973.

EFFECTS OF RAIN AND ICE

Air Force requested $6.6 million in fiscal 1974 to study the effects of rain and ice on ballistic missiles to improve the reliability and accuracy of reentry vehicles.

CAN U.S. DEFENSE SECRETARIES COUNT NUMBER OF STRATEGIC WEAPONS?

In 1972 then-Defense Secretary Melvin Laird said in his Posture statement that the Soviet Union would have 2,500 strategic nuclear weapons in mid-1972. In 1973 then-Defense Secretary Elliott Richardson said that the Russians had 2,500 strategic nuclear weapons in mid-1972 and would have 3,600 strategic nuclear weapons in mid-1973. The latter figure may have been a misprint for 2,600. At his nomination hearing in June 1973, Defense Secretary James Schlesinger said that in mid-1972 the Russians had 2,200 strategic nuclear weapons (300 less than what both Laird and Richardson had said) and that in mid-1973 the Russians had 2,300 strategic nuclear weapons (still less than what Laird and Richardson said the Russians had in mid-1972). In 1974 Defense Secretary Schlesinger said that in mid-1973 the Russians had 2,200 strategic nuclear weapons (100 less than he said the Russians had a year ago and the same number he had said they had in mid-1972). Secretary Schlesinger said that the Russians would have 2,600 strategic nuclear weapons by mid-1974 (only 100 more than Laird and Richardson had said the Russians had in mid-1972).

Soviet strategic nuclear weapons

Laird (1972) mid-1972, 2,500.

Richardson (1973) mid-1972, 2,500; mid-1973, 3,600 (2,600?).

Schlesinger (1973) mid-1972, 2,200; mid-1973, 2,300.

Schlesinger (1974) mid-1973, 2,200; mid-1974, 2,600.

Conclusion: the jump of 400 Soviet strategic weapons alleged by Secretary Schlesinger between mid-1973 and 1974 is suspect, particularly as the Soviets have not yet begun to deploy MIRVed missiles. Are numbers juggled to exaggerate Soviet "strategic momentum"?

THE U.S. FOURTH STRATEGIC FORCE: FORWARD BASED AIRCRAFT

In Europe: 72 F-111Es in the United Kingdom; 244 F-4Cs and Ds in the United Kingdom, Spain, and Germany; 72 A-7s on board 2 aircraft carriers in the Mediterranean; 24 A-6s. Total 412.

In Asia: 72 F-4Ds in Korea; 36 F-4Ds in Taiwan; 108 A-7s, on board 3 aircraft carriers in the Western Pacific; 36 A-6s. Total 252.

Grand total 664 tactical aircraft capable of carrying nuclear weapons against the Soviet Union and China.

Name	Number	Accuracy[1] (miles)	Yield	Hard target kill capability[2]
U.S. STRATEGIC MISSILES, 1974				
ICBM's:				
Minuteman I	100 (will be none by mid-1975)	0.75	1.0 megatons	PK equals 18 percent.
Minuteman II	500 (will be 450 by mid-1975)	.35	1.5 megatons	PK equals 60 percent.
Minuteman III (3 MIRV's)	400 (will be 550 by mid-1975)	.20	160 kilotons per RV (reentry vehicle)	SSKP equals 56 percent, PK equals 92 percent.
Titan II	54	.75	10 megatons	PK equals 58 percent.
SLBM's:				
Polaris A-2	272 (will be 160A3's by 1977)	1.0	800 kilotons	PK equals 9 percent.
Polaris A-3 (3 MRV's)		.70	200 kilotons per RV	SSKP equals 7 percent, PK equals 20 percent.
Poseidon C-3 (10 MIRV's)	384 (will be 496 by 1977)	.30	40 kilotons per RV	SSKP equals 13 percent, PK equals 76 percent.
U.S.S.R. STRATEGIC MISSILES, 1974				
ICBM's:				
SS-7	100	2.0	5 megatons	PK equals 8 percent.
SS-8	109	1.5	do	PK equals 13 percent.
SS-9	288	.5	20-25 megatons	PK equals 96-97 percent.
SS-11 Mod 1	970	1.0	1 megaton	PK equals 10 percent.
SS-11 Mod 3 (3 MRV's)	40	1.0	500 kilotons per RV (reentry vehicle)	SSKP equals 7 percent; PK equals 20 percent.
SS-13	60	.75	1 megaton	PK equals 18 percent.
SLBM's:				
SS-N-6	528	1.0	do	PK equals 10 percent.
SS-N-8	108	.75	do	PK equals 18 percent.

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[1] Accuracy is measured according to circular error probable (CEP) in nautical miles. CEP is a statistical estimate that on the average 50 percent of the missiles will land within a circle with a radius from the target of the CEP value.

[2] Hard target kill capability is measured in terms of the probability of kill (PK) or single shot ill probability (SSKP) in the case of MIRV's of a missile against a 300 PSI target (the approximate hardness of most U.S. ICBM silos). The General Electric missile effectiveness calculator was used to make these estimates. The values are very approximate and the relative capabilities between various missiles are probably more accurate than the absolute values. Reliability factors make such estimates even more complicated. A PK or SSKP of above 90 percent is considered a good hard target kill capability.

ACORNS IN THE FISCAL 1975 DEFENSE BUDGET

Programs which are still in preliminary stages but which will cost billions of dollars each if allowed to mature:

1. Increased counterforce capabilities for U.S. strategic weapons (about $250 million in FY '75)
2. Strategic cruise missiles ($80 million for Air Force Air Launched Cruise Missile and $45 million for Navy Submarine Launched Cruise Missile)
3. New strategic submarine smaller than Trident ($16 million for SSBN-X which will use a Narwhal-type reactor)
4. New tactical nuclear weapons (for work on new technologies, including "mini-nucs", about $27 million in AEC budget and $8.5 million in Army R&D)
5. Binary chemical weapons (about $13 million for R&D and to establish a production facility for chemical weapons that are mixed in projectile after firing)
6. New B-1 bomber (still in R&D with $499 million requested in FY '75)
7. New CVX aircraft carrier class (to be lower cost than the $1 billion CVN-70)
8. New military base at Diego Garcia in Indian Ocean ($32.3 million at FY '74 supplemental and FY '75 New military commitments in Indian Ocean will be used to justify more carriers and other ship construction)
9. New mobile ICBMs (about $5 million specially for both land-mobile and air-launched ICBMs)
10. Deployment of up to 1000 MIRVed Minuteman III ICBMs ($15 million to keep production line for Minuteman III open)
11. New advanced tanker ($20 million for new strategic tanker that would also carry strategic cruise missile)
12. New civil defense crisis relocation program (plans for relocating millions of people from some 400 urban and "high risk" areas)
13. New ABM systems ($160 million for Site Defense program for defense of ICBMs and $91 million for Advanced Ballistic Missile Defense Technology)

FOUKE CO., GREENVILLE, S.C., RECEIVES THE PRESIDENT'S "E" AWARD

Mr. THURMOND. Mr. President, on May 30, 1974, the Fouke Co. of Greenville, S.C., received the President's "E" Award for export expansion. This award is given to those companies which make outstanding, continuing, and substantial contributions to the balance of payments and which show an aggressive ingenuity in the opening of new markets resulting in a steady increase in volume of exports.

The Fouke Co. was founded in 1916 and during its entire history has specialized exclusively in the processing of fur seals. It has processed fur seals for the Governments of the U.S.S.R, Japan, Canada, Uruguay, the Republic of South Africa, and the United States. It has a unique process which has not been duplicated anywhere in the world. In the processing of the U.S. fur seal skins, taken in the Pribilof Islands in the Bering Sea, it has returned to the U.S. taxpayer more than 10 times the original purchase price paid for the State of Alaska.

The Fouke Co. strongly supports conservation programs by which the fur seal becomes a byproduct and a useful substance for man. The Fouke Co. certainly realizes that our natural resources are a precious commodity in today's society, but also realizes that in the area of fur seals, a sound conservation program must be maintained to keep a balance in the ecosystem. It has continually strived to support that position.

Receipt of the "E" Award is, indeed, a tribute to this company and its effort to combine an economic endeavor with environmental and conservation considerations.

Mr. President, I ask unanimous consent that the remarks of John T. Fouke, chairman of the board of the Fouke Co., that were made in conjunction with the acceptance of the presentation of this award be printed in the RECORD at the conclusion of my remarks.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

ACCEPTANCE

(By John T. Fouke)

It is a great privilege for me to accept the Presidential "E" Award, and I would like to say my associates, all of our employees, and I are very proud to have been selected for this honor.

On an occasion of this sort I think it is natural that we look back to see what we have really accomplished and why we might be deserving of the honor bestowed on our company today.

The Fouke Company for over sixty years has worked under contracts with the United States Government for the processing, selling, and marketing of United States Government skins consigned to us. Just under three million skins have been handled in this way and close to one hundred million dollars has been turned over to the United States Treasury by the company—this was not tax money—this was straight revenue from the sale of the finished skins. The important feature here is not only the economic success of this arrangement but the conservation aspect because over this period the Alaska Fur Seal herd has grown from 120,000 to about 1,500,000 animals. There is no doubt that this has been one of the world's most successful conservation programs wherein a renewable resource has been scientifically handled for the good of both the resource and mankind. We are proud to have been closely associated with this kind of program.

The company has for many years also had continuing contracts with other governments—parties to the original treaty of 1911 for the protection of the Alaska Fur Seal herd—Canada, Japan, and the U.S.S.R.—with commensurate financial returns accruing to these governments also.

Fur Seals also come from another area—South Africa. This is the only other major herd besides that of the Pribilof Islands. The South African Government has for 300 years harvested fur seals from their territorial waters—they, too, have maintained a management program which has guaranteed the future of their herd—today numbering over one million animals. We at Fouke are also proud to have been part of that program for over thirty years through our contracts with South African shippers.

Today we hear a lot about saving animals. We think this is tremendously important because after all our company's future depends on it, but simply ignoring the animals in their natural habitat as recommended by some ill informed conservationists is not the answer for this leads to their self-destruction because civilization encroaches inevitably upon this so-called natural habitat. Controlled conservation such as that exercised by the United States and South Africa is the only guarantee for the future of the fur seal herds.

The Fouke Company started twenty years ago to develop the European market for fur seal—through advertising, promotion, and personal contact—because we felt we must assure markets for the future consumption of a finished product as part and parcel of the total conservation effort.

Again, thank you and we pledge that we will continue our efforts as in the past.

SOLAR ENERGY AND AGRICULTURE: SELECTED BIBLIOGRAPHIES

Mr. McGOVERN. Mr. President, both the Senate and the House have passed solar energy legislation in this session of Congress. It is welcome news for those who have fought so long in behalf of solar power. The entire Nation will one day benefit from these initial steps.

Earlier this year I introduced legislation which, among other things, would establish a clearinghouse for information on solar energy as it relates to agriculture. One reason for the slow acceptance of solar energy as a fuel source is that there have been inadequate facilities for the communication of information on its benefits.

Over the past few months, the amount of printed information available on solar energy has grown substantially. In the field of agriculture and solar energy a significant amount of data is now available.

I ask unanimous consent that a bibliography of currently available information on solar energy and agriculture be printed in the RECORD.

There being no objection, the bibliography was ordered to be printed in the RECORD, as follows:

[Brace Research Institute of McGill University, Quebec, Canada]

PUBLICATION LIST—MISCELLANEOUS REPORT
NO. M. 17, JULY 1973

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MT.15 Movement of Water and Salts in Relation to Cracking in a Vertisol in Jamaica by Leonard Ramdial, M. Sc. Thesis Dept. of Soil Science, Macdonald College, May 1971, 61 pp.

MT.16 The Desalination Potential for Small Communities in Southern Iran by Reza Kheirandish, M. Sc. Thesis, Dept. of Agricultural Engineering, Macdonald College, June 1972, 112 pp.

MT.17 Soil Properties and Irrigation Ratings for Some Antigua Soils by Wayne Borden, M. Sc. Thesis, Dept. of Soil Science, Macdonald College, August 1972, 144 pp.

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DT.2 *Performance Evaluation of Commercial Solar Water Heaters with Selective Surfaces,* by G. S. Saluja, 45 p., June 1963.

DT.3 *A Preliminary Evaluation of the Solar Steam Injector as a Water Pump,* by M. Saif-Ul-Rehman, 64 p., August 1963.

DT.4 *Wind Electric Research Report (Evaluation of the Performance of a Commercial Aerogenerator)*, by C. Sanchez-Vilar, 30 p., August 1963.

DT.5 *Design and Performance Evaluation of a 6 Ft. x 4 Ft. Parabolic Solar Steam Generator and its Application to Pressure Cooking,* by D. A. Sinson, 67 p., April 1964.

DT.6 *The Evaluation of Bond Conductance in Various Tube-in-Strip Types of Solar Collector,* by Ehsan Ullah Khan, 42 p., September 1965.

DT.7 *Comparacion de Diferentes Teorias para el Calculo de la Performance de Molinos,* by M. A. Nevot, 51 p., August 1966.

DT.8 *Potential of Wind Power Utilization in the Arctic Environment, House Heating,* by C. Bettignies, 40 pp., August 1970.

DT.9 *Foundation Exploration and Design of an Earth Dam for Water Storage,* by Choong Sup Yoon, July 1971. pp. 45.

DT.10 *The Effect of Variable Power Input on the Performance of a Vapour Compression Distillation Unit,* by Shapour Vossoughi, July 1971. pp. 80.

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PT.1 *Natural Convection in a Horizontal Layer of Air with Internal Constraints,* by K. G. T. Hollands, Ph. D. Thesis, Dept. of Chemical Engineering, McGill University, 163 p., November 1966.

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CP.3 Concentrating Type Solar Collectors, by R. N. Boulos, 37 p., May 1968.

CP.4 A Feasibility Study of the Potential Terrestrial Use of Photovoltaic Solar Cells, by R. E. Chilcott, 30 p., May 1968.

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CP.10 Problems Associated with the Use of Saline Water in Sanitary Septic Pits, by Joseph Elliston, 14 p., November 1968.

CP.11 A Review of Soil Moisture Budgeting Procedures, by J. M. Ionson, 21 p., December 1968.

CP.12 Irrigation Water Requirements for Sugar Beets Grown in Iran, by M. Saeed Kadivar, 29 p., December 1968.

CP.13 Acidification of Sea Water Feed for Desalination Equipment, by John Purdon, 32 p., December 1968.

CP.14 L'Utilisation de la Chaleur Solaire dans la Solution des Problèmes de l'Eau dans les Zones Arides, by Michel Lantagne, 20 p., March 1969.

CP.15 Saline Ground Water Intrusion, by W. G. Richardson, 24 p., March 1969.

CP.16 Subsurface Irrigation with Particular Reference to Plastic Pipe Designs, by M. Saeed Kadivar, 44 p., March 1969.

CP. 17 An Economic Evaluation of Rainfall Collection Systems, by Keith Manuel, 20 p., March 1969.

CP.18 Performance Characteristics of the Macdonald College Fanmill, by David Croney and Gerald E. Thierstein, 6 p., May 1969.

CP.19 Estimation of Maximum Drag and Root Bending Moment on a Stationary Brace Airscrew Windmill Blade and Variation of Airscrew Starting Torque with Blade Angle, by P. K. Ghosh, 13 p., May 1969.

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CP.21 Possibilities for the Use of Solar Energy in Canada, by Hugh Avey, 11 p., October 1969.

CP.22 Refraction and Diffraction of Light by Atmospheric Suspensoids (Water or Ice), by C. Bettignies, 25 p., March 1970.

CP.23 Review of Current Knowledge of Transpiration of Plants, the Effect of Radiant Heat and Methods of Estimations of the Transpiration Rate from Environmental Measurement, by M. S. Kadivar, 6 p., March 1970.

CP.24 Utilization of Solar Energy and Low Grade Thermal Energy, by Michel Lantagne, 41 p., March 1970.

CP.25 Collection of Data on Convectional Heat Transfer Relation of Significance in Energy Balance of Bodies Exposed to Solar Radiation, by Fu-Ming Lu, 22 p., March 1970.

CP.26 Radiation Properties of Plants, by Michel Salgues, 12 p., March 1970.

CP.27 Review of Computer Programmes Used in Solar Radiation Calculations, by Van-Vi Tran, 14 p., February 1970.

CP.28 Effects of Irrigation on Environment, by C. Bettignies, 11 p., March 1970.

CP.29 The Microclimate Under the Forest Canopy, by E. Bonaparte, 27 p., March 1970.

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CP.31 Méfaits du Vent et Efficacité de Brise-Vents, by Emile Chamberland, 17 p., février 1970.

CP.32 Light and Its Effect on Maximum Crop Productivity, by M. A. Faris, 8 p., March 1970.

CP.33 A Critique of the Heat Unit Approach to Plant Response Studies, by W. Georges, 16 p., March 1970.

CP.34 Convective Heat Transfer Between Plants and the Environment, by P. K. Ghosh, 27 p., March 1970.

CP.35 Frost Protection by Sprinkler Irrigation, by J. K. Higgins, 15 p., March 1970.

CP.36 Methods of Estimating the Evapo-Transpiration from Crops with Special Reference to "Energy Balance", by M. S. Kadivar, 35 p., February 1970.

CP.37 Measurement Techniques Used in Plant Environment Investigations, by A. Kumar, 15 p., March 1970.

CP.38 Vernalisation et Endurcissement des Plantes, par S. Laflamme, 17 p., mars 1970.

CP.39 Effect of Greenhouse Design on the Internal Illumination, by M. Lantagne, 22 p., February 1970.

CP.40 Movement of Soil Water, by S. H. Lee, 24p., March 1970

CP.41 The Effectiveness of Heaters, Blowers, Foams, Fogs and Covers as Anti-Frost Control Measures, by G. A. Linkletter, 16 p., March 1970

CP.42 Cultural Practices and the Incidence of Frost Damage to Plants, by J. Madill, 12p., March 1970.

CP.43 Structures of Greenhouses, by K. Manuel, 10p., February 1970

CP.44 Soil Plant Water Inter-Relationships, by A. Manson, 15 p., March 1970

CP.45 The Mechanism of Freezing of Plant Tissue at Critical Environmental Temperatures, by J. W. Martin, 9p., March 1970.

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CP.48 Potential for Wind Power Development in Eastern Canada, by M. S. Kadivar, 8p., January 1970

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CP.52 La Formation des Depots de Sel et les Moyens à Prendre pour les Prevenir, by E. Kohen, 11p., October 1969

CP.53 Desalination by Freezing, by Satish Chandra Negi, 19p., November 1969

CP.54 Desalination by Electrodialysis, by M. Saeed Kadivar, 13p., November 1969

CP.55 Practical Aspects of Solar Distilllation Plants, by Van-Vi Tran, 10 p., November 1969

CP.56 Salt Water Intrusion in Coastal Aquifiers, by S. Vossoughi, 22p., April 1971

CP.57 McGill Seminar on the Caribbean 1970–1971, Seminar Course on Caribbean Resource Development.

CP.58 An Evaluation of Water Resources of Nevis, West Indies, by R. P. Hinds, August 1971

CP.59 Correlating the Drainage Needs with the Availability of Wind Power in Québec, by Keith Manuel, 1968, 13 pp.

DO-IT-YOURSELF LEAFLETS

L. 1 *How to Make a Solar Still (Plastic Covered)*, by A. Whillier and G. T. Ward. 9p., January 1965. Revised February 1973.

L. 2 *How to Make a Solar Steam Cooker,* by A. Whillier, 6p., January 1965, Revised October 1972

L. 3 *How to Heat your Swimming Pool Using Solar Energy,* by A. Whillier, 2p., January 1965, Revised 1973

L. 4 *How to Build a Solar Water Heater,* by D. A. Sinson and T. Hoad, 10p., February 1965. Revised February 1973

L. 5 *How to Construct a Cheap Wind Machine for Pumping Water,* by A. Bodek, 12 p., February 1965. Revised February 1973

L. 6 *How to make a Solar Cabinet Dryer for Agricultural Produce,* by T. A. Lawand, 9p., March 1966

L. 7 Arabic Translation of L. 6 by T.A. Lawand, 11p., March 1966

L. 8 *Como construir un Descador Solar para Productos Agricolas*: Spanish translation of L. 6 by T. A. Lawand and M.A. Nevot, 11p., March 1966

L. 8 *Comment construire une Cuisiniere Solaire à Vapeur*: Franch translation L.2 by Paul Bastien and Van-Vi Tran, 7p., March 1969

L. 10 *Comment construire une Sechoir Solaire pour Produits Agricoles*: French translation of L. 6 by T. A. Lawand, 9 pp., July 1973

ENGINEERING PROJECTS

EP. 1 Solar Distillation of Saline Water by Gerry MacPherson, Costa Varvarikos, Project for the Department of Civil Engineering and Applied Mathematics, Course No. 303–318 B, April 18, 1973, 68 pp.

EP. 2 Windmill Tower Design, by Frank Montesano and Antonio Fernandez, Project for the Department of Civil Engineering and Applied Mathematics. Course No. 303–318 B, April 18, 1973, 92 pp.

EP.3 Experimental Study of a Solar Steam Cooker by Kai Cheng, Harry Wong and Osamu Tanaka, Project for the Department of Mechanical Engineering, Course No. 305–463A–464B, May 1973, 47 pp.

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LET US BALANCE THE BUDGET

Mr. CRANSTON. Mr. President, President Nixon's proposed budget for fiscal 1975 is a breathtaking, recordbreaking. taxpayer-busting $304.4 billion. It contains a $9 billion deficit which can only worsen the inflation that is wracking our country.

We must get this budget in balance. If the President can not or will not—and OMB Director Roy Ash says he can not and will not—the Congress must balance it for him. And we must make a balanced budget stick.

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[*] NOTE.—Course Papers are generally not available except under special circumstances.

President Nixon has requested $96.2 billion in total military expenditures for fiscal 1975—a record for any peacetime year and $6.1 billion more—or 7 percent—than last year, allowing for inflation. In absolute figures the President is asking for an increase of $11.2 billion—or 13 percent more—than he asked last year.

Military spending is the most inflationary factor in the budget. It is inflationary because it pumps a lot of money into the economy, but, even at best, it produces no consumable goods or services. At worst, when it is excessive and wasteful as it is at present, military spending actually reduces our security by undermining the economy and stimulating a spiralling arms race.

Unnecessary military spending has an even more pernicious effect on our economy when that unnecessary spending takes place overseas.

Our present overseas military commitments currently result in an annual drain of $4.6 billion in our balance of payments. This drain further undermines the dollar in world markets.

If we are serious about fighting inflation and balancing the Federal budget, the place to begin is in the Defense budget—particularly as it relates to overseas spending.

Let us look at a few items where substantial cuts might be made:

First, besides the $96.2 billion in military expenditures President Nixon has asked for fiscal 1975, he has requested an additional $8.1 billion in military and economic aid to 53 foreign countries.

Among the proposed recipients are Laos, $146.4 million; Cambodia, $746.4 million; and South Vietnam, $2.36 billion, for a grand but hardly glorious total of $3.26 billion.

There are three good places to start cutting.

Second, some 40 more of those foreign nations sharing that $8.1 billion in military and economic aid are also dictatorships of one sort or another.

There are 40 more good places to continue the cutting.

Third, we currently spend $30 billion a year to man, maintain, operate, and support 1,963 military bases and installations in 34 foreign countries. That includes employing 147,000 foreign civilians to work on those bases.

We have 433,000 U.S. Army and Air Force personnel stationed in those countries, along with 250,000 of their dependents.

Here is still another excellent place to make some savings.

Cutting those land-based troops by 100,000—a 23-percent reduction—would alone improve our balance of payments by $800 million a year.

And if we deactivate those men from service, we would save another $1.2 billion in direct costs plus an additional $5 billion in future savings in troop support, military construction, maintenance,
Even after such a reduction, we would
and logistics.
still have a forward-based, highly mobile force poised for any contingency with 333,000 U.S. troops in foreign lands, 33,000 in our overseas territories and possessions, and 59,000 Navy personnel in our mighty overseas fleets.

Wasteful military spending brings the whole Defense budget into disrepute, and threatens vital parts of it—such as the modern weaponry upon which we are very much dependent in the present state of world anarchy where the threat of mutual deterrence is the keystone of an uneasy peace.

The distinguished Senator from Missouri (Mr. SYMINGTON) has said that our security and indeed our survival are dependent upon three factors:

First, the soundness of our institutions and the faith of the people in them.

Second, the certainty that we can survive a first strike and respond with an overwhelming blow, a retaliatory blow against any enemy—and the certainty of any potential enemy that this is the case.

Third, the soundness of the American dollar and our economy.

Watergate has shaken the first. Let us not threaten the second and third by waste in military spending.

Those billions we are wasting on nonproductive, nonneeded military spending abroad could be far better spent on domestic needs—or simply left unspent which, I suppose, is a new but perhaps refreshing idea.

An idea as new and refreshing as, after all these years, a balanced budget.

OCEAN SCIENCE NEWS

Mr. METCALF. Mr. President, the authoritative "Ocean Science News" newsletter published in Washington recently included two articles which are of interest and importance as our delegates prepare for the United Nations Law of the Sea Conference, a 10-week session which begins in Caracas on June 20.

Newsletter editor John R. Botzum devoted a major part of his May 10 issue to the announcement of the formation of the second international deep ocean mining consortium, to speculation that at least two more will be formed, and a discussion of the yet to be defined role of the National Oceanic and Atmospheric Administration in this complex and vital area.

The May 24 issue includes speculation that the world's first commercial deepsea mining venture may be under the Japanese flag.

I ask unanimous consent that the above-mentioned articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

OCEAN SCIENCE NEWS

A second international deep ocean mining consortium was announced this week. Look for a third to be announced shortly—probably before 150 nations meet in Caracas, Venezuela, 20Jun–29Aug at the Third U.N. Conference on the Law of the Sea (OSN, 7, 14, 21 Dec). A fourth consortium is a possibility.

The latest entry into the ocean mining sweepstakes is Deepsea Ventures Inc., Gloucester Point VA, a subsidiary of Tenneco Inc., Houston. Deepsea President Jack Flipse announced in Houston at the Offshore Technology Conference (OTC): Nichimen Co. Ltd., C. Itoh & Co. Ltd., and Kanematsu-Gosho Ltd., all of Tokyo, have signed with Deepsea for a 3-year, $20 million "assessment of a selected Pacific Ocean ore body, the testing of mining and processing systems, and the market testing of the products recovered." Another company (European, most likely) will be joining the American and Japanese firms at a later date. The first international consortium in the field was announced in January (OSN, 1Feb)—a group of five headed by Kennecott Copper Corp., NYC, and including one Japanese firm, Mitsubishi Corp., Tokyo. The expected third consortium will be headed by International Nickel Co., NYC, and will also include Japanese and European companies. Finally, a fourth international consortium could be headed up by Summa Corp. of Houston. The Howard Hughes company is said to be engaged in discussions with several firms on two continents.

There are three elements not to be overlooked as these consortia are set up: (1) the impact on the Law of the Sea Conference; (2) the effect on the U.S. Congress; and (3) the presence of Japanese firms in all of them. Faced with the existence of international consortia, each with a built-in constituency of powerful, marine nations, the U.N.'s chances for creating an international agency to manage deepsea mining ventures appears slim indeed, at least in the form envisioned by the architects of the "common heritage of mankind" principle.

House and Senate consideration of ocean mining bills takes on a new emphasis with the creation of the consortia. Ultimately, any U.S. ocean mining bill will have to recognize the existence of them, and the chances for a bill appear stronger as each group of mining companies establishes itself. Also, without any agreement in Caracas, Congress becomes more prepared to act this year. Rep. Thomas Downing (D-VA) told OSN: "If Caracas produces nothing (which I expect), then Congress will enact legislation this year." Downing argues that if Congress had passed his ocean mining legislation earlier, then the U.S. companies would not have needed to set up or join these consortia, in order to find protection for their investments through multi-national groups. On the other hand, the need for additional capital is a very good reason for the joint ventures.

Finally, the Japanese role in all this is fascinating. They have their own mining system, the continuous line bucket (CLB) method, yet they are joining every consortium that comes along—a beautiful example of bet hedging! (Also, the Japanese hope to get some ship construction contracts.) They are working closely with the French (CNEXO) to bring their CLB system to operational status as quickly as possible. U.S. experts, sold on their own hydraulic concept, have yet to exhibit much confidence in CLB. While some Japanese say they can mine commercially in three years, the mining system is only one part of the total, system, which must include processing the ore and marketing it. True commercial production still seems at least seven and possibly as many as 10 years away.

Where are all these companies going to be operating? With the possible exception of the Japanese CLB-users, in the "nodule belt" which runs through the southwest and south central Pacific (5° N to 20° N and 110° W to 180° W) in water depths of 15–16,000 ft., overlain by the North Pacific Equatorial Current and the North Pacific Counter Current. In this area, the pioneer deep ocean miners will find ore that's at least (dry assay) 20% manganese, 1% nickel, 0.8% copper, and 0.2% cobalt—those percentages being the cutoff point, according to one "viable" economic model (see "The Selection & Sizing of Tracts Comprising a Manganese Nodule Ore Body," a paper by Raymond Kaufman, Deepsea Ventures, delivered this week at OTC).

Natl. Oceanic & Atmospheric Administration's role in deep ocean mining has yet to be fully defined, although the Commerce Dept. agency announced the establishment this week of a Deep Ocean Mining Environmental Study (DOMES) under the direction of John W. Padan at the Pacific Marine Environmental Lab, Seattle. Padan, who headed up the now defunct NOMES (New England Offshore Mining Environmental Study) won't move from Boston until next month. His operation in Boston was the target of a good deal of pressure from environmental groups, and he seems certain to face similar troubles in his new job. Wilmot Hess of the NOAA Environmental Research Lab at Boulder CO will oversee the whole DOMES effort.

Criticism of the size of the DOMES project is already being voiced by industry, which feels the Padan announcement is little more than a public relations gesture. Inside NOAA a $2.9 million program for FY75 was rejected, and limited $125,000 or so program approved which will involve preparatory work only to the larger effort—like a survey of the existing literature and the start of an operational plan for conducting baseline studies in the nodule belt.

The project development plan for DOMES as originally conceived calls for a three-year, $7.8 million program, broken down as follows:

In millions of dollars]

	Fiscal year—		
	1975	1976	1977
Shipboard equipment	0.4	0.2	0.1
Ship support	.6	.6	.6
Contract field research	.7	.7	.7
Contract laboratory research	.6	.4	.2
Model development	.3	.2	.2
Project management (including data)	.3	.5	.5

This 3-year project, when and if it comes about, would provide a complete assessment of the environmental factors associated with the new industry well in advance of full production mining. The two phases of the study are (1) the acquisition of basic data in fiscal year 1975–76 on the environment of the Pacific nodule belt, and (2) in fiscal year 1977, an attempt, in cooperation with the ocean mining industry, to test and refine predictive models developed in Phase I during prototype mining equipment tests. The main goal of DOMES is to identify potential environmental problems and to develop guidelines for the design of mining equipment and operational techniques. The potential relevance of the National Environmental Policy Act (NEPA) to a mining venture in the middle of the Pacific Ocean has best been summed up (OSN, 1 Mar) by Robert McManus, the one-man oceans division of Environmental Protection Administration. On the other hand, without a U.S. ocean mining law, no permit is required for a U.S. citizen to go to sea, so NEPA isn't relevant, many observers argue. Whatever the relevance, no one has sufficient information with which to assess the impact of deep sea mining on the marine ecosystem, and there is no doubt there will be major controversies about it. One reason for getting these environmental studies going: With commercial mining due to start by 1980, corporate decisions on mining equipment design and production techniques must start to be finalized by mid-1975.

The potential environmental impact of deep ocean mining systems: They will (1) disturb benthic habitats and destroy some organisms in the direct path of the system; (2) suspend sedimentary material stirred up by the system; and (3) introduce sedimentary material, associated benthic organisms and nutrient-rich bottom water into various layers of the water column, including the surface layer.

The introduction of bottom water and sediment into the upper water column appears to be the more complex issue. Trace metals brought to the surface could inhibit or stimulate photosynthesis and might accumulate within the food web and become concentrated in the higher trophic levels. More likely, though, would be increased photosynthesis and productivity resulting from the high nutrient content of the bottom water. Another possibility: Planktonic spores buried in bottom sediments could be discharged into the surface layers where they may revive and introduce rare or new species into the euphotic zone. All this action could affect commercially important tuna and billfish which spawn in that part of the Pacific—yellowfin, bigeye, skipjack, and so on. One element of the problem: These fish may actually be attracted to the area by the mining operation.

Lamont-Doherty Geological Observatory of Columbia U. did some preliminary work on the environmental effect of nodule mining as early as 1970 on the Blake Plateau off the U.S. mid-Atlantic coast. In 1972, baseline conditions (physical, chemical & biological) were determined on the Bermuda Rise. About the same time the Japanese ship Kyokuyo Maru was monitored by a U. of Hawaii ship as it tested the CLB system in the Pacific. What NOAA calls "a first baseline study" will end about 15 May when a team of 14 oceanographers led by Oswald Roels of City College of New York returns to Honolulu after a month's cruise aboard the U. of Hawaii R/V Moana Wave. The trip, partially sponsored by $15,000 of industry money, covered a 10,000 sq. mile patch centered on 8°N, 151°W. (Other sites which cover the full range of environments are 5°–7° N, 170° W and 12°–15°N, 140°W.) Summing up: These very preliminary efforts have not suggested that mining disturbances will be very great.

Under John Padan the first step will be the establishment of a technical advisory committee. If the original NOAA plan were in effect, an initial predictive model would be finished a year from now, and the first preliminary environmental guidelines would be ready by Jan. 76. Final guidelines would be available in July 77. The overall federal management role of DOMES is seen to include: (1) An executive committee consisting of representatives from NOAA, Interior Dept. and industry for management direction and policy guidance; (2) a project manager to oversee day-to-day operations; (3) a staff support office for budgeting, scheduling, logistics, and safety; (4) a chief scientist; (5) a field operations manager; (6) a laboratory operations manager; (7) a data manager; (8) a project advisory committee of outside experts for periodic review, including a technical panel of scientists, and a user's panel.

Machinery would be set up to insure industry complete data in order to design its equipment and operating procedures to meet environmental impact findings. NOAA would provide consulting services to industry on specific environmental problems, and an equipment pool would be established for use by industry when not being used by NOAA. Industry would be encouraged to contract with NOAA labs for water chemistry, biota identification, population counts, productivity measurements, and the like, on a cost reimbursement basis. Finally, a clearinghouse would be set up at Natl. Oceanographic Data Center for all environmental data pertinent to marine mining. All new pertinent environmental data collected by industry, government, or academic institutions would be incorporated into the bank.

OCEAN SCIENCE NEWS

The world's first commercial deepsea mining venture may well be under the Japanese flag. The U.S. may be ahead technologically in deepsea mining, but that's no guarantee the U.S. will be the first nation to commercially mine manganese nodules. That was the impact of remarks yesterday (23 May) by Jack Flipse of Deepsea Ventures to the American Oceanic Organization, meeting on Capitol Hill in Washington, D.C. Flipse indicated that Tenneco, the parent company of Deepsea Ventures, could well decide to conduct its business outside U.S. jurisdiction.

Flipse revealed some intimate details of his firm's agreement with the Japanese on the deepsea mining consortium recently announced (OSN, 10 May). Thus, if at any time during the life of the agreement among Deepsea Ventures, Nichimen Co., Mitsubishi, etc., the U.S. firm should decide to pull out, the Japanese have the right to "buy out" the whole operation. Flipse says this also applies to the Kennecott consortium announced in January (OSN, 1 Feb). Obviously, as previously indicated in OSN, the Japanese are assuming a commanding position in all of the consortia set up or contemplated, even though all the consortia depend on U.S. technology—with the exception of the continuous line bucket system. Another factor not to be overlooked: All the consortia, says Flipse, contain clauses calling for the individual country represented to get a share—equal to its firms' participation—of the product. In the rapidly developing race for minerals resources, Flipse regards this as the raison d'etre of the consortia.

The U.S. position at Caracas, opined Flipse: As we enter into negotiations at the U.N. Law of the Sea Conference (20 Jun–29 Aug), we start "from an extreme fallback position"—the U.S. has "tabled a document as poor as we can live with . . ." Flipse worries that the deep ocean mining issue will become a "trading good" in the U.N. market place in Caracas. Asked what LOSC means to him, the Deepsea prexy commented: "LOSC is marginal if it flies, but it's not very promising as a real solution . . ."

As to Tenneco's ultimate relationship to the U.S., Flipse noted that "we can sell out. If it won't go (under U.S. jurisdiction) it will go somewhere else (i.e., in another country). Tenneco is domesticated in 23 countries." Deepsea Ventures already has faced up to the fact, for example, that it may well have to operate its mining ship under the Japanese flag.

THE LAWYER'S PROFESSION

Mr. McGOVERN. Mr. President, Archibald Cox, our former Special Prosecutor, recently delivered an address at the University of Virginia law school which I think has particular relevance to a matter on which we who serve in the United States Senate may soon be asked to pass judgment.

Professor Cox discusses the impact of the case of the United States against Nixon, now pending before the Supreme Court, in which the President's right to withhold evidence of alleged wrongdoing on his part and that of his subordinates from the courts and the Congress will be decided. He concludes that—

> Should the courts order production, as Judge Sirica already has, failure to comply would in my judgment be the most serious of impeachable offenses. For although seeming to deal with a small point of evidence, the refusal would in truth defy the essential

constitutional guaranty that *the Executive be under the law*. (Italics supplied.)

Although I am not a lawyer, it seems to me that Mr. Cox has grasped the essential point. We pride ourselves on being a government of laws, not men. But if one suspected of criminality is permitted to determine what is or is not relevant to an inquiry into his conduct, then that man is holding himself above the law.

I do not know what the evidence will finally show, nor what the House will decide. But it seems to me that we in the Senate should commence now in thinking about and debating what standards we should apply, should the matter come to us for judgment. The Cox speech discusses many of the issues with great learning. I commend his views to my colleagues, and ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE LAWYERS' PROFESSION

(By Archibald Cox)

Oliver Wendell Holmes, Jr., hesitated in entering the legal profession, and it was many years before he was satisfied that he could fulfill his strong wish to live greatly, within the law. Yet when Holmes was ninety he said to a friend that if the ceiling should open and a great voice speak summoning him to his Maker, he would reply "I am ready, Lord, but may I have ten more minutes."

And so I welcome you to a profession in which one can aspire to live greatly, and thus enjoy the fulfillment of the effort.

I

What is it about the law that offers such fullness of life?

To Holmes as to most lawyers, it was of prime importance that central to the law is the life of the mind—perhaps I should say the life of the intellect. The way of the law is not the way of the artist or the poet, or even of the writer who would record the stream of consciousness without organization or elimination of the irrelevant. We are wordsmiths because words are the tools for expressing with the required exactness and consistency the concepts, the rules and forms of organization—for creating the institutions—that enable men to live together. The good one can accomplish by skilled legal craftsmanship never ceases to amaze me, but the words and concepts the skilled lawyer finds so delightful as tools must never become the master. The law's concern is men and women, their daily lives, their joys and sorrows, their fears and aspirations, their mean pursuits and high adventures. Without sympathetic understanding of life, perhaps without understanding the persons with whom he deals better than they understand themselves, a lawyer is not worthy of the name. This involvement with people touching every aspect of the panorama of human existence is a second, prime source of satisfaction in the lawyer's life.

Third, an infinite variety of pursuits falls within the boundaries of the profession. Some of you may find, as I have, that nothing engages and therefore satisfies one's whole being quite like argument of a public cause in a high appellate court. John G. Johnson, a great advocate 60 or 70 years ago, two or three times rejected appointment to the Supreme Court of the United States. Each time an intimate friend pressed him for the reason. At last Johnson replied—

"You finally want me to tell you the true reason? I'd rather talk to damn fools than listen to them!"

Others, with the capacity to recreate and relive human events and a flair for the dramatic, may find their forte in jury trials. Industry, both management and labor, and finance will attract more; still more become family advisers and trustees; still others will devote themselves to private associations serving disadvantaged groups and other segments of the public interest. Tens of thousands of lawyers become judges and government officials. Though we often speak of being a lawyer as if it were a single vocation, in fact there is a wide range of careers within the law.

All these things offer lawyers lives filled with unusual variety, challenge and satisfaction, but surely it is not these things alone that enable a man to live greatly in the law.

II

The lawyer's compass, the ideal that gives coherence to our profession, the scope that enables a man to live greatly in the law, is marked by our heritage. We inherit the tradition of seven or eight centuries of continuous concern for the institutions and aspirations—for the processes, standards, ideals and sense of right and justice—that make for a free and civilized society. It is not the age of the profession that matters, nor even the inspiration gained from knowing that we tread the path marked by Coke and Erskine, John Adams and Brandeis, Charles Houston and Thurgood Marshall. What matters most is that through the centuries the men of law have been persistently concerned with the resolution of disputes and the organization of human endeavors in ways that enable society to achieve its goals *with a minimum of force and a maximum of reason*. Every practicing lawyer whether he deals in constitutional issues, advice to corporations, collective labor agreements or wills and domestic relations, is concerned with the rules and forms of human organization—to put it most simply, with helping people to live together—not by power, be it physical, economic or even political, but by what reason tells is just. Our commitment is to law and legal institutions as a substitute for force and therefore man's best hope of mutual respect for human dignity, liberty, change and progress.

II

Law in this sense depends upon voluntary compliance, and compliance upon the notion that the law binds all men equally, the judges no less than the judged, the governors no less than the governed, the highest officials equally with the lowliest citizens. Two questions of this kind were raised last October—at least as I saw the problem.

One was whether the President would be permitted to set himself above the law by refusing to comply with a court order for the production of documents. The refusal defied a constitutional tradition handed down from the Sunday in 1612 on which King James, taking offense at the independence of his judges, cried out—

"Then I am under the law—which it is treason to affirm."

And Chief Justice Coke replied—

"Non sub homine sed sub Deo et lege."

Justice Jackson expressed the constitutional tradition in the Steel Seizure case in 1952—

"With all its defects, delays and inconveniences men have discovered no technique for long preserving free government except that the Executive be under the law * * *"

And President Truman strengthened our constitutionalism by following the Supreme Court decision and returning the steel mills to the owners despite the exigencies of a labor dispute in time of war.

The second question raised in October was whether, on the one hand, our system of government secures opportunity for the full and impartial investigation of wrong-doing at the highest levels of the Executive Branch according the usual processes of law or, on the other hand, a Chief Executive can thwart the search for facts by a personal fiat inescapably influenced by self-interest and concern for his friends. This question was raised by an order to the Special Prosecution Force not to pursue the usual course of law in seeking evidence from the White House even to the point of a judicial ruling.

Last October the people gave unmistakable answers to both questions. Within days the court was assured that the tapes and documents would be produced. Within weeks, the independence of the Watergate Special Prosecution Force was restored, the staff unimpaired, and a vigorous and independent Special Prosecutor was appointed. The sequence of events demonstrates better than any other occurrence within my memory the extent of this country's dedication to the principlle that ours is a government of laws and not of men. It gave proof of the people's determination and ability to insist that the highest officials shall meet their obligations under the law as fully and faithfully as others.

I recall these events because it seems to me that we are near the point where the people have need to express themselves upon these points as clearly and forcibly as before.

The Special Prosecutor has subpoenaed additional materials in the Executive Offices in aid of the Prosecution of the alleged Watergate cover-up. The President has refused to produce the subpoenaed documents. When stripped of technical jargon, the question raised is very simple: Shall guilt or innocence in the criminal trials of White House aides be determined upon full consideration of all the evidence found relevant, competent, and unprivileged by due process of law or shall the evidence from the White House be confined to what a single individual, highly interested in the outcome, is willing to make available. In the latter event, our system of government provides no way of assuring a full and impartial inquiry into wrongdoing at the highest levels of the Executive Branch.

I do not mean to slide over the claim of executive privilege. The claim—one must assume—is made in good faith. When made in court, judicial machinery exists for the ruling upon it according to law. In this context the claim of executive privilege rests entirely on the notion that giving confidentiality to discussions of policy and other governmental problems within the executive branch will produce more candid advice and deliberation, and these are thought to be in the public interest. Most of us would agree, under normal circumstances, and respect the privilege. But here there is a showing that criminality corrupted the same high levels of the executive branch, and that the evidence of what was said or written is material to ascertaining the truth of the charge and restoring integrity to government. The court must therefore balance the value of complete investigation of the prima facie wrongdoing against the harm, if any, done to the value of encouraging candor in executive deliberations by holding that the executive privilege of confidentiality is lifted upon a prima facie showing that it cloaks evidence of crime. On this question, perhaps, judgments may differ. I find it hard to believe that the courts will not follow the eloquent words of Justice Cardozo in holding that even the confidentality of a jury's deliberations will yield once there is reason to believe that they were tainted by misconduct:

"The chance that now and then there may be found some timid soul who will take counsel of his fears and give way to their repressive power is too remote and shadowy to shape the course of justice. It must yield to the overmastering need, so vital in our policy, of preserving trial by jury in its purity against the inroads of corruption."

Whatever the outcome, submitting the issue to the court and complying with the judicial ruling would not attack the rule of the law. But should the courts order production, failure to comply would, in my judgment, be the most serious of impeachable offenses. For although seeming to deal with a small point of evidence, the refusal would in truth defy the essential constitutional guaranty that the Executive be under the law. It would assert an arbitrary, executive power to block full and impartial inquiry into executive wrongdoing. Submitting the claim of executive privilege for judicial determination, as I have said, does not challenge the rule of law. One cannot say as much for the contention of Counsel to the President that the Special Prosecutor has no standing to request a court order directing the President to produce relevant, competent, and unprivileged evidence.

This is not an argument that the court should judge the public interest in confidentiality to outweigh the need for the evidence, nor even a claim that the former interest is so important that the courts should not review the President's determination. Rather, the contention seeks to forestall any decision according to law at the very threshold upon the theory that the Special Prosecutor may not invoke judicial intervention in a quarrel with the President, his superior in the Executive Branch.

The theory is not easily grasped. Professor Bickel says that there is no judicial jurisdiction because there is no "case or controversy," but the basis for the assertion that there is no "case or controversy" is not quite clear. Is it that the Chief Executive is to be treated not as a potential witness whose duty to produce evidence is a issue but as in charge of the prosecution, making his refusal to give the evidence to the Special Prosecutor a binding instruction that the prosecution is to be conducted without the evidence? But the President has not given such an instruction. He promised not to interfere with the Special Prosecutor and approved the Attorney General's Departmental Regulation giving the Special Prosecutor independence in this regard. Furthermore, the acts of Congress put the Attorney-General, not the President, in charge of criminal prosecutions and the Attorney General vested his responsibility in the Special Prosecutor insofar as Watergate is involved. These are reasons enough to conclude that the President is not in charge of the prosecution, either in law or in fact, unless the earlier act of Congress, the Departmental Regulation and the President's assurances are all unconstitutional nullities because Article II requires the President to have control over all criminal prosecutions even when the offense involves wrongdoing in which he has a disqualifying interest because he may be implicated as well as his immediate aides. Nothing said in Article II states this conclusion, and surely it will be a perverse bit of folly to interpolate when not required by the words.

Is there no "case or controversy" because the President has power to dismiss Attorney General until he gets one who will rescind the regulations and dismiss the Special Prosecutor? The very statement of the proposition acknowledges a present controversy but says that it *may* not continue. It would seem that the existence of present controversy should be decisive, but if the question is to be decided by prediction, surely the Presidential promises not to dismiss the Special Prosecutor demonstrate sufficient likelihood that the existing case will survive to warrant its decision.

The only other ground that occurs to me for denying the existence of a case or controversy is the mystical idea that the Executive Branch has such unity as to bar one member from complaining that another member is acting contrary to law, and I suppose that the assertion might be added that it violates the separation of powers for the Judiciary to intervene in a controversy between members of the Executive Branch. But the latter point is really an argument that the Judiciary lacks power to order the Executive to give testimony or produce evidence and should stand or fall regardless of whether the Special Prosecutor or the defendant seeks the subpoena. If a private defendant could secure judicial aid, there is no practical reason to deny the Special Prosecutor equal standing except to support the Chief Executive's actual or potential control over the prosecution; and this takes us back over grounds already rejected. Even more important is the untoward consequence of embracing any such theory of executive unity: it would deny the country any way of assuring itself that wrongdoing high in the executive branch will be investigated and prosecuted independently and according to law even though it reaches high enough in the Executive Branch to put part of the evidence within the control of the President.

The claim of Presidential power to thwart the prosecution of former White House aides upon evidence that independent prosecutor deems material is accompanied by a parallel assertion of power to withhold from the House Judiciary Committee evidence that it determines material in ascertaining whether the President has been engaged in serious wrong-doing. The issue is easily confused by constitutional jargon and because a mass of evidence has been produced, but one hopes that the Bar and later the country will come to see it clearly for what it is. The President's lawyers say that he may not be indicted and that his guilt or innocense of wrongdoing must be decided by the processes of impeachment beginning in the Judiciary Committee of the House of Representatives. Plainly, any such investigation will usually depend upon inquiry into what happened in the Executive Offices and much of the evidence will be under the President's control. If impeachment is to be a viable method of inquiring into alleged executive misconduct, the House of Representatives—the grand inquest of the Nation—must have a right of access to whatever evidence it judges necessary. Here the House is the tribunal; no court can judge the question or enforce the subpoenas. Withholding from the House evidence it judges necessary to the inquiry is therefore a defiance of the only process the Constitution provides for dealing with substantial charges against a President.

If the President refused to supply any evidence in his possession, the defiance of constitutional processes would be so plain, that all would perceive it. The principle is exactly the same when he picks and chooses what he will supply. In my view, the refusal to comply with the Judiciary Committee's subpoenas denies Presidential accountability through a constitutional process the framers were careful to provide. Failure of the Committee to treat the refusal as a major ground for impeachment would go far to concede that executive wrongdoing is beyond the reach of any form of law.

III

I hope that I have not abused your good nature dwelling at length upon what I see as a Presidential threat to the administration of justice and the ability of the government to purge and redeem itself by thorough, independent investigation, and prosecution if warranted, when there is reason to fear wrongdoing towards the top of the Executive Branch. I had planned a different address about the legal profession, but the events of last week moved me deeply.

Still, before I close, may I speak a word of confidence in the future of law, government, and the legal profession. If one's attention becomes transfixed only by the seamy side of Watergate, he is likely to conclude that passion, arrogant grasping for power, cynicism, and distrust have eroded self-government, while the misdeeds of lawyers in high office are destroying confidence in the legal profession. But there is another side to Watergate. The response has proved the conscience of the Nation. It is more important to know that our idealism is alive than that some men have proved unfaithful.

My own college commencement was 40 years ago. When I look back over those four decades, I think I see reason, despite all the shortcomings, not to give up upon law or men. In that time two peaceful revolutions were accomplished within the rule of law. The New Deal revolutionized our theory of government, brought a measure of control over industry and finance and immeasurably increased both opportunity and protection availability to industrial workers. There was a tremendous transfer of economic and political power. The decision in Brown v. Board of Education 20 years ago launched the civil rights revolution—again within the framework of constitutionalism and the rule of law. You are also familiar with the extraordinary reforms in the protection of individual liberty, the opening of the political system, and the improvement of criminal justice worked by the Warren Court.

That the accomplishment is small compared to what needs to be done scarcely needs saying to a generation of men and women that measures things by the gap between what is and what ought to be. May you keep the honesty and courage to face our faults, our follies, and our capacity for evil. I hope you will have the greater insight to perceive that your chosen profession holds unique opportunities little by little to improve man's lot, and also the greater courage to pursue that vision. You will not succeed entirely; no one does. But I wish you luck and promise joy in the endeavour.

CONCLUSION OF MORNING BUSINESS

The **PRESIDING OFFICER.** Is there further morning business? If not, morning business is closed.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975

The **PRESIDING OFFICER** (Mr. METZENBAUM). Under the previous order, the Senate will now resume the consideration of the unfinished business, S. 3000, which the clerk will state.

The legislative clerk read as follows:

A bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vessels, torpedoes, and other weapons, and research, development, test and evaluation for the armed forces, and to prescribe the authorized personnel strength for each active duty component and of the selected reserve of each reserve component of the armed forces and of civilian personnel of the Department of Defense, and to authorize the military training, student loads, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, what is the pending question before the Senate?

The PRESIDING OFFICER. The pending question is on agreeing to the amendment—No. 1346—of the Senator from South Dakota (Mr. McGovern). The time for debate on this amendment shall be limited to 3 hours, to be equally divided between and controlled by the mover of the amendment and the manager of the bill, with 30 minutes on any amendment to the amendment, and 20 minutes on any debatable motion or appeal.

Mr. ROBERT C. BYRD. I thank the Chair. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Nunn). Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, just a point of order on the amendment being offered by the Senator from South Dakota (Mr. McGovern). I invite his attention to the fact that the amendment, the way it is now, on page 3, line 13, refers to another subject. I believe he got the original language from the first print of the committee bill.

I would, therefore, suggest that he ask unanimous consent that the language be changed so that it will refer properly to the section.

Mr. McGOVERN. Mr. President, I appreciate the Senator's calling my attention to that technical error.

I ask unanimous consent that the amendment be so changed to relate to the appropriate point in the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. I thank the Senator from Arizona very much.

Mr. GOLDWATER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is on agreeing to the amendment No. 1346 of the Senator from South Dakota.

Mr. McGOVERN. Mr. President, there are two parts to the pending amendment, No. 1346. The first is a requirement for an independent cost effectiveness study of various strategic air options. The second part of the amendment calls for a reduction in funds from the $455 million recommended by the committee to $200 million, a net reduction of some $255 million in the so-called B–1 bomber program.

I am going to discuss the study requirement of the amendment in more detail at a later point, but I want to stress at the outset the reasons why I think $200 million is an adequate level of funding for the B–1 bomber in the coming fiscal year.

The effect of this amendment would be to postpone a production decision on the B–1 past the November 1876 deadline that is contemplated under the current program.

The amendment does not kill the B–1 program by any means but it does postpone the decision to proceed with production. I would expect the reduction to be apportioned over the various parts of the research and development effort. The effect would be a delay of more than 1 year because it would be necessary to gear back up, if we decided to complete the B–1 development program.

I should like to begin this discussion today with the assumption that the aircraft will not be built. That is my own deep conviction. After studying the B–1 bomber and the arguments for it and the arguments against it over a period of several years, I am convinced in my mind, no matter what decision we make today, that it will not be built as a part of the Air Force.

It will certainly not be built in the quantities now contemplated, roughly 244 aircraft. If we were to build fewer bombers, it would mean an astronomical increase in the cost per airplane—already a whopping $61.5 million per plane.

Three years ago, we were told that this aircraft would cost somewhere around $25 million, but the cost is now advanced to $61.5 million. If we were to reduce the number to be built, the individual cost, of course, would increase a great deal more.

The B–1 bomber would show up much more poorly on any cost-effective comparison if the $3.5 billion in research and development money had to be apportioned over a smaller force and if we lost the unit cost advantages of large-scale production.

I realize that this is the kind of assumption no one likes to make while we are still in the middle of a research and development effort.

The question will be asked, why should we turn in down before we know whether it can perform, before any of the prototypes have even flown?

I am sure we will hear arguments on the Senate floor saying, "Let us go ahead and build the prototype models and get them into operation and see whether they come up to the specifications that the designers have in mind."

Well, Mr. President, for the purpose of our decision here today, I am willing to accept the Air Force estimates of capabilities. For the sake of argument, I would be willing to concede that the aircraft will meet all the specifications its designers think it can meet. That is a generous position, I think, considering that the projected capabilities have been steadily slipping and the weight of the aircraft has been climbing over the past several years.

In an effort to hold down the cost, some of the original advantages of the aircraft have been eliminated. But as I said, for the purpose of discussing this amendment, I would be willing to give the Pentagon and the contractors the benefit of the best case analysis, that is, that the aircraft will do precisly what they say it will do.

But what I am contending is that even with that concession, the enormous cost of the B–1 cannot be justified by the nature of the threat that faces us, or the slight improvement it would make over the B–52/FB–111 combination, or by the missions it is supposed to perform.

In other words, even if this complicated new bomber does every single thing its designers say it will do, my argument is that we do not need the aircraft.

Remember that we already have spent more on this program than we spent on the B–70; and I contend here today that everything more that we put from this day forward into the B–1—at least, everything that goes beyond what it takes to keep the program on hold until the alternatives have been reexamined—will prove to be money that is thrown away by Congress.

The earlier answer to the strategic bomber requirement, the B–70, is now resting in an air museum at Wright-Patterson Air Force Base, in Ohio, and it is a $1.4 billion museum piece. That is really all we got out of this investment in the B–70. It is an embarrassment to everyone who promoted it as the strategic bomber of the future.

Many of the same arguments that we will hear advanced here today for the B–1 were argued on this floor for the B–70, and now it is in a museum, to remind us of an expenditure of nearly $1.5 billion that produced nothing.

I remind my colleagues that it is not an embarrassment because it failed to measure up to specifications. The B–70 could fly pretty much the way it was designed to fly. The trouble was that we were building a high altitude aircraft to send up against surface-to-air missiles that could fly just as high and many times faster than the B–70. It was the wrong design for the wrong mission.

The B–1, in my opinion, will prove to follow precisely the same path, or nearly the same path, as the history we had with the B–70. We have already spent more than $1.6 billion on the B–1, which makes it more expensive at this point than the B–70. By next year at this time, we will have one flying prototype, if we go ahead with the recommended program as it now stands in the committee bill, and we will then have spent $2.1 billion.

It is my very deep conviction that we will have a $2 billion airplane to put out there in the Wright-Patterson museum along with the B–70. In the meantime, we will have wasted more money that could just as well be saved by the proposal in the pending amendment.

For those who believe there is a role for manned aircraft in our deterrent—and I am one who believes that; I think we do need a bomber in our deterrent force—we would have diverted our attention and postponed actions on alternative designs that could be worthwhile additions to our strategic forces.

Mr. President, I urge every Senator who believes that we need an efficient, reasonably priced bomber deterrent force to consider this amendment, which opens the way for more careful study of alternative possibilities, rather than to move ahead on the present schedule with the B-1. We can start now, with the knowledge that the latest model B-52's, the B-52G's, and the B-52H's, along with the FB-111, can stay in efficient operation through the 1980's.

In other words, we are not really up against the gun on this decision. We have a superb bomber in the B-52 and the FB-111 that will be operational for at least another 15 years and will do the job very well. The difference between those bombers and the capability of the B-1, for all practical purposes, is highly questionable.

We have 255 B-52G's and H's and 66 FB-111's, organized into an operational squadron, and that is an incredible strike force, capable of unloading an enormous payload. They can carry some 13,572,000 pounds of payload. With the nuclear-tipped, short-range attack missiles we are now adding, that force, without our missiles, without our Minuteman missiles, without our submarines, can strike some 2,826 different targets with nuclear warheads in the medium kiloton range. That is more than 10 times the number of population and industrial targets there are in the Soviet Union that are worth being hit, if our aim is to deter a nuclear attack. That, in fact, is the strategic bomber force we have been operating with for a number of years.

We have other B-52's still operational—the 120-D models and the 22-F models—but they have been used either for training or for assignment to conventional roles. Unlike the later model G's and the H's, the D's and F's were not designed for flying at low altitude, which is now seen as an essential method of penetrating even moderately sophisticated defenses. We are putting money into the modernization of some of the D models, but they will still have only a secondary role in any nuclear contest. So if we want to put the B-1 in the force at the beginning of the 1980's, it will be not a replacement for the existing strategic bomber force but an addition to it.

This bomber is sometimes referred to as a follow-on bomber; but under the presently proposed schedule, it will be added to perfectly effective B-52's and FB-111's that will remain in our strategic force well into the 1980's.

It seems to me that someone has the obligation to explain why, in the next decade, we must have a dramatic increase in the size and the total payload of our strategic bomber force. What has happened or what is foreseen, at a time when we are supposedly improving our relations with the Soviet Union and with the Chinese, to justify a dramatic increase in the bomber payload, at a time when we are increasing the capabilities of our Minuteman missiles, our submarine missiles, and our attack forces?

If we count the B-52D's and F's in the present force, which I think probably overstates it, we get a payload of almost 21 million pounds. It is 13.5 million pounds if only the late model B-52's and FB-111's are counted. In other words, assuming that we take the payload carried only by our best bombers, we now have about 13.5 million pounds. If we were to add the B-1 to that strike force in the decade of the 1980's, our payload would then move to 52 million pounds, an increase of some four times the size of our present capability; and with the SRAM missile, we would be able to carry more than 6,000 nuclear force loadings, and probably more, compared to the 2,800 we can carry now.

Here, again, what is the explanation of this huge increase in the bomber force, at a time when we are supposedly moving toward a better accommodation with our potential adversaries and, indeed, are in the midst of arms negotiations to reduce armaments, rather than to quadruple the size of a strategic bomber payload.

Do we have some new evidence that the Russians are scattering their population and industry? Are they building more big cities we have to be able to hit? What is the rationalization for this enormous expenditure in scarce materials and dollars at a time when our economy is already under great inflationary pressure to increase so dramatically the bomber force of our country?

There has been a highly sophisticated claim offered that there is a counterforce role for the B-1 bomber. I shall discuss that in some detail later on before this debate is ended. For the present let me say that to have any plausibility it would require considerably more cooperation from the Russians than we can expect in a nuclear war. And it does not strengthen at all the case for this proposed program to increase the payload of our bomber force by more than two and a half times.

Why, then, the urgent need to rush ahead with the B-1 for the 1980's?

The other possible reason is that we expect some development in Soviet defense or counterforce capabilities that would render the B-52's and the FB-111's unsuitable in the 1980's; in other words, some change that the B-1 could get through but these other aircraft could not penetrate.

For that argument to have any validity on the defensive side, that would mean an effective "look down-shoot down" capability; in other words, the capacity for airborne radar that could locate and lock on to these low-flying bombers, and air-to-air missiles or interceptors that could knock them down from above—look down on these low-flying bombers and fire air-to-air missiles or interceptors that could look down on them and knock them down.

The Committee on Armed Services heard testimony on this possibility last year. Maj. Gen. William Evans, who was then the Assistant Deputy Air Force Chief of Staff for Research and Development, had this to say:

> "The most likely solution to the Soviets (deleted). There is no indication that they are developing a look down-shoot down capability. It is estimated, however, that they desire such a capability and could achieve it in the late 1970's . . .
>
> "This would pose a threat to bombers penetrating at low level. However, high penetration speeds, counter measures, and counter tactics would decrease the significance of this threat."

Read closely, this does not suggest that the Soviet Union is building or even planning to build a defense capability that could intercept existing B-52 and FB-111 bombers. On the contrary, the only evidence given is speculation about Soviet desires—hardly a strong justification for a multibillion dollar military program.

Furthermore, that estimate of Soviet desires does not give them any credit at all for commonsense. Under the SALT I agreement they have agreed to remain vulnerable to our missiles—our ICBM's and our submarine launched missiles.

They have agreed not to build a defense against those missiles. Given the multiplication of those forces with MIRV's, it is exceedingly doubtful that they could defend against them even if they had wanted to. But in any case they have agreed not to deploy active missile defenses beyond the two sites allowed by the agreement.

Then why on earth—when they are vulnerable to complete destruction by missiles—would they try to defend against bombers.

I suspect that the Soviet Union is no more anxious to waste money than we are. And listen to what Secretary of Defense Schlesinger says on bomber defenses in the fiscal 1975 annual Defense Department report:

> . . . without effective ABM defenses, air defenses are of very limited value against potential aggressors armed with strategic missiles. This interdependency of antiballistic missile and anti-bomber defenses has been well understood for many years. But as long as there was some chance that we might deploy at least a thin nationwide ABM defense, it made sense to keep open the option to deploy a complementary air defense. Now that the ABM treaty limiting both sides to only 100 operational ABM launchers at each of two sites has been signed, the deployment of even a thin nationwide ABM defense has been foreclosed. . . .
>
> Since we cannot defend our cities against strategic missiles, there is nothing to be gained by trying to defend them against a relatively small force of Soviet bombers.

Mr. President, I suggest if it makes no sense for us to build a costly defense against Soviet bombers knowing we would be destroyed by their missiles in any event in case nuclear war should come, surely on their side the same kind of reasoning is going on. It raises the question as to what kind of consideration on their part has prompted the need for this enormously expensive new bomber system to add on top of the already effective nuclear bomber that we now have, which is infinitely better than anything in the Soviet system.

That is how Secretary Schlesinger explains the continuing reduction in our own continental air defense efforts. And by the same reasoning, under the same SALT agreement, the Russians would gain nothing by building the kind of air defense system General Evans thought they might "desire."

But what if they are that foolish? They have done some foolish things in the past.

If they were to build a "look down-shoot down" capability, the differences between the B–1 and the B–52/FB–111 combination would be slight indeed.

The B–1 would have a smaller radar cross-section and a smaller infrared signature than the B–52. But neither one of those signals would disappear. A system that could detect the B–52's could probably also detect the B–1 if we were relying on these measurements to get us through.

So nothing of the substance has been gained in terms of greater penetration capability.

The B–1 is also slightly faster than the B–52. But at low altitudes it is still a supersonic aircraft. The supersonic capability at low altitudes was a characteristic of the B–1 and that was dropped several years ago, I presume to save money. But regardless of the reason it sacrificed one of the arguments which we were told gave us an advantage over the late model B–52.

It is simply not going to be fast enough to outfly high-speed interceptors. And no manned aircraft is going to be fast enough to outfly surface-to-air or air-to-air missiles that can travel thousands of miles per hour.

I think a very large proportion of either the B–1 or the B–52/FB–111 combination would still get through. Because the key to penetrating advanced defenses is not the radar cross-section, the infra-red signature, or the speed. It lies in defensive avionics, in electronic countermeasures, in chaff, in decoys, in stand-off missiles, and in other steps to either confuse or suppress the defenses. And those same features can be and are being incorporated into the B–52. Not one of those devices cannot be incorporated in the B–52; and, as a matter of fact, they are being incorporated in the B–52.

There is still the question of prelaunch survivability. If either plane can penetrate, then might not the Soviet Union try to knock them out on the ground, before they can even begin their missions?

That is a legitimate question.

In this case, again, the B–52's are quite secure. The attack on our bombers would have to come from submarine-launched missiles because ICBM's would give too much warning. But our B–52's can also take off very quickly, and both they and the tankers are being equipped with quick-start devices so they can be launched with even greater speed. We are also improving our communications systems to shorten the time between warning and launch.

If it lives up to its billing, the B–1 will be able to get off the ground still more rapidly, and it will need shorter runways. But that feature is not essential to its prelaunch survival. Instead it will permit the bombers to be stationed nearer the coasts, so we can reserve inland based for the tankers.

So in sum, neither the strategic outlook nor the age of our existing bomber force can warrant the timetable represented by the fiscal 1975 B–1 program. We can well afford to save some of this money.

I am going to predict again, Mr. President, that we are going to regret it if we do not, and we are going to come back next year, or at some point, and cancel this project. We might just as well begin to take some of the economy measures now that will save us a quarter of a billion dollars of urgently needed funds

In a time of economic trouble, I think every Senator must agree that we should be tough on these programs. We should be looking for every area where money can be saved. More than most other kinds of spending, these military procurement and research and development dollars translate directly into more inflation—into shrinking dollars.

I can understand why the Air Force wants the B–1. It is a dream machine—the ultimate in strategic aircraft. As a former bomber pilot, I am still fascinated by the entire concept. That is one reason why I have spent so much time studying this program for the past 4 or 5 years, because my own emotional reaction is more favorable to the bomber than to the missile; but we have to set aside emotion and sentiment when we talk about the defense of the country.

Here is a swing-wing supersonic gem of a plane. Any pilot would love to fly it. It will look great on the recruiting posters. It is the most advanced aircraft technology can design and money—$15 billion in money—can buy. It is really the Rolls-Royce of the Air Force, and every pilot would love to fly it.

The trouble is that these are taxpayers' dollars we are spending, and they are being poured into an aircraft that we do not need and that does not fit remaining bomber missions.

It may be some sentimental notion of what a sleek looking bomber should be, but it adds very little to the capability of the late B–52's and the F–111's that we now have.

As sure as I am standing here, we will at some point come to terms with that conclusion. Whether it is this year or next year or some time later, we will conclude that there are better and less expensive options, both for the 1980's and beyond.

That is why I urge that along with a truly independent cost-effectiveness study, we reduce the B–1 program in 1975. When it is ultimately stopped—and I am convinced that is going to happen—either by the Congress or the White House or by the Pentagon itself, I do not think any of us wants the assignment of explaining to the American people why we kept pouring their hard-earned money into the B–1 long after we could see that like the B–70, it was the wrong system for the job.

We really do not need another $2 billion museum piece at the Wright-Paterson Air Museum.

Mr. President, I reserve the remainder of my time.

Mr. STENNIS. Mr. President, on the pending amendment how much time is allowed to the opposition?

The PRESIDING OFFICER. Ninety minutes.

Mr. STENNIS. I yield myself 3 minutes.

Mr. President, the committee, through the subcommittee chaired by the Senator from New Hampshire (Mr. McINTYRE), has exhaustively gone through this B–1 program and gave an analysis, first, and then consideration to it. They have come up with this firm figure of $455 million, which itself is a $44 million reduction from the recommendation of the Department of Defense. That reduction will be fully justified. It is a reduction of approximately 5 percent, but they told me—and I have no doubt that they are correct—that to keep this program going, considering the stage that it has already reached, it is not a matter of choice; they just must have this $455 million to go ahead with these three prototypes.

So the question is not whether we are going to make it $455 million or $200 million; the question is whether or not we are going to move along this "fly-before-you-buy" concept. We have just reached that stage, as of course that stage is always reached at some time with any weapon. We have had this B–1 on paper now for 10 years—almost that, anyway. So I think the program will be overwhelmingly justified, without doubt.

That is my position as chairman of the committee, and I am very much concerned that we intrude, after all this money we have spent, and disarrange this schedule, unless we really mean to stop the program.

Mr. President, I have certain additional remarks to make now.

I would like to speak further in opposition to the amendment introduced by the senior Senator from South Dakota, affecting the B–1 bomber program. The Senator is proposing with his amendment to reduce the fiscal year 1975 program by more than one-half, from $455 million to $200 million, and to call for new studies into the bomber mission of the Air Force. This amendment actually would kill the B–1 program.

Mr. President, last year as you know we held lengthy hearings on the B–1 program to get a complete understanding of the way the Air Force wanted to proceed with the program. We were not satisfied that the Air Force or the contractor were properly managing the program. This year, therefore, we were on guard to delve into every aspect of this program that could be examined.

The Air Force presented a request for a fourth development aircraft and for additional new development work. The committee said no to these requests and directed the Air Force to continue along the lines of development that we approved last year under the fly-before-buy concept. This requires that they get some hard flight-test data before committing the program to additional aircraft. To assure that this program could be continued during fiscal year 1975 with adequate funding to avoid any further program delays, the committee added money to the basic development program to allow for unforeseen problems that could arise in the early flight-test program.

With only $200 million in fiscal year 1975, it would no longer be feasible to pursue the fly-before-buy development program that the Senate Armed Services Committee has directed the Air Force to follow in the B–1 program. The development program would be curtailed to a point where insufficient test data would be available to form an adequate evaluation for a sound production decision to be made later. This proposed amendment would require a complete reorientation of the B–1 program and further prolong development with no goal for a production decision.

This proposed amendment also requires further studies to be made regarding the mission of the manned bomber. I should point out here that such a study is now being performed by the Department of Defense and this study will incorporate most, if not all, of the alternative proposals suggested in this amendment. I fail to see where anything would be gained from an amendment directing a further study of this program.

This B–1 program has been studied, evaluated, criticized, and discussed from almost all viewpoints. The R. & D. Subcommittee has extensively reviewed this program and proposed a course of action that we hope will provide a sound basis in fiscal year 1976 for either continuing the program or taking some other alternative course of action. The committee unanimously supports this recommendation. We are presenting to the Senate what we believe is a sound program for fiscal year 1975 and are requesting your full support for this program.

To summarize, Mr. President, the proposed amendment, if adopted, would terminate the present B–1 development program and leave a potential gap in our national security. It will certainly weaken our posture in current SALT II discussions with the Soviets, particularly since recent reports reveal that they intend to seek agreement in future SALT negotiations to end the B–1 program. The Triad of deterrence, which includes a strategic bomber, has been the mainstay of our national defense for many years. The B–1, if successfully developed and if the cost is not too great, will replace the aging B–52 and help guarantee the future safety of our country.

Mr. President, the Senator from New Hampshire (Mr. McINTYRE), chairman of the subcommittee that had all these hearings, is prepared to defend what the subcommittee did. I have talked with him——

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. STENNIS. I yield myself 1 additional minute.

I have spoken with the Senator from New Hampshire, and he expects to take a couple of minutes now and will also speak later.

I yield 2 minutes to the distinguished Senator from New Hampshire.

Mr. McINTYRE. Mr. President, no program took as much time this year in the Research and Development Subcommittee of the Committee on Armed Services as did the B–1 program. The B–1 program has a long career of difficulty on the floor of the Senate. But in our R. & D. work this year, we had the tremendous assistance of the distinguished Senator from Arizona (Mr. GOLDWATER), whom I consider to be the leader in this field.

So if it would be appropriate, Mr. President, I should like to have the initial rebuttal on the amendment of the distinguished Senator from South Dakota (Mr. McGOVERN) made by the distinguished Senator from Arizona. Then I will follow up after that; and then possibly the distinguished Senator from South Carolina (Mr. THURMOND) will wish to speak.

Mr. STENNIS. All right. I consider the Senator from New Hampshire to be in charge of this section of the bill for the committee, and of course the distinguished Senator from South Carolina is the ranking minority member. I thought that the distinguished Senator from Arizona (Mr. GOLDWATER) would be the next logical speaker to respond.

How much time does the Senator from Arizona desire? Thirty minutes?

Mr. GOLDWATER. Thirty minutes, yes.

Mr. STENNIS. Mr. President, I yield 30 minutes to the distinguished Senator from Arizona.

Mr. GOLDWATER. Mr. President, with the pending amendment, the Members of Congress for Peace Through Law are making their annual attack on the B–1. Almost since the B–1 research and development program began, it has been challenged as not being within cost estimates, or as not meeting required performance specifications, or as not being required, or as a combination of all of these.

Mr. President, I intend to address each of these areas as I proceed with my remarks.

The anti-B–1 amendment offered this year would limit the fiscal year 1975 B–1 effort to $200 million, $255 million less than recommended by the Armed Services Committee and $299 million less than requested by the Air Force. The amendment would also require a congressional mandated cost effectiveness study of the manned bomber mission of the Air Force.

Mr. President, addressing the second part of the amendment first, I see no need for yet another study. As has already been pointed out, the Department of Defense is currently engaged in a study almost identical to the one required in this amendment. I believe the major difference is the selection of the analysts and the requirement for a congressional review of the assumptions and methodology. At any rate, the DOD study is managed by the Director, Defense research and engineering—D.D.R. & E.—and is examining the role of the manned bomber and the tradeoffs between various alternatives, such as the re-engined B–52 and the stretched FB–111. I understand that the study is to be completed this month.

As if that is not enough, our committee report encourages the Secretary of Defense to conduct a comprehensive cost-effectiveness study with the option of including participation by the GAO and independent technical, financial, and management experts, to include looking at other alternatives to the B–1. I would note that our report language is not directive, nor was it intended to be, since we were well aware of the ongoing DOD study. However, it does indicate to the Secretary of Defense that the committee would support outside participation if the Secretary felt so inclined.

Personally, at this juncture, I am leery of the motives of those who speak against the B–1 and then call for further studies. I believe their entire effort is really designed to kill the B–1. Therefore, this particular group will never be satisfied until a study has concluded that the B–1 should be scrapped, consequently, the conclusion they are looking for is predetermined. I would suspect that they feel that the only "objective" study is the one that comes up with their predetermined conclusion.

Mr. President, I think this whole subject has been studied to death, and that includes informal as well as formal studies. It may be that some Senators have forgotten that the B–1 is being developed under the fly-before-buy concept. That will preclude us from buying a so-called pig-in-a-poke because we will know what the B–1 can do from its flight test program. Ample data on which to make a production decision will be available. I may say that the B–1 is expected to fly in October of this year. So I suggest to the Senate that further studies, in addition to the one now ongoing, would serve no useful purpose. We should stop all these sidetracking diversions and devote the saved energy to the B–1 program.

Mr. President, turning to the fund reduction recommended by the amendment, I submit a reduction of this magnitude would, in effect, kill the B–1 program. For sure it would cause an unrealistic stretchout of the program to the point of making it completely uneconomical. Even the three-aircraft program is not the most economical way to proceed, but it is acceptable. Anything less will cause an unnecessary waste of funds. For example, with the current three-aircraft program, Rockwell International has encountered difficulty in getting certain small lots of parts fabricated. Many small manufacturers indicated that the small volume was not worth the effort or else they asked an unreasonably high price. To further reduce the program would only compound the problem as well as increase the impact of inflation, an area that has been mentioned by the sponsor of the amendment.

The MCPL report on the B–1 pointed out how the program has escalated by $5.6 billion since the program began in 1970. Actually, the selected acquisition reports—SAR's—show the change has been $5.2 billion, since the estimated total program cost in 1970 was $9.8 billion and the latest SAR estimate is $15. billion. However, the Air Force advises that approximately $4 billion of that estimated increase is directly attributable to inflation, and only $1.2 billion can be attributed to real cost growth, which is a fancy way of saying that cost increases have occurred because of the way the program has been managed. Thought of another way, real cost growth occurs because of our inability to accurately predict all the difficulties we will incur in a program.

Certainly, cost growth cannot be thought of as being exclusive to the B–1. I am hard pressed to think of a program that has not incurred some. Even our own District of Columbia Metro system, to put it mildly, has experienced cost growth. But we never hear about it on the floors of Congress. If we cannot put a train in a tunnel without cost growth, how can we expect to do any better putting a bomber in the sky?

Mr. President, we must remember these costs are in "then-year" dollars so there has to be a lot of crystal ball gazing involved. Therefore, I do not think they mean a great deal and should only be thought of as indicative. If we do not get the inflationary spiral slowed down, the then-year cost will be a lot more. But then, so will everything else and at that point the whole thing becomes academic. However, in my opinion, none of these exercises really serves any useful purpose. The cost of the B–1 is merely a reflection of what labor and materials cost in today's market. The contractor's profit of about 8 percent has not increased, but labor and materials have. And they will probably continue to rise.

The best experts we have in the business have designed an aircraft to perform a mission. It must not only be able to perform that mission, if required, when it enters the inventory in 1980, but it must still be able to perform the mission in the year 2000 and after. We are not building an airplane for a 4- or 5-year life span. This one will have to last 20 years or longer. Surely we cannot afford to have it become obsolescent in any less time. I agree that a program unit price of about $61 million is expensive, but if it lasts 20 years that is a cost of about $3 million per year or about 5 percent of the purchase price each year. However, the average family car these days at about $4,500 lasts about 5 years and costs its owner about 13 percent of the purchase price each year, and that grants the car is worth $1,500 at the end of 5 years. So in relative terms the family car is a more expensive investment for its owner than the B–1 will be for the American taxpayer. I give this illustration only to try to put the B–1 price in perspective. It is a long-term investment that is affordable and one that will contribute to the national security for many years in the future.

Now turning to the management of the B–1 program, I do not give the Air Force high marks nor do I give the contractor great praise for the way the program has gone thus far. To the contrary, a review of my remarks during our hearings this year, as well as last year, will indicate I have been somewhat less than complimentary. But I do have high praise for the first aircraft, which is practically completed, and for the very talented and conscientious people who are able to build this aircraft. It is quite a remarkable achievement.

Now how good is the B–1? Will it do what it is being designed to do? In spite of charges to the contrary, the B–1, as it stands today, meets all Air Force performance requirements. During our Research and Development Subcommittee hearings on the B–1, I specifically asked Gen. John C. Meyer, commander in chief, Strategic Air Command, how he felt about the ability of the B–1 to perform. Our exchange went as follows:

> Senator GOLDWATER. My question is, does the Air Force have performance requirements for the B–1 which, if not met, would cause major modification or even cancellation of the program?
>
> General MEYER. I don't foresee any changes that would result in that sort of consequence. The changes that appeared to have occurred to date, whether we go to the least likely or the most likely or the worst case, all can be easily accommodated within the operational requirements of our plans and of the Strategic Air Command.
>
> The basic reason for this, of course, is the flexibility that you have a big airplane of extraordinary performance to begin with, and you can make trade-offs for those missions which require the maximum range, maximum performance at maximum speeds and so forth. You make tradeoffs with your bomb loads, and in some cases a little bit of extra fuel in the tanker offload. So that we are able to accommodate by operational techniques and planning all of the deficiencies that are envisioned even in the worst case.
>
> Senator GOLDWATER. Well, are you satisfied to date that the B–1 will meet or exceed Air Force performance requirements?
>
> General MEYER. Meet or exceed what?
>
> Senator GOLDWATER. Air Force performance requirements.
>
> General MEYER. Air Force performance requirements. Yes, sir, I am.
>
> Senator GOLDWATER. You are.
>
> General MEYER. I am not talking about specifications. There have been some specifications that may not be met.
>
> Senator GOLDWATER. We have discussed requirements such as subsonic mission distance, penetration distance, withdrawal distance, and penetration speed. I think we have had those figures in the record.
>
> General MEYER. The answer is yes, sir, I am satisfied.
>
> Senator GOLDWATER. Thank you.

Mr. President, a suggestion in the MCPL report was to drop the supersonic capability of the B–1. This, the report implied, would cut several billions of dollars from the cost of the program without any serious reduction in the B–1's important performance characteristics. Earlier the report stated the high altitude supersonic capability was not relevant anyway to the problem of penetrating Soviet defenses. I would point out that the report provides no hard data on how it came to these conclusions. Those who support these statements seem to be forgetting that the B–1 will probably be around until after the turn of the century and with that in mind who has the clairvoyance to say categorically a supersonic capability will not be required to penetrate Soviet defenses.

I also suggest the United States may have other potential adversaries during that same time frame, so it makes little sense to optimize the performance of a weapons system to one particular situation. Although the pendulum has swung toward low-level penetration tactics over the past several years because of the surface-to-air missile environment, that does not mean such will continue to be the case. To me, the odds are it will go the other way.

Let me remind my colleagues that General Meyer, probably more than any other U.S. military officer knows what aircraft performance is required to complete the strategic mission. And if he is satisfied the B–1 has the necessary performance characteristcs to do the job, then I do not see how we can give one iota of credibility to those would be armchair generals and strategists who would change performance characteristics or who claim the B–1 cannot hack the mission.

Mr. President, during a further exchange with General Meyer, we discussed at some length the TRIAD and the role of the manned bomber in that TRIAD. Within that discussion General Meyer spoke about selective response and the B–1. Our exchange went as follows:

> Senator GOLDWATER. One more question for General Meyer. Last week, General Allen told us that if deterrence should fail, the TRIAD gives the nation the capability to respond selectively, and thereby reduce the chances of uncontrolled escalation to a general nuclear war. I have three questions on that. Do you accept that statement as a valid observation?
>
> General MEYER. Yes sir, I do.
>
> Senator GOLDWATER. Second, if deterrence fails, under what circumstances do you visualize a selective response?
>
> General MEYER. My hesitation is to compose the best and quickest example that I can. I think the time has come where the assured destruction as the only measure of deterrence or the sine qua non of deterrence has passed us by. I think that was a very good strategy when we had overwhelming superiority, or at least some measure of supremacy. The time has come now when not only Soviet and U.S. strategic forces are in parity, but it is understood by the world to be so, or nearly so.

Mr. President, I will add that I feel that Soviet forces, in some areas, are superior to the U.S. forces. That is my own observation, not that of General Meyer. To continue with General Meyer's response:

> That raises a question of credibility, of the willingness of the United States to respond to a major adventurism on the part of the Soviets—less than an all-out strategic attack on the United States in any nuclear way—to respond in a way that means a choice of either killing large numbers of Soviets with the certainty of losing great numbers of American lives, or not responding at all.
>
> So I think that it is important that we have a capability to respond in some less massive way so that the credibility of the increased likelihood of such a response will increase our deterrence against lesser adventurism as compared to an all-out attack on the United States.
>
> Now what does all that mean?
>
> It means to me that we could select some targets on the periphery or within the Soviet Union that we could attack with nuclear weapons and that these targets would be targets of high value, something that the Soviets would cherish, and our capability to do that in a selective way would become apparent before we would in fact do so. The Soviets then, recognizing that we do have such a capability to respond to their possible limited use of nuclear weapons, may perceive more readily a challenge by nuclear response if all-out retaliation is not our only option.
>
> How credible would it be? How credible is it if they overran the Middle East and we had used up our conventional cards? How credible would it be if the only next step would be an all-out attack on the Soviet Union? I don't think anybody, including ourselves, believes that we would do that.

I remind the Senate, Mr. President, that this is the Commander of the Strategic Air Command speaking here.

He continued:

I think that it is quite reasonable to believe that we might do something considerably less than that.

And then I think you had a third part.

Senator GOLDWATER. I do. Do you believe selective response is feasible with only the Minuteman or Poseidon force?

General MEYER. It depends upon what your choice, what your selection is, and there are some things which those forces could do.

And here, in the manuscript, I see the word "[deleted]." That means, of course, only that classified material has been withdrawn from the transcript.

General Meyer continued:

Then too, you need more than one missile to have assurance that you are going to destroy the target.

I think it is manifest in such a strategy that you succeed in destroying a target that you select to destroy. And I believe that an aircraft that has the accuracy capability of the B-1 is most ideally suited for such a strategy. [Deleted.]

You have difficulty computing how many casualties you may have over a period of time from the residual effects, but we could use an air burst which would reduce that to an absolute minimum, with no significant collateral damage. It would take very few B-1s. One B-1 could do the job, but you might want maybe two or three to insure that you got at least one there under those kinds of circumstances. You could go for a larger option, more intense option, with a missile force, if you are not concerned about collateral damage or casualties. If you have enough targets, a large missile field, for example, SS9 fields, and you could go after them. [Deleted.]

One other important thing I think to remember is that whatever attrition rate one may assign to a bomber force doing that kind of a job, whatever it is, it is better than the attrition rate on a missile. When you fire a missile, you never get it back. You can argue, if you send in 10 B-52s, whether you get back five or eight, or get four back, but it is not going to be zero as it most certainly will be with missiles. With the B-1 your recovery rate is going to be quite a bit higher than that with B-52s or, obviously, with missiles.

Therefore, in answer to your question, I think the missile is a good weapon for the concept of lesser nuclear options of the higher order, but not of the smaller order.

Of course, if your targets are peripheral, or on the edge of the Soviet Union, then we could do the job with F-4's off of carrier decks or from other airfields, or a little further in we could do it with FB-111's which have accuracies quite similar to what we will have in the B-1.

Of course, for the longer ranges, we would have to use the B-1.

Mr. President, I might interject at this point that the B-52 has an extremely long range, of course. I cannot give you, Mr. President, the range of the B-1. It is classified, but it is a very long-range bomber. In addition, of course, both are air refuelable so range per se becomes somewhat academic. The FB-111 has a comparatively short unrefueled range and, in my opinion, is a bomber that would best be used with tactical forces.

Mr. President, even though part of the exchange has been deleted for security reasons, I believe the utility of an aircraft with the performance characteristics of the B-1 is readily evident. And further, I believe one can see the flexibility provided to the National Command Authority by the manned bomber and that the B-1 will greatly enhance this selective response capability.

Now I am a strong supporter of the need for manned bombers and, in particular, for the B-1. However, neither I nor the committee rubber stamped this year's dollar request of the Air Force. Specifically, the committee denied the request for funds to begin aircraft No. 4 and took the position there was no need to proceed with aircraft No. 4 since it would not provide any additional data on which to base a production decision. In this regard, the committee has tried to adhere to the policy of minimum investment prior to the production decision.

However, let me advise my colleagues that this policy, while less expensive if the B-1 never goes to production, will be more expensive if the B-1 does go to production. It will be more expensive because the way the three aircraft program is now scheduled the contractor will have little to do between the time the three R. & D. aircraft are completed and start of the first production aircraft begins. Consequently, the contractor will have to lay off the majority of his skilled labor team that has been built up over the past 3½ years and, thus, when a production contract is awarded, it will be necessary to rebuild and retrain a new labor force. That will take extra time and extra money and total program costs will necessarily increase. So one of the major reasons for aircraft No. 4 was to bridge this gap to production; the other was the need to build a production configured aircraft—something that will be required and is essential to a successful production aircraft run.

Nevertheless, the program recommended is more conservative. The committee believes that, despite the potential for increased program costs, it is still prudent to continue to make only the minimum investment prior to the production decision, or at least until we have some good flight data. Thus, the funding recommended supports the three aircraft program, a program I might add that for the past 3½ years has been stated as adequate by the Air Force. The $455 million recommended is a very adequate level of funding, including ample management reserve if required. I might add here that the committee was concerned that the original Air Force request of $499 million contained only $10 million as a management reserve, an amount, if past experience is any indicator, that would prove to be inadequate.

Additionally, the committee report indicates it is less concerned with the B-1 making a specified flight date than it is with the flight test data that can be presented to the committee next year. The committee also believe a successfully progressing and on-going flight program could have a significant impact on the fiscal year 1976 program considerations and recommendations. The program recommended, therefore, provides the Air Force adequate funds to proceed with the three aircraft program and into the flight test program for aircraft No. 1.

I believe this is the year of B-1 opportunity for the Air Force. We are, in effect, putting the ball in their court and if the program proceeds as planned, it is my opinion that next year will be the time to move out smartly. I think a minimum of five preproduction aircraft would be in order and I trust that, in any case, the fund request will be indicative that the B-1 is the Air Force's No. 1 research and development program.

Mr. President, the Armed Services Committee has devoted considerable time and effort to the B-1 program. I believe by proceeding with the three aircraft and denying the request to begin the fourth aircraft, the B-1 program is progressing in an orderly and acceptable manner. Further, it is my belief, as well as the belief of the majority of the committee, that further study at this particular time would serve no useful purpose.

Therefore, Mr. President, I urge my colleagues to reject the pending amendment and to support the recommendation of the committee.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. BIDEN). Five minutes remain of the Senator's one-half hour.

Mr. GOLDWATER. I thank the Chair.

Mr. President, several remarks have been made by the proponents of the amendment that I think should be observed here. In the Vietnam war, where the latest Soviet missiles were used, the chances of a high-flying bomber being hit by surface-to-air missiles were not quite as great as expected. However, there is also a real danger to low-flying aircraft from surface-to-air missiles where they can also be tracked. But this bomber will have electronic countermeasures developed to the point where its chances of avoiding surface-to-air missiles are very high. It would have difficulty, of course, avoiding air-to-air missiles that might be launched from enemy aircraft, although these can also be jammed.

So the argument that, as of now, it is in danger, I do not buy, because as the bomber progresses, even though the Soviets progress with their ability in surface-to-air missiles, we will also progress with our electronic countermeasures and the ability to avoid SAM missiles.

The remark was made that the B-70 is a billion and a half dollar museum piece. It was not a museum piece because of the desires of the Air Force. It became a museum piece because the man who was Secretary of Defense at that time, who made more mistakes as Secretary of Defense than all the Secretaries of Defense we have ever had, who almost individually changed the whole course of our military might, on his own volition, his own instincts, said that the B-70 would not be continued—and it was not.

So it is not an aircraft that was dropped by Congress, or dropped by the Air Force, but it was dropped on the whims of one man who I say made so many mistakes that this country will probably never get over paying for it.

We have heard the arguments time and again about updating the B-52.

Even the most modern B–52H's are now beginning to reach the stage of metal fatigue. I do not know how many hours they will go. The old B–52 could stand about 4,000 hours of torture of metal fatigue, and then it had to be almost completely reskinned. The G's and H's are not probably near that yet, but they will be.

The B–52 aircraft, while designed for high altitude flight, has been used more on low altitude flight, particularly training missions, where we can encounter extreme turbulence, and the aircraft is subjected to G-forces that it was never designed to be subjected to.

So updating the B–52's, even re-engining the B–52's, I firmly believe, would result in an airplane that would, in the long-run, cost us more than the B–1. Structurally, I cannot see how the B–52, regardless of what you did to it, could last as long as is planned for the B–1.

As to updating the FB–111, that is a relatively small aircraft. It is very fast, has great penetration ability, and is a wonderful aircraft to fly. I have had a few hours in it. But to extend this aircraft or to stretch it would not make it, by any stretch of imagination, a bomber to replace the B–52 or the B–1.

There are so many advantages of the B–1, that I think we have to go on with it.

In closing, I have to make an observation that I reluctantly make; but I know that all Members of the Senate have received a "Dear Senator" letter this morning from the Federation of American Scientists.

The letterhead contains the names of some of the most famous scientists we have. Many of them are Nobel laureates. But I might just comment that in all my years on the Armed Services Committee and on the Space and Aeronautics Committee, I have never heard this group of scientists come out for any weapons system, or anything we are doing in space, without reservations. I do not think they are right in using the title "Federation of American Scientists." They ought to rename themselves "The Committee Against the Armed Strength of the United States."

I cannot imagine for 1 minute how some of these highly intelligent, highly trained men can come to conclusions that are not based on fact. If one of those men came to me and suggested that we build a certain structure and told me why the structure would or would not work, I would believe him, but he would back it up with facts. There are no facts in this letter. It was probably a matter of a bunch of scientists sitting around a computer, with nothing else to do, and they began to feed information into it and got a wrong answer, as can happen with a computer. If they had used their brains instead of the computer, I think we would be much better off.

I see that my old friend John Galbraith is a member of the Federation of American Scientists. He is a great economist and a fine man, but I am not quite sure what he could do with a slide rule or a computer.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STENNIS. Mr. President, I yield the Senator 5 minutes.

Mr. GOLDWATER. I do not need any more time. I have said all I want to say right now.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. GOLDWATER. I have no more time.

Mr. STENNIS. I yield the Senator 5 minutes.

Mr. THURMOND. Mr. President, I want to take this opportunity to commend the able and distinguished Senator from Arizona for the excellent presentation he has made with respect to the B–1.

There is no question that the B–1 is badly needed. There is no question that the Senator from Arizona is an expert in this field, and I am highly pleased at the facts he has brought before the Senate today.

Mr. GOLDWATER. I thank the Senator.

Mr. McINTYRE. Mr. President, will the Senator yield me 10 minutes?

Mr. STENNIS. I yield the Senator 10 minutes, and such additional time as he may desire.

Mr. McINTYRE. Mr. President, first, I want to say to the able Senator from Arizona, who is a member of the subcommittee, that his statement here this morning is about as strong a statement as can be made in defense of this very important program, the B–1. His presence on the subcommittee—and the full committee, too, for that matter—is of great strength in this area. He has had long experience with the Air Force and has great expertise. We have to restrain him. He is out trying to fly everything the Air Force or anybody else is building. He is a very valuable member of the subcommittee, and I know that the chairman of the full committee agrees. So I congratulate the Senator from Arizona on his fine statement.

Mr. President, amendment No. 1346 introduced by my good friend, the senior Senator from South Dakota, is premature and should be rejected. Let me say that I can fully understand why the Senator from South Dakota comes in here and argues as he does; because this is a program that has had its ups and downs. It is a program that has confused many of us. I wonder to this day whether or not we can build a bomber that can penetrate some of the known Soviet defenses, if that problem should ever come about—and God willing, it will not. It is a program that has been in turmoil.

Last year, in April, the Air Force management team came in and told our subcommittee that everything was fine; they were getting along just handsomely. It was about 2 or 3 months later—in July, I believe—when Secretary McLucas, who had just taken over the job as Secretary, admitted that they had many problems and slippages, that they were having trouble with the contractor, and so forth.

So it is a program that has had its problems, and I can sympathize with why the Senator from South Dakota takes the floor today to try to arrest the program—wrongly, I think, and I will say why.

The amendment contains two major provisions. One would reduce the B–1 program for fiscal year 1975 to $200 million, compared with $499 million requested and $455 million recommended by the committee. The other provision directs the Secretary of Defense to conduct an independent cost-effectiveness study to include consideration of all other alternatives, both aircraft and missiles.

I might say to the Senator from South Dakota that during the years we have had this program before us, we have suggested time and time again that they keep in mind the standoff missile, that they look at other types of programs. The Air Force has a great way of somehow keeping its baby going and keeping right on line. So I can understand why the Senator would like this study, and I will make reference to it at the conclusion of my remarks.

Taking each one of these provisions in turn, holding the fiscal year 1975 program to $200 million would effectively kill the B–1 development program. If that is the intent of the amendment, then it should have proposed denial of all the funds requested and made this the simple issue. A program of $200 million would have the following specific effect.

First. The present engineering development program would be terminated. The program now holds open the option, if the development and test programs are successful and keep within present cost estimates, to proceed into production.

Second. All work on the third prototype aircraft and the fatigue test article would be terminated. The program, in effect, would revert to a two aircraft prototype program which would preclude continuing as a fly-before-buy development program necessary for any orderly development program that could lead to a later production decision. Critically important weapon system test data could not be obtained to complete the development and test program and provide a meaningful basis for the Congress to consider approval of the next phase of the program.

Third. Work should be restricted to the first prototype aircraft and at a very low level, the second.

Fourth. Work on the engine program would be cut in half.

Fifth. Since all effort on the third aircraft would terminate, avionics development would be severely curtailed or terminated.

Sixth. If the program was later to be restored to full engineering development and subsequently production it would approach double the present cost.

Mr. President, that is something we want to avoid; because right now it looks as though the B–1 will probably cost, in production, in the range of $55 million to $60 million each.

Seventh. The initial operational date for the B–1 would be delayed indefinitely.

Let there be no mistake, Mr. President, these effects are of such magnitude that they would force complete termination of the present program. To continue this program at the $200 million level would create serious questions as to any useful benefit that would be worth the cost.

My colleagues are well aware that the committee has devoted more time and energy in its appraisal and oversight of the B-1 development program during the past 4 years than on any other major development program. The committee has been hard-headed and realistic in its continuous monitorship of the Department of Defense management of this program.

Its action last year in cutting $100 million from the fiscal year 1974 request is clear evidence of this attitude, although $75 million was later restored.

Once again, in reviewing the fiscal year 1975 request, the Research and Development Subcommittee conducted an exhaustive review of the progress of the program. This included visits by three different staff members to the contractors' plants, numerous discussions with Air Force and contractor personnel and General Accounting Office specialists. In addition, the Research and Development Subcommittee held four separate hearing sessions, two with the Air Force B-1 program manager, one with the Secretary of the Air Force, the Commander of the Strategic Air Command, and the Deputy Chief of Staff for Research and Development, and the fourth with top level Rockwell program managers.

Now, to put the issue in perspective, Mr. President, the subcommittee initially was faced with two simple but unacceptable alternatives. On the one hand, if it acceded to the Defense Department proposal, it would have approved a fourth prototype aircraft and additional development work that would be tantamount to a commitment to production.

On the other hand, the subcommittee could have killed the B-1 program. Both extremes were thrown out. To have adopted the Defense proposal would have amounted to a complete circumvention of the Department of Defense's own fly-before-buy policy which the committee fully supports. To have canceled the B-1 would have been a prejudgment of the need and affordability to replace the B-52G and H fleet in future years.

Since the McGovern amendment would constitute killing the program, this is ruled out as an acceptable solution.

Mr. McGOVERN. Mr. President, will the Senator yield briefly?

Mr. McINTYRE. I am happy to yield to the Senator from South Dakota.

Mr. McGOVERN. The Senator made one statement that I find just impossible to accept, and that is that a reduction in the amount of money would kill the B-1. I really do not understand that kind of logic. Surely a $200 million authorization for this program would not kill it. That is a lot of money. It does mean they will delay somewhat possible production decisions. Obviously, we could not make this final judgment by November 1976, as the committee bill provides, if we accept the amendment. I admit it would delay the program for 1 year or probably more.

However, the $200 million could maintain continuing research and development and they could maintain at least a skeleton force on the project, and it would prevent a complete gearing back.

That is the reason I suggested that instead of knocking out the program entirely we continue but slow it down and use this next year to cause a more careful, independent quality effectiveness study.

The Senator very generously said he can understand the concern that some of us have and I know the Senator from New Hampshire feels some of that anxiety.

The committee report contains these words:

> In conclusion, the Secretary of Defense is encouraged to direct that a comprehensive cost effectiveness study be conducted with the option of including participation by the General Accounting Office and independent technical, financial, and management experts.

That is exactly what this amendment would make mandatory. It would go one step further and provide that the committee recommendation is correct and instead of making it a recommendation we should require it.

But I fail to understand the contention that a reduction in the authorization is the same as killing the program. If that were true there would be no point in debating any of these authorizations. We would have to automatically rubber-stamp everything brought to the floor.

The PRESIDING OFFICER (Mr. BIDEN). The Senator's 10 minutes have expired.

Mr. STENNIS. Mr. President, I yield an additional 5 minutes to the Senator from New Hampshire.

Mr. McINTYRE. I thank the Senator.

Mr. McGOVERN. The Senator from Wisconsin published a report from the General Accounting Office showing $26 billion in cost overruns on the part of the military. So they are not always exactly correct. They do not know to the penny what they are going to need to conduct a program. I would like to urge the Senator to reconsider the statement that we would be killing the program if we reduced the amount by the provision in this amendment.

Mr. McINTYRE. In response to my good friend, the Senator from South Dakota, in my opening remarks I enumerated what would happen. For instance, the engine program would be cut in half; all effort on the third aircraft would terminate; avionics development would be curtailed or terminated. These things are staggered. I admit if we are here next year it will look as if we are asking for a plane costing $60 billion, and that staggers me. When they ask for $500 million and there is no way to cut it back to $200 million, we would be foolish to spend one nickel of the $200 million.

Mr. McGOVERN. The Senator may be correct about that; but an argument could be made for knocking out the aircraft.

It seems to me the more prudent course was to maintain this team that has been working on the plane for another year while we study the various options, one of which would be to proceed with developments not being made on the B-52.

We have a number of other strategic alternatives to the B-1 bomber. I urge the Senator to use the phrase "slow down" or "curtail" rather than the phrase "to kill the project" because I do not think this kills the project but rather slows it down. This is a very fast bomber and we should look at it as closely as we can and slow it down.

Mr. McINTYRE. We have looked long and hard at this program. I would like to address a question to the Senator from South Dakota. Can the Senator tell us how he came up with the figure of $200 million?

Mr. McGOVERN. Well, it seemed like——

Mr. McINTYRE. A nice round number.

Mr. McGOVERN. That is exactly right. I do not claim there is any scientific validity to the figure. The committee came out with $455 million. I am not challenging that figure as a desirable one, if we were going to stay with the present production schedule. All I am saying is that by reducing that figure roughly 60 percent, cutting it a little more than half, we have a better opportunity to evaluate this program.

I really believe a year from now, if we go ahead with this, the Senator is going to be standing here with me, saying that we ought to stop that program. I cannot prove that, of course. But we have an opportunity here to save a quarter of a billion dollars on a program of very dubious value but at the same time preserve the options of moving ahead with it, if over the next month or so investigation shows that is the wise thing to do.

I think the amendment is a prudent, middle-of-the-road solution to this problem.

Mr. McINTYRE. Mr. President, how many minutes do I have remaining?

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. McINTYRE. Mr. President, will the chairman yield to me 5 additional minutes?

Mr. STENNIS. I yield 5 additional minutes to the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. McINTYRE. Let me say to my colleagues in the Senate and the Senator from South Dakota that the subcommittee has acted in the most prudent and responsible manner by creating a third alternative which gives full recognition to the fly-before-buy concept, which allows the time needed for an up-to-date cost effectiveness study of all viable alternatives, and which reserves to the Congress a year from now the judgment and decision as to the future of the B-1 program. At that time, the Congress also will have seen the results of SALT II and the President's forthcoming visit to the Soviet Union, and the B-1 will have had another year to prove or disprove its technical and cost performance, including some 5 or 6 months of flight testing.

Yes, Mr. President, the B-1 will fly this fall or early next spring, but, based upon this third alternative the subcommittee, with the unanimous support of its members, made the following recommendations to the full committee:

First. Deny the initiation of a fourth prototype aircraft.

Second. Deny new initiatives and program development tasks not essential to continuation of the approved three prototype aircraft program.

Third. Add $31 million to the amount requested to provide a total of $40 million as a realistic and conservative management reserve to meet anticipated technical problems and schedule delays normally encountered at this stage of a major aircraft development.

The Air Force had it at $10 million; we raised it to $40 million.

Fourth. Reduce the $499 million request by $44 million, to a total of $455 million recommended consistent with these various adjustments.

These recommendations were approved unanimously by the full committee despite pressures from the Pentagon to provide the full amount requested.

Mr. President, the committee recognizes the serious and sober responsibility it bears for the safety of our country. The concept of a Triad of strategic deterrence is well established and generally accepted. The argument that the B–1 is the only answer to the ultimate replacement of the B–52G and H fleet is not accepted by the committee. The possibility of additional major technical problems, significant cost increase and schedule delays is fully recognized and accounts for much of the logic underlying the committee recommendations.

The fly-before-buy philosophy will be strictly adhered to and proof of satisfactory performance at acceptable cost will have to be provided if the committee is to consider continued support of the B–1 program beyond fiscal year 1975.

As for this Senator, I mean that. We are going to see this plane fly. The Air Force is going to have to measure it up against the specifications and what they say it will do. We will be well informed on what the price is going to be before we decide to go on an all-out buy.

Mr. McGOVERN. Mr. President, will the Senator yield on that point?

Mr. McINTYRE. I yield.

Mr. McGOVERN. I would like to stress this particular point. Before the Senator came to the floor I said I was willing to concede that the aircraft will do everything the Air Force says it will do. I do not know that to be a fact, but I am willing to assume that all the specifications are going to be met.

The thrust of my argument here is that even if that is true, we do not need this aircraft. Even if this plane were able to stand on its tail at the Washington Monument and do all the things it is supposed to do, that does not prove anything. The question is, Will this aircraft do enough additional things to make it a justified expense in addition to the B–52 G's and H's and the FB–111's we already have? In other words, what does it add to our military posture that we do not already have?

To say it is going to meet its specifications, to me begs the question. Why do we need those specifications? Why do we need an airplane that will do what the Air Force claims it will do? What is the justification for it? Those are the questions—not to say that they will bring this out for a test and it will do all the things its designers will say it will do. I am willing to concede all that; I still do not think it is an argument that it will add enough to our defense posture that we do not already have.

Mr. McINTYRE. I appreciate very much what the Senator from South Dakota has said. I realize there are many people who say we do not need this third leg of the triad——

Mr. McGOVERN. No, I am not saying that. I think we need the triad. We need submarines, missiles, and bombers. I am saying this bomber does not add anything to the triad. We have a bomber fleet today that is efficient and operational and will be through the 1980's. Why are we rushing another bomber into the fleet to add to bombers we already have?

I believe in the bomber mission. I believe it has certain functions. But why this bomber? Why another $20 or $25 or $30 billion that this project is eventually going to cost—and I think considerably more than that—when we have a bomber fleet that the Senator knows is far and away beyond any capability the Soviets have?

I am not arguing against the concept of the triad. I am not saying the specifications of this plane cannot be met. I am saying, even if it works exactly the way its most optimistic designers believe it will work, it adds little or nothing to our military capability.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STENNIS. Mr. President, I am willing to yield to the Senator all the time he needs, but I will do it 5 minutes at a time, for obvious reasons.

Mr. McINTYRE. If the Senator will yield me another 5 minutes, when the distinguished Senator from South Dakota asks questions, I will ask him to use his own time.

Mr. President, in response to the Senator from South Dakota, the B–52G's and H's are 15 or 20 years old right now, and by the time that the B–1 comes into the fleet, if it ever does, we will be into the 1980's, and that adds 5 or 6 more years to the very tired airframes of the B–52G's and H's. That does not consider the fact that the B–1 will be a far superior aircraft to our present bomber.

The second point covered in the proposed amendment, requiring the Secretary of Defense to conduct a cost effectiveness study including other aircraft and missile alternatives, already is underway. In fact, the committee report encourages this study and suggests that independent technical, financial, and management experts participate. The proposed amendment makes this study mandatory, which is academic because it is ongoing, but also specifies that not more than half of the participants can have former Defense Department affiliation.

Mr. President, before I summarize, let me just say I would not be adverse, and I do not think the Senator from Arizona would be adverse, because I think we will have a big decision to make next year, to calling in the GAO and letting the GAO study and take a look at the results of the B–1 program; and I would be happy to say here on the floor to the Senator from South Dakota that I will take this up with the Senator from Arizona (Mr. Goldwater), and of course our chairman, and see if we can bring in the GAO, so we can have that added help in our program next year to assist us in what will be a very difficult decision for many of us.

To summarize, Mr. President, despite the history of technical problems, schedule delays, and cost increases, most of which are the result of inflation, this is not the time to foreclose on the B–1 option; and I strongly urge my colleagues to join with me and the Senator from Arizona (Mr. Goldwater) in voting against the amendment of my good friend from South Dakota.

I thank the chairman for yielding to me.

Mr. STENNIS. Mr. President, will the Senator yield back the time he did not use?

Mr. McINTYRE. I yield back that time.

Mr. McGOVERN. Mr. President, I yield 15 minutes to the Senator from Wisconsin (Mr. Proxmire).

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I thank the Senator from South Dakota and I commend him on his amendment. I commend him on it for a number of reasons. I want to say that if we do consider the fiscal and monetary considerations, it is an especially sound amendment.

In all of this debate we are likely to ignore the fact that we have an overwhelming problem today, and that problem is inflation. There are all kinds of theories on what we should do about inflation, but in all of this debate, the one clear, definite action that the Congress can take is to hold down spending.

I think most people will agree with that. But when we talk about spending, there are many different types, with different inflationary impact. One is in the area of manpower training and housing. When that is held down, it reduces demand and inflationary pressures, but it also reduces the skilled manpower and housing supply in the economy.

When we hold down military spending, it has an anti-inflationary impact on both sides, because millitary spending does not result in producing economic goods. One does not go into the supermarket and buy an aircraft carrier, or one does not buy a machinegun, unless he is a member of the SLA.

Obviously, holding down military spending is good economics at this time, but even if it were not good economics, I would not support this amendment if I were not convinced it was sound from the military standpoint, and it is.

Mr. President, we are in no hurry to produce the B–1. The record is clear that the B–52 will be sound and will operate well into the 1990's, well beyond the 1980's.

That record has been made clear repeatedly. I think it is especially important that we take advantage of the time we have to study very carefully—which is what this amendment would do—whether or not the B–1 offers the best option to the B–52 and the other options that we have available.

Mr. President, since 1969, when estimates for the B–1 were announced by the Air Force, costs have nearly doubled; and, as a matter of fact, just in the 6-month period from June through December of 1973, a General Accounting Office study shows the B–1 bomber costs rose by $1,672,000,000, the largest single increase in any weapons system, so far as I know, that we have. That was in one 6-month period. Technical performances have been seriously degraded, and several schedule slippages have occurred.

Let me document that reference to the General Accounting Office report which was just made recently.

In terms of performance—and I am reading now from the GAO report—

> Changes in the performance characteristics since the 1972 SAR included a slight reduction in supersonic penetration withdrawal speed because of an inlet design change: an increase in air vehicle gross takeoff weight of 21,172 pounds because of design changes in addition of fuel to retain the design mission range; an increase in takeoff distance of 3.1 percent because of the added weight."

A more recent change was the deletion by the engine contractor of the requirement for infra-red suppression of the engines. The GAO report states further:

> The Air Force advised us that the SPO is currently working with the Air Force Avionics Laboratory to decide on some form of tail warning system for the B–1. Being considered are the Infra red Surveillance Subsystems currently in use on the F–111 and the Pulse Droppler Radar in use on the B–52. A decision will probably be made by mid-1974. Plans for an infra red Surveillance Subsystem for the B–1 had previously been dropped because it was felt insufficient technological progress had been made although exploration of Infra red Surveillance Subsystem technology was to continue.
>
> The currently estimated B–1 gross takeoff weight of 389,772 pounds is close to the 390,000 pounds, the level at which structures and landing gear will be at maximum design load. At this point, additional fuel cannot be added to offset the range of degradation base on the design mission. The Ad Hoc Committee's report made the observation that the weight will be greater than anticipated and indicated that the most probable status would be a 10 percent increase over the development estimate which was 360,000 pounds. The B–1 avionics weight estimate is also over 4,000 pounds below the B–1 avionics weight capacity. The threat changes should require full use of the avionics weight capacity, this situation would add further to the B–1 weight to the point where mission trade-off will be required. No minimum performance threshold has been established.

So what this report by the GAO tells us is that the performance has been degraded for the B–1. We should be aware of that. It is not the aircraft that we thought it was originally.

Not only is it costing a great deal more than we thought initially, but it is not doing the job we thought it would do when the research began.

Furthermore, Mr. President, the milestones have been delayed because the plane has not developed according to the schedule. The first flight has been delayed by several months. The production decision has been delayed about a year. Initial operational capability has been delayed almost a year already. I do not think those delays are of the greatest significance because I think, frankly, we should delay and we can delay the plane more while we make the fundamental decisions.

The great advantage of the McGovern amendment is that it gives us an opportunity to study the options, to consider what we should do. I might say that the GAO report itself recommends precisely this procedure to Congress.

Let me read from the GAO report. It savs:

> This program is about four years into Full-scale Development and is being funded on a fiscal year basis. Various options are available prior to a production decision. The Congress may wish to consider them.

They go into a whole series of options that we should consider, including the extent of testing that will be performed on the SRAM, offensive avionics, and the automatic terrain following radar; the impact that will result on the B–1's cost, schedule, and technical performance as a result of the current intensive review the Air Force is giving the program in consideration to the recommendations made by the independent management review committee. The GAO report states:

> The potential cost in weight increase of the B–1 avionics would result should changes dictate additional avionics.
>
> In the impact of the deletion of the requirement of the infrared suppression that the engines will have.
>
> The development status of the crew escape capsule.
>
> The performance of its system should its weight continue to increase.
>
> The status of other weapons systems which may play an important part in the B–1's mission, such as the SRAM.
>
> The alternatives available to carry out the mission, considering the increased costs of the B–1 weapon system.
>
> Suggested improvements to selected acquisition reporting on the B–1.
>
> The impact of program costs that would result if the higher inflation factors for production currently under consideration is approved."

All of these matters should be considered carefully and thoughtfully, and the amendment offered by the distinguished Senator from South Dakota gives us an option to do that.

It does not kill the program. It provides $200 million in the coming year for the program to continue. It simply deletes $255 million and, from an economic standpoint, that is prudent. And from the standpoint of developing the strongest long-range force, that is important.

Before I yield to the distinguished Senator from South Dakota (Mr. McGOVERN)—and I have more to say—I would like to point out also that we fail to appreciate the fact that we are far ahead of the Soviet Union in this respect. It is not as if the Soviet Union was ahead of us, competing with us in long-range bombers.

Let me ask the Senator from South Dakota if it is not true that we have approximately four times as many long-range bombers as the Soviet Union, and that there is no prospect that the Soviet Union is about to overtake us with a bomber which is superior to ours or that would have greater capability.

Mr. McGOVERN. The Senator is entirely correct. There is no real comparison at all in the bomber capability of the United States and that of the Soviet Union. We have got better bombers and we have more of them.

It needs to be stressed, in response to the argument that the Senator from New Hampshire made a while ago, that these late model B–52's are not antiques that are ready to fall apart. They are planes which the Air Force has testified to repeatedly which are serviceable through the 1980's. That is for 15 years.

These are planes that have great capability and are steadily being improved. New equipment with greater capability is added all the time.

The Senator from Arizona (Mr. GOLDWATER) who is on the floor spoke about the capability that we can use for jamming the defense systems of other countries. All of those devices he mentioned are available to the B–52's. As a matter of fact, they are installed on the B–52's, and being installed on those that do not have them. That is not secret information.

So I think the Senator's point is well taken. We are not talking about denying the United States a bomber. We are saying that we need to add on an enormously expensive multi-billion-dollar new bomber capability on top of the one we already have.

Mr. PROXMIRE. I appreciate that, and I want to compare the costs in a minute. Incidentally, there are two fundamental issues. First, is there a strategic requirement for a follow-on bomber? That is not clear in my mind; I think it is something we ought to consider, study, and debate. If a new bomber is necessary——

Mr. GOLDWATER. Mr. President, will the Senator yield for an observation?

Mr. PROXMIRE. Just 1 minute. Secondly, if a new bomber is necessary, is the B–1 the right one?

The strategic requirement can be argued several ways. But the program can be questioned without regard to the strategic issue. There is overwhelming evidence that the B–1 is the wrong plane at the wrong time, even assuming the need for a follow-on bomber.

I would like to continue with this, but if the Senator from Arizona wants me to yield on that point, I am happy to yield.

Mr. GOLDWATER. I just wanted to make one comment. Many people believe that the Soviet is inferior in the area of bombers. Actually, the Soviet has more bombers than the Strategic Air Command of the United States. I admit a great many of them are medium-range bombers, but they can all reach the United States, and there is no evidence that they have any desire to get back. They have a good long-range bomber, but not in numbers.

Mr. PROXMIRE. Let me just respond to what the Senator has said. When the Senator says they have more bombers, he is correct, of course, if he does not refer to the long-range bombers. I said long-range bombers, of which we have many more than the U.S.S.R. It is true the Russian planes can reach the United States on a suicide mission with medium bombers, or they can refuel, but they do not have the capacity of reaching the United States and returning to the Soviet Union.

Mr. GOLDWATER. If the Senator will allow me one more comment, the Soviets are building a Mach-2-plus bomber called the Backfire, which is similar to our B-1 in configuration. Moreover, I am told Communist China has such an airplane, although, I do not believe it has flown yet.

Mr. PROXMIRE. If I may respond, as I understand this new Mach-2 bomber is designed for use against China and Europe. Furthermore, it is not in serial production yet. So it is not the kind of a threat to this country we should be concerned about in considering whether to go ahead with the B-1.

Mr. GOLDWATER. For the Senator's information, I do not know the source of it, but we do know it is being produced, and while it may be for use against Red China, it will have the capability of being used against any target that can be reached. If we have the range of our B-1, which cannot be published, because it is classified information, they likewise will have a similar range, and can reach any point in the United States.

This is not anything they do not have. They have it, and we are not even flying ours yet. I do not go along with the idea that they have no bomber force. They have a bomber force, and it is greater than ours.

Mr. PROXMIRE. The Secretary of Defense says, in his posture statement, which is my authority, that these bombers would be used for fighting against China or in Europe, but not against this country.

Mr. GOLDWATER. But the Commander of the Strategic Air Command thinks differently, and he is the one that will have to call the shots.

Mr. McGOVERN. Mr. President, if the Senator will yield briefly, I think the confusion here on this matter is that the Senator from Arizona is talking about short-range bombers, which is really not the issue. In terms of the kind of intercontinental bombers we are debating here, we now have 496 such bombers, B-52's and FB-111's.

The PRESIDING OFFICER. The Senator's 15 minutes have expired.

Mr. McGOVERN. I yield 10 additional minutes to the Senator from Wisconsin, and ask that he yield to me.

Mr. PROXMIRE. I yield.

Mr. McGOVERN. By contrast with these 496 intercontinental bombers which we now have, operational bombers, the Soviet Union has 140. The new bomber which the Senator from Arizona was talking about is not a bomber that is capable of reaching the United States without being refueled, and there is no evidence that has come to my attention that they have any refueling capability or are building any.

So I think the Senator from Wisconsin is quite correct in quoting the Secretary of Defense when he says that this is a bomber which, if indeed it is produced, is designed not to hit targets in the United States, but in Europe or in China. It is clear from these figures that we have got about a 3½- to 4-to-1 advantage in existing bomber fleet.

Moreover, I do not think we can refer to this B-1 as a follow-on bomber. It is an add-on bomber. It is not something to follow a bomber which is going to become obsolete, but it is going to be added to an existing bomber force that is perfectly capable of meeting our defense needs for the next 15 years.

Mr. PROXMIRE. Mr. President, I would like to point out that a GAO report on this matter of April 17, 1974 compares the costs and performance characteristics of the B-1 with a stretched version of the F-111 bomber, and an improved version of the B-52.

I think it is very important, Mr. President, that we recognize what the cost comparisons are. They are just overwhelming. There may be marginal differences in performance, but in terms of cost, current estimates place B-1 costs at about $16 billion. Think of the enormous responsibility we have in the Senate, if we make this decision to move ahead. We are putting ourselves in a position where it will be almost impossible to go back, and committing ourselves to a $16 billion program. The same number of stretched FB-111's would cost about $3.5 billion—less than one-fourth as much—and the same number of improved B-52's would cost about $3.3 billion—again less than one-quarter as much. The B-1 performance characteristics are somewhat better than the other two planes, but it has been getting heavier and slower in the development phase. The FB-111 would reach 60 to 75 percent of all Soviet targets, compared with 100 percent for the B-1 and the improved B-52.

Costs of the B-1 have been skyrocketing: The original estimate was $8.8 billion, or about $36 million per plane. Think of that. Official estimates now range from $15 billion to $16 billion, or from $61.5 million to $65.6 million each.

Rough calculations by the Joint Economic Committee staff show that real costs are probably considerably higher than the present estimates. The Air Force is using inflation rates of 5 percent for development and 3.3 percent for production. Using a more realistic rate of 4.6 percent for production, approximately $1.5 billion is added bringing the total to $17.5 billion or $71.2 million each.

Mr. President, the GAO makes a strong recommendation that the Air Force do a cost-effectiveness study of the B-1, comparing it to other options such as the FB-111 and B-52. The Air Force has admitted that the B-52 fleet will last until at least the early to mid-1990's. There is no need to rush into the B-1.

The only need at the present time seems to be to bail out Rockwell International, the prime contractor. The Bisplinghoff report concerned itself with the financial needs of Rockwell and said:

> The Air Force should do everything possible to assist the company with its management problems, including the severe morale problems mentioned earlier.

The argument, implicit in the Bisplinghoff report, that B-1 funds cannot be reduced because to do so would impair the contractor's finances should be rejected.

There is another option in addition to the ones considered by the GAO. That is, a standoff, subsonic bomber armed with cruise missiles. The Air Force has been dragging its feet for years on the cruise missile because its success would seriously undermine their case for a supersonic B-1 type bomber.

The most rational approach is to slow down the development of the B-1, speed up the development of the cruise missile and before making a decision on any bomber hold a competition between the B-1 and a cruise missile standoff type bomber. This is what I recommend. We have the time to make such decisions.

Mr. President, during his remarks, the distinguished Senator from Arizona referred to the Federation of American Scientists. He did not put their letter in the RECORD. I would like to do that. Before I do so, I would like to point out that this organization includes 30 Nobel laureates. It includes some of the most competent military experts in the country, including Herbert Scoville, a former CIA Deputy Director; Hans Bethe, Adrian Fisher, Richard Garwin, George Kistiakowky, Jerome Wiesner, Herbert York, and a number of other extremely experienced men who have studied the matter, and their letter is persuasive.

They point out in part as follows:

> The possibility also has to be considered that the B-1 will not be built satisfactorily and will turn out to be inferior to the B-52 in various ways. Why run these risks and certainties of so much waste for so little purpose?
>
> In sum, we consider the notion of spending tens of billions for this new strategic bomber, in this strategic era, to be nothing short of preposterous; it represents the gold-plating of an obsolete weapon.
>
> We are writing to you with special urgency this year because we fear that the expenditures for the B-1 Bomber have reached the size where, in effect, a production decision is being made tacitly. As you know from experience in the Congress, approval may come in fact a year or two before the literal production date.

Mr. President, I ask unanimous consent to have the entire letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERATION OF AMERICAN SCIENTISTS,
Washington, D.C., June 3, 1974.

DEAR SENATOR: This year you are being asked to vote increasingly large sums for a new B-1 Bomber. Indeed, the total fleet of bombers, without the tankers and the maintenance costs, are expected to be about $15 billion. Of all the multi-billion expenditures of the quarter-century-old arms race, we consider this expenditure to be the least cost-effective. Why?

In the first place, long-range bombers are obsolete as reliable first-line strategic weapons. If the United States had only strategic bombers as a deterrent, our Nation would not be secure against attack. More vulnerable on their bases than missiles, and less certain to arrive at their targets, their main disadvantage compared to ICBMs is their very long time to target. They will arrive, if at all, after the missile war is over. (More than ten distinct and non-overlapping missile salvos could take place before the bombers could reach their destination.)

Should a strategic bomber force be maintained for backup? The fact is that land-based missiles—the backbone of our strategic force in the early sixties—have become the backup to our sea-based missile force of Polaris and Poseidon. Strategic bombers are the backup to a backup—the prolongation into the seventies and eighties of a method of deterrence that was suited only for the fifties. Many experienced analysts would consider strategic bombers wholly unnecessary. In particular, the ABM agreement, and the impracticability of building a truly effective ABM, make missiles quite adequate as a deterrent.

But if bombers should be maintained, how much should be spent on them? If one wants to maintain strategic bombers, the B–52 G's and H's can be maintained indefinitely at much lower cost. Already built, they also have some real advantages over the B–1, especially in the time at which they can stay on air alert and on a lessened need for tankers. The advantages of the B–1 are marginal indeed and paid for at enormous cost.

The B–1, if built to current specifications, will get off the airfield marginally faster but will not change the basic fact of aircraft vulnerability on the ground.

The B–1, while it does not fly to the Soviet Union any faster, will penetrate faster. However, by the time either plane arrives the missiles will have destroyed the air defense anyway—this is ever increasingly true with the current surplus of MIRV warheads available for targeting against air defenses. And it is obvious that air defenses are not going to be functioning effectively after several missile salvos.

The possibility also has to be considered that the B–1 will not be built satisfactorily and will turn out to be inferior to the B–52 in various ways. Why run these risks and certainties of so much waste for so little purpose?

In sum, we consider the notion of spending tens of billions for this new strategic bomber, in this strategic era, to be nothing short of preposterous; it represents the gold-plating of an obsolete system.

We are writing to you with special urgency this year because we fear that the expenditures for the B–1 Bomber have reached the size where, in effect, a production decision is being made tacitly. As you know from experience in the Congress, approval may come in fact a year or two before the literal production date.

Whatever your position, we wonder if you could not support slowing the project down with a view to permitting an independent analysis. Senator McGovern has proposed a modest amendment, number 1346, which would scale down the B–1 program and require a truly independent (cost-effectiveness) of strategic bomber options, including not only the B–1 but the later model B–52's, the FB–111, a redesigned B–1, a standoff missile launching platform, and reliance on SLBM's and ICBM's for deterrence.

We hope you will support this eminently reasonable proposal.

Respectfully,

Philip Morrison.

Mr. PROXMIRE. Mr. President, once we go with the kind of enormous authorization we are being asked to make today, it will be very hard to turn back. The great value of the McGovern amendment is that it would preserve our options and we could make a decision effectively and carefully without feeling that we have to put so much in the "pot" that we have no choice but to stay in the game.

Mr. McGOVERN. Mr. President, I am glad the Senator made the points he did. He has reminded us that we are making a choice not only about bombers but also about the urgent needs of the country for other things. The costs of weapons systems are escalating already to the point where it is almost beyond comprehension. When the Senator first heard of the B–1 bomber, it was projected at $61 million for each plane. I wonder whether he remembers that the cost of the first nuclear carrying bomber, the B–29, cost $700,000. That was almost 30 years ago and here we have had an increase of roughly 100 times in the cost of the bomber. The effect, as the Senator has said, of utilizing scarce materials of the kind that go into the bomber, has been upping the price of everything we buy.

When I was home in my State a week ago, a young farmer drew my attention to the increases in the cost of the kind of things he buys. A roll of barbed wire that cost $9 a roll a year ago is now $36. It has increased 400 percent.

A steel post of the kind used to fence in farms which cost 90 cents apiece a year ago, now costs $2.60 apiece. Diesel fuel, which every farmer and trucker uses, which was 17 cents a gallon a year ago, now costs 45 cents a gallon.

So many of these things we take for granted are now in short supply. A common item like nails is difficult to obtain. One hardware dealer told me that he had a supply of nails on order since last January and he cannot get them as they are in short supply. A farm machinery dealer told me about ordering parts 6 to 10 months ago that he cannot get. As we are running out of many scarce materials, it drives up prices—not only the matter of inflation but the matter of scarcity.

One of the things the Senator knows has contributed to inflation is the enormous increase in energy prices. The B–1 bombers consume vast quantities of highly specialized materials which use large amounts of energy to produce, like titanium, magnesium, and aluminum. There are other materials that consume vast quantities of fuel which are going to be required in the production of this airplane.

We have to consider what the alternatives are. When we make a decision to build, and the estimates are that it will be a $16 billion project—and I think that is very much on the conservative side—we need to put against that the suggestion by the administration of a $10 billion program over the next 5 years to develop alternative sources of energy. I happen to think that we need that kind of program, but just half of the cost of the B–1 bomber——

Mr. PROXMIRE. If the Senator will yield at that point, that is very helpful to put this in its proper perspective. We talk of "sixteen billion dollars." But we say that so fast, and we wonder if it is more than $16 million. This is "sixteen thousand million dollars—sixteen billion dollars." That is a figure five times as much as the Federal Government provided for all of the elementary and secondary education in the entire country last year—five times as much. For what? For a gold-plated bomber system which has very marginal use, if any—it may be actually inferior to what we already have and represents no advance in our competitive position with the Soviet Union.

Furthermore, if we are able to take that money and rebuild our cities, we could go a long, long way toward eliminating one of the most serious social problems we have, the tragic conditions to be found in our great cities. There are any number of constructive uses to which we could put that $16 billion. I would agree wholeheartedly with anyone in this Chamber, or in the Pentagon, who would say that if we can spend $16 billion to strengthen our defenses in a way that would enable us to deal from a position of strength with the Soviet Union then, indeed, I would most certainly vote for it and I know that the Senator from South Dakota would too.

Mr. McGOVERN. Yes.

Mr. PROXMIRE. But in this case, where the advantage is so questionable, where what the Senator from South Dakota is asking for is time to consider the options carefully, it seems to me his position is very powerful indeed, and I am delighted to support it.

The PRESIDING OFFICER (Mr. Hathaway). The time of the Senator from South Dakota has expired.

Mr. McGOVERN. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 5 minutes.

Mr. McGOVERN. Mr. President, let me say, while the Senator from Wisconsin is still in the Chamber, that so many times we define national defense too narrowly. We define it in terms of how many missiles we have, or how many bombers we have, but it also includes things like the stability of the economy, the value of the dollar, and the strength of our transportation systems.

I saw a statement here the other day by a knowledgeable person that we need to put at least $2 billion more per year into our rail system than we are now investing in order to bring it up to acceptable levels. Two billion dollars a year is about the annual cost of the B–1 program—that is about what it would cost us year by year over the next——

Mr. PROXMIRE. If the Senator will pardon me for interjecting there, I cannot resist saying that the most important element we have in terms not only of a satisfactory life but also in terms of our military strength, is the skill, the training, the education, and the character of our people.

Admiral Rickover has said over and over again that the main problem he has in operating an effective fleet does not rest on getting the submarines, and so forth he wants, but in getting the people with the necessary training and the basic education to operate the equipment.

By shifting so much of the funds to very questionable military areas, we may be weakening ourselves militarily because we are neglecting the education, the training, and developing the ability of our people that we have to have in order to back up the economy, and to provide the human intelligence necessary to operate a modern military force.

Mr. McGOVERN. I could not agree

more strongly with the Senator from Wisconsin.

For instance, does he have a problem with the boxcar shortage in his State? That is of concern in Wisconsin, is it? It is a serious problem in my State.

I think it will be interesting to make the point here for the RECORD that just one B–1 bomber, if it turns out to cost $61.5 million, would be the equivalent of 2,500 boxcars or 1,600 modern air-conditioned buses of the kind that might be needed to provide public transit facilities in a modest-sized city.

There are so many other things that we urgently need that I think at a time when we have a clear superiority in bomber capability and when we have more nuclear warheads of all kinds than the rest of the world put together by several times over, it surely is in the interest of national defense and the well-being of our people to take another look at this project.

That is all we are asking.

Let us explore the facts long enough to study some of the alternatives, before we start down the road toward a $16 billion, $18 billion, or a $20 billion project.

I thank the Senator from Wisconsin very much for his comments and I reserve the remainder of my time.

Mr. STENNIS. Mr. President, I yield 5 minutes to the Senator from South Carolina (Mr. THURMOND).

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 5 minutes.

Mr. THURMOND. Mr. President, I rise in opposition to the pending amendment as it would seriously disrupt this important strategic program. The structure of the B–1 research effort is both sound and practical. There is no production option in the current B–1 development contract. Instead, about 2 years of flight testing has been planned to assure air-worthiness and demonstrate offensive avionics. The results of this testing will be available before a production decision is requested.

All aspects of the B–1 program were reviewed in detail during the summer and fall of 1973 by the Air Force and, at the request of the Secretary of the Air Force, by the ad hoc management Review Committee on the B–1, chaired by Dr. Raymond L. Bisplinghoff, Deputy Director of the National Science Foundation.

These reviews showed that, although some adjustments were necessary, the B–1 program is proceeding in an orderly fashion.

As a result of these reviews, the Air Force has rephased the program in a manner which will advance the work on a small number of aircraft and thereby provides an orderly transition to production.

The committee also has worked its will on this program by reducing the number of prototypes from four to three, a savings of $39 million in this bill alone. These three planes will be preproduction aircraft built with development tooling and with R.D.T. & E. money. They will be assigned eventually to the SAC inventory, if a production decision is made. First flight of aircraft No. 1 is now scheduled for the fall of 1974 and the production decision date has been moved to November 1976.

During the 2 years of combined development and operational flight testing, extensive data will be obtained on the B–1's performance and its ability to meet all of the criteria specified under the full range of operating conditions. Further, the initial offensive avionics system will be flight tested extensively prior to a production decision. This avionics test program will include about 19 flights for a total of about 75 flight test hours.

The B–1 aircraft design configuration, moreover, is being subjected to very extensive wind tunnel testing prior to first flight. This is substantially more than any other aircraft has ever received prior to first flight.

As a member of the Senate Armed Services Committee, I asknowledge that the B–1 will be a costly aircraft. However, the American people expect this Nation to have the best Air Force in the world, and a long-range bomber is absolutely necessary.

The requirement for the B–1 was well expressed recently in testimony before Congress by Gen. George S. Brown, then Chief of Staff for the Air Force and now Chairman of the Joint Chiefs. He stated:

> The strategic bomber is by far the most flexible and versatile element of the Triad, and is the weapon system most capable of supporting a flexible targeting doctrine. Manned strategic bombers are the only element that can be launched on warning, under positive control, without an irrevocable decision to go to war. They can be recalled after a launch under positive control, retargeted after launch, assess target damage, and be recycled for follow-on missions. . . . Of the strategic nuclear force, bombers alone have demonstrated capabilities for a variety of tasks below the level of nuclear war. Bomber employment options range from a responsive show of force—through delivery of conventional weapons against surface targets on land and sea—to all-out nuclear retaliation.
>
> While the B–52 force is programed to continue in the active inventory, a portion of it is showing its age. To replace the older B–52s and provide an effective strategic bomber force throughout the 1980's and beyond, I believe the development of the B–1 is more important to our national security than any other strategic development program. The B–1 represents a dramatic improvement over the B–52 in every significant parameter.
>
> It will fly at higher speeds and lower altitudes—present a smaller radar cross-section—resist greater overpressures, thermal effects, and electro-magnetic pulses from nuclear detonations—have a greater capability to evade enemy defenses (in other words, it will be able to launch and to penetrate)—and if required will deliver a larger payload more accurately over a greater range than the B–52.

Those are the words, as I stated, of the former Chief of Staff of the Air Force, who is now Chairman of the Joint Chiefs, Gen. George S. Brown.

Mr. President, the presently planned engineering development program will keep open, at a relatively reasonable cost, the option to begin replacing the aging B–52s in a timely manner. It will, therefore, serve as a hedge against further unfavorable developments in the Soviet and Chinese threats which might require a major upgrading of our manned bomber capabilities.

Mr. President, I want to say again that I hope the Senate will defeat this amendment.

Mr. STENNIS. Mr. President, I am glad to yield 5 minutes to the Senator from Oklahoma.

Mr. BARTLETT. Mr. President, I ask unanimous consent that Harold Scoggins and Leroy Rooker, of my staff, be granted the privilege of the floor during the debate on this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARTLETT. Mr. President, as is clearly spelled out in the committee report, the B–1 program has been one of the most carefully watched and studied development programs included in the Defense authorization bill. Both the DOD and the Armed Services Committee have recognized the early problems encountered, and much effort has been devoted to a reevaluation of the entire project.

The B–1 bomber makes a unique and irreplaceable contribution to our deterrent; therefore, the timing of the development of a new bomber to achieve modernization of our heavy bomber force is critical. We must recognize several important factors pertaining to the timing of this development, including the age of the B–52, current and potential threats to our security, and related future uncertainties, and the long lead time required for a new bomber.

It is obvious that the B–52's cannot last forever. Most of the early models have already been phased out of the force. The latest models, B–52 G's and H's, were delivered to the Strategic Air Command between December 1958 and October 1962. Thus, in 1980, the oldest B–52G would be about 22 years old, and the youngest B–52H about 18 years old. The ability to maintain the B–52's beyond the 1980's in a safe and serviceable condition is a matter of reasonable doubt. The age of the B–52's makes the B–1 development essential.

Although it has been modified to attempt to accomplish a low level mission, the B–52 was originally designed as a high altitude bomber. Its large radar cross section, its relatively slow speed at low altitude, and its minimum safe terrain clearance altitude could pose difficulties in penetrating high density, sophisticated defenses.

There is a long lead time—approximately a decade—involved in the development, production, and deployment of a new intercontinental bomber. Given this long lead time—and given the importance of the bomber to our deterrent, the age of the B–52, the potential threat and uncertainties of the future—only continued B–1 development will preserve the critical option to deploy a new bomber in a timely manner.

The amendment proposed by the Senator from South Dakota would, in effect, throw the entire B–1 development program into a state of limbo. The resulting delays and lack of direction in development of our deterrent capabilities would create doubts about the resolve of this Nation to maintain an adequate deterrent force.

It is obvious that other world powers have been moving steadily ahead in development of new aircraft and defense systems. It is also obvious from our experience in Vietnam and from developments in the most recent Mideast conflict that the deployment of a highly sophisticated bomber with a capability for avoiding and penetrating sophisticated defense systems is essential. Ultimately we must have the B–1 bomber or a suitable alternative.

While the proposed amendment would effect an immediate short-term saving of funds, it would eventually lead to this Nation being forced into a crash development program for a suitable strategic bomber with the much higher ultimate cost inherent in such crash development programs.

Under the program which the Senate has supported for the past 4 years, development will move forward in an orderly fashion without the necessity for making the ultimate decision on production of the bomber until after flight test and extensive evaluation has been completed. The committee has directed that, while development of the B–1 is progressing, the Department of Defense should consider all other alternatives to the B–1. As a result, we will then have the option of either proceeding with production of a fully tested and evaluated aircraft or developing an alternative solution which has been determined to be superior. If this amendment is adopted, we will have no such option.

There are other factors which must be considered. The drastic reduction in funds which is proposed would bring about widespread layoffs of hundreds or thousands of skilled workers in California, Ohio, Oklahoma, and many other States which are sharing in the B–1 development program. As we have learned from past experience, once a skilled development team is dismantled or drastically reduced, it cannot be regrouped without incurring substantial additional cost and further delays. Much of the short-term saving in funds proposed by this amendment would be offset by the funds directed toward alleviating the unemployment and other human problems which would result.

This Nation must maintain an adequate and strong defense, whatever the cost. I therefore urge my colleagues to defeat this amendment.

Mr. President, the distinguished Senator from Wisconsin mentioned a little earlier that we should go slowly. I should like to ask, when has developing strength for this Nation's military forces been accomplished by going slowly?

I think that going slow could result in our not having any alternative to developing a replacement for the B–1, if the B–1 did not develop properly. I certainly think it could have that result, and if there are delays on the decision being reached it could delay the decision that an alternative should be developed. So delays today have some real meaning about the future.

The distinguished Senator from Wisconsin mentioned that the amendment does give us the opportunity of studying options. I think it delays the studying of options because the present B–1 bomber program is a study of options, the development of the B–1 or other development alternatives.

The distinguished Senator from Wisconsin mentioned that the mach 2 bomber now developed by the Soviet Union is not in production. The distinguished Senator from Arizona said that it is. But if it is not in production it is obvious that the Soviet Union is far ahead of this country and I think it is most vital to the future of this Nation and the future of our young citizens that we develop a bomber that is effective and that will do the job.

I know that costs skyrocket, but will they not skyrocket as much in the future as today?

Mr. President, I ask Senators to defeat the amendment.

I yield the floor.

Mr. **STENNIS**. Mr. President, I yield 5 minutes to the Senator from Nebraska.

The **PRESIDING OFFICER**. The Senator from Nebraska is recognized.

Mr. **HRUSKA**. Mr. President, I thank the Senator for yielding.

Mr. President, I rise in opposition to the pending amendment offered by the Senator from South Dakota to establish a ceiling of $200 million for the B–1 bomber program. The Department of Defense has requested $499 million in the fiscal year 1975 budget and the Armed Services Committee has recommended a figure of $455 million. The pending amendment, however, would place restrictions on the B–1 program which, in my judgment, would be extremely grievous to this vital program.

A funding cut of the magnitude proposed by the Senator from South Dakota at this crucial time—virtually on the eve of the first flight—would cause chaotic disruption and waste due to abrupt employee layoffs, which would exceed 70,000 of our citizens.

Reliable Defense sources indicate the following effects would result from approval of the amendment offered by the Senator from South Dakota: It would terminate full-scale engineering development, avionics development, structural tests, and suitability tests.

In addition, the existing number of four prototypes as requested by the Defense Department would be reduced to only two with this drastic fund reduction. Flight tests on these aircraft would be reduced to a minimum. A setback of this magnitude in the current program would preclude a logical production decision and would most assuredly increase costs for future years if the program continues.

Continuation of an orderly B–1 R. & D. program at minimum cost is totally dependent upon the $499 million requested for fiscal year 1975 by our most knowledgeable experts. The Air Force advises that, due to the combined effects of disruption and inflation, completion of the R. & D. program as proposed in the amendment would require that we spend between $4 to $10 tomorrow for every dollar we delete from fiscal year 1975.

Mr. President, in the debate on this point in the other body, the gentleman from Texas' 13th Congressional District (Mr. PRICE) brought out in unique but clear fashion the heavy cost increases inflicted by postponement disruption, and inflation. At page 4261 of the CONGRESSIONAL RECORD he stated:

> The B–1 1970 procurement unit cost estimate, including inflation as estimated in 1970 dollars—$35.4 million is 3.6/1000th percent of 1970 gross national product. The current USAF procurement unit cost estimate expressed in 1975 dollars—$40.1 million— is 2.6/1000th percent of estimated 1975 gross national product. This is a 27.8 percent reduction in B–1 procurement unit cost, including inflation and program growth relative to gross national product.
>
> When we compare total program unit cost which include research, development, test, and evaluation plus procurement, including inflation and program growth on the same basis, the B–1 total program unit cost is 25.5 percent less relative to gross national product. In other words, the current B–1 cost is a smaller share of our economy than it was when the B–1 program started in 1970.
>
> This is also a vivid example of how inflation has increased B–1 cost.
>
> It should be no surprise to anyone who has purchased goods in a grocery store, or a tank of gasoline in today's economy, and compared these prices with 1970 prices for the same items.

Mr. President, the fund cutback and program disruption for the B–1 resulting from the McGovern amendment would aggravate the already increased costs of this program.

This is, of course, aside from the primary purpose of the B–1 in updating our Nation's strategic deterrent posture—a price tag cannot be placed on peace.

The reason why the requested $499 million is vital to the B–1 program has been obscured by a series of rephasing events over the past 4 years that is easily overlooked. At the time of go-ahead in 1970 we had a five-aircraft program with production decision concurrent with first flight. Within months after go-ahead the program was restructured to three aircraft with production decision 12 months after first flight. Later the gap was increased to 15 months. As a result of recent rephasing of the fiscal year 1974 funding reduction by the Congress, the gap between first flight and production decision has been widened to 26 months.

One of the key problems before us today is that of maintaining continuity in the program. The manpower slope for a three-aircraft program and a 26-month gap between first flight and production decision is sharply down—like the slope of the Matterhorn. To rebuild this team later is a costly and wasteful process. Full funding of $499 million will not only preserve the "fly before buy" phasing but will maintain continuity without prejudging the production decision. A fourth aircraft, funded with R. & D. funds, would be used initially for flight testing and later would be converted as part of the SAC operational inventory. This would not be an additional airplane—it is a rephasing of one airplane to provide better balance to the development program. This would not only serve to keep the experienced prime and subcontractor and supplier teams together, but will provide a much more comprehensive data base for judging the production decision when that time comes in November 1976.

The B-1 is an outstanding weapon system. It was preceded by exhaustive analyses of alternative candidates, and it is backed by the most extensive test program ever undertaken prior to first flight of a new airplane and the concept behind it is sound. The multitude of engineering, manufacturing, quality assurance and test activities over the past 4 years, since contract go-ahead, have been integrated and conducted in an optimum fashion to insure a successful program and first flight later this calendar year. My colleague's amendment would seriously impair this progress.

Mr. President, the B-1 will have many advantages and vast improvements over the existing strategic bombers, which are aging and must be replaced at a relatively early date. Time is of the essence.

We will have with the B-1 much faster reaction. Second, we will have an increased resistance to nuclear effects. Third, we will have quicker takeoff and shorter escape times by about 50 percent. We will have much longer range. We will have the ability to penetrate portions of the Soviet Union which the F-111 and the B-52 cannot penetrate. If we were to rely only on the F-111, all the Soviet Union would have to do is just move back its silos containing its ICBM's and they would be immune from attack by manned bombers. The B-1 will have a greater payload. It will have higher speeds at both high and low altitudes. It will have a reduced infrared signature. It will have a decreased radar crosssection. It will have a vastly increased electronic countermeasure capability.

These are all modern developments which are essential to a good aircraft in this modern technological age.

The Department of Defense funding requirement of $499 million is structured to ensure continuity of this vital program at the lowest cost to the taxpayers. This plan makes sense, and I support it. As you know, by 309 for and 94 against the House voted for approval of this plan and the $499 million required to implement it. I urge my colleagues to do likewise.

Mr. President, this plane makes sense and I support it. I hope my colleagues will do likewise

I yield back the remainder of my time.

Mr. STENNIS. Mr. President, I yield 5 minutes to the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. McINTYRE. Mr. President, I thank the distinguished chairman.

Mr. President, the senior Senator from Wisconsin referred to the performance characteristics of the B-1 and more or less asserted that it is doubtful if these characteristics could be met by this aircraft.

The committee has not prejudged the results of the cost-effectiveness study nor accepted the B-1 as the only answer. The B-52G and H will reach a point by the mid-1980's where it just makes no sense to continue to patch and fit just so they can keep flying. And this will cost hundreds of millions of dollars to do.

They could be sitting ducks for the Soviet air defenses in the 1980's and beyond, particularly because they stick out like sore thumbs on a radar screen and are an easy target.

I urge my colleagues to wait until they see the results of the study and further development and flight tests before we abandon the B-1. The $455 million will permit the program to continue at a minimum austere level during the fiscal year 1975 so that Congress will be able to make the right decision next year.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement on the B-1 performance requirements.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

B-1 PERFORMANCE REQUIREMENTS

The contractor and the Air Force must demonstrate by flight test starting late this year that the B-1 will meet those performance requirements that are critical to its capability to satisfactorily accomplish its primary strategic mission.

The Ad Hoc Management Review Committee called the Bisplinghoff Committee, which was constituted by the Secretary of the Air Force to review the B-1 program, addressed the probability of meeting the Air Force performance estimates in their report dated November 1973. They expressed their range of uncertainty in terms of three variations from Air Force estimates. These are Possible Status, Most Probable Status, and Reasonably Adverse. I request unanimous consent to have inserted in the record at the conclusion of my remarks, the Bisplinghoff Committee assessment of the various performance characteristics under each of these three variations.

The Bisplinghoff Committee did not attempt to comment on the acceptability of the reduced performance values because this was considered to be a judgment to be made by the Air Force. However, they apparently concluded that any deficiencies at this stage of development were not of such significance that they could not be rectified. To quote from their report:

"There is agreement in the committee that there are no major technical problems which preclude the successful development and production of the B-1."

Of course the report does not face up to the hard question about whether it would be worth the ultimate cost to overcome the technical problems, either major or minor.

The simple issue involving performance characteristics has to do with trade-offs or compromises. For example, if the B-1 is heavier than the specified weight, this can be compensated by carrying less fuel or less bombs and missiles. Although this degrades the performance to some degree, it may not be enough to make the B-1 unacceptable, as compared to other alternatives.

And it is precisely the answer to these and other questions that the Congress will be able to consider next year when the cost effectiveness studies are completed and some five months of flight test data has been provided. Until that time, no one has the ability to prejudge the outcome.

PROBABILITY OF MEETING THE AIR FORCE PERFORMANCE ESTIMATES

The Committee was also charged with assessing the probability of meeting the performance parameters of the Air Force development estimates for the B-1 aircraft within the cost and time schedule of the rephased development program. Based on the data presented by the B-1 SPO and Rockwell International, the Committee assessed the realizeable performance of the current design. The results of the Committee's assessment are given in Table I which shows estimated percent variations from the Air Force estimates. In order to make the assessment of Table I in the limited time available, it was necessary to rely heavily on the judgment and past experience of the Committee members. To convey the range of uncertainty that the Committee feels exists in their assessment, three values are given: *Possible, Most Probable,* and *Reasonable Adverse Limit.* A study of the table shows several significant percentage departures of most probable numbers from the Air Force estimates. These include empty weight, range, take-off distance, thrust margin and refueled altitude. The Committee did not attempt to comment on the acceptabilities of the reduced performance values since this judgment must rest with the Air Force.

TABLE I.—ESTIMATED PERCENT VARIATIONS IN PERFORMANCE PARAMETERS FROM AIR FORCE DEVELOPMENT ESTIMATES

Performance parameter	Possible status	Most probable status	Reasonably adverse
Takeoff weight	+10	+10	+10
Empty weight	+15	+19	+26
Maximum refueled weight	+8	+9	+11
Range:			
Subsonic variable	−4	−11	−20
Subsonic constant	−6	−18	−29
Supersonic variable	−4	−9	−14
Takeoff distance:			
Standard day	+15	+15	+15
Hot day	+13	+13	+13
Landing distance	+6	+6	+6
Thrust margin	+6	−9	−14
Refueled altitude	−12	−15	−21

Mr. McINTYRE. Mr. President, I yield back the remainder of my time.

Mr. STENNIS. Mr. President, I thank the Senator.

Mr. President, how much time does the opposition have remaining?

The PRESIDING OFFICER. Ten minutes.

Mr. STENNIS. Mr. President, I yield 3 minutes to the Senator from Texas.

Mr. TOWER. Mr. President, I shall be brief. I simply wish to say that I have been to Palmdale, Calif., and crawled all through the B-1 that is currently being put together for flights on October 29 this year. I have never seen a weapons system in all my tours of duty on the Committee on Armed Services that I think is more impressive.

This is going to be one of the finest target penetration aircraft the world has ever seen and from the strategic standpoint it will be the finest target penetration aircraft the world has ever seen in anyone's inventory.

I think it is essential that we proceed with the devlopment of the B-1. I hope that ultimately we go into production with it because it will enable us to maintain the triad of strategic deterrent which is a vital part of our strategic inventory so that we will have missiles, submarines, and advanced manned strategic bombers. I hope the Senate defeats the amendment which can only serve to prolong the program and increase the cost.

Having visited the plant there I can

attest that some acts of Congress and building delays in the program have made the program more costly. At a time when we are concerned about cost overruns it is incumbent upon us to fund it adequately and proceed.

I think we have to make the decision as to whether we are to go on with it or wipe it out altogether, but there is no point in crippling it by funding.

I hope the position of the committee will be adopted and the amendment defeated.

I yield back whatever time I have.

Mr. STENNIS. Mr. President, I yield myself 2 minutes just to say this. In addition to what the committee report shows and what the printed record of the hearings show with reference to the B–1, we now have the benefit of the very fine remarks that have been made here on the amendment by the proponents of the amendment—they are well prepared—and those in opposition. It certainly shows that this matter has been gone into about as thoroughly as it is possible to do so in hearings and in debate.

I am willing to submit it to the judgment and the will of the Senate now.

I want to emphasize one point. We must remember that this B–1 will be a part, and I think an essential part, of what we call the triad of our deterrence. We have the ICBM's, the Minuteman, and we have the sea-based Polaris missiles, most of which have been converted to the Poseidon, plus the forthcoming new family of submarines, the Trident. Then this plane will be to replace the B–52, which we already have in operation, and which has proved to be a splendid machine and bomber, and of tremendous deterrent value, I think. The B–1 will be, also. It seems to me, in this connection, that the deterrent value is more in the bomber than it is in the missile.

I am glad to submit the case on this matter.

Mr. MANSFIELD. Mr. President, I yield myself 5 minutes on the Senator from South Dakota's time.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. MANSFIELD. Mr. President, on February 26, 1974, I addressed a letter to the Honorable James R. Schlesinger, Secretary of Defense. The letter reads as follows:

Hon. JAMES R. SCHLESINGER,
Secretary of Defense, U.S. Department of Defense, Washington, D.C.

DEAR MR. SECRETARY: Enclosed are questions which I have prepared dealing with various matters relating to Defense policy and proposed expenditures contained in the 1975 budget for consideration by the Commission on the Organization of the Government for the Conduct of Foreign Policy.

All of the premises upon which these questions are based have been formulated from unclassified information that has appeared in the American press and elsewhere. I believe all of the information solicited by these questions should be part of the public domain and should be publicly discussed by the Commission and within the Congress in open session.

I therefore request that none of the information supplied by you in answer to these questions relate to classified information, and if in any case you are unable to answer fully the question because you prefer the answer to be classified, please state that aspect is classified and the reasons for the classification of that information. It is only through an open dialogue on questions such as these that the wisdom for these policies and proposed expenditures can be truly validated.

I look forward to an early response from you on these matters.

Sincerely,

MIKE MANSFIELD.

By way of background, Secretary Schlesinger appeared before the Commission, I believe in January of this year. At that time I asked a few questions. I stated I would like to submit some other questions in writing, and the Secretary assured me that he would be prepared to answer all the questions I submitted in that manner.

In response to the letter dated February 26, 1974, I received a reply under date of March 29, 1974, not from Secretary Schlesinger, but Ray Peet, vice admiral, USN. The reply is as follows:

DEAR SENATOR MANSFIELD: Regarding your letter of February 26 let me assure you of our continued interest in the excellent work of the Commission on the Organization of the Government for the Conduct of Foreign Policy. Secretary Schlesinger was very favorably impressed during his appearance before the Commission last December and desires to assist as may be necessary in its future endeavors.

Regarding the information to be considered by the Commission from this Department, I share your view in the benefits to be derived from increased public awareness of U.S. commitments throughout the world. It is apparent, however, that many important aspects of the questions you posed on behalf of the Commission cannot be addressed adequately on an unclassified basis. Accordingly, it is our intention, and we will also advise Ambassador Murphy, to place at the Commission's disposal senior members of the Defense staff to discuss those questions of interest to the Commission. The resulting face to face dialogue should avoid the constraints of classification and should prove of more value than a limited and unclassified written response. I would expect that acceptable arrangements for these discussions can be made in the very near future.

It is my hope that our cooperation with the Commission will prove beneficial and that it may ultimately enhance our present and future foreign policy initiatives.

Sincerely,

RAY PEET,
Vice Admiral, USN.

On April 2 I replied to Admiral Peet as follows:

DEAR ADMIRAL PEET: I have received your letter of March 29, 1974, stating that it is your intention to place at the Commission's disposal senior members of the Defense Department staff to discuss the questions that I raised in my letter of February 26, 1974, rather than answering in writing those questions I submitted to Secretary Schlesinger.

I find this response unsatisfactory. By copy of this letter to Secretary Schlesinger, I am renewing my request for these questions to be answered in as great detail as possible and on an unclassified basis. Upon the receipt of the answers to these questions, I believe the Commission then could make a valid judgment as to which areas need further elucidation by further testimony of members of the Defense Department. Since you stated that you were to advise Ambassador Murphy of your decision. I am sending a copy of this letter to Ambassador Murphy and to every member of the Commission of the Organization of Government for the conduct of Foreign Policy.

Sincerely,

MIKE MANSFIELD.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MANSFIELD. I yield myself 5 minutes more.

During the latter part of April a meeting was held by the Commission. I brought to the Commission's attention the correspondence which I had dispatched and which I had received in return, and the Commission unanimously agreed that the information which I requested should be forthcoming. So Robert D. Murphy, Chairman of the Commission, sent the following letter to the Honorable James R. Schlesinger:

APRIL 26, 1974.

Hon. JAMES R. SCHLESINGER,
Secretary,
Department of Defense,
Washington, D.C.

DEAR JIM: May I refer to Senator Mansfield's letter of February 26; to the response of March 29 by Vice Admiral Ray Peet; to a similar letter of the same date to me from Admiral Peet; and to Senator Mansfield's letter to Admiral Peet of April 2.

The Commission fully shares the interest expressed by Senator Mansfield in the questions submitted and hopes that you will be able to respond in written and unclassified form as requested by the Senator.

Once again let me say how very much we appreciated your appearance before the Commission last December. We found your candid testimony most valuable.

With warm personal regards,

ROBERT D. MURPHY,
Chairman.

Mr. President, I have yet to receive an answer to the questions dispatched on February 26, 1974. The Commission has yet to receive an answer to the letter dispatched on April 26, 1974.

Therefore, Mr. President, I ask unanimous consent that these questions be inserted in the RECORD at this point, and may I say they are all very pertinent to an amendment which I will offer tomorrow, and other amendments to come before us on this bill.

There being no objection, the questions were ordered to be printed in the RECORD, as follows:

U.S. COMMITMENTS AND FORCE DEPLOYMENTS

1. The Congress has been inforced by the Department of Defense that none of the eight collective defense treaties to which the U.S. is a signatory power contains a provision requiring U.S. forces to be stationed overseas.[1] Yet as of June 30, 1973, the United States had 542,000 troops stationed in over 40 foreign countries. In the absence of any treaty commitments why can't 250,000 of these military personnel be withdrawn over a period of three fiscal years?

2. In the FY 1974 Military Manpower Requirements Report the Department of Defense indicates that the NATO, SEATO and various Pacific Mutual defense and aid treaties are the "primary applicable treaties" justifying the principal active duty missions of 11⅓ Army and Marine divisions, 15 aircraft carriers, 160 surface warships, and attack submarines and 32 air squadrons. Since, in fact,

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[1] Hearings Before the Subcommittee on Arms Control, International Law and Organization of the Senate Committee on Foreign Relations, U.S. Forces In Europe, July 25 and 27, 1973, page 346.

these treaties do not specify a level of U.S. force commitment what is the justification for the assignment of this massive mission requirement to our armed forces?

3. According to the Department of Defense FY74 Military Manpower Requirements Report, U.S. force levels and overseas deployments are based on accomplishing two basic national security objectives of:

(1) preserving the U.S. as a free and independent nation, to safeguard its fundamental institutions and values, and protect its people.

(2) contributing to the security of other nations with whom we have treaties or whose security significantly impacts upon our security.

Please provide by country a specific explanation for the presence of U.S. military personnel in each foreign country where they are currently stationed, indicating precisely how this in-country presence contributes to the attainment of the two national security objectives.

4. Please specify and explain in detail the provisions of the articles and declarations in each of the following treaties which are construed as requiring or implying a U.S. national commitment to provide forces and/or military assistance for mutual security and collective defense purposes:

The North Atlantic Treaty.

The Southeast Asia Collective Defense Treaty.

The Inter-American Treaty of Reciprocal Assistance.

The Security Treaty between Australia, New Zealand and the United States of America.

The United States-Republic of China Mutual Defense Treaty.

The bilateral security treaty between the Republic of the Philippines and the United States.

United States declaration to participate with Central Treaty Organization (CENTO) members in some security and defense activities.

5. The Department of Defense has stated that an independent withdrawal and deactivation of any level of U.S. forces stationed in Europe would amount to "essentially abandoning our NATO commitment."[2] Please specify the U.S. treaty commitment that would be abandoned by the withdrawal and deactivation of one European-based mechanized division.

6. What percentage of overall U.S. military manpower is assigned to units that are stationed in Europe, afloat in the North Atlantic and Mediterranean, or in the continental United States with NATO missions? What percentage of these forces are members of the Regular Army, Navy, Marine Corps and Air Force?

7. The Department of Defense has indicated that there is no treaty article per se which requires U.S. military personnel to be stationed in the Federal Republic of Germany, but that U.S. personnel are there to implement NATO strategy and operational plans approved by General Goodpaster, the Supreme Allied Commander Europe, after consultation and agreement with national authorities concerned.[3] Specifically, who are the national authorities that General Goodpaster consults with on U.S. military manpower levels, D-Day missions and employment of U.S. troops, and possible combat use of U.S. tactical nuclear weapons? Who in our government approves U.S. agreement on these consultations? Are these consultations and agreements placed before the Congress for consideration?

8. There has been frequent reference in DOD statements regarding the need for a "stalwart conventional capability" in Central Europe.[4] In terms of force units specifically what size NATO force could provide a "stalwart" conventional defense posture?

9. U.S. Forces are reported by DoD to constitute only 10 percent of the peacetime NATO ground forces in Europe.[5] Please explain which NATO forces are numerically included in this peacetime total, and the number of U.S. ground forces that comprise the 10 percent. Are NATO reserve forces included in this overall peacetime force under arms?

10. What do you consider the minimum essential U.S. force required in place in Central Europe to conduct an initial non-nuclear conventional defense? How long could the present forces stationed in Europe withstand an all-out offensive from the Warsaw Pact before tactical nuclear weapons were used or captured?

11. In DoD testimony before the Congress it has been indicated that the allies provide about 25 divisions to the NATO military force structure. How many of these divisions are supplied by France? Are these divisions integrated into day-to-day operational D-Day planning of the Supreme Headquarters Allied Powers Europe? Are French divisions in France and West Germany considered as being immediately available for D-Day combat operations in the Center Region? If not, why are they included in the listing of available NATO divisional forces?

12. What is the status of the negotiations with our NATO allies to establish the infrastructure for a Line of Communications (LOC) across the BENELUX countries? How much will this LOC cost the U.S. Government? In the absence of the BENELUX LOC are U.S. forces in Central Europe relying solely on the line of communication from Bremerhaven for incoming heavy equipment and supplies? Is the Bremerhaven LOC secure in the event of a conventional Soviet ground attack in Europe? If not secure, what are the present alternatives available for wartime heavy re-supply of U.S. forces in West Germany? How long have the negotiations on the BENELUX line of communication infrastructure been conducted with our NATO allies?

13. What was the total cost to the U.S. Government of the LOC that was abandoned when U.S. forces withdrew from France? To date, how much has the French Government reimbursed the U.S. for the infrastructure of the LOC built across France in the 1950's? What is the present status of the Petroleum, Oil and Lubricants pipeline across France? What percentage of U.S. POL products for our forces in Central Europe are transported through this pipeline? What is the cost to the U.S. for the pumping of these POL supplies? Is operation of this pipeline under French national control or is it under NATO direction? Is it assumed these pipeline facilities would be available to U.S. forces in the event of hostilities in Europe. If not, what alternative system of POL distribution resupply would be available to U.S. forces?

14. In the context of planning for a NATO conventional defense posture in Central Europe what European base area hospital care facilities are planned as being available for treatment of wounded and injured U.S. military personnel? Were these hospital facilities prepared as replacements for the U.S. base area hospital complex that was constructed in France during the 1950's? What was the total cost of the U.S. wartime base hospital complex constructed in France? How much did the French Government reimburse the U.S. for this emergency hospital infrastructure when U.S. forces were forced out of France?

15. The Department of Defense has reported that there are approximately 250,000 dependents of military personnel living in Europe. I believe that nearly one-third of that total are children under 5 years of age. This would seem to present a tremendous emergency evacuation problem. I also understand that the DoD has primary responsibility for the emergency evacuation of military dependents in Central Europe. Does the Department envision it would be possible to conduct an orderly evacuation of all military dependents in Europe—particularly those living with our forward combat forces stationed near the West German border—during the time frame of heavy reinforcement and imminent hostilities? What is your appraisal of the impact such a massive evacuation during a period of increasing international tension would have on our NATO allies and the Warsaw Pact nations? Is there currently any contingency planning by the Department of Defense to have military dependents in Europe "standfast"? In FY 1973 what percentage of US balance of payments deficits resulted from the presence of military dependents in Europe?

16. I understand that it takes at least three to four weeks to transport the "Reforger" and "2+10" units to Europe.[6] Since most of this reinforcement will travel by air, would you comment on the critically and probable availability of control of the air corridors and airspace over the projected landing sites? What is your estimate of the inflight and landing safety of this reinforcement troop airlift after the beginning of hostilities in Europe? If a massive troop reinforcement airlift is not feasible or possible, what would the overall situation be in regard to available sea transportation, docking and forward ground transport facilities?

17. A 1973 GAO report indicated that prepositioned heavy equipment maintained in the Federal Republic of Germany for the airlifted reinforcements was either in the wrong place, broken or positioned so as to be vulnerable to early capture or destruction by Soviet air, armor, conventionally armed missiles or long range artillery. Would you comment on how the situation was allowed to develop and what action has been taken to correct this problem? How many days is it estimated it would require the "Reforger" and "2+10" units to marry-up with this prepositioned heavy equipment and move to enter combat operations?

18. I have been informed that U.S. logistic stockpiles for conventional contingencies in Central Europe are maintained at about 90 day levels of supply. Press reports have indicated that none of our NATO allies maintain 90 day supply levels. Why is it necessary that U.S. forces maintain greater levels of supply for conventional war contingencies than other NATO allies?

19. I understand that U.S. supply depots are generally concentrated in the Saarbrucken-Kaiserslautern-Darmstadt area, considering that this area is only about 150-200 miles from forward positioned Warsaw Pact armored units, what is your estimate of the security of these large logistic stockpiles in the event of conventional warfare in the Center Region? Is it not a possibility that these supply depots as well as the special weapons storage areas, could be overrun by Warsaw Pact forces before the supplies and weapons could be used, moved or destroyed?

20. Over past years DoD spokesmen have frequently stressed the importance of our Mediterranean bases in on-staging and overflight planning for providing military assistance to Israel. Please furnish your appraisal of the validity of continuing to maintain current U.S. bases and force levels along the Mediterranean basin in view of the decision

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[2] Hearings, *supra*, at page 355.

[3] Hearings, *supra*, at page 355.

[4] Testimony of Secretary of Defense Schlesinger before Subcommittee on Arms Control, International Law and Organization of the Senate Foreign Relations Committee, July 25, 1973, pages 69 and 86.

[5] Hearings, *supra*, at page 70.

[6] Hearings of the Senate Armed Services Committee on the FY 1973 Military Authorization Bill (S. 3108, Part I, page 44).

by the Governments of Spain, Italy, Greece and Turkey to either deny or limit our use of those bases in the recent unilateral U.S. action to follow our own national policy interests in aiding Israel.

21. Also, please comment on the scenario that has been frequently postulated of using our Mediterranean bases for over-flight and on-staging of U.S. men and planes moving from the European Center Region to reinforce on the NATO southern Flank to meet a Soviet threat in the Middle East. Would it not be logical to assume that a Soviet threat of significant magnitude to warrant the movement of U.S. forces to the Middle East would also be accompanied by the danger of increased Soviet threat in Central Europe? Wouldn't this make the shifting of U.S. and NATO forces from the Center Region (or the U.S.) an unlikely event? And if so, why do we need to continue to maintain the current Mediterranean basin bases at present levels for improbable use of on-staging and over-flight—particularly in light of our recent experience during the Mid East War?

22. Press sources reported that the Soviet Mediterranean fleet was increased to 90 vessels (compared to 66 ships in the U.S. Sixth Fleet) during the peak of the Mid-East crisis.[7] Please provide a comparison of these buildups of the U.S. and Soviet Mediterranean fleets, showing the number and type of combat warships and submarines, naval aviation, marines afloat, naval infantry, and supply and auxiliary ships in each fleet.

23. The Department of Defense has reported that two squadrons of U.S. Air Force fighter planes continue to be stationed in Turkey with a NATO mission of assisting the Turkish Air Force in NATO defense missions involving Turkish air space. What is your appraisal of the continued validity of this U.S. force deployment in view of the recent Turkish refusal to permit U.S. aircraft flying supplies to Israel to use landing fields in Turkey and the fact that at the same time Soviet air transports were permitted to penetrate Turkish airspace unopposed while flying military supplies to Egypt? If Soviet aircraft can penetrate Turkish airspace with impunity during the days of a U.S.-Soviet crisis of sufficient magnitude to cause a worldwide DEFCON 3 alert of our armed forces, what is the purpose of the fighter squadrons in Turkey when they could not react to the recent crisis? What is the specific treaty obligation and mission justification that requires the continued presence of 7,000 military personnel in Turkey? State the threat to the defense of NATO's Southern flank and give specifics of how U.S. military forces in Turkey assist NATO-committed Turkish armed forces in meeting this threat.

24. Please explain in detail the specific missions assigned and duties currently being performed by the Headquarters JUSMAT Turkey and its Army, Navy and Air Force sections. Please provide an organizational manning table for JUSMAT. Also please furnish the non-classified duties performed by the defense attaches in Turkey. Additionally, please provide your opinion on the need to continue to station U.S. combat-mission missile and air units in Turkey, and an unclassified explanation of DOD thinking in regard to their long-term strategic or tactical value through the mid-range 1980's.

25. What are the estimated total costs for construction of the "relocatable" steel and concrete pier constructed for the U.S. Navy "homeport" at the Greek port of Elefsis? What is the annual cost to the Navy to lease this pier? Is it actually possible to relocate the pier; if so, how long would it take to dismantle and prepare it for movement? What is the estimated cost for moving this "relocatable" pier? Wouldn't the cost of dismantling and moving such a pier exceed the value of the pier after depreciation? It is my understanding that the current "relocatable" pier at Elefsis is for use by destroyers that are homeported there. I have also been informed that the Navy intends to eventually berth an attack carrier in Elefsis Bay. Will this necessitate the construction of additional berthing, warehousing and fueling facilities? If so, what will be the estimated cost of these additional facilities? In regard to fueling facilities, will the bunkered fuel oil stored for the Sixth Fleet ships be transported to Greece from the U.S., or will foreign oil be purchased overseas to meet fuel requirements? What would be the cost and quantity of fuel required under each of the above methods of resupply? What are the current total projected costs for all facilities constructed or planned for construction through 1980 in support of the Greek homeport concept?

26. It is my understanding that the purpose of the Greek homeporting plan is to permit Sixth Fleet sailors to spend more time with their families. The Chief of Naval Operations has previously informed the Congress that dependents of Sixth Fleet personnel would be expected to find homes (that Navy surveys indicated were available) in and around Athens and Piraeus-Faleron and use existing Navy facilities located in the areas.[8] However, in view of the fact that the Greek Government has requested that the Navy use the bay at Elefsis rather than the previously agreed upon port at Piraeus-Faleron, Elefsis is a greater distance from Athens and the established Navy facilities at Piraeus-Faleron, is this situation not going to create the justification for eventual construction of U.S. dependent housing near Elefsis? What is the estimated number and cost of such dependent housing if it is in fact being planned? Also please comment on the desirability from a combat readiness standpoint of having Sixth Fleet carrier and destroyer crews scattered about at distances of as much as 30 miles (distance from Elefsis to Piraeus-Faleron-Glyfoda where most U.S. dependents now live) from their ships. What system of crew alert notification and assembly is presently in operation for military personnel living in such scattered locations as Athens, Piraeus and Elefsis?

27. Were U.S. Sixth Fleet personnel, ships and planes granted official freedom of operational movement, entry and exit to and from their bases in Greece during the recent Mid-East crisis? Did the Greek Government place any restrictions on the operational activities of U.S. forces based in Greece during the Mid-East crisis? Please provide your unclassified evaluation of the operational importance of the role that the sea and air bases at Elefsis, Piraeus and Athens played during the U.S. actions to provide military assistance to Israel.

28. There have been reports in the press of rising anti-Americanism in Greece.[9] In your estimation how serious is this and how much of this anti-Americanism sentiment has been directed toward U.S. servicemen and their families living in Greece? Has this increase in anti-American feeling among segments of the Greek society had any deleterious effect on the morale and operational combat readiness of U.S. military personnel stationed in Greece?

29. Please provide the specific assigned missions of the JUSMAG Greece and a listing and explanation of the current principal duties this joint headquarters and each of its Army, Navy and Air Force sections are currently performing. Please provide an organizational manning table for JUSMAG Greece. Also, please furnish a listing by type, quantity and year of delivery in-country of the major items of U.S. military equipment that JUSMAG military advisors are currently advising the Greek Armed Forces how to operate or maintain. Show the rank and service of the principal U.S. advisors on each of these types of equipment and indicate the overall total time each of the advisors has been assigned in Greece.

30. What treaty article requires the presence of 11,000 U.S. military personnel stationed in Italy? What was the reason that the number of U.S. military personnel in Italy increased by 1,000 between March 31, 1973 and June 30, 1973? Please state the mission change that necessitated this 1,000 increase and whether these personnel were transferred from other locations within Europe or brought in from the U.S.? How many U.S. military personnel assigned to Italy are serving in combat skill assignments?

31. Please provide a listing showing by service how many U.S. military personnel are serving in Italy. Indicate what percentage of each service's personnel are assigned to combat skill jobs, command headquarters, advisory duties, support communication and logistics assignments.

32. The DoD has stated the mission of the Southern European Task Force (SETAF) as providing support to NATO forces in Italy and to be prepared to provide logistic support in the Mediterranean. To what "NATO Forces" other than U.S. forces does SETAF provide support? Please describe and define the nature and extent of this support. Does SETAF "support" include the provision of a tactical nuclear-missile capability for the Italian Armed Forces? If so, what is the specific area threat that justifies this nuclear fire support, and why does it require a land-based missile capability? Why could this mission not be accomplished by other than a permanent land-based Army missile force in Italy? What is the barracks capacity of Camp Darby in Italy? What general overall level of supplies and equipment is stored at Camp Darby? What percent of these supply levels is for the emergency use of NATO allies? Are any of these stockpiles envisioned for use by U.S. Forces in the Federal Republic of Germany? If so, what line of communication will be opened to accomplish this resupply? If the presence of SETAF is required by a valid support mission requirement, why is it not possible to streamline and consolidate the activities of this command at one post such as the support base at Camp Darby?

33. What is the overall total cost of U.S. military assistance furnished to Italy since 1960? Over the past 15 years how much has been spent for military assistance funds on ship modernization and training for the Italian Navy? How much on the ship loan program? What is the role of Italian fleet in assisting the mission of the U.S. Sixth Fleet? Do you consider that this mission assistance is a fair return for the U.S. tax money invested? Please give a specific explanation of the combat and defense security this country has received and receives today as a return on the tax money expended over the past 15 years for military assistance to Italy.

34. Please explain why the vacation resort and fishing port of La Maddalena was selected as the home-port for an attack submarine tender. Also please list the advantages that this port was found to have over other Mediterranean ports considered. What will be the estimated total cost to the U.S. Government of this particular home-port arrangement? Is it planned to home-port additional Sixth

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[7] Chicago Tribune, November 1, 1973, "How Do-Nothing Allies Strained United States" by Bill Anderson.

[8] Subcommittee on Europe of the House Foreign Affairs Committee "Implementation of Homeporting in Greece," July 16, 19, and 30, 1973.

[9] Washington Post, December 8, 1973. In article Washington Post Foreign Service Correspondent Dusko Doder quotes an unnamed American official in Athens as calling homeporting "the biggest damn mistake we have made in Greece." What is your reaction to this report and why?

Fleet ships at La Maddalena? How many Sixth Fleet personnel currently have their families living at La Maddalena?

35. The Department of Defense has informed the Congress that the United States is not required by any treaty or agreement to station forces in Spain.[10] Please cite the language of the specific article or paragraph, in the 1970 U.S.-Spanish Friendship and Cooperation Agreement under which 9,000 U.S. military personnel and 14,000 military dependents are presently stationed in Spain.

36. How many military and DoD civilian personnel are currently assigned to the Joint U.S. Military Assistance Group/Military Assistance Advisory Group in Spain? Please furnish an organizational manning table for JUSMG/MAAG Spain. Also please provide the specific assigned missions of the JUSMG/MAAG and a listing and explanation of the current principal duties of the joint headquarters and each of its Army, Navy, Air Force sections. Provide a listing by type, quantity and year of delivery in-country of the major items of U.S. military equipment that JUSMG/MAAG military advisors are actively advising the Spanish Armed Forces on how to operate or maintain. Indicate the rank and service of the U.S. military personnel advising the Spanish Armed Forces on each major type of equipment and indicate the overall total time each of the advisors has been assigned in Spain.

37. What has been the total cost of U.S. military assistance furnished to Spain since 1960? Since 1956 how much has been spent from U.S. military assistance funds on ship modernization, ship loan program and training for the Spanish Navy? What is the present specific role of the Spanish Navy in assisting the mission of the U.S. Sixth Fleet in the Mediterranean? Please state the specific U.S. security and combat defense reasons why you feel these assistance expenditures are justified.

38. What has been the total cost of the U.S. of the micro-wave system installed in Spain? Is this system a fully operational and effective system today? When was this micro-wave system begun, when finished, when turned over to the Spanish? Are there any U.S. personnel currently involved in the operation or maintenance of this system? In the 1970 agreement did the Spanish Armed Forces request U.S. assistance in restoring the operational capability of this system? Was this assistance provided from military assistance funds? What was the problem that necessitated a request for additional U.S. assistance on this system?

39. What is the present personnel strength of the 16th Air Force? How many of these personnel are assigned to 16th Air Force Headquarters at Torrejon, Spain? Please furnish a listing showing the total numbers of general officers, field grade officers, non-commissioned officers and airmen (grades E–1 through E–3) assigned to the 16th Air Force. Is it correct that the combat component of the 16th Air Force consists of 1 fighter squadron of F–4 aircraft? What is the authorized Air Force ratio of squadron personnel per plane in an operational F–4 squadron of the type assigned to the 16th Air Force? What is the ratio of Air Force personnel of all ranks per combat aircraft assigned to the 16th Air Force?

40. In Congressional testimony Department of Defense spokesmen have indicated that more than half of the air-to-ground gunnery training of the U.S. Air Force permanently stationed in Europe with NATO missions, is conducted at the Bardenas Reales firing range adjacent to the joint Spanish-U.S. base at Zaragoza.[11] In view of the stated importance of this training to the combat-readiness of our NATO committed Air Force units, and considering the recent refusal of non-NATO member Spain to let U.S. Air Force aircraft flying supplies to Israel use the joint bases, what is your evaluation of the risk to the overall combat posture of our air forces in Europe posed by continuing to rely on the use of a non-NATO base as the only facility for the major combat training of over half our Air Force in Europe? Do our NATO allies not have firing ranges that we could share? Why must we maintain and operate a separate U.S. base in Spain for the gunnery training of our air crews stationed in NATO? Why is it necessary to maintain the San Pablo-Moron airbase on standby status? Under the terms of the 1970 agreement is it not plausible that the Spanish could deny further use of the firing range at any time? DoD has reported the FY 1972 costs for the operation of the Zaragoza airbase at $4 million; do these figures include the costs of moving crews and planes from their NATO bases to Spain? What is the annual amount of fuel consumed in moving personnel and planes to the firing range and carrying out the gunnery training?

41. On July 21, 1971, Mr. John Morse, Deputy Assistant Secretary of Defense, International Security Affairs for Europe, testified before Congress that it was the considered judgment of the Defense Department that our overall Mediterranean security posture would be considerably degraded were our bases in Spain not available in crisis. Would you comment on the continuing validity of this judgment and the urgency of the continued need for three airbases in view of the Spanish refusal to grant unrestricted U.S. use of the joint air bases during the recent Arab-Israeli War.

42. Is it not a fact that as recently as 1972 petroleum, oil and lubricants (POL) for U.S. air and naval activities in Spain were supplied from sources in the Caribbean, the U.S. Gulf States and Wales. Please explain the current system and sources for providing POL for our forces in Spain. Also please furnish an explanation of the current operation of the U.S. constructed pipeline system in Spain. Who operates and controls this pipeline upon which our forces must depend for their POL supplies? What percentage of the annual load of fuel pumped through this pipeline system is U.S. owned POL? What is the annual cost to the U.S. Government for the operation of this pipeline system? Is U.S. owned fuel presently stored in facilities at Cartegena and El Ferrol? If so, please explain the quantity stored and procedures by which this fuel is maintained under direct U.S. control.

43. Are there now, or have there ever been, any U.S. European Command contingency or emergency plans that include the use of Spanish forces or Spanish territory in any manner? Please explain why it has been incumbent on a U.S. representative from the NATO Council and Defense Planning Committee, to travel to Madrid to inform the Spanish (who are not NATO members) on the main elements of unclassified decisions reached in those NATO bodies? Why have other NATO allies not also considered it necessary to keep the Spanish abreast of NATO decisions and actions?

44. How many U.S. military personnel are stationed in mainland Portugal? How many in the Azores? Please provide a listing showing the major U.S. units to which these personnel are assigned. What percentage of these personnel are assigned in combat skill jobs? Please give the separate percentages of officers, non-commissioned officers (E4 through E9) and privates (E–1 through E–3) assigned in the U.S. force.

45. Please explain in detail the specific missions assigned and duties currently performed by the Headquarters MAAG Portugal and each of the Army, Navy and Air Force sections. Please provide an organizational manning table for MAAG Portugal. Also please furnish a listing by type, quantity and year of delivery in-country of the major items of U.S. military equipment that MAAG Portugal advisors are currently advising the Portuguese Armed Forces how to operate or maintain. Please show the rank and service of the advisor on each type of equipment and indicate the overall total time each advisor has been assigned in Portugal. On what date was MAAG Portugal established? when is it estimated its advisory duties can end? Do any of the advisory functions of MAAG Portugal have a relationship to Portuguese Armed Forces combat operations in Africa? Have any U.S. members of MAAG Portugal traveled to or visited with Portuguese military units engaged in Africa? What are the non-classified duties of the Defense attaches stationed in Portugal?

46. There have been indications in the press that the Portuguese Government may request increased U.S. military assistance in the form of modern weapons systems, as the *quid pro quo* for continued U.S. use of Lajes airbase in the Azores. Would you comment on these reports and current DoD planning in regard to future levels of military assistance to Portugal, need for continued use of Lajes airbase, and alternative ways current Lajes missions could be accomplished?

47. I am told that prior to 1966 the emergency planning for U.S. Sixth Fleet attack carriers had both of our carriers moving immediately out of the Mediterranean and into the Atlantic where it was considered there was less danger they would be sunk by enemy air or submarine action. I'm informed that present D–Day planning envisions these costly carriers remaining in the Mediterranean. In view of the fact that DoD has reported Soviet naval and air capabilities in the Mediterranean greatly increased over each of the past five years, I'm somewhat at a loss to understand the rationale behind the military emergency planning which deemed it necessary to withdraw hastily the carriers during a period prior to 1966 when there was a reduced threat to their survival, and now planning to risk both the carriers and their crews in the Mediterranean during a time that the air, sea and cruise missile threat to their survival has according to the Department of Defense dramatically increased. Would you please comment on the present facts of this situation?

48. One of the stated missions for the U.S. Sixth Fleet in the Mediterranean is "to permit the deployment and logistics support of U.S. military forces overseas to ensure our continued access to vital overseas resources such as oil from the Middle East."[12] I find the potential implications and possibility for misinterpretation of this stated mission assignment for our Sixth Fleet particularly disturbing for an era of sensitive negotiations and increasing fuel crisis. Please explain precisely what this Sixth Fleet mission assignment is intended to convey and what Department of Defense contingency planning exists to implement this mission concept? Also what changed military requirements necessitated a 5,000 man increase in the number of U.S. military personnel afloat near Western Europe between March 31, 1972, and June 30, 1973?

49. In past readings of Department of Defense reports on the relative comparison between the U.S. Sixth Fleet and the Soviet Mediterranean Fleet, I have been struck by the absence of any substantive indication of the combat power furnished in the Mediterranean by the naval and air forces of our NATO allies, Turkey, Greece, Italy, Portugal, Great Britain and France. Please provide a

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[10] Senate Hearings, *supra*, at page 358.

[11] Hearings before the Subcommittee on Europe of the House Foreign Affairs: Greece, Spain and the Southern NATO Strategy, July 21, 1971, page 276.

[12] (Senate Hearings, U.S. Forces in Europe, *supra*, page 361.

listing of the combat ships and planes (by class or type) that each of these NATO allies currently furnish to the NATO Mediterranean command, that would be available in time of emergency to act in concert with the U.S. Sixth Fleet. Also please provide a listing of combat ships and planes available to the Soviet Union and its Warsaw Pact allies in time of emergency in the Mediterranean. I would also appreciate your comments on the extent of the current Warsaw Pact naval and air threat in the Mediterranean and the total current capability of NATO sea and air forces to counter this threat.

50. Please explain specifically why U.S. national security objectives require the stationing of 21,000 U.S. military personnel in the United Kingdom? What agreement or accord provides the legal basis for the stationing of these military personnel and their 29,000 accompanying dependents in the United Kingdom?

51. I'm informed that Headquarters 3rd Air Force is the Department of Defense's executive agency for negotiations with the United Kingdom Ministry of Defense; and also helps coordinate all air and sea deployments for both peacetime and wartime objectives in the immediate area on the approaches to Europe. Isn't it a fact that the British Defense Staff Attaches in Washington act as the agency for negotiations between the United Kingdom Ministry of Defense and the U.S. Department of Defense? Why do U.S. Defense attaches in London not perform in a similar manner? What are the ranks of the U.S. Defense attaches in London? What are their duties? What other U.S. headquarters does Headquarters 3rd Air Force help in coordinating air and sea deployments? Does Headquarters CINCUSNAVEUR also help in this sea and air coordination? Why can't such coordination activities be consolidated into one of the several existing joint U.S. headquarters that are already maintained both in the U.S. and Europe?

52. Are there now, or have there ever been, any Department of Defense or Washington Liaison Group contingency plans for the emergency evacuation of U.S. military dependents in Central Europe to Northern Ireland or the Republic of Ireland?

53. What was the military requirement that necessitated doubling the size of the U.S. garrison stationed in Bermuda from 1,000 personnel on March 31, 1973, to 2,000 personnel as of June 30, 1973? What is the military mission of the U.S. force? How long has this force been stationed in Bermuda? What national security objective does it support? What is the total annual dollar cost of this force deployment?

54. The Department of Defense indicated in 1973 that the primary purpose of the U.S. military presence on the Japan mainland was "to maintain an operational, logistical and communications base structure which is viewed as minimally necessary to promote U.S. security interests and foreign policy objectives in the Far East."[13] Who has determined what force is "minimally" necessary to support U.S. Far East foreign policy objectives? What are the specific U.S. missions that this "operational, logistical and communication base structure" are maintained to support? What is the total annual cost of the U.S. forces and bases in Japan? Does this force presence result in any balance of payments deficits to the U.S.? If so, what were the yearly deficits in fiscal years 1970, 1971, 1972, 1973?

55. I'm informed that in 1971 during the Vietnam War there were approximately 20,000 U.S. military personnel (accompanied by 36,000 military dependents) stationed in Japan in the base structure that I assume was supporting U.S. war efforts in Vietnam. On March 31, 1973, there were 18,000 U.S. military personnel and 29,547 dependents stationed in Japan, but despite the end of direct U.S. military involvement in the Vietnam War by June 30, 1973, the number of U.S. military in Japan had *increased* to 19,000 military personnel. Please explain the military mission requirements which justified this increase in our Japan-based force. Also please explain why in a period of increasing détente with the Peoples Republic of China, the end of direct U.S. military involvement in Southeast Asia, reduced tension between North and South Korea, the seating of China and North Korea in the U.N., reduced danger of conflict between Mainland China and Taiwan and a reduced U.S. military presence in the Philippines, that it is necessary to still maintain in Japan an "operational, logistical and communications base structure" of practically the same size as was required during the period of the Vietnam War and the Cold War with the Peoples Republic of China?

56. The Department of Defense has indicated that no U.S. combat troops are based on the Japanese mainland. Does this refer only to ground combat troops such as infantry, artillery and armor, or does it include the combat elements of all air, naval and Marine Corps forces stationed in Japan? Please explain the structuring of all our armed forces in Japan with particular emphasis on the combat capability of the force and specific examples of how the current force aids in providing combat defense to the American people? Please cite the provisions of the article in the United States-Republic of Korea Mutual Defense Treaty which is the legal basis for the presence in South Korea of 42,000 U.S. military personnel. If this treaty does not provide the basis for the presence of U.S. military forces in South Korea, please provide the language of the accord or agreement that is the legal basis. Since what date have U.S. military personnel been stationed in South Korea? Please cite the legal basis for all periods of this presence.

57. In March, 1973, your predecessor, Secretary of Defense Richardson, stated that a continued U.S. presence in Korea was necessary "as an earnest signal of our intent to defend a staunch ally, as a guarantee that the U.S. [military assistance] program to modernize Korean forces would continue, and to provide political stability to the area." Please comment on your position relative to this statement and the need for the continued presence of U.S. troops in South Korea considering the following facts previously reported by the Department of Defense:

(1) The South Korean active ground forces number around 600,000 men backed by a large trained reserve. A large portion of the South Korean forces are Vietnam combat veterans. North Korean active ground forces strength has been stated by DoD as numbering around 360,000 men backed by a smaller reserve than maintained in the South. And the North Korean force has not been in sustained combat operations since 1953. There are no Soviet or Chinese combat units stationed in North Korea. (Secretary of Defense Melvin R. Laird's Annual Defense Department Report FY 1973, dated Feb. 17, 1972)

(2) The Department of Defense statement of "threat" for FY 1973 and FY 1974 indicates that both North and South Korea see aggression as contrary to their interests. (DoD Military Manpower Requirements Report, FY 1974)

(3) The United States is already committed to a five year $1.5 billion military assistance program to further "modernize" the South Korean Armed Forces with such modern weapons as the F-5E fighter plane. (See cite for No. 1)

(4) In FY 1972 the pay, upkeep and operating costs for U.S. forces in Korea was reported by DoD as $584 million, military assistance was $155 million and balance of payments ran over $200 million. (See cite for No. 1)

(5) The present South Korean Government which continues in power despite constitutional constraints to the contrary has recently further restricted the constitutionally guaranteed freedoms of its people—certainly not an indication of a manner or degree of political stability which U.S. forces could assist in providing.

58. Please indicate what actions the DoD intends to take to eliminate the excessive overhead of command and administrative personnel in the headquarters structure commanding U.S. forces in Korea. Specifically comment on the reductions planned in 8th U.S. Army Headquarters, I U.S. Army Corps, Headquarters Air Force Korea (which has been reported as having 8,300 military personnel assigned, but only 54 F-4 combat aircraft permanently assigned), KORSCOM, COMNAVFOR Korea, and the U.S. element of the U.N. Command/Joint U.S. Forces.

59. Please explain the mission and military reasons that require the continued presence of the U.S. Second Infantry Division in Korea. Why is 10% of this U.S. Army Division's strength composed of South Korea soldiers? What are the annual costs to the U.S. of these Republic of Korea soldiers serving in a U.S. Army division? Are there not enough U.S. Army personnel stationed in Korea to man this overseas combat division with U.S. soldiers at full Tables of Organization and Equipment strength? Please furnish a breakout of the major unit assignments of all U.S. Army personnel in South Korea. What is the rated degree of combat readiness and morale of this division? What were the percentage rates of the reenlistment, AWOL, non-judicial and judicial punishment convictions and administrative discharges in the Second Infantry Division in fiscal year 1972–73?

60. Are U.S. tactical nuclear weapons stored in South Korea? Does the 2d Division Artillery, 4th Missile Command and 38th Artillery Brigade have tactical nuclear weapons delivery capability? Are there any joint U.S.-ROK contingency plans for the emergency use of tactical nuclear weapons?

61. What major items of weapons and equipment were declared surplus to U.S. requirements and transferred to the Republic of South Korea from U.S. stocks in South Vietnam? What was the total acquisition cost value of this equipment? Was the shipment to Korea of these surplus items of equipment paid for by the South Korean or U.S. government? What were the shipment costs? Did the U.S. government receive any form of financial reimbursement for these weapons and equipment? Was this quantity of surplus equipment and weapons discounted from the totals of military assistance that the U.S. had pledged to provide under the ROK five-year modernization program, or were these surplus items furnished over and above the U.S. assistance to be furnished under the ROK modernization program?

62. Press articles have indicated that certain U.S.-ROK construction companies are currently either negotiating for construction contracts, or actually constructing permanent type concrete troop barracks and dependent housing units on which the U.S. is guaranteeing occupancy through 1985. Please comment on the facts in this matter and on whether or not there are plans within the Department of Defense which envision a continued U.S. military presence in South Korea until the mid-1980's.[14]

63. I have seen reports that indicate that JUSMAG Korea has about 400 senior U.S. officers and non-commissioned officers and 150 U.S. and South Korean civilians assigned or employed. * This seems like an

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[13] Senate Hearings, U.S. Forces in Europe, *supra*, page 354.

[14] Washington Post, April 8, 1973, "On Freedom's Frontier: Boredom, Babes and Booze" by Don Oberdorfer.

excessive number in view of the fact that this U.S. military assistance group has been advising and assisting the South Korean Armed Forces for 24 years. Please furnish a copy of the organizational manning table for JUSMAG Korea. Also please provide the specific assigned missions and current duties of headquarters JUSMAG and each of its Army, Navy and Air Force Sections. Provide a listing by type, quantity and year of delivery in-country of the major items of U.S. military equipment that JUSMAG Korea military advisors are actively advising the South Korean Armed Forces on how to operate or maintain. Indicate the rank and service of the U.S. military personnel advising the South Korean on each major item of equipment and indicate the overall total time the advisors have been assigned in South Korea. What were the annual total costs to the U.S. (including pay and allowances) of JUSMAG Korea in fiscal years 1969–1973. What has been the total dollar costs to the U.S. of this military assistance group since its inception in 1949? When is it envisioned that this military assistance effort may be terminated?

64. In the 1972 Shanghai Communique the U.S. affirmed its intention to ultimately withdraw all U.S. forces and military installations from Taiwan. Yet in 1972 and throughout 1973 the number of U.S. military personnel stationed in Taiwan remained at around 9,000. What future plans, if any, does the Department of Defense have in regard to a substantive reduction in the number of U.S. personnel assigned to the Taiwan Defense Command and Military Assistance Advisory Group? With the end of direct U.S. military involvement in Southeast Asia why is it not possible to now withdraw the U.S. air transport elements and most of the communication units that were there to support U.S. combat efforts in Southeast Asia?

65. Please cite the language of the article of the 1954 United States-Republic of China Mutual Defense Treaty, or other pertinent agreement or accord, which provides the legal basis for the presence on Taiwan of 9,000 U.S. military personnel and nearly 5,000 dependents. Also please cite the specific language of the 1954 Mutual Defense Treaty which is construed to commit the United States to providing military forces such as the Taiwan Defense Command which are primarily responsible for assisting in the defense and security of Taiwan.

66. What is the current authorized strength of MAAG Taiwan? Please furnish a copy of the organizational manning table for this MAAG. Also provide the specific assigned missions and current duties of the MAAG headquarters and each of its Army, Navy and Air Force Sections. Please provide a listing of the major items of U.S. equipment on which U.S. MAAG advisors are currently assisting the Republic of China and the rank and service of the U.S. advisors so assigned. On what date was this MAAG established? When is it envisioned its advisory duties can be terminated? What are the non-classified duties of the U.S. Defense attaches in Taiwan?

67. Please explain the change of military mission or force requirement that caused the number of U.S. personnel stationed in the Philippines to increase by 1,000 from March 31, 1973 to June 30, 1973. What are the military missions that require 16,000 U.S. military personnel stationed in the Philippines? Please cite the specific language of the treaty, agreement or accord which is the legal basis for the presence of this U.S. force and their accompanying 15,000 dependents.

68. I am informed there are about 50 U.S. military personnel assigned to MAAG Philippines.[15] What is the mission and assigned duties of the MAAG headquarters and its Army, Navy and Air Force Sections? What are the major items of U.S. equipment on which U.S. advisors assist the Philippine Armed Forces? Please furnish an organizational manning table for MAAG Philippines. On what date was this MAAG established? When is it envisioned its advisory functions can be terminated? What phases of counterinsurgency training has the MAAG provided to the Philippine Armed Forces? Have MAAG U.S. Army advisors ever accompanied the Philippine Army units they advise on field operations?

69. The Department of Defense has stated that Okinawa serves as the principal offshore operational and logistical supply base for U.S. forces in Northeast and Southeast Asia, and estimates that 38,000 U.S. military personnel and nearly 20,000 dependents will be stationed there in FY 1974.[16] Please explain why U.S. security requires 19,000 U.S. military personnel in Japan "to maintain an operational, logistical and communication bare structure to promote U.S. security interests in the Far East," and 38,000 additional U.S. military personnel in the Japanese administered Ryukyu Islands to provide yet another "logistical supply base structure" for the same area (for example, Northeast Asia would appear to be more readily serviced by supply facilities in Japan)? And what are the U.S. combat forces in the Western Pacific area being served by this vast U.S. logistical base structure? Please list the military combat forces that are served by this logistical base structure. And explain why they require such a vast forward logistical support capability in Asia.

70. Please cite the language of the article or paragraph in any agreement or accord signed between the United States and Japan which provides the legal basis for a U.S. commitment to maintain 38,000 military personnel in Okinawa. What is the total annual cost to the U.S. of our bases and personnel in Okinawa?

71. Please explain the mission and purpose of the continued presence of most of the 3rd Marine Division in Okinawa. When is it anticipated that this ground combat division can be withdrawn?

72. Please cite the article and language of the agreement or accord, signed by the U.S. and Thailand, which provides the legal basis for a U.S. commitment of 39,000 military personnel stationed in Thailand. What U.S. national security objective requires the continued presence of U.S. military personnel in Thailand? In consideration of the recent change of government in Thailand what is your estimate of when it will be possible to withdraw JUSMAG Thailand? I am told that there are about 200 U.S. military personnel assigned to this joint U.S. military assistance group; what is the mission and assigned duties of these military advisory personnel?[17] What are the major items of equipment and the date delivered in-country, which U.S. advisors assist the Thai Armed Forces in operating or maintaining? Have U.S. military advisors assisted in the counterinsurgency training of the Thai Armed Forces; do these U.S. advisors accompany the Thai units they advise on field operations? What was the total annual cost to the U.S. in FY 1973 of the presence of our military personnel and bases in Thailand?

73. Please cite the language in the U.S.-Ethiopian Facilities Agreement that provides the legal basis for the U.S. commitment of almost 900 military personnel and about 7,500 dependents to be present in Ethiopia. What was the total cost of this force in each year during the period 1963–1973?

74. I understand that the mission of the MAAG Ethiopia is to supervise and administer the U.S. Military Security Assistance Program for Ethiopia. Please explain the specific parts of this military security program and how each of these parts of the program relates to the accomplishment of the principal U.S. national security objectives. Also please provide an explanation of the major duties performed by the MAAG headquarters and each of its Army, Navy and Air Force Sections, and a listing by type, quantity and date delivered in-country of the major items of U.S. equipment which MAAG advisors assist the Ethiopians in the using or maintaining. Are any U.S. military personnel stationed in Eritrea? If so, what are their duties?

75. The Department of Defense has indicated that the primary reason a Brigadier General is assigned as the senior commander of MAAG Ethiopia is "to ensure that the MAAG is able to maintain contacts at the appropriate command and staff levels in the military establishment of the host country." I find this explanation particularly unconvincing when one considers, for example, that in countries such as Colombia (which like Ethiopia furnished a combat battalion to fight with U.S. forces in Korea in 1951–52), Venezuela, Liberia, Zaire, Chile, Netherlands, Norway, Denmark, Peru, Portugal, Guatemala and Uruguay the military assistance groups are commanded by a colonel. Please comment on why MAAG Ethiopia cannot be commanded by other than a general officer. On what date was MAAG Ethiopia established? When is it envisioned that the duties of this military assistance group can be terminated?

76. Are there any U.S. Marine Corps personnel stationed in the Cape Verde Islands? If so, what is the mission and assigned duties of these personnel?

77. What is the mission and principal duties of the 30 U.S. military personnel assigned to the U.S. military assistance group in Zaire? Are these U.S. advisors instructing the military forces Zaire in counterinsurgency operations? Please cite the language of the agreement or accord, which provides the legal basis for the presence in Zaire of these U.S. military personnel and 80 accompanying dependents. Please explain specifically how this U.S. military presence in Zaire assists in the accomplishment of the two principal U.S. national security objectives. When does the Department of Defense envision that the assistance this military group provides to Zaire can be terminated?

78. Please cite the language of the agreement signed between the United States and Morocco which provides the legal basis for the presence in Morocco of 1,000 U.S. military personnel and their accompanying 7,600 dependents. What is the mission and principal duties of the U.S. military personnel assigned to MUSLO Morocco? What alternatives has the Department of Defense considered for other ways to accomplish the operational function of the communication station in Morocco? Could this communication function be accomplished by an afloat capability? What was the annual cost to the U.S. Government to maintain the U.S. military base and personnel in Morocco in fiscal years 1968–1973?

79. In July 1970 the Fitzhugh Commission Report (page 57) recommended that the Joint U.S. Southern Command headquarters be abolished, yet there are still a dozen general flag officers and dozens of field grade officers assigned to this joint headquarters to command combat components which consist of less than 6,000 personnel. Please comment on what plans the Department of Defense has for eliminating this costly and unnecessarily large administrative and command overhead. What is the U.S. military requirement that dictates the continued operation in the Canal Zone of the Army, Navy and Air Force schools to train Latin Ameri-

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[15] Department of Defense Report on MAAG/Mission/MILGP Data, Dec. 31, 1972.

[16] Hearings supra at page 353.

[17] Department of Defense Report on MAAG/Mission/MILGP Data, Dec. 31, 1972.

can officers? After 20 years of operation, is it not reasonable to expect that these training schools can now be closed, since Latin American Armed Forces should by now have a sufficient cadre of trained personnel to conduct their own training?

80. I understand that the mission of the U.S. Army's 193d Infantry Brigade is to defend the Panama Canal from attack.[18] Please state the external ground forces which are considered to pose a "threat" to the ground security of the Panama Canal. What is the mission and principal duties of the U.S. Military Group Panama? Please indicate the type, quantity and date of delivery in-country of major U.S. weapons furnished to the Republic of Panama under the U.S. Military Assistance program in fiscal years 1971–1973.

81. For each of the following U.S. MAAG/Mission/MILGPs: Please indicate the mission and specific duties of the U.S. military personnel currently assigned, the type, quantity, and date of delivery in-country since FY 1970 of the major weapons and items of equipment furnished under the U.S. military assistance program, weapons purchased through military sales agreements negotiated by the Mission/MILGP, the date that each Mission/MILGP was established, and if possible, specific examples of how each Mission/MILGP has contributed to assisting the host country in developing a capability to defend themselves from attack and protecting their sovereign rights to independence and self-determination.

MILGP Argentina.
MILGP Bolivia.
MILGP Brazil.
MILGP Chile.
MILGP Colombia.
MILGP Costa Rica.
MAAG Dominican Republic.
MILGP El Salvador.
MILGP Guatamala.
MILGP Honduras.
MILGP Paraguay.
MAAG Peru.
MILGP Uruguay.
MILGP Venezuela.

82. Please explain the mission and functions of the Joint Brazil-U.S. Defense Commission and the Joint Brazil-U.S. Military Commission. Please explain the command and control channels established for these joint commissions by bilateral agreement between the U.S. and Brazil. What is the relationship between these bilateral commissions and the U.S. Embassy and the MILGP in Brazil? How many U.S. military personnel are assigned to the U.S. Sections of these two Joint Commissions? How many to the MILGP and the Defense attaches office? What is the total amount of appropriated funds allocated to the operation of these Commissions?

83. Please explain the mission and purpose of the Inter-American Defense Board and the Inter-American Defense College and the military justification for the number of senior U.S. officers assigned to them. List the substantive accomplishments of the Inter-American Defense Board over the past 10 years which have contributed to U.S. national security objectives. How is the course curricula of the Inter-American Defense College formulated and what agency approves this curricula? Please summarize the major objectives of the course of instruction taught at the Inter-American Defense College, does this course stress counterinsurgency operations? What is the total cost to the U.S. Government for this College (including facilities, operation and maintenance, pay and allowances)?

84. The Military Manpower Requirements Report for FY 1974 indicates that 68% of the FY 1974 Department of Defense total active military force will be serving as officer or non-commissioned officers/specialists. Please provide a specific explanation of why it is necessary for the active armed forces to maintain such a large percentage of executive and supervisory personnel. What percentage of these officers and non-commissioned officers are assigned to authorized combat command and leadership positions? What percentage to headquarters staff and administrative assignments? What percentage to support and communication duties?

85. Please provide your comments on what actions the Department of Defense is preparing to take during FY 1975 to increase the overall combat productivity of U.S. military manpower. Please comment on the specific steps you plan to take during FY 1975 and FY 1976 to increase the percentage of each service's end-strength manpower assigned to combat skills, intermediate combat units and major combat units.

86. Please furnish your comments on what specific steps the Department of Defense plans to take within each service during FY 1975 toward reducing the overall number of military personnel assigned to command headquarters and support duties. What is the estimated percentage of the total FY 1975 DOD personnel force that will be assigned to command headquarters and support duties?

87. What is the total number of DOD personnel who will be assigned to transient status during FY 1975? What is the total estimated cost for this transient manpower? How many permanent change of station (PCS) moves among the total Department of Defense manpower force do you estimate will be required in FY 1975? How does this estimate compare with the total PCS moves made during FY 1974? What is the estimated overall cost of the FY 1975 PCS moves? Please comment on what actions you propose to take to cause the services to restrict and reduce the number of PCS moves projected for FY 1975?

88. Please provide information on the actions which you plan to take to reduce military grade creep. What consideration is being given to returning our active duty officer corps to the pre-Korean War concept of serving in their permanent, rather than temporary, rank during peacetime?

89. How many four and three star officers will be serving on active duty on June 30, 1974? Please indicate by grade and service how many field grade officers and company grade officers will be serving on active duty on June 30, 1974. Please provide information on how these grade levels compare to the grade levels on June 30, 1945, June 30, 1953, June 30, 1964 and June 30, 1973.

90. The London-based Institute of Strategic Studies reported in 1973 (Vol. XV, No. 1, Jan–Feb 1973 "The Wasteful Ways of NATO") that the adjusted peacetime division slice (division plus its share of nondivisional support personnel) for U.S. Forces in West Germany was approximately 42,000 men but only 18,500 for Soviet Forces. In the FY 1973 Department of Defense Military Posture Statement, the Chairman of the Joint Chiefs of Staff, Admiral Moorer stated, "A Soviet tank division at full strength has about 9,000 men, over 300 tanks; whereas an average U.S. armored division has about 17,000–18,000 men, 324 tanks." Considering that the tank is the primary weapon of an armored division, would you please explain why a U.S. armored division with twice as many soldiers as a Soviet division can field only 24 more battle tanks, and why Soviet divisions apparently attain a much better division slice in the use of their combat skill manpower.

91. What specific weapons systems do you consider are imperative to the attainment of U.S. national security objectives in FY 1975?

92. If you were required to make reductions in the defense portion of the FY 1975 budget in each of the amounts stated below, outline and explain what specific actions you would take in regard to reducing: (1) Strategic Forces, (2) General Purpose Forces, (3) Airlift/Sealift, (4) Guard and Reserve Forces, (5) Research and Development, (6) Central Supply and Maintenance, (7) Training, Medical and General Personnel Activities, (8) Administration and Associated Activities, (9) Procurement and (10) Support to other Nations.

$5 billion.
$10 billion.
$20 billion.
$30 billion.

93. Please provide comments from each of the military services on:

(1) What each Service considers as the minimum essential manpower force levels, overseas deployments and weapons systems (in the inventory or to be procured and produced by 1983) required for accomplishment of the assigned Service mission statement?

(2) What military and civilian manpower deployments, overseas bases and projected weapons systems each Service believe it possible to reduce or eliminate?

(3) What portions of their mission statements and force commitments should be altered or eliminated in the interest of better mission accomplishment, more efficient operation and improvement of combat capability?

94. Please provide a statement from each military Department outlining the specific military requirements that the Department considers essential to the attainment of U.S. national security objectives through 1980. Through 1985.

95. Please have each military service (with separate statements prepared by the Navy and Marine Corps) prepare and submit a statement of how they view the overall mission assignment, force structuring, deployment, and weapons system programming of each of their sister services, and what changes they would recommend for the other services.

96. To date the Vienna talks on Mutual Force Reductions (MFR) have hinged on the possibility of an agreement between the Soviet Union and the United States on a mutually acceptable level of troop reductions in Central Europe. Assuming that some slightly lower level of forces can eventually be agreed upon by both superpowers, would you please comment on how a reduction of say 25,000 men each would alleviate the basic problem and danger of a continuing armed confrontation of the superpowers in Central Europe? Wouldn't a formal agreement establishing a treaty-specified level of force have a tendency to institutionalize and perpetuate an almost permanent level of U.S. and Soviet military forces in Central Europe, rather than substantively reducing the threat of continued armed confrontation?

97. In your recent FY 1975 defense posture statement submitted to the Senate Armed Services Committee, you were quoted in the press as stating that the Department of Defense was "beating fat into swords". In February, 1972, Secretary of Defense Laird indicated that the FY 1973 Defense Budget was a "no fat, bare bones" request; in March, 1973, Secretary Richardson indicated that he had closely examined the Defense Budget for FY 1974 and had found no fat in it. Now you are indicating that there is (and evidently has been) fat in the defense budget particularly in the area of manpower. But you propose to shift this fat into increased combat forces. What change in threat analysis or national defense mission and security requirements necessitate additional U.S. combat elements? Why can't this manpower fat that you indicate is in the budget not

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[18] Wall Street Journal, Jan. 10, 1974, "The Good Life" by Richard J. Levine.

be eliminated from active duty and savings made in overall manpower costs?

98. The 1975 Defense budget requests funds for the development of an ICBM capacity with greater accuracy than the present 1,500 feet of the Minuteman. In addition, funds are requested for increasing the "yield" of the nuclear warheads. Since the present targeting policy includes both military and non-military (cities) targets, what is the need for a nuclear missile accuracy of less than 1,500 feet, unless the military target is a hardened silo under the ground? Please explain especially in view of the request of an increased yield of the warheads.

99. Since so many of the military targets are located near population centers, the effects of a nuclear explosion on the military target near a city will be catastrophic to the civilian population. The military targets that are remote from the civilian population need no further warhead accuracy unless again the intention is to target missiles in hardened silos. In view of the additional billions being spent for ASW research by the United States, won't the Soviets interpret these programs of increased accuracy and yield as a first strike policy by the United States? Please explain.

100. Secretary of Defense Laird in 1969 interpreted the development of a high yield Soviet missile as a first strike effort by the Soviet Union even though that missile did not render vulnerable our submarine fleet. Why would the Soviet Union not be justified in making a similar assessment of United States development of such a high yield/high accuracy weapon system? Please explain.

101. What effect will this proposal for a new generation of missiles of greater yield and greater accuracy have on the SALT negotiations? Please explain.

102. If the Soviet Union does interpret our actions of developing a higher yield/higher accuracy ICBM warhead as the development of a first strike capability (i.e. a U.S. capacity to hit Soviet missiles in their silos), would not that interpretation increase the likelihood of the use of nuclear weapons by making the option of a first strike by the Soviet Union more enticing to them? If our submarine fleet would still be a deterrent to a first strike, what is the necessity of building the new generation of high accuracy/high yield weapons for our land based missiles?

103. If our land-based ICBM's are given a new war-making role by developing for them a new high yield/high accuracy warhead, will those with operational responsibility be able to argue that phasing out the land based missiles no longer makes sense and therefore such a proposal at SALT will be undermined by this new policy of weapons development? Please explain.

104. In 1969 my request for a listing of all research projects funded by the several defense departments triggered a massive and prolonged exercise that ultimately produced a listing equivalent in volume to a file cabinet. The time it took to produce the material suggested to us at the time that DoD information systems for ongoing research projects might not be complete. What is the status of your systems today for reporting to the DoD management, and to Congress, information on research projects? In particular, what changes, if any, have been made in these systems since the time of my initial inquiry?

105. The Section 203 requirement of the defense authorization for FY 1970 put into motion a major review of each DoD research project to test relevance to defense needs. What are present DoD policy procedural requirements concerning the relevance of DoD funded research to defense needs? I would appreciate such information for ARPA and for the Departments of the Army, Air Force and Navy.

106. How much research is DoD now funding at universities? How has that funding changed since FY 1970? Please provide information by fiscal years.

107. For DoD funded university research, what information is there on the proportion of projects funded as a result of specific DoD requests for proposals and projects funded as a result of unsolicited proposals? What is DoD policy on funding of research via unsolicited proposals?

108. Please compare the relative proportions of research funded via grants at universities for FY 1970 and for the latest fiscal year for which information is available. What factors now determine whether a contract or a grant will be used to fund DoD research at universities? In particular, is the choice at the option of the University, or is it related to the nature and purpose of the defense needs?

109. One apparent result of the Section 203 legislation was a decision by the DoD to withdraw support from certain specific fields of science, such as high energy physics. This led to some strains upon the National Science Foundation and other agencies as funding of defense supported projects suddenly ended. With the benefit of hindsight, what lessons for Federal research administration were learned from DoD's implementation of Section 203? In particular, what was learned about coordinating Federal research when it is shifted from one agency to another? How pertinent is this experience to shifts that may attend future Federal organization of energy research and development?

110. From your standpoint, what have been the long-term effects of section 203 upon relations between the academic community and the Department of Defense?

111. Please describe the research now funded by the DoD and its constituent departments and agencies at universities and compare it with the situation in FY 1970 at the outset of the application of section 203. In particular, what from your standpoint, are the notable differences in purpose, level and subject matter?

Mr. MANSFIELD. May I express the hope that the Secretary of Defense, not Admiral Peet but the Secretary of Defense, would respond to my letter of February 26, 1974, and to the letter sent with the unanimous approval of the Commission dated April 26, 1974. So I make that request of the Secretary of Defense.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. BIDEN). The Chair, on behalf of the Vice President, pursuant to Public Law 84–944, appoints the Senator from New York (Mr. BUCKLEY) to the Senate Office Building Commission in lieu of the Senator from Oregon (Mr. PACKWOOD), resigned.

A GALLIC REMEMBRANCE OF D-DAY—1944

Mr. MANSFIELD. Mr. President, a unique event has occurred in this city, and that event refers to echoes of a war gone by, of some hundreds of French men and women who come to visit us on the 30th anniversary of the envasion of Normandy; who came with flowers in their hands and thanks from their hearts; who showed an appreciation for a day, perhaps days, perhaps a week, for what occurred 30 years ago on the Normandy beaches.

They showed up en masse at Arlington Cemetery to pay their deepest respects at the Tomb of the Unknown Soldier, and to show their appreciation for what Americans and others did 30 years ago.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MANSFIELD. Mr. President, I request 2 more minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 minutes.

Mr. MANSFIELD. They were led by their distinguished ambassador, the Honorable Jacques Kosciusko-Morizet, who was with them at the Tomb of the Unknown Soldier and who participated in the commemoration of that event.

Very few of these French men and women knew who the American soldiers were, because most of them were there the day and gone the next. They had business to do, grim business, and many of them never came back, but at least they brought some hope to the French and to us on that day.

I want to say to the French, through their ambassador and to them personally, to those who came over with flowers in their hands, understanding in their thoughts, and thanks from their hearts, that we appreciate their remembering. We hope that what happened 30 years ago does mark the end of an era and will never again bring about the creation of any more Normandy bridgeheads.

To the French men and women and to their ambassador I say "merci."

I ask unanimous consent that the news stories in today's Star and Post be inserted in the RECORD at the conclusion of the remarks of the distinguished Republican leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. On behalf of both of us.

(See exhibit 1.)

Mr. HUGH SCOTT. If the majority leader would yield——

Mr. MANSFIELD. Five minutes.

Mr. HUGH SCOTT. Mr. President, I want to associate myself with the compassionate remarks of the distinguished majority leader.

Those of us who were alive at the time, 30 years ago, of the invasion of Normandy, each has his own lively recollections of the day.

I remember with undiminished clarity the impact of the news on Americans. I was in New York, and feeling frustrated at the inability to be doing anything worthwhile. I recall I went to the Office of War Information, and there broadcast to the Spanish-speaking peoples of the world, in their language, the message of Winston Churchill announcing the Normandy invasion.

So each of us has his own recollections. But none of them can compare to those who actually were in battle and committed to armed combat at that time.

We owe them at the least the gift of our recollection and of our obligation, of our understanding of the nature of that sacrifice which was made by the French, British, Americans, Australians, New Zealanders, and all of the others who served at that time, including the Dutch, the Belgians, the Scandanavians. That memory should not be allowed to die, and the good relationships with our countries should continue. We should build upon that memory more secure foundations for a lasting peace.

Then I hope, after all, the final and best lesson of sacrifice that men learn something from it, and learning something, commit their heads and their minds, dedicate their hearts, and seek through all the means available to them, each one, their best efforts toward the eternal best hope of mankind, a truly lasting and just peace.

I yield back the balance of my time.

EXHIBIT 1

ECHOES OF A WAR GONE BY: WITH FLOWERS IN THEIR HANDS, THANKS FROM THEIR HEARTS

(By Henry Mitchell)

The French had been having a hard time with lost luggage and transportation arrangements and the general strangeness of our country, but they stood still and straight yesterday morning at Arlington National Cemetery.

Seven hundred of them were in the first waves of a flowery invasion of American shores to commemorate that other invasion, 30 years ago Thursday, in which Allied forces invaded Normandy to begin the collapse of Hitler's Germany.

Some of those present were farmers, whose sad and quiet life out from St. Lo or Bayeux was terrified by the thundering guns of Omaha Beach. Terrified and exalted at the same time.

The Americans lost 6,000 men the first day of those landings, and the French have not forgot it. "It is a heart affair," said Mme. Yvonne Malfroy, one of the few English-speaking representatives of the long-memoried French. "They want to say thanks for all what they did on D-Day."

For those were not the days of French glory that De Gaulle was so proud of. After the fall of France, when the Germans swept through the Ardennes and into Paris and the French could do little more than gaze at the invincible tanks, De Gaulle was reduced to a plea:

"I ask you to believe me when I say the cause of France is not lost. . . . This war is not limited to our unfortunate country. The outcome of the struggle has not been decided by the Battle of France."

De Gaulle was right. The outcome was not decided by the Battle of France at all, but by the fortunate presence of the English Channel, a glorious tank-trap as somebody once said to Churchill. And the fate of France hung also on English, Russian and American arms. Men in boats and men off farms, who could not pronounce St. Denis right, saved France.

To the French, the Normandy landings of 30 years ago were not merely a dirty job that needed doing, nor a means to ending a war that had gone on too long. For the French, it was salvation, the resurrection of French national life and breath.

So here they were, remembering, and laying white and blue flowers at the Tomb of the Unknowns at Arlington.

The French ambassador said a few words; the French and American anthems were played, and the crowd wandered back toward its buses. On the way, many stopped at the graves of John and Robert Kennedy. "Pardon," said a man in a beret, moving up to shoot films of the grave.

The yellow sedum was in bloom between the rocks around the grave, and the Frenchman seemed to be focusing on it.

A small man with war decorations on his middleaged chest did not speak English, but he was studying, nevertheless, an inscription near Robert Kennedy's cross:

"In our sleep, pain that cannot rest falls drop by drop upon the heart; and in our despair, against our will, comes wisdom through the awful grace of God."

After he had got whatever he could from that, he moved on.

Arlington is, to many Americans, holy ground and the French, most of whom had never left France before in their lives, a French guide said, knew this. They put out all their cigarettes before walking by the dead.

One *acien combattant*, looking at all the rows, seemed determined to capture something. You were sure, watching him, he did not know just what.

After he left the Unknowns and before he got to the President's grave, he paused almost defiantly and pointed his camera at a small stone and let his film run. Back home his children will someday wonder what is meant by:

Edward C. Grigsby III
Maryland
L 13 USNR
July 3, 1946
March 31, 1966

A middle-aged woman, who may have been an American, was talking about letters to another woman on the road down which everybody was plodding along. "He would sign it," she said in a tone that was private, "he would sign it 'My love, my only love.' "

Many of the French paused again at a low wall near the President's grave. "They can sit on the wall," said the cemetery official. No Frenchman did. "Now the trumpet . . ." some of them could begin to read, and some could not.

The tour was thought of a year or so ago by Jean Paul Roncoli and a group of citizens. Word went out through veteran's organizations, Franco American societies and the like I was one who came as an individual, paying his fare (starting at $300) for his own reasons. Some were veterans, some students, some widows, some children of soldiers. Some came by the SS France, some by Pan-Am planes, and still others will arrive Thursday in New York for commemorative ceremonies there. Altogether there will be about 1,000, a tour guide said.

"At least 65 per cent have never been outside France," said Mme. Monique Gilbert, whose business is press relations and tours. "With so many, the buses at the New York airport insisted on lumping all the luggage together, not in specific buses for various hotels. This upset many of the French, who were ready to, what-you-say, make revolution." She said most of the anxiety had subsided by yesterday, however.

In New York they will all cast flowers from the Statute of Liberty, a gift of France, into the sea.

"We worked it out how it would be if we all went to the top and threw our flowers. It would take one day and a half. So we will stand at the bottom and throw flowers into the sea," she said.

Visitors passed a pile of dead flowers from the graves (they are collected regularly so the flowers on the graves are always fresh) on the way out. The French must have thought contentedly that their own irises, like the ones Clovis put on the banners of France, were fresh on the stone tomb, tied, as anybody could plainly see, with the bright tricolored ribbon of the French.

"Some of them," Mme. Gilbert was explaining about the visitors, "are just from farms where they just get the milk out of the cows. Is that how you say it? They brought with them letters to give the mayor from other French who could not afford to come. They wish to say thank you."

[From the Washington Star-News, June 5, 1974]

"MERCI, MERCI"—A GALLIC REMEMBRANCE OF D-DAY—1944

(By John Sherwood)

Thanks. That's all they want to say.

Thanks for something that happened 30 years ago tomorrow.

Thanks to the tired American liberators who breezed through so quickly, accepting a bottle of wine, a kiss, a bouquet of flowers, and then went on to face death while the French prepared to face life once again.

About 900 French citizens have joined together for a second "Operation Overlord" to bring personal messages of gratitude to the American people.

"Somebody simply had to do something. It absolutely had to be done. It was essential that we say merci, merci, merci," says the organizer of the Washington-New York pilgrimage, Jean-Paul Roncoli.

A 36-year-old Parisian who worked nine months on the project, Roncoli's fondest memories of the D-Day Normandy invasion "is of a smiling GI who put me on the fender of a jeep for a ride through town. He looked so tired, but he smiled and smiled."

There was never really a chance to say thank you, he added. "The soldiers went through so fast. We were free, but they were not. There were more battles waiting for them."

Others agreed that it is at last time to say thanks.

The group leaves Washington for New York today, but at a reception last night at the Statler-Hilton they wanted so desperately to get the message across. They want the American people to be told why they're here laying floral wreaths and visiting mayors.

"It's like the liberation was yesterday," says the Rev. Michael Riquet, a Jesuit who spent 13 months in a concentration camp and who nearly died there after losing 70 pounds.

Now 75, he says, "We must always be friends. We have always fought side by side, in three wars. We have never fought one another. No matter what else happens, we must always remember this one fact."

He, too, regrets the swift passing of the American, British and Canadian soldiers on their way to other battles. "I never had the chance to say what I really wanted to say. They were in so much of a hurry."

Georges Mangin, Leon Roger, Joseph Frisson and Pierre Blaize, all farmers from neighboring villages in northeastern France, also felt the same way.

They were all fighters in the Resistance, and were imprisoned by the Gestapo. And they are all old enough to remember the Americans in two wars, not just one.

These farmers are by no means wealthy men, explained an interpreter, Monique Gilbert. "They have reached into their life savings to come here and do this," she said. The men could not afford to bring their wives.

The theme they struck was a familiar one:

The smiling GI was exhausted and weary of battle but with more to come. "We were the ones who should have been smiling," Frisson said. "And we were, we were. We danced in the streets.

"But these strangers smiled along with us. They came and they went so fast. It was the most beautiful day of my life. I will remember it always, like it was yesterday."

And who were they anyway, those GIs who marched through France on their way to Berlin?

"We don't know," Blaize said. "And we never will know. But we will always remem-

ber them. They know who they are, so just tell them thank you for us and that we will never forget what they did."

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975

The Senate continued with the consideration of the bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

Mr. STENNIS. Mr. President, I am glad to yield 3 minutes to the Senator from California (Mr. TUNNEY).

Mr. TUNNEY. I want to thank my distinguished colleague from Mississippi for giving me 3 minutes to talk about this B-1 bomber program.

I think that probably one of the most difficult things any Senator has to do is to make a determination as to how we are going to spend our military dollars. I know I find it always terribly difficult to try to analyze the military budget and to determine which programs should be supported and which should not be supported, particularly considering the fact that I do not consider myself to have any special expertise.

I do feel that the present amendment which is concerned primarily with cutting back $255 million on B-1 funding is, in essence, killing the program.

I think we have to evaluate the B-1 bomber program upon the perspective of whether we think it is a valid program or not. This kind of an amendment, if it carries, would in my mind represent a decision by the Senate to eliminate the B-1 from our arsenal of defensive weapons. I think it would be a great mistake to support this amendment and to eliminate the B-1 bomber program.

I think it is an essential part of our "Triad" of strategic weapons, and I think if we eliminate it we are not going to have the flexibility that we need in our defense posture.

I, perhaps, am somewhat prejudiced, having been a member of the U.S. Air Force. But I recall the fact that in the late 1950's and in the early 1960's there were those who were saying that the B-52 bomber was out of date, it was old, and we ought to have a follow-on bomber if we want to have a bomber in our defense system.

Thirteen years later, the B-52 bomber is even older, and it has undergone a tremendous amount of metal fatigue as a result of intensive bombing in Southeast Asia. It is going to have to be replaced soon; otherwise we just will not have a bomber.

I think a strategic bomber is necessary. I am conscious of the fact that back at the time when I was in the Air Force, we had a situation with Cuba in which President Kennedy decided that we were not going to allow the Soviet Union to put strategic missiles into Cuba, and we were going to face them down.

I recall going up to March Air Force Base one morning and seeing the B-47's taking off from the base, and I knew there was an alert on. When we got to the base, we did not know what it was all about. We were told we had to listen to the President talk about midday, that every officer and enlisted man was expected to be by a television set.

We did listen, and we learned that the President had decided he was going to call the Russians' bluff. I recall being in that area down by the headquarters where they were discussing what the various alternatives were for our bomber wing. I recall that they were at that time already over the North Pole, and they were being refueled. The Russians knew they were over the North Pole, and they knew the nuclear weapons were in those bombers, and that if they tried to pull anything, those bombers would strike at Soviet cities.

I cannot help but believe that that represents a much better deterrent than having a man sitting in a silo somewhere with his hand near a button, waiting for a Presidential order to fire off a long-range strategic missile.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STENNIS. I yield the Senator 1 more minute.

Mr. TUNNEY. I cannot help but feel that the gesture of having those strategic bombers take off and rendezvous with their tankers over the North Pole is a much stronger gesture than having the President say, in simple words, that if we are faced with an effort by the Soviet Union or any other potential enemy to make us back down in matters of our vital strategic interests, he is going to order intercontinental ballistic missiles to be fired.

Dr. Bisplinghoff's panel (an Air Force appointed panel of over 30 experts directed to review technical and management aspects of the B-1 program) found that no major technical problems existed which would preclude the successful development of the B-1. We should also keep in mind that the Bisplinghoff report found that the B-1 "looks like a good design, in the sense of being able to execute the mission assigned to the aircraft."

We must also consider the economic effects of the B-1 program. A gross investment of $13.6 billion during the life of the program could generate a rise in the GNP of approximately $37 billion, which in turn would be a function of over 60,000 aerospace jobs and over 100,000 supporting jobs throughout the country. Workers thus employed could return, in the form of taxes, approximately $7 billion to the Federal Government and an additional $4 billion to State and local governments. These tax dollars can be used to fund such vital domestic needs as schools and hospitals.

I believe some prudent cuts can and should be made in the fiscal year 1975 defense budget. But I believe cutting back the B-1 program would be an unwarranted weakening of our deterrent posture.

Mr. President, I ask my colleagues to join with me in defeating the amendment offered by my distinguished colleague from South Dakota.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. TUNNEY. Mr. President, I thank the Senator from Mississippi for yielding me the time.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, I have only 2 minutes left. I think the proponents should have the privilege of closing. I suggest that the Senator take his time, and I will yield back the 2 minutes.

Mr. McGOVERN. I thank the Senator.

Mr. President, I yield myself 5 minutes.

Just by way of summary, there are two aspects of this amendment, and both sides of the amendment ought to be considered as we near a vote.

It provides, first of all, for an independent analysis of the proposed B-1 bomber as over against various other options.

I would like to stress that while the amendment makes that study mandatory, it is also clearly in line with what the committee itself recommended. The only difference is that the committee is urging the Secretary of Defense to set in motion such an independent study, and the amendment would make it mandatory.

It would seem to me, if Congress is going to discharge its proper obligations in maintaining close supervision over these costly programs, that any argument that could be made in favor of this recommendation would also support the thrust of the amendment, which is to make it mandatory.

Second, the amendment slows down the proposed development schedule on the B-1 bomber. I would like to say, in response to some of the points that have been made here on the floor, that it does not kill the B-1 bomber. I have serious questions about this program; in fact, I do not really expect to see us move ahead on the B-1 as a major part of our weapons systems, but in any event, this particular amendment does not kill the program. It takes some of the money out of it and slows it down, but it does provide some $200 million for continued research and development on the B-1 bomber, and then gives us a little more time to make a judgment as to whether we want to proceed beyond that authorized expenditure.

Beyond that, the amendment does not challenge the specifications or the claims which the designers of the B-1 bomber have made.

Much of the argument against this amendment seems to me to be wide of the mark. We are not suggesting that the B-1 is not going to achieve what its designers say it will achieve. What has been the major thrust of the argument made by those of us who favor this amendment is that even if the B-1 bomber does everything that its designers and its architects claim, it is still an unnecessary addition to our defense system.

Neither does this amendment challenge the role of bombers as such in our national defense strategy. As a matter of fact, the Senator from Wisconsin (Mr. PROXMIRE) and I, with others, have argued that it is necessary for us to maintain the bomber in our defense system as a part of the so-called triad; but it is our contention that we have capable, efficient, effective bombers in numbers several times beyond our potential adversaries, and that we do not need to add further to that capability. The B-52 and the FB-111 that we have referred to repeatedly here today are capable of operating through the 1980's. This is not the judgment of the proponents of this amendment; it is the judgment of the Air Force themselves, and those who have testified on our aircraft capabilities.

So I am very hopeful, Mr. President, that with these facts in mind the Senate will see fit to accept the amendment.

What we are recommending in reference to the cost-effectiveness study very closely parallels the recommendation of the General Accounting Office in the report they released on April 17 of this year. Their report was entitled "Study of Alternative Courses of Action for the Strategic Manned Bomber."

They are not recommending that the bomber be phased out as such, but they are saying that we look at a number of different options. One of those is the B-1. Another is the continuance of the B-52/FB-111 combination.

Another is a redesigned B-52, with new engines. That would be called the B-52-I.

Still another option is a stretched version of the FB-111, to be known as the FB-111-G.

The General Accounting Office, on the basis of their studies to date, have reached a number of conclusions that I think Senators ought to keep in mind. They say, first of all:

> The deterrence mission can be accomplished, in varying degrees, by any one of the systems analyzed.

In other words, we are not at the point of no return here today on this decision to slow down the development of the B-1 bomber. We are simply slowing down one of several different options that may be open to us if we do not go so far down the road on this one that it becomes difficult to turn back.

Mr. President, in view of the shortness of time, I ask unanimous consent that some additional material I have prepared on the need for an independent cost-effectivenes study be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

B-1 BOMBER—COST-EFFECTIVENESS STUDY

The second half of amendment number 1346 calls for a comprehensive and independent new cost-effectiveness study of strategic air options.

On this portion of the amendment, it is pertinent to quote from the report on S. 3000 by the Committee on Armed Services:

"In conclusion, the Secretary of Defense is encouraged to direct that a comprehensive cost-effectiveness study be conducted with the option of including participation by the General Accounting Office and independent technical, financial, and management experts. This should include consideration of all other alternatives to the B-1 in preparation for such an eventuality if it should become necessary."

Under my amendment that recommendation of the Committee would become a requirement.

This is also in line, although somewhat broader, than the recommendation of the General Accounting Office in the report they released on April 17 of this year. Their report was entitled, "Study of Alternative Courses of Action for the Strategic Manned Bomber", and it covered the B-1, the present B-52G and H and FB-111 combination, a re-engined version of the B-52 designated the B-521, and a stretched version of the FB-111, known as the FB-111G. They reached the following conclusions:

The deterrence mission can be accomplished, in varying degrees, by any one of the systems analyzed.

The B-1, if it meets projected performance goals, shows the most advanced operational capabilities in range, payload, electronic countermeasures, and survivability.

Total production costs for the projected B-1 fleet will significantly exceed the production costs of other options.

A current cost-effectiveness analysis, using realistic models of bomber penetration on a force-level basis, is needed to understand better the relative merits of the available options.

Further, the GAO stressed that the assumptions and methodology of a new cost-effectiveness study should be subject to review by the Armed Services and Appropriations Committees of both the House and the Senate.

The Committee and the GAO have recommended two departures from the standard procedure on cost-effectiveness studies. I think both are absolutely vital.

One is that it should involve independent expertise. I frankly think the Air Force will be hard-pressed to come up with the kind of an objective analysis we need to make a prudent decision on this program. It is no secret that they desperately want the B-1. That does not mean they are going to be dishonest about it. But they have already reached their conclusion. I think we must do what we can to assure an open-minded evaluation.

The other requirement, that the assumptions and methodology be reviewed in advance by the Congress, is equally important. And we believe that we have to require it, for the Air Force has specifically rejected the GAO recommendation on this score.

The amendment includes on this score a requirement that the appropriate Congressional committees have a chance to look at the plausibility of the mission profiles, and that is something that needs to be highlighted. The specific missions for this aircraft will have an obvious and overriding bearing on whether or not the various options would be cost-effective. And it is obviously possible to define missions to fit the B-1 exactly.

In fact, I believe that is being done now.

The Air Force has made its own comparison of the B-1 and the FB-111G. Not surprisingly, it came out in favor of the B-1. The problem with the FB-111 from the Air Force point of view is that it would not have enough payload capacity to reach as many targets in the Soviet Union as the B-1.

But how many targets do we have to destroy?

If we regard the strategic bomber as a weapon for destroying soft targets—population centers and industry—then the FB-111G should be quite suitable. There are fewer targets of that kind than there are hard targets such as missile sites. The FB-111 could reach a minimum of 70 percent of them with refueling, and each aircraft can carry enough SRAM's to reach several targets.

But the Air Force sees another role. It views the B-1 as a counterforce weapon, to knock out Soviet ICBM's on the ground. And that is one role that begs for careful review.

The thesis is that in initiating nuclear war the Soviet Union may fire some of its missiles at military targets—including ICBM and SLBM launchers—and that others would be held back for a possible later attack against American population and industrial centers. American bombers, it is argued, would be uniquely capable of flying over the Soviet Union before the attack on population comes, to spot and strike ICBM's which have not yet been fired.

But for several reasons, the counterforce scenario is wholly unrealistic. While flying at altitudes of under 1,000 feet to escape detection, and at high subsonic speeds, it is doubtful whether the crews could see enough to distinguish between loaded and empty missile silos.

Further, if the Soviet Union did adopt such a scenario, they would likely fire their most accurate missiles—their ICBM's—in the first round against hardened military targets, and hold back SLBM's which, because they are less accurate, are better suited for striking population and industry. The B-1 would not be useful against SLBM's.

Finally, and most decisively, there is hardly any reason to believe that Soviet commanders—knowing that the B-1's were on their way to attack retained ICBM's—would continue to retain them for the necessary four to six hours. Indeed, any professed capability to degrade their weapons in less than total war is probably the best way to guarantee that nuclear war, if it comes, will in fact be total.

Remember also that these bombers have flight times of four to six hours from their most advanced alert positions, and at least eight hours—even for the supersonic B-1—from their bases here in the United States. ICBM's and SLBM's cover the same distance in thirty minutes or less. By the time any of these counterforce missions could be carried out, there could have been at least eight successive salvos of missiles, four on a side and each answering the one before.

I think this scenario exceeds the reach of the most lively imagination. Yet it bears with decisive weight on the cost-effectiveness of various bomber options. Certainly it deserves the most critical examination by the Congress.

THE B-1—CONVENTIONAL ROLES

The one obvious attribute strategic bombers have that missiles do not is the fact that they can be used in conventional wars. At least publicly, no one has suggested replacing nuclear warheads on ICBM's or SLBM's with conventional bombs and launching them against, say, insurgents operating in Cambodia or in the Philippines. For one thing, it would be outlandishly expensive. But B-52's armed with conventional bombs were used throughout the Vietnam conflict, and they inflicted massive damage. Hundreds of conventional bombs were used to literally demolish target boxes the size of several football fields. In their one planned penetration of North Vietnamese airspace in late 1972, "Operation Linebacker," B-52's flew some 730 sorties and were credited with knocking out four-fifths of North Vietnam's electric power capacity and one-fourth of its petroleum supplies in a space of just eleven days.

The strategic bomber is unquestionably a formidable conventional weapon. But the discussion cannot end there. With specific reference to the B-1, the real question is, if the B-1 program cannot stand on its primary nuclear mission, is its incremental value in possible non-nuclear conflicts sufficient to warrant its enormous costs?

First, it must be noted that since World War II the United States has only once used heavy strategic bombers over defended targets in a conventional war. In Korea, the high altitude tactical bombing environment was so hostile due to Soviet-manufactured antiaircraft weapons and MIG fighters that neither our first-line strategic bomber of that era, the B-47, nor its predecessor, the B-36, were used. The aging B-50 was employed, but it was restricted to night missions because daylight losses became prohibitive.

Throughout Vietnam, up until "Operation Linebacker," B-52 missions were restricted to undefended areas in South Vietnam, in this case because North Vietnam was defended with Soviet SA-2 surface-to-air missiles. And when B-52's were finally ordered north, 15 were shot down and many more were disabled in only 11 days of bombing.

The experience of "Operation Linebacker" does not suggest that strategic bombers cannot perform their nuclear mission. The SA-2 is by no means a primitive missile; on the contrary, it is most effective against high flying aircraft, and the B-52's attacking North Vietnam were coming in at high altitudes, using few or none of the counter measures which would be employed in nuclear war. Further, although 15 bombers were shot down, the loss rate was only about three percent. In a nuclear war there would be just one mision, not repeated sorties in which our aircraft would be repeatedly exposed to attack. Considering the incredible destructive power in every aircraft, a 97 percent penetration rate in a nuclear war would be very high indeed.

But the experience does suggest that if for economic reasons alone, it makes little sense to rely in conventional wars upon bombers that are designed for long range nuclear missions. Because they are built for long range, high payload operations, they will inevitably be less maneuverable and more vulnerable than their contemporaries in the fighter-bomber class. So if the B-1 will be highly capable compared to today's strategic bombers, it will nonetheless be cumbersome compared to even today's fighters and fighter-bombers, let alone more advanced tactical aircraft that will be in the force in the same time frame as the B-1.

Further, in conventional war, the prudent strategy is to increase the number of aircraft the defense must intercept, not to concentrate more and more offensive power in a single extremely expensive aircraft which can be knocked out by a single surface-to-air missile. The wise strategist wants to increase the number of targets, not cut them down.

The economic and vulnerability arguments can both be best made through some comparison.

Had B-52's flown continuously over North Vietnam at the same loss rate experienced in "Operation Linebacker," we would have lost the entire B-52 force assigned to Southeast Asia in about 90 days time.

Alternatively, had 15 B-1's been shot down over North Vietnam, we would have lost nearly $1 billion worth of airplanes in eleven days.

An SA-2 Guideline missile site such as those used in North Vietnam represents an initial investment of around $6 million, including six missiles and launchers plus the radar complex. But the launchers can be reloaded indefinitely, with missiles costing $70 to $80,000. In Vietnam those missiles were knocking out B-52's that cost $8 to $10 million apiece—more than 100 times as much.

The B-1 could have avoided the SA-2 missiles, since they are designed to intercept at high altitudes. But the low altitude SA-3 could be at least as effective against the B-1 as the SA-2 was against the B-52. And SA-3's cost less—$40 to $50,000. The current estimated B-1 cost, $61.5 million—is 1,230 times as much as the SA-3. Even counting site costs and assuming relatively low kill ratios, the economics come down hard on the side of the defense.

Further, by the time the B-1 is operational it is possible to envision a small, cheap surface-to-air missile that could be fired by hand and still be very effective against low flying bombers.

So it is clear that when posed against probable conventional defenses, and when compared to other aircraft which are being designed and built exclusively for tactical missions, the long range strategic bomber is at an overwhelming disadvantage in a conventional war environment—except in rare cases when it would be sent against undefended targets. If these strategic bombers are deemed essential to the deterrence of a nuclear war which could completely destroy America in a matter of minutes—and that, after all, is their main justification—then surely no responsible commander would suggest risking them in a conventional conflict such as Vietnam.

Mr. McGOVERN. Mr. President, one of the things that is important——

The PRESIDING OFFICER. The Senator's 5 minutes have expired. The Senator has 2 minutes remaining.

Mr. McGOVERN. Mr. President, I reserve the remainder of my time.

Mr. BUCKLEY. Mr. President, the amendment under consideration would reduce funding for a program which is already on the road to completion, the B-1 strategic bomber. This amendment represents a classic form of opposition to a program which substitutes the proposal of endless delays through "studies" for a frontal attack on the merits, merits which in this case have already commended themselves to substantial majorities in the Congress time after time.

The B-1 bomber is the component of our strategic forces that is most adaptable to the broadest range of strategy, from the rigid assured destruction of targeted civilians under the McNamara regime to the more humane flexible target of the incumbent Secretary, James R. Schlesinger. The B-1 bomber is designed to have enhanced survival under the most formidable preemptive attacks believed to be technically feasible by any sophisticated opponent; attacks were not envisioned during the period when the B-52 bomber was initially designed in 1948.

It is clear that the United States requires a new bomber to replace the B-52, which is now 25 years old in terms of its design philosophy. We need a new bomber which reflects the current generation of American security requirements. These requirements include a smaller radar cross-section to reduce its visibility to the massive Soviet air defense system, better performance at low altitudes—the B-52 is named the "Strato Forces," because it was designed to operate in the stratosphere above 36,000 feet—the only reliable altitude at which a modern aircraft can penetrate high quality defenses. The B-1 bomber is the only aircraft we can deploy before the mid-1980's that meets the requirements of functionability and the ability to perform in the current and expected threat environment. Because of the need to maintain pilot proficiency, the B-52 bombers must be flown regularly. At present rates, the B-52's will have made or exceeded their anticipated useful life. Failure to deploy a modern aircraft by the early 1980's will simply result in the unilateral disarmament of a major component of the U.S. strategic forces without a corresponding effort to replace the capability loss.

Moreover, the Soviet Union has displayed no lack of interest in strategic bombers. They have maintained a force of approximately 150 heavy bombers. In addition, the Soviets are displaying a new intercontinental refuelable strategic bomber known as the Backfire. They continue to maintain Arctic staging bases for 700 medium Badger and Blinder bombers all capable of reaching North American targets. Lest anyone have any doubt of the efficacy of these "one-way-plus" missions where the Soviet bombers could seek refuge in friendly areas such as Cuba, one need only look at the Doolittle raids on Tokyo in 1942. In addition, the Soviets may be working on the development of a new heavy, high altitude bomber at the Sukhoi Design Bureau.

The need for a new bomber is unambiguous and I deplore the inadequate number which we intend to purchase, and the reluctance to expend the amount of funds necessary to deploy this needed element of our strategic force at the earliest possible date. Our security requires that we do no less.

Mr. CRANSTON. Mr. President, I firmly believe that development of the B-1 manned bomber is in the best interest of the Unted States, and that to delay or discontinue this needed program would be a serious and costly mistake.

Mr. President, I support continuation of the B-1 project for three very basic and important reasons: First and foremost, the B-1 is a strategic necessity.

Second, the B-1 is our best option for a strategic manned bomber.

And third, the actual increase in program cost of the B-1 is being exaggerated. I believe it can be shown that B-1 costs are not becoming prohibitive.

Let us discuss each of these reasons in greater detail.

First, strategy. Our present defense rests on a triad of strategic forces. Along with land-based ICBM's, and submarine-launched ballistic missiles, the manned bomber is a pillar of the American defense posture.

When we discuss the B-1, we can talk about a number of peripheral issues, but ultimately we must get down to brass tacks. The basic question is "Do we," or, "do we not, want to continue the manned bomber concept as a major part of our defense posture?" I believe that our answer must be "yes."

I strongly believe that a manned bomber—a modern one of the caliber and capability of the B-1—is vital to our continued flexibility in deterring and reacting to a potential attack.

I cannot accept the arguments of those who would have us believe that a manned bomber is anachronistic in this era of space-age sophistication.

A manned bomber can be used in ways short of actual nuclear or even conventional war. A bomber, for example, can be put on alert, or sent to a particular area, as one means of signaling our intentions to a potential aggressor.

This kind of signaling—posturing, if you will—was successfully used with naval weapons in the Cuban missile crisis—and again with a general military alert during the October war of last year. In each case we were able to communicate our resolve without actually resorting to the use of force.

I contend that a manned bomber gives us that option in other, perhaps unforeseen circumstances. It is difficult to envision missiles being successfully used in this manner.

I am not talking about provocative saber rattling, but the judicious use of a show of will as one means of defusing a potential conflict situation.

Missiles cannot be used in this way. And moreover, they cannot be recalled once launched. A manned bomber can be recalled. And the importance of this fact should not be underestimated. The ability to recall manned bombers might well mean the difference between crisis-resolution and holocaust.

No analyst can predict with absolute certainty what will be the complexion of the international political system in the 1980's and beyond. In the last several months, we have seen the international political system—including a number of its most important member states—reeling from new developments which would have seemed quite impossible only a short time ago.

Western Europe, Japan, and even the United States have had to confront the shock of major new developments in the international sphere.

The oil producing nations have become—in effect—economic superpowers of a sort. India has developed a nuclear capacity. Who can say what kind of a world we will live in, in 1980, or in 1990?

I contend that we must prepare for contingencies by retaining flexibility in our defense posture. The B–1 manned bomber gives us that flexibility.

The manned bomber concept should be retained. It is a vitally important pillar of our mixed strategic forces triad.

Given the strategic necessity for a manned bomber, opponents of the B–1 are still justified in asking, "Is the B–1 the best we can get for our money?" "Can we not rely on the B–52, or substitute some other plane, perhaps the FB–111?"

My answer, Mr. President, is that the B–1 is the best buy available for dollars spent.

The B–52 is a product of an earlier age. It simply cannot meet the more sophisticated needs of the 1970's and beyond. It can neither travel as far—nor carry the amount of sophisticated electronics which future needs will require. It would be a mistake to continue to rely on the B–52 as the manned bomber component of our defense triad. The B–52 met our past needs, but it cannot be expected to meet our future needs.

What about the FB–111? Is it an acceptable alternative to the B–1?

I think the facts speak for themselves, Mr. President.

On all important criteria, the FB–111 falls short of the B–1. It takes six FB–111's to carry the same payload as a single B–1.

Moreover, the B–1 can penetrate one and one-half times as far as the FB–111G, at the same speed at low altitude. The B–1 can deliver four times as many air-to-surface missiles.

The B–1 survivability and weapon-delivery capability is enhanced by two additional crewmen who can devote their time exclusively to a much greater amount of sophisticated avionic equipment than the FB–111 can carry. This electronic equipment allows for greater pinpoint navigation, electronics countermeasures, and accurate weapons delivery.

I believe it is clear, Mr. President, that buying more FB–111's—even the stretched FB–111G version—is a sure way to end up spending much more money for considerably less target coverage and capability.

The B–1 is a full-fledged strategic bomber with complete capabilities. As such, the B–1 both better serves our defense needs, and is a better buy for our tax dollars.

Third—and finally, Mr. President, I would like to look at an issue which has recently become a source of increased controversy: The cost of the B–1. Is it becoming prohibitive?

This is an issue which deserves careful attention. And I believe, Mr. President, that a close look at the figures shows that B–1 costs are not—in fact—becoming extreme.

Let us examine those costs.

Two sets of figures are most relevant: Those for estimated total program unit cost—and those for procurement unit cost.

The total program unit cost includes funds for research, development, testing, and evaluation. Figures are USAF March 1974 estimates.

In 1970, the total program unit cost—again including R.D.T. & E.—was estimated at $40.1 million, excluding allowance for inflation.

The current estimate of total program unit cost—again if we eliminate inflation—is $45.4 million.

That is an increase of $5.3 million, or 13.2 percent.

These increased costs reflect certain improvements in the aircraft, as well as development of two more prototypes.

I do not believe this constitutes a massive or unreasonable jump in total program unit costs. In fact, it is a rather better record than many other weapons systems.

The figures for procurement unit cost elements tell a similar story. If we exclude inflation, the procurement unit cost estimate has increased by 9.4 percent since 1970. That, again, is not an unreasonable jump.

Yet if we examine the impact of inflation, we see that the current estimate in 1975 dollars, allows $7.7 million for inflation, in the total program unit cost.

And the current estimate for 1985 "then-year" dollars allows $16.5 million for inflation, again in the total program unit cost.

Clearly, Mr. President, it is inflation which is the ogre in this scenario, and not the B–1. It is inflation which has accounted for the major part of any increase in the cost of the B–1.

And while we must attend to the evils of inflation, I do not believe that we should sacrifice a needed component of our defense posture simply because inflation has added to its cost in inflated dollars.

So, Mr. President, for the reasons I have outlined, I oppose adoption of amendment No. 1346, offered by the distinguished Senator from South Dakota.

The manned bomber concept remains an important part of our defense posture triad. Without a sophisticated manned bomber with full capabilities, our defense flexibility would be seriously impaired.

It can be clearly demonstrated that the B–1 is the best bomber we can get for our tax dollars. To attempt to substitute for the B–1 would end up costing us more, while giving us significantly less.

And finally, I think it can be shown that it is inflation which has accounted for the major part of any increase in the program cost of the B–1. Actual increases in program costs are not unreasonable, and reflect needed improvements in the program itself.

Mr. STENNIS. Mr. President, I am willing to yield back what time I have remaining if the Senator is, and we suggest, just submit the case now.

Mr. McGOVERN. Mr. President, I think we have made the major points that need to be made on this argument, and if the Senator is willing to yield back the remainder of his time, I will yield back what remaining time I have.

Mr. STENNIS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. HATHAWAY). All time has now been yielded back on this amendment.

The question is on agreeing to the amendment.

Mr. GOLDWATER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. STENNIS. Mr. President, the yeas and nays have already been ordered, have they not?

A parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Mississippi will state it.

Mr. STENNIS. What is the pending matter now before the Senate?

The PRESIDING OFFICER. On agreeing to the amendment of the Senator from South Dakota (Mr. McGOVERN), No. 1346.

Mr. STENNIS. No motion to table is involved. This is a straight up-and-down vote, is that not correct?

The PRESIDING OFFICER. The Senator is correct. It is a straight up-and-down vote.

Mr. STENNIS. I thank the Senator very much.

The PRESIDING OFFICER. The question is on agreeing to the amendment No. 1346 of the Senator from South Dakota (Mr. McGOVERN).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Indiana (Mr. HARTKE), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Hawaii (Mr. INOUYE), the Senator from Utah (Mr. Moss), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I further announce that the Senator from Wyoming (Mr. MCGEE) is absent on official business.

I also announce that the Senator from Missouri (Mr. SYMINGTON) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. PACKWOOD) is necessarily absent.

I further announce that the Senator from Vermont (Mr. STAFFORD) is absent due to illness.

The result was announced—yeas 31, nays 59, as follows:

[No. 227 Leg.]

YEAS—31

Abourezk
Bayh
Biden
Brooke
Burdick
Case
Church
Clark
Eagleton
Gravel
Hart
Haskell
Hatfield
Hathaway
Hughes
Humphrey
Javits
Kennedy
Mansfield
Mathias
McGovern
Metcalf
Metzenbaum
Mondale
Muskie
Nelson
Pell
Proxmire
Randolph
Stevenson
Williams

NAYS—59

Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Bible
Brock
Buckley
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Helms
Hollings
Hruska
Jackson
Johnston
Long
Magnuson
McClellan
McClure
McIntyre
Montoya
Nunn
Pastore
Pearson
Percy
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
William L.
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Young

NOT VOTING—10

Fulbright
Hartke
Huddleston
Inouye
McGee
Moss
Packwood
Sparkman
Stafford
Symington

So Mr. MCGOVERN'S amendment No. 1346 was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. NUNN) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the bill (S. 724) for the relief of Marcos Rojos Rodriguez, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 2844) to amend the Land and Water Conservation Fund Act, as amended, to provide for collection of special recreation use fees at additional campgrounds, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 10626. An act to authorize the Secretary of the Interior to sell reserved phosphate interests of the United States in certain lands in Florida to John Carter and Martha B. Carter;

H.R. 12427. An act to amend section 510 of the Merchant Marine Act, 1936;

H.R. 13296. An act to authorize appropriations for the fiscal year 1975 for certian maritime programs of the Department of Commerce; and

H.R. 13595. An act to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

H.R. 6979. An act for the relief of Monroe A. Lucas; and

H.R. 14013. An act making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes.

The ACTING PRESIDENT pro tempore (Mr. DOLE) subsequently signed the enrolled bills.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 10626. An act to authorize the Secretary of the Interior to sell reserved phosphate interests of the United States in certain lands in Florida to John Carter and Martha B. Carter. Referred to the Committee on Interior and Insular Affairs.

H.R. 12427. An act to amend section 510 of the Merchant Marine Act, 1936;

H.R. 13296. An act to authorize appropriations for the fiscal year 1975 for certain maritime programs of the Department of Commerce; and

H.R. 13595. An act to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes. Referred to the Committee on Commerce.

DEPARTMENT OF DEFENSE SUPPLEMENTAL AUTHORIZATION FOR APPROPRIATIONS, 1974—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order at this time to take up a conference report on the Department of Defense supplemental authorization for appropriations, with a time limitation of not to exceed 5 minutes in considering it.

Mr. STENNIS. I thank the Senator. I think it can be disposed of in less time than that.

Mr. President, I submit a report of the committee of conference on H.R. 12565, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. HATHAWAY). The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 12565) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons and research, development, test, and evaluation for the Armed Forces, and to authorize construction at certain installations, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees, as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

TITLE I—PROCUREMENT

SEC. 101. In addition to the funds authorized to be appropriated under Public Law 93-155 there is hereby authorized to be appropriated during fiscal year 1974 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons authorized by law, in amounts as follows:

Aircraft

For aircraft: for the Army, $15,000,000; for the Navy and the Marine Corps, $201,200,000; for the Air Force, $187,800,000.

Missiles

For missiles: for the Army, $76,600,000; for the Navy, $17,000,000; for the Marine Corps, $22,300,000; for the Air Force, $39,000,000.

Naval Vessels

For naval vessels: for the Navy, $24,800,000.

Tracked Combat Vehicles

For tracked combat vehicles: For the Army, $63,400,000.

Other Weapons

For other weapons: For the Army, $8,200,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SEC. 201. In addition to the funds authorized to be appropriated under Public Law 93-155, there is hereby authorized to be appropriated during the fiscal year 1974, for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army $35,898,000;

For the Navy (including the Marine Corps), $38,528,000,

For the Air Force, $29,466,000, and

For the Defense agencies, $5,991,000.

TITLE III—MILITARY CONSTRUCTION

SEC. 301. In addition to the funds authorized to be appropriated under Public Law 93-166, there is hereby authorized to be appropriated during the fiscal year 1974, for use by the Secretary of Defense, or his designee, for military family housing, for operating expenses and maintenance of real property in support of military family housing, an amount not to exceed $3,866,000.

SEC. 302. Authorizations contained in this title shall be subject to the authorizations and limitations of the Military Construction Authorization Act, 1974 (Public Law 93-166), in the same manner as if such authorizations had been included in that Act.

TITLE IV—GENERAL PROVISIONS

SEC. 401. No volunteer for enlistment into the Armed Forces shall be denied enlistment solely because of his not having a high school diploma.

SEC. 402. This Act may be cited as the "Department of Defense Supplemental Appropriation Authorization Act, 1974".

And the Senate agree to the same.

JOHN C. STENNIS,
STUART SYMINGTON,
HENRY M. JACKSON,
HOWARD W. CANNON,
STROM THURMOND,
JOHN TOWER,
PETER H. DOMINICK,
Managers on the Part of the Senate.

F. EDWARD HÉBERT,
MELVIN PRICE,
O. C. FISHER,
CHARLES E. BENNETT,
SAMUEL S. STRATTON,
WILLIAM G. BRAY,
LESLIE C. ARENDS,
BOB WILSON,
CHARLES S. GUBSER,
Managers on the Part of the House.

Mr. STENNIS. Mr. President, I ask the Senate to approve the conference report on H.R. 12565—the Defense supplemental authorization bill for the current, 1974, fiscal year. Senate and House conferees held two long sessions on this measure, and I believe we have approved a good report.

In money terms, the administration had requested authorizations totaling $1,257,455,000. On April 4, the House approved a bill authorizing $1,142,049,000. The Senate, on May 6, voted authorizations totaling $415,474,000. Senators will recall that many items were deleted from the Senate bill on grounds that they did not qualify for emergency consideration in a supplemental bill.

The conference bill, authorizing a total of $769,049,000 just about splits the $726,575,000 difference between House and Senate bills. The bill before you authorizes $373,000,000 less than the original House bill and $353,575,000 more than the Senate.

One major difference between the House and the Senate centered on the request for $29 million to begin construction of a support facility on the British controlled island of Diego Garcia in the Indian Ocean. The House had approved that authorization, and the Senate had rejected it.

This matter—the expansion of the Diego Garcia facilities—will come before Congress again in the regular military construction bill for fiscal year 1975.

On that basis—and without prejudice to the project—the conferees have deleted this item from this supplemental bill.

Another matter in dispute involved an amendment, proposed by the Senator from Massachusetts (Mr. KENNEDY) and adopted by the Senate. The amendment was designed to prohibit a proposed adjustment in Defense Department estimated obligations for fiscal year 1974, which could have made $266 million available for assistance to South Vietnam under the $1,126,000,000 ceiling previously approved.

The amendment was dropped from the bill itself, but the intent of the amendment is fully carried out by the statement of the conferees which is before you.

That statement says, in part:

> It cannot be emphasized on the part of the conferees too strongly that the statutory ceiling of $1.126 billion enacted in FY 1974 remains unaltered and shall not be circumvented by accounting adjustments.

Another difference between House and Senate bills involved the treatment of the incremental costs of equipment purchased for our own U.S. forces to replace items taken from their inventories and sent as aid to Israel in the Middle East fighting.

The Senate bill would have required a transfer from the military assistance program (MAP) in the amount of $155.8 million to finance these incremental costs. The House authorized the appropriation of Defense Department funds for this purposes.

The House conferees argued that replacement items for U.S. forces are, for the most part, improved over the equipment sent to Israel, and the conferees finally agreed to the authorization of Defense Department funds.

The actions of the conferees on hardware items are covered in the statement of the conferees, and I will expand on only one of them, long-lead funds for the Trident ballistic missile submarine construction program.

The administration had requested $24.8 million for certain long lead-time components for the second and third new Trident submarines. Full funding of the two Trident submarines was requested in the regular fiscal year 1975 authorization bill.

The House approved the $24.8 million supplemental request.

The Senate deferred the $24.8 million without prejudice. It was my feeling that the real issue involved was the construction rate of Trident submarines and should be settled in connection with the regular authorization bill, not by supplemental action. This was my position in debate on the 1974 supplemental on May 6.

On May 17 the committee made its decision and voted to recommend authorization of full funding of the second and third Trident submarines in the regular 1975 bill. And, to be fully consistent with Senate action on the fiscal year 1974 supplemental, the committee added the $24.8 million for long lead items for the two 1975 submarines in the regular 1975 bill.

Then, on May 24 conferees met on the 1974 supplemental authorization. Senate conferees pointed to the fact that the $24.8 million was already included in the regular 1975 bill, but the House was insistent on holding their position of supplemental authorization. There was no question that the $24.8 million needed approval in one of the bills. The end result was that the Senate receded.

As I pointed out yesterday, we had the two bills out of sequence and crossing each other.

Mr. President, with approval of this fiscal year 1974 conference report, the $24.8 million in the regular 1975 authorization bill is not required and can be deleted.

Mr. President, I invite the attention of the Senate to one item—$24.8 million for certain long lead-time components for the second and third new Trident submarine. We had that matter up last year, and we had it up in part this year. This conference report reflects what had really already been done, by the bill that is now before the Senate, when we thought the supplemental would not catch up with the bill we are considering.

This is Senator MCINTYRE's program, which we advocated last year with respect to the Trident. I think it is virtually unanimously approved by all who favor the Trident. It is on the conservative side. If this report is approved, we will then move at the proper time to strike that item from the present procurement bill.

Mr. President, that concludes my statement on the fiscal year 1974 supplemental authorization report, and I urge approval.

I yield to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise in support of H.R. 12565 to authorize supplemental appropriations for the Department of Defense in fiscal year 1974.

The bill represents the agreements reached by the Senate-House conference meeting in executive session last week.

The administration requested new authorizations totaling $1.2 billion and the conference reached agreement on a bill totaling approximately $769 million. Therefore, the new bill is about $373 million less than approved by the House and $353 million higher than that approved by the Senate.

Several items of particular importance to the Senate were military construction on Diego Garcia in the Indian Ocean and funding levels of military aid to South Vietnam.

The House receded on Diego Garcia accepting the Senate position that this request would be considered without prejudice in the fiscal year 1975 military authorization bill. This action will permit a full inquiry into the Navy request in the approaching military construction hearings.

In the MASF or military account service funded request on military aid for South Vietnam the conference dropped the Senate amendment but included restrictive language in the report.

This language makes it clear the $266 million charged against the fiscal year 1974 ceiling but actually spent in previous years could not be shifted to allow additional spending in the current fiscal year.

Mr. President, before closing I wish to take note of the fair and objective manner in which the distinguished Senator from Missouri (Mr. SYMINGTON) has handled this bill.

On balance, this is a good bill and deserves immediate approval of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975

The Senate continued with the consideration of the bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

Mr. ABOUREZK. Mr. President, I call up my amendment No. 1372.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

> On page 16, line 23, add the following new subsection:
>
> (f) No funds are authorized to be appropriated or made available under this subsection unless and until the President notifies the Congress in writing that he has received formal assurances that the Government of South Vietnam will release by December 31, 1974, all persons sentenced and imprisoned without benefit of formal court trial or defense counsel, and that all such persons and political prisoners will have restored to them their civil rights.

Mr. STENNIS. Mr. President, will the Senator yield to me briefly?

Mr. ABOUREZK. I yield to the Senator from Mississippi.

Mr. STENNIS. Mr. President, how much time is there for each side on this amendment?

The PRESIDING OFFICER. The Chair is advised there is a 90-minute time limitation on the amendment, 45 minutes to a side.

Mr. STENNIS. Mr. President, I ask unanimous consent that I may yield, and I direct this specifically to the Senator offering the amendment, 3 minutes to the Senator from West Virginia, for a special item that he has in mind before our debate begins.

Mr. ABOUREZK. Mr. President, reserving the right to object, I merely wish to ask that my staff member, Tom Daschel, be granted the privilege of the floor during the debate and vote on this amendment and one other amendment of mine.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair recognizes the Senator from West Virginia.

SENATOR GOLDWATER RECEIVES DEGREE FROM THE UNIVERSITY OF HARD KNOCKS

Mr. RANDOLPH. Mr. President, there are approximately 960,000 individuals who have been or in the next few days will be graduated from the universities and colleges of the United States.

Night before last there was a unique graduation ceremony in Charleston, W. Va. We have in our State a University of Hard Knocks. Each year we have a notable class of those persons, both men and women, who have not been graduated from universities or colleges. Our able and esteemed colleague, Senator BARRY GOLDWATER, is one of five Members of this body who has never received a college or university degree. The other distinguished are Senators MILTON YOUNG of North Dakota, JESSE HELMS of North Carolina, GEORGE AIKEN of Vermont, and HAROLD HUGHES of Iowa. All are men of commonsense and diligent effort.

The president of the University of Hard Knocks class of 1974 was the summa cum laude graduate (Mr. GOLDWATER), who spoke to an audience of 250 guests, including the 70 persons who received their honors this year. I imagine the school colors might be black and blue, although that was not stressed by Jim Comstock, the renowned editor of the West Virginia Hillbilly, a "weakley" newspaper with thousands of appreciative readers.

I express this deserved tribute to the Senator from Arizona and although it was in a sense a fun night, those gathered from many States, who were honored, have made worthwhile contributions to the strengths of American life.

In presenting our colleague, I made one prediction, as college yearbooks do, and that was to the effect "that BARRY will be reelected to the Senate." This prophesy, from me, is not partisan.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that I may respond to my colleague for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, I rise in humility to thank my friend from West Virginia for his remarks relative to my receiving a degree in philosophy from the University of Hard Knocks. It really is the only degree I have ever earned, although I do have a few that were given to me, and I actually did earn a master's degree, although I never received it. I have always regretted not finishing the first year in college. I might have gone on to greater things, like professional football and endeavors of that sort.

I remember one auspicious night at the University of Arizona, when another friend of mine, now deceased, a Mexican named Loas, who was president of the biggest bank in Arizona and never graduated from high school, and I were invited to confer awards on letterman night. During the introductions the old coach of the school, who has now gone to his Maker, introduced both of us. He said:

> Here is Loas and he never finished high school; and here is Goldwater, and he did not finish one year in college—an inspiration to every damn bum in Arizona.

So my life has not been in vain. I appreciate receiving the degree because now when my grandchildren ask, "Papa, how come you are so dumb?" I can tell them, "I am not that dumb; I have a degree you will never get."

Mr. ROBERT C. BYRD. Mr. President, would the Senator yield?

Mr. RANDOLPH. I yield.

Mr. ROBERT C. BYRD. Mr. President, I congratulate the Senator from Arizona for graduating summa cum laude from the college of hard knocks in West Virginia. I would like my distinguished colleague to find out, in some way, as to whether I am ever going to graduate. I have striven to pass the tests from time to time. I have often had my papers returned to me unmarked and with poor marks. I have paid my tuition dutifully. I have been attending that school for a long, long time. I am sure that absenteeism has not played any part in my continuing to be put at the foot of the class.

I will say this. The Senator from Arizona graduated summa cum laude. I would settle for a degree "thank the Lordie." If my colleague would tell me how I might go about graduating, I do not care about the honors. Just get me through the school of hard knocks, so that I may become an alumnus—rather than continue to be a discouraged and mistreated enrollee year after year.

Mr. GOLDWATER. The other night during the course of my remarks I made particular reference to the majority whip and urged that he be given this degree, which he certainly has earned the hard way.

Mr. RANDOLPH. Mr. President, I am reminded now of the verse:

> He worked his way through college,
> As heroes often do,
> And now he's back where he started,
> Working his son's way through.

Yes, Mr. President, higher education, of whatever variety, is costly in this period of rampant inflation.

Mr. TOWER. Mr. President, I wish to correct one statement made by the distinguished Senator that Senator GOLDWATER graduated from the school of hard knocks. Actually his daddy owned a department store and he did not have to get an education.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975

The Senate continued with the consideration of the bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

Mr. ABOUREZK. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ABOUREZK. Mr. President, in response to a letter written by the Senator from Massachusetts (Mr. KENNEDY) on March 13, the State Department sent a point by point response to a series of 12 recommendations contained in a study mission report which was submitted to his subcommittee on refugees.

While the State Department response to Senator KENNEDY's report had a number of disconcerting statements, I believe the most troubling of all was the response to the subcommittee recommendation on the problem of political prisoners. In spite of all of the documentation which has continued to come out of South Vietnam on the issue of political prisoners, the State Department said that it "cannot agree with the study mission's assertion that 'the record is clear that political prisoners exist in South Vietnam.'"

In spite of the fact that nearly every international humanitarian organization in existence today attests to the fact that the Thieu government now holds thousands of political prisoners, our own State Department has chosen, for political reasons, to deny that they exist.

According to their "extensive evidence," they argue:

> The highly publicized charges that civilian prisoners are subjected to widespread, systematic mistreatment in the jails of South Vietnam are simply not sustained.

Well, I am one who is always allowing for some margin of error—no matter who is guilty of a miscalculation. Everyone has certain biased tendencies and shortcomings. But how in the name of justice, can they possibly have missed the thousands upon thousands of prisoners who have been identified by name in a great many cases by a number of highly respected international organizations who have been there, and whose members have seen them with their own eyes?

The unfortunate fact is that torture and political prisoners do exist, despite Ambassador Graham Martin's furious denials. They represent almost every conceivable walk of life. They are lawyers and farmers; they are government officials and businessmen; they are high school and college students and they are in prison for one common reason—they have dared to disagree with the corrupt and repressive policies which have been forced upon the Vietnamese people by the Thieu regime.

The State Department noted in its letter to Senator KENNEDY that "the Government of Vietnam's stated policy does not permit the arrest of anyone for mere political dissent." Yet, I have here a short list of prisoners who are now being held without the knowledge of what crimes they are accused of. Their only crime seems to be their outright disagreement with the policies and practices of their own government.

Mr. President, I ask that this brief list of people presently being held as political prisoners be inserted into the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

LIST OF STUDENTS AND INTELLECTUALS PRESENTLY HELD AS POLITICAL PRISONERS BY THE SAIGON GOVERNMENT—187 NAMES

HUE PRISON

Doan Van Long—teacher, living in Hue, arrested May 1, 1972, President of the People Front to Struggle for Peace (Hue), judged March 23, 1973 by the 1st Field Military Court, sentenced 2 years; one wife and 9 children. 48 years old, has asthma, jailed in Thua Phu (Hue).

NO NAI PRISON

Nguyen Van Dong—Professor.

Diep The Tu—High-School student.

Do Van Xinh—High School Student.

GO VAP MILITARY PRISON

Phan Thanh Huan—Student.

KONTUM PRISON

Nguyen Anh Tuan—born in 1950, son of writer Vu Hanh, arrested February 7, 1969 in his Saigon home, sentenced 20 years hard-labor as "rebel" by the 3rd Field Military Court on December 5, 1969, deported to Con Son and now in Kon Tum, serious liver sickness and lungs.

DALAT PRISON

Nguyen Van Hue—High School Student from the Committee to Demand the Right to Live for Compatriots, judged 20 years of hard labor.

Ngo Vinh Phu—High School Student from the Committee to Demand the Right to Live for Compatriots.

SAIGON POLICE HEADQUARTERS

Le Thi Xuan Huong—Student.

Do Hoang Thieu.

Ngyen Thuy Dung—Professor, born in Saigon, arrested February 24, 1974 in Saigon coming from District 5, still terribly tortured.

DISTRICT I POLICE HEADQUARTERS AT SAIGON

Huynh Ngoc Dien—3rd year of Agriculture student, was invited to the Police headquarters and arrested on March 4, 1974.

Le Van Be—3rd year of Agricultural student was arrested at midnight March 6, 1974 at Student dormitory.

Bui Lam—3rd year of Forest student was arrested at midnight March 6, 1974 with student Ie Van Be.

DANANG PRISON

Nguyen Thi Tho—born August 1, 1954 in Quang Nam, high-School student, arrested May 15, 1972 in Danang, charged with attempt to destroy State Security, not yet judged. Member of Danang High-School Student Association.

CHI HOA PRISON

Huynh Tan Mam—born in March 20, 1945, Hamlet Tan Son Hni, Gia Dinh. Was a medical student in Saigon for 5 years. Arrested in January 1972. No sentence. Prison No. 227 MTCT.

Tran Ngoc Chau—Deputy.

Nguyen Van Thuan—Engineer.

Huynh Van Sau—63 years old, prison number 383 MTCT, Catholic, father of Father Huynh Cong Minh, arrested October 20, 1972, worked for Caritas in Saigon as secretary, 2 years in jail. Liver and stomach sickness.

Nguyen Dinh Khoang—Professor.

Phan Dinh Ly—Professor.

Trinh Cong Ly—Student.

Truong Van Khue—Chairman of the Committee representative of Saigon Pedagogy student.

Buu Chi—Assistant chairman of the Movement for autonomous Universities in South Vietnam. Arrested February 1973 (after Paris Agreement).

Nguyen Duy Thong—Chairman of the Committee demanding the Right to Live for the Compatriots.

Doan Khac Xuyen—Member of the Executive Committee of the Young Catholic Workers.

Le Dai Nghiep—Student.

Luong Dinh Mai—Science student.

Nguyen Huy Diem—6 years medicine student, former chairman of the Committee representative of Medicine students, 1970–71 and 1971–72, arrested October 4, 1971; opposed the October 3, 1971 Presidential election with only one candidate. Charged with attempt to destroy State Security, prison No. 050 MTCT in 1971 and "relations with elements dangerous to the State Defense" (prison No. 561 MTCT in 1972).

Tran Huu Quang—Van Hanh student.

Van Day—Van Hanh student, arrested May, 1972.

Bui Nghi—Science student.

Phan Minh—Student.

Le Thanh Nghi—Student.

Le Van Nuoi—born on February 5, 1952 in Saigon, high school student; arrested September 22, 1971 in Saigon; still waiting to be judged; serious liver sickness. Chairman of Saigon High School students Association; prison No. 019 MTCT, cell No. 1, new dispensary (ID compound). Information from his mother Mrs. Nguyen Thi Toan.

Le Van Nghia—Chairman of the Committee to Protect a Democratic Life in Schools.

Nguyen Cong Khe—Association of Danang high school students.

Dinh Cong Hao—Association of Danang high school students.

Nguyen Cam—Association of Danang high-school students, prison No. 4674 MTLD.

Le Van Tho—Association of Danang high-school students, prison No. 4677 MTLD.

Nguyen Van Hoe—Association of Danang high-school students, prison No. 4672.

Phan Ming Phong—High-school student, from Pleiku.

Huynh Kim Dung—Science student, arrested May 24, 1972, not yet judged, charged with "gian nhan hiep dang."

TAN HIEP PRISON

Tran Thi Chiem—High-school student girl from the Association of Saigon high school students. From interrogation center C3 of Bien Hoa transferred from Tan Hiep.

Nguyen Van Me—Professor.

Pham Duc—Engineer.

Pham Trong Cau—Musician.

Mrs. Vo Thi Ty.

Tran Van Hoa—Student.

Truong Hieu Dan—Student.

Truong Hoang—Student.

Le Van Khoa—Student, arrested September 1969, sentenced 3 years. Relative: Huynh Thi Phuong, 161 Ap Trung 3, Phu Tho Hoa—Gia Dinh.

Doan Hoa Dinh—Student.

Duong Huu Phuoc—Born in 1952 in Saigon, 4 years science student, arrested November 29, 1973 on his way back from studying because elections to be held in Science, very much tortured, charged with VC activities.

Tran Duc Thanh—Student.

Nguyen Nhan—Student.

Vo Dinh Hiep—Student.

Vo Thi Bach Tuyet—Literature female student on the Committee of students and High School demanding the Right to live for the Compatriots, arrested May, 1972—transferred to interrogation center C3 of Bien Hoa.

Nguyen Thi Ngoc Lanh—Student.

Cao Thi Que Huong—Teacher. Tortured

in front of husband during first arrest in 1970, then released. Husband remained in prison, died in Chi Hoa in January, 1973. Cao Thi Que Huong arrested a few weeks later.

Nguyen Thi Man—born in 1952 in Saigon, member of the Committee to improve prisons in South Vietnam, arrested on the road to Chau Doc, on April 1968. Lung sickness, leg paralyzed, sentenced 1 year surveillance, already served 4 years. Relative Luong Thi Dinh, 33/3C Bach Dang—Gia Dinh.

Luong Kim Oanh—born on December 23, 1945 in Gia Dinh, arrested on April 14, 1972 at the checking point of Xa Cang (Gia Dinh), member of the Committee to Improve Prisons in South Vietnam—interrogation center C3 of Bien Hoa.

Tran Thi Thu Lieu—high school student, born in 1953 in Saigon, arrested in August 1971, still waiting for her sentence.

Huynh Thien Ky Duyen—Student.

Ngo Ngoc Dung—Student, Van Hanh University, Member of South Vietnam students Association—transferred to interrogation center C3, Bien Hoa. Arrested April 1968, sentenced 2 years surveillance. TB, Stomach trouble.

Nguyen Thi Lieu—High School student, Member of the Committee to demand the right to live for Compatriots. Interrogation Center C3 of Bien Hoa.

CON DAO PRISON

Nguyen Ba Kha—4 years of engineer student in Industry, born on February 16, 1945 in Dalat, arrested February 22, 1969 in Saigon, judged March 15, 1969 by the 3rd Field Military Court, 15 years of exile, deported to Con Son. Relative: Duong Thi Nguyet—Dalat.

Luc Phuong Danh—born August 19, 1946 in Gia Dinh, soldier, bachelor, arrested February 29, 1972 in the house of writer Thieu Son, prosecuted as "rebel", 7 years hard-labor, 2 years jail.

Huynh Thi Hoang—Female Doctor.

Lam Thi Xuan—Female Professor.

Do Huu Bich—Female Professor.

Nguyen Thi Bay—Teacher.

Nguyen Thi Xe—Professor.

Trinh Thi Thu Nga—Secretary of the Vietnam Assembly in 1968.

Phan Ngoo Dung—Teacher.

Le Thi Giau—Teacher.

Tran Buu Lien—Teacher.

Ho Ty—Engineer.

Nguyen Manh Tuy—Doctor.

Nguyen Van Sung—Dentist.

Le Cong Doan—Lieutenant pilot.

Phan Van Sinh—Lieutenant.

Moui Tung—Architect.

Tran Ngoc Anh—Doctor.

Luong Thanh Thin—Engineer.

Hoa Tu—Bachelor of Science.

Mai Xuan—Writer.

Phan Chinh Dinh—Professor.

Lam Thanh Phuong—Professor.

Nguyen Son—Professor.

Le Quang Vinh—Professor of Petrus Ky, 15 years in Con Deo, isolation compound, camp 7 (new tiger cages), gian nhan Hiep Dang.

Nguyen Dong Ha—Young brother of Mrs. Nguyen Thi Binh, foreign minister of the PRG arrested with his pregnant wife, has already served his 3 years sentence. Refused to slander his sister on Saigon TV.

Pham Xuan Thien—Professor.

Nguyen Van Thien—Professor.

Truong Van Thong—Professor.

Le Dinh Tham—Science student, arrested May 1968, sentenced 5 years. Relative: Le Dinh Bon, 441/27 Phan Dinh Phung, Saigon.

Pham Quang Vinh—Professor.

Do Van Cua—Professor.

Nguyen Hung—Professor.

Pham Ngoc Chau—Professor.

Phan Dinh Hoat—Professor.

Vo Dong Hoa—69 years old, Former President of iVetnam Red Cross and Phu Yen Member of Council.

Nguyen Le Thu An—Female Student.

Do Van Mieu—Student.

Thieu Thi Tao—Student from Marie Curie (French Lycee) in Saigon, arrested in Saigon, arrested in 1968, sentenced 2 years, served already 4 years. Mother: Nguyen Thi Binh, 15 Cong Truong, An Dong, Cholon.

Le Tu Cam—Student.

Le Thi Cham—Student.

Le Le Huong—Student.

Ngo Thi La—Student.

Tu Thanh My—Student.

Nguyen Phi Van—Student.

Nguyen Phi Phung—Student.

Nguyen Thi Cuc—Student.

Nguyen Kim Huong—Student.

Hoang Thi Kim Ngan—Student, arrested December 11, 1968, prison No. 718 E, camp No. 4, imprisoned with her husband Dang Cong Tam, prison No. 1578E, camp No. 5. Relative: Dang Thi Bich.

Nguyen Phuong Lan—Student.

Pham Thi Be—Student.

Cao Thi Ngoc Rot—Student.

Nguyen Thi Ben—Student.

Nguyen Thi Xuan—Student.

Nguyen Thi Hien—Student.

Banh Duong—Born in 1949, arrested April 22, 1968, judged innocent July 11, 1969. Deported June 4, 1972. Prison No. 365 HC, cell No. 4, women camp, information from her mother: Tran Hue.

Nguyen Thi Nhu—Student.

Tran Kim Tuyet—Student.

Quach Kim Anh—Student.

Phung Ngoc Anh—Student.

Phan Le Hanh—Student.

Nguyen Thi Phu—Student.

Hua Thieu Lan—Student.

Tran Thi Kim Van—Student.

Phan Thi Bach Tuyet—born in 1951 from Phan Thiet, high school student, arrested February 8, 1969 in Saigon, judged on December 5, 1969 by the 3rd Field Military Court for "attempt to Destroy the Security of State" sentenced 4 years, deported to Con Son, loss of eyesight and lung sickness.

Nguyen Thi Phung—Student.

Hoang Thi Khanh—Student.

Nguyen Thi Tieu—Student.

Le Thuy An—Student.

Luu Ngoc Tran—born July 27, 1942, pharmacy student for 5 years. Arrested May 7, 1968 in his Saigon home. Suspected of VC activities; sentenced 2 years (suspended) on September 11, 1968 by the 3rd Field Military Court. Deported to Con Son, room A, zone C, camp 6. Relative: his mother Nguyen Thi Van, 146 Bui Thi Xuan, Saigon.

Cao Duy Tuan—born in March 5, 1945 in Hue, younger brother of Cao Thi Que Huong bachelor, arrested February 21, 1969 in Saigon, sentenced 20 years hard labor for "rebellion against security of State" by 3rd Field Military Court on March 15, 1969, liver and stomach sickness. Prison No. C20648. Relative: Nguyen Thi Cam (mother), 20 Dao Duy Tu, Dalat.

Le Anh Ton—Van Hanh University student, born January 1, 1946 in Gia Dinh, Science student, arrested December 6, 1968 in the 5th District of Saigon, not judged, chronic liver sickness. Relative: Vo Thi Tu, 363 Nguyen Trai, Cholon.

Ho Van Hieu—Born July 20, 1939 in Khanh Hoa, 2 years student in the Political University of Dalat, arrested in Saigon on March 9, 1969, not judged, deported to Con Son, Chronic headache and 2 legs paralyzed.

Ho Dac Dung—born 1945, Dalat University student, arrested September 2, 1969 in Saigon, not yet judged, deported to Con Son.

Nguyen Van Chau—Student.

Vo Duc Hoang—Student.

Le Tan Nam—Student.

Tran Quoc Tai—Representative of Science student in Saigon, prison No. 280 MTCT, arrested May, 1972.

Tran Quoc Hung—Literature student, prison No. 656 MTCT, Committee Representative of Saigon literature students.

Truong Minh Hanh—High-school student from the Association of Danang high-school students.

Hoang Tan Quang—Student.

Mai Thanh Trung—Student.

Le Than—Student.

Le Dinh Nguyen—Student.

Le Hong Tu—Student.

Ton That Quynh Luong—born in 1936 in Phu Yen, teacher, his wife has nerve sickness, 2 small daughters, arrested May 25, 1972 in Saigon, judged April 11, 1973, "rebel" charges; sentenced 6 years, deported to Con Son.

Nguyen Dinh Phuc—Student.

Dang Thanh Tinh—Born 1954 in Quang Nam, bachelor, arrested May 1972, "attempt against state Security".

Phan Qui—High school student from the Association of Danang high-school students.

Dang Thai—Association of Danang high-school students, prison No. 4512 MTCT.

Ngo Minh Hai—Student.

Ngo Van Hoang—Association of Danang high-school student, prison No. 4515 MTCT.

Le Tu Quang—Association of Danang high-school students, prison No. 4516 MTCT.

Pham Si Man—Student.

Phan Tan Chinh—Student.

Le Van Thien—high-school student, arrested in 1968, judged November 1968, "rebel" charges, 5 years hard-labor, 3 years exile, deported to Con Son.

Mai Thinh—High school student.

Ho Nhan—Student.

Huynh Thoai Nghiem—Student.

Hoang Van Nghiem—Student.

Nguyen Khac Em—Student.

Le Bay—Student.

Mai Ban—Student.

Mai Cu—Student.

Nguyen Van Ly—High School Student.

Pham Ngoc Minh—student.

Tu Thanh My—student.

Diep The Tri—student.

Le Hoang Phuc—High school student of the Committee to Demand the Right to Live for Compatriots, born in 1953, prison No. 101 MTCT; room 13, camp 3, arrested October 24, 1971, sentenced 3 years jail, On December 26, 1972 he was deported to Con Son. Information from his mother Mrs. Tran Thi Hong.

Nguyen Cao Hien—Student.

Thai Van Sang—High School student, born in 1947 in Long An, arrested February 22, 1968, not yet judged, deported to Con Son.

Duong Minh Cong—Professor.

Nguyen Thi Minh Nguyet—Female high-school student.

Le Tan Viet Nam—Student of Forestry, Zoology, member of Saigon Buddhist Student Association. Arrested February, 1969, prison sentence 3 years, prison No. A4608. Relative: Nguyen Thi An, 129/189 Nguyen Trai, Cholon.

Nguyen Truong Con—Electronics student, arrested July 1968, sentenced 5 years, served almost 4 years, prison No. 205 MTLD. Relative: Nguyen Thi Nhu Thien, 50 A Bui Thi Xuan, Saigon.

Lam Thanh Qui—born in Quang Ngai, bachelor, arrested January 20, 1972 in Saigon. Sentenced 3 years for "attempt against State Security" on August 26, 1972 by the 3rd Field Military Court, deported to Con Son, then Kontum POW camp on December 26, 1972. He is Acting chairman of the Committee to Demand The Right to Live for Compatriots in Saigon, prison No. 211 MTCT. Information from his mother Mrs. Le Thi Nghe (63 years old).

NATIONAL POLICE HEADQUARTERS

Vu Quang Hung—Student of Science, charged with the murder of Professor Bong, tortured until almost dead, after being sentenced all life hard-labor. Prison No. 787 MTCT.

Mr. ABOUREZK. Mr. President, the fact is that these people obviously are not hardened criminals. They come from a number of different, productive, social environments, and professional strata. Although they are from different backgrounds, they have one characteristic in common: before everything and above all they are Vietnamese citizens who deserve the very basic human rights that should be guaranteed every human being—no matter where he lives. Yet, for these people, the basic human rights have been suppressed. The right to live as they wish and the rights to exercise their talents and learning in order to build up their country have been denied. Take, for example, the case of Cao Thi Huong—Cow Thee Hung—a teacher who was arrested in 1970 for her failure to support the Thieu regime. Cao was tortured in front of her husband during her internment and eventually lived to watch her husband die in Chi Hoa prison in January of 1973.

Or there is Nguyen—Newen—Diem, a 6-year medical student who opposed the election of President Thieu in October 1973. He was charged with an attempt to destroy state security and has been in Chi Hoa prison ever since.

Mr. President, there are 187 names on this short list alone and there are more lists than there are names on this list which we could point to as documented evidence that these prisoners of conscience exist.

I recently received a letter from a couple who are presently working in a hospital in South Vietnam, outside Chi Hoa prison in Saigon. They stated that they have oftentimes witnessed the epileptic fits or seizures which are the aftermath of electric torture in patients coming to them. Many are paralyzed, all are psychologically tormented. It is no secret among the Vietnamese, they say, that American tax money pays for these horrible practices.

The final thing which has deeply concerned me about the list of these 187 South Vietnamese people is that with rare exception none have had the benefit of even the slightest appearance of a court trial. Many are being held without even as much as a hint as to what crimes they have committed.

Yet, in spite of this, they have been the objects of some of the most cruel and inhuman forms of degradation known to man.

It is almost ironic, Mr. President, that in a country such as this—a country which has been the recipient of over $200 billion of U.S. foreign and economic aid in the last 10 years in the name of democracy—there is not even the most basic cornerstone of democracy—that of a trial or the writ of habeas corpus.

In the name of democracy, this country demanded that our young men fight for the principles which we in this country stand for. Yet, while 55,000 young Americans lost their lives to fight for South Vietnamese democracy, at least that many South Vietnamese have been imprisoned for disagreeing with the leaders of that "democracy"—most often without the benefit of a trial.

Mr. President, I am convinced that if the Congress is to continue to agree to give to the South Vietnamese Government billons of dollars in military aid, then I think we have the right and the responsibility to insure that these funds are truly being used for the protection of a "democracy."

This amendment would simply require the South Vietnamese Government to give formal assurance to the President of the United States that all prisoners now being held in South Vietnamese jails have been given the benefit of a court trial—and that those who have been sentenced without this benefit will be released.

I cannot think of a more honest and simple approach to securing justice for those people than this. Certainly, if South Vietnam is enjoying the benefits of a democracy, its government will not hesitate to inform the President that there are no prisoners being held without the benefit of a formal court trial. To be sentenced without this right would be to forsake one of the oldest and most vital precepts of democracy.

If the Government of South Vietnam is guilty of such acts, then, Mr. President, I believe that we have no choice but to stop our military support of that government. For what is the difference between South Vietnam and any other repressive and totalitarian government which does not allow the most basic civil rights to its citizens? There simply would be no reason to defend it any longer.

Mr. GOLDWATER. Mr. President, has the Senator finished?

Mr. ABOUREZK. Yes.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, I yield such time as the Senator from Arizona requires.

Mr. GOLDWATER. I certainly can understand the concern of my distinguished friend about this matter. In fact, I was quite concerned about it, too, but about a month ago my legal assistant, Mr. Terry Emerson, was invited to accompany other such members of Senate staffs to South Vietnam, and just yesterday I put in the Record, at page 17465, the first report that Mr. Emerson has made to me. I thought it was so worthwhile that it should be made part of the Record.

During 1 week's study tour through South Vietnam, one of the many issues he investigated was the allegations of political prisoners allegedly being held by the Republic of South Vietnam.

In listening to the presentation of the Senator's amendment, I sat here quite confused, because the first sentence of Mr. Emerson's report reads:

> There are not over 33,000 civilian prisoners of all types in the Republic of Vietnam. There are no remaining prisoner-of-war camps.

That is rather confusing to me, because, if I understood the Senator correctly, he mentioned over 200,000 political prisoners. I am not saying the Senator is wrong and my assistant is right, or that he is wrong and the Senator is right, but there has to be a common ground somewhere, and there cannot be a common ground between 33,000 and 200,000 political prisoners.

Mr. ABOUREZK. Mr. President, will the Senator yield.

Mr. GOLDWATER. I yield.

Mr. ABOUREZK. I want to correct the Senator's assumption. I did not say 200,000 in my presentation. I did not use the figure 200,000.

Mr. GOLDWATER. I thought I heard that. I must be mistaken. But the Senator did say there are many political prisoners.

Mr. ABOUREZK. The information I have from the International Commission of the Red Cross, the International Commission of Jurists, Amnesty International, the International Commission on Human Rights, is that there are several thousand, but at no point did I use the figure 200,000. I have heard the figure 200,000, but at no point in this presentation did I mention that figure.

I am not certain that anybody who makes a one-shot trip to Vietnam can be certain he has seen all the prisoners who are there. It is possible he has been told that is how many are in jail, but it is not probable that he has seen them all.

Mr. GOLDWATER. I would readily agree to that. I remember one American who went to Vietnam and said he could see all the prisoners in jail. I do not doubt that a man going over there for 1 week, particularly a man who has never been there before, could get the wrong information, but he told me the entire group was rather unanimous that that number did not exist. At least, they used the big figure 200,000.

That is probably where I got it. I was reading this report. I inadvertently thought my ears had heard that figure instead of my eyes seeing it. So I apologize. But I am really in a quandary about this.

I think the Senator's amendment has great appeal. Again, not questioning the integrity or the honesty of my friend at all, but I do not know, with these two reports, if we really know enough to even consider it. Maybe here is a place where a body of American Congressmen, Senators and House Members, could very well visit Vietnam to make sure these prisoners are either there or are not there.

The report does contain the charges that the North Vietnamese have yet to release one prisoner, while the South Vietnamese have released all but the handful that I mentioned, so I am sort of up in the air.

Mr. ABOUREZK. Mr. President, will the Senator yield?

Mr. GOLDWATER. Yes. The Senator has the floor.

Mr. ABOUREZK. I wonder if I could clear up the confusion of the Senator from Arizona about how he should act on this amendment.

To begin with, the amendment says if there is one prisoner in South Vietnam being held without benefit of a trial, a formal trial, or a formal hearing, hopefully this amendment would require that he be either tried or released. It does not require knowledge of the specific number of prisoners in South Vietnam in order to support this amendment. Therefore, I would hope the Senator from Arizona would support this basic bit of human right and civil right to the people of South Vietnam.

If we were providing arms to North Vietnam, I am certain we would have a lever over them so that we could provide for a cutoff of arms shipments to them if they refused to release their political prisoners. Perhaps that is what we ought to be doing. I would not particularly be for that, but perhaps it might be a thing to consider.

I hope that that will clear up for the Senator from Arizona what the amendment does. The amendment provides for the basic civil liberties and civil rights that people ought to be entitled to.

Mr. GOLDWATER. I thank the Senator. I will take no more time.

I ask unanimous consent that the report from Vietnam by Mr. J. Terry Emerson, which appears on 17466 of the Record of June 4, 1974, be printed in the Record at this point.

There being no objection, the report was ordered to be printed in the Record, as follows:

Report From Vietnam

(By J. Terry Emerson)

POLITICAL PRISONERS

There are not over 33,000 civilian prisoners of all types in the Republic of Vietnam. There are no remaining prisoner-of-war camps.

Charges of up to 200,000 "political" prisoners in South Vietnam are sheer fabrication—totally false, unproven hysteria, or intentional lies.

On May 30, we visited Con Son Island, home of the so-called "tiger cages." A now-defunct magazine had portrayed these isolation cells as underground pits,, inhuman cages allegedly suffocating the spirit of civilian opponents of the government.

Actually, a photographer would have to strain his ingenuity in order to distort the conditions he was viewing. Taken in dark hours, from one flight above the true ground level, aimed into the center of the cell, away from the windows, waiting for the right mood of somberness by the prisoner, a journalist could have created a picture designed to shock.

But he would have had to have mounted a stairway nine to ten feet above the prison floor and to have ignored the ample window ventilation openings of the cell. He must also have stood close to the inside walled corners of the cell so as to avoid showing its true dimensions of almost five feet in width and eleven feet in depth.

Our study group easily moved ten people into the cell without nearly filling it. It was used and large enough for two or three persons, unlike the real isolation cells of the Communists. The Communist cells for South Vietnamese soldiers are oven-shaped structures, six feet long, three feet wide, and two and one-half feet high, made out of cement. Where cement block is not available, the North Vietnamese substitute bamboo, making an enclosure so small the isolated prisoner must crouch, never having enough room for standing or even stretching out.

The original Son Con isolation cells are no longer in use. The 5,400 civilian prisoners on Con Son Island are now in compounds, lines of cells surrounding large central yards lush with trees and plant life. The two South Vietnamese compounds we saw were far more attractive physically than one American-designed detention facility we visited.

The prisoners of Con Son Island engage in an active existence. Far from the mainland, this locale of tourist-quality scenery is virtually escape proof, though one prisoner at least has succeeded in fleeing it by boat.

Nevertheless, nearly all prisoners are trusted to move about daily outside their cells. Some illiterates attend reading classes; some work in the industry area, shaping handsome walking sticks or fashioning shell decorations which are sold for their own earnings they are allowed to keep.

Other prisoners engage in farming, planting and caring for the produce of seeds they are given by the government. Still others are permitted to fish, one boat leaving shore regularly with prisoners aboard to set nets.

These are not political prisoners, incarcerated because of making expressions of opposition to the government. Two-thirds of the prisoners on Con Son Island are civilians who have committed normal civilian crimes for which offenders are jailed in civilized societies around the globe. Another one-third of the prisoners are military persons who have committed civilian-type crimes.

Are there "political" prisoners held elsewhere in South Vietnam? Certainly, if a terrorist shells a village schoolhouse to intimidate local residents, and is apprehended, he is subjected to the civil processes and will be detained. But this is not a "political" prisoner, even if the marauder happens to be a VC.

The U.S. Embassy has canvassed the entire country-wide system of prisons, jails, and other detention facilities. The Red Cross has made over 195 visits to Republic of Vietnam prisoner installations. American penal specialists trained in such things have searched throughout the South Vietnamese detention system without finding shackles or other signs of cruelty.

Two American Embassy surveys of jails, detention centers, and prisons in South Vietnam prove beyond any reasonable doubt that the total of all civilian detainees of all types is about 35,000, close to the current South Vietnamese figure of 33,000.

Anti-Government activist Father Chan Tin charges there were 202,000 "political" prisoners allegedly held by the Republic of Vietnam. His statistic has been inserted into the Congressional Record as gospel.

This figure, however, exceeds by over a hundred fifty thousand the total capacity of all prisons and detention units in the entire Republic of Vietnam, including informal village lock-up stations. Even if the occupancy of these facilities did exceed their capacity in certain instances, it is impossible that the total number of prisoners could begin to approach 200,000, let alone the much higher total that must be projected as being imprisoned since Father Chan Tin's figure did not include what even he would recognize as offenders sentenced for common crimes. Significantly, one of our group who requested it was freely permitted to visit with Father Chan Tin and his recorded conversations should do much to dispell the falsity and unfounded exaggeration of most of Father Chan Tin's claims.

Using exhaustive methods of canvassing, the U.S. Embassy at Saigon has documented the total prisoner and detainee population being held in national prisons, provincial prisons, interrogation centers, and local lock-up stations as a *maximum* of 35,139. This statistics is backed up by the personal knowledge of American Public Safety Advisors who had been on the spot and is a figure that can be accepted as reliable.

This report cannot end without a brief discussion of the South Vietnamese penal system. For unlike the persons under Communist rule, the citizens governed by the Republic of Vietnam enjoy an extensive program of political rights, including a true public trial and defense.

Once convicted and sentenced, a prisoner is ordinarily allowed outside in the open, some seven hours each day. As I observed at Con Son, prisoners in South Vietnam may farm, do craft work, or attend normal educational classes. Inmates are permitted to write letters regularly, receive gifts, and have a weekly visit from their relatives, except for at least four times a year at Con Son Island, which is far from the mainland.

In contrast, the objective observer should ask what is the treatment of Communist-held prisoners—the true political prisoners of Vietnam. How many Red Cross observers or outside inspectors have been allowed a thorough study inside Communist jails and prisons?

In twenty years, the Communists have kidnapped more than 70,000 South Vietnamese civilians. The names, addresses, and personal data about these individuals are identified in a book openly available for inspection. What is their plight today?

What efforts to relieve the human suffering of these documented victims of political terror are being made by the same groups who parrot unproven fabrications about the Republic of Vietnam?

How many of these captured 70,000 have been massacred? Or are being held in real concentration camps? Or are being forced to slave labor?

The true story of political prisoners is not to be found in the prison or detention system of South Vietnam. The real evidence of brutality is buried under the soil held by Communist soldiers or hidden from all impartial inspection by the secrecy of the Communist system.

Mr. McCLURE. Mr. President, will the Senator from Arizona yield?

Mr. GOLDWATER. Yes, I yield.

Mr. McCLURE. I thank the Senator for yielding. I will be brief.

I could not help noticing the correlation between some remarks which I had already prepared for presentation on the floor of the Senate today on the subject of a State Department document dated April 16, 1947, which deals with several aspects of conditions in the relationship between North Vietnam and South Vietnam. Two comments from that report are pertinent in this instance. One of them relates to prisoner releases.

In that particular State Department document it is stated that the Communists press for the release of 200,000 political prisoners.

I was glad to hear the Senator from South Dakota (Mr. Abourezk) say that all he could document were 187,000, not 200,000.

The document further points out the failure of the North Vietnamese to effectuate the prisoner releases that are called for under the agreement.

The second portion of the document to which I call particular attention in the context of this discussion is the one which is numbered paragraph 4 in that report and refers to "democratic liberties."

I shall read that paragraph because I think it is appropriate to this discussion:

> One of the Communists' strongest demands is that the Government insure "democratic liberties" for the people, but they do not address the question of "democratic liberties" in Communist-controlled areas.
>
> The government correctly contends that there is already a much greater degree of political freedom in its areas than in any Communist-controlled areas. As part of an overall settlement, and prior to elections, it has offered "the lifting of all restrictions on democratic liberties necessitated by the state of war."

Mr. President, I take this time only to point out that the State Department in its evaluation of the relative merits of the positions of North Vietnam and South Vietnam comes down heavily in favor of the position of the Government of South Vietnam.

I think it is always strange in this body that when we start talking about the repression of human liberties it is always directed at the Government of South Vietnam, and almost never directed toward the Government of North Vietnam, where that repression is far greater.

I thank the Senator for yielding.

I ask unanimous consent that a statement and document be printed at this point in the Record.

There being no objection, the statement and document were ordered to be printed in the Record, as follows:

Statement of Senator McClure

A recent State Department document correctly assesses that the "fundamental objective of the North Vietnamese Communists and their Viet Cong associates has long been and remains the establishment of political control over the South. . . ." Recent reports of aggressive attacks on civilians by North Vietnamese regular army insurgents serve as a brutal reminder of the means by which the North Vietnamese and their Viet Cong allies intend to gain that long sought-after control in the South.

In addition to the unending and illegal use of military aggression as a means to gain political control over the South, the Hanoi and PRG tacticians also continue to evade the promises they made in the Paris Agreement, where they agreed to full implementation of a cease-fire; an end to infiltration into the South by North Vietnamese troops; a complete prisoner exchange; the institution of democratic liberties; and internationally supervised free elections.

With the caveat in mind that Hanoi and the PRG have as their only goal the complete control of South Vietnam (to the exclusion of the expressed desire of the people there to remain free from communist domination), the State Department document proceeds to lay out its assessment of the Hanoi/PRG and South Vietnamese government's positions on major peace issues.

Because what this document points out is so important to this body's consideration of future United States support of peace and freedom in South Vietnam, I ask unanimous consent that it be printed in the Record at the conclusion of my remarks.

Assessment of South Vietnamese Government and Communist Positions on Major Peace Issues

The fundamental objective of the North Vietnamese Communists and their Viet Cong associates has long been and remains the establishment of political control over the South; the Communist positions are designed to further this end. The South Vietnamese Government's objective is to prevent a Communist takeover; its positions are designed accordingly. Since these objectives are irreconcilable, there is little room for compromise and correspondingly little progress has been made.

Put another way, the Communists are only interested in negotiating the modalities of their takeover of South Viet-Nam, while the Government refuses to make any concessions which would promote this end.

In an important sense, therefore, the only real issue between the two sides is: Who rules South Viet-Nam? All other questions are merely different aspects of this fundamental question.

With this major caveat, following is an assessment of current Government and Communist positions on some of the major issues left to be implemented or further negotiated under the terms of the Paris Peace Agreement:

CEASE-FIRE IMPLEMENTATION

The Communists demand a third cease-fire proclamation, *after* which they propose instituting some loosely-defined enforcement procedures.

The Government maintains that *before* there can be a real end to the shooting, there must be some agreement on procedures and effective enforcement mechanisms (e.g., progress on delineation of areas of control and deployment of joint and international truce supervisory teams to regional and sub-regional sites, as specified in the Agreement).

Essentially, what the Communists propose is a generally unsupervised cease-fire which would leave them maximum freedom of military action and access to populated areas; while the Government insists on a tightly controlled cease-fire which would keep Communist forces restricted to their remote border bases and sparsely populated enclaves.

INFILTRATION

The Communists generally ignore the problem of infiltration of troops and war materiel, except to make false claims of U.S. violations. They likewise fail to address the Argeement's prohibition against the use of Laos and Cambodia for aggressive purposes. They have refused any joint or international inspection of their resupply system, understandably so in view of their large-scale military build-up since the cease-fire.

The Government, on the other hand, considers these provisions of the Agreement to be vital, and Communist violation of them to be a clear indication of bad faith. It sees the Communists' build-up as *prima facie* evidence of intent to seek a military solution should they fail to achieve their objective by other means.

PRISONER RELEASES

The Communists press for the release of the fictitious "200,000 political prisoners" they allege are held by the Government, and have recently suggested the exchange of personnel captured since the cease-fire.

The Government was vigorous and generous in its efforts to ensure completion of the prisoner exchanges agreed to in Paris at the time the Agreement was signed (which was only accomplished on March 5, 1974). Since the Government got by far the worse end of these exchanges (a ratio of one prisoner received for six returned), and since the Communists still refuse to release or account for tens of thousands of Government military and civilian personnel they are known to have captured, Government generosity on this matter may be approaching its limit unless the Communists show greater reciprocity.

DEMOCRATIC LIBERTIES

One of the Communists' strongest demands is that the Government insure "democratic liberties" for the people, but they do not address the question of "democratic liberties" in Communist-controlled areas.

The Government correctly contends that there is already a much greater degree of political freedom in its areas than in any Communist-controlled areas. As part of an overall settlement, and prior to elections, it has offered "the lifting of all restrictions on democratic liberties necessitated by the state of war."

NCNRC

The Communists view the National Council of National Reconciliation and Concord as a form of coalition government in which they and their friends would be assured domination.

The Government is willing to move forward on establishing the NCNRC, but it considers this body to be primarily a mechanism to develop ground rules for internationally supervised elections.

ELECTIONS

The Communists make elections contingent on establishment of their version of "democratic liberties" and the NCNRC, fail to mention anything about international supervision, and want elections to be only for a constituent assembly.

The Government has pressed hard for internationally supervised elections, confident that it could easily win any fair electoral test against the Communists. It has proposed several specific timetables, involving settlement of issues such as democratic liberties and the NCNRC, culminating in elections.

Essentially, the Communists only want elections to ratify a prior political settlement in their favor; the Government wants elections to be the primary instrument for determining South Viet-Nam's political future.

Mr. GOLDWATER. I am really confused. At first blush, I was tempted to support the amendment of the Senator from South Dakota (Mr. Abourezk) because it has a great deal of appeal. But, finally, my feeling now is that we really do not know enough about it.

I yield the floor.

Mr. STENNIS. The Senator would not be for this amendment.

Mr. GOLDWATER. I say I am tempted. What I am tempted to do and what I do are two different things.

Mr. STENNIS. Mr. President, how much time remains in opposition to the amendment, please?

The PRESIDING OFFICER. Thirty-nine minutes on each side.

Mr. STENNIS. Mr. President, I think this is a highly important amendment. It goes far beyond the question of South Vietnam. It would set an impossible precedent, as I see it, should it become law.

Let us look at the background of the matter. The question of aid to South Vietnam has already been debated on the floor of the Senate once during this session. The amendment denying additional funds for fiscal 1974 for aid to South Vietnam was adopted, and it was upheld in conference. It has just been agreed to in the supplemental conference report.

There was a request for Vietnam aid for fiscal 1975. We took the proof, and we went all around the table. I think every member of the committee participated. We set the figure at $900 million. That is in the bill now. It has not been questioned, so far as I know. There are no amendments to reduce it or to increase it. We made a reduction from the ceiling requested by the administration, which I believe was $1.6 billion.

Now the amendment which is offered puts a string on the money and, in effect, says to South Vietnam, which is a sovereign nation—and we have been trying to keep it that way—that "As to your internal affairs. . . ." Now we certainly do not approve of all the internal affairs of the nations we are helping, but the amendment sets a precedent as to every one of these nations—Turkey and Greece. for instance.

We have had these programs going for 20-odd years as to those two countries. We say here, "We are going to look into your internal affairs, and if you are not running your prisons or if you have people in them who are there for what we call political crimes, then we are going to cut off the money that we otherwise had decided to let you have."

Mr. President, I think that in the family of nations, certainly within the family of nations that are friendly, or even just tolerably friendly, that is a condition that we would not want to recognize or impose. The same logic would apply to us. I think we ought to open our eyes clearly as to what we are doing.

There may be prisoners there without a formal court trial according to our standards, but what is a formal court trial in Turkey or Greece, or any other nation, or South Vietnam? The prisoners may be there without defense counsel. Just what is lack of defense counsel? Just what does it mean under their government?

We say we are going to hold this money until all of their civil rights have been restored. Well, that sounds mighty good, but what are the civil rights of South Vietnamese? What are the civil rights of people in these other countries, dozens of them, to which we are giving military aid in one form or another? What about the civil rights of the people in those countries? We do not know what they are. We do not know how to define them. The amendment does not try to define them. But we would be tying up all of this money on this vague, uncertain, and, I submit with all deference, unsound condition that just knocks the props out, as a practical matter, from under the whole program of economic and military aid.

I certainly am not a fanatic on that subject. I have voted against a great deal of this aid over the years. But when we go to putting conditions like this on it, I think it is better just to deny the funds. If conditions are so bad or so intolerable or so contrary to what we believe in in any nation, it is better just to say, "We are not going to give you any aid under those conditions."

I do not believe I am overdrawing this picture at all. I think I am underemphasizing as to just what we would get into. We have always preached our own doctrine that our sovereignty was our sovereignty and no other legislative or parliamentary body in the world was going to legislate it away. So, if we are not satisfied as a whole, to the extent that we cannot honorably and honestly give them this money—and that is what it is; it is a gift under the conditions, and I am supporting it to the extent of this amount—then we had better just take it out of the bill, instead of trying to put these conditions on it.

I shall repeat this same argument when we have a larger attendance than we have now, if I have a chance. But that is my main point, and I point with alarm to setting a precedent of this kind.

Who in the world could test such a certificate, anyway, if it came to the President of the United States, of formal assurance, and so forth? How could we test a matter of that kind, when they say they will release, by December 31, 1974, all persons sentenced and imprisoned without benefit of formal court trial or defense counsel, and that all such persons and political prisoners will have restored to them their civil rights?

This is a very fine sentiment. I commend the Senator from South Dakota, who has worked on this amendment and offered it, for his great purposes, diligence, activity, and ability. But we are transgressing here on a basic, fundamental principle of international conduct. I will not say law, but it is a principle of conduct, habit, and experience. So I hope the amendment will be defeated.

Mr. President, I am glad to yield 5 minutes, or such additional time as he might need, to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise in opposition to this amendment, for a number of reasons.

The first is that we have a tremendous investment in Vietnam. Over 50,000 of our men were killed in that country. Over 300,000 were wounded. We have spent about $130 billion there over a 10-year period, trying to preserve the freedom of that country, because it is a part of the free world and because it was to our national interest. That country has cooperated with us. They are a proud and independent people.

How would we feel if some other country wanted to come here and investigate our prison system? Vietnam is just as proud of its government and the people there are just as proud of their country as we are of ours. The Federal Bureau of Investigation here certainly would not permit outsiders to come in, because they would feel it would jeopardize the security of correctional institutions, might unduly excite inmates, and could disrupt prison programs.

Mr. President, I wonder if the distinguished Senator from South Dakota would like to include in his amendment the country of Spain. I would like to hear him respond to that, if he would.

Mr. ABOUREZK. Mr. President, as a matter of fact, when the foreign aid bill comes up, I would like to include the country of Spain, and I hope the Senator from South Carolina will support that amendment.

Mr. THURMOND. I would not support it, but I was just wondering how the Senator feels. I wonder if the distinguished Senator from South Dakota would like to include Greece.

Mr. ABOUREZK. I would very much like to.

Mr. THURMOND. I wonder if he would like to include Syria.

Mr. ABOUREZK. Yes, I would, as a matter of fact.

Mr. THURMOND. Egypt.

Mr. ABOUREZK. Yes.

Mr. THURMOND. Israel.

Mr. ABOUREZK. Yes.

Mr. THURMOND. Cambodia. Thailand.

Mr. ABOUREZK. As a matter of fact, to spare the Senator from South Carolina from going through the list, I would like to say that this particular principle ought to be applicable to every country which receives American aid.

Mr. THURMOND. Does the Senator intend to modify his amendment to cover all countries, or keep it restricted to South Vietnam?

Mr. ABOUREZK. No, I do not at this point. Just South Vietnam.

Mr. THURMOND. Would the Senator apply it to the Philippines?

Mr. ABOUREZK. As I say, I would like to apply it to all countries.

Mr. THURMOND. Would the Senator apply it to Turkey?

Mr. ABOUREZK. All countries.

Mr. THURMOND. Specifically, to Turkey?

Mr. ABOUREZK. I beg the Senator's pardon?

Mr. THURMOND. When the Senator says all countries, does he mean all countries in the world?

Mr. ABOUREZK. All countries that receive American aid ought to come under this kind of condition before they receive aid from this country.

Mr. THURMOND. Why does not the Senator make that condition now?

Mr. ABOUREZK. Mr. President, will the Senator yield on my time?

Mr. THURMOND. On the Senator's time.

Mr. ABOUREZK. I would like to make just a brief response to what the Senator from South Carolina has been saying.

The amendment requires that in South Vietnam, if there are any prisoners who have been held in prison without benefit of a court trial, they either be tried or be released. It is a very simple, basic amendment that provides for the basic human liberties of all people; but since we do provide a great deal of aid to South Vietnam, since we did fight to try to preserve democracy in South Vietnam, I think what we ought to do is require that there be some semblance of democracy in that country. I do not believe that all the talk about interfering in their internal affairs has any relevancy whatsoever. We interfered in their internal affairs to the extent that we lost 50,000 men, and we have spent $200 billion there, and probably will spend $200 billion more before that episode is over.

So I do not think that has any relationship whatsoever to the amendment itself, which says that before we give any military aid to South Vietnam, they provide a court trial to those people they put in prison.

Mr. THURMOND. I wonder if the distinguished Senator is willing to accept an amendment to provide that his amendment would take effect provided North Vietnam accounts for all our missing in action in North Vietnam?

Mr. ABOUREZK. No, I would not be willing to modify my amendment to that extent. It would make the amendment meaningless, because we have no control whatsoever over North Vietnam. We had no control over them when we had a half a million troops there. It will be certainly pointless to do it now when we have few troops there in that part of the world.

Mr. THURMOND. Mr. President, it is difficult to understand why a little country which fought side by side with our own men is going to be required to take steps that we will not require any other country to take.

Mr. President, it is very difficult to understand why the Senator would take such a position. Are we going to say to a little country that fought with us and is struggling to preserve its independence, trying to give them ammunition and the arms to do it, to say to them that we will require something of them that we have not required of any other nation, that we are going even to require this of them, although North Vietnam has not accounted for the MIA's, we are requiring this of South Vietnam even if North Vietnam does not account for the MIA's?

Mr. President, after all, are we not meddling in the foreign affairs of another country?

Our State Department has looked into this matter. It has inspected over there. Taking the Senator's own statement here this afternoon, he quotes the State Department, and it says—now are we going to believe the State Department or are we going to believe some less informed party? Here is what our own State Department says:

> The highly publicized charges that civilian prisoners are subject to widespread, systematic mistreatment in the jails of South Vietnam are simply not sustained.

That is what our State Department says. That is the agency of our Government that deals with South Vietnam and other countries of the world.

Furthermore, our Embassy in South Vietnam has been provided with the necessary access to information with which to assess the political prisoner charges. The Government of Vietnam has even invited a distinguished and nonpartisan group of Senators and Representatives to visit Vietnam and observe the system for themselves.

I wonder whether the Senator has been to South Vietnam or has he inspected the prisons? Does he have any firsthand information and, if not, what is he going to take, the report of unofficial groups, or the statements of our State Department and our Ambassador in Saigon? Our people there on the ground say they know the situation, and they say it is not so.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator from South Carolina yield?

Mr. THURMOND. I yield.

Mr. WILLIAM L. SCOTT. Mr. President, I appreciate the Senator's yielding to me. I was interested in the comments he made regarding what the State Department was saying and what the American Ambassador was saying.

Let me preface further remarks by assuring the distinguished Senator from South Carolina that I, too, am opposed to this amendment.

I asked my staff to check into the mail that we were receiving from Virginia with regard to this question and they told me that we are receiving a number of letters that would support the position of the distinguished Senator from South Dakota (Mr. ABOUREZK).

Apparently this is generated mail coming from an organization called the "Indonesia Mobile Education Project."

If I have to choose between believing statements that come from our own Department of State and an unknown organization based here in Washington that apparently has a mobile vehicle traveling around Virginia, encouraging the citizens of Virginia to write their Senators and Representatives with regard to this matter, then of course I will believe our Government. I have confidence in our own State Department and in our Ambassador.

Now, I have a letter before me—and I am not going to insert it into the RECORD because, quite frankly, I would not want to dignify it by publicizing the contents of the letter—but it is a 9-page letter that indicates someone has done a lot of research, called, "A Response to State Department and Saigon Allegations About Political Prisoners in South Vietnam."

You know, Mr. President, we have in the law the "best evidence rule" and I do not believe that the information made available to me by this organization would be acceptable under the best evidence rule.

I thank the Senator from South Carolina very much for yielding me this time.

Mr. THURMOND. I wish to thank the distinguished Senator from Virginia for his comments.

The PRESIDING OFFICER (Mr. MCCLURE). The time of the Senator from South Carolina has expired.

Mr. STENNIS. Mr. President, I yield 3 additional minutes to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 3 additional minutes.

Mr. THURMOND. Mr. President, the distinguished Senator from South Dakota (Mr. ABOUREZK) states that he wants this applied to all nations. That would be just the first step. I would like to visualize what will happen if this kind of amendment were applied to Egypt with whom we have just secured a truce with Israel, or with Syria with whom we have just obtained a truce with Israel, or with Spain where we have bases and need them so badly—or in other countries in the world; as well as with the Philippines with whom we have good relations; with Thailand, with whom we have good relations; and with Turkey and other countries in the world.

Mr. President, will this not be a precedent we will be setting here today that will cause us headaches, cause us sorrow, and cause us regret in the years to come if this amendment is agreed to?

Frankly, I have no knowledge any countries have political prisoners. I do not think they do, but most of them do receive aid from us.

If we adopt such amendments as this are we not injecting ourselves into the foreign affairs of other nations? Mr. President, I say that this will set a dangerous precedent and we will regret the day we adopt such an amendment, if it is adopted.

I hope that the Senate will see fit to kill the amendment and let the people of the world know that we in America are attending to our own business, that we are not trying to inspect the prisons of any country in the world, or trying to intervene in those countries in any way to try to run their affairs for them.

We have got enough problems right here in the United States without trying to inject ourselves into the internal workings of other countries in the world.

I therefore hope, Mr. President, that the amendment will be rejected.

Mr. ABOUREZK. I am ready to vote, if the Senator is.

Mr. TOWER. Mr. President, will the Senator from Mississippi yield me some time?

Mr. STENNIS. Mr. President, I yield 3 minutes to the Senator from Texas (Mr. TOWER).

The PRESIDING OFFICER. The Senator from Texas is recognized for 3 minutes.

Mr. TOWER. Mr. President, I believe that what motivates the distinguished Senator from South Dakota (Mr. ABOUREZK) is laudable. I wish that every nation in the world could enjoy the free legal and political institutions that the United States does. But I think to accomplish the real objective, what would have to be proposed, this proposition or any other that might come before us of a similar nature, would be that all prisoners would have to be freed in a particular country as a condition of our assistance unless they had been tried and convicted in a manner consistent with the principles of law and justice inherent in the common law of England.

If we want to try to apply our standards to other countries, we should insist that they follow the same Anglo-Saxon theories of law and right that we do.

We do not even regard the legal system in France, for example, as serving the ends of justice to the extent that our law does. As a matter of fact, Anatole France commented acidly that the law in its majestic equality prohibits the rich man from begging alms or sleeping under bridges as well as the poor man.

We do not even really think that their system provides the same safeguards for the accused that ours does.

So that the pending amendment, in the final analysis, would be a sham. I think it should be rejected, and I hope that it will be, not just because of the mischief it will do to the program we have provided for in the committee bill, but for the kind of precedent it will set which is totally impractical in terms of the formulation and conduct of American foreign policy.

Mr. STENNIS. Mr. President, the Senator from South Dakota has indicated that he wants to yield back his time, which is all right with me.

Mr. ABOUREZK. If the Senator is ready, I am ready to yield back my time.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STENNIS. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. STENNIS. I am ready to yield back the remainder of my time, if the Senator from South Dakota is.

Mr. ABOUREZK. I yield back my time.

Mr. TOWER. Mr. President, I believe that an amendment is in order at this time.

The PRESIDING OFFICER. The Senator is correct.

Mr. TOWER. I send to the desk an amendment to the amendment of the Senator from South Dakota.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 2, line 3, after "civil rights." insert the following:

Provided, however, the language of this subsection shall not become effective until the government of North Vietnam has given a complete accounting to the satisfaction of the Government of thhe United States of all its citizens listed as missing in action as a result of the Indo China conflict.

The PRESIDING OFFICER. On this amendment, there is a limitation of 15 minutes on each side.

Who yields time?

Mr. ABOUREZK. Mr. President, I move to table the amendment of the Senator from Texas, and I ask for the yeas and nays.

The PRESIDING OFFICER. The motion is not in order until the time has been used or yielded back.

Mr. TOWER. If the Senator will withhold, I intend to withdraw the amendment, but I think it is worthwhile to say a word here.

I do not think we have tried to do anything effective in this body to secure a proper release of or accounting for the Americans who are still missing in action and are still unaccounted for in Indochina. The fact that we do not pay as much attention to them as we do to supposed political prisoners in South Vietnom, I think, is a remission on our part.

The Senator from South Dakota has said that he would not accept such an amendment, but I hope that some day we will be sufficiently seized of our conscience that we will actively do something in this body to try to secure the release of any missing in action that might be held now or a complete accounting by the government of North Vietnam.

Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

All time having been yielded back, the question is on agreeing to the amendment of the Senator from South Dakota.

Mr. ABOUREZK. Mr. President, I should like to make a brief response.

The PRESIDING OFFICER. The Senator yielded back the remainder of his time.

Mr. ABOUREZK. I reserve the remainder of my time. I said at the time I was prepared to yield it back, and there was an interruption.

Mr. STENNIS. Mr. President, I ask unanimous consent that the Senator may have 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABOUREZK. I want to make a briek explanation as to why I do not choose to accept that kind of amendment.

The requirement that the missing-in-action of this country in the Vietnam war be accounted for is already present in the Paris peace agreement that we signed with the Vietnamese. That requirement is already there.

The second part of the reason is that we have no real leverage over North Vietnam to require that kind of accounting. We have some leverage over South Vietnam to assure that people who have been sentenced and imprisoned be given a court trial or be released. We have the leverage to require that sort of thing, and I think we ought to.

I appreciate the fact that the Senator from Texas will allow an up and down vote on this amendment.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from South Dakota. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. Fulbright), the Senator from Indiana (Mr. Hartke), the Senator from Hawaii (Mr. Inouye), the Senator from Utah (Mr. Moss), and the Senator from Alabama (Mr. Sparkman) are necessarily absent.

I further announce that the Senator from Wyoming (Mr. McGee) is absent on official business.

I also announce that the Senator from Missouri (Mr. Symington) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Brock), the Senator from Maryland (Mr. Mathias), and the Senator from Oregon (Mr. Packwood) are necessarily absent.

I further announce that the Senator from Vermont (Mr. Stafford) is absent due to illness.

The result was announced—yeas 32, nays 57, as follows:

[No. 228 Leg.]

YEAS—32

Abourezk
Burdick
Case
Church
Clark
Cranston
Eagleton
Gravel
Hart
Haskell
Hatfield
Hathaway
Humphrey
Javits
Kennedy
Mansfield
McGovern
Metzenbaum
Mondale
Muskie
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Stevenson
Tunney
Weicker
Williams
Young

NAYS—57

Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brooke
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Helms
Hollings
Hruska
Huddleston
Hughes
Jackson
Johnston
Long
Magnuson
McClellan
McClure
McIntyre
Metcalf
Montoya
Nunn
Pearson
Percy
Roth
Scott, Hugh
Scott, William L.
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower

NOT VOTING—11

Brock
Fulbright
Hartke
Inouye
Mathias
McGee
Moss
Packwood
Sparkman
Stafford
Symington

So Mr. Abourezk's amendment (No. 1372) was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ABOUREZK. Mr. President, I call up my amendment No. 1374.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk proceeded to read the amendment.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. STENNIS. Mr. President, the Senate is not in order. We cannot hear.

The PRESIDING OFFICER. Will the Senator suspend?

Will the Senator from South Dakota restate his request?

Mr. ABOUREZK. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendment No. 1374 is as follows:

At the appropriate place in the bill insert a new section as follows:

Sec. . (a) Section 3732 of the Revised Statutes (41 U.S.C. 11) is amended by—

(1) striking out in subsection (a) the following: ", except in the War and Navy Departments, for clothing, subsistence, forage, fuel, quarters, or transportation, which, however, shall not exceed the necessities of the current year";

(2) striking out the subsection designation "(a)" at the beginning of such section; and

(3) striking out subsection (b) of such section.

(b) The first proviso contained in the paragraph entitled "Medical and Hospital Department", under the heading "Medical Department". in the Act entitled "An Act making appropriations for the support of the Army for the fiscal year ending June thirtieth, nineteen hundred and seven" approved June 12, 1906 (34 Stat. 240), is amended by striking out the following: ", except in the War and Navy Departments, for clothing, subsistence, forage, fuel, quarters, transportation, or medical and hospital supplies, which however, shall not exceed the necessities of the current year".

The PRESIDING OFFICER. The Chair will advise that by previous agreement there is a 1-hour limitation on this amendment, 30 minutes to each side.

Mr. ABOUREZK. Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.

Mr. ABOUREZK. I yield 5 minutes to the Senator from Nevada (Mr. Bible).

Mr. BIBLE. I thank the Senator from South Dakota.

AMENDMENT OF LAND AND WATER CONSERVATION FUND ACT

Mr. BIBLE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2844.

The **PRESIDING OFFICER** laid before the Senate the amendments of the House of Representatives to the bill (S. 2844) to amend the Land and Water Conservation Fund Act, as amended, to provide for collection of special recreation use fees at additional campgrounds, and for other purposes, which were, on page 1, line 4, strike out "(78 Stat. 789)," and insert "(78 Stat. 897,".

On page 1, lines 4 and 5, strike out "(16 U.S.C. 4001-6a)," and insert "(16 U.S.C. 4601-6a),".

On page 4, line 3, strike out all after "charged", down through and including "Provided", in line 6, and insert "for boat launching facilities only where specialized facilities or services such as mechanical or hydraulic boat lifts or facilities are provided: And provided".

On page 4, line 9, after "facilities,", insert "personal collection of the fee by an employee or agent of the Federal agency operating the facility, reasonable visitor protection,".

On page 4, line 11, after "permitted).", insert "At each lake or reservoir under the jurisdiction of the Corps of Engineers, United States Army, where camping is permitted, such agency shall provide at least one primitive campground, containing designated campsites, sanitary facilities, and vehicular access, where no charge shall be imposed."

Mr. **BIBLE**. Mr. President, I have discussed these suggested amendments by the House of Representatives to the present bill with both sides of the aisle. I have been assured that they have no objections to the amendments made by the House. The truth of the matter is the amendments do not affect the substantive bill as passed by the Senate.

Accordingly I move that the Senate concur in the House amendments.

The **PRESIDING OFFICER**. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to.

Mr. **BIBLE**. I thank the Presiding Officer and I thank the Senator from South Dakota.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975

The Senate continued with the consideration of the bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

Mr. **ABOUREZK**. Mr. President, my amendment would require that under the Feed and Forage Act, which was passed in 1920, which allows the military to obligate money from the Treasury without congressional authorization, authorization must first be required from the Congress before the money is obligated.

Mr. President, this amendment is one of several steps needed to restore to Congress its full power of the purse. At the present time the Department of Defense is able to make contracts and purchases in advance of appropriations. Once they act—by entering into obligations—our options are closed. A legal liability is placed upon the Government. We must at some future point appropriate whatever funds are necessary to liquidate the obligations.

Although I have been unable to obtain a full accounting of money spent under this law, in the brief period from 1960 to 1972 the Pentagon asked for and received almost $5 billion—but actually spent almost $2 billion.

I think this does violence to an important constitutional principle. The initial decision to commit public funds must remain a congressional prerogative. It is up to us, as guardians of the purse, to decide when public funds shall be spent and where they shall be allocated. We cannot allow executive officials to perform that function, leaving us with the perfunctory duty of providing funds to cover their actions after the fact. This demeans the role of Congress, and degrades the appropriations process.

This extraordinary situation results from the "Feed and Forage" law, an antiquated piece of legislation that served a purpose more than a century ago but has since become an anachronism. Back in the period from 1820 to 1861, when this legislation evolved, Congress was a part-time institution. It met only a few months a year. If it adjourned without appropriating funds for the War and Navy Departments, there was no access to stopgap funding authority. Flexibility and executive discretion were severely limited by line-item appropriations. The financial strain on departments was made more difficult when Congress denied them authority to transfer funds between appropriations accounts or to use carryover balances from prior years. Without authority to contract in advance of appropriations for certain items—for clothing, subsistence, forage, and transportation—there was a genuine threat that our troops in remote outposts would have to disband.

To appreciate the situation at that time, consider what happened in 1856 when Congress adjourned without passing the Army appropriation bill. President Pierce called Congress back into session, warning that a failure to provide funds would require disbanding the Army. He alerted Congress to other injustices:

> A great part of the Army is situated on the remote frontier or in the deserts and large bodies of men in such places without the means of regaining their homes, and where few, if any, could obtain subsistence by honest industry, would be to subject them to suffering and temptation, with disregard of justice and right most derogatory to the Government.

President Pierce described the threats of Indian raids against the inhabitants of the territories of Washington and Oregon, on the Western Plain, and in Texas, New Mexico, and Florida. He feared that disbandment of the Army would invite—

> Hordes of predatory savages from the Western plains and the Rocky Mountains to spread devastation along a frontier of more than 4,000 miles in extent and to deliver up the sparse population of a vast tract of country to rape and murder.

Here we are more than a century later allowing the military services to obligate funds in advance of appropriations as though conditions are the same. But, of course, they are vastly different.

If Congress fails to pass appropriations on time, the Defense Department is immediately covered by a continuing resolution. We are in session practically on a year-round basis, prepared to grant supplemental appropriations to meet unusual and unanticipated expenses. Moreover, the financial structure of the Defense Department has been fundamentally altered in recent decades. They are no longer hemmed in by line-item appropriations. Transfer authority is available to them, amounting to $625 million for fiscal 1974. Reprograming of funds within appropriation accounts is an additional source of flexibility, allowing executive officials to shift billions of dollars each year in order to meet needs that had been unanticipated at budget justification time.

Let us acknowledge that times have changed, that the conditions giving rise to the feed and forage authority are no longer with us today.

Times have changed in yet another sense. We are currently in the midst of a historic effort to reform the congressional budget process. Part of that effort—a major part—is devoted to returning to Congress full control over spending and budget priorities. Those objectives are undermined if we allow executive officials to commit the Nation to expenditures without any participation by Congress.

A close look at the budget reform legislation underscores the need for removing the feed and forage provision from the books. The Senate passed the budget reform bill on March 22 of this year by unanimous vote of 80 to 0. When the bill was originally reported out of the Senate Government Operations Committee, it was justified as a mechanism which would permit Congress to examine and establish a national budget, to identify and select national priorities, and to coordinate spending and revenue actions. I submit that it is impossible to satisfy those objectives unless we retain full control over the commitment of public funds. To do that, the feed and forage law must go.

Both the Senate committees took steps to remedy the fragmentation of the spending process, the growing uncontrollability of expenditures, and the presence of many backdoor features that prevent a coordinated approach to congressional action. Consistency dictates that we proceed another step by repealing an outdated, redundant piece of legislation. Otherwise, we risk having budget reform in rhetoric but not in reality.

Mr. **STENNIS**. Mr. President, I yield myself 5 minutes.

Mr. **GOLDWATER**. Mr. President, will

the Senator yield for a parliamentary inquiry?

Mr. STENNIS. Yes, I yield for a parliamentary inquiry.

Mr. GOLDWATER. This amendment applies to section 3732 of the revised statutes, in which it designates the War and Navy Departments.

Under the Reorganization Act of 1947 the Department of Navy and the Department of War were done away with. What does this amendment do in that case?

The PRESIDING OFFICER. That would be a matter of statutory interpretation and the Chair cannot make that interpretation.

Mr. GOLDWATER. I thank the Presiding Officer.

Mr. STENNIS. I yield to myself 5 minutes.

In response to the question of the Senator from Arizona, as I recall, those matters have come up. When such words are used—and the matter is not cleared up and brought forward—the law is being interpreted as meaning the successors to the War and Navy Departments as used there. These situations are supposed to be cleared up. That is a good point, and the language ought to be changed.

Mr. President, I again commend the Senator from South Dakota. The Senator is quite a versatile man and he knows how to find things in the law. I am glad he brought this up and brought it out.

This pertains really to the Appropriations Committee more than it does to a bill of this kind from the Armed Services Committee.

I have been a member of the Appropriations Committee for a good while, and Senator McClellan of Arkansas, of course, is chairman. If he is unable to get here to say a word for the committee, I will say something from the committee's viewpoint quite briefly.

Mr. President, it is true this is a very old statute passed in another day. But I know of instances where we were mighty glad this law was on the books. We were very much pleased it was.

It is not an open, blanket authorization by any means I am advised, it has been used only five times since World War II. That, as everyone knows, was 29 years ago. One of those times was for the Berlin airlift when, all of a sudden, the strain was such that it caused us to run out of some of these items which I will enumerate.

It applies only to the essential items now that the troops need: clothing, subsistence, forage, fuel, quarters, and transportation; that is all. It is readily shown that these are essential day-to-day matters that must be supplied. They must have something to live on—sustenance, transportation, clothing, fuel.

This is a limited section in the law. It does not apply at all until appropriations are exhausted. That means the Appropriation Committees and Congress make an estimate of what will be needed for all these items. But these matters here are from hand to mouth, you might say, they are required to live on and travel. We have the assurance when we do take a recess and have gone out of session——

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. STENNIS. I yield myself 3 more minutes.

When we do go out of session, those of us who talk to these problems feel it is reassuring to know that whenever anything comes up anywhere around the world, for any of our troops—even a unit of perhaps 10—their commanding officer will have the authority under our law to at least get the fuel, the food, and the necessary things for them to live on; just their subsistence, the elements that are necessary.

So I do not think you would want to strike this out of the law, because it is not modern, because it has some old words in it about the War Department, and so forth. As a matter of fact, it is not even broad enough to provide ammunition, and we ought to be thinking, perhaps, about putting that in.

I would not favor the statute as it is unless it is strictly enforced and strictly adhered to. This is one time I feel we can assure the Senate that it is strictly observed. I have known of the things which came up where it really was needed.

The only alternative is to appropriate more than we think they may need, because we are certainly not going to leave them stranded between the saddle and the ground.

Mr. President, I yield the floor to the Senator from South Carolina for whatever time he wishes.

Mr. THURMOND. Mr. President, I wish to concur in the statement of the distinguished Senator from Mississippi.

I oppose this amendment. The amendment would repeal the significant portion of R.S. 3732 (41 U.S.C. 11) which provides authority to incur deficiencies for certain limited purposes—clothing, subsistence, forage, fuel, quarters, transportation, or medical and hospital supplies—needed for the current fiscal year.

EFFECT ON AMENDMENT

The amendment would eliminate an important but limited authority available to the DOD to incur deficiencies in the absence of funds in order to provide the necessities of the current fiscal year. This authority is available to provide the basic logistics support needed to maintain military forces as specified in R.S. 3732. The amendment would modify R.S. 3732 by deleting that portion of it italicized below:

> (*a*) No contract or purchase on behalf of the United States shall be made, unless the same is authorized by law or is under an appropriation adequate to its fulfillment, *except in the Departments of the Army, Navy, and Air Force, for clothing, subsistence, forage, fuel, quarters, transportation, or medical and hospital supplies, which, however, shall not exceed the necessities of the current year.*
>
> (*b*) *The Secretary of Defense shall immediately advise the Congress of the exercise of the authority granted in subsection* (*a*) *of this section, and shall report quarterly on the estimated obligations incurred pursuant to the authority granted in subsection* (*a*) *of this section.*

DOD POSITION

The DOD opposes enactment of the amendment.

R.S. 3732 provides an important authority to the Department of Defense which has been sparingly used. Although limited in its scope and availability it permits the Department of Defense to incur deficiencies when funds are not available to provide basic support to the military forces. Its retention is important in the national interest in the event of unforeseen events, such as its use in connection with the Berlin airlift in fiscal year 1962. It also assures the ability to provide basic support to military members whose reliance on such support, as for example subsistence and medical care, creates a unique relationship in the Federal Government. R.S. 3732 has been used in fiscal year 1968 and fiscal year 1969 to provide such support as the result of late enactment of supplemental appropriations. In all R.S. 3732 has been used five times since World War II.

R.S. 3732 is limited in a number of important respects. It is only available for the enumerated items of clothing, subsistence, forage, fuel, quarters, and transportation, which are essentially items which must be provided to support the military members of the Armed Forces. It can only be used for the necessities of the current fiscal year. It is only available where appropriations are exhausted.

R.S. 3732 does not provide authority to pay military members. It does not provide authority to purchase, for example, ammunition or military equipment. Thus R.S. 3732 does not provide broad authority to continue the full scope of DOD activities; it provides authority to provide essential troop support and only when funds are exhausted.

To assure the authority to provide such support in the event of unforeseen circumstances or when funds may be otherwise exhausted, the DOD urges retention of this authority.

Mr. ABOUREZK. Mr. President, I just want to make a very brief response to the statement of the Senator from Mississippi.

When the Senator said this is only to be used for basic items, I invite his intention to the June 3 Congressional Record, page S9419, which is a filing that I inserted in the Record on June 3, showing that the Defense Department has used feed and forage money for.

There is an item here in 1972 operation and maintenance for the Air Force of $85 million. That was the amount they asked for. Of that they used $70 million. The description says that—

> It will cover minimum essential costs for increased operations in Southeast Asia, for fuel supplies, maintenance, transportation, special air missions, temporary duty travel, and other personal support.

In addition to the basic, everyday items to which the Senator from Mississippi refers, it is being used or was used and has been used for bombing missions and other air missions over Southeast Asia.

I suggest that the military, like every other agency of Government, be required to come in and justify in advance the money they want to spend. Congress is in session nearly the year around. There is no reason any more since the 19th century why Congress cannot be here to provide money that is needed by the military.

Certainly every other agency does it, and there is no reason why they should not have to.

I yield to the Senator from Maryland.

Mr. MATHIAS. I thank the Senator from South Dakota for yielding.

First of all, I want to congratulate the Senator for bringing this amendment to the attention of the Senate, because I share with him a concern over the existence of this language on the statute books. I think it is testimony to his scholarly research and to his alertness not only to have detected these words but to have recognized the significance of these words in a context which is far different from that in which they were originally used.

Not long ago I was given a Civil War certificate issued by a cavalry commander under this very statute, who had taken 18 tons of hay from a farmer to keep his horses going in that somewhat simple and uncomplicated period.

Mr. STENNIS. Mr. President, may we have order so we can hear the Senator? There is cross conversation here from one side to the other.

The PRESIDING OFFICER. The Senate will be in order.

Mr. MATHIAS. But, Mr. President, I would point out to the Senator that this particular statute is one of 470 emergency statutes which have been identified by the Senate Special Committee on Termination of the National Emergency. It is one which, in our judgment, as in the judgment of the distinguished sponsor of the amendment, does need to be weighed very carefully in the context of its use, and I might suggest to the manager of the bill its abuse.

Mr. STENNIS. Yes.

Mr. MATHIAS. In the unwarranted use of executive power in modern warfare. Now, our committee, the Committee on the Termination of the National Emergency, has addressed a request to the Committee on Armed Services asking for that committee's assessment of the necessity for this statute on the books. I would suggest that if we could have that considered judgment as a part of our record, and if we could then use that judgment to bring this matter back to the floor as a part of the report of the Committee on the Termination of the National Emergency, which I would hope would come to us before the end of this year, that then we would be able to act on this particular subject in the context of similar executive powers which really need revision.

In suggesting that we might delay this until it can be acted upon as a part of the whole report, I am in no sense second-guessing the wisdom of this amendment, because if it came to a vote I would have to vote for it, but I do think that perhaps it is better and more orderly procedure to take it in the broader context.

Mr. STENNIS. Mr. President, if I may respond—and put this on my time, Mr. President—I did not have any knowledge of the Senator's group or his request. But I feel this way about it: It would be a great mistake to just strike out this provision. There should be something somewhere, whereby a commanding officer could move to get those 18 bales of hay that the Senator has mentioned.

I think the statute ought to be modernized, at least, whatever is done about it. I point out that these items are not authorized by the Armed Services Committee; they come in mainly from O. & M. funds, like clothing, subsistence, food, shoes, quarters, transportation, medical, and hospital supplies. The Senator from Arkansas, the chairman of the Committee on Appropriations, has just come into the Chamber, and by my calling out those items I am sure he recognizes them as matters his committee is concerned about, and mainly matters that affect his committee.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. STENNIS. Yes, I yield on my time to the Senator from Arkansas.

Mr. McCLELLAN. I just came into the Chamber, as the Senator from Mississippi has pointed out. There has been some suggestion of deferral; would the Senator repeat that?

Mr. MATHIAS. Yes, glady, Mr. President. This is one of the 470 statutes on the national emergency books which the Senate has asked our committee to review and make some recommendations on.

I think if we were dealing only, as the distinguished chairman of the Armed Services Committee has suggested, in terms of shoes or bales of hay, neither the Senator from South Dakota nor I would be too much interested. But when this power can be interpreted as the power upon which to conduct an entire war, I think we have to look at it carefully.

Our committee has addressed a request to both the Committee on Armed Services and the Committee on Appropriations for their considered and careful judgment as to the effect of this statute, as to its desirability in a modern age, as to safeguards that perhaps ought to be added to it, so that it will be utilized within its proper scope, and so that it does not become the vehicle for the exercise of arbitrary military authority by the executive.

If both the Appropriations Committee and the Armed Services Committee will respond to that request, and then we can bring back to the Senate a report on this and other emergency statutes, I would hope and I believe that the author of the amendment, the Senator from South Dakota, would agree that might be a useful way to pursue it.

Mr. ABOUREZK and Mr. McCLELLAN addressed the Chair.

Mr. STENNIS. The Senator from Arkansas has just come into the Chamber. Let me yield to him first.

Mr. McCLELLAN. Mr. President, I would make this observation, on the basis of what I have heard here and what I know about the amendment and the overall situation:

It would seem to me that this would be a better way to handle it than on a bill like this, without hearings or anything, just simply to repeal whatever authority now exists. As the distinguished chairman of the Armed Services Committee has indicated, this provision may need some modernization, and some limitations as the Senator from Maryland suggests. But to leave no authority to meet such an emergency crisis, I think, would be unwise. I do not know that one would ever occur, but if it should, the power to act ought to be there.

It is something that I think could well be studied, along with other provisions of the law that may now be obsolete or need revising.

Mr. MATHIAS. Mr. President, the distinguished Senator from Arkansas could facilitate that very much, as could the Senator from Mississippi, if the committees they chair would give us their considered judgment on this subject.

I am grateful to the Senator from South Dakota for offering this amendment, if only for the purpose of impressing upon each committee the necessity of acting on this subject, because if we do not, it will come up again and again in a less orderly way.

Mr. McCLELLAN. I might make this observation: Until some of these things come up, there are many statutes we are not familiar with until someone raises the question. Now that the question has been raised, the orderly procedure seems to me to be for the Senator's committee to take it into account and try to let us work out a proper solution.

Mr. MATHIAS. We are prepared to do so, we are eager to do so, and we ask the Senate to let us do so.

Mr. STENNIS. If I may respond to the proposal, and also the response of the Senator from Maryland, we will be glad to get together, go over the history of it for the last several years, and make such suggestions as we can. This matter needs to be covered in some way, and be limited where it may be abused, is the way I see it.

Mr. ABOUREZK. Mr. President, if I may make a response, then I will yield the floor.

The PRESIDING OFFICER. The Senator from South Dakota is recognized on his own time.

Mr. ABOUREZK. I wonder if the distinguished chairman of the committee would be willing to agree to hold hearings in his committee on this particular section. What concerns me is that, with regard to the Committee on the Termination of the National Emergency and its authority, the legislation giving that committee authority states that the function of the committee is to conduct a study and investigation with respect to the matter of terminating the national emergency proclaimed by the President of the United States on December 16, 1950.

I know they are entitled to study this section, but I do not know if they can make any kind of action on it.

What I would like to hear from the distinguished chairman is his willingness to hold hearings on this particular section, because I think it is subject to a great deal of abuse, as is obvious from the amount of money they have spent and the items they have spent it on.

I would be willing to withdraw the amendment and the order for the yeas and nays if the chairman would be willing to agree to that.

Mr. STENNIS. It is certainly a matter of concern, and of importance as well, to get the facts as it applies to our committee, and I think the Appropriations Committee, as I have just said, and its chairman has said he has an interest in it.

Each committee could get such facts as pertain to their special interests. We can do so, and respond to the Senator from South Dakota and the Senator from Maryland.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota has the floor.

Mr. ABOUREZK. Mr. President, I reserve the remainder of my time.

Mr. STENNIS. I yield to the Senator from Arkansas.

Mr. McCLELLAN. I only intended to observe that the Appropriations Committee is not a legislative committee, and this is primarily legislation which sets the rules by law as to what shall be done and not be done and the Appropriations Committee has to observe the rules. It is a legislative matter primarily. But I will be glad to give thought to it and make some suggestions as to my views.

Mr. MATHIAS. Mr. President, if the Senator will yield for a moment, the Appropriations Committee's view and the original request that the Committee on Termination of the National Emergency addressed to the Appropriations Committee were predicated on the thought that this was a means of expending the money outside the appropriations process and if, as was suggested by former Secretary Laird, we could keep the whole war going on the basis of this particular statute, that would really relegate the Appropriations Committee to a very insignificant function. It is in that context, I think, the thoughts and judgments and observations of the Appropriations Committee, at least——

Mr. McCLELLAN. Having contributed to the holding of the hearings and making a determination as to what shall be national policy is with the legislative committees primarily.

Mr. STENNIS. I agree that we want the Appropriations Committee to furnish the facts about how much has gone through the committee under this section for the past 15 or 20 years. Yes, we will get into it from that point of view.

Mr. MATHIAS. If the Senator will yield 1 minute further, we have, of course, also requested the Department of Defense to comment and give us its views on this subject. We want that as a part of the RECORD. It might be of some service both to the Armed Services Committee and the Appropriations Committee if, at this point, I placed in the RECORD those pages from the report of the Special Committee on the Termination of the National Emergency, beginning on page 319, which deal with this particular statute under title 41, Public Contracts; and I ask unanimous consent that that pertinent part of the committee report be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

FEED-AND-FORAGE

40 U.S.C. 534. WAIVER OF PROCEDURES FOR DISPOSAL OF URBAN LANDS, ACQUISITION OR CHANGE OF USE OF REAL PROPERTY

The procedures prescribed in sections 532 and 533 of this title may be waived *during any period of national emergency proclaimed by the President.* (June 30, 1949, ch. 288, title VIII, § 805, as added Oct. 26, 1968, Pub. L. 90-577, title V, § 501, 82 Stat. 1105.)

TITLE 41.—PUBLIC CONTRACTS

41 U.S.C. 11. NO CONTRACTS OR PURCHASES UNLESS AUTHORIZED OR UNDER ADEQUATE APPROPRIATION; REPORT TO THE CONGRESS

(a) No contract or purchase on behalf of the United States shall be made, unless the same is authorized by law or is under an appropriation adequate to its fulfillment, except in the Departments of the Army, Navy, and Air Force, for clothing, subsistence, forage, fuel, quarters, transportations, or medical and hospital supplies, which, however shall not exceed the necessities of the current year.

(b) The Secretary of Defense shall immediately advise the Congress of the exercise of the authority granted in subsection (a) of this section, and shall report quarterly on the estimated obligations incurred pursuant to the authority granted in subsection (a) of this section. (R.S. § 3732; June 12, 1906, ch. 3078, 34 Stat. 255; Oct. 15, 1966, Pub. L. 89-687, title VI, § 612(e), 80 Stat. 993.)

DERIVATION

Act Mar. 2, 1961, ch. 84, § 10, 12 Stat. 320.

CODIFICATION

The Department of the Air Force was inserted under the authority of section 207 (a), (f) of act July 26, 1947, ch. 343, title II, 61 Stat. 501, and Secretary of Defense Transfer Orders No. 6, eff. Jan. 15, 1948; No. 12 [§ 1(13)], May 14, 1948; No. 39, May 18, 1949, and No. 40 [App. B(115)], July 22, 1949. The Department of War was designated the Department of the Army and the title of the Secretary of War was changed to Secretary of the Army by section 205(a) of such act July 26, 1947. Sections 205(a) and 207(a), (f) of act July 26, 1947, were repealed by section 53 of act Aug. 10, 1956, ch. 1041, 70A Stat. 641. Section 1 of act Aug. 10, 1956, enacted "Title 10, Armed Forces", which in sections 3011-3013 and 8011-8013 continued the military Department of the Army and Air Force under the administrative supervision of a Secretary of the Army and a Secretary of the Air Force, respectively.

AMENDMENTS

1966—Pub. L. 89-687 designated existing provisions as subsec. (a) and added subsec. (b).

1906—Act June 12, 1906, inserted "medical and hospital supplies."

CROSS REFERENCES

Contracts for Indian supplies in advance of appropriations, see section 99 of Title 25, Indians.

Expenditure by any department in excess of appropriations prohibited, see section 665 of Title 31, Money and Finance.

Printing appropriations not to be exceeded, see section 1102 of Title 44, Public Printing and Documents.

Projects under Mexican treaties, authority to enter into contracts beyond amount appropriated, notwithstanding this section, see section 277d-3 of Title 22, Foreign Relations and Intercourse.

Public lands, fire protection: contract authority of Secretary of Interior for use of aircraft, and for supplies and services, in advance of appropriation; accrual of obligation; contingent obligation, see section 1362a of Title 43, Public Lands.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in Title 22, section 277d-3; Title 50 App., section 2094.

NOTE

THE "FEED AND FORAGE" ACT OF 1861

In 1972, the then Defense Secretary, Melvin Laird, said that this statute could be used to assure the expenditure of funds in Southeast Asia, for use by U.S. forces, despite congressional prohibitions. When questioned by Senator William Proxmire during hearings on the foreign assistance appropriation act for fiscal 1973, Secretary Laird replied:

If there is not any action by the Senate at all on even a continuing resolution, then the only legislation which would permit us to operate would be the deficiency authorization legislation—which was passed at the time of the Civil War—which gives to the Department of Defense and to the Commander in Chief, the President of the United States, the authority to obligate on a deficiency basis for the subsistence of our military personnel and for other requirements needed to support those military people.

Enacted in 1861 at the time of the Civil War, it is known as the "feed and forage" law. The provisions of the law provide that purchases by the military can be made "for clothing, subsistence, forage, fuel, quarters, transportation or medical and hospital supplies" without the approval of Congress that is customarily required.

Former Secretary of Defense Melvin Laird asserted that the statute would permit the President to ignore Congress' prohibition of funds for the war in Indochina; and to continue spending, on a deficiency basis, for the continued use of U.S. forces. Secretary Laird went on to assert that only additional positive action by Congress—in this case, the repeal of this specific deficiency authorization—would be required to halt expenditures for the involvement of U.S. forces in hostilities in Asia.

A study of the legislative history of this act affirms that use of the "feed and forage" authority as legal justification—for continuing the use of U.S. forces against the will of Congress—was unwarranted. In fact, as the legislative history of the law demonstrates, the "feed and forage" provision was part of a long congressional campaign to tighten congressional control over unauthorized executive branch expenditures. However, in 1861, one exception to strict controls over contracting authority was allowed to the War Department for this particular class of military supplies. The reason for the exception involved certain administrative shortcomings which, during the Civil War period, made legislative approval for item-by-item military purchases impractical, untimely or even impossible.

To illustrate: Congress, during this period, met in "short" sessions with lengthy periods of adjournment during which unforeseen and necessary appropriations could not be authorized. And, even when the Congress was in session, normal delays in the legislative process itself occasionally hampered the War Department in procuring necessary supplies. With troops posted throughout the West—many days ride from Washington—it was evident that delays resulting from congressional delays could have resulted in the collapse of security on the frontier. In order to protect American troops from supply shortages caused by unavoidable delays, Congress extended to the President discretionary "feed and forage" authority. It was clearly intended as a stop-gap funding device.

Subsequently, Congress has enacted a host of stop-gap funding devices to deal with similar military purchasing problems. An example is the use of continuing resolutions which now cover Defense Department appropriations in the event a military appropriation bill is delayed. Moreover, Congress is no longer a "part-time" legislative body, and the "short session" has disappeared. The Congress is, for all practical purposes, always available to grant necessary military funding authority. Also, there exists a transfer authority which allows the Defense Department

$600 million to supplement its programs as needed—unless specifically prohibited.

It is quite evident that the original conditions giving rise to the "feed and forage" authority have long since disappeared. But 41 U.S.C. 11 with its broad statutory language remains. Its recent history is somewhat similar to that of section 5(b) of Trading with the Enemy Act in which the original intention of the legislation has been twisted to justify purposes other than those for which they were enacted.

Mr. GOLDWATER. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. GOLDWATER. Just for purposes of clarification, earlier I directed a parliamentary inquiry relative to the appropriateness of this amendment because it proposes to amend section (a) of section 3732 of the revised statutes, title 41, United States Code, section 11, and the Chair rightfully stated that this was not under their jurisdiction. The Chairman, I think, correctly indicated that it would be assumed to be the Defense Department and not the War Department or the Navy Department.

I have looked this up under title 32 of the United States Code, 1970 edition—title 32 under title 41, and I find that this change has been made in the law. I would, therefore, suggest that the amendment be properly rephrased so that someone might not challenge it on the defense that we are amending something that no longer exists.

For example, in 1966, Public Law 89-687, title 6, was amended so that the language now reads, under 11:

> No contracts or purchases unless authorized or under adequate appropriations report to the Congress.
>
> A—no contracts or purchases on behalf of the United States shall be made unless the same is authorized by law or is under appropriation adequate to its fulfillment except in the United States Army, Navy, and Air Force, for clothing, subsistence, forage, food, quarters, transportation and medical and hospital supplies, which, however, shall not exceed the necessities of the current year.

I would suggest to the Senator from South Dakota that if he were going to ask for consideration of his amendment, the language be changed because the law has been changed. The law he refers to is no longer a law on the books.

Mr. STENNIS. Mr. President, I believe that we have used all the time we want to.

Mr. ABOUREZK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll

The second assistant legislative clerk proceeded to call the roll.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABOUREZK. I yield to the Senator from Mississippi (Mr. STENNIS).

Mr. STENNIS. Mr. President, we have had valuable developments here. As soon as we get through with this bill, the Armed Services Committee will have to go to conference with it. But the committee will hold hearings this calendar year to develop the relevant facts to this old statute, if I may call it that, to determine the amount of money spent under it, too, for some recent period of time, say 20 years; and with those facts in hand, there will be a judgment on the question as to what, if any, legislation we recommend.

I would not try to indicate what the committee would do, or what any other Senator on any other committee would do, but we have the machinery and the tools to go into this, and we will develop the facts. That is an assurance. That is a promise.

Mr. ABOUREZK. Mr. President, I am sincerely grateful for the commitment which has just been made by the chairman of the Armed Services Committee. I know that he will, and the committee will, give it a thorough going over. I am certain, once they do get into it, that they will most likely agree with the views of the Senator from Maryland, myself, and others who have looked into the matter and support at least the prior authorization.

So, based on that commitment, I ask unanimous consent that the yeas and nays which have been ordered on this amendment be withdrawn.

The PRESIDING OFFICER. Does the Senator ask unanimous consent that the amendment also be withdrawn?

Mr. ABOUREZK. Yes, and the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I thank the Senator from South Dakota and also the Senator from Maryland for their assistance in this matter. I assure them of our followup on this matter as soon as we can.

Mr. MATHIAS. Mr. President, I want to thank the Senator from Mississippi for his assurance and also the Senator from Arkansas (Mr. MCCLELLAN), the chairman of the Appropriations Committee. I think that their active cooperation will be extremely helpful in a very important area of Senate concern.

I also thank the Senator from South Dakota because through the action he has taken today, he has brought us a long way down the road toward some real progress.

I thank you, Mr. President.

Mr. JAVITS. Mr. President, I am ready to call up an amendment that is in order at this time.

Mr. STENNIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Mississippi will state it.

Mr. STENNIS. Did not the Senator from South Dakota have another amendment? Did we not agree to take it up now?

The PRESIDING OFFICER. The Senator from New York has been recognized.

Mr. JAVITS. I yielded to the Senator to make a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York is recognized.

AMENDMENT NO. 1386

Mr. JAVITS. Mr. President, if the Senator from Mississippi (Mr. STENNIS) is through, I call up my amendment No. 1386 and ask that the name of my colleague from New York (Mr. BUCKLEY) be added as a proponent of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be stated.

The assistant legislative clerk read as follows:

AMENDMENT NO. 1386

> Insert on page 2, line 20, after the word "procurement" the following: "and if such an objection is interposed then said period shall be extended to sixty days".

Mr. JAVITS. Mr. President, I yield to the Senator from Minnesota (Mr. HUMPHREY).

Mr. HUMPHREY. Mr. President, in order to have some idea of where we are going to proceed, I ask unanimous consent, following the amendment of the Senator from New York (Mr. JAVITS) that I might call up my amendment No. 1382; and I also ask unanimous consent that the name of the distinguished Senator from Tennessee (Mr. BAKER) may be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, reserving the right to object, I did not hear the request, and I am under great time pressure.

Mr. HUMPHREY. It is only after the Senator from New York has finished.

Mr. JAVITS. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. There is no time limitation.

Mr. ROBERT C. BYRD. Mr. President, will the Senator agree to a time limitation on his amendment?

Mr. JAVITS. Yes.

Mr. ROBERT C. BYRD. Thirty minutes, equally divided.

Mr. JAVITS. That is fine.

Mr. ROBERT C. BYRD. Mr. President, I so ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. I yield myself 5 minutes.

If Senators will look at the provisions on page 2 with respect to the A-10 and A-7D aircraft flyoff competition, it will be noted that there is a provision as to the winner of a flyoff competition between such aircraft—and that is a perfectly fair deal—as determined by the Secretary of Defense and certified to Congress by the Secretary, that such funds be available within 30 days after certification to Congress, presumably, of the result of the flyoff—so far so good. But then the provision goes on to say:

> *Provided*, no objection is interposed by any of the four authorizing or appropriation committees having jurisdiction over such procurement. . . .

The PRESIDING OFFICER. The Senator will suspend. The Senate is not in order.

The Senator may proceed.

Mr. JAVITS. Mr. President, it seems to me, as I interpret the law, that this means that after all the action of a flyoff and the competition and the decision by the Secretary of Defense, if any one of these committees objects—that is, four authorizing or appropriation committees—that is the end of the matter, the thing is dead, our action is a nullity, the production lines close down, and you start all over again. I can hardly feel that that is provident legislation about defense matters of high importance on a plane of this character, about which there has been a great deal of controversy, or that it is even fair and sporting as a proposition between these two competing aircraft.

So my amendment simply says that if any committee objects, then the time shall be extended for 60 days before they can spend any of the money, instead of 30. Within that time, the particular committee which may object can, one, hold a hearing and bring the defense officials on the carpet; two, go to the House to which it belongs and seek a rescission of this authority, or any other action which it thinks it ought to take.

There is a real analogy in that with the kind of action, for example, taken by the Government Operations Committee, of which I am a member, when the GSA reports to it that it is going to sell some property and gives us the terms. If we do not like it and object, we hold a hearing, and, generally speaking, they will cooperate with us until we have had an opportunity to explore completely what we wish to do about the matter.

But after the House and the Senate, after a considered judgment, passed this authorization, after a flyoff competition and a technical decision as to which aircraft is to be procured, and then to kill it because one committee of one body says, "We do not like it; it is dead," I really think is going way up the hill and sliding down again.

This is quite apart from the detail which is involved in terminating a production line or in whatever added costs may occur. Under present conditions, these are bound to be considerable, if you start this thing all over again, when you can get around to it, in terms of authorization and appropriation.

So, Mr. President, the one point made with respect to all I have said is that if it is the desire that it be 60 days of Senate session or House session, I am willing to say that.

In short, I have no desire whatever in any way to abort the process, except to get finality. It is well known that two major companies and two major regions are competing here. May the best plane win. But at least let us have a decision at some time, instead of simply having it all a nullity.

Mr. THURMOND. Mr. President, I yield to the distinguished Senator from Texas such time as he may desire.

Mr. TOWER. Would the Senator from New York let me have a little colloquy with him, on my time, to clarify this matter, because this becomes a little complex?

Mr. JAVITS. Yes.

Mr. TOWER. I might note, first that all this came about some time ago, when the Armed Services Committee wanted to really weigh the relative merits of these two aircraft, and in last year's report, the committee directed the Air Force to hold a flyoff, and the Air Force did not do so. The Air Force, in effect, thumbed its nose at the committee. We told them again to have the flyoff, and this time they held it.

I know that this is difficult to evaluate, because it is like comparing apples and oranges. There are some things that the A–10 is going to be better at than the A–7, and there are other things that the A–7 is going to be better at than the A–10. So it is a difficult thing. Perhaps the term "winner" in the proposed legislation is an unfortunate use of language, because it is difficult to determine a winner under these circumstances. But the fact is that here we have tried to establish the authority of Congress, in the face of what has appeared to be a somewhat lack of decisiveness on the part of the department.

I ask the Senator from New York what happens to the authority of Congress in this matter if an objection is interposed and is not resolved within 60 days. Does that means that if Congress then interposes an objection but nothing is done to resolve it, the Air Force has the authority to spend the money at the end of 60 days?

Mr. JAVITS. It would. But as I gave the analogy with the Government Operations Committee, and I have told Senator TOWER, and I am sure he will confirm it. I would be willing to make it 90 days instead of 60 days, if that would help the matter. A committee, within that time, can get an extension of that time, can get a resolution from its particular House, asking that the matter be extended further. It can seek to rescind the authority.

In short, all I am saying to the Senator is that Congress having acted, Congress should dis-act—that not one committee should completely undo everything Congress has done. That is all I plead for. I am perfectly willing to give that committee whatever time the Senator thinks is reasonable. I think 90 days is reasonable, and let us say that it has to be during the session, or anything like that. But at least no one committee can veto what Congress has done. Let Congress veto it. That is all right.

Mr. TOWER. What would happen in the event that there were a meeting of the minds on the procurement of both aircraft or a mix? What would be the impact of the Senator's amendment on a decision to buy some of both?

Mr. JAVITS. I would assume that any Department of Defense having half a brain, where it had a consensus of the committees involved, knowing that they can simply go to their own bodies and get any resolution they would want on a thing like this, would work with them and work it out the way the wanted.

All I am saying is that, Congress having acted, it is Congress that should dis-act. That is all.

I would rely upon the Senator, if he accepted that concept and found it possible to take this amendment, to work it out in conference in some fair way, just on that principle, the principle being that at least Congress should have the final say if the parties cannot get together—to wit, the objecting committee and the Defense Department.

Mr. TOWER. This matter has to be resolved in conference, anyway, and much of what we have done in the Senate language may go out the window during the course of conference.

It is a very difficult problem. I just wanted to try to clarify it in this colloquy with the Senator.

It is my understanding that the Senator from Mississippi is not prepared to accept the amendment. Unfortunately, he is not in the Chamber. Perhaps the Senator from South Carolina can address himself to that matter.

Mr. THURMOND. I yield myself such time as I may require.

Mr. President, the committee went into this matter carefully, and they were particular in choosing the words in the bill. The wording that the committee approved reads as follows:

> Such funds to be available within 30 days after certification to Congress provided no objection is interposed by any of the four authorizing or appropriation committees having jurisdiction over such procurement.

Mr. President, the distinguished Senator from New York made a statement that Congress acted and Congress can "disact." That is not the case. Congress acted conditionally. They put in this condition that they could go ahead provided that neither of these four committees, the Appropriations Committees of each House and the Committee on Armed Services of each house objected; but if they object, they cannot go ahead.

Under the amendment of the distinguished Senator from New York, after 30 more days, and he has extended the time, it would read this way: If such an objection is interposed, it shall be extended 30 days. After those 30 days they can go ahead and do whatever they want to do.

We want the committees to have the right to check on the Department of Defense. We have great faith in their ability but we want these committees to have the responsibility here and, therefore, I think the amendment should be tabled or defeated.

Mr. BUCKLEY. Mr. President, will the Senator yield?

Mr. THURMOND. I am pleased to yield to the Senator from New York.

Mr. BUCKLEY. Mr. President, I had a colloquy yesterday with the distinguished Senator from Nevada (Mr. CANNON) on this matter. Would the Senator from South Carolina say it is not the intention to provide any of these committees the right to arbitrarily delay procurement, or upset the results?

Mr. THURMOND. I am sure the committees would not arbitrarily delay because the Committee on Armed Services wants this matter to go forward.

I have supported the A–7 and the A–10, but the question here is which of these planes is going to win this fly-off for close air support.

The Senator from Nevada (Mr. CANNON) is the chairman of the subcommittee and the Senator from Arizona (Mr. GOLDWATER) is the ranking minority member. We all have worked together on this matter; the committee has come up with this recommendation and we think it is sound.

I can assure the Senator there will not be any delay, as far as I am concerned.

Mr. JAVITS. Mr. President, I yield 5 minutes to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. GOLDWATER. Mr. President, I hope very much the chairman of our committee will take this amendment. This is the only time during many years of debate in this field that I found myself disagreeing with my subcommittee chairman or my full committee chairman. Frankly, I oppose the language that is now contained in the bill. I did not oppose it strenuously. In fact, I agreed to it to keep from having arguments in committee.

However, I would like to point out that the Air Force is supposed to make a decision on this and announce it on June 15. There is every indication they will not do this. There is every indication they will, in a typical Pentagon way, not wanting to make enemies, come in with some decision such as this, which is agreeable to me, "Both planes are desirable; let us try them both."

The only trouble with that is that the A–7 plane may be continuing because the House included funds to buy more A–7's for the National Guard. But the A–10 is the only modern jet aircraft designed for pure ground support and it is not in the production line situation yet.

Any decision to postpone the expenditure of these funds could, in my opinion, be fatal to the A–10. If the Air Force will give us a clear decision without any equivocation at all that they like the A–7 or the A–10, I think we have no worry about this.

But after Congress receives the results of this flyoff, a Defense Systems Acquisition Review Council is scheduled to meet July 2 to review the A–10 and particularly its integration with the General Electric GAU–8 gun.

I am not trying to defend one manufacturer against another. I think the A–7 is one of the finest planes ever built, but the Air Force wanted the A–10, and we expended much more money in research and development. It won the competition with the A–9 built by Northrup, and the so-called flyoff between the A–7 and A–10 has now been completed, although not one shot was fired; it was all under computerized conditions, which, in my opinion, is not the way to do it, but that is the way they did it.

So I support the suggestion made by the senior Senator from New York and the junior Senator from New York that we alter this language. I have grave question, and I will want this to be a part of the Record, that either of the four committees should have anything to say about whether we are going to buy the A–10 or the A–7. It is a problem of the Air Force; it is not a problem of the Senate, made up as it is of people coming from all the States. If the Air Force likes the A–10 better than the A–7 they should tell us, or if they like the A–7 better than the A–10 they should tell us.

We would like to have that made known to us. But I do not like to see such an important decision as this, which affects not only the inventory of the Air Force, but also our ability to have close air support—something we never had the ability to do—left to political committees. This is something on which the Air Force should have the fortitude to stand up and tell us on June 15, "This is what we like."

Mr. President, in this connection I ask unanimous consent to have printed in the Record an article entitled "Lack of Clear Fly-Off Decision Could Postpone Funds for A–10," which was published in Aviation Week and Space Technology on June 3, 1974.

There being no objection, the article was ordered to be printed in the Record, as follows:

Lack of Clear Flyoff Decision Could Postpone Funds for A–10

Washington.—Failure of the Defense Dept. to name a clear winner in the flyoff between the USAF/Fairchild Industries A–10 and the USAF/LTV Aerospace A–7D attack aircraft could delay the A–10 program indefinitely.

Senate version of the Fiscal 1975 procurement authorization bill specifies that funds be available for the A–10 only if none of four congressional committees objects to the Defense secretary's choice of a winner in the flyoff.

Tenative conclusion of the flyoff is that neither aircraft is a clear winner and both are therefore needed in the inventory. USAF's decision, in effect, was to report the results of the flyoff as a joint evaluation rather than a competition. Reduction of data obtained during the flyoff was completed last week and indicated the A–10 was generally more effective at lower altitudes than the A–7, but that there were conditions when the latter was superior. Based on the preliminary results, the Air Force had not planned to name a clear winner in the flyoff.

Both the House and Senate versions of the bill authorize funds for the A–10 only if it wins the recently concluded flyoff (AW&ST May 13, p. 12).

The Senate recommended funding for the A–7D only if it won, but the House added $104.9 million that the Defense Dept. did not ask for in order to buy 24 A–7Ds for the Air National Guard.

Congressional demands for a winner, however, will encounter a Defense Dept. finding that both aircraft have distinct missions and are needed in the inventory. "Under certain conditions, one airplane looks better than the other, and vice versa," a Defense Dept. official said last week. "You would have a place for both airplanes," he added.

"It is the committee's intent that they choose one or the other," a Senate Armed Services Committee staffer said. Thus, the tentative Defense Dept. conclusion from the flyoff would be unacceptable to Congress and probably would delay release of funds for the A–10 program.

House and Senate versions of the Fiscal 1975 procurement authorization differ enough so that an eventual conference between the two bodies is inevitable. Principal differences in the A–10/A–7 area are:

A–7D production line would remain open under the House version due to the Air National Guard buy, while it would shut down if the Senate version was agreed upon.

Review of the Defense Dept. decision by Senate and House Armed Services and Appropriations committees is in the Senate version only. The provision allows one of the four committees 30 days to object to the Defense secretary's choice. Should such an objection be raised, the program could be slowed or stopped for months until the congressional barrier was removed.

Congress is due to receive the results of the A–7/A–10 flyoff June 15. A Defense Systems Acquisition Review Council is scheduled to meet July 2 to review the A–10 and particularly its integration with the General Electric GAU–8 gun (AW&ST Apr. 8, p. 13).

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STENNIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STENNIS. Mr. President, who is handling time?

Mr. THURMOND. I am glad to yield to the Senator such time as he requires.

Mr. STENNIS. Mr. President, will the Senator yield to me for 3 minutes?

Mr. THURMOND. I yield 3 minutes to the Senator.

Mr. STENNIS. Mr. President, I do not have direct knowledge about this contest. The way I understood it was that this whole matter was settled by the subcommittee by adding this proviso. It came from committee unanimously. The Senator from Arizona, with all deference to him, as I understood him a moment ago, said he opposes it now and never really was in favor of it, but was trying to get an agreement. That is a fair statement.

But the fact is that the contest between the A–7 and the A–10 is going to be decided by the Air Force. They will give it their judgment. However, I think if we do not keep this language at least as tight as it is we kind of make a joke out of this matter; I mean making a joke out of requiring the fly off, and tying up the money.

This will have to be settled in conference. I do not know what we will run into, but I do promise we will consider it as a new problem in light of all the developments and new facts. I do not see how the committee could back up now from taking this position for whatever good influence it may have. There is no effort to rule out one or the other.

I do not think any Member is sponsoring either one of these planes, and the services might wind up wanting both of them; often they do.

Mr. MATHIAS. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield 2 minutes to the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. MATHIAS. Mr. President, I wish to associate myself with the remarks just made by the distinguished Senator from Arizona.

This is an area in which he has a lot of personal knowledge and personal expertise, and I think he has brought that knowledge and expertise to the Senate and presented it in the concise and precise way for which he has become famous. I think he stated it very correctly and accurately.

The Senator from Mississippi talks about changing the rules. I would suggest that what this amendment does is not change the rules; it simply provides a procedure for the way the rules are going to be carried out. It makes sure the will of the Senate is carried out.

That, after all, is the concern of all of us, for the Senate has a responsibility here, and it is a responsibility that ought not to be ducked.

The amendment which is now pending certainly lays out the way in which the Senate's responsibility will be shouldered and executed.

I want to join the Senator from Arizona in supporting the amendment and urge the Senate to adopt it. I think it is fair and right.

Mr. JAVITS. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. Mr. President, I am always, by long association, deeply respectful of the Senator from Mississippi (Mr. STENNIS), but I would like to put a kind of rhetorical question to him. How much more foolish would we look if one committee said "no" and three said "yes"? The Senate and the House, and the law, have said "fly off a contest," but one committee out of four says "no," three say "yes," but nonetheless the deed is dead. I could not even conceive of us looking more foolish than devolving our power that way. It is most unusual—indeed, it may be unconstitutional.

Mr. THURMOND. Mr. President, I yield to the Senator from Nevada such time as he may require.

Mr. CANNON. Mr. President, in essence, what this amendment would do, if adopted, would be to just make meaningless the language that the subcommittee and the committee approved in this bill. As it now stands, the language says:

> Such funds to be available within 30 days after certification to Congress provided no objection is interposed by any of the four authorizing or appropriation committees having jurisdiction over such procurement.

Then it goes on to say, in the amendment:

> And if such an objection is interposed, then said period shall be extended to 60 days—

Which means they would be able to go ahead and spend the money 60 days thereafter whether Congress objected or not. It is certainly not the intent here to give them a blank check.

I would like to point out to my colleagues what the time situation is here. It looks like the report on this fly-off will be out by the 15th of June. At that time we will be barely going to conference with the House. In addition to that, the Appropriations Committees will not have acted They will have an opportunity to review any other matter and take such action as they deem desirable in the field.

So I hope the Senate would not, by language such as written here, in effect give the Defense Department a blank check. If we are going to do that, why have an authorization bill? Why not just say, "We will authorize you to spend *x* dollars next year. Go ahead and spend it whether a committee objects to it or not"?

I hope the amendment will be defeated.

Mr. JAVITS. Mr. President, I yield myself 1 more minute just to point out that the Constitution, the laws, and the rules of each House represent the power. The committee has no plenary authority. But the Senator from Nevada, in his argument a few moments ago, said they could spend it whether Congress objected or not, because it is engrained in each committee. It is our understanding that it is each House that has the power, not the committees. If we are going to devolve our power that way, we are in a lot of trouble.

I have picked up an amendment which is important in this and other respects. The House has to act; the committee can only recommend. The reason for this proposal is so a committee may have a hearing, make recommendations, and seek action, but to give it plenary power to veto a law I think would be a very, very serious distortion of the constitutional balance, and I hope the Senate votes for this amendment.

I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, I am ready to yield back my time.

Mr. THURMOND. Mr. President, we yield back our time.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is on agreeing to the amendment of the Senator from New York (No. 1386). The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Indiana (Mr. HARTKE), the Senator from Hawaii (Mr. INOUYE), the Senator from Utah (Mr. MOSS), the Senator from Alabama (Mr. SPARKMAN), the Senator from Indiana (Mr. BAYH), the Senator from Montana (Mr. MANSFIELD), and the Senator .from Maine (Mr. MUSKIE), are necessarily absent.

I further announce that the Senator from Wyoming (Mr. MCGEE) is absent on official business.

I also announce that the Senator from Missouri (Mr. SYMINGTON) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. BUCKLEY), the Senator from Oregon (Mr. PACKWOOD), the Senator from Illinois (Mr. PERCY), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that the Senator from Vermont (Mr. STAFFORD) is absent due to illness.

The result was announced—yeas 29, nays 56, as follows:

[No. 229 Leg.]

YEAS—29

Abourezk
Aiken
Baker
Bartlett
Beall
Brock
Brooke
Case
Chiles
Dole
Domenici
Dominick
Eagleton
Fannin
Goldwater
Hart
Hatfield
Hathaway
Huddleston
Javits
Kennedy
Mathias
Montoya
Pearson
Pell
Ribicoff
Roth
Schweiker
Stevenson

NAYS—56

Allen
Bellmon
Bennett
Bentsen
Bible
Biden
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Church
Clark
Cook
Cotton
Cranston
Curtis
Eastland
Ervin
Fong
Gravel
Griffin
Gurney
Hansen
Haskell
Helms
Hollings
Hruska
Hughes
Humphrey
Jackson
Johnston
Long
Magnuson
McClellan
McClure
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Nelson
Nunn
Pastore
Proxmire
Randolph
Scott, Hugh
Scott, William L.
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams

NOT VOTING—15

Bayh
Buckley
Fulbright
Hartke
Inouye
Mansfield
McGee
Moss
Muskie
Packwood
Percy
Sparkman
Stafford
Symington
Young

So Mr. JAVITS' amendment (No. 1386) was rejected.

Mr. STENNIS. I move to reconsider the vote by which the amendment was rejected.

Mr. THURMOND. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1382

The PRESIDING OFFICER (Mr. MCCLURE). Under the previous order, the Senator from Minnesota (Mr. HUMPHREY) is recognized to call up an amendment.

Mr. HUMPHREY. Mr. President, on behalf of myself, the Senator from Tennessee (Mr. BAKER), and I ask unanimous consent to add as cosponsors Senators KENNEDY, BROOKE, and BENTSEN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. I call up my amendment No. 1382, known as the Culebra amendment, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HUMPHREY's amendment (No. 1382) is as follows:

> Mr. HUMPHREY's amendment (No. 1382) is as follows:
>
> At the appropriate place in the bill insert a new section as follows:
>
> SEC. . Notwithstanding any other provision of law, no funds contained in this or any other Act shall be expended by the Department of the Navy for training operations at the Culebra complex involving the firing of any shells, missiles, or other projectiles from ships or the dropping of any bombs, strafing, firing of rockets or missiles, or the launching of any other projectiles from aircraft at Culebra or at any keys within three nautical miles thereof after June 30, 1975.

Mr. HUMPHREY. Mr. President, I yield to the Senator from West Virginia for a brief request.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the pending amendment, the Senator from Iowa (Mr. HUGHES) may be recognized to call up an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the name of the Senator from New York (Mr. JAVITS) be added as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, this amendment gets at a very old and nagging problem. The language of the amendment reads:

> Notwithstanding any other provision of law, no funds contained in this or any other Act shall be expended by the Department of the Navy for training operations at the Culebra complex involving the firing of any shells, missiles, or other projectiles from ships or the dropping of any bombs, strafing, firing of rockets or missiles, or the launching of any other projectiles from aircraft at Culebra or at any keys within three nautical miles thereof after June 30, 1975.

Mr. President, again it falls upon this body to solve once and for all a nagging problem that just will not go away. For nearly 40 years, the U.S. Navy has been using the tiny, inhabited island of Culebra, Puerto Rico, as a target for Navy training activities. Despite repeated promises that all training activities will be shifted from Culebra, the Defense Department continues to raise one stumbling block after another.

In response to congressional initiatives, the Defense Department did replace the explosive warhead ammunition once fired regularly at Culebra and its keys with so-called puff rounds, but the danger to the Culebrans remains essentially unabated. What the Defense Department euphemistically refers to as puff rounds are metal projectiles weighing 55 pounds each which crash into Culebra and its environs at 2,800 feet per second or almost 2,000 miles per hour. With such a mass and traveling at this high speed each projectile has a piercing force equivalent to 2½ times that of a 270,000-pound diesel locomotive traveling at 220 miles per hour. Indeed, the Navy has indicated that it is incapable of hardening a site against a direct hit from such a puff round.

Thousands of these high-speed cannonballs and bombs continue to descend upon Culebra and its adjacent keys endangering Culebra's inhabitants and its wildlife.

On May 24, 1973, Secretary of Defense Elliot Richardson announced as his last official act as Secretary of Defense that he had decided "it would be in the long-range interest of the various parties to move the current Navy training activities by July 1, 1975, from the Culebra complex east of Puerto Rico to the uninhabited islands of Desecheo and Monito off the western coast of Puerto Rico." Subsequently, in the confirmation hearings of the current Secretary of Defense, Mr. James R. Schlesinger, the question was asked: "Do you accept and will you implement Secretary Richardson's decision to end U.S. bombing in Culebra by 1975?" For the record, Secretary Schlesinger answered:

> Secretary Richardson informed me of his decision on Culebra before he announced it, and I accept it as a policy designed, in Secretary Richardson's words, to "facilitate the continued long-term operation of the Atlantic Fleet Weapons Range and the Fleet Marine Force training area."

Secretary Richardson's decision had a caveat—congressional authorization and appropriation of funds to effect the transfer. Last year, Congress authorized and appropriated $12 million for this purpose in conjunction with the Military Construction Authorization and Appropriations Acts. I might note that this was not accomplished without difficulty, since the Navy never requested the funds required to carry out the transfer order. Without Senator HENRY JACKSON's initiative, the Navy no doubt would claim today that lack of congressional funding precluded the transfer.

But with Senator JACKSON's prodding, at an executive session of the House Armed Services Committee just prior to a House-Senate conference on the Military Construction Authorization Act of 1974, Secretary of the Navy Warner testified that former Secretary of Defense Richardson "directed the Navy to move those portions of the Atlantic Fleet weapons range used for naval gunfire support and air-to-ground weapons training from the northwest peninsula of Culebra and the Culebra offshore cays to the islands of Desecheo and Monito off the west coast of Puerto Rico in the Mona Passage."

In a letter to the counsel for Culebra and the Commonwealth of Puerto Rico, dated November 28, 1973, Secretary Warner confirmed that—

> The May 24 decision of Secretary Richardson . . . was, and remains, the official policy positions of the Departments of the Navy and Defense.

Early in the long history of congressional consideration of the Culebra issue, the Navy attempted to avoid transferring its training from Culebra by putting forward the argument that the transfer of naval training operations from Culebra to uninhabited islands in the Mona Passage between Puerto Rico and the Dominican Republic would jeopardize law-of-the-sea negotiations directed toward acceptance of a U.S. proposal for a right of free transit through straits. This issue was first raised in testimony before Congress by the Navy in June of 1970. After Congress considered this point and, nonetheless, legislatively mandated a study of alternatives to Culebra, Senator HENRY JACKSON wrote to President Nixon urging him to direct the White House staff and the State Department to "monitor the (Defense) Secretary's study and to review the recommendation before a formal policy on Culebra is adopted by the Department of Defense."

Accordingly, on December 15, 1970, President Nixon replying to a letter from Commonwealth Governor Luis Ferre, stated that the President was requesting that "the Secretary of State be consulted throughout the study period with respect to all aspects of the Culebra question pertaining to our foreign relations." The study that was undertaken in response to the statutory mandate and, presumably, with the participation of the Secretary of State concluded on April 1, 1971, that there was no basis in fact or law for the Navy contention regarding law of the sea considerations. This study concluded that there were suitable alternatives to Culebra.

Mr. President, I bring this out because the official action of the Department of Defense and the Department of State under the mandate of the Congress, under the direction of the President, has stated unequivocally that there was no basis in fact or law for the Navy's contention regarding the law of the sea considerations as a roadblock to the removal or the transfer of firing of bombs, rockets, and missiles at the Culebra site.

The study, therefore, concluded that there were suitable alternatives to Culebra.

I remind my colleagues that there are people living on Culebra and we continue to whack away at that island with bombs. The people there do not like it. Strange, is it not? Puerto Rico also does not like it, and the Congress has told the Department of Defense to take action. The Department of Defense through its previous Secretary of Defense has assured us of it, and the present Secretary has assured us of it—and nothing happens.

Now, Mr. President, this is not just this case, but there are other things that happened last year in the report of the Armed Services Committee directing the Department of Defense to take action. The action recommendations were not placed in the legislation because the Armed Services Committee is considerate of the Department of Defense and therefore put its recommendations in the report rather than in the law.

I must say, as one who wants to work with the Department of Defense, that I am getting tired of having the Department of Defense ignoring the admonitions and instructions of Congress as if, somehow or other, they were above us and did not have to pay any attention to policy directives from this Congress or from this Senate.

In October of 1971, Congress directed in the Military Construction Authorization Act of 1972 that the Secretary of Defense prepare: A detailed feasibility study of the most advantageous alternative to the Atlantic Fleet Weapons Range; $2.5 million was authorized and appropriated for this study and this study likewise concluded in October 1972, that there was no law of the sea problem and that transferring Navy activities to uninhabited islands in the Mona Passage would not impede navigation through the passage because it is wider than 70 miles.

Before reaching his decision on May 24, 1973, Secretary Richardson reviewed the lengthy history of the Culebra problem, the two Defense Department studies and he consulted the Department of the Navy. As a former Under Secretary of State, Secretary Richardson was uniquely knowledgeable about our law of the sea negotiations as well as the actual state of pertinent present-day international law. He specifically considered law of the sea questions and concluded that the transfer of Navy activities to the Mona Passage created no significant problem.

Following Secretary Richardson's decision in May of 1973 I joined with Senators JACKSON, BAKER, KENNEDY, and HUGHES in introducing S. 1897, a bill to authorize the appropriation of such funds as may be necessary to effectuate the transfer of all naval weapons range activities from the island of Culebra to the islands of Desecheo and Monito not later than July 1, 1975.

On October 11, 1973, the Department of the Navy on behalf of the Department of Defense and with Office of Management and Budget clearance on behalf of the entire administration supported enactment of a modified version of this bill. The suggested modification did not differ from the original proposal as to the new site for the training range in the Mona Passage.

One would have thought that the alleged law of the sea issue would have been fully disposed of but on November 8, 1973, at the urging of the Defense Department, Mr. John Norton Moore, Chairman of the National Security Council Interagency Task Force on the Law of the Sea, appeared as a surprise witness at the executive session of the House Armed Services Committee literally moments before the committee members went into conference on the Military Construction Authorization Act of 1974. Mr. Moore raised the same, worn law of the sea argument that had been so thoroughly considered and rejected before. Apparently this was a last-ditch effort by the Navy to thwart the move it had been ordered to make. The Congress rejected Mr. Moore's argument as the administration had rejected this argument before. Congress enacted statutory language that clearly contemplated transfer of Navy operations to the Mona Passage.

This statute required the Governor of Puerto Rico and the Secretary of the Navy to enter into a written agreement regarding the transfer. The Governor repeatedly expressed his desires to enter into such an agreement at the earliest possible moment, but the Navy continued to hedge in the hope it could reverse the transfer decision.

On November 29, 1973, Mr. Moore reargued his law of the sea point in a letter to the Secretary of Defense. These fellows do not give up easily. They have gone through two Secretaries of Defense now, a couple of Secretaries of State, one or two Under Secretaries of State and Defense, and they still come back. I suspect that this letter might have been solicited by the Navy. When it became apparent on March 7, 1974—get that date—that the Governor would not yield, officials of the Defense Department alerted Mr. Moore to the fact that the Secretary's decision would finally have to be obeyed unless Mr. Moore could succeed in derailing the transfer. In other words, after 3 or 4 years now—4 years—of prodding, they finally said, "Well, it looks like we are going to have to give in. We may have to listen to Congress."

This, in turn, prompted Mr. Moore to generate a letter from Secretary Rush at State to Secretary Clements at Defense on or about April 18, 1974. This letter once again raised the same tired law of the sea issue that had been fully considered and disposed of by the Defense Department and by Congress, but in the rush to derail the Culebra transfer the State Department failed to consult a map or even to consult the Navy as to what was planned for the Mona Passage.

The free transit proposal of the United States is an attempt to maintain channels of high seas freedom of transit in straits that will be completely foreclosed by overlapping territorial waters under a 12-mile territorial waters regime. These are straits that are 24 miles wide or narrower. In fact, the straits at issue in the Mona Passage are wider than 24 miles and would provide deep water, high sea channels for transit even with an extension of territorial seas from 3 to 12 miles as proposed by the United States. Thus, if State Department officials had consulted a map or even ordinary geography, or gotten hold of one of the innumerable maps that clutter their walls, they might have realized that the free transit proposal is not even germane in the context of the Culebra transfer unless the United States is prepared to make a much broader free transit proposal than has been made to any other nation to date.

Mr. President, I have a legal memorandum on this matter and in order to save time I ask unanimous consent to have it printed in the RECORD. It relates to the Defense Department refusal to go forward with the transfer of naval training on Culebra.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MAY 17, 1974.

MEMORANDUM: DEFENSE DEPARTMENT REFUSAL TO GO FORWARD WITH TRANSFER OF NAVY TRAINING FROM CULEBRA

Notwithstanding:

1. Secretary Richardson's decision of May 24, 1973, to transfer all naval training activities from the Culebra complex to the uninhabited islands of Desecheo and Monito by July 1, 1975;

2. Secretary Schlesinger's reaffirmation of this decision during his confirmation hearings in June of 1973;

3. Congressional authorization and appropriation of $12 million for the transfer, enacted into law as part of the 1974 Military Construction Authorization and Appropriation Acts; and

4. A public announcement by the Navy on April 2 of this year that the Navy had reached substantial agreement with the Commonwealth on the transfer of target practice from the Culebra complex to Desecheo and Monito, on May 8, 1974, the Navy broke off negotiations with the Commonwealth Government regarding relocating its Culebra training complex to the Mona Passage citing instructions from Deputy Secretary of Defense, William P. Clements. Mr. Clements was acting in response to a letter he received from Deputy Secretary of State, Kenneth Rush, on or about April 18, 1974.

Secretary Rush's letter suggested that the Navy transfer would affect adversely the United States' free transit proposal in Law of the Sea negotiations. This position was first raised in Navy testimony in June of 1970. There followed legislation mandating a comprehensive study of alternatives to Culebra. President Nixon wrote in December of 1970 that he was requesting that "the Secretary of State be consulted throughout the study period with respect to all aspects of the Culebra question pertaining to our foreign relations . . ." The alleged Law of the Sea issue was fully addressed and rejected in this and a subsequent Defense Department study for which $2.5 million was appropriated. It also was specifically considered and rejected by Secretary Richardson before he made his May 24, 1973, decision. At the time, Secretary Richardson had the benefit of having served as Under Secretary of State, in which position he shouldered the primary responsibility for Law of the Sea negotiations. Finally, this position was specifically raised in testimony before the House Armed Service Subcommittee on November 8, 1973, immediately preceding a Conference Committee decision to go forward with the transfer.

Secretary Rush's letter, which was solicited by the Department of Defense representative on the Interagency Task Force on the Law of the Sea, was based on factually inaccurate assumptions and failed to take account of the way in which a decision to hold up the transfer could seriously undermine the United States negotiating position in Caracas.

The factually inaccurate assumptions are two:

1. The State Department assumed that the straits at issue in the Mona Passage were or would become international straits, *i.e.*, that these straits were less than 24 miles wide and thus would be completely filled by overlapping territorial waters if the United States proposal for a 12-mile territorial water regime were adopted. In fact, and as now has been confirmed by Dr. Robert D. Hodgson, the State Department geographer, each of the straits at issue in the Mona Passage is in excess of 24 miles wide. Significant shipping passes only through two straits in the Mona Passage—Monito-Dominican Republic and Monito-Desecheo. Monito is 30.45 miles from the Dominican Republic and Mona is 26.3 miles from Desecheo. Accordingly, a 6.45 mile high seas channel will remain in the Monito-Dominican Republic strait and a 2.3 mile high seas channel will remain in the Monito-Dessecheo strait even if the 12-mile territorial water proposal is adopted. Thus, the free transit proposal of the United States, which is an attempt to secure channels of high sea freedom of transit within straits that are filled or will be filled by overlapping territorial waters, would not be pertinent in the case of the Mona Passage.

2. The State Department and, indeed, the Defense Department representative on the Interagency Task Force on the Law of the Sea assumed incorrectly until the week of May 13th that Navy activities contemplated for the Mona Passage would require the extensive safety zones depicted in a Navy "Plan 1" prepared in January of this year. In fact, these Plans were substantially modified and the safety zones in question were significantly reduced in size in the Navy's "Plan 1 Updated" transmitted to the Governor of Puerto Rico on April 9, 1974. Under the corrected and updated Plan, even if all activities contemplated by the Navy in the Mona Passage were conducted simultaneously, which is quite unlikely, and even if a 12-mile territorial regime were adopted, there still would remain available for navigation deep water channels entirely in high seas outside of territorial waters and outside of all safety zones. Thus, the current Navy Plan would not impede navigation and would adequately provide for free transit through the Mona Passage.

A decision to prohibit the transfer of Navy activities from Culebra to Desecheo and Monito on the theory that such a transfer would somehow run afoul of this country's free transit proposal could, itself, adversely impact upon the Caracas negotiations:

1. The free transit proposal of the United States, if agreed to, would require coastal states to provide channels of free transit through their territorial waters in international straits. If the United States should

block its own use of territorial waters and limited portions of high seas in the two straits in the Mona Passage when they use it and Puerto Rico contemplate would have left channels open for free transit in both straits, other coastal states would then have a basis for their concern about the breadth of the United States proposal. The United States has never before suggested to coastal states that the free transit proposal will not only require them to provide channels of free transit through their territorial waters in international straits which are filled by overlapping territorial waters, but also will prohibit such coastal states from engaging in activities in their own national security interest within their own territorial waters or high seas in straits that exceed 24 miles in width, even when such activities do not impede free transit through straits and even when high sea channels of free transit remain available in such straits. The coastal states undoubtedly will recognize that what the State Department denies to Puerto Rico and the United States, today, it may well deny other coastal states in the future.

2. Unlike the straits in the Mona Passage, the strait known as the Virgin Passage between St. Thomas and Culebrita, just offshore of Culebra, will, in fact, become a true international strait completely filled by overlapping territorial waters if the twelve-mile territorial waters regime is adopted. If the United States position in seeking free transit is thought to be inconsistent with the transfer of Navy operations to Desecheo and Monito in the 70-mile wide Mona Passage, it is undeniably inconsistent with current Navy training activities at the entrance and exit to the heavily trafficked 8-mile wide Virgin Passage. These activities at the Virgin Passage have not received widespread public attention in the past, but any effort to abort the proposed transfer from Culebra, located as it is on the edge of the Virgin Passage, to the substantially wider straits in the Mona Passage would focus public attention on past and present impediments to navigation in the Virgin Passage. This, we submit, could prove far more damaging to the United States' free transit negotiating position than fulfillment of the longstanding and highly publicized United States commitment to the people of Puerto Rico to transfer Navy operations from Culebra and its keys to Desecheo and Monito.

3. Finally, there is the ultimate question of the credibility of the United States. If a longstanding congressional and Executive formal commitment of the United States to the people of Puerto Rico is cast aside for the sake of negotiating expediency, without basis in fact or law, it could undermine the credibility of the United States not only to the people of Puerto Rico, but also to all the nations participating in the Law of the Sea Conference.

Mr. HUMPHREY. Mr. President, it has also been determined that officials at the Defense Department as well as at the State Department were laboring under a misconception as to the size of danger zones required for Navy activities in the Mona Passage. On April 9, 1974, the Navy developed maps which indicate quite clearly that the Navy training projected for the Mona Passage will not impede navigation but the Defense Department and the State Department were moving to derail the transfer on the basis of outdated maps depicting much larger danger zones, that even the Navy had disavowed.

When he received the letter from Secretary Rush that had been stimulated by his own Department, Secretary Clements abruptly ordered the Navy to break off negotiations with the Commonwealth, even though the Navy had publicly announced on April 2, of this year, that "substantial agreement" had been reached with the Commonwealth regarding the transfer of Navy training from the Culebra complex to uninhabited islands in the Mona Passage.

Secretary Clements referred the "new" law of the sea issue to the Under Secretary's group of the National Security Council, implying that this country's commitment to the people and government of Puerto Rico might not be kept.

Ironically, although the contemplated transfer of Navy operations to the Mona Passage is fully consonant with existing law of the sea, the effort to thwart this transfer could have disastrous consequences for our law of the sea negotiations.

Senator Kennedy ordered a hold on the confirmation of the nomination of the new Secretary of the Navy pending clarification of the Defense Department's intentions regarding the Culebra transfer. I understand that Secretary of Defense Schlesinger wrote to Senator Kennedy on June 1, 1974:

> Please be assured that there has been no change in the position I stated in my nomination hearings. The commitment of moving weapons firing from Culebra will be honored by the United States.

But, Mr. President, has it been honored? That is the problem. We get an awful lot of this around here. I think it is high time that Congress makes sure that this is accomplished, in accordance with Secretary Richardson's decision and with the reaffirmation of that decision by Secretary Schlesinger.

Since Secretary Richardson's decision carried with it a specific timetable and alternative, and since Secretary Schlesinger reaffirmed his endorsement of Secretary Richardson's precise decision at his confirmation hearings and again in his recent letter to Senator Kennedy, I hope that the Defense Department will not stand in opposition to an amendment to the Military Procurement Act that I have just submitted, together with other of my colleagues, to assure Puerto Rico and all the concerned citizens of the United States that this commitment of our Government finally will become a reality.

Mr. President, this amendment follows the language of what Secretary of Defense Richardson said would be the policy. This amendment further follows the general commitment made by the present Secretary of Defense, Mr. Schlesinger.

I might add that the Commonwealth of Puerto Rico, using the law firm of Covington and Burling as counsel to the municipality of Culebra, special counsel to the Commonwealth of Puerto Rico, has filed an executive document in support of the argument I am making here today.

The only argument that the Navy is using is that the law of the sea issue stands in the way. There is not one bit of evidence to support that claim, except the assertion of the department spokesmen time and again that this is the problem.

I might add that there is an almost unlimited number of news stories. In the San Juan Star of Friday, May 31, 1974, is the headline "White House Aid Pledged in Culebra Case." The White House pledged on Thursday to do what it could to help get the Navy out of Culebra. Do what it could? I thought the President was Commander in Chief. All he has to do is to say "Get out. Pack up your toys and go home. Quit firing those bombs at that island inhabited by fellow Americans."

Instead of that, they say that they will look into it and do what they can to help get the Navy out of Culebra.

I want the Senate to remember that during the Middle East crisis, the President did what he could when he alerted forces of the United States worldwide. I supported him in that. But he was Commander in Chief then, and I suggest that he be so now. I know that that is what he wants to do. He has said so several times. But somebody in the National Security Council Interagency Task Force gets in the way. Whenever you get a title as long as the National Security Council Interagency Task Force, you can rest assured that you are going to get your feet tangled up. You can rest assured that that is nothing more or less than a descriptive phrase for saying halt, stop, retreat, back up, or be frozen in the ice of your own indifference, as somebody once said.

I am not going to burden the Record with all these news stories. I believe there are Senators here today who feel as strongly about this matter as I do, and I feel strongly about it for several reasons. As a Senator I gave a commitment on this matter. I do not have Puerto Rico residents in Minnesota. It is not a political issue up my way. But I do think that the United States of America ought to keep its word, and I think we ought to quit shooting at our own people. If we have to shoot somebody, let us find somebody else. I am not even advocating that.

If there were no other place to test the weapons, we could argue about it. But there are other places, and those other places have been selected as suitable alternatives by the Department of Defense, and they have been placed before the appropriate authorities. But the Navy wants to hold off, and somebody in the State Department wants to hold off.

I am insisting that the Senate give an order. I know that the word will come now that there will be a date certain, and I think that is true. I think the Navy will finally yield. I have heard the argument here that the way to bargain with the Russians is from strength. The way you bargain with the Navy and the Defense Department on these issues is from strength.

We have had a number of issues here in which the Defense Department has not followed through in reference to the proposals and the suggestions and the advice and counsel of the Senate, and indeed has done a pretty poor job of following through on some of the mandates. It is on that basis that I press this amendment, even though I realize that by the time both Houses have acted on the measure before us, the Navy might very well have capitulated, so to speak, or, to put it more gently, started to obey the law.

May I suggest just one old-fashioned idea: Why do we not start to obey the law? I believe that if we do, we will not have to take this much time.

I yield the floor, for whatever response there may be.

Mr. STENNIS. Mr. President, will the Senator yield for a question or two?

Mr. HUMPHREY. Of course.

Mr. STENNIS. I did not hear the Senator's remarks completely. I was trying to make a telephone call on this subject.

Did the Senator say that the date in his amendment, June 30, 1975, was the date that former Secretary of Defense Richardson——

Mr. HUMPHREY. No. I said it was within the general frame of it. That was, I believe, December 1975. I will not argue over 6 months.

Mr. STENNIS. I am not arguing about a difference in time such as that. But what did Secretary Richardson say?

I want to say to the Senate that this is completely a surprise to me. I asked the Senator if he would put the matter off until we had time to look into it, but he wanted to bring it up this afternoon. There has not been time. There is nothing in our bill about it. I am just trying to learn some of the facts.

Mr. HUMPHREY. I will respond to the distinguished Senator.

May I say that the work that has been done on this amendment has been carefully undertaken, and the documentation is here.

I quote from the May 24, 1973, action of Secretary of Defense Elliot Richardson. As his last official act as Secretary of Defense, he decided:

> It would be in the long range interest of the various parties to move the current Navy training activities by July 1.

I was wrong——

> 1975, from the Culebra complex east of Puerto Rico to the uninhabited islands of Desecheo and Monito off the western coast of Puerto Rico.

Then, when Dr. Schlesinger was here to be questioned for the confirmation of his nomination, the question was asked:

> Do you accept, will you implement, Secretary Richardson's decision to end U.S. bombing in Culebra by 1975?

For the RECORD, Secretary Schlesinger answered:

> Secretary Richardson informed me of his decision on Culebra before he announced it, and I accept it as a policy designed, in Secretary Richardson's words, to "facilitate the continued long-term operation of the Atlantic marine weapons range and the first marine training area."

So both of these Secretaries have made a commitment, as did, by the way, the State Department originally make a commitment.

Then this task force came in, the Security Council task force to which I referred.

By the way, I traced a series of actions by different Senators. For example, we know that Senator JACKSON took a great deal of interest in this matter. Last year, Congress authorized and appropriated $12 million for the purpose of this transfer from Culebra, in conjunction with the Military Construction Authorization and Appropriations Act.

Then, the Senator from Washington (Mr. JACKSON) wrote to the President in reference to this matter. In a letter to the consul for Culebra and the Commonwealth of Puerto Rico dated May 28, 1973, then Secretary of the Navy Warner confirmed that the May 24 decision of Secretary Richardson was and remains the policy decision of the Department of the Navy and the Department of Defense.

What is that decision? To be out of Culebra by July 1, 1975. I believe the amendment calls for the date of June 30. For all practical purposes, it is the same, with a different of 1 day.

So the entire record is one of commitment by the Department of Defense. I have a feeling they are going to keep that commitment. But since we have been at this since 1970, and in considerable detail since 1972, that we should mandate it in the legislation. We did mandate the money. We authorized and appropriated $12 million to get this job done on the word of the Secretary of Defense. I do not know where the money is. However, $12 million was made available.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. STENNIS. If I may ask, when was that?

Mr. HUMPHREY. Last year, in the act of 1974, the Military Construction Act.

Mr. STENNIS. Mr. President, I yield myself 10 minutes in order to go into this matter.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. STENNIS. I wish to address a question now to the distinguished Senator from South Carolina.

With reference to line 3 on page 2, the Senator mentioned the words "or at any keys within 3 nautical miles thereof." With reference to an amendment the Senator had in mind offering, would the Senator from South Carolina question the Senator from Minnesota on that matter now and maybe we could settle that part.

Mr. THURMOND. Mr. President, I think it would be better if we had postponed this amendment and provided a little longer opportunity to negotiate in this matter.

I understand there are two rocks down there that are used for targets, just two rocks. There should not be any objection to exempting those. That would probably take care of that situation.

There have been negotiations underway there in connection with moving out of Culebra to consider Vieques as a training site. I wonder if the distinguished Senator would be agreeable to exempting Vieques from the amendment.

Mr. HUMPHREY. The what?

Mr. THURMOND. The acres, but it is spelled V-i-e-q-u-e-s.

Mr. HUMPHREY. I do not believe that is here? Is it? There is no such language in my amendment.

Mr. THURMOND. Excuse me. That is some miles away. Forget that.

Mr. HUMPHREY. Yes.

Mr. THURMOND. If the distinguished Senator will accept an amendment to "or at any keys within 3 nautical miles." I think that would relieve the situation or there could be some further negotiations, and leaving those rocks for practice. They need those rocks for training sites.

The other thing was, if the date could be set back from 1975, set back 1 year.

Mr. HUMPHREY. That is what the distinguished Senator from Mississippi was just suggesting.

Mr. THURMOND. If the Senator could accept those two amendments, although it is not to my liking I think this might be a reasonable compromise. I realize it is an emotional issue and I realize it is one on which the Senate is greatly divided and on which Congress is greatly divided. Some people are opposed to this and on the other hand some want to go the other way.

Mr. HUMPHREY. Mr. President, I say to the Senator that I want to be a reasonable man and hopefully I will continue to be one all my days here. But first of all these keys we talk about are in the danger zone. That is by the description of earlier Department of Defense analysis. That is why there must be some protection. If we adopt this amendment they can go to conference if there is any suggestion that any of these keys are not necessary. I am not arguing about every dot and dash. But the Department made an elaborate study. It spent $2.5 million to study this little area. They should follow through on what they originally planned to do.

We have the date of June 30, 1975. That is the date suggested better than a year ago. That was suggested by Secretary Richardson on May 24, 1973, slightly over a year ago. I think there has been lots of time. I will not argue for another 6 months. I would be willing to make that December 31, 1975, and that gives them another year and a half.

They spent millions of dollars looking this matter over and two Secretaries of Defense have said, "Yes, that is what we are going to do." The Secretary of State said, "Yes, that is what we are going to do." The President told them he wanted the Secretary of State consulted. He was, and they agreed on everything.

Then, all at once they come around at this late hour on this late date and they find somebody over at the National Security Council who comes in with an argument that has been voted down three or four times. Finally, they got the Under Secretary of State to send another letter to Deputy Secretary Clements, and all of this is going on and on.

All of these legal issues could be resolved. As a matter of fact, the Governor of Puerto Rico and the Secretary of the Navy had come into substantial agreement. That is exactly what was announced by one of our departments here. I think the Department of Defense announced that they had come to substantial agreement. I have the memorandum of the Secretary of the Navy about Culebra, which is the one endorsed by Elliot Richardson.

Mr. President, I ask unanimous consent that the memorandum may be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

> THE SECRETARY OF DEFENSE,
> *Washington, D.C., May 24, 1973.*
>
> Memorandum for the Secretary of the Navy.
> Subject: Culebra.
>
> As you know, during my confirmation hearings before the Senate Armed Services Committee in January, I indicated that I would look into the Culebra situation. In keeping this pledge, I have reviewed the lengthy history of this problem and, in particular, the views of the Department of the Navy.
>
> In my judgment, it would be in the long-range interest of the Department of Defense to move the current Navy training activities by July 1, 1975, from the Culebra complex to the islands of Desecheo and Monito, provided:
>
> 1. That the Congress authorizes and appropriates the funds required; and
> 2. That a satisfactory overall arrangement can be worked out with the Government of Puerto Rico for carrying out the proposed move and for insuring the long-term continuation of the Atlantic Fleet Weapons Range and the Fleet Marine Force training area.
>
> Until these provisions are met, and the requirements of Section 1022c of the National Environmental Policy Act of 1969 are satisfied, current Navy activities in the Culebra complex must continue.
>
> I realize that this decision may create certain operational difficulties, but am confident that these will be of short-term nature and can be alleviated by careful planning and adjustment of Atlantic Fleet requirements.
>
> It would be appreciated if your time-phased plan for implementing this decision were submitted to the Secretary of Defense by July 1, 1973.
>
> You are also requested to keep him currently informed of the progress being made.
>
> E.L.R.

Mr. HUMPHREY. Mr. President, the memorandum states in part:

> In my judgment, it would be in the long-range interest of the Department of Defense to move current Navy training activities by July 1, 1975, from the Culebra complex to the islands of Desecheo and Monito provided Congress authorizes and appropriates the funds required.

We did. We authorized and appropriated $12 million.

> Provided an agreement can be worked out with the Governor of Puerto Rico.

If we go on this amendment to December 31, 1975, that would be a year and a half, and 2½ years from the time Elliott Richardson said, "We are prepared to do it." If the Navy cannot act that fast they ought to sink them.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. HUMPHREY. Mr. President, I yield to the distinguished Senator from Tennessee who has been a prime mover in this area.

Mr. BAKER. I thank the Senator from Minnesota.

Mr. President, I rise to say that I applaud the Senator for offering the amendment. I fully support the amendment and I think it should be passed.

I think we must be emphatic and make the record entirely clear that we mean business and that we need to get on with the business of honoring commitments we have made through this administration and previous administrations to the Commonwealth of Puerto Rico.

I do not know of any other issue involving the United States and Puerto Rico where the present Governor and his administration, and the mayor and government of San Juan all agree on the same issue, and that is that the Navy ought to get out of Culebra.

Mr. President, I went to Culebra and visited there personally. I know what is involved. I went there as a guest of the Navy. I have seen the situation first hand. After I saw it I personally took the Governor of Puerto Rico to see Secretary of Defense Richardson, where a presentation was made which produced the agreement announced by Secretary Richardson as one of the last acts he took before he left that office as Secretary of Defense.

I applauded him publicly and privately for doing that very thing, which was right. This is important for the relations of the United States and Puerto Rico. It is a unique relationship based on trust and honor, and it is time for us to honor that trust.

I think we ought to get on with the business. It is not productive for me to repeat the arguments that have been appropriately and accurately made by the distinguished Senator from Minnesota. I agree with him. I applaud him for his proposal of this measure, and I have pledged him my support for this amendment.

Mr. HUMPHREY. I do thank the Senator from Tennessee. I do want the record very clear that my interest in this amendment was in part generated by discussions with the Senator from Tennessee. We joined together in the legislation for the authorization of an appropriation of $112 million——

Mr. BAKER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. BAKER. Will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. BAKER. I do indeed recall that. I recall the enthusiasm with which the Senator from Minnesota embraced the cause and how proud and glad I was to join with him in pressing for what I think was an accomplishment to end an historic conflict between Puerto Rico and the United States.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I want to say that if we take this action it is going to weaken somewhat our negotiating position in that area. On the other hand, I can understand the emotional issue about this question. I have been down there. I have seen it. I do not think it is as drastic as some have talked about it and agitated about it.

On the other hand, as I understand it, the Senator is willing to change the date to July 31, 1975.

Mr. HUMPHREY. May I say to the Senator that I am one of the sponsors——

Mr. THURMOND. I mean December 31.

Mr. HUMPHREY. I find that I have some cosponsors who are not willing to change that date. Just looking over what we have here, the Senator from Washington (Mr. JACKSON), for example, in his letter to the Secretary of Defense, Mr. Richardson, was very adamant about that date, July 1. I have in hand an article that appeared in the Washington Post, dated May 23, 1974, which talked about the shelling of Culebra.

Mr. THURMOND. It is going to take a little time to negotiate to get the new training center. I think it would be reasonable if the distinguished Senator would change it to December 31, 1975, because it will take some time to move the training facilities and make arrangements, and things of that kind. If the Senator wants to stand by his original offer of December 31, 1975, we would take the amendment to conference. It is understood, of course, that the Senator also said that if there were keys there which could be used, where there would be no danger to humans being injured in that area, there would be no objection.

Mr. HUMPHREY. I cannot change the language on the keys. That is a danger area. We have made a study of it. We are not talking about something here that is a quickie. We are not talking about an amendment that just came out of the typewriter. This has been discussed and considered for 4 years.

Mr. THURMOND. What was the Senator's statement of a few moments ago? He made a statement along that line.

Mr. HUMPHREY. No. I said many of the keys were within the danger area, and therefore they must not be excluded from this amendment.

Mr. THURMOND. If they were to be within the danger area. Are there any keys that are not within the danger area? I got the impression it was not necessary——

Mr. HUMPHREY. I do not want to take any language out of the amendment that would leave any possibility of shelling in the keys that might very well be inhabited or might be in the danger area. This language is very specific. The Navy understands this language.

There is nothing new about it. The amendment merely says the Department of the Navy shall not have funds for training operations at the Culebra complex involving the firing of any shells, missiles, or other projectiles from ships, or at any of the keys within 3 nautical miles thereof.

That is 3 nautical miles of Culebra, and 3 nautical miles of Culebra might very well be in the danger area. They are inhabited, and because they are, we cannot tamper with them.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HUGHES. I have heard this issue discussed ever since I have been in the Senate, and every year since I have been on the Armed Services Committee the issue of Culebra has come up. I do not know how many bills I have sponsored on Culebra, and I do not know how many times we dealt with this difficult question. I thought it was over. The Secretary of Defense agreed to it. The President agreed to it. The committee agreed to it. Here we are talking about it again. Talk about a cat with nine lives.

Now we are talking about dropping bombs 3 miles away. That is great for wrecking sleep, not to mention injuring or killing people. We agreed to get out of there. We agreed to leave.

As far as extending it 6 more months is concerned, they have had 5 years to prepare the way and know where they were going and know what they were going to do. I would not amend the amendment one more day. I suggest it ought to be left at June 30. That is where it ought to stay. They ought to quit bombing at Culebra by June 30. Let us go that way. Otherwise we ought to have a vote. I think every member of the Senate has committed himself on this issue.

I thank the Senator for yielding.

Mr. HUMPHREY. Mr. President, I thank the Senator.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. STENNIS. Mr. President, will the Senator suspend for just a moment?

Mr. MANSFIELD. Mr. President, were the yeas and nays ordered?

The PRESIDING OFFICER. There was not a sufficient second.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The yeas and nays are ordered.

The yeas and nays were ordered.

The question is on the amendment.

Mr. STENNIS. Mr. President, may I make a suggestion here? This matter is very confusing. I know it is confusing to the membership. If I may make a practical suggestion, I think these gentlemen should confer further, and we could take another amendment up in the meantime and come back to this one.

I requested that this matter be held up until the morning, until we could advise the Senate. They brought it up, anyway. I asked for a quorum call to look it over, and that was rejected. If we could get unanimous consent to have a conference, we could take up another amendment and come back to it this afternoon.

Mr. HUMPHREY. Mr. President, if the Senator will yield, I do not want to be put in a position of appearing to be stubborn or irresponsible. If this were new, it would be different, but we have been up and down this road until we can travel the road blindfolded.

Mr. JACKSON. Mr President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that further proceeding of the quorum call be suspended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, may we have quiet in the Senate?

The PRESIDING OFFICER. The point is well taken. The Senate will come to order. The Senate Chamber will come to order. Those people who are conversing will remove themselves from the Chamber.

The Senator may proceed.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that in the last line of the amendment the date of June 30, 1975, be changed to December 31, 1975.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is so modified.

Mr. HUMPHREY. The yeas and nays have been ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. JACKSON. Mr. President, I shall be very brief, but I would like to make a short statement on this important issue.

As the Senator from Minnesota described earlier, we enacted the current law requiring Culebra relocation in last year's military construction bill. I was terribly disappointed with last month's suspension of the negotiations that were taking place between the Navy and Gov. Fernandez Colon. This suspension was directed by the Defense Department at the State Department's request, but the rationale remains unclear.

I believe the amendment has been modified. As I told the distinguished Senator from Minnesota, who has so ably presented this matter to the Senate, I felt the June 30, 1975, date was an unrealistic date in light of the requirements that the Navy must meet in providing for and fitting out an alternative location. I believe this amendment as modified requires the transfer within a realistic period of time; it will also provide the stimulus to get this matter resolved without delay.

I think the Senator from Minnesota has read into the record the statement that I issued and the letters that I recently sent to the Secretary of Defense and the Secretary of State.

Mr. HUMPHREY. Indeed they were very strong letters.

Mr. JACKSON. Therefore, in conclusion I commend the Senator from Minnesota for his initiative in behalf of a number of colleagues in pressing this matter. I think this is a good resolution of the problem at this point and I commend him for it.

Mr. HUMPHREY. May I say to the distinguished Senator from Mississippi and the distinguished Senator from Washington, two of the Senators who will obviously be on a conference committee, the Senator from Mississippi was trying to contact the Navy and the Defense Department earlier.

If we were to have that date now of December 31, 1975, it is my hope the Senator from Mississippi will press for an even earlier performance, if it is feasible, and I am positive it is feasible, Senator.

As I told the Senator from Mississippi privately, one of the reasons why we, who are cosponsors of this bill—the Senator from Tennessee and myself, Senator BENTSEN, Senator KENNEDY, Senator JACKSON—are pressing on this is because we feel that this is one way to get the Navy to come to a decision.

I hope that our distinguished chairman, the Senator from Mississippi, who does such a magnificent job in handling these matters, will go to the Secretary of the Navy or go to the Secretary of Defense and say, "Look, let us not have any more of the foot dragging. Let us have it done."

If the Senator from Mississippi does that, there will not even have to be a conference.

Mr. STENNIS. Mr. President, I am on my own time. I yield myself 5 minutes and I will not take over 3 minutes.

Mr. President, this matter has been before our committee in one form or another for many years. At one time we asked staff members to go down there and make a special study.

We handled the bill last year, that is, the appropriations bill, and put $12 million in to make this change.

The former Secretary of the Navy said "We are going to do it," and gave a date, and that was for approximately the date the Senator from Minnesota has.

The present Secretary of the Department of Defense came in and affirmed that date, approximately. So there has been a commitment here.

Moving the date forward to December 31, 1975, helps the situation. I want them to have time to negotiate or whatever time is necessary for these conferences. But our committee has given the matter attention even though it is not in this year's bill—$12 million was appropriated last year, with the consent of our committee, so that the money is lying there.

The Senator he says wants the Senator from Mississippi to take this up with the Secretary of the Navy. Well, the Senator from Mississippi wants us to have a Secretary of the Navy. We have not had one now for some weeks. The nominee is a very fine man who had been serving as Under Secretary, now he is Acting Secretary. He has now been nominated, and we have held a hearing and his name is here on this calendar, but it is held up because of Culebra.

I want to get that matter settled so we can put the man in office over there.

He seems to meet all of the qualifications. No one has objected to him. I am not trying to bind the Senator from Minnesota, but so far as he is concerned, will this settle the matter about the nomination and the confirmation, if I may ask the Senator that? If he would rather not go into it, that is all right.

Mr. HUMPHREY. May I just say to the Senator the easiest answer to all of this is merely for the Secretary of the Navy, or the man who has been nominated, to give us a date as to what he is going to do. He is going to have to give us one on the line.

This is almost childish, Senator.

Mr. STENNIS. I think it is fair to say that the committee agrees to this, and that is an understanding, and we then can get a Secretary of the Navy, let him go to work on this and many other problems that they have piling up.

Mr. HUMPHREY. Provided he tells us what he is going to answer. This date right here is the last date, December 31, 1975.

Mr. STENNIS. The Senator selected the date himself.

Mr. HUMPHREY. I wanted June 30, but I did it to accommodate a man of wisdom, the Senator from Mississippi.

Mr. STENNIS. The Senator modified his amendment himself.

Mr. HUMPHREY. I cannot speak for Senator KENNEDY, who has a hold on the Secretary of the Navy. I hope the Secretary of the Navy will come forward and give his answer.

Mr. STENNIS. Let me just get the Senator's idea. I am not trying to exact a promise.

Mr. HUMPHREY. I am not going to make a promise.

Mr. STENNIS. It may not be in his hands. It may be beyond him. I do not speak for the Senator from Massachusetts, but he understands we need someone in that office.

Mr. HUMPHREY. I agree with the Senator.

Mr. STENNIS. My guess is—and it is a guess—that he would not object to this date, and that that would satisfy him. Of course, I cannot guarantee what they will do, or that the conference will accept this, but I will certainly back it in every way I know how.

Mr. HUMPHREY. That is what I wanted the Senator to do, and that is why we changed that date, because with the Senator from Mississippi and the Senator from Washington, we know we can put it through conference. We have faith in them.

Mr. STENNIS. But I think I have a right to suggest that as to the nomination of the Secretary of the Navy, as far as Culebra is concerned, that will settle it.

Mr. HUMPHREY. It will not settle it for other Senators. It might settle it for the Senator from Mississippi and me, but I cannot speak for the Senator from Massachusetts.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. AIKEN. It is getting a little too complicated for me. I wonder what the Senator from Minnesota meant when he said the Senator from Massachusetts has a hold on the Secretary of the Navy.

Mr. STENNIS. He means it is held on the calendar. He is holding the nomination from being presented here on the Senate floor.

Mr. AIKEN. Oh.

Mr. STENNIS. Just holding the name, not the man.

Mr. AIKEN. I wondered what kind of a hold it was.

Mr. THURMOND. Mr. President, will the distinguished Senator from Mississippi yield?

Mr. STENNIS . I yield.

Mr. THURMOND. I just wonder if the Senator from Minnesota is saying that the Senator from Massachusetts is holding up this nomination until he gets an answer from the Secretary of the Navy agreeing to this Culebra situation. Is that what the Senator is saying?

Mr. HUMPHREY. Mr. President, may I say to my good friend from South Carolina, I will be very plain about it, the Senator from Massachusetts speaks for himself. The Senator from Massachusetts has asked the leadership to hold up on the nomination. That has been agreed to, as a common courtesy of this body, and the easiest way for that hold to be taken off is the way we do it in every instance. All the Secretary has to do is come in and testify what the facts are, what he is going to do.

Mr. THURMOND. I wonder how long he intends to hold it.

Mr. HUMPHREY. I cannot tell the Senator. I cannot say without conferring with the Senator from Massachusetts.

Mr. MANSFIELD. Mr. President, I do not think we ought to wait for the word of the Secretary of the Navy.

Mr. THURMOND. That is right.

Mr. MANSFIELD. We can set the date ourselves, and we do not need any Secretary of the Navy to tell us he will agree to a 6-month extension. Personally, I think the Senator from Minnesota is making a mistake in extending it 6 months, because the Navy, the Congress, the administration, and the President all have given their solemn word to the people of Puerto Rico and the people of Culebra.

So I would forget the Secretary of the Navy. If he cannot do it, nobody can.

Mr. STENNIS. That is right.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota.

Mr. MANSFIELD. Mr. President, first, with the Senator from Mississippi and the Senator from South Carolina present, I ask unanimous consent that following the disposition of the pending amendment, two amendments by the Senator from Iowa (Mr. HUGHES) be called up, and I ask unanimous consent that there be a time limitation of 10 minutes on the first amendment, to be equally divided, which I understand will be accepted as far as the amendment is concerned, and that on the second amendment there be a time limitation of 40 minutes on the amendment, 20 minutes to the sponsor of the amendment, and 20 minutes to the manager of the bill or whomever he may designate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I rise in support of the amendment of the Senator from Minnesota (Mr. HUMPHREY) to carry out the previous commitment of the Federal Government to the people of Puerto Rico and the island of Culebra.

That commitment dates formally from the May 24, 1973, statement by former Secretary of Defense Elliot Richardson that the Navy would transfer its aerial and naval embargment activities from Culebra to uninhabited island off the west coast of Puerto Rico by July 1, 1975.

The Secretary conditioned that agreement on congressional authorizations and appropriations for that transfer. Those funds were approved last year by the Congress. A second condition was that an agreement formalizing the transfer and insuring the continuing of the Atlantic Weapons Range itself would be completed with the government of the Commonwealth of Puerto Rico. On April 2 of this year, the Navy stated that a final agreement was near at hand.

Suddenly negotiations were broken off and a smokescreen was raised as to whether the commitment would be honored.

In recent correspondence with the Secretary of Defense I sought to obtain an assurance that the commitment to move from Culebra by July 1, 1975, would be honored.

I ask unanimous consent to have this correspondence printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KENNEDY. Mr. President, the first response did reiterate Secretary Schlesinger's previous confirmation of Secretary Richardson's May 24 statement as an official position of the Government with regard to leaving Culebra. However, he did not mention any commitment to leave by July 1, 1975, or by any specific date.

Since we have been seeking determination by the Navy training activities which threaten the people of Culebra since 1970, I felt that it was essential to seek a specific reaffirmation in writing of the Navy's intention to leave by a specific date. Therefore, on Monday I sent another letter to Secretary Schlesinger which concluded:

> It is with this history in mind that I would appreciate receiving some assurance that your reaffirmation of a commitment to leave Culebra included a reaffirmation of the time table terminating July 1, 1975. If that is not the case, I would appreciate learning the specific date you do intend that the commitment be honored.

I have not received any response and I have been told by Defense Department officials that they do not believe the Department is able to give me any assurance that Navy operations will cease on Culebra and its adjoining cays by July 1, 1975, or any other specific date. For that reason I strongly support this amendment and urge its adoption.

EXHIBIT 1

MAY 31, 1974.

Hon. JAMES R. SCHLESINGER,
Secretary of Defense, The Pentagon, Washington, D.C.

DEAR MR. SECRETARY: I am writing to express my deep concern over recent decisions by the Defense Department and the Navy Department to break off negotiations with the Government of the Commonwealth of Puerto Rico concerning the transfer of Navy activities from the island of Culebra. That decision seemingly implies that the Federal Government is considering going back on its word to the people of Puerto Rico. It represents a rather cavalier attitude toward the people of Puerto Rico, an attitude that I have criticized in the past, and an attitude that can only lead to a deterioration in our relations with the Commonwealth.

The Congress last year not only endorsed the transfer to other sites of all target practice and training on the inhabited island of Culebra, but also authorized and appropriated the necessary funds to accomplish that purpose.

Now we learn that a potential affect on our Law of the Seas negotiating position—an issue which previously was considered in a Defense Department study and by former Secretary of Defense Elliot Richardson—has been used as the basis for suspending negotiations when final agreement was near at hand.

However, former Secretary Richardson, who had been directly involved with the Law of the Seas negotiations in his previous post as Undersecretary of State, concluded after reviewing the matter that the proposed transfer to the islands of Monito and Desecheo was acceptable as an alternative to the continued use of the Island of Culebra.

I cannot conceive of the Defense Department and the Navy, after having made a commitment to the people of Puerto Rico—not once but several times—that it would cease the bombardment of the island of Culebra and cease the threat to the tranquility of the people of Culebra, now choosing to break their word.

I would appreciate receiving assurance that the agreement announced by Secretary Richardson on May 24, 1973, and reaffirmed by you in your nomination hearings will be carried through and the Navy will cease its use of the Island of Culebra as a target site by July 1, 1975.

Sincerely,

Edward M. Kennedy.

The Deputy Secretary of Defense,
Washington, D.C., May 30, 1974.

Hon. Henry M. Jackson,
U.S. Senate,
Washington, D.C.

Dear Senator Jackson: This will acknowledge receipt of your letter of May 13, 1974 regarding the relocation of the Navy's Atlantic Fleet Weapons Range from the Puerto Rican island of Culebra to the islands of Desecheo and Monito in the Mona Passage, a strait used for international navigation between the Commonwealth of Puerto Rico and the Dominican Republic.

In making final preparations for the Caracas conference and taking into account current discernible world attitudes toward certain of the US stated positions, the National Security Council's Interagency Task Force on the Law of the Sea, which is charged with the responsibility for negotiating and achieving a free transit of straits regime, expressed its concern over the possible adverse effect which the establishment of a weapons firing range in the Mona Passage would have upon the credibility of the US, its negotiating position and the ability to achieve the right of free and unimpeded transit of straits at the conference.

The Under Secretaries Committee of the National Security Council, which is the appropriate instrumentality within the Executive Branch to resolve issues of this nature, will conduct its evaluation and make its determination before the Caracas conference convenes to ensure that the known intended use of the Mona Passage cannot be construed as in any way inconsistent with the vital US objective on straits transit.

The negotiations with the Commonwealth of Puerto Rico, which were centered solely on the establishment of the weapons firing range in the Mona Passage, were only temporarily suspended pending the results of the deliberations of the NSC Under Secretaries Committee. Moreover, it should be emphasized that the temporary suspension of negotiations relative to the Mona Passage is not to be construed as a repudiation of the US commitment to the people and Government of Puerto Rico to relocate the Navy's weapons range from the Island of Culebra. This commitment of removing the weapons firing range from Culebra will be honored by the United States.

W. P. Clements, Jr.

U.S. Senate,
Washington, D.C., June 3, 1974.

Hon. James R. Schlesinger,
Secretary of Defense,
Washington, D.C.

Dear Mr. Secretary: I appreciate your response to my letter of May 31, 1974, concerning the recent development in which there is an appearance of the Federal Government breaking its commitment to end its use of the Island complex of Culebra by July 1, 1975.

I am relieved in part by your statement that "The commitment of moving weapons firing from Culebra will be honored by the United States." However, I am disturbed by the absence, either in your letter to me or in the letter you attached to Senator Jackson, of any statement as to when that commitment will be honored.

The commitment made by Secretary Richardson was specific. It stated that it would be "In the long-range interest of the various parties to move the current training activities by July 1, 1975, from the Culebra complex east of Puerto Rico to the uninhabited islands of Desecheo and Monito off the western coast of Puerto Rico." The date of July 1, 1975, is clear and the people of Puerto Rico understand from it and from your own commitment, that you have referred to, that an end to the Navy's use of the island would occur by next July.

The only two conditions raised by Secretary Richardson were the Congress authorizing and appropriating funds for the transfer and an agreement formalizing the transfer and insuring the continuation of the Atlantic Fleet Weapons Range itself. Congress did authorize and appropriate the funds last session and the Navy acknowledged on April 2 of this year that substantial agreement had been reached with the Commonwealth on the transfer.

Therefore, I am sure that you understand my concern regarding the timing of this transfer. My concern also relates to the experience I have had in following the relations between the Navy and Puerto Rico and Culebra since 1970. Whenever an indication of an amicable solution appears and the end of the Navy's use of the island seems likely in the not too distant future, the failure to obtain a firm date has meant the situation continues without change. It is with this history in mind that I would appreciate receiving some assurance that your reaffirmation of the commitment to leave Culebra included a reaffirmation of the time-table terminating July 1, 1975. If that is not the case I would appreciate learning the specific date that you do intend that the commitment be honored.

With appreciation for your prompt attention to this matter.

Sincerely,

Edward M. Kennedy.

The PRESIDING OFFICER (Mr. Abourezk). The question is on agreeing to the amendment (No. 1382) of the Senator from Minnesota (Mr. Humphrey). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Arkansas (Mr. Fulbright), the Senator from Indiana (Mr. Hartke), the Senator from Hawaii (Mr. Inouye), the Senator from Massachusetts (Mr. Kennedy), the Senator from Arkansas (Mr. McClellan), the Senator from Utah (Mr. Moss), the Senator from Maine (Mr. Muskie), and the Senator from Alabama (Mr. Sparkman), are necessarily absent.

I further announce that the Senator from Wyoming (Mr. McGee) is absent on official business.

I also announce that the Senator from Missouri (Mr. Symington) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Buckley), the Senator from New York (Mr. Javits), the Senator from Maryland (Mr. Mathias), the Senator from Oregon (Mr. Packwood), the Senator from Illinois (Mr. Percy), and the Senator from North Dakota (Mr. Young) are necessarily absent.

I further announce that the Senator from Vermont (Mr. Stafford) is absent due to illness.

I further announce that, if present and voting, the Senator from New York (Mr. Javits), and the Senator from Illinois (Mr. Percy) would each vote "yea."

The result was announced—yeas 82, nays 0, as follows:

[No. 230 Leg.]

YEAS—82

Abourezk
Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Goldwater
Gravel
Griffin
Gurney
Hansen
Hart
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Jackson
Johnston
Long
Magnuson
Mansfield
McClure
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Nelson
Nunn
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
William L.
Stennis
Stevens
Stevenson
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams

NAYS—0

NOT VOTING—18

Bayh
Buckley
Fulbright
Hartke
Inouye
Javits
Kennedy
Mathias
McClellan
McGee
Moss
Muskie
Packwood
Percy
Sparkman
Stafford
Symington
Young

So Mr. Humphrey's amendment (No. 1382) was agreed to.

Mr. MANSFIELD. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, I would ask that the amendments be reversed so that we can have a vote on the first one, if there is a vote. The second one, I understand, will be accepted.

Mr. President, will the Senator yield me 1 minute?

Mr. HUGHES. I yield.

Mr. MANSFIELD. Mr. President, I understand that the Defense Department and the AFL–CIO are carrying on a very strenuous campaign against the Mansfield amendment. I just think we ought to make it a part of the record. It seems that old soldiers never die. [Laughter.]

Mr. STENNIS. Mr. President, if the Senator will yield, it seems to me that everybody is working for the other side. So let us balance the record. [Laughter.]

Mr. HUGHES. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HUGHES. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER (Mr. CLARK). Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

> On page 4, line 9, strike out "$3,151,042,000" and insert in lieu thereof "$3,124,042,000, of which not more than $10,971,000 shall be available for (1) research, development, testing, and evaluation common to the Air Force air launched cruise missile (ALCM), and (2) basic technology (without prototype development) to preserve a future option for possible full scale development of the submarine launched cruise missile (SLCM) program".

Mr. HUGHES. Mr. President, a number of our colleagues are anxious to leave in order to catch airplanes, so I am going to be very brief.

Mr. President, my amendment would cut $27 million from the budget of the Navy's submarine launched cruise missile, or SLCM. Already, the Armed Services Committee has reduced the initial $44.9 million request by $7 million because of schedule delays.

The remaining funds, some $10,971,000, would be sufficient to continue activities which are common to the Air Force's air-launched cruise missile (ALCM), some of which is planned to be done by the Navy, as well as to continue basic research to preserve the option of full-scale development of an SLCM in the future.

Basically, this amendment would prohibit carrying the SLCM program to prototype development at this time.

This is the same position taken by the Armed Services Committee last year in deleting all funds for this program, although small amounts were restored in conference.

In its report to the Senate, the Armed Services Committee said:

> The basic issue involves the question of the need for another strategic weapons system in addition to the major improvements provided by MIRV, the B-1, and Trident.

This year, the committee approved this program without discussion and noted in its report satisfaction with the redirected program.

Mr. President, although I did not raise this issue during the committee markup of this bill, I believe that last year's skepticism is still justified.

The SLCM is a costly, redundant, and unnecessary program at this time.

We will spend $64 million next year on the ALCM, which would at least complement and improve our existing strategic bomber force. The research and development alone on this program will amount to over $300 million.

The SLCM would also be costly, over $800 million for research and development.

The true military need for the SLCM is far from clear, since the operational requirement for such a missile has not yet been determined and approved. That paperwork is being done after the fact of full speed ahead on research and development.

Mr. President, I do not believe that we should embark on such programs until our military experts are convinced of the actual need for it.

The planned use of the SLCM is on our existing nuclear submarines, but even here it is not clear what advantages we would gain from these missiles.

If launched from our Polaris and Poseidon subs, the SLCM's would either reach their targets long after ballistic missiles or bombers, or else they would expose the positions of those subs before they had fired their missiles. I see no advantage in that case.

If carried aboard our attack subs, the SSN's, the SLCM's could be used only if those subs moved within range of likely targets, thus pulling them off their primary mission of hunting down enemy subs. And the problems of timing and exposure would remain.

One of the worst features of going ahead with this program is that it would be difficult or impossible to set verifiable limits on cruise missiles once they are developed. I do not believe that we should knowingly go ahead with such a program which risks undermining rather than encouraging a follow-on SALT agreement.

When we already have ICBM's, bombers, and our invulnerable nuclear subs, I do not see the need for another leg on our existing triad of strategic systems.

This amendment would not terminate the program, but would put it on the back burner by allowing only basic research and forbidding prototype development.

We can then wait and see what emerges from a future SALT agreement before plunging into another costly program.

Mr. McINTYRE. I yield myself 8 minutes.

Mr. President, the submarine-launched cruise missile program is one in which the committee has been extensively involved. It was largely through the efforts of this committee last year that the Department of Defense coupled the Air Force air-launched cruise missile with the Navy submarine-launched cruise missile in establishing a coordinated program, taking full advantage of the common technology involved in both programs. This concept of common technology is of extreme importance because it is the one way to go to conserve money and to avoid unnecessary overlap and duplication between the military services.

In this case, the Air Force and Navy systems will use common engine technology and common guidance technology, which will save millions of dollars in both programs, and this is all being done in a competitive environment to insure that the Government gets the best product at the lowest cost.

The proposed amendment, offered by the Senator from Iowa, reduces the amount recommended by the committee from $37,971,000 to $10,971,000. The reduction of $27 million represents the amount provided to initiate competitive development of the missile between the two candidate contractors. This would defer this competition until next year. The remaining $10,971,000 would be available to continue with the strategic cruise missile technology including work which is common both to the Air Force and Navy missiles.

Mr. President, this is developing a new weapon system. This is one of the many strategic initiatives we are really going all out on this year.

This is a new weapon system which will permit utilization of its existing nuclear-powered attack submarines as launch platforms for strategic missiles.

The submarine-launched cruise missile (SLCM) is sized for launch from a standard submarine torpedo tube. This missile takes advantage of new technology in small engines to obtain the long ranges needed to penetrate deep within a target country's interior from a launch point well offshore.

The Soviets have had SLCM's for a number of years, but their range has always been of a minimum type—250 to 300 miles. In this new program, we are envisioning putting in a range on these submarines, coming out of the torpedo tube, at 1,000 to 1,500 miles.

This new missile, with its low-altitude flight profile, will present a new challenge to existing missile defense schemes.

The new missile will fly at 400 to 500 feet and will be air breathing, over the surface, earth, or water. The SLCM thus complements existing and planned strategic weapon systems which rely upon ballistic trajectories or manned flight, adding a new deterrent capability to our national arsenal.

This SLCM development includes a tactical variant which, using the same basic technology, substitutes added weight of payload for fuel and range to provide an antiship missile deliverable to the maximum distances expected of submarine sensors. We can drop down its range from the 1,000 to 500 miles, or much less, to 200 or 300, while using the same basic technology.

Although sized to a submarine torpedo tube, the tactical missile could be deployed from sea and land surface systems should this capability be required in the future.

The SLCM development has progressed to the point of prototyping, and the fiscal 1975 budget includes funding for competitive prototype controls.

The SLCM program will add potent new weapons to highly survivable delivery platforms, a new element of strategic deterrence, and provide increasing tactical weapon standoff range against surface targets.

Mr. President, this program should not be terminated at this time. It is not a destabilizing weapon at all because of its very slow speed. This subsonic missile cruises about 400 to 450 miles an hour. It is not like a ballistic missile, with ranges of Mach 2 or 3, thousands of miles per hour or better.

This program improves the survivability of our deterrence because of the inability of the Soviets to cope with this system.

It strengthens our SALT II position, particularly since one of our negotiators indicates that the Soviets are extremely concerned about the inability to counter this particular missile.

If SALT II succeeds, we can hopefully arrive at that millennium and continue our SALT agreements of limitation of arms. Then, perhaps at that point, I would recommend that we reconsider the position I am stating here today as to the need so far as this range of 1,000 to 1,500 miles is concerned, although it may be continued as a tactical weapon.

So, Mr. President, we should not delay this development, and I urge the defeat of the amendment.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. McINTYRE. I yield.

Mr. PASTORE. Is not the Senator actually saying that what we are dealing with here is a weapon that becomes below the level of detection by our adversaries? Is that not the majesty of this weapon?

Mr. McINTYRE. That is essentially correct, because one can approach a potential enemy not only with the ballistic missile range, the vehicles which come in and out of the atmosphere, but also, it travels, air breathing all the way, at 400 or 500 feet, at low trajectory.

Mr. PASTORE. When the Russians established their Tallinn system, the question arose at that time whether or not this was directed toward our bombers. The big question was: What do we do to come below the level of detection so that we could come in without being discovered and destroyed.

Mr. McINTYRE. The Senator is correct.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. McINTYRE. I yield 2 minutes to the distinguished Senator from Colorado, a valuable member of the subcommittee.

Mr. DOMINICK. I thank the distinguished chairman of the subcommittee.

If my memory serves me correctly, I raised very serious questions about the survivability of the cruise missile, largely because it went so slowly that they could knock it down with a pistol or rifle, or whatever might be. I found out as we went on under the excellent leadership of the chairman, the Senator from New Hampshire, that I probably was not correct on that, and we did get the Air Force and the Navy to work together.

I can see how the Navy, if this gets deployed, could use this if we were attacked on the waterways around the world, because of its distance and very, very low altitude.

So I would say to Members of the Senate in the process of determining how they are going to vote on the Hughes amendment, we should decide if we are going to have a cruise missile or not. If we are not going to have a cruise missile vote for the Hughes amendment and if we are going to have a cruise missile as one weapon in our series of defense armaments, which is a research program between the Army and the Navy working together, Senators should vote against the amendment.

Mr. McINTYRE. I thank the Senator.

Mr. GOLDWATER. Mr. President, will the Senator yield for 1 minute?

Mr. McINTYRE. I yield 1 minute to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. GOLDWATER. Mr. President, I hope we will vote against this proposed amendment. One of the outstanding characteristics of a cruise missile, particularly one that is an air breather, and cruises at low altitudes, is that radar finds it almost impossible to locate the weapon because of what we call sea clutter on the radar scope, where weapons that low have clutter resulting from the reflection from the water.

It would be a very admirable weapon to be used below the surface, or launched surface-to-surface from ships, and it would be particularly valuable if we get into cruise missiles we hope to develop from aircraft.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. McINTYRE. I yield 3 minutes to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise in opposition to the pending amendment.

The Soviet Union has a variety of cruise missiles and cruise missile launching platforms. We should assume that some variants of these missiles have a strategic application. The development of the cruise missile would redress a potential monopoly in these weapons that the Soviet navy may enjoy and would provide a stabilizing counterbalance to this Soviet force. This system would add a new dimension to our strategic arsenal by providing a low altitude, low infra-red signature, low radar cross-section cruise missile that could be launched from existing submarine torpedo tubes. These missiles would be launched from outside the Soviet defense perimeter and would thereby, present a highly proliferated low-altitude attack to stretch and confound the Soviet defensive systems. The inherent invulnerability of the submarine platform would insure a survivable strategic force in reserve.

While the development has been oriented to a submarine torpedo tube as the primary launch mechanism, the submarine launched cruise missile could also be effectively deployed from sea and land surface systems should this capability be required in the future. The Navy is also interested in a tactical variant of the strategic weapon. This tactical derivative, using the same basic technology would, in effect, substitute a large high-explosive antiship payload for the smaller nuclear warhead and higher fuel weight of the longer range strategic missile.

Mr. President, the committee has examined this matter in some detail and believes it is a needed option for our naval forces.

I urge the pending amendment be defeated.

Mr. President, I ask unanimous consent that a fact sheet on the sub cruise launched missile be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FACT SHEET: SUBMARINE-LAUNCHED CRUISE MISSILE

NARRATIVE

The submarine-launched cruise missile is a torpedo tube-sized missile providing a long range, high accuracy strategic weapon delivery capability to existing submarines whose inherent quality of detection-resistance makes them highly survivable launch platforms. A tactical variant trades off fuel weight for payload and permits a standoff anti-ship missile which can be fired at ranges equivalent to the maximum detection distances predicted for submarine sensors.

The program is presently in the advanced subsystem design and development stage of concept validation. awaiting Congressional approval to proceed with prototype construction.

With Congressional approval, an option will be exercised in July 1974, to have the two airframe subsystem design and development contractors commence prototype development to conduct technology demonstrations in the areas of airframe and propulsion characteristics, range/payload capabilities, and reduced radar cross-section for both the strategic and tactical cruise missiles. To reduce risk, the two contractors will each demonstrate a different engine for the strategic version. Two guidance contractors (to be determined) will independently design, develop, fabricate, and test guidance sets for the strategic cruise missile. The Applied Physics Laboratory/Johns Hopkins University will assist in monitoring the guidance system design. Field activities will participate in warhead development, wind tunnel and shock analysis, system integration, and survivability analysis. The FY 75 budget request is the minimal funding that will allow a flyoff demonstration by mid-1976.

Mr. THURMOND. Mr. President, I would just remind Senators that this is a research program. It does not permit the Department of Defense to go into production. We feel it is a very important weapon. The Committee on Armed Services has gone into it in great detail and finds that it is badly needed.

I urge that the amendment be rejected.

Mr. STENNIS. Mr. President, I am solidly behind the provision in the bill with respect to this cruise missile. I am very glad that the item causing the delay was straightened out under the influence of the chairman of our subcommittee, the Senator from New Hampshire. We are getting along the way with a matter that will be highly important.

I hope the amendment is rejected.

Mr. McINTYRE. Mr. President, I yield back the remainder of my time.

Mr. HUGHES. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. HUGHES. Mr. President, I could not extend my discussion because several Members wish to leave and because it was obvious when I called up the amendment that I was not going to win. However, my argument is in the RECORD against every argument made tonight.

I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Arkansas (Mr. Fulbright), the Senator from Indiana (Mr. Hartke), the Senator from Hawaii (Mr. Inouye), the Senator from Massachusetts (Mr. Kennedy), the Senator from Utah (Mr. Moss), the Senator from Maine (Mr. Muskie), the Senator from Alabama (Mr. Sparkman), the Senator from Delaware (Mr. Biden), the Senator from Arkansas (Mr. McClellan), and the Senator from Connecticut (Mr. Ribicoff) are necessarily absent.

I further announce that the Senator from Wyoming (Mr. McGee) is absent on official business.

I also announce that the Senator from Missouri (Mr. Symington) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Buckley), the Senator from New York (Mr. Javits), the Senator from Maryland (Mr. Mathias), the Senator from Oregon (Mr. Packwood), the Senator from Kansas (Mr. Pearson), the Senator from Illinois (Mr. Percy), and the Senator from North Dakota (Mr. Young) are necessarily absent.

I further announce that the Senator from Vermont (Mr. Stafford) is absent due to illness.

The result was announced—yeas 18, nays 61, as follows:

[No. 231 Leg.]

YEAS—18

Abourezk
Case
Church
Clark
Dole
Eagleton
Hart
Haskell
Hatfield
Hathaway
Hughes
Mansfield
McGovern
Metcalf
Nelson
Proxmire
Randolph
Stevenson

NAYS—61

Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Bentsen
Bible
Brock
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Cook
Cotton
Cranston
Curtis
Domenici
Dominick
Eastland
Ervin
Fannin
Fong
Goldwater
Gravel
Griffin
Gurney
Hansen
Helms
Hollings
Hruska
Huddleston
Humphrey
Jackson
Johnston
Long
Magnuson
McClure
McIntyre
Metzenbaum
Mondale
Montoya
Nunn
Pastore
Pell
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams

NOT VOTING—21

Bayh
Biden
Buckley
Fulbright
Hartke
Inouye
Javits
Kennedy
Mathias
McClellan
McGee
Moss
Muskie
Packwood
Pearson
Percy
Ribicoff
Sparkman
Stafford
Symington
Young

So Mr. Hughes' amendment was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. In accordance with the previous order, the Chair recognizes the Senator from Iowa (Mr. Hughes) for the purpose of calling up an amendment which is at the desk. The debate on the amendment will be limited to 10 minutes, equally divided between the Senator from Iowa and the Senator from South Carolina (Mr. Thurmond).

The clerk will state the amendment.

The legislative clerk proceeded to read the amendment.

Mr. HUGHES. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with, but that the amendment be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, insert the following new section:

Sec. (a) That portion of the first sentence of section 311(a), chapter 5 of title 37, United States Code, preceding clause (1) is amended to read as follows:

"(a) Under regulations to be prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, an officer of the Army or Navy in the Medical Corps above the pay grade of O-6 or such an officer who is below that pay grade who is undergoing initial residency training, an officer of the Air Force who is designated as a medical officer and is above the pay grade of O-6 or such an officer who is below that pay grade who is undergoing initial residency training, a medical officer of the Public Health Service above the pay grade of O-6 or such an officer, who is below that pay grade who is undergoing initial, residency training, an officer of the Army or Navy in the Dental Corps, an officer of the Air Force who is designated as a dental officer, or a dental officer of the Public Health Service who—".

(b) The amendment made by this section shall be effective June 1, 1974.

Mr. HUGHES. Mr. President, I ask unanimous consent that the Senator from South Carolina (Mr. Thurmond) and the Senator from Georgia (Mr. Nunn) be added as cosponsors of the amendment just read.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUGHES. Mr. President, this amendment offered by the distinguished junior Senator from Georgia (Mr. Nunn) and myself, is intended to correct an unfortunate and unforeseen consequence of recent legislation, public law 93-274, which revises the special pay structure for medical officers in the uniformed services.

That law sought to increase pay in the early years of service as military medical officers, so that the differential between civilian and military earning power could be narrowed. There was no "save pay" provision.

Unfortunately, because of a quirk in the law which denies continuation pay to men in their initial residency in military hospitals, some younger doctors with 5 to 10 years' service face immediate pay cuts of $5,000 to $6,000 per year. There are perhaps now 200 military medical officers and perhaps 200 more in the next few months who will suffer such reductions.

The problem is, that some doctors with several years' service are only now completing their initial residency, which is something usually done immediately after finishing medical school. Instead, these men went directly to the fleet or to the field, where they were of direct and vital service to our men in Southeast Asia.

This amendment, prepared at my request by the Defense Department, would revise the language of the recent law by permitting continuation pay to officers undergoing initial residency training, provided that they otherwise qualify for such pay. I am informed that this change would cost only about $2.4 million per year.

Mr. President, that is the gist of this amendment. I would, however, like to explain briefly the background of this proposal.

The Senate acted speedily and deliberately last December to provide the department of Defense with a management tool which would reduce the tremendous disparity between the salaries military medical officers receive and the income opportunities for physicians in the civilian sector. The Senate passed a clean bill, confident that the Department of Defense would implement its provisions in a conscientious, fair, and equitable manner.

When the House considered the bill in March of this year, that body added two restrictive features to the proposed legislation. These features would have precluded medical officers serving an initial active duty obligation and those undergoing intern or residency training from receiving the new bonus.

In the Senate/House conference, the Senate conferees pointed out the possible inequities or adverse retention effect which could occur as a result of extended initial obligated service which some physicians have. On this point, therefore, the conferees agreed that only the first 4 years of lengthy initial obligated service would disqualify a young medical officer from receiving this new bonus. I am fully in accord with this compromise.

The other restrictive feature of this bill, however, causes me great concern, not from the compromise position which was adopted, but from the factors which evidently were overlooked during the conference. It was pointed out in the conference that the exclusion of all residents from the new pay bonus system could seriously impact on the Defense Department's ability to obtain physicians qualified in various subspecialties since many military physicians do not enter subspecialty training until several years following the completion of their initial residency training. The conferees, therefore, agreed on language which provided that exclusion from bonus eligibility would be limited to those physicians undergoing initial residency training. I also fully agree with the intent of this compromise.

The problem with this compromise, however, arises among those medical officers who are eligible to receive continuation pay and who are in their initial residency training. These are officers who for a variety of reasons delayed entering residency training until they had completed several years of active military service. The most common reason which has been brought to my attention was the need for general medical officers to support our military men in Vietnam. The military departments were forced to delay many physicians from their desired residency training to provide quality medical care to combat troops. Now many of these officers have had sufficient active service to qualify for continuation pay, but because they are only now in or entering their initial residency training they are ineligible for the new bonus pay and are excluded from continuing to receive continuation pay. These medical officers, most of whom served their country faithfully in combat, now in fact will suffer an actual pay loss of from $5,000 to over $6,000 per year while they are in their initial residency training. And in some programs, this training runs up to 6 years. I am confident that it was not the intent of the Congress to penalize this group of young medical officers who have already served their country so faithfully, who satisfied their initial active duty obligation, and who are voluntarily remaining on active duty. It is physicians such as these who are the primary target of the new bonus pay bill.

Mr. President, as a save-pay measure and to correct an injustice unwittingly forced on a small group of dedicated, career medical officers, Senator NUNN and I offer this amendment to the law which took effect on the first of this month.

Mr. President, I yield 1 minute to the distinguished Senator from South Carolina.

Mr. THURMOND. I wish to thank the distinguished Senator from Iowa. I commend the able Senator from Iowa for offering this amendment. I am pleased to join him as a cosponsor. In my opinion, it will correct an injustice, and I feel that it is important that this be done. I am pleased to join in this amendment, and I hope the Senate will adopt it.

Mr. HUGHES. I thank the Senator from South Carolina.

Mr. STENNIS Mr. President, will the Senator from Iowa yield?

Mr. HUGHES. I am happy to yield to the distinguished chairman of the committee.

Mr. STENNIS. I think the Senator from Iowa has rendered a real service in getting an amendment together that will correct an imperfection in the law which we passed in December of last year. I thank him as well as commend him for what he has done.

Mr. HUGHES. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back? All time is yielded back.

The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HUGHES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STENNIS. I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to table.

The motion was agreed to.

Mr. STENNIS. Mr. President, looking forward to tomorrow, when, as I understand it, the Senate will consider amendments proposing overseas troop reduction, I ask unanimous consent that a letter from Secretary Kissinger may be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. STENNIS. Mr. President, I want to say, that I have not consulted with Mr. Kissinger in advance about the points he raises—troop reductions and aid to Vietnam—although I had intended to do so.

I certainly believe that he is well qualified to speak on both subjects. In fact, there may be no one better qualified than he to speak about the negotiations which are addressing possible troop reductions in Europe.

Personally, I am impressed by the views expressed by Dr. Kissinger, and I am hopeful about these talks—the talks on mutual balanced force reduction—MBFR. Those talks took a while to get in motion, but I expect progress from them and I am willing to wait.

Rather than read the text of the letter now, I have asked that copies of the letter be delivered to Senators' desks.

EXHIBIT 1

THE SECRETARY OF STATE,
Washington, D.C., June 1, 1974.

Hon. JOHN C. STENNIS,
Chairman,
Committee on Armed Services,
Washington, D.C.

DEAR MR. CHAIRMAN: It has been called to my attention that the FY 1975 Defense Authorization bill will be considered on the floor of the Senate early next week. I am sure you appreciate that a strong U.S. military posture is absolutely essential to the success of our diplomacy abroad. It is America's strength, both economic and military, that gives weight to our words in the councils of nations. Consequently, I feel justified, as Secretary of State, in taking the liberty of stating my views on two major issues which are bound to arise during the course of the debate on the bill and which are of deep concern to our foreign policy. These are: (1) reductions in our troop deployments abroad, and (2) military assistance for South Vietnam (MASF).

While I fully appreciate the strong desire in the Congress to effect reductions in the number of U.S. military personnel and dependents now stationed abroad, I feel compelled to caution that unilateral reductions at this time could seriously undermine our efforts to achieve mutual reductions of forces between NATO and the Warsaw Pact in Europe where the bulk of our overseas forces are located. As you know, we have already reduced our troops in Europe by about one-fourth, from about 400,000 in the early 1960's to about 300,000 now. During the same period, Soviet forces deployed in Eastern Europe have increased by about 100,000, from 475,000 in 1962 to 575,000 now. But more important, the U.S. troops in Western Europe constitute an absolutely essential element of NATO's military posture in the Central Region. None of our partners is in a position to replace them. I would certainly favor a more efficient utilization of the military personnel in Europe, but any reduction in our forces there should be accompanied by a commensurate reduction in Soviet forces deployed in Eastern Europe.

And this is precisely our objective in the MFR negotiations which are proceeding with great care and seriousness in Vienna. Those negotiations are being pursued in the general context of our efforts, in association with our Allies, to achieve a more normal relationship with the USSR in which the massive armies that now confront each other in Central Europe would be reciprocally reduced. An unreciprocated reduction of US forces would remove Soviet incentives to negotiate seriously since they will hardly pay a price for something that is about to be handed them unilaterally by us. It would also disrupt our Alliance relationship (possibly encouraging a rash of unilateral cuts by our allies), and thus undermine the basis on which we are seeking to induce more constructive policies on the part of the USSR.

Unilateral reductions in Europe would have equally serious consequences in the West. You and your colleagues are sufficiently aware of the stress in our relationships with Western Europe over the past eight months. Our objective throughout this period has been to build toward a closer understanding with our allies and friends of our shared objectives, and to enhance the practice of frank and timely consultation. The changes in governments in Western Europe in the very recent past make it important to avoid at all costs abrupt and destabilizing actions by us. Continuity and stability in the Allied defense posture are essential to maintaining Allied security, which is the indispensable basis for pursuit of our policy of detente. There is no question in my mind that a reduction in United States forces in Europe would be destabilizing, and would afford distinct political advantages to potential adversaries.

Our troop deployments in Asia and the Western Pacific, which are now a fraction of what they were only a few years ago at the height of the Vietnam conflict, constitute a very tangible measure of our interest in the security of our friends and allies in that region of the world. But any major reductions in U.S. forces in South Korea, Japan, Okinawa, and the Philippines could seriously jeopardize our efforts to achieve a more permanent structure of peace in that area. Such reductions can be safely made only when we have firm evidence of improved relations among the contending nations in the region. Meanwhile, we will continue to make reductions in our forces in Thailand as the situation in Southeast Asia permits.

With regard to South Vietnam, I have a very personal sense of obligation to do everything I can to make good on our moral commitment to assist that nation in its survival as an independent state. The Administration's request for $1.6 billion in military assistance was made because of our conviction that the survival of South Vietnam is indispensable to the creation of an enduring structure of peace in Southeast Asia. Without our military assistance, South Vietnam's ability to resist communist military pressures, fueled by an extensive flow of arms and supplies from the North, would be critically endangered.

I recognize that the House has already substantially reduced the Administration's request and that some members of the Senate would favor even a larger reduction. But I would be remiss in my duty as Secretary of State if I did not urge upon you the essentiality of supporting the Administration's request. Here, as in Europe, we must not lose sight of our longer range objective, and that is not just a reduction in the level of hostilities but more importantly the creation in Southeast Asia of an environment conducive to enduring peace and reconstruction. This fundamental humanitarian goal not only deserves the wholehearted support of all the people in the area, but also of the American people whose devotion to peace and progress throughout the world has been convincingly demonstrated over the years. In South Vietnam we have made an enormous investment in lives and dollars on behalf of the survival of that country and an enduring peace in Southeast Asia. We have made marked progress toward these goals. I am convinced that our willingness to contribute a substantial level of military assistance to South Vietnam in the coming fiscal year will bring stable peace closer and enable us to reduce our assistance progressively over the following years.

Best regards,

Henry A. Kissinger.

Mr. TOWER. I thank the Senator from Iowa for yielding to me.

Mr. President, I invite the attention of the Senate to two excellent editorials that, I think, clearly present reasons and cogent arguments why we should not legislate a mandatory troop withdrawal from overseas at this time. The editorials are from the New York Times of June 5, 1974, and the Washington Post of Monday, June 3, 1974. I commend them to Senators for their consideration tomorrow.

I ask unanimous consent that the editorials be printed in the Record.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

U.S. Troops in Europe

Senator Mike Mansfield's renewed effort to force substantial withdrawal of American troops from Europe and other areas overseas is the wrong battle in the wrong place at the wrong time.

The Senate floor is the wrong place for this decision to be taken because the issue is now under negotiation in Vienna between the NATO and Warsaw Pact powers in an effort to bring about Soviet as well as American troop cutbacks. There are now 460,000 Soviet ground troops on the Central Front in Europe, compared with 193,000 Americans. Warsaw Pact troops outnumber NATO's ground forces in this area 925,000 to 770,000.

An over-all NATO-Warsaw Pact reduction to 700,000 on each side, as proposed by the West—with the bulk of the Western reduction to be taken in American forces—would assure stability as well as the reduction in defense spending desired in both East and West. But unilateral American withdrawals now would clearly be destabilizing. They would lower the nuclear threshold, forcing earlier use of atomic weapons in a conflict. They could lead to the nuclearization or the "Finlandization" of West Europe—or both.

This is the wrong time as well for the Mansfield amendment. West Europe's political stability and economic health are shakier today than at any time since the Marshall Plan days more than two decades ago. Governments have fallen in Britain, West Germany, France and Italy in recent months. The new leaders may do better than the old, but that is not yet certain. The Common Market is stalled. Relations with the United States have been badly strained. A major effort by Washington is needed to pull the Atlantic community back together again before disintegration goes further. Unilateral weakening of West Europe's security would frustrate this effort before it could begin.

Above all, Senator Mansfield's long struggle, extending over eight years, is the wrong battle for the Majority Leader and his supporters to be waging at all. The battle to bring back American troops from Europe, an area where American interests are truly vital, was spurred initially by American balance-of-payments deficits and Europe's surpluses. The oil price increase and other factors have reversed the situation. American payments are in surplus, while most of West Europe is headed toward a disastrous deficit. West Germany, which is also in surplus, is offsetting the dollar costs of American forces there.

The extraordinary notion has been propounded that the presence of American troops abroad brings about American involvement in war. But there were no American troops in Europe before World War I or World War II—or in Korea before the involvement there. On the contrary, the presence of American troops in Europe since World War II has helped provide an almost unprecedented 29 consecutive years of European peace. Their withdrawal would be a step into the unknown.

Senator Mansfield's latest argument is that Asia could be demobilized, reducing the defense budget by $1 billion a year. But United States armed forces already are half-a-million fewer than pre-Vietnam and 1.2 million fewer than those the Soviet Union maintains. There are ways in which defense spending can and should be reduced. But shotgun legislation aimed at American military manpower overseas would be the worst way now to go about that task.

A Steady Course for Europe

This is a bad time for the Senate to heed the annual call of Sen. Mike Mansfield (D-Mont.) to legislate a large unilateral cut in the 300,000-man American force in Europe. With the Mideast mercifully receding as an issue in separating the Atlantic nations, it would be unwise to subject NATO to a harsh new blow affecting not only the quality of Atlantic relations but the security of the Alliance. Then, East-West talks on reducing forces in East and West Europe are proceeding in Vienna. For the United States alone to pull the plug on West Europe, even as the talks have proven to be an effective vehicle for Allied consultation and joint East-West exploration of the complex issues involved, would be, we believe, little short of desertion. Moreover, Mr. Nixon is about to go to Moscow: he is enough in the soup for reasons of his own making to make eminently unwise a move further reducing the general authority he brings to the summit.

The European allies can, indeed, be vexing critters. All too often they fail to act on what would seem to be their own self-interest in making it easier for the United States to remain a faithful ally—although recently, it should be noted, the Germans have taken major steps in one sentitive area, offsetting the dollars lost by the United States in keeping its troops in Germany. The question, however, is whether the United States can afford to indulge the fatigue and irritation which Europeans sometime induce. We believe the answer is, no. The Atlantic relationship remains this country's fundamental overseas tie, strengthened by links of culture and tradition. But it is sustainable only by constant attention to Europe's welfare and independence. Europe came out of World War II devastated and unable thereafter to care adequatly for itself in the big-power world. This is at once Europe's burden and our own. It makes it all the more necessary for the United States, in such a critical matter as the presence of military forces, to act in concert with Europe and not by itself.

Sen. Mansfield quite properly believes that the level of our forces in Europe ought to reflect the improvements in political relations which travel under the general name of detente. Detente can proceed, however, only if Europeans have the confidence which those forces impart. There is nothing magical militarily about a given level of force, but there is something "magical" politically; the current level has come to represent the steadiness of the American guarantee. It is psychological, but psychology, after all, is central to politics.

Soviet-American detente, as the Europeans well know, is still in an early and tentative state. Europeans can also see that the SALT talks, which compose the basic framework of their security, are in a particularly tentative state. The economic uncertainties bred by world inflation add to European anxieties. In such circumstances, it is really quite wrong to look at the U.S. troop level in Europe as though it were the only card in play. In the absence of a decision to demobilize any troops brought home, moreever, a strong case can be made for leaving them in Europe, where they do double duty, political as well as military.

The House turned down a Mansfield-type amendment the other day by a substantial margin. We hope the Senate will do the same. This is a good time to tell the world we are seeking a steady course—and to tell ourselves.

Mr. STENNIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will please state it.

Mr. STENNIS. I ask the Chair to state what will be the pending question in the morning. There has been an agreement on it.

The PRESIDING OFFICER. At the close of business today, the Chair will lay before the Senate the amendment of the distinguished Senator from Montana (Mr. Mansfield).

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF ENERGY APPROPRIATION BILL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as the energy appropriation bill is called up and made the pending question before the Senate there be a time limitation thereon of 2 hours to be equally divided between Mr. Young and Mr. McClellan; that there be a time limitation on any amendment thereto of 1 hour, equally divided and controlled in accordance with the usual form; that there be a limitation on any amendment to an amendment of 30 minutes; and that there be a limitation on debatable motions or appeals of 20 minutes, all of which are to be equally divided and controlled in accordance with the usual form. The bill will not be called up until Monday.

Mr. TOWER. Mr. President, reserving the right to object, and I do not intend to object, it is my understanding that this has been cleared with all interested parties on this side.

Mr. ROBERT C. BYRD. That is my understanding, and I know from my own personal understanding that it has been cleared with the ranking Republican member on the committee (Mr. Young).

Mr. TOWER. May I pose a question to the distinguished assistant majority leader? That is, will this bill be called up on Monday if S. 3000 has not yet been disposed of?

Mr. ROBERT C. BYRD. Yes, it would

be called up on Monday, first thing. And might I say that in discussing this bill with the distinguished chairman of the committee (Mr. McCLELLAN), I have been informed by him that he expects no controversy, and I do not think it would take long on Monday.

Mr. TOWER. In other words, that would be disposed of, and then we would probably return to the consideration of S. 3000?

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. TOWER. I thank the Senator, and I do not object.

The PRESIDING OFFICER (Mr. ALLEN). Is there objection to the request of the Senator from West Virginia? Without objection, it is so ordered.

ORDER TO TAKE UP THE ENERGY BILL ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday next, immediately following the conclusion of routine morning business, the Senate proceed to the consideration of the energy appropriation bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that if the bill (S. 3000) has not been acted upon by the Senate by Monday, that that bill be temporarily laid aside on Monday until the disposition of the energy appropriation bill or until the close of business Monday, whichever is the earlier.

I do not expect its being the close of business, but if the Senate will agree on this request, I think that for all purposes things will work out.

Mr. TOWER. Mr. President, reserving the right to object, and I do not intend to object, in other words, the appropriation bill could probably be disposed of in a relatively short time, and we could get on to S. 3000 in time to do some constructive work on it before the close of business?

Mr. ROBERT C. BYRD. The Senator is correct. This request would not allow for a call for the regular order to call up the appropriation bill.

Mr. TOWER. I do not object, Mr. President.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS PROXMIRE AND EAGLETON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the 2 leaders or their designees have been recognized under the standing order tomorrow, the Senator from Wisconsin (Mr. PROXMIRE) be recognized for not to exceed 15 minutes, and that he be followed by the Senator from Missouri (Mr. EAGLETON) for not to exceed 15 minutes, and that following the remarks of Mr. EAGLETON, the Senate resume the consideration of the bill (S. 3000).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR VOTES ON TROOP WITHDRAWAL AMENDMENTS NOT TO OCCUR BEFORE 2:30 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that any votes that may be ordered on the Mansfield amendment and on amendments thereto, and/or other amendments dealing with troop reduction or troop withdrawal, not to occur before the hour of 2:30 p.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order the Chair lays before the Senate the Mansfield amendment.

The amendment (No. 1392) reads as follows:

AMENDMENT No. 1392

On page 5, after line 2, insert the following: *Provided*, That no funds authorized to be appropriated by this title may be used after December 31, 1975, for the purpose of maintaining more than 2,027,100 active duty military personnel, and no funds authorized to be appropriated by this title may be used after December 31, 1975, for the purpose of maintaining more than 312,000 military personnel permanently or temporarily assigned at land bases outside the United States or its possessions. The Secretary of Defense shall determine the appropriate worldwide overseas areas from which the phased reduction and deactivation of military personnel shall be made.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at the hour of 9:30 a.m. After the two leaders or their designees have been recognized under the standing order, the Senator from Wisconsin (Mr. PROXMIRE) will be recognized for not to exceed 15 minutes, after which the Senator from Missouri (Mr. EAGLETON) will be recognized for not to exceed 15 minutes.

There will then be a resumption of action on the bill (S. 3000). The pending question at that time will be on agreeing to the amendment (No. 1392) of the Senator from Montana (Mr. MANSFIELD), on which there is a time limitation of 3 hours, with a time limitation on any amendment thereto of 40 minutes. Yea-and-nay votes will undoubtedly occur.

Mr. President, yea-and-nay votes will occur throughout the day tomorrow. I am not going to ask that votes on other amendments not dealing with troop cuts or troop withdrawals, should they be ordered prior to the hour of 12 o'clock noon, be deferred, but I would assume that all votes would probably occur beginning at the hour of 2:30 p.m.

Mr. TOWER. In other words, if we can dispose of some amendments in the morning or prior to 2:30 p.m.——

Mr. ROBERT C. BYRD. Yes.

Mr. TOWER. That are not relevant to troop withdrawal, that could occur?

Mr. ROBERT C. BYRD. Yes.

Mr. TOWER. So it is conceivable that we could have votes in the morning or through the noon hour?

Mr. ROBERT C. BYRD. Yes, and I hope the record will be left clear on that point, Mr. President.

The PRESIDING OFFICER. The record will so reflect.

Mr. ROBERT C. BYRD. It is possible that we may encounter a lag in the debate on the Mansfield amendment, and in such a situation, in order to best utilize the time of the Senate, it may be desirable to have a Senator call up some other amendment.

Mr. TOWER. Mr. President, if the Senator will yield, I think it would be eminently desirable to dispose of any other amendments we could during that period of time.

Mr. ROBERT C. BYRD. So, with that understanding, Mr. President, that yea-and-nay votes on troop withdrawal or troop reduction amendments would occur not prior to 2:30 p.m., but that votes on other amendments not germane to troop withdrawal could occur prior to the hour of 12 o'clock noon, or on other business prior to the hour of 12 o'clock noon, then I think we will have the proper understanding.

Hopefully, with some luck, the Senate may complete action on this bill tomorrow.

Mr. TOWER. Mr. President, if the Senator will yield——

Mr. ROBERT C. BYRD. I yield.

Mr. TOWER. It is the intention, I think, of the distinguished Senator from New Hampshire (Mr. McINTYRE) to offer an amendment having to do with strategic initiatives, which he does not think he can handle tomorrow, or dispose of then, and he believes that we should have some considerable debate thereon, and perhaps deal with definitive matters.

So I do not perceive that we could finish the bill tomorrow night under those circumstances, unless the Senator from New Hampshire conceivably might decide that he could do it tomorrow morning, and I think that is highly unlikely.

Mr. ROBERT C. BYRD. Very well; we will just have to see how things go. It may be that the discussion on the troop withdrawal amendment will not consume as much time as we anticipate. It is a subject that has been gone over many times. We have heard a good many votes on the subject. So with a little luck, it may be possible that we could finish tomorrow evening.

Mr. TOWER. I would be delighted if we are that lucky. I would hope so. I think it would be splendid if we could dispose of the bill tomorrow night. That is the one remaining, I would say, significant controversial matter that has not been disposed of, and if it can be disposed of on tomorrow night, I think it would be great. But I do not like to raise the hopes of my colleagues that we can do it.

Mr. ROBERT C. BYRD. Yes. Other than the troop withdrawal amendments and the amendment by Mr. MCINTYRE, I personally know of no amendments other than an amendment by Mr. KENNEDY, an amendment by Mr. ABOUREZK, and an amendment by Mr. CHILES, though there may be others in terms of which I am uninformed.

But in any event, Mr. President, Senators are alerted to the fact that there will be several rollcall votes tomorrow, and it is possible we could have a long day tomorrow.

ADJOURNMENT UNTIL 9:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 9:30 a.m. tomorrow.

The motion was agreed to; and at 6:58 p.m. the Senate adjourned until tomorrow, Thursday, June 6, 1974, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 5, 1974:

IN THE U.S. ARMY

The following-named officers to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be general

Gen. Donald Vivian Bennett, [redacted] Army of the United States (major general, U.S. Army).

To be lieutenant general

Lt. Gen. Robert Ray Williams, [redacted] Army of the United States (major general, U.S. Army).

CONFIRMATIONS

Executive nominations confirmed by the Senate June 5, 1974:

DEPARTMENT OF DEFENSE

Gen. George S. Brown, U.S. Air Force, for appointment as Chairman of the Joint Chiefs of Staff for a term of 2 years, pursuant to title 10, United States Code, section 142.

U.S. AIR FORCE

Gen. David C. Jones, U.S. Air Force, to be appointed as Chief of Staff, U.S. Air Force, for a period of 4 years, pursuant to title 10, United States Code, section 8034.

DEPARTMENT OF THE TREASURY

Jack Franklin Bennett, of Connecticut, to be Under Secretary of the Treasury for Monetary Affairs.

Edward C. Schmults, of Maryland, to be Under Secretary of the Treasury.

U.S. TARIFF COMMISSION

Catherine May Bedell, of Washington, to be a member of the U.S. Tariff Commission for the term expiring June 16, 1980.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Terrell H. Bell, of Utah, to be Commissioner of Education.

THE FEDERAL COUNCIL ON THE AGING

The following-named persons to be members of the Federal Council on the Aging for the terms indicated:

FOR A TERM OF 1 YEAR

Bertha S. Adkins, of Maryland.
Dorothy Louise Devereux, of Hawaii.
Carl Eisdorfer, of Washington.
Charles J. Fahey, of New York.
John B. Martin, of Maryland.

FOR A TERM OF 2 YEARS

Frank B. Henderson, of Pennsylvania.
Frell M. Owl, of North Carolina.
Lennie-Marie P. Tolliver, of Oklahoma.
Charles J. Turrisi, of Virginia.

FOR A TERM OF 3 YEARS

Nelson Hale Cruikshank, of the District of Columbia.
Sharon Masaye Fujii, of Washington.
Hobart C. Jackson, of Pennsylvania.
Garson Meyer, of New York.
Bernard E. Nash, of Maryland.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Wednesday, June 5, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The fear of the Lord is wisdom and to turn from evil is understanding.—Job 28:28.

Almighty and everlasting God, who art the source of light and life and whose glory is in all the world, we lift our hearts unto Thee praying that Thou wilt reveal to us the brighter way to a better life in a brotherly world and give us the courage to walk in it. In the midst of the discords and disorders of these trying times, help us to hold aloft the light of liberty and to be true to the faith that love is stronger than hate, truth will prevail over evil, and life will outlast death.

We pray for our Nation that she may be good in spirit, genuine in faith, gentle in patience, and generous in service to all mankind that justice and peace may grow in our world and abound among all people.

To each one of us give strength equal to our tasks and grace sufficient for every need that in our service to our country we may also serve Thee.

In the spirit of Christ we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 6979. An act for the relief of Monroe A. Lucas.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14013) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 5, 15, 18, 19, 20, 29, 33, 48, 49, 60, 69, 87, 163, and 169 to the foregoing bill.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 572. An act to waive the statute of limitations with regard to the tort claims of certain individuals against the United States;

S. 2846. An act to protect the flow of interstate commerce from unreasonable damage to the environmental health by assuring an adequate supply of chlorine which is necessary for safe drinking water and for other public health purposes; and

S. 3546. An act to extend for 1 year the time for entering into a contract under section 106 of the Water Resources Development Act of 1974.

ROGER CALDWELL SLAUGHTER

(Mr. BOLLING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOLLING. Mr. Speaker, it is with deep regret that I advise the House of the death of a former Member, Roger Caldwell Slaughter. He died at the age of 68 Sunday at his farm near Odessa, Mo. He represented for two terms the district that I have the honor to represent.

Mr. Slaughter was born near Greenton, Mo., and had lived in Kansas City most of his life before moving to the Odessa area about 8 years ago.

He was graduated in 1928 from Princeton University and attended the old Kansas City School of Law. He was admitted to the Missouri bar in 1932.

Mr. Slaughter served as assistant prosecuting attorney of Jackson County from 1934 to 1937. In 1940 he was elected to the Kansas City School Board and served 2 years.

In 1942 Mr. Slaughter was elected to Congress from the Fifth District and served two terms. At the end of his first term, he was appointed to the Rules Committee of the House of Representatives, the first time in the committee's history that a freshman legislator had been appointed. Mr. Slaughter was also a member of the Banking and Currency Committee and was appointed in 1946 to a special House committee investigating the disposition of war surplus material from World War II.

Mr. Slaughter had practiced law in

Kansas City since 1948 and was a member of the firm of Slaughter & Brewster, 912 Baltimore. He was an alternate to the Democratic National Convention in 1940 and a member of the State Democratic committee from 1960 to 1962.

In 1972 he was appointed magistrate of Lafayette County by former Gov. Warren K. Hearnes.

He leaves his wife, Laura: a son, Thomas B. Slaughter, New Canaan, Conn., and a daughter, Mrs. V. Ray Alpeter, Fullerton, Calif., and two grandchildren.

Mr. RANDALL. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Speaker, I thank my colleague and neighbor for yielding.

While Roger Slaughter represented the Fifth District of Missouri, he was born in the Fourth District and lived his last days in the Fourth District. He was born and reared in the Fourth District and enjoyed life these recent years in western Lafayette County, Mo.

Although a Missourian by birth because of his ancestry he regarded himself as a southerner. He was educated at one of the Ivy League schools, Princeton University, but he was not ever out of touch with the people he represented. When he was in Congress, he made frequent trips home to his district, and proved he had the support of his constituents. He was a Princeton man, but he spoke the language of Missourians.

Mr. Speaker, there will be more time in the next few days to eulogize Roger Slaughter. At this time I will say only that he was a man of courage. He was an independent; he was his own man. He was a Democrat, but he put the interest of his country ahead of his party.

He will be sorely missed throughout all of west central Missouri.

Mr. Speaker, our sympathy goes out to his good wife, Laura, and to his fine son and lovely daughter.

Mr. BOLLING. Mr. Speaker, I thank the gentleman.

ENDING FORCED BUSING

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, I announce my strong support of Mr. ESCH's motion to instruct and urge my colleagues to support this effort overwhelmingly when it is brought to the House floor. When the matter of ending forced busing to achieve racial balance in public schools was debated in the House, it was approved by a landslide vote of 293 to 117. In my opinion, the vote in the House reflects the views of the vast majority of people in America. For this reason, I feel it is very important that the House conferees be instructed to maintain the House's position.

For far too long we have had Federal judges giving vent to their sociological whims at the expense of America's public schoolchildren. By ordering busing simply to achieve some mythical racial balance, we have seen a lessening in the effectiveness of the educational process. We have seen the expenditure of great amounts of money for busing that could have been better spent buying needed materials and improving the quality of instruction.

Mr. Speaker, the unnecessary and unreasonable busing must be brought to a halt. I urge support of the motion to instruct.

CONGRESSIONAL REFORM

(Mr. MARTIN of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARTIN of Nebraska. Mr. Speaker, the secret deliberations by the "Hansen committee" of the Democratic caucus are in progress. Of course, no one is permitted to participate in its "deliberations." In fact, whether it is even meeting is unclear.

The select committee conducted its deliberations in open sessions and held 37 days of hearings and panels in open sessions. One hundred and seven witnesses were heard, 52 Members of Congress, congressional experts and representative outside groups; all had the opportunity to give their views for the record.

Even if the Democratic Caucus Committee was willing and able to go public, it could not begin to match this record. It only has 47 working days, excluding Memorial Day and Independence Day in which to do its work.

Many Members of the House took the time to give the select committee their comments and they were always thoughtful, productive, and helpful in its work. Perhaps some other Members, opponents, are giving their private views now. Narrow and secret dealings should be no surprise to those of us who have watched from the minority side. These unconscionable acts are in keeping with the "spirit of reform" demonstrated by those Democrats committed to killing any reform that touches them and their power bases.

FURTHER VIEWS ON CONGRESSIONAL REFORM

(Mr. O'HARA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'HARA. Mr. Speaker, unfortunately I did not hear all of the remarks made by the distinguished gentleman from Nebraska (Mr. MARTIN) with respect to congressional reform. I did, however, get the general tenor of his remarks, and I would like to say to my friend, the gentleman from Nebraska, that when the Democratic Caucus agrees to a set of reforms, which it will do before the end of this session, and when such a set of reforms is brought to the floor, it will probably prove to be more reform than my friend, the gentleman from Nebraska, would like.

SUGAR ACT AMENDMENTS OF 1974

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1152 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1152

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14747) to amend the Sugar Act of 1948, as amended. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Missouri is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. DEL CLAWSON), pending which I yield myself such time as I may consume.

Mr. Speaker, this is a matter that has been before the House on numerous occasions—the Sugar Act. This time it comes to us under a wide-open rule. My understanding is that therefore this matter has been considered under a closed rule or, at best, a modified one. Therefore, this time the Members of the House will have every opportunity to offer amendments. There will also be adequate general debate of 2 hours.

I know of no reason to oppose this rule, and therefore I reserve the balance of my time.

Mr. DEL CLAWSON. Mr. Speaker, I thank the gentleman for yielding.

I yield myself such time as I may consume.

Mr. Speaker, as has been noted, House Resolution 1152 provides for 2 hours of general debate for the consideration of H.R. 14747, the Sugar Act Amendments of 1974. This is a completely open rule, and there are no waivers of points of order.

The primary purpose of H.R. 14747 is to extend the Sugar Act for 5 years through December 31, 1979.

The bill includes the following changes in existing law:

First. New domestic quotas are established;

Second. The Secretary of Agriculture is required to act when the domestic price of sugar is below the price objective by 4 percent or more for 15 consecutive market days;

Third. The existing excise tax on sugar would be allowed to expire on June 30, 1975;

Fourth. The price objective is increased;

Fifth. Government compliance payments to producers are decreased. The intent is that the increase in the price objective will prevent any loss as a result of the decrease in compliance payments;

Sixth. The labor provisions of the act are altered to provide additional protection for workers, and procedural changes among other things;

Seventh. The Secretary of Agriculture is authorized to conduct surveys relating to manufacturing, marketing, and use of sugar; and

Eighth. Foreign quotas are altered. Cuba will continue to receive a quota, which will continue to be suspended. The quotas of the Bahamas, Uganda, and Ireland are eliminated due to their inability to supply sugar to the U.S. market.

Mr. Speaker, I recommend adoption of this rule so that we may proceed to consider the merits of this legislation.

Mr. **MATSUNAGA**. Mr. Speaker, House Resolution 1152 provides for consideration of H.R. 14747, which, as reported by our Committee on Agriculture, would amend and extend the Sugar Act of 1948, as amended. The resolution establishes a milestone in the 40-year history of the Sugar Act in that it provides for the first time an open rule, with 2 hours of general debate. The distinguished chairman, Mr. POAGE, and members of his committee deserve high commendation for taking this bold, laudable initiative. The 2 hours is to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Agriculture.

After general debate, the bill would be read for amendment under the 5-minute rule. At the conclusion of such consideration, the Committee will rise and report the bill to the House with such amendments as may have been adopted, and the previous question will be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. Speaker, the U.S. sugar program was first established by Congress 40 years ago, and from its inception the program has been an outstanding success. There has been noteworthy achievement of the program's three principal objectives:

First, to provide U.S. consumers with adequate supplies of sugar at reasonable and relatively stable prices.

Second, to establish a stable, viable sugar industry in the United States by protecting those engaged in producing and processing domestic sugar crops.

Third, to promote and strengthen the export trade of the United States.

Today, when the disruptive forces of inflation are being felt in all parts of our society, the need for the sugar program is greater than ever before. Had it not been for the U.S. sugar program, recent domestic price increases for sugar would have been much greater. Particularly noteworthy is the fact that since last November, the U.S. price of raw sugar has been below the world market price. The extent of this difference was dramatically recorded in February of this year, when the quoted wholesale price for refined sugar in Buffalo, N.Y., averaged less than 18½ cents a pound in 100-pound bags, while only a few miles across the Canadian border, in Toronto, the comparable price was 35 U.S. cents a pound, almost double the U.S. price.

What accounted for this vast difference? It was simply that the American consumer was protected by the Sugar Act, while the Canadian consumer suffered the full impact of the world price on sugar, with all of the vagaries caused by the uncertain forces of supply and demand.

H.R. 14747 would continue the U.S. sugar program for another 5 years—through December 31, 1979. Based on a 12-million-ton U.S. consumption estimate, the minimum domestic sugar quota allocation would be pegged at 6,685,500 tons. The foreign quota, therefore, would total 5,315,000 tons, allocated in varying amounts among some 31 sugar-producing nations in the world. To provide needed flexibility, the proposed legislation would authorize the Secretary of Agriculture to increase domestic quotas up to a total of 8 million tons.

A major change in the sugar program proposed by H.R. 14747 is the sharp reduction of Federal "compliance payments" to domestic sugar producers. Under present law, there is no ceiling on these payments, adjusted at a rate in inverse proportion to the quantity of sugar produced. Under the proposed legislation this sliding scale would start at a much lower figure than at present and be graduated down to zero payment beginning at 6,000 tons of sugar produced. This would mean that, after July 1, 1975, the maximum compliance payment to any one producer would be $9,400 per year.

Mr. Speaker, the U.S. sugar program is distinguishable from other agricultural support programs in that it has cost the taxpayer exactly nothing. In fact the Federal Government has enjoyed a handsome profit from its operations under the Sugar Act. This it has managed to do by an imposition of a processing tax, solely on sugar. Even with compliance payments at the level of $85 to $90 million in recent years, the sugar program has yielded net revenues of at least $600 million since 1934, or an average of $15 million annually over the act's 40-year span.

While it is true that H.R. 14747 would allow the processing tax to expire on June 30, 1975, the combination of the continued collection of an import duty on raw sugar and the greatly reduced compliance payments to producers would still result in net revenues to the Federal Treasury in excess of $39 million per annum.

There are other important changes in the sugar program that the Committee on Agriculture has included in H.R. 14747, but these will be discussed in the Committee of the Whole House.

Mr. Speaker, as one who, over a period of many years, has observed at first hand the many benefits derived from the U.S. sugar program by the consumer, the sugar worker and the producer, I urge the adoption of House Resolution 1152 in order that H.R. 14747 may be considered.

Mr. **BOLLING**. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The **SPEAKER**. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. **WYDLER**. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 370, nays 13, not voting 50, as follows:

[Roll No. 271]

YEAS—370

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Devine
Donohue
Downing
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Foley
Ford
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holtzman
Huber
Hudnut
Hungate
Hunt
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.

Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Quillen
Railsback
Randall
Rarick
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Runnels
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Spence
Staggers
Stanton,
  J. William
Stanton,
  James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Williams
Wilson,
  Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—13

Broomfield
Carter
Collins, Tex.
Conyers
Davis, Wis.
Dingell
Drinan
Harrington
Hosmer
Landgrebe
Rangel
Snyder
Thompson, N.J.

NOT VOTING—50

Biester
Bingham
Blackburn
Brasco
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burton
Carey, N.Y.
Clark
Culver
Danielson
Dellums
Dickinson
Diggs
Dorn
Flynt
Fraser
Gray
Gude
Hanna
Hinshaw
Holifield
Holt
Horton
Howard
Hutchinson
Johnson, Colo.
Kyros
McCloskey
Macdonald
Mazzoli
Michel
Mills
Price, Tex.
Pritchard
Quie
Reid
Roncallo, N.Y.
Rooney, N.Y.
Roybal
Ruppe
Teague
Vander Jagt
Whalen
Widnall
Wiggins
Wilson, Bob
Wilson,
  Charles H.,
  Calif.
Young, Ga.

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Brown of California.

Mr. Teague with Mr. Mills.

Mr. Carey of New York with Mr. Gude.

Mr. Clark with Mr. Michel.

Mr. Bingham with Mr. Biester.

Mr. Flynt with Mrs. Holt.

Mr. Fraser with Mr. Bob Wilson.

Mr. Brasco with Mr. Dickinson.

Mr. Hanna with Mr. Hutchinson.

Mr. Holifield with Mr. Horton.

Mr. Reid with Mr. McCloskey.

Mr. Howard with Mr. Blackburn.

Mr. Kyros with Mr. Price of Texas.

Mr. Macdonald with Mr. Burke of Florida.

Mr. Roybal with Mr. Quie.

Mr. Diggs with Mr. Gray.

Mrs. Burke of California with Mr. Ruppe.

Mr. Burton with Mr. Widnall.

Mr. Charles H. Wilson of California with Mr. Vander Jagt.

Mr. Mazzoli with Mr. Wiggins.

Mr. Dellums with Mr. Culver.

Mr. Dorn with Mr. Roncallo of New York.

Mr. Danielson with Mr. Whalen.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. POAGE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14747) to amend the Sugar Act of 1948, as amended.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 14747 with Mr. BURKE of Massachusetts in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas (Mr. POAGE) will be recognized for 1 hour, and the gentleman from Virginia (Mr. WAMPLER) will be recognized for 1 hour.

The Chair now recognizes the gentleman from Texas.

Mr. POAGE. Mr. Chairman, I yield myself 18 minutes.

Mr. Chairman, the bill we bring before you today, H.R. 14747, continues in existence for 5 years the Sugar Act program which has worked well for both producers and consumers alike for 40 years. It is cosponsored by 25 members of our committee on a bipartisan basis and was overwhelmingly reported 30 to 5 on May 14.

The procedure under which this year's bill was developed is a dramatic departure from the development of this legislation in the past. For the first time in my memory we asked and secured an "open rule" on a sugar bill. This is the culmination of a preannounced and predetermined effort on the part of the members of our committee to develop a sugar bill in an environment which would enhance the confidence of the House and the public in both the legislation and in the sugar program. After the 11 days of public hearings before our full committee, I appointed an ad hoc subcommittee to draft a proposal for the full committee. This subcommittee held three "public forum" type of meetings where all interested parties were encouraged to comment on the subcommittee's actions. In addition, all of the markup sessions of the full committee were conducted in public where the work of the committee and its drafting subcommittee was openly and publicly examined, debated, and decided.

Mr. Chairman, this at times has been a difficult and burdensome procedure but it has produced a product which our committee, and I personally, am proud to present to the House and to the country. It is, in fact, a true committee bill and reflects the views of the overwhelming majority of our committee but it is still a complicated program and one which is but little understood by most people.

Of course, there are individuals and there are groups who oppose this bill. There are a few who feel we do not need any sugar bill and some simply think the whole thing is unsound. Athough I cannot agree with these conclusions, I can respect the judgment of those who hold such views. But most of the opposition to this bill will come from groups that feel they can get some special advantage as a reward for the removal of their opposition. Some of these people can, of course, make a good case for their special demands.

I do not think the committee bill is perfect. Indeed, I thought that we made some mistakes, but I doubt the wisdom of trying to hold the bill hostage in order to extract further concessions for any group. It is our thought that if the bill is in error in any specific respect, we should correct it, and therefore, we have provided the opportunity for amendment. I would, however, hope that any amendments that are offered will be considered on their own merits and disposed of rather than seeking to recommit the bill. Indeed, at this point, I respectfully but very firmly make it clear that referral or delay is tantamount to killing the bill.

While I speak only for myself and not officially for the committee, I have no intention of considering a sugar bill on this floor this summer or fall. We are going to act now and we are going to continue a sugar program or we are going to abandon it and take our chances on the world market just as we are doing with energy. There are those who feel that the world market will meet our needs, and if it will, we do not need a sugar bill. But over the years, the world market has seen far greater fluctuation in prices than has the American market. It happens that right now we are in the period of greatest demand for sugar in the United States and of the smallest availability of shipments from most of our suppliers. Since this bill was set down for debate, the American price has just about equaled the world price, but for 2 years past the American housewife has bought sugar at substantially lower prices than were available on the world market. And, of overriding importance, we have had adequate and dependable supplies of sugar for the 40 years that we have operated under this program.

I can remember during World War I that sugar almost disappeared from the market and we paid $1 a pound—and those dollars were much larger dollars than we use today. It has been for the purpose of securing adequate supplies at reasonable prices that we have had a sugar program and it is for that purpose that we today present you with a 5-year extension of that program. We ask for a 5-year extension rather than a shorter period because with the present unsettled world market we are convinced that foreign countries simply will not undertake to supply our market without the assurance of a program of at least this length. Unlike bacon and beans, wheat, flour, and beef, the United States does not produce enough sugar to supply our own needs.

In recent years under our sugar program, we have produced just over 50 percent of our needs. About one-half of this is cane sugar from Hawaii, Louisiana, Florida, Texas, and Puerto Rico. The other one-half of this domestic sugar is beet sugar which is produced in many States but primarily in the West. Without a sugar program, we would of necessity either rely on a high protective tariff to keep foreign sugar out of the country at the expense of American consumers or we would find our domestic sugar production rapidly disappearing. Even with present high prices for raw sugar, domestic production is dropping because sugar production anywhere involves substantial capital and labor costs and other competitive crops are taking over the use of the land. Were we to let the price of sugar drop to the levels of the world market as it has existed for many years, there simply could be no sugar produced in the United States and we would quickly find ourselves in a far worse position in regard to price and availability of sugar than we now find ourselves in regard to oil.

I do not think that we can afford to place our reliance for sugar in the hands of foreign cartels. Interestingly enough, many of the major nations of the world have developed sugar programs of their own, all of which are somewhat comparable to our program. Great Britain has a sugar program; France has a sugar program; the Soviet Union has a sugar program. This does not prove that the United States must have a sugar program but I think it strongly indicates the desirability of something along this line.

Aerodynamic engineers cannot tell you how the bumblebee flies, and I cannot tell you how the sugar program functions, but for 40 years it has worked quite well. I think, however, that I can explain that we must have dependable supplies of foreign sugar while at the same time we take steps to assure production of a substantial amount of domestic sugar. We have tried to assure the movement of adequate amounts of foreign sugar and the production of domestic sugar through price incentives. We provided that the total supply of sugar coming on the American market will not greatly exceed the demand for sugar at reasonable prices. The Sugar Act establishes a price objective. Under the terms of this bill the price objective would be about 12 cents a pound, far below the present world price but in line with what we believe to be necessary to get the sugar we will need in normal times. We undertake to direct the desired amount of sugar into the American market, first by giving American producers the opportunity to produce all they will but trying to make sure they will use and produce the allotments assigned to them. The total domestic allotment for next year under this bill is 6,685,000 tons with the proviso that domestic quotas will be increased by whatever amount American producers will grow up to 8 million tons.

We then make incentive payments to these domestic producers, these payments will be reduced from a starting point of 80 cents down to 35 cents per ton and we propose to make payments only on the basic production which will in no event exceed $9,400 per producer. In the past, these payments amounted in some cases to as much as a million dollars per producer. We have, therefore, greatly reduced the payments believing that with a slight increase of 49 cents per ton in the objective price that we will still get production. These payments will be made, as they have been made in the past, from the proceeds of a tariff of 62½ cents per ton on all imported sugar. We estimate that even with the abandonment of the excise tax the net revenues from this sugar program will exceed its cost by some $40 or $50 million per year.

We recognize that there will be those who will contend that we should make no payments but we have felt we were unwilling to accept this risk which could very easily lead us into a complete loss of our domestic production thus placing American consumers at the mercy of foreign producers.

Historically, our sugar program has provided quite substantial advantages to those who worked in the industry. We have continued all of the labor benefits and have materially added to them but we did not extend these benefits as far as some of the labor organizations felt they should be extended. What we did was to listen to the arguments and where we felt there was a real valid reason for extension, we gave it.

For instance, we provided that labor claims should be adjudicated by hearing examiners of the department—not by farmer-controlled committees. We provided that farmers could not overcharge workers for goods and services and thus, in effect, reduce their wages. But we did not use this bill as a means of destroying all incentive for more efficient and more productive work as we were requested to do. We recognize that these amendments will be presented again and the House will work its will. I only want to plead with Members to recognize the committee did give sugar workers substantially new benefits while at the same time we reduced the benefits of producers. We cannot go too far in taking away the inducement to produce and expect to maintain the supplies our consumers need.

After we have done all we can to encourage domestic production, we know that we must still depend on foreign sources for about one-half of our sugar. To get this sugar, we have allocated this foreign production to some 32 countries. We did not make assignments capriciously. We would not pretend our allotments were a perfect pattern. We simply took what we had and built on that. We assigned allotments to foreign suppliers first on the basis of what they had been supplying. We gave credit for extra tonnage supplied by foreign nations at our request and we penalized those countries that had not met their quotas. We dropped those countries which had not supplied any sugar. We forgave those countries that could show they had been prevented from delivering by an act of God—drought.

World sugar supplies are now, and for the foreseeable future will be, extremely tight. Our guiding purpose was to secure adequate and dependable supplies of sugar for the United States because we consider that the basic purpose of the Sugar Act is to supply American consumers with all the sugar they need, whenever they need it, and always at a reasonable price. In doing this, we believe that we must keep as many American producers in business as possible and that this can only be done by assuring them a reasonable income from their product.

Basically I know of only two alternatives. Of course the most obvious would be to abandon American sugar production and to rely entirely on foreign producers. Foreigners can produce sugar cheaper than we can in the United States. Therefore, if we would admit unlimited amounts of foreign sugar without any tariff or excise tax, we could expect at some time in the future to receive such quantities of sugar as to completely destroy both the cane and beet industries in this country. When all sources of domestic sugar have been destroyed, we could then, I think, reasonably expect the foreign cartels to give us all the consideration that was extended by the Arab league during the recent energy crisis, thus in effect transferring the control of our sugar supplies from the American Secretary of Agriculture to Havana. The other alternative would be to keep the domestic industry alive by excessively high tariffs on all foreign importations. We could keep out foreign sugar but in doing so we would necessarily force the American consumers to pay substantially higher prices than they are now paying. I do not believe that either one of these alternatives is anything that the Members of this House want to embrace and I must, therefore, point out that if you kill this bill, you must assume the responsibility for some other method of meeting our sugar needs. But whatever you wish, I must repeat that the decision is going to have to be made now. It cannot be postponed until next fall.

Mr. Chairman, I would also like to point out for the purpose of establishing a clear legislative history of this bill that there are several technical and typographical errors in the printed report on this bill (H. Rept. 93–1049).

These errors were made in the printing of the report after it left our committee and have been corrected in our committee file copies.

The incidence of this type of error seems to be growing and in my opinion the frequent occurrence of this kind of error is most detrimental to the legislative process which requires a high degree of accuracy in the development of extremely technical and complex statutory material.

For posterity, however, we wish these corrections to be duly noted:

First. Page 2, number 7(e), the word

"workers" is misspelled the first time such word appears.

Second. Page 6, line 20, the word "sugar" is misspelled.

Third. Page 8, line 11, the word "sporadic" should read "specific".

Fourth. Page 9, paragraph H, the words "212 of the Act." should appear at the end of the first line and the second line should be deleted.

Fifth. Page 11, fourth line from the bottom of the page, the figure "1,125,020" should be "1,126,020".

Sixth. Page 11, in paragraph 10, the symbol "$" should be deleted immediately prior to the figure "6,685,000".

Seventh. Page 12, the fourth column of the table should read "FC–FS" not "FC–FC", and the footnote number after Venezuela should be "5", not "2".

Eighth. Page 13, footnote number 3 should read "not applicable", not "not available".

Ninth. Page 14, line 5 from the bottom of the page, the word "where" should read "when".

Tenth. Page 103, in the first paragraph the word "business" is misspelled.

Mr. WAMPLER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the committee bill, H.R. 14747.

This bill is the result of many weeks of dedicated effort by the membership of the Committee on Agriculture. This committee has worked long and diligently to present a constructive, workable bill.

For the past several months this bill has been the chief and sometimes the predominant focus of the committee's attention. I sincerely hope, therefore, that as this debate proceeds, Members will bear in mind that the complex provisions of this legislation are both technically sound and openly arrived at. While this bill is the first sugar bill in a long time, if ever, to be considered under an open rule here on the floor, I would hope we can stay as close to the committee bill as possible.

The distinguished chairman of the committee (Mr. POAGE) has set forth the basic perimeters of this bill very ably, so I shall not repeat them. I shall, instead, in my allotted time, devote my remarks to two basic questions that critics have raised about this bill.

The first is this one: Has the committee misconceived the sugar market and wed itself to a legislative antique that may have functioned in the past but is no longer effective?

I say "No" to that question, and here is why.

We are very well aware of the current market situation—and I believe we can see the trends that are developing.

The simple fact is that world demand for sugar is outpacing world supply. For 4 straight years now this has happened. It has happened because the population of this planet is expanding in such a manner that every year there are 85 million more people on the world scene—and each one of them has a sweet tooth for sugar just like you and I do.

World production, just to keep up with this added demand, needs to find a production capacity of 3 million tons, an amount as large as our entire sugar beet output every year to satisfy that sweet tooth.

Think of it! Every 2 years the world demand calls for a "new Cuba" or some 6 million tons of sugar—and in the next 5 years a whole new market, bigger than the total needs of the United States, will develop.

Now where is that new sugar going to come from?

We think a great deal of it will come from expanded sugar producing facilities both at home and overseas if there is some stability in our sugar market.

But do you think for 1 minute that the enormous capital investments needed to expand sugar facilities would be made if there were no sugar program at all?

I do not think so. The committee did not think so, and I hope the House does not think so.

The Sugar Act is all that stands between our consuming public and economic anarchy. H.R 14747 builds on the past, but looks to the future.

To those critics who contend we should kill the sugar program I suggest a quick look at what is happening on bauxite and oil.

The exporting nations are more and more concentrating their efforts on international cartel-like operations. The Arabs have proved how economically painful such an effort can be. The Jamaicans are now trying to do the same thing on bauxite. As we all know, the United States has practically no bauxite, the ore from which aluminum is made. As the world's largest supplier of bauxite, Jamaica is conveniently located for the United States in comparison with the other major suppliers of the world, and she ships most of her exported bauxite to the United States although she has contracts with other industrial nations. She has contracts in which "unilateral imposition of taxes" is not supposed to happen. But apparently she is scheduled to do so.

The government in Jamaica has announced that "world terms of trade have changed so drastically and mercilessly against countries like Jamaica that the situation morally approximates a legal right to cancel a contract because of acts of God or enemies of state." Prime Minister Michael Manley has proposed what would amount to a sixfold jump in tax levies on bauxite exports. The proposals must be approved by Parliament which is now in session. While the United States and Canada have protested the new tax levies and are negotiating, quite obviously Jamaica is going to try to get the highest price possible.

In the absence of a sugar program, the same phenomenon probably would occur in one or more of the main sugar producing nations. Although we buy sugar from nearly three dozen countries, only a handful are large and internationally significant producers.

And settled among these large world producers is Cuba, still the key sugar exporting nation in the world and one which I would hate to see us become dependent upon as the pacesetter for prices in an American market tied to the world market.

A second question that has been raised goes something like this: "While H.R. 14747 is pretty sweet for the growers, it does not do much for consumers, does it?"

Mr. Chairman, of course this bill is designed to benefit sugar producers. It would be strange indeed if the Agriculture Committee produced a bill that was not at least designed to be beneficial for any of our producers, but that fact does not make our effort inconsistent with consumer benefits. After all, the consumer is the farmer's ultimate customer, and the consumer needs to have someone who is financially able to grow the sugar that we all need.

Thus, our central philosophy throughout the consideration of this bill has been to concentrate on supply. We figured demand will take care of itself. It is strong enough now and in the foreseeable future.

Yes, we concentrated on means to achieve an adequate supply of sugar. Here is how we did that:

First, by establishing the legislative underpinnings for a prosperous domestic industry through an extension and modification of the Sugar Act;

Second, by giving our producers and the world producers the assurance of stability and continuity by recommending a long-term—that is, 5-year—extension rather than a short unstable extension of the act.

Third, by giving the Secretary the authority to use quarterly quotas to achieve the supply objectives of the act so he can get sugar into the United States when and where it is needed.

Fourth, we resisted the suggestion of some people in the sugar industry that corn can be brought under the Sugar Act. Instead, the committee bill leaves corn producers free to compete and develop new sweetener technology that can only benefit the consumer.

Fifth, we set the minimum domestic quotas much lower than the levels sought by the domestic sugar groups that appeared before the committee. We did so in a search for a realistic quota that would give reliable foreign suppliers the signal that they would not be required to stand in constant uncertainty over the size of U.S. deficits.

Sixth, we proposed the repeal of the one-half cent excise tax on sugar consumers.

Finally, Mr. Chairman, the committee bill keeps the basic framework of the Sugar Act intact. It builds on the framework of a program that has proven workable in the past and is working now.

Critics, of course, say the act is not working now and offer as a solution its repeal. Yet for the past year the U.S. price of sugar has been as much as 7 cents below the world price. It strikes me that what the critics of the program would "save" us from are: First, lower prices; second, some degree of economic stability and discipline; and third, friendly relations with about three dozen countries.

To those critics who have this solution, I say "Thanks, Mr. Chairman, but no thanks."

In summary, Mr. Chairman, let me say what this bill is not. It is not a sugar lobby bill. No segment of the sugar lobby apparently is pleased with everything in this bill. It is not a Department of Agriculture bill sent to us on a silver platter with a big bow on it. And it is not just a sugar farmer bill.

It is, Mr. Chairman, a bill that has been carefully and thoroughly prepared by the committee after months of laborious effort. It is a bill that the Department of State finds to be consistent with the general foreign policy of the United States and which the Department of Agriculture can properly and effectively administer. And last but not least, this bill is a national bill. It benefits consumers as well as farmers. It maintains and expands benefits to workers in refineries and in the fields. It is a bill that cleared our committee by a 6-to-1 margin and it deserves the confidence and the support of the House.

Mr. ZWACH. Mr. Chairman, will the gentleman yield?

Mr. WAMPLER. I yield to the gentleman from Minnesota.

Mr. ZWACH. I thank the ranking minority member for yielding.

I want to associate myself with his remarks and the remarks of the Chairman.

I must report to the Committee that the Committee on Agriculture, especially the subcommittee, spent days in hearings and hundreds of hours of careful consideration of all of the aspects, and studied in depth all of the factors that are involved. I believe that it will do the most to encourage both domestic and foreign production and to meet the needs of the world and our country. That is the thing that we must do—encourage domestic and foreign production of sugar because from each source we get about one-half of our supply.

Mr. Chairman, I hope that this Committee and this House will overwhelmingly adopt this legislation.

I thank the gentleman for yielding.

Mr. WAMPLER. I thank the gentleman for his contribution.

Mr. Chairman, I think the record should note that the distinguished gentleman from Minnesota made many contributions in our deliberations on this legislation, and more especially was he an effective spokesman for the sugar beet producers, particularly in the great Red River Valley of Minnesota and the adjoining areas. We are grateful for his contribution.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. WAMPLER. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. I thank the gentleman for yielding.

Mr. Chairman, I wish to commend the gentleman for his leadership as a new ranking member on this committee and associate myself with his remarks.

Mr. Chairman, I support H.R. 14747 as reported out by the Committee on Agriculture.

It has been my privilege to serve on the committee that considered this bill. I am, therefore, fully aware and appreciative of the painstaking efforts of the full committee and of the special ad hoc group in the committee to bring to the floor a sugar bill that will meet the overall objectives of our Federal sugar program. These objectives are: First and foremost, to provide consumers in this country with adequate supplies of sugar at reasonable prices; second, as a matter of national interest, to maintain a strong and viable domestic sugar industry; and third, to promote and strengthen the export trade of the United States. Having observed and participated in the long and arduous deliberations which sought to attain these objectives, I am satisfied that they have been achieved in a workable and balanced manner and I urge my colleagues to support H.R. 14747 as reported by the committee.

Mr. Chairman, the beet sugar industry is an important and integral factor in the agriculture and commercial economy of my district and has been for some 75 years. Colorado boasts 11 beet sugar processing plants. The corporate headquarters of two of the largest beet sugar companies in the country are located in the State. No less than 21 counties in Colorado produce sugar beets. The thousands of growers in the State are vitally interested in this legislation—not only of and for themselves, but in the interest of maintaining a strong American industry for the long-range benefit of American consumers.

Of paramount interest, I believe, is that we provide domestic producers and our dependable foreign suppliers with long-term legislation in order that they can make those necessary plans and commit the necessary capital and manpower to assure that this country has adequate sugar supplies when and where they are needed.

To that end, a 5-year extension of the Sugar Act is an extremely important factor.

We cannot expect farmers such as those in my district to make heavy expenditures for new machinery and other equipment to improve efficiency and increase production if we cannot assure those farmers that this program will be in effect for a minimum of 5 years. A term shorter than that will indicate to the farmer that severe and substantial changes may be in the offing and that it may be in his economic interests to guard against such a possibility by keeping his investments to a minimum. To that end, no one benefits—not the producer and certainly not the consumer.

Similarly, the cost of a new beet sugar producing facility requires an investment of around $30 to $40 million. New and expanded production facilities are the only means by which expanded agricultural production can be accommodated. However, investors cannot be expected to commit millions of dollars if there is a possibility that the whole sugar policy of this Nation might be revised within a short time.

It seems reasonable to me that Amer- prefer a sugar program of long-term du- ica's foreign quota holders would also ration in order to plan their own expansion and commit the necessary capital to assure the production capabilities necessary to meet their long-range commitments to this market.

And finally, the big users of sugar—the bottlers, the bakers, and the confectioners—need the stability offered by long-term legislation rather than a short-term policy that subjects them to uncertainties. It would seem to me that the industrial users of sugar would be interested in a sugar policy that encourages orderly growth, encourages orderly production, and encourages orderly marketing rather than the disorderliness which would go hand in hand with a short-term extension. And it is, after all, the consumers who are the basis for this legislation and it is the consumers who will benefit from increased domestic and foreign production and from the long-term stability that the increased production brings.

H.R. 14747 eliminates large Government payments to sugar producers. I am convinced that the excise tax collected on refined sugar has always been tied directly to the conditional payments made to growers. The excise tax was collected on refined sugar and, in effect, held in escrow for the farmer until he had met all of the restrictive and social provisions of the program. The excise tax money funded the payment and the payment was part of the grower's income for his crop. It was not a subsidy, it was crop income conditional with meeting the provisions of the act. However, the fact that a few of the very large growers received Government payments in excess of $1 million was misunderstood by the public—particularly, when the shorthand phrase, "subsidies," was used by the media in stories about such Sugar Act payments. H.R. 14747 will eliminate the large Government payments. It provides that no payment in excess of $9,400 will be made.

It is a fact that some growers in my district have been attracted away from sugar beets over the past 2 years by the high prices which prevailed for other crops. It is vital for sugar beet production and thus in the consumer's interest that per-acre income for sugar beets maintain its relative position with per-acre income for other crops. Only in this manner will the beet sugar industry be able to increase its production to protect the American consumers against runaway world sugar prices. H.R. 14747 makes it possible for sugar beets to be competitive while not increasing refined sugar prices. Indeed, under H.R. 14747, prices to consumers should decrease immediately upon the bill becoming law, and surely, by encouraging more production as H.R. 14747 does, consumer prices will decrease over the long term.

Another point I wish to make has to do with the supply management features of H.R. 14747. There was much discussion when this bill was before the committee relative to the need for sugar users to hedge in the market. On the other side of the coin is the farmer who cannot hedge in the futures market. When his crop matures, he must deliver it to the market. He cannot hold it off awaiting a period of high prices.

The committee long and seriously considered these problems. It determined that market fluctuations above 96 percent of the target price will provide sufficient variation to permit hedging while maintaining some price protection for the small farmer. I believe, therefore, that the requirement in the bill that the Secretary reduce consumption requirements whenever the price of raw sugar falls below 96 percent of the price objective for 15 consecutive market days permits sufficient flexibility for those who desire to hedge but offers protection for the farmer against prices so low as to be ruinous.

Finally, Mr. Chairman, I wish to commend the committee for its decisions regarding the labor provisions in this bill. The labor provisions have been strengthened to further assure that benefits from the sugar program accrue equitably to the workers as well as the consumers, refiners, and farmers. It is a delicate balance and I urge that there be no further amendments to the wage and labor provisions.

Indeed, I urge passage of H.R. 14747 as it was brought to the floor today.

Mr. POAGE. Mr. Chairman, in an effort to try to move this along I suggest the gentleman from Virginia yield some time.

Mr. WAMPLER. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from California (Mr. MATHIAS).

Mr. MATHIAS of California. Mr. Chairman, I rise in support of H.R. 14747.

As a cosponsor and as a member of the ad hoc drafting subcommittee that worked out the provisions of this bill, I want to say I believe this is a bill that is truly in the interest of our Nation.

When we started our consideration of this legislation back at the beginning of the year, we had two basic choices.

The first was to have a sugar program.

The second was to let the sugar law die.

I for one chose the former route.

Why?

First, I believe the Nation needs a sugar program. Our international relations with 32 nations rest in a significant manner on a Sugar Act.

Jobs for workers up and down our coasts depend on a Sugar Act.

Incomes and opportunities for thousands of sugar farmers and their employees depend on a Sugar Act.

And the continuing ability of American consumers to acquire sugar at reasonable prices in sufficient quantity depends on a Sugar Act.

Sure, the present act and this bill as well, are complicated and highly technical. But, let us face it. We live in a complicated and complex sugar marketing world and some kind of basic discipline and order is needed to prevent total economic anarchy from prevailing in our sugar markets.

There were those in the committee who advocated the end of a sugar program. The same views will be expressed in this debate, but I submit it would be a bad mistake to kill this program.

It would be a mistake not for sentimental reasons of the past or even for the record of the Sugar Act's performance for the past four decades, as positive as that record may be.

No, it would be a mistake to kill this program because doing so would throw our Nation into a sea of uncertainty in the future.

No one, of course, knows the future, but we can and should recognize some of the factors that are at work in the future world of sugar:

Population is expanding throughout the world;

Sugar demand is zooming; and

U.S. production has been stabilizing.

Yet, we will need more and more sugar in the years ahead.

Who is going to build the new facilities to grow and process this additional sugar?

Won't it have to be somebody who is willing to risk enormous amounts of capital? And do you think this capital, either here at home or overseas, is going to flow to a business that is cast upon a turbulent sea of economic uncertainty?

No, Mr. Chairman, the Nation needs a sugar program and that is what the committee has brought forward by a 30-to-5 vote.

I am proud to say this is an Agriculture Committee bill. We wrote it under the best procedure we could devise to earn the confidence of the House and the public that this bill is in the broad public interest.

I hope that as the debate proceeds and as the amendment process tests the reasoning and the rationale of the committee, the House will agree that this is a good bill; that it is a sound bill; and that it deserves to be enacted into law.

Mr. WAMPLER. I yield to the gentleman from California (Mr. LEGGETT) such time as he may consume.

Mr. LEGGETT. Mr. Chairman, I rise in support of H.R. 14747—which will amend and extend the Sugar Act of 1948.

I have a keen interest in legislation which affects the beet sugar industry. California growers and processors produce more beet sugar than any other State, and the Sacramento Valley is one of the principal beet-growing areas within the State of California.

The need for the Sugar Act amendments is greater now than ever before. During 4 of the past 5 crop years, the world consumption of sugar has exceeded the world production.

Using California as an example, the State's annual beet sugar output is about 18,500,000 hundredweight. California's annual consumption of sugar, however, exceeds 22,000,000 hundredweight, and continues to expand with our population growth and industrial use in canneries and other food-processing industries. The present Nation and worldwide supply and demand inbalance has resulted in reduced working stocks, spot shortages, and the highest sugar prices since 1920.

I find it difficult to criticize our present sugar program. It has stood California's sugar industry and the sugar industry of this country in good stead for many years. The program has created a stable sugar market, caused the price of sugar—until recent months—to the housewife and industrial users to be reasonable, encouraged the family farmer to stay in business, and helped to create good will among countries exporting sugar to the United States.

I note that during early 1974, the price of so-called world market sugar has been nearly $5 per hundredweight higher than U.S. sugar prices. I cite this as one indicator of the effectiveness of our sugar program, and the need now for the act's basic objectives to be continued for another 5 years, with the improvements which are before us today. In effect, we will be "tuning up" what some would characterize as one of the "most successful agricultural programs" ever enacted by Congress.

Broadly stated, H.R. 14747 would accomplish these ends: First, further increase domestic sugar production; second, continue to attract foreign producers to the U.S. market; and third, continue the current sugar program—with improvements to keep it up with the times—for another 5 years.

H.R. 14747 would continue the Federal subsidy provisions of the present sugar program—but would limit that subsidy to $9,400—based upon a new sliding scale of 35 cents down to 0 at 6,000 tons. No grower, therefore, could receive more than $9,400. But the price objective formula under the act would also be revised, to reflect a 49-cent increase with assurance that growers would receive that increase by the addition of a pass-through provision. The present excise tax would expire in June 1975.

One particularly attractive and, in my view, workable feature of the bill before us is the so-called corridor and quarterly quota provisions. When the domestic price of sugar drops below the bill's price objective—11½ cents per pound—by 4 percent or more for 15 consecutive market days, the Secretary of Agriculture would be authorized to set quarterly quotas to meet the price objectives of the act. In addition, the Secretary would be authorized to conduct surveys and investigations relating to marketing, transportation, and use of sugar and other sweeteners.

The bill would modify in six important aspects, the labor provisions of the Sugar Act. While not a panacea, these modifications represent further significant improvements in labor conditions for sugar workers. I understand additional labor amendments are to be proposed which would further refine and add to the labor provisions of the bill before us today and I intend to support most of those amendments.

As we all know, the U.S. sugar program is not unique. The government of nearly every sugar-producing country—of which there are about 60—exercises some degree of control over the production, refining, and marketing of sugar. "World trade" in sugar is characterized by special marketing arrangements. More than half of total world exports enters international trade channels under preferential treatments.

It is clear that while present sugar prices have been affected by inflationary and short supply pressures, those price hikes clearly would have been greater in the absence of our existing program—and prices may go higher without the modifications to the existing program as set forth in H.R. 14747.

Mr. POAGE. I yield such time as he

may consume to the gentleman from Utah (Mr. McKay).

Mr. McKAY. Mr. Chairman, I rise to support the Sugar Act. It is compelling that we maintain a strong domestic sugar-producing industry.

In other areas we have seen the drastic effect of relying increasingly on foreign suppliers. It leaves us with no defense against short supplies and high world prices.

The Sugar Act serves to eliminate both the extremely high prices for sugar, which hurt U.S. consumers, and the extremely low prices which would destroy the domestic industry. By insuring U.S. consumers an adequate supply of sugar, the act has held recent sugar cost increases in the United States below the world price despite serious worldwide short supply and inflationary pressures. During the first 4 months of this year domestic prices for new sugar was 24 percent below the world price.

When sugar prices are low the Sugar Act is necessary to keep the domestic industry alive. Low profit margins have drastically cut back domestic production in recent years in some areas and without the act the loss woud have been more severe. In Utah there used to be 12 sugar processing factories and now there is only one. The increased cost to Utah sugar beet farmers of transporting their crop to more distant factories further cut into thin profits. Accordingly, the number of acres in sugar beet production in Utah has declined from 32,000 acres in 1968 to 14,000 acres today. Idaho has had a 40-percent decline in acreage this year, primarily because of the higher profit margin of other agricultural products.

The sugar industry is a high cost, high risk industry and some return on the investment is necessary in order to maintain and increase domestic production. In the last 5 years the sugar beet industry's profit margin was 6.2 percent, compared to a national median for all industry of 11.4 percent.

Mr. POAGE. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Hawaii (Mrs. Mink).

Mrs. MINK. Mr. Chairman, I rise in support of the legislation.

This legislation is of vital importance to the people of my congressional district and the entire State of Hawaii.

Sugar is a major element of Hawaii's economy. It is by far my State's largest agricultural product, accounting for $111 million in sales in 1970. This compares to $39 million for pineapple, our second most major crop. All other products are of lesser overall significance to Hawaii's economy.

I do not overemphasize when I say that anything which endangers our sugar industry endangers the economy of Hawaii.

The Committee on Agriculture has worked diligently and well to come up with a sound and sensible extension of the Sugar Act. They are to be commended for their efforts. While the State of Hawaii did not obtain all the provisions we would have liked in each and every case, overall we are very pleased with the committee's work.

We need the Sugar Act to assure the continuance of this major component of Hawaii's economy, and to provide continued employment for our thousands of well-paid workers. The consumers of America benefit because the price they pay for sugar is far below the world price.

It goes without saying that producers of sugar in other nations might never sell sugar to America except for the Sugar Act which assures them of a market for their product in case the world price drops within the next 5 years. Otherwise they could just sell all their sugar to other countries at the higher world price. Currently, there is a world shortage of sugar and they could sell all their product elsewhere with no difficulty, at higher prices than we pay them. The only reason they sell to us now is they want to have our guaranteed market available for the future if needed. If we fail to extend the Sugar Act for a reasonable period of time they will not have this assurance and might withdraw their sales to us completely. Since world supplies are expected to be short for the next several years, a 5-year extension of the act is absolutely essential.

Our failure to provide a 5-year extension of the Sugar Act might deprive American consumers of the necessary amounts of sugar and create a severe shortage of sugar in this country. This would lead inevitably to far higher prices.

We have an opportunity to extend a program which has worked wonderfully well over a long period of time. It has proven its value far better than any words of mine could do. I ask that you look at the facts and not emotional arguments to emasculate this program. The cost of the sugar program is minute compared to the astonishing benefits it provides of sugar availability and stability. I urge that H.R. 14747 be approved.

Mr. POAGE. Mr. Chairman, I yield such time as he may consume to the gentleman from Louisiana (Mr. Long).

Mr. LONG of Louisiana. Mr. Chairman, I rise in support of this legislation.

The extension of the Sugar Act is essential to the economic well being of the United States. We would first approve a situation where we are reliant upon foreign sources if we do not give the stability to domestic production that would be given by this act.

Sugar growers, even under the preceding act have not had it easy or found it profitable, compared to other businesses, to be in the sugar business.

Louisiana cane growers' income situation for the last few years is perhaps indicative.

The USDA survey shows average profit of only 4.6 percent—before inputed interest—of net worth, during 1965–67 period. The effect is that many farmers have quit growing cane. Louisiana had 1,912 cane farms in 1967 and only 1,290 in 1973.

While there is room for improvement in their lot, many workers run the risk of losing their employment if the act does not pass as more and more cane farmers will leave the business.

Recognizing that agricultural workers are near the bottom of the salary scale in America and there is room for vast improvement, wage rates paid by Louisiana cane farmers are higher than those paid by other farmers in the State. Also, they are about equal to the Fair Labor Standards Act minimum wage rates for nonagricultural employees.

I favor a 5-year extension of the act and urge my colleagues to support such extension.

Mr. POAGE. Mr. Chairman, I yield such time as he may consume to the gentleman from Wyoming (Mr. Roncalio).

Mr. RONCALIO of Wyoming. Mr. Chairman, I rise in support of this legislation.

Mr. Chairman, I wish to voice my support for H.R. 14747, the Sugar Act amendments bill before us today. No one can deny that this bill is a compromise effort on the part of the Agriculture Committee to continue a highly successful sugar program and an import quota system to protect our lower than world market sugar prices and our domestic sugar industry.

This bill does not extend to sugar producers the benefits and subsidies which they have enjoyed in the past, but our sugar beet and cane growers are prepared to accept that. Sugar prices on the world market have skyrocketed in the past few months and domestic prices have followed. Nevertheless, our domestic sugar prices have remained substantially lower than those on the world market. We can thank the Sugar Act and our viable domestic industry for those lower prices.

We have seen concern expressed here today about wages paid to sugar fieldworkers. Let me point out that wages paid under the Sugar Act are higher than those required by the Department of Labor for most other field work. A minimum of $2.30 an hour must be paid under the current law. In most cases, substantially higher wages are paid for piecework based on determined pay formulas for specific types of work. If earnings for these piecework categories fall below the $2.30 level, the difference is paid by the farmer. The $2.30 minimum is assured to the worker.

I know of many sugar beet growers who pay thousands of dollars per week to sugar beet workers during the thinning, hoeing, and weeding seasons to families who depend upon sugar beet fieldwork for a large part of the summer earnings. The bill we are considering today will no doubt improve even more the wages paid to fieldworkers, and it is not necessary to transfer such wage responsibilities out of the sugar bill.

This legislation places a maximum subsidy payment to sugar producers at $9,400 per grower. Government subsidy payments are generally reduced by about $60 million. While the sugar beet growers are not particularly happy about such provisions, they are willing to accept such a compromise, although I might point out that such limitations for other commodity subsidies are a good deal higher than $9,400 per grower.

If we want even more dramatic increases in sugar prices in the United States, if we want to cripple sugar production and see our farmers switch to other crops, if we want sugar producers to convert entirely to mechanical and chemical thinning and weed control eliminating jobs for fieldworkers, then go ahead and amend this bill again and again.

As reported out of committee, the bill was acceptable to the needs of a viable sugar industry, continued efforts to hold down sugar prices, and a fair compensation to fieldworkers. I congratulate the Agriculture Committee for its work on the bill, for bringing it to the floor under an open rule, and I thank the domestic sugar industry for acquiescing to the economic pressures and needs of the day forcing subsidy reductions and other adjustments to the 30-year-old sugar program. I urge my colleagues to consider the entire context of the sugar program before supporting any amendments and to heed the wisdom of the committee in reporting out this timely legislation.

Mr. WAMPLER. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from New York (Mr. Peyser).

Mr. PEYSER. Mr. Chairman, first of all, I want to particularly thank the chairman of the Committee on Agriculture, the gentleman from Texas (Mr. Poage), and the minority leader, the gentleman from Virginia (Mr. Wampler), for being as cooperative with me as they have been, even though they have learned to know my strong opposition to this legislation.

I must say they have been very fair and have treated me with all the courtesy and everything that we would expect. I do thank them for that.

I have learned in recent weeks that sugar is not just something we put in our coffee in the morning. It is also by popular usage an expression which means giving some extra money to make everyone happy.

Now, the "sugar" that is in the sugar bill is certainly making the sugar grower happy; but I can tell everyone, based on the response I have been receiving in my office in the last 2 weeks, it certainly is making the American taxpayer and the American consumer very unhappy, and with just cause. This is a bill that speaks of reform. Yet, in reality, it contains no reform at all. In fact, as I will point out, this bill will increase the subsidies to the major sugar growers over what they had received under the old sugar giveaway program.

Yesterday in the Congressional Record on page 17632 I put in an analysis of the payment section of the present and proposed Sugar Act. For those who have not had an opportunity to read this, let me briefly examine some of the facts. The stated purpose of the original act that, as we know, is now celebrating its 40th anniversary, was to stabilize the price of sugar and encourage domestic production.

I think it is interesting to note that in July of 1973 sugar was 7 cents a pound. In June 1974 sugar is 24 cents a pound, an increase of over 300 percent.

Now, to illustrate the point. Yesterday I purchased some sugar. Five pounds of sugar purchased in June 1974 was $1.59 right here in Washington. On the first of May we purchased 5 pounds of sugar, it happens to be a different brand. It was $1.01 a pound. So right here in the District of Columbia in 1 month the price has gone from $1.01 to $1.59.

It seems to me when we talk about stabilizing prices and the benefit of having the sugar program, something must be wrong.

Now, what about sugar production? In 1963 the domestic sugar beet and cane production was 5,889,000 tons. In 1973, 10 years later, it was 5,995,000 tons, or an increase over 10 years of 106,000 tons, which is certainly a minimal increase.

The retail market price of sugar, as I have just illustrated here, has been zooming in the past year. In the past 6 months alone we have seen an increase of 55 percent.

Now, once again I bring this out only to emphasize what the so-called sugar bill is doing to stabilize sugar prices.

The proposed bill, as I mentioned before, actually has larger subsidies for the major companies than ever before.

I think it is also interesting at this point to note who does receive these subsidies.

One-third of all the domestic sugar is grown by 225 growers. One-quarter of the sugar is grown by 65 growers. So, although we hear many pleas for the small farmer, who under this legislation will receive a maximum of $9,400, I do want the small farmer to get a fair break.

What I am concerned about is Gulf & Western—I am sure the Members are familiar with this corporation, which happens among other things to be also in the sugar business—according to its 1972 statement, it showed a profit of $89,351,000. Included in that profit, due to the largess and the kindness of the U.S. Congress, was $949,909 which we gave in a sugar subsidy to Gulf & Western. This does not seem to me to make good sense.

I notice the U.S. Sugar Corp., a mammoth organization, was paid $1,836,000 in subsidy. And believe me, Members of the House, the U.S. Sugar Corp. does not need in order to maintain its profits $1,800,000 from the U.S. taxpayer, but that is what is happening.

Mr. Chairman, I have published this list in the Congressional Record yesterday. The Members will note that I just picked 20 of the major companies. I am not going to run through them all now, but I felt it was worthwhile that the Members be at least aware of that situation.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. Mr. Chairman, I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Chairman, I do not wish to interrupt the thrust of the gentleman's argument, but while he is on this point of domestic prices, he pointed out that the price of 5 pounds of sugar was $1.59 yesterday when he purchased that sugar, and $1.01 in May; but the underlying price of unrefined sugar is only 24 cents—24 or 24½ cents.

That is what this act relates to, it seems to me. I would like to hear the gentleman address himself to that question.

Does the gentleman intimate, when he talks about an increase in the price of sugar, that the culprit of this is not the retail market?

Mr. PEYSER. Mr. Chairman, all I am saying is that there are many factors involved in this, but obviously when we have a 300-percent increase in the cost of sugar in 1 year, it has got to be a factor. Obviously, this cannot be ignored. That is all I am trying to point out.

Mr. Chairman, I think another thing the American taxpayer has not been aware of, nor has this Congress, is that the very basis of this Sugar Act is what it forces the American public to pay for sugar. According to a report by Prof. Gale Johnson of the University of Chicago—and this is a report that has just been released, and I have the detailed report with me—in reality, over the last 10 years of indirect subsidies, it has cost the American consumer in excess of $600 million a year because of the pricing structure that we have established through this act and through the controls that we have. This, of course, is a mammoth amount of money, and one that we cannot even direct ourselves to unless we drastically change this act.

Later in the day, when we get to the amendment process, I will be offering an amendment which will be to strike section 213 of section 10. This is the section that states that the processor—this is in the simplest terms—the processor of sugar will make payments to the grower of sugar equal to what the grower of sugar would have received under the old bill which he is not receiving under the new bill. The payments that the processor makes will be passed through directly to the consumer, and this is specifically allowed within the bill.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WAMPLER. Mr. Chairman, I yield 3 additional minutes to the gentleman from New York.

Mr. PEYSER. Mr. Chairman, I am asking to strike sections 10 and 11.

Mr. Chairman, I understand that the gentleman from Illinois (Mr. Findley) is going to offer an amendment to correct some of the inequities in this bill. After that, I will offer an amendment to bring the term of this bill down to 3 years instead of 5 years.

Mr. Chairman, the reason for this is that most all of the agricultural legislation will expire at that time. It seems to me that when we have a major bill such as this dealing with agriculture, we ought to be able to review the entire package at the same time.

One other statement: This deals with what was known as the Foley amendment which dealt with the processors paying the growers. The ad hoc committee, as we heard, met and spent many, many hours, as I heard stated, in developing that bill. Yet when that bill came out of the ad hoc committee the section that deals with the processors' payments was not in the bill, and it was added in committee by an amendment the following day.

Mr. Chairman, if this was such a carefully thought out program, I do not understand why that major amendment that is going to cost the consumer over

$63 million a year—that amendment alone—was not in the ad hoc committee report when it came out. But it was not there.

Finally, I would just like to say that the sugar bill has been in existence for 40 years, and I have no question that at one time, at the time of the origination and probably for many years therafter, it served a real purpose. But, Members of Congress, I think that time has passed and it is time now to get off of these programs that are offering subsidies, that in the end result not only cost the consumer and the taxpayer the price of the subsidy but also cost him in the value that he has to pay for the item by forcing the price up.

Therefore, Mr. Chairman, I would urge that we support these amendments that are going to correct this bill when they come up.

Once again I want to thank the members of the committee for their past cooperation.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. PEYSER I yield to the gentleman from Michigan

Mr. BROOMFIELD. Mr. Chairman, I rise in strong opposition to this bill

Mr. Chairman, Congress has long had a wasteful habit of perpetuating short-term Government programs until they become virtually impossible to eliminate. At the top of the list of these costly and outdated giveaway programs is the Sugar Act. Since its inception in 1934 as a temporary measure, Congress has reextended the Sugar Act several times, each time claiming the program should be reevaluated at the end of the extension period. Once again the moment of truth has arrived, and the House Agriculture Committee has kept the vicious circle going by reporting a bill granting the Sugar Act another stay of execution—this one for 5 years. I have opposed such extensions in the past, and I vigorously object to the 5-year plan before us today. The Sugar Act should be allowed to die a natural death before it commits economic suicide by strangling on its own inadequacies.

The past year has seen the world price of sugar rise over 300 percent. In some parts of the United States the price has doubled, with predictions it may rise even higher. Considering the conditions, it seems absurd to expect the American consumer to continue subsidizing the sugar industry. But, as in the past, that is what this bill calls for. Although the bill before us reduces Government subsidy payments, growers will still receive $90 million a year in payments. The Federal Government will be paying $27.5 million of this amount. The remaining $62.5 million will be paid by the processors to the growers. But higher prices will eventually pass this cost to the last link in the chain—the consumer.

Originally, the objectives of this program were threefold. It sought to guarantee domestic producers a fair share of the American sugar market, limit the domestic expansion of this high-cost industry, and keep consumer costs of sugar down. It has succeeded only in protecting domestic sugar farming—an achievement that may do more harm than good. A result of the plan has been to keep some land inefficiently producing sugar when it could be used for more efficient, badly needed crops. Figures show the Sugar Act has failed miserably in keeping consumer costs down. Only twice in the last 20 years has the American consumer paid less than he would if world prices were allowed to prevail.

I have heard the argument that this program actually costs the Government nothing. That may be technically true, since the amount of direct benefits paid to farmers by the Government is offset by the tariffs and duties placed on imported sugar. But such an argument displays a callous indifference to the high cost the American consumer pays to keep this program going.

The overall cost to consumers was made startlingly clear in a recent study written by University of Chicago Prof. D. Gale Johnson. Professor Johnson calculated the difference between what the consumer pays under this program, and what he would pay if he could benefit from the generally lower world market price. Based on a 10-year average, he found the difference to be over $600 million annually. That is a staggering figure for the American consumer to be paying to support a noncompetitive industry.

I should not have to remind my colleagues this sugar program originally was intended only to relieve the critical oversupply that threatened the domestic market during the Depression. It was not intended to be a permanent giveaway program. The small farmer who benefited from the original measure has become a thing of the past—replaced by large producers. Sixteen percent of the country's sugar farms produce over 60 percent of our domestic supply. It is these large, inefficient concerns that reap the benefits of our artificial market, not the small farmer as originally intended.

The American consumer has been subsidizing this artificial market for too long, Mr. Chairman. The time has come to bury our outdated system and allow consumers the benefit of a free market system. I oppose the extension of the Sugar Act and cast my vote against H.R. 14747.

Mr. POAGE. Mr. Chairman, I yield such time as he may consume to the gentleman from Louisiana (Mr. Rarick).

Mr. RARICK. Mr. Chairman, as a member of the committee, my prime interest in this legislation is to assure an adequate and stable supply of sugar for the American people.

To this end, I support the 5-year committee bill as written and urge our colleagues to do likewise.

I recognize that there are some in this House who would like to see the Sugar Act defeated in favor of what they call free trade or nonquota agreements. There are two primary arguments against this position. First, defeat of the Sugar Act will result in the exporting of jobs presently held by American workers as production of sugar would eventually move to Latin and Central America, where, in some instances, the workers receive less in a day than our workers receive in an hour.

Second, defeat of the Sugar Act could lead to a massive sugar crisis similar to that this country recently experienced when some countries in the Middle East refused to ship petroleum to the United States. According to the International Economic Report of the President, February 1974, we are dependent on foreign imports of petroleum for 17 percent of our needs. Thus, a few Middle East nations were able to induce a crisis in this country by shutting off this amount.

We are even more dependent on foreign imports of sugar to meet our domestic needs. During the past year, the United States imported approximately 50 percent of the sugar consumed in this country. Under the committee bill, approximately 55 percent of our domestic needs will be met by domestic production and the remaining 45 percent must come through imports.

What this means, is that if the Sugar Act is defeated and we do move to free trade or nonquota agreements, we will be setting the stage for foreign dependency by giving the countries of Latin and Central America a massive sledge hammer to use on the American people to drive up food prices.

I would also like to point out to our colleagues, Mr. Chairman, that defeat of the Sugar Act would destroy the present wage security presently held by American sugar workers. At the present time, American sugar workers receive the highest hourly wage of any agricultural worker in our country. Under this act, in Louisiana the minimum wage for sugar workers is $2 an hour. If this bill is defeated, these workers would then come under the recently enacted Fair Labor Standards Act, which means their pay would be reduced to $1.60 an hour, or a loss of 40 cents an hour.

All of us are aware of the Russian wheat deal and its impact on food prices here in the United States. This sale was brought about because of an alleged failure in the Soviet crop because of weather conditions.

In late 1972, there was some indication that the Soviet sugar beet crop would also be adversely affected by weather conditions. Because of possible repetition of the wheat deal in the sugar market, I made an inquiry with the Department of Agriculture.

The letter I received from Mr. Leo Sommerville, of the Sugar Division, indicates the value of the Sugar Act and emphasizes the fact that its basic thrust is toward stabilizing the American price and insulating it against the pressures of an uncontrolled world market, which often fluctuates considerably.

Because this letter addresses itself to a situation where sugar is scarce and the world market price is greater than the domestic price—a situation in which we have found ourselves much of 1974—I would like to read Mr. Sommerville's letter to our colleagues:

U.S. Department of Agriculture,
Washington, D.C., January 11, 1973.

Hon. John R. Rarick,
House of Representatives.

Dear Mr. Rarick: This is in response to your telephone request on January 4 for information concerning the world sugar situation.

The United States sugar market is substantially, but not completely, insulated from the world situation at times when total world sugar supplies are scarce. When total world supplies are in balance with or in excess of world consumption, insulation of the U.S. market is virtually complete.

World sugar supplies are now as scarce as they have been at any time since World War II. On only one other occasion were supplies as tight—during 1963 and 1964—and recent developments suggest that the present situation may be worse. World consumption exceeded world production by almost 2.0 million metric tons during the crop year which began in September 1970 (crop year 70/71). During crop year 71/72 production fell short of consumption by about 3.3 million metric tons, and our best estimate for the current (72/73) crop year is that consumption will again exceed production by about 1.0 to 1.75 million tons.

Despite the fact that world sugar supplies are very tight, there is no danger of a shortage of sugar in the United States. Sugar quotas in the preferential U.S. market are eagerly sought and carefully guarded. U.S. market prices customarily bring a premium over the world market and those foreign suppliers who fail to fill their quota are penalized in their quotas for subsequent years. Consequently few risk such cuts for short term profit in the world market.

The gap between world production and consumption has resulted in reduced carryover stocks. Whenever initial stocks stand at about 25 percent of expected annual consumption, supply and demand are in a comfortable balance. Larger quantities are a burden on the market, and smaller quantities create a tight supply situation. If current estimates of 72/73 crop production (76.0 million tons) and consumption (77.8 million tons) are achieved, carryover stocks at the end of August 1973 will stand at only about 13.9 million tons, or less than a 60-day supply.

Prices in the world market for raw sugar strengthened sharply during the past year in response to the tight supply situation. During the first three months of 1972 the world price exceeded the U.S. price by about one-half cent per pound, and the same situation prevailed again during December 1972 when the world price was higher by just over one cent per pound. But for the year as a whole, the U.S. price was higher than the world market price by 0.56 cent per pound.

What happens during 1973 depends to a large extent on the size of the sugar crop now being harvested in Cuba, and the crop to be planted this spring in the U.S.S.R. Both have publicly announced increases in production goals, but a great deal of official secrecy surrounds operations in both countries. Nevertheless, we expect world sugar prices to remain high throughout calendar year 1973—near, or perhaps a little higher than the U.S. price on average.

We hope this answers your questions about the current world sugar situation.

LEO L. SOMMERVILLE,
Acting Director, Sugar Division.

Had we not have had a Sugar Act and foreign quota systems in 1971, 1972, and 1973 our consumers would have already experienced higher sugar prices.

This is needed legislation. I urge its passage as written for a 5-year term.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from Hawaii (Mr. MATSUNAGA).

Mr. MATSUNAGA. Mr. Chairman, in our attempt to determine whether we ought or ought not continue the Sugar Act, we ought to ask ourselves, Has the act worked? Is the act working now?

Indisputably the Sugar Act has been the most successful agricultural act of all the agricultural acts which this Congress has ever passed. No one can honestly deny that.

Has it been good for the consumer? This is a point which has been raised time and time again by Members of this body who oppose the measure and by editorials in New York and here in our own city.

Mr. Chairman, the fact is that the act has been good for the consumer. The consumer, as you know, consists primarily of industrial users of sugar. Industrial users consume about 75 percent of all the sugar consumed in the United States. Because of the stability which the act has lent to the sugar industry domestically and because of the reasonableness of the price of sugar, upon which they could depend, they, the industrial users, have been able to lay down plans into the future in viable businesses.

Mr. Chairman, prior to making a decision on the pending bill, we as Members should study the history of the Sugar Act. I do not know whether the Members can see this chart from where they are sitting; I had hoped to have a bigger chart than this to exhibit. The chart clearly shows that prior to 1934, when the act was first enacted, the price of sugar fluctuated to such an extent that industrial users could not determine what the price of sugar was going to be from month to month. However, since the enactment of the Sugar Act in 1934, we have had a reasonable, steady price, one which the industrial users could depend upon and one which allows them to make plans for the future in order to continue in business.

Only about 25 percent of the remaining sugar consumption is accounted for by the housewife and the family. Here, too, we will note that prior to the enactment of the Sugar Act in 1934 the price fluctuated from year to year, depending upon the current supply of sugar. The price used to get down to as low as 1.5 cents a pound, and it went up to as much as $1 a pound during World War I. The price was up to 24 cents a pound in 1920—some of the Members may recall that—and then it was down to less than 4 cents a pound in 1930. But, after the Sugar Act was enacted in 1934, the price has remained steady at between 5 and 8 cents a pound, and lately rising above 10 cents a pound.

The undeniable fact is, Mr. Chairman, that the act has brought stability and reasonableness in the price of sugar to the consumer. We cannot honestly say that the Sugar Act has been bad for the consumer.

Mr. Chairman, the Sugar Act has also been good for the sugar worker. The sugar worker today is the highest paid of all agricultural workers in the United States and, as a matter of fact, in the world. While we just raised the minimum wage for all agricultural workers from $1.30 to $1.60 an hour, in the sugar industry the minimum hourly wage presently paid is about $2.30; it is $4 an hour in Minnesota; and in Hawaii, it is $6.05 an hour, including fringe benefits.

So we find the Sugar Act has been good for the consumer and the sugar worker.

Mr. Chairman, the Sugar Act has also been good for the industry. Industry has been able to produce sugar, knowing that whatever amount of sugar it produced here in the United States, it could sell. Under the Sugar Act there has been a ready market for the producer right here in the United States. The sugar industry in America has consequently enjoyed stability and viability.

There has been some talk about high profits in the sugar business. Sugar has made profits, but certainly not high profits. The average profit over the years has been between 6 and 9 percent, which is far below the average of all industrial profits. However, because of the stability which has been lent to the industry by the Sugar Act, businessmen have been willing to risk the investment and even recapitalize in the sugar industry.

If the Sugar Act should be terminated, what happened in the pineapple industry in Hawaii will happen to the sugar industry.

How can one continue to pay $6.05 an hour and still compete with the sugar industry in the Philippines, where workers are paid only 27 cents an hour, or in Thailand, where they are paid only 20 cents an hour, without the protection of the Sugar Act? Eventually we may find the industry exporting itself to foreign countries.

We talk about trying to save jobs here in our other industries, such as the shoe industry. If we do away with the Sugar Act, we will be exporting hundreds of thousands of American jobs to foreign countries. So to those of you who are concerned about the labor situation—let's say that if you are for labor, you will be for the Sugar Act.

Mr. Chairman, some mention has been made of the high cost of the Sugar Act. Unlike the programs in wheat and feed grains, the Sugar Act actually has brought a profit to the taxpayer.

Let me explain: The sugar industry has been paying a processing tax, not assessed any other agricultural industry, and has paid into the Federal Treasury $650 million over and above what it has received by way of compliance payments during the life span of the act. So the taxpayer has in fact profited from the Sugar Act to the tune of about $16 million annually.

If we are thinking of the workers, the industry, the national economy, and the consumers of the country, we will support passage of H.R. 14747 to continue and amend the Sugar Act.

Mr. WAMPLER. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Chairman, I thank my friend from Virginia for this time.

I want to compliment him on the fine leadership he has provided as the ranking member of the committee, including this difficult assignment of the extension of the Sugar Act.

I want also to extend my compliments and appreciation to the chairman of the Committee on Agriculture (Mr. POAGE), for several different things.

First of all, historically the Sugar Act has come to the House floor on the eve of adjournment—just about 2 hours before the gavel was to come down for sine die adjournment. That was when the Sugar Act usually came up for a vote. Not this time. Well, it is far from being sine die adjournment, and I think we ought to recognize that this is due to the determination of the chairman to give the House a much more appropriate atmosphere for working its will on this important legislation.

Also historically the Sugar Act has been treated as a tax bill. Of course, it does have revenue aspects, and previously it has come to the House floor under a closed rule which virtually excluded amendments. I can recall of only two amendments which were made in to the Sugar Act order in the time that I have served in the House. During that time I believe three Sugar Acts have been considered. The opportunity to amend is an advance that I think we should all appreciate.

Third, the foreign sugar lobbyists have often been a target of my criticism. I salute the chairman of the committee, Mr. POAGE, and Mr. WAMPLER and others for keeping the foreign lobbyists at arm's length. The foreign lobbyists have had no intimate relationships in the drafting of this bill. I think that is an advance for all of the Members of this House, because the activities of this group in past years have tended to put a cloud over the whole institution of the House.

Another item I would like to recognize is that Chairman POAGE has not as yet—and I do not expect him to—tell us that the Sugar Act is just too complicated for the average Congressman to understand and that we have to take his word for it being a good act. His predecessor as chairman of the committee on one occasion did make just that declaration to this body.

All of us have had a chance to offer amendments and to be involved in discussions of the problems of various amendments that would be considered. All of this is a cause for rejoicing, and I do salute the chairman of the committee.

I was interested to note that my colleague, the gentleman from Hawaii (Mr. MATSUNAGA) said that before the Sugar Act was first enacted back in 1934, industrial users of sugar could not tell from one month to the next what the price of sugar would be. Well, things really have not changed, because that is the prime criticism I hear these days of the functioning of the Sugar Act—which we are asked to extend—that users cannot tell from month to month what the price of sugar will be.

One of the problems that exists today, which did not exist in 1934, is that the effect of the Sugar Act is to discourage the development of a worthwhile effective futures market in sugar. There is no way that users can hedge through a futures market to even off the jumps in prices that they have been encountering so consistently in recent months.

I noted also the complaint of the chairman of the committee, the gentleman from Texas (Mr. POAGE) that the absence of this legislation would require excessive tariff protection to domestic producers. If no extension of this act occurs, and we go back to basic law there would be authority to impose a protective tariff up to nearly 2 cents a pound.

For many years, when the U.S. price of sugar was roughly at 6.5 cents a pound, and the world price was 4.5 cents a pound, the tariff amounted to about 2 cents a pound protection for U.S. producers. Therefore it does not seem to me that the absence of this legislation would require what could accurately be termed as excessive tariff protection.

Ever since I entered this Chamber 14 years ago, I have felt that the Sugar Act was an example of almost total Federal control over a commodity, and was really unnatural and out of place in our private enterprise economy.

It would seem to me that this would be the ideal time for us to let the act expire, and let the disciplines of the marketplace take over.

There are many demands for the cropland which is now devoted to sugar. There is no question in my mind but what producers of sugar, both in the cane and beet areas of the United States, will continue to be able to get high prices way beyond the prices projected in this act for the next year or so, and perhaps well beyond that, and meanwhile they would have the opportunity for the choice of going into other commodities which are selling for attractive prices.

So this is the ideal time, in my view, for us to let this outmoded and outdated legislation expire.

Mr. WAMPLER. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from California (Mr. VEYSEY).

Mr. VEYSEY. Mr. Chairman, I want to thank the distinguished gentleman from Virginia for yielding me this time. I want to take these few minutes here in the well to state to the committee my own position and my own views with respect to the extension of the Sugar Act.

I stand in a unique position among the Members because for the past 25 years I have been a grower of sugar beets in Imperial Valley in southern California. Our operation is not one of the giant corporate producers that have been talked about here. We have a family farm operation which my father established before me, and now my sons do the farming, and I do not have very much to do with it at all. But we are producers under the act and we are efficient producers, and we are recipients of Government payments under the Sugar Act. They are, however, a very minor amount of our entire farming operation.

Prior to being involved in the political process I participated as an official of the California Beet Growers Association in negotiating our terms with the processors and with labor, under the Sugar Act. I am a great respecter of the value of the Sugar Act over its years to all Americans. It has been no doubt the best agricultural legislation that has ever been on the books in this Nation.

The Sugar Act has made it possible for producers such as myself to have a steady opportunity to produce year after year, and to develop the technology which enables us to produce more sugar at lower cost despite rising prices of everything we buy. It has made it possible for processors to make the huge investments of, say, 30 million to build a new sugar processing facility with assurances that they can use it throughout its lifetime.

It has provided stable prices and a guaranteed supply of sugar to consumers, I think, has insulated consumers from wild fluctuations and manipulations of the world sugar market. To labor it has provided unusual protection over and above any protection that has been accorded under other legislation. To our economy generally I believe it has made a real contribution in jobs and income, and it has bolstered our national defense.

All of this has been possible in the years the Sugar Act has been in existence because these have been years of low world prices of sugar with generally an abundant supply of world sugar. The act has limited imports of world sugar to America, protected the domestic industry, and has levied an excise tax which was distributed directly and indirectly to producers, to processors, and to labor thus making it possible for them to continue in economic health.

But now, Mr. Chairman, we have a new situation which has been developing in the last year or two. World sugar is now scarce, and the demand is growing much more rapidly than is the capability of other nations to fulfill that demand. However, we should be very grateful and happy that we have a healthy domestic sugar industry which has been developed and protected under the Sugar Act. Without that, we as consumers would be in very serious difficulty today.

But that industry at the present moment does not need the protection of a government subsidy. It may at some time in the future. It may next year or the year after or 3 years in the future, but it does not need it today.

I stand before the committee as a producer, a grower, who has shared in that subsidy, and I will tell the Members I do not need it. I do not want it. I am really tired of trying to explain to anybody why it is that I get that particular payment and how it benefits the economy as a whole. I can rely on the marketplace for my return. Therefore, I think at this particular time we should break out of the mold of excessive Government control over this industry and break out of the mold of subsidy for agriculture. I should like to see the elimination of the subsidy to growers at this time, but with a backup capability ongoing for the 5-year period of renewal of the act that could give protection in the future in case this situation turns around next year—and it may. We may be in a totally different situation in 1 year or 2 years, and we may need that economic backup and protection.

I should not like to see any further labor restrictions incorporated in this bill. This is not a labor enactment. We have a general labor enactment for agriculture now which covers all other agricultural commodities. Remember, sugar producers compete with all other farmers for that labor, and should do so on an equal basis.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WAMPLER. I yield 2 additional

minutes to the gentleman from California.

Mr. VEYSEY. I thank the gentleman for yielding.

Mr. Chairman, we do not need further labor restrictions in this legislation. The Sugar Act has always had the most exacting labor restrictions and protection of any agricultural legislation, and there are going to be efforts here today to put still further restrictions into it. That is an additional reason why I, as a grower, do not feel that I want to receive that Government subsidy. The only excuse for having the additional labor restrictions is because it is and has been a subsidized industry. Likewise, the only excuse for having the subsidy is to add further labor restrictions. We do not need more of either of those at this time.

Mr. Chairman, we do need a sugar bill with an ongoing protection. I think a 5-year extension would be a very good thing, but I should like to urge as we go into the amendment process that we clean up some aspects of this bill and that we not turn it into a perpetuation of an eternal regulation by the Government of this industry, and that we not turn it into a labor bill.

Mr. Chairman, I thank the gentleman for yielding. I thank the committee for its attention, and I yield back the remainder of my time.

Mr. WAMPLER. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Louisiana (Mr. TREEN) who has manifested a great interest in this legislation.

Mr. TREEN. Mr. Chairman, I want to make it clear at the outset that I do represent a district in which there is very substantial sugarcane production. I have a substantial portion of the production of the State of Louisiana in my Third Congressional District.

I want to commend the chairman of the committee, the gentleman from Texas, and the ranking minority member, the gentleman from Virginia, for producing a bill that I think meets all the needs and that is very finely balanced to provide us the market stability we have got to have if we are going to protect the domestic sugar industry.

I think it is vital that we protect the 58 percent of our consumption that comes from domestic production. We need this 5-year bill to do that. I know there is talk about shortening it to 3 years or to 2 years, but we need it for 5 years, and I would like to give a strong reason why we need it to protect the sugar industry of Louisiana.

We have about 38 grinding mills which take the sugarcane as it is cut and grind it to produce the raw form of sugar. These mills depend on natural gas as a fuel for their boilers. The Federal Power Commission has ordered these mills to convert to another fuel because of the natural gas shortage and the priority that the consumers in the Eastern States and elsewhere have for the natural gas.

Converting these mills from natural gas to another fuel will cost about a half million dollars per plant. That may not sound like a great deal of money, but the point is unless we have the stability that this act will provide and unless we have it for 5 years we are not going to get people to invest in the conversion that is necessary in these mills. We are not going to get the bankers to lend the money that is necessary to convert those mills to a different fuel. So by destroying stability we are going to discourage domestic production and processing of sugar.

I think in view of the lessons we have learned about depending on foreign sources for fuel that at a very minimum we need to protect the 58 percent of our consumption which comes from the domestic supply.

Mr. WAMPLER. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Kansas (Mr. SEBELIUS).

Mr. SEBELIUS. Mr. Chairman, I thank the gentleman for yielding.

I would like to point out to the gentleman from New York, whom I do not see at the present time on the floor, that the big sugar companies I represent, including Harold Purdys', and Bill Davis', and Sam Maruyama's, and many more. Those people are trying to supply good sugar for the people of this Nation and they have to have the assurance that they are going to get a fair price for it if they are going to produce the sugar. We have had in the fuel supply difficulties a forerunner of what will happen in the sugar industry if we do not protect domestic production. I think this bill should be supported by all people who represent the consumers.

Mr. Chairman, I appreciate this opportunity to discuss H.R. 14747, the Sugar Act Amendments of 1974.

I would like to take this opportunity to personally acknowledge and congratulate the members of the ad hoc drafting subcommittee which did such a creditable job in drafting this positive initiative in sugar legislation and in keeping their deliberations open to all interest groups.

This legislation will benefit sugar consumers, the general public, the sugar industry, growers and workers. The specific provisions of this legislation were adopted in an open forum and publicly examined, debated, and decided. The open rule under which this legislation is being considered reflects the committee's desire to develop positive legislation to accommodate the views of all interest groups.

H.R. 14747 is a 5-year bill which assures continuity in policy and stability for the domestic sugar industry. A basic annual quota of 6.685 million short tons is established with provision for domestic production to reach 8 million short tons of raw sugar. The beet sugar industry is guaranteed not less than 3.5 million tons with the opportunity for domestic producers to market up to 4 million tons.

The domestic quota figures are significant. In 4 of the past 5 crop years, world consumption of sugar has exceeded world sugar production. The result has been reduced working stocks, spot shortages and the highest sugar prices since 1920. Therefore, it is in the national interest to encourage additional domestic sugar production to avoid domestic sugar shortages in times of international strife or diplomatic breakdowns. This quota also encourages producers to make the capital commitments and machinery investments that are necessary for increased production.

The committee recommended a reduction in Government compliance payments. In order to insure that small producers of sugar crops do not suffer a loss of income, the formula for computing the price objective for raw sugar has been revised in such a manner as to yield an increase of 0.49 cent per pound with assurance that producers receive a payment from the processor equal to the increase in the price objective. The increase in the price objective is to become effective July 1, 1975, to coincide with the termination of the excise tax. The net effect on the producer and consumer will be practically nil.

The recent rise in wheat and feed grains prices and the planting freedom provided in present farm legislation has tempted many sugar producers to pursue more attractive returns in other crops. We cannot allow this to happen to the production of a commodity as basic as sugar. To protect our immediate and long-term sugar supplies, a requirement that the Secretary of Agriculture achieve no less than the price objective on an annual average basis is included in this bill. The Secretary would be required to act to reduce quotas whenever the 15-day average of the market price is 4 percent or more below the price objective, otherwise the Secretary would not be required to take action.

The labor sections of this legislation have prompted considerable debate and amendments have been proposed to change the provisions reported by the House Agriculture Committee. I oppose these amendments. The present Sugar Act is the only agriculture legislation that contains labor provisions. These provisions have been strengthened by the committee. Protective provisions for labor have been the Sugar Act since 1934 and have provided sugar workers with minimum wage rates substantially higher than wage rates for comparable work. Any further burden added to farmers by way of costs, bookkeeping or harassment could drive farmers away from planting sugar beets and take away much needed job opportunities for these workers.

I believe this bill is compatible with our national and foreign policy interests and is one which should assure us of an adequate supply of sugar at reasonable prices for producers and consumers during the next half decade. I urge my colleagues to support the committee bill without amendments.

Mr. PEYSER. Mr. Chairman, will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from New York.

Mr. PEYSER. Mr. Chairman, I am on the floor and I did hear the gentleman's comments and I appreciate what the gentleman said. I think the point we are making and the point the gentleman from California has made is that if we can end this excessive Government control program we will see an expansion in the refineries for instance which are desperately needed for the sugar beet industry and an expansion of the sugar program at a time when the whole world market is exploding. There is plenty of opportunity for profit.

Mr. SEBELIUS. I think the gentleman is very far removed from the situation. Evidently the only sugar he has seen is in the sacks. The refineries out there need to have that assurance of a sugar beet supply and I want to see the people who are raising the sugar get some protection in this country so we do not depend on the Philippines or Cuba.

Mr. WAMPLER. Mr. Chairman, I have no further requests for time.

Mr. POAGE. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Sugar Act Amendments of 1974".

SEC. 2. Section 101 of the Sugar Act of 1948, as amended, is amended by adding at the end thereof the following:

"(q) The terms 'eligible sugar' and 'eligible liquid sugar' means (1) sugar or liquid sugar processed from sugar beets or sugarcane produced by the processor, or (2) sugar or liquid sugar derived from sugarcane purchased by the processor (including sugar tolled for the producer) at rates not less than those determined by the Secretary pursuant to section 301(c)(2), or (3) sugar or liquid sugar derived from sugar beets purchased by the processor under a contract which provides a payment as specified in section 213."

SEC. 3. Section 201 of such Act is amended—

(1) by amending subsection (a) to read as follows:

"(a) The Secretary shall determine for each calendar year the amount of sugar needed to meet the requirements of consumers in the continental United States, to maintain and protect the domestic sugar industry, and to attain on an annual average basis the price objective set forth in subsection (b). Such determination shall be made during October of the year preceding the calendar year for which the determination is being made and at such other times thereafter as may be required to attain the foregoing objectives of this subsection."; and

(2) by striking out in subsection (b) "the simple average of the monthly price objective calculated for the period September 1, 1970, through August 31, 1971, under this section as in effect immediately prior to the date of enactment of the Sugar Act Amendments of 1971" and substituting "the simple average of the monthly market prices calculated for the period February 1, 1973, through February 28, 1974".

SEC. 4. Section 202 of such Act is amended—

(1) by amending paragraph (1) of subsection (a) to read as follows:

"(a)(1) For domestic sugar-producing areas, by apportioning among such areas six million six hundred and eighty-five thousand short tons, raw value, as follows:

"Area	Short tons
Domestic beet sugar	3,500,000
Mainland cane sugar	1,750,000
Hawaii	1,110,000
Puerto Rico	200,000
Texas	125,000
Total	6,685,000";

(2) by striking out paragraph (2) of subsection (a);

(3) by amending paragraph (3) of subsection (a) to read as follows:

"(3) Notwithstanding the foregoing provisions of this subsection—

"(A) Whenever the production of sugar in any domestic sugar-producing area in any year results in there being available for marketing in the continental United States in any year sugar in excess of the quota for such area for such year established under paragraph (1) of this subsection, the quota for the immediately following year established for such area under such paragraph shall be increased to the extent of such excess production: *Provided*, That in no case shall the quotas for any of the domestic sugar-producing areas be increased above the following amounts of short tons, raw value:

"Area	Short tons
Domestic beet sugar	4,000,000
Mainland cane sugar	2,000,000
Hawaii	1,500,000
Puerto Rico	300,000
Texas	200,000
Total	8,000,000

"(B) At the time the Secretary makes the determination of requirements of consumers in October of each year, he shall determine whether the estimated production of sugar in any domestic area will result in there being available for marketing in the continental United States in the following calendar year, sugar in excess of the quota for such area for such year established under paragraph (1) of this subsection and (A) above, and if he finds that such excess sugar will be available for marketing in the continental United States, he may increase the quota for such area for such year in any amount not to exceed the extent of such excess.

"(C) Whenever sugar produced in Hawaii or Puerto Rico in any year is prevented from being marketed or brought into the continental United States in that year for reasons beyond the control of the producer or shipper of such sugar, the quota for the immediately following year established for such area under paragraph (1) of this subsection shall, with the limitation of section 207, be increased by an amount equal to (i) the amount of sugar so prevented from being marketed or brought into the continental United States, reduced by (ii) the amount of sugar which has been sold to any other nation instead of being held for marketing in the continental United States.";

(4) by amending paragraph (4) of subsection (a) to read as follows:

"(4) Notwithstanding any other provision of this Act, the quota for the mainland cane sugar area shall, for purposes of marketing allotments under section 205 and proportionate shares under section 302, be prorated to Florida and Louisiana on the basis of 57.5 per centum to Florida and 42.5 per centum to Louisiana and each State shall be regarded as a sugar-producing area for such purposes: *Provided*, That each State shall have the right to market the unfilled share of the other State in any year in which such other State is unable to fill its share of the quota."

(5) by striking out subsection (b);

(6) by amending paragraph (1) of subsection (c) by (i) striking out the words "other than the Republic of the Philippines," and (ii) by striking out the words "and (b)";

(7) by amending the first sentence of paragraph (3) of subsection (c) to read as follows:

"(3) For individual foreign countries, by prorating the amount of sugar determined under paragraph (1) of this subsection less the amounts required to establish quotas for the foreign countries listed in subsection (c) (3)(B) among foreign countries on the following basis:";

(8) by amending paragraph (3)(A) of subsection (c) to read as follows:

"(A) For the following countries:

	Per centum
Philippines	25.42
Dominican Republic	13.99
Brazil	13.49
Mexico	11.93
Peru	7.67
Australia	4.31
West Indies	2.52
Costa Rica	1.81
Ecuador	1.73
Argentina	1.60
Republic of China	1.58
India	1.49
Colombia	1.42
Nicaragua	1.39
Venezuela	1.22
Guatemala	1.21
South Africa	1.20
Panama	1.18
El Salvador	.98
Belize	.85
Fiji	.82
Mauritius	.79
Swaziland	.56
Thailand	.55
Malawi	.29".

(9) by amending paragraph (3) (B) of subsection (c) to read as follows:

"(B) For the following countries in the number of short tons, raw value:

"Country	Short tons, raw value
Cuba	792,591
Bolivia	15,000
Haiti	15,000
Honduras	15,000
Malagasy Republic	15,000
Paraguay	15,000
Rhodesia	15,000".

(10) by striking out paragraph (3) (C) of subsection (c);

(11) by striking out paragraph (4) of subsection (c);

(12) by amending paragraph (1) (A) of subsection (d) by (i) striking out the words "as follows:" and (ii) by striking out subparagraphs (i) and (ii) and inserting in lieu thereof the words "to the countries listed in subsection (c) (3) (A)";

(13) by amending paragraph (2)(A) of subsection (d) by striking out the words "subsections (b) and (c)" and inserting in lieu thereof the words "subsection (c) (3)(A)";

(14) by amending paragraph (3) of subsection (d) by (1) striking out the words ", other than Ireland," and (ii) by striking out the period and inserting the following proviso at the end thereof: ": *Provided*, That the Secretary may continue the quota for any such country upon finding that the aggregate imports of sugar equalled or exceeded the aggregate exports of sugar from such country to countries other than the United States as a result of a crop disaster or other force majeure."

(15) by amending paragraph (4) of subsection (d) by striking out the words "That (1)" and inserting in lieu thereof the word "That" and (ii) by striking out the comma after the word "Secretary" the last time such word appears therein and inserting in lieu thereof a period and by striking out the remainder of the paragraph;

(16) by striking out the first sentence of subsection (e) and substituting the following: "Whenever the President finds, and so informs the President of the Senate and the Speaker of the House, that it is no longer contrary to the national interest of the United States to reestablish a quota or part thereof withheld or suspended under subsection (d)(1) of this section, or under section 408(c) and, in the case of Cuba, diplomatic relations have been resumed by the United States, he may restore such quota in the manner he finds appropriate, unless, before the end of the first period of thirty calendar days of continuous session of Congress after the date on which the President of the Senate and the Speaker of the House are so informed either House adopts a resolution reported by the appropriate committee of jurisdiction disapproving the restora-

tion of the quota. For the purpose of this subsection the continuity of a session shall be deemed to be broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the thirty-day period.";

(17) by amending paragraph (1) of subsection (g) to read as follows:

"(1) In order to attain on an annual average basis the price objective determined pursuant to the formula specified in section 201 of the Act, and to meet the requirements of consumers in the United States, the Secretary is authorized on a quarterly basis to set maximum or minimum limits on the importation of sugar within the annual quota for any foreign country: *Provided*, That the Secretary is not authorized to limit the importation of sugar for any foreign country having a quota of fifteen thousand short tons, raw value, or less through the use of limitations applied on other than a calendar year basis. The failure of any foreign country, subject to such reasonable tolerance as the Secretary may determine, to fill a quarterly minimum quota shall operate to reduce the quantity of sugar permitted to be imported for such calendar year by the amount by which such country failed to fill such quarterly quota.";

(18) by striking out paragraph (2) of subsection (g);

(19) by amending paragraph (3) of subsection (g) to read as follows:

"(3) In order to attain on an annual average basis the price objective determined pursuant to the formula specified in section 201 of this Act, the Secretary shall make adjustments in the determination of requirements of consumers in accordance with the following provision: Whenever the simple average of prices of raw sugar for fifteen consecutive market days is 4 per centum or more below the average price objective determined pursuant to the formula specified in section 201 of this Act for the preceding two calendar months, the determination of requirements of consumers shall be adjusted to the extent necessary to attain such price objective: *Provided*, That the determination of requirements of consumers for the current year shall not be reduced after November 30 of such year, but any required reduction shall instead be made in such determination for the following year."; and

(20) by striking out paragraph (5) of subsection (g).

Mr. POAGE (during the reading). Mr. Chairman, I ask unanimous consent that section 4 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENT OFFERED BY MR. MATHIS OF GEORGIA

Mr. MATHIS of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MATHIS of Georgia: Strike lines 8 through 23 of page 10 of H.R. 14747 dated May 17, 1974, and replace with the following:

"(3) In order to attain on an annual average basis the price objective determined pursuant to the formula specified in section 201 of this Act, the Secretary shall make adjustments in the determination of requirements of consumers in accordance with the following provisions: (A) the determination of requirements of consumers shall not be adjusted whenever the simple average of the prices of raw sugar for fifteen consecutive market days is less than 4 per centum above or below the average price objective so determined for the preceding two calendar months; (B) the determination of requirements of consumers shall be adjusted to the extent necessary to attain such price objective whenever the simple average of prices of raw sugar for fifteen consecutive market days is 4 per centum or more below the average price objective so determined for the preceding two calendar months; (C) the determination of requirements of consumers shall be adjusted whenever the simple average of prices of raw sugar for fifteen consecutive market days is 4 per centum or more above the average price objective so determined for the preceding two calendar months, except that whenever the "World" price for raw sugar, adjusted to U.S. quota basis, is above the average price objective plus 4%, then the Secretary may not act if in his judgement such action is not advisable; (D) the Secretary shall not use the authorization to set quarterly limits provided in section 202(g)(1) whenever the simple average of the prices of raw sugar for fifteen consecutive market days is less than 4 per centum above or below the average price objective so determined for the preceding two calendar months; and (E) the determination of requirements of consumers for the current year shall not be reduced after November 30 of such year, but any required reduction shall instead be made in such determination for the following year,"; and.

Mr. MATHIS of Georgia (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. MATHIS of Georgia. Mr. Chairman, what I am attempting to do in offering this amendment at this point in the debate is simply to reestablish in the sugar bill a procedure for a corridor that has been in current sugar law since 1971 when we extended the act at that time. In the committee print as it is now before the committee, the corridor concept is abolished. What we are attempting to do in reinstating the corridor concept is to create a potential for a viable futures market in sugar to do away with the rigidity of the price structure that exists in the current bill as reported by the committee.

The committee had an opportunity to consider this amendment during our deliberations on the sugar bill. The committee adopted this amendment with one basic modification that there was a considerable amount of misunderstanding about. My amendment today is simply intended to correct the action which was taken in the committee at the earlier date.

I know of no serious objection to the amendment. If there is any question relating to it, I will be most happy to attempt to answer.

Mr. BERGLAND. Mr. Chairman, will the gentleman yield?

Mr. MATHIS of Georgia. Mr. Chairman, I yield to the gentleman from Minnesota.

Mr. BERGLAND. Mr. Chairman, I do have some objections to the amendment, and at this time I intend to offer an amendment in the nature of a substitute.

SUBSTITUTE AMENDMENT OFFERED BY MR. BERGLAND FOR THE AMENDMENT OFFERED BY MR. MATHIS OF GEORGIA

Mr. BERGLAND. Mr. Chairman, I offer an amendment in the nature of a substitue for the amendment offered by the gentleman from Georgia (Mr. MATHIS).

The Clerk read as follows:

Substitute amendment offered by Mr. BERGLAND for the amendment offered by Mr. MATHIS of Georgia: In lieu of the matter proposed in the amendment offered by the gentleman from Georgia insert the following:

Page 10, line 6, strike out lines 6 through 23 inclusive and insert in lieu thereof:

By striking out paragraph (3) of subsection (g):

Mr. BERGLAND. Mr. Chairman, this very complicated matter of the pricing corridor was discussed at length in committee, and it was the subject of a great deal of discussion by not only growers, but consumers, industrial users, and others.

The amendment offered by the gentleman from Georgia (Mr. MATHIS) would change that very complicated formula. I propose, by my amendment in the nature of a substitute, simply to strike the corridor mechanism completely. If my amendment in the nature of a substitute is adopted, the effect will be that the Secretary will be obliged to attempt to maintain the price objective without having to be bound by the complicated mechanisms which would trigger the increasing or decreasing of imports in order to maintain this price objective.

I think it would be simpler for the administrative people, and eliminate some of the objections of the consumer groups, and in my judgment would be to the advantage of the producers of sugar for these United States.

Mr. MATHIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. BERGLAND. Mr. Chairman, I yield to the gentleman from Georgia.

Mr. MATHIS of Georgia. Mr. Chairman, I wonder if the gentleman from Minnesota has talked to the users, the consumer groups, the individuals who would be most directly affected by his amendment? If he has, I wonder if he would report to the committee what their reaction is? Are the industrial users, for example, willing to accept the approach of the gentleman from Minnesota toward the price corridor and elimination of same?

Mr. BERGLAND. Mr. Chairman, I have talked to the representatives of the large industrial users such as the soft drink people, bakers, and others. They do not think my amendment would solve their problem. Their problem is to provide the Secretary with some limitations so that he cannot act until the price drops 4 percent below the price objective.

I think this amendment, if adopted, would provide the Secretary with the same authority he had prior to 1971, and that pricing mechanism worked extremely well. One of the objections the industrial users have had about the provision as reported by the committee is that it would not provide for sufficient flexibility in pricing, and therefore impair their ability to hedge their sugar purchases.

Mr. MATHIS of Georgia. Mr. Chairman, will the gentleman yield at that point?

Mr. BERGLAND. I am delighted to yield further.

Mr. MATHIS of Georgia. Does the gentleman from Minnesota concur that this would, in fact, create a more rigid price structure than would the corridor we have had in the act since 1971? I am attempting to reestablish the corridor by offering my amendment. Would we not, in fact, be doing away with any flexibility if we adopt the substitute amendment offered by the gentleman from Minnesota?

Mr. BERGLAND. Mr. Chairman, I respectfully disagree. Prior to 1971, market prices did rise and fall above and below the price objective, and because of that——.

Mr. MATHIS of Georgia. I will state to the gentleman that there are certain factors that are even beyond the discretion and control of the Secretary of Agriculture acting at his discretion. We would pass this, but would the gentleman not agree with this statement, that the amount of flexibility in the market under the gentleman's amendment is going to be left entirely to the discretion of the administrator of the program? He can make the price structure changes rigid if he would, or he can if he so desires, while the market goes up and down.

Mr. BERGLAND. That is theoretically possible, but in actual practice it would not work that way and did not in the late years of the 1960's. There was flexibility in the market price. The Secretary was obligated to annualize the price objectives, and I am sure the hedging function of the market would work.

Mr. MATHIS of Georgia. If the gentleman will yield further, do we have the same kind of marketing conditions that we had in the years 1965 and 1971, which the gentleman refers to, or would the present market tend to change that situation in any way?

Mr. BERGLAND. The conditions we now find in the sugar market are ones with which we have had no experience, to my knowledge. We have never experienced 25-cent sugar in the history of the United States. Who knows what market prices will be next year or 2 years hence, given the vagaries of world politics, weather and so on?

Mr. MATHIS of Georgia. Why does the gentleman from Minnesota seek the kind of rigidity that this would accomplish? Will the producers benefit from his amendment? Who will be the beneficiaries of the amendment which the gentleman from Minnesota (Mr. Bergland) has offered?

Mr. BERGLAND. I think the biggest beneficiary would be the consumer, who would be able to gain from the hedging. The consumer would be assured that the prices would remain within a reasonable range, and the amendment offered by the gentleman from Georgia would severely curb the ability of the administrator to invoke any kind of control.

Mr. MATHIS of Georgia. Is the gentleman maintaining that there would be a greater flexibility in the market under his substitute than there would be under my amendment?

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

(On request of Mr. Mathis of Georgia and by unanimous consent, Mr. Bergland was allowed to proceed for 3 additional minutes.)

Mr. BERGLAND. Mr. Chariman, will the gentleman restate the question?

Mr. MATHIS of Georgia. I will be glad to, if the gentleman will yield further.

Is the gentleman saying that there would be greater flexibility in the market place under the provisions of his substitute than there would be under the terms of my amendment?

Mr. BERGLAND. To answer the gentleman, I do not know that anyone can say that that is a certain fact because of the uncertainties of the market, but I would submit to the gentleman that under the terms of the proposal he has advanced, the Secretarys' authority would be rather drastically limited.

Mr. MATHIS of Georgia. Which would, in fact, benefit the consumers by allowing them to go into what would be a viable futures market and hedge their prospects. Does the gentleman agree with that?

Mr. BERGLAND. No; I do not, necessarily. I think the argument made by industrial users goes to the need to be able to utilize the hedging device, which they feel they cannot utilize when prices drop down to a level that is fixed by the corridor that is proposed in the proposition advanced by the gentleman from Georgia. I think there would be more price flexibility so that the producers and users could hedge if there were certain flexibility in the price, as would be allowed by the amendment I just offered in the nature of a substitute.

Mr. MATHIS of Georgia. If the gentleman will yield further, I would, of course, respectfully disagree with the gentleman's position. At the risk of using the gentleman's own time, I would urge the defeat of his substitute.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. BERGLAND. I will be happy to yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, I would like to support the Bergland substitute because I am convinced that its effect would be a more flexible market price during the course of the year. Users of sugar presently have no real opportunity to use a futures market. I recognize that the futures market, even if this amendment passes, would be severely restricted, more so than I would like, but I think the amendment is an advance.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. BERGLAND. I yield to the gentleman from Tennessee.

Mr. BAKER. Mr. Chairman, one drawback in the position of the gentleman is that his amendment would place all of the responsibility in a single or a group of individuals in the Department of Agriculture to make a determination as to whether they are going to open the valves to bring in a lot of sugar or close the valves to keep it out, rather than having something written in the law to give us some guidelines on which we could rely.

Mr. BERGLAND. Mr. Chairman, there is administrative discretion, in terms of my amendment, that would be lacking in the amendment offered by the gentleman from Georgia. This, I submit, is one of the real advantages of my proposal in that the market price can hover around the price objective.

Mr. BAKER. Mr. Chairman, as I understand it, if any interested group or party has a friendly voice in the Department, they will get friendly treatment. If, indeed, they had a hostile attitude, it would be different. I would much prefer to have the policy written into law rather than leaving the quantity of supply to be left up to an individual or group of individuals.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Minnesota (Mr. Bergland) for the amendment offered by the gentleman from Georgia (Mr. Mathis).

The question was taken; and on a division (demanded by Mr. Mathis of Georgia) there were—ayes 27, noes 4.

So the substitute amendment for the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. Mathis) as amended.

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. MATHIS of Georgia. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. GUNTER

Mr. GUNTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gunter: Page 6, line 10, at the end of the computation beginning at line 10, insert the following proviso:

Provided, That notwithstanding any other provision of this Act the quota or any portion thereof for Venezuela shall be suspended and a quantity of sugar equal to the amount of the suspended quota shall be prorated to the other countries listed in this paragraph until such time as the Congress, pursuant to section 202(e), does not disapprove of the restoration of such quota.

Mr. GUNTER. Mr. Chairman, the purpose of this amendment is clear and simple. It is to protect the interests of American consumers.

The amendment would suspend the sugar quota of the country of Venezuela. It is a step, justified and required on a variety of grounds in order to protect our consumers. The amendment is supported by a number of distinguished colleagues who clearly have long experience both in consumer affairs and in matters relating to agriculture. They include Mr. Rose, Mr. Rosenthal, Mr. Sisk, Mr. Vanik, Mr. Whitehurst, Mr. Bennett, and Mr. Lehman, among others.

Mr. Chairman, the amendment in broad terms is required in order to protect the vital interests of American consumers in at least two important ways:

First, the amendment seeks to assure an adequate and dependable supply of sugar for the U.S. market and the consuming public by suspending the quota of an unreliable supplier. The amendment would apportion the quota assigned to Venezuela among other nations with a history of reliability in meeting domestic US. sugar needs. It would do so at least until such time as there is persuasive evidence that U.S. consumers can depend on Venezuela both in terms of supply and the general posture of Venezuela toward the American consumers' economic needs and rights.

Second, the amendment seeks to make clear not only to Venezuela but to all oil-producing nations that irresponsible world economic actions, which threaten the economic health and stability on which all nations of the world depend, will result in the forfeit of favorable access to the U.S. market so long as such irresponsible victimization of consumers continues.

The United States has a major responsibility in the world to exhibit leadership in this area, Mr. Chairman.

For the poorest nations of the world lack the economic strength and power to deal effectively with oil pricing policies which have victimized them with the greatest severity.

The United States does not suffer that disadvantage. The oil-producing nations have not made good on their pledge to find means to relieve the plight of the poorest Third World nations by channeling their current embarrassment of riches to their worst suffering neighbors.

The United States cannot abdicate its responsibility in this regard. For we alone have the economic power capable of forcing a return to responsible economic behavior by the oil-producing nations.

We have a clear responsibility to our own consumers as well, who have been so completely victimized by extortionist oil pricing policies, particularly those people on small fixed incomes.

In this connection, I have to express on behalf of the supporters of this amendment, our bewilderment that Venezuela has been assigned a sugar quota in the pending bill.

It is puzzling enough that a nation which has consciously, as part of the oil cartel, bled American consumers dry and created havoc throughout our economy, is rewarded with favorable access to the U.S. sugar market.

But the logic of doing so when American consumers cannot even rely on Venezuela to provide its apportioned share of our domestic sugar needs under the quota assigned to it, becomes totally beyond comprehension.

There is no logic to it, Mr. Chairman. The assignment of a quota to Venezuela after its past performance—quite apart from the oil price gouging—is a total mystery to me, and I think to my other colleagues supporting the amendment.

American consumers were led to believe they could depend last year on Venezuela to supply 68,000 short tons to meet our domestic sugar needs. Venezuela fulfilled less than 50 percent of its quota—only about 32,000 tons.

Due to the increased needs of our consumers, the United States then issued a first come-first served request to foreign nations for additional sugar.

Venezuela did not respond—because, it said, of a drought. Yet Venezuela had enough sugar to sell to other countries at the same time it failed to meet its commitment to American consumers.

The committee bill now adjusts last year's quotas upward to reflect an increased need for sugar—and to reward countries which responded to our request for additional sugar.

Under this formula, Venezuela should have been assigned a quota—if at all—of, at most, 44,637 short tons.

But the committee bill not only ignores the failure of Venezuela to serve as a stable supplier to American consumers last year—it actually rewards Venezuela by assigning a quota of 63,540 short tons.

And now the straw that finally breaks the camel's back is the disturbing rumor I hear that Venezuela does not intend to meet its obligations to supply the American consumers with sugar in keeping with its quota this year either.

Thus, on top of all the other considerations relating to price gouging on oil, Mr. Chairman, a quota for Venezuela does not even provide the basic economic needs of American consumers, which is the whole purpose of the Sugar Act.

I therefore strongly urge adoption of the amendment in order to protect the best interests of American consumers.

Mr. VIGORITO. Mr. Chairman, I rise in opposition to the amendment for many reasons.

You have heard the expression that you cannot mix oil and alcohol. Well, today I do not think we ought to mix oil and sugar, because the results in both of these cases could be to the disadvantage of the United States.

Venezuela is not doing anything that other oil exporting countries are not doing in raising their prices for oil. Unfortunately, they are raising them, but we cannot condemn Venezuela for doing the same thing. If we start with Venezuela, we would have to do the same with all of the other seven or eight oil exporting countries.

Mr. Chairman, I would also like to point out that the United States needs Venezuelan oil more than Venezuela needs to export its sugar to the United States. With the world sugar shortage today Venezuela can sell it anywhere it wishes to at a higher price.

So the logic is against this amendment. Venezuela is one of our best customers, one of the four or five best in the world, both in the matter of buying from and selling to the United States.

So we are not hurting Venezuela by taking their quota away from them, we are simply hurting ourselves to the tune of about 1 million barrels of oil per day, which we need.

Mr. GUNTER. Mr. Chairman, will the gentleman yield?

Mr. VIGORITO. I will be very happy to yield to the author of the amendment, the gentleman from Florida (Mr. GUNTER).

Mr. GUNTER. I thank the gentleman for yielding. Is the gentleman aware of the fact that the purpose of the amendment is not to present a tit-for-tat, quid pro quo, economic reprisal approach to Venezuelan oil pricing policies, but rather the purpose is to send a reasoned, moderate message to Caracas and, through that medium, to all OPEC countries concerning the problem. Bear in mind that Venezuela was, I think, the first of the OPEC group which began the policy of dramatically increased prices charged this Nation and others, that has had such a dire effect on American consumers.

Does the gentleman from Pennsylvania realize that this is the purpose of the amendment rather than to try a tit-for-tat economic overkill approach?

Mr. VIGORITO. Mr. Chairman, I realize that, but I would say to the gentleman from Florida that he should also remember that of the 16 or 17 million barrels of oil a day that we are currently using almost 7 million barrels a day are being imported, and that we are not sending a message to the oil producing countries, but if anything this will send a message from them to us, telling us that if we do not want their oil then they will sell it somewhere else, and we can find ourselves without the 6 or 7 million barrels of oil that needs to be imported every day, which would have a crippling effect upon our economy.

Mr. RARICK. Mr. Chairman, will the gentleman yield?

Mr. VIGORITO. I yield to the gentleman from Louisiana.

Mr. RARICK. Mr. Chairman, I would remind the gentleman in the well of the FEO's announcement of last December 14. At which time we were experiencing the long gas lines from a serious energy crisis, and FEO gave credit to Venezuela for helping reduce our energy crisis, by increasing their oil exports by 40 percent. Adoption of the amendment would punish them for trying to help us overcome our oil shortage.

If we want to send Venezuela a message, it should be thank you.

Mr. VIGORITO. I thank the gentleman from Louisiana for his remarks.

I might also point out that back in World War II they strained their production of oil for the free world, and then also during the recent energy crisis they increased their exports to the United States, at a higher price, of course.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr VIGORITO. I yield to the gentleman from Tennessee.

Mr. BAKER. Mr. Chairman, I would ask the gentleman from Pennsylvania if it is not true also that last December the Chief Executive of Venezuela, who is the most friendly of the candidates to the United States, was elected by the Venezuelan people? It would seem to me that an enactment such as this would certainly be a slap in the face. I might also point out that there is a great effort being made in Venezuela to make some of their agricultural lands more productive by the construction of a major dam, which will make an arid area into a fertile and productive valley in the interior of Venezuela.

It seems to me that, in conjunction with the objection of the gentleman from Pennsylvania, this would be rather a poor point for us to issue this kind of a protest which, after all, is all it is.

Mr. VIGORITO. Yes. I believe it would be a very bad approach

Mr. Chairman, I urge the Members to vote against the amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WAMPLER. Mr. Chairman, I rise in opposition to the amendment, and I move to strike the requisite number of words.

Mr. Chairman, during the committee deliberations on this bill, the gentleman from North Carolina (Mr. ROSE) offered this amendment on behalf of the gentleman from Florida (Mr. GUNTER). After due consideration it was rejected by the committee by a vote of 12 to 2.

Mr. Chairman, I am in receipt of a letter from the Department of State, dated June 3, 1974, which I would like to read into the RECORD. It is addressed to me. It reads as follows:

DEPARTMENT OF STATE,
Washington, D.C., June 3, 1974.

Hon. WILLIAM C. WAMPLER,
House of Representatives,
Washington, D.C.

DEAR MR. WAMPLER: I refer to the Report of your Committee on H.R. 14747, to amend the Sugar Act of 1948, and specifically to the Separate Views of Mr. Rose, of North Carolina and Mr. Gunter, of Florida. The Department understands that, in accordance with those views, an amendment to H.R. 14747 will be submitted by Mr. Rose and Mr. Gunter to suspend or eliminate the quota for Venezuela.

The Department believes that it would be counterproductive to attempt to link the quota assigned to Venezuela under the Sugar Act and the policies of the Venezuelan government with respect to petroleum prices and the operation of U.S. petroleum companies in that country. An amendment of the nature proposed by Mr. Rose and Mr. Gunter is clearly punitive in intent and, if enacted, would be likely to provoke action by Venezuela against U.S. interests in that country.

Venezuela is the largest foreign supplier of oil to the U.S. It supplies us with 27% of total oil imports which account for 10% of total U.S. consumption. It is also significant that Venezuela did not join its OPEC associates during the oil embargo. On the contrary, Venezuelan oil exports to the U.S. increased during the last quarter of 1973.

On a per capita basis, Venezuela imports more goods of U.S. origin than any other country in Latin America, in total over one billion dollars in 1973. U.S. investment in Venezuela, about 2.7 billion dollars, represents the largest U.S. investment portfolio in Latin America.

With respect to petroleum prices, the f.o.b. price of Venezuelan oil is somewhat higher than that of equivalent Middle East oil. Venezuela can maintain this price differential because the transportation charges to its principal market, the United States, are lower than those of other non-Latin American OPEC states. As is the case with all producers, Venezuela has taken advantage of high oil prices to maximize its revenues. While Venezuela does not on its own set world prices, it continues to be a leading proponent within OPEC for maintaining and even increasing current price levels.

The policy of the newly-elected Venezuelan Government with regard to the nationalization of U.S. petroleum companies is to provide prompt, adequate and effective compensation based on net book value. Additionally, Venezuela's President Carlos Andres Perez has stated that Venezuela will continue to provide petroleum to its traditional markets. The companies believe that they will continue to serve a useful and profitable role under Venezuela's new petroleum regime.

The United States has important economic and political interests in Venezuela. A punitive amendment to H.R. 14747 to eliminate the Venezuelan quota is very likely to jeopardize those interests. The Department, therefore, opposes enactment of such an amendment.

I am sending a similar letter to Chairman Poage for his information.

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report.

Cordially,

LINWOOD HOLTON,
Assistant Secretary for Congressional Relations.

Mr. Chairman, I urge the rejection of this amendment.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. WAMPLER. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I thank the gentleman for yielding.

I should simply like to say that I think that this amendment would not only be counterproductive, it potentially could be disastrous. The letter from the Secretary of State speaks for itself.

The gentleman from Florida, in support of his amendment, suggests that we need stable suppliers. Yet in his own letter that he sent every Member of the House yesterday, he points out that Venezuela did increase its supply of oil when it was needed last year. For us to be trying to end what he called a reasoned message would surely have disastrous results on our relationships with a friendly power that does import a great deal from this country and which does provide a major source of petroleum to this country.

Mr. Chairman, I hope that the lack of wisdom of this amendment is recognized and that it is soundly defeated.

Mr. WAMPLER. I thank the gentleman for his contribution.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. WAMPLER. I yield to the distinguished gentleman from Illinois.

Mr. FINDLEY. I thank the gentleman for yielding.

Mr. Chairman, I, too, rise in opposition to the amendment. I should like to observe that the gentleman from Florida may have given us some idea of his real intention when he said all he wants to do is send a message to Venezuela. I know it is hazardous to read too much into statements that are not elaborated upon, but I take his comment to mean he considers it a great amendment, as long as it does not become law. He has introduced the amendment; it has been discussed; it will be read about; and I think the prudent action at this point is to vote down the amendment. The message has gone forth.

Mr. O'NEILL. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I rise in opposition to the amendment. For years we operated under the oil quota system. We in the Northeast section of the country—when I say "the Northeast section," I am speaking mostly of the area from Washington north to the Canadian border—depended for years upon Venezuelan oil under the quota system. Yearly, we fought the quota system which was always an administration matter. We had a great opportunity to get more Venezuelan oil at a cheap price.

But the administrations, regardless of whether they were Democratic or Republican, did not see fit to lift the quota until quite recently. If it had not been for the Venezuelan oil this past year—sure, they went up in price like the rest of the world did—when the Arab oil was shut off from this country, Venezuela increased the oil to the Northeast of the country by 40 percent. At the present time, of the energy used, as far as oil, I understand it is somewhere around 30 percent which comes from Venezuela itself.

We should not be punitive in this matter. This is a matter for the State Department to straighten out and not for the Congress to straighten out.

As far as the 68,000 tons of sugar, that is only a drop in the bucket when we look at the entire bill. But I represent a district which has two refineries and has 18,000 people also employed in the candy industry which is a very vital industry in my particular area.

I think the amendment is punitive, I think it is unfair. I just cannot understand the thinking behind the offering of this amendment by the gentleman from Florida and I do hope it is defeated.

Mr. DENHOLM. Mr. Chairman, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from South Dakota.

Mr. DENHOLM. Mr. Chairman, I associate myself with the remarks of the distinguished majority leader in opposition to this amendment.

In fact, Venezuela has been exporting about 60 percent of its production to the United States and to Canada. It is one of the most democratic governments in South America. I think it would be not only a bad mistake to approve this amendment but also disastrous economically to our trade relations with South America, so I am pleased to associate myself with the remarks of the majority leader in opposition to the amendment.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, I associate myself very strongly with the remarks made by the majority leader. I hope the amendment is defeated.

I think it would be unfortunate to consider this punitive action against this country which has demonstrated its great friendship for the United States many times. From the standpoint of oil, I am glad the majority leader has refreshed our memories about the oil situation. I was pleased to join him in breaking down the outmoded and uneconomic quota system we had in the United States.

We in Florida have been dependent and are dependent now on Venezuelan oil. Thank goodness we had it because it was the only break we had with which to feed our electric systems and our customers in Florida, and it was only because of the lower price of Venezuelan oil that we got any break at all.

Mr. O'NEILL. I concur with the gentleman.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Chairman, I would like to point out that on the soybeans they pay the world price and it has gone up tremendously.

Mr. FASCELL. Mr. Chairman, I rise in opposition to the Gunter amendment. While I am certain of the good intentions of our colleague. I do not feel that the amendment is in the best domestic or foreign policy interests of the United States.

The country is experiencing a serious energy problem. And the consumer is faced with substantial fuel price increases. Steps must, indeed, be taken to alleviate these problems, and to make certain that our energy needs are met at a cost we can afford.

But the energy problem is worldwide in scope—and the solution must be determined not by punitive actions designed to attack part of the problem, but by action designed to solve the problem in its entirety.

In testimony before the House Foreign Affairs Committee yesterday, Secretary of State Kissinger agreed, in response to my questioning, that the solution to the U.S. energy problem—and the related problems of oil pricing—cannot and should not be dealt with on a bilateral basis but should instead be considered in the context of the World Energy Conference where producing and consuming nations can work together to develop a supply and price structure mutually beneficial to all.

The wisdom of taking punitive action against Venezuela is further questioned when we examine the statements of our own Federal Energy Office which has stated that the increased supply of oil from Venezuela during the last quarter of 1973 when oil supplies to the United States were being drastically reduced or cut back by other suppliers played a key role in reducing the impact of the oil shortage in the United States. Venezuela supplied 27 percent of our entire oil imports during 1973 and has proved itself to be our most dependable and important source of foreign oil.

To penalize our most dependable supplier because it has raised the price of its oil exports to the current world rate would not only jeopardize a significant source of U.S. supplies, but undoubtedly be regarded by that country as an unjustified and discriminatory act. It would not, however, have the desired effect of forcing an oil price rollback.

Mr. Chairman, for these reasons, and for those outlined in the following letter which I would like to be included in the RECORD, I urge our colleagues to defeat the pending amendment.

DEAR COLLEAGUE: During consideration of the Sugar Act scheduled for tomorrow, Wednesday, June 5, an amendment will be offered which would eliminate any sugar quota for Venezuela, as a punitive response to that nation's oil pricing policies. This amendment is completely contrary to the best domestic and foreign policy interests of the United States and therefore should be defeated resoundingly by the House, as it was by the Agriculture Committee.

During the last quarter of 1973, when most oil producing nations were either cutting back or completely cutting off oil shipments to the United States, Venezuela increased oil exports to the U.S. by 40%. According to the Federal Energy Office, this increased supply of Venezuelan oil played a key role in reducing the impact of the oil shortage in the U.S. For the entire year of 1973 Venezuela supplied 27% of our entire oil imports. Thus, Venezuela has shown itself to be our most dependable and important source of foreign oil.

It should be clear that this amendment could not possibly constitute a constructive step towards alleviating the energy price crunch. It is inconceivable that the minor economic sanction proposed would result in an oil price rollback:

The price of Venezuelan crude is presently in parity with the worldwide petroleum price structure;

A unilateral rollback by Venezuela would not alter the world price structure; and

Venezuela's sugar sales to the U.S. represent only a fraction of 1% of total U.S.-Venezuelan trade.

However, while passage of the amendment would be economically insignificant to Venezuela, it would no doubt serve to create a major political irritant to our relations with one of South America's most stable and democratic nations:

In 1973 Venezuela purchased over $1 billion worth of American goods;

A major purchaser of U.S. wheat and soybeans, Venezuela has had to pay huge price increases in these commodities in recent years. As a result, Venezuela at the close of 1973 maintained a balance of payments deficit with the U.S.;

Venezuela ranks first in Latin America and sixth in the world in direct U.S. investment, approximately $2.7 billion book value or 3% of worldwide U.S. total; and

While Venezuela has in recent years pursued nationalistic policies with regard to economic issues, it has done so in a responsible and businesslike fashion.

To punish Venezuela for selling oil at the same price as all other oil exporting nations would rightly be regarded by that nation as a highly discriminatory, unfriendly and unjustified act.

A unilateral slap in the face of a friendly nation because it chooses to sell most of its oil to the United States is a narrow and restrictive response to an extremely broad and complex foreign policy issue. Enactment of this amendment would only serve to create concern among all other U.S. trading partners.

Sincerely,
PETER H. B. FRELINGHUYSEN, M.C.
SILVIO O. CONTE, M.C.
VERNON W. THOMSON, M.C.
DANTE B. FASCELL, M.C.
JOE WAGGONNER, Jr., M.C.
ABRAHAM KAZEN, Jr., M.C.

Mr. WHITEHURST. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Florida which would suspend the Venezuelan sugar quota until such time as Venezuela terminates its punitive oil pricing policies with respect to the United States. I believe it is time that the Congress clearly demonstrates to Venezuela and the other members of the Organization of Petroleum Exporting Countries that it does not intend to passively accept the rapidly escalating costs which are being forced upon the American public by the oil exporting nations.

There can be no doubt that the average American consumer is feeling the severe effects of the high price of Venezuelan oil. This is particularly true of the millions of citizens living on the east coast. In my own State of Virginia, the impact of Venezuela's oil policy over the past year is dramatically highlighted by the enormous increase in the cost of electric power.

In July 1973, the Virginia Electric Power Co. assessed its average customer with a surcharge of 25 cents on his monthly bill due to increased oil costs. In this month of June 1974, that same customer will be required to pay an adjustment on his monthly bill of $3.59 due to the increased cost of oil. Thus, the Vepco oil adjustment charge has been increased by a staggering 1,300 percent in less than 1 year, and as a result the typical Vepco customer is now paying $3.34 more each month solely on account of higher oil costs over the past year. Since fully 85 percent of the oil consumed by Vepco is imported from Venezuela, it is clear that the major responsibility for the high cost of electricity for Virginians lies with the oil pricing policies of Venezuela.

To demonstrate the effects of Venezuelan policy in another way, I shall cite internal policies of the 32 nations which of oil per barrel paid by Vepco during the past 1½ years. In January 1973, the price paid by Vepco was $2.94 per barrel, and this increased to $3.26 per barrel in July 1973. In January 1974, there was a sharp rise to $7.77, and the current price is $10.09 per barrel.

Obviously, an increase in utility rates is but one of the many ways in which our citizens are required to sacrifice to pay the ransom of high oil costs to Venezuela and the other oil exporting nations. It is also clear that Virginians are not the only citizens affected by the Venezuelan pricing policies. As other Members of the House have pointed out, millions of consumers are now being adversely affected as a direct result of the high cost of imported Venezuelan oil. I would feel remiss in my duty to my constituents and to the American people generally if I did not speak out against this economic blackmail being practiced by the Venezuelans, and to attempt to obtain at least some rollback in the price of imported oil.

I recognize that there is an argument made by some of my colleagues that adoption of the amendment now before us would alienate the Venezuelans to such an extent that they would be likely to cut us off from future oil imports. In my judgment, the Venezuelans need the American market to insure a long term profitable domestic oil industry. They also need our agricultural products and technology to develop their natural resources. In addition, the sanction provided for in this amendment is a relatively mild one, and is not likely to engender such an extreme response from Venezuela. The Venezuelans, after all did not even fill their U.S. sugar quota last year due to the higher prices available on the world market. But even if Venezuela threatened to cut off our oil supply, it would be most unfortunate if that type of action constrained the Members of this body from expressing their displeasure with the Venezuelan oil policy. The current government in Venezuela has made plain its intention to squeeze every possible dollar from the American consumer, and I believe it is our duty to take some action to demonstrate that we will not acquiesce in this outrageous price gouging.

I urge the adoption of the amendment offered by my distinguished colleague from Florida.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. GUNTER).

The amendment was rejected.

AMENDMENT OFFERED BY MR. MITCHELL OF MARYLAND

Mr. MITCHELL of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MITCHELL of Maryland:

Page 6, immediately after line 10, strike out the table and insert in lieu thereof the following new table:

	Percent
Philippines	25.73
Dominican Republic	14.16
Brazil	13.65
Mexico	12.08
Peru	7.76
Australia	4.36
West Indies	2.55
Costa Rica	1.83
Ecuador	1.74
Argentina	1.62
Republic of China	1.60
India	1.51
Colombia	1.44
Nicaragua	1.41
Venezuela	1.24
Guatemala	1.23
Panama	1.19
El Salvador	.99
Belize	.86
Fiji	.83
Mauritius	.80
Swaziland	.57
Thailand	.56
Malawi	.29

Mr. MITCHELL of Maryland (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. MITCHELL of Maryland. Mr. Chairman, the purpose of this amendment is clear. It seeks to terminate the South African sugar quota. Since 1962 to 1973 we have subsidized a regime which is perhaps the most blatantly racist on the face of the globe. During the timespan 1962–73 we have subsidized the racist regime to the tune of $33 million—that is the difference between the world market price and the amount of the U.S. sugar subsidy to the Union of South Africa.

It is time for us to terminate this incestuous relationship. Opponents to this amendment will argue that we have no right to interfere with the internal problems of any sovereign nation. This is a specious argument. More than 390 Members of this House voted to voice our opposition to the Soviet policies in the emigration of those of the Jewish faith. Was this interference in the domestic affairs of a sovereign body? Moreover, a recently adopted sugar criterion of the House Agricultural Committee, specifically states:

A brief explanation of the nature of the country's sugar industry and how it functions, including the extent to which benefits in the industry are shared by sugar farmers and workers.

Is this interference in the domestic affairs of a sovereign nation? When this specious argument is raised I would urge my colleagues to recognize it for what it is.

Others will argue that there are clearly discernable cracks in the apartheid wall of South Africa, and if we are but patient, apartheid will fall, sooner or later. Perhaps we did suffer from the illusion that apartheid in South Africa was crumbling, but recent events should dispel that illusion. The regime in South Africa is becoming more repressive. The labor strikes have resulted in more oppression. Notice the punitive, repressive sanctions which can be imposed against newspapers whose stories "threaten the peace and security of the nation." Take notice of the Affected Organizations Act, directed mainly against the churches which receive funds from America, or England, or Germany. No my friends, the sad truth is that the Union of South Africa is becoming more, not less repressive, in its attempts to preserve and protect a rigid system of apartheid.

I would urge my colleagues not be taken in by the argument that to terminate the South Africa sugar quota will hurt the native population more than any other group. We must be aware of the real facts which are these:

Within the sugar industry itself, there are gross inequities. Of the approximately 8,000 independent sugar growers, about 4,400 are Africans concentrated primarily in the Kwa Zula Bantustan who work plots of up to only 10 acres. This African-owned land totals about 32,000 acres, having a value of about $3.4 million. The vast majority of South Africa's 800,000 acres of sugarcane land, however, is in the hands of the approximately 2,000 white growers. These growers own 520,877 acres, and in 1971–72 had a crop valued at over $96 million.

A native black of South Africa will be quoted as being in favor of continuation of the quota. If you were that native, totally under the control of the world's most racist government, I think you would be inclined to say and do the things pleasing to the Government which held your life and liberty in its hands.

You have heard all of the opponents arguments before. They will say that the subsidy goes to the growers not the Government. Yet the language in the bill clearly specifies that the subsidy is to the Government.

Finally you will hear the argument that the subsidy for the Union of South Africa is good for the American consumer. This is rubbish. Only about one-twenty-fifth of South African sugar exports actually comes to the United States.

As you listen to all the arguments against my Amendment, please bear one essential fact in mind. America, from its inception has attempted to provide the moral leadership in international affairs against the exploitation, the repression, and the oppression of human beings. For as long as we continue to undergird the racist government in the Union of South Africa, we do dishonor to our history. For as long as we ally ourselves with the Union of South Africa, we sully and stain our international reputation particularly insofar as the countries of the third world are concerned.

For this country, South Africa represents another variation of the "American dilemma." In South Africa, American ideals about self-determination and racial equality clash sharply with our extensive economic interests and our perceived strategic interests. The result is what we call a "nonpolicy," but what is in effect a policy which effectively buttresses the status quo.

It is clear, however, that the economic aspects of South African-United States relations cannot, under the rubric of "purely business decisions," be separated from the surrounding moral-political issues. The U.S. economic involvement is perceived by the world as an integral part of the U.S. foreign policy, a part firmly allied with the white minorities of southern Africa.

I ask, plead for, and urge your support of this amendment. Now is the time for this House to act with honor on this issue.

Mr. WAMPLER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Maryland.

Mr. Chairman, if we were to spend the rest of the day examining the internal policies of the 32 nations which send us sugar, I am sure we could find many things wrong with each of them. As a matter of fact, I highly suspect that many of our trading partners could find fault with some of our internal problems, particularly at this time in the history of the Republic.

Some nations are military dictatorships, and I do not approve of military dictatorships, and I know that the committee does not. Some nations do not treat their workers as well as we do, I do not approve of that, and I know the members of the committee do not either.

South Africa has certain racial policies which I do not approve of, nor does the committee. I suggest that there are many in the Republic of South Africa who do not agree with these policies, but I submit that we cannot base a logical sugar program on our attitude toward the internal policies of foreign nations.

Mr. Chairman, we have before us an amendment to take away South Africa's sugar quota. We have just rejected another amendment to take away Venezuela's quota. Where will it stop? What Member of this body does not have some reason to remove the quota for every single nation which supplies us sugar?

No, Mr. Chairman, our reasons on this sugar bill should be based on sugar policy, not domestic politics.

South Africa has proven to be a reliable supplier of sugar to the United States. That nation is a good customer of the United States. As a matter of fact, we enjoy a rather substantial favorable balance of trade with the Republic of South Africa. It amounts to almost $1 million a day in our favor.

Mr. Chairman, to remove the sugar quota at this time would be only politically symbolic, at best.

Mr. MITCHELL of Maryland. Mr.

Chairman, would the gentleman yield for a question?

Mr. WAMPLER. Yes, I would be happy to yield to the gentleman.

Mr. MITCHELL of Maryland. Mr. Chairman, it seems to me that the thrust of the gentleman's argument is that we should not interfere in the internal affairs of a sovereign nation. May I call to the gentleman's attention the resolution passed overwhelmingly by this body with regard to the plight of the Jews in the Soviet Union insofar as emigration is concerned. Would the gentleman consider that internal interference?

Mr. WAMPLER. To answer the gentleman, there are those who do contend that it represents interference.

Mr. MITCHELL of Maryland. Would the gentleman consider it internal interference?

Mr. WAMPLER. Perhaps it would be, yes.

Mr. MITCHELL of Maryland. If the gentleman will yield further, may I ask him another question?

Mr. WAMPLER. Yes, certainly.

Mr. MITCHELL of Maryland. The language of the committee itself, which selected the six or eight criteria, specifically points to a whole series of South African domestic issues regarding workers and the amount of sugar that a country might export. This goes to an internal matter in a sovereign nation, does it not?

Mr. WAMPLER. The committee carefully considered all of those factors. We came to the conclusion that South Africa should not be selected as one which would be losing its quota.

Mr. MITCHELL of Maryland. You have said that it is interference with a sovereign state, and if I understand you correctly, this is precisley what the committee does when it sets forth its criterion No. 6, which deals with the internal affairs of the Union of South Africa.

Mr. WAMPLER. Mr. Chairman, I would say to the gentleman from Maryland that the committee carefully considered the criteria announced before hearings began, and we were convinced, on the basis of the evidence before us, that South Africa's quota should not be taken away.

Mr. MITCHELL of Maryland. Mr. Chairman, the gentleman has been very gracious in replying to my questions. Would the gentleman respond to just one more?

Mr. WAMPLER. Yes, I certainly will.

Mr. MITCHELL of Maryland. Is not our failure to recognize and trade with the nation of Cuba an attempt to interfere in the internal policies of Cuba?

Mr. WAMPLER. Of course, that matter is not within the legislative jurisdiction of the Committee on Agriculture.

Mr. MITCHELL of Maryland. It is within the scope of the argument the gentleman has used against my amendment.

Mr. WAMPLER. Mr. Chairman, I would like to say to the gentleman from Maryland that his amendment—and I certainly do not question his motives—would have the effect of hurting the people that his amendment is trying to help. I refer to the Bantu or black workers of the Republic of South Africa.

Mr. MITCHELL of Maryland. Mr. Chairman, I thank the gentleman for yielding.

Mr. WAMPLER. The South African Government or its sugar producers would not be hurt by this vindictive amendment. They could sell their sugar elsewhere at as good or better prices than we have here in the United States.

Mr. Chairman, this is not the way to bring about racial justice and harmony in the Republic of South Africa where slow but continuing progress is being made. To delete South Africa's quota would only aggravate the harsh feelings and misunderstandings that need a much greater effort and a much broader forum than this sugar bill.

Mr. SIKES. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I have respect and personal esteem for the distinguished gentleman who offered the amendment. He and I have fought and won important battles on the floor of the House together. Now we differ, but I question that we really differ in principle. Nevertheless, I have strong reasons for opposing his amendment.

Before we go overboard in canceling the sugar allotment to South Africa, let us take a careful look at the list of those who are getting sugar allotments and see who among them have shown real friendship to the United States. Do not forget to take into consideration acts against Americans and American-owned property in South America. Do not forget the votes in the U.N. which have been crucial to us. Then when you have finished tabulating those who can be depended upon, let us decide whether we should take away one more vote from the small list we can call true friends. South Africa has been a friend despite acts verging on hostility by this country toward the Government of South Africa time and again.

Now take a look at the African continent itself. How many among the nations there can we count on? The Communist governments of the world have more influence than we up and down and through Africa. The Portuguese colonies are demanding and probably will receive their independence. That will mean three new nations in the U.N. and three more Communist-oriented votes, because it is the Communists who have provided them with weapons and the Communists who trained their leaders. We need friends we can count on in and out of the U.N.

If you still want to drive South Africa away from us, do not do it until you have taken a look at the military situation in the Indian Ocean and around the southern periphery of Africa. The Congress has just refused to allow our Navy to have a refueling station in Diego Garcia. The American flag can be shown with assurance in but few places in that entire area.

If American ships conduct a naval tour of the South Asian-African coast, we cannot even be sure of enough fuel to get our ships home unless we send it to them from the Philippines, thousands of miles away. The Russians are there in force. They have bases in Iraq, Somalia, South Yemen, and they are welcome in Bangladesh and India. South Africa has one of the best ports in the world. South Africa has always welcomed the American presence. Our ships could refuel and even refit there if it were not for the shortsighted policy of the U.S. State Department in refusing to allow U.S. naval ships to visit South Africa.

Yes, there is a need for change in South Africa in their policies toward black people. There is a serious need for change. It has been too slow in coming. There are signs of change and it is to be hoped there will be a different policy toward the blacks in that country within a reasonable time.

But let us not overlook the fact that there is a need for change in many African countries. Whites and Asians have been stripped of their property and driven out, in one nation after another. I hear no one here today demanding fair treatment for whites and Asiatics in Africa. Am I to presume this policy toward whites and Asians in Africa is not one also to be deplored?

Most of the areas which we have helped to gain independence have wound up on the other side of the fence from us. I do not think anyone could claim that the Government of Uganda is a democratic ideal. For that matter, most of the governments of Africa are not democratic, they are dictatorships. Let us be consistent. If we are going to ignore what happens in Uganda, it makes little sense to make an issue of what is happening in South Africa.

The committee has considered all of the circumstances affecting each allotment. They have made recommendations which they believe are justified. We cannot write this bill on the floor; we should accept the committee's recommendations.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, the gentleman indicated in his presentation that it is the policy of America not to allow our naval vessels to stop in ports in the Union of South Africa.

Mr. SIKES. The State Department objects to having our ships stop at Capetown. South Africa would welcome them. We need to use the excellent facilities offered in South Africa. There are few places in that part of the world where our ships are welcome.

Mr. MITCHELL of Maryland. Mr. Chairman, if the gentleman will yield further, I will restate my question and be more explicit.

My questions is this:

Is it not possible that this policy was adopted by us, because Americans did not want black sailors serving in the Navy to be gratuitously insulted by the apartheid policies in South Africa? Is that a possibility?

Mr. SIKES. Mr. Chairman, the information I have received is that American sailors are always welcome on liberty in ports in South Africa. I have been told all Americans have been treated well by everyone there. I would not want any American sailor, black or white, to be denied proper treatment anywhere in the world.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I commend the gentleman from Florida for his statement.

Have we forgotten this Government's boycott of Rhodesia and the situation that developed with respect to chrome ore? Because of that boycott, we had to go to Russia for chrome, and we had to pay double the price. Yes, we had to pay right through the nose.

Mr. SIKES. And our Government condoned that situation.

Mr. GROSS. Mr. Chairman, I wonder if the gentleman who is sponsoring this amendment would deny that there is racism in Russia. What is the black population of Russia?

Mr. SIKES. Mr. Chairman, the treatment of the Jews in Russia is further evidence of racism there.

But getting back to this question of chrome ore, as a result of sanctions by Britain and the U.N., we ceased to buy Rhodesian chrome for a time. During that period we had to pay Russia twice as much as we were paying Rhodesia. The Russians shipped us second-grade ore and used our money to buy first-grade chrome from Rhodesia at bargain rates. That is what happened under the policy of our own Government until the Byrd amendment was adopted by the Senate and approved in the House.

Mr. YOUNG of Georgia. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am concerned about the whole question of how we bring about social change in the world. I would tend to differ with my colleague, the gentleman from Maryland, only slightly in admitting that there has been some change in the Union of South Africa.

However, I would like to remind the committee that that change has come about only as a result of economic sanctions which have been encouraged by the churches of the United States of America and Britain.

I would like to remind the committee that South Africa's action in opening up its athletic events only came about as a result of the threatened boycott of the Olympic games, because of the inclusion of South Africa.

Mr. Chairman, I would not like to paint a picture of South Africa as a monolithic racist state. There are forces in South Africa that are struggling to bring change within that state, white forces as well as black forces, which, with some encouragement such as the dropping of this sugar quota, would have their hands strengthened in regard to the predominantly Dutch or apartheid government.

I think we have an opportunity here to encourage those forces working within South Africa to bring about change without violence.

The struggle for freedom in South Africa is not a Communist one. It came out of the churches of this country that went around the world telling people they are children of God. When you do that people want to be free. They want to determine their own destinies.

The slightest thing we can do is not to support this Government's policies simply by dropping them from this bill as a part of the sugar quota.

Mr. Chairman, I would also like to speak to a couple of other things that have been brought up.

One, I notice that Uganda has been dropped. Uganda should have been dropped for the same reason that South Africa should be. Any nation which reverts to racism and tribalism ought not to receive our support and benefits whether it be against blacks or whites.

I think also we need to look at the fact that this bill was designed to help nations in need. In yesterday's closing the price of gold—and we must remember South Africa is a gold-rich state—had risen from $35 an ounce about a year ago to $156.50 an ounce, as of yesterday. I ask what business do we have supporting a nation as rich as that with our taxpayers' money. I am sure all of my colleagues who are concerned about the fiscal conservatism of this nation and balancing the budget and cutting back expenses will realize that we do not have any business supporting South Africa for any reason.

Mr. METCALFE. Will the gentleman yield?

Mr. YOUNG of Georgia. I am glad to yield to the gentleman from Illinois.

Mr. METCALFE. Mr. Chairman, I rise in support of the amendment offered by my colleague, Congressman PARREN MITCHELL, to eliminate South Africa's sugar quota. This particular quota is both unnecessary for the United States and unnecessary for South Africa. It constitutes an outright economic subsidy of the apartheid Government of South Africa. There are a number of excellent reasons for eliminating South Africa's sugar quota, two of which are most prominent. First, South Africa is a developed nation, with a gross national product of $22 billion annually. As such, it does not conform to one of the basic aims of U.S. sugar quotas, which is to assist underdeveloped countries. Furthermore, South Africa's sugar exports to the United States are not crucial to South Africa's economy, since the United States receives only 5 percent of South Africa's total sugar exports. As a result, it does not conform to criterion No. 4 established by the Agriculture Committee in determining the distribution of sugar quotas. Second, South Africa also does not conform to criterion No. 5, which disallows sugar quotas to countries which do not distribute the benefits of the industry equitably among the factors, large landowners, and small farmers and workers. South Africa, whose discriminatory policy of apartheid excludes the overwhelming majority of South Africans from the benefits of the sugar trade, is the country which least conforms to this criterion. The wages of field workers, who are overwhelmingly African, fall below the amount which the South African says is necessary to prevent starvation. Only 9 percent of South Africa's sugar output in 1973 was refined in mills with black ownership; 4,400 independent African sugar growers own only 32,000 acres of the sugar-producing land in South Africa, land which generated only $276,000 in revenues, while only 2,000 white independent growers own 520,877 acres of sugar producing land, which generated revenues of over $96 million. The inequities of South Africa's sugar industry, and its nonconformance to a major criterion upon which the distribution of U.S. sugar quotas is based, are thus readily apparent.

Continuing U.S. economic support of South Africa is a tragic mark on the foreign policy record of this country. At a time when we are striving for a meaningful détente with Russia and China, and when we are finally coming to realize our dependence on the third world for vital raw materials, it is indeed deplorable that we continue to support a country where racism has been legalized and where oppression and the terror tactics of the secret police are an everyday occurrence. Consider the adverse effects of our support for South Africa on our relations with other African nations.

It is difficult for me to understand how we can continue to risk alienating an entire continent in order to support a country whose social, political, and economic policies are diametrically opposed to the principles of justice, opportunity, and equality which we profess to be the cornerstones of the American system. It is for these reasons that I strongly support Congressman MITCHELL's amendment to eliminate South Africa's sugar quota and I urge my colleagues on both sides of the aisle to support this amendment.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Georgia. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, South Africa is a developed nation. In contrast to the other countries which receive a sugar quota from the United States, South Africa is recognized as being developed by both the U.S. Agency for International Development and by the United Nation's Food and Agriculture Organization.

Ironically, South Africa's high level of economic development has not resulted in improved living standards for all its residents. South Africa's overall gross national product is $22 billion; however, its low per capita GNP of $924 reflects the disparity between white and black incomes.

While a greater percentage of white households in South Africa own luxury and semi-luxury items than do European households, the black people in South Africa have been faced with intensified economic oppression. The gap between white and black wages is reported to have increased. Pass laws have been tightened up, and, between 1961 and 1971, a record was set for the number of new discriminatory laws (98) passed, all with the aim of perpetuating apartheid. Approximately 1 million people are arrested yearly under these pass laws.

South Africa's discriminatory socioeconomic policies are, of course, well-known. South Africa is the only country in the world where economic, social, and political discrimination is the proclaimed policy of the government and instituted and implemented by law.

Africans constitute 74 percent of the

population and are restricted to 13 percent of the land.

Whites received three-fourths of the country's total income.

South Africa is governed by an all-white parliament, no member of whom represents the African majority. The Bantustan legislatures set up under the separate development policy are in effect advisory only, and accountable to the all-white parliament.

In 1972, the average monthly manufacturing wage of Africans was about $82 as compared with $482 for whites.

United Nations report in 1972 (Unit on Apartheid, Facts and Figures on South Africa) pointed out that whites who form 18 percent of the population control 69 percent of the national purchasing power. Private consumption expenditure for Africans is 19.1 percent, and for whites, 73.7 percent.

It is clear then that it is the African community which is most damaged by this systematic oppression and by any U.S. support through unnecessary economic ties. Africans gain only minimal benefits from the South African sugar industry which sends only 5 percent of its sugar to the United States.

In addition to its internal apartheid system, South Africa also discriminates against American citizens.

As a general rule, blacks from the United States are not permitted to visit South Africa. The basis for this systematic refusal is race.

In March 1974, USIS official Richard Saunders and his wife were refused service at a Dunbar hotel while in South Africa on official business, simply because they were black.

Congressman Charles Diggs, upon arriving in South Africa in 1971, discovered that the South African Government had reneged on its unconditional granting of his visa.

Often, black Americans allowed into South Africa are assigned temporary classifications such as "honorary white" during the period of their visit.

Eliminating South Africa's quota then is essential for the United States. This quota is unnecessary for the United States, unnecessary for South Africa, damaging to the conduct of U.S. foreign policy, in addition to being supportive of South Africa's legal policy of discrimination—a policy which works against the majority African population, as well as, against citizens of the United States.

Mr. POAGE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I regret that the debate is getting completely away from the legislation now before us. The committee brought a sugar bill here, the purpose of which is to try to provide for American consumers a dependable and adequate supply of sugar at reasonable prices. The United States does not produce enough sugar to meet all of our demands. We only produce about half as much as we need, so we have to rely on foreign sources. We have sought to achieve some reasonable method of assuring those supplies which we need from foreign countries.

Your committee brought in a bill that was never intended to try to solve the racial problems of South Africa or the economic problems of Venezuela or the West Indies or of any other part of the world. We did not give anybody a quota because they were racist or because they were not. We did not take a quota from anybody to penalize them because we did not approve of their policies.

And we did not give anybody a quota because we liked them. We determined whether or not those countries were supplying the United States with sugar, and whether they were dependable, reliable suppliers who would meet the need when we had that need.

Now, I do not approve of all the policies of South Africa any more than the rest of the Members do. Of course, if we in the United States were doing these things we would do them differently, would we not? Of course we would. But we are seeking foreign nations whom we can depend upon to supply us with sugar.

There are only three nations in the world that I know of that have the capacity right now to deliver sugar to the United States when we wire for it right now, and by that I mean to begin loading the boats with sugar tomorrow morning. This capacity depends upon their warehousing facilities. And those three nations are Brazil, with the capacity of Recife, Australia, with the capacity at Mackay; and South Africa with the capacity at Durban. They are the three nations that can supply sugar to the United States immediately when we call for it. We think this is rather important.

South Africa met the criteria of having supplied sugar to us when we needed it. We thought that was worthwhile. South Africa meet the requirement of having the productive capacity, and we thought that was important. South Africa meets the requirements of not having run out on us when the price of sugar got higher somewhere else. We thought that was important.

Somebody raised the question that we took the quota away from Uganda. Uganda had not supplied us with 1 ton of sugar. Uganda completely collapsed, fell completely out of the picture. When a country fails to supply us, we take them out. We took Ireland out. Now there is nothing racist about taking the Irish out of the quotas, but they did not supply us with any sugar, and we took them out of the picture.

We tried to deal with these countries not upon the basis of their attitude, but upon what would help the United States of America. I believe that if we would all be more interested in the United States that we would find that the United States would get along better.

Frankly, this sugar bill is not a reform bill to change the unappreciated activities of some foreign countries; this is a bill to provide the American people with a very serious need, at reasonable prices. I hope that the Members will look upon it as such, and turn the amendment down, and pass the sugar bill, and not as a reform bill for foreign countries.

Mr. EDWARDS of California. Mr. Chairman, I rise in support of the amendment introduced by the gentleman from Maryland (Mr. Mitchell). As I understand his amendment to H.R. 14747—the Sugar Act Amendments of 1974—it would require that the 1.2-percent share of sugar allotted to the Republic of South Africa would be terminated and that share would then be equitably redistributed among the remaining countries allowed a quota under the act.

As chairman of the Subcommittee on Civil Rights and Constitutional Rights of the House Committee on the Judiciary, I have initiated hearings on House Joint Resolution 703, a bill requiring American corporations doing business in southern Africa to follow fair employment practices. Thus, I have had the opportunity to learn and review some of the important aspects of working conditions prevalent throughout the Republic of South Africa.

In a country where blacks comprise 74 percent of the population, they are restricted to 18 percent of the land. Whites, who are less than 20 percent of the population receive 74 percent of the country's income. Inequities abound in every facet of life—education, health care, employment, and recreation. Black South Africa sugar workers earn on the average less than $35 a month and the overwhelming percentage of U.S. payment for South African sugar goes to whites operating a system in which blacks are kept in virtual slavery. Congressman Diggs, chairman of the Subcommittee on Africa of the House Committee on Foreign Affairs witnessed deplorable and totally segregated conditions during his 1971 visit to South Africa.

These unfortunate facts are true because the Republic of South Africa is the only country in the world where racial discrimination is sanctioned by the rule of law. In this regard, South Africa is an outlaw in the international community and as a nation committed to equality for all persons, I believe it is incumbent upon the Members of this body to approve Mr. Mitchell's amendment, which not only rejects the heinous practice of apartheid, but places America in a defensible and humanitarian posture in the world community.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Maryland (Mr. Mitchell).

The question was taken.

Mr. MITCHELL of Maryland. Mr. Chairman, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will inquire if the gentleman is asking for a recorded vote?

Mr. MITCHELL of Maryland. I am, Mr. Chairman. I am asking for a recorded vote.

A recorded vote was refused.

PARLIAMENTARY INQUIRY

Mr. MITCHELL of Maryland. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. MITCHELL of Maryland. Mr. Chairman, Is it now within my province to make the point of order that a quorum is not present? Is there anything in the rules that would prevent me from doing that?

The CHAIRMAN. The Chair will state that the gentleman may do so.

Mr. MITCHELL of Maryland. Then, Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Eighty-six Members are present, not a quorum.

The Chair announces that he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. 101 Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. MITCHELL OF MARYLAND

Mr. MITCHELL of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Mitchell of Maryland: Page 6, immediately after line 10, strike out the table and insert in lieu thereof the following new table to be phased in by 1976:

	Per centum
Philippines	25.73
Dominican Republic	14.16
Brazil	13.65
Mexico	12.08
Peru	7.76
Australia	4.36
West Indies	2.55
Costa Rica	1.83
Ecuador	1.74
Argentina	1.62
Republic of China	1.60
India	1.51
Colombia	1.44
Nicaragua	1.41
Venezuela	1.24
Guatemala	1.23
Panama	1.19
El Salvador	.99
Belize	.86
Fiji	.83
Mauritius	.80
Swaziland	.57
Thailand	.56
Malawi	.29

Mr. MITCHELL of Maryland (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record. In light of the colloquy that just preceded this, and where some of my colleagues asked for additional time to straighten this problem out, I have offered this amendment to provide for a phase-in time, suggesting that the quota be dropped by 1976. It is a different amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

Mr. POAGE. Mr. Chairman, reserving the right to object, I wonder if we could have the amendment read. I do not understand what it is the gentleman from Maryland is asking that we not read.

(The Clerk continued reading the amendment.)

Mr. MITCHELL of Maryland (during the reading). Mr. Chairman, I ask unanimous consent now that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. POAGE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this procedure is probably to secure a record vote and I will not object to securing a record vote. I had no objection to it a while ago.

I hope the Members will not vote for an amendment of this kind. The effect of it will be substantially the same as the amendment the gentleman offered and which was defeated a few minutes ago. The only difference will be that this amendment will postpone the effective date for 1 year.

Of course I do not want to put words in the gentleman's month but I feel that the purpose is to get around the rules and to get a record vote that he could not get otherwise.

I think we discussed this matter rather fully for those who were here. Of course I recognize there are a great many Members here now who were not here when the discussion took place, and there will be about three times as many here to vote who will not have heard a word of the argument and who will vote without hearing any of the argument, and that is one of the unfortunate features of our procedures, but I go back to the proposition that here we have a sugar bill before us that is intended to get sugar for the United States when we need it. We need it right now. Both the world price and the U.S. price of sugar have been going up. We need sugar and we need a dependable supply.

What this sugar bill proposes to do is to get as many dependable suppliers for the United States as we can, and one of those dependable suppliers happens to be the Union of South Africa. It is only one of many countries with which Members of this House may find some fault with something they do. In fact, I doubt there is a single country on the list about which we cannot find something we do not like as far as the way they are running their country. For instance, Mexico is our closest neighbor and I think Mexico is a great country and I appreciate the fine work the Mexican Government is doing and they have done a fine job, but they do a great many things I do not like, but I would not wish to try to pass judgment upon the merits of the Mexican system of government or the South African system of government or the Philippine system of government or the Australian system of government or any other.

I think what we must pass judgment upon is what procedure will assure the United States the sugar we need at the time and the place we need it and at the price we need it. Those are the things we have to take into consideration. When we let this bill get onto some other basis then we will find ourselves losing sight of our own best interests.

Mr. METCALFE. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Illinois.

Mr. METCALFE. I wonder when Congress is going to come to grips with its moral responsibilities. Bill after bill comes before us and we look at the nakedness of the bill. We do not look at the moral tone. We are supposed to set the moral tone of the world and yet by us not giving the proper quota or relieving the quota in this particular instance, we are, in fact, condoning that policy and those countries know it.

I think at some time this Congress has to address itself to the real moral issues. We will have to use our might. We do use our might when it comes to the defense of our country where we have plenty of money to spend for armaments and everything else.

This is a time when we need to use our moral sense of responsibility and say that we do not condone this and this is our reaction to it. The sooner we come to this realization, the greater the responsibility of this country will be realized.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Poage was allowed to proceed for 1 additional minute.)

Mr. POAGE. Mr. Chairman, I think this is important to bear in mind when we are called upon to accept moral responsibility and set a tone for all the governments of the world, that we get into some traps that I not think we want to get into.

Jamaica right now has engaged in a type of action that many people in the United States now feel is immoral. I am not trying to pass on that point here, but it is certainly open to question.

Do we want to pass on the proper procedure in Jamaica of expropriating American property? Do we want to pass on that in the sugar bill?

Do we want our sugar bill to pass on what goes on in the Philippines today? There are a lot of things going on there with which we do not agree. Yet we think of the Philippines as being friendly.

There are a lot of things going on in those governments that we do not endorse. I do not think it is up to us to pass judgment on all the countries in the world. I think it is up to us to see that we do act in the best interests of the people of the United States of America. It happens that sugar quotas are one of those things distributed to countries that are in a position to supply us with a national supply of sugar promptly and at all times.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. Mitchell).

The question was taken; and the Chair announced that the noes appeared to have it.

RECORDED VOTE

Mr. MITCHELL of Maryland. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 149, noes 238, not voting 46, as follows:

[Roll No. 272]

AYES—149

Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Aspin
Badillo
Barrett
Bell
Biaggi
Blatnik
Boland
Bolling
Brademas
Breckinridge
Brown, Mich.
Buchanan

Burke, Mass.
Carney, Ohio
Chisholm
Clay
Cohen
Collins, Ill.
Conte
Corman
Cotter
Coughlin
Cronin
Daniels, Dominick V.
Davis, S.C.
Delaney
Dent
Donohue
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Fascell
Findley
Fish
Ford
Giaimo
Gibbons
Gilman
Gonzalez
Grasso
Gray
Green, Pa.
Hamilton
Hanley
Hansen, Wash.
Harrington
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hogan
Holt
Holtzman
Horton
Hungate
Jordan
Kastenmeier
Kluczynski
Koch
Leggett
Lehman
Long, Md.
Luken
McCormack
McDade
McKinney
Matsunaga
Meeds
Melcher
Metcalfe
Mezvinsky
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Patten
Pepper
Perkins
Podell
Price, Ill.
Pritchard
Rangel
Rees
Reuss
Riegle
Rinaldo
Rodino
Roe
Roncalio, Wyo.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Ryan
St Germain
Sarasin
Sarbanes
Schroeder
Seiberling
Smith, N.Y.
Stanton, James V.
Stark
Steele
Steelman
Stokes
Stratton
Studds
Thompson, N.J.
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Waldie
Widnall
Wolff
Wydler
Yates
Young, Ga.
Young, Ill.

NOES—238

Abdnor
Alexander
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Bafalis
Baker
Bauman
Beard
Bennett
Bergland
Bevill
Boggs
Bowen
Bray
Breaux
Brinkley
Brooks
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collier
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, Wis.
de la Garza
Dellenback
Denholm
Dennis
Derwinski
Devine
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Eshleman
Evins, Tenn.
Fisher
Flood
Flowers
Foley
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Ginn
Goldwater
Goodling
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Guyer
Haley
Hammerschmidt
Hanrahan
Hansen, Idaho
Hastings
Hays
Henderson
Hillis
Holifield
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Karth
Kazen
Kemp
Ketchum
King
Kuykendall
Lagomarsino
Landgrebe
Landrum
Latta
Lent
Litton
Long, La.
Lott
Lujan
McClory
McCollister
McEwen
McFall
McKay
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Milford
Miller
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Morgan
Murtha
Myers
Nelsen
Nichols
Parris
Passman
Patman
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Quie
Quillen
Randall
Rarick
Regula
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rousselot
Runnels
Ruppe
Ruth
Sandman
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spence
Staggers
Stanton, J. William
Steed
Steiger, Wis.
Stephens
Stubblefield
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Treen
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Williams
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NOT VOTING—46

Biester
Bingham
Blackburn
Brasco
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burton
Carey, N.Y.
Conyers
Culver
Danielson
Dellums
Dickinson
Diggs
Dingell
Dorn
Flynt
Fraser
Gude
Gunter
Hanna
Harsha
Hébert
Hinshaw
Howard
Kyros
McCloskey
McSpadden
Macdonald
Madden
Mazzoli
Mills
Moorhead, Calif.
Price, Tex.
Railsback
Reid
Rooney, N.Y.
Roybal
Steiger, Ariz.
Stuckey
Vander Jagt
Whalen
Wiggins
Wilson, Charles H., Calif.
Wylie

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. If there are no further amendments to section 4, the Clerk will read.

The Clerk read as follows:

SEC. 5. Section 204 of such Act is amended by amending subsection (a) to read as follows:

"(a) The Secretary shall, at the time he makes his determination of requirements of consumers for each calendar year and on December 15 preceding each calendar year, and as often thereafter as the facts are ascertainable by him but in any event not less frequently than each sixty days after the beginning of each calendar year, determine whether, in view of the current inventories of sugar, the estimated production from the acreage of sugarcane or sugar beets planted, the normal marketings within a calendar year of new-crop sugar, and other pertinent factors, any area or country will not market the quota for such area or country. Whenever the Secretary determines that any domestic area or foreign country will not market its quota, he shall revise the quotas for those countries listed in section 202(c)(3)(A) by assigning to countries in the Western Hemisphere a total of 70 per centum of such deficit to be allocated in the same proportion as each country's quota bears to the total quotas of all countries in the Western Hemisphere listed in section 202(c)(3)(A) and by assigning to countries outside the Western Hemisphere a total of 30 per centum of such deficit to be allocated in the same proportion as each countrys' quota bears to the total quotas of all countries outside the Western Hemisphere listed in section 202(c)(3)(A): *Provided,* That any deficit resulting from the inability of a country which is a member of the Central American Common Market to fill its quota or its share of any deficit determined under the foregoing provisions of this subsection shall first be allocated to the other member countries on the basis of the quotas determined pursuant to section 202 for such countries. Deficits shall not be allocated to any country whose quota has been suspended or withheld pursuant to section 202(d)(1). In determining and allocating deficits the Secretary shall act to provide at all times throughout the calendar year the full distribution of the amount of sugar which he has determined to be needed under section 201 of this Act to meet the requirments of consumers. Notwithstanding the foregoing provisions of this subsection, if the President determines that such action would be in the national interest, any part of a deficit which would otherwise be allocated to countries listed in section 202(c)(3)(A) may be allocated to one or more of such countries with a quota in effect on such basis as the President finds appropriate."

The CHAIRMAN. If there are no amendments to section 5, the Clerk will read.

The Clerk read as follows:

SEC. 6. Section 207 of such Act is amended—

(1) by striking out subsection (d);

(2) by amending subsection (e) to read as follows:

"(e) Except as provided in subsection (h) of this section, none of the quota established for any foreign country and none of the deficit prorations and opportionments for any foreign country established under or in accordance with section 204(a) may be filled by direct-consumption sugar."; and

(3) by adding at the end thereof the following:

"(h) Notwithstanding any other provision of this Act, whenever the Secretary, after public notice and hearing, makes a finding that a lack of raw sugar refining capacity within the United States has created an imminent shortage of direct-consumption sugar for consumers in the United States, he may atuhorize that as much of any quota or deficit proration established under this Act as is necessary to met such imminent shortage may be filled on a temporary basis with direct-consumption sugar."

Mr. POAGE. Mr. Chairman, I ask unanimous consent that sections 7, 8, and 9 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The sections referred to are as follows:

SEC. 7. Section 209 of such Act is amended by adding at the end thereof the following:

"(f) From bringing into the continental United States from Hawaii or Puerto Rico or marketing for local consumption therein or from marketing within the quota for the domestic sugar beet area, the mainland cane sugar area, or any other continental sugar-producing area, any sugar or liquid sugar which is not eligible sugar or eligible liquid sugar as defined in section 101, and any sugar so marketed or brought into the continental United States shall be deemed to be in excess of the quota for the applicable area for the purposes of this Act.

"(g) From exporting to any foreign country any sugar or liquid sugar produced from sugar beets or sugarcane grown in any domestic sugar-producing area or imported into the United States (including Puerto Rico) within the quota of any foreign country, except as provided in section 211: *Provided,* That if the Secretary finds that domestic sugar production for any year will be in excess of domestic sugar requirements as determined under section 201(a) of this Act, the foregoing provision of this subsection shall be suspended for such year.".

SEC. 8. Section 211 of such Act is amended by substituting a colon for the period at the end thereof and adding the following: "*Provided,* That direct-consumption sugar, produced from quota sugar in the continental United States of a grade, type, or specification determined by the Secretary not to be available in a domestic sugar-producing area outside the continental United States from raw sugar produced in such area, may be marketed within the local consumption quota for such area."

Sec. 9. Section 212 of such Act is amended by inserting "(including pet food)" after "livestock feed" in both places where it appears therein.

The CHAIRMAN. Are there any amendments to be offered to sections 7 through 9? If not, the Clerk will read.

The Clerk read as follows:

Sec. 10. Title II of such Act is amended by adding at the end thereof the following new section 213:

"Sec. 213. Processors of sugar beets of the 1975 and subsequent crops shall pay a separate amount to compensate the producer in an amount equal to the increase in the price objective made pursuant to the Sugar Act Amendments of 1974, such payment to be deducted from the net returns from the sale of sugar to obtain the remaining net returns which become the basis of settlement for sugar beets.".

AMENDMENT OFFERED BY MR. PEYSER

Mr. PEYSER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Peyser: Page 15, section 10, strike out line 1 and all that follows down through line 9 and redesignate sections 11 through 13 as sections 10 through 12, respectively.

Mr. PEYSER. Mr. Chairman, with regard to the amendment that was just read to section 10, I also have an amendment to section 11 on page 17, and I ask unanimous consent that they may be considered en bloc, because one deals with beet sugar and one deals with cane sugar in exactly the same way. I wonder if we can consider them together.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. POAGE. Mr. Chairman, I do not want to be obstructionist, but I must object to the request and ask that the bill be read by section. That is one of the things we are doing under the rule. Therefore, Mr. Chairman, I do object.

The CHAIRMAN. Objection is heard.

Mr. PEYSER. Mr. Chairman, what we are considering now is an amendment that strikes that part of the bill which states that the processors of sugar must pay to the sugar grower the difference beween what they would have received under the old Sugar Act, and what they receive under the new.

When the bill was introduced it was introduced as a reform measure that was to reduce the amount of money that sugar growers would get. When this bill came out of the ad hoc committee that studied the sugar program this part of the bill was not there. It was added afterward. But by the addition of this section to the bill it is directly passing through to the consumer over $62 million a year in costs.

I want to point out what the real other impact of this is, because many people say that this is a bill that is for the protection of the small sugar beet farmer, yet the big producers, the substantial producers, are the ones who are reaping the real benefits, not the little sugarbeet farmer. Let met give you an example of what this new bill will do.

For the major grower, the grower who produces 100,000 tons, under the old legislation he would have received a subsidy of $777,000 for that crop. Under the new bill the grower producing 100,000 tons would receive $988,000 in direct subsidies, a gain of $212,000.

This is money that is directly out of the consumers' pocket. I think another thing that should be of great interest to the Members of the House is a letter I have received from the Secretary of Agriculture. This is dated May 13. The Secretary of Agriculture says in his letter:

> Your proposed amendment to eliminate subsidies under the Sugar Act is consistent with my testimony before the Committee on Agriculture on February 19 when I stated that there has been a rapid trend away from payments as an income for farm commodities. For example, farmers have accepted the termination of "wheat certificate", cotton, and feed grain payments and are finding the marketplace a more satisfactory answer to their growing income needs.

That was from Secretary of Agriculture, Mr. Butz.

The processors of this country obviously are opposed to this for the simple reason that they must pass all these costs through directly to the consumer. It seems to me that we as Members of the House, not representing the growers, not representing the processors, that above all we should be representing the consumer, and the consumer is really being had in this legislation.

This is the first time in 40 years of the Sugar Act that the Members of this House have had an opportunity to directly do something for the consumer, and in no way, and I repeat, in no way hurt the sugar production.

The world is ready for an increased production of sugar. You have heard everyone say there is a shortage of sugar in the world, and there is.

If we can get rid of the restrictions that exist in this sugar legislation we can let the sugar industry on its own expand its operations and meet the needs of our country and the world.

To show the Members what has happened to the sugar prices, we have seen a 300-percent increase since July of 1973 to June of 1974, a 300-percent increase, and yet the sugar bill is supposed to stabilize the prices.

For those Members who were not on the floor before, I illustrated the problem with two bags of sugar right here in Washington. This bag was purchased on the first of May at a cost of $1.01 for 5 pounds of pure cane sugar. This bag was purchased on June 1, 1 month later, 5 pounds of pure cane granulated sugar, for $1.59.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Peyser was allowed to proceed for 3 additional minutes.)

Mr. PEYSER. I use this not saying that the farmer is solely responsible for this type of thing at all. There are many other factors at work, but I am talking about a 58-cent increase in one month, and this is going to continue. One of the contributing factors is what is happening in this sugar legislation today.

I am not questioning the fact that the sugar legislation in 1934, and probably for a number of years thereafter, served a real purpose, but in the marketplace today and with the demands for sugar and the opportunities within our own country for sugar growers and refiners to start expanding and really making their own weight felt, and carrying themselves, for us to limit them with this type of legislation, for us to hit the consumer—and it is hitting the consumer; this part of the bill does exactly that, and in a few minutes when we get to the section dealing with cane, I am going to offer the amendment again because that section is involved—I think we ought to act now and once and for all let us strike a blow for the consumer here that means something right in his pocketbook.

Mr. Chairman, I ask the Members to support my amendment.

Mr. POAGE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is most unfortunate that the gentleman from New York did not have a bag of sugar bought in Toronto this morning, as it would have cost him considerably more than the bags of sugar that he bought in Washington, D.C. They do not have a sugar program, in Canada and their retail prices are substantially higher than ours. I believe that on yesterday the world market price was 2½ cents higher per pound of raw sugar than the American market, so the American consumer is not faring so badly when compared with those who are under the type of program that the gentleman from New York would like to have.

It is also unfortunate that the gentleman is not familiar with the excise tax. I recognize that he did not become a member of the committee until after we had already passed on that, and there has not been any additional consideration of it in recent weeks. I am sure he has overlooked it because there are three factors here, not simply two, as the gentleman has pointed out.

There might be some validity to the argument that he has made if, in fact, we had done nothing except reduce the payments and increasing the price objective. But this bill also removes an excise tax of 50 cents a hundred on all sugar whether produced in the United States or aboard. That means that the consumer has held a 50 cent net reduction, and we restored a 49 cent increase in the price objective. That does not figure out, according to my arithmetic, to any kind of price increase at all for the consumer. He is actually in relatively the same position.

The gentleman simply overlooked the fact that we have removed that excise tax. I think that we have to take all three of these things into consideration. I recognize that it is difficult for us to envision all of the details. I cannot follow them all, and I doubt that many of the Members are able to follow them all; but I do know that in this case a very vital factor was overlooked.

What did we do? We provided the so-called pass-through when we tried to keep consumer, producer, and processer all in substantially the same position that he was at the present time.

To do it we have got to see that this money in this price objective goes to the producer. If it does not go to the producer, if it stops with the refiner or processor we have not achieved the purposes. So we provided that the refiner and processor should pass through or move this money, this 49 cents, on to the producer.

The sugar producer has got to have enough money to make him competitive with other crops and with foreign sugar. If he does not have that, we obviously cannot have a domestic industry. I think amost everybody recognizes we need a domestic industry, so in the bill we simply provided that the producer would be in this same position, lacking one cent, as he is now. That is all we provided.

We provided that the refiner or processor could not grab the money which we had felt was needed for the production of the American sugar, that it could not fall into the tills of the processor or the refiner.

I do not think the gentleman from New York wants it to fall there either, but under his amendment that is the logical place that it will fall. The question is whether the producer gets the money or whether the refiner keeps it.

I think most of the Members of the House will want to bear in mind we did repeal the excise tax, and they will want to see that the producer does get the benefit of this 49 cents, because we have cut his payments in two and if he does not get enough to make sugar profitable in payments or in the market, he has to get it somewhere if he continues to produce sugar. We provide that he gets this 49 cents which we hope will be enough to keep the American producers producing. This may not be enough. But we hope it will be enough to keep the American production at a high level.

That is the only purpose of this "pass through" and I hope the House will not be misled by this suggestion that we have not repealed any taxes, because we have. We have repealed as much as we have provided in the passthrough.

Mr. ZWACH. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I agree wholeheartedly with my chairman. The Secretary of Agriculture recommended that we raise the price objective by 1 cent. The committee raised it only ½ cent and provided for this passthrough to the producer for the other ½ cent. If this is not included, if this is stricken, then it will mean that the processor can keep this ½ cent for his own and for his shareholders rather than passing it through to the producers which was the intent of this amendment.

It is a big package and it is involved, but that is what is involved, and this amendment should be turned down.

Mr. ANDERSON of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this legislation. During the period in which I have had the pleasure of serving in this body this misguided and costly program has come up for renewal on three separate occasions—1962, 1965, and 1971—and I have strongly opposed its extension each time. I can see no evidence that a Sugar Industry Protection Act is any more justified today than it was on those previous occasions, or that over the next 5 years it will do any less harm than it has over the past four decades.

To my colleagues on the Republican side of the aisle let me just say that this program is the very antithesis of the free enterprise system in which we deeply believe. I recall a month or so ago that many of us took considerable satisfaction from the fact that the economic stabilization program was allowed to expire; that rather than further extend or tighten the CLC straightjacket, this body displayed the good sense to release the private market from the shackles of bureaucratic wage and price controls.

Well, the sugar program is far more offensive to the basic principles of a market economy than the economic stabilization program ever dreamed of being. Not only does it set prices and wage rates, but for all practical purposes it makes the USDA the equivalent of a board of directors for an all-embracing national sugar combine.

The program instructs each of the Nation's 21,000 sugar farmers exactly how many acres they may plant; it regulates the number of sugar refineries and processing plants and can determine an exact marketing quota for each; and through the "proportionate share" authority it can do the same for growers. Moreover, the program does not merely authorize the Secretary to set a general price target, but requires him to manipulate supply on literally a day-to-day basis for the explicit purpose of adjusting the price level.

During the Kennedy-Johnson era many of us took strong exception to the activist economic policy doctrines of Mr. Walter Heller and his colleagues, but I must observe that the so-called "price corridor" provisions of this act embody the Heller "fine tuning" doctrine with a vengeance.

Mr. Chairman, there is no sugar market in this country—just a giant producer's cartel. There is little real competition among growers or processors, just USDA acreage allotments, marketing quota's and production directives which guarantee every producer his "proportionate share" of the market—whether his costs be high or low, his production methods efficient or inefficient, his technology advanced or obsolete.

I recognize, of course, that some feel sugar is such a vital commodity that it has the strategic significance of tungsten or uranium ore; and that we must therefore guarantee domestic producers a fixed share of the market no matter what the economic costs in order to have a guaranteed supply during emergencies.

Mr. Chairman, I find it difficult to take that argument seriously. The fact is that more than half of the world's exportable sugar is produced in the Western Hemisphere. Brazil alone produces more than 8 million tons annually—a large share of it for export. Mexico produces almost 3 million tons, the Dominican Republic, Argentina, and Peru nearly a million tons each and Colombia and Venezeula more than a half million tons each. If we can rely on these countries for coffee, bananas, and cocoa beans, I do not know why they cannot be relied upon to supply sugar. I fail to understand why consumers and taxpayers must heavily subsidize a high-cost domestic sugar industry when, in the absence of protective quota barriers, an adequate supply would be readily forthcoming from some of our strongest allies in the hemisphere.

Let me also say to my colleagues on the other side of the aisle that the price consumers pay to maintain a protected and pampered domestic sugar industry in enormous. According to a recent study by one of the Nation's leading agricultural economists, D. Gale Johnson, the average annual consumer cost amounts to more than $500 million. That is a sum equal to or greater than the cost of the infamous 1971 milk price support increase. That figure substantially exceeds the alleged cost of the Russian wheat deal. That is a potential consumer pocketbook savings far greater than the FTC, the Consumer Protection Agency, and all the other regulatory agencies combined could provide.

So I would say to those of my friends on the other side of the aisle who believe that the consumer is not getting a fair shake, who are constantly looking for new regulatory agencies, more statutory safeguards, and additional means of legal redress to protect the consumer: Here is your opportunity. This program is anticonsumer to the core.

Mr. Chairman, I recognize that the proponents of this bill have had much to say about the current world price of sugar. It is true that during the past 4 months the world price has skyrocketed and is now roughly 3 cents per pound higher than the U.S. price. I am thoroughly familiar with the argument that the sugar program is a great stabilizer; that in some years the world price is lower than the protected domestic price, that in other years, like at present, it is higher and that in the long run it all washes out.

Yet, as I have listened to that argument this afternoon I could not help being reminded of that biblical story from the chapter 41 of Genesis. I am sure that all of my colleagues recall the passage about the pharoah's dream which reads:

> And behold, there came up out of the river seven well-favored kine and fatfleshed; and they feed in the meadow.
>
> And behold, seven other kine came up after them out of the river, ill-favored and lean-fleshed; and stood by the other kine on the brink of the river.
>
> And the ill-favored and lean-fleshed kine did eat up the well-favored and fat kine. So the Pharoah awoke.

I certainly would not claim the prescience of Joseph in interpreting dreams. But I think I can assure my colleagues that the sugar program is by no means a modern day equivalent of the Pharaoh's storage granary. If we look at the world sugar market over the past three decades, we do not find 7 lean years alternating with 7 abundant years; we do not find world sugar prices exceeding the protected U.S. price half of the time and falling below the U.S. price the other half of the time.

Quite to the contrary. During 5 of the last 25 years the U.S. price has exceeded the world price by more than 50 percent; during 15 years it has exceeded the world price by more than 35 percent; and during 20 of those 25 years it has exceeded the world price by more than 10 percent. In fact, only in 3 years since 1948 has the world price been greater than the U.S. price, and on all of these occasions the difference was only 4 to 8 percent. Overall, the protected U.S. price has persistently exceeded the world price by more than 30 percent since World War II.

So let us not talk about the good years balancing out the bad. The present world/U.S. price relationship is plainly an aberration. Whatever marginal benefits consumers may be enjoying at present will be wiped out many times over when world prices return to their normal level.

Mr. Chairman, rather than the Pharaoh's granary, a far more apt metaphor would be a one-way escalator. For the basic truth is that the sugar program does not impose a lid on the U.S. price level—only a floor. Since December, the world price of sugar has risen 84 percent and the U.S. price has not lagged far behind—registering an increase of 71 percent.

By contrast, let us briefly recall what happens when the world price cycle turns downward. After the 1951 peak, world prices dropped by 26 percent during the following year while the protected U.S. price rose by 5 percent. Similarly, after the 1957 peak, the world price declined 33 percent while the U.S. price rose by 2 percent; and in 1965 the world price declined by more than 64 percent over the previous year while the U.S. price dipped by only 3 percent. In short, the sugar program is not great price stabilizer that reconciles the interests of consumers and producers. It is in fact, a one-way escalator that allows prices to move in only one direction—up.

Mr. Chairman, there has also been much discussion this afternoon about the dangerously low level of world sugar stocks, prompting suggestions that an age of scarcity and permanently high sugar prices has arrived. Thus, it has been insisted that whenever the case may have been in the past, the need to secure an adequate supply of domestic sugar at stable prices is more imperative than ever.

I will not pretend to judge that particular prognostication. But I would nevertheless insist to colleagues that even if the premise is granted, it does not bolster the case for the present sugar program by one iota.

In the first place, if sugar prices are to remain high, why do we need quota barriers to protect the domestic industry? Surely, U.S. cane and beet producers could satisfy every sweet tooth in America at 20 cents per pound. Indeed, if prices are to remain high, why do we need rigid domestic marketing controls to induce U.S. growers to stay in the business? Both of these mechanisms are designed to deal with glut and depressed prices, not scarcity and inflation.

The more likely scenario, however, is that world sugar prices are likely to fall, and fall substantially, during the next 2 or 3 years. I recall that in 1964 we also heard dire warnings about permanent shortages and that world sugar stocks had fallen to less than 18 percent of consumption compared to a level of 30 percent just a few years previous.

I do not think I have to remind my colleagues that in response to the high world prices of 1964–65 worldwide production increased from 55 million to nearly 75 million tons annually during the next 5 years, and that by the end of the decade sugar stocks again equalled 30 percent of consumption.

To be sure, stocks today are down to 19 percent of consumption. But world prices have surged upward in response to the shortage, and I have seen no evidence that the normal supply response of past world sugar cycles will not be forthcoming. Unlike the case of crops like wheat, there is vast postential for expanding production in many of the major sugar exporting countries. Just since 1970, for example, Mexico has increased its sugar output by 25 percent and Brazil by almost 60 percent. In short, permanent 20 cents per pound world sugar prices are no more likely than $1 loaves of bread, nor are cyclically low sugar stocks a sign of indefinite scarcity. To base a 5-year program on the aberrational conditions of the last few months would be the height of folly.

In conclusion, Mr. Chairman, let me reiterate once again that this Nation does not require this legislation nor a creaking 40-year-old bureaucracy at the Agriculture Department to insure an adequate supply of reasonably priced sugar. Therefore, let us dismantle the U.S. sugar cartel and allow American growers to compete on an open market just like the rest of the agricultural sectors; let us end the unsavory spectacle of $100,000 per year foreign agents haggling before a committee of this Congress for a few extra tons of sugar quota; let us shut off the spigot that drains $500 million per year from the pockets of American consumers; and let us end the folly of paying millions of dollars per year to domestic sugar growers for no good reason whatsoever. I urge that this bill be recommitted to the House Committee on Agriculture.

Mrs. MINK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think that many of us have forgotten the arguments that have been raised in the House in past years when we have been debating extension of the Sugar Act. Under those circumstances there was a great deal of criticism leveled against the large compliance payments being given to the very large processors and large growers in the sugar industry.

What we are dealing with today in the House is a radically changed program which the Committee on Agriculture has reported which makes two basic changes. The two fundamental changes do away with the excise tax which the processors have been paying and very drastically reduce the compliance payments to a maximum level of only $9,400.

In the past we have all read the various statements that the opposition to the program have put into the RECORD, showing some industry people receiving a million dollars plus in compliance payments. This has all been done away with in this new bill.

I think, unfairly, too many people have the impression that the sugar growers—and this has to do with beets and cane equally—are large industrial combines or conglomerates or corporations that make huge sums of money.

I would like to remind the House that in my district, the Second Congressional District of Hawaii, where all the sugar is produced in my State, there are 700 small independent cane growers who because of the adjustments and revisions and changes that are being made to this act must be protected by this passthrough provision which the gentleman from New York seeks to completely cut out of the bill. Without this provision they will be economically ruined.

Let us bear in mind that we are talking about small payments to small independent growers on an average of about $800 per grower in Hawaii. If a grower raises some 800 tons of sugar cane, his passback payment will be less than a thousand dollars. This is paid the grower by the processor under the pass-back provisions which the gentleman from New York seeks to strike from the bill; to make up for the reduction in compliance payments.

The other feature of the bill, which is equally important, is the compliance payments calculated on a graduated scale, which is paid the grower but with an upper limit of $9,400 per farm. Both the pass-back payment and the reduced compliance payment are needed to hold this small farmer harmless.

Mr. Chairman, this House has never turned back consideration, support and concern for the small businessman, or deliberately voted to harm the small farmer. It is on behalf of these 700 small independent cane growers in my district that I ask the committee to reject this amendment. It is imperative that the producers be required by law to pass back to the grower the additional one-half cent per pound price benefit, which this bill is going to be giving to the processor.

Whenever we talk in this House about rising prices and call for a rollback, we have always required that the rollback or price differential go to the person who suffered the loss whether that is a consumer or a producer. In this case, it is specifically the small farmer for whom this "rollback" or passback is designed.

The committee very wisely provided for a passthrough provision, to hold the small farmer harmless, because no one wanted to see him harmed by the complex changes being made to the program.

I urge this House to have consideration for the small growers. The passthrough provision in the bill was designed specifically to protect these small growers. The big growers are not concerned. They are going to make money as a result of increases in prices, but my small growers, with the enormous cost of labor, the cost of harvesting, the cost of irrigating and fertilizing and all the other costs they have to pay back to the plantations, if they are not protected by this pass through which is only one-half cent, will be wiped out.

Mr. Chairman, Hawaii is in the process of losing its pineapple industry. By December 31, 1975, most of the canning operations for pineapples will cease in Honolulu. The canned pineapple you will likely be eating after 1975 will be coming from Taiwan and the Philippines. The sugar cane industry is equally threatened by encroaching urbanization and the demands for development of tourism. But the heart of the economy of Hawaii is still our agriculture. I urge Members to have that under consideration when they consider this amendment, and I hope they agree with me and vote down the amendment.

Mr. MATSUNAGA. Mr. Chairman, will the gentlewoman yield?

Mrs. MINK. Mr. Chairman, I yield to my colleague from Hawaii.

Mr. MATSUNAGA. Mr. Chairman, I wish to associate myself with the remarks of my colleague from Hawaii and I join her in urging the House to defeat the amendment offered by the gentleman from New York (Mr. PEYSER).

The amendment, if adopted, would cause irreparable damage to the small sugar beet growers. While there are no sugar beet growers in my congressional district or in the State of Hawaii, I believe that the amendment would definitely discourage the growing of sugar beets, at a time when there is a world shortage of sugar, unless we do everything possible to encourage the growing of sugar beets, we will in a very short time find ourselves in a sugar crisis in the United States.

We must never forget in our deliberations on the pending bill that sugar is an import commodity, not an export commodity of the United States, and that we import from other countries 45 percent of our domestic needs. Unless we make every effort to be sufficient, we will be faced with the same crisis in sugar that we recently faced in oil. I urge a rejection of the Peyser amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. PEYSER).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. PEYSER. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 11. Section 301 of such Act is amended—

(1) by striking out "the standards therefor formerly established by him under the Agricultural Adjustment Act, as amended," in paragraph (1) of subsection (c) and inserting in lieu thereof "the cost of living, the prices of sugar and byproducts, income from sugar beets and sugarcane, the cost of production, the sporadic and seasonal nature of the work,";

(2) by adding at the end of paragraph (1) of subsection (c) the following: "The hearing held for the purpose of obtaining information needed by the Secretary in determining fair and reasonable wage rates shall be conducted by an administrative law judge appointed by the Secretary under section 3105 of title 5, United States Code. A person adversely affected by the Secretary's determination in a wage rate proceeding may obtain judicial review of such determination by filing a complaint, within sixty days after such determination, with a United States district court for a district in which the wage rates apply. Upon the filing of a complaint, the court shall have jurisdiction to affirm, set aside, or modify the determination of the Secretary, and the findings of the Secretary as to the facts, if supported by substantial evidence, shall be final and conclusive. Any hearing on a claim for unpaid wages or a violation of paragraph (3) or (4) of this subsection (c) shall be conducted by an attorney designated by the General Counsel from among the attorneys employed in the Office of the General Counsel of the Department of Agriculture, and the decision of such attorney shall be issued within thirty days after the conclusion of the hearing. Within thirty days after the issuance of such decision, any person who is adversely affected by such decision may obtain a review of such decision by filing a petition with the judicial officer appointed by the Secretary pursuant to section 450d of title 5, United States Code. Any person who is adversely affected by a decision of the judicial officer hereunder may obtain judicial review of such decision by filing a complaint, within thirty days after such decision, with the United States district court for the district in which such person resides. Upon the filing of the complaint, the court shall have jurisdiction to affirm, set aside, or modify the decision of the judicial officer, and the findings of the judicial officer as to the facts, if supported by substantial evidence, shall be final and conclusive.";

(3) by changing the period at the end of paragraph (2) of subsection (c) to a colon and adding the following: "*Provided*, That in making such determination with respect to sugarcane, the Secretary shall include such provision as may be necessary to compensate the producer in an amount equal to the increase in the price objective made by the Sugar Act Amendments of 1974."; and

(4) by adding the following new paragraphs at the end of subsection (c):

"(3) That the producer shall not have discharged or in any other manner discriminated against any employee because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or related to this Act, or has testified or is about to testify in any such proceeding: *Provided*, That nothing in this paragraph shall be deemed to limit the ability of an employer to discharge any employee for reasons other than those set out herein.

"(4) That the producer shall not have charged, or permitted to be charged, directly or indirectly, any amount in excess of the reasonable cost for the furnishing to any employee of items or services customarily furnished to employees engaged in the production of sugar beets or sugarcane in the area.".

Mr. POAGE (during the reading). Mr. Chairman, I ask unanimous consent that section 11 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENT OFFERED BY MR. PEYSER

Mr. PEYSER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PEYSER: Page 17, Section 11, strike out lines 7 through 14 and redesignate paragraph 4 as paragraph 3.

Mr. PEYSER. Mr. Chairman, I take the floor at this time because this amendment does exactly the same thing to the cane sugar areas as we were talking about previously. I only take the floor at this time because it is obvious that after the display that we have just seen and the inability to get a sufficent number of Members in the House to stand to vote for the first time on a question that would really deal with this sugar bill and deal with a subsidy program which we have heard billed as a reform, is nothing more than an absolute sham.

Mr. Chairman, we had the point being brought forth about the excise tax. Certainly the excise tax was eliminated, and they replaced it with two systems, one that has the Treasury, out of Treasury funds, paying a direct subsidy to the growers, and the rest of it is made up of this processors' tax that I just spoke of, which is passed through to the consumer. In other words, by eliminating the excise tax, they have created two other programs that will, in effect, pay more and give a greater subsidy.

Mr. Chairman, to think that we are not willing to vote on that kind of issue does not make sense, because if we are really talking reform and we are really interested in what is going to happen to the consumer in a market that is getting worse and worse every day, in the sugar market, I think we would at least want to be on record, even if some Members are on the other side of the issue. It is my hope that during this vote—and I will not say anything more on this because we have already said it all—at least we will get up and have a recorded vote. Let us see. Maybe it will go down to a horrible defeat, but I think we ought to be on record and find out where we stand with the consumer on this issue.

Mr. POAGE. Mr. Chairman, I rise in opposition to the amendment.

Of course, the gentleman is very fair. He pointed out that this is the same thing as the one we voted down a while ago except that this relates to cane sugar and the other related to beet sugar.

Of course, it would be ridiculous now to vote to apply different rules to the cane production and the beet production. We have already voted on beet production. We have already provided the pass-through for those producers. To say now that we will not provide the pass-through for the cane growers would be discriminatory in the worst way, and I think it is something that the House certainly would not want to do.

I hope the Members will bear in mind that regardless of how they felt on the gentleman's first proposal, to do this now when we have already voted against doing it for half of the production of the United States will be imposing a very unfair burden on the other half and would be the worst kind of legislation I could conceive of this House engaging in.

Mr. Chairman, I hope the House does not feel that it needs to waste time with further rollcalls.

Mr. GUNTER. I move to strike the last word.

Mr. Chairman, naturally I am disappointed that the amendment offered to suspend the sugar quota of Venezuela until it reduces oil prices was not adopted by the committee and did not find wider favor among the Members. I believed in offering it and still believe that it represented a necessary, if unusual, action by way of providing a clear, measured response to Venezuelan oil pricing policies.

However, my concern remains with the basic problem and what can and must be done about it, rather than with any particular amendment or suggestion of my own. Many Members did not feel that this was the right approach because of a variety of considerations.

While I naturally much prefer to see an amendment succeed, I nevertheless also believe that attempting to protect the interests of U.S. consumers requires the effort not be made just when success is assured. The debate, I believe, calls attention to the lack of any coherent policy for protecting U.S. consumers from irresponsible oil pricing policies by foreign producers. It is an issue sooner or later and in some form we must face and deal with effectively.

In this context, I believe the offering of the amendment and the debate has served a worthwhile purpose and does indeed, given the support for the amendment expressed by such distinguished colleagues as Mr. Rose, Mr. Rosenthal, Mr. Sisk, Mr. Vanik, Mr. Whitehurst, Mr. Bennett, and Mr. Lehman, constitute the sending of a message to the OPEC countries expressing the serious concern of a growing number of Members that some effective remedy be found to protect American consumers.

I am hopeful that the lack of any U.S. policy for pursuing this objective will become increasingly recognized as a result of the attention called to it in this debate.

While the amendment was not adopted, I do want to express my thanks to those colleagues who supported it.

But more to the point, I want to indicate my own desire and willingness to join in developing a strong and effective remedy which will have the chance of succeeding. My own amendment and suggested approach was not adopted. But I urge that other suggestions and approaches by Members be brought forth as a result of this debate and out of a recognition of the very serious problem that exists. In this connection, I would be happy to work with any of my colleagues, with the State Department, or with others, not excluding representatives of the Government of Venezuela, in an effort to find approaches capable of protecting the U.S. consumer from the continued economic devastation and chaos created by these oil pricing policies.

Though the amendment was defeated, the problem remains and the absence of any approach for dealing with it still persists.

I am receptive to all suggestions for other and different approaches and eager to join in finding a solution that will restore fair treatment of U.S. consumers.

Mr. MATSUNAGA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I wish to associate myself with the chairman of the committee in opposing the proposed amendment, in the name of pure equity. We defeated a similar amendment offered by the same gentleman relative to beet sugar. If we do not defeat the pending amendment, we will be visiting gross injustice upon those who raise cane sugar.

Mr. Chairman, I urge the House to defeat the pending amendment.

Mr. PEYSER. Mr. Chairman, will the gentleman yield?

Mr. MATSUNAGA. I yield to the gentleman from New York.

Mr. PEYSER. Mr. Chairman, I will just say to the gentleman that if this amendment does carry, I will then ask unanimous consent to bring back the other amendment.

Mr. MATSUNAGA. Mr. Chairman, the gentleman is hoping against hope.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. Peyser).

The question was taken; and on a division, demanded by Mr. Peyser, there were—ayes 6, noes 29.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. FORD

Mr. FORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Ford: On page 15, line 14, strike out " "the cost of" and all that follows down through the semicolon on line 17 and insert in lieu thereof the following:

" "the percentage increase or decrease in the cost of living as reported in the Consumer Price Index during the immediate preceding twelve months, the prices of sugar and byproducts, income from sugar beets and sugar cane as determined for each producing area by a statistically valid audited sample of producers, the cost of production as determined for each producing area by a statistically valid audited sample of producers, the sporadic and seasonal nature of the work, the percentage increase in productivity during the immediate preceding year, the extra expenses occasioned by travel and living away from home,";".

Mr. O'HARA. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. One hundred and five Members are present, a quorum.

The Chair recognizes the gentleman from Michigan (Mr. Ford) in support of his amendment.

Mr. FORD. Mr. Chairman, I wish to point out to the members of the committee that if they will look at page 3 of the report, they will see recited there in the preamble the history of this act. When it was enacted in 1934, it was stated then—and the sugar program has been carried on ever since under this justification—that its No. 1 reason for enactment was to "protect the welfare of those engaged in producing and processing domestic sugar crops."

During the history of this act, we have seen a pattern, which has become a continuous pattern, of some neglect for part of the people or group of persons involved in the production of the sugar crop, and that part is the labor which is absolutely essential to producing a crop. Without the people who work in the fields, whether it be cane or beet, there would be no sugar crop, and we would not be here as frequently as we are considering this multimillion-dollar legislation.

If I might take the chance of coming close to making a pun, it is my intention, with the amendments I have had published in the Record, to try to sweeten this bill to the point where some of us who would otherwise be disposed to oppose it might find it possible to vote for it.

Mr. Chairman, the U.S. Department of Agriculture which administers this act, recognizes the necessity of assuring that the workers are protected. According to page 75 of the committee report, the USDA acknowledges that one of the the three major purposes of the sugar program is "to protect the welfare of the U.S. sugar industry."

I am certain that none of my colleagues would deny that workers who toil in the fields and harvest our sugar cane and sugar beet crops are an integral part of the U.S. sugar industry—and I am certain that we can all agree that this is one segment of the U.S. sugar industry whose welfare has not been very well protected under the current provisions and administration of the act.

As chairman of the Subcommittee on Agricultural Labor, the appalling conditions under which the agricultural workers are forced to live and work have been brought to my attention time and time again during the course of several hearings we have conducted, and I can assure you that they can be described as nothing less than a national disgrace.

My good friend and colleague from Michigan (Mr. O'Hara), who preceded me as chairman of the Agricultural Labor Subcommittee, conducted hearings on the wage procedures under the Sugar Act in 1972, and ever since then a number of labor and religious groups have been working closely with us in an attempt to improve the law so that the workers covered under the Sugar Act would be provided with some basic and minimal protections. In doing so, we would merely be fulfilling one of the original purposes of the act—to protect the workers' welfare.

Accordingly, on February 21 of this year, we introduced H.R. 12988, "The Equitable Benefits Amendments of 1974, This legislation proposed amendments to the Sugar Act to insure that the welfare of sugar workers would be better protected in the future. H.R. 12988 proposed to:

First, provide additional benefits and protection for sugar workers in the areas of wages, housing, illegal aliens, deductions, health and accident insurance, and retaliations;

Second, establish hearing panels representative of workers', producers', and public interests;

Third, specify standards which the Secretary of Agriculture would use in determining the annual minimum wage rates;

Fourth, authorize a mechanism for settling wage disputes which is reflective of workers', producers', and the public interest;

Fifth, establish a standardized accounting method and yearly audit of sugar production; and

Sixth, extend the Administrative Procedure Act right of judicial review to sugar workers and producers with respect to the conditions of payment determination made by the Secretary of Agriculture.

Some of the proposals we originally submitted to the Agriculture Committee were accepted—in modified form—and some were rejected.

We have not insisted that everything we originally proposed be adopted and have made every attempt to be reasonable and compromise at every step along the way. However, one thing on which we cannot compromise is minimal and basic protection for American working men and women—especially when these protections are mandated by the law which governs them.

We are therefore offering four amendments which would give sugar workers minimal wage and accident insurance protection and provide them with a remedy for damages that may accrue to them as a result of illegal actions of their employers.

These amendments were summarized in the CONGRESSIONAL RECORD on May 28 and are endorsed by major labor and religious organizations, including the AFL–CIO, UAW, the Teamsters, the United Farm Workers, the Amalgamated Meat Cutters and Butcher Workmen, and the U.S. Catholic Conference.

Briefly, these four amendments would accomplish the following:

WAGE DETERMINATION STANDARDS

This amendment would require the Secretary of Agriculture to consider two standards in addition to the ones provided by the present act when he determines the minimum wage rates for sugar workers: First, the percentage increase in productivity during the immediate preceding year; and, second, the extra cost made necessary by the workers' need to travel and live away from home to work in sugar production. The amendment would also specify that the cost of living factor to be considered by the Secretary under the provisions of the committee bill shall be the increase or decrease in the cost of living as reported by the Consumer Price Index during the immediate preceding 12 months. In addition, the amendment would require that the Department of Agriculture use statistically valid samples which are independently verified when considering the other standards in the committee bill relating to the growers' ability to pay.

ACCIDENT INSURANCE

This amendment would provide on-the-job accident insurance for sugar field workers. Presently, sugar workers are specifically exempt from workmen's compensation laws in almost every State in the country.

PIECE-RATE PROTECTION

This amendment would require growers who employ sugar field workers at piece-rates to pay them at least the hourly minimum wage determined by the Secretary—USDA currently requires such a procedure in Florida and the Fair Labor Standards Act also requires that piece-rate workers be guaranteed the specified hourly minimum wage.

REMEDY FOR ILLEGAL GROWER ACTIONS

This amendment would provide a remedy for sugar field workers who suffer losses as a result of illegal actions of growers. The worker would be compensated in an amount equal to the worker's loss plus an equal amount as liquidated damages. This remedy could only be sought after the Secretary has decided a case in the worker's favor—the bill provides that the Secretary can exact penalties from the producers for violating rights of his employees.

Mr. Chairman, for almost four decades the Sugar Act has worked to the benefit of only one segment of the industry—the producer. Our amendments would make the Sugar Act a more equitable law by providing protection for the worker as well as the grower.

Adoption of our amendments would also give the sugar program broader-based support. Without the inclusion of these amendments, I am afraid that we could not support the continuation of a Federal program to give millions of dollars to large producers while the workers continue to live in poverty, and we shall urge our colleagues not to support this legislation if our amendments are rejected.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, I wish to state that I am favorably impressed with the amendments the gentleman has offered, and I would ask the gentleman some questions.

First, will these labor standards be in effect should another amendment to the bill eliminate payments? In other words, are they tied in to payments now authorized in the bill?

Mr. FORD. Yes.

Mr. FINDLEY. Yes, they are tied, or no, they are not?

Mr. FORD. The gentleman means the enforcement of them?

Mr. FINDLEY. Standards required only if payments are made?

Mr. FORD. Yes.

Mr. FINDLEY. If these payments are eliminated from the act, will the standards nevertheless apply? I would hope they would.

Mr. FORD. Yes, that is our intent.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. POAGE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan (Mr. FORD).

Mr. Chairman, I find myself in much the same position that I occupied when I discussed the South African amendment with the House. We brought in a sugar bill. We are trying to provide a sound sugar program for the United States. We are not trying to reform the United States or foreign nations.

This amendment and those that are to follow admittedly are not critical to the sugar bill at all, they are simply amendments that somebody feels are sound labor amendments.

Agriculture labor working with sugar has had the highest wages and the greatest protection of any agriculture labor in the world for a good many years, during this whole 40-year period. We recognized that labor should share in the benefits of such a program. Labor certainly has shared to a very large degree during these years. They have been protected. They have drawn high wages as the result of the law, and they have been protected.

This bill now provides not only all the protections that are in the present law, but it provides, in some six different instances, additional advantages for labor.

In fact, these labor amendments were brought before our committee. Our committee discussed them all, and sought to provide relief wherever there seemed to be any relief needed relating to the sugar program, and we sought to provide it.

For instance, the existing law provides that appeals should be taken to the county AFCS committee. We know that the county committee is composed of farmers, and in those areas where they grow sugar, that means that they are sugar farmers. So we recognized that that was an unequitable situation, and we corrected it. I would say to the gentleman from Michigan that we in six instances provided improvements for the benefits of these sugar laborers. But we did not feel this was a proper vehicle in which to try to give to sugar workers benefits entirely different from those given to other agricultural workers and unrelated to the Government payments or assistance.

So I come back to the amendment situation that I referred to in discussing the South African amendment. This is not a bill to try to correct all of the social ills either of the United States or foreign countries. It is a bill which tries to provide a dependable and a reasonably priced supply of sugar. If we make out of it something else, we are going to jeopardize the benefits that we hope flow from the sugar program.

I think it is clear that the majority of this House recognize the meaning of a sugar program. I hope the Members will not jeopardize that sugar program by running off to pick flowers in some distant pasture where they have no relation on Earth to the sugar program. These people are entitled to be protected; they are protected under existing law; they are given additional protection under the bill that we have brought to the Members; but we cannot substitute for all of the labor laws, here on the floor, a bill by the Committee on Agriculture.

The gentleman who brought this amendment up is chairman of the Agriculture-Labor Subcommittee of his own committee. I do not know why they do not bring the legislation they want in and try to pass it on its merits rather than try to pass it as the tail of a sugar program. They are seeking to ride this horse, and they are likely to get the horse in quickstand, and they will wind up without the kind of sugar program we need.

Mr. Chairman, this is a dangerous procedure. This whole series of amendments is dangerous, and I hope that we will bear in mind that if we really want a sugar program, we have got to confine this to a sugar program and not make a social welfare program out of it.

Mr. BERGLAND. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, this is the amendment I offered in the Committee on Agriculture, and it lost by a vote of 15 to 11 after very open, free-wheeling debate.

I call attention to one feature of the amendment offered by the gentleman from Michigan (Mr. Ford). May I say I think the substitute he has offered is a rather modest proposal and merely clarifies the intent of the committee, which I think did a remarkably good job in improving the labor provisions of the Sugar Act as compared to the past. I call attention to that one element in the amendment that I think is significant. It deals with the matter of the increase or decrease in productivity in the immediately preceding year. I have the record from the Department of Agriculture that shows what in fact has been happening since 1960 in the productivity per man hour for employees engaged in the sugar business. We find since 1960 there have been 2 years in which the productivity per worker has decreased, and in the other of those years it has increased.

Using 1960 as the bench mark, in the last 13 years there has been a 57-percent increase in worker productivity. At the same time we must keep in mind that during that same period the wage rates for sugar workers have increased from a minimum of 75 cents an hour to an increase of $2.30 an hour; so in fact there has been a steady progression of increases over the years in productivity per man-hour, and there has been a corresponding increase in the minimum wages paid.

I certainly want to reinforce the statement made by the chairman in that wages, though they be modest and though they be too low does represent a substantial improvement over the Fair Labor Standards Act, that would apply in the absence of the Sugar Act.

Mr. Chairman, I urge adoption of the amendment.

Mr. WAMPLER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment offered by the gentleman from Michigan (Mr. Ford), and other amendments to be offered by Mr. O'Hara, Mr. Bergland, and Mr. Foley.

The committee, after a very careful and very detailed effort, has brought forth a bill that among other things significantly liberalizes the benefits that sugar workers receive under this act.

Let me remind the Members of this body that the Sugar Act awards unique and special benefits to sugar workers beyond the range of basic farm labor legislation. Minimum wages are higher under the present act and will be higher still under this bill. And as we prepared this legislation, we agreed to six specific new benefits to sugar workers. These are:

First. Wage rate hearings would be conducted by an administrative law judge, rather than the Sugar Division of ASCS of USDA with final determination by the Secretary subject to judicial review;

Second. The resolution of disputes between workers and growers would be made by attorneys from the Office of the General Counsel of USDA with an appeal procedure through the judicial officer of USDA to U.S. district court;

Third. The criteria used under present law to establish wage rates would be specifically set forth in the Sugar Act and the criterion "sporadic and seasonal nature of the work" would be added;

Fourth. A prohibition against retaliation by employers against sugar workers for filing wage-related complaints would be added;

Fifth. A prohibition against charging sugarworkers more than reasonable costs for items or services customarily furnished to workers engaged in producing sugar would be included; and

Sixth. The wage claim, retaliation, and reasonable cost provisions would be enforced by withholding or forfeiture of payments. Private double damage civil suits would also be authorized for wage claims to the extent not recovered from withheld payments.

All six of these changes were made to improve the treatment of farmworkers while still trying to keep sugar producers in the business of growing sugar.

I keep repeating this theme, but it is worth repeating. Supply is the key to this legislation. Without domestic producers, we will not have the increased supply that is needed in the years ahead.

Each of the gentleman's amendments was considered. Each should be rejected now.

Mr. MEEDS. Mr. Chairman, I move to strike the requisite number of words and rise in favor of the amendment.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from Michigan. (Mr. Ford).

Mr. FORD. Mr. Chairman, I would like to ask the distinguished chairman (Mr. Poage) to clarify one statement he made a few months ago.

I will ask the chairman if he was serious when he invited me, as chairman of the Subcommittee on Agricultural Labor of the Committee on Education and Labor, to prepare and bring to this floor legislation covering the wages and hours and working conditions of sugarworkers in this country, and if I did would the chairman contest the jurisdiction of this committee?

Mr. POAGE. I did not invite the gentleman to do it. I asked him why he did not do it.

Mr. FORD. I am asking the chairman if he will object and raise a point of order against that legislation if I prepare it and bring it to the floor. Will the gentleman yield his jurisdiction over the sugarworkers to us in our committee? That is what I am asking.

Mr. POAGE. I think the gentleman can prepare a bill within his jurisdiction. I would not pass in advance on what the gentleman prepares. I would have to see it before I would know, but I think it would be perfectly possible for the gentleman to do it.

Mr. FORD. I thank the chairman.

I would like to conclude by noting the chairman took me somewhat by surprise by the reason for his opposition to the amendment since the amendment actually only modifies the language already in the bill, and the bill is replete with labor provisions including minimum wage provisions. I am not introducing the question of labor into the bill. It is in the committee bill and it has been in the act from the beginning.

This was a piece of New Deal legislation in 1934. In 1937 Franklin Delano Roosevelt had this to say about the subject now before us:

> It is also highly desirable to continue the policy, which was inherent in the Jones-Costigan Act, of effectuating the principle that an industry which desires the protection afforded by a quota system, or a tariff, should be expected to guarantee that it will be a good employer. I recommend, therefore, that the prevention of child labor, and the payment of wages of not less than minimum standards, be included among the conditions for receiving a federal payment.

That was the policy when the act was adopted in 1934.

The President asked for continuation in 1937 and every extension of the act since then supposedly has continued that policy. I submit all we are doing now, Mr. Chairman, is attempting to assure that the policy is adhered to by improving the language in the act.

Mr. RARICK. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to take only a few minutes.

I would like to ask the gentleman from Michigan if I understood him correctly when he indicated that if his amendments, the one before us and the other three to be offered, were passed, he could support the bill; is that correct?

Mr. FORD. Mr. Chairman, that is correct.

Mr. RARICK. On the other hand, if his amendment, or none of the other amendments are adopted, then he feels constrained to oppose the legislation.

Mr. FORD. I would think so.

Mr. RARICK. Well, I raise this question because my mail seems to indicate considerable support from many national labor organizations for his amendments.

Mr. FORD. If the gentleman will yield further, I would still be constrained to oppose the bill, even if my amendments were adopted; but I would feel obligated by the adoption of the amendments to support the bill, for that reason if for no other.

Mr. RARICK. Judging from the mail I have received here, you have had substantial support from many of the national labor organizations. I am wondering if the gentleman is aware that if the bill is killed because of the action of organized labor, the sugar workers would no longer be under the premium wage scale they now receive, which is above the hourly rate scale set by the new minimum wage legislation. The fact is that in Louisiana the sugar workers would go from a wage of $2 an hour back to $1.60 an hour if this bill is not passed. That would be, of course, if they have any jobs, because in Louisiana our reports indicate that our sugar farms have now shrunk from 1,912 in 1967 until last year when we only had 1,209 sugar farmers, a decrease of 622 farmers. This would indicate that the sugar people are aware that they can still plow under their sugarcane and go back to soybeans or some other more profitable crop.

I wanted to know what will be the gentleman's response or the response of organized labor if this bill is killed from overloading? Do they want to take credit for decreasing the salaries of sugar workers or even exporting their jobs to Latin and Central America, where many sugar workers do not make in a day what our people make in an hour.

Mr. FORD. Mr. Chairman, I might say to the gentleman that I assume his remarks are directed to the fact that every segment of organized labor that has expressed any opinion on this at all is in favor of my amendments, as well as additional groups like the Catholic Welfare Conference and the Civil Rights Leadership Conference and others, that somehow indicates their dictation of my role.

I might say these amendments prepared by me would have been offered with or without their support. I am happy to have it. If they choose to withdraw their support or do something else, that is their own decision. These are BILL FORD's amendments based on his firm and thorough conviction that they are absolutely necessary to save the business.

Mr. RARICK. I might remind other Members present who have more interest in cotton or corn or wheat or some other agricultural commodity that this appears to be the opening of the door for labor to write more and more legislation for farmworkers in addition to the existing minimum wage. I think we should be aware of what is going on.

I think there is considerable merit in voting down this amendment offered by the gentleman from Michigan (Mr. FORD), as well as the other three to follow.

Mr. CLAY. Mr. Chairman, I rise in strong support of the amendments to the committee bill being offered by my colleague BILL FORD. A series of articles appeared in the States Item, a New Orleans newspaper. It was called "Behind the Cane Curtain." It was not about Communist China. It was about the Louisiana sugar plantations. I would venture to guess that most of us know less about what goes on behind the cane curtain than we do about life behind the bamboo curtain. Mr. Nixon's trip has made Red China fashionable. It is "in" to know about the cultural revolution and life in the communes. Perhaps a trip to the cane fields and workers' shacks a little closer to home would be even more eye-opening to the President.

The plantation is a world in itself. You are born there. You live there. You die there. You are buried there—but often no headstone marks the grave. There is not enough money to provide for the living, let alone to honor the dead.

There was a song that people used to sing some time ago about coal and owing your soul to the company store. It is true of the plantation worker today. He must pay inflated prices at a company store because he cannot get to town. By the time pay day comes around, there is no paycheck—it is all gone to the company store. So he borrows from the boss. Working sugar is a dangerous job. He gets hurt, and in most cases, that is it—no more money coming in from anywhere. Nothing with which to pay the doctor. No way to feed the family. So he borrows from the boss. And he borrows again when there is no more work in the fields because working sugar is what he knows. He cannot read too well or write because he had to leave school to go to work in the sugar fields. Where would he go to get another job anyway—when the plantation is the world he knows and, to tell the truth, he is scared of what is outside.

Giving the Secretary of Agriculture a pretty clear idea of what Congress wants done when wage standards are determined is one step toward breaking down the plantation walls and letting some of 20th century America in. The amendments offered by Congressman FORD dealing with wage determination standards, piece-rate protections, accident insurance and a remedy for illegal grower actions are designed to strengthen labor protections for sugar workers. I urge my colleagues to support the Ford amendments. Simple justice requires that basic labor protections be provided for the 100,000 impoverished workers who are employed by an industry receiving millions of dollars in aid from the American taxpayer.

There is one other important aspect of the Sugar Act amendments measure that I want to address myself to. The bill allots a sugar quota to South Africa. There is no justification, either economic or political, for South Africa having a quota.

South Africa is the only country in the world where social and political discrimination is the proclaimed policy of the government, instituted and implemented by law. The statistics speak for themselves. Africans who are 74 percent of the population are restricted to 18 percent of the land. Whites, who are less than 18 percent of the population, received 74 percent of the country's income.

African sugar workers number 126,000. Indian sugar workers number 4,750, and whites only 520. The average laborer makes only $30 a month. Of the 8,000 independent growers, about 4,400 are Africans who own land totaling about 32,000 acres with a crop value of about $3.4 million. According to the latest available figures, 2,000 white growers own 520,877 acres with a crop valued at over $96.1 million in 1971–72.

Exporting sugar to the United States is of minimal importance to South Africa which in 1973 sent to the United States only 5 percent of its total sugar exports. Since South Africa can easily live without the U.S. market, there is no reason that we cannot completely end its quota.

By ending the South African quota we could extend it to other African countries with which we have growing foreign policy and economic interests, such as Mauritius and Swaziland.

South Africa not only discriminates against its own blacks but discriminates against the admission of U.S. citizens, except on a very selected basis and any black Americans who are admitted are subject to domestic racial restrictions.

There is no reason why the United States should extend a privilege and a subsidy to a nation which legally permits and encourages the degradation and exploitation of its own people and the U.S. citizens on the basis of race. South Africa does not need our help. I urge my colleagues to support the amendment by Congressman PARREN MITCHELL to terminate the 63,000-short-ton South African sugar quota.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. FORD).

The question was taken; and on a division (demanded by Mr. SYMMS) there were—ayes 38; noes 47.

RECORDED VOTE

Mr. FORD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered. .

The vote was taken by electronic device, and there were—ayes 244, noes 143, not voting 46, as follows:

[Roll No. 273]

AYES—244

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Blatnik
Boland
Bolling
Brademas
Bray
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Mich.
Buchanan
Burke, Mass.
Carney, Ohio
Carter
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cohen
Collier
Conable
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Daniels, Dominick V.
de la Garza
Delaney
Dellenback
Denholm
Dent
Derwinski
Dingell
Donohue
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Fascell
Findley
Fish
Flood
Foley
Ford
Forsythe
Frelinghuysen
Frenzel
Froehlich
Fulton
Gaydos
Giaimo
Gibbons
Gilman
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Hamilton
Hanley
Hansen, Wash.
Harrington
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Hogan
Holifield
Holtzman
Horton
Hudnut
Hungate
Hunt
Ichord
Johnson, Calif.
Jordan
Karth
Kastenmeier
Kazen
Kemp
King
Kluczynski
Koch
Landrum
Leggett
Lehman
Lent
Litton
Long, Md.
Lujan
Luken
McClory
McCormack
McDade
McFall
McKinney
Madden
Madigan
Mallary
Maraziti
Matsunaga
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Passman
Patman
Patten
Pepper
Perkins
Peyser
Pike
Podell
Price, Ill.
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Roncallo, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roy
Runnels
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Udall
Van Deerlin
Vander Veen
Vanik
Vigorito
Waldie

Walsh
White
Widnall
Williams
Wilson, Charles, Tex.
Wolff
Wright
Wyatt
Wydler
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion

NOES—143

Alexander
Andrews, N.C.
Archer
Arends
Armstrong
Bafalis
Baker
Bauman
Beard
Boggs
Bowen
Breaux
Brinkley
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burleson, Tex.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clawson, Del
Cochran
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
Dennis
Downing
Duncan
Edwards, Ala.
Eshleman
Evins, Tenn.
Fisher
Flowers
Fountain
Frey
Fuqua
Gettys
Ginn
Goldwater
Goodling
Gross
Grover
Gunter
Haley
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Hastings
Henderson
Holt
Hosmer
Huber
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Ketchum
Kuykendall
Lagomarsino
Landgrebe
Latta
Long, La.
Lott
McCollister
McEwen
McKay
McSpadden
Mahon
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Milford
Minshall, Ohio
Mizell
Montgomery
Moorhead, Calif.
Nelsen
Nichols
Parris
Pettis
Pickle
Poage
Powell, Ohio
Quillen
Rarick
Rhodes
Roberts
Robinson, Va.
Rogers
Roncalio, Wyo.
Rose
Rousselot
Ruppe
Ruth
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Sikes
Smith, N.Y.
Spence
Steed
Steiger, Ariz.
Stephens
Stubblefield
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Traxler
Treen
Ullman
Veysey
Waggonner
Wampler
Ware
Whitehurst
Whitten
Wilson, Bob
Winn
Young, S.C.
Zwach

NOT VOTING—46

Ashbrook
Biester
Bingham
Blackburn
Brasco
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burlison, Mo.
Burton
Carey, N.Y.
Collins, Ill.
Culver
Danielson
Dellums
Devine
Dickinson
Diggs
Dorn
Flynt
Fraser
Gubser
Gude
Guyer
Hanna
Hébert
Hinshaw
Howard
Hutchinson
Jones, Ala.
Kyros
McCloskey
Macdonald
Mazzoli
Mills
Preyer
Price, Tex.
Reid
Rooney, N.Y.
Roybal
Teague
Vander Jagt
Whalen
Wiggins
Wilson, Charles H., Calif.
Wylie

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. O'HARA

Mr. O'HARA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'Hara: Page 18, after line 5, insert:

(5) That the producer who compensates workers on a piece-rate basis shall have paid, at a minimum, the established minimum hourly wage.

Mr. O'HARA. Mr. Chairman, the purpose of this amendment is simple, and I will not take 5 minutes to explain it.

Under the law as it now reads, in order to receive the subsidy, the grower must pay wages at rates not less than those determined by the Secretary to be fair and reasonable after an investigation, and so forth. My amendment simply provides that where the workers are paid on a piece rate basis, that their weekly earnings must work out to not less than the hourly rate prescribed by the Secretary.

The regulations under the Sugar Act already provide this for certain sugar workers in the State of Florida. The Fair Labor Standards Act applicable to all of U.S. industry already provides this with respect to workers paid on a piece rate basis. I simply want to require that all sugar workers, not just those in the State of Florida, have the protection of the minimum hourly wage even though they may be compensated on a piece rate basis.

Mr. Chairman, I ask that the amendment be adopted.

Mr. JOHNSON of Colorado. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan (Mr. O'Hara).

Mr. Chairman, this is an amendment that, on the face of it, would seem to make it very hard for people to oppose but, as a matter of fact, the law already provides that people who work on a piece rate basis will be paid a comparable rate to those who work on an hourly rate.

Let me point to the problem with this particular amendment.

In the State of Colorado, a person who farms, say, 200 acres of sugar beets, and who will be hiring, 8 to 10 people who will work on a piece rate basis, will pay those people about $25 to $26 an acre.

The people who can work at this rate choose their time of day that they intend to work. Generally they want to work in the mornings, when it is cool, and late in the evenings when it is also cool. They do not like to work in the heat of the day. They make approximately $2.50 an hour when they hoe sugar beets to thin them, and then they make about $4 an hour, or when you compute it out on the basis of piece rate versus an hourly rate, about $4 when they go down the rows to hoe the weeds that are present.

The people are obviously making more than is required that they make under the minimum wage rate.

The objection to adding this requirement is that it will place an additional burden on the one-man operation of farms, because they will have to keep track of the number of hours each one of these people work, and if they have 8, 9, or 10 people working on the farm for 6 weeks at a time you will probably put these small farmers in the position where they cannot possibly keep all of the records that will be necessary.

The way this amendment reads, it sounds very fine, but in reality it does not help anyone. It does not help the worker, and it actually harms the man who has to try to keep all of the records that will be necessary. All it does is to work a hardship on the small farmer. It will force him to change his sugar beet crop to something else because he will not be able to keep up with all of the recordkeeping. Then you will only have the really large farmers who concentrate on this sort of thing, and who can hire the necessary help to keep track of the hourly rates for these people.

I do not think you want to require that they have to have an hourly schedule where they work from 8 o'clock in the morning until 5 o'clock at night, just so the people can keep track of them.

I can see why the gentleman would offer the amendment, but I believe that the amendment will work to the detriment of the people whose work habits have not been in that fashion up to now, in addition to placing a large burden upon the small farmer.

Mr. O'HARA. Mr. Chairman, would the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from Michigan.

Mr. O'HARA. The farmer already has to keep records.

Mr. JOHNSON of Colorado. Not when they are not paid on a piece rate.

Mr. O'HARA. It seems to work pretty well in the State of Florida; at least we have not had many complaints about it, so I do not see why it would not work in other States.

Mr. JOHNSON of Colorado. I do not know what the situation is down in Florida, or the number of acres that are involved, or the number of workers that are involved. They are cane workers, not beet workers. But in Colorado I think that the Members can see that, with a one-man operation that that farmer is not going to have time to do the other things that have to be done. For instance, what about his other crops? Keeping track of his irrigation, doing all of that, he cannot possibly keep track of all of these records that would be required under this amendment.

As I say, it does not actually help increase the amount of compensation that the worker receives and it is burdensome to the farmer.

AMENDMENT OFFERED BY MR. SYMMS AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. O'HARA

Mr. SYMMS. Mr. Chairman, I offer an amendment as a substitute for the amendment offered by the gentleman from Michigan (Mr. O'Hara).

The Clerk read as follows:

Amendment offered by Mr. Symms as a substitute for the amendment offered by Mr. O'Hara: In lieu of the amendment offered by the gentleman from Michigan insert the following: "Section 11 of the bill, page 15, strike out all of line 11 through line 6 of page 17 and renumbering the '(3)' on line 7, page 17 as '(1)', and strike out line 15 on page 17 through line 5 on page 18."

POINT OF ORDER

Mr. O'HARA. Mr. Chairman, I make a point of order against the amendment in that it is not germane to the provisions of my amendment. It deals with different parts of section 11.

The CHAIRMAN. Does the gentleman from Idaho wish to be heard on the point of order?

Mr. SYMMS. I do.

Mr. Chairman, this amendment is germane to the gentleman's amendment. It strikes it and all the labor provisions from the bill.

The CHAIRMAN (Mr. Burke of Massachusetts). It is the ruling of the Chair that the amendment offered by the gentleman from Idaho (Mr. Symms) as a substitute for the amendment offered by the gentleman from Michigan (Mr. O'Hara) is not a proper substitute. The substitute would strike portions of section 11 not affected by the pending amendment. And, the substitute is broader in scope than the amendment to which offered and is not germane thereto. The Chair sustains the point of order.

Mr. FORD. Mr. Chairman, I rise in support of the amendment offered by my good friend, the distinguished gentleman from Michigan (Mr. O'HARA).

Mr. Chairman, I should only like to say that this amendment offered by the distinguished gentleman is the amendment that was described in the CONGRESSIONAL RECORD on May 28. That is the second part of the package of four which we are supporting.

Mr. POAGE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am reluctant to rise in opposition to what seems on its face to be a very good amendment, but the amendment simply does not work. It simply is another illustration of trying to do some things that people feel may be highly desirable, but to do it in the wrong place and to do it in the wrong way.

If we are going to produce sugar, we have got to make it economically possible for farmers to produce it. Particularly in the beet industry—the gentleman referred to Florida—a large part of the work is done by contract and is not done by hourly workers. A crew will come in and clean a whole field in a half day and get paid for the job. Some of them will be efficient; some of them will be inefficient. Some of them will be kids; some of them will be old men; and some of them will be cripples. The farmer will pay for what is done, not for the number of hours that they camp on his field.

I hope that we can at least take this to mean that the gentleman wants us to reward efficiency. I hope that I understand—and I do so understand unless he corrects me to the contrary—that this means that it is his desire that payment for work in beet and cane fields shall be in proportion to the work that the individual does, not in proportion to the hours that he sits out there, whether it be in the shade or whether it be with a hoe in his hand.

Does the gentleman hope to pay on the basis of what the individual does in the field?

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Michigan.

Mr. O'HARA. I thank the gentleman for yielding.

The purpose of my amendment is to permit payment on a piecework basis, but to require that those so paid receive at least the minimum hourly rate. It would be up to the farmer, therefore, to provide some supervision to see that the people are actually working and not simply sitting around. The purpose of the amendment is to provide some equity for those people who are working piecework in a dirty field, in a muddy field, and cannot produce as much or as rapidly as others.

Mr. POAGE. Is it the gentleman's purpose to say that a man who is 75 years old and needs a job, who goes out but who cannot do as much work as a man 35 years old, must receive as much even though he is doing it by piecework, even though he wants to take his time doing it? He must receive as much every hour that he works in that field as the man who is 35 years old who is, let us say, doing 2 acres while the old man is doing 1 acre?

Mr. O'HARA. No. If the gentleman will yield again, I would permit payment at the piece rate basis. If the man 35 years old, a really good worker, working in a good clean field, can produce, and if he can double the required minimum hourly wage, fine, but the older worker and the less efficient worker would have to be paid at least the minimum hourly wage although it might not be as much as the younger man is paid.

Mr. POAGE. In other words, the gentleman does not propose to let the older man or the man crippled in some accident work. That is what it comes down to. I know a great many others feel as I do, and we feel we ought to let our more unfortunate citizens work and earn what they can and contribute to the welfare of the country and of themselves. We ought to let these people work. I just do not think that this is any kind of bill in which we ought to try to solve this problem of whether we are going to use all of the working force of America or whether we are going to require a large part of that working force to retire from working and simply hold out their hats for the United States to chip in some food and clothes. I think that is the seat of most of our inflation, the fact that a great many of our people are not working and are not contributing what they can and in many cases what they would like to contribute to the welfare of America. We ought to let them do it and we ought to vote this amendment down.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(On request of Mr. FORD, and by unanimous consent, Mr. POAGE was allowed to proceed for 1 additional minute.)

Mr. FORD. Mr. Chairman, if the gentleman will yield further: I cannot follow the gentleman. Is he willing to state for us the standard that he is willing to set as to how old or how crippled a person should be before he will be paid below the minimum wage?

Mr. POAGE. I think when a person can produce only part of what a normal man can produce he ought to be permitted to produce that part. If he can do but half a day's work, then he ought to be entitled to receive half of what we consider a normal minimum wage.

Mr. FORD. We want to insure that he will receive a half day's pay for 4 hours of work. He ought to get 4 hours pay for 4 hours work. I think what the gentleman in the well is suggesting is that growers should be able, because a man is 75 years old to exploit his labor because he is 75 years old. I cannot believe that the gentleman in the well would suggest the use of such methods by any American farmer.

Mr. POAGE. I am suggesting that the man 75 years old ought to have the opportunity to add to the wealth of the world as much as he can rather than to be denied that opportunity as this amendment would do.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. O'HARA).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. O'HARA. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 233, noes 151, not voting 49, as follows:

[Roll No. 274]

AYES—233

Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Blatnik
Boggs
Boland
Bolling
Brademas
Bray
Breckinridge
Brooks
Broomfield
Brown, Ohio
Burke, Mass.
Burlison, Mo.
Carney, Ohio
Carter
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clay
Cleveland
Cohen
Collier
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Daniels, Dominick V.
Davis, S.C.
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Dingell
Donohue
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Fascell
Findley
Fish
Flood
Flowers
Foley
Ford
Forsythe
Frenzel
Fulton
Froehlich
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Gonzalez
Grasso
Gray
Green, Pa.
Griffiths
Grover
Hamilton
Hanley
Hanrahan
Hansen, Wash.
Harrington
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Holtzman
Horton
Hungate
Hunt
Ichord
Johnson, Calif.
Jordan
Karth
Kastenmeier
Kemp
Kluczynski
Koch
Landrum
Leggett
Lehman
Lent
Litton
Long, Md.
Lujan
Luken
McClory
McCormack
McDade
McFall
McKinney
Madden
Madigan
Maraziti
Matsunaga
Meeds
Melcher
Metcalfe
Mezvinsky
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Passman
Patman
Patten
Pepper
Perkins
Peyser
Pike
Podell
Price, Ill.
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Ryan
St Germain
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Slack
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Thompson, N.J.
Tiernan
Towell, Nev.
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waldie
Walsh
Widnall
Williams
Wilson, Charles, Tex.
Wolff
Wright
Wyatt
Wydler
Wyman
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki

NOES—151

Abdnor
Alexander
Andrews, N.C.
Andrews, N. Dak.
Archer
Arends
Armstrong
Bafalis
Baker
Bauman
Beard
Bowen
Breaux
Brinkley
Brotzman
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Burgener
Burleson, Tex.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Clawson, Del
Cochran
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, Wis.
de la Garza
Downing
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Evins, Tenn.
Fisher
Fountain
Frelinghuysen
Frey
Ginn
Goldwater
Goodling
Gross
Gubser
Gunter
Haley
Hammerschmidt
Hansen, Idaho
Harsha
Henderson
Hogan
Holt
Hosmer
Huber
Hudnut
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Ketchum
King
Kuykendall
Lagomarsino
Landgrebe
Latta
Long, La.
Lott
McCollister
McEwen
McKay
McSpadden
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Milford
Miller
Minshall, Ohio
Mizell
Montgomery
Moorhead, Calif.
Nelsen
Parris
Pettis
Pickle
Poage
Powell, Ohio
Quillen
Rarick
Rhodes
Roberts
Robinson, Va.
Roncalio, Wyo.
Rousselot
Runnels
Ruppe
Ruth
Sandman
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Sikes
Skubitz
Smith, Iowa
Smith, N.Y.
Spence
Steed
Steiger, Ariz.
Stephens
Stubblefield
Symms
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Traxler
Treen
Veysey
Waggonner
Wampler
Ware
White
Whitehurst
Whitten
Wilson, Bob
Winn
Young, Fla.
Young, S.C.
Zion
Zwach

NOT VOTING—49

Ashbrook
Biester
Bingham
Blackburn
Brasco
Brown, Calif.
Buchanan
Burke, Calif.
Burke, Fla.
Burton
Carey, N.Y.
Collins, Ill.
Culver
Danielson
Dellums
Devine
Dickinson
Diggs
Dorn
Flynt
Fraser
Giaimo
Green, Oreg.
Gude
Guyer
Hanna
Hébert
Hinshaw
Holifield
Howard
Hutchinson
Jones, Ala.
Kyros
McCloskey
Macdonald
Mazzoli
Mills
Preyer
Price, Tex.
Reid
Rooney, N.Y.
Roybal
Sisk
Teague
Vander Jagt
Whalen
Wiggins
Wilson, Charles H., Calif.
Wylie

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DE LA GARZA

Mr. DE LA GARZA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DE LA GARZA: on page 18 after line 5, add the following:

(5) The Secretary is hereby authorized, by appropriate regulation to require that all persons employed in the production of sugarcane or sugar beets who travel beyond the limits of their State of residence to perform such work, be provided accident insurance once each year, to cover their travel to and from their permanent residence to the place of employment.

Said insurance to be the responsibility of the employer who initially contracts for the services of said worker, be it a crew leader, cooperative or individual employer, said cost to be proportionate wherever possible if there be more than one employer.

Mr. DE LA GARZA. Mr. Chairman, I offer this amendment in order to try to take care of a very serious problem, one that affects people from my area and my district who travel to other States to work in the sugarcane and sugar beet fields.

When the proposal which was offered by my colleague, the gentleman from Michigan (Mr. FORD) was brought before the ad hoc committee, I took it home with me. I discussed it, of course, with the producers, and I discussed it with some of the people who do the work in the sugarcane and sugar beet fields. I also discussed the amendment which is going to be offered by the gentleman from Minnesota after consideration of my amendment.

When I asked them, "Do you want to be covered on the job?" the immediate reply I received was: "No, but we need to be covered on the road."

Very few people get hurt working in the sugar beet fields, hoeing the beets or picking up the beets. Now and then there is a tractor accident. But hundreds of those poor people who have to leave the State to work in the fields are maimed, are hurt, and are killed on the highways.

Mr. Chairman, I introduced the amendment in the committee, and I was somewhat aggrieved to learn that those who have sponsored the amendments introduced before, including the preceding one, opposed it because it was not part of their package. They refused to vote for my amendment. Those Members who refused to vote for it included two of my colleagues on the committee who have advocated instituting these other reforms for the workers.

They have said to me, "How are you going to get the insurance company to give you a rate? How are you going to apply it to the employer?"

Well, it would be no different than the procedure when one buys an airline ticket and buys an insurance policy at the airport. In that instance we just go to a machine and buy airline insurance to cover one trip.

The rates can be set.

Mr. Chairman, I have changed the amendment to provide that the Secretary is authorized to institute this proposal by regulation, so that the Department can find a way by regulation to apply it and so that the insurance companies might find a way to set rates. In other words, we let the Department work out the operational aspects of it.

I do not want to think that the amendments that have been agreed to, and those which will be offered, to help the workers have been singled out to benefit only one element of those who work in the sugar industry. They seem to have found everything wrong with my amendment, because it was not a part of the package.

Mr. Chairman, I want the Members to know and I want the people to know, including the producers and the workers, that somebody is going to work for all of the workers regardless of where they come from. The word has gotten around that these amendments are offered to take care of the Louisiana plantations. Well, I do not know about that. Goodness knows, maybe they need to be taken care of. But nothing has been done to help those who come from south Texas to pick the sugar beets in Michigan, in the Dakotas in Colorado, and in Minnesota.

So I think if there are any technical problems, the Secretary by regulation can work them out.

I ask that the Members support this amendment just as you have supported the others.

The late President Roosevelt said that the worker ought to receive benefits the same as the producer.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Texas.

Mr. KAZEN. I want to commend the gentleman for offering his amendment and associate myself with his remarks.

I think this is a good amendment. If we are really serious about helping the workers, this will help that vast migrant farming group who are responsible for the production of sugar in this country.

As the gentleman said, more accidents happen on the highways when these families travel to and from their work than damage or injuries that are incurred on the job.

This amendment should be adopted.

Mr. DE LA GARZA. We had a family that had a car accident going to fields in Memphis. I do not know exactly what place they were going to, but they were hurt in the accident. I think that the technicalities can be worked out by the department. Certainly we want to take care of all of the workers in the sugar industry.

I urge a vote for my amendment.

AMENDMENT OFFERED BY MR. BERGLAND AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. DE LA GARZA

Mr. BERGLAND. Mr. Chairman, I offer an amendment as a substitute for the amendment offered by Mr. DE LA GARZA.

The Clerk read as follows:

Amendment offered by Mr. BERGLAND as a substitute for the amendment offered by Mr. DE LA GARZA: page 18, line 5, strike out the quotation mark and the second period and insert the following new paragraph:

"(5) That the producer shall have provided an accident insurance plan to cover injuries, disabilities, or deaths occurring while at work for the producer comparable to the Workmen's Compensation Law of the State in which the work is performed.".

Mr. BERGLAND. Mr. Chairman, the amendment offered by the gentleman from Texas during the consideration of the bill in the committee was discussed at length. We found that while it was well intentioned it was fraught with many administrative difficulties.

For example, in most of the sugar beet area of the North, persons travel from Texas in their own vehicles, coming up to that region looking for jobs, some of which are contracted for in advance, but many of which are not.

We find in the North, in California and other States, the sugar field workers come from Texas and elsewhere and they may reside and work on one farm, but they also may work on others while in that vicinity.

The amendment offered by the gentleman from Texas will place the burden of providing travel insurance on the one farm to which they originally went and would not share the burden with the other farms to which they are going during the period they reside in that region.

Mr. WRIGHT. Will the gentleman yield?

Mr. BERGLAND. I am delighted to yield to the gentleman.

Mr. WRIGHT. I was not clear from a reading of the amendment offered by the gentleman, but does your amendment provide travel insurance or just insurance on the job?

Mr. BERGLAND. My amendment provides for insurance on the job.

Mr. WRIGHT. It does not provide travel insurance of any kind?

Mr. BERGLAND. No, sir. It does not.

Mr. WRIGHT. Then why did the gentleman not offer his amendment as a separate amendment rather than as a substitute to the amendment offered by the gentleman from Texas? Do you not want them to have travel insurance?

Mr. BERGLAND. Because of the many problems encountered in trying to find a way in which we can apply this so that it will be applied fairly or uniformly.

Mr. WRIGHT. You are dealing with an entirely different subject. Why did not the gentleman offer his amendment as a separate amendment instead of trying to knock out the amendment offered by the gentleman from Texas? I would like to vote for the gentleman's amendment as well as the amendment offered by the gentleman from Texas, but the gentleman is denying us that privilege by offering his amendment as a substitute.

Mr. BERGLAND. The amendment offered by the gentleman from Texas does not provide for on-the-job workmen's compensation.

Mr. WRIGHT. No. And the gentleman in the well does not provide for travel insurance. We would like to get both, but we cannot if the gentleman offers his as a substitute. I would suggest why does not the gentleman withdraw his substitute and then we can vote on the amendment offered by the gentleman from Texas and I can support it.

Mr. BERGLAND. The problem is, if the gentleman will listen, that we have so many of these people coming from the South who are not under contract to the North. They drive up into that country looking for jobs, and there is no way by which the farmer in the North can arrange to pay for it.

Mr. de la GARZA. Mr. Chairman, will the gentleman yield?

Mr. BERGLAND. I will be delighted to yield to the gentleman from Texas.

Mr. de la GARZA. Mr. Chairman, the gentleman said that my amendment did not cover the situation where a person worked for more than one employer, but let me say that if he works for more than one employer that under the regulations there would be a sharing of the costs.

Also, very respectfully, I would remind the gentleman that the gentleman is not speaking on the amendment he has offered, but rather he is speaking against the amendment I have offered. I could have offered my amendment as a substitute for the amendment offered by the gentleman from Minnesota, but I did not do so. I regret to do this on the time allotted the gentleman from Minnesota, but I must say that my amendment is not a part of the package, a package that is being sold, that will not help all the migrant workers, and the gentleman seems to be saying we are not going to go along with the de la Garza amendment. That is the attitude I am afraid that is being shown today by some of my colleagues.

Mr. FORD. Mr. Chairman, if the gentleman will yield, I discussed the amendment offered by the gentleman from Texas (Mr. de la Garza) and I believe it is a fine amendment, and if I could find a way to work out what the gentleman is trying to do, I would support it, but as it is there are some problems to it.

However, I would like to call the attention of the gentleman to the fact that if an individual travels from Texas in a crew that has been recruited by a crew leader to go to a Midwestern State and pick sugarbeets, then that individual is covered by the Farm Labor Contractor law now in effect. By the amendments we passed just 3 weeks ago that coverage will be increased. Under the present law he is covered by $10,000 per person, and $20,000 per accident, for any injury during his transportation. We changed that by almost a unanimous vote here 3 weeks ago so that if a crew leader is recruiting individuals, we cover them from the time they leave Texas to the Midwestern sugarbeet field. We raised the minimum coverage limits to $20,000 per person and $40,000 per accident. This law is enforceable, because you have someone recruiting workers in advance, and arranging to take them to a sugarbeet field for work, and you have a person who can be held responsible for getting the insurance.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. Ford, and by unanimous consent, Mr. Bergland was allowed to proceed for 3 additional minutes.)

Mr. BERGLAND. Mr. Chairman, if I may proceed to explain the amendment I have offered in the nature of a substitute, it simply provides that the producer shall provide those employees accident insurance to cover injury and disability, or death, occurring while at work for the producer, comparable to the workman's compensation law of the State in which the work is performed.

Mr. Chairman, these employees are underpaid by most standards. That has been established, I think, but better paid than many, however.

The facts are that those who are hired on the job in most States are not entitled to any sort of protection if they are injured on the job.

These employees earn on the average over a year about $2,000 to $3,000. The record is replete with instances where those people have been injured on the job, and under most State laws there are no insurance benefits paid to them at all.

Under the terms of my amendment it would simply state that the employer would be liable to buy a package to provide those persons with coverage for injuries sustained on the job. The cost would be minimal; the cost would be covered by the laws of each individual State.

I think the amendment ought to be adopted.

I yield back the balance of my time.

Mr. KAZEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not quarrel with the gentleman from Minnesota about his amendment, but I do quarrel with the gentleman in his method of presenting it. It is a substitute for the amendment offered by the gentleman from Texas (Mr. de la Garza) and the amendments deal with two different subjects.

There are some of us on the floor who would like to vote for the amendment offered by the gentleman from Minnesota, and also for the amendment offered by the gentleman from Texas. However, the gentleman from Minnesota has made it impossible now for us to vote for both amendments. I do not know what the procedure would be in order for us to get to vote for the amendment offered by the gentleman from Texas (Mr. de la Garza) if we want to do so. I believe we would have to defeat your amendment.

And yet they are two different amendments, they are dealing with two different subjects: your amendment dealing with insurance on the job, and the amendment offered by Mr. de la Garza dealing with insurance covering workers going to and from the job. These are two different things.

I may be for the gentleman's amendment, but I am also for the amendment offered by the gentleman from Texas. The gentleman from Minnesota has made it impossible for me to vote on Mr. de la Garza's amendment if the gentleman from Minnesota's amendment should prevail.

Mr. BERGLAND. Mr. Chairman, will the gentleman yield?

Mr. KAZEN. I yield to the gentleman from Minnesota.

Mr. BERGLAND. I thank the gentleman for yielding.

This matter was discussed in the committee at considerable length. The consensus was that we could not find a way in which it could be applied equitably to everyone. For example, there are literally hundreds of persons coming out of the State of Texas to the fields of the north. They travel in pickup trucks with their families. They have their own vehicles.

Mr. KAZEN. Let me interrupt the gentleman to say that that is exactly the point. They do not have insurance, and not all of the crews are made up and travel as the gentleman has pointed out. Down in my area, as in the districts of the gentlemen from Texas (Mr. de la Garza, Mr. Young, Mr. Gonzalez, and Mr. Fisher) we supply most of the labor for all of the western part of the United States. It is all migrant labor. Most of those people travel in their own automobiles.

Several years ago when I was in the active practice of law, I would sit in my office and see these people when they would return in the wintertime to Texas, bringing their accident cases to me, where members of their family had been wiped out, or where they had been injured and maimed on the highway. If the gentleman from Minnesota could see this situation as I have seen it, he would not hesitate to vote for this type of an amendment. This happens all of the time.

I know that there is more loss of life, more maiming, more injury on the highways than there is on the jobs in this particular industry.

Mr. BERGLAND. Mr. Chairman, will the gentleman yield further?

Mr. KAZEN. I yield to the gentleman from Minnesota.

Mr. BERGLAND. I thank the gentleman for yielding.

Do those persons who travel those highways under those great risks have insurance; or do they not?

Mr. KAZEN. They do not now have insurance, because they cannot afford that insurance until after they are paid. They do not have the money.

In other words, they contract a family to go north to work so many hands, and the man takes his wife, the kids, everybody else from the family, in their own conveyance, be it a pickup truck or an automobile. These people barely get advance money for travel expenses.

I must say that I do not believe the gentleman understands the way these people are contracted, but certainly the Represntatives from Colorado, from the Dakotas, from Michigan, know how these things are done. I am surprised that the gentleman does not know what that procedure is. These people, when they start out from Texas on the migrant stream, are given some advance money by the people who have contracted them. They are not parts of any crews.

I understand what the gentleman was talking about and the type of conveyance and the type of crews that are made up, but these that I am talking about are individual families, and they must take their families if they are going to make enough money to be able to sustain themselves the year round. It is a family operation. Those kids are out there in the beet fields and cane fields just as much as are the father and mother.

But I want some insurance protection for those people who do not have the money to get protection themselves.

I agree with the gentleman's position of insuring people while they are on the job, but I also think that it is fair and just to protect the worker on his way to and from work. These are people at the lowest spectrum of the employment level that I am trying to help. They happen to be my constituents, but I would say to the gentleman that they are a very vital part of sugar production and all agricultural production in this country—our migrant workers. We would not produce sugar in this country were it not for the migrant workers. They happen to be my constituents, and I am standing here with the gentleman from Texas (Mr. DE LA GARZA), and the rest of us that are interested in this problem, trying to do something for those very same people who were not included in the so-called package of amendments because nobody apparently cares about the low man on the totem pole.

The CHAIRMAN. The time of the gentleman has expired.

AMENDMENT OFFERED BY MR. FORD TO THE AMENDMENT OFFERED BY MR. BERGLAND AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. DE LA GARZA

Mr. FORD. Mr. Chairman, I offer an amendment to the amendment offered as a substitute by Mr. BERGLAND for the amendment offered by Mr. DE LA GARZA.

The Clerk read as follows:

Amendment offered by Mr. FORD to the substitute amendment offered by Mr. BERGLAND for the amendment offered by Mr. DE LA GARZA: Page 18, line 5, strike out the quotation mark and the second period and insert the following new paragraph:

"(5) That the producer shall have provided an accident insurance plan to cover injuries, disabilities, or deaths occuring while at work for the producer comparable to the Workmen's Compensation Law of the State in which the work is performed.".

(6) The Secretary is hereby authorized, by appropriate regulation to require that all persons employed in the production of sugar cane or sugar beets who travel beyond the limits of their State of residence to perform such work, be provided accident insurance once each year, to cover their travel to and from their permanent residence to the place of employment.

Said insurance to be the responsibility of the employer who initially contracts for the services of said workers, be it a crew leader, cooperative or individual employer, said cost to be proportionate wherever possible if there be more than one employer.

Mr. FORD (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FORD. Mr. Chairman, I have been persuaded by the proponents of both the amendment offered by the gentleman from Texas (Mr. DE LA GARZA) and the amendment offered as a substitute by the gentleman from Minnesota (Mr. BERGLAND) and I feel that the amendment and the substitute amendment are wholly compatible. They are consistent with what the committee has tried to do in writing this bill.

Therefore I offer in this amendment both the amendment offered by the gentleman from Minnesota (Mr. BERGLAND) and the amendment offered by the gentleman from Texas (Mr. DE LA GARZA) as a single amendment, and I urge that the Members accept it and thereby accept what each of them is trying to do. We are in a parliamentary situation where the only way—if Members are, as I am, persuaded by the wisdom of their arguments, and the force of their sincerity—we can vote that way would be to vote for this amendment to the substitute for the amendment.

PARLIAMENTARY INQUIRY

Mr. COLLIER. Mr. Chairman, a parliamentary inquiry. Is the new Ford proposal an amendment to the amendment, since there is already an amendment with a pending substitute before the House?

The CHAIRMAN. The new Ford amendment is an amendment to the substitute.

Mr. COLLIER. An amendment to the substitute?

The CHAIRMAN. Yes.

Mr. COLLIER. Then the parliamentary situation in voting on this would be what?

The CHAIRMAN. The Members will vote on the amendment to the substitute first, and then vote on the substitute, as amended.

Mr. COLLIER. And then there would be a vote on the substitute amendment, as amended?

The CHAIRMAN. That is correct.

Mr. COLLIER. I thank the Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. FORD) to the amendment offered by the gentleman from Minnesota (Mr. BERGLAND) as a substitute for the amendment offered by the gentleman from Texas (Mr. DE LA GARZA).

The amendment to the substitute amendment for the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. BERGLAND), as amended, as a substitute for the amendment offered by the gentleman from Texas (Mr. DE LA GARZA).

The substitute amendment, as amended, for the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. DE LA GARZA), as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. SYMMS

Mr. SYMMS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SYMMS: Section 11 of the bill page 15, is amended by deleting all of line 11, through line 6 of page 17 and renumbering the "(3)" on line 7, page 17 as "(1)", and by deleting line 15 on page 17 through line 5 on page 18.

Mr. SYMMS. Mr. Chairman, when the ad hoc committee of the House Agriculture Committee started working on this bill, there was a great compromise to organized labor made by the committee. The details were worked out under the outstanding chairmanship of the gentleman from Texas (Mr. POAGE).

The gentleman from Virginia (Mr. WAMPLER) has already pointed out the concessions, six major labor provisions. I think it is not realized by the Members of this body, that the average sugar beet grower grows only 30 acres of sugar beets, in many growing areas. With the competition for corn, wheat, potatoes and other crops, the beet growers will not go to all the redtape we have put on this legislation, required to grow sugar beets. We have just written an insurance program into a farm bill. We were writing minimum wage legislation that is far and above any other farm legislation. Why should 2 million acres of sugar of a total of 300 million U.S. crop acres be penalized or be a model for later farm legislation.

I think if we really want to produce sugar in this country at this point in time the only thing we can do to encourage domestic production in sugar is to delete entirely section 11 of the bill and go back to the Fair Labor Standards Act which the sugar beet workers fall under; otherwise sugar beet production will go down further than it has.

In my State, the second State in the Union in sugar beet production, we are already producing only 50 percent of the sugar we were 3 years ago, because of increased competition on the land, from potatoes, beans, and so forth. We can predict that this will happen in all the sugar States with these harassing labor amendments, because the small 30-acre sugar beet farmer, who is the backbone of the sugar beet industry, simply will not go through all this redtape and trouble to keep this set of books to grow sugar beets. He will grow potatoes or corn or wheat or beans or something else—I urge the adoption of my amendment, to strike section 11 from this legislation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho (Mr. SYMMS).

The question was taken; and on a division (demanded by Mr. SYMMS), there were—ayes 36, noes 47.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 12. Section 302 of such Act is amended—

(1) by amending paragraph (2) of subsection (b) as follows:

(a) by inserting in the first sentence after the words "domestic beet sugar area" the words "or any new cane sugar area established under section 202(a)(4) as in effect immediately prior to the date of enactment of the Sugar Act Amendments of 1974";

(b) by inserting in the first sentence after the words "sugar beet" the first two times such words appear, the words "or sugarcane";

(c) by striking out the word "beet" each of the two times such word appears in the third sentence and inserting in lieu thereof the word "crop"; and

(d) by striking out the words "sugar beets were" in the fourth sentence and inserting in lieu thereof the words "a sugar crop was"; and

(2) by inserting in subsection (c) the words "as in effect immediately prior to the date of enactment of the Sugar Act Amendments of 1974" after "section 202(a)(4)".

Mr. POAGE (during the reading). Mr. Chairman, I ask unanimous consent that section 12 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Are there any amendments to section 12? If not, the Clerk will read.

The Clerk read as follows:

SEC. 13. Section 303 of such Act is amended—

(1) by inserting "wildlife," after "disease."; and

(2) by adding a final sentence to read: "Payments under this section shall be calculated at the rates formerly set out in section 304 as in effect immediately prior to the date of enactment of the Sugar Act Amendments of 1974.".

Mr. POAGE (during the reading). Mr. Chairman, I ask unanimous consent that section 13 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 14. Section 304 of such Act is amended—

(1) by striking out subsection (a) effective with respect to sugar or liquid sugar manufactured from sugar beets or sugarcane after June 30, 1975; and

(2) by amending subsection (c) effective with respect to sugar or liquid sugar manufactured from sugar beets or sugar cane after June 30, 1975, to read as follows:

"(c) The payment under this section with respect to a farm shall be obtained by multiplying the following scale of rates by that portion of the quantity of sugar and liquid sugar with respect to which payment is to be made which is included within the following intervals of short tons, raw value:

	Per hundredweight
0 to 350	$0.35
350 to 700	.25
700 to 1,000	.20
1,000 to 1,500	.10
1,500 to 3,000	.05
3,000 to 6,000	.025
6,000 and above	.0 ".

AMENDMENT OFFERED BY MR. FINDLEY

Mr. FINDLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FINDLEY: On page 20, after the matter following line 2, insert the following new subsection (3):

"(3) by adding the following new paragraph (e), to read as follows:

(e) Notwithstanding any other provision of this Act, no conditional payment under this subsection shall be made to any producer for the 1975 and subsequent crop years whenever the simple average of the monthly market prices for the 12 months preceding the period compliance payments normally begin in such sugar producing area exceeds by 10 per centum or more the simple average of the monthly price objective as specified in section 201 (calculated for the same period)."

Mr. FINDLEY. Mr. Chairman, this act contains a considerable change in the payments which have been historically under the sugar program, and it is a good change. It does, however, retain payments into about $9,300 a year for each producer, providing his production will justify it.

In times like these, when the market price of sugar is so far above the price objective of the act, it seems to me totally absurd for us to authorize payments to producers in addition to this exceptionally high-price level. For example, today producers are getting in the range of 100 percent more than the price objective of the act. Now, does it make sense for the taxpayers of the United States to make direct payments to producers in such circumstances in addition to this extraordinarily high income from market prices? I think the members of the committee will agree with me that it does not.

The amendment that I have offered would have the effect of prohibiting these direct production payments to producers in times when the average monthly market price of sugar is 10 percent or more above the price objective of the act. When the market price of sugar is within 110 percent of the price objective—in other words, 10 percent above or lower—then the payments provided by the bill as reported by the Committee on Agriculture would continue, but at other times like the present, when the payments are extraordinarily high, I think it makes sense for us to relieve the taxpayers of the burden of these payments.

The effect of my amendment over the 5-year term of the act would be to save about $200 million in payments, assuming that the price continues, as expected, at a level considerably above the price objective.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. Mr. Chairman, I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Chairman, I want to ask the gentleman from Illinois how he contemplates the amendment would work when we start harvesting beets in October; the quarterly payments are made, with the final payment in October. Under the gentleman's amendment, how would that operate?

Mr. FINDLEY. The payment would be authorized whenever marketing occurs, and eligibility at that time would be determined on the average monthly market price of sugar for the 12 months preceding.

So it is administratively sound. It has been worked out in concert with the specialists in the Sugar Division of the Department of Agriculture.

Mr. JOHNSON of Colorado. Mr. Chairman, I thank the gentleman.

Mr. FINDLEY. Mr. Chairman, I am aware that my friend, the gentleman from Hawaii, is not pleased with my amendment. He would like to exclude Hawaii from the application of this amendment for the first 6 months of 1975, and I can understand why, because under the language reported by the House Committee on Agriculture, certain firms in Hawaii will continue to be eligible for payments as high as $1 million for the year 1975.

I would like to see these payments end today, because the price these producers are getting is twice as high as the price objective, but that, I suppose, would be considered retroactive in a sense, and, unfair.

Farmers made their farming and production plans on the basis of that assurance, but the effective date of my amendment would not be until the crop year 1975, which is 1 year in advance of today. This is ample notice to all. Therefore, even though I recognize why it is in the interest of certain firms in Hawaii to have the advantage of these large payments, I feel that in justice that these payments should cease.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. Mr. Chairman, I am glad to yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Chairman, if the gentleman will recall, we discussed the proposed amendments to his amendments, and the gentleman did recognize that in all due equity to the growers in Hawaii, just as in the rest of the act, the date of June 30, 1975, was selected.

My proposed amendment to the gentleman's amendment would only give equity to the growers in Hawaii.

Mr. FINDLEY. Mr. Chairman, the equity I seek is for the American people; not just for one State.

AMENDMENT OFFERED BY MR. MATSUNAGA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. FINDLEY

Mr. MATSUNAGA. Mr. Chairman, I offer an amendment as a substitute for the amendment offered by Mr. FINDLEY.

The Clerk read as follows:

Amendment offered by Mr. MATSUNAGA as a substitute for the amendment offered by Mr. FINDLEY: On page 20, after the matter following line 2, insert the following new subsection (3):

"(3) by adding the following new paragraph (e), to read as follows:

"(e) Notwithstanding any other provision of this Act, no conditional payment under this subsection shall be made to any producer for sugar produced after June 30, 1975, whenever the simple average of the monthly market prices for the 12 months preceding the period compliance payments normally begin in such sugar producing area exceeds by 25 per centum or more the simple average of the monthly price objective as specified in section 201 (calculated for the same period)."

Mr. MATSUNAGA. Mr. Chairman, all that my substitute amendment does to the amendment proposed by the gentleman from Illinois is to raise the trigger from 10 to 25 percent of the target price, and the gentleman has agreed to accept that.

The target price right now is only 12.5 cents, which means that 10 percent of it would mean just 1.25 cents. Even the 25 percent would mean a difference of only 3.6 cents. The variation from month to month would very likely be in excess of 1.25 cents, but could possibly remain at or within a 3.6 cent range. My amendment would, therefore, avoid administrative work considerably, for one thing. Also, it would give a little assurance to the grower of receiving his compliance payments on his crop. This assurance could be the essential factor in encouraging American farmers to grow more sugar beets or sugarcane at a time when there is a world shortage of sugar.

As I understand it, the gentleman from Illinois is willing to accept that part of the amendment which simply increases the trigger from 10 to 25 percent. As to the other part of the substitute, the gentleman, while recognizing that it would bring equity to growers in Hawaii, said, "Well, you take it to the Members on the floor and see what they think."

So I am now appealing to my colleagues to accept my substitute in whole. Without my substitute, only the growers in Hawaii will be discriminated against.

Mr. Chairman, other provisions of the act provides for the ending of the compliance payment as of June 30, 1975, and the ending of the payment of the processing tax on June 30, 1975. The ad hoc committee initially made the recommendation along the lines that the gentleman from Illinois now makes his, but the full committee, in recognition of the equity, accepted my amendment to make both the processing tax and the compliance payments under the existing law terminate at the same time as of June 30, 1975.

In the name of simple justice and equity, I ask my colleagues to accept my substitute amendment.

Mr. FINDLEY. Mr. Chairman, I rise in opposition to the substitute amendment.

Mr. Chairman, the gentleman from Hawaii approached me earlier today in behalf of his request for a change from 10 to 25 percent, and I think there is a good rationale to justify that request, due to the possibility of fluctuation of prices from one month to another preceding the time when a determination of eligibility will be made.

I thought, by agreeing to that change, I had secured the support of the gentleman from Hawaii for this revised amendment. However, a little later the gentleman came back with another proposed change, one which was very substantially to the advantage of Hawaii, and I understand the gentleman's commitment to that State.

I feel, however, that our larger commitment should be to the American people as a whole.

Therefore, if the gentleman's substitute is defeated, then a vote will come on my amendment. At that time it is my understanding that the gentleman from Minnesota will offer an amendment to my amendment which will change the figure in the amendment from 10 to 25 percent. It is my further understanding that this revised language is acceptable and there is no objection to it from the members of the committee. Perhaps I misstate that, but I believe that is a fact.

The reason that I have entered my objection to the language offered by the gentleman from Hawaii, with the exception of the change from 10 to 25 percent, is that this would prolong for 1 more year million dollar payments to the State of Hawaii, and that is sort of abuse of this program which I think should be terminated.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I will yield for a question, yes.

Mr. MATSUNAGA. Mr. Chairman, when I first approached the gentleman about increasing the figure from 10 to 25 percent and the gentleman agreed, I did not at that time have a copy of his statement.

Mr. FINDLEY. No; in fact, I thought the gentleman read it in my presence. I hate to dispute the gentleman's word. The amendment was there before us, the gentleman examined it, and we talked about it.

Mr. MATSUNAGA. Mr. Chairman, if the gentleman will yield further, I got this copy of the amendment from this desk after we had talked about the 25 percent. After receiving a copy of the gentleman's amendment, I checked the language in it, and learned for the first time that it included the provision for the 1975 crop year, which was the same discriminatory language which appeared in the bill as it came out of the ad hoc committee.

Mr. FINDLEY. Mr. Chairman, I would like to make a few other comments if I may.

First of all, I concede that there could conceivably be some disadvantage to some processors as they approach the date of July 1, 1975. However, I have the highest respect for the ingenuity of the private enterprise sector, and I am sure that by warehousing they are going to find a way to relieve themselves of the burden of paying this one-half of 1 percent of excise tax which will still be required up until July 1.

Therefore, I do insist on the language of my amendment and urge my colleagues to reject the substitute amendment.

Mr. PEYSER. Will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman.

Mr. PEYSER. I must say my good friend from Illinois is far more generous than I would feel he has to be. I believe his original amendment was a sound one. Ten percent, I believe, was a realistic figure and in justice, I think really simple justice to the taxpayer would be the passage of the gentleman's amendment in its original form. I understood this was acceptable originally to the committee. I would hope that the committee would go along with that and take the original concept of 10 percent instead of going to the 25 percent which again I think comes right back into the taxpayer's pocket.

Mrs. MINK. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Illinois (Mr. FINDLEY).

I yield to my colleague from Hawaii.

Mr. MATSUNAGA. There is some misunderstanding, I think, as to what Hawaii would be paying or not paying. Actually under the act as it is now proposed, that is, in H.R. 14747, Hawaii will be continuing to pay a processing tax which exceeds by about $2.5 million what Hawaii's industry will be receiving by way of payments.

So I say to the gentleman from New York who raises the question about the taxpayers being cheated, heavens, Hawaii will continue to pay over and above what it will be receiving. In fact, the entire industry has been paying $650 million over and above the cost of the operation of the program in the 40-year span of the Sugar Act.

This amendment which I am now preparing as a substitute for the amendment offered by the gentleman from Illinois (Mr. FINDLEY) will in no way affect that payment. Hawaii's sugar industry will continue to pay that excise tax until the end of June 1975.

So, in all fairness and in the name of plain justice, I am saying let us make the effective date June 30, 1975, instead of December 31 or the so-called 1975 crop year that the gentleman from Illinois proposes. It is pure equity that I ask for Hawaii and for fellow Americans. The mainland groves will not be affected one bit by this amendment.

Mrs. MINK. I would like to make my comments against the Findley proposal and to concur with my colleague from Hawaii.

The misconception that the gentleman from Illinois leaves with this committee is that there are going to be growers and producers in Hawaii who will be receiving millions of dollars in compliance payments under this bill. That is not so. The committee has taken care of that. They have placed a very low limit of $9,400 as the absolute limit a farmer or grower could receive.

There used to be in the past large sums of money that were paid to individual plantations, but this will not be the case, I will say to the gentleman.

Mr. FINDLEY. Will the gentlewoman yield?

Mrs. MINK. I yield to the gentleman.

Mr. FINDLEY. As I understand it from the bill reported by the committee, Hawaii will benefit from the $9,400 per producer limitation, and that goes to July 1. Am I not correct? In other words, the large payments will continue. That is my understanding of the bill.

Mr. MATSUNAGA. Will the gentlewoman yield?

Mrs. MINK. I yield to the gentleman.

Mr. MATSUNAGA. The gentleman knows, being a member of the committee, that the full committee adopted my amendment only in feeling that the payments to the growers in Hawaii continue——

Mr. FINDLEY. The payments continue for 1975.

Mr. MATSUNAGA. The 1975 crop year. The mainland growers as of December 31, 1974, for the 1975 crop year. For Hawaii it continues on to the middle of this year.

If the gentlewoman would yield further, I might point out that the average small grower will be receiving on the average of $1,500, that is all we are talking about here.

Mr. FINDLEY. If the gentlewoman will yield further, but there will be three who get $1 million.

Mr. MATSUNAGA. That is under the rest of the act, not under the amendment.

Mr. FINDLEY. For 1975.

Mr. MATSUNAGA. Yes, but then we pay the processing tax over and above that.

It is an average of $1,500 per small grower. Maybe to the gentleman from Illinois that is a small amount, but to the grower himself, $1,500 a year is a big sum. He works hard on that farm, and $1,500 may mean breaking or making it, and I ask in all earnestness support for my substitute amendment.

Mrs. MINK. Mr. Chairman, if I might conclude my remarks by saying that there are two aspects to the Findley amendment, and the substitute, both of which relate to the time when the Findley amendment is triggered to go into effect; in the substitute it would be June 30, 1975. The other aspect is the complete deletion and termination of the compliance payments for everybody if the market price exceeds a certain level above the target price.

The only people who will be damaged by the acceptance of the Findley amendment are the small farmers, and there are some 700 independent small growers in my own district who need this payment in order to survive. The whole basis for the Sugar Act is to make it possible for us to encourage domestic production. If the Findley amendment should pass, with or without the Matsunaga substitute, the small independent growers will be severely prejudiced. I urge the Findley amendment be voted down.

Mr. PEYSER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to ask the gentleman from Hawaii (Mr. MATSUNAGA) if the equity that the gentleman claims is necessary for Hawaii to extend the program to June 30, 1975, would the gentleman from Hawaii be willing to accept an amendment keeping this to 10 percent, where the original agreement was, and using the date of June 1975?

In other words, let the 10 percent be the factor, rather than the 25-percent factor, and let it enter this at this time?

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Chairman, earlier in support of my substitute amendment, I pointed out that 10 percent would mean merely 1.2 cents, or 1.25 cents of the target price: 25 percent would mean about 3.6 cents.

The impracticality of the 10 percent can be seen in the fact that the price of sugar will likely fluctuate between 12.5 cents and 14 cents, whereas if we had a 3.6 cent difference then it may not be necessary for the administration to make adjustments until the price goes beyond 16 cents. So that I think for administrative purposes, for one thing, and the fact that we are talking about 3.6 cents as compared to 1.2 cents, my substitute amendment is preferable to the Findley amendment.

Mr. PEYSER. I can understand the point made by the gentleman from Hawaii. The only thing I would like to suggest is that the 3 cents, if we talk about it as being very insignificant, it means that when the price of sugar drops down to approximately 16 cents a pound then the subsidy program will be triggered, and will go into effect. I am just suggesting in order to make it a little easier for the taxpayers, that they would rather see it trigger in at about 13.5 cents, or 14 cents, rather than 16 cents.

It is an insignificant difference in a sense to the grower, but to the taxpayer it means that the dollars start flowing out when it hits 16 cents, and it is a big item.

I am just wondering, in order to try to keep equity on both sides, equity for Hawaii and for the taxpayers, if the gentleman would accept that amendment to his amendment going to the 10 percent, and with the date of June 30, 1975. Because, other than that, I think that there is a possibility that the gentleman's own amendment would go down, including June 30, 1975.

Mr. MATSUNAGA. If the gentleman will yield further, the gentleman from New York fails to realize that the original proponent of the amendment, the gentleman from Illinois, recognizes that 10 percent would be impractical, and he has agreed to 25 percent. It was not on the basis of equity there but of practicality.

The other point I am raising is purely on the basis of equity, because no growers except those in Hawaii will be affected by Mr. FINDLEY's amendment.

Mr. PEYSER. There is one point I want to make in closing here. When we spoke of $650 million that comes in, and this is the money that is spoken of as coming into our Treasury over a great many years, I think it is important that everybody recognize that $650 million came in because the consumer paid the extra price for that excise tax. That excise tax was passed right through to the consumer, and he has been paying it.

My hope was that when this issue finally came out, the excise would be dropped, and the price of sugar also would drop, but that is not what happened at all.

Mr. MATSUNAGA. Will the gentleman yield further?

Mr. PEYSER. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. I thank the gentleman for yielding.

The gentleman from New York fails to mention the fact that right across the border in Toronto, Canada, where there is no Sugar Act, in the month of February Canadians were paying 35 American cents a pound as compared to 18½ cents a pound here in the United States; so that by virtue of the Sugar Act being in force here and now, the price of sugar to American consumers has been far below what it would have been had they not had the protection of the act.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Hawaii (Mr. MATSUNAGA) as a substitute for the amendment offered by the gentleman from Illinois (Mr. FINDLEY).

The amendment offered as a substitute for the amendment was rejected.

AMENDMENT OFFERED BY MR. ZWACH TO THE AMENDMENT OFFERED BY MR. FINDLEY

Mr. ZWACH. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ZWACH to the amendment offered by Mr. FINDLEY: Strike out the words "10 per centum" and insert in lieu thereof the words "25 per centum".

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. ZWACH. I yield to the gentleman from Texas.

Mr. POAGE. I thank the gentleman for yielding.

I understand that the gentleman from Illinois is willing to accept the amendment offered by the gentleman from Minnesota, and I want to say for myself that with this amendment accepted to the amendment offered by Mr. FINDLEY, I, as chairman, would gladly accept the amendment offered by Mr. FINDLEY, as amended by this amendment.

Mr. WAMPLER. Mr. Chairman, will the gentleman yield?

Mr. ZWACH. I yield to the gentleman from Virginia.

Mr. WAMPLER. I thank the gentleman for yielding.

Mr. Chairman, I heard the remarks of the distinguished chairman of the committee, and will likewise accept the amendment.

PARLIAMENTARY INQUIRY

Mr. COLLIER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COLLIER. Mr. Chairman, there is an amendment on the floor. Is that not subject to a vote? No individual has a right to accept an amendment to a pending amendment.

The CHAIRMAN (Mr. Burke of Massachusetts). The question will be put to the Committee on the amendment to the amendment.

Mr. COLLIER. It has to be voted on; is that correct?

The CHAIRMAN. That is correct. The question will be so put.

The question is on the amendment offered by the gentleman from Minnesota (Mr. Zwach) to the amendment offered by the gentleman from Illinois (Mr. Findley).

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. Findley), as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Sec. 15. Section 306 of such Act is amended by striking "The facts" and substituting "Except as provided in section 301(c)(1), the facts".

Sec. 16. Section 405 of such Act is amended—

(1) by inserting in subsection (a) the words "or (3) of that quantity exported to any foreign country in violation of subsection 209(g)," after the words "207 have been filled,"; and

(2) by adding at the end thereof the following:

"(c) Any producer who is determined by the Secretary not to have paid any person employed in the production, cultivation, or harvesting of sugar beets or sugarcane in full for all such work or not to have paid wages therefor at rates not less than those determined by the Secretary to be fair and reasonable pursuant to section 301(c) and who does not, within the time specified in the Secretary's order, present to the Secretary evidence which will satisfy the Secretary that all such wages have been paid, shall be liable to such worker or workers in the amount of the unpaid wages which are not deducted out of payments under title III and paid to him and an additional equal amount as liquidated damages. Action to recover such liability may be maintained in any court of competent jurisdiction by any one or more workers for and in behalf of himself or themselves and other workers similarly situated.

"(d) Any producer who is determined by the Secretary to have violated paragraph (3) or (4) of subsection (c) of section 301 of this Act shall forfeit to the United States the entire amount of any payment otherwise due him under section 303 or 304 of this Act for the crop during production of which the violation was committed."

Mr. POAGE (during the reading). Mr. Chairman, I ask unanimous consent that section 16 be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENT OFFERED BY MR. FINDLEY

Mr. FINDLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Findley: Page 21, after line 12, insert the following:

"(e) Any producer who is determined by the Secretary to have violated paragraph (a) or subparagraphs (3) or (4) of subsection (c) of section 301 of this Act shall be liable for damages in a civil action brought by an employee wrongfully aggrieved in a court of competent jurisdiction as follows:

(i) for the employment of a child in violation of the provisions of section 301(a) the sum of $1,000 in liquidated damages;

(ii) for the wrongful discharge or discrimination against an employee in violation of section 301(c)(3) an amount equal to twice the amount such employee would have received for the time lost as a result of such wrongful discharge or discrimination as determined by the Secretary; or

(iii) for the assessment of unreasonable costs in violation of section 301(c)(4) an amount equal to twice the amount of unreasonable costs charged to the aggrieved employee as determined by the Secretary."

Mr. FINDLEY. Mr. Chairman, the Sugar Act historically has linked the payments to producers to the labor standards in the act. The effect of the amendment just adopted by this body is to eliminate in certain periods of time all payments. The purpose of the amendment now pending is to assure that the labor standards will be enforceable even through no payments are made to producers.

I do not think anyone in these modern times thinks that employers ought to be paid to be decent and reasonable to employees. These standards should be enforced whether production payments are made or not. That is the sum effect of this. There is no class-action authority in the enforcement.

Mr. Chairman, unless there are questions I yield back the balance of my time and ask the support of Members for this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. Findley).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Sec. 17. Section 406 of such Act is amended by striking out "sugar or liquid sugar" and substituting "sugar and other sweeteners, including those not derived from sugar beets or sugarcane."

Sec. 18. Section 409 of such Act is amended by inserting "(a)" after "Sec. 409."; and adding at the end of such section a new subsection as follows:

"(b) Whenever he determines such action is necessary to effectuate the purposes of this Act, the Secretary from time to time shall conduct such surveys and investigations as he deems necessary regarding the manufacturing, marketing, transportation, or industrial use of sugars and other sweeteners, including those not derived from sugar beets or sugarcane. In carrying out the provisions of this subsection, information shall not be made public with respect to the separate operations of any person or company from whom such information has been derived.".

Sec. 19. Section 412 of such Act is amended as follows:

"Sec. 412. The powers vested in the Secretary under this Act shall terminate on December 31, 1979, except that the Secretary shall have power to make payments under title III under programs applicable to the crop year 1979.".

AMENDMENT OFFERED BY MR. PEYSER

Mr. PEYSER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Peyser: Page 22, Line 7, strike out "1979" and insert in lieu thereof "1977".

Page 22. Line 9, strike out "1979" and insert in lieu thereof "1977".

Mr. PEYSER. Mr. Chairman, I promise the Members of the House I will not bring the two bags of sugar out again. I have worked them for all they are worth and that is a lot of money. I did not see any points made.

What I am simply offering now, I think, is a reasonable amendment and an amendment that is very worthwhile. It shortens the period of this bill from a 5-year period to a 3-year period. This is not an arbitrary figure that I pulled out of a hat. There is a reason, the reason is that the other agricultural legislation speaks of wheat, seedgrains, cotton, dairy, and wool.

The Agriculture and Consumer Protection Act all expires on December 31, 1977. It seems to me, as it seemed to the Secretary of Agriculture, that it makes good sense in these programs to get them at one point where the Congress no later than 1977 can make a total evaluation of all these programs and then be able to reach a decision where we will go from there.

I think it makes good sense. I hope the House will pass this.

AMENDMENT OFFERED BY MR. DINGELL AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. PEYSER

Mr. DINGELL. Mr. Chairman, I offer an amendment as a substitute for the amendment offered by Mr. Peyser.

The Clerk read as follows:

Amendment offered by Mr. Dingell as a substitute for the amendment offered by Mr. Peyser: Page 22, line 7, strike out "1979," and insert in lieu thereof "1976,".

Page 22, line 9, strike out "1979" and insert in lieu thereof "1976".

Mr. DINGELL. Mr. Chairman, the difference between the amendment offered by the gentleman from New York, and the amendment offered by me is very slight. The amendment offered by the gentleman from New York would make the legislation now before us effective for a period of 3 years. We would have a 3-year program.

The amendment offered by me would make the legislation a 2-year program.

Now, all of us are aware of the fact that there are substantial defects in the sugar program of the United States. It is my view we ought to have an opportunity to review this program at an early time. Although I am not a great friend of this program, I must recognize that 1 year is not enough for us to have an effective program. Three years, I believe, is too long. Five years, I believe, is grossly excessive and to lock this Nation, this Congress, the consumers of the United States, into vices and perils of a shaky and changing market, not now foreseeable, would be grossly unwise.

Sugar supplies at this time are tight. As a result, in 1974 prices soared to an all-time high. During the week of May 27 in the world crisis in sugar we got a record level of over 24 cents per pound, which is 100 percent more than the so-called fair price objective set forth in the present Sugar Act.

Now, we must ask ourselves how long this situation can continue. Indeed, the answer is that no one can predict. The market forces, supply and demand and not the Sugar Act, are now dictating the prices U.S. consumers pay for sugar.

Even if my colleagues should find the sugar program has merit, and I have to say I gravely doubt this to be so, this is not the time to bind ourselves to a 5-year contract. Indeed, it is not the time to bind ourselves to a 3-year program. Congress should reconsider the Sugar Act to not more than 2 years hence, and then take such steps as the Congress deems appropriate in the light of circumstances then.

I should note that my amendment was inserted in the CONGRESSIONAL RECORD at page 17375 on June 3, 1974.

During the discussion of today on the Sugar Act we have considered many complex amendments. I doubt if all the Members or any of the Members can say that all of us or any of us fully understand all the ramifications of the act, its amendments or the act as amended.

I think it is fair to say one thing. For years the American consumer has paid a higher price than the rest of the world for sugar.

The American consumer, we were told, could obtain sugar at a lower price in the world market if the world price exceeded ours. Events in the past few months indicate that this situation no longer exists. All of us are aware of the substantial increases in recent months. Today, the price is double that which the Congress assumed would be fair to both producers and consumers at the time the present legislation was enacted into law.

Proponents say it would be worse with no act. I doubt that. Opponents say the act is not required and we would be better off without it. That may well be so, but in the meantime the confusion which surrounds it makes it doubtful as to which course we should follow.

But, I will say that in no event should we go to a 5-year program. It is my grave doubt that consumers would be benefited by a 3-year program. If the program turns out to have merit, in 2 years we can reconsider and rewrite the legislation.

Let us remember that over the years, in most instances, U.S. prices were higher than world market prices, and we have seen the American consumer paying to foreign countries prices far in excess of any benefits received. If the Congress wants to subsidize American production of sugar, then perhaps we should consider a program which does that, not one which subsidizes nations which have doubtful friendship to the United States, which have voted against us in the United Nations, which engage in activities inimical to the interests of the United States.

I think it is fair to say that what we should do is have this in a situation where we can review the whole program at a date 2 years from now. It may be that we will want to subsidize sugar production in the United States. We can do so again, but at that time we may have finally come to the conclusion that subsidizing foreign production of sugar is unwise.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(By unanimous consent Mr. DINGELL was allowed to proceed for 2 additional minutes.)

Mr. DINGELL. Mr. Chairman, I yield to the gentleman from Georgia.

Mr. LANDRUM. Mr. Chairman, as I understand the amendment, this program will run for 2 years rather than 5 years; is that correct?

Mr. DINGELL. That is correct.

Mr. LANDRUM. Mr. Chairman, as the gentleman is aware, I have great respect for the distinguished chairman of the Committee on Agriculture. However, I believe at this time that it might be a serious mistake to build into the statute a 5-year program. In view of the instability of the economic situation in this country and in the world, as a matter of fact, today, it seems to me the most prudent thing to do would be to limit this to 2 years.

We are here, relatively speaking, all the time. If conditions develop that indicate that we ought to move this thing forward longer we can do it, but to build into it and tie into a program 5 years would, in my judgment, paint the consumers of America into a corner that they ought not to be painted into, and likewise would paint the industrial users into a corner.

Mr. DINGELL. Mr. Chairman, I thank the gentleman for his comments.

Mr. POAGE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment strikes at the heart of this bill. Of course, the gentleman very fairly suggested that he did not believe in the bill, and he naturally hopes that the amendment will kill the bill. I think it will, if adopted by the House. I think either of the amendments would have that effect.

The Members may ask, why do I believe that when I voted for a 3-year bill just 3 years ago, and that is true, but 3 years ago we had a different situation in the sugar market. There was considerable incentive for foreign countries to supply us with sugar. Today, there is no incentive.

This morning, the price of raw sugar in the United States was 2.5 cents a pound less than the world price. That does not make it very attractive for foreign countries to ship sugar into the United States.

It certainly does not encourage a foreign country to put a heavy investment in sugar facilities to supply the United States. No one can supply the United States with sugar without heavy investments, either at home or abroad.

If we are going to produce beet or cane sugar in the United States, we have to make heavy investments. The farmers have to make heavy investments. Somebody has to provide the transportation facilities. Somebody has to build refineries. It all runs into hundreds and hundreds of millions of dollars. It cannot be done if there is only a 2- or 3-year period of assured market.

Mr. Chairman, the gentleman tried to point out that he did not believe the bill was good and that this would be a way of disposing of it right promptly without some of the people understanding just what was being done. I want the Members to understand that if they do not believe in this sugar legislation, they ought not vote for the sugar legislation but they ought to vote directly on it one way or the other. They ought not try to kill this bill by indirection.

The whole purpose of the gentleman is, of course, to kill the bill.

Mr. Chairman, I think that those Members who want a bill should give some consideration to the fact that those of us on the committee who want a bill all recognize that to make a bill effective, it must be at least for a 5-year period in order to encourage investments. I think it is of some significance that nobody has suggested that he wanted to cut this down to the short period, except those who do not want a bill. So let us not let anybody fool us into thinking that all we are doing is just establishing a little policy here that can be changed in 2 years' time.

In 2 years' time we may not have any sugar because during that 2-year period nobody is going to make the investments that are necessary. Nobody is going to put up the money that is necessary.

In 2 years' time we will be paying 75 cents a pound for sugar if we do not have a bill of some degree.

Mr. ANDREWS of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. POAGE. Yes, I yield to the gentleman from North Dakota.

Mr. ANDREWS of North Dakota. Mr. Chairman, I think that the point that needs to be made again and again and again is this simple fact, that if we did not have the Sugar Act, the consumers of this country would have been paying as much as 7 cents a pound more for sugar during the last 6 months than they were paying. Only with a Sugar Act will foreign supplies continue to provide 50 percent of our needs at prices below what they could get elsewhere.

This proves that the Sugar Act is good for the consumer. It gives the farmer and the refiner the long-range planning they need, as the distinguished chairman of the committee just pointed out. This bill is not only a bill to stabilize the industry for the producer, but it is a consumer-protection act, and we should not forget that.

Mr. POAGE. Certainly it is. Too many of our Members have forgotten that. Too many of our Members look only to the moment and say, "If we could get this price cut in two, that would be fine." But by the end of the year we would not have any sugar.

Mr. Chairman, it is the same old story of the price of eggs. When the lady went into the grocery and said, "What is the price of eggs today? the grocer said, "Seventy-five cents."

She said, "Oh, but Mr. Smith's price of eggs is only 50 cents."

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. POAGE was allowed to proceed for 1 additional minute.)

Mr. POAGE. Mr. Chairman, the grocer

said, "Why don't you go buy your eggs from Mr. Smith?" The woman said, "Mr. Smith does not have any eggs," and the grocer said, "When I do not have any eggs, the price is only 25 cents."

Mr. Chairman, what these people who are proposing this thing are doing is suggesting to us that we have 25-cent eggs, and we will not have any to sell; we will not have any to eat.

What we are suggesting is that we have a fair price which would give us stability over a number of years.

Nobody can deny that although the American price may have averaged higher than the world price, we have had sugar all the time for the last 40 years. The housewife bought the same 5-pound sack that the gentleman from New York brought up here. If we did not have a sugar program, they would be buying 100-pound sacks if they could get them and when they could get them. Even our industrial use carries a small inventory because they can get sugar, and that is worth a great deal.

Mr. BERGLAND. Mr. Chairman, I rise in opposition to the amendment.

Mrs. MINK. Mr. Chairman, will the gentleman yield?

Mr. BERGLAND. I yield to the gentlewoman from Hawaii.

Mrs. MINK. Mr. Chairman, I would like to join in the comments which were made by the chairman of the Committee on Agriculture.

Mr. Chairman, I rise in opposition to the amendment to reduce the extension of the Sugar Act to only 2 years, or 3 years.

Sugar has been scarce in the world for the past 2 or 3 years and many analysts believe this shortage will continue. Encouragement of greater production is the only way to bring prices down. This is the main purpose of the sugar bill, H.R. 14747, which is before us. The proposed bill will encourage expansion of both domestic and foreign production. We need these incentives toward the objective of increasing supply and thereby reducing price. There are no production restrictions on growers in the bill.

Our sugar industry in Hawaii is precarious enough as it is, and a short extension of the Sugar Act would have an adverse impact in my State. Due to encroaching urbanization, the lands now in sugar production are subject to pressures for other types of development or use. If producers thought there might not be a sugar program after 2 years or other uncertainties, they would start planning for the possibility of withdrawing from sugar production.

We have about 700 small independent sugarcane growers in Hawaii. Each farms only a few acres of land and barely manages to exist on a small income. They need stability and the assurance that they can continue producing sugar for at least 5 more years. The rapid urban development in many sugar growing areas is especially critical for these small growers who will have a hard time hanging on to their land. It is urgent that we adopt the committee proposal of a full 5-year extension.

It stands to reason that a 5-year extension of the sugar program is in the best interest of the United States and its consumers. A shorter term would not encourage foreign countries to ship sugar to the United States at less than the world price and would not encourage commitment of the capital needed to expand production and processing facilities. Also, domestic producers would not be attracted to sugar crops in competition with some higher price crops.

The sugar program has well proven its worth. During the first 4 months of this year alone, it has saved American consumers $345 million because they paid less for their sugar than the world market price. Without a long-term and stable Sugar Act, sugar producers will lack the confidence and the incentive to grow supplies sufficient to meet our demands.

I ask that both amendments be rejected.

Mr. BERGLAND. Mr. Chairman, the committee worked long and hard to devise a means by which we could increase the production of sugar in the United States so we could get out from under these inflationary pressures in the world which are raising so much Cain with the sugar prices in this country. We have effectively taken the limits off domestic production as they relate to the growers in the country and to the processing facilities.

Let us increase the production of sugar in the United States so that we do not have to depend upon these people abroad who would bankrupt us if they could.

This bill must be approved for 5 years, so that sugar areas in the country, one of which is in my district, can proceed to take advantage of this opportunity. We have in my district four sugar mills built by the growers and processors. They have borrowed millions of dollars in order to expand the capacity of these facilities.

Those same growers and processors have borrowed other millions of dollars to build three brand new factories. There are other mills on the design board.

Mr. Chairman, if we can protect the stability of this industry, they will then be able to invest the required $50 million per mill and meet their commitments to build these mills, hire the workers, and continue to process these beets in order to bring these prices down for the benefit of the American consumer.

Mr. Chairman, I submit that nobody in his right mind is going to risk $50 million to finance a mill under a program that may terminate within 2 years. If we are serious about increasing domestic production and if we want to take the heat off these prices, then I think we need a 5-year program in order to provide the stability.

Mr. Chairman, I urge the sound defeat of the amendment offered by the gentleman from New York and of the substitute amendment offered by the gentleman from Michigan.

Mr. de la GARZA. Mr. Chairman, will the gentleman yield?

Mr. BERGLAND. I yield to the gentleman from Texas.

Mr. de la GARZA. Mr. Chairman, I would like to inform the Members that I have the same situation in my district which my colleague has just told us about in his district.

The same situation exists in the sugarcane area in my district.

I join with my colleague in strong opposition to the amendment.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. BERGLAND. I yield to the gentleman from Florida.

Mr. ROGERS. Mr. Chairman, we have just been through this whole energy shortage in this Nation. We have tried to maintain a capability in the Nation to produce sugar. Now, let us try to be realistic and let us not get ourselves into an emergency situation.

The committee has looked at this. They are experts on the subject, and they have recommended a program in order to try to maintain production capability in this Nation.

We need this 5-year program; the American public needs it.

Mr. Chairman, I urge that we stick with the committee and provide for keeping a 5-year program in the bill. It makes sense.

Mr. Chairman, I thank the gentleman for yielding.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. BERGLAND. I yield to the gentleman from California.

Mr. SISK. Mr. Chairman, I appreciate my colleague's yielding to me.

I wish to join with the gentleman in vigorous opposition to these amendments.

We have made a number of concessions in respect to this legislation.

I think it is terribly essential, it is very important, and particularly to the consumers of America, that this program be made as a 5-year program in order to give it some stability and make it possible for us to produce the sugar that is needed to fulfill the needs of this country.

Mr. Chairman, I urge the defeat of both these amendments.

Mr. BAFALIS. Mr. Chairman, will the gentleman yield?

Mr. BERGLAND. I yield to the gentleman from Florida.

Mr. BAFALIS. Mr. Chairman, I thank the gentleman in the well for yielding.

I wish to associate myself with the gentleman's remarks.

Mr. Chairman, my district in the State of Florida encompasses an area that produces a great deal of sugarcane. It is my understanding that in this Sugar Act we are attempting to create additional production.

Mr. BERGLAND. Mr. Chairman, we are indeed.

Mr. BAFALIS. Mr. Chairman, it just does not make sense to me that here we are going to limit the act to 2 or 3 years when we consider that the cost of building a sugar mill is from $40 million to $50 million. It takes 3 years' time to build a mill. Our cane production is based on a 2-year production period.

I do not see how in the world we are going to begin to get these mills constructed and increase the sugar supply if we are limited to the time period which has been proposed.

As a matter of fact, I seriously question whether lenders would lend money to those people who want to borrow money for this purpose if they knew that by the end of a 2- or 3-year period there would be no Sugar Act whatsoever.

Mr. BERGLAND. Mr. Chairman, I believe the gentleman is absolutely correct.

Mr. TREEN. Mr. Chairman, will the gentleman yield?

Mr. BERGLAND. I yield to the gentleman from Louisiana.

Mr. TREEN. Mr. Chairman, I am opposed to the amendment, and I would like to point one thing out to the Members in regard to the sugar mills in the State of Louisiana.

The Federal Power Commission has ruled that the sugar mills in Louisiana which use natural gas must convert to another fuel so that natural gas may be available to the East. It is going to cost half a million dollars per mill in order to convert.

Who is going to lend someone money to convert their sugar mills? Who is going to invest that kind of money unless we have the assurance of at least 5 years of stability?

Mr. Chairman, I ask the Members to bear that in mind. We have a very real problem with respect to getting the capital necessary in order to make the improvements if we do not have the stability of the 5-year provision in this act.

Mr. GOODLING. Mr. Chairman, I rise in opposition to the amendment.

I do not believe that the gentleman from New York (Mr. Peyser) or the gentleman from Michigan (Mr. Dingell) have ever had much experience in farm planning. I have had a little bit of experience in this in my day.

Anybody who has any knowledge in this field knows a farmer cannot plan ahead for just 1 or 2 or 3 years; he has to do his planning on a long term basis. Mr. Bergland touched on this subject just a little bit, but I am going to make one remark and then ask Mr. Zwach to verify what I shall say.

I understand that 300 farmers in the State of Minnesota have gotten together and borrowed $43 million in order to construct a sugar mill. I know enough about banking, also, to know that banks do not lend money unless they are reasonably sure they are going to have a return on their money. Here are 300 farmers attempting to work under the free enterprise system, which we should be following in the United States. To put this program on a 2- or 3-year basis will simply put these people at a very severe disadvantage.

I trust we will defeat both of these amendments, and I would inquire of the gentleman from Minnesota if he will verify what I just said about the 300 farmers.

Mr. ZWACH. Will the gentleman yield?

Mr. GOODLING. I yield to the gentleman.

Mr. ZWACH. I thank the gentleman for yielding.

I would like to say to the committee that in my congressional district alone something less than 300 farmers are raising what they can themselves and then borrowing the rest of the $43 million to build a sugar plant to increase the production of sugar. That is what we need. They went to New York, Chicago, and Minneapolis, and borrowed the money to raise that mill on the assurance that there would be some stability in this entire program.

It is imperative in this day when we need increased production that we encourage this type of enterprise.

I thank the gentleman for yielding.

Mr. MATSUNAGA. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendments.

Mr. Chairman, this is the most crucial vote of all we will have had today. I urge my colleagues to vote against both amendments now pending.

Much has been said about the high price of sugar in the United States because of the Sugar Act, but I have some very interesting figures here which will show that the Sugar Act has in fact worked to keep the price down for the consumers of America.

Over the most recent 8 years for which figures are available, from 1965 through 1972, the U.S. retail price of sugar averaged 12.56 cents per pound, whereas the world price of sugar averaged 12.85 cents per pound. In other words, because of the Sugar Act, the American consumer paid less for sugar in the United States than consumers throughout the world have paid.

The hullaballoo about the Sugar Act being responsible for the high cost of sugar to the American consumer is certainly not borne out by the actual figures.

The statistics indicate the American consumer has enjoyed a much better price than those consumers who are in areas without a Sugar Act. For example, in 1972 while we paid a retail price of 13.9 cents in the United States, the consumers in Japan paid 22.2 cents; in West Germany, they paid 15.4 cents; in Canada, right across the border, they paid 15.7 cents; and in the Netherlands they paid 15.4 cents.

In all of these developed countries where they do not enjoy a sugar program the consumer has paid much more than the consumer has paid here in the United States.

So I urge a "no" vote on both the substitute amendment offered by the gentleman from Michigan (Mr. Dingell) and the amendment of the gentleman from New York (Mr. Peyser).

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. Dingell) as a substitute to the amendment offered by the gentleman from New York (Mr. Peyser).

The amendment offered as a substitute for the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. Peyser).

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Sec. 20. Section 4501(b) of the Internal Revenue Code of 1954 (relating to termination of tax on manufactured sugar) is amended by amending the last sentence to read as follows: "Notwithstanding the provisions of subsection (a), no tax shall be imposed under this subchapter with respect to sugar manufactured after June 30, 1975.

Sec. 21. In order to accord equal treatment in customs duties to all countries exporting sugar to the United States, effective beginning January 1, 1975, the Tariff Schedules of the United States (19 U.S.C. 1202) are amended by striking out items 155.21, 155.31, 155.36, and 155.41 of part 10, schedule 1.

Sec. 22. The provisions of sections 2 through 19 of this Act shall become effective on January 1, 1975, except that the amendment made by paragraph (2) of section 3 shall become effective on July 1, 1975.

Mr. POAGE (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, printed in the Record, and open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENTS OFFERED BY MR. POAGE

Mr. POAGE. Mr. Chairman, I offer a series of technical amendments; they are all purely technical amendments merely to correct printing errors after the bill came up from the Government Printing Office. I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. Poage: Page 4, line 15, insert after the word "quota" the following: ", within the limitation specified in (A) above,"

Page 5, line 2, insert after "(1)" the following: "and the foregoing provisions of paragraph (3)"

Page 5, line 2, strike out the word "with" and insert in lieu thereof the word "within".

Page 6, line 10, insert at the top of the list of countries in section 202(c)(A) the following heading:

"Country"

Page 7, line 11, insert a period after "(A)".

Page 8, line 8, insert after the word "by" the following: "(1)"

Page 8, line 9, strike out the word "by"

Page 8, line 12, strike out the word "by".

Page 11, line 19, strike out the words "quota" and "quotas" and insert in lieu thereof the words "percentage" and "percentages".

Page 11, line 24, strike out the words "quota" and "quotas" and insert in lieu thereof the words "percentage" and "percentages".

Page 14, line 2, strike out the period at the end of the line and insert in lieu thereof a semi-colon.

Page 14, line 13, insert after the words "Section 211" the following: "(c)".

Page 20, line 2, insert after the chart on line 2 the following: "Notwithstanding the foregoing provision, the Secretary shall make payments under programs applicable to the crop year 1974 at the rates formerly set out in this section as in effect immediately prior to the date of enactment of the Sugar Act Amendments of 1974."

Page 20, line 10, insert after the quotation mark following the words "207 have been filled," the following: "the last time such words appear therein".

Page 21, line 18, insert after the semi-colon the following: "striking out the letters "(a)" and "(b)" and inserting in lieu thereof "(1)" and "(2)";"

Page 22, line 12, strike out the words "the last sentence" and insert in lieu thereof the word "it".

Mr. POAGE (during the reading).

Mr. Chairman, I ask unanimous consent that the amendments be considered as read, and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. POAGE. Mr. Chairman, I ask that the amendments be adopted.

Mr. WAMPLER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we will accept the amendments.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Texas (Mr. Poage).

The amendments were agreed to.

Mr. PEYSER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, many of the agricultural people now who are on the floor at this moment feel that the bill has been destroyed because of the labor amendments that have been adopted. Others on the floor feel that the bill is too long in 5 years, until 1979.

There are others who would like permanent legislation in this bill such as the peanut legislation. Others feel that the consumer and the taxpayer have been betrayed by the actions of this committee.

I am just suggesting that if these colleagues will stand together, that we can defeat the sugar bill when it comes to a vote, and put it back, and let us find out if we can get reasonable legislation that does not attack the consumer, and still allows the sugar industry to grow.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Burke of Massachusetts, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 14747) to amend the Sugar Act of 1948, as amended, pursuant to House Resolution 1152, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. FINDLEY

Mr. FINDLEY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. FINDLEY. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. Findley moves to recommit the bill H.R. 14747 to the Committee on Agriculture.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. FINDLEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

RECORDED VOTE

Mr. FINDLEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 175, noes 209, not voting 49, as follows:

[Roll No. 275]

AYES—175

Abdnor
Alexander
Andrews, N. Dak.
Annunzio
Arends
Badillo
Bafalis
Barrett
Bergland
Biaggi
Blatnik
Boggs
Bolling
Bowen
Breaux
Brooks
Broyhill, Va.
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cochran
Corman
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
de la Garza
Delaney
Denholm
Dent
Donohue
Downing
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Flood
Flowers
Foley
Ford
Fountain
Frenzel
Frey
Fulton
Fuqua
Gonzalez
Goodling
Gray
Green, Pa.
Gubser
Gunter
Hanley
Hansen, Idaho
Hansen, Wash.
Hawkins
Henderson
Hicks
Holifield
Hunt
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kazen
Kluczynski
Latta
Leggett
Lehman
Litton
Long, La.
Lott
McCormack
McDade
McFall
McKay
Madigan
Mahon
Maraziti
Mathias, Calif.
Mathis, Ga.
Matsunaga
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Mink
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Murphy, N.Y.
Murtha
Myers
Nelsen
Nichols
Nix
O'Neill
Owens
Parris
Passman
Patman
Pepper
Pickle
Poage
Powell, Ohio
Price, Ill.
Quie
Rangel
Rarick
Rhodes
Roberts
Robinson, Va.
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rostenkowski
Roy
Ruth
Ryan
Satterfield
Sebelius
Seiberling
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Staggers
Steed
Stokes
Stubblefield
Symington
Talcott
Taylor, N.C.
Teague
Thompson, N.J.
Thornton
Traxler
Treen
Ullman
Vigorito
Waggonner
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Williams
Wilson, Charles, Tex.
Wright
Yatron
Young, Alaska
Young, Ga.
Young, S.C.
Young, Tex.
Zwach

NOES—209

Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Archer
Armstrong
Ashley
Aspin
Baker
Bauman
Beard
Bell
Bennett
Bevill
Boland
Brademas
Bray
Breckinridge
Brinkley
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Buchanan
Byron
Camp
Carney, Ohio
Carter
Clancy
Clawson, Del
Cleveland
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Conyers
Cotter
Coughlin
Crane
Cronin
Daniels, Dominick V.
Davis, S.C.
Davis, Wis.
Dellenback
Dennis
Derwinski
Dingell
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Eshleman
Findley
Fish
Forsythe
Frelinghuysen
Froehlich
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Grasso
Green, Oreg.
Griffiths
Gross
Grover
Haley
Hamilton
Hammerschmidt
Hanrahan
Harrington
Harsha
Hastings
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hillis
Hogan
Holt
Holtzman
Horton
Hosmer
Huber
Hudnut
Hungate
Ichord
Jarman
Johnson, Colo.
Johnson, Pa.
Kastenmeier
Kemp
Ketchum
King
Koch
Kuykendall
Lagomarsino
Landgrebe
Landrum
Lent
Long, Md.
Lujan
Luken
McClory
McCollister
McEwen
McKinney
McSpadden
Madden
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mayne
Michel
Milford
Minish
Mitchell, Md.
Mitchell, N.Y.
Moorhead, Calif.
Mosher
Moss
Murphy, Ill.
Natcher
Nedzi
Obey
O'Brien
O'Hara
Patten
Perkins
Pettis
Peyser
Pike
Podell
Pritchard
Quillen
Railsback
Randall
Rees
Regula
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Roncallo, N.Y.
Rosenthal
Roush
Rousselot
Runnels
Ruppe
St Germain
Sandman
Sarasin
Sarbanes
Scherle
Schneebeli
Schroeder
Shipley
Shoup
Shriver
Shuster
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Studds
Sullivan
Symms
Taylor, Mo.
Thomson, Wis.
Thone
Tiernan
Towell, Nev.
Van Deerlin
Vander Veen
Vanik
Veysey
Waldie
Walsh
Wilson, Bob
Winn
Wolff
Wydler
Wyman
Yates
Young, Fla.
Young, Ill.
Zablocki
Zion

NOT VOTING—49

Andrews, N.C.
Ashbrook
Biester
Bingham
Blackburn
Brasco
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burton
Carey, N.Y.
Collins, Ill.
Culver
Danielson
Dellums
Devine
Dickinson
Diggs
Dorn
Erlenborn
Fisher
Flynt
Fraser
Gettys
Gude
Guyer
Hanna
Hébert
Hinshaw
Howard
Hutchinson
Kyros
McCloskey
Macdonald
Mazzoli
Mills
Minshall, Ohio
Preyer
Price, Tex.
Reid
Rooney, N.Y.
Roybal
Udall
Vander Jagt
Whalen
Wiggins
Wilson, Charles H., Calif.
Wyatt
Wylie

So the bill was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Brasco against.

Mr. Fisher for, with Mr. Fraser against.

Mr. Hanna for, with Mr. Bingham against.

Mr. Burton for, with Mr. Diggs against.

Mr. Andrews of North Carolina for, with Mr. Dellums against.

Mr. Preyer for, with Mr. Flynt against.

Mr. Rooney of New York for, with Mr. Gettys against.

Mr. Charles H. Wilson of California for, with Mr. Macdonald against.

Mr. Danielson for, with Mr. Gude against.

Until further notice:

Mr. Howard with Mr. Ashbrook.
Mr. Kyros with Mr. Biester.
Mr. Carey of New York with Mr. Blackburn.
Mr. Reid with Mr. McCloskey.
Mr. Brown of California with Mr. Erlenborn.
Mr. Mills with Mr. Burke of Florida.
Mr. Culver with Mr. Minshall of Ohio.
Mrs. Burke of California with Mr. Devine.
Mr. Dorn with Mr. Hinshaw.
Mr. Mazzoli with Mr. Dickinson.
Mr. Roybal with Mr. Guyer.
Mr. Udall with Mr. Hutchinson.
Mr. Vander Jagt with Mr. Price of Texas.
Mr. Wyatt with Mr. Whalen.
Mrs. Collins of Illinois with Mr. Wylie.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE CHAIRMAN OF SPECIAL SUBCOMMITTEE ON INTELLIGENCE OF THE COMMITTEE ON ARMED SERVICES—SUBPENA SERVED ON WILLIAM H. HOGAN, JR.

The SPEAKER laid before the House the following communication form the Committee on Armed Services, together with the following subpena:

U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., June 5, 1974.

Hon. CARL ALBERT,
Speaker, U.S. House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: On June 5, 1974 a subpoena duces tecum issued by the United States District Court for the District of Columbia naming Mr. William H. Hogan, Jr., an employee of the House Armed Services Committee, was served on Mr. Hogan commanding that he appear in the United States District Court on June 7, 1974 at 9:30 a.m. to testify in the case of United States v. John D. Ehrlichman et al. and bring a transcript of the testimony of Mr. E. Howard Hunt, General Robert E. Cushman, USMC, Mr. John D. Ehrlichman and Mr. Charles W. Colson. The subpoena was issued upon application of defendant G. Gordon Liddy.

The testimony subpoenaed was taken in executive session during hearings of the Special Subcommittee on Intelligence of the Committee on Armed Services and remains executive session material.

The subpoena in question is forwarded herewith and the matter presented for such action as the House in its wisdom wishes to take.

Sincerely,

LUCIEN N. NEDZI,
Chairman, Special Subcommittee on Intelligence.

SUBPENA TO PRODUCE DOCUMENT OR OBJECT

[U.S. District Court for the District of Columbia, No. 74-116]

United States of America v. John D. Ehrlichman, et al.

To: William H. Hogan, Jr., 2120 Rayburn Building, Rm. 2343, Washington, D.C.

You are hereby commanded to appear in the United States District Court for the District of Columbia at Courtroom 6 in the city of Washington on the 7th day of June 1974 at 9:30 o'clock A.M. to testify in the case of United States v. John D. Ehrlichman, et al. and bring with you certified copies of the transcripts of the testimony of Robert E. Cushman, John D. Ehrlichman, E. Howard Hunt and Charles W. Colson, given before the sub-committee on intelligence of the Committee on Armed Services of the House of Representatives regarding its inquiry on the CIA—Watergate—Ellsberg matter, during the period commencing May 11, 1973 through July 20, 1973.

This subpoena is issued upon application of the defendant, G. Gordon Liddy.

June 5, 1974, Peter L. Maroulis, Esq., Attorney for G. Gordon Liddy, 11 Cannon Street, Poughkeepsie, New York.

JAMES F. DAVEY,
Clerk.
By PATRICIA M. HAYDEN,
Deputy Clerk.

RETURN

Received this subpoena at 304 Independence Ave., SE on June 4, 1974 and on June 5, 1974 at 2120 Rayburn Bldg., served it on the within named William H. Hogan, Jr., by delivering a copy to him.

Dated: June 5, 1974.

By DORIS INDYKE,

In care of Mr. Charles F. Barker, Esq., 543-2250.

APPOINTMENT OF CONFEREES ON H.R. 69, ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1974

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 69) to extend and amend the Elementary and Secondary Education Act of 1965, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. ESCH. Mr. Speaker, reserving the right to object, I offer a motion.

MOTION OFFERED BY MR. ESCH

The Clerk read as follows:

Mr. ESCH moves that the managers on the part of the House at the conference on the disagreeing vote of the two Houses on H.R. 69, be instructed to insist upon the provisions of the House relating to limitations on the transportation of students embodied in Title II of the House bill.

Mr. ESCH. Mr. Speaker, everyone in this House is well aware of what we are about to do. We are going to insist upon the House conferees upholding the provisions of the House relating to limitations on the transportation of students involved under title II of the House bill. What we are going to do is once and for all get over the busing-no-busing controversy and support the concept of educating our children in neighborhood schools.

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. ESCH. I yield for 1 minute, for the purpose of discussion only, to the chairman of the committee.

Mr. PERKINS. Mr. Speaker, let me say to my distinguished colleague, the gentleman from Michigan, that I will only take 1 minute. Mr. Speaker, 25 days from today all the authorizations of appropriations for the Elementary and Secondary Education Act, the impact aid acts, the Education of the Handicapped Act, and the Bilingual Education Act will expire. No funds will be able to be appropriated by the Congress to continue programs authorized under any of those acts unless the Congress enacts an extension of their authorizations.

The bill we have before us today, H.R. 69, extends all those programs for several additional years and its enactment by the Congress will enable the appropriations committees to continue the funding of such programs as title I programs, the handicapped program, the school library programs, and the impact aid programs. If we do not speedily enact H.R. 69, there will be confusion across the Nation on whether the Federal Government is going to continue supporting these programs and to what extent.

Therefore, I urge my colleagues not to shackle the hands of the House conferees in the upcoming conference on H.R. 69. We must have as much flexibility as possible in order to achieve early enactment of this education bill.

Another reason I would urge my colleagues to reject the motion to instruct is that it is a bad precedent, to my way of thinking, for the House to bind its conferees in this manner. The very purpose of a Senate-House conference committee on bills with varying provisions is that the conferees are supposed to reach a compromise acceptable to both sides.

Therefore, Mr. Speaker, I urge my colleagues to vote against the motion to instruct.

Mr. ESCH. Mr. Speaker, I think, with due respect to the chairman of the committee, after listening to the statement made by the gentleman, it just reemphasizes the need for us to instruct the House conferees and to insist upon our position.

Mr. MIZELL. Mr. Speaker, I rise today to urge my colleagues to instruct the managers of the conference committee on H.R. 69 to retain the language of the Esch amendment to that measure. I have spoken before on this matter, but I do not shrink from speaking out again because of the extreme importance of this issue to my constituency. An overwhelming majority of those whom I represent have told me of their opposition to massive forced cross busing to achieve racial balance in our schools, and this in itself is sufficient reason for me to support the Esch amendment.

But, there are other compelling reasons for my support of this amendment. Let us look briefly at the facts: the most obvious argument against massive cross busing is the increased costs. In my district, for example, the expense of implementing a court-ordered cross-busing plan in Winston-Salem is around $1.4 million, an increase of approximately 100 percent in transportation costs for that school district over last year. We all know of the soaring costs of education. Does it make sense to spend such large amounts on unpopular, inefficient busing to the detriment of the overall education program? We are simply denying our children a higher quality education.

The most important argument to be made against busing is that it destroys the confidence of the people in our schools and greatly diminishes public support for our education system. The future of our children, indeed the future of our Nation, depends on the maintenance of the educational system we have labored long and hard to establish. We have the best educational system in the world. It is imperative that we not let that system deteriorate. If we do, the entire Nation will suffer in years to come.

When speaking on this same amendment on March 26 of this year, I said:

> In our admirable desire to provide a quality education for all, will we make it impossible to provide a quality education for any?" Again, I say: "This need not—it must not—be the case.

Our constituents have told us their desires in this matter. As their elected Representatives, we in the House have the duty to respond effectively to the people's will. I therefore urge each of you to vote to instruct the conferees to uphold the language of the Esch amendment to H.R. 69.

Mr. ESCH. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan (Mr. Esch).

The question was taken; and the Speaker announced that the noes appeared to have it.

RECORDED VOTE

Mr. ESCH. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

PARLIAMENTARY INQUIRY

Mr. QUIE. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. QUIE. Mr. Speaker, is this vote on the previous question, or is the vote on the motion offered by the gentleman from Michigan (Mr. Esch)?

The SPEAKER. The Chair will inform the gentleman that the previous question has been ordered. This vote is on the motion offered by the gentleman from Michigan (Mr. Esch), and a recorded vote has been ordered.

Mr. QUIE. I thank the Speaker.

The vote was taken by electronic device, and there were—ayes 270, noes 103, not voting 60, as follows:

[Roll No. 276]

AYES—270

Abdnor
Alexander
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Bafalis
Baker
Barrett
Bauman
Beard
Bennett
Bevill
Biaggi
Boggs
Boland
Bowen
Bray
Breaux
Brinkley
Brooks
Broomfield
Brotzman
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collier
Collins, Tex.
Conlan
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Wis.
de la Garza
Delaney
Denholm
Dennis
Derwinski
Dingell
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Eilberg
Esch
Eshleman
Evins, Tenn.
Fascell
Flood
Flowers
Ford
Forsythe
Fountain
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Gross
Grover
Gubser
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Harsha
Hastings
Hays
Heckler, Mass.
Heinz
Helstoski
Henderson
Hillis
Hogan
Holt
Hosmer
Huber
Hudnut
Hungate
Hunt
Ichord
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Kemp
Ketchum
King
Kuykendall
Lagomarsino
Landgrebe
Landrum
Latta
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McCollister
McDade
McKay
McSpadden
Mahon
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Michel
Milford
Miller
Minish
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
O'Brien
O'Hara
Parris
Passman
Patman
Patten
Pepper
Pettis
Peyser
Pickle
Poage
Podell
Powell, Ohio
Pritchard
Quillen
Randall
Rarick
Regula
Rhodes
Rinaldo
Roberts
Robinson, Va.
Roe
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Roush
Rousselot
Roy
Runnels
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Stanton, James V.
Steed
Steele
Steelman
Steiger, Ariz.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Ullman
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Williams
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wydler
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOES—103

Abzug
Adams
Addabbo
Anderson, Ill.
Ashley
Aspin
Badillo
Bell
Bergland
Bolling
Brademas
Breckinridge
Brown, Mich.
Brown, Ohio
Chisholm
Clay
Cohen
Conable
Conte
Conyers
Corman
Davis, Ga.
Davis, S.C.
Dellenback
Dent
Donohue
Drinan
Eckhardt
Edwards, Calif.
Evans, Colo.
Findley
Fish
Frelinghuysen
Frenzel
Green, Pa.
Hansen, Idaho
Hansen, Wash.
Harrington
Hawkins
Hechler, W. Va.
Hicks
Holtzman
Horton
Jordan
Karth
Kastenmeier
Kluczynski
Koch
Leggett
McClory
McCormack
McEwen
McFall
McKinney
Madden
Madigan
Mallary
Matsunaga
Mayne
Meeds
Melcher
Metcalfe
Mezvinsky
Mink
Mitchell, Md.
Moorhead, Pa.
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Nix
Obey
O'Neill
Owens
Perkins
Pike
Price, Ill.
Quie
Rangel
Rees
Reuss
Riegle
Robison, N.Y.
Rodino
Roncalio, Wyo.
Rosenthal
Rostenkowski
Ruppe
Schroeder
Seiberling
Sisk
Smith, Iowa
Staggers
Stanton, J. William
Stark
Steiger, Wis.
Stokes
Studds
Thompson, N.J.
Vander Veen
Waldie
Yates
Young, Ga.

NOT VOTING—60

Andrews, N.C.
Ashbrook
Biester
Bingham
Blackburn
Blatnik
Brasco
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burton
Carey, N.Y.
Collins, Ill.
Culver
Danielson
Dellums
Devine
Dickinson
Diggs
Dorn
Erlenborn
Fisher
Flynt
Foley
Fraser
Gettys
Griffiths
Gude
Gunter
Guyer
Hanna
Hébert
Hinshaw
Holifield
Howard
Hutchinson
Johnson, Calif.
Kyros
Lehman
McCloskey
Macdonald
Mazzoli
Mills
Minshall, Ohio
Preyer
Price, Tex.
Railsback
Reid
Rooney, N.Y.
Roybal
Symington
Udall
Van Deerlin
Vander Jagt
Whalen
Wiggins
Wilson, Charles H., Calif.
Wyatt
Wylie
Zwach

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Fraser against.

Mr. Preyer for, with Mr. Diggs against.

Mr. Macdonald for, with Mr. Bingham against.

Mr. Fisher for, with Mr. Dellums against.

Mr. Gunter for, with Mrs. Collins of Illinois against.

Mr. Flynt for, with Mr. Burton against.

Mr. Gettys for, with Mr. Charles H. Wilson of California against.

Mr. Andrews of North Carolina for, with Mr. Brown of California against.

Until further notice:

Mr. Rooney of New York with Mr. Ashbrook.

Mr. Holifield with Mr. Erlenborn.

Mr. Howard with Mr. McCloskey.

Mr. Carey of New York with Mr. Biester.

Mr. Mazzoli with Mr. Price of Texas.

Mr. Reid with Mr. Blackburn.

Mr. Roybal with Mr. Guyer.

Mr. Van Deerlin with Mr. Burke of Florida.

Mr. Blatnik with Mr. Devine.

Mr. Brasco with Mr. Gude.

Mr. Foley with Mr. Dickinson.

Mrs. Burke of California with Mr. Railsback.

Mr. Danielson with Mr. Hinshaw.

Mr. Culver with Mr. Vander Jagt.

Mr. Dorn with Mr. Zwach.

Mr. Kyros with Mr. Whalen.

Mr. Lehman with Mr. Wylie.

Mr. Udall with Mr. Wyatt.

Mr. Symington with Mr. Wiggins.

Mr. Johnson of California with Mr. Minshall of Ohio.

Mrs. Griffiths with Mr. Hanna.

Mr. Mills with Mr. Hutchinson.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair appoints the following conferees: Messrs. Perkins, Meeds, Ford, Hawkins, Mrs. Mink, Mrs. Chisholm, Messrs. Lehman, Brademas, Quie, Bell, Ashbrook, Forsythe, and Steiger of Wisconsin.

PERSONAL EXPLANATION

Mr. LEHMAN. Mr. Speaker, on rollcall vote No. 276 I arrived here just as the Speaker was announcing the rollcall vote.

I was unavoidably detained. As a matter of record, I would like the Speaker and Members of the House to know that I would have voted against the resolution to instruct the conferees of the committee.

HOUR OF MEETING TOMORROW, JUNE 6, 1974

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HYDROLOGICAL IMPACTS OF STRIP MINING IN THE WEST

(Mr. RONCALIO of Wyoming asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RONCALIO of Wyoming. Mr. Speaker, I wish to inform my fellow Members that the strip mine bill, which will soon be reported to the floor from the Committee on Interior and Insular Affairs, is an excellent piece of legislation. It is a bill to which a great amount of effort has been put.

Mr. Speaker, H.R. 11500, the House strip mining bill, contains important provisions for the protection of ground and surface water systems. In the arid Northern Great Plains of Montana, North Dakota, and Wyoming, such provisions are required to assure a continued supply of water for existing agricultural, municipal, domestic, and industrial uses other than strip mining. It is often the case in this region that the aquifer is in the coal seam itself.

The following article may be of interest to my colleagues in that it reports on the ground water levels which have dropped in the vicinity of the Decker mine in Montana as a result of strip mining operations. Similar effects may be anticipated throughout the strip mine belt of the Powder River Basin. While the article suggests that wells have been able to be deepened in order to reach water, the number of mines anticipated in the region could mean a significant impact on ground water systems. Strong regulations controlling impacts on this scarce and most valuable local resource, water, are included in H.R. 11500 and are another reason why this legislation deserves your attention and support.

The article follows:

[From the Sheridan (Wyo.) Press, May 28, 1974]

Mining at Decker Has Caused Underground Water To Drop

Bozeman, Mont.—Open pit mining at Decker over the past year has caused underground water levels to drop dramatically, says a just-released report from the Montana Bureau of Mines.

Researchers found the level of water wells located within a quarter mile of the eastern Montana mine dropped 20 feet while the level of wells located within 1½ miles dropped an average of 10 feet, the report said.

The field study predicted water levels would continue declining but somewhat more slowly for the next 20 years while the mine is in operation.

The study says the open pit mine is intercepting 40,000 gallons of ground water a day.

The water, which is being pumped from the mine, contains "high sulfate and nitrate concentrations attributed to dissolution of pulverized coal, overburden and residuals from ammonium nitrate explosives," the report said.

The Decker Mine is at the mouth of the Pond Creek drainage three miles northeast of the Decker Post Office in southeastern Montana. The mine is operated by the Decker Coal Co., which is owned by Peter Kiewit and Sons' Co. of Sheridan, Wyo., and Pacific Power and Light Co. of Portland, Oreg.

Hydrologist Wayne A. Van Voast, Billings, the author of the report, said the findings at Decker coincide with what he has observed elsewhere in eastern Montana.

"The situation at Decker in regard to the groundwater is similar to the conditions found throughout the Fort Union formation," he said. "The coal is acting as an aquifer. That is the ground water is either actually flowing through the coal seams or it is flowing just above or below them."

He said in every case where coal mining operations are under way similar effects can be expected. "However, that doesn't mean that the end result is going to be the drying up of eastern Montana."

He said mining has been under way at Colstrip for 45 years and the water table appears to have dropped. "Yet, everyone there is still able to get water. They just have to go deeper to find it."

The Decker study involved the drilling of 12 test wells prior to the start of mining plus the monitoring of several stock and domestic wells already located in the area.

CONTROLLING INFLATION SHOULD BE OUR TOP PRIORITY

(Mr. RUTH asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. RUTH. Mr. Speaker, 2 weeks ago the GOP class of the 93d Congress sponsored a special order to deal with the problem of inflation and deficit spending. Most of my freshman colleagues on that occasion made the valid point that inflation is in large part caused by deficit spending by the Federal Government. I certainly concur with those remarks.

The Wall Street Journal made a similar point in its editorial for May 23. Pointing out that Congress has already authorized spending for numerous new programs, the Journal noted:

> Given the pressures likely to be generated by the authorizations, there is every reason to fear that Congress will fall on the old standby, deficit financing.

And another cycle of inflation will be inevitable.

In another perceptive observation, the Journal commented:

> We could be more sympathetic to the authorization forces in Congress if they demonstrate some pressing need other than their own thirst for political glory. In fact, it is hard to find any area where there is an urgent need for federal aid. Most state treasuries are in good shape. The population load on schools is beginning to diminish. The gaps in health care insurance could be filled with far less spending than is presently envisioned. A compelling case for mass transit subsidies has not been made.

I wish to include the entire editorial in the Record at this time for the thoughtful consideration of my colleagues:

Two Worries

Anyone who has lost sleep over fears that Watergate might distract Congress from its main business need not have worried. For many years the main business of Congress has been to find ways to spend money and there is no evidence at all of any shirking this year.

But we can offer a substitute worry, in fact two of them. Number one is that Congress won't be able to find enough money to cover all the spending it is authorizing. Number two is that it *will* be able to find the money. You can take your pick.

The authorization bills have been bold indeed. The Senate has just voted up $25.5 billion for federal school aid over the next four years. House Public Works has $24 billion in mind for mass transit over six years. The President is hinting that he might compromise with Senator Kennedy and Congressman Mills on a federal health insurance bill, which would cost billions as yet uncounted. And the season has hardly begun.

Around Washington, there is considerable worry that Congress is creating chimeras with all this authorized but unfunded spending. When the time comes to actually appropriate the cash and ship it out to the expectant receivers, the voting could become less light-hearted. The federal budget is not keeping up with existing authorizations, let alone those entailed by the proposed bills.

Senator Magnuson, a member of the Senate Appropriations Committee, warned the Senate of raising "false hopes" in passing the education bill. The Senate will be a Grand Central Station for complaints when educators see the difference between what was authorized and what they can get, he suggested.

No doubt a clamor of constituents and bureaucrats yelling for their money would be disturbing to Mr. Magnuson's colleagues, although the prospect hasn't deterred them from voting yea. There are no doubt hopes that the clamor won't begin before the fall elections and the chimeras still will be alive and well while pressure groups are deciding who to support.

But we are a bit more troubled with worry number two. Given the pressures likely to be generated by the authorizations, there is every reason to fear that Congress will fall back on the old standby, deficit financing. In other words, it will go ahead and vote the appropriations and let the Treasury borrow more money to comply with its mandate. That course will be particularly tempting—since it would have the blessing of fiscal stimulus theorists—if the economy is sluggish next fiscal year.

But if that proves to be the case, let us all hope and pray that the nation's credit markets are in better shape then than now. There is very little assurance that they will be.

Private demand for credit—brought on by inflation, inadequate corporate earnings, excessive consumer borrowing and other causes—already is straining the liquidity of the nation's credit markets. To break the vicious cycle of inflation and inflation-fueled credit demand, the Federal Reserve is trying to hold money growth in check. But it is ever on the brink of creating a liquidity crisis.

This condition may well continue for some time before it will be possible for the nation to get inflation under control. The last thing in the world the Fed will need next fall will be a new outburst of Treasury borrowing to finance an ever rising federal deficit. By then, the Fed and the credit industry may be pretty exhausted from the liquidity-inflation struggle and expanded federal borrowing could only serve to further starve private borrowers and increase the clamor for the Fed to ease money.

We could be more sympathetic to the authorization forces in Congress if they could demonstrate some pressing need other than their own thirst for political glory. In fact, it is hard to find any area where there is an urgent need for federal aid. Most state treasuries are in good shape. The population load on schools is beginning to diminish. The gaps in health care insurance could be filled with far less spending than is presently envisioned. A compelling case for mass transit subsidies has not been made.

But a compelling case can be made for killing inflation and restoring order in the nation's capital markets. It is the most important business the nation faces. It would be nice if the Congress would make that its main business as well.

THE LATE DUKE ELLINGTON

The SPEAKER pro tempore (Mr. McFall). Under a previous order of the House, the gentleman from New York (Mr. Koch) is recognized for 60 minutes.

Mr. KOCH. Mr. Speaker, I take a great deal of personal pride in sponsoring, with my colleagues in the House, this special order in tribute to the memory of Duke Ellington. Across two generations, Duke Ellington carried on a mutual love affair with the people of New York City. He always preferred the city—he said grass reminded him of cemeteries. Beginning in 1923, with his appearance at Barron's in Harlem, Mr. Ellington brought some of the greatest moments in American music to the people of New York. During much of his career, he lived on the East Side. Eventually, his genius required us to share him with the rest of the Nation and the world, but we New Yorkers will always regard him as one of our own.

The noted jazz critic and historian Ralph Gleason has called Duke Ellington "America's most important composer" and summed him up as a "master musician, master psychologist, master choreographer." Even a brief glimpse at Ellington's career reveals a staggering array of musical achievements. He composed over 6,000 pieces of music. Among his songs were such American popular classics as "Solitude," "Satin Doll," "Mood Indigo," and "Don't Get Around Much Anymore." Ellington was one of those rare composers who could creatively bridge the gap between simply popular tunes and highly complex music. In the 1940's he began to turn to the intricate extended compositions that would be an increasingly important part of his work. His first such effort was "Black, Brown, and Beige," a 57-minute exploration of the black experience in America.

Other concert pieces included "Harlem," "Night Creatures," "Suite Thursday," inspired by John Steinbeck's "Sweet Thursday," and "Such Sweet Thunder," a Shakespeare suite inspired by a Shakespeare Festival in Stratford, Ontario in 1957. Ellington's transition from the simple melody to the extended composition captures, in one man's career, the movement of jazz from infancy to a mature art form.

Few musical forms were not influenced by Ellington's compositional brilliance. He wrote scores for five films, music for three theatre productions, a ballet—in 1970 for Alvin Ailey and the American Ballet Theatre—a pageant of black history entitled "My People," and, in what he considered his most important work, a Concert of Sacred Music. This last piece was performed twice in New York at the Fifth Avenue Presbyterian Church.

Even if Ellington had not been such a prolific composer, his fame would have been assured as the greatest bandleader of modern times. The leader of an orchestra that endured without serious interruption for an unprecedented 56 years he created an inimitable style by building his works on the individual sounds of the brilliant instrumentalists he gathered around him. He showed an uncanny capacity to inspire the loyalty and love of his musicians, some of whom, like drummer Sonny Greer, stayed with Ellington for several decades. His orchestra was heard in all parts of the world, touring the Middle East, the Far East and the Soviet Union under the auspices of the State Department, and making personal tours of Africa, South America and Europe.

Throughout his career, Ellington maintained a demeanor of dignified calm quite unlike the uninhibited starkness of his music. Amid the outcry in 1965 when a unanimous recommendation by the Pulitzer Prize music jury that Mr. Ellington be given a special citation was rejected by the Pulitzer advisory board, the only comment by the composer was:

> Fate is being kind to me. Fate doesn't want me to be famous too young.

Although he received virtually every other recognition a musician could aspire to—including the Presidential Medal of Freedom—Ellington knew that musical greatness is measured not by awards and citations, but by the joy of one's audience. The Duke made us very, very happy. We will miss him.

Mr. HUNGATE. Mr. Speaker, will the gentleman yield?

Mr. KOCH. I yield to the gentleman from Missouri.

Mr. HUNGATE. Mr. Speaker, we mourn a great soul, a true gentleman, and a musical giant, "The Duke," Edward Kennedy Ellington. Some excerpts from Lawrence Ferlinghetti's "Coney Island of the Mind" seem appropriate.

> I have travelled.
> I have seen goof city.
> I have seen the mass mess.
> I have heard Kid Ory cry.
> I have heard a trombone preach.
> I have heard Debussy strained through a sheet.
>
> I am a hill of poetry.
> I am a raid on the inarticulate.
> I have dreamt that all my teeth fell out but my tongue lived to tell the tale.
> For I am a still of poetry.
> I am a bank of song.
> I am a playerpiano.
>
> Constantly risking absurdity and death
> whenever he performs above the heads of his audience
> the poet like an acrobat climbs on rime to a high wire of his own making and balancing on eyebeams above a sea of faces paces his way to the other side of day performing entrechats and sleight-of-foot tricks and other high theatrics and all without mistaking any thing for what it may not be
>
> For he's the super realist who must perforce perceive taut truth before the taking of each stance or step
>
> in his supposed advance toward that still higher perch where Beauty stands and waits with gravity to start her death-defying leap
>
> And he a little charleychaplin man who may or may not catch her fair eternal form spreadeagled in the empty air of existence.

Duke Ellington, speaking of his composition "Harlem Air Shaft," recorded July 22, 1940, with the typical outstanding personnel of the Ellington band—trumpets: Wallace Jones, Cottie Williams, Rex Stewart; trombones: Joe "Tricky Sam" Nanton, Lawrence Brown, Juan Tizol; clarinet; Barney Bigard; saxophones; Otto Hardwick, Johnny Hodges, altos: Ben Webster, tenor; Harry Carney, baritone; rhythm section: Fred Guy, guitar; Sonny Greer, drums; Jimmy Blanton, bass; Duke Ellington piano.

The Duke said:

> "So much goes on in a Harlem air shaft," said Duke. "You hear fights, you smell dinner, you hear people making love. You hear intimate gossip floating down. You hear the radio. An air shaft is one great big loudspeaker. You see your neighbors' laundry. You hear the janitor's dogs. The man upstairs' aerial falls down and breaks your window. You smell coffee. A wonderful thing, that smell. An air shaft has got every contrast. One guy is cooking dried fish and rice and another guy's got a great big turkey . . . You hear people praying, fighting, snoring. Jitterbugs are jumping up and down always over you, never below you . . . I tried to put all that in 'Harlem Air Shaft.' "

Again Ferlinghetti writes:

> Let us cut out into stray eternity. Somewhere the fields are full of larks. Somewhere the land is swinging My country 'tis of thee I'm singing.

Mr. FUQUA. Mr. Speaker, the Duke of Ellington has departed the stage. But he leaves behind a legacy that will never grow old and I submit that he will never be forgotten.

What a contribution he made to our lives.

Every American can hum a few bars of at least one of his compositions. His music has brightened the lives of us all and we are all blessed that he was allowed to create for so long.

Beginning in the twenties, his talent blossomed as the years passed. He poured out a prodigious stream of over 1,000 compositions which included "In My Solitude," "Don't Get Around Much Any More," "Mood Indigo," and "I've Got It Bad and That Ain't Good."

And there were the longer orchestral pieces, tone poems, sacred works, choral pieces, movie, television, and ballet scores, and even an opera or two.

Edward Kennedy Ellington, nicknamed "Duke" for his impecable attire was one of those fortunate few where the good things that should have been said were said in his lifetime.

The President of the United States invited him to the White House to present the highest civilian award of this Nation, the Medal of Freedom.

In February, the Duke was here in Washington, the city where he grew up, to perform for several hundred innercity schoolchildren.

A letter from President Nixon was presented to him at the time by Julie Eisenhower.

It proclaimed, "there will never be another you."

And I doubt also if we will ever see his like again. He now becomes a part of the great history of our land and enters the pantheon of true American heroes.

Mr. ROYBAL. Mr. Speaker, I rise to add my voice to those paying tribute to Edward Kennedy "Duke" Ellington. His greatness as a jazz pianist and composer is surpassed by none.

Born and raised in Washington, D.C., Duke Ellington became a legend in his time. During a prolific and inspirational career of over 50 years, Duke Ellington contributed a richness to jazz music and the American heritage.

The death of this great artist is a loss to all. The people of our country and the world, who have been privileged to see and hear him perform, are left with the memories of his music and the contributions he has made to the growth of jazz. He has left an indelible imprint on the minds of many and his wealth of jazz music, unequalled in our Nation's history, remains for future generations.

Mr. STOKES. Mr. Speaker, Duke Ellington, who died on May 24, will be sorely missed by those who love music and admire greatness.

He brought jazz, America's only truly indigenous art to its highest form. The music of Edward Kennedy "The Duke" Ellington has been called the single, most impressive body of composition in American jazz. But he was much more than a jazz composer and performer. He wrote for the theater, for the cinema and for the symphony orchestra, as well as composing a number of sacred music pieces. For more than 50 years Americans and citizens of countries all over the world have been mellowed by his musical creations.

Throughout his career, he expressed a deep consciousness for his "African roots," and often explained that the beauty of his renditions were conceived in "the rudiments of slave songs" and black life. Of himself and his music he once said:

> I don't write jazz, I write Negro music.

We have lost a man of enormous talent, great intellect, wit, and grace, but he will be remembered by generations to come for the inestimable legacy he has left to America and to the world.

Mr. O'HARA. Mr. Speaker, as the House pauses today to honor the memory of a great American musician, I would like to share with my colleagues the eloquent tribute expressed by WJBK–TV of Detroit, Mich. This editorial comment, delivered by Lawrence M. Carino, vice president and general manager of WJBK–TV, expresses, far better than I could hope to express, the great contribution which Duke Ellington made to America and American music.

Edward Kennedy Ellington

His music surrounded us. His personal dignity helped sustain a nation's pride. His uncompromising good taste was proof that quality can coexist with enduring popularity.

Edward Kennedy Ellington . . . America's authentic Duke . . . was at ease with presidents and kings. But his words and music were about and for the common man.

The man and his music could be joyful, expressing unbroken faith in better tomorrows, offering reassurance in dark and trying times.

But in his greatest works, he spoke of justice and hope to the troubled and forgotten . . . or touched the conscience of the complacent.

The incomparable art of Duke Ellington will endure, as it has been a dependable theme through most of our lives.

It is his integrity as a man . . . a gentleman . . . that is gone. And it is a national presence we will sorely miss.

Mr. PRICE of Illinois. Mr. Speaker, I am pleased to join my colleagues in paying tribute to the memory of Duke Ellington. The music of this talented and prolific gentleman has touched and enriched all of our lives to some extent over the years. The Duke is dead and the whole world mourns his passing, but his music will remain vital for future generations; by his works they shall know him as one of the most influential and important figures in the history of American music.

More than just a songwriter, Ellington was a composer in the truest sense, exercising total artistic control over the finished product. He was a major factor in the formation of our indigenous American art form, jazz.

I take pride in the fact that the Duke immortalized my home town of East St. Louis, Ill., in his "East St. Louis Toddle-oo" which was his theme until "Take the 'A' Train" superseded it.

It was just a few weeks ago that the Nation joined the Duke in the celebration of his 75th birthday. The echoes of that joyous occasion have been damped all too soon. Nevertheless, I am grateful to have been a contemporary of this great man. The Nation and the world should be consoled in the realization that the Duke's life was full, rich, happy, and astoundingly generous in its contributions to American culture.

Mrs. BOGGS. Mr. Speaker, as one of the Representatives from New Orleans, the birthplace of jazz, I feel a sense of personal and civic loss in the death of Duke Ellington. However, I know that his spirit like the jazz music with which he identifies will live and grow and continue to capture the interest of people throughout the world.

Mr. Ellington typified those superb musicians, prolific composers, and generous entertainers who enriched our culture, and who made jazz an international language, an ambassador of good will and universal understanding.

In addition, Mr. Ellington was a compassionate, deeply religious man and a concerned, contributing citizen.

Among his numerous eulogies, the following editorial from America magazine best captured these qualities of this remarkable American:

The Duke Is Dead

"My best self writes and plays sacred music and keeps me honest to myself. My best self also prays for the health and survival of others—and for the forgiveness of still others." That was the way Edward Kennedy Ellington chose to describe himself in an epilogue to his autobiography *Music Is My Mistress* (Doubleday 1973). And so it was entirely fitting that his funeral service at the New York Episcopal Cathedral of St. John the Divine should have concluded with a recording of his *Sacred Concert*, a work he described in the same book as "the most important thing I have ever done." He was a deeply religious man who spoke openly about his belief in God; at the same time he was one of the most sophisticated musicians and entertainers of the past half century. In a secularizing age, he demonstrated his uniqueness by steadfastly holding the two together.

But the spirit of the age cannot easily be denied. The Duke is principally remembered by the general public for his style—wit, elegance, unfailing charm—and his string of popular hits—*Mood Indigo, Take the A Train, Do Nothin Til You Hear From Me*. To please his fans, he would play these songs over and over again on his endless tours around the world, but he refused to rest content with them. Every day was new and called for new music. His piano beckoned and the Duke seldom refused, which accounts for the more than 1,200 compositions listed chronologically in an appendix to his autobiography.

Retirement was a meaningless concept to him. At 75 he was working on an opera as cancer and pneumonia caught up with him. Happily, his genius and his energy did not go unrewarded in his lifetime. Journals, associations, universities and even nations heaped their honors upon him, but through it all he remained faithful to his music and to his audience. "We're not worried about writing for posterity," he once remarked. "We just want it to sound good right now."

Mr. Speaker, I firmly believe that the vibrancy of the man and his music will "sound good" in posterity.

Mr. ADDABBO. Mr. Speaker, I rise to join my colleagues in this special tribute to a great American, Duke Ellington, whose recent death leaves the entire world without a true genius. The Duke was a brilliant composer and performer whose jazz creations literally moved the music world from era to era.

Duke Ellington was an innovative man, liked by people from all walks of life in all corners of a world which recognized his talents. He was a founder of jazz techniques, a performer without parallel, a writer whose works span generations and a leader of the music world.

We will all miss Duke Ellington the musician and Duke Ellington the man, each a very special brand of American genius who is with us no more. His great career leaves us with the most tangible of gifts for future generations to enjoy and we will always appreciate his works.

Mrs. HOLT. Mr. Speaker, I commend my colleague from New York (Mr. Koch) for giving me this opportunity to recognize the Nation's loss in the death of Duke Ellington.

Edward Kennedy Ellington was a musician of wit and charm. His impeccable taste and flawless style added a new dimension to American music, and his 50 years of dedication to his art make up an international treasury of music. He has given the world a legacy which would surely qualify for Longfellow's definition of music—the universal language of mankind.

Ellington brought his work to every corner of the world—to the Middle East, the Far East, and the Soviet Union—to Africa and South America and Europe. He was awarded the Presidential Medal of Freedom and the French Legion of Honor. He was a member of the Royal Swedish Academy of Music. Two African countries issued postage stamps bearing his picture, Yale University established the Duke Ellington Fellowship Fund, and Columbia University awarded him an honorary doctorate.

Despite this international recognition of his talents, Duke Ellington remained a warm and modest man. His stature as a composer, a musician, and a human being will continue to be an inspiration for those generations to come who will be equally inspired by his towering genius.

Mr. CHAPPELL. Mr. Speaker, some people are calling this the age of nostalgia. Perhaps it is—and perhaps this is good for all of us.

Our nostalgia for beautiful compositions and songs of an era gone by is best exemplified by the works of Duke Ellington. He poured out his talent to us over a half-century, composing some 6,000 pieces and appearing before countless appreciative fans during those years.

Duke Ellington is no longer with us, but he left us a heritage of sensitive, spellbinding melodies that will last on and on. There may be times when we will not hear one of his works for some time—but the need of our people in the future for his type of music will flash back to his sounds and all the beauty he created will come crowding back to gladden us. "Mood Indigo," "Solitude," "Sophisticated Lady," "Creole Love Call," and "I Let a Song Go Out of My Heart" are just a few of the tunes left in our hearts by a great and talented American.

Mr. DELLUMS. Mr. Speaker, music has always been a symbol of unity, of the irrelevancy of everything that divides us. And this unity is alive with rhythm and grace, taking people out of themselves and toward each other.

Duke Ellington, whose memory we honor today, put together a band in which music's unity, its way of bringing people together, stands out clearer than anywhere else. I appreciate the opportunity provided by the gentleman from New York and the gentleman from Missouri to say a few words about that unity.

First of all, there is the sheer continuity of the Ellington band. What other American institution has remained alive and recognizably itself for so many years, bridging so many eras in popular culture?

And then, there is music's own unity. Sometimes musicians get behind their own walls. Classical, popular, progressive, traditional, soul, bop, rock-n-roll—Duke Ellington laughed at these divisions and took what he needed wherever he found it. And the more he took, the more he was only himself.

There is also the unity of the people. Jazz has its roots in every kind of American popular music, from Sousa marches to sentimental ballads, but it is principally the music of the black community, born out of the alienation and pain of the black experience in America. And yet it is more through music than any other way that black and white people can get together.

But finally, there is the unity of the Ellington band itself—a unity powerful enough to let each individual express his musical personality as far as he could, and yet retain a distinctive personality for the whole band. The solos were not an excuse for the ensembles, nor the other way around: both of them were necessary to the other. Each section of the band—brass, sax, rhythm—had a style that brought out the best in the other sections. We remember the names of Bubber Miley, Billy Strayhorn, Cootie Williams, Johnny Hodges, Sonny Greer, Juan Tizol, Ivy Anderson, Sam Nanton, Harry Carney and an incredibly long list of talented individuals—but basically we remember the sound they made when you put them all together—or rather, when Duke Ellington put them all together.

Duke Ellington's music was of the people, by the people, and for the people much more than any government will ever be. As he himself said once,

> All music is folk music. I don't remember hearing any horses make music.

GENERAL LEAVE

Mr. KOCH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to participate in this special order, to extend their remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CAPT. BERTON R. OTTO, U.S. NAVAL RESERVE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. CHAPPELL) is recognized for 30 minutes.

Mr. CHAPPELL. Mr. Speaker, I rise to pay tribute to an outstanding naval officer, Capt. Berton R. Otto, who is scheduled soon to retire from the U.S. naval service.

The Department of the Navy has awarded the Legion of Merit to Capt. Berton R. Otto, U.N. Naval Reserve, of Annapolis, Md., for his duty performance between February 1972 and April 1973. In an illustrious career spanning more than 30 years, he has compiled a record of singularly impressive achievements in a broad spectrum of increasingly demanding assignments.

In recent years, he has been accorded Navy-wide recognition for a great variety of achievements. In 1965 and 1966, for example, he conceived and authored two operational documents for the U.S. 6th Fleet which provided for every level of response as either a national or NATO force, under actual emergency or peacetime and exercise equivalent conditions. His efforts modernized, reconciled and simplified doctrine and procedure for ourselves and our allies, and reduced fleet operating documents by 90 percent. Described by the Commander-in-Chief, U.S. Naval Forces, Europe, as a model for future U.S. Navy and multinational operations orders and plans, these documents are still in use today.

In 1967, Captain Otto devised and developed the first campaign level threat models for attack carrier air warfare ever employed in the Navy. He also planned and directed Navy participation in the Paris Air Show that same year.

In 1968, he headed the Threat Analysis Group of the Navy Fighter Study which devised and generated the analytical foundation for the decision to terminate the F–111 B—TFX—program and initiated development of the F–14—VFX—fighter aircraft.

It was later in 1968, when he became commanding officer of the Naval Air Reserve Training Unit at the Naval Air Station, Jacksonville, Fla., that I first came to know Captain Otto, personally. I was then a member of that unit as a captain in the U.S. Naval Reserve, serving as the top reservist in the command structure, and reported directly to the active duty commander, Captain Otto.

Under the inspiring leadership of Captain Otto, the Naval Air Reserve Training Unit at Jacksonville won the coveted Navy "E," the battle efficiency pennant. This was largely the result of his command having been awarded three national trophies. These were the Edwin Francis Conway Memorial Trophy for being the most efficient activity in all phases of operations, the first such win by the Jacksonville unit in its 23-year history; the Navy League's Sheldon Clark Naval Air Reserve Trophy for his 10 tactical squadrons having attained the highest levels of combat readiness; and, the Chance-Vought "Naviator" Victory Cup, given by the Chief of Naval Air Reserve Training for the best performance in recruiting future naval aviators from college campuses.

During his 29-month command tour at Jacksonville, Captain Otto also led all other Naval Air Reserve Command air stations and training units in effecting dollar savings. In 1969 he achieved 672 percent of his assigned goals, in 1970, 1,194 percent. His was also the first Reserve command to be nominated for the Secretary of the Navy award for cost reduction and management improvement.

Shortly after my election to this distinguished body, Captain Otto was transferred to the Navy Department in Washington, D.C., and became Project Manager for the Naval Reserve Management Study. This study, initiated early in 1971 by the Deputy Chief of Naval Operations—Manpower and Naval Reserve—accomplished what may prove to be the most searching evaluation ever undertaken of the structure, organization, management, funding, and effectiveness of the Naval Reserve. Because of my long experience in positions of responsibility in the Naval Reserve, I was privileged to serve as a consultant to that important effort.

I am reminded today of the major improvements in Reserve management emanating from this study: first time Reserve participation in all phases of the Navy budget process, the first significant steps toward separate identification and control of Reserve funds; establishment of the commander, Naval Air Reserve as a full financial manager; clear definition of the focal point role to establish a single uniformed manager of the Naval Reserve; a revision of the functions and responsibilities of key leaders in the Navy Department to better integrate Reserve management at the Washington level; the strengthening and clarification of Reserve command lines; and preparation of a regional field organization plan for the Naval Surface Reserve to balance workloads and staffiing, while saving $800,000 annually.

Subsequently, Captain Otto conceived, organized, and assumed leadership of the Reserve analytical studies project, or RASP, a "think tank" designed to employ the best Reserve analytical, organizational, and managerial talents of this Nation in solving Reserve problems. As a participant in several RASP efforts, I know of the important accomplishments of this project.

Under Captain Otto's brilliant direction, RASP has provided wide-ranging, in-depth studies and recommendations that have had a positive impact upon nearly every facet of Naval Reserve organization and management.

His efforts have further clarified and increased Navy-wide program and budget support for the Naval Reserve, provided comprehensive Reserve inputs into the Navy programing process, devised, demographic analyses and modeling techniques for decisions concerning the siting and staffing of Naval Reserve centers and facilities, and established a regional system of priorities for Reserve training based upon geographic-demographic and cost-benefit criteria. He also developed detailed guidelines for the commander, Naval Surface Reserve, to accomplish equalization of field activity workloads, and the systematic distribution of active duty support manning.

Recognizing that the World War II-oriented system of time phasing in Navy mobilization planning could not serve adequately today's contingency response needs, Captain Otto conceived and developed a new manpower management system predicated upon active Navy missions and selective callup of crucially needed capabilities. This innovative approach inventories and arrays, by mission and Navy sponsor, all mobilization requirements, and provides the methodology for a systematic decision process in establishing the size and force mix of the Selected Reserve.

Captain Otto also developed the Washington organization for the new Director of Naval Reserve, provided the studies required for consolidation of the Reserve Air and Surface field headquarters and prepared the organizational charter for the new Chief of Naval Reserve.

As a follow-on effort, he prepared the plan of attack, milestones and funding profiles for accomplishing the attendant reorganization.

Of particular note was Captain Otto's gifted direction of the study and implementing efforts to organizationally integrate, into a single organization, the widely scattered Reserve activities of the Bureau of Naval Personnel. To accomplish this consolidation, he directed 21 site surveys to select a location, developed cost estimates and funding sources, reserved the space, and produced the necessary organizational studies. Concurrently, he developed the proposal that would combine the Navy's three personnel accounting machine installations into a single personnel management information center, to be colocated with the new Naval Reserve Personnel Center. Phased implementation of Captain Otto's plan has begun. When fully operational, it will provide single-location management and direction for all Reserve personnel activities and save an estimated $1.6 million per year.

I would also like to point out, Mr. Speaker, that Captain Otto's contributions have not been limited to his service as Director of the Reserve Analytical Studies project. From July 1, 1972, through May 7, 1973, he served simultaneously as Deputy to the Assistant Chief of Naval Personnel for Naval Reserve. So outstanding was his performance in this capacity that on May 8, 1973, he was elevated to the post of Assistant Chief of Naval Personnel for Naval Reserve, in which he now serves. Historically, this key position has been filled by officers of flag rank.

I note that the distinguished senior Senator from South Carolina, the Honorable STROM THURMOND, recently placed into the CONGRESSIONAL RECORD an article from the February issue of Seapower, the publication of the Navy League of the United States. The Seapower article addressed the strides being made to transform the Naval Reserve into a contingency-response force. This great Senator was so impressed with the insights and perspectives of this article that he commended the author by a letter which was reprinted in the March issue of the Naval Reserve Association News.

The current issue of Seapower contains an article featuring the new Assistant Secretary of the Navy for Manpower and Reserve Affairs, the Honorable Jospeh T. McCullen, Jr., as well as a number of letters from Seapower readers concerning the previous article on the Naval Reserve. I would like to point out that all of the major advancements in Reserve organization and management of the past 3 years that are so favorably treated in these letter and publications stem directly from the work of Captain Otto and his small team of talented and dedicated reservists. They were both the architects and prime movers in development and implementation of the nationwide system of Readiness Commands to strengthen regional Reserve management and improve training support. The first 7 of 22 such commands will be commissioned this year. Additionally, they reduced the more than 80 fragmented programs of the Naval Reserve to 37, and restructured them to mirror the active Navy and provide mission-capable task-performing units. In the words of Rear Adm. Anthony A. Braccia, the Commander of the San Francisco Readiness Command:

> This major restructuring is the most dramatic and significant development in the history of the Naval Reserve.

Clearly, Captain Otto is a most vigorous, imaginative, and creative leader. He has the stamina for incredibly taxing assignments, and has done far more than simply originate new approaches to longstanding difficulties. He has carried them through to implementation often against incredible odds. Able, articulate, and forceful, he has been a dynamism of persuasiveness as an advocate and spokesman for building and maintaining a strong Naval Reserve force. Time and again he has astutely applied his erudition, precise analyses, and compelling logic to build respect for the Reserve, neutralize opposition, and convince diverse groups at all levels of the mutuality of their interests.

He has prudently managed those resources entrusted to him, and has also been a diligent and effective watchdog over real and potential mismanagement in all Reserve activities. His qualities of intelligence, temperament, and dedication to the naval service, coupled with exceptional creativity and drive in every way, have revealed capabilities that are so superior as to stand him high above his peers.

Mr. Speaker, I can think of no other naval officer who has so completely mastered all facets of Reserve and Reserve-related management, or contributed more to its improvement. At a time when the Active Forces are being reduced, the Navy needs more than ever to have a mission-oriented combat ready Naval Reserve. No man has given more unstintingly of himself, and in such a brilliant fashion, to bring about this kind of Naval Reserve. The Navy and the country owe him a debt of gratitude. I am therefore pleased to take this method of recognizing Captain Otto's unparalleled accomplishments in strengthening the Naval Reserve to play a more vital role in the Navy's total force.

I request, Mr. Speaker, that the citation accompanying the award of the Legion of Merit to this most dedicated and inspiring officer be inserted into the RECORD immediately following my remarks.

I wish Captain Otto Godspeed in all that he does and hope that the Navy will find a way to retain the services of this outstanding officer to help accomplish the new structuring of the Naval Reserve which he helped plan.

> The President of the United States takes pleasure in presenting the Legion of Merit to Berton Reed Otto, Captain, United States Naval Reserve, for service as set forth in the following citation:
>
> "For exceptionally meritorious and uniquely superior performance while serving in positions of great responsibilities as Director of the Reserve Analytical Studies Project and Deputy Assistant Chief of Naval Personnel for Naval Reserve. Captain Otto contributed directly and continuously in building a far more responsive and dynamic Naval Reserve force. He conceived and developed a new Navy manpower management system that singles out priority requirements by weapon-system platform, mission, and functional relationships. From this base, he restructured the Surface Reserve of the Navy into task-performing units, to be organized, trained, recalled and employed as units to support the most crucial Navy needs in an emergency. He conceived and created the Reserve Readiness Command concept which provides for a stronger local area management of the Surface Reserve and re-directs its resources into better supported and equipped centralized activities. His incisive cost-benefit measurements introduced a uniform yardstick for evaluating Reserve installations for retention, consolidation, or closure, and his scheme for continuing facilities without active duty staffing will serve to retain satellite activities which might otherwise be closed. His comprehensive methodology for selecting ships best suited for Naval Reserve Force status and inclusion of limited active manning for low readiness platforms, extends the means of retaining more ships in the Navy inventory. During this same period, Captain Otto conceived and developed a plan to streamline Naval Reserve personnel management functions into a Naval Reserve Personnel Center, as well as

the supporting computer facilities into a Personnel Management Information Center. He was the principal architect of the Washington staff organization of the Director of the Naval Reserve and the Chief of Naval Reserve. The breadth and depth of Captain Otto's studies and his contributions to a stronger, better managed Naval Reserve are unparalleled. His intense interest in all things Navy, great physical and intellectual stamina, and extrordinary capacity for work have combined to give his contributions profound and positive impact upon the Reserve readiness posture, markedly enhancing the national security of the United States. Captain Otto's distinctive accomplishments, professional competence, and untiring devotion to duty were in keeping with the highest traditions of the United States Naval Service."

GENERAL LEAVE

Mr. CHAPPELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the subject of my special order.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

MOAKLEY FINANCIAL DISCLOSURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 30 minutes.

Mr. MOAKLEY. Mr. Speaker, one of the major issues on which I campaigned in 1972 was the need for congressional reform and particularly for a genuine effort to clean up campaign practices. Today the need for these reforms is even more vital.

I began my first term in Congress last year by taking firm steps to live up to that fundamental commitment to the people who sent me to Washington.

The day I was sworn in, I had already discontinued the practice of law. My practice was essentially that of a family lawyer, handling the cases and affairs of neighbors in the community in which I grew up. But I felt it was important to measure up to the highest possible standard. So I left the practice of law and turned over all pending cases to other attorneys.

A second major step was taken shortly after I took office. I was proud to be one of the original 55 Congressmen to join my distinguished colleague from Arizona (Mr. UDALL) and the gentleman from Illinois (Mr. ANDERSON) in introducing the Common Cause backed Clean Elections Act.

But perhaps the most significant requirement a Congressman ought to meet if he is to deserve the confidence of his constituents is to be as open as possible about his personal finances.

Mr. Speaker, that is why I have requested permission to speak today.

FINANCIAL DISCLOSURE

I have sought recognition, Mr. Speaker, for the purpose of making the fullest possible disclosure of my personal finances.

I will outline my personal finances at this time indicating all sources of income and the details of my net worth. I am also submitting details of income taxes paid and a listing of all deductions used to compute tax liability.

CONGRESSIONAL INCOME

My gross salary as a Congressman was $33,722.08. In addition, I received the statutory allowances for stationery; travel to the District; home office allowance; and telephone expenses. These totaled $9,750.11.

As any conscientious Congressman soon discovers, these allowances are far less than the actual expenses incurred in performing his duties.

This is particularly true in my case because I maintain five district congressional offices—more than any other Congressman in the United States and return to my district at least once a week.

The total expenditures of my own income, beyond these allowances, amounted to $11,970.37.

Thus my net income as a Congressman was $26,751.71.

LAW PRACTICE

As I have previously stated, I did not practice law at any time during my term. However, at the time I closed my practice, I had done part of the work on cases still pending which were referred to other lawyers and I received a prorated portion of the fees.

All money earned as a lawyer fits into this category—fees received in 1973 but earned prior to the beginning of my House term. The total fees amounted to $22,544.01.

Against this are charged my expenses related to this income. These totaled $4,308.01.

Thus my net income for this source amounted to $18,236.

RENTAL INCOME

I own three rental units in Massachusetts, an apartment in South Boston, a house in Scituate, and a two-family house in South Boston, one unit of which is rented. Total rents during 1973 were $6,400.

Against this are charged depreciation of $1,637.71 and actual expenses, totaling $5,539.61.

This resulted in a net loss from rental properties of $776.32.

HONORARIUM

During 1973 I had only one speaking engagement for which I accepted an honorarium.

In 1973 I appeared before the National Association of Government Employees and earned an honorarium of $500.

OTHER INCOME

Blind trusts have proven important to many officeholders to assure constituents that no vote in Congress is influenced by the potential effect on a Congressman's own finances.

However, since I am determined to be completely straightforward in this area, I have chosen at this time to own no stocks or bonds either in my own name or through a trust.

Therefore my only additional source of income was from interest on my savings account.

My total interest income was $522.69.

NET INCOME

To summarize the above my net income for 1973 is computed as follows:

Income	
Net congressional income	$26,751.71
Net law practice (1973 income for legal services rendered in prior years)	18,236.00
Net rental income (loss)	(776.32)
Honorarium	500.00
Interest income	522.69
Net income	45,234.08

TAXABLE INCOME

DEFERRED INCOME

As an attorney in private practice, I have set up a private retirement fund under provisions of the Keogh Act. The plan is administered by the John Hancock Insurance Co. In 1973, I made total payments of $2,708.88 of which $1,823.60 could, under present law, be treated as exempt from taxation in 1973.

When the funds are paid to me in my retirement years they naturally are subject to income tax.

The Keogh plan represents the only vote taken in Congress during my term which related to my own financial interests.

On February 28, 1974, two rollcall votes were taken on amendments to the pension reform bill then pending before the House of Representatives:

Rollcall No. 54 to provide a cost-of-living increase in the maximum permissible contributions to Keogh plans. The RECORD will indicate I voted against this increase.

Rollcall No. 55 to decrease the maximum permissible contribution from $7,500 to $6,000. The RECORD will indicate that I voted in favor of this decrease.

Since the private retirement plan set up for my law practice was a Keogh plan, my votes were potentially against my own financial interests. In fact, on rollcall No. 55, I was 1 of only 63 Congressmen to vote for a reduction in the Keogh plan.

If my views had been different on either issue, I would have voted "present."

PERSONAL DEDUCTIONS

In 1973, for income tax purposes, my personal deductions were as follows:

Medical insurance	$150.00
Taxes	3,038.42
Interest expenses	135.71
Charitable contributions	1,714.00
Total	5,038,13

TAX COMPUTATION

Deductions for deferred income, and personal itemized deduction—both outlined above—combined with the regular personal exemptions for a joint return—$1,500—resulted in a net taxable income of $36,872.35.

TAXES

For 1973 my income taxes were as follows:

Federal income tax	$11,571.56
Massachusetts income tax	1,847.50

Thus more than 36 percent of my net taxable income was paid out in income taxes to the Federal Government and the Commonwealth of Massachusetts.

NET WORTH

The following table, Mr. Speaker, provides complete details of my holdings and obligations:

Assets and liabilities of John J. Moakley as of May 31, 1974

ASSETS	
Cash (checking, savings and cash)	$17,311
Real estate:	
1812 Columbia Road, South Boston (two-family house)	45,000
149–149A Dorchester Street, South Boston (apartment and former law office)	25,000
63 Surfside Road, Scituate (house)	50,000
	120,000
Retirement plans (cash value):	
U.S. Government	4,798
Commonwealth of Massachusetts	8,216
Private Retirement Plan	2,910
	15,924
Life insurance (cash value)	19,072
Automobiles	5,275
Total assets	177,582
LIABILITIES	
Mortgages	$52,722
Loans	11,047
Tax liability	3,342
Congressional office bills outstanding (Beyond Congressional Allowances)	5,970
Personal bills outstanding	2,730
Total liabilities	75,811
COMPUTATION OF NET WORTH	
Total assets	177,582
Less: Total liabilities	75,811
Net worth	101,771

SUMMARY

Mr. Speaker, this statement will be submitted to the press and reprinted in sufficient quantities to be available to any constitutent who wants to know where their Congressman's money comes from.

At the polls, the voters have placed a great trust in me. I feel I owe them the fullest and most candid disclosure possible.

THE CITIZENS SCHOLARSHIP FOUNDATION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER) is recognized for 5 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, it is a great privilege to have this opportunity to bring to the attention of my colleagues the outstanding accomplishments of the Citizens' Scholarship Foundation. This organization, begun in 1958 by Dr. Irving Fradkin of Fall River, Mass., was designed to create wider educational opportunities for deserving young people through local action without resorting to any form of Government aid. Since that time, the Citizens Scholarship Foundation has served as an exceptional example of the vast potential of citizen action at the local level.

The concept of the program is simple, yet effective. Once a local, nonsalaried, nonprofit foundation is established, each person in the community is asked to contribute a minimum $1 membership for that year, and fraternal, business, and civic organizations are invited to take $100 annual memberships. The response to this appeal has been tremendous. In 1958, $4,500 allowed 24 deserving students to pursue their higher education, last year over $2.5 million provided over 6,000 scholarships in 35 States.

This remarkable growth proves that a concerned group of citizens can establish and operate an effective financial assistance program on the local level independent of Government aid, and the Citizens Scholarship Foundation's administrative costs at both national and local levels has never exceeded 3 cents on the dollar—a commendable and exemplary achievement in itself.

A tribute to the generosity of the American people, the Citizens' Scholarship Foundation may take great pride in its worthy accomplishment of providing thousands of students the opportunity of continuing their education after high school.

COMMENTS ON IMPEACHMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS), is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, it appears that the House Judiciary Committee will send a Resolution of Impeachment to the House for a vote probably in July or August. Since this will, in all probability, be the most important and far-reaching single vote I will cast in my entire career, I think a few comments are in order at this point.

First, the Constitution says a President may be impeached for "treason, bribery, or other high crimes and misdemeanors." I believe this means a substantial criminal act must have been committed in order to sustain a Resolution of Impeachment.

Second, I have read the tape transcripts released by the White House and while I do not like what I have read, I have not yet found an impeachable offense in the transcripts.

The question is really very simple, did the President commit an impeachable offense? The answer, however, is extremely complex. There will be much evidence that can be viewed either way, much that is subject to debate and much that is questionable as far as criminal liability is concerned.

The answer should not be clouded by political or party considerations or outside influence. Likewise, whether we like or dislike the President is not important. How we voted in the last election is not important. The President's accomplishments in foreign policy or his other good works, and there have been many, are not involved in the question of impeachment.

Many of my constituents, in fact, probably most of them, hold strong views on the guilt or innocence of the President. Either way the vote goes, a certain segment of the population will strongly disagree. I have received many letters saying in effect that if I do not vote this way or that way on impeachment, the writer will never vote for me again.

Well, our constituents should express themselves. That is what makes our Republic work. Certainly, I will take all opinions into consideration; but in the final analysis, the Constitution puts the burden of this vote squarely on my shoulders and I am prepared to assume that burden.

I will study the evidence diligently and I will continue to call for the release of all relevant evidence by the White House. I will make a judgment and I will cast my vote, asking for Divine guidance.

Watergate has been bad for the country. It is true that it has been stretched all out of proportion by the news media; by those who are opposed to the President and his programs, and by those who accept every rumor, innuendo, and speculative statement as the gospel. But it is still bad for the country.

I also think the impeachment of the President, any President, is bad for the country. Consequently, I hope and pray that the evidence of a criminal offense on the part of the President is not there. I hope I can conclude that impeachment is not warranted. I will admit a bias to that extent, but then our system of justice requires that a person be considered innocent until proven guilty. However, if, after considering all the evidence, I conclude that the President has committed an impeachable offense, then I will, with an extremely heavy heart, vote for impeachment.

Whatever the result, I firmly believe that this Nation will remain strong and free. That is the genius of our system of government.

On the subject of resignation, I concluded some time ago that the President should not resign.

No President who maintains that he is innocent should ever be forced out of office just because he may have become unpopular. Let the constitutional process work, and let it work as soon as possible.

Watergate has lasted too long. There are too many other problems that need to be solved. We need to find the truth, but we need to move more quickly.

Let us be done with Watergate.

CONTROLLED SUBSTANCES TRAFFICKING ACT OF 1974

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. ROBERT W. DANIEL, JR.) is recognized for 5 minutes.

Mr. ROBERT W. DANIEL, JR. Mr. Speaker, on May 16, 1974, the Drug Enforcement Administration released a new study of defendants arrested for narcotics trafficking which shows that nearly half of them resumed their illicit trade when they were freed on bond to await trial.

DEA Administrator John R. Bartels said:

For too many drug peddlers, the criminal justice system is little more than a revolving door to "business as usual."

Bartels said that the study points up the need for pretrial detention of defendants in illegal narcotics trafficking cases which is provided for in the legislation which I am introducing today entitled the "Controlled Substances Trafficking Act of 1974."

This legislation would amend the Comprehensive Drug Abuse Prevention and Control Act of 1970, Public Law 91–513, to increase the penalties for violations of that act and to revise the conditions of release applicable to persons charged with such violations.

All too often our law enforcement officers will expend hundreds of man-hours and thousands of dollars to make a successful arrest against a major illicit drug dealer, only to see him promptly released on bail to resume his illegal activities. By allowing most major narcotics violators to go free on bail for long periods of time before trial, we are negating both the deterrent effect and the objectives of narcotics law enforcement.

This legislation responds to one of the greatest frustrations which have faced our Federal officers in their attack on drug traffic by requiring the judge in setting conditions of pretrial release to consider whether the defendant poses a danger to the safety of others and their property or to the safety of the community in addition to the usual consideration of risk of flight.

Bail would be denied under this legislation if in the absence of some compelling circumstance the judge finds that the defendant is, first, a second offender; second, has been arrested while on release in connection with another felony; third, is a nonresident alien; or fourth, is a fugitive at the time of arrest.

A special pretrial hearing shall be held by the judge at the time of arraignment to determine whether the defendant may be released on bail. This legislation further provides that cases of defendants who are denied bail shall be placed on an expedited calendar and trial shall commence within 60 days of the date on which he was denied release.

This legislation also increases the penalties for drug dealers. For the first time Federal law would prescribe a minimum sentence of not less than 3 years for a first time drug dealer convicted of trafficking in heroin, cocaine, morphine, or methadone and a minimum sentence of not less than 10 years for a second or subsequent offense.

In 1970 the Congress revised its position and enacted the Comprehensive Drug Abuse Prevention and Control Act. The legislation which I have introduced today would amend the act to accomplish what it purported to do in 1970, and that was to prevent and control drug abuse.

PRICE EQUALIZATION NEEDED FOR RESIDUAL OIL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. CLEVELAND) is recognized for 5 minutes.

Mr. CLEVELAND. Mr. Speaker, I have previously addressed the House on several occasions concerning the effect increased oil prices are having on New England consumers. I pointed out that if the Federal Energy Administration would implement its legislative authority to equalize the price of residual oil nationally, some relief for the New England consumer could be felt immediately.

Figures published by the Federal Power Commission show that while all energy prices have increased, residual oil has gone up much more drastically than either coal or gas. Since New England is heavily dependent on imported oil for its electric power generation, this price rise has been devastating to the consumer who is paying for it directly by means of a fuel adjustment charge.

Earlier I printed comments from outraged constituents who were evidently hard pressed in meeting their electric bills. At this point, I would like to share with my colleagues a letter received from the vice president of the Public Service Co. of New Hampshire, who is equally concerned about the situation, and is calling upon the Federal Energy Administration to act now on equalizing the price of residual oil.

Mr. Sinville's post scriptum refers to the entire New England area. If 25 percent of the oil units could be converted to coal, it would certainly help the situation. But here again the Federal Government and Congress are not facing that problem.

The letter follows:

PUBLIC SERVICE CO.,
Manchester, N.H., May 21, 1974.

Hon. JAMES C. CLEVELAND,
Member of Congress,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN CLEVELAND: The people of New Hampshire and New England are paying higher prices for petroleum products and electricity because only foreign heavy oil is available at higher prices than domestic oil.

The Emergency Petroleum Act of 1973 provides for fuel supplies to be made available to all regions of the country at equitable prices by the Administrator of the Federal Energy Authority. The supply allocations procedure has worked very well, but we have not seen or heard anything about price equality.

The economy of New Hampshire and New England is suffering, and business and industry have been placed at a competitive disadvantage with firms in other regions because of the high prices of oil. The adverse impact will result in fewer jobs and less expendable income in the region.

The people are outraged at the high prices, and they are up in arms all over New England.

We respectfully request your assistance in obtaining price equality in oil prices for New Hampshire from the Federal Energy Administration.

Sincerely,

D. E. SINVILLE,
Vice President.

P.S. The figure Bill Tallman gave you that 25% of the oil units could be converted to coal is correct.

THE ILLUSIONS OF DÉTENTE—15TH ANNIVERSARY OF CAPTIVE NATIONS WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. DERWINSKI) is recognized for 30 minutes.

Mr. DERWINSKI. Mr. Speaker, the 15th anniversary of our Captive Nations Resolution and Week will be observed here and abroad this July 14–20. The annual observance is called for in Public Law 86–90 which, in July 1959, Congress passed and President Eisenhower signed into law. On this 15th anniversary no subject is more pressing and worthy of national discussion than that of détente. With a developed captive nations analysis of global affairs over this period, Dr. Lev E. Dobriansky of Georgetown University, who authored the resolution and is also the chairman of the National Captive Nations Committee and president of the Ukrainian Congress Committee of America, deals with the subject under the title of "The Illusions of Détente." His penetrating article is published in the internationally renowned journal, the Ukrainian Quarterly. I urge every American to read this challenging analysis as part of the observance of this 15th anniversary of Captive Nations Week; and I am inserting the article in the RECORD for this purpose:

THE ILLUSIONS OF DÉTENTE

(By Lev E. Dobriansky)

Little is it recognized or understood in the Free World that the essential freedom message of the two towering Russian intellectuals, Andrei Sakharov and Alexander I. Solzhenitsyn, conforms almost precisely with the established captive nations analysis. In calling for the withdrawal of Russian power to the national borders of Russia and the renunciation of Marxism-Leninism they, and countless behind them in the USSR, are in essence calling for the freedom of the crucial non-Russian nations in the USSR, the surcease of Russian imperio-colonialism, and the open admission of the bankruptcy of Marxist philosophy in the whole area of the captive nations.[1] Both strike at the foundation stone of the captive nations analysis, namely the captive non-Russian nations in the USSR, the first victims of Soviet Russian imperio-colonialism, and both point to this basic analytical structure of thought without which the conception of "a structure of peace" in our time cannot but become a colossal illusion.

Relatively few circles and organizations in this country embrace the captive nations structure of thought, but they can take great pride and realistic inspiration in this significant fact that their thought is substantially supported by these liberal Russian and other expressions born of hard experience, real insights, and courageous hope in the USSR. A more solid source of verification in the present could scarcely be anticipated. Certain circles in our government and academia, organizations like the AFL-CIO, the National Captive Nations Committee, the Ukrainian Congress Committee of America, and the World Anti-Communist League, and scores of alert private citizens have now the moral obligation of fully supporting in turn the liberal Russian and non-Russian voices in the USSR. For a structure of enduring peace and prospective freedom will rest far more on this parallelism of mutual thought and action than on any series of bargained deals between Free World governments and the tyrannical, totalitarian government of the USSR.

THE 15TH ANNIVERSARY OF CAPTIVE NATIONS WEEK

A no finer national forum for the discussion of this basic issue and the growing illusions of détente could be had than in this year's annual observance of Captive

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[1] Compare with Lev E. Dobriansky, *U.S.A. and The Soviet Myth,* Old Greenwich, Conn., 1971.

Nations Week, July 14–20. The 1974 Week will be the 15th anniversary of the Captive Nations Week Resolution, passed by Congress in July 1959, and signed into Public Law 86–90 by President Eisenhower. Fifteen years ago, as one account puts it, Vice President Nixon visited Moscow and at the very start "Khrushchev was furious about the captive nations resolution, saying 'It stinks and is provocative.'" [2] Now, fifteen years later, President Nixon meets with Brezhnev in Moscow, and Russian freedom voices enunciate the fundamental contents of the resolution. Personalities on the diplomatic stage will come and go, but the historico-analytical framework to which the resolution is girded, remains the same. Indeed, a careful reading of the resolution today would serve as a wholesome antidote to the numerous evolving illusions of détente and would guard us against the perilous risks we face in the pursuit of this so-called pragmatic policy.[3]

In each year since 1959 the third week of July has been marked by a presidential proclamation of Captive Nations Week, similar proclamations by most of our State governors and mayors of large cities, observances of the Week in Congress and by committees throughout the country, and with even some 17 foreign countries participating in the event. With one-third of mankind still in totalitarian, communist captivity, no broader object of concern for human and national rights and independence exists than in the context of the captive nations in toto. In 1973, despite the euphoric overtones of détente and inward Free World concerns of various types, the Week was widely and successfully observed in this country, in the Far East from Seoul to Saigon, and in parts of Western Europe. On this 15th anniversary, supported by realistic, vocal counterparts such as Solzhenitsyn, Sakharov and others in or from the USSR, the Week's observers cannot but focus their primary attention on the spreading, dangerous illusions of détente.

THE EXISTING THRESHOLD OF NEW CAPTIVE NATIONS

All the diplomatic flurry, motion and summitry of the past few years haven't made a dent in the overall structure of the captive nations. In other words, the fundamental reality of the captive nations in toto remains unchanged and, if anything, some proliferating illusions of détente have tended to obscure this fundamental fact even to the suggestive extent of accepting their permanent captivity, all in a spurious vein of maintaining world peace. The simple, historical truth is that an enduring structure of peace cannot possibly be founded on a permanent structure of captive nations, extending from the Danube to the Pacific and into the Caribbean, and the ultimate and determining question is whether détente, as presently conceptualized and developed, can accommodate not so much the oppressive Red regimes but more so the liberating forces in the captive nations and peoples themselves to begin to alter the underlying reality of communist captivity that has been and is the prime source of world division and threat to global peace. If not, then we and the rest of the Free World will be at a security peril point unparalleled in history.

Part of the antidote to present illusions of détente is surely a memorized review of the long list of captive nations. The permanent imprint of this list on one's mind is a secure, intellectual anchor to reality whereby the conceptual illusions of detente may be easily discerned and discarded:

People or nation:	*Year of Communist domination*
Armenia	1920
Azerbaijan	1920
Byelorussia	1920
Cossackia	1920
Georgia	1920
Idel-Ural	1920
North Caucasia	1920
Ukraine	1920
Far Eastern Republic	1922
Turkestan	1922
Mongolian People's Republic	1924
Estonia	1940
Latvia	1940
Lithuania	1940
Albania	1946
Bulgaria	1946
Serbia, Croatia, Slovenia, et cetera, in Yugoslavia	1946
Poland	1947
Romania	1947
Czecho-Slovakia	1948
North Korea	1948
Hungary	1949
East Germany	1949
Mainland China	1949
Tibet	1951
North Vietnam	1954
Cuba	1960

It should be stressed that almost half of the captive nations are in the Soviet Union itself. Of these, most were conquered by Soviet Russian force after World War I and forcibly incorporated into a newly-formed empire-state called the Union of Soviet Socialist Republics at the end of 1922. They form the foundation of Moscow's outer empire in Central Europe, Asia and Cuba. Without these foundational captive nations, particularly Ukraine—the largest non-Russian nation of 45 million both in the USSR and Eastern Europe—imperialist Moscow couldn't possibly maintain its outer empire of captive nations and threaten our national security and the peace of the world. An unfamiliarity or less than vivid appreciation of these historical and logical essentials cannot but mislead us in treacherous US–USSR relations. Without them the fundamental messages of Solzhenitsyn [4] and Sakharov [5] are lost, for they call for the surcease of Soviet Russian domination of the non-Russian nations in the USSR.

As emphasized during the '73 Week, the unstabilizing effects of détente with both Peking and Moscow and avoidable diplomatic compromises have placed additional nations on the threshold of becoming captive ones.[6] Unquestionably, this threshold of new captive nations continues to exist and the testing of our ability and will to protect them from becoming captive will definitely be forthcoming as calculated time and circumstance will determine. A weakening of our alliance with the Republics of Korea and China, signified especially by any withdrawal of full diplomatic relations with the latter, would open up opportunities for their potential Red aggressors. The compromised situation in Vietnam, where three "Vietnams" now exist, the convenient Laotion coalition government, and the deep vulnerabilities of Cambodia form a staging area for continued North Vietnamese aggression, backed up primarily by Moscow. The prime target is, of course, the Republic of Vietnam and here, too, the challenge will be made as to whether our totally justified sacrifices in thwarting the expansion of the family of captive nations will have been in vain. A diplomacy of accommodating compromise, which always results to the net advantage of the Red aggressor, is scarcely a guarantee of continued freedom from communist domination.

THE CONCEPT OF MOSCOW'S TROIKA POLICY

For an evaluation with perspective and understanding of these prospective developments and the illusions of détente, the concept of Moscow's traditional troika policy is indispensable. A firm imprint of this concept prevents one from being easily swayed by relatively meaningless transitory events that supposedly alter the basic structure of conditions and arrangements depicted here. Based on the inner and outer contours of Moscow's empire, the concept is really the format of Moscow's strategy on a global scale, allowing for wide flexibility of subordinate strategic and tactical plays in an equally wide variety of fields, ranging from sports to space. The concept accommodates any new development in the expansion of Moscow's interests, influence or power, whether in the Mideast, Africa, Latin America or in Western Europe, via Portugal perhaps. The fundamental importance of the concept is that it constantly relates the developments and operations of the two "external" horses of the troika to the one anchor horse of "internal" empire developments. Above all for the present, it serves to explode certain circulating, conceptual illusions surrounding détente.

As elaborated in the '73 Week, the troika consists of (1) the anchor horse racing toward a controlled, totalitarian and imperialist consolidation within both the inner empire in the USSR and the outer empire in the so-called satellite states of Central Europe; (2) guided by the effective "peaceful coexistence" sub-strategy, the second unit pointing in the direction of a divide-and-subvert process in the West; and (3) the final part, still generated by "wars of national liberation," galloping in a progressive infiltration and undermining of the less developed areas of the world.[7] Each part of the troika is continually reflected by some notable, varying current events.

As for the first, the hyper-KGB activities in the USSR, the arrests of hundreds of intellectuals in Ukraine, Lithuania, and the RSFSR, the unremitting surge of militarism, the tightening of economic controls and regionalizing economic plans to reduce further national republic distinctions, and rampant Russification to destroy the nationalism of each non-Russian nation are just a few points. In the outer sphere of Moscow's empire, despite the superficial maverickism of Romania, the spectre of the Brezhnev doctrine hovers in tact over all the "satellites" and is currently reinforced by more tightened political and economic controls in Romania, Poland and Hungary to more or less keep in step with the rest under cover of "economic integration." Regarding the second troika unit, the growing instabilities of Western Europe, as indicated by the Brandt case, the communist showing in France and Portugal, and changes in Greece, provide a highly improved environment for a myriad of operations aimed chiefly at the weakening and even dismantling of NATO. As shown in the Mideast, Moscow's third horse, ridden by defense minister Andrei A. Grechko, has become a heavy bearer of arms not only in that region but also throughout Africa and parts of Asia and Latin America.

It should be obvious that these global pretensions of Moscow and its vast network of operations to realize its unrenounced goal of world domination would not be possible without the inordinate exploitation of the resources of the captive nations, particularly those in the USSR itself, and of the Russian people as a whole. The prime character and motive of the USSR are not socialist but rather technocratic, totalitarian and militaristic, with most of the Kremlin rulers being trained in the Stalin mould, armed to the teeth, intent upon achieving military superiority, and ready to furnish arms to all trouble spots of the world. Viewed globally, the Cold War in its real sense has not diminished; as manipulated by Moscow, its gears have simply been shifted, with low-keyed operations in one area, intense repressive measures in another, and incessant plays on "American imperialism" in a third. Skillfully employing the "peaceful coexistence" strategem and its low-keyed tactics, Moscow seeks both time and critical economic means to sustain and expand this overall structure and its manifold activities for the historic moment when its diplomacy and adjunct military and other factors will directly confront the West, and the U.S. in particular, at clear-cut advantages to itself.

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[2] John R. Cauley. "Washington Beat—Hobnobbing With History," *Congressional Record*, April 30, 1974, p. 12319.

[3] For background material see Lev E. Dobriansky. *The Vulnerable Russians*, New York, 1967.

[4] Theodore Shabad. "Solzhenitsyn Asks Kremlin To Abandon Communism and Split Up Soviet Union," *The New York Times*, March 3, 1974.

[5] Reuters. "Sakharov Criticizes Author." *The Washington Post*, April 16, 1974.

[6] *On The Threshold of New Captive Nations*. USGPO, Washington, 1973.

[7] *Ibid.*, p. 7.

THE IMPERATIVES OF PRODUCTIVITY IMPROVEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. CLARK) is recognized for 5 minutes.

Mr. CLARK. Mr. Speaker, I would like to submit the following statement by John A. Creedy, president, Water Transport Association, in today's RECORD:

THE IMPERATIVES OF PRODUCTIVITY IMPROVEMENT

(By John A. Creedy)

A little over two years ago, the water carriers urged that priority attention should be given to understanding how improved productivity is achieved in transportation. It has been a curiously neglected subject, despite its obvious importance for the pricing of transportation.

The water carriers have a useful story to tell. In the 1960's they achieved a decade of declining average revenue per ton mile, despite rising inflation and rising costs. Generally, the same story can be developed for the Great Lakes ore carriers, the coastwise and intercoastal container operators and the inland barge carriers. The downward curve has now turned upward under the pressure of rising costs and inflation, but it has not turned up nearly as sharply as other elements in the economy.

Let us begin by agreeing that when we discuss productivity we are talking about the efficient use of all resources, capital as well as labor.

For a homely illustration, let us consider the productivity of 50 men with shovels digging a ditch. It may be possible to work the 50 men harder, give them bigger shovels or provide them with some sort of incentive to improve their production. But we can readily see that improvement in productivity for them would, under normal circumstances, be limited.

Invest in a bulldozer, however, and one man may be able to do the work of 50 men at much less cost. Make a large capital investment. Give the worker a far more productive tool than a shovel. Output is up, cost is down.

It is probably a sound generalization that in water transportation and also in other modes of transportation, we are not looking for advances in science to promote improved productivity. Practically everything we need is on the shelf waiting to be purchased. It takes no breakthrough in technology to build a Great Lakes self-unloader which requires one-third less crew than its predecessor, but which carries twice as much cargo and unloads it on the bank at 10,000 tons an hour compared to 3,000 tons. The technology to do that is in hand. We have built container vessels capable of 33 knots to replace those which can only operate at 15 knots. We have built river towboats of 10,000 horsepower to replace those of 5,000 or less. The new boats are capable of pushing a very much larger load than the old.

There is no technical bar to installing automated classification yards for railroads, or improving track so that it will take heavier trains at faster speeds. Practical methods for control of utilization of freight cars exist.

The problem is not that improved technology doesn't exist. It exists all right. Nor is it that heavy investment hasn't gone into buying improvement in technology in the past. The problem is that for large segments of transportation the cycle of earnings leading to investment in improved technology, leading to better earnings, leading to still more investment in further improvements in efficiency has been interrupted.

I sometimes think it would be very useful if the salesmen who have the job of selling their improved and more efficient products to transportation companies could change places every six months with the traffic manager of their own companies whose job it is to keep freight rates from rising. The money isn't there to buy improved efficiency and if the salesmen saw this, there might be a breakthrough of understanding on the freight rate side.

The consequences of this interruption in the cycle for the shipper are severe. Without earnings sufficient to support heavy investment in improved technology and better ways of doing things, a large segment of the transport industry is in a lockstep of rising costs which cannot be offset by improved efficiency.

Until the regulatory agencies and the shipper focus their attention on doing something constructive about this earnings-investment cycle, large segments of transportation are in for a period of rising freight rates and deteriorating service.

We need to mount a comprehensive education program on the function of profit in the profit system. Regulators and shippers do not seem to understand what the function of profit is or, if we want to be charitable about it, have forgotten. Anyone who imagines that some alternative to the profit system, such as government ownership, can produce efficiences in transportation is flying in the face of all the evidence. The regulators and the shippers have combined to sit far too heavily on profits in transportation. They have so fundamentally undermined the profit system that efficiency has been seriously affected.

Any business operates as an equation. On the one hand are needed revenues and earnings and on the other hand is the supply of service. If the earnings and revenues are inadequate, the supply of service falls off. Solving that equation equitably for both carriers and shippers is the outstanding challenge of this decade.

As a contribution to an education program on the function of profit, we have developed some information on how it was possible for the barge industry's rates to decline for almost a decade despite rising costs of labor and materials. A similar showing could be made for our Great Lakes members and the ocean container operators.

We have used as an example one of the leading barge companies operating on the Mississippi-Ohio river system. This is a well-managed, progressive company which has a cargo consist typical of the major carriers. It competes vigorously all over the river system.

We have taken information on trends in capital input, wages, costs of barges, average revenue per cargo ton mile, the consumer price index, cargo ton miles per boat day and cargo ton miles per man day as useful measures to describe changes in efficiency.

Our first measure shows the history of capital investment per crew person from 1945 through 1972, with 1945 as 100 percent.

From 1945 to 1958 the trend of increase was relatively modest compared to the later period. Wages per day rose at a faster rate than investment. Revenue per cargo ton mile rose slightly less than the consumer price index, but it increased. By the year 1958 cargo revenues per ton mile were stable, neither increasing nor decreasing.

Now in 1958 a sharp change takes place. Capital investment per crew person had tripled between 1945 and 1958, but in the next 12 years, from a much larger base, capital investment nearly quadrupled per crew person.

The effect on the revenue per cargo ton mile was dramatic.

Revenues per ton mile declined until by 1968 the average revenue per cargo ton mile was actually below the 1945 level. Since then, of course, rates have been forced up by inflation and cost increases, but by the end of 1972, whereas the consumer price index had doubled, average revenue per cargo ton mile had increased only 30 per cent over 1945.

What did the heavy investment buy? First there was a switch from 500 ton barges to barges capable of carrying 1,200 tons or more, greater capacity per unit. Second, there was a major breakthrough in horsepower per boat from 2,500 to a range of 6,000 to 9,000 horsepower. This made possible a dramatic increase in the size of tows from 15,000 tons per tow to tows ranging upward of 40,000 tons.

But the heavy investment bought more than economies of scale resulting from larger barges and larger tows. It bought more reliable marine engines permitting fewer crew members, better communications systems, better control of utilization of barges, better training of crews and more efficient operation of boats. In short, it bought all those things an efficient, alert and skilled management can develop when the income flow is sufficient.

In the period from the end of World War II until 1958, cargo ton miles per boat day rose from 321,000 to 686,000, about double. Barge rates were rising slowly, lagging the consumer price index. Between 1958 and 1972 cargo ton miles per boat day rose from 686,000 to 1,800,000, nearly triple. A more expensive boat, but more powerful and with a smaller crew was doing three times the work of the 1958 boat.

Similarly, from the end of World War II to 1958 cargo ton miles per man day rose from 16,000 to 32,000, about double. But from 1958 to 1972, cargo ton miles per man day rose from 32,000 to 141,000, more than quadruple.

Wages of course rose during the period. Cost per ton of capacity is an interesting measure. It has more than doubled since 1958. Other costs also increased substantially during the period but it is interesting that these cost increases were *more* than offset by increases in productivity until 1968 when the average revenue per cargo ton mile was forced upward.

Future productivity increases will be purchased with much heavier investment than in the past. In 1972 there appeared to be a downturn in the thirty-year trend of productivity improvement. Whether this will reverse itself in response to heavy investment remains to be seen. Certainly, if income falls below the level required to make these heavy investments, efficiency will decline and rate increases will accelerate.

The relation of income to investment is the key relationship to watch. Is income sufficient to fund the necessary investment? If it isn't, the efficiency of the enterprise declines.

What's out ahead for barging?

A bank stabilization program on the Lower Mississippi to prevent the river from cutting into its banks and undermining railroads, isolating power plants and the like is concentrating the current. The river is digging itself out a deeper channel. When it has done so, toward the end of the decade, a guaranteed 12 foot channel will be possible replacing the present 9 foot channel guarantee. When that happens, towboats of 12,000 horsepower and capacity increases of about 43 per cent compared to present tows will be possible.

Efficient loading and unloading systems for general cargo commodities will be explored. For any commodity which can be pumped or that will flow such as a liquid, grain, coal, cement and the like, the river transfer systems are highly efficient. A barge loaded with 1,200 tons of grain can be unloaded in less than an hour.

But for steel and other similar commodities, loading and unloading are extremely tedious, often taking as much as a week to complete. Heavy investment in improving efficiency in handling steel and palletized cargoes of various kinds is a current goal.

Current bottlenecks in terms of obsolete locks in the river system exist which are being removed, but until then delays and inefficiencies are inevitable.

The Gulf Intracoastal Canal needs widening and deepening. This canal will only accommodate tows of six barges compared to 40 on the lower Mississippi. Rates on this canal have traditionally been one third higher than on the Mississippi-Ohio system because the efficiencies of the more powerful boats cannot be applied in the narrow channel. The canal itself has returned more than $27 in freight savings for every public $1 invested. A project for widening and deepening would pay handsome dividends in improved efficiency.

But all these possibilities for improved productivity are in the future. What bothers the carriers today is galloping inflation which is fundamentally eroding the capital base and the income flow. As the water carriers have pointed out many times before, unless inflation as it happens is reflected promptly in prices, under-depreciation results and the income falls short of providing for necessary investment.

Regulators, along with many shippers, look backward at carrier expenses and revenues. We must persuade both regulators and shippers to look forward at the capital requirements of the future if the transport industry is to regain its health.

A vehicle for doing this has recently been set up within the Transportation Association of America. It is called the Transport Investment Council and could pin down that all-important income-investment relationship. But the hour is late. We are whistling in the dark if we think that the ICC or Congress will provide the industry with anything more than stop gap measures. Fundamentally, it is the carriers and their customers who must work out a consensus.

The present strategy is, by its terms, a "no win" strategy—frustrating alike to both carriers and shippers. We need a mechanism, such as is provided in the Surface Transportation Act, to determine adequacy of revenues and earnings. Rate increase proposals which by definition produce less than enough pose the ultimate question: Is anyone really serious about reversing the trend to nationalization?

They say the northeast railroad problem is an example of future shock—that it will all happen to the rest of the transport industry in due time.

If a railroad serving the wealthiest corporations in the country—an area accounting for better than fifty per cent of value added by manufacturing in the country—can't persuade its customers to pay rates which cover its expenses, including income necessary for investment in improved efficiency, can the rest of the transport industry expect to fare very differently in the long run?

I must say that today, if I were a betting man, I would expect the odds to be heavily against a private enterprise solution and heavily in favor of a socialist solution because of the widespread lack of understanding of the function of profit in the free enterprise system.

It comes through so clearly in the question one usually gets from shippers: How do we know that your profits will be reinvested on our behalf? What a revealing question that is! They will be reinvested if there is a profit incentive to reinvest them. That's what the profit system is all about. If there isn't expectation of any profit, what does the shipper think will happen—a lot of other businessmen will invest money to subsidize him? Apparently so, and that's why I would bet on a socialist solution as long as that sort of thinking prevails among the transportation industry's customers.

But it is my faith that by concentrating attention on investment and its relation to income, which is readily demonstrable, and which is the obvious and necessary imperative of improved productivity, lower costs, stable or lower freight rates, we can get out of this swamp of indecision and prove once again that the profit system out-performs any other system so far invented.

THE SUGAR PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of California. Mr. Speaker, after several months consideration in the Agriculture Committee of the present U.S. sugar program and the modest changes proposed in the Sugar Act amendments, I have had to conclude that the entire program is in need of drastic changes, changes which this bill makes no attempt to bring about. The sugar program as it exists now and as it will be perpetuated by this bill, is responsible for unnecessary costs to the public, perpetuation of uneconomic and inefficient conditions of sugar production both here and abroad, unjustifiable protection of certain domestic industries, an arbitrary system of foreign quotas for certain countries, and the unseemly spectacle of highly paid lobbyists descending on Congress to plead the causes of their foreign sponsors each time the Sugar Act is to be extended.

In the recent study entitled "The Sugar Program" by Dr. D. Gale Johnson, Professor of Economics at the University of Chicago, published under the auspices of the American Enterprise Institute, a comparison is made of U.S. and world sugar prices for a 26-year period. There were only 3 years during that time when the world price was higher than the U.S. price. The other 23 years the world price averaged 2.1 cents per pound less than the cost in the United States. The figures are as follows:

UNITED STATES AND WORLD SUGAR PRICES, 1948-73 [1]

[U.S. cents per pound]

Year	United States	World	Quota premium
1948	4.64	4.23	0.41
1949	4.94	4.16	.78
1950	5.09	4.98	.11
1951	5.07	5.67	−.60
1952	5.35	4.17	1.18
1953	5.43	3.41	2.02
1954	5.21	3.26	1.95
1955	5.00	3.24	1.76
1956	5.10	3.48	1.62
1957	5.30	5.16	.14
1958	5.41	3.50	1.91
1959	5.35	2.97	2.38
1960	5.35	3.14	2.21
1961	5.36	2.91	2.45
1962	5.56	2.98	2.58
1963	7.27	8.50	−1.23
1964	5.98	5.87	.11
1965	5.80	2.12	3.68
1966	6.03	1.86	4.17
1967	6.32	1.99	4.33
1968	6.54	1.98	4.56
1969	6.75	3.37	3.38
1970	6.94	3.75	3.19
1971	7.39	4.52	2.87
1972	7.99	7.43	.56
1973 [2]	8.65	9.31	−.66

[1] The prices represent the returns from sugar shipped from Cuba for 1948-60 and for 1961 to date from greater Caribbean ports (including Brazil). The column for the United States is calculated from the New York duty-paid price for raw sugar minus the duty and shipping costs to New York. The column called World represents the world market price. For further details, see source.

[2] January through September only.

Source: U.S. House of Representatives, Committee on Agriculture, History and Operations of the U.S. Sugar Program, 87th Cong., 2d sess., May 14, 1962, p. 15, and Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, Sugar Reports, August 1973, p. 16, and later issues.

American consumers were unable to obtain the benefit of these lower prices in contrast to those in countries which bought on the world market. One such country is our neighbor Canada. During the period of 1968–69, for example, the Canadian retail price was 3 cents or more per pound less than the U.S. price.

The U.S. sugar program prevents us from making the most effective use of sugar supplies from countries with low costs of production. It perpetuates dependence on sources of sugar with high costs of production both here and abroad—in the case of some countries to which we have assigned quotas. The study by Dr. Johnson presents statistics as to the prices received by producers which demonstrate the high cost of production in the United States by comparison to the very low cost in several countries capable of considerable sugar production. Brazil and Mexico, for example, with some of the lowest costs in the world, account for a tenth of the world sugar production. Both these countries have demonstrated their ability to increase their production if a market is available for their sugar. For example, their production increased 27 to 30 percent by 1971 over 1961–65 levels. Brazil in particular, if given a larger market outlet such as in the United States, would increase its sugar production even further. Dr. Johnson's figures are as follows:

ESTIMATED PRICES RECEIVED BY SUGAR PRODUCERS, ADJUSTED TO SUGAR CANE PRICES, 1970

Country and kind	Prices received, sugar cane basis (dollars per metric ton)	Production (million tons, raw value)
Sugar cane:		
Mexico	4.20	2.5
Brazil	4.45	5.0
Taiwan	5.70	.7
Mauritius [1]	6.80	.6
Australia [1]	10.50	2.2
United States	12.90	2.7
Sugar beets: [2]		
France	11.55	2.4
Germany	11.55	2.1
Denmark	11.55	.3
United Kingdom [1]	11.55	1.1
Netherlands	12.22	.7
United States	12.90	3.1

[1] Prices are for 1969.

[2] Actual sugar beet prices received were $17.00 for France Germany, Denmark, and the United Kingdom, $18 for the Netherlands and $19 for the United States. Payments are included for the United States and United Kingdom.

Source: Food and Agricultural Organization of the United Nations, Production Yearbook, 1971, pp. 552–555.

Within the United States the system of setting sugar acreage limitations by geographical region has the effect of perpetuating sugar production in areas no longer suited for it, such as Colorado, areas which would more logically be occupied growing other crops, and deters regions in the United States not having a history of production from entering into it. A good example is the Red River Valley of Washington State which is prevented by the sugar program from growing enough sugar beets for an economical operation.

The arbitrariness of the system of foreign quotas is best exemplified by the presence of Ireland among the select of the world's nations which are allowed to sell sugar to the United States. Ireland is not a net exporter of sugar. It is an importer. In order to meet its commitment to this country under the sugar program, it buys inexpensive foreign sugar for its own domestic consumption and then sells the sugar it produces for a higher price to us under its quota. It is only now after 12 years of this sort of nonsense that Ireland is being proposed to be stricken from the list of countries with sugar quotas.

One of the other countries presently included in the list of those with quotas is Venezuela. The attack on it today is based on its oil pricing policies. But this is as arbitrary as it inclusion in the first place. In much the same manner as Ireland, Venezuela has been importing cheap sugar for its own consumption—from Cuba in this case—in order to permit exporting its own production to the United States.

In order to perpetuate their quotas, we are besieged by highly paid lobbyists representing foreign governments and foreign commercial interests. A review of Department of Justice registrations of foreign agents concerned with sugar quotas reveals that collectively they were paid a half million dollars during just the last half of 1973, before the current legislation even came up for consideration. The lobbyist for Brazil, for example, A. S. Nemir and Associates, of Washington, D.C., received a handsome $74,250 for its services during those 6 months. The situation became so bad that our capable chairman of the Agriculture Committee, Mr. POAGE, had to warn them against wandering about at will in the committee's offices reading documents on the desks of staff members.

Although usually referred to as a program for assisting the sugar producers in the United States, our sugar program is equally designed to protect sugar refiners. Sugar quotas are more stringent against refined sugar than raw sugar. Presently only 1.4 percent of the total U.S. imports of sugar can be refined sugar. This amounts to a virtual prohibition on the importation of any refined sugar. The original sugar legislation as proposed by President Franklin Roosevelt in 1934 did not provide for mandatory quotas but the sugar refining interests succeeded in persuading Congress to include them. One of the results of this policy effectively has been to discourage developing countries from creating sugar refining industries since nearly a quarter of the sugar moving in international trade is imported into the United States. As a recent report of the U.S. Department of Agriculture observes, we are denying to developing countries "the opportunity of manufacturing refined sugar for exportation by virtual embargo." And yet industrialization is the very thing that is needed and sought by these various underdeveloped countries because too often their economies are overly dependent on the export of one or two crops.

The sugar bill does have a provision that, if there is a shortage of refined sugar in the United States, the Secretary of Agriculture, following a public hearing, may permit importation of sufficient amounts to meet U.S. needs. At the same time, however, the modest refined sugar quotas for Panama and the Philippines are eliminated. I do not see this as an appreciable improvement over the present ultraprotectionist posture of our Government.

Much has been said about the costs to the consumer and the taxpayer of the present sugar program. The bill before us tinkers with the sugar program but does not make the fundamental changes necessary. The real costs to the American consumers and taxpayers are estimated by Professor Johnson as being between $502 million and $730 million for 1972. His calculations are as follows:

ALTERNATIVE ESTIMATES OF THE COST OF THE U.S. SUGAR PROGRAM, 1972

[In millions of dollars]

	Quota premium (cents per pound)		
	2.5	2.0	1.5
Consumer cost:			
Quota premium cost	570.0	456.0	342.0
Tariff cost	142.5	142.5	142.5
Excise tax cost	114.0	114.0	114.0
Total	826.5	712.5	598.5
Taxpayer cost:			
Receipts:			
Tariff	64.1	64.1	64.1
Excise tax	114.0	114.0	114.0
Total receipts	178.1	178.1	178.1
Less payments	82.0	82.0	82.0
Total	−96.1	−96.1	−96.1
Net cost	730.4	616.4	502.4

It is for the above reasons that I introduced H.R. 14545 to do away with the system of limiting sugar production by area within the United States and to end the system of assigning quotas to specific foreign countries. This is coupled with H.R. 14547 which would end the excise tax on sugar which would no longer be required.

ENERGY CONSERVATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. MOSS), is recognized for 5 minutes.

Mr. MOSS. Mr. Speaker, today I am introducing on behalf of myself, Mr. ECKHARDT, Mr. BRECKINRIDGE, and Mr. LUKEN, the Energy Conservation Act, a bill which is designed to provide for improvements in the energy efficiency of major consumer products. When the recent Arab oil embargo impacted upon this country, American consumers responded to the call for conserving energy by changing long standing habits and modifying life styles. Lowering of thermostats, switching to carpools and mass transit, and canceling of weekend trips were among the many ways individual Americans responded to the call for reducing energy consumption. The reaction of the American public to the energy crisis has indeed been heartening. It demonstrates clearly that the American people are serious about conserving energy. Realistically, as the immediate pressures caused by the embargo disappear, many people will slip back into their old habits and patterns. This is unfortunate, but understandable.

On the other hand, major savings in energy without any inconvenience to individuals can be made through improvements in energy consuming products and systems. In particular, significant gains can be made in the energy efficiency of automobiles, heating and air-conditioning systems, and other major household products. The bill which I have introduced today is designed to spur such improvements by creating consumer awareness of energy consumption characteristics, and by Federal incentives for the adoption of advanced technology to improve energy efficiency.

There are many examples of how household appliances can be made more efficient. Pilot lights can burn up to 40 percent of the energy required in gas ranges. Installation of electric ignitors on ranges would eliminate this wasteful use without affecting the performance of the range. Further, inadequate insulation in ovens and refrigerator doors is responsible for significant wastage of energy. Similarly, there are opportunities for improving the energy efficiency of clothes dryers, water heaters, furnaces, and air-conditioners. My bill would require that estimates of the annual operating cost of such products and systems be provided to consumers at time of sale so that, particularly in this time of higher and higher energy prices, individuals can consider operating costs together with purchase price before reaching a decision.

This bill also focuses on achieving the most ecologically and economically feasible improvements in fuel economy for automobiles. Automobiles account for 13 percent of all the energy used in this country. While it is true that the energy crisis has finally made the automobile manufacturers in this country aware of the need to pay attention to fuel economy, the seriousness of the crisis and the importance of the automobile industry to the country's economy commands us to establish a national goal for major advances in fuel economy of automobiles. Several authoritative reports by government and private groups indicate that significant improvement in fuel economy in automobiles is achievable through the use of existing and developing technology. This is quite apart from the improvement achieved by switching from large cars to small cars as major domestic manufacturers have been doing recently. However, the current poor earnings situation of the American automobile manufacturers, coupled with their enormous capital outlays for converting their assembly lines to produce more compact cars, provide doubts as to whether they will be willing to consider major technological changes in the near future. This bill calls for a major Federal effort to develop advanced technology automobile prototypes, integrating the best available concepts for optimizing fuel economy, low emissions, safety, and performance. In the past, the Federal Government has funded research and development activities to develop a safe car; Congress mandated the development of low-emission automobiles; and Federal standards have also been devised covering automobile bumpers. The time is long overdue now for us to integrate all of these efforts and consider the automobile as a total transportation system.

In conjunction with the automotive research and development program envisioned by this bill, the bill establishes a national goal of improving the industry-wide automobile fuel economy 75 percent in the next 10 years. The Secretary of Transportation is directed to promulgate minimum standards for fuel economy in order to achieve this goal. The bill would also require that all advertisements of fuel economy be based on a standard test, eliminating all of the confusion that has resulted recently with each company devising its own tests for fuel economy and then advertising results which are extremely misleading to the public.

Mr. Speaker, heating and cooling our homes, driving our automobiles, and running our appliances accounts for 40 percent of the total energy requirements for this country. A substantial reduction in these areas of energy usage is possible through the programs envisioned by this legislation.

BILL WOULD RAISE PAY LEVEL OF GSA GENERAL COUNSEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. DULSKI) is recognized for 5 minutes.

Mr. DULSKI. Mr. Speaker, you have referred to the Post Office and Civil Service Committee a request from the Administrator of the General Services Administration for legislation to raise the pay level of the agency's general counsel.

I am today introducing the requested legislation.

As part of my remarks, I include the text of Administrator Arthur F. Sampson's letter to you which outlines the justification for the request:

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., April 22, 1974.

Hon. CARL ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Transmitted herewith for referral to the appropriate committee is a draft bill prepared by the General Services Administration "To amend section 5316 of title 5, United States Code, relating to level V of the Executive Schedule, to apply to the position of General Counsel of the General Services Administration."

The continued growth of the Agency and the assignment of important new functions to it warrant, we feel, the placement of the position of General Counsel in level V of the Executive Schedule. Executive Order 11725 of June 27, 1973, transferred to GSA most of the functions formerly assigned to the Office of Emergency Preparedness except those relating to disaster relief and import investigations. Executive Order 11717 of May 9, 1973, transferred to GSA substantial OMB functions in the fields of financial management, and procurement and property management, management systems, and policy control over automatic data processing. Certain long standing agency programs have recently increased in magnitude, complexity, and legal involvement. This is especially true of the new construction and stockpile disposal programs. The purchase contract method of construction financing entails heavy demands for legal support, as do the planned conversion to full industrial funding of our Public Buildings and Federal Supply operations. Stockpile disposals are programmed at the highest level in history in keeping with the President's desire to dispose of some $6 billion in stockpile commodities as quickly as possible.

The scope, importance, and executive role of the General Counsel have increased substantially with the growth of GSA. The General Counsel directs a comprehensive legal program affecting all the substantive missions and activities of the agency. Included are numerous varied and unrelated functions which require legal services of the utmost complexity such as procurement and contracting for real and personal property and services, transportation and public utilities regulation and rate setting, Government-wide regulatory matters, and property disposal, as well as administrative practices. In addition, the General Counsel participates with the Administrator and other key executives in agency level program management and decision making, and works as the Administrator's personal representative on major management matters affecting the substantive programs of GSA. Thus, the position of General Counsel, GSA, is comparable to counterpart positions which have been assigned to level V of the Executive Salary Schedule in other executive departments and agencies such as the Veterans Administration, the Atomic Energy Commission, the Equal Employment Opportunity Commission, the Agency for International Development, the Internal Revenue Service, and the National Aeronautics and Space Administration. On this basis and in consideration of alignment with other key executive and managerial positions within GSA, placement of this position in level V of the Executive Schedule is fully warranted.

For the reasons stated above, prompt favorable consideration of the enclosed draft bill is recommended.

The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the submission of this proposed legislation to Congress.

Sincerely,

ARTHUR F. SAMPSON,
Administrator.

CATTLE INDUSTRY FACING CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FUQUA) is recognized for 5 minutes.

Mr. FUQUA. Mr. Speaker, the current crisis facing the beef producers in America will soon be translated into higher prices and shortages for the consumer. The producer today is receiving, in many instances, only half of what he received just 9 months ago. Yet that reduction is not reflected in the price being paid by the housewife.

Many producers face financial ruin as they have been forced to take $75 to $100 losses per head. This is fantastic.

The most critical concern I have is that many producers will liquidate their breeding stock and there is no way that this loss of production capacity can be made up rapidly.

Cattle production has been in a feast-and-famine cycle. Billions of dollars are being lost by producers today because of unconcern on the part of Government. For example, when beef was scarce and cattle prices were high a year ago, the President removed the limitation on imports which Congress had provided. Actions by other consuming nations have caused exporters to dump millions of tons on the American market, artificially depressing prices to producers.

The continued unlimited importation of beef will further accelerate the decline of American cattle production and there will be disastrous results down the road. Yet the consumer is not receiving significant savings presently and will pay a heavy price in the future.

It seems that our Nation is not concerned about the plight of this particular industry, in spite of the fact that their plight is partly brought on by other nations raising artificial barriers to exports. While I want America to be able to trade freely, that is a two-way street which is often made one way for the United States.

The U.S. Department of Agriculture should move immediately to lend every possible assistance under present laws and to develop a comprehensive and long-range program. The Agriculture Committees of the Congress should give pending legislation designed to help the farmer first priority.

Cattle production is a vital industry that has wide-ranging effect. It is a major user of feed grains and producers of these crops are going to suffer serious losses in this vicious cycle. It takes years to build a production herd and the decline of this industry is reaching drastic proportions today.

POLICY COMMITTEES: INSTITUTIONAL RESEARCH CAPACITY FOR CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. OWENS) is recognized for 10 minutes.

Mr. OWENS. Mr. Speaker, a great deal of significant congressional reform legislation has been considered during the 93d session of Congress. Budget reform, committee reform, and campaign reform, if implemented, will vastly improve the capability of Congress to address national problems and will help to restore Congress as a coequal branch of Government.

Despite important progress in reforming Congress, the fact remains that we are still dependent on the executive branch for much of our legislative programs. Most of the major proposals before this and past sessions originated in administration departments and came to us through a state of the Union address or a special Presidential message. For many of the most important public policy decisions the legislative process has served as a vehicle of ratification rather than initiation.

The cause of this situation is straightforward. The executive branch has the resources to undertake extensive research and to submit comprehensive legislative proposals, and the Congress does not. Each Member of Congress has access to only a handful of staff people who work exclusively on legislation. Committee staffs are already overworked in following pending legislation and do not have the time to formulate broad new proposals. The Congressional Research Service is efficient in providing background informaton, but its function is limited by the restriction that it can inform on public policy, but it cannot advocate new ideas.

In short, Congress lacks the institutional research capability to initiate innovative approaches to serious national problems. I am introducing legislation today in the form of a concurrent resolution to address this problem.

Under my proposal, policy committees would be established for the two major parties in both the House and the Senate. Each policy committee would be responsible to report its conclusions on policy priorities and to suggest policy proposals to the House from which the committee is drawn. Although recommendations are not binding upon Members or committees, the appropriate legislative committee shall give prompt and full consideration of the matter covered in the reports.

The policy committees of both Houses will consult by party at the beginning of each year and will submit policy statements to be delivered before a joint session of Congress. These reports will serve to complement the President's state of the Union message by providing the public with an annual legislative assessment of national issues.

My proposal provides for the necessary professional personnel that will be required to carry out the committees' functions. Each policy committee will employ 15 professional staff and 7 clerical staff.

This concept is not without precedent. In 1946 the Joint Committee on the Organization of Congress recommended the establishment of committees within each House to define party policy on major issues. In 1962 the Subcommittee on National Policy Machinery to the Senate Committee on Government Operations restated this recommendation, suggesting that such committees would provide Congress and the American people with a clear understanding of national issues.

My legislation would enable the party leadership to thoroughly research issues and develop policy proposals to accompany and supplement administration proposals. I urge my colleagues to review this legislation and give it the serious consideration it deserves:

H. CON. RES. 517

Resolved by the House of Representatives (the Senate concurring), That (a) (1) at the beginning of the session in each odd-numbered year, it shall be the duty of the members of the majority party in each House of the Congress to establish a policy committee for that party in that House. Such committee in the House of Representatives shall include the Speaker, and in the Senate, the majority leader.

(2) At the beginning of the session in each odd-numbered year, it shall be the duty of the members of the principal minority party in each House of the Congress to establish a policy committee for that party in that House. Such committee in the House of Representatives shall include the House minority leader of such party.

(b) It shall be the duty of each policy committee established under this section to report to the House from which its members are drawn the policy priorities of that House, as proposed by that committee, and such report shall be made no later than 45 days after the establishment of such committee. Each policy committee may make such reports thereafter to the House from which its members are drawn as it deems necessary. Each such report from the majority party policy committee shall be referred to the legislative committees of the appropriate House. It shall be the duty of each legislative committee to give all matters in the report which are within the jurisdiction of such legislative committee prompt and full consideration.

(c) (1) The policy committee established under this section for the majority party of the House of Representatives shall jointly with the policy committee, established under this section for that party in the Senate, make an annual report on the State of the Union as perceived by that party. Such annual report shall be delivered to a joint session of Congress not later than 30 days after the beginning of each session.

(2) The policy committee established under this section for the principal minority party of the House of Representatives shall, jointly with the policy committee, established under this section for that party in the Senate, make an annual report on the State of the Union as perceived by that party. Such annual report shall be delivered to a joint session of Congress not later than 30 days after the beginning of each session.

(d) (1) Each policy committee shall perform or cause to be performed such research, and otherwise take such actions, as are useful to the performance of its duties under this section.

(2) Each policy committee established under this section shall employ not more than fifteen professional staff, and not more than seven clerical staff. The professional staff so appointed shall include experts in major areas of national concern. One of the members of the professional staff so appointed shall be the staff director, and shall be paid at a per annum gross rate not to exceed level IV of the Executive Schedule of section 5315 of title 5 of the United States Code.

(3) The expenses of each policy committee established under this section shall be paid from the contingent fund of the appropriate Houses, upon certification by the appropriate elected party leader of that House. Such party leader shall make public quarterly reports on the amount of such expenses and an itemization thereof.

SEC. 2. This resolution is adopted by the Congress—

(1) insofar as applicable to the Senate, as an exercise of the rulemaking power of the Senate and, to the extent so applicable, those sections are deemed a part of the Standing Rules of the Senate, superseding other individual rules of the Senate only to the extent that those sections are inconsistent with those other individual Senate rules, subject to and with full recognition of the power of the Senate to enact or change any rule of the Senate at any time in its exercise of its constitutional right to determine the rules of its proceedings; and

(2) insofar as applicable to the House of Representatives, as an exercise of the rulemaking power of the House of Representatives, subject to and with full recognition of the power of the House of Representatives to enact or change any rule of the House at any time in its exercise of its constitutional right to determine the rules of its proceedings.

THE OTHER PRISONERS

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, a couple of days ago the world witnessed a truly moving spectacle, the return of Israeli POW's from Syria. These men had been kept prisoners since October 1973, when they were captured during the Yom Kippur war. As recently as 3 months ago, the Syrian Government would not even release a list of those whom it was keeping prisoners, and yet here we see these men being returned to their families and loved ones.

Syria has mellowed greatly since October 1973, largely as a result of the herculean efforts of the Secretary of State. The fact that Syria not only allowed Dr. Kissinger and his American entourage to come and negotiate, but was willing to reach a compromise agreement with Israel is indicative of changing trends in the Middle East. Perhaps peace really is at hand.

But before we begin rejoicing in earnest, let us not forget the other Jewish prisoners in Syria. These are not soldiers captured in battle, nationals of another country. They are Jewish citizens of Syria, who are no longer able to live as Jews in that country. They are hounded, harassed, and humiliated, because they are Jewish. They are subject to discriminatory laws modeled on the codes of Nazi Germany.

They may not own property or businesses. They may not engage in most forms of gainful employment. They carry government identification cards marking them as Jews. They may not leave what little personal property they own to their families after death. They may not travel within the country without government permission. Brutal crimes are blamed on them, and the government uses this as an excuse for further decimating their number through officially sponsored pogroms. And, the government refuses to let them leave Syria.

None of this is news. I and a number of my colleagues have risen a number of times to denounce the treatment of Jews in Syria, and to call on the American Government to intercede on their behalf. But never until now did we actually have the hope that our pleas would be heard and acted upon.

Secretary of State Kissinger has opened the door to improved American-Syrian relations. The situation may still be too tenuous and delicate to say for sure that things will get better. The point is, we now have some leverage in the Syrian Government. The Secretary has won the trust and confidence of the highest levels of the Syrian Government, something which no American has been able to do for decades.

With this background, I am today introducing legislation that would provide for special immigrant visas for Syrian Jews who want to leave there and come to America. They would be welcomed here with open arms as the victims of inexcusable religious oppression. There is a large Syrian Jewish community in New York which could provide housing and jobs for these immigrants, helping them learn how easy it is to live in a land of freedom.

Delicate negotiations are necessary to get the Syrian Government to change its mind and permit Jewish emigration. I am hopeful that the Secretary of State will undertake such negotiations in the future. We all know that we have called on both the President and the Secretary of State to take such action, and the responses we have received have been noncommitttal at best. I am hopeful that now that the Syrians have been willing to work with us on arranging a cease-fire with Israel, they will also be willing to work with us to get the release of these other prisoners, the Syrian Jews.

RUPPE AND UDALL RESPOND TO ADMINISTRATION TUNNEL VISION REGARDING H.R. 11500

(Mr. UDALL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. UDALL. Mr. Speaker, last week the Secretary of Interior sent a letter to the Interior Committee stating that the impact of H.R. 11500 on coal production in the United States would range from a loss of 31 to 187 million tons per year starting with the first year of implementation of the bill.

A review of the letter, and its supporting data, reveals that these estimates are based on flat distortions of provisions in the bill. The administration appears to have adopted much of the National Coal Association's erroneous and seriously misleading interpretation of the bill and its impact.

In short, Mr. Speaker, the production losses resulting from enactment of H.R. 11500 will be minimal, while at the same time providing a set of environmental protection standards which protect the long-run productivity of the land and our land stewardship responsibilities to future generations. For the benefit of all concerned, I have asked to have printed below the letter of Secretary Morton and the joint response by my distinguished colleague, Mr. Ruppe, and myself:

U.S. Department of the Interior,
Washington, D.C., May 29, 1974.

Hon. James A. Haley,
Chairman, Committee on Interior and Insular Affairs, House of Representatives, Washington, D.C.

Dear Mr. Chairman: We have undertaken a thorough review of H.R. 11500 which, on May 14, 1974, was ordered reported by your Committee. We have concluded that the bill has several objectionable features which must be changed in order to strike the right balance between our need for environmental protection and our energy requirements. The Administration feels very strongly that the bill is unacceptable in its present form.

We have made a study of the effects of the bill on coal production and, while there are significant factual and interpretive uncertainties with any study of this kind, I am led to conclude that the bill will involve unacceptable coal production losses.

Enclosed is a table giving summary estimates of the possible and minimum expected effect of certain provisions of the bill on coal production. The "possible" effects assume strict interpretation and implementation of the bill. The "minimum expected" effects assume a much less stringent interpretation and application of those features of the bill. Under both assumptions, however, costs of mining will rise significantly in many cases. The total effects of the bill *cannot* be obtained by adding the individual ones; they are not cumulative. We are preparing a more detailed analysis of H.R. 11500 as it relates to coal production and expect it to be available in the near future.

For 1975 coal losses would probably range from 31 to 187 million tons of needed coal. These losses are attributable to certain selected features of the bill. Other features could add to this loss depending upon interpretation and application. These figures assume that in the first three years of the Act's effectiveness the more liberal interim standards will apply and that certain existing practices will continue. After the first three years, more stringent standards become effective and we expect they will be more stringently applied. On this basis, the potential loss beyond 1977 is projected to be 33 to 271 million tons by 1980 and the latter projection assumes significantly (perhaps 50%) higher production costs in many cases.

Throughout your Committee's work on H.R. 11500, the Administration has consistently pointed out that unless major changes were made in the bill, its implementation could seriously damage the Nation's energy position with respect to coal production. Regrettably, H.R. 11500, as reported by the Committee still has many of the deficiencies we have previously addressed. I urge very strongly that amendments be adopted to make this a workable bill. My principal concerns are:

1. *Interim Program*. In the bill, as amended, the interim compliance sections would present some very severe problems in terms of administerability. This is important because it can adversely affect short-term supplies of needed coal. Among other matters, the timing of the program is unworkable. It would go into effect immediately for new mines and after 120 days for existing mines. Compliance with these deadlines by the coal industry will be almost impossible. Until State requirements and permits are issued, industry will be unable to determine how the bill's requirements apply to its own operations. As to new operation, we think not less than 90 days should be allowed before the bill's requirements come into play with a requirement that the State regulatory agencies act within 30 days on interim permit applications. For existing operations, the state regulatory agency should be required to specify within 60 days how the interim requirements apply to operations and each operator should then have 120 days to comply.

Additionally, the bill should be amended to make it clear that during an interim program, the Federal Government will not be issuing permits where a State fails to act and the Federal role will consist of monitoring and limited enforcement.

2. *Designating Lands Unsuitable for Mining*. The bill's provisions for designating lands on which surface mining cannot take place have several deficiencies. Section 206 (a) (2) appears to create a general presumption that all lands are unsuitable for mining unless it is established through the administrative procedures required by the bill (including notice, hearing and formal decision) that surface mining is both physically and economically possible. The procedural effect of this could be a nationwide moratorium on surface mining, something clearly not intended by the Committee. Surface mining presently accounts for 50% of all coal mining or roughly 300 million tons, based on 1973 figures. At the least, the burden of establishing unsuitability should be shifted so that the bill would provide that an area *must* be designated unsuitable only if it is shown that it is not physically possible to reclaim. In this connection the Administration has on several occasions expressed the view that it is inappropriate to classify lands as unsuitable based on economic criteria, and I want to reiterate our strong opposition to this provision.

Finally, we think the procedure for designation of lands unsuitable should be improved and the bill should be amended to allow permit-by-permit approval of surface mining even in areas designated as unsuitable, where the State finds that in the particular circumstances reclamation subject to the bill's overall requirements will in fact occur.

3. *Surface Subsidence from Underground Mining*. Our consistent position has been that measures taken to control land surface subsidence, resulting from underground mining are proper. We note that two major improvements were made in Committee markup on H.R. 11500 to allow postponement of subsidence control until study of surface subsidence and underground mining is completed and to grant the Secretary of the Interior authority to modify permiting requirements for minimizing surface subsidence effects from underground mining. H.R. 11500, as amended, does not adequately cover the overall subject of applicable underground mining technology to minimize the problem of surface subsidence. Section 212(b)(1) leaves unclear the intent of "to *prevent* subsidence to the extent technologically and economically feasible." This provision if interpreted to prohibit induced subsidence in a controlled manner where possible and appropriate, could result in serious production losses. The coal losses in 1975 from adopting such an interpretation could amount to 17 to 117 million tons, could result in costs higher than present costs and could result in lower overall resource recovery. We urge you to have your committee study this provision in detail for it may have the profound effect of disallowing recovery of vitally needed coal in certain areas by either surface or underground mining methods.

4. *Exclusion of Surface Mining in National Forests*. We oppose the legislative prohibition against surface mining of coal in national forests. National forests should be left open for coal development under multiple use principles. As I have previously expressed, our opposition to prohibiting mining in Na-

tional Parks, Refuges, Wildernesses and Wild and Scenic Rivers specified in section 209(d) (9) is based on our concern with legislative taking of existing private rights. It has been our policy to prohibit new surface mining in the areas named in the bill, other than national forests, and we expect this policy to continue.

5. *Performance Criteria*. Even after the Committee's markup, some of the bill's performance criteria will result in unacceptable coal production losses.

The permanent requirements relating to hydrology may well preclude mining of vast coal areas, particularly in the west. Beyond this, we simply do not have sufficient information of the effects on hydrology and the pros and cons of various specific provisions which are in the bill.

The prohibition against the placement of spoil on the downslope in steep slope areas alone could involve substantial production losses in the range of 3 to 16 million tons in 1975 and 18 to 105 million tons in 1980. I am also concerned with the short-range impact of the bill's interim requirements relating to mining on steep slopes. While I generally agree with the desirability of these provisions, a broader equipment variance should be allowed than that now provided by section 201(b)(7), since we anticipate that during the 2-year interim period equipment shortages will be a real constraining factor on coal production.

Further, the bill should be explicit in Section 211 in providing language to identify further what constitutes "approximate original contour," and to accept the newer land restoration methods presently being employed such as head-of-hollow fill and spoil haulback. These may be disallowed as the bill is now worded. The overall effect of the bill's provisions mandating return to original contour (including provisions relating to mountain top mining, thick seams and spoil on the downslope) would likely range from 4 to 59 million tons of coal lost from production in 1975. This assumes for the interim program that some mountain top mining will continue and variances will permit spoil on the downslope. In 1980 the original contour requirement might be met through the haul back method but at significantly higher cost.

6. *Non-coal mine environmental impact control*. While the Committee restricted the original provisions of Title VI of H.R. 11500 so that they apply only to Federal lands, we continue to believe they are undesirable. To the extent that the Interior Department already has authority to control use of Federal lands, the provisions are unnecessary. Beyond this, the procedure for designating lands unsuitable for non-coal mining is inappropriate and should be undertaken only in conjuction with a full non-coal regulatory program.

7. *Surface owner protection*. The Administration has stated on several occasions its opposition to the bill's surface owner consent provisions on the ground that they constitute unwarranted Federal shifting of rights which are more properly a matter of state law. More particularly, section 709 of the Committee reported bill is objectionable because it requires (i) surface *owner* consent for surface mining Federally owned coal and (ii) either consent of or a bond for the benefit of Federal *permit and lease holders* before Federal coal can be surface mined. A bonding alternative must be provided to protect the *owners* of tangible surface rights affected by surface mining. We also believe it is wholly inappropriate to give *permit and lease holders* a new right to veto the use of Federal coal. We also object to the needless inclusion of consent or bond requirements for the benefit of those whose use of water might be affected by mining. This provision appears so uncertain as to be unworkable and the appropriate objectives would be achieved through the bill's basic reclamation requirement.

8. *Mining and Mineral Research Centers*. Inclusion of Title VIII which among other things authorizes the establishment of mining and mineral research centers, is unacceptable. The President vetoed a bill containing similar provisions passed by the 92nd Congress (S. 635) because it would have fragmented and undermined the priorities of our current research efforts and because it would have created an inflexible program precluding the best use of available research talents of the nation regardless of location. Adequate authority already exists for support of needed mineral research programs.

Attached is an Addendum setting forth additional modifications which should be made in the bill.

The Administration will continue to work with the Congress to produce good surface mining legislation. I cannot emphasize too strongly, however, that there remain serious objectionable features in the bill, which must be changed to strike the right balance between our need for environmental protection and our energy requirements.

Sincerely yours,

ROGERS C. B. MORTON,
Secretary of the Interior.

TABLE 1.—POSSIBLE EFFECTS OF SELECTED FEATURES OF H.R. 11500 ON COAL PRODUCTION

[In millions of tons]

Selected features	1975 Possible	1975 Minimum expected	1980 Possible	1980 Minimum expected
Mountaintop mining	27	4	36	[1] 0
Thick seams, shallow overburden	32	0	67	0
Spoil on downslope	16	[2] 3	105	18
Small surface mines	38	14	48	18
Subsidence from underground mining	[3] 117	17	[3] 99	15
Possible overall effect	187	31	271	33

[1] Assumes extensive use of the haulback method at significantly higher costs.

[2] Assumes parts of Virginia and Alabama surface-mined coal production will be affected, and that in the interim other States will continue as now.

[3] Includes all production from shallow cover mines (300 ft) and that the bill eliminates all underground mining with less than 300 ft cover.

Note: (a) The above figures are not cumulative. (b) These figures do not include estimates for possible loss of production due to interpretation to lands unsuitable for mining, national forests, hydrological balance, Federal lands, surface owners' protection, and other provisions of the bill. Please refer to report for discussions of these items.

Source: Bureau of Mines, Department of the Interior, "A Report—An Analysis of H.R. 11500 as amended, Effect on Coal Production."

COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
Washington, D.C., June 5, 1974.

HON. ROGERS C. B. MORTON,
Secretary of the Interior,
Interior Building,
Washington, D.C.

DEAR MR. SECRETARY: As Chairman and Ranking Minority Member of the Subcommittee on the Environment, we are taking the liberty of responding to your letter of May 29 to Chairman Haley, in which you comment on procedural and policy aspects of H.R. 11500 and give an assessment of the impact of this bill on coal production.

Our primary focus in this letter will be on the analysis of production loss which is presented in your letter and which presumably is the basis for many of the recommended changes in H.R. 11500. While such an analysis is always subject to some criticism because expert opinions may differ, we believe that the analysis of coal production impacts of H.R. 11500 contained in your letter is based on apparent misinterpretation of the bill and are seriously misleading.

As your tabular presentation of production losses sets forth five categories (mountain top mining, thick seams, shallow overburden, spoil on the downslope, small surface mines, and subsidence from underground mining), these will be addressed as they are presented.

SUBSIDENCE—UNDERGROUND MINES

The largest production loss is found in the category of subsidence control.

Your letter states that this projected loss, ranging from 17 to 117 million tons per year for the first year of the enactment of this bill, is based on the assumption that induced subsidence or subsidence occurring in a controlled and predictable manner from long-wall or other near complete coal removal techniques could be prohibited and thus coal production from such techniques would be lost. This interpretation is a flat distortion of the provisions in the bill. The paragraph which calls for subsidence control (Sec. 212(b)(1) to the extent technically and economically feasible with regard to protecting the surface values of the land) explicitly includes the exception for those instances where the mining technology used required planned subsidence in a predictable and controllable manner. This exception was added in Subcommittee markup explicitly to clarify this point and to allow for the use of long-wall and other total coal extraction methodologies. Even though the provisions of this section do not go into effect until the State Regulatory Plan is approved (probably a minimum of two years from the date of enactment). Your letter takes the full "loss" at once. We are non-plussed by this logic.

Moreover, the Committee recognized that while subsidence control might require leaving some additional coal underground in some instances, this should not result in a production loss since mine equipment and manpower would be used elsewhere in the mine to produce coal and would not sit idle.

It is somewhat ironic that the Department is critical of the bill's subsidence control provisions as such a position appears to be in contradiction to the Department's own findings included in a 1969 study: *Environmental Effects of Underground Mining and Mineral Processing:*

"About two million acres of land surface, 90% of which is over coal mines, already has subsided following underground mining. Most of this subsidence has occurred on forest, agricultural, or idle lands. Less than 158,000 acres of the subsided area is classified as urban. Inasmuch as there is an inherent possibility of subsidence wherever underground excavations exist, an estimated 6 million acres have abandoned underground workings posing a potentially dangerous threat."

Since concluding this study, the Department has yet to come forward with any recommendations on this matter. The controls included in H.R. 11500 are but a small first step in the right direction and do not preclude additional steps which the Department might want to recommend to Congress in the near future.

Finally, it must be pointed out that the Department's criticism of the subsidence control provisions comes incredibly late.

Indeed, the Department's February 1974 letter reviewing H.R. 11500 as reported from Subcommittee raised only the issue of the disposal of mine wastes in active underground mines in its criticism of this section:

"5. *Underground Mining*. Any general requirement that new underground mines be backfilled is unwise. Backfilling presents safety and economic difficulties which have not yet been fully evaluated."

In response to this criticism, the Committee deleted this provision requiring the planning of backfilling for new mines in some circumstances.

The evidence presented by the Department does not justify the significant production losses which amount to nearly 60% of the total losses identified. In fact, to the contrary, it seems that little production loss will be incurred even after such additional subsidence control measures as would be required by the Act are taken several years from now.

SMALL MINES

We also take issue with the figures representing production loss from small mines. The engineering and planning provisions of the bill are for the most part already required by many of the States now regulating surface coal mining. Operators are now using consulting engineers and other professionals to prepare mining and reclamation plans and such effective pooling of engineering talent among small operations is one way to meet such requirements.

Small operators have also demonstrated that they can mine in an environmentally safe way and do it profitably. Some of the less environmentally damaging mining techniques are well suited for both small and large mines and have been used by both.

We do recognize that in some instances small operators might want to expand production through joint ventures or in combination with others. But other factors in the marketplace such as the capability to assure a constant stream of coal production, influence such shifts as much, if not more, than government regulations as proposed in H.R. 11500.

We believe that there will be virtually no loss of coal production from the small operator due to these environmental protection requirements except for those few mines in which there may be some personal resistance by an operator who does not wish to comply with environmental regulations. Such losses would be insignificant when viewed in proportion to the overall production.

THICK SEAMS—SHALLOW OVERBURDEN

The Department's assessment of production loss from coal operations on thick seams with shallow overburden ranges from 0–32 million tons per year. In this instance the 32 million ton estimate is based on the fallacious assumption that the reclamation standard of "approximate original contour" is synonamous with elevation and configuration for such mines. This parallels the National Coal Association's erroneous deliberate interpretation of the bill which leads them to assert that another hole has to be dug to obtain borrow to fill up the mine pit.

The concept of "approximate original contour" and its inherent flexibility has been thoroughly discussed in both subcommittee and full committee markups as well as in the committee report on H.R. 11500 (pages 85–92). Regarding to meet configuration, stability and drainage requirements are controlling in such thick seam-shallow overburden mining situations, even if, in extreme cases, it results in a single purpose use of the land. This is explicitly recognized in the report.

We believe there will be no production loss from such mines due to the "approximate original contour" regrading requirement. Your figure of 32 million tons is thus totally without factual basis.

MOUNTAIN TOP AND NO SPOIL ON DOWNSLOPE

"Mountain top mining" and "no spoil on the downslope" are categories in the table which are closely interrelated. Industry has maintained, and now apparently the Department has joined in maintaining that surface mining in the Appalachian Mountains will be substantially constrained if operators are prevented from throwing spoil downslope from the mining bench. This argument would apply to both the conventional contour and mountain top removal operations. Virtually all of the significant environmental impacts from surface coal mining in the Appalachian Mountains has resulted from this practice—pushing material over the side of the hills.

The hills in this region of high rainfall are steep and many are inherently of unstable geology. Conventional contour mining practices lead to massive landslides, erosion, sedimentation of streams, increased flooding, as well as thousands of acres of land scarred by high walls and unstable fill materials.

Over the past five years operators in many parts of the Appalachian coal fields have shown that mining can take place without this massive disturbance and without placing material over the bench on steep slopes.

In addition, the Appalachian Regional Commission funded an engineering/economic study in eastern Kentucky, the Mathematica-Ford, Bacon & Davis effort, to design improved mining techniques which would avoid these environmental problems. That study concluded:

"The surest way to prevent landslides is probably . . . the use of "no fill bench" mining methods. (This is synonymous with the requirement of no spoil on the downslope). Such methods—known by various names, including pit-storage of spoil and block cutting—have been widely publicized of late but are not practiced in eastern Kentucky. However, as discussed later in this chapter, such methods are roughly comparable in profitability to existing conventional contour methods and can be practiced using existing equipment."

A more detailed explanation supporting the requirement of no spoil on the downslope is contained in the Committee Report accompanying H.R. 11500, pages 102–107.

It should also be noted that most of the Appalachian States already prohibit the placement of spoil on the downslope on the very steepest slopes, 30°–33° and above. Mining is conducted on these slopes under these constraints, and we believe that mining will continue on less steep slopes under the similar provisions in H.R. 11500.

The requirement in the permanent program of no spoil on the downslope on slopes 20° or greater does no more than extend existing directives to virtually all of the environmentally hazardous situations in order to correct a situation that exists in all but one of the mountainous coal states. These provisions apply to mountain top mining as well as conventional contour mining. We believe that with the liberal phase-in provided in the bill, no production loss will result from the requirement of no spoil on the downslope and that with the regrading standard of "approximate original contour" (in terms of configuration) that mountain top mining will be able to continue if operators choose to carry out such in an environmentally safe way.

On balance, what H.R. 11500 offers is a set of environmental protection standards that provide a basis by which to mine coal and yet really meet the environmental protection responsibilities that are necessary to provide for the long-term productivity of the land and our land stewardship responsibilities to future generations. We have come to the conclusion during the development of this legislation that this can be met without sacrificing total coal production. However, it is recognized that mining operators will have to adjust their methods of mining. In addition, it is possible that the mining of some critical areas might have to be very cautiously carried out or deferred.

During full Committee markup of H.R. 11500, the Committee adopted most of the Administration's amendments, some of which were extensive rewrites of sections in the bill. In addition, Administration spokesmen provided us and staff with indications that environmental standards which were adopted are acceptable and realistic.

We have, in short, acted in good faith and attempted to meet the Administration's concern about this legislation, and we are dismayed to now see the bill suffer this unfair and unjustified assault. We stand ready to work with the Department to correct any remaining infirmities in the legislation, but we would suggest that any future criticism of H.R. 11500 be based on more valid assumptions and evidence than those underlying the assertions of your last letter.

Sincerely,

PHILIP E. RUPPE,
Ranking Minority Member, Subcommittee on Environment.
MORRIS K. UDALL,
Chairman, Subcommittee on Environment.

NIXON ALWAYS WRONG?

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, some of the foreign press seem to have a slant a bit different than the majority of the eastern seaboard mass media and networks.

The London Daily Telegraph on April 9, 1974, wrote as follows:

> ### SENTENCE FIRST
>
> "Nixon to pay huge income tax debt." How many people, reading this headline, at once assumed that Nixon had been cheating over his income tax, and that one more item must be added to the enormous load of guilt now carried by the Monster President?
>
> In fact the American Internal Revenue Service has found "no evidence of fraud" on the part of the President. He merely owes about £181,082 in back income tax, which he now intends, he says, to pay.
>
> This is a thing which could and does happen to any of us, though in many cases, I suppose, the amount of money involved may be smaller.
>
> Never mind. There is a Leftist law which states that whatever Nixon does must be wrong. Even his simplest action, such as going for a stroll or having his hair cut, is evidence of his crookedness and reinforces the demand for his impeachment and expulsion to outer darkness.

ALL CONGRESSMEN ARE NOT CLODS

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. DEVINE. Mr. Speaker, the Congress gets kicked around quite a bit and one organ that seems to delight in this exercise is the Washington Post.

It is refreshing, however, to find that the television-radio editor, Lawrence Laurent, does have some respect for the institution and some of the Members.

He wrote a letter to our colleague, SID YATES, on May 23, in support of House Resolution 802 urging televising of hearings; but the thing that impressed me about his letter, were the remarks relative to this body and I am taking the liberty of paraphrasing it, which some might say is "lifting it out of context." However, I do believe the Members should be aware of what he said:

> The Congress is composed of honorable, able men and the members of Congress are capable of controlling the activities of the House. Further, the oft expressed fear of demagoguery is a fear that turns on itself. When the public's business is conducted in public, the attack on the dignity of the House is harmful only to the person who conducts himself in an undignified manner.
>
> Conversely, in my many years of covering debates from the House Press Gallery I have been impressed again and again by the amount of study the members have done, by their skill at expressing their views; by the earnestness and honesty that mark differ-

ences of opinion. Therefore, I am convinced that televising the debates—that by allowing all our citizens to see what I have seen in person—will do much to restore the public's confidence in what I consider to be the most vital institution in the republic.

We are discussing here debate among men who have been trained and tested before the world's greatest and toughest audience—the informed and critical electorate. Just to qualify for membership in the House of Representatives requires knowledge and hard work.

MERCHANT MARINE AND FISHERIES COMMITTEE AND PUBLIC WORKS COMMITTEE DEEPWATER PORT LEGISLATION

(Mr. ECKHARDT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ECKHARDT. Mr. Speaker, the Rules Committee gave a rule to H.R. 10701, the Public Works' superport bill. Quite frequently a committee amendment to the main bill (H.R. 10701 in this case) is printed in lieu of the original bill. Such is what is worked on by the House. But in this case the Public Works Committee preferred that the Jones amendment, in the nature of a substitute, be printed and acted upon in lieu of the committee amendment. And this is what the Rules Committee report calls for. The merchant marine bill (H.R. 11951) is, under the rule, to be acted upon only in the event that the Jones amendment is voted down.

This procedure would force members to vote first against superport legislation to get to the merchant marine bill (H.R. 11951). In order to permit members to avoid being placed in this false position, risking a negative vote at that time, Mrs. SULLIVAN will offer a substitute to the Jones amendment immediately after that amendment is offered. The substitute is substantially the same as the merchant marine bill (H.R. 11951) but with certain matters deleted.

One of these deletions is the very good provision creating absolute liability for oil spills and like environmental damages. I will offer an amendment to the Sullivan substitute to reinstate substantially the language of H.R. 11951 on liability, and Mrs. SULLIVAN assures me that she approves and will support the amendment.

In this way the Committee of the Whole will have a chance to choose the desirable provisions of the merchant marine bill through means of a single substitute, the Sullivan substitute as amended. These are strongly favored by the Sierra Club and the Environmental Policy Center as shown by the following statement of Ms. Barbara Heller, of the latter, and Mr. Dick Lahn, of the former organization:

DEEPWATER PORT LEGISLATION

On Thursday, June 6, two bills regarding licensing of deep water port facilities will come to a vote before the full House of Representatives.

We feel that the Merchant Marine and Fisheries Committee bill, H.R. 11951, as embodied in the Sullivan substitute, is a better bill for the following reasons:

1) The procedures for notice, hearing and review are in accordance with procedures established by the Administrative Procedures Act. H.R. 10701, on the other hand, provides that Sections 554, 556, and 557 of Title 5, U.S. Code (Administrative Procedures Act) are not applicable under this Section (regarding notice, hearings, and review.) 2) H.R. 11951 contains better criteria on which to base approval or disapproval of a license, recognizing the potential onshore effects of deep water ports. 3) H.R. 10701 contains a new provision which requires that if an application is filed for a license to construct a deep water port off the coast of a state which has plans to construct a deep draft channel and harbor and which meets other requirements, the Commission shall determine whether the dredged harbor is more in the national interest.

The purpose of establishing a licensing procedure with legislation is to encourage offshore oil ports which all studies which have been done to date show to be environmentally and economically advantageous. Dredging, disposing of dredge spoil, and maintenance dredging have severe environmental consequences and are considerably more expensive than the single point mooring buoys which have been proposed for offshore locations. 4) The liability section of H.R. 10701 is very weak. Section 7(d) provides that an owner or operator is liable for cleanup costs of an oil spill except where he can prove that the spill was caused by "A) an act of God, B) an act of war, C) negligence on the part of the United States, or D) an act or omission of a third party without regard to whether any such act or omission was or was not negligent . . ." Subsection (D) essentially invalidates the meaning of no-fault liability, and we feel it should be deleted. Section 7(e) provides that 2 international conventions, when they take effect, will take precedence over the $100 million liability fund established by this bill. Both of these conventions are much lower than $100 million. We feel that this Section should be deleted.

The Environmental Policy Center and the Sierra Club urge the support of strengthening amendments to both bills. Unless measures are included in deep water port legislation to assure the prevention of possible serious environmental problems, to create an open and judicious hearing process, and to guarantee full liability for possible accidents, this legislation will be a worthless attempt at creating an effective regulatory process.

FEMALE OFFICERS IN THE CITY OF MIAMI POLICE DEPARTMENT UNDER CHIEF OF POLICE BERNARD L. GARMIRE

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, yesterday I was pleased to testify before the Military Personnel Subcommittee of the House Armed Services Committee in support of legislation I have joined in sponsoring which would remove statutory restrictions which now prohibit women from serving in the military academies. Women are serving in leadership positions in the Armed Forces, and I feel strongly that they should have the opportunity to receive the outstanding training available at the academies.

During my testimony, I noted that police forces throughout the country are hiring a growing number of women. These women are not restricted to backup desk job assignments, but have the same responsibilities and assignments their male counterparts do—and are daily proving their ability to handle difficult and dangerous jobs.

In this month's issue of the FBI Law Enforcement Bulletin, Bernard L. Garmire, chief of police, Miami Fla., has written of the experience in Miami's Police Department, considered a pioneer nationally with a number of "firsts" to its credit. Under Chief Garmire's leadership, the Miami Police Department has greatly expanded the number of females on the Miami force—and assigned them to all phases of police work in the city. Female officers ride alone in high crime areas, and receive all the calls in their zone, regardless of the type of call.

As Chief Garmire concluded:

> In summary, the use of female officers has proved effective in all phases of police work in the city of Miami, and women officers have been well accepted by their male counterparts and by the public.

Chief Garmire and the Miami Police Department have helped to further dispel the traditional theory that women are not suited to dangerous occupations—such as law enforcement or armed forces service during combat.

I commend the Miami Police Department for its leadership, and call to the attention of our colleagues Chief Garmire's article:

FEMALE OFFICERS IN THE DEPARTMENT

(By Bernard L. Garmire)

It doesn't take a hardcore crime fighter to deal with 80 percent of our calls. But it does take people with compassion, empathy, and ability. Women meet all these requirements—and I am now finding that they are good crime fighters as well.

The Miami Police Department, considered a pioneer nationally in the use of female police officers, has continued to expand the number and the role of women officers on the force since the early 1970's. Under my direction, the number of females in the department has grown from 9 in 1971 to almost 30 in early 1974.

The role of women in uniform, additionally, has also expanded in the past several years. Police women previously had only been utilized in such specialized units as vice, criminal investigation, and traffic control in the downtown Miami area. In uniform, women working the traffic assignment "walked a beat" alone during the day shift only. By 1972, I had determined that women had proved effective in all types of police work, and in certain situations they were more effective than men. Today, female officers perform the same duties and work in the same areas as male officers.

Immediately after graduating from the Southeast Florida Institute of Criminal Justice, both men and women officers in Miami ride with a field training officer who is responsible for the field training and evaluation of probationary officers. At the present time, approximately 30 female officers and one female sergeant serve throughout the department.

CRIMINAL INVESTIGATION SECTION

The criminal investigation section was one of the first sections to use females. Women officers are often considered necessities in the specialized units of homicide and juvenile. The officer in homicide works mainly on the street and handles the same cases and investigations as male detectives. The officers in missing persons and criminal information, along with the female sergeant in the section, currently are assigned in the office.

STRATEGIC INFORMATION SECTION

The specialized units of the strategic information section (SIS), which investigates various forms of vice activities, subversive and terrorist groups, and organized crime activities, also employ several female officers in exclusively undercover details. Back in 1972, the commander of the SIS wrote that "the female police officer plays a very important role in these activities. We have been able to accomplish our mission on any number of occasions only after female investigators were assigned the task." It might also be noted that women officers are borrowed from other units on occasion to assist this section on special assignments.

In August 1973, for example, the narcotic and vice unit began a coordinated attack against the problem of prostitution along Biscayne Boulevard in Miami. When the traditional method of direct enforcement pressure on the prostitutes failed, another dimension to the enforcement of prostitution statutes was added. Undercover police women were stationed on the boulevard, and the men who propositioned them were arrested and charged with "soliciting for prostitution."

COMMUNITY RELATIONS SECTION

For the first time, female police officers were assigned to two of the three units in the community relations section in 1973. A male and female school resource officer team has been introduced at the city's largest high school, producing positive results in only a few months. It has been shown that the girls, in particular, relate more freely to a female officer than a male. During summer sessions, the female school resource officer conducts her own programs alone in the city parks, encountering little resistance from young males.

A second female officer, who is assigned alone at a junior high school, was selected for the unit in late 1973, and it is anticipated that the number of women officers in the school resource unit will be increased in coming years. Miami's successful school resource unit, aimed at preventing juvenile delinquency, also promotes a more positive concept of the police and develops a better understanding of the law enforcement function among students and parents.

The female public information officer works primarily with the news media, releasing and researching newsworthy information. In addition, she participates with other members of the unit in conducting tours of the station and in presenting talks to local civic groups and clubs. She is particularly in demand for speeches on self-protection for women.

TRAFFIC SECTION

Police women have worked out successfully in traffic, both in traffic control in the downtown area and as investigators in the accident unit. Point control officers, on shifts ranging from 7 to 1 a.m., "walk a beat" in the downtown area. Working alone, they handle all calls and traffic problems that ocur on their "beat." The female members of the accident investigation unit, who ride alone in all areas of the city, are responsible for traffic accidents, along with patrol functions when other units are unavailable. All traffic section personnel are equipped with portable radios. Statistics show that there have been no serious injuries involving female officers assigned to the units. The police women have also been well accepted by the public, and the number of persons resisting arrest by the females is the same as for male officers.

PATROL SECTION

Again setting a pace for the country, the city of Miami appointed the first female sergeant to command a patrol sector in July 1971. The sergeant, who recently reeived her law degree and took her Florida bar exam, commanded a group of 6 to 10 men in a sector composed of a mixture of ethnic groups, before taking over as assistant city attorney. In addition, as an advocate of slacks instead of skirts for women officers working on the streets, she helped bring about a change in the departmental uniform regulations. Female officers now wear slacks on duty.

In another apparent "first" in the country, the first female officer was also assigned to Miami's three-wheeler unit in 1973. This unit, which is a prerequisite to riding the motorcycle detail, basically patrols the business districts in the city and performs patrol functions. Providing close, yet mobile police contacts, the three-wheelers play an ever-increasing role in our attempts to maintain a positive image of the Miami Police Department.

Many of the other women police officers assigned to the patrol section ride in one-man units, except in zones which require a two-man car.

Female officers, at this time, are riding alone in Miami's high crime areas, and they receive all the calls in their zone, regardless of the type of call. In addition, women officers receive no favoritism when backup cars are involved. These cars are sent only on request or on the signals that always require a back-up car.

As in the traffic section, there have been no serious injuries of women reported in patrol and the rate of resisting arrest by female officers is again negligible. Few, if any, complaints have been received about police women in patrol being discourteous, using abusive language, obstructing civil rights, or using too much force.

With this "women in patrol" concept, the first females have been assigned to the midnight shift since the beginning of 1973. There are currently two female officers working the shift and riding their particular zones alone. During the first 6 months of last year, one female officer riding by herself recorded 7 felony arrests and 55 misdemeanor arrests. For the month of August alone, she and her partner received commendations for their outstanding performance of 8 felony arrests, 5 felony assists, and 16 misdemeanor arrests. Again in November, another woman officer was nominated for the department's "Most Outstanding Officer" citation, based on her impressive record of 13 felony and 23 misdemeanor arrests while riding alone on the midnight shift.

In summary, the use of female officers has proved effective in all phases of police work in the city of Miami, and women officers have been well accepted by their male counterparts and by the public. It might also be noted that the classification of "policewoman" has been eliminated; all female and male sworn personnel are now classified as "police officers." Crime makes no distinction between sexes, and neither should law enforcement in its efforts to combat it.

PERSONAL ANNOUNCEMENT

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I was not present at the session of Monday, June 3, because of official business for which I had been excused by this body. Had I been present, I would have voted for House Concurrent Resolution 271, citing the North Vietnamese and the Vietcong for failure to provide a full accounting of the missing in action as required by the peace agreement. I would also have voted for H.R. 14833, the Renegotiation Amendments of 1974, authorizing the Government to recapture excessive profits on certain Government contracts and subcontracts, principally in the military procurement and aerospace fields.

TRUMAN'S WHITE HOUSE

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, the Washington Post this morning carried an excellent article on President Truman and his staff operation, written by one who saw it from the inside—George M. Elsey. Mr. Elsey, now president of the American Red Cross, served as Administrative Assistant to President Truman after having been Assistant to the Special Counsel for 2 years in the White House. It was my great honor to serve and observe on the inside of President Truman's White House, and Mr. Elsey has written an accurate and meaningful account of the atmosphere of informality on the small White House staff.

Even though when President Truman referred to "the Boss," he always meant Mrs. Truman, there was never any doubt who was running the country. Nor was there ever any question about any hidden projects or contacts any staff member had; everybody, including and especially President Truman, either knew in advance or quickly found out the activities of the White House staff. As Mr. Elsey has well pointed out in his superb article, President Truman's staff was very small compared with the bewilderingly large White House complement of the present day. The ethical standards were high, the hours were exacting, the atmosphere was exhilarating, and President Truman never failed to exhibit a high sense of history in the firm leadership he provided. The article follows:

Truman's White House

(By George M. Elsey)

If Harry Truman had taped his private White House conversations, they would not titillate, disillusion, shock or turn up on drug store counters as $2.95 paperbacks. If transcripts were available—which they will never be because no conversation was recorded—they would merely confirm the impressions the American people have long held.

Truman was serious about his job, sentimental about his family and friends, old-fashioned in personal ethics, stubborn in defense of the rights of citizens, relaxed with his staff and very, very firmly in command. All this and more came through in the 9 a.m. conferences each morning with the small staff who, sitting on a couple of sofas or in small chairs dragged across the Seal of the President incised in the green carpet, formed an arc around the old presidential desk. Talk was free and easy. Matt Connelly, appointments secretary, ran through the day's schedule with sardonic quips about self-important political or public figures. Charlie Ross and later Joe Short mentioned in casual tones the current interest of boys in the Press Room. (Women became prominent in later administrations.)

The staff was unbelievably small to observers of the White House of the 60's and 70's, never more than a baker's dozen. Although there was a certain hierarchy that recognized Assistant John Steelman and Special Counsel Clark Clifford (succeeded in February 1950 by Charles Murphy) as being senior to military aides and administrative assistants, it was all first name camaraderie. Only 5-star Admiral Leahy, relic of Roosevelt's High Command, was treated with the respect of position and age. No one stood between Truman and an agency head; no one second-guessed a cabinet officer; policy decisions were made by the President after direct discussion with those who would execute them; a White House staffer ill-enough advised to treat a Senator or a Secretary with disdain had very short tenure. A primitive system—but it seemed to work.

H.S.T. opened one of his 9 a.m. meetings husky voiced and moist eyed. He had just been told by the Secretary of the Army of a widespread cheating scandal at West Point. He felt the blow as keenly as if every cadet involved had been a son or nephew. He could not comprehend how young men in whom such trust had been placed could violate a solemn oath.

A sense of personal ethics prevailed that astounded all who perceived Truman as no more than a Pendergast product or who assumed that a mink coat accepted by a witless White House stenographer typified the man's moral code. After a presidential meeting with congressional leaders in the Cabinet Room as the MacArthur issue was developing, an aide picked up a manila envelope left behind in error. It was clear from annotations on the face that it not only belonged to a Republican Senator but that the contents dealt with Republican congressional strategy. The envelope was promptly carried into the oval office. Did the President want to see it? The response was as emphatic as Henry Stimson's had been when, as Herbert Hoover's Secretary of State, he had closed down the Department's cryptographic unit with the statement that "Gentlemen do not read other men's mail." Truman's sentiments were the same, more earthily expressed. The envelope was returned unread to the Capitol by messenger.

Truman's vocabulary in all-male company reflected his three decades on a farm. The language seemed natural and neither inappropriate nor crude. Anyone who has milked a cow—or tried to—could readily understand that Truman was predicting failure and frustration when he spoke of a particular candidate for office: "He's just pulling on the hind teat." Truman laughed heartily at locker room jokes but rarely told them himself. As a raconteur, he preferred political lore.

All Presidents have problems with the press. Here, as in many other fields, H. S. T. sometimes fired off a letter in the dawn's early light; more often he would let someone on the staff hear a long-hand draft, turn pale and then gasp out reasons why the letter should not be mailed as written. Occasionally he could be talked out of it altogether as I succeeded in doing with one scorcher addressed to Sulzberger of the New York Times. The problem to Truman was usually a publisher, rarely a reporter. Reporters were his friends. He liked their straightforward, no-nonsense lack of obsequiousness.

Truman valued the citizen's right of privacy; the guarantees of the Constitution were real. Although conventional political wisdom argued for a tough "loyalty program" as the 80th Congress became increasingly exercised over Communist infiltration, Truman stalled. The idea of investigations into the personal lives of civil servants smacked to him of police state tactics. Loyalty oaths were repugnant. He admired the F.B.I. for its criminal work, but he balked at letting it investigate job applicants. He sent me to explore with Frances Perkins and her colleagues whether the Civil Service Commission would take on the chore.

"If you can't take the heat, get out of the kitchen" was a favorite quotation of his long before some anonymous admirer had a small placard painted for the edification of visitors to the oval office. The heat was really on one morning when he called me in. A letter of his with caustic remarks about the Marine Corps had found its way into the Congressional Record. Could I possibly find in a hurry some statements in which he had praised the Corps? I could not. The press office reported the thermometer rising by the hour. No point in pretending he had not called the Marines the Navy's police force or had not said its propaganda machine was the equal of Stalin's; he had. And so Truman asked the Commandant of the Corps if he could accompany him to the reunion of one of the Corps' feistiest divisions then meeting at the Mayflower Hotel to make his apologies in person. The way to meet critics was to confront them, with an engaging grin when you knew you had been wrong (as on this occasion) and a bristling salvo of facts when you were sure you were right.

But all this was long ago, in a simpler time, when cabinet officers were more directly responsible for their departments, when the President relied on the Department of Justice for legal advice, when White House staff members knew they had no independent authority and when everyone in town knew that the buck stopped on the Boss's desk.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Huber) to revise and extend their remarks and include extraneous material:)

Mr. Kemp, for 15 minutes, today.

Mrs. Heckler of Massachusetts, for 5 minutes, today.

Mr. Edwards of Alabama, for 5 minutes, today.

Mr. Robert W. Daniel, Jr., for 5 minutes, today.

Mr. Cleveland, for 5 minutes, today.

Mr. Derwinski, for 30 minutes, today.

(The following Members (at the request of Mr. Vander Veen) to revise and extend their remarks and include extraneous material:)

Mr. Addabbo, for 5 minutes, today.

Mr. Clark, for 5 minutes, today.

Mr. Udall, for 10 minutes, today.

Mr. Brown of California, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Rarick, for 60 minutes, today.

Mr. Moss, for 5 minutes, today.

Mr. Hungate, for 15 minutes, today.

Mr. Dulski, for 5 minutes, today.

Mr. Fuqua, for 5 minutes, today.

Mr. Vanik, for 5 minutes, today.

Mr. Conyers, for 5 minutes, today.

Mr. Owens, for 10 minutes, today.

Mr. Udall, for 10 minutes, on June 6, 1974.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Matsunaga, immediately prior to the adoption of House Resolution 1152.

Mr. Fascell, and to include extraneous matter, during the debate on H.R. 14747, during discussion of the Gunter amendment.

Mr. Harrington, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $888.25.

Mr. Mizell, prior to the last vote.

Mr. Clay prior to the vote on the Ford amendment.

Mr. Edwards of California prior to the vote on the Mitchell of Maryland amendment.

(The following Members (at the request of Mr. Huber) and to include extraneous matter:)

Mr. Kemp in five instances.

Mr. Wyatt.

Mr. Steelman.

Mr. Ashbrook in four instances.

Mr. Cohen in two instances.

Mr. Martin of Nebraska in two instances.

Mr. Arends.

Mr. Huber.

Mr. Conlan in two instances.

Mr. Wyman in two instances.

Mr. Hosmer in three instances.

Mr. Gilman.

Mr. Kuykendall in two instances.

Mrs. Heckler of Massachusetts.

Mr. Carter in two instances.

Mr. McKinney.

Mr. Derwinski in four instances.

Mr. Roncallo of New York in four instances.

Mr. Davis of Wisconsin.

Mr. Wydler.

Mr. Thomson of Wisconsin.

Mr. Martin of North Carolina.

Mr. Whitehurst.

Mr. Frenzel.

The following Members (at the request of Mr. Vandeer Veen) and to include extraneous material:

Mr. Cotter.

Mr. Udall in eight instances.

Mrs. Mink.

Mr. Stokes in two instances.

Mr. Yatron.

Mr. Sarbanes in five instances.

Mr. Rarick in three instances.

Mr. Gonzalez in three instances.

Mr. Rangel in 15 instances.

Mr. Teague in 10 instances.

Mr. Biaggi in 10 instances.

Mr. Moss.

Mr. Stark in 10 instances.

Mr. McKay in two instances.

Mr. Tiernan.

Mr. Fascell in five instances.

Mr. Vanik.

Mr. Giaimo in 10 instances.

Mr. James V. Stanton.

Mr. Wolff in eight instances.

Mr. Minish.

Mr. O'Hara.

Mr. Gunter in two instances.

Mr. White.

Mr. Anderson of California in two instances.

Mr. Conyers.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 572. An act to waive the statute of limitations with regard to the tort claims of certain individuals against the United States; to the Committee on Judiciary.

S. 2846. An act to protect the flow of interstate commerce from unreasonable damage to the environmental health by assuring an adequate supply of chlorine which is necessary for safe drinking water and for other public health purposes; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 6979. An act for the relief of Monroe A. Lucas; and

H.R. 14013. An act making supplemental appropriations for the fiscal year ending June 30, 1974, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 3373. An act relating to the sale and distribution of the Congressional Record.

ADJOURNMENT

Mr. VANDER VEEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 56 minutes p.m.), under its previous order, the House adjourned until Thursday, June 6, 1974, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2416. A letter from the Administrator, Mining Enforcement and Safety Administration, Department of the Interior, transmitting a copy of the Department of the Interior's proposed procedures for expediting payments and assessing civil penalties more equitably against operators whose mines are charged with violations of the Federal Coal Mine Health and Safety Act of 1969; to the Committee on Education and Labor.

Received From the Comptroller General

2417. A letter from the Acting Comptroller General of the United States, transmitting a report on restrictions on U.S. procurement activities in Thailand; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLS: Committee on Ways and Means. H.R. 15124. A bill to amend Public Law 93-233 to extend for an additional 12 months (until July 1, 1975) the eligibility of supplemental security income recipients for food stamps. (Rept. No. 93-1081). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 12356. A bill to authorize appropriations for the Indian Claims Commission for fiscal year 1975; with amendment (Rept. No. 93-1082). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CAREY of New York (for himself, Ms. Collins of Illinois, Mr. Eilberg, Mr. Frenzel, Mr. Giaimo, Mr. Harrington, Mr. Luken, Mr. Roe, Mr. Tiernan, and Mr. Wolff):

H.R. 15194. A bill to require the Secretary of Transportation to investigate and report to the Congress with respect to whether certain railroad facilities and equipment meet Federal safety standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CHAMBERLAIN:

H.R. 15195. A bill to amend the Internal Revenue Code of 1954 with respect to the tax treatment of capital gains and losses; to the Committee on Ways and Means.

By Mr. CRANE (for himself and Mr. Young of Florida):

H.R. 15196. A bill to amend the Par Value Modification Act; to the Committee on Banking and Currency.

By Mr. CRANE (for himself, Mr. Blackburn, Mr. Huber, Mr. Spence, and Mr. Zion):

H.R. 15197. A bill to amend title XI of the Social Security Act to repeal the provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs; to the Committee on Ways and Means.

By Mr. ROBERT W. DANIEL, JR.:

H.R. 15198. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 to increase the penalties for violations of that act and to revise the conditions of release applicable to persons charged with such violations; to the Committee on Interstate and Foreign Commerce.

By Mr. HUNT:

H.R. 15199. A bill to provide property tax relief to low-income elderly homeowners through direct reimbursements; to the Committee on Ways and Means.

By Mr. JONES of North Carolina (for himself, Mr. Preyer, and Mr. Mathis of Georgia):

H.R. 15200. A bill to amend the Fair Labor Standards Act of 1938 to provide an exemption from the minimum wage and overtime requirements of that act for certain full-time babysitters; to the Committee on Education and Labor.

By Mr. KARTH (for himself and Mr. Fraser):

H.R. 15201. A bill to amend the Social Security Act to prevent States supplementation benefits from being reduced an account of increases in the level of benefits payable under the supplemental security income program, to prevent certain individuals from losing medicaid eligibility because of increases in social security benefits or supplemental security income benefits; to the Committee on Ways and Means.

By Mr. MONTGOMERY:

H.R. 15202. A bill to amend the Fair Labor Standards Act of 1938 to repeal the coverage of domestic service workers provided by the Fair Labor Standards Amendments of 1974; to the Committee on Education and Labor.

By Mr. MOSS (for himself, Mr. Eckhardt, Mr. Breckinridge, and Mr. Luken):

H.R. 15203. A bill to amend the Federal Trade Commission Act and the Motor Vehicle Information and Cost Savings Act; to the Committee on Interstate and Foreign Commerce.

By Mr. RONCALIO of Wyoming:

H.R. 15204. A bill to prohibit the importation into the United States of any fresh, chilled, or frozen cattle meat during a 180-day period; to the Committee on Ways and Means.

By Mr. STAGGERS (for himself and Mr. Devine):

H.R. 15205. A bill to amend the Natural Gas Pipeline Safety Act of 1968, as amended, to authorize additional appropriations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WHITTEN:

H.R. 15206. A bill to authorize the restoration of public roads to and from county seats; to the Committee on Public Works.

By Mr. YATRON (for himself, Mr. Hechler of West Virginia, Mr. Dominick V. Daniels, Mr. Breaux, Mr. Owens, Mr. Runnels, Mr. Byron, Mr. Tiernan, Mr. Luken, and Mr. Frenzel):

H.R. 15207. A bill to establish an office within the Congress with a toll-free telephone number, to be known as the Congressional Advisory Legislative Line (CALL), to provide the American people with free and open access to information, on an immediate basis, relating to the status of legislative proposals pending before the Congress; to the Committee on House Administration.

By Mr. BYRON (for himself, Mr. Andrews of North Dakota, Mr. Bafalis, Mr. Baker, Mr. Bauman, Mrs. Boggs, Mr. Camp, Ms. Chisholm, Mr. Collins of Texas, Mr. Eshleman, Mr. Fisher, Mr. Frey, Mr. Ginn, Mr. Guyer, Mr. Hansen of Idaho, Mr. Hogan, Mr. Litton, Mr. Lagomarsino, Mr. McKay, Mr. Mathis of Georgia, Mr. Mitchell of New York, Mr. Murtha, Mr. O'Brien, Mr. Regula, and Mr. Slack):

H.R. 15208. A bill to prevent the estate tax law from operating to encourage or to require the destruction of open lands and historic places, by amending the Internal Revenue Code of 1954 to provide that real property which is farmland, woodland, or open land and forms part of an estate may be valued, for estate tax purposes, at its value as farmland, woodland, or open land (rather than at its fair market value), and to provide that real property which is listed on the National Register of Historic Places may be valued, for estate tax purposes, at its value for its existing use, and to provide for the revocation of such lower evaluation and recapture of unpaid taxes with interest in appropriate circumstances; to the Committee on Ways and Means.

By Mr. BYRON (for himself, Mr. Spence, Mr. Stuckey, Mr. Taylor of North Carolina, Mr. Traxler, Mr. Vigorito, and Mr. Won Pat):

H.R. 15209. A bill to prevent the estate tax law from operating to encourage or to require the destruction of open lands and historic places, by amending the Internal Revenue Code of 1954 to provide that real property which is farmland, woodland, or open land and forms part of an estate may be valued, for estate tax purposes, at its value as farmland, woodland, or open land (rather than at its fair market value), and to provide that real property which is listed on the National Register of Historic Places may be valued, for estate tax purposes, at its value for its existing use, and to provide for the revocation of such lower evaluation and recapture of unpaid taxes with interest in appropriate circumstances; to the Committee on Ways and Means.

By Mr. CLARK:

H.R. 15210. A bill to establish a Federal Boxing Commission to exercise surveillance over professional boxing matches broadcast or disseminated by wire in interstate commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DULSKI:

H.R. 15211. A bill to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training; to the Committee on Interstate and Foreign Commerce.

By Mr. DULSKI (by request):

H.R. 15212. A bill to amend section 5316 of title 5, United States Code, relating to level V of the Executive Schedule, to apply to the position of General Counsel of the General

Services Administration; to the Committee on Post Office and Civil Service.

By Mr. ESCH (for himself, Mr. Badillo, Mr. Cohen, Mr. Eilberg, Mr. Grover, Mrs. Heckler of Massachusetts, Mr. Owens, and Mr. St Germain):

H.R. 15213. A bill to extend and improve the Nation's unemployment programs and for other purposes; to the Committee on Ways and Means.

By Ms. HOLTZMAN (for herself, Mr. Bell, Mrs. Boggs, Mrs. Burke of California, Mr. Butler, Mrs. Chisholm, Mr. Conyers, Mr. Frenzel, Mr. Harrington, Mr. Koch, Mr. Mann, Mr. Mollohan, Mr. Mosher, Mr. Murtha, Mr. Rinaldo, Mr. Roybal, Mr. Stokes, Mr. Thompson of New Jersey, Mr. Waldie, and Mr. Wolff):

H.R. 15214. A bill to amend section 214 of the Internal Revenue Code of 1954 to provide a deduction for dependent care expenses for married taxpayers who are employed part time, or who are students, and for other purposes; to the Committee on Ways and Means.

By Mr. HORTON:

H.R. 15215. A bill to amend the Internal Revenue Code of 1954 to allow a deduction to tenants of houses or apartments for their proportionate share of the taxes and interest paid by their landlords; to the Committee on Ways and Means.

By Mr. LUJAN (for himself, Mr. Conlan, Mr. Froehlich, Mr. Rhodes, Mr. Roncalio of Wyoming, Mr. Runnels, and Mr. Steiger of Arizona):

H.R. 15216. A bill to amend the Public Works and Economic Development Act of 1965 for the purpose of assisting local economies in regions of persistent economic underdevelopment by enabling the Federal cochairmen of designated regional commissions to acquire Federal excess personal property and to dispose of such property to certain recipients; to the Committee on Public Works.

By Mr. LUKEN:

H.R. 15217. A bill to amend section 502(b) of the Mutual Security Act of 1954 to require a complete accounting of foreign currency expended in connection with congressional travel outside the United States, and for other purposes; to the Committee on Foreign Affairs.

By Mr. McCORMACK (for himself, Mr. Teague, Mr. Mosher, Mr. Goldwater, Mr. Hechler of West Virginia, Mr. Bell, Mr. Davis of Georgia, Mr. Downing, Mr. Winn, Mr. Frey, Mr. Flowers, and Mr. Cotter):

H.R. 15218. A bill to further the conduct of research, development, and demonstrations in geothermal energy technologies, to establish a geothermal energy coordination and management project, to amend the National Science Foundation Act of 1950 to provide for the funding of activities relating to geothermal energy, to amend the National Aeronautics and Space Act of 1958 to provide for the carrying out of research and development in geothermal energy technology, to carry out a program of demonstrations in technologies for the utilization of geothermal resources, and for other purposes; to the Committee on Science and Astronautics.

By Mr. MEZVINSKY:

H.R. 15219. A bill directing the Secretary of the Department of Transportation to conduct a comprehensive, nationwide study of the effects of railroad abandonment, to develop an effective policy to assure an adequate, economic system for the transportation of freight with emphasis on branch line facilities in the movement of agricultural commodities, and prohibiting the Interstate Commerce Commission from authorizing any further abandonments of railway freight facilities for a period of 3 years after enactment of this act; to the Committee on Interstate and Foreign Commerce.

By Mr. MITCHELL of Maryland (for himself, Mr. Regula, Mr. Howard, Mr. Hogan, Mr. Tiernan, Ms. Collins of Illinois, Mr. Won Pat, Mr. Burgener, Mr. Yatron, Mr. Young of Georgia, Mr. Wolff, Mr. Stokes, Mr. Stark, Mr. Dellums, Mr. Traxler, Mr. Clay, Mr. Conyers, Mr. [illegible], Mr. Roybal, Mr. Sarbanes, Mr. Kemp, Mr. Fish, Mr. Treen, and Mr. Riegle):

H.R. 15220. A bill to amend the Internal Revenue Code of 1954 to provide individuals one additional income tax exemption for each dependent who is handicapped; to the Committee on Ways and Means.

By Mr. PODELL:

H.R. 15221. A bill for the relief of certain distressed aliens; to the Committee on the Judiciary.

By Mr. SISK (for himself, Mr. Conlan, Mr. Moorhead of California, Mr. Rhodes, Mr. Udall, and Mr. Van Deerlin):

H.R. 15222. A bill to amend section 1(12) of the Interstate Commerce Act to provide that railroads shall not discriminate against the movement or interchange of railroad refrigerator cars not owned by a railroad, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS:

H.R. 15223. A bill to amend the Federal Railroad Safety Act of 1970 and the Hazardous Materials Transportation Control Act of 1970 to authorize additional appropriations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HAMILTON:

H.R. 15224. A bill to extend the Emergency Petroleum Allocation Act of 1973 for 1 year; to the Committee on Interstate and Foreign Commerce.

By Mr. JARMAN:

H.R. 15225. A bill to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training; to the Committee on Interstate and Foreign Commerce.

By Mr. LUKEN:

H.R. 15226. A bill to amend the Federal Food, Drug, and Cosmetics Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SCHNEEBELI:

H.R. 15227. A bill to establish university coal research laboratories and to establish energy resource fellowships, and for other purposes; to the Committee on Science and Astronautics.

By Mr. SEIBERLING (for himself, Mr. Taylor of North Carolina, Mrs. Boggs, Mr. Brinkley, Mr. Carney of Ohio, Mr. Clay, Mr. Dulski, Mr. Edwards of California, Mr. Fascell, Mr. Hawkins, Mr. Hillis, Mr. Hudnut, Mr. Koch, Mr. Lehman, Mr. McSpadden, Mr. Owens, Mr. Pepper, Mr. Roncalio of Wyoming, Mr. Robison of New York, Mr. Rosenthal, Mr. Stark, Mr. Stokes, Mr. Bob Wilson, and Mr. Wolff):

H.R. 15228. A bill to amend the Land and Water Conservation Fund Act of 1965 to increase the authorization of appropriation for the Land and Water Conservation Fund; to the Committee on Interior and Insular Affairs.

By Mrs. SULLIVAN (for herself, Mr. Leggett, Mr. Clark, Mr. Metcalfe, Mr. Mosher, Mr. Forsythe, and Mr. Lagomarsino):

H.R. 15229. A bill to expand the authority of the Canal Zone Government to settle claims not cognizable under the Tort Claims Act; to the Committee on Merchant Marine and Fisheries.

By Mr. WHITEHURST:

H.R. 15230. A bill to amend section 8347(c), title 5, United States Code; to the Committee on Post Office and Civil Service.

By Mr. GONZALEZ (for himself, Mr. Fauntroy, Mr. Frenzel, Mr. Hanna, Mr. Johnson of Pennsylvania, Mr. Rees, Mr. J. William Stanton, Mr. Stark, Mr. Stephens, Mr. Young of Georgia, and Mr. Whalen):

H.R 15231. A bill to provide for increased participation by the United States in the International Development Association; to the Committee on Banking and Currency.

By Mr. HELSTOSKI:

H.J. Res. 1048. Joint resolution to designate April 24 of each year as "National Day of Remembrance of Man's Inhumanity to Man"; to the Committee on the Judiciary.

By Mr. LUJAN:

H.J. Res. 1049. Joint resolution designating the first Saturday in April of each year as "National Brotherhood Day"; to the Committee on the Judiciary.

By Mr. NELSEN (for himself, Mr. Preyer, Mr. Byron, Mr. Kuykendall, Mr. Collins of Texas, Mr. Hastings, and Mr. Pickle):

H.J. Res. 1050. A Joint Resolution designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of service of the incumbent Chief of Naval Operations; to the Committee on Armed Services.

By Mr. SEIBERLING:

H.J. Res. 1051. A Joint resolution proposing an amendment to the Constitution of the United States relating to the eligibility of a citizen to hold the Office of President; to the Committee on the Judiciary.

By Mr. OWENS:

H. Con. Res. 517. Concurrent resolution to provide for policy steering committees in each House of Congress for major political parties; to the Committee on Rules.

By Mr. WILLIAMS:

H. Con. Res. 518. Concurrent resolution expressing the sense of Congress regarding the annexation of the Baltic nations; to the Committee on Foreign Affairs.

By Mr. STEELMAN (for himself, Mr. Young of Illinois, Mr. Fish, Mr. Heinz, Mr. Mosher, Mr. Butler, and Mr. Frenzel):

H. Res. 1160. Resolution providing for the consideration of House Resolution 988; to the Committee on Rules.

By Mr. WAGGONNER (for himself, Mr. Flood, Mr. Crane, Mr. Blackburn, and Mr. Flowers):

H. Res. 1161. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. McCOLLISTER introduced a bill (H.R. 15232) for the relief of Steve P. Reese which was referred to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

493. By the SPEAKER: Memorial of the Legislature of the State of New York, relative to the development of new housing; to the Committee on Banking and Currency.

494. Also, a memorial of the Legislature of the State of New York, relative to community action programs; to the Committee on Education and Labor.

495. Also, a memorial of the Legislature of the State of New York, relative to legal recognition of the Poospatuck and Shinnecock Indian Tribes; to the Committee on Interior and Insular Affairs.

496. Also, a memorial of the Assembly of the State of New York, relative to a national health insurance program; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

THE 125TH ANNIVERSARY OF CENTRAL CONNECTICUT STATE COLLEGE

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mrs. GRASSO. Mr. Speaker, this year marks the 125th anniversary of Central Connecticut State College, which is located in New Britain, Conn., a town in my Sixth Congressional District.

It was in May 1849, that the Connecticut General Assembly acted to create and to fund Central, then known as the State Normal School. This was Connecticut's first public institution of higher education. Years later the school was known as the Teachers' College of Connecticut, and eventually it was given its current name.

This great anniversary is truly an important milestone in the history of an institution that has contributed much to the education and welfare of people in Connecticut and our Nation. It is indeed an honor to be associated with this fine college and to represent the people of New Britain—the city whose citizens made Central's very existence possible.

Through the generosity of 100 citizens in New Britain, $16,250 was raised in 1849 for the establishment of a seminary to educate students and train teachers. Their efforts won New Britain the right to be the location of Central—the State's first normal school and the Nation's sixth public college. Since that time the people of New Britain have lent generous support to the college.

From a single building, one acre of land, an operating budget of some $13,000, and a graduating class of five, Central has grown to its present size with a community that encompasses 80,000 people, including 13,000 students. Just last Friday, 2,332 students graduated at the college's 1974 commencement.

From the days of the nondegree normal school until the present, Central has grown to a full and diversified multipurpose educational center. Ideas, culture, innovation, and enthusiasm emanate from the Central campus to the surrounding community.

Offering day and evening classes for both undergraduate and graduate students, the college includes schools of arts and sciences, education and professional studies, business, and graduate studies. Always striving to better serve our State, the college now offers a wide variety of career-oriented programs ranging from cybernetics to printing.

F. Don James, president of the college, looks ahead with continuing dedication to serving the needs of the State through improved educational offerings. He stated:

> As we reflect on the past we find one consideration coming to the fore—the on-going commitment of the college to serve both the students and the welfare of the state itself—a commitment made possible since the earliest days by the support of the citizens of New Britain. This commitment continues today and will even intensify in the years to come.

Mr. Speaker, I would like to take this opportunity to congratulate the new graduates of Central and to join them and all others who know and love this college in celebrating a splendid anniversary.

ELDERLY TRANSPORTATION AMENDMENT

HON. RICHARD S. SCHWEIKER

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 5, 1974

Mr. SCHWEIKER. Mr. President, today the Labor and Public Welfare Committee, meeting in executive session, accepted my amendment to provide $35 million for supportive transportation services for the elderly during fiscal year 1975 as an amendment to H.R. 11105, which extends the elderly nutrition program, title VII of the Older Americans Act, for the next 3 years.

Specifically, my amendment will help correct one of the greatest obstacles facing elderly feeding programs today—the lack of adequate transportation facilities for participants to reach local feeding programs.

Mr. President, these funds are earmarked to give priority to those feeding programs in areas where there is no public transportation or where existing public transportation is inadequate to meet the special needs of older persons. By taking this approach, not only will the rural areas, which are without functional mass transit, be eligible, but also those suburban and urban areas where transportation is lacking or unsuitable for the elderly.

The Senate Select Committee on Nutrition and Human Needs, on which I serve, has held field hearings on elderly nutrition programs, and one of the most frequently discussed faults of the program is the lack of transportation for the elderly. Currently, for every dollar spent on transportation, one dollar less is spent on food. My amendment provides funds which are separate from the feeding program, but which are to be used in support of that program, thus eliminating some of the supportive costs which must be covered now by needed food moneys.

I commend my distinguished colleagues, Senators McGOVERN, BURDICK, CASE, CLARK, DOLE, HUGHES, MANSFIELD, METCALF, MONDALE, and YOUNG for their strong support of this amendment.

H.R. 11105 will be considered by the full Senate hopefully in the near future, and I urge all my colleagues to support this very necessary legislation.

WOMEN IN SPORTS

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mrs. MINK. Mr. Speaker, an excellent bibliography on the subject of women in sports compiled by the Project on the Status and Education of Women follows for your information:

RESOURCES

Books and reports specifically focusing on women in sport (Many have extensive bibliographies.)

Gerber, Ellen W., et al. *The American Woman in Sport*. Reading, Massachusetts: Addison-Wesley Publishing Company, 1974. (Available for $8.85 from Addison-Wesley, Reading, Mass. 01867.)

Harris, Dorothy V., ed. *DGWS Research Reports: Women in Sports*. 2 vols. District of Columbia: American Association for Health, Physical Education and Recreation, 1971 & 1973. (Available for $3.00 from AAHPER, Publications-Sales, 1201 16th St., N.W., Washington, D.C. 20036.)

Harris, Dorothy V., ed. *Women in Sport: A National Research Conference*. State College, Pennsylvania: The Pennsylvania State University, 1972. (Available for $5.00 from the Continuing Education Office, The Pennsylvania State University, University Park, Pa.)

Hoepner, Barbara J., ed. *Women's Athletics: Coping With Controversy*. District of Columbia: American Association for Health, Physical Education, and Recreation, 1974. (Available for $3.25 from AAHPER, Publications-Sales, 1201 16th St., N.W., Washington, D.C. 20036.)

Peterson, Kathleen, et al., eds. *Women and Sports: Conference Proceedings*. Macomb, Illinois: Western Illinois University, 1973.

Association for Intercollegiate Athletics for Women Publications (Available from American Association for Health, Physical Education, and Recreation, Publications-Sales, 1201 16th St., N.W., Washington, D.C. 20036.)

AIAW Handbook. $1.50

AIAW Directory: Charter Member Institutions. $2.00

Philosophy and Standards for Girls and Women's Sports. $2.00.

Guidelines for Intercolleagiate Athletic Programs for Women. 10c

Other publications:

Alvarex, Carlos. "The High Cost of College Football." *College and University Business*. September 1973, p. 35.

Boring, Phyllis Zatlin. "Girl's Sports: A Focus on Equality." *NJEA Review*. (Available for 50c from New Jersey Education Association, 180 W. State St., Trenton, New Jersey 08609.)

Budig, Gene A. "Grid Stock Up—Academic Stock Down." *Phi Delta Kappan*, September 1972.

Craig, Timothy T., ed. *Current Sports Medicine Issues*. District of Columbia: American Association for Health, Physical Education, and Recreation, 1974. (Available for $3.25 from AAHPER, Publication-Sales, 1201 16th St., N.W., Washington, D.C. 20036.)

Edwards, Harry. "Desegregating Sexist Sport." *Intellectual Digest*, November 1972, p. 82.

Fasteau, Brenda Feigen. "Giving Women a Sporting Chance." *Ms.*, July 1973, p. 56.

Franks Lucinda. "See Jane Run!" *Ms.*, January 1973, p. 98.

Gilbert, Bill, and Williamson, Nancy. "Women in Sport." 3 part series. *Sports Illustrated,* May 28, June 7 and June 14, 1973.

Hart, Marie. "Sport: Women Sit in the Back of the Bus." *Psychology Today,* October 1971, p. 64.

Loggia, Marjorie. "On the Playing Fields of History." *Ms.,* July 1973, p. 63.

Murphey, Elizabeth, and Vincent, Marilyn. "Status of Funding of Women's Intercollegiate Athletics." *Journal of Health, Physical Education, and Recreation.* October 1973, 6. 11.

"Special Issue: Revolution in Sports." *Nation's Schools,* September 1973.

In addition: There is now a Center for Women and Sport. (The Sports Research Institute, College for Health, Physical Education and Recreation, White Building, University Park, Pennsylvania 16802). Directed by Dr. Dorothy V. Harris, the Center was formed to expand research interests in all areas relating to the female involved in physical activity.

The Women's Equity Action League (WEAL) has developed a "sport kit" focusing on the Title IX regulations and other issues. For a kit, send $2.00 to WEAL, 799 National Press Building, Washington, D.C. 20004.

For information concerning recent legal developments concerning women in sport, contact the Women's Rights Project of the American Civil Liberties Union (22 East 40th Street, New York 10016) or refer to back issues of the *Women's Rights Law Reporter* (180 University Avenue, Newark, New Jersey 07102).

The Project on the Status and Education of Women of the Association of American Colleges began operations in September of 1971. The Project provides a clearinghouse of information concerning women in education and works with institutions, government agencies, and other associations and programs affecting women in higher education. The Project is funded by the Carnegie Corporation of New York, the Danforth Foundation, and the Exxon Education Foundation. Publication of these materials does not necessarily constitute endorsement by AAC or any of the foundations which fund the Project.

KIMBALL DAY AT LAGOON

HON. GUNN McKAY

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. McKAY. Mr. Speaker, on June 17, thousands of Utahans will go to Lagoon, an amusement park in my district, as the guests of Ranch S. Kimball. "Kimball Day" at Lagoon, an annual event now in its 20th year, is representative of the generosity of Ranch Kimball, and I would like to share with my colleagues a bit of the background about this man and some of the things he has done for Utah.

Ranch Kimball began his career nearly 60 years ago as an artist. His later work as president of an outdoor advertising firm and then as president and general manager at Lagoon reflected his training as an artist, and the gracious lines and sparkling colors at Lagoon are testimony of his influence.

Lagoon is a family amusement park. The games and rides are wholesome, spacious gardens beautify the midway, and over 400 teenagers work to maintain that atmosphere. Ranch Kimball has been connected with Lagoon for over 40 years, and has helped to make it one of the most wholesome and enjoyable amusement parks in the Nation.

In addition to Lagoon, Ranch Kimball is noted for his generosity in sponsoring young artists. He has provided a scholarship fund for Utah artists, and his interest in the State's art talent and art achievement has resulted over the years in the accumulation of one of the best collections of Utah art in the State.

When Ranch Kimball answers the phone, he always says:

> It's a beautiful day at Lagoon.

Mr. Speaker, Ranch Kimball's generosity has made many days beautiful for thousands of people, and I am pleased to acknowledge some of his achievements.

BUSING

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. RANGEL. Mr. Speaker, busing is both a political and an educational issue. Many politicians—President Nixon, for instance—manipulate the issue for their own electoral gain. They are toying with the futures of the Nation's schoolchildren. For in the educational realm, busing is one of various measures necessary to achieve high-quality, equal public education for all children.

Both the political and educational aspects are dealt with in columns by Roy Wilkins and Bill Raspberry which I insert into the RECORD for the benefit of my colleagues. Wilkins stresses the President's vituperative political attacks on busing, while Raspberry's column reflects the views of a teacher who has experienced the effects of busing. Both indicate that attacks on busing have little educational justification: They undermine our slow progress toward integration (not "racial balance") and retard the educational achievement of millions of children.

The columns follow:

[From the New York Post, Apr. 6, 1974]

NIXON ON BUSING

(By Roy Wilkins)

People may debate the effects of the Watergate scandal, estimates may be ventured, interview polls announced with varying percentage points, but the real impact of the scandal perhaps can be seen (or at least estimated) in the behavior of the central figure in the drama, the President of the United States.

On Saturday, March 26, President Nixon made a radio speech to the nation in which he called for "favorable action" in the House for an anti-busing amendment to the U.S. Constitution. He said that he would veto any bill that did not curb the busing of school children.

Now, the busing of school children for the purpose of integration is a subject of discussion in many localities. It has family and racial status wrapped up in it. It is political and emotional, affecting millions of white and black parents.

It has been seized upon by manipulators, by politicians who seek reelection or some legislative goal in which their attitude on school busing is a factor.

Obviously, the President of the United States has no more business in the busing issue than he had in making a pronouncement on the innocence of Lt. William Calley before the lieutenant was brought to trial.

The President may have his personal opinion, but as President he throws the enormous (and unfair) weight of the White House behind an issue when he states his opinion publicly.

There is no need (or is there?) for divisiveness among the people—unless, of course, the Watergate thing has become so desperate that even the suggestion of a constitutional amendment on so lowly a statecraft question as the busing of school children is in order.

It is no service to the anti-busing adherents to cite the opposition of some black parents to the busing of children. Many of these are just as confused as white parents. They know they would like to have their children in a neighborhood school, near their homes.

But many of the black parents have forgotten that it has been only since busing has come to be used for the desegregation of schools that it has become an evil thing. When it was used to enforce segregation, it was all right. When black children were being bused past two or more "white" schools to a "black" school, that peculiar event was approved.

In some states there was little or no busing of black school children and the buses full of white children spewed dust and sometimes mud over the walking black children. These are things that some black parents conveniently forget as they line up with the anti-busing crowd.

When the decision in the Brown case was made in 1954, all schools in the South, obeying the law, were separate. In the North, where administrative segregation was the rule, most schools were not able instantly to equalize education and so the busing of black children to schools where the good education was became a favorite device of the courts.

Thus, the opponents of busing for integration are, by and large, opponents of equal education for black children. They may have other reasons, but, whatever their excuses, they "stand in the doorway."

No one wants to go back to 1896, to the decision in Plessy v. Ferguson. "There is in this country," wrote Justice Harlan in his stout and lone dissent, "no superior, dominant, ruling class of citizens. Our Constitution is color blind."

Someone ought to tell our President.

[From the Washington Post, May 31, 1974]

WITHOUT BUSING, WOULD ANYONE REALLY CARE?

(By William Raspberry)

Phoebe E. Cuppett, a teacher in the Prince George's County schools, takes impassioned exception to some things I had to say recently against the primacy of racial balance in the public schools. She took particular exception to a paragraph that said:

"Granted the popularity of the antibusing sentiment doesn't make it right. But if you're going to push a clearly unpopular program, you ought to be damned sure that the struggle and the risk of losing it are worth it."

Here are excerpts from her response:

In the last analysis, you seemed to advocate that it may be better simply to shore up the neighborhood schools and forget the painful continuation of forced busing to achieve the dubious value of racial balance. "The time, effort and money spent on busing could be better used for other things. Like better schools, for instance."

The question in my mind is that if busing were removed (like the Ten Commandments from society), what would insure that anyone would care enough to spend equal time, effort and money on the neighborhood schools?

Even with the busing, certain hardcore conservative factions in and out of the county school system would like to curtail the momentum made since Jan. 29, 1973. The County Council is proposing a gigantic funding cut. This will affect the sizes of classrooms and will place a greater burden on the possibility of the integration plan working more and more smoothly.

Most appalling, the school board proposes to do away with Head Start and to concentrate on developing the *lack* of modern, innovative methods by reinstating corporal punishment. If these proposals are carried through, the disadvantaged children of the lower socio-economic areas will not receive the chance to "catch up." Many of the human relations programs set up last year will be axed. Remember, this is what is happening *with* busing. Are we to be intimidated to lose the significant gains we made last year? . . .

I was hired in 1970 as a reading specialist. It was my assignment to visit four or five schools a week to offer my services. Some of the things I saw were little inequities, such as children never seeing chocolate milk or ice cream in their cafeterias, (Later on when white children arrived at some of these schools, the chocolate milk and ice cream did, too).

More profound discrepancies were observed in the ways resources were supplied to the schools. A lack of materials and a surfeit of out-of-date textbooks were often in evidence in the poorer neighborhood schools. Sometimes the attitudes of individual teachers were not tolerant. . . .

I remember my feeling of shock and helplessness shortly after arriving in 1972 at my present school. I found that 75 per cent of the school was reading two or more years below grade level. How could one reading teacher ever begin to help two or three hundred children with individual and specific needs so severe?

Shortly afterward, the order to desegregate came. A great many of those children needing crucial help were bused out to more prosperous neighborhood schools. A large number of children from those schools came to ours. A strange mixture of white and black adult liberals suddenly joined hands to try to make this important changeover work. Perhaps 10 or 15 persons came to me, volunteering to work without pay, helping children learn to read. . . .

It is not a Utopia. We have little frictions and sometimes fights on the playground. But we also have children making friends and children acquiring knowledge of each other's culture. Most significant to me, we have a larger part of the school population reading on grade level. The children who were the farthest behind have caught up by one, two and sometimes three grade levels within little more than a year's time. This is exciting!

Was busing worth it? I have only to look at two of my sixth grade student volunteer reading tutors in order to know. Michael is black. Cathy is white. Both sets of parents have helped as volunteer aides and tutors during the changeover.

Before the January order, Michael was a fifth grader reading on a 3.2 level. This year he is on a sixth grade level in reading. Michael and Cathy and I have many rap sessions together. After watching "The Autobiography of Miss Jane Pittman," we talked about it.

Cathy's eyes grew wide with shock and sadness. "I never knew white people had treated black people in that way," she said. Her friend Michael made the evils of past humanity more real and more unjust than a thousand abstract lectures could have.

As an adult I am learning, too. Being a WASP from a tiny Pennsylvania town where seeing a black American is a rarity has made me dig deeply into my own set of prejudices and lack of them to "know where I am at."

It is partly because the busing forced us to be together that we are together, learning compassion and coming to understand each other's values.

FUTURE DIRECTION OF THE NATIONAL PARK SYSTEM

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. STEELMAN. Mr. Speaker, in 1970 the Congress enacted Public Law 91–332 which established the National Parks Centennial Commission, whose primary purpose was to appropriately commemorate the 100th anniversary of our country's and the world's first national park—Yellowstone. A major segment of a final report submitted to the Congress by the Commission dealt with recommendations as to the future direction of the National Park System and Service.

The National Park Service has very briefly responded to those Commission recommendations in a report dated April 1974. Since many of the issues and problems identified in the Commission's report were ones of long standing concern to park supporters and conservationists, I am sure that the National Park Service's response to these recommendations will be met with considerable interest by many.

Following is the brief summary response out of the Park Service report, which is very general. These statements are elaborated in the text of the report, which is too lengthy to reproduce here, but which must be consulted to really understand the significance of the response. The report is titled, "The National Park Service Response to the Recommendations of the National Parks Centennial Commission," April 1974.

SUMMARY

The recommendations of the National Parks Centennial Commission deal with eleven major areas of National Park Service concern:

Duality of Purpose.
The Role of the National Park System.
Acquisition.
Development and Maintenance.
Natural and Cultural Heritage.
Park Management and Preservation.
Accessibility and Use.
Concessions.
Interpretation and Education.
Information and Reservation Centers.
Committees, Commissions, and Boards.
National Capital Parks.

In addition, they include a section on Wilderness without recommendations.

The Service is in general agreement with most of the Commission's recommendations. In its responses to the Commission, the Service has qualified its agreements as necessary and has supplied information to indicate how a number of recommendations are already being carried out.

DUALITY OF PURPOSE

In briefest summary, and without elucidation, the Service agrees that preservation and use remain the guiding principles of Service activity.

THE ROLE OF THE NATIONAL PARK SYSTEM

The role of the National Park Service is defined by the Congress in the various authorities affecting the Service. The Service and the Department have strong advisory responsibilities in defining the System's role. The Service believes that any initiative regarding divestiture of properties should come from the appropriate Congressional committees.

ACQUISITION

The Service believes that many areas of national significance are already protected by a *de facto* national preservation *system* for both natural and historic areas outside the National Park System, and the Service would not move to acquire such properties unless they were threatened with loss. The Department has recommended the addition of 32.26 million acres of land, in 11 areas, to the System in Alaska, meeting the Commission's recommendation in this regard. Inholdings are being phased out on a willing-seller/willing-buyer basis, with condemnation being used only when irreparable damage would result in changed use of these private properties. The Service has a National Park System Plan to guide it in developing a representative National Park System. This plan identifies the major historic and natural themes of the country and the extent to which each is presently represented in the System. An increase of offshore funds for the Land and Water Conservation Fund merits careful study, particularly in view of the energy problem.

DEVELOPMENT AND MAINTENANCE

The Service recognizes the need for adequate development funding and is making a careful study of its development needs preparatory to submitting its 1976 FY budget request to Congress.

NATURAL AND CULTURAL HERITAGE

The Service agrees that it should continue to manage historic areas as part of the National Park System. Regarding preservation of globally significant natural and historic resources, the United States was the first country to sign the World Cultural and Natural Heritage Convention, and the National Park Service looks forward to playing an active part in carrying out various provisions of the convention.

PARK MANAGEMENT AND PRESERVATION

The Service manages all natural lands as nature preserves and regeneration areas, in effect, and nature is allowed to run its course in such areas, except where specific sub-climax plant communities must be maintained by management programs. The Service's policies encourage placing only those facilities required for visitor use and park management within park boundaries. Facilities now in parks which do not meet this criterion can be identified through individual park master plans and subsequently phased out.

ACCESSIBILITY AND USE

The Service recognizes the value of determining carrying capacities for the parks and its committed to developing an effective means of measuring capacity. Capacity is being regulated in a number of parks through a variety of pilot programs in public transportation, campground reservation, backcountry use, and use of the Colorado River. The Service agrees that no new campgrounds should be built in the parks when they can be provided by others outside of the parks. Public transit studies are being made on a priority basis in a number of parks where conditions indicate a need.

CONCESSIONS

The Service is initiating a study of concession policy and procedures. The Service agrees that well-performed concession operations which supply a public need should be retained and upgraded, and those which have outlived their usefulness eliminated. The Service is actively committed to encouraging land use controls in areas adjacent to parks, bringing them into harmony with park character.

INTERPRETATION AND EDUCATION

The Service has established a new Office of Interpretation in its Washington headquarters, and corresponding offices in each Region, for the purpose of strengthening the interpretation and visitor use programs.

INFORMATION AND RESERVATION CENTERS

The Service agrees that better pre-trip information is necessary before visiting the parks and is studying means of making this available to park users. Regional Offices can play a larger role. The National Visitor Center could be a pilot project for an urban information center; Congressional approval would be required for centers in other urban areas.

COMMISSIONS, COMMITTEES, BOARDS

The Service agrees that public participation is desirable in the planning and management process, and that means to encourage this presently exist. However, these citizen groups serve in an advisory capacity and do not relieve the Service of its management decision responsibility.

NATIONAL CAPITAL PARKS

The Service agrees that areas designated for Federal jurisdiction be retained under NPS management when D.C. receives home rule.

WILDERNESS

The Service supports the Wilderness Act and is moving rapidly to complete necessary wilderness studies and make recommendations to the President and Congress by September 1974.

EDUCATION SATELLITE SET TO GO

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. TEAGUE. Mr. Speaker, the Washington Post of Friday, May 24, 1974, carried an article by Mr. Eric Wentworth, Post staff writer, which describes well the important contributions that will soon be made by the Applications Technology Satellite-F. This new satellite, once stationed above the Earth, will be used for such diverse purposes as education and medical communications. This satellite, so well described by Mr. Wentworth's article is the forerunner of one of the most important contributions of our national space program to our daily lives. Not only will the people of the United States, but also the subcontinent of India, will benefit from this spacecraft's application. Appalachia, the Rocky Mountains, and Alaska will all use this satellite at different times. It is another example for down-to-earth, practical applications of our space program that is helping to maintain and improve our quality of life. The article follows:

EDUCATION SATELLITE SET TO GO

(By Eric Wentworth)

Chicanos in Colorado, Eskimos in Alaska and peasants in India are intended beneficiaries of a $180 million space satellite scheduled for launch from Cape Canaveral next Thursday.

The National Aeronautics and Space Administration called its Applications Technology Satellite-F (ATS-F) "the most complex, versatile, and powerful communications spacecraft ever developed."

The 3,090-pound craft, sporting an umbrella-like reflector antenna 30 feet across, is to be used for more than 20 experiments, including educational television broadcasts to remote communities and televised two-way medical consultations between hospitals and rural clincs.

NASA officials said at a briefing yesterday that the spacecraft's hefty transmitting power would allow use of small low-cost ground stations in the remote areas to be served. Even individual television sets, equipped with converters and 10-foot antennas made of chicken wire, will be able to pick up programs directly from the satellite.

The ATS-F spacecraft is to be launched with a Titan III C rocket and stationed for the first year at a point 22,300 miles above the Galapagos Islands from where it can communicate with the United States.

It then will be shifted to a point over Kenya, where, according to present plans, it will beam educational television programs to as many as 5,000 villages in India.

During this second year, before being shifted back to the Western Hemisphere for further experiments, it will also track and relay data from the Apollo-Soyuz spacecraft orbiting Earth in the U.S.-Soviet joint space-docking project.

For the U.S. educational and medical communications experiments, ATSF will be able to relay two separate color-television signals with four voice channels each. This will allow simultaneous bilingual broadcasts. Its capacity will be supplemented for some projects with two-way voice and data transmissions via two other satellites already in orbit.

The National Institute of Education, with a $15 million investment, will use the satellite for educational television broadcasting to sites in Appalachia, the Rocky Mountain states and Alaska. The institute will study the costs of delivering programs by satellite to isolated people in those areas, and find out what those people think of the broadcasts.

This summer, elementary school teachers in Appalachia will gather at 15 sites for televised courses in career education and how to teach reading. High school teachers, starting in September, will also receive training in career education—which seeks to bring awareness and understanding of the world of work into the classroom.

The Appalachia, Rocky Mountain and Alaska education projects will all include some live programs in which certain teachers and students at the receiving end will be able to participate via voice channels on other satellites.

One of the most interesting medical broadcast ventures using the satellite will involve communications in Alaska between two small community clinics and a Public Health Service hospital. Health aides at each clinic will be able to place patients before a television camera and discuss their cases with doctors viewing the patients on a screen at the hospital. To preserve the patients' privacy, transmissions will be scrambled.

OUR FARM ECONOMY: A PERSONAL PLEA

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. THOMSON of Wisconsin. Mr. Speaker, the price of food has been dropping over the past few weeks. Consumer interests welcome that news. Yet, few consumers realize that accompanying the food price drop has been a nose-dive in farm prices.

Some dairymen in western Wisconsin have seen prices received for milk plunge as much as 25 percent in a month's time. At the same time, the price for articles that farmers must buy escalates far more rapidly than the national average. That is, the farmers costs escalate if he can find the needed items to buy.

A farm constituent of Wisconsin's Third District has written me an expressive letter on the situation. I commend it to your attention:

DEAR MR. VERNON THOMSON: Today I'm sitting in the house. I should be planting corn, but I'm not able to get a tire for my tractor. Every tire dealer I called had none and didn't know when they could get any.

I can't get steel for my barn roof, baler twine, some herbicides, barbed wire, and many other items that I need to do a decent job of farming. Even when I get the things I need the prices are unbelievable.

Baler twine in 1973 cost $6.95 bale and in 1974 cost $29.90 bale.

Gasoline in 1973 cost $.28 gallon and in 1974 cost $.48 gallon.

Barbed wire in 1973 cost $9.95 roll and in 1974 cost $39.95 roll.

Fertilizer in 1973 cost $84.00 ton and in 1974 cost $148.00 ton.

Meanwhile, the prices we get for farm products are dropping rapidly.

If the city consumers' food went up 40 percent, every politician would be hollering. But let the prices the farmer pays for things go sky high and I hear nothing at all.

LATVIAN HERITAGE FOUNDATION HONORS GEN. DOUGLAS MACARTHUR

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. WYMAN. Mr. Speaker, Baron William Frary von Blomberg, chairman of the American Committee of the Latvian Heritage Foundation, and one of my constituents, recently presented medals to Gen. Douglas MacArthur posthumously through Mrs. MacArthur for the general's great contributions to the fight against oppression and for the freedom of the enslaved.

Baron von Blomberg presented the Captive Nations medals to Mrs. MacArthur at the Virginia Beach, Va., chapter of the Military Order of the World Wars dinner in her honor on May 2. He also delivered a speech that evening on behalf of the Latvian Heritage Foundation, a nonprofit organization established to protect and preserve the centuries-old Latvian culture and to give impetus to new cultural creations by Latvians in the free world. His remarks are a great tribute to a great man who, in his words, "represented the spirit of freedom itself."

The text of his speech follows:

SPEECH BY BARON WILLIAM FRARY VON BLOMBERG

Mrs. MacArthur, Colonel Bunker, Captain Alexander, members of the Virginia Beach

Chapter of the Military Order of the World Wars, ladies, and gentlemen: I am delighted to be with you tonight and to have been asked by the Chairman of the Board of the Latvian Heritage Foundation, Sylvester P. Lambergs, who could not be here among us, to perform a very important and pleasant duty.

If the freedom of just one human being is suppressed, then all the free peoples of the world must be concerned and liberate that individual because the bondage of that *one* jeopardizes the freedom of all!

Today, not only *one* individual but entire nations—millions of individuals—are oppressed, subjugated, and exploited. Tonight I stand before you as the representative of these peoples, these twenty-eight nations, which are held captive by the ideology and tyranny of the cancer of today's world-Communism. You are, of course, familiar with this fact and the names of these twenty-eight nations; therefore, I will not list them.

To mark this tragedy and to give warning to the Free World, the Captive Nations Committee issued silver and bronze medals to be awarded to personalities who have contributed greatly to the fight against oppression and for the freedom of the enslaved. These medals bear a likeness of President Dwight D. Eisenhower, who was the first United States President to issue a Captive Nations Proclamation in 1959; and the reverse side of the medals has the inscription: "The President issue a proclamation each year until freedom and independence shall have been achieved for all Captive Nations of the world."

The Latvian Heritage Foundation, with its headquarters in Boston, Massachusetts, in accord with the decision of the Captive Nations Committee, honors by the award of these medals tonight—posthumously—a truly great humanitarian and American patriot— Douglas MacArthur.

His entire life was a complete dedication not only to his own country and nation, but also to the freedom and liberty of other nations, other countries. A man who in his own being embodied and represented the spirit of freedom itself.

When freedom was lost, when the word "liberty" became a mere whisper in the dreams of the enslaved, Douglas MacArthur gave hope with the simple, yet most deeply dedicated, statement: "I shall return." This man and his promise are not of the past: they are the inspiration and support of all the enslaved of today and their hope and fulfillment of tomorrow.

The Captive Nations in turn will be highly honored by the acceptance of these medals for addition to the MacArthur memorabilia gathered in the nearby MacArthur Memorial in Norfolk, whose important work is supported by the MacArthur Memorial Foundation, of which your speaker tonight, Colonel Laurence Eliot Bunker, is a leading official.

In deep gratitude to General MacArthur, and at the same time honoring Mrs. MacArthur's own convictions and ideals of freedom and human rights—I present the Captive Nations medals to you, madam.

SOMETHING AMISS WITH BOEING HELICOPTERS

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. ASPIN. Mr. Speaker, hundreds of U.S. helicopters all manufactured by the Boeing Co., have either been restricted or grounded in recent months according to Pentagon documents which I am publicly releasing today.

The Pentagon report provided to me by Assistant Secretary Arthur Mendolia, raises serious questions about the safety of hundreds of U.S. military helicopters. Eighteen of the Army's CH46 Chinook helicopters were completely grounded in January and February due to engine problems. Similarly a total of 258 Army Chinook and Marine Corps and Navy CH46 helicopters have had severe restrictions placed upon their flights.

I am asking the General Accounting Office to thoroughly investigate these technical problems and their impact on the safety of the helicopters. These recent groundings and restrictions raise serious questions that need thorough, independent investigation.

It is interesting to note, Mr. Speaker, that all of the CH46 and CH47 helicopters were manufactured by Boeing's Vertol Division and are so-called tandem rotor or double rotored helicopters. The United States is the only major country which has built large numbers of these helicopters and there are question about their relative effectiveness and cost that need further inquiry. Both Britain and the U.S.S.R. have refrained from building any test models of the double-rotored helicopters.

There is clear evidence that something is amiss with these Boeing helicopters.

I am asking the Pentagon to inform me of all restrictions on any of the CH46 and CH47 helicopters.

COSTLY RESEARCH ON TEACHING NEVER USED, SAY PROBERS

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. HUBER. Mr. Speaker, since Federal aid to education started about 10 years ago, billions of dollars have been appropriated by the Congress in the name of better education. A sizable amount of money has gone for research projects on how to better impart subject matter to pupils. Has it been profitable? A recent GAO report says that most $48.8 million of it was wasted. The news item from the Detroit News of December 9, 1973, follows:

Costly Research on Teaching Never Used, Say Probers

Washington.—Congressional investigators say that most of $48.8 million in government education research may have been wasted because it never got from the laboratory to the classroom.

The contractors simply didn't determine whether there was any market for the products they developed, said the General Accounting Office (GAO), or they couldn't show that their products were effective.

Under study were new and better ways of teaching the three R's—readin', 'ritin' and 'rithmetic—teacher training courses, and school organization and management structures.

"The contractors generally have had problems, however, in getting research results into the classroom," the GAO said in a 40-page report to Congress, the White House and the Department of Health, Education and Welfare (HEW).

The victims of the research that never reached them were slum children, Alaskan native children and other underprivileged children, GAO said.

For example, one government contractor developed, at a cost of $800,000, a preservice teacher-training program intended to better prepare potential teachers for work in the inner city.

"Our analysis of the teacher reaction data showed that the averages for the groups tested were generally higher before taking the program than after completing the program," GAO said.

Its investigators reviewed 17 programs costing $48.8 million at educational laboratories and research and development centers established under the Cooperative Research Act. Federal appropriations for laboratory and center programs from 1963 through last December totaled $211 million.

The investigation was made because of congressional concern over educational research and its accomplishments.

GAO recommended that in the future, government contractors should demonstrate the marketability of proposed educational products—such as books and audiovisual supplies—considering such factors as the special needs of the intended users, the product competition and the product cost.

In a way, HEW defused the report by agreeing with its conclusions.

National Institute of Education created by the Education Amendments of 1972 has taken over responsibility for this research previously administered by the U.S. Office of Education.

Research evaluation and follow-through will be better, HEW promised.

But this is part of the problem cited by the congressional watchdogs. Four different management officials were responsible for directing the Office of Education's research and development program from 1968 to 1971. And now there is new management.

BAN GROWING OF THE OPIUM POPPY

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. WOLFF. Mr. Speaker, I am happy to see from a recent news report the announcement from Greece that there will be no growing of the opium poppy there. Although Greece has the capability to grow opium, the Greek Government has announced the continuation of its ban on the production of opium. I applaud the Greek Government for its efforts in this area, and I would like to insert a news bulletin about the Greek ban in the Record for the attention of my colleagues:

Opium Poppy

Greece insists in her policy of banning opium production, having the conviction that by applying this policy, within the measure depending from her, she protects not only her own youth but also the youth of other countries, foreign minister Mr. Spyrus Tetenes stated here today.

He was answering questions of newsmen, on the occasion of seminars attended by American and Greek police and customs officers on means to combat the social plague of opium, which are currently held in Greece.

To another question on Greece's policy on opium during the last few years, the foreign minister stated that Greece had ratified, in 1962, the New York protocol of 1953 on the limitation of opium production and trade.

Despite the fact that on the basis of the said protocol Greece had the option to produce opium, the foreign minister said, not only did she not make use of this facility in action, but also banned by law, in 1972, the cultivation of opium in the country. Moreover, he added, due to the social danger arising from the use of narcotics, Greek courts correctly impose extremely heavy sentences on those attempting to import narcotics into Greece or smuggle them in transit.

To a question that opium is a very serious social problem in certain countries and that no country could be considered safe before such a danger, and whether Greece's example found imitators in other countries, Mr. Tetenes said: "We hope that the necessity of taking radical steps on this sector by all will become common conscience soon. The danger is such that in our opinion, even simple tolerance of cultivation of oriental poppy (papaver sohmniferum), even for medical purposes, confine the risk of a leakage of part of this production to international gangs dealing in narcotics, to the detriment of the entire international community."

A LOOK AT OIL SHALE ABUNDANCE AND ECONOMICS

HON. WENDELL WYATT

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. WYATT. Mr. Speaker, late last year, during the more severe stages of the energy crisis, Mr. Gerald Reiner of the Bonneville Power Administration, was interning in my office. During his stay, he researched and compiled two reports on the American energy situation. One of these reports investigates the possibilities of extracting sizable quantities of shale oil from the American West. I believe his report presents a thorough review of those possibilities, and I wish to share it with my colleagues:

A LOOK AT OIL SHALE ABUNDANCE AND ECONOMICS

At the present time there is no U.S. industrial processing of oil shale, as such. However, experimental facilities can extract and process up to 1000 tons per day of oil shale. There are about 112 billion tons of oil shale in the Piceance Basin of Colorado which are now economically recoverable into crude oil at rates of 30 gallons or more per ton. A larger quantity of lower grade shale is also present in Wyoming, Utah, and Colorado which may prove to be recoverable in the future.

Implementation of the Prototype Oil Shale Leasing Program could result in the production of 250,000 barrels per day (b/d) of crude shale oil from six leased tracts, two each in Colorado, Utah, and Wyoming. Should the Wyoming tracts be untouched because of the low shale quality (20 gallons per ton) or the unsolved technological difficulties of in situ extraction (removing the shale oil, but not the shale, directly from the earth) the predicted yield becomes 200,000 barrels per day.

Industrial capital investment of nearly one billion dollars is necessary to establish a prototype industry capable of producing 250,000 b/d. This would, in turn, create annual revenues of $55 million for the State and local areas and $135 million for the Federal treasury. A mature industry producing 1 million b/d in the 1980's is predicated upon the success of the prototype. This implies the additional operation of 17 complexes with proportional amounts of investment, revenues, and processing activities.

INPUT-OUTPUT FOR 250,000 BARRELS PER DAY

1. Energy. Although crude shale oil is of a source of energy, the processes of its recovery are energy consumers. In considering the energy requirements for a sustained production of 250,000 b/d, the energy input can be divided into three categories;

(a) Energy expended on the initial set-up, i.e. the manufacture, transportation, and installation of the physical components used for oil shale extraction and processing. This energy is of a once only type, difficult to estimate and amortize for the useful life of each component.

(b) Energy expended on the daily living requirements of those employed by the operation. This energy is not considered to be a production requirement, but rather a necessity for the pursuit of life, liberty and happiness of individual persons. It may change the local energy situation, but the national energy requirements do not depend greatly on the population distribution.

(c) Energy expended on the daily operation and maintenance of the equipment and processes. This is a steady ongoing input of energy including digging the shale, transporting it to the heating facility, "boiling" the oil out at 900° F., distilling the vapors back to liquid, and preparing the product for transport. An estimate for this energy input is not available now, but some work is being done on preliminary figures at the Morgantown Research Center (see Reference 5).

The process of "boiling" and condensing will probably use the carbon and volatile gasses of the oil shale for an energy source. This is roughly estimated to be 5% to 10% of the oil shale "burnable" energy, which is probably unrecoverable for other uses.

Crude shale oil is upgraded by the addition of hydrogen. This mixture lowers the viscosity of the crude oil from a honeylike consistency to a more readily flowing liquid. Besides improving the handling characteristics of the oil, hydrogen additives upgrade the energy content of the oil.

Hydrogen production on site can be accomplished with on site electrical generation. Electrolysis of water together with other electrical operations represent a constant 50,000 KW loads at each 50,000 b/d plant location. Generation of 50,000 KW hours, every hour, can be achieved by reusing the heat from the retorting process.

2. *Water*. Operation of the oil shale industry is water dependent. Supplies can be obtained from underground sources (ground water) and from surface sources. Together these sources must supply 40,000 acre feet of water annually for the immediate use of the prototype industry which may foreclose the water's usefulness for other purposes. Possibly 25,000 acre feet of this requirement can be supplied from ground water recovered incidental to the oil shale removal. At least 15,000 acre feet must come from surface water sources. The only nearby supply is the Colorado River System.

Water withdrawn above Hoover Dam is more pure (less salty) than its downstream counterpart. The 1970 salt concentration at Hoover Dam was 760 milligrams per liter (mg/1) but this figure increases with upstream water removal since the same salt content will then be dissolved in less water. The implications for upstream removal of 19,000 acre feet of water per year are an increase of salt content of 1.5 mg/1 at Hoover Dam which creates an economic detriment of $100,000 per year in the lower Colorado Basin. The river system can be additionally polluted by the leaching process on spent shale, accidental loss of some portion of the contaminated water, and inadvertent loss of other chemicals or waste products. Water temperature should not appreciably change during prototype operation.

3. *Air*. Mining and processing of oil shale is a dust producing operation. Dust collectors and wetting operations are intended to reduce airborne particles to an acceptable level. Dust sources include shale crushers, ventilation air, conveyors, and wind activity on spent shale prior to its final disposition. A 250,000 b/d operation is expected to produce 400 pounds per hour of airborne dust. This amounts to 5 tons per day distributed over the three states.

Energy consumption for plant operation and maintenance includes the use of fuels such as diesel oil and gasoline. These and other sources will further pollute the air with undesirable gases. Oxides of sulfur and nitrogen are combustion by-products. An estimated 350 tons of SO_x and and 5 tons of NO_x will be exhausted daily into the atmosphere during 250,000 b/d production.

The immediate plant atmosphere is also expected to carry away one other surplus commodity—heat. Each ton of crushed oil shale must be heated to at least 900° F. for the trapped oil to escape. Most of this heat is captured inside the kiln by the retorting cycle, which greatly increases efficiency. With a properly designed vertical kiln, shale disposal temperatures may be as low as 150° F. Calculations based on this and an ambient air temperature of 60° F. show that 11 billion BTU of heat is absorbed into the surrounding air per day. This is equivalent to the daily heating of 22½ acre feet of water from 32° F. to 212° F.

INPUT-OUTPUT FOR 1 MILLION BARRELS PER DAY

1. *Energy*. By the time a mature industry is assembled, many of the improvements discovered by the prototype forerunners should be ready for implementation. In addition, the advantages of mass production will be realized. Estimates for the energy input necessary to produce 1 million barrels per day in the 1980's are not available (see reference 5).

2. *Water*. Demand for industrial water appears to be directly proportional to shale oil production, at least to 1 million barrels per day. As stated before, the removal of water above Hoover Dam will increase river salinity. A mature industry probably would draw upon the river for 120–190 thousand acre feet of water annually. High consumption would increase salinity at Hoover Dam by 2% (15 mg/1), causing downstream losses of $1 million a year. The atmosphere would reclaim the water evaporating from the holding ponds.

3. *Air*. Full scale industrial production will be accompanied by an increased dust level. Approximately 20 tons of dust per day will be carried away in the air and deposited nearby. Many times that amount will be trapped inside the dust collectors. Discharge levels of sulfurous oxides are estimated to be 700 tons per day; estimates for nitrous oxides are 20 tons per day. This is based on increasing the present 90% sulfur removal to 95% but not improving the NO_x removal techniques.

WASTE MATERIAL

In addition to the oil shale, some amounts of earth will also be excavated. When oil shale is covered by earth (overburden) there are two options, surface mining with complete earth removal or underground mining with minimal earth removal. This earth and the spent shale must be temporarily located away from the immediate mining area. After mining activities progress away from a vicinity, spent shale might be backfilled into the excavation. Unfortunately, the crushing process has permanently increased the shale volume so that it is larger than the hole from which it came. One cubic foot of raw oil shale can increase to 1.5 cubic feet of spent shale. Compacting may eventually reduce this to 1.125 cubic feet. A total volume gain of at least one-eighth is expected. Production of 1,000,000 b/d implies daily processing of 21.7 million cubic feet of oil shale with at least 2.7 million cubic feet having no point of return. Even with complete backfilling and compacting, the yearly surplus of 985 million cubic feet is as big as 50,000 houses.

Experiments have shown that with a little extra help, the mountains of spent shale left behind can be revegated. Rain water or irrigation water will initially contain extremely high concentration of dissolved materials until these are washed out of the shale. After this transition period, the shale exhibits a steady character which lends itself to treatment. Plant growth requires cultivation of the upper foot which includes mulching, fertilizing, and watering. Seed germination may be threatened with the black body heat absorbed by naked shale in the sunlight. The addition of native soil as a cover for a stabilized shale pile accomplishes two things. It serves both to establish a normal ground temperature and to duplicate the biochemical base of the region. Both of these conditions favor the eventual return of local vegetation.

Freezing and thawing cycles are expected to crack the surface shale, perhaps to depths of 10 feet. Since the piles will be 250 feet deep, these fractures will benefit vegetation without sacrificing the ability of lower layers to inhibit leaching and erosion.

Portions of the water necessary for the oil shale industry may be used more than once. Eventually it will all end up as waste material. Some water will be trapped for centuries within the spent shale piles. Free waste water must be impounded in surface ponds or carefully disposed of in subsurface strata. Most of the water will probably evaporate either during the heat process or from surface holding ponds. The evaporation process will return clean water to the air and leave the solid particles and dissolved salts on site.

Objections to many aspects of oil shale development have been raised by conservationists/environmentalists. Up to 50,000 acres of land would be ultimately affected in the first 30 years of full production. Population of local air, land and water creatures is certain to change within and beyond the area. Return of plant life will be in stages, starting perhaps with grasses and plants foreign to the area, and ending with a balanced variety of native species. During this reclamation and conversion period, the area may be permanently changed into cattle grazing land. A planned return to the wildlife and vegetation conditions of today would take from 20 to 70 years.

SILVER JUBILEE OF THE REVEREND THOMAS J. COLGAN

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. RONCALLO of New York. Mr. Speaker, the Reverend Thomas J. Colgan plans to take the initiative in planning a parish celebration of his 25th anniversary of ordination.

Since he was appointed administrator of St. Philip Neri here just recently, not many parishioners know him very well as yet. So he plans to ask his parishioners to join him in a mass of thanksgiving on June 2, at 12:30 p.m. He will follow this with a party for the parishioners—"it'll be my party for them; I'll run it," he said. He also plans a smaller party for family and close friends at a later date.

Father Colgan attended William Cullen Bryant High School in Queens, and entered St. Francis College, Brooklyn, in 1941. In 1943 he transferred to Immaculate Conception Seminar, Huntington, where he completed his studies for the priesthood.

In his quarter century in the priesthood, Father Colgan has served at St. Anne's, Garden City; St. Raymond's, East Rockaway; St. Paul the Apostle, Jericho; and St. Thomas the Apostle, West Hempstead, before coming to St. Philip Neri.

I join with my colleagues in extending Reverend Colgan our congratulations and best wishes on this joyous occasion for his service to God and community.

THE STRUGGLE MUST CONTINUE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. BROWN of California. Mr. Speaker, we are all aware of the tragic events that have taken place in Chile in the last few months. Many of us have repeatedly demanded that investigations of this situation continue to move forward. This endless push for acknowledgement did get a few results. The International Commission of Jurists sent a three-member mission to Chile for the purpose of observing their trial procedures. This delegation has recently reported their observations to the Foreign Affairs Subcommittees on Inter-American Affairs and International Organizations and Movement. A preliminary summary of these reports was submitted by Congressman DONALD FRASER to the CONGRESSIONAL RECORD on May 22, 1974, page 16234.

In addition, the Commission on Inter-American Affairs is going to Chile in July to inquire into the reports of torture, lack of due process, and other matters. I was very glad to learn of these investigations, but in turn I am worried about a consequent relaxation on the part of all Members of Congress that were previously involved in the effort to help the Chilean citizens that have been affected by the practices of this military junta. I know the task seems very difficult indeed as we confront apathy or even sympathy towards the junta.

After reading the following section of an article by Joseph Novitski in the Washington Post on May 27, I became even more convinced that our continued lack of substantive action is actually perpetuating this monstrous violation of human rights.

The article follows:

CHILE FINDS TENSE PEACE UNDER JUNTA

(By Joseph Novitski)

Detentions have probably totaled tens of thousands. In some places, like the farming town of Rancagua, they can be tempered by common sense. The military commander there recently released a peasant denounced by a vengeful neighbor as the secretary of an outlawed leftist political party. A parish priest proved the peasant was illiterate and he was freed.

In other instances, legal reasons go unexplained. Orders are enough. For example, 34 surviving leaders of Allende's government have recently been returned to Santiago after spending eight months at hard labor, eating beans, lentils and starches, at the Dawson Island prison in the storm-tossed Straits of Magellan.

Two of the men were taken off the island ill and later died in Santiago hospitals. None has been formally charged. Their wives have been told that their interrogations will begin now, while the men are held in solitary cells without visitors or reading or writing materials. Then they will be tried by courts-martial.

Court-martial sentences sometimes have been tempered by mercy, as in the northern provinces where prison sentences have, at times, been reduced to decrees of internal exile. Those sentenced thus, like the Russian revolutionaries under the Czars, must live by their own means in towns well away from their homes.

In other instances, sentences, even for offenses committed before the coup and the declaration of war, have been tough. Ninety-six known death sentences have been carried out. There probably have been more. Recently, the junta intervened at the insistence of a Roman Catholic bishop to reduce five death sentences to long prison terms.

"We want to get rid of the Communists," a military prosecutor explained to a defense lawyer during a provincial court-martial. "We don't like doing it, but we have to be hard on them."

Lawyers, some doctors, and the 28 bishops of Chile's Roman Catholic church, have charged that prisoners in the junta's war have been tortured. The junta's interior minister, Gen. Oscar Bonilla, chose the other day not to deny the charge, but to assert that they were "damaging to the national interest and unacceptable." Gen. Augusto Pinochet, the army general who presides over the junta, has declared that there may have been excesses in the days following the coup, but that these have stopped on his orders.

The charges of torture are hard to prove, and the junta's rebuttals are difficult to evaluate because the victims have almost all remained nameless. At least one case this year found its way into the records of a court in the capital, however.

In March, a Mrs. Virginia Ayress filed a criminal complaint over the treatment given to her husband, Carlos, to her son and to her daughter, Luz de las Nieves Ayress. All three had been arrested late in January. The complaint, in accordance with Chilean legal procedure, was taken up for investigation at the first criminal court of San Miguel, a working class suburb of Santiago. It was given file number 40. 876–12.

In the bound court file, Mrs. Ayress said that her daughter had been tortured in four ways before being turned over to an army regiment, where she was unharmed, and later confined in Santiago's women's jail.

"She was raped ferociously by three or four men. She was handcuffed and blindfolded," the complaint stated. "Also they introduced sticks into her vagina, they tied her up and separated her legs and made rats walk over her, making them enter her vagina. They did the same thing with spiders. They applied electric current to her tongue, ears and vagina. They hit her head, especially behind the ears. They hit her in the stomach. The hung her up, sometimes by the legs and sometimes by the arms. They terrorized her because she had traveled to Cuba on a scholarship to study cinema in Cuba in 1971," the mother, said in her signed statement.

The criminal court judge ruled himself incompetent to act on the complaint last month.

"As soon as we knew they were detained because of their participation in the former government, we forwarded the file to the army prosecutor's office," a clerk at the court reported. An officer at Santiago's permanent military tribunal said the file had been forwarded this month to the air force prosecutor, who is drawing up the charges against the detained members of the Ayress family.

Cases such as that of Luz de las Nieves Ayress are not made public. But Chile, for all its narrow length, is a small country, of

> small cities and towns, except Santiago. The country's population of 10 million is roughly that of Pennsylvania. The army, although its size is secret, is probably no larger that the student body of a medium-size state university in the United States. The whole air force has as many men as a large high school. The word of arrests, some executions, and above all of the dismissals of leftists on a large scale from jobs in factories, mines and in the bureaucracy, gets around.
>
> "Sure, we should respect the armed forces," said a dirty, bearded fisherman on the waterfront of Antofagasta. "They're the people who defended the country, maybe even saved it. But now you look at them cross-eyed and they take you away for lack of respect for the military and, bam they shoot you like that."

Tortures and killings like these are becoming a way of life in Chile. It is not pleasant to read about this tragedy, but after doing so, silence, whether it be silence derived from apathy or from cynicism about our ability to help, is inexcusable.

> The existence and validity of human rights are not written in the stars ... Those ideals and convictions which resulted from historical experience, from the craving for beauty and harmony, have been readily accepted in theory by man—and at all times, have been trampled upon by the same people under the pressures of their animal instincts. A large part of history is therefore replete with the struggle for those human rights, an eternal struggle in which a final victory can never be won. But to tire in that struggle would mean the ruin of society.—(Albert Einstein, Feb. 20, 1954)

Currently, there are two bills that are sitting in the House Judiciary Committee. One is H.R. 10525, introduced by Congressman DRINAN, which provides for the acceptance of up to 50,000 Chilean refugees into the United States. The other is H.R. 13927, introduced by me, which authorizes a 5-year extension on the visas of Chilean temporary residents. These bills, if passed, would help those Chileans that are in fear of their lives and of their families' lives. They would also demonstrate our determination to help Chileans regain their human rights. Once again, I ask support for this worthy cause.

THE PENNSYLVANIA SINGERS: SPREADING GOOD WILL AND MAKING FRIENDS AS THEY PERFORM

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. YATRON. Mr. Speaker, the State Legislature of the Commonwealth of Pennsylvania recently adopted a unanimous citation, commending a group of young entertainers from our State: The Pennsylvania Singers. Such a tribute is fitting and I am honored to bring to the attention of my colleagues in the U.S. Congress the outstanding quality of entertainment and the spirit of friendship fostered by this group. It is, therefore, appropriate that the Congress recognize the fine work of these young Americans.

The Pennsylvania Singers represent as fine a group of young men and women as you will find in the country. Not only are they excellent entertainers, but they are refreshing and enthusiastic; they make many friends wherever they perform.

As evidence of their industriousness, the Pennsylvania group will begin a 17-day good will concert tour abroad, on June 19. The talents of these wandering minstrels will carry them to Berlin and Wiesbaden, Germany; Amsterdam, Netherlands; and London, England.

They will no doubt serve as outstanding emissaries—as representatives of the United States. I know that they will present the true image of American youth: friendly, industrious, conscientious, and decent. Through their musical entertainment, the Pennsylvania Singers will reflect with great honor and credit upon their native country.

This group is comprised of present and former members of the "Governors and First Ladies" of Governor Mifflin High School, Berks County, Pa. Mr. Robert J. Cooper is the director of the Pennsylvania Singers, and is also music director for the Reading Civic Opera and chairman of the Music Department in the Governor Mifflin Schools. Eleanor Oberly is their publicity director.

During their upcoming European tour, these entertainers will offer an outstanding selection of contemporary music and show tunes, featuring several soloists. Among them are Joan Wiest, Kurt Oberly, and Bruce Pflum. Walter Hollis and his orchestra will also be featured. Even dance numbers will be performed by Craig Caltagirone, David Carl, and Donna Screpesi. All of the performers in the group have been acclaimed by all who have been fortunate enough to have seen them entertain.

The Pennsylvania Singers—spreading good will, not only in their native country, but abroad as well. American emissaries worthy of our best wishes and congratulations.

CHARLOTTE T. REID HONORED

HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. ARENDS. Mr. Speaker, for 9 years, from 1963 through 1971, it was the pleasure of many of us in the Congress to serve with one of the most delightful and talented women in public life today—the Honorable Charlotte T. Reid.

Mrs. Reid was a "representative" in the truest sense of the word. Not only was she a tireless and effective worker in behalf of her district and a diligent student of government and the legislative process, she brought to her office and this House a deep concern for personal and public integrity.

Because of these qualities and her proven record, the President called upon Charlotte to serve in another post of high responsibility in the administration—as a Commissioner of the Federal Communications Commission. We, in the Illinois delegation, and her many friends on Capitol Hill have applauded her outstanding performance in this new assignment.

Last week Aurora College, located in her home town of Aurora, Ill., conferred on Commissioner Reid the honorary degree of doctor of laws. Under leave to extend my remarks in the RECORD, and because I know it will be of interest to so many here, I wish to include the citation of Dr. Clyde E. Hewitt on this occasion:

HONORARY DOCTOR OF LAWS DEGREE TO CHARLOTTE THOMPSON REID

> As climax to the May 26 commencement exercises at Aurora College, Commissioner Charlotte T. Reid of the Federal Communications Commission was named honorary doctor of laws. She was speaker for the college's 81st commencement. Her topic was, "After Commencement—What Then?"
>
> Dr. Clyde E. Hewitt's citation said: "Charlotte Thompson Reid is an Auroran who deserves honor and recognition.
>
> "In her own life and career she combines much of what is traditional in the American success story with that which is newer—the enlarged role of women in our societal life.
>
> "Hers is a family background of very modest economic means but of strength of character, of a public school education followed by two years of small-college, private higher education, of an additional two years, in the midst of the Great Depression alternately singing over radio stations and taking vocal lessons—all of this to the end that she might pursue her dream of a career in music. Perseverance justified itself when, in the fall of 1936, she won a contest to become the featured soloist on the popular Don McNeill Breakfast Club radio show.
>
> "As Annette King, her pleasing contralto voice won her the hearts of millions of listeners and brought her to the attention of a young Aurora attorney, Frank R. Reid, Jr. Shortly thereafter, her professional singing career ended and she started her second career—one she still views as her most rewarding—that of wife, homemaker, and the mother of four children.
>
> "Her husband's decision in 1962 to run for national political office and his sudden death following a primary victory led her, tragically and unwillingly, but nonetheless successfully, into a third career—this one, like the first, in the public eye.
>
> "In response to party pleadings and in loyalty to her husband's dream, Mrs. Reid successfully finished the race her husband had begun. Her reelection to Congress in 1964, in 1966, in 1968, and in 1970 indicates, as the testimony of her associates amply corroborates, that she took her Congressional responsibilities seriously and discharged them well.
>
> "Her success in the legislature was reached through long, careful, and detailed study of pending legislation, through the intelligent seeking of advice, and through insistence upon the consistent application of her political philosophy.
>
> "Her ability to grow into the responsibilities of political office commended her to President Nixon at a time when he was seeking women to fill high administrative position in the Federal government. Mrs. Reid began serving a full seven-year term on the Federal Communications Commission in October 1971. Once again, she demonstrated a capacity to learn on the job through dedication to long and hard study and devotion to duty. Indeed, she has pursued her responsibilities so well that, in the technical as well as the legal aspects of its work, she is now recognized as one of the best informed members of that Commission.
>
> "In her Washington career Mrs. Reid has demonstrated a traditional, if not nowadays always typical, concern for personal and public integrity. Staunchly conservative in

her political philosophy she has often, as a Congresswoman, seemed simply to be following the thinking of the Republican organization when, rather, she was voting her own mind. The occasions on which she opposed her Party, even sometimes standing alone in doing so, speak for her integrity.

"Her Congressional office in Washington was a homey and friendly place, one where her constituents felt welcome and at ease. It bespoke her genuine love for people, her desire to know and be known by her constituents, and to represent them well in Washington.

"Charlotte Thompson Reid is a person who deserves honor and recognition. She has served, and continues to serve, honorably and faithfully. Her public career combines much of that which is best in traditional America with the challenge of the new America."

Dr. Hewitt addressed acting president Mark H. Trumbo, saying "I am happy to present to you for the honorary degree of Doctor of Laws Charlotte T. Reid, accomplished musician, wife, mother, successful Congresswoman, trusted and competent Federal administrator, careful student of governmental affairs."

Mrs Reid's address culminated graduating ceremonies for 183 students who received degrees as bachelors of arts.

Aurora College is an accredited four-year senior college of liberal arts located 40 miles west of Chicago. The college was founded in 1893 by the Advent Christian Church. Aurora students may choose from more than 40 areas of concentration.

PRAISE OF EXCELLENCE FOR CRAFTSMANSHIP

HON. DAN KUYKENDALL

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. KUYKENDALL. Mr. Speaker, every year, hundreds of comments are inserted in the CONGRESSIONAL RECORD in praise of excellence. From time to time, the level of artistry in every endeavor is praised, and quite rightly.

I think it is time, Mr. Speaker, for the Congress to recognize such excellence right here on Capitol Hill. Some of the finest artists and artisans in America have received just praise in this Chamber, but we have failed to recognize the products of artistry that come from the shops under the very floors we stand on.

Mr. Speaker, if you look in on the Sergeant at Arms office, you will be struck with the beauty of the new cabinet for the Mace—it is truly one of the finest pieces of craftsmanship I have ever been privileged to see. This work was done in our cabinet shop in the Rayburn basement under the guidance of its manager, John Kostelnick.

The finish for this beautiful piece of handiwork was done by the finishing shop whose superintendent is Tom Ruit.

From the finishing of cabinets in the Speaker's Lobby to the restoration of upholstery under the direction of Jim Stephenson in the upholstery shop, the level of craftmanship in these congressional shops should be complimented by all of us. The skills of these talented artisans in creating and restoring traditional pieces all around us are worthy of the history whose setting they build.

THE WASTE OF THE TAXPAYERS' MONEY TO SUPPORT RIDICULOUS FEDERAL ACTIVITIES MUST BE STOPPED

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. KEMP. Mr. Speaker, the purposes of government are outlined clearly in our Constitution.

They are—stated in the most succinct terms—to protect economic and political freedom through the preservation of internal order, the administration of justice, and the provision of national defense. The common welfare of the people is best preserved when government concentrates its activities in carrying out those purposes.

Yet, government continues to grow and grow, to the extent that the American people are required to work a third of every day just to pay their taxes.

The projected total Federal expenditures for the forthcoming year—fiscal year 1975—now stand at $313,400,000,000—that is $313.4 billion.

It will take on the average a staggering $1,492 from every single, living American—man, woman, and child—in hard-earned but surrendered tax dollars to pay for those Federal expenditures.

And, lest we forget what that per person figure really means to the average American family of four—with the husband and father as the breadwinner, the wife taking care of the household, and the children in school—it means a tax payment to the Federal Government of a phenomenal $5,968 for that family.

I am aware that many pay more—and many pay less—but when one considers that this is the average amount paid, it ought to compel every legislator to absolutely require—I repeat, require—that tax dollars are spent only for essential and important programs.

That is why it was particularly distressing to me to read an article—and I commend its author for having written it and thereby having brought to our attention these facts—on some of the absurd expenditures being made by the Federal Government. I will detail some of the examples cited in that article in a moment.

What ought these examples of wasteful expenditures tell us? Several things.

This is what happens when there is no priority-setting requirements on how tax dollars are spent. Frivolous, yet expensive, projects are funded only when there is not a sufficient review or oversight of the program. That is why I support reform of our budgetary process, reform to require that every program be carefully reviewed for how the money is being spent.

This is what happens when there is no ceiling on government revenue. History tells us that there is a limit to how much of the people's money government can take in the form of taxes. When that limit is passed, we invite the disintegration of our economic strengths. If there were a fixed limit on how much government could take in and how much it could spend, beyond which it could not go, then these kinds of expenditures would not be happening. That is why I have introduced legislation—a proposed constitutional amendment—to freeze the total amount of taxes government can take from the people.

This is also what happens when we authorize and appropriate more money than is really needed for the conduct of programs. That is why I have supported—and will continue to do so—cuts in the budget. I have and will vote against these kinds of projects.

We can only reduce the cost of living when we reduce the size of government spending. Excessive government spending pushes the cost of living up—and it pushes our purchasing power down. I can think of no more appropriate a place to start the process of cutting down the cost of living than cutting down the size of government. And, stopping these virtually ludicrous expenditures is where we should start—now.

Taxpayers' organizations and taxpayers' unions across this country are working courageously and diligently to stop what appears to be government's insatiable appetite for the taxpayers' dollars. I commend their efforts at all levels—National, State, and local. Their tireless work helps immeasurably to buttress the resolve of fiscally minded, tightfisted legislators, like myself, to hold the line against expenditures. Think, therefore, how discouraging it must be—when important priorities are clear for all of us—to read the likes of what was contained in this recent article.

Here are but a few examples of the waste which is pervading the expenditures of the Federal Government today. Keep in mind, as you hear and read these examples, that each person—on the average—had to cough up $1,492 in Federal taxes to meet these expenditures.

The Pentagon spent $375,000 to study the Frisbee. Some 251 people—let us say residents of Cheektowaga—at $1,492 each—were required to pay for that with their tax dollars.

A $70,000 grant was made for the study of the smell of perspiration of the Australian aborigines. Forty-seven people in Amherst paid for that.

Forty-five people in West Seneca are the equivalent of how much tax money it took to pay for a $68,000 subsidy to the Queen of England not to grow cotton on her Mississippi plantation.

A full 1,350 people in Hamburg—over 1,300 people—is the equivalent of having given $2,000,000 for the purchase of a private pleasure yacht for Marshall Tito, the ruler of Communist Yugoslavia.

The interdepartmental screw thread committee—established in World War I and never abolished—whose purpose it was to make nuts and bolts fit—still costs the taxpayers $250,000 each year. It would take the average tax payments of over 170 people in Alden to pay for that obsolete committee's upkeep.

The tax dollars of 48 people in Aurora was required to pay for the Government $71,000 investment in a history of comic books.

Then, the Federal Government chipped in $203,979 to extend travelers aid to people lost on the Los Angeles Freeway—something, it seems to me, Los Angeles or the State of California ought to be paying for. But, my opinion notwithstanding, over 130 people's Federal taxes from Brant went to pay for that California project.

The examples go on, and on, and on. And, the hardworking people of Erie County, N.Y., and a thousand towns, villages, and hamlets across the breadth of this land, had to pay for them.

At this point, therefore, I include the full text of the informative article, written by James Dale Davidson and appearing in the Pittsburgh Press of March 29, 1974:

[From the Pittsburgh Press, March 29, 1974]

IN AMAZING WAYS, BUREAUCRATS BLOW YOUR INCOME TAX

(By James Dale Davidson)

(NOTE.—The writer is executive director of the National Taxpayers Union.)

WASHINGTON.—Sitting down with their scratch pads at tax time, people comfort themselves with the notion their money is going to pay for activities which are at least hypothetically good.

It buys weapons to fend off the heathen, helps clean the slums, fights cancer, establishes "a lasting structure of peace" and so on.

REALITY FAR MORE DUBIOUS

The more cynical among us may have more gruesome theories, but our doubts are seldom equal to what really goes on.

Some examples of government spending are so implausible they make the Congressional Record second only to National Lampoon as a comic source.

One man in Texas, who spent several years gleaning fiscal funnies from the Record, thought the material was so hilarious he was demanding $25,000 from a book publisher for his findings.

Chances are he'll never get the money, not because his examples aren't good reading, but because they are so easily duplicated.

They're like mosquitoes in a swamp. Anyone who cares to wade in can come away with as many specimens as he can stand.

For instance, how many typical taxpaying shoppers who complain about the cost of bacon know they are footing a $35,000 bill for one year of chasing wild boars in Pakistan?

A SNIFF OF CASH

Just as ridiculous is the $70,000 which went to study the smell of perspiration given off by an Australian aborigines.

No doubt some money could have been saved on the aborigine project if only the State Department had prevailed upon Turkey to lend the Australians the odor measuring machine we purchased for the Turks for $28,361.

The Bedouins got $17,000 for a dry cleaning plant to spruce up their djellabas (garments).

Morocco's economy got an unexpected boost from U.S. taxpayers in the form of a $37,314 potato chip machine. All the Moroccans needed then was potatoes.

The queen of England received $68,000 for not planting cotton on her plantation in Mississippi. Ford Motor Co. got only $14,000 for not planting wheat, and Libby McNeil garnered $19,000 for growing no cotton.

But the queen came off like a proletarian compared to Yugoslavia's Marshal Tito, who received $2 million to purchase a luxury yacht.

Tito travels in even better style than Mr. Nixon's drinking buddy, Leonid Brezhnev, whose stake in solving the oil crisis was increased when American taxpayers picked up the tab on his 12th limousine.

Not all was lavished on royalty and foreign potentates: $31,650 went into new carpet for House Speaker Carl Albert, D-Okla., $21,000 for drapes and $44,000 for chandeliers.

Another $65,000 went to finish the furnishings.

Another piece of furniture, not in Albert's office, also claimed a lot of tax money. The zero gravity toilet—developed by the space program to function under such conditions—cost $80,000.

But that was nothing compared to the tab for "environmental testing" of the same toilet, which came to $230,000.

NUTS, BOLTS $250,000

The interdepartmental screw thread committee, established as a temporary agency to speed the end of World War I, is still laboring to make nuts and bolts fit. Cost: $250,000 a year.

Meanwhile, the bureaucrats who devise all these important projects need a break once in a while.

The Alaskan Chateau in Anchorage is maintained for their exclusive use (providing they make $22,000 or more, or they're members of the military above the rank of major).

For 3 dollars a day, these "public servants" can unwind in steam rooms, sauna, sunrooms, massage rooms, a gym and cocktail lounge.

Salaries of the government employees who act as servants at Alaskan Chateau exceed $100,000 a year.

The cause of higher learning has been bolstered in ways that would have dazzled Gulliver more than his visit to the Grand Academy of Lagado.

For reasons unknown, government research has located the frontiers of man's knowledge in three remote countries: Poland, Burma and Yugoslavia.

FROGS CROAK $6,000

A study of Polish bisexual frogs cost $6,000; Another $85,000 was consumed learning about the "cultural, economic and social impact of rural road construction in Poland" and $20,000 was devoted to study the blood groups of Polish Zlotnika pigs.

The bounty for finding Yugoslavian lizards was $15,000.

But geography is no barrier to the search for knowledge.

We spent money like mad in other areas too: $5,000 to tabulate the differences between native American and Indian whistling ducks, and $20,000 for investigating the German cockroach.

A history of comic books cost $71,000, making it far more costly than the dictionary of witchcraft compiled for a few measly grand.

An analysis of violin varnish cost $5,000, while 10 times that amount went for analysis of the fur trade between the U.S. and Canada between 1770 and 1820.

In another area of great concern to average taxpayers, $20,324 was spent to learn about the mating calls of Central American toads.

The toads' problems were only one-tenth as pressing as those of the city of Los Angeles, which received $203,979 to extend Travelers' Aid to migrants lost on the freeway.

POEMS IS ODE TO $5,000

Culture also benefited from an infusion of government funds.

Some genius got $5,000 to write the poem "lighght." That's not the title by the way, that's the poem.

The whole thing comes to seven letters worth $714.28 each.

HEW spent $19,300 to find out why children fall off tricycles. The answer: "Unstable performance, particularly rollover while turning."

Not to be outdone, the Pentagon spent $375,000 to study the Frisbee. This, of course, is less discouraging than having them spend $375,000 to buy a Frisbee.

That could have happened if Frisbees were large enough to be pitched as tents.

When Air Force engineers decided to "invent" a device to cover the lips of missile silos, they spent $1 million to come up with a prototype which looked for all the world like a tent.

Within hours after the newly invented tent had been fastened down, it disappeared. Later, investigators found it blowing head-over-heels across the prairie.

PENTAGON PINNED

Experts investigating the construction of the C-5A cargo plane found proof of the Defense Department paying $111 for a pin.

Overall construction was so inefficient that if your family car were built on the same methods with similarly inflated labor costs it would have to be priced at $100,000.

Congressional spending watchdog Sen. William Proxmire heard testimony about another bit of fiscal mischief with true human interest.

I am not referring to Proxmire's discovery that Pentagon bigwigs routinely spend $600,000 outfitting executive jets for themselves, but to the testimony of Herbert J. Frank, president of Aerosonic Corp.

He told the Joint Economic Committee the government once canceled one of his contracts because he was one day late in delivery.

The Pentagon then let a new contract for the same items to a giant aerospace contractor who failed to deliver for more than a full year.

When McDonnell-Douglas made square holes in an airplane instrument panel designed to house one of Frank's round altimeters, he saw a chance of revenge.

GREED CONQUERS SHAME

"They needed the plates (to cover the square opening and leave a hole the shape of the instrument) desperately. So we came up with a price of $15 for each plate.

"We were actually ashamed to ask so much, for it was a little $3 stamping plate, but we figured we were really going to take them."

Frank and his small company were disappointed in their effort to rip off your tax money. The Pentagon turned down his bid of $15 apiece. The accepted bid, from McDonnel-Douglas, was $230 per plate.

Other highlights of tax spending:

$33,101 to the Israeli Institute of Applied Science to conduct "a test of the husband-wife relationship."

The Department of Transportation gave extensive and expensive psychological tests to Polish truck drivers, which seems a bit more useful than the metric and morphological study of the evolution of the chin of Polish skeletal populations between 2000 B.C. and the year 1800.

$3,000 to search for Indian lizards.

$25,000 to study biological rhythms of the catfish in India.

$8,500 to study Medieval Spanish satire and invective.

$14,000 to learn about speciation in cave beetles.

$2,458 to train 18 Good Humor peddlers.

$70,000 to classify and determine the population biology of Indo-Australian ants.

$12,600 to study the chromosomes of chipmunks.

$159,000 to teach mothers how to play with their babies.

Mr. Speaker, we owe it to the taxpayers of this country—people who are required to pay more and more taxes each year for programs which they know very well in many instances not to be worthy of support with tax dollars—to stop this ridiculous kind of spending. Only when we do can we lessen taxes and apply those funds to more purposeful undertakings.

These unnecessary expenditures must stop. And, I do not mean at some future point. I mean now.

DIXIE HOLLINS HONOR SOCIETY

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. YOUNG of Florida. Mr. Speaker, on May 10 of this year I had the honor and pleasure of speaking at the induction ceremonies of the Dixie Hollins High School chapter of the National Honor Society. These ceremonies recognized the outstanding scholastic achievements of St. Petersburg youths attending Dixie Hollins High School.

I was especially impressed with the speeches made before the assembled students and guests because they dealt directly with topics of utmost importance to all Americans, young and old: Leadership, scholarship, character, and service. Therefore, I would like to share these speeches with my colleagues in the House, in the hope that they, too, will share my pride in these fine young Americans:

LEADERSHIP

(By Melinda Huffman)

The ability to lead is an important requisite in selecting members for National Honor Society. In order to lead, and to lead well, a person must have within himself understanding, integrity, ambition, and all the qualities which enable him to command the respect of his fellow students. A leader has confidence in himself and will go forward when others hesitate—taking a stand and leading the way that is best for all. The price of leadership is sacrifice—the willingness to give up one's own personal interests for the interests of others.

Leadership may be demonstrated in many ways in high school. The most outstanding, of course, is to hold an office in clubs or classes. Leadership may also be expressed in other areas such as in sports or student government. In taking the initiative in class and school activities, the real leader strives to train and help others to reach the same objectives. The challenge of the leader is to do more—to contribute—to take the lead and do away with the word "impossible."

Being a good leader means knowing both when to lead and also when to follow. Followers are just as important to a leader as the leader is to followers. It is, therefore, important for everyone to possess qualities of leadership, and yet be able to follow when necessary.

No matter what ideas or creative resources exist, they are ineffectual without the guidance of a wise leader. Leadership is always needed for this reason, National Honor Society holds this quality in high esteem and requires substantial evidence of it in each and every member. The National Honor Society needs and wants students with moral integrity, ambition, and courage to do what they feel is right in spite of popular belief. For even as National Honor Society recognizes leadership, so will society later in life.

SCHOLARSHIP

(By Caroll Johnson)

The quality of scholarship is the only requirement not under the subjective judgment of teachers, except in the indirect sense of grades. To even be considered for acceptance, a student must have a 3.5 grade point average as a junior, or a 3.25 average in his senior year. When evaluating the student, the teacher is asked to list the student's grades for the first two six weeks if the student is presently in that teacher's class.

When I began to write this speech, I naturally turned to the dictionary for a definition. *The American Heritage Dictionary of the English Language* defines scholarship as "The methods, discipline and attainments of a scholar; learning." Thus armed, I set to work. But I soon realized that this definition is inoperative within the situation. We are not honoring these attributes of a scholar, we are honoring good grades. Let us not be deluded into thinking that the presence of one necessitates the presence of the other.

All too often good grades indicate the ability to pass tests, follow instructions, and stay out of trouble. This is not learning, therefore, it is not scholarship. Thus, I cannot correctly say that we are the best and the brightest that Dixie Hollins High School can offer. We are the success stones, yes; the ones who have adjusted well to the school system; but we cannot say more than that.

There is nothing wrong in honoring good grades. But we should admit this. Not for our sake, but for the sake of future honor societies, we should change the wording from scholarship, with its implications of learning and knowledge, to scholastic achievement, which only stipulates success in school.

CHARACTER

(By Mary Porta)

What is character? One man (Elbert Hubbard) put it this way. Character is the result of two things: mental attitude and the way we spend out time. The things that a person constantly thinks about make up his mental attitude. If one constantly dwells on negative thoughts and how bad life is, then this will become his mental attitude. If that person, on the other hand, tries to fill his mind with positive thoughts his mental attitude will be a good one. This attitude shows to others what a person's character is.

The other half of character is the way one spends his time. To develop a good character a person doesn't have to do great heroic deeds. It's the little things done every day that count. Things like cheering up a friend when they're down, helping out without expecting anything in return, or just smiling at a stranger. All these things show to others a person's character.

SERVICE

(By Brent Reck)

What is service? Who should be the recipient of it? These questions are important to all inductees of the National Honor Society.

Service to the community is one form. Going out and helping those less fortunate or in an emergency, or to help people get back on their feet are all examples of service. Even less complicated than these is to do one's civic duty and vote for the candidate of his choice. These ways are rewarding in that a person wouldn't receive any money; just the personal satisfaction of having done it is enough. Service to the community, however, is not the most important service.

Service in one's school is also important. Helping school spirit by participating in sports, the biracial committee, student government, clubs, and especially National Honor Society where the members tutor other students in subjects they're having difficulty in are other ways to serve. Many colleges look for this to see if a student has any service potential which will benefit the college.

Often overlooked is service to one's family, which is more important than the others above, because it is here one learns the meaning of the word and has the opportunity to try it out. A person can do this by helping one's parents just for the satisfaction of it; by mowing the lawn, washing the dishes, taking out the garbage, or a hundred other things. Doing things for one's brothers and sisters, like keeping quiet when they have to study or doing something that is important to them, or even doing a chore of theirs when they want to go somewhere and they don't have the time are additional ways to serve. These are just a few of the things a person can do for service to one's family.

The last and the most important is service to oneself. This form of service can be called honesty. This word has taken many forms. One of them is not settling for second place when a person can achieve first place. For if one does this, he is not being honest with himself and can't be honest with anyone else; and, therefore, he can never give any worthwhile service at all.

In conclusion, service may be many things to many people, but without it, everyone would be helpless and, in a sense, worthless.

JUST FOR THE RECORD

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. DERWINSKI. Mr. Speaker, Tom Croarkin and Sam Seymour, editors of the Bremen Township News Record, in their column which appeared in the May 30 edition of the News Record, very appropriately and with great sensitivity discuss the meaning of Memorial Day.

The article follows:

JUST FOR THE RECORD

(By Tom Croarkin and Sam Seymour)

I do not suppose I really know why, but I still get the chills when I hear the National Anthem being played.

Because of various inequalities that exist within our society and due to the surfacing of wrong-doings by many of our political leaders, the Flag's honor has become a bit tattered.

I become a bit disheartened when people do not acknowledge the Flag's raising at a public event, such as baseball and football games.

Perhaps a piece of cloth is, in itself, irrelevant in building and maintaining a peaceful and productive country, but the flag should serve as a constant reminder that the people of this country must have a common goal.

When a crowd rises to recite the Pledge of Allegiance or sing the National Anthem, it is not solely for the purpose of saluting the Flag. By standing in unity, people display a willingness to work together and to strive for harmony throughout the country and the world.

Undeniably, there are the hypocrites, and this too is sad.

Memorial services were held this week for those who have given their lives for this country, and regardless of what your thoughts might be on war, we have a lot for which to give them thanks. They gave us everything they had.

It is not the victory of battle; it is the men who fought the battle that we should remember when saluting the Flag. Why these men risked their lives is what we should ponder.

I feel a sense of regret that there is a Memorial Day, for it would not be necessary if wars did not exist.

Let us hope that the list of those to be honored on Memorial Day has been completed. There are no winners in war, for as long as it remains a desire of men, the conquerors shall themselves soon be conquered.

With devastating weapons from which there is no hiding just a push of a button away, man can no longer afford the risk of the consequences created by aggression of one country against another.

Should nuclear war become a reality, there will be no Memorial Day for the dead.

JOSEPH P. GRAZIANO CITED BY CATHOLIC WAR VETS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. GAYDOS. Mr. Speaker, each year Post 1559, Catholic War Veterans, in McKeesport, Pa., and its ladies auxiliary select a deserving individual to receive the organization's Good Fellow Award. The honor is a coveted one for its recipient must be of high moral character whose integrity is above reproach and who has demonstrated faithful and devoted service to his church and his community.

The 1974 honoree more than meets those stringent qualifications. He is Joseph P. Graziano, a member of the McKeesport Police Department for 23 years and, as of January 6, its chief of police. As a law officer, his performance of duty has been outstanding; as a man he has earned the admiration and respect of those who know him.

Chief Graziano, a lifelong resident of McKeesport, resides with his widowed mother, Mrs. Momena Graziano, at 601 Ridge Street and is active in the affairs of St. Peter's Church and many fraternal groups. He belongs to Aerie 285, Fraternal Order of Eagles; Lodge 136, Benevolent Protective Order of Elks; Lodge 75, Loyal Order of Moose, and the Swedish Singing Society.

A 3-year Army veteran of the Pacific theater during World War II, including participation in the invasion of Leyte, Chief Graziano is a member of Burt Foster Post, 361, American Legion. He also belongs to Associations of Police Chiefs on the State and county levels.

The esteem in which Chief Graziano is held by his friends and neighbors was attested to by the hundreds of people who attended the May 26 banquet in his honor. Among those on the program were several prominent personalities, including State Senator Edward P. Zemprelli; Allegheny County District Attorney John J. Hickman; Allegheny County Deputy Coroner Bernard McGowan, who served as toastmaster for the occasion; McKeesport Mayor John Pribanic, and Councilmen Albert Elko and Andrew J. Jakomas; Allegheny County Police Superintendent Robert G. Kroner, and Pennsylvania State Police Capt. John H. Angell.

In recognition of his achievements, Chief Graziano also was awarded a life membership in Post 8, Amvets, by his long time friend and fellow police officer, Frank Shranatan, commander of Post 8.

Mr. Speaker, I salute the officers and members of post 1559, CWV, notably Gabriel Bertoty, general chairman for the testimonial dinner, and Comdr. William Matta, for their selection of "Joe" Graziano as the "Good Fellow of the Year" for 1974. He is most deserving of the title.

PROFESSIONAL STANDARDS REVIEW ORGANIZATIONS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my Washington Report entitled "PSRO's."

PSRO's

The 1972 amendments to the social security law provided for the creation of Professional Standards Review Organizations (PSROs), a program administered by doctors (usually 300 or more) to evaluate the necessity and the quality of medical care under Medicare and Medicaid. Provisions for PSROs were not included in the original House bill but were added in the Senate by Senator Bennett (R. Utah). In the final hours of the 92nd Congress, the House approved the social security amendment by a vote of 305–1, without any floor discussion of the PSRO provision, and the Senate approved the amendment unanimously.

On the basis of testimony before the Congress on the over-utilization of facilities, unnecessary surgery and other treatment, and the exploding costs of Medicare/Medicaid it was apparent that the review procedures were inadequate. The premise of the PSROs is that only doctors, and not insurance officials or bureaucrats, are qualified to judge whether services ordered by other doctors are necessary. Under the law, PSROs are to be formed by practicing doctors in designated areas to assume review of the services provided through Medicare and Medicaid. Participation in the PSRO is voluntary. The question for the PSRO is whether the health care delivered is medically necessary and whether it is provided in a setting most appropriate to the patient's needs. To achieve these goals, the doctors in the PSRO establish norms of care intended, not to stifle innovation, but to assure reasonableness. PSROs do not have the authority to review charges or patient eligibility.

Many doctors, including many in Indiana, believe the PSROs threaten the present health care system and they have urged repeal of the PSRO law. Doctors are concerned that PSROs have the potential for a large amount of governmental interference in private practice. They believe the PSROs will create huge and costly government bureaucracy empowered to dictate and standardize treatment, invade the privacy between doctor and patient, and interfere with a patient's right to receive the best care. However, many doctors are cooperating with HEW in setting up the program, and the AMA testified on May 8 in the Congress that its official position was that repeal might have to be considered if satisfactory amendments were not adopted. The Department of Health, Education, and Welfare (HEW) responds to these criticisms as follows:

(1) Interference with the practice of medicine: The PSROs will not interfere with the doctor's practice of medicine because the PSROs are composed exclusively of local, practicing physicians. The government has no desire or authority to review medical care.

(2) Government-dictated treatment: The PSROs will use the norms developed by doctors to aid in selecting cases of misutilization of health care services or the delivery of substandard care for in-depth review. Only by such peer review, a process repeatedly supported by doctors, can decisions be made regarding the medical necessity and the quality of care.

(3) Impinge on confidentiality of patient records: Confidentiality is a problem in existing private and public programs. No change in the privacy of the doctor-patient relationship will occur because local doctors, not federal employees, will review records in the same manner they do today. Patient profiles will be developed, but the identity of the patient will be protected, and the law is intended to allow access to Medicare/Medicaid patient records only in unusual situations and certainly not routinely. Sharing the concern of the doctors on the need to maintain confidentiality, the Department is developing further guidelines to assure confidentiality.

(4) Costs: PSROs will involve administrative costs, but they are designed to assure that health dollars are better spent. The costs of the PSROs will be small considering the total cost of Medicare/Medicaid (an estimated one-fourth of one percent of the total cost) and also considering the improved quality of care and the substantial costs saved above the cost of review.

(5) Time and paperwork: PSROs will not create more work because they will not duplicate satisfactory hospital review already existing and because they have been designed to concentrate the doctor's time on matters requiring his medical judgment and allowing staff to handle administrative detail. A doctor will be compensated for his work on a PSRO.

(6) Repeal: Simple repeal of the PSRO provisions would make applicable existing provisions of law on access to records, sanctions and review requirements which would remove doctors from these activities and utilize instead bureaucrats and insurance officials.

The PSRO is a complex, controversial, and ambitious program with many unanswered questions with ramifications at all levels of medical care. President Nixon strongly supports the PSRO. Members of the key Senate and House committees have advised me that the repeal of the PSRO law is not possible in the near future, but the prospects for amending the law are better. At this point, it is important that the government should move cautiously, not making unreasonable demands upon doctors, and always in consultation with them, and work closely with them on essential elements of the PSRO program. The results of that cooperation may lead to repeal or revision, but, in the end, will almost certainly lead to better health care for Americans.

IMPORTANCE OF SMALL BUSINESS

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. GUNTER. Mr. Speaker, the vital importance of small business to the overall economic health of the Nation and to the welfare of all Americans was effectively and ably stated by Senator ALAN CRANSTON of California in an article in the May 15, 1974 issue of Forbes magazine entitled, "The Preservation of Small Business is the Preservation of Our Independence."

I wish to call attention to this thoughtful exposition by inserting it at this point in the RECORD.

THE PRESERVATION OF SMALL BUSINESS IS THE PRESERVATION OF OUR INDEPENDENCE

(By Cranston of the Senate)

Americans like to think of the U.S. economy in terms of large corporations. But Alan Cranston, senator from California and chairman of the Senate Banking Subcommittee on Small Business, argues that small businesses still come close to being the bedrock of the U.S. economy.

By *small*, Cranston means businesses with less than $1 million a year in sales and under 500 employees. Such businesses generate 40% of the U.S. gross national product, provide something like 40 million jobs, employing roughly half the entire U.S. civilian work force, and altogether number 10.5 million or so separate enterprises.

"In fact, 97% of all businesses are small businesses," says Cranston, who quit the real estate firm his father founded to go into politics in 1958. "Outside of farming, the bulk of small businesses operate in service industries. Retail comes next, then manufacturing, but not too much of that because manufacturing requires pretty heavy investment."

Cranston doesn't claim that, by the yardsticks familiar in bigger businesses, small business is especially efficient. "Economic efficiency means in this instance giving people what people want." Small businessmen willingly work long hours for what would be considered sweatshop wages in any other industry, and, even at that, most small businesses are inherently marginal enterprises that are inordinately vulnerable to any economic downturn. "They fail," says Cranston, "predominantly because of lack of capital and lack of proper management guidance." These are the deficiencies that the Small Business Administration—over which Cranston's committee has jurisdiction—is supposed to be trying to correct.

Says Cranston: "There are an awful lot of Americans who want to be independent, want to be able to make their own decisions and are willing to take some risks in return for that. They take risks, they earn less and they keep at it under very difficult circumstances. They have sort of the American pioneering individualistic spirit. Instead of letting such people get lost in the bureaucracy of some big enterprise, I think we should continue to provide these Americans with such opportunities."

Any consumer who has ever dealt with a plumber, a television repairman, or an auto mechanic may imagine that the small businessman resembles the highway robber more than he does the pioneer. Moreover, several generations of American literary observers, from Sinclair Lewis with his Babbitt to William Faulkner with his rapacious Snopes family, have tended to suggest that small business represents the free enterprise system at its most mean-spirited—self-interested, immoral, penny-pinching, sharp-dealing, corrupt, rapacious and largely immune to any sense of public responsibility. Great Atlantic & Pacific Tea Co. can be embarassed, and has been, by being found out charging higher prices in ghetto neighborhoods than it does elsewhere, but small businessmen can and do profiteer in such fashion with impunity.

For all its faults, Cranston argues, small business does what big business cannot do: give personalized service. "It's in the service industries that small business is very predominant—shoe shine, barber shop, beauty shop, shoe repair, and so forth, and I doubt that big business can handle these operations. People get fed up with the mass-produced chain approach. Small businesses provide better service and more individual attention. They give people what they want. That's why they survive."

Small business provides jobs on a vast scale. The average small business, Cranston figures, has six employees. More likely than not, those employees are neither highly skilled nor well educated and might be hard put to find employment elsewhere. Cranston complains, for instance, that 10,000 people lost their jobs last year when 1,800 small businesses went bankrupt because $48 million of the Small Business Administration's direct loan funds were frozen. "Not even counting the cost in human suffering," Cranston says, "this is bad economics."

"Since virtually all that loan money would have been paid back, its impoundment is no real saving to the taxpayer. By contrast, those 10,000 people who were thrown out of work could have collected more than $54 million in unemployment compensation payments, part of which is tax money. And if each of those 10,000 people normally pays only $500 a year in income taxes, their forced unemployment means a reduction of $5 million in tax revenues."

In short, the care and feeding of small business is in part a highly productive and economically efficient alternative to welfare.

"I think the preservation of small business is very much the preservation of our independence," Cranston says, "just as I think the maintenance of government at the local level is vital to our survival. You can get *at* your local city government, and the same goes for small business."

To assure its survival, Cranston these days is sponsoring a bill to help small businessmen hurt by the energy crisis to refinance their loans. He would also like to see small business protected against big-business competition, through more vigorous prosecution of the antitrust laws.

But Cranston is hardly doctrinaire. He was also a prime mover in winning $250 million in government-guaranteed loans for one of the U.S. largest business enterprises—ailing Lockheed Aircraft Corp.—and he did so for much the same reason that he favors the protection of small business. "At no risk to the Government, those loans kept in business a company that provided 30,000 jobs in California, as well as a tremendous number of small business subcontractors. They also enabled Lockheed to diversify into a civilian kind of enterprise—the L-1011. I think it was a healthy thing to do at that time, for small business and for big business."

Cranston thus comes close to agreeing with Irving Kristol (*p. 74*) that sheer efficiency should not be and cannot be the sole guide to which businesses are allowed to survive and which not. Adam Smith's "unseen hand," he would argue, needs considerable holding.

TRIBUTE TO JOZSEF CARDINAL MINDSZENTY

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 29, 1974

Mr. HELSTOSKI. Mr. Speaker, Jozsef Cardinal Mindszenty, a man whose name is synonymous with the highest of human virtues, was in Washington a short while ago as part of his most recent trip to our country.

In this time of confusion at home and anxiety abroad, Cardinal Mindszenty's presence in our country dramatically underscores the sanctity of human dignity and freedom. Confronted by oppressors throughout his life, this man never gave up; he continued to fight back, becoming stronger each time.

Cardinal Mindszenty was named Prince Primate of Hungary after World War II, partly because of his anti-Nazi record. However, he subsequently resisted communism as well and was imprisoned for 8 years. Ultimately, he sought asylum in the American Legation.

Mr. Speaker, few men have sacrificed more in the spirit of patriotism and liberty. Not only has his life been an inspiration to the members of his own religious community, but Cardinal Mindszenty has been an inspiration to all who believe in humanity. Hence, today I would like to take this opportunity to salute him and to thank him not only for the contributions he has made to his own people of Hungary, but for the contributions he has made to mankind.

SUGAR ACT

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 5, 1974

Mr. CONYERS. Mr. Speaker, I deeply regret that I will be unavoidably absent

from the floor during the vote on the amendment to the Sugar Act extension offered by Mr. MITCHELL of Maryland.

This crucial amendment, which would end the sugar quota for South Africa and what is in effect a large-scale subsidy of wealthy South African sugar interests, has my firm support.

It is well past the time when our Government should offer any encouragment to the world's only nation in which racial discrimination is legally sanctioned.